UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS
FIRST SESSION

VOLUME 103—PART 5

APRIL 15, 1957, TO MAY 15, 1957
(PAGES 5643 TO 7060)

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1957

J
11
.R
V.103
pt.5

DEPOSITED BY THE
UNITED STATES OF AMERICA

Congressional Record

United States of America

PROCEEDINGS AND DEBATES OF THE 85th CONGRESS, FIRST SESSION

SENATE

MONDAY, APRIL 15, 1957

(Legislative day of Friday, April 12, 1957)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Dr. Robert E. Van Deusen, secretary, division of public relations, National Lutheran Council, Washington, D. C., offered the following prayer:

Spirit of God, descend upon our hearts, and take the dimness of our souls away. Give us the grace to face simply and honestly the issues that are before us.

Help us to think clearly, and not to permit the surge of emotions or the pressure of conflicting opinions to disturb our inner calm.

Open our ears to Thy voice speaking to us, and give us the courage to obey. Make our hearts and minds quiet before Thee, and our wills ready to do Thy bidding. In Jesus' name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Friday, April 12, 1957, was approved, and its reading was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolutions, and they were signed by the President pro tempore:

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River flood control compact;

S. J. Res. 72. Joint resolution to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until tomorrow at noon.

The VICE PRESIDENT. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, I should like to make a brief announcement. Because the unfinished business, House bill 5520, to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds, is considered to be of immediate importance, and because, as reported by the Senate Finance Committee, the bill contains provisions substantially different from those adopted by the House of Representatives, in the case of interest rates, I ask the indulgence of Senators in scheduling the bill for action by the Senate prior to the holding of the morning hour today.

It is my intention to ask unanimous consent that there be a morning hour immediately after the Senate completes action on House bill 5520.

It is not planned that any other bill will be considered today. However, the Senate will meet tomorrow; and it is hoped that at that time the Senate will be able to proceed to the consideration of the following measures:

Calendar No. 181, Senate bill 1034, to authorize and direct the Secretary of Agriculture to convey to the University of Missouri for agricultural purposes certain real property in Callaway County, Mo.

Calendar No. 217, Senate Joint Resolution 12, relating to the Yellowtail Dam and Reservoir project.

Calendar Nos. 226 to 231, which are six bills reported from the Senate Finance Committee, and not believed to be controversial.

Mr. KNOWLAND. Mr. President, will the Senator from Montana yield to me?

Mr. MANSFIELD. I am delighted to yield to the distinguished minority leader.

Mr. KNOWLAND. In addition to the measures which have been mentioned, if the House of Representatives acts today on the deficiency appropriation bill, which contains the Post Office Department appropriation, and if the bill comes to the Senate, and if the chairman of the Senate Committee on Appropriations is able to have a hearing on the bill tomorrow morning and is able to report the bill at that time, then, in the event the Senate gives unanimous consent for that purpose, I hope that bill, which contains the Post Office Department appropriation, will be considered promptly by the Senate.

Mr. MANSFIELD. Mr. President, I assure the distinguished minority leader that, so far as I am concerned, we shall cooperate with him to the best of our ability.

Mr. KNOWLAND. I thank the Senator from Montana.

INCREASE OF INTEREST RATE ON UNITED STATES SAVINGS BONDS

Mr. MANSFIELD. Mr. President, I ask that the unfinished business be laid before the Senate.

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 5520) to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States Savings Bonds, which had been reported from the Committee on Finance with an amendment on page 1, line 9, after the word "of", to strike out "3½" and insert "3.26."

Mr. MANSFIELD. Mr. President, I ask unanimous consent that Mr. Robert P. Mayo, chief of the debt division of the Treasury Department, be given the privilege of the floor of the Senate while the unfinished business (H. R. 5520) is being considered.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I should like to give a brief explanation of House bill 5520.

The bill raises the maximum permissible interest rates on Government savings bonds to 3.26 percent. In recent months the sales of savings bonds have been decreasing, and redemptions increasing, primarily because general interest rates have gone up considerably while the rate of returns on savings bonds has changed by only one-tenth of one point since the first E-bonds were sold in 1941. The monthly redemptions of savings bonds have exceeded sales for every month since August of 1956. Sales have not exceeded redemptions by any substantial amount in any single month since March of 1956.

In a public statement on February 14, 1957, the Treasury announced plans to increase the interest rates on series E and series H savings bonds. This would be done by selling a series E savings bond at the same price which is presently charged, but with a shorter maturity. For example, the $100 bond would still be sold for $75, but it would mature in 8 years and 11 months, compared with the present maturity time of 9 years and 8 months. The terms of the H-bond will be changed in the same fashion. An H-bond is broadly similar to an E-bond, except that interest is paid by check, instead of being postponed to maturity. The Treasury announced that the new maturity period, if approved by the necessary legislation, would be applied to all savings bonds sold after February 1, 1957.

The Finance Committee has given serious consideration to the Treasury request for raising the present maximum rate on savings bonds above the present 3 percent. We are bringing the bill to the floor with a certain amount of regret. Higher interest rates do increase the cost of carrying the public debt. In addition, higher interest rates make it difficult for small businesses and home owners to borrow funds to finance investments which are necessary for the prosperity of the national economy. We urge Senate support of this particular rate increase, however, because the rate on savings bonds is now considerably out of line with the general structure of interest rates. Even though some may feel that interest rates as a whole are too high, the sales of savings bonds will continue to lag unless the rate of interest they pay is made more nearly consistent with other rates.

The Finance Committee gave consideration to two other issues in connection with this increase. The first was the question of whether or not there should be greater flexibility for the Treasury to increase interest rates on savings bonds if inflationary pressure should build up in the future. The Treasury originally requested that the statute provide that the savings bonds rate could be raised to 4¼ percent, even though they had only announced plans to sell a 3¼ percent bond. The House bill would raise the ceiling only to 3½ percent. The Finance Committee has further reduced the new ceiling to 3.26 percent, which will be adequate to sell the bonds described in the Treasury announcement of February 14.

Let me say that the action of the Senate Finance Committee is an indication that the committee desires to discourage further increases in interest rates in financing Federal obligations. We felt strongly that the serious aspects of higher interest rates require that any further increase should be accompanied by a request for legislation. Experience in the past has indicated that the market for savings bonds declines slowly enough in an inflationary period as to afford ample time for additional legislation.

It is an important feature of this type of bonds, however, that individuals should have confidence in the rate of return. Many short-term fluctuations in the rate of returns would encourage individuals to withhold their purchases from time to time when there was reason to gamble on another increase. It is proper that the rate on bonds sold to the public should remain at an announced level for years, and not months.

I ask for the passage of the bill.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

The VICE PRESIDENT. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 5520) was read the third time and passed.

TRANSFER OF RIGHT-OF-WAY FOR YELLOWTAIL DAM AND RESERVOIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 217, Senate Joint Resolution 12, relating to Yellowtail Dam and Reservoir.

The VICE PRESIDENT. The joint resolution will be stated by title.

The CHIEF CLERK. A joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Interior and Insular Affairs with amendments.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there may be the usual morning hour, for the introduction of bills and the transaction of other routine business, and that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

JOINT RESOLUTION OF ARIZONA LEGISLATURE

Mr. GOLDWATER. Mr. President, I present, for appropriate reference, a joint resolution of the Legislature of the State of Arizona, relating to the appropriation of funds for the construction of a fish producing and rearing station in Sycamore Canyon, north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.

There being no objection, the joint resolution was referred to the Committee on Appropriations, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Memorial 4

A joint memorial requesting the United States Congress to appropriate funds for the construction of a fish producing and rearing station in Sycamore Canyon north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.

To the Congress of the United States of America:

Your memorialist respectfully represents:

It is generally agreed that fish producing and rearing stations in Sycamore Canyon north of Cottonwood, Ariz., and another in the Bullhead City area would be beneficial to the residents of Arizona. Production facilities in this State are limited, and available money and locations for additional fish hatcheries from State funds are improbable.

Wherefore your memorialist, the Legislature of the State of Arizona, prays that the Congress of the United States is requested to give its most earnest consideration to provide an adequate appropriation for the specific purpose of constructing a fish producing and rearing station in Sycamore Canyon north of Cottonwood, Ariz., and another in the area of Bullhead City, Ariz. The exact location shall be determined by the recommendations of the United States Fish and Wildlife Service.

REPORT OF COMMITTEE ON THE JUDICIARY

Mr. O'MAHONEY, from the Committee on the Judiciary, to which was referred the joint resolution (S. J. Res. 70) requesting the President to proclaim the week of April 28 to May 4, 1957, inclusive, as National Mental Health Week, reported it favorably, without amendment, and submitted a report (No. 233) thereon.

CITATION OF EDWARD A. HINTZ FOR CONTEMPT OF SENATE—REPORT OF A COMMITTEE

Mr. FULBRIGHT. Mr. President, from the Committee on Banking and Currency, I report an original resolution, citing Edward A. Hintz for contempt of the Senate, and I submit a report (No. 232) thereon.

The VICE PRESIDENT. The report will be received, and the resolution will be placed on the calendar.

The resolution (S. Res. 124) was placed on the calendar, as follows:

Resolved, That the President of the Senate certify the report of the Committee on Banking and Currency of the United States Senate as to the refusal of Edward A. Hintz to answer questions before the Committee on Banking and Currency, said questions being pertinent to the question under inquiry, together with all the facts in connection therewith, under the seal of the United States Senate to the United States Attorney for the Northern District of Illinois, to the end that the said Edward A. Hintz may be proceeded against in the manner and form provided by law.

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Caleb R. Layton III, of Delaware, to be United States district judge for the district of Delaware, vice Richard S. Rodney, retired.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLANDERS:

S. 1876. A bill to amend the Internal Revenue Code of 1954 to provide a special method of taxation for real-estate investment trusts; to the Committee on Finance.

By Mr. AIKEN:

S. 1877. A bill for the relief of Louis G. Whitcomb; to the Committee on the Judiciary.

By Mr. GOLDWATER:

S. 1878. A bill for the relief of Choi Ok Ja; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 1879. A bill for the relief of Casey Jimenez;

S. 1880. A bill for the relief of Joaquin A. Bazan;

S. 1881. A bill for the relief of Lin Tsai Lin; and

S. 1882. A bill for the relief of Ling Chi Yuan; to the Committee on the Judiciary.

By Mr. JOHNSTON of South Carolina:

S. 1883. A bill to amend the Internal Revenue Code of 1954 so as to increase to $800 the amount of each personal exemption allowed as a deduction for income-tax purposes; to the Committee on Finance.

S. 1884. A bill to amend section 505 of the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. JOHNSTON of South Carolina when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 1885. A bill for the relief of David Forbes; to the Committee on the Judiciary.

RESOLUTIONS

The following resolutions were reported or submitted, and placed on the calendar, or referred, as indicated:

Mr. FULBRIGHT, from the Committee on Banking and Currency, reported an original resolution (S. Res. 124) citing Edward A. Hintz for contempt of the Senate, which was placed on the calendar.

(See resolution printed in full when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committees.")

STUDY OF METHODS OF PROVIDING AN OVERALL FEED PROGRAM

Mr. SYMINGTON. Mr. President, I submit, for appropriate reference, a resolution requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program.

The VICE PRESIDENT. The resolution will be received and appropriately referred.

The resolution (S. Res. 125) submitted by Mr. SYMINGTON, was referred to the Committee on Agriculture and Forestry, as follows:

Resolved, That the Secretary of Agriculture is requested to conduct a thorough study of possible methods of providing an overall feed grain program which can be made effective with the 1958 crop, and to report thereon with specific recommendations, including drafts of necessary legislation to carry out such recommendations, not later than July 15, 1957.

Mr. SYMINGTON. Mr. President, last week the Senate considered and defeated S. 1771, a 1957 corn bill.

I supported it for two reasons. First, I thought it offered an improvement over the existing laws as they relate to corn. Secondly, I wanted to see action taken during this session that would seek a more permanent solution to the overall feed-grain problem.

In my statement on the Senate floor last week, I pointed out the close relationship between feed-grain supplies and livestock prices. Legislation that deals successfully with the feed grains, in reality, deals with the entire agricultural economy.

Corn is only one of several crops which are used almost exclusively as feed for livestock. The other feed grains—barley, oats, rye, and grain sorghums—are excellent substitutes for corn.

The committee report accompanying S. 1771 stated:

> Testimony during the hearings indicated that one of the difficulties of making a corn program effective was the shifting of acreage to alternative feed grains not under any control. Witnesses from each farm organization participating in the hearing, while differing as to method, supported the idea that Congress and the Department of Agriculture must consider the total feed-grain supply, recognizing the alternate use of different feeds. Even the Department of Agriculture's witness emphasized the problem was not corn alone, but the total feed-grain supply.
>
> Lateness of the season made it appear impractical to place a new overall feed-grain program into effect this year. For that reason the committee expressed the hope increased corn participation in the soil bank under this bill in 1957 would help reduce the total feed supply to some extent, but nevertheless felt a start should be made at once toward the broader objective of seeking to bring the total feed supply into better balance with demand.
>
> Part of the difficulty encountered by Congress in working out a satisfactory program for feed grains in 1956, and again this year, resulted from a lack of data. The report required of the Secretary by the bill should therefore include all such historic data as may be obtained to assist Congress in working out a satisfactory program.

Since the proposed corn bill, S. 1771, was defeated last week, the Department of Agriculture has no direction from Congress to conduct this feed-grain study. Therefore, I submit this resolution, requesting the Secretary of Agriculture to make a thorough study of the possible methods of providing an overall feed grain program and to report his findings and recommendations to Congress no later than July 15, 1957.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO AN INCREASE OF PERSONAL EXEMPTIONS FOR INCOME-TAX PURPOSES

Mr. JOHNSTON of South Carolina. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 so as to increase to $800 the amount of each personal exemption allowed as deduction for income-tax purposes. I realize that Senators may not introduce measures concerning revenue, since such measures must originate in the House of Representatives. I ask that the bill be referred to the Committee on Finance, so that the committee may be studying this matter before the first revenue bill comes over from the House.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1883) to amend the Internal Revenue Code of 1954 so as to increase to $800 the amount of each personal exemption allowed as a deduction for income-tax purposes, introduced by Mr. JOHNSTON of South Carolina, was received, read twice by its title, and referred to the Committee on Finance.

HUMANITARIAN AND OLD-AGE RIGHTS ACT—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of April 4, 1957,

The names of Senators KEFAUVER, MAGNUSON, CLARK, LANGER, and CHAVEZ were added as additional cosponsors of the bill (S. 1793) to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds, introduced by Mr. HUMPHREY (for himself and Mr. PASTORE), on April 4, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Statement prepared by him entitled "Asian Assembly for Moral Rearmament," with reference to the recent Asian Assembly for Moral Rearmament meeting in the Philippine Islands.

Statement by him on H. R. 6790 and H. R. 6791, proposed bills relating to natural gas.

COMMENTS BY DAVE BECK, PRESIDENT OF THE TEAMSTERS' UNION, ON "THE ANTILABOR TIDE"

Mr. GOLDWATER. Mr. President, the April 1957, issue of the International

Teamster crossed my desk this morning, and I wish to take this opportunity to comment on a letter from General President Dave Beck entitled "The Antilabor Tide."

Mr. Beck has recently achieved a dubious distinction among labor leaders for his constant use of the fifth amendment while a witness before the Select Committee on Improper Practices in the Labor or Management Field, and, in light of his reluctance to assist the committee with its work, I should like to quote from his letter.

> The average workingman or woman is willing and anxious to do the right thing. He wants labor's house cleaned up wherever and whenever it needs cleaning.

Mr. President, does this statement ring true, coming from a man who refused to give a Senate committee any information whatsoever about his financial dealings while president of the largest member union of the AFL–CIO? Apparently Mr. Beck is speaking only for the average workingman or woman and not for himself, the master financial manipulator, who possesses the very real advantage of having other people's money to manipulate. Mr. Beck has shown no inclination to do the right thing in his appearances before the Select Committee Investigating Improper Practices in the Labor or Management Field.

Mr. Beck continues in his letter, in commenting on the recent passage of a right-to-work law in Indiana:

> And also in Indiana we hear a boast of a "slush" fund of $360,000, to achieve the objectives of repressing labor's rights.

This statement, also, needs a little examination due to the fact that Mr. Beck's chief lieutenant, Frank Brewster, sometime labor leader, but more often race horse owner, testified that the Western Conference of Teamsters spent $500,000 to defeat a right-to-work initiative in the State of Washington. This figure was later boosted to $1,080,000 by Howard Sylvester, executive secretary of one of the citizens committees which Mr. Brewster set up to defeat the right-to-work measure. Regardless of the exact figure spent, it is obvious that Mr. Beck is speaking out of the side of his mouth when he registers mock indignation at any sort of "slush funds." I suspect that the only thing that bothered Mr. Beck was the fact that he was unable to borrow from this fund, interest free.

There is one statement Mr. Beck makes in his letter to the membership of the International, with which I am completely in accord. In speaking of the "reactionary forces at work against labor," Mr. Beck comments:

> It may cost us each as individuals as Gompers said, to be associated with a labor organization.

How prophetic this statement is. So far it has cost the rank and file teamsters millions of dollars to support their erstwhile leaders in the manner to which they have become accustomed during the past decade. This money went for such items as transportation charges for Mr. Brewster's jockey and horse trainer, repairs on Mr. Brewster's horse van, investments in racing stables, interest free loans to Mr. Beck, $14 neckties, expenses for known gamblers, Mr. Beck's golf clubs, his love seat, his solid silver gravy boat, his electric razors, and other items too various and bizarre to mention. Yes, Mr. President, it will cost the average teamster plenty to take care of Mr. Beck, Mr. Brewster, and their closely knit clan of associates.

One last comment, Mr. President, on Mr. Beck's stirring message to the rank and file of his organization. Mr. Beck, in commenting on the road ahead, says:

> We must continue to carry out our main function—our principal function—perhaps our only really important function: the meeting with management at the collective-bargaining table and there facing our problems.

The select committee has heard dozens of witnesses and amassed some 3,426 pages of testimony, and, Mr. President, I defy Mr. Beck to point out one instance in which any member of the committee has criticized any representative of labor for carrying out this principal function of meeting with management at the collective-bargaining table. Mr. President, no Member of the Senate has more often been characterized as antilabor than has the junior Senator from Arizona and, yet, I defy Mr. Beck or Mr. Reuther or any other labor leader to point out an instance where I have been critical of labor leadership for carrying out this function.

Mr. President, the record of the Select Committee Investigating Improper Practices in the Labor or Management Field is replete with instances of labor leaders in the teamsters union having strayed far beyond the purposes for which labor unions were originally formed. No evidence has been presented to refute the allegations that teamster officials in Portland, Oreg., conspired to control the rackets in that city; no evidence has been offered to refute testimony and documents pointing out the fact that loans were made from teamster funds to set up poker palaces and bookie joints; Mr. Beck has certainly offered no evidence to refute the allegations that he borrowed some $340,000 from the teamster funds and neglected to pay any interest on this amount; no evidence has been offered to refute allegations that Mr. Brewster has used some $700,000 of teamster funds to meet his own personal obligations; nor has any evidence been offered to explain the purchases with union money of some $87,000 worth of goods for Mr. Beck by Mr. Nathan Shefferman.

Mr. President, I have one suggestion to make to Mr. Beck, and that is, if he would confine himself to his activities at the bargaining table there would be no need for self-serving, patently ridiculous letters such as the one in the April issue of the teamster magazine.

PROPOSED COMMISSION ON FEDERAL TAXATION

Mr. WILEY. Mr. President, the Nation noted with interest the news last Friday that the Senate Finance Committee had unanimously voted to undertake a review of the financial condition of the United States, including interest rates, revenues, and the handling of the public debt.

We know that this review, under the chairmanship of our distinguished colleague, the senior Senator from Virginia [Mr. BYRD], can and will make a most important contribution to America's reappraisal of this most vital subject.

I personally noted with particular interest the comments made by our able colleague from Virginia in response to a question as to the relation between this review by the Finance Committee, and the subject of tax revision.

I noted that our colleague indicated that in the expected course of the committee's review, some tax questions would indeed be considered. He commented further that one question which would probably come up is the size of tax load the Nation can bear if the free-enterprise system is to survive.

VIRTUAL UNANIMITY IN FAVOR OF WILEY TAX BILL

Mr. President, I should like to point out that for several months I have been stressing the advisability of a top-to-bottom review of the Nation's tax structure.

Along with 14 cosponsors, I introduced the Wiley bill, S. 769, for a Hoover-style Federal Tax Commission.

As I have previously reported in the Senate, this Wiley bill has drawn practically unanimous acclaim among expert observers throughout the Nation.

I have previously had printed in the CONGRESSIONAL RECORD the text of many comments which have come to me from leading business spokesmen throughout the United States, from corporation heads and chairmen of boards, as well as from other prominent individuals whose reactions I had sought.

I send to the desk several additional such replies from outstanding business leaders. I include the text of a letter which I received just this morning from the executive director of the Chamber of Commerce of the great city of Pittsburgh, advising that the directors of the chamber have approved this bill.

I submit the text of an editorial from the Monroe, Wis., Times, likewise approving the bill.

I ask unanimous consent that the letters and the editorial be printed at this point in the body of the CONGRESSIONAL RECORD.

There being no objection, the letters and editorial were ordered to be printed in the RECORD, as follows:

THE CHAMBER OF COMMERCE
OF PITTSBURGH,
Pittsburgh, Pa., April 11, 1957.

Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: The directors of the Chamber of Commerce of Pittsburgh wish to thank you for introducing S. 769 which would establish a Hoover-type commission to study and investigate the fundamental tax policy and tax structure of the Federal Government.

M. C. Conick, chairman of the Federal finance committee of the chamber's national affairs council, in recommending support of this bill to the board of directors, said:

"The Federal finance committee believes that this bill is for the good of our growing

Nation, and, in view of the present tremendous Federal tax take from the taxpayers, that it is especially desirable at this time that our entire tax structure be reviewed, studied and investigated by the Commission provided for in Senator WILEY's bill S. 769."

The Chamber of Commerce of Pittsburgh subscribes wholeheartedly to these views and congratulates you for initiating legislation which can bring about greatly needed reforms in our Federal tax system.

We are notifying our Pennsylvania Senators and Representatives from Allegheny County of our support for your bill.

Sincerely yours,

SHERMAN P. VOORHEES,
Executive Director.

DOUGLAS AIRCRAFT CO., INC.,
Santa Monica, Calif., March 7, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: We agree heartily with the purpose of this bill and believe that the composition of the commission you propose would be excellent for the purpose of taking a new overall look at this country's tax structure. We hope that your proposal will meet with success.

With every good wish, I am

Very truly yours,

FREDERICK E. HINES,
Vice President, Finance and Tax Counsel.

UNITED FRUIT CO.,
Boston, Mass., March 8, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I believe your suggestion could be quite useful, particularly if it was directed at the point of taxation for revenue rather than taxation for social purposes. There are many cases where the tax rates are definitely too high for proper collection of revenue and serve only to destroy initiative. This is particularly evident in the very high rates for large incomes.

On the other hand, I have not got much confidence in the result of a study placed purely on taxation. In my mind, the great evil of today's Government in Washington is the spending rather than the taxation, and I would far prefer to see a commission to discuss expenditures with a point of view of putting more of the burden back on the States and on the foreign countries. I do not feel that our Federal Government should subsidize the whole world and I am very fearful of the results of what is now going on. This is particularly in evidence where spending for State purposes may force greater expenditures than the States would care to spend if they had a free hand. As you can understand, I am a believer in government economy.

* * * * *

If I can be of any use to you, I will be only too glad to do what I can, and I appreciate your interest in this subject.

Sincerely,

T. JEFFERSON COOLIDGE.

KOPPERS CO., INC.,
Pittsburgh, Pa., March 15, 1957.

Senator ALEXANDER WILEY,
United States Senate,
Committee on Judiciary,
Washington, D. C.

MY DEAR SENATOR WILEY: I was very pleased indeed to receive your communication concerning S. 769, designed to create a 12-man Hoover-type commission on Federal taxation.

I have, of course, been greatly disturbed by the continuance of high income-tax rates which result in corporate taxpayers paying to the Government more than half their earnings. I know of no informed person who attempts to justify this situation. Nevertheless, we have had a rash of bills introduced in this session of Congress for the purpose of granting relief to small business, but which would accomplish this by an even higher tax rate on "big" corporations. I refer particularly to the Fulbright bill (S. 150), which I understand Senator FULBRIGHT and others intend to offer as an amendment to H. R. 4090 when it reaches the Senate. Even more objectionable proposals have been offered by Senator SPARKMAN, Representative PATMAN, and others which would call for a graduated corporate income tax.

Even at the present level of corporate tax rates, the burden is so heavy that business transactions must always be guided by tax results, and very often the tax system operates to prevent what business intelligence would otherwise require.

It may well be that "small" business needs tax relief, but it does seem to me that any attempt to solve the problem by granting relief merely to small corporations at the expense of the larger units is entirely futile, since only a narrow segment of the small businesses of the country operate as corporations. Representative DANIEL REED recently stated that only about 15 percent of the small businesses of the country operate in the corporate form.

I mention these facts because they have a bearing on your proposal for a Hoover-type commission to examine the entire question of taxation. I am strongly in favor of such a commission and hope that it may dramatize and bring to popular attention obvious defects in our present system of taxation which proponents of higher taxes for "big" corporations almost always ignore.

I therefore want to give my strongest support to your proposal and wish you success in this laudable effort to promote a sensible examination of this most important factor in today's economic life.

Sincerely yours,

FRED C. FOY.

[From the Monroe (Wis.) Times of February 20, 1957]

SENATOR WILEY'S IDEA

There is considerable merit and potential for tremendous service to the Nation's citizens in Senator WILEY's proposal for establishing a Federal Tax Commission.

This 12-member group would study the entire Federal tax structure and make recommendations for changes to improve the programs and to correct inequalities.

It also is highly possible that such a commission might provide the much-needed clearinghouse for giving recognition to the growing revolt against the continued increase in Government spending.

There are some, of course, who do not concede that such a rebellion against big Government is under way. We merely point to the deluge of mail being received by Members of Congress in the wake of the record $72-billion budget proposal as the best possible evidence that the opposition to spending is gaining momentum.

In connection with his proposal, Senator WILEY has polled many industrial leaders for their reaction to the Federal Tax Commission plan. The early replies indicate these leaders are heartily in favor of the plan.

One of them, the head of a giant automobile firm, pointed out some tax facts which have been largely overlooked. Since 1939, he said, Congress has been faced with one emergency after another requiring additional revenues. Main consideration, he contends, has been given to finding taxes to yield those revenues without regard to the long-range effect of the tax structure being created.

The procedure for levying these taxes in many cases, this industrialist claims, has resulted in pyramiding them for the ultimate consumer. In the case of an automobile, the total of taxes attached to the retail price is likely to be as much as 30 percent.

Another industrialist wrote Senator WILEY that the "only body of law which affects each of us in practically everything we do is the tax law."

"Directly, or indirectly," he added, "the tax law can influence what we eat, where we live, what we wear, what we do for a living, even what we do for entertainment."

Most of us will agree with that. By design or by accident, tax laws actually are governing the people more than anything else.

DOUBTFUL IF COMMITTEE CAN FULLY STUDY TAXES

Mr. WILEY. I fully recognize, of course, the outstanding competence of my colleagues on the Finance Committee, especially the expertness of the chairman of that committee, who has devoted so many years to this subject, and who is undoubtedly one of the great tax experts in the land. Nevertheless, I still hope that a 12-man Citizens Commission of the type recommended by the Wiley bill, may be appointed.

I believe that such a group, relieved of the day-to-day pressures of legislation, could take the long-range look of the type I have recommended. As outlined in the RECORD of January 22, the Commission would have until January 1, 1959, to make its final report.

Of course, in the meantime, whatever the Senate Finance Committee can do by way of appraisal of parts of our tax structure, will be welcome.

NINE HUNDRED BILLIONS OF DEBT TO BE STUDIED

But in view of the enormous area to be covered in the course of the Finance Committee's review, I doubt if it will find the time to give to the tax phase as much attention as I am sure my colleagues would agree it deserves.

The committee may, for example, have its hands full, looking at the debt problem alone—America's $900 billion of debt, two-thirds of which is private, one-third public.

TODAY IS FEDERAL TAX DEADLINE

I hope, therefore, that the Wiley bill can still be acted upon, in view of its tremendous significance to 60 million taxpayers who, on this very day, April 15, are due to file their 1956 Federal tax returns. The Wiley bill constitutes, in my humble judgment, the most promising single avenue for fundamental, long-range tax reform.

STATEHOOD FOR HAWAII AND ALASKA

Mr. CHURCH. Mr. President——

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Idaho.

Mr. CHURCH. Within a few short weeks the enabling bills, now pending in committee, which will, if passed, grant statehood to the Territories of Hawaii and Alaska, will be debated upon the floor of the Senate. The fate of these measures, in my opinion, will depend upon the type of effort made by the President of the United States in support of them. For this reason I wrote a letter

to the President and delivered it last Friday. The letter is as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 12, 1957.

The PRESIDENT,
The White House.

MR. PRESIDENT: On November 23, 1956, shortly following my election to the United States Senate, I wrote to you concerning a highly important bipartisan matter, our foreign policy. In that letter, I pledged my support, within the full limits of my convictions, to your efforts to keep the peace, and I have already had occasion, by vote in the Senate, to honor that pledge.

Today, I feel obliged to write you about another vital bipartisan matter, statehood for Hawaii and Alaska. The platforms of both the Democratic and Republican Parties have long supported statehood for the two Territories, and the cause has your personal endorsement. Yet, for reasons quite apart from the merits of the cause, I am fearful that statehood for both Hawaii and Alaska will once again fail of enactment in the Congress, unless you actively undertake to support your endorsement with the full potential of your high office.

As a member of the Senate Committee on Interior and Insular Affairs, I have participated in the hearings, recently concluded, on the statehood bills. I am also a cosponsor of these bills. The evidence presented at the hearings makes the case for statehood so compelling that our continued failure to grant it will soon be regarded as a denial of the very tradition that has made our country strong and great. As measured by every historic test, the people of Hawaii and Alaska have qualified for statehood for many years. Again and again, they have petitioned the Congress, but each time to no avail. Now, at the outset of your second term as President, they come once more to seek their rights, and they need your help.

It is clear, from past years, that your endorsement of statehood alone will not suffice. But it is my conviction, as well as that of many other advocates of statehood in the Congress, that if you will personally undertake to champion the cause of statehood for Hawaii and Alaska, and give the pending bills your determined and persistent support, both bills will pass, and statehood will be won in this session of the Congress.

That you will take up this fight, and assert the needed leadership that only a President can give, is the earnest hope of the great host of American citizens in Hawaii and Alaska, who ask only that they be granted the elemental rights for which we once fought a revolution, and long regarded as the prerogatives of free men.

Respectfully,

FRANK CHURCH.

RIGHTS OF FEDERAL WORKERS

Mr. JOHNSTON of South Carolina. Mr. President, I wish to place in the body of the RECORD a story written on April 10 by Joseph Young, the able Government columnist of the Washington Star. Mr. Young has revealed a shocking attitude on the part of the administration toward its employees. The Justice Department, the legal arm of the administration, takes the position that Federal employees are not entitled to the benefits enjoyed by workers in private industry. It holds that the main factor in determining what Federal Employees are entitled to in the way of benefits and working conditions is economy. In other words, the Justice Department feels that the rights and benefits of Federal workers are to be determined, not on the basis of what is fair and just and right, but on the basis of the almighty dollar.

No wonder there is such a glaring need for a labor-management law in Government. With such a horse and buggy, 19th century view of Federal employee rights taken by the Government, it is imperative that Congress approve legislation giving Government workers and their representatives the right to deal with their bosses on personnel policy matters and grievances.

Now that the Justice Department's views have been disclosed for everyone to see, the Department is trying to say that its position is misunderstood. But everyone who reads the Department's legal brief stating its position toward Federal workers can come to only one conclusion: The Justice Department has relegated Federal workers to the status of second-class citizenship. Its position on Government workers reads like the views of an industrial baron of 100 years ago.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD at this point the article to which I have referred.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JUSTICE BRIEF PUTS ECONOMY ABOVE BENEFITS—SAVINGS GET PRIORITY OVER GOVERNMENT WORK CONDITIONS

(By Joseph Young)

A Justice Department brief contends that benefits for Federal workers such as overtime, better pay and improved working conditions "must either bow to or be balanced with considerations of economy and efficiency in Government."

For example, the brief said, Congress, in the interests of Government economy, would be justified in setting a 10-hour workday for Federal employees.

The Department's brief was filed in answer to a test suit by a group of postal workers in the United States Court of Claims seeking overtime payments for extra time involved in studying postal sorting schemes.

The Department's brief, which presumably represents the administration's view, did not state that the administration feels that the Government's 8-hour day should be increased to 10 hours at this time. But it emphasized that such an increase in working hours would be justified in the name of economy if it should become necessary.

LIKE BENEFITS CHALLENGED

The brief emphasized the view that Federal workers, because of economy and Government efficiency considerations, are not entitled to the benefits of workers in private industry.

Federal employee leaders have denounced the Justice Department's views as "a throwback to the horse-and-buggy days."

The "horse and buggy" comment was made by Thomas G. Walters, operations director of the AFL–CIO Government Employees Council.

"This attitude is a striking example of the archaic labor policy that the Government adopts for its own employees," Mr. Walters declared. "It emphasizes the need for a management-labor relations law in Government."

Roy Hallbeck, legislative representative of the National Federation of Post Office Clerks, said "the Justice Department's view is the 19th century version of employee rights." James A. Campbell, president of the American Federation of Government Employees, said "the Government's position is the most discouraging development to Federal employees in a long, long time. But it emphasizes the necessity of getting Congress to approve legislation officially recognizing the rights of Federal employees to better their working conditions."

HOME STUDY INVOLVED

The test case, which is being handled by the law firm here of Herbert S. Thatcher, involves postal workers who must study at home to memorize the routing of mail. The postal workers contend that industry in portal-to-portal agreements with labor unions now pays overtime for time spent by employees in preparation for their on-the-job duties or in traveling from one site to another in connection with a job.

The Justice Department's answer, in part to these claims, declares:

"Plaintiff's—the postal clerks—complaint is that they are not, but should be, paid for the time they spend within the confines of their own homes learning and keeping up with their jobs. As they read the statutes designed to ameliorate working conditions and the case law growing out of those statutes, they should be compensated for what they term physical and mental exertion. Such compensation, they argue, would be entirely in accord with the philosophy of present-day labor law. The philosophy, if such it can be called, may conceivably control in dealings between union and management.

"However, as between Federal employees and their employer, the United States, this philosophy must either bow to or be balanced with considerations of economy and efficiency in Government. The basic rights of labor—the right to strike and the right to bargain collectively—cannot be afforded Federal employees consistently with the Federal obligation to the taxpayers to operate the Federal administration economically and efficiently. Government employee unions have never sought the right to strike and specifically forbid such strikes by its members in their constitutions.

"As stated, Congress, alone charged with the function and duty of establishing the rates of pay and the criteria of payment for Government employees, has always been aware of the necessity of economy in Government and where it has acted to ameliorate the working conditions of Federal employees, it has always acted cautiously and in conformity with its desire for Government economy.

"For example, while the 8-hour day was assured for labor by the Fair Labor Standards Act of 1938 * * * the Federal employee first obtained the right to work only an 8-hour day in 1945 and then only by implication. * * * True time-and-one-half for overtime has been standard for labor for many years. And yet true time-and-one-half for overtime is still not available to the bulk of Federal employees.

DENIED OTHER GAINS

"These few examples illustrate that the many advances made by the labor movement are not, as a general matter, incorporated into the laws affecting Federal personnel. Clearly, the economical administration of Government precludes the immediate and total adoption by Congress of schemes such as automatic cost-of-living increases based on the consumer price index.

"If Congress desires that, insofar as it is possible, all workers in this country work only 8 hours a day, nevertheless Congress could, in its concern for Federal expenditures, require, and validly provide, that Federal employees work 10 hours a day.

"That Congress has chosen to limit the working day of most Federal employees to 8 hours a day, 7 years after it chose to limit the working day for most workers in this country, is no indication that Congress has also chosen to pay its employees industry or

private management wages or, in this case, overtime compensation, sometimes described as 'penalty pay,' for study over which Government has no control and on which it cannot check.

"For the fact of the matter is, as we have shown, that Congress has not always accepted for Federal employees the theories or rights of the labor movement in their entirety."

THE POST OFFICE DEPARTMENT

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the distinguished junior Senator from Michigan [Mr. McNAMARA] for his forthright and factual explanation of the mess in the Post Office Department. I invite all my colleagues to read carefully the remarks of the Senator from Michigan, beginning at page 5583 in the Friday, April 12, CONGRESSIONAL RECORD.

At the moment of his remarks it was abundantly clear—as he stated—that someone had broken the law but there might be confusion in the minds of some concerning the identity of the culprit.

Mr. President, decision B-131361 of the Comptroller General of the United States, made public a few minutes after the Senator from Michigan concluded his remarks, identifies the culprits beyond further doubt.

The decision referred to states that actions of the Postmaster General are not "consistent with the spirit and purpose of the act," and further, "there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of the act."

I ask that the full text of the Comptroller General's decision be included in the RECORD at the conclusion of my remarks.

The subsequent effort by the Director of the Bureau of the Budget to explain his actions serves to prove that he is totally incompetent and should be removed from the high position he holds. His naive remarks remind me of the kindly old lady who called the police, when informed that a local and popular baseball player had stolen a base. She did not know the "score." By his own public admission, neither does Mr. Brundage, the Director of the Bureau of the Budget.

I do not wish to conclude these few remarks without thanking my good friend and able colleague, the Senator from Michigan [Mr. McNAMARA] for his generous comments about me indeed, he was most generous, and I should like to have him to know how greatly I appreciate his kindness.

Mr. President, I ask that the decision be printed in the body of the RECORD.

There being no objection, the decision was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, April 12, 1957.

DEAR MR. POSTMASTER GENERAL: Your letter of April 4, 1957, requests a statement of our findings resulting from a study of the records of the Post Office Department to ascertain whether during fiscal year 1957 there has been a violation of the provisions of section 3679, Revised Statutes, as amended (31 U. S. C. 665), commonly known as the Antideficiency Act. An informal request for similar advice was received from a staff member of the House Appropriations Committee following the hearings March 26 and 27, and April 3, 1957, before the Subcommittee on Treasury-Post Office Appropriations, on the Post Office Department's supplemental request for funds for Operations.

At the outset, we wish to explain that our review was made in a very limited time to obtain information readily available as to whether the Post Office Department had violated the Antideficiency Act. Because of the time limit, our review was restricted to a comparison of apportionments, by appropriation, approved by the Bureau of the Budget for the postal quarterly reporting periods ended October 19, 1956, and January 11, 1957, with obligations incurred for the same quarters as they appear in published statements of the Post Office Department. No overobligation of the apportionments for those quarters was revealed by this comparison. Results of operations for the postal quarter ending April 5, 1957, were not available at the time of our review.

We did not review the obligations under administrative subdivisions of funds within the apportionments, but we were informed that in the quarter ended October 19, 1956, funds allotted to 2 regional directors had been overobligated by $27,613 and the required reports to the President and the Congress were made on February 14, 1957.

Your letter, however, and the committee inquiry request our findings as to whether the provisions of the Antideficiency Act were violated during fiscal year 1957. This requires consideration not only of the question as to whether the apportionments of the funds for the fiscal year 1957 were overobligated but also as to whether they were made in accordance with the provisions of that act, which provides, in pertinent part, as follows:

"(c) (1) Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such periods; * * *

* * * * * *

"(d) (2) Any appropriation available to an agency, which is required to be apportioned under subsection (c) of this section, shall be apportioned or reapportioned in writing by the Director of the Bureau of the Budget. The head of each agency to which any such appropriation is available shall submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of such appropriation.

"(e) (1) No apportionment or reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate shall be made except upon a determination by such officer that such action is required because of (A) any laws enacted subsequent to the transmission to the Congress of the estimates for an appropriation which require expenditures beyond administrative control; or (B) emergencies involving the safety of human life, the protection of property, or the immediate welfare of individuals in cases where an appropriation has been made to enable the United States to make payment of, or contributions toward, sums which are required to be paid to individuals either in specific amounts fixed by law or in accordance with formulae prescribed by law.

"(2) In each case of an apportionment or a reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate, such officer shall immediately submit a detailed report of the facts of the case to the Congress. In transmitting any deficiency or supplemental estimates required on account of any such apportionment or reapportionment, reference shall be made to such report."

Since the Department's supplemental request for funds for fiscal year 1957 is limited to the appropriation for operations, what is said hereinafter is addressed to that appropriation.

The apportionments of that appropriation, with a possible exception of about $2 million referred to on page 97 of the House hearings on the second urgent deficiency appropriation bill, 1957, do not appear to come within the exceptions set out in subsection (e) (1) above and, apparently, subsection (e) was not relied upon in making the apportionments. The communication transmitting the supplemental estimates to the Congress March 2, 1957, contains no reference to any detailed report to the Congress of the facts involved as required in subsection (e) (2), and the testimony in these hearings contains no indication of reliance upon subsection (e) (1) in making the apportionments.

The apportionment of appropriations to prevent deficiency or supplemental appropriations was first required in the amendment to section 3679, Revised Statutes, contained in section 4 of the act of March 3, 1905 (33 Stat. 1257). Section 3679, Revised Statutes, was amended again by section 3 of the act of February 23, 1906 (34 Stat. 27, 48), and lastly by section 1211 of the General Appropriation Act, 1951 (64 Stat. 765). Each of these amendments was intended to reduce further the need for deficiency or supplement appropriations.

Even prior to the complete revision of section 3679 in the General Appropriation Act, 1951, the Antideficiency Act was considered to require that appropriations be apportioned so as to prevent either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. In House Report No. 221, 79th Congress, 1st session, on the first deficiency appropriation bill, 1945, it is stated:

"The committee met with instances which indicated either a lack of knowledge or an utter disregard of the so-called antideficiency law (31 U. S. C. 665), in that agencies reported overobligations during the first half of the current fiscal year to an extent which places the Congress in the position either of granting additional funds or forcing the curtailment of operations which in some cases would be unwise and harmful. That sort of practice cannot be continued, particularly when the Congress is in continuous session. It must be stopped."

In House Report No. 1817, 79th Congress, 2d session, on the second deficiency appropriation bill, 1946, it is stated:

"Instances have occurred where agencies do not actually incur deficiencies but proceed at an obligational rate which make necessary either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. The committee does not propose to tolerate that practice any longer. It intends to see that the antideficiency law (31 U. S. C. 665) is observed in letter and spirit and shall expect the Bureau of the Budget to report quarterly, starting at the close of the first quarter of the next fiscal year, the title of any appropriation not being administered in accordance with the letter and spirit of such law, the reasons therefor, and the name and position of the official immediately responsible."

The foregoing quotation was referred to in a letter dated August 22, 1946, of the Assistant Chief, Estimates, Bureau of the Budget, to the Postmaster General, printed at page 116 of the Senate hearings on the second deficiency appropriation bill for 1947. As recorded on page 142 of those hearings,

the Subcommittee on Deficiencies, Senate Committee on Appropriations, after hearing testimony as to deficiencies which had occurred in the Post Office Department, requested the Bureau of the Budget and the General Accounting Office to review the problem and submit a report thereon.

The Acting Director of the Bureau of the Budget and the Acting Comptroller General jointly submitted a report on June 5, 1947, B-66949, to the Senate Committee on Appropriations with the understanding that the subcommittee desired recommendations (1) as to what can be done to control the use of appropriations so as to prevent the incurring of obligations at a rate which will lead to deficiency or supplemental appropriations or to curtailment of necessary activities if such appropriations are not made; and (2) to fix responsibility on those officers of the Government who incur deficiencies or obligate appropriations without proper authorization or at an excessive rate. Included in the report was a draft of legislation to accomplish those two purposes.

This draft of legislation to amend section 3679, Revised Statutes, with some revisions, was enacted as section 1211 of the General Appropriation Act, 1951. A section-by-section analysis of that proposed legislation appears on pages 6835-6836 of volume 96, part 5, of the CONGRESSIONAL RECORD. It is stated in that analysis that subsection (1) (c) is "designed to insure that appropriations which are available for a fiscal year, or for other time periods—usually related to fiscal years—will not be obligated at a rate which would exhaust the appropriation prior to the end of the period for which the appropriation was made and thus result in a need for a deficiency or supplemental appropriation, or an increase in the authorization for administrative expenses of a corporation, or in drastic curtailment of the activity for which the appropriation or authorization was made."

A drastic curtailment toward the close of a fiscal year of operations carried on under a fiscal year appropriation is a prima facie indication of a failure to so apportion an appropriation "as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period." In our view, this is the very situation the amendment of the law in 1950 was intended to remedy. This view is entirely consistent with the views expressed in the joint report dated June 5, 1947, of the Bureau of the Budget and the General Accounting Office. In view thereof and the legislative history of the Antideficiency Act set out above, subsection (c) (1) of the act must be, and is, construed as a mandate of the Congress that fiscal year appropriations be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate the necessity for either a deficiency or supplemental appropriation or a drastic curtailment of the activity for which an appropriation is made.

The responsibility for making the apportionments is vested in the Director of the Bureau of the Budget by subsection (d) (2) of the act, which also requires the head of the agency concerned to submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of the appropriation. The apportionment and reapportionments as made by the Bureau of the Budget for the appropriation "Operations, Post Office Department, 1957," including transfers and reimbursements, are set out below:

Date	1st quarter	2d quarter	3d quarter	4th quarter
June 13, 1956	$624,306,000	$547,611,000	$473,766,000	$474,909,000
July 10, 1956	623,429,500	546,988,100	473,112,100	474,255,700
July 13, 1956	630,429,500	546,988,100	469,612,100	470,755,700
Aug. 30, 1956	630,326,100	546,988,100	469,612,100	470,755,700
Oct. 4, 1956	635,326,100	551,988,100	469,612,100	470,755,700
Dec. 14, 1956	635,326,100	561,988,000	466,612,000	463,884,900
Jan. 11, 1957	635,326,100	561,988,000	464,612,000	463,884,900
Feb. 4, 1957	635,326,100	561,988,000	484,612,000	443,884,900

The Post Office Department operates on 4-week accounting periods adjusted at the beginning and end of the fiscal year. The first, second, third, and fourth quarter columns in the above table actually represent 4 (less 1 day), 3, 3, and 3 (plus 2 days) accounting periods of 4 weeks each. The significant reapportionments were made on July 13 and December 14, 1956, and February 4, 1957. On July 13, 1956, the first quarter was increased $7 million and the third and fourth quarters were decreased $3,500,000 each. On December 14, 1956, the second quarter was increased to $10 million and the third and fourth quarters were further decreased by $3 million and approximately $7 million, respectively. On February 4, 1957, the third quarter was increased $20 million and the fourth quarter was decreased by $20 million. These 3 reapportionments decreased the fourth quarter apportionment by a total of approximately $30,500,000, which resulted in the fourth quarter apportionment being $40,727,100 less than the third quarter apportionment which covered 2 days less time.

The necessity for a deficiency appropriation has been acknowledged by the Director of the Bureau of the Budget and the President as evidenced by the transmittal on March 12, 1957, to the Congress of a request for additional funds for operations of the Post Office Department during the fiscal year 1957 in the amount of $47 million, the amount of your request for that purpose as received by the Bureau of the Budget January 4, 1957, before the date of the last reapportionment listed above. Also, you issued Postmaster General Order 56314, dated April 5, 1957, which would curtail the service of the Post Office Department in several respects if it becomes effective.

If it is determined by the Congress that the deficiency appropriation is necessary for operations or if the services of the Post Office Department are drastically curtailed in the event no deficiency appropriation is made, there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of section 3679, Revised Statutes, as amended, title 31, United States Code, section 665. It should be noted, however, that the penal provision contained in subsection (i) (1) of the act is applicable only to violations of subsections (a), (b), or (h) of the act and not to subsection (c) (1).

The House hearings on the Post Office Department's request for supplemental funds for operations for 1957 show that, when the Department requested the reapportionment of its funds, it did so in the belief that the requested pattern of management of its funds for the fiscal year would result in the necessity for a deficiency or supplemental appropriation. Such action is not technically a violation of any specific provision of the Antideficiency Act. However, it is not consistent with the spirit and purpose of the act.

Copies of this letter are being sent to the House Committee on Appropriations, to Senator BYRD, and to the Director of the Bureau of the Budget.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

BUREAU OF INTERNAL REVENUE TO SCREEN REQUESTS FOR INFORMATION BY SENATOR WILLIAMS

Mr. WILLIAMS. Mr. President, upon direct orders from Washington, instructions have been given to all the regional offices of the Bureau of Internal Revenue to be on the lookout for any inquiry of any nature received by them or any employee under their jurisdiction from Senator JOHN J. WILLIAMS.

The following is a copy of the memorandum which was circulated in the State of Wisconsin as the result of this broad order:

If you receive any communications from Senator JOHN J. WILLIAMS requesting information of any nature, it is requested that you immediately transmit them to me personally for reply.

It is also requested that you advise all employees in your division who may have occasion to prepare replies to correspondence of this matter.

The Commissioner of Internal Revenue, Mr. Harrington, has confirmed having issued this broad order, and in commenting upon the circulation of this memorandum to all employees in the State of Wisconsin the Commissioner states:

He (the Director of the Milwaukee office), as well as I, deeply regret its occurrence, and we certainly hope that no inference can be drawn by you or anyone else that any improprieties were inferred by my request. We are greatly embarrassed that my request led to this incident.

Mr. Harrington further attempted to justify the issuance of this order and the circulation of the memorandum on the basis of economy and that they merely wished to supply any information requested from my office at a minimum cost.

Certainly this is a new aproach to economy, and I have been advised that this is the first time in the history of the Department that such a memorandum containing such a personal reference to a Member of the United States Senate of the House of Representatives has ever been circulated.

Mr. Harrington excused this on the basis that his orders resulted from my having placed an inquiry with some of the regional offices asking the Directors for the amount of delinquent taxes in their offices as of X date and that he felt that such inquiries directed to the Washington office could be answered more economically.

Mr. Harrington's letter is as follows:

UNITED STATES TREASURY
DEPARTMENT, OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, April 2, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This refers to your letter dated March 5, 1957, to Mr. George Reisi-

mer, district director at Milwaukee, requesting information regarding a memorandum which you quoted.

This quoted memorandum was circulated among revenue agents in Wisconsin, as you indicated. I would like to explain the circumstances leading up to it.

Recently, we received a request from you concerning employment tax deficiencies. Several of our district offices also received similar requests. In order to avoid duplication of effort and to furnish the information from one source, I asked that all such requests be referred to me for reply. My sole objective in doing this was to supply the information at a minimum cost.

This led to Mr. Reisimer's issuance of the memorandum to his chiefs of divisions. He did not intend that the memorandum be circulated, but unfortunately it was.

By that I presume he meant that I should not receive a copy of it.

He, as well as I, deeply regret its occurrence, and we certainly hope that no inference can be drawn by you or anyone else that any improprieties were inferred by my request. We are greatly embarrassed that my request led to this incident.

Mr. Reisimer has informed me that he is not aware that his office has ever received any inquiry from you.

Very truly yours,

RUSSELL C. HARRINGTON,
Commissioner.

In writing this letter I had asked Mr. Reisimer and the Commissioner to check their records to see if they could find that any inquiry I had ever sent could be considered by them as being of an improper nature, which would justify this action. I was advised that they were unable to find any such inquiry. In addition, they could not find that I had ever made any inquiry in the State of Wisconsin, or of Mr. Reisimer or anyone else in that division.

I am not criticizing the directors who circulated this memorandum. They were merely acting upon orders from the boss. I wish I could accept the excuse given by Mr. Harrington as being the real reason for the issuance of this broad order, but somehow I simply cannot believe that this is the full explanation, especially when we consider that as yet the order has not been rescinded.

Instead, I am more inclined to repeat what I have said on many occasions during the past several years—that perhaps Congress has been negligent in not having directed more attention to the affairs of this agency which handles all the revenue collected by the United States Government.

TRANSFER OF TITLE OF MIDWEST CLAYPAN EXPERIMENT STATION, McCREDIE, MO.

Mr. SYMINGTON. Mr. President, several months ago I accepted an invitation to speak Thursday evening, March 28, at Sikeston, Mo., at the eighth annual meeting of the Missouri Cotton Producers Association, one of the leading agricultural groups in Missouri. Among those being honored on that occasion was Mr. A. L. Story, of Charleston, Mo., a past president of the Missouri Cotton Producers Association and now president of the American Cotton Producers Association.

At the time I accepted the invitation, I did not know, of course, what the pending business of the Senate would be. Before leaving on Thursday noon, I checked in the Senate and left word of my support for the public works authorization bill, S. 497, which was recorded on Thursday afternoon, at which time I was paired for the bill with the distinguished junior Senator from Virginia [Mr. ROBERTSON].

Making the best plane connections possible, I was not able to return to the Senate until late Friday afternoon, at which time I learned S. 1034 had been made the pending business of the Senate, had been brought up for Senate action, but was objected to by the distinguished senior Senator from Oregon [Mr. MORSE] on the basis that it did not comply with the Morse formula.

The bill in question, S. 1034, was introduced by the chairman of the Senate Agriculture Committee, the distinguished senior Senator from Louisiana [Mr. ELLENDER], on February 4, 1957, at the request of the Department of Agriculture. It would authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, the Midwest Claypan Experiment Station located at McCredie in Callaway County, Mo.

Mr. President, I ask unanimous consent that the bill be printed at this point in the RECORD.

There being no objection, the bill (S. 1034), to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo., was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the University of Missouri, without cost, the real property, together with the buildings and improvements thereon, constituting the United States Department of Agriculture Midwest Claypan Experiment Station located at McCredie in the county of Callaway, State of Missouri, which property is more particularly described as follows:

The east half of the southwest quarter of section 10, and 140 acres, more or less, being all that part of the southeast quarter of section 10, lying west of the center of the Fulton and Mexico road;

Also 14.90 acres being that part of the east half of the northeast quarter of section 10 lying south of the McCredie and Williamsburg road;

Also 1 acre, more or less, in the northwest corner of the northwest quarter of the southwest quarter of section 11, being all that part of the northwest quarter of the southwest quarter lying west of the Fulton and Mexico road;

Also about 1 acre in the southwest corner of the northwest quarter of section 11, being that part of said quarter section lying south of the McCredie and Williamsburg road and west of the Fulton and Mexico road;

Also all that part containing about 65 acres of the west half of the northeast quarter and of the east half of the northwest quarter of section 10, lying south of the McCredie and Williamsburg road;

All of the above-described property lying and being in township 48 north, of range 9 west, in the aforesaid State and county, and containing 300 acres, more or less. Such property shall be conveyed upon the condition that it shall be used by the curators of the University of Missouri for the purposes of the college of agriculture. In the event that the curators of the University of Missouri shall cease to use such property for such purposes, all right, title, and interest in and to the said property shall automatically revert to the United States.

Mr. SYMINGTON. Soon after the introduction of the bill, on February 8, 1957, I wrote to Dr. Elmer Ellis, president of the University of Missouri, asking for his comments on the bill, and he replied on February 21, 1957.

Mr. President, I ask unanimous consent that these letters be inserted at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 8, 1957.

Dr. ELMER ELLIS,
President, University of Missouri,
Columbia, Mo.

DEAR ELMER: Attached is a copy of S. 1034, which, in accordance with the attached letter from the Department of Agriculture, was recently introduced by Senator ELLENDER.

Inasmuch as this bill has been referred to the Senate Agriculture Committee, of which I am a member, I will appreciate your comments.

Kind regards.

Sincerely,

STUART SYMINGTON.

UNIVERSITY OF MISSOURI,
Columbia, Mo., February 21, 1957.

Senator STUART SYMINGTON,
United States Senate,
Washington, D. C.

DEAR STUART: I appreciate your sending me a copy of Senate bill 1034 with the enclosure from the Department of Agriculture. Frankly this is the first I had heard of this proposal but the people in Agriculture have been close to it for a long time. It seems that the equipment on the farm was turned over to the college of agriculture by the Department of Agriculture some time ago before I became president; therefore, I was not informed about it. Dean Longwell informs me that these farms are being turned over to experiment stations and colleges of agriculture in other States but he did not know of any reasons why there was a delay after the actual operation of the farm had been assigned to us.

It is desirable I think that the bill pass and we get title to the land as it provides opportunities for experimentations that we should be carrying on.

Certainly I appreciate your continued interest in the university and your keeping me informed about these matters.

Cordially,

ELMER ELLIS.

Mr. SYMINGTON. The bill was considered by the Senate Agriculture Committee and was reported to the Senate on March 26, 1957. Mr. President, I ask unanimous consent that excerpts from the committee's report (No. 186), be printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

This bill provides for transfer of the Midwest Claypan Experiment Station to the curators of the University of Missouri, without cost, conditioned upon use for the purposes of the College of Agriculture. The station is now being operated and maintained by the university under an agreement which relieved the Department of Agriculture of considerable costs.

DEPARTMENTAL VIEWS

DEPARTMENT OF AGRICULTURE,
Washington, D. C., January 24, 1957.

The PRESIDENT OF THE SENATE,
United States Senate.

DEAR MR. PRESIDENT: There is enclosed a draft of proposed legislation to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.

The purpose of this proposed legislation is to authorize the Secretary of Agriculture to convey to the curators of the University of Missouri, without cost, the United States Department of Agriculture Midwest Claypan Experiment Station, at McCredie, Mo. In addition to the land, the conveyance would include buildings and improvements at the station. The transfer would be made on the condition that the property be used for the purposes of the College of Agriculture. In the event that the property ceased to be used for such purposes, all right, title, and interest in the said property would automatically revert to the Federal Government.

The land on which the Midwest Claypan Experiment Station is located was acquired by the Soil Conservation Service of this Department in 1937 by purchase from the Northwestern Mutual Life Insurance Co. The purchase price was $13,107.48. The property acquired at purchase consisted of 300 acres of land, including buildings estimated to be valued at $3,975. This station was transferred from the Soil Conservation Service to the Agricultural Research Service under Secretary's Memorandum No. 1318, dated October 14, 1952.

Under the provisions of a memorandum of understanding entered into on September 20, 1954, by this Department and the curators of the University of Missouri, a cooperative research program in soil and water conservation and management studies, including work on terrace layout and design, erosion control, irrigation and water-supply development, and effects of deep placement of fertilizers on the utilization of claypan soils, is being carried on. This agreement also transferred the title and possession of the personal property and operating equipment to be used and disposed of in carrying out the terms of the agreement. Under the agreement the university assumed the responsibility for the operation and maintenance of the station.

The aforementioned memorandum was to serve as a document of cooperation pending consideration that the facilities would be transferred to the university through normal legislative channels.

When the University of Missouri assumed responsibility for the operation and maintenance of the station, the Department was relieved of considerable costs. The Missouri Agricultural Experiment Station has materially increased its financial support for the operation of the station. The increased contribution by the State makes it possible for the Department to cooperate in other research programs of high priority.

This proposed legislation follows closely the pattern established by Public Law 825, 81st Congress, approved September 23, 1950, which provided for transfer of title, without cost, of certain agricultural dryland and irrigation field stations to the States in which such stations were located. It authorized the Secretary of Agriculture or, when the lands concerned were public domain, the Secretary of the Interior, to convey the interest of the United States in the lands including water rights, buildings, and improvements at certain specified field stations of the Department of Agriculture to the States concerned. Transfers were not mandatory but were subject to arrangements mutually agreeable to the States and the Department.

Conveyance of this property would result in no additional cost to the Government.

We have discussed this proposal with Missouri State authorities and it is satisfactory to them.

A copy of the proposed legislation and a similar letter have also been sent to the Speaker of the House of Representatives.

The Bureau of the Budget advises that there is no objection to the submission of this proposal.

Sincerely yours,

TRUE D. MORSE,
Acting Secretary.

Mr. SYMINGTON. Included in this report is a letter from Mr. True D. Morse, Acting Secretary of Agriculture, dated January 24, 1957, and addressed to the President of the United States Senate.

I invite particular attention to the following statement in that letter:

Under the provisions of a memorandum of understanding entered into on September 20, 1954, by this Department and the curators of the University of Missouri, a cooperative research program in soil and water conservation and management studies, including work on terrace layout and design, erosion control, irrigation and water-supply development, and effects of deep placement of fertilizers on the utilization of claypan soils, is being carried on. This agreement also transferred the title and possession of the personal property and operating equipment to be used and disposed of in carrying out the terms of the agreement. Under the agreement the university assumed the responsibility for the operation and maintenance of the station.

The aforementioned memorandum was to serve as a document of cooperation pending consideration that the facilities would be transferred to the university through normal legislative channels.

When the University of Missouri assumed responsibility for the operation and maintenance of the station, the Department was relieved of considerable costs. The Missouri Agricultural Experiment Station has materially increased its financial support for the operation of the station. The increased contribution by the State makes it possible for the Department to cooperate in other research programs of high priority.

Mr. President, after reading the comments of the senior Senator from Oregon [Mr. MORSE] on Saturday morning, following my return, we immediately contacted Dean John H. Longwell of the College of Agriculture, University of Missouri, and asked that he furnish us with a statement of the expenditures by the University of Missouri in carrying on the cooperative experimental work in the Midwest Claypan Experiment Station, which the Department of Agriculture now desires authority to transfer to the University of Missouri.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Dean Longwell, dated March 30, 1957, together with a statement showing that the University of Missouri has expended a total of $116,291.16 on this cooperative experimental work.

There being no objection, the letter and statements were ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MISSOURI,
Columbia, Mo., March 30, 1957.

Senator STUART SYMINGTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR SYMINGTON: Enclosed is a statement of the expenditures by the Missouri Agricultural Experiment Station in support of research conducted on the Midwest Claypan Experiment Farm, McCredie, Mo., and a few notes concerning the work at this farm. The Missouri station has furnished office space and laboratory facilities for Federal employees without charge.

Beginning July 1954, the Missouri station has operated the farm and furnished facilities for Federal employees who are cooperating in the work.

Very truly yours,

J. H. LONGWELL, *Director.*

Expenditures, McCredie-university funds

Year:	*Amount*
1940–44	$12,730.13
1945	2,700.00
1946	1,794.92
1947	3,878.35
1948	3,180.12
1949	6,376.71
1950	4,853.24
1951	7,261.49
1952	7,870.03
1953	6,311.17
1954	13,000.00
1955	14,770.00
1956	15,440.00
1957	16,125.00
Total	$116,291.16

EXPENDITURES—M'CREDIE FARM

Soil Conservation Service started experiments about 1940. Operations moved from Bethany to McCredie in 1944.

University of Missouri has furnished office space and laboratory facilities for Federal employees since 1940.

All sales funds were placed in a special university account and used in farm operations at McCredie.

May 13, 1949, University of Missouri board of curators designated McCredie Farm as an outlying experiment field.

In 1954, University of Missouri assumed responsibility of operating farm and increased appropriations for research work. Since that time the University of Missouri has assumed responsibility for providing facilities for Federal employees to work.

Mr. SYMINGTON. Mr. President, in raising objection to the passage of this bill, S. 1034, the distinguished Senator from Oregon [Mr. MORSE] questioned the statement of the Acting Secretary of Agriculture, True D. Morse:

This proposed legislation follows closely the pattern established by Public Law 825, 81st Congress, approved September 23, 1950, which provided for transfer of title, without cost, of certain agricultural dryland and irrigation field stations to the States in which such stations were located. It authorized the Secretary of Agriculture or, when the lands concerned were public domain, the Secretary of the Interior to convey the interest of the United States in the lands including water rights, buildings, and improvements at certain specified field stations of the Department of Agriculture to the States concerned. Transfers were not mandatory but were subject to arrangements mutually agreeable to the States and the Department.

Mr. President, I was not a member of the Senate at the time Public Law 825 was passed by the 81st Congress, and approved September 23, 1950. I have, however, read this public law and find the following conditions included therein:

"SEC. 2. Conveyances or patents hereunder shall be upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such station in the cooperative agricultural experimental work of the Department of Agriculture and the respective

State. Any such conveyances of the land shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe.

Mr. President, by telephone we have read this section from Public Law 825, 81st Congress, to Dean Longwell, of the Missouri College of Agriculture.

Dean Longwell assures us that it is his understanding that the transfer of title is being made subject to this condition.

Mr. President, Department of Agriculture officials have also been in contact with Dean Longwell since last Friday. I ask unanimous consent that a statement from the Department be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE STATEMENT CONCERNING S. 1034, A BILL TO AUTHORIZE AND DIRECT THE SECRETARY OF AGRICULTURE TO CONVEY TO THE UNIVERSITY OF MISSOURI, FOR AGRICULTURAL PURPOSES, CERTAIN REAL PROPERTY IN CALLAWAY COUNTY, MO.

On September 20, 1954, the Department entered into a memorandum of understanding with the curators of the University of Missouri covering a cooperative research program in soil and water conservation and management in Missouri and the maintenance and operation of a cooperative field station at McCredie, Mo. Under the terms of this agreement it was agreed that both parties would participate in this project and that the university would maintain the buildings, roads, ditches, fences, and other permanent and operating equipment belonging to the research branch and used under the terms of this agreement. The buildings and facilities at the McCredie Station are within the terms of this provision and have been maintained by the State in accordance with the agreement. It is intended that the cooperation will continue and assurance has been received that the university will continue to maintain these facilities.

The Department's report on S. 1034 anticipated that the existing memorandum of understanding between the curators of the University of Missouri and the Department would continue to remain in effect even after the station would be transferred. This latter point was verified in our discussion with the personnel of the university. They have assured us that it was their intent that a cooperative program on soil and water research will continue in the future. The language in S. 1034 provides that such property shall be conveyed upon the condition that it shall be used by the curators of the University of Missouri for the purposes of the college of agriculture. This language is somewhat broader than the language provided in Public Law 825, 81st Congress, under section 2. Since it is intended both by the Department and by the University of Missouri that our present cooperative program continue to exist even after the proposed transfer, neither the Department nor the university would have any objection to the inclusion in the pending S. 1034 of language similar to section 2 of Public Law 825, 81st Congress, which reads as follows:

"Conveyance or patents hereunder shall be upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such station in the cooperative agricultural experimental work of the Department of Agriculture and the respective State. Any such conveyances of the land shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe."

In view of the substantial cooperative contributions made by the University of Missouri since 1954, and particularly its maintenance of McCredie Station, it is felt that the conveyance should be without charge as proposed in S. 1034.

Copy of the memorandum of understanding between the Department and the curators of the University of Missouri is attached.

Mr. SYMINGTON. To prevent any possible misunderstanding, I have at the desk an amendment to S. 1034, providing the same conditions as in Public Law 825, 81st Congress. I ask that the amendment be printed in the RECORD at this point.

There being no objection, the amendment intended to be proposed by Mr. SYMINGTON was ordered to be printed in the RECORD, as follows:

Beginning on page 2, line 22, with the word "Such", strike out all through page 3, line 4, and insert in lieu thereof the following: "Such property shall be conveyed upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such property in the cooperative agricultural experimental work of the Department of Agriculture and the State of Missouri. The conveyance of such property shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same under such regulations as the Secretary of the Interior may prescribe."

Mr. SYMINGTON. Mr. President, Dean Longwell reports the land to be transferred to the University of Missouri, under S. 1034, has an estimated present value of $60,000. However, I wish to assure the Senator from Oregon that this is not a transfer of land owned by the United States without the giving of consideration by the transferee.

In fact, the United States will receive substantial benefits by this transfer, which will soon surpass the value of the property to be conveyed.

The Department of Agriculture reports that under the memorandum of understanding entered into in preparation for this transfer of title, the University of Missouri assumed operations and maintenance expenses of the station and facilities. This action by the university made possible the release of Agricultural Research Service personnel for additional high priority cooperative research work, both at this experiment station and elsewhere; as one example, irrigation studies at Elsberry, Mo., in cooperation with the State of Missouri, and the Soil Conservation Service.

The Department further reports that were it not for this transfer of responsibility, an additional expenditure of $20,000 a year would be required to attain this same result.

It is for this reason, that the Department of Agriculture recommends on S. 1034, as it did on Public Law 825, of the 81st Congress, that the transfer of title to this Agricultural Experiment Station be made, without cost to the transferee, the University of Missouri.

Mr. President, with this additional information, and with this understanding as a part of the legislative history of this bill, I trust that the senior Senator of Oregon [Mr. MORSE] will withdraw his objection and that the Senate will pass S. 1034, with the amendment I have proposed.

CONGRESSIONAL RESERVE TRAINING UNIT

Mr. THURMOND. Mr. President, those of us who are Members of the Congress and who also hold active United States Army Reserve or National Guard commissions have long felt a need for some means of maintaining our Reserve status in good standing.

Recognizing this need, the Department of the Army has now organized a Reserve training unit which will be titled "The United States Army Congressional Command and Operations Group, USAR."

This unit will conduct training assemblies once weekly while the Congress is in session. Assemblies normally will be conducted on Tuesday morning at 0830 hours. The initial meeting, which will be an organizational meeting, will be held this Wednesday morning at 0830 in the House caucus room.

Col. ROBERT L. F. SIKES, USAR, Representative from Florida, has agreed to act as liaison with the Army for this program. He has been assured by the Army that these training assemblies will be stimulating, informative, educational, and up to date. The program affords an excellent opportunity to a Reserve officer to keep up his Reserve status and interests with minimum interference with Congressional duties.

Participation in this unit will be on a nonpay basis. Members of the Congress who hold commissions in the Ready, Standby, or Retired Reserve of the Army, or who are commissioned in the National Guard, are eligible for membership in the unit. Staff members of Congressional committees and staff members of individual Congressmen who are commissioned in the Reserve components are invited to participate. Membership in this unit will not sever affiliation of the Member with his home unit. The Department of the Army will insure that individual records of Members will continue to be kept in their present home Reserve unit, and credit for participation in the Congressional training unit will be entered in the records of their home unit.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 15, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 72) to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945.

ADJOURNMENT

Mr. CHURCH. Mr. President, in accordance with the previous order, I move that the Senate adjourn.

The motion was agreed to; and (at 2 o'clock and 36 minutes p. m.) the Senate

adjourned, the adjournment being, under the order previously entered, until tomorrow, Tuesday, April 16, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 15 (legislative day of April 12), 1957:

IN THE NAVY

I nominate the following-named midshipmen (Naval Academy) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

William A. Abbott
Robert H. Ailes
William T. Alexander
Thomas L. Allman, Jr.
Theodore A. Almstedt, Jr.
Harvey K. Altergott
Franklin F. Alvarez
Anders T. Anderson
Edward E. Anderson, Jr.
George W. Anderson III
Charles H. Andrews, Jr.
Thomas W. Andrews
Gary P. Antonides
Philip Arcuni
George W. Ashford, Jr.
Harvey B. Atkinson, Jr.
Robert F. Atwell III
Dwight E. Avis, Jr.
Samuel M. Bailey, Jr.
James C. Baker
Peter A. Baker
Ronald E. Baker
Joseph F. Ballou
James E. Bangert
Milton H. Bank II
Harold D. Barker
Nathaniel C. Barker
Frank W. Barnes
Craig L. Barnum
John E. Bartocci
Bryan W. Barton
Stanley E. Bator, Jr.
Herbert Bauer
Charles J. Beasley
Don G. Beatty
James R. Beatty III
Robert R. Beeler
Paul O. Behrends
James E. Bender
William B. Benjes
Bruce A. Bennington
James W. Bibb
Charles E. Biele, Jr.
Richard O. Black
Ronald K. Blackner
George R. Blessing
Harold A. Boggs, Jr.
Charles S. Bond
James H. Bostick
Bruce B. Bower
Robert L. Bowers
Joseph J. Boyajian
Heyward E. Boyce III
Peter B. Boyne
Frederick L. Bradley, Jr.
Robert Brazzon
Leroy E. Brenner
Allan G. Brookes, Jr.
Dennis M. Brooks
Bobby S. Broome
Donald G. Brown
Kenneth C. Brown
Parke L. Brown, Jr.
Randall R. Brown
William T. Brown
Thomas M. Browne
George W. Bryant
Wilbur P. Buck
James A. Buckner
Harold O. Bullock, Jr.
Chester W. Burchett
Thomas J. Burke
David P. Burleigh
James M. Burns
John D. Burns
David L. Butterfield
James J. Caciola
Thomas S. Cameron, Jr.
William Campbell, Jr.
Charles S. Carroll
Richard M. Chanslor
Richard N. Charles
Ejner S. Christensen, Jr.
John E. Christensen, Jr.
Robert W. S. Christenson
Loren L. Clark
Redmond L. Clevenger
Frederick B. Cobi
Lawrence Cohen
William M. Cole II
James J. Coleman
William N. Collier, Jr.
David M. Collins
Eugene D. Conner
Henry B. Converse
John H. Cook III
Thomas L. P. Cook
Daniel L. Cooper
David S. Cooper
John H. Copeland
Samuel W. Coulbourn
James P. Cox
William B. Cox
Donald R. Crandall
Ian R. Crichton
William M. Crowe, Jr.
Alton I. Crowell, Jr.
William N. Currie
William H. Curry, Jr.
Frederick O. Dammann
Robert L. Daughenbaugh
Charles L. Davis
John W. Davis, Jr.
Philip C. Davis
Ray E. Davis, Jr.
John A. DeCarlo
Robert F. Deegan
Robert E. DeLashmitt
David A. Delo
Bruce DeMars
Jefferson R. Dennis, Jr.
James P. Dickey
Jacob P. Didier, Jr.
Charles J. Diehlmann
John S. Disher
Ned E. Dixon
Richard H. Dolliver
Thomas F. Donnelly
Robert A. Doragh
Ray W. Dove, Jr.
Thomas F. Drumm, Jr.
Ferdinand C. Dugan III
Andrew F. Dulik
William C. Dunham
Stanton P. Dunlap
Robert J. Duppenthaler
James E. Durr
Thomas E. Dyer
Thomas A. Eades
Leon A. Edney
Clifford H. Eley III
Warren R. Ellsworth, Jr.
Terry E. Emery
Richard F. Emmett
Richard E. Enkeboll
Theodore W. Erikson
David L. Fahrney
William G. Fallai
Grover F. Fannin
Raymond J. Fazzio
Bruce C. Felt
Francis J. Fendler, Jr.
Lloyd W. Fernald, Jr.
David B. Fickenscher
David E. Fields
John L. Finley
William A. Finn
Lloyd D. Follmer, Jr.
Frank R. Ford, Jr.
James H. Foresman III
Robert N. Foss
Donald W. Fowlkes
Robert F. Fox
Thomas R. Fox
Bruce Friederich
Wayne R. Fritz
James R. Gant
Dudley A. Gaouette
Walter J. Gautier
Joseph J. Gawarkiewicz III
Richard C. Gentz
Michele D. Giambattista
Douglas B. Gibson
Ronald B. Gibson
Sherwood E. Gifford, Jr.
Harry M. S. Gimber III
Lawrence B. Goldstein
Ronald G. Goldstone
James P. Googe, Jr.
Paul E. Graff
Kermit W. Greeneisen
Duane F. Greenhoe
Robert T. Grigsby
Michael J. Gubitosi
Charles R. Hall III
John E. Hamilton
Ira R. Hanna
Richard D. Hartman
Robert K. Hastie
Duran T. Hatfield
Paul L. Hathaway, Jr.
Robert R. Haven, Jr.
Carlton E. Haviland
Allan H. Hawk
Alvin G. Haworth, Jr.
Jesse H. Heald, Jr.
Robert I. Heisner, Jr.
John S. Hellewell
Allen P. Hemphill, Jr.
Patrick Henry, Jr.
John W. Herlihy
George G. Herring III
Wesley C. Hewitt
John S. Heyde, Jr.
Shannon D. Heyward
Orrie G. Hiett, Jr.
Theodore K. Higgins
William H. Higgins
Dean H. Hines
Richard J. Hlava
William J. Hobler, Jr.
Lawrence M. Hogan
John A. Holt III
Herbert L. Hoppe
John E. Horsefield
Frederic N. Howe, Jr.
Jonathan T. Howe
James J. Hower
John H. Howland
Ira A. Hughey
Leo G. Hyatt
David A. Isquith
Thomas P. James, Jr.
Vencin L. Jamison
David W. Jaynes
George W. Jensen
Glen L. Jermstad
John D. Jerome
Leonard W. Johnson II
Peter A. Junghans
Steven E. Kadas
Norman H. Kail
Richard N. Kane
Bennett D. Katz
William A. Kauffman
Timothy E. Keating
John J. Kelley
Daniel J. Kenney
Roy A. Kensinger
William A. Kerr, Jr.
Robert L. Kershner
Martin D. Kiefer
Richard H. Kiel
Carleton J. King, Jr.
James W. King
Thomas J. Kirkland III
James D. Kirkpatrick
Montelle N. Knapp
Fredrick C. Knauf
Richard H. Knauf, Jr.
William C. Knodle
Jerry G. Knutson
Joseph W. Koch, Jr.
Alfred M. Koster IV
Leonard T. Kozlov
Theodore R. Kramer, Jr.
Thomas J. Krilowicz
William W. Kronzer
Urban R. Lamay, Jr.
George E. Lampert, Jr.
William G. Lange
George M. Lanman
Kent W. Larabee
Rene R. LaSalle
Richard N. Leahy
Mark M. Lenhart
Rex L. Leonard
William N. Leslie
Edmund F. Lewis
Philip R. Licari
Donald J. Lisa
Gill F. Livingston
Fred W. Llewellyn III
Robert G. Loewenthal
Cleve E. Loman, Jr.
Andrew P. Longton
Gary B. Lowe
Douglas L. Lowrance
Wendell H. Lueker
Charles T. Luke, Jr.
Robert A. Luke
Clayton W. Lynch
Richard L. Madouse
Lawrence R. Magner
Thomas J. Maguire
Edward J. Mahon, Jr.
Charles A. Mahoney, Jr.
Terrence M. Mahony
Kenneth C. Malley
Philip N. Mandel
John W. Margedant
Thomas A. Marnane
Ronald F. Marryott
Norman P. Marshall, Jr.
John S. Martin, Jr.
Hugo E. Marxer
Andrew S. Massimino
Lawrence E. Masten
William B. Matney, Jr.
Ebe C. McCabe, Jr.
Hugh W. McCauley
Gilson K. McClure, Jr.
Richard A. McConnel, Jr.
Richard L. McCracken
Lawrence E. McCullough
Thomas J. McGinty
Daniel E. McGlasson
Charles R. McGrail, Jr.
David B. McGuigan
John T. McHugh
William M. McHugh
William C. McIlvain, Jr.
Junious A. McKee, Jr.
Michael F. McKenna
Albert S. McManes
Kenmore R. McManes
John A. McMorris II
Carter V. McNeese
James L. McNerney
Roger B. McPherson
William N. Mears
Richard P. Meaux
Wallace B. Mechling
Norbert W. Melnick
Kenneth N. Meneke
Walter T. Meukow
David A. Meyer
Daniel A. Mickey
John E. Middleton
William M. Mickle
Thomas J. Miklos
Donald L. Miller
Peter R. Miller
Howard E. Miniter, Jr.
Stephen Missailidis
Donald L. Mitchell
David L. Mitchell
Christopher N. K. Mooers
Harold L. Mooney, Jr.
Harry R. Moore, Jr.
Jimmie R. Moore
Conrad R. Morency
Richard P. Murdoch
George S. Murphy
James H. Murphy
Michael A. Murphy
John P. Myers
Joseph F. Neary
John H. Nelson
Robert F. Nevin
John W. Newell
Burton K. Nichols
Niel P. Nielsen
Bruce F. Nolan
Charles F. Noll
Eugene J. Normand
David M. North
George E. O'Brien
Daniel J. O'Connell
James J. O'Connell
James P. O'Hara, Jr.
Brian E. O'Neill
James P. O'Neill, Jr.
LeRoy C. Ostrander
Gene A. Paasch
Henry H. Page, Jr.
William N. Palmer II
Kenneth H. Parcell
Frank W. Parker
Ural C. Parnell
James G. Partlow
John S. Paul
Jimmie "D" Paulk, Jr.
John D. Peace III
Robert W. Peacher
William H. Peerenboom
Gary R. Pelphrey
Edmund J. Peresluha II
Kenneth D. Peterson
Paul A. Peterson
George Philipps
James J. Pistotnik
James F. Pitney
James R. Poole
Richard G. Porter
Douglas F. Pritchard
Norman E. Prosser
Ronald L. Pruett
Victor H. Prushan
Bruce H. Purvis
Samuel M. Purvis
Edwin A. Putkonen
James H. Quinn
Ronald E. Rau
Robert B. Reed, Jr.
Harold L. Reichart, Jr.
James R. Reid III
Henry F. Rempt, Jr.
Richard B. Renner
John D. Richardson, Jr.
Sherwood L. Ritchie
Kenneth F. Robinson
Robert G. Robinson
Denis P. Roche
Walter V. Roeser, Jr.
Carl J. Rohsenberger, Jr.
William K. Romoser, Jr.
Wilson C. Rook
Robert H. Rositzke
Thomas E. Ross
David J. Rosser
Roger H. Rotondi
Daniel L. Roudebush
Fay O. Round, Jr.
Oren G. Rutemiller, Jr.
Paul T. Saari
Leyon D. Sakey
Robert L. Saracco
Tommy D. Sawyer
Richard H. Scales
David G. Schaffer
Jack W. Scheible
Gilbert P. Schneidewind
Henry J. Schneider
Douglas L. Scott
Roy E. Seaman
Richard A. Secor
Gerald Sedor
Alfred E. Senior, Jr.
Laverne S. Severance, Jr.
James E. Shay
John B. Shewmaker
Ronald M. Shields
Charles P. Silvia
Bennet S. Simonton
James R. Simsarian
John D. Sipes
Dennis Y. Sloan
Stephen B. Sloane
Bertram D. Smith, Jr.
Howard E. Smith, Jr.
Jess J. Smith, Jr.
William E. Smith, Jr.
William J. Smith
William S. Smith, Jr.
Selig Solomon
Arthur T. Spring
John L. Stacey
George L. Stallman III
Robert A. Steelnack
Frederick N. Steiner
Edward L. Stewart, Jr.
David J. Stiller
Richard C. Stober
Raymond N. Stoetzer
Francis H. Stoodley
Kenneth A. Strahm
Robert O. Strange, Jr.
Stanley P. Strickland
Moore A. Stuart
Wesley A. Sweat, Jr.
Oscar C. Tack, Jr.
Bruce R. Tapper
Bruce A. Thomas
David M. Thomas
Roy D. Thompson, Jr.
Robert E. Tims
Arthur B. Trammell
Charles W. Truxall, Jr.
John J. Turner, Jr.
Lawrence W. Twitchell
John L. Ulrich
Samuel G. Underhill
Clyde H. VanLandingham, Jr.

James Varnadore
Edward B. Vaughan, Jr.
Walter V. R. Vieweg, Jr.
Thomas H. Vollmer
Richard T. Vosseller
Clarence L. Walker, Jr.
Thaddeus O. Walker, Jr.
Burke Ward
Norman D. Waring
Robert L. Warters
Alexander E. Wattay
William K. Weaver
Robert F. Weiland
Frederick C. Weiss, Jr.
Robert M. Wellborn, Jr.
Herbert J. West, Jr.
William W. West
Jack L. Weston
Thomas P. Whaley
Walter Whipple
George W. White, Jr.
John R. White
Wilson R. Whitmire
Charles H. Wilbur
Albert P. Williams, Jr.
Garry L. Wilson
Ronald J. Wiltsie
Warren A. Woodrow
Francis G. Woods
Joseph C. Woolman
Dwight I. Worrell
Arthur St. Clair Wright
Raymond E. Wyatt
John M. Yarbrough
Harry M. Yockey
Emory P. Zimmer
Allen M. Zollars, Jr.

The following-named midshipmen (Naval Academy) to be ensigns in the Supply Corps in the Navy, subject to qualification therefor as provided by law:

Richard G. Adams
William D. Aldenderfer
David L. Anglim
Charles E. Bachelder, Jr.
David W. Balding
James C. Ballantine, Jr.
Warner P. Basse
George D. Cassimus
Paul D. Coon
James E. Craig, Jr.
Hans R. Croeber
Robert L. Crouch
Ronald M. DelDuca
Allison B. Donalson
Joseph J. Duffy, Jr.
Richard D. Furiga
Bernard L. Gleason
Ronald T. Hall
Charles E. Harlow
Philip C. Holmen
Donald R. Jahn
Rodwell C. Johnson
George N. Kachigian
Robert H. Kase
Arthur W. Kelly
Karl W. Koch
Robert T. Lutz, Jr.
Stuart W. Marcotte
Gary D. Matthews
Richard H. Nace
Frank M. Nichols, Jr.
John E. Nolan
Gary B. Nuss
Richard B. Nygaard
Jerry G. Patterson
Robert A. Phillips
Charles T. Popik
Constantinus P. Prahalis
Robert W. Pruess
Joseph V. Reilly, Jr.
Eugene C. Rook, Jr.
John D. Rosselott
Robert W. St. Martin
Conrad P. Schulte
Frederick G. Shea
John E. Sheehan, Jr.
Thomas M. Sims, Jr.
James J. Spillane
Thomas R. Weissinger
James R. Wilber

The following-named midshipmen (Naval Academy) to be ensigns in the Civil Engineer Corps in the Navy, subject to qualification therefor as provided by law:

James E. Bligh
Jerome J. Barczak
John L. Clearwater
Frederick M. Derr
Jerome R. Dunn
John C. Fraser, Jr.
Lester E. McMenamin, Jr.
Harold R. Somerset

The following-named (Naval Reserve Officers Training Corps) to be ensigns in the Navy, subject to qualification therefor as provided by law:

Donald E. Abram
Charles P. Adams
William E. Aherne
Roger E. Alberty
Louis P. Aldana
Robert F. Aldrich
Bruce G. Alexander
William C. Allen, Jr.
David W. Almgren
Thomas P. Anderle
Gordon W. Andersen
Benny A. Anderson
Donald C. Anderson
Norman D. Anderson
Richard C. Anderson
Robert E. Anewalt
Stanley R. Arthur
Donald S. Atkinson
Bernard S. Awtrey, Jr.
William H. Baddley
Frank B. Bailey
Joseph J. Baldes
Roger L. Baldwin
John E. Ball
Walter E. Barbee
Michael J. Barron
Richard J. Barry III
Terry M. Badger
Charles A. Baechler
Lawrence C. Baker, Jr.
James E. Barger
Richard H. Barker
John W. Barrows
Donald W. Bartlett
Larry D. Bartlett
James M. Barnes
Robert L. Barry
Paul H. Bassin
Kenneth W. Bateman
Richard H. Bates
William H. Beatty III
Donald E. Beck
John R. Beck
Lance S. Belville
Charles A. Berghane, Jr.
David J. Berrier
William H. Berry
Edward C. Bessey
Thomas C. Betterton
Francis M. Betts III
Harold R. Beury
John A. Bevan, Jr.
Charles H. Binkley
Frederick W. Bishop
Harold F. Bishop
Lawrence R. Bishop
Herbert L. Black, Jr.
Michael G. Blankenship
Jack Bluestein
Howard Z. Bogert, Jr.
Frank B. Boice
Thomas A. Boisseau
James R. Boling
Stuart W. Bolinger
Ray S. Bolze
Thomas J. Boodell, Jr.
Paul A. Bornstein
Robert L. Boswell
William C. Bowden
Addison M. Bowman III
Gerald L. Bowman
William D. Brandon
James J. Brennan
Edward A. Brewton
Frank G. Briggs
Richard A. Brobst
David M. Brode
Ronald A. Brookbank
Donald C. Brown
John S. Brown
Thomas S. Brown
Walter C. Brown
William J. Brownlow
David D. Brunell
William B. Buchanan
David E. Buck
John S. Bull
Philip E. Burcher
John E. Burgess
John W. Burnett, Jr.
Stanley R. Burnett
James B. Burrows
Robert A. Burton, Jr.
Marvin L. Busch
Robert H. Bussard
John P. Butler
John M. Byers
W. H. Gerald Caldwell, Jr.
Kim J. Calvin
John R. Campbell
Robert B. Campbell
John J. Campilio
Robert G. Carleton
Raymond F. Carlin, Jr.
Robert M. Caron
Jann W. Carpenter
William G. Carson
Sanford P. Carter
Robert G. Case
Walter E. Cates
James W. Cave
Glenn R. Cella
Roger B. Chaffee
John T. Chambers
Jong M. Chew
James D. Church
James J. Cierzniak
Douglas L. Clarke
Robert G. Clason
Ralph B. Clifton
Roger L. Clifton
Andrew M. Coats
Frank F. Colburn
George F. Cole III
William W. Cole, Jr.
Edward J. Collard
James B. Conner
David M. Connor, Jr.
Michael A. Conron
David W. Cook
Edward H. Cook
Patrick D. Coogan
Jesse D. Coolbaugh
John D. Cooper, Jr.
Robert E. Copeland
Gordon W. Corwin
Richard E. Cossitt
Kenneth H. Cowles
Darrell Z. Cox
Edward L. Cox
Joseph F. Cox
Robert G. Cox
Samuel R. Crain III
Forrest S. Crawford
Charles C. Cromer
Claude C. Cross
Ronald L. Crozier
Jack D. Crutchfield
Joseph R. Culhane, Jr.
Kenneth E. Cumbridge
Robert G. Cunningham, Jr.
Shane A. Cunningham
Shaun Cunningham
William E. Cupps
David S. Currie
Leonard P. Dague
James C. Dale III
Alexander S. Daley
Lewis M. Dalgarn
Dale S. Dallon
Frederick T. Daly III
Herbert V. Danielson, Jr.
William M. Dante
Thomas E. Darby, Jr.
Charles T. Darragh, Jr.
Charles A. Davenport
Theodore M. Davenport
Craig H. Davis
Jackson K. Davis, Jr.
Robert A. Davis
Robert E. Davis
Edward C. Davidson
John M. Davidson
William P. Dawkins
Laurence R. DeBuys III
Carl F. Defibaugh, Jr.
Francis B. Degress III
Robert E. DeKinder, Jr.
Joseph G. Demarest III
Michael B. Demetrios
Charles D. DeSimio
John B. DeVries
Douglas A. Dial
Donald D. Dixon
Charles M. Doherty
Herman A. Doll
Frank C. Dorsey
John P. Dotson
John L. Dougan, Jr.
Charles W. Doughdrill
Robert L. Dow
Robert J. Dowling
John K. Doyle, Jr.
Richard J. Duane
Daniel L. Dudas
Douglas W. Duderstadt
Richard L. Duncan
William E. Durham
Denis D. Durnan
Barry J. Dyer
Henry C. Dyer II
Robert K. Eagan
Robert W. Edson
Daniel J. Edwards
Gary M. Edwards
Fred G. Eidson
Richard W. Ekblad
Robert L. Elich
Robert "A" Elkin
Richard W. Elliott
Jerry K. Emrich
Burton D. Engle
Raymond V. Engler
Samuel L. Erwin
Richard G. Erwine
John R. Essig
Robert C. Enstam
Daniel B. Evans
Gary R. Evans
Isaac T. Evans
John J. Fahey, Jr.
Edward B. Farley, Jr.
David W. Fay
Herbert Feinroth
Paul L. Feldman
Robert L. Ferguson
John R. Ferrari
Richard A. Fidlar
William T. Finley, Jr.
David H. Fischer
Thomas F. Fishburn
John W. Fisher
George P. Fitzgibbons
Joel L. Fletcher III
Irvine D. Flinn
Ernest D. Foote
Robert R. Foote
Ronald J. Foster
Ronald L. Fowler
Otis O. Fox
Robert J. Fredericks
George M. Fredrickson
Gilbert M. Freedman
Albert M. Freeman III
Paul S. Frommer
Charles J. Fuqua
Robert S. Gale
William R. Gallant
Donald R. Gardner
Frederick Gardner
Norman R. Gerness
Joseph Gerstner, Jr.
Richard L. Geyer
Vernon W. Gibson, Jr.
James H. Gilbert, Jr.
Richard E. Gilbert
Lawrence A. Gilliland, Jr.
Stanley F. Gillmar
Edward P. Gistaro
Joseph R. Godwin
Joseph P. N. Goodell
Samuel Gordon
Walter J. Gordon
Grady L. Gothard
George K. Gowans
Donald V. Graf
Richard P. Graff
Edward J. Grant
Garland A. Gray, Jr.
Richard F. Green
David S. Greiling
David H. Griffin
James J. Griffin
John I. Griffin
Roger F. Griffin
Richard A. Groeneveld
Dean A. Grossman
Victor S. Gulliver
Donald H. Gunderson
Larry S. Gutsch
Vincent T. Hackett
Gerald L. Hackler
William K. Haeckler
Paul A. Hagedorn
Robert G. Hahn
Paul V. Halberg
Charles M. Hale
David S. Hall
Gordon B. Hall, Jr.
John P. Hall, Jr.
Richard O. Hall
Charles D. Hamilton
William E. Hammond
Souren Hanessian, Jr.
Bryant M. Hanley, Jr.
Ronald F. Hanna
Theodore B. Hannah
David W. Hansen
John A. Hansen
Lee E. Hargrave, Jr.
John V. Harker
Daniel H. Harkness, Jr.
Charles F. Harner, Jr.
John O. Harper
Eugene S. Harris
John L. Harrison, Jr.
John Haruch
Jerry M. Hatcher
Harry S. Havens
Ash M. Hawk
Richard S. Hayes
Charles L. Hays, Jr.
Larry Hebert
Walter Helgeland
Arthur A. Hellebusch
John A. Helms
David C. Henderson
George R. Henderson
Gordon W. Henderson
Tom A. Hendrickson
John B. Henneman, Jr.
Armand M. Hess
Gene A. Heth
Robert J. Hiebner, Jr.
Lyle J. Higgins
James R. Higgs
John H. Highfill III
Daniel C. Hildenbrand
Victor R. Hill
Robert M. Hillyer
Bruce W. Hilyard
Arthur R. Hirst
Peter W. Hobbs
George A. Hodges
Franklin R. Hoeven
Larry L. Holdren
Jan P. Holick
George H. Honeycutt
James B. Hope
John R. Hooper, Jr.
Shirley W. Holt
Alan E. Hoover
John C. Houldsworth
Carlton V. Howard, Jr.
Robert W. Howard
Finley N. Hubbard, Jr.
Franklin M. Hundley
John J. Hunt
William R. Hurley, Jr.
Charles R. Hurst
Charles E. Hutchison
Cecil R. Hutchison, Jr.
Philip W. Hyatt
James P. Jackson, Jr.
Michael Jasperson
Edward M. Jennings III
Samuel L. Jennings
Eugene T. Jilg
Donald M. Johnson
Henry C. Johnson
Richard B. Johnson
Robert A. Johnson
Robert O. Johnson
Ivan R. Johnston
Duane C. Johnstone
Colin M. Jones
Courtney S. Jones
Daniel F. Jones
Thomas N. Jones
Dennis R. Jordan
Steven A. Jordan
William M. Jordan
Joseph I. Judge
James R. Julian
Edward R. Kaiser, Jr.
John N. Kalberg
Beau K. Kansteiner
Ernest W. Karger
Alfred L. Kasid, Jr.
David P. Kassoy
Richard A. Kaufer
Richard T. Kaupie
Thomas L. Keaveny II
Francis J. Kelliher
Lawrence P. Kelliher
Augustus G. Kellogg, Jr.
Edward W. Kelly
Hugh F. Kelly
Donald E. Kentopp
Jonathan M. Keyes
Russell S. Kifer, Jr.
Wayne D. Kilgore
Robert C. King
William D. Kinsley
William P. Kirk II

John C. Kirscher
Joseph D. Kirschten
Donald S. Klein
Wallson G. Knack
Richard N. Knight
Richard W. Knorr
Richard J. Kolodziej
Richard L. Komp
William J. Kooyman
George E. Kopp
Robert W. Kopp
Michael B. Kraft
Robert M. Kraft
Richard A. Kreitzberg
Robert C. Krieckhaus
Edwin H. Krieg, Jr.
Thomas A. Kriz
Eugene R. Krueger
Richard F. Kruppa
John F. Kuhn
Paul R. Kulka
Karl R. Kullander
Larry D. Kunkel
Thomas M. Kurihara
Theodore H. Kurtz
William P. Kurtz
Roger N. Kust
James D. Laing
Richard E. Landry
Edward M. Lang, Jr.
William R. Lang
Rudolph S. Langer
Paul B. Lansing
Donald K. Larsen
Donald R. Larson
Jon M. Larson
Alan W. LaRue
William W. LaRue
James W. Lauer
Casimir E. Lawler
James C. Lawrence III
Raymond Q. Lawrence
Donald M. Laws
Alan E. Lazar
Robert A. Leavenworth
Jamil G. LeBlanc
Melvin E. Lehman
Paul E. Leitzinger
Paul R. Leopold
John D. Lethco
Robert L. Leuschner, Jr.
Richard R. Levin
Richard B. Lewis
Sol M. Lieberman
Joseph W. Little, Jr.
Paul R. Little
William C. Livingston
Stanley J. Locke
Patrick C. Logan
Marvin D. Loper
James F. Loucks II
John M. Ludwig
Carl D. Lundin
Donald U. McBride
David T. McCabe
Richard J. McCahon
James F. McCarthy
John E. McCandless
Joseph G. McClellan
Milton L. McCutchan
Peter J. McConnell
James L. McCorkle, Jr.
Henry Y. McCown, Jr.
Ronald S. McCuiston
Richard J. McCready
John F. McDaniels
John G. McDonald
Jack M. McGahey
Russell L. McGalliard
James A. McGill
Francis J. McGrath
Patrick F. McGuire
Laurence C. McIntyre, Jr.
Robert C. McIver
Warren M. McLaughlin, Jr.
George L. McMichael
Thomas C. McMurtry
James D. McNeill III
John P. McNichols, Jr.
William C. McWhorter
George E. MacCubbin, Jr.
Donald R. MacDermott
Richard W. MacKay
John W. MacKnight
Robert D. MacNish
John Macrae
Richard J. Madara
Rolf V. Mahler
Irwin R. Major
Donald B. Malcolm
Frank Mallette
Charles A. Malmberg
Emil D. Malmquist
Robert A. Mammano
Richard D. Mann
Thomas A. Manzi
William D. Marsh
Harris A. Marshall, Jr.
William G. Marshall
Albert J. Martin
James A. Martin
William J. Martin, Jr.
Joel D. Marvil
Raymond E. Matthei
Nick N. Matthews, Jr.
Kenneth A. Maxwell
Paul L. Maycock
Allen Mead
Louis D. Megehee, Jr.
Elbert L. Menees, Jr.
David L. Mericle
Lawrence F. Merrion
Paul A. Meschler
Paul M. Mettert
Nathan Metzger III
Donald W. Meulbroek
Robert F. Michel
Harold E. Miller
Max K. Miller
Wayne W. Miller
Robert W. Minnerly
Ralph C. Mitchell III
Robert D. Mitchell, Jr.
David B. Moffatt
Anthony J. Monteleone
Philip M. Moody
Donald L. Moore
Anthony M. Moore
Thomas R. Moore, Jr.
John W. Moran, Jr.
Edward A. Morgan
Ronald S. Morris
John H. Morrison
William J. Moyer
Bruce B. Mudge
Denis A. Mueller
Myron J. Mumaw
Robert E. Mumford, Jr.
David R. Murphy
Gerard F. Murphy
John F. Murphy
Nicholas M. Murphy
Ronald D. Murphy
John A. Murray, Jr.
William D. Myers
Larry D. Nace
Kenneth E. Narehood
Ronald B. Natalie
Marcus E. Nellums, Jr.
David O. Nelsen
Neil O. Nelson, Jr.
Robert B. Nelson
Sydney B. Nelson
James E. Nevitt
Lino G. Niccoli
Julian C. Nichols
Lee H. Nichols
Francis E. Niering, Jr.
William P. Nilsson
James S. Noblitt
John K. Nolan
Gene O. Nommensen
Lee E. Norton, Jr.
Gary R. Nuss
Frederick W. Nutt
Francis E. O'Connor
Otis L. O'Connor
Paul O'Connor
Robert E. O'Connor
Allan W. Okins
Calvin A. Olano, Jr.
Joseph R. Olson
Oscar W. Olszewski
Stafford N. Ordahl, Jr.
Peter C. Osborne
Joseph F. O'Sullivan
Theodore C. Palen
Philip Palmer, Jr.
Richard A. Palmer
Stanley B. Palmer
Arthur J. Pancook, Jr.
Harry L. Parker
Walter W. Parker III
David N. Parks, Jr.
Angelo L. Pastore
Stewart K. Patberg
Robert C. Paton
Dale W. Patterson
Ralph A. Patterson, Jr.
Noel L. Peacock
Peter B. Perry
John R. Peters, Jr.
Melvin L. Peterson
Wade J. Pharis
Lindsay F. Phillips
David C. Pierson
Lawrence L. Pillsbury
Richard H. Pletcher
James D. Pope
Henry C. Porter
Edward C. Prettyman
Charles F. Price
Mebane M. Pritchett
James E. Prock
Peter N. Puerling
Robert W. Puschinsky
Harry S. Quast
Gerald T. Quenell
Ralph W. Quere
Gerald T. Quigley
George M. Quint
Kenneth D. Rakouska
Herbert G. Rammrath
Robert F. Randall
John T. Ratliff, Jr.
Peter V. Raudenbush
David R. Rawson
John R. Reardon
James D. Rees, Jr.
Joseph A. Reich, Jr.
Richard Reichler
Richard M. Reische
Thomas F. Reiser
George H. Reisner
Tracy V. Remy
Edward J. Rice
Edward F. Richards, Jr.
James H. Richards
Ralph Richter, Jr.
William A. Ringer
Robert T. Ritchey
David B. Robbins
Gary L. Roberts
Harry D. Roberts
Paul E. Roberts
Rex W. Roberts
Ian E. G. Robertson
John A. Robertson
Gene A. Robinson
Ronald K. Robinson
David M. Rockmore
Alexander M. Roe
Emmon S. Rogers
Thomas E. Rohricht
Clifford C. Roltsch
Stephen E. Rosenthal
Norman A. Ross
Wendell R. Ross
Alyn Rovin
William A. Rucker
Roger L. Rue
Barr E. Ruston
George W. Ryan
Joseph A. Ryburn
Alexander M. Salley
Glenn A. Saltzman
Steven M. Sandlin
George D. Sauter
David T. Savage, Jr.
Gerald K. Scales
Dennis N. Schafer
Karl G. Scheetz
John J. Schell
Parley G. Schenk
Ralph O. Schenk
Joe D. Schillinger
Preston G. Schiwitz, Jr.
John E. Schlapkohl
Raymond G. Schliesman
Kenneth L. Schneider
Thomas J. Schoen
Carl H. Schrank
Walter H. Schwartz, Jr.
Cullen R. Schwemer
Lawrence J. Scott
Robert S. Scott
Thomas D. Scott
Cornelius D. Scully III
William P. Searcy
James G. Seely, Jr.
Herbert E. Seglehorst
Frederick W. Selbold
Carwin "Y" Self
Norman D. Self
Kent S. Seymour
Stanley S. Shaw
James R. Shea
Edwin A. Shelley, Jr.
David L. Sherck
Gary G. Sick
Harry M. Siegmund
Richard L. Sorsby, Jr.
Wilson E. Southern
Barry F. Smith
Charles P. Smith, Jr.
Clarence E. Smith, Jr.
Dean L. Smith, Jr.
Fred E. Smith, Jr.
Glenn A. Smith
Jimmy F. Smith
John B. Smith
Kerry C. Smith
Robert E. Smith
Ronald D. Smith
William J. H. Smithey
Samuel J. Smock
Joseph Smotzer, Jr.
Robert J. Smythe
William F. Snell
Roger W. Staehle
Harrison I. Steans
Dwight O. Stedman
John R. Stephens
Leon M. Stevenson, Jr.
John E. Stewart
Michael M. Stewart
Francis J. Steyer
William A. Stoodt
Rolland L. Strausbaugh
Richard R. Stuart
Wilton Sturges III
James F. Sullivan, Jr.
John B. Surrett
William R. Sutherland
Harold J. Sutphen
Christopher F. Sutphin
Andrew L. Swallows
Floyd C. Swan
Edward W. Swanson, Jr.
David P. Swanson
Thomas D. Swepston
Ernest G. Szoke
Jack F. Talbott
William E. Tangney
Jerome K. Tankel
James C. Tappan
Peter R. Tatro
John N. Taussig
Douglas G. Taylor
Robert M. Taylor
Robert P. Tema
William J. Texido
Edwin R. Thiele
George F. Thoman, Jr.
David D. Thomas
George M. Thomas III
Larry D. Thomson
Manly P. Thornton
Melvin C. Thornton
David E. Thouin
Ronald E. Tietz
Calvin L. Todd
William M. Tolle, Jr.
Richard S. Tompson
Morton E. Toole
Audrice R. Traylor, Jr.
Edmund B. Treidler
Clifton R. Tucker, Jr.
David C. Twesme
Paul D. Vance
James W. Vaughan, Jr.
John J. Veak
Eugene B. Veek
Edward L. Velden
Alex J. Viessmann
James C. Vohr, Jr.
William A. Wallace
Thomas F. Wallace
Donald F. Walter
Thomas V. Wambach
Newton E. Ward, Jr.
David R. Warnock
Harold W. Waterman
John A. Watson
John W. Watt
Robert B. Watts
Charles H. Weaver
Donald E. Weaver
Charles Webb III
James M. Weiffenbach
Robert P. Weil
Robert M. Weiner
Raymond G. Weinmann
Edwin A. Weise
Francis J. Weller, Jr.
Robert E. Welsch
William R. Westlake
Mathias J. Wey
John M. Whalen
Gerald A. White
Ray J. White
Robert B. White
Harry E. Whitelock
Gregory L. Whitlinger
Ralph R. Whitney, Jr.
James B. Whittaker
William K. Wible
Robert H. Wichmann
Malcolm H. Wiener
Francis A. Wiesner
Luke J. Wilburn, Jr.
Bruce T. Willey
Thomas G. Williamson
Bruce D. Wilson
Stuart M. Winkler
Arthur R. Wise, Jr.
Lawrence E. Witmer
Robert J. Wolfe
Roderic L. Wolfe
David G. Wood
Joseph M. Woods III
Thomas B. Worthen
Joseph A. Worzala
Paul I. Wren, Jr.
Robert J. Wright
Kenneth R. Yenni
Hugh L. Yoho
Robert B. Young
William M. Younger
John A. Zachman
Raymond A. Zambrano
Richard N. Zelley
Carlo F. Zezza, Jr.
James F. Ziegler
David E. Zweifel

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy subject to qualification therefor as provided by law:

Robert B. Abele
Frank J. Adelman
Bruce W. Avis
Richard L. Battelle
Swinton B. Burkhalter
Richard A. Butler
James E. Carpenter
Frank R. Cepel
Hugh B. Cowan
Fred Cowley
James J. Craig
Claudius S. Dawson, Jr.
Arthur P. Dayries
Robert B. Farris
Donald J. Fint
Robert N. Flinn
Robert L. Fowler, Jr.
Robert S. Friedman
Archibald Gann, Jr.
Harvey N. Herstein
John A. Jordan, Jr.
Garnett L. Keith
Charles R. Koppa
Larry G. Laycock
James H. Malecki
James E. Martin, Jr.
Paul J. Martineau
William A. Meeker
Robert A. Ogletree
Joseph K. Pinnell
Ronald D. Robinson
James W. Ross
James F. Wilson
Paul H. Zuckerman

The following-named officers to be lieutenants (junior grade) in the Medical Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualification therefor as provided by law:

Howard Alleman
Arthur O. Anctil, Jr.
Robert F. Anderson
William V. Applegate
John A. Arness
Robert M. Baird
Robert F. Baker
William J. Baker
William M. Bason
John H. Beaumier
Byron L. Beddo
James L. Beeby
Fred L. Benoit III
Harold E. Bergee
James J. Biemer
Robert S. Boring
Ronald L. Bouterie
Charles E. Boylan
Herbert E. Brooks
Frank S. Bryan
John B. Burr
Donald R. Cagle
Ronald R. Cameron
Alfred R. Chappelka, Jr.
Maynard S. Christian
Edmonston F. Coil
Marvin E. Collentine
Terry M. Collier
Ralph D. Comer
Theodore J. Cosgrove
Frederick J. Cremona
Richard K. Cureton
Jere J. Daum
Bruce K. Defiebre, Jr.
Michael F. Dolan
William C. Douglass
Robert C. Elliott
Eldon L. Evans
Fred S. Evans
George A. Ferré
John R. Finch
Albert L. Folkner
Ralph M. Fortenberry

William J. Fouty
James H. Gallent
Nicolas A. Garcia III
Allyn E. Gilbert
James T. Gillespie, Sr.
Edwin P. Gramlich
Edward D. Greaves
Donald H. Greene
Thomas P. Hamilton II
James E. Hansen
Jude R. Hayes
John E. Hester III
Jon K. Hillis
Howard S. Irons
Stephen H. James
Stephen J. Kendra
Francis L. Klingle, Jr.
Robert W. Knapp
Henry D. Knox
David H. Kohl
Jack A. Langevin
Donald T. Lansinger
Willard A. E. Larson
Robert Littlejohn
Albert G. Loew, Jr.
Denton E. MacCarty
Gilbert I. Madison, Jr.
James J. McHale, Jr.
George J. McMahon
Raymond E. Merrill
George E. Metz
Johnny E. Milner
Murray G. Mitts
Jerome H. Modell
Ross B. Moquin
Robert K. Norton
O'Tar T. Norwood
James L. Okel
John B. Oldershaw
Andrew Olesijuk
Andrew M. Pardue
Stanley R. Payne
John M. Pearson
Richard L. Rogers
William A. Royer
Ellsworth J. Sacks, Jr.
George F. Sengstack
Guy A. Settipane
Alvin A. Shackner
Edward J. Sheldon
Norman L. Sims
Joseph L. Sirois, Jr.
Alvin J. Southworth
Kenneth F. Spence, Jr.
Robert E. Strange
Fred J. Svendsen
Lawrence Sweeney
Ives C. Thillet
Philip J. Torsney, Jr.
Monroe E. Trout
Richard C. Trump
Sidney Tolchin
Peter F. D. VanPeenen
Daniel V. Voiss
James B. Wade
Kenneth E. Wagner
Edward B. Weiss
Gerald Weitzman
Robert A. Williams
George H. Wood III
Ronald H. Woody, Jr.

The following-named (civilian college graduates) to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

Lieutenant commander

Donald H. McLean.

Lieutenant

Edwin R. Carnes.
Charles E. Pohl.
Charles A. Rockwood, Jr.

Jeanette C. Opsahl, woman (civilian college graduate), to be a lieutenant in the Medical Corps of the Navy, subject to qualification therefor as provided by law.

The following-named Reserve officers to the grades indicated in the Medical Corps of the Navy, subject to qualification therefor as provided by law:

Commander

Rosario A. Fisichella.
Wendell A. Johnson.

Lieutenant commander

Harold R. Noer

Lieutenant

Louis C. Alaia
James A. Austin
Frank M. Barnwell
Paul R. Bauer
Joseph F. Bayer
James C. Bellamy
Daniel G. Bitner
Charner W. Bramlett
William F. Brunner
Frederick S. Caldwell
Philip K. Carter, Jr.
Pat A. Cato
John W. Coles, Jr.
Neilson T. Debevoise
Hugo S. DeLuca
Gerald F. Dobel
Thomas G. Doneker
George J. Ellis, Jr.
Hugh E. Fraser
Dudley J. Gaeckle
Henry L. Giard
Lucius A. Harrison, Jr
George R. Hart
Henry T. Haye
Neil P. Kenney
George E. Kimmel
Joseph V. LeBlanc III
James R. McArthur
Robert C. McDonough
Alan G. Miller
John L. Moore
William M. Narva
Fred H. O'Connell
Robert G. O'Connor
Jefferson W. Paslay
Malcolm R. Powell
Jack D. Real
John R. Reynolds
Bruce H. Rice
Robert G. Rizza
James W. Sanders III
Lewis R. Schumacher
Kenneth W. Sell
Robert B. Small
Robert C. Spagnoli
James J. Thomas
Adam T. Thorp, Jr.

The following-named Reserve Officers to the grades indicated in the Dental Corps of the Navy, subject to qualifications therefor as provided by law:

Lieutenant

Theodore A. Bodine
Joseph R. Bohacek
Alfred O. Brault
Donald J. Cody
James E. Corthay
Harold E. Freeburn, Jr.
Jack E. Hyde
Robert W. Longton
Robert S. Nolf
Donald L. Yowell

The following-named officers to be lieutenants (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualification therefor as provided by law:

Robert W. Allen
Doil E. Barlow
Paul L. J. Bradford
George R. Butler, Jr.
William L. Comcowich
George B. Cross
Charles J. Cunningham
Charles R. Diem
Ronald N. Dodds
Albert M. D'Onofrio
Richard C. Edwards
Robert K. Fenster
John T. Forte
Arthur M. Gensior
Roy F. Gherardi
Dan C. Gholson
Norman B. Giles
Richard J. Good
Charles J. Grady, Jr.
David M. Grove
Dale F. Hands
Robert J. Harland
Robert D. Heckel
Robert L. Hill
John H. Jayne
Harris M. Kimbrough, Jr.
Richard V. Lolla
James R. McAndrew
William J. McDonnel
Charles W. McGary
Louis J. Marino
Richard M. Mayberry
Eugene J. Messer
Dean T. Mielke
James E. Miller
Robert E. Mouritsen
William J. Newell
Fred A. Olson
Roy C. Page
William J. Porter
David T. Russell
Joseph P. Ryan
Kenneth D. Sipe
William A. Stout
Thomas E. Stump
Van R. Tibbetts
Herbert O. Tietzer, Jr.
Edward J. Trusz
Warren R. Westerhoff
Don H. Whited
Henry G. Wright, Jr.

The following-named Reserve officers selected as alternates to be lieutenants (junior grade) in the Dental Corps of the Navy, and to be promoted to the grade of lieutenant when their line running mates are so promoted, subject to qualification therefor as provided by law:

Vincent A. Amicucci.
Marvin J. Molacek.
James P. Toyias.

William R. Yarwood for permanent appointment to the grade of chief warrant officer W-2, in the United States Navy, subject to qualification therefor as provided by law.

The following women officers of the Naval Reserve to be appointed in the permanent grade of lieutenants in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Italina Di Giambattista.
Helen F. Maurer.

The following women officers of the Regular Navy to be appointed in the permanent grade of lieutenant in the Medical Service Corps of the Navy, and reappointed to the temporary grade of lieutenant commander, subject to qualification therefor as provided by law:

Bertha I. Alvord
Thelma R. Bare
Mary E. Crenshaw
Ruth L. Flickinger
Florence M. Frazier
Muriel Hanwell
Lydia F. Kieler
Dorothea J. McKinney
Eva M. Minkel
Ruth Moeller
Edna L. Townsend
Doris A. Wilson

The following women officers of the Regular Navy to be appointed in the permanent grade of lieutenant in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Minnie D. Banko
Marion D. Bates
Mary E. A. Bisenius
Blanche E. Boumel
Frances L. Bowdle
Helen J. Brown
Mary J. Caldbeck
Helen W. Caldwell
Mildred Chapulis
Mary E. Darling
Delima M. M. Dumas
Ruth E. Fabian
Mary C. Grosz
Jane Higginson
Florence G. Lahey
Georgia M. McKearly
Maurine M. Meckes
Barbara Munroe
Helen T. O'Brien
Elizabeth O'Malley
Mary M. Opsuth
Margaret L. Rafferty
Emma G. Robinson
Elaine O. Rosevear
Anna Stankavitch
Alice Q. Steele
Ella M. Vick
Dorothea H. Wheeler
Evelyn D. White
Muriel M. White

The following woman officer of the Regular Navy to be appointed in the permanent grade of lieutenant (junior grade) in the Medical Service Corps of the Navy, and reappointed to the temporary grade of lieutenant, subject to qualification therefor as provided by law:

Betty D. Bair.

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

William H. Albertson
Richard C. Allen
Roy L. Beavers, Jr.
Joel H. Berry, Jr.
Earl C. Bowersox, Jr.
George W. Bruce, Jr.
Eugene R. Burdon
Albert L. Chandler
Donald E. Clark
Edward A. DeFelice
Donald E. Erwin
Richard M. Fletcher
Philip G. Griffith
Joseph E. Guion
Brian K. Hannula
Richard B. Hartigan
Phil "R" Hawkins
Harold J. Hilz
Joseph M. Husbands
George M. Johnson
Donald E. Jubb
Karl E. Kuehner
Marion G. Lamb
John L. Langston
Robert E. Lavender
Billups E. Lodge
Robert G. McCausland
Isidoro Maggay, Jr.
Thomas H. Mathews
Edward H. Monroe, Jr.
William E. Nyce
William H. Pierce, Jr.
Michael C. Pouls, Jr.
Donald J. Renz
William R. Rugg
Anthony D. Sesow
Maurice J. Shine
George C. Sibert
James D. Taylor, Jr.
Kenneth G. Thomas
Herman L. Turk
Robert J. Wallace
Richard B. Walls
Albert C. Wartman, Jr.
Thomas W. Watson
James D. Wolf
Donald P. Zeithaml
Robert J. Zemaitis

Lieutenant (junior grade)

John P. Baumgartner
William J. Belay
Charles F. Cook
Martin F. Corcoran
James A. Crider
Norman E. Davis
Arthur H. Eagan
Edward S. Fitch
John W. Grunenwald
Richard L. Hill
George C. Hogan
George A. House, Jr.
Robert S. Jackson
Robert Kerr
John W. Rustin, Jr.
Francis H. Scherer
Ralph A. Smith III
Louis W. Stevens
Richard A. Stratton
Richard W. Stuebben
Walter Sturm
Gerald C. Vaught
Richard M. Weber

The following-named for permanent appointment:

Lieutenant

Arthur W. Cleveland
John R. Ditore
Harry B. Ellis
Leonard B. Szatkowski
Richard T. Whitlock
Ned E. Wick

Lieutenant (junior grade)

William H. Albertson
Richard C. Allen
Alexander R. Andersen
Roy L. Beavers, Jr.
Clifford L. Bekkedahl
Joel H. Berry, Jr.
George L. Boaz
Earl C. Bowersox, Jr.
Cloyde I. Brown
George W. Bruce, Jr.
William J. Buc
Eugene R. Burdon
John W. Cade
Albert L. Chandler
Donald E. Clark
John B. Dana
George K. Davis
Edward A. DeFelice
Richard T. Dreghorn
Richard H. Engelbrecht
Donald E. Erwin
Richard M. Fletcher
Edward I. Fox
Pat M. Garner
Timothy P. Gentry
Charles A. Gray
Philip G. Griffith
Joseph E. Guion
Brian K. Hannula
Stanley J. Harms
Thomas K. Harrison
Richard B. Hartigan
Eugene F. Hartnagle
Phil "R" Hawkins
Harold J. Hilz

Edward S. Hosepian
Clifford R. Hubbard, Jr.
Joseph M. Husbands
George M. Johnson
Donald E. Jubb
Jack M. Kennedy
Wilbert A. King
Steven E. Kish
Karl E. Kuehner
Manford D. Kuttler, Jr.
Marion G. Lamb
John L. Langston
Robert E. Lavender
Billups E. Lodge
Robert G. McCausland
William A. McWaters, Jr.
Chester M. Mack
Isidoro Maggay, Jr.
Stanley J. Marks
Thomas H. Mathews
Donald M. Metzler
Edward H. Monroe, Jr.
Houston M. Morgan
William L. Morris
Richard Nielsen
William E. Nyce
William T. Owesney
James E. Perkins
Joseph "A" Perkins
Thomas M. Pieper
William H. Pierce, Jr.
William R. Pettyjohn
Michael C. Pouls, Jr.
Richard P. Ralph
Donald J. Renz
John W. Roberts
William R. Rugg
John N. Ryan
George A. Sawyer, Jr.
John J. Scully
Anthony D. Sesow
William J. E. Shafer
Maurice J. Shine
George C. Sibert
Wayne L. Stephens
Joseph E. Sullivan, Jr.
Jerry G. Swor
Benjamin E. Tabler
James D. Taylor, Jr.
Richard "Z" Test
Kenneth G. Thomas
Herman L. Turk
Christopher R. Vatidis
Robert J. Wallace
Millard L. Wallen, Jr.
Richard B. Walls
Charles W. D. Ward, Jr.
Albert C. Wartman, Jr.
Thomas W. Watson
Alan L. Weeks
Richard W. Wells
James D. Wolf
Donald P. Zeithaml
Robert J. Zemaitis

Ensign

John P. Baumgartner
William J. Belay
Leslie E. Breeding
Eugene A. Cernan
Charles G. Chisholm III
Claude D. Clower
Charles F. Cook
Martin F. Corcoran
James A. Crider
Norman E. Davis
Arthur H. Eagan
Edward S. Fitch
Charles L. Fuld
John W. Grunenwald
Richard L. Hill
George C. Hogan
George A. House, Jr.
Robert S. Jackson
Robert Kerr
John W. Rustin, Jr.
Francis H. Scherer
Ralph A. Smith III
Louis W. Stevens
Richard A. Stratton
Richard W. Stuebben
Walter Sturm
Merrill L. Talbott
Gerald C. Vaught
Richard M. Weber

The following-named officers for temporary or permanent appointment to the grade indicated in the line of the Navy (special duty law), subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

Thomas F. Hairston.
Savas Hantzes.

The following-named for permanent appointment:

Lieutenant (junior grade)

Savas Hantzes.

Ensign

Thomas F. Hairston.

The following-named women officers for permanent appointment to the grade indicated in the line of the Navy, subject to qualification therefor as provided by law:

Lieutenant

Marie A. Cardani.

Lieutenant (junior grade)

Ann E. Carter
Nancy L. Denton
Betty J. Dew
Janet E. Horgan
Margaret J. Merritt
Beverly F. York

Ensign

Kathleen A. Bashe.
Julia J. DiLorenzo.
Janet K. Tandy.

The following-named officers for permanent appointment to the grade indicated in the Medical Service Corps of the Navy, subject to qualification therefor as provided by law:

Lieutenant (junior grade)

Elmer E. Inman, Jr.

Ensign

James G. Wilcox.

The following-named officers for temporary or permanent appointment to the grade indicated in the Supply Corps of the Navy subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

Robert L. Brunson
Charles F. Carpenter
John H. Dunlevy
Rial C. Jones

Lieutenant (junior grade)

Ronald B. Goodman.
Richard F. Wilson.

The following-named for permanent appointment:

Lieutenant

Perry E. Baunsgard.
Harold C. Duessel.

Lieutenant (junior grade)

James A. Breit
Robert L. Brunson
Charles F. Carpenter
John H. Dunlevy
Rial C. Jones
Lawrence E. Krukin
John J. Lyons
Charles L. Rush
Thomas L. Schanz

Ensign

Ronald B. Goodman.
Richard F. Wilson.

The following-named officers for temporary or permanent appointment to the grade indicated in the Chaplain Corps of the Navy, subject to qualification therefor as provided by law:

The following-named for temporary appointment:

Lieutenant

Eugene T. Flatley
Thaine E. Ford
Martin F. Gibbons
Chester R. Weber

The following-named for permanent appointment:

Lieutenant

Vincent M. Smith.

Lieutenant (junior grade)

Eugene T. Flatley
Thaine E. Ford
Martin F. Gibbons
Chester R. Weber

The following-named officers for temporary or permanent appointment to the grade indicated in the Civil Engineer Corps of the Navy subject to qualification therefor as provided by law:

The following named for temporary appointment:

Lieutenant

Vytautas B. Bandjunis.

Lieutenant (junior grade)

Willard G. Shafer.

The following named for permanent appointment:

Lieutenants (junior grade)

Vytautas B. Bandjunis.
Kenneth J. Kristiansen.
Richard E. Skogsberg.

Ensign

Willard G. Shafer.

The following-named officers for temporary or permanent appointment to the grade indicated in the Nurse Corps of the Navy, subject to qualification therefor as provided by law:

The following named for temporary appointment:

Lieutenants

Marie A. Croteau
Rosemary Davis
Mona L. Filler
Marguerite J. Racek

The following named for permanent appointment:

Lieutenants

Ruby M. Brooks.
Martha J. Meyers.
Margaret F. Neely.

Lieutenants (junior grade)

Marie A. Croteau
Rosemary Davis
Mona L. Filler
Marguerite J. Racek

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification deck, subject to qualification therefor as provided by law:

William J. Adkins
Neil J. Amero, Jr.
Richard T. Baldwin
Gordon J. Barclay
Maurice J. Barrett, Jr.
Ralph I. Bertelsen
Paul G. Bowser
Randolph M. Brown
Stanton L. Brown
Richard J. Bussmann
Clarence Buyers
Frederick J. Casselberry
Thomas B. Clark
Billy W. Cummings
Joe W. Eaton
Jeremiah Edwards, Jr.
George Fondren
William R. Forte
Robert A. Giovanetti
Jack L. Godfrey
Joseph G. Gofus, Jr.
William M. Greaney
Lawrence E. Harkins
George C. Hebble, Jr.
William L. Henderson
Bernard M. Hillman
James K. Ingalls
Freasie "L" Jones, Jr.
William P. Karmenzind
Herman S. Kunz
Travis H. Laird
Joseph W. Lauf
William J. Leonard
William E. McGuirk
Vito J. Monteleone
Lester A. Morgan
Burton C. Newby
Lawrence B. O'Brien
Frank P. O'Keefe
Jack L. Patterson
Ronald F. Petty
James L. Putman
William F. Rogers
Donald C. Ruthford
Paul J. Santoro
Warren B. Shearon
Robert E. Sheelor
Carl J. Weidetz, Jr.
Richard L. Welch
Joseph A. Winkeler
Sol Young

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification ordnance, subject to qualification therefor as provided by law:

Francis A. Adamcewicz
Thomas R. Allen
Russell S. Ault
John G. Bornowski, Jr.
Samuel L. Bouton
William R. Boxwell
Clarence E. Brown, Jr.
Edward H. Cahill
Wade A. Cole
William J. Cranford
Raymond Cross
Robert L. Davis
Garnett D. Duncan
Peter Edwards
Morton B. Fine
William K. Garrett
Bernie L. Green
Frederick "G" Grisbaum
Stephen J. Grosscup, Jr.
James B. Haralson
Howard J. Hardenstein
William J. Humphrey
John R. Hurd
George F. Jenkins
Oscar F. Luedtke, Jr.
John J. Peterman, Jr.
Benjamin W. Randle
Earl L. Roberts
Laverne W. Speed
Edward L. Stockhausen
David W. Strunk
George W. Sturdivant
William T. J. Swayne
Russell G. Teague
Robert L. Thompson
Robert R. Wall
Donald Ward, Jr.
William D. Watkins
George Zwirlein

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification administration, subject to qualification therefor as provided by law:

Frank H. Abbott
Joseph D. Adams
Harris Barnett
Byron A. Blount
Roland I. Bruning
Calvin E. Burdett
Arthur E. Chayer
Harold E. Coburn
Dana P. Covert
Dean F. Flickinger
Richard H. Fulfer
Emmett T. Guindon
John K. Harley
Milam B. Hassey
Albert L. Hefferman
James W. Hood, Jr.
Raymond E. Inman
Francis P. Jones
Paul B. Kincade
Ellis R. Lamb, Jr.
William E. Landon
David C. LeBlanc
Lloyd R. Lemerande
Paul W. Martin
Lloyd H. McGraw
Roy C. Morrow
Harold W. Nail
Kenneth C. Nielsen
Lester W. Notbohm
Orville E. Painter
Newell D. Park, Jr.
Bobby J. Pigg
Ralph S. Poole, Jr.
Donald J. Pouliot
Charles A. Roll
Kenneth M. Roxburgh
Cleveland H. Russell
Allred Sistrunk, Jr.
Joseph R. Starr
Homer H. Sullivan
Maurice S. Syverson
William H. Tebbetts
John W. Thompson
Carl L. Vancil
Kenneth E. Vann
David B. Venable
Harry E. Wagner
Joseph A. Worrall
Arthur E. Young, Jr.

The following-named to be temporary ensigns in the line in the Navy, for limited

duty only, classification engineering, subject to qualification therefor as provided by law:

Lee R. Anderson
William J. Bartee
John H. Beahm, Jr.
Wesley L. Bennett
Dean T. Blakeslee
Wayne A. Braastad
John W. Branin
James V. Brewer
Charles W. Brink
Howard S. Brown
Edward J. Cameron
Richard D. Canter
Albert J. Carr, Jr.
William F. Cole
Raymond L. Curry
James G. Davison, Jr.
Lester C. Dowling
Francis T. Duba
Thomas J. Elliott
John K. Epley
William H. Evered
Richard C. Fleming, Jr.
Roger W. Fuller
Stanley W. Gardner, Jr.
George M. Giganti
Roy D. Gomer
Charles A. Gossard
Charles D. Griswold
Matthew W. Gundersen
Frances M. Harper, Jr.
Leroy M. Hayden
Roscoe Hayter, Jr.
Eugene L. Hill
Albert L. Hoffman
John D. Jacobs
Donald G. Jefferson
Arthur L. Jewell
Harvey E. Jewell
Jesse H. Lafever
Russell J. Larkin
Carl H. Long, Jr.
Harlen J. Martin
Thomas G. McFarland, Jr.
Charles R. McIntire
Alton L. McKeithan
Robert N. McKeon
Laurence V. McNamara
Robert E. McPherson
Vincent R. Medugno
Robert L. Meenan
George L. Meisner
Bernard G. Morris
Munir A. Moyer
John J. Nania
William J. Nelson
William J. Nott
Rex G. Nunnally
William M. Patrick
Wayne M. Pierce
Robert E. Priest
Robert A. Quick
Vito N. Ragone
Billy R. Randolph
Joseph W. Reck
William J. Reno
John T. Reynolds, Jr.
Eugene Richter, Jr.
Doyne C. Robbins
Melvin D. Romero
Thomas E. Sayers, Jr.
Tom R. Sibson
William E. Silvey, Jr.
Bennie J. Smith
Jimmie E. Spear
Virgil L. Springer
Henry R. Strangfeld
Paul C. Stroup
Lester R. Sunda
Charles N. Swahn
Harold L. Thompson
Victor G. Thorp
William C. Toney
Raymond L. Urry
James J. Ward
Conrad W. Weiser, Jr.
"J" "B" Whitaker
Benjamin F. Whitmer
Teddy P. Wilkison
Maurice D. Willyard
Warren C. Wilson
John D. Wood
Lawrence G. Yessak
Edward C. Yuskis

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification hull, subject to qualification therefor as provided by law:

Chester L. Arnett
Ernest P. Blanton
Wayne E. Coltrin
Eugene Dootson
Carl Gibson
Benjamin W. Jones
Allan E. Lipke
Wallace F. MacLeod, Jr.
David B. Michael
Dehlbert C. Michel
Raymond K. Mullaly
"H" "O" Mutz, Jr.
Lawrence A. Papi
Herbert T. Randall
Harold J. VanOutrive
Clarence G. Waldner
Frank J. Woidyla

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification electronics, subject to qualification therefor as provided by law:

John C. Alexander, Jr.
Archie A. Anderson
George E. Anderson
Robert B. Armbruster
Einar W. Backstrom
Lawrence Bates, Jr.
Robert J. Beckman
Leland "S" Beedle, Jr.
Benjamin M. Bishop
Sela A. Blaisdell
Joseph N. Brand
Lawrence H. Carter
Arthur R. Caudry
John D. Clark
Robert E. Corsnitz
John A. Craven
Richard D. Crumm
James R. Dayhoff
James M. Dearman
Joseph F. DelRoss
Thomas E. Dimond
Melvin J. Edwards
James C. Evans
Elbert W. Faires
Robert W. Felts
Franklin E. Fergerson
Cecil O. Fields
Donald L. Frear
Charles A. Fuller
Merton E. Gaudette, Jr.
George A. Gellenthin, Jr.
Winton S. Gessner
Donald "C" Gibson
Ernest E. Guimond, Jr.
Stanley J. Hall
John R. Harrington
Donald H. Hewett
Robert C. Heyde
Delbert F. Heydenberk
Robert E. Hills
Benjamin Horn
Charles E. Houck
Frank A. Howard
Robert L. Hughes
Philip H. Jacobsen
John L. Jennings
Edward D. Johnson
Roy L. Jones
Henry W. Kassler, Jr.
Charles A. Kennedy, Jr.
Wayne P. Keyes
James "J" Kilmer
John W. King
Loren L. Kuske, Jr.
William J. Lang
Harvey D. Lasko
Donald W. Little
Robert A. Lockshire
Rudyard K. Loose
Richard M. Lufkin
Harold R. Markley, Jr.
Charles B. Megyesi
John F. Merry
Joseph M. Murphy
John Nonni, Jr.
Roy A. Norman
John B. O'Brien
Walter H. O'Brien
Earl L. Oliver
Albert J. Pappas
Robert A. Parsons
Irwin B. Pierson
William C. Pioske
Lloyd E. Polk
Roger E. Prenzlow
Harold W. Rachiell
Denny R. Rathbun
Bernard S. Reitmeier
Edgar E. Richmond
William E. Riley
George L. Roberts, Jr.
Robert D. Robertson
Larry R. Rodke
Robert R. Sanborn
Paul H. Sayles
Peter J. Scheidt
Walter H. Sharp
Leonard T. Smith
Carl T. Snyder
Robert F. Sterling, Jr.
Maurice M. Stickney, Jr.
Louis J. Torres
Gordon E. Townsend
Earl V. Tracy
Theodore J. Vroman, Jr.
Eldon C. Wilson
Billie R. Young
Robert M. Zurfluh

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation operations, subject to qualification therefor as provided by law:

James L. Albritton
Hubert E. Brainard
Harold D. Carder, Jr.
"W" "L" Lamon Crouch
Richard C. Farrell
Harry A. Folkins
William H. Foulk
Paul J. Keegan
John A. Landaker, Jr.
William T. Long
Rex A. Maddox
Dean E. Nordell
Uil G. Rabb
Frederick A. Shaw
Phillip H. Skiff
Morris K. Terry
Ray A. White
Peter A. Wiktorski

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation ordnance, subject to qualification therefor as provided by law:

Earl W. Achord
Aquilla J. Allen, Jr.
Edwin C. Beach
Donald J. Brough
Donald C. Dodd
Joe L. Dyer, Jr.
Raymond E. Engle
John D. Evanoff
Bernard M. Fitzgerald
Edward F. Gold
Frank W. Huseman, Jr.
Jay D. Koehler
Roy R. Lewis, Jr.
Robert W. Morgan
Benjamin F. Schultz, Jr.
Charles R. Walton
Carl C. Wells, Jr.
Alfred H. White

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation maintenance, subject to qualification therefor as provided by law:

Robert N. Ball
Joseph S. Bouchard
Allen E. Brady
Joseph C. Bures
Morris C. Carter
Walter R. Coe
Joseph J. Cosgrove
Homer B. Daily
Chester L. Fitzpatrick
Cecil H. Fleming
Ralph A. Goslin
Irving G. Hall III
John F. Hill
William G. Holland
Walter Hopwood, Jr.
Alton J. Huth
Stephen D. Keir
Howard Kelso
Eugene J. Kozak
Frank A. Lastrico
James J. Lynch
Roy T. Magnuson
Clayton C. Mamele
Robert F. Marshall
Roger A. Mathieu
Joe B. McInvale
George W. Miller, Jr.
Herbert E. Montgomery
John T. Moore
Kenneth P. Mullins
Addison W. Newton
Edward "B" Nohlburg
Robert A. Peirson
Samuel B. Phillips
Edmund A. D. Piasecki
Nicholas T. Potts
Kyle T. Prevo, Jr.
Howard V. Richardson, Jr.
Richard T. Schoonover
Bradford K. Shaffer
Robert H. Smith
Donald G. Stanfield
John S. Thompson
Russell W. Wright

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aviation electronic, subject to qualification therefor as provided by law.

Clarence M. Ammons
Robert M. Archibald
Ronald W. Arenth
Harry J. Baker
Albert Barre
Harry O. Baumgartner
William C. Bibbee
Raymond L. Blazevic
James R. Blum
Richard W. Blumenthal
Arnold E. Boyster
James K. Brackin
Joseph L. Buechel
Mitchel T. Burchfield
Albert G. Bush
Lowell E. Bush
David I. Byers
Lloyd B. Camp
James P. Carl
Wayne D. Carpenter
Joseph W. Carroll
Charles S. Carter
Samuel M. Chavar
Wiley J. Cheek
Frank J. Cheney, Jr.
Lyle E. Y. Clarke
Robert A. Clary
Harry B. Clay, Jr.
James G. Cocchi
Paul T. Cook
Raymond L. Crihfield
Earl H. DeEsch
Norman L. Denoon
William E. Dishon
Joseph F. Doherty
John J. Donnelly
Joseph D. Driscoll
Charles E. Dunn
Robert A. Duvall
Robert L. Dygert
Donald L. Edwards
Richard B. Ehrhart
William B. Elliott
William T. Fenton, Jr.
Leo G. Ferlet, Jr.
Walter E. Frank
Harold A. Fredericks
Joseph Gass
Byron A. Gaudry
Francis Gorecki
Robert F. Hagen
Michael F. Hannify
Joseph E. Haralson
William L. Harkness
John R. Harkreader, Jr.
James O. Harris
Carl L. Hawkins
William E. Heppard
Paul J. Heying
Frank C. Holland, Jr.
Norman H. Johnson
Paul C. Johnson
Clarence A. Johnston
Wayne R. Kelley
Martin S. Kennedy
Aubrey V. Kesterson
William A. Kivelle
Robert G. Kofnovec
Edwin L. Krause
John A. Laboone, Jr.
Donald R. Larkin
Edward E. Lesko
William T. Martin
Ralph A. Matarazza
Richard T. Mayer
Willard L. McCollough
Robert S. McDaniel
Donald C. McIntyre
Patrick J. McIntyre, Jr.
Harry McKay
Edward W. McKinnon
David R. McKnight
Daniel J. Million
Edward Mills
Marvin L. Mills
Raymond A. Mosman
William Murdoch
Richard D. North
Arthur L. Northrop
John J. O'Donnell
Joseph D. Olson
Cecil W. Painter
Harold P. Pruitt, Jr.
Thomas H. Rasberry
Ned W. Reed
Robert W. Repp
Oscar "G" Rice
Charles A. Roberts
Robert W. Roman
Daniel P. Roper
Herman E. Roy
Edward A. Sailor
Edford W. Sapp
Bill W. Sharp
Joseph Shipman
Roy A. Sloan
Lewis F. Smith
Thomas E. Southworth
Charles E. Spitzner
Donald O. Stansbury
Zachary Steine
Raymond L. Stevenson
Joel Stowers
George R. Stradley
Junior C. Sturm
Clarence S. Swaringen, Jr.
Harry D. Truitt
James G. Tylee
Frank C. VanDoren
William H. Vaughn
James A. Victor
John Wagner
Muthey D. Walker, Jr.
Audrey C. Webster
Robert W. White
William A. Wilkerson
Charles L. Williams
Van E. Williams
Kenneth D. Wright
Walton E. Yates
Anthony J. Zorbach
Ralph M. Zuver

The following-named to be temporary ensigns in the line in the Navy, for limited duty only, classification aerology, subject to qualification therefor as provided by law:

Jack V. Baldwin
George Bernstein
Thomas D. Deagan
Frederick F. Farnsworth
Chester J. Fields, Jr.
Arnold W. Pruitt, Jr.
Robert B. Roberson
Ralph W. Sallee
Marrion R. Thompson
George C. Underwood

The following-named to be temporary ensigns in the Supply Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

"D" "C" Agee
Thomas C. Andersen
Leo R. Ayers, Jr.
Howard J. Barbary

Thomas S. Beaman
Ralph W. Bell, Jr.
Thomas Benvenuto, Jr.
Christian L. Broxterman
Jerry R. Chambers
Roy F. Christian
Floyd E. Combs
Richard D. Costa
Lawrence D. Crutchfield
John H. Dietz
Maurice E. Dixon
Dale E. Dodson
James L. Erickson
Elonza B. Fitzgerald
Robert U. Frankeny
John J. Getrige
Allen Hardy
Richard R. Hendren
Elmer G. Hunt
Rutherford E. Hunt
Raymond E. Hutton, Jr.
Floyd L. Irvin
Carl F. Irving, Jr.
Harold B. Itzkowitz
Vernon R. Jenkins
Nels P. Jensen
Theodore G. Liter
Richard A. Martell
Orville D. Matthews
Mason B. McClure
Robert H. Moore
Allen R. Murphy
Bartholomew Pacofsky
William H. Parke, Jr.
Michael Pata
Loyal B. Pettypool
Richard A. Reese
Colonel P. Robinson
Robert P. Rose
Arthur Roth
Harold R. Schoolcraft
Rodney K. Squibb
Robert H. Stead
Donald Stripling
Alex E. Swartz
Dwight O. Thietten
Philip L. Tilley
Ralph A. Utrup
Louis E. Vann
Howard A. Vincent
James V. Vogele
Paul D. Walker
Johnnie R. Weaver
Harry G. Webster
Don J. Wiggins
George W. Worth

The following named to be temporary ensigns in the Civil Engineer Corps in the Navy, for limited duty only, subject to qualification therefor as provided by law:

Clarence E. Loomis.
William J. Schoenholzer.

The following-named officers of the Navy for temporary promotion to the grade of lieutenant in the line, subject to qualification therefor as provided by law:

Cash, Eugene J.
Cassidy, Thomas J., Jr.
Dee, Orson R.
Detonnancourt, Arthur E.
Dick, Joseph L.
Duckering, Donald W.
Evans, George J.
Farnham, Charles G.
John, Robert P.
Lilling, Wilbur
Ludwig, George E.
Mathews, Donald W.
McMurtray, Robert A.
Metzler, Donald M.
Mulcahy, William J., Jr.
Ralph, Steve, Jr.
Sawyer, George A., Jr.
Scully, John J.
Shafer, William J. E.
Shields, John D.
Willhauck, Aarion
Wunsch, John R.
Dew, Betty J.
Merritt, Margaret J.

The following-named line officers of the Navy for transfer to and permanent appointment in the Civil Engineer Corps of the Navy in the grade of ensign:

William A. Bair
Maurice R. Berdan
Donald L. Conner
Theodore M. Edson
Aaron B. Jacobs
Stephen D. Love
Philip Oliver, Jr.
Edward R. Oscarson
James B. Pitman, Jr.
William W. Smila
Robert J. Westberg

The following-named (Naval Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Alfred J. Adkisson, Jr.
Charles A. Augustine
Earl R. Allen
Norman D. Allsworth
Robert H. Andrews
Robert E. Bancroft
Kline P. Barney, Jr.
William H. Barutio
Kent C. Bateman
William D. Beaty
Francis W. Bell
Donald R. Binns
William H. Bond, Jr.
Frank R. Black
Joseph P. Borland
Jerry D. Boulton
Gene E. Brennan
Donald G. Brown
Gordon R. Brown
Gordon D. Brownlee
Donald E. Bullard
Jerome C. Burchard
James H. Canova
Charles L. Carpenter, Jr.
James R. Cerasoli
James R. F. Chandler
Richard B. Chess, Jr.
Fred L. Cisewski
Gordon M. Clark
John W. Clark
Richard W. Clark
Paul F. Coakley
Jere B. Cobb
Robert L. Cochran
John C. Cooper, Jr.
Eric W. S. Craig
Stanley R. Currey
Martin J. Dalquist
Robert D. Davis
Hollis E. Davison
William D. Dobrowolski
Cyril W. Doyle
Robert C. Duval
Emory S. Evans
Charles S. Edwards
Edward H. Ernst
John F. Flynn
Paul C. Flattery
John W. Fowler
Matthew Flessner
Irving L. Fuller, Jr.
John W. Futrell, Jr.
George A. Gale
Robert E. Garcia
Richard T. German
James R. Ginn
Victor H. Golletz
William L. Goodwin
Bradford Gorham
Orrin R. Gore
Walter D. Gould
Otis L. Graham
Dean W. Graves
Glenn R. Grosch
Richard A. Gustafson
Donald A. Haldi
Donald D. Hall
George L. Hammond
Spenst M. Hansen
William J. Hatcher, Jr.
Robert E. Haverkamp
David R. Hines
Marvin E. Hoffman
Robert C. Hooper, Jr.
Bert G. Hornback
David W. House
Robert G. Jensen
Edward T. Johnson, Jr.
Richard R. Johnson
Allan E. Jones
George T. Jones
Richard O. Jones
Frank Junger
James R. Jurecka
Paul F. Kahn
Francis M. Kauffman
Robert Keeney
Morris C. Kellett
John A. Kirchner
Donald U. Kreppein
Basil L. Kristoff
Timothy B. Lecky
David J. Leighton
John J. Liati
John M. Lilla
Claude M. Linford
A. Michael Lipper
Charles F. Lloyd
Basil M. Long
Hugh M. Lovejoy
Thomas F. Lowe
Robert G. Lucas
William R. Lutes
John B. McIlhenny
John F. McManus
Colin R. McMillan
Michael J. McTighe
Donald E. Machenberg
Malcolm L. MacKay
Carter G. Mackie
Max L. Mardick
Benjamin J. Mason
Gerald J. Massey
Jacob T. May
James G. Meador
Richard O. Merritt
Donald C. Mikulecky
John G. Miller
Louis L. Morgan
William R. Murray
Benjamin F. Napheys III
Nelson M. Olf
James W. Orr
Lionel J. Parrish
Roy A. Patterson, Jr.
John T. Peavey
William P. Peterson
John J. Pikel, Jr
Woodrow W. Pitt, Jr.
John C. Pollock
Samuel G. Putnam, Jr.
Richard B. Quanrud
Radford M. Reams, III
Paul E. Ridge
Robert D. Ritchie
James Y. Robertson
Robert K. Rushin
Ivan K. T. Samsonoff
Robert H. Schuppe
Frederick W. Searby, III
John P. Senik
Robert B. Shepard, Jr.
Thomas F. Sheppard
David K. Silhanek
Tommy J. Silver
Roger E. Simmons
Robert L. Sindelar
Francis Sistrunk
Robert H. Smart
Robert E. Swartwood, Jr.
Gareth W. Smeltzer
James B. Smiley
Brock R. Snyder
Dwight T. Sorenson
Lloyd G. Spivey, Jr.
Henry C. Stackpole, Jr.
Carl M. Stephens
Edward L. Stowe
Warren J. Strausser
Henry W. Streitman
Anthony R. Stringer
Charles S. Stubin
Norman F. Suedekum
William L. Sullivan
Richard F. Swift
Carl G. Tebbe, Jr.
John F. Thelen
Carl R. Thomas
John M. Tivnan
Paul G. Toxie
William P. Trower
John S. Vogt
Samuel F. Wells, Jr.
Edward A. White
Larry R. Williams
Morris M. Williams
Charles P. Williamson
Douglas N. Wilson
Phillip A. Wittmann
Benjamin H. Woodbridge, Jr.
David H. Wright
George P. Wuerch
Fred A. Wulff, III

The following named (meritorious noncommissioned officers) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Thomas P. Angus
William S. Bates
Herman D. Batson
Daniel J. Blaul
Robert P. Brooks
Franklin H. Case
William R. Dorffeld
John L. Dunn
John P. English
Gerald D. Fassler
Vernon E. Firnstahl
George L. Gardner
Gordon D. Gore
Charles H. Gullett
Robert L. James
Peter J. Johansen
Christian F. Kiene
Charles S. Lawson
Paul F. Lessard
Joseph P. Marada
Bernard McMahon
Harold R. McSweeney
Richard S. Pyne
David R. Ramzel
William P. Redding, Jr.
Joseph E. Revell
Robert E. Rutherford
Gaetano F. Squillace
Russell P. Treadwell
Richard C. Wells

The following-named (Naval Academy graduates) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Roy F. Arnold
Robert R. Babbin
John H. Baer
Owen C. Baker
Ernest F. Baulch
James D. Beans
Randolph M. Browne III
Joseph B. Byrnes
Carl R. Chelius
Richard F. Chenault
Walter T. Chwatek
Robert C. Cockell
Donald B. Conaty
Donovan F. Duggan
James C. Eddins
Clarence Fong
Hadley C. Ford, Jr.
George R. Frank, Jr.
Charles D. Goddard
William S. Hamel
Kenneth P. Harrison
Richard T. Hart
Thomas W. Haven
Charles H. Heiden
Donald L. Hicks
Jon D. Hollabaugh
Larry T. Ingels
Angelo M. Inglisa
Redmond R. Jensen
William B. Jessup
Duncan H. Jones
Michael J. Kelly
Robert W. Layer
David R. Mabry
James F. Maguire, Jr.
James A. McGinn
David S. McIntyre
Joseph W. Monteith
Harold M. Nelson
Peter F. Neumann
James C. Norton
Richard H. Oates
Paul M. O'Brien, Jr.
John W. O'Donnell
Jerry D. Peterson
Earl S. Piper, Jr.
Allen I. Price, Jr.
George N. Robillard, Jr.
William J. Rodenbach
Robert P. Rogers
Paul E. Roush
James E. Royer, Jr.
Conrad J. Samuelsen
Richard H. Sargent
David P. Smalley
Stanley L. Smith
William J. Tirschfield
Chester J. Tricca
Samuel M. Trippe
Pedro R. Vazquez
George F. Warren
Mark H. Waterbury III
Harry E. Wells

The following-named (Army Reserve Officers Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefore as provided by law:

Joe E. Carmack.

The following-named officers for permanent appointment to the grade of first lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Nicky C. Davis
Charles R. Habgood
James D. Pierce
Ernest A. Schwab
Howard L. Snider
Donald T. Sesslar
Victor D. Stauch, Jr.
Milton G. Thompson
Robert J. Weiss

The following-named officers for temporary appointment to the grade of first lieutenant in the Marine Corps, subject to qualification therefor, as provided by law:

John E. Bates
Robert W. Bartsch
Wallace J. Butler
John J. Caldas, Jr.
Donald S. Carr
Robert M. Cook
Frank T. Crews, Jr.
Terry L. Eikenbery
William G. Ficere, Jr.
Robert A. Freeman
Donald J. Hatch
Richard B. Hohman
Perry L. James
Lester E. Johnson
Jack D. Jorgenson
James L. Ludlow
James A. McCarty
James A. Schumacher
John A. Schuyler
Lionel V. Silva
Benton E. Stephenson, Jr.
Gordon D. Strand
Donald R. Treichler
Everett L. Tunget
Neil R. Van Leeuwen
Norman H. Vreeland
Edwin H. Walker IV
Dwayne E. T. Wilson

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 15, 1957

The House met at 12 o'clock noon.

Rev. Dr. Joseph F. Thorning, associate editor, World Affairs, Carrolton Manor, Md., offered the following prayer:

Heavenly Father, author of life and of love:

Let the light of Thy countenance shine brightly upon the Speaker of this House and all the Members of the United States Congress.

Grant, we beseech Thee, special divine favors for the President of the United States and other leaders who have achieved a moral miracle in building bridges of friendship among all the 21 Republics of the Western Hemisphere.

Inspire all these peoples and their government officials to speak and to act in such manner that the good-neighbor values that have been developed over recent decades may be expanded and strengthened.

Do Thou, dear Saviour, in Thy generosity and goodness, inflame the hearts and souls of the sons and daughters of America, who will be the lay and religious leaders of the future, a profound love of the ideal of inter-American understanding and devotion.

Vouchsafe, we beseech Thee, a renewed spirit of loyalty and confidence, excluding all indications of animosity, strife, or ill will.

In this critical hour, when freedom is threatened on every continent, preserve our minds and our hearts in sentiments consecrated to truth and fairness.

We implore all these graces in the name of our beloved Redeemer, the Christ of the Andes. Amen.

The Journal of the proceedings of Thursday, April 11, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills, a concurrent resolution, and a joint resolution of the House of the following titles:

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River flood-control compact;

H. Con. Res. 115. Concurrent resolution expressing the sense of the Congress that efforts should be made to invite Spain to membership in the North Atlantic Treaty Organization; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 126. An act for the relief of Ljubischa Nikolich;

S. 130. An act for the relief of Frosso Spiliotou;

S. 161. An act for the relief of Elias Youssef Mikhael (Ellis Joseph Michael);

S. 248. An act for the relief of Herta Kubelle Shields;

S. 249. An act for the relief of Theodora Hegeman;

S. 251. An act for the relief of Edith Elisabeth Wagner;

S. 253. An act for the relief of Josef Michael Adolf;

S. 257. An act for the relief of Petronella Elisabeth Deimbeck Major;

S. 268. An act to provide that the Secretary of the Army shall return certain mineral interests in land acquired by him for flood-control purposes to the former owners of such land;

S 368. An act for the relief of Jose Medina-Chavez (Joe Medina);

S. 385. An act to authorize the training of Federal employees at public or private facilities, and for other purposes;

S. 438. An act for the relief of Paul Er (Ear) Chen and Lydia Chen, nee Shih Ming Chung;

S. 528. An act for the relief of Nicolaos Papathanasiou;

S. 560. An act for the relief of Alec Ernest Sales;

S. 570. An act for the relief of Jeannine Therriaud Grantham;

S. 771. An act for the relief of Rebecca Erriete Mustacchi;

S. 973. An act for the relief of Yun Wha Yoon Holsman;

S. 987. An act for the relief of Leonardo Finelli;

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes;

S. 1002. An act to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen;

S. 1171. An act for the relief of Harry Siegbert Schmidt;

S. 1192. An act for the relief of Irma B. Poellmann;

S. 1202. An act for the relief of Arsene Kavoukdjian (Arsene Kavookjian);

S.1203. An act for the relief of Lydia Anne Foote;

S. 1212. An act for the relief of Evangelos Demetre Kargiotis;

S. 1346. An act for the relief of Jane Bailey (nee Jane Dzun Ma);

S. 1360. An act for the relief of Mrs. Geraldine Elaine Sim;

S. 1412. An act to amend section 2 (b) of the Performance Rating Act of 1950, as amended;

S. 1521. An act to exempt persons appointed to student trainee positions from the provisions of section 9 of the Civil Service Act prohibiting the employment in the classified service of more than two members of the same family;

S. 1832. An act to authorize the appointment of one additional Assistant Secretary of State; and

S. Con. Res. 24. Concurrent resolution authorizing the printing of additional copies of Senate Report 139, entitled "Technical Assistance."

The message also announced that the Senate insists upon its amendments to the bill (H. R. 4813) entitled "An act to extend the life of the District of Columbia Auditorium Commission, and for other purposes, disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MORSE, Mr. CLARK, and Mr. CASE of New Jersey to be the conferees on the part of the Senate.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States No. 57–9.

THE UNITED STATES ARMY CONGRESSIONAL COMMAND AND OPERATIONS GROUP

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, Members of the Congress who hold active United States Army Reserve or National Guard commissions have long felt a need for some means of maintaining their Reserve status in good standing. Congressional staff members are in exactly the same position.

Recognizing this need, the Department of the Army has now organized a Reserve training unit which will be titled "The United States Army Congressional Command and Operations Group."

This unit will conduct training assemblies once weekly while the Congress is in session. Assemblies normally will be conducted on a designated morning at 0830–0930 hours. The initial meeting, which will be an organizational meeting, will be held this Wednesday morning at 0830 in the House caucus room.

I have been assured by the Army that these training assemblies will be stimulating, informative, educational, and up to date. The program affords an excellent opportunity to a Reserve officer to keep up his Reserve status and interests with minimum interference with congressional duties.

Participation in this unit will be on a nonpay basis. Members of the Congress who hold commissions in the Ready, Standby, or Retired Reserve of the Army or who are commissioned in the National Guard, are eligible for membership in the unit. Staff members of congressional committees and staff members of individual Congressmen who are commissioned in the Reserve components are invited to participate. Membership in this unit will not sever affiliation of the member with his home unit. The Department of the Army will insure that individual records of members will continue to be kept in their present home Reserve unit and credit for participation in the congressional training unit will be entered in the records of their home unit.

ANTIDEFICIENCY ACT

Mr. PORTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. PORTER. Mr. Speaker, the $41 million deficiency appropriation should be approved quickly by Congress so that full postal service can be restored throughout the Nation. We cannot abide ill-considered "meat-ax" cuts vitally affecting thousands of families whose breadwinners are postal employees, as well as the millions of postal patrons who are entitled to rely on the mail service which has been established.

However, the Postmaster General should resign. I said so at the outset of this hassle; I say so again now, as do the Detroit Times and other leading newspapers, along with a number of Congressmen, including my friend and distinguished colleague, the gentleman from Michigan, JOHN LESINSKI, Democrat, who is a senior member of the House Post Office and Civil Service Committee, of which committee I am also a member.

Now, did the Postmaster General violate the antideficiency law? Yes, says the Comptroller General in an opinion written April 12, 1957. He violated subparagraph (c) (1), which requires him to make the money appropriated to his Department last for the full year without the necessity of a deficiency appropriation.

The law provides no penalty for the violation of this section. I intend to introduce an amendment to provide for the same penalty applicable for violations of paragraphs (a), (b), and (h) of the Anti-Deficiency Act.

My considered opinion, as a lawyer, is that Mr. Summerfield violated paragraph (h), for which paragraph the penalty is, upon conviction, a fine of not more than $5,000 or imprisonment for not more than 2 years, or both. His guilt, of course, must be determined by a court. Therefore, I am turning over a copy of this statement to the United States Attorney for the District of Columbia with the request that he take appropriate action and in due course advise me. I personally do not believe Mr. Summerfield should be fined or imprisoned, in view of the fact that there have been previous unprosecuted violations of the Anti-Deficiency Act, although it appears that none was so gross, so flagrant and so arrogantly carried out as the instance before us. In any event, if he were convicted, the matter of punishment would be for the court to decide.

All that I am saying as a lawyer is that there is a basis for prosecution.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet tomorrow at 11 o'clock.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PAN AMERICAN DAY

The SPEAKER. Pursuant to a resolution providing that the House of Representatives designate Monday, April 15, 1957, as the date to celebrate Pan American Day, on which day appropriate remarks on the occasion may occur, the Chair recognizes the gentleman from West Virginia [Mr. BYRD].

GENERAL LEAVE TO EXTEND

Mr. BYRD. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks immediately following the remarks I am about to make; and also that all Members may have 5 legislative days within which to extend their remarks in the RECORD on this subject matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. BYRD. Mr. Speaker, I offer a resolution (H. Res. 232) and ask for its immediate consideration.

The Clerk read as follows:

Whereas April 14, 1957, marked the 67th anniversary of the founding of the Pan American Union, now the Secretariat of the Organization of American States; and

Whereas the legislatures of the 21 American Republics have traditionally observed April 14 as Pan American Day; and

Whereas the House of Representatives, ever since the founding of the Pan American Union, has encouraged the development of inter-American cooperation and friendship in recognition of common interests and aspirations of the peoples of this hemisphere: Therefore, be it

Resolved, That the House of Representatives extend its greetings of most cordial friendship and highest regard to the representative bodies of each of the other American states on the occasion of Pan American Day, in recognition of our common purpose to achieve the goal of solidarity through voluntary cooperation in mutual freedom and good will.

Copies of the present resolution shall be distributed through appropriate channels to the legislatures of the other American states and to the Secretary General of the Organization of American States.

Mr. BYRD. Mr. Speaker, it is a privilege for me to call the attention of the House to the 67th anniversary of the founding of the Pan American Union. Last week all of the independent Republics of this hemisphere observed Pan American Week, and yesterday, April 14, was Pan American Day. Due to the fact that the House could not be in session yesterday, we have postponed official recognition of this important event until today. The United States shares with the other American Republics a sense of gratification at this evidence of the feeling of unity on the part of our neighbors in this hemisphere. It is important that we this afternoon by formal action give evidence of our awareness of our common interest and common heritage to the other members of the Pan American Union.

It seems to me that our annual observations of Pan American Day resemble in many ways the observation of a birthday in a typical family here in the United States. Certainly our relations with our sister American Republics are essentially a family relationship. Nature and tradition have bound us to each other by special ties and have made us especially dependent on one another. In a sense all of the American Republics were born into the same household and are aware that their destinies are intermingled.

Just as the members of any family tend to take each other for granted most of the time, I think that it is true that in certain respects the nations of this hemisphere are inclined to take each other for granted. But just as a birthday celebration in a typical family gives evidence to one member of the family of the respect and appreciation of the rest of the family, even though that member has been pretty much taken for granted during the rest of the year, it seems to me Pan American Day gives us an opportunity to show to each other our gratitude for friendship and cooperation and our consciousness of our dependence on each other.

We are all aware of the many things which the American Republics have in common. I am sure that our institutions and outlook tend to become more alike each year. Nevertheless, it seems to me that the very marked differences that exist among us point to one of the most significant aspects of our relationship with each other. Certainly we all recognize that we are different in many ways, some of which are fundamental and obvious. Some of the nations of this hemisphere are large, others are small; some are rich and others are relatively poor. A number of the American Republics have undergone a substantial industrial development, while others are almost entirely agricultural. We are all aware of the fact that we do not have a common language. In some countries an overwhelming majority of the population has a European ancestry, while in others the overwhelming majority finds its roots entirely in this hemisphere. The basic legal systems of some countries are different from the rest. There are a number of other points of difference which all of us recognize.

The point I want to make, however, is that, in spite of these important differences, we in this hemisphere seem to have worked out procedures for getting along with each other, and these procedures seem to work better every year.

I think we all expect nations and people that are pretty much alike to get along well with each other. But, in my opinion, the biggest problem confronting the world today is to devise measures by which nations and people that are not alike can develop methods of settling their differences and avoiding controversy. The American Republics found out long ago that it is impossible as well as undesirable to try to make all nations conform to the same pattern. We have learned that we have to accept each other as we are and that our points of view and national interests will inevitably be different in important respects.

The world as a whole is just becoming aware that it must face the same realities. The world is aware that we on the two American Continents have made great progress in dealing with such matters. The Pan American Union is the oldest international organization in existence. The basic principle of the

North Atlantic Treaty had previously been embodied in the Rio Treaty of 1947. The concept of point 4 had already been in successful operation for years in Latin America before it was extended to the rest of the world by the United States and by certain programs of the United Nations.

The American Republics can be gratified that our experience has served as a guide to the world in the past, and I am sure that the nations of the world will continue to observe and to benefit from our experiences.

I think our experience with the United States aid to Latin America is particularly interesting and significant. It may well give an indication of the course to be followed in the development of our programs in other parts of the world. In the 10 years since the end of World War II the United States Government has made grants to the American Republics to a total of $673 million. In addition to this, loans of our Government to Latin American governments have reached a total of $1,333,000,000. Altogether this amounts to $2,006,000,000 of United States Government money which has gone to the American Republics during the postwar period. One of the most interesting aspects of these expenditures is the fact that roughly two-thirds of the total was made available on a loan basis. It should be noted also that nearly half of the grants, that is, $316 million was for military aid.

Let me call to your attention an aspect of our aid program to Latin America which is frequently overlooked. We have during the ten years since the war raceived a total of $821 million from that area in the repayment of principal and interest. Of the total loans of $1,333,000,000 which we made to that area, almost 50 percent have now been repaid. The outstanding debt of the American Republics to the United States is only $7?9 million.

I think that the Members of this House may all derive satisfaction from the fact that during the fiscal year 1956, the last year for which complete data is available, the total grants made by the United States to the American Republics were $111 million. But as against this amount, the United States received from the countries of Latin America $164 million in the payment of principal and interest on previous loans. We have today reached the stage where we are actually getting back from the American Republics on our previous loans to them more than the current grants which we are making to them.

I mentioned a moment ago that the total outstanding debt of the American Republics to the United States is $709 million. We all recognize that this is a substantial sum. On the other hand, I am sure that many of us are not aware of the fact that the total investment in Latin America of the United States business enterprises is $7 billion. In other words, there is 10 times as much United States capital being used in Latin America by private enterprise as is currently available there as a result of Government loans.

It is particularly significant, I think, that this very substantial capital investment in Latin America has not resulted in a drain on Latin American resources in order to make payments to the United States. A survey which has just been completed by our Department of Commerce indicates that the American firms which have made a total investment in the American Republics of $7 billion are paying each year $1 billion in taxes to the governments of the countries in which they operate. Let me point out that this $1 billion which United States firms pay in taxes exceeds the total outstanding debt of Latin American governments to the United States, which is $709 million, and may well be contrasted with the total payment of interest and principal made by the governments of the American Republics to the United States last year of $164 million.

I have cited these figures, Mr. Speaker, in order to make clear that the United States has undoubtedly made a substantial contribution to the economic development of our pan-American neighbors. It is important to note, however, that by far the greatest share of this contribution has been in the hands of American business enterprises which have come to occupy an important and permanent place in the economies of the countries in which they are located. In the second place, it is significant that a very large proportion of the funds which have been supplied to the American Republics by our Government have been made available on a loan basis and that of these loans almost 50 percent have been repaid.

It seems to me that we may hope that our assistance to nations in other parts of the world with their economic development may be similar. Certainly we want to cooperate with them and to make capital available to them when we can be sure that it will be effectively used. At the same time, we are well aware that the best evidence of the success of such a program is the fact that private enterprise is willing to make substantial investments in the area and that money supplied by our Government is being used so effectively that the nations using it are able to pay it back.

Mr. Speaker, I think we should congratulate all of our sister Republics of this hemisphere and ourselves as well on the happy relationship which has developed during the 67 years since the Pan American Union was founded. I think we have every indication that we are on the right track and that we may all derive increasing satisfaction from succeeding anniversaries of this happy event.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield to the gentleman from Florida.

Mr. SIKES. I am so glad that my distinguished friend has brought this resolution to the floor. I have listened with keen interest to his very fine statement. I think it most significant that this is the oldest organization of States that is in continuous existence. Here in this hemisphere we find our best friends and here in this hemisphere we find the greatest promise of the future. I think it very commendable indeed that the House pause to pay particular respect to this day.

Mr. BYRD. I thank the gentleman.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I join with my friend from West Virginia in the very fine remarks he has made on this occasion.

Sixty-seven years ago today delegates to the First International Conference of American States gathered in Washington, D. C., at the Wallach Mansion on the corner of 18th and I Streets NW., and laid the foundation for the mighty Organization of American States.

The meeting resulted from a growing conviction that the American Republics have much in common and could prosper through collaboration. Simón Bolívar, as early as 1823, had envisioned the mutual benefits to be reaped from a spirit of cooperation among the young nations of the New World. By 1889 the concept of inter-American fraternity had taken firm root in American thinking both north and south of the Rio Grande. Of the 19 American States existing at that time—Cuba and Panama were not yet independent—all except the Dominican Republic, whose agreement with the United States dated from 1884, cordially accepted a United States invitation to hold a conference aimed at strengthening inter-American ties.

The conference took several steps which foreshadowed later developments in our continental system. In the first place, it condemned conquest in the American Republics. Secondly, it adopted a comprehensive plan of arbitration. But these were lofty conceptions that had to wait until the American system ripened. The third step taken by the conference, however, proved to be of lasting significance. On April 14, 1890, the delegates agreed to establish a permanent organ of inter-American cooperation. Called the Commercial Bureau of the Americas, the first permanent machinery of the inter-American system had the sole function of collecting and distributing commercial information. But the very fact of its continual existence soon made it the nucleus upon which later attempts to improve pan-American relations could build.

The great Elihu Root, in a prophetic address to the delegates to that first pan-American meeting, captured the essence of their accomplishment. Said he:

> We hail you, gentlemen, not only for the immediate results which we expect from this international conference, but for the bright promises of the future. The vision of one generation is the project of the next, the project of this generation is the accomplished fact of the next; the fact of this generation passed into history with the next, and all the world wonders that men have so long been blind * * *. You gentlemen who participate in this conference between all the peoples of the free Western Hemisphere are the advance guard in the greatest movement since civilization began toward the brotherhood of man and the federation of the world.

Sixty-seven years later we can testify to the accuracy of Root's prediction.

One generation, then another, have built upon the groundwork laid by the distinguished delegates to that First International Conference of American States. Over the years the inter-American system has grown and gained vitality. It has endured two tragic World Wars and outlived the League of Nations. The spirit of harmony and cooperation it fosters among the American family of nations reduces tensions and mistrust that otherwise might riddle America as they have other parts of the world.

At the same time, the practice of working together has strengthened the sister nations in their resistance to threats from abroad. The American Republics drew together when the totalitarian Axis Powers threatened to destroy the freedom of nations. Now, communism, national and international, menaces the freedom and peace of the free world. The Communist threat is virulent and persistent. In its path, the 21 American Republics stand solidly together, determined to assist one another to retain the freedoms and democratic traditions that all hold dear.

On this the birthday of our inter-American system we can look back with pride on the unique peace apparatus conceived and developed in the Western Hemisphere. Nevertheless, our generation cannot relax in satisfaction at the handiwork to date. By renewed devotion to the ideals of pan-Americanism, we must strive to ever strengthen the bonds of inter-American solidarity.

From the practical standpoint, inter-American friendship and solidarity can help us win the current struggle for human freedom. The agents of Marxism-Leninism are active in the Caribbean, in Central America, and on the South American Continent. As an elementary principle of prudence, every United States citizen can ask himself what would be gained by the subversion of any Republic in the Western Hemisphere? Do we not know that the Marxists and the Leninists always disturb the peace and fish in troubled waters? When trusted, responsible friends are under fire, what have we to gain by promoting confusion, anarchy, and chaos? Thanks to the union of hearts and minds achieved in World War II, we know our allies and our allies know us. We must maintain this union, in the light of our own vital interests.

In conclusion, I would like to record my joy that, thanks to the courtesy of our beloved Chaplain, the Members of the United States House of Representatives have joined in the prayer on Pan American Day as offered, for the 13th consecutive year, by a man of God who is a friend of us all, Father Joseph F. Thorning, associate editor of World Affairs. It is our own prayer that Father Thorning, loyal friend that he is, may be preserved for many years to continue his apostolate of friendship among our good neighbors.

Mr. GORDON. Mr. Speaker, Pan American Day is an anniversary which all of us in the United States can observe with gratification. Although our country is confronted with serious problems and grave threats in many parts of the world, we can derive confidence from the fact that in the Western Hemisphere events are moving in the right direction.

I do not mean to say that the American Republics have solved all of their problems or that there are no controversies among us. Certainly every one of the countries on this side of the Atlantic has serious internal problems. We all recognize that in certain of the Pan American nations the standard of living is much too low and that an all-out effort must be made to bring about an improvement.

Nevertheless, the American Republics as a group find themselves in a favorable economic situation and the statistics show that the standard of living of the Latin American countries is increasing at the rate of 2½ percent a year. This is higher than the annual rate of increase of our own standard of living.

We should not shut our eyes either to the fact that the nations of this hemisphere have differences with each other. We in the United States find that there are areas of disagreement with certain of the nations to the south.

The fact remains, however, that in this hemisphere we have an old well-established working organization for dealing with our common problems and for working out solutions to matters of disagreement. We also have a tradition for bringing our international disputes to the membership of the Organization of American States for consideration and a feeling of confidence that no disagreement will be so serious that a solution by peaceful negotiation cannot be found.

Therefore, Mr. Speaker, on this 67th anniversary of the founding of the Pan American Union, it gives me great pleasure to join with my colleagues of the House in extending to the other nations of this hemisphere the greetings of the United States and give them assurance of our continued good will.

Mr. O'HARA of Illinois. Mr. Speaker, I desire to join in this anniversary occasion with the distinguished gentleman from West Virginia [Mr. BYRD], the chairman of the American Hemisphere Subcommittee of the Committee on Foreign Affairs, with whom on that subcommittee I have the honor to serve.

The idea of pan-Americanism goes back to the time of the first inter-American Congress in Panama in 1826. Simón Bolívar who was mainly responsible for urging this gathering of American States visualized the possibility of a permanent Pan American Union. It was his belief that such a confederation would promote inter-American peace and security.

It was not until 1890, when the first Conference of American States was held in Washington, that Bolívar's dream became a reality. It was at this conference that the foundation of pan-Americanism was laid with the formation of the Pan American Union. This union was formed on the Bolivarian ideals of inter-American cooperation based on peace, freedom, and justice.

Later conferences added to the strength of the growing "House of the Americas." Finally, at Bogota in 1948, the Ninth International Conference of American States gave permanence to the structure by establishing the Organization of American States. In the charter of this organization, the American Republics reaffirmed their desire to live together in peace; to respect each other's sovereignty; to provide for common action in case of aggression; and to promote, by collaboration, their economic, social, and cultural development.

This growth of pan-Americanism is tangible evidence of the desire of the American people to live and work with their American neighbors. It shows that we abandoned any thoughts of intervening in the internal affairs of our sister Republics and rather have recognized the sovereign equality of our good neighbors.

Today, on the anniversary of Pan American Day, all Americans can look with pride on the accomplishments of the pan-American system. Within the framework of Pan Americanism, we have succeeded in bettering the health and living conditions of our neighbors; we have developed their resources and economy; and we have successfully maintained hemispheric peace and security.

I am confident that pan-Americanism which is based on the sovereign equality of all American States and has promoted fellowship and mutual cooperation among its members in the past will continue to grow and to contribute to hemispheric welfare and solidarity in the future.

Mr. HOSMER. Mr. Speaker, California was first founded by Spain and Father Junipero Serra, who established California's many missions, is one of the State's heroes. These men from Spain brought to California the same traditions and systems of law they brought to Central and South America during the Spanish colonialization period. California was once a part of Mexico, and then an independent republic under the bear flag before it became a part of the United States. The ties of California with Latin America today remain as close as those of any region of our land.

In consequence, it is highly fitting that this year the Ambassadors of the American Republics chose to celebrate Pan American Day by a visit to California. I am inserting below editorials from the Los Angeles Times and Los Angeles Examiner commenting on the event. These editorials, however, fail to mention a most singular event in the Ambassadors' tour of California. That is the Pan American Festival at Lakewood, Calif., at which the Ambassadors were feted by a luncheon and were distinguished guests for a parade last Saturday.

The city of Lakewood and its citizens are no newcomers to the enhancement of good relations between the United States and her neighbors to the south. For over 10 years the community has honored and forwarded friendship between the people of the United States and the peoples of Latin America by an annual Pan American Day Festival and Parade. Each year one country has been singled out for special attention, which includes the formation of special contacts between Lakewood and one of the cities of that country, together with a similar specific contact between Lakewood's schools and schools of that country. So successful has Lakewood conducted these efforts that last fall the

community and its citizens were honored to received the United States Information Agency's special award of merit for outstanding services forwarding the President's "people to people" good-will program.

With the participation in this year's events at Lakewood of the Ambassadors of the American States, further recognition of the value of Lakewood's contributions to International solidarity in the Americas has been afforded. Although the success of the Lakewood Pan American Festival and Parade is due to the untiring efforts of many, special notice should be given to Mr. M. H. Jennings, president, and Mr. William S. Walker, vice president, of the Pan American Festival Association, which shouldered the major responsibility for conducting the ceremonies and festivities at Lakewood.

The editorials I referred to previously are as follows:

[From the Los Angeles Examiner]

PAN AMERICAN DAY

It is singularly fitting that today's celebration of Pan American Day is being formally celebrated in the cities of San Francisco and Los Angeles, and graced by the presence in California of the Ambassadors of the 21 American Republics which constitute the Organization of American States.

This is the first time since the founding of pan-Americanism in 1890 that observance of the event centers in the westernmost State of our own Union.

This circumstance vividly reminds the peoples of the New World of the historic links that bind the Commonwealth of California with our neighboring nations of Hispanic origin and culture.

That memory is, of course, everpresent with us. The poetic and sonorous names of California, San Francisco and Los Angeles alone suffice to establish the tie of a common past and inspire the confidence of enduring fraternity.

This sentiment is based on some facts of deep significance that are sometimes overlooked in the hurlyburly of workaday affairs, sometimes obscured by small differences that rise naturally among members of an active, creative family.

But the differences seem trivial indeed in the light of the positive beliefs that unite the sovereign states of the Western Hemisphere.

These are easily defined: A passion for liberty, both individual and collective; a deep faith in the same God and the same Saviour; recognition of the principle that the freedom of each member is essential to the freedom of all.

This has been true since George Washington and Simón Bolívar, liberators of the two great branches of the American people, both stated it clearly and firmly.

In modern times it was emphasized by Herbert Hoover during his good will tour of Latin America, before he took office as President of the United States.

More recently, the increasing exchange of goods and ideas, of cultures and arts between American nations, has helped to cement the aims of statesmanship with the realities of friendly personal relations.

With these proofs of mutual respect and trust between the New World nations uppermost in mind, The Examiner welcomes and salutes the American Ambassadors and, through their good offices, the great peoples they represent.

[From the Los Angeles Times]

GOOD NEIGHBORS GETTING TOGETHER

Whenever good neighbors get together there is the inspiration for a celebration.

And such a happy event is taking place here this week because it is the privilege of Los Angeles to be host to representatives of 19 out of 21 American Republics.

IMPORTANT VISITORS

The distinguished delegation arrived by plane yesterday and is on a steady round of entertainment building up to the climatic observation of Pan American Day Sunday.

Eighteen Ambassadors of the 21 nations comprising the Western Hemisphere were in the group welcomed at the airport by Mayor Poulson, many city officials, and civic leaders. The presence of the Ambassadors attests the importance of the occasion.

The Americas have much in common and meeting in an atmosphere of friendship and cooperation is the ideal way to promote their collective interests. Foremost is the hope that the 340 million persons in the Western Hemisphere can cross cultural differences and boundaries to become a united community.

In the 67 years since pan-Americanism has been in operation a dependency between the nations has been established. Today the Organization of American States, the sponsor of Western Hemisphere advancement, possesses an enviable record.

ENVIABLE RECORD

Wars have been reduced to the vanishing point, defensive measures have been instituted for collective security, and inter-American trade is steadily increasing. The enormous exchange of products has reached $8 billion annually and is increasing.

On the agenda for consideration are the peaceful use of atomic energy, promoting trade, eradicating of diseases, reduction of illiteracy, stimulating agricultural and industrial development, intensifying the existing technical cooperation program, construction of low-cost housing, and completing the inter-American highway system.

The matter of defense also gets continuous study and planning. The agreement is that an attack upon one shall be accepted as aggression against all. The ability to work together was shown in World War II when most of the Americas alined themselves with the United States following Pearl Harbor.

During the conflict Latin America provided 75 percent of the foodstuffs and 40 percent of the raw materials imported by the United States. The relationship has grown in importance since then and today Latin America furnishes 30 out of a total of 77 strategic materials listed for stockpiling in this country.

EARLY CHAPTERS

The New World has a fine list of successes to its credit, but there also are differences to be resolved. The story of solidarity is still in its early chapters even though the prolog was written 131 years ago by Simón Bolívar, the "George Washington" of the Latin American Republics.

He called the first meeting of the Americas for Panama City in the summer of 1826. Only four governments, Colombia, Peru, Mexico, and the Central American Federation, took part. The others ignored the invitation or were not able to send delegates.

A political storm blew up in Washington over proposals to be presented. By the time fears of entangling alliances were soothed it was too late for delegates to reach Panama City. What a far cry that is from today's realization that the whole of the New World is one community in many respects.

This year's pan-American ceremonies are more widespread than before. Pan-American Day Sunday will be the first to be observed by the organization outside of Washington, so it is fitting that Governor Knight and Mayor Poulson welcome the Americas through Dr. Fernando Lobo, Chairman of the Organization of American States. The occasion will constitute another first for Los Angeles and one difficult to surpass in pleasure and importance.

Welcome, American neighbors.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. BYRD. I yield.

Mr. VORYS. Mr. Speaker, I am happy to participate in this celebration of the 67th anniversary of the Pan American Union, and pay my tribute to our neighbors to the South. For many years I have had a deep appreciation of the necessity for solidarity in the Western Hemisphere, the importance of friendly, neighborly relations between all of the 21 Republics. Except for a trip to Panama, however, I had never traveled through Latin America until a year ago. Then, as a delegate to the inauguration of President Kubitschek, I journeyed to Brazil, and on the same trip I visited Bolivia, Peru, Colombia and Guatemala. On that trip I realized the many things we all had in common, but I also realized the individual characteristics, cultures, and problems of each of those countries each of them great and important in their own way. I met fine people in each country, in all walks of life. I realized, as one always does from such visits, that countries are not merely places on a map; nations are not statistics, but people, with human powers and frailties, with infinite possibilities. So I greet this Pan-American Day with a new appreciation of Latin America and its culture, a new bond with the fine folks who live there.

Mr. CHIPERFIELD. Mr. Speaker, we again welcome the opportunity to celebrate Pan-American Day—April 14. It may be well for us to pause and reflect upon its truly historical significance. For us in the New World it is a day peculiarly our own—the day of the Americas—when Americans both to the north and south can join hands to bring about a better understanding of one another, and cement hemispheric solidarity.

Let us therefore briefly review the progress which the Americas have made. It seems particularly desirable that we do so because next to world peace hemispheric unity is of the utmost importance to the people of the Americas.

In these anxious times when nations are wearily striving for an enduring peace in spite of overwhelming difficulties, the example of the Americas might well be taken as a guiding light for this troubled world.

Painfully, with measured steps, and in spite of many weaknesses and misunderstandings, the nations of the Americas have progressed along a weary road until now they clearly understand that while they are equal independent and sovereign nations, at the same time they are interdependent neighbors with similar problems. The crucible of the war brought them together to find victory through their united front.

As far back as 1810 the eminent Chilean Don Juan Egana made the first proposal for pan-American unity, foreseeing with statesmanlike outlook the importance of unity of purpose and policy of the American Republics.

Many important steps have been taken to increase the effectiveness of the inter-American system and of course one of the greatest of these was the founding of the Pan American Union 66 years ago today.

Another was when President Hoover, 26 years ago, proclaimed April 14, 1931, as Pan American Day.

From a series of inter-American conferences a better understanding was brought about and the keystone for closer ties of friendship was the machinery set up for prompt consultation on matters of common concern.

In 1940 at Habana it was recognized an aggression of the territory or sovereignty of any nation in the Americas should be considered as an aggression against all.

These policies led ultimately to the Act of Chapultepec at Mexico City where it was agreed not only acts of aggression from without should be the concern of all, but also acts of aggression from within the hemisphere against another American State.

The United Nations at San Francisco recognized the importance of such regional arrangements by approving of such agreements in its charter just as the signers of the Act of Chapultepec recognized the United Nations by agreeing its activities should be "consistent with the purposes and principles of the general international organization."

So today the Americas have adopted a charter of their own to keep the peace. The 3,000-mile unfortified border between Canada and the United States, the towering figure of the Christ of the Andes high on the border between Chile and Argentina take on a new and added significance.

As I have indicated there have been many factors which have tended to bring about hemispheric security and to consolidate the ties of understanding and confraternity.

Among these is the fact that the Americas of all the areas of the world are best suited for geographical unity. Without the racial and historic prejudices of the Old World, they comprise an area equal to 25 percent of the globe—consisting of 12 million square miles of the richest and most diversified resources of the world. Their climates and crops supplement each other which in and of itself draws the peoples of the hemisphere closer together and creates bonds of solidarity.

Just as we, in the years past, fought and died for our independence in the New World, so did the patriots of our neighbors to the south fight for the independence of their respective countries. This, too, provides a common bond of understanding as all these countries have heritages dedicated to the same ideals of independence of nations.

I need not add that in the fields of culture, music, art, and sciences there are great opportunities for progress because contacts of this character ignore national borders and local differences.

One of the best examples of the friendly feeling between ourselves and our American neighbors is that in the Americas alone of all the world there are no quota restrictions on immigration to this country.

While I have recited many instances of progress which we in the Americas have made in the past it does little good to blink the fact that there are still many problems to be solved.

All too often, up to the present time, there have been entirely too many coups, revolutions, and internal troubles in many of the countries of this hemisphere. There has been serious penetrations of both Red fascism and Red communism with its usual exploitation of false hope for the improvement of social and economic conditions for the people. An outstanding example how this problem can be met was when Guatemala, through her own efforts, overthrew the communistic infiltrated government and set up a truly democratic government.

As I have said on previous occasions, the so-called good-neighbor policy is not dependent on any one administration for its execution. This policy is a continuing one and rests upon a much sounder foundation. It is the universal desire of the vast majority of our people, which transcends partisan considerations, to have hemispheric unity for the betterment of us all—not just for the present but as a permanent policy.

As has so well been said, let us improve the inter-American system and remember its interdependence is its foundation, cooperation is its keystone.

Let us recall the words of the great liberator, Simón Bolívar:

> We, for our part, shall hasten with the most lively interest to establish the American compact, which forming all our republics into a single body politic, will present America to the world in an aspect of majesty and grandeur unexampled among the nations of antiquity. America thus united, if Heaven grant our desire, may be called the queen of nations and the mother of republics.

Mr. FASCELL. Mr. Speaker, pan-Americanism as a working concept dates back to the time of Simón Bolívar, the great liberator, who was the first to call a convention of the American nations. Bolívar's attempt, at the Congress of Panama in 1826, to establish a confederation to protect the hemisphere against outside attack did not bear immediate fruit, but the ideal of regional cooperation did not die.

As the threat of external attack declined, interest in commercial and economic development within the Western Hemisphere increased. It was in response to this interest that Secretary of State James G. Blaine called the First International Conference of American States to be held in Washington in 1890. It was the commercial bureau established at this meeting which eventually was developed into the Pan American Union.

The 1890 conference was only the first in what was to prove a long and successful series of hemispheric meetings. From the original emphasis on closer commercial relations the American States gradually moved on to deal with other broader problems. These included the establishment of machinery to settle inter-American disputes and to protect the Western Hemisphere. Eventually questions of international law, finance, agriculture, transportation, communications, health, sanitation, education, and cultural affairs were added.

At the Ninth Conference of the American States, held at Bogotá in 1948, a new high point in pan-American cooperation was reached with the adoption of the Charter of the Organization of American States. Simón Bolívar's noble dream of over a century before was finally well on the way to becoming a reality.

Today the 347 million people of the 21 American Republics are bound together in a wide variety of cooperative endeavors. In addition to formal ties between the various countries there has been a tremendous growth in inter-American trade, student exchange, tourist travel, and general cultural interchange. This progress is taking concrete form in such projects as the nearly completed Pan American Highway and in the Interama Center planned for construction in Miami.

On this 67th observance of the pan-American movement it is appropriate that we not only mark the progress that has been made, but that we look forward to the many tasks yet remaining. The military security of the Western Hemisphere rests on a firm basis, but there is a great need for more private investment and continued Government technical assistance to help in the rapid economic growth of Latin America. This development is of tremendous importance to the United States as a whole, and to Florida in particular.

There is, however, always a danger that close neighbors may fall into the habit of taking each other's friendship for granted. On this occasion it may be well for us in the United States to make a special effort to guard against an attitude of indifference to our good neighbors to the south. The United States and Latin America are close not only geographically, but historically and sentimentally as well. This is to the advantage of both, and to continue this close working relationship in the future requires the interest, friendship, and cooperation of men of good will in both North and South America. It is to this task that we should look while observing Pan American Week.

Mr. CANFIELD. Mr. Speaker, it was inspiringly uplifting to hear Father Joseph F. Thorning, who has been called "the good padre of the Americas," in this morning's prayer and I understand today's message was his 13th in as many Pan American Days.

May we become increasingly conscious of the good works of our good friends and neighbors in the Western Hemisphere, and may we continually strive to convince them we are anxious to work with them side by side for freedom and peace.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PAYMENT TO COMMISSIONED OFFICERS FOR LOSSES INCURRED UNDER EMERGENCY ECONOMY LEGISLATION

The Clerk called the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, reserving the right to object, I would first like to point out that the amount involved in the proposed legislation is not budgeted for in the fiscal 1957 or fiscal 1958 budgets for the Department of Defense. Secondly, I do want to point out that based on testimony given before the Committee on the Judiciary and based on statements submitted to me by those who are most interested in behalf of this legislation, this legislation, if approved, would potentially cost the Federal Treasury $1,328,300. As the Members of this body know, the Consent Calendar committee on both sides of the aisle on February 19, 1957, submitted to the membership certain rules and regulations pertaining to the Consent Calendar. On page 2249 of the CONGRESSIONAL RECORD of February 19, it indicates and I quote:

> The members of the committee feel first that generally no legislation should pass by unanimous consent which involves an aggregate expenditure of more than $1 million.

Consequently, based on the information which I have indicated, and based on the rules set forth by the Consent Calendar committee, I must object to the consideration of this legislation.

The SPEAKER. Objection is heard.

TESTIMONY OF WITNESSES BEFORE COMMITTEES OF CONGRESS

The Clerk called the bill (H. R. 259) to prescribe a method by which the Houses of Congress and their committees may invoke the aid of the courts in compelling the testimony of witnesses.

The SPEAKER. Is there objection to the present consideration of the bill?

Messrs. THORNBERRY, SMITH of Virginia, and IKARD objected.

CLINT AND FABENS SCHOOL DISTRICTS, TEXAS

The Clerk called the bill (H. R. 1983) to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, on the last call of the calendar this bill was put over at my request in view of the absence of a departmental report. Since that time a report from the Department has been furnished.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of State is hereby authorized, notwithstanding any other provisions of law, to enter into an agreement with the board of trustees of the Clint Independent School District, Clint, Tex., and the board of trustees of the Fabens Independent School District, Fabens, Tex., municipal corporations of the State of Texas and grantees of an undivided one-half interest in and to a 40-acre tract of land covered by a deed dated May 14, 1940, filed of record in volume 667, at page 290 of the deed records of El Paso County, Tex., (1) consenting on behalf of the United States that the said municipal corporations may voluntarily partition between them the land so granted: *Provided*, That the reversionary provisions in said deed shall remain unaffected by such partition; and (2) providing for the exchange by either or both of said grantee municipal corporations in accord with the provisions of section 2 hereof of the lands so granted and so partitioned for other lands of not less than an equal area and value, as determined by the Secretary of State, as said municipal corporations, or either of them, may deem more suitable for public educational purposes.

SEC. 2. When the agreement contemplated by section 1 hereof shall have been concluded, there shall be exchanged simultaneously by the parties in interest such deeds and other instruments as may be required by the laws of the State of Texas (1) to effect a waiver by the Secretary of State on behalf of the Government of the United States of the reversionary interest which it has in the lands covered by the partition and to be exchanged; (2) to vest in the Government of the United States in the lands to be received in exchange by the said municipal corporations, or either of them, for their portions or portion of the lands to be partitioned a reversionary interest, which reversionary interest shall be of like intent and legal effect as the reversionary interest retained by the United States under the provisions in the said deed of May 14, 1940, to said municipal corporations; and (3) to effect the exchange between the present owners in fee simple of the lands covered by the partition and of those for which the exchange is to be made: *Provided, however*, That none of the instruments of title shall be valid until all necessary deeds and other instruments have been executed and exchanged: *And provided further*, That the exchange of lands herein contemplated shall be without cost to the United States.

SEC. 3. The Secretary of State is further authorized to execute on behalf of the Government of the United States such deeds and other instruments of title as shall be necessary to carry out the purpose of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOANS TO HOMESTEADERS AND DESERT-LAND ENTRYMEN

The Clerk called the bill (H. R. 3753) to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARSHALL and Mr. LANHAM objected.

PENSIONS FOR VETERANS SUFFERING FROM TUBERCULOSIS

The Clerk called the bill (H. R. 1264) to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

LIMITING PAYMENTS TO CERTAIN BENEFICIARIES OF CERTAIN VETERANS

The Clerk called the bill (H. R. 72) to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

EXTEND AGRICULTURAL CONSERVATION PROGRAM

The Clerk called the bill (H. R. 1045) to amend the Soil Conservation and Domestic Allotment Act, as amended, and the Agricultural Adjustment Act of 1938, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, reserving the right to object, I wonder if I may have the attention of somebody from the Committee on Agriculture.

I do not question at all the merits of the conservation program. That is not dealt with in this bill, but if I understand correctly, this program since its inauguration in 1936 has been a program of Federal grants-in-aid to the States.

Mr. ABERNETHY. That is correct.

Mr. BYRNES of Wisconsin. And this bill would change that so that from here on it would be a direct Federal program. Am I correct in that?

Mr. ABERNETHY. No. The bill does not change the character of the program at all. The program every year has to run the Congressional gauntlet of an extension. That is an extension for 2 years ever since 1936. The bill is always carried on the Consent Calendar and has been passed by unanimous consent for a number of years. At the present time the Department has a budget problem which is rather serious. They have reason to believe that the program will be continued every 2 years, but they do

not actually know that. Nevertheless, they proceed with setting up their budget down there, but the time may come when they may run into a controversy about that. The Department is heartily in favor of the legislation, and it came from the committee by a unanimous report.

Mr. BYRNES of Wisconsin. I understand there is no change made in the basic philosophy or the basic operation of the program. The only thing you do in this bill is to make it permanent rather than a temporary character.

Mr. ABERNETHY. That is right. There is no change whatever in the basic philosophy of the bill.

Mr. BYRNES of Wisconsin. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection?

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That section 7 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590g), is further amended as follows: Subsections (b), (c), (d), (e), (f), and (g), and the subsection designation "(a)" are stricken out.

SEC. 2. (a) Subsection (a) of section 8 of said act, as amended, relating to the period within which the Secretary is authorized to develop programs and make payments directly to farmers for specified purposes, is hereby repealed.

(b) The first sentence of subsection (b) of section 8 of said act, as amended, is amended by striking out the words "Subject to the limitation provided in subsection (a) of this section, the" and inserting in lieu thereof the word "The."

(c) Subsections (b), (c), (d), (e), and (f) of section 8 of said act, as amended, are redesignated as subsections (a), (b), (c), (d), and (e), respectively.

SEC. 3. Sections 8, 9, and 12 of the Soil Conservation and Domestic Allotment Act, as amended, are amended by deleting "7 (a)" wherever it appears and inserting in lieu thereof "7."

SEC. 4. Section 388 (a) of the Agricultural Adjustment Act of 1938, as amended, is amended by deleting "8 (b)" wherever it appears and inserting in lieu thereof "8 (a)."

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause and insert: "That section 8 of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590g), is further amended by deleting subsection (a) and inserting in lieu thereof:

"'(a) The Secretary shall exercise the powers conferred in this section to carry out the purposes specified in section 7 (a), in any year and in any State for which no State plan has been approved for such State pursuant to section 7: *Provided, however,* That the Secretary shall carry out the purposes specified in section 7 (a) through State action as rapidly as adequate State laws are enacted and satisfactory State plans are submitted. Notwithstanding the foregoing provisions of this section and section 7, the provisions of this section with respect to the State, county, and local committees of farmers shall continue in full force and effect for purposes other than the administration of State plans.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read: "A bill to amend the Soil Conservation and Domestic Allotment Act, as amended."

A motion to reconsider was laid on the table.

PEREMPTORY CHALLENGES IN CIVIL SUITS

The Clerk called the bill (H. R. 3368) to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM of Iowa. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the committee exactly how this bill will operate.

Mr. ROGERS of Colorado. This was reported unanimously from the Committee on the Judiciary. The present operation of the peremptory challenge is limited to three on each side, with the proviso that the judge may, in his discretion, give additional peremptory challenges to the defendant.

Mr. CUNNINGHAM of Iowa. Does the gentleman believe that this bill may put a burden upon Federal judges that is not now there, that will become embarrassing to the judiciary?

Mr. ROGERS of Colorado. No; it will not. All it does is to equalize and give to the judge the right to extend to the defendant as well as the plaintiff additional peremptory challenges.

Mr. CUNNINGHAM of Iowa. Would this bill be an opening wedge to extending the same privilege in criminal cases?

Mr. ROGERS of Colorado. No. This has nothing to do with criminal cases.

Mr. CUNNINGHAM of Iowa. Has there been any hearing before your committee at any time about giving the same right to defendants in criminal cases? Frankly, that is what I am afraid of.

Mr. ROGERS of Colorado. It has nothing to do with criminal cases. This is recommended by the Judicial Conference. The question, as it may relate to criminal proceedings, will be met when presented.

We feel that it would be disadvantageous to continue civil actions whereby you give to one party, that is, the defendants, in a civil action, the right to appeal to the judge to get extra peremptory challenges, but the same right is not granted to the plaintiff.

All this does is to equalize the number of challenges available to each side and say that whether you are plaintiff or defendant, if you can convince the judge of the necessity for extra challenges, he may grant them to both sides.

Mr. CUNNINGHAM of Iowa. I thank the gentleman. One further question: In case there should be a multitude of defendants, like several hundred in one case, it is entirely up to the judge whether or not he grants the right of additional peremptory challenges.

Mr. ROGERS of Colorado. The gentleman is absolutely correct.

Mr. CUNNINGHAM of Iowa. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection the Clerk read the bill as follows:

Be it enacted, etc., That section 1870 of title 28, United States Code, is amended to read as follows:

"§ 1870. Challenges

"In civil cases, each party shall be entitled to three peremptory challenges. Several defendants or several plaintiffs may be considered as a single party for the purposes of making challenges, or the court may allow additional peremptory challenges and permit them to be exercised separately or jointly.

"All challenges for cause or favor, whether to the array or panel or to individual jurors, shall be determined by the court."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

USE OF CERTIFIED MAIL IN SUMMONING JURORS

The Clerk called the bill (H. R. 3367) to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1867 of title 28, United States Code, is amended to read as follows:

"§ 1867. Summoning jurors

"When the court orders a grand or petit jury to be drawn the clerk shall issue summons for the required number of jurors and deliver them to the marshal for service.

"Each person drawn for jury service may be served personally or by registered or certified mail addressed to such person at his usual residence or business address.

"Such service shall be made by the marshal who shall attach to his return the addressee's receipt for the registered or certified summons, where service is made by mail."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SUSPENDING APPLICATION OF CERTAIN FEDERAL LAWS

The Clerk called the resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress.

Mr. SISK. Mr. Speaker, reserving the right to object, and I do so to ask the gentleman from Louisiana or some gentleman from the Committee on the Judiciary a question. What I have in mind particularly is the extent to which the committee will have in mind conflict of interest. I ask this because of some experiences we had last year on certain tariff matters, and I am concerned about that particular issue.

Mr. ROGERS of Colorado. As the gentleman knows, the law at the present time prohibits one with a conflict of interest to take employment with the

Government and keeps him from considering other employment after it is over. To the extent that the Ways and Means Committee anticipates the use of these employees is not certain. However, we feel that we should waive it in this special investigation.

Mr. SISK. I realize, I might say to the gentleman from Colorado, that they have certain problems with reference to securing experts, or people who are thoroughly familiar with tariff matters which are technical, but I am interested in a determination as to what the committee feels to be its responsibility in the case where a possible conflict of interest might arise under this provision.

Mr. ROGERS of Colorado. I do not know what the Ways and Means Committee may have in mind in that regard, but it would be well for the committee in the exercise of its judgment not to bring in a party who has outside interests which would benefit from information he got through his work on the committee.

Mr. SISK. Mr. Speaker, I withdraw my reservation of objection and ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

RELINQUISHMENT OF THE OFFICE OF CHIEF JUDGE

The Clerk called the bill (H. R. 985) to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 70.

Mr. O'HARA of Illinois. Mr. Speaker, reserving the right to object, do I understand that under this bill a judge who is 70 years of age, who may be of the greatest worth to the court, who has no physical impairment and whose brain, if anything, is keener than in his younger years, but merely because of years, would have to retire?

Mr. ROGERS of Colorado. The answer to the gentleman's question is "No." The present statute requires the senior circuit judge and senior district judge to handle administrative work. This bill, if it is adopted, would require that a senior judge, on reaching the age of 75 years, will be relieved of his duties and responsibilities in the administrative field only. He will still continue to hold his office as a Federal judge. That is the only object and purpose of this legislation.

Mr. O'HARA of Illinois. Then, as I understand the gentleman, the bill is in line with much that is being done now to measure persons not by their worth and their actual physical soundness and mental alertness, but the number of years they have lived. It presumes that when any man is 70 or 75 it is time to step out.

Mr. ROGERS of Colorado. No.

Mr. O'HARA of Illinois. I do not like this kind of legislation. Compulsory retirement of educators, policemen, judges, and others is responsible for a waste we can ill afford. It is discrimination in its ugliest form. Every person should be judged by what he actually is, and not by the years of a calendar.

Mr. ROGERS of Colorado. I may say to the gentleman that we have a number of judges who have passed the age of 75 and who insist upon handling mere details of the administrative functions of the court, with the result it has impaired the efficiency of some of the district courts and some of the circuit courts. We provide a method that when he reaches the age of 75 he will not be burdened with this responsibility. We provide that the judge who will succeed him must have had at least 1 year's experience as a judge in the district or circuit.

Mr. O'HARA of Illinois. You get rid of him kindly. You do not shoot him, you just chloroform him.

Mr. ROGERS of Colorado. No, we do not shoot him. We just say: You do not have to do as much work. If you want to, you can continue and decide a few more cases and not devote your whole time and interest to administrative details with reference to which clerk and which case shall be assigned to whom. If he is 75 or 85 and wants to continue he may do so under this bill. It would just relieve him of a lot of petty details.

Mr. BYRNES of Wisconsin. I think there may be a little confusion. The bill itself refers to the age 70.

Mr. ROGERS of Colorado. Yes.

Mr. BYRNES of Wisconsin. With the committee amendments I think it should be pointed out they raise the age to 75. It does not go into effect at 70 but at 75.

Mr. O'HARA of Illinois. Mr. Speaker, I think this is the sort of legislation that should not be on the Consent Calendar so I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

EXTRA LONG STAPLE COTTON PRICE SUPPORT LEVEL

The Clerk called the bill (H. R. 3654) to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 812) to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton, and to substitute the Senate bill, which is a similar bill, for H. R. 3654.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There being no objection, the Clerk read the Senate bill as follows:

Be it enacted, etc., That the first sentence of section 101 (f) of the Agricultural Act of 1949, as amended, is amended to read as follows:

"The provisions of this act relating to price support for cotton shall apply severally to (1) American upland cotton and (2) extra long staple cotton described in subsection (a) and ginned as required by subsection (e) of section 347 of the Agricultural Adjustment Act of 1938, as amended, except that, notwithstanding any of the foregoing provisions of section 101 of this act, the level of support to cooperators for the 1957 and each subsequent crop of extra long staple cotton, if producers have not disapproved marketing quotas therefor, shall be the same per centum of the parity price as for the 1956 crop."

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A similar House bill (H. R. 3654) was laid on the table.

A motion to reconsider was laid on the table.

COMMANDING GENERAL OF THE MILITIA OF THE DISTRICT OF COLUMBIA TO HOLD THE RANK OF MAJOR GENERAL

The Clerk called the bill (H. R. 4144) to provide that the commanding general of the militia of the District of Columbia shall hold the rank of major general.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 7 of the act entitled "An act to provide for the organization of the militia of the District of Columbia," approved March 1, 1889 (D. C. Code, sec. 39–201), is amended by striking out "brigadier general" and inserting in lieu thereof "major general."

With the following committee amendments:

On page 1, delete all of lines 6 and 7 and substitute in lieu thereof the following: "amended by inserting after 'brigadier general' the words 'or major general'."

On page 1, after line 7, insert the following new section:

"SEC. 2. The act entitled 'An act to authorize the detail of an officer of the retired list of the Army as adjutant-general of the District of Columbia militia,' approved June 6, 1900 (D. C. Code, sec. 39–205), is amended by striking out 'brigadier-general commanding' and inserting in lieu thereof 'commanding general of.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general, or major general."

A motion to reconsider was laid on the table.

INCREASING RETIRED ANNUITIES OF MEMBERS OF THE TEACHING STAFFS OF THE UNITED STATES NAVAL ACADEMY AND THE UNITED STATES NAVAL POST GRADUATE SCHOOL

The Clerk called the bill (H. R. 5832) to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the annuities, payable under chapter 607 of title 10, United States Code, to civilian members of the teaching staff of the United States Naval Academy

or of the United States Naval Postgraduate School are increased as follows: That portion of an annuity which is not in excess of $1,500 is increased by 12 percent, and that portion of an annuity which is in excess of $1,500 is increased by 8 percent. These increases shall not exceed the sum necessary to increase the annuity to $4,104, and are in addition to the increases authorized by Public Law 371, 84th Congress. The monthly installments of each annuity shall be fixed at the nearest dollar.

SEC. 2. The increases provided by section 1, when added to the annuities of retired civilian members of the teaching staff of the United States Naval Academy or the United States Naval Postgraduate School, do not increase the annuities of their survivors. The annuity of any such survivor, however, who is entitled to or becomes entitled to an annuity under chapter 607 of title 10, United States Code, shall be increased in accordance with the following schedule:

If annuity commences between—	Portion of annuity not in excess of $1,500 shall be increased by—	Portion of annuity in excess of $1,500 shall be increased by—
January 16, 1936, and June 30, 1955.	12 per centum	8 per centum
July 1, 1955, and December 31, 1955.	10 per centum	7 per centum
January 1, 1956, and June 30, 1956.	8 per centum	6 per centum
July 1, 1956, and December 31, 1956.	6 per centum	4 per centum
January 1, 1957, and June 30, 1957.	4 per centum	2 per centum
July 1, 1957, and December 31, 1957.	2 per centum	1 per centum

SEC. 3. Any provision of law, enacted after the effective date of this act, which increases the annuities of retired employees and their survivors who are entitled to annuities under the Civil Service Retirement Act of May 29, 1930, as amended (5 U. S. C. 691 et seq.), shall be applicable in like manner and to the same extent to civilian members of the teaching staff of the United States Naval Academy and of the United States Postgraduate School and their survivors who are entitled to annuities under chapter 607 of title 10, United States Code.

With the following committee amendment:

On page 3, line 1, after the words "United States" add the word "Naval."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. CANNON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 61]

Adair	Barden	Clark
Addonizio	Barrett	Colmer
Albert	Bass, N. H.	Cooley
Alger	Becker	Coudert
Anderson, Mont.	Belcher	Davis, Ga.
Andrews	Blitch	Delaney
Anfuso	Bowler	Dellay
Ashley	Boykin	Dempsey
Aspinall	Buckley	Dies
Ayres	Cederberg	Dixon
Bailey	Celler	Dollinger
	Chudoff	Donohue
Dorn, N. Y.	Keogh	Richlman
Doyle	Knox	Rivers
Dwyer	Krueger	Rodino
Eberharter	Laird	Rogers, Mass.
Engle	Landrum	Roosevelt
Fallon	Lankford	Sadlak
Farbstein	Lennon	Santangelo
Fino	Loser	St. George
Flynt	McCulloch	Saund
Forrester	McDonough	Scherer
Friedel	McGovern	Scott, Pa.
Fulton	Magnuson	Shelley
Garmatz	Martin	Smith, Calif.
Gordon	May	Smith, Kans.
Granahan	Miller, Calif.	Springer
Green, Pa.	Miller, Md.	Taylor
Gregory	Miller, Nebr.	Teague, Calif.
Gubser	Miller, N. Y.	Teague, Tex.
Halleck	Morano	Teller
Harvey	Morris	Thomas
Healey	Morrison	Thompson, La.
Hill	Multer	Tollefson
Hillings	Norblad	Utt
Holtzman	Norrell	Vinson
Horan	O'Brien, N. Y.	Walter
Hyde	O'Neill	Westland
Jackson	Osmers	Widnall
Jarman	Patterson	Willis
Jennings	Philbin	Wolverton
Judd	Powell	Yates
Kearney	Radwan	Zelenko
Keating	Rains	
Kelly, N. Y.	Reece, Tenn.	

The SPEAKER. On this rollcall, 299 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

SECOND URGENT DEFICIENCY APPROPRIATIONS, 1957

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 4 hours, one-half to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, reserving the right to object, I wonder if we could not get along with 1 hour or 1½ hours at the most.

Mr. CANNON. Mr. Speaker, I think the people of the country want to know something about this. I think everybody is very much interested. I want to give an opportunity, Mr. Speaker, to everybody who wants to whitewash the Postmaster General to have time to do so.

Mr. TABER. Suppose we try to limit debate to 2 hours? How about 2 hours?

Mr. CANNON. I will agree to 3 hours, then.

Mr. TABER. That is a little better. I will go along with that. Mr. Speaker, I withdraw my reservation of objection.

Mr. CANNON. Mr. Speaker, I ask unanimous consent then that general debate be limited to 3 hours, half of the time to be controlled by the gentleman from New York [Mr. TABER] and half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Missouri [Mr. CANNON].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 6870, with Mr. SMITH of Virginia in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri [Mr. CANNON] is recognized for 1 hour and 30 minutes, and the gentleman from New York [Mr. TABER] is recognized for 1 hour and 30 minutes.

The gentleman from Missouri [Mr. CANNON] is recognized now.

Mr. CANNON. Mr. Chairman, the bill before us deals with a number of routine deficiencies and supplementals which are admissible under the antideficiency law. They are largely formal, and I shall not discuss them, as they are fully explained in the pending report of the committee.

However, there is an item in the chapter on Treasury and Post Offices which is not admissible under the antideficiency law.

Last Friday the Postmaster General arbitrarily, and in contravention of the duties imposed upon him by his office, abruptly discontinued a number of services customarily provided by the Department.

As a result we have had an opportunity to observe the effects of the extraordinary measures to which he has resorted in his determination to dictate to the Congress and the American people and take as much money as he wants from the United States Treasury to be spent as and when he wishes.

Under the Constitution no money can be appropriated except by act of Congress. The taxpayers acting through their representatives control the purse strings. But the Postmaster General changes all that and the taxeaters instead of the taxpayers take over the purse strings.

Congress appropriated enough money—over $3 billion—to run the Department post offices for a year. They gave the Postmaster General more than he asked. But instead of making it last a year he spent it on extravagant programs during the first 9 months and now at the last minute comes in and tells Congress that unless he can have $47 million more he will close the Department or discontinue services he is required by his official duties to provide.

He gave Congress no warning that he was running behind. The first intimation that he was overspending came the last month of the third quarter when he suddenly submits an estimate and demands immediate action by the House. The communication was referred by the Speaker to the committee which held hearings at the earliest possible minute. The subcommittee promptly notified the Postmaster General that it would allow $17 million additional for items which were not in violation of the antideficiency act. And when the whole committee met the amount was increased to $41 million to include items in contravention of the

Antideficiency Act. This gave him for operations alone $2,166,000,000 when originally he had only asked for $2,118,000,000.

Although adoption of the report for $41 million by the committee was assurance that the money would be forthcoming as soon as it could reach the Senate and the President, he refused to withdraw his order for curtailment of service, which became effective at midnight Friday night.

There was no reason for this drastic act, unprecedented in American history, unless to cover up waste and extravagance and inefficiency in administration.

He said he had been advised by his lawyers that he would be subject to a year's imprisonment if he continued to spend money before he had it. There is no such law. But he refused to resume service, even after the allowance by the committee of $41 million in addition to his first annual appropriation, until both Houses had passed the bill and it had been signed by the President and he had the money in his hand.

He still had left close to half a billion dollars of his first appropriation. Most of the personnel of the Department are paid by the month. They drew their pay whether they worked or not. Many of them sat all day behind closed windows when they could have been discharging their usual duties and keeping the mail service in operation. So any disadvantage or inconvenience which anyone may have suffered was due exclusively to the determination of the Postmaster to show Congress who was boss—the taxpayers or the taxeaters.

No one can now deny that the Postmaster General knew all along that he was overspending and his continued support of extravagant programs was every month making a deficiency imperative and inescapable. His continued application to the Bureau of the Budget for a deficiency estimate is proof positive of that.

The Postmaster's violation has been deliberate. He knew last July that he did not have enough money to go through the year at the rate at which he wanted to operate.

He could have cut down a slight amount at that time, spread the reduction over the entire year, and would have come out within the money given him. But he did not want to do it that way. He was determined to set the pace and rate of spending and purpose of spending, and not Congress. He deliberately planned his operations to thwart Congress and the taxpayers. He refused to plan his operations to live within the amount Congress had given him.

Many years ago Jay Gould, a plunderer who dealt in sums infinitesimal in comparison with those juggled by the Postmaster General, when warned of losses inflicted on the public, coined that famous phrase "The public be damned." In urging the Director of the Budget to violate the law and in refusing to carry out the provisions by Congress, the Postmaster General, in the language of the Comptroller, repeatedly violated both "the spirit and purpose of the law." It was another case of the public be damned.

But there can always be found some partisan to take the side of the downtrodden Postmaster General. You doubtless noted in this morning's newspaper that the gentleman from Maine [Mr. HALE] attempted to excuse him by saying that the committee "deliberately delayed action in providing the money." Unfortunately the record does not bear out that surmise.

The Postmaster General early applied to the Bureau of the Budget for deficiency estimates. Time and again he urged the Director of the Budget to bail him out. Each time he was denied and told that he must live within the amount given him by Congress. Finally the Director yielded to his importunities and sent a deficiency estimate to the House.

This was the first official notice given Congress. The Speaker referred the estimate to the committee, and an immediate hearing was ordered. The Postmaster General asked for a delay of a week, which was granted. From that time on every effort was made to accelerate the proceedings. There is no ground whatever for the statement which the gentleman from Maine has sent back to his district.

In the same vein, the newspapers this morning report that the gentleman from Washington [Mr. PELLY] has released the statement to the press that Congress deliberately neglected to provide money for the purpose. As a matter of fact, for more than 8 months he did not come to Congress. The road was open to the President to come to Congress with a supplemental budget. But he did not come to Congress until March 12. The Postmaster General did not want to come to Congress. Congress would call him on the carpet and ask him embarrassing questions. Congress would tell him to allocate his spending and carry out his original plan, under which they had given him more than he asked. He preferred to wait until it was too late to reapportion, and then he would bludgeon Congress with the necessity of providing money to keep the Department operating. And that was what he did. This was the first official notice given Congress, and promptly a hearing was called and every action taken to expedite consideration. The hearing was ordered, but the Postmaster General himself asked for a delay of a week.

Still here is a charge that we deliberately delayed giving the money. That is just not so. The statement is not justified by the facts. The Postmaster General went ahead in deliberate violation of the spirit and purpose of the law. He failed to secure a deficiency estimate; he failed to convince the President's Office of the alleged need for additional funds until March 12.

Mr. PELLY. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Washington.

Mr. PELLY. I was wondering why the chairman of the Committee on Appropriations did not call a meeting of the full committee earlier last week? That is what I felt was the deliberate delay. If he had called a meeting earlier, we could have had the same discussion we are having today earlier and we would have gotten the money appropriated so that the post offices would not have had to close over the weekend.

Mr. CANNON. A meeting was called at the earliest moment, as is customary under our procedure. Friday is the customary day for the meeting of the whole committee. Time is required in which to prepare hearings and reports for consideration by the whole committee. The clerks of the committee must have an opportunity to check, the subcommittee must have an opportunity to secure the facts, and at the very next Friday we called a meeting of the committee.

Let me say, Mr. Chairman, there can be no misunderstanding of the facts here. They are fully set out in the report. We gave the Postmaster General ample funds last year. We gave him more than he asked. And he abrogates the antideficiency law, a law which it took us years to perfect; the most salutory provision in our budgetary system.

There are two fundamental questions involved here. The first is, Shall the dog wag the tail or the tail wag the dog? Shall Congress control the departments or shall the departments control Congress? Shall Congress retain its constitutional right to take money out of the Treasury or shall Congress delegate that to the departments? That is the first question.

The next question is, Shall the Government continue to take an unconscionable cut out of every man's income, out of his wages, out of his salary, out of the money upon which his family must depend? Shall it continue to levy wartime taxes in time of peace? Or shall we reduce expenses sufficiently to permit Congress to cut taxes at this session?

These are the two questions before us here this afternoon. All this hullabaloo about the Postmaster General is merely incidental. The people back home are not so much interested in Mr. Postmaster General as has been demonstrated in the last 2 days. But they are interested in what it costs them to live and support their families. They are interested in the amount of taxes you are taking away from them. And they think it is high time you took this heavy burden off their backs and permitted them to spend their own money instead of the Government letting the Postmaster General spend it contrary to law.

And, of course, there is only one way to reduce taxes and that is to reduce expenses. As long as you continue to increase expenses—and this time the Bureau of the Budget and the President asked for the Post Office Department more money than it ever had before, and now come back for $47 million more—as long as every Department asks more money, and the President recommends more money, the only way to get that money is to take it out of the pockets of the taxpayers. There is no other source.

We hope to cut taxes this session. The House leadership has already announced a tax-reduction program for this session, now, when the people want it, when they ought to have it, when they need it. We are going to release this brake on the national economy.

But that is dependent upon one thing: It is dependent upon our cutting out of this $71.8 billion budget, this highest of all peacetime budgets, enough money to warrant a tax-reduction bill.

Most of us came here after hard-fought campaigns. In every district there are 20 or 30 men back home that would like to have your job. They would run against you if they thought they had a chance to win. The only reason they do not run is because they do not think they have a chance to win. There is no better way to encourage them than to keep on throwing money around to the departments—letting the departments write their own tickets. And then grinding the taxpayers down to get the money to pay the bills.

We have only a few more bills and a few more weeks to wait to find out whether we have cut enough from the budget to support a tax bill. Unless we do there is no chance for tax relief now or next year or any other year.

The amount generally indicated by the experts who pass on the matter, is $4 billion. They estimate, say we will have to cut $4 billion out of this budget to justify a tax cut. In round figures the budget by the end of the session will aggregate $72 billion, and we will have to cut it down to at least $68 billion to warrant a tax cut. Up to this time we have cut nearly one and one-quarter billion dollars, and we have done it by piecemeal. Every time we have brought in an amendment to cut a little off an appropriation there has been a storm of protest saying that is peanuts, it is chicken-feed, what is the use of cutting small amounts like that? But many a mickle makes a muckle—we have now cut about $1.25 billion. But we must have $2.75 billion more.

And we will have to quit bringing in these deficiency bills. What is the use of cutting a little money here and there and then bringing in a deficiency bill like this, and throwing it all out the back door? In the bill before you, you are undoing part of what you accomplished when you made these piecemeal cuts which gave you this start of $1.25 billion on our slow but sure way to tax reduction.

The stock market has been on a steady downward trend. Eight to ten percent of industrial securities on the exchange have lost a total of $18 billion in the last 18 months. So the outlook for continued increased income, increased prosperity, is not so good. We run in cycles. These money trees do not bloom forever. We are on the downward swing of the cycle. We cannot depend on recordbreaking revenues indefinitely.

And the burden of taxation is rapidly reaching the maximum of human endurance.

The purchasing power of the average factory worker is lower than it was a year earlier. It is significant that this is the first time that has happened during the Eisenhower administration.

Taxes—State, Federal, and local taxes—take about 1 dollar out of every 3 the average man makes.

A man today in standard industry is really working 2 hours and 45 minutes out of every 8-hour day for the Government. Out of every 8-hour day he has to work 2 hours and 45 minutes to pay his taxes before he begins to make anything to support his family. That leaves about 5 hours and 15 minutes a day to provide food, housing, clothing, and everything else the family requires. In other words, over one-third of every day we are working for the Government. High taxes intensify inflation, hike the cost of living higher, and cut the buying power of the pay of the daily wage worker lower.

We have some chance to say what shall be spent locally for schools in our town, county, and community centers, but nationally we have let control of expenditure get away from us as in this bill.

Britain is in dire distress—yet they are reducing taxes.

Our situation, our responsibility, in the world is growing. Britain and France and other NATO countries are pulling out; they are withdrawing; they are taking their troops home; they are throwing the burden on us. We will need financial stability and solvency, as never before. How shall we maintain it when every year this budget swells, until this year we have the largest peacetime budget in history?

Too much cannot be said for the faithful, efficient, hard-working personnel of the Post Office Department. All through the country in every post office you find men ready and able and willing, doing their work, filling their jobs, and carrying on. But they need leadership. Where there is no leadership, the people perish.

And there is another phrase in that quotation that is apropos at this time. "But he that keepeth the law, happy is he."

Mr. Chairman, I trust that the Director of the Budget and the Postmaster General will read that famous, that wonderful statement justified by the centuries from the pen of the wisest of all men, King Solomon. It was true in his day, it is true in our day.

The Post Office Department is one of the biggest businesses in the world. It is a monopoly. It controls the market completely. No competitor can interfere. Yet this enormous business with an absolute monopoly cannot keep its ledgers in the black. They need business efficiency.

Mr. Chairman, here is an editorial from this morning's Wall Street Journal.

The Wall Street Journal is perhaps the widest read financial journal in the world. It supported President Eisenhower in 1952 and in 1956. It heartily approved Br. Brundage as Director of the Budget, and it was in complete agreement with the appointment of Mr. Summerfield as Postmaster General. So I have seldom found myself in agreement with its editorial policies. But this morning its leading editorial indicates one of the most profound reversals in the history of American journalism.

Also, in this connection I include a telegram just handed to me as I came in. It is from an organization of businessmen in Baltimore:

BALTIMORE, MD., *April 15, 1957.*

All right, so the post office did not operate Saturday. But nobody was seriously hurt. Now let's stick to our guns and see that Postmaster General Summerfield operates the Department within the budget. Economy must be enforced.

And here is what the Wall Street Journal had to say:

So, Postmaster General Summerfield has informed Congress that if it does not promptly give him the money he wants for the Post Office, he will take a meat ax to the postal service.

Now, you know, that term "meat ax" strikes a responsive chord in memory. We have heard that word "Meat ax" before. The meat ax is going to cut appropriations; going to insist on economy; going to enforce the Antideficiency Act. My good friend the gentleman from New York [Mr. TABER] over there, known as the great meat ax expert, comes in today like Mary's little lamb, following behind the Postmaster General. No meat ax at all. Just an affectionate little sheep. And, may I add that when he was chairman of the committee and we had before us a Postmaster General who had not spent money but merely proposed spending money, that I supported him and supported the committee against my own Postmaster General. There was no politics in it then. We have something more important than politics in this. I voted with the gentleman from New York. I supported him. I supported my chairman in his criticism of my Postmaster General, in his insistence that the Postmaster General should obey the antideficiency law. But, when the shoe is on the other foot, that is a different matter, and no matter how much money they waste he is entirely satisfied with the way things are going down there in the Post Office Department when nobody else is satisfied.

But here is the editorial. It is from New York, too:

The "general's" ultimatum was handed to the Congressmen a week ago, and when they didn't fall all over themselves in a rush to put up the money, he got out the cleaver. In New York and many other cities the post office windows were shuttered on Saturday and there were no mail deliveries. Further cutbacks in service are scheduled for this morning. The general's operation plan calls for cutting daily mail deliveries to business today. If that doesn't speed up Congress, he will suspend money-order sales at first and second-class post offices on April 29.

And that is another thing which a great many telegrams mentioned this morning, that they do not need any Federal money orders; the banks can operate quicker and cheaper.

Now none of this, you understand, has anything to do with the regular Post Office appropriation.

And that is something we should not lose sight of.

Congress appropriated the 1957 money last year; the 1958 appropriation is not due until next June 30. This is extra money—known technically as a deficiency appropriation—that Mr. Summerfield is asking to tide him over until next June 30.

And he says, "Gimme quick, or else."
And you can supply the remainder.

If this strikes you as pretty arrogant behavior from a public servant—a sort of blackmail of the body politic—Mr. Summerfield's defense is that he can't help it. He

has just plain run out of money. And how can he be expected to run the Post Office, or anything else, without money?

The trouble with this reply is that it raises as many questions as it answers.

It is certainly not amiss to inquire why this emergency came so suddenly. Mr. Summerfield knew last summer how much money he had to run the Post Office for a full 12 months. Dividing a given sum of money by 12 doesn't require advanced mathematics. If it is true, as alleged, that the money provided last summer was too penurious to keep service up to par for the full year, one still wonders why small adjustments were not made during the year.

It might be said, also, that one still wonders why he did not come to Congress about it—why the President himself did not see fit to send up a supplemental budget. Mr. Summerfield works under the direction of the President.

No sensible post-office clerk, however unhappily underpaid, would unconcernedly spend his year's salary in less than a year.

The difference may well be that a post-office clerk is not habituated to deficiency appropriations. With Government departments they were, at one time, so usual as to seem an almost unquestioned right—

That is why we have that antideficiency law. That is why we put teeth in it in 1950—

and Mr. Summerfield may be honestly surprised to find himself now out of money and none promptly provided. It's a temptation to forego frugality in November when the Appropriations Committees will be in session in April.

To suppose that this sudden crisis was deliberately developed for its dramatic effect on Congress may be very unfair. It could be that the Post Office Department was simply lulled into not counting its pennies carefully. But if this is not a calculated kind of political blackmail—

The staid and conservative Wall Street Journal says this—

But if this is not a calculated kind of political blackmail, then somebody in Congress ought to find out who goofed.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman.

Mr. REES of Kansas. The gentleman has reported a bill, H. R. 6870 by Mr. CANNON from the House Committee on Appropriations. Is he asking the House to support this proposed legislation or is he asking the House to vote against it?

Mr. CANNON. I am asking the House to take into consideration the facts. They are before us here. You should govern yourself accordingly.

Mr. REES of Kansas. But does the gentleman want us to vote against the whole thing?

Mr. CANNON. The gentleman may do as he pleases. I will not vote for it. I will not vote to abdicate the right of the Congress to control national finances. I will not condone violation of law. I will not vote to increase expenses and make it impossible to lower taxes. I will not vote to discard the antideficiency law after JOHN TABER and I and more than a hundred members of the Committee on Appropriations have worked for years to perfect it to the point where it will protect the United States Treasury.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, I remember so well one of the great perorations of the gentleman from Missouri, the distinguished Chairman of our Committee on Appropriations [Mr. CANNON] about 1 year ago. We were then discussing the appropriation bill having to do with funds for the Departments of Labor, and Health, Education, and Welfare. The gentleman from Rhode Island [Mr. FOGARTY] had proposed an amendment having to do with the National Institutes of Health, raising the figure requested by the President and the Bureau of the Budget. The gentleman of Missouri came into the well of the House and he indulged in this peroration at the close of his speech.

"Why," he said, "Mr. Chairman, I cannot be for cancer. I have got to be for free beer. I must support the amendment of the gentleman from Rhode Island."

And he did, upping the figure requested by the President and the Bureau of the Budget.

I am not high enough up in this world to be a regular subscriber for the Wall Street Journal, but I believe and I believe most sincerely that the House today will discharge its responsibility to the postal patrons of the United States and to the postal workers of our country. And I cannot help but believe that the Congress as a whole will send this bill to the President not later than tomorrow.

Mr. Chairman, the New York Times has rendered a real service in reporting today a survey of postal services in foreign countries—on both sides of the Iron Curtain. It contends that such services are generally far superior to ours and usually pay their own way.

Slight losses in the British postal system last year were offset by profits on its telephone and telegraph services and currently up to four deliveries are made daily in London on business days and all urban areas get two deliveries a day.

France has also a splendid record and raises its rates when necessary to balance the postal budget. Paris has 4 deliveries a day, 6 days a week.

In West Germany, the postal system operates at a profit and there are two deliveries a day, Monday through Saturday.

Italy generally breaks about even and the larger cities have 3 deliveries 6 days a week, villages having 2.

Spain also reports a profit in its postal system, its larger cities having from 2 to 4 deliveries on workdays plus 1 on Sundays and holidays. Its system operates at a profit.

Seven-day-a-week deliveries are also the rule in Japan and in the large cities there are three deliveries on weekdays. Japan's postal system has run at a profit for the last 5 years because of expanded business and postage rises.

In Moscow, the Russians get four deliveries every day of the week. A first-class letter costs 10 cents and an air-mail letter 25 cents in our money.

Motor scooters help expedite Pakistan's deliveries every day except Sunday.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Virginia.

Mr. GARY. May I ask the gentleman if he would be in favor of paying the postal employees the same amount that is being paid the postal employees in those countries? If we were to do that in America, I am absolutely certain we would make a profit on our postal service, but I am not in favor of eliminating the deficit in that manner.

Mr. CANFIELD. Let me say to my friend from Virginia that the domestic letter rate today in Germany is 4.8 cents, in France it is 4.3 cents, in Belgium it is 4 cents, in Norway it is 4.2 cents, in Switzerland it is 4.6 cents, and in Sweden it is 4.6 cents. The average is 4.4 cents, while we still use the 3-cent letter rate.

I do not have to repeat to you now the platforms adopted by the Republican and Democratic Parties last summer. Both of them stressed more expeditious and more efficient employment of our mail services. If anything, the Democratic platform was stronger than the Republican platform, because the Democratic platform emphasized more frequent delivery of our mail.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. What about the 1952 platform of the Republican Party, which specifically promised the return of the two deliveries a day?

Mr. CANFIELD. I do not recall that, but may I say to my friend from Massachusetts that I am still for the two deliveries a day. As the gentleman knows, our committee voted preponderantly to do away with that several years ago, and it has been done away with. I am sure the gentleman knows that.

Mr. McCORMACK. The gentleman is of course in a much better position to make the statement he has made than a lot of his colleagues on his side, because the gentleman is very independent minded.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from North Carolina.

Mr. JONAS. When did we do away with two deliveries a day, under what Postmaster General?

Mr. CANFIELD. I believe they were done away with in the year 1950. The abolition of the two-a-day system was projected by our subcommittee and that suggestion was promptly accommodated by the then Postmaster General, Mr. Donaldson. I strongly dissented.

Mr. JONAS. Is it not true that the then Postmaster General told the committee if he did not get certain moneys he would eliminate one of the deliveries a day, and that followed?

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Virginia.

Mr. GARY. No, he did not tell the committee that. The committee cut his request $47 million and suggested that one way he could make up the $47 million was by eliminating one mail delivery

a day in residential sections. He did so and saved $100 million a year. The present Postmaster General estimates that to reinstate that one delivery daily would cost $150 million a year, and I, for one, do not think it is worth it.

Mr. CANFIELD. I believe the gentleman from Virginia will recall that the facts are these. The Department was cut some $26 million by the committee and $22 million by the Bureau of the Budget and following the suggestion of our subcommittee, he issued the order doing away with the two deliveries a day.

Mr. GARY. I meant that his estimate was cut $47 million.

Mr. CANFIELD. I recognize that.

Today, Mr. Chairman, the Post Office Department of the United States loses money on practically every piece of mail it delivers excepting, that is, packages, and it is required to operate on 1957 costs with 1932 rates. It is important to bear in mind the Department spends most of the money it gets for personnel. Seventy-seven cents of every dollar goes to its employees and 16 cents for transportation and the other 7 cents for other expenses such as rent and so on.

It is clear, therefore, that most of the Department's expenses are completely out of its control.

Since 1945, the last surplus year, the Department reports its increases in wages, transportation, supplies, and other costs have amounted to $1,860,000,000. About $1,300,000,000 of this is attributed to wage and fringe benefit legislation approved by the Congress itself. During this period, Congress raised postal rates on two occasions to provide less than $275 million in additional revenue. The demands for new service have bolstered the deficit, which nevertheless is expected next year to at least remain below the peak low of $720 million set in 1952.

Mr. Chairman, the relationship between the Post Office Department and the Treasury and Post Office Subcommittee of the Committee on Appropriations of the House have been extremely harmonious over the years. The record of the hearings contained repeated statements by committee members—by our chairman—by all committee members irrespective of party—complimenting the Postmaster General and the members of his staff for their accomplishments in modernizing the postal establishment and improving the mail service.

Frankly, I cannot help but resent the statements made today by the distinguished chairman of our full committee, the gentleman from Missouri [Mr. CANNON], inferring that the Postmaster General believes in and indulges in a public-be-damned philosophy. You can read the hearings. Every page of the hearings conducted by our subcommittee these last 4 years—and until March 26, 1957, you will not be able to find one word derogatory of the character, the approach, and the dedication of the Postmaster General of our United States. We have gotten along with him very well indeed.

The Senate committee handling the Post Office request for supplemental funds knew last July that the Bureau of the Budget would come before the Congress requesting a supplemental appropriation for the Post Office Department sometime later in the year. It was suggested on the other side of Capitol Hill that the Post Office Department wait until this year, the last half of the fiscal year 1957, to press for this supplemental.

On January 15 of this year, in a hearing before the House Subcommittee on Treasury and Post Office appropriations, the chairman of the committee, the distinguished gentleman from Virginia [Mr. GARY] asked the direct question as to the amount of the supplemental appropriation which the Department needed for the balance of the year. He was told this would total $53 million, which included $6 million for capital improvements. The Bureau of the Budget agreed to delete $6 million for capital improvements on three of the largest post offices in our country, those in New York, Chicago, and Los Angeles. And now those funds are needed today to modernize those offices. Those offices have to do with the gateway cities of our country, servicing some 27 percent of our mail. It is extremely unfortunate that the Post Office Department was forced into this straitjacket situation, for it cannot spend money until it is actually in hand. The losers in a difficult situation, such as we are now experiencing, as the chairman of the committee pointed out, besides the postal patrons of our country are 520,000 faithful postal workers. The Congress should, I am certain, take positive action to appropriate the funds needed to resume normal mail service until June 30.

The Congress furthermore faces a similar situation which should be resolved promptly as regards the funds needed by the Post Office Department for its operations during the 1958 fiscal year starting on July 1. The Department has already indicated they will need $58 million more to continue normal mail service throughout the fiscal year 1958 than so far has been appropriated to it. If the Congress fails to grant these additional moneys, the Post Office Department once again will have to curtail the mail service to live within its budgetary appropriation. In a few months are we going over this same situation again?

The continual phenomenal growth of our country and the unprecedented prosperity of our economy are basic reasons why the Post Office Department needs more money to carry an increased volume of mail than it originally estimated 18 months ago.

No business in the world can increase its volume without increasing costs, and the Post Office Department is no exception to the rule. When the people of the country decide to send more mail than the Department estimates, the Department must deliver it. Under these circumstances commonsense indicates the Department should have a more flexible procedure than at present, to get the money for these inevitable added costs. This is particularly true since by law all receipts of the Post Office Department go directly to the Treasury Department.

In the fiscal year 1958 the Department estimates it will have to extend letter-carrier service to 5,000 new communities. Unless it has the money to do so, and a large part of the $58 million additional it needs will go for this purpose, our postal system will go backward rather than forward. Certainly the Members of Congress should understand these facts and be prepared to appropriate the funds needed to give the American people the mail service they deserve, expect, and are willing to pay for.

Mr. Chairman, the Post Office Department must prepare its budget about 12 months ahead of the beginning of the fiscal year. Work is really begun 18 months ahead. Hearings are held about 6 months before the start of the fiscal year. In preparing these budgets all expenditure estimates have to be related to the estimated volume of mail to be carried. The final appropriation limits the amount to be spent and has no provision for change in spending authority as the conditions change.

If the country is prosperous and people send more mail and are building more homes and start more new businesses than the Department has estimated, the postal service nevertheless has no more money to spend. Any increase in its receipts goes to the Treasury.

On the other hand, if conditions should turn downward and mails should decrease and other factors turn out to be less than the Department estimated, Congress holds no strings to reduce the Department's spending power.

This clearly points up the need for a new look by Congress at the post office budget problem, with some changes in the law or the annual appropriation procedure. One way would be for each appropriation to provide flexibility by giving the Postmaster General the authority to spend an additional amount equal to the amount by which receipts for the year exceed the estimates. This provision could be policed by the Bureau of the Budget, with reports to the Congress from time to time.

Another way to do it is to put the post office on a true revolving fund basis. Under such a plan the Congress would appropriate only for the net deficit—which we would hope, with higher postage rates, would be very small. If the Postmaster General then had authority to spend all of his receipts, in addition to the appropriated deficit, the amount that he could spend would automatically adjust upward or downward as the receipts went upward or downward.

It is unfair to put the postal administration in the position which it has had to face this year. It would be even more unfair to perpetuate this unworkable situation for the future. Congress should act this year to determine the proper way to provide flexibility in post office budgets, so that postal services would not have to be curtailed to live within estimates made more than 12 months ahead of the beginning of the year.

Now I want to say a word about postal employment.

The highest fiscal year and figure for postal employment was 1952. On June

30 in that year the number of postal employees was 523,757.

On June 30, 1957, postal employment will be just about the same figure.

In the same time the volume of mail has increased by 18 percent, establishing the efficiency of our postal workers.

Now, supplemental appropriations are not a new thing in the Congress of the United States. In 1947 the Post Office Department received a supplemental appropriation from the Congress for operating funds of $93 million. In 1948 it received $173,700,000; 1949, $140,800,000; in 1950, $71,400,000; in 1951 $29,400,000; in 1951 it received $250,000.

In 1953 the Department returned to the Treasury of the United States as surplus $83,574,247. In 1954 the same Department returned to the Treasury $109 million, in round figures, and in 1955, the same Department returned to the Treasury $43 million.

In 1956 the Congress voted a supplemental appropriation of $16 million plus $150 million for the salaries of postal workers.

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. TABER. I think, Mr. Chairman, that first of all perhaps I ought to give you my own position. I have not changed in the slightest degree my feelings on the antideficiency law.

The difference between me and my position and the gentleman from Missouri and his position is that I maintain it is the duty of the Congress to supply the funds that are necessary to operate the agencies of the Government, and that we cannot punish the patrons of the postal system and the employees of the Post Office Department by trying to get even with them for something they did not themselves do. That is the reason I am wholeheartedly supporting this appropriation for the Post Office Department.

This deficiency—and it is a deficiency—is the result of the enormous increase in the number of dwellings and dwelling units that have been completed in this country, running between 1 million and 1.6 million a year over the postwar years. That has resulted in the necessity of creating new carrier routes and in some places additional clerks to take care of the office work in these places. There has also been more or less a buildup because of the change in the method of living.

As to whether or not this item is needed, I call your attention just now to the situation with which we are confronted. In the third quarter of this fiscal year the expenditures were $484,612,000. The amount left over from the year's appropriations is $443,884,000, or practically $444 million. There will be a couple more days in the last quarter down to the 30th of June than there were in previous quarters.

On top of that the Post Office Department will have to finance certain amounts of annual leave for post office employees. It has been the invariable custom of the Post Office establishment to take care of a certain percentage of those annual leaves in the fourth quarter of the year, that is, in the spring and early summer. More of it comes in the following period, which runs from the 1st of July to close to the 1st of October. That is the situation.

There have been certain transfers in the Department from the transportation fund to the operational fund and they have to a certain extent reduced the amount of the deficiency.

As to what the situation is with reference to the antideficiency law, the Comptroller General has made a decision. He has written a letter dated the 12th of April, addressed to the Postmaster General. I have a copy of that letter. I would think that it would be desirable for the membership to read that. Frankly, I believe that the Postmaster General should operate his plant so as to come within his appropriations. If he cannot, he should come back to the Congress early for a deficiency. He actually did advise the Congress back in the early part of January that he was going to have a deficiency for this year, and the figure he gave at that time was $53 million, which I understand is $6 million above the amount of the budget estimate that was considered by the Committee on Appropriations, but it was that way because that $6 million was for transportation and it was determined that they did not need that deficiency.

Now, it is clear from the Comptroller General's opinion that there was no violation of the antideficiency law which is punishable in any way under the law. Perhaps the law requires revision, but this is the situation that we are actually confronted with, and this is the situation that we must face as we come to pass upon this bill. In other words, we should provide for what are the needs of the Department to give the kind of service that the people of the United States feel should be provided to the public, and pay for the services of the employees of the Post Office Department, and I think we should do this with just as little inconvenience in the operation of the situation as it is possible to have.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. Is the gentleman—and I am stating this for summary emphasis—making the argument that at this time and under the consideration of this measure the point is not how the deficiency occurred, but the point is who is going to be hurt if we do not pass this additional appropriation, namely, that it is going to be the users of the mail and the patrons of the mail that will be punished rather than any individual that might or might not have caused the trouble.

Mr. TABER. That is exactly correct.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Is it not true that there will be a very great loss to the business of the country if this service is not continued; that in dollars and cents the Government will lose a great deal of money? Is that not correct?

Mr. TABER. I do not know how much, but I know it will create a good many bad situations. For instance, I think we are going to begin to hear from our farmer friends on rural free delivery routes who will not get their Saturday morning papers if this situation is not corrected. And I do not see how the Postmaster General can proceed, with the charges that have been bandied about, to open up the services that have been curtailed until he receives the money to do it with. If we are going to have respect for the things that the committee has complained about, I do not see how that can be had unless that course is followed. Now, that is my position. That is how I feel.

There is no question in my mind but what the items of service that are involved here are, practically all of them, things that should be given to the public. There might be some way to discontinue some work. But most of the things we would discontinue to bring about a reduction in operating expenses that would be required to bring the Post Office Department within the amount of money, $443 million that is available for the quarter, are things that you cannot very satisfactorily explain to the people.

I am in hopes that this Congress will today go through the bill and pass it, so that it may go over to the other body and so that the other body may act on it, and so that it will remain as it has been presented to the members of the Committee of the Whole here rather than with any amendments that might delay its final passage. The bill relates only to a few deficiency items. It is not a long bill. I do not believe there is anything in it that would need to be changed very substantially.

Mr. JOHANSEN. Mr. Chairman, would the gentleman yield for a question?

Mr. TABER. I yield to the gentleman.

Mr. JOHANSEN. I wonder if the gentleman would enlighten the House on a matter of procedure? It is my understanding that much of the criticism directed against the Postmaster General has been to the point that he borrowed in one quarter against a succeeding quarter; is that correct?

Mr. TABER. I think there is criticism of him for that. Of course, he did not violate the law himself. If the law was violated, according to the Comptroller General, it was violated by the Budget.

Mr. JOHANSEN. My question goes to this point. If the Postmaster General determines in the middle of a given quarter that the funds allocated for that quarter are not going to be adequate, what is the proper procedure for the Postmaster General in order to meet all possible criticism from whatever source and of whatever character to avoid borrowing against a future quarter?

Mr. TABER. I never heard of anybody who did anything who did not get some criticism. My own opinion is that the Postmaster General, in his approach to the problem, has been very careful to do the things that were proper and to keep within balance on his appropriations, to make the funds go far enough to take care of the job of giving service to the public. I will say this, and I know

this is so, because it was pretty well covered in the hearings; he is up against this kind of a situation, with tremendous pressure all the time for new service. I ask the gentleman from New Jersey [Mr. CANFIELD] to correct me if I am not right, but it is going to be necessary to provide 6,000 or 7,000 new clerks and carriers to carry on the load and give the service that the people require in 1957. The gentleman indicates that that is correct. That is the situation we are faced with. If we are not prepared to provide service, we are not in too good a position to raise the rates.

Mr. JOHANSEN. Mr. Chairman, may I ask the gentleman one further question?

Mr. TABER. Yes.

Mr. JOHANSEN. My original question was directed to the point of how the Postmaster General, with the pressures for increased services and with the problem of budgeting 12 to 18 months ahead of time, is going to avoid this sort of situation again, and not lay himself open again to what I think has been an unfair castigation to which he has been subjected.

Mr. TABER. That is evidence that the Postmaster General has done something and kept things moving.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. REES of Kansas. Is it not correct that nearly all of the funds requested in this deficiency appropriation come about because of the extension and expansion of the Post Office Department, and that comes from the public itself demanding these additional services?

Mr. TABER. Yes; and it results from the change in the mode of living of the people, the number of people we have, and the growing of age of that group of youngsters who were born right after the war.

Mr. REES of Kansas. Does the gentleman not agree with me that whatever may have been said with regard to the management of the Department, and personally I think that it has been managed well, we ought not to punish the people who work in the Post Office Department because of the need for funds? These funds go to the people who work in the Post Office Department, the carriers, the clerks, the people who work in the service down there. Is there any good reason the gentleman can see why we should not go ahead and allow these funds to pay them?

Mr. TABER. I can see no good reason, and I also feel that the patrons of the Post Office Department are entitled to service. We ought to provide it.

Mr. REES of Kansas. We have no right to punish them.

Mr. TABER. No.

Mr. CANNON. Mr. Chairman, I yield 15 minutes to the gentleman from Virginia [Mr. GARY], the chairman of the committee in charge of this bill.

Mr. GARY. Mr. Chairman, this bill has been so fully discussed in the last few weeks that it is not my intention to prolong the discussion at this time, but I do think there are certain facts this body should know when it votes on the proposal before it.

Last year the Postmaster General submitted his budget estimates for the fiscal year 1957 and he requested $3 billion to run the Post Office Department. I have heard the statement made on this floor many times that there is not a budget of a single department of this Government that you could not cut 10 percent without hurting the department.

Our committee studied these estimates very carefully. We held hearings for weeks. We did not cut him 10 percent, we did not cut him 5 percent. The Congress did not cut him even 1 percent. We cut him $15,660,000, which was one-half of 1 percent. It seems to me the Postmaster General could have absorbed a cut as small as that had he so desired.

That appropriation of $3 billion is divided into five separate items—administration, research, operations, transportation, finance and facilities. He is asking now only for the appropriation of additional funds for operations. Let us see what the situation is as to operations. He requested $2,118,880,000 for operations. We cut that request only $5,440,000. Under the law, we have allowed the Post Office Department transfer authority that is not enjoyed by any of the other departments of Government so far as I know except the military. But, the Congress permits them to transfer up to 5 percent from one item to another. They transferred from other items to operations a net of $11,290,000 which gave them $5,850,000 more than they requested for the operations of the Post Office Department.

It is true, as the gentleman from New Jersey said, that when they presented their full request to the committee for the fiscal year 1958, they told us at that time they were going to ask for $53 million in supplemental funds, but at the same time that the Postmaster General told us he was going to ask for these funds, the Budget Director told us that he had not decided to allow them.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. CANFIELD. Is it not true that the Bureau of the Budget last July agreed on $30 million?

Mr. GARY. Last July?

Mr. CANFIELD. Yes, indeed; last July.

Mr. GARY. No, sir; not according to my knowledge.

Mr. CANFIELD. That was sent to the other body. It was approved by the Bureau of the Budget and sent to the other body.

Mr. GARY. It did not come to the House.

Mr. CANFIELD. That is true.

Mr. GARY. The only information that we had came from a conversation that the clerk of our committee had with the Director of the Budget in January or February of this year. He told our clerk that he had not decided to allow anything. He said that last year the Post Office Department had asked for $53 million; that he had gotten them down to $20 million, and he did not know whether he would allow them anything. Let me say to the gentleman that the first request sent to the Congress for additional funds came on March 12.

Mr. CANFIELD. I am sorry to disagree with my friend, but I must point out that the first request was sent to the other body and the subcommittee on appropriations of the other body received that request on July 12, 1956, in the amount of $30 million and the Post Office Department was then told, "Hold off until next year and then we will do business with you."

Mr. GARY. May I say to the gentleman that appropriations under the Constitution originate in the House. I do not know what was sent to the other body, but certainly any request, since this body has the authority to originate appropriations, should be sent to the House of Representatives. As I was saying, the first request that we received was on March 12 of this year. Before submitting that request, the Postmaster General came to my office and told me he needed additional funds and he needed them promptly. I promised him if he would submit his request, he would have an immediate hearing. Just as soon as that request reached our committee I tried to set the hearings for Tuesday of the following week. The Postmaster General himself requested a postponement of those hearings because, he stated, he had already made engagements to appear before the legislative committee to testify on rates during the week and, consequently, the hearings were postponed for 1 week at his request. The next week we heard his request, and as we listened to him, we found out that the antideficiency law had been violated. If anyone questions whether or not that law has been violated, let him look at page 171 of the hearings of our subcommittee. There you will find a very complete table of the apportionments for the year.

The antideficiency law requires that these apportionments be made so that there will not be a deficiency at the end of the year. The initial apportionments were made on that basis, but you will find they were revised on July 10, 1956; they were revised again on July 13, 1956. That is, there were slight changes in the apportionments but very slight. They were revised again on August 30 and on October 4, 1956. Then on December 14, 1956, is the time that they began to take the money from the third and fourth quarter funds and use them in the second quarter. When they came to the revision of February 4, 1957, they transferred large sums of money from the fourth quarter to the second and third quarters. According to their own testimony, they knew long before February 4 that there was going to be deficit and, yet, they knew that these transfers were being made—then with that knowledge they deliberately transferred funds from the fourth quarter to the second and third quarters instead of coming to the Congress and asking for additional appropriations.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. MURRAY. Who made these quarterly apportionments? The Postmaster General or the Director of the Bureau of the Budget?

Mr. GARY. The Director of the Bureau of the Budget made the apportionments at the request of the Postmaster General.

Mr. MURRAY. The Postmaster General has no authority to make those apportionments.

Mr. GARY. But he does have the power to request them.

Mr. MURRAY. Who made the apportionments back to the second and third quarters or the first quarter?

Mr. GARY. The Bureau of the Budget, at the request of the Postmaster General.

Mr. MURRAY. If anyone is to blame, it is the Bureau of the Budget and not the Postmaster General.

Mr. GARY. Well, I am sure the Bureau of the Budget would not have made the change in the apportionments if it had not been requested by the Postmaster General. I am not trying to fix blame. I am trying to give this body the facts in this case.

Mr. MURRAY. There has been some criticism of the Postmaster General, because he did not come before Congress last fall. The Congress was not in session, and he had no opportunity to come before the Congress before this January. Is that not correct?

Mr. GARY. He said he knew he was going to have a deficiency in July, and the Congress did not adjourn until August. In that connection, I may add that I have just been reliably informed that no request was made to the Senate for additional funds last July. The Post Office Department requested the Budget Bureau to approve additional funds, but the request was refused.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HOFFMAN. Inasmuch as the Director of the Budget and the Postmaster General are both Republicans, why not apportion the blame instead of putting it all on the Postmaster General?

Mr. GARY. I am not trying to put the blame on anybody. I have simply stated the facts. I have said that the law was violated, and the General Accounting Office has also said that the law has been violated. I insert the report of the House Appropriations Committee at this point to substantiate my position:

POST OFFICE DEPARTMENT OPERATIONS

The committee considered an estimate of $47 million contained in House Document No. 115, and recommends an appropriation of $41 million. Approval of this action by Congress will result in there being available for operations in 1957 a total of $2,165,730,000, which includes the result of the exercise of transfer authority by the Department, and is $46,850,000 more than the original estimate for 1957, and $51,290,000 more than the appropriation made by the Treasury-Post Office Appropriation Act, 1957.

In spite of the increases in availability of funds by transfers, the Department has been operating at a rate of obligation which, the witness threatened, would require the cessation of postal service "completely for 2 weeks" in the event the requests were denied.

The committee reviewed with the Department and with the Director of the Bureau of the Budget the details of the apportionment requests of the Department and the subsequent approvals by the Bureau. This review coupled with an analysis of the obligations incurred, established the fact that all operations have been geared to an inevitable deficiency. It seems abundantly clear that the Department made no effort to operate within even the augmented appropriation, and that the apportionments approved by the Bureau of the Budget openly gave Executive approval to this course of action, contrary to law. It must be pointed out that the very same Director of the Budget who approved the various reapportionment requests leading directly to this deficiency at the same time "specifically said I would not send up a supplemental for those amounts."

Section 3679 of the Revised Statutes, as amended in 1950, was designed to preclude the situation which now arises. In discussing the law on the floor of the House on May 10, 1950, the gentleman from Arkansas [Mr. NORRELL] said of paragraph 1 of subsection c:

"This is designed to insure that appropriations which are available for a fiscal year, or for other time periods—usually related to fiscal years—will not be obligated at a rate which would exhaust the appropriation prior to the end of the period for which the appropriation was made, and thus result in a need for a deficiency or supplemental appropriation, or an increase in the authorization for administrative expenses of a corporation or in drastic curtailment of the activity for which the appropriation or authorization was made."

The Postmaster General requested the General Accounting Office to issue an opinion as to whether or not the law had been complied with. Today, a letter (B–131361) from the Comptroller General states, in pertinent part, as follows:

"The necessity for a deficiency appropriation has been acknowledged by the Director of the Bureau of the Budget and the President as evidenced by the transmittal on March 12, 1957, to the Congress of a request for additional funds for operations of the Post Office Department during the fiscal year 1957 in the amount of $47 million, the amount of your request for that purpose as received by the Bureau of the Budget January 4, 1957, before the date of the last reapportionment listed above. Also, you issued Postmaster General Order 56314, dated April 5, 1957, which would curtail the services of the Post Office Department in several respects if it becomes effective.

"If it is determined by the Congress that the deficiency appropriation is necessary for 'Operations' or if the services of the Post Office Department are drastically curtailed in the event no deficiency appropriation is made, there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of section 3679, Revised Statutes, as amended, title 31 United States Code, section 665. It should be noted, however, that the penal provision contained in subsection (i) (1) of the act is applicable only to violations of subsections (a), (b), or (h) of the act and not to subsection (c) (1).

"The House hearings on the Post Office Department's request for supplemental funds for operations for 1957 show that, when the Department requested the reapportionment of its funds, it did so in the belief that the requested pattern of management of its funds for the fiscal year would result in the necessity for a deficiency or supplemental appropriation. Such action is not technically a violation of any specific provision of the Anti-Deficiency Act. However, it is not consistent with the spirit and purpose of the act."

Although the items involved in the request all result from actions contrary to the law, a majority of the committee feel that the necessity for maintaining service to the public is an overriding consideration. Of the amount requested, approximately $2 million meets the test of paragraph 1 of subsection (e) as an exception to the prohibition of deficiency apportioning, the balance does not. The committee recognizes that certain mitigating circumstances surround an additional $17 million of the estimate in that the effective date of the reclassification portion of Public Law 68, 84th Congress, although technically prior to the transmission of the estimates was, in fact, subsequent to the preparation of the estimates for printing and transmission.

The administrative decisions necessary during the interim pending approval of this appropriation have been and will continue to be unfortunate. Had these decisions been made nearly a year ago, when they should have been, the present situation would not have arisen. It is most regrettable that a service so vital to the economy of our Nation, and affecting personally and individually each of our people, has thus been so callously jeopardized by the injudicious action of the executive branch which now seeks to escape justifiable criticism by overtly threatening the Congress.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. HALEY. The gentleman says the law has been violated. Apparently there is no penalty for a violation of that law. Does the gentleman agree with me that we could determine responsibility very quickly by just passing a simple resolution introduced in this body to bring somebody to account for the expenditures and the violation of this law?

Mr. GARY. I think the Congress could fix the blame if it desired. Yes.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. EVINS. Is it not a fact that the Director of the Bureau of the Budget at least turned down the request of the Postmaster General for supplemental funds? Is it not also the fact that when the supplemental request for the various agencies was sent up, it was the chairman who notified the Postmaster General that his item was not contained in a list specifically designated as emergency items?

Mr. GARY. Yes. The request was sent up on March 12. When we held our hearings the Postmaster General insisted he had to have this money immediately. The chairman of the committee called his attention to the fact that this item had been sent to us with numerous other items, and the Director of the Bureau of the Budget had been requested to mark the items that were urgent, and that the Post Office appropriation was not included in the list of urgent matters. The Director of the Budget did subsequently write a letter to the committee designating the item as urgent. The letter arrived on April 3.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GARY. I shall be glad to yield to the gentleman.

Mr. JOHANSEN. Knowing of the complete fairness of the gentleman from Virginia, I am asking this question with reference to the future rather than the past, and I am directing a very similar question to the gentleman from Virginia that I directed to the gentleman from New York. I would like to know first of all if there is a certain latitude within which the Director of the Budget may

approve transfers from one quarter to an earlier quarter.

Mr. GARY. Not if they will bring about a deficiency; but here is the idea: Whenever the head of a department finds he is going to have a deficiency, that he needs more money, then he should come before the Congress before that deficiency is incurred so that the Congress will have the right to pass upon the question as to whether or not he should have the additional funds.

We did not have that cooperation in this instance, but to the contrary, the Postmaster General came before our committee after the funds had been overspent in the first three quarters and said: "You give us this additional money or else!"

He said we had but two alternatives; one, to cut off the main service entirely on June 15 for the rest of the month, or else begin to curtail service immediately if we were not going to allow the funds.

Mr. JOHANSEN. One further question, if the gentleman will permit: In a subsequent year, if in any quarter prior to the fourth it is found that the funds allocated to that quarter are not adequate, do I understand that the Postmaster General may with the approval of the Director of the Budget Bureau use funds for a later quarter, provided the borrowing does not create a deficit for the entire year?

Mr. GARY. Yes.

Mr. JOHANSEN. Then if it is determined that it would create a defiicit, the Postmaster General is supposed to come to the Congress before the borrowing is done.

Mr. GARY. Exactly.

Mr. JOHANSEN. I am interested in how it works.

Mr. GARY. In the present instance the Postmaster General admits that he knew there was going to be a deficit when the transfers were made, yet no request was made to the Congress.

Mr. JOHANSEN. That is a debatable point but I am asking the gentleman as to procedure.

Mr. GARY. There is no debate as to what the Postmaster General said before our committee. He testified that he knew there would be this deficiency.

Mr. STEED. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield.

Mr. STEED. The justification that was contained in the message from the President on the deficiency bill known as House Document 115 gave certain reasons why they needed this $47 million. When the Post Office Department representatives appeared before our committee, some admission was made as to the fact that the justifications contained in the President's message were not accurate, and they gave some other reasons at that time why they needed the $47 million. Will the gentleman explain to the House this discrepancy?

The CHAIRMAN. The time of the gentleman from Virginia has expired.

(Mr. CANNON yielded 5 additional minutes to Mr. GARY).

Mr. GARY. There were two items. One item clearly came within the provisions of the antideficiency law. The Congress after the original requests had been submitted passed a law authorizing the Post Office Department to pay the postal employees while they are engaged in military service in the Reserves. That cost $2 million.

In addition, there was another item that they admitted did not come specifically within the exception in the law The Congress prior to the time they submitted their budget request passed a law increasing postal salaries. They had taken that law into consideration, but there was a provision in that law requiring the reclassification of postal employees, and that provision did not become effective until the following December.

The Post Office Department representatives testified that when they put that provision into effect they found it cost more than they had anticipated by $17 million. Our committee, although realizing it was a technical violation of the law, did not want to be technical and recommended the $17 million. Frankly I think we should also have recommended the $2 million which was overlooked.

Mr. TABOR. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from New York.

Mr. TABER. The Postmaster General went to the Budget Bureau on the 10th of July last year and the Bureau called the Senate committee which said that it was too late in the session for the submission of a supplemental request. After that, on his next possible appearance before the Congress, on the 15th of January, he told the subcommittee he was going to have a deficit of $53 million and after that he followed the thing up with the budget to get a budget estimate. What does the gentleman think the Postmaster General should have done? Should he have immediately on the 1st of July or the 1st of August, when he found out he did not get the first budget estimate, curtailed the operation of the post office at a time when it was impossible for the Congress to do anything or should he have done what he did? I would like to have the gentleman clarify that.

Mr. GARY. I will say that was a question for the administration to handle. When two of his administrative departments disagree the decision as to which is right rests with the President. I have not attempted to fix the responsibility. I have said that the law has been violated. The General Accounting Office has sustained that position. I am not going to quibble with the gentleman as to which department violated the law. If this had been handled properly there would not have been any question about adequate funds being supplied. The fault is certainly not with the Congress.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Some of us are wondering, regardless of who may or may not be to blame, whether or not this appropriation of $41 million is sufficient to restore to the country an adequate mail service on the same basis that we have had up to June 30?

Mr. GARY. That is another question for the Postmaster General to answer. He said that he could not get by with a penny less than $47 million.

Mr. BROWN of Ohio. What is the gentleman's opinion?

Mr. GARY. I do not know. We only cut his appropriation one-half of 1 percent. We thought he could have absorbed that without difficulty, but he has not absorbed any of it. He is asking for more money than he requested originally. If we give him the $17 million that our subcommittee recommends he will have $1,340,000 more than he requested originally.

Mr. BROWN of Ohio. Yes; but perhaps the amount granted in this bill is not enough. How did the gentleman's committee get at that figure?

Mr. GARY. I may say to the gentleman that I am against the $41 million. I am for the $19 million. I want him to live within the amount that the Congress appropriated.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. TABER. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. GARY. Mr. Chairman, the question before us boils down to this: Is the Congress of the United States going to control the expenditures of this Government or are we going to turn it over to bureaucrats? That is the whole question. The Hoover Commission has recommended that the Congress be given greater control over governmental expenditures. I think that is proper, because the Members of Congress are elected by the people and they represent the people.

The most effective control that we have today is the control that is set forth in this antideficiency law. Once we relinquish that control, once we capitulate to the threats and tactics of the Postmaster General, then we have relinquished our most effective control. To me, that is of far greater consequence than the temporary inconvenience of the mail users.

I have received numerous letters and telegrams and messages on this situation. Somebody said that when we hear from the rural people we will change our minds. Let me read you a telegram I received from a rural delivery carrier in one of the Western States:

> Congratulations on your subcommittee recommendations for the Post Office Department. Patrons contacted today are not interested in Saturday service, did not care if rates went up where post office could pay own way, wondered why they got so much junk mail. I serve 320 families, 64-mile route, 10 years service.

I have heard a lot of talk about the mail service of foreign countries here today. The first speech that I made on the floor of this House was in favor of a salary increase for postal employees. It was in 1945 and at that time they had not had a salary increase for 20 years. I think we have got to pay our postal employees salaries commensurate with the salaries paid by private industries. I am for giving them good salaries, but whenever we talk of what the foreign services are doing, if you will just compare our pay of postal employees with theirs, you

will see that there is a great difference. In addition to that, we have not increased our postal rates on first- and second-class mail since 1932. I am for an increase in the postal rates to make each class of mail pay its own way. Let me say that I appeared before Mr. MURRAY'S committee last week and testified for three-quarters of an hour on that subject. I noticed that the Government-subsidized Time magazine said that I roared. I think it is time for somebody to roar about the failure of the users of the mail in this country to pay for the services that they are receiving from the Post Office Department.

Just one other thought. Our people have been inconvenienced by the order of last Saturday. That was a hurried order. I found one situation in my city Friday night when I returned home. A contract station called me and said "We are not permitted to accept parcel post packages on Saturday." I called the Postmaster General at his hotel in Washington, and that order was countermanded immediately.

Now, I do say this, since industry and business are going to a 5-day week the time has come when we should begin to curtail our Saturday service to some extent. I do not think it ought to be discontinued, but I do think there should be some study along that line. I am told by the Post Office Department that by not delivering third class mail on Saturdays we can save $10 million a year. When that class of mail is not paying the expense of its delivery, why should we not save $10 million a year. I want to see the people of this country get all the service that they pay for, but when they do not pay for the service, I do not think they can expect champagne service at beer prices.

There is just one other feature that I want to discuss. I think there are some places that we can cut the service that will not hurt. This administration has decentralized the postal service. What they have done is this: They have established 15 brandnew regional offices throughout the United States. They have established 91 new district offices throughout the United States. In each of these regional offices they have practically duplicated the setup of the office here in Washington. In the district offices they have employed additional help, and while there is not a complete duplication, there is a partial duplication. They have put into those offices a lot of high salaried personnel that we have not had before. Frankly, I cannot see that the service has been benefited one iota.

I understand the statement was made the other day that prior to decentralization the mail piled up here in Washington. I was told the other day that one of my constituents had a question of classification that had been tied up in the district and regional offices for 1 year and in the Washington office for 2 months, making a total of 14 months.

Now with respect to these regional and district offices: I used to enjoy vaudeville. I can remember a corny joke I heard in vaudeville many years ago. It probably stuck in my mind because it was so corny. Two would-be comedians come out on the stage and one of them said to the other, "John, if that post over there were to fall on us, what would you do?" And the other said, "I would call the postmaster." The first one said, "Why?" And just as quick as a flash he said, "To get the post off us."

Today, you would not know whether to call the postmaster, the district manager, the regional director, or a supervisor. The situation has become so complicated under decentralization that nobody knows today where the postmaster's jurisdiction ceases, where the district manager's jurisdiction begins, or where the regional director fits into the picture. There is a wide area for economies in this confusing setup.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. GARY] has expired.

THE TRUTH ABOUT SUMMERFIELD AND THE POST OFFICE DEPARTMENT

Mr. LANHAM. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Chairman, a great furor has arisen over the attempt of the Postmaster General, Mr. Summerfield, to sandbag Congress into giving him the total amount of money he requests for the operation of the Post Office Department. Here are the facts.

The committee appropriated practically the entire budget request for the current fiscal year which began July 1, 1956. Until a few years ago it was the general practice among the Federal bureaus and departments to use all of the money appropriated such department for any one fiscal year before the end of the year and come back to the next Congress and ask for a deficiency appropriation. This practice meant that the Congress had absolutely no control over expenditures but was at the mercy of the departments which could spend under such practice the sums of money they saw fit instead of the sums appropriated by the Congress. To prevent this practice, a law known as the antideficiency law was passed by the Congress. This law requires the heads of the various departments to apportion the money for expenditure of a certain maximum amount in each quarter, the total not to exceed the amount appropriated for the entire fiscal year. Most of the departments now follow the law and if an emergency arises during the year which makes it impossible for the department to operate on the appropriation previously made by the Congress, the department comes to the Appropriations Committee before it makes the expenditures and gets the authority of the Congress to exceed the quarterly amount by the sum required for the emergency.

During the current fiscal year which began July 1 of last year, Mr. Summerfield did not follow this practice but in October, again in December, and again in January changed the allocations of the money appropriated to him and spent it needlessly to support the 15 regional offices set up by him and which are of no earthly use but which cost millions of dollars more than the operation of the Department costs when the affairs of the Department were administered from Washington. In addition many unnecessary district offices were set up at additional cost.

So instead of coming to the Congress before he spent sums in excess of his quarterly allocations, he waited until January when he came to the subcommittee which makes appropriations for his Department and demanded that a certain amount be appropriated for the remaining months of the year. This was a distinct violation of the antideficiency law.

In the meantime, he asked the Budget Bureau to send a request for additional funds to the Appropriations Committee. The Budget Bureau believing such funds unnecessary and expressing that belief to members of the subcommittee handling these appropriations, refused to request the committee for additional funds. However Mr. Summerfield continued to pressure his fellow Republican, Mr. Brundage, head of the Budget Bureau, until the latter surrendered and sent a request to the committee on March 12 for the additional appropriation.

The committee after a hearing and careful consideration of the request decided that while Mr. Summerfield had violated the law and spent money illegally, an appropriation of $17 million additional would be justified because an act of Congress had increased the cost by $17 million. Mr. Summerfield was told that this amount would be appropriated when the committeee could take regular action on the bill.

Instead of doing as other department heads do and accepting the money appropriated by the Congress, he immediately threatened to curtail the postal service in various ways. Finally in order to put tremendous pressure upon the Congress to do just as he wished, he proposed to close the post offices on Saturday, to stop issuing money orders, and otherwise curtail the postal service. He is quite arrogant and apparently has a contempt for Congress as so many of the bureaucrats do.

SHALL THE PEOPLE THROUGH THEIR CONGRESS, OR THE BUREAUCRATS, CONTROL EXPENDITURES?

This is the vital question posed by Mr. Summerfield's actions in violation of the law and his threats to curtail the postal service. We are being constantly urged to cut expenditures so that the people can be given a tax reduction. The Appropriations Committee of which I am a member has been trying to do just that and has succeeded in making many cuts. Now the question is, Do the people back home want the Congress to surrender to Mr. Summerfield and let him say what amount is to be spent for postal service or do you want your Representatives in Congress to hold the purse strings? This is the problem and this is the real question involved. Whatever Mr. Summerfield may say to the contrary, this is the inescapable problem posed by his contemptuous and arrogant conduct toward the Congress.

SUMMERFIELD WILL BE RESPONSIBLE FOR CURTAILED POSTAL SERVICE

If your postal service is curtailed temporarily or permanently, it will be the fault of Mr. Summerfield who violated the law by making unauthorized expenditures—many say for political purposes—during the first 9 months of the year. If we surrender to him and permit him to violate the antideficiency law, the other departments will demand the same treatment. If so, the Congress might as well shut up shop and turn the handling of your tax money over to the bureaucrats.

It is not a question of whether we shall appropriate money for foreign aid or for any other purpose. The Appropriations Committeee will take care of cutting foreign aid and other funds where possible, but we should not and cannot be expected to surrender to the arrogant demands of a power-drunk bureaucrat. I have, and will continue, to vote against any such surrender.

THE POST OFFICE DEPARTMENT

Mr. EVINS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. EVINS. Mr. Chairman, the House this week approved the second appropriations bill for the Post Office Department during this session—the first being the regular annual departmental appropriations bill, carrying funds in excess of $3 billion for postal services—the second bill being a supplemental appropriation, carrying an additional $41 million for the Department.

The Postmaster General—General Summerfield—has publicly contended that this latter appropriation is needed for the operation of all the services in the Department through June 30, the end of the Government fiscal year.

As indicated, the Congress has appropriated to date more than $3 billion for the Department, the exact amount being $3,197,000,000 plus the additional $41 million this week approved. Besides these appropriations, it should be pointed out that Mr. Summerfield, the Postmaster General, has the authority to transfer funds from one operation to another at his discretion.

Notwithstanding the cooperation of the Congress in providing these funds for services to the public by the Department, the Postmaster General has threatened to completely shut down the operation of the Post Office if the full funds he demanded is not immediately provided.

It should be pointed out that the Bureau of the Budget in the White House, that initially passes on all departmental requests for funds, has twice rejected the Postmaster General's requests for additional funds. The Budget Bureau only recently submitted its approval for the supplemental funds to Congress. Had this latter request been received earlier, the Congress could have acted earlier and the apparent urgency of the situation would have been avoided. The Committee on Appropriations and the Congress have acted in accordance with usual and customary procedure in these matters and not under force of threats, intimidation, and pressure.

Certainly, there exists no desire on the part of anyone to curtail essential postal services to the public. However, many Members of Congress feel that the Post Office Department should practice some economy as other agencies of the Government. Hearings before the Post Office Committee on the Appropriations Committee have established that the Department is expending huge sums of money in the setting up of 15 new regional supervisory offices and about 100 new branch supervisory offices throughout the United States. These new offices have been staffed by highly paid personnel and increases in funds requested by the Department have resulted in expenditures of funds being transferred from services to support these new offices. There exists the opinion here in Washington that the Postmaster General has ordered limited service curtailment—for a limited time—for two primary reasons; the first being to dramatize the need for increasing the postal rates to the public which he has long advocated and the other reason being political.

With more than $3 billion available in appropriations to the Department, plus the authority to transfer funds from one operation to another, there certainly should be no need to suspend mail service, even temporarily, to the public.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, to one who does not know anything about the operations of the Post Office Department—except that as he puts a stamp on a letter and drops it in the mail box, the addressee gets it, and on time, and that sometimes one gets a letter—this does seem to be about as ridiculous a situation as even the Congress of the United States can get into.

We created the Post Office Department. We have written certain laws telling the Department what it must do; what kind of mail it shall accept and what the charge for that service shall be, how much the employees shall be paid, and many other directions and restrictions.

We tell the Postmaster General what to do and how, but we do not give him enough money to do it—then we complain when he refuses to carry out our orders when, if he did, he would violate the law we have written.

Now it just happens that we have a Republican postmaster and all at once the charge is that the law is being violated.

When given the privilege of coming here, what most amazed me was the fact that the Congress could have a deficiency bill. It has always been my thought that when money was given to me or when I earned money and I spent it for a particular purpose, that was it; that was the end of that incident. But inquiry of the Parliamentarian as to how many deficiency bills could be brought in elicited the information that we could have as many as the congressional committee wanted to bring in. And if a Department did not get enough money the first time, it could come back and ask again; and if it did not get enough money then, they could come back again and again and ultimately the Congress would give the Department what was needed.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. REES of Kansas. We have 5 deficiency bills before us today, do we not—5 more?

Mr. HOFFMAN. We may have more; I do not know. But having created the Department, and having a Postmaster General under whose direction it is supposed to operate, and having told him by law what he should do—let me interrupt myself. There are two remedies. We can either curtail the service or—well, the other one would not work. That is, we cannot prevent people being born and learning to read and write and wanting to get postal service, nor can we prevent the expansion of the service demanded by increasing businesses. I would not subscribe to either. But fortunately our population has grown, as has business. We have had some refugees, some others have been admitted and apparently many wish to write letters to the friends they have left abroad, telling what a wonderful country this is, and they want to get letters. What a howl would have gone up if the Postmaster had curtailed the service before he did. And that is apparently what he should have done if he had desired to meet the approval of the gentleman from Missouri [Mr. CANNON] or if the Bureau of the Budget failed to abide by the strict letter of law.

If there is a Member of this House who has not had requests for the extension of rural routes, for carrier service in growing communities, for additional service—all of which cost dollars—it would be a pleasure to meet that gentleman, because certainly he must be happier than some of the rest of us are today.

Mr. MURRAY. Mr. Chairman, would the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. MURRAY. There has been a good deal said about how unusual it is for the Post Office Department to ask for a supplemental appropriation or a deficiency appropriation. With the gentleman's permission, may I read figures showing what has happened with appropriations for the Post Office Department?

In 1947 Congress gave the Post Office Department a supplemental appropriation of $93 million. In 1948 Congress voted $172,700,000 in a supplemental appropriation for the Post Office Department. In 1949, there was a supplemental appropriation of $140,800,000. In 1950, it was $71,400,000; in 1951, $29,400,000; and in 1952, $250,000.

Now, let us see what has happened under Postmaster General Summerfield. In 1953 he turned back——

Mr. HOFFMAN. Oh, no?

Mr. MURRAY. He turned back $83,574,247.

Mr. HOFFMAN. Does the gentleman not realize Mr. Summerfield is a Republican Postmaster General?

Mr. MURRAY. Yes. I am just giving the gentleman facts and figures.

In 1955 he turned back $108,724,572. Next year he turned back $42,993,628. So in 3 successive years he turned back over $200 million of the appropriation given by Congress.

Since he has been Postmaster General, since 1953, this is his second request for a supplemental appropriation. In 1956 he received a supplemental appropriation of $16 million. The supplemental appropriation now pending is the second one he has asked for.

Mr. HOFFMAN. At any time during that period did the gentleman hear any complaint from the gentleman from Missouri [Mr. CANNON]?

Mr. MURRAY. None whatever.

Mr. HOFFMAN. Was the gentleman listening?

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Did the gentleman hear any word of commendation of the Postmaster General from certain sources?

Mr. HOFFMAN. Does the gentleman mean during this debate?

Mr. JOHANSEN. I mean at any time, for the money that was turned back.

Mr. HOFFMAN. Of course the gentleman realizes that each of us cannot hear everything that is said. That is just impossible. Inasmuch as the Congress has been under the control of our Democratic friends, I would not expect there would be too much commendation along that line.

Repeatedly it has been said here that there has been a violation of the law. We have heard read the letter from the Comptroller General. As far as it was my privilege to understand the situation, the only violation there has been was because the Bureau of the Budget, and the chairman of the Post Office Committee will set me right on it, did not send up a notification of a deficiency as soon as it should.

Mr. MURRAY. That is entirely correct. The Director of the Bureau of the Budget failed to send up the request when it was first made last July and held it up until March 12 of this year. I do not know the Director of the Bureau of the Budget, but he gave as an excuse that he understood the revenues of the Department were increasing, which is true, and that there would be a $20 million increase in postal revenues. He thought that the Postmaster General could use the increased revenue to pay for the operating expenses of the Department, which of course is not true. All postal revenues go into the General Treasury.

Mr. HOFFMAN. He made a mistake of about $20 million. He thought it would come to the Post Office Department and it went into the Treasury of the United States. That is the situation, is it not? He thought a saving might be made?

Mr. MURRAY. That is correct.

Mr. HOFFMAN. That is what all the, if the word may be used, "squawk" is about here today. That is the only foundation there is, as I can read the record, for the charge of the gentleman from Missouri [Mr. CANNON] that the law has been violated. The gentleman from Virginia [Mr. GARY], when he was talking here a few moments ago, referred directly to a violation not by the Bureau of the Budget, not by the Postmaster General, but by his own committee. I had not heard that until today when it slipped out. The violation has been nothing but a technical one, for which there is no penalty, as I understand it, and if I am wrong, again I will ask the chairman of the Post Office Committee to correct me. Is there any penalty attached to the violation of which the Bureau of the Budget may be guilty?

Mr. MURRAY. I understand there is no penalty whatsoever.

Mr. HOFFMAN. Well, where and what do we get? Charges that the Postmaster General has violated the law and is responsible for the present curtailment of the service. A political charge that is without foundation. Where does the blame belong? Right over there with the gentleman from Missouri [Mr. CANNON], the chairman of the Committee on Appropriations. He has been familiar with the situation all along. When the Postmaster General came up finally and said that he would not violate the law by continuing service as it then existed, that unless he was given money to operate as we had directed one of two things must happen—he must either violate the law or he must curtail the services.

The gentleman from Missouri, the chairman of the Committee on Appropriations [Mr. CANNON]—I cannot say he got his back up—nobody knows what transpires in his head—but he decided, at least said, the Postmaster General was holding a gun at the head of the Congress, and was bluffing, and the gentleman from Missouri [Mr. CANNON] called what he characterized the Postmaster's bluff. And what happened? The Postmaster General just was not bluffing. He obeyed the law, and stood by his guns and cut the service as he was forced to do. The present curtailment in services is due to the action of no one except that of the gentleman from Missouri [Mr. CANNON]. There on the Democratic side sits the person who is responsible for the recent cut in service, for the failure of postal employees to be on their jobs. What are we to do about it. The House will do as it should have done a week or two ago. It will appropriate the necessary funds notwithstanding all the talk of the gentleman from Missouri [Mr. CANNON]. The only thing that was wrong, as I can read the record, was that when the third quarter rolled around, they transacted their business by using the fourth-quarter funds. The Postmaster General, if I understand the situation transferred funds supposed to be used after one date over to an earlier period. Is that what it was? They transferred money, for example, from the third to the second quarter in order to continue to operate?

Mr. MURRAY. They transferred funds from the fourth quarter several different times to the first, second, and third. Those transfers were made at the direction and with the approval and on the order of the Director of the Bureau of the Budget.

Mr. HOFFMAN. And nobody said anything about it at the time; did they?

Mr. MURRAY. No.

Mr. HOFFMAN. And the only thing the Postmaster could have done at that time is what he later did, and that was to curtail the services; was it not?

Mr. MURRAY. Certainly.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from the Third Congressional District who is so ably representing his district, who is on the Post Office Committee.

Mr. JOHANSEN. I thank the gentleman. I was disturbed by the answer that was given by the distinguished gentleman, my good friend from Virginia [Mr. GARY] when the question was asked, I believe, by the gentleman from New York as to what the Postmaster General should have done if he discovered a deficiency and he was going to have to transfer these funds at a time when the Congress was not in session, and the only answer given was that that was an administrative problem.

Mr. HOFFMAN. Oh, no, no. What he could have done was to have done then just what he did later and that was to cut the services and that is the only thing the Postmaster could have done at any time. Why all this hollering and yelling and making of charges without justification now. The only thing I can figure out is that the Postmaster General happens to be a Republican and this is the time—this is the year when they are after the Republican Party with 1958 in mind. They loved Ike; many of them supported Ike but now they would tear him and his administration to pieces.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. GARY. I was asked the question a few moments ago as to what the Postmaster General could do if he went to the Budget Director on two occasions and asked for a transfer of funds which he had to have, and the Budget Director refused to give it to him. They asked me what he could do under those circumstances. What he could have done was to have gone to the President of the United States who is the coordinating officer and he could have directed the Budget Director to send the proper request to the Congress of the United States.

Mr. HOFFMAN. Nonsense. The Congress knew the money was needed, the Congressmen calling the tune but did not want to pay the piper. Yes; and if the President had authorized the expenditure we would have heard a howl go up all over the place. The politicians would have had something to talk about other than the helicopter, the speed at which his chauffeur drives, a red spot on his nose, and the President's health. The only thing the Postmaster General could have done and the only thing he can do today, and the only thing he can do in the future when he comes before the Appropriations Committee of the Congress and the Congress fails to give him money necessary to operate is

to cut off the services or violate the law. Now, if our people are displeased, if they are sore about anything, they should direct their wrath to and at the gentleman, as I said before, from Missouri [Mr. CANNON]. There is where they should go. He is the gentleman responsible for the lack of funds which cut down the postal service, the loss of compensation of employees who were out of work. The gentleman from Missouri is the boss of the Appropriations Committee, he is a master of inconsistency, but he is not, as yet, running the Department of the Post Office—as he has recently learned the hard way. I stand by this statement—there is not a Member of this House who has not had requests for additional services either for an extension of routes or for more frequent deliveries in, for example, carrier service in cities which have grown—and the gentleman from Louisiana [Mr. LONG] seems to be nodding his head in the affirmative. Evidently, he has heard from his home folks as have we all. I hope when this bill comes up for a vote the gentleman will not only vote to give the present Postmaster General what he needs, but you will have a word of praise as other good members of your party have had since this issue came up.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. COLLIER. For the purpose of the RECORD, and for the economy-minded Members of this Congress, it might be well to point out that this deficiency appropriation in toto represents one-seventeenth of 1 percent of the entire Federal budget.

Mr. HOFFMAN. Well, the gentleman from Missouri [Mr. CANNON] thought it sufficient to hang a political charge on, and that is all this argument is about. The gentleman from Missouri [Mr. CANNON] just for a few days thought he was Postmaster General. Being from Missouri, he asked to be shown—and he was. What the Congress has done was to create a Department, tell it to operate in a certain way, and then the Committee on Appropriations, under the guidance of its chairman, for a few days refused deliberately to give the Postmaster General funds enough to carry out the orders of the Congress.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, notwithstanding the statements of the gentleman from Michigan [Mr. HOFFMAN], the decision of the Comptroller General held that the law was violated. In response to a request of the Postmaster General for an opinion on this point, Comptroller Campbell wrote in a detailed and authoritative opinion on April 12, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, April 12, 1957.

DEAR MR. POSTMASTER GENERAL: Your letter of April 4, 1957, requests a statement of our findings resulting from a study of the records of the Post Office Department to ascertain whether during fiscal year 1957 there has been a violation of the provisions of section 3679, Revised Statutes, as amended (31 U. S. C. 665), commonly known as the Antideficiency Act. An informal request for similar advice was received from a staff member of the House Appropriations Committee following the hearings March 26 and 27, and April 3, 1957, before the Subcommittee on Treasury-Post Office Appropriations, on the Post Office Department's supplemental request for funds for operations.

At the outset, we wish to explain that our review was made in a very limited time to obtain information readily available as to whether the Post Office Department had violated the Antideficiency Act. Because of the time limit, our review was restricted to a comparison of apportionments, by appropriation, approved by the Bureau of the Budget for the postal quarterly reporting periods ended October 19, 1956, and January 11, 1957, with obligations incurred for the same quarters as they appear in published statements of the Post Office Department. No overobligation of the apportionments for those quarters was revealed by this comparison. Results of operations for the postal quarter ending April 5, 1957, were not available at the time of our review.

We did not review the obligations under administrative subdivisions of funds within the apportionments, but we were informed that in the quarter ended October 19, 1956, funds allotted to two regional directors had been overobligated by $27,613 and the required reports to the President and the Congress were made on February 14, 1957.

Your letter, however, and the committee inquiry request our findings as to whether the provisions of the Antideficiency Act were violated during fiscal year 1957. This requires consideration not only of the question as to whether the apportionment of the funds for the fiscal year 1957 were overobligated but also as to whether they were made in accordance with the provisions of that act, which provides, in pertinent part, as follows:

"(c) (1) Except as otherwise provided in this section, all appropriations or funds available for obligation for a definite period of time shall be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period. * * *

* * * * *

"(d) (2) Any appropriation available to an agency, which is required to be apportioned under subsection (c) of this section, shall be apportioned or reapportioned in writing by the Director of the Bureau of the Budget. The head of each agency to which any such appropriation is available shall submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of such appropriation. * * *

"(e) (1) No apportionment or reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate shall be made except upon a determination by such officer that such action is required because of (A) any laws enacted subsequent to the transmission to the Congress of the estimates for an appropriation which require expenditures beyond administrative control; or (B) emergencies involving the safety of human life, the protection of property, or the immediate welfare of individuals in cases where an appropriation has been made to enable the United States to make payment of, or contributions toward, sums which are required to be paid to individuals either in specific amounts fixed by law or in accordance with formulas prescribed by law.

"(2) In each case of an apportionment or a reapportionment which, in the judgment of the officer making such apportionment or reapportionment, would indicate a necessity for a deficiency or supplemental estimate, such officer shall immediately submit a detailed report of the facts of the case to the Congress. In transmitting any deficiency or supplemental estimates required on account of any such apportionment or reapportionment, reference shall be made to such report."

Since the Department's supplemental request for funds for fiscal year 1957 is limited to the appropriation for operations, what is said hereinafter is addressed to that appropriation.

The apportionments of that appropriation, with a possible exception of about $2 million referred to on page 97 of the House hearings on the second urgent deficiency appropriation bill, 1957, do not appear to come within the exceptions set out in subsection (e) (1) above and, apparently, subsection (e) was not relied upon in making the apportionments. The communication transmitting the supplemental estimates to the Congress March 12, 1957, contains no reference to any detailed report to the Congress of the facts involved as required in subsection (e) (2), and the testimony in these hearings contains no indication of reliance upon subsection (e) (1) in making the apportionments.

The apportionment of appropriations to prevent deficiency or supplemental appropriations was first required in the amendment to section 3679, Revised Statutes, contained in section 4 of the act of March 3, 1905, 33 Stat. 1257. Section 3679, Revised Statutes, was amended again by section 3 of the act of February 23, 1906, 34 Stat. 27, 48, and lastly, by section 1211 of the General Appropriation Act, 1951, 64 Stat. 765. Each of these amendments was intended to reduce further the need for deficiency or supplemental appropriations.

Even prior to the complete revision of section 3679 in the General Appropriation Act, 1951, the Anti-deficiency Act was considered to require that appropriations be apportioned so as to prevent either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. In House Report No. 221, 79th Congress, 1st session, on the first deficiency appropriation bill, 1945, it is stated:

"The committee met with instances which indicated either a lack of knowledge or an utter disregard of the so-called antideficiency law (31 U. S. C. 665), in that agencies reported overobligations during the first half of the current fiscal year to an extent which places the Congress in the position either of granting additional funds or forcing the curtailment of operations which in some cases would be unwise and harmful. That sort of practice cannot be continued, particularly when the Congress is in continuous session. It must be stopped."

In House Report No. 1817, 79th Congress, 2d session, on the second deficiency appropriation bill, 1946, it is stated:

"Instances have occurred where agencies do not actually incur deficiencies but proceed at an obligational rate which make necessary either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. The committee does not propose to tolerate that practice any longer. It intends to see that the antideficiency law (31 U. S. C. 665) is observed in letter and spirit and shall expect the Bureau of the Budget to report quarterly, starting at the close of the first quarter of the next fiscal year, the title of any appropriation not being administered in accordance with the letter and spirit of such law, the reasons therefor, and the name and position of the official immediately responsible."

The foregoing quotation was referred to in a letter dated August 22, 1946, of the As-

sistant Chief, Estimates, Bureau of the Budget, to the Postmaster General printed at page 116 of the Senate hearings on the second deficiency appropriation bill for 1947. As recorded on page 142 of those hearings, the Subcommittee on Deficiencies, Senate Committee on Appropriations, after hearing testimony as to deficiencies which had occurred in the Post Office Department, requested the Bureau of the Budget and the General Accounting Office to review the problem and submit a report thereon.

The Acting Director of Bureau of the Budget and the Acting Comptroller General jointly submitted a report on June 5, 1947, B-66949, to the Senate Committee on Appropriations with the understanding that the subcommittee desired recommendations (1) as to what can be done to control the use of appropriations so as to prevent the incurring of obligations at a rate which will lead to deficiency or supplemental appropriations or to curtailment of necessary activities if such appropriations are not made; and (2) to fix responsibility on those officers of the Government who incur deficiencies or obligate appropriations without proper authorization or at an excessive rate. Included in the report was a draft of legislation to accomplish those two purposes.

This draft of legislation to amend section 3679, Revised Statutes, with some revisions, was enacted as section 1211 of the General Appropriation Act, 1951. A section-by-section analysis of that proposed legislation appears in the CONGRESSIONAL RECORD, volume 96, part 5, pages 6835-6836. It is stated in that analysis that subsection (1) (c) is "designed to insure that appropriations which are available for a fiscal year, or for other time periods—usually related to fiscal years—will not be obligated at a rate which would exhaust the appropriation prior to the end of the period for which the appropriation was made and thus result in a need for a deficiency or supplemental appropriation, or an increase in the authorization for administrative expenses of a corporation, or in drastic curtailment of the activity for which the appropriation or authorization was made."

A drastic curtailment toward the close of a fiscal year of operations carried on under a fiscal year appropriation is a prima facie indication of a failure to so apportion an appropriation as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations for such period. In our view, this is the very situation the amendment of the law in 1950 was intended to remedy. This view is entirely consistent with the views expressed in the joint report dated June 5, 1947, of the Bureau of the Budget and the General Accounting Office. In view thereof and the legislative history of the Antideficiency Act set out above, subsection (c) (1) of the act must be, and is, construed as a mandate of the Congress that fiscal year appropriations be so apportioned as to prevent obligation or expenditure thereof in a manner which would indicate the necessity for either a deficiency or supplemental appropriation or a drastic curtailment of the activity for which an appropriation is made.

The responsibility for making the apportionments is vested in the Director of the Bureau of the Budget by subsection (d) (2) of the act, which also requires the head of the agency concerned to submit to the Bureau of the Budget information, in such form and manner and at such time or times as the Director may prescribe, as may be required for the apportionment of the appropriation. The apportionment and reapportionments as made by the Bureau of the Budget for the appropriation "Operations, Post Office Department, 1957," including transfers and reimbursements, are set out below:

Date	1st quarter	2d quarter	3d quarter	4th quarter
June 13, 1956	$624,306,000	$547,611,000	$473,766,000	$474,909,000
July 10, 1956	623,429,500	546,988,100	473,112,100	474,255,700
July 13, 1956	630,429,500	546,988,100	469,612,100	470,755,700
Aug. 30, 1956	630,326,100	546,988,100	469,612,100	470,755,700
Oct. 4, 1956	635,326,100	551,988,100	469,612,100	470,755,700
Dec. 14, 1956	635,326,100	561,988,000	466,612,000	463,884,900
Jan. 11, 1957	635,326,100	561,988,000	464,612,000	463,884,900
Feb. 4, 1957	635,326,100	561,988,000	484,612,000	443,884,900

The Post Office Department operates on 4-week accounting periods adjusted at the beginning and end of the fiscal year. The first-, second-, third-, and fourth-quarter columns in the above table actually represent 4 (less 1 day), 3, 3, and 3 (plus 2 days) accounting periods of 4 weeks each. The significant reapportionments were made on July 13 and December 14, 1956, and February 4, 1957. On July 13, 1956, the first quarter was increased $7 million and the third and fourth quarters were decreased $3,500,000 each. On December 14, 1956, the second quarter was increased $10 million and the third and fourth quarters were further decreased by $3 million and approximately $7 million, respectively. On February 4, 1957, the third quarter was increased $20 million and the fourth quarter was decreased by $20 million. These 3 reapportionments decreased the fourth quarter apportionment by a total of approximately $30,500,000, which resulted in the fourth quarter apportionment being $40,727,100 less than the third quarter apportionment which covered 2 days less time.

The necessity for a deficiency appropriation has been acknowledged by the Director of the Bureau and the President as evidenced by the transmittal on March 12, 1957, to the Congress of a request for additional funds for operations of the Post Office Department during the fiscal year 1957 in the amount of $47 million, the amount of your request for that purpose as received by the Bureau of the Budget January 4, 1957, before the date of the last reapportionment listed above. Also, you issued Postmaster General Order 56314, dated April 5, 1957, which would curtail the services of the Post Office Department in several respects if it becomes effective.

If it is determined by the Congress that the deficiency appropriation is necessary for "Operations" or if the services of the Post Office Department are drastically curtailed in the event no deficiency appropriation is made, there could be no question but that the Director of the Bureau of the Budget had not complied with the requirements of subsection (c) (1) of section 3679, Revised Statutes, as amended, 31 U. S. C. 665. It should be noted, however, that the penal provision contained in subsection (1) (1) of the act is applicable only to violations of subsections (a), (b), or (h) of the act and not to subsection (c) (1).

The House hearings on the Post Office Department's request for supplemental funds for operations for 1957 show that, when the Department requested the reapportionment of its funds, it did so in the belief that the requested pattern of management of its funds for the fiscal year would result in the necessity for a deficiency or supplemental appropriation. Such action is not technically a violation of any specific provision of the Antideficiency Act. However, it is not consistent with the spirit and purpose of the act.

Copies of this letter are being sent to the House Committee on Appropriations, to Senator BYRD, and to the Director of the Bureau of the Budget.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

As will be noted the Comptroller held that the Director of the Budget, at the repeated importunity of the Postmaster General, had violated the Antideficiency Act. That makes the Postmaster General in effect an accessory before the fact and his repeated insistence, in the language of the opinion, "not consistent with the spirit and purpose of the act. It is a reproach on both the administration and the Department. All the perfumes of Arabia will not sweeten it.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, there has been a lot of talk about Democratic attacks on the Postmaster General. I have a letter from a constituent of mine, a dentist out in Ohio, who happens to be a Republican. He says:

There is a persistent rumor being circulated locally that our Postmaster General has threatened to resign his office.

Frankly, since learning that our local post office will be locked Saturday, postal money orders will be discontinued effective April 15, and third-class mail will no longer be available, I am not merely in favor of such a resignation—I am definitely enthusiastic about it.

Maybe such a move might start a trend toward giving the country back to the people for a change. Goodness knows it has been long, long overdue. And then, there is that old-fashioned thought that most of us cling to—the postal service is by no stretch of the imagination a privilege. It is a right.

If the Postmaster General has handled his Chevrolet business in Michigan as inefficiently as he has the Postal Department, he is either broke or his personal finances must surely be in bad shape. Accordingly, and since it is just "not fittin'" that a man of his age and financial destitution should be forced to thumb his way back to Michigan, I am enclosing my personal check in the amount of $1. This will help to defray the expense of sending him back home by the fastest available means—and at the earliest possible date.

I realize the amount of the check is rather insignificant, but I feel that it is all I can afford—with all my other numerous charitable contributions. I am sure, however, that the project can be oversubscribed several hundred times in Washington within the first couple of minutes.

Incidentally, I will accept any other contributions you want to send.

Then he says further:

It is possibly worthy of note (and perhaps should rate a special stamp to commemorate the achievement) that he has done what neither the Indians, road agents, bandits, nor the elements ever succeeded in doing during our entire history—disrupted the United States mail.

He is a Republican and he sent a check for $1 made out to the "Summerfield Transportation Fund." Down in the corner where it says "For," he has "Homecoming."

I tried to get the gentleman from New Jersey to yield a while ago when he was reading off the postal rates charged in France, Russia, and every place else

around the globe, but he did not see fit to yield at that time, because I wanted to ask him a question as to whether or not France, Germany, and the rest of them carried Time and Life magazines free, or practically free. You hear a lot about the postal deficit. My good friend from Tennessee [Mr. MURRAY] comes in from time to time with a bill to raise postal rates. I have not yet voted for any of his bills because up to now he has not brought in one to raise the rates on the people who are causing the deficit. I do not have anything against Time or Life magazines, except the fact that they are not paying their way.

Mr. MURRAY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. Yes, I yield.

Mr. MURRAY. How can you say we have not done anything to increase the second- and third-class rates?

Mr. HAYS of Ohio. Well, you have not brought them up to where they ought to be. You did bring in a bill to raise first-class rates by 33 percent.

Mr. MURRAY. And how much for second class?

Mr. HAYS of Ohio. Ten percent, I think it was, for second-class, was it not?

Mr. MURRAY. No, no.

Mr. HAYS of Ohio. Did the gentleman have any bill which would make these magazines pay their own way? Will the gentleman answer me Yes or No on that?

Mr. MURRAY. The bill provided for an increase of 10 percent on the reading matter contained in the magazines and 120 percent on the advertising content.

Mr. HAYS of Ohio. Would that have left any deficit?

Mr. MURRAY. It would have left considerable of a deficit.

Mr. HAYS of Ohio. That is it, and that is the point I am trying to make. In other words, they would still be taking a partial free ride at the taxpayers' expense. I am only using Time and Life as an example. There are plenty of other magazines taking a free ride. If you would come in here with a bill to make those magazines pay their way and could show me that the Post Office Department still does not have enough money to operate without a deficit, I might then be willing to raise the rate on other classes of mail which are already paying their way. Until you do I am not going to vote for any postal increase. I do not think my mail has demonstrated that my constituents do not want a postal increase that is fair, but they do want the different classes of mail to pay their own way. If there is any business that is making a profit it is the slick paper magazines, and their financial statements show it.

Mr. NEAL. Mr. Chairman, when the original Post Office appropriation measure was before the House, I voted against reducing the amount requested. I did this with full knowledge that always heretofore, the Congress had allowed the supplemental funds asked for, and that eventually the Congress could do nothing but reverse its stand.

In my opinion, Mr. Summerfield met the challenge of the committee and House leaders in the only honorable and self-respecting manner open to him.

Mr. TABER. Mr. Chairman, I have no further requests for time.

Mr. CANNON. Mr. Chairman, I ask that the Clerk read the bill for amendment.

The Clerk read as follows:

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

For an additional amount for loans for the rural-electrification program, $200 million, to be borrowed from the Secretary of the Treasury in accordance with section 3 (a) of the Rural Electrification Act of 1936, as amended, and to be made available from the loan authorization contained in section 606 (a) of the act of August 7, 1956 (Public Law 1020).

Mr. JONES of Alabama. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Alabama. Mr. Chairman, I make a point of order against the language commencing on page 2, line 23, after the word, "as amended" and reading: "And to be made available from the loan authorization contained in section 606 (a) of the act of August 7, 1956 (Public Law 1020)."

Mr. Chairman, the public law referred to has nothing whatsoever to do with the authorization of REA, but is a loan authorization for construction of rural housing as provided in the Rural Housing Act of 1949, as amended by the act of 1956, which gives authorization to the Secretary of Agriculture to issue such debentures as necessary to carry out the authority contained in section 11 of the act of 1949.

I submit that this is legislation on an appropriation bill and is subject to a point of order.

Mr. CANNON. Mr. Chairman, will the gentleman withhold his point of order?

Mr. JONES of Alabama. Yes, Mr. Chairman; I reserve the point of order.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are seeking to make a record in this Congress in reducing the budget. There are two ways in which we can increase the budget: We can increase it by appropriating money in excess of the President's budget requests, or we can grant new obligational authority through legislation directly affecting Government spending, but not through regular appropriation channels.

We asked President Eisenhower to tell us how we could reduce this big $72 billion budget. We passed a resolution and sent it to him asking him how it might be reduced. The President, when he sent up his request here for $200 million for loans for the REA, took into consideration that the money was needed, but he said we should provide this additional authorization by making these funds available from loan authorizations contained in section 606 of the act of August 7, 1956, which is the Rural Housing Act. Last year we passed a rural public-housing bill authorizing loans in the sum of $450 million. We authorized loans in that sum. That showed in the budget as an additional obligation of the Government. It does show as an additional obligation of the Government to the extent of $450 million. We would, of course, hope and believe that the loans would eventually be repaid to the Government. So the President said: "We will not use all of this housing money. The law will expire in 1961 and we will not use half of it," as shown on page 40 of the hearings. He said that they would only use about $27 million at this time and that one-half of the sum would never be used. He said this money would not be needed. So he proposed to transfer from the $450 million in housing loan authority the sum of $200 million for the REA. Through such a procedure the overall obligations of the Government would not be increased.

On the Department of Labor bill we worked for a week to reduce appropriations by $130 million. Here, by reason of this point of order, we are proposing to increase the obligational authority of the Government by $200 million. I agree that in the labor bill a direct appropriation is involved and in this action obligational authority of a different type is involved. In both cases funds can be taken from the Treasury. The housing funds and the REA funds will in time be repaid to the Government after a period of years when the loans come due. The point is in each case funds will be withdrawn from the Treasury and the obligational authority of the Government is increased. The public debt will likewise be increased to the extent of the appropriations expended on the loans made. Of course, the Government will get credit when the loan money is repaid. If we increase the President's obligational budget by $200 million we will wipe out in a moment one-fifth of the savings we have made this year below the President's big budget.

Let us not increase the President's budget by $200 million. Let us transfer this obligation from rural housing to the REA, all within the Department of Agriculture. Everyone agrees the $200 million will not be used by the housing program. When the final chapter of this Congress is written the point of order will be responsible for a $200 million increase in the President's budget in funds available for expenditure. This will make Congress look bad. I hope the gentleman will withdraw his point of order.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The gentleman from Texas is saying to the committee that the Appropriations Committee feels it has incurred the responsibility to legislate in the field of rural housing, which was passed by this Congress in 1949, and repeatedly included in every Housing Act up to 1956. Therefore, the question as to whether or not there should be a public debt transaction has to be decided by the Appropriations Committee.

It seems to me a very curious arrangement that the Appropriations Committee did not go further and enact legislation which would provide that the loans made by the Rural Electrification Administration should not be a public debt transaction—go the whole hog—instead of coming in here in such a way as to

preclude the authorizations and the work to be completed under the Farmers Home Administration. To carry out that program you commit one sin to protect the other sin you hope to commit in the future.

Mr. MAHON. I want to make it clear that I do not approve of the method being used by the President in requesting the $200 million for the REA. I think the direct request should have been made by the Bureau of the Budget and that REA should stand on its own feet and that the housing program should stand on its merits. I do not want to see the REA or the housing program crippled, and if the administration would utilize the $450 million housing authorization, I would be opposed to any transfer whatever. I do not like the transfer method. I am simply saying, however, that we have no other alternative except to increase the President's budget by $200 million, and I would like to avoid that.

The gentleman from Alabama, if he insists upon this point of order, will be responsible for increasing the President's budget by $200 million. I am not criticizing the gentleman from Alabama. I can see his position. He is a good legislator. Basically, I agree with his position. I am just trying to avoid increasing the President's budget by such a large sum.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. TABER. I feel we ought to allow the language to stay in the bill as it stands.

Mr. MAHON. It was written by the budget and by the administration, not by the committee.

Mr. TABER. When the Department was up here it said that even if this year's expenses were doubled next year and maintained at that rate through 1961, this would only indicate a need for $225 million for housing operations.

Mr. MAHON. The following is contained in the President's budget request to Congress, and it is contained in the bill which is before us:

RURAL ELECTRIFICATION ADMINISTRATION

Loan authorizations

For an additional amount for loans for the rural electrification program, $200 million, to be borrowed from the Secretary of the Treasury in accordance with section 3 (a) of the Rural Electrification Act of 1936, as amended, and to be made available from the loan authorization contained in section 606 (a) of the act of August 7, 1956 (Public Law 1020).

I now quote from a statement by Mr. Joseph C. Wheeler, director of the budget of the Department of Agriculture, whose testimony appears on pages 39 and 40 of the hearings before the Appropriations Committee:

Mr. WHEELER. House Document 115 includes proposed supplemental appropriations and other authorizations for various agencies of the Government, submitted to the Congress by the President on March 12, 1957. In accordance with budgetary policy, most of the additional appropriations and authorizations required for unforeseen and emergency items are proposed to be financed by transfers from obligational authority already made available by the Congress. In transmitting the proposed supplemental appropriations to the President, the Director of the Bureau of the Budget stated as follows:

"In developing these recommendations the Bureau of the Budget has been guided by your statement in the 1958 budget message that 'efforts will continue to be made by every executive department and agency to improve efficiency and to maintain expenditures well within the budget estimates.'

"Requests for which tentative amounts were specifically forecast in the 1958 budget document have received the same strict review as other requests. Our objective has been to hold proposals for supplemental appropriations to a minimum, to require the absorption of additional needs within funds already available to the fullest extent possible and to search for offsetting savings."

In the case of the Department of Agriculture, requests totaling $234,037,400 are included, of which $229,037,400 are to be financed by transfer from other funds or authorizations already available. Included within these totals is an increase of $200 million in the authorization for REA loans. A recent survey of borrowers' needs shows that applications for rural electrification loans will total about $453 million in fiscal year 1957. At the time the budget estimates were prepared last fall, the latest survey figures available to the Rural Electrification Administration indicated that 1957 applications would total only about $270 million. This proposed transfer of authorization would make it possible to meet this increased need for rural electrification loan funds in 1957 and provide a margin to continue the higher level loan program into 1958.

It is proposed to meet this need by transferring $200 million of the $450 million loan authorization for farm housing loans for the period 1957 through 1961, contained in section 606 (a) of the act of August 7, 1956. Based on experience so far this fiscal year in operating under the farm housing loan authorization, $450 million is considerably in excess of what will be needed through 1961. Despite the fact that $50 million was initially set up for use during this fiscal year, it now appears that not more than one-half that amount will be needed or used. Even if this year's experience were doubled next year and maintained at that rate through 1961, this would indicate a need for only $225 million. Therefore, it was decided that the urgent need for additional electrification loans could be met in this manner without detriment to the farm housing program.

In summary, the proposal is in implementation of the determination stated on numerous occasions by the President to do everything possible to keep new obligational authority and expenditures within current budget totals and to meet unforeseen or emergency needs within existing authorizations.

The above-quoted statement from the budget director of the Department of Agriculture indicates that the transfer of obligational authority from the housing program to the rural-electrification program will do no injury to the housing program. If we follow the recommendations of the Bureau of the Budget, we will not increase the overall obligational authority of the Government. If the point of order is sustained, we increase the overall obligational authority of the Government in the sum of $200 million, increasing the budget to that extent.

This Congress last year exceeded the President's budget in excess of $1 billion by reason of these kinds of transactions, granting additional obligational authority, as is proposed here. So we worked so hard to make reductions, and why increase the budget by $200 million when the funds will not otherwise be used?

Mr. JONES of Alabama. The gentleman's argument defeats itself. You say we are not going to use it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MAHON. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. MASON. I object, Mr. Chairman.

Mr. BOW. Mr. Chairman, I make a point of order against the entire paragraph on loan authorizations.

Mr. JONES of Alabama. Mr. Chairman, I insist on my point of order that the part of the sentence that I raised the point of order against be sustained and not as to the entire paragraph. Now, Mr. Chairman, I submit that that point of order has not been disposed of and the Chair cannot entertain other points of order without disposing of the pending question before the committee.

The CHAIRMAN. As I understand, the point of order was reserved.

Mr. JONES of Alabama. Yes; it was reserved.

The CHAIRMAN. Does the gentleman from Ohio desire to be heard?

Mr. BOW. I desire to say this, Mr. Chairman: My point of order is in order at this time inasmuch as the gentleman reserved his, and the argument I would make against the entire paragraph is the same argument the gentleman made on his point of order to strike certain language. Where a point of order is raised to a portion of a paragraph, the entire paragraph is subject to a point of order, and I insist on my point of order.

Mr. JONES of Alabama. I would like to be heard on the point of order made by the gentleman from Ohio.

The point of order which the gentleman from Ohio raises is to the entire paragraph. Now, there is no question as to the authority of the Committee on Appropriations to make appropriations available for the Rural Electrification Administration program. There is no restriction, nor is it a limitation, but it is a general authority by which the Committee on Appropriations would have authority to make appropriations.

Now, the point of order that I raise is to preclude the Committee on Appropriations writing into this bill legislation which is not authorized under pending law but taking the appropriation item and making it a credit against the Housing Act of 1949 and 1956 as amended. So, the argument made that this will increase the debt and at the same time that the Secretary of Agriculture will not utilize the moneys, is inconsistent to me, Mr. Chairman, and would not hold water, I do not think; nor would it be advisable any more than it would to take it out of funds available for the Atomic Energy Commission for some of its activities to carry on REA.

Mr. CANNON. I would like to ask if the gentleman insists on his point of order.

Mr. JONES of Alabama. I insist on the point of order, Mr. Chairman.

Mr. CANNON. Mr. Chairman, we concede the point of order.

Mr. BOW. I insist on my point of order, Mr. Chairman.

The CHAIRMAN. The Chair is prepared to rule.

The point of order made by the gentleman from Alabama on line 23, page 2, is against the three lines beginning with the word "and" as being legislation upon an appropriation bill, which it obviously is.

Now, the gentleman from Ohio, however, offers a point of order against the entire paragraph. As the language which is sought to be stricken by the gentleman from Alabama is subject to a point of order and is part of the paragraph, then the whole paragraph is subject to a point of order, and the Chair is constrained to sustain both points of order.

Mr. MARSHALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MARSHALL: On page 2, after line 17, insert:

"RURAL ELECTRIFICATION ADMINISTRATION

"Loan authorizations

"For an additional amount for loans for the rural electrification program, $200,000,000, to be borrowed from the Secretary of the Treasury in accordance with section 3 (a) of the Rural Electrification Act of 1936, as amended."

Mr. MARSHALL. Mr. Chairman, this amendment seeks to do that which the gentleman from Alabama [Mr. JONES], who just spoke on the point of order, attempted to do. In other words, it restores language which your Subcommittee on Agricultural Appropriations wrote into the bill in the first instance. When we went before the full committee the other day, the full committee saw fit to write language in the bill which transferred from the rural housing program to the REA certain funds, $200 million. Your Subcommittee on Agricultural Appropriations unanimously reported the language which is in the amendment which is now before us.

Your committee felt that the Rural Electrification Administration program should be kept entirely separate. We do know that some Members have heard from REA organizations throughout the country. They have been very insistent that they did not want their own authorizations tied up with other programs. I can rightly see why they take that stand, because it is poor practice for them to have their own authorizations affected by transfers from other programs. It does not make for a good, healthy feeling in the country when some of those things take place.

I think we ought to be careful when we do write legislation on an appropriation bill, because some of those things do have far-reaching effect. Some of the things that we do sometimes cause trouble and confusion, and, on top of that, they may do things that we do not intend to do. Certainly, as far as we are concerned, in going over appropriation bills we are doing what we can to stay within the budget. In fact, we are doing what we can to reduce the budget below the amount the President requested, the largest peacetime budget in history. Appropriation bills are one thing, expenditures are another. I want to point out that this is an authorization, and it is an authorization for REA's to increase their borrowing power. This comes about because of the greater demand that REA has for its services and because of the demand that faces REA organizations to firm up their lines. No one anticipated when the Rural Electrification Act was passed that it would need the heavy power lines to carry the heavy loads that REA carries at the present time. Many of the REA organizations have been handicapped by not having proper construction to take place.

The loans are paid back. The repayment record of the REA is remarkably good. Because that repayment record is so good, this cannot be considered in one breath as an expenditure, because it is not an expenditure. They are loans that are paid back.

As far as this particular program is concerned I am sure that Members of Congress want to see REA's given the funds that they need to operate with. I am also sure that the legislative committees of this House do not want the Committee on Appropriations to write legislation on appropriation bills.

Mr. MAHON. Mr. Chairman, would the gentleman yield?

Mr. MARSHALL. Mr. Chairman, I yield to the gentleman from Texas. I should like to say to him that I appreciate his fine courtesy and I am sorry that on this matter there seems to be some misunderstanding that exists between the gentleman from Texas and myself.

Mr. MAHON. Mr. Chairman, I agree that the President would have followed a much sounder practice, in my judgment, had he sent up a budget estimate for $200 million, carrying the additional obligational authority of the Government. That is the way I think he ought to have done it. Then when we approved the $200 million we would not be increasing the President's budget. But since there existed this obligational authority, which is, according to the President, not needed, on the rural housing program, he took advantage of the opportunity to say we transfer that obligational authority within the Department of Agriculture to the Rural Electrification Administration and we do not increase the overall obligational authority of the Government. I do not like that way of doing it, but while I do not like it I would rather do that than increase the present budget by $200 million. That hurts our economy record in Congress.

Mr. MARSHALL. I am sure my good friend from Texas agrees with me that under the parliamentary situation that exists at present my amendment ought to be adopted.

Mr. MAHON. Sure, the gentleman's amendment ought to be adopted, but I should like for us to have gotten this $200 million without increasing the President's budget. Of course, over a period of years this loan money will be paid back, but we all know that it is an outstanding obligation of the Government until it is loaned out and repaid.

Mr. WHITTEN. Mr. Chairman, I rise in support of the amendment.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHITTEN. Mr. Chairman, since our subcommittee refused to go along with the recommendation of the President to cancel Housing lending authority before we authorized REA lending authority, I should like to make the record clear as I see it.

I can appreciate the feelings of my friend from Texas as far as holding down the possible expenditures of the Government is concerned. I hope I have a good record in that regard, myself. Certainly it is my desire to hold down expenditures. But the President's recommendation was to the effect that we increase the lending authority of the REA to meet this need, which is sound. The money will be repaid with interest. But in the recommendation our subcommittee was asked to repeal 40 percent of the basic legislation on farm housing, including farm structures.

I have heard so much from so many of our friends in the House about the action of the Appropriations Committee on this course of passing legislation. In the first place, I did not know whether or not it was sound to repeal 40 percent of the Rural Housing Authority; but certainly I knew it was unsound for a subcommittee of the Appropriations Committee to repeal 40 percent of the housing legislation that was law pure and simple, an act passed by the Congress and a part of the law of the land. It was not original action taken by our subcommittee we were asked to repeal. This was a recommendation that if we were going to give this lending authority to the REA, we were asked as an Appropriations subcommittee to repeal 40 percent of the basic legislation on housing. We just were not in shape to repeal this law, for this action was beyond our jurisdictional authority.

I am sorry my friend from Texas intimated in the committee, and has here, that our committee refused to go along in taking $200 million out of the President's budget. If he had said: "Repeal the President's right to spend I would have agreed." We did not do as my friend indicated. We did not refuse to cut expenditures. We were not requested to do that. We were asked as an Appropriations subcommittee to repeal 40 percent of basic legislation on rural housing loans which was beyond our jurisdiction, beyond our reach. If, in a proper way, that matter is brought up for repeal I perhaps would vote for it, if we kept the other 60 percent. I do not know.

May I point out another thing: The President said the administration was not going to approve these loans for housing beyond the 60 percent which would have remained, which means the money would not have been spent. So the money is not going to be spent if the President holds the approvals down, as

he says he is. We have done as we tried to do before, stick to the rules of the game and tend to our own knitting. If you want to repeal the Housing Act, you do it. Our subcommittee said we could not because we were not authorized to. Unfortunately, the whole committee reversed us. That was their privilege. But I do think we ought to make the record straight here. At any rate, the President's recommendations went out on the point of order. Now there is nothing we can do except adopt the amendment and make these loans available to the REA. If some other group wishes in a proper way to repeal the Housing Act, you do it. It was beyond our reach.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. MARSHALL].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 37, noes 40.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. MARSHALL and Mr. TABER.

The Committee again divided, and the tellers reported that there were—ayes 55, noes 49.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

CHAPTER VI

Post Office Department

(Out of Postal Fund)

Operations

For an additional amount for "Operations," $41 million.

Mr. GARY. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GARY: On page 5, line 7, strike out "$41,000,000" and insert "$19,000,000."

Mr. GARY. Mr. Chairman, I am not going to take up the time of the House any further. The Members have been very patient in listening to me. I think I have made a complete explanation of this item.

This amendment which I have offered will put into the bill the $17 million recommended by our subcommittee, plus $2 million, which was unquestionably within the exception of the antideficiency law. The total is $19 million. The amendment gives the Congress the opportunity to vote specifically upon the question as to whether or not it wants to capitulate to the threats and tactics of the Postmaster General and its control over the expenditures of this Government.

Mr. CANFIELD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I hope we are not going to adopt the amendment offered by the gentleman from Virginia [Mr. GARY] this afternoon. He would allow only $17 million required to pay certain additional salaries under the Reclassification Act of last year. He would provide for no additional funds for the great increase in the volume of mail; for the hundreds and hundreds of extra carrier routes that have to be provided. His amendment, in effect, would be a blow not only to the postal patrons of the United States but to the postal workers who have to serve us our mail.

Now, it has been made very clear these last few hours that the other body is ready to consider an appropriation of $41 million and expedite such appropriation to the President of the United States.

Just a few moments ago there was some question about the action of the Post Office Department with reference to supplemental funds for the fiscal year 1957, dating back 9 months ago. I have just talked with the Bureau of the Budget here in Washington and I find that their records show that on July 12, 1956, the Bureau of the Budget advised the Post Office Department it was ready to entertain a supplemental for 1957 in the amount of $30 million. Tack on to the $30 million the $17 million required under reclassification as mandated by the Congress of the United States and you have exactly the dollar figure now being requested by the Postmaster General, $47 million. This supplemental was to be sent to the Senate for immediate consideration. The Senate suggested, however, it was too late and indicated that it be pursued in the early months of this year. That is exactly what the Postmaster General has been doing and in a very proper way.

I urge that we reject this amendment and stick to the $41 million voted out by the Appropriations Committee by a vote of 37 to 10.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. EDMONDSON. Can the gentleman give us assurance that if this amendment is defeated and the $41 million provided, that the money-order service and service to the third-class mail and all other services now suspended will be resumed?

Mr. CANFIELD. That I truly believe.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. BALDWIN. I would like to congratulate the gentleman on the statement he has made, and I join with him in opposing this amendment.

Mr. CANFIELD. I thank the gentleman.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield.

Mr. TABER. There has been no statement that the money is not needed to operate the essential services of the Post Office Department.

Mr. CANFIELD. That is true, and the Department is very sensible and realistic in not spending or obligating funds it simply does not have.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment offered by the gentleman from Virginia [Mr. GARY].

Mr. Chairman, I am not going to take too much of the time of the Committee of the Whole in discussing this amendment. I do not think that is necessary. This amendment will and should be defeated.

This amount of $41 million contained in line 7, page 5, was inserted in this bill when the amendment that I offered on Friday last in the full House Committee on Appropriations was adopted by the full committee by a vote of 37 to 10.

On Saturday and on yesterday in the city of New York there was great gloom as the result of the closing of the post offices. It seemed as though we were back in the war days again as the result of what has happened to the taxpayer and the postal employee in this pending hassle, which was caused either by the ignorance or the inability of the Postmaster General and/or the Director of the Budget. I believe the Comptroller General of the United States says they both violated the law.

On the facade of the general post office in Manhattan at 8th Avenue and 33d Street, in the city of New York, from whence is directed the activities, in the boroughs of Manhattan and the Bronx alone, of 30,000 postal employees, we find the following inscription:

Neither snow, nor rain, nor heat, nor gloom of night stays these couriers from the swift completion of their appointed rounds.

On yesterday in Brooklyn, N. Y., a collection was being taken up to defray the expense of adding after the words, "Neither snow, nor rain, nor heat, nor gloom of night," these two words "except Summerfield."

I know the House will reject the pending amendment and approve this amount of $41 million and thus stop any further curtailment in postal service.

Mr. MURRAY. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I support the recommendation of the Appropriations Committee for $41 million for the Post Office Department. I feel that this is nonpartisan, nonpolitical; and, certainly, politics regarding action of the Postmaster General in this matter should not be injected into it.

I know a little about the operation of the Post Office Department. I was with the Post Office Department for 11 years. I served with Generals Farley, Walker, and Hannegan and I have been on the Post Office Committee since January 1943.

I do not think the Postmaster General is due the unwarranted and unjust criticism that has been made of him today. Certainly he has done all he could to get this supplemental appropriation. He started last July telling the Bureau of the Budget that he had to have a supplemental appropriation. I cannot understand all this furor over this request. I regret the delay of the Bureau of the Budget in sending up the request for the supplemental appropriation but certainly the delay cannot be placed upon the Postmaster General.

As I have already said, the Post Office Department has been given supplemental appropriations for the last 10 years with the exception of 3 years when the present Postmaster General turned back substantial sums into the Treasury in 1953, 1954, and 1955 by not spending the full appropriations given him by Congress for these years.

The Post Office Department absolutely needs this money on which to operate during the rest of this quarter. You can either give the Post Office Department this money or you can expect drastic curtailment of your postal service from now until the first of July. The Postmaster General has no alternative.

All of you know that the mail volume increased considerably during the past year, that many expansions were made in the city carrier service and in rural route extensions. The volume of the mail demands for new city carrier routes exceeded the estimate of the Postmaster General when the budget was presented to Congress. Now the people are clamoring for good service. If you want good service, if you want to satisfy the patrons, and continue the efficient service of the Department, you will vote for this appropriation of $41 million.

I do not agree that the Postmaster General is here trying to browbeat or sandbag the Congress. In my opinion he is doing the only thing possible in asking for the supplemental appropriation. He is telling us that he must have this money or that the service must be curtailed.

In my opinion, if you do not vote the Post Office Department the full $41 million you will not only have your post offices closed every Saturday from now until the first of July, but you will also see many other drastic curtailments and reductions of the postal service. It must be so, because the Post Office Department just will not have the money to do otherwise if the appropriation of $41 million is not made by Congress.

Mr. McCORMACK. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, there are certain salient facts that are outstanding in this matter. Whatever difficulty there is about the budget message coming up, it is the fault of somebody in the administration. It is either the fault of the Postmaster General, Mr. Summerfield, or the fault of the Director of the Budget. On the evidence submitted, I am inclined to think it is the Director of the Budget. We start out with the proposition that wherever the blame is, as far as the administration is concerned, it rests somewhere in the Republican administration and not with the Committee on Appropriations.

There are certain facts we must face from the practical angle. The Committee on Appropriations last Friday voted $41 million. Everybody knew that was voted out of the committee and anyone with commonsense knows that is going through. Postmaster General Summerfield, in my opinion, was not only in contempt or showed a contemptuous attitude toward the Congress, but he also showed a contemptuous attitude toward the people of America when with the knowledge that the Committee on Appropriations had voted out $41 million last Friday he did not rescind his order for last Saturday at least. All of us know the history of the antideficiency law; all of us are acquainted with that law and everyone knows there has never been any prosecution under it or any action taken under it. Postmaster General Summerfield knew that and with knowledge of what the committee had done last Friday he owed it to the American people to keep the post offices throughout the country open. If he had stated at that time, in rescinding his order for last Saturday, that if he did not get this money by next Saturday the order would stand, there might have been some logic in that action. But he did not do that. When the committee had acted, I cannot see why he did not then rescind his order.

Mr. Chairman, it so happens that I am majority leader of the House. Whether Postmaster General Summerfield consults with me or not is immaterial to me. Whether he has to might be a matter of discussion with some people. But it is the fact that so far as Speaker RAYBURN is concerned, he never saw the Postmaster General in connection with this matter until last Thursday, until after he had been doing all this talking through the press. I have not seen him. He has not even telephoned me. He would probably say he did not have to telephone me. But there is leadership up here. He has been up here consulting with the leadership of the Republican Party, and he should, but it seems to me as a matter of decency, if for no other reason, before he started talking and threatening through the press, and when the facts did not justify it, he should have come up here and talked with the leadership not on one side but with the leadership on both sides.

Let us push aside all of these things and get down to the real facts. To me the real issue here is the general public. What should we do in the interest of the general public? In the interest of the general public we should vote against the pending amendment that has been offered and vote for the $41 million, get it through before we recess, and let the post offices of the country be opened during the remainder of this quarter.

Mr. MARTIN. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do not think we should be carried away by alibis or excuses. The fact is Postmaster General Summerfield last July knew there was going to be a deficit and he so informed the Congress. The fact is that later on he renewed his plea that he needed this money if the service was to continue. The fact is that a week ago he was here and implored those who had charge of the appropriations in this House that he needed this money and that he could not continue unless given that money. The fact is he postponed that closing order for a week in the hope that the Congress would see clearly its duty to the American people and provide the money that would permit the postal service to go on as usual.

Last Friday it was stated by a high-ranking Member of Congress that he had violated the law about spending money outside the budget. That was untrue; he had not done so. Now, I ask in all fairness, if you were the Postmaster General, would you violate a law that he had already been falsely accused of violating? Of course you would not. To do that would be to put himself in a trap that would be inexcusable. So I say to you, my friends, the Postmaster General is not to blame for this stopping of the mail no matter how many political protestations are made. We had a month to pass this appropriation bill in the House and we did not do it. I have been a Member of this House for a great many years. I have seen other bills in jeopardy, lacking a few hours of meeting payrolls. These went through this House by unanimous consent, because we recognized our obligation to the people who had earned the pay. True, no one before ever made any talk about the crime of exceeding the budget allowance. But here he was warned by members of the Appropriation Committee. One more thing I want to warn you of: There is a bill in conference, and has been in conference for a long while, and unless you get it out pretty soon, the social-security people of this country will be right where the postal employees are now. Let us not have another failure of Congress to meet its obligations. I say, let us be fair. Let us give the Postmaster General the funds which are necessary to carry the mails. The people want the service and expect us to do it. I do not believe by raising a smokescreen that we are going to keep the people from knowing where is the real responsibility for the failure of the mails to go through. The people of America are not dumb and they are not easily fooled. They can judge for themselves, and I know they will. Let us quit quibbling and vote down the amendment of the gentleman from Virginia and pass this appropriation bill today so the services that the people are clamoring for can be resumed. You can have service only to the extent you are willing to pay for it.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield to the gentleman from Missouri.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ABBITT. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Virginia. I want to take just a moment or two to point out the curtailment features of Postmaster General Summerfield's order.

I am surprised, yes, shocked that a member of the President's Cabinet would do what Postmaster General Summerfield has done. I am convinced that Summerfield's orders were not issued to actually obtain savings in the Post Office Department but were intended solely and simply to arouse the people into pressuring the Congress into appropriating additional money for the Post Office Department for the balance of this fiscal year ending June 30, 1957.

The action of the Postmaster General is deceiving to the American people. It was not an effort to bring the expenditures of the Post Office Department

within the amount appropriated for the Department but rather it was intended to strike at the most important service of the Department that would be felt quicker by the people so as to get the desired reaction from them.

The orders prohibit the deliveries of RFD mail on Saturdays but it requires RFD carriers to put in full time on Saturdays with pay by sitting idly in their respective post offices. This deprived the RFD patrons of delivery of their Saturday's mail with no savings whatever to the Post Office Department except the small amount paid the carriers by way of mileage. This was plainly an effort to arouse the American people and to secure additional tax money for the Department. In my opinion, it amounts to extortion. It is an attempt on the part of Summerfield to hoodwink the American people into bludgeoning the Congress into giving the Post Office Department additional money to take the place of funds that have been unwisely and uneconomically spent heretofore by the Department contrary not only to the wishes of the Congress but the plain intent of the law.

Mr. Chairman, I am opposed to giving the Post Office Department any funds over and above the $17 million recommended originally by the Post Office Subcommittee of the Appropriations Committee of the House of Representatives. To do otherwise would be an admission on the part of the Congress that they do not have the power, the foresight, or the wisdom to legislate on matters of vital importance to the people of America. To refuse the Post Office Department this blood money that Summerfield is now requesting may cause some inconvenience to our people. Suppose it does? It is better for us to suffer some inconvenience now than to wreck the economy of this country by inefficiency and fiscal irresponsibility on the part of arrogant bureaucrats who are unwilling to even try to economize and put their departments on an efficiency basis.

It is estimated that the Secretary's orders prohibiting the rural carriers from delivering the Saturday's mail along their rural routes composing 1,582,800 miles will amount to only a savings of approximately $142,000.

The so-called economy order in my opinion emanates from a fanatical desire to compel the Congress to yield to every whim and wish of an autocratic and dictatorial bureaucrat.

Mr. Chairman, I am opposed to giving the Post Office Department the funds that they are requesting, and I hope that our Congress, particularly this House, will see to it that we do the legislating, and that we do not yield on this occasion.

Mr. HAYS of Ohio. Mr. Chairman, would the gentleman yield?

Mr. ABBITT. I yield to the gentleman.

Mr. HAYS of Ohio. In other words, the gentleman is saying that all of these men sat in the post office, got paid, but were not allowed to deliver the mail?

Mr. ABBITT. They were prohibited from delivering the mail. They required the rural carriers to go to the post office and sit inside, with the windows closed, in most of the rural offices, but were prohibited from receiving or delivering the mail.

Mr. HAYS of Ohio. If this House has the courage that the writers of the Constitution intended it to have, and that is not grounds for impeachment, then I do not know what is.

Mr. ABBITT. That is my information. And my information is that it is estimated that this would only save approximately $142,000; yet the rural people of America were denied mail rural delivery.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. ABBITT] has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. GARY].

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. REES of Kansas. Mr. Chairman, this legislation resolves into a question of whether the House is willing to provide funds to pay the postal employees for their services and to provide the people of this country with mail service to which they are entitled.

The cause of the need for additional funds is by reason of postal services in additional areas and to an unprecedented volume of mail due to high business activity and increased cost resulting from postal employees' pay adjustments.

The impact of this need for additional funds was felt as long ago as last July. Most of the discussion revolved around the fact that a request for a deficiency appropriation should have been initiated when the first transfer of funds was made from the last quarter of this fiscal year to the first quarter of this fiscal year. This occurred last July. Requests for these funds were not submitted because the Bureau of the Budget did not clear them, which is required procedure.

Under the present circumstances, I believe that Congress must provide the additional funds. Certainly, we cannot afford to let our postal service deteriorate. Business plans have been made relying on existing postal service. I have done, and intend to do everything possible to see that these services continue.

Much has been said with regard to the so-called violation of law. There is no charge or inference that there has been misuse of funds. It is a question of misjudgment as to the need of additional funds to carry out an expanded program. In any event, the question before us today is whether the users of the mail are to have the services to which they have been accustomed and to which they are entitled and whether you want to appropriate sufficient funds to pay for this service and to pay the postal employees who perform that service.

Mr. HOLLAND. Mr. Chairman, if you could picture a business doing $2½ billion a year, employing 373,338 full-time employees and 135,000 part-time employees, maintaining 39,000 district offices, I am sure you would classify this investment as big, big business.

I am also sure the board of directors in debating their choice of a new president would very carefully weigh the qualifications of all prospective candidates for the position. Prime consideration in the selection would be given to a man's ability, knowledge, and experience in the business.

We in Government are running a business of this size for what I have described as the United States Post Offices.

Our Post Office was founded temporarily after the adoption of the Constitution in March of 1789. In 1829, the Postmaster General was made a member of the President's Cabinet by Andrew Jackson. In June of 1872, the Post Office Department became an executive department by an act of Congress. Our post-office system started with 75 post offices. Today, it is one of the largest businesses in the world.

Over the years the following motto was accepted by the postal employees as their incentive—"Neither snow, nor rain, nor heat, nor gloom of night, stays these couriers from the swift completion of their appointed rounds."

A great pride has existed among the postal employees that they have never failed the motto under which they have worked.

For the first time since its inception, last weekend all post offices were closed.

The great record of services by the post offices was established by the postal employees.

These men through competitive examination had chosen the profession of a postal worker. As postal employees they took pride in seeing that the mail went through.

Their promotions in the Post Office were based on their ability, their experience, and by their standing in competitive tests.

In the previous administration under President Truman, the Postmaster General was a product of the post-office system.

He had the esprit de corps of the service.

He believed in the postal motto. Every promotion he received was because of his knowledge and experience in handling the mail. When the former Postmaster General was appointed, he measured up to all the qualifications needed to fill the position.

He was selected in the same way that the board of directors of a private corporation would select a man to be president of their company.

By no stretch of the imagination can the breakdown of the Post Office of the last weekend be blamed on those dedicated employees who are proud to be a part of our great post-office system.

This great blow dealt to the prestige of our Post Office can be placed at the door of only one man—the President of the United States.

Mr. Eisenhower would not consider carrying out the policy set by his predecessor by appointing one from the ranks and who had long experience in post-office work.

Although Postmaster General Donaldson was thoroughly experienced and had made a great record, the Eisenhower administration turned their back not

only on him but on the thousands of capable postal employees who knew thoroughly the workings of the Post Office, and made his selection under the spoils and patronage system.

The present administration chose the Postmaster General only on the following basis:

First, he was a Republican.

Second, he contributed to the Republican Party.

Third, he sold cars made by the General Motors Co.

Who among the members of the big business interests of Eisenhower's Cabinet would select a president of one of their holdings on the above basis?

Inefficiency and waste of money in the post-office system have been the result of this bad appointment.

Bungling by the administration, in the affairs of the Post Office, has resulted in breaking the morale of those who have spent all their lives as postal employees.

I have been told by many employees that the check and doublecheck and experimental changes suggested by the present Postmaster General have brought havoc and disorder to the regular procedure of the postal worker.

No wonder the Postmaster General is short $47 million. The business administration the Postmaster General likes to speak about, if continued by him, will completely destroy our Post Office which we have all regarded with reverence over the years.

Mr. Chairman, I believe that drastic steps must be taken by Congress.

I have introduced a resolution requesting the President to ask for the resignation of the Postmaster General and to designate an experienced official—one who has been an employee of the Post Office Department to replace him.

This man must have the ability, experience and knowledge of the problems of the postal service, and be well qualified to discharge his duties.

I believe that after this appointment is made there should be a thorough investigation of our greatly enlarged Post Office services so that proper changes to keep abreast of the times may be made.

The best one qualified to do this job is one who has worked in the postal service; who has secured his promotion—not under the spoils and patronage system—but on his qualifications, ability and experience to do a good job.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. SMITH of Virginia, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill, as amended, do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. HARRISON of Virginia. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. HARRISON of Virginia. I am, sir.

The SPEAKER. The gentleman qualifies.

The Clerk read as follows:

Mr. HARRISON of Virginia moves to recommit the bill, H. R. 6870, to the Committee on Appropriations, with instructions to report the same back forthwith with the following amendment: On page 5, line 7, strike out the words "$41,000,000" and insert "$19,000,000."

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. HARRISON of Virginia) there were—ayes 12, noes 121.

So the motion was rejected.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

COMMITTEE ON THE JUDICIARY

Mr. LANE. Mr. Speaker, I ask unanimous consent that Subcommittee No. 2 of the House Committee on the Judiciary be permitted to sit tomorrow during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A SKIP-TRACING FIRM MASQUERADING AS UNCLE SAM

Mr. REUSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. REUSS. Mr. Speaker, other Members have recently received from their constituents, as I have, official-looking forms from "Director in Charge, NRC Office, 748 Washington Building, Washington, D. C." labeled "NRC Office—Notice," asking for information about the recipient's occupation, employer, birthdate, social security number, and correct address. The form also contains printed symbols and boxes obviously intended to make the notification look official and governmental.

A Milwaukee constituent who recently received one of these forms through the mail has passed it on to me, inquiring whether this was an official governmental form.

Members will be interested that the agency which sends out these forms throughout the country is in no way connected with the Government, but is a "skip-tracing" firm which has been in trouble with the Federal Trade Commission before. It supplies printed forms for companies wishing to trace and obtain personal information concerning debtors. The "NRC" stands, it turns out, for "National Research Co." But a visit to the NRC office in the Washington Building disclosed that the NRC is unequipped to do any particular "research." Instead, the only person in the place, Lansing Joralemon, the director in charge, admitted that "our business is skip-tracing."

The FTC on June 1, 1956, ordered the NRC to cease and desist from using any forms intended to convey the false impression that the business was connected with the United States Government. Since then the company has stopped using eagles and the words "United States," but uses the present form, which is equally deceptive. The company's attorney, Murray M. Chotiner, as recently as February 23, 1957, told the FTC that he was going to keep right on using the present forms.

The Federal Government plagues its citizens with enough forms and reports as it is, without letting Mr. Chotiner's skip-tracing bureau add to the workload.

This kind of petty deception is thousands of years old. Smooth Jacob impersonated hairy Esau by covering his hand with animal skin and attempted to fool his father despite his slick voice. In this case, Mr. Chotiner is attempting to dress the NRC in the clothes of Uncle Sam. The hand may be the hand of Uncle Sam, but the voice is the voice of Chotiner.

I am hopeful that the Federal Trade Commission will take prompt action. Debt collecting is a legitimate business, but not when the collector seeks to make Uncle Sam the collecting agency. I include my letter of April 12, 1957, to the FTC:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 12, 1957.

Re National Research Co. et al., Docket 6236.

FEDERAL TRADE COMMISSION,
Washington, D. C.

GENTLEMEN: I urge your honorable body immediately to take the strongest possible action to enforce your order of June 1, 1956, which directed the National Research Co. to stop the distribution of any forms or questionnaires calculated to convey the false impression to the recipient that the company was in any manner connected with the United States Government.

Despite your cease-and-desist order of last June 1, the National Research Co. has continued to distribute misleading forms designed to pursue and entrap defaulting debtors. This outfit has masqueraded as a Government agency long enough. I suggest that the Department of Justice be asked immediately to institute a civil penalty suit against the company.

I am enclosing copies of two documents received through the mail on or about March 27, 1957, by Mrs. Betty M. Tiedt, 1010 West Orchard Street, Milwaukee, Wis. The original documents are in my possession and can be used as evidence in a suit against the company when needed. The documents are:

1. An IBM-type form headed "NRC Office, 748 Washington Building, Washington, D. C. Notice from 'Director in Charge, Lansing Joralemon,'" to Mrs. Tiedt. The form makes "immediate request" for information concerning her occupation, employer, birth date, social-security number, and correct address. It contains other mumbo-jumbo intended to make the notification look official and governmental.

2. A business reply envelope for returning the form addressed to "NRC Office, Director in Charge, Lansing Joralemon, 748 Washington Building, Washington 5, D. C."

Mrs. Tiedt filled out and dated the form March 27, 1957, and states that she received it not more than 1 or 2 days before that. Therefore this is clear evidence that the forms were distributed after your Commission by letter dated February 13, 1957, notified Mr. Murray M. Chotiner, attorney for the National Research Co., that the use of any forms that would not make the recipient aware that the information was sought in connection with the collection of a debt would be a violation of your order of June 1, 1956, and would result in a request to the Department of Justice to start a civil penalty action.

Your compliance division has informed me that Mr. Chotiner, who reportedly is not only the attorney for the National Research Co. but also a principal in the company, in a letter dated February 23, 1957, denied that there was deception in the form, denied that your order required the form to state that its purpose was to gain information about delinquent debtors, invited a test case and suggested that it be initiated in the Federal Court of Southern California, his home territory.

Let's have the lawsuit. The courts have upheld similar orders of your Commission in the past. Certainly they will not permit companies to badger citizens under the guise of nonexistent governmental connections.

I should like to quote from the letter of the Milwaukee attorney who forwarded on to me the documents received by Mrs. Tiedt:

"Enclosed is something that gets my dander up. I suspect this is a collection outfit creating the impression that it is a Government agency. It is a dirty shame that a citizen's desire to cooperate with the Government should be exploited by shysters. Ultimately, if this abuse spreads, people will not cooperate with Government requests for information."

Your Commission by its order of June 1, 1956, did succeed in stopping the National Research Co. from using even more flagrantly fraudulent forms containing pictures of eagles and other symbols and phony titles to convey the impression of Government affiliation. The new form is an obvious attempt to sneak around the Commission's order. Until such forms or questionnaires state their true purpose on their face, making clear that they are not from a Government agency, their use should not be permitted.

I am sure that the Commission recognizes the dangers to the public interest and to the good name of the Government that are inherent in this kind of masquerading operation. I look forward to hearing from you that strong steps are being taken to stop this deceitful practice.

Sincerely,

HENRY S. REUSS,
Member of Congress.

FAIR PLAY IN CONGRESSIONAL BUSINESS

Mr. ENGLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ENGLE. Mr. Speaker, I have had called to my attention a story which appeared in the noon edition of the Washington Daily News of April 12, 1957, which story referred in detail to a number of allegations of misconduct of military personnel in Alaska, including several high-ranking officers of the Air Force. These allegations were reportedly contained in a letter addressed to me and signed by a "Keith Hart," who gave his address as College, Alaska.

Substantially the same story has appeared in local newspapers and in wire service stories given wide dissemination.

I am concerned about the only impression that can be drawn by the average reader from the Daily News version, and one or two others—and that is that the letter was made public or available to the press by my office or by the staff of the House Committee on Interior and Insular Affairs. That impression is inaccurate—I did not release the letter to the press. The facts are these:

First. The original of the Hart letter was addressed to me and delivered to my office on April 10, 1957; the original letter I received indicated on its last page that carbon copies had gone to at least 14 other people, a number of them here in Washington. Upon receipt of the letter I contacted the appropriate officials in the Defense Department and asked that I be given an early reply to the allegations.

Second. In light of the appearance of the story in the Washington Daily News, I can only conclude that one or more of the recipients of carbon copies of the Hart letter, the original of which was addressed to me, made known the contents to the Daily News reporter, and apparently to other members of the press—all without contacting me before taking that action.

I repeat, that until the appearance of the story in the Daily News, as I believe is the only proper treatment of such matter, the contents of the Hart letter were in no way made public by me, or by my committee or office staff.

Third. I want this much to be made unmistakably clear:

I have always believed that anyone accused—whether in or out of Government, or in or out of uniform, whether appearing before a congressional committee, or in connection with some business of the Congress or a committee—should have an opportunity to be confronted with allegations made against him, and be afforded the right to tell his side of the story before those allegations are made public.

Fourth. We on the House Committee on Interior and Insular Affairs have in the past—as have all Members and committees—received anonymous, or signed allegations of misconduct in some field or other. This has been true during the past 18 months in connection with an inquiry by my committee into military public land use, including hunting and fishing practices within military reservations. A number of allegations have been made, covering a wide range of subjects and geographic areas, and from a number of quarters.

Because the Hart letter was signed, was specific in several instances, and because it did contain very serious allegations of misconduct by personnel under the jurisdiction of the Air Force in Alaska, I followed what I considered to be the only proper procedure in such matters. The basic tenet of what I consider "proper procedure" is confrontation and an opportunity to rebut, if possible, allegations made, before any publication of the allegations.

Fifth. I regret very much that others did not elect to follow that procedure in this instance. Until official explanation and comment is received from responsible defense sources, no additional steps will be taken by me in the matter. When such explanation and comment is received, I will of course then consider what further action should be taken.

CONTROL OF NARCOTIC DRUGS

Mr. KARSTEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. KARSTEN. Mr. Speaker, I am today introducing legislation in the House of Representatives to establish a comprehensive and fair control system covering the manufacture of all narcotic drugs, not only the natural narcotic drugs made from imported crude opium and coca leaves, but also the newly developed synthetic drugs that are now being made from a vast variety of uncontrolled sources readily available within the United States.

A striking example of the need for such legislation appeared in papers a few days ago when they reported of the development of a new painkiller which acts more quickly than the centuries-old morphine. If this new drug, now known only as Su4027, should prove addictive, like many of the other synthetic analgesics, the quantity and locations of its manufacture must, of course, be controlled and limited to legitimate medical and scientific purposes. But under existing law the Government has no power to control the manufacture of such drugs.

A practical control over the manufacture of natural narcotics, which can be manufactured only from crude opium and coca leaves not grown in the United States, has been achieved in the past by limiting the amounts of importation of crude opium and coca leaves under the Export and Import Act. But no such control is available over the

manufacture of synthetic drugs that can be produced from available domestic sources.

The Harrison Act has been generally effective to control the distribution and use of narcotic drugs in interstate commerce. But with the development of the new synthetic drugs control over distribution and use without control of the manufacturing source is no longer adequate. An effective system of control requires, among other measures, restriction of the total production of all narcotic drugs to the amount required for medicinal and other proper uses. Any excess tends to find its way into illicit traffic and use, despite controls on distribution and sale.

The new legislation is needed not only for general health and welfare purposes; it is also required to enable the United States Government to discharge its treaty obligations which require it to limit the manufacture in the United States of new synthetic narcotic drugs, as well as the natural narcotic drugs, to quantities required for legitimate medical and scientific needs and to manufacturers who have been licensed for the purpose.

Modern chemical research is constantly producing additional new synthetic drugs; and patents on already developed synthetic drugs, which have restricted their manufacture to the original manufacturer, are beginning to run out. The need for control has become urgent.

Enactment of control legislation has been repeatedly urged by the Commissioner of Narcotics and has been advocated by the President's Special Committee to Combat Illegal Narcotics. Near the close of the last session of Congress, I introduced legislation for this purpose, but the bill could not be considered before the Congress adjourned.

The present bill is a revised and improved version of last year's measure. I believe both its purposes and provisions deserve and will receive the support of the medical profession, the ethical drug industry, the public, and the Congress.

ECONOMIC DISCRIMINATION

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, progress is not without its drawbacks.

As medical science increases the span of human life, our industrial civilization shortens the ceiling beyond which it will not hire workers.

A person seeking employment may be healthy, sober, industrious, and with an excellent work record, but if he admits to being more than 40, he becomes aware of a sudden lack of interest on the part of the personnel officer. The job opening immediately closes. And he is left on the outside.

There are numerous violations of the Fair Employment Practices Act.

Discrimination against job applicants who are not old, but simply approaching middleage, is widespread.

A survey of the larger cities reveals that more than 40 percent of all employment offers are limited to applicants who can prove that they are under the age of 45.

This points up one of the tragic social problems of our time; the exclusion from our industrial life of so many competent and conscientious workers who are from 40 to 65 years of age.

This applies with particular severity to the worker who has given 20 or more years to the same job in the same industry. When that industry curtails its operations, or moves to some other section of the country, the displaced worker is unable to find other employment.

Some employers are blunt about it. "Over 40? Sorry, no job."

Others are more subtle, deceiving the applicant with the hope that "we have a long list ahead of you, but if we reach your name we will let you know. In the meantime, we will place your application on file."

The dead file.

If employers try to rationalize this on the grounds of "efficiency," and I dispute this because middle-aged workers are more experienced and responsible, then a ruthless factor is corrupting our vaunted material progress.

As I see it, there is a conspiracy of silence concerning this problem. We must bring it out into the light of day, examine it, and devise remedies for it.

That is the basic purpose of congressional investigations.

It is my belief that increased pension and insurance costs are the root of this discrimination against people over 40 who are looking for work.

In the emphasis on speed-up in our industrial system, and the subordination of an individual's worth to an actuarial table, are we going to say to people in the prime of life: "You are through at 40. You do not belong. It is no business of ours how you manage to survive until you are 65, and then hang on to the life-preserver of social security that is barely able to keep you afloat. Business is business, and we have got to be realistic about it. So sorry. The door is closed to you."

If industry as a whole, has no better answer than that, with its new power and responsibility in our national life, Government will have to step in and fill the vacuum.

We cannot afford to condemn people over 40 to economic exile. Furthermore, they will not stand for it.

To get at the source of this serious, and neglected problem, I propose that the Committee on Education and Labor shall undertake a full-scale investigation into the job barriers set up against people over 40 who are willing and anxious to work.

This is economic discrimination at its worst.

I suggest that we take steps to correct it, before it leads to further deterioration in the right to work, and in the morale of Americans over 40.

NATIONAL DEFENSE

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. ROBSION of Kentucky. Mr. Speaker, one modern tank costs around $200,000, and hundreds of these are required as an integral part of our national defense. It is, therefore, important that we in the Congress who have the responsibility for providing the money for these tanks understand the progress that is being made in their development for tactical use in battle. I doubt if many of the Members of this House have had the opportunity to inspect our latest tank models or see them in action. Recognizing this, last December the Department of the Army started preparing for a demonstration at the Armored Center at Fort Knox, Ky., to which would be invited Members of the House and Senate and other Government officials responsible for national defense. As an exercise of this kind would involve the participation of many different units, it was necessary to set the date several months in advance, and the dates selected were May 3 and 4.

I learned of the demonstration on March 19, and on that day called the attention of the officials of the Department of the Army to the fact that the Kentucky Derby was being run in Louisville, 30 miles from Fort Knox, on the afternoon of May 4, and as the demonstration was scheduled to end at noon on that day it was possible that some Members of Congress would want to stay over a few hours for the derby. I pointed out the possibility of a misunderstanding about tickets and suggested it be made clear that the Army would not undertake to secure tickets or make arrangements for the derby, and this was done in the notice which went out to Members of Congress.

As I represent the Louisville, Ky., District I felt an obligation to assist my colleagues who wanted to attend the Derby in securing tickets. I thereupon made an investigation and found that only 4 or 5 of the 50 or more who were going to the demonstration were interested in staying over for the Derby and suggested to the Department of the Army that the small number would not justify holding a plane and we probably would return to Washington by commercial airline. I want to make it clear that to my personal knowledge the officials of the Department of the Army did not have the Kentucky Derby in mind when the arrangements for the Fort Knox demonstration were made and their first knowledge of the coincidence of dates of the two events came when I called it to their attention on March 19.

So you will see the actual facts do not support the charges that were made in the press and on the floor of this House that the Army had arranged a congressional junket to the Kentucky Derby. As the result of these baseless charges, cer-

tain individuals in the Department of the Army were unjustly accused and that fine service was presented in a very unfavorable light to the country.

Perhaps the most important legislation we consider in this Congress relates to national defense, and all of us should make every reasonable effort to thoroughly inform ourselves on the subject. The Army, Navy, and Air Corps have gone to a lot of trouble from time to time to show us what progress is being made in the development of new weapons and tactics. I for one have benefited greatly from these demonstrations and feel that I am a better Member of Congress because of the knowledge of our defense preparations which has been made available to me. At this time I want to express my deep appreciation for the invitations that were extended me to visit Aberdeen Proving Grounds, Fort Bragg, the Brooklyn Navy Yard, Norfolk Navy Yard, Nevada Proving Grounds, Eglin Field, Fort Knox, and Fort Benning.

Perhaps those who helped to expose the so-called congressional junket to the Kentucky Derby felt they had rendered the country a real service and saved the taxpayers money when the Fort Knox demonstration was called off, but an examination of the facts will clearly show all they did was to unjustly smear innocent persons who were sincere in their efforts to inform Congress on an important aspect of national defense. They also denied Members of Congress the opportunity to see for themselves the high degree of proficiency the armored center of the United States has achieved at Fort Knox under the command of Maj. Gen. Jack L. Ryan.

PASSOVER MESSAGE TO ISRAEL

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it has been 35 centuries since the exodus of the Jews from the oppression of Egypt. And after 35 centuries the heart and the mind of Egypt are untouched by the sentiments of peoples elsewhere in the world of everbroadening horizons. Today, as 35 centuries ago, the Jew finds in Egypt only oppression, and the ships of commerce of the great and courageous State of Israel are barred by the Government of Egypt from passage through the Suez Canal.

It is fitting that today we in the Congress of the United States, in joining in the celebration of the Passover, the Hebrew spring festival, should give assurance of our support and our warmest friendship to the Government and the people of the State of Israel.

The Passover festival is one of the earliest religious and national landmarks in the history of the Jews. It has always been regarded as the festival of freedom. Its origin goes back to the exodus of the Jews from Egypt in about the 15th century before our era. The cause of this exodus was general oppression, one aspect of which was apparently a refusal of the Government to permit a general gathering for the old custom of sacrificing the firstlings of their flocks in the spring. Later the sprinkling of the blood, and the ritual of the unleavened bread were combined, culminating in the Passover festival. Moreover, this festival was made the fitting occasion for a celebration in memory of the redemption of the Jews from Egypt. Subsequent dispersion of the Jews and the oppression amplified the meaning of this festival. With the "Passover of Egypt" was associated the idea of the "Passover of the future," the hope for Israel's redemption from exile.

Today, some 2,000 years after their dispersion, it is indeed great joy to see the people of Israel celebrate their historic spring festival in their ancestral home, in their recreated and reborn State of Israel. Through the years of dispersion it seems that the true meaning of this ancient festival was never lost; in it the freedom-loving Hebrews perceived the great benevolent acts of their God. Today while they celebrate the Passover in joy and freedom, justifiably and steadfastly they cling to that sublime divine belief.

In the making and shaping of the State of Israel this belief has worked as the spiritual catalytic force; and it seems that the vigor of youth as well as this belief have played equally important parts in the making of that State a safe and happy haven for the Jews. Under the existing circumstances the new state is in dire need of economic assistance. Her trade with the West has been improving and is still expanding. The country is being industrialized and progressively developed. With the political and moral support of the West, it is fast becoming a model democracy in the Middle East. Yes, the spirit of the "Passover of the future" has been realized. And even in the celebration of this memorable national festival the people of the State of Israel are readied for the firm maintenance of their hard-won and richly deserved freedom and independence.

TUSKEGEE INSTITUTE—FOUNDER'S DAY PROGRAM

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, following is an address which I made at the Tuskegee Institute, Founder's Day program, on Sunday, April 14, 1957:

ADDRESS BY THE HONORABLE FRANCES P. BOLTON, MEMBER OF CONGRESS FROM THE OHIO 22D DISTRICT, AT TUSKEGEE INSTITUTE, FOUNDER'S DAY PROGRAM, SUNDAY, APRIL 14, 1957

Mr. President, honored guests, members of the Strong Band of Tuskegee Alumni, and students, Founder's Day is always a peculiarly poignant day here at Tuskegee. The man whose memory we honor, brought to his own people opportunity and hope—to his country a practical answer to many problems and a new vision of America's responsibility in the field of human relations. Much has happened since his day—some of it almost miraculously good, some of it not so good. Alas, that change always stirs up the best and the worst in people. Not so strange, perhaps, that the death struggle of any outworn way of life is fierce and terrible. Yet we know that Lincoln's words: "I believe this Government cannot endure permanently half slave, half free" hold true in a deeper sense today for they say to us: Freedom and justice are for all men, not for any one race or color or religion nor for any way of life. If one could wave a magic wand and take away in an instant the fears, the prejudices, the old habits of centuries, how wonderful it would be. But man learns slowly. So we see the moderation in the Supreme Court's decision set aside—and prejudice and fear, bitterness and hate, build up continuing misunderstanding.

But even these will pass as bits of flotsam and jetsam on the great river of God's life upon our earth—thrown about among the rocks of narrow canyons for a time—but ultimately reaching the calm and the unity of the eternal sea.

Though I have been able to come to Founders Day only a few times, the memory of the few stays with me. Today you have given me an added privilege in asking me to speak to you. I hesitate to do so, for such very eminent people have preceded me. Yet am I deeply happy to come to you. Somehow I seem to leave my inhibitions at the gate when I come to Tuskegee—and both my mind and heart feel free to speak without restraint.

My association with your presidents, your board, your faculty, mean very much to me. I never come without learning something. I always go back to Washington refreshed. For all this I am grateful, but never more so than today.

We are living in what is perhaps the most momentous day of all man's life on earth. As one reads history, one finds great changes occurring periodically—but never before has all the world been involved at one time. One by one the secrets of fire, of light, of propulsion, of radiation, of communication and transportation have been opened to us. We have stepped across a threshold which opens the deep secrets of creation and its sister—destruction. Our very existence is in jeopardy, perhaps the existence of our world. How will man use these new found elements? Upon his understanding of the law, upon his recognition of the fact that "the earth is the Lord's and the fullness thereof" (not man's world) will it all depend.

Evidences of the new world that is being built are on every hand—but none more dramatic, more vital than that which occurred on the midnight preceding March, the 6, 1957, far away in Africa.

For many years there had been a British Colony known as the Gold Coast—a name that told of wealth, of seafaring men who found riches. As March the 6th took over, a new nation was born—returning to the name of Ghana, an ancient West African empire which flourished about a thousand years ago. Even after it passed from the scene of history its legend spoke of power and magnificence in bygone days. Yes, a new nation was born, an ancient nation reborn.

The special significance of a nation's rebirth tends to be overshadowed by the rounded oratorical phrases of the day. We have begun to speak in cliches, to think in patterns: colonialism and independence, empire and freedom. But phrases are not enough. There are moments when the breath of ancient tradition can be felt in the present, and events are touched by the

long shadows of past realities that go back as far as 10 centuries. Such a moment came at that midnight hour.

Perhaps you have seen TV portrayals of the scene, but I can assure you they could not do it justice.

Let me try to bring some reality into the picture.

The Gold Coast Assembly meeting the night of March 5 was dignified and a bit solemn. Restraint was in every word and upon every face. But when the Speaker, Sir Emmanuel Quist, solemnly announced its adjournment, a spark of deep emotion flashed through Parliament house. Cheers mingled with tears in the galleries and on the floor. The long-awaited moment had come.

Outside the jubilant voices of massed thousands could be heard in a rising crescendo as the Speaker's words carried over the public address system. Amidst exploding firecrackers and triumphal shouts, the Prime Minister was swept on friendly shoulders to a raised platform on the nearby polo field. There, he did a brief dance of jubilation, stepped to the microphone, and delivered his freedom address.

The Prime Minister's power over the masses was apparent. He is a gifted orator who fires one explosive statement, then waits for it to sink in and the avalanche of roars to subside before he shoots another. Were he not so serious and the circumstances underlying the hysterical happiness of the crowd less grave, his technique might seem that of a rabble rouser. Kleig lights shone down on the scene of upturned faces as they sang a national political song while cameramen from the United States and British Information Service, as well as CBS filmed the scene. Their shouts of joy were indescribable when they heard their leader declare, "At long last we are free."

But Nkrumah did not make the event one of jubilation only. He told them their task had only just begun. He warned of sacrifices. He told of the responsibilities they, the people, must now shoulder. He charged them to prove themselves worthy of freedom and self-government.

The crowd itself was an experience. Filled with emotion as it was there no pushing or shoving, only a deep down joyous good nature. When all was over the whole vast smiling assemblage melted away into the night.

The next morning the new Parliament was convened with great pomp and ceremony in the name of the Queen by the Duchess of Kent, and Ghana turned a new page in her proud history.

Africa, the oldest of earth's continents geologically, has a history long since buried in her past. The relentless seas left her few harbors. Man's heedless destruction of her forests left her with high plateaus from which all life-bearing soil had been blown away. Ignorance and climate—man's great enemies—had built up barriers of sickness of every sort and kind between her people and the outside world. Indeed her West Coast has often been called the white man's grave.

So the Western World has known little of Africa, and cared less except where hardy adventurers found wealth in gold nuggets, in cocoa, in palm oil, etc., and in the enslavement of her people. But evolution moves relentlessly on and little by little, one at a time, the African nations will insist upon taking the responsibility for their own lives.

Is this going to affect us here in the Western Hemisphere? Have we any responsibility to the people of these emerging countries?

Is it not possible that we, here in this young country of ours, are learning lessons in human relationships which might be useful to the people in the various countries of Africa and throughout the world, especially those whose people are of various races? Here in these United States we are still trying to find our way out of the jungles of prejudice, ignorance, and injustice. I would suggest to you that the peace of the world may hang upon the method we here in America employ to bring understanding and complete justice to all men within our own frontiers. To right a wrong that has gone so deep is tragically difficult, for it requires the kind of patience that only an unshakable faith in a just and understanding God can give. I do not speak of a do-nothing patience. I speak of a patience so permeated by wisdom and by love that it knows when to speak quietly, when to shout aloud, when to move and in what direction and when to wait. Surely a milestone was reached when at last a President, President Eisenhower, within weeks of his first inauguration, removed the visible barriers as he had said he would wherever Presidential power could reach. Unfortunately invisible barriers in the hearts of men will disappear less readily.

We mortals have no way of knowing the ways of evolution. Yet, is it not possible that even the enslavement and transplanting of the descendants of an ancient land had and have deep meaning? For not only did Africans find themselves on the continent of North America, but also in South America and in the islands.

These ancient cultural traditions transplanted to the Western Hemisphere will—I am firmly convinced—form a most significant basis for mutual understanding in the future of modern Ghana. True, political and economic factors are of vital importance. But upon more than this new nation's form of government or her national resources will her stability and orderly processes depend. Her foundations rest upon a more elusive and far less calculable set of conditions. They rest upon her soul.

Were you to ask me what I mean by a nation's soul I should have to begin by saying that essentially a nation's soul is the sum total of all its experiences; its religious-cultural heritage; its emotional qualities, and its ability to face the challenges of the events within and all around it. In our day and age of psychological studies, we often speak of personality characteristics. A nation has these no less than does a person. Even a continent may have a soul and/or a personality. To me Africa has such a personality—strong and emotionally powerful, yet appealingly tender, so potent that all who tread upon her shores are in a measure changed. I have no doubt that it was just this soul of Africa that Prime Minister Kwame Nkrumah had in mind when he called for an African personality in international affairs and said that Africans "must seek an African solution to the problems of Africa."

We of the West have a challenge to meet in this for we are always too apt to feel that our solution of our problems, our way of life, is best for all people. It is high time that we went out to see the world, not with closed minds arrogantly pleased with ourselves but with all our senses open to absorb the thoughts, the feelings, and the realities of other lands and other peoples. It is also high time that we faced up to the cold fact that we have not done too well in certain aspects of our own living, and that our actions, watched across the world, affect our standing and the quality of our leadership in the family of nations.

I believe that you who carry in your veins the blood of Africa will want to find your particular niche in the help our country can give to Ghana and to other emerging countries. Your instinctive understanding of the thoughts and emotions of our African neighbors should be of infinite value. Yet curiously enough, you will perhaps need to use greater restraint than those of us whose traditions come from other strains. It would be so easy to overlook the differences of your experiences and so fail to understand the possible suspicion with which your overtures might be regarded.

The world is so conditioned to suspicion by centuries of exploitation of the weak by the strong that our desire to share our good things without demanding returns is mistrusted still. Our American assumption of superiority all too often raises a barrier that is difficult to break down. Let me repeat Prime Minister Nkrumah's words: "Africans must seek an African solution to the problems of Africa"—not a British one, not a Russian nor a Chinese one, not an American one, but an African one.

Africa knows her own soul better than any outsider, no matter how well-meaning. It is at this point that colonialism fails—for with the best intentions in the world the enigma of Africa's soul defies outside comprehension. It is to England's glory that American-educated Premier Nkrumah could say "we part from the former imperial power, Great Britain, with the warmest feelings of friendship and good will." After these centuries of colonial control, at this solemn moment of independence one feels that, consciously or subconsciously, every Ghanian is singing his own poem of gratitude so well voiced by the poet Henley:

"Out of the night that covered me,
Black as the pit from pole to pole,
I thank whatever gods may be—
For my unconquerable soul."

One cannot but recognize, however, the fact that a colonial power can do much to better the physical condition of a territory. It can establish transportation and communication; it can wipe out malaria and other decimating diseases; it can bring the resources of a nation into the world market, so increasing prosperity. Today's colonial powers are doing these things in no uncertain ways—clean water, sewage disposal, medical services are perhaps the best examples of colonial beneficence. The results are dramatic. Mr. Charles T. O. King, once Liberia's Ambassador to the United States, commenting recently upon certain advantages enjoyed by a nation such as Ghana which has passed through the period of colonialism and benefited from these constructive services said: "It is the difference between the home of a man who has accomplished everything by his own sweat and toil, and that of a man who has enjoyed a large inheritance."

And Ambassador King spoke feelingly—for his country of Liberia has had to work out her own salvation. But there is no question as to what the Liberians feel: Freedom is first—better living can and will be built though too slowly for the impatient ones.

Ghana on the other hand has had every advantage while Liberia has walked the road of sweat and toil. Yet one must know that the development that has taken place in Ghana during these last years has been largely the work of her own people, helped along by the country's continued tranquility, the absence of irresponsible agitation, and an atmosphere of constructive achievement.

No conqueror ever subdued the soul of the nation he came to control. How dramatically this has recently been proven in Hungary. Dr. Nkrumah defined very well some of the conditions likely to influence and govern the future of Ghana and much of Africa as a whole. Africa's personality—her soul—has been and will remain her own. She is no more likely to yield her soul to the blandishments of communism, imported from the Soviet Union than she ever yielded it to other non-Africa influences.

It is interesting to see that Communist materialists have proven particularly unimaginative in their dealings with Africa—at least in the past. Certainly nothing could be more alien to Africa's personality than the mechanistic approaches of Marxism—

what it chooses to call its "scientific determinism." But their methods need watching, for they are consummately skillful in changing their methods to meet new situations. Yet—somehow—I have too great a faith in the people of Africa to be disheartened by the tremendous upstepping of the U. S. S. R. program for Africa.

Yes, I spent 3 months south and east of the Sahara a short while ago, traveling some 20,000 miles and stopping in 24 countries. I am no authority on Africa. As I look back upon those days in commercial aircraft, on trains, riverboats, coastwise freighters, cars, and jeeps, I find certain things have grown increasingly clear. Perhaps my thoughts did not actually crystalize fully until that moment when the flag of Ghana—red, yellow, and green, with a strong black star at its heart, spread its wings for the first time over a free land. To me it said to all the world: Africa will and must be her own master.

What a task. Surely the greatest task of all for a man or a nation is to be master of his own soul. To come to maturity, to shoulder the responsibility of adulthood, psychologists tell us, tests the very fiber of one's being.

So too the task of responsibility tests the fiber of a nation—of our own as well as that of the youngest and the oldest on this earth. Ghana finds herself in a privileged position. It was, in a manner of speaking, full grown at birth. A thousand years of tradition have given her inner strength to be herself. Ghana has been reborn in the shadow of ancient glory, master of her destiny, proudly conscious of her unconquerable soul.

May the Infinite have her always in His gracious keeping.

We Americans are in a position to be of inestimable service to all the developing countries of the world. We could and should be filling the vacuum in their lives. For they are searching day and night to fill the emptiness that has become theirs. You may well ask what is this vacuum? Let me give you the words of Charles Malik, long Lebanon's representative in Washington:

"In the case of many of them, the vacuum is something far above mere personal needs. * * * It is something to live for, some idea to serve, some cause to be dedicated to."

When Dr. Malik was asked (by U. S. News & World Report), "What is the particular appeal of communism as an ideology to the intellectuals of the Middle East?" he replied, "Its social vision, its total character, its total interpretation of life—its Messianic idea, namely that it is the wave of the future. Also the promises it holds—that it will solve all these economic and social injustices. It is these things, you see, it's these things."

And it is something more: It is the complete dedication and the fanatic zeal of the Communist that draws people to him. Even the most critical anti-Communist cannot but be impressed when he encounters the truly dedicated Communist. He is often left with a curious sense that there is a certain flabbiness and softness and inconsistency in our western way of life which is less than impressive to the man who is searching for a completely satisfying way. Because of the dedication of the Communist worker and the consummate skill of world communism, we of the West find ourselves outdone all too often. Again let me quote Dr. Malik:

"Communism is a very strange thing: It's a total impact; it comes to a man from every angle—from the social challenges of his country, the economic challenges, the political challenges, even the intellectual challenges when he has nothing he really believes in and his teachers themselves don't believe in anything much."

Because Dr. Malik—a graduate of the American University of Beirut—loves this great land of ours second only to his own we shall do well to listen to him when he pictures the contribution he feels we can and should make. I quote him:

"You have in your own traditions certain invaluable beliefs about man and society, and history and human destiny, and the nature of God—beliefs you should not be ashamed of, that you should feel free to export and to teach others. But first you must rediscover them yourselves and believe in them profoundly. Many of you have taken life too much for granted. Therefore the great deposit of belief and conviction and interpretation of life which has come down to you, you simply don't honor enough.

"The Communist is a man who has received a tradition and honors it profoundly and believes in it and, therefore, is willing to propagate it. You are a bit diffident—and many of you don't really know your own traditions."

"My deepest fear," says this man who knows us so well and loves us so dearly, "is that you don't know the infinite values that you have at the basis of your own civilization and that you don't believe in them enough to put them strongly to the rest of the world. You take life too easily. You take things too much for granted. You are not fighting for your values as much as your forbears were."

Dr. Malik was speaking of what he knows to be the point of view of the Middle East. My journeys have given me a deep sense of the rightness, the accuracy of his diagnosis and the application to all our world contacts.

Look at the world as a whole with some three-quarters of its people of some color other than white. Everywhere there is this longing for an understanding of life itself and more participation in it. The upsurge of what has been termed nationalism is but one phase of this demand of every human creature to know that he, the individual, has importance. He needs something firm to stand on, something strong to tie to. Surely it is this that is America. Fundamentally, basically, American stands for an all-consuming certainty that because God is, we are. Quite regardless of the fact that we still walk in the shadows of our own misdeeds deep in our souls we believe that every human creature is made out of the very essence of the Being of Deity and because he is, he as an individual has a primal importance that must and will be recognized.

No one has understood these fundamental human needs more truly, more constructively than this great man whose vision and consecrated work conceived and brought into being this great institution. The man whose impress is upon so many, whose memory is poignantly with us today. He had no diffidence when it came to the contribution he felt his people were qualified to give to his country. We who carry on in his stead, trying to keep abreast of the needs this place must fill, are privileged indeed. Tuskegee's name is one revered in many areas of the world, most of all, perhaps in Africa. I find myself so very often wishing that there might be a replica of this great institution somewhere in the central areas of that great continent, the continent that God has been holding in reserve, the continent from which will come new revelations of His wisdom, His justice and His love.

Gathered here as we are today let us ask the Author of Life, the Father of all men, to bless this institute and all who serve its purposes. May every student who comes within its gates find challenge to his mind, strength for his purposes and illumination for his soul. May America be strong in her faith, humble in her desire to serve the high purpose for which she became a Nation, wise in her progress and ever increasingly grateful for her privileges and her consequent responsibilities.

THE LATE HONORABLE FRED L. CRAWFORD

The SPEAKER. The Chair recognizes the gentleman from Michigan [Mr. BENTLEY].

Mr. BENTLEY. Mr. Speaker, it is my painful duty to inform the House of the passing of a former Member of Congress last Saturday, the Honorable Fred L. Crawford, who represented the Eighth Congressional District of Michigan here from 1935 through 1952. Mr. Crawford who resided at Allentown, Md., died Saturday night of a brain hemorrhage at Casualty Hospital.

Fred Crawford was born at Dublin, Tex., in 1888 and had a long and varied career in business activities prior to his first election to Congress. He could in many respects be described as a self-made man since his formal education terminated with the public schools. At various times he was an accountant, was active in manufacturing, ranching, and overland transportation. It was about 1929 when he settled in Saginaw, Mich., where he was associated in a prominent capacity with the Michigan Sugar Co. He was active in the financing and operation of various sugar beet mills and his experience in this connection stood him in good stead during his service in Congress.

Mr. Crawford was first elected to Congress in 1934 on the Republican ticket and served until his primary defeat in 1952. He was originally a member of the Committees on Territories, Public Lands, and Insular Affairs. He later served with distinction on the Banking and Currency Committee until the Legislative Reorganization Act and then chose to serve on the Committee on Interior and Insular Affairs where he advanced to the position of ranking minority member. He was particularly interested in our various Territories and possessions and was always endeavoring to emphasize their importance to this country. Among his many notable achievements was his labor in drafting legislation during the 82d Congress for the approval of the Puerto Rican Constitution. He was likewise active on behalf of farmers and was considered an expert in banking and financial matters.

Until his death, Mr. Crawford retained his directorship on the Michigan National Bank and also the Refiners Transport & Petroleum Corp. of Detroit. Both his ability and his interest in Michigan affairs is perhaps most clearly shown by the fact that during the worst days of the depression he pawned his personal life insurance to permit the opening of a sugar plant at Alma, Mich. This fact not only took many people of that area off the relief rolls and gave them active employment but it likewise turned into a profitable business venture. As a matter of fact, the company paid the Michigan beet-sugar farmers more for their beets than any other company in that area.

Since 1952, Fred Crawford returned many times to Capitol Hill as an official representative of the Commonwealth of Puerto Rico and also because of his very real affection for the House of Representatives and his many close personal

friendships which he had formed during his 18 years' tenure of office. A few years ago he organized a bank at St. Thomas in the Virgin Islands with which he continued association until his death.

In spite of the fact that I was directly responsible for the termination of Mr. Crawford's service in Congress, we always greeted each other pleasantly when we met here on Capitol Hill and on many occasions had interesting and, coming from my standpoint, profitable conversations. I can also speak from my personal experience when I say that Fred Crawford was deeply respected and admired throughout the Eighth Congressional District and that his many friends of long-standing will join with me and with the membership of the House in extending sincere condolence and sympathy to his wife, his son, and other members of his immediate family.

Fred Crawford was in many respects a controversial and colorful figure. He had, however, a highly developed sense of public responsibility, a very strong characteristic of personal integrity and a courageous determination to pursue what he believed to be the right course of action, regardless of political consequences involved. As I have said earlier, he was a very friendly and sociable person and brought real distinction to the State of Michigan and the House of Representatives during the time which he devoted to the interest of the people of his district. I am sure that many of my colleagues today will feel a sense of personal loss as keenly as will a great many people in the Eighth Congressional District and throughout the State and indeed the country.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I gladly yield to the distinguished Speaker.

Mr. RAYBURN. Mr. Speaker, it was my privilege to know Fred Crawford well and also favorably. He was a man of splendid ability and good, sound character. His family have my deepest sympathy.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, I am very sorry to learn of the death of our colleague, Fred Crawford, whom I admired very much. It was only recently when I saw him and had a pleasant chat with him while he was visiting the House.

Mr. Crawford served with distinction and courage during his period of service in this body from 1933 to 1951. He was one of the most active Members on the floor and in committee. Mr. Crawford was one of the best versed Members on pending legislation, constructively participating in the consideration and debate on legislation that came before the House and in committee. He contributed greatly in reporting out of committee well-considered legislation.

In particular the people of Puerto Rico and the Virgin Islands will always remember his deep interest in their welfare and in legislation for their best interests.

I extend to Mrs. Crawford and her son my deep sympathy in their bereavement.

Mr. BENTLEY. I thank the gentleman from Massachusetts.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. BENTLEY. I yield to the distinguished gentleman from New York.

Mr. ROONEY. Mr. Speaker, I always admired Fred Crawford. I am reminded of the fact that it was only about a week ago that we had a little chat together out in the Speaker's lobby. I was very saddened to learn of his sudden passing, and I wish to extend to his wife and son my deepest sympathy in their great loss.

Mr. CLEVENGER. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield.

Mr. CLEVENGER. Mr. Speaker, one of the first men with whom I became acquainted in this Congress was Fred Crawford. At that time we met because of a common interest, an interest in the sugar farmers of our respective districts in their very fight for life, and for the right to sell what they had raised. I think Fred Crawford was the best posted Member of this House on banking and currency, and perhaps in general commodities. He knew them all. But before he became interested in the economies of Cuba and Puerto Rico, he likewise was well posted on the Philippines. Many times he has told me of the almost fabulous wealth of the island of Mindanao. I think it is remarkable that this district in Michigan had two such able Congressmen in a row. I transferred my affection to Mr. BENTLEY almost immediately when he came here, but it never affected the friendship I had for Mr. Crawford. We had numerous little visits that were always rare moments to me.

I wish to express my condolence to his wife and son, and I hope the son may follow in his father's remarkable footsteps.

Mr. BENTLEY. I thank the gentleman from Ohio.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentleman from Iowa.

Mr. GROSS. I am sorry, indeed, to learn of the death of my friend, Fred Crawford, a former distinguished Member of the House.

He was one of the first Members with whom I became acquainted when I came to Congress in 1949. His wide knowledge of public affairs; his courage and independence of thought and action, and his ready willingness to share of his knowledge and experience was of no small assistance to me in those early days of my service in Congress. Thus it is not easy to reconcile myself to the fact of his sudden and untimely death.

It was my pleasure to have had the opportunity to visit my former colleague on his farm near Washington and to meet Mrs. Crawford and their son. To them I extend the heartfelt sympathy of Mrs. Gross and myself in this hour of sorrow.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. BENTLEY. I yield to the gentlewoman from Illinois.

Mrs. CHURCH. Mr. Speaker, I was grieved indeed to hear of the death of Mr. Crawford.

Mr. Crawford belonged to that rapidly vanishing band who came here in the 74th Congress. He made friends. He gained respect. His kindness to me personally when I came here as a new Member is something I shall never forget.

I would like to extend my most understanding sympathy to his family.

Mr. BENTLEY. I thank the gentlewoman from Illinois.

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks at this point in the RECORD on the late Fred L. Crawford.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, Fred Crawford was a warm friend of mine for whom I had great respect and affection. He was a man without fear and always had the courage to stand by his convictions—and he had strong convictions. Such an attitude sometimes made people think of him as stubborn, and in some respects he was, but he was justified in his position because he was right more often than he was wrong. He studied problems thoroughly, analyzing them with care, and when he reached a decision he was always fortified with the facts and good reasoning. He was a fair and honest man, a tireless worker, and he enjoyed the company of purposeful people. He did not waste his time in fruitless conversation.

As an analyst of financial matters, he had few equals and his keen judgment in all matters was stimulating. After he left Congress it has been my privilege to see him at frequent intervals and I had the greatest admiration for his ability to dig out the important facts of a problem and suggest the solution. I am greatly saddened by his passing.

To those who knew him his loss is great and the memory of his friendly character, his honest thinking, and his loyalty will always be cherished by his friends. My warmest sympathy goes out to his wife and family and may their sorrow be made easier by the knowledge that his was a useful life blessed by many friends who respected him with real affection.

Mr. MARTIN. Mr. Speaker, I join with my good friend Congressman BENTLEY in expressing deep regret at the death of former Congressman Fred Crawford. It was my privilege to know him intimately for many years, and I know the great American he was. His service in the House was a great contribution to the national welfare. As a member of the Banking and Currency Committee he was an authority on financial and housing problems. His long service for agriculture made his views on agricultural problems extremely valuable. He was an authority on Puerto Rico, and above all he was an ardent American. He always put first the welfore of his country. A fine citizen and a conscientious legislator passed away when Fred Crawford died. To his wife and family I extend my deepest sympathy in their hour of sorrow.

Mr. BENNETT. Mr. Speaker, it was my privilege to serve with our late distin-

guished colleague, Fred Crawford, when I first came to this House at the beginning of the 78th Congress.

As a new Member at that time, Fred was very helpful to me and his constructive and kindly advice was very welcome. Fred Crawford was a hard worker and an able legislator. He worked diligently for the people of his district in Michigan during his many years of service in this House. He had deep convictions on most legislative issues and always had the courage to vote as he believed, regardless of his own political welfare. Those of us who were privileged to serve with him know of the many valuable contributions he made as a Member of Congress. I wish to extend my deepest sympathy to Mrs. Crawford and the other members of his family.

Mr. COLE. Mr. Speaker, like all of his host of friends, it was a great shock to me to read in the paper yesterday of the sudden death of our former colleague and my personal friend, Fred Crawford of the State of Michigan. Fred and I entered Congress at the same time in 1935 and because of our membership on the Committee on Insular Affairs, which involved a number of official visits to the Philippine Islands, Puerto Rico, and the Virgin Islands, I came to admire his tireless energy, his keen mind, his complete devotion to public service, and considered him as one of my good personal friends.

During his period in the House, he was recognized as an authority on legislation pertaining to the Territories and insular possessions, as well as in matters related to banking and currency.

It was only a very few days prior to his death that I visited with him in the Chamber of the House and at that time he told me of his excellent health, energy, and vigor. With these words spoken to me by his own voice still ringing in my ears, the shock of his sudden demise was all the more stunning and sudden to me.

I extend to his lovely wife and fine son expressions of my deep sympathy.

Mr. FERNÓS-ISERN. Mr. Speaker, one of my dearest friends passed away last Saturday. I know that many of my colleagues share the loss of Fred Crawford in equal measure, for he was that kind of a person that you had to like.

With his boundless energy and keen, alert mind, and tireless enthusiasm, Fred's presence was always an inspiration. His fund of knowledge never ceased to amaze me. It enabled him to participate in every discussion and to make him a sort of nucleus of any discussion group. His participation always had a positive optimistic note, and it was his general character and enthusiasm and optimism which made the room seem just a little brighter when Fred walked in. He was a devoted family man.

Fred Crawford was a generous man, and to me this trait was best illustrated by the sense of responsibility which he assumed as a Member of Congress over the dependent peoples under the United States flag. Many of these, from the offshore areas, had no representation in the Congress; that is to say, they formally had sent no representative here. But they had Fred Crawford, who was very able and equal to the task of representing such peoples. Being of courageous heart and never backing away from a fight, Fred Crawford saw that these people's interests were considered at every turn. Puerto Rico owes Fred Crawford more, I think, than he ever realized, for the battles he fought in its behalf in the days before Puerto Rico became a Commonwealth and fully self-governing in local matters.

Fred Crawford was an honest man and a fair man. There was never any doubt as to where he stood. He was a sound and practical man, and was to be identified with success in his many endeavors.

He was a tireless worker who believed that a task well done was a task one performed himself, and, indeed, Fred was building a structure on his farm when he was stricken.

I believe that Fred Crawford might well serve as an example to the young people of this country who must one day take over the reins of government and business, and to serve as provider and protector for family. For his example in all of these matters is worth following.

To his family, I offer my deepest sympathy and I share their grief. To all the many here who were his friends, I join in paying homage to our dear, departed friend, Fred Crawford.

Mr. HOFFMAN. Mr. Speaker, in the sudden and unexpected death of our former colleague last Saturday evening we are again reminded that man's duration here on earth is beyond our control.

We again become aware that no matter how great our contribution to our friends and country others will take up, and as God wills, carry on.

Great men and nations, great and powerful are born, live and die but time continues. Each contributes something to the world's progress. Millions have lived and then vanished into the past. But each has, for better or worse, filled his allotted space in his generation and time.

Our colleague was an able and industrious legislator. He was an astute and successful businessman. He was a patriotic and conscientious citizen. He was a faithful and ever-helpful friend. He was a loving and kind father, ever mindful of the future of his idolized son. A considerate and solicitous husband.

Mrs. Hoffman and I extend to son and wife our sympathy and hope for a lessening of their grief and sorrow. May his soul rest in peace. God welcome him home.

Mr. JENSEN. Mr. Speaker, the passing of my esteemed friend and former colleague, the Honorable Fred Crawford, grieves me.

No Member of Congress was more devoted to duty nor took his responsibilities more seriously as a servant of the people.

From early youth, Fred Crawford studied the intricate workings and problems of national and international trade and finance, and being schooled in that art he became a most valuable member of the House Banking and Currency Committee. He served on that committee for many years with great distinction.

I dare say that Fred's good services both in and out of Congress have and will be a benefit to every American for generations to come. On many, many occasions while Fred was in Congress and since, yes, to the very last he took time to counsel and advise with me on our United States fiscal conditions which as time went on became a greater worry to him, and without a doubt that worry contributed to the untimely death of this good man.

If being a conservative with the people's money is a virtue, and I believe it is, I must give the late Honorable Fred Crawford much credit for my conservative record in Congress.

Goodby, Fred. God rest your soul.

I extend my deepest sympathy to his family and to his multitude of friends everywhere.

Mr. BARTLETT. Mr. Speaker, it was with deep regret on a personal basis that I learned of the unexpected death of Fred L. Crawford on April 13. He had been in my office on several occasions the very week of his death. Then he appeared to be in wonderful health, and was his usual cheerful and energetic self.

I had known Fred Crawford since I first came to Congress. He led the first Congressional committee to Alaska to hold hearings on statehood. Fred Crawford did a terrific job then. From that time on he was a leading advocate of statehood for Alaska. His help was given to us Alaskans in ever so many other ways. Of course, I am aware that the other Territories and possessions also benefited from his wise advice and counsel and leadership. It is interesting to note that this Member of Congress from Michigan was possessed of the vision which led to so many changed concepts in reference to American areas beyond the seas. During the years since he left Congress we Alaskans have missed Fred Crawford in his official capacity; but his enthusiasm was such that even since then he has guided us, counseled us, and helped us.

Hundreds of Alaskans knew Fred Crawford; some of us knew him well. We treasured his friendship. We grieve now because we have lost a friend. We grieve because the Nation has lost a man who served it well. We grieve most of all because Betty Crawford and their son have lost husband and father. To them I should like to extend deepest sympathy on behalf of the people of Alaska, and for Mrs. Bartlett and myself personally.

Mr. SAYLOR. Mr. Speaker, it was with profound regret that I learned of the unexpected passing of our former colleague and my personal friend, Fred L. Crawford, on April 13. I know many of our colleagues will miss the warm and friendly visits of Fred Crawford in their offices and on the floor of the House.

Fred Crawford was a kindly and generous man. He was known and respected for his painstaking work with the nonself-governing areas under the United States flag. As a Member of Congress from 1935 to 1952, Fred Crawford played a vital role in obtaining independence

for the Philippine Islands, commonwealth status for Puerto Rico, and organic legislation for Guam and the Virgin Islands. In addition, as chairman of the Subcommittee on Territories, he held hearings in American Samoa, the Trust Territory of the Pacific Islands, and Guam. He had a personal knowledge of and interest in the welfare of thousands of our islanders in the Caribbean and the Pacific. For 20 years he was a strong advocate of statehood for Alaska and Hawaii. After his retirement from Congress he maintained an active interest in the affairs of our offshore areas.

Besides being an excellent legislator, Fred Crawford was a keen and practical businessman and financier. He had widespread business and farming interests on the mainland and in the Virgin Islands. He was the organizer of the West Indies Bank & Trust Co. in the Virgin Islands, an outstanding financial institution in the Caribbean. To thousands of persons in the Virgin Islands, Fred Crawford brought the concept that banking was something for the little-business man and farmer as well as for those in the higher-income brackets. To them, Fred Crawford was a benefactor and a true friend.

In the years I served with Fred Crawford on the Committee on Interior and Insular Affairs my interest in our dependent areas waxed and bloomed. I learned much from him in the appreciation of islanders' appetite for self-government and in the need for creating an outlet for their dignity, sense of responsibility, and willingness to cooperate with the Federal Government. I have lost a personal friend whose judgment and advice I often sought.

The people of our offshore areas have lost a true friend. I share in their loss. To his wife and son I offer my sympathy and share their grief. To all of us who were his friends and colleagues—I join in paying homage to the late Fred Crawford.

Mr. ENGLE. Mr. Speaker, I served with Fred Crawford for many years on the House Committee on Interior and Insular Affairs. He was the second ranking Republican on that committee and at one time the chairman of the Subcommittee on Territories. He took an intense interest in all the matters under the jurisdiction of our committee, especially those matters relating to the offshore areas such as Hawaii, Alaska, Puerto Rico, and the Virgin Islands. After his retirement from Congress he actively devoted himself to business enterprises in the Virgin Islands.

Fred Crawford was one of the best legislators I have ever served with. He was intelligent, industrious, and forthright. His extensive business experience gave him a fine grasp of many of the problems which come before the Congress. Fred Crawford was an independent thinker. He would disagree occasionally with his own party just as vigorously as from time to time he disagreed with the Democrats. He was a man who stood up for what he thought was right. On one occasion he spent a short period in a Maryland jail rather than submit to the extortionate bonding practices conducted in that State when he was accused of a minor offense. This exposed him to a good deal of publicity which some people would have avoided. But he preferred to face the publicity rather than be victimized by the bond racket. I felt that the incident distinguished Fred Crawford as a man of singular courage and independence of thought.

More important than all of this, he was a very close personal friend in whose opinions and conclusions I reposed great confidence. His passing is a deep personal loss and I extend my sympathy to members of his family.

MORE EFFECTIVE UTILIZATION OF VETERANS MEMORIAL HOSPITAL AT MANILA, PHILIPPINE ISLANDS

The SPEAKER. Under the previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to include as part of my remarks the bill which I introduced early today to provide for the more effective utilization of the Veterans Memorial Hospital at Manila and to strengthen the medical care and treatment of certain Philippine veterans who served in the Army of the United States during World War II, and for other purposes.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the bill provides for the more effective utilization of the Veterans Memorial Hospital at Manila, as I have said.

In late 1955 a $9 million veterans hospital was opened in the Philippines to care for sick and disabled Filipino veterans who fought with our forces in the dark days on Bataan and who continued the fight as guerrillas against the enemy until General MacArthur returned to the islands.

This hospital, built under a grant of United States funds, is owned and operated by the Philippine Government under a formal international agreement containing restrictions on the use of the facility based on provisions of the authorizing law.

The late Philippine President, Ramon Magsaysay, whose tragic passing was mourned by the free world only a few weeks ago, held close to his heart this program of care for Philippine veterans in which, as in many other fields, our respective Governments cooperated.

In 1948, while a Philippine Congressman, his fellow veterans selected him to come to Washington and bring to our attention the sad plight of the defenders of Bataan, whose service-connected disabilities were untreated. The Congress promptly corrected this through passage of a bill which I had the privilege of introducing.

Somewhat later, as Secretary of Defense, Mr. Magsaysay took the time from his major task of breaking up the Communist movement in the Philippines, to personally direct the planning and construction of the great Philippine Veterans Memorial Hospital which as President he dedicated 18 months ago. Our own Administrator of Veterans' Affairs, Mr. Higley, participated in that ceremony.

Mr. Speaker, I have learned of certain problems involving this fine new hospital which were of serious concern to our great friend, President Magsaysay, a few short days before his untimely death. Since the bill I am introducing today is designed to alleviate these problems, I want to explain them briefly.

Both changes in the law I am proposing are designed for better utilization of the new Philippine hospital. One change would permit the Philippines complete freedom in using the remaining beds after the needs of service-connected cases are met. It is also proposed to provide outpatient treatment for those whose needs can be met in this manner, thereby releasing additional beds for Philippine Government use.

In 1948 it was thought that treatment of those with serious war disabilities would require more than the entire 722-bed capacity of the new hospital. However, I am told that now, largely because of a high death rate on Bataan and during the occupation, this is not the case. It is a sad fact that as a result of the lack of medicines and treatment in the Philippines in those dark days so many died that there remain fewer disabled to be cared for than we anticipated.

It is now understood that of about 630 patients in the 722-bed hospital the needs of approximately 200 could be met by outpatient treatment, which unfortunately our original law did not provide.

If outpatient treatment were provided, based on careful screening of patients, over 300 beds as well as much of the fine equipment and other facilities would be available beyond the needs of the veterans for whom we are responsible. The Philippine Government should not be restricted in their use of these facilities.

It was one of the last wishes of President Magsaysay that these facilities could be made available for Philippine veterans not presently eligible and to provide a great medical research and training center badly needed in the Philippines. Except for beds actually used for VA patients, no other expense would accrue to the United States. It is simply a matter of removing present restrictions to give the Philippine Government a free hand.

The original intent of our 1948 law would remain inviolate as those service-connected veterans for whom we have assumed responsibility would continue to have top priority in the new hospital.

Mr. Speaker, it is my hope that this body will see fit to carry out the last wishes of our great friend in Asia whose passing, as was said of Abraham Lincoln, was—

As when a lordly cedar, green with boughs,
Goes down with a great shout upon the hills,
And leaves a lonesome place against the sky.

The bill is as follows:

A bill to provide for more effective utilization of the Veterans Memorial Hospital at Manila, to strengthen the program of medical care and treatment for certain Filipino veterans who served with the Army of the United States during World War II, and for other purposes

Be it enacted, etc., That the act of July 1, 1948, as amended (50 App. U. S. C. 1991–1996), is hereby amended to read as follows:

"For the purposes of this act the term—

"(1) 'veterans' means persons who served in the organized military forces of the Government of the Commonwealth of the Philippines while such forces were in the service of the Armed Forces of the United States pursuant to the military order of the President of the United States, dated July 26, 1941, including among such military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the commander in chief, Southwest Pacific area, or other competent authority in the Army of the United States, and who were discharged or released from such services under conditions other than dishonorable;

"(2) 'service-connected disabilities' means disabilities determined by the Veterans' Administration under laws which it administers to be connected with the service described in (1) above.

"SEC. 2. The President may assist the Republic of the Philippines in providing medical care and treatment for veterans who are in need thereof for service-connected disabilities, through grants to reimburse the Republic of the Philippines for expenditures incident to such hospitalization, for a period not to exceed 10 consecutive years beginning with calendar year 1950. The total for such grants for any one calendar year shall not exceed the following amounts: for any year prior to 1955, $3,285,000; for 1955, $3,000,000; for 1956, $2,500,000; for 1957, $2,000,000; for 1958, $1,500,000; and for 1959, $1,000,000.

"SEC. 3. (a) The program of assistance provided by section 2 of this act may be modified by agreement between the United States and the Republic of the Philippines with respect to any period commencing on and after the date of enactment of this section as follows: In lieu of grants to reimburse the Republic of the Philippines for expenditures incident to hospitalization, the Veterans' Administration may afford hospital care in the Republic of the Philippines at any time to veterans determined by the Veterans' Administration to be in need thereof for service-connected disabilities. When such hospital care is afforded in the Veterans Memorial Hospital, the Veterans' Administration shall pay to the Republic of the Philippines a per diem rate jointly agreed by the two governments to be fair and reasonable for each day of hospital care afforded under this section. The Veterans' Administration also may contract with any other hospital in the Philippines to afford such hospital care if the Administrator of Veterans' Affairs determines that the use of such other hospital would be advantageous.

"(b) In addition to hospital care afforded pursuant to subsection (a) hereof, the Veterans' Administration may afford outpatient treatment for veterans determined by it to be in need thereof for service-connected disabilities under the conditions and subject to the limitations on outpatient treatment applicable generally to beneficiaries under Veterans' Administration Regulation No. 7 (a), as amended, through facilities maintained by the Veterans' Administration in the Philippines or by contracting for such treatment.

"(c) The existing agreement between the United States and the Republic of the Philippines respecting the use of the Veterans Memorial Hospital at Manila may be modified by agreement between the two countries to provide for the use by the Republic of the Philippines of the beds and equipment in that hospital in excess of those required for the hospitalization of veterans for service-connected disabilities in such manner as the Republic of the Philippines determines would afford the best utilization of such facilities. Such modified executive agreement if entered into shall specify, however, that priority of admission and retention in such hospital shall be accorded veterans needing hospitalization for service-connected disabilities.

"SEC. 4. The President may from time to time prescribe such rules and regulations and impose such conditions on the receipt of benefits under this act as may be necessary to carry out the provisions of this act; and he may delegate in whole or in part the authority conferred upon him by this act to any officer or officers of the United States.

"SEC. 5. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act."

SEC. 2. The amendments made by the first section of this act shall not affect the availability and use of appropriations heretofore made for the purposes of the act of July 1, 1948, as it existed prior to enactment of this amendatory act.

THE CITY OF CHICAGO

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. O'HARA] is recognized for 10 minutes.

Mr. O'HARA of Illinois. Mr. Speaker, at the suggestion of our beloved dean of the Illinois delegation, the Honorable THOMAS J. O'BRIEN, I am calling the attention of the House to another great honor that has come to the city of Chicago. The magazine Look has conducted a survey of the cities in the United States that during the last year have made the greatest advance in improvement of housing conditions and a distinguished jury selected by that publication has just named Chicago as among the nine cities of the Nation to receive its 1956 Community Home Achievement award.

The award winning cities are Baltimore, Chicago, Indianapolis, Little Rock, Memphis, Norfolk, Rochester, Seattle, and Shreveport. Honorable mention goes to Dayton, Dallas, Clarksville, Los Angeles, Perth Amboy, St. Louis, and Washington Terrace, Utah.

The award given to the city of Chicago reads:

Chicago: The metropolis kept changing—for the better. It created a new planning department, to implement its plan Atlas, a master plan for future growth. It launched six new slum-clearance projects. The law department put the heat on slum landlords. Result: A sixfold increase in convictions of housing-code violators. Mayor Richard Daley proclaimed 1956 as Home Improvement Year. Greater Lawndale alone spent $1⅓ million on home betterment. The 35 community conservation groups continued their work.

Mr. Speaker, when I visited Los Angeles in December of 1955 with the Rains housing subcommittee the witnesses at our hearings stressed what Los Angeles was doing in the way of enforcement of its building ordinance. Los Angeles was doing a great job and our committee properly was impressed with what was being done there in the administration of our former colleague, the Honorable Norris Poulson, now the mayor of Los Angeles.

But in the awards voted by the distinguished judges elected by Look magazine, Chicago is given a higher award than that voted to Los Angeles, which itself has done a terrifically good job and receives honorary mention. It will be noted that in the reasons for Chicago's selection among the top nine American cities is the heat that has been put on slum landlords by Mayor Daley and Corporation Counsel John C. Melaniphy and his able staff.

The Chicago delegation feels a great sense of pride in bringing to the attention of the House and to the people of the country this most recent evidence of the giant strides Chicago is making under the dynamic leadership of Mayor Richard D. Daley. I am especially proud because the Honorable John C. Melaniphy, the corporation counsel, whose office has so vigorously prosecuted violators of the housing code with an all-time record of sixfold increase in convictions, comes from the great Second District of Illinois.

HIGH COST OF THE EASTER EGG

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, today, April 15, can be said to be Federal income-tax day throughout the United States. Midnight tonight is the last moment for the people of the United States to file their Federal income-tax returns without penalty. Sunday, April 21, is Easter Sunday. It is celebrated by Christians all over the Nation. In addition to its serious significance, Easter day is a happy time for children in every community in the United States, who have come to associate their fun and pleasure with the so-called "Easter Egg."

In view of these facts and the closeness of these two dates, it is of serious interest to have a close look at this so-called "Easter Egg." Aside from its many painted colors that make it attractive to children and its wonderful qualities as a food, the Easter egg is becoming a very expensive pleasure.

In addition to his income taxes, Mr. John Q. Taxpayer is burdened with taxes he is vaguely aware of, such as Federal excise taxes added to the price of many products he purchases. In fact, there are many tax levies regarding which he knows nothing. These are known as hidden taxes.

According to some statistics on these hidden taxes assembled by the Tax Foundation, a private nonprofit research organization, it is disclosed there are over 100 hidden taxes on 1 hen's egg. Little do the children know, as they search for their Easter eggs, that the egg they find is actually a little gold nugget. Little do they know the money this egg has cost their parents in the nature of taxes. Without a doubt, there

is even a tax on the colors used for coloring the eggs.

But the Easter egg is not alone. A man's Easter suit has over 116 hidden taxes and that Easter bonnet that means so much to every feminine, whether she be 10 or a hundred on Easter morning, has over 150 hidden taxes.

And so it is, Mr. Speaker. And Easter Sunday is becoming an expensive day along with all of the rest throughout the year. In fact, I have just learned a very enterprising study is being made on ways and means of placing a tax on the air which we breathe.

A SALUTE TO FRANKLIN, KY.

Mr. NATCHER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. NATCHER. Mr. Speaker, the Kentucky Chamber of Commerce on April 10 named Franklin, Ky., the outstanding community of the group II cities. Group II cities are those with a population of more than 3,500, and an award of $1,000 donated by the Kentucky Utilities Co. was accepted by Mrs. Nell James, president of the Business and Professional Women's Club of Franklin.

The progressive small city of Franklin located in the heart of a fine agricultural section of south central Kentucky, served by the Louisville & Nashville Railroad Co. and bisected by Highway United States 31W, has good schools, nice homes, many churches and wide tree-shaded streets, but the citizens decided that all of this was not enough. More would have to be done to make Franklin progressive enough to give the young people an interesting future at home. Franklin went to work.

An outstanding businessman, Paul Massey, was drafted for mayor. He was backed by a strong council, an excellent chamber of commerce, and the people of Franklin. The struggle was half won. Interest was maintained in large part and progress reported by the fine articles and editorials in the newspaper, the Franklin Favorite, edited and published by L. L. Valentine, and by radio station WFKN. The industrial development board of the Franklin Chamber of Commerce became quite active in planning and building for the future. On their advice, land well located was purchased and held for industrial development.

Today Franklin can boast of new school buildings, new street-lighting projects, good hospital, improvement and modernization of existing businesses and new industry and expanding business along many lines.

Franklin has found in preparing a place of interest for her children that it has also become interesting to people outside of Franklin.

May the Commonwealth of Kentucky develop more cities with the spirit shown by Franklin. Not only will those cities become stronger and more progressive but in turn they will strengthen their counties and our great State.

CREDIT UNIONS HELP SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, on last Thursday, April 11, I brought to the attention of the House the proposal made by Mr. Edward T. McCormick, president of the American Stock Exchange, to the bankers of Wall Street, that they, the bankers, should appoint a special committee to study the credit problems of small business. Mr. McCormick proposed that the bankers should be ready to advise the small-business men and should help in providing equity capital to them. I was happy to commend Mr. McCormick's proposal and to repeat that which we have said repeatedly, that the Select Committee on Small Business is anxious to have the cooperation of the banks, the insurance companies, Government agencies, and all others who are interested in this problem of credit for small business. Our committee is, and has been for some time, laboring with this problem. Difficult as it is, in every aspect, we are determined to make a real contribution to its solution.

I want to call your attention now to the contributions being made by credit unions to small-business men in need of credit.

I have always been grateful, and will always be grateful, for the opportunity which I was given to sponsor in the House the legislation which provided for the granting of charters to credit unions by the Federal Government. I have been grateful when the leaders of the credit-union movement in the United States turned to me to sponsor legislation, or to present their cause to this House.

A year or so ago we began to seek for facts about the credit facilities which were available to small business. In this work we were offered, now and then, suggestions by representatives of small business. And one of the suggestions which came to us was that credit unions might provide us with a pattern which could be used to develop a credit facility for small business. Some of the leaders of the credit unions then offered to assist us, to assist us without cost to us, and without any reward for themselves. Thus I was interested in the story of Sterling, Colo.

I wish that every Member of this House could get a copy of the credit union magazine, The Bridge, for April, and would then find the time to read the first article published in this issue, the article entitled "Setting Up Small Business." The story is the story of the assistance given by the community credit union in Sterling, Colo., to the small-business men of that city.

Up one street and down another in Sterling—

The writer reports—

you see small-business men who either got into business, or expanded their business, or kept their business through bad times, thanks to the Sterling community credit union.

On another page of the magazine you will find a map of the city of Sterling. Circles are drawn along the streets on this map to present graphically the picture story of the businessmen and the businesses that have been helped by the credit union. It will not be possible to reproduce this map in the RECORD, but I am going to ask that the article be placed in the RECORD at the close of my remarks. And I hope that it will be read and discussed widely.

The story of Sterling is one of the most interesting stories of credit unions and their work. But we have learned, as we have sought for information, that many scores of credit unions throughout the country have been assisting some of their members who are small-business men. Perhaps we have begun to find one of several ways to do a big job.

Mr. Speaker, within a few weeks now there will be organized in four counties in Michigan a countywide credit union made up of the retail gasoline dealers in those four counties. The project has been developed and has been put on paper. The officials of the credit unions will meet in a week or so and will approve the final articles of incorporation and then will ask for a charter from the State of Michigan. The leaders of the Michigan Credit Union League have given of their time and all of their facilities to aid these small-business men. The operation is a pilot-plant operation. Everyone interested is working together, contributing to each other from what they have. They want to know whether the credit-union road is one of the good credit roads for small-business men to take.

I want to refer to one fact as I present this information to the House. The accomplishment of the community credit union in Sterling, Colo., is due, in some part, at least, to the work of H. Vance Austin. I assume that some of you will know Mr. Austin. You will be glad to know that he is now the managing director of the Credit Union National Association at Madison, Wis. When my good friend, Prof. H. B. Yates, a good man and a great man from Texas, resigned as managing director of CUNA a few months ago, Mr. Austin was elected to succeed him. I know that Professor Yates was happy to turn the responsibilities of that office over to his friend, Mr. Austin.

I have wanted to pay tribute to Mr. Yates, and this is an opportunity to do so. He retired from the most important position in CUNA because his health would not permit him to continue in the job. He retired from the teaching profession some years ago, and as he retired he carried with him a tremendous asset of thousands of friends. He did most of the labor in building one of the finest credit unions in Texas, a credit union of teachers. He contributed much to the development of the national organization of credit unions. I am confident he established a record in CUNA which will become an example for his successors. And I know that he had

complete confidence that Mr. Austin would justify the confidence Professor Yates had in him.

SETTING UP SMALL BUSINESSES—THE COMMUNITY CREDIT UNION IN STERLING, COLO., HAS HELPED START A LOT OF MEMBERS IN BUSINESS FOR THEMSELVES, AND BACKED UP OTHERS WHO NEEDED MONEY FOR EXPANSION

Mr. Average Small-Business Man in Sterling, Colo., probably owes his business to the community credit union.

Wilfrid Foxhaven does; he runs a gas transport. Pete Hoppol does; he operates a service station. Wayne Rossen does; he runs an elevator. Elbert Coats does; he's an auto specialist.

Up one street and down another in Sterling you see small-business men who either got in business, or expanded their business, or kept their business through bad times, thanks to the Sterling Community Federal Credit Union.

Last year alone, with loan volume nearly $1 million, the Sterling Credit Union made 87 loans for investments in business ventures. These business loans totaled $210,821. In the past 10 years the credit union's business loans probably totaled more than $1 million.

Some of these small-business men got their credit-union loans after being rejected by the banks. Others have always made a practice of going to the credit union first.

Most of the business loans run around $2,000 to $4,000. But they run as low as $400 and as high as $33,000. Only once has a cosigner had to pay off on a business loan made through the credit union.

This liberal mixture of small business loans helps make the Sterling Credit Union a thriving enterprise. For the past 5 years the directors have declared a 4 percent dividend on shares and for the past 2 years a 10 percent interest refund.

In Sterling's case the power that turns credit union capital into small business finance comes from an aggressive credit committee. It meets two, maybe three, times a week and is "on call" constantly.

A Bridge reporter interviewed some small-business men financed by the credit union. This is what they said:

SET UP FEED GRINDER

James K. (Jim) Lindsey has never borrowed a dollar from a bank, but he owes his business to credit union loans. He's a custom feed grinder, preparing cattle feed and mixing molasses with the native grains which provide Logan County a steady source of income.

In 1948 Lindsey moved into Sterling with a feed grinding gang from Kaw Dehydrating Co. in Topeka, Kans. That winter and the next he worked in Sterling, returning to Topeka in the summers. In the winter of 1950 he decided against moving any more. His son was nearing school age, and Lindsey didn't want to be shuttling the boy in and out of school.

He joined the credit union, his first membership in such an organization, and in the spring of 1950 got a $4,400 loan to buy some used equipment. He started with a 24-inch grinder and little more save plenty of know-how. In the 7 years since he has borrowed another $10,000 and now has a 36-inch grinder, a molasses truck and a fork truck.

Lindsey's work takes ironman endurance. The feedgrinding season is during the winter, when cattle must be fed prepared feeds because snow and ice cover the natural feed. Lindsey either heads a 3-man crew in the fields or works 3 men. This winter he had to take time out and give his health some overdue care, but his credit union-financed grinder has stayed busy.

HAMBURGERS AND MALTS

Mr. and Mrs. Charles Nelson don't have to take the abuse from weather that Jim Lindsey does, but they work long hours the year around in their malt shop. It's a clean, tidy hamburger and frozen-cream stand about a block from a public school and less than a half block from the credit union office.

Charlie Nelson's membership in the Sterling credit union goes back to 1938 when he was a school custodian. He never had done anything but odd jobs until a couple of years ago when he opened a cafe at Holyoke, a small town near Sterling. Then in July 1956 he had a chance to buy the complete stock in the malt shop for $400. The credit union furnished the cash.

Each day at noon the Nelsons are snowed under. It takes the Nelsons and 3 or 4 high school girls to handle the rush of hamburger and malt orders. The hours are long and the work continuous, but Charles Nelson supports six people off the malt shop which the credit union helped him buy.

A WELDING BUSINESS

Rankin Thomas, 53, and his son, Lee Wood, 28, may be well on their way to dominating the important machine shop business in Sterling. Their Palco Welding Works caters to oil business. "We work the oil business pretty good," Lee Wood says, "and we treat the boys good. The steel strike in 1955 pretty near got us, but Mr. Poole carried us. We couldn't make our payments."

Lee Wood arrived in Sterling from Palco, Kans., March 21, 1954, and worked as a welder, a trade he had learned from his dad. Lee traded in his car for his first welding truck, and Palco Welding Works was formed soon after.

In December 1954, Lee got a $300 credit union loan to make a downpayment on a house. Then he borrowed $4,800 to buy another truck and complete welding rig.

Now Palco Welding Works has 4 trucks and 5 welders. The father-son team owns its building, has about $35,000 invested in machinery and is looking for the long, steady haul which will help them pay back the credit union. Lee Wood puts it, "To me the credit union is run by a bunch of honest people. They care what happens to you."

Mrs. Ila Strunk's work tools are scissors and hair dryers instead of blow torches and wire pliers. She operates one of Sterling's largest beauty shops in the same location where she has been 21 years. When the Bridge reporter visited her she had just a week ago installed five new hair dryers. A $1,200 credit union loan paid for them.

Mrs. Strunk and her husband joined the credit union in 1947. Since then she has borrowed a total of $2,330 to keep her four-booth shop among the town's best. It gives Charlie Poole particular pleasure to okay Mrs. Strunk's loan applications because she graduated from Sterling High School under him when he was high school principal and before he entered credit union work.

EXPANDING A MOTOR COURT

William (Bill) Venohr runs the Plaza Motor Courts directly across the street from the credit union office. The Bridge reporter called on him in February, the slowest month of the year for Venohr's 24-unit court. He carried the smell of fresh paint from his workshop where he was tending to midwinter maintenance.

Bill Venohr was born and raised in Watlersdorf, Germany. His father was a member of the village Raiffeisen Verein (society), the forerunner of the credit union. Young Venohr came to this country and became a livestock buyer for Armour & Co. That work eventually settled him in Sterling, where in 1950 he entered the motel business.

"Sterling is a good resting place," Venohr explains. A credit union loan didn't put him in the motel business, but an $18,000 loan from the credit union helped him consolidate some debts and begin a remodeling program which has made his motel one of the finest on United States Highway 138.

Those five striving businesses show why the Sterling Credit Union holds such prestige in its community. Small-business men have found it a source of dependable and convenient credit.

The Sterling Community Federal Credit Union was chartered July 21, 1938, with $90 assets. Originally the credit union was suggested for the First Methodist Church, but the then pastor disliked the suggestion and blunted that effort. The credit union originated as a cooperative enterprise, but was soon changed to a community type. As such it serves virtually all of Logan County, where approximately 25,000 people live in an area just larger than the State of Delaware. Any Logan County citizen is eligible for membership.

The credit union's membership reached 2,431 on December 31, 1956. Members' savings stood at $1,239,841.18 on the same date—another steadily climbing figure. Last year the average loan, including loans for all purposes, was $842.45 and an average shareholding was $510.

OIL ADDS TO GROWTH

In number of loans made and amounts loaned, however, the credit union has had a brief spurt and is now leveling off. Oil, with its multiple economic blessings and problems, hit Logan County in a commercial way in 1952. Oilworkers, eager for local credit, swarmed into town and the credit union started answering their needs.

One big loan item in the early 1950's was house trailers. Also, new houses for the newly prosperous, real estate money for investors and home improvements for the established. Credit union loan volume jumped from $889,949.25 in 1952 to $1,021,500.36 in 1953 and to an alltime high of $1,022,885.81 in 1954. Total income, total expenses and net income kept pace with the growth.

TRAILERS WERE TROUBLE

Sterling's sudden spurt has slowed now, and the credit union has simmered down somewhat. Its loan volume last year, for instance, was $994,937.30, or about $25,000 below the record 1954. Of the money loaned last year $680,075.91 was to members on 830 applications, $219,500 was to other credit unions and $375,000 was invested in savings and loan associations.

Several things caused the slackening-up in loan volume, Treasurer-Manager Poole says. "For one thing we began watching the loans a little closer. We got hurt on a few of those trailer house loans. We would lend a guy money on a trailer and he'd make one payment. The next month we would get a letter from him in Casper, Wyo., or somewhere else. For another thing the banks began liberalizing their loan policy. A new industrial bank was just starting, and they got some of our customers. Also the oil boom slowed down a bit, and crops didn't come in too well."

Despite the oil development, Logan County was and still is principally an agricultural area. Its big money crops in order of total value are wheat, sugar beets, barley, corn, alfalfa, field beans, oats, sorghums, millets, and wild hay.

Stock feeding pumps money steadily into the county and city economy. Cattle feeding is estimated to be a $20 million annual enterprise, with some 80,000 head fattened annually in feed lots. With 623,761 acres of grazing land and 31,281 head of range cattle, Logan County is Colorado's second largest livestock producer.

By official count Sterling's 1950 population was 7,538. The 1952 city directory put the figure at 9,652, and a 1955 estimate was 12,500. Bank deposits, building permits, postal receipts and retail sales have shown similar gains.

The credit union not only kept pace with the county's growth, but actually anticipated and preceded it. From 1938 to 1948 the

credit union did business from a small downtown location. After the building owner gave notice that she intended to remodel the building and raise the rent considerably, the credit union sacrificed its downtown location for more room and a home of its own. Charlie Poole, Fidele Guenzi, and Louie Rieke, three longtime members, bought a plot of land about eight blocks from the business center and constructed a small masonry building for the credit union home. The credit union rents its space, a central office with handy counter and ample room for the desks of Poole, an assistant treasurer, and two secretaries, plus a directors' conference room.

IT'S CONVENIENT

As a convenient place to do business, the Sterling Community Federal Credit Union is a model. About 95 percent of its business is done across the counter, with the other 5 percent by mail. Office hours are 9 to 5:30 daily and 9 to noon Saturday. On the average day, between 60 and 75 persons will come in to make a share deposit, a loan payment, or both. In its 19-year history the credit union has made loans ranging from $10 to $33,000.

There's only one Negro family in Sterling, and they are longtime credit-union members. There are a number of Spanish-American families, and many of them have credit union-financed homes or cars.

TWO CREDIT COMMITTEES

The board of directors has made some bylaw changes to keep pace with the credit-union's growth. For one, they rescinded a former rule which limited a man to serving two 2-year terms in succession in any one office. Too much talent and enthusiasm and willing work potential was lost as a result of that rule, they felt. Now Rieke, the credit committee chairman, is serving his third term. Interestingly, every member of the credit committee is a former chairman of that group, and the credit committee has alternate members who meet with the regular committee on call.

Whether it's a farmer wanting to buy feed for his hogs or a businessman wanting to expand his firm, each loan applicant gets personal and confidential consideration. Either Treasurer-Manager Poole or his assistant, Carl Waltz, meets with the applicant in the separate conference room. Either Treasurer-Manager Poole or his as- "we try to dispel the idea that a credit union is just another lending agency. We point out the democratic fact that the credit union is owned by the members and that no man has more than one vote in its control. We don't find the 1 percent per month interest rate hard to explain, because we talk in terms of how much is the money going to cost the borrower. We will show him that we can lend him money cheaper than somebody else, or we'll show the borrower that he can get his money cheaper somewhere else if that is true."

WANTS HIGHER LIMIT

Poole believes that the $400 Federal limit on signature loans is outdated. He would have the limit raised to $1,000. "After all," he argues, "when you lend more, you're depending on the cosigner. If you can depend on him, you ought to be able to depend on the borrower." Also, Poole believes that his credit union has lost some loans because of the 3-year repayment limit, and he would raise that limit to 5 years.

Not only does the credit committee meet as often as necessary, with either Poole or Waltz meeting with them, but board of directors meetings are held subject to call. The Sterling Credit Union has no educational committee as such, but the board of directors takes that as part of its job.

THE AUDITING PROBLEM

"The weak link in our chain, and I don't think we're unusual," Poole says, "is our supervisory committee. Not that we don't have good members, but it is just impossible to get them to make an audit more often than quarterly. Oh, it might do some good to have one of the credit committee members move over to the supervisory committee, but we feel that our first job is to get the money back to the members, and that certainly is what our credit committee does."

No small part of the Sterling Credit Union's success is attributed to its advertising and educational program. Last year that took a $1,645.58 bite out of the total expenses of $29,749.73. Much of the advertising money went to local newspapers and radio, about $50 per month to newspaper and $300 per year on radio.

The Sterling Credit Union feels strongly about benefits gained from league and national association membership. They spent more than $300 last year on material from CUNA Supply Cooperative, including copies of every release which applied to their problems.

Last year the Sterling Credit Union had $82,804.65 income, including $63,288.14 interest on loans to members, $11,904.17 on investments in savings and loan associations, $5,783.38 on loans to other credit unions and $1,828.96 on other income.

One feature of the credit union which Poole likes to mention is its family membership. Some families run as high as 15 or 20 members, each with a savings account. And there are a couple of proud grandfathers who see that each grandchild gets a $5 account the day he is born. "You can't beat membership like that," Poole boasts.

The Sterling Community Federal Credit Union is a model of how well a credit union can serve a community's needs. In the process it has hung at least one record: It was the first Federal community type credit union in the United States to reach the $1 million mark in assets.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEARNEY (at the request of Mr. ARENDS) for the week on account of official business.

To Mr. SADLAK (at the request of Mr. MARTIN) to May 6 on account of official business attending council meeting, Interparliamentary Union, Nice, France.

To Mr. MULTER (at the request of Mr. SISK) for the balance of the week on account of official business.

To Mr. KEATING from April 8 to April 19, inclusive, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BAILEY, for 20 minutes, on Thursday next.

Mrs. ROGERS of Massachusetts, for 10 minutes, today, on a bill she introduced today, and for 5 minutes today on another subject, and to revise and extend her remarks and include extraneous matter; also for 5 minutes on tomorrow.

Mr. O'HARA of Illinois, for 10 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. GATHINGS and to include extraneous matter.

Mr. MCGOVERN (at the request of Mr. NATCHER) and to include a speech by Senator HUMPHREY.

Mr. MCGREGOR and to include extraneous matter.

Mr. NEAL.

Mr. WILSON of Indiana.

Mr. PORTER in three instances and to include extraneous matter.

Mr. HOSMER to include two editorials in his remarks on Pan American Day.

Mr. MAHON to revise and extend his remarks and include extraneous matter.

Mr. MULTER (at the request of Mr. BOLAND) in two instances and to include extraneous matter.

Mr. GARMATZ (at the request of Mr. BOLAND).

Mr. ZELENKO (at the request of Mr. BOLAND).

Mr. VAN ZANDT in two instances.

Mr. REES of Kansas and to include extraneous matter.

Mr. BYRD and to include extraneous matter.

Mr. THOMPSON of New Jersey.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 126. An act for the relief of Ljubischa Nikolich; to the Committee on the Judiciary.

S. 130. An act for the relief of Frosso Spiliotou; to the Committee on the Judiciary.

S. 161. An act for the relief of Elias Youssef Mikhael (Ellis Joseph Michael); to the Committee on the Judiciary.

S. 248. An act for the relief of Herta Kubelle Shields; to the Committee on the Judiciary.

S. 249. An act for the relief of Theodora Hegeman; to the Committee on the Judiciary.

S. 251. An act for the relief of Edith Elisabeth Wagner; to the Committee on the Judiciary.

S. 253. An act for the relief of Josef Michael Adolf; to the Committee on the Judiciary.

S. 257. An act for the relief of Petronella Elisabeth Deimbeck Major; to the Committee on the Judiciary.

S. 268. An act to provide that the Secretary of the Army shall return certain mineral interests in land acquired by him for flood-control purposes to the former owners of such land; to the Committee on Public Works.

S. 368. An act for the relief of Jose Medina-Chavez (Joe Medina); to the Committee on the Judiciary.

S. 385. An act to authorize the training of Federal employees at public or private facilities, and for other purposes; to the Committee on Post Office and Civil Service.

S. 438. An act for the relief of Paul Er (Ear) Chen and Lydia Chen, nee Shih Ming Chung; to the Committee on the Judiciary.

S. 528. An act for the relief of Nicolaos Papathanasiou; to the Committee on the Judiciary.

S. 560. An act for the relief of Alec Ernest Sales; to the Committee on the Judiciary.

S. 570. An act for the relief of Jeannine Therriaud Grantham; to the Committee on the Judiciary.

S. 771. An act for the relief of Rebecca Erriete Mustacchi; to the Committee on the Judiciary.

S. 973. An act for the relief of Yun Wha Yoon Holsman; to the Committee on the Judiciary.

S. 987. An act for the relief of Leonardo Finelli; to the Committee on the Judiciary.

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1171. An act for the relief of Harry Siegbert Schmidt; to the Committee on the Judiciary.

S. 1192. An act for the relief of Irma B. Poellmann; to the Committee on the Judiciary.

S. 1202. An act for the relief of Arsene Kavoukdjian (Arsene Kavookjian); to the Committee on the Judiciary.

S. 1203. An act for the relief of Lydia Anne Foote; to the Committee on the Judiciary.

S. 1212. An act for the relief of Evangelos Demetre Kargiotis; to the Committee on the Judiciary.

S. 1346. An act for the relief of Jane Bailey (nee Jane Dzun Ma); to the Committee on the Judiciary.

S. 1360. An act for the relief of Mrs. Geraldine Elaine Sim; to the Committee on the Judiciary.

S. 1412. An act to amend section 2 (b) of the Performance Rating Act of 1950, as amended; to the Committee on Post Office and Civil Service.

S. 1521. An act to exempt persons appointed to student trainee positions from the provisions of section 9 of the Civil Service Act prohibiting the employment in the classified service of more than two members of the same family; to the Committee on Post Office and Civil Service.

S. 1832. An act to authorize the appointment of one additional Assistant Secretary of State; to the Committee on Foreign Affairs.

S. Con. Res. 24. Concurrent resolution authorizing the printing of additional copies of S. R. 139, entitled "Technical Assistance"; to the Committee on House Administration.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River Flood Control Compact; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 72. Joint resolution to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 2367. A bill to establish a deferred grazing program as part of the relief available to drought stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 4271. A bill to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission;

H. R. 6092. A bill granting the consent and approval of Congress to the Merrimack River Flood Control Compact; and

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson.

ADJOURNMENT

Mr. O'HARA of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 46 minutes p. m.), under its previous order, the House adjourned until tomorrow, April 16, 1957, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

735. A letter from the Assistant Secretary of the Interior, transmitting a report and findings on the San Angelo project, Texas, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 151); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

736. A letter from the Assistant Secretary of Agriculture, transmitting a report for the month of March relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease, pursuant to section 3 of Public Law 8, 80th Congress; to the Committee on Agriculture.

737. A letter from the Assistant Secretary of Agriculture, transmitting a notice of the intention of the Department of the Army and the Department of Agriculture to interchange jurisdiction of military and national forest lands, pursuant to Public Law 804, 84th Congress; to the Committee on Agriculture.

738. A letter from the Secretary of the Navy transmitting a draft of proposed legislation entitled "A bill to authorize the transfer of naval vessels to friendly foreign countries"; to the Committee on Armed Services.

739. A letter from the Director of Research and Development, Department of the Army, transmitting a report on Department of the Army research and development contracts for $50,000 or more which were awarded during the period July 1 to December 31, 1956, pursuant to Public Law 557, 82d Congress; to the Committee on Armed Services.

740. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the annual report of operations for the calendar year 1956, pursuant to section 17 (a) of the Federal Deposit Insurance Act; to the Committee on Banking and Currency.

741. A letter from the Secretary of Health, Education, and Welfare, transmitting a report on a contract between the United States of America and the Board of County Commissioners of Bernalillo County, State of New Mexico, and the board of trustees of the Bernalillo County Hospital, pursuant to Public Law 568, 83d Congress; to the Committee on Interstate and Foreign Commerce.

742. A letter from the Acting Secretary of the Interior transmitting a draft of proposed legislation entitled "A bill to establish uniform procedures relating to the acquisition of non-Federal land for purposes of the national park system, and for other purposes"; to the Committee on Interior and Insular Affairs.

743. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Madame Henriette Buaillon and Stanley James Carpenter"; to the Committee on the Judiciary.

744. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting additional material relative to the case of Shien Woo Kung, A-10087345, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be returned to the jurisdiction of this Service; to the Committee on the Judiciary.

745. A letter from the Assistant Secretary of the Interior, transmitting part II of House Document No. 94 which was submitted on February 12, 1957, by the Secretary of the Interior, relating to a report with respect to the present status of negotiations with prospective purchasers of the falling water to be produced by the Trinity River division of the Central Valley project, pursuant to Public Law 386, 84th Congress; to the Committee on Interior and Insular Affairs, and ordered to be printed as part II of House Document No. 94, 85th Congress.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House April 11, 1957, the following bills were reported on April 12, 1957:

Mr. CANNON: Committee on Appropriations. H. R. 6870. A bill making appropriations for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 350). Referred to the Committee of the Whole House on the State of the Union.

Mr. ROONEY: Committee on Appropriations. H. R. 6871. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 351). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of April 11, 1957, the following bills were introduced on April 12, 1957:

By Mr. CANNON:

H. R. 6870. A bill making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

By Mr. ROONEY:

H. R. 6871. A bill making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

[Introduced and referred April 15, 1957]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H. R. 6872. A bill to provide for the development and modernization of the national system of navigation and traffic-control facilities to serve present and future needs of civil and military aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLVERTON:

H. R. 6873. A bill to provide for the development and modernization of the national system of navigation and traffic-control facilities to serve present and future needs of civil and military aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HARRIS:

H. R. 6874. A bill to amend the provisions of the Public Health Service Act relating to grants for construction of research facilities so as to increase their duration from 3 to 5 years and to authorize grants for medical and dental teaching facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. WOLVERTON:

H. R. 6875. A bill to amend the provisions of the Public Health Service Act relating to grants for construction of research facilities so as to increase their duration from 3 to 5 years and to authorize grants for medical and dental teaching facilities; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H. R. 6876. A bill to exempt certain aspects of professional team sports from the antitrust laws; to the Committee on the Judiciary.

By Mr. BYRNES of Wisconsin:

H. R. 6877. A bill to exempt certain aspects of professional team sports from the antitrust laws; to the Committee on the Judiciary.

By Mr. BEAMER:

H. R. 6878. A bill to amend the Merchant Marine Act, 1936, in order to authorize Federal ship-mortgage insurance for fireboats; to the Committee on Merchant Marine and Fisheries.

By Mr. BENNETT of Michigan:

H. R. 6879. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of hardwood plywood; to the Committee on Ways and Means.

H. R. 6880. A bill to provide that certain annuity payments, if waived, shall not be counted as income for the purposes of laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. BROOMFIELD:

H. R. 6881. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the "Gold Rush '57" Jamboree of the Boy Scouts of America, and for other purposes; to the Committee on Armed Services.

By Mr. CHAMBERLAIN:

H. R. 6882. A bill to further amend the Agricultural Adjustment Act of 1938, as amended, to exempt certain wheat producers from liability under the act where all the wheat crop is fed or used for seed on the farm, and for other purposes; to the Committee on Agriculture.

By Mr. COLE:

H. R. 6883. A bill to adjust the tax rates on light sparkling wines in relation to those imposed on other wines; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 6884. A bill for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and other land and water areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. EBERHARTER:

H. R. 6885. A bill to amend section 218 (d) (3) of the Social Security Act; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 6886. A bill to amend the Communications Act of 1934 to authorize, in certain cases, the issuance of licenses to noncitizens for the operation of radio stations on aircraft; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H. R. 6887. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. HARRIS:

H. R. 6888. A bill to amend the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HARVEY:

H. R. 6889. A bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. HASKELL:

H. R. 6890. A bill to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. HAYS of Arkansas:

H. R. 6891. A bill to amend the Employment Act of 1946 as amended so as to establish a National Development Priorities Council; to the Committee on Government Operations.

By Mr. HUDDLESTON:

H. R. 6892. A bill to amend Public Law 874, 81st Congress, relating to assistance for the operation of schools in federally affected areas, to provide such assistance with respect to certain Federal activities at publicly owned airports; to the Committee on Education and Labor.

By Mr. JENSEN:

H. R. 6893. A bill authorizing the restoration of Carter Lake, Iowa and Nebraska, in the interest of water conservation and recreation; to the Committee on Public Works.

By Mr. KARSTEN:

H. R. 6894. A bill to amend the Tariff Act of 1930 as it relates to unmanufactured mica and mica films and splittings; to the Committee on Ways and Means.

H. R. 6895. A bill to discharge more effectively obligations of the United States under certain conventions and protocols relating to the institution of controls over the manufacture of narcotic drugs, and for other purposes; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 6896. A bill to ratify and confirm conveyances of allotted land on the White Earth Reservation in Minnesota by fullblood Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 6897. A bill to provide that persons who have filed petitions for naturalization may be employed as doctors in the Medical Service of the Department of Medicine and Surgery of the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. LENNON:

H. R. 6898. A bill to provide for the conveyance of certain surplus property of the United States to Cumberland County, N. C.; to the Committee on Government Operations.

By Mr. LESINSKI:

H. R. 6899. A bill to provide that the compensation of star route, panel body, and mail messenger contractors shall be increased if their costs are increased because of a Federal or State statute, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. McCARTHY:

H. R. 6900. A bill to amend section 206 of the Legislative Reorganization Act of 1946, so as to enable the Comptroller General more effectively to assist the Appropriations Committees in considering the budget; to the Committee on Government Operations.

By Mr. McMILLAN:

H. R. 6901. A bill authorizing the participation by the Federal Government in the construction of a 4-lane high-level fixed bridge across the Intracoastal Waterway in the vicinity of Myrtle Beach, S. C.; to the Committee on Public Works.

By Mr. MASON:

H. R. 6902. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws; to the Committee on Ways and Means.

By Mr. MILLER of California:

H. R. 6903. A bill to amend an act authorizing the disposition of lands no longer needed for naval purposes; to the Committee on Armed Services.

By Mr. NATCHER:

H. R. 6904. A bill to amend the Watershed Protection and Flood Prevention Act with respect to measures for erosion control; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 6905. A bill to provide for more effective utilization of the Veterans Memorial Hospital at Manila, to strengthen the program of medical care and treatment for certain Filipino veterans who served with the Army of the United States during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H. R. 6906. A bill to determine the need for a small boat channel from the port of Panacea, Fla., into Apalachee Bay; to the Committee on Public Works.

By Mr. SIMPSON of Illinois:

H. R. 6907. A bill to provide for the District of Columbia an appointed governor and lieutenant governor, and an elected legislative assembly and nonvoting Delegate to the House of Representatives, and for other purposes; to the Committee on the District of Columbia.

By Mr. TEAGUE of Texas:

H. R. 6908. A bill to authorize modification and extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans, to restore eligibility for hospital and medical care to certain veterans of the Armed Forces of the United States residing in the Philippines, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. TELLER:

H. R. 6909. A bill to establish a system for the classification and compensation of scientific and professional positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON of New Jersey:

H. R. 6910. A bill to amend the Agricultural Marketing Agreement Act of 1937, as amended, to include cranberries for canning or freezing; to the Committee on Agriculture.

H. R. 6911. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. ZELENKO:

H. R. 6912. A bill to amend the Internal Revenue Code of 1954 to provide an income tax deduction for depletion of human resources; to the Committee on Ways and Means.

By Mr. AVERY:

H. R. 6913. A bill to authorize the Secretary of the Army to make payment to owners and tenants of land acquired for Tuttle Creek Reservoir, Missouri River Basin, for certain business losses; to the Committee on Public Works.

By Mr. CURTIS of Massachusetts (by request):

H. R. 6914. A bill to amend title 28 of the United States Code relating to actions for infringements of copyrights by the United States; to the Committee on the Judiciary.

By Mr. SCUDDER:

H. R. 6915. A bill to adjust the tax rates on light sparkling wines in relation to those imposed on other wines; to the Committee on Ways and Means.

By Mr. COLE:

H. J. Res. 309. Joint resolution proposing an amendment to the Constitution of the United States relating to the inability of the President to discharge the powers and duties of his office; to the Committee on the Judiciary.

By Mr. PELLY:

H. Con. Res. 163. Concurrent resolution expressing the sense of the Congress that the Atomic Energy Commission should establish an experimental nuclear reactor in the State of Washington; to the Joint Committee on Atomic Energy.

By Mr. FLOOD:

H. Res. 233. Resolution directing the United States Tariff Commission to make certain investigations of imports of residual fuel oil; to the Committee on Ways and Means.

By Mr. HOLLAND:

H. Res. 234. Resolution to request the President to request the resignation of Postmaster General and to designate an experienced official to temporarily discharge the duties of Postmaster General; to the Committee on Post Office and Civil Service.

By Mr. LANE:

H. Res. 235. Resolution to provide that the Committee on Education and Labor shall conduct investigation and study of discrimination in employment against persons 40 or more years of age; to the Committee on Rules.

By Mr. BOSCH:

H. Res. 236. Resolution creating a committee to conduct an investigation and study the plight of the Transylvania-Saxons; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. BERRY: Memorial of the Senate of the State of South Dakota in the 35th legislative session, memorializing Congress to resist the efforts of proponents of centralization of Government to invade the field of education and usurp or encroach upon the right and duty of the people in the local communities to provide for and supervise the education of their children; to the Committee on Education and Labor.

By the SPEAKER: Memorial of the Legislature of the State of South Dakota, memorializing the President and the Congress of the United States to resist the efforts of proponents of centralization of Government to invade the field of education and usurp or encroach upon the right and duty of the people in the local communities to provide for and supervise the education of their children; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of Arizona, memorializing the President and the Congress of the United States to appropriate funds for the construction of a fish producing and rearing station in Sycamore Canyon, north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Massachusetts, memorializing the President and the Congress of the United States to appropriate funds for the purpose of increasing the span of the Fore River bridge in the city of Quincy; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to authorize immediate modification of the navigation locks at Bonneville Dam, etc.; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Pennsylvania, memorializing the President and the Congress of the United States to provide adequate safeguards in tariff and trade legislation, etc.; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to amend the laws limiting the authority of such political subdivisions to issue general obligations bonds so that they may issue such bonds to a limit of 10 percent of the aggregate taxable value of the real and personal property within their corporate limits, etc.; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States that Alaska be granted title to its shorelands, tide and submerged lands, and its inland waters; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Alaska, memorializing the President and the Congress of the United States to extend exemptions from Federal income taxation to those new industrial enterprises qualifying under the Alaska Act; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation to amend the Servicemen's Readjustment Act of 1944, as amended, to extend the date of expiration for the making of loans thereunder from June 30, 1958, to June 30, 1960; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 6916. A bill for the relief of Mrs. Evelyn Serrero; to the Committee on the Judiciary.

By Mr. ASHLEY:

H. R. 6917. A bill for the relief of Marianna Giorgianni; to the Committee on the Judiciary.

By Mr. BARRETT:

H. R. 6918. A bill for the relief of Eugenio De Leo; to the Committee on the Judiciary.

H. R. 6919. A bill for the relief of Ezekiel A. Anderson; to the Committee on the Judiciary.

By Mr. BURNS of Hawaii:

H. R. 6920. A bill for the relief of Maria Natividad Ermano Adolfo; to the Committee on the Judiciary.

H. R. 6921. A bill for the relief of Irineo A. Salas; to the Committee on the Judiciary.

H. R. 6922. A bill for the relief of Antonio Sencio; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 6923. A bill for the relief of Meriden Industries Co.; to the Committee on the Judiciary.

By Mr. CUNNINGHAM of Iowa:

H. R. 6924. A bill conferring jurisdiction upon the United States Court of Claims to render findings of fact with respect to the claim of Carl E. Edwards against the United States; to the Committee on the Judiciary.

By Mr. EDMONDSON (by request):

H. R. 6925. A bill for the relief of Mrs. Antonina Borodina Buschman; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 6926. A bill for the relief of Fortunato Castenada Herrera; to the Committee on the Judiciary.

By Mr. HESS:

H. R. 6927. A bill for the relief of Paraskevi Chocheff Tarpoff; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 6928. A bill for the relief of Ernesto Fontanilla; to the Committee on the Judiciary.

By Mr. MILLER of Maryland:

H. R. 6929. A bill for the relief of Randolph Stephan Walker; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 6930. A bill for the relief of Chih Chou Yu; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 6931. A bill for the relief of Frank E. Ablett; to the Committee on the Judiciary.

By Mr. SCOTT of North Carolina:

H. R. 6932. A bill for the relief of the estate of W. C. Yarbrough; to the Committee on the Judiciary.

By Mr. SELDEN:

H. R. 6933. A bill for the relief of Myra Joyce Carroll and Shiela Jeanne Carroll; to the Committee on the Judiciary.

By Mr. THOMPSON of New Jersey:

H. R. 6934. A bill for the relief of Fabcon, Inc., to the Committee on the Judiciary.

By Mr. TRIMBLE:

H. R. 6935. A bill for the relief of Wang Fai (Freddie) Chun; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

205. By Mr. PRICE: Petition of employees of the direct mail division of the Reuben H. Donnelly Corp. (Chicago office) for continuation of all types of mail service; to the Committee on Post Office and Civil Service.

206. By the SPEAKER: Petition of the secretary, the Cuyahoga County Bar Association, Cleveland, Ohio, petitioning consideration of their resolution relative to the conduct of Counsel Richard Arens, counsel for a subcommittee of the Un-American Activities Committee of the House of Representatives, 84th Congress, during proceedings at Youngstown, Ohio, on November 26–27, 1956; to the Committee on Un-American Activities.

EXTENSIONS OF REMARKS

Hon. Alexander Wiley, of Wisconsin, Condemns Latest Natural Gas Bill

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Monday, April 15, 1957

Mr. WILEY. Mr. President, one of the most inflationary pieces of legislation of the 85th Congress has now been introduced.

I refer to the proposed legislation which would unfortunately make a hollow shell of Federal regulation of the prices of natural gas.

Specifically, I have reference to H. R. 6790 and H. R. 6791, introduced, respectively, by Representative OREN HARRIS, of Arkansas, and Representative JOSEPH O'HARA, of Minnesota.

In my judgment, this proposed legislation poses a tremendous threat to the American economy in more ways than one.

I ask unanimous consent that a statement I have prepared on this subject be printed in the CONGRESSIONAL RECORD.

Mr. CLARK. Mr. President, will the Senator from Wisconsin yield for just a moment in connection with that he has just said with respect to the Harris bill?

Mr. WILEY. I yield.

Mr. CLARK. I commend the Senator from Wisconsin for the action he is taking at the very start in opposition to the Harris bill, which has been introduced in the House.

When I was mayor of Philadelphia we had a mayors' committee which fought very vigorously against that bill. I know the distinguished Senator from Wisconsin was on that side, and did his very best to prevent its enactment. I assure the Senator from Wisconsin that he will have support in his efforts from at least one Senator on this side of the aisle.

Mr. WILEY. I thank the distinguished Senator. My opening remarks contained a statement of my views. I shall continue to restate them in committee, and before the Senate, when the subject comes before us.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

For months, we have been reading disturbing newspaper accounts to the effect that a new version of the bill which President Eisenhower vetoed in the 84th Congress would soon be introduced.

Now this version has been offered.

This time, it attempts to accomplish its objective by permitting a so-called reasonable-market price to be charged.

But what is reasonable-market price?

It is the going price.

So, will this be regulation? Of course not; it is pretended regulation on the basis of an unregulated price.

So in its pretense at regulation, it is even worse than last year's more frank bill. In 24 pages of legal falderal, the bill deceptively makes noises as if some regulation were really being attempted.

It sets up a standard for a regulatory agency which the Commission would find it impossible to follow. The criterion would be a quicksand of uncertainty into which every regulatory case would founder—if any attempt were made to actually enforce it.

The reasonable-market price would be changing constantly—upward.

The Commission investigators would have to scramble to keep up interminably with what the latest market price was.

Consequently, the Commission would be following the market price rather than leading, abjectly approving rather than independently establishing a fair regulated price, as all regulatory commissions are supposed to do.

The supporters of this legislation make no bones about what they really have in mind.

Their aim is the very same as it was in the 84th Congress, the 83d Congress, and in preceding Congresses—to deny the consumers of this Nation the reasonable protection which the consumers had a right to expect under the Natural Gas Act of 1938.

For months, we have been reading reports from natural-gas associations to the effect that if the administration really wants this legislation enacted, it—the administration—will have to work hard for it.

I hope that the administration will do no such thing.

I say very frankly, however and yes, sorrowfully, that I will not be surprised if the administration does come once again to the unwise decision of backing the purposes of this legislation.

Unfortunately, the administration has allowed itself to swallow the misrepresentations which have been spread by the natural-gas industry.

Unfortunately, the administration, which has been wisely pleading for a curb on inflation—which has been pleading for voluntary efforts to hold down wage and price pressures, this same administration now seems determined to do a rightabout-face. Thus, it probably backs a bill which will be one of the most inflationary measures in the 85th Congress.

Fuel is the key item in the cost of living and in the cost of production. When industry has to pay higher fuel costs, when 30 million homeowners have to pay higher residential gas costs, what is that but inflation?

We see in this legislation, too, one more unfortunate step down the road of ineffective regulation by a so-called regulatory agency. It is a road in which a Federal Commission does not seem to be actively interested in protecting the very public interest which it was set up to protect.

I say, frankly, but respectfully: The Federal Power Commission has repeatedly failed in its obligations vigorously to protect the public interest.

Instead, by backing the previous version of this legislation and by reportedly backing the present version of this legislation, the Federal Power Commission seems to say, in effect: "Gentlemen of the Congress, we will be glad to authorize whatever the 'traffic will bear,' if you will just permit us to do so."

I want to be fair to the Federal Power Commission—which, after all, faces enormous work burdens. I am not, of course, reflecting on the sincerity of any of its members. I respect their honest differences with me. I am simply stating that the Commission is not uniformly doing the job which the Congress originally intended for it.

Lastly, I want to reiterate a point which I have previously made. The oil and gas industry is definitely entitled to a reasonable return on their investment. The local gas distributors are entitled to a reasonable return. The pipelines are entitled to a reasonable return on their investment.

But so, too, the public is entitled to reasonable protection.

There is no evidence whatsoever to indicate that the oil and gas industry has suffered under previous Federal regulation. There is every evidence to indicate that the industry has prospered, and that it will continue to prosper if reasonable regulation is carried on.

I hope, therefore, that this Harris-O'Hara legislation will be defeated.

I hope that it will be defeated on its lack of merit and not simply because of part of the oil industry's lobbying tactics, as carried on in the 84th Congress.

I hope the administration will reconsider its overall stand.

I support this administration generally. But I will not falter on my right to part company with the administration when my conscience tells me it is in the wrong.

Perhaps, there are some within the administration—within the Department of Justice or elsewhere—who support my stand and who disagree with the Harris-O'Hara bill. If so, I hope they will be in a position to come forth and openly say so.

Submarines Everlasting Honor and Glory

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. VAN ZANDT. Mr. Speaker, it was Adm. Chester Nimitz who once said that the Japanese missed their golden opportunity at Pearl Harbor when they restricted their attack to capital ships. If they had knocked out our submarines, our task would have been infinitely greater. For as soon as the war started, our submarines began unsupported operations in Japanese waters and substantially damaged Japan's vitally important shipping.

"It was to the submarine force that I looked to carry the load until our great industrial activity could produce the weapons we so sorely needed to carry the war to the enemy," Admiral Nimitz has said. He added, "It is to the everlasting honor and glory of our submarine personnel that they never failed us in our days of peril."

Now this valiant—and relatively unpublicized—branch of our Armed Forces is getting the kind of recognition long due it. Throughout the Nation, a television program called the Silent Service is being shown to increasing millions of Americans. This series, based on authentic war reports, dramatically presenting the heroism and adventures of submarines at war, effectively delivers to the citizenry a weekly account of the vital role our submarine service performs in the Nation's defense.

The series was conceived in love and devotion by Adm. Thomas M. Dykers, United States Navy, retired, an old submariner himself who as commanding offi-

cer of the submarine *Jack* in World War II downed 4 Japanese tankers in 1 day—a feat unequaled by any other United States sub in the war.

Mr. Speaker, it is a privilege to pay tribute to the glory of the men of the submarine service. I commend NBC Television Films for bringing this story to the American public and to WTOP–TV in Washington, D. C., where it begins on the air April 30, so that everyone, especially those in Goverment here, in the Nation's Capital, may know more about the Silent Service.

The Defense Department Has Not Yet Learned To Properly Utilize Its Manpower

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. MULTER. Mr. Speaker, we are hearing a great deal these days about the necessity of increasing the military pay of various branches of the Armed Forces in order to attract and to keep in the service of our country professional men and skilled technicians.

There is no doubt that such men, if worth their salt, will leave for private practice or private industry if the pay and working conditions are not sufficiently attractive to keep them in Government service. I favor paying these men fair compensation, the fairness thereof to be determined by the competitive demand for these men.

At the same time, it should be pointed out that the Defense Department traditionally has not utilized these men to the best advantage either of the Government or of the men.

We are constantly told that it costs as much as $25,000 to train a recruit to deal with complicated matters requiring the attention of skilled men. The fact of the matter is that the complaints still pour in to Members of Congress from men who are called up to serve their country, as well as from men who have enlisted for that purpose. Thousands of these men have specialized college and university training. All too frequently such education and training is completely ignored and the men are assigned to training programs entirely foreign to what they have been equipped for. Thousands of dollars are spent by the Defense Department for such training, more properly called retraining. The training is hardly completed when the men leave the service.

Sergeants, good drillmasters despite their lack of formal education, still delight in assigning college-trained men to the garbage dump.

Thousands of dollars can be saved by the Defense Department by properly screening men and assigning them to work that they are already fitted to perform instead of trying to train them to do things in which they have no interest and which will only drive them out of the service instead of keeping them in.

Our whole concept of military training still reflects the methods of the last century. It has not caught up with World War I, not to mention World War II, or the nuclear age.

Tribute to an Outstanding Citizen—Ian Ross MacFarlane

EXTENSION OF REMARKS
OF
HON. EDWARD A. GARMATZ
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. GARMATZ. Mr. Speaker, with the closing of the Emergency Hungarian Refugee Operation, it seems a fitting time to review what has been done in resettling the thousands of gallant freedom fighters and their families in various American communities.

The contribution of the citizenry of Baltimore in this cause is one, Mr. Speaker, which I feel privileged to acknowledge with pardonable pride. Over 125 Hungarians have been brought or sent to Baltimore by various sponsors. This project has required the interest and patience of Baltimore industry in offering employment; the charity of religious organizations in donating clothing; the generosity and understanding of the Baltimore homeowner in making available living quarters where these Hungarian newcomers could live, not only in self-respect, but in an environment of genuine American family life. The YMCA, the Rotary Clubs, the Kiwanis, and other civic organizations, the police department, storekeepers, taxicab companies have all joined in a cooperative effort to assist these otherwise bewildered patriots from overseas.

However magnificent as has been the work, Mr. Speaker, of those already mentioned and the scores of others who have toiled so generously but without recognition, there stands out one Marylander who has been the originator, the spark, the driving force, the coordinator of all this trendous achievement. He is Ian Ross MacFarlane, who this year marks his 20th anniversary as a radio commentator.

Mr. Speaker, this is not the first time Mr. MacFarlane has figuratively left his job as one of our State's most respected political reporters and news commentators to assist those who needed aid. During World War II and following his return from an overseas tour of duty that took him to the frontlines, Citizen MacFarlane sponsored the idea over his radio hookup that eventually resulted in the Congress enacting into law a measure that provided for increased allowances and allotments for the dependents of servicemen. Immediately after the cessation of hostilities, he led the fight that secured for 158 honorably discharged veterans the right to own and operate taxicabs in Baltimore. This group is still functioning and doing a standout job under the name of the G. I. Veterans Taxicab Association of Baltimore. In organizing this company, Mr. MacFarlane insisted that it be based on equality for all. In other words, Mr. Speaker, integration of its membership from its very inception. In between gathering and editing news, Mr. MacFarlane served as president of this group for 5 years, leaving them with earned assets of over $100,000.

Every veterans' organization in Maryland has honored Mr. MacFarlane by citations, medals, and plaques for his work in behalf of all veterans. In 1947, he was named the Baltimorean who has done most for the Negro people.

Being a humanitarian and a champion of the rights of all has been the keystone of Ian Ross MacFarlane's life. He is the first non-Jew ever to have lived and worked as a member of the Jewish agricultural colonies in Palestine. Since this period in 1933, he has constantly worked voluntarily for the cause of autonomy for Palestine, which he has seen come to pass with the establishment of the Republic of Israel. Today he is one of the outstanding champions for justice and understanding of this tiny outpost of democracy in the Middle East.

So, Mr. Speaker, it is no wonder that when another voice of an underprivileged or persecuted person calls, Ian Ross MacFarlane is among the first to respond.

Therefore, it is a privilege and real pleasure to be able to pay tribute to Ian Ross MacFarlane in connection with his outstanding and untiring efforts in connection with the Hungarian relief program, and his many other civic activities.

Arrogance of the Postmaster General

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, a senior member on the Post Office and Civil Service Committee, Mr. LESINSKI, commented on an editorial of the Detroit Times of April 15, as follows:

Under law the Federal employees do not have the right to strike against the Government. However, the Postmaster General has achieved the same effect as a strike and some action against him should be taken. As per my previous statement and the following editorial from the Detroit Times of April 15, 1957, he should resign.

The editorial, which I endorse wholeheartedly, is as follows:

The arrogance of Postmaster General Summerfield has brought about a bureaucratic shakedown of Congress and American taxpayers.

His arrogance succeeded last Saturday in canceling all regular mail deliveries in the United States on a business day for the first time in history.

It has succeeded beginning today in curtailing deliveries and hours when post offices are open to the public.

Mr. Summerfield high-pressured a congressional committee into voting him $41 million extra to run his Department through the remainder of the fiscal year ending June

30. But even this did not move him to call off his cutback of service. He demands the money in hand.

His arrogance has hampered the operation of business and gravely inconvenienced the American people.

The "crack of doom" method he has used raises questions of his efficiency and competence.

Whatever bureaucratic victory he has gained, the Postmaster General has lost the confidence of the public.

He should resign.

The Washington Pilgrimage—A Symbol of the Religious Heritage of America

EXTENSION OF REMARKS
OF
HON. EDWARD H. REES
OF KANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. REES of Kansas. Mr. Speaker, on April 26, 27, and 28 the Washington Pilgrimage, under its 7th annual program, will visit our Nation's Capital to pay tribute to our great American religious heritage.

During the weekend hundreds of men and women of all faiths, from all parts of America, will visit patriotic and historical shrines, religious centers, memorials, and various institutions of Government. In the course of their program they will meet and hear personal messages from America's spiritual, cultural, and Government leaders. One of the outstanding events of their program is an awards dinner on Saturday evening, April 27th. At that time, Dr. Louis H. Evans, former pastor of the Hollywood, Calif., Presbyterian Church, and who presently represents the Presbyterian Church on a nationwide basis, will be named Clergy-Churchman of 1957. The award will be made by Mr. Cecil B. DeMille of Paramount Pictures, Hollywood, Calif.

The Washington Pilgrimage is an organized movement in America whose basic theme is "This Nation Under God," and whose purposes are:

To emphasize our national religious heritage.

To create a greater awareness of the spiritual vision and understanding of America's founders.

To rededicate ourselves to the spiritual origins of our country.

To strengthen our spirit of liberty under which Americans of all religious beliefs may prosper in unity.

To encourage vision, faith, and courage in order to revitalize our American faith in democracy and morality.

To recognize religious leadership by the only national awards in this field to the Clergy-Churchman, Lay-Churchman, Churchwoman of the Year, together with the Faith and Freedom Award in religious journalism.

Because of the importance of this occasion, and for the reason, in all probability, you will be visited by some of those participating in this important event, I take this opportunity to acquaint you with the purposes and activities of the Washington Pilgrimage.

Proposed Tax Reduction for the Depletion of Human Resources

EXTENSION OF REMARKS
OF
HON. HERBERT ZELENKO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. ZELENKO. Mr. Speaker, today I have introduced a new measure which would cut taxes for older workers by providing a tax deduction for the depletion of human resources.

This bill is aimed at encouraging older people to continue productive activity in business and industry. It would allow taxpayers 45 years of age and older to claim a special deduction for the depletion of human resources on their Federal income tax. There is no reason why there should be a distinction between the present deductions for the depletion of natural resources, machinery and property, and that of the depletion of the most important resource of all—the human one.

The proposed deduction would be computed strictly on the basis of the taxpayer's age and would apply only to salaries, wages, and earned income and would offer an added economic incentive for the older workers to realize their full potential as useful and productive members of the Nation's business and industrial population. At present, from a monetary standpoint, retirement benefits in many cases far outbalance earning inducements for people of 45 and over to remain actively employed.

These conditions have produced a steady and detrimental effect upon the size of our country's senior working forces. Unless Congress takes constructive measures to combat the problem, we will ultimately find ourselves faced with a nationwide shortage of skilled and experienced older workers who form the strength and backbone of so many of our leading industries.

The reduction in income-tax revenue would be balanced with a decrease in social security to older workers who, with the inducement of tax deductions, would choose to remain actively engaged in business and industry. The deduction for the depletion of human resources would be computed by subtracting 44 from the age of the taxpayer and multiplying the resulting figure by 1 percent of his earned income. In other words, as the taxpayer grows older he would be allowed to deduct 1 additional percent each year. Thus, a 66-year-old working taxpayer would be entitled to a deduction of 22 percent from his earned income.

I hope this measure will act to ease the problems of our older people in industry, to the mutual benefit of our senior citizens and our national economic structure.

Bridge Across the Ohio River Near Lawrenceburg, Ind.

EXTENSION OF REMARKS
OF
HON. EARL WILSON
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. WILSON of Indiana. Mr. Speaker, a week or so ago I introduced a measure which would give Government approval to the creation of an Indiana-Kentucky bridge commission for the purpose of constructing a toll bridge across the Ohio River near Lawrenceburg, Ind. Since this is in the congested Cincinnati area, a bridge at this point would be very helpful.

A few days after introduction of my bill—on Monday, April 8, to be exact—this Chamber passed a measure calling for an appropriation of some $10,500,000 for the construction of another bridge across the Potomac River between Virginia and Washington. There are already five Potomac bridges in this area.

It seems grossly unfair to me, Mr. Speaker, for the general American public to be asked to foot the cost of this project, with the State of Virginia paying no more, proportionately, than will Nevada, for example.

Also, the people in Indiana and Kentucky—and elsewhere, I am sure—are going to wonder why they have to finance all their bridges across the Ohio, while the entire Nation pays for bridges connecting the District of Columbia with Virginia and Maryland.

There are now four bridges spanning the Ohio River between Evansville and Cincinnati, a distance of some 350-river miles. Not a one of these was financed by public moneys. All were constructed as toll bridges, paid for by the people who use them. The people out there have not complained about it, either. They were glad to get the bridges, glad to pay for them. I am certain they will be equally as glad for the opportunity to pay, by the toll arrangement, for the proposed new bridge at Lawrenceburg.

I am familiar with all the arguments in favor of another Potomac bridge—the congestion, the fact that Washington is the Nation's Capital, and so forth—but I still cannot see the fairness of calling upon all American taxpayers to meet the cost.

I might point out that there is very much heavy traffic in the region of the Ohio. People now drive 30 or 40 miles to get to a bridge to cross that river. There are many important industrial centers, and there is much defense work going on. In event of armed attack against our country, the north-south traffic arteries and bridges would be of immense importance.

In seeking passage of my own Lawrenceburg Bridge Commission bill, I am not suggesting that one red cent come from Federal funds. All that my people want is the approval of the Government so that they can proceed, in an orderly manner, to set up a commission which

will plan all the details incident to financing and constructing of the bridge.

I wonder why other bridges, such as the Potomac projects, cannot be financed in a similar manner?

Plans Completed for 1957 Congressional Tour of New York City, May 10, 11, and 12

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. VAN ZANDT. Mr. Speaker, plans have been completed for the annual congressional tour of New York City and Kings Point Maritime Academy, May 10, 11, and 12.

This annual congressional tour for Members of both Houses of Congress and their families provides for 3 glorious days in New York at a cost of $37.50 for adults and $32.50 each for children between the ages of 5 and 12 years.

As in previous years, Members of the Senate and House of Representatives have received a most cordial invitation from Mayor Robert F. Wagner of the city of New York, who has instructed his city department of commerce and public events to make every effort to assure an interesting and well-balanced program for the reception and entertainment of the group making the 3-day tour of New York.

For the information of those who intend to make the tour, the following itinerary will be of interest.

SCHEDULE OF EVENTS

Friday, May 10: 9:45 a. m. daylight time, we leave Washington via Pennsylvania Railroad. Luncheon will be served in dining car. We arrive New York Penn Station at 1:45 p. m. daylight time, and immediately board motor coach for tour of lower New York, including a stop at City Hall for reception by the Mayor, Hon. Robert F. Wagner. We also stop at the United Nations for a 2-hour tour. We arrive at the Paramount Hotel about 6 p. m daylight time. The evening will be open to attend the theater or enjoy the bright lights of Broadway.

Saturday, May 11: 9 a. m. motor coaches will leave for Pier 83, Hudson River, to board excursion steamer for luncheon and harbor inspection until 2 p. m. From 4 to 6 p. m. the party will go aboard the Italian Line steamship *Cristoforo Colombo* at pier 84, Hudson River, for a reception and inspection of the ship. The party will then proceed to the Hotel Savoy-Plaza for a reception and buffet dinner after which the evening is open for theaters and other forms of entertainment.

Sunday, May 12: 8:30 a. m. motor coaches will transport the party to the foot of the Battery for a 9 a. m. departure via steamer up the East River through Hell Gate Rapids and out to Long Island Sound for a noon arrival at the United States Maritime Academy pier at Kings Point, Long Island. After lunch and a review of the cadets, the party will return by bus to the Pennsylvania Station, New York City, and depart for Washington at 5:30 p. m. daylight time.

I should like to emphasize that this tour is for Members of the Senate and House of Representatives and their families, and reservations should be made immediately by calling Miss Patricia Bryan, extension 366 or 1830.

The Postmaster General Should Resign

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, the $41 million deficiency appropriation should be approved quickly by Congress so that full postal service can be restored throughout the Nation. We cannot abide ill-considered "meat-ax" cuts vitally affecting thousands of families whose breadwinners are postal employees, as well as the millions of postal patrons who are entitled to rely on the mail service which has been established.

However, the Postmaster General should resign. I said so at the outset of this hassle; I say so again now, as do the Detroit Times and other leading newspapers, along with a number of Congressmen, including my friend and distinguished colleague, JOHN LESINSKI, Democrat, Michigan, who is a senior member of the House Post Office and Civil Service Committee, of which committee I am also a member.

Now, did the Postmaster General violate the antideficiency law? Yes, says the Comptroller General in an opinion written April 12, 1957. He violated subparagraph (c) (1) which requires him to make the money appropriated to his Department last for the full year without the necessity of a deficiency appropriation.

The law provides no penalty for the violation of this section. I intend to introduce an amendment to provide for the same penalty applicable for violations of paragraphs (a), (b), and (h) of the Anti-Deficiency Act.

My considered opinion, as a lawyer, is that Mr. Summerfield violated paragraph (h), for which paragraph the penalty is, upon conviction, a fine of not more than $5,000 or imprisonment for not more than than 2 years, or both. His guilt, of course, must be determined by a court. Therefore, I am turning over a copy of this statement to the United States attorney for the District of Columbia with the request that he take appropriate action and in due course advise me. I personally do not believe Mr. Summerfield should be fined or imprisoned, in view of the fact that there have been previous unprosecuted violations of the Antideficiency Act although it appears that none was so gross, so flagrant, and so arrogantly carried out as the instance before us. In any event, if he were convicted, the matter of punishment would be for the court to decide.

All that I am saying as a lawyer is that there is a basis for prosecution for the following reasons:

Paragraph (h) of section 3679, Revised Statutes as amended—title 31, United States Code, section 665—commonly known as the Antideficiency Act, provides:

(h) Expenditures in excess of apportionment prohibited: penalties.

No officer or employee of the United States shall authorize or create any obligation or make any expenditure (A) in excess of an apportionment or reapportionment, or (B) in excess of the amount permitted by regulations prescribed pursuant to subsection (g) of this section.

It is plain that Mr. Summerfield did authorize and create obligations in excess of the amount permitted under subsection (g), which subsection, so far as important, reads as follows:

The head of each agency, subject to the approval of the Director of the Bureau of the Budget, shall prescribe, by regulation, a system of administrative control * * * designed to (A) restrict obligations or expenditures against each appropriation to the amount of apportionments or reapportionments made for each such appropriation.

A study of the reapportionments made by the Bureau of the Budget at the recommendation of the Postmaster General shows that the fourth quarter apportionments beginning with December 14, 1956, were $11 million below the "apportionment" made on July 13, 1956, and were $31 million below the July 13 "apportionment" by reason of a "reapportionment" accomplished on February 4, 1957. A study of the eight adjustments of the "apportionments" will show that the Postmaster General decreased the fourth quarter "apportionment" by three different "reapportionments," which resulted in the fourth quarter "apportionment" being $40,727,100 less than the third quarter "apportionment" which covered 2 days' less time.

I have put "apportionment" in quotation marks because the proper understanding of this word is central to an understanding of my contention that subsection (h) has been violated. My point is this: As used in this act, an "apportionment" is more than a mere division of the money appropriated for the whole year. It is, rather, the sum necessary for any particular quarter so that the usual services provided by the Department may be carried on as provided by law. It is plain that the reductions in the fourth quarter by the adjustments set forth in the Comptroller General's letter, No. B–131361, dated April 12, 1957, resulted in the amount allocated to the fourth quarter being far too little to maintain the usual services in the sense just described. This is further borne out by the fact that the Postmaster General is pressing for a $47 million deficiency appropriation so that he may maintain operations during this fourth quarter.

The whole matter boils down to the Postmaster General's willful and knowing violation of the Anti-Deficiency Act by purposefully refusing to apportion the appropriation money as required by law. It may be said that he did ask the Director of the Budget to approve supplemental appropriations and that the Director of the Bureau of the Budget, through inexcusable ignorance with respect to the use of postal revenues, refused to transmit this information to Congress.

However, the Postmaster General well knew the antideficiency law and had ample opportunity between July 10, 1956, and the adjournment of Congress that year, as well as during the remainder of 1956, to contact the appropriate committees of the House to inform them of any additional needs so that the drastic curtailment now put into effect would not be necessary and so that the antideficiency law would be obeyed instead of flagrantly flouted and violated.

Federal Expenditures

EXTENSION OF REMARKS
OF
HON. WILL E. NEAL
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. NEAL. Mr. Speaker, those who oppose reducing the 1958 budget are just not responsive to general public opinion.

The progressive addition of bureaus and agencies calling for more Federal employees and annual increases in the cost of Government has aroused the people to the necessary tax burden that must be imposed on them to administer these programs.

Instead of continuing heavy taxes and spending to the limit of public forbearance, Government leaders might well read the signs of revolt so spontaneously generated by uniting their efforts to make this 1957 the year of the turning point from deficits and lavish indulgences.

Sensible reductions from amounts proposed by domestic Federal agencies, a more careful review of overlapping functions and waste in the Defense Department, and withdrawal of foreign aid from missions completing their assignments, can be the direct means of showing the folks back home that we are abandoning our disappointing experiences in assuming we can save the world.

It is traditional for heads of families and business organizations to periodically take account of capital depletion and correct unwarranted expenditures that endanger the safety and solvency of the financial structure.

The predicament of the United States Government, overdrawn, so to speak, in the sum of $275 billion, still insisting on increased budgets with no assurances of diminishing national indebtedness and only an expression of hope for tax relief, should indicate the timeliness of a reevaluation of our national financial prospects.

The American citizens have been extremely tolerant but that tolerance is waning. Let us recognize and profit by the warning before we encounter open revolt.

Area of Production Definitions and the Farmer's Income

EXTENSION OF REMARKS
OF
HON. E. C. GATHINGS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. GATHINGS. Mr. Speaker, the farmer goes to the market place and asks: "What am I offered?"—for the American farmer must sell his product in the market and pay, in great part, for the processing of that product for market. The cotton farmer's price for his cotton must absorb the cost of ginning. The farmer cannot pass on to the consumer any increase in his cost of production.

When the wage and hour legislation was before Congress in 1938, Representatives from the Cotton Belt pointed out these facts to other Members of Congress. Congress realized that the cotton farmer had to pay the cost of the ginning and that to increase the cost of ginning would result in a reduction in the farmer's income. Accordingly, when it enacted the wage and hour legislation, Congress placed in the law an exemption applying not only to agricultural labor but in addition exempted the operations and processes involved in preparing for marketing and handling of agricultural commodities. This exemption is in section 3 of the act of 1938, as amended, and came to be known as the area of production clause.

However, despite the clear intent of Congress, the Secretary of Labor, through the definition of "area of production" has virtually nullified this exemption. So well have they drawn their definition that only 14 percent of the cotton gins in the Nation are exempt under this bureaucratic decree, and only 4 percent of the cotton compresses are eliminated from the provisions of the minimum wage and maximum hours law. Under the present departmental definition, and it will be remembered that earlier definitions issued by the Secretary have been condemned and nullified by the Federal courts, a cotton gin in a rural county in Arkansas is not considered as being in the area where cotton is raised if, first, more than 5 percent of the cotton received at the gin in any month was transported more than 10 miles from the farm, or, second, if the cotton gin is within 1 mile of a village having a population in excess of 2,500, or is within 3 miles of a city having a population of 50,000.

Another example to indicate the extent to which this definition has nullified the intent of Congress to exempt operations and processes involved in handling and preparing for market of agricultural commodities is the fact that cotton warehouses in the Cotton Belt which handle 94 percent of the cotton crop are not considered by the Department as being in the area where cotton is grown.

Only last year the Supreme Court denied a contention that poultry is not an agricultural commodity and, therefore, dressing and preparing poultry for market is not to be considered under this exemption.

Nor does the Department of Labor take into consideration new processes and techniques in preparing food for market. Canning of fruit and vegetables is exempt but the freezing of food is not. Today, great savings to the consumer have been effected by packing some vegetables in the field and hauling them to the packing sheds for precooling prior to shipment. But, this new technique is penalized by the Department, which has ruled that since the packing is done in the field the cooling operation is no longer exempt.

The following information, taken from official Government sources, shows graphically what has been happening to our farmers' income because of these increasing labor costs and processing charges:

[In billions of dollars]

Year	Gross farm income	Production expense	Labor cost of distributing products	Net farm income
1947	34.0	16.8	10.8	17.2
1948	34.6	18.6	11.8	15.9
1949	31.6	17.9	12.4	13.7
1950	32.1	19.2	13.0	12.9
1951	37.1	22.3	14.2	14.8
1952	36.7	22.5	15.1	14.3
1953	35.1	21.2	16.0	13.9
1954	33.5	21.4	16.5	12.0
1955	32.9	21.6	17.2	11.3
1956	34.0	22.1	(1)	11.8

[1] Not available.

It is apparent that action must be taken to eliminate the Department of Labor's authority to restrict and nullify the intent of Congress. In the Senate S. 1418 has been introduced by Senator STENNIS, of Mississippi. This bill will reemphasize the intent of Congress by defining the meaning of "agriculture," "first processing," and "area of production." Senator STENNIS would define the area of production to be "all of each county in which such commodity is produced in commercial quantities, except that it shall not include the corporate limits of a city or municipality having a population in excess of 250,000 as reported in the 1950 census."

In the interest of protecting the farmer's net income as well as assisting the American consuming public, this legislation should be adopted.

Reserve Officers' Retirement Pay

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. MULTER. Mr. Speaker, there is a real need for enactment of the Spark-

man-Jackson-Huddleston bill (S. 1085 and H. R. 689) which would specifically include Reserve officers for retirement pay under the Pay Readjustment Act of 1942.

The latter bill referred to "any officer" who served in World War I as well as World War II and "is eligible for retirement." The current interpretation of the term "officer" to signify only Regular Army officers is unreasonable and unjust.

As an example of what type officer is being excluded by this discrimination against Reserve officers, I cite the case of an officer friend of mine. This officer has 43 years' creditable service for pay purposes. He served actively from 1912 to 1915 on the Mexican border, from 1917 to 1919 with the AEF in World War I, from 1942 to 1945 in World War II, and from 1952 to 1955 during the Korean crises. During all inbetween periods he was active in the Reserve Corps. He received the Legion of Merit in World War II. He was considered "essential" when recalled in 1952. At that time, at the age of 54, he gave up an excellent position as a top executive. He came back at age 57 to start, in effect, a new career. This type of uprooting and consequential readjustment to civilian life is a type of sacrifice unique to the Reserve officer in the Army.

Those officers, who maintained Active Reserve status between World Wars I and II, worked against odds to do so, and without compensation.

In interpreting the Pay Readjustment Act of 1942, officers who were cadets at West Point during World War I, have just been ruled eligible on the basis that "any service" qualifies them, yet the term "any officer" is not interpreted to mean any officer other than Regulars.

I urge the enactment of the Sparkman-Jackson-Huddleston bill so that the inequitable situation, whereby the Reserve officer is excluded from the officer class, will be remedied.

Post Office Department Appropriation

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. McGREGOR. Mr. Speaker, it is to be regretted that the chairman of the Appropriations Committee and possibly one or two more are playing politics with the Post Office Department's recommendations. I am sure the public will know of his actions and his refusal to give consideration to the request of the Postmaster General that an emergency exists.

I am reliably advised that the Postmaster General notified the proper department many months ago of the situation in which we now find ourselves. It is ridiculous, in my opinion, for the Congress to pass laws reclassifying and increasing expenditures of the Post Office Department and then to refuse to give the money to pay for those increases.

I sat in on a meeting a few days ago, Mr. Speaker, and our Postmaster General Summerfield had questions fired at him for over an hour. I might add that many of the questions did not come from so-called friends. The Postmaster General clearly demonstrated that he is a victim of politics, that just a few members of the New Deal and Democratic Party were trying to embarrass not only him but the Eisenhower administration as well.

Being granted permission to extend my remarks, I am including the following information given by the Postmaster General that I believe will be of interest:

How much does the Post Office Department spend in a year?

About $3,250,000,000.

Seventy-eight and four-tenths percent for postal employees' salaries and fringe benefits set by Congress.

Fifteen and one-half percent for transportation of mail set by Government agencies.

One and eight-tenths percent for rents, utilities, and communication set by FCC.

Only 4.3 percent left for controllable items over which the Department really exercises any control.

Use money to print stamps, buy trucks, pens for 38,000 post offices, and hundreds of other items needed to operate post offices.

Why does the Post Office Department need $47 million now?

To give accustomed service for the next 90 days.

None of this money to pay past bills.

Three reasons why it is costing more to give the American people the mail service they deserve, expect, and pay for:

1. More mail than estimated by about a billion pieces. And this increased volume of mail doesn't provide funds to operate the Post Office Department, since all revenues go directly to the Treasury Department.
2. Increased mail service to 1.3 million new homes.
3. Higher wages to employees by law.

All three of these reasons beyond control of the Department.

If the Post Office Department doesn't get the $47 million, what can it do?

Required by law to live within the money Congress appropriates.

If Congress doesn't vote more money, must curtail mail service starting next Saturday, April 13.

Orders to do so already in hands of postmasters.

1. No Saturday mail deliveries.
2. Close post offices on Saturdays.
3. Less delivery service in business areas.
4. Close post offices earlier on weekdays.
5. Embargo third-class mail on April 29.
6. Stop the sale of money orders on April 29.

Obviously these drastic actions seriously hurt the economy of the Nation.

Has the Post Office Department ever asked for more money before?

Yes; but only once in past 4 years.

In 1956 needed and got $166 million more, of which $150 million was for pay increases under Public Law 68, effective March 1, 1955; the remaining $16 million is the only supplemental appropriation the Department has received in 4 years for additional operating expenses.

However, in 2 other years spent less:

In 1954 turned back $105 million.

In 1955 turned back almost $50 million.

Are you cutting costs in the Post Office Department?

Yes. Now carrying 20 percent more mail with fewer employees than 6 years ago.

How many postal employees are there?

1952	523,757
1955	511,613
1956	508,587

How is mail volume increasing?

Pieces

	Billion
1952	49.9
1956	56.4
1957 (estimated)	58.8
1958 (estimated)	59.7

Is the Post Office Department satisfied with mail service today?

Of course not.

Better than it was but still not good enough.

What is the Post Office Department doing to improve service?

Spending over $4 million this year alone on research.

Set up first Office of Research and Engineering in history.

Working with nine engineering firms and Bureau of Standards.

Developing mechanical and electronic devices to speed mail through post offices.

Over 1,500 obsolete post offices replaced in past 4 years with new ones built by private capital.

Objective: Next day delivery of mail anywhere in the United States.

Governments South of the Border, Free and Otherwise

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD in connection with Pan American Day, I am bringing the following list to the attention of my colleagues. It separates the practicing democracies and blatant dictatorships, with a third category consisting of countries striving to adopt democratic procedures but who for various reasons do not qualify as democracies at this time:

TYPES OF GOVERNMENTS IN LATIN AMERICA, MARCH 1957

I. DEMOCRACIES

1. Brazil.
2. Bolivia.
3. Chile.
4. Costa Rica.
5. Ecuador.
6. El Salvador.
7. Mexico.
8. Panama.
9. Peru.
10. Uruguay.

II. DICTATORSHIPS

1. Colombia (Rojas Pinilla).
2. Cuba (Batista).
3. Dominican Republic (Trujillo).
4. Nicaragua (Somoza).
5. Paraguay (Stroessner).
6. Venezuela (Perez Jimenez).

III. GOVERNMENTS FALLING BETWEEN THE EXTREMES OF POPULAR FREEDOM AND DICTATORIAL GOVERNMENT CONTROL

1. Argentina: Revolutionary government of General Aramburu has problem of recovery after 10 years of Perón dictatorship. Elections are promised for 1957.

2. Guatemala: Government of Castillo Armas which replaced Communist-infiltrated government [duly elected] of Arbenz has aroused criticism of even friends by repressive measures.

3. Haiti: President Magliore forced to resign in December after outburst of public discontent. Provisional government has scheduled elections tentatively for April.

4. Honduras: In October 1956 a liberal military junta seized power from an unpopular de facto government. The junta is committed to free elections and an eventual return to constitutional government. At present junta enjoys widespread popular support.

CBS Action Makes Case for FCC Network Control

EXTENSION OF REMARKS
OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. BYRD. Mr. Speaker, I wish to direct the attention of our colleagues to the proposed action by Columbia Broadcasting System to discontinue its television affiliation with Charleston, W. Va.'s station WCHS–TV, the only operating television station in the capital city of my State. Columbia Broadcasting System has announced it will transfer its network affiliation to station WHTN–TV in Huntington, W. Va., which has just been purchased by the Cowles interests, "a big-business operation in the Midwest." The unfairness of such action is clearly evident in the following letter which I have forwarded to the president of CBS. The public interest may also be involved if the contemplated transfer is effected. The following editorial from the April 10, 1957, issue of the Charleston Gazette clearly points up the issue. The letter and editorial follow:

APRIL 10, 1957.

Dr. FRANK STANTON,
President, Columbia Broadcasting System, Inc., New York, N. Y.

DEAR DR. STANTON: It has come to my attention that the Columbia Broadcasting System contemplates discontinuing its affiliation with Charleston, W. Va.'s only operating television station, WCHS–TV, and transferring its affiliation to WHTN–TV in Huntington. I understand that WCHS–TV has already been notified that its affiliation will be terminated on July 1, 1958, the expiration date of its contract with CBS.

I am quite familiar with the service being given by station WCHS–TV in Charleston, our State capital, which is the focal point for both State and Federal governmental activities in West Virginia. The Columbia Broadcasting System in having been affiliated with station WCHS–TV, has enjoyed the confidence and profound respect of the citizens of the area. The present facilities accommodate a very broad listening audience, and our capital and its people have been greatly benefited by the very adequate and complete services that have been rendered. In my opinion, no station could possibly provide better service than that being rendered to the public in the Charleston and immediately adjacent areas by station WCHS–TV. The transferral of network facilities from Charleston to a new station would deprive a rapidly growing industrial area of the kind of service it has been receiving and which it so rightly deserves. Unexcelled news service, national, State, and local, has been provided in the field of both radio and television by WCHS–TV, and Charleston has come to accept it as one of the indispensable factors in the progress and development which have caused the Kanawha Valley to be so often spoken of as the "magic valley."

If the plan that has been announced by CBS is carried forth to completion, I have no doubt that the citizens of all of West Virginia will be justified in feeling that Charleston's local station has been exploited to satisfy big business and absentee ownership. It would be said indeed if this should be the situation, because it is in just such situations that Government control, so often and so vociferously deplored in this day and age, is invited.

Charleston's station WCHS–TV is about to complete the construction of a new high tower erected at a cost of over $300,000. The location and the construction of the tower were approved by the engineering department of Columbia Broadcasting System. It would seem to me that CBS would be morally obligated to continue its affiliation with the Charleston station, now that WCHS–TV has gone to the trouble and expense of building the new tower. Transmittal of pictures via the new tower is expected to begin on May 1. The station constructed the tower in good faith in order to improve and expand its coverage. Instead of waiting until the station could have an opportunity to prove the performance of the new tower, CBS has arbitrarily announced that it will transfer network facilities to the Huntington area as soon as the present contract runs its course.

Dr. Stanton, I cannot help but be greatly disturbed about the action contemplated. I represent the congressional district in which Charleston is located. Mine is the greatest coal-producing district in the United States, and in the Kanawha Valley you will find one of the largest concentrations of chemical plants in the Western Hemisphere. It seems little short of ridiculous that the city in which is located the seat of State government, situated in such a large industrial and heavily populated area, is about to be deprived of its CBS outlet. I realize that the matter is one over which I have no direct supervision or control, but as Representative of an area which will be most vitally and injuriously affected, I cannot, in good conscience, avoid protesting the action being proposed. I am advised that the owners of television sets will be put to additional expense for purchase of new antennas, and I should think that CBS would be most reluctant to cause this additional burden to be placed upon the public. Moreover, the public has a natural, and, indeed, vested interest in retaining the outlet in Charleston, and I am at a loss to understand why the facilities should be moved to another community which already possesses the outlet of another leading network, namely, NBC.

I trust, Dr. Stanton, that the proposed action, although already announced, will not be consummated. Local ownership has been recognized by the Federal Government as being the type of ownership which renders the most complete public service to the people. The people of West Virginia too long have suffered from out-of-State ownership of many of the industrial enterprises, and we look jealously and with askance upon the decision by CBS to weld another shackle and place another millstone around the neck of local ownership as is being done in this instance. I sincerely hope that reason and justice will prevail and that the Columbia Broadcasting System will not terminate its affiliation with WCHS–TV.

Sincerely yours,

ROBERT C. BYRD,
Member of Congress.

CBS ACTION MAKES CASE FOR FCC NETWORK CONTROL

The decision of the Columbia Broadcasting System to switch its television affiliation from WCHS, Charleston, to WHTN, Huntington, raises two rather astounding points:

1. That an organization of the supposed business sense of CBS would make such a decision in the first place; and

2. That the Federal Communications Commission, which has the power to regulate individual television stations down to the finest detail, has no control whatsoever over the giant networks.

On point 1, except for a business obligation to do the best possible job for its stockholders and what some may hold to be an obligation to the viewing public, we suppose the CBS decisions in such matters are its own business.

But on point 2, it seems to be astonishingly inconsistent that Congress would give the FCC control over individual stations, which would be in the relative category of small business and give an absolute free hand to the networks, which are big business with the power to make or break an individual station.

And nothing does more to emphasize this inequity than the case at hand, which we consider to be an unfair, arbitrary, and unreasonable action on the part of CBS to give one television station a great advantage at the expense of another.

It can hardly be denied that network affiliation is a big factor in the value of a local station. Thus, looking at it in the cold light of cash value, the CBS decision will be highly beneficial to WHTN and somewhat detrimental to WCHS just as it would have had a similar effect on the stations concerned if NBC had decided to switch from WSAZ to WHTN.

Therefore, it seems rather significant that the CBS decision came shortly after WHTN, admittedly a weak third station in the Charleston-Huntington area, was purchased by the Cowles interests, a big business operation in the Midwest.

Is this a case of CBS, which is big business itself bowing to the demands of big business in the ownership of individual television stations?

And, with this switch in network affiliation, what happens to the value of the stock of WHTN, which certainly must have been acquired by Cowles at a modest price?

The only reasons made public by CBS for its decision were that it wanted to be in a more competitive position with NBC's Huntington outlet, WSAZ, and that Cowles had done an outstanding job of management in other cities.

But CBS prefers to ignore the advances made by WCHS after its main competition had a 5-year advantage in getting on the air, and the effort and expense to which it has gone to improve the CBS competitive position.

The thing that makes the CBS action so unfair, and casts suspicions upon the motives involved, is that the decision was made just before WCHS is to put in use its new transmitting tower which it is building at a cost of $300,000 to improve its competitive position.

Both WCHS and WHTN are in the process of building new towers. Therefore, if CBS had any interest in being fair in its consideration of affiliates, we contend that it would have waited until it could have had a firsthand comparison of the two stations on their performance with their new transmitters.

Instead, CBS arbitrarily announces its decision to kick its old friend, WCHS, off to the side and embrace an untried but wealthy newcomer.

Such an action certainly causes suspicions and raises questions that should be subject to review by the Federal Communications Commission.

In the public interest, Congress should do something to prevent this dog-eat-dog principle of permitting the big to swallow up the small.

Middle East Development Authority

EXTENSION OF REMARKS
OF

HON. GEORGE S. McGOVERN

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 15, 1957

Mr. McGOVERN. Mr. Speaker, one of the clearest and best-informed voices in the field of American foreign policy today is that of Minnesota's great Senator, HUBERT H. HUMPHREY. Always a forceful and articulate spokesman, Senator HUMPHREY is also a keen student of foreign relations. As a member of the Senate Foreign Relations Committee, he has frequently offered incisive criticism and constructive suggestions in such a manner as to place all those who believe in peace in his debt. Knowing of his special interest in the crucial area of the Middle East, I have asked unanimous consent that an address which he delivered in New York City on April 10 be included in the RECORD.

The address follows:

ADDRESS BY SENATOR HUBERT H. HUMPHREY ON THE MIDDLE EAST DEVELOPMENT AUTHORITY (MEDA)

Tonight I want to explore with you some further thoughts on a subject I first broached here in New York on December 20 in a speech I made at the Overseas Press Club. At that time I said:

"It might be useful * * * to consider establishing, under United Nations auspices, a Middle East Development Authority. Most of the economic, as well as the other, problems of the area are international in their scope. Most of them also require outside assistance, either in the form of capital, of technical aid, or of good offices. Why not, then, have an international agency to deal with them? The kind of Middle East Development Authority that I have in mind would have on its board of directors representatives of all the states of the area, as well as representatives of the states furnishing capital and technical assistance. Ample provision could be made to protect national sovereignties."

In the past few months since I made that suggestion, I have been spending a good deal of time thinking about the proposal in more detail. Among the various proposals which others have made and which are entirely consistent with my own suggestion, is one in particular which I should like to bring to your attention. It originated in the London Economist last August 4, at the start of the Suez crisis. The Economist called for "a permanent international zone to consist of the Gaza Strip, plus a narrow strip of Egyptian Sinai running all down the frontier to the Gulf of Aqaba south of Israel's Red Sea outlet at Eilat, plus the Island of Tiran at the mouth of the gulf." The Economist proposed that "this area should be available for the passage of oil pipelines, air, and land traffic—in fact, all international communications agreeable to the United Nations."

I believe that this proposal should be given more consideration. Even on its own merits, such a strip would form a buffer zone making it possible for both Egypt and Israel to reduce their military expenditures. Unlike most international transfers of land, it would displace no settled nationals of any country. Operating in conjunction with a Middle East Development Authority, the project could indeed provide new employment to many of the 200,000 Arab refugees in the Gaza Strip.

Of course, there is the possibility—perhaps the probability—that intense negotiations would have to take place before both Egypt and Israel would accept this proposal. We need to be bold. But there are advantages in it for both. As one bargaining point in negotiations, I would even be willing to consider the possibility which has up to now been unacceptable to the Israelis: namely, the possibility of an internationally administered and guaranteed corridor across the Negev which would provide land communications between Egypt and Jordan. Such a corridor could in turn be used as a quid pro quo both for an additional international corridor across the Sinai Peninsula and for Arab guaranties of free Israeli passage through the Straits of Tiran and the Suez Canal.

Whether or not some modification of this plan for the internationalization of territory can be worked out, the parallel proposal of a Middle East Development Authority still seems to me to be a significant and hopeful one. We should give it the highest priority in a dramatic effort to break the accumulated logjam of frustration and bitterness in the Middle East.

Nowhere on earth can a better case be made than in the Middle East for a regional approach to the basic necessity for economic development. Most if not all of the vexing, complicated tensions of the area are involved with, and partly dependent upon, present economic conditions and future economic prospects in the area.

A Middle East Development Authority (MEDA), representing all the states in the region as well as of other states furnishing capital and technical assistance, could be a decisive new element in the whole situation. It seems to me that such an authority could be the catalytic agent which is now so desperately needed to precipitate solutions for a host of other Middle East problems.

As I now see it, MEDA itself would be a kind of hybrid between the World Bank and the TVA. It could undertake projects itself. It could lend money to either private or public agencies. It could participate in equity financing, in the manner of the International Finance Corporation. It could actively manage projects. It could carry on scientific research (in such matters as soil fertility, geological surveys, etc.). It could make basic engineering surveys and contribute to the drawing up of overall regional development plans. Furthermore, it could carry on long-term technical assistance—directed and staffed by the people of the area—for the people of the area.

The advantages of such an authority are really exciting. Just to consider a few of the possibilities:

1. MEDA could divert the attention of Arab leaders from military adventures to internal economic development. Turning Arab energies into constructive channels would eventually lead to institutional and social changes, such as the growth of a middle class, which would have a beneficial energizing and yet stabilizing influence.

2. MEDA could provide a means of channeling Arab oil revenue into productive uses which would benefit the entire area, thus utilizing part of the presently existing hard-money resources of the Middle East for the financing of regional development.

3. MEDA could be an international entity with which the states of the area could carry on bilateral negotiations and bilateral economic agreements. At present, it would be fanciful to expect Israel and Egypt to agree with each other. But it would perhaps not be so fanciful to expect them to agree separately with someone else.

4. MEDA could ultimately provide a solution to the whole Palestine-Arab refugee problem. This problem is supposed to be dealt with by the U. N. Relief and Works Agency, but UNRWA's activities have been limited almost solely to relief. The only long-term solution for the refugees is basic economic development for the area as a whole—the kind of development which will make it possible for the area to support more people at a higher standard of living.

5. MEDA might provide the political and economic formula for the acceptance of the Jordan River plan. MEDA itself could manage the project. This would also have advantages because an international agency would be less suspect of giving one side or the other more or less than its fair share of irrigation water or of power.

6. MEDA could give technical assistance and supervised farm credit to farmers settling on new lands coming into production from the development of the Jordan, the Litani, the Euphrates, or the Nile.

I appreciate the fact that there would be very serious practical problems as to how MEDA could be established and financed. In the present circumstances in the area, these problems may prove insuperable. For this reason, it is probably wise not to attempt to outline MEDA's charter and functions in precise detail, but to leave plenty of room for negotiation and compromise as developments indicate. Great care must be taken not to give MEDA the appearance of a supranational authority which would impinge upon the sovereignties of the states of the area. All chances of Egyptian participation, especially, would be lost if MEDA were put forward as an international agency to operate the Suez Canal.

To meet these objections, ample provisions for the protection of national sovereignties would have to be written into MEDA's charter. Further protection would be offered by the fact that all participating states would be represented on MEDA's Board of Directors.

Care would also have to be taken that MEDA did not become an instrument for furthering the Arab economic boycott of Israel. At the same time, the project would probably fail if the Arabs viewed it as an instrument designed especially for breaking their boycott. The avoidance of both of these pitfalls will require a fine degree of diplomatic tightrope walking, and determination to come to grips with the problems.

It is important to recognize that progress toward political stability and economic development in the Middle East can only be made slowly, one step at a time. It is impractical to try to work out an overall political settlement and economic development plan in a single package. It is imperative, however, that some kind of a start be made. Once this is done, the economic and social consequences will themselves generate a kind of momentum that will lead to further progress. For example, one cannot realistically expect the establishment of full trade relations between Israel and the Arab States in one step. But one can, perhaps, expect some kind of an arrangement, with MEDA or a similar agency acting as an intermediary, whereby joint water-use rights, for example, can be established. And one can also expect one thing to lead to another. Economic contact has a way of stimulating further activity.

In all of this, it is of the greatest importance that economics and politics be sharply separated. Economic development and political stability are, of course, closely related, and it is a close question as to which comes first. But one of the difficulties with the American foreign economic assistance program has been that it has been too much concerned with political conditions and too little concerned with economic conditions. The result, in many cases, is that the program has been counterproductive politically and a failure economically.

If there is a new international agency for economic development in the Middle East, or if the United States continues its own bilateral programs, the problem should be approached on an economic basis. The charter of the international agency should forbid the use of political considerations, and the

United States should renounce such use. On the other hand, the most rigid economic criteria should be established and adhered to.

What we have got to get across to everybody concerned in the Middle East is that it is in their own interests to turn their attention from intraregional feuding to intraregional development. This is true of both Israel and the Arab States. Israel has a per capita gross national product approximately twice that of Lebanon, the richest Arab state, and approximately 4 or 5 times that of most of the other Arab states. Just as it is unhealthy, and indeed dangerous, for the United States to live as an island of wealth in a sea of poverty, so is it unhealthy and even more dangerous for Israel to do so.

This is not to suggest an Israeli aid program for the Arab States. But it is to suggest that Israel has responsibilities toward the Arabs, particularly in terms of compensating the Arab refugees and providing for at least token resettlement in Israel.

The Arab States likewise have responsibilities toward Israel, the most important of which is to recognize Israel's right to independent existence and peace.

The Arabs frequently complain about the disparity in American aid to Israel as compared to the Arab States. What is frequently overlooked is that American aid has been better used and has been more effective in Israel than in almost any other country of the Afro-Asian region. The economic transformation which Israel underwent between 1952 and 1955 is as dramatic as that which occurred in Western Europe under the stimulus of the Marshall plan—yes; even more so.

The plain economic truth is that comparable amounts of aid poured into the Arab States would have produced by no means comparable results. In Israel, the aid program was dealing with a skilled, literate population with workable social and political institutions which are a prerequisite to economic development. These same conditions do not exist in the Arab States. This is not a reason for withholding aid to Arab States; but it is an additional reason for undertaking, multilaterally, and on a regional basis, fundamental development projects in the Arab States. The need is great—the possibilities challenging.

Total United States aid to Israel and the Arab States has amounted to more than $600 million. Except in Israel, it has not been particularly effective. The total that can be usefully expended over the next 10 years will almost certainly be no more than $600 million—let's say $1 billion at the most. If a regional development agency like MEDA could be created and given a capital of approximately this amount, the United States would be called upon to contribute only a portion of the total. In addition, the chances of successful economic development would be considerably improved.

UNITED STATES-ISRAEL ECONOMIC RELATIONS

What I have just said about the importance of Israel as a symbol for economic development in the whole Middle East area only further serves to emphasize the importance of close, continued United States-Israel economic relations. Your own Chamber is dedicated to the promotion of these relations, through the publication of your News Bulletin and Monthly Journal; your regular and special meetings of businessmen; your market research; the finding of agents here for Israeli products and in Israel for American products; your advice to investors; your assistance in licensing arrangements, and the many other valuable services you are performing.

I know that your 10-year program aims at sustaining and increasing United States-Israel economic relations and calls for economic activity totalling $1,500,000,000 over the 10 year period since your founding in 1953. I rejoice with you that economic activity between the two countries is increasing, in spite of diminishing official United States economic aid to Israel.

On that subject, let me say a bit more. United States economic aid to Israel reached its peak in fiscal year 1953 ($70 million), and has been decreasing since then. Last year it was $25 million, but was augmented by some $25 million in surplus foodstuffs.

This form of aid promotes United States exports to Israel, usually to an extent larger than the aid amount itself. This help, of great value to Israel, has also helped establish United States leadership in Israel's markets.

I know that you have heard talk of renewing such aid now that Israel's troop withdrawals have occurred. I know that the hundreds of United States business firms trading with Israel, are anxious to know: (a) When will the aid be renewed, and (b) What amount of aid is being considered.

I am glad to say that I have reason to believe that the Israeli aid program will be resumed in the near future. As you know, mutual security aid for fiscal 1957 was planned at about the level of $25 million for Israel. I believe that when the program is resumed, it will be reinstated at about that same level.

You will also remember that a United States Export-Import Bank loan to Israel of $75 million was under negotiation last year, to assist Israel's agricultural development. The grant of the loan would have meant much export business for the United States, no doubt over and above the $75 million loaned.

The Export-Import Bank announced last October 11 that a delegation from the bank would leave for Israel to examine the development program and clear the way for granting the loan. The outbreak of fighting negated this mission.

Since Israel's withdrawal there have been rumors that the negotiations for the loan are being resumed and I can assure you that some of us have been urging, and will continue to urge with all the force at our command, the renewal of these negotiations.

OIL PIPELINES

Many of us have been following closely the developments in the two Israeli pipeline projects now in process, as well as the third which is still in the planning stage.

I appreciate the fact that our Government has not been requested to assist in the financing of any of these projects, but I am afraid the reason is what the Israelis consider to be a predictable disinterest on our part. I should like to see us take an active interest, and offer to help. The oil pipeline situation in Israel at the moment is itself another story of imagination and initiative on the part of those pioneering people.

The first pipeline, a purely domestic project, calls for the construction of an 8-inch pipeline from Eilat—on the Gulf of Aqaba—to the railhead of Beersheba. This line will be capable of carrying about two-thirds of the country's oil needs, or roughly 800,000 metric tons a year. Construction of this pipeline was undertaken from domestic resources, with pipe already in the country and the preliminary technical survey was done by Tahal, the Israel water planning company. To put the line in operation by the target date of April 15, Israel must bring to rapid completion 2 pumping stations with double pumps—one located at Eilat and the other about 100 kilometers north of that port. Israeli press reports indicate one of these stations was completed by the middle of March. The oil will be transported by rail from Beersheba to the Haifa refinery which has an annual capacity of 4 million tons. This pipeline of 240 kilometers will cost about $6.7 million.

In the meantime, another project which is about to commence is for a 16-inch pipeline from Beersheba to the Mediterranean coast—in the neighborhood of Wadi Sukheir (about 30 kilometers south of Tel Aviv) with the oil transported by sea tanker to Haifa. The 16-inch line from Beersheba to Wadi Sukheir will be 60 kilometers in length.

Israel is also seeking financing for a 32-inch pipeline to carry 25 million tons of oil a year from Eilat to a location somewhere along the Mediterranean coast. The pipeline will be 180 or 270 miles long, depending upon the location of its Mediterranean terminal, and may require something in the order of $60 million. According to Israeli reports, surveys of this line have begun, with the help of French engineers. This project would be an international pipeline and is intended as Israel's answer to the Suez problem. Israelis say that they prefer private enterprise financing of this project. At one point, the French Government announced it would finance its construction but this appears to have fallen through. Whether this project can be realized remains to be seen. It, too, may depend on what we do.

Here, as on other issues, it is important to remind ourselves in conclusion that what happens to Israel happens to freedom. America and the entire free world are inextricably involved in the fate of Israel. We must frankly come to recognize that whatever happens to this struggling country happens to the forces of freedom everywhere.

If this outpost of democracy suffers, the free world suffers with her. As a result, far more than the fate of one nation, as vital as that is, is involved in the future of the Middle East.

Israel ought to and does represent and exemplify America's foreign policy objectives. Our goals for a free and peaceful world include development of responsible governments, the correction of ancient social and economic inequalities, the determined use of modern skills and technical skills for economic progress, and the opening of new horizons for the human personality. When we look at the Middle East today, where but in Israel do we find these goals being realized in daily performance? Israel is an exemplification of liberal democracy, in an area needing a beacon of democracy.

We have a vital stake in keeping that beacon glowing.

The Federal Flood Insurance Program

EXTENSION OF REMARKS
OF
HON. FRANK THOMPSON, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Monday, April 15, 1957

Mr. THOMPSON of New Jersey. Mr. Speaker, in recent weeks, I have been endeavoring to determine the reasons for the delay in the issuance of flood insurance policies to those who desire to purchase them. I have found that the delay was caused first by the administrative details which had to be ironed out before rates could be established, policies drafted and claims procedures established.

The administrative work has been completed now and excellent procedures have been developed under which extremely reasonable rates are proposed for policies which you will be able to purchase from your own insurance agent wherever you live. Fire and casualty insurance companies will issue the contracts and collect fees and losses will be handled through independent claims adjustment facilities.

I was delighted to learn of the excellent job which had been done but my spirits were dampened when I learned that the Federal Flood Indemnity Administration has been unable to get the Appropriations Committee to budget the $50 million which will be necessary. Members of the committee tell me that the States have indicated little interest and that the demand for the insurance on the part of individual homeowners is below expectations. The committee apparently has balked because of the campaign for economy and the whole program is in danger of collapse—this is shocking, but true.

The $50 million to which I have referred is not to be spent each year, and is necessary for two principal purposes: First, for subsidy premium payments into the reserve fund, and secondly, for payments to agents, carriers, and loss adjusters for their expenses and services. Obviously, if the Government sells an insurance policy and a loss occurs, the Government has a legal obligation to pay the loss, therefore a reserve fund must be set up. The program will be self-supporting, but, like any private insurance company, the Government must have money to start.

During the 84th Congress I was privileged to participate as a cosponsor with Senator Herbert H. Lehman and others in the first flood-insurance program ever established in the United States.

Senator JOHN F. KENNEDY said, on March 21 on the floor of the Senate, that—

The Nation's first flood-insurance program, in the shaping of which I was privileged to participate, was one of our proudest accomplishments in the last session of Congress. It was intended to fulfill a dire need on the part of homeowners and businessmen in all parts of the country, including New England. It was promptly considered and passed by both Houses of Congress, and swiftly approved by the President, because of the urgent need for such legislation before disaster struck again.

Now, nearly a year later, as New Englanders and others prepare for the consequences of spring and melting snows, what has happened to this program? No protection is available, no insurance can be purchased, no regulations have been published, no final policy forms have been agreed upon. Excessive bureaucratic delay, undue reliance upon a private insurance industry whose attitude has been negative from the beginning, and a diminution of popular interest as the result of restrictions, have all contributed to this administrative failure.

Senator KENNEDY puts his finger on one of the major reasons for the failure of the program to date. He said:

One of those legislative problems—the necessity of obtaining a special appropriation for administrative expenses—would not have occurred had the administration accepted the provision in my original bill for such expenditure to be made from program funds, which come from a Treasury revolving-loan fund. But once the present provision was enacted, the new Federal Flood Indemnity Administration was negligent in failing to submit a budget request in time for inclusion in the urgent deficiency appropriation bill, already passed by the Congress.

I have joined with Senator KENNEDY in sponsoring legislation to amend the present Federal Flood Insurance Act of 1956. My bill, H. R. 6334, was introduced on March 25, 1957.

I include here the text of H. R. 6334, together with a letter I have received from the Commissioner of the Flood Indemnity Administration. I feel both of these items will be of considerable interest to my colleagues:

Be it enacted, etc., That (a) section 4 of the Federal Flood Insurance Act of 1956 is amended by striking out all that follows the colon and inserting in lieu therof the following: "*Provided*, That in the processing of applications for insurance under this act, the Administrator shall give priority to applications from persons who are not then protected against loss due to flood under any insurance provided by the Administrator under this act."

(b) Section 7 (a) of such act is amended by striking out the last sentence thereof.

(c) Section 15 of such act is amended—

(1) by striking out in the first sentence of subsection (b) the following: ", and the contributions made by the Administrator and the respectives States in accordance with section 7 (a) of this act"; and

(2) by striking out the last sentence of subsection (e) and inserting in lieu thereof the following: "Funds may be borrowed under this section at such times as may be deemed necessary by the Administrator, and funds so borrowed shall be deposited, in such proportions as the Administrator deems advisable, in the disaster insurance fund, the disaster reinsurance fund, and the disaster loan fund."

(d) Section 21 of such act is amended by striking out the second sentence thereof.

HOUSING AND HOME FINANCE AGENCY,
FEDERAL FLOOD INDEMNITY ADMINISTRATION,
Washington, D. C., April 11, 1957.

Hon. FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN THOMPSON: This is in answer to the inquiry from your office yesterday about the current status of the Federal flood indemnity program.

On March 12, 1957, the President transmitted to the Speaker of the House proposals for supplemental appropriations for the fiscal year 1957, in which $50 million was requested for the operations of the Federal flood indemnity program. This amount is composed primarily of two items: One for subsidy premium payments into the reserve fund (disaster insurance fund); and the other for payments to agents, insurance carriers and loss adjusters as reimbursement for their expenses and services. You realize, I am sure, that this money can only be used as the business develops. Obviously, if we sell an insurance policy and a loss occurs, the Government has a legal obligation to adjust the loss and an adjuster must be paid. The same is true for agents who sell the policy and carriers who issue it in our behalf and perform accounting and statistical services. Until money is appropriated by the Congress for this purpose, we cannot legally incur these obligations.

The request is now before the Subcommittee on Independent Offices of the House Committee on Appropriations. Since the Federal Flood Insurance Act requires that all administrative costs, including payments to the insurance industry for selling and servicing this insurance, must be paid from appropriated funds, the date that we can offer this insurance to the American public is directly related to the action of the Congress. When Congress appropriates these funds, we can shortly thereafter commence issuing insurance policies.

By way of background, you will recall that the 84th Congress enacted the Federal Flood Insurance Act of 1956 on the closing day of the session and it was signed into law by President Eisenhower on August 7, 1956.

Acting under the authority of this act, Administrator Albert M. Cole established the Federal Flood Indemnity Administration as a constituent unit of the Housing and Home Finance Agency on September 28, 1956. On the same date, I was appointed Commissioner of FFIA.

Some of the potentially difficult administrative problems of establishing a new program lent themselves to prompt solutions. Acting under the authority of the act to utilize the private insurance industry to the maximum practicable extent, we have been able to lay out a marketing plan that contemplates maximum use of private facilities: Insurance agents and brokers throughout the country will sell Federal flood-indemnity contracts; fire and casualty insurance companies will issue the contracts and collect fees; and losses will be handled by independent claim-adjustment facilities. The marketing arrangements we have made will enable persons or corporate bodies to purchase flood-indemnity contracts in their own communities from the same agents or brokers who sell fire and casualty insurance.

We have been successful in negotiating with the insurance companies to have their services and facilities made available to us at cost; without profit or allowance for administrative expenses or other expenses normally incident to the operation of their business. These operations will be subject, of course, to our supervision and control.

After months of intensive efforts, we are now completing final drafts of the flood-indemnity contracts, underwriting rules and regulations, loss adjustment procedures and accounting and statistical forms and regulations, as well as completing the rate structure. Net rates (after the application of subsidy) will range for the major classes of our risks from approximately $1 to $2.50 per hundred of insurance on an 80-percent coinsurance basis.

Since you were so closely connected with the legislation which created the flood-indemnity program, you know that flood insurance for fixed-location property has never been generally available to the American people. Because of the high risk and catastrophic nature of floods, private companies have declined to offer this form of insurance.

This meant that we were charged with the responsibility for writing flood insurance without any prior flood-insurance experience to draw upon for ratemaking and underwriting. However, we had to comply with provisions of the act which specified that rates shall be established which would produce sufficient proceeds to pay all claims for probable losses over a reasonable period of years, shall be based on consideration of the risks involved, and that the fees to be charged the purchasers of indemnity contracts shall be designed to achieve marketability.

We attacked the rate problem by calling on the services of two groups of specialists. One was a committee of highly competent rate experts from the insurance industry. The other was an interagency committee of the Federal Government, including engineers and hydrologists from the Weather Bureau, the United States Geological Survey, and the Corps of Engineers.

Each committee, working separately, came up with a different rating system. The industry suggested rates which would be applicable nationally. These rates would take into consideration, among other things, (1) the location of the property, whether over water (such as piers, wharves, and similar facilities) or not; (2) whether insurance covered only the building or the building and its contents; (3) the location of the contents within the building; (4) whether or not the insured desired to take advantage of coinsurance or contribution provisions; and (5) dollar and percentage deductibles.

The Government group suggested rates based on hydrological data and the mathematical probability of floods. This system

would establish rates on the basis of location alone, that is, elevation and distance from the exposure, and upon the probability of a flood of a certain discharge at that site. These data, it was proposed, were to be used to develop contour maps which would indicate flood frequency, magnitude and intensity, and thus an average risk for property within prescribed zones shown on the map. This method is time consuming and expensive and not practicable for immediate use.

We have given both these systems exhaustive study and have arrived at a method which we feel combines the best features of each. We propose to adopt the general approach suggested by the insurance industry, but have modified it by considerations of flood frequency and damage in different areas.

By using the best data available, we have established a separate set of rates for each major river basin in the United States and for the more highly exposed areas along the Atlantic and Gulf coasts. We feel that the rates as now established meet the requirements of the act, including marketability.

I share with you and your constituents the concern over the need for protection against future flood losses, and I assure you that we are making every effort to offer flood insurance as soon as possible after the appropriated funds become available.

I trust that this answers your inquiry. If you have need for any further information, please do not hesitate to contact me again.

Sincerely yours,

FRANK J. MEISTRELL,
Commissioner, Flood Indemnity Administration.

Asian Assembly for Moral Rearmament

EXTENSION OF REMARKS
OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, April 15, 1957

Mr. WILEY. Mr. President, there has just been completed in the Philippines an Asian Assembly for Moral Re-Armament attended by representative leaders from 27 nations. This assembly was welcomed to his country by the late President Magsaysay, and was attended by his successor, President Garcia, with members of his Cabinet.

We in Washington would be wise to take note of what has been done and said at this gathering. The reconciliation of bitterness between races and nations, the demonstration of moral and spiritual power in men who can decide policy, the implications for the United States of this new understanding among the free nations of Asia—these are all matters of the highest significance.

Freedom has its ideology. Absolute moral standards give it firmness. The spirit of God gives it life.

If we in America live that ideology we shall find a response in Asia that money cannot buy. It could be the turning point.

The signs of response to these deeper realities at this assembly are a source of hope for us all—and a challenge to us to examine our policy and our practice in light of these truths.

Mr. President, I ask that a statement I have prepared on this subject be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ASIAN ASSEMBLY FOR MORAL REARMAMENT—STATESMEN UNITE AT MRA ASSEMBLY IN THE PHILIPPINES

President Carlos P. Garcia of the Philippines and Mrs. Garcia, with members of his Cabinet and leaders of the Philippine Congress, traveled by special train to Baguio to welcome delegates from 27 nations to the Asian Assembly for Moral Re-Armament held March 29–April 8. President Garcia said: "I am glad that Moral Re-Armament was born. It is sounding a chord that will find responsive hearts the world over."

The Presidential party included the Acting Secretary of Foreign Affairs, the chairman of the Senate Foreign Relations Committee, the chairman of the Senate Committee on National Defense, as well as other members of the Cabinet and chairmen of congressional committees.

The Manila Times reported that President Garcia went to fulfill a date made by the late President Magsaysay. Speaking of the late President, Senator Roseller Lim said:

"Since his breakfast a year ago with Dr. Frank Buchman, initiator of Moral Re-Armament,* the President said at least three times, 'Ros, we must decide this on the basis of what's right, no matter whose feelings are hurt, even my own.' On that basis many of the President's problems were solved. Five days before his death I told him about this Assembly. He said he would come to Baguio to open the conference, and expressed the particular hope that the three Colwell brothers would be coming."

Senator Emmanuel Pelaez, chairman of the Senate Committee on National Defense in the Philippines, said:

"It is for practical reasons that I want MRA to be a force here. From the standpoint of national security it can be a very practical, realistic bulwark against the infiltration of communism."

ONLY ANSWER A SUPERIOR IDEOLOGY

The former Prime Minister of Nationalist China, Gen. Ho Ying-chin, now chairman of the Military Strategy Advisory Board of Taiwan, summing up the results of the conference, declared that what he and others had "failed to achieve in 10 years of postwar diplomatic effort had been accomplished at this Asian Assembly.

"Although the war ended over 10 years ago, deep bitterness has remained. I see Moral Re-Armament as the ideology which is uniting the Asian nations. Real contributions have been made to the welfare of Asia. Leading Japanese and Koreans have found understanding. We have seen a dream of long standing realized here. Enemies have become reconciled and great hope has been found.

"Today we need a superior ideology to safeguard our national freedom and democracy. Dr. Frank Buchman, from his knowledge of human nature, foresaw this need and has given the world an ideology of change. Twenty years' experience of communism has proved to me that the only answer is a superior ideology. Today there is only one road—that of Moral Re-Armament—along which the whole world can advance to freedom and peace."

Gen. Ho Ying-chin pledged himself to accept gladly any responsibility through Moral Re-Armament to consolidate this new spirit in Asia and the world.

PRIME MINISTER U NU DEFINES BASIS OF ANSWERING IDEOLOGS

The Burmese Prime Minister sent a message to the assembly which was broadcast over the Burmese National Radio: "Dr. Buchman has presented to the world a new ideology above race and class because it seeks to answer the needs of the heart. This ideology seeks to change men, their ideas, their motives, their aims. Its moral standards of honesty, purity, unselfishness, and love form the cream of all religious beliefs."

Prime Minister Nobosuke Kishi of Japan said in a message delivered by Niro Hoshijima: "I look forward to the day when all the peoples of Asia unite in friendship. This desire of mine makes me exceptionally happy to send my greetings to the Asian Conference for Moral Re-Armament. Understanding between nations can hardly be realized by the official phase of diplomacy alone. What appears to me vastly more important is a reawakening to the moral and spiritual values involved."

Dr. Mohammad Hatta, former vice president and cofounder of the Indonesia Republic, sent a message declaring: "If with God's help you can achieve something to alleviate world tension, the whole of mankind will be grateful to you."

R. P. Sunarto, a director of Radio Indonesia, delivered Dr. Hatta's message and told of the widespread response to weekly broadcasts on MRA in Indonesia.

President Ngo Dinh Diem of Vietnam sent a personal representative, Dinh Van Huan, first president of the court of appeals. Mr. Van Huan said: "To remake the world we only need a determined nucleus in every country. I am deeply convinced of the objectives for which you are so effectively striving. An Asian Assembly for Moral Re-Armament should be held at least once a year."

HISTORIC HATREDS HEALED

Niro Hoshijima, cosignatory of the Japanese Peace Treaty and oldest member of the Diet in point of service, said: "Relations between Japan and our nearest neighbor, Korea, are not what they should be. This is primarily the responsibility of the Japanese. Here we have been able to find the road to unity between Korea and Japan. With the spirit of MRA Japan can change and we can find lasting unity with the countries of Asia."

Yoon Sung Soon, chairman of the Foreign Relations Committee of the Korean National Assembly, said: "The real difficulties between Korea and Japan can only be solved through the spirit of Moral Re-Armament. We need to change personally, but it also needs to issue in political, social, economic, and international changes. I have to change and every nation has to change. Just as Korea and Japan have found unity through MRA, so too can every nation."

Senator Shidzue Kato, member of the Foreign Relations Committee of the Japanese Diet, asking forgiveness of the Korean people who suffered under more than 30 years of Japanese occupation, said: "I want to take full responsibility for what my nation did and for this I ask your forgiveness. I return with the determination that it will not just be lip service to an apology but to fight that this spirit becomes the policy of my nation."

Mrs. Park Hyun Sook, former Korean Cabinet Minister whom the Japanese had imprisoned for years and whose husband had been bedridden for more than 18 years as a result of Japanese maltreatment, said: "The unity of Asia can only be achieved when there is reconciliation between Japan and Korea. Through change in my own heart I lost my enmity and I am convinced that only on the basis of MRA can permanent peace be achieved in Asia and the world."

Senator Kato, in describing how the reparations agreement between the Philippines and Japan was ratified, said: "Before I met MRA I was champion in embarrassing the government to get my name before the public. But MRA taught me how to fight on

*On July 1, 1956, President Magsaysay awarded to Dr. Frank Buchman the Order of the Philippines Legion of Honor with Gold Medal.

the basis of what is right. Last June the Diet was considering ratification of our reparations agreement with the Philippines but this was endangered by our party's opposition to the Government and the many conflicts in the Diet. I decided to take full responsibility as a member of the Foreign Relations Committee to fight for ratification, and 3 hours before the Diet session ended the reparations agreement was ratified."

Daw Nyein Tha, distinguished educator from Burma, said: "MRA has the secret of turning enemies into friends." She quoted Dr. Buchman: "'The best defense of your country is the respect and gratitude of your neighbors.'"

Mr. Kichizaemon Sumitomo, head of the Japanese industrial family which before the war employed 500,000 men, said: "I realize that as a capitalist I was also responsible for what happened in the Philippines by providing the material strength for the Japanese militarists. But apology is not enough. We in management must work on a basis of what is right. It is not enough to rely on good will between individuals. We responsible leaders of our nations must commit ourselves to living a moral ideology."

After an apology by Renzo Yanagisawa, chairman of 250,000 Japanese shipyard workers, for what Japan did to the Philippines during the war, Donato Alarcon, vice president of the Philippine Transport Workers Union, said: "At this assembly we are developing the moral ideology where our mistakes of the past can be corrected and Japan and the Philippines can learn to live as members of one family."

Willard Johnson, president of the student body of 12,000 at the University of California at Los Angeles, and Jerry Nelson, another student leader from the same university, told of the unity MRA had brought to their campus. "We were the bitterest political enemies on the campus," said Nelson. "What we had been doing was divisive and selfish. MRA united us. America needs this ideology. It is the only hope of our country." Johnson said: "We Negroes have often attempted to answer racial prejudice with an equal amount of prejudice against the whites. Our real battle is against prejudice and not against the people involved in it. The ideology of moral rearmament can answer racial prejudice because it challenges both black and white to change and build a new world."

WORLD DICTATORSHIP, WORLD DESTRUCTION, OR WORLD RENAISSANCE

Dr. Douglas Cornell of Washington, executive officer of the National Academy of Sciences, said: "MRA is the ideology of freedom needed in the atomic age. I have worked 10 years in the development of weapons and have some knowledge of such facts as the marriage of atomic warheads with guided missiles. The new factor is that the next war would mean total destruction. Consciously or unconsciously everyone of us chooses one of three alternatives—world dictatorship, world destruction, or world renaissance. MRA offers every man the chance to play his full part in the creation of this renaissance."

Dante Calma of the office of the President of the Philippines, said: "As yet it is only in Communist countries that ideology is placed before self-interest. I fear for the future of my country and my children if there is not a change. Moral Re-Armament has proved a turning point in my life and for the first time I have become part of my Catholic faith. The future of this country as well as of Asia is being shaped here at this assembly. We Filipinos must make Moral Re-Armament top priority."

Dean Vincente G. Sinco, dean of the College of Law, University of the Philippines, and chairman of the import-export committee, told the assembly: "I have been overwhelmed by the decisions which men and women have made at this Assembly to take this ideology to Asia and the world. The spirit of greed, falsehood, impurity, and selfishness exists even where there is no communism. With MRA these forces will not become dominant in our nation. Only in this way will we have peace and unity."

Rajaram Shastri, Member of Parliament of India and General Secretary, 1954–55, of the All-India Hind Mazdoor Sabha, central organization of the Socialist trade unions of India with 500,000 members, declared:

"As a Marxist I spent 26 years of my life organizing the Indian working class on a basis of hatred and bitterness. When I saw the division around me I traveled for an answer to Soviet Russia, Red China, and several countries of Europe, but everywhere I found people suffering from the same disease—materialism.

"When I met Moral Re-Armament I realized that for 26 years I had been pointing out the mistakes of others instead of seeing where I need to change myself first. MRA turned a torchlight inward. Through absolute moral standards and the guidance of God lies the way to bring peace and happiness to individuals, families, nations, and the world."

Cornelio Balmaceda, general manager of the Philippine Chamber of Commerce and former Minister of Commerce, who had earlier attended the World Training Center for Moral Re-Armament at Caux, Switzerland, while a delegate to the ECOSOC Conference in Geneva, said: "Ideological controversy plagued the meetings in Geneva. At Caux I saw Communists changing and the force of an idea to unite the world. Most solutions center around material rearmament. MRA is an armament that does not cost nations billions to insure defense. While the masses of Asia are being serenaded by communism, the coming of Moral Re-Armament is very significant and timely."

TRUE BASIS FOR EAST-WEST UNITY

In a cable to Mr. SAM RAYBURN, Speaker of the United States House of Representatives, and Senator THEODORE FRANCIS GREEN, chairman of the Senate Foreign Relations Committee, on the occasion of a private showing for Members of both Houses of the United States Congress of the all-African film, Freedom, delegates at the Asian Assembly said:

"The Asian nations gathered at Baguio in the Philippines respond to your initiative in the presentation of the film, Freedom, to the United States Congress. The Asian premiere of Freedom was seen here this week by delegates from 24 nations attending the Asian Assembly for Moral Re-Armament. This overwhelming film is providential for our nations at this critical time and must reach the millions of Asia now.

"The ideology depicted in the film, Freedom, is the ideology Asia wants. It is the only true basis on which East and West can unite. Where diplomacy has failed to answer our greatest need, Moral Re-Armament is succeeding. It is breaking down barriers of hate and bitterness and creating trust and unity. It is opening up avenues to reparations and concrete accords.

"We are grateful for the three American brothers, the Colwells, who responded to the late President Magsaysay's call that they come to Baguio. They have played a vital part in operating the spirit in which unity is being forged between our nations."

The cable was signed by: Senator Roseller T. Lim, the Philippines; General Ho Ying-chin, chairman, Military Strategy Advisory Board, Formosa; Niro Hoshijima, senior member, Japanese Diet; Senator Shidzue Kato, member, Foreign Relations Committee, Japan; Yoon Sung Soon, chairman, Foreign Relations Committee, Korean National Assembly; R. P. Sunarto, director, Radio Indonesia; Devar Surya Sena, Radio Ceylon; Dato Mahmoud Bin Mat, former speaker, Legislative Council, Malaya; Maung Maung Khin, editor, New Light of Burma; Rajaram Shastri, Member of Parliament, India.

A special showing for members of Congress of the Philippines was held on April 13 and attended by the Speaker of the House of Representatives, the Senate majority leader, chairman of the three Senate committees, and other Congressional leaders. The morning session of the Senate was delayed for an hour to enable members to attend.

SENATE

TUESDAY, APRIL 16, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Father, strong to save, all that we think or plan or do this sacred week has upon it the shadow of a rugged cross. With a surety that pure reason cannot follow, because it passeth understanding, we are conscious that in the face of man's best man, love's best love, as He moves with unshrinking, steady pace to the cross-crowned hill outside the city's walls, is the confirmation of our highest aspirations, the rebuke to our failure to be true to our best, the shining goal of a self uncowed by the threats of foes or compromised by the seduction of friends:

We take, O cross, thy shadow
For our abiding place,
We ask no other sunshine
Than the sunshine of His face;
Content to let the world go by,
To know no gain or loss,
Our sinful selves our only shame,
Our glory all the cross.

In His name, who for the joy that was set before Him endured the cross and despised the shame. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Monday, April 15, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Maria Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 288. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Ching Hsien (Liang) New; and

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

The message also announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 11. Concurrent resolution favoring the suspension of deportation of certain aliens;

S. Con. Res. 12. Concurrent resolution withdrawing suspension of deportation of Carlis Stender;

S. Con. Res. 17. Concurrent resolution favoring the suspension of deportation in the case of certain aliens; and

S. Con. Res. 18. Concurrent resolution withdrawing suspension of deportation of Ashun Yung.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 1045. An act to amend the Soil Conservation and Domestic Allotment Act, as amended;

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes;

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors;

H. R. 3368. An act to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants;

H. R. 4144. An act to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general or major general;

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; and

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H. R. 1045. An act to amend the Soil Conservation and Domestic Allotment Act, as amended; to the Committee on Agriculture and Forestry.

H. R. 1983. An act to provide for the conveyance of the reversionary interest of the United States in certain lands to the Clint Independent School District and the Fabens Independent School District in the State of Texas, or to either of them, and for other purposes; to the Committee on Foreign Relations.

H. R. 3367. An act to amend section 1867 of title 28 of the United States Code to authorize the use of certified mail in summoning jurors; and

H. R. 3368. An act to amend section 1870 of title 28, United States Code, to authorize the district courts to allow additional peremptory challenges in civil cases to multiple plaintiffs as well as multiple defendants; to the Committee on the Judiciary.

H. R. 4144. An act to provide that the commanding general of the militia of the District of Columbia shall hold the rank of brigadier general or major general; and

H. R. 5832. An act to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School; to the Committee on Armed Services.

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

SECOND URGENT DEFICIENCY APPROPRIATIONS, 1957—REPORT OF A COMMITTEE (S. REPT. NO. 234)

Mr. HAYDEN. Mr. President, by direction of the Committee on Appropriations, I report House bill 6870, making appropriations for the fiscal year ending June 30, 1957, and for other purposes, and I submit a report thereon. I ask unanimous consent for the immediate consideration of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, House bill 6870 has been reported to the Senate without change, insofar as the action taken by the House of Representatives on the appropriations for the executive branch is concerned. All the departments and agencies affected by the bill have been consulted, and they are fairly well satisfied with the amounts of appropriations voted by the House of Representatives.

The only amendments which have been made by the Senate committee in the bill provide for certain contingent expenses of the Senate; and the action of the Senate Appropriations Committee in that connection corresponds in principle with the action taken by the House in making available the amount of $290,000 "for 'Special and select committees.'"

The VICE PRESIDENT. The committee amendments will be stated.

The first amendment of the Committee on Appropriations was on page 5, beginning in line 10, after the heading "Legislative Branch," to insert "Senate."

The amendment was agreed to.

The next amendment was on page 5, after line 10, to insert:

SALARIES, OFFICERS AND EMPLOYEES

Office of the Vice President: For an additional amount for clerical assistance to the Vice President, $5,000.

The amendment was agreed to.

The next amendment was, on page 5, after line 13, to insert:

Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the States of Louisiana and Ohio so that the allowance for each Senator from the State of Louisiana will be equal to that allowed Senators from States having a population of over 3 million, the population of said State having exceeded 3 million inhabitants, and so that the allowance for each Senator from the State of Ohio will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $8,000.

The amendment was agreed to.

The next amendment was, at the top of page 6, to insert:

Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the State of Texas so that the allowance for each Senator from said State will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $2,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 8, to insert:

CONTINGENT EXPENSES OF THE SENATE

Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1956, $25,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 12, to insert:

Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $820,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 14, to insert:

Automobile for the President pro tempore: For an additional amount for purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $2,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 18, to insert:

Automobiles for the majority and minority leaders: For an additional amount for purchase, exchange, driving, maintenance, and operation of 2 automobiles, 1 for the majority leader of the Senate, and 1 for the minority leader of the Senate, $4,000.

The amendment was agreed to.

The next amendment was, on page 6, after line 23, to insert:

Joint Committee on Navajo-Hopi Indian Administration: For salaries and expenses of the Joint Committee on Navajo-Hopi Indian Administration, $5,000, to remain available during the existence of the committee.

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 6870) was passed.

Mr. KNOWLAND. Mr. President, I move to reconsider the vote by which

the Senate just passed the second urgent deficiency appropriation bill.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Montana to lay on the table the motion of the Senator from California.

The motion to lay on the table was agreed to.

Mr. GOLDWATER subsequently said: Mr. President, I was absent from the floor, on committee business, when the appropriation bill including the deficiency item for the Post Office Department passed the Senate. I had certainly expected that the bill would receive far more attention than that which was accorded to it this afternoon. I was very hopeful that we would have an opportunity to have a yea-and-nay vote taken on the question of the passage of the measure. If such a vote had been taken, I would have voted against the bill.

I think the statement made on yesterday by the Postmaster General—namely, that $1 million was saved by closing the post offices last Saturday—indicates to the American people that $52 million might be knocked from the budget this year by continuing to close the post offices on Saturday. The country is working on a 5-day week basis. I do not know why it is necessary for mail to be delivered on Saturday. In fact, last Saturday at home was a joy: I did not have to read any local newspapers; I received no bills; I received no letters from anyone telling me what an unusual person I am—in either direction. [Laughter.]

I think the country might welcome a respite from the free mailings which are so numerous, both those from the Congress and those emanating from private sources through the allowances of the law and the regulations of the Post Office Department.

I certainly would have hoped this body would have given more attention than it did to an item of approximately $41 million.

However, inasmuch as the bill has now been passed, and inasmuch as I—because of my absence on committee business—did not have an opportunity to vote on the question of the passage of the bill, I ask unanimous consent that the few words I have had to say on the bill be printed in the RECORD in connection with the passage of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, will the Senator from Arizona yield to me?

Mr. GOLDWATER. I yield.

Mr. MANSFIELD. Am I to understand that the distinguished Senator from Arizona, who is one of the Nation's most outstanding advocates of economy, is not in favor of the position taken by the Postmaster General, Mr. Arthur Summerfield, in respect to this particular matter?

Mr. GOLDWATER. I do not know what his final position is; he has taken several. However, when the Postmaster General said he could save money by not delivering mail on Saturday, I was in complete agreement with him. After the Postmaster General stated that $1 million could be saved by not delivering mail on one Saturday, I do not know what happened to change his mind and to cause him to conclude that it would be necessary that the mail be delivered on Saturday.

Mr. MANSFIELD. Let me say that I was disturbed that, under coercion, the House caved in and voted to give the Postmaster General the amount of money he requested, because certainly he must have been in violation of some law, if the General Accounting Office was correct in its statement that the action of the Postmaster General was in violation of the law. He did not notify the Congress of the fact that he would be faced with a deficit. He notified Congress only at the last minute, and he used coercion and threats; and he seemed to get away with it. I am delighted that the distinguished Senator from Arizona is not in accord with the attitude of the present Postmaster General.

Mr. GOLDWATER. Mr. President, if what the distinguished Senator from Montana says is true—and I have no reason to doubt its truthfulness—I certainly shall have reason to take issue with the Postmaster General.

I say to the Senator from Montana and to all other Senators that all of us are violating a law—one of the immutable laws of economics, namely, that one cannot spend what he does not have. However, today the Government is spending $286 billion of the money of our grandchildren and our great-grandchildren and our great-great-grandchildren, as well as the money of the grandchildren's mothers. I say it is time we put a stop to it, even in the case of those who like to be bothered by having mail delivered on Saturday.

Mr. MANSFIELD. I should like to join the Senator from Arizona; and I wish to state that I hope the agencies downtown will take heed of what the Senator from Arizona has said.

Mr. GOLDWATER. Mr. President, I still have hope.

REQUESTED AUTHORIZATION FOR OUT-OF-TOWN HEARINGS BY JUVENILE DELINQUENCY SUBCOMMITTEE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Juvenile Delinquency Subcommittee be permitted to hold out-of-town hearings during the sessions of the Senate on May 7, 8, and 9, 1957.

Mr. KNOWLAND. Mr. President, I must object to the request that the Senate authorize the subcommittee to hold out-of-town hearings. It is a subcommittee of the Judiciary Committee. We have had difficulty in getting the committee to have a quorum present and to take action on the proposed civil-rights legislation, which now has been pending before that committee for some time.

In view of the fact that the Senate is about to take a recess for the Easter period, unless the subcommittee's out-of-town meetings could be held during that recess week, I must object to out-of-town meetings by any subcommittee of the Judiciary Committee, until the full committee has at least acted on the proposed civil-rights legislation.

The VICE PRESIDENT. Objection is heard.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, since the Senate is meeting today following an adjournment, under the rule, there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistant Secretary of Agriculture, reporting, pursuant to law, that during the month of March there were no significant developments relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

NOTICE OF INTENTION TO INTERCHANGE JURISDICTION OF MILITARY AND NATIONAL FOREST LANDS

A letter from the Secretary of the Army, and Assistant Secretary of Agriculture, transmitting, pursuant to law, a notice of intention of the Department of the Army and the Department of Agriculture to interchange jurisdiction of military and national forest lands (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON RESEARCH AND DEVELOPMENT CONTRACTS

A letter from the Director of Research and Development, Department of the Army, Washington, D. C., transmitting, pursuant to law, a report on research and development contracts, for the period July 1, 1956, through December 31, 1956 (with an accompanying report); to the Committee on Armed Services.

REPORT ON SAN ANGELO PROJECT, TEXAS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, his report and findings on the San Angelo project, Texas (with accompanying papers); to the Committee on Interior and Insular Affairs.

SUPPLEMENT TO CONTRACT WITH PACIFIC GAS & ELECTRIC CO. FOR CERTAIN SERVICES

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a proposed contract entitled "Supplement to Contract With Pacific Gas & Electric Co. for Transmission and Exchange Service," dated March 1, 1957, amended March 4, 1957 (with an accompanying paper); to the Committee on Interior and Insular Affairs.

DEVELOPMENT AND MODERNIZATION OF NATIONAL SYSTEM OF AIR NAVIGATION

A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a draft of proposed legislation

to provide for the development and modernization of the national system of navigation and traffic control facilities to serve present and future needs of civil and military aviation, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

MADAME HENRIETTE BUAILLON AND STANLEY JAMES CARPENTER

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Madame Henriette Buaillon and Stanley James Carpenter (with an accompanying paper); to the Committee on the Judiciary.

REPORT ON CARE AND TREATMENT OF INDIANS

A letter from the Secretary, Department of Health, Education, and Welfare, reporting, pursuant to law, on the care and treatment of Indians, subsequent to June 30, 1957 (with accompanying papers); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Arizona, relating to the appropriation of funds for the construction of a fish-producing and rearing station in Sycamore Canyon, north of Cottonwood, Ariz., and in the area of Bullhead City, Ariz.; to the Committee on Appropriations.

(See joint resolution printed in full when presented by Mr. GOLDWATER on April 15, 1957, p. 5644, CONGRESSIONAL RECORD.)

A resolution of the Senate of the State of Pennsylvania; to the Committee on Finance:

"The increased importation of numerous products that come into competition with the output of factories, farms, and mines of Pennsylvania, replacing the products of Pennsylvania's industries, is a constant menace to the State's continuing economic stability.

"The lower wages paid abroad make it impossible for many of our smaller and medium-sized producers to compete with imports without resorting to ruinous price cutting, which in turn would result either in financial losses or heavy pressure for wage reductions and outright unemployment.

"Our national obligations have reached such extreme proportions that the national income must be maintained at its present unprecedented high level, or close thereto lest we become insolvent.

"Unemployment caused by the imports of residual oil, which represented 3.43 times the average of 45 million barrels imported in 1946, to approximately 154 million barrels in 1956, or the yearly equivalent of 36,640,000 tons of coal; and unemployment caused by imports of crude oil; various types of glass, steel, aluminum, brass, and zinc products; pottery and chinaware; granite, tiles, cement, hardboard, plywood, hardware, plumbing, flat glass and other building supplies; lace, carpets, and all kinds of woolen, cotton, and synthetic fiber manufactured goods; leather and fabric gloves; bicycles; hydraulic turbines; machine tools and other machinery; heavy electrical equipment and other electrical industry products and electronics; watches, clocks, and parts; optical industry products; cutlery; scientific apparatus; pencils and pens; pins, clips, and fasteners; soft fiber; insulation board and manufactured cork products; chemicals; toys; mushrooms; farm, dairy and dried milk products; wallpaper; hats and millinery; printing industry products; ladies' hand bags and leather goods; nails, wire, screws, bolts and nuts, and many other commodities; will render the upholding of the economy at its high levels most uncertain and difficult unless all import trade is placed on a fair competitive basis and the potential injury therefrom thus eliminated.

"Agricultural products, such as wheat, wheat flour, cotton, butter, cheese, and peanuts enjoy the protection of import quotas.

"A maximum of satisfactory trade results from a prosperous domestic economy freed from the threat of a breakdown resulting from unfair import competition: Therefore be it.

"*Resolved (the house of representatives concurring)*, That the General Assembly of the Commonwealth of Pennsylvania memorialize the Congress of the United States to provide adequate safeguards in tariff and trade legislation, including import quotas and an effective prohibition against dumping of imports in the United States; against the destruction or lowering of our American standard of living, the labor standard of our workmen, and the stability of our economy by unfair import competition, and that the existing trade-agreements legislation be amended accordingly; and be it further

"*Resolved*, That copies of this resolution be transmitted to the President of the United States, the Vice President of the United States, the Secretary of State, the Secretary of the Treasury, the Secretary of Commerce, the Secretary of Labor, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the Speaker of the House of Representatives, and each Senator and Representative from Pennsylvania in the Congress of the United States.

"I certify that the foregoing is a true and correct copy of a resolution introduced by Senators Paul L. Wagner, Ernest P. Walker, Arthur E. Kromer, William Z. Scott, Charles R. Mallery, J. Irving Whalley, Harold E. Flack, and John T. Van Sant, and adopted by the Senate of Pennsylvania the 19th day of March 1957, and concurred in by the House of Representatives the 27th day of March 1957.

"A. H. LETZLER,
"Secretary, Senate of Pennsylvania."

A resolution of the Senate of the State of South Dakota; to the Committee on Labor and Public Welfare:

"A resolution memorializing the Congress of the United States to resist the efforts of proponents of centralization of government to invade the field of education and usurp or encroach upon the right and duty of the people in the local communities to provide for and supervise the education of their children

"Whereas the matter of education of the children of this State is now, and always has been of utmost concern to our citizens, both individually and collectively, and they have never hesitated to provide funds through taxation and otherwise in sufficient amount, both locally and statewide, to meet their obligation to provide proper educational facilities; and

"Whereas the differential that existed between construction and/or staffing of education facilities and student population arose through no fault or lack of interest of the people but was caused by wartime stresses and conditions when all peacetime construction and career planning, of necessity, was deferred in order that a maximum war effort could be put forth; and

"Whereas through thoughtful planning and economical and efficient use of available financial resources this State, and the local communities therein, have at this time, for all practical purposes, achieved an equalization between school facilities and school population without sacrificing quality of school plants or personnel, and, further, the office of superintendent of public instruction of this State, in cooperation with local school authorities has instituted an education-planning program so as to provide properly for the future population growth; and

"Whereas in recent years, through the efforts of certain national groups there has developed a strong movement to have the Federal Government step into or invade the education field on the pretext that the State and local authorities are unable to cope with the school problem, whereas the real reason therefor is to remove the whole field of education from the supervision, operation and control of the people of the local communities; and

"Whereas any such movement is objectionable upon several grounds among which are:

"(a) Any Federal program must be regulated which, in turn, calls for creation, establishment and staffing of various boards and bureaus with the usual waste, inefficiency, and consequent dissipation of badly needed tax money, attendant thereon;

"(b) Apart from financial or economic consideration is the even greater danger that such movement could and, eventually, would remove from the observation and control of the people of local communities the teaching methods, philosophy, source material and like matters, thus paving the way for subtle insinuation of the teachings of subversive ideologies into school curricula, and resulting in the possible warping, twisting and poisoning of the impressionable minds of children against our democratic principles and processes; and

"Whereas since the very inception of this program of unwarranted attempted usurpation of these inalienable rights and duties of the people, the State of South Dakota has fought it militantly and unyieldingly, as a result of which the aforesaid national groups have intentionally, knowingly, and unconscionably issued reports containing absolutely false misstatements and discolorations of fact and truth concerning this State's educational facilities and program in an insidious attempt to discredit, embarrass and belittle it and its citizens before the Congress of the United States and the people of this country; and

"Whereas such action upon the part of said national groups strengthens and confirms our suspicions that the tears they shed for the educational welfare of the children of this State and Nation are, truly, 'crocodile' in nature and serve but to camouflage the ulterior socialistic motives they so poorly conceal; and

"Whereas the aforesaid distortions and untruths by said groups concerning the situation in the State of South Dakota lead but to the conclusion that statements concerning the educational facilities and programs in other States are equally erroneous and fallacious; and

"Whereas this State, and the citizens hereof, are now, always have been and always shall be unequivocally, incontrovertibly and unalterably opposed to any Federal invasion, encroachment or infringement of the fundamental right, obligation and duty of the people and their local governmental authority to provide, supervise and control the education of the children of this State or the educational processes concomitant thereon: Now, therefore, be it

"Resolved by the Senate of the State of South Dakota,

"SECTION 1. That the Congress of the United States be and it is hereby memorialized to reject any and all efforts to obtain the passage of legislation by the terms of which, money would be appropriated and made available to the States, through grants-in-aid or otherwise for school building or other purposes, which either indirectly or directly would infringe upon the rights, duties and obligations of local and State governments or authorities to provide, supervise and control the education of the children of this country or the accompanying educational processes.

"SEC. 2. That a copy of this resolution be sent to the following:

"1. The Honorable Dwight D. Eisenhower, President.

"2. Marion B. Folsom, Secretary of Health, Education, and Welfare.

"3. All representatives in the United States Senate and House of Representatives.

"4. The governors of all other States of these United States.

"5. The commissioner on interstate cooperation in each of the other 47 States.

"L. R. HOUCK, *President.*
"NIELS P. JENSEN, *Secretary.*"

A resolution of the House of Representatives of the Commonwealth of Massachusetts; to the Committee on Public Works:

"Resolutions memorializing Congress to appropriate funds for the purpose of increasing the span of the Fore River Bridge in the city of Quincy

"Whereas navigation on Fore River in the city of Quincy and the town of Weymouth has increased both in the number and the size of vessels which must pass over these waters due to the shipyards and other defense and industrial plants which are located in the area; and

"Whereas the present span of the Fore River Bridge over said river is becoming inadequate to allow the free passage of shipping due to said increase in both the number and size of vessels which must pass thereunder; and

"Whereas it is important to both the national defense and the civilian economy and convenience that free and unimpeded access to the shipyards and industrial plants in said area be available for both naval and civilian ships: Therefore be it

"*Resolved*, That the Massachusetts House of Representatives hereby requests the Congress of the United States to enact legislation and appropriate funds authorizing the widening of the span of the Fore River Bridge in the city of Quincy and the town of Weymouth; and be it further

"*Resolved*, That copies of these resolutions be sent by the secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of Congress, and to the Members thereof from this Commonwealth.

"House of representatives, adopted, April 3, 1957.

"LAWRENCE R. GROVE, *Clerk.*

"A true copy, attest:

"EDWARD J. CRONIN,
"Secretary of the Commonwealth."

A joint resolution of the Legislature of the State of Wisconsin; to the Committee on Public Works:

"A joint resolution memorializing Congress regarding the diversion of water from the Great Lakes

"Whereas the city of Chicago and its suburbs attempted, prior to 1900, to dispose of their sewage by digging the Chicago Sanitary Canal across the Continental Divide and diverting water from Lake Michigan to discharge the sewage into the Mississippi watershed; and

"Whereas the United States Supreme Court restrained this diversion in 1930 and required the area to develop other means of sewage disposal, but since then a veritable parade of other reasons for directing water from the Great Lakes have been proposed, including the desire to reduce the salty content of the lower Mississippi by diverting water from Lake Michigan; and

"Whereas the program of the Great Lakes-St. Lawrence Basin is rapidly shaping up into a plan which will enhance the economic life of that area; and

"Whereas the persistent efforts of the advocates of diversion to make inroads into the Great Lakes water supply are disrupting and in fact nullifying any long-range plan for the development of the waterways of the Great Lakes; and

"Whereas the United States Supreme Court has provided an equitable plan for the allocation of the waters of the Great Lakes which is subject to modification whenever the advocates of diversion can provide the necessary data to cause the Court to modify its order of 1930 and 1956: Now, therefore, be it

"*Resolved by the assembly (the senate concurring)*, That Congress be and it hereby is petitioned to refrain from disrupting the longstanding order of the Supreme Court because—

"1. The authorization of increased diversions of waters from the Great Lakes must of necessity affect the development of lake ports and lake shipping adversely;

"2. The issue which involves engineering decisions and international considerations should be made by means of the judicial process; and

"3. The valuable resources contained in the waters of the Great Lakes ought not to be disposed of without the consent of the States abutting thereon; and be it further

"*Resolved*, That five copies of this resolution be submitted to the Secretary of the United States Senate, Clerk of the House of Representatives, and each Member of the Wisconsin delegation in the Congress of the United States, and to appropriate authorities in Minnesota, Illinois, Indiana, Michigan, Ohio, Pennsylvania, New York, Ontario, and Quebec.

"W. P. KNOWLES,
"President of the Senate.
"LAWRENCE R. LARSEN.
"Chief Clerk of the Senate.
"ROBERT G. MAROTZ,
"Speaker of the Assembly.
"ARTHUR L. MAY,
"Chief Clerk of the Assembly."

A joint resolution of the Legislature of the Territory of Alaska; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 18

"To the President of the United States, Congress of the United States, the Secretary of the Interior, the Director of the Bureau of Land Management, and the Delegate to Congress from Alaska:

"Your memorialist, the Legislature of the Territory of Alaska in 23d regular session assembled, respectfully submits:

"Whereas the development of the oil and gas resources of the Territory of Alaska is of vital importance to the development and economy of the Territory and to the national defense of the United States and its Territories and possessions; and

"Whereas most of the known geologic areas favorable to the development of oil and gas reserves in Alaska lie beneath or are bordered by shorelands, tide and submerged lands, and inland waters; and

"Whereas such Alaska lands are now held in trust for the future State of Alaska and under present law and the territorial status of the Territory of Alaska there is no means by which such shorelands, tidal and submerged lands, may be leased for oil and gas drilling and development; and

"Whereas representatives of the oil industry have urged that these underwater lands be made available for leasing so that the further search for oil and gas deposits, and their development, if found, can freely follow the indicated and demonstrated geology and will not be impeded by the arbitrary boundaries between dry land and underwater lands; and

"Whereas it is common knowledge that the existence and extent of oil and gas deposits cannot be positively determined except by the actual drilling of wells; and

"Whereas it is the sense of your memorialist that everything possible should be done to encourage and extend to further areas the search for and development of oil and gas deposits within the Territory and in its tidal and coastal waters; and

"Whereas the 23d session of the Alaska Legislature has passed enabling legislation establishing policies for the administration of any lands acquired by Alaska and has created a department of lands capable of such administration: Now, therefore,

"Your memorialist, the Legislature of the Territory of Alaska, respectfully requests and petitions Congress that Alaska be granted title to its shorelands, tide and submerged lands, and its inland waters, for administration thereunder; or in lieu thereof said lands be removed from their present status and be made available to the Department of the Interior for administration in behalf of the Territory of Alaska.

"And your memorialist will ever pray.

"Passed by the house March 5, 1957.

"RICHARD J. GREUEL,
"Speaker of the House.

"Attest:

"DOLORES D. GOAD,
"Chief Clerk of the House.

"Passed by the senate March 7, 1957.

"VICTOR C. RIVERS,
"President of the Senate.

"Attest:

"KATHARINE T. ALEXANDER,
"Secretary of the Senate."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Labor and Public Welfare:

"Senate Concurrent Resolution 19

"Whereas many veterans have been unable to take advantage of the loan provisions under the Servicemen's Readjustment Act of 1944; and

"Whereas the need for Federal aid to veterans for business and home loans seems likely to continue for the next 3 years; and

"Whereas it appears that the existing tight conditions for private financing will also continue making it difficult for many veterans to obtain loans from private lending organizations: Now, therefore, be it

"Resolved by the Senate of the 29th Legislature of the Territory of Hawaii (the House of Representatives concurring), That the Congress of the United States is hereby respectfully requested to enact legislation to amend the Servicemen's Readjustment Act of 1944, as amended, to extend the date of expiration for the making of loans thereunder from June 30, 1958 to June 30, 1960; and be it further

"Resolved, That a certified copy of this concurrent resolution shall be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States; to the Administrator of Veterans' Affairs; and to the Delegate to the Congress from Hawaii."

The petition of Mrs. Frederick Edwards, of Downingtown, Pa., praying for the prompt enactment of legislation to provide emergency appropriations for money to send May checks to the needy blind; to the Committee on Finance.

By Mr. HICKENLOOPER:

A concurrent resolution of the Legislature of the State of Iowa; to the Committee on Interstate and Foreign Commerce:

"Senate Concurrent Resolution 23

"Whereas it has been proposed that the United States Fish and Wildlife Service establish a migratory waterfowl refuge and recreational area on the Missouri River in and adjacent to Harrison County, Iowa, in what is known as the Bertrand-Harrison Bend in connection with a project of bank stabilization being constructed by the United States Army Corps of Engineers; and

"Whereas such an area would greatly enhance the recreational facilities of Iowa; and

"Whereas outdoor recreation tends to lessen juvenile delinquency by providing a wholesome and healthy outlet for youthful

energy as well as fulfilling a basic need for the people of Iowa in general; and

"Whereas the United States Army Corps of Engineers has made a study of the proposal and finds that the necessary alterations in its plans can be carried out at no additional cost: Now, therefore, be it

"Resolved by the senate (the house concurring), That the Legislature of the State of Iowa commends the Federal agencies involved for their forethought and efforts in the interests of outdoor recreation and urges their continued cooperation in advancing this project to a successful completion; and be it further

"Resolved, That the secretary of the senate send copies of this resolution to the United States Senators and Representatives from Iowa, the United States Senators and Representatives from Nebraska, to Brig. Gen. J. L. Person, United States Army Assistant Chief of Engineers for Civil Works, and to Mr. Ross Leffler, Assistant Secretary of the Interior.

"SENATE CONSERVATION COMMITTEE.
"ALBERT WEISS, *Chairman.*

"We, William H. Nicholas, Lieutenant Governor of Iowa; Richard W. Berglund, secretary of the senate; W. L. Mooty, speaker of the house of representatives; and William R. Kendrick, acting chief clerk of the house of representatives, hereby certify that the above and foregoing resolution was adopted by the senate and house of the 57th General Assembly of Iowa.

"RICHARD W. BERGLUND,
"Secretary of the Senate.
"WILLIAM R. KENDRICK,
"Acting Chief Clerk of the House.
"WILLIAM H. NICHOLAS,
"Lieutenant Governor of Iowa.
"W. L. MOOTY,
"Speaker of the House."

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 15

"Resolution relating to the coal industry; requesting the Congress of the United States of America to take appropriate action to provide for a comprehensive research program on the problems of the coal industry and to develop water transportation facilities in Oklahoma to assist said industry; requesting the President of the United States and the Secretary of the Treasury to provide accelerated tax writeoffs for businesses desiring to develop and expand the coal industry and related industries; and directing that duly authenticated copies of this resolution be transmitted to the President of the United States, to the Secretary of the Treasury, and to all members of the Oklahoma congressional delegation

"Whereas the coal industry at the time of statehood was the second largest industry in Oklahoma; and

"Whereas Oklahoma continues to have large coal reserves; and

"Whereas the coal industry has declined in recent years, resulting in a large amount of unemployment in the coal-producing areas of Oklahoma, the largest amount of unemployment since prior to World War II; and

"Whereas the coal industry operates on a small profit margin; and

"Whereas only a limited amount of money is available from the industry for needed research in such fields as improved coal production techniques, expansion of markets, new coal products and byproducts and other related subjects; and

"Whereas lack of adequate water transportation in Oklahoma is a deterrent to expansion and promotion of the coal industry; and

"Whereas the lack of accelerated Federal tax writeoffs for the coal industry is also a deterring factor in the further expansion of the Oklahoma coal industry; and

"Whereas a subcommittee of the Congress is currently studying problems of the coal industry: Now, therefore, be it

"Resolved by the Senate of the 26th Legislature of the State of Oklahoma, (the House of Representatives concurring therein):

"That the Congress of the United States of America is hereby requested to provide appropriations and to take such other appropriate action as may be necessary to provide for a comprehensive research program relating to the coal industry to provide expanded markets, new production techniques, new uses for coal, and related matters;

"That the Congress of the United States of America is also requested to provide more adequate water transportation, especially in the development of the Arkansas River Basin;

"That the President of the United States and the Secretary of the Treasury are hereby requested to provide accelerated tax writeoffs for businesses desiring to develop and expand the coal industry and related industries, particularly to alleviate present and future distressed areas of unemployment in the coal-producing areas of the country; be it further

"Resolved, That a duly authenticated copy of this resolution be transmitted to the following: 1. Dwight D. Eisenhower, President of the United States; 2. George M. Humphrey, Secretary of the Treasury; 3. All members of the Oklahoma congressional delegation.

"Adopted by the senate the 21st day of March 1957.

"BOYD COWDEN,
"Acting President of the Senate.

"Adopted by the house of representatives the 3d day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

JOINT RESOLUTION OF TENNESSEE LEGISLATURE

Mr. KEFAUVER. Mr. President, I present, for appropriate reference, Senate Joint Resolution 73 of the 1957 session of the Legislature of Tennessee relative to the development of a navigable waterway connecting the Tombigbee and Tennessee Rivers by constructing a canal in the State of Mississippi. This project is vitally important to the State of Tennessee and I urge this body to give it serious consideration.

There being no objection, the joint resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 73

A resolution relative to the development of navigable waterway connecting the Tombigbee and Tennessee Rivers by the construction of a canal in the State of Mississippi

Whereas our sister States, the State of Mississippi and the State of Alabama, are contemplating the execution of an interstate compact looking to the development of a navigable waterway connecting the Tombigbee and Tennessee Rivers by way of the east fork of the Tombigbee River and Mackey's and Yellow Creeks, so as to provide a 9-foot navigable channel from the junction of Tombigbee and Warrior Rivers at Demopolis, in the State of Alabama, to the junction of Yellow Creek with the Tennessee River at Pickwick Pool, in the State of Mississippi, a development which will be of much economic benefit to the State of Tennessee when it is completed; and

Whereas the State of Tennessee has a vital interest in the development contemplated and gives wholehearted support to the promotion of this undertaking: Now, therefore, be it

Resolved by the General Assembly of the State of Tennessee (both houses concurring), That this body hereby records its approval and endorsement of the proposed undertaking and joins with the Legislatures of the State of Mississippi and the State of Alabama in urging the Congress of the United States to provide the financial systems necessary to enable the Corps of Engineers to undertake and complete this project, and respectfully requests the members of the Tennessee congressional delegation to aid and assist in every possible way to bring about this development at the earliest possible date.

This body further respectfully requests the President of the United States to consider the urgency and importance of this project and to give encouragement to its undertaking;

Resolved also, That the secretary of state of the State of Tennessee be directed to send a copy of this resolution to the President of the United States, to each member of the Tennessee congressional delegation, to the Speaker of the House of Representatives of the Congress of the United States, to the President of the Senate of the United States, and to the Governors of the States of Mississippi and Alabama.

Adopted March 21, 1957.

JARED MADDUX,
Speaker of the Senate.
JAMES L. BOMAR,
Speaker of the House of Representatives.

Approved March 29, 1957.

FRANK G. CLEMENT,
Governor.

LAND PROCUREMENT PRACTICES BY CORPS OF ARMY ENGINEERS IN TUTTLE CREEK DAM AREA, KANSAS—RESOLUTIONS

Mr. CARLSON. Mr. President, I submit, for appropriate reference, a resolution approved by the House of Representatives of the State of Kansas on April 3 memorializing the Congress to direct special attention to the land procurement practices of the Corps of Army Engineers in the Tuttle Creek Dam area in northeastern Kansas.

The Tuttle Creek Dam is one of the large reservoir projects in the Missouri River Basin and encompasses some 3,000 acres of land, which is not only highly productive, but is the home of some of the finest people who live in my State.

In this area they have built thriving communities which include homes, schools, churches, and business sections. They are now being forced to leave these areas as a result of a project which is being constructed as a part of a water conservation and flood control program for the protection of thousands of people below the reservoir.

It is only natural that the construction of this project creates some real problems for the citizens affected, and I urge that every effort be made on the part of the Federal agencies and the Congress itself to see that these people are not only fully compensated for their removal from this area against their own will and desires, but are given additional substantial sums of money in order that they may relocate in other areas of their choosing.

The American Legion posts of that area have adopted resolutions urging that every consideration be given these people and I ask unanimous consent that

these resolutions be made a part of this statement.

There being no objection, the resolutions were referred to the Committee on Public Works, and ordered to be printed in the RECORD, as follows:

House Resolution 41

Resolution memorializing the Congress of the United States and the appropriations committees thereof, to direct special attention to the land procurement practices of the Corps of Army Engineers in the Tuttle Creek Dam area of northeastern Kansas

Whereas the Tuttle Creek Dam on the Big Blue River in northeastern Kansas is in the process of construction by the Corps of Army Engineers; and

Whereas this $90 million project encompasses 53,000 acres of land in a highly developed and productive agricultural area, resulting in the removal of 2 third class cities and 4 towns and the dislocation of nearly 600 farm homes, 19 cemeteries, scores of schools and churches, and involves relocation of parts of 2 railroads, 1 Federal highway, 6 State highways and hundreds of miles of county and township roads; and

Whereas congressional appropriations for this project, as a part of the Kansas River Basin flood-control plan were finally made after 15 years of serious questioning as to the advisability and economic feasibility of this project by presidential and State commissions and engineering studies, organizations and legislative bodies of the State of Kansas; and

Whereas violent objection to this project by the several thousand residents of the Tuttle Creek area drew congressional and nationwide attention to this project; and

Whereas the people of said Tuttle Creek area repeatedly through the years voiced their objections to this project in personal and delegation appearances before the congressional appropriations committees of both the House and Senate; and

Whereas assurances were repeatedly given to the people to be displaced by said Tuttle Creek Dam, both by these congressional committees and the personnel of the Corps of Army Engineers that, in the event of construction of this project, every effort would be made to see that the people in the affected area would not have inflicted on them undue economic hardship and loss as a result of such project and so far as possible they would be left in as favorable economic position following displacement as they were before being forced to move; and

Whereas appraisals and purchase of land and residential properties in said Tuttle Creek area are in the process of being made by the land procurement office of the Corps of Army Engineers; and

Whereas appraisement of property in the cities and towns in the Tuttle Creek area are being made on the basis of value in present location with no consideration given to replacement cost in kind in another location; and

Whereas the high percent of refusals to accept the offered price by those whose properties are appraised and the ever increasing number of condemnation actions being filed against residents of the Tuttle Creek area indicates dissatisfaction with the procedures and treatment being accorded the people of this area in matters of appraisals: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas, That we respectively urge, request, and petition the Congress of the United States to make such inquiry into the land procurement procedures of the Corps of Engineers, issue such directives and take such action as may be necessary to insure the fulfillment of the intent of the congressional appropriations committees as expressed to the people of the Tuttle Creek area and as assured these people by the Corps of Army Engineers; and be it further

Resolved, That the chief clerk of the house of representatives be directed to send a copy of this resolution to the President of the United States, the Vice President of the United States, each Member of the Congress of the United States, the Director of the Bureau of the Budget of the United States, and to the Chief of the United States Corps of Army Engineers.

I hereby certify that the above resolution originated in the house, and was adopted by that body April 3, 1957.

JESS TAYLOR,
Speaker of the House.
A. E. ANDERSON,
Chief Clerk of the House.

(The VICE PRESIDENT laid before the Senate a resolution of the house of representatives identical with the foregoing, which was referred to the Committee on Public Works.)

Whereas the construction of Tuttle Creek Dam on the Big Blue River is proceeding on schedule and the Army engineers are accelerating their program of land acquisition in the reservoir area, which includes some 55,000 acres and several towns and villages; and

Whereas many of the homes in this area are owned by veterans and veterans' widows who will be forced to relocate; and

Whereas many of the appraisals on these homes appear to be unreasonably low and take no consideration of replacement values, thereby working a distinct injustice on said veterans and widows of veterans; and

Whereas many inconsistencies have developed in prices offered by the Army engineers for properties of like value and in appraisals made by different personnel; and

Whereas appraisals made by competent disinterested appraisers have shown that appraisals made by the Army engineers are running from $550 to $9,300 lower than the true value of said homes: Therefore be it

Resolved by Cleburne American Legion, Post No. 390, George Bedford Post No. 169, Blue Rapids, and Drumm-Frank Post No. 219, Irving, of the Kansas Department of the American Legion, That we respectfully urge, request, and petition the Corps of Army Engineers, the Members of Congress who represent this affected area, and the Kansas department and the national headquarters of the American Legion that they take whatever action is necessary and do everything possible to the end that fair and reasonable prices be paid for the homes of veterans and others who live in these small communities in the Tuttle Creek area and are being forced to give up their homes.

Adopted by Cleburne American Legion Post No. 390 February 13, 1957.

DONALD VATHAUER,
Commander.
ROBERT HOLT, *Adjutant.*

Adopted by Drumm-Frank Post No. 219, Irving, February 20, 1957.

WILLIAM LAMB,
Commander.
MAURICE BOYD,
Adjutant.

Adopted by George W. Wood Post No. 91, Washington, Kans., March 26, 1957.

IVAN WARDER.
EDWIN G. BRYCHTA.
DONALD VATHAUER.
ROBERT HOLT.
WILLIAM LAMB.
MAURICE BOYD.

Adopted by George Bedford Post No. 169, Blue Rapids, February 18, 1957.

IVAN WARDERS,
Commander.
EDWIN BRYCHTA,
Adjutant.

Adopted by S. M. N. & R. (Marysville) Post No. 163 on March 20, 1957.

———— ————,
Commander.
———— ————,
Adjutant.

Adopted by Levick-Barrett Post No. 282, Wetmore, Kans., March 19, 1957.

Adopted by Davis-Gibson Post No. 387, Winchester, Kans., March 9, 1957.

Adopted by Palmer Post No. 383, Palmer, Kans., March 12, 1957.

Adopted by Summerfield Post No. 362, Summerfield, Kans., March 12, 1957.

Adopted by Brown-Woodward Post No. 391, Richland, Kans., March 14, 1957.

PROPOSED SELF-HELP MEAT PROMOTION PROGRAM—LETTERS AND RESOLUTION

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Missouri Livestock Association transmitting a copy of a resolution adopted by its board of directors relative to S. 646, which proposes a self-help meat promotion program. I would also like to include a letter I have received on this subject from C. W. Sheppard, president of the Missouri Livestock Association. I believe the views of this representative group of livestock producers should be given careful consideration by the Senate.

There being no objection, the letters and resolution were ordered to be printed in the RECORD, as follows:

MISSOURI LIVESTOCK ASSOCIATION,
Columbia, Mo., February 23, 1957.

The Honorable THOMAS C. HENNINGS,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: There is before the Senate a bill, S. 646, that has to do with amending the Packers and Stockyards Act of 1921 by inserting a new section to be designated as section 318.

Attached you will find a copy of the resolution adopted by the directors of the Missouri Livestock Association relative to this amendment.

This resolution was read and discussed in eight district meetings held in the State in January and February of this year. Missouri livestock producers attending these meetings voted their approval of the board's action.

We will appreciate hearing from you as to your views on this bill.

Very truly yours,

E. S. MATTESON,
Secretary-Treasurer, Missouri Livestock Association.

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS OF THE MISSOURI LIVESTOCK ASSOCIATION

The board of directors of the Missouri Livestock Association has given careful consideration to the proposal that Federal legislation be enacted requiring that all marketing agencies deduct stated amounts from proceeds on all livestock sold, such money to be used in the creation of a fund to be used in the promotion and advertising of meat and meat products and in research having to do with the production and marketing of meat and meat products.

The board of directors is highly in favor of any practical method or program which will be effective in increasing the consumption of meat and in encouraging research in the production and marketing of meat and meat products provided such methods will not duplicate present ones or detract from promotional and advertising programs now being carried out. However, the board is doubtful about the advisability of the enactment of the proposed legislation at this time for the following reasons:

(1) We are reluctant to ask the Government for further Federal legislation if the objectives desired can be attained in any other manner.

(2) We do not feel that effective and efficient methods of spending the additional funds to be raised by the proposed check-off have been sufficiently well developed to avoid duplication of effort and waste of money.

(3) We are concerned about the possibility of encouraging competition between the different segments of the livestock industry. It would be unfortunate, indeed, if any program is launched which would result in pitting against each other the cattle producer, the hog producer, and the sheep and lamb producer in the market places. This situation is highly undesirable for many obvious reasons.

(4) The National Live Stock and Meat Board is now doing a splendid job on an effective and economical basis. We feel that the possibility of expanding the funds and program of this board should be studied thoroughly before resort is had to Federal legislation and the creating of another agency to do a job now being done by the National Live Stock and Meat Board and by many other agencies in the livestock and meat industry, i. e., packers, retailers, etc.

(5) We need further information about the possibilities of actually increasing meat consumption by the expenditure of enormous funds in doubling or trebling the advertising campaign.

(6) We are convinced that much more can and should be done in the field of research and marketing and in the improvement of the types of hogs, cattle, and sheep which will better meet consumer demands. We have serious doubts that by merely expanding our advertising campaign we can best meet the marketing problems confronting livestock producers.

For these reasons we feel that final action on the proposed Federal legislation should be deferred pending more careful study of the entire program in general and the accumulation of more information about practical means of collecting the proposed check-off and the use of funds to be derived from that source.

MISSOURI LIVESTOCK ASSOCIATION,
Warrensburg, Mo., March 27, 1957.

Hon. THOMAS C. HENNINGS,
United States Senator from Missouri,
Washington, D. C.

DEAR SENATOR: I have received a copy of your letter to Mr. E. S. Matteson, secretary of the Missouri Livestock Association, in response to his letter to you setting forth the position of our association with respect to the proposed nationwide check-off program for livestock.

I want to thank you for your letter and for your request to have the contents of the letter entered into the CONGRESSIONAL RECORD. Our board of directors made careful study of this proposed program, and while we are in agreement upon the objectives of the program, we cannot go along with the suggested plans for meeting those objectives.

Our members at our last annual meeting requested the board to make this study and report our conclusions. We reported to the members at a series of district meetings held last spring covering the entire State. The members at all eight meetings agreed with the board of directors that we should not support this legislation. They recommended that more money be given to the National Livestock and Meat Board.

The National Cattle and Swine Councils seem to be carried away with the possibilities of this national producer meat promotion agency. Our board members think it would be nearly impossible to coordinate the promotional activities of the proposed national agency, and as the law provides, not more than three State agencies in each State. That would be a lot of organizations and jobs for somebody.

We question the wisdom of setting up a new and inexperienced promotional setup, when we have now in operation an experienced, efficient, and economical agency on the job in the capacity of the National Livestock and Meat Board. This board gets a tremendous amount of free publicity by having the various news agencies run their educational material. If the producer agency is authorized by Congress and they begin buying publicity, we stand a chance of losing this free publicity.

Farmers are a bit touchy about any sort of deductions. They would be very unhappy if any money deducted from their sales of livestock went to pay fat salaries for any top-heavy administrative agency.

The members of the Missouri Livestock Association will greatly appreciate your cooperation in supporting our views with respect to Senate bill 646.

Sincerely,

C. W. SHEPPARD,
President, Missouri Livestock Association.

REPORTS OF A COMMITTEE

The following reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 147. A bill for the relief of Guido William Grambergs (Rept. No. 236);

S. 239. A bill for the relief of Maria Parisi (Rept. No. 237);

S. 256. A bill for the relief of Aristea Vitoglanes (Rept. No. 238);

S. 470. A bill for the relief of Livio Senni (Rept. No. 239);

S. 616. A bill for the relief of Blanca G. Hidalgo (Rept. No. 240);

S. 629. A bill for the relief of John Eicheri (Rept. No. 242);

S. 650. A bill for the relief of Isabella Abrahams (Rept. No. 243); and

S. 710. A bill for the relief of Sui-an Fung and Shu-nung Wu Fung (Rept. No. 244).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 308. A bill for the relief of Maria Caccomo (Rept. No. 245);

S. 622. A bill for the relief of Georgina Mercedes Llera (Rept. No. 241);

S. 623. A bill for the relief of Donini Maurizio Donato (Rept. No. 246); and

S. 641. A bill for the relief of Elvira A. Belford (Rept. No. 247).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 776. A bill for the relief of Shigeko Kimura (Rept. No. 248):

By Mr. O'MAHONEY, from the Committee on the Judiciary, with amendments:

S. J. Res. 22. Joint resolution to designate the third Friday of May of each year as National Defense Transportation Day (Rept. No. 235).

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KNOWLAND:

S. 1886. A bill authorizing the Secretary of the Army to receive for instruction at the United States Military Academy at West Point Harkjoon Paik, a citizen and subject of the Republic of Korea; to the Committee on Armed Services.

By Mr. KNOWLAND (for himself and Mr. KUCHEL):

S. 1887. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SALTONSTALL (by request):

S. 1888. A bill to amend the Refugee Relief Act of 1953, as amended, to provide a certain number of visas for persons of ethnic Armenian origin; to the Committee on the Judiciary.

(See the remarks of Mr. SALTONSTALL when he introduced the above bill, which appear under a separate heading.)

By Mr. PURTELL:

S. 1889. A bill to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PURTELL when he introduced the above bill, which appear under a separate heading.)

By Mr. WATKINS:

S. 1890. A bill to establish a Commission and Advisory Committee on International Rules of Judicial Procedure; to the Committee on the Judiciary.

(See the remarks of Mr. WATKINS when he introduced the above bill, which appear under a separate heading.)

By Mr. CARLSON:

S. 1891. A bill for the relief of Piet W. Van Aalst; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1892. A bill for the relief of Cacilie Emilie Eichmann; to the Committee on the Judiciary.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1893. A bill for the relief of Mrs. Maria Finnell (nee Pitsch); to the Committee on the Judiciary.

By Mr. NEUBERGER (by request):

S. 1894. A bill to amend the law with respect to the recoupment of funds expended in cooperation with the school board of Klamath County, Oreg., because of the attendance of Indian children, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HILL (for himself and Mr. SMITH of New Jersey):

S. 1895. A bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 1896. A bill for the relief of Maria West; to the Committee on the Judiciary.

By Mr. MALONE:

S. 1897. A bill to provide the United States with a gold standard and redeemable currency, and to correct other defects in the monetary system of the United States; to the Committee on Banking and Currency.

(See the remarks of Mr. MALONE when he introduced the above bill, which appear under a separate heading.)

By Mr. SMATHERS:

S. 1898. A bill to amend section 203 of the National Housing Act; to the Committee on Banking and Currency.

(See the remarks of Mr. SMATHERS when he introduced the above bill, which appear under a separate heading.)

By Mr. DIRKSEN:

S. 1899. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws; to the Committee on Finance.

(See the remarks of Mr. DIRKSEN when he introduced the above bill, which appear under a separate heading.)

By Mr. BUSH:

S. 1900. A bill to regulate the interstate distribution and sale of hazardous articles in packages suitable for or intended for

household use; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. BUSH when he introduced the above bill, which appear under a separate heading.)

By Mr. GORE:

S. J. Res. 82. Joint resolution to provide for the designation of the proposed United States Veterans' Administration Hospital at Nashville, Tenn., as the J. Percy Priest Veterans' Memorial Hospital; to the Committee on Labor and Public Welfare.

ADDITIONAL FUNDS FOR STUDY OF JUVENILE DELINQUENCY IN THE UNITED STATES

Mr. KEFAUVER submitted the following resolution (S. Res. 126), which was referred to the Committee on Rules and Administration:

Resolved, That Senate Resolution 173, agreed to on March 20, 1956, as amended, be amended by striking out in section 4, lines 21 and 22, "Expenses of the committee, under this resolution which shall not exceed $80,000" and inserting in lieu thereof the following: "Expenses of the committee, under this resolution which shall not exceed $82,500."

AMENDMENT OF REFUGEE RELIEF ACT, RELATING TO NUMBER OF VISAS FOR PERSONS OF ETHNIC ARMENIAN ORIGIN

Mr. SALTONSTALL. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Refugee Relief Act of 1953, as amended, to provide 20,000 visas for persons of ethnic Armenian origin. The bill which I am today introducing is very similar to S. 2248 of the first session of the 84th Congress. Hearings were held on this bill in January of last year, and much favorable testimony was developed, although, because of the press of other business, no final action was taken on the bill.

There are many people of Armenian extraction living in our country. They have made many splendid contributions to our Nation and to our culture. To permit them now to be reunited with their families abroad, who have heretofore been denied admission into the United States, would be truly consistent with the provisions of the Refugee Relief Act. As was stated last year in the committee hearings, such an amendment as this would rectify a previous omission in the immigration laws which has prevented these very deserving people from seeking refuge in this great land of ours.

To admit the 20,000 refugees of Armenian origin as provided by the amendment to the act which I am introducing would signal unmistakably to the remainder of the world that our Nation will not forget persecuted peoples wherever they may be.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The bill will be received and appropriately referred.

The bill (S. 1888) to amend the Refugee Relief Act of 1953, as amended, to provide a certain number of visas for persons of ethnic Armenian origin, introduced by Mr. SALTONSTALL (by request), was received, read twice by its title, and referred to the Committee on the Judiciary.

LOAN SERVICE OF CAPTIONED FILMS FOR THE DEAF

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill to provide in the Department of Health, Education, and Welfare a loan service of captioned films for the deaf and the severely hard-of-hearing.

This measure, if enacted, will bring to approximately 200,000 deaf persons and to about 400,000 severely hard-of-hearing persons better understanding and appreciation of those films which play such an important part in the general and cultural advancement of hearing persons.

Through the more than 1,000 organizations of and for the deaf and the severely hard-of-hearing in 429 communities in 46 States and the District of Columbia, this bill will provide enriched educational and cultural experiences through which these people can be brought into better touch with the realities of their environment. It will also provide a wholesome and rewarding experience which these people may share together.

Under the program established by the bill, State schools for the deaf and other agencies in this field, to be designated by the Secretary, will serve as local or regional receiving and distribution centers for the films. All films made available under the program will be for nonprofit purposes in accordance with regulations to be promulgated by the Secretary of the Department.

In carrying out the provisions of the proposed act, the Secretary shall have the authority to acquire films, or rights thereto, by purchase, lease, or gift. The Secretary will further provide for the captioning of films and for their distribution.

The Secretary will also make use, consistent with the purposes of the bill, of films made available to the Library of Congress under the copyright laws, and will also utilize the facilities of other governmental agencies.

Mr. President, this proposed legislation will also establish in the Department an Advisory Council on Captioned Films consisting of 12 members to be appointed by the Secretary. At least 3 of the members shall be deaf persons and 3 more shall be representatives of the general public. The membership shall also include persons selected from the leading organizations of the deaf or those groups working with the deaf, including professional workers. The Secretary, or a member of the Department so designated by him, shall act as Chairman of the Council.

It shall be the duty of the Council to advise the Secretary on the establishment of broad criteria for the selection of films to be captioned, and to recommend films which it believes would make the greatest contribution to the general, cultural, or recreational advancement of deaf or severely hard-of-hearing persons.

The bill also provides for compensation for the members of the Council while engaged in its work, and provides traveling or other necessary expenses incurred while so engaged. The bill also authorizes sums necessary to carry out its provisions to be appropriated.

Mr. President, in introducing this measure, which is similar in intent, but differs in operational process, a measure I proposed last year, and in which I was joined by 40 Members of this body as cosponsors, I would like to make this final observation.

In years past, films were one of the great sources of information and recreation for the deaf and severely hard of hearing. The advent of sound film deprived these people of this valuable resource and, up until now, they have had nothing satisfactory to take its place.

It is also true that the great number of educational and technical films now in existence are of little use to the deaf, particularly to the deaf child, because nearly all of these films are carried by narration. I want to particularly stress the opportunities for increased educational benefits inherent in the program proposed.

This program would provide great advantages, not only from the educational and informative subject matter of the films themselves, but in recreational therapy and in the opportunity for great increase in general understanding. Our deaf and hard of hearing are deprived of the many advantages available to hearing persons through radio, television, and motion pictures. This program would compensate in considerable measure for this lack. It will also provide opportunities to which I believe these afflicted persons are entitled.

A pilot program of this sort has been pioneered by Captioned Films for the Deaf, Inc., and the enthusiastic reception and demonstrated value of these films circulated among schools for the deaf is impressive evidence of the worth of this proposal.

My visits to the American School for the Deaf in my own home community of West Hartford, Conn., and my continuing research and investigation in this matter have convinced me of the necessity of this project in behalf of the young and old deaf and severely hard of hearing.

I believe it is proper and fitting to undertake such a program of incalculable educational and other benefits to provide for these handicapped citizens.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1889) to provide in the Department of Health, Education, and Welfare for a loan service of captioned films for the deaf, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

PROPOSED COMMISSION AND ADVISORY COMMITTEE ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

Mr. WATKINS. Mr. President, I introduce, for appropriate reference, a bill to establish a Commission and Advisory Committee on International Rules of Judicial Procedure. I ask unanimous consent that the bill, together with an explanation I have prepared concerning the measure, be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill

and statement will be printed in the RECORD.

The bill (S. 1890) to establish a Commission and Advisory Committee on International Rules of Judicial Procedure, introduced by Mr. WATKINS, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF THE COMMISSION ON INTERNATIONAL RULES OF JUDICIAL PROCEDURE

SEC. 1. There is hereby established a Commission to be known as the Commission on International Rules of Judicial Procedure, hereinafter referred to as the "Commission."

PURPOSE OF THE COMMISSION

SEC. 2. The Commission shall investigate and study existing practices of judicial assistance and cooperation between the United States and foreign countries with a view to achieving improvements. To the end that procedures necessary or incidental to the conduct and settlement of litigation in State and Federal courts and quasi-judicial agencies which involve the performance of acts in foreign territory, such as the service of judicial documents, the obtaining of evidence, and the proof of foreign law, may be more readily ascertainable, efficient, economical, and expeditious, and that the procedures of our State and Federal tribunals for the rendering of assistance to foreign courts and quasi-judicial agencies be similarly improved, the Commission shall—

(a) draft for the assistance of the Secretary of State international agreements to be negotiated by him;

(b) draft and recommend to the President any necessary legislation;

(c) recommend to the President such other action as may appear advisable to improve and codify international practice in civil, criminal, and administrative proceedings; and

(d) perform such other related duties as the President may assign.

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) The Commission shall consist of 7 members. The President shall appoint 3 public members, the Secretary of State shall appoint 2 representatives of the Department of State, and the Attorney General shall appoint 2 representatives of the Department of Justice. The Commission shall elect a chairman from among its members.

(b) Vacancies in membership of the Commission shall be filled in the same manner as in the case of original designation.

(c) Five members shall constitute a quorum.

(d) Members of the Commission who are appointed by the Secretary of State and the Attorney General shall serve without compensation in addition to that received for their services in the Government.

(e) The public members of the Commission shall each receive $50 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel subsistence, and other expenses incurred by them in the performance of such duties.

(f) Service of an individual as a member of the Commission or employment of an individual by the Commission shall not be considered to be service or employment bringing such individual within the provisions of sections 281, 283, 284, 434, or 1914 of title 18 of the United States Code, or section 190 of the Revised Statutes (5 U. S. C. 99).

THE DIRECTOR AND STAFF

SEC. 4. (a) The Director of the Commission shall be appointed by the Commission without regard to the civil-service and classification laws, and his compensation shall be fixed by the Commission without regard to the Classification Act of 1949, as amended.

(b) The Director shall serve as the Commission's reporter, and, subject to the direction of the Commission, shall supervise the activities of persons employed under the Commission, the preparation of reports, and shall perform other duties assigned him within the scope of the functions of the Commission.

(c) Within the limit of funds appropriated for such purpose, individuals may be employed by the Commission for service with the Commission staff without regard to the civil-service and classification laws, and services may be procured as authorized by section 15 of the act of August 2, 1946, as amended (5 U. S. C. 55a), but at rates for individuals not in excess of $50 per diem.

ESTABLISHMENT OF THE ADVISORY COMMITTEE

SEC. 5. (a) There is hereby established a committee of 15 members to be known as the Advisory Committee on International Rules of Judicial Procedure (hereinafter referred to as the "Advisory Committee"), to advise and consult with the Commission. The Advisory Committee shall be appointed by the Commission from among lawyers, judges, and other persons competent to provide advice for the Commission.

(b) Members of the Advisory Committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation. Members of the Advisory Committee who are not otherwise officers or employees of the United States shall be entitled to travel and subsistence expenses as authorized by section 5 of the Administrative Expenses Act of 1946, as amended (5 U. S. C. 73b-2), for persons serving without compensation, in accordance with the provisions of the Travel Expense Act of 1949, as amended (5 U. S. C. 835–842).

GOVERNMENT AGENCY COOPERATION

SEC. 6. The Commission is authorized to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to carry out its functions under this act; and each such department, agency, and instrumentality is authorized to cooperate with the Commission and, to the extent permitted by law, to furnish such information to the Commission, upon request made by the chairman or other member designated to act as chairman.

ADMINISTRATION

SEC. 7. (a) For administrative purposes only, the Commission and the Advisory Committee shall be attached to the Department of Justice.

(b) The Commission shall render to the President annual reports for transmission to the Congress.

The Commission shall submit its final report and the Commission and the Advisory Committee shall terminate and wind up their affairs prior to December 31, 1959.

AUTHORIZATION OF APPROPRIATIONS

SEC. 8. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as may be necessary to carry out the provisions of this act.

The explanation presented by Mr. WATKINS is as follows:

EXPLANATION

The purpose of the attached bill for the establishment of a Commission and an Advisory Committee on International Rules of Judicial Procedure is to create an agency to study existing practice of international judicial assistance and to make such recommendations as are considered desirable for the improvement of international practice and procedure in civil, criminal, admiralty, and quasi-judicial matters.

The end of hostilities in 1945 brought to our Federal and State courts an unprecedented flood of litigation with international ramifications—cases in which judicial documents must be served abroad, records or witnesses examined within the territory of a foreign state, or in which proof must be offered of the law prevailing in a foreign jurisdiction. These cases pose problems of procedure which are often baffling and sometimes insoluble. They emphasize the need in the international field of the same expert study and codification which have brought about historical reforms of Federal procedure over the last few years. The Federal Rules of Civil Procedure became effective in 1938. The Federal Rules of Criminal Procedure became law in 1945, and the Administrative Procedure Act became law in 1946. It is appropriate that the benefit of simplified and codified procedure should now be extended to our international practice.

Except for some consular treaties which permit the taking of depositions abroad of American citizens in certain categories of cases, extraterritorial procedure now depends largely upon usage and custom. It is difficult for the practicing lawyer to ascertain what steps should and can be taken in a given instance. The provisions of the Federal Rules of Civil and Criminal Procedure and of the State practice acts for the taking of evidence abroad are often frustrated by prohibitions and limitations put upon the use of such procedures by foreign governments. For reasons which are not entirely understood by the American bar, many countries either forbid entirely or limit the taking of depositions within their territories. Even where our practice with respect to the taking of depositions is permitted or tolerated, there is no provision in civil-law jurisdictions for obtaining the testimony of an unwilling witness.

When witnesses refuse to testify, or if they are found in a country where our practice with respect to the taking of depositions is forbidden, recourse must be had to letters rogatory. Borrowed from the civil law, a letter rogatory is, in our practice, a request by a domestic court to a court of a foreign country to take evidence. It is executed according to the law of, and in the language of, the foreign country. Procedure in civil-law jurisdictions is so different from ours that American lawyers avoid using letters rogatory wherever possible. As now issued, transmitted and executed, they are inefficient, time consuming, and costly. Moreover, the courts of some countries, such as the Netherlands and Germany, are unable to issue compulsory process even to aid in the execution of a letter rogatory issuing from an American court because the United States has not entered into procedural treaties or other arrangements with their governments. Courts of limited and specialized jurisdiction and administrative tribunals which cannot promise reciprocity, a time-honored condition of letters rogatory, are without certain means of obtaining testimony abroad from unwilling witnesses found in civil-law countries.

It appears that the provisions of the Federal Judicial Code and of the practice acts of the States for the personal service of judicial documents abroad cannot be utilized in many countries. Inability to serve judicial documents and to take depositions abroad may seriously impede the prosecution of crimes against our internal security. More than in the case of ordinary crime, prosecutions for security violations may require the service of documents and the procuring of evidence abroad. Prosecutions could be impeded or frustrated by any of the following:

1. Lack of agreements with foreign countries for service, under sections 1783 and 1784 of the Judicial Code, of subpenas and orders

to show cause upon witnesses found in their territory.

2. Prohibitions by certain foreign countries of interviews with or interrogations of prospective witnesses.

3. Prohibitions and limitations by many countries on the taking of depositions under Federal Rule of Criminal Procedure 15.

4. Lack of means in all civil-law countries to compel unwilling witnesses to testify in deposition proceedings and in some civil-law countries to compel unwilling witnesses to testify in the execution of letters rogatory from American courts.

5. Difficulty or impossibility of proving foreign public records under Federal Rule of Criminal Procedure 27 and section 1741 of the Judicial Code.

6. Difficulty or impossibility of proving foreign records under sections 3491–3494 of the Criminal Code.

Foreign courts are said to find equally unsatisfactory the judicial assistance which American courts render them. Neither the Federal Rules of Civil Procedure nor the Federal Rules of Criminal Procedure contains any provision relating to assistance to foreign courts. Section 1782 of the Federal Judicial Code relating to the taking of depositions to be used in foreign judicial proceedings is ill-adapted to the execution of letters rogatory from courts of the civil-law countries. Neither State nor Federal practice makes any adequate provision for the service of judicial documents on behalf of foreign courts.

Practice can be simplified, expedited, and rendered more certain and less expensive by treaty or other arrangement. Much of Latin-America and Europe is covered by a network of procedural treaties. Great Britain has entered into a number of such agreements. This demonstrates that the common-law and the civil-law systems can be coordinated procedurally. An excellent start in drafting has already been made by the Harvard Research in International Law which in 1939 published a Draft Convention on Judicial Assistance. The Inter-American Juridical Committee of the Organization of American States in September 1952 rendered a report on judicial assistance in civil matters. Considerable improvement in practice can probably be effected by informal agreement, or the development of greater uniformity of law in the various countries.

Responsibility for reform must be assumed by the Federal Government because there is little or nothing the individual States can do to improve their international juridical relations.

Reform of international procedure has been urged by many interested organizations. In 1950, the American Bar Association recommended the establishment of a governmental agency for that purpose. Again, in 1953, the association adopted a resolution favoring the establishment of a commission and advisory committee to draft international rules of practice. Joining the American Bar Association with resolutions urging reform of international practice are the American Society of International Law, the American Foreign Law Association, the Consular Law Society, the Maritime Law Association, the Association of the Bar of the City of New York, and the Pennsylvania State Bar Association. In the international field, the International Bar Association and the Inter-American Bar Association have recommended the negotiation of procedural treaties.

The proposed legislation would combine the techniques of democratic draftsmanship by the joint effort of the bench, bar, and law faculties that proved successful in recent Federal procedural reforms, with certain of the techniques of interdepartmental cooperation utilized in the drafting of treaties for the alleviation of international double taxation.

Effective and uniform reform of international procedures can be brought about only by general international agreement. Any such agreement would set up rules of practice which, in litigation in the Federal courts, would supplement the Federal Rules of Civil Procedure and the Federal Rules of Criminal Procedure. The organization contemplated by the proposed legislation has therefore been modeled upon the two Supreme Court advisory committees, which, in turn, were established upon the precedent of the American Law Institute.

The requested legislation will not of itself effect any particular reform or change of procedure; it will merely create an agency for the study of existing problems of international judicial assistance. The proposed commission and advisory committee will be authorized to explore, report upon, and make recommendations for the improvement of all aspects of international judicial or quasi-judicial practice and procedure. The commission will itself determine, within broad limits of the subject of judicial assistance, the precise scope and content of its program; and its recommendations, accompanied by draft treaties or other proposed procedures, model conventions, or draft statutes, will be forwarded to the President for appropriate action.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT, RELATING TO THE PROHIBITION OF CHEMICAL ADDITIVES IN FOOD

Mr. HILL. Mr. President, on behalf of myself, and the Senator from New Jersey [Mr. SMITH], I introduce, for appropriate reference, a bill to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety. I ask unanimous consent that the bill lie on the table until the close of business on Thursday next, in order that other Senators, if they so desire, may have the opportunity to become cosponsors.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the table, as requested by the Senator from Alabama.

The bill (S. 1895) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately tested to establish their safety, introduced by Mr. HILL (for himself and Mr. SMITH of New Jersey), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

QUANTITATIVE RESTRICTIONS ON IMPORTATION OF IRON AND STEEL WOOD SCREWS

Mr. DIRKSEN. Mr. President, I introduce, for appropriate reference, a bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws.

I should like to observe that the heavy importations of iron and steel wood screws have reached such a point that the American industry is jeopardized and action is called for. The bill I am introducing deals with this matter, and proposes a quota for our own industry.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1899) to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of iron and steel wood screws, introduced by Mr. DIRKSEN, was received, read twice by its title, and referred to the Committee on Finance.

REGULATIONS OF INTERSTATE DISTRIBUTION AND SALE OF CERTAIN HAZARDOUS ARTICLES

Mr. BUSH. Mr. President, I introduce, for appropriate reference, a bill to regulate the interstate distribution and sale of hazardous articles in packages suitable for or intended for household use.

There is increasing concern on the part of the public, members of the medical profession and responsible manufacturers because of the many substances in household use which are potentially hazardous to life and health. There have been distressing cases of death or injury of young children resulting from misuse of such products.

The proposed Federal Hazardous Articles Act is intended to protect the public by requiring manufacturers to label such articles so as to clearly identify the hazard and the precautionary measures which should be taken to protect life and health. I ask unanimous consent that the bill be printed in the RECORD following my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1900) to regulate the interstate distribution and sale of hazardous articles in packages suitable for or intended for household use, introduced by Mr. BUSH, was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

CHAPTER I—SHORT TITLE

SECTION 1. This act may be cited as the "Federal Hazardous Articles Act."

CHAPTER II—DEFINITIONS

SEC. 201. For the purposes of this act—

(a) The term "Territory" means any Territory or possession of the United States, including the District of Columbia and excluding the Canal Zone.

(b) The term "interstate commerce" means (1) commerce between any State or Territory and any place outside thereof, and (2) commerce within the District of Columbia or within any other Territory not organized with a legislative body.

(c) The term "Department" means the United States Department of Health, Education, and Welfare.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "person" includes individual, partnership, corporation, and association.

(f) The term "hazardous article" means any article or mixture of articles which is (i) toxic, (ii) corrosive, (iii) an irritant, (iv) flammable, (v) radioactive, or which (vi) generates pressure through decomposition, heat or other means, and which, when used and handled in any customary manner

or in a manner reasonably to be anticipated, is likely to cause substantial bodily injury or illness to man.

(g) The term "toxic" shall apply to any article which has the inherent capacity to produce bodily injury to man through ingestion, inhalation or absorption through the skin.

(h) The term "poison" means any toxic article which falls within any of the following categories: (i) produces death within 48 hours in half or more than half of a group of 10 or more laboratory white rats weighing between 200 and 300 grams, at a single dose of 50 milligrams or less per kilogram of body weight, when orally administered; or (ii) produces death within 48 hours in half or more than half of a group of 10 or more laboratory white rats weighing between 200 and 300 grams, when inhaled continuously for a period of 1 hour or less at an atmospheric concentration of 2 milligrams or less per liter of gas, vapor, mist or dust, if such concentration is likely to be encountered by man when the article is used in any reasonably foreseeable manner; or (iii) produces death within 48 hours in half or more than half of a group of 10 or more rabbits tested in a dosage of 200 milligrams or less per kilogram of body weight, when administered by continuous contact with the bare skin for 24 hours or less.

If available data on human experience with any article in the above-named dosages or concentrations indicate results different from those obtained on animals, the human data shall take precedence.

(i) The term "corrosive" is limited to any article which, when placed in contact with living tissues, will cause significant destruction of tissue by chemical action.

(j) The term "irritant" means any article which is not corrosive within the meaning of subsection (i) of this section, but which, when placed in contact with normal living tissue, will induce a severe local tissue reaction.

(k) The term "flammable" means, in the case of any article other than the contents of self-pressurized containers, an article which has a flashpoint of 80° or less, as determined by the Tagliabue open cup tester, and, in the case of the contents of self-pressurized containers, any article determined by the Secretary, after investigations, to be flammable and is so designated in regulations issued by him.

(l) The term "radioactive" means any article which, as a result of disintegration of unstable atomic nuclei, emits energy.

(m) The term "label" means a display of written, printed, or graphic matter upon the immediate container of any article; and a requirement made by or under authority of this act that any word, statement, or other information appear on the label shall not be considered to be complied with unless such word, statement, or other information also appears on the outside container or wrapper, if any there be, of the retail package of such article, or is easily legible through the outside container or wrapper.

(n) The term "immediate container" does not include package liners.

(o) (1) Except as is otherwise provided by paragraph (2), the term "misbranded package" means any retail package of a hazardous article, intended or suitable for household use, which fails to bear a label (A) which conspicuously displays (i) the name and place of business of the manufacturer, packer, or distributor, (ii) the common or usual name, or the chemical name (if there be no common or usual name), or the recognized generic name (not trade name only) of the hazardous article or of each component which contributes substantially to the hazardous quality thereof, (iii) a single word such as "danger," "warning," or "caution," (iv) when necessary for the protection of the life or health of man, an affirmative statement of the principal hazard or hazards of the article, such as "flammable," "vapor harmful," "causes burns," "absorbed through skin," or similar words descriptive of the hazard or hazards involved, (v) precautionary measures describing the action to be followed or avoided in order to protect the life and health of man, (vi) in case of an article which is hazardous through contact or exposure, such instructions for first-aid treatment as may be necessary for the protection of the life or health of man, (vii) the word "poison" in the case of any article which is defined as poisonous by subsection (h) of section 201 of this act, (viii) instructions for handling and storage of such article, if special care in handling or storage thereof is necessary for the protection of the life or health of man, and (ix) the statement "keep out of reach of children," or its practical equivalent, if the hazardous article is packed in a container holding not more than one United States gallon of a liquid, or not more than 10 pounds of a solid, and if the hazardous article is intended for other than laboratory or industrial use; and (2) on which there appears with such conspicuousness (as compared with other words, statements, designs, or devices, in the label) and in such terms as to render likely to be read and understood by the ordinary individual under customary conditions of purchase and use all words, statements, and information required to appear thereon by subparagraph (A).

(2) (A) If the Secretary finds that, because of the size of the package involved or because of the minor hazard presented by the article contained therein, full compliance with the labeling requirements contained in paragraph (1) would constitute an unreasonable burden upon the manufacturer, packer, or retailer of any hazardous article, the Secretary shall promulgate regulations exempting such articles from such requirements to such extent as he determines to be consistent with adequate protection of life or health of the public.

(B) The provisions of paragraph (1) shall not apply to packages of articles which are subject to the Federal Food, Drug, and Cosmetic Act, to packages of economic poisons which are subject to the Federal Insecticide, Fungicide, and Rodenticide Act, or to packages of substances intended for use in agricultural, horticultural, or related operations.

CHAPTER III—PROHIBITED ACTS AND PENALTIES

Prohibited acts

SEC. 301. The following acts and the causing thereof are hereby prohibited:

(a) The introduction or delivery for introduction into interstate commerce of any misbranded package of a hazardous article.

(b) The alteration, multilation, destruction, obliteration, or removal of the whole or any part of the label of, or the doing of any other act with respect to a hazardous article, if such act is done while the article is in interstate commerce or while the article is held for sale (whether or not the first sale) after shipment in interstate commerce and which results in the hazardous article being in a misbranded package.

(c) The manufacture within any Territory of any misbranded package of a hazardous article.

(d) The receipt in interstate commerce of any misbranded package of a hazardous article and the delivery or proffered delivery thereof for pay or otherwise.

(e) The giving of a guaranty or undertaking referred to in section 302 (b) (2) which guaranty or undertaking is false, except by a person who relied upon a guaranty or undertaking to the same effect signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article.

(f) The refusal to permit entry or inspection as authorized by section 402 (b).

Penalties

SEC. 302. (a) Any person who violates any of the provisions of section 301 shall be guilty of a misdemeanor and shall on conviction thereof be subject to a fine of not more than $500, but if the violation results from willful disregard of the provisions of this act, the penalty shall be imprisonment for not more than 1 year, or a fine of not more than $3,000, or both such imprisonment and fine.

(b) No person shall be subject to the penalties of subsection (a) of this section, (1) for having violated section 301 (d) of this act, if delivery or proffered delivery of the hazardous article was made in good faith, unless he refuses to furnish, on request of an officer or employee duly designated by the Secretary, the name and address of the person from whom he purchased or received such article, and copies of all documents, if any there be, pertaining to the delivery of the article to him; or (2) for having violated section 301 (a), if he establishes a guaranty or undertaking signed by, and containing the name and address of, the person residing in the United States from whom he received in good faith the article, to the effect that the article is not in misbranded packages within the meaning of that term in this act; or (3) for having violated section 301 (a) in respect of any article shipped or delivered for shipment for export to any foreign country, in a package marked for export and branded in accordance with the specifications of the foreign purchaser and in accordance with the laws of the foreign country.

Seizure

SEC. 303. (a) Any hazardous article that is in a misbranded package when introduced into or while in interstate commerce or while held for sale (whether or not the first sale) after shipment in interstate commerce, shall be liable to be proceeded against while in interstate commerce, or at any time thereafter, on libel of information and condemned in any District Court of the United States within the jurisdiction of which the article is found: *Provided*, That this section shall not apply to an article intended for export to any foreign country if it (1) is in a package branded in accordance with the specifications of the foreign purchases; (2) is in accordance with the laws of the foreign country, and (3) is labeled on the outside of the shipping package to show that it is intended for export.

(b) The article shall be liable to seizure by process pursuant to the libel, and the procedure in cases under this section shall conform, as nearly as may be, to the procedure in admiralty; except that on demand of either party any issue of fact joined in any such case shall be tried by jury. When libel for condemnation proceedings under this section, involving the same claimant and the same issues of misbranding, are pending in two or more jurisdictions, such pending proceedings, upon application of the claimant seasonably made to the court of one such jurisdiction, shall be consolidated for trial by order of such court, and tried in (1) any district selected by the claimant where one of such proceedings is pending; or (2) a district agreed upon by stipulation between the parties. If no order for consolidation is so made within a reasonable time, the claimant may apply to the court of one such jurisdiction, and such court (after giving the United States attorney for such district reasonable notice and opportunity to be heard) shall by order, unless good cause to the contrary is shown, specify a district of reasonable proximity to the claimant's principal place of business, in which all such pending proceedings shall be consolidated for trial and tried. Such order of consolidation shall not apply so as to require the removal of any case the date for trial of which has been fixed. The court

granting such order shall give prompt notification thereof to the other courts having jurisdiction of the cases covered thereby.

(c) Any article condemned under this section shall, after entry of the decree, be disposed of by destruction or sale as the court may, in accordance with the provisions of this section, direct and the proceeds thereof, if sold, less the legal costs and charges, shall be paid into the Treasury of the United States; but such article shall not be sold under such decree contrary to the provisions of this act or the laws of the jurisdiction in which sold: *Provided*, That after entry of the decree and upon the payment of the costs of such proceedings and the execution of a good and sufficient bond conditioned that such article shall not be sold or disposed of contrary to the provisions of this act or the laws of any State or Territory in which sold, the court may by order direct that such article be delivered to the owner thereof to be destroyed or brought into compliance with the provisions of this act under the supervision of an officer or employee duly designated by the Secretary, and the expenses of such supervision shall be paid by the person obtaining release of the article under bond.

(d) When a decree of condemnation is entered against the article, court costs and fees, and storage and other proper expenses, shall be awarded against the person, if any, intervening as claimant of the article.

(e) In the case of removal for trial of any case as provided by subsection (b)—

(1) The clerk of the court from which removal is made shall promptly transmit to the court in which the case is to be tried all records in the case necessary in order that such court may exercise jurisdiction.

(2) The court to which such case was removed shall have the powers and be subject to the duties, for purposes of such case, which the court from which removal was made would have had, or to which such court would have been subject, if such case had not been removed.

Hearing before report of criminal violation

SEC. 304. Before any violation of this act is reported by the Secretary to any United States attorney for institution of a criminal proceeding, the person against whom such proceeding is contemplated shall be given appropriate notice and an opportunity to present his views, either orally or in writing, with regard to such contemplated proceeding.

CHAPTER IV—GENERAL ADMINISTRATIVE PROVISIONS

Regulations and hearings

SEC. 401. (a) The authority to promulgate regulations for the efficient enforcement of this act, except as otherwise provided in this section, is hereby vested in the Secretary.

(b) The Secretary of the Treasury and the Secretary of Health, Education, and Welfare shall jointly prescribe regulations for the efficient enforcement of the provisions of section 501, except as otherwise provided therein. Such regulations shall be promulgated in such manner and take effect at such time, after due notice, as the Secretary of Health, Education, and Welfare shall determine.

Examinations and investigations

SEC. 402. (a) The Secretary is authorized to conduct examinations, inspections, and investigations for the purposes of this act through officers and employees of the Department or through any health officer or employee of any State, Territory, or political subdivision thereof, duly commissioned by the Secretary as an officer of the Department.

(b) For purposes of enforcement of this act, officers or employees duly designated by the Secretary, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized (1) to enter, at reasonable times, any factory, warehouse, or establishment in which hazardous articles are held for introduction into interstate commerce or are held after such introduction, or to enter any vehicle being used to transport or hold such hazardous articles in interstate commerce; and (2) to inspect and sample, at reasonable times and within reasonable limits and in a reasonable manner, finished articles in retail packages and labeling thereon in such factory, warehouse, establishment, or vehicle. A separate notice shall be given for each such inspection, but a notice shall not be required for each entry made during the period covered by the inspection. Each such inspection shall be commenced and completed with reasonable promptness.

Records of interstate shipment

SEC. 403. For the purpose of enforcing the provisions of this act, carriers engaged in interstate commerce, and persons receiving hazardous articles in interstate commerce or holding such articles so received, shall, upon the request of an officer or employee duly designated by the Secretary, permit such officer or employee, at reasonable times, to have access to and to copy all records showing the movement in interstate commerce of any such article, or the holding thereof during or after such movement, and the quantity, shipper, and consignee thereof; and it shall be unlawful for any such carrier or person to fail to permit such access to and copying of any such record so requested when such request is accompanied by a statement in writing specifying the nature or kind of article to which such request relates: *Provided*, That evidence obtained under this section shall not be used in a criminal prosecution of the person from whom obtained.

Publicity

SEC. 404. (a) The Secretary shall cause to be published from time to time reports summarizing all judgments, decrees, and court orders which have been rendered under this act, including the nature of the charge and the disposition thereof.

(b) The Secretary may also cause to be disseminated information regarding articles which, in the opinion of the Secretary, involve imminent danger to health. Nothing in this section shall be construed to prohibit the Secretary from collecting, reporting, and illustrating the results of the investigations of the Department.

CHAPTER V—IMPORTS

SEC. 501. (a) The Secretary of the Treasury shall deliver to the Secretary of Health, Education, and Welfare, upon his request, samples of hazardous articles which are being imported or offered for import into the United States, giving notice thereof to the owner or consignee, who may appear before the Secretary of Health, Education, and Welfare and have the right to introduce testimony. If it appears from the examination of such samples or otherwise that such article is in misbranded packages then such article shall be refused admission, except as provided in subsection (b) of this section. The Secretary of the Treasury shall cause the destruction of any such article refused admission unless such article is exported, under regulations prescribed by the Secretary of the Treasury, within 90 days of the date of notice of such refusal or within such additional time as may be permitted pursuant to such regulations.

(b) Pending decision as to the admission of an article being imported or offered for import, the Secretary of the Treasury may authorize delivery of such article to the owner or consignee upon the execution by him of a good and sufficient bond providing for the payment of such liquidated damages in the event of default as may be required pursuant to regulations of the Secretary of the Treasury. If it appears to the Secretary of Health, Education, and Welfare that the article can, by relabeling or other action, be brought into compliance with the act, final determination as to admission of such article may be deferred and, upon filing of timely written application by the owner or consignee and the execution by him of a bond as provided in the preceding provisions of this subsection, the Secretary of Health, Education, and Welfare may, in accordance with regulations, authorize the applicant to perform such relabeling or other action specified in such authorization (including destruction or export of rejected articles or portions thereof, as may be specified in the Secretary's authorization). All such relabeling or other action pursuant to such authorization shall in accordance with regulations be under the supervision of an officer or employee of the Department of Health, Education, and Welfare designated by the Secretary, or an officer or employee of the Department of the Treasury designated by the Secretary of the Treasury.

(c) All expenses (including travel, per diem or subsistence, and salaries of officers or employees of the United States) in connection with the destruction provided for in subsection (a) of this section and the supervision of the relabeling or other action authorized under the provisions of subsection (b) of this section, the amount of such expenses to be determined in accordance with regulations, and all expenses in connection with the storage, cartage, or labor with respect to any article refused admission under subsection (a) of this section, shall be paid by the owner or consignee and, in default of such payment, shall constitute a lien against any future importations made by such owner or consignee.

CHAPTER VI—MISCELLANEOUS

Separability clause

SEC. 601. If any provision of this act is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of the act and the applicability thereof to other persons and circumstances shall not be affected thereby.

Time taking effect

SEC. 602. This act shall take effect upon its passage, but no penalty or condemnation shall be enforced for any violation of the act occurring prior to the sixth month after the month in which this act is enacted.

Application to existing law

SEC. 603. Nothing in this act shall be construed to modify or affect the provisions of title 18, United States Code, chapter 39 or any regulations promulgated thereunder (relating to the transportation of dangerous articles and explosives by surface carriers); or of title 18, United States Code, sections 1715–1716 or any regulations promulgated thereunder (relating to mailing of dangerous articles); or of title 49, United States Code, section 622 (h) or any regulations promulgated under section 551 of such title (relating to transportation of dangerous articles and explosives in aircraft); or of the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended; or of the Federal Insecticide, Fungicide, and Rodenticide Act of June 25, 1947.

Repeal of Federal Caustic Poison Act

SEC. 604. The Federal Caustic Poison Act, approved March 4, 1927, as amended, is hereby repealed as of the first day of the sixth calendar month after the month in which this act is enacted: *Provided*, That, with respect to violations, liabilities incurred, or appeals taken prior to said date, all provisions of the Federal Caustic Poison Act, as amended, shall be deemed to remain in full force for the purpose of sustaining any proper suit, action, or other proceeding with respect to any such violations, liabilities, and appeals.

AMENDMENT OF SMALL BUSINESS ACT OF 1953—ADDITIONAL COSPONSORS OF BILL

Mr. THYE. Mr. President, I ask unanimous consent that the names of the Senator from Connecticut [Mr. PURTELL], and the Senator from Indiana [Mr. JENNER] be added as cosponsors on subsequent printings of the bill (S. 1789) to amend the Small Business Act of 1953 (title II of Public Law 163, 83d Cong., as amended), introduced by me, for myself and other Senators, on April 4, 1957.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOME RULE FOR THE DISTRICT OF COLUMBIA — ADDITIONAL COSPONSORS OF BILL

Under authority of the orders of the Senate of April 10 and April 12, 1957,

The names of Mr. CASE of South Dakota, Mr. PAYNE, Mr. FLANDERS, Mr. ALLOTT, Mr. BARRETT, Mr. POTTER, Mr. SMITH of New Jersey, Mr. IVES, Mr. JACKSON, Mr. MAGNUSON, and Mr. KEFAUVER were added as additional cosponsors of the bill (S. 1846) to provide for the District of Columbia an appointed governor and lieutenant governor, and an elected legislative assembly and nonvoting delegate to the House of Representatives, and for other purposes, introduced by Mr. BEALL, for himself and Mr. JAVITS, on April 10, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address delivered by him before 66th Continental Congress of the Daughters of the American Revolution, Constitution Hall, Washington, D. C., April 15, 1957.

By Mr. TALMADGE:

Address delivered by Senator RUSSELL on April 15, 1957, before the National Society Daughters of the American Revolution, on the subject The Landmarks We Defend.

By Mr. MARTIN of Pennsylvania:

Genesis of the Amen Corner and addresses delivered by him and by Senator SCHOEPPEL, at the Amen Corner dinner on April 6, 1957.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Roy Richard Rubottom, Jr., of Texas, a Foreign Service officer of class 1 to be an Assistant Secretary of State, vice Henry F. Holland, resigned.

Notice is given that the nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, for action on the nominations on the Executive Calendar under the heading "New Reports."

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. BIBLE in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Gerald A. Drew, of California, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to Haiti;

Donald Vaughn Lowe, of New Jersey, to be the representative on the Transport and Communications Commission of the Economic and Social Council of the United Nations; and

Robert B. Memminger, of South Carolina, and sundry other persons, for appointment and promotion in the foreign and diplomatic service.

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Frederick J. Lawton, of the District of Columbia, to be Civil Service Commissioner;

Christopher H. Phillips, of Massachusetts, to be Civil Service Commissioner; and

Harris Ellsworth, of Oregon, to be Civil Service Commissioner.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the Executive Calendar, under the heading "New Reports," will be stated.

THE COAST AND GEODETIC SURVEY

The Chief Clerk proceeded to read sundry nominations in the Coast and Geodetic Survey.

Mr. MANSFIELD. I ask unanimous consent that the Coast and Geodetic Survey nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

DEPARTMENT OF THE NAVY

The Chief Clerk read the nomination of William B. Franke, of New York, to be Under Secretary of the Navy.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

IN THE ARMY

The Chief Clerk proceeded to read sundry nominations in the Army.

Mr. MANSFIELD. I ask unanimous consent that the Army nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations will be considered en bloc, and, without objection, they are confirmed.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Caleb R. Layton III, of Delaware, to be a United States district judge for the district of Delaware.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. I ask that the President be immediately notified of the nominations confirmed today.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

PANAMA CANAL

Mr. MARTIN of Iowa. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed at this point in the RECORD, pertinent excerpts from communications received by me concerning proposed legislation affecting the Panama Canal and the question of interoceanic canals generally, with a preliminary statement by myself.

There being no objection, the statement and excerpts were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

PRELIMINARY STATEMENT BY SENATOR MARTIN OF IOWA

In a statement to the Senate on June 4, 1956, I quoted a memorandum to the Congress on the Panama Canal problem with excerpts of letters from a number of eminent engineers and others with Panama Canal construction and subsequent broad experience. Since then I have received additional communications on various aspects of the canal question from persons in many parts of the Nation. Among them are some whose records include both canal engineering and thermonuclear warfare.

The key issue in this correspondence centers on the old question of type of canal for the major increase of interoceanic transit facilities: whether to improve the existing high-level-lake and lock shipway by adapting it to the principles of the terminal lake-third locks conception or to construct a new Panama Canal at sea level that would still require tidal locks. This important matter was last considered by the Congress and the President in 1906, after years of explorations and studies culminating in a great Congressional debate known as the battle of the levels, with decision for the high-level plan under which the Panama Canal was constructed.

Now, more than 50 years afterward, this much discussed problem of the type of canal, once described by former Governor J. J. Morrow as a hardy perennial, is posed again in a far more complicated setting. It is one that has been featured by animated injections of so-called security and national defense angles occasioned by the advent in 1945 of the atomic bomb.

By way of explanation, it should be remarked that this development in weapon design led to authorization in late 1945 for an inquiry by the Governor of the Panama Canal conducted in 1946–47 under Public Law 280, 79th Congress—an act originally drafted in the Canal Zone by those who later supervised its execution. That study was not an independent investigation but one preconceived and administratively directed toward securing adoption of a sea-level project at Panama. (See Hon. Willis W. Bradley, CONGRESSIONAL RECORD, Apr. 21, 1948, vol. 94, pt. 10, p. A2449). Submitted in 1947, its recommendations failed to receive Presidential approval and were not accepted by the Congress.

As expressed in my statement to the Senate on January 17, 1957, the advocates of the sea-level proposal in their public statements have not been fully candid with the Congress and the country. Their mode of treatment was recently illustrated in an unofficial report on the Panama Canal prepared by a special committee of the National Rivers and Harbors Congress, entitled "The Sea-Level Project and National Security," which generally followed the recommendations of the 1947 report (H. Doc. No. 446, 84th Cong.).

Despite the large volume of informed discussions of the canal problem, much of which has been published in the CONGRESSIONAL RECORD, this rivers and harbors congress report dismissed all consideration of all high-level lake and lock plans on the alleged basis that "none of these can afford the necessary security," and failed to mention the well-known terminal lake-third locks program (see Gov. Glen E. Edgerton's preliminary report, January 17, 1944, in CONGRESSIONAL RECORD, vol. 102, pt. 8, p. 10756). Though stressing the vulnerability of locks and dams in the present canal, it failed to consider the danger of closure of any type of canal by nuclear attack on the slide area of Gaillard Cut, which sector is considered by independent atomic warfare and canal engineers as constituting a comparable hazard (see E. S. Randolph in United States Naval Institute Proceedings, April 1956, p. 395). It is obvious, because the bottom of the channel in the mountainous section of the sea-level project would be lowered more than 100 feet below its present height of 40 feet above sea level, that this project would offer a far greater hazard with respect to such closure than the existing canal.

The National Rivers and Harbors Congress, it should be recorded, is a registered lobby organization (CONGRESSIONAL RECORD, Jan. 3, 1957, p. 120). Its primary purposes are to obtain from the Congress authorizations and appropriations for river and harbor projects of the United States.

Notwithstanding the nature and purpose of this organization, its report on "The Sea-Level Project and National Security" was published as a Government document at the request of its president, who is also a Member of Congress. Never before, so far as I have been able to learn, has any unofficial organization obtained publication of any report as a Government document. Certainly the National Rivers and Harbors Congress has not been in a position to make an adequate or authoritative study of Panama Canal problems.

Thus, it must appear that the indicated report can serve no purpose except that of propaganda. In this, the Rivers and Harbors Congress has been surprisingly successful in creating the erroneous impression that its report on the Panama Canal is an official one by a regularly appointed Congressional committee, which it is not. Such publication is certainly contrary to long-established practice of the Congress with respect to public documents. It is unfortunate that the rivers and harbors organization permitted itself to be used in a role of this character.

Over a period of years, in close association with former Representative Willis W. Bradley, an experienced naval officer and ordnance engineer, and other distinguished Members of Congress, I have observed that advocates of the sea-level project, in their discussions of the means to increase Panama Canal capacity, have consistently ignored three vastly important factors that must be considered. These are:

(1) A new treaty with Panama that the sea-level project would require, with its inevitable huge indemnity and greatly increased annuities;

(2) The well-established marine operational shortcomings of the present waterway and a reasoned plan for their solution; and

(3) The effect of costs for increased capacity on tolls that must be imposed on shipping using the canal, especially that of its greatest customer—the American merchant marine.

The failure to meet these and all other vital questions bearing on the expansion of trans-Isthmian transit facilities certainly gives color and credence to the charge that sea-level advocates have been evasive and unfair in their views and recommendations and, in effect, have considered the Congress and the public at large altogether stupid or indifferent (see hearings on Panama Canal and Canal Zone Government before House Committee on Merchant Marine and Fisheries, March 29–31, 1955). The only fair inference to be derived from these failures of sea-level advocates to present and discuss all such greatly important matters is that they have been lacking either in candor, good faith, or in adequate grasp of all the problems involved.

Any informed or thoughtful person must know that the indicated factors must be faced and dealt with in a sufficient and realistic manner. Thus far, this has not been done and, apparently, can be achieved only by means of an independent commission created by Congressional authority.

In contrast with the actions of advocates of the sea-level project, the supporters of the terminal lake-third locks proposal, who include many persons of distinction, have endeavored to consider fully these three factors, as well as the many others that apply, and to present them forthrightly in their discussions and views. The lake-lock plan, it is important to note, does not require a new treaty with the Republic of Panama. Moreover, its cost would be only a fraction of the vast expenditure for any sea-level undertaking.

Though these facts are obvious and have been published many times in professional papers and the annals of the Congress, the official recommendation in 1947 by the Governor of the Panama Canal of only the sea-level project for major canal construction, which, as previously stated, failed to receive Presidential approval or Congressional acceptance, has served to exclude from proper consideration what many independent experts consider the best solution when evaluated from all angles. (See memorandum to the Congress on the Panama Canal Problem, CONGRESSIONAL RECORD, vol. 102, pt. 7, p. 9406.)

In this connection the attention of the Congress, which is the highest and final authority on Isthmian Canal policy matters, is invited to the salutary results produced by the recent independent inquiry into an official recommendation to abandon the Panama Railroad. Undertaken under direction of the House, this investigation thwarted an effort by the Panama Canal Company to liquidate this vital trans-Isthmian rail link (H. Rept. 2974, 84th Cong.) and reversed the decision of the routine administrators. The results supply eloquent evidence of the even greater necessity for independent inquiry for the tremendously more important canal policy question of the type of the future canal.

More factors, however, are involved in the canal situation than the inherent problems of the waterway. There are at this time in the United States and elsewhere advocates who are vociferously clamoring for the internationalization of the Panama Canal. They do this regardless of the facts that the Canal Zone was acquired in perpetuity; that the Panama Canal was constructed by the United States with the taxpayers' money; and that it has been successfully and impartially operated since completion, all under terms provided by treaty.

The question thus arises, "Should the taxpayer be further burdened by the huge cost of a sea-level undertaking estimated up to $10 billions, and after its completion allow it to pass from exclusive American control with complete loss of the huge sums supplied by the United States for its construction?" An independent commission would certainly consider such angles and make some recommendations in the premises.

Fortunately the paramount features in the legislative history and problems of the Panama Canal have been extensively documented in available form. The attention of the Congress is invited to the comprehensive bibliography prepared by Representative CLARK W. THOMPSON, of Texas, and published in the CONGRESSIONAL RECORD of March 23, 1955, volume 101, part 3, page 3610; also to subsequent statements in the RECORD by other distinguished Members of Congress.

From these it is clear that the interoceanic canals problem is anything but a routine matter to be handled by routine officials. Instead, it is one of prime importance that must be decided on its merits and at the highest plane of statesmanship.

To these ends, Representatives CLARK W. THOMPSON, DANIEL J. FLOOD, and FRANCIS E. DORN, all effective students of canal problems, and myself, have just introduced identical measures to create an independent Interoceanic Canals Commission: H. R. 3258, H. R. 4774, H. R. 6008, and S. 611, 85th Congress.

This body should be composed of the best qualified men in the country—men who cannot be improperly dominated—and, without further delay, put to work on the canal problem, which has become increasingly a topic of public discussion since the Suez crisis. For this step, we cannot afford to wait until some grave crisis overtakes the Panama Canal with attendant necessity for quick solution, which might precipitate and bring about ill considered action and unfortunate decisions.

The present Panama Canal situation and the imperative necessity for prompt constructive legislation is keenly appreciated by those with whom I have been in consultation. Because of their high stature, some of their expressions should be of the greatest interest and value not only to the Congress and Executive but also to the Nation at large, particularly agencies that use the canal or would otherwise be affected by tolls.

JUNE 28, 1956.

DEAR SENATOR MARTIN: I was much interested in your letter of June 12 in regard to the Panama Canal, and the influence which vulnerability to atomic bombing might have on consideration of this matter.

Now I am not an expert on atomic bombing, or on atomic energy matters generally. I know that the newspapers sometimes indicate that I am, but as a matter of fact I have never been what is ordinarily known as an atomic scientist. Neither have I delved closely into this matter since the war, for I have not been at any time a member of the Atomic Energy Commission, or even on one of its advisory bodies. My connection with the subject during the war was more that of an administrator than of a scientist or engineer. So I have only the layman's point of view, and of course the point of view of a

man who has been an engineer all of his life and who is always interested in engineering matters.

With this background, so that you will not place undue weight upon what I have to say, I have a feeling that vulnerability to atomic bombing should not be a controlling factor in decisions on this Panama Canal question. This is for the reason that I believe that any type of canal whatever could be put out of operation for a rather long period by bombing, if the enemy was able to place bombs on its target, and if the enemy considered it a matter to be of sufficient importance to make the necessary sacrifices for this purpose, and to employ bombs of a magnitude adequate for the job. In fact I believe that if we get into a war in which atomic bombs are used generally, which of course I very much hope can be avoided, I doubt whether the continued operation of the Panama Canal would have any really decisive influence on the outcome.

Cordially yours,

VANNEVAR BUSH,
Former Chairman, Research and Development Board, National Military Establishment.

DECEMBER 21, 1956.

DEAR SENATOR MARTIN: I am in receipt of your letter of December 11, 1956, with particular reference to the effect that atomic and thermonuclear weapons would have on the Panama Canal.

I am sending you herewith a memorandum which I wrote on October 1, 1956, which gives briefly my views concerning the vulnerability of either a sea-level or a lock canal to an attack by atomic or thermonuclear weapons. You may use that memorandum in any way you choose.

With kindest wishes, I am,

Sincerely yours,

T. F. FARRELL,
Major General, AUS, Retired, Former Deputy Commander, Atomic Bomb Project.

OCTOBER 1, 1956.

ISTHMIAN CANAL POLICY AND ATOMIC WAR

The debate between advocates of a sea-level canal at Panama and those favoring an improved lock canal still goes on. In order to provide for the increasing needs of interoceanic commerce, an early decision should be made and work gotten underway.

One strong argument of the sea-level advocates is its alleged greater security against atomic-weapon attack. What little merit there may have been to that argument with respect to the earliest atomic weapons is lost when one considers the superatomic weapons and their successors, the thermonuclear (hydrogen) weapons.

The earlier atomic bombs produced effects equivalent to 20,000 tons of TNT (20 kiloton weapons). Later atomic bombs are many times as powerful and hydrogen bombs are rated in millions of tons (megatons) of TNT equivalent. In a few short years, the power of the bombs has gone up by a factor of 1,000.

The radioactive fallout from the superweapons now can cover a vast area with its killing deposits. Chairman Strauss of the Atomic Energy Commission reporting on the thermonuclear device tested at Bikini on March 1, 1954, states that:

"There was sufficient radioactivity in a downwind belt about 140 miles in length and of varying width up to 20 miles to have seriously threatened the lives of nearly all persons in the area who took no protective measures.

"About 7,000 square miles of territory downwind from the point of burst was so contaminated that survival might have depended upon prompt evacuation of the area or upon taking shelter and other protective measures."

The early 20-kiloton bombs, by blast and heat, would destroy or damage severely all buildings within a radius of more than a mile from the point of explosion. Lesser damage would extend further out.

In a megaton bomb, with the energy yield increased by a factor of 1,000, the distance for similar damage increases approximately by a multiple which is the cube root of 1000 or 10. Thus, the circle over 2 miles in diameter of almost total destruction for a 20-kiloton bomb would become a circle of similar destruction more than 20 miles in diameter for a 20-megaton hydrogen bomb. Something less than total destruction would extend many miles beyond that area. The intensity of the blast and heat for a large area directly below the explosion would be so enormous that buildings, power, communications, shipping, vegetation, and life, itself, would be totally destroyed. Great fire storms would sweep out in all directions. As Milton wrote in Paradise Lost, there would be "whirlwinds of tempestuous fire."

A megaton hydrogen bomb exploded over the center of activities at each end of the canal would destroy life and things completely. Another megaton bomb exploded in the deep Gaillard cut could be expected to start slides so overwhelming that years of massive effort would be needed to clear them away. It would be a long, long time before a working canal could be restored. The deadly radioactive fallout would snuff out the lives of those it could reach. The few living who were spared because they were hidden out would flee in panic from the awful place. The canal, its people, and all its vast wherewithal would be dead and done for.

Two puny, old-fashioned atomic bombs blasted and burned the heart out of Hiroshima and Nagasaki and left them gasping for life. The awful memory of those shattered cities makes one pray to be spared seeing what bombs thousands of times more powerful would do to living communities.

Since death, destruction, and waste would be so total at either a sea-level or a lock canal, there is little to be gained by making detailed comparisons. All is all.

The interruption must last for years in either case. The losses would be complete in all supporting facilities of power, water supply, communication, transportation, shops, housing, supply installations, maintenance plants, and floating equipment. The operating personnel and all those on whom they depend for normal living would be wiped out. The residual effects of radiation could prevent working in hot areas for a long time. The canal would be so blocked by slides that it would take years to dig out. The deeper cut of the sea-level canal could be a much tougher job to open than that of the lock canal.

To sum up: If war with atomic and hydrogen weapons should come to the Panama Canal—be it a sea-level or a lock canal—the canal would die in blast and fire and radiation. It could stay dead a long, long time. Perhaps it would not be rebuilt. It could be abandoned to the voracious jungle, and become buried ruins to be dug up and studied by archeologists of future generations. Perhaps instead, a better and wiser world will find a way to avoid the uttermost folly of atomic war.

THOMAS F. FARRELL,
Major General, AUS, Retired.

NOVEMBER 21, 1956.

MY DEAR SENATOR: Reference is made to your letter of November 13 on the subject of an independent commission to be created to study the Panama Canal situation.

I have been working with a number of the engineers who were engaged in the initial design and construction of the canal for many months in an attempt to create an atmosphere based on sound judgment and it is highly necessary that a competent and independent commission be created to study the various plans that have been suggested for increasing the capacity of the Panama Canal and including the proposed sea-level canal.

It is my considered opinion that a sea-level canal, while perhaps possible, is highly impractical. I am also convinced that the hydrogen bomb is an absolute weapon which, if properly used, would put either the lock or sea-level canal out of commission for many months or possibly years.

I endorse wholeheartedly the stand taken by Messrs. W. R. McCann, Richard H. Whitehead, E. Sidney Randolph and others in reference to the necessity of a competent and disinterested commission to study the problems that are presented in any consideration of increasing the capacity of the canal.

The Sunday New York Times of November 11 quotes figures of the income of the Panama Canal from 1952 to 1956. In the year 1956 the income, before payments to the United States Treasury, was $23,278,426. Interest was paid to the United States Treasury at the rate of 2.48 percent based on the canal cost of $342,465,445, and after the payment of the interest and the annuity to Panama of $430,000, which has since been increased by the late treaty with Panama to over $1,125,000, the net income was $4,179,464.

House Document 446 of the 84th Congress, 2d session, is a report by the Special Committee on the Panama Canal of the National Rivers and Harbors Congress regarding the Panama Canal—the sea-level project and national security, which endorses everything certain Army engineers propose and has a statement that the policy of the committee has been to seek information from every available informed source both lay and official. To my certain knowledge they have not communicated with any of the engineers who participated in the design and construction of the Panama Canal.

They estimate the cost of the sea level canal project, which they endorse, at $4,879,000,000. Now, if we add this sum to the present capital investment of the canal and apply the present rate of interest, the additional interest amounts to $120 million annually or more than five times the present income of the canal from all sources. Note this is an additional charge and based on the same operating costs. The canal's net income of $4,179,464 would show an annual operating deficit of about $117 million. I have serious doubts as to whether the tolls from the sea level canal can ever approach this annual charge.

Returning to the question of security: The hydrogen bombs with megaton effect indicates there is no such thing as security. The security of the canal must be obtained through diplomatic agreements or similar means rather than by the expenditure of huge sums to obtain so-called security. Security is a myth that has been exploded by the hydrogen bomb.

There are a very few of the engineers who went to the canal in 1904 and served throughout its design and construction still living and in actual engineering practice and it does appear to me * * * that their experience and knowledge of the situation should be taken into account either by the Army engineers, the Congress or a commission, if one is ever appointed, to study these problems.

* * * * *

We believe it to be in the interests of the American public that the grave questions involved merit a complete study of all of these questions, including that of the sea-level project, by a commission to be appointed without further delay, and that the competent engineers who were engaged in the design and construction of the lock canal be given an opportunity to express their views and opinions based on their complete and accurate knowledge of all of

the facts. If this matter is delayed unduly there will be very few of them left to testify and to us time is extremely important.

I trust that you and other Members of the Congress will be successful in the next Congress in obtaining the approval to the appointment of such a commission. You have labored long and diligently on this very serious matter and we are all hopeful that you will be successful in this Congress.

With kindest personal regards, I am,

Very truly yours,

HARTLEY ROWE,
Former Member, General Advisory Committee, Atomic Energy Commission.

JUNE 21, 1956.

MY DEAR SENATOR:

* * * * *

As your letter states, I have had long experience with the Panama Canal project. I first went to the isthmus a few months after Colonel Goethals took over in 1907. I had two tours of duty under him, starting as a young surveyor just out of West Point. I had occasion to review the French plans and to inspect the remaining evidences of their efforts in the field. Actually, until we really got fully started, we used a lot of French abandoned equipment and facilities.

After many later visits to the isthmus, to keep up with developments, I was recalled to active duty and served for over 6 years under two governors, in many capacities during World War II, including engineer of maintenance (now lieutenant governor), and finally assistant to the Governor.

In the short time since I have returned to the United States I have been going through a mass of accumulated second-class mail including many marked copies of the CONGRESSIONAL RECORD, for which I thank you. I was especially impressed by your remarks in the CONGRESSIONAL RECORD, volume 102, part 7, page 9406.

While I naturally have a lot of ideas accumulated over nearly 50 years, I am not committed to any one solution, and I could not discuss them in a short letter. That is the function of the proposed Interoceanic Canals Commission as contemplated by your and Mr. THOMPSON'S bills now before Congress. I am strongly for an independent commission to overhaul the whole situation as of today. The last report was a departmental report in 1947 which has not been printed and upon which Congress has taken no action. In the succeeeding 10 years, there have been terrifying advances in the nuclear situation.

Cordially,

JAS. G. STEESE,
Former Engineer of Maintenance, Panama Canal.

MAY 28, 1956.

DEAR SENATOR MARTIN:

* * * * *

When the Isthmian Canal was first proposed, I realized that fundamentally the problems involved were in large part geological. Accordingly, I undertook them and have lost no opportunity since to inform myself on the matter and have visited the Canal Zone several times and kept in touch with developments.

Admiral Walker, Chairman of the first Canal Commission and also of the two successive Commissions, was a close friend of mine and he urged me to accept the position of geologist for the Canal Commission. * * * Agreeable to Admiral Walker's request however, I examined the drill cores obtained in the course of the drilling to determine the best foundations and therefore most desirable location for the Gatun Dam. * * *

As between the preferable location for a canal across the isthmus whether in Nicaragua or Panama, much geological work has been carried out. The then Chief Geologist of the United States Geological Survey, C. W. Hayes, went over the ground of both sites thoroughly. He concluded that the northern site across Nicaragua was not only considerably longer but would traverse a region subject to considerable violent volcanic outburst, one of the mountain ranges which the canal would pass through is made up of a chain of volcanic cones. The unpredictable nature of this volcanism made the Nicaragua site impractical and most undesirable as compared with the Panama site which was not threatened by such volcanism. * * *

As between a sea-level project and a lock project, I believe the sea-level would not only prove vastly more expensive but would also, in case of war and bombing, prove much less defensible.

All in all, the so-called terminal lake plan, which has been carefully worked out by qualified engineers who have worked on the zone, impresses me as the most desirable plan for expanding the facilities of the Panama Canal. Further, it is estimated that the cost of accomplishing the expansion according to this plan would be under $600 million as compared with the estimated cost of the sea-level plan of $2,500,000,000. After careful consideration of the various factors involved I am satisfied that the terminal lake plan is the most feasible and most economic and most satisfactory method for expanding the capacity of the canal.

Most sincerely,

JOHN M. BOUTWELL,
Consulting Geologist, Formerly With Isthmian Canal Commission.

JUNE 1, 1956.

DEAR SENATOR MARTIN: Thanks for sending me the CONGRESSIONAL RECORD of April 26, 1956, containing your remarks on the Isthmian Canal policy. This brought to my mind the studies made in the Navy Department in 1946–47 on modernization of the Panama Canal.

Secretary Forrestal, after his trip to the Canal Zone in January of 1946, authorized the studies in the Navy Department as a means of acquainting the Governor of the Panama Canal Zone with the naval problems involved.

Supervision of this work devolved on me as Assistant Chief of Overseas Bases. We concentrated our efforts on ways of improving the canal as it existed so as to increase the efficiency of ship handling through the canal.

It was soon apparent from reports of the Governor's board of consultants and from visitors from the canal organization to Washington that the Governor was using the authority of Public Law 280, 79th Congress, to overstress the security and national-defense angles to bolster an argument for a new canal at Panama at sea level.

Inadequate consideration was given to the simple and obvious solution of improving the existing canal by means of a high-level terminal lake on the Pacific side of the canal to balance the similar lake (Gatun) on the Atlantic side.

Voluminous propagada in the lay and technical press supporting the sea-level concept appeared at this time. The origin of such articles was obvious—dredging and earth-moving interests.

The Navy Department supplied the canal authorities with naval views, which included the answers to questions of relative vulnerability, then termed "security," of the two types of canals.

Atomic experts in the Navy Department held that either a sea-level or a lock canal would be vulnerable to superbombs. Therefore the type of canal is irrelevant. As all this information was classified at the time, it was never given to the public nor to Congress so far as I know.

It all looks so simple to me, I wonder that there is any problem at all. The problem would be solved if some authoritative person or body such as your and Representative CLARK W. THOMPSON'S Interoceanic Canals Commission—provided for in S. 766 and H. R. 3335, 84th Congress—would announce, "We are going to improve the present canal according to the authorized third-locks plan adapted to the terminal lake project. After this there would be no further changes in lock dimensions." * * *

Because of your position as a congressional leader on interoceanic canals, economic, and defense policy questions, you may have the great opportunity of pioneering the decision in what may lead to the final settlement of the canal question. May I add that I know of no greater service to the welfare of these United States and the world at large than the successful culmination of the prolonged efforts of yourself and Representative THOMPSON to effect a wise Panama Canal policy.

Sincerely yours,

H. H. LITTLE,
Captain, United States Navy (retired), Former Assistant Chief of Overseas Bases, Office of Naval Operations.

JANUARY 8, 1957.

DEAR SENATOR MARTIN:

* * * * *

My father was one of the two civilian division engineers on the construction of the Panama Canal under General Goethals, and was responsible for the design of the Gatun Dam, and subsequently was in charge of all of the hydrology of the canal. I was brought up there as a young man, and have naturally retained my interests in developments, since I have continued in my father's field of hydraulic and sanitary engineering.

As a member for many years of the United States Beach Erosion Board, which functions under the Corps of Engineers, United States Army, I have had occasion to concern myself with many hydraulic problems involving waterways and I have followed closely the various recommendations which have been made with respect to the Panama Canal problem. * * *

From the studies and reports which I have made, and from my own personal familiarity with the canal both during its construction and from a visit years later, I am of the opinion that the situation has become so involved in controversies not fully supported by adequate investigation, that an Interoceanic Canal Commission should be authorized by the Congress with a directive to study the entire canal situation. * * *

I remember well the Board of Consulting Engineers to the Panama Canal during its construction, several of whose members I knew very well, including John R. Freeman and Frederick P. Stearns. Prior to that time there had been also an Interoceanic Canal Commission I believe, also made up of distinguished engineers and others.

I hope very much that the efforts which you apparently have in mind to stimulate the authorization of an independent Interoceanic Canal Commission will be successful * * *.

Cordially yours,

THORNDIKE SAVILLE,
Dean, College of Engineering, New York University.

DECEMBER 30, 1956.

DEAR SENATOR MARTIN: This responds to your request of December 27 for comment on some aspects of the Panama Canal problem.

1. Comment below is based on the premise and hope that the canal as an institution will be forever preserved and protected as an American bulwark against encroachment and violation by any agency whatsoever. Existent misguided sentiment would give to the United Nations administrative control.

Nothing could be more inimical to the sovereign integrity of our country. Frustration and confusion must inevitably ensue when 80 nations are given any license to meddle in our internal affairs.

2. Assuming that we shall retain undivided control, we should proceed in orderly fashion to improve and increase capacity of existing facilities. This suggests an early consideration of, and approval by, the Congress of the so-called terminal lake plan which entails a new dam at Miraflores which would raise Miraflores Lake to plus 85 feet, enabling vessels to proceed safely at summit level with minimum transit time from Miraflores to Gatun.

3. This plan cancels out Pedro Miguel dam and locks. It requires new dams and locks at Miraflores. Properly designed this concept will permit passage of *Roosevelt* or any ships now contemplated, without restrictions inevitably to be imposed by any sea-level chimera. The terminal lake plan, with all its appurtenances, might cost one and one-half billions and require, say, 7 years to complete, including a new set of larger bypassing locks east of Gatun. This obviously is the preferable solution, economically, strategically, and navigationally.

4. Certain officers of the Corps of Engineers have long advocated a completely new so-called sea-level canal, paralleling the existing route. This advocacy was suddenly born after a nuclelar bomb fell on Hiroshima, on the theory that a nuclear bomb, by destroying the locks, would destroy the canal. These advocates forebore mentioning that well-placed TNT bombs, used long before Hiroshima, could accomplish the same purpose. It is simply not true that a sea-level canal is not susceptible to destruction, or long interruption of transit. Diversion of rivers whose rainy season flow is now dispersed into Gatun Lake, and which could not be permitted to flow into a sea-level canal, is imperative * * *. Dikes to contain this diversion through miles of swamps would be peculiarily susceptible of destruction by light bombs.

5. To honestly summarize for your purposes, no canal of whatsoever type of construction may be deemed invulnerable to intelligently organized attack. In actuality, the tidal locks at Balboa, absolutely essential to functioning of a sea-level canal, are as liable as are the navigational locks.

6. Earth and rock slides have plagued this canal since 1906. Obviously, the deeper the excavation the greater is the certainty of slides. What will happen when the proposed sea-level canal bottom is carried 100 feet deeper than it now is? The new channel is to have its bottom at minus 60. This is one of the gravest of the considerations confronting the sea-level plan. * * *

My devotion to and affection for this Nation impels me to suggest that a cost of seven or eight billions and 10 or 12 years for a sea-level canal hardly provides that immunity from trouble we have a right to expect * * *.

In short, no type of canal is immune to enemy destruction. A canal with summit level at 85 or 90 is immeasurably to the Navy's advantage, as opposed to a sea-level canal just as susceptible to closure.

The Congress must eventually decide on this matter. * * * You and your colleagues have a most perplexing problem. You have my most sympathetic best wishes.

WM. G. B. THOMPSON,
Consulting Engineer, Formerly With Isthmian Canal Commission.

SEPTEMBER 27, 1956.

DEAR SENATOR MARTIN: This is an unavoidably delayed reply to your letter of September 4 requesting my views with respect to the proposed conversion of the existing lock canal at Panama to sea level, as recommended by the Governor of the Panama Canal in an extensive and voluminous report dated November 1, 1947.

That report, comprising a text and plates supplemented by eight separate volumes identified as annexes, and embracing 21 additional volumes classified as appendixes, was transmitted to the Congress by the President, December 1, 1947, without comment or recommendation.

During succeeding years no definitive decision was taken by the Congress. The great problems of engineering, future capacity to meet maritime growth, enormous estimated costs, questions of national defense and security, and increasing political complexities inherent in our relations with the Republic of Panama, all combined to present a most controversial national and international problem. I understand the report has not been printed or released to the public.

Public Law 280, 79th Congress, approved December 28, 1945, under which the investigation and subject report was authorized, was initiated to deal with the phases of methods and costs to increase the capacity of the canal, which within itself encompasses broad and most complicated matters of the engineering field.

In the act, however, as finally worded, there were included the words "* * * increasing the capacity and security of the Panama Canal," and further the words "* * * to meet future needs of interoceanic commerce and national defense," and again the words "* * * international commerce or national defense." With this very involved mingling of two great objects the question arises, which was intended to be of paramount importance? If the answer is of equal importance, what qualified line officers of the Army, Navy, and Air Departments were assigned for duty with respect to national defense and security in the preparation of the subject report?

A careful reading of the various studies leading to the recommendation for a sea-level canal discloses that national defense and security seemed to be paramount. As early as February 1947, while the subject report was in process, a superintendent of dredging on a Panama Canal in a paper before the American Society of Civil Engineers, recommended a sea-level canal. He stressed security and national defense as more important than maximum capacity and further stated a sea-level canal would be "relatively invulnerable."

Shortly after the report reached the Congress, but not available in text to the public, the various authors presented to the American Society of Civil Engineers a series of papers summarizing the major elements of the report. These were a part of the official proceedings of the society but were made the subject of a separate publication by the society carrying the title "Panama Canal—The Sea Level Project—A Symposium." Thus began what many thought was an attempt to mold public opinion and the technical world in favor of the sea-level recommendation in advance of action by committees of the Congress. To some nonmembers of the society and to the public, this special publication seems to imply in some degree the formal stamp of approval of the American Society of Civil Engineers, comprising many thousands of experienced engineers of the country.

Thus began the flow of many public articles, not only in the technical press, but in newspaper and popular magazines supporting the sea-level project. All through many such articles appeared the indicated necessity of taking the canal to sea level in the interest of security and national defense as of paramount importance irrespective of cost, and the lesser importance of future capacity enlargement.

It occurs to me that if my views, which you have asked for, may receive more than cursory attention, I should state briefly the background from which they arise. I need not refer to my nearly 13 years of engineering, design, and construction experience during the building of the canal.

Early in 1948 a typewritten copy of the Governor's report, and all its annexes and appendixes, with the exception of annex 8, entitled "Security (Secret), and Appendix 6, Volume 1 (Confidential) and Volume 2 (Secret)" came into my possession. Prior to this I received a copy of the Sultan report on the Nicaragua Canal. I also had some knowledge of the Edgerton report of 1944 and recently had the opportunity to read an extensive summary.

Between 1948 and 1953 I studied all these reports in great detail; reread many of the annual reports of the chief engineer during the period of original construction; conferred with many old engineering associates. In particular, I conferred with two of the leading engineers in the development of the atomic bomb and also with that employee of the Atomic Energy Commission who was delegated to help in the preparation of the security annex and appendix (marked secret). * * * Further, for a period of 12 years prior to 1945, I was in charge of the operations of a commercial corporation which, in addition to its other activities, operated a fleet of company-owned and chartered vessels, engaged in intercoastal commerce between North Atlantic and North Pacific ports and to the Far East via the Panama Canal.

I am quite familiar with the bills introduced concurrently in the House of Representatives and the Senate (84th Cong.) by Representative CLARK W. THOMPSON and yourself respectively, designed to establish a special agency to be called the Interoceanic Canals Commission. These bills failed of action as did similar bills introduced in previous sessions of the Congress.

I understand there may be opposition to a new commission as proposed, and that opposition, if it exists, is based on the premise that all phases and alternatives of the canal problems have been exhaustively covered and no useful purpose would be served in further studies by a new group.

In conclusion, my studies have led me to the following specific views:

1. As opposed to modernization, the recommended conversion to sea level of the lock canal at Panama is not warranted from the following standpoints:

(a) National defense and security;

(b) Comparative navigability;

(c) Increased capacity;

(d) Relative impracticability of conversion, within the limits of the present canal, concurrently proceeding with the daily transiting of ocean vessels;

(e) Unprecedented practical problems of engineering and construction methods;

(f) Unprecedented design and building of outsize dredging and excavation equipment;

(g) Unpredictable action of the complex and loaded unstable base formations when the existing counterbalancing head of 87 feet of water is removed;

(h) The basic requirement for areas of new territory outside the present Canal Zone, thereby causing another revision of the controlling treaty with the Republic of Panama, with all the international problems and hazards to the United States inevitably involved; and finally

(i) The impossibility of reasonably projecting in advance the ultimate cost in billions of dollars of a sea level canal at Panama. If finally completed there would have been created, in my opinion, the Straits of Panama, that cauvinistic dream of Bunau-Varilla.

2. Establish an Interoceanic Canals Commission as proposed broadly in S. 766 and H. R. 3335 and introduced in the 1st Session of the 84th Congress, but more or less limited in functional scope. * * *

* * * * *

4. The vast physical data available for Panama, and also the comparable physical data for Nicaragua accumulated over the years up to and through the Sultan studies, may be considered an adequate basis for definitive analysis and recommendations by the proposed new Commission, without additional field work.

* * * * *

With regards and cordial best wishes, I am,
Yours sincerely,

GEO. M. WELLS,
Consulting Engineer, formerly with Isthmian Canal Commission.

FEBRUARY 2, 1957.

DEAR SENATOR MARTIN: In reply to your letter of December 27, 1956, with reference to our Isthmian Canal policy, I wish to comment as follows:

The major questions of policy involved in this discussion I believe can be outlined as:

(a) The relative practicability from the engineering standpoint of the proposed sea-level canal and the proposed locks-lake plan.

(b) The relative cost of the two plans above mentioned.

(c) The relative navigability of the canal under the two plans.

(d) The relative toll charges under these plans for ships utilizing the canal.

(e) The relative defensibility of the canal in case of war under these plans.

(f) The proper course of action by the Congress of the United States in the consideration and determination of a wisely reasoned Isthmian Canal policy.

A. ENGINEERING PRACTICABILITY

The question of engineering practicability would hardly be a serious one if the terrain and geologic features of the Panama Isthmian route were the same as the Suez Canal route. The essential points of difference lie in the fact that the isthmian route necessarily involves a passage through the Continental Divide and the difficulties and uncertainties created by the instability of the geologic strata extending for some miles in the vicinity of the divide.

This instability is evidenced by the numerous slides that occurred not only during the initial construction period (approximately 1904–15), and increasing in number and volume as the excavation of the cut through the divide deepened, but also during the operating period from 1915 to date.

The annual report of the Board of Directors of the Panama Canal Company for 1956 contains the following passage:

"During 1955 Contractors Hill, overlooking the canal at the Continental Divide, started to move toward the channel, and the threat of a serious blockage of the canal required immediate correction. The project, involving an expenditure in excess of $4 million, was completed without any delay to transiting ships. Currently, Gold Hill, adjacent to Contractors Hill, is under continual observation because of signs of instability and may require attention."

The fissure in the strata at Contractors Hill that marked the threatened slide in 1955 referred to in the above quotation was first observed on the surface of the ground several hundred feet from the canal bank, and was found to extend to a depth several hundred feet below the bottom of the proposed sea-level canal.

The instability of the geologic strata evidenced by the slides during the construction period and at intervals during the operating period up to the 1955 Contractors Hill occurrence, and the presently threatened Gold Hill slide, was created by the excavation of the present canal channel through the divide, and the slides due to the instability thus created increased in number and volume as the cut was deepened. The proposed sea-level project involved the deepening of this cut by over 100 feet below the present canal bottom.

In my opinion it is impossible to estimate the amount of material that will have to be removed to effect this deepening, the cost of such removal, or the permanence of the canal channel if and when such deepening is effected.

No such hazards and uncertainties created by strata instability occur in the proposed locks-lake plan.

B. COST

The only estimate of cost of the sea-level canal that the writer has seen is $2.483 billions, contained, I believe in the original Mehaffey report made in 1947. Construction costs have greatly increased since that date, and for that reason alone this estimate would have to be greatly increased, the most recent published estimate being $4.8 billions.

In view of the hazards and uncertainties which have been discussed under A above, the writer believes that it is inherently impossible to make any reliable estimate of cost for the sea-level project.

The estimates for the proposed locks-lake project, under $800 million, made at a later date, may still be too low, but reasonably reliable estimates of cost are not inherently negated.

C. NAVIGABILITY

It is the writer's opinion that the sea-level canal would involve greater navigational difficulties and hazards and less adequate and flexible facilities for ships, especially vessels of the United States Navy that may find it necessary or desirable to stopover in the canal than in the case of the locks-lake canal with its Gatun Lake and the proposed Miraflores Lake. This question was discussed in a symposium conducted by the American Society of Civil Engineers several years ago, together with all other features of the two types of canal. The writer read the discussions and arguments presented by advocates of both types of canal at the time it appeared in the proceedings of the society * * *.

In any case, it would appear that the question of relative navigability of the two proposed plans should be thoroughly investigated by the Congress through the testimony of officers of the United States Navy and qualified representatives of commercial shipping organizations.

D. TOLLS

The annual report of Board of Directors of the Panama Canal Company for 1956 states that the maintenance and operation of the Panama Canal is governed by the act of September 26, 1950, 64 Statutes 1036 (Public Law 841 of the 81st Cong.). The report further states that:

"The (Panama Canal) Company is required to be self-supporting, to reimburse the United States Treasury annually for the net cost of operation of the Canal Zone Government and the basic annuity payment to the Republic of Panama, and to pay interest to the Treasury on the net investment of the United States Government in the corporation (Panama Canal Company)."

For the fiscal year 1956, approximately 78.6 percent of the total revenue of the Panama Canal was derived from tolls. The net investment in the canal at the end of fiscal year 1956 was $408,505,000. The interest rate the Canal Company has to pay to the Treasury of the United States has been established at 2.485 percent for the fiscal year 1957. The receipts from tolls from commercial vessels and credits from United States Government vessels for fiscal year 1956 were $34,450,951.

The amount paid by the Canal Company to the United States Treasury for fiscal year 1956 was $22.3 million of which approximately $10,131,000 was for interest.

If the net investment for a sea-level canal were only $5 billion, the interest at the 1957 fiscal year rate would amount to $124 million. In the writer's opinion, for reasons discussed above, the cost would be far greater than $5 billion, and the interest charges proportionately increased.

Commercial users of the canal have for some time been urging a reduction in the present toll charges. It would appear to be obvious that the increased capital charges of a sea-level canal could not possibly be met by an increase in tolls or in any other revenues of the canal, since the tolls constitute so large a percentage of the total revenue. The 1956 report of the Panama Canal Company, previously mentioned, says on page 9:

"Thus the canal enterprise operates entirely from earnings, requiring no contribution from the American taxpayer."

This condition could not possibly exist with the proposed sea-level canal.

E. DEFENSIBILITY

In all of the discussions of the sea-level versus locks-lake plan that the writer has seen, the proponents of the sea-level plan base their main argument on the claim that the sea-level canal would be less vulnerable to bombing attack in time of war than the locks-lake type.

In the writer's opinion this argument is completely fallacious. The writer believes that in any war in which an enemy of the United States has at its command atomic bombs of either the fission (original atomic bomb) or fusion (thermonuclear or hydrogen bomb) type, and considers the canal a military objective of sufficient importance to warrant its attack, either type of canal is sufficiently vulnerable to be effectively put out of commission for the duration of such war.

There are only two possible ways of preventing such an outcome—first, by an international agreement preventing war, or, second, by an air defense of the canal area that would preclude the proximity of enemy bombers. The writer doubts the practicability of arriving at or enforcing any international agreement that envisions wars of global extent between great powers, but effectively bans the use of atomic bombs in such wars.

Any war in which atomic bombs are used, by either or both belligerents, is certain to be a short one—measured by weeks or months rather than by years.

The possible damage to the canal in the event of such war must not be envisioned as occurring only to the canal channel or structures proper, nor as the dropping of a single bomb. The attack, if made, would involve the effects of numerous, perhaps a dozen or more bombs, directed at the canal proper, and at shops, powerplants, storehouses and centers of population in and adjacent to the Canal Zone.

The hydrogen bomb we dropped at Bikini created a crater approximately a mile in diameter and of a depth far greater than the bottom of the proposed sea-level canal. What would such a bomb do if dropped in the unstable strata section referred to in "A" above? What would such bombs do to the population of Panama and Colon, and of the various towns in the Canal Zone housing employees of the canal? What would happen to their sources of electric light and power and water, and to their food supplies?

It would appear to be obvious that in the case of such an eventuality the canal itself would be blocked, its navigational service, supply and repair activities paralyzed, and there would be neither personnel, equipment, nor material or supplies available for the restoration of essential canal operations, within the possible duration of such a war.

If such an attack on the canal were, as would probably be the case, accompanied by simultaneous attacks on our major productive centers and seaports in the United States, on cities such as Boston, New York,

Philadelphia, Washington, Pittsburgh, Detroit, Chicago, Kansas City, St. Louis, New Orleans, San Francisco, etc., etc., the restoration of Panama Canal navigation would be rendered still more impossible.

The opinion of members and experts of the Atomic Energy Commission and of scientists who have been engaged in our atomic energy developments on this question should be sought by Congress.

F. ACTION BY CONGRESS

In the light of the foregoing discussion, and of the serious objections to the sea-level plan by numerous and eminent engineers, including almost every engineer and executive still living who was engaged in a responsible position during the design and construction of the present canal, the least the Congress could do is to enact legislation such as that contemplated in H. R. 3258 and S. 611. Those bills do not attempt to decide the issue, but to ensure to the Congress the unbiased opinion of highly competent Army, Navy and civilian experts, to the end that whatever policy the Congress may choose to adopt, it will, to use your own expression, at least be a wisely reasoned one.

Sincerely yours,

W. H. ROSE,
Brigadier General, Honorary Retired List, United States Army, Former Civil Assistant to Chief of Engineers, 1941–46.

APRIL 15, 1957.

MY DEAR SENATOR MARTIN: I have your letter of the 9th inst. You have done me the honor to ask my views with respect to the future of the Panama Canal.

In response—and for whatever they may be worth—I herewith submit certain comments.

1. In the world at large there is being pushed the proposal for the internationalization of the Panama Canal. The communistic governments and international communism have been, and are, strongly in favor of such internationalization; and, emboldened by the marvelous success in helping to bring about the liquidation of the power and authority of the free nations—while, at the same time, retaining and increasing their unprecedented and ever-growing dominion over tremendous areas and vast populations of the world—they are pressing for the surrender, in one or another way, by the United States, of all its authority and control of the Panama Canal. There is also non-Communistic sentiment in free countries—including some in our own—for such internationalization. There is growing insistence that the United States step out of the picture, notwithstanding the fact that throughout its connection with the Panama Canal enterprise it has scrupulously observed the treaty agreements involved, and since the completion of the great waterway it has, in compliance with existing treaties, operated the canal under terms of equality for all the nations and without any discrimination in behalf of its own shipping.

Then there is a fast growing sentiment in Panama for the nationalization of the canal by that country, the recently developed Suez Canal status being urged as a precedent—though, in fact, the two situations appear to be quite dissimilar.

In no plan calling for the relinquishment of the rights of the United States in and about the maintenance and operation of the Canal has there been any suggestion—so far as I am advised—for the reimbursement to our Nation of the vast net outlay incurred by it—at the expense of its taxpayers—in the construction and protection of the canal.

The questions are so grave that it is of the utmost importance—for the benefit of all concerned—that the position of our own Government in the premises be, at the earliest possible moment, fully and formally stated.

To this end, I am sure that it would be most helpful if the Congress should adopt an appropriate resolution or declaration recording its views and judgment touching these questions. As to Panama, it is to be hoped that the spirit of friendship and good will, so long existing between the two countries, may continue and that all substantial questions of variance may be solved in the spirit of amity and affectionate esteem which has generally characterized the dealings between the two countries since Panama became an independent nation.

The United States would certainly never have undertaken the construction, maintenance, and operation of the Panama Canal—all at tremendous cost and much sacrifice—except for the treaty arrangements involved; and no nation but the United States could have performed the tremendous task required. I believe it is best for ourselves, for our friends in Panama, and for the entire world that the United States continue its authority and control over the operation of the canal in strict accord with its treaty obligations and, except for which obligations, its work in the building of the canal would never have been undertaken. Should it ever come to pass that the authority of the United States for the maintenance and operation of the canal shall cease, it must likewise be absolved from any further responsibility in that connection. Certainly it cannot afford to have responsibility without authority.

2. Assuming that the United States will continue in the control and operation of the Panama Canal, the question of its increased capacity is becoming more and more urgent because of growing shipping requirements. While I do not speak as a civil engineer, my service on the Isthmian Canal Commission and as head of the civil administration of the Canal Zone during several years of the construction period, as well as my continued study of the problems of the canal ever since, have caused me to favor what is called the terminal lake-third locks project. I think such plan would be greatly superior and more satisfactory than that involved in the sea-level design. The former would require no new treaty arrangements; but new treaty arrangements, it appears, would be required in the sea-level plan; and these would certainly bring increased demands by Panama as to indemnity and annuities, together with other complications. Moreover, the funds required for any major development of the canal would be exacted from our own taxpayers—just as was the case in the original construction—and the terminal lake-third locks project would entail far less expenditure than that which would be necessary in constructing a sea-level design: not more, perhaps, than 1 billion in the former, and between 5 and 10 billion in the latter. With the staggering public debt of the United States already approaching the unprecedented $300 billion mark, other things being equal, it is certainly the part of wisdom to choose the lower cost. It would be criminal stupidity for the United States to spend a vast sum for major improvements of the existing canal—all at the expense of our taxpayers—only to surrender the finished work to some other power or authority.

3. My judgment is that for navigational purposes the present canal is best adapted for efficient results; it has proven successful for the entire period that it has been in service; and with the removal of the Pedro Miguel locks and the grouping of the three Pacific locks in the manner of those at Gatun, the canal would be navigationally improved, certain navigational dangers eliminated, greater anchorage provided for ships on the Pacific side, and other benefits secured.

4. As to the sea-level design, it appears that the basic and most important argument that was formally submitted some years ago in its behalf was that the canal would provide greater security—that it to say, greater security from nuclear attack. It seems to me that whatever force there may have been in this contention at that time, since then the tremendous increase achieved in the destructive force of nuclear bombs has wholly destroyed any idea that any form of canal could escape obliteration under modern nuclear attack. Not only this, but there is every reason to believe that there will be further and greater destructive agencies of nuclear character developed in the years to come; and that it is altogether futile to expect or hope that the Panama Canal can be protected against these forces in any way except that which the United States through two World Wars and the Korean conflict has, with great skill and never-failing watchfulness, provided. Should the internationalization of the Panama Canal, or its nationalization by any other country, ever take place, such status of the canal would never be respected by the Communistic countries if and when it appeared to be to their interest to act in an adverse manner.

5. As to the engineering problems which would be involved in the two designs for increased capacity of the Panama Canal, it is significant that all surviving engineers—practically without exception—of the construction days who had substantial experience in the building of the canal oppose the sea-level design and strongly favor the terminal lake-third locks project.

As I understand the plan for the sea-level design, it would have as a feature the deepening of Gaillard (Culebra) Cut by something like 100 feet. Having for some years, during the construction period, observed the tremendous slides occurring in that region, I cannot escape the belief that if an attempt should be made thus to deepen the Cut, these slides would recur in far greater volume and more devastating effect than obtained during the construction period. In consequence, there is presented an unknown, but certainly vastly sinister, factor of tremendous importance. In case of nuclear attack, the great Cut would certainly be as vulnerable as would be the existing locks; and if through such attack the Cut should be filled with obstruction, it would require as much time and effort to clear it as would be required in the construction of the locks. Moreover, in this connection a sea-level design would require tidal locks and a great dike system to confine the Chagres River—and these features would be likewise vulnerable to such attack. In the event of the indicated destruction in the case of war, it is highly improbable that the restoration could be made until the conflict ceased. Hence, it is difficult to believe that under the improvements involved in nuclear development, the question of relative security in different types of the canal would have intrinsic bearing; and the major questions remain, namely, navigational facility, cost, and freedom from new treaty requirements; and as to these certainly the terminal lake-third locks plan is to be preferred.

6. It is my judgment that the best and wisest manner of dealing with these canal problems is the creation of an Interoceanic Canals Commission, as proposed in identical (nonpartisan) bills introduced in the present session of Congress—in the Senate by yourself and in the House by Representatives THOMPSON, of Texas; FLOOD, of Pennsylvania; and DORN, of New York. Such a body, properly constituted and vested with the fullest measure of independence, could make the required up-to-date studies and present to the President and to the Congress wise and adequate recommendations—not only as regards the Panama Canal, but, as well, concerning the entire subject of interoceanic canals. This proposed legislation, I believe, should receive prompt con-

sideration and approval. The time undoubtedly has come for action.

Sincerely yours,

MAURICE H. THATCHER,
Former and Only Surviving Member of Isthmian Canal Commission and Head of Department of Civil Administration of the Canal Zone, 1910–13.

AMERICA'S MAIL SERVICE

Mr. WILEY. Mr. President, the Nation wants a solution to the mail problem.

Probably millions of words have already been written and spoken about the serious problem caused by the drastic curtailment of mail service, as ordered by Postmaster General Summerfield.

There are all sorts of explanations of why it happened, how it happened, who is to blame, and so forth.

So far as I am concerned, the really important thing is to act constructively so as to make sure that this postal snafu does not occur again.

The American people are entitled to adequate, efficient mail service.

At the same time, there is no question but that the enormous postal deficit problem must be met.

I send to the desk a brief statement which I have prepared. It outlines some of the many factors, as I see them, in this situation.

Appended are excerpts from letters and telegrams from a good many of the messages which have come to me from mail users back home.

I ask unanimous consent that this statement and appended materials be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the statement and other matters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

In all the maze of charges and countercharges, certain facts emerge:

THIRD-CLASS USERS DEPEND ON MAIL CRUCIALLY

1. The first fact is that America's business economy depends very heavily upon the mails.

This is especially true of third-class mail. Yet it is this mail in which the Postmaster General has threatened a paralyzing embargo.

I need hardly point out that there is a tremendous variety of American business—from the corner grocery store to multimillion-dollar mail order businesses, whose life and death, businesswise, depends upon prompt and efficient delivery of direct mail.

There are a vast number of printing establishments, including some of the smallest letterpress and offset shops whose "bread and butter" is this third class printing.

Thus, to embargo such mail would, in my judgment, constitute a direct threat to the very existence of these enterprises. Such a threat cannot be justified.

FORTY MILLION HOUSEHOLDS NEED MAIL

2. There is, however, a larger interest. It is the interest of 40 million householders. There is not a single household in America which does not rely upon the mail—first, second, third, or fourth class—for some purpose or another.

And the fact of the matter is that, already, mail service to our 40 million and more households is recognized as inadequate.

I think that one of the best descriptions of this situation—at least so far as we of Wisconsin are concerned—was contained in an editorial in the Friday, April 12 Milwaukee Journal.

MILWAUKEE JOURNAL DESCRIBES POOR MAIL SERVICE

It described the amazing slowness and irregularity of mail service.

Here are some excerpts from that editorial:

[From the Milwaukee (Wis.) Journal of April 12, 1957]

"RAISE POSTAL RATES AND KEEP SERVICE FROM GETTING WORSE

"In 1836, when Belmont was the territorial capital of Wisconsin, the hamlet of eight buildings enjoyed daily mail service via stagecoach.

"This week a letter mailed in Madison at 5 p. m. Tuesday reached the Journal office Thursday noon—43 hours after it started its 77-mile trip from the capital to the State's biggest city.

"It is service like this that makes so ironic Postmaster General Summerfield's determination to curtail the service further in his row with Congress. The truth is that the service is incredibly bad now. And although Summerfield insists that he has made 'more than 1,000 improvements' since he took office in 1953, what counts with the average householder and businessman is when he gets his mail and how often.

"No change has been made in the 1950 cutback from twice a day to only once a day home delivery, and the single round of the letter carrier may reach your residence at any hour. Post office clerks no longer try to trace address changes through city directories and phone books. A letter posted in Milwaukee today may or may not reach its destination in Wauwatosa tomorrow. (Consider the difference in London; there an invitation to tea dropped in the collection box in the morning will reach a guest in ample time for him to keep the appointment.)

"A paradox of the service is that the more distant the point to which a letter is dispatched the less relative time it takes in transit. Milwaukee has overnight air mail service to Washington, and recently the Journal received dispatches of a roving correspondent from India, Burma, and Singapore in 4 or 5 days and communications from South Africa in 5 or 6."

THE POST OFFICE'S HUGE PROBLEM

3. Let it, however, be pointed out in all frankness that there is a third factor, and that is:

That in 1955 some 54 billion pieces of mail were handled—more than all the mail in the rest of the world. As pointed out in the Milwaukee Journal editorial, the load still further increased last year.

The Post Office has made a great many improvements in its service, but obviously not enough improvements.

All the while, let it be stated in all fairness and frankness that postal expenses have risen. I refer to the costs of postal employees' salaries (but postal unions urgently feel "not high enough") plus the rising cost of operating machinery, the cost of materials, etc.

STAGGERING POSTAL RED-INK TOTALS

4. And so a fourth factor is the staggering Post Office deficit. Since World War II American taxpayers have had to make up deficits in the mail that have totaled almost $5½ billion.

The three-quarter-billion-dollar deficit in prospect cannot be ignored. Somehow that deficit must be reduced. Somehow a reasonable compromise must be found.

But the deficit must be reduced in a way which will not destroy businesses which depend upon the mail.

DON'T KILL BUSINESS GOOSE THAT LAYS GOLDEN EGG

We cannot and must not kill the goose that lays the golden egg.

If a mail-order business or a printshop thrives, it pays taxes to Uncle Sam and it pays mail costs to Uncle Sam.

But if the business is knocked out by destroying its mail service, then Uncle Sam gets no taxes from that business; the enterprises' employees are thrown out of work.

And the postal service loses that much of a customer.

Wisconsin, I may say, is one of the great printing States—one of the great graphic arts States of this Nation. The printing industry can hardly be ignored in its vital needs.

IS POST OFFICE'S COST ACCOUNTING SOUND?

5. Another key aspect of the situation is: Just what are the actual costs of the various classes of mail? How much of a deficit really occurs in each category?

Experts differ.

Many experts say, however, that the Post Office's accounting system is wrong; that it does not allocate costs efficiently and accurately.

GIVE A BREAK TO THE MAILMAN

6. Still another factor to which I have already referred is that the postal unions feel that postal salaries are again under the levels that they should be.

There is a considerable employee turnover in the Post Office Department because of a feeling that salaries are unfair and inadequate.

This factor—the factor of employee morale—too, must be considered.

In all the welter of criticisms which have been flung about there are very few, if any, Americans who dispute the fact that the employees of the Post Office Department are trying to do an honest, conscientious job.

The faithful American mailman is certainly not the one to be criticized. He is carrying an enormous burden on his back, literally and figuratively.

These, then, are some of the factors which bear upon consideration.

POST OFFICE COMMITTEE HEARINGS SUGGESTED

I am not personally a member of the Senate Post Office Committee. So I cannot assert that I have any prepackaged solutions to this situation.

I do know that it is absolutely indispensable that Congress promptly authorize the supplemental funds, as the House has now done.

Comprehensive hearings should likewise be held on the overall postal situation.

There should be no recriminations on a personal basis. Rather, there should be an effective effort to find the answers in a constructive, nonpartisan fashion, once and for all.

To the extent that the post office can be further modernized, it certainly should be.

It should be streamlined for the sort of high-speed, high-accuracy operations which will give the American people the best possible service at the lowest possible cost.

REPRESENTATIVE MESSAGES FROM GRASSROOTS

There follow now excerpts from a flood of letters and telegrams to me.

In respect of the confidence in which private individuals wrote, I have omitted their names.

Where individuals wrote however, on a public basis on behalf of their organizations, I have included their names.

"EVANSVILLE, WIS.

"Hon. ALEXANDER WILEY,
"Washington, D. C.:

"The Wisconsin Advertising Publishers Association joins with other publishers and direct-mail advertisers in protesting the proposed embargo on third-class mail; such a ban would necessitate suspension of the service we offer businessmen and residents of communities where our shopping guides are the only media reaching every urban and rural home. Merchants depending on our

publications to reach their customers would suffer loss of revenue. Shopping guides are published in over 60 Wisconsin communities and in hundreds of communities throughout the United States. All would feel serious effects of a third-class mail embargo.

"Mrs. ROSE P. EHLE,
"For Wisconsin Advertising Publishers Association."

"MILWAUKEE, WIS.

"Hon. ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"In connection with Postmaster General order No. 56314, the Wisconsin Manufacturers Association, a traffic committee of 62 industrial manufacturers in Wisconsin and Illinois request that you take immediate action to retain third-class mail services which the order requests to be discontinued April 29, 1957.

"CUTLER HAMMER, INC.,
"M. I. ADAMS,
"Traffic Manager, chairman, Express Mail and Parcel Post Committee WMA."

KAUKAUNA, WIS., *April 8, 1957.*

Hon. ALEXANDER WILEY,
United States Senator, Senate Office Building, Washington, D. C.

DEAR SENATOR: In reading the newspapers, following television and radio, regarding the question of the curtailment of mail delivery to the American people, the question of dollars seems to be more important and out of proportion to the damages that could be done if Congress does not give relief to one of the greater branches of governmental services which are given to the people and which is a great factor in our economy and is part of our everyday life.

I hope that Congress will realize the fact that the great increase in population also has meant such an increase in mail delivery and which will continue. Congress will have to make a decision as to whether they want to give the American people the kind of service which they are asking for. We all realize that the postal employees of today are underpaid in any comparative study in what involves hard work, public relations, and presenting themselves as one of the finest of the Government workers.

In the beginning of this great service, in the days of the Pony Express, the longer the horse carried the mail, the more oats and feed were given him to carry on this American institution, so I hope Congress will follow the voice of the pioneers in regard to mail delivery and give the Postal Department a small piece off of one of the foreign-relief bills to maintain the proposed mail service in the United States. I trust that they will also see fit to realize that the postal employees are a very important part of every community and every city and the services rendered by them, to the public, are reflection of clear thinking in Washington.

I hope that you see fit to use your influence and that the Postal Department's request is granted so that there will be no interference of the orderly running of the Postal Department in the United States.

Respectfully yours,

JOSEPH F. BAYORGEON,
Mayor.

MEDFORD, WIS., *April 8, 1957.*

Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR: You are aware I believe that we have in the Medford, Wis., community a group of organized rural people affiliated with the National Farmers Union.

We are of course interested in efficient Government in connection with necessary services to the citizens of the United States.

We are aware of the terrific tax burden the American taxpayers are compelled to shoulder and the constantly increasing national debt due in part, we must admit, to the services we Americans demand.

In spite of these facts, however, we feel that expansion of our economy would suffer severely if postal services were to be curtailed, a service which we feel is so all inclusive and so uniformly beneficial to every American citizen.

We hope you will be on our side and join us in protesting the threatened curtailment of postal service which we understand may include nondelivery of mail on Saturdays and discontinuance of issuing of money orders.

Yours sincerely,

CHAS. PAUR,
Deer Creek Farmers Union.

A Wisconsin daily newspaper spokesman:

"Senator ALEXANDER WILEY,
"Senate Office Building,
Washington, D. C.:

"Summerfield's service curtailment threat means chaos for daily newspapers, even if temporary. Mail subscribers will not receive Friday editions until Monday. Saturday's edition probably won't get handled before Tuesday. I need not remind you the wholesale cancellations facing us, not to mention a shutting off of advertising revenue because of delay. Few of us can survive a jolt like that."

A planograph printing plant:

APRIL 8, 1957.

"Senator ALEXANDER WILEY,
"United States Senate,
"Washington, D. C.:

"If third-class matter is ruled out by Post Office Department on April 29 it will put us out of business; throw 11 persons completely out of work; cut off 13 part-time employees, and destroy a $100,000 business. This would be repeated in many Wisconsin communities. We cannot even afford to suspend 1 week. Will you do utmost to help solve post-office problem."

A printing firm in Madison writes:

"APRIL 10, 1955.

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"DEAR SENATOR WILEY: We are very much disturbed by Postmaster General Summerfield's arbitrary order No. 56314 of April 5. A refusal on the part of the post office to handle third-class mail, particularly on such short notice, would wreak havoc in business. It would hit the entire graphic-arts field directly and severely.

"Direct-mail campaigns are laid out months in advance of mailing. For example, we are now working on our Christmas cheese mailers and soon will be in production on them. Normally, this work is completed early in August. Most of the accounts for which we do these jobs live entirely as mail-order houses, moving vast quantities of Wisconsin cheese throughout the country. The Postmaster's order, if put into effect, would put all of these people out of business quickly and effectively—and in turn disrupt the marketing of Wisconsin cheese.

"This brief outline of the problem indicates the widespread disorganization and hardship which the Postmaster's order would effect.

"Anything you can do to help avert the disaster which would follow the Postmaster's order will be sincerely appreciated.

"Very truly yours."

AMONSON LETTER SERVICE,
Oshkosh, Wis., April 12, 1957.

Senator JOSEPH MCCARTHY,
United States Senate,
Washington, D. C.:

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.:

Representative WILLIAM VAN PELT,
House of Representatives,
Washington, D. C.:

We, the employees of the firm of Amonson Letter Service, respectfully request that you do all in your power to prevent or discontinue the proposed embargo on third-class mail.

An embargo, for even a very short period of time, would work a serious hardship on every employee and if continued for even 3 months would mean eventual financial ruin for our company.

We resent the highhanded and discriminatory manner in which this embargo is to be placed and the shameful, self-serving publicity given to the matter by the press.

Third-class mail represents a major portion of our work, as it must to every direct-mail letter shop, and the loss of this business could ruin every direct-mail shop in the United States.

Again we ask you, for the sake of small business, to do all you can to stop this un-American abuse of authority and the ruination of our livelihood and jobs.

Respectfully yours,

E. B. AMONSON.
LOIS TREISE.
JANET LEMKE.
NANCY AHRENS.
H. O. AMONSON.

A small-business problem:

"Hon. Senator WILEY,
"Washington, D. C.

"DEAR SENATOR WILEY: We are publishers of a weekly shoppers' guide. * * * It serves 6,000 homes, and many persons have become dependent upon it for their daily buying.

"Continued publication * * * is seriously jeopardized by the Postmaster General's dictum to place an embargo on third-class mail matter. Needless to say complete discontinuance of third-class mail would simply put ourselves out of business, along with the hundreds of other shoppers that serve well their communities.

"We appeal to you in the interests of many persons to do everything within your power to prevent such an embargo from going into effect.

"If the needs of the Post Office Department are so great, why is it not possible to demand that second-class mailers pay their fair share of the postal rates?

"Very truly yours."

A publisher in Milwaukee:

"MILWAUKEE, WIS.

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"Milwaukee Post Office advises our publication * * * mailed under section 34.64, Postal Laws and Regulations, will not be accepted in view of Post Office Department restrictions; this means controlled circulation magazines will be put out of business; what is being done to alleviate this confiscating situation?

A Milwaukee publishing house:

"APRIL 9, 1957.

"Hon. ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.

"DEAR SENATOR WILEY: As you know, hearings are being held at the present time by

both the Senate and House on proposed increases on postal rates. As a publisher of three trade publications we can be seriously affected by the extent of these increases.

"We recognize the problems with which the Post Office Department is faced. We do not oppose increases in rates for the various classes of mail, but we do oppose excessive increases which may seriously affect the entire publication industry, particularly smaller publishers such as ourselves which use the second-class privileges and who must rely on the mails entirely for their distribution.

"These smaller magazines are to the largest extent made up of trade papers. It is through these trade papers that the dissemination of information within industries is largely accomplished. The growth and progress of the smaller businesses are actively tied to the trade publications serving their respective industries. Anything that would affect the growth of small business in this country would, in our opinion, affect the entire economy.

"It was with this in mind that we are writting to you and ask that you express our position at this time to the members of both the House and Senate Post Office Committees. It would be our recommendation that an incerase in second-class rates be limited to not more than 10 percent per annum for a limit of 3 years.

"I would appreciate hearing from you as to what position you will take when and if new legislation regarding increases in the postal rates are presented to Congress.

"Sincerely yours,

"ROBERT H. APPLE."

A leading Wisconsin newspaperman:

"Senator ALEXANDER WILEY,
"United States Senator,
"Washington, D. C.

"DEAR SENATOR: I am much disturbed over the threat of Postmaster General Summerfield to discontinue Saturday rural deliveries. This would mean that our farm subscribers, of which we have a large number, would not receive their Friday paper until Monday. That would be definitely bad, and would generate a squawk that will be heard all the way from here to Washington.

"In talking to the local post office officials, I gather that nothing will be saved by elimination of rural deliveries because the rural carriers would not be cut one-sixth in pay. I understand they are on an annual pay basis, and that their pay would not be affected.

"Our newspapers reach the post office by 5 o'clock each afternoon. The bags are tossed down a chute to the rural carriers' room in the basement. Each rural carrier sorts the mail on Saturday morning, and gets everything in order for the delivery trip. All other mail coming into the post office on Friday also is shot down to the rural carrier room on Friday and is sorted by the rural carriers on Saturday morning. So nothing is saved by eliminating rural service on Saturday.

"It seems to me that the Summerfield order is too far-reaching—more far-reaching than necessary to accomplish the end he says he must accomplish, namely the saving of $47 million.

"With kindest personal regards, I remain,

"Sincerely yours."

A citizen in Eau Claire:

"APRIL 13, 1957.

"Hon. ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.

"DEAR SENATOR WILEY: I am writing to you concerning the request of Mr. Summerfield for sufficient money to operate the Post Office Department. I think that you should give Postmaster General Summerfield the rest of the $47 million he asked for.

"We are on a rural mail route and we get very poor service at best. Six years ago, we received our mail at 11:30 a. m. but right now, we do not get it before 2:30 p. m. If our mail service is curtailed through insufficient funds, we will probably have none at all.

"Yours very truly."

A postal union for the Lake Winnebago area:

"APRIL 11, 1957.

"Senator ALEXANDER WILEY,
"Senate Building,
"Washington, D. C.

"DEAR SIR: I am writing with the hope that some quick action will be taken to appropriate more money for the Post Office Department.

"The morale in this office has dropped 100 percent. Fellows with many years of faithful service are beginning to wonder if they will still have jobs, while the younger fellows in the service will surely be put out of work. The cut in funds will create problems for the townspeople as well as the postal employees and their families.

"If the Post Office Department has ever needed help, the time is now. We hope you will do everything in your power to help appropriate more money for the Department.

"Hoping to hear from you regarding this matter, I remain."

A major publishing enterprise in Milwaukee:

"Senator ALEXANDER WILEY,
"Senate Office Building,
"Washington, D. C.:

"Most urgent that you take immediate action to prevent embargo of third-class mail. Embargo would cripple our company, cause major losses, and disrupt employment of 150 people."

A publisher in Madison:

"MADISON, WIS., *April 8, 1957.*

"Senator ALEXANDER WILEY,
"United States Senate,
"Washington, D. C.:

"Third-class mail is the life blood of our business. Without it our employees would be thrown out of work, and it would seriously affect our suppliers and customers. We are alarmed and appalled at Summerfield's threat to discontinue third-class service. We appeal to you to exercise your good influence to prevent this catrastrophe."

A publisher in southern Wisconsin:

"BURLINGTON, WIS., *April 8, 1957.*

"Senator ALEXANDER WILEY,
"Senate Office Buiding,
"Washington, D. C.:

"The undersigned herewith vigorously protest the suspension of third-class mail privileges. It will result in our immediately being put out of business and will disrupt the entire advertising program of a substantial number of local merchants who depend on this media for communicating their wares and merchandise to the people of a large area. We have a 3-year lease on a new building, contracts with staff employees and a substantial investment in our present business. We cannot operate for a single issue without this third-class mail privilege. A number of employees will be put out of work as well. We urge your immediate attention to a reconsideration of this matter."

ADVERTISING BY ELECTRIC POWER AND LIGHT COMPANIES

Mr. KEFAUVER. Mr. President, for some time now the privately owned electric power and light companies have been running an advertising campaign designed to attack TVA, Niagara, Hells Canyon, the REAs, and public power generally.

Much of this advertising is of a false and misleading nature.

It was undertaken following a survey made for the National Association of Electric Companies, which showed that TVA was very popular but socialism was not, and, therefore, the cold-blooded decision was made to link TVA with socialism, and the electric companies' advertising program was formed.

I have been in correspondence with the Commissioner of Internal Revenue concerning this advertising to determine how it is treated for tax purposes. At the conclusion of my remarks, I shall ask that the Commissioner's letter be printed in the RECORD.

However, I am glad to inform the Senate that as a result of this correspondence the Commissioner tells me that he has ordered his field forces to make a study of the advertising in question and its relationship to proposed legislation.

He states that it is the rule of the Internal Revenue Service "not to allow deductions of expenditures where the facts of the case indicate that they were incurred primarily for lobbying purposes, for the promotion or defeat of legislation, for political purposes, for the development of exploitation of propaganda (including advertising other than trade advertising) relating to any of the foregoing purposes, or for the furtherance of matters in the area of political controversy."

I submit that an impartial study of the electric companies' advertising will show that it violates all these criteria and therefore should not be deductible.

I have no present estimate on the amount of money spent, but it is considerable. I have a booklet published by the Saturday Evening Post reprinting all the advertisements which appeared in that journal alone through 1956. There are 169 of them. The advertising agency in publishing this booklet claims credit for helping shift public opinion 12 percent in the course of the campaign.

There is little doubt in my mind that these companies have been charging the public, through income tax deductions, for their own brainwashing. For the Treasury to now retrieve this money would be not only just and fair, but a great help to the small taxpayers who have been bearing the brunt of the cost of government.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated March 21, 1957, addressed to me by the Commissioner of Internal Revenue; also a memorandum containing a copy of Internal Revenue Ruling 54–442, together with the pertinent provisions of the Internal Revenue Code dealing with this subject matter.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

UNITED STATES TREASURY DEPARTMENT,
Washington, D. C., March 21, 1957.

Hon. ESTES KEFAUVER,
Chairman, Antitrust and Monopoly Subcommittee, United States Senate.

MY DEAR SENATOR KEFAUVER: This is in reply to your letter of February 20, 1957,

concerning the deductibility for Federal income tax purposes of amounts expended by electric companies in connection with the "Electric Company's Advertising Program".

Photostatic copies of three advertisements which recently appeared in National magazines were submitted with your letter. These advertisements were under the sponsorship of "America's Electric Light and Power Companies" and "America's Independent Electric Light and Power Companies", which are said to include some 50 electric companies.

You inquire as to whether the costs to the individual companies for placement of these advertisements is classified as a business expense and whether there has been a ruling on this matter.

To be deductible, advertising expenses must be ordinary and necessary and bear a reasonable relationship to the business activities in which the enterprise is engaged. Whether expenditures of this nature meet the requirements of section 162 (a) of the Internal Revenue Code of 1954, and the regulations applicable thereto, as deductible business expenses, involves a question of fact, the determination of which is made by the field office at the time of examination of the taxpayer's income tax return. It has been the consistent practice of the Internal Revenue Service, however, not to allow deductions of expenditures where the facts of the case indicate that they were incurred primarily for lobbying purposes, for the promotion or defeat of legislation, for political purposes, for the development or exploitation of propaganda (including advertising other than trade advertising) relating to any of the foregoing purposes, or for the furtherance of matters in the area of political controversy. The basis for the nonallowance is that such expenditures do not meet the requirements of the Internal Revenue Code and regulations as ordinary and necessary and directly connected with the carrying on of the taxpayer's trade or business.

It is not clear whether the advertisements in question are sponsored by a formal organization or by individual companies. However, a copy of Revenue Ruling 54–442, which sets forth the Internal Revenue Service's position with respect to amounts paid to certain organizations, is enclosed for your information.

I have directed our field forces to make a study of the import of the magazine advertisements in question and their relationship to any proposed legislation. If it is determined that the principal purpose of the independent utility companies, who paid for the costs of the advertisements, was lobbying or attempting by propaganda or otherwise to promote or defeat legislation, the amounts of such payments would not be allowable deductions.

Very truly yours,

RUSSELL C. HARRINGTON,
Commissioner.

COPY OF REVENUE RULING 54–442, AS PUBLISHED IN CUMULATIVE BULLETIN 1954–2, PAGE 131

Regulations 118, section 39.101(7)–1: Business leagues, chambers of commerce, real-estate boards, and boards of trade.

"A corporation organized and operated primarily for the purpose of promoting a common business interest and bettering the conditions of independent business, whose activities include the furtherance of a legislative program in connection therewith, is exempt from Federal income taxation under the provisions of section 101 (7) of the Internal Revenue Code of 1939."

Advice is requested whether a corporation organized and operated primarily for the purposes of promoting a common business interest and bettering the conditions of independent business, whose activities include the furtherance of a legislative program in carrying out those purposes, is exempt from Federal income taxation under the provisions of section 101 (7) of the Internal Revenue Code of 1939.

Section 101 (7) of the code provides for the exemption of:

"(7) Business leagues, chambers of commerce, real estate boards, or boards of trade, not organized for profit and no part of the earnings of which inures to the benefit of any private shareholder or individual."

There is no prohibition in the statute or regulations relating to section 101 (7) which disqualifies a corporation from exemption for legislative activities so long as such activities are only incidental and the purposes of the organization are to promote a common business interest and to improve business conditions of one or more lines of business, and it is shown by its actual activities that it is operating for those purposes.

Accordingly, it is held that a corporation organized and operated primarily for the purposes of promoting a common business interest and bettering the conditions of independent business, whose activities include the furtherance of a legislative program in connection therewith, is exempt from Federal income taxation under the provisions of section 101 (7) of the code.

However, with respect to dues, assessments or other payments, to organizations such as the foregoing, it should be noted that section 39.23 (o)–1 (f) and 39.23 (q)–1 (a) of regulations 118 provides that "sums of money expended for lobbying purposes, the promotion or defeat of legislation," etc., are not deductible from gross income. This provision is also applicable to deductions for business expenses under section 23 (a) of the code. *Textile Mills Securities Corp.* v. *Commissioner* (314 U. S. 326, Ct. D. 1532, C. B. 1941–2, 200); *Roberts Dairy Co.* v. *Commissioner* (195 F. 2d 948, cert. den. 344 U. S. 865). It accordingly follows that all payments made to such organizations are not necessarily deductible. Whether or not any portion of such payments is deductible must be determined on the facts of each case.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there further morning business? If not morning business is closed.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRANSFER OF RIGHT-OF-WAY FOR YELLOWTAIL DAM AND RESERVOIR

Mr. MANSFIELD. Mr. President, I ask, what is the pending business?

The PRESIDING OFFICER. The Senate has met today pursuant to an adjournment. Therefore the unfinished business will not be laid before the Senate automatically until 2 o'clock. The Senate may by motion take up any bill for consideration.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the measure which was the unfinished business at the close of the session yesterday, Calendar No. 217, Senate Joint Resolution 12, relating to the Yellowtail Dam and Reservoir project, be made the pending business.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 12) to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the joint resolution.

Mr. MANSFIELD obtained the floor.

Mr. WATKINS. Mr. President, does the Senator intend to make a statement in connection with the joint resolution?

Mr. MANSFIELD. Yes, indeed. However, if the Senator desires, I shall insert my statement in favor of Yellowtail Dam at this point in the RECORD, and then the Senator can answer my statement. The Senator knows pretty well what is in my statement.

Mr. WATKINS. I think I do.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MANSFIELD ON SENATE JOINT RESOLUTION 12, YELLOWTAIL DAM AND RESERVOIR

The Senate is considering today Senate Joint Resolution 12 which will remove the one remaining obstacle to the development of one of the few remaining natural power sites in the country—Yellowtail Dam and Reservoir. The construction of this project will give a needed shot-in-the-arm to the economy of eastern Montana and northern Wyoming. It will provide power in an area with power demands exceeding production; it will bring arid lands under irrigation; and it will provide flood control and recreation, in addition to a number of other subsidiary benefits.

Briefly, the purpose of Senate Joint Resolution 12 is to provide for the transfer of right-of-way of approximately 7,000 acres of land for Yellowtail Dam and Reservoir and payment of $5 million to the Crow Indian Tribe in this connection. The facts and elaborate testimony have been presented and explored by the Senate Committee on Interior and Insular Affairs on several occasions. They support, in my judgment, the just and fair compensation as set forth in this joint resolution. A position subscribed to by the Senate committee.

I should like to limit my discussion to the more important aspects of this legislation, so that the Senate may act expeditiously in approving Senate Joint Resolution 12.

Testimony in behalf of this joint resolution has cited two precedents for the $5 million payment—Kerr Dam in western Montana and Pelton Dam in Oregon. In both instances special values and justifiable considerations were essential factors where Indian lands for power site purposes are being leased by private utilities at rates which in a 50-year period yield proportionately more than the proposed payment in this resolution. This procedure has been subscribed to as reasonable by the Federal Power Commission, and the Department of the Interior. What we are asking in this joint resolution is equitable treatment for the Crow Indians.

The Flathead Indians at Kerr Dam are receiving an annual payment of $175,000 and the Warm Spring Indians are receiving $90,000 for their lands at the Pelton project. Over a 50-year period the Indian charges will be $7,377,000 and $3,952,000 respectively. In view of these precedents and the multi-

purpose benefits derived from a completed Yellowtail Dam, I feel that the $5 million figure is justifiable.

I point out that since a third generator has been installed at Kerr Dam, the Flathead Indians are currently negotiating for additional compensation from the utility company in view of this new power revenue.

The Yellowtail Dam settlement will be an outright purchase, allowing certain reservations for the Crow Indians as set forth in this joint resolution, as opposed to a lease at Kerr and Pelton Dams.

In a report submitted to the distinguished chairman of the Senate Committee on Interior and Insular Affairs on February 5, the Bureau of the Budget states that these precedents should not be considered because they are private concerns, licensed under the jurisdiction of the Federal Power Act. The utilities are private profit-making organizations and cannot be compared with the Federal Government's operations, but it is the duty of the FPC and the Interior Department to see that the interests of the Indians and the consumers of power from these projects are protected.

The Federal Power Commission is an arm of the Congress, and it is difficult to see why the recognition of power-site values at Kerr and Pelton Dam sites are not a sufficient precedent for their recognition by the Congress itself in the case of Yellowtail Dam site.

The fact that Indians constitute a special case is well established in our law. Aside from this, I feel that the $5 million payment is very reasonable when you compute the total payment over a period of time. What we are trying to do is give equitable treatment to the Crow Indians. The provisions of Senate Joint Resolution 12 gives this equitable compensation to the Crow Tribe and the completion of the Yellowtail Dam will give the consumer hydroelectric power at reasonable rates.

The Budget Bureau rejects the provision that the reduction in area of the Crow tribal lands to approximately 5 percent of the original area, is partial justification for the $5 million payment. As established, by treaty in 1851, the Crow Indian Reservation in Montana and Wyoming was composed of 38,500,000 acres of land, including valuable grazing and other agricultural lands, as well as vast timber and mineral resources. The Crow Indian Reservation now comprises 2,018,218 acres. To the contrary, this is just one more reason why we should bend over a little backwards to treat these Indians equitably. The approval of this payment should in no way be considered fulfillment of any claims on this matter now pending before the Indian Claims Commission.

The Department of the Interior report on this bill, dated April 2 states the Government's action to acquire the lands by condemnation has proceeded to the point where a judicial determination of the value of the lands would be made relatively soon. In short, Assistant Secretary of the Interior, Fred G. Aandahl, stated that "it is unlikely that construction of the Yellowtail undertaking will be long delayed even if the Congress should fail to enact Senate Joint Resolution 12 or some similar measure."

As my Senate colleagues may know, Judge Charles N. Pray of the District Court of the United States ruled in favor of condemnation proceedings on January 8, 1957.

The statement of Assistant Secretary Aandahl rejects the wishes of Congress in this matter as did the President when he vetoed a similar measure in the 84th Congress.

At this point I wish to make it very clear to the Congress and the Executive that I am unalterably opposed to condemnation proceedings. I never have and I never will agree to a position of force in obtaining these lands. My support of the $5 million figure is firmly established and I shall not agree to a cent less.

The original appraisal of the actual value of these lands was set at something under $50,000 without giving consideration to power site values. The Department of Interior, under both Democratic and Republican administrations, has offered the Crow Indians $1½ million for these lands. These offers were not adequate and were rejected by the tribe. At the other extreme there have been proposals recommending $1 million a year on a lease basis for 50 years, at which time the project would revert to tribal ownership. I understand that this suggested payment has been reduced to something like $8 million for the transfer of these lands.

I think it is most interesting to note that the Interior Department's most recent report on this measure cites $2½ million as an agreeable price for these 7,000 acres. This is $1 million more than they had been willing to agree to previously. Perhaps if we wait a few years they will eventually readjust their estimates to favor a $5 million payment. But we do not have time; we need Yellowtail Dam now.

In view of the various offers proposed I feel that the $5 million settlement is just, fair, and equitable, and it is agreed to by the vast majority of those concerned.

The Crow Indian Tribe has been more than cooperative in advancing the development of this vital multipurpose project in southeastern Montana and neighboring Wyoming. On several occasions they have endorsed the $5 million settlement by tribal resolutions, the most recent being January 25, 1957.

This payment was subscribed to by Congress in the last Congress, the Governor of Montana has endorsed the settlement, the people of the Billings-Hardin area of Montana are fully behind it, and most recently the Montana Legislature passed House Joint Memorial No. 4 urging and requesting the enactment of resolutions pending before Congress setting forth a fair and just settlement.

President Eisenhower vetoed Senate Joint Resolution 135 in the last session of Congress. However, I sincerely believe that he will reconsider when he is given all of the facts and their justification.

Before concluding my statement on behalf of Senate Joint Resolution 12 I invite the Senate's attention to the excellent report on this resolution prepared by the Senate Interior Committee. This document is very comprehensive and presents all the legal and factual data supporting the $5 million payment. Also, the report points out an additional precedent for a congressional award as set forth in this joint resolution. I refer specifically to the Boysen Dam case. The additional precedent relates to the right-of-way for the small multi-purpose Boysen Dam in Wyoming. In this instance Congress authorized payment to the Arapahoe and Shoshone Indian tribes that recognized power site values. This power installation is one-eighth of that proposed of Yellowtail Dam and the amount of payment was considerably less but the principle involved is the same as that in Senate Joint Resolution 12.

The approval of Senate Joint Resolution 12 will be the green light for this multipurpose project which has been authorized for over 12 years.

Early and expeditious action on this legislation is imperative so that we can appropriate funds this session of Congress for the beginning of construction of Yellowtail Dam and Reservoir in fiscal year 1958. Any additional delay in meeting the power needs of the Northwest will be detrimental as well as disastrous to the economy of the area.

Mr. WATKINS. Mr. President, I rise to state briefly my reasons for opposition to the joint resolution, which I opposed in the Committee on Interior and Insular Affairs and which I oppose in the Senate today.

First of all, let me explain that my opposition to this measure is on its policy precedent of a far-reaching nature, and not on its obvious objective of providing a fair settlement for the Crow Tribe of Indians in Montana. As a member of the Indian Affairs Subcommittee, I have initiated and supported many measures for relief and rehabilitation of our Indian peoples, and I most certainly feel that the Crow Indians deserve equitable treatment where their rights as individuals or as a tribe are concerned. Furthermore, I think that such an equitable settlement on all claims outside of the taking of land for the Yellowtail claim would be made eventually in the Indian Claims Commission, a body established by the Congress for orderly consideration of such claims.

If the proponents of the Yellowtail Dam and Reservoir of the Hardin unit of the Missouri Basin project wish to utilize surplus power revenues to make a large grant to these Indians in addition to just compensation, I most certainly would give it serious and fair consideration on its merits if there was nothing otherwise objectionable or illegal or precedent making involved in such an action. And I most certainly would like to see this delayed Hardin project moved along. It is a sound project and I would like to see it built.

In the bill itself, and in the report, it should be clearly indicated that it is a grant, and not in the nature of a just settlement, as provided in the Constitution, for the taking of properties for public use.

However, I object to the precedent-making action we are asked to take here today of incorporating such an outright grant in addition to just compensation for lands required for a Federal water-resource development. By approving this bill we will be saying, in effect, that the Congress approves as just and equitable compensation the payment of more than 100 times the fair market value of lands required for a reservoir project when the measure of damages, under the constitutional provision for just payment has been established under a long line of court decisions, as the fair market value of the land at the time and place of the taking.

Nothing quite as extreme as this bill proposes to do has ever been done by Congress, and it is my considered opinion that this action could affect future land acquisition for reservoir projects in all States, and possibly involving lands owned by other citizens as well as Indians.

In this connection I think we in the Congress owe a real debt to the executive department for recognizing the far-reaching legal implications of the measure we passed last year, and returning it to us by veto. As you are aware, considerable improvement has been made in the language of this resolution in committee. But lest anyone is unaware of the serious limitations of the bill we reported out and passed last year, I ask to have printed in the RECORD at this point the President's veto message of June 8,

1956, with which he returned Senate Joint Resolution 135 of the 84th Congress.

The PRESIDING OFFICER (Mr. DOUGLAS in the chair) Is there objection?

There being no objection, the message was ordered to be printed in the RECORD, as follows:

THE PRESIDENT'S VETO MESSAGE

THE WHITE HOUSE, *June 8, 1956.*

To the United States Senate:

I return herewith, without my approval, Senate Joint Resolution 135, for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming.

The joint resolution would pay the Crow Indian Tribe, Montana, $5 million as just compensation for certain tribal lands required for the construction, operation, and maintenance of the Yellowtail Dam and Reservoir. The area of the land comprises 5,677.94 acres and such additional land as the Secretary of the Interior determines to be required for the construction of minimum basic recreation facilities for the accommodation of the public, which it is understood will increase the total area to somewhat more than 6,000 acres.

In essence, this resolution culminates a decade of negotiation and disagreement between the Department of the Interior and the Crow Indians with respect to the amount of compensation to be paid to the tribe for lands required for the Yellowtail Dam and Reservoir, for which the initial construction appropriation was made in the fiscal year 1956 and for which an additional $10,850,000 was included in the budget for the fiscal year 1957.

The standard of payment for land acquired by the Government is just compensation or fair market value. However, I recognize that, as a matter of policy, the Federal Government has made awards in excess of just compensation in other cases involving Indian lands. If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is just compensation. The amount, the method for computing it, and the equitable justification for it should be clearly established on acceptable premises. Neither the resolution nor the legislative history does this.

According to my information, the acquisition by the United States of the land contemplated will not interfere with the tribal life, except as to a small area used for grazing, and will not displace any of the members of the tribe since the area is not inhabited and consists almost wholly of inaccessible land, largely of bare, precipitous canyon walls. Thus, the only justification for an additional sum over and above just compensation arises from the value of the land as a power site. General principles of constitutional law exclude power site values in determining just compensation, as the Supreme Court recently reiterated in *United States* v. *Twin City Power Co.*, January 23, 1956.

A statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised, and if it reflected a substantial measure of agreement between parties to the dispute. I regret that the extravagant nature of the award contemplated by Senate Joint Resolution 135 requires this action which may cause some additional delay in proceeding with the construction of the Yellowtail unit. It is my hope that the Congress can approve a statutory settlement which will permit expeditious action to proceed with the construction of this much-needed project.

For these reasons, I have withheld my approval from this measure.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE,
June 7, 1956.

Mr. WATKINS. Also, in order to show more clearly that the executive agencies do not endorse the mandatory action taken in connection with the revised version, I ask unanimous consent that the 1957 reports of the Bureau of the Budget and the Department of the Interior be printed in the RECORD at this point as a part of my remarks.

There being no objection, the reports were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF
THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., February 5, 1957.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: This is in reply to your letter of January 14, 1957, requesting the comments of the Bureau of the Budget with respect to Senate Joint Resolution 12, "To provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes."

The resolution provides for payment of $5 million to the Crow Tribe for the transfer of right-of-way for the Yellowtail unit and is similar in that respect to Senate Joint Resolution 135, 84th Congress, from which the President withheld his approval for the reasons set forth in a message to the Senate dated June 7, 1956. The essence of that message is contained in the preamble to Senate Joint Resolution 12, together with a statement of various circumstances bearing on the amount of the proposed payment.

One of the points cited in the preamble is the reduction over the years in the size of the Crow Indian Reservation "without just compensation" to about 5 percent of its original area. We understand that the Indian Claims Commission is now considering on its own merits the claim of the Crow Tribe relating to this matter, and it would therefore appear to be improper to include the reduction in area of tribal lands as partial justification for the payment here in question.

The preamble also cites awards to the Flathead Indians and Warm Spring Indians in connection with power sites where special values and justifiable consideration were essential factors, and which in 50 years yield proportionately more than the proposed payment to the Crow Tribe. The comparison is not a sound one because these awards were negotiated under the Federal Power Act, which is not applicable to Government use of navigable rivers but applies only to licensees under that act.

It is noted that the Department of the Interior has instituted condemnation proceedings against the tribal lands on the Yellowtail right-of-way in the Federal courts. The committee may wish to consider deferring action on Senate Joint Resolution 12 until the courts have determined the amount of just compensation in order that the basis for any additional payment for special values may be clearly established.

On the basis of information now available and without further demonstration of the special values to the United States cited in the preamble, the Bureau of the Budget is unable to agree that payment to the Crow Indian Tribe for the right-of-way under discussion should exceed $1.5 million, the amount proposed some time ago by the Department of the Interior. Therefore, we are not in a position at this time to recommend enactment of Senate Joint Resolution 12.

Sincerely yours,

ROBERT E. MERRIAM,
Assistant Director.

UNITED STATES
DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., March 29, 1957.

Hon. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR SENATOR MURRAY: You have requested an expression of the views of this Department on Senate Joint Resolution 12, a measure "To provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes."

If enacted, Senate Joint Resolution 12 would provide for transfer of $5 million to the credit of the Crow Tribe and for the transfer to the United States of such right, title, and interest as the tribe may have in and to certain lands which are to be used for construction of Yellowtail Dam and Reservoir, excepting therefrom certain mineral and other rights.

For the reasons hereafter stated, while the Department recommends that Senate Joint Resolution 12 be not enacted with a $5 million figure in it, it would not object to enactment if this figure were reduced to $2,500,000 or less.

When we reported to your committee on February 27, 1956, on Senate Joint Resolution 135, 84th Congress, a somewhat similar measure, we recommended that the sum to be transferred to the credit of the tribe be fixed at $1,500,000. The Congress adopted $5 million as the figure, and the President vetoed the measure (S. Doc. 128, 84th Cong.). His reasons for doing so were that the joint resolution confused the concept of "just compensation" or "fair market value," in terms of which the joint resolution was then written, by including power site value; that there was lacking, either in the joint resolution itself or in its legislative history, any equitable justification for payment of the proposed amount; and that the amount to be paid the tribe was extravagant.

Senate Joint Resolution 12 attempts to overcome the first of these objections by specifying that the sum proposed to be paid "includes both just compensation for the transfer to the United States * * * of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and a share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project * * *." While this successfully separates the "just compensation" element from other factors, and thus overcomes one of the stated objections of the President, it does not touch the measurement of "special value."

Its attempt to meet the other two objections of the President is, we believe, unsuccessful. As spelled out in the preamble to the joint resolution, the specific "justifiable considerations" relied on for a $5 million payment are the reduction in the size of the Crow Reservation by acts of Congress over the last hundred-odd years and the approval in two other cases of agreements between Indian tribes and private power companies which "yield proportionately more than proposed in this resolution * * *."

It is true that the reservation as established by the Treaty of Fort Laramie, September 17, 1851, has been severely reduced since that time. The bulk of the reduction—about 77 percent of the original reservation—took place under the treaty of May 7, 1868. Another 17 percent was the consequence of agreements ratified in the acts of

April 11, 1882, March 3, 1891, and April 27, 1904. And, since the last of these acts, the tribal lands have been still further reduced by sales, by termination of restrictions on allotments, and by elimination of lands under the act of June 31, 1937. At present, the area of the reservation under the jurisdiction of the Government embraces about 1,730,000 acres, as compared with the approximately 38,530,000 acres which it had to begin with.

This Department cannot subscribe to mixing compensation for reduction of the reservation, assuming that any is due, with compensation for a proposed acquisition of lands for a Government dam, reservoir, and powerplant. The problems involved in the two should be studied and dealt with separately. In view of the numerous other reductions in the area of Indian reservations throughout the United States that have taken place over the years, the precedent-making character of this ground for the award of $5 million or any part of that amount has tremendous potentialities which cannot be overlooked and that argue against it. In addition, the Crow Tribe now has pending before the Indian Claims Commission, I am advised, a claim for the principal sum of $29,530,764 based upon the diminution of the reservation effected by the treaty of 1868. In establishing the Indian Claims Commission, the Congress provided an orderly method of handling such claims as those on which the proposed $5 million is at least partially based. We recommend, therefore, that the portion of the preamble reciting the reduction in the reservation be deleted from the resolution.

The other "justifiable consideration" mentioned in the preamble to Senate Joint Resolution 12 is the payments being made or proposed to be made to the Flathead Indians in western Montana and to the Warm Springs Indians in Oregon by licensees of the Federal Power Commission. These cases do not support a payment of $5 million to the Crow Tribe. The fact, if it be a fact, that these payments "yield proportionately more [to the tribes concerned] than proposed in this resolution" (p. 4, lines 9–10) is, of course, no measure of "the share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project" (p. 5, lines 1–2).

Since, however, our comments on the Kerr and Pelton cases have been specifically requested, we submit them in the following paragraphs.

In the Kerr Dam case negotiations with the Commissioner of Indian Affairs were initiated in 1926 by the Rocky Mountain Power Co. for the construction of a hydrogenerating plant at the Newell site on the Flathead River within the Flathead Indian Reservation. The act of March 7, 1926 (45 Stat. 200, 212), among other things, authorized the Federal Power Commission, in accordance with the Federal Power Act, upon terms satisfactory to the Secretary of the Interior, to issue permits or licenses for the development of power sites on the Flathead Reservation and for the use of water rights reserved or appropriated for irrigation projects on the reservation. License No. 5, dated May 23, 1930, under which the Kerr Dam was constructed, was issued to the Rocky Mountain Power Co. The license was subsequently transferred to the Montana Power Co. The license also authorized the company to regulate Flathead Lake between elevations 2,883 and 2,893 mean sea level as a storage reservoir. Approximately one-half of the shoreline of Flathead Lake is within the Indian reservation.

Two generating units, each of 56,000 kilowatts capacity, were installed. The first unit went into service in 1939, the second in 1949. Payments to the Indian tribes are stipulated in article 30 (D) of the license as amended, which provides that the annual charges may be adjusted at the end of 20 years after the beginning of operations under the license and at periods of not less than 10 years thereafter by mutual agreement between the Commissioner and the licensee with the approval of the Secretary of the Interior. A total of $2,872,379 was paid to the Indian tribes through 1954. An annual payment of $175,000 per year was stipulated for the period 1954 to 1959. In the event the annual payment of $175,000 is not readjusted, the payments to the tribes for the 50-year period of the license will total $7,247,380 and the average annual payment will be $145,000. The license also requires that certain quantities of energy be made available to the Flathead irrigation project at preferential rates. These are of benefit both to the tribe and to white irrigators.

A third unit of 56,000 kilowatts was installed and placed in operation in December of 1954 by the power company. Proper payment for this unit is a matter of controversy between the company and the tribes and is now before the United States District Court for the District of Montana.

The Pelton Dam case involves a license granted to the Portland General Electric Co. dated March 23, 1956, by the Federal Power Commission for a hydroelectric dam on the Deschutes River. This river forms a portion of the east boundary of the reservation and half of the structure will be located on the Indian reservation. The Pelton project also includes a low re-regulating dam about 2¼ miles below the Pelton Dam proper. A total installation at Pelton of approximately 108,000 kilowatts is contemplated. When the Pelton project is completed and has begun to generate electricity the company, under terms of agreement with the Indians approved by the Secretary of the Interior, will pay to the Indians the sum of $4,320 per month, or 4 cents for each kilowatt of installed capacity based on the total nameplate rating of 108,000 kilowatts. In addition, the company will pay monthly one-tenth of 1 mill per kilowatt-hour produced at Pelton. The Warm Springs Indians will thus receive annual payments ranging from $84,340 to $89,340.

In addition to the above payments the agreement provides that the Warm Springs Indians shall have a prior right to purchase up to 4,000 kilowatts of power developed at Pelton Dam and the exclusive right to install, operate, and maintain at their own expense 1 or 2 generating units at the re-regulating dam. The contract provides that the company will pay 5 cents per acre per month for any and all tribal lands used. The company is also required to construct a gated outlet below the re-regulating dam capable of releasing 10 cubic feet per second for the irrigation of Indian lands below the re-regulating dam.

The agreement between the company and the Warm Springs Tribe also covers the construction of a dam known as the Round Butte project located about 8 miles north of the Pelton Dam on the Deschutes River below the confluence of the Metolius and the Crooked Rivers. The height of the dam and the capacity of the generating plant have not yet been determined. Payment to the Indians would be essentially on the same basis as for the Pelton Dam. A license for the Round Butte project has not yet been issued to the company.

The problem of finding a solution that is fair to both sides in the present case—that is, to the Government as the developer of the Missouri River Basin project and to the Government as trustee for the Indians—is a difficult one that has faced us for well on to a decade. It is not one that—assuming, for the sake of the argument, that power site value can properly be considered legislatively where it would not be considered judicially—can be resolved by multiplying the proposed number of kilowatts of installed capacity at Yellowtail by a factor derived by dividing the 50-year payments to, say, the Warm Springs Indians by the number of kilowatts installed at their site. Nor is it one that can be arrived at by any similar process which substitutes acres taken or kilowatt-hours generated for installed capacity. For power site value, if it is to be brought into the picture, is an economic concept that must have its basis in the net earning capacity of the proposed installation.

Not only must we bear in mind that power-site value is something which is outside the constitutional phrase "just compensation" in the circumstances of the Yellowtail case, but we have also to remember that when power site value is properly open to consideration it is as a part of market value and the latter is not the value of the site to any particular taker—for example, the Government—but its value on the market. Finally, we must remember that the Yellowtail site as a power site is valueless to anyone except the Government.

The last point just made is of particular importance. Its meaning, put simply, is this: If Yellowtail were developed otherwise than as a unit of the Missouri River Basin project, it would probably have an installed capacity of 130,000 kilowatts. (Our proposed installation of 200,000 kilowatts includes 70,000 of peaking capacity.) The kilowatt-hour cost of producing and delivering energy from such a plant, estimated as shown on the attached table, would be somewhat over 14 mills. This is an uneconomically high price. If 200,000 kilowatts were installed under private development, the cost of producing and transmitting the output would be still higher; namely, about 16 mills.

It is, therefore, only a matter of academic curiosity to apply the Pelton Dam formula of 48 cents per year for each kilowatt of installed capacity and one-tenth mill for each kilowatt-hour of energy generated to the Yellowtail site and to estimate a payment to the Crow Tribe on that basis. The bare arithmetic of such a formula, however, produces an annual payment of $144,200 (the capitalized value of which is $3,710,000) in the case of a 130,000-kilowatt plant or $177,800 (the capitalized value of which is $4,575,000) in the case of a 200,000-kilowatt plant. Similar computations based on the Kerr payments cannot be made, since they are not directly related to capacity or output. In addition, as the Federal Power Commission has reported to you, "Such values of power as may have been considered in arriving at the rental for tribal lands for the Kerr project No. 5 in 1930 are of little, if any, use under present-day conditions."

Consideration has been given by this Department to a report, dated July 5, 1955, prepared by Mr. Barry Dibble and relied on by the Crow Tribe as support for the $5 million figure. The computations in the Dibble report are not related to power value of the site and do not recognize the fact that the Crow Indian Tribe is not the sole owner of all lands required for the reservoir. In fact it is not clear what relationship the amount of $5 million bears to the computations in the report. The computations are in reality a pay-out study of the Yellowtail site based on the assumption that the Bureau of Reclamation would build and operate the project in accordance with a number of assumptions and estimates of cost arrived at by Mr. Dibble. Under the conditions assumed, the report indicates that if the assumptions are correct the undertaking will pay itself out in the 59th year. The author of the report further states: "I believe that the indicated rental of $150,000 per year for the Yellowtail site and reservation lands to be used for the reservoir would be fair and reasonable compensation to the Crow Tribe for the use of

their property." After studying the report, we have reached the following conclusions:

(a) The report does not develop the Yellowtail power site value on a sound basis in accordance with well established methods.

(b) The conclusion of the report that a $5 million powersite value exists is not justified by the text and supporting data of the report and apparently was arrived at in some manner unrelated to the material and presentation which precedes it.

(c) The report takes full advantage of the Federal multipurpose development principle but fails appropriately to credit all multipurpose functions and uses and, instead, claims all the benefits of such development for the Crow tribe.

(d) The report contains basic data on costs and employs revenue estimates which influence repayment ability as developed, which in turn is the determinant of site value. Some of these estimates are inaccurate and inconsistent with assumptions made elsewhere in the report.

For the above reasons and because the report fails to recognize the factual infeasibility of private development, it is our belief that it cannot be taken as support for the claimed figure.

The approach that is reflected in the $1,500,000 which we recommended to your committee last year was based on the earning capacity of the proposed Yellowtail installation. (This estimate has been restudied in the light of cost experience since the time we last reported to your committee and the restudy concludes with substantially the same figure.) This figure was derived from and is supported by two appraisals—one made by engineers for the Bureau of Reclamation, the other by engineers for the Bureau of Indian Affairs—that took into account not only the entire estimated net earnings of the Yellowtail plant as compared with an alternative steam plant but, of course, the marketability of the power and the price at which it will be sold. It also took into account that Yellowtail dam, reservoir, and power plant are not being constructed by the Government as a commercial enterprise but that they are part of a plan which will, at Government expense, benefit a very large area and furnish protection by way of flood control both to the Indian reservation and to other lands. Finally, it took into account the fact that only a portion of the reservoir lands are in tribal ownership, the remainder being public lands, State and county lands, and allotted lands, and that the value cannot, therefore, be attributed solely to the tribal lands.

The fact that only about 20 percent of the required lands are in tribal ownership but that about one-third of the special value of the entire site to the Government for its installation was attributed to them is indicative that $1,500,000 would be not only a fair but a generous payment. This conclusion is many times reinforced when it is recognized that, exclusive of its use by the Government, the tribal lands is probably worth less than $50,000. But while we could not recommend that more than $1,500,000 be allowed to the tribe, we are not wedded to the figure as one that is inescapable and, as has been indicated above, would not object if the Congress should see fit to insert a figure of not more than $2,500,000 both as just compensation for the lands taken and as the "share of the special value to the United States of said lands" which the joint resolution speaks of. Two million five hundred thousand dollars will give to the tribe somewhat more than 50 percent of this "special value."

The above recital, I believe, is persuasive of the desirability of non-enactment of the joint resolution in its present form at this time. There is another factor in the situation which we must also point out to you. Since the last time we reported to you, the Government's action to acquire the tribal lands by condemnation has proceeded. The trial court has heard argument and has ruled in favor of the power of the Government to condemn. The case is now being prepared for trial on the issue of compensation which, under the trial court's ruling, is the only issue left to be tried. Thus there can be, relatively soon, a judicial determination of the value of the site, including a judicial determination of whether the Indians are entitled to power site value and, if so, what it is. In short, it is unlikely that construction of the Yellowtail undertaking will be long delayed even if the Congress should fail to enact S. J. Res. 12 or some similar measure.

Your attention is invited to two typographical errors. The first occurs on page 7, line 9, where "4,711.6" should be "4,771.6"; the second on page 8, line 4, where "3,765" should be "3,675."

The Bureau of the Budget has advised that there would be no objection to the submission of this report to your Committee.

Sincerely yours,

FRED G. AANDAHL,
Assistant Secretary of the Interior.

Single-Purpose Hydro Development by Private Utility, Yellowtail Dam Site

	130,000-kilowatt installation	200,000-kilowatt installation
At-site construction cost:		
Dam and reservoir (includes land and rights, relocations, clearing, dam, roads, and bridges)	$61,216,000	$61,216,000
Afterbay Dam	1,506,000	1,506,000
Powerplant and switchyard	14,410,000	22,170,000
General property	1,341,000	1,341,000
Total	78,473,000	86,233,000
Transmission costs	6,155,000	8,206,000
At-site annual charges:		
Fixed charges: (*Percent of investment*)		
Cost of money — 5.50		
Depreciation — .41		
Interim replacements — .20		
Insurance — .10		
Taxes:		
Federal — 4.64		
State and local — 2.16		
Total — 13.01	10,209,000	11,219,000
Operation and maintenance:		
Powerplant	208,000	320,000
Switchyard	50,000	62,000
Administrative and general expense (30 percent of operation and maintenance)	77,000	115,000
Total at-site annual charges	10,544,000	11,716,000
At-site average cost per kilowatt-hour:		
$10,544,000 divided by 818,100,000 mills	13.0	
$11,716,000 divided by 818,100,000 do		14.3
Transmission annua. charges:		
Fixed charges: (*Percent of investment*)		
Cost of money — 5.50		
Depreciation — 1.00		
Interim replacements — .35		
Insurance — .25		
Taxes:		
Federal — 4.64		
State and local — 2.16		
Total — 13.90	$856,000	$1,141,000
Operation and maintenance:		
Lines	45,000	61,000
Substations	60,000	79,000
Administrative and general expense (15 percent of operation and maintenance)	16,000	21,000
Total transmission annual charges	977,000	1,302,000
Transmission average cost per kilowatt-hour:		
$977,000 divided by 818,100,000 mills	1.2	
$1,302,000 divided by 818,100,000 do		1.6
Total average at-market cost per kilowatt-hour (excluding any component for power-site value)	14.2	15.9

Mr. WATKINS. Senators will notice this conclusion in the February 5 report of the Bureau of the Budget:

On the basis of information now available and without further demonstration of the special values to the United States cited in the preamble, the Bureau of the Budget is unable to agree that payment to the Crow Indian Tribe for the right-of-way under discussion should exceed $1.5 million, the amount proposed some time ago by the Department of the Interior. Therefore, we are not in a position at this time to recommend enactment of Senate Joint Resolution 12.

A very good summary of the shortcomings of the proposed legislation from the legal standpoint is provided in the report of the Department of the Interior dated March 29, 1957. For emphasis, I wish to read a portion of the report, which I have introduced in its entirety into the RECORD.

[Excerpts from Department of the Interior report of March 29, 1957]

When we reported to your committee on February 27, 1956, on Senate Joint Resolution 135, 84th Congress, a somewhat similar measure, we recommended that the sum to be transferred to the credit of the tribe be fixed at $1,500,000. The Congress adopted $5 million as the figure, and the President vetoed the measure (S. Doc. 128, 84th Cong.). His reasons for doing so were that the joint resolution confused the concept of "just compensation" or "fair market value," in terms of which the joint resolution was then written, by including power site value; that there was lacking, either in the joint resolution itself or in its legislative history, any equitable justification for payment of the proposed amount; and that the amount to be paid the tribe was "extravagant."

Senate Joint Resolution 12 attempts to overcome the first of these objections by specifiying that the sum proposed to be paid "includes both just compensation for the transfer to the United States * * * of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and a share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project * * *." While this successfully separates the "just compensation" element from other factors and thus overcomes one of the stated objections of the President, it does not touch the measurement of "special value."

Its attempt to meet the other two objections of the President is, we believe, unsuccessful. As spelled out in the preamble to the joint resolution, the specific "justifiable considerations" relied on for a $5 million payment are the reduction in the size of the Crow Reservation by acts of Congress over the last hundred-odd years and the approval in two other cases of agreements between Indian tribes and private power companies which "yield proportionately more than proposed in this resolution * * *."

It is true that the reservation as established by the Treaty of Fort Laramie, September 17, 1851, has been severely reduced since that time. The bulk of the reduction—about 77 percent of the original reservation—took place under the treaty of May 7, 1868. Another 17 percent was the consequence of agreements ratified in the acts of April 11, 1882, March 3, 1891, and April 27, 1904. And, since the last of these acts, the tribal lands have been still further reduced by sales, by termination of restrictions on allotments, and by elimination of lands under the Act of August 31, 1937. At present, the area of the reservation under the jurisdiction of the Government embraces about 1,730,000 acres, as compared with the approximately 38,530,000 acres which it had to begin with.

This Department cannot subscribe to mixing compensation for reduction of the reservation, assuming that any is due, with compensation for a proposed acquisition of lands for a Government dam, reservoir, and powerplant. The problems involved in the two should be studied and dealt with separately. In view of the numerous other reductions in the area of Indian reservations throughout the United States that have taken place over the years, the precedent-making character of this ground for the award of $5,000,000 or any part of that amount has tremendous potentialities which cannot be overlooked and that argue against it. In addition, the Crow Tribe now has pending before the Indian Claims Commission, I am advised, a claim for the principal sum of $29,530,764 based upon the diminution of the reservation effected by the treaty of 1868. In establishing the Indian Claims Commission, the Congress provided an orderly method of handling such claims as those on which the proposed $5,000,000 is at least partially based. We recommend, therefore, that the portion of the preamble reciting the reduction in the reservation be deleted from the resolution.

The other "justifiable consideration" mentioned in the preamble to Senate Joint Resolution 12 is the payments being made or proposed to be made to the Flathead Indians in Western Montana and to the Warm Springs Indians in Oregon by licensees of the Federal Power Commission. These cases do not support a payment of $5,000,000 to the Crow Tribe. The fact, if it be a fact, that these payments "yield proportionately more [to the tribes concerned] than proposed in this resolution" (p. 4, lines 9–10) is, of course, no measure of "the share of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project" (p. 5, lines 1–2).

Mr. President, in conclusion, I point out that there are half again as many acres of private lands involved in this project as there are Indian lands. Now, unless we wish to make second-class citizens of the white landowners in that project area, we should be prepared in all fairness, to make the same financial arrangements with them for the acquisition of that required 10,770 acres of private property. If this is done, it could mean an additional $7,500,000 in costs for this project, and a possible precedent that could result in added expense of untold millions for future reservoir projects if the courts follow this formula for acquiring lands required for such purposes.

Mr. President, I do not intend to ask for a yea-and-nay vote on this bill, but I think it is very unwise legislation, because of the possible precedent it might create to vex us at some future time.

If the Indians are to be given a grant, we ought to say it is a grant, and let it be so understood. Let us not change the constitutional formula under which the fair market value at the time of the taking is the measure of damages when private property is taken for public use. If we pass the bill and establish the precedent, there could be no limit to the use of this formula. It would be a very dangerous precedent to establish. I believe the President was justified last year in vetoing the same kind of measure. Even though some amendments have been made to the bill, I still do not think they correct the defects which formed the basis of the President's veto.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. CURTIS. What are the factors injected into the proposed plan of settlement that exceed just compensation on the day of taking?

Mr. WATKINS. They are not specifically spelled out. The President suggested that if we wished to take cognizance of the additional factors, they should be specifically spelled out. I do not believe the defects in the previous bill have been corrected. That is shown in the report of the Department of the Interior and also in the report of the Bureau of the Budget, which I have placed in the RECORD.

I point out that an appraisal of the property was made and that it was appraised at $37,000. If we take it on the basis of $50,000, and award $5 million, it would be at least 100 times more than the fair market value.

The land in question is not land on which the Indians are living. That also should be kept in mind. The Indians, along with the other members of the community, will enjoy some of the benefits which will come from the building of the dam. The reclamation project, on the other hand, is a good project, I favor it now and I believe I voted for it when it came before the Senate some years ago.

Mr. CURTIS. What disposition has been made of the submerged mineral rights? To whom do they belong?

Mr. WATKINS. I believe that under the provisions of the bill the mineral rights are reserved.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. MANSFIELD. Is it not correct to say that under both Democratic and Republican administrations the Department of the Interior did make offers to the Crow Indian Tribe in the sum of $1½ million?

Mr. WATKINS. Yes; I mentioned that earlier.

Mr. MANSFIELD. Is it not also true that this year the Department of the Interior raised the amount to $2,500,000?

Mr. WATKINS. Yes; I believe the Department did do that. That is absolutely wrong as a policy matter. It is impossible to do anything like that and have anything that will be fair to all the citizens of the United States, Indian and non-Indian alike. Even a million and a half dollars is far above the appraised fair market value.

Mr. MANSFIELD. We should not lose sight of the fact that there is involved here the right-of-way and the dam site itself. That should be taken into consideration when we consider what was done in connection with the Warm Springs Tribe and the Flat Head Indians in western Montana. I think it is a very fair price, in view of the fact, particularly, that the Federal Government gains outright control, in comparison with what happened in connection with the Warm Springs and Flat Head Indians.

Mr. WATKINS. Of course the other instances to which the Senator from Montana calls attention were instances in which negotiations were carried on with a private utility. It was not a matter of taking land by condemnation, or anything of that sort. It was done by private negotiations, and all the Federal Power Commission did was to approve a compensation the parties had agreed upon outside of the Commission's proceedings. I do not believe the two cases are similar at all, except that they involved the taking of land for reservoir purposes. That is about the only similarity. If we set this precedent, there will be all sorts of projects it will not be possible to build under the same formula. They would be made unfeasible under the high cost of rights-of-way which would result if the precedent now sought to be established were followed.

Mr. O'MAHONEY. Mr. President, I wish to add a brief word in support of the measure reported by the Committee on Interior and Insular Affairs, the Yellowtail Dam bill. I do this because back in 1944 I had a large part in preparing the authorization of the Missouri River project in the Flood Control Act of 1944.

The purpose of that act in relation to the Missouri River was to make utilization of the waters of the entire Missouri River Basin to the best advantage of all the inhabitants of that vast area.

These rivers and the waters therein have been flowing down to the sea for generations, wreaking ruin and creating waste and offering very little advantage economically to the people who live in the areas where the rivers flow.

ENGINEERS AND RECLAMATION BUREAU AGREE

When the Missouri River project was finally planned, it was only by appeal to the President of the United States that we were able to persuade the Army engineers and the Bureau of Reclamation to come to an agreement as to which of the two would have charge of the construction of the vast projects which were necessary to conserve these waters.

The pending bill is a conservation bill. It is a power bill. It is a reclamation bill. Every member of the committee recognizes the fact that it is a very splendid reclamation proposal. We also recognize the fact that the dam which it is proposed to build will be located on one of the few remaining sites available for the development of power.

It is an excellent site.

Moreover, the site is on the Crow Indian Reservation. There is no question about the propriety of the compensation the bill provides for the Indians. When the Crow Reservation was established in 1851, it embraced 90 million acres. Today it embraces less than 3 million acres. The reservation has been reduced from a broad expanse to a very small area because of the settlers who moved in and who wanted to live in that area.

I do not know how many Members of Congress who represent the State of Montana in the House of Representatives and in the Senate of the United States now live on land which originally belonged to the Crow Indians, but I am confident that there are many in the history of the State of Montana who can make that proud boast.

PRESIDENT'S OBJECTIONS MET

In vetoing the bill last year, the President said:

> If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is just compensation.

We of the committee have sought to meet that requirement laid down by the President. That the compensation provided in the resolution is in excess of the amount that the Department of the Interior and the Department of Justice call "just compensation" is based upon the fact that those agencies are thinking solely of the appraised value of the six or seven thousand acres in the canyon of the river that will be used as a part of the reservoir site.

The problem cannot be solved on such a basis. In the committee bill we are seeking to compensate the Indians in the light of the history of the tribe for the contribution they are making to the development of the entire region by surrendering to the United States the land and the rights without which the dam, with its truly vast benefits for all, cannot possibly be constructed. Thus, the terms and figures of the ordinary condemnation suit have no application here.

PROJECT HIGHLY BENEFICIAL

It is true that the Crow Indians do not want to make their homes on the floor of this canyon. But the United States wants to lay here the foundations of a dam which will conserve the waters of the stream, which will make those waters available for use above and below the dam, which will become the source of highly important new sources of electric power, and which will contribute in an extraordinary degree to the fulfillment of the original concept of the utilization of all of the waters of the Missouri Basin for the public welfare by improving the whole economy of the entire region. Without the power site and lands for the reservoir the dam cannot be built.

I think, without any question at all, that if we were to take the time to review the history of the Crow Tribe we would find my conclusion to be correct. The United States should not pay the Indians upon the basis of the mere appraised value of these lands in the middle of the canyon, on which the Indians do not live. We should pay them upon the basis of the great contribution which the building of the dam will make, not only to the Indians themselves, but also to the entire community of the non-Indians as well as the Indians in Montana, in Wyoming, and throughout this area. I believe the bill should pass without objection.

YELLOWTAIL DAM VITAL SEGMENT

Yellowtail Dam and powerplant will be another vital segment toward the culmination of the major objectives of the Missouri River Basin project. It is located on the Big Horn River which rises in the great State of Wyoming and flows through Montana into the Yellowstone River, a major tributary of the Missouri.

Senate Joint Resolution 12 paves the way for another major objective of the Misouri River Basin project which is transforming desert areas into thriving irrigated agricultural communities, providing drought protection, and producing power for rural areas, cities and towns, as well as industries.

FUNDS AVAILABLE

Funds to start construction of Yellowtail Dam were appropriated by the Congress for fiscal year 1956. It is our understanding that sufficient unobligated appropriations for the Missouri River Basin project are available for payment of the $5 million to the Crow Indian Tribe without further appropriations for the Indian holdings required for the right-of-way.

The Congress at its last session passed Senate Joint Resolution 135 which had for its purpose the same objective as the pending resolution. The President, on June 7, 1956, sent a message to the Congress "of disapproval" or veto. With all due deference to the Chief Executive, the Committee on Interior and Insular Affairs felt that the President was laboring under a misconception of the facts which led the Congress to approve last year's resolution.

Senate Report No. 216 of the Committee on Interior and Insular Affairs recommanding passage of Senate Joint Resolution 12 sets forth fully the committee's views with respect to the $5 million payment. I quote from the objectives and conclusions of the committee, set forth on pages 8, 11, 12, and 13 of the report as follows:

WILL SAVE LONG, EXPENSIVE LITIGATION

In any event, without this legislation, long and expensive litigation is in prospect with the result that the vitally needed Yellowtail Dam development will be further delayed many, many years before the courts make final determinations.

The proposal to pay the Indians $5 million reflects a complete "meeting of minds" on the part of the Crow Indians, on the one hand, and the Congress of the United States, on the other, as is evidenced by congressional approval of Senate Joint Resolution 135 in the 84th Congress.

Unquestionably the legal and equitable considerations that are cited demonstrate that the Crow Indians are entitled to the $5 million award as provided in the resolution. These include the value of the right-of-way as a dam, reservoir, and particularly as a power site. Precedents set by the Congress, by an executive agency (Interior) in its recommendations, and by the Federal Power Commission, an independent agency, show that both legal and equitable factors have been taken into consideration in making awards to Indians in instances akin to the Yellowtail Dam-Crow Indian case.

The committee concludes that the $5 million payment to the Crow Indian Tribe is a fair and equitable payment to the Crow Indian Tribe in the light of all relevant factors, direct and related, in connection with right-of-way for Yellowtail Dam and powerplant as a vital unit of the Missouri River Basin project, Montana-Wyoming, authorized by the Flood Control Act of 1944.

In reaching this conclusion, particular deference was accorded the message of the President of the United States (S. Doc. 128, dated June 7, 1956) returning without approval Senate Joint Resolution 135. This earlier resolution had for its ultimate objective a similar payment to the Crow Indian Tribe.

Senate Joint Resolution 12, the current measure reported, retains the same ultimate objective of Senate Joint Resolution 135 of assuring payment of $5 million to the Crow Indian Tribe, but the wording of the current measure is revised in recognition of the President's comments. There is full cognizance that the Chief Executive was properly exercising his constitutional prerogative in connection with this subject.

The committee is of the view that Senate Joint Resolution 12 as amended, meets the President's objections. It perfects the record through citing at least one direct additional precedent of congressional authority to recognize "special values" to the United States in connection with the development of a multiple-purpose project involving hydroelectric power potentials such as is involved at Yellowtail Dam.

In addition to the applicable findings of the committee in connection with Senate Joint Resolution 135, the committee therefore concluded that precedent for a congressional award buttressed, as provided in Senate Joint Resolution 12, had incontestable support in (a) at least one previous recommendation of the Department of the Interior; (b) in a congressional resolution; and (c) approval of the Chief Executive in the Boysen Dam case, Public Law 591, 82d Congress, July 18, 1952.

BOYSEN DAM PRECEDENT

The additional precedent relates to the right-of-way for the smaller multiple-purpose Boysen Dam (Wyoming), also a unit of the Missouri River Basin project. In this instance, Congress authorized payment to the Arapahoe and Shoshone Indian Tribes that recognized power-site values. While the power installation at Boysen Dam is less than one-eighth of that proposed at Yellowtail Dam, and the amount awarded comparatively less, the principle involved is on all fours with that reiterated by the committee in Senate Joint Resolution 12.

The relevant comparisons of the actual Boysen Dam features and allowances, as ex-

tended on a comparable basis to Yellowtail Dam and powerplant are as follows:

	Boysen Dam (actual)	Yellowtail (proposed)
Area	25,000	6,000 plus.
Appraisers' value of land.	$141,000	$37,000.
Power (installed capacity kilowatt).	15,000	200,000.
Total award	$458,000	$5,000,000.
Potential power share.	[1] $317,000	$4,279,000 [2] (to more than $5,000,000).

(This subject is dealt with more fully in exhibit.)

[1] The $317,000 figure represents a compromise from an original estimate of $275,000 by Government appraisers and more than $300,000 claimed by the Indians for power values at Boysen Dam.

[2] Estimated higher figure based on production of more valuable "peaking" power from 30 percent of installation at Yellowtail.

The installed kilowatt capacity proposed for Yellowtail is approximately 13½ times that at Boysen. On the basis of capacity, a minimum award of $4,250,000 at Yellowtail would be justified. Consideration of another factor would increase the Yellowtail figure to $5 million or more. This factor relates to the fact that 70,000 kilowatts, or one-third of the Yellowtail capacity, will produce peaking power which has a sales value much higher than that at Boysen. Thus, a payment of $5 million to the Crow Indians in connection with Yellowtail is again justified.

OTHER PRECEDENTS FOR PAYMENT

Attention is again directed by way of emphasis to previous comparisons cited on page 5 of Senate Report No. 1626, dated March 6, 1956, on Senate Joint Resolution 135. This relates to the 50-year lease payments recommended by the Secretary of the Interior and approved by the Federal Power Commission to Indian tribes. This was in connection with Kerr Dam on the Flathead River in Montana, where power-site lease returns to the Flathead Indians (who would retain title to the site) would approximate $7,375,000 or 50 percent more than the payment to the Crow Indians at Yellowtail Dam.

Another instance of Interior-Federal Power Commission approval is in lease payments to the Warm Springs Indians in connection with Pelton Dam on the Deschutes River in Oregon. On the basis of Federal Power Commission statistics, a payment of $7,318,000 to the Crow Indians would be justified if the same yardstick were used at Yellowtail, which to the committee appears fully justified.

Viewed as a matter in equity, the conclusion is inescapable that the dam site and power privileges were confirmed in Crow tribal ownership by the treaty of 1851 and the act of June 4, 1920. Acquisition of this property by the Government for the use and benefit of the Federal Missouri River Basin project necessarily must be based on compensation to the Crows for their property rights which include the power privilege. A proper means of evaluating that power privilege is provided by the compensation paid to other tribes for comparable power privileges. Inasmuch as the entire dam and powerplant site of the Yellowtail development is Crow tribal land, fully comparable cases exist in the Pelton Dam and the Kerr Dam settlements, both of which have been approved by the Federal Power Commission, on recommendation of the Secretary of the Interior. Using those approved settlements as the standards, the value of the Yellowtail power site would range from $4,279,000 to more than $5 million.

POWER PHASES OF PROJECT

A vital consideration in connection with Yellowtail Dam is that power revenues will repay the entire investment in commercial power facilities in 50 years with interest. This repayment will include the $5-million payment to the Crow Indians for right-of-way.

Reports of the Bureau of Reclamation to the committee show there is not only a market for the Yellowtail power, but that the output will aid the entire Missouri River Basin power system by producing power for so-called peaking purposes when it is most needed.

A surplus in power revenues over 50 years will be more than adequate to absorb the additional payment for right-of-way to the Crow Indians.

ATTITUDE OF DEPARTMENTS

The President, in his veto message, stated that "a statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised and if it reflected a substantial measure of agreement between parties to the dispute."

We submit, Mr. President, that Senate Joint Resolution 12 meets the President's ground rules.

First, the facts and circumstances cited in the report support our position that the settlement is "soundly and equitably premised."

Second, the amount reflects complete agreement between the Congress and the Crow Indian Tribe. There have been claims that the Crows should receive as much as $50 million for the power site. The Department of the Interior first agreed to a payment of $1,500,000 to the Indians. On March 29, 1957, Assistant Secretary Aandahl wrote that the Department would not object to an award of $2,500,000. The Congress last year approved a $5-million payment. In my opinion, it meets the premise laid down by the President.

Mr. MANSFIELD subsequently said: Mr. President, I ask unanimous consent that a statement prepared by my colleague, the distinguished senior Senator from Montana [Mr. MURRAY], who is absent this afternoon because of official business, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MURRAY

Senate Joint Resolution 12, as amended, has for its major purpose the just settlement of a longstanding, involved controversy between the Federal Government and the Crow Indians over what is the fair compensation for the right-of-way for Yellowtail Dam and powerplant to be built in the Big Horn River, Mont. and Wyo., as a part of the Missouri River Basin project. The Yellowtail Dam project was authorized by Congress 13 years ago in the Flood Control Act of 1944. All agencies of the Federal Government agree as to the desirability and feasibility of this project. All business and industrial interests, the chambers of commerce, and civic and social groups in the area strongly support it.

The sole issue has been over the amount of money the Crow Indian Tribe, on whose reservation lands the dam and powerhouse site will be built, shall receive as fair, legal, and equitable compensation for all their interest in the lands and rights they are surrendering.

The Yellowtail project would conserve the waters of the Big Horn River and permit their maximum use for hydroelectric power, flood control, irrigation, protection of fish and wildlife, and recreation. Eastern Montana and northern Wyoming have urgent need for the additional 200,000 kilowatts of power that the dam will provide. The additional low-cost power and irrigation will speed greatly the area's industrial, commercial, and agricultural expansion, enlarge its tax bases, and develop greater markets for the manufactured products of other sections of the country.

INDIANS TO BENEFIT BUT LITTLE

It is clear that the non-Indian population of both the area itself and of the Nation as a whole will benefit greatly from the project; on the other hand, it will mean very little, comparatively speaking, to the Indians whose reservation will be still more diminished as a result. The Indians have not had the training, nor have they the capital, to take advantage of the benefits that will accrue to the non-Indians from this great development.

In arriving at an asking price for the power site and the reservoir area, the Crow Tribe engaged expert engineers, appraisers, and lawyers and finally voted to sell their lands and rights for $5 million.

In the 84th Congress, the Interior and Insular Affairs Committee conducted full and complete hearings and investigation of the issue as set forth in Senate Joint Resolution 135, of that Congress. In order to insure that the committee's approach was objective, I did not myself act as chairman at these hearings, but asked the distinguished junior Senator from New Mexico [Mr. ANDERSON] to do so. After examining all of the evidence and weighing the issues carefully, the committee came to the conclusion that the $5 million payment for which the Indians asked was fully justified both in law and equity.

FIVE MILLION DOLLARS FAIR, LEGAL, AND EQUITABLE

Accordingly, the committee reported the measure with that amount determined to be the fair, legal, and equitable compensation to the Indians. As reported, the committee undertook to recognize the factors supporting the $5 million payment. The Senate agreed with its committee, the House of Representatives went along with us, and Senate Joint Resolution 135 went to the President.

However, the President vetoed the measure, and in his message of disapproval set forth in some detail the reasons for his veto.

This year the Interior Committee, in drafting and considering the present measure, gave most careful and full consideration to President Eisenhower's veto message. We conscientiously believe we have met the substance, at least, of all of his objections.

The attention of the Members of the Senate is invited to the committee's report on Senate Joint Resolution 12, Report No. 216, in which is reprinted the veto message and in which is set forth our conscientious efforts to meet the President's objections. True, Senate Joint Resolution 12 retains the $5 million figure which is the price at which the Indians are willing to part with rights in the power site and lands. But we do believe we have set forth the legal and the equitable considerations which form the basis for our recommendation of this amount, as the President directed.

NO NEW APPROPRIATION CALLED FOR

I want to make here a point set forth in the committee report, namely, that no new appropriations of Federal funds will be necessary under this resolution. The funds already have been appropriated. They are in the Missouri River Basin appropriation. All that is needed is authorization for transfer.

I should like to stress again the fact that the non-Indian population in the area and

the Nation will benefit greatly from the development of this project; whereas the Indian population, not trained in business and industrial activities, will gain comparatively little. The great boom in industrial and business activity that the 200,000 additional kilowatts of power from the dam will bring about will increase all land values in the area. There will be a substantial rise in opportunity and prosperity for the non-Indians.

In these circumstances, every effort must be made to see that the Crow Indian Tribe shall receive full legal and equitable consideration for the lands, rights, and interests they are willing to convey to the United States.

The committee report and that of the Department of the Interior point out that the Supreme Court of the United States has repeatedly ruled that the relationship between the Federal Government and the Indians is that of guardian and ward. That fiduciary relationship is and must have the highest moral and ethical basis.

MORAL AND ETHICAL PRINCIPLES

Yet, all the Members of the Senate are aware that in the past the Federal Government, through some of its agents, has not always acted in accordance with those moral and ethical principles laid down by the highest tribunal in our land. The facts speak for themselves. In a land the length and breadth of which once was theirs by right of possession, occupancy, and use, the American Indian has been progressively, or more accurately, retrogressively, crowded into fewer and fewer acres of poorer and poorer land. This is the fact, despite all those solemn treaties, which, with the Constitution are the supreme law of the land, assuring the original owners of the country that "as long as grass shall grow and water shall run" they, the Indians, shall not be disturbed in the peaceful possession and enjoyment of their reservation lands.

Recently the distinguished junior Senator from Minnesota [Mr. HUMPHREY] made a most moving speech in the Senate on the plight of the Indians in Minnesota. He quoted at length from a series of articles on conditions among the Indians today, written by that outstanding reporter, Mr. Carl T. Rowan, of the Minneapolis Tribune. Mr. Rowan starts his series of articles, based on firsthand observation, as follows:

"This is the story of a forgotten people, of the vanishing Americans who forgot to vanish.

"It is the story of those 400,000 Americans of Indian ancestry who today languish in almost silent misery at the bottom of the totem pole in a land they once ruled alone."

Mr. Rowan's articles go on to depict the truly brutal conditions in which the Indians have been forced to live, by our inactivity in preparing them to meet the conditions of life in the country that was once theirs. He cites the report of United States Public Health Service to Congress last year that "no other group in the United States lives under comparable conditions" and that the Indian is half a century behind the rest of the Nation when judged in terms of health.

What does it mean, in human terms, to be a half century behind? According to the Public Health Service, it means simply this:

"The average Indian dies at age 37—25 years earlier than the average American.

"Fewer than half the Indians born reach the age of 20; one-third of them die before the age of 5.

"Indians are afflicted by tuberculosis at 9 times the rate of the general population; pneumonia at more than 100 times the general rate; trachoma, a contagious eye disease, at 700 times the general rate; dysentery at 40 times the general rate.

"Of every 1,000 Indian babies born, 76 will not live to be a year old—3 times the infant death rate for other Americans."

I could go on and on and cite example after example, case history after case history, of the results of our treatment of the original Americans: How the agents of the Federal Government have, through empty legalisms and technicalities in laws and treaties, overreached, browbeaten, and cheated him out of his lands and rights, and then have left him adrift in an economic system and society which was not of his making, which he did not understand, and with which he was not equipped by nature and training to deal.

JUSTICE FOR THE INDIANS

However, in Senate Joint Resolution 12, the Congress has an opportunity to do full justice and equity to the Crow Tribe of Indians by making a reasonable and just payment. As I have stated, the Interior Committee twice has found that this $5 million price for outright sale of the lands and rights is reasonable, that it is fully justified in fact, in law, and in equity.

This payment will enable the Department of the Interior to supervise a far-reaching welfare and betterment program among the Crow Indians to enable them to take their place in present-day American life and to meet the challenges our economy imposes.

Before concluding these brief introductory remarks, I want to say a few words on how the Crow Indians and the committee, acting on the advice of engineers, appraisers, and legal counsel, arrived at the $5 million figure. First of all, the lands for the dam and powerhouse are wholly tribal lands, and the reservoir is partially so.

The "special value" of the Yellowtail power site was recognized by the 66th Congress in enacting the act of June 6, 1920. This act vested the power site values in the tribe, as a power site. This vesting of power-site values was confirmed in an opinion of the Honorable Harlan F. Stone, late Chief Justice of the Supreme Court of the United States, when he was Attorney General of the United States in President Coolidge's Cabinet. I am including as a part of my remarks a memorandum-of-law prepared by our committee counsel, Stewart French, in which the then Attorney General's opinion is cited.

ADMINISTRATIVE AND CONGRESSIONAL PRECEDENTS FOLLOWED

Since the Crows do have this special property right in the power site, as a power site, there remains the question of computing its value. On this matter, the Crows and the committee looked to precedents established by the Federal Government in analagous cases. These cases are set forth in detail in the committee report. They concern the payments to the Flathead Indians in connection with the Kerr Dam in Montana and the Warm Springs Indians in connection with the Pelton Dam in Oregon. In these two cases, the executive branch of the Government followed a method of determining just compensation for the Indians involved which, if used for the Crows, would bring us to approximately the $5 million figure which is the amount the Interior Committee twice has found fully justified after study of all legal and equitable considerations.

For Congressional action such as called for by Senate Joint Resolution 12, we also have a clear-cut precedent. This was the action of the 82d Congress, in 1952, authorizing payment to the Arapahoe and Shoshone Indian Tribes in which power-site values were considered in determining just compensation. While the power installation at Boysen Dam is less than one-eighth of that proposed at Yellowtail Dam, and the amount awarded comparatively less, the principle involved is squarely in accord with that reiterated by the committee in Senate Joint Resolution 12.

Here again, if we use the same principles and methods in computing just compensation for the Crow Indians, we arrive at a figure of approximately $5 million. Details are set forth on page 12 of the report of the committee on Senate Joint Resolution 12.

The facts, the law, and the equitable considerations all show that the $5 million price set by the Crow Indians for the power site and reservoir lands for the Yellowtail project is a reasonable and just figure. The Interior Committee twice has investigated the matter fully and carefully, and twice has come to this conclusion. Last year, the Senate and House both came to the same conclusion.

I am confident that the President, when he considers the legal and equitable factors which he called for in his veto message last year and which are now set forth, will approve this measure. It is difficult to see how, in all conscience, he could do otherwise.

It is my earnest hope that the Senate will approve this measure, supported as it is in law and in equity, and thus take at least a small step forward toward justice for the Indians and for the development of the natural resources of Montana and of our Nation.

MEMORANDUM

To: Senator JAMES E. MURRAY.
From: Stewart French, committee counsel.
Subject: Just compensation under Senate Joint Resolution 12, 85th Congress.

1. "Just compensation" may include power-site values (id est, values "in the flow of the stream," as well as riparian values).

President Eisenhower's message of June 8, 1956, vetoing Senate Joint Resolution 135, 84th Congress, states: "General principles of constitutional law exclude power-site values in determining just compensation, as the Supreme Court recently reiterated in *United States* v. *Twin City Power Co.*, January 23, 1956." The Bureau of the Budget cites this message in its report on Senate Joint Resolution 12.

The Twin City case (350 U. S. 222) was an appeal by the Federal Government from rulings of both the Fourth and Fifth Circuit Courts upholding condemnation awards. The lands that were the subject of the action were fast lands, lands above the high-water line of the Savannah River, found by the court to be a navigable stream. Included in the proposed compensation awards were sums based on the value of the land as a site for hydroelectric power operations.

In holding that the United States was not required to pay for such values, the majority opinion held: "* * * the landowner here seeks a value [in the flow of the stream] (matter in brackets that of the court), a value that inheres in the Government's servitude and one that under our decisions [the Government can grant or withhold as it chooses]" (matter in brackets supplied) (p. 225). The majority further quotes, at page 227, from the Appalachian case: " 'exclusion of riparian owners' from the benefits of power in a navigable stream 'without compensation is [entirely within the Government's discretion]' " (matter in brackets added).

Thus, it is respectfully submitted that, in the case relied upon by the President, there is no rule of law enunciated under which power-site values may not be a part of "just compensation"; rather, the matter clearly is one within the discretion of the Congress or the Executive even in a case where there are no special considerations of law and equity. The Twin City decision concerned non-Indian lands in a stream adjudged navigable. Also, the Twin City action was under the Federal Power Act; Yellowtail is under the reclamation law.

2. The Crow Tribe, by act of Congress, has vested property rights in the site as a power site.

The 66th Congress, in the act of June 4, 1920, an act to provide for the allotment of lands to the Crow Tribe, provided in section 10 as follows:

"That any unallotted lands on the Crow Reservation chiefly valuable for the development of water power shall be reserved from allotment or other disposition hereunder, for the benefit of the Crow Tribe of Indians" (41 Stat. 751, 754).

It is submitted that this provision is a recognition of special property values in power sites within the Crow Reservation, and vests said values in the Crow Tribe. Hence, any taking of such vested property rights must be a subject of compensation.

Also as a general legal principle, the right of Indians to the special waterpower values on reservation lands was set forth by the Honorable Harlan F. Stone, late Associate Justice of the Supreme Court, when he was Attorney General in President Coolidge's Cabinet. The then Attorney General in an opinion written at the request of the President held:

"If the extent of the Indian rights depended merely on definitions, or on deductions to be drawn from descriptive terms, there might be some question whether the right of 'occupancy and use' included any right to the hidden or latent resources of the land, such as minerals [or potential waterpower], (matter in brackets supplied) of which the Indians in their original state had no knowledge. As a practical matter, however, that question has been resolved in favor of the Indians by a uniform series of legislative and treaty provisions beginning many years ago and extending to the present time. * * * In all these instances Congress has recognized the right of the Indians to receive the full [sales] value of the land, including the value of the timber, the minerals, [and all other elements of value] (matter in brackets supplied) * * *" (34 Op. Atty. Gen. 171, 178–179, May 12, 1924).

More specifically with respect to the precise lands and power site in question, the Attorney General wrote in an opinion to the Secretary of the Interior:

"Similar provisions have been made in many other cases for the sale of surplus tribal lands, all the proceeds of all elements of value to go to the tribe. In a recent act for further allotment of Crow Indian lands (41 Stat. 751), the minerals are reserved to the tribe instead of passing to the allottees (Sec. 6); and moreover, unallotted lands chiefly valuable for the development of waterpower are reserved from allotment 'for the benefit of the Crow Tribe of Indians' (sec. 10) (34 Op. Atty. Gen. 181–190, May 27, 1924).

"In respect to legislation and treaties of this character, two views are possible. First, that the right of occupancy and use extends merely to the surface and the United States, in providing that the Indians shall ultimately receive the value of the hidden and latent resources, merely giving them its own property as an act of grace. Second, that the Indian possession extended to all elements of value in or connected with their lands, and the Government, in securing those values to the Indians, recognizes and confirms their preexisting right. If it were necessary here to decide as between these opposing views, I should incline strongly to the latter; mainly because Indian possession has always been recognized as complete and exclusive until terminated by conquest or treaty, or by the exercise of that plenary power of guardianship to dispose of tribal property of the Nation's wards without their consent" (id., p. 191).

3. That Indians constitute a special case is so well established in our law as to need no elaboration here. A statement of this policy that appears particularly apposite in the instant case was enunciated in May 1953 by the Court of Claims, in the *Sioux Tribe* v. *U. S.* (125 Ct. Claims 439; 111 Fed. Sup. 766). The court said:

"The argument (of the Government opposing an award) has force, and between equals dealing at arm's length might be controlling * * * we think it was the guardian's (i. e., the Government's) duty to account to the ward for the land which the ward had lost and the guardian had gained * * *."

Also, in *Klamath Indians* v. *United States* (296 U. S. 244) the Supreme Court in 1935 reiterated that the relationship between the Federal Government and the Indians resembled "those arising out of the relation of guardian and ward * * *." The Court went on to rule:

"The obligation of the United States to make good plaintiff's loss is a moral one, calling for action by Congress in accordance with what it shall determine to be right" (p. 255).

STEWART FRENCH,
Committee Counsel.

The PRESIDING OFFICER. The amendments of the committee will be stated.

The amendments of the Committee on Interior and Insular Affairs on page 5, line 7, after the word "and", to strike out "a share"; at the beginning of line 10, to strike out "justifiable" and insert "equitable", and, in the same line, after the word "considerations", to strike out "Nothing contained herein shall be taken as an admission by the United States that it is under any legal obligation to pay more than just compensation to said Crow Tribe and, in any suit brought as provided in section 3 of this resolution, no amount in excess of the sum above stated shall be awarded unless the court find that the whole of said sum is less than just compensation for the lands taken. No attorney fees shall be allowed out of the amount paid under authority of this resolution."; on page 9, line 22, after "Sec. 3.", to strike out "Unless suit to determine whether an additional amount to that specified in section 1 hereof is due as just compensation is brought in the Court of Claims by the Crow Tribe within three years after the effective date of this joint resolution, the" and insert "The"; and, on page 10, at the beginning of line 6, to strike out "In the event of such suit, the court shall have jurisdiction as under section 1505, title 28, United States Code and in determining just compensation shall take into account the sum specified in section 1 hereof and the rights reserved to the tribe by subsections (b), (c), and (d) of section 2 hereof. The amount embraced in such judgment, if any, as may be entered against the United States shall be deposited in the Treasury to be available in like manner as the sum specified in section 1 hereof. Review of the judgment entered shall be in the same manner, and subject to the same limitations, as govern in the case of other claims cognizable under the aforementioned section 1505."; so as to make the joint resolution read:

Resolved, etc., That from funds appropriated to the Department of the Interior, Bureau of Reclamation, for the Missouri River Basin project, there shall be transferred in the Treasury of the United States to the credit of the Crow Tribe of Indians, Montana, the sum of $5,000,000. Said sum includes both just compensation for the transfer to the United States as herein provided of the right, title, and interest of the Crow Tribe in and to the tribal lands described in section 2 of this resolution and of the special value to the United States of said lands for utilization in connection with its authorized Missouri River Basin project, in addition to other equitable considerations. Neither the initial transfer of such funds to the tribe, as provided herein, nor any subsequent per capita distribution thereof shall be subject to Federal income tax.

SEC. 2. (a) Subject to the provisions of this section, there is hereby transferred to the United States the right, title, and interest of the Crow Tribe in and to lands situated in the Big Horn County, Mont., hereinafter described under the headings "Parcel A" and "Parcel B."

PARCEL A

Lots 7, 8, 9, 10, 11, and 12, northeast quarter of the southwest quarter and the east half of the southeast quarter of section 18; lots 1, 2, 3, 4, 5, and 6, the southwest quarter of the northeast quarter, southeast quarter of the northwest quarter, and the northeast quarter of the southwest quarter of section 19, all in township 6 south, range 31 east, Montana principal meridian, and containing 573.84 acres, more or less.

A tract of unsurveyed, unallotted Indian land described as follows: Beginning on the westerly side of the Big Horn River at a point on the west line of lot 9, section 18, township 6 south, range 31 east, Montana principal meridian, said point being at elevation 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the east line of the southeast quarter of the northeast quarter of section 22, township 6 south, range 30 east, Montana principal meridian; thence southerly along the east line of said southeast quarter of the northeast quarter to a point on the east line of said southeast quarter of the northeast quarter, whose elevation is 3,675; thence running upstream along a contour line whose elevation is 3,675, to a point of intersection with the south boundary of the Crow Indian Reservation on the westerly side of the Big Horn River; thence easterly along the said south boundary of the Crow Indian Reservation to a point of intersection with the middle of the thread of the Big Horn River; thence running upstream along the middle of the thread of the Big Horn River to a point of intersection with the south line of township 9 south, range 28 east, Montana principal meridian; thence easterly along the south line of said township 9 south, range 28 east, to a point on the south line of said township 9 south, range 28 east, Montana principal meridian, whose elevation is 3,675 feet; thence running downstream along a contour line whose elevation is 3,675 to a point of intersection with the west line of township 6 south, range 31 east, Montana principal meridian; thence northerly along the west line of said township 6 south, range 31 east, to the point of beginning, and containing 4,711.6 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation, further described as follows: Beginning at a point where the 3,675-foot contour to the left of the Big Horn River intersects the south boundary of the Crow Indian Reservation, said point being approximately 5,400 feet westerly of the point of intersection of the Big Horn River and the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence running easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 5.7 acres, more or less.

Also, a parcel of land lying along the south boundary of the Crow Indian Reservation

and along Hoodoo Creek further described as follows: Beginning at a point on the south boundary of the Crow Indian Reservation where the 3,675-foot contour on the east bank of Hoodoo Creek intersects the south boundary of the Crow Indian Reservation; thence running upstream on the 3,675-foot contour to its intersection with the middle of the thread of Hoodoo Creek; thence running downstream on the 3,675-foot contour to a point where the 3,675-foot contour intersects the south boundary of the Crow Indian Reservation; thence easterly along the south boundary of the Crow Indian Reservation to the point of beginning and containing 1.3 acres, more or less.

The total area above described is 5,352.44 acres, more or less, situated in Big Horn County, Mont.

PARCEL B

Lots 1, 5, and 6 of section 18, lots 4, 6, 7, and 8, and the south half of the northwest quarter of section 17, lots 6 and 7, section 16, all in township 6 south, range 31 east, Montana principal meridian, containing 325.50 acres, more or less, and situated in Big Horn County, Mont.

(b) There is reserved from the right, title, and interest transferred as to parcel B, the Indian Irrigation Service canal and appurtenant facilities, Big Horn unit, Crow Indian Irrigation Department, as now constructed or as they may be hereafter modified, until such time as said canal and appurtenant facilities may be replaced.

(c) Except as to such area as the Secretary determines to be required for the dam site and the construction and operating campsite, the right, title, and interest transferred shall be exclusive of the rights to minerals, including gas and oil, beneath the surface: *Provided*, That no permit, license, lease, or other document covering the exploration for or the extraction of such minerals shall be granted by or under the authority of the Secretary except under such conditions and with such stipulations as the Secretary deems adequate to protect the interests of the United States in the construction, operation, maintenance and use of the Yellowtail unit.

(d) The members of the Crow Tribe of Indians of Montana shall be permitted to hunt and fish in and on the Yellowtail Reservoir and taking area without a license.

SEC. 3. The sum provided by section 1 hereof shall constitute full, complete, and final settlement of any and all claims by the tribe on account of the transfer to the United States as therein provided of the tribe's right, title, and interest in and to the lands referred to in section 2 hereof.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 12) was ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was amended so as to read:

Whereas the 84th Congress, 1st session, adopted Senate Joint Resolution 135 providing "for payment to Crow Indian Tribe for right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, Montana-Wyoming," to which reference is hereby made; and

Whereas on June 7, 1956, the President returned said resolution, "without my approval," with comment which included the following:

"In essence, this resolution culminates a decade of negotiation and disagreement between the Department of the Interior and the Crow Indians with respect to the amount of compensation to be paid to the tribe for lands required for the Yellowtail Dam and Reservoir, for which the initial construction appropriation was made in the fiscal year 1956 and for which an additional $10,850,000 was included in the budget for the fiscal year 1957.

"The standard of payment for land acquired by the Government is 'just compensation,' or 'fair market value.' However, I recognize that, as a matter of policy, the Federal Government has made awards in excess of 'just compensation' in other cases involving Indian lands. If the Congress determines that it wishes to provide for an extra payment in this case, it should not be done under the claim that it is 'just compensation.' The amount, the method for computing it, and the equitable justification for it should be clearly established on acceptable premises. Neither the resolution nor the legislative history does this.

"A statutory settlement of this kind of controversy might be acceptable if soundly and equitably premised and if it reflected a substantial measure of agreement between parties to the dispute. I regret that the extravagant nature of the award contemplated by Senate Joint Resolution 135 requires this action, which may cause some additional delay in proceeding with the construction of the Yellowtail unit. It is my hope that the Congress can approve a statutory settlement which will permit expeditious action to proceed with the construction of this much-needed project."; and

Whereas the Crow Indians, by a majority vote of its tribal council through Resolution No. 63, adopted January 11, 1956, showed its willingness to cooperate in advancing the construction of Yellowtail Dam as a multiple-purpose development as a part of the Missouri River Basin system for flood control, river regulation, irrigation storage, and hydroelectric power production by a further surrender of a valuable part of the remaining reservation; and

Whereas, by telegram dated May 29, 1956, the duly elected officers of the Crow Indian Tribal Council withdrew opposition to said Senate Joint Resolution 135 and urged the President to sign said resolution into law; and

Whereas the Crow Indian Tribal Council, by resolution on January 25, 1957, reaffirmed its previous position with respect to accepting the $5 million payment in connection with the Yellowtail Dam and Reservoir right-of-way, which resolution has been certified to the Secretary of the Interior; and

Whereas the Congress has repeatedly shown its willingness and readiness to recognize cooperation by Indian tribes in advancing resource development through multiple-purpose projects such as Yellowtail Dam; and

Whereas the Federal Power Commission and the Department of the Interior have approved awards to Indian tribes in connection with hydroelectric power developments by non-Federal agencies in at least two transactions, where special values and other equitable considerations were essential factors (to the Flathead Indians in western Montana and to the Warm Springs Indians in Oregon, where Indian lands for power-site purposes are leased at rates which in 50 years yield proportionately more than proposed in this resolution); and

Whereas said amounts of special values and considerations in connection with Yellowtail Dam will be repaid to the Federal Treasury through power revenues paid by power consumers of the Missouri River Basin power system; and

Whereas facts and circumstances are available to support the special values and other justifiable considerations and thereby meet the objections set forth in the President's message of June 7, 1956: Now, therefore, be it.

Mr. MANSFIELD. Mr. President, I move that the vote by which the joint resolution was passed be reconsidered.

Mr. O'MAHONEY. I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MORSE. Mr. President, I have followed the very able presentation made this afternoon of the case in support of the Yellowtail Dam proposal. As the Senator knows, I have been a longtime supporter of the Yellowtail project. I want the RECORD to show that I enthusiastically supported the passage of the bill today.

Mr. MANSFIELD. Mr. President, the senior Senator from Oregon has been an advocate of this particular proposal not merely this year but for many years past. His help has been of great significance in securing the passage of the measure. I want him to know that the Senators from Wyoming and Montana appreciate his unfailing support.

Mr. MORSE. I thank the Senator from Montana.

TRANSFER OF TITLE OF MIDWEST CLAYPAN EXPERIMENT STATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 181, S. 1034.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1034) to authorize and direct the Secretary of Agriculture to convey to the University of Missouri for agricultural purposes certain real property in Callaway County, Mo.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. SYMINGTON. Mr. President, yesterday I sent to the desk an amendment to S. 1034. The amendment was printed in the RECORD on page 5653. I have discussed the amendment with the able and distinguished senior Senator from Oregon [Mr. MORSE] and believe it meets in full his objection to the bill as reported by the committee.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 2, line 22, after the word "less," it is proposed to strike out:

Such property shall be conveyed upon the condition that it shall be used by the curators of the University of Missouri for the purposes of the College of Agriculture. In the event that the curators of the University of Missouri shall cease to use such property for such purposes, all right, title, and interest in and to the said property shall automatically revert to the United States.

And in lieu thereof to insert:

Such property shall be conveyed upon such conditions as in the opinion of the Secretary of Agriculture will assure the use of such property in the cooperative agricultural experimental work of the Department of Agriculture and the State of Missouri. The conveyance of such property shall contain a reservation to the United States of all the minerals in the land together with the right to prospect for, mine, and remove the same

under such regulations as the Secretary of the Interior may prescribe.

Mr. MORSE. Mr. President, I assure my friend, the distinguished junior Senator from Missouri [Mr. SYMINGTON], that not only am I satisfied with the amendment he has offered, but I wish to offer him exceedingly high commendation for the typical statesmanship he is exhibiting again in this matter as he does in other matters.

The Senator from Missouri in the first instance was not fully aware of the rather technical basis of the objections I raised to his bill, because we were of one mind as to the objectives. Our disagreement was only over a small matter of wording. The Senator from Missouri has studied the statement I made concerning the matter and has assured me that he meant this bill to be identical in objective with the so-called dry-land bills which were passed some years ago by the Senate. The Senator from Missouri has offered an amendment which brings this bill into complete agreement with the so-called dry-land bills.

I thank the Senator from Missouri, and I wish to say to him on the floor of the Senate that no one has cooperated with me more completely in the past several years in the application of the so-called Morse formula to the transfer of Federal property than has the junior Senator from Missouri. I thank him very much for his assistance.

Mr. SYMINGTON. I thank the distinguished senior Senator from Oregon for his gracious remarks. I am sure the present occupant of the chair, the distinguished junior Senator from Pennsylvania [Mr. CLARK], will agree with me that there is no Member of the Senate from whom we would rather have such high commendation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Missouri.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NATIONAL MENTAL HEALTH WEEK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 233, Senate Joint Resolution 70.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 70) requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (S. J. Res. 70) was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the week beginning April 28 and ending May 4, 1957, as National Mental Health Week, and urging the people throughout the Nation to cooperate in the fight for the prevention, treatment, and cure of mental illness, and inviting the communities of the United States to observe such week with appropriate ceremonies and activities.

The preamble was agreed to.

BANNING PENSION PAYMENTS TO CERTAIN PRISONERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 226, H. R. 71.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 71) to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD. Mr. President, the bill provides that pension granted under public or private laws administered by the Veterans' Administration shall not be paid to an individual who has been imprisoned in a Federal, State, or local penal institution as a result of conviction for a felony or misdemeanor for any part of the period beginning on the 61st day of his imprisonment and ending when the imprisonment ends.

The bill has the approval of veterans' organizations. The pension is merely suspended during the period of imprisonment. It does not apply to veterans whose disability is service connected.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 71) was ordered to a third reading, read the third time, and passed.

EXTENSION OF CERTAIN PROVISIONS RELATING TO STATE PLANS FOR AID TO THE BLIND

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 227, H. R. 3035.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 3035) to provide a temporary extension of certain special provisions relating to State plans for aid to the blind.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD. Mr. President, the purpose of the bill, as reported, is to extend from June 30, 1957, to June 30, 1959, the provisions of section 344 of the Social Security Act amendments of 1950, which provide for the approval by the Secretary of Health, Education, and Welfare of certain State plans for aid to the blind. The original expiration date was extended in 1954 from June 30, 1955, to June 30, 1957. This bill proposes a further extension of 2 years. The bill has application to only two States, namely, Pennsylvania and Missouri.

The PRESIDING OFFICER (Mr. MORSE in the chair). The bill is open to amendment.

Mr. CLARK. Mr. President, will the Senator from Virginia be kind enough to advise me of the reasons why, in the judgment of the Finance Committee, it was desirable to provide for only a 2-year extension to Pennsylvania and Missouri, in connection with this measure?

I should like very briefly to express my point of view to the Senator from Virginia, so that he will be able to answer my question: It has been my understanding that Pennsylvania has for some time had a plan for pensions for the blind, as well as a plan for aid to the needy blind. Pennsylvania and Missouri have somewhat more generous provisions for aid to the blind than do other States.

It has been my hope, as one of the cosponsors of the original bill, that the generosity on our part would not be penalized by a requirement by the Department of Health, Education, and Welfare that we comply with the requirements of the Federal act and not go beyond the limitations of the Federal act, by making more blind persons eligible for pensions than the Federal act would appear to permit.

It has been my thought that this matter was pretty much a question of States rights, and that we in Pennsylvania should not be required to cut our cloth according to a uniform pattern, so long as the only money we obtained from the Federal Government was used to pay aid to the needy blind, which I understand we now do.

I shall appreciate having the Senator from Virginia comment on that point.

Mr. BYRD. Mr. President, the matter was thoroughly discussed in the committee. We believe Pennsylvania and Missouri should conform with the standard law. They are the only two States in the Union that do not. Information received from the Department of Health, Education, and Welfare indicates that the degree of blindness required in these two States is more stringent than that generally required by States which operate programs in full conformity with the Social Security Act. I understand that some needy persons who are not determined to be blind within the definitions used in Missouri and Pennsylvania but who have not sufficient vision to engage in activities for which sight is essential, are denied assistance in these States, whereas they would generally be found eligible in other States. The Committee on Finance favors the full compliance by these two States and believes the 2-year extension will provide sufficient time for the Department of Health, Education, and Welfare and the States of Pennsylvania and Missouri to plan for bringing the programs in full conformity.

Mr. CLARK. Mr. President, will the Senator from Virginia yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Virginia yield to the Senator from Pennsylvania?

Mr. BYRD. I yield.

Mr. CLARK. I fully intend to vote for the bill; but I should like to have the RECORD show my understanding—which I believe to be correct—that the additional liberality of the Pennsylvania law is paid for by the citizens of Pennsylvania, out of State taxes, and is not a charge on the Federal Government. It was for that reason that it seemed to me that we should not be required to conform, since the matter is one of States rights.

Mr. BYRD. The subject is quite complicated. If the Senator from Pennsylvania will come before the Finance Committee at the expiration of the 2 years, we will consider the matter carefully, from the point of view of making the arrangement permanent.

Mr. CLARK. I thank the Senator from Virginia.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3035) was ordered to a third reading, read the third time, and passed.

DUTY-FREE ENTRY OF METAL SCRAP

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 228, House bill 4686, continuing the suspension of duties and import taxes on metal scrap.

The PRESIDING OFFICER. The bill will be stated by title, for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4686) to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Virginia for the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 4686) to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes.

Mr. BYRD. Mr. President, the purpose of H. R. 4686 is to continue the existing exemption of metal scrap from import duties and taxes for another year, until June 30, 1958.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 4686) was ordered to a third reading, read the third time, and passed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION—BILL PASSED OVER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 229, H. R. 4803.

Mr. BYRD. Mr. President, I ask that that bill be passed over. It is desired to have it considered at another time.

The PRESIDING OFFICER. The bill will be passed over.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF THE ARMED FORCES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 230, H. R. 6304.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6304) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

The first amendment was on page 2, line 13, after the word "the", to strike out "United States." " and insert "United States."

The amendment was agreed to.

The next amendment was at the beginning of line 14, to strike out:

SEC. 2. The amendment made by the first section of this act shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after July 1, 1957.

And, in lieu thereof, to insert:

SEC. 2. This act shall be effected with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after the day following the date of its enactment and before July 1, 1959.

Mr. BYRD. Mr. President, H. R. 6304, as passed by the House, would have made permanent the present temporary privilege accorded to servicemen stationed abroad to send to the United States duty free, bona fide gifts not exceeding $50 in value. The present temporary privilege is scheduled to expire June 30, 1957. The Finance Committee amended the bill to extend the privilege for a period of 2 years, or until July 1, 1959.

I offer a technical amendment to the committee amendment, on page 2, line 18.

The PRESIDING OFFICER. The amendment offered by the Senator from Virginia to the committee amendment will be stated.

The LEGISLATIVE CLERK. On page 2, line 18, after the word "be" it is proposed to strike out "effected," and insert in lieu thereof "effective."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Virginia to the committee amendment.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question now is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended, so as to read: "An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad."

EXEMPTION FROM DUTY OF ARTICLES IMPORTED FOR WASHINGTON STATE SIXTH INTERNATIONAL TRADE FAIR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 231, House Joint Resolution 126.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 126) to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. BYRD. Mr. President, the purpose of House Joint Resolution 126 is to permit the entry, free of duty, of articles imported for exhibition at the Washington State Sixth International Trade Fair, to be held at Seattle, Wash.

The PRESIDING OFFICER. The joint resolution is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the joint resolution.

The joint resolution was ordered to a third reading, read the third time, and passed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 229, H. R. 4803.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

ORDER FOR ADJOURNMENT TO THURSDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate adjourns today, it adjourn to meet on Thursday next at 12 o'clock noon.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RETIREMENT OF PROF. EDWIN E. WITTE, OF UNIVERSITY OF WISCONSIN

Mr. MORSE obtained the floor.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum——

Mr. MORSE. Mr. President, will the Senator withhold his request?

Mr. MANSFIELD. Yes. I withhold my request temporarily.

Mr. MORSE. On March 28 I gave an address at the University of Wisconsin honoring Prof. Edwin E. Witte, who, at the age of 70, is retiring from the University of Wisconsin this next June. Professor Witte was one of my major professors, along with Prof. Selig Perlman, in the field of labor economics when I was a student at the University of Wisconsin. I think it is generally agreed among scholars that Witte and Perlman are today among the very top labor theorists in American scholarship. They are not only great economic theorists and idealists, but they are also very practical men, Mr. President, because, as I pointed out in my address honoring Edwin Witte, their ideals, when put into practice, give sound practicalities in the field of labor-management relationships.

I should like very much, Mr. President, to have unanimous consent to have published at this point in my remarks the speech that I made honoring the great Edwin E. Witte in Madison, Wis., on March 28, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF SENATOR WAYNE L. MORSE AT A LUNCHEON HONORING PROF. EDWIN E. WITTE, MADISON, WIS., MARCH 28, 1957

Friends, no student can be honored more highly than by an invitation to address a gathering which is met to pay tribute to one of his former teachers.

The invitation that came to me from Professor Young, and from my great friend, Selig Perlman, was accepted eagerly and without hesitation. I would not have missed this occasion for anything less than the most urgent official business, and I am delighted to be here now, sharing in your tribute to Professor Witte.

Although this occasion is dedicated to Ed Witte—and I will have a good deal to say on that subject—I also want to mention the great personal obligation I owe to Selig Perlman. Professors Perlman, Witte, Dean Rundell and Andrew Weaver were the faculty members whom I came to know best at the University of Wisconsin and who had the greatest influence on me while I was here.

It is easy enough for one to look back at his college days—even for one of my mature years—but it isn't quite so easy to look back and pick out the faculty members who did the most to attract one's interest and formulate one's mental standards. For my part, there were many, but I would certainly name these four—Ed Witte, Selig Perlman, Ollie Rundell, and Andrew Weaver. It is a privilege for me to stand before Professors Witte and Perlman today and acknowledge this debt I owe to them.

Fortunately, I am still the beneficiary of their counsel and wisdom. I still depend upon their guidance, both as experts in the fields of labor law and social security with which I am deeply concerned, and as personal friends. It has been a great satisfaction to me that I have continued to enjoy their friendship after having left their classrooms.

You have been here in Madison for 2 days, reviewing the contribution that Edwin E. Witte has made to the science of economics, to the development of a social-security system that has meant new life for millions of elderly and retired Americans, and to the improvement of labor relations and settlement of labor disputes. As a Member of the United States Senate, I have daily contact with the fruits of Ed Witte's work. When we add amendments to the Social Security Act, expanding its coverage and improving its benefits, we are only adding to the basic structure to which Ed Witte contributed so much.

When we discuss Government and industrial relations in the Senate Labor Committee and on the floor of Congress, we start with the history of labor management relations that Witte affected so significantly by his service on the Wisconsin Labor Relations Board and on the National War Labor Board.

His books, articles, and lectures in the fields of social security and labor-management relations mark him as one of the Nation's intellectual leaders in these fields. His work is prime source material not just for students of these subjects but for the legislators and practitioners of government who work in these areas. I think it was most fitting that Professor Witte's retirement from the University of Wisconsin has been marked by symposiums on the subjects to which he contributed so much. The scholars, educators, and Government officials who are here all have brought together new information and given a new dimension to our knowledge of these subjects. I hope the discussions that were held yesterday and this morning will be published so that all of us can share in them. This is the kind of tribute that should be paid to Professor Witte—it is the kind of tribute he deserves. His contribution was of the intellect, of the heart and mind, and to the expansion of our knowledge of human relationships. That is the kind of tribute that should be paid him by his grateful friends and students, and I am glad that that is what has been done.

After leaving the University of Wisconsin I did not again work with Professor Witte until I became a member of the National War Labor Board. In 1942, when I was appointed to the Board, I had the privilege of serving with Professor Witte. During that time—during World War II and the many emergencies that arose from labor-management disputes—he established himself as one of the great national figures in industrial relations.

To many of us who were his students Professor Witte has been the embodiment of what a great teacher should be and the personification of what a great university should do for its students.

It has been the slogan of the University of Wisconsin that the borders of the campus are the borders of the State; it would be more appropriate now to say that the borders of the campus are the borders of the Nation.

It has been men like Witte who have applied the conclusions of the classroom to public affairs, at the local, State, and National levels of society, and who have in fact stretched the borders of this campus to the borders of the country.

As much as any man associated with the University of Wisconsin, Professor Witte has personified the historic "Wisconsin Idea" that scholarship has its greatest use in application. That is a widely known principle today, in Wisconsin and in the Nation. It holds that knowledge and theory are only meaningful when they are tested by application, and that the society that supports an institution of higher learning deserves to reap the reward of its investment. Its reward must be the improvement of its institutions—social, legal, political, and economic. The University of Wisconsin has given that improvement to this State and to the Nation, and Ed Witte has been one of the outstanding figures who has contributed to that improvement.

His membership on the Wisconsin Industrial Commission, the Wisconsin State Planning Board, the Wisconsin Labor Relations Board, the National War Labor Board, and his directorship of the Wisconsin Unemployment Compensation Division, the Wisconsin Legislative Reference Service, and the President's Commission on Economic Security all bespeak Witte's great devotion to the principle of the Wisconsin idea.

His former students and his colleagues and admirers who have joined in honoring him today have tried to live up to his example and to his teachings in their own fields and professions. It is the philosophy of this university, and, I think, of Ed Witte as well, that the end of education and scholarship is the betterment of human life. He has not only left his own monument to this principle, but he has instilled in his students the determination to carry into public affairs not just the results of scholarship but the techniques and methods as well.

And with that statement about the great man we honor today, I would like to apply it for a minute or two to a serious problem which confronts labor and management and the people generally in this country in the field of labor relations.

Important teachings of Witte and Perlman must be applied to the labor problems of today, and one of those basic teachings is that trade unions have the primary obligation of serving and promoting the legitimate rights of the rank-and-file members. I ought to stress, in fact, as far as anything I say in this speech, beyond my reference to the man we honor, that I would have you carry away even for a moment, is the statement that I now make, because it is basic to the teachings of Witte and Perlman—it is that the primary obligation of trade unions in America is to promote the legitimate rights of its rank-and-file members.

We are in for trouble in the field of labor relations today because there are some unions that seem to have lost sight of that ideal. And may I point out to you that whenever you compromise your ideals you lose your principles. Or, let me put it another way: I do not accept the rationale of some labor leaders that seek sometimes to alibi and justify practices of expediencies on the theory that you can't be practical unless you are expedient. These two concepts of adopting expediencies and standing for ideals are irreconcilable. Whenever you adopt the expedient, you destroy the ideal; and whenever you compromise a principle, you lose the principle. I am one who takes the position that ideals can be put into practice in the field of legislation. They can be put into practice in the administering of the policies of a union; and when they are not, a union loses its ideals and becomes impractical. Or, to put it still another way, the only practicality that any one of us ever experiences

is in terms of an ideal put to work, and so I would come to grips for a moment with the serious labor problem that confronts our Nation today.

It is not typical of the work of the unions generally, but the public thinks it is now, and probably will for some weeks to come, until by presentation of a full record the public comes to understand that within the field of labor management, as within the field of employer management, we have a few who have lost their ideals, a few who are adopting expediencies; and as they adopt them, they destroy, of course, the legitimate rights of the rank and file members, whether it is a union or an employers association.

In 1946 and 1947, I warned the major labor leaders of this country that if they did not come forward with legislative proposals and recommendations that would correct some of the unfair labor practices developed under the Wagner Act, they would be confronted with some bad legislation that would destroy some of the legitimate rights of labor. They didn't believe me. I served on the Senate Labor Committee at that time and, without recalling their names, let me say we had a parade of labor leaders before us. Each one of them testified before us and to each one I put the question, "What do you propose?" and I got the answer in varying forms but with the same meaning from each one, "Nothing, because there is no need."

At that time, some of the labor periodicals were not particularly complimentary to me; in fact, some of them seemed to imply that because they endorsed your speaker for election they owned him. I think I have succeeded in correcting that impression. Although having mentioned it, let me expand on it only to this extent—that the duty of representation, of course, in the Senate of the United States is the duty of sitting there as a freeman, free to exercise an honest independence of judgment on the merits of issues. Of course, that means when labor is wrong you have the duty owed to labor and to the public to do what is necessary to correct its abuse. It was in that spirit that I pleaded in 1947 with the labor leaders to give us the recommendations for fair labor legislation which would correct some of the unfair labor practices that had grown up under the Wagner Act. When I got no help from the labor leaders, I then proceeded with what became known as the Morse-Ives bill, a bill that sought to remedy some of the abuses that had developed under the Wagner Act. They need not have developed. There was no reason why that great Wagner Act should have been changed into a vehicle for some labor abuses, and the responsibility for it rested squarely upon the heads of some shortsighted labor leaders. But, in view of the record they had made, it became clear in my judgment that it was the duty of the Congress of the United States to pass some legislation, and I joined in framing the Morse-Ives bill. I'm sorry to say I didn't get any help from labor leaders. But you know what happened; the forces of hysteria and antilabor attitudes were stirred up. In 1947, they were strong enough to go far beyond the Morse-Ives bill, and we got the infamous Taft-Hartley bill.

I want to say to labor from this rostrum this noon in Madison, Wis., "You had better come forward and quickly with some recommendations for labor legislation for this session of Congress, or you'll once again get some labor legislation that will do great damage to the legitimate rights of organized labor in America. I would recommend that you give us your best advice on two phases of that legislation, because, unless I do not take the pulse of the Congress correctly, you are going to get some legislation on these two subjects and it ought to be fair legislation and good legislation that will protect honest, idealistic, sound labor leaders but correct the abuses of the corrupt." That legislation is going to have to deal with the subject of protecting the rank and file interests in the funds of the unions because the funds of the union are union funds and not officer funds.

I don't have to tell anyone in this audience, or anywhere, that any labor leader who dips into the funds of a union and takes any amount of money, whether it is $200,000 or $400,000 or whether it is "X" dollars, as a personal loan to himself or to his friends without paying interest on that loan takes out of the pockets of every member of the union money that belongs to members of the union. I think we ought to call it what it is. That constitutes, to use the most polite legal term, a form of embezzlement at least, if not grand larceny.

We are going to have to have legislation that will protect funds of the members of unions, which means, of course, legislation is going to have to have some provisions in it under which the Government will exercise regulatory rights in regard to union funds, because, after all, a labor union is not a private organization. It is more than that. A labor union is, after all, an institution that is vested with public interest, and the Government regulatory power over it should be limited, but we should have it exercised, however, to whatever degree is necessary to protect the public interest. It should be limited to those regulations and controls necessary to protect the "stockholders" so to speak, in quotation marks, which are the rank and file members.

Of course, we do it in other phases of social and economic activity. What do you think would happen to a bank president, as I said to the press this morning, if he took $200,000 to $400,000 or "X" dollars for a personal loan without interest out of the bank coffers? Well, if the board of directors didn't do something about it quickly by way of getting a new bank president, the stockholders would. So I am satisfied that the labor statesmen of America now have a clear obligation to come forward with some legislation that will protect the rank and file members of unions in respect to their own funds.

Second and a more touchy one, and a more difficult one to handle by way of legislative draftsmanship without running the risk of interfering with legitimate organizational rights of labor, is the subject matter of insisting upon greater democratization of unions, greater control of the unions by the rank and file, greater procedural guaranties that the voice of the rank and file under democratic processes will prevail. It is true in most unions, but not all, and I venture to guess here this afternoon that as abuses are brought by this or further hearings you will find that the abuses are limited pretty much to the unions that are not democratic in their procedures.

The Congress will undoubtedly turn its attention to the rights of the rank and file members, and should, because America's organized labor has now entered into an era in which the public has a right to insist upon Government regulation that will protect the individual members of the union and, in so doing, not in any way injuring the legitimate rights of the union in the field of collective bargaining.

I wanted to digress from this short manuscript long enough to make these points, because the present Senate hearings are costly to American labor, and I would be no friend to the legitimate rights of labor if I didn't tell them so. It is in such periods that men have to stand up against a hysterical public opinion, but that doesn't mean that men have any right in the Congress of the United States to follow the attitude of some labor leaders who would do nothing in order to meet a problem that the public has the right to have corrected.

The old "fire present when there is so much smoke" argument has a terrific effect on the legislative process. We'd better in our preventive legislation methods make sure we do not set the whole prairie afire. I would have the representatives of labor here within the sound of my voice today keep in mind my warning because, although there will be some that criticize me for it, I am perfectly willing to stand on the record that I have made in the past as to legislative predictions. I think I know how to take the temperature of the Senate, and I am satisfied that we are going to be confronted with very bad legislation of the Goldwater type unless labor comes forward quickly and gives us the assistance we need in the passage and draftsmanship of good legislation.

Having mentioned the Goldwater type of legislation, I doubt very much if there will be any substantial amendments to the Taft-Hartley law this year. I think labor legislation is going to be of another nature such as I have referred to already. I think one of the most dangerous proposals for injuring labor is going to be a great push for further delegation of Federal power to the States over labor relations. Some of you have heard me in the past decry the growth of antifederalism in America. The Goldwater proposals are, of course, antifederal proposals; they are proposals that seek to delegate to the States delegated jurisdiction of the Federal Government. I call it the move of antifederalism, and I'd have you be on guard against this threat to social and economic welfare legislation. Progress under the welfare clause of the Constitution will be set back many, many years, if not decades, if we continue to delegate to the States jurisdiction under the Constitution given to the Federal Government. I am not a State righter in that sense; although, may I say, many of you will appreciate, just by mentioning it, that one of the most fallacious arguments used in this field in the State-right argument that we ought to delegate more and more of Federal authority to the States under such amendments as the Goldwater amendment as a matter of State right.

I have listened to that fallacious argument so long in the Senate. Almost any bill proposed that would have the Federal Government carry out its constitutional functions for the welfare of the people is taken by some Senators on the floor of the Senate as a violation of States rights. Two years ago we had a Federal Building and Loan bill before the Senate that sought to grant Federal loan companies the authority to set up branch associations. A Southern Senator got up, and I thought the eagle up in the glass ceiling of the Senate would flap his wings before this Senator got through as he tiraded about States rights. I had heard it so often that I asked him to yield. He is a good friend of mine personally and he made the mistake of yielding on this occasion, as he said afterward. I said, "Is the Senator ready to get to the heart of the States rights argument, because, if his argument means anything—and I have been waiting now for some minutes to find some merit in it—if his argument means anything, it means he is about to tell me in what respects this proposal is unconstitutional. I want the Senator to understand that no State right argument has any footing here on the floor of this Senate unless the proponent wants to come forward and show the Senate of the United States where any piece of legislation we are proposing is beyond the power—the constitutional power—of the Congress to pass. Unless you are ready to sustain the argument that it is unconstitutional, then your State right argument falls to the floor of the Senate as just a deadweight fallacy."

I want you to remember that, because the States rights argument has taken on an emotional sanction aspect in American thinking. The only time a State right argument has any basis in law is when the pro-

ponent of it wants to argue that a legislative proposal by the Congress of the United States is unconstitutional in that it is beyond the delegated power and jurisdiction of the Congress.

Well, he got me out in the cloakroom afterward and he said, "I was waiting for somebody to wrap that around my neck sometime, but I didn't think you would do it."

Now, listen to the argument of the proponents of the Goldwater amendment as to why we ought to delegate authority over labor relations to the States as a State right. What they really want to see as a matter of social policy is a nullification of the interstate commerce clause of the Constitution.

I am always interested in the position of the State righters. Last week in the Labor Committee we were dealing with legislation proposing the extension of coverage of minimum wages. We had this States right argument being made—we ought to leave minimum-wage coverage to the States. I want to tell you I know of no better way of breaking down the protection of workers in this country than to fall for the Goldwater alarm which would delegate more and more authority to the States in the field of labor-management relations. It will not be done with my vote. I want to work cooperatively with the States, but when you come to the basic question of jurisdiction, keep it vested in the Federal Government, because if you delegate away the Federal jurisdiction, as the Goldwater amendments will do, then, of course, you have lost the great right of Congress to see to it that abuses are not developed on a State basis by antilabor legislation such as you are going to get, I think, as the aftermath of the present Senate investigation unless this Congress acts and acts quickly with sane legislation.

I wanted to mention this because it seems to me that in discussing these labor issues I have been living up to the teachings of Witte and Perlman. The tests of the theories we studied with them are to be found in their application; and as you study under Witte and Perlman the theory of labor economics and the theory of unionism, you see how right I am when I say we must take those theories and apply them to specific problems such as I have sought to raise here this noon.

The heritage of La Follette, Van Hise, Commons, Ely, and the other great professors who graced the University of Wisconsin in the first decades of the century has been preserved and enhanced by Professor Witte.

But there is something more than that, which a university or an individual professor must leave with students, if they are to leave school equipped to make a genuine contribution to their communities.

That is a devotion to truth, and to intellectual honesty. It is one thing to be intellectually honest in the classroom; it is quite another to be intellectually honest in business, in politics, in our chosen professions, in our personal relations with each other, and in formulating opinions on social issues. If a university is able to teach its students to seek the truth, to recognize the truth when it is found, and to act upon it, it has given them the greatest instrument for the improvement of society it can give.

Having been a teacher myself for 20 years, I know that this is the hardest thing of all to teach, just as it is the hardest thing of all to learn. But it is the calling of the university to do that, and its degree of success in doing it is the measure of its value to its community.

The same can be said of a professor. It is said that education is what we have left after we have forgotten everything we learned in school. Sometimes students are educated in this sense by their entire experience in college; occasionally by a single teacher who has the quality of being able to transmit it. I think that Ed Witte can safely be judged an overwhelming success according to this standard.

There is one more point I would like to make about Professor Witte, and his contribution to the University of Wisconsin and its students. Those of us who have addressed these meetings and taken part in the discussions are fairly well known, in one field or another, and for one reason or another. I see a great many faces here that are familiar to me—not just as old friends and acquaintances, but as outstanding people in government, labor, and academic life. But I know there are thousands of Professor Witte's students who are not here and are not mentioned on the program, but who honor him every day of their lives by adhering to the standards of intellectual integrity he taught them.

Not all the graduates of a university become outstanding national leaders; that is not the purpose of a State-supported university, nor should it be of any university, in my judgment. It should be its purpose to send back to the communities of the State young men and women who are educated in the sense that they cherish the truth, and have some idea of how to find it. There are thousands of young men and women in this State and in the Nation who attended the University of Wisconsin, and while they did not do their major work under Ed Witte, have sat in his classes and been enriched by that experience. They have been elevated by his instruction just as much as have those of us who are here, and they cherish the experience as much as we do.

They are the people whose quality attests to the success of a college professor, because it is up to them to uphold in their communities and in their local businesses and activities the objectives of education I have been discussing.

I know they are here in spirit.

I want to express one more thought about Professor Witte, and to him, before I close. It is this: I know that your official retirement from the University of Wisconsin will not mean an end to the work you are doing, or the end of your contributions to the study of economics and to your former students. We need your analytical mind and your constructive thinking as much as ever. I did not make this trip back here to write any epitaph, but on the contrary to help erect a milestone.

I hope that you will always continue to bless us with your friendship and intellectual guidance, just as you have in the past.

THE MORSE FORMULA

Mr. MORSE. Mr. President——

Mr. MANSFIELD. Mr. President, I wish to renew my request.

Mr. MORSE. I should like to complete my speech without a quorum call.

Mr. MANSFIELD. I thought the Senator would like to have a quorum present, in light of the speech he is about to make.

Mr. MORSE. The Senator is very kind to me, but persons will read my speech, and I am speaking for the RECORD.

Mr. MANSFIELD. I am sure the speech will make interesting reading.

Mr. MORSE. I do not want to disturb anyone at lunch. It is now a quarter after one.

Mr. MANSFIELD. I withdraw my request for a quorum call.

The PRESIDING OFFICER. The request is withdrawn.

Mr. MORSE. Mr. President, I have 2 or 3 so-called chore matters, as we use the term in the Senate, that I should like to dispose of. When I refer to them as chore matters, I do not wish to detract from their significance, but I should like to dispose of them before I talk on the subject on which I rise to speak today.

It will be recalled that some days ago, when we were discussing S. 1034 in the Senate, I pointed out that my attention had been called to a bill, of which I was a cosponsor, offered by very able colleague [Mr. NEUBERGER], S. 1529, a bill that seeks to authorize the conveyance of real property from the Federal Government to Klamath County, Oreg. It was my understanding, when the bill was introduced, that it did not violate the Morse formula, although I had not had the opportunity, prior to its introduction, to study it in detail.

Mr. President, with regard to S. 1529, on March 29, 1957, in a statement on the floor of the Senate I said that I would look into the provisions of the bill to determine whether or not the bill in any way violated the Morse formula. I indicated very clearly I was satisfied that if my colleague had thought the bill violated the Morse formula, he would not have introduced the bill in the first place, but that he, too, might have labored under a mistaken notion, as I might have. I stated that I would report to the Senate at a later date on the bill. I am now prepared to make that report, Mr. President, and to assure the Senate that the bill does not violate the Morse formula.

It is pretty well known, I think, by now, what the Morse formula is. It is the so-called policy which was promulgated for the first time in 1946, when I took the position that any transfer of Federal property to any local government agency—be it a school board, county, city, or any other local government agency—should be considered under a policy based upon the requirement that if the transfer of property was sought for a public use the local government agency should pay at least 50 percent of the appraised fair market value, and if the transfer was sought for a private use recipients should pay 100 percent of the appraised fair market value.

As the record will show, in 1946 I pointed out that Federal property was being thrown into a political "grab bag" and Senators and Representatives were falling over each other to introduce bills in the Congress to secure this property for local government agencies without cost, but that the property belonged to all the taxpayers of the country, no matter where they lived, and that it was not morally right to dispose of Federal property on a "grab bag" basis.

I have consistently and persistently, as the record shows, held fast to that formula for more than 10 years. The record shows that as a result I have saved the Treasury of the United States several hundred million dollars.

Oh, there has been an exception now and then, Mr. President. Senators have gotten around me on occasion, by motion to bring up a particular bill which violated the Morse formula, but they have never gotten around me by the unanimous-consent procedure.

Having said what I have just said, I now wish to express my very deep appreciation to my colleagues in the Senate over the years for the great cooperation they have extended me with regard to this formula. The position has been, by and large, "so long as you are consistent and uniform, we will back you up."

I know of no exception I have ever made, Mr. President. If any bill has slipped through, it has been without my knowledge, or when I have been unavoidably absent from the Senate. Therefore, when the question was raised on March 29 as to whether or not a bill which bore my name might in any way violate the Morse formula, the Senate can be assured I was very much concerned about it, and proceeded forthwith to have a thorough investigation of the bill made. I am now ready to make a report on the bill (S. 1529).

I asked the Department of Health, Education, and Welfare for a report on this proposed land transfer, because we had been advised by the offices of the Senator from Oregon [Mr. NEUBERGER] and Representative ULLMAN, from my State, that the interested agencies were ready to handle the transfer administratively under the provisions of existing law. At my request, the Department of Health, Education, and Welfare submitted a report, dated April 3, 1957, which I shall read shortly. It will be noted that in the third paragraph of this statement from the Department of Health, Education, and Welfare it is stated:

> In view of the benefits which have accrued and will accrue to the United States from the use of this property by Klamath County, the Department has determined to grant a public benefit allowance of 100 percent from the appraised fair value of the property.

Such action is warranted under section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949.

Mr. President, in view of the detailed comments set forth in the report of April 3, 1957, submitted to me by the Department of Health, Education, and Welfare, I wish to read the report at this time, with such explanatory comments as I shall make in the process of the reading.

Mr. President, the letter of April 3, 1957, from the Department of Health, Education, and Welfare, is signed by Chester B. Lund, Director, Office of Field Administration, Department of Health, Education, and Welfare. The letter reads:

> DEAR SENATOR MORSE: We have received a request from a member of your staff for certain information with respect to the proposed transfer of 86.41 acres of land located at Klamath Falls, Oreg., to Klamath County for educational purposes.
>
> Section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949, as amended, authorizes the Secretary of this Department, subject to disapproval of the Administrator of General Services, to transfer surplus Federal real property for educational or public health purposes. This section also provides that in fixing the sale or lease value of property to be transferred, the Secretary shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any State, political subdivision, instrumentality, or institution.
>
> On December 7, 1956, Klamath County submitted an application to our San Francisco regional office for the acquisition of the subject property to be used as an agricultural experiment station to be operated by Oregon State College. After reviewing this application, our San Francisco regional office on December 12, 1956, requested the assignment of this property from the General Services Administration for transfer to the county for educational and research purposes. In view of the benefits which have accrued and will accrue to the United States from the use of this property by Klamath County, the Department has determined to grant a public benefit allowance of 100 percent from the appraised fair value of the property.

I digress from the letter long enough to point out, Mr. President, that in the application of the so-called Morse formula whenever it has been shown as to any particular bill that benefits will accrue to the Federal Government from the use of the property by the particular grantee, then the value of those benefits shall be taken into account in determining the amount the State agency should pay for the property.

That is exactly the point, as pointed out by the Department in connection with this particular transfer.

Going back to the letter:

> In 1939, an education and research experiment station project was established on this 86-acre site since it was representative of approximately 10,000 acres of land under the Klamath Irrigation District operated by the Bureau of Reclamation which were considered unfit for agricultural use. Klamath County and the Oregon State College jointly entered into a lease with the Bureau of Reclamation for the use of the 86 acres as an experiment station to conduct a program of soil reclamation and improvement. As a result of the work conducted at the station, approximately 10,000 acres of land previously in class V have been reclassified and put into classes that now bear operation and maintenance costs in the district. Also, considerable information has been obtained on adapted crop varieties for this area and new varieties introduced here have added materially to the local economy. Klamath County has erected structures on this property having a value of $75,000 and has plans for the erection of a new office and laboratory at a cost of $30,000. In addition, the county has financed improvements such as plantings, fencing, deep drainage, land leveling, and soil improvements. The county and Oregon State College propose to continue the same program of soil reclamation and improvement as has been in effect since 1939 when they entered into the agreement with the Bureau of Reclamation.

I digress further from the letter to point out that this is a very important distinguishing factor between this bill and bills which violate the Morse formula.

I stress the point that the agricultural program for which this station was established in the first place will continue. Thus the case is brought into parallel with the so-called dryland experimentation bill, and in line with the Missouri bill, passed earlier in the session today.

In connection with the dryland bill, certain dryland stations were transferred to various States, including Oregon, Wyoming, Montana, and several other States, under a cooperative arrangement with the United States Department of Agriculture, that the program would continue after the transfer. As the Department of Public Health, Education, and welfare points out in its letter, this program, which has been operating in Klamath County, will be continued after the transfer.

Going back to the letter:

> If the property is assigned to this Department by the General Services Administration, it will be conveyed to the county under the following terms and conditions:
>
> 1. For a period of 20 years from the date of the deed the property shall be used continuously for educational and research purposes in accordance with the proposed program and plan set forth in the application of the county.

I digress to point out that the continuation of this cooperative program for 20 years, with the amount of money which will be expended by the Oregon State College and the county of Klamath, will result in the investment of State and local funds, over the 20-year period, of many times the very few thousand dollars the property is worth at the present time. So the requirement that the transfer must be a transfer involving Federal benefits is overwhelmingly met in the bill of the junior Senator from Oregon [Mr. NEUBERGER].

> 2. During the period of 20 years the county will not resell, lease, mortgage, or encumber, or otherwise dispose of the property unless authorized in writing to do so by this Department.

The letter further shows that the bill itself contains the condition of Federal control to the degree set out in the transfer. In other words, this is not a transfer in which the Federal Government loses control in trying to protect all the taxpayers of the country. The Federal Government will see to it that the cooperative program is carried forward for 20 years.

> 3. The county shall file annual reports with this Department on the operation and maintenance of the program.
>
> 4. In the event of a breach of any of these conditions, all right, title, and interest in and to this property shall, at the option of the Government, revert to and become the property of the United States of America.
>
> 5. In the event of a national emergency declared by the Congress or the President of the United States, the Government shall have the right, in perpetuity, to the full use and possession of the property conveyed.
>
> It is our understanding that the General Services Administration is furnishing you with background information regarding the acquisition of this property by the Bureau of Reclamation and its subsequent use by the county and Oregon State College under the lease with the Bureau of Reclamation.
>
> We shall be glad to provide you with further information if you so desire.
>
> Sincerely yours,
>
> CHESTER B. LUND,
> *Director, Office of Field Administration.*

Mr. President, I now ask that the letter in its entirety, without any of my interpolations, be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

> DEPARTMENT OF
> HEALTH, EDUCATION, AND WELFARE,
> *Washington, April 3, 1957.*
>
> HON. WAYNE MORSE,
> *United States Senate.*
>
> DEAR SENATOR MORSE: We have received a request from a member of your staff for cer-

tain information with respect to the proposed transfer of 86.41 acres of land located at Klamath Falls, Oreg., to Klamath County for educational purposes.

Section 203 (k) (1) of the Federal Property and Administrative Services Act of 1949, as amended, authorizes the Secretary of this Department, subject to disapproval of the Administrator of General Services, to transfer surplus Federal real property for educational or public-health purposes. This section also provides that in fixing the sale or lease value of property to be transferred, the Secretary shall take into consideration any benefit which has accrued or may accrue to the United States from the use of such property by any State, political subdivision, instrumentality, or institution.

On December 7, 1956, Klamath County submitted an application to our San Francisco regional office for the acquisition of the subject property to be used as an agricultural experiment station to be operated by Oregon State College. After reviewing this application, our San Francisco regional office on December 12, 1956, requested the assignment of this property from the General Services Administration for transfer to the county for educational and research purposes. In view of the benefits which have accrued and will accrue to the United States from the use of this property by Klamath County, the Department has determined to grant a public benefit allowance of 100 percent from the appraised fair value of the property.

In 1939, an education and research experiment station project was established on this 86-acre site since it was representative of approximately 10,000 acres of land under the Klamath Irrigation District operated by the Bureau of Reclamation which were considered unfit for agricultural use. Klamath County and the Oregon State College jointly entered into a lease with the Bureau of Reclamation for the use of the 86 acres as an experiment station to conduct a program of soil reclamation and improvement. As a result of the work conducted at the station, approximately 10,000 acres of land previously in Class V have been reclassified and put into classes that now bear operation and maintenance costs in the district. Also, considerable information has been obtained on adapted crop varieties for this area and new varieties introduced here have added materially to the local economy. Klamath County has erected structures on this property having a value of $75,000 and has plans for the erection of a new office and laboratory at a cost of $30,000. In addition, the county has financed improvements such as plantings, fencing, deep drainage, land leveling and soil improvements. The county and Oregon State College propose to continue the same program of soil reclamation and improvement as has been in effect since 1939 when they entered into the agreement with the Bureau of Reclamation.

If the property is assigned to this Department by the General Services Administration, it will be conveyed to the county under the following terms and conditions:

1. For a period of 20 years from the date of the deed the property shall be used continuously for educational and research purposes in accordance with the proposed program and plan set forth in the application of the county.

2. During the period of 20 years the county will not resell, lease, mortgage, or encumber, or otherwise dispose of the property unless authorized in writing to do so by this Department.

3. The county shall file annual reports with this Department on the operation and maintenance of the program.

4. In the event of a breach of any of these conditions, all right, title, and interest in and to this property shall, at the option of the Government, revert to and become the property of the United States of America.

5. In the event of a national emergency declared by the Congress or the President of the United States, the Government shall have the right, in perpetuity, to the full use and possession of the property conveyed.

It is our understanding that the General Services Administration is furnishing you with background information regarding the acquisition of this property by the Bureau of Reclamation and its subsequent use by the county and Oregon State College under the lease with the Bureau of Reclamation.

We shall be glad to provide you with further information if you so desire.

Sincerely yours,

CHESTER B. LUND,
Director, Office of Field Administration.

Mr. MORSE. Mr. President, I have gone into this subject in great detail, which ordinarily I would not do, only because I am personally involved in the bill, and I would not want the slightest misunderstanding to exist as to the position of the senior Senator from Oregon. I want the RECORD to be perfectly clear that this bill in no way violates the consistent objection I have raised since 1946 to any bill, introduced by any Senator, which seeks to transfer Federal property without some compensation therefor paid to all the taxpayers of the United States, into the Treasury of the United States.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MORSE. I yield for a question.

Mr. CARROLL. I wonder if the distinguished Senator from Oregon, in his wide experience, has come across a situation in which the Federal Government gave grants-in-aid to State corporations for governmental purposes. I have listened very carefully to the distinguished Senator's presentation in connection with the particular issue which he has been discussing, and I am thoroughly in accord with the position he has taken. However, it occurred to me that as a result of the 10 or 12 years' experience the Senator has had in connection with this subject, perhaps he may have come across a situation in which, many years ago, State corporations were formed and grants-in-aid were given to the State corporations for a governmental purpose. In a sense such purposes and objectives were laudable. Such a situation exists in Colorado today. I do not wish to commit the Senator in any way. The junior Senator from Colorado has not yet made up his mind. I wonder if I could draw upon the distinguished Senator's experience if in his investigations he has come upon such a situation.

Mr. MORSE. I wish to say to my good friend from Colorado that, speaking generally, and without any application to a specific bill, if a particular bill involves a factual situation in which a vested interest was created, and there is a continuing vested interest, the Morse formula does not apply, because the Government's word must be its bond. If as a result of legislation, we have created a vested interest which would justify the terms of a particular bill, under those circumstances I would take the position that the Morse formula does not apply.

I cannot say more than that to the Senator from Colorado, unless I have a specific bill before me. The Senator having raised the matter, I wish to emphasize the distinction between a public use—and he refers to a public use—and the use by a so-called corporate device for furthering private use.

We have had some bills in the Senate which involved the making available of some land to a chamber of commerce, for example, to make it possible for the chamber of commerce to invite industry into its town. The chamber of commerce would do that by offering free industrial sites to an industry in order to attract the industry into that town. That is a laudable undertaking for a chamber of commerce.

However, the RECORD will show that I said on the floor of the Senate, in such a case the chamber of commerce ought to pay for the land. I saw no reason why the citizens of the State of Maine or Florida or Colorado or any other State—my State was not involved, so I shall use my State as an example—should see the Federal Government grant to a chamber of commerce in the State of Oregon Federal land, which in turn would be given away to an industry which might like to come into my State. In addition, I said that, although the chamber of commerce had a right to attract industry to its city, I could see no reason why it should not, through its membership, take positions on the Main Street of that city and pass the tin cup and make a collection from its citizens, to make it possible to establish that industrial site.

We have had cases of that type, but offhand I do not recall a particular factual situation the Senator may have in mind. In a situation of that kind we have taken action under the Morse formula.

Mr. CARROLL. If the Senator will yield further, let us assume that many years ago a grant-in-aid came from the Federal Government to a State corporation formed for a public purpose, that purpose being, we will say, the distribution of funds to low-income groups and family-farm groups. If that grant-in-aid flows from the Federal Government to a State corporation, would the Federal Government still continue to retain jurisdiction over the funds?

Mr. MORSE. I believe the Senator has raised two questions. The first refers to whether the Morse formula would apply. In my judgment, the Morse formula would not be applicable in that factual situation.

The second question relates to what our policy should be in view of any proof that could be presented as to changing circumstances that might justify a secession of that policy as to the future. There again I would say that, so far as any vested rights that were created by the original act are concerned, I would be inclined to say that we must keep our word and continue to see to it that those vested rights are protected.

Mr. CARROLL. To be more specific, some of these corporations were formed 20 years ago, and in a few States they are still functioning on the basis of the grant-in-aid given by the United States Government. Incidentally, the kind of corporation I have in mind is not under the jurisdiction of the State government. It is chartered by the State, and it exists

in a more or less no-man's-land, and is neither a part of the Federal Government nor of the State government. It exists by virtue of its own charter and is governed by its own board of directors, with a grant-in-aid which originally came from the Federal Government. The public purpose is still there, and the money is still there.

My question is what jurisdiction, if any, does the Federal Government have over the money it gives as additional grants?

Mr. MORSE. Again speaking in broadest terms, I would say to my good friend from Colorado that we should apply in such a case the good old principle of parental obligation; that he who was responsible for the birth is responsible for the upbringing; and that until some other legislative course of action is followed the Federal Government still has jurisdiction and responsibility.

Mr. CARROLL. But it is possible to wean money, too.

Mr. MORSE. Oh, yes.

Mr. CARROLL. Perhaps they have lost the child in the weaning process.

Mr. MORSE. Oh, yes; that is possible. However, under our adoption laws we have very strict legislation on that subject.

Mr. CARROLL. There is involved also a question of legitimacy, which we will not discuss at this time. When the matter comes up I shall call it to the Senator's attention in connection with the Morse formula.

Mr. MORSE. The Senator has whetted my curiosity. I certainly wish to be further enlightened by my friend from Colorado when one of these matters comes before the Senate. The Senator may be perfectly sure that if the facts show that a public interest is involved, then the public interest would be jeopardized if we did not assume senatorial responsibility. I shall be in favor of assuming that responsibility, and I know my friend from Colorado will be also.

Mr. CARROLL. I thank the Senator very much for his comment.

Mr. MORSE. Mr. President, I now turn my attention to another subject.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The Senator from Oregon has the floor.

PACIFIC AIR SERVICE

Mr. MORSE. Mr. President, there is a great deal of concern, as evidenced by mail I have received, about two cases pending before the Civil Aeronautics Board. One is known as 5031, the Great Circle case, and the other is known as 7725, the West Coast-Tokyo case.

I should like to make clear at the outset of my brief remarks on these two cases that I am perfectly statisfied to leave the disposition of these matters in the administrative tribunal, the Civil Aeronautics Board, which has jurisdiction over the cases, because the parties involved have the right to appeal to the courts if they decide they have been aggrieved.

Nevertheless, as a Senator from Oregon I feel that I have the duty to put into the RECORD today certain information which had been made available to me since the close of the CAB hearing on these two cases. If the hearings were not closed, I would send the information directly to the CAB, even though I probably would still make this factual statement for the RECORD for purposes of future reference.

There is a great deal of concern in our State that the Northwest area may be left off the so-called great circle route to the East. In view of the great increase in our State's population and the unquestioned increase in population that will come into our State from year to year in the future, we naturally are concerned about any discriminatory policy which will detrimentally affect our State.

I wish to make very clear that I am not at all interested in or concerned with any controversy that may exist between Pan American and Northwest Airlines. I am interested only in doing whatever I may, as a Senator from my State, in making sure that my State will get air service.

I do not believe that competition has ever hurt anyone. If the State of Oregon should be left out of this service, I am sure it would be much more difficult at a later date to get the service.

The only thing I can find in the examiner's report which would justify the recommendation that Portland should be left out is the expressed fear that the stops in Portland and Seattle might put the Northwest Airlines back on subsidy.

I am concerned about what is the best service for the people of Oregon; what is desirable in order to have good competition; what is desirable in order to have good service. I am perfectly willing to postpone for future consideration, if the reality develops, the matter of the subsidy problem. Therefore, there is great merit, it seems to me, in the strong representations which are being made to my office by Oregon groups that favorable consideration should be given to the Portland request to be placed on the so-called circle route.

Some figures have been submitted to me. I think they are reliable figures; at least, they should be made a matter of record. If they are shown to be unreliable, or if anyone holding a different point of view thinks the figures are subject to question, let me make it very clear now that I shall insert in the RECORD, with the same spirit and intent with which I am placing these figures in the RECORD today, any figures which answer the contentions of those who have submitted these statistics to me. I shall turn to those figures in a moment.

There is another phase of the problem that I wish to mention in my speech. I point out that Pan American flies to Hawaii en route to Tokyo. I am perfectly willing to say that I think Northwest Airlines should have the same competitive right and privilege. It seems to me that that would be putting both airlines on a comparable and fair competitive basis.

I repeat: My interest is in the community and not in any airline. I do not have any stock in Pan American or in Northwest. I simply do not have any corporate stock. I have not followed an economic course of action in my lifetime which makes me the owner of such stock. I wish I had some.

Mr. GORE. Mr. President, will the Senator yield?

Mr. MORSE. I yield to the Senator from Tennessee—suspicious of what is coming.

Mr. GORE. I know of no Senator who has more acceptable stock in trade than has the distinguished senior Senator from Oregon. His independence, his toughness of mind, his articulate voice, and his incisive vision give to him a stock in trade which is unexcelled by any other Member of this body.

Mr. MORSE. I sincerely appreciate that compliment. The Senator from Tennessee has really taken me by surprise, because when I said I was suspicious of what was about to come, what I thought the Senator from Tennessee was about to say, in reply to my remarks about not being the owner of any corporate stock, was that I have very, very valuable livestock, for which I can get but little money.

As Senators know, the Senator from Tennessee and I really believe in the competitive system, because as the breeder of two competing blood lines or breeds of cattle, I think we have demonstrated our belief in the competitive system. That is what I thought he was about to rib me about, in view of some remarks I have made recently on the floor of the Senate. So I thank the Senator from Tennessee for his kindness and generosity. It is a good example of how sometimes what one expects does not take place.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. MORSE. I yield. Now I will probably "get it."

Mr. GORE. The Senator from Oregon now has touched upon a different kind of stock, about which he exercises an amazing lack of good judgment. But I will not disparage the breed of cattle which he owns. I shall simply invite him to join with me in treating our Democratic colleagues to the products thereof. I will furnish the steaks from Aberdeen Angus cattle if he will furnish the bone stew from his breed of Devon cattle.

Mr. MORSE. You will note, Mr. President, what a tough competitor the junior Senator from Tennessee is. But even on that basis, I will supply the soupbone. I am certain my colleagues will prefer the soup to the steaks which the junior Senator from Tennessee will supply. [Laughter.]

Mr. President, returning to the point I was making about the airline situation, I wish to make it very clear, in dead seriousness, that I am no party at all to the controversy between the airlines, but that I am a party to the community interest in this matter. I want to make certain that the people of my State are protected from any unfair economic discrimination which might flow from a failure to have all the facts considered in this controversy, which is of such great concern to my State.

Therefore, I ask unanimous consent to have printed at this point in the RECORD, for future reference, the specific

information which bears upon the controversy.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

In the 5 months July-November, 1956, Northwest's international services earned $1,538,000 according to that carrier's reports to the CAB.

This period is historically 43 percent of that carrier's annual international total. Hence, Northwest's current international earnings amount to $3,577,000 annually.

These earnings were achieved on the basis of 7 weekly round trips between Seattle and Tokyo, only 6 of which carried passengers. By converting the seventh trip from a DC–4 cargo-mail flight to a passenger-property flight using the same aircraft as are used on the other flights, Northwest could carry more traffic and would realize higher yields from the carriage of passengers. Assuming the same load on this converted seventh flight as Northwest experiences on its other flights, a conservative assumption since Northwest's present service is loaded virtually to capacity and the market is growing 20 percent annually, Northwest would increase its annual earnings to $4,636,000.

In addition, Northwest will shortly place DC–7C's in service. By Northwest's own admission, these aircraft are at least 25 cents per mile cheaper to operate than its present aircraft. This will further increase Northwest's international net operating income to at least $5,600,000 annually.

All this assumes that the frequencies of both American-flag carriers remain frozen at seven round trips per week each. If this is increased, Northwest will do even better.

Thus, even if Pan American were to divert a substantial amount of Northwest's traffic, this would not have the effect of forcing Northwest back on subsidy. Actually, Pan American has been allowed no increase in frequency for nearly 3 years, it is operating at capacity and it could not divert so much as one passenger from Northwest by operating its transpacific flights directly. At such time as increases in frequency are allowed, these will be geared to the American-flag share of the United States-Japan market, Northwest will get as many added frequencies as Pan American, and Pan American will still not be in a position to divert appreciable traffic from Northwest.

ECONOMY AND THE SIZE OF THE BUDGET

Mr. MORSE. Mr. President, I now turn to the principal matter which I plan to discuss today.

Lately we have heard a great deal of talk about economy and reduction in the size of the budget. I should like to call to the attention of the Senate how the Comptroller General made a $5 million contribution toward a balanced budget in a review of the Air Force.

I ask unanimous consent to have printed at this point in the RECORD an article entitled "Air Force Spurned $5 Million Refund, House Unit Is Told," published in the New York Times of March 30, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of March 30, 1957]

AIR FORCE SPURNED $5 MILLION REFUND, HOUSE UNIT IS TOLD

WASHINGTON, March 29.—A Government accountant told incredulous Members of Congress today that it sometimes was easier for a company to make $5 million on a Federal contract than to get the Air Force to accept a refund.

The situation was unfolded before a House Armed Services subcommittee by Lawrence J. Powers, head of accounting and auditing for the General Accounting Office. Involved were the Air Force, the Ford Motor Co. and the Boeing Airplane Co.

Mr. Powers said Boeing contracted with Ford for 454 sets of wings for B–47's it was producing. After Ford had started production the contract was revised and Ford's profit jumped $9,800,000 to $21,800,000.

Ford felt this was too much and asked Boeing to revise the contract again. But Mr. Powers said Boeing replied that it could not afford to keep changing the terms. Ford then offered the $5 million to the Air Force.

F. EDWARD HÉBERT, subcommittee chairman, Democrat of Louisiana, asked whether Mr. Powell meant that Boeing and the Air Force showed no interest in recovering this $5 million from Ford, even though the auto company insisted on giving it back.

"We found no evidence that the Air Force or Boeing had endeavored to obtain a refund from Ford," Mr. Powers replied.

But he said Ford, seizing the initiative, submitted a written commitment to the Air Force for the refund and the money now is on its way to the Treasury.

Mr. Powers said Max Golden, Deputy Air Force Secretary for Procurement and Production, told him the Air Force did not like to take refunds in such cases because contractors might want it to make good on unanticipated price increases.

Mr. Powers said the Air Matériel Command told him the situation arose because of Ford's outstanding efficiency in cutting costs, plus "faulty" cost projections and weaknesses in contract negotiations.

After hearing the evidence, Mr. HÉBERT said he feared the case was "one of many which we will be able to uncover."

Mr. MORSE. Mr. President, it is futile for us to think of economy unless the executive branch practices economy. When the money is appropriated, it is not "spent." If the Air Force estimates it needs $100 million for B–47 airplane wing sets, and it does not exert itself to see that these items are bought at the least expense consistent with defense standards, it may well be guilty of wasting dollars. This waste reflects itself in higher costs for government. Five million dollars legitimately saved can be used for other programs, or can be unobligated to help reduce the cost of government. There is no obligation to waste money, although in my judgment the Air Force had an obligation to buy the number of planes directed by the Congress.

I am certain there are many opportunities for real savings. I call to the attention of the Senate an editorial entitled "The Deadly Doctrine," published in the April 1 issue of the Wall Street Journal. I ask unanimous consent that it may be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE DEADLY DOCTRINE

"I don't know what the amount of taxes represent when we talk about $70 billion. Is that this room full of bills, or is it three truckloads? I don't know. But I do know this: We can't afford what we're spending and stay strong enough to lead the world to peace."

Those words were spoken by General Eisenhower, at Paterson, N. J., in October 1952. The Republican candidate for the presidency was discussing Democratic spending. The country, he said, was maintaining military strength "above our capacity to pay for it." But, "frugality, efficiency, information, knowledge properly used can bring us a defense organism that will be balanced with our capacity to pay and so will keep and make us strong."

In New York City, at the closing session of the Herald Tribune Forum on October 21, 1952, Mr. Eisenhower said, "Certainly, I know that we must find a substitute for the purely temporary business of bolstering the free nations through annual handouts. That gets neither permanent results nor real friends."

The same month, at Peoria, Ill., General Eisenhower said that, if elected: "My goal, assuming that the cold war gets no worse, is to cut Federal spending to something like $60 billion within 4 years."

And in Kansas City, he told of one way to do it by likening Government to the family. "If in your family affairs you find that your plan to build an addition on the house is going to cost a lot more than you figured on, what do you do? You don't go ahead regardless. You call up the carpenter, the painter, and the brickmason, and you call off the project."

During his first 4 years, President Eisenhower carried out his promises of a balanced budget and of a tax cut. The Government reduced spending to a low of $64.6 billion in 1955, almost $10 billion lower than was spent in 1953, a fiscal year he shared with Mr. Truman.

But in 1956, the spending was higher. In 1957, the spending was higher. And for the 1958 fiscal year, the Government budget is $71.8 billion, or nearly $2 billion more than Mr. Eisenhower mentioned at Paterson, N. J., when he talked about spending more than we could if we were to stay strong.

Now, just the other day in his press conference, President Eisenhower discussed this $71.8 billion budget. And he had this to say:

"But I tell you it is futile to talk about the United States keeping up the position it must keep up in the world and measurably sticking to the programs that have already been adopted in the United States or have been agreed to be necessary for the United States and cut that budget severely."

Among the spending he mentioned that could not be cut safely were military expenditures and foreign aid: "And of all of those (in the security field) I would say none is more important than so-called foreign aid." As for much of the rest: "Someone else will have to say that it is not important to keep up our obligations to veterans, that it is not in the interests of all of us to try to keep a healthy agriculture, that it is not in the interest of all of us to get some schools built. * * * If these programs are not essential to us, why, then, of course you can save a lot of money. I happen to think they are essential, and that is the way I am operating."

The difference between what President Eisenhower said the other day and what he was saying in 1952 is obvious. Perhaps conditions have changed a great deal since then; perhaps the temporary business of bolstering foreign nations with annual handouts now is as right as Mr. Eisenhower believed it to be wrong in 1952. Perhaps frugality and efficiency have reduced the military budgets as low as national safety permits. Perhaps, also, programs such as $450 million for schoolrooms across the country are such necessary additions to our national house that it would be wrong to call up the carpenter, the painter, and the brickmason—and call off the project.

Perhaps all these things are essential and perhaps nothing can be done about reducing the budget.

If so, the attitude of the administration has become the attitude of hopelessness General Eisenhower rejected in 1952.

On October 28, 1952, he said at Pittsburgh:

"In this—as in our whole national life—we cannot be ruled by the deadly doctrine of: It can't be done."

Mr. MORSE. Mr. President, this editorial is not an April Fool's Day practical joke. Where is the frugality and efficiency this administration was going to give the American people? The Comptroller General practices these great virtues. As an arm of the Congress, he daily goes about his business of making certain that the taxpayer gets a dollar's worth of government for every dollar spent. The present Comptroller, Mr. Joseph Campbell, his interim predecessor, Mr. Frank Weitzel, and the great Lindsay Warren, steadfastly worked toward frugality and efficiency.

Mr. President, every Member of Congress, in my opinion, owes a great debt to these great Comptrollers General. Appointed by the President, in accordance with our constitutional system, they function really as watchdogs for Congress over Federal funds. They have been a great group of public servants. In fact, I think the appointment of Mr. Campbell is one of the few great appointments which this administration has made. It is an outstanding one.

He was a great comptroller of Columbia University before his service with the Federal Government. I have developed great admiration for the patriotic public service that this courageous man renders the American people.

I wish to say I am sure that in the executive branch of the Government there is room for great economy. We can make the dollars that are appropriated give the taxpayer full value if we only give a little more support and pay timely attention to the reports on waste and inefficiency sent to Congress by the Comptroller General.

In my judgment, savings of up to $100 million in the cost of Government are possible, and these savings will be real. Furthermore, with the Comptroller giving us the facts, and committees of the Congress following up, we can reduce waste. As a constitutional liberal, I have never subscribed to the deadly doctrine of "It can't be done." Instead, I hold to the doctrine that it can be done, and that it must be done, and in this instance that it is being done.

While we have in a high office one general who now swallows his own campaign words, we have another general—the Comptroller—who is so independent that he refuses to concede that waste and inefficiency cannot be reduced. I urge that we support this general in every way possible.

I wish also to mention the Ford Motor Co. and its effort to help save the taxpayers' money. I think this company deserves credit for its interest and initiative in trying to refund excessive profits to the Treasury.

Mr. President, economy in Government is now a favorite topic of conversation among politicians. Everyone seems to be for it, especially when economy is applied to a program that does not affect his own particular interest or his own particular district.

I try to make a conscientious effort to study the programs that affect my State. If I can be convinced that a reduction in funds is wise, I shall support that reduction, even though the State of Oregon is involved. If I find that the budget request is too low, I shall—and do—proudly go before the Appropriations Committee to seek an increase, and offer my proof in support thereof.

Mr. President, the action proposed for the Forest Service in the supplemental budget is, in my judgment, an example of an unsound proposal. I was amazed when I discovered recently that the Department of Agriculture, in a request for supplemental funds, contemplated cutting the 1957 Forest Service budget by $2,300,000, despite the fact that the proposed 1958 budget for the Forest Service is $22 million more than it was in 1957. I studied the accounts for decreases, and found that almost every program for 1958 is either to be increased or is for essentially the same amount. I want to record my opposition to the policy proposed in this supplemental bill.

After careful consideration I reached the opinion that perhaps this is a "phoney" saving for 1957 that the Executive is proposing; and I took the liberty of communicating my views to the leadership in the House and to our able Appropriations chairman, the Senator from Arizona [Mr. HAYDEN]. I should like to make that letter a part of the RECORD. Therefore, Mr. President, I ask unanimous consent to have the letter printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 22, 1957.

The Honorable SAM RAYBURN,
Speaker, United States House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I notice that the supplemental appropriation submitted by the President in House Document 115 proposes that the Forest Service and the Department of Agriculture will absorb $2,300,000 in expenses already incurred for vital fire-fighting and insect-control programs. The proposed supplemental appropriation calls for $1,500,000 of the $6,500,000 incurred in fire-fighting costs to be absorbed, and $800,000 for insect control to be absorbed.

I want you to know that I am opposed to this as an unsound budgetary practice, and I find that the following language from H. R. 1510 in the Department of Agriculture appropriation bill (H. R. 8779) for the fiscal year 1955 supports my view.

FREEZING OF APPROPRIATIONS

"Another development deplored by the committee was the arbitrary action taken last fall to freeze the funds of many of the action agencies. This action was taken only a few months after the Department had presented testimony to the committee strongly supporting amounts even in excess of the funds finally approved by Congress for the current fiscal year. Reference is made particularly to the freezing of over $1 million of the funds of the Farmers Home Administration at the expense of essential field activities, which money was eventually turned over to the Extension Service to meet penalty mail costs.

"The committee believes that such action is a breach of faith with the Congress and seriously damages confidence and working relationships. It is of the opinion that transfers of funds between agencies should be restricted to the limits allowed by law in the future, unless prior clearance is obtained from appropriate Congressional committees.

"The committee would like to impress on the Department that it is the authority and responsibility of the Congress to determine the scope of the various programs within the Department. The committee welcomes legitimate savings, but does not agree with the impounding of funds where it destroys the intent of Congress as to the size and nature of the programs of such agencies as the Soil Conservation Service, the Farmers Home Administration, the Rural Electrification Administration, the Forest Service, and the pest and disease control activities."

To carry this analogy through, I wish to point out that the absorption of these fire-fighting expenses already incurred runs counter to the practice Congress has long recognized—namely, that forest-fire fighting costs cannot be predicted as can many other expenses. Last year the Forest Service had some very terrible fires that were expensive to extinguish.

Should we now say that the cost of fighting fires set by an act of God should be paid for out of funds appropriated—after careful and meticulous study by Congress—for timber sales, watershed protection, construction and maintenance of roads and trails, and recreational development?

Here we have an example of the Department of Agriculture, having come before Congress last year to request funds for the fiscal year 1957, now implying: "We sought more than we needed for 1957, and we can absorb $2.3 million in other action programs that were expended on fire fighting and insect control without damage to these other programs." To further compound this grievous error, they have just appeared before the Appropriations Committee requesting increases totaling $22 million over the 1957 appropriation for the fiscal year 1958. Again, I emphasize that they have said that all of these increases for 1958 are necessary.

I cannot but conclude that their approach on this supplemental appropriation is unsound.

All of these fires occurred last summer. The Department knew the expense. If they knew they could absorb this expense in the 1957 budget, how could they come forward with an even larger budget for 1958?

I am convinced that if this supplemental appropriation is approved as submitted, it will result in the cutback of vital programs for the balance of the fiscal year 1957. In fact, these cuts will be concentrated in the last quarter of the fiscal year. Then, on July 1 the Department will race ahead full tilt at an even higher level of expenditure in these very programs.

I hope you will carefully scrutinize the effect of the proposals set forth by the Department of Agriculture.

Where Congress has agreed, as it has in fire fighting and insect control, that a supplemental appropriation will be based upon actual costs, I believe the Executive has a moral obligation to request, and Congress the duty, to appropriate these funds. For other programs where a new need occurs after the regular appropriation has been made, there should be a well defined prohibition of the executive branch expending funds in anticipation of securing favorable action by Congress. They should immediately come up here and at least discuss the matter with the leadership.

Finally, the transfer of funds from one program to another should be severely limited. If, in fact, the Executive has requested more funds than can be wisely expended upon a given program, or if the Congress has appropriated more than can be effectively utilized, the Executive should advise Congress of the savings that can be made by not expending the funds. However, when Congress believes that a given level of expenditure is in the public interest, the Execu-

tive must then be required to comply with the appropriation law and expend the funds.

I view the course of action suggested by the Executive as another effort to flaunt the will and judgment of Congress. Further, it is an effort to cripple and unbalance other needed programs for which specific funds have been appropriated by Congress. Even if a reduction in some program is feasible, I do not believe the executive branch should be permitted to decide where a cutback will be made. We should require that they indicate exactly where they recommend cuts be made, and Congress should write into the appropriation bill the reduction for each appropriation.

This present case is a good example of the fatal defect in the Executive approach to the problem. I am concerned that cuts will be made in vital capital-improvement programs, such as timber-access roads, rather than by a direct effort to find areas where permanent reductions may be made in the annual expenses of Government.

Instead of saving money, the taxpayer's precious dollar will be wasted. Instead of programs operating in a stable, efficient manner, they will stop and go with jerks and jumps. Just as we would not dream of letting an inexperienced engineer operate a valuable passenger train with its irreplaceable human cargo, we in Congress should not let the inexperienced and reckless engineers at the other end of Pennsylvania Avenue manipulate important Government programs when they know not whether they are pushing the throttle or pulling on the brake.

Sincerely yours,

WAYNE MORSE.

(Copies to the Honorable CLARENCE CANNON, the Honorable MICHAEL KIRWAN, the Honorable DON MAGNUSON, and the Honorable CARL HAYDEN.)

Mr. MORSE. Mr. President, it seems to me that if the Department of Agriculture can absorb $2.3 million of fire- and insect-fighting costs in other programs in the last quarter of the year, it should be possible for the Congress to detect some real saving opportunities. Arithmetic tells me that 4 times $2.3 million equals $9.2 million. It may well be that programs for which savings are proposed for 1957 can be cut back by $9.2 million for 1958. If the administration has proposed increases for 1958 in these programs, the savings opportunity might be even greater.

However, we already have a record made. Department head after department head has testified in favor of the budget as presented. Either real savings opportunities exist, or else these are phony savings.

For my part, I believe that the savings claims are really phony. Over in the Defense Department, through slipshod management, $5 million of the taxpayers' money was almost wasted. In the Department of Agriculture, savings are apparently proposed by cutting back temporarily on programs in the last quarter of the fiscal year, while added funds are sought for next year.

I think this administration would be pleased if we had an appropriation bill that merely read: "There is hereby appropriated $72 billion to be spent any way the President desires."

That is the net effect of the proposal in the supplemental bill, if we in the Congress allow the executive branch to save money by cutting back authorized programs and transferring the money to other activities. Mr. President, let me stress the point that in using the word "save" in that connection, I used the word with quotation marks around it.

I believe that the interests of economy might well be served by going over the supplemental bill in great detail. Let the Executive outline where every last cent of savings can be made. Then let the Congress assess the facts and look at the proposed expenditures for 1958. If a saving can really be made between now and June 30, 1957, let us not appropriate a penny more for that function for the year that starts July 1, 1957.

We in the Congress have many ways open to explore the possibility of savings. I commend two courses. First, let us have the Comptroller General study whether the appropriated money has been effectively spent. Through improving efficiency and insuring the careful use of funds available, we can promote real savings.

Second, let us examine these proposals to absorb extraordinary expenses by planned cutbacks in other programs. If funds can be transferred from a program without crippling its effectiveness, let us not in the subsequent years honor requests exceeding the net amount spent in the preceding year.

Above all, let us in the Congress be the final judge as to how and where the funds are expended. Let us not write a blank check addressed to whoever occupies 1600 Pennsylvania Avenue, be he a Republican or be he a Democrat.

It behooves all of us to remember that it is we in Congress who frequently are made to appear as ne'er-do-well spendthrifts foisting tremendous budgets on an unwilling Chief Executive. If we in Congress are to pay the piper, then it is we who should call the tune.

Furthermore, if the Chief Executive and his agents are playing a game of semantics with the people, let us expose the fraud.

In my opinion, that is exactly what the administration is doing.

The only thing consistent about this administration is its inconsistency. It ran on an economy ticket, and then proceeded to request more than has been requested in any four peacetime years. Instead of moaning and crying about the size of the budget, let us tell the American people the truth.

We are budgeting for the welfare and security of our Nation. We need no excuse. By our oath of office, we are obliged to promote our Nation's welfare. We appropriate, in good faith, the funds needed for our Nation's welfare.

The greatest part of the budget is requested by the President. We study that budget; and we may cut funds in one place, and we may add funds in another. The President tells us that cuts in funds he has requested are harmful, and then he tells us that essential increases for vital public works—which his big-business friends have not recommended—are not only unwise, but are pork-barrel politics. The implication to the people is that if we would just let the President have his way, the budget would be balanced.

Mr. President, for my part, I am getting tired of the political posture I see at the other end of Pennsylvania Avenue. One who forever sits astride a political fence and waits to learn the direction of political winds continually exposes his ineffectiveness as a political leader.

I think it is about time we got some constructive help from the administration, and it is we in Congress who must work together in this direction.

Mr. President, today, in making this speech, I plead again, as I have done many times since 1947, when I first proposed a capital budget—for the adoption by the Congress of a capital budget. As the record shows, that recommendation of mine was based on the early recommendation of the Committee for Economic Development—a committee composed of outstanding business leaders; and there was not one Government person on the committee.

I see that the Senator from Illinois [Mr. DOUGLAS] has just taken a seat in front of me, here in the Senate Chamber. I wish to state that in my opinion the Senator from Illinois is not only the greatest economist in the Congress, but he is one of the 10 great economists in the United States; and he is one of the economists who for some time have been urging the importance of having us face the budget problem from the standpoint of a capital budget.

I want to say, Mr. President, that I do not think we are going to have a sound budget procedure in this country until we provide for it. Yet there has not been a whisper of encouragement by this administration for such a budget procedure. There is not a single corporation in America which would think of conducting its financial affairs except on the basis of a capital budget, because a corporation would not get very far in sound bookkeeping if it tried to carry on its books capital investments as operating costs. That is what we do in running our national budget. We mix up operating costs and capital investments, both creating projects. We cannot do much about major budget provisions such as for military purposes, to pay interest rates, for veterans costs, and other so-called fixed costs, and we should not, because, as I have stated so many times, and I repeat today, I do not believe in economizing at the expense of the security of my country. However, the matter of the security of my country is not limited just to foreign affairs or military affairs. We have got to take a look at the security of our country from the standpoint of the future economic needs of American boys and girls. I respectfully point out that the Eisenhower administration is doing irreparable damage to the future needs and the heritage of future generations of American boys and girls in respect to their natural resources, of which the Eisenhower administration, during its term of office, is but the trustee of God's gift of these natural resources to each generation. I make that statement on the floor of the Senate today, as I have elsewhere in America, and will continue to do so so long as this budget issue is of such importance to future generations.

All one has to do, if one wants to see the false economy, is see the Eisenhower

administration's position with regard to water resources. Let the American people remember an ugly lesson of history. Civilizations go down as their water tables go down; and America's water table is going down. One of the reasons why America's water table is going down is that this administration is playing cheap politics with full river basin development. This administration is segmentizing the river basins of America, and this administration is following a profiteering and privateering course of action with America's water supply, by playing right into the monopolistic interests that are destroying the future water supply of American boys and girls in the decades ahead.

I say to the Senate and to the American people, I want you to look at the natural resources of our country and see something besides trees and mountains and streams and valleys. I want you to see this problem in terms of the imagery of the faces of unborn millions of American boys and girls who are going to follow us throughout the course of this national history of ours. I want to ask this question, What kind of a history will it be? Will it be a history in which shortsightedness and false economy caused us to exploit God's gift of natural resources to each generation, as we are doing under the Eisenhower administration? Or are we going to insist, before it is too late, that thousands of square miles of America shall not become another eroded China? Are we going to act before it is too late, Mr. President, in order to prevent what has developed in the course of history in the Middle East, when not so many centuries ago four times the area in the Middle East was then under cultivation as compared to now? Why? Because past centuries of people in the Middle East forgot to protect their water table.

One may say, "Mr. Senator, what has it got to do with this budget problem?" It has a great deal to do with it, because when we get down to the final cuts, if we yield to some of the hysteria in this economy drive, we cut off funds for great wealth-producing natural resource projects that will protect full river-basin development and protect the water supply for future generations.

Yes; I supported the upper Colorado project. I got a lot of criticism from my home State, too. It was said, "How can you support the upper Colorado River project? That is a very expensive project from the standpoint of cost-to-benefits." It is so expensive that the administration never even suggested that any of the power developments in that area should be taken over by the private utilities, because they are too expensive.

I will state why I supported the upper Colorado project. The upper Colorado project is primarily and fundamentally a water-conservation project, and I see the faces and imagery, to which I have alluded, of thousands and thousands of American boys and girls who are going to live in the upper Colorado project in the decades ahead. I considered it was my duty of statesmanship, during by service in the Senate, to see to it that I did attempt to get an adequate water supply. I took note of the fact that Denver is on water rationing several months each year. I take note that 244 counties of Texas out of 254 are water-disaster areas today.

I think when we come to grips with salient facts such as these, when we face the fact that there are literally hundreds of communities in America that are short in water supply today, the place to economize in this budget is not in great wealth-producing projects of the type advocated by Pinchot, Norris, Theodore Roosevelt, Franklin Roosevelt, Harry Truman, and others, because they recognized the soundness of that doctrine in this field of service.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I yield to my good friend from Illinois.

Mr. DOUGLAS. First, may I say I want to congratulate the Senator from Oregon on the general nature of the speech which he is making and his plea for a capital budget, in which I most heartily join. I think the Senator from Oregon knows I have always supported him in the development of power projects along the Columbia River. Is not that true?

Mr. MORSE. That is correct. The Senator from Illinois is a great friend of ours, and I want to assure him the people of my State approve of his statesmanship.

Mr. DOUGLAS. I think such projects are sound, because the flow on the Columbia is tremendous, amounting to 180 million acre-feet. It is the greatest water resource on the continent. But I will say that, though the Senator from Oregon has in general made a very fine record in the Congress, and though I approve of most of his efforts in the field of power development and water conservation, he made the greatest mistake in his life when he supported the upper Colorado project, because that is a project where the cost per acre on irrigation ran from $800 an acre up to, in some cases, $2,000 an acre, in high altitudes, where farmers will never be able to grow anything but hay and perhaps a few apples, and where not more than $100 an acre can be paid back from the revenue received for crops raised on that land.

The richest soil in the country is in the central belt of counties across Illinois. This land does not have a value, at present, of more than $650 an acre. Yet the Senator from Oregon has the nerve to stand here on the floor of the Senate and say that he did a great job for the public when he voted to spend from $300 to $2,000 an acre on high altitude land, 5,000 feet above sea level, where the growing season will be less than 100 days per year.

The Senator from Oregon is one of the great Senators of all time. I suppose he is entitled to his share of mistakes. I believe that when the Senator from Oregon reaches the conclusion of his long and illustrious life, when he looks back at his vote on the upper Colorado, he will say, "That time I erred."

Mr. MORSE. I think everyone in the Senate knows I love the Senator from Illinois very, very much. He usually exercises great influence on my judgment, Mr. President.

I listened to the Senator from Illinois during the debate on the upper Colorado River bill, and I came to the conclusion that this was one of only a few times that my good friend from Illinois suffered from historical myopia—that he was not seeing far enough ahead into history.

I recognize the high cost of this project as of now. I hope the Senator from Illinois is not correct. I hope I am not mistaken about it, Mr. President. But I do wish to say that facts such as the following are facts that concern me very much, as to the upper Colorado River debate: The testimony before our committees was that the population experts are raising the question, "Where will the food come from by the year 2000?" Their concern is that we will not, by the year 2000, be able to produce enough food to feed the population of the United States.

So, Mr. President, with that kind of concern, we had better act now and take the steps now, costly as it is going to be, for insurance purposes for the future, to see to it that we follow this water-conservation program in order to obtain that food.

Mr. President, I think we have to agree that when we come to the problem of the adequacy of food, the problem of having enough food to meet the needs of our population, we cannot pay too much to solve the problem.

I know the Senator from Illinois has performed a great service here in the Senate by checking up on these various reclamation projects, elsewhere than in the upper Colorado River Basin, some of which do cost a great deal.

But I do think, Mr. President, in terms of history, these projects are going to be cheap investments on the part of the American people. I may be wrong in this premise. If I am, then my argument falls to the floor of the Senate, Mr. President. However, in my judgment one cannot accomplish what is needed on a piecemeal basis. One has to work on the basis of a comprehensive river basin development program. That is why I go along, Mr. President, with some projects which are highly expensive.

I assure the Senator from Illinois—and I speak quite facetiously about it—that I listened to what he just said about the value of Illinois land and about the population of Illinois, a State with wonderful land and wonderful people, but I do not have anything to do with the fact that many of those people are migrating to the upper Colorado River Basin.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. MORSE. I think I ought to serve those ex-Illinoisans by seeing to it that when they get to the upper Colorado River Basin they will have enough water to drink.

Mr. DOUGLAS. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield. The Senator knows I am just having a little fun with him.

Mr. DOUGLAS. Is it not true that one of the areas of the country which lost population in the period from 1940 to 1950 was the area of these Mountain States, from Montana down through Utah, Wyoming, Colorado, and so on?

Mr. MORSE. The Senator is correct.

Mr. DOUGLAS. As a matter of fact, the population is upheld very largely by subsidies paid by the Federal Government, such as the irrigation subsidy, the silver subsidy, and the wool subsidy. There is also the prohibition against importation of cattle to this country, when such cattle could be imported to sell at prices lower than sales prices of domestic cattle in the United States.

Believe me, the political power of those Mountain States is exercised very frequently at the expense of the consumers and taxpayers of the country.

Mr. MORSE. I understand the point of view of the Senator from Illinois. I will say to the Senator, good-naturedly and seriously, that of course one of the reasons this out-migration has been taking place is the very major premise I am laying down here today, the fact that we are not protecting the water supply of that area and the water table is falling.

We must have a total nation—not a nation in which there is a density of population in one part of the country, with great physical erosion, so far as natural resources are concerned, in other parts of the country, for that will bring human erosion, too. What happens, Mr. President, when we do not protect the natural resources of the people living in an area, is that the people erode, too, so far as their regional culture and their civilization are concerned.

I desire a total nation. I wish to have a nation, Mr. President, where a person can go to any of these areas, to which the Senator from Illinois has referred, and find the same great standards of living that are enjoyed in the State of Illinois. Of course, we all have to pay part of the bill.

I do not mean to imply that the Senator from Illinois is a regionalist, because he is not. His great record in the Senate shows he is not. This is only one small facet of this problem, on which he and I have disagreed. I think part of that disagreement is because the Senator does not fully appreciate, I feel, the fact that a little bit of regionalism has crept into his economic philosophy. But that does not in any way do any great damage to the magnificent economic record the Senator has made as a wonderful economist. That is our difference.

I am glad the Senator has raised these points today. I wish to state to the Senator from Illinois that I shall continue to weigh his point of view; but I shall continue to fight with all my ability in the Senate, such as I may have, for the total development of the natural resources of our country, for the benefit of the future generations of American boys and girls, to whom I refer so frequently in my discussions of the subject.

I yield the floor.

The PRESIDING OFFICER. The bill is open to amendment.

PROPOSED CIVIL RIGHTS LEGISLATION

Mr. HENNINGS. Mr. President, I ask unanimous consent to have printed in the body of the RECORD two memorandums. Both relate directly to so-called civil rights legislation. One is a memorandum, which I sent to all members of the Judiciary Committee. It deals with the broad question of the alleged denial of a jury trial under the pending legislation. The second deals with the more specific question of a right to a jury trial in labor dispute cases.

I think these memorandums will be of interest to all Members of the Senate.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

MEMORANDUM

UNITED STATES SENATE,
Washington, D. C., March 23, 1957.

To: All Members of the Senate Committee on the Judiciary.

From: THOMAS C. HENNINGS, Jr.

Subject: Alleged denial of jury trial in pending civil rights legislation.

During the past week or so, an effort has been made, both in the press and otherwise, to convince the Congress and the public that the injunctive relief contained in the pending civil rights legislation would result in a deprivation of "the right to a trial by jury." To lay minds, there might seem to be something superficially plausible in this allegation. However, I am certain that lawyers will see that the charge is essentially without foundation in fact.

As all lawyers know, the concept of jury trial is a limited one, both traditionally and constitutionally. It is well-known that a person is not entitled to a jury trial in every conceivable type of criminal proceeding, or, indeed, in every type of criminal proceeding for that matter. In fact, the Constitution provides for jury trial in only two types of proceedings: (a) criminal prosecutions and (b) civil actions at law for money damages in excess of a certain amount.

One field of the law in which jury trial is very limited is in equity proceedings. To listen to the opponents of civil rights legislation, one would think that injunctive relief was something new. As we all know, it goes back for hundreds of years in Anglo-American legal history.

The injunctive process was first established to provide relief in unusual circumstances, where the regular law courts could not, in fact, be counted upon to provide relief. The injunctive process continues to serve the same purpose today.

One such unusual circumstance exists today where the civil and criminal procedures cannot be relied upon to provide relief in certain cases of violations of voting rights. We know that, regardless of the facts, juries in some such cases are not likely to convict. An alternative is the grant of injunctive relief to the United States.

If an injunction against the violation of the right to vote were issued by a Federal judge, and if this injunction were willfully disobeyed by voting officials, such officials would then be in contempt of the court. Contempt proceedings could be undertaken by the Federal judge, without a jury. However, there is nothing in either our Constitution, our historical development, or our tradition which guarantees a jury trial in a chancery or equity proceeding. Furthermore, in both civil and criminal contempts to punish for violation of an injunction, there is no right to a trial by jury if the United States has been a party litigant in the proceedings (with one exception, below). In fact, Congress has denied a jury trial in contempt proceedings where the injunction was instituted by the United States (18 U. S. C. 3691).

There is only 1 exception to this rule, only 1 type of case in which a person charged with contempt is entitled by law to a trial by jury where the United States is a party. This is in the case of labor disputes where injunctions are obtained under the Norris-La Guardia Act. And even this exception is, today, for all practical purposes a dead letter, since injunctions are now obtained under provisions either of the Taft-Hartley Act (which does not provide for trial by jury for violations of injunctions) or under State laws (which may or may not provide for jury trial).

My conclusions have been thoroughly documented in two attachments to this memorandum. The first is an excellent analysis by the chief counsel of the Constitutional Rights Subcommittee.

The second is a list of 28 Federal statutes in which injunctive relief lies. As outlined above, with one exception, there is no right to trial by jury in cases for criminal contempt of court for violations of injunctions, under these statutes, where the United States is a party to the case.

ATTACHMENT A

UNITED STATES SENATE,
COMMITTEE ON THE JUDICIARY,
SUBCOMMITTEE ON
CONSTITUTIONAL RIGHTS,
March 12, 1957.

To: The Honorable THOMAS C. HENNINGS, Jr., Chairman, Senate Judiciary Subcommittee on Constitutional Rights.

From: Charles H. Slayman, Jr., Chief Counsel and Staff Director, Senate Judiciary Subcommittee on Constitutional Rights.

Subject: Some notes supporting the position that proposed civil-rights legislation, with its provision for Federal injunctive relief, will not infringe constitutional rights of Americans to trial by jury.

1. Proponents of the proposed civil-rights legislation maintain that no person will be denied the right to trial by jury in any situation in which he is now guaranteed that right.

2. Subject notes are attached in support of this position.

Respectfully submitted.

CHARLES H. SLAYMAN, Jr.

Some notes supporting the position that proposed civil rights legislation, with its provisions for Federal injunctive relief, will not infringe the constitutional rights of Americans to trial by jury:

1. The present legal and equitable situations in civil rights cases.

(a) Private plaintiffs may sue for damages resulting from deprivations of civil rights under 42 U. S. C. 1983, and 1985. Constitutional procedural guaranties apply for civil actions at law.

(b) Private plaintiffs may seek equitable relief, including injunctions and declaratory judgments, pursuant to 42 U. S. C. 1983, where such remedies would be appropriate under the historical doctrines of equity. Constitutional procedural guaranties apply for suits in equity.

(c) The Federal Government may institute criminal prosecutions under 18 U. S. C. 241, 242, or 594, as appropriate. Constitutional procedural guaranties apply for criminal prosecutions.

2. The legal and equitable effects of the proposed additional civil remedies for civil rights cases.

(a) The Federal Government would be authorized to bring a suit for damages either on its own behalf or on behalf of the aggrieved party. The constitutional procedural guaranties appropriate to civil actions at law would apply here in the same manner as in private actions for damages.

(b) The Federal Government would be able to seek equitable relief, including injunctions and declaratory judgments, wherever such remedies would be appropriate under the historical doctrines of equity. The procedural rules historically governing equity proceedings would apply along with all the constitutional guaranties provided for such cases in the same manner as in private suits, except that the equity doctrine requiring exhaustion of administrative remedies would be modified.

(c) The Federal Government would still be empowered to institute criminal prosecutions in which all of the constitutional guaranties appropriate to such prosecutions would apply.

3. Jury trial would not be denied.

(a) The constitutional right to trial by jury would not be infringed. Under the United States Constitution, the defendant has such a right in criminal prosecutions and in civil actions at law but not in civil suits in equity. The proposed legislation makes no change; the defendant is not now entitled to a jury when a private person brings a civil suit for injunction.

(b) It is not a valid argument to say that the proposed legislation would deprive a person of a right to trial by jury by permitting the Government to institute proceedings for preventive relief as well as criminal prosecutions. Such an argument seems to say that persons who propose to violate the Constitution provisions guaranteeing civil rights have a constitutional right to be subjected only to a criminal prosecution. Congress has always had the power—and, as shown by the list of 28 statutes placed in the record of the hearings by the Attorney General, has frequently exercised it—to decide whether forbidden conduct shall be reached by civil proceedings or by criminal proceedings or by both.

(c) In proceedings for contempt of court as the result of a violation of an injunction, the defendant has no constitutional right to a jury trial. Congress has provided for a jury trial in certain contempt cases and not in others. The Federal Rules of Criminal Procedure, provide, in section (b) of rule 42, on criminal contempt:

"The defendant is entitled to a trial by jury in any case in which an act of Congress so provides."

It has long been the declared policy of Congress that—except in labor-dispute cases—there shall be no right to a jury trial where the contempt charge is disobedience of an injunction obtained in a proceeding in which the United States Government was the plaintiff. Title 18, United States Code, sections 3691 and 3692 specifically provides for a jury trial for contempt in labor-dispute cases. The proposed legislation does not alter this long-standing Congressional policy.

4. Right to counsel, right to confront and cross-examine witnesses, right to a fair trial would not be denied.

(a) Normal equity procedures apply to a trial on the merits of a plaintiff's request for an injunction or declaratory judgment. Witnesses are heard in person and subject to cross-examination by counsel. Affidavits are not used to establish facts. With respect to the right of the defendant to be represented by counsel and to confront and cross-examine witnesses and to have all the other procedural requisites for a fair trial, such a proceeding is the same as any other civil suit.

(b) Courts of equity have inherent power to issue restraining orders and temporary injunctions, for the purpose of preserving the status quo pending the final outcome of the suit, and to do so on the basis of affidavits. The proposed legislation does no more than recognize this standard equitable power and purports to give no special power to the Federal courts in civil-right cases. Similar language in this respect will be found in many Federal statutes. See, e. g., Atomic Energy Act of 1954, authorizing the Attorney General to seek injunctive relief and providing that "a permanent or temporary injunction, restraining order, or other order may be granted" (42 U. S. C. 2280). Similar language is in the Federal Power Act (16 U. S. C. 825m) and many other statutes. In all these situations, the relief granted on affidavits is only temporary and at the trial on the merits witnesses are heard and examined as described above.

(c) The Federal courts have clearly defined the law to be that "the purpose of a preliminary injunction is to preserve the subject matter of the controversy in its then existing conditions—to preserve the status quo." (*Seagram Distilling Corp.* v. *New Cut Rate Liquors* (22 F. 2d 815, 820 (1955)).) A restraining order or preliminary injunction is not proper where the effect would be to compel the defendant to take affirmative action beyond that necessary to preserve the status quo. (*Eighth Regional War Labor Bd.* v. *Humble Oil and Refining Co.* (145 F. 2d. 462, 464 (1942)).) "Where the granting of a preliminary injunction would give to a plaintiff all the actual advantage which could be obtained by the plaintiff as a result of a final adjudication of a controversy in favor of the plaintiff, a motion for preliminary injunction should be denied." (*Selchow & Richter Co.* v. *Western Printing and Lithographing Co.* (112 F. 2d 430 (1940)).) There is nothing in the proposed statute which would modify such established doctrines of equity practice. If the Federal court in equity would not be able to proceed to a full hearing on the merits prior to an election, for example, it would not be authorized to decide the issue on affidavits. If the complaint were a refusal to register the voter, no preliminary injunction would be proper since it would go beyond the status quo. If, on the other hand, the complaint was that the registrar was about to strike the name of a voter from the rolls, then a preliminary injunction might be proper to preserve the status quo—that is, to maintain his existing status as a registered voter.

5. Many judicial limitations are placed upon equity proceedings to insure fairness to the defendant.

(a) In an equity proceeding, the plaintiff, whether it be a private person or the Government, must satisfy the historical requisites for equity jurisdiction. He must show irreparable injury and the inadequacy of the remedy at law. The court has a much broader discretion to deny the requested relief than it has in actions at law.

(b) The judicial attitude in such cases and the safeguards placed by the court is illustrated by the following quotations from the Supreme Court opinion in *Eccles* v. *Peoples Bank of Lakewood Village* (333 U. S. 426 (1948)), a case in which the Court upheld the refusal of the district court to grant relief to the plaintiff in an injunction proceeding on a motion for summary judgment heard on affidavits: "A declaratory judgment, like other forms of equitable relief, should be granted only as a matter of judicial discretion, exercised in the public interest. * * * It is always the duty of a court of equity to strike a proper balance between the needs of the plaintiff and the consequences of giving the desired relief. Especially where governmental action is involved, courts should not intervene unless the need for equitable relief is clear, not remote or speculative. * * * A determination of administrative authority may of course be made at the behest of one so immediately and truly injured by a regulation claimed to be invalid, that his need is sufficiently compelling to justify judicial intervention even before the completion of the administrative process. But, as we have seen, the bank's grievance here is too remote and insubstantial, too speculative in nature, to justify an injunction against the Board of Governors and therefore equally inappropriate for a declaration of rights. This is especially true in view of the type of proof offered by the bank. Its claims of injury were supported entirely by affidavits. Judgments on issues of public moment based on such evidence, not subject to probing by judge and opposing counsel, is apt to be treacherous. Caution is appropriate against the subtle tendency to decide public issues free from the safeguards of critical scrutiny of the facts, through use of a declaratory summary judgment. Modern equity practice has tended away from a procedure based on affidavits and interrogatories, because of its proven insufficiencies."

6. Legislation would not transfer to Federal courts power to determine qualifications of voters.

If a State establishes voter qualifications and registration procedures applicable to all voters without discrimination based on race, color, etc., and if the election authorities comply with the State statute, the Federal courts now do not have jurisdiction to interfere and would not have under the proposed legislation. It is only when the registrar fails to comply with the State law and discriminates against certain voters that the Federal courts have jurisdiction. The jurisdiction of the Federal courts is not to determine the qualifications of the voter but rather it is to prevent or punish, as the case may be, action by the election officials which (in violation of State and Federal law) results in a discriminatory application of the local qualifications.

ATTACHMENT B

Statutes authorizing injunctive relief to the United States Government and agencies authorized to seek the same

1. Antitrust laws, restraining violations (by U. S. attorney under direction of Attorney General) (15 U. S. C. 4).

2. Associations engaged in catching and marketing aquatic products restrained from violating order to cease and desist monopolizing trade (by Department of Justice) (13 U. S. C. 522).

3. Association of producers of agricultural products from restraining trade (by Department of Justice) (7 U. S. C. 292).

4. Atomic Energy Act, enjoining violation of act or regulation (by Atomic Energy Commission) (42 U. S. C. 1816).

5. Atomic Energy Act, enjoining violation of act or regulation (by Attorney General) (42 U. S. C. 2280).

6. Bridges over navigable waters, injunction to enforce removal of bridge violating act as to alteration of bridges (by Attorney General) (33 U. S. C. 519).

7. Clayton Act, violation of enjoined (by U. S. attorney, under direction of Attorney General) (15 U. S. C. 25).

8. Electric utility companies, compliance with law enforced by injunctions (by Federal Power Commission) (16 U. S. C. 825).

9. False advertisements, dissemination enjoined (by Federal Trade Commission) (15 U. S. C. 53).

10. Freight forwarders, enforcement of laws, orders, rules, etc., by injunctions. (Interstate Commerce Commission or Attorney General) (49 U. S. C. 1017).

11. Fur Products Labeling Act, to enjoin violation (by Federal Trade Commission) (15 U. S. C. 69g).

12. Inclosure of public lands, enjoining violation (by U. S. attorney) (43 U. S. C. 1062).

13. Investment advisors, violations of statute, rules and regulations governing, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80b–9).

14. Gross misconduct or gross abuse of trust by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–35).

15. Use of misleading name or title by investment company, enjoined (by Securities

and Exchange Commission) (15 U. S. C. 80a–34).

16. Violation of statute governing, or rules, regulations, or orders of SEC by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–41).

17. Fair Labor Standards Act, enjoining of violations (by Administrator, Wage and Hour Division, Department of Labor, under direction of Attorney General; see 29 U. S. C. 204b) (29 U. S. C. 216 (c), 217).

18. Longshoremen's and Harbor Workers' Compensation Act, enforcement of order by injunction (by U. S. attorney; see 29 U. S. C. 921a) (33 U. S. C. 921).

19. Import trade, prevention of restraint by injunction (by U. S. attorney, under direction of Attorney General) (15 U. S. C. 9).

20 Wool products, enjoining violation of Labeling Act (by Federal Trade Commission) (15 U. S. C. 68e).

21. Securities Act, actions to restrain violations (by Securities and Exchange Commission) (15 U. S. C. 77t).

22. Securities Exchange Act, restraint of violations (by Securities and Exchange Commission) (15 U. S. C. 78u).

23. Stockyards, injunction to enforce order of Secretary of Agriculture (by Attorney General) (7 U. S. C. 216).

24. Submarine cables, to enjoin landing or operation (by the United States) (47 U. S. C. 36).

25. Sugar quota, to restrain violations (by U. S. attorney, under direction of Attorney General; see 7 U. S. C. 608 (7) (7 U. S. C. 608a (6))).

26. Water carriers in interstate and foreign commerce, injunctions for violations of orders of ICC (by ICC or Attorney General) (49 U. S. C. 916).

27. Flammable Fabrics Act, to enjoin violations (by Federal Trade Commission) (15 U. S. C. 1195).

28. National Housing Act, injunction against violation (by Attorney General) (12 U. S. C. 1731b).

Right to a Jury Trial in Labor-Dispute Cases

The contention has been made in connection with the pending civil-rights bill that in labor-dispute cases there is a general statutory right to a jury trial for contempt. From this contention it is argued that a similar right to a jury trial for contempt should be given in civil-rights cases.

The brief answer to this line of argument is that unions and employers do not now enjoy any significant or substantial rights to jury trials in contempt cases arising out of labor disputes. To demonstrate that this is so requires, however, a fairly detailed explanation of the law on this subject.

To begin with, there is no constitutional right to a jury trial in any contempt proceeding, civil or criminal. In re *Debs* (158 U. S. 564, 594, 595, 15 S. Ct. 900 (1894)). (If there were a constitutional right to a jury trial, the present controversy in connection with the so-called civil-rights legislation would, of course, not arise.) Thus, any right to a jury trial in contempt cases must, in the case of the Federal courts, rest on the Federal statutes, and, in the case of State courts, on State statutes.

Let us see then what the controlling statutes provide.

Federal statutes: The only Federal statute which confers any right to a jury trial for contempt in labor-dispute cases is section 3692 of the Criminal Code (title 18 of the United States Code). The first sentence of this section reads:

"In all cases of contempt arising under the laws of the United States governing the issuance of injunctions or restraining orders in any case involving or growing out of a labor dispute, the accused shall enjoy the right to a speedy and public trial by an impartial jury of the State and district wherein the contempt shall have been committed."

There then follows a provision that the section shall not apply to contempts committed in the presence of the courts, etc.

On its face this section provides generally for jury trials for criminal contempt in labor-dispute cases. However, it is not entirely clear that this statute will be applied literally.

This section is derived from section 11 of the Norris-La Guardia Act (act of March 23, 1932, c. 90, 47 Stat. 72, formerly 29 U. S. C. sec. 111 (1940 ed.)). In its original form it applied only to contempt of injunctions issued under the Norri-La Guardia Act. In the famous Mine Workers case the Supreme Court ruled that the Norris-La Guardia Act, including section 11, does not apply to suits brought by the United States; and that the union was accordingly not entitled to a jury trial when Judge Goldsborough fined it $3,500,000 for criminal contempt. (The fine was reduced to $700,000 by the Supreme Court.) *United States* v. *United Mine Workers* (330 U. S. 258, 298, 67 S. Ct. 677, 698 (1947)).

Further, the Taft-Hartley Act explicitly provides (secs. 10 (h), 203 (b), 302 (e)) that the Norris-La Guardia Act shall not apply to the issuance of injunctions under Taft-Hartley.

Finally, the Norris-La Guardia Act, in actual practice, virtually ended the issuance of injunctions by the Federal courts in labor-dispute cases between private parties.

Thus, following the United Mine Workers decision and the enactment of the Taft-Hartley Act, section 11 of the Norris-La Guardia Act (29 U. S. C. 111) was a dead letter. It had no application to contempt of injunctions obtained by the United States or by the NLRB; and since the enactment of the Norris-La Guardia Act, injunctions have almost never been obtained by employers in labor-dispute cases in the Federal courts.

At this point the 1948 revision of the Criminal Code was enacted. In this revision section 11 of the Norris-La Guardia Act was repealed and in a revised form became section 3692 of title 18. In its new form as section 3692, the provision is phrased generally and states that "in all cases of contempt" in any case growing out of a labor dispute the accused shall enjoy the right to a jury trial.

The question thus arises whether, in view of this revision and generalization of the section, there is now a right to a jury trial for criminal contempt (1) in labor-dispute cases to which the United States is a party—like the United Mine Workers case—or (2) in cases involving disobedience of court orders issued under the National Labor Relations Act.

No flat answer to this question can be given. Although the 1948 recodification and revision of the Criminal Code was enacted into positive law, and the prior statutes repealed, the courts will still to some extent look to the wording and purpose of the predecessor statute. *Amalgamated Clothing Workers* v. *Richman Brothers* (348 U. S. 511, 75 S. Ct. 452 (1955)). If the courts look to section 11 of the Norris-La Guardia Act as a guide to the meaning of the present section 3692 of title 18, they may conclude that, despite the latter's general phraseology, it was meant to apply only to contempt of injunctions issued under the Norris-La Guardia Act. And it seems unlikely that Congress intended, in approving this section as a part of the 1948 revision of the Criminal Code, to restore jury trial in contempt cases arising under the Taft-Hartley Act when Congress had explicitly provided the year before that the Norris-La Guardia provisions, including that for jury trial, should not apply under the Taft-Hartley Act.

On the other hand, the language of section 3692 is general and unequivocal, and the courts may conceivably hold that its scope is not limited to contempt of injunctions issued under the Norris-La Guardia Act.

No single case arising since the 1948 revision is found in the annotations to section 3692; and the possible application of section 3692 does not seem to have been urged in any contempt case arising under the Taft-Hartley Act.

However, even if section 3692 be taken as a general provision, extending beyond the Norris-La Guardia Act, its practical significance is not great. That is because, as part of the Criminal Code (title 18), it applies only to criminal contempt and not to civil contempt. (See Moore's Federal Practice (2d ed., vol. 5, p. 260).) Even apart from the section's incorporation in the Criminal Code, the Supreme Court interpreted a similar provision in the Clayton Act as applying only to criminal, and not to civil, contempt, and it even expressed doubt whether Congress could accord a right to jury trial in a civil-contempt proceeding without encroaching upon the equity jurisdiction intended by the Constitution. See *Michaelson* v. *United States* (266 U. S. 42, 45 S. Ct. 18 (1924)).

Normally the same facts give rise to both civil and criminal contempt: the only difference is that the punishment for civil contempt must be remedial while that for criminal contempt may be punitive as well. See the *United Mine Workers* case (Moore's Federal Practice (2d ed.) vol. 5, pp. 256–265). Thus, if a union strikes in violation of a court order it can, in either a civil or criminal contempt proceeding, be fined a thousand dollars a day for each day the strike continues, and its leaders can be imprisoned while the strike lasts. The only difference between the two types of contempt is that in a criminal contempt proceeding a fine and jail sentence can be levied even after the union has complied with the court order.

Not only does the same state of facts normally give rise to both civil or criminal contempt, but the courts usually resort to civil rather than to criminal contempt proceedings. That is probably why, though there have been scores of contempt proceedings under the Taft-Hartley Act, in many of which it would have been advantageous to the defendant to seek a jury trial, there is no record that any jury trial has never been claimed.

Since the courts are thus free to resort to civil contempt rather than criminal contempt (and normally prefer to) and since there is no right to a jury trial in civil contempt, it makes little practical difference whether section 3692 of title 18 gives a right to a jury trial for criminal contempt in labor dispute cases. Here again, that is no doubt why no single case has arisen under that section since 1948.

This point is equally applicable to section 3691 of title 18, which provides for jury trial of criminal contempts when the act done constitutes a criminal offense. (The statute excepts from this general rule suits brought by the United States, and the proposal which has been made in connection with the so-called civil rights legislation is to create an exception to this exception by providing for jury trial of contempts in civil rights cases even though they are brought by the United States.) Since this section, too, applies only to criminal contempt proceedings, and not to civil contempts, it is not really of major significance. The prosecuting authorities can always avoid a jury trial by proceeding for civil, rather than criminal, contempt.

Thus, as far as the Federal courts are concerned, there is no meaningful right to a jury trial in contempt cases arising out of labor disputes.

State proceedings: Since the enactment of the Norris-La Guardia Act in 1932, employers have resorted primarily to the State courts in their quest for injunctions in labor dispute cases. See report on State Court Injunctions, Senate Committee on Labor and Public Welfare, 81st Congress, second session, Document No. 7.

Since there is no Federal constitutional right to a jury trial in contempt cases, either civil or criminal, it is wholly up to each State whether or not to accord a right to jury trial in contempt proceedings. Some States do provide for a jury trial in criminal contempt proceedings, but many States do not. Some States do not even apply the preponderance of evidence rule in criminal contempt cases. Jury trials in civil contempt proceedings are virtually unknown.

Since the great bulk of the injunctions in labor dispute cases are issued by the State courts, and since the State courts do not normally provide jury trials in contempt cases, it is manifest that there is little substance to any assertion that unions enjoy the right to a jury trial in contempt cases growing out of labor disputes.

SUMMARY

Unions may or may not enjoy a theoretical right to jury trial in criminal contempt cases in the Federal courts: this issue has not been ruled upon. Unions and employers do not enjoy any right to a jury trial in civil contempt cases in the Federal courts, of which there are a considerable number. In the State courts, it is strictly up to the States whether to accord a jury trial in contempt cases—civil or criminal—and most States do not grant a jury trial.

AGREEMENT FOR COOPERATION WITH THAILAND

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD an amendment to the agreement for cooperation with Thailand, with accompanying correspondence. The agreement makes an additional amount of material available to Thailand, under its research agreement, up to 100 grams of contained uranium–235, 10 grams of plutonium, and 10 grams of uranium–233.

It also clarifies the responsibility of the Governments of Thailand and the United States with respect to any liability arising out of the research agreement. This agreement, which arrived before the Joint Committee on Atomic Energy on March 29, comes before the Joint Committee in accordance with the provisions of section 123 of the Atomic Energy Act of 1954.

There being no objection, the amendment to the agreement, with accompanying correspondence, was ordered to be printed in the RECORD, as follows:

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., March 29, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. DURHAM: Pursuant to section 123c of the Atomic Energy Act of 1954, there is submitted with this letter:

1. An amendment, signed at Washington March 27, 1957, to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning the Civil Uses of Atomic Energy signed at Bangkok on March 13, 1956;

2. A letter dated March 5, 1957, from the Chairman of the Atomic Energy Commission to the President recommending approval of the amendment;

3. A letter dated March 12, 1957, from the President to the Chairman of the Atomic Energy Commission approving the amendment, authorizing its execution and containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security.

Article II of the amendment would permit the transfer of limited amounts of special nuclear materials, including U–235, U–233 and plutonium, for defined research projects related to the peaceful uses of atomic energy.

Articles I and III of the amendment include new provisions which are designed to clarify the responsibilities that the parties to the agreement have assumed with respect to liability for any information, special nuclear material or fuel elements transferred pursuant to the agreement.

The amendment will enter into force when the two governments have exchanged notifications that their respective statutory and constitutional requirements have been fulfilled (art. IV).

Sincerely yours,

LEWIS L. STRAUSS, *Chairman.*

Enclosures: (1) Amendment to the Agreement for Cooperation with Thailand (3 certified copies), (2) letter from Commission to President (3 certified copies), (3) letter from President to Commission (3 certified copies).

UNITED STATES ATOMIC
ENERGY COMMISSION,
Washington, D. C., March 5, 1957.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the attached amendment to the agreement entitled "Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy," which was signed on March 13, 1956. The Commission believes that the proposed amendment will, if effectuated, advance the peaceful uses of atomic energy. It is also recommended that you authorize the execution of this proposed amendment by appropriate officials of the United States Atomic Energy Commission and the Department of State.

Article II of the amendment would permit the transfer of limited amounts of special nuclear material, namely, U–235, U–233, and plutonium, for defined research projects in the peaceful uses of atomic energy.

Articles I and III of the amendment include new provisions which are designed to clarify the responsibilities that the parties to the agreement have assumed with respect to liability for any information, special nuclear material, or fuel elements transferred pursuant to the agreement.

Subject to your approval, and to the authorization requested, the proposed amendment will be executed by appropriate authorities of Thailand and the United States. In compliance with section 123c of the Atomic Energy Act of 1954, the amendment will then be placed before the Joint Committee on Atomic Energy.

Respectfully.

LEWIS L. STRAUSS,
Chairman.

I certify this to be a true copy.

W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch, Division of International Affairs.

(Enclosure: Amendment to agreement for cooperation with Thailand.)

THE WHITE HOUSE,
Washington, March 12, 1957.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission, Washington, D. C.

DEAR MR. STRAUSS: By letter dated March 5, 1957, the Atomic Energy Commission recommended that I approve a proposed amendment to the "Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy," which was signed on March 13, 1956.

The Commission's letter states that article II of the amendment will permit the transfer of limited amounts of special nuclear materials to the Government of the Kingdom of Thailand for research in the peaceful uses of atomic energy. I have also noted that articles I and III of the proposed amendments are designed to make the responsibilities of the parties to the agreement more explicit.

I have examined the proposed amendment to the agreement and I share the belief of the Commission that the performance of the amendment will serve to advance the peaceful uses of atomic energy.

Accordingly, pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, and upon the recommendations of the Atomic Energy Commission, I hereby

1. Approve the proposed amendment to the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy;

2. Determine that the performance of the proposed amendment to the agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

3. Authorize the execution of the proposed amendment to the agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

Sincerely,

DWIGHT D. EISENHOWER.

I certify this to be a true copy.

W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch, Division of International Affairs.

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF THE KINGDOM OF THAILAND CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Kingdom of Thailand;

Desiring to amend the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Thailand Concerning Civil Uses of Atomic Energy, signed on March 13, 1956, hereinafter referred to as the "Agreement for Cooperation";

Have agreed as follows:

ARTICLE I

Article I of the Agreement for Cooperation is amended to read as follows:

"A. Subject to the limitations of article V, the Parties hereto will exchange information in the following fields:

"1. Design, construction and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

"2. Health and safety problems related to the operation and use of research reactors.

"3. The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

"B. The application or use of any information or data of any kind whatsoever, includ-

ing design drawings and specifications, exchanged under this Agreement shall be the responsibility of the Party which receives and uses such information or data, and it is understood that the other cooperating Party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application."

ARTICLE II

The following new article is added directly after Article III of the Agreement for Cooperation:

"ARTICLE III (A)

"Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of the Kingdom of Thailand, including source materials, special nuclear materials, byproduct material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of the Kingdom of Thailand by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of the Kingdom of Thailand by reason of transfer under this article, be, at any one time, in excess of 100 grams of contained U–235, 10 grams of plutonium, and 10 grams of U–233."

ARTICLE III

1. Article VI, paragraph A of the Agreement for Cooperation is amended by deleting the phrase "uranium enriched in the isotope U–235 leased from the Commission" and substituting in lieu thereof the phrase "special nuclear materials received from the Commission."

2. The following new paragraph is added to Article VI of the Agreement for Cooperation:

"D. Some atomic energy materials which the Government of the Kingdom of Thailand may request the Commission to provide in accordance with this arrangement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of the Kingdom of Thailand, the Government of the Kingdom of Thailand shall bear all responsibility, insofar as the Government of the United States is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of the Kingdom of Thailand or to any private individual or private organization under its jurisdiction, the Government of the Kingdom of Thailand shall indemnify and save harmless the Government of the United States against any and all liability (including third party liability) from any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of the Kingdom of Thailand or to any authorized private individual or private organization under its jurisdiction."

ARTICLE IV

This amendment shall enter into force on the date on which each government shall receive from the other government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such amendment and shall remain in force for the period of the agreement for cooperation.

In witness whereof the undersigned, duly authorized, have signed this amendment.

Done at Washington in duplicate this 27th day of March 1957.

For the Government of the United States of America:

WALTER S. ROBERTSON,
Assistant Secretary of State for Far Eastern Affairs.

LEWIS L. STRAUSS,
Chairman, United States Atomic Energy Commission.

For the Government of the Kingdom of Thailand:

P. SARASIN,
Ambassador of Thailand.

I certify this to be a true copy.

W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch, Division of International Affairs.

RESEARCH AGREEMENT FOR COOPERATION WITH IRAN

Mr. PASTORE. Mr. President, I ask unanimous consent to have printed in the RECORD the research agreement for cooperation with Iran, with accompanying correspondence, which arrived at the Joint Committee on Atomic Energy on March 13, 1957.

There being no objection, the research agreement, with accompanying correspondence, was ordered to be printed in the RECORD, as follows:

UNITED STATES ATOMIC ENERGY COMMISSION,
Washington, D. C., March 13, 1957.

Hon. CARL T. DURHAM,
Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. DURHAM: Pursuant to section 123 of the Atomic Energy Act of 1954, there is submitted with this letter:

1. An executed agreement for cooperation with the Government of Iran;

2. A letter dated December 6, 1956 from the Commission to the President recommending approval of the agreement;

3. A letter dated December 22, 1956, from the President to the Commission approving the agreement, authorizing its execution and containing his determination that it will promote and will not constitute an unreasonable risk to the common defense and security.

This agreement, as executed, makes cooperation possible between the United States and Iran on the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture and industry. Iran, if it desired to do so, would be able to engage United States companies to construct research reactors, and private industries in the United States will be permitted, within the limits of the agreement, to render other assistance to Iran. No restricted data would be communicated under this agreement. The Atomic Energy Commission, however, would lease to Iran up to six (6) kilograms of contained U–235 in uranium enriched up to a maximum of 20 percent U–235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Iran or while fuel elements are in transit. This expressed limitation will restrict Iran in determining the choice of reactor to be constructed to a research reactor.

You will also note that the agreement includes in article V provisions for the sale or transfer of research quantities of materials of interest in connection with defined research projects, which I described to you in my letter of March 30, 1956. The amount of special nuclear material which would be made available to Iran under this agreement would not be important from the military point of view.

Article VIII of the proposed agreement records the obligations undertaken by Iran to safeguard the special nuclear material to be leased by the Commission and article II contains the guaranties prescribed by section 123 of the Atomic Energy Act.

This agreement expresses the hope and expectation of the two Governments that this first stage of cooperation will lead to further development of the peaceful uses of atomic energy in Iran.

Sincerely,

H. S. HAUER, *Acting Chairman.*

(Enclosures: (1) Agreement with the Government of Iran, (2) letter from Commission to the President, dated December 6, 1956, (3) letter from the President to the Commission, dated December 22, 1956.)

UNITED STATES
ATOMIC ENERGY COMMISSION,
Washington, D. C., December 6, 1956.

The PRESIDENT,
The White House.

DEAR MR. PRESIDENT: The Atomic Energy Commission recommends that you approve the enclosed proposed agreement entitled "Agreement for Cooperation Concerning Civil Uses of Atomic Energy Between the Government of Iran and the Government of the United States of America," and authorize its execution.

This agreement has been negotiated by the Atomic Energy Commission and the Department of State pursuant to the Atomic Energy Act of 1954, and is, in the opinion of the Commission, an important and desirable step in advancing the development of the peaceful uses of atomic energy in Iran in accordance with the policy which you have established. The agreement would permit cooperation between the two countries with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. Iran, if it desires to do so, may engage United States companies to construct research reactors, and private industry in the United States will be able, under the agreement, to render other assistance to Iran. No restricted data would be communicated under this agreement, and the Government of Iran has signified its agreement to the guaranties prescribed by the Atomic Energy Act of 1954 which are part of this agreement.

Further provisions permit the Atomic Energy Commission to lease to Iran up to 6 kilograms of contained U–235 in uranium enriched up to a maximum of 20 percent U–235 for use as initial fuel charges in research reactors plus such additional quantity of such material, as in the opinion of the Commission, is necessary to permit the efficient and continuous operation of such reactors. You will note, in addition, that article V of this agreement would permit the transfer of limited amounts of special nuclear materials, including U–235, U–233, and plutonium, for defined research projects related to the peaceful uses of atomic energy. This agreement expresses the hope and expectation of the two governments that this first stage of cooperation will lead to further discussions and agreements relating to the peaceful uses of atomic energy in Iran.

Following your approval and subject to the authorization requested, the agreement will be formally executed by the appropriate authorities of Iran and the United States and then placed before the Joint Committee on

Atomic Energy in compliance with section 123c of the Atomic Energy Act of 1954.

Respectfully,

LEWIS L. STRAUSS, *Chairman.*

(Enclosure: Agreement for Cooperation with the Government of Iran.)

I certify this to be a true copy.

W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch,
Division of International Affairs.

THE WHITE HOUSE,
Washington, December 22, 1956.

The Honorable LEWIS L. STRAUSS,
Chairman, Atomic Energy Commission,
Washington, D. C.

DEAR MR. STRAUSS: Under date of December 6, 1956, you informed me that the Atomic Energy Commission had recommended that I approve a proposed agreement between the Government of Iran and the Government of the United States for cooperation concerning the peaceful uses of atomic energy. The agreement recites that the Government of Iran desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States and United States industry with respect to this program.

I have examined the recommended agreement. It calls for cooperation between the two Governments with respect to the design, construction, and operation of research reactors, including related health and safety problems; the use of such reactors as research, development and engineering tools, and in medical therapy; and the use of radioactive isotopes in biology, medicine, agriculture, and industry. The agreement contains all of the guaranties prescribed by the Atomic Energy Act. No restricted data would be communicated under the agreement, but the Commission would lease to the Government of Iran special nuclear material for use as reactor fuel. In addition, the Commission would be permitted to sell or otherwise transfer limited quantities of such material, including U–235, U–233, and plutonium, for use in defined research projects related to the peaceful application of atomic energy.

Pursuant to the provisions of section 123 of the Atomic Energy Act of 1954 and upon the recommendation of the Atomic Energy Commission, I hereby

1. Approve the proposed Agreement for Cooperation between the Government of the United States and the Government of Iran enclosed with your letter of December 6, 1956;

2. Determine that the performance of the proposed agreement will promote and will not constitute an unreasonable risk to the common defense and security of the United States; and

3. Authorize the execution of the proposed agreement for the Government of the United States by appropriate authorities of the United States Atomic Energy Commission and the Department of State.

It is my hope that this agreement represents but the first stage of cooperation in the field of atomic energy between the United States and Iran, and that it will lead to further discussions and agreements relating to other peaceful uses of atomic energy in Iran.

Sincerely,

DWIGHT EISENHOWER.

I certify this to be a true copy.

W. T. MALLISON, Jr.,
Acting Chief, Asian-African Branch,
Division of International Affairs.

AGREEMENT FOR COOPERATION BETWEEN THE GOVERNMENT OF THE UNITED STATES OF AMERICA AND THE GOVERNMENT OF IRAN CONCERNING CIVIL USES OF ATOMIC ENERGY

Whereas the peaceful uses of atomic energy hold great promise for all mankind; and

Whereas the Government of the United States of America and the Government of Iran desire to cooperate with each other in the development of such peaceful uses of atomic energy; and

Whereas the design and development of several types of research reactors are well advanced; and

Whereas research reactors are useful in the production of research quantities of radioisotopes, in medical therapy, and in numerous other research activities, and at the same time are a means of affording valuable training and experience in nuclear science and engineering useful in the development of other peaceful uses of atomic energy, including civilian nuclear power; and

Whereas the Government of Iran desires to pursue a research and development program looking toward the realization of the peaceful and humanitarian uses of atomic energy and desires to obtain assistance from the Government of the United States of America and United States industry with respect to this program; and

Whereas the Government of the United States of America, acting through the United States Atomic Energy Commission, desires to assist the Government of Iran in such a program;

The parties agree as follows:

ARTICLE I

For the purposes of this agreement:

(a) "Commission" means the United States Atomic Energy Commission or its duly authorized representatives.

(b) "Equipment and devices" means any instrument or apparatus and includes research reactors, as defined herein, and their component parts.

(c) "Research reactor" means a reactor which is designed for the production of neutrons and other radiations for general research and development purposes, medical therapy, or training in nuclear science and engineering. The term does not cover power reactors, power demonstration reactors, or reactors designed primarily for the production of special nuclear materials.

(d) The terms "restricted data," "atomic weapon," and "special nuclear material" are used in this agreement as defined in the United States Atomic Energy Act of 1954.

ARTICLE II

Restricted data shall not be communicated under this agreement, and no materials or equipment and devices shall be transferred and no services shall be furnished under this agreement to the Government of Iran or authorized persons under its jurisdiction if the transfer of any such materials or equipment and devices or the furnishing of any such services involves the communication of restricted data.

ARTICLE III

1. Subject to the provisions of article II, the parties hereto will exchange information in the following fields:

(a) Design, construction, and operation of research reactors and their use as research, development, and engineering tools and in medical therapy.

(b) Health and safety problems related to the operation and use of research reactors.

(c) The use of radioactive isotopes in physical and biological research, medical therapy, agriculture, and industry.

2. The application or use of any information or data of any kind whatsoever, including design drawings and specifications, exchanged under this agreement shall be the responsibility of the party which receives and uses such information or data, and it is understood that the other cooperating party does not warrant the accuracy, completeness, or suitability of such information or data for any particular use or application.

ARTICLE IV

1. The Commission will lease to the Government of Iran uranium enriched in the isotope U–235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of research reactors which the Government of Iran, in consultation with the Commission, decides to construct and as required in the agreed experiments related thereto. Also, the Commission will lease to the Government of Iran uranium enriched in the isotope U–235, subject to the terms and conditions provided herein, as may be required as initial and replacement fuel in the operation of such research reactors as the Government of Iran may, in consultation with the Commission, decide to authorize private individuals or private organizations under its jurisdiction to construct and operate, provided the Government of Iran shall at all times maintain sufficient control of the material and the operation of the reactor to enable the Government of Iran to comply with the provisions of this agreement and the applicable provisions of the lease arrangement.

2. The quantity of uranium enriched in the isotope U–235 transferred by the Commission under this article and in the custody of the Government of Iran shall not at any time be in excess of six (6) kilograms of contained U–235 in uranium enriched up to a maximum of twenty percent (20%) U–235, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Iran or while fuel elements are in transit, it being the intent of the Commission to make possible the maximum usefulness of the six (6) kilograms of said material.

3. When any fuel elements containing U–235 leased by the Commission require replacement, they shall be returned to the Commission and, except as may be agreed, the form and content of the irradiated fuel elements shall not be altered after their removal from the reactor and prior to delivery to the Commission.

4. The lease of uranium enriched in the isotope U–235 under this article shall be at such charges and on such terms and conditions with respect to shipment and delivery as may be mutually agreed and under the conditions stated in articles VIII and IX.

ARTICLE V

Materials of interest in connection with defined research projects related to the peaceful uses of atomic energy undertaken by the Government of Iran, including source of materials, special nuclear materials, by-product material, other radioisotopes, and stable isotopes, will be sold or otherwise transferred to the Government of Iran by the Commission for research purposes in such quantities and under such terms and conditions as may be agreed when such materials are not available commercially. In no case, however, shall the quantity of special nuclear materials under the jurisdiction of the Government of Iran, by reason of transfer under this article, be, at any one time, in excess of 100 grams of contained U–235, 10 grams of plutonium, and 10 grams of U–233.

ARTICLE VI

Subject to the availability of supply and as may be mutually agreed, the Commission will sell or lease, through such means as it deems appropriate, to the Government of Iran or authorized persons under its jurisdiction such reactor materials, other than special nuclear materials, as are not obtainable on the commercial market and which are required in the construction and operation of research reactors in Iran. The sale or lease of these materials shall be on such terms as may be agreed.

ARTICLE VII

It is contemplated that, as provided in this article, private individuals and private organizations in either the United States or Iran may deal directly with private individuals and private organizations in the other country. Accordingly, with respect to the subjects of agreed exchange of information as provided in article III, the Government of the United States will permit persons under its jurisdiction to transfer and export materials, including equipment and devices, to and perform services for the Government of Iran and such persons under its jurisdiction as are authorized by the Government of Iran to receive and possess such materials and utilize such services, subject to:

(a) The provisions of article II.

(b) Applicable laws, regulations and license requirements of the Government of the United States and the Government of Iran.

ARTICLE VIII

1. The Government of Iran agrees to maintain such safeguards as are necessary to assure that the special nuclear materials received from the Commission shall be used solely for the purposes agreed in accordance with this agreement and to assure the safekeeping of this material.

2. The Government of Iran agrees to maintain such safeguards as are necessary to assure that all other reactor materials, including equipment and devices, purchased in the United States under this agreement by the Government of Iran or authorized persons under its jurisdiction shall be used solely for the design, construction, and operation of research reactors which the Government of Iran decides to construct and operate and for research in connection therewith, except as may otherwise be agreed.

3. In regard to research reactors constructed pursuant to this agreement, the Government of Iran agrees to maintain records relating to power levels of operation and burn-up of reactor fuels and to make annual reports to the Commission on these subjects. If the Commission requests, the Government of Iran will permit Commission representatives to observe from time to time the condition and use of any leased material and to observe the performance of the reactor in which the material is used.

4. Some atomic energy materials which the Government of Iran may request the Commission to provide in accordance with this arrangement are harmful to persons and property unless handled and used carefully. After delivery of such materials to the Government of Iran, the Government of Iran shall bear all responsibility, in so far as the Government of the United States is concerned, for the safe handling and use of such materials. With respect to any special nuclear materials or fuel elements which the Commission may, pursuant to this agreement, lease to the Government of Iran or to any private individual or private organization under its jurisdiction, the Government of Iran shall indemnify and save harmless the Government of the United States against any and all liability (including third party liability) from any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such special nuclear materials or fuel elements after delivery by the Commission to the Government of Iran or to any authorized private individual or private organization under its jurisdiction.

ARTICLE IX

The Government of Iran guarantees that:

(a) Safeguards provided in article VIII shall be maintained.

(b) No material, including equipment and devices, transferred to the Government of Iran or authorized persons under its jurisdiction, pursuant to this agreement, by lease, sale, or otherwise will be used for atomic weapons or for research on or development of atomic weapons or for any other military purposes, and that no such material, including equipment and devices, will be transferred to unauthorized persons or beyond the jurisdiction of the Government of Iran except as the Commission may agree to such transfer to another nation and then only if in the opinion of the Commission such transfer falls within the scope of an agreement for cooperation between the United States and the other nation.

ARTICLE X

It is the hope and expectation of the parties that this initial agreement for cooperation will lead to consideration of further cooperation extending to the design, construction, and operation of power-producing reactors. Accordingly, the parties will consult with each other from time to time concerning the feasibility of an additional agreement for cooperation with respect to the production of power from atomic energy in Iran.

ARTICLE XI

1. This agreement shall enter into force on the day on which each government shall receive from the other government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such agreement and shall remain in force for a period of 5 years.

2. At the expiration of this agreement or of any extension thereof the Government of Iran shall deliver to the United States all fuel elements containing reactor fuels leased by the Commission and any other fuel materials leased by the Commission. Such fuel elements and such fuel materials shall be delivered to the Commission at a site in the United States designated by the Commission at the expense of the Government of Iran and such delivery shall be made under appropriate safeguards against radiation hazards while in transit.

In witness whereof the parties hereto have caused this agreement to be executed pursuant to duly constituted authority.

Done at Washington, in duplicate, this 5th day of March 1957.

For the Government of the United States of America:

WILLIAM M. ROUNTREE,
Assistant Secretary of State for Near Eastern, South Asian, and African Affairs.

LEWIS L. STRAUSS,
Chairman, United States Atomic Energy Commission.

For the Government of Iran:

A. AMINI, *Ambassador of Iran.*

TRADE RESOLUTIONS LEGISLATURE STATE OF NEVADA

Mr. MALONE. Mr. President, the State legislature of my State in the 1957 session, recently terminated, took official notice of the 1934 Trade Agreements Act—the so-called Reciprocal Trade Agreements Act—and its effect upon the economy of this Nation.

Mr. President, special reference was made to textiles, machine tools, precision instruments, critical materials, and materials, chemical and electrochemical products, crockery, glass, and several hundred additional products, making up the economy of specific areas in this country.

Mr. President, we are living on a $40 billion annual war economy, while the cheap labor nations divide our markets among them.

GATT—1934 TRADE AGREEMENTS ACT

Mr. President, at this time, 34 competitive foreign nations are sitting in Geneva, Switzerland, dividing this Nation's markets among them through the simple expedient of continually lowering our duties or tariffs.

The cheap labor nations of Europe and Asia are exercising the constitutional responsibility of Congress in the regulation of our foreign trade and national economy.

All this has been accomplished under the General Agreement on Tariffs and Trade—GATT—which was organized and placed in Geneva by the President in 1947, under the authority granted him by the 1934 Trade Agreements Act. It was so testified by the Secretary of State, Mr. Dulles, before the Senate Committee on Finance, of which I am a member.

NEVADA SENATE JOINT RESOLUTION 14

Senate Joint Resolution 14, of the Legislature of the State of Nevada, adopted on March 11, 1957, is entitled "Joint Resolution Memorializing the Congress of the United States To Resume Its Responsibility of Regulating Foreign Commerce, and To Allow the 1934 Trade Agreements Act To Expire in June 1958." I ask unanimous consent to have the joint resolution printed in the RECORD at this point as a part of my remarks.

There being no objection, Senate Joint Resolution 14, of the Legislature of Nevada, dated March 11, 1957, was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 14

Joint resolution memorializing the Congress of the United States to resume its responsibility of regulating foreign commerce, and to allow the 1934 Trade Agreements Act to expire in June 1958

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the American workingmen's jobs or American investments; and

Whereas article I, section 6, of the Constitution of the United States, provides that the Congress shall have the power to lay and collect taxes, duties, imposts, and excises, and shall regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act, as extended to June 1958, with authority to transfer such responsibility to Geneva under the general agreements on tariffs and trade: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act, which transferred such responsibility to the President, to expire in June 1958; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit copies of this

resolution to each member of the Nevada congressional delegation.

Adopted by the senate, March 11, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly March 15, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

NEVADA ASSEMBLY JOINT RESOLUTION 9

Mr. MALONE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks Assembly Joint Resolution 9 of the Legislature of Nevada, adopted by the Assembly on February 28, 1957. It is entitled:

Resolution memorializing the Congress of the United States to allow the 1934 Trade Agreements Act to expire on June 30, 1958, so that the regulation of foreign trade and the laying of tariffs and import fees will immediately vest in Congress as the Constitution requires and thereby stop the lowering of the American standard of living by the importation of foreign-made goods.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

TRADE RESOLUTION, NEVADA LEGISLATURE,
APRIL 4, 1957

Assembly Joint Resolution 9

Resolution memorializing the Congress of the United States to allow the 1934 Trade Agreements Act to expire on June 30, 1958, so that the regulation of foreign trade and the laying of tariffs and import fees will immediately vest in Congress as the Constitution requires and thereby stop the lowering of the American standard of living by the importation of foreign-made goods

Whereas the Legislature of the State of Nevada is aware of the fact that the selective so-called free trade policy, adopted by the State Department of the United States under the provisions of the Trade Agreements Act of 1934, is lowering the American living standard through the lowering of wages and is causing unemployment and a subsequent decline of the demand for minerals, agricultural products, and other commodities produced in the State of Nevada; and

Whereas the indiscriminate lowering of import fees and tariffs, without regard to the differential between the costs of production due largely to the difference in living standards of this Nation and foreign competitive nations, has a demoralizing effect on the mining and agricultural markets of this country and thereby causes unemployment and loss of labor; and

Whereas the State of Nevada is in a particularly vulnerable position in attempting to compete with foreign sweatshop labor because the products produced in Nevada, such as livestock, wool, tungsten, lead, zinc, copper, magnesite, chemicals, manganese, mercury, silicon, and many others, are readily importable at a lower cost from sources outside of this country under the so-called Reciprocal Trade Act, all to the great detriment and economic hardship of this State; and

Whereas many mining companies in the State of Nevada are practically shut down and almost all of the zinc miners are out of work and the cattle industry is being endangered because our ranchers cannot compete with the importation of hides, beef, or live cattle from Argentina or Mexico; and

Whereas the haphazard lowering of the floor under wages and investments represented by the tariffs and import fees destroys American workingmen and shifts their jobs to foreign soil; and, as a result, many of our mines, mills, and factories have been closed and our farm production saved only by subsidies; and

Whereas those industries which depend upon the power of Hoover Dam and Davis Dam are in danger because similar products are being imported at a price less than production costs in this State; and

Whereas the Nevada wool industry has found it impossible to compete with the importation of wool from Australia, New Zealand, and elsewhere; and, for the first time, the wool industry of Nevada is only being saved from destruction by the use of subsidies; and

Whereas it is essential to the protection of the American standard of living that world trade should only be on the basis of fair and reasonable competition and based on the principle that foreign products produced by underpaid labor should not be admitted to this country on terms which endanger the living standard of our workers, farmers, and miners; and

Whereas article I, section 8, of the Constitution of the United States requires that Congress should lay duties, imposts, and excises, and regulate foreign commerce, but the Congress of the United States has abrogated its constitutional duties by virtue of the Trade Agreements Act of 1934 by transferring the duty of fixing tariffs to the executive department of the Government which has, in turn, carried out policies inconsistent with the welfare of American agriculture, industry, and commerce; and

Whereas the free-trade policies fostered by the State Department under the 1934 Trade Agreements Act have resulted in our dependence upon foreign nations across one or both major oceans for many of the materials and minerals which we would need to fight a war and to prepare our own defense and thus stifled the initiative to explore, develop, and produce such needed materials in our own country; and after having become dependent on foreign sources for criticall materials the foreign countries have been able to cause us great embarrassment by manipulation of export permits and fees so that we must bow to their demands and submit to international blackmail; and

Whereas the United States has in the last several decades only been able to prosper because of war or the threat of war and under this cover of war the industrially inexperienced State Department has been wrecking the national economy by the simple expedient of tampering with tariff and import fees so as to open the door to foreign commodities, which in turn prevents the flow of venture capital into the business stream of the Nation even in time of emergency since investors know that when the emergency is over their investment will be destroyed through foreign sweatshop labor competition; and

Whereas it is mandatory to the future economical growth and development of this country, and Nevada in particular, that the 1934 Trade Agreements Act be allowed to expire on June 30, 1958, so that Congress can immediately recover its constitutional responsibility to regulate foreign trade through the adjustment of tariffs and import fees, and with such an expiration of the act the so-called trade agreements already made and in effect will in no way be affected but will continue in effect for their full terms: Now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada (jointly), That the Legislature of the State of Nevada most respectfully memorializes the Congress of the United States to stop the dreadful deterrent to American economic well-being and the lowering of our standard of living and that it return to its traditional and constitutional method of fixing tariffs based on the principle of protecting American industry, agriculture, and commerce by allowing the 1934 Trade Agreements Act to expire by its own force and limitation on June 30, 1958; and be it further

Resolved, That until the expiration of the agreement, the Department of State should exercise its powers in fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution until such time as the responsibility for regulating foreign commerce be vested where it belongs, in the Congress of the United States; and be it further

Resolved, That the Congress of the United States after June 30, 1958, should set up a flexible import fee which would be based upon fair and reasonable competition administered by a reorganized and experienced tariff commission functioning much in the same manner as the long-established Interstate Commerce Commission so that the market for foreign goods in this country would be based on a fair and reasonable competition with our own agricultural, industrial, and mining production; and be it further

Resolved, That copies of this resolution, duly certified by the secretary of state of the State of Nevada, be promptly transmitted by him to the President and Vice President of the United States, the Speaker of the House of Representatives, the President pro tempore of the Senate, and the Secretary of State and the Secretary of Commerce, and to the United States Senators and Congressmen from Nevada.

Adopted by the senate, March 12, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly, February 28, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

FOREIGN TRADE RESOLUTIONS, CIVIC BODIES OF NEVADA

Mr. MALONE. Mr. President, I have before me a series of resolutions which I ask to have printed in the RECORD at this point as a part of my remarks. They are as follows:

A resolution on foreign trade adopted by the Churchill County (Nev.) Chamber of Commerce on July 12, 1956;

A resolution on foreign trade adopted by the Reno Chamber of Commerce on June 19, 1956;

A resolution on foreign trade adopted by the Las Vegas Chamber of Commerce on December 19, 1955;

A resolution passed by the Humboldt County Chamber of Commerce in June 1956;

A resolution on foreign trade adopted by the White Pine Chamber of Commerce and Mines in June 1956;

A resolution by the Mina Chamber of Commerce, Inc., adopted on June 21, 1956;

A resolution of the 1955 Western Governors' Mineral Policies Conference on Foreign Trade;

A resolution on foreign trade by the Reno Central Trades and Labor Council, adopted in December 1955;

A resolution adopted at the 30th annual meeting of the Nevada State Farm

Bureau on domestic and foreign policy, at Ely, Nev., on December 2, 1949;

A resolution adopted by the White Pine County Central Labor Council in January 1950;

Resolutions by the Colorado River Water Users Association, accepted and passed December 1, 1955; and

A letter from Pioche, Nev., signed by Thomas L. Hutchings, president, Local No. 407, CIO.

There being no objection, the resolutions and letter were ordered to be printed in the RECORD, as follows:

TRADE RESOLUTIONS, NEVADA CHAMBERS OF COMMERCE AND OTHERS, JULY 1956

RESOLUTION, CHURCHILL COUNTY (NEV.) CHAMBER OF COMMERCE

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8 of the Constitution of the United States provides that the Congress shall have the power to lay and collect—duties, imports, and excises (tariffs or import fees) and to regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore, be it,

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

REPEAL OF THE 1934 TRADE AGREEMENTS ACT

(Resolution on foreign trade adopted by the Reno Chamber of Commerce, June 19, 1956)

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threatens serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that the Congress shall have the power to lay and collect duties, imposts, and excises (tariffs or import fees) and to regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore, be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

WILLIAM BRUSSARD,
Director, Reno Chamber of Commerce.

RESOLUTION ON FOREIGN TRADE ADOPTED BY THE LAS VEGAS CHAMBER OF COMMERCE, DECEMBER 19, 1955

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that the Congress shall have the power to lay and collect duties, imposts, and excises (tariffs or import fees), and to regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

HERB MCDONALD,
Director, Las Vegas Chamber of Commerce.

RESOLUTION PASSED BY THE HUMBOLDT COUNTY CHAMBER OF COMMERCE, JUNE 1956

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8 of the Constitution of the United States provides that "the Congress shall have the power to lay and collect * * * duties, imports, and excises" (tariffs or import fees) and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

KAY FLOYD JOHNSON,
Manager, Humboldt County Chamber of Commerce.

RESOLUTION ON FOREIGN TRADE ADOPTED BY THE WHITE PINE CHAMBER OF COMMERCE AND MINES, JUNE 1956

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8 of the Constitution of the United States provides that "the Congress shall have the power to lay and collect * * * duties, imposts, and excises" (tariffs or import fees) and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act, which transferred such responsibility to the President.

JAMES E. HEALD,
Executive Secretary, White Pine Chamber of Commerce and Mines.

RESOLUTION BY MINA CHAMBER OF COMMERCE, INC., JUNE 21, 1956

The importation of low-wage materials and various products without protection of any kind has caused the closing of American mines and factories and resulting in unemployment throughout our State; and

Whereas the present situation regarding the adjustment of tariff has been delegated to a world conference in which our representative is 1 in 35 instead of being in our Congress where the time-to-time changes in tariff schedules require prompt action to remedy the situation: Be it therefore

Resolved, That it is the spirit of this chamber that we urge our Congress to repeal the Foreign Trades Act and place the tariffmaking powers back where it belongs in our Congress so that our mines and factories can have the protection to which they are entitled.

MINA CHAMBER OF COMMERCE,
JAMES SHARMAN, *President.*

RESOLUTION OF 1955 WESTERN GOVERNORS MINERAL POLICIES CONFERENCE ON FOREIGN TRADE

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threaten serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that "the Congress shall have the power to lay and collect—duties, imposts, and excises (tariffs or import fees)"—and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, by its agent the Tariff Commission through the repeal of the 1934 Trade Agreements Act as amended, which transferred such responsibility to the President.

RESOLUTION ON FOREIGN TRADE BY RENO CENTRAL TRADES AND LABOR COUNCIL, DECEMBER 1955

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained, that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the living standards of the American workingman or the American farmer, or threatens serious injury to a domestic industry; and

Whereas article I, section 8, of the Constitution of the United States provides that "the Congress shall have the power to pay and collect—duties, imposts, and excises" (tariffs or import fees) and "to regulate foreign commerce"; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act as extended from time to time: Therefore be it

Resolved, That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy through the adjustment of duties, imposts and excises, through its agent the Tariff Commission and to repeal the 1934 Trade Agreements Act which transferred such responsibility to the President.

PAULA DAY,
TOMMY BLAKE,
LOU LEVITT,
C. D. BYRD,
Musicians Local 368.

RESOLUTION ADOPTED AT THE 30TH ANNUAL MEETING OF THE NEVADA STATE FARM BUREAU ON DOMESTIC AND FOREIGN POLICY, ELY, NEV., DECEMBER 2, 1949

Whereas the selective free-trade policy adopted by the State Department, based upon the Trade Agreements Act of 1934, is lowering the American living standard through the lowering of wages and is causing unemployment and a subsequent decline in the demand for agricultural products: Therefore be it

Resolved, That the Nevada State Farm Bureau adopts and recommends that the American Farm Bureau Federation support a domestic and foreign policy containing the following features:

I. Foreign policy

(a) Protection of private investments in foreign countries.

(b) Free convertibility of European currencies in terms of dollars.

(c) Consolidation of the European nations into a United States of Europe, and the erasing of all present trade barriers.

(d) Equal access to the trade of all nations of the world subject only to the action of the individual nations.

II. National policy

(a) Set up a flexible import fee which would be based upon "fair and reasonable" competition administered by a reorganized experienced Tariff Commission in the same manner as the long established Interstate Commerce Commission adjusts freight rates for the carriers on a basis of the principle laid down by Congress, of a reasonable return on the investment. Under a flexible import-fee principle, a market is immediately established for the goods of foreign nations on a basis of a "fair and reasonable" competition with our own—other nations in good conscience cannot ask for more. By so doing, America's domestic agricultural market would be greatly stabilized and cease to be a dumping ground for world surpluses. We are a land of agricultural abundance striving to maintain a standard of living unparalleled by any other nation in the world; Be it further

Resolved, That the lowering of import fees and tariffs without regard to the differential of the cost of production due largely to the difference in living standards of this Nation and of foreign competitive nations has a demoralizing effect on our agricultural markets as well as those of other industries, thereby causing unemployment and loss of revenue to the American farmer.

RESOLUTION ADOPTED BY THE WHITE PINE COUNTY CENTRAL LABOR COUNCIL JANUARY 1950

Whereas the selective free trade policy is removing the floor from under American wages and investments, causing unemployment and loss of taxable property; and

Whereas the haphazard lowering of the import fees and tariffs without regard to the differential of the cost of production due largely to the difference in living standards of this country and foreign competitive nations, has severely injured the nonferrous mining industry: Therefore be it

Resolved, That a telegram be sent to each of our national Senators asking them to do what they can toward correcting this deplorable situation.

DOUG HAWKINS,
President, White Pine County General Council.

RESOLUTIONS BY COLORADO RIVER WATER USERS ASSOCIATION ACCEPTED AND PASSED DECEMBER 1, 1955

Whereas much industry in the Colorado River Basin States, including mining, the beneficiation of ores, manufacturing of industrial chemicals, fuels, military supplies, and the successful agriculture of irrigated areas is dependent upon water supply from the Colorado River system; and

Whereas such industries are essential to the public welfare in peacetime and doubly so in time of war, when foreign sources of supply might be lost; and

Whereas much of such industry has been destroyed or seriously injured by the competition of imported products manufactured at lower labor costs than are possible or desirable in the United States: Now, therefore, be it

Resolved, That the Colorado River Water Users Association urges the United States Congress to resume its constitutional authority of regulating foreign commerce by the Tariff Commission through repeal of the Trade Agreements Act of 1934, which transferred that responsibility to the President.

PIOCHE, NEV.

DEAR SIR: By unanimous vote Pioche Union Local No. 407 CIO disapproves part 4 plan of the President which includes the International Trade Organization agreement and urge that you do everything possible to substitute flexible import fee. (As outlined in your talk at Pioche, Nev., on December 15, 1949.)

THOMAS L. HUTCHINGS,
President, Local No. 407.

SOUND MONEY: PROTECTION OF AMERICAN LABOR AND INVESTMENTS—LONGVIEW (TEX.) NEWS-JOURNAL, BY GEORGE ROTHWELL BROWN

Mr. MALONE. Mr. President, on March 17, 1957, the Longview, Tex., Sunday News-Journal published an article by George Rothwell Brown, entitled "Nevadans Asking for Honest Dollar." I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEVADANS ASKING FOR HONEST DOLLAR

(By George Rothwell Brown)

WASHINGTON.—It is a curious fact that although the Eisenhower administration has deplored the tendencies in this country today working for inflation, nobody in the Government has even so much as mentioned the one sure cure for it.

Inflation in the last analysis springs from the unholy union of a printing press and a stack of paper. If the Government really wants to stop inflation and prevent its further disastrous spread it will have to go back to the honest little dollar—the gold standard which F. D. Roosevelt repudiated in frightful violation of his most solemn campaign pledges in 1932.

(NOTE.—United States Senator GEORGE W. MALONE, of Nevada, is the inspiration and moving force behind the plea for return to an honest dollar and an end to sky-high taxes and inflationary free spending. For editorials on Senator MALONE'S position and the general subject, "Foundations of Our Freedom and Progress," and the popular response his stand is being accorded by the people, see below.)

Now the metal minded State of Nevada has revived a question of recent times all but unheard of in Washington.

The Republican State Central Committee of Nevada has come up with three recommendations of policies based on principles embodied in the United States Constitution.

First, it expresses the opinion that the Republican Party must advocate a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership.

Coupled with this is a recommendation for a return to the hard money standard, gold and silver certificates redeemable in those precious metals.

It is more than an economic absurdity, it is an economic sin, that American gold mines should be shut down, idle, and unproductive, while Communist Russia reaps the benefit of a world gold market from which American gold at only $35 is excluded. That price, fixed by law, has paralyzed the American gold-mining industry.

Nevada Republicans also urge that the Reciprocal Trade Agreements Act be permitted to expire next year. Under this law the tariffmaking power was transferred by Congress to the President, and by him relegated to obscure bureaucrats in the State Department.

The administration wants to extend State Department authority still further by legalizing GATT through the establishment of an international trade organization.

Nevada also suggests that the Republican Party rally to the support of States rights.

Commenting on this forward-looking stand taken by the Republican Central Committee, Senator MALONE told the Senate the other day that Nevada is the first State to reaffirm the principles of Washington, Jefferson, and Lincoln in 24 years.

"Since 1933," said Senator MALONE, "inflation has been encouraged, so that Congress can appropriate any amount of money for any purpose at any time, including billions of dollars to European and Asiatic countries, and can have the money printed without regard to its ultimate value.

"Under the free-trade policy of sending billions of dollars to Europe and Asia, more than $30 billion of American capital has gone abroad to operate plants with cheap labor and to ship the products to the United States to compete with our own labor and investments."

This word from Nevada sounds almost like a voice crying in the wilderness, but it isn't. Evidence piles up in Congressional mail from back home every day that national public opinion strongly supports the point of view of Nevada and her senior Senator.

Runaway Government spending is properly spotted as the prime cause of inflation.

Mr. MALONE. In the Longview, Tex., Sunday News-Journal of March 17, 1957, there was published an article entitled "Foundations of Our Freedom and Progress." I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FOUNDATIONS OF OUR FREEDOM AND PROGRESS

Constitutional government, based upon our traditional American principles, is sound and safe government. It is most refreshing, therefore, to note the encouraging response that comes to Senator GEORGE W. MALONE on his forthright call for a return to constitutional government and restoration of those basic principles upon which American freedom was founded and our strength and prosperity developed.

Senator MALONE, Nevada Republican and a professional engineer, for some years now has been a lone voice crying in the wilderness of party politics and Federal Government councils in Washington against pouring out the economic lifeblood of our Nation in the form of billions upon billions of dol-

lars of subsidy money from the Federal Treasury to foreign countries.

Recently, the Senator more strongly than ever had advocated a return to the Constitution in the regulation of foreign trade and the national economy, ending of the ruinous free-trade policies which are enabling foreign sweatshop labor factories to compete in the American market and endangering our workingmen's jobs and investors' money, and return to our traditional gold standard which would do away with the funny-money regime and the ruinous inflation that has been riding high, wide, and handsome for the past 24 years.

The note of popular concern and public response which Senator MALONE's vigorous advocacy of these policies has aroused in his own State and elsewhere across the Nation is perhaps best illustrated by three editorials from prominent Nevada newspapers. Republican and Democratic newspapers alike carried editorials and feature news articles explaining their Senator's position and complimenting him for his bold stand.

The editorials carried in Nevada Democratic newspapers, however, are most significant and revealing in their content. Because of their unusual significance and bearing upon current national policy, we are reproducing two of them and one from a Republican newspaper in the following order, and we will comment further at the end of the third one.

Mr. MALONE. On March 17, 1957, there was published in the Longview (Tex.) Sunday News-Journal an editorial entitled "Three Principles of Freedom." I ask unanimous consent that the editorial be printed in the RECORD at this point as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THREE PRINCIPLES OF FREEDOM

We want to go on record as being 100 percent in favor of Senator MALONE'S position calling for a return to a sound money policy, protection of the workingman's job and investors' money, and recognition of States rights.

These three principles, enunciated by the Republican Party 100 years ago, are foundation stones of the Constitution and as such are the basis of our individual freedom and the springboard from whence arises our national strength and prosperity.

The first of these three great principles is a sound money policy. This kind of a policy was in effect when America had its great basic growth and expansion. It includes a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership, and a return to our traditional firm money standard, using gold and silver certificates redeemable in these metals. As long as big government can control and depreciate the value of our money through inflation to meet its free-spending and giveaway programs, there can be no sound basis for saving and investing, nor any assurance that the workingman's wages will buy reasonable value in merchandise and services. Progress and prosperity thus eventually must bog down and fail.

The second of these principles calls upon Congress to resume its constitutional responsibility of regulating foreign commerce through the adjustment of duties, imposts, and excises, through the Tariff Commission, which is an agent of the Congress, and to let expire in 1958 the so-called Reciprocal Trade Act which transferred this responsibility to the President, who then delegated it to the State Department where it has become little more than an instrument of foreign meddling and giveaways.

The third principle would require the Congress to respect the rights of the individual States in all those matters which have been historically matters of State concern. This is fully in line with the Constitution which specifically declares that all rights not transferred to the Federal Government by the Constitution nor prohibited by it to the States "are reserved to the States and to the people."

It has been no accident that the people of this Nation now are free people, and that as free people they have been able to plan and work and produce and sell in our own market so that we have developed the strongest nation in the world and the highest living standard of all time. The underlying principles which have permitted such progress had to be just and right.

These great fundamental principles of freedom and justice and sound economics have not been repealed, although they have been pushed into the discard in recent years by a "tax and spend and tax" wild-money philosophy, a "buy friends by the dollar" diplomacy, and a denial of individual and States rights by a mushrooming Washington bureaucracy—all of which is bleeding the Nation of its economic lifeblood, robbing the workingman of his wages through exorbitant taxes, and taking away his job and the investor's capital by a free dumping of foreign-made goods in America.

These principles, since they are constitutional and fundamental, have been in bad repute in Washington. It is quite natural that in calling for a new recognition and practice of them in the Federal Government, Senator MALONE has been as a lone voice crying in the wilderness.

It is now a most encouraging sign to find the leading newspapers of Nevada, including both Republican and Democratic papers, coming out in strong support of the Senator's stand. It can only be a reflection of the way more and more people in Nevada are thinking today.

We commend you, Senator MALONE, for your bold stand. And we commend your position, and a restudy of the principles which you have cited, to all public officials everywhere and to every citizen who prizes his freedom, is proud of his heritage, and wants to protect and preserve his rights and privileges.

S. 28: AMEND 1930 TARIFF ACT IN ACCORDANCE WITH NEVADA RESOLUTIONS

Mr. MALONE. Mr. President, on January 7, I introduced a bill to amend the Tariff Act of 1930, and for other purposes. Under the heading "Declaration of Policy," the following language is to be found in section 1:

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition.

(b) to maintain an investment climate through the principle applying equally to the whole country.

(c) to provide necessary flexibility of import duties thereby making possible appropriate adjustments in response to changing economic conditions.

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (art. I, sec. 8) in the control over American import duties now subject to international agreements.

On page 3 of the bill, in subparagraph (2) of subsection (b) of section 3, the Commission is authorized and directed, among other things—

(2) to prescribe, upon termination of any foreign-trade agreement, that the import duties established therein shall remain the same as existed prior to such termination, and such import duties shall not thereafter be increased or reduced except in accordance with this act.

It is also provided, in subparagraph (1) of section 3 (b), that the Commission is authorized and directed—

(1) to terminate as of the next earliest date therein provided, and in accordance with the terms thereof, all the foreign-trade agreements entered into by the United States pursuant to section 350 of this act.

That is to say, the 1930 Tariff Act.

Section 4 (a), under the heading "Periodic Adjustment of Import Duties," provides as follows:

PERIODIC ADJUSTMENT OF IMPORT DUTIES

SEC. 4. Title III, part II, section 336, of the Tariff Act of 1930 is hereby amended to read as follows:

"SEC. 336. Periodic adjustment of import duties

"(a) The Commission is authorized and directed from time to time, and subject to the limitations hereinafter provided, to prescribe and establish import duties which will, within equitable limits, provide for fair and reasonable competition between domestic articles and like or similar foreign articles in the principal market or markets of the United States."

Mr. President, the bill was introduced in connection with and to carry out resolutions passed by the Legislature of the State of Nevada and the State central committee of the Republican Party of the State of Nevada.

SOUND MONEY

On April 1, 1957, I introduced a bill to authorize private transactions involving the sale, acquisition, or holding of gold within the United States. The bill, in part, reads:

Be it enacted, etc., That, notwithstanding any other provision of law, gold in any form, mined subsequent to the enactment of this act, within the United States, its Territories, and possessions may be melted, smelted, concentrated, or otherwise treated so as to prepare it to be sold, or held and stored as is, or has been customary with gold, and it may be thought, held, sold, or traded upon the open market within the United States, its Territories, and possessions for any purpose whatsoever without the requirement of licenses and it may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any other restrictions whatsoever.

Mr. President, I ask unanimous consent that the text of the entire bill, whose title is "To authorize private transactions involving the sale, acquisition, or holding of gold within the United States," be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, gold in any form, mined subsequent to the enactment of this act, within the United States, its Territories, and possessions may be melted, smelted, concentrated, or otherwise treated so as to prepare it to be sold, or held and stored as is, or has been customary with gold, and it may be bought, held, sold, or traded upon the open market within the United States, its Territories, and possessions for any purpose whatsoever without the requirement of licenses and it may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any restrictions whatsoever.

SEC. 2. Gold imported into the United States after the date of enactment of this act may be held, bought, sold, or traded upon the open market within the United States, its Territories and possessions, for any purpose whatsoever and may be exported without the imposition of duties, excise taxes, the requirement of licenses, permits, or any restrictions whatsoever.

SEC. 3. All gold held or bought by the United States Treasury, or mints, or assay offices, or by the Federal Reserve banks, shall be construed to be monetary gold. Such gold shall not hereafter be sold for commercial use or for the arts, and such gold shall not hereafter be sold by the Treasury or by the Federal Reserve banks (or for the account of either), directly or indirectly, in any free gold market in the United States, its Territories, or possessions, for the purpose of depressing such market and thereby lessening the price and value of gold: *Provided*, That the United States Treasury shall purchase as monetary gold any gold mined after the date of enactment of this act in the United States, its Territories, or possessions, which is offered to it for sale at the rate of $35 an ounce.

Mr. MALONE. Mr. President, I send to the desk a bill for appropriate reference. It is a bill "to provide the United States with a gold standard and redeemable currency, and to correct other defects in the monetary system of the United States."

This bill, Senate bill 1775, for a free market for gold, is necessary for an additional reason, which is to determine what the free market price for gold really is under our inflated currency.

In section 10, the bill provides:

All money of the United States, including money issued by banks, shall be maintained on a parity with the standard gold dollar by freedom of exchange at its value with standard gold bullion or coin at the United States Treasury.

Mr. President, if the price of gold should be raised in legislation to return to the metal standard that price can be closely determined through a free market for gold under Senate bill 1775.

S. 1897: GOLD STANDARD AND REDEEMABLE CURRENCY

The bill (S. 1897) to provide the United States with a gold standard and redeemable currency, and to correct other defects in the monetary system of the United States, introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MALONE. Mr. President, these bills were introduced in response to demands from my State that we return to a sound metal money system.

SOUND MONEY—PROTECTION OF AMERICAN JOBS AND INVESTMENT—AND STATES RIGHTS

On December 15, 1956, the executive committee of the Republican Party of the State of Nevada met and officially adopted, as a part of its platform, the request that the United States return to the constitutional requirement of a sound money system for the United States—for the protection of the American workingmen's jobs and American investors, through a duty or tariff, as we have come to refer to it, as set down in the Constitution in article I, section 8, which provides that Congress shall adjust the duties, imposts, and excises, and shall regulate foreign trade—and for States rights.

The Legislature of my State of Nevada—through senate and assembly joint resolutions—demanded the same legislation and procedure.

FINANCE COMMITTEE INVESTIGATION—DETERMINE STATUS OF MONEY SYSTEM

Mr. President, the Committee on Finance, of which I am a member, very recently adopted a resolution that provides for an investigation:

The committee shall examine, investigate, and make a complete study of the financial condition of the United States, including (1) the revenues, bonded indebtedness, and interest rates on all public obligations including contingent liabilities, (2) policies and procedures employed in the management of the public debt and the effect thereof upon credit, interest rates, and the Nation's economy and welfare, and (3) factors which influence the availability and distribution of credit and the interest rates thereon as they may apply to public and private debt.

It is the opinion of the Senator from Nevada that the Committee on Finance has a definite responsibility under the Legislative Reorganization Act for matters dealing with the public debt of the United States, inflation, and related matters.

We believe it is necessary, in order to discharge that responsibility, to conduct a study of both Treasury and Federal Reserve policies as they affect debt management, and also as the policies of this Nation in regard to the money system affect inflation, the value of the money, and the purchasing power of the money.

INFLATION LOWERS WAGES, PENSIONS, AND ANNUITIES

Mr. President, the inquiry and investigation may show the effect of our removing this Nation from the hard-money standard in 1934, and thereby starting an avalanche of inflation, merely because the money is not tied to the metal standard.

Congress may appropriate any amount of money and simply print the money, because there is no definite tie to the metal money standard. Possession of gold has been definitely prohibited, so far as the individual citizens of this country are concerned. Inflation has definitely affected wages, pensions, and retirement annuities. Wages and pensions must constantly be adjusted, then inflation continues, and in a few months the wages have again been effectively lowered because of the lessening of the purchasing power of the paper which we use for money.

GIVING SMALL BUSINESS LIPSERVICE AND DESTROYING IT

Our tax policies have kept just a little ahead of the inflation. In that way taxes and inflation, in the opinion of many of our citizens, have been the cause of increased business failures and bankruptcies.

We are giving small business lipservice and utterly destroying it.

DELIBERATE INFLATION

When we left the hard-money standard, we started an avalanche of deliberate inflation. We are following a policy of continually higher appropriations, higher wages—a deliberate spiral that can only ultimately destroy us.

I believe the investigation will show that the real purchasing power of the dollar, referred to the value of the dollar in 1934, is about 33 cents. That is the actual purchasing power of today's dollar based on the purchasing power of the dollar in 1934.

Of course we have been very clever. We have changed the date of reference. Instead of 1934, it is now 1948. If we should refer the purchasing power to the value of the dollar of 1957, the purchasing power will be practically 100 percent.

However, on the basis of 1948 value, it is admitted that the purchasing power is less than 50 cents.

If my statement is correct, that, compared with the 1934 value, the purchasing power of the dollar today is approximately 33 cents, or about one-third, then a man receiving $10 a day in 1934, in order to have the same purchasing power today, would have to receive $30 a day. Five dollars a day in 1934 would be $15 a day at this time.

These things are all the result of dependence upon paper or unsound money—and that, coupled with our foreign-trade policy—virtually free trade with sweatshop foreign labor, all of the duties, imposts, and excises which we refer to as tariffs, have been lowered well below the differences in the effective wages and costs of doing business in the United States and the chief competing country on each product. Therefore, there is no protection. It means that the sweatshop labor of Europe and Asia is being used to compete with labor in this country.

All that is necessary to be done is to examine the markets. Consider the crockery, textile, critical minerals and materials, machine tools, livestock, and 5,000 other products which I have mentioned in this statement. The increasing imports of these products from foreign countries are flooding our markets every day, while we live on a wartime economy of $40 billion a year and think we are sound financialy.

ARTICLE I, SECTION 8, OF THE CONSTITUTION

I wish to read from article I, section 8, of the Constitution, which was a very effective section so long as it was followed. However, over the last 24 years ways and means have been found to circumvent the Constitution. I read as follows:

The Congress shall have power to lay and collect taxes, duties, imposts, and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts, and excises shall be uniform throughout the United States.

The duties, imposts, and excises are what we call tariffs. I continue:

To borrow money on the credit of the United States;

To regulate commerce with foreign nations, and among the several States;

To establish * * * uniform laws on the subject of bankruptcies throughout the United States;

To coin money, regulate the value thereof, and of foreign coin, and fix the standard of weights and measures.

CONGRESS TRANSFERRED POWER TO THE EXECUTIVE

I submit that Congress has transferred practically all of the power contained in article I, section 8, to the executive branch of the Government.

About all of the power that Congress has retained is the power to appropriate the amount of money which the executive branch suggests should be appropriated. Sometimes Congress lowers the amount by about 5 percent, but Congress, in the last 24 years, has not had the intestinal fortitude to go below that amount.

Congress retains the power to fix the tax rate and to then maintain whatever dignity it can by refusing to answer the public questions.

Mr. President, the basic tenets upon which this Nation was founded included sound money, protection of the American workingmen's jobs and the investors' money, and States rights.

HOUSING

Mr. SMATHERS. Mr. President, the opportunity for every American family to acquire a good home in a pleasant neighborhood is and has been for 25 years a basic objective of the Congress. In working toward this objective Congress created the Federal Housing Administration in 1934, the loan guarantee program of the Veterans' Administration in 1944, and the improved Federal National Mortgage Association in 1949. These three programs have made it possible for millions of American families, who could not otherwise have done so, to buy good homes of their own. The FHA, the VA, and the FNMA were created to make it possible for the average families of the United States to buy their own homes on terms they could afford—and without either subsidy or interference from the Federal Government.

These programs are the best things that have ever happened to the American consumer. They enabled millions of American families to move from flats and tenements into homes of their own. They brought home ownership up from 40 percent to 60 percent in 15 years. They are the outstanding example of Government and business partnership, in the public interest, developed in this or any other nation on earth. Yet the facts and figures I have outlined with this statement clearly demonstrate that we are already in grave danger of losing everything we have gained during the past 25 years. Certainly we cannot afford to let these programs fail now.

The Congress in creating these programs has clearly indicated its concern for, and has taken steps to make possible, the moves which make us the best housed nation in the world. Unfortunately, however, these measures have become increasingly ineffective in recent years because of the monetary situation and because current legislation is not adapted to current housing needs. For these reasons I am today introducing a new revised FHA downpayment housing program which will again create a framework to provide housing for the American people on a basis they can afford.

I ask unanimous consent to have printed at this point in the RECORD a comparison table showing the required downpayment under existing law; the downpayment that would be required under the administration's proposal, S. 1609 if enacted into law; the downpayment that would be required under a House Banking Committee proposal; and the downpayment that would be required under the bill which I propose.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison table: FHA downpayments

FHA value	Present statute [1]	Proposed Senate bill [2]	Administration proposal (S. 1609) [3]	House Banking Committee bill [4]
$5,000	$250	$100	$200	$200
$6,000	300	120	240	240
$7,000	350	140	280	280
$8,000	400	160	320	320
$9,000	450	180	360	360
$10,000	700	200	400	400
$11,000	950	280	550	600
$12,000	1,200	360	700	800
$13,000	1,450	440	850	1,000
$14,000	1,700	520	1,000	1,200
$15,000	1,950	600	1,150	1,400
$16,000	2,200	850	1,300	1,600
$17,000	2,450	1,100	1,600	1,900
$18,000	2,700	1,350	1,900	2,200
$19,000	2,950	1,600	2,200	2,500
$20,000	3,200	1,850	2,500	2,800
$21,000	3,450	2,100	2,800	3,100
$22,000	3,700	2,350	3,100	3,400
$23,000	3,950	2,600	3,400	3,700
$24,000	4,200	2,850	4,000	4,000
$25,000	5,000	3,100	5,000	5,000
$26,000	6,000	3,350	6,000	6,000
$27,000	7,000	3,600	7,000	7,000
$28,000	8,000	3,850	8,000	8,000
$29,000	9,000	4,000	9,000	9,000
$30,000	10,000	5,000	10,000	10,000

[1] 95 percent of $9,000 value, plus 75 percent of excess; maximum mortgage, $20,000.

[2] 98 percent of $10,000 value, plus 92 percent of next $5,000, plus 75 percent of excess; maximum mortgage, $25,000. A similar bill introduced by Congressman TEAGUE (Democrat, Texas).

[3] 96 percent of $10,000 value, plus 85 percent of next $6,000, plus 70 percent of excess; maximum mortgage, $20,000.

[4] 96 percent of $10,000 value, plus 80 percent of next $6,000, plus 30 percent of excess; maximum mortgage, $20,000. (Veterans: 98 percent of $10,000, plus 90 percent of next $6,000, 85 percent of excess.)

Mr. SMATHERS. Mr. President, considering, for example, a home with a Federal Housing Administration appraised value of $15,000, existing law requires a downpayment of $1,950, the administration's proposal would require a downpayment of $1,150, the House Banking Committee proposal would require a downpayment of $1,400, and the legislation which I propose would require a downpayment of $600.

It is my firm conviction that downpayments such as would be required under the proposed legislation are absolutely essential for the revival of the home-building industry, as well as to insure adequate housing needs for the American people. It is in line with the amount of cash which the typical purchaser can provide, taking into consideration the necessity for closing costs and prepaid charges, which generally amount to $500 in a typical case, plus moving and refurnishing expenses.

Simply stated, the legislation which I propose would provide for a one-family residence a maximum mortgage equal to 98 percent of the first $10,000 of appraised value, 92 percent of the next $5,000, and 75 percent of such value in excess of $15,000. The proposed legislation will provide a new downpayment schedule for the FHA which will enable the American home-buying public with modest means to obtain necessary housing.

The average young home-buying family of today has not had the opportunity to save a large amount of money and does not have much in the way of available cash—seldom more than about $1,000. Under the present FHA downpayment schedule, this would mean that such a family could afford a house valued at not much more than $10,000, since cash requirements for closing costs average generally between $400 and $500. At today's costs, to obtain a home typically suited to its needs, such a family should be enabled to buy a home valued at approximately from $13,000 to $15,000.

Unless builders can count on the presence in the market of large numbers of potential home buyers, they cannot mass-produce homes and must, therefore, shift to fewer and more expensive homes. Advance planning for this year and next is already seriously curtailed because of the absence of effective mass financing to make possible mass production. Present FHA downpayment schedules do not permit such planning.

The extent to which the downpayments are changed measures the degree to which progress can be made toward providing housing for families of modest income. The decline in housing production of the past year has been entirely in that sector of the market which depends on low downpayment financing. Statistics indicate that such financing in the past produced 90 percent of the homes selling for under $15,000. Failure adequately to reduce downpayments to a level which families of modest income can afford will mean that such families—who have always been the prime concern of Congress in its housing policy—will continue to be excluded from the possibility of purchasing their homes.

In the absence of a method of financing suited to their ability to pay, many of these families in order to acquire homes will be forced to resort to unsound second mortgages or contracts for deed or similar devices, the use of which has been increasing during the past year. Financing of this sort characterized residential financing prior to the conception of the FHA low downpayment, low monthly payment plan, and contributed materially to real estate difficulties of the early 1930's.

Let me draw attention to recent events which dramatically underline the importance of passing the bill I introduce today. Last week, as Senators are aware, the seasonally adjusted annual rate of private starts dropped to 880,000 in March—the lowest level since May, 1949. Since the beginning of 1955, the annual rate of housing starts has dropped more than half-a-million.

Altogether, housing starts totaled 83,000 in March, a less-than-seasonal increase, and 16 percent below a year ago. Publicly owned starts numbered 7,500, which were all Capehart-Rains housing.

There were 75,500 private starts in March, which was the lowest in 8 years.

Starts under the VA program declined 45 percent from a year ago, to only 11,400 units; FHA starts declined 34 percent from a year ago, to 11,300; and conventional starts declined 6 percent, to 52,800. All categories were below March of 1956.

The last time housing starts were at an annual rate as low as 880,000 was in 1949, but at that time home building was moving upward and the industry was on its way to a new high of 1,400,000 starts in 1950. Now, however, we have reached an annual rate of 880,000, and the prospect for the future is even less. The rate at which we are building indicates that the industry is moving downward and is not accelerating, as it was in 1949.

The best indication of what the immediate future holds in prospect for home building at any given time are the FHA applications and the VA appraisal requests. These applications mean that a purchaser is submitting his application for an FHA insured loan or a VA guaranteed loan with the present intention of purchasing a home. Thus, although housing starts indicate the rate at which building is going forward, FHA and VA applications indicate the rate at which home purchases are being made.

I ask unanimous consent to have printed at this point in the RECORD a VA and FHA table for the States of Texas, California, Florida, and Alabama, comparing the years 1955, 1956, and 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Total proposed new homes, FHA and VA

State	March of each year			Percent change, March 1957 from—	
	1955	1956	1957	March 1955	March 1956
Texas	9,624	3,876	2,663	−72	−31
California	22,546	9,292	3,774	−83	−59
Alabama	1,946	1,190	453	−77	−62
Florida	4,203	1,808	1,364	−68	−25
United States total	107,536	62,395	35,713	−67	−43
VA appraisal requests:					
Texas	5,822	2,757	1,349	−77	−51
California	17,573	5,270	1,794	−90	−66
Alabama	1,392	938	148	−89	−84
Florida	3,314	1,043	722	−78	−31
United States total	71,939	37,511	19,508	−73	−48
FHA applications:					
Texas	3,802	1,119	1,314	−65	+17
California	4,973	4,022	1,980	−60	−51
Alabama	554	252	305	−45	+21
Florida	889	765	642	−28	−16
United States total	35,597	24,884	16,205	−54	−35

New dwelling units in building permits issued

State	February of each year			Percent change, February 1957 from—	
	1955	1956	1957	February 1955	February 1956
Alabama	1,265	887	765	−40	−14
California	15,881	16,298	12,858	−19	−21
Texas	6,581	4,213	3,997	−39	−5
Florida	4,510	4,979	[1] 4,598	+2	−8
United States total	78,864	71,110	[1] 55,000	−30	−23

[1] Preliminary.

Mr. SMATHERS. Mr. President, this table shows very clearly that the downward trend is much more severe in the South and the West than the nationwide figures indicate, and the nationwide figures are down very sharply too. Nationwide, in March 1957, VA appraisal requests for new homes were only 19,508 as compared with 71,939 in 1955, a drop of 73 percent. The FHA totals for March 1957 amounted to 16,205 as compared to 35,597 during March 1955. The only reason the FHA is not so badly off as the VA is that some of the proposed VA units have switched to FHA because of the change in the interest rate.

As a solution to the problem, I believe that two major objectives are necessary: First, a new downpayment schedule in the FHA; second, sufficient funds in FNMA to support the market on a reasonable basis so that builders can get back into business. It is reasonable to assume that builders cannot make application to the VA for certificates of reasonable value without some assurance that the mortgages can be sold at a price which will give them at least the possibility of a reasonable profit.

It is my understanding that the Senate Banking and Currency Subcommittee on Housing is already studying plans which would authorize the Federal National Mortgage Association to support the mortgage market on a reasonable basis.

I feel that unless Congress takes immediate steps along the lines I have suggested, we will slip back into the type of residential mortgage financing which characterized the 1920's and led to the housing bankruptcy of the early 1930's—that is, high downpayments, high interest rates, short-term mortgages.

At this time, I introduce, for appropriate reference, a bill to amend section 203 of the National Housing Act. For the reasons I have set forth, I sincerely trust that the Senate Committee on Banking and Currency, to which my proposal will undoubtedly be referred, will act promptly and favorably on it.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1898) to amend section 203 of the National Housing Act, introduced by Mr. SMATHERS, was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. MANSFIELD. Mr. President, will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. DOUGLAS in the chair). Does the Senator from Florida yield to the Senator from Montana?

Mr. SMATHERS. I am happy to yield to the Senator from Montana.

Mr. MANSFIELD. I wish to commend the distinguished Senator from Florida for the proposal he has just made. I certainly hope the Banking and Currency Committee will give early and serious consideration to the proposal, because I believe something must be done to break the logjam now in existence in connection with the home-building industry.

Again I wish to say to the Senator from Florida that he is to be commended for submitting a proposal which seems to be very much worth while at this particular time, and certainly may have a great effect in breaking down the obstruction placed in the way of those who wish to obtain homes at reasonable prices and at reasonable rates.

Mr. SMATHERS. I thank the Senator from Montana.

Mr. SYMINGTON. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I am glad to yield to the Senator from Missouri.

Mr. SYMINGTON. I congratulate the distinguished Senator from Florida for his wise proposal. All of us wish to see more people own their own homes. The bill introduced by the Senator from Florida is a wise move in that direction. I congratulate the Senator from Florida, and desire to join him in working for the enactment of the bill.

Mr. SMATHERS. I thank the Senator from Missouri.

Mr. NEUBERGER. Mr. President, will the Senator from Florida yield to me?

Mr. SMATHERS. I yield to the distinguished Senator from Oregon.

Mr. NEUBERGER. I desire to express my approval of the legislation proposed by the distinguished Senator from Florida. Particularly as one of the Senators from Oregon, which is the foremost lumber-producing State in the Nation, I wish to point out that we who live in Oregon have reason to know what has happened during the past year in the United States in the field of home building. Throughout the Nation, and particularly among those who are active in the construction industry, it is said that housing is the cream of the lumber industry. When housing is up, lumber is up; when housing is down, lumber is down.

Unfortunately, during the past year the construction industry, in the case of home building, has been down—both for home builders and for home buyers. We who live in Oregon know this, because of the impact on lumber.

I wish to express the appreciation of myself and of all the other people of my

State to the Senator from Florida for the bill he has introduced today.

Mr. SMATHERS. Mr. President, I am very much indebted to the Senator from Oregon for the kindness of his remarks. Of course, I know of his keen interest in housing and his great concern with getting this facet of our economy back on its feet.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

CONFISCATED PROPERTY: THE MORAL ISSUE

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very interesting article which deals with the confiscation of property. The article, entitled "Confiscated Property: The Moral Issue," was published in the Christian Century of April 17, 1957. The Christian Century is a nondenominational religious journal published in Chicago.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CONFISCATED PROPERTY: THE MORAL ISSUE

(By Glenn D. Everett)

On December 11, 1941, as one of the first acts of the war between the United States and Germany and Japan, President Franklin D. Roosevelt signed an executive order seizing all assets in the United States owned by nationals of the enemy countries and establishing an Office of Alien Property Custodian to supervise the property thus expropriated. The action was a proper one under the emergency in time of war, although it was exceedingly harsh on the commercial firms and private citizens that were affected. In the case of Germany alone, the United States Government made 34,000 separate vestings, totaling more than half a billion dollars. Ninety percent of these were of less than $10,000 and included such items as the bank accounts, automobiles, houses, and other personal property of German citizens, including many who were residents of the United States but had not yet completed their American naturalization.

UKULELES, TEACUPS, AND LIFE INSURANCE

While its major aim was to seize the assets of the Nazi and Japanese Governments and to prevent them from manipulating the funds of their private citizens to the detriment of the American war effort, the Office of Alien Property Custodian was exceedingly thorough in interpreting its mandate. In the case of one girl in Honolulu, for instance, a list of 250 items seized included pillows, dresses, dolls, teacups, hairbrushes, mirrors, tableware, a coffee percolator and a toy ukulele. The test for seizure was not sympathy or association with the enemy, but nationality alone. Thus a German-born widow residing in Baltimore found the Government seizing the $10,000 life insurance left her by her son when he was killed fighting in the American Army. The estates of Americans who on dying left bequests to relatives in Germany or Japan were seized. An 80-year-old native of Germany who had been in business in the United States for many years had his life's savings seized as an enemy asset. When he died his American-born daughter was made defendant in the suit by the Government which sought to retain these assets and to seize in addition the $5,000 trust fund left to the aged widow.

A DECISION IN THE OFFING

The passions of war have now cooled and we can look back with a sense of shame at the vindictiveness practiced against individuals because of their race or nationality. It comes as a shock to realize that today, more than a decade after the war ended, the United States still holds nearly all the assets it seized from private citizens of Germany and Japan. The Office of Alien Property Custodian is still doing business and still controls an estimated $500 million in confiscated property.

Government agencies of this kind have a tendency to be long lived. It was only in June 1956 that Congress passed a law disposing of the last $800,000 in assets seized during World War I. However, the matter of the World War II assets is rapidly nearing a decision. Either the United States will give back the property to its owners or it will order the remaining property sold off and proceeds turned in to the Federal Treasury.

Legislation for the return of the confiscated property to its owners was one of the hotly debated issues in the 84th Congress. The Eisenhower administration, recognizing the justice of the claims of many private individuals who were subjected to harsh treatment during the war, proposed last year that all property up to $10,000 for each person be returned, but none to corporations. The Senate Judiciary Committee, however, unanimously reported a bill sponsored by Senator OLIN D. JOHNSTON, Democrat, South Carolina, which would return all ex-enemy assets. But the House was still conducting public hearings on the thorny issue when Congress adjourned; so action on this bill was prevented. Since the 84th Congress did not resolve the question, it is again being debated in the 85th. On April 4 the Senate Judiciary Subcommittee on the Trading With the Enemy Act began hearings on the return of confiscated German and Japanese property.

A TITHE OF ASSETS RETURNED

Uncle Sam has taken a few steps to give back the property he seized during World War II. All assets owned by Italians were returned to them shortly after hostilities ceased. Property owned by private citizens of such countries as Hungary and Bulgaria is likewise being returned. The Japanese residing on the west coast who had been prevented by American law from becoming citizens won back some of their property through a court decision that they were not properly classified as nationals of Japan since they had expatriated themselves during the war by swearing loyalty to the United States. Persons in Germany who were persecuted and deprived of their civil rights by the Nazis had their United States-seized property restored to them through an act of Congress in 1946. Most of these claimants were Jews who had been held in concentration camps. However, less than 10 percent of the confiscated property was affected by all these actions.

In considering the moral issues involved in this question one point should be made clear: this is the property of private citizens and commercial firms. That the assets of the Hitler and Tojo governments were a proper prize of war cannot be disputed. That our Government had the right to control all assets owned by Japanese and German citizens in this country during the war is likewise indisputable. But now that peace has been restored the question at stake is whether we should keep this private property permanently and dispose of it without any compensation to the owners.

In 1946 this writer, while on a mission for UNRRA and the Heifer project, watched in helpless horror as thousands of residents of Breslau, Stettin, Danzig, Allenstein, and other areas of eastern Germany were routed out of their homes by the Communists. Carrying only little suitcases or knapsacks, these people were herded westward to the Oder-Neisse line, on foot or in boxcars. At the new border, even what little they had was taken from them on the ground that they could not export such articles as watches and cameras from "People's Poland." These Germans were forced to leave behind their homes of a lifetime and all their possessions, for the sole reason that they were German in nationality or ancestry and happened to be living in the provinces which Russia wanted to annex to Poland to make up for the Polish territory she was taking. If punishment was to be meted out to the German people, it seemed tremendously unjust to make a few suffer so much while their fellow Germans in the rest of the country escaped any loss at all, even if they were Nazi Party members.

Such a policy was unjust and immoral when pursued by the Russians; and it is no less unjust and immoral when pursued by the United States. What our Government did in 1941 was to seize the property of all Germans and Japanese residing in the United States, and any assets of people in Germany and Japan that happened to be located in the United States. What we propose to do now is to confiscate this property permanently, without any regard to the merit of the individual owner. This is exactly the same as the cynical policy of expediency pursued by the Communists.

In 1948, in a demogogic effort to justify this gun-point confiscation, Congress enacted a War Claims Act for the benefit of American servicemen who, as prisoners of war in Germany and Japan, did not receive treatment according to the standards set forth in the Geneva Convention. For every day of confinement on which he was underfed or ill-treated, each American serviceman was entitled to collect $1.50. Where was the money to come from? Congress provided that assets in the hands of the Alien Property Custodian be sold to pay the veterans' claims. Naturally, in a campaign year there was little opposition to the bill.

GREED REARS ITS HEAD

Germany and Japan ought to pay whatever is proper under international law for their violation of the rights of prisoners of war. But should the burden be laid universally on the entire population or should the payment be taken only from the pockets of a few who were so unfortunate as to have property which was within Uncle Sam's reach during the war? For the sake of expediency, Congress decided to use the property already under Government control without regard to the propriety or justice of so doing. It was contended that the German Government ought to reimburse its citizens for their losses.

However, let us look reality in the face. Is the German Government going to recompense those who lost their property in America as a result of confiscation, without recompensing the millions who lost all their property in Silesia and East Prussia? Or the millions who lost homes and possessions in West Germany in bombing raids? The answer from the overburdened Bonn government is that, obviously, it is not in a position to assume this additional obligation. Politically as well as economically it is an impossible requirement.

Why is there opposition in Congress to legislation such as the Johnston bill to restore the confiscated property? Primarily because several large industrial holdings, such as General Aniline and Film (manufacturers of Agfa cameras and Ansco film), are involved. American competitors and

speculators are anxious to buy these plants, and considerable jockeying has been done in financial circles to facilitate their purchase. The companies are widely described as cartels which supported Hitler. But if this is true, retort some advocates of the Johnston bill, let the companies be tried before an appropriate judicial tribunal and a legal penalty exacted. If their assets in Germany have not been seized in satisfaction of Hitler's debts to international society, why should their assets in America be seized? Or, in short, why it is immoral for our Government to confiscate private property valued at less than $10,000, and moral for it to take more than $10,000? That question has often been asked with respect to the administration bill.

COMMITTEE FORMED TO FORWARD JUSTICE

A committee of American citizens has been organized by the venerable 82-year-old Frederick J. Libby, who for many years directed the National Council for the Prevention of War, to focus attention on the moral issues of the problem. "We have come together because of our sense of justice and fair play and our concern for the good name of America," he declares. "To steal $1 million is not more honorable than to steal $100. The insurance policies that have been paid into the United States Treasury instead of to beneficiaries and the little legacies left by American soldiers to relatives in Germany are in principle no more sacred than the investments of thousands of stockholders in large companies."

Learned Hand, the noted jurist, who is a member of Libby's Committee for the Return of Confiscated German and Japanese Property, declared that in the light of modern jurisprudence "this confiscation is a step back to savagery." John A. Scherzer of Washington, D. C., a Lutheran clergyman, stated during the hearings before the 84th Congress: "There is a difference between right and expediency. It might be economic or expedient from a political, social or some other point of view to hold fast to that property which belongs to citizens of another country, but that expediency does not prove it right. It is important that we set forth our true character as a nation." O. K. Armstrong, writer, prominent Baptist layman and former Congressman, pointed out at the hearings that America wants Germany and Japan as allies in a struggle against world forces which do not respect the rights of individuals or private property; yet we persist in perpetrating what their citizens regard as galling injustice and in denial of our own principles.

It remained for Representative BROOKS HAYS, Democrat, of Arkansas, whose House Foreign Affairs Subcommittee had conducted an investigation into the subject, to summarize the moral issues involved. In response to questions as to the cost of making full return of the confiscated property, Mr. HAYS said: "In the determination of this country to live by high moral standards, the question of cost hardly seems to come into the equation. There may be various shadings of virtue as respects the various German and Japanese owners, but a person doesn't lose his claim just by being German or Japanese. No one can feel more strongly about German or Japanese aggression than I, but I recall that during the war we said we were not making war upon the people, but against their tyrants. There is enough merit in the proposal of the Johnston bill to wind it up with full return. That is, if we believe in the old legal adage that "justice must be done though the heavens fall."

Moved by such testimony and by its own investigation of the facts concerning the wartime seizure, the Senate Judiciary Committee in the 84th Congress voted unanimously for full return of the confiscated property. Will the corresponding committee in the 85th make a similar recommendation? And will Congress as a whole accept and act on it? The answer will be given only after a soul-searching contest between the expediency of keeping the property and the morality of giving it back to those who own it.

CONGRESSIONAL PAGES—WHY NOT PAGE GIRLS IN THE FUTURE?

Mr. NEUBERGER. Mr. President, I always have known that our Congressional pages were extremely bright and gifted young men. However, I was particularly impressed from a favorable standpoint when I viewed the National Broadcasting Co. network program Teen Talk on Sunday, April 14, 1957.

Four fine Capitol Hill pages interviewed Representative JOHN DINGELL, of Michigan, himself a former page. These boys were Jay Sourwine, George Weaver, Tommy Allen, and Jerry Bostich.

They made a splendid presentation, and were particularly articulate in pointing out the high quality of the Capitol Page School, which is operated so efficiently for Senate, House, and Supreme Court pages by the District of Columbia public school system. I must confess, however, that I felt the page boys were a little weak in their arguments as to why there should never be any page girls in Congress. I rather approve of the idea myself, and I do not see any reason—in these enlightened days of female suffrage—why the position of page should be exclusively a masculine prerogative.

I myself have been proud of my own three fine appointees as Senate page boys—Michael Forrester, of Pendleton, Oreg.; Keith Schroeder, of Myrtle Point, Oreg.; and Richard Allender, Jr., of Oswego, Oreg.

AUTHORIZATION FOR PRESIDING OFFICER TO SIGN ENROLLED BILLS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Presiding Officer be authorized to sign enrolled bills during the adjournment of the Senate.

The PRESIDING OFFICER (Mr. SYMINGTON in the chair). Without objection, it is so ordered.

ADJOURNMENT

Mr. MANSFIELD. Mr. President, notwithstanding the order, entered earlier today, that the Senate adjourn from today until Thursday, at noon, at this time I move that the Senate adjourn until tomorrow, Wednesday, at 12 o'clock noon.

The motion was agreed to; and (at 3 o'clock and 7 minutes p. m.) the Senate adjourned until tomorrow, Wednesday, April 17, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 16, 1957:

DEPARTMENT OF STATE

Roy Richard Rubottom, Jr., of Texas, a Foreign Service officer of class 1, to be an Assistant Secretary of State, vice Henry F. Holland, resigned.

DEPARTMENT OF THE NAVY

J. Sinclair Armstrong, of Illinois, to be an Assistant Secretary of the Navy, vice William B. Franke.

UNITED STATES ATTORNEY

A. Pratt Kesler, of Utah, to be United States attorney for the district of Utah for a term of 4 years. He is now serving in this office under an appointment which expires May 8, 1957.

UNITED STATES MARSHALS

Bernard A. Boos, of South Dakota, to be United States marshal for the district of South Dakota for a term of 4 years. He is now serving in this office under an appointment which expires April 16, 1957.

Clement W. Crahan, of Iowa, to be United States marshal for the northern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 16, 1957:

DEPARTMENT OF THE NAVY

William B. Franke, of New York, to be Under Secretary of the Navy.

UNITED STATES DISTRICT JUDGE

Caleb R. Layton III, of Delaware, to be United States district judge for the district of Delaware.

THE COAST AND GEODETIC SURVEY

The following for permanent appointments to the grade indicated in the Coast and Geodetic Survey, subject to qualifications provided by law:

To be captains

Henry O. Fortin (effective April 1, 1957).
Lawrence W. Swanson.
Gilbert R. Fish.

IN THE ARMY

The following-named persons for reappointment to the active list of the Regular Army of the United States, in the grade of colonel, from the temporary disability retired list, under the provisions of title 10, United States Code, section 1211:

Friedersdorff, Louis C., O15732.
Nemo, Ralph, O8362.

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294 as amended by Public Law 497, 84th Congress, title 10, United States Code, section 3291, and Public Law 294, 84th Congress, title 10, United States Code, section 3311, title 10, United States Code, section 3292, and Public Law 737, 84th Congress:

To be captains

Distelhorst, Frederick W., DC, O4022419.
Dixon, Leon M., Jr., MC, O968320.
Edwards, Ian K., MC, O2267482.
Ford, George W., MC, O1941874.
Hanson, Merril H., DC, O4050928.
Hanson, Thomas A., MC, O1891967.
Lamson, Thomas H., MC, O975561.
Lipscomb, James Watts, MC.
Mansfield, John O., MC, O4016515.
Monahan, James L., DC, O938692.
Nakagawa, Bunzo, MC, O1923107.
Rose, Lawrence R., MC, O4067286.
Shamburek, Roland H., MC, O4016792.
Turner, Guthrie L., Jr., MC, O2269024.

To be first lieutenants

Adams, Charles R., Jr., JAGC, O2280046.
Bogrette, Ann, AMSC, M2994.
Brown, Eleanor N., ANC, N901344.
Butcher, Anna M., ANC, N901175.
Church, Roy S., MSC, O1918954.
Conley, Paul J., MC.

Cooper, Robbie F., ANC, N900237.
del Valle-Garcia, Rafael A., MC, O2034117.
Doyle, Thomas M., MSC, O1922527.
Fitch, Charles T., MC.
Forest, Philip E., MSC, O1893890.
Futoran, Jack M., MC.
Griffin, Robert E., MSC, O4005204.
Helmann, Eleanor M., ANC, N805421.
Hettinger, Dale A., DC, O4043832.
Hille, Robert A., MSC, O4020823.
Howlett, Byron P., Jr., MSC, O1933640.
Jan, Lloyd V., MSC, O1933746.
Johnson, Merlyn B., DC.
Kellert, Albert J., MC, O4022333.
Kiel, Richard A., MSC, O1893902.
Kirchner, Marvin M., MC, O4056269.
Lau, Bennett M. K., MC, O4051019.
Little, Earle E., Jr., MC.
Marill, Irwin H., MC, O4034538.
Matthews, Nancy L., AMSC, M20006.
Mendez, Enrique, Jr., MC, O4055405.
Middleton, Gordon K., Jr., MC.
Munoz-Noya, Orlando, DC, O2276571.
Nishikawa, Wallace Y., MC, O4051120.
Pelham, Walter L., MC.
Pound, Edwin C., Jr., MC, O4043783.
Pratt, Curtiss R., MC, O4051090.
Radentz, William H., DC, O2274487.
Ross, Don R., MSC, O4007162.
Sadler, Tom H., MSC, O2272296.
Schiele, Raymond J., DC, O2276563.
Smith, Elizabeth R., Jr., WAC, L1010476.
Theodoroff, Mary J., WAC, L1020648.
Vickers, Russell E., JAGC, O2273140.
Waters, Ethel D., WAC, I1010639.
Williams, Dana S., MC, O2274744.
Winfield, Mark E., MC, O1341842.
Wolcott, Jeane M., WAC, L1020060.
Yamamoto, Hiroshi, MSC, O4006713.
Yarbrough, Roy D., MSC, O2206298.
Zone, Robert M., MC, O4087979.

To be second lieutenants

Bullard, John W., MSC, O4030646.
Erickson, Duane G., MSC, O4030113.
Gray, Barbara D., AMSC, M3037.
Latta, Patricia A., AMSC, M3024.
Read, Betty I., WAC, L1010826.
Silvernale, Douglas J., MSC, O4029627.
Stover, James W., MSC, O4019402.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of Public Law 737, 84th Congress:

To be captains

Franklin, Swayne B., O1688769.
Phillips, Eric C., O1181082.
White, Kent B., O404333.

To be first lieutenants

Baker, Theodore A., O1917897.
McDonald, Payton R., Jr., O4023600.
Stenquist, Richard W., O1341054

To be second lieutenants

Kelley, Emmett L., Jr., O4031400.
Komarow, Ronald M., O4040301.
McCuistion, Alan L., O4010737.

The following-named persons for appointment in the Medical Corps, Regular Army of the United States, in the grade of first lieutenant, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress, subject to completion of internship:

Farbstein, Martin E.
Leonard, John T.
Spees, Everett K., Jr.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Oswalt, Harris G.
Browning, Robert D.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Adams, James E.
Baker, Jerry W.
Banner, Thomas A.
Bell, Ross T., Jr.
Berg, George A.
Carpenter, Rodney K.
Cockrell, Allen A., Jr.
Cothran, Paul E.
Coull, James M.
Crawford, Jack F.
Davies, Peter G., O4077302.
Desonier, Richard J.
Echols, Bill D.
Fleming, Jerry L.
Forgy, Jack O.
Gagliardone, John L.
George, Edward H., III.
Gonzales, Richard E., Jr., O4072259.
Grant, Arthur J., Jr.
Grimes, Dan S.
Harris, Chester R., Jr.
Harris, Thomas L., Jr.
Harvard, Thomas P., Jr.
Helpling, Ray D.
Hofer, Kenneth W.
Hutchison, Jack R.
Hyde, Herbert K., Jr., O4048492.
Isbell, James C.
Jones, Walter R.
Kruger, Robert.
Leos, Tommy G.
Logan, Laddie B.
London, William G.
McFarland, Roger E
McGarvey, Bruce H.
Mettam, Richard E.
Nelson, Clifford R.
Nemeth, Philip K.
Nestle, Eugene C.
Nichols, Charles W.
Noyer, Gary R.
Parrack, Jim M., Jr.
Paulus, Lawrence R.
Philpott, Lawrence D., O4060575.
Pinnell, Aubrey B., Jr.
Plummer, Gerrell V.
Polk, John C.
Pople, Richard A.
Porter, Bobby B.
Rafferty, James E.
Rich, Arthur L., Jr.
Robbins, Grant C.
Rock, Thomas L.
Simpson, William F., Jr.
Sones, Vernon B.
Stoll, Roy M.
Thorne, Gerald B.
Trdla, Joseph R.
Turk, Roy M.
Wharton, Walter N.
Whatley, Howard G., O4062241
Williams, Edward H.
Williams, William J., Jr.
Zimmerman, Robert

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 16, 1957

The House met at 11 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, by Thy grace we have entered upon Holy Week.

We are commemorating events and experiences in the life of our blessed Lord whose solemn and sacred significance our finite minds cannot comprehend.

Grant that with a humble spirit and a contrite heart we may contemplate the redemptive ministry of the Christ, our Saviour.

May this be for all of us not only a time of commemoration but of renewed consecration when we are filled with a fervent desire to see men and nations redeemed from the darkness and bondage of sin and led into the glorious light and liberty of the sons of God.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds.

SPECIAL ORDER VACATED

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that the special order granted me for today be vacated.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first bill on the Private Calendar.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 11) favoring the suspension of deportation of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-9716766, Alfonso, Jose Fortich.
A-6949986, Alter, Chain.
A-10135642, Alter, Paula.
A-6821652, Chao, Chi-Hsien.
A-7174725, Chillemi, Agatino.
A-5225158, Chor, Lin Yet.
A-9769273, Choy, Yen Chu.
A-9635428, Constantinides, Michael.
A-7485232, Crisci, Chung May Fong.
T-2672020, Cuevas-Fausto, Marciso.
A-2545910, Goumas, Costas Theodore.
A-6662794, Halberstam, Hersch.
A-6463603, Halberstam, Brucha.
A-7858110, Halbrecht, Miriam Baraks.
A-7821864, Huerta, Juana Villanueva De.
A-7821806, Huerta-Villaneuva, Elena.
A-7457147, Iniguez-Gomez, Martin.
0900-55633, Iniguez, Petra Martinez De.
A-6760550, Klein, Leon.
0300-403947, Lem, Bee.
A-2976235, Lam, Tit Hong.
T-2671987, Lopez-Martinez, Fidencio.
A-5319344, Minami, Tom Miyoshi.
A-4802395, Miyashta, Hisano.
0900-63110, Ortiz-Soto, Efrain.
A-5977278, Santos, Marcolino.
A-1985208, Veronis, Gerasimos Nicholaou.
A-4956624, Wallace, Empson Clarkston.
T-1496984, Uyeyama, Miyasumi.
A-4095935, Aguirre-Ruiz, Jose.
A-7354329, Arbutjman, Lejb Bernardo.
A-6612013, Arzrouni, Achoude.

A-4784317, Bakker, Harry Paul Marinus.
1600-97772, Barra-Duarte, Aureliano.
A-2938135, Beker, Leon.
0900-64192, Camarena-Arias, Juan.
A-9669215, Dedo, Styepo.
A-9737095, De Moura, Julio.
A-7898941, Douskos, Carmen Maria.
A-6507735, Douskos, George.
A-9518412, Foo, Nee Ah.
E-89750, Gee, Chin Jun Kim.
0900-64550, Hernandez-Castro, Juan.
A-6048903, Huerta-Santellan, Angel Magdaleno.
E-056666, Joe Kwok Liang.
E-056667, Joe, Paylan Liang.
E-056668, Joe, Lee San.
A-6597759, Legister, Albert John.
T-2760961, Levy, Rene Cisneros.
A-7250484, Lockhart, Baleeka.
V-319235, Long, Haydee Rueda.
A-4954329, Lumas, Joseph.
A-6726819, Madrazo, Elisa Amparo.
A-8876988, O'Donnell, William John.
A-7270220, Palombella, Francesco.
A-9707191, Ramos, Pedro.
A-6711481, Rizk, Alfred Alexander.
T-2760421, Rodriguez-Garcia, Rafael.
A-3822477, Sanchez-Alejandro, Esteban.
A-3038125, Sanchez-Alejandro, Filomeno.
A-4010160, Sanchez-Alejandro, Gregoria.
A-4209497, Sanchez-de, Natividad Bazan.
T-1499169, Si, Wang.
A-5904796, Su'a, Kipeni.
A-4219656, Temita, Tamio.
A-5338975, Traynor, Janet Jessie.
A-9581816, Trojanovic, Pedro.
A-5423889, Tsien, Wei Hwa.
A-923872, Tsien, Wei Nan.
E-44755, Vega, Maria.
A-3610417, Ying, Teresa.
A-10086556, Ying, Yuen.
0966-263, Zamarripa-Barrera, Petra.
0966-264, Zamarripa-Barrera, Enrique.
A-2821296, Cnapich, Joseph.
A-7225061, Di Mambro, Edoardo.
V-1240687, Okana, Takeko.
A-7469332, Nevarez-Meraz, Alberto.
A-7044290, Ramirez-Mata, Carles.
T-2672016, Ramirez, Petra Aida Montes De.
A-7188173, Roden, Adolf.
A-5528068, Todeschini, Isidoro Oreste.
A-6346278, Valkana, Constantinos.
A-6357988, Valkana, Panagiota.
A-6079538, Browne, Candelaria S. M.
A-6078003, Browne, Cynthia.
A-6079549, Browne, Rudolph.
A-8938372, Browne, Albert.
A-6079545, Browne, Leslie.
A-6078002, Browne, Vernon.
A-6870027, Fong, Way Chong.
A-7367898, Chu, Lau Hing.
A-5978605, Engelmann, August Max.
A-5763362, Fong, Liu.
A-4030307, Hee, Yep.
A-6967408, Ikari, Manuel Enrique.
A-5982007, Katsuro, Shuhei.
A-6886810, Lawrence, Genoveva Adelina.
A-5814895, Marshall, John Neil.
A-4080362, Maya-Ybarra, Francisco.
A-4334530, Miki, Tomizo.
A-10416353, Orozco-Estrado, Pedro.
0300-387312, Quintero-Toscano, Candido.
A-5248778, Singh, Channan.
A-6352536, Soltero, Silverio.
A-8039699, Stumbaugh, Giovanna Fiammini Di Loreto.
A-8901479, Tang, Lily Cheng-Li.
1600-101488, Toro-Moreno, Manuel Del.
A-10504578, Valles, Luz Gasca De.
1500-42507, Velez, Esteban.
1500-42508, Velez, Eduviges.
1500-42509, Velez, Elvira.
A-7283659, Wah, Leung.
T-1892615, Foo, Wong Ah.
A-9747459, Henderson, Cecil Ashton.
A-6097780, Honda, Katsuki.
A-2573276, Li, I-Ying.
A-4829259, Mischler, Richard Robert.
A-6063644, Nielson, Lindsay Franklin.
A-6930858, Paradissis, Philip John.
A-8883007, Petrizzo, Maria Rosaria.
A-7751743, Pigulewski, Nicholas De Lorence.
A-1657086, Redko, Isay Ivanovich.
A-10086222, Scurvin, Lancelot Seymore.
A-2994820, Alfaro, Lydia Molina De.
A-8021752, Alfaro-Molina, Samuel.
A-6160109, Davis, Guy Henry.
A-7391996, Herrera-Ruiz, Juan.
A-3972563, Kogano, Takashi.
A-9708088, Naum, Lee.
0300-415842, Ong, Min.
A-5186985, Perez-Perez, Ruben.
A-10492500, Perez, Socorro Luna De.
A-10492499, Luna, Maria de Jesus.
A-8082062, Sing, Au.
E-118899, Wong, Ah Liang.
A-2185719, Alie, Alex.
A-5672581, Havlasa, Jan Klecanda.
A-4967880, Korogiannos, Eponinodas.
A-9645741, Lee, De She.
0300-398983, Leong, Mock Fook.
A-8014953, Nardo, Albert Di.
A-6161490, Ozawa, Atsumi Angelica.
A-6354359, Periaki, Thomas.
A-7764289, Plaushak, Pamela Lysa.
A-7930337, Poy, Ngai Kai.
T-1892169, Sam, Chin You.
A-9513946, Sze, To King.
A-6161489, Yoshimura, Suzuko.
A-7284855, Benn, Hajara Singh.
A-6226075, Carlson, Susan.
A-3497151, Cosgrove, James.
A-8258649, Dominguez, Beatrice Rodriguez De.
A-10474407, Guerra, Maria Tovares De.
A-4352288, Hurtado, Lucia Espinosa De.
A-8832503, Mazer, Carmen Enriqueta De.
A-9501884, Michalakis, George.
A-7772769, Pinedo-Tamayo, Adolfo.
A-2706650, Sato, Kunishige.
A-7295956, Villapudua-Sanchez, Armando.
A-2319483, Zara, Thomas.
A-5997836, Gonzalez, Feliciano.
A-5882765, Gutierrez, Angelina Cuellar.
A-3653450, Lee, Hsin Chin.
A-9747187, Locke, George Frederick.
A-2008973, Maticzuk, Nicolaj.
A-6459301, Paneth, Lea.
A-8851449, Ulrych, Boruch.
A-8851450, Ulrych, Chaia Tauba.
A-3812648, Won, Tom Yon.
A-7439457, Aguirre, Rita Talavera De.
A-6484421, Fischer, Isidor.
T-303675, Garcia-Ramos, Eulalio.
A-9333333, Jit, Boh Tong.
A-3818721, Jung, Wood Dar.
A-8039673, Kenul, Joseph.
A-7290162, Lee, John.
A-5360726, Maldonado-Gonzalez, Fidel.
A-8258739, Pardon-Lizana, Enrique.
A-1196312, Silverman, Ada.
A-5753515, Sutherland, William George.
A-7363001, Vernazza, Gina Letina.
A-8871495, Ybarra-Torres, Eugenio.
A-7276513, Wing, Jew.
A-9151185, Akerberg, Hjalmar Alfons.
A-9684304, Fat, Lam.
A-7361923, Jung, Guey.
A-9538393, Leetmaa, Kaarel.
A-8870247, Martinez-Gutierrez, Alvino.
A-3379867, Naito, Tomio.
A-4784332, Nelson, Minnie.
A-6496278, Oriel, Benjamin Joseph.
A-4234512, Paz, Alicia Herdandez De.
A-3095797, Tsichlis, Vasilios.
A-4381523, Cook, Anthony.
A-5944885, Crowther, Angela Knez.
A-6899161, Dirks, Hendrik.
A-4820438, Frangos, Nicholas Kostantinos.
A-5154701, La Guardia, Francisco Marti.
A-9117178, Legac, George.
A-5966811, Miculinic, Joseph.
A-10499492, Mohamed, John.
A-4906873, Pizarro, Emilio Anastacio.
A-5997834, Prieto, Angel.
A-5997834, Prieto, Jr., Angel.
A-7201762, Scott, George Edward Wisdom.
A-10416355, Atilano, Berta Morales De.
A-9517004, Fong, Foh Hua.
A-10075140, Foo, Mah Hong.
A-5549548, Friedrich, Hans Max.
A-7984748, Gonzalez-Perez, Angel.
A-3573618, Green, Caroline Louise.
A-6549172, Lazaro, Pelagia Javier.
A-6614916, Livas, Gregory Panagiotou.
A-5785564, Merayo, Agustin.
A-74445700, Niewolkiewicz, Mary.
A-10416327, Ramirez, Luis Ortega.
A-7841671, Shew, Gee.
A-1035814, Diamond, Phillip.
A-6476840, Figueroa-Ayuso, Eulalio.
A-10256536, Hung, Wong.
A-7140275, Lopez-Barragon, Nicolas.
A-5372469, Marcev, Samuel Anton.
A-5778460, Naess, Fred.
A-7115379, Scime, Marianne.
A-3747236, Tai, Mook Hoo.
A-8883649, Barbosa-Gomez, Luis Emilio.
A-7251809, Kehoe, Sophie.
A-8190275, Lai, William.
A-1945249, Rumenko, Frank.
A-7028911, Shavulsky, David.
A-5415136, Shavulsky, Goldie.
A-7028913, Shavulsky, Sylvia.
A-9582980, Syrigos, Antonios.
A-6849417, Tung, Ching Chen.
A-6967562, Tung, Lillian Liu.
A-9662775, Van Diepen, John.
A-9260398, Ward, Frank Joseph.
A-10255874, Chow, Fai King.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

CARLIS STENDER

The Clerk called the concurrent resolution (S. Con. Res. 12) withdrawing suspension of deportation of Carlis Stender.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Carlis Stender (A-2180275) which was previously granted by the Attorney General and approved by the Congress.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION IN THE CASE OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 17) favoring the suspension of deportation in the case of certain aliens.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation pursuant to the provisions of section 244 (a) (5) of the Immigration and Nationality Act (66 Stat. 214; 8 U. S. C. 1254 (c)):

A-1618471, Avis, Solomon.
A-5972321, Barbalat, Robert Samuel.
A-4530872, Caplan, Jacob.
A-8291885, Dreeka, Farres.
A-5982370, Givot, Simon.
A-5341909, Gutierrez-Cantu, Matilde.
A-2069878, Jurado-Portillo, Alberto.
A-4689730, Korkaris, Spiridon Ioanou.
A-10065801, Kratka, Abraham.
A-3843882, Lentzner, Rudolf.
A-3560108, Lopez-Varela, Angel.
A-3791973, Mandisky, Ceslaw.

E-072770, Olson, Gustav Olov.
A-1285420, Radman, Annie Elizabeth.
A-1917568, Slobodian, Moses.
A-4587587, Burck, Jacob.
A-1407721, Romano, Antonio.
A-4963187, Zaytoun, Eunice Zatone Eunice.
A-4811296, Dagostaro, Sebastiano.
A-5055225, Fishman, Nathan.
A-2144176, Flores-Duran, Jesus.
A-8619031, Goldbogen, Joseph.
E-131756, Hermans, Charles Ferdinand.
A-5006378, Jez, Franciszek.
A-2109682, Lopez, Secundo.
A-3549317, Murphy, George Patrick.
A-5905086, Rintrona, Paul.
A-4306639, Scuteri, Antonino.
A-3787439, Soeldner, William.
A-4167441, Swain-Rios, Raul.
A-1266712, Pozniak, Joseph George.
A-4237764, Rios-Beltran, Francisco.
A-3903054, Bernhardt, Joseph.
A-4390213, Bernhardt, Julia.
A-2854445, Chatlos, Peter Joseph Paul.
A-2663770, Drozda, Steve.
A-2663834, Gallo, Ettore.
A-8891753, Ginsberg, Samuel.
A-8729317, Ierna, Louis.
A-5398485, Kleingeld, Jan Antonie.
A-1667195, Kvederis, George.
A-1805400, Pacuka, William.
A-1953485, Rizzo, Emanuel.
A-3334493, Rozko, Gleb.
A-5920350, Tilinski, Bialse.
A-1832692, Haszaji, Janos.
A-4648788, Splet, Casimer Joseph.
A-6036505, Wojcik, Andrzej.
A-3549327, Acks, Benjamin.
A-3540280, Camarillo-Hernandez, Melescio.
A-5957928, Conforti, John.
A-5283587, Herman, Carl.
A-4699846, Herman, Helen.
A-2331514, Geier, Michael.
A-4451943, Glocher, Louis.
A-3023919, Gomez-Romero, Macario.
A-3927637, Gordon, Sidney Dimitro.
A-2305717, Goris, Modeste.
A-4578869, Kelsik, Karl Charles.
A-3113854, Lichtstrahl, Nathan.
A-3284190, Nagy, Ferencz Fre.
A-10392951, Semrau, Otto.
A-3326451, Stefanich, Robert John.
A-4951722, Baker, Cyril Joseph.
A-1125010, Delgadillo-Bautista, Jose Audon.
A-2884715, Farhat, Assad.
A-5023157, Henry, Nellie.
A-5357355, Maggio, Anthony.
A-8728319, Mai, Felix.
A-1776754, Meldahl, Ludvik Theodore.
A-5282674, Oaxaca-Licon, Miguel.
A-2654872, Palacios, Manuel Antonio.
A-1009799, Pina, Edwin James.
A-5875661, Sowinski, Andrew Michael.
A-1355134, Strand, Emil.
A-10145314, Thomson, George Washington.
A-4827436, Corona, Vidal.
A-4578246, Corona, Maria Mercedes Murillo De.
A-3955408, Pillion, Pierre Joseph.
A-5003117, Steigerwald, Joseph.
A-3960477, Yettra, Max Henry.
A-4538625, Zinkiewicz, Theodore Stanley.
A-7387847, Abogile, Andrew.
A-10238757, Falsbein, Lillie.
A-3559457, Farino, Pasquale.
A-8846019, Januskiewicz, Stella.
A-3872504, Navarro, Antonio.
A-3343832, Pollack, Walter.
A-5556763, Rose, George.
A-5164395, Stagliano, Alexander.
A-3917088, Vitale, Maria Rose Dolores.
A-5608431, Wagman, Anna.
A-5953152, Zuniga-Ayala, Gil.
A-5522981, Angelo, Joseph.
A-1136722, Battista, Domonick.
A-3115920, Cutrona, Paolo.
A-2433364, De Witt, Hendrick Mathilde.
A-2313159, Garza-Martinez, Anastacio.
A-5642228, Ivnitsky, Morris.
A-5055209, Johnson, Eric Gustav Christian.
A-8330014, Jurina, Stephen Martin.
A-5267881, Kaczmarek, Anthony Frank.
A-5578905, Karasiewicz, Bronislaw Daniel.
A-5526604, Karov, Harry.
A-4920268, Murphy, Frances Lavine.
A-3940909, Ferrone, Gasper.
A-4229759, Quong, Mong Lai.
A-4818926, Rivnyak, Michael.
A-5383872, Rosenzweig, Joseph.
A-4935411, Rye, Agil.
A-2837467, Teleshefsky, Harry.
A-4325513, Tkachuk, Peter.
A-1755685, Zajatz, Ivan.
A-8959188, Fajardo, Marcos.
A-4371961, Gum, Tang.
A-5621394, Geoniotes, Demetros Georgi.
A-3455978, Kucharik, John Paul.
A-4753662, Lubrano, Daniel.
A-4613965, Sanchez, Gil Ramirez.
A-4428360, Schwartz, Nathan.
A-3823508, Schwartz, Rebecca.
A-5907730, Aboseketes, Nick.
A-3556323, Ciechomski, John.
A-231660, Evtushik, Ulian.
A-5264444, Kahan, Isidore.
A-3149068, La Hood, John Joseph.
A-10165019, Leonard, Joseph Frank.
A-4647042, Maskovic, John Peter.
A-2917332, Mitchell, George Paul Vucenovich.
A-1258853, Strauber, Erwin.
A-3193490, Tresca, Benny.
A-3356111, Trost, Molly.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

ASHUN YUNG

The Clerk called the concurrent resolution (S. Con. Res. 18) withdrawing suspension of deportation of Ashun Yung.

There being no objection, the Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress, in accordance with section 246 (a) of the Immigration and Nationality Act (8 U. S. C. A. 1256 (a)), withdraws the suspension of deportation in the case of Ashun Yung (A-4196469) which was previously granted by the Attorney General and approved by the Congress.

The concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 272) for the relief of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Georgette Charalambo Harrison, Bronislaw Matuszczak, Walter Schik, and Solomon Joseph Sadakne, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act in the case of Bronislaw Matuszczak. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classified as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Patrick Joseph Blewett, Barbara M. Stamat, and Azzam Issac Rafidi, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 3. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Jose Zavala-Rivera and Mrs. Labibe Salibi. From and after the date of the enactment of this act, the said Jose Zavala-Rivera and Mrs. Labibe Salibi shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

With the following committee amendment:

On page 2, line 13, after the word "fees" change the period to a colon and add the following: "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act in the case of Barbara M. Stamat."

The committee amendment was agreed to.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING CERTAIN PROVISIONS OF IMMIGRATION AND NATIONALITY ACT

The Clerk called the joint resolution (H. J. Res. 273) to waive the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, notwithstanding the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, Lucienne Canicio Smith, Lotte Gertrude Augusta Phelan, Mrs. Remaria Avearii a Marama Geronimo, Albina Mesesnel Lombardi, Mrs. Marie B. (Winkler) McClendon, Sylvia Duratti Stithan, and Mrs. Hildegarde Weber Bennett, may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CECELIA VACCARO

The Clerk called the bill (H. R. 1451) for the relief of Cecelia Vaccaro.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 402 (j) of the Immigration and Nationality Act (65 Stat. 191) shall be held to be applicable to Cecelia Vaccaro if she applies for benefits thereunder in accordance with regulations issued by the Secretary of State, prior to the

expiration of 6 months immediately following the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That Cecelia Vaccaro, who lost United States citizenship under the provisions of section 401 (e) of the Nationality Act of 1940, may be naturalized by taking, prior to 1 year after the effective date of this act, before any court referred to in subsection (a) of section 310 of the Immigration and Nationality Act or before any diplomatic or consular officer of the United States abroad, the oaths prescribed by section 337 of the said act. From and after naturalization under this act the said Cecelia Vaccaro shall have the same citizenship status as that which existed immediately prior to its loss."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELLEN G. MARINAS

The Clerk called the bill (H. R. 1765) for the relief of Ellen G. Marinas.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act Ellen G. Marinas shall be held and considered to be the minor alien child of Paul A. Marinas, a citizen of the United States.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JEFFREY CHARLES MEDWORTH

The Clerk called the bill (H. R. 1454) for the relief of Jeffrey Charles Medworth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 202 (a) (4) of the Immigration and Nationality Act, Jeffrey Charles Medworth shall be held to be chargeable to the quota of Great Britain.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELDA MONDILLO

The Clerk called the bill (H. R. 1837) for the relief of Elda Mondillo.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Elda Mondillo shall be held and considered to be the minor alien child of Mr. and Mrs. Giovanni Mondillo, a citizen of the United States.

With the following committee amendments:

Line 6, strike out "and Mrs." and strike out "citizens" and insert "a citizen,"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANK E. GALLAGHER, JR.

The Clerk called the bill (H. R. 1348) for the relief of Frank E. Gallagher, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Administrator of Veterans' Affairs is hereby authorized and directed to pay out of the United States Government life insurance fund to Frank E. Gallagher, Jr., Alexandria, Va., total disability benefits for the period from July 1, 1942, through November 28, 1945, under the terms of his United States Government life insurance policies, and to refund the premiums paid on such insurance through allotments from his active duty pay for the period from August 1, 1942, through November 28, 1945. The said Frank E. Gallagher, Jr., was totally disabled during such period by malnutrition and dysentery incurred as a result of inhumane treatment by the Japanese Government while a prisoner of war: *Provided*, That no part of any benefits or refund received by reason of this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ANNA L. DE ANGELIS

The Clerk called the bill (H. R. 1472) for the relief of Anna L. De Angelis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding any other provision of law, the Administrator of Veterans' Affairs is authorized and directed to pay, out of any money available for the payment of national service life insurance benefits, to Anna L. De Angelis, of Rochester, N. Y., the widow of Aniceto De Angelis, a soldier in the United States Army during World War I, in full satisfaction of her claim against the United States, the sum of $5,000 representing the face value of Government insurance policy (K–851424) which was issued to the said Aniceto De Angelis on August 1, 1918, and reinstated on July 1, 1927, and under which the said Anna L. De Angelis was principal beneficiary although she has never received any payments on such policy following the death of the insured: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That jurisdiction is hereby conferred upon the United States District Court for the Western District of New York, notwithstanding any lapse of time or any provision of law to the contrary, to hear, determine, and render judgment upon the claim of Mrs. Anna L. De Angelis, of Rochester, N. Y., arising out of a controversy concerning the payment to her as beneficiary of policy numbered K–851424 issued to her husband, Aniceto De Angelis, on August 1, 1918, and reinstated effective as of July 1, 1927. The said Anna L. De Angelis asserts that after the reinstatement of said policy that Aniceto De Angelis became permanently and totally disabled during the period when the said insurance was in force on a premium-paying basis and that by reason of this the said insurance policy continued in force and effect until the death of the said Aniceto De Angelis, and that she then became entitled to the proceeds of the said insurance policy as his beneficiary: *Provided*, That passage of this act shall not be construed as an inference of liability on the part of the United States Government: *Provided, further*, That suit shall be filed within one year after the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HOMER CAZAMIAS

The Clerk called the bill (H. R. 1502) for the relief of Homer Cazamias.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Homer Cazamias, Laredo, Tex., the sum of $3,300. The payment of such sum shall be in full settlement of all claims of the said Homer Cazamias against the United States for reimbursement of excessive customs duties paid by him with respect to certain tin cans (containing frozen strawberries) imported from Mexico during April, May, June, and July 1951. Such cans had been originally manufactured in the United States and would accordingly have been entitled to an exemption from duty if a claim for free entry had been filed at the time of such importation: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GEORG GAHN AND MARGARETE GAHN

The Clerk called the bill (H. R. 1535) for the relief of Georg Gahn and Margarete Gahn.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Alien Property Custodian be, and he is hereby, authorized and directed to pay to Georg Gahn $6,537.07 and to Margarete Gahn $6,537.08. Such amounts represent the distributive share of Georg Gahn and Margarete Gahn under the

will of their deceased sister, Lena Steeger, who died in Massachusetts on August 9, 1944: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WESTERN INSTRUMENTS ASSOCIATES

The Clerk called the bill (H. R. 1700) for the relief of Western Instruments Associates.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

FRANK J. AND MAE T. W. BURGER

The Clerk called the bill (H. R. 1752) for the relief of Frank J. and Mae T. W. Burger.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the act entitled "An act providing for the barring of claims against the United States," approved October 9, 1940 (31 U. S. C., sec. 71a), are hereby waived in favor of Frank J. and Mae T. W. Burger, of Hamilton, Ohio, if their claims for amounts due them by reason of the death of their son (1st Lt. George B. Burger, Army Air Corps), whose death is presumed to have occurred on May 11, 1944, are filed with the General Accounting Office within 1 year after the date of enactment of this act, since such claims are now barred solely by reason of the failure of the responsible governmental agency to forward them to the General Accounting Office within the allowable period of time.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ROBERT D. MILLER, OF JUNEAU, ALASKA

The Clerk called the bill (H. R. 2045) for the relief of Robert D. Miller, of Juneau, Alaska.

There being no objection, the Clerk read the bill, as follows

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert D. Miller, of Juneau, Alaska, the sum of $132.45, in full settlement of all claims against the Government of the United States as reimbursement for personal effects lost on December 14, 1954, in the sinking of a United States Coast Guard aircraft near Haines, Alaska, while employed by and on actual duty with the Department of Justice as deputy United States Marshal for the First Judicial Division of Alaska: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MORRIS B. WALLACH

The Clerk called the bill (H. R. 2674) for the relief of Morris B. Wallach.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL and Mr. ROBERTS objected; and, under the rule, the bill was recommitted to the Committee on the Judiciary.

ALEXEI FRANK

The Clerk called the bill (H. R. 2720) for the relief of Alexei Frank.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. VAN PELT. Mr. Speaker, I object.

The SPEAKER. Two objections are required under the rule.

Mr. VAN PELT. Mr. Speaker, then I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

ESTATE OF WILLIAM V. STEPP, JR.

The Clerk called the bill (H. R. 2973) for the relief of the estate of William V. Stepp, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of William V. Stepp, Jr., the sum of $1,500, in full settlement of all claims against the United States on account of the death of the said William F. Stepp, Jr., who died on or about June 4, 1948, as the result of a bullet wound inflicted by an enlisted member of the United States Army, acting as a sentry at a military base at Anchorage, Alaska, on June 4, 1948. This claim is not cognizable under tort claims procedure as outlined in title 28, United States Code: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

BUNGE CORP.

The Clerk called the bill (H. R. 3126) for the relief of Bunge Corp.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Bunge Corp., New York, N. Y., the sum of $1,087.50. The payment of such sum shall be in full settlement of all claims of the said Bunge Corp. against the United States on account of the erroneous liquidation of New York Consumption Entry No. 702540 of July 7, 1952, which entry incorrectly classified the merchandise involved, resulting in excessive customs duties being charged against such merchandise.

With the following committee amendments:

Page 1, line 6, strike out "$1,087.50" and insert "$1,196.25."

Page 2, line 5, insert: "*Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

EDWIN K. FERNANDEZ

The Clerk called the bill (H. R. 3276) for the relief of Edwin K. Fernandez.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,115 to Edwin K. Fernandez, of 1094 South King Street, Honolulu, Oahu, Hawaii, to compensate him for the loss of property loaned to the Department of the Army in August 1943: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 5, strike out "$2,115" and insert "$1,910.40."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ERNEST HAGLER

The Clerk called the bill (H. R. 3558) for the relief of Ernest Hagler.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to settle and adjust the claim of Ernest Hagler on account of the seizure by the Internal Revenue Service of a quantity of ethyl alcohol purchased by Mr. Hagler from the Department of the Army pursuant to an award of a contract made under invitation for bids Nos. 23-207s-56-5, issued November 4, 1955 by the Saint Louis Area Support Center, United States Army, and to allow in full and final settlement of the claim the sum of not to exceed $1,079.72. There is hereby appropriated from any money in the Treasury not otherwise appropriated, the sum of $1,079.72 for payment of said claim.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GEORGE T. MOORE, CARL D. BERRY, AND DR. HAROLD J. HECK

The Clerk called the bill (H. R. 3559) for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That George T. Moore, of Glencoe, Ill., an employee of the Department of Commerce, is hereby relieved of all liability to refund to the United States the sum of $3,051, representing payments of a per diem allowance in lieu of subsistence paid to him for the period from December 21, 1953, through November 30, 1954, as a result of administrative error, in connection with service rendered to the Government as consultant and as expert in Washington, District of Columbia. In the audit and settlement of accounts of any certifying or disbursing officer of the United States full credit shall be given for the amounts for which liability is relieved by this act.

SEC. 2. Carl D. Berry, of Winnetka, Ill., a former employee of the Department of Commerce, is hereby relieved of all liability to refund to the United States the sum of $1,423.66, $1,127.25 of which represents payments of a per diem allowance in lieu of subsistence for the period from March 9, 1955, through July 31, 1955, and $296.41 represents payments for travel incurred between Washington, District of Columbia, and Winnetka, Ill., which payments were made as the result of administrative error, in connection with service rendered to the Government as consultant and as expert in Washington, D. C. In the audit and settlement of accounts of any certifying or disbursing officer of the United States full credit shall be given for amounts for which liability is relieved by this act.

SEC. 3. Dr. Harold J. Heck, of New Orleans, La., a former employee of the Department of Commerce, is hereby relieved of all liability to refund to the United States the sum of $616.03, representing payments of a per diem allowance and travel expenses paid to him for the period June 1, 1955, through August 31, 1955, as a result of administrative error in connection with services rendered to the Government as consultant and as expert in Washington, D. C. In the audit and settlement of accounts of any certifying or disbursing officer of the United States full credit shall be given for the amounts for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HELMUTH S. HEYL

The Clerk called the bill (H. R. 3921) for the relief of Helmuth S. Heyl.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Helmuth S. Heyl, 270 Woodcrest Boulevard, Kenmore 23, N. Y., the sum of $1,149.24, in full settlement of all claims against the United States for a refund of income tax for the year 1922 erroneously collected: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

OSWALD N. SMITH

The Clerk called the bill (H. R. 4023) for the relief of Oswald N. Smith.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Oswald N. Smith, of 3757 Jay Street NE., Washington, D. C., the sum of $881.50. The payment of such sum shall be in full settlement of all claims of the said Oswald N. Smith against the United States Army out of the loss of clothing, equipment, and personal property sustained by him as a result of a fire in a warehouse in Merryville, La., in January 1944, while the said Oswald N. Smith was serving as a lieutenant with the 92d Infantry Division, United States Army: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 1, line 7, strike out "$881.50" and insert "$793.35."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOY KULIS AND JANET ARLINE KULIS

The Clerk called the bill (H. R. 4970) for the relief of Joy Kulis and Janet Arline Kulis.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $4,004.20 to Joy Kulis and to pay the sum of $4,345.90 to Janet Arline Kulis, of Richmond, Calif., in full settlement of all claims against the United States. Such sums represent the amounts due as compensation from the death of their father, Joseph E. Kulis, for a period beginning June 5, 1942, and ending on August 18, 1953 for Joy Kulis, and ending September 17, 1954 for Janet Arline Kulis, the day preceding the 18th birthday of each child: *Provided,* That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HARRY V. SHOOP ET AL.

The Clerk called the bill (H. R. 5061) for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft are hereby relieved of all liability to refund to the United States the sums of $1,190.20, $410.40, $636.11, $904.80, and $1,176.80, respectively. Such sums represent the respective amounts of overpayment of compensation made to the above-specified individuals and received by them in good faith covering periods from and after November 9, 1952, through February 14, 1953, during which such individuals were absent from duty as employees of the Department of the Air Force by reason of service which they were performing with the Ohio National Guard. In the audit and settlement of the accounts of any disbursing officer of the United States, full credit shall be given for such respective amounts of overpayment. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each of the above-specified individuals a sum equal to the aggregate of any amounts which may have been paid by him, or which may have been withheld from amounts otherwise due him, in complete or partial satisfaction of the claim of the United States for refund of such overpayment.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

CAPT. THOMAS C. CURTIS AND CAPT. GEORGE L. LANE

The Clerk called the bill (H. R. 5081) for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Capt. Thomas C. Curtis, Army service No. O965919, and Capt. George L. Lane, Army service No. O949474, both of The Adjutant General's Corps, United States Army Reserve, are hereby respectively relieved of liability to repay to the United

States the sums of $54, received from April 13, 1949, to July 31, 1949, and $524.50, received from August 1, 1949, to January 31, 1954, which sums represent amounts paid to them for the performance of administrative duties as division pay officers of the 102d Infantry Division, Army Reserve. In the audit and settlement of the account of any disbursing officer of the United States, full credit shall be given for the amounts for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOE KAWAKAMI

The Clerk called the bill (H. R. 5082) for the relief of Joe Kawakami.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Joe Kawakami, 4416 North Racine Avenue, Chicago, Ill., the sum of $106.05, in full reimbursement of the expenses incurred by him personally in paying a judgment obtained against him in a civil action in the municipal court of Chicago, as the result of a vehicular accident which occurred on January 9, 1953, Chicago, Ill., when he was acting within the scope of his employment as the chauffeur of the Army vehicle involved in said accident: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ROBERT BURNS DEWITT

The Clerk called the bill (H. R. 5083) for the relief of Robert Burns DeWitt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert Burns DeWitt, 5934 Tremont Street, Dallas, Tex., the sum of $4,100, in full satisfaction and final settlement of all claims against the United States of the said Robert Burns DeWitt arising out of the recruiting, quartering, provisioning, and transportation of troops by him for service with the United States Armed Forces during World War I: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WILLIAM HENRY DIMENT ET AL.

The Clerk called the bill (H. R. 5168) for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Henry Diment and Mrs. Mary Ellen Diment, 242 Grand Avenue, Ely, Cardiff, England, the sum of $5,000, in full settlement of all claims against the United States on account of the death of their son, W. H. Diment, as the result of his being shot by a soldier of the United States Army, acting within the scope of his employment as a sentry, at Antwerp, Belgium, on January 22, 1946; and to Mrs. Gladys Everingham, individually and as natural guardian of her two minor children, Michael Ronald Everingham and Maureen Everingham, 1 Montrose Avenue, Seymour Street, city of Kingston upon Hull, England, the sum of $12,000, in full settlement of all claims against the United States on account of the death of her husband, Sergeant Ronald Everingham, of the British Army, as the result of his being shot by a soldier of the United States Army acting outside the scope of his employment, at Antwerp, Belgium, on April 27, 1946: *Provided*, That no part of the amount appropriated in this act shall be paid out of the Treasury until such time as the Government of the United Kingdom has paid to Mrs. Gabrielle Evans, 85 Rue Olivier de Serras, Paris (15), Seine, France, the sum of $12,000, in full settlement of all claims against the Government of the United Kingdom on account of the personal injury and resulting death of her husband, LeRoy R. Evans, who was a citizen of the United States and a civilian employee of the United States Army when he was severely injured on January 1, 1949, in an accident involving a British Army vehicle, which occurred at Fontainebleau, France: *And provided further*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or agents, or attorney or attorneys, on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

HIGA KENSAI

The Clerk called the bill (H. R. 5220) for the relief of the estate of Higa Kensai.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

AUTHORITY FOR COURT OF CLAIMS TO DETERMINE AND RENDER JUDGMENT ON CERTAIN CLAIMS OF UNITED FOUNDATION CORPORATION OF UNION, N. J.

The Clerk called the bill (H. R. 5355) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the Court of Claims, notwithstanding any prior determination by such court on a motion for summary judgment, or any other provision or rule of law to the contrary, to hear de novo, determine, and render judgment upon all claims of the United Foundation Corporation of Union, New Jersey, against the United States, arising out of contract numbered W-49-080-eng-668 entered into between the said corporation and the United States on September 30, 1948, and such claims shall be considered as if they had arisen subsequent to the enactment of the act entitled "An act to permit review of decisions of the heads of departments, or their representatives or boards, involving questions arising under Government contracts," approved May 11, 1954 (41 U. S. C., secs. 321 and 322).

SEC. 2. Suit upon such claims may be instituted at any time within 90 days after the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SCOTT BERRY

The Clerk called the bill (H. R. 5441) for the relief of Scott Berry.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Scott Berry, of Huntington, W. Va., the sum of $481.84. Such sum represents the amount of the judgment and costs which the said Scott Berry has been required to pay, arising out of an automobile accident near Huntington, W. Va., on March 25, 1954, in which a truck being operated by him on official business of the United States Post Office Department was struck by a privately owned vehicle: *Provided*, That no part of the amount appropriated in this act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, lines 2 and 3, strike "in excess of 10 percentum thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A. C. ISRAEL COMMODITY CO., INC.

The Clerk called the bill (H. R. 5707) for the relief of the A. C. Israel Commodity Co., Inc.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

THE SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WILLIAM FREDERICK WERNER

The Clerk called the bill (H. R. 5714) for the relief of William Frederick Werner.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to William Frederick Werner, Pawtucket, R. I. (Veterans' Administration claim No. C-3842760), the sum of $1,449.70. The payment of such sum shall be in full settlement of all claims of the said William Frederick Werner against the United States for reimbursement of the amounts which he paid for hospitalization for a service-connected disability during the period beginning March 1, 1946, and ending May 9, 1947, both dates inclusive, at a Veterans' Administration contract facility: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JUANITA GIBSON LEWIS

The Clerk called the bill (H. R. 5718) for the relief of Juanita Gibson Lewis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the national service life insurance, represented by the certificate No. N-195-931-199, issued to Harvey C. Lewis (Veterans' Administration claim No. XC-4-143-457), shall be held and considered to have been in full force and effect at the time of the death of the said Harvey C. Lewis on June 11, 1945, and the Administrator of Veterans' Affairs shall pay such insurance (from the national service life-insurance appropriation) to Juanita Gibson Lewis, widow of the said Harvey C. Lewis and designated beneficiary of such insurance: *Provided, however*, That the total amount of the premiums unpaid on such insurance for the period beginning January 23 and ending on June 11, 1945, both dates inclusive, shall be deducted from the amounts payable to the said Juanita Gibson Lewis as principal beneficiary of such insurance.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MANUEL MELLO

The Clerk called the bill (H. R. 5855) for the relief of Manuel Mello.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Manuel Mello, New Bedford, Mass., the sum of $158.21. Such sum represents reimbursement to the said Manuel Mello for paying out of his own funds a judgment rendered against him in the courts in the Commonwealth of Massachusetts, arising out of an accident occurring in January 1954, when the said Manuel Mello was operating a Government vehicle in the course of his duties as an employee of the Post Office Department: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

THOMAS F. MILTON

The Clerk called the bill (H. R. 6172) for the relief of Thomas F. Milton.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Thomas F. Milton, 88 Violet Avenue, Hillingdon, Middlesex, England, the sum of $11,197.60 in full satisfaction of all claims of Thomas F. Milton against the United States for damages resulting from injuries sustained in an incident involving United States Air Force personnel in Uxbridge, Middlesex, England, on May 10, 1952, while exercising his duties as a constable in the London Metropolitan Police: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VIRGINIA HELL

The Clerk called the bill (H. R. 6175) for the relief of Virginia Hell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,495.36, to Virginia Hell, of 2055 38th Street SE., Washington, D. C. Such sum shall be in full settlement of all claims of said Virginia Hell against the United States for necessary expenses incurred in returning to the United States from London, England, after serving in Europe as a civilian employee of the American Government for 2 years and 7 months (May 4, 1948, to December 8, 1950) and for property damage sustained as the result of household furnishings being left out in weather at New Orleans, La., by the United States customs officials: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING PROVISION OF SECTION 212 (A) (9) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 274 to waive the provision of section 212 (a) (9) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Mrs. Rose Maria Pucillo, Bertha Gabriel Y. Martinez Gomez, Francesco Pizzo, Bronislaw (John) Waz, Mrs. Elizabeth Helene Carter, George Liberatos (Lymperatos), Hildegard Kaufmann, Mrs. Helene Dimitrowa Shiver, Berthilde Vogler Ganno, Herta Friedrichs Rockwood, Luis Torres, Ursula Anna Peterich von Rekowsky, Antonio Contreras, Francesco Di Lorenzo, Beniamino Rocco Giordano, Donato Severino Spensieri, and Mrs. Anna Hoczak Aumueller Cathey may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act: *Provided*, That these exemptions shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAIVING PROVISION OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 288 to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

FACILITATING ADMISSION INTO UNITED STATES OF CERTAIN ALIEN CHILDREN

The Clerk called House Joint Resolution 289 to facilitate the admission into the United States of certain alien children.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, James Kanji Hoskins, shall be held and considered to be the natural-born alien child of Master Sergeant James Britton Hoskins, a citizen of the United States.

SEC. 2. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Petros Ioannou Calengas, shall be held and considered to be the natural-born alien child of Margarita L. Calengas and Leonardos P. Calengas, citizens of the United States.

SEC. 3. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Efmorphia Nikolaidou, shall be held and considered to be the natural-born alien child of Wallace Frederic Wolever and Helen Wolever, citizens of the United States.

SEC. 4. For the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Choon Sik Kim, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Walter H. Lohans, citizens of the United States.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF CERTAIN ALIENS

The Clerk called House Joint Resolution 290 for the relief of certain aliens.

There being no objection, the Clerk read the joint resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Moosa Ebrahimian, Abdullah Ibrahim Hakim, Margaret Shand (Chansior), Vasiliki Elefantis Kritselis, Maria Rosa Largaiolli, Hene (Genia) Wasser, Michael Wasser, Poulicos S. Loucacos, Margarete Herzog, Evangelos Demetre Kargiotis, and Hsun-Tiao Yang, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classified as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Wayne Edward Cottrell and Jang Ngoon Tom, also known as Doon Wee Tom, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

The joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ALBERT HYRAPIET

The Clerk called the bill (H. R. 1574) for the relief of Albert Hyrapiet.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Albert Hyrapiet shall be deemed to be a native of Canada, notwithstanding the provisions of section 202 of that act.

With the following committee amendment:

Page 1, line 5, strike out "Canada" and insert "England."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SHIGEKO KIMURA AND HER MINOR CHILD

The Clerk called the bill (H. R. 2723) for the relief of Shigeko Kimura.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the Immigration and Nationality Act, Shigeko Kimura, the financée of Sfc. Francis J. Luddy, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Shigeko Kimura is coming to the United States with a bona fide intention of being married to the said Sfc. Francis J. Luddy and that she is found admissible under all provisions of the Immigration and Nationality Act other than section 212 (a) (6) thereof and if she is found inadmissible under this provision of law, she may be issued a visa and admitted to the United States under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as described by section 213 of the said act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Shigeko Kimura, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Shigeko Kimura, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Shigeko Kimura as of the date of the payment by her of the required visa fee.

With the following committee amendment:

Page 1, strike out all after the enacting clause and insert the following: "That, in the administration of the Immigration and Nationality Act, Shigeko Kimura, the fiancée of Sfc. Francis J. Luddy, a citizen of the United States, and her minor child, shall be eligible for visas as nonimmigrant temporary visitors for a period of 3 months: *Provided*, That the administrative authorities find that the said Shigeko Kimura is coming to the United States with a bona fide intention of being married to the said Sfc. Francis J. Luddy and that they are found otherwise admissible under the immigration laws, except that section 212 (a) (6) of the said act shall be inapplicable in the case of Shigeko Kimura, and she may be issued a visa and be admitted to the United States under such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare may deem necessary to impose: *Provided further*, That if the said Shigeko Kimura is not entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Shigeko Kimura and her minor child, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event that the marriage between the above-named persons shall occur within 3 months after the entry of the said Shigeko Kimura and her minor child, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Shigeko Kimura and her minor child as of the date of the payment by them of the required visa fees. The exemption provided herein in the case of the said Shigeko Kimura shall apply only to a ground for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time and passed.

The title was amended to read as follows: "A bill for the relief of Shigeko Kimura and her minor child."

A motion to reconsider was laid on the table.

PAVEL BLAHO

The Clerk called the bill (S. 87) for the relief of Pavel Blaho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Pavel Blaho shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DUK CHANG CHO

The Clerk called the bill (S. 58) for the relief of Duk Chang Cho.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Duk Chang Cho, shall be held and considered to be the natural-born alien child of M. Sgt. and Mrs. Francis M. Bradshaw, citizens of the United States.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VICTOR CHARLES HUNT

The Clerk called the bill (S. 91) for the relief of Victor Charles Hunt.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Victor Charles Hunt. From and after the date of enactment of this act, the said Victor Charles Hunt shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DOMINIC PAUL STEINHAUSER (HIROSHI TSURUDA)

The Clerk called the bill (S. 93) for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Dominic Paul Steinhauser (Hiroshi Tsuruda), shall be held and considered to be the natural-born alien child of Master Sergeant and Mrs. Paul W. Steinhauser, citizens of the United States.

SEC. 2. That, notwithstanding the provisions of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Dominic Paul Steinhauser (Hiroshi Tsuruda) may be granted a visa and be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: That, a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

With the following committee amendment:

Page 2, line 7, after the colon insert: "*Provided*, That, unless the beneficiary is entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250)."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANNA MARIA COSENTINO AND FRANCESCA MARIA COSENTINO

The Clerk called the bill (S. 127) for the relief of Anna Maria Cosentino and Francesca Maria Cosentino.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Anna Maria Cosentino and Francesca Maria Cosentino shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HEWEY MALACHI MACKEY

The Clerk called the bill (S. 158) for the relief of Hewey Malachi Mackey.

There being no objection, the Clerk read the bill as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Hewey Malachi Mackey shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ESTHER GUAGLIARDO

The Clerk called the bill (S. 288) for the relief of Esther Guagliardo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of paragraphs (9), (12), (17), and (19) of section 212 (a) of the Immigration and Nationality Act, Esther Guagliardo may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraphs known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

NELSON SHU-YUNG CHUANG

The Clerk called the bill (S. 363) for the relief of Nelson Shu-Yung Chuang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Nelson Shu-Yung Chuang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

HERBERT JAMES BRAMLEY

The Clerk called the bill (S. 424) for the relief of Herbert James Bramley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (6) of the Immigration and Nationality Act, the alien, Herbert James Bramley, may be granted a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

YEE CHUNG FONG MING AND YEE CHUNG NOM MING

The Clerk called the bill (S. 649) for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Yee Chung Fong Ming and Yee Chung Nom Ming shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STYLIANOS LECOMPLES

The Clerk called the bill (S. 687) for the relief of Stylianos Lecomples.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Stylianos Lecomples shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

With the following committee amendment:

Strike out all after the enacting clause and insert "That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Stylianos Lecomples may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALECOS MARKOS KARAVASILIS AND HIS WIFE, STELIANI KARAVASILIS

The Clerk called the bill (S. 696) for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Alecos Markos Karavasilis and his wife, Steliani Karavasilis, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct the required numbers from the appropriate quotas for the first year that such quotas are available.

With the following committee amendment:

Strike out all after the enacting clause and insert "That the Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Alecos Markos Karavasilis and Steliani Karavasilis. From and after the date of the enactment of this act, the said Alecos Markos Karavasilis and Steliani Karavasilis shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued."

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

GEORGIANA CHING HSIEN (LIANG) NEW

The Clerk called the bill (S. 753) for the relief of Georgiana Ching Hsien (Liang) New.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Georgiana Ching Hsien (Liang) New shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

JOHN LEARY

The Clerk called the bill (S. 797) for the relief of John Leary.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, John Leary shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following: "That, the Attorney General is authorized and directed to cancel any outstanding order and warrant of deportation, warrant of arrest, and bonds, which may have issued in the case of John Leary. From and after the date of the enactment of this act, the said John Leary shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued: *Provided*, That nothing in this act shall be construed to waive the provisions of section 315 of the Immigration and Nationality Act."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DOROTHY E. GREEN AND THELMA L. ALLEY

The Clerk called the bill (H. R. 5186) for the relief of Dorothy E. Green and Thelma L. Alley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, neither Regular Army W. O. Dorothy E. Green, V-904322, nor Regular Army W. O. Thelma L. Alley, V-904321, may be separated from active duty with the United States Army solely by reason of the provisions of title 10, United States Code, section 1164 (b), and section 46 of the act of August 10, 1956 (Public Law 1028, 84th Cong.), until she has completed 20 years of active service that could be credited to her under section 511 of the Career Compensation Act of 1949 (37 U. S. C. 311).

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAUL BERNSTEIN

The Clerk called the bill (H. R. 1488) for the relief of Paul Bernstein.

The SPEAKER. Is there objection to present consideration of the bill?

Mr. VAN PELT and Mr. AVERY objected; and, under the rule, the bill was recommitted to the Committee on the Judiciary.

DONALD F. THOMPSON

The Clerk called the bill (H. R. 2264) for the relief of Donald F. Thompson.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

LEONA C. NASH

The Clerk called the bill (H. R. 2678) for the relief of Leona C. Nash.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of all laws administered by the Veterans' Administration, Leona C. Nash shall be held and considered to have validly married George J. Nash (Veterans' Administration claim No. XC 1342436).

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

MRS. MARY JANE RUSSELL

The Clerk called the bill (H. R. 3572) for the relief of Mrs. Mary Jane Russell.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Mary Jane Russell, Casscoe, Ark., the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Mary Jane Russell against the United States arising out of the failure of the Department of the Army to forward to the Armed Forces Mutual Life Insurance Co., San Antonio, Tex., premiums under a class E allotment from the pay account of her son, Ernest L. Buchanan, RA17235639, who died while serving in the Armed Forces of the United States in Korea. Such premiums were intended to be applied on a life insurance policy issued by that company to the said Ernest L. Buchanan who designated his mother, Mrs. Mary Jane Russell, as sole beneficiary: *Provided*, That no part of the amount appropriated to this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

VITO MAGISTRALE

The Clerk called the bill (H. R. 6050) for the relief of Vito Magistrale.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Vito Magistrale, the sum of $2,000. The payment of such sum shall be in full settlement of all claims of the said Vito Magistrale against the United States for refund of the amount which he posted as bond in the case of Fioravante Antonio Magistrale, an alien (file No. 0300-370104 App. B) who was deported: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1958

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 2½ hours, the time to be equally divided and controlled by the gentleman from New York [Mr. COUDERT] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 6871, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. ROONEY. Mr. Chairman, I yield 30 minutes to the distinguished chairman of the full Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, we won the First and Second World Wars through production. We outfought, outthought, and outgeneraled the rest of the world, but in the last analysis we won because we outproduced them.

In the economic battles ahead, that nation will win which retains the advantage in sources of energy. We must not dissipate our fuels. We must conserve coal, oil, and gas. Every barrel and ton shipped abroad is a loss we cannot afford to sustain. We must buy all fuels abroad and import every unit available.

And especially we must develop as rapidly as possible every potential source of electric and atomic power. A century from now or sooner these potent sources of energy will be decisive in world survival.

The world is now at the threshold of the atomic age. Our status in this iconoclastic era is now being determined by legislation pending in this Congress.

The Atomic Energy Commission has submitted to the House its budget estimates for fiscal year 1958.

Even a cursory examination of the acts of Congress under which the Commission operates indicates that a number of the items in the budget estimates, particularly those purportedly justifying the appropriation of millions of dollars for atomic electric power, are not specifically authorized. Many of these items appear to be in violation of the 1954 Atomic Energy Act, and beyond that, the entire program has been, and is, so vague as not to warrant the appropriation of a single dollar for the Commission's atomic electric-power program unless and until the Joint Committee on Atomic Energy, the legislative committee, effects the amendment of the Atomic Energy Act of 1954, specifically authorizing the Commission's atomic-power program. Beyond that, the joint committee should put to searching scrutiny every program of the Commission.

The amounts of money requested annually for the Commission are necessarily large. As of June 30, 1956, the Congress had appropriated $15.2 billion for the atomic-energy program. For fiscal year 1958 the Commission is asking the Congress to appropriate $2,377,000,000 for operating expenses and $120 million for construction. This would involve an increase over the appropriation for fiscal year 1957 which was $1,898,000,000, or an increase of $600 million. Congress has been exceptionally considerate of the atomic energy appropriations in the past on the theory that its work involves elements of secrecy and urgency and should, therefore, be justified largely by general statements rather than detailed explanations and specific data.

This phase of the subject was discussed by distinguished members of the Joint Committee on Atomic Energy, on both sides of the aisle and in both Houses of Congress, in drafting the Atomic Energy Act which became law on August 30, 1954. The legislative history of the act of 1954 has been compiled in 3 volumes, embodying something like 4,000 pages. The Congress on the basis of this impressive record had a right to feel that the act established adequate guidelines for the Commission. Yet, less than a year later, the gentleman from California [Mr. HOLIFIELD] was moved to say to Mr. Strauss, Chairman of the Atomic Energy Commission:

> Frankly we have felt that the Atomic Energy Commission is going to have to conform in the future much more closely to the regular procedures of other agencies before congressional committees than they have in the past, and it is felt there is a feeling among the Members of Congress that the time for flexibility has passed to a great extent and it has become now almost a normal procedure, and that in many ways you are going to have to conform in the future to a more rigidly planned schedule than you have in the past.

This quotation is taken from page 151 of the joint committee's hearings on authorizing legislation, May 31, 1955.

This statement of the gentleman from California was not a casual observation. Rather it was obviously the product of long and studied reflection on his part. I say this on the basis of an examination of the joint committee's earlier hearings held in January, February and March of 1955, and of earlier colloquies which occurred in the May 1955 hearings from which I have quoted. Passing to the many hearings held in 1956 by the joint committee, and to the hearings conducted by the Appropriations Committee in 1956, it is evident that the gentleman's statement has even more direct application today.

The 1954 act is inadequate as a framework within which appropriation requests can be adequately considered for atomic electric power because, as interpreted and applied by the Commission, the intent of Congress appears to have been violated in many respects. Having examined the Commission's factual performance, and compared it with the provisions of the 1954 act, we have reached the following conclusions:

First. The Commission's atomic electric power program is in some respects in contravention of the law, and must be specifically authorized in its entirety before further appropriations should be made.

Second. The program from a factual standpoint is practically nonexistent. If it ever had any promise of achievement, the facts as known today establish inescapably that it has collapsed.

Third. Britain, Russia, and now the six nations which have formed Euratom, are forging ahead in this field, to the point that our leadership in application of the atom to peaceful generation of electricity is seriously challenged. The generation of energy is the key to peace, and a first line of defense in war. This country must not delay in constructing atomic electric power plants. We cannot afford to further tolerate the Commission's complacency.

AUTHORIZATION REQUIRED FOR ATOMIC ELECTRIC POWER PROGRAMS

Under section 261 of the act of 1954 Congress retains the right to authorize projects designed to develop and promote atomic electric power. The section provides:

> SEC. 261. Appropriations: There are hereby authorized to be appropriated such sums as may be necessary and appropriate to carry out the provisions and purposes of this act except such as may be necessary for acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion.

When the 1954 act was under consideration by the Joint Committee on Atomic Energy, the Commission vigorously opposed inclusion of this provision. Notwithstanding that the section was included in the act, the Commission has effectively evaded the clear language, purpose and intent of the section insofar as atomic electric power is concerned.

The Commission's method of defeating the statutory direction has been to arbitrarily divide the various atomic electric power programs into two fiscal categories. The first category pays lipservice to section 261 and covers physical structures on the theory that a so-called bricks-and-mortar test segregates the major portion of the programs from the requirement of authorization. It is carried in the budget estimates under plant acquisition and construction which is the portion of the budget which must be first and separately authorized by the joint committee. The second category is operating expenses. Budget requests for fiscal years 1956, 1957, and 1958 carried more than 80 percent of the money for the programs under operating expenses. The operating expense budget is not specifically authorized by annual authorizing legislation.

This arbitrary and unreal approach ignores the fact that the atomic electric power programs are indivisible entities. You cannot have what goes into the physical structures without having the physical structures, and you cannot have a program at all without having both the physical structures and their component parts.

The result has been that for fiscal years 1956, 1957, and 1958 the amount appropriated and requested for the civilian power reactor program totals $236.8 million, of which only $40 million was authorized under authorizing legislation reported out by the joint committee and approved by the Congress. Thus it is readily seen that less than 20 percent of this program was authorized and more than 80 percent of this indivisible program was not specifically authorized. This puts the Appropriations Committees of the Congress in an extremely difficult position so far as the entire civilian power reactor program is concerned.

The problem is readily illustrated. In the first hearings held by the joint committee subsequent to the passage of the Atomic Energy Act of 1954, the joint committee in February 1955 raised the question of how the Commission had segregated its initial request for funds to accelerate the civilian reactor program. The Commission had requested $75 million for this purpose and had arbitrarily placed $50 million in the portion of the budget which does not require annual authorization, namely, the operating budget; and $25 million under plant and equipment which would require authorization. The General Manager of the Commission answered that he had personally pulled this division "out of the hat." He said at page 189 of the Joint Committee hearings the following:

> We felt in justifying that division—I think I was responsible for it and more or less pulled it out of the hat after the staff argued pro and con as to whether it should be bigger or smaller—if we feel we have some of these proposals we can refinance that distribution. And with the consent of the Budget Bureau, we can ask for a change in it when we defend our budget for fiscal 1956.

In May 1955 the joint committee held hearings on authorizing legislation for fiscal year 1956 and on June 14, 1955, reported out a bill recommending authorizations which was subsequently enacted. In its report the joint committee stated that the purpose of the requirement of authorizing legislation is to give the joint committee and the Congress some control over the programs of the Commission. However, the joint committee pointed out the Commission had not included in its request for authorizing legislation items which we now know to constitute over 80 percent of the programs and the joint committee affirmatively stated that it strongly disagreed with the arbitrary Commission interpretation. But there the joint committee stopped and resigned itself to loss of control over more than 80 percent of the program, by saying that it was not including in the authorizing legislation the items which make up the 80 percent because the Commission reported that it did have authority for the appropriation of such funds. The Congress is the judge and not the Commission, and it should not appropriate money on any such basis as this.

THE COMMISSION'S CIVILIAN POWER REACTOR DEVELOPMENT PROGRAM IS IN CONTRAVENTION OF THE 1954 ACT

The civilian power reactor development program is a general heading which actually encompasses three separate and distinct atomic electric power programs. The first is the Government's experimental program, or so-called 5-year program, which was initiated under the basic 1946 Atomic Energy Act, prior to the enactment of the 1954 act. It has been generally regarded that the Government's experimental program does not require authorizing legislation except for plant and equipment. If this were ever so, time, facts and circumstances now demonstrate that the Government's experimental program is part and parcel of the indivisible entity which we have come to know by the generic term "civilian power reactor development program." Just as in the cases of the other two programs about to be described, the Government's experimental program in its entirety must stand on the basis of authorizing legislation, or not at all.

The second part of the civilian power reactor development program is known as the power demonstration program under which, pursuant to Congressional intent, it is provided that Government and industry, both public and private power, may participate in the development of atomic electric power. This program as formulated and put into operation by the Commission is in contravention of section 169 of the act which prohibits subsidy to industry. Every project and item and every phase of every project and item in the power demonstration program should stand on the basis of specific authorizing legislation, or not at all.

The third portion of the indivisible entity entitled "Civilian Power Reactor Development Program" is known as the independent-industrial program. Under this program as formulated and put into operation by the Commission, industry applicants are to be given the benefit of all the technology acquired by the Government at a cost of $229.5 million up to June 30, 1957, with no obligation whatever on the part of industry to return to the Government, for the benefit of all, the technology, know-how, cost, and operating experience which this country needs so vitally. The way in which this entire thing has been put together by the Commission results in the situation that inescapably the industry applicants under the independent-industrial program will receive Government assistance, but the type and form of the Government assistance paid for with taxpayers' dollars cannot be readily identified in the annual Commission budgets. Since the ostensible objective of the independent-industrial program must necessarily be identical with the objective of the other two programs, it is the duty and responsibility of Congress to painstakingly determine to the fullest extent the form and manner in which taxpayers' dollars are being handed to industry under this program as they undoubtedly are. Again, every phase of such assistance should be based upon specific authorizing legislation, or not at all.

In the first hearings held by the joint committee subsequent to enactment of the 1954 act, distinguished members of the joint committee expressed themselves unmistakably as disagreeing with the Commission's formulated programs. Thus, we find that Congressman COLE, who was chairman of the joint committee in 1954, and who piloted the 1954 act through the joint committee and through the House, said at page 173 of the hearings:

> Just for the sake of completing the record, let me express my own viewpoint that I not only disapprove, as an individual, of the Commission's procedure under this power-reactor program, but also disagree with its interpretation. Don't misunderstand me. I thoroughly agree that the Commission has the right under 31 (b) to do everything it seeks to do in its power program. But it is a mistake to tie the authority of 31 (b) into an effort to create or construct a research reactor.
>
> You admit it is tantamount to a subsidy. You must admit that section 169 was intended very definitely to prohibit the use of Commission funds for the purpose of constructing and operating a research reactor.

Senator ANDERSON, who was presiding as chairman of the joint committee in these February 1955 hearings, characterized the Commission's interpretation as a subterfuge, saying, on page 157:

> I think, General Nichols, that it is going to be very important that we try to develop that difference of opinion that seems to exist here as to whether you regard this as the real interpretation of the law, or whether you recognize that what was written in here at the tail end of this was an escape clause to let you go make a research contract.
>
> When you start paying the cost of these plants, you are making a subterfuge of what Mr. Cole and others thought was the purpose of the law. You are not trying to find out if industry is going ahead. You are saying to industry, "Don't put up your own money, because, if you just wait, we will come along and give you part of it."

And then at page 159, Chairman ANDERSON engaged in this colloquy with Mr. Strauss:

Chairman ANDERSON. What would be the trouble of once saying to begin with, we would like to find if anybody wants a license without Government subsidy? This section is headed "No Subsidy." It is not headed, "How To Give Subsidy."

Mr. STRAUSS. Mr. Chairman, would a question be permitted by a witness? I would like to ask what the intent of that last clause in 169 was.

Chairman ANDERSON. It is an escape clause. It is a simple answer. The paragraph is headed "No Subsidy." It does not read "Instructions to the Commission as to how to give subsidy on the development of this program."

These exceptions of two distinguished chairmen of the joint committee graphically pinpoint the problem of the joint committee in its endeavor to understand just what the Commission was about. And the joint committee in its report some months later on June 14, 1955, as stated earlier, told the two Houses of Congress that, although the joint committee had achieved some understanding and "strongly" disagreed with what it had learned, the Commission's interpretation which is contrary to time-honored authorizing and appropriation procedures would be accepted. Congress should not appropriate money on any such basis.

COST OF TECHNOLOGY FOR CIVILIAN NUCLEAR POWER

Up to June 30, 1957, the sum of $229,500,000 will have been spent in the development by the Government of civilian power reactor technology. The breakdown of these funds I have here in the tabulation prepared under date of January 31, 1957, by the Commission, and I ask unanimous consent to insert it in the RECORD at this point.

The Commission in its 1958 budget estimates has requested $95 million for this purpose and even this may not be enough to permit the acceleration of development of atomic electric power which is so urgently and vitally needed.

Summary of funds for civilian nuclear power

[As reported on pp. 376 and 377 in hearings on 2d supplemental appropriation bill, 1957, pt. 2, Investigation of Atomic Electric Power, compared with fiscal year 1958 budget

[In millions]

AEC costs	Fiscal year 1957 budget to Congress					Fiscal year 1958 budget to Congress		Total
	Prior to 1954 actual	1954 actual	1955 actual	1956 estimated	1957 estimated	1956 actual	1957 estimated	
Operating costs:								
Pressurized water reactor	0	$7.7	$10.2	$15.2	$14.8	$15.2	$16.3	
Boiling water reactor	$2.8	2.4	4.0	5.1	2.6	4.7	5.0	
Homogeneous reactor	10.8	3.9	7.7	8.2	8.4	10.7	10.4	
Intermediate power breeder reactor	16.7	0	0	0	0	0	0	
Fast breeder reactor	6.0	3.4	3.5	4.9	6.5	4.7	9.3	
Sodium graphite reactor	1.7	1.5	1.9	3.4	1.4	5.0	7.9	
Liquid metal fuel reactor	0	0	0	2.0	3.5	1.6	4.5	
Organic moderator reactor	0	0	0	.6	.6	.3	3.7	
Water graphite reactor	0	0	0	0	.4	0	1.0	
Pressurized heavy water reactor	0	0	0	0	0	0	.5	
Power reactor acceleration	0	0	0	0	15.0	0	0	
All other	1.8	.1	0	0	0	.1	1.0	
Total operating costs	39.8	19.0	27.3	39.4	53.2	42.3	59.6	[1] $188.0
Construction costs:								
Pressurized water reactor	0	0	1.2	9.5	15.0	7.1	17.9	
Boiling water reactor	0	0	.1	.8	.1	.6	.3	
Homogeneous reactor	.6	0	.1	.7	0	.1	.4	
Fast breeder reactor	2.7	0	1.0	3.0	9.7	1.4	2.4	
Power reactor acceleration	0	0	0	2.0	23.0	.1	5 5	
Total construction costs	3.3	0	2.4	16.0	47.8	9.3	26.5	[1] 41.5
Construction obligations budgeted for fiscal year 1957: Authorized by Public Law 981, 84th Cong., 2d sess., approved Aug. 26, 1956: Project 57-c-10, amended reactor development project, $15.0.								
Grand total								[1] 229.5

[1] Using in addition the last 2 columns covering "1956 actual" and "1957 estimated" and deleting the 4th column headed "1956 estimated" and the 5th column headed "1957 estimated."

Division of Finance, Budget Analysis Branch, Jan. 31, 1957.

DEFICIENCIES AND AMBIGUITIES OF THE 1954 ACT AS APPLIED AND PUT INTO PRACTICE

No less than 11 separate provisions of the 1954 act have been applied and put into practice by the Commission in a manner we find difficult to reconcile with the purpose and intent of the clear language of the act. These provisions are found in sections 261, 169, 104 (b), 11 (q), 31, 32, 33, 53, 105, 152, and 159. Each one of these provisions has definite application to the civilian power reactor development program and there is a definite interplay between them.

The confusion created by the Commission in interpreting section 261 concerning authorizing legislation is effectively illustrated by Mr. TABER's close questioning of the Commission in our hearings of last summer at pages 322 and 323. Finally the Commission's General Counsel stated that the Commission does not have authorization to construct full-scale plants. Earlier in the hearings at page 67, the general counsel had replied to my question the very opposite.

The amount of money authorized to date is only $40 million against a total program of $236.8 million. The first authorization which was for $25 million was justified by the vaguest sort of statements. Congressman DURHAM pressed for a pretty clear definite statement which was never forthcoming. Congressman HOLIFIELD called the $25 million a "floating fund," with complete discretion in the Commission to apply the money as it saw fit.

It is important to consider the effect of granting such discretion to the Commission. At page 50 of the hearings the Commission's general counsel said that in using the money the Commission "might end up with what is called a scrambled facility, where the Commission owns part and the licensee owns part." He then spoke of a mingling of the Commission's property with that of industry. Later at page 56 the general counsel again referred to "a scrambled facility." If there is to be any scrambling or mingling of Government money and property in these atomic electric powerplants, Congress and not the Commission should determine in each individual case just what scrambling and mingling is to be permitted.

The second authorization of $15 million in the 1956 act is just as vague:

This item is to permit the Atomic Energy Commission to carry forward its important research and development of work on reactors and in other related fields.

Looking at the 1958 budget request for $95 million, we find only three items for which there is specific authorization. In the case of one of the three, the authorizing act placed a dollar limit on the project of $14,850,000. Yet we find that the Commission applied $9,300,000 to this project in 1957 and is now asking for $15,100,000 for 1958, or $10 million in excess of the ceiling imposed by the authorizing act.

Another project, $9.2 million, if authorized at all, has been considered by the Commission to be authorized from the vague $25 million floating fund.

A fourth project has not even been authorized. Yet the Commission advises that this project requires a structure that must be authorized under section 261 but for which authorization has not as yet been provided. This is a perfect example of the Appropriations Committees being asked to permit the initiation and funding of a project and to be committing the Congress to something without the benefit of the expert guidance of the joint committee. In other words, once money is applied to this project, which it has been, there is precious little the joint committee can do except to authorize the part of the project which the Commission's erroneous interpretation of section 261 says is the only thing that requires authorization. It is putting the cart before the horse.

The procedure is basically defective. The proper procedure should be that the research and development and the plant and equipment aspects of the civilian reactor program should be tied together and recognized for what they are—an entity, an indivisible program for authorization and appropriation purposes. The joint committee should provide authorization for each project under this program with a monetary limit, project by project. Then the House Appropriations Committee will have the benefit and advantage of the exercise of its expert functions by the authorizing committee. The procedure here outlined is parallel to the authorization and appropriation procedures which have been historically applied to such similar types of development and construction such as NACA projects, Bureau of Reclamation projects and military construction projects. Otherwise the House Appropriations Committee is called upon to appropriate against something but it does not know what. In giving the Commission money in the operating budget, is the House Appropriations Committee appropriating for something which may lead to something else later that will have to be authorized? This must not be done.

Representative DURHAM, the present chairman of the joint committee, clearly foresaw the loss of congressional control if the Commission's erroneous interpretation of section 261 were to be applied. He said in May 1955:

> I am not raising any particular question about it, except I do not see much difference in this and the NACA. Many things they built they did not know whether they were going to work or not, and they had to come for authorization to the Congress. I think that is what we are going to face eventually. I think it is something we can correct if it does not work. I am willing to try it.
>
> I do feel that when you get into these expenditures of millions of dollars, and with the cry and everything we hear about expenditures, that Congress should have the authority to authorize them. I think that was the intent, whatever construction you want to put on the word "facility." But I see very little difference in the NACA and this operation, because it is primarily a research project, where you start out and put one thing in, and add bricks and mortar, and you have a facility.

Noncompliance with section 261 by failure on the Commission's part to get authorization should bar further appropriations until the Commission goes before the joint committee and secures the necessary authorization. However, the Commission's erroneous interpretation and application of other sections likewise warrants further consideration by the joint committee.

Chairmen COLE and ANDERSON in joint committee hearings have repeatedly questioned the Commission's distortion of section 169—the no-subsidy section; section 104 (b)—the research and development license section; section 31 (a) (4)—the basic research and development section; and section 31 (b)—the section permitting noncompliance with advertising and competitive bidding requirements of law. The Commission's basic error has been to ignore seven words in section 169 as though they had never been included in the law. Section 169 provides:

> No funds of the Commission shall be employed in the construction or operation of facilities licensed under section 103 or 104 except under contract or other arrangement entered into pursuant to section 31.

The seven words are "facilities licensed under section 103 or 104."

These words appear to mean that Government funds may not be given to industry for use in research and development unless and until industry has constructed and has in being a reactor. It is only then that industry will be in a position to give the Government the technology for which Government money is authorized by section 169. However, this is not the case in any of the proposals which industry has made. No commercial licenses have been issued under section 103, and it is doubtful that they will be for years to come. It is probable that section 104 (b) licenses will be issued to industry, but they have not been to date.

The Commission's budget estimates disclose that notwithstanding, the Commission in fiscal 1957 committed $1.5 million to the Yankee Atomic group for its proposed project and proposes to commit $2 million to Yankee in fiscal 1958; and further than the Commission in fiscal 1957 committed $100,000 to the Detroit Edison group and proposes to commit $1.5 million in fiscal 1958 to this proposed project. This expenditure of Government money in fiscal 1957 appears to be in contravention of section 169, as are also the proposed expenditures requested for the two utility groups for fiscal 1958.

The joint committee was intensively concerned with this problem in hearings held in January, February, March, and May 1955. So strongly did Congressman COLE feel, he was moved to comment in May 1955:

> I have been impressed with the Commission's interpretation of that section. My conclusion is that the Commission feels that the net effect of 169 is, as a limitation on the Commission's operation, rather nebulous and meaningless. Or, to express it differently, the prohibition of section 169 can be very easily and readily circumvented.

The two former chairmen felt equally as strongly that there should be no interwedding of section 104 (b) with subsections 31 (a) (4) and 31 (b), and expressed themselves repeatedly to this effect. Chairman COLE said emphatically:

> Just for the sake of completing the record, let me express my own viewpoint that I not only disapprove, as an individual, of the Commission's procedure under this power reactor program, but also disagree with its interpretation.

The joint committee in its subsequent report of June 14, 1955, on the first authorizing bill under the 1954 act agreed with Chairmen COLE and ANDERSON, and in doing so rejected the Commission's erroneous interpretation of sections 169, 104 (b), 31 (a) (4), and 31 (b). Yet we find the Commission still persisting today in its erroneous application of these sections because all the proposals under the power demonstration program are predicated on this incorrect basis. Congress should not appropriate money to implement this plain contravention of the law.

Still another important section is being erroneously applied. It is section 53 which permits the use of special nuclear material by industry on the basis of reasonable charges to be established by the Commission. The Commission has failed to establish criteria in writing for determination of whether a charge will be made as required by section 53 (c), but instead has interpreted this subsection as providing for and encouraging waivers of charges in its own unlimited discretion without the standards required by law. But of even greater importance is the fact that, in the only reference in the House and Senate debate to section 53, Chairman COLE was asked the direct question as to whether the bill set up any yardstick whereby the Commission would be controlled in permitting the use of special nuclear material by industry. His response was clear and decisive, as follows:

> That is covered in the bill. The Atomic Energy Commission is required to make a charge for the use of this material.

The same erroneous reasoning is being applied to section 33 which permits the Commission to perform research for industry in its own facilities for which it "is authorized to determine and make such charges as in its discretion may be desirable." The Commission applies this section in a manner diametrically opposite to its plain intent.

The Commission proposes to allocate substantial sums of money to industry with which to pay for research done in Government facilities at the instance of industry. In so doing the Commission ignores section 32 which is the section providing for research in Government facilities at Government expense for the benefit of all.

It is clear that the Commission views the words "is authorized" to make charges as meaning it does not have to do that which is authorized, namely, charge the utility. Instead the Commission interprets this language as authorizing it to charge the taxpayers and not the utility.

The Commission's attitude appears to be that when Congress authorizes it to

do something, it should do just the opposite, as I have just demonstrated in the cases of sections 53 and 33. The same has been true under the no-subsidy section, section 169, to the point that Senator ANDERSON told the Commission that it interpreted section 169 as though it were headed "Instructions to the Commission as to how to give subsidy on the development of this program."

This attitude came to a climax when Mr. Strauss objected to the words "authorized and directed" in the Gore-Holifield bill before the joint committee on June 28, 1956. He wanted the words "and directed" deleted because "that is the kind of an expression you use to your valet." Commissioners Libby and Vance concurred in his suggestion. Obviously, they want to be merely "authorized" and not "authorized and directed" so they can do as they please, regardless of congressional intent.

RAMIFICATIONS OF THE COMMISSION'S CIVILIAN POWER REACTOR PROGRAM

The program, as I stated earlier, is an indivisible entity embodying three component parts which are shown in tables I and II which I wish to insert in the RECORD at this point:

TABLE I.—*Developing civilian atomic power*

	Scheduled for operation
GOVERNMENT'S EXPERIMENTAL PROGRAM	
Shippingport, Pa., pressurized water reactor, 60,000 kilowatts, Westinghouse and Duquesne for AEC	1957
Lemont, Ill., experimental boiling water reactor, 5,000 kilowatts, Argonne National Laboratory	1957
National Reactor Testing Station, experimental breeder reactor No. 2, 17,500 kilowatts, Argonne National Laboratory	1959
Santa Susana, Calif., sodium reactor experiment, 7,500 kilowatts, North American Aviation for AEC and Southern California Edison Co.[1]	1957
Oak Ridge, Tenn., homogeneous reactor experiment No. 2, no electricity, Oak Ridge National Laboratory	1956
National Reactor Testing Station, organic moderated reactor experiment, North American Aviation for AEC (no electricity)	1957
Los Alamos, N. Mex., molten plutonium reactor experiment, Los Alamos Scientific Laboratory (no electricity)	1959
Los Alamos, N. Mex., power reactor experiment I and II, Los Alamos Scientific Laboratory (no electricity)	1956
Liquid metal fuel reactor, the Babcock & Wilcox Co	1959
Gas-cooled reactor (contractor not selected)	(2)
POWER DEMONSTRATION PROGRAM	
First round	
Rowe, Mass., pressurized water reactor, 134,000 kilowatts, Yankee Atomic Electric Co	1960
Monroe, Mich., fast breeder reactor, 100,000 kilowatts, Power Reactor Development Co., Inc. (Detroit Edison Co. and others)	1960
Nebraska, sodium graphite reactor, 75,000 kilowatts, Consumers Public Power District	1959
Second round	
Elk River, Minn., boiling-water reactor, 22,000 kilowatts, Rural Cooperative Power Association	1960
Gainesville, Fla., pressurized water reactor, 500 kilowatts, University of Florida	1959
Piqua, Ohio, organic moderated reactor, 12,500 kilowatts, city of Piqua	1961
Hersey, Mich., aqueous homogeneous reactor, 10,000 kilowatts, Wolverine Electric Cooperative	1959
Anchorage, Alaska, sodium-cooled heavy water moderated, 10,000 kilowatts, Chugach Electric Association, Inc., Nuclear Development Corporation of America	1962
Orlando, Fla., liquid metal fueled reactor, 25,000 to 40,000 kilowatts, city of Orlando	1961
Holyoke, Mass., gas-cooled reactor, 15,000 kilowatts, city of Holyoke	1961
INDEPENDENT INDUSTRIAL PROGRAM	
Indian Point, N. Y., pressurized water reactor, 140,000 kilowatts, Consolidated Edison Co	1960
Dresden, Ill., boiling water reactor, 180,000 kilowatts, Commonwealth Edison Co. and others	1960
Eastern Pennsylvania, aqueous homogeneous reactor, 150,000 kilowatts, Pennsylvania Power & Light Co	1962
Florida (type unspecified), 200,000 kilowatts, Florida Power Corp., Florida Power & Light Co., Tampa Electric Co	1962
Livermore, Calif., boiling water reactor, 3,000 kilowatts, General Electric Co. and Pacific Gas & Electric Co	1957

[1] Turbogenerator and other conventional electric transmission equipment.

[2] Unknown.

TABLE I.—*Developing civilian atomic power*—Continued

ESTIMATED PROGRAM TOTALS	
[In millions]	
Estimated cost of all work from July 1, 1953, through completion of projects listed. Includes cost of core fabrication but excludes cost of special nuclear materials. Excludes EBR–1 HRE–1, and borax–1, 2, and 3:	
Government	$236
Industry	20
Based on proposals submitted to AEC. Excludes cost of core fabrication and of special nuclear material:	
Government	77
Industry	128
Based in part on statements made by sponsoring utilities and in part on AEC estimates:	
Government	0
Industry	210
Kilowatts	
Total electrical capacity	1,182,000
Government's experimental program	90,000
Power demonstration program	419,000
Independent industrial program	673,000
Total estimated cost	$671,000,000
Government	313,000,000
Industry	358,000,000

TABLE II.—*Summary of large prototype power reactor plants proposed, part 1 (power demonstration reactor program projects and others)*

	Westinghouse [1] and Duquesne Light Co.	Yankee Atomic Electric Co.	Consolidated Edison Co.	Commonwealth Edison and others	Consumers Public Power District	Power Reactor Development Co. (Detroit Edison, et al.)	Westinghouse and Pennsylvania Power & Light
Location	Shippingport, Pa.	Rowe, Mass.	Indian Point, N. Y.	Dresden, Ill.	Beatrice, Nebr.	Monroe, Mich.	Pennsylvania Power & Light service area.
Type of reactor	Pressurized water (PWR).	Pressurized water.	Pressurized water.	Boiling water.	Sodium-graphite.	Fast breeder.	Aqueous homogeneous.
Thermal power	236,000 kw	480,000 kw	500,000 kw	630,000 kw	245,000 kw	300,000 kw	Not available.
Gross generating capacity	100,000 kw	134,000 kw	250,000 kw [2]	180,000 kw	75,000 kw	100,000 kw	150,000 kw.
Amount of fuel	12 T natural U and 52 kg about 90 percent.	28,800 kg	275 kg U and 8,275 kg th.	68,000 kg	22,500 kg	2,100 kg	Not available.
Enrichment percent U–235		2.5 percent	About 90 percent for U.	1.1 percent	2.3 percent	27 percent	
Moderator	H_2O	H_2O	H_2O	H_2O	Graphite	None	Do.
Coolant	H_2O	H_2O	H_2O	H_2O	Sodium	Sodium	Fuel solution.
Reactor temperature [3]	540° F	535° F	510° F	480° F	925° F	800° F	Not available.
Reactor pressure	2,000 psig	2,000 psig	1,500 psig	1,000 psig	46 psia	Atmospheric	Do.
Steam conditions	585 psig saturated.	600 psig saturated.	370 psia saturated 1,000° F.	970 psia 540° F.	800 psia 825° F.	600 psia 730° F.	600 psia.
Estimated cost of reactor [4]	$37,750,000	$18,500,000	Not available	$34,200,000	$13,500,000	$36,000,000	Not available.
Estimated cost of turbogenerating plant.	$10,000,000	$16,000,000	do	$10,800,000	$10,800,000	$9,000,000	Do.
Total estimated plant cost	$47,750,000	$34,500,000	$55,000,000	$45,000,000	$24,300,000	$45,000,000	Do.
Cost per kw	$370	$260	$230	$250	$325	$450	Do.
Estimated completion date	1957	1959–60	1960	1960	1959	1960	1962.

[1] This reactor is being built by the AEC; Westinghouse and Duquesne are prime contractors to the AEC.

[2] Includes 110,000 kw of conventional superheating capacity.

[3] Reactor coolant at outlet.

[4] Not including research and development, fabrication of fuel elements for first charge or nuclear materials. Fuel element fabrication and nuclear materials are included in fuel costs.

Summary of small prototype power reactor plants proposed, pt. 2 (power demonstration reactor program)

	Chugach Electric Association	Wolverine Electric Cooperative	University of Florida	City of Orlando, Fla.	Rural Cooperative Power Association	City of Piqua, Ohio	City of Holyoke, Mass.
Location	Anchorage, Alaska	Hersey, Mich	Gainesville, Fla	Orlando, Fla	Elk River, Minn	Piqua, Ohio	Holyoke, Mass.
Type of reactor	Sodium-cooled heavy water moderation.	Aqueous homogeneous.	Pressurized water	Liquid metal fuel th. br. blanket.	Boiling water	Organic moderated.	Gas-cooled closed cycle.
Thermal power	40,000 kw	31,000 kw.[1]	10,000 kw	Not available	58,000 kw	45,500 kw	44,000 kw.
Gross electrical generating capacity.	10,000 kw	10,000 kw	500 kw	25,000 to 40,000 kw	22,000 kw	12,500 kw	15,000 kw.
Amount of fuel per loading.	10,000 kg. U	12 kg	Not specified	60 kg. U–235, 17,000 lbs. th.	12 kg. enriched, 10,000 kg. normal.	6,000 kg	736 kg.
Enrichment percent U–235.	Approx. 2 percent	Fully enriched	40 percent	Fully enriched	Fully enriched spikes—nat. U core.	3 percent	10 percent.
Moderator	Heavy water	Uranyl sulfate in heavy water.	H_2O	Graphite	H_2O	Terphenyl	Graphite.
Coolant	Liquid sodium		H_2O	U–235 in molten bismuth solution.	H_2O	Terphenyl	Nitrogen gas.
Reactor temperature [2]	950° F	570° F	450° F	Not specified	533° F	617° F	1,292° F.
Reactor pressure	Atmospheric	1,900 psig	1,200 psig	do	900 psig	50 psig	515.7 psia.
Steam conditions	850 psig, 850° F	600 psia [3], 486° F	190 psig, 404° F	1,250 psig, 900° F	600 psig, 825° F	400 psig, 550° F	Not specified.
Estimated cost of reactor [4]	$5,500,000 [5]	$2,486,000	$650,000	$12,500,000	$3,760,000	$3,340,000	$2,400,000.
Estimated cost of turbogenerator plant.	$1,850,000	$1,088,000	$1,200,000 [6]	$11,100,000	$2,425,000	$1,960,000	$1,028,000.
Total estimated plant cost.	$7,350,000	$3,574,000	$1,850,000 [7]	$23,600,000	$6,185,000	$5,300,000	$6,428,000.
Cost per kilowatt	$735	$357	$800	$512–$820	$281	$424	$429.
Estimated completion date.	1962	1960	1959	1960	1960	1960	1960.

[1] Includes superheater=7,000 kilowatts thermal.
[2] Reactor coolant at outlet.
[3] Steam from heat exchanger to gas-fired superheater which delivers steam at 530 psia at 825° F.
[4] Does not include research and development.
[5] Does not include design cost.
[6] Does not include building cost.
[7] Subject to change.

It is to be noted in table I that the Commission breaks down the power demonstration program at the bottom of the second column as costing the Government $77 million and industry $128 million, making a total of $205 million. This $205 million has been broken down project by project, cost to the Commission as compared with cost to industry, and construction costs as compared with research and development costs in table III, which I wish to insert in the RECORD at this point:

TABLE III.—*Costs of power demonstration program proposals*

[In thousands]

Project	Total project cost [1]	Cost to AEC	Cost to industry	Construction costs		Research and development	
				AEC	Industry	AEC	Industry
FIRST ROUND							
Yankee:							
Nuclear	$39,500	$5,000	$34,500		$18,500	$5,000	
Nonnuclear					16,000		
PRDC:							
Nuclear	58,450	4,450	54,000		36,000	4,450	$9,000
Nonnuclear					9,000		
Consumers:							
Nuclear	26,500	10,480	16,020	[2] $8,280	5,220	2,200	
Nonnuclear					10,800		
Total, first round	124,450	19,930	104,520	8,280	95,520	11,650	9,000
SECOND ROUND							
Elk River:							
Nuclear	$9,285	$6,860	$2,425	$3,760		$3,100	
Nonnuclear					[3] $2,425		
University of Florida	2,150	850	1,300	650	1,200	[4] 200	$100
Piqua	7,300	5,340	1,960	3,340	1,960	2,000	
Wolverine	4,876	3,788	1,088	2,486	1,088	1,302	
Chugach	16,850	14,975	1,875	5,500	1,850	9,475	25
Orlando	30,150	19,050	11,100	12,500	11,100	6,500	
Holyoke	10,128	6,100	4,028	[5] 2,400	4,028	3,700	
Total, second round	80,739	56,963	23,776	30,686	23,651	26,277	125
Grand total	205,189	76,893	128,296	38,966	119,171	37,927	9,125

[1] Project costs exclude cost of special nuclear materials, fabrication of cores, and fuel use charges.
[2] Includes some preoperational research and development.
[3] Includes property now owned and allocated to this project.
[4] Proposal contemplates that AEC will also pay for 5 years of operation.
[5] Holyoke proposes to pay for nonnuclear portion not to exceed cost of conventional plant.

These three tables were designed by the Commission to tell the Congress, and through the Congress to tell the American people, that much can be expected of the Commission's program by 1962. The truth of the matter is that the program has fallen apart, and what is left of it gives little hope of fulfillment for many years to come.

The first column of table I identifies projects undertaken wholly with Government money. The only nuclear powerplant of the size even approaching a full-scale plant, is the pressurized water reactor being constructed at Shippingport, Pa. All of the other reactors in this program are experimental only. In short, the Government has no plan or program for construction with Government money and under Government control as to schedule of construction and completion time with the exception of Shippingport which is to go into operation during this year. The vital need for construction of full-scale plants as the next stage beyond the experiments is beyond question. A Commission official has stated in this regard:

> The reactor experiment will supply much of the technical data needed for the design of the prototype reactor. However, the scale up from the experiments presents formidable design problems. The operation and construction of these large-scale plants will thus provide information that can be obtained in no other way.

Implicitly, the construction of the different types of reactors both under the power-demonstration program and the independent industrial program is contingent upon the success achieved in these experimental reactors being constructed under the Government's experimental program. The first type, the pressurized water reactor, has proven itself beyond expectation in the *Nautilus*. The second type, the boiling water reactor, has recently gone into operation at Argonne National Laboratory in Illinois, generating 5,000 kilowatts. This type of reactor dispenses with a heat exchanger and it is my information that a major problem exists in this type of reactor because of the danger of the bursting of a

fuel element which would result in radioactive water going into the turbine.

The next type of reactor is the sodium reactor experiment, 7,500 kilowatts, being built at Santa Susana, Calif. It is my information that sodium has turned out to be an element which is very difficult to handle when used in a reactor as the coolant to the extent that the Department of Defense has announced that it has abandoned this type of reactor for use in naval vessels. This announcement was followed by a decision of the Commission to shut down and dispose of the sodium power reactor at West Milton, N. Y., which was the land prototype for the *Seawolf* reactor. This reactor at West Milton has been generating power which has been sold to industry. Up until now, the power has not been firm because the prime purpose of operating the reactor has been to experiment. Since the experimentation is over, I wonder why this reactor should not be continued in operation and the power thus generated, generated as firm power and offered to utilities for sale.

The next type of reactor in the Government's experimental program is homogeneous reactor experiment No. 2 at Oak Ridge, Tenn. Great hope had been expressed from time to time by Commission officials that this type of reactor offered promise for economic electric power. The Commission is having trouble with this reactor experiment at Oak Ridge and announced in December 1956 that the experiment would necessarily be delayed due to cracking and damage in the leak detector system ascribed to stress corrosion.

REACTORS PROPOSED UNDER THE POWER DEMONSTRATION PROGRAM

Table I states that 10 atomic electric powerplants are to be built under the power demonstration program, with all of them being scheduled for operation commencing in 1959 and extending to 1962. Of the 10, the Commission has recently rejected 3 of the proposals—Holyoke, Orlando, and the University of Florida. That leaves seven projects. Of the 7, there are only 3 full-scale projects. Two of the three propose to use sodium as a coolant. Thus the fast breeder reactor, 100,000 kilowatts, scheduled by the Detroit Edison group for operation in 1960, is dependent upon a solution of the major problem of handling sodium. The same is true of the sodium graphite reactor, 75,000 kilowatts, scheduled by Consumers Public Power District of Nebraska for operation in 1959. That means two more projects for which substantial delay is indicated.

Five projects are left. One of these is the 134,000-kilowatt pressurized water reactor proposed by Yankee Atomic Electric Co. Commissioner Murray of the Atomic Energy Commission last summer told the House Appropriations Committee that the date 1960 in which this reactor is scheduled for operation was very fine but that the Government has no assurance or guaranty whatever that the reactor will be completed by that date. As a matter of fact, he said the same was true of all the projects in both the power demonstration program and the independent industrial program, stating:

> Every one of these projects from this point on has a doubt as to when it will be started and when it will be finished, and whether we have any guaranties that it will ever be finished.

Four projects are left under the power-demonstration program. The one proposed for Alaska will use sodium as a coolant and obviously has no early hope of materializing. It has been stated that the Alaska sodium reactor is as advanced and unproved a concept as the closed-cycle, gas-cooled design which the Commission has rejected for Holyoke. The one in Michigan proposed by a cooperative is the aqueous homogeneous which obviously must wait until Oak Ridge experiment No. 2 is made to operate successfully, which is not the case to date. The boiling-water reactor proposed by a cooperative in Minnesota will obviously have to wait until the problem of radioactive water going into the turbines is solved.

I do not have sufficient information on the 10th and last proposal, the city of Piqua, Ohio, to construct an organic moderated reactor, to comment on it.

The fact of the matter is that under the power-demonstration program only a contract has been signed with the Yankee group, but no construction permit has been issued to Yankee, and only 1 construction permit has been issued, the Detroit Edison permit which is conditional; 3 of the other 8 projects have been rejected outright by the Commission; and in the cases of the remaining 5 no construction permits have been let by the Commission. Although the conditional construction permit was issued to the Detroit Edison group on August 4, 1956, a contract with this group was not signed until just the other day, March 26, 1957. Therefore not one single project in the power-demonstration program, which was initiated in January 1955 and expanded in September 1955, has resulted in a firm commitment by any industry group whatever to build a nuclear powerplant as formally evidenced by both a contract with the Commission and the issuance by the Commission of an unconditional construction permit. The whole power-demonstration program is nothing but paper hopes.

INDEPENDENT INDUSTRIAL PROGRAM

As shown in table I there are five projects listed in the independent industrial program with scheduled-for-operation dates running from 1957 to 1962. The reactor scheduled for operation in 1957 is a boiling water reactor being constructed at Livermore, Calif., by the General Electric Co. for Pacific Gas & Electric Co. Although table I shows the generating capacity of this reactor to be 3,000 kilowatts, this capacity has been increased to 5,000 kilowatts, a generating capacity which still leaves the reactor in the experimental category. General Electric is to construct the 180,000 kilowatt boiling water reactor in Illinois for the Commonwealth Edison group. Until the problem of the possibility of radioactive water getting into the turbine is solved, it is doubted that the Commonwealth Edison group will proceed with the construction of the proposed 180,000 kilowatt boiling water reactor for which a construction permit was issued on May 4, 1956.

Another reactor scheduled for operation in 1962 is a 150,000 kilowatt aqueous homogeneous in eastern Pennsylvania by Pennsylvania Power & Light Co. The significant thing about this project is that the Commission's own homogeneous reactor experiment No. 2 has been delayed due to cracking and damage in the leak detector system. Obviously until the feasibility of this prototype has been demonstrated, the utility company is in no position to commit itself to the investment of the tremendous sums of money involved. This plant is to be built, if built at all, by Westinghouse. Dr. W. E. Shoupp, the top atomic technician at Westinghouse, told the joint committee in February 1957 that the aqueous homogeneous project is being considered by the Pennsylvania Power & Light Co. as eligible under the third round of the power demonstration program, which would mean that the utility now wants Government financial assistance and that the utility wants to remove itself from the independent industrial program. Equally important is the fact that Dr. Shoupp readily conceded that the sponsors will not decide whether to build the plant until completion of engineering and cost studies early in 1958.

Then there is a 200,000 kilowatt reactor scheduled for operation in 1962 in Florida, but the type has not even been specified and obviously no construction permit has been issued.

The only other project under the independent industrial program is the proposal by Consolidated Edison to construct a pressurized water reactor, 140,000 kilowatts in New York, scheduled for operation in 1960. The Commission issued to Consolidated Edison on May 4, 1956, the very first construction permit issued. However, this project, as are all the others, is plagued with uncertainty as to cost of construction, and Consolidated Edison has recently advised the joint committee that the cost estimates have increased 27 percent in total cost which means an increase of 13 percent per kilowatt of electric capacity.

SUBSIDIES UNDER POWER DEMONSTRATION PROGRAM ARE IN CONTRAVENTION OF LAW

To date the Commission has invited proposals from industry in three so-called rounds. The Commission's offers of subsidies under each round contravene the 1954 act in several respects.

First, the offer of waiver of nuclear fuel charges in all three rounds is invalid because the Commission has failed as required by section 53 (c) to establish the written criteria for the determination of whether a charge should be made, and in this failure has failed to give effect to Chairman Cole's statement on the floor of the House that the "Commission is required to make a charge for the use of this material." Beyond that, I am of the view that there is a deficiency in section 53 (d) which should be cured. The third round adds a new offer—the loan of

heavy water for 5 years without charge. I also question the basis for this.

Secondly, all three rounds offer the use of Commission laboratories for research and development work without cost. This is in contravention of the legislative intent of both the "no subsidy" section 169 and the "research" section 33.

Then we come to cash grants of money to industry on the theory that the Government is buying technology to be developed by industry applicants. This is barred unless developed in a privately owned completed facility licensed under sections 103 or 104, as provided in section 169. No such licenses have been issued under either section, and therefore any arrangements which the Commission has made or proposes to make in this regard are invalid.

Curiously enough the Commission limited these cash grants in the first and second rounds to firm amounts fixed definitely in advance of any work by the applicant, and the applicant to receive no further financial assistance. The Commission called this the "closed-end principle." This principle was repudiated in the third round invitation of January 7, 1957, which told industry it could get more money even though it previously had been limited to a fixed amount. There is absolutely no authority in law for this.

This repudiation followed on the heels of agitation by industry to increase the cash subsidies. The chairman of Commonwealth Edison candidly stated in September 1956:

> At one time, questions were raised as to whether or not the Atomic Energy Act of 1954 authorized the making of outright cash contributions toward the cost of a demonstration reactor. If any doubt remains, Congress should remove it.

There is no doubt about the matter at all—section 169 clearly prohibits such cash contributions.

He then proposed that the Federal Government pay the difference between what would be a utility's cost of a conventional powerplant and the cost of a nuclear powerplant. Is any more proof needed of industry's inability to move forward and get these atomic powerplants built?

It is to be noted that the proposed Commonwealth Edison plant was to be built, according to this same chairman "without any governmental subsidy," and, according to Mr. Strauss, "without any financial assistance from the Government."

Then we have learned from a meeting of the Committee on Commercial Uses of Atomic Energy of the United States Chamber of Commerce that the Government should put up as much as one-half the cost of construction, and in any event title to the reactor should remain in private hands.

There is no question about it. Industry cannot undertake the risks involved, and the Government must undertake the task if it is to be done at all.

THE ATOMIC GIVEAWAY UNDER THE INDEPENDENT INDUSTRIAL PROGRAM IS NOT AUTHORIZED BY LAW

Under this program, industry applicants are to be given all of the technology acquired by the Government at a cost of almost $230 million, and industry is not required to return to the Government the technical and economic information which it needs to acquire and apply for the benefit of all.

In subsection (c) of section 31 of the 1954 act it is provided that arrangements made with industry applicants shall "require the reporting and to permit the inspection of work performed thereunder, as the Commission may determine." Then the next sentence contemplates the dissemination of such information by providing:

> No such arrangement shall contain any provisions or conditions which prevent the dissemination of scientific or technical information, except to the extent such dissemination is prohibited by law.

All four major construction permits issued to date relate to section 104 (b), and none of them require the permittee to give the Government anything. This violates section 31 (c).

Turning to the independent industrial program, we find that the Government has invested $75.6 million in the technology to benefit Consolidated Edison, and $19.9 million in the technology to benefit Commonwealth Edison, Pacific Gas & Electric, and General Electric. The failure of the Commission to require in return from each of these companies as a condition of their construction permits all the technical and economic data acquired to be made available to all the American people on a nondiscriminatory basis is in contravention of section 31 (c), and for this reason the construction permits are not authorized by law.

The Commission's failure to comply with the law in this regard is beyond comprehension. Chairman DURHAM wisely and with foresight posed the problem in February 1955, and after considering the Commission's position stated his concern as follows:

> The thing that worries me somewhat in this type of procedure is how much control you are going to have over the basic research and fundamental research of industry in this country.

YANKEE ATOMIC ELECTRIC CO. CONTRACT

The Commission on June 6, 1956, entered into a contract with Yankee Atomic Electric Co. under the power demonstration program whereunder it is proposed that Yankee Atomic will construct a 134,000 kilowatt pressurized water reactor plant in Massachusetts. This plant was estimated to cost $39,500,000 of which the Atomic Energy Commission would invest $5 million for the necessary research and development. It is my understanding that the cost estimate of $39.5 million will have to be revised substantially upward.

This contract is invalid for many reasons, some of which were stated by the Comptroller General in his recent report. He pointed out that:

First. The 12 companies making up Yankee had not executed binding agreements with Yankee and therefore were not committed;

Second. Yankee had not made formal arrangements to obtain permanent financing of $33 million;

Third. AEC had executed the contract without adequate assurance that the Government will receive benefits compensatory with its investment; and

Fourth. AEC agreed to bear extra costs of $1.6 million through an additional waiver of fuel charges, contrary to announced Commission policy.

Not only is the additional waiver of fuel charge invalid, but so also is the basic waiver of fuel charge of $1.7 million in contravention of section 53. The entire grant of $5 million to Yankee is apparently in violation of the no-subsidy section 169 for the reason that Yankee is not licensed under section 103 or 104. As a matter of fact, a construction permit which would refer to section 104 has not yet been issued to Yankee, and the contract was signed 10 months ago. The commitment of $1 million to work performed in AEC facilities for Yankee is in contravention of research section 33. The application by the Commission of $1.5 million in fiscal 1957, and its request for $2 million for the same purpose in fiscal 1958, are both unauthorized by law.

The Commission has sought to justify its policy of handing out cash subsidies to industry in addition to expensive Government technology by stating that the Government is to benefit from the technology, know-how, technical, and economic data acquired in the construction of projects, such as the plant proposed by Yankee Atomic, and to make this data available to everybody.

The plant is made possible at all only because the Government has already spent $75.6 million for the technology of the pressurized-water reactor, and the Commission wants to hand Yankee $5 million in cash on top of that. But the contract fails to require Yankee to return the lessons learned in construction and operation of the plant to be available to everybody. This is well illustrated by the contract provisions relating to patents. Those inventions and discoveries not traceable directly to Government funds in this scrambled project will not be available to everybody. Instead the contract gives the Commission no more than a license restricted to governmental purposes. This violates the Commission's announced policy. These inventions and discoveries should either be dedicated to the public, or at least made available to all the American people on a nondiscriminatory basis.

Then in treating inventions and discoveries resulting from expenditure of the $5 million cash subsidy, the contract gives Yankee "at least a nonexclusive, irrevocable, royalty-free license." Thereby Yankee is being improperly favored since the contract does not provide that all the American people are to receive the same privilege.

Unfortunately the 1954 act places a terminal date of September 1, 1959, on protective patent provisions. In view of the unfortunate and substantial delays which have taken place in getting these atomic electric reactors built, this date is far too early and should be extended.

THE DETROIT EDISON GROUP

The head of this group, Walker Cisler, was reminded by the joint committee in February 1955 that he had in 1953 answered this question: "To what extent do you expect Government participation in

your project?" by saying, "We do not expect any financial appropriation to this project."

Yet, as I said earlier, the Commission has committed $100,000 of Government money to this project this year, and requests $1,500,000 for it in fiscal 1958, all of which is not specifically authorized by law. I am particularly disturbed by the application of the $100,000 to this project in fiscal 1957 for the further reason that in our appropriation hearings on the fiscal 1957 bill Mr. Strauss sought to evade questions about this project by saying:

> The Commission is not coming before you requesting any appropriation for the Power Reactor Development Co. We are not asking for any money from you at this time for this particular project.
>
> Under the apprehension that you may have that there is such an item in our budget, I would like to assure you there is not in our current budget any item for this subject.

The Commission signed a contract on March 26, 1957, with this group under which the Government is to give the group further substantial cash and other subsidies which likewise are unauthorized. In my opinion, the contract is invalid.

The type of reactor proposed by this group is a sodium cooled, fast breeder reactor, 100,000 kilowatts, which has been publicized as a reactor which will breed more fuel than it consumes. Under the law, the United States automatically is the owner of all special nuclear material which is produced.

The nature and extent of subsidy by the Government of this project is almost beyond comprehension. The Government guarantees to the group the payment of $48.6 million over a 10-year period for the plutonium which it is expected the breeder will produce. In addition, the Government is making an outright research and development grant to the group of $4,450,000, and further the Government is waiving fuel charges in the amount of $5 million. These three sums total $58,050,000. When compared with the construction cost of the project which is $47 million, these cash subsidies exceed the actual construction cost by $11,050,000.

During the 10 years of plant operation from 1961 to 1970, the group expects to realize $43.5 million for the sale of steam resulting from nuclear fission. This $43.5 million when added to the Government's guaranty of $48.6 million totals $92.1 million. This project is made possible only because the Government has already expended $34.4 million in acquiring the necessary technology. This type of proposal is justified by the Commission on the theory that the Government is a partner with industry. It is a most peculiar partnership.

The contract, in my opinion, is invalid for many reasons. First, it is in contravention of section 169 since a license under section 104 (b) has not been issued. As a matter of fact, the contract specifically says that the Commission makes no representation that any license or approval is granted or will be granted. Therefore, the research and development grant of $4,450,000 is invalid.

The waiver of charge for nuclear fuel in the amount of $5 million is likewise invalid for the reason that the Commission has failed to prescribe the standards required in section 53 (c).

The Government's guaranty to the group to purchase the special nuclear material produced by the reactor is also invalid since it is in contravention of section 52. The last sentence of section 52 provides as follows:

> Any person who lawfully produces any special nuclear material, except pursuant to a contract with the Commission under the provisions of section 31 or 41, shall be paid a fair price, determined pursuant to section 56, for producing such material.

The contract between the Commission and the group is a contract pursuant to the provisions of section 31 and, therefore, the group cannot be paid for the special nuclear material which is produced.

There is another curious thing about the Government's commitment to pay $48.6 million to the group for the plutonium. This works out to a price of either $46, $51.20, or $38.60 per gram of plutonium whereas the Commission's established fuel value for plutonium is $12 per gram. The result is that the Commission is proposing to pay the group 3 to 4 times its own established fuel value.

Then we come to the provisions of the contract which relate to patents. These provisions are practically identical with the patent provisions in the Yankee Atomic contract, which I discussed earlier My comments and criticisms apply with equal force to the Detroit Edison contract.

From a standpoint of public interest, there is a saving feature in the contract which provides as follows:

> It is expressly recognized that the Commission's undertakings in connection with this contract are subject to the availability of funds appropriated from time to time by the Congress.

Under this circumstance, Congress is in a position to reject the contract in a very simple and effective manner—Congress can exercise its legislative authority by refusing funds for the purpose of this contract and project.

The Commission issued a conditional construction permit to this group on August 4, 1956, notwithstanding a report of its own Reactor Safeguards Committee in the summer of 1956, which said:

> It is impossible to say—

and they are referring to this Detroit Edison job—

> whether or not an accelerated program would give sufficient information to permit safe operation of this reactor at the Laguna Beach site on the time schedule presently proposed.

This project is in an area of some 2 million people, and is now the subject of formal protests made by labor unions on the ground of safety.

Walter Reuther, who was a member of the McKinney panel, feels very strongly that a large-scale fast breeder reactor should be built at a remote Government site. He said:

> Such an experimental fast breeder reactor, built and operated in an area removed from population centers, will minimize the health and safety dangers and thus remove this tremendous restrictive burden from the scientists who are devoting their skill and knowledge to the extension of the frontiers of atomic know-how.

Since the safety factor of the fast breeder reactor which Detroit Edison is building has been challenged, it is appropriate to consider the request of industry and the recommendation of the Commission that the Government indemnify industry against third party liability.

President Eisenhower in his budget message of January 16, 1957, for fiscal year 1958, carried on page M32 his recommendation that legislation be passed authorizing "the Government to supplement commercially available insurance against liability arising from possible nuclear accidents."

The type of legislation contemplated would provide Government indemnity to cover third party liability losses arising out of nuclear incidents up to $500 million per plant over the amount of coverage available from the private insurance industry. The private insurance industry has formed an association comprising 134 capital stock casualty insurance companies, known as the Nuclear Energy Liability Insurance Association. This third party liability insurance will insure against bodily injuries and property damages to others than an owner or operator of an atomic reactor in the event such injury or damage results from a nuclear incident. The limit of such liability is $50 million per reactor and the association which has been formed is the exclusive agency through which its members may provide the new insurance.

In the case of Shippingport, the Federal Government is carrying all the risk, because it is a Government project.

The undertaking by private and public utilities to construct atomic electric powerplants has been predicated on the assumption that the Federal Government will enact a law providing for excess coverage above the amount available from the private insurance industry.

In Europe, three pools of insurance companies, one in Great Britain, one in Sweden, and one in France, have been formed recently for the purpose of insuring against risks arising from the production and use of atomic electric power, including third party liability. A very pertinent question at this point is whether the governments of these countries are offering or plan to offer indemnity above the coverage made available by these private insurance industry pools. It is my information that the three governments do not. Detailed information should be secured promptly in order that Congress will have the benefit of the approach taken in the European countries to this problem of indemnity and insurance.

Then there are serious antitrust implications to this project which should be considered.

The Detroit Edison project is being undertaken by two separate combinations of companies. The first combination is known as Atomic Power Development Associates and it consists of 33 utilities and 12 industrial companies which have banded together for the purpose of developing the technology to

be applied to the specific Detroit Edison project.

The second combination is known as Power Reactor Development Company and it consists of 14 operating utilities, one utility service company, and 9 industrial companies which have banded together for the purpose of owning the reactor and selling the power generated to Detroit Edison.

Unfortunately the teeth in the antitrust provisions of the 1954 Act do not reach these combinations. The teeth are found in section 105 (c) which places the duty on the Commission to consult the Attorney General before issuing a license for an atomic reactor, but only in the case of an application for a commercial license under section 103. Detroit Edison has not been issued any license whatever—merely a conditional construction permit which states that the Commission may at some future date issue a license under section 104 (b). Therefore, the recent statement of Attorney General Brownell on January 24, 1957, is little more than academic. He said:

> Although the companies seeking such licenses jointly may not presently be engaged in the same industries, such activities require considerable careful study, from a competitive point of view, both as to present actions in the experimental stages and in future activities when the commercial stage is reached.

It is true that section 105 (a) reiterates the fact that there are antitrust laws which should be enforced, but the real teeth as far as the Justice Department is concerned are found in section 105 (c).

CONGRESS INITIATED THE SHIPPINGPORT PLANT, NOT THE COMMISSION

As I said before, the pressurized water reactor presently being constructed at Shippingport, Pa., is the only large-scale atomic powerplant under construction in the United States today. It is to commence operation this year, with a generating capacity of 60,000 kilowatts.

I have regretted for some time the reluctance of the Commission, and in particular the reluctance of Mr. Strauss, to recognize the fact that the Shippingport plant was first proposed by Commissioner Murray in the spring of 1953, some time prior to the time Mr. Strauss returned to the Commission in July 1953, and the further fact that Congress should be recognized as having implemented this recommendation even though the executive branch of the Government had failed to join in Commissioner Murray's recommendation.

In the original budget for fiscal year 1954, prepared by the outgoing Truman administration, the Atomic Energy Commission had requested funds to begin the construction of experimental reactors. The incoming Eisenhower administration, however, prepared a new budget which deleted any construction funds for this purpose. The fact that Shippingport was initiated was due entirely to the proposal of Commissioner Murray that it be started and the fact that the House Appropriations Committee, upon representations made by Chairman Cole of the Joint Committee on Atomic Energy that there was need for international leadership in atomic electric power, put money in the second independent offices appropriation bill for 1954—H. R. 5690, Public Law 149, 83d Congress, 1st session for the purpose of starting construction of the project.

This establishes that the Congress has played a major role in what little progress we have made to date in the field of atomic electric power, and that the United States can get this job done only if the Government, through Congress, undertakes it directly.

THE UNITED STATES MUST MAINTAIN ITS LEADERSHIP

From the very beginning, the United States has been the world's leader in both nuclear power and thermonuclear power. We have led the way, but now our leadership is being challenged by other nations in this one important phase of atomic energy, and that is the field of atomic electric power. The ability and potential ability to generate energy is of paramount importance to all nations of the world. Every nation in Europe and Asia today recognizes this fact. With the realization of the tremendous sources of energy through nuclear fission, it becomes possible for all nations to husband their mineral resources and to apply them constructively in the lubricating and chemical fields instead of destructively by consuming them in the process of burning them up for the purpose of generating energy. Britain and all the free nations of Europe are acutely aware of this, so is Japan, India, and the Philippines, and this is likewise true of Russia.

Chairman DURHAM of the joint committee on March 14, 1957, called for realism in atomic power development and for stepping up this Nation's nuclear power program to insure the maintenance of America's world leadership in atomic energy. He posed the problem very bluntly, when he said:

> Our overriding problem, as I see it, is how to maintain our world leadership in atomic energy. In the field of atomic weapons and military reactors this is necessary for our immediate survival. In the field of civilian atomic power, it is necessary for our world prestige and longtime survival.

He did not share the Commission's complacency about Britain and Russia, going on to say that our leadership is being seriously challenged by the British and Russians.

Almost unbelievably, Commissioner Vance, of the AEC, on the same platform and on the same day perfunctorily dismissed Russia, saying:

> For some time, three nations have been engaged in planning for extensive development of nuclear power—United States, Britain, and Russia. I shall say no more about the Russian effort because our information about it is incomplete.

In our hearings of last year Mr. Strauss repeatedly minimized anything the Russians have been doing or announced they plan to do. On the other hand, Commissioner Murray and Admiral Rickover were not at all complacent about the capability of Russia to develop and build atomic electric plants. Mr. Murray said:

> I think everybody will admit that the Russians have the capability of doing the things that they say they intend to do scientifically. I suppose from a manufacturing standpoint, if they say they will build a 100,000-kilowatt plant, I am willing to make the judgment that they have the capability to do that.

Admiral Rickover had no doubt in his mind that the Russians are making rapid progress in atomic electrical power. He said at page 225 of the hearings the following:

> They are making rapid progress. I think one of the things that drives them is that they want to become the leaders in supplying atomic-energy plants to nations within their own orbit and to other nations that they hope to get within their orbit.
>
> I think this is probably the most compelling reason for them to do it, that is, to be the first, not only from a propaganda standpoint, but also to reap the advantage in this cold war.
>
> • • • • •
>
> If military weapons are to be used as an example, and these are generally the most difficult industrial products to produce, they certainly are producing excellent military weapons. So the major difference between Russia and the United States today, from an industrial standpoint, is volume rather than quality.

In the same hearings, Dr. Libby of the AEC stated on June 26, 1956, that:

> If the world market for atomic reactors were lost to the Soviet Union it would be a catastrophe to the free world.

Russia's program and achievements in this field are a major concern of this country. The Joint Committee on Atomic Energy on June 29, 1956, in its report on the Gore-Holifield bill stated that Russia "has a more ambitious program, both in terms of variety of reactor concept and total number of plants and kilowatt production," than the British, and the Joint Committee stated that, "there is no reason to believe the Russians cannot achieve their goal provided they give it top priority."

Let us then examine the British atomic power program.

The British are pushing vigorously the development of atomic electric power by the construction of atomic electric powerplants at a rate which has given them, and continues to give them, a lead over the United States not only in generating capacity but more important in operating experience which can only be gained by building the plants and running them. The British had in February 1955 issued a so-called white paper in which it was proposed to construct by 1965 twelve atomic electric powerplants with a total generating capacity of 1 million to 2 million kilowatts. In March 1957, predicated in large part on the successful operation of Britain's first nuclear plant at Calder Hall which went into operation in October 1956 as the first commercial atomic powerplant in the world, the British announced that the program would include approximately 20 power stations involving 30 to 40 reactors for a total of 5–6 million kilowatts at an estimated capital cost of 2½ billion.

These power reactors will begin coming on the line in 1960. The Calder Hall plant has generating capacity of 92,000 kilowatts. The British built this plant by going to work in 1953 on a crash basis, a year before the United States started

our Shippingport plant. It took the British until October 17, 1956, to put Calder Hall on the line. Our Shippingport plant is requiring approximately the same construction time—3 years. The British now believe that additional plants can be built in as little as 12 to 18 months on the basis of technology they have learned in the construction of Calder Hall. They are so confident that early in 1957 they are commencing construction on the largest atomic electric power project yet announced by any country—a 360,000 kilowatt plant for Glasgow, Scotland.

By way of comparison with Russian plans, it is understood, on the basis of information available in the fall of 1956, that the Russians expect to have a nuclear generating capacity of 2.5 million kilowatts by 1960 with a variety of reactors which will be three times the most optimistic estimate for the United States of 800,000 kilowatts. The British, of course, have run rings around this Russian target by revising their own program in March 1957 to almost three times as great as the Russians. The reason is abundantly clear—the British know that national survival is directly dependent on the use of the atom for peace as well as for defense. Undoubtedly the Russians have since the fall of 1956 revised their own plans upward, and America in the meantime continues to suffer from the Commission's numbers game of meaningless charts and tables.

The British type of reactor has three distinct advantages over American types. In the first place, the British gas-cooled reactor is fueled with natural uranium instead of enriched uranium. Second, the British reactors are simpler in design and easier to build. And in the third place the British have been cinching their lead over this country by virtue of benefiting from the construction and operating experience of Calder Hall. And don't think for a moment that the British are not boasting about the lead they have over us.

Sir Christopher Hinton, a top official of the British atomic energy authority, has said that, based on Calder Hall experiences, substantial design improvements have already been developed which make the British confident that "reactors of the Calder Hall type can produce power at a cost comparable with that of modern stations using conventional fuel." He said further that the Calder Hall reactor is "giving us the initial lead in the use of nuclear power and we shall be able to retain that lead for at least a decade by improvements in this type of reactor."

When Sir Christopher speaks of cost of power comparable to that produced using conventional fuel, he, of course, is referring to a comparison in high fuel cost areas such as exist in Britain and all of Western Europe, the Philippines, Japan, and all free Asia. It is well known that there are comparable high fuel cost areas in the United States. New England is a good example. The Commission closes its eyes to this fact and bases its comparisons on the lowest possible cost of conventional power with that of potential nuclear power cost. This is more fallacy.

The United States made a fateful decision in 1953 to develop only single-purpose reactors, instead of using our production plants to generate heat for electricity as well. The British and the Russians chose to follow the dual-purpose road, which means that they combine in a plant or facility the production of weapon material and the generation of heat for electricity. In the production of weapon materials, quantities of heat energy are created by the nuclear fission involved in the process. The United States is wasting this heat energy whereas the British and the Russians are putting it to work in generating electricity. The basic Atomic Energy Act of 1946 clearly contemplated that this heat energy be used in a constructive manner either by the Commission, by other Government agencies, or by public or private utilities under contracts providing for reasonable resale prices. But we have not done it. How wasteful should even this wealthy Nation permit itself to be?

The gravity of the problem was well stated by General Electric's vice president in charge of atomic energy, Francis K. McCune, who told the joint committee on May 24, 1956, the following:

> However, there is this about it: More than 3 years ago I know that I felt, and I know that I said, that there would be grave concern over our situation in electricity generation and that the best thing that this country could do at the time was to concentrate on wedding the electrical production to our plutonium production. That, I think, would have put us in an international situation in which we had a lot of electricity, let us say, and I think that is what is worrying us.
>
> Now, that was debated. There were provisions debated in the 1954 act that could have made it so or not so, but the upshot was that nothing was done, and we have started on the single-purpose road. England went down the dual-purpose road. Russia went down the dual-purpose road. I am convinced totally of that.
>
> Having done that 3 years ago, they are going to get more electricity sooner than we are. Whether that is good or bad is an entirely different situation, but I do not think that is something you redeem at the present time.

The British have learned enough from their dual-purpose reactors to switch them over by improved technology to the single purpose of generating electricity. We know this is the case with the British, and there is little doubt to believe that the Russians can do the same.

What attention, if any, has this country given to the construction of a gas-cooled reactor such as the English are concentrating on? There is no gas-cooled reactor in any program of the Commission; not in the Government's experimental program; not in the Government's power demonstration program; and not in the independent industrial program. The only place where work is being done on the gas-cooled reactor is a study being made under the Army power reactor program. On June 28, 1956, AEC witnesses stated that there is an item in the fiscal 1957 budget under the heading of the army power reactor program for study and development work on a closed cycle gas turbine reactor with the expectation that that effort will be pursued to the point of building a reactor experiment. The budget estimates for fiscal 1958, on page 73, contain the modest amount of $5,600,000 for three general reactor concepts, one of which is the gas-cooled reactor.

This stubborn unwillingness to recognize a good thing is placed in even greater focus by the fact that the British Government has either refused, or in any event has failed, despite requests from the United States to supply this Government with information and data and technology regarding the gas-cooled reactor. This refusal or failure is beyond comprehension in view of the fact that the United States Government in 1956 agreed to give information on the design and operation of the atomic submarine *Nautilus* to the British. Commissioner Murray of the Atomic Energy Commission has been urging the United States to develop and build a gas-cooled reactor that will improve on the successful new British type.

The need for expansion of energy-producing facilities in Europe is beyond question. Whereas in 1938 only 6 percent of Europe's energy requirements were imported, now 25 percent are imported, and it is reliably predicted that this percentage will jump as high as 50 percent in the next 20 years. Six western nations of Europe have just joined together in an international program called Euratom. They hope to discontinue the construction of conventional powerplants after 1961 and to have 3 million kilowatts of nuclear power by 1962 and 15 million kilowatts by 1965. If realized, the Euratom group will be the world's leading center of atomic electric power. These nations do not have the technology to proceed with this program, and must therefore buy from either the United States or Great Britain. The likelihood is that they will buy the only proven reactor in this country, the pressurized water reactor, from us, and the only proven reactor in Britain, the gas-cooled reactor, from them.

Recently American industry has suggested that the United States subsidize the construction of reactors abroad in order to acquire needed technology. There is absolutely no need for subsidy. This country can sell our reactors on a full-cost basis, and should do so only on a full-cost basis. We can experiment here at home on every feasible type of reactor, but in doing so we have absolute control over the technology being developed and also the schedule of construction and operation. This country should benefit from its experiences in constructing military installations in foreign countries and reflect upon the understandable complications which inherently arise when American money is used to construct permanent installations and facilities in other countries. Since Britain is slow in giving us the technology and other valuable data from their own construction and operation of the gas-cooled reactor, what possible firm assurances could this country hope to secure from any other nation?

Japan has as urgent a need for nuclear power as Western Europe. The Japanese need is an historic one since Japan has always been short of fossil fuels. This is true also of the Philippines and all of

free Asia. Japan has determined its need of nuclear power at 3 million kilowatts by 1962 and is on the verge of purchasing atomic reactors from either the United States or from Britain. American representatives have been to Japan for the purpose of selling our pressurized water reactor which is not yet in commercial operation, but a Japanese commission has been to England and has actually seen the Calder Hall plant in operation. The inclination of the Japanese is to buy from Great Britain, but the question of which type they will buy has not been finally determined and, consequently, the United States still has an opportunity, even at this late date, to try to retain its standing internationally by persuading the Japanese to buy from us.

It cannot be overstated that the capacity to generate energy is the key not only to peace but even more so to war. The tremendous consumption of electricity required by the Atomic Energy Commission itself presents ample proof of this premise. Looking at AEC's consumption of electricity nationwide, we find that AEC presently uses 20 percent of all of the industrial power generated in the United States. Looking at the total consumption of electric energy in the United States, AEC consumes 10 percent of the Nation's total, or a kilowatt requirement exceeding the combined capacity of the New England States.

In my opinion this country is at a crossroads and cannot afford to repeat the mistakes which it has made during the last 3 years. Development of atomic electric power must be pushed immediately, and the record clearly shows that the job is so complex that only the Government itself is in a position to get the results which must be achieved at the earliest feasible time. It is my firm conviction that the Federal Government should immediately initiate construction at existing Atomic Energy Commission sites of full-scale atomic electric powerplants.

Mr. CANNON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Seventy-two Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 62]

Anderson, Mont.	Dawson, Ill.	Granahan
Aspinall	Delay	Green, Pa.
Barden	Dies	Gregory
Bentley	Dollinger	Harvey
Barrett	Dorn, N. Y.	Healey
Blitch	Eberharter	Hiestand
Bowler	Fallon	Hill
Budge	Farbstein	Hillings
Celler	Fino	Holt
Chudoff	Frelinghuysen	Holtzman
Colmer	Fulton	Hyde
Curtis, Mo.	Garmatz	Jenkins
Davis, Ga.	Gordon	Kean
Kearney	Patterson	Smith, Kans.
Keating	Pelly	Steed
Kelly, N. Y.	Powell	Taylor
Krueger	Prouty	Teague, Tex.
Lipscomb	Radwan	Teller
Loser	Rains	Thomas
McDonough	Reece, Tenn.	Thompson, La.
McGovern	Rhodes, Ariz.	Thompson, N. J.
Magnuson	Riehlman	Utt
Metcalf	Roosevelt	Vinson
Miller, Calif.	Sadlak	Vursell
Miller, N. Y.	St. George	Walter
Morano	Scherer	Widnall
Morrison	Shelley	Willis
Multer	Sieminski	Yates
Patman	Sisk	Zelenko

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 6871, and finding itself without a quorum, he had directed the roll to be called when 337 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the subcommittee of the House Appropriations Committee, which handles the annual supply bill for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year 1958 presents to the membership of the Committee of the Whole and of the House a bill showing reductions from the amount of the 1958 budget estimates to the extent of $101,850,000.

At the outset I should like to thank my fellow members of the subcommittee, the distinguished gentleman from Georgia [Mr. PRESTON], the distinguished gentleman from Florida [Mr. SIKES], the distinguished gentleman from Washington [Mr. MAGNUSON], and the minority members, the distinguished gentleman from New York [Mr. COUDERT], the distinguished gentleman from Ohio [Mr. BOW], and my long time friend, the distinguished gentleman from Ohio [Mr. CLEVENGER], for their cooperation and courtesy during the course of the long and extended hearings with regard to this budget. I would be remiss if I did not say a word with regard to the executive secretary of this committee, Mr. Jay B. Howe, without whose untiring assistance the committee could not have gotten into a budget such as this to the extent that it has.

The amount recommended in the bill for the Department of State is $180,382,743, as compared with a budget estimate in the amount of $227,714,552.

With regard to the Department of Justice, the committee was requested $234,655,000 and allowed $227,855,000, or a reduction of $6.8 million.

For the judiciary the committee approved $38,562,050 of a request for $40,780,250.

With regard to the Information Agency, there was a request in the amount of $144 million, $140 million for the program, and $4 million for a new transmitter in the vicinity of the eastern end of the Mediterranean. As to this request, the committee allowed $106.1 million, a reduction of $37.9 million from the budget estimate.

Finally, with regard to the President's so-called cultural fund, a fund appropriated to the President, there was a request in the amount of $18.5 million, and the committee allowed $10.9 million, a reduction to the extent of $7.6 million.

A summary which I have made with regard to these appropriations indicates that the committee recommends in the pending bill for these 5 parts of the Government $563,799,793, or a reduction of $41,665,364 as compared with the current fiscal year and $101,850,009 in the amount of the budget estimates. This reduction, made at the time when we are confronted with the highest peacetime budget in history, amounts to over 15 percent.

At the outset, and as indicated at page 2 of the committee report on this bill, I should like to call your attention to the fact that in the Department of State and the United States Information Agency there were over 950 positions added to the payroll over and above the number that were requested of the Congress a year ago, and this in the face of a cut of $22 million last year in funds for the United States Information Agency. The committee says at page 2 of the report:

> The committee was at a loss to understand how it was that the President's Bureau of the Budget would permit such a thing, until it was discovered that they too had resorted to this same device in their own 1958 budget presentation although on a smaller scale.

Now, what happened, so that each and every one may thoroughly understand this, is the following: The committee was presented with a set of justifications with regard to, let us say, the first item we came across, Assistant Secretary of State for Congressional Relations. This page of the justifications presented to the committee this year indicated that for 1958 fiscal year they were asking for 22 positions, $184,935. Alongside that was a column indicating the 1957 figure, which showed 22 positions, $184,935. Alongside that was another column, for 1956, indicating 22 positions, $180,713.

Upon a hurried glance at this summary with regard to the Office of the Assistant Secretary for Congressional Relations, one would gain the impression that the work was being carried on on the same basis over the 3-year period. But we asked our committee clerk to get the set of justifications presented to us last year. We were amazed to find that the 1957 figure then being asked of the Congress was 19 positions, and $149,685.

Such procedure is about the nearest to fraud and deceit that I have come across in a long time. I am speaking, mind you, of only 3 positions. This happened with regard to 950 positions.

After unearthing the circumstances which I have just disclosed, we then found the Department of State requesting 1,327 additional positions over and above the ones which without any authorization or notice to the Appropriation Committee of either House of Congress they put on the payroll. Someone may ask, "How many new positions are in this budget?" There were requested 1,327 for the Department of State. None was allowed. For the Department of Justice

there were 126 new positions requested. We allowed 63 in the FBI. Incidentally, we allowed every bit of the requested appropriation for the FBI. For the Judiciary there were 132 additional positions requested. The committee allowed 44, of which 40 are for the Bankruptcy Division and presently required because of the fact that bankruptcies are now at the highest number in the history of the United States Government. And it is expertly predicted that they will be higher in the coming year.

Members will find all this information and details in the committee hearings and I believe we have also mentioned the situation in the committee report.

As to the USIA, after having put 508 additional unauthorized positions on the payroll, they came along and asked for 796 over and above the 508. Needless to say, they were not allowed.

Then we found practices in the Department of State such as the opening of a Passport Office in Los Angeles, Calif., by the Director of the Passport Agency, without any notice to the committees on appropriations of either branch of the Congress. She just went right ahead and opened an office costing the taxpayers $110,601.51. Where does the business for the Los Angeles office come from? Part of it comes from the San Francisco passport office which we opened some years ago. So now the business is decreasing in the San Francisco office, and it is going up in the Los Angeles office. They got along all right in Los Angeles for a long time by having the clerk of the Federal Court handle the passport applications, all of which were handled by him at no cost to the Department of State.

I mention these facts as an indication of the thinking of the Department of State. There seems to be no control whatever with regard to what they can do. Last year in the committee report reference was made to the exorbitant amount of money requested for so-called transfer allowances. These used to be allowances to cover the situation where a Foreign Service officer came from a post in a very hot country and had to go to a post in a very cold country. Allowance was made for his required change in clothing. Why, they ran that up from an all-time high of $75,890 in 1955, to $595,000 last year, after we told them it was wholly exorbitant, and by that expected they would not go ahead with this step-up from $75,000 to $595,000. Lo and behold, they come along this year with a request for $632,594. We have directed that they go back to the $75,890 figure.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman has made an excellent statement in amplification of the report, which is one of the most amazing I have read in a long time in connection with an appropriation bill. I believe the gentleman's committee last year gave the State Department $250,000 to buy certain equipment to save manpower in the Department of State. Is that not correct?

Mr. ROONEY. The committee found out this year after having given Mrs. Knight in the Passport Office a quarter of a million dollars to buy new machinery that we were assured was going to save personal services and personnel down there—they asked for the money and got it—that the machinery had not yet been invented.

Mr. GROSS. Can the gentleman tell me what became of the $250,000?

Mr. ROONEY. They used a good part of the $250,000 to establish 55 new positions.

Mr. GROSS. And that again was deception in that they asked for the money for a specific purpose?

Mr. ROONEY. Exactly. We told them they would not get any more money for machinery. They had better find out how to retrieve it.

Mr. GROSS. How can we cure them, to use the expression, of "sucking eggs"?

Mr. ROONEY. You just have to get some sensible thinking down there.

The week before last here in Washington I had a dinner guest who handed to me a clipping from the previous evening's Washington Evening Star. I started to read it. It stated that a new tennis pro would take over at the Sheraton-Park Hotel, that Allie Ritzenberg, noted tennis pro and former tennis star at the University of Maryland, was going to take over the tennis courts at the Sheraton-Park, that they would be open to the public 7 days a week, and that he would be there ready to give lessons. I turned the clipping back. My friend said, "But you miss the point of this thing." I had read it too fast. We all make mistakes sometimes. I had not noticed the last one-sentence paragraph, "Allie is now in Port au Prince, Haiti, on a mission for the Department of State."

I said, "Oh." The next day I gave the committee secretary the clipping to call on the State Department to tell us what sort of a mission Allie was on in Port au Prince, Haiti, knowing exactly the kind of place Port au Prince is, having been there a couple of times. Many of the poor people there are barefooted and lucky to have clothing on their backs. There are a few ritzy hotels up on top of the mountain in back of the city. Why, we found that Allie is down there teaching tennis for the State Department at $6,800 for the 6-month period from November until next May 11th. Fortunately, he has a good job out at the Sheraton Park beginning in May or he might still be down in Port au Prince, Haiti, at a cost to the taxpayers of $6,800 for 6 months.

I do not know whether I need to say much more with regard to this bill. It covers quite a bit across the Government. You have the Federal prison system, the FBI, the Immigration and Naturalization Service. You have all the courts, the State Department, and oh, yes, the Brussels Fair. Yes, we have the Brussels Fair, and I should like to call your attention to the top of page 22 of the committee report.

Mr. ROONEY. For 26 weeks in Brussels in 1958, there is going to be an international fair. We have to put up a building over there. Of course, the State Department did not let out any bids on this. They just went right ahead and hired a Belgian architect and a Belgian contractor. When they complete this building, they are going into a gala theatrical performance. This will be for 26 weeks and, mind you, after they put up the building, they must raze it at the end of the 26 weeks. They propose to have 9 weeks of musicals at a cost of $540,000 or $60,000 a week. What musicals? Well, I hope nobody thinks I am against the theater. I am from Brooklyn in New York City, which is the theatrical center of the world. The State Department proposes to send Annie Get Your Gun, Carousel, which is an adaptation of a Hungarian play by Ferenc Molnar, and Guys and Dolls—as examples of American culture. I do not know who sells these things to the President down at the White House. This is one of his most important programs—Guys and Dolls, Damon Runyon—the Bowery—Nicely Nicely Johnson—and the Great White Way—fine entertainment for the American public but what a great cultural impact—and done in English, incidentally—in Brussels to the people of Europe. Sometimes I wonder.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. HALEY. I notice on page 2 of the committee report where the Department of State and the United States Information Agency proceeded to establish in 1957 over 950 positions more than they had requested in their 1957 budget presentations. These agencies now come along and request funds to "annualize" these positions in the fiscal year 1958. What does the word "annualize" these positions mean?

Mr. ROONEY. Well, you see they put these people on at the end of the fiscal year in May and June and they tell you when they come in this year, "We have so many positions." The committee discovered they had in both agencies 950 more than they were ever authorized or requested to have. So then they want these positions annualized. You see they only pay them in the previous fiscal year for a month or two and then they want money for the full fiscal year following their addition to the payroll.

Mr. HALEY. Did the committee do anything about deannualizing these positions?

Mr. ROONEY. Oh, yes, yes.

Mr. HALEY. That is fine.

Mr. ROONEY. I think we have adequately taken care of that.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. I want to ask the gentleman two or three questions.

Mr. ROONEY. I hope I can answer them.

Mr. SMITH of Virginia. First, let me say I desire to congratulate the gentleman and his subcommittee on the very fine and meticulous and careful job they have done in screening out the unnecessary expenditures with which this department seems to be loaded. I notice it is intended to create an additional Assistant Secretary of State for African Affairs. I believe that has not yet been

authorized. I wonder if it ought to be carried in this bill when it has not been authorized.

Mr. ROONEY. It was the opinion of the committee that there is progress being made in Africa now, and with new countries coming into existence, we must have some representatives there. In this particular instance we are directing that they use the money that I referred to a while ago, transfer allowances, to open up their 10 new consular and reporting posts. The requested increase with regard to the so-called Bureau of African Affairs comes to not more than $150,000.

Mr. SMITH of Virginia. I understood that the operation of that new department would require about $4 million.

Mr. ROONEY. No. That is not the case. The formation of the Bureau of African Affairs would cost approximately $150,000. We are represented in Africa now in most of the countries.

Mr. SMITH of Virginia. We have always been represented, and I was wondering why it was necessary to create a new office.

Mr. ROONEY. It is an administrative decision, I will say. Authorization for a new Assistant Secretary for African Affairs has not yet been approved by this House.

Mr. SMITH of Virginia. Then I wanted to ask the gentleman about this item of "Acquisition of buildings abroad." They are being paid for entirely out of this counterpart currency?

Mr. ROONEY. No, not entirely. The bulk of the amount with regard to acquisition of buildings is in foreign currencies, not American dollars.

Mr. SMITH of Virginia. How much actual money are we going to pay for this $18,500,000 worth of new buildings abroad.

Mr. ROONEY. If the gentleman will bear with me one second, there is included within the bill $18½ million in connection with this item, which is not only for acquisition of buildings but also for the maintenance of our present buildings. The committee allowance is a reduction of 1½ million from the amount which was requested. Of the $18½ million approved they must use not less than $15 million to purchase foreign currencies and credits now owed to or owned by the Treasury of the United States.

As I have said on this floor many times—very often I used to have trouble with this problem, but not any more—I would rather have a piece of real estate—it has been a fact that most of our real estate has increased in value over the years—I would rather have a piece of real estate than a credit entered in a book. That is about what this comes to.

Mr. SMITH of Virginia. I was wondering why you did not purchase all of it with this foreign currency.

Mr. ROONEY. The direction of this program is here in Washington, and dollars are required therefor. In some countries we do not have any or sufficient credits. We have 201 office buildings over the world; 120 office residences; 162 residences for senior officers and attachés, and 1,999 staff living units. Some cash is required in order to handle this huge operation.

Mr. SMITH of Virginia. Contributions to international organizations: There is an item of $35 million of which I understand $16 million is our part of the United Nations expense. That amounts to $19 million that we are expending in these 31 various and sundry international organizations. What portion of that is this Government paying? What proportion of the entire amount?

Mr. ROONEY. With regard to the United Nations, the United States' share is one-third. In the case of UNEF, the police force which is over in Egypt, some of our diplomats thought it well if we paid 50 percent of part of that cost.

Mr. SMITH of Virginia. My question is directed at the 31 international organizations to which we are now contributing. I wanted to ask what proportion of it we pay and whether we cannot get rid of some of it.

Mr. ROONEY. We pay in different proportions, I must say to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. What I am getting at is whether there is any way for us to get rid of some of this expense in connection with international organizations.

Mr. ROONEY. They have not been very successful in that regard.

Mr. SMITH of Virginia. We should do something about it.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr ROONEY. I yield to the gentleman from Florida.

Mr. SIKES. I think we should point out at this time that all this participation and the percentage of participation was authorized by Congress. So if something is going to be done it will have to start in an authorization bill in the Congress. We put ourselves in this position, which I consider as untenable as does the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. I am fully aware of what the gentleman from Florida says, that we put ourselves into this position. What I want to know is how we can get out of it and save part of this $20 million.

Mr. ROONEY. That would be up to the Congress. If we were to presently deny funds we would still be members of these international organizations and our dues would continue. We would be carried on the books as delinquent members.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I promised to yield to the gentleman from Virginia for a series of questions.

Mr. SMITH of Virginia. I have just one more question.

In the item dealing with the Information Agency did the committee cut out the magazine published by this outfit, the one he criticized?

Mr. ROONEY. Which magazine?

Mr. SMITH of Virginia. I think it is called the American magazine.

Mr. ROONEY. Amerika Illustrated? No; we did not cut that out. I think that to cut that out would be a mistake. It looks like Life magazine. It is well done. It is put out in Russia, and they tell us that as soon as it hits the stands in Moscow it is sold out in 10 minutes; that the magazine is passed from hand to hand until each copy reaches a hundred different people, until it is worn out and comes apart in shreds.

I approve the use of this magazine in Russian. The language used at pages 19 and 20 of the report was more to indicate that this agency is directing its propaganda toward the American public, telling them how good they are in order to get bigger and better appropriations.

The USIA told the committee that they gave out 4,000 copies of this magazine to Americans on its first issue. They insisted that these free copies were requested by the recipients. So we asked them to bring up all the written requests. We wanted to look at them. They came up with a shoe box full of form cards which said "Yes, kindly send me a copy of the first issue of the new Amerika Illustrated." Then we asked for a copy of the letter they sent out with the return card. They brought the letter up and it appeared that they notified the people they could have a free copy—sign the card and they would send them a copy of this magazine.

Mr. SMITH of Virginia. It occurs to me that might be something we could get rid of.

Mr. ROONEY. I say emphatically to the distinguished gentleman that I would not dare suspend the publication of this magazine in Russian. It happens to be one of the things that the United States Information Agency does that is required.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to take exception to the comments of the gentleman from Florida [Mr. SIKES], who said that membership in all these organizations abroad for which we are making appropriation was authorized by Congress. I would like to remind the gentleman that the general agreement on trade and tariffs has not been.

Mr. ROONEY. I believe I have heard the gentleman mention that subject once or twice before.

Mr. BAILEY. Mr. Chairman, will the gentleman yield further?

Mr. ROONEY. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman will agree with me that the item on page 3 of the bill of $93,088,500 and the item of $18,500,000 at the bottom of page 4 must contain money to pay the salaries of the State Department employees working at Geneva, Switzerland, on the general agreements on tariffs. I make the point they are all illegal because they were not authorized by the Congress.

Mr. ROONEY. I am sorry I cannot agree with the gentleman.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Florida.

Mr. SIKES. This is a contribution to a temporary international organization. It is carried under contingencies. It has

not been authorized as a permanent contribution; and to that extent, of course, the gentleman is correct.

Mr. ROONEY. I thank the gentleman.

Mr. Chairman, I shall conclude by paying tribute to the gentleman from Ohio [Mr. Bow] who produced the best piece of evidence that the committee came across with regard to this business of the United States Information Agency and President Eisenhower's cultural program. It appeared they paid Dizzy Gillespie $2,150 a week, then had to pay additionally for 15 musicians and 2 vocalists to go along with him, pay for the rehearsals of these musicians no less, then had to send along a lecturer who did not speak the language of the countries visited, as well as the expenses of Dizzy's baggageman.

During the course of the questioning with regard to this alleged cultural program, the gentleman from Ohio [Mr. Bow] read from a pamphlet put out abroad by the United States Information Agency. He read a statement from that pamphlet to the witness. The witness did not at that time know from what sort of paper or book Mr. Bow was reading. Mr. Bow asked him if it was as the result of the statement he had just read, that we need a cultural program. The witness in effect replied, "Oh, yes. That is exactly what we use it for. We have to offset that kind of statement." And Mr. Bow was reading from a pamphlet put out abroad by the United States Information Agency.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I note on page 21 of the report that the committee under "Department of State cultural and sports presentations" recommend $2,300,000 and cut $800,000. Could the gentleman briefly tell us what that $2,300,000 is going to be spent for? That is a lot of money.

Mr. ROONEY. If the gentleman will kindly come over to the committee table I shall show him and he will see the alleged justifications. He will see the list of athletic, choral groups, band, and so forth included in the program.

Mr. GAVIN. Would the gentleman put that in the RECORD so that we will be able to see the breakdown of the $3,100,000.

Mr. ROONEY. Very well. The following is the summary:

Department of State, President's special international program, artistic and athletic presentations by areas—Summary, 1958 fiscal year

Activity	American Republics area		Europe, Western		Europe, Eastern		Far East		Near East		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Orchestras	1	$168,895	1	$168,895	1	$147,783	1	$168,895	1	$168,895	5	$823,363
Drama and musical comedy groups			1	161,000							1	161,000
Musical groups	2	100,436	2	100,436	3	131,822	2	100,436	2	100,436	11	533,566
Dance groups	1	132,945	1	132,945			1	132,945	1	132,945	4	531,780
Individual artists	4	84,648			7	129,617	6	126,972	5	105,810	22	447,047
Sports activities	3	66,000			4	77,000	5	110,000	4	88,000	16	341,000
Subtotal	11	552,924	5	563,276	15	486,222	15	639,248	13	596,086	60	2,837,756
Promotion												94,500
Administration												167,744
Total												3,100,000

Mr. COUDERT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, let me say at the outset that it has been a pleasure and a gratification to me again this year to serve on this subcommittee. A more capable and agreeable group of gentlemen would be hard to find, a more patient, effective, and hard-hitting chairman would be harder to find, although I do not always agree with his conclusions. A more capable, patient and industrious staff assistant than Jay Howe would be hard to find. It is really a rare privilege to serve on the committee and I have enjoyed every moment of it. I am only sorry that all of the conclusions of the majority of the committee are not mine nor that of one or two other members of the minority members of the subcommittee. The report submitted by the chairman of the subcommittee, and which he has commented upon at some length, suggests rather more of an indictment of a couple of great national agencies than anything else.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from New York.

Mr. ROONEY. Can the gentleman point out one allegation contained in that report which is not factually true?

Mr. COUDERT. The gentleman is quite right. I merely said to my friend, for whom I have the warmest regard and the greatest respect, that it leaves the impression of an indictment, because all it does is point out mistakes or errors or differences of opinion regarding these two agencies involved. I simply submit that the State Department is the first line of defense of the United States today.

Mr. ROONEY. Mr. Chairman, will the gentleman yield at that point?

Mr. COUDERT. I yield.

Mr. ROONEY. Surely the gentleman understands that my thinking in that regard is the same as the gentleman's. The committee report is a criticism of that first line of defense.

Mr. COUDERT. If my good friend from New York will let me finish my statement, I will be delighted to yield to him.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Minnesota.

Mr. JUDD. Is this not a situation where a collection of mistakes of judgment and excesses and human failures has been put together representing a tiny fraction of the total work being done, in which the individual illustrations given may be accurate, but the total impression given is completely false?

Mr. COUDERT. That is precisely correct.

Mr. JUDD. Is it not a case of picking out all the failures and making no adequate appraisal, in perspective, of the remarkable successes that have been accomplished by both of those agencies in very important and crucial fields?

Mr. COUDERT. The gentleman from Minnesota has taken the words out of my mouth. I thank him.

Anyone who reads the report through can only think ill of the State Department, whereas in truth and in fact we have lived successfully through 4 difficult years. Perhaps there have never been 4 more difficult years in the absence of a great war, and when we are in a great war, the State Department takes second place. Somebody very properly has said—I have forgotten who it was—that when the diplomats fail the generals move in. Now, many of us in this House and on this floor this afternoon will remember that in our time alone there have been three great wars where the diplomats failed and the generals moved in.

Now, my objection and the objection of one or two of my associates on the minority side is that the cuts made in the State Department requests are too deep. I quite agree, there undoubtedly have been mistakes. I do not condone the practice of putting employees and staff members on the payroll contrary to budget justifications without notifying the Appropriations Committees, although there is no legal requirement and there is no violation of the law involved. It is still bad budgetary practice, and I still think that when an agency or a department adds to the payroll more than those requested in its budget justification, they should advise the committee. But there is no justification for punishing the department or the agency and punishing the people of the United States by undermining the prestige, limiting the striking power of a great agency like the State Department.

I object particularly to two item cuts in the State Department budget. First, despite the continuing growth in the burdens, and the responsibilities, and the obligations of the State Department, and the corresponding need for additional manpower, the ablest possible manpower, this subcommittee, with approval of the full committee, is submitting a bill that gives the State Department exactly the same amount for operations that it is now getting in current fiscal 1957. Yet there is not one of us in this hall who does not know that everything has gone up in the last year; every cost has gone up, and as burdens go up and responsibilities go up, obviously the costs of a great Government Department go up, and, in my opinion, we should have allowed at least a part of the requested increase for salaries and expenses for the operation of the Department.

I also regret the fact that a majority of the subcommittee chose to further reduce the already limited representation allowances which alone make it possible for career Foreign Service officers to hold important positions. In the current year State Department was allowed $800,000 for representation allowances.

The Department asked for $1,200,000 in the coming year because of the increase in number of personnel whom they expect to have and probably will have. The subcommittee cut them back $200,000, down to $600,000. That is a small matter, but after all, representation allowances are a weapon of the Department of State in the constant conflict to preserve peace in an ever more troubled world.

Mr. GROSS. Mr. Chairman, would the gentleman yield?

Mr. COUDERT. I should be happy to yield.

Mr. GROSS. The distinguished gentleman from Virginia [Mr. SMITH], mentioned an Assistant Secretary for African Affairs. Where in this bill is there an authorization for the creation of an Office of Assistant Secretary for African Affairs? I understand that this bill would create a Bureau of African Affairs, but I do not find in the bill itself any authorization for an Assistant Secretary.

Mr. COUDERT. I do not know whether it is authorized or not.

Mr. GROSS. Is there that kind of authorization?

Mr. SIKES. Mr. Chairman, would the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Florida.

Mr. SIKES. There is no authorization in this bill for an Assistant Secretary. An authorization would be necessary if one were appointed.

Mr. COUDERT. That seems to answer the question.

Mr. VORYS. Mr. Chairman, would the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Ohio.

Mr. VORYS. I understand that a bill creating such a position passed the Senate.

Mr. GROSS. It passed the other body the other day on the unanimous-consent calendar. Not a word was asked about it and no answers were given. But let me say to the gentlemen that when the bill comes over here there will be at least one or two questions asked.

Mr. COUDERT. Of course, if it does not pass the House, there will be no additional Secretary. That is fairly obvious, because an authorization is required.

Let me say in summary about the State Department that in my humble judgment the Secretary of State is one of our great Secretaries. He also happens to be a resident of my district. Also, he is a very old friend of mine. I am very proud of that. He has conducted our foreign policy with success under the greatest difficulties. We are still at peace. That is something not to be laughed off. We are still in trouble because the world is full of trouble and confusion and uncertainty. In my humble judgment it was never so important to maintain a strong, powerful, competent, hard-hitting State Department. And I do not think that can be done unless it has the full backing of Congress, and unless it has more money than is allowed in this bill. I trust that somewhere along the line there will be sober second thought and additional funds will be provided.

There is another agency that came in for a bad trimming at the hands of a majority of this subcommittee. That is the United States Information Agency, which is a handmaiden of the State Department. It is an auxiliary of the State Department created in Democratic administrations, supported, authorized, and appropriated for by Democratic and Republican Congresses and universally recognized as a necessary instrument for the conduct of foreign affairs. We have had it now for 10 or 12 years. I have forgotten exactly how long.

The President in his state of the Union message chose to refer to this Agency, the only agency or department to which he referred in that message, as requiring greater appropriations than in the current year. Said he in his state of the Union message:

> World events have magnified both the responsibilities and the opportunities of the United States Information Agency. Just as, in recent months, the voice of communism has become more shaken and confused, the voice of truth must be more clearly heard. To enable our Information Agency to cope with these responsibilities and opportunities, I am asking the Congress to increase appreciably the appropriations for this program and for legislation establishing a career service for the Agency's overseas Foreign Service officers.

That latter, of course, had nothing to do with this bill, is not in this bill, and does not concern the House at this time.

Then later the President was advised that a substantial cut might be made in the relatively small sum requested for this agency which he considers so important in the conduct of the foreign policy of the United States, so important to the success of the objectives of the United States, the preservation of peace, the reduction of armaments, greater understanding among people. When he discovered that this committee was considering a substantial reduction he wrote a letter to the chairman of the subcommittee, the gentleman from New York [Mr. ROONEY], to me as ranking member, to the chairman of the full committee, Mr. CANNON, and to Mr. TABER, and I think perhaps to the former Speaker and minority leader and to the Speaker of the House. In that letter, dated April 9, the President said:

> I must express my deep concern over the possibility of a slash in this budget. No doubt you are as sensitive as I am to its critical importance and realize with me that this importance has been magnified by recent world events. Imperatively, in key areas of the world, America's voice of truth must become more clearly heard. There is pressing need for expansion of our informational functions in the Near East, Africa and the Far East, and I cannot over-emphasize the urgency of completing a land-based transmitter in the eastern Mediterranean to make our radio broadcasts more audible in important Near Eastern countries.

Parenthetically, the committee allowed the radio station, which will take a year or two to build, and allowed the entire amount requested to be obligated in 1958, which is $1.1 million.

The President concluded in these words, showing the great importance that he as the director of the foreign policy of the United States attached to this program. We cannot substitute ourselves for him. He alone must be the arbiter of the conduct of our foreign relations.

> This program is a key instrument in our efforts to promote peace, world understanding, and eventual reduction of armaments. It contests with a vastly greater Communist effort. This undertaking I consider so basically important to the vital interests of the United States that I address these views to you. I hope you will do all possible to maintain and strengthen this essential activity of our Government.

What did our subcommittee do and what did the full committee approve? In the current year the Agency was allowed the sum of $113 million to conduct a worldwide information and propaganda agency to carry the word of America to the farthest corners of the earth, into lands in all stages of culture, of all colors and creeds, and in all states of mind, war and peace. This very subcommittee of this House last year allowed $110 million. As the result of action on the other side of the Capitol the final figure was $113 million. So what does this bill carry for this Agency, the importance of which the President goes so far out of his way to emphasize? This bill cuts the 1958 appropriation $10 million below that of the present year.

It is all very well to find mistakes in its operation. Able cross-examiners, experienced lawyers, experienced chairmen of committees like my friend from New York, can always in any great Government agency find mistakes, can find objects for derision, objects for differences of opinion; but the fact still remains that the most vehement and effective critics of this Agency, such as

Eugene Castle, a resident of my district, who has written forcefully upon the subject, admit the necessity for the existence of such an agency.

All the differences are about how to manage it. And so long as there is advertising in this world, so long as there are efforts to reach men's minds, there will be differences of opinion as to how to go about it and as to which medium is better than which other medium. The problem of this agency is that no two men will agree on how the dollars should be spent. Somebody has to decide it and only that agency can decide it. Of course, Congressional committees may differ. Other people may differ. Constructive criticism is helpful. It is an operation of trial and error that will improve as it goes along. I say we should give this agency, at the very least, the amount that it has in the current year of $113 million, to explain to the people of the world why we are spending $8 billion to maintain armed forces all over the world, to maintain bases all over the world, and giving foreign aid all over the world, and to explain what America is and what America's purposes in the world are, and what is its relation to the well-being of other people in the world.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. ROONEY. First, I would like to refer to the gentleman's reading of the letter of President Eisenhower. As he knows, I replied to the President's letter, and I should like to insert that letter and my reply at this point.

THE WHITE HOUSE,
Washington, April 9, 1957.

The Honorable JOHN J. ROONEY,
House of Representatives,
Washington, D. C.

DEAR MR. ROONEY: I understand that subcommittee action on the budget of the United States Information Agency is completed and will soon be considered by the full Committee on Appropriations.

I must express my deep concern over the possibility of a slash in this budget. No doubt you are as sensitive as I am to its critical importance and realize with me that this importance has been magnified by recent world events. Imperatively, in key areas of the world, America's voice of truth must become more clearly heard. There is pressing need for expansion of our informational functions in the Near East, Africa, and the Far East, and I cannot overemphasize the urgency of completing a land-based transmitter in the eastern Mediterranean to make our radio broadcasts more audible in important Near Eastern countries.

At the time of the Hungarian uprising our informational efforts demonstrated great value. The capacity of the Agency to react to future crises should be at the least maintained. My considered judgment is that they need to be substantially increased.

This program is a key instrument in our efforts to promote peace, world understanding, and eventual reduction of armaments. It contests with a vastly greater Communist effort. This undertaking I consider so basically important to the vital interests of the United States that I address these views to you. I hope you will do all possible to maintain and strengthen this essential activity of our Government.

Sincerely,

DWIGHT D. EISENHOWER.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D. C., April 12, 1957.

The PRESIDENT,
The White House.

MR. PRESIDENT: I acknowledge receipt of your letter of the 9th instant concerning the pending budget of the United States Information Agency, and I assure you that I share your views concerning the importance of its work and general program. On many occasions over the twelve years I have been connected with this agency's appropriations I have stated that I would be willing to vote the full amount requested for this program if it were managed and operated effectively and I will again make that statement.

Realizing that you receive far more documents and reports than you can possibly have time to read, but inasmuch as we both agree on the importance of this agency's work, I trust you will have time to go through the Committee's hearings and report with regard to the United States Information Agency. These hearings reveal a most amazing situation.

When the 1957 budget request for the United States Information Agency was submitted to Congress a year ago, request was made for a certain number of positions. The Congress subsequently made a reduction of $22 million dollars in that request and you of course signed the bill approving the reduced appropriation. After a reduction such as this, most people would expect that fewer personnel than the number requested would have been employed; but that did not turn out to be the case. We found, this year, that about 500 more positions were added, despite the reduction, than had been stated would be employed had the entire amount been approved. The same situation was found to be true with the Department of State and even the Bureau of the Budget itself.

I have made many trips abroad over the years and on each I have tried to carefully evaluate the program of the United States Information Agency in the areas visited. I cannot in good conscience say that I feel the American taxpayers have been getting the value they should for their money.

The record will indicate that his agency has gone far beyond what it was intended to do. It has used taxpayers' money to try and shape opinion in this country, which is completely contrary to the purposes for which this agency was established. Furthermore, I do not feel that we should appropriate money to try and influence our British friends—such as costly annual subscriptions to American newspapers for 644 members of the British Parliament. The pending Budget includes $702,476 for a "giveaway" of American newspapers and periodicals.

I must most respectfully take exception to your statement with regard to the Hungarian uprising. The efforts of the United States Information Agency in that crisis left much to be desired. In fact, the work of the United States Information Agency in the Hungarian situation was almost a complete failure, as were our diplomatic efforts. This failure is clearly indicated in the fact that we were unable to convince a majority in the United Nations that "enforcement measures" should be taken against Soviet Russia for its brutal and immoral aggression in Hungary. Assistant Secretary of State Robert C. Hill admitted this failure in a letter dated last February 5th and published in the CONGRESSIONAL RECORD, when he wrote that a "requisite majority of the United Nations is not prepared to support such action."

The foregoing is offered purely as honest criticism.

I shall make our correspondence available to the Congress and the press.

Sincerely and respectfully,

JOHN J. ROONEY.

Now it is utterly amazing how circumstances can change viewpoints. I do not know what to say in this regard. The gentleman from New York [Mr. COUDERT], my distinguished friend who is now in the well of the House, and the gentleman from New York [Mr. TABER] in the full committee last Friday sought to increase the USIA appropriation. They did not get very far. But, the point I want to make is that this change in ideas with regard to agencies just because President Eisenhower happens to be President is amazing. Let me read to you, and this is very brief, what the distinguished gentleman from New York [Mr. TABER] has previously said on this subject.

This is what my distinguished friend the gentleman from New York [Mr. TABER] had to say about the information agency on the floor of this House on the 4th of April 1952 when we were debating a similar bill:

> Mr. TABER. Mr. Chairman, when you get an outfit that is not doing a good job, some people think that the way to improve it is to throw a lot more money into it before it cleans up. My own idea of handling that kind of disease is to cut it down some until it gets straightened out. That is what this cut in the estimate is supposed to do.

It is utterly amazing how 5 years later viewpoints can change as they do.

Mr. COUDERT. Mr. Chairman, may I say to my colleague from New York, in five years the agency has learned something, and it has learned enough to get out of the committee, of which the gentleman is the chairman, $110 million last year. Why did you cut it down to $103 million this time?

Mr. ROONEY. The gentleman recalls, I am sure, that for the present year I did not want to give them the $110 million, but the gentleman from New York and others in that markup insisted upon it.

Mr. COUDERT. Did you yield to it? Did you go along with it? Did it come out of your subcommittee?

Mr. ROONEY. That was the amount in the bill which I am supposed to present on the floor of the House as the action of the full committee. I had to go along on giving them $110 million.

Mr. COUDERT. One more point I would like to draw to the attention of the members of the Committee of the Whole. My good friend from New York, Mr. ROONEY, has made much of and has provoked a certain amount of amusement in his references to the cultural program conducted by the State Department. Actors, entertainment, cruises around the world at public expense for the purpose of creating public good will, and yet he and his majority allowed in this bill the exact amount for the cultural program that is carried in the current year. Yet when he comes to the United States Information Agency, for which he went along for $110 million in the current year and ultimately $113 million, he cuts them down by $10 million.

I would like to know what has happened in the last 12 months to make that difference.

The CHAIRMAN. The gentleman from New York has consumed 24 minutes.

Mr. COUDERT. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I have agreed with the subcommittee on this bill except in one instance, and that was the instance of the United States Information Agency. I reserved on that item because it was my opinion that we should have given to them what they had last year; that is, $113 million, plus their retirement fund and a specific authorization for the building of one new installation. I shall come to my reasons on that later.

There are a few items that I think should be discussed. I admit that this report, although accurate and truthful, is in a sense an indictment. I can well understand perhaps why some of the Members of the House in reading this report may wonder why we are appropriating anything for these agencies, in face of this indictment. It is unfortunate that a report of this kind does not tell some of the good things and some of the constructive items that should be put into a report on these departments and agencies. But of course we have that situation today where, with all due respect to my distinguished chairman [Mr. ROONEY], he is not completely known in this House as being one who does not engage at times in partisanship. In the consideration of these bills may I say to the gentleman I do not think in committee it is particularly partisan, but occasionally the gentleman from New York [Mr. ROONEY] will take the floor and he will be just a little partisan at times. All of us who have known him over the years know that to be the fact, and perhaps that is the reason why this report is in the shape that it is. I would rather assume that if the situation reversed in the executive department today, this report would be in glowing terms of the accomplishments of the administration. But we must meet this thing as it is. We must face the facts. That is true. As I said, and I say it in all fairness and all candor, I could not point to a single item in this report that is not based upon fact.

But I would say this, that when you come down to talking about facts I noticed that the press the other day took a great interest and great delight in finding one section of this report which said that requests for funds for 1958 included such niceties abroad as swimming pools, clubhouses, cabin boats, mountain retreats, beach huts, and cabanas.

That makes good reading. That is a matter that would be of interest to the people who would pick up papers and read. But, Mr. Chairman, I will say to you very frankly, and it appears in the hearings, I think there are some places in this world where we owe it to those who make up our first line of defense in those areas to give them some recreational opportunities. We must do so for the morale of the service.

I do not agree with everything for which they ask in this bill, but I want the record to show that I do not believe such facilities are out of line in certain places I could pick out such as Karachi, Saigon, Laos, and other areas which are most important to us in our fight against communism and say they need help of this kind. I would not say that there are not places where it would not be uplifting to the morale of our Foreign Service for the very benefit of our country to see that our people whom we send out there have some form of recreation.

Mr. Chairman, we went into Laos where we found our people living in native huts, where their water supply was brought from the Mekong River in tanks, put in gasoline drums out in front of their houses, where every time they lifted the top off the drum you could see wiggly, crawly things in the water. They had to take that water and boil it for drinking purposes and cooking, and use it also for their sanitation.

Some of the finest American youth are in these services, and I think when they are sent into areas of that kind with their families we owe them something more than they are receiving. I think the question of some recreation and some relief for them is good, and I would support it.

It is not in this bill. I think we could point out many places where these people who have gone there have done a magnificent job for this country.

As the gentleman from New York [Mr. COUDERT] has said, these are strenuous times, and times in which the people our State Department sends to these faraway places carry great responsibility not only for this Nation but also for the free world, and I think it is a shame that in a report of this kind there is nothing but castigation of the agency, and that we do not pay tribute to those who are carrying the load of the free world and the load of our own Nation in the preservation of peace and the fight against communism.

So I should like to take this time to pay tribute to them. There has been a little fuss made here about the Passport Office and I would just like to say in passing, that the GSA said they could get some machinery that would speed up the delivery of passports in the Passport Office. This committee gave it to them last year, but Miss Knight did not accept that machinery because she found it would not do the job.

Is she to be criticized for not accepting machinery that would not do the job which GSA said it would do? Are we to criticize her for not spending money for this equipment she knew would not do the work? I think she did what was right. Read the record and you will find that increases were not in her job.

Let me say this, the gentleman from New York [Mr. ROONEY] in touching this matter complained bitterly that these people did things without telling the Appropriations Committee what they were doing.

You will find in this record that in the case of Miss Knight when they wanted to make some changes in her Division, the Passport Office, she had a paragraph put in which said she would agree to it provided consent was received from the Appropriations Committee of the two bodies of Congress. I think that she has done a magnificent job. We all remember what a fine job Mrs. Shipley used to do in that Department. Miss Knight is carrying on, she has expanded the Department and she has done an excellent job. As far as the Los Angeles office is concerned, the Committee on Foreign Affairs by legislation last year granted permission to open these offices the gentleman from New York now complains about. There is the authority. She had a right to do it. Are we going to continue to complain about operations for the benefit of the American people? That is what your Passport Office is for.

Now, if I may have the attention of the gentleman from Virginia [Mr. SMITH] on the question of acquisition of buildings abroad. When I was first assigned to the Committee on Appropriations, one of the specific assignments given to me by the chairman of the subcommittee was the matter of acquisition of buildings abroad. I made a study of that matter at that time and I have tried to stay with it as much as possible. If there is any one item in this bill that I do have personal knowledge of it is that particular question. May I say to the gentleman that I believe the program that has been established and that has been carried on for some years, is a good one. I believe that the $15 million we are using in foreign currency is being well used. Because under some of our agreements with foreign nations, we are limited to use some of this foreign currency for acquisition of building or buildings and for educational purposes, it has been a savings to the American taxpayers to use this foreign currency. The Foreign Building Office today under its operation is not attempting to build an empire, in my opinion. The new buildings are constructive and conservative. They are actually doing a good job in that department. I am very pleased to say that I think this particular item is well justified.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. COUDERT. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOW. Mr. Chairman, we must appropriate some dollars but those are in cases where we have no foreign currency. We have great investments in our buildings and we must maintain them, we must repair them and assume costs for matters of that kind. It is necessary for us to use dollars in some of these instances. I think the item is one that has been well handled.

Mr. Chairman, may I now address myself to the rest of the bill? There has been no talk here about Justice and the Judiciary, but I would feel remiss if we did not point out in this bill that under the Justice Department the committee has recommended $101,450,000, the full amount of the budget estimate for the FBI. The fact that we have appropriated that full amount for the FBI, it seems to me, indicates the confidence of this committee and of the full Committee on Appropriations, and I am sure of the Members of the House, in the fine

work that has been done by the Federal Bureau of Investigation and by Mr. J. Edgar Hoover. I am sure the House will go along with the idea that that is one agency we have complete confidence in, and we appreciate the fine work that has been done.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, I should like to join in the remarks of the distinguished gentleman from Ohio with regard to the Director of the Federal Bureau of Investigation, and point out that, if I am not mistaken, this is his 40th year with the Department of Justice.

Mr. BOW. I thank the gentleman.

Mr. Chairman, in closing, I would like to touch briefly on the USIA. As I stated previously, I reserved on that because I felt we should have given them what they had last year. I did not feel they should have any more. If you will read the record of the USIA, not only this year but in the past, you will find in the hearings that I, along with the gentleman from New York [Mr. ROONEY], have been perhaps one of its most severe critics. I have dug into that Agency as hard as I could to try to show the mistakes which they made, and which I believe they made, and, in my opinion, I believe they have made a good many mistakes. But we are in a war, a cold war, for the battle of the minds of men all over the world. I do not believe, if we had an appropriation bill here for the Department of Defense, that if we found a division commander in one area of the world had wasted ammunition, that he had been extravagant in a particular way in the use of his military might—I do not believe we would have cut down the entire budget, and said, well, because one fellow over here has done that, we will undermine the possibility of complete victory in the end. And that is my feeling here, that we have an overall picture to go into in this terrific fight.

Now, here is what we are up against on this cut. We have a new man, Arthur Larson, as director of this agency, a man of great capability, proven in Government. Now we are bringing him into this Agency, and what are we doing? His first job, if this bill should be passed as it is now, is not to see what a constructive job he can do, but he is going to have to begin to cut down his department, get rid of people, and his time will be taken up in that rather than in a constructive job of realigning these programs and taking advantage of the hearings and the things that have been brought to his attention and correcting them and go forward in the main objective of a United States information agency. And, we are handicapping him. We are taking away from him the opportunity to get the job done. I have heard the gentleman from New York [Mr. ROONEY] say that if we had a proper agency, if we were doing the job we ought to do, he would appropriate many hundreds of millions of dollars more than there are in this bill, and so would I. I believe it is one of the most important functions we have.

In closing I would just like to say this, and I have permission from the President to say it. Last Thursday afternoon the gentleman from New York [Mr. TABER] and myself were called to the White House and had a discussion with the President on this subject. The President said that we might quote him on the floor here today, that in his opinion this is one of the most important functions of the executive branch of the Government, and he feels that any substantial cut will endanger not only the free world but this country and our possibility of cutting the defense budget in the future by substantial amounts, and he believed that this amount should have been raised.

Mr. Chairman, let me say further on the USIA, the conspiracy of communism, seeking as it does to dominate the world by propaganda, subversion, and terror, is a threat to the freedom and individual liberties of Americans and all other peoples everywhere. Recognition of this basic fact has caused the United States to maintain an extensive Defense Establishment, to create by treaty and maintain an international defense structure involving many of the free nations of the world, and to maintain a worldwide information service to explain our country's objectives and policies and to counter Communist distortions and lies. These security requirements are costly and the burden upon the American people has therefore been a heavy one.

For almost 10 years the American people have carried a large share of the responsibility for keeping freedom's cause alive in many parts of the world. There have been disappointments and discouragements in meeting the challenge of Communist aggression. The national goal of peace and freedom has at times seemed remote, but recent international events lead us to believe that the long, hard road which has been forced upon our Government and people during these past 10 years is now beginning to bear fruit. There are notable signs that the conspiracy of communism is faltering in its drive toward world conquest, as evidenced by the Hungarian revolution and the steps taken by other nations to escape Moscow's domination.

To cover up these developing weaknesses in the system, the Communists have launched a propaganda offensive to conceal the true meaning of these developments, to confuse and divide the free world, and to facilitate their attempt to take over the Near and Middle East and the continent of Africa. Their free world countries can be conservatively estimated at many hundreds of millions of dollars per year.

In the light of this threat, plus the great responsibilities and opportunities created by recent international events, we believe that the proposed appropriation for the United States Information Agency is completely inadequate. The President has said and I have his permission to quote him:

> Let me add that in my judgment our information program offers one of the best hopes of promoting peace and world understanding with eventual reduction of world armaments, leading in days to come to substantial reductions in world military budgets, including our own.

For the above reasons, I believe the proposed appropriation for operations should have been the same as the last fiscal year.

I also believe that the need for a powerful medium-wave transmitter located in the eastern Mediterranean to improve United States radio broadcasts to Near East countries is critical, and that the full $4 million of no-year funds requested for this purpose should be granted. Existing unobligated funds may not be available for this purpose without canceling out an essential project already underway to construct a high power, short wave transmitter in Africa, needed to overcome Soviet jamming and to improve our broadcasts to Russia and the Iron Curtain countries.

Mr. COUDERT. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, I can readily understand a bill of this magnitude invokes many criticisms and much castigation. I also understand it is the criticisms and the castigations that make the headlines and not the solid work of the individual. I do not think, as we consider this bill, we should forget that there are thousands and thousands of competent, conscientious, honest men and women employed not only in the foreign service but in our services at home. These conscientious employees are working to make this a better country. While we point out the mistakes—and they should be pointed out—let us not forget that we have an obligation to the country to see that the reputations of these men and women employed in Government service are not destroyed without good cause.

Mr. Chairman, my purpose is to speak upon only one item in this particular bill, the Information Service. I want to repeat, it is not my purpose to try to restore the cut, because as much as I believe it should be restored, I am a practical legislator and I know that in all probability that view would not prevail at this time. I am laying the foundation in the hopes that when the legislation goes somewhere else it may be corrected and that then we will have another opportunity to review the funds.

Mr. ROONEY. Mr. Chairman, would the distinguished minority leader yield?

Mr. MARTIN. I yield to the gentleman from New York.

Mr. ROONEY. Is that "somewhere else" an alleged upper body that generally ups the appropriations?

Mr. MARTIN. I would not want to catalog the other branch of the Congress in that way, but that is where the bill will go.

No one wants to see the budget balanced more than I do. I am fully conscious that the heavily taxed American people are demanding a real retrenchment in spending, and I know how helpful that could be for the continuation of prosperity. However, there are some economy cuts that are not real economy. In the end they work in reverse.

That is how I catalog the Information Agency cut. We are living in a world where we are forced to worry about the future. We are faced with a formidable opponent who seeks to spread

his ideology all over the world. We face a foe spending literally billions of dollars in propaganda to deceive and confuse the peoples of the world. He distorts and lies about the real views of our country.

With this situation prevailing, I say it is a poor time to cut down on our propaganda efforts. Rather would I say it should be increased.

I know the severe criticism that has been directed against this agency from is inception. Unfortunately, a good deal of the criticism in the past was fully justified. Our efforts now should be directed toward improving rather than in reducing its efficiency.

Many at the first instance found employment in the agency merely because they were out of a job and sought employment, even if compelled to work abroad. I think we have got beyond that period. There are undoubtedly some who are still inefficient; there undoubtedly are some services that are foolish and services which duplicate those already in existence. I make no defense of these. I say these should be corrected, but let us not take our eye off the real objective of this Service which is to sell America and freedom to the peoples of the free world.

I do not know the Director very well. My acquaintance with him is decidedly casual. But he does appear to me as an aggressive and intelligent official who if given real support can and will make this service a mighty bulwark to the free world. Neither, may I add, do I have any particular friendships in his staff.

If there is any subject in the world I think I can speak with some semblance of an expert it is in the field of publicity and propaganda.

For over 60 years as a newsboy, high school reporter, reporter, editor, business manager and publisher, I have been affiliated with publicity and propaganda. And furthermore, as Chairman of the Republican National Committee for 3 years, when for most of the time the committee was broke and like the small boys in the horse and buggy days you rolled your own I gained further insight into these problems.

So I think I can speak with some authority. I do know that when competition becomes keen it is no time to curtail advertising. It is the concern that increases its advertising, adopts new methods, and gets out and hustles that wins.

This applies just as truly to politics and world policy.

A while ago a distinguished visitor from Ethiopia, a true friend of the United States, was talking with President Eisenhower. Why don't you double the volume of your radio, queried the friend. The big voice of Russia drives your messages off the airways. This is one suggestion why we should increase rather than diminish our efforts.

In the satellite countries of Europe, the Mideast, and the Far East, hundreds of millions of dollars are being poured into the fight against the free world. In this cold war, or as some call it the war of nerves, there can be no lagging. The loss of one or two of these key countries would be a disaster that would ultimately cost us vast sums of money and many lives. As a word of caution, we must not invite this disaster.

The service should be thoroughly scrutinized; only persons whose heart and soul belong to America should be employed. The service is more vital to America than most of our other services, and there can be no question in this agency of anyone's loyalty. If there is duplication, waste, or extravagance these can be corrected.

But my final warning is, let us work together with the agency to improve and make stronger this vital part of America's defense of the free world.

President Eisenhower has expressed deep concern over the cut. He says there is actually a pressing need to expand the work in many parts of the world. The President has stated it is critical that America's voice be more clearly heard in some spots and that the funds are a key part of our struggle for peace.

These are serious words and words, I am sure, will impress upon Congress the need of at least continuing the amount which has been available the past year.

Mr. Chairman, in the past we have spent huge sums for war; money that could be better devoted to making peace in this world. I hope the Senate will review this bill, and that it will be their judgment that we can give the President the money he says is essential for this vital part of America's fight to maintain freedom in this world and to make it possible for people to live peacefully and happily. To the President has been given this responsibility. We should not handicap him as he strives for peace.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, I want to deal first with the exhibit which is set on the table here in the well of the House, a wastepaper basket. I do not know whether that can be construed as an executive type wastepaper basket or just a plain wastepaper basket. You will recall that a year ago, this committee learned the State Department was buying wastepaper baskets at a price of $27 apiece. As I understand from reading the hearings, the State Department may be expected henceforth to buy wastepaper baskets at the rate of $10 apiece.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. I should like to say in connection with this subject of wastepaper baskets that the State Department at least listened to the committee in this regard and saved $17 on each of the wastepaper baskets. We are now trying to get them to recline on executive davenports that would not cost $264.50 each.

Mr. GROSS. Yes, that too makes very interesting reading in the hearings. Getting back to the wastepaper basket situation, I went down to our House office supply room and looked over the wastepaper baskets. I use a $1.25 steel wastebasket in my office. I found that this is the best you can buy in the House office supply room—at the rate of $2.25 each and they are guaranteed not to rip, ravel, or run down at the heel. I am sure the Department of State could get along very well with $2.25 wastepaper baskets or something very similar, if not the $1.25 numbers.

I want to commend the chairman of the House committee and those members of the subcommittee who so ably assisted him in developing some of the things that we are able to read in these hearings. If you have not read them, you ought to take a little time and read them even though this appropriation bill may have been disposed of. I want to commend the gentleman from New York. However, I must say I do not think he has gone far enough in cutting the State Department and international organizations. At the proper time, I propose to offer amendments to cut the State Department and the appropriations for the various leaching international organizations.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. When we get to that point, I shall probably be with President Eisenhower.

Mr. GROSS. The gentleman can take any position he wants to. The gentleman has not reduced many items in this bill below last year's appropriation. We do not begin to plow fertile ground in this business of trying to reduce spending and help the taxpayers of this country by relieving their burdens—and I am not one of those who comes down here in the well of the House to say to you that I think you can have your cake and eat it too, as some of the preceding speakers have done—to repeat, you do not plow fertile ground here until you cut below last year's appropriations. That is where we are going to have to go if we are going to give the taxpayers of this country any relief.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. ROONEY. The gentleman says last year's appropriations—does the gentleman refer to this fiscal year of 1957?

Mr. GROSS. Yes, I was in error. I meant the present fiscal year.

Mr. ROONEY. If he is referring to that year, I should like to point out that the State Department has been cut $41,317,329.

Mr. GROSS. Let me interrupt the gentleman. In your own report, it says that when the new building funds are excluded from both the 1957 and 1958 figures the amount allowed is $1,102,671 over the appropriation for the current fiscal year.

Mr. ROONEY. That would include the matter of retirement contributions, required by law and over which the Congress has no control.

Mr. GROSS. Yes, I understand that, but the State Department can easily absorb a $3 million reduction. I would remind the gentleman from New York that his committee report says the State Department has used deceit and deception in matters of personnel and various other things. What are you going

to do? Just slap them on the wrist and say—"go your way and sin no more." Why not give them a jolt by way of a cut and let them know that Congress—at lease the House of Representatives—refuses to be flimflammed.

Now what about this new Bureau of African Affairs? Of course that is the "foot in the door" to big, new giveaway program for the entire African Continent. We have not done too much in giveaways in that area, so the Bureau of African Affairs is for the purpose of opening up this vast new area in which to shovel out the dollars. The Assistant Secretary, which the other body voted just the other day, will put the capper on the sheaf.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I rise very reluctantly at this point, realizing that no words of mine in the short time allowed me, and the few days given to study the hearings and the fewer still to even read the report, which I believe was only available on Friday, will change the attitude of any Member of this House.

I must make it clear that I have no brief for the Department of State, and I have no brief for the committee. I find myself unable to refrain from making a few comments which I trust will receive the consideration of the House.

I have served 16 years on the Committee on Foreign Affairs of this House. During that time life has changed very materially on this globe of ours. Major countries have lost their power and the United States has become the country to whom the free countries of the world look for advice, guidance, assistance, and above all, for strength.

I regret exceedingly, Mr. Chairman, that the committee report did not give a more balanced view of what the Department stands for and does. I think it is always most unfortunate when only complaints and criticisms are given. There are always two sides to everything. There is never only one side. Never. To me, the tenor of the report in certain places is very unfortunate. To talk about swimming pools, clubhouses, and mountain retreats, as though they were being put into every single foreign service post is surely regrettable and unjust. My colleague from Ohio [Mr. BOW], brought out the fact that in the various places for which such requests have been made, the need for them is vital. Then we come to the representation allowance. I find it difficult to believe that there are still people who no not realize what the reasons for it are—nor how important it is.

Have you ever had to ask for the accounts in a consulate? Once it was my job to do that. Our United States representative at a small post gave a dinner for me and my colleagues, 14 people that same night. The next morning I asked my hostess where the money was coming from, and she did not want to tell me. When I told her I had gone over the accounts, she said, "Well, it is my whole year's dress allowance." Her contribution to saving face for the United States. Can we be proud of that?

Recently while I was out of the country, I found that in a certain spot where a change of personnel has made the most marvelous difference in the whole aspect of our service there. But I found that our representatives there, in order to meet and to entertain the people important to us they were having to put their hands into their own pockets. Again, Mr. Chairman, I could not be proud of the necessity put upon them.

For a moment, Mr. Chairman, I would like to speak of Africa. As you all know, I have been there. I have probably been to more places in Africa than anybody in this House and probably more than any one person in the State Department.

I want to tell you that in spite of some of the comments that have been made since our return from Africa this last time, the Communists are going in there in full force. They have been moving in there for many years; but, believe me, they are pouring in every form of ammunition in their well-equipped arsenals. If you do not realize it I think it would be well for you to open your eyes and your ears, and perhaps take a trip.

We cannot do what the Communists do; we do not want to. But we certainly can give our people out in those areas something to use, something adequate to work with, and I hope immeasurably that we will take a realistic view of the whole situation in Africa. That is the last continent left. Do we want it to go like China, like Asia? I assure you it is going fast unless we do the things we should do to protect our country unless we take a long look ahead and set our feet upon a clear and constructive road and then stay on it.

Mr. ROONEY. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, it is not my purpose to quarrel with the committee on any cuts they have made, because obviously they have sat through long hearings. They heard the justifications, and they have much information that I do not; but I have heard some Members make an attack on the item for Africa, particularly the Assistant Secretary for African Affairs. I believe that is the title. I would just like to tell you that the Russians are very frank to admit that they think the struggle for the domination of the world will be decided by who ultimately controls the African Continent, or, rather, who ultimately controls the raw materials and the disposition of the raw materials from the African Continent.

I do not think the Russians are half as interested in the Near East for the sake of the Near East or even for the oil that is there, as they are because the Near East is the land bridge between Russia and the continent of Africa.

America has been rich in raw materials, and we in some cases have been prodigal in our use of them, but the greatest source of undeveloped raw materials in the world today is the continent of Africa. At the moment we are drawing certain strategic materials and raw materials from Africa, and we will need them in ever-increasing amount as time goes on.

I certainly concur in what the distinguished gentlewoman from Ohio [Mrs. BOLTON] has said about the importance of Africa, and I know that the Russians are making a tremendous effort to move in there to dominate the thinking of the peoples of Africa and ultimately control those raw materials.

I was glad to hear the distinguished chairman of the subcommittee say that even though legislation had not yet been passed to create the Office of Assistant Secretary for African Affairs, the committee thought it was important and that ultimately it would be created, and that they had included money in this appropriation measure for it.

I do not know how much attention we as individual Members of Congress have paid to this thing. It would be easy after this continent has slipped behind the Iron Curtain, if it should, to point the finger and say "Well, we should have been more alert, we should have done something about it."

Now is the time to be alert, before we lose it, because if the Communists can control the Near East and move in force into Africa the time will come, and it will come within our generation, when they can put a squeeze on us for raw materials that are not only vital to our military machine but which will also be vital if we are to maintain our standard of living and if we are to improve.

So I hope that any amendments that may be offered or adopted, for the sake of economizing on a few dollars this year we will not be doing something which will cost us billions of dollars in years to come, billions that we can ill afford to spend.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SHEEHAN].

Mr. SHEEHAN. Mr. Chairman, I take this time for the purpose of directing some inquiries to one phase of the USIA program which in my mind needs a little clarification. I understand this program involves the giving away of a large number of subscriptions to two of the New York newspapers printed in Europe. I would like to direct the question to the gentleman from New York [Mr. ROONEY] just for general purposes: Why are these subscriptions being given away?

Mr. ROONEY. The gentleman asks me why they want to give them away?

Mr. SHEEHAN. Yes.

Mr. ROONEY. To 640 or more Members of the British Parliament?

Mr. SHEEHAN. That is right.

Mr. ROONEY. I cannot answer that question. I cannot justify such an expenditure.

Mr. SHEEHAN. May I ask the gentleman from New York [Mr. COUDERT] does he have any knowledge of why these particular subscriptions are given away?

Mr. COUDERT. I can only say to the gentleman a great many thousand Americans read those particular newspapers abroad and at home. If they are good enough to give American information to Americans, I suppose the USIA thought them a good source of information for foreigners.

Mr. SHEEHAN. I thank the gentleman.

Mr. COUDERT. It seems to me this is a place where reasonable men may reasonably differ.

Mr. ROONEY. Of course, the gentleman from New York is not talking of one copy of these newspapers being handed to a Member of the British Parliament. These are annual subscriptions to six-hundred and forty-some Members of the House of Lords and the House of Commons. Subscriptions at a cost of $155 a year each send these papers to Pakistan and India. I do not know, maybe it is all right to send a copy or so once in a while or in connection with a particular matter, but I still cannot justify this costly operation.

Mr. SHEEHAN. I thank the gentleman.

Well, now, I believe the gentleman from New York [Mr. COUDERT] may have hit the nail on the head for me because he said if those papers are good enough to give the American viewpoint, they ought to be good enough to give our viewpoint to the Europeans. Well, that is where I disagree with him heartily. The purpose of the free subscriptions is to let the European people know how we think. Certainly, from my point of view the New York Times and the New York Herald Tribune, with their extreme internationalism, if I may say so, do not represent my viewpoint, nor the viewpoint of the great majority of American people.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from New York.

Mr. COUDERT. Bear in mind that these two particular newspapers, the New York Times and the New York Herald Tribune, are distributed abroad by this agency because of the fact they have European publishing bases. That is the only reason. None is distributed in the Far East. They are distributed in the East, in Africa and in the European area where it is far cheaper to distribute them than to get newspapers from the United States.

Mr. SHEEHAN. I thank the gentleman. The hearings on page 263 show that subscriptions are sent to Pakistan and India at $155 and $122 yearly cost. I am sure a great many of the midwestern newspapers, like the Chicago Tribune, and the Chicago Daily News and the Chicago American and a great many other newspapers would be happy to contribute free subscriptions and send them over by airplane so they would reach there the same day or the next day. It would give the European people a viewpoint different from that of the internationalist New York papers.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Iowa.

Mr. GROSS. Unfortunately, I had to be out of the chamber for a minute or two. Do I understand Members of this House defend this nearly half-million-dollar appropriation for annual subscriptions to these New York papers that are being sent all over Europe?

Mr. SHEEHAN. They will have to answer for themselves. I cannot answer for them.

Mr. GROSS. That is as amazing as some of these other things we see here.

Mr. BASS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. Is this not the only way that Parliament can be assured they can get their foreign aid every year?

Mr. SHEEHAN. According to the hearings the following amounts will be spent for newspapers during 1958:

New York Times	$255,475
New York Herald Tribune	177,584
Total	433,059

The point I want to make is this: It seems to me we are giving these two newspapers a tremendous amount of money to do a job that could be done in another way so that other viewpoints could be given. For instance, I understand that Mr. John S. Knight, publisher and editor of the Chicago Daily News, stated that our own good President reads mainly only three newspapers. I do not mean he reads only three, but he reads the New York Times, the New York Herald Tribune, and the Washington Post, as the main source of his news. Well, if you ever had 3 peas in a pod, these 3 newspapers express the same international and political philosophy and certainly the President as well as the people of Europe should read other newspapers to get the real American viewpoints. It seems to me, by spending all this money, that the agencies should do something to see that other viewpoints are given to the people in Europe, and I would certainly advise that the agency check with the Middle West, the Far West, the Far North and the Far South to see to it that other newspapers and viewpoints are distributed which would give an American viewpoint from an overall picture and not strictly an ultra-liberal New York international viewpoint. These two papers, as Mr. John S. Knight of the Chicago Daily News so well stated editorially they plump "for restrained internationalism; they hardly reflect the temper and pulse of the country."

Some point has been made that some of these are given to libraries. According to my figures, of the 6,459 subscriptions to the New York Times, 5,829 are given away free to people and only 630 go to libraries. The New York Herald Tribune, of 5,298 subscriptions, 4,975 are given away to influence people and personnel and only 323 are given to libraries. In other words, the greatest part of these free subscriptions go to individuals.

Mr. O'KONSKI. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Wisconsin.

Mr. O'KONSKI. Not only is money spent for newspapers, but a good many of the writers on these newspapers get pay-off money from the United States Government.

Mr. SHEEHAN. That has been proven. A gentleman from the New York Times got a lot of money recently when he wrote a sports article going to Tokyo where there was no distribution of the paper. Be that as it may, I intend to propose an amendment to cut some of this out, or to influence the officials of the State Department and the United States Information Agency to get a more rounded viewpoint to the foreigners.

In my opinion the editorial and international opinion of these two New York newspapers do not represent a true picture of American thinking, and if President Eisenhower, as well as our State Department would also read such great midwestern newspapers as the Chicago Tribune, the Chicago Daily News, and the Chicago American the Europeans and the President would certainly have a much better understanding of the American viewpoint.

Mr. COUDERT. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, will the gentleman on the Republican side in charge of the bill advise me where in this bill this item is carried? The gentleman from New York [Mr. COUDERT]. Will you advise me where this item in the bill is carried and how much it is?

Mr. COUDERT. It is in the lump sum item for USIA.

Mr. HOFFMAN. That is the one where the committee cut from $140 million?

Mr. COUDERT. No. It was cut from $113 million, which is the current year, to $105 million.

Mr. HOFFMAN. I thought the budget asked for $140 million.

Mr. COUDERT. One hundred and forty million dollars. That is correct.

Mr. HOFFMAN. Yes. That is the one. What is the purpose of that? What is the money to be spent for?

Mr. COUDERT. It is to be spent to pay the expenses of the United States Information Agency which has been operating for many years.

Mr. HOFFMAN. I do not mean to interrupt. I understand that. But what particular objects are to be purchased? The language is, and I quote from lines 4, 5, and 6 "and purchase of objects for presentation to foreign governments, schools, or organizations."

Mr. COUDERT. It is to purchase the dissemination of information throughout the world relating to American foreign policy and promotion of American interests.

Mr. HOFFMAN. Promotion of American interests?

Mr. COUDERT. I believe so.

Mr. HOFFMAN. Well, does the gentleman not know? Well, pardon me again. Well, then, if that is it, why is there not some direction as to the kind of information that should be given abroad?

Mr. COUDERT. There is direction under the law. The State Department furnishes the direction.

Mr. HOFFMAN. Oh, yes. I know. But if the State Department is to tell the people abroad what the feeling is in

this country, what the thinking is, why is there not something in the program that prevents information and opinions all coming from New York? From the New York Times, the New York Herald Tribune. Those two papers, I understand, have control of the information. They make and release their views—the views of the East. Certainly they do not speak for the rest of the country.

Mr. COUDERT. There is varied dissemination of information including those two newspapers in limited areas.

Mr. HOFFMAN. And they give out what they think. Their opinions as to what policy we are following—should follow—abroad.

Mr. COUDERT. They are a very, very small part of the overall distribution of information through various media: the radio, television, newspaper, periodicals, books, lectures.

Mr. HOFFMAN. That is enough. The gentleman has heard of the saying that one rotten apple in a barrel spoils the whole barrel sometimes. Not that either publication can be so characterized but other sections of the country have newspapers.

This is the point. If the gentleman wants the people in other countries, or if the committee or the agency wants. the people in other countries to have accurate information about all of America why pick just these two New York papers? No others? I understand the gentleman lives there, but some of us live west of the mountains. Why is it?

Mr. COUDERT. I can answer that, I am sure, to the gentleman's satisfaction.

Mr. HOFFMAN. I doubt it.

Mr. COUDERT. Those two newspapers bearing the New York name are published, one in Amsterdam and the other in Paris. That is why this agency took them. They were therefore the least expensive American newspapers available.

Mr. HOFFMAN. Oh, nonsense on the cost suggestion—the Agency and the State Department spend millions if not billions. That is no reason for feeding the people we are trying to educate—perhaps they are better educated than are we—just one kind of information and international at that. Cost is no excuse for getting away off base. There are some people on the Pacific side. They tell me that there are some cities and States and some people west of New York. Why should they not have their views expressed to the people to whose welfare they are contributing millions.

Mr. COUDERT. For some reason or other there are no newspapers distributed in this fashion in the Far East. That is probably because there are no American newspapers published there. But we send teachers and propagandists by the hundred into those countries.

Mr. HOFFMAN. In other words, because there are two newspapers from New York that have plants over there, the Agency does not want those people to have anybody's views but those of the New York publishers and writers. The committee does not want to provide money to give the views of the people of all the rest of the country. Just little old New York and its interests.

Has the gentleman ever been out of New York? Surely, he has. The gentleman has been in the Midwest.

Mr. COUDERT. What is the Midwest?

Mr. HOFFMAN. It is that part of the country where sound, sensible, independent, self-reliant people live who pay enough tax to the Federal Government so you New Yorkers can buddy up with the people across the seas.

Mr. COUDERT. Mr. Chairman, will the gentleman yield so that I may give him my definition of the midwesterner?

Mr. HOFFMAN. The gentleman's definition of what?

Mr. COUDERT. My definition, a New Yorker's definition of a midwesterner is the fellow who sits in the seats of the show Fair Lady when he would like to get them, because the midwesterner gets them first.

Mr. HOFFMAN. Another definition of the people in the Midwest might be the folks who support New York, who pay the gangsters who operate on the waterfront, although we hope to get out from under those boys pretty soon, by using the St. Lawrence Seaway. The people in New York will miss us when we do not ship everything through New York ports all the time and pay the tariff charged by the bosses of the men on the docks.

Now, there is a serious side to this. There are papers in the Midwest which are just as apt to have a correct slant at the news, as, for example, the E. Herbert Norman case, as do the eastern and international press. I should like to read, if I may, a small part of what the Chicago Tribune says. That is one of the papers that gives some Midwest views. While the press of the East belabors a Senate committee, Edwards of the Tribune wrote and I read:

CLASH OVER ENVOY SUICIDE—SENATE GROUP RIPS CLAIMS OF STATE DEPARTMENT—CANADA CENSORS DEATH NOTE

(By Willard Edwards)

WASHINGTON, April 11.—The mysterious suicide of a Canadian ambassador in Cairo, Egypt, a week ago continued today to provoke international repercussions.

The Senate Internal Security Subcommittee, target of angry attacks by the Canadian Government for having "hounded" the diplomat to his death, issued a statement explaining its position and then withdrew it—too late to prevent its publication.

The United States Government began study of a threat by Canada to hold back "security information" from American intelligence agencies unless Congressional committees are barred in the future from access to such reports.

DETAILS KEPT SECRET

The story hidden under these surface events is one of potentially grave proportions. The details are known to the intelligence agencies of three nations—Great Britain, Canada, and the United States. They may be held back for years or never disclosed because, in the customary diplomatic phrase, they might "jeopardize relations with friendly nations."

There are reports in high circles here that a "security leak" of top-secret information in the Middle East was under investigation when Ambassador E. Herbert Norman leaped to his death from a high Cairo building, April 4.

Norman left two suicide notes, couched in hysterical vein. Two brief excerpts were made public but the major portion of one note has been withheld. It may contain the motive for the tragic decision to end his life.

BLAME SENATE REPORT

The published portions of Norman's suicide notes give no clue to his motive. To his wife, he wrote, begging her forgiveness. To a friend, Swedish Minister Carl Eng, he wrote: "I have no option. I must kill myself for I live without hope."

But Canadian officials, led by Lester B. Pearson, Secretary of State for External Affairs, have repeatedly asserted that Norman's motive was mental grief occasioned by the "slanders and unsupported insinuations" of the Senate subcommittee.

This was a reference to publication by the subcommittee on March 14 of a security report naming Norman as a past Communist Party member and disclosing that he had been questioned in the Canadian spy case of 1946 concerning his connections with one of its principal figures.

WITHDRAWAL EXPLAINED

These charges, Pearson said, were "old and discredited" and Norman had been "cleared" of them by his government in 1951. Pearson thus questioned the authenticity of the security report in the subcommittee's record which was introduced by Chief Counsel Robert Morris.

It was to this point that Chairman EASTLAND, Democrat, Mississippi, and Senator JENNER, Republican, Indiana, ranking minority member, addressed themselves in the statement issued today which was later withdrawn. There was no question of White House or Government pressure in this withdrawal, EASTLAND said.

The statement was given to press associations by a staff member not acquainted with a decision to hold it back after it had been prepared.

REFUSES TO KILL DISPATCH

President Eisenhower, EASTLAND noted, had said at his press conference yesterday that he hoped "this thing will now be dropped." The President had voiced his "great sorrow" over the decline in Canadian-American relations caused by the incident but pointed out that the Senate had independent authority to investigate and publish the results of its investigations.

Under these circumstances, EASTLAND said, the subcommittee was prepared to remain silent although many of its members are highly resentful of what they regard as unjustified attacks from Canada.

The statement was already on press wires when the staff member's error in releasing it was discovered 20 minutes later. One press association refused to "kill" its dispatch and the rival press associations then decided not to observe EASTLAND'S request.

TOLD OF CORROBORATION

EASTLAND and JENNER asserted the State Department had been asked by the subcommittee to verify from the Federal Bureau of Investigation "the truth and accuracy of the subcommittee information and evidence concerning Norman."

"The State Department informed the subcommittee that it had already checked with the FBI and had corroborated the truth and accuracy of the subcommittee's information and evidence," the statement continued.

A trace of the subcommittee's indignation was glimpsed in the next paragraph:

"The internal security subcommittee is conscious of its duties and obligations to the Senate and the American people. The subcommittee shall at all times conduct its responsibilities in this light."

CLEARED FOR PUBLICATION

Concerning the State Department's disclaimer that it was not responsible for re-

lease of the information on Norman, the statement said:

"The State Department did not and could not disclaim the action. The truth is that before the testimony, which contained reference to Ambassador Norman was released, the transcript was cleared for publication by the State Department. The release was then approved by every member of the subcommittee [4 Democrats and 4 Republicans] except 1, Senator NEELY, Democrat of West Virginia, who was ill."

The State Department, through a press spokesman, Lincoln White, promptly reported that the subcommittee had "misinterpreted" a "clearance" by Robert Cartwright, Acting Chief of Security. White said that Cartwright only had authority to say whether publication would jeopardize security or relations with Canada.

SENATORS JOIN FIGHT

Meanwhile, debate continued to rage over the incident with such subcommittee foes as Chairman GREEN, Democrat, of Rhode Island, Senators NEUBERGER, Democrat, of Oregon, and HUMPHREY, Democrat, of Minnesota, seizing the opportunity to fulminate against "attempts to destroy relations" with Canada.

Amid the uproar of charges and countercharges, the average American and Canadian could not be blamed for confusion. Uppermost in many minds is the question: "How did a United States Senate subcommittee get into an inquiry into the Communist connections of a Canadian diplomat and how do they justify it?"

CHRONOLOGICAL ACCOUNT

Here is a chronological account of the Norman affair which may supply the answer.

On August 7, 1951, Counsel Morris was questioning Prof. Karl Wittfogel, a distinguished historian on the faculty of Columbia University. The inquiry concerned the Institute of Pacific Relations [IPR] which, the subcommittee eventually was to find, was "an instrument of Communist policy, propaganda, and intelligence" which exercised great influence upon the State Department.

Wittfogel was an admitted former Communist who ran a Communist study group in 1938. He named a number of students who were members of the group. One of them, he said, "was a talented and pleasant young man who was studying in the Japanese department at Columbia. His name is Herbert Norman." It was "obvious," Wittfogel said, that Norman was a Communist.

The name of Norman was unknown to the subcommittee. But subsequent hearings developed that he was deep in the affairs of the IPR.

Norman, it developed, was born September 1, 1909, in Japan, the son of missionary parents. He received his early education in Japan and became fluent in the language. He studied at Harvard and Columbia and entered the Canadian Foreign Service in 1939.

In 1940, Norman was sent to Tokyo as language officer in the Canadian Legation. He subsequently became the Canadian Minister.

The records of the IPR hearings are replete with references to Norman. One note, sent by the head of the IPR in the United States to a subordinate in Japan, said: "Any very secret messages might be sent care of Herbert Norman at the Canadian Legation."

DEMANDS JAP'S PAPERS OF FBI

In 1942, Norman was repatriated because of the war. His first act, upon returning to the United States, was to visit the FBI in Washington. Declaring himself a representative of the Canadian Government on "confidential" business, he demanded the personal papers of Tsuru Shigeto, a Japanese student at Harvard and a close friend, who had been sent back to Japan.

According to the security report put into the record, Norman was unsuccessful. He admitted to the FBI that he was not representing his government. The papers he sought were placed in the record. They revealed a detailed program for Communist indoctrination of American students in the 1930's.

When World War II ended, Norman went back to Japan. He became the chief of the Canadian diplomatic mission attached to the supreme commander of allied forces in the Pacific, General MacArthur.

In 1946, the Canadian spy case broke as a result of revelations by Igor Gouzenko, a code clerk in the Russian Embassy at Ottawa, Norman was called back to Canada for questioning concerning his relations with Israel Halperin, one of the principal figures in the case.

PROPOSED FOR TOP POST

Apparently exonerated of any blame for this relationship, Norman went back to Japan, where he served until 1950. After a year of service at the United Nations headquarters in New York, he was sent to New Zealand as chief of the Canadian mission. Late in October 1956, he arrived in Cairo, as Ambassador to Egypt and Minister to Lebanon.

The subcommittee's records on the IPR hearings mentioned Norman's Canadian legation connections and referred to his "identification as a Communist." The Canadian Government in 1951 issued a press release declaring that Norman had been "cleared." But there was no international excitement at that time about the Senate subcommittee's investigation of a Canadian official.

Meanwhile, the subcommittee's interest in Norman had been intensified by discovery of a State Department memorandum in which Norman was proposed for the post of intelligence liaison between the United States and Canada, a post in which he would have access to top-secret information of both countries.

DEEMED PROPER SUBJECT

Norman's relations with American diplomats thus were deemed a proper subject of inquiry by the subcommittee despite his status as a foreign diplomat. It was in the light of this background record that the subcommittee last March 12 summoned John K. Emmerson, Deputy Chief of Mission in the American Embassy in Lebanon, for questioning.

Senator JENNER had noted in a Senate floor speech the curious fact that many of the American diplomats who had adopted a pro-Communist attitude in the postwar period in China and Japan were now stationed in the troubled Middle East area.

After lengthy questioning in executive session about his recommendations concerning the use of Japanese Communists in the Far East, Emmerson was quizzed about his relations with Norman.

IDENTIFICATION RECORDED

He disclosed that he and the Canadian were friends of 17 years standing. Reluctantly, he disclosed that he and Norman had met briefly in Beirut, Lebanon, last October 27. His sworn testimony indicated that this meeting was largely accidental and certainly not by arrangement.

Counsel Morris then placed the security report on Norman in the record. This report was partly based on information provided to the FBI by the Canadian Royal Mounted Police. It identified Norman as a past Communist Party member and a member of a well known Communist front.

Counsel Morris obtained the approval of all subcommittee members, except the ailing Senator NEELY, got the consent of the State Department's security section, and then released this executive record on March 14. The storm broke.

CHANGES MEETING STORY

The next development was unusual. Emmerson asked permission to come back and change his testimony. He gave a new version of his meeting with Norman. It had been prearranged, lasted two hours, and the two diplomats had discussed their respective clearances of disloyalty charges [Norman in 1951 and Emmerson in 1952]. Norman, it transpired, had helped Emmerson at his loyalty hearing with an affidavit.

This second transcript was released also, this time over State Department protests that it would "damage" relations with Canada. The record also disclosed that the FBI had corroborated the authenticity of the security report concerning Norman.

From the Tribune of April 13:

NORMAN ONCE A PAL OF REDS, SAYS PEARSON

(By Eugene Griffin)

OTTAWA, April 12.—Lester B. Pearson, Minister for External Affairs, told the House of Commons today he knew that E. Herbert Norman, Canadian Ambassador to Egypt, who took his own life, had "certain Communist associations."

Pearson did not deny any of the United States Senate subcommittee charges against Norman.

John Diefenbaker, the leader of the Progressive Conservative opposition, confronted Pearson with this question:

"Will the Minister say that the allegations and the statements before the subcommittee of the United States Senate on March 13 and 21, specifically were untrue, unjustified, and had no basis in fact?"

BARED RED CONNECTIONS

The subcommittee has alleged that Norman had belonged to a Communist cell at Columbia University in 1939; had been identified as a member of the Communist Party in 1940 by a United States security agency, and had tried to obtain Communist data from Federal Bureau of Investigation files on false pretenses during World War II.

Pearson dealt with only part of the allegations, which concerned Norman's Communist associations at the university.

"Mr. Norman as a university student was known to have associated with Communists, or persons thought to have been Communists, and he made no secret of it," Pearson said.

KNEW OF ASSOCIATION

"These associations were of course known to us. We examined Mr. Norman's record on the basis of confidential information. I examined this information more than once myself."

Pearson said that as a result of a security checkup on Norman the Government was left with no doubt that Norman was a loyal Canadian, suitable for important posts.

Diefenbaker challenged Pearson to answer his question, which he repeated, as to whether the subcommittee's charges were "untrue, unjustified and had no basis in fact."

FACE GROWS RED

Pearson, whose face grew pink as crowds in the public galleries stared down at him, fidgeted, and refused to make a flat denial of any of the subcommittee's allegations.

"I've made my statement," he said. "I will stand on that."

"The answer is an equivocal one," Diefenbaker said in a loud, prosecutor's voice, pointing his finger at the Minister across the aisle.

"He equivocates. He has the statements released by the subcommittee in connection with its hearings of March 13 and March 21.

"He knows what charges and allegations were made. He has come into this House with a prepared statement, but he has not denied those charges."

HITS MINISTER'S THREAT

Diefenbaker then attacked Pearson's threat to the United States State Department 2 days ago to stop the exchange of security data across the border. Pearson demanded that the United States Government guarantee that information involving Canadian suspects shall not be given to investigating committees.

Diefenbaker pointed out that the threat was "meaningless" if information from Canadian security sources had not provided the basis for the subcommittee's charges against Norman.

Pearson raced 120 miles back to Ottawa from Kingston, Ont., to handle Diefenbaker's question. He was on an election campaign speaking tour, which Prime Minister Louis St. Laurent and other ministers put off until Pearson could be brought in.

PREMIER ALOOF FROM CASE

St. Laurent has been noticeably aloof from the case of Norman, who leaped to death from a high building in Cairo on April 4. In this country the suicide has been blamed on "persecution" and "false" charges by the American Senate subcommittee.

When Pearson and opposition party leaders paid their respects to Norman in Parliament on the day of his death, St. Laurent uttered only one sentence, in which he did not even use Norman's name or refer to him directly.

Diefenbaker at that time proposed that the parliamentary flag be lowered to half staff, a suggestion which pleased Pearson and others, but the flag was not lowered. This has been attributed to a direct negation by St. Laurent of Diefenbaker's idea.

COMMITTEE DENOUNCED

Papers and broadcasts have been denouncing the subcommittee's statements as false, and Pearson has appeared to have described them as untrue, although actually he has said only that they have been "dealt with" or "disposed of" by this Government.

M. J. Coldwell, leader of the Cooperative Commonwealth Association, a Socialist group which has been extremely critical of the Senate subcommittee, also requested the Government to explain away the Communist allegations against Norman. "I think this should be cleared up immediately, specifically, and categorically," he said.

ELECTION JUNE 10

Parliament was expected to be dissolved late today for a general election on June 10, and the Liberal administration's handling of questions about Norman could have important bearing on the results.

Canadian suspicious outside the Government that there might be truth in the subcommittee's allegations have been increasing. A growing number of Canadians have asked just how the Department of External Affairs came to give Norman what Pearson called a "clean bill of health" in 1951.

At that time, Pearson said that Norman had been investigated, but he did not specify by whom, and the Government never has revealed what particular charges were investigated, or whether they had been found factual or false.

An editorial columnist in the Toronto Globe and Mail noted today that the Government has been excessively secret concerning the Norman affair.

"The Canadian Government has within its power to lay out, point by point, the facts upon which it decided in 1951 that Mr. Norman's loyalty and integrity were in all respects beyond doubt, and it has not only failed to do so, but it has refused to do so," the paper's Ottawa correspondent wrote.

"I have been trying for a week to get from the Department of External Affairs the answers to the specific allegations which were made against Mr. Norman by the United States investigators. This has produced nothing except reasons why it is impossible to do so, none of them particularly convincing."

Let me read from the Brooklyn Tablet published April 13:

NORMAN SUICIDE STARTS SMEARS BY THE LEFTISTS—ROBERT MORRIS, COUNSEL FOR SENATE INVESTIGATORS, IS SINGLED OUT FOR ATTACK—MERELY CITED EVIDENCE—RECALLED SWORN TESTIMONY ON COMMUNIST AFFILIATIONS OF CANADIAN OFFICIAL

(By Francis Carroll)

WASHINGTON.—Fourteen months ago Robert Morris relinquished his judgeship in the New York City Municipal Court to become chief counsel for the Senate Internal Security Subcommittee.

The financial sacrifice was public knowledge. It was in the thousands of dollars. But the potential personal sacrifice was even greater. He was inviting the treatment given to Senator JOSEPH R. MCCARTHY of Wisconsin, who dared go beyond grandiloquent condemnation of the Communist conspiracy and expose the conspirators themselves.

The Communists, pro-Communists and anti-anti-Communists realized that the persecution of Senator MCCARTHY had not fazed Mr. Morris and they decided he also must be destroyed. Only a plausible occasion was needed—an occasion, that is, which could be perverted to smear him with the facts being submerged so deep they would not distract attention from the smear.

SUICIDE PROVIDES OCCASION

The occasion offered itself last week. E. Herbert Norman, Canadian Ambassador to Egypt, committed suicide. This week the body was brought to Rome for cremation and the ashes were flown to Canada for final disposal.

Mr. Norman's name had been brought into hearings by the Senate Internal Security Subcommittee on March 12 and March 21. The witness was John K. Emmerson, Deputy Chief of Mission and Counselor of the United States Embassy at Beirut, Lebanon, and a friend for many years of Mr. Norman.

Mr. Emmerson was queried at length on his knowledge of activities of Mr. Norman that had caused the latter to be closely tied to the Communist Party by witnesses before the subcommittee over the past few years.

This testimony had to be recounted at the hearings, of course, so that Mr. Emmerson could comment upon it. His repeated protestations of his inability to recognize any evidences of procommunism in Mr. Norman made his testimony favorable to the latter. But the earlier testimony stood by itself, unchallenged and unrefuted.

Senator MCCARTHY was attacked because of his methods. The same charge could not be brought against Mr. Morris. The March 21 hearing was held to permit Mr. Emmerson to correct, revise, or amplify his testimony of March 12. Mr. Emmerson was appreciative of the opportunity and even added further enhancement to the prestige of Mr. Norman.

FEW WILL READ TRANSCRIPT

But few Americans will read the transcript of the testimony, as few read the transcript of Senator MCCARTHY'S patient questioning of Gen. Ralph W. Zwicker, at that time commanding officer at Fort Monmouth. Those who do read transcripts of such testimony are not sufficiently influential in number or properly organized to interfere with a smear campaign formulated by the Communists, pro-Communists, and anti-anti-Communists.

The press and the supporting element which calls itself "liberal" were prepared for Mr. Morris, as they had been prepared for Senator MCCARTHY.

They raised the cry of, as one paper expressed it, "assassination by insinuation." The roles of the Senators on the subcommittee who released the earlier testimony of Mr. Norman and that of the acting State Department security chief, Robert Cartwright, who cleared it for release, were glossed over or completely ignored. Mr. Morris is the object to be destroyed.

Although he performed only his routine duty, Mr. Morris' dismissal for mischievous bungling has been demanded by the Americans for Democratic Action through its national chairman, Robert R. Nathan.

Senator RICHARD L. NEUBERGER, of Oregon, lent a helping hand to the cause of the Communists, pro-Communists and anti-anti-Communists by calling for a Senate investigation of "the staff." The staff is composed of Mr. Morris, Associate Counsels J. G. Sourwine and William A. Rusher, Research Director Benjamin Mandel, and Investigations Analyst Robert McManus—of the subcommittee.

In the spirit of Christian charity, one may assume Senator NEUBERGER only knew what he had read in the newspapers, which in this instance, as in 1954, concealed more than they printed.

PEARSON DEPLORES "SLANDERS"

Lester B. Pearson, Canadian Prime Minister for External Affairs, reacted immediately to the resurrection of the earlier testimony against Mr. Norman. He termed the testimony "slanders and unsupported insinuations." He reminded the world the Canadian Government had absolved Mr. Norman of all Communist leanings in 1951.

Incidentally, one of the witnesses who stated unequivocally that he knew Mr. Norman to be a Communist was Prof. Karl August Wittfogel, who was a party member from 1920 to 1933.

Professor Wittfogel testified before the subcommittee August 7, 1951. He was never called upon to testify by the Canadian Government that exculpated Mr. Norman. Nor did the latter ever ask for his "day in court" to challenge the professor's charges. Nor, again, did Mr. Pearson specify the charges that were the "slanders and unsupported insinuations" to which he referred.

Mr. Pearson protested to the United States State Department—which he should know is part of the executive branch and not the legislative. He said Mr. Norman had his "wholehearted admiration."

Space forbids a detailed account of all the sworn testimony concerning Mr. Norman's activities of which Senator THEODORE GREEN, of Rhode Island, did not indicate that he was aware when he wrote to the Canadian Ambassador, A. D. P. Heeney:

"Judications that his (Mr. Norman's) death may have been attributable to unfortunate publicity arising from activities in connection with the work of the Senate lead me to express my deep regret to the Canadian Government and to the Norman family."

QUOTES PROFESSOR WITTFOGEL

As mentioned above, Professor Wittfogel made the most direct—and unchallenged—charge that Mr. Norman was a Communist. He told the subcommittee of a Communist study group conducted by one Moses Finklestein in 1938. The professor's testimony is brief enough to be quoted. Questioned concerning the members of the study group, here is an excerpt from his testimony under oath:

"Mr. MORRIS. Who were some of the other students at this study group?

"Dr. WITTFOGEL. There was a talented and a pleasant young man who was studying in the Japanese Department at Columbia. His name is Herbert Norman.

"Mr. MORRIS. Was he a member of this study group?

"Dr. WITTFOGEL. Yes.

"Mr. MORRIS. To your knowledge, did he know it was a Communist study group?

"Dr. WITTFOGEL. Yes, it was obvious.

"Mr. MORRIS. To you?

"Dr. WITTFOGEL. I think it was obvious, in general.

"Mr. MORRIS. Was it obvious therefore that he was a Communist?

"Dr. WITTFOGEL. Yes."

At the March 21 hearing, Mr. Morris made this significant comment:

"I also think it is appropriate at this time to mention that I have spoken to Professor Wittfogel since last week and he said that to this day no official of the Canadian Government has ever called him up or asked him whether or not any of his testimony was in fact accurate."

CANADA BANNED QUESTIONING

Mr. Morris read from a United States Government executive agency security report which indicated that Dr. E. Herbert Norman had been recalled from Japan when his Government discovered certain Communist connections, specifically with Israel Halpern, a Canadian citizen of Russian parentage, who was one of the principals implicated in the exposed Soviet military intelligence operation in Canada.

He reminded Senator WILLIAM E. JENNER, of Indiana, that when he, the Senator, tried to have Gouzenko, one of those involved in the spy plot, testify, the Canadian authorities would not let him ask any questions whatever about anyone who was a Canadian personality.

"When Shigeto Tsuru, Japanese instructor at Harvard, was apprehended for repatriation purposes in 1942," Mr. Morris read from the report, "the FBI was approached by Norman who represented himself as an official on highly confidential business of the Canadian Government in an effort to take custody of Tsuru's belongings.

"One main item of these belongings was a complete record of the Nye munitions investigations, largely prepared by Alger Hiss.

"Norman later admitted to the FBI agents in charge that his was only a personal interest and that he was not representing the Canadian Government as stated.

"Another item among these belongings, as reported by the FBI, was a letter dated May 9, 1937, which related to a series of studies being promoted at Harvard by Tsuru which provided for the study of American capitalists from a Marxist viewpoint. The studies were conducted by a group of young instructors and graduate students which had met five times. They discussed certain papers which included American Imperialism by E. H. Norman."

The report further indicated, Mr. Morris added, that Norman was identified in February of 1940 as a member of the Communist Party.

One of the witnesses at the marriage of Norman to Laura Irene Clark on August 31, 1935, he noted, was one C. P. H. Holmes who has been identified as Charles P. H. Holmes, born in Japan in 1910 and known as a Communist and active in the Communist underground in Ottawa.

MR. TSURU TESTIFIES

Last month Mr. Tsuru testified that he had never actually been a Communist Party member or a Communist, but that he had knowingly associated with Communists.

He also admitted having been a leader in a study group of which Mr. Norman was also a member.

Mr. Morris quoted the following from a letter written by Mr. Tsuru in 1936: "To be a member of a study group may be a step toward enrolling in the Workers' School; it may be a step toward joining the American League Against War and Fascism; it may be a step toward becoming a member of the Young Communist League of the Party."

These facts and others were considered by the Senators on the subcommittee. They were submitted to the security division of the State Department and they received clearance for release. Mr. Morris' role was merely that of counsel, and in that role he read from testimony already received by the subcommittee and from official security reports. By so doing he is now charged with assassination by insinuation.

Then on April 15 the Herald Tribune carried a story as follows by David Lawrence:

CANADIANS REPORTED IN DOUBT ABOUT CASE OF ENVOY NORMAN

(By David Lawrence)

WASHINGTON, April 14.—Many Canadians are having second thoughts about the case of E. Herbert Norman, Canadian Minister to Cairo, who committed suicide recently. At first the charges that Norman had Communist connections were vehemently denounced as slander and it was announced at Ottawa that the Canadian Government had cleared Norman in 1951. Indeed, a note of protest was sent to the United States Government a few days ago deprecating the hearings of the Senate Subcommittee on Internal Security which had revealed some derogatory information about Norman.

Now it turns out that there is a great deal of doubt as to what was really covered by the Canadian Government's denial as uttered by Lester Pearson, Secretary of State for External Affairs, and the mystery is as big as ever.

Last Friday certain questions were put to Mr. Pearson in the House of Commons at Ottawa, but for some unexplained reason what was said there was not transmitted very fully by most of the press services or else it was ignored on Saturday by those Eastern newspapers hereabouts which have been denouncing the State Department and the Senate subcommittee.

For it develops that despite the early dispatches saying the Canadian Government had found the charges against Norman to be baseless, and despite the later revelation by Mr. Pearson that Norman had had certain Communist associations, the Canadian Secretary of State refused to answer last Friday a direct question on this point by John Diefenbaker, the leader of the Progressive-Conservative opposition. Here was the question:

"Will the Minister say that the allegations before the subcommittee of the United States Senate on March 12 and 21 specifically were untrue, unjustified and had no basis in fact?"

Mr. Pearson in his speech dealt only with Norman's associations with Communists in his student days at Columbia. But he added that as a result of a security checkup on Norman and a personal examination of the reports the Canadian Government was left in 1951 with no doubt as to the loyalty of Norman and his suitability for important posts.

Notwithstanding this, Mr. Diefenbaker challenged Mr. Pearson to answer the question he had propounded and repeated it, demanding to know if the Senate subcommittee's charges were "untrue, unjustified, and had no basis in fact."

Mr. Pearson, however, said he had made his statement and would stand upon it. Mr. Diefenbaker retorted that "the answer is an equivocal one" and went on to say that Mr. Pearson had not denied the charges of the Senate subcommittee.

What were those charges? In a report from a secret agent of an important Government security service—it is not specified whether American or Canadian—the FBI learned in February 1940 that Norman was a member of the Communist Party of Canada.

Also in February 1942 Norman approached the FBI in Boston on behalf of his close friend, Tsuru Shigeto, Japanese instructor at Harvard, who had been interned. Norman wanted to get custody of some of Shigeto's papers and told the FBI he was on official and highly confidential business for the Canadian Government. Not long afterward, Norman changed his story and told the FBI it was only a personal interest on his part and that he was not representing the Canadian Government. Tsuru Shigeto admitted recently in testimony before the Senate subcommittee that he had Communist associations but said he was not a member of the Communist Party. His papers, however, convinced the authorities here that he was strongly sympathetic at the time to the Communist cause. He now says he is ashamed of those Communist associations.

Norman, in 1946, was in the counter-intelligence corps at MacArthur's headquarters in Tokyo representing the Canadian Government. The FBI was informed that he was recalled from Japan on the advice of the Royal Canadian Mounted Police who discovered certain Communist connections on the part of Norman. He was linked with Israel Halperin, a Canadian of Russian parentage who was one of the principals implicated in the exposed Soviet military intelligence operations in Canada as disclosed through the defection of Igor Gouzenko.

There were other factors in the background and Counsel Robert Morris read to the Senate subcommittee on March 12 last a paraphrase of one of the reports of a United States security agency dealing with those aspects. Mr. Morris then added to the record this very significant remark:

"This is all in connection with an inquiry that there was an effort being made to have Norman given the assignment of being a liaison between Canada and the United States intelligence."

This raised some interesting questions for the Senate subcommittee:

1. Who inside the American Government was sponsoring such a setup in 1950 just after the Korean war began?

2. What blocked it and what part did a letter from the FBI to the United States Army Intelligence play in preventing Norman from getting into such a key post in the United States?

3. Isn't it the duty of a Congressional committee to investigate administrative weaknesses which occur inside our Government here and with which suspected persons from abroad make contact?

4. Wasn't Klaus Fuchs cleared by the British Government before he went to work in the secret atomic laboratory in New Mexico?

5. Wasn't Burgess of the Maclean-Burgess scandal—who is now in Moscow advising the Soviets—cleared by the British Government when he became secretary of the British-Canadian-American Committee on Atomic Problems and thereby was given night and day access to the building of the Atomic Energy Commission in Washington?

6. Since Norman was identified as a Communist by information furnished directly to the Senate committee by important witnesses did he cease to be a Communist and in what year?

7. In his recent mission to Cairo what were Norman's contacts with American officials in the Middle East and what did they know of his background?

The proceedings of the Senate Internal Security Committee on March 21, 1957, show a significant passage in which Counsel Robert Morris, addressing Senator WATKINS, said:

"Senator, in that connection, we asked the State Department if the communication from the Canadian Government ever was to the effect that they discovered that Norman had been a Communist and that he is no longer one. The Department has informed us that that has never been the effect of any advice given them by the Canadian Government."

So the main question to which the Senate subcommittee still has not found the

answer is this: how long was Norman a Communist and what was the nature of his contacts with American officials in the Far East and in the Middle East?

Solon Low, national leader of the Socialists Credit Party in the Canadian Parliament, is quoted now as saying that the Pearson government, knowing of Norman's Communist associations, should never have sent him to Cairo last November and was responsible for the tragedy. Mr. Diefenbaker said he too couldn't understand the reasoning of the Pearson government in giving delicate posts to a man with a background of Communist associations. Norman presided over the all-important desk on Far Eastern affairs in the Canadian Government at Ottawa during the critical months of the Korean war and was later acting head of the Canadian delegation to the United Nations in New York.

Since other members of the British Commonwealth openly sided with England and France in the attack on Suez the Canadian Minister to Cairo became a key figure in Egypt. Prominent members of the Canadian Parliament now are saying if Norman hadn't been sent to a post in Cairo—where he was naturally in possession of vital information concerning diplomatic moves of the Western powers—the whole episode would never have arisen.

The Times gets around to a little different slant:

PEARSON SCORED ON NORMAN CASE—CANADIAN PRESS CRITICIZES DELAY IN CONCEDING ENVOY ONCE HAD COMMUNIST TIES

(By Raymond Daniell)

OTTAWA, April 15.—Popular indignation toward the United States over a Senate subcommittee's charge of disloyalty against one of Canada's leading diplomats changed today to criticism of the Canadian Government over its handling of the case.

Tirades of bitter denunciation of the Senate subcommittee were set off April 4 by the suicide in Cairo of E. Herbert Norman, Canadian Ambassador to Egypt. He jumped to his death from the roof of an apartment house after charges of Communist affiliation by the United States Senate Internal Security Subcommittee, first leveled at him in 1951, had been revived.

His suicide under the circumstances prompted the Canadian Government to threaten to halt the exchange of security information unless the administration in Washington could give a pledge that such information, involving Canadians, would not be divulged to Congressional committees, over which the executive branch had no control.

Until last Friday, statements by Lester B. Pearson, Secretary of State for External Affairs, had led the Canadian people to believe there was not a word of truth in the charges that Mr. Norman once had been an associate of Communists.

COMMUNIST LINKS REVEALED

Then, under opposition pressure, Mr. Pearson revealed that in his student days Mr. Norman had associated openly with Communists in his university student days, but that ultimately he had "learned that he had had mistaken beliefs and had been following a false ideology."

This belated revelation came as a shock to many Canadians, who felt their Government had been less than frank with Parliament. John Diefenbaker, leader of the Conservative opposition, made it clear at once that the issue would play an important part in the election campaign just getting under way.

He took the line that if Mr. Pearson had been completely candid with Parliament when the charges were first made in 1951 they would not have been revived in 1957 and Mr. Norman might be alive today.

However, in 1951 Mr. Pearson said that charges of Mr. Norman's "alleged previous association with the Communist Party" had been fully investigated and that he had received a clean bill of health after a security check in Canada. Again when the charges were revived last March Mr. Pearson said they should "be treated with the contempt they deserve."

PAPER CRITICIZES GOVERNMENT

"This left the matter still in doubt and permitted the miasma of suspicion to remain," the Toronto Globe and Mail said in an editorial today. This newspaper has been the most outspoken and bitterest critic of the methods of the Senate subcommittee headed by Senator JAMES O. EASTLAND, Democrat of Mississippi. But today it said the Canadian case would have been stronger if there had been a little honest confession coupled with a statement of faith in the present loyalty of the late ambassador.

"It is quite possible that it was this lack of forthright report by his own Government, far more than irresponsible slanders in a foreign capital, which finally broke Herbert Norman's spirit," the editorial continued. "It is only now that Mr. Pearson says what he should have said 6 years ago."

The Montreal Gazette, another of Canada's influential newspapers, took the same editorial line—that a little more frankness earlier about Mr. Norman's campus indiscretions in the 1930's might have stifled the accusations of 1957.

In a lead editorial headed "Not a Wise Defense," the Montreal newspaper noted that it was now known that Mr. Norman's "previous association with the Communist Party was not only alleged; it had existed." "The clean bill of health related not to ideological illness of the past but to subsequent recovery," the editorial said.

"The tragedy is that Mr. Pearson by giving Mr. Norman this kind of defense in 1951 was not settling the matter; rather he may have increased the probability that it would again be renewed," the editorial went on. "The old charges whose revival Mr. Norman (in his letter to Mr. Pearson found so 'vexing and discouraging') had been left to smolder."

The editorial said that little had been done to dampen them "by the official pretense, however gracious, that there was no truth in them at all."

"In the end Mr. Pearson found it necessary to make a fuller disclosure," the editorial continued. "Perhaps it might have been better since it was made in the end that it had been made earlier. The consequences surely could not have been more calamitous."

Seriously, now, is it fair, is it just? Here is the Cleveland Plain Dealer in Ohio. The Chicago Daily News. Why should not the views of a hundred other papers be sent abroad—or better—at least—a fair example of the thinking of America? Every section of the country is entitled to its day in court. Is there any reason on earth why the country which lies west of the mountains north-south of New York City should not have its views made known. I am sure the gentleman agrees?

Mr. Chairman, it just is not fair to spend the money of all the people, of people from all over this country of ours, to tell the people abroad just what New York and Brooklyn think.

Mr. ROONEY. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, these probably are the most realistic cuts on an appropriation bill that have been brought to the floor of the House during this year. I refer you to page 2 of the committee report. The Department of State is cut $41 million below its 1957 appropriations and $47 million below the proposed 1958 appropriations. The Department of Justice is to have $11 million above the 1957 appropriations and $6,800,000 below the 1958 estimates. The Judiciary is $2 million above the 1957 appropriation and $2 million below the current request. The United States Information Agency is $6,900,000 below the 1957 appropriation and $37,900,000 below the amount requested for this fiscal year. The funds appropriated to the President are $7,500,000 below the 1957 appropriations and $7,600,000 below the fiscal 1958 estimates.

I hope the House recognizes and gives proper credit for these reductions to the distinguished gentleman from New York [Mr. ROONEY], the chairman of the subcommittee. He worked hour after hour, day after day, digging out the places where it appeared proper cuts could be made. His has been an example of tireless devotion to duty.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Illinois.

Mr. MASON. The gentleman says these are realistic cuts. I agree that they are realistic cuts. But undoubtedly we will be told that they are irrational and fatuous, and a lot of other things. I will say this, however: As far as I can see, they are realistic cuts and should be sustained.

Mr. SIKES. I must go one step further. While these cuts are realistic they are not crippling cuts. Despite some of the statements that have been made and some of the questions that have been made, these departments will not be crippled by the budget estimates that are before us. A careful reappraisal and reexamination to determine the necessary elements of the programs will suffice.

I realize and fully agree that the State Department is America's first line of defense. The State Department must fight communism every hour of every day. In the State Department and in the other agencies to which we are referring there are a great many fine and capable people who give of the very best they possess while doing a difficult job. Undoubtedly our greatest need is for a strong foreign policy. I think every person here will have to admit that America does not today have a dynamic, electrifying, positive foreign policy which leads our allies and our friends in a determined and successful search for peace. Unfortunately, money is not going to make it so. Additional money in this bill would not necessarily mean that we would have a better State Department. We have done about everything that can be done moneywise in the way of making this the best Foreign Service we could have. We allow hardship differentials that amount to as much as 25 percent additional for a great many people because of the type of post in which they live. We give home leave for 2 years with costs paid by the Government. There are many other emoluments. As a matter of fact, the State Department now has the largest appropriation it has had for several years. It has had a strong buildup moneywise and personnelwise over the last 3 years.

But, very disappointingly, we are in more trouble diplomatically worldwide today than we have been for many, many years. Look around you. I do not have to point out the many places where American diplomacy barely holds its head above water. You know where they are and you see that our allies, one after the other are shifting their burdens of taxation and of defense to us—the American people. Does that sound like a strong State Department which would benefit from more money? You have to go deeper than monetary considerations in this all important matter. You have got to have the spirit and the leadership to do the job.

I know, my friends, that USIA should be the strong right arm of the State Department and I hope that it will be. But, no one says today that it actually is. Unfortunately, it has been shown to be riddled with weaknesses. I think it is a part of our responsibility as Congressmen to ferret out, to seek to find these weaknesses wherever they may be, to expose them and to see that they are eliminated. If the agencies will not eliminate them, then we, in Congress, must exercise our authority and see that they are eliminated.

I know the job before us is now bigger. America's world responsibilities are ever greater. I know that adequate money should be provided for all the things we have to do, but, gentlemen, money alone will never be the answer.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from New York [Mr. ROONEY] has 3 minutes remaining, and the gentleman from New York [Mr. COUDERT] has 1 minute remaining.

Mr. COUDERT. Mr. Chairman, we have no requests for time on this side.

Mr. ROONEY. Then, Mr. Chairman, will the gentleman be kind enough to yield the 1 minute to me?

Mr. COUDERT. I am glad to yield the 1 minute to the gentleman.

Mr. ROONEY. Mr. Chairman, I should like to reply to the distinguished and kindly gentlewoman from Ohio [Mrs. BOLTON] who said the committee was utterly unrealistic when it cut the amount requested for representation allowances. The fact is that the amount of money presently contained in the bill is higher than the amount for this purpose in fiscal years 1954, 1955, and 1956. There should be some limit to the spending of money for entertainment. The United States Information Agency produced a witness who was going to overwhelm us. He had been the public-affairs officer in Baghdad for 2 years. He testified that it was deplorable that he had to spend $650 for cocktail parties and dinners and that $275 of this $650 came out of his own pocket. What were the facts developed? This young gentleman was put on the payroll in 1949 at a salary of $3,950 a year. Six years later, when the poor fellow had to put his hand in his own pocket for $275 for his cocktail parties and dinners with his associates in the Embassy or Legation and visitors, he was costing the taxpayers over $16,000 a year. His salary had been increased from $3,950 to $10,180. He had a hardship-post allowance of $1,500. He had $2,000 for quarters allowance. He had $800 for cost-of-living differential and $300 for education allowance.

He was costing the taxpayers when you include travel about $18,000 a year. I do not know what we are coming to. I realize the necessity for diplomatic entertainment. I have long been a friend of the State Department and the Foreign Service in this regard, but when they come up to Congress and ask for $1,200,000, when they got along with $500,000 on 1954, $475,000 on 1955, and $575,000 in 1956, I think it is time that we had a reckoning in this regard. I am not going to agree with my distinguished friend from Kansas whose philosophy on the subject is entirely different from mine. I sometimes sip a Martini. My distinguished friend from Kansas [Mr. REES] does not indulge. So in this regard I can testify as a far better expert than he and I am going to oppose any attempt that he may make to cut these allowances any further than the amount contained in the bill.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. COUDERT. Is it not a fact that in 1957 the representation allowance is $800,000?

Mr. ROONEY. Yes, and the gentleman knows the answer to that. Plans went awry. The committee had agreed to a lesser figure last year than the $700,000, contained in the bill. But somebody was not fast enough on his feet in rising to offer an amendment which the committee could accept, so the plans went awry.

Mr. COUDERT. It came out of committee at $800,000.

Mr. ROONEY. It came out of committee at $700,000, with the agreement, to which you subscribed as did every member of the subcommittee, to cut the amount further on the floor of the House to agree to an amendment expected to be offered by either the gentleman from Iowa [Mr. GROSS], or the gentleman from Kansas [Mr. REES].

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

All time has expired.

The Clerk will read.

The Clerk read as follows:

TITLE I—DEPARTMENT OF STATE

Administration of Foreign Affairs

Salaries and expenses: For necessary expenses of the Department of State, not otherwise provided for, including the cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Secretary may prescribe; expenses authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158), not otherwise provided for; expenses necessary to meet the responsibilities and obligations of the United States in Germany (including those arising under the supreme authority assumed by the United States on June 5, 1945, and under contractual arrangements with the Federal Republic of Germany); salary of the United States member of the Board for the Validation of German Bonds in the United States at the rate of $17,100 per annum; expenses of the National Commission on Educational, Scientific, and Cultural Cooperation as authorized by sections 3, 5, and 6 of the act of July 30, 1946 (22 U. S. C. 287o, 287q, 287r); expenses of attendance at meetings concerned with activities provided for under this appropriation; purchase (not to exceed 10, of which 3 shall be for replacement only) and hire of passenger motor vehicles; printing and binding outside the continental United States without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); purchase of uniforms; payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; dues for library membership in organizations which issue publications to members only, or to members at a price lower than the others; employment of aliens, by contract for services abroad; refund of fees erroneously charged and paid for passports; radio communications; payment in advance for subscriptions to commercial information, telephone and similar services abroad; rent and expenses of maintaining in Morocco institutions for American convicts and persons declared insane by any consular court, and care and transportation of prisoners and persons declared insane; expenses, as authorized by law (18 U. S. C. 3192), of bringing to the United States from foreign countries persons charged with crime; and procurement by contract or otherwise, of services, supplies, and facilities, as follows: (1) translating, (2) analysis and tabulation of technical information, and (3) preparation of special maps, globes, and geographic aids; $93,088,500, of which not less than $9,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That passenger motor vehicles in possession of the Foreign Service abroad may be replaced in accordance with section 7 of the Act of August 1, 1956 (70 Stat. 891) and the cost, including the exchange allowance, of each such replacement shall not exceed $3,000 in the case of the chief of mission automobile at each diplomatic mission (except that 11 such vehicles may be purchased at not to exceed $5,000 each) and $1,500 in the case of all other such vehicles except station wagons.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have in my hand an Italian translation of the Federalist papers. This is the first time that the Federalist papers have ever been translated into Italian. The publication resulted from the so-called Classics of American Democracy program that 2 years ago, on the initiation of a small but most distinguished group of Chicagoans, I had the privilege of submitting to this body and which just 1 year ago by your approval was brought into operation.

This, I repeat, was the first time the Federalist papers were translated into Italian. The public reception was tremendous. Within the first month the Italian translation of the Federalist papers was the best seller in Italy of all nonfiction works.

There followed the printing and distribution through local booksellers and bookstalls translated into native tongues, some 15 or 20 different tongues, in inexpensive paperbacks the classics of our democracy that had inspired our own forefathers. They were offered for sale at 10, 15, and 20 cents a copy. This was the first time that these Classics of American Democracy

had ever been translated into these languages. It was the first time in history that the peoples of many foreign lands ever had available for their reading such American classics as the Federalist, Franklin's autobiography, the political writings of Thomas Jefferson, Tom Paine's Common Sense, John C. Calhoun's Disquisition on Government, John Adams' political writing, Thoreau's Nature and Liberty, and others of similar character.

The sales in every land where these American classics were made available to the people at grassroots level broke all records. Soon it was found, as might have been expected, that what had reached the hearts and the minds of our forefathers and had fixed their political philosophy was moving the hearts and minds of peoples in the areas of the world where great changes have come and there is hunger for the fundamental truths of government.

I wish to commend the USIA for inaugurating this program and the vigorous and effective manner in which it has pushed and expanded its operation. It is to me, and I know it is to all my colleagues on both sides of the aisle, a source of great satisfaction. The success of the program has outrun all expectations. I trust there will be no curtailment on the part of the USIA of a program that has accomplished so much, that holds the brightest promise we have in a troubled world and which I feel safe in saying has the devout support of every Member of this body.

I desire, too, to commend the book publishers of the United States who, with no profit to themselves and solely as an unselfish, patriotic service, have given their cooperation. The Chicago Daily News, too, is entitled to a great share of the credit. It was the on-the-spot reports from the foreign correspondents of the Chicago Daily News all over the world that pinpointed the need of getting the classics of our democracy to peoples at grassroots level if America was to win the fight for the hearts and minds of men.

The success of the program is heartening indeed to the little group of Chicagoans who were its real originators. To Dr. Harold Fey, editor of the Christian Century; Drs. Richard McKeon and Jerome Kerwin of the University of Chicago; Emery T. Filbey, vice president emeritus at the university; John McGinnis, president of Pennsylvania Lodge No. 225 of the Brotherhood of Railway Trainmen; Thomas B. Stauffer, instructor in the humanities at Wilson Junior College, and Leland G. Stauber, an undergraduate student at the university, go our thanks and the gratitude of the American people.

The USIA makes mistakes, of course, because to err is human. Its batting average, nevertheless, is pretty high. In the matter of current writings, the books and the newspapers of today, it is in a domain of controversy since among the liberals and conservatives of no living generation is their common acceptance of ideas and expressions. But with the classics of our democracy there is no controversy. They are the writings, not of persons now living, that form the basis of our democratic faith and our political philosophy.

I might remark to the committee that some year or so ago I mailed to some 5,000 leading Americans in all lines of activity a questionnaire seeking agreement as to the American classics that should be included. The replies to this questionnaire fill some 50 or 60 pages of the CONGRESSIONAL RECORD. The replies came from leaders in the field of industry, labor, women's clubs, veteran organizations, editors and publishers, educators. They reflected a tremendous interest. I am happy to report that in its selection of the classics by the USIA the conclusions of this jury of American thought have been followed. There is no controversy here.

In this program every encouragement should be given to the USIA. I should like to ask the distinguished gentleman from New York, who has done such a terrifically good job in cutting out waste, I would like to ask what he thinks about the Classics of American Democracy program. Does he wish to comment?

Mr. ROONEY. I do not have time to act as USIA censor to select and reject books; $2,267,000 was requested for subscriptions and books to be given away free of charge, many of them hard-covered books that retail at $3.50 each. I am not in a position to say which books should be chosen.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

(By unanimous consent Mr. O'HARA of Illinois was allowed to proceed for 5 additional minutes.)

Mr. O'HARA of Illinois. I am glad the gentleman from New York mentioned the $3.50 books. The trouble with the book program, heretofore, and the reason we were losing out to the Soviets was because the program centered on expensive books which were distributed to a relatively few individuals and were placed in libraries not easily accessible to the common people. This was brought out convincingly by the on-the-spot reports from the foreign correspondents of the Chicago Daily News.

The books in the Classics of American Democracy program are being put out in inexpensive translated editions that sell at from 10 cents to not higher than 20 cents a volume. These inexpensive books are read where the expensive books were not. They are actually reaching people at grassroots, where the soil is most fertile for democratic thought.

We will win only when we win the hearts and minds of the little and big people the world over. This was the fight we were losing. Now we are changing the tide of the battle. There must be no lessening of the Classics of American Democracy program. These classics constitute the bible of our democracy. They are selected books written at different times by people of different countries but expressing a political faith as the Christian Bible is a collection of books written at different times but collectively giving expression to a religious faith.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Minnesota.

Mr. JUDD. I want to associate myself wholeheartedly with the gentleman in what he has said. Perhaps the chairman of the subcommittee cannot properly express views for or against a particular volume selected and distributed by USIA. But I can. I believe that sometimes in our library and book programs overseas, those in charge have tended to assume that people there want the same literary diet that Americans generally ask for ourselves. The folks over there who read are interested in solid stuff more than in fiction, for example. They know that the survival of their country and the preservation of their newly won independence depend on their understanding the fundamentals of democratic self-government and our country is certainly one of the world's most successful demonstrations of it. They do not ask for easy stuff, they do not ask for comic books; they want the kind of material such as appears in the classics the gentleman has spoken of.

The first target of the Communists is the student mind. They do not bother much with the peasants, they do not bother with labor until they have won the students' minds and have the intellectuals in their camp. They accomplish that largely by the use of the printed word. That was how it happened in China; it is happening today in Japan. You see it happening in the bookstalls and bookstores all over the world, especially in those countries that have recently come to national independence. There is no place where we can get more for our money than in putting out good translations of our very best books on whose merit all agree, and making them widely available, not necessarily free, but at small cost. Those people who can read at all come in and study such books from cover to cover. They are trying to determine what to believe themselves and what course to adopt for their nation. They are not dismayed at the writings of Karl Marx and Lenin; and anyone who has read them knows they are not light reading. The intellectuals of the world are hungry for solid meat setting forth our philosophy of government and of life in general This is the kind of books we ought to give them more of, and not bother too much with the latest novels that may tickle our fancy but in which they are not interested.

Mr. O'HARA of Illinois. I am most grateful to the gentleman from Minnesota, who indeed was among the first to interest me in a subject in which he is recognized by all his colleagues as an authority. He called my attention at one time to the fact that the Federalist had been translated only into 1 or 2 languages and when I obtained a list from the Library of Congress I was amazed to learn that the Federalist and other fundamental papers of our democracy were practically without translation in foreign languages.

In the global struggle for the minds of men every possible information medium is being used by the Russian Communists. They have been engaged in intensive propaganda work directed at

freemen for the past 35 years. In some respects the Communists give their propaganda program a priority over economic and military considerations. They believe ideas are the most powerful weapons available for their unrelenting warfare against all humanity. Events of the past 20 years show that the Russians have great skill in presenting an appealing and disarming front to the real terror, which in fact is life under Communist rule. They have demonstrated skill in twisting the truth about the United States, her people, and our hopes for all the people of the world. As a consequence of many years of Communist propaganda, appreciable numbers of people in far-distant lands do not understand us or our policies and some even continue to regard us as imperialists and colonizers. To attain those evil ends required constant and skillful use of all the means of mass communication. This the Communists have done and continue to do.

But the Russians have shown unusual skill in the utilization of books to put across their story. They maintain, in Moscow, what is called the Foreign Languages Publishing House, and boast about their ability to produce a given book in nearly every language of the world. They also maintain book publishing fronts in many key cities of the free world. They far outstrip the total effort of the free world in both the number of books produced each year, the total number of copies of each volume published, the number of different languages used in their publication program, and the variety of books produced. Moreover, they price their books in a price range which makes them available to everyone. For those who cannot afford to buy their books, particularly students, very convenient credit terms are available for the asking. Communist propaganda tracts in the form of books are thus infiltrated into all levels of society in every country of the world.

It was knowledge of this situation which led me to join with a group of distinguished Americans living in Chicago, for the purpose of challenging the Russian Communists in the book field. We were immediately joined in our work by the able and distinguished gentleman from Ohio [Mr. FEIGHAN]. We were all convinced that the great ideals which stand as the basis of our free institutions would hold great appeal and inspiration for millions and millions of people throughout the world. We were especially concerned with those who have been often called the newly awakened people of the world—those people who after a long, hard struggle had emerged from colonies and possessions into sovereign and free nations enjoying the stimulation of national independence. All of us were convinced that large segments of humanity were starved for more knowledge of those great political principles and institutions without which all men are quickly stripped of their dignity and individual worth.

In order to test our plan we canvassed the opinion of several thousand Americans who we believed represented a fair cross section of public opinion. Among them were newspaper publishers, heads of civic organizations, political scientists and columnists. There was an immediate response to our proposal; many fine suggestions and recommendations came from people all over the United States. We were encouraged to go forward with our plan. After careful study of these several thousand respenses and the many editorials appearing in newspapers throughout the country, we appealed to the USIA to adopt our plan, which had by then become known as the "Classics of American Democracy." The classics of our democracy were, in brief, a selection of books which reflected the social and political philosophy of the United States from the time of the Revolutionary War.

The USIA adopted the plan and then set a pilot project in motion to test the reaction of people in several areas of the world. Low cost paperback volumes in the English language were used for the pilot project. The response exceeded the hopes of our most optimistic supporters. The Classics of American Democracy quickly proved their value and popular appeal. The USIA then decided to go ahead with arrangements for the printing of the Classics of American Democracy in 10 major languages of the world. Each printing was to be produced at a cost within the reach of the working people and students of each of the countries concerned. All this took time and advance planning because of the novelty of the program. However, all the major problems in connection with this project have now been worked out by USIA and they are prepared to go ahead with a program which gives hope that we and our social, political, and economic system will be better known to all the people of the world. This will be a real accomplishment because it will stand as a firm contribution to the cause of peace and world understanding.

It is my hope that the chairman [Mr. ROONEY] and members of his committee continue to look with favor upon this phase of the USIA program—as they did last year. It would be a setback to a most necessary and indeed essential work if at this stage the inexpensive book program of USIA; which features the Classics of American Democracy, had to be reduced or was slowed down. I hope and pray that this will not be the case. In that hope and prayer I feel that I am joined by all my colleagues.

Mr. Chairman, I hope there will be no curtailment of this program, but that the contrary will be true and that the program will be expanded so that in the next year we will have in all the languages and tongues of the world some of the classics of our own democracy. I remember some years ago I was shown a book of gospel hymns. I was informed that this book of gospel hymns had been translated into 80 different languages and tongues. Certainly we ought to do as much for the classics of our democracy. We owe that to the world and I think we owe it to our own survival because we do not survive as we were, and with our way of life unchanged, when we win a cold war or win a hot war. Survival is not in killing men. You can kill men and conquer countries physically, but you have to conquer the minds and hearts of people before you are in fact conquerors.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Ohio.

Mr. ASHLEY. Mr. Chairman, I want to congratulate the gentleman from Illinois on his very forceful and well-reasoned statement.

I am sure that he will agree with me that the House must weigh carefully any further cuts in the United States Information Agency budget. I know that there are many who believe that the Appropriations Subcommittee did not go far enough when it approved only 74 percent of the President's request for funds for this Agency. Certainly, there has been considerable criticism of many of the Agency's programs and of the efficiency with which these programs are being carried out.

As far as I can tell, Mr. Chairman, these criticisms come mainly from Members who simply do not believe in the soundness of the basic purposes and objectives of the Information Agency.

Perhaps there is room for an honest difference of opinion on this point. But there can be no difference of opinion on whether or not we are engaged in a cold war for our very survival. Is there anyone in this Chamber, Mr. Chairman, who questions whether the aggressive ambitions of the Soviet Union extend to political and economic control of the entire world? Perhaps those who are most eager to scuttle the United States information program will be interested in the wide variety and effectiveness of similar efforts in which the Soviet Union is engaged.

There was a marked stepup of Communist propaganda efforts directed at the free world in 1956. In some cases the Sino-Soviet bloc doubled and tripled its output.

Radio, printed words, and films were major instrumentalities used by the Communists.

Radio broadcasting—one of the oldest means used by the Communists to reach the free world population—for the first time passed the 2,000 hours per week mark last year. While the overall increase amounted only to 10 percent, special consideration was given to politically vulnerable areas of the world. Thus the U. S. S. R. doubled its Arabic-language programs to the Near East, and Moscow increased by 50 percent its Spanish program to Latin America. At the same time all Communist radios increased or initiated broadcasts in their native languages aimed at their compatriots in all areas of the world. The purpose of these programs was to support the worldwide redefection campaign staged by the Communists. While in 1955 satellites had only 20 minutes weekly on the air beamed to Latin America in satellite languages, in 1956 the total weekly time amounted to 19:30 hours.

Africa is another example. In 1955 there was only one station beaming in Arabic. That was Moscow with 14

weekly hours on the air. By the end of 1956 Moscow had 24:30 hours per week in Arabic, while satellites added another 3:30 hours per week. Thus from 14 hours per week in 1955 the Arabic broadcasts jumped to 28 hours per week by the end of 1956.

Communist China registered her interest in Africa by starting in September 1956 a 3½ hours per week program in English for Egypt and central Africa. Furthermore, antiwestern views—particularly anti-British and anti-French—are mirrored in the output of the Egyptian station Voice of the Arabs, representing ultranationalistic Egyptian circles. The station, located in Cairo, was partly out of commission after the Abu Zabal transmitters were bombed last November. As of the end of the year it was broadcasting 35 hours per week to the entire Arab world, and within the first 3 months of 1957 it increased its broadcasting to 53:05 hours per week. It also beamed to the Sudan in Arabic 21 hours per week as of the end of March 1957—14 hours at the end of 1956—and resumed its broadcasts to Ethiopia—in Amharic 3:30 hours per week—to Somaliland—in Somali 5:15 hours per week—and to East Africa—in Swahili 5:15 hours per week. These latter broadcasts had been interrupted after the Abu Zabal bombing.

International broadcasting by the Communists to all areas of the world at the end of 1956 amounted to 2,077:45 hours per week. That included 242:25 hours per week to North America—the U. S. S. R. doubled its English language output to North America in 1956. This compares with 1,139:15 hours per week broadcast by the Voice of America, which includes 133 hours per week of Music—USA, a purely musical program.

Area by area comparisons indicate that the Communists have a lead over the Voice of America in all of them. To Europe the Communists broadcast 961:10 hours per week while the Voice had 556:30 hours per week. Since Europe is taken here as one unit, VOA's principal targets—U. S. S. R. and satellites—are included in the overall figure.

Broadcasts to the Near East, South Asia, Africa from the bloc increased from 228:50 hours per week in 1955 to 241:30 hours per week in 1956. That figure compares with 192:30 hours per week broadcast by the Voice. Far East comparative figures include 414:40 by the bloc and 252:00 by the Voice of America. Furthermore, the Voice is on the air only 5:15 hours per week to Latin America while Communist broadcast 72 hours per week.

The year 1956 was one of the most successful years in the history of the Communist film industry; 192 feature films were produced, which was about 30 percent in excess of 1955's total. Russia's 85 feature films were a 30-percent upswing over 1955, and Red China's features reflected a 135-percent jump. It is interesting to note that within the Soviet sixth 5 year plan film production is included and a high goal set. No fewer than 120 full length films, according to the plan, are to be produced annually by the Soviet Union alone.

In June 1956 the Moscow Documentary Studios initiated a monthly newsreel, U. S. S. R. Today, in 30 languages. Altogether during 1956 an estimated 500 documentaries and newsreels were produced by the bloc, which was not a very large increase over 1955. A big jump, however, is expected in 1957 which is the 40th anniversary of the October revolution. According to the Film Daily, a New York trade paper, the U. S. S. R. set aside 500 million rubles—$125 million at the official rate of exchange—to produce primarily documentaries in 1957.

The bloc countries participated during the year in almost every international film festival held in the free world. At the Venice Film Festival held last August, the bloc captured 13 out of the total of 22 awards. At the Edinburgh Film Festival the bloc won 36 out of the total of 179 awards.

The Communists have made also a full use of the printed word to get their message across; 613 new book titles—100 pages and more—in 27,836,000 copies in free world languages were produced by the Soviet Union. Twelve principal languages were used including Arabic—7 titles and 27,250 copies; Urdu—5 titles and 59,500 copies; English—240 titles, 7,743,250 copies; French—118 titles, 2,260,500 copies; and German—151 titles, 16,990,100 copies.

In addition to publication of books in free world languages, the Communists also put out a large number of translations. While final figures for 1956 are not available, comparative statistics related to 1955 and 1954 give a clear indication of the scope of Communist efforts in this field. The total number of titles translated into non-Soviet languages was 29.7 percent higher in 1955 than in 1954. There was an increase of 300 percent of titles translated into Arabic, 150 percent into Urdu, and 82 percent into English.

In addition to books, the Communists publish a large number of pamphlets. There is no way of estimating how many propaganda pamphlets and leaflets were put out by the bloc but the magnitude of the Communist effort in that field was illustrated recently in Indonesia. Twenty thousand copies of a specially prepared pamphlet on President Sukarno's visit to the U. S. S. R. were distributed free of charge all over the country.

Communist wire and news agencies—which are integral parts ofthe party machinery—increased their activities in a number of places. The New China News Agency opened an office in Cairo and increased its staff in Damascus and Kabul. TASS expanded its offices in New Delhi, Karachi, Bangkok, Djakarta, Beirut, Cairo, Copenhagen, Kabul, and Helsinki. In July 1956 TASS doubled the size of its fortnightly magazine Soviet Land published in India.

Soviet preoccupation with the Near East—reflected in other media operations—was also evident in the activities of various press services. In Beirut alone the estimated cost of TASS, VOKS center and the Najah Press—a local Communist outfit—amounted in 1956 to $410,000. The Najah Press issues a weekly Arabic language magazine.

Communist exchange of persons activities rose almost 40 percent in 1956 over the previous year as governmental, cultural, and sports delegations traveling to and from the Orbit jumped from 1,317 to 1,810. Especially revealing are figures for travel of cultural delegations between the Orbit and Near East-South Asia-Africa, with 216 such groups representing an increase over 1955 of more than 100 percent.

Participation by Communist countries in international fairs in free world countries during 1956 cost them about $100 million, compared with $38 million in 1955 and $10 million in 1954. The 93 international fairs in which they took part during 1956 stood for an increase of 36 percent over 1955.

Another important instrument used by the Communists in the free world are front organizations. During 1956 two significant events occurred in this field. The World Federation of Trade Union, according to Radio Moscow, has gained 3 million members—if accurate it may mean an increase in Communist China and possibly in the Near and Middle East. The other event was creation of a new Asian-front group called the Asian Solidarity Committee. The organization, set up last April at the World Peace Council Asian Conference in New Delhi, included Communist China, North Korea, India, Ceylon, North Vietnam, and Japan.

I hope, Mr. Chairman, that the potency of the Soviet propaganda weapon will not be underestimated when Members of this House are called upon to vote appropriations for the continued operations of the United States Information Agency.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 3, line 24, strike out the figure "$93,088,500" and insert "$91,088,500."

Mr. GROSS. Mr. Chairman, in considering this bill we are left with scarcely any alternative but to meat-ax it. Appropriation bills, I regret to say, are coming to us increasingly in lump-sum appropriations by which very few items are segregated so that Members can get at them. I hope that some day that situation will be changed. But, we are left with practically no recourse when a chunk of meat like this is thrown at us but to throw the meat cleaver at it.

Now, I think that the distinguished gentleman from New York [Mr. ROONEY] has made a very good case for cutting the State Department appropriation bill. My amendment would take into consideration the appropriation for retirement and cut out approximately $2.7 million. Certainly that is not too much to cut a department of Government which, as the gentleman has well pointed out, has indulged in deception and deceit with respect to additions of personnel and various other things.

I would call your attention to an item on page 137 of the hearings in further support of my amendment to cut something off this bill where it shows that the cost of gardening service for the Department of State runs to the tune of $255,239

a year. I had not realized that we were in that business to the extent of a quarter of a million dollars.

Mr. Chairman, I cannot believe, in view of the fact that a cut was applied to the Post Office Department not so long ago when that appropriation bill was before the House, a cut of some $58 million in a department of Government that is ever expanding its service to the people of this country—I cannot believe that a cut of $2.7 million, approximately, in this bill can hurt anyone, and that it cannot be absorbed. I hope that my amendment will be adopted.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. Is there any arrangement that the gentleman has with the committee about this amendment like they had on the one last year, or are you just offering this on your own?

Mr. GROSS. Of course, I do not know that there was any arrangement, and I intend to speak to that later when an amendment is offered to the representation allowances. I did not understand that there was any agreement as between the gentleman from Iowa and the Committee on Appropriations. There was an agreement between the gentleman from Iowa and the gentleman from Kansas that the gentleman from Kansas would introduce the amendment last year, but I regret very much that he did not get the amendment offered. But, I have no arrangement, let me say to the gentleman, with the appropriations subcommittee. Had I happened to be putting in the amendment, it would have been offered last year.

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, I first want to congratulate the distinguished chairman of the subcommittee, the gentleman from New York [Mr. ROONEY], for the splendid job he has done on this bill. In fact, I want to be frank in stating that he has done too good a job on certain items. All of us are interested in cutting the budget and reducing taxes; however, there has been one item disallowed from the budget request that I do not believe is good economy. I refer to the request of the United States Bureau of Prisons for $1,300,000 with which to start construction on a much needed maximum security Federal penitentiary. As I explained to the Subcommittee on Appropriations on March 12 when I appeared before them, prisoners in Federal penitentiaries who are committed for more than 5 years have increased 26 percent since 1952. This fact points out one thing—the Federal prison system is critically overcrowded. When I make the statement that it is not good economy to disallow these funds I refer specifically to the danger we are running into of having a major riot in one of our present antiquated, overcrowded institutions. Such a riot could cause millions of dollars' damage.

All we need to do is stop and look at some of the riots that have taken place in Ohio, Nevada, and my own State of Illinois. A few years ago, we had a riot in a penitentiary in my State resulting in several hundred thousand dollars' damage. I have the utmost confidence in the long term director of the United States Bureau of Prisons, Mr. James V. Bennett. He came before the Appropriations Committee and pointed out that it was a "must" for this country to have a new maximum security Federal penitentiary in which to house the most hardened criminals.

The Committee on the Judiciary of the United States Senate has just issued report No. 118. This report was made after a personal inspection of the Federal prison system by a subcommittee of the Judiciary. I would like to quote a portion of their recommendations:

> The need for additional maximum custody prison facilities to care for this continually increasing number of repeaters and serious offenders is beyond question. In the first place, more and more responsibilities for law enforcement are coming under the jurisdiction of Federal agencies with a consequent effect on Federal prisons. The continually mounting population of the country and the general increase in crime point to the imperative necessity for an orderly program of developing Federal prison facilities. It should not be necessary to wait until a major catastrophe occurs in the Federal Penal System to give attention to this problem.

Mr. Chairman, I have no idea what the other body will do concerning the restoration of funds; however, I would like to say that I hope the House will go along with whatever action they see fit to take. At the very latest, I hope these funds can be allowed no later than next year so the United States Bureau of Prisons can proceed to build this much needed institution.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 7 minutes, with 5 minutes reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, will the gentleman from New York [Mr. ROONEY] advise how a Member might proceed to cut any one of the services referred to on page 2 of the bill? There seem to be 6 or 7 objectives there. And then on page 3 you have the same situation. That is all before you get to the $93 million. Just take this one above "unable to use his furniture and effects, under such regulations as the Secretary may prescribe." Now, if somebody wanted to cut that item, how would he go about it?

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman, in reply, I should like to say that this language is a money saver.

The Foreign Service Act gives them the authority to transport their furniture at Government expense and this permits it to be stored and saves transportation costs.

Mr. HOFFMAN. Here is another instance, in line 22, "expenses of attendance at meetings" and so on. There is no way by which an amendment can be drawn to cut that particular item, is there?

Mr. ROONEY. I do not know of any way other than by a limitation.

Mr. HOFFMAN. A limitation would not reduce or cut the item. So that if the amendment is agreed to, cutting the $93 million, the State Department would then be at liberty to apply what was left to any part of the service it chooses; is not that so?

Mr. ROONEY. That is correct, if no indication was made.

Mr. HOFFMAN. And if some Member on the floor wants to cut the amount for any particular service, or to cut the amount out entirely, he just cannot get at it, can he? That is, that particular item?

Mr. ROONEY. I do not think that is so. I think if an amendment is adopted and is directed to a particular part of the appropriation, the Department is supposed to carry out the will of Congress and the committee.

Mr. HOFFMAN. I know; but what I mean is this: Here is another illustration, "Salary of the United States Member." Let us assume that a Member of the House wanted to cut that particular item out, cut out that salary. How could he draw the amendment? If the amendment is offered in the way the amendment was offered by the gentleman from Iowa [Mr. GROSS] to cut the $93 million, that does not mean that that particular item would be taken out even if the amendment were approved, does it?

Mr. ROONEY. That would be a question of parliamentary procedure.

Mr. HOFFMAN. No. The agency could state the salary—leave out some other item.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment. Many here have said that the members of this subcommittee have done a good job in unearthing the facts. We worked for practically 2 months on this bill, every day from 10 o'clock in the morning until 4 or 4:30 in the afternoon 5 days a week. We think we have cut the fat out of it. We think we have taken away as much as we can safely take away. Now along comes the gentleman from Iowa [Mr. GROSS] who wants to reduce it further by $2 million. The gentleman has the printed committee hearings. I know he has carefully studied them. He has had these hearings for over a week. Now he appears to be qualifying as a better expert than any of the members of the subcommittee. The gentleman is now in a dangerous area when he proposes to further cut salaries and expenses of the Department of State and the Foreign Service. Honestly, this is a very, very dangerous area. I think the

House will accept the judgment of the committee in preference to the judgment of the gentleman from Iowa [Mr. GROSS].

Each year the gentleman from Iowa offers these kinds of amendments and he bases them on the very facts developed by the committee and which the committee used to make the committee cut. I respectfully suggest to the membership of the House that this amendment be rejected.

Mr. GAVIN. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Pennsylvania.

Mr. GAVIN. I do not think the chairman of the subcommittee should be so wrought up about anybody offering amendments. My good friend, the gentleman from Rhode Island [Mr. FOGARTY] and his committee spent weeks and weeks in hearings on the appropriation bill for the Department of Health, Education, and Welfare. The economy bloc, that is not here today, was on the floor in full force that day offering all kinds of amendments to cut appropriations on the health, education, and welfare bill.

Mr. ROONEY. I did not yield to the gentleman for a speech; I yielded for a question.

Mr. GAVIN. I know, but I just say the gentleman should not be concerned——

Mr. ROONEY. Let the gentleman obtain his own speech time. If I have another breath or two left later, I shall be glad to yield to the gentleman, but I want to finish this thought first.

The committee was asked for $112 million for this item of salaries and expenses. It covers the actual running of the State Department personnel, all their equipment, transportation, and other necessary expenses. The committee cut this request to $93,088,500. The committee allowed the exact amount they have at the present time plus $2,588,500, which is for retirement-fund contributions.

Mr. GAVIN. Now will the gentleman yield to me?

Mr. ROONEY. For a brief question; not a speech.

Mr. GAVIN. I am just weeping——

Mr. ROONEY. What is the distinguished gentleman weeping about?

Mr. GAVIN. I am weeping for that $16,000-a-year executive, the gentleman brought to our attention very dramatically a few moments ago.

Mr. ROONEY. Does the gentleman mean the publicity man who had to spend a little money out of his own pocket?

Mr. GAVIN. Yes; that gentleman from Baghdad, who got his salary increased from $3,900 to $16,000. I just feel quite bad about it.

Mr. ROONEY. I will lend the gentleman my handkerchief if he saturates his. But let us not laugh about this pending amendment. This is the most important item in the bill. This is just as important as the Federal Bureau of Investigation money contained in this bill. Do not ruin the American Foreign Service.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Ohio.

Mr. VORYS. I think the gentleman from Pennsylvania should save his tears, because the fellow he is talking about is not in this part of the bill.

Mr. ROONEY. That is correct.

Mr. VORYS. If this amendment is carried, you would have to dismiss people who are at present serving in the State Department.

Mr. ROONEY. It would create utter chaos in the State Department. The action I say would be irresponsible.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY I yield to my distinguished friend.

Mr. GROSS. The gentleman will agree, I am sure, that there are some of those people in this part of the bill, too?

Mr. ROONEY. No; I do not think so. I am being utterly honest with the House. I am afraid of the consequences of this amendment. I think it would be irresponsible to cut this any further than the committee did.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired on the pending amendment.

The question is on the amendment offered by the gentleman from Iowa.

The question was taken; and on a division (demanded by Mr. GROSS), there were—ayes 31, noes 76

So the amendment was rejected.

The Clerk read as follows:

Representation allowances: For representation allowances as authorized by section 901 (3) of the Foreign Service Act of 1946 (22 U. S. C. 1131), $600,000.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: On page 4, line 13, strike out "$600,000" and insert "$400,000."

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, do close in 15 minutes with the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REES of Kansas. Mr. Chairman, the best and most forceful statement in favor of this amendment has been made by the distinguished chairman of this subcommittee, the gentleman from New York. He described the situation rather clearly, I think, a while ago. He said he differs in the point of view in respect to the subject matter. He did tell you quite plainly, as I see it, why the proposed amount in this bill should be reduced. I want to commend him, for having reduced the request as much as he did. This thing had gone wild. The request was $1,200,000 and he secured approval of his committee in the sum of $600,000. I want to remind you, too, that this is not the only item of so-called representation in this legislation. This is one of the items. So if you only support this amendment, you will then be cutting it back to where it was in 1956, 1954, 1953, and 1952. I am asking for a reduction in line, where it was 2 and 4 years ago. I believe that is fair and reasonable, and I think you ought to support it. Now there are other items of so-called representation in this bill.

Mr. Chairman, about the only reason for this legislation is described in the hearings on the bill.

The witness says, and I quote:

In order to do their work properly, they have got to establish friendly personal relations with a broad range of people in political, business, scientific, and cultural life, with the leaders in government in power and the representatives of political groups which may themselves come to power.

Mr. Chairman, if we have to use this method in our attempt to get along with the heads of other nations, then we are using cheap methods in trying to make agreements with people of foreign nations.

Mr. Chairman, this amendment is only to cut $200,000. But it is at least some reduction. The fact of the matter is that I would strike it all out, if I could. The gentleman from New York understands that. But nevertheless I think he ought to go along with us on this rather moderate reduction and save $200,000. In my opinion it would be good for our country. I do not see how in the world or why you have to get people to drink intoxicating liquors in order to try to become friendly with them. It is not the best way, as I see it, to try to get an understanding with people wherever they are—in America or anywhere else.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. REES of Kansas. I am glad to yield to the able chairman of this subcommittee.

Mr. ROONEY. Under the provisions of the gentleman's amendment, which would cut these allowances back to $400,000, there would not be a cookie left in the State Department.

Mr. REES of Kansas. There would not be what?

Mr. ROONEY. A cookie.

Mr. REES of Kansas. I do not know what the gentleman refers to.

Mr. Chairman, in all seriousness, let us not let this thing get out of hand. Let us just cut this $200,000. It is a comparatively small amount. Let us reduce it down to $400,000. I hope the members of this committee will see fit to support my amendment. I think it is only fair that we save $200,000 of the taxpayers' money. They will appreciate our saving at least that much especially when it is not for a necessary cause. So vote to save $200,000 for the taxpayers of America.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, directed him to report that it had come to no resolution thereon.

DEFICIENCY APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, by direction of the Committee on Appropriations, I ask unanimous consent to take from the Speaker's table the bill H. R. 6870, making appropriations for the fiscal year ending June 30, 1957, and for other purposes, with Senate amendments, with the intention of asking that the House agree to the Senate amendments.

The SPEAKER. The Clerk will report the title of the bill and the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

(1) Page 5, after line 9, insert: "Senate."

(2) Page 5, after line 9, insert: "Salaries, officers and employees."

(3) Page 5, after line 9, insert:

"Office of the Vice President: For an additional amount for clerical assistance to the Vice President, $5,000."

(4) Page 5, after line 9, insert:

"Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the States of Louisiana and Ohio so that the allowance for each Senator from the State of Louisiana will be equal to that allowed Senators from States having a population of over 3 million, the population of said State having exceeded 3 million inhabitants, and so that the allowance for each Senator from the State of Ohio will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $8,000."

(5) Page 5, after line 9, insert:

"Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the State of Texas so that the allowance for each Senator from said State will be equal to that allowed Senators from States having a population of over 9 million, the population of said State having exceeded 9 million inhabitants, $2,000."

(6) Page 5, after line 9, insert: "Contingent expenses of the Senate."

(7) Page 5, after line 9, insert:

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1956, $25,000."

(8) Page 5, after line 9, insert:

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $820,000."

(9) Page 5, after line 9, insert:

"Automobile for the President pro tempore: For an additional amount for purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $2,000."

(10) Page 5, after line 9, insert:

"Automobiles for the majority and minority leaders: For an additional amount for purchase, exchange, driving, maintenance, and operation of two automobiles, one for the majority leader of the Senate, and one for the minority leader of the Senate, $4,000."

(11) Page 5, after line 9, insert:

"Joint Committee on Navajo-Hopi Indian Administration: For salaries and expenses of the Joint Committee on Navajo-Hopi Indian Administration, $5,000, to remain available during the existence of the committee."

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

Mr. TABER. Mr. Speaker, reserving the right to object, this is the same bill that we passed in the House yesterday, with the addition of $871,000, which the other body has added for their own housekeeping items, and those are the items that were first put in by the Senate in the urgent deficiency bill which is still in conference. Is that correct?

Mr. CANNON. The gentleman is correct. It is the bill we passed yesterday, with the addition of some housekeeping items by the Senate. Of course, between the two Houses, we do not interfere with housekeeping items of the other body.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

URGENT DEFICIENCY APPROPRIATION BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957 and for other purposes, which is a resolution reported by the Committee on Appropriations in lieu of the first urgent deficiency appropriation bill which has been in conference for some time and on which the House and Senate conferees have not agreed.

The Clerk read the title of the resolution.

Mr. CANNON. Mr. Speaker, this proposition contains everything in difference between the two Houses with three exceptions. One is the strategic minerals amendment. Another is the cotton seed feed amendment. In addition it divides equally between the House and Senate the limitation on funds that can be used for local and State administration in connection with grants to States for public assistance under the Social Security Administration. Of course, we have taken out of it the Senate housekeeping items to which the gentleman from New York [Mr. TABER], just referred, and which were carried in the bill just agreed to by the House.

Mr. Speaker, I ask unanimous consent that this resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

The Clerk read the resolution, as follows:

Resolved, etc., That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1957, the following sums:

CHAPTER I—DEPARTMENT OF AGRICULTURE

Agricultural conservation program service

Emergency Conservation Measures

For an additional amount to enable the Secretary to make payments to farmers who carry out emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for "Disaster relief," for allocations to the Secretary of Agriculture for such purposes, $15 million: *Provided*, That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law.

Farmers' Home Administration

Disaster Loan Revolving Fund

Not to exceed $15 million of the disaster loan revolving fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a–1 to 1148a–3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88).

Loan Authorizations

For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $26 million: *Provided*, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

CHAPTER II—SMALL BUSINESS ADMINISTRATION

Salaries and expenses

For an additional amount for "Salaries and expenses," $1,100,000, to be transferred from the "Revolving Fund, Small Business Administration."

Revolving fund

For additional capital for the revolving fund, authorized by the Small Business Act of 1953, as amended, to be available without fiscal year limitation, $45 million.

CHAPTER III—AMERICAN BATTLE MONUMENTS COMMISSION

Construction of Memorials and Cemeteries

To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84).

CHAPTER IV—DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Public Health Service

Foreign Quarantine Service

Section 364, part G, title III, of the Public Health Service Act is amended by adding thereto the following subsections:

"(c) Employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as 'employees of the Public Health Service', when required to be on duty to perform such duties between the hours of 6 o'clock postmeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock

antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, shall be paid, in lieu of compensation under any other provision of law, at the rate of 1½ times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and 2 times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term 'basic hourly rate' shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regularly scheduled tour of duty."

"(d) (1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than 1 hour. The Surgeon General with the approval of the Secretary of Health, Education, and Welfare may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: *Provided,* That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the aircraft or trains in which they arrived, or (3) persons arriving by vessels operated between Canadian ports and ports on Puget Sound or operated on the Great Lakes and connecting waterways, the operations of which are covered by published schedules, or the vessels in which they arrive.

"(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered."

Social Security Administration

Grants to States for Public Assistance

For an additional amount for "Grants to States for public assistance," $275 million: *Provided,* That not more than $16,728,000 of this amount may be used for State and local administration.

CHAPTER V—PUBLIC WORKS—DEPARTMENT OF DEFENSE—CIVIL FUNCTIONS

Department of the Army—Rivers and harbors and flood control

Construction, General

That portion of title III of the act of July 2, 1956 (Public Law 641, 84th Cong., 70 stat. 474, 480), that pertains to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

"That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of $1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts numbered H. H. 3170 and H. H. 3168, and not to exceed $2 million shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for production shall be made and the Secretary of the Army shall acquire such land and improvements if all of the land owners, except Lester G. Larson, the heirs of Louis Morin, Jr., and the heirs of A. Desjarlais, on or before June 30, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided,* That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208C of the Buford-Trenton project, Williams County, N. Dak., according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 in Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Jr., now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further,* That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district."

CHAPTER VI—LEGISLATIVE BRANCH—HOUSE OF REPRESENTATIVES

For payment to Cleo C. Fernandez, widow of Antonio M. Fernandez, late a Representative from the State of New Mexico, $22,500.

For payment to Elizabeth F. Hand, widow of T. Millet Hand, late a Representative from the State of New Jersey, $22,500.

For payment to Wilberta R. Hinshaw, widow of Carl Hinshaw, late a Representative from the State of California, $22,500.

For payment to Mildred N. Priest, widow of J. Percy Priest, late a Representative from the State of Tennessee, $22,500.

CHAPTER VII—GENERAL PROVISIONS

Appropriations, funds, and authorizations made available by this joint resolution shall be charged against any corresponding appropriations, funds or authorizations made available by H. R. 4249, 85th Congress (Urgent Deficiency Appropriation Act, 1957) whenever said H. R. 4249 is enacted into law.

Mr. McCORMACK. Mr. Speaker, I move to strike out the last word that I may ask a question. So that the RECORD will show, what amount was included in the resolution for social-security payments?

Mr. CANNON. Two hundred and seventy-five million dollars is provided for payments to States—which in turn goes to the individual recipients. As for the limitation on the amount that can be used for administrative expenses, the resolution carries a compromise between the two Houses. It is halfway between the Senate figure and the House figure, and amounts to $16,728,000.

Mr. McCORMACK. And the chairman of the committee assures the House that that is plenty of appropriations at this time to last until after the Easter recess and further consideration can be given?

Mr. CANNON. Unquestionably; and I might say to the majority leader, the distinguished gentleman from Massachusetts, that this disposes finally and completely of all appropriation matters that are to be considered before the Easter recess. With the disposition of this joint resolution Members can go home for the holidays with a clean slate and a clear conscience.

Mr. McCORMACK. In other words, the immediate situation is met by this, and there will be no hardships; that additional requests for appropriations can be given further consideration after the Easter recess.

Mr. CANNON. It disposes of all pending questions, and is satisfactory to everybody concerned on this side of the Capitol.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DEPARTMENTS OF STATE, JUSTICE, JUDICIARY, AND RELATED AGENCIES, APPROPRIATION BILL, FISCAL YEAR 1958

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6871 with Mr. COOPER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The gentleman from Iowa [Mr. GROSS] is recognized for 3⅓ minutes.

Mr. GROSS. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Kansas, and I would like to say at the outset in trying to fix responsibility for failure to cut this item last year when the appropriation bill was before the House, I recall that the gentleman from Kansas asked the gentleman

from New York [Mr. ROONEY], if he would permit the return to the item so that he could offer his amendment, and the gentleman from New York informed the gentleman from Kansas that he would not give him unanimous consent to go back to it so he could offer the amendment to cut down spending for liquor for the State Department.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. The gentleman from New York mentioned my name just a few minutes ago and refused to yield to me. Now, wait a minute and I will yield to you. The gentleman, therefore, must assume his share of responsibility for the liquor allowance not being cut in the last session of Congress.

Now I yield to the gentleman from New York.

Mr. ROONEY. I would like to say to the gentleman from Iowa that I am not in the custom of trying to commit harakiri when I am here on the floor in charge of a complicated appropriation bill. If one permits a portion of the bill which has been read and passed to be reopened we would have nothing but parliamentary chaos.

Mr. GROSS. I quite agree with the gentleman, but let the RECORD show that the gentleman refused to give consent to the gentleman from Kansas to return to that item.

Mr. ROONEY. I do not recall one way or the other. Is the gentleman sure of that? Where is that found in the RECORD?

Mr. GROSS. In this bill, in addition to the $600,000 to the State Department for liquor, let me say to the Members of the House, there is approximately $200,000 additional for other agencies for representation allowance—for liquor—call it whatever you will. Incidentally, a new name has been adopted by some of these agencies of the Government; I found in at least one of the hearings that the money for liquor is called a ceremonial fund.

Mr. Chairman, I should like to ask the gentleman a question on another subject. On page 4, line 9, there is this language:

> Each such replacement shall not exceed $3,000 in the case of the chief of mission automobile at each diplomatic mission, except that 11 such vehicles may be purchased at not to exceed $5,000 each—

And so forth. Does that mean that the State Department is permitted to spend $5,000, plus the trade-in's, on 11 automobiles they would be authorized to buy?

Mr. ROONEY. No.

Mr. GROSS. They can spend $5,000?

Mr. ROONEY. These $5,000 automobiles are for our ambassadors and chiefs of missions and they cost more than the average car for the reason they have a glass partition between the driver and whoever happens to be in the rear seat.

Mr. GROSS. That intrigues me. Why do they have to have that partition?

Mr. ROONEY. Because there are local employees who drive our automobiles at foreign posts and conversations take place that the Ambassador would not want heard by that local driver.

Mr. GROSS. Could not the Ambassador just reserve that conversation for some few minutes and take care of it at a little later time and save the Government this additional cost?

Mr. ROONEY. There might be an important crisis going on at that particular time in that particular area of the world and it might be very, very important that our Ambassador have the conversation at that exact moment.

Mr. GROSS. Do all of these drivers wear caps, livery, and so forth?

Mr. ROONEY. Those who drive our Ambassadors do.

Mr. GROSS. That gives them a gilt-edge appearance when they wear a cap, uniform, and so forth.

Mr. ROONEY. Yes; but your Mr. Dulles wants the best.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I take this time to speak to my good friend, the gentleman from New York. I cannot understand why he is so anxious to expedite this legislation today. The gentleman just said a moment ago that we should discuss this legislation if it takes a week. What difference does it make if it takes a week or more? Let us not be too hasty. The Nation is $275 billion in debt. Two hundred and seventy-five billion dollars. We are paying $7½ billion a year interest on the debt. No small sum of money I think you will agree. This appropriation bill concerns the debt and any reductions that are made I would say are in the interest of the American taxpayer. Regrettable they, the taxpayers, are unable to be heard here today.

The other week on the health and welfare bill which concerns our own backyard and the activities of millions of American people, the economy bloc was out in force. The Members heard from the folks back home. Everybody was offering amendments to cut the health and welfare appropriations; anxious to get on record so the folks back home would note their activity, interest, and efforts to effect economies and reduce the budget. There are some here today who are seldom around except when matters pertaining to foreign affairs are being considered. Then they suddenly become active and alerted to present you all of the definite information on all of these respective items. They do a good job and many succumb to their pronouncements. Some of us who are economy minded are seemingly unable to make much of an impression or inroad on any appropriation reductions on these bills that concern spending all over the world. When the health and welfare appropriations bill was before the House many were up on their feet to cut appropriations in your own backyards. You just seem to lack courage to offer any amendments to reduce this bill today. Frankly, I cannot understand it. Very little response to these proposed cuts on matters that concern foreign affairs appropriations.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. I yield to the gentleman from Kansas.

Mr. REES of Kansas. Let us have the courage to save $200,000 now.

Mr. GAVIN. I do not know whether they will or not; I doubt it very much. When these foreign affairs appropriations are before them there is a great hesitancy. There is no remedy for it. They cannot bring themselves around to cutting on these appropriations, but when it concerns the welfare of the American people, many amendments are offered to reduce these appropriations.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, the gentleman who offered this amendment makes the argument that the thing has gone wild. He said it went wild last year. If it went wild last year from what we have heard divulged on the floor here today, it went wild because the gentleman from Kansas [Mr. REES] was asleep at the switch. I do not know the purpose of the amendment this year; it is not an election year. Last year apparently we had an arrangement whereby the gentleman from Kansas was going to offer the amendment and it would have been accepted. I do not know, but it was kind of a startling revelation to me that the thing was all cut and dried. Now, the truth of the matter is this: These representation allowances are in there so that some people can be ambassadors who are not millionaires. That is just about what it boils down to. The newspapers have carried several articles lately that ambassadors in certain posts have to be picked from the ranks of the wealthy, the campaign contributors, because that shows they have enough to be an ambassador.

But, there are a lot of people who come in before the Foreign Affairs Committee and testify and say that we are trying to make it possible for any person who shows that he has what it takes, the necessary abilities to handle a crucial situation, to be an ambassador in any post. If you really mean that, if you want it, then some people who have what it takes except the cash are going to have to have a little bit of help to be an ambassador. Look up your figures on some of our big embassies where some of the people come in the millionaire class, such as London, and you will find that they got $80,000 to run the Embassy last year, and the record shows that they spent another $80,000 out of their own pocket. Maybe that is too much. I do not know. But certainly if you are going to have to spend $80,000 out of your own pocket, it is going to severely limit the number of people from whom you can choose an ambassador to that post. Now, I am not in favor of anything unreasonable, but the chairman of the committee has already told you that they have cut this item, I believe, by more than 50 percent. Is that not right?

Mr. ROONEY. Exactly.

Mr. HAYS of Ohio. Exactly 50 percent. And you are going to have to leave some things in there for some necessary functions which ambassadors must hold if they are going to remain and do any job for the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. I yield to the gentleman from Iowa.

Mr. GROSS. Fifty percent with respect to the budget estimate but not 50 percent over what they spent last year.

Mr. HAYS of Ohio. I explained to you why the item got so big last year, and it has been explained half a dozen times, because the amendment was not offered at the proper time, or it would have been accepted. The committee made a cut of 50 percent, over the budget request and if you ask me, I think that is a very healthy cut.

The CHAIRMAN. The chair recognizes the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, in opposing this amendment I should first like to point out, as appears at page 5 of the printed committee hearings, Secretary Dulles had the following to say on this subject:

> I have spoken before about the importance of the representation allowances, Mr. Chairman, and we are requesting that they should be increased by about $300,000 this year.
>
> That is a tremendously important factor. It very much affects our ability to staff properly these posts. We still would not be in a position to appoint career officers except in very exceptional circumstances of happening to find a wealthy person to appoint to some of the posts which carry the high expenditures.

He said further:

> I do not think that is a sound situation.

The committee thereupon, having considered this testimony and the fact that there was a substantial requested increase, decided that it should be realistic about this and cut it back to size. I believe the subcommittee was in unanimous agreement on this action. The distinguished advocates of economy, the gentleman from Iowa [Mr. GROSS], the gentleman from Pennsylvania [Mr. GAVIN], and the gentleman from Kansas [Mr. REES] have their figures wrong. In 1953 fiscal year the amount for this purpose was $50,000 more than is contained in the bill today, to wit: $650,000. In 1952 these allowances were $675,000. In 1951 they were $675,000.

The gentleman from Kansas [Mr. REES] puts this on the basis of wets against drys. I am willing to meet him on that ground. I am not a dry. I am one who thinks that if we are going to have a ceremonial diplomat bedecked in his striped pants, the least we can do is to furnish him with a cocktail shaker and a few martinis. It is just done. Every other nation in the world does it. So if Mr. Dulles wants it and President Eisenhower wants to handle it that way, I am for it.

Mr. Chairman, I want to make one final point. To be serious, this money is not only for cocktails. This money is for food. This money is for many other things, as pointed out on page 5 of the committee report:

> The purpose of this appropriation is to reimburse officers of the Foreign Service for expenses incurred at their posts of duty for such items as entertainment offered on American holidays or on occasion of visits by prominent citizens or American vessels or aircraft; entertainment necessary in the conduct of official duties; and the purchase of flowers, wreaths, and similar tokens for presentation in accordance with local custom on appropriate occasions.

Mr. LONG. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Louisiana.

Mr. LONG. Is it not necessary that we get both sides real good and drunk so that they can squander this $4 billion?

Mr. ROONEY. I do not know whether that is necessary. I have seen some strange things happen in the State Department when they were perfectly sober.

Mr. Chairman, I urge that the pending amendment be rejected and that once again the Committee of the Whole accept the unanimous judgment of the subcommittee.

Mr. BASS of Tennessee. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Tennessee.

Mr. BASS of Tennessee. We may be assured, regardless which way we vote on this amendment, that there was no deal made this year?

Mr. ROONEY. No deal this year.

Mr. COUDERT. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. COUDERT. Mr. Chairman, let me say that I am completely in accord with the gentleman in opposing this amendment. I seem to remember that I reserved on this point in the committee; but that is wholly irrelevant at this time.

Mr. ROONEY. I asked the gentleman just 5 minutes ago if it was not the fact that the Members were unanimous?

Mr. COUDERT. It is irrelevant. I thought the gentleman was referring to our unanimity in opposing this amendment. I am opposed to this amendment.

The CHAIRMAN. The time of the gentleman from New York has expired. All time on this amendment has expired.

The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The amendment was rejected.

The Clerk read as follows:

> Extension and remodeling, State Department Building: For expenses necessary for planning, and the extension and remodeling, under the supervision of the General Services Administration, of the State Department Building, Washington, D. C., and for expenses necessary for providing temporary office space, including payment of rent in the District of Columbia, alteration, purchase, and installation of air-conditioning equipment, to remain available until expended, $2,500,000, to be transferred to the General Services Administration.

Mr. REES of Kansas. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am not sure the statement made by the gentleman from Ohio [Mr. HAYS] a few minutes ago with respect to my position in regard to the proposed legislation is really worth answering, but I dislike very much, having been a Member of this body for a number of years, to have the RECORD even indicate that there was any political color to the subject matter under discussion only a few minutes ago. It is a new experience to me. I have no feeling whatever just because he or any other Member disagrees or takes issue with my views. That is understood.

I just want to say that I resent statements made by the gentleman from Ohio wherein he alleges political motives and slipshod methods or deals having been made in respect to legislation considered a year or 2 years ago. I just want him to know that I regret he saw fit to make such statement.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from New York.

Mr. ROONEY. I should like to say to this House that the gentleman from Kansas [Mr. REES] is one of its most lovable Members. I have been his close friend, and he my close friend, for many years. I have always respected the gentleman. He is a man of the highest integrity and ability. I say here and now that there is a misunderstanding and the gentleman from Kansas had nothing whatever to do with the matter that was discussed on the floor a while ago, nothing whatever. I had no conversation with him at the time and no member of this Committee had any conversation with him last year on the subject.

Mr. REES of Kansas. I thank the gentleman from New York.

Mr. HAYS of Ohio. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, in view of what the gentleman from New York has just said, may I say when I owe someone an apology I will make it, and it is possible I owe an apology to the gentleman from Kansas. I do not know what the RECORD is going to show but I know what was said here on the floor. Certainly I do not think I was stupid in inferring from that that there was some kind of arrangement made that the Committee was going to accept an amendment which was going to be offered either by the gentleman from Iowa or the gentleman from Kansas. But since the gentleman from New York has stated that there was a misunderstanding it is possible that I misunderstood with whom the deal on the amendment had been made.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. HAYS of Ohio. No, I will not yield to the gentleman from New York. It was his statement that caused the confusion, so I am going to try to clear up the confusion.

If that is the case, and if there was no agreement made, and if the gentleman from Kansas had not had prior arrangements, and if it were not stated here that there were prior arrangements made for the Committee to accept the amendment, then certainly I apologize to him because I do not want to imply that anybody has done anything that he did not do. In other words this is an "iffy" apology.

Mr. HOFFMAN. Mr. Chairman, I move to strike out the last word.

Mr. ROONEY. Mr. Chairman, would it be in order to ask unanimous consent

that all debate on this subject close in 5 minutes?

Mr. HOFFMAN. I have a motion for you.

The CHAIRMAN. Does the gentleman from New York submit a request?

Mr. ROONEY. Mr. Chairman, I believe the gentleman from Michigan moved to strike out the last word.

The CHAIRMAN. The gentleman from Michigan has not been recognized and the Chair has recognized the chairman of the committee, the gentleman from New York, if he seeks recognition.

Mr. ROONEY. Mr. Chairman, I ask to be recognized and yield my 5 minutes to the gentleman from Michigan.

The CHAIRMAN. The gentleman from Michigan [Mr. HOFFMAN] is recognized.

Mr. ROONEY. Now I will have to stand for that length of time.

Mr. HOFFMAN. I surely appreciate that.

Mr. ROONEY. Does the gentleman appreciate the fact that he would not have the 5 minutes if I did not stand while he is speaking, as required under the rules of the House?

Mr. HOFFMAN. Either that or a motion I have to strike out the enacting clause would have to be made. So I do thank the gentleman.

Mr. Chairman, there may be some misapprehension of what the gentleman from Ohio [Mr. HAYS] said. My understanding of his statement was that he referred to a Mr. Hoffa and not to HOFFMAN the Member from the Fourth District of Michigan. I ask the gentleman if I am correct on that?

Mr. HAYS of Ohio. Oh, definitely, I would not think of my dear friend, Mr. HOFFMAN, in the same breath or in the same terms as the teamsters' official, Mr. Hoffa.

Mr. HOFFMAN. Now that is a wave of consideration and affection which almost overwhelms me.

Mr. Chairman, it was my purpose to say when I was speaking about New York and the gangsters that the reference was to one of the unions which for years has levied a tribute on everything coming into the port. That is what I was referring to.

Now, Mr. Chairman, with reference to Mr. James Hoffa, Mr. Hoffa will go on trial at the proper time. We all reserve judgment until that decision has been finally reached.

Mr. Chairman, I yield back the balance of my time.

The pro forma amendments were withdrawn.

The Clerk read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Contributions to international organizations: For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific acts of Congress, $35,899,243.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 6, line 9, strike out the figure "$35,899,243" and insert "$28,859,285."

Mr. ROONEY. Mr. Chairman, will the gentleman yield for a unanimous consent request?

Mr. GROSS. I would rather not yield at this time for you to obtain consent to limit debate. It is possible that somebody else might want to talk for 1 or 2 more minutes.

Mr. Chairman, the committee report shows that this appropriation has been increased $2,039,958 over the present fiscal year. My amendment would cut off the $2,039,958 increase and then apply a $5 million cut.

Let me give you one of the good reasons why I think these various international organizations ought to be cut. If you will turn to page 673 of the hearings, you will find that last year UNESCO held a meeting in New Delhi, India. At that meeting, they decided it was time to increase the United States contribution. So they voted, 27 to 20, with 19 abstentions and 13 absent, to raise our contribution to UNESCO, which is another way of saying that 27 foreign countries voted to increase the taxes of the people of the United States of America. Irrespective of the amount, that is what happened.

Now, let me tell you what countries voted to increase our contribution: Afghanistan, Brazil, Chile, Colombia, Ecuador, Egypt, El Salvador, Ethiopia, France, Guatemala, Haiti, India, Indonesia, Israel, Lebanon, Liberia, Mexico, Monaco, Morocco, Panama, Peru, Spain, Switzerland, Tunisia, Uruguay, Venezuela, Yugoslavia. They all voted to increase our contribution to UNESCO.

Let me give you a little more information with respect to this vote. Ecuador, Egypt, Guatemala, Peru, Israel, and Uruguay are delinquent in their payments to UNESCO. They owe their contribution to UNESCO and they have not paid, but they have the gall to slap higher taxes upon us.

There was a time when you could get at the separate appropriations for the Interparliamentary Union, NATO parliamentary group, and other of these junketing outfits. I went to a usual interparliamentary union meeting in the old Senate Chamber this year and it was interesting to hear a Member of the other body, who made a trip to Bangkok, Siam, last fall get up in that meeting and chide his colleagues for some of the spending that went on, and some of the families that were taken along on that trip. When will Congress cut down on these outfits? When are you going to stop this boondoggling and these junkets? When are you going to stop sending people all over the world at the expense of the taxpayers when the record shows they accomplish nothing?

I understand a lease-purchase building has been approved by the House and Senate Public Works Committees for the United States mission to the United Nations. It is to be constructed in New York next to the Tower of Babel, otherwise known as the United Nations. I do not know whether this United Nations crowd has priority over lease-purchase buildings that are needed in your districts and mine. Anyway, the State Department came to this Appropriations Committee and asked for $200,000 for new furniture and other equipment, when they have not even turned a spade of earth for the building. That is the way some of the "fancy Dans" in the State Department and these various international organizations are operating. But I object, Mr. Chairman, to a bunch of foreigners in New Delhi, India, voting to increase the taxes of the taxpayers of the United States. It is time to begin cutting these people down to size, and I am giving you an opportunity to start.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. GROSS] has expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

Mr. GAVIN. Mr. Chairman, I object.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate close in 12 minutes.

The CHAIRMAN. Is there ojection to the request of the gentleman from New York [Mr. ROONEY]?

Mr. WILLIAMS of Mississippi. Mr. Chairman, reserving the right to object, assuming that this amendment should be voted down by the House, would another amendment then be in order?

Mr. ROONEY. It would depend upon what the other amendment was.

Mr. WILLIAMS of Mississippi. Would debate on another amendment be in order under your unanimous consent request?

Mr. ROONEY. Of course there are certain privileges that belong to the Chair in deciding these parliamentary questions.

The CHAIRMAN. The Chair will state that as the Chair understood the unanimous-consent request, it was that all debate on this amendment and amendments thereto close in 12 minutes. That would not preclude debate on another amendment if it should be offered.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. GAVIN] is recognized.

Mr. GAVIN. Mr. Chairman, I wish to direct a question to my good and able friend the gentleman from New York [Mr. ROONEY]. I note the recommendations for this particular item: Contributions to international organizations was $33,859,285 for the fiscal year 1957; that the estimate for 1958 is $37,475,552, of which the committee granted $35,899,243.

This represents an increase of $2,039,958 over last year.

May I ask, Mr. Chairman, what is so necessary about these organizations as to recommend this $2 million increase?

Mr. ROONEY. Oh, I guess that the folks down in the State Department and Secretary Dulles just do not seem to be capable of cutting down the amount of our contributions to these international organizations; and the committee had no alternative but to sign the check for the money.

Mr. GAVIN. Evidently the gentleman agrees with Secretary Dulles. That

is a rather unusual position for him to take. The gentleman has differed with him in the past on many issues, and I have heard considerable discussion—I decline to yield—about Mr. Dulles. I am greatly pleased to note that the gentleman is now acquiescing and conciliating with the distinguished Secretary of State to the extent of $2,039,918.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. GAVIN. Not at this time; permit me to secure a little further information. The gentleman has been talking about this justification and the report page 21 states that this International Exhibition at Brussels is being used for these gala theatrical enterprises, presenting such attractions as "Guys and Dolls" and so on.

Mr. ROONEY. That is in another part of the bill.

Mr. GAVIN. But these funds are appropriated for the international program. The two sort of go together, do they not?

Mr. ROONEY. No; there is no connection whatever.

Mr. GAVIN. No connection whatever?

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. BAILEY. They put that extra $2 million in here so they could increase the number of State Department people who are working over in Geneva on the Trade and Tariffs Agreement. That is already approved by Congress.

Mr. GAVIN. Regardless of other sections, I am glad to know that my good friend from New York is conciliating with the State Department and increasing this appropriation over last year. Here is a considerable sum of money, $35 million, and you have an opportunity to reduce it. You who are so economy minded have a chance to be recorded for the folks back home to see. I hope you will respond with the same fine alacrity that you have in the past.

The CHAIRMAN. The gentleman from Massachusetts [Mr. NICHOLSON] is recognized.

Mr. NICHOLSON. Mr. Chairman, I do not know too much about these figures and it is difficult to follow them. In the bill itself I cannot find this item at all. I just asked a few minutes ago what we raised three Congresses back, in 1950, and I found for salaries and expenses it was $78 million. This year they are asking for $112 million, quite a lot more than before, as a matter of fact about $24 million more.

The reason I rise at this time is to state that I am not going to vote for any increases in this budget and every opportunity I get to cut it I am going to do so because I know it can stand cuts.

They are building a new building for the State Department, making it bigger and bigger. For what? Are we going to run the world or are we going to take care of the United States? I do not know how far back it goes but in the 10 years I have been here this item alone has more than doubled. It is about time we take another look. I am not what you would call a real isolationist, but you are gradually getting me there and you will get more and more letters from home if we do not start on this proposition of letting a man in this country save something for a rainy day.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, before urging that the pending amendment be rejected, I should like to say in regard to the remarks of my distinguished friend, the gentleman from Pennsylvania [Mr. GAVIN], that I think Secretary Dulles is a fine, kindly gentleman. But when I find Secretary Dulles or his assistants in the Department wrong, I feel it is my duty to say so. On the other hand, when I find that they are right I will commend them. I shall continue to follow that policy.

If the House were to adopt the pending amendment, such action would not save the taxpayers of this country 5 cents. There would be no saving, as alleged by the gentleman from Iowa [Mr. GROSS]. While the United States is a member of these organizations we will have to pay our dues. Some think we should not be in the United Nations. There are many who do. But that question should not be resolved here in a few minutes in the consideration of an appropriation bill which merely contains the annual dues.

The requested increase this year is the result of agreements made within these organizations. I know some of them, if not all of them, were opposed by our State Department representatives to these international organizations. In the United Nations there is an increase of approximately $250,000. In the International Civil Aviation Organization, which is of more benefit to the United States than any other nation in the world, there is a requested increase of $414,000. In the World Health Organization $457,000, the Food and Agriculture Organization, International Communications Union, World Meteorological Organization additional increases. When all these items are added together they come to the amount which would be temporarily denied if the pending amendment were to be adopted.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Minnesota.

Mr. JUDD. Is it not true that when the legislative bodies of these respective international organizations or agencies voted to raise their budgets for the present year and thereby raised our dues or contributions, they also raised their own in exactly the same proportion?

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. Let me ask the gentleman this question: Since the World Health Organization is one of these organizations, did not a certain Member of the Congress come before your committee seeking to bring the world health convention to this country to the tune of $400,000, with us paying the expense of a lot of delegates over here?

Mr. ROONEY. Yes; that is so. And maybe that is good, I will say to the gentleman. I should first like to hear all the testimony. I like to go into these budgets and listen to all the witnesses and then decide what is the right thing to do.

To get back to this amendment, this is an ineffective attempt at economy, because you are not saving the taxpayers 5 cents. Our dues will continue in the United Nations and in these organizations until such time as the Congress formally decides we should not belong to them.

Mr. GROSS. Did this same gentleman, a Member of the House, not ask your committee to ask the State Department to extend an invitation to the World Health Organization to come over here, using your committee as a vehicle to spend $400,000?

Mr. ROONEY. I took the position and all the members of my committee took the position that we would do nothing about this $400,000 request until it came from the Bureau of the Budget and was formerly presented to us by the State Department. I think that is sound.

But, let us stay with the pending amendment. This amendment would be a slap in the eye to the United States of America in every one of these international organizations. Mr. Chairman, not only does this appropriation apply to the organizations I have already mentioned; it applies to many other organizations. It applies to our membership in organizations such as the Organization of American States, the Inter-American Radio Office, the Pan-American Sanitary Organization; it applies to the International Sugar Council, the International Wheat Council and two parliamentary organizations in which this House itself is interested. If we were to accept the pending amendment, the United States of America would look very bad in each and every one of these organizations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—ayes 76, noes 59.

So the amendment was agreed to.

The Clerk read as follows:

Missions to international organizations: For expenses necessary for permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific acts of Congress, including expenses authorized by the pertinent acts and conventions providing for such representation; attendance at meetings of societies or associations concerned with the work of the organizations; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); hire of passenger motor vehicles; printing and binding, without regard to section 11 of the act of March 1, 1919 (44 U. S. C. 111); and purchase of uniforms for guards and chauffeurs; $1,350,000.

PASSAMAQUODDY TIDAL POWER SURVEY

For expenses necessary to carry out the provisions of the act of January 31, 1956 (Public Law 401), including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed $50 per diem for individuals; hire of passenger motor vehicles; and expenses of attendance at meetings concerned with the

purpose of this appropriation; $935,000, to remain available until expended.

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: On page 11, line 14, strike out line 14 through line 22, both inclusive.

Mr. DOWDY. Mr. Chairman, it is my hope that this amendment will not be one that will create chaos in the State Department or any other department. The truth of the matter is that I feel these bureaus can, within themselves, create all the chaos they need without any assistance from Congress.

This Passamaquoddy tidal power survey is what my amendment would propose to strike from the bill. It is my understanding—and this happened before I came to Congress—that President Franklin D. Roosevelt considered this a pet of his and Congress in those days appropriated and there was spent some $15 million investigating this particular program. Finally even President Roosevelt, who was interested in it, decided that it would not work, that it was a fantasy and a boondoggle. So it was dropped.

There has been some mention of deals made. Last year there was a Democratic Governor elected in Maine for the first time in some time, I am sure. It was intimated that there was a deal between Republicans and Democrats to have another survey made of Passamaquoddy tidal power and about a million dollars was spent last year on that survey. Whether that be true, or not, they are here again attempting to appropriate an additional $935,000, substantially $1 million, for the same purpose. It is purely for a survey to redetermine a matter that has heretofore been decided negatively at a cost of $15 million. There is no indication how long this survey will keep up. I am sure the people that are hired to do it will not be talking themselves out of a job by bringing it to a conclusion. I feel that my amendment should be adopted.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, I call to the attention of the Committee page 739 of the hearings on the State Department. It is estimated that the total cost of this project is going to be $2,700,000. An appropriation of approximately $900,000 was made last year, and of that amount of money, by late February something like half, over $400,000, had actually been obligated.

The facts are that if we were to drop this project at this time, very little of that $900,000 that was appropriated last year could be salvaged. An additional $900,000 is carried in this budget. The idea is to determine once and for all whether the tides at Passamaquoddy can be harnessed to provide electric power. Nobody knows. This thing has been debated for many years. A great many qualified engineers believe that a very large amount of public power can be generated at Passamaquoddy. We will not know unless we complete the entire expenditure of approximately $2,700,000. Nine hundred thousand was appropriated last year. An equal amount is carried in this bill. We are well embarked on this survey, and we can justify spending the total amount of the money required for the survey to find out once and for all what the facts are in connection with the harnessing of the tides at Passamaquoddy. Therefore, I trust the amendment will be rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, I yield my time to the minority leader, Mr. MARTIN.

Mr. HOFFMAN. I object, Mr. Chairman.

Mr. BOW. I reserve my time, Mr. Chairman.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I am a firm believer that if we are going to cut the budget, if we are going to bring about sensible conduct in governmental affairs, there are only two approaches we have toward restoring Government economy. The first is to reduce the number of personnel employed, and the second is to postpone projects which are of very doubtful value in the end, and thereby save as much as we can. The Passamaquoddy project has been studied over and over and a lot of money has been spent on it. It will not hurt to delay this matter for a few years.

The CHAIRMAN. The Chair recognizes the gentleman from Maine [Mr. COFFIN].

Mr. COFFIN. Mr. Chairman, this is the first time I have ever spoken on this project to this body, but this is a project that from my childhood I have watched and dreamed about together with all the other citizens of our State. This project is not in my district. It is in the district of my good friend, the gentleman from Maine [Mr. MCINTIRE]. But, this is so close to the hearts of all our people, that I must tell you something about it. Sitting with you here today and hearing us discuss the matter of spending some $600,000 for ceremonial expenses and the cost of entertaining people in foreign countries, I have been thinking of our people in that most remote Down East corner of Maine, a part of this country the nearest to Canada where it is, indeed, very hard to make a living and where the people are just waiting for a chance to find out once and for all if there does lie in those tidal waters of the Passamaquoddy a chance for them to make a decent living and to bring up their children to have the kind of life shared by the rest of the country. Now to think of the hopes and dreams of making that determination go sailing out the window at this time is indeed something that is most disheartening. So, if you can only think of the welfare of the people of this country as well as the people across the seas and establish for yourselves a sense of values that will place our own people at least as high up in that scale as the people who will be entertained in the ceremonial parlors of our chancelleries abroad, then I think you will be doing your duty. I pray that you may not cut the cord of this experiment at this time.

The CHAIRMAN. The gentleman from Ohio [Mr. Bow] is recognized.

Mr. BOW. Mr. Chairman, I yield to the gentleman from Maine [Mr. MCINTIRE].

Mr. MCINTIRE. Mr. Chairman, I appreciate the opportunity to oppose this amendment. Let me point out to the Members of the Committee that I am acquainted with the history back of this project. Let me point out to you that this is a survey which is not associated with the concept of the original project. This is a survey of the international approach to this resource. I want to point out to you that this resource has never been surveyed on this basis. The survey of the work which was done was on an American project which was held solely to the American side of the line. This appropriation is for a survey of the resources of the project as an international project. I point out to you that this legislation and the authorization for this survey was very carefully considered by the Committee on Foreign Affairs. The authorization came to the floor of the House in the usual manner. Agreements have been made between the United States and Canada. The staffs are in the field. The commissions associated with the survey are established and functioning. Last year the appropriation of $935,000 was made. The recommendation of the committee this year is to provide an appropriation in the same amount as last year. This is a survey established under agreements reached by a careful review on the part of the Canadian Government and the American Government through the International Joint Commission.

I cannot conceive of the logic behind this amendment. Work has already started. Certainly it is not good business to strike this appropriation. I urge defeat of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, this is the same old project that has been before us for years and years. Way back when the gentleman from Maine [Mr. BREWSTER] was a Member of this House and later when in the Senate, we had this project before the Congress. What they are trying to do is to have the people of the country finance a power project through control of the tides which rise to an exceptional height in a bay or inlet on the main coast. Well, now, every bay along the coast on this side of the continent and on the other side, on the Pacific Ocean, where there is a trap for tidal waters of great height, might well demand the same or similar project.

How many millions or billions of dollars have been wasted on that idea

I cannot recall. But, it is plenty. Here they go again.

If there is any way we can at this time spend more money and get less results, I cannot think of it. Why revive it again and start off on another spending spree at this time when we are calling for a reduction in taxation.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, we started this last year. This is a continuation of a program. Personally, I think it is poor business to stop a survey once you have started it, because it will simply mean that the question will still be undetermined. Why be so foolish? Let us complete the survey and ascertain whether or not it is worthy.

I yield to the gentleman from Maine, Mr. HALE.

Mr. HALE. I thank the gentleman. I have always been a warm admirer of the gentleman from Michigan [Mr. HOFFMAN], but he could not have made a statement which was more unfair, inaccurate and misleading than the statement he just made. This Passamaquoddy Bay area is unique in the whole world. This money is being spent on a study of a project which everybody admits is feasible from an engineering standpoint. We are trying to learn the costs. The resolution authorizing this expenditure was originally reported from the Committee on Foreign Affairs twice. It passed the Senate in the 83d Congress. It passed the House and Senate in the 84th. We have already spent nearly a million dollars. If you turn down this appropriation, you are throwing away almost a million dollars that has already been spent. If you spend this money, which is less than the amount recommended by the Bureau of the Budget, you are advancing toward some knowledge which will be extremely valuable. I urge the defeat of this ill-considered amendment.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. MARTIN. I yield.

Mr. BOLAND. Is it not true that this is the only place in the world where there is a possibility? Is it not true that the thing is engineeringly feasible and what is being done is to find out once and for all whether it will pay off if it is built?

Mr. MARTIN. That is exactly it.

Mr. BOLAND. And is it not true that this is one area where there is no money being spent? I have just sat for the past 4 weeks on public-works projects all around the United States, and this is one area that gets little or no money. I think this is one project that is feasible and has been shown to be feasible. It would be a rank injustice to the Members of the State of Maine to knock out this project at this time.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. ROONEY] to close debate.

Mr. ROONEY. Mr. Chairman, in urging rejection of the pending amendment, I should like to say I cannot approach this subject on the basis that one should be against it because it was the brain child of Franklin D. Roosevelt, or for it because President Eisenhower now considers this a feasible proposition. When I say "proposition," are we talking about a project? No. We are talking about a survey. This House, this Congress—I mean the last Congress just 1 year ago—appropriated $935,000 as part of a $2.7 million total survey. As the gentleman from Massachusetts, the distinguished minority leader, points out, it just is not good business, having spent $935,000 in the current year, to now turn down another payment on the $2.7 million survey which is to determine whether or not the project is economically sound. Further, our good neighbor, the Dominion of Canada, is concerned with this project. That is the reason it is in this bill, because it is an international project.

The Dominion of Canada contributes to the extent of $300,000 on the cost of this survey. I think that under all the circumstances the House will use just good plain business sense and reject the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

Mr. SIKES. Mr. Chairman, I ask unanimous consent that the gentleman from Maine [Mr. COFFIN] may revise and extend the remarks he made in connection with the amendment just adopted.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read as follows:

EDUCATIONAL EXCHANGE

International educational exchange activities: For necessary expenses, not otherwise provided for, to enable the Department of State to carry out international educational exchange activities, as authorized by the United States Information and Educational Exchange Act of 1948 (22 U. S. C. 1431–1479), and the act of August 9, 1939 (22 U. S. C. 501), and to administer the programs authorized by section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b)), the act of August 24, 1949 (20 U. S. C. 222–224), and the act of September 29, 1950 (20 U. S. C. 225), including salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation; hire of passenger motor vehicles; entertainment within the United States (not to exceed $1,000); services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and advance of funds notwithstanding section 3648 of the Revised Statutes as amended; $17,575,000, of which not less than $6,750,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed $1,275,000 may be used for administrative expenses during the current fiscal year.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sorry that the Appropriations Committee has recommended such a drastic cut in the request for the international educational exchange program of the State Department.

At a time when there is so much misunderstanding regarding America in many parts of the world, and the Communists working day and night and by every device to create misunderstanding, I believe that money for exchange of persons is a sound investment. We should be doing more, not less.

Students, teachers, and influential leaders from other lands are brought to America to learn and observe our way of life. They return home, better citizens of their own countries. They tell others in their countries about the true picture of America. They are believed in their own countries as Americans themselves may not be. They use what they have learned here to help their countries.

We also send out carefully selected American teachers, professors, and specialists to these other countries to study their cultures—to teach their young people—and to work with their leaders on projects of mutual interest.

This two-way flow of culture and understanding is making a contribution to the defense of the United States. It is our best long-range defense against creeping, but deadly, communism. It is one of the best things we are doing in the international field. It is a mistake to have this request for the exchange program cut so deeply.

Now, Mr. Chairman, earlier we heard the mention of a tennis player who is presently working in Haiti under the exchange of persons program.

Many are not intimately familiar with how the exchange program works. They read in the press that the State Department has sent a tennis player overseas. Naturally, they may have honest questions about the use of taxpayers' funds for that purpose. Some may even suspect that this is just a method of getting a free tennis coach for the Embassy staff.

Now, I happen to think the exchange program is a necessary program. It must be made a good program. So I decided to check the facts. This is what I found.

Albert Ritzenberg, a tennis coach, is in Haiti on a State Department exchange grant, working hard for his country. We are paying part of his expenses and the Haitians are paying part of his expenses. His primary function is to encourage and help the Haitians develop playgrounds and recreation facilities for their youth.

Tennis is a popular sport in Haiti. The Haitians wanted a topflight coach in tennis. They wanted to get their recreational facilities better organized for the thousands of children who can not go to school for lack of educational institutions.

They were willing to pay as much as possible, and asked our Embassy for help to get a man who could work with their youth and coach tennis.

The State Department invited Albert Ritzenberg. He is a professional tennis coach but he has other qualifications. For example, he received his Master of Arts degree in sociology from George Washington University. He served as a recreation officer in the United States Air Force in the Pacific during the Second World War and later at Wheelus Air Force Base in Libya. He coached tennis at Georgetown University.

His assignment in Haiti has been highly successful. He is working with the most influential people in Haiti as well as helping the Haitians of the future—the youth.

He has conducted daily classes and clinics in tennis. His work with the youth has resulted in a request, by the Government down there, that he plan a new playground system for the children of Haiti. He is trying to get the donation of additional recreational equipment from his broad acquaintances in the States.

Ritzenberg's project has resulted in the organization of the Haitian Lawn Tennis Association. He has helped organize a Davis Cup Club.

But more important, I think, is the fact that he has sponsored a Junior Davis Cup Club.

The local newspapers have praised the work of this great American athlete and youth specialist. One paper devoted a full page to his project.

The people of Haiti have not asked for a handout. They are paying $200 a month toward his expenses.

Coach Ritzenberg is making a major contribution to Haiti, at their request. He is also creating better friendship and international ties between Haiti and our country, to our credit.

The awarding of this specialist grant to Albert Ritzenberg may not materially alter the history of the world, but it has contributed to the well-being of Haiti and it will contribute to the type of international understanding which is indispensable to the Western World in our fight against communism.

The primary target of communism is the restless youth of underdeveloped areas. If American sports figures can stop this menace we need more, not less, Albert Ritzenbergs.

Mr. TRIMBLE. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I have no quarrel with the subcommittee or the full committee on the cut in this appropriation for international educational exchange. They heard the testimony and were able to evaluate it. I do want, however, to say here that I think that among all the programs of the State Department which contribute to the great reservoir of good will which we are endeavoring to build throughout the world through our expenditures and high taxes, this is one of the best.

I had an experience at home this last fall in one of the great rural counties of my district which I want to relate. Two girls from India, lovely young ladies, came into that county on this student-exchange program. They came in their native dress, and they came into the community and stayed in homes in that community and visited the high schools. It was my good fortune to be in the county and at the high school while those children were there. I want to say that those two young ladies, even though their dress was completely different from that of the children in that county and community, even though their language was different, they endeared themselves to the people of that county, and they have done more to get across the spirit of America and her feeling for the peoples throughout the world than anything that has happened since I have been connected with that county or community, and I just wanted to testify to that effect from my personal experience.

I have not made any of these trips overseas, but if two children from faraway India can come here to our country and win the hearts of our people by their good sense and their winsomeness, surely we can afford to spend the money which this program requires. Let us send our young people to other countries, and welcome their young people over here.

Mr. HAYS of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. TRIMBLE. I yield.

Mr. HAYS of Arkansas. I have listened with great interest to the splendid statement of my colleague from Arkansas. I agree with him that the exchange program is a great asset to our country and to the cause of freedom. The agency is bringing to the United States many people of influence in other lands and as a result of information acquired here will be able to interpret our institutions and our purposes in the world.

One of the cities of my district recently had a young teacher from India on exchange and she returned to her home singing the praises of this Nation. Both countries were served, for she made many friends here who, as a result of her visit, have a better understanding of India. I trust that the House will make no further cuts in funds to operate this valuable service.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

First, I would like to inform the membership with regard to the amendment offered by the gentleman from Iowa [Mr. GROSS], which was adopted a while ago, that the Committee plans to give every Member of the House a chance to record himself on that amendment.

Secondly, in regard to this International Educational Exchange program, I am for such a program. I have voted for it many times. I have on previous occasions been criticized for not appropriating enough money, but this year we have given the State Department for International Educational Exchange Activities an amount which together with the $3,575,000 in foreign currencies under Public Law 480, disposition of surplus agricultural products, comes to exactly the same amount as they had requested for the current fiscal year.

I suggest that this Office of International Educational Exchange Activities sort of tighten up, and not let things happen, such as in the case of Allie Ritzenberg, the tennis pro; $6,800 of the taxpayers' money was used to send him to Port-au-Prince, Haiti, to teach tennis for 6 months. The money used came out of International Educational Exchange Activities.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Minnesota.

Mr. JUDD. I wish I had finished what I started to say a while ago instead of extending my remarks in the RECORD because in them I included information on the Ritzenberg case. I asked the Department for the details, and they will be in the RECORD tomorrow morning. It ought to be said he is not down there only or primarily to teach people to play tennis. He was sent down at the request of Haiti because they did not have schools enough for their children and they are interested in getting more playgrounds and recreational activities.

Mr. ROONEY. Mr. Chairman, this should be quite interesting. Evidently the gentleman has the last self-serving script written by the State Department, but we have some information over here which we shall insert in the RECORD. I have in my hand a dispatch in the State Department dated August 13, 1956, subject: Educational Exchange—Tennis Coach, reading as follows:

EDUCATIONAL EXCHANGE—TENNIS COACH

In the Educational Exchange estimated budget fiscal year 1958, referenced above, a project was outlined for the establishment in Port-au-Prince of an American tennis coach for a 1- or 2-year period.

It was pointed out that such a coach could be of great value to the overall United States objectives in Haiti since he would be in intimate, day-to-day contact with the most important and influential members of the opinion-molding class here.

Tennis is an extremely popular sport in Haiti in the upper economic levels although there has never been any experienced person available to teach the fundamentals. We have received repeated requests from prominent Haitians for a coach. As outlined in our budget estimate, the Haitians themselves are willing to meet part of his expenses. We have recently been informed by a group representing several tennis clubs in Port-au-Prince that they are prepared to guarantee a sum of $250 per month for the services of a competent coach.

We should appreciate the Department's suggestions in this matter. Someone such as a retired coach of a university tennis team would be ideal for this project. Although the project is still in a highly amorphous state, we would appreciate the Department's reaction and comment.

Then, thereupon the exchange program spent $6,800. Where did he teach? The Belevue Turgeau Port-au-Prince Tennis Club and the Petionville Country Club.

He was not anywhere around the iron market where the poor Haitians are. He was up in the hills, at the country club.

Mr. JUDD. I wish I had my earlier statement here because in what the gentleman calls the latest script, I had all the facts as to this man's work.

Mr. ROONEY. Does the gentleman dispute anything I have said here on the floor today in regard to this matter?

Mr. JUDD. But what he has said does not in the least disprove my contention that the primary purpose of sending him is to help them in a field where they have expressed a need. Their primary concern is to create interest in building up such things as playgrounds where youth can be given an opportunity to become good citizens instead of becoming delinquents. Nothing attracts youth more than athletic heroes. The newspapers there have given the project favorable attention. One newspaper used a whole page to commend the United States for its help in this field. The No. 1 target of

the Communists around the world is the mind of restless, unemployed, frustrated youth. And to get them interested and engaged in athletic competition is just as healthy in Haiti or Puerto Rico or anywhere else as it is in the United States.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, this gets more interesting as we go along. I want to read another paragraph of this dispatch:

Tennis is an extremely popular sport in Haiti in the upper economic levels, although there has never been any experienced person available to teach the fundamentals. We have received repeated requests from competent Haitians for a coach. As outlined in our budget estimate, the Haitians themselves are willing to meet part of his expenses. We have recently been informed by a group representing several tennis clubs in Port-au-Prince that they are prepared to guarantee a sum of $250 a month for the services of a competent coach.

Now, not only did Allie get compensation at the rate of $600 a month out of the American taxpayers' money under the exchange program, a total of $3,600 for 6 months, but he got $14 a day in addition to that, or a total of $2,520 in per diem. His travel was $245; his excess baggage was $56; books and equipment, $150; internal travel in Haiti, $200; and miscellaneous, $40. In addition, he is receiving $250 a month from a group in Haiti representing several tennis clubs.

It also turns out that although this request was made in the field for a coach for next year, in the 1958 budget they found that they had $6,800 in the international exchange program that might have been used to bring 2 or 3 of the children that the distinguished gentleman from Arkansas [Mr. TRIMBLE] spoke of awhile ago, to this country. So they used that to teach the country club set in Port-au-Prince how to play tennis. Here are some details:

UNITED STATES SPECIALIST—ALBERT RITZENBERG (TENNIS COACH)

Grant No. 362–7, dated November 2, 1956.

One hundred and eighty days' duration (6 months), began November 12, 1956; terminates May 11, 1957.

Cost of grant

Compensation ($600 per month)	$3,600
Per diem ($14 rate for Port-au-Prince)	2,520
International travel	245
Excess baggage	56
Books and equipment	150
Internal travel in Haiti	200
Miscellaneous	40
Total	$6,811

In addition Mr. Ritzenberg is receiving $250 per month from a group in Haiti representing several tennis clubs.

See despatch 47 dated August 13, 1956, from American Embassy, Port-au-Prince, requesting an American tennis coach.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hope that the gentleman from Minnesota [Mr. JUDD], will be on the floor tomorrow if this debate continues, because I am going to ask someone then about this character by the name of Tom Two Arrows, who is mentioned in the committee hearings. I cannot find out what he has been doing, or how much has been spent on him.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. Please do not make a mystery of this. The gentleman knows who Tom Two Arrows is.

Mr. GROSS. No; I do not.

Mr. ROONEY. Why, we have discussed Tom Two Arrows previously on this floor. He is the Indian-lore teacher and lecturer. He is quite a man with the bow and arrow. Last year and the year before we were asked to include, in this cultural program of President Eisenhower's, money for Tom Two Arrows. This year I found the name of Thomas Dorsey on the program. Knowing that Tommy Dorsey, the orchestra leader, died some 8 or 9 months ago, I felt that surely they did not mean him. Now, who do you think Thomas Dorsey was? Tom Two Arrows.

Mr. GROSS. I want to say to the gentleman that he seemed to be confused about this in the committee; and I am still not completely enlightened.

Mr. ROONEY. No. I am very seldom confused, I will say to the gentleman.

Mr. GROSS. Well, I read the hearings, and I saw Tom Two Arrows' name and then Tom Two Arrows, alias Thomas Dorsey, and I would like to know something about Tom Two Arrows, how much he was paid and what he did and so on and so forth. Perhaps the gentleman from Minnesota [Mr. JUDD] could enlighten us, since he claimed to have all the information on the tennis player.

Mr. ROONEY. I thought the gentleman had read all the hearings. He will find all this in the hearings.

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: Page 13, beginning in line 2, strike out "of which not less than $6,750,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States" and insert in lieu thereof the following: "of which such portion, not less than $3,575,000, as may be equal to the dollar equivalent of any foreign currencies or credits acquired under the provisions of Public Law 480, 83d Congress, and used to carry out activities or programs under this paragraph shall be used to purchase such currencies or credits and not less than $6,750,000 shall be used to purchase other foreign currencies or credits owed to or owned by the Treasury of the United States."

Mr. ROONEY. Mr. Chairman, I make a point of order against this amendment and reserve it at this time.

Mr. DOWDY. Mr. Chairman, it is likely that a member of the Committee on Agriculture should be presenting this matter rather than I. However, I discovered it too late to talk to any of the members about it so I thought it might be well to have it called to the Committee's attention. I hope I can make clear what I refer to in this amendment.

Mr. Chairman, you will note that of the amount to be spent for this educational exchange—and I always thought it was a pretty good program; it is a matter of principle that I am offering this amendment. However, it seems that there may be some question about it from some of the things I have heard here today. Perhaps it is not all good. But that is beside the point.

You will note that the bill provides that of the money appropriated not less than $6¾ million shall be used to purchase foreign currencies and credits owed to or owned by the Treasury of the United States.

I find in reading the budget and also in some of the hearings and the committee's report on this bill that in addition to the foreign exchange and foreign currencies they are having to reimburse by appropriations, there is a further amount of $3,575,000 which comes under Public Law 480 of the 83d Congress, with reference to the disposal of some of our surplus agricultural products. That was title I of the Agricultural Trade and Development Assistance Act of 1954 which authorized the sale up to $3 billion of surplus agricultural commodities to friendly nations for their currencies.

The Commodity Credit Corporation finances the cost for these, and most of the currencies that are obtained from the sale of the products are used without charging it to appropriations; in other words, just turning it over to the State Department or somebody else and they spend it actually without much accounting for it. A small amount of it is charged to appropriations. The proceeds of such sales go to the Commodity Credit Corporation, what little is sold.

I feel that when we are using this money for other purposes then it should be charged to appropriations and the Commodity Credit Corporation given credit for it, because they will be coming in charging these as costs of farm program while using money which is charged against the farm program for other purposes. I think these other purposes should reimburse the Commodity Credit Corporation for the money that they use for other purposes. Public Law 547, passed in 1952, provided that foreign credits owed to or owned by the United States Treasury will not be available for expenditures by agencies of the United States after June 30, 1953, except as may be provided for annually in appropriation acts and provisions for the utilization of such credits for purposes authorized by law are thereby authorized to be included in general appropriation acts. That law was passed, and then when this Public Law 480 came along it repealed Public Law 547 as to parts of the sales of agriculture products. The only purpose of my amendment is to bring all of it under the provision of this Public Law 547 of 1952.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. DOWDY. I yield to the gentleman from Ohio.

Mr. BOW. As a matter of clarification, to see whether I understand what the gentleman's amendment would do or what he intends by the amendment, does the gentleman submit to the Committee the fact that the 480 funds are not subject to appropriation?

Mr. DOWDY. Apparently not. The report and the budget show that they expect to expend $3,575,000 of 480 funds in connection with this without any reimbursement.

Mr. BOW. Reimbursement, the gentleman means, to the agricultural fund? Is that the point the gentleman is making?

Mr. DOWDY. That is correct.

Mr. BOW. But the 480 funds are subject to appropriation and cannot be spent without appropriation.

Mr. DOWDY. They are not subject to appropriations so that the particular department will be bearing the cost.

I hope I have made plain my contention, and the purpose of my amendment. It should be adopted. I will have a similar amendment for the same purpose in the appropriation for the propaganda agent, the United States Information Agency.

Mr. ROONEY. Mr. Chairman, I withdraw the point of order, and rise in opposition to the amendment.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, if the pending amendment were to be adopted, the result should be very apparent. It would not in the least cure the situation the gentleman from Texas talks about. It would deny $3,575,000 in funds for the educational exchange program. If he has fault to find with regard to the provisions of Public Law 480, I think you will agree that the legislative committee is the proper place to bring up a proposal such as this.

Adoption of this would really gut the program. This is the danger of amendments offered here on the floor of the House without consultation with the committees and the department to find out what happens if such an amendment were adopted. This is such an instance. This amendment would gut this program and reduce it to the tune of $3,575,000. Mr. Chairman, I urge that the pending amendment be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was rejected.

The Clerk read as follows:

RAMA ROAD, NICARAGUA

For an additional amount for necessary expenses for the survey and construction of the Rama Road, Nicaragua, in accordance with the provisions of section 5 of the Federal-Aid Highway Act of 1952 (66 Stat. 160), as supplemented by section 8 of the Federal-Aid Highway Act of 1954 (68 Stat. 74), $1,500,000, to remain available until expended: *Provided*, That transfer of funds may be made from this appropriation to the Department of Commerce for the performance of work for which the appropriation is made.

Mr. MEADER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MEADER: On page 13, line 13, strike out "$1,500,000" and insert "$500,000."

Mr. MEADER. Mr. Chairman, this is an illustration of a foreign project which originated without the approval of Congress and which has grown and grown and grown.

The Rama Road, which has nothing to do with the Inter-American Highway, but extends from the Inter-American Highway about 160 miles to the Escondido River at the port of Rama in Nicaragua, was the result of a private agreement between President Roosevelt and President Somoza of Nicaragua when the latter made a visit here in the early days of the war.

President Roosevelt agreed to give Somosa $2 million out of the President's defense emergency fund. What connection the Rama Road had with the defense of the United States in World War II is a little hard to conceive. Nevertheless, Congress had nothing to do with it and did not even know about it.

Two million dollars was not enough so $4 million was taken out of the President's emergency fund. When that too proved insufficient, then, for the first time, they came to the Congress and twice in authorization acts brought in by the Public Works Committee, we have authorized an additional $4 million or a total of $8 million plus $4 million from the President's emergency fund or a total authorization of $12 million for a project that was originally supposed to have cost $2 million.

On top of that we learn from the hearings on the pending bill, on page 836, that the Nicaraguan Government itself put $4,128,000 into this project.

The amount requested by the administration for fiscal 1958, was $2 million, which would use up all of the funds that have been authorized by the Congress.

The committee saw fit to cut that by $500,000 and the item on the bill is for $1,500,000. I am suggesting we cut $1 million off that and make it only $500,000 this year.

I want to call your attention to a question asked by Mr. MAGNUSON on the subcommittee on page 836 of the hearings:

Mr. MAGNUSON. Will the $12 million complete the job?

Mr. RUBOTTOM. We cannot assure the committee that it will. The survey which is now being undertaken for this last 19 miles has not been finished, and the survey will have to be finished before any estimate can be completed of the cost of the termination of the job. On the basis of very informal estimates now, and taking into account the increased cost of steel and other items that have to go into the highway, there is a very real likelihood that some additional funds will be required in order to terminate it.

Why do we not make them tell us what the whole project is going to cost before we go on year after year adding to a project that has already cost $16 million, and which may cost more, when the original cost was estimated at $2 million and the Congress did not have the slightest thing to do with approving it in the first place.

I think it is high time that we not permit these bureaucrats to go around spending money and committing us and getting us part way into a program and then coming to the Congress to say that to keep an international commitment, we, in the Congress, have to back them up and underwrite the cost no matter what it may be. Let us postpone this expenditure until we know what it is going to cost to bring an end to this road to finish it and then we can act intelligently.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield.

Mr. HALEY. Why does not the gentleman just try to cut the entire amount out so that we could then try to arrive at some figure as to what the total cost is going to be? Why leave the half million dollars in the bill?

Mr. MEADER. I leave the half million dollars in because there is probably work in process which we ought not to shut down completely. But, I think before we give any more appropriations or an additional authorization, if we exceed the $12 million already authorized, let us hold back until they get their figures in order so that they can come in here with a reliable estimate of total cost so that we can act intelligently.

Mr. SIKES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would like to point out that this road, the Rama Road, had its inception in an old agreement that the Nicaraguans gave us to build an alternate canal for use in lieu of the Panama Canal through Nicaragua. As the years passed it became apparent that we would not need the alternate route for canal purposes between the Atlantic and the Pacific. It was decided it would be a worthwhile thing, however, to have a highway in the event the Panama Canal was blocked or destroyed during wartime. The Nicaraguans, interested in hemisphere solidarity and development, gave assent. Therefore, President Roosevelt started this project with emergency funds under his control. Since that time, each President, including President Eisenhower, has endorsed the value of the project. We have a commitment with the Nicaraguan Government to finish the project. The project is contributing materially to the development of Nicaragua. The end is in sight. There is not too much more of the road yet to be built. We are not the only ones paying for this project. The Nicaraguans themselves are contributing substantially to the main road, and in addition they are constructing feeder roads that are built entirely from their own resources. This money in the current budget would, except for $500,000, complete the appropriations for which there is authorization. Apparently, some additional money is going to be required, but not a great deal. I can see no useful purpose that can be served by disrupting the project at this

time when it is moving toward completion. Therefore, I trust the Committee will vote down this amendment and that we will complete our commitment to the Nicaraguan Government and people—a very good neighbor—and help them to build this road.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. MEADER].

The question was taken; and on a division (demanded by Mr. MEADER), there were—ayes 57, noes 53.

Mr. ROONEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ROONEY and Mr. MEADER.

The Committee again divided, and the tellers reported that there were—ayes 67, noes 70.

So the amendment was rejected.

The Clerk read as follows:

TITLE IV—UNITED STATES INFORMATION AGENCY

Salaries and expenses: For expenses necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 8 of 1953, and the United States Information and Educational Exchange Act, as amended (22 U. S. C. 1431 et seq.), to carry out international information activities, including employment, without regard to the civil-service and classification laws, of (1) persons on a temporary basis (not to exceed $120,000), (2) aliens within the United States, and (3) aliens abroad for service in the United States relating to the translation or narration of colloquial speech in foreign languages (such aliens to be investigated for such employment in accordance with procedures established by the Secretary of State and the Attorney General); travel expenses of aliens employed abroad for service in the United States to and from the United States; salaries, expenses, and allowances of personnel and dependents as authorized by the Foreign Service Act of 1946, as amended (22 U. S. C. 801–1158); expenses of attendance at meetings concerned with activities provided for under this appropriation (not to exceed $6,000); entertainment within the United States not to exceed $500; hire of passenger motor vehicles; insurance on official motor vehicles in foreign countries; purchase of space in publications abroad, without regard to the provisions of law set forth in 44 U. S. C. 322; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); payment of tort claims, in the manner authorized in the first paragraph of section 2672, as amended, of title 28 of the United States Code when such claims arise in foreign countries; advance of funds notwithstanding section 3648 of the Revised Statutes, as amended; dues for library membership in organizations which issue publications to members only, or to members at a price lower than to others; employment of aliens, by contract, for service abroad; purchase of ice and drinking water abroad; payment of excise taxes on negotiable instruments abroad; cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects, under such regulations as the Director may prescribe; actual expenses of preparing and transporting to their former homes the remains of persons, not United States Government employees, who may die away from their homes while participating in activities authorized under this appropriation; radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script-writing, translation, and engineering services, by contract or otherwise; maintenance, improvement, and repair of properties used for information activities in foreign countries; fuel and utilities for Government-owned or leased property abroad; rental or lease for periods not exceeding 5 years of offices, buildings, grounds, and living quarters for officers and employees engaged in informational activities abroad; travel expenses for employees attending official international conferences, without regard to the standardized Government travel regulations and to the rates of per diem allowances in lieu of subsistence expenses under the Travel Expense Act of 1949, but at rates not in excess of comparable allowances approved for such conferences by the Secretary of State; and purchase of objects for presentation to foreign governments, schools, or organizations; $105 million, of which not less than $9 million shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States: *Provided*, That not to exceed $50,000 may be used for representation abroad: *Provided further*, That this appropriation shall be available for expenses in connection with travel of personnel outside the continental United States, including travel of dependents and transportation of personal effects, household goods, or automobiles of such personnel, when any part of such travel or transportation begins in the current fiscal year pursuant to travel orders issued in that year, notwithstanding the fact that such travel or transportation may not be completed during the current year: *Provided further*, That funds may be exchanged for payment of expenses in connection with the operation of information establishments abroad without regard to the provisions of section 3651 of the Revised Statutes (31 U. S. C. 543): *Provided further*, That passenger motor vehicles used abroad exclusively for the purposes of this appropriation may be exchanged or sold, pursuant to section 201 (c) of the act of June 30, 1949 (40 U. S. C. 481 (c)), and the exchange allowances or proceeds of such sales shall be available for replacement of an equal number of such vehicles and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed $1,500: *Provided further*, That, notwithstanding the provisions of section 3679 of the Revised Statutes, as amended (31 U. S. C. 665), the United States Information Agency is authorized in making contracts for the use of international shortwave radio stations and facilities, to agree on behalf of the United States to indemnify the owners and operators of said radio stations and facilities from such funds as may be hereafter appropriated for the purpose against loss or damage on account of injury to persons or property arising from such use of said radio stations and facilities: *Provided further*, That existing appointments and assignments to the Foreign Service Reserve for the purposes of foreign information and educational activities which expire during the current fiscal year may be extended for a period of 1 year in addition to the period of appointment or assignment otherwise authorized.

Mr. SHEEHAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHEEHAN: On page 32, line 6, after the semicolon, strike out "$105,000,000" and insert "$104,567,000."

Mr. SHEEHAN. Mr. Chairman, earlier in the debate we covered the principle behind this cut. This strikes out $433,000 from the appropriation for the United States Information Agency. The $433,000 is the amount which the United States Information Agency is going to pay or hopes to pay during the fiscal year 1958 to the New York Times to the extent of $255,475 and to the New York Herald Tribune to the extent of $177,584 for subscriptions of which the greatest bulk will be sent to various people throughout Europe to help influence their opinion, as I see it and understand it, on how the American people think.

As was pointed out in debate, I personally feel, and I know a lot of other Members feel, that the New York Times and the New York Herald Tribune with their extreme internationalism and their political philosophy do not represent the real thinking of the people of America. Therefore, if the State Department and the United States Information Agency really desires to convey to the interested people of Europe, Pakistan, India, and other places where these papers are sent, the true feelings of Midwest America, Far West America, the northern part of the United States, and the southern part of the United States, then they will embark upon a program to see to it that not only these internationalistic viewpoint papers are given to the Europeans but a cross section of the other sections of America are distributed abroad.

I am not sure how this can be done. My amendment will strike out this amount of money, not that I object to the main purpose for which the money is being spent, but I am objecting to the way in which the United States Information Agency does it. It would seem to me if the United States Information Agency would come back here at a later time and show the Members of Congress that they are attempting to give to the people of Europe and other sections of the world a real cross section of the ideas, the thinking, and the political philosophy of America, then I do not think I would have any particular objection to the amount because I believe the members of the committee under the gentleman from New York [Mr. ROONEY] and the gentleman from New York [Mr. COUDERT] have done a very fine job on this appropriation bill. But until such time as the State Department can adequately show us that the entire viewpoints of the country are represented I think this amount should be stricken from the bill.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 10 minutes, the last 5 minutes to be reserved for the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VORYS].

Mr. VORYS. Mr. Chairman, I rise in opposition to the pending amendment. This amount has been cut enough. It should not be cut any more.

On this question of circulating newspapers in Europe, we have heard a lot of talk about how the Chicago Tribune ought to be circulated over there. I would like to put in a word for the Ohio State Journal, the Columbus Dispatch, and the Columbus Citizen, all great dai-

lies in my district. I will back them against any paper in the Nation. The only trouble is that these papers from my home town, and from a lot of other places in the United States, do not publish in Europe, and therefore it would be slow and expensive to circulate them abroad. The Times and the Herald Tribune are published over there, with special European editions, and those who have traveled in Europe know they are published primarily for the benefit of American tourists and businessmen so that they contain the sort of news of the United States that is pretty well planned to fit over there.

While I admit that it is pretty foolish to send all the Members of Parliament a copy of these papers every day—I doubt if they read them—yet I think that the general idea involved, of making sure that these papers get to libraries and places like that where they will be read, and where they will give information on what is going on in the United States day by day is a pretty good idea. It is probably less expensive, and more readable than circulating USIA bulletins.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New York.

Mr. COUDERT. I would just like to add to what the gentleman has said about other papers. There are excellent newspapers in New York besides the New York Times and the New York Herald Tribune that would be certainly as well qualified to give American views abroad if they were published abroad and equally available.

Mr. VORYS. That may be, and I do not want to yield to all of those who claim that their papers are as good as the ones in my Congressional district.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. I am not going to praise all the newspapers of my city, but I just want to point out that in some large cities of the world there are no wire services available to our representatives there, and that is why American newspapers published abroad will often take the place in the dissemination of information which would otherwise be provided by wire service.

Mr. VORYS. I do not want to defend in detail the distribution of these papers, but I am certain that this is a good idea, to take something that is already printed up and is in pretty good shape and have it made available to show what is going on in the United States day by day, and get it circulated around without having the USIA label stamped on it. Since Europeans know that these papers are prepared primarily for Americans to read, this takes the propaganda label off the information they obtain.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Is not the Chicago Tribune published in Paris?

Mr. VORYS. I asked our friend from Illinois, and he informed me that it is not at the present time.

Mr. HOFFMAN. At the present time, you mean?

Mr. VORYS. Yes.

Mr. GAVIN. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. All debate on this amendment and all amendments thereto has been closed. The gentleman may offer his amendment after the debate is over.

The Chair recognizes the gentleman from New York, Mr. ROONEY.

Mr. ROONEY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. ROONEY. Is the gentleman from Pennsylvania withdrawing his amendment?

Mr. GAVIN. I am not. I am offering the amendment after the vote is taken on this amendment. I am offering this later at the suggestion of the Chairman.

Mr. ROONEY. Should it not be read at this time? Mr. Chairman, I ask unanimous consent that the amendment now at the Clerk's desk offered by the gentleman from Pennsylvania be read.

The CHAIRMAN. For information?

Mr. ROONEY. Yes.

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GROSS. Is the amendment by the gentleman from Pennsylvania in order after this is disposed of?

The CHAIRMAN. Well, the Chair will have to wait to see what is offered. In the first place, he will have to offer something.

Mr. GROSS. If he has not offered it, I object.

Mr. ROONEY. Mr. Chairman, I thought the gentleman had offered the amendment.

Mr. GAVIN. The Chair has ruled otherwise.

Mr. ROONEY. Oh, no; the Chair has not ruled otherwise.

Mr. GAVIN. I withhold the amendment until the vote is taken on this amendment.

Mr. ROONEY. Then, in rising in opposition to the pending amendment offered by the gentleman from Illinois, [Mr. SHEEHAN], I should also address myself to this secret amendment which is about to be offered by the distinguished gentleman from Pennsylvania, my dear friend, Mr. GAVIN. I think that we are getting into a very, very dangerous area with amendments such as these. The committee took into consideration all the facts at the time it arrived at the $105 million of appropriations for the United States Information Agency. I do not believe that this is the way for us to proceed on an appropriation bill.

The committee is unanimous in opposing the pending amendment. If I were so disposed, or that kind of a fellow, I should be the last one to get up here and oppose this amendment because the New York Times did a very nice job on me this morning, entitled "Meat Ax 'Economy,'" when they said that—

> The proposed cut is of unreasonable proportions. Even more unreasonable is the absurd but characteristic statement of Representative JOHN J. ROONEY, Democrat, of Brooklyn, unfortunately one of the committee's influential members.

I should be the last fellow in the world to be up here opposing this amendment. But I do not believe in permitting personal differences to interfere with my judgment. I do not think and I have never believed that it should be the function of Congress to take over the executive agencies. I am not going to assume the decision as to whether USIA should send copies of the New York Times to any members of the British House of Lords and the British House of Commons. But the public and the Congress are entitled to know that there is $433,000 in the USIA request for the European editions of 2 newspapers. Everybody is entitled to know what is going on. If the United States Information Agency were intelligently run they would heed the debates that take place up here; they would read the committee's report; and perhaps then they might send only a few copies of these American newspapers to the British Parliament. Then they would save some money.

After a committee cut of $35 million, to proceed further and cut another half a million dollars on the basis of a situation that the committee has known about all along, and has specifically mentioned in its report, does not seem like good judgment to me.

Mr. COUDERT. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. COUDERT. Mr. Chairman, I merely want to say that I am entirely in accord and on behalf of the minority I am opposed to this amendment. I trust it will be beaten. $105 million is the absolute minimum. I think it should be more, not less.

Mr. ROONEY. The President would surely be against this proposed cut.

Mr. GROSS. Mr. Chairman, would the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Iowa.

Mr. GROSS. Does the gentleman know whether USIA has ever given any thought to sending free copies of the New York Times and the New York Herald Tribune to the Members of Congress so they can brainwash us?

Mr. ROONEY. For goodness' sake, let us not get into that; they are liable to do it.

Mr. Chairman, I urge the rejection of the pending amendment and now ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. SHEEHAN].

The question was taken; and on a division (demanded by Mr. ROONEY) there were—yeas 56, nays 76.

So the amendment was rejected.

Mr. GAVIN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GAVIN: On page 32, line 6, strike out "$105,000,000" and insert "$100,000,000."

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 5 minutes on his amendment.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the amendment and all amendments thereto close in 5 minutes.

Mr. GAVIN. I do not yield for that purpose.

Mr. ROONEY. I thank the gentleman.

Mr. GAVIN. I might say to the gentleman the feeling is mutual. I hope very much my very good friend, whom I greatly admire, and I really do admire him, will remain on the floor and listen, because he was very much concerned about this last cut, which was around $400,000. This amendment is for a $5 million reduction. If you want to do some reducing, and I doubt it, you have a chance now to show the folks back home you really mean business. Many were very much interested in reducing the Health, Education, and Welfare program. Many amendments were offered and many wanted to be recorded, so you had 14 record votes on amendments and several unrecorded on that appropriation bill. However, not many amendments today.

This proposed amendment, which I offer, concerns—and I quote from the bill—"the radio activities and acquisition and production of motion pictures and visual materials and purchase or rental of technical equipment and facilities therefor, narration, script writing, translation, and engineering services, by contract or otherwise; maintenance, improvement, and repair of properties used for information activities in foreign countries; fuel and utilities for Government-owned or leased property abroad; rental or lease for periods not exceeding 5 years of offices, buildings, grounds, and living quarters for officers and employees engaged in informational activities abroad; travel expenses for employees attending official international conferences, without regard to the Standardized Government Travel Regulations, and to the rates of per diem allowances in lieu of subsistence expenses," and so forth, and so forth.

To show how these activities have grown, I ask my very good friend, the chairman, what does it cost to run this United States Information Agency? In 1955 it cost $73,914,000. Then in 1956 and 1957 apropriations were increased from $73,914,000 to $113 million. Note this Agency is growing by leaps and bounds everywhere. Evidently by expansion programs, greater contribution requests jumped from $113 million to $144 million, but the committee turned in a good job and reduced it to $106,-100,000. Let me remind the House that in 1955 the Agency was granted only $73,914,000, so they have been increased $32,186,000 in a couple of years—not a bad increase for a short period of time.

We have been vociferous in our talk about effecting economies. We have been talking about giving relief to the American taxpayers. You want all branches and all departments of our Government at home to effect economies and to cut down on the number of their employees and cut down on the expense of everything that goes on in our own Government. Note the attitude toward the Post Office Department in the recent $47 million deficiency appropriation. Now here is an opportunity to reduce the appropriation and help bring about a tax reduction. Maybe it will cause this agency some difficulty, but, nevertheless, it will cause them to effect a more businesslike approach and efficient operation because they will be a bit restrained and restricted and will not be able to have all the money available that they want to carry on every program and project they might conceive. When I review these programs here that are in the report, there are some they can do without. On this one item alone on page 22 of the report, item B. Twenty-six weeks of evening performances in the National Pavilion Theater, which was cut out, $1,305,000 to produce all the musicals and plays. Maybe one might say that is not relevant to this particular item before us; however, this is part of what I think is an unwise use of the American taxpayers' money. Even if it was rejected it should never have been recommended under such circumstances. I am concerned about the whole program. It is about time this agency got down to doing things in a businesslike, practical, sound, sensible, and efficient manner. It is about time we effect economies and give some relief to the American taxpayers. I present my thinking because you are all now apparently economy minded. You are hearing from the folks back home. What are you going to do about it? How are you going to vote? Certainly you want to be recorded. Here is an opportunity to be recorded that you, too, mean to get results. It will save the taxpayers $5 million at one time.

Mr. PRESTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not really think it is necessary to debate this amendment at any great length. I do not believe that the good judgment of the House will permit the adoption of this amendment. It is interesting to note that in every department or in every area for which we appropriate, there is always one good popular whipping boy. Members frequently blow off steam and use this whipping boy to make speeches in the well of the House. This USI program is a program of that type. The reason it is is because there is not any way in the world to evaluate this program. I do not care how expert you are. I do not think there is a human being in America with all the experience that he may have in TV, radio, and newspapers, magazines, and so on who can really evaluate this program and tell us whether we are getting our money's worth. Unfortunately, it is that type of program. It is a program of trial and error. It is a highly specialized program. Now I do not care who runs it and I think the present director is a very able man—but I do not care who runs this program, he should have the privilege of trying to convince the Congress that we are getting our money's worth out of what we have spent. We are not experts here in the House on this subject. We must have faith in our appointed leaders of Government. There is no reason to believe that the present director does not have the capacity and capabilities to run this program properly. He is entitled to a fair trial. He is already starting out on the fiscal year 1958 with a handicap of $7 million that we have cut off this program. This amendment would seek to take off $5 million more. We are penalizing and punishing him when he has not had a decent chance to prove his worth at running this great and important program that is so important that the President of the United States has emphasized publicly and by letters to Members of the Congress his deep concern about this cut.

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. MARTIN. I join the gentleman in his opposition to this amendment. I think it would be assuming a terrific responsibility for the Congress to reduce this figure any more than it already has been reduced. This money is for peace. This money is to protect America from an atheistic foe who is striving to spread its ideology all over the world. I cannot believe when the President of the United States has so strongly made known that he thinks this is a great and important sustaining part of his program that this House will reduce the amount of money involved here.

Mr. PRESTON. I thank the gentleman. I do not think the House will either.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. ALBERT. Are not the potential enemies of this country spending this same kind of money on their own kind of propaganda?

Mr. PRESTON. The Russians are spending much larger amounts than has ever been spent by the United States.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. McCORMACK. I join with the gentleman in his opposition to this amendment, and also the gentleman from Massachusetts [Mr. MARTIN]. I think it might be decidedly harmful to the best interest of our country if this amount is further reduced. As a matter of fact, my own personal opinion is that the amount reported here is not sufficient, but I am going along with the committee. I strongly urge the defeat of the present amendment.

Mr. FLOOD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. FLOOD. Is it not a fact that the Russians spend more money jamming the American programs than we spent on this program entirely?

Mr. PRESTON. Well, I do not know about that.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. ROONEY. The gentleman knows, does he not, that the statement made by the gentleman from Pennsylvania [Mr. FLOOD] is entirely inaccurate?

Mr. PRESTON. I do not have the figures and so I do not know.

Mr. SCOTT of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. SCOTT of Pennsylvania. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SCOTT of Pennsylvania. I agree with the gentleman. I am in opposition to this amendment.

We are all familiar with the tremendous growth of television in the United States.

It may be surprising to know that in some foreign countries, the rate of growth exceeds even that of our country. In 1956, it is estimated that there were 10,051,000 receivers in use in Free World nations. Of course, the potential viewing audience exceeds this many times, particularly in countries where sets are located in public places.

We all know from firsthand experience the impact of TV in telling a story, in depicting the truth about people and places.

I am glad to note that the United States Information Agency has moved quickly to take advantage of TV as a communications medium.

Last year 58 new foreign TV stations went into operation bringing the total of 212 stations in the free world. For the period 1957–58, 203 more stations are planned.

USIA has the advantage of American experience and know-how in the television field. Other countries seriously lack the producers, technicians, and performers necessary to produce good, professional programs. As a result foreign TV stations are anxious to use the programs we can offer. The TV industry's fine cooperation makes possible our being able to send abroad some of the best programs in American television.

Many TV systems abroad start under the direction of the educational authorities, particularly in the Near East and southeast Asia. In these areas TV is particularly adaptable to the cultural development of these areas. There the people hunger for knowledge, yet their facilities will not be able to cope with the demand for years to come. TV is a natural method to reach quickly mass audiences and large student groups.

USIA, in cooperation with other government agencies, stimulates the inception of TV abroad through the educational approach. The United States knows that the more people everywhere know of their neighbors, the wider their knowledge of what we stand for, the closer we will come to a peaceful world.

At present TV programing by USIA is active in 43 countries. I am glad to note that it is the Agency's intention to keep pace with this dramatic new medium for reaching the minds of people everywhere.

It is well to remember that it is what people believe about us which determines their attitude toward us.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield.

Mr. GAVIN. I want to say to the gentleman from New York that the figures I obtained from you, as far as accuracy is concerned, they are what your executive gave to me.

Mr. ROONEY. Does the gentleman refer to the gentleman from New York [Mr. ROONEY]?

Mr. GAVIN. Certainly. I will call you "Mr. ROONEY." When you refer to me, you refer to me as "Mr. GAVIN."

Mr. ROONEY. Did the gentleman ever get any inaccurate figures from me? I have always addressed the gentleman as the distinguished gentleman from Pennsylvania [Mr. GAVIN], as required by the rules.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. PRESTON] has expired.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment. I did not understand what the distinguished gentleman from Pennsylvania [Mr. GAVIN] was saying a moment ago. He had some papers in his hand and he pointed over in this direction. I wonder if he believes that I ever gave him any incorrect information.

Mr. GAVIN. No. You were referring to my statement as being incorrect. I am merely telling the gentleman from New York that I got the figures referred to from your executive secretary.

Mr. ROONEY. If you have any figures that are incorrect, they were not supplied by the committee or anyone connected with it. When the gentleman offers an amendment to cut an appropriation by $5 million, based on what he has had to say in the well of the House in presenting his amendment, he expects us to go quite far. I think that the committee, in the interest of economy, has taken the fat out of the Information Agency to the farthest extent possible at this time. This program is now far more costly than it ever was. Previously we never had requests for such amounts as $135 million and $140 million. We have always gone into the USIA budget. This committee works hard on all of them.

I recall, some 5 or 6 years ago, when this committee, with the support of the House, reduced a request of USIA for $97½ million for radio facilities, to $9,500,000—a 90-percent cut—and the cut was sustained in the other body, and that $9,500,000 became the law with regard to that requested appropriation. Does the House know that there is still in the hands of the Information Agency a good part of that $9½ million which had been reduced from $97½ million?

Mr. Chairman, I yield to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. I am a little disturbed getting down here between these two Irishmen today.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. HALLECK. No.

Mr. Chairman, I think the gentleman from Georgia put it very well when he said that any program such as this must necessarily be a program of trial and error. Errors will occur, there will be here a mistake and there a mistake, but the whole program should not be condemned because of a few mistakes.

Whether we like it or not, and we don't like it, we cannot escape the fact that there is a worldwide struggle between the slave way of life and the free way of life. We know that the struggle affects us because we are getting ready to appropriate billions for the defense of our land.

Why do we do that? Because we must protect ourselves from the possibility of aggression from the Communist forces arrayed against us.

In this struggle we not only must maintain our defenses, but we must take part in a struggle for the minds of men; it is a struggle in which if we are to be ultimately successful we must one day convince enough of the people of this world that ours is the best way of life for everybody, that it is better than the slave way. That is what this program is about; and as far as I am concerned I rise in opposition to the amendment and I hope the amendment is defeated. The committee has already substantially reduced this amount.

Mr. ROONEY. I thank the distinguished gentleman from Indiana. I appreciate what he says and am glad that in this instance I can go along with him. I am glad he feels the way he does with regard to the pending amendment. He is one of those who on the last vote on the amendment offered by the gentleman Illinois was so courageous as to stand up and vote with President Eisenhower.

Mr. FASCELL. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. I also rise in opposition to the amendment.

I want to express my strong regret at the action of the Appropriations Committee in slashing USIA funds so heavily. To my way of thinking the information program is one of the most vital programs of the Government in these critical times. Take the case of Latin America, about which I know a little more than other foreign areas. A strong information program in that area is vital.

Two basic facts stand out in the relationship of the United States to the 20 neighboring countries of Latin America: First, years of friendly association have tended to make us take them for granted. We forget too easily the multiplying populations, the rampant nationalism and ambition for national improvement.

Second, we are inclined to assume that the Latin American is aware of our good intentions, that he understands the United States, its policies, its actions, and its people. We forget that his actual knowledge of us is limited, and that our special economic position in his territory makes it easy for unscrupulous forces to turn him against us, to make him feel exploited by us.

If we are not farsighted, a familiar pattern can be repeated in this area as in others. Communists, taking advantage of inevitable nationalisms, will create conditions that will multiply the problems of the United States in this area many times, and jeopardize the important economic and strategic interests we have in Latin America.

A case in point was the Guatemalan crisis which suddenly demanded emergency attention. That situation is now

under control but the Communists have only been checkmated. They are still at work in that courageous country, and in almost every other country in Latin America. This is evident in the uprisings; in the never-ending attempts of local stooges to infiltrate and gain control of labor unions, and in the increasing volume of books, magazines, and Communist-controlled newspapers. More and more Latin Americans are being invited behind the Iron Curtain; more and more cultural exchange programs are being carried out with the Soviet bloc. Also, more and more Soviet-bloc countries are soliciting trade with Latin America and showing their wares at Latin American trade expositions.

This is the situation confronting the United States in Latin America today. Fortunately, we are not completely on the defensive there. We can, if we adopt proper measures, take advantage of historic and geographic factors which are in our favor, and also of the very factors which are being exploited today by our enemies.

But a vigorous information program is a primary necessity. Not only do we need to counteract the lies and rumors and half-truths, but we need to convince our neighbors that our interests parallel theirs, that what we believe and stand for is fundamentally the same as their own convictions and aspirations. Essential to this end is a strong and effective information and cultural program.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. If the gentleman can contribute anything.

Mr. GAVIN. Yes; I think this is a contribution. The only thought I want to call to the minds of the Members is that on the health and welfare bill everybody wanted to be recorded. Why not accept this amendment? Then you can be recorded as showing just how you voted, whether you are for economy or otherwise. If you have the courage of your convictions let your vote be recorded.

Mr. ROONEY. In conclusion I remind the Committee that a deep cut has already been made in this appropriation and I urge the rejection of the pending amendment and ask for a vote.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the gentleman from New York if this is not the same agency that put 950 persons on the payroll?

Mr. ROONEY. No; they put on only 508 of the approximately 950. The State Department did that with 446 positions; this agency did it with only 508.

Mr. GROSS. Yes, despite the committee's injunction a year ago that they must not increase personnel. Is that not correct?

Mr. ROONEY. Despite a reduction of $22 million. We took into consideration these matters which were uncovered by the committee and used them in arriving at the figure of $105 million.

Mr. GROSS. Here is an agency, Mr. Chairman, which has expended thousands of dollars to hire reporters to propagandize, to brainwash the people of this country, not some foreign country, but in this country. This is the same organization that paid a sportswriter in New York City on the New York Times $100 to write an article about Casey Stengel for the benefit of the Japanese.

This is the same outfit that has produced a movie. I believe it is the same outfit that has produced a movie in this country, a commercial movie, but I have not been able to discover the name of that movie or what has happened to it. Apparently it was a boxoffice flop, at a cost to the taxpayers of at least $100,000. Perhaps the gentleman would like to enlighten us on that.

The amendment offered by the gentleman from Pennsylvania is very modest. This ought to be cut deeper than the gentleman from Pennsylvania proposes, in view of the hearings and the information that we have before us.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. I would like to close debate on the pending amendment if the gentleman will yield.

Mr. GROSS. Could the gentleman give us a little information about this mysterious movie that was produced and that was such a boxoffice flop?

Mr. ROONEY. There is included in the printed hearings everything in this regard the agency wished to disclose.

Mr. GROSS. I understand that.

Mr. ROONEY. The title of the picture is classified. The agency made it classified information; I cannot tell the gentleman.

Mr. GROSS. That is what we run into in connection with this particular outfit. I hope the amendment offered by the gentleman from Pennsylvania will be adopted.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. JOHANSEN. Mr. Chairman, I would like to direct a question to the chairman of the subcommittee. Did my ears serve me right when I heard him say that the title of the play produced for distribution or showing in the United States was classified information?

Mr. ROONEY. That is correct. The United States Information Agency classified the title of this movie and will not release it to the press. I know the title.

Mr. JOHANSEN. Can the gentleman give any valid reason for the classification of such information?

Mr. ROONEY. That inquiry should be directed to Mr. Larson and the United States Information Agency.

Mr. JOHANSEN. I think, certainly, that the committee should be profoundly interested in knowing the reason.

Mr. ROONEY. I am not the one who classified the title of the movie. The committee did not classify it. Mr. Larson, of the Information Agency, did that.

Mr. JOHANSEN. The gentleman did not say that the committee classified the title. The gentleman said he thought the committee should be profoundly interested in the reasons for doing that.

Mr. ROONEY. I know all about the picture and all about the alleged reasons, I may say to the distinguished gentleman. The Information Agency has made the information classified, and I have respected that classification. It should not be too long before it is declassified.

Mr. JOHANSEN. I am not asking the gentleman to betray any confidences, but I do think the gentleman from California, who is making headlines in the suppression of information to the American people in the executive branch, I think my good friend the gentleman from Californa [Mr. Moss], would be very much interested in the reasons for classifying the title of this movie.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 2 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. MEADER].

Mr. MEADER. Mr. Chairman, I take this time to call the attention of the chairman of the committee to an article appearing in the Evening Star of Thursday, January 1, 1957, by Mary McGrory titled "New USIA Chief Plans Worldwide Program."

I want to read a couple of paragraphs of that article and then ask the gentleman whether or not in the hearings they were able to determine the philosophy of the new director of this program. I read the following:

> The former Under Secretary of Labor, who was widely advertised during the campaign as living proof that the Republican Party is big enough for intellectuals, does not believe in telling other countries how grand we are.
>
> "Rather," says Mr. Larson, "we should increase their own self-respect, their devotion to their own institutions, their own public and private associations, their religion, their families—everything under the sun that makes them want to stand on their own two feet."

The problem as he sees it is "not to make them love us but to make them love themselves."

Are we spending $105 million to make other countries love themselves when they probably love themselves already?

Mr. ROONEY. I must say in answer to the distinguished gentleman from Michigan that I am not responsible for anything that Mr. Larson says. He happens to be a Republican. He is known as "Mr. Republican," is he not?

Mr. MEADER. I did not know him that way. He wrote a book, I remember.

Mr. ROONEY. Is the gentleman criticizing his book?

Mr. MEADER. I was asking the gentleman whether or not in the hearings Mr. Larson had indicated that he was going to convert this agency into a totally different organization with a completely different purpose than it has had in the past.

Mr. ROONEY. Mr. Larson may have some grandiose ideas, but if you follow

the judgment of this committee, we shall keep any grandiose ideas to a minimum, I assure you.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. MEADER. I yield to the gentleman from New York.

Mr. COUDERT. I call the attention of the members of the committee to the fact that this $100 million is not $100 million comparable to current figures. It is $98 million, because of the $2 million mandatory item for contribution to the retirement fund and extra days' pay for 1958; in other words, $105 million in the bill is really $103 million compared to $113 million in the current year.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GAVIN].

The question was taken; and on a division (demanded by Mr. GAVIN) there were—ayes 48, noes 81.

So the amendment was rejected.

Mr. DOWDY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DOWDY: On page 32, beginning in line 6, strike out "of which not less than $9,000,000 shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States" and insert in lieu thereof the following: "of which such portion, not less than $1,350,000 as may be equal to the dollar equivalent of any foreign currencies or credits acquired under the provisions of Public Law 480, 83d Congress, and used to carry out activities or programs under this paragraph shall be used to purchase such currencies or credits and not less than $9,000,000 shall be used to purchase other foreign currencies or credits owed to or owned by the Treasury of the United States."

Mr. DOWDY. Mr. Chairman, this has reference to the same Public Law 480 that I referred to at another time this afternoon, and I will not go into that. I did not get to finish what I wanted to say before, as my 5 minutes ran out.

Now, Public Law 480 has a provision in it which says:

And any department or agency of the Government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used.

I find from page 173 of the President's budget request for this year that this United States Information Agency, or whatever the name of it is, has $1,350,000 worth of these Public Law 480 funds in addition to the $105 million provided for in this bill.

The purpose of my amendment is to cause this agency to pay into the Treasury for the foreign currencies and credits they are using and the Commodity Credit Corporation would get the credit for it.

I did notice in the President's budget request in another place in regard to these Public Law 480 funds that the President recommends that a lump-sum appropriation be made to reimburse the Commodity Credit Corporation for its losses which are not made up through these appropriation sales which, of course, would have the effect of charging this information and propaganda agency's expenditures to the farm program of the United States.

That, together with what I said before in connection with another amendment, should explain the purpose of this amendment. I trust it will be adopted by the committee.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment, and I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I do not think very much time need be taken with this amendment. It is similar to the amendment which was offered by the distinguished gentleman from Texas awhile ago with regard to the educational exchange activities of the Department of State. It is, again, a question with regard to Public Law 480. If he was amending that law I would be for it. But to accept an amendment such as this on the floor is something I think the Committee of the Whole will not do.

So, Mr. Chairman, I now ask for a vote on the pending amendment which should be rejected, being similar to the one that was rejected by the committee about 20 minutes ago.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. DOWDY) there were—ayes 23, noes 67.

So the amendment was rejected.

Mr. HOFFMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 32, line 6, after "$105,000,000", insert "of which not more than $500,000 shall be used to purchase objects for presentation to foreign governments, schools, or organizations."

Mr. HOFFMAN. Mr. Chairman, several amendments have been offered during the afternoon, the purpose of which was to induce the United States Information Agency to give to the people of other countries the views of some of our people who did not live on the eastern seaboard. To date internationalized New York and the Northeast has been brain washing and propagandizing the people of Europe and the Middle East through the New York Times and the Herald Tribune as well as by the other biased views it puts out. The New York Times and the Herald Tribune seem to represent the views of a comparatively small section of the country. On page 32 beginning on line 4 is found this language: "and purchase of objects for presentation to foreign governments, schools, or organizations; $105 million, of which not less than $9 million shall be used to purchase foreign currencies or credits owed to or owned by the Treasury of the United States." That leaves $96 million.

The purpose of the amendment which reads: "of which not more than $500,000 shall be used for the purchase of objects for presentation to foreign governments, schools, or organizations" is to limit the amount which can be spent for New Deal international giveaway propaganda.

Being curious as to the purpose of the language which just precedes the amount named, naturally reference was made to the index of the hearings, and there it was found. On page 4 of the index, identifying this provision of the bill is found the descriptive title, which is "Giveaway Programs." If there is any doubt about what this program is, we have this characterization of it by the committee itself.

The gentleman from New York who is in charge of the bill and presumably an advocate of economy gives us a report which describes this provision or subtitle as "Giveaway Programs." Permit me to congratulate him upon an accurate description.

Then, if reference is made to page 36 of the hearings you will find among other things this:

PRESENTATION OF AMERICAN PUBLICATIONS TO LOCAL FOREIGN AUTHORITIES

Mr. LARSON. We make use of anything we can possibly use to do our job, whether it is purchasing existing periodicals, or magazines, or papers, or books, or producing them ourselves. Whichever is the most efficient we try to do. We want to do whatever will do the job.

Mr. COUDERT. What do you do with the American magazines and newspapers that you purchase?

Mr. LARSON. We see that they get to the people that will do the most good.

* * * * *

Mr. ROONEY. Will you please insert in the record at this point a statement with regard to the American newspapers and publications used in connection with this French program, listing each one, how many, and how much?

Mr. POSNER. That is American newspapers and magazines?

Mr. ROONEY. That is right.

Mr. POSNER. Used in connection with the French program?

Mr. ROONEY. That is right.

(The matter referred to follows:)

American newspapers and magazines used in the French program, fiscal year 1957

	Number	Cost
For presentation:		
1. Purchased in France:		
New York Times (international edition)	537	$9,642.00
Herald Tribune (international edition)	209	5,065.00
Subtotal	746	14,707.00
2. Supplied by Information Center Service, Washington: Periodicals (see following table)	111	758.55
Total presentations of periodicals and magazines for French program		15,465.55
For information centers (supplied by Information Center Service, Washington):[1]		
Newspapers	28	1,225.61
Magazines	1,094	10,128.14
Subtotal		11,353.75
Grand total, American newspapers and periodicals in French program		26,819.30

[1] All American newspapers and periodicals are supplied to information centers in France by the Information Center Service, Washington.

Over on page 316 you will find this:

The breakdown by categories for the full program is as follows:

Recipients in England of New York Times and Herald Tribune

Category	Herald Tribune	New York Times
Individual members, House of Commons	216	251
Individual members, House of Lords	79	98
Ministries	12	21
Public libraries	253	219
Newspaper editors	334	149
Writers, opinion leaders	196	104
Unions, union officials	32	43
Universities		25
Colleges, schools	28	
Teachers	30	69
Clubs, training centers	14	27
United States and other reading rooms	17	14
Total as of Mar. 15, 1957	1,211	1,020

If that is the way it is to be, it does seem as though the amount which is to be expended, that is, the amount which the information agency is to pay to inform and educate the people of other countries, but only in the giveaway program the amount should be limited to $500,000. In all fairness—and this argument was made before—in all fairness the agency should give those people they are trying to educate a little information about the rest of our country. It is un-American to lead the people of other lands to believe that the views of the New York Times and Herald Tribune are the views of the United States.

That is all I care to say about it. The language of the bill is not confined to publications. You will notice it says "purchase of objects for presentation to foreign government, to schools and to organizations." What objects? What organizations? Some policymaking positions have been wide open to and held by Communists.

Let me conclude with the statement that you can accept the characterization of this bill made by the committee itself when it said it is a giveaway program. And there is little if any reason to doubt the statements of our colleague, Dr. JUDD, of long experience in the East, in China, and of intimate connections with officials of the State Department which oversees this program as quoted in an April 15 editorial of the Chicago Tribune which reads:

THE LAW OF AVERAGES

We have been reading Congressman WALTER JUDD'S stirring tribute to the State Department before the Senate Internal Security Subcommittee. An interesting snatch of the colloquy went as follows:

"Chairman EASTLAND. Then you think some of these people that are pro-Communist are still in the State Department, and still in the Pentagon?

"Mr. JUDD. Why, yes. I don't mean pro-Communist in the sense that they are in the party, but they advocate policies that work out to the good of the party. On the law of averages, a mere moron, once in a while, would make a decision that would be favorable to the United States. When policies are advocated by any group which consistently work out to the Communist advantage, that couldn't be happenstance."

What Congressman JUDD seems to be telling us is that the country would be fortunate if the State Department were to be staffed with mere morons. Even if of subnormal intelligence, they might be prompted by some instincts of patriotism, and, by fluke, would occasionally do a stroke of diplomacy to the advantage of the United States.

But, unhappily, we are short of well-intentioned morons in the State Department, which inclines to brighter types, some of questionable loyalty. They never miss in loading things the Soviet way.

Mr. JUDD says they get in their licks chiefly by writing policy papers that the higher-ups study in determining decisions and policy.

"If you allow me to write the papers on which my superiors make their decisions," said the Congressman, "I think I could have a good deal to say about what my superiors will think.

"For example, if the top man comes in and he has the choice between two memoranda on his desk, and both are written by a fellow who is a pro-Communist, the man's freedom of decision is not too wide. He has to decide between two positions, both of which are in various degrees pro-Communist, which means, in my book, inimical to the interests of the United States."

What to do about it? When Senator EASTLAND asked if the State Department couldn't fire these people who always load the dice in favor of the Kremlin, Mr. Judd replied:

"Well, it seems to me they could. It seems they could, if there was the will to be really tough in policing an organization and tightening it up. They could go back to the papers and find out what a man's position consistently has been. Then, if he has been consistently advocating over the years policies which events have proven wrong, he ought to be fired, not as a Communist, but as a fellow who is consistently wrong.

"If I have a doctor who takes care of my father and he dies, who takes care of my mother and she dies, who takes care of my wife, and she dies, and then I get sick, I am going to fire him, not as a Communist, but because he is just not a good enough doctor."

Looking back over the course of American diplomacy in the last quarter century, it is plain to see that the American public has never had the services of a very good doctor. In fact, it is almost cause for self-congratulation that the patient has survived the treatment at all, even if his present condition is not too flourishing.

Our colleague on this occasion "has something" and the United States Information Agency needs a new Director and direction—One who is an American in his views and practices.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendments and all amendments thereto close at the end of 2 minutes. to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I do not think we should take too much of our time to discuss the pending amendment. Again this is a matter where, when the committee has spent 2 months on a bill, an amendment is offered which would undo the painstaking work of the committee. Everything mentioned by the distinguished gentleman from Michigan [Mr. HOFFMAN] was taken into consideration by the committee at the time this bill was written. I do not believe the Committee of the Whole or the House will go along on a further limitation such as this.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Michigan.

Mr. HOFFMAN. Does the gentleman not believe that the rest of the country should have its views presented to other people?

Mr. ROONEY. I am one who is thoroughly in favor of everybody's having a chance to present his views. There is no question about that. But this is a question of judgment, the amount of time spent in arriving at the committee figure, which has been a sufficient cut in connection with this agency.

Mr. Chairman, I ask for a vote and the rejection of the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan.

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Chairman, I believe unwise the drastic budget cut for the United States Information Agency recommended by the House Appropriations Committee, which will require a cutback of this country's information operations in all areas of the world. The place where we have been losing some ground is the Far East. Do we realize the extent to which Red China has stepped up its own propaganda efforts throughout the Far East? The extent and nature of their activities measured in terms of our efforts are fantastic. Their efforts indicate the importance they attach to the area and their own appraisal of their chances of effectively influencing these people.

Let me give you some facts on the Red Chinese propaganda offensive: 1954 marked the intensification of their efforts in this field for purposes of "peaceful" penetration. The scale of effort continues upward. In 1956, Peiping radio broadcasts added the Lao and Cambodian language service, doubled broadcast hours to Indonesia, and raised total hours for the area from 136 in 1955 to 216 hours in 1956. Book output for Southeast Asia was raised from 10 million copies in 1955 to roughly 24 million copies in 1956. Red China's "people's diplomacy" campaign showed even more striking gains than those in radio and books—delegations from Peiping to Free Asia countries increased from 65 delegations totaling 400 persons in 1955 to 105 delegations totaling 2,000 persons in 1956. Add to this their subsidized trade, their offers of unfettered economic aid, their large expenditures to bring foreign visitors to China, and some measure of the competition we face can be seen.

Under these circumstances, this country should intensify and strengthen—and certainly not relax—its efforts to keep Asians aware of the threat posed to their security by Communist China. If the United States reduces its efforts

in the information field, you can be sure that the Red Chinese propagandists will be quick to follow up and exploit our pull-back. The instability of key countries—Indonesia is a prime example and Singapore is another—causes the area to be particularly vulnerable to Communist propaganda attacks, and makes it all the more important to make the voice of truth more clearly heard throughout the Far East.

Then there is the positive aspect: The Hungarian revolt dramatized the complete failure of the Communist system in a country which had the opportunity to know it first-hand. And all the world could see the brutality with which the Communists shot down the very people whose support they have always claimed—the workers, students, and intellectuals. The Hungarian story is the one great embarrassment for Peiping, on which it has no ready answer for its Asian neighbors. The United States must repeat, and keep on repeating even louder, the true story of the Hungarian tragedy—we cannot afford to let the Communists divert attention from it and sweep it under the rug.

For all these reasons, I believe the budget recommended for the United States Information Agency for the coming year by the House Appropriations Committee is inadequate, and I hope the other Body will see fit to restore a substantial portion of the funds cut from the Agency's request.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the bill do now close.

Mr. GROSS. I object, Mr. Chairman. I have an amendment to offer.

The Clerk read as follows:

TITLE V—FUNDS APPROPRIATED TO THE PRESIDENT

President's special international program

For expenses necessary to enable the President to carry out the provisions of the International Cultural Exchange and Trade Fair Participation Act of 1956, $10,900,000, of which $5 million shall be available for the Universal and International Exhibition of Brussels, 1958, to remain available until expended: *Provided*, That not to exceed a total of $25,000 may be expended for representation.

Mr. HALEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise to ask a question of the gentleman from New York, who I may say has done a magnificent job today in defending this bill. On a few items I might disagree with him, and maybe some should be cut further, but I think the committee has done an excellent job.

I would just like to ask the gentleman a question or two here, if I may. I note in this item you have cut it very substantially and that you have disapproved an item or requested item on page 22 pertaining to the performances in the theater. Does the gentleman think he has reduced this budget enough so that those performances will not be given?

Mr. ROONEY. The committee has examined the justifications and taken testimony that they were going to produce 3 musicals at $60,000 a week at Brussels. The request included 12 weeks of legitimate plays at $45,000 a week. When we inquired, we found that these legitimate plays costing over half a million dollars were going to be presented in English to the foreign audience. Finally, the Director General, Mr. Cullman agreed that it would not be a good idea. In effect, he withdrew the request for the $540,000 to produce the legitimate plays abroad in English, but he said he would like to have the money—he would substitute something else. I think that was the way he put it.

Mr. HALEY. I hope the gentleman will think about some of the American insitutions—there is one I have in mind.

Mr. ROONEY. The Ringling Bros., Barnum & Bailey circus?

Mr. HALEY. Yes, the Ringling Bros., Barnum & Bailey circus.

Mr. ROONEY. I am all for the Ringling Bros., Barnum & Bailey circus.

Mr. HALEY. I thank the gentleman.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. HALEY. I yield.

Mr. VANIK. Mr. Chairman, I want to take this opportunity to express my regret at the action of the Appropriations Committee in striking an appropriation for the 1959 pan-American games which were scheduled to be held in Cleveland, Ohio.

At this time, it is not yet determined whether or not these games will be held. Some efforts are being made to conduct the games with private financing. Prospects are very dim that adequate financing will be provided. There is some talk of the games being held in another American or Latin American city. As a matter of fact, the failure of Congress to provide necessary funds may result in an undefinite postponement of the games. Certainly the future of the pan-American games may be imperiled and jeopardized.

Other nations have found it good government business to encourage their athletes and have, to a considerable degree, subsidized them throughout their period of development If it is good business for other nations of the world which can less afford it, why should it be bad business for America? We are spending billions in establishing what we think is a mutual security defense system. We are spending tremendous sums for our internal defense, but it may be that the dollars we spend to establish the moral and spiritual leadership of this country might in the end bring a greater dollar return in good will than any other investment which we can make.

During the past many months we have given considerable emphasis to providing to the need for military and economic aid to the countries of the Middle East, many of which have been openly hostile to our Nation's best interests. For too many years we have been taking our friendship with the Pan American countries for granted. In the final analysis, and when the chips are down, they may prove to be our only friends. It seems to me that we must try to do more than load nations friendly to us with military equipment and impose upon them various sums of economic aid. We must strive to build good will in other ways, and it is my belief that good will through an international athletic event, such as these Pan American games, may bring many times over the return that is realized from any investment in guns and planes.

In the world of sports there are more areas of accord among the discordant people of the world than there is anywhere else. It is an essential structural part of the moral rearmament with which democracy must make its way in this world. We must make it clear that we are dedicated to human progress—that we are interested in the scientific-moral and athletic achievement of other people on this planet. It is to be desired that the great contests between people in the future will be removed from the battlefield to the Olympic arena. This may be a fond hope, but we must pray that it is not too far distant. There are a great many things that this country does to stimulate international good will and international trade. Of these, are the world trade fairs in which this country has always participated. In this bill there is provision for the trade fair to be held in Belgium in 1959. If we can spend millions to show off our machines, why cannot we spend $4½ million to show off our muscles? It seems to me that one is just as important as another.

The pro forma amendments were withdrawn.

The Clerk read as follows:

TITLE VII—GENERAL PROVISIONS

SEC. 701. No part of any appropriation contained in this act shall be used for publicity or propaganda purposes not heretofore authorized by the Congress.

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 36, line 5, insert "(a)" immediately following "Sec. 701"; and immediately following line 7 on page 36 insert the following:

"(b) No part of any appropriation contained in this act shall be used for payment of any expert or consultant, or of any management engineering corporation, company, firm, or other organization, for the performance of any service relating to management or organization, unless the utilization and payment of experts or consultants and of management engineering corporations, companies, firms, or other organizations, is specifically authorized by law for the performance of such service."

Mr. GROSS. Mr. Chairman, this is the amendment which I offered to the last appropriation bill and it was accepted by the gentleman from Georgia [Mr. PRESTON], and the minority members of the subcommittee.

This is the amendment I propose to offer to every appropriation bill that is brought up hereafter. It simply provides that:

No part of any appropriation contained in this act shall be used for payment of any expert or consultant, or of any management engineering corporation, company, firm, or other organization, for the performance of any service relating to management or organization, unless the utilization and payment of experts or consultants and of management engineering corporations, companies, firms, or other organizations, is specifically authorized by law for the performance of such service.

I should think the chairman of this particular subcommittee and the minority members would be willing to accept this amendment in view of the experience they have had during the past year in which the State Department and USIA put on a number of employees, several hundred, without sanction of the committee. I should think they would welcome this amendment as conforming to their desires that people not be employed unless authorized by law.

Mr. Chairman, I yield back the balance of my time.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, I am sure the Committee of the Whole will not seriously consider the pending amendment under the circumstances disclosed with regard to some of the areas concerned in this appropriation.

My good friend the gentleman from Iowa [Mr. GROSS] is one of the hardest working Members of this House; everyone knows that. The distinguished gentleman from Iowa has been well known for his activities and votes in this House on the subject of economy. He offered this amendment previously to another appropriation bill. There may have been something to that, but this is not the kind of bill where this sort of limitation should preemptorily be adopted. We have already pointed out many instances where better management in the State Department is necessary. If the State Department and USIA proposed to spend a few thousand dollars to get some good advice from some good management people what would be wrong with that?

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from New York.

Mr. COUDERT. I would just like to say, Mr. Chairman, that the minority concurs with the statement just made by the chairman of the subcommittee, and I trust this amendment will be defeated.

Mr. ROONEY. I thank the gentleman and also urge rejection of the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

Mr. FEIGHAN. Mr. Chairman, the American people have been forced into their present situation whereby we are compelled to defend ourselves and help others who are willing to fight for their freedom. The role of defender of human freedom, a choice which we had to make, is costing billions of dollars each year. The cost of our activities in this regard comprises 63 percent of our total budget. The fundamental issue involved is war or peace. The Russian Communists seek world conquest. We want peace—not at any price but peace with justice and freedom for all.

The Communists are engaged in unrelenting warfare against all the people of the free world. Their warfare takes various forms, with emphasis upon propaganda warfare but not omitting armed aggression when the Communists feel that there is a 50–50 chance of winning. The Russians will not desist in this effort until they conquer the world or are themselves destroyed. That is a sad fact of life but nevertheless a fact of life which we must face up to.

It is now almost 10 years since President Truman made the historic decision to defend our freedom and the independence of other freedom-loving nations against the threat of Communist aggression. That decision has had a marked effect upon the history of the whole world. It also officially ended our uneasy alliance with the Russian Communists which was made during the world crisis which marked World War II.

We have pursued this objective for almost 10 years. The American people have made tremendous sacrifices to make possible programs in support of that objective. There are now unmistakable signs that this great effort is beginning to bear fruit. There have been revolutions in the Communist-occupied countries—revolts against the Russian masters who are the overlords of the Communist empire. There are clear signs that intense struggles are taking place within the Soviet Union. The people of the non-Russian nations are demonstrating again their discontent with communism and their contempt for the Russians whom they know as their exploiters.

Together with this it is obvious that there is dissension among the leaders of the Kremlin. They are confused—uncertain, but nevertheless unchanged in their determination to impose communism upon all the nations and people of the world. The Russians are well aware of the tremendous corrosion and human restlessness that is taking place throughout the entire Communist empire. The Russians are well aware that the people they enslave await only the opportunity to throw off their chains and assault their tormentors. To counteract this the Russians have made unfounded promises to give more freedom to the people, more opportunity for individual development, more recognition of the national demands coming up from all the nations within the empire. The men in the Kremlin have even attempted to blame Stalin for all the errors and miseries of life under communism. They have blamed Stalin for the almost endless list of crimes against humanity committed by the Communists during the past 30 or more years. The much publicized "de-Stalinization" campaign being talked about within the Russian empire is nothing more than an effort to find a scapegoat for the complete and dismal failure of communism to provide the decencies of life for the people it enslaves.

The leaders of the Kremlin are aware that unless changes are made, internal revolution is inevitable and each such revolution hastens the day of final collapse of their empire. Their greatest fear is that if they relax the hold of the police state over the people, total revolution of all the people will occur. This, then, is the great dilemma which now confronts the leaders of the Russian Communist conspiracy.

In the face of this compelling evidence, I am firmly convinced this is not the time to give the Communists a breathing spell—this is not the time for us to relax our worldwide campaign of truth.

It is generally recognized that the worldwide struggle between the evil forces of communism and the desire of all people for freedom and democracy is essentially one of ideas and ideals. This struggle involves the dissemination of ideas which reflect the social, economic, and political system of the free world. It also involves full exposure of the cruel realities of communism as contrasted with the rosy ideal painted by the theory of communism. Our campaign has been designed to counteract Communist lies about the American free way of life, the free enterprise system, and government of the people, by the people, and for the people. In summary, it has been recognized that the struggle for the world will be largely won or lost by the judicious and astute utilization of all the medias of mass communication to effectively carry freedom's story to all the people of the world.

Economy in the operation of the Federal Government is long overdue. There is no doubt in my mind that Congress can save the American taxpayers several billion dollars of the funds requested in the budget which the President sent to Congress a short while ago. Every Member of Congress is anxious to bring economy and efficiency into the operation of our Government. The question before us is where we can make substantial cuts and at the same time provide maximum security for our people.

I believe that the type of work which the USIA is by law and Presidential directive chartered to do is one of the essential elements necessary to prevent the conspiracy of communism from taking the breathing spell it so badly needs. The USIA is the agency of our Government which, by law, is charged with the responsibility of exploiting all the developments growing out of the effort of the Polish people to win their freedom and national independence and the all-out effort of the Hungarian people to win their freedom and national independence. If maximum exploitation is given to these two historic events and the confusion and uncertainty which grip the leaders of the Kremlin is also exploited, a powerful blow will have been struck for the cause of peace and freedom.

Again I say, this is not the time to give the enemy a breathing spell—now is the time to press forward our advantage and to reap the rewards which the great sacrifices of the American people over the past 10 years have produced. It is my hope that the USIA will intensify the campaign of truth and bring it to an ever increasing number of people throughout the world.

The Clerk concluded the reading of the bill.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6871), making appropriations for the Departments of State and Justice, the Judiciary, and Related Agencies for the fiscal year 1958, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. ROONEY. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The question was taken, and the speaker announced that the noes appeared to have it.

Mr. GROSS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GROSS. Is this the amendment that was adopted in the Committee of the Whole?

The SPEAKER. That is correct.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Under the order of the House made on April 11, further consideration of the bill must go over until tomorrow because there was an agreement that there would not be a rollcall on Monday or Tuesday.

COMMITTEE ON APPROPRIATIONS

Mr. ROONEY. Mr. Speaker, on behalf of the gentleman from Missouri [Mr. CANNON] I ask unanimous consent that the Committee on Appropriations may have until midnight to file a report on House Joint Resolution 310.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H. R. 6871.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDING SECOND LIBERTY BOND ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5520) an act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds, with Senate amendment thereto and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 9, strike out "3½" and insert "3.26."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, as it passed the House, H. R. 5520 would have increased the maximum permissible investment yield on savings bonds and savings certificates from 3 percent to 3½ percent per year, compounded semiannually. Additionally, the bill would authorize the Secretary of the Treasury, in his discretion, to increase the yield on savings bonds bearing issue dates of February 1, 1957, or thereafter; and would authorize the Secretary, if he deems it a desirable policy to do so, to increase the interest rate on series E savings bonds maturing on February 1, 1957, or thereafter, for the period the bonds are held beyond maturity, up to the new permissible maximum investment yield fixed by the bill. The Senate amendment to H. R. 5520 fixes the maximum permissible investment yield at 3.26 percent per year, compounded semiannually.

As indicated in the Senate report accompanying H. R. 5520, the reduction from 3½ percent per year to 3.26 percent per year was thought necessary by the Senate because of the possibility of an expectation on the part of the public that the rate on yield on savings bonds would, in fact, be raised to 3½ percent, thus tending to reduce sales of the 3¼-percent bonds which the Treasury has announced that it will issue. The Senate report states further that reducing the limit to 3.26 percent expresses the opposition of the Congress to any increase in interest rates not absolutely essential in the interests of economic stability. I urge the House to concur in the Senate amendment.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on the bill just considered.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED. Mr. Speaker, I join my esteemed friend and chairman in his request that the House concur in the Senate amendment to H. R. 5520 relating to the authority of the Secretary of the Treasury to establish a higher interest rate applicable to United States savings bonds.

It will be recalled that the administration had originally requested discretionary authority which would have placed an interest ceiling on Series E and Series H savings bonds at 4¼ percent. At the time of requesting this discretionary authority, the Treasury Department publicly announced the intention of making an actual rate of 3¼ percent applicable to bonds sold on and after February 1, 1957.

The Committee on Ways and Means in acting on legislation to carry out this Treasury request amended the proposal to establish a maximum discretionary rate of 3½ percent. While I supported this legislation when it was under consideration in the House of Representatives, I pointed out the objection to granting insufficient discretionary authority to the Secretary in this area. The essence of my principal objection is that when the margin of discretion is too closely related to the existing rate, the millions of American citizens who patriotically and prudently invest in savings bonds are denied a fair rate of return on their investment as established by the money market.

The Senate Finance Committee in its consideration of H. R. 5520 further restricted this margin of discretion by amending the bill, placing a maximum interest rate ceiling of 3.26 percent. Of course, the argument I offered against a 3½ percent rate can be even more forcefully applied to a 3.26 percent rate.

However, in the interest of dealing expeditiously with the immediate problem, namely, increasing the present rate to 3¼ percent, I have urged my colleagues in the House to act favorably on a motion to concur in the Senate amendment. This will enable the Department of the Treasury to deal effectively with the present situation and give our citizens a fair current rate of return on their savings-bond investments.

THE MISSING PERSONS ACT, AS AMENDED

Mr. TRIMBLE, from the Committee on Rules, reported the following privileged resolution (H. Res. 237), Report No. 354, which was referred to the House Calendar and ordered to be printed:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

NEW SCHOOL FINANCE BILL

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, since my return to Washington, I have given a good deal of study to the various proposals to help our States meet the tremendous task of housing our growing school population. I agree thoroughly with the President and others that we should grant emergency Federal aid to assist the States to meet this need. I also agree that the Federal aid should be temporary; that when the emergency is met the Federal Government should stop contributing to the support of local school systems. The alternative would be to promote an increasing dependence by our States and local school districts upon Federal financing. And there is no Member of Congress, I believe, who will not admit that this road leads to Federal control.

We must avoid this route at all costs. The question is how.

Before we can answer this question, we must determine what has caused the crisis in our schools in the first place. Why is it necessary for our schools to look to Washington for financial aid after all these years of meeting building and operating expenditures with local tax resources?

The cause is apparent. The Federal Government's tax burden is so great that our State legislatures find there are no tax resources left for State and local districts to tap. As long as this situation exists, we will have continued pressure for Federal aid. And it will be an irresistible pressure because the alternative will be to require the States to lower their education standards. Even if the people recognize that what they ask will eventually mean a loss of control over their school system, they will take that risk in preference to lowering educational opportunities for their children. I submit, Mr. Speaker, the people of the Nation should not have to choose between two alternatives as unsatisfactory as these two are.

Yet all of the legislative proposals I have seen to date require this choice. Each of them has a termination date, it is true. But the growing financial needs of an expanding public-school program cannot be terminated simply by passing a law. The withdrawal of Federal aid in 4 years or 5 will leave a budgetary gap in education programs of all of our States. And no means will be provided by any of the pending school aid bills to enable the States to make up this deficiency from local and State sources.

Mr. Speaker, I predict that unless we make it possible for the States and local school districts to meet their own needs when the expiration date of Federal aid arrives, Congress will extend the program. New legislation will be enacted and with as much justification as the legislative proposals we are considering in this Congress. The new schools that will be built with Federal funds will need new teachers to staff them, new desks to equip them, new maintenance expenditures to protect and operate them. How will these additional expenses be met from present tax resources of our States? What would the discontinuance of Federal aid mean to our schools at a time when all other costs are rising?

We all know the answer. Under such conditions, Federal aid cannot be discontinued. In all likelihood, it will be expanded. Along with that expansion will come Federal control. There is no alternative.

What is the duty of a member of the House Appropriations Committee or any Member of Congress who receives evidence that a local school board is misappropriating Federal funds or even just expending them unwisely? It is his duty to have this matter investigated. Duly elected board of education members would be called to Washington and questioned. An abuse of the program by one school district will result in a regulation to prevent similar abuses from recurring. Regulations carry with them the right to enforce them. Enforcement requires investigations. The Federal Government would have the right, perhaps the duty, to examine the spending policies and budgets of every school district in the Nation.

There is no way that we can grant Federal aid to education without attaching strings to it. Even the emergency legislation proposed by the President carries with it a measure of control. A perfectly germane amendment to his proposal would be to make any school board official liable for Federal prosecution if found guilty of using Federal school construction funds to build a house for the superintendent or himself. Certainly no one should object to such a reasonable provision. But it is Federal control. It is enforceable by the Federal Bureau of Investigation.

Mr. Speaker, if this Congress is going to approve legislation giving emergency Federal aid for school construction, it should also provide some method by which the States could again assume their school costs when the Federal grants end.

Today I have introduced legislation to accomplish this goal. In essence, the legislation is a Federal tax reduction for general education purposes.

Briefly, the legislation I have introduced would grant a Federal income and corporation tax credit to individuals and corporations in States which will levy a one-half of 1 percent tax on taxable income for general education purposes. The tax credit—deductible from the amount of Federal taxes paid—would equal in all cases the amount the individual or business pays under the States' new levy. The legislation is not mandatory. It is permissive only.

But, of course, it would be an inducement to States to increase their taxes for school purposes—unlike a simple percentage return of Federal funds, which offers no encouragement to the States to put forth a greater effort on their own behalf.

My proposal is in keeping with the President's theory that any Federal program should stimulate greater State and local effort for support of schools.

The proposal has other advantages. It makes additional funds available for schools, but increases no one's taxes. What is paid to the State is deducted from taxes due the Federal Government.

It will not hurt the Government's budgetary system. Even if all States adopt the new tax, thereby qualifying their residents for a Federal tax credit, the overall loss to the Federal Government will approximate the annual appropriation provided for under Federal aid bills now under consideration. It requires no new bureau in the Office of Education. The only Federal expenditure would be an additional line on Federal income tax returns upon which the tax credit is entered and claimed.

There is another tremendous advantage to my legislative proposal. It allies the dedicated groups who recognize our school needs with those who would decrease the size of the Federal Government and decrease its revenue, rather than with those who favor a continued growth in Federal spending and taxing power.

Mr. Speaker, nearly every economic investigation of the relationships of government have stressed the need for returning some taxing power to our local governments and States in order that they could meet their own needs. This would be a long step in that direction and it would return to the States the ability to finance and improve their own school systems.

I earnestly commend its provisions to all who want to help our schools but not at the cost of local control over our school system.

PLIGHT OF THE BICYCLE INDUSTRY

Mr. McVEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. McVEY. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to call the attention of my colleagues to the serious position in which the domestic bicycle industry finds itself as a result of the increased flow of low-priced foreign bicycles into the United States. The tariff increase proclaimed by the President in 1955 has not provided adequate relief, and the American bicycle industry has felt it necessary to apply to the United States Tariff Commission for the imposition of an import quota.

Bicycle imports soared from 3.4 percent of total United States consumption in 1950 to 38.4 percent in 1954, when the serious injury to the industry was recognized by the Tariff Commission. The rise later reached 40.1 percent in 1956. In a recent report, the Bicycle Manufacturers Association lists the significant factors operating against the industry's recovery from the damage inflicted by these imports as follows:

SHIFT IN CHARACTER OF IMPORTS

The shift in the character of imports from lightweights to other type bikes, noted by the Tariff Commission in 1955, has been substantially accelerated. The latter takes the highest duty rate. It is significant that imports have increased the most where the duty has been highest. This clearly demonstrates

that the new rates have been no deterrent to foreign producers.

LOWER PRICED BIKES DISPLACE BRITISH

Another important change is taking place in the import market. The lower priced bikes of all types from West Germany, France, Austria, and the Netherlands are displacing the British as principal sellers in the United States. In this price tug-of-war, the British recently cut back their prices to 1954 levels and, for the first time, are selling American-styled bikes here.

NEW MIDDLEWEIGHT COPIED ABROAD

The determined effort of the American bike industry to regain its market through far-reaching technical improvements culminated in the introduction of the new-type middleweight bike in 1955. Vigorously merchandised, it caught the public's fancy. But even before consumer preference had been proved, the Germans copied the American models and sold them at lower prices here in 1955 and 1956. Foreign producers are now selling these American-designed machines in greater quantities and as their most popular models.

IMPORT PRICES CONTINUE DOWNWARD

A fourth aspect of the intensification of import competition is the continuing downward price trend of all types of foreign bikes, despite the 1955 tariff hike. The rising scale of wages and increased cost of materials have prevented American manufacturers from making similar reductions in their prices. Despite the practice of every economy to meet import competition, United States bike makers' margin of profit is either negligible or a complete loss. For several years this has been the price we've paid just to stay in business.

A constituent of mine writes that the bicycle manufacturer for whom he works formerly employed 3,000 people, but now that number is reduced to 700. The situation in which the bicycle industry has been placed is an outstanding example of what has happened in this country by reason of low tariffs. It is evident that if we are to protect our home industry, either the tariff must be substantially raised, or the number of bicycle imports must be limited. The bicycle industry feels that only an import quota can help correct the injury it has suffered.

DEDICATION EXERCISES OF THE EAST COAST FACILITIES OF TRACERLAB

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized for 5 minutes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Thursday I am attending the dedication exercises of the east coast facilities of Tracerlab, Inc. They have a very interesting facility in the Speaker's State of Texas. The principal speaker will be the Honorable STERLING COLE, an expert member of the Joint Committee on Atomic Energy, who has done an enormous amount of work on this subject. I will be delighted to be there, and also because the laboratories are in the district of the distinguished gentleman from Massachusetts [Mr. DONOHUE].

I would like to tell the Members, Mr. Speaker, of the work played by the women in the nuclear instrument industry. The following is part of a letter sent to me by Tracerlab, Inc., and also there is a release from the corporation:

TRACERLAB, INC.,
Waltham, Mass., April 12, 1957.

Hon. EDITH NORSE ROGERS,
House Office Building,
Washington, D. C.

DEAR MRS. ROGERS: It is an honor indeed to have you present at our dedication ceremony.

* * * * *

The nuclear instrument industry, like so many others, is shorthanded, so women have come to play an important role here to help fill the gap, and many of them are doing jobs which would otherwise be done by men. Since the atomic-energy field is hardly 10 years old, it does not suffer from the rigid hiring-patterns of older industries and, as a result, women who can take responsibility and carry it out have been given a free hand. Much of our work in radiochemistry is done by women—women Ph. D.'s, women technicians, women laboratory assistants, women chemists. Our industrial relations director is a woman. Our crystal-growing laboratory, one of a handful of such operations in the whole world, is in charge of women. Much of our Geiger tube glass work is done by women. In addition, of course, the more traditional jobs of clerks, secretaries and others are filled by women. (I am sure you will be able to make comparisons with women in industry 10 years ago, or, drawing on your own experiences, show how today's situation is different from that of yesteryear.)

In a rapidly growing company such as ours, women have probably been offered more unique opportunities to achieve positions of leadership than in other companies. Our rapid growth has resulted in more promotions, but at the same time has made greater demands on the individual. A number of successful instances in which women have risen to the top here and are at the same time raising families or enjoying successful marriages is conclusive proof that today's woman is enjoying the freedom and equality she has long sought and has the full acceptance of management as a dependable reliable worker.

As I said above, I can only offer these as suggestions. If you would like additional thoughts, I would be glad to give them to you on the telephone or Thursday morning when you get here.

I might suggest that you may want to get here around 12:30 p. m., although the dedication ceremony does not begin until 1 p. m., in order to give the press time to talk briefly with you.

Sincerely yours,

W. A. STENZEL,
Public Relations Manager.

[Tracerlab, Inc., press release of April 17, 1957]

Peaceful applications for atomic energy are taking another giant step forward in the United States with the completion of the world's most modern plant devoted entirely to peaceful uses of atomic energy for Tracerlab, Inc., pioneer in this field. The $1,900,000 plant in Waltham, Mass., with 4 acres of floor space, confirms United States leadership in the world race to harness the atom. It will house Tracerlab's east coast laboratory, research and manufacturing facilities, and will be dedicated April 18 in brief ceremonies to be attended by National, State, and local officials, and many of the people who have contributed to the peaceful uses of the atom.

Formerly housed in seven separate locations in downtown Boston, where the company was established only 10 years ago with a half dozen employees, the new facilities house operations which last year turned out almost $12 million worth of X-ray and nuclear products to the world's medical, research, industrial, and chemical centers. Tracerlab, with some 800 employees, operates the world's largest commercial radiochemical facilities, has the broadest product line in its field—ranging from simple lead bricks for radiation shielding to complex process control systems using radioisotopes—and a complete X-ray equipment line, produced by its X-ray subsidiary, Keleket X-ray Corp.

President W. O. Faxon, commenting on the new plant, said: "It is predicted that the nuclear instrumentation market alone will rise to a total of $135 million by 1963 (compared to $10 million in 1955) in response to an accelerated reactor building program as well as to new applications for atomic energy uncovered by research now in progress. This building gives us under one roof the facilities we need to continue to keep pace with this tremendous growth.

"This one building will provide complete facilities for a number of varied working groups. Besides manufacturing and administration, 11 separate major chemical laboratories, many designed exclusively for radioisotope work, can be used for research and synthesis. In another part of the building engineering facilities have been set up for the special needs of industrial, X-ray and instrument groups whose work may be in textiles one day, rubber the next, medicine the third and so on through an ever-broadening range of applications."

To tell the story of how the peaceful atom has been put to work to save industry some $200 million last year, and to show some of the operations of this unique New England firm, product displays, plant tours and demonstrations of isotope applications will be held at the time of the dedication which will be witnessed by the invited guests, and representatives of radio, television, newspapers, and the trade press.

A highlight of the program will be an address by the Honorable STERLING COLE, Representative from the State of New York and member of the Joint Committee on Atomic Energy, who will carry out the ribbon-cutting ceremonies by remote control using isotopes in a Tracerlab beta gage.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PASSMAN, for 30 minutes, on April 17.

Mr. HENDERSON, for 30 minutes, on tomorrow.

Mr. BRAY (at the request of Mr. CRAMER), for 15 minutes, on tomorrow.

Mr. FLOOD, for 1 hour, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. SIEMINSKI (at the request of Mr. LANKFORD).

Mr. LANKFORD.

Mr. SILER.

Mr. ROONEY to revise and extend his remarks in Committee of the Whole and include extraneous matter.

Mr. NEAL (at the request of Mr. CRAMER).

Mr. BRAY (at the request of Mr. CRAMER).

Mr. BYRD and to include extraneous matter.

Mr. SANTANGELO (at the request of Mr. ROONEY) and to include extraneous matter.

Mr. BENTLEY (at the request of Mr. CRAMER) and to include extraneous matter.

Mr. BEAMER.

Mr. ALGER.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p. m.), the House adjourned until tomorrow, Wednesday, April 17, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

746. A letter from the Assistant Secretary of the Interior, transmitting a report on the Mercedes Division of the Lower Rio Grande rehabilitation project in Texas, pursuant to section 9 (a) of the Reclamation Project Act of 1939 (53 Stat. 1187) (H. Doc. No. 152); to the Committee on Interior and Insular Affairs and ordered to be printed with illustrations.

747. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (5)); to the Committee on the Judiciary.

748. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to the Immigration and Nationality Act of 1952 (8 U. S. C. 1254 (a) (1)); to the Committee on the Judiciary.

749. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

750. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

751. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders granting the applications for permanent residence filed by the subjects, pursuant to the Refugee Relief Act of 1953; to the Committee on the Judiciary.

752. A letter from the Comptroller General of the United States, transmitting a report on the audits of Government Services, Inc., and the employee retirement and benefit trust fund of Government Services, Inc., for the year ended December 31, 1956, made pursuant to the request of the corporation; to the Committee on Government Operations.

753. A letter from the Attorney General, transmitting the annual report of the Attorney General of the United States of the activities of the Department of Justice for the fiscal year ended June 30, 1956; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TRIMBLE: Committee on Rules. House Resolution 237. Resolution for consideration of H. R. 5807, a bill to amend further and make permanent the Missing Persons Act, as amended; without amendment (Rept. No. 354). Referred to the House Calendar.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 310. A bill making additional appropriations for the fiscal year 1957, and for other purposes; without amendment (Rept. No. 355). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CHELF: Committee on the Judiciary. H. R. 1520. A bill for the relief of Mrs. Fusako Takai and Thomas Takai; with amendment (Rept. No. 352). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 308. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; without amendment (Rept. No. 353). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 6936. A bill to amend the Internal Revenue Code of 1954 to impose an import tax on natural gas; to the Committee on Ways and Means.

By Mr. BOSCH:

H. R. 6937. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. DAWSON of Utah:

H. R. 6938. A bill to amend the Internal Revenue Code of 1954 to provide a credit against income tax for payments of taxes which are imposed by States for general educational purposes; to the Committee on Ways and Means.

By Mrs. DWYER:

H. R. 6939. A bill to amend the Internal Revenue Code of 1954 to allow a deduction for income-tax purposes of expenses incurred by an individual for transportation to and from work; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 6940. A bill to authorize the Secretary of the Interior to reimburse owners of lands acquired under the Federal reclamation laws for their moving expenses, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HALE:

H. R. 6941. A bill to amend section 1332 of title 10 of the United States Code to provide that retired pay shall be granted to certain persons; to the Committee on Armed Services.

By Mr. LANKFORD:

H. R. 6942. A bill to amend the Professional Engineers' Registration Act of September 19, 1950, Public Law 789, by exempting electrical contractors and master electricians; to the Committee on the District of Columbia.

By Mr. MARSHALL:

H. R. 6943. A bill to promote the welfare of the American Indian citizens of Minnesota, and to establish the Minnesota Indian Administration, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PORTER:

H. R. 6944. A bill to amend the public-assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. SCRIVNER:

H. R. 6945. A bill to provide for the issuance of a special postage stamp in commemoration of the celebration of the centennial birthday of Baker University, Baldwin, Kans., February 12, 1958; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS of Mississippi:

H. R. 6946. A bill to extend rural mail delivery service; to the Committee on Post Office and Civil Service.

H. R. 6947. A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to the Committee on Rules.

By Mr. DINGELL:

H. R. 6946. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. FRIEDEL (by request):

H. R. 6949. A bill to amend the Tariff Act of 1930; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 6950. A bill to amend the Soil Bank Act to enable producers of Irish potatoes and other nonbasic agricultural commodities to participate in the acreage reserve program; to the Committee on Agriculture.

By Mr. OSMERS:

H. R. 6951. A bill to prohibit unjust discrimination in employment because of age; to the Committee on Education and Labor.

By Mr. RIVERS:

H. R. 6952. A bill to authorize the transfer of naval vessels to friendly foreign countries; to the Committee on Armed Services.

By Mr. SILER:

H. R. 6953. A bill to amend the Internal Revenue Code of 1954 to impose an import tax on natural gas; to the Committee on Ways and Means.

By Mr. SCOTT of Pennsylvania:

H. R. 6954. A bill to authorize the United States Court of Claims by its rules to create and to prescribe the functions and duties of trial and appellate divisions; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 6955. A bill to provide a vitalized and equitable reserve program for the Armed Forces, and for other purposes; to the Committee on Armed Services.

H. R. 6956. A bill to provide for a suitable and distinctive lapel button which may be worn by veterans of the Korean hostilities; to the Committee on Armed Services.

By Mr. BOGGS:

H. R. 6957. A bill to amend section 1033 of the Internal Revenue Code of 1954; to the Committee on Ways and Means.

By Mr. BERRY:

H. R. 6958. A bill to provide that certain lands shall be held in trust for the Oglala Sioux Tribe in South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. BOYKIN:

H. R. 6959. A bill to authorize the Secretary of the Interior to cooperate with Federal and non-Federal agencies in the augmentation of natural food supplies for migratory waterfowl; to the Committee on Merchant Marine and Fisheries.

By Mr. CANNON:

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes; to the Committee on Appropriations.

By Mr. SCOTT of Pennsylvania:

H. J. Res. 311. Joint resolution establishing a United States Academy of Foreign Service; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. ALBERT: Memorial of the State Legislature of Oklahoma relative to the development of the coal industry; to the Committee on Ways and Means.

By Mr. PRICE: Memorial of the 70th General Assembly, State of Illinois, approving and supporting the decision of the United States Supreme Court in the school segregation cases; to the Committee on Education and Labor.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to compensation of postal employees; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 6960. A bill for the relief of John Baltrusaitis (Baltrusaitieni); to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 6961. A bill for the relief of Walter H. Berry; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 6962. A bill for the relief of Mrs. Alston P. Coughlin, and others; to the Committee on the Judiciary.

By Mr. CARNAHAN:

H. R. 6963. A bill for the relief of Mrs. Elba Haverstick Cash; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 6964. A bill for the relief of Maria Zaharis; to the Committee on the Judiciary.

By Mr. LATHAM:

H. R. 6965. A bill for the relief of Carmen Cruz-Sexton; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 6966. A bill for the relief of Mrs. Avis M. Barnard; to the Committee on the Judiciary.

By Mr. SCRIVNER:

H. R. 6967. A bill for the relief of Branislava Jancetovic; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 6968. A bill for the relief of Velid Mehmed Dag; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 6969. A bill for the relief of Luz Verdugo Campbell; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 6970. A bill for the relief of C. A. Nolan; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

207. Mr. BRAY presented a petition of Miss Grace A. Wright and 31 others, of the Methodist Home, Franklin, Ind., in favor of legislation to prohibit alcoholic beverage advertising over the air or in the channels of interstate commerce, which was referred to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Washington Report by Bruce Alger

EXTENSION OF REMARKS

OF

HON. BRUCE ALGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. ALGER. Mr. Speaker, as a weekly service to my constituents I report most briefly the week's legislative and Congressional activities in which I participate. The following is the current report:

WASHINGTON REPORT

(By Congressman BRUCE ALGER, Fifth District, Texas)

The Department of Commerce and related agencies appropriation bill for 1958 was reduced $69 million (9½ percent) below 1957 expenditures and $218 million (25 percent) below the budget request. Savings thus far this year in six appropriations now total $1,039,000,000 (7.2 percent of $14,300,000,000). Really impressive savings—that is, cutting below 1957 expenses—are infinitesimally small. Government is still growing, more than the population increase, most discouraging. In the CAA portion of the bill air traffic safety will be increased with more radar control and personnel on the airways traffic lanes. The suggestion has been made that those aircraft using the airways could help pay the cost, thus relieving the taxpayer. We must decide soon—and the people are concerned—whether in many Government services we pay our way or charge it to Uncle Sam, and like the ostrich with head in sand, pretend it is not costing us, all the while demanding budget cuts.

The House passed the Export-Import Bank Act extending the expiration date 5 years from 1958 to 1963. The bank, financed by United States dollars, has made loans of $5,277,000,000 to 68 countries as aid to United States trade in manufactured and agricultural products. Charging interest sufficient to repay the Treasury 2¼ percent, the Bank has lost only $500,000 with $9 million in loans past due, and has paid its own expenses, which are 1.7 percent of gross income, while building a reserve of $435 million. This program has been one of the Government's more businesslike arrangements.

The amendment of Anglo-American financial agreement, the British loan, posed a real question. The Great Britain loan of $4,472 million requires a 50-year annual payment of principal and interest of $138 million with an option of canceling the interest portion (approximately $81 million) if certain trade and currency conditions prevail making repayment difficult. Now Britain wants to cancel this year's payment or work out a new agreement, hence this amendment. The amendment would set up a new formula permitting postponement of payment. Arguments for: (1) A better chance of our being repaid; (2) A needed ally needs help; (3) Secretary Humphrey favored it. Arguments against: (1) The $81 million interest payment was already in escrow in a United States bank, so Britain had the money; (2) a just-announced British tax cut of $280 million suggested they could pay (and we could cut our taxes); (3) over $8,000 million in economic aid plus untold billions in military aid had earlier gone to Britain; (4) we are in effect supporting Britain's welfare programs. The vote was divided without pattern, but it passed 218 to 167. I voted against it.

A trip by our Interstate Committee members through the United Aircraft plant building, the Pratt & Whitney aircraft engine and Sikorsky helicopter at Hartford and Bridgeport, Conn., added to our aircraft knowledge. The J–57 and J–75 jet engines being tested were regular infernos of power (a horsepower now roughly requires two ounces of engine weight, as blades whirl 11,000 revolutions per minute). The helicopter flights were magic carpetlike as we went almost straight up and down in traveling between airports. Shuttle services will soon be prevalent throughout the country. Igor Sikorsky was as interesting as his fabulous engineering reputation would suggest. He enthusiastically reminisced about his early helicopter, "A fine machine. Its only fault—it wouldn't fly." They fly now—all sizes and styles.

The CONGRESSIONAL RECORD of April 8 carries a Dallas constituent's letter to a fellow Texas Congressman (which he then put in the RECORD), commenting on and approving the courage of the Member who opposes Federal handouts when, most tempting of all, the Federal money is for his own district. To this constituent, and many other Dallas

residents for recognizing the problem and commending me, my thanks. Yes, it is tough, and public understanding and approval are necessary.

General Twining, the new head of the Joint Chiefs of Staff, joined several of us for breakfast this week. We listened and questioned him concerning defense plans. He stressed the three roads we are simultaneously traveling in military preparedness developing (1) conventional weapons, (2) nuclear weapons, and (3) guided missiles of all types. No wonder the expense.

Several items suggesting further legislative squabbles: The Postal Department-Congress struggle over increased money needs versus reduced service; foreign-aid money to be partially put in the military and removed from congressional scrutiny; Walter Reuther's "less work for more pay" announcement, completely overlooking the need for "increased productivity" only making it all possible (not Federal law or the bargaining table.)

Rooster Feathers in Washington

EXTENSION OF REMARKS
OF
HON. EUGENE SILER
OF KENTUCKY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. SILER. Mr. Speaker, the word "cocktail" originally meant the rear end of a rooster. And the word's basic meaning right now could be expressed in the phrase, "Rooster feathers," according to the makeup of cocktail, rhetorically and in literal syllable.

Much has been said or written about the Washington cocktail party, or rooster feathers, as this function has been carried out during the past two decades, particularly after liquor became legalized and glamorized in President Roosevelt's first term. Now when a Congressman is invited out to rooster feathers in Washington and the function appears to be tied in with something he should rightly attend, he could always try to get there about the time rooster feathers is over. But if he gets in before the tail end of the rooster's tail, then he could very well hunt for some sparkling ginger ale or some good red tomato juice for a little honest nourishment while some of the remaining gigglers are closing up on rooster feathers with manifest evidence of drooping feathers and minus any remaining crow after too many ounces of Old Crow.

Sometimes a person may wonder about the historic background or early origin of rooster feathers. Did Nero start rooster feathers as he worked out his fiddling technique just before the occasion of the burning of Rome? Or did Pontius Pilate establish rooster feathers as he considered his final order of execution against the Saviour? Or did rooster feathers start much later, say when Benedict Arnold got some of his friends together during the last week before he carried out his predatory plot? Certainly George Washington had no rooster feathers party when he got ready to cross the Delaware in the hour of our country's great crisis. Neither did rooster feathers originate with Paul Revere in the early evening of the night of his famous midnight ride. It could never have been invented by Joan of Arc that evening before she rode out to deliver her people yonder in France in their time of great need. These last-named people were serious and effective patriots with sober and far-reaching objectives ahead of them. And none saw fit to have rooster feathers in the critical hours of those great undertakings and historic achievements.

Does a Representative or Senator or high governmental official really need rooster feathers to sustain him or entertain him in his times of wrestling with the problems of his day and age? The correct answer is no, of course.

Rooster feathers tends to make women silly and men belligerent.

Rooster feathers is a friend of frivolity and failure.

Rooster feathers is an enemy of all serious endeavor.

Rooster feathers has no ally in heaven but many good friends in hell.

Rooster feathers in Washington never gave America her greatness or strength or fame or continuity but is certainly an effective force to curtail all of these here at the very center of our country's heartbeat.

Errors in the Trial of Jesus

EXTENSION OF REMARKS
OF
HON. ALFRED D. SIEMINSKI
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. SIEMINSKI. Mr. Speaker, this is Easter Week. It is Holy Week. It is the time of the Passover, too. It is the most solemn week of the year.

People slow down. Strife ebbs. Stores close. People eat less. They think more.

It is a time meant for man to contemplate on the direction of life in relation to that of the Lord.

Easter Week gives man the time to turn back the pages of life and to review them in the quiet of his heart, asking strength to avoid in the future what might not read too well in the past.

Easter means many things to many people.

The question is, Could it mean more to the Congress and to the courts of the United States? Could the impact of Easter, let us say, cause the Congress and the courts to stay execution of any death sentence until the week after Easter? The week after Easter would be the only week in which a life could be legally snuffed out in our land.

This would give all pause for thought.

The question is, Would it have its proper influence on society, on Congress, and the courts?

Had this idea prevailed in the Holy Week 2,000 years ago, Pontius Pilate would not have washed his hands and the life of the Lord might have been spared. In spite of man, it was, anyway. The influence of that life thunders through time.

It might be well for us to review each year at this time, Mr. Speaker, errors in the trial of Jesus.

It is said that our Bill of Rights, scrupulously observed, guaranteed life, liberty, and the pursuit of happiness, and that under our Bill of Rights the tragedy of 2,000 years ago could not be repeated today, or ever.

Errors in the trial of Jesus are said to be so well known that they need not be repeated here.

United States Naval Academy Nutritional Foods for the Brigade of Midshipmen

EXTENSION OF REMARKS
OF
HON. RICHARD E. LANKFORD
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. LANKFORD. Mr. Speaker, as a member of the Board of Visitors to the United States Naval Academy, and as a Member of a Congress which constantly and properly has an ear attuned to economy, I feel that Congress should be apprised of a program now underway at the Naval Academy which is designed not only to contribute to the welfare of the midshipmen, but to do so without adding to the costs of operating the Academy.

It has often been said that an army marches on its stomach; the same holds true, and even more so, for a growing young man being developed into a naval officer.

Admiral Smedberg, Superintendent of the Naval Academy, long has been concerned with the many complex problems involved in providing 4,000 calories a day of nutritional foods for the 3,600-man brigade of midshipmen at a daily ration of $1.35.

To assist in this problem, General Foods Corporation was asked by the Academy to loan the services of one of its four institutional dietitians, Miss Gerry de Mauro, to create nutritional salads and desserts with sufficient eye appeal and taste appeal that the midshipmen would eat these dishes with the same relish they apply to steak.

According to Commissary Officer Louis W. Le Forge, Jr., the result has been a contented brigade, a great reduction in the volume of food left on their plates—and lower costs. To cite only one example, Miss de Mauro showed the Academy cooks how to reduce the cost of each lemon meringue pie by 7 cents, and since 700 pies are devoured at a single sitting, this represents a substantial saving.

The personnel of the Academy certainly deserve commendation for the foresight shown in improving the physical well-being of the midshipmen. Miss de Mauro and General Foods rate a hand for donating their services to make this accomplishment possible.

The Federal Budget

EXTENSION OF REMARKS
OF
HON. WILL E. NEAL
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. NEAL. Mr. Speaker, when the people of America in a nationwide movement spontaneously disapprove a Federal budget involving heretofore unheard of expenditures, Government administrators can draw but one conclusion. The hard-pressed taxpayer is out to get relief.

What the average American does not realize is how the Congress and executive departments have over the years, partly at the request of the people and largely through their indifference, legalized far-reaching Government functions calling for annual increases in employees and salaries as well as facilities for administration.

Now that the people have demanded the Congress reduce the budget, the Congress in turn is face to face with the embarrassing problem of trying to reduce expenditures for services and agencies created by its own ill-considered legislation. To cut out established agencies, even though they serve a small minority of our citizens, would severely test the judgment of members who directly represent these favored constituents and must look to them for reelection.

So when Government has become so all-embracing that social and welfare benefits, all regularly distributed to such a large percent of the population, get so numerous and so large, congressional efforts to cut the budget are severely limited, leaving only two approaches: first, cease hiring more employees, and second, postpone the authorization of agencies and projects until they can safely be executed—after our defense and overseas operations become less indispensable.

This plan, strictly adhered to, can bring about sufficient budget requirements to provide a tax cut for all our people.

But the big reductions, the ones that count, can come only through a judicious reappraisal of our commitments for national defense and foreign economic aid. In all these years if foreign-aid programs had succeeded in accomplishing what we expected, our present relations with nations of the world should be far more satisfactory and with much less danger to world peace than now appears.

We have seen former world powers, our allies, reduced to dependencies. We have witnessed formerly impotent nations, rising to the point of self-expression, assume the attitude of threatening nations, resorting to blackmail methods to throw their self-styled neutralism to the Communist cause unless we outdo their material demands, and we have seen the only other major world power successfully infiltrating smaller struggling nations which, by their very economic position, can never hope to become self-supporting and capable of resisting aggression.

In much of our foreign economic aid we are succeeding temporarily only because we have insisted on "upping the ante" and even there, because of the preponderance of have-nots, Communist infiltraters promising better things are steadily laying the groundwork for the eventful day when they can assume dominant control.

In areas such as these we cannot reject the possibility that aid in the form of armaments insufficient in amount and incapable of resisting aggression may in the end be turned against us in the final test of strength.

The time has come when the United States must look well to her own survival. Continued spending of our money and substance, accompanied by increasing inflation with its cheapening monetary system and a breakdown of Federal and industrial pension systems, can place the unsuspecting people of the United States in the position of the have-nots, when we, too, may fall to the communistic theory that only the state can successfully provide for us.

We cannot reasonably advocate scrapping either our defense budget of our foreign aid economic programs. But there is much waste in our defense operations which can be recovered. There are savings to be accomplished by elimination of duplications. There are untold economies to be made by application of commonsense and frugality in the administration of each branch of our Defense Establishment.

As to foreign economic aid, many important missions have practically completed the work originally assigned them. Instead of using downright pressure for new projects in governments to which they have been assigned, they should be ordered home. Aid of this nature should be well placed with every assurance on part of the recipient area that their own contributions will be faithfully complied with. The estimated cost of many of these projects is often increased manyfold by failure of the contract nation to fulfill its pledge.

How unrealistic can a people become? How far must fundamental rules of human behavior be sidestepped before truth and sanity reassert themselves to turn the tide of riotous, self-destroying conduct of our national affairs leading blindly into dissolution and bankruptcy?

The sprawling, spendthrift Federal Government for the first time in a generation is reading in no uncertain terms clear evidence that a major proportion of thinking Americans aroused over the questionable stability of their future welfare, are voluntarily proclaiming their conviction that as a nation we have reached the point beyond which it is dangerous to tread.

Never before has public criticism of a peacetime budget been so volatile, and never before have Members of Congress and department heads been more conscious of reactionary critics among their constituents. It is the most fortunate public demonstration of a democratic society this Nation has experienced in many decades. It is a solemn reminder to legislators and executives alike that overmanned Government, reckless spending, huge national debt, and a confiscatory tax system have reached the point of intolerance by the people whose substance is being confiscated without consent and dissipated with little or no accounting.

Little wonder—less than 30 years ago the total cost of Federal Government was less than the yearly interest payment on the national debt today. Our total debt, less than $20 billion, is now $275 billion, nearly $2,000 for every man, woman, and child. Social welfare has become costly, sure enough, but it takes only about 15 percent of our taxes. It is the military and foreign aid expenditures that create the real burden. And the deeper we become involved the less national security against Communist aggression and the nearer we seem to approach dangers of military involvement. The program is so big, so unwieldly, so devoid of permanent policy.

Only now are we beginning to realize how futile are our highly humanitarian dreams that young America can make over the world in its own likeness or that permanent allies and stanch friends are developed by bolstering bankrupt, tottering ruling cliques in lands where suppressed individuals have never been harmless to the world save when under strong dictatorial governments.

Let us ease away from sentiment and turn back to reality. Let us begin now to curtail our foreign aid.

Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. JOHN V. BEAMER
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. BEAMER. Mr. Speaker, under unanimous consent I wish to include in the CONGRESSIONAL RECORD the following article which appeared in the April 1957 issue of the American Legion magazine:

FEDERAL AID TO EDUCATION

May I compliment the American Legion on its stand for sound Americanism. It is apparent that veterans, as a group who fought to retain freedom, stand ready to fight against any principles that would lose those freedoms. This is the reason that I am proud to have been a continuous member of the American Legion since our local post was chartered.

A symbol of this freedom fight is your continuous opposition to Federal aid to education. With many others I have been concerned about the excessive growth of our Federal Government and its attempts to assume too many functions that rightfully belong to the States and to local governments.

One such attempted usurpation of authority is this repeated effort to authorize the Federal Government to assume control of the public-school system. If this movement is permitted to grow, then too soon we can

expect Government schools with thought control instead of public schools with freedom of thought.

Equally important would be the effect on the several States and on local initiative. Our home State of Indiana (and I understand this is true of all of the States) has been able to supply all of the necessary classrooms without Federal aid. In doing so, millions of dollars have been saved for the taxpayers. Whenever any of our tax dollars travel from our home State to Washington, and then are returned back to us, these same dollars have shrunk to a small fraction of the original amount.

There are justified complaints on the size of the present proposed Federal budget. The proposal to provide Federal aid to schools would add to this burden. Thus, savings to the taxpayers should be a serious consideration.

JOHN V. BEAMER,
Member of Congress from Fifth District, Indiana.

Annual Congressional Poll

EXTENSION OF REMARKS
OF
HON. ALVIN M. BENTLEY
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. BENTLEY. Mr. Speaker, under leave to revise and extend my remarks in the CONGRESSIONAL RECORD, I wish to insert the following press release dated April 15 regarding the results of my annual Congressional poll taken among the residents of my district:

PRESS RELEASE FROM THE OFFICE OF CONGRESSMAN ALVIN M. BENTLEY, EIGHTH DISTRICT, MICHIGAN

Congressman ALVIN M. BENTLEY, Republican, of Michigan, today released the results of his annual Congressional poll taken among residents of the Eighth Congressional District of Michigan. This year more than 13,000 questionnaires were answered and returned. Occupations of those replying were given as follows: Farmers, 2,296; workers, 3,292; business, 1,323; professional, 1,147; housewives, 88; office workers, 1,796; others, 3,070. The results of the poll are listed below:

1. I favor the following in a farm program:

(1) High price supports (9.3 percent)	1,213
(2) Flexible supports (37.6 percent)	4,896
(3) Soil bank program (32.6 percent)	4,241
(4) No supports (24.4 percent)	3,174
(5) Other (3 percent)	390

(Farmers voted 37 percent for a soil bank program and 30 percent for no supports as their first choices.)

2. The following items in our national budget could best be reduced for more economy:

(1) National defense (12 percent)	1,559
(2) Foreign aid (70.6 percent)	9,188
(3) Veterans' benefits (18 percent)	2,346
(4) Farm payments (31 percent)	4,037
(5) Health and welfare program (14.5 percent)	1,887
(6) Other (4.8 percent)	621

(All groups put foreign aid first and farm payments second. Farmers voted 27.3 percent for cuts in their own payments.)

3. The Federal Government should help our schools as follows:

(1) Direct subsidies for teaching salaries (11.9 percent)	1,543
(2) Grants to States for school construction (27.3 percent)	3,556
(3) Loans to States for construction (33.0 percent)	4,295
(4) Scholarships for colleges and universities (15.4 percent)	1,999
(5) Assistance to lower interest rates on school bonds (41.3 percent)	5,379
(6) Nothing (11.6 percent)	1,514
(7) Other (2.6 percent)	332

(All groups listed numbers 5 and 3 in that order as their first two choices.)

4. We need the following improvements in our Social Security laws:

(1) Lower retirement age for men and women (46.1 percent)	5,997
(2) Allow increased outside earnings (59.8 percent)	7,784
(3) Increase minimum benefits (30.9 percent)	4,019
(4) Pay full benefits regardless of other pension income (38.9 percent)	5,059
(5) Other (3.8 percent)	499

(Workers voted 64 percent to lower retirement age but all other groups gave absolute majorities for increases outside earnings. Housewives voted for it 70.5 percent.)

5. Our immigration laws need the following changes:

(1) More immigrants permitted per year (4.2 percent)	543
(2) Revise quota system to take care of oversubscribed countries (16.1 percent)	2,093
(3) More liberal provisions for adopted children (31.3 percent)	4,078
(4) Other (6.2 percent)	812
(5) No change in present law (29.0 percent)	3,770

(For the most part, all groups voted evenly between numbers 3 and 5. Apparently the only change that receives any support is to facilitate entry of orphans and adopted children.)

6. The Post Office Department needs:

(1) Higher postal rates (27.8 percent)	3,618
(2) Increased salaries for postal workers (21.4 percent)	2,787
(3) To be run on a business basis (50.3 percent)	6,542
(4) To be operated only as a public service (27.4 percent)	3,566
(5) Other (3.5 percent)	451

(All groups substantially endorsed the principle that the Post Office Department should be run like any other business.)

7. In the field of labor legislation, I favor:

(1) Government-supervised secret strike ballots (38.1 percent)	4,959
(2) Permission for secondary boycotts (3.5 percent)	460
(3) Antimonopoly legislation against unions (39.9 percent)	5,186
(4) Investigation of union trust funds (58.0 percent)	7,542
(5) Repeal of Taft-Hartley Act (11.7 percent)	1,517
(6) Compulsory union shop in all States (7.2 percent)	931
(7) Other (3.3 percent)	430

(Workers voted as follows: (1) 35.3 percent; (2) 4.5 percent; (3) 31 percent; (4) 55.1 percent; (5) 19.7 percent; (6) 13.5 percent.

(The vote for No. 4 might have been larger if answered after the recent teamster investigations in Washington.)

8. We should have helped the Hungarian uprising as follows:

(1) Send troops (3.7 percent)	480
(2) Send weapons (11.9 percent)	1,546
(3) Send food and clothing only (37.2 percent)	4,840
(4) Admit all refugees (5.1 percent)	664
(5) Press for U. N. police force or other U. N. action (60.4 percent)	7,861
(6) Nothing (6.5 percent)	849
(7) Other (2.1 percent)	278

(All groups appear to regard the Hungarian problem as strictly a United Nations affair and believe that our assistance should be confined to charity and relief supplies.)

9. Do you think we should have stronger civil rights legislation on a Federal basis or let the States handle their own problems?

(1) State (52.2 percent)	6,790
(2) Federal (30.7 percent)	3,996
(3) Other (2.4 percent)	317

(All groups gave a slim majority to the principle that the question of civil rights is primarily a State problem.)

10. If prices and wages continue to rise we should:

(1) Impose price and wage controls (43.5 percent)	5,665
(2) Investigate unions and corporations alike (63.8 percent)	8,307
(3) Have tighter credit controls (31.6 percent)	4,107
(4) Do nothing (2.1 percent)	279
(5) Other (2.7 percent)	357

(Almost all groups listed Nos. 2 and 1 in that order as their choices. Workers voted 66 percent for No. 2 and 48 percent for No. 1. Business voted 65 percent for No. 2 and 40 percent for No. 1. Only the professional people endorsed credit controls over price-wage controls.)

Congressman BENTLEY expressed his deep appreciation to all persons replying to his questionnaire and promised to reply personally to all letters and comments which accompanied the answers even though the number might mean a delay of several months for some.

St. Lawrence Seaway Tends To Increase Budget

EXTENSION OF REMARKS
OF
HON. WILLIAM G. BRAY
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 16, 1957

Mr. BRAY. Mr. Speaker, our increased budget is caused by a number of factors, not the least of which is the tendency of cost estimates to be unrealistic and unreliable. The St. Lawrence Seaway project offers a good example of how estimates on multimillion dollar projects often prove untrustworthy.

For more than a half century there has been a strong demand by many groups for the construction of canals and locks which would open the St. Lawrence River and the Great Lakes to more shipping. During my first term in Congress I was a member of the Public Works Committee which for several months heard testimony on the St. Lawrence seaway project. Groups favorable to it naturally magnified its value and minimized its cost. Both political parties sponsored it. It was apparent to me that the cost would far exceed the estimate, and I stated this publicly. Lobbyists for this project, who were many and well paid and experienced in their profession, attacked me for my statements.

During the 2 years I was on the Public Works Committee, the bill was not reported out of that committee. It became law, however, in 1954. The cost of those parts of the project which the United States will build was estimated to be $66,815,000. Now the cost is estimated

to be $133 million and an additional authorization is being asked of Congress. Frankly, it is going to cost far more than this. The cities on the Great Lakes ports are requesting Government authorization to the extent of hundreds of millions of dollars for the deepening of their harbors in order to accommodate ships of deeper draft.

At the time of the drive to get public backing for the building of the seaway, it was represented that Indiana and most of the other States would be greatly and directly benefited by this project. It was also stated that the toll charges would pay for the canal and so the St. Lawrence seaway would cost the American people nothing. It is now admitted that if tolls are set high enough to pay for the project they will discourage traffic and be self-defeating. We can have high tolls and little traffic, or low tolls and heavy traffic; but the total revenue, in either case, will not meet the yearly costs if the seaway is to be self-liquidating as it was approved. Funds to make up any deficit can only come from one source—the Federal Government.

The person in charge of the drive to get the authorization of the St. Lawrence seaway was N. R. Danielian, a hard worker and one of the most capable lobbyists I have known. During the time I was a member, great pressure was brought to bear on the Public Works Committee to approve this project. Interested parties held meetings in the Seventh District to create support for it. They told Seventh District voters how cheap this project would be, the great benefits the district would derive from it, and how it would pay for itself. Now the people are realizing the cold facts. I will now quote Mr. N. R. Danielian, president, Great Lakes-St. Lawrence Association, and chairman, Users Committee on St. Lawrence Seaway Tolls. This is the same man who was the chief lobbyist for the project. I am quoting from a speech made by Mr. Danielian in Cleveland, Ohio, on April 5, 1957:

> Thus, one of the first misconceptions we must set aside is that this new waterway will bring a bonanza to everybody by and of itself, just because it is there. It will bring great advantages if and to the extent that it lowers transportation costs. Will it do that?
>
> The answer should be definitely "Yes" in the Great Lakes coastal areas, such as the north shore of Ohio * * * for most goods, Pittsburgh, as of now, would still find it cheaper to trade via Baltimore; Cincinnati probably so. Columbus and Dayton and Youngstown may be marginal.
>
> Because such a wide belt across New York, western Pennsylvania, Ohio, Indiana, Michigan and Illinois is marginal as between the Great Lakes-St. Lawrence tributary area and east and gulf coasts, the level of tolls will have a definite effect upon amount of traffic through the seaway and commercial activity in the Great Lakes ports.

As for the tolls from the seaway paying its costs, he stated:

> If any attempt is made to set tolls so high as to collect $28 million a year from the users right off the bat it will as surely dry up traffic as I stand here, and there will be neither traffic nor revenues commensurate with expectations.
>
> On the basis of present-day cost estimates, it will require over $28 million to meet the annual requirements, an increase of some 75 percent over 1954 estimates.

Yes, the cold facts are now coming to the American people. The St. Lawrence seaway will only directly benefit a small area. Its costs will be many times its original estimate. Its tolls will not pay for its construction and maintenance.

I do not question that the seaway will be beneficial to some. Perhaps the seaway is even worth its cost. Perhaps the American people would have backed this project even if they had known the true facts, but the sad part is that the estimated cost was misleading. Incidentally, cost estimates for the Canadian share of the project have also risen sharply. Why have the costs risen? Partly, construction costs are higher than they were a few years ago. Partly, the increase is due to changes and additions made in the plans. Nevertheless, it is typical of how projects once approved expand and become more costly and force increases in Government spending.

Statement of Hon. Robert C. Byrd Before Senate Committee on Banking and Currency

---

EXTENSION OF REMARKS
OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. BYRD. Mr. Speaker, I wish to call to the attention of our colleagues the following statement which I presented on April 12, 1957, to the Subcommittee on Production and Stabilization of the Senate Committee on Banking and Currency during the recent hearings on area assistance and redevelopment:

STATEMENT OF HON. ROBERT C. BYRD, PRESENTED TO THE SUBCOMMITTEE ON PRODUCTION AND STABILIZATION OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

Mr. Chairman and honorable members of the Subcommittee on Production and Stabilization, I appreciate and am grateful for the opportunity to appear before this subcommittee to present testimony in support of the bill, S. 964, which has been introduced by the distinguished Senator from Illinois, for the purpose of establishing an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas. Specifically, the areas to be benefited are those urban and rural areas that have been experiencing continuing low income, and continuing unemployment and underemployment—areas in which local initiative and enterprise cannot be drawn upon to alleviate the economic distress.

As the Representative to Congress from West Virginia's Sixth District, I can vouch for the urgency and justification of the program of assistance proposed under the Douglas bill. In my opinion, the measures proposed in this bill will displace the despair, the want, and the suffering overtaking the many unemployed areas in my State.

The bill, in brief, would accomplish the following:

1. Creation of an area redevelopment administration, under the supervision of an administrator, appointed by the President and confirmed by the Senate. Authorization to administrator for establishment of local and regional committees.

2. Assistance to industrial areas which have had unemployment of not less than (1) 12 percent of labor force for preceding 1-year period, (2) 8 percent for 15 months in preceding 18-month period, or (3) 6 percent for 8 months in each of preceding 2 years.

3. Assistance to rural areas having largest number and percentage of low-income families and a condition of substantial and persistent unemployment or underemployment.

4. Loans: Administrator to make loans for financing (a) purchase or development of land for industrial usage; (b) construction or rehabilitation of plants or facilities; (c) purchase of machinery or equipment. Loans shall bear interest at 0.5 percent per annum, shall not exceed 75 percent of total project cost, or extend beyond 40 years. Authorization of $100 million for industrial redevelopment loans and $100 million for projects in rural redevelopment areas.

5. Public facility loans and grants:

(a) Authorization of $75 million to administrator for public facility loans. Such loans shall not exceed 75 percent of aggregate cost with interest equal to rate paid by administrator on funds obtained from the Secretary of Treasury, plus 0.5 percent per annum.

(b) Authorization of $50 million to administrator for making grants for public facilities if funds not otherwise available.

6. Authorization of $4.5 million to administrator for technical assistance to redevelopment areas.

7. Declaration of policy to be followed by governmental agencies to award procurement contracts to redevelopment areas.

8. Housing and Home Finance Agency authorized to use slum clearance and urban renewal projects in redevelopment areas for industrial and commercial rebuilding without regard to existing residential requirements for such projects.

The necessity and need for legislation to carry out the program outlined above has been succinctly stated by the Senate Committee on Labor and Public Welfare in reporting out similar legislation during the 84th Congress. That committee, in its report on July 12, 1956, stated (S. Rept. No. 2555, p. 2):

> "More than 10 years ago Congress recognized the continuing responsibility of the Federal Government to utilize its resources in order to establish conditions which would assure that maximum employment, production, and purchasing power would prevail throughout the United States. It did so through the enactment of the Employment Act of 1946 (Public Law 304, 79th Cong.).
>
> "Nevertheless, a large number of communities within the United States have failed to share in the prosperity that has generally prevailed throughout the country during recent years. Regardless of the cause, the fact is that many labor market areas have been classified as suffering from substantial labor surpluses continuously since 1951, when the Labor Department stated its current labor market classification system. During most of this time the rest of the Nation enjoyed economic growth, prosperity, and stability."

The findings made by the committee are reflected in many areas within my State of West Virginia. Because today our Nation as a whole is experiencing full employment and economic prosperity, we are prone to disregard or to be indifferent to the fact that some areas of our country have been facing the problem of continuous unemployment because of the loss or decline of a major industry. While the term, "depressed local labor market," is comparatively new, the existence of such markets, however, has been a problem recurring many times in our American economy. For example, the ghost towns arising from abandoned mines are a

well-known part of the history of our West. The plain and simple difference, however, is that today there are so many factors that go to make up the economic climate of each and every labor-market area. The local methods resorted to in the past cannot always be employed today to resuscitate an economically distressed area.

Since the early days of World War II, the Department of Labor's Bureau of Employment Security has been studying labor-surplus areas. As you know, the Bureau surveys at bimonthly intervals 149 major labor-market areas—each consisting of a central city or cities and the surrounding territory within a reasonable commuting distance. The area takes its name from the central city or cities, but may have many other communities within its boundaries. Each major labor-market area has at least a central city with a population of 50,000 or more. These 149 areas account for about 33 million nonagricultural wage and salaried workers—nearly 70 percent of the Nation's total. The Bureau also reports on smaller areas in a special listing. These are the areas with a labor force of not less than 15,000, of which the nonagricultural employment must be at least 8,000.

Since May 1955 the 149 major areas surveyed by the Bureau have been grouped into 6 major labor-supply categories, according to the relative adequacy of labor supply. Nineteen of the major labor-market areas are today confronted with labor surpluses, and 57 smaller areas at the beginning of the year were classified as having a relatively substantial labor surplus.

In my State of West Virginia, our capital, Charleston, is classified as a major area of substantial labor surplus, and classified as smaller areas are Beckley, Fairmont, Logan, Point Pleasant-Gallipolis, Ronceverte-White Sulphur Springs, and Welch. The population of West Virginia in these labor-surplus areas numbers 787,400—or 39 percent of the entire population of the State. The 1 major and 6 smaller labor-surplus areas in the State cover 15 of its 55 counties. All these areas have been continuously included in the Department of Labor's labor-surplus classification since March 1954 and some, since March 1952. Over and above these specified areas, there are many other areas of labor surplus in West Virginia. The labor force in these areas does not come within the classification set by the Department and, therefore, such areas are not surveyed by the Bureau of Employment Security. The reason for the labor surplus in West Virginia can be traced to the long-depressed coal-mining industry.

The facts responsible for the decline of the coal industry are well known, and since World War II various Congressional bodies have made studies of the condition of the industry. The findings and reports of these studies have only confirmed the known existence of the factors responsible for the industry's decline. The important factors, for example, have been the dieselization by the railroads, the imports of huge quantities of residual oil, and mechanization in the coal industry itself. The following tabulation shows production and employment in West Virginia's bituminous coal industry since 1947, the peak year in coal production:

Year	Short tons	Average number of men working daily
		Thous.
1948	168,862	131.7
1949	122,610	120.0
1950	144,116	117.5
1951	163,310	118.9
1952	141,713	108.9
1953	134,105	92.1
1954	116,251	71.3
1955	139,168	70.4
1956	155,507	75.8

Although the figures on employment in West Virginia's coal mining areas show an increase for 1956, the employment picture is not bright. The seriousness of West Virginia's employment problem is emphasized by the fact that from 1950 to 1954 while the population of the United States increased by an estimated 6.3 percent the population of West Virginia declined by an estimated 2.9 percent.

As of June 30, 1956, the total number of persons in West Virginia receiving commodities on welfare, as certified by the State department of public assistance, was 250,136, exclusive of school lunches, institutions, and summer camps. In January of this year the number of persons eligible for such commodities was 209,556. In February the number increased to 214,526. In other words, almost 11 percent of the population of my State is keeping body and soul together by means of Government surplus food.

In my opinion, these facts are convincing proof that the methods and practices employed thus far have failed to alter the continuing economic distress prevalent in the areas that will be reached if the legislation here under consideration is enacted.

I am not unmindful of the objections to this proposed legislation—a principal one being that the measure characterizes an act of the welfare state. Such objections are without merit. Do we not have many Federal domestic program with economic or social objectives, for which we make provision each year in our appropriations? Permit me to name a few: the price-support program; the agricultural-conservation program under which farmers are paid for compliance with specified practices; the Sugar Act program—most of the cost of which consists in payments to cane and beet producers who meet specified conditions; the rural-electrification program; farm ownership loans. There are aids to business, such as assistance to air navigation, grants-in-aid for airports, airmail subsidy payments, the President's fund under the Defense Production Act of 1950 for loans and other costs in financing an expansion of productive capacity for strategic metals. There are aids to veterans in the form of compensation and pensions, education and training, and hospital and medical care. There are loans and grants for housing construction and for slum clearance and urban renewal projects. There are grants to the States for public assistance and administrative costs; for maternal and child welfare; for programs of public health service; for highways; for school-lunch programs.

The direct beneficiaries under many of the above economic and social programs are limited in number and small in comparison to our entire population. This fact has not served to lessen or obscure the responsibility of the Federal Government to provide these necessary forms of assistance. The legislation here under consideration is no less important than any of the above programs.

In my opinion, the problem is one of such importance as to warrant the establishment of a single agency to coordinate all the Federal aids that may be called upon to assist and support local efforts. A single agency will encourage, strengthen, and assist local efforts. The needs of the distressed area can be better evaluated through a single agency, with the result that the necessary assistance will be coordinated so as to effectuate the greater national interest, in keeping with the Employment Act of 1946, which states: "It is the continuing policy and responsibility of the Federal Government to coordinate and utilize all of its plans, functions, and resources for the purpose of creating and maintaining maximum employment."

It appears to me that the comprehensive program envisaged under the Douglas bill will do much to stimulate local efforts.

I particularly give my endorsement to the provisions for assistance to rural redevelopment areas. So far as farming in West Virginia is concerned, for the most part the farms are too small to provide a satisfactory family income. Insufficient capital and the topography of the State make impractical the use of many labor-saving devices, and many farm families are necessarily dependent upon some off-farm employment. I receive many letters from constituents in rural areas who are not able to take advantage of the existing farm-loan programs because their farms are not large enough or are not sufficiently productive to provide the necessary security for such loans. The Douglas bill will overcome many problems in these areas, and it will permit the needed economic improvements so long necessary in the many small rural communities of my State.

I might also direct your attention to the disheartening experiences of other persons who have written to me concerning their applications for small-business loans to undertake new business ventures aimed at improving the local economic situation. Their requests have been turned down simply because an unemployed mining town is not the kind of security upon which money is loaned.

I am in favor of the proposed provision urging Federal procurement agencies to award contracts in redevelopment areas. The Senate Committee on Education and Public Welfare called attention in its report of July 12, 1956, to the effectiveness of the ODM manpower policy No. 4, which was announced in 1952 for the purpose of focusing attention on the desirability of awarding contracts in surplus-labor areas. The report points out that for the first 9 months of the fiscal year 1956 the total volume of supply procurement contracts placed in areas with surplus manpower totaled $2,700,000—not even 1 percent of the total volume of supply procurement contracts.

The facts set out above are some of the reasons why I feel that the Douglas bill or similar legislation must be enacted now if we are to meet the problem of labor-surplus areas. I sincerely hope that this subcommittee will consider the matter favorably.

The U. S. S. "Randolph"

EXTENSION OF REMARKS

OF

HON. ALFRED E. SANTANGELO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 16, 1957

Mr. SANTANGELO. Mr. Speaker, on April 11, 12, 13, 1957, in connection with Congressional duties, I, together with 8 Congressmen, inspected the aircraft carrier U. S. S. *Randolph* and observed air operations. The trip was very informative, illuminating, and inspiring. It left us with the feeling that our naval defenses are in competent hands and that our future is being provided for.

The orientation cruise began on Thursday evening after Congress recessed when we were conducted by Capt. Robert McElroy and Comdr. F. A. Manson to the Anacostia Airport and traveled by Convair to Jacksonville, Fla. After an inspection of the naval airbase there, we were flown on Friday morning by a COD aircraft to the U. S. S. *Randolph* about 70 miles off the coast. Landing on a carrier with a sudden stop was a new experience.

I believe that a history of one of our aircraft carriers, a description of what I observed and my reactions may give the

same pleasure to my colleagues and our citizenry as I received.

The U. S. S. *Randolph* is a recently modernized 31,000-ton aircraft carrier with a new angled flight deck, enclosed hurricane bow, new deck-edge elevators and other improvements. The carrier possesses almost unlimited range and enormous striking power. Her air group is capable of seeking out and destroying any force which a potential enemy can muster in the air, on or under the sea. The chief function of the *Randolph* is to carry, launch, and handle aircraft quickly and effectively. Capable of achieving speeds in excess of 33 knots and carrying between 80 and 100 aircraft, the *Randolph* is a forceful argument against aggression of war.

The carrier with a length of 895 feet and breadth of 199 feet with its complement of 2,500 men and officers is under the experienced command of Capt. Daniel F. Smith, Jr., of Pittsburg, Tex. The officers are courteous, experienced, and efficient. The men, sailors, and mechanics with whom I had the opportunity to mingle and talk admire their captain and they enjoy good morale. Their only "beef" at this Congressional inspection tour was the requirement to exercise extraordinary care to keep themselves and the ship spotless and neat. My talk with several of the enlisted men and officers revealed a high regard for their superiors and a satisfaction with their daily chow. What they missed most of all was their absence from their families and loved ones. In addition, they complained that to deny them the benefits of the GI bill upon separation from service was unfair.

This carrier bears a great name which dates back to the Continental Navy and Revolutionary War. Named after Peyton Randolph, patriot and statesman from Virginia, this present flattop was constructed in Newport News, Va. She was launched in 1944. Her speed was the keynote. The *Randolph* was launching planes only 4 months after being commissioned, a feat believed to be without precedent in big carrier history. During World War II, the *Randolph* joined Adm. Marc Mitscher's famed task force in the Pacific and supported the landing of troops on Iwo Jima. The *Randolph* also saw action as a unit of Admiral Halsey's 3d Fleet in the final battle against the Japanese.

Since 1953, when she was modernized, she has conducted operations throughout the world, in Gibraltar, in Salonika, Greece, in Genoa and Naples, Italy, and in July of 1956 when the State of Israel was forced to invade Egypt to protect herself, the U. S. S. *Randolph* stood ready and her aircraft provided air cover and surface and air reconnaisance for the evacuation of United States nationals from Alexandria. She patrolled the area for 30 days to protect the United States interest.

Now the U. S. S. *Randolph* is off the Florida coast providing the training grounds for pilots of jet planes, the Navy Cougars and of twin-engine A. J. Savage. To see these young cadets qualify by bringing down these fast and big planes on an angled deck of a moving carrier within a distance of 500 feet is breathtaking. If it is a difficult task in daylight, it is more so in darkness. The cadet fliers demonstrated their skill not only in the daytime but also at night. As a plane approaches the deck, hearts beat as fast as the moving jets. The question in the spectator's mind is will he land or will he overshoot? If he approaches too high or too low, the pilot is warned off by the signalman and the plane roars by. If he is within range and the landing hooks are down, the pilot makes his attempt to lay her down. Nerves of steel and pinpoint precision are needed. As the speedy Cougar or the twin-engined 50-foot-wide A. J. Savage settles on the angled deck, I breathed a sigh of relief and satisfaction. After the arresting cable brings the plane to a screeching halt, the plane is guided to the catapult, shot off into the blue and the process is repeated until the flier has completed at least 6 successful day landings. Upon completion of the final landing, everyone knows that another boy had become a man and joined the legion of qualified Navy pilots in America's defense. As night fell, these fliers were required to prove that they were skilled enough to land their planes on the angled deck under these conditions. No signalman was there to guide. The only help that these men had were the lights outlining the deck, their training, and their God. The only way to believe this performance is to see the operation. It baffles the imagination. Coordination and expert handling are required of the pilot, flight crew, and signalmen. A single mistake may bring disaster, death, or destruction. No serious accident took place and all cadets qualified except two who were overanxious and as a result were directed to fly back to Pensacola Airbase for further training and a new tomorrow.

As a safety measure in event of an accident, we had as a constant overseer a helicopter called "the Angel" and one destroyer. In the evening, two destroyers stood ready to do rescue work. They were almost called into action when one of the heavy planes after an apparently successful landing went a little too far and its left wheel toppled in the catwalk nets. A hundred Lilliputians tugging and pulling finally lifted the Gulliver onto the deck once again with very little damage to its structure. It was a close one.

Whatever questions we visiting Congressmen asked were supplied quickly and if not known, answers were obtained. To Lt. Comdr. Robert Reeve of New Jersey who spent numberless hours answering my naive questions and those of my colleagues and who pointed out the features of the angled deck, the arresting wires, the catapults, the twin-engine A. J. Savage, the Cougar, the control tower called the Pri-Fly, the radar system, and the "meatball," I can express only my appreciation and thanks. His attention and guidance will never be forgotten. With men like Lieutenant Commander Reeve, Captain McElroy, Commanders Manson and McNella who possess the practical, technical, and tactical knowledge, our country has very little to fear.

The work being done on the U. S. S. *Randolph* which thrilled me and earned my admiration is not unrecognized by the Navy. In 1955, this carrier won two of the Navy's highest honors: one, the Atlantic Fleet's coveted battle efficiency E, and the other the Chief of Naval Operations aviation safety award. The latter award was for the ship's outstanding safety record and commendable efforts in preventing aircraft accidents. This is a record that the *Randolph* can justly be proud of.

All I can say after this 3-day inspection tour is "Hail to the U. S. S. *Randolph*, its men, and its command."

The Landmarks We Defend

EXTENSION OF REMARKS

OF

HON. HERMAN E. TALMADGE

OF GEORGIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1957

Mr. TALMADGE. Mr. President, it is a privilege for me to ask unanimous consent that the masterful address delivered by my honored and distinguished colleague [Mr. RUSSELL], before the 66th Continental Congress of the National Society of the Daughters of the American Revolution in Washington last night, April 15, be printed in the CONGRESSIONAL RECORD. Entitled "The Landmarks We Defend," this address is a forceful summation of our cherished American heritage which should be read by every citizen of our country.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LANDMARKS WE DEFEND

(Address of Senator RICHARD B. RUSSELL, 66th Continental Congress, the National Society of the Daughters of the American Revolution, April 15, 1957)

Madam president general, delegates to the 66th Continental Congress of the National Society of the Daughters of the American Revolution, ladies and gentlemen:

It is indeed a high privilege to be permitted to address this distinguished gathering. The Daughters of the American Revolution stand in the very forefront of this Nation's great patriotic organizations. Their contributions to the preservation of our ideals and institutions are valuable beyond computation.

You have recognized the fact that a people without sentiment are poor indeed. In periods when some have considered it fashionable to scoff at pride as a venal sin, you have courageously sought to create and instill pride of our heritage in our youth, indeed in all of our people. You have realized that our country would be safe so long as our increasing population revere and respect the works of those men whose vision, efforts, and sacrifices enable us to enjoy the richest legacy of freedom the world has ever known.

Those who have insisted that our Constitution is outmoded or that this sacred document is a sort of political accordion to be expanded or contracted with the changing moods of men who temporarily hold power have met with unrelenting opposition from your great organization.

The numerous resolves that you have approved over the span of many years demonstrate that you are confirmed in the faith

that our national charter, the Constitution of the United States, means exactly what it says and that no man nor set of men can ever twist or distort it for their purposes without endangering all that we hold dear. As the years have come and gone you have consistently rallied to protect the landmarks our fathers have set, whether they were under direct attack or threatened with undermining by a cunning process of nibbling and erosion. In short, you have worked at citizenship.

The system we have evolved under a Constitution which guarantees the rights and liberties of every American citizen has brought us greater blessings than any people have ever enjoyed. We call it the American way of life. It has enabled us to progress and go forward—to develop—to invent—and to accumulate—to such a degree that the civilization we enjoy has become the envy of the world.

This priceless heritage was not easily won. It cannot be cheaply defended. It will not be easily preserved.

These are dangerous days that demand that those who love liberty recognize and prepare against any force that is likely to destroy that heritage.

The most obvious threat to the security of the United States is the armed might of the Communist conspiracy with its nerve-center located in the Kremlin. Cracks may appear in the Iron Curtain. Rulers may come and go, deified today and denounced tomorrow, but the ultimate objective of the Communist conspiracy remains unchanged. They still seek to dominate and rule the entire world. We know enough about this ugly system to realize that this would mean the destruction of every element of human dignity. No amount of wishful thinking can alter this brutal fact.

We know that without regard to the needs or wishes of the masses of their people, that a despotic power is largely devoting the great resources of the Soviet controlled world to the building of military might. They maintain vast armies. They have built the second largest navy of the world with incomparably the largest fleet of submarines afloat. Only the foolish would blind themselves to the fact that the Soviet has made disconcerting progress in fashioning the new and effective vehicles designed to deliver terrible nuclear weapons. Shamefully we must admit that the Soviet developments in the atomic field were greatly expedited by the treason of those who either partook of our hospitality or enjoyed our citizenship. The unprecedented peacetime efforts by the Soviet Union have done much to close the gap of our leadership in these engines of vast destruction. For many years we have relied on our preeminence in this field for the maintenance of world peace.

We must constantly recognize that we are confronted by a foe who knows little and cares less about the principles of honor and decency we have been taught to respect. The only language that he understands is the language of strength. The only way to prevent a war so destructive as to stagger the human imagination is to maintain American military might. Come what may, cost what it must, the United States must maintain superiority in atomic weapons and in the ability to deliver them. If our people are informed as to the magnitude of the stakes, I do not for a moment doubt that they are willing to make any sacrifice necessary to maintain superior strength in this field. There is no other way to salvation.

Another constant threat to our institutions of freedom is the Communist-directed effort to undermine those institutions by infiltration and internal subversion. Some of the committees of the Congress have exposed many of the ramifications of this phase of the Communist conspiracy. Your great organization has consistently supported every effort to reveal and stamp out this Communist threat. The Federal Bureau of Investigation works ceaselessly to ferret out agents and traitors who seek to sell this country to our enemies. The prosecutions following these exposures have brought about an awareness of the insidious nature of this danger.

We recognize that the diabolical forces in the Kremlin constantly conspire to find ways and means to plant its agents upon us. The Congress, through legislative enactments, has demanded a careful screening of all aliens who seek admittance to our land. We have sought to make sure that our generosity in making our country a sanctuary for the oppressed shall not be abused.

The heart of America goes out to every victim of tyranny and oppression in foreign lands. However, we will never be able to overthrow the Communist conspiracy by the process of admitting to our country all of those who seek to escape Red tyranny. Common prudence also dictates that we take every precaution to make sure that our national compassion for those in distress is not developed into a gateway for a Communist Trojan horse.

Most of our fellow citizens are fully awake to the danger posed from without by armed Soviet might and from within by Communist subversion. At great cost we seek to maintain the means to protect our way of life and our institutions of free government. We seek to keep loyal Americans on guard to defend us against both of these dangers.

Let me speak to you about a third threat to our constitutional system and to the rights and liberties it seeks to assure. There is another danger confronting us which is far more insidious than even the Communist conspiracy of subversion. This danger is ever present but always difficult to recognize. It often comes in appealing guise, confusing and deceiving many whose love of country is unquestioned. It is a creeping disease which, if not arrested, will surely result in the death of the system which has enabled us to achieve our greatness.

I refer to the grave threat which is posed by big government, undue concentration of power. We must arrest the prevailing trend towards shifting all of the functions and powers of the States into the control of a completely centralized, all-powerful Federal Government. The rights filched from the several States must be restored.

The Founding Fathers well knew the corrupting and tyrannous effects of highly centralized government. They were not only students of history. They had endured tyranny. They knew that the shores of history were littered with the wrecks of great civilizations that had risen to greatness but had deteriorated and crumbled to dust when all of the power of government over the people became concentrated in one pair of hands. They were familiar with the axiom which history had proved before Lord Acton, that all power corrupts, and absolute power corrupts absolutely. Knowing that individual liberty could not be maintained in a government of men, they sought with a wisdom almost beyond human understanding to assure that the liberties of their descendants would be forever protected by a government of law. Thomas Jefferson expressed this determination when he declared, "In questions of power let no more be said of confidence in man, but bind him down from mischief by the chains of the Constitution."

The very genius of our system of government is found in the careful division of power to rule our people. The Founders believed that the exercise of the functions of government should be kept as close as possible to those who were governed. They therefore fashioned a Federal Government of limited powers, with the rights of the several States and of the people fully reserved and protected by the National Charter.

The exercise of the powers over the people allotted to the Federal Government were further divided. They were distributed between the executive, the legislative, and the judicial branches of the Federal Government. To assure the perpetuity of American liberty, they established the most marvelous system of checks and balances ever brought forth from the minds of men.

Those wise patriots realized that the problems of government confronting each of the States would not be exactly the same. They knew that as the several States in their own way approached their own solution for any problem, each State would serve as a laboratory of government. In the processes of trial and error or trial and cure, the experiences of one State would serve as a guide to the others without the danger of injury that simultaneous application to all might bring.

So great was the faith of the Founders in the system of divided powers that each of the Original Thirteen States likewise embraced this system. The State functions were divided between the executive, legislative, and judicial branches. To keep the government close to the governed, counties and other subdivisions were vested with those functions which most directly affected the people in their everyday life. All placed their faith in a government of law and sought to eliminate any possibility of a government of men.

It has been a long time since those who live on American soil have felt the chafe of the chains of tyranny. So many generations have enjoyed the blessings of unchallenged liberty that we have become prone to take them as much for granted as the air we breathe or the water that we drink.

Millions of loyal American citizens have been so engaged in the everyday business of making a living for their families that they do not realize how far down the road to centralization we have already traveled. The approach to one big government has not been made by spectacular leaps. The process has been insidious, but it has gone a long ways. The whittling process has gone so far that it threatens to reduce the several States to mere geographical boundaries or administrative areas of Federal departments. The transferral of the proper functions of the States or their subdivisions to the administrative control of Federal bureaucrats in Washington has been done in many ways. A series of decisions by Federal courts have wiped out a number of rights and privileges which the States have exercised since the birth of our Republic. They do much to extend the process of centralization.

Cooperation between the Federal Government and the States and their subdivisions has long been a part of our system. In recent years, however, some of the legislative proposals that are called Federal aid are almost a sort of bribery to tempt local government to surrender their control over local functions in return for money from the National Treasury.

A small but active group of self-styled intellectuals have dedicated themselves to the task of centralization. Most of them honestly believe that national state socialism is better for us than the system devised by our fathers. They abhor a free enterprise economy and would have the Government of the United States possess the power to control the activities and the lives of all of our people. Unmindful of the lessons of history, they would place America's future in a supposedly benign and all-powerful Federal Government.

This group is too small to be effective were it not for the carelessness and indifference of unthinking millions. Mankind has ever been plagued by the chimerical illusion that it is possible to get something for nothing. We have our millions who seek and accept alleged free benefits for their States and communities from a generous White Father

in Washington in return for the surrender of the priceless right of local self-government. It is understandable that the people of foreign countries who have seen how prodigal we are with our expeditures on the foreign-aid program would believe that dollars grow on trees in the District of Columbia. However, the most obtruse American taxpayer on this day which is the last day for the payment of Federal income taxes must be painfully aware that this is a foreign illusion.

Any money that the Federal Government spends on functions which properly belong to the States and their communities must come in the first instance from the people of these States and communities. Federal bureaucracy takes a toll from every tax dollar it touches. Those who are enticed with the idea of free money from Washington will eventually find to their sorrow that they are paying yearly increasing costs in dollars and cents for the privilege of giving away the right to govern themselves.

The 9th and 10th amendments to the Constitution, designed to limit the powers of the Federal Government and protect the rights of the States and the people, were once considered the keystone of our system. Due to a series of recent decisions by the Federal judiciary, they have now been rendered almost ineffective.

It would have been impossible to have convinced the authors of the Constitution or of the Bill of Rights that a Federal court would ever hold that a sovereign State was powerless to enact and enforce laws against Communist subversion which occurred within its borders. Those men would have been shocked by the mere contention that any local subdivision of government was without power to rid themselves of a teacher, chosen locally to instruct and guide their children, paid with local tax funds, because he sought the refuge of the fifth amendment.

These decisions, as well as others that could be enumerated, are destructive of local self-government. Such crippling attacks upon the rights of the States make meaningless our once proud boasts of an indissoluble Union of indestructible States. State power cannot survive many more such disastrous and degrading blows. If our dual system is once destroyed, how long will the individual rights and liberties of the American people survive?

There is considerable national agitation today over measures pending in the Congress that are euphoniously labeled civil-rights bills. The titles of these bills appeal to the American people. Every American is in favor of more and bigger and better civil rights. An examination of what these measures really do immediately raises the question as to whose civil rights and what constitutional rights are involved. They raise the issue of how far you may go in infringing upon the civil rights of all of our people in the attempt to establish doubtful civil rights for the benefit of one group by force bills. High-handed and drastic legislative action in this field must be weighed well in the light of its effect upon the rights of the States and upon the sum total of the liberties of all of the American people.

Some of these bills are destructive of the integrity and rights of the several States as entities of government. They could be used to deny the elemental rights of individual American citizens guaranteed by the Constitution. By a cunning plan to make the Federal Government a party to civil causes growing out of acts now punishable as crimes against either State or Federal law, these bills would deliberately bypass and annul sacred and inherent individual rights specifically spelled out in the Constitution. American citizens could be punished and jailed without due process by resorting to civil proceedings and contempt citations tried in star chamber sessions.

The right of trial by jury before being sentenced and punished is the proudest boast of Anglo-Saxon justice. It is considered the shield and buckler of the liberties of free men wherever the English language is spoken. Even before Magna Charta was wrung from an unwilling King John at Runnymeade, men of our race had spilled their blood for the right of a public jury trial by their peers. For many centuries Lord Jeffreys and his Star Chamber have been held in odium for perverting judicial power into an instrument of oppression and tyranny. If free born American citizens can be thrown in jail for indefinite or unlimited terms by this perversion of process at the caprice of a Federal judge enjoying life tenure by appointment, we will no longer have a government of law. Our most sacred rights will be the plaything of a government of men.

Let no lover of liberty anywhere be deceived by the specious argument that the unprecedented powers of this bill will be applied only in one section of the country. If enacted, they will be a threat to the most sacred constitutional rights of every American citizen. Such proposals are repugnant to the system which has brought us to greatness. They would employ the methods of the despised police state of totalitarian regimes.

There is no condition in this land of ours that can conceivably justify the wholesale sweeping aside of constitutional rights. Our Constitution wisely provides that the United States shall guarantee to every State of this Union a republican form of government. If there be a single State where a republican form of government is denied, the Federal power may be legally applied. There is no valid reason for general Federal legislation that will further degrade all the States and State institutions. There is no cause whatever to impeach the laws, the procedures, and the officials of all of the States and in the process so twist our system as to eliminate the guarantee of due process of law which has heretofore protected every one of our citizens. If this be done in the name of civil rights, it will be a crime more heinous than any ever committed in the name of liberty.

The President of the United States is duly chosen by the people to serve in the most exalted office of the earth. No President of the United States, even in time of dangerous crisis, has ever possessed any such powers over the lives and liberties of the American people as these bills propose to vest in an appointed Attorney General.

The American system rejects the idea that any one man, however wise or impartial, should be permitted to govern by intimidation and injunction and jailing his fellow citizens for contempt. What self-respecting patriot will willingly agree that any official under any circumstances could designate him to be the first to be stripped of his constitutional rights to a fair trial before being jailed? Our forebears did not endure Valley Forge or face death on a hundred battlefields in the war for independence for any such tortured concept of freedom.

The heart of our country is still sound, and the spirit of patriotism still lives. American youth have again and again shown the heroism of old in their country's service. We still have the genius and capacity to meet and overcome any threat to our freedom and to our institutions.

All of us must work harder in the discharge of every duty of citizenship. Our age is complex and requires greater vigilance as the price of liberty. We must constantly guard against the evil consequences of carelessness and indifference. We can seek no greater reward than to have another generation study and consider the period in which we live and say, "Our American heritage and the landmarks of our Fathers were safe in their hands."

Address by Hon. William F. Knowland, of California, Before Daughters of the American Revolution

EXTENSION OF REMARKS
OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the address I delivered last night before the 66th Continental Congress of the Daughters of the American Revolution.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR WILLIAM F. KNOWLAND, 66TH CONTINENTAL CONGRESS OF THE DAUGHTERS OF THE AMERICAN REVOLUTION, CONSTITUTION HALL, WASHINGTON, D. C., APRIL 15, 1957

The Daughters of the American Revolution have notably contributed to the preservation of our spirit of patriotism without which our Nation would not have arisen from the flames of the revolutionary war nor survived the intervening years.

In this year 1957 we need to rededicate ourselves to the American Constitution and our free way of life.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people though they may give material assistance. The subjugated must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere in the world a bit of freedom is destroyed everywhere.

Other nations have been or now are larger in land area, in population, and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there was a higher moral law to which governments were also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a nation.

We have read of and been inspired by the action of George Washington kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

This Nation of ours has grown from a weak colony of 3 million on the Atlantic coast to a great power of 170 million people, the most productive nation the world has ever known.

The priceless ingredient for our people has been our constitutional form of government, which guarantees our religious, personal, and economic freedom.

The incentives furnished have constantly opened new horizons.

In this atmosphere Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

Instinctively we know that human freedom is a greater force than tyranny.

We also instinctively know, though at times our allies and our own Government may for expediency forget, that there are some things in life which cannot be compromised.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies, we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction.

It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past 10 days, the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: the destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British redcoats crushed the first American rebellion in a week and captured the leaders (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the free world be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it might have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the Freedom Fighters bazookas and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached. The Asian-African bloc of neutrals shows great solicitude.

Why, however, has there been a strange silence in the United Nations relative to the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clear-cut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R. Here we find three nations that were once free which are now in Communist captivity. Yet here the silence is almost deafening.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in April and May? If the Security Council meets on the Mid-East question this month or next will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking and enslaved people who want to be free will be waiting for the answers.

It was Lincoln who said: "Fellow citizens, we cannot escape history. The fiery trial through which we pass will light us down in honor or dishonor to the latest generation. * * * We, even we here, have the power and bear the responsibility. In giving freedom to the slave we assure freedom to the free. * * * We shall nobly save or meanly lost the last, best hope of earth."

Annual Dinner of the Amen Corner of Pittsburgh, Pa.

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Tuesday, April 16, 1957

Mr. MARTIN of Pennsylvania. Mr. President, the Amen Corner of Pittsburgh, Pa., includes in its membership many of the leading business and professional men in the tri-State area of which Pittsburgh is the center. Each year it holds a dinner with a program devoted to the discussion of matters affecting the national welfare. Saturday night, April 6, 1957, the 31st of such meetings was held.

This annual dinner also honors the retiring president of the organization. This year the president, Mr. Walter Schulten, an outstanding industrialist and civic leader of Pittsburgh, was so honored.

The speakers this year were the distinguished Senator from Kansas [Mr. SCHOEPPEL], the distinguished Senator from Ohio [Mr. LAUSCHE], and myself. All of the addresses placed emphasis on the high cost of government and the course we must take to maintain the economic stability of the United States. Unfortunately, we cannot have printed the speech of the able Senator from Ohio, because he spoke from notes and did not have a written address.

I feel that these speeches are of interest to the general public, and I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the Genesis of the Amen Corner, the address of the Senator from Kansas [Mr. SCHOEPPEL], and my remarks on that occasion.

There being no objection, the Genesis and addresses were ordered to be printed in the RECORD, as follows:

GENESIS

The Amen Corner is not a club. Don't forget that.

It is something that just happened, and, without rhyme or reason, might happen in any well-regulated wide-awake, self-respecting urban community.

It happened to Pittsburgh in 18—let me see—well, as far back as the memory of this scrivner runs, debates to the contrary notwithstanding, there has been about town a coterie of boon companions, men of many minds, without regard to race, creed, politics or previous condition, who have gathered nocturnally, quite haphazardly, at some place of convenient rendezvous, to discuss as the spirit moved them, any subject under the rising or the setting sun, and, without let or hindrance, apply to the arts forensic any system of logic or reason, which, the individual in his sovereign right, might elect.

Membership in the Amen Corner is one of the difficult mysteries of the day. There is no set formula and no rules of procedure are made to guide the ambitious tyro who would have his name inscribed on the roster of membership. Indeed, the only information on this head which is available is that to gain the open sesame one must be a one hundred percent man. In truth manhood is the acid test which the Corner prescribes, apparently in secret, for one never knows when, if, or how, he is to become a member until some day he is slapped on the back, hale fellow-like, and is told that he is an "Amener."

That's the simple, frank process, but, like the higher degrees in some of the fraternities, the reason why one has been elected is never disclosed.

"Many are called but few are chosen" seems to be quite literally the maxim of this unique fraternity of good fellows.

The progenitor of "The Corner" was called "The Steps" and its place of concourse then was at Liberty Avenue and Sixth Street.

One dark night some scalawags, out of tune with that splendid spirit which preserves the best traditions and usages of an epoch, wantonly and without ruth, moved "The Steps" to make room for the ignoble

and sordid march of progress—moved them no one knew whither.

Up to Grant Street to the offices of one of the group, the fathers of the Amen Corner trekked and metaphorically pitched their tent.

Not long thereafter this same iconoclastic march of progress—to be exact, in the fall of 1915—the William Penn Hotel offered a rendezvous which the dispossessed members of "The Steps" grasped with an appreciation of the hospitality extended, in a way that warmed the cockles of the heart of the genial Boniface.

"Come over to the William Penn," said he, "and meet in a corner of the lobby."

So, they came, and out of "The Steps" there evoluted The Amen Corner.

On its roster, as active or honorary members, are ambassadors to and from the Old World, Governors, Senators, Judges of all the courts, clergymen, lawyers, business men, politicians, literatti, artists, actors, musicians, and notables in greater or lesser degree in nearly every profession, vocation, and avocation.

Many brilliant prandial functions have marked the history of The Amen Corner. Annually the president is honored with a testimonial dinner. That's why we are here tonight.

But nightly, and now daily since it has its own spacious quarters on the club floor of the Wm. Penn Hotel—the real zest of membership in The Amen Corner may be judged from the casual gatherings and the open discussions that animate them.

Controversies rage on every conceivable subject. Questions are never settled. That's too much to expect from "men of many minds."

But though the disputation may work itself into the velocity of a typhoon or the heat of argument may rise to the temperature of Hades, and, the end of the day may leave some sorely tried tempers and furniture may be a bit awry, the day after dawns with the same sunny skies breaking through Pittsburgh's changeful atmosphere, and the same happy, smiling faces and the same warmth of handclasps all around, that prevailed before the last argument.

THE ROLE OF THE CONGRESS IN THE PRESERVATION OF FREE ENTERPRISE

(Address by United States Senator ANDREW F. SCHOEPPEL, Republican, of Kansas, at the 31st annual dinner of the Amen Corner, Pittsburgh, Pa., on April 6, 1957)

It is a pleasure to be with you in Pittsburgh tonight—the city aptly referred to as the Renaissance City of America, the great metropolis with the Golden Triangle.

Many of your fine leaders, from all walks of life, have contributed to this great enterprise, prominent among them being Walter F. Schulten, one of the outstanding industrialists.

He has interested himself, as you know, in the great civic advancement of your city, and is to be congratulated for his splendid accomplishments.

It is always a pleasure for me to meet with business leaders to discuss some of the problems which confront the Congress of the United States in preserving the free enterprise system which you represent and symbolize.

The 531 individuals who constitute the Congress, 96 Senators and 435 Representatives, are the board of directors for the American people. We are responsible for determining the policies of what has become the biggest business on earth.

As in most corporations, boards of directors have no administrative responsibilities. In the Federal Government, executive responsibility is the province of the President.

The American people—170 million of us, with only 7 percent of the world's population—enjoy the highest standard of living of any country on earth.

We have only 6 percent of its land area, yet we account for 40 percent of its production of goods.

We generate 45 percent of its electric power.

We have 60 percent of all the telephones in use, and more than 75 percent of the automobiles.

The other side of the coin is, of course, the fact that 93 percent of the world's population has far less of the good things of life than do our own citizens.

With the bulk of the world's resources available to them, they should be able to do more for their own people without depending on the American taxpayer.

People from many lands visit America to see our factories, our farms, and to study our productive processes. Our Government fosters these exchanges, as we believe that others can benefit through the application of our advanced technology and scientific developments to raise their own living standards.

I support these efforts. However, I am disturbed that so many who visit our industrial plants leave our shores without finding the key to America's well-being and strength.

They believe that our progress can be transplanted to other lands by capital grants and the application of technical know-how.

They have failed to grasp the fact that the accumulation of capital in the United States, as well as our technical superiority, is based on a unique system of relationships between private citizens and their governments. These relationships are derived from the spiritual and moral concepts which our Founding Fathers wrote into our Constitution.

They are the basis for a competitive capitalistic system, which today protects the free world from atheistic communism.

I believe in this system, and none of us should hesitate to voice our belief that this is the most productive system man has devised.

The United States Information Agency has sent an exhibit to many countries to explain our American system described as "the people's capitalism." This is a good phrase. We have no classes in America.

Here in Pittsburgh your industrial society provides one of the best exhibits in the world to show the success of this system. Many of your neighbors are at one and the same time workers for, investors in, and customers of the same firm.

The distinguishing feature of each of these relationships is the fact that they are based on the voluntary decisions of individuals.

We in the Senate must make sure that its growth is fostered by the development of sound fiscal and monetary policy.

Any one can buy or sell a share of stock in any listed American corporation.

You can seek any job for which your abilities qualify you.

You are free to spend your income as consumers to satisfy your personal wants and express your individual preferences.

This voluntary system based on free individual choice is the unique feature of "the people's capitalism."

The Congress of the United States, your board of directors, promises to protect these rights for all our citizens, which rights have been handed down to us by our forefathers.

These freedoms are possible only because individuals have the right to own private property. The productive tools in America belong to the people and not to their Government.

In recent years we have heard a great deal about the fifth amendment. Every one here is familiar with the fact that it protects individuals from self-incrimination.

Some of you perhaps are not aware of the fact that it also provides the basic security for private property. This amendment, a part of our great Bill of Rights, provides that private property cannot be confiscated without due process of law, nor can it be acquired for public use without just compensation.

From our earliest days as an independent country, we have believed in private enterprise.

It is an article of faith that every individual should be free to develop his God-given talents and to enjoy the fruits of his own labor.

Our country has prospered greatly because of these basic fundamental beliefs.

Our Constitution protects freedom of conscience, freedom of speech, freedom of assembly, and the freedom to petition one's Government.

These freedoms have fostered intellectual development, the spirit of scientific inquiry, and the willingness to explore the unknown, which underlie our great scientific and industrial accomplishments.

Let me remind you that our scientific developments come from the efforts of individuals. We believe in the dignity and importance of every individual.

Let me discuss our current concern with lobbying in terms of the freedom guaranteed in the Constitution to petition one's Government.

I am reminded of an article written in 1935 by Raymond Moley, who is truly an elder statesman in the field of political journalism. Mr. Moley wrote:

"Lobbies about which we are hearing so much these days are an inevitable aspect of republican government. They fill a need created by modern economic life, which is a mesh of many interests. If we recognize these interests as legitimate, we speak of them as interests.

"If we do not like them, we call them in an italicized voice interests. If we hate them and are fighting them, we call them big, special, or vested interests. But interests they are, and they multiply, overlap, and conflict."

It is the admitted responsibility of the Congress and the Senate to prepare and pass upon the ground rules under which these overlapping and conflicting interests compete with each other.

We should run no risk that our deliberation turn into a Roman holiday for the benefit of sensational journalism, and referring to the general area of the activities which we call lobbying, I would like to again quote Mr. Moley: "It is difficult to indict a method which in its essence is the ancient right of petition in a modern dress."

Regarding this right of petition, there is a traditional policy in Washington which every American citizen critical of lobbying should know and understand.

On nearly every entrance door in the Senate Office Building there is a sign which reads, in effect: "Come in. You are welcome."

Were the sign ever to be removed, dictatorship would get its first toehold on the Republic of the United States of America.

Those among our population who in their lack of information condemn the practice of business lobbying as a sinister influence in our public life would be astonished to discover that the widely-publicized groups referred to as the power lobby, the oil and gas lobby, the steel and chemical lobbies, etc., are relatively unimportant compared to other groups.

These other groups are the farmers, the veterans, the labor unions, and others whose activities are usually considered to be exclusively in the public interest, instead of in the private interest.

These citizens would be still more astonished to make the discovery that the biggest of all lobbies are the departments of the Federal administration: The Army, the Navy,

the Air Force, the Post Office, the State Department, the Treasury Department, Foreign Aid, and its associated lobbies.

As to the actual day-to-day operation of Washington lobbies, I do not know a single Senator or Representative who does not value the data and information emanating from these offices.

The public which, unfortunately, is preoccupied with the more sensational aspects of lobbying, does not know that one single, well-written, time-saving analysis is more influential over Congressional action than a dozen offers of special favors, free dinners, or elaborate cocktail parties.

Our system of government is founded on the concept that those who govern do so with the consent of the governed. This concept, in turn, rests on the fact that our citizens own private property, not only homes and personal possessions, but the tools of industrial production.

They can live and support their families regardless of whether their political views are attractive to those in power.

When the United Nations was established in 1945, one of its first acts was to establish a Commission on Human Rights.

Our Government supported the work of this Commission, as we wished to foster universal recognition of the guaranties enumerated in our Bill of Rights, including the right to own private property.

You will be interested to know that your Government, in the councils of the United Nations, has attempted unsuccessfully for 11 years to secure recognition of the private ownership of property as a basic human right.

What is even more disturbing is that fact that in 1952 a resolution was adopted by the United Nations General Assembly which, in effect, condoned the right of countries to nationalize private property without compensation. Only four countries, including the United States, voted against the adoption of this resolution.

As we turn the pages of history we can find no instance in which a war of aggression was started through the legislative actions of a free people. Under our Constitution, only Congress can declare war.

It is inconceivable that we would ever debate a program for an aggressive attack on anyone.

The danger to world peace arises from the fact that in so many countries decisions which determine the course of history do not rest with the elected representatives of free people, but are in the control of individuals who have dictatorial powers over the manpower and resources of their countries.

Permanent progress toward achieving a world in which more of our energies can be directed toward fulfilling the desires of our own people for a more satisfying life, rather than in colossal military expenditures, requires that other countries achieve systems of government in which the aspirations of individual citizens will have a more important place.

The people living behind the Iron Curtain, if they understood our way of life and if they controlled their own destinies, would never vote to make war on us. Our danger lies in the actions of their leaders who have kept the truth about our economic system from their own citizens.

It is because I believe so strongly that the spread of our system of private competitive capitalism would not only help others to raise their living standards, but would remove the threat of nuclear warfare, that I feel we must further a better understanding of our economic system throughout the world.

Every foreign study group which visits the United States must learn that the real secret of our progress lies in the fundamental freedoms which we enjoy.

Until the right to own private property is established as a human right, every citizen will always be subject to the arbitrary actions of those who control the economies of countries where the people are not free to express their own wishes.

Furthering respect for private property will advance the economic well-being of other countries. What is even more important, it will enable us to reduce our own military burdens.

In the months ahead the Congress of the United States must determine the character of our foreign-aid program. Its size, duration, and method of operation will affect the future of our own economy.

Because of the impact foreign-aid expenditures have on the Federal budget and, hence, on industries' tax burden, the Congress will give this program careful scrutiny.

Last year the Senate authorized an extensive study of the present program. The Committee on Foreign Relations has secured assistance from a number of private groups representing different points of view. Their work is now being published by the committee in a series of reports to guide the Congress in its deliberations.

President Eisenhower also established a committee to examine this problem. He appointed Benjamin Fairless, one of your most distinguished citizens, to serve as chairman.

Last month the committee's unanimous report was made public by the President. It strongly urges that we stimulate private investment, rather than depend on Government grant aid. Let me quote from the report:

"Foreign investment of private capital is far more desirable than investment by Government; and during the past fiscal year it appears that there was approximately $3.7 billion of new, private United States investment abroad. Such investments provide much more than capital to the cause of economic development, for they carry with them the initiative, the managerial skill, and the technical aptitude which have proven of great worth to the American economy.

"Moreover, private capital does not constitute a drain on the taxpayer. Indeed, to the extent that private capital can proceed, the burden on the American taxpayer can be reduced without impairment of that economic development of the free world which is so essential to the realization of American aspirations.

"Beyond that, private American capital can join more easily with private capital in other countries than can Government investment.

"We believe, therefore, that the United States Government should increase its efforts to make known, both at home and abroad, the productive contributions and possibilities of private capital. This can and should be done by our diplomatic missions and by friendship and commerce treaties. In our opinion, this effort has not been pursued, thus far, with the vigor that the obvious benefits of such an undertaking would justify" (p. 8).

Obviously, private investors are not going to send their money abroad unless they feel that the countries receiving their capital will not arbitrarily nationalize it or discriminate against it because of its foreign origin.

However, in spite of all that we can do to further private investment, the Fairless committee realizes that our Government must continue to make some direct grants and loans for many years into the future.

The Congress must decide whether grant aid should be administered by our own Government or through the United Nations.

There are two schools of thought on the subject of foreign grant aid. The first, which is supported by the Fairless committee, and which I endorse, believes that governmental assistance financed with your tax dollars should be given primarily to those countries which are willing to take the necessary political, economic, and military measures to safeguard their own freedom against the only aggressive force in existence in the world today—international communism.

The second school of thought, which has many supporters, believes that foreign economic development financed by the American taxpayer is a noble end in itself. The adherents to this philosophy believe that we should support the establishment of a new specialized agency within the United Nations, to be called SUNFED.

The initials stand for Special United Nations Fund for Economic Development.

The reasons for adding the word "Special" to the title of this agency are that without the "S" the initials would read "UNFED," and this is not an appealing word.

Walter Reuther is one of the strongest advocates of SUNFED. He has suggested that our Government pledge an annual contribution of 2 percent of our gross national product to such a fund. This would mean additional expenditures of more than $8 billion of tax dollars.

Establishment of SUNFED would encourage underdeveloped countries to develop along socialistic lines, as they would not feel any compulsion to create the necessary internal conditions to attract the funds of private investors. I am, of course, opposed to such an increase in our foreign-aid expenditures. However, I am even more concerned with the direction the program would take, if the funds were contributed to such an agency.

Any such international organization supplying grant aid would be directed and operated by individuals from many countries in the United Nations whose economic philosophy would range from an adherence to our system of private competitive enterprise to socialism, communism, and every form of economic organization which might lie between the two extremes.

Experts and technicians who are exponents of socialism and communism would be sent into many underdeveloped countries. Yes, they would bring capital and technical training, but I am sure they would not bring the one priceless gift we could give these countries—namely, an understanding of the basic principles of human organization which underlie not only our material well-being, but are responsible for the political freedom which makes each of us rejoice in our United States citizenship.

I am very happy that the Fairless committee in its report to President Eisenhower unequivocally said, and I am again quoting: "The contributions of other economically advanced nations to the task of providing external assistance to nations in need should be actively sought. But it does not appear that there is need for yet another worldwide bureau, such as the Special United Nations Fund for Economic Development, for the distribution of grant economic assistance" (p. 11).

Mr. Fairless, as the chairman of this presidential commission, has performed a great service for the United States and toward the advancement of the private enterprise system to which he contributed so much in his work as a business leader here in Pittsburgh.

Let us now turn our attention to some of the domestic concerns which confront your board of directors, the Congress of the United States.

I have stressed the necessity of preserving freedom for every individual to express his views, and to live his life according to his own dictates as long as he does not infringe on the similar rights of others.

In our present industrial society, there is a definite need for free labor unions. The labor movement can play an important part in advancing our concepts of freedom.

The Labor-Management Relations Act of 1947 provides that a union, which is certified as a bargaining agent for a majority of the employees in any establishment, shall represent all the employees in collective bargaining negotiations and in the handling of any grievances with the employer.

The Congress provided that union-shop agreements not prohibited by State or Territorial law could be executed by unions and employers. Unions contend, with some justification, that they want all members of the bargaining unit to contribute toward the benefits all the employees receive from the activities of the union working as their agent.

The Congress in 1947, when the Taft-Hartley Act was written, regarded the rights and obligations of labor unions in terms of their traditional function as representing their members in dealing with their employers and not as political parties. Recently it has become obvious that in some respects some unions regard themselves as political parties.

I would never infringe on the political rights of any group. I do not object to unions engaging in politics. However, I do feel that any political action by a union must be truly voluntary. No union which participates in politics should be allowed to negotiate a union shop agreement and force all its members to contribute to a political campaign.

The results of the last election clearly show that many union members did not carry out the wishes of their union leaders in the privacy of the polling place. These members, in effect, were forced to contribute dues under a union shop agreement to pay for a political campaign in opposition to their own political beliefs.

More recently, the select committee investigating racketeering under the chairmanship of my friend and colleague, Senator McCLELLAN, has revealed that funds collected on a compulsory basis through union shop agreements, allegedly for political purposes, actually were used for the private gain of a few unscrupulous and, I am sure, unrepresentative union officials.

One task which this Congress must undertake is the amendment of the Labor Management Relations Act so that every union may be given the choice of whether it wishes to operate as a political party or as a trade union.

If it chooses to become a political party it should enjoy the immunities of the first amendment, but lose the right to negotiate union shop agreements.

On the other hand, if it wishes to confine itself to acting as a bargaining agent for its members and not engage in any political activity, it should be permitted to negotiate union shop agreements under State and Territorial law. I know we cannot continue our present course of fostering compulsory membership in political parties. This was the technique of Mussolini and Hitler. It is fascism, and not Americanism.

For many years I have been a member of the Select Committee on Small Business. I sought this assignment as I believe that if our economy is to prosper, today's small businesses must be encouraged to grow into the big business units of tomorrow.

We must constantly revitalize the ranks of our business leaders with newcomers of ability and energy. Every American glories in the achievements of your pioneer industrialists—Andrew Carnegie, Henry Frick, and Andrew Mellon.

They started with nothing but new ideas and a few dollars, which they had saved before the tax collector made saving so difficult.

They gave this community new industries, supplying employment to hundreds of thousands of your fellow citizens. To be sure, they earned large profits, but these profits are small in comparison with the benefits the consumers of our country received from their purchase of the products created by their efforts.

Under our system, the consumer of America really receives the profits from any industrial endeavor.

In recent years it has been more difficult for small business to succeed and move forward. I have been disturbed that so much of the work of our Small Business Committees has been directed to attacks on big business rather than to the development of measures to further the growth of our smaller firms.

One proposal advanced to assist small corporations is to reduce the normal tax on the first $23,000 of corporate profits.

It has great merit, and I support it. However, it only partially solves the problem. We must remember that many of our smaller firms are either individual proprietorships or partnerships. They will only be helped by reducing our personal income tax rates.

If a small business shows a profit of $25,000 and this profit represents a return of 5 percent on invested capital, the stockholders must have invested a half-million dollars. Most small businesses are owned by only a few stockholders.

A family, or two or three individuals, have risked all their assets in a venture.

I wonder whether those who speak with feeling about the small business concern whose profits total only $25,000 have the same solicitude for the stockholders with assets of at least $500,000. Yet, we are talking about the same people.

Under our present personal income tax laws rates in the top bracket reach 91 percent, and it is becoming more and more difficult for individuals to accumulate funds for investment. We can do a great deal to help small business by making it possible for individuals to once again save capital from their current income.

This will accomplish more than attacks on big business or the establishment of new Government programs to loan funds to small business. Loans cannot be repaid unless equity capital can be substituted for Government debt.

The Congress must reexamine our tax structure so that it will produce the maximum possible revenue without depriving individuals of the incentive to establish and expand new businesses. Present tax rates were established under the previous administrations, and many of them are designed to punish success rather than to raise revenue. This is a luxury we can no longer afford.

In view of the large expenditures which our Government must make for years to come it is essential that taxes be levied with due regard to the fundamental economic principle of diminishing returns. Any tax rate which is set so high that it discourages new investment and hence produces a smaller net revenue for the Government than would a lower rate is completely indefensible.

The subject of taxes invariably requires an examination of appropriations. The Congress is considering the budget for the fiscal year 1958 which will start July 1. President Eisenhower has recommended the largest peacetime budget in our history. The greater portion of this budget is dedicated to our defense and foreign-aid activities.

I can assure you that the Congress will examine these items closely, and we will endeavor to effect every possible economy without jeopardizing the security of our country.

In the last analysis the domestic items included in the budget reflect the demands upon the President and the Congress by the people of America. We must reverse the trend to ever-larger Federal budgets if we are to preserve our system of private enterprise.

This can only be done if every community leader assumes a personal responsibility to see to it that demands are not made upon the Federal Government for services which could be better performed either by private enterprise or by the States and local communities.

The Atomic Energy Act was amended in 1954 so as to make it possible for private enterprise to devote its resources to the development of this new great force. Here in Pennsylvania at Shippingport you will shortly be producing electrical energy from the atom on a commercial basis.

I can see no reason for the Federal Government to compete with private industry in the development of peaceful uses for atomic energy. Yet, proposals are repeatedly made which would ultimately require spending billions of tax dollars to place the Government in the utility business in competition with private industry. We must resist these measures which would not only tend to produce a collectivist economy, but would add ever-increasing burdens on our taxpayers.

The 83d Congress authorized the disposal of the Government's investment in synthetic rubber plants to private industry. This transfer has been completed.

The Government is out of this business, and properties valued at hundreds of millions of dollars have been added to the tax rolls of our States and local communities. There is much more to be done in getting the Government out of business. The Government is still the country's largest insurer, its largest lender, its largest tenant, its largest holder of grazing land, its largest warehouse operator, its largest shipowner, and its largest truck-fleet operator.

If the Government withdraws from businesses which can be undertaken by private industry, we will place billions of dollars of additional property on State and local tax rolls and at the same time we will increase the revenue of the Federal Government by their sale of these properties.

All funds realized from the sale of these properties should be dedicated to a reduction of the national debt. The increased local revenues will make it easier for the States and local governments to build schools and perform other necessary community services themselves, instead of seeking Federal assistance in Washington.

As an illustration of how we can apply new approaches to complex economic problems, let me mention briefly Public Law 480 of the 83d Congress, providing for the sale of our agricultural surpluses for foreign currency.

This law also permits bartering surplus agricultural commodities for strategic materials which are placed in our military stockpile where they add to our national security.

The foreign exchange derived from these transactions is used to pay necessary expenses of our Government in foreign countries. Some of the funds have been lent back to the countries purchasing these commodities for economic development.

This program has two features of interest to all taxpayers.

First, it disposes of surplus agricultural products. Appropriations for agricultural programs, a large domestic item in the budget, can be reduced drastically when we are no longer burdened by surpluses which overhang the market and depress agricultural prices.

The second feature of this program of interest to you is that it does not require current funds from the taxpayers. The money for the acquisition of these commodities has already been spent.

In disposing of them we reduce storage charges, we secure needed foreign currency for Government purposes, we acquire strategic materials, and we contribute to our foreign-aid program, which would again otherwise probably involve the expenditure of additional tax dollars.

This Congress will undoubtedly extend this program for an additional year. Programs of this type can be utilized to maximize the benefits to all our people from every tax dollar spent.

As a former governor, as well as a legislator, I am concerned with the problems of education.

We must improve our educational programs, if we are to keep pace with the Russians who have placed great emphasis upon the training of scientists and engineers. You cannot train scientists in our great schools of technology without first providing the applicants for the freshman class with an adequate foundation in mathematics and in the basic sciences.

I find that in many cases our secondary schools have broadened their curricula so as to include so many subjects that it becomes a difficult task to find adequate revenue to pay all the specialized teachers this program requires.

Furthermore, those who are qualified to teach science and mathematics will not accept the salaries normally paid schoolteachers, as they have opportunities to work at their specialties in private industry.

Our communities must reappraise their educational programs. We must make sure that we are doing the best possible job in teaching the fundamentals. We must eliminate some of the frills that our school budgets cannot afford so that we can pay better salaries to those teachers who have a real background in the subjects they are teaching, as well as the teaching qualifications.

This task cannot be undertaken by the Federal Government. It is one of the jobs which I hope that you will do in your local communities.

The future of our country is in the hands of those who are now in school.

It has been a great pleasure for me this evening to review some of the issues which concern us in Washington. The preservation and development of a private enterprise economy both at home and abroad is the most important task before the Senate today. You, as citizens, are stockholders in the greatest business on earth.

In my limited time I could touch on only a few of our problems. I can assure you that your board of directors, the Congress of the United States, regardless of party, and your Chief Executive, are working together to advance the interests of this great Republic.

Big Spending or Economy—You Must Decide

(Address by United States Senator Edward Martin, of Pennsylvania, at the annual dinner of the Amen Corner, in the Penn-Sheraton Hotel, Pittsburgh, April 6, 1957)

Of all the great powers in the world the United States is the only one where the people still control the Government.

This significant fact of modern history is the foundation upon which was built the structure of American freedom.

It is given impressive expression in the preamble to the Constitution which declares that "We, the People * * * do ordain and establish this Constitution of the United States."

That concept of government gave force and effect to the principle set forth in the Declaration of Independence that governments derive their just powers from the consent of the governed.

If that ideal is to survive—if we are to continue to control our Government—our people must recognize that we have responsibilities as well as rights.

History teaches that it is a heavy responsibility to live as free men. Great nations have gone down to destruction because their people allowed control of their government to slip from their hands. The great powers of the past failed when the people started to depend upon government and not upon themselves. The result has always been extravagant spending, a crushing burden of taxes and debt and eventually the loss of freedom. They passed out of history as completely as if they had been destroyed by invading armies.

The record of the past shows very clearly that freedom cannot long be retained by a people who ignore or evade their responsibilities. That means that we must all accept a personal share of responsibility for keeping our Nation strong, secure, sound, and solvent. We must all take part in government. We must become interested and active in politics—not merely from a partisan standpoint—but as a patriotic contribution to the public welfare.

You men assembled here tonight are leaders in business, industry, and in the professions. You are vitally interested in building the economic strength of this important area and of the Nation. Therefore, the situation in our country, as it relates to Government spending, taxes, and debts should be a matter of great concern to you—and I am sure it is.

I am sure that you are all seriously disturbed over the alarming increase in the cost of government at all levels, local, State, and Federal, during the last quarter of a century.

Let us look at the figures.

In 1932 the people of the United States paid $6,375,000,000 for local government. That cost is now $26,230,000,000.

For State government in 1932 we spent a total of $2,028,000,000. Now the States are spending at the rate of more than $11 billion a year.

The cost of operating the Federal Government in 1932 was $5,125,000,000. The current budget calls for the expenditure of nearly $72 billion.

Now, if we add up these figures we find that the overall cost of government has jumped in 25 years from $13½ billion to $109½ billion, an increase of more than 700 percent.

Now let us look at the debt, which is a mortgage on the future of every man, woman, and child in the United States.

The bonded indebtedness of local government, which was $16,680,000,000 in 1932, is now above $33 billion.

The debt of State government has grown from less than $3 billion to $11 billion in the same period.

The Federal Government debt shows the most startling increase—from $19½ billion in 1932 to the present debt of more than $274 billion.

The total Government debt has gone up from $30 billion to more than $318½ billion, an increase of more than 700 percent.

In addition, many States and local subdivisions have created authorities to finance various types of construction and other public works by the sale of bonds. For example, in Pennsylvania the debts incurred by State and municipal authorities have reached a total of nearly $2 billion.

One illustration of the increase in the cost of government is that the Federal Government proposes to spend $14 billion a year for welfare programs as compared with a little more than $3 billion 10 years ago.

Unfortunately we are continually taking on new projects and new spending programs which grow bigger and more expensive year after year. Local government, with hat in hand, goes to the State for handouts. The State government, with hat in hand, goes to the Federal Government for handouts—the so-called grants-in-aid. Even our big cities are bypassing the States and go directly to Washington for financial assistance. And to raise the money the Federal Government has two courses to pursue—higher taxes or bigger debt.

The time has come when each level of government must stand on its own feet. Otherwise it will not be long before all government will be controlled at the national level. Each grant of Federal funds carries with it a measure of Federal control. That control never lessens. It always increases.

The time has come when we must look ahead with extreme care before we take on new projects.

Two of the greatest men in our history had something to say on this subject.

Washington said this to Lafayette: "It is a part of the military art to reconnoiter and feel your way before you engage too deeply." This was stated when Lafayette was urging some reforms for France.

Abraham Lincoln said in a letter to a friend: "I hope to stand firm enough to not go backward, and yet not go forward fast enough to wreck the country's cause."

The automobile gives another illustration of watching both the past and the future.

It has a mirror which gives a view of the road in the rear, while the driver has a perfect view of the road ahead.

The careful driver sees both the rear and the front.

Let us not move too rapidly in government until we survey the road of the past and carefully reconnoiter the road to the future. Let us not lose sight of the dangers that lie ahead.

One of the greatest dangers to national stability is inflation. Inflation is suggested by many economists as a cure for certain economic ills, but it is only a shot in the arm.

Inflation, high taxes, deficit governmental finance, big government debt and big centralized government have destroyed more nations than invading armies. It will destroy more countries than the most terrible bomb that could be invented.

Before it is too late, let the American people take over, because it is still our Government. The people still have the power to control.

Let us bear this in mind. No nation, regardless of how rich it may be in natural resources, can live and pay taxes which destory initiative and the private-enterprise plan of economy. Many are now advocating things which tend toward socialism: public power, restricting the right to work at the job of our choice, centralization of government.

The free-enterprise economy plan has done more to advance our living standards and our cultural and spiritual attainments than all our vast natural resources.

There are many systems of government that advocate some form of socialism. Let us look at some of the results.

After 40 years, the Soviet type of communism has produced a living standard only one-tenth as high as that of the United States.

The so-called Swedish welfare state has produced a living standard only one-third as high as the United States.

In England, where nationalization of basic industries has continued for 12 years, the living standard is about one-half what it is in the United States.

Many of the Founding Fathers who were interested in the independence and freedom of the individual feared that our Government, unless most carefully and economically administered, would fall, of its own weight, within 200 years. Time is moving rapidly. It's our Government. Let us look it over. If we are spending too much for government let us have the courage to make corrections.

One of the principal reasons for the alarming rise in the cost of government is the constant demand from organized pressure groups who have no regard for the welfare of our Nation or its future.

They demand appropriations of public funds for their pet projects, for new and expanded functions of government, for sectional advantage and for every conceivable form of spending. Some do not hesitate to threaten political reprisals unless their proposals are given immediate and favorable attention.

That same sort of pressure must now be exerted in support of economy. If we are to achieve government at lower cost we must develop a demand for economy so strong and so insistent that no one in the executive or legislative branches of government will dare to ignore or oppose it.

It must be supported by business associations, chambers of commerce, service clubs, labor organizations, farm groups and welfare and educational societies. It must have the driving force of an aroused public opinion, so strong and so powerful that it will be irresistible.

As I said in the beginning of my remarks—in the United States the people still control the government. Therefore the battle to cut the cost of government must begin with you.

Big spending or economy—you must decide. And I have complete confidence that you will make the right decision.

SENATE

WEDNESDAY, APRIL 17, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou ruler of all nature, in the blue beauty of the soft spring skies and the blossoming wonder of the awakening earth we come, this week of the passion, reverently following the wounded footprints of that servant of all as He goes on to die. We give Thee grateful thanks that in His death is life for all mankind. In that face may we see anew the might of love, the royalty of self-giving, the majesty of meekness.

At this altar of prayer, steady our spirits with the realization that back of all the dark tragedy of these bewildering days there is a permanent good, the blue sky above the clouds, to which we must be loyal if our lives are to be saved from frustration at last.

God the all-righteous One, man hath
defied Thee:
Yet to eternity standeth Thy word;
Falsehood and wrong shall not tarry be-
side Thee;
Give to us peace in our time, O Lord.

In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Tuesday, April 16, 1957, was approved, and its reading was dispensed with.

ENROLLED BILL SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of April 16, 1957,

The VICE PRESIDENT announced that on April 16, 1957, the President pro tempore had signed the enrolled bill (H. R. 6870) making appropriations for the fiscal year ending June 30, 1957, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills of the Senate, severally with an amendment, in which it requested the concurrence of the Senate:

S. 93. An act for the relief of Dominic Paul Steinhauser (Hiroshi Tsuruda);

S. 687. An act for the relief of Stylianos Lecomples;

S. 696. An act for the relief of Alecos Markos Karavasilis and his wife, Steliani Karavasilis; and

S. 797. An act for the relief of John Leary.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5520) to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds.

The message further announced that the House had passed a joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton;

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. MANSFIELD, and by unanimous consent, the Fiscal Affairs Subcommittee of the Committee on the District of Columbia was authorized to meet today during the session of the Senate.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business, for the purpose of considering the new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The VICE PRESIDENT. If there be nc reports of committees, the nominations on the Executive Calendar will be stated, beginning with the "New Reports."

UNITED NATIONS

The Chief Clerk read the nomination of Donald Vaughn Lowe, of New Jersey, to be a representative of the United States of America on the Transport and Communications Commission of the Economic and Social Council of the United Nations.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk read the nomination of Gerald A. Drew, of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Haiti.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

ROUTINE APPOINTMENTS IN THE DIPLOMATIC AND FOREIGN SERVICE

The Chief Clerk proceeded to read sundry routine appointments in the Diplomatic and Foreign Service.

Mr. MANSFIELD. Mr. President, I ask uanimous consent that these nominations be considered en bloc.

The VICE PRESIDENT. Without objection, they will be considered en bloc; and, without objection, these nominations are confirmed.

CIVIL SERVICE COMMISSION

FREDERICK J. LAWTON

The Chief Clerk read the nomination of Frederick J. Lawton, of the District of Columbia, to be a Civil Service Commissioner for a term of 6 years, from March 1, 1957.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

CHRISTOPHER H. PHILLIPS

The Chief Clerk read the nomination of Christopher H. Phillips, of Massachusetts, to be a Civil Service Commissioner

for a term of 4 years, from March 1, 1957.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

HARRIS ELLSWORTH

The Chief Clerk read the nomination of Harris Ellsworth, of Oregon, to be a Civil Service Commissioner for a term of 2 years, from March 1, 1957.

Mr. MORSE. Mr. President, Mr. Ellsworth served his congressional district from the State of Oregon for a period of approximately 14 years. Last November, he was defeated in his campaign for reelection.

I have known Mr. Ellsworth for many years. I knew him before he came to the Congress in the first instance. He and I have practically nothing in common, insofar as political point of view is concerned. Yet I wish to say I believe he is a good representative of the point of view for which he stands.

When it was understood that Mr. Ellsworth would be nominated for this position, but before the appointment had been officially announced, he extended me the courtesy of calling me long distance and asking whether I would give so-called senatorial clearance in case the appointment was made. I assured him that he did not even have to call me for that; I told him he should have known that I would. I thought he was very courteous to call me about it, because, as I told him then, and as I shall so state to the Senate now—and I am making this statement because obviously there were those in my State who thought I should oppose the nomination—I felt that the President was entitled to appoint to positions in his official family men who would carry out his policies. That has been my consistent position during my more than 12 years of service in the Senate.

Some of my colleagues may remember that the first constitutional debate in which I engaged in the Senate occurred in 1945, at the time when Henry Wallace was nominated to be Secretary of Commerce. At that time I sat on the other side of the aisle. Action by the Senate on the nomination was postponed for some weeks, as the RECORD will show; and at that time I made a research study regarding every nomination fight in the history of the Senate of which there was any record. The CONGRESSIONAL RECORD will show that at that time I made a very lengthy speech on the problems raised by the Wallace nomination. That speech, which was in respect to the advice-and-consent clause of the Constitution, would have comprised approximately five lectures in any law-school class on constitutional law.

In that debate in the Senate I pointed out the four historic criteria which have been followed throughout the history of the Senate, in the case of the application of the advice-and-consent clause to Presidential nominations. On the basis of that analysis, I voted for the Wallace nomination because I felt that the then President of the United States, a Democrat, was entitled to have as Secretary of Commerce a person in whom he had confidence and one who he thought would carry out his official policies, even though there were then many on the other side of the aisle—which was then my side of the aisle—who thought that for partisan purposes we should oppose the nomination.

Mr. President, I am very proud of the yea-and-nay vote taken in 1945 on the question of confirmation of that nomination, because after a thorough constitutional discussion of the meaning of the advice-and-consent clause of the Constitution in respect to Presidential nominations, a very large number of Republican Senators, as the RECORD will show, joined me in voting in favor of confirmation of the nomination.

Mr. President, during my now 13 years of service in the Senate, I have not voted against the confirmation of any Presidential nomination unless I became satisfied that, on the record, the nomination violated, or could not comply with, one of these four historic criteria.

It will be recalled that several years ago there was quite a debate in the Senate over an Eisenhower nomination to the Bureau of Locomotive Inspection; and there were Members of the Senate who thought we should oppose confirmation of the nomination, and should do so on a partisan basis. At that time I sat on this side of the aisle, but my position on that nomination was exactly the same as it was on other nominations when I sat on the Republican side of the aisle.

I think that any President—be he Democrat or be he Republican—is entitled to appoint to his official family, to carry out the administrative duties of his administration, men of his own choosing; and I believe that the advice and consent of the Senate should automatically be given unless it can be shown that the nominee fails to comply with one of the following four historic criteria:

First, there is the character qualification. We must decide whether the nominee is for any reason so lacking in character that it can be said by the Senate that it cannot properly advise and consent to confirmation of the President's nomination because the Members of the Senate do not believe—because of character deficiencies on the part of the nominee—that he can carry out the obligations of the position to which he has been nominated.

Second, is the nominee a patriotic, loyal person who believes in our system of Government?

Third, is the nominee competent? Mr. President, that does not mean that we should decide whether he is the person we would have selected. It does not mean that he is the person whom we believe to be best qualified from the standpoint of competency. I do not think the Senate would confirm very many nominations if it adopted such a principle. But the question is whether the Senate is satisfied, from the standpoint of the nominee's background, that he is a competent person. If the Senate is satisfied of that, then on that score I believe the advice and consent of the Senate should be automatic.

Last of all, is the nominee free from conflict of interest; or can it be said that, because of his professional or economic or family connections, there is a conflict of interest which would cause him to engage, or would indicate that in carrying out the duties of his office he might engage in a course of action which would violate the well-known, historic criterion of freedom from conflict of interest?

As the RECORD shows, such objections as I have made during my 13 years in the Senate, when I have been called upon to vote on a particular nomination, have been limited to the question of conflict of interests.

Mr. President, although there are critics in Oregon who apparently think I should oppose this nomination, since he is a defeated candidate, and because there is strong political opposition to him in certain areas of my State, I want to say on the floor of the Senate, as I have said in correspondence, I know of no sound constitutional basis for my opposing the nomination of Mr. Ellsworth. That is why I told him I would give him clearance. That is why I told the committee I would give him clearance.

I think, in fairness to myself, I ought to put into the RECORD today the statement I sent to the committee when I gave clearance to Mr. Ellsworth. It reads as follows:

Members of the Post Office and Civil Service Committee:

I am pleased to give clearance to Harris Ellsworth for appointment to the Civil Service Commission on the ground that I think this administration is entitled to appoint to its executive positions men who share its reactionary political policies. Mr. Ellsworth is a conscientious ultraconservative who, I am sure, will carry out this administration's policies. As the members of the committee know, I am very much opposed to those policies from the standpoint of what I consider to be in the best public interest, but that does not justify my not giving Mr. Ellsworth so-called senatorial clearance.

Mr. NEUBERGER. Mr. President, because I am a member of the committee which considered the nomination of Harris Ellsworth to be a member of the Civil Service Commission, and because Mr. Ellsworth comes from my State, I believe I should add some very brief comments to the remarks just made on this nomination by the distinguished senior Senator from Oregon [Mr. MORSE].

I have been active during the past 2 years in criticizing Mr. Ellsworth's role in the so-called Al Sarena timber-mining case. That was the situation which involved very valuable forest stumpage in the Rogue River National Forest in Oregon which went to a mining corporation, and where no mining has recently occurred, but where only cutting of the very fine and matchless fir and pine timber has taken place.

In my opinion, Mr. Ellsworth's role in the Al Sarena case has demonstrated very poor judgment on his part in acting as a custodian of valuable natural resources. However, my very thorough study of the handling of the Al Sarena case has convinced me that no personal corruption was involved so far as Mr. Ellsworth was concerned. In view of my estimate of that situation, I have concluded, along with the senior Senator from Oregon, not to interpose any objec-

tion to the nomination of Mr. Ellsworth to be a member of the Civil Service Commission.

As the senior Senator from Oregon [Mr. MORSE] has stated, both of us are opposed to Mr. Ellsworth's political, social, and economic philosophy; but I join the senior Senator from Oregon in stating that I think the President of the United States is entitled to place on such a Commission a person with whom he feels politically compatible, and in whom he personally has confidence. Apparently President Eisenhower has such feelings toward Mr. Ellsworth.

Therefore, I interposed no objection in the committee to the nomination, and I shall interpose no objection to confirmation on the floor. Mrs. Neuberger and I both wish Mr. Ellsworth all possible success and good fortune in his new position.

I ask unanimous consent to have printed in the RECORD, along with these remarks, the letters which I addressed to the Committee on Post Office and Civil Service, dated February 18, 1957, and April 16, 1957, concerning the nomination of Mr. Ellsworth.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

FEBRUARY 18, 1957.

Hon. OLIN D. JOHNSTON,
Chairman, Senate Committee on Post Office and Civil Service, Senate Office Building, Washington, D. C.

DEAR OLIN: I am herewith returning the card from your committee requesting my position on the nomination of ex-Congressman Harris Ellsworth, of Oregon, to the Civil Service Commission. You will note that I have indicated my intention of voting to approve the nomination of Mr. Ellsworth.

This does not indicate my basic agreement with Mr. Ellsworth on fundamental issues—far from it.

In my opinion, Mr. Ellsworth acted quite contrary to the long-range public interests in his positions on the Al Sarena timber case, on his sponsorship of the timber-exchange bill, and in his support of so-called partnership policy at Cougar, Green Peter, and John Day Dams.

However, it is my opinion that the President of the United States has the right to appoint someone of this viewpoint to the executive branch of the Government, if it is the President's desire to do so.

Because I know of no reason involving moral turpitude or corruption why Mr. Ellsworth should not be confirmed, I am returning the card concerning his nomination with my approval.

Furthermore, I do not want to be in a position of holding political grudges. Mr. Ellsworth and his newspapers have many times attacked me bitterly, personally, and unfairly in the State of Oregon. Despite this fact, I am not opposing his nomination to the Civil Service Commission.

With good wishes, I am,
Sincerely,

RICHARD L. NEUBERGER.

APRIL 16, 1957.

Hon. OLIN D. JOHNSTON,
Chairman, Committee on Post Office and Civil Service, United States Senate, Washington, D. C.

DEAR SENATOR JOHNSTON: I regret that a conflict in committee meetings has made it impossible for me to attend today's executive session of the Committee on Post Office and Civil Service. The Public Roads Subcommittee of the Committee on Public Works, on which I serve, is meeting in executive session this morning to consider and to vote on my bill, S. 963, and I must necessarily be present at this executive session.

However, I am sending this letter to the Committee on Post Office and Civil Service so that the record may show the reason why I cannot be present. I also would like the record to show that, if I were present, I would vote to confirm the nomination of Hon. Harris B. Ellsworth, of Oregon, to be a member of the Civil Service Commission.

As I stated publicly some time ago, I would not interpose any objections to the appointment of former Representative Ellsworth to this position merely on grounds of political disagreement, as long as no evidence was adduced to indicate any lack of integrity or other fitness for the appointment. In the absence of such evidence, I have taken the position that the President is entitled to a wide degree of latitude in the selection of members of his administration. I should therefore appreciate to be recorded, in this letter, as consenting to the confirmation of Mr. Ellsworth's appointment.

Sincerely,

RICHARD L. NEUBERGER.

Mr. CARLSON. Mr. President, as the ranking minority member of the Committee on Post Office and Civil Service, I wish to say that I appreciate very much the statements made by the distinguished senior Senator and the distinguished junior Senator from Oregon. I have discussed this nomination with them previously. I think they have adopted a very fair attitude in this case. It seems to me they have taken a very statesmanlike approach on this confirmation.

The distinguished chairman of the committee, the Senator from South Carolina [Mr. JOHNSTON], appointed a subcommittee to hold hearings on the nominations to the Civil Service Commission which had been sent to the Senate by the President. On this subcommittee, serving with the chairman, were the junior Senator from Kansas and the junior Senator from Indiana [Mr. JENNER]. We held a hearing.

We took the personal statements of Mr. Ellsworth, Mr. Phillips, and Mr. Lawton. They were interrogated at length on their plans for the Agency and their views on a long-range policy for the Agency.

Yesterday, when the subcommittee reported the nominations to the full committee, it did so unanimously.

The chairman stated he was convinced the nominees would give an outstanding account of themselves in the positions to which they had been appointed and would conduct the affairs of the Civil Service Commission as the committee thought it should be conducted.

Mr. President, I personally have known Mr. Ellsworth for many years. I had the privilege of serving with him in the House of Representatives for some years while a Member of that body. I have the highest regard for him. He is a man of fine character, integrity, sincerity, and ability. I have every reason to believe he will conduct the affairs of the Civil Service Commission in the way the President, the Congress, and the Nation want them to be conducted.

It is my conviction that the nominees before the Senate for members of the Civil Service Commission are not only qualified for their work but will carry on the work in an efficient manner.

I urge their confirmation.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Harris Ellsworth to be a Civil Service Commissioner?

The nomination was confirmed.

Mr. MANSFIELD. Mr. President, I ask that the President be immediately notified of the nominations confirmed today.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

Mr. MORSE. Has the acting majority leader any information with respect to the nomination of Orman W. Ketcham to be judge of the juvenile court of the District of Columbia? I understood it might be possible to get clearance on that nomination before the end of the week. I wish that could come to pass, because I think it would be unfortunate if the Senate went over the Easter vacation period without taking action on this nomination. Although I have assured my colleague in the Senate who has asked for a postponement heretofore that he would receive my complete cooperation with regard to the matter, I thought the Senate possibly could undertake the consideration of the nomination this week.

Does the acting majority leader have any information on this nomination?

Mr. MANSFIELD. If the Senator from Oregon will permit me, as soon as we get clearance from the Member to whom he refers, we shall take the nomination up immediately.

Mr. MORSE. I thank the Senator from Montana.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

TRANSACTION OF ROUTINE BUSINESS

Mr. MANSFIELD. Mr. President, since the Senate is meeting today following an adjournment, under the rule there will be the usual morning hour, for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

TRANSFER OF NAVAL VESSELS TO FRIENDLY FOREIGN COUNTRIES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation

to authorize the transfer of naval vessels to friendly foreign countries (with an accompanying paper); to the Committee on Armed Services.

REPORT OF BOARD OF VISITORS TO UNITED STATES NAVAL ACADEMY

A letter from the Chairman of the Board of Visitors to the United States Naval Academy, transmitting, pursuant to law, a report of that Board, dated 1957 (with an accompanying report); to the Committee on Armed Services.

AUDIT REPORT ON GOVERNMENT SERVICES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the audits of Government Services, Inc., and the Employee Retirement and Benefit Trust Fund of Government Services, Inc., for the year ended December 31, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON LOWER RIO GRANDE REHABILITATION PROJECT, TEXAS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on the Mercedes Division of the lower Rio Grande rehabilitation project in Texas (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT ON ACTIVITIES OF DEPARTMENT OF JUSTICE

A letter from the Attorney General, transmitting, pursuant to law, his report on the activities of the Department of Justice, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on the Judiciary.

SETTLEMENT OF CLAIMS OF CERTAIN MILITARY PERSONNEL AND CIVILIAN EMPLOYEES

A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of, personal property occurring incident to their service, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law pertaining to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

Two letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

ADMISSION OF DISPLACED PERSONS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Shien Woo Kung from a report transmitted to the Senate on July 2, 1956, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare.

A joint resolution of the Legislature of the State of California; to the Committee on Post Office and Civil Service.

A resolution adopted by the executive committee of the National Community Relations Advisory Council, of New York, N. Y., favoring the admission into the United States of refugees from Egyptian persecution; to the Committee on the Judiciary.

A resolution adopted by the members of the East Midtown Ministerial Association, New York, N. Y., favoring the statement by the President concerning the admission of refugees into the United States; to the Committee on the Judiciary.

Resolutions adopted by the Daughters of American Colonists, at the 36th General Assembly of the National Society, relating to the pledge of allegiance, and so forth; to the Committee on the Judiciary.

The petition of Newton H. Wickston, of Key West, Fla., praying for the enactment of legislation to provide educational benefits to certain persons under the Veterans Assistance Act; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from the Henry T. Ross Post 2588, Veterans of Foreign Wars, Brunswick, Ga., signed by Willie Lee Westberry, commander, favoring the enactment of legislation to increase the salaries of postal employees; to the Committee on Post Office and Civil Service.

A telegram in the nature of a petition from the New England Council, of the Forty and Eight, of Concord, N. H., signed by E. Al Walz, chairman, relating to the appropriation for the Post Office Department; ordered to lie on the table.

JOINT RESOLUTIONS OF NEVADA LEGISLATURE

Mr. BIBLE. Mr. President, on behalf of myself and my colleague, the senior Senator from Nevada [Mr. MALONE], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, Senate Joint Resolution 19 and Assembly Joint Resolution 11 of the Nevada State Legislature.

There being no objection, the joint resolutions were received and appropriately referred and, under the rule, ordered to be printed in the RECORD, as follows:

To the Committee on the Judiciary:

"STATE OF NEVADA.

"Senate Joint Resolution 19

"Resolution memorializing the President of the United States, the Attorney General of the United States, and the Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the District of Nevada

"Whereas the District of Nevada now has two United States district judgeships, one of which is temporary and will expire on April 1, 1957, by reason of the retirement of Hon. Roger T. Foley, leaving the Honorable John R. Ross as the only Federal judge in a State comprising 110,000 square miles; and

"Whereas the State of Nevada population-wise is the fastest growing State in the Union; and

"Whereas the burden of the Federal courts, and particularly in Nevada, is ever increasing due to the unprecedented increase in Federal legislation, and the many problems of a growing State in which some 87 percent of its area is public domain or controlled by the various military departments of government; and

"Whereas Las Vegas and Carson City, in which places the Federal court now sits, are approximately 500 miles apart, with sparse population between the two places but with highly concentrated areas of population in and about each city; and

"Whereas due to the great distances that will necessarily be traveled by one Federal judge in his efforts to maintain court calendars both in Carson City and Las Vegas it will be impossible for litigants to have that degree of accessibility to the Nevada Federal court as is enjoyed by litigants elsewhere throughout the United States; and

"Whereas it appears that the additional expense of a migratory Federal judge, the transportation of Federal prisoners, and other unusual additional costs will total if not exceed the salary of a second Federal judge: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of Nevada (jointly), That the Legislature of the State of Nevada respectfully memorializes the President, Attorney General, and Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the District of Nevada; and be it further

"Resolved, That the secretary of state of the State of Nevada be, and hereby is, directed to transmit certified copies of this resolution to the President of the United States, the Attorney General of the United States, the Speaker of the House of Representatives and President pro tempore of the Senate, and to the Senators and Representative of this State in the Congress of the United States.

"Adopted by the senate March 16, 1957.

"REX BELL,
"President of the senate.
"H. E. ROWNTREE,
"Secretary of the senate.

"Adopted by the assembly March 20, 1957.

"WM. D. SWACHAMER,
"Speaker of the assembly.
"C. O. BASTIAN,
"Chief clerk of the assembly.
"CHARLES H. RUSSEL,
"Governor of the State of Nevada."

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Nevada, identical with the foregoing, which was referred to the Committee on the Judiciary.)

To the Committee on Public Works:

"Assembly Joint Resolution 11

"Resolution memorializing the department of highways and the Bureau of Public Roads concerning the importance of Nevada State Highway 8A as a connecting route from north central Nevada to northern California

"Whereas a casual glance at any commercial gasoline company road map will show an area in the western United States which is bound on the west by United States Highway 395, on the southwest by United States Highway 40, on the east by United States Highway 95, and on the north by United States Highway 20. The area so bounded is situated for the most part in northwestern Nevada and comprises approximately 38,000 square miles, comparing in size to the State of Indiana, and is not traversed by any route of automotive travel other than summer season dirt roads; and

"Whereas a further look at the map will disclose that nowhere else in the Nation does such a large area remain without any advantages of a highway; and

"Whereas in the interest of defense, the failure between highway communication with the Pacific coast and the evacuation of the Pacific coast area in case of an emergency attack, a new highway known as Winnemucca-to-the-Sea (Nevada State Route 8A extension) should be completed from 10 miles west of Denio, Nev., westerly via Vya, Nev., to connect with California State Highway 299 at the California-Nevada State line; and being the route of such low altitude that an all-year highway could be maintained; and

"Whereas there is grave danger of the blocking of Donner Pass by enemy bombing; and

"Whereas Donner Pass was closed by a snow blockade for 28 days in January 1952 while Cedar Pass between Cedarville and Alturas, Calif., was opened all but 4 hours during the same period; and

"Whereas Cedar Pass is one of the two lowest passes through the Sierra Nevada Mountains and relatively few miles of pavement are needed to complete this new highway from Nevada to California; and

"Whereas there now exists an end of a Federal aid highway on each side of this unimproved road; and

"Whereas the completion of this route would give Nevada another connecting link with the great Pacific Northwest whereby additional tourist traffic would have easy access to Nevada, open a new truck route into this area and make it possible for the livestock industry of Nevada to seek new markets in the Pacific Northwest; give cheaper transportation to lumber into northern and eastern Nevada and aid in the development of the Nevada mining industry in this area; and

"Whereas an origin-destination field study made by the department of highways during the summer of 1956 shows that the mileage from Redding, Calif., to Winnemucca, Nev., via Reno, is 391 miles as compared with 377 miles from Redding to Winnemucca via Nevada State Route 8A; Alturas, Calif., to Winnemucca, Nev., by way of Reno is 365 miles as compared with 232 miles from Alturas, Calif., to Winnemucca via Nevada State Route 8A; Klamath Falls, Oreg., to Salt Lake City, Utah, through Reno is 827 miles as compared with 700 miles from Klamath Falls, Oreg., to Salt Lake City via State Route 8A; Klamath Falls, Oreg., to Rock Springs, Wyo., via Boise, Idaho, is 942 miles as compared with 893 miles from Klamath Falls to Rock Springs via Nevada State Route 8A: Now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada (jointly).* That the department of highways and the Bureau of Public Roads of the United States be and they are hereby memorialized to take proper action necessary to complete this missing link in the Winnemucca-to-the-Sea Nevada State Route 8A Extension Highway; and be it further

"*Resolved,* That the secretary of state of the State of Nevada be, and he hereby is, directed to transmit copies of this resolution to the United States Bureau of Public Roads, Washington, D. C., and to the Senators and Congressmen from the State of Nevada, and the board of directors of the department of highways.

"Adopted by the senate March 20, 1957.

"REX BELL,
"President of the senate.
"H. E. ROWNTREE,
"Secretary of the senate.

"Adopted by the assembly March 6, 1957.

"WM. D. SWACKHAMER,
"Speaker of the assembly.
"C. O. BASTIAN,
"Chief clerk of the assembly.
"CHARLES H. RUSSELL,
"Governor of the State of Nevada."

CIII——370

RESOLUTION OF BOARD OF SUPERVISORS OF SARATOGA COUNTY, N. Y.

Mr. JAVITS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Board of Supervisors of Saratoga County, N. Y., relating to the establishment of sound land policies on Federal projects.

There being no objection, the resolution was referred to the Joint Committee on Atomic Energy, and ordered to be printed in the RECORD, as follows:

Resolution 51

Resolution requesting Federal reforestation of open farm lands at the atomic project, West Wilton, N. Y.

Whereas the Board of Supervisors of Saratoga County, N. Y., fully recognizes the value and need for scientific research and progress such as that being undertaken at the West Milton atomic project located in the towns of Milton and Galway, Saratoga County, N. Y., and it is singularly honored to have this project of the Atomic Energy Commission of the United States of America within its geographic limits; and

Whereas said board is well aware of the need in the interest of public safety to surround such a plant with a wide protective area, requiring the acquisition of many acres of land; that in acquiring this acreage at the West Milton site, much of the most fertile farmlands of Saratoga County have thus been acquired to create this protective area and have been allowed to remain idle and vacant fostering the growth of inferior species of brush and scrub trees causing a general and steady deterioration of the land; and

Whereas this Board of Supervisors of Saratoga County, N. Y., takes the firm position that scientific progress in one field must and should be undertaken with full cognizance of and adherence to the established knowledge, rules and practices in allied fields which may be affected thereby; and

Whereas the rules, regulations and practices necessary for good land policies have been long established and include sound forestry practices and reforestation projects for watershed protection, to replace timber supplies depleted by both man and nature, to assist in the prevention of soil erosion, and to provide adequate refuge for wildlife and game: Now, therefore, be it

Resolved, That the Board of Supervisors of Saratoga County, N. Y., respectfully request that the Government of the United States of America, in the interests of general and overall scientific progress, take immediate steps to establish sound land policies on Federal projects, provide the necessary funds therefor, and institute the reforestation of approximately 1,500 acres of open, vacant and idle farmland in the protective zone surrounding the plant under the jurisdiction of the Atomic Energy Commission at the West Milton atomic project in the towns of Milton and Galway, Saratoga County, N. Y.; and be it further

Resolved, That a certified copy of this resolution be forwarded to Dwight D. Eisenhower, President of the United States, to Irving M. Ives and Jacob K. Javits, United States Senators from New York State, to Dean P. Taylow, Representative in Congress from the 31st District of New York State, to the United States Forest Service, to the Atomic Energy Commission, and to Knolls Laboratory, Schenectady, N. Y.

STATE OF NEW YORK,
County of Saratoga, ss:

I, Henry J. Kinns, clerk of the Board of Supervisors of Saratoga County, do hereby certify that the foregoing is a true copy, and the whole thereof, of a resolution duly adopted by the board of supervisors of said county, on the 8th day of April 1957.

In witness whereof, I have hereunto subscribed my name and affixed hereto the official seal of said board of supervisors, this 9th day of April 1957.

HENRY J. KINNS,
Clerk of the Board of Supervisors, Saratoga County, N. Y.

RESOLUTION OF BOARD OF SUPERVISORS OF MONTGOMERY COUNTY, N. Y.

Mr. JAVITS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Board of Supervisors of Montgomery County, N. Y., protesting against the removal of channel 6 from television station WRGB.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Resolution in opposition to proposed abandonment of channel 6 in relation to television station WRGB, Schenectady, N. Y.

Whereas the Federal Communications Commission has instituted a proceeding to terminate the use of channel 6 by television station WRGB located at Schenectady, N. Y.; and

Whereas the city of Amsterdam and the towns and villages of Montgomery County are within the range of channel 6 as presently used by television station WRGB located at Schenectady, N. Y.; and

Whereas a termination of the use of this channel by this television station would deprive many thousands of families residing in the city of Amsterdam and the towns and villages of Montgomery County from any television reception; and

Whereas these families have for many years past enjoyed television reception through station WRGB, channel 6: Now, therefore, be it and it is hereby

Resolved, That the Board of Supervisors of Montgomery County, on behalf of the people of Montgomery County, hereby protests the proposed plan whereby channel 6 will be removed from television station WRGB, and hereby urges that the use of this channel by this television station be continued without interruption.

Seconded by Supervisor Reese and duly adopted upon rollcall, all members present (17) voting aye.

Dated: Fonda, N. Y.; April 9, 1957.

H. WALTON BARNETT,
Clerk, Board of Supervisors.
MILBURN D. SMITH,
County Attorney.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HAYDEN, from the Committee on Appropriations, with amendments:

H. J. Res. 310. Joint resolution making additional appropriations for the fiscal year ending June 30, 1957, and for other purposes (Rept. No. 249).

(See the remarks of Mr. HAYDEN when he reported the above joint resolution, which appears under a separate heading.)

EVALUATION OF RECREATIONAL BENEFITS RESULTING FROM CERTAIN PUBLIC WORKS—REPORT OF A COMMITTEE—ADDITIONAL COSPONSOR OF BILL—MINORITY VIEWS

Mr. KERR. Mr. President, from the Committee on Public Works, I report favorably, with amendments, the bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood-control, navigation, or reclamation project an integral part of project planning, and for other purposes, and I submit a report (No. 250) thereon. My colleague, the junior Senator from Oklahoma [Mr. MONRONEY] and I were the authors of this bill. A similar bill, Senate bill 1221, was introduced by the Senator from South Dakota [Mr. CASE]. The committee considered both bills jointly, and has agreed to report S. 1164 with amendments. It is the desire of the authors of the two bills that they be cosponsors of the bill reported by the committee. I ask unanimous consent that the Senator from South Dakota [Mr. CASE] be listed as a cosponsor of S. 1164; and that when the bill is next printed, it bear his name, as well as those of the original authors.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The report will be received, and the bill will be placed on the calendar; and, without objection, the name of the Senator from South Dakota [Mr. CASE] will be added as a cosponsor of the bill.

Mr. KERR subsequently said: Mr. President, earlier today, from the Committee on Public Works, I filed a report on Senate bill 1164. One or two members of the committee were not in town, but have since returned and have indicated a desire to file minority views.

Therefore, I ask unanimous consent that any member of the committee may file individual or minority views during any recess or adjournment of the Senate, and that they may be printed as an addition to the report, and be made a part of the record.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina:

S. 1901. A bill to amend section 401 of the Federal Employees Pay Act of 1945, as amended; to the Committee on Post Office and Civil Service.

By Mr. DIRKSEN (by request):

S. 1902. A bill for the relief of Belia Rodriguez Ternoir; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1903. A bill to amend section 7 of the Administrative Expenses Act of 1946, as amended, relating to travel expenses of civilian officers and employees assigned to duty posts outside the continental United States; to the Committee on Post Office and Civil Service.

S. 1904. A bill for the relief of Oscar Ems de Huy; and

S. 1905. A bill to amend chapters 2, 3, 4, 5, 6, and 8 of the Immigration and Nationality Act; to the Committee on the Judiciary.

(See the remarks of Mr. BUTLER when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. BIBLE (for himself and Mr. BEALL):

S. 1906. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. BIBLE when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 1907. A bill to subject the special charter and sightseeing services conducted by the D. C. Transit System to those taxes which are imposed upon businesses engaged in the conduct of charter and sightseeing services generally; to the Committee on the District of Columbia.

By Mr. BEALL (for himself and Mr. BUTLER):

S. 1908. A bill to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; and

S. 1909. A bill to amend the Professional Engineers' Registration Act for the District of Columbia in order to exempt from the requirements of such act certain work by electrical contractors or master electricians; to the Committee on the District of Columbia.

By Mr. BARRETT:

S. 1910. A bill for the relief of Salvatore Salerno; to the Committee on the Judiciary.

By Mr. ERVIN:

S. 1911. A bill to authorize the United States Court of Claims by its rules to create and to prescribe the functions and duties of trial and appellate divisions; to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 1912. A bill to amend the Internal Revenue Code of 1954 to provide an income-tax deduction for depletion of human resources; to the Committee on Finance.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. O'MAHONEY (for himself, Mr. NEELY, and Mr. BUTLER):

S. 1913. A bill to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; to the Committee on the District of Columbia.

(See the remarks of Mr. O'MAHONEY when he introduced the above bill, which appear under a separate heading.)

By Mr. BEALL:

S. 1914. A bill for the relief of Stephen Peter Demogiannis (Stavros Pantellis Demogiannis); to the Committee on the Judiciary.

By Mr. NEUBERGER:

S. 1915. A bill to amend Public Law 883, 84th Congress to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes; to the Committee on Government Operations.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey:

S. 1916. A bill to amend the act of March 3, 1879, with respect to the admission to the mails as second-class matter of issues of publications having substantial bindings; to the Committee on Post Office and Civil Service.

By Mr. SMITH of New Jersey (for himself and Mr. PURTELL):

S. 1917. A bill to amend the provisions of the Public Health Service Act relating to grants for construction of research facilities so as to increase their duration from 3 to 5 years and to authorize grants for medical and dental teaching facilities; to the Committee on Labor and Public Welfare.

By Mr. SALTONSTALL (for himself, Mr. EASTLAND, and Mr. GOLDWATER):

S. J. Res. 83. Joint resolution to establish a commission to commemorate the 100th anniversary of the Civil War, and for other purposes; to the Committee on the Judiciary.

INTEREST RATES ON LOANS MADE UNDER RURAL ELECTRIFICATION ACT OF 1936

Mr. BARRETT submitted the following resolution (S. Res. 127), which was referred to the Committee on Agriculture and Forestry:

Resolved, That it is hereby declared to be the sense of the Senate that loans made under the provisions of the Rural Electrification Act of 1936 should bear interest at a rate not greater than the 2 percent per annum rate now provided by such act, and that no change with respect to such rate should be effected by the Congress.

Mr. MANSFIELD (for Mr. MCCLELLAN) submitted the resolution (S. Res. 128) providing for the extension of the special committee to investigate political activities, lobbying, and campaign contributions, which was considered and agreed to.

(See resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT

Mr. BUTLER. Mr. President, I introduce, for appropriate reference, a bill to amend chapters 2, 3, 4, 5, 6, and 8 of title II and chapter 2 of title III of the Immigration and Nationality Act. This bill is similar in many respects to Senate bill 3096 which I introduced on January 31, 1956. I ask unanimous consent to have printed in the RECORD a statement, prepared by me, explaining the purposes of this proposed legislation, which is of great importance to the American merchant marine.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 1905) to amend chapters 2, 3, 4, 5, 6, and 8 of the Immigration and Nationality Act, introduced by Mr. BUTLER, was received, read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. BUTLER is as follows:

STATEMENT BY SENATOR BUTLER

Senate bill 3096 was a substitute for Senate bill 2076 which I introduced May 25, 1955. Senate bill 2076 was in turn the same as Senate bill 2347 introduced by me on July 10, 1953, in the 83d Congress. Since then, 4 years' experience under the Immigration and Nationality Act of 1952 has revealed difficulties that require amendments which to

some extent are different than and additional to those in the original bill.

The new bill does three things. First, it makes technical changes to remove from the immigration law provisions which are at cross purposes with other laws enacted to promote the development of the United States merchant marine and United States air carriers. The Merchant Marine Act of 1936 declares it "to be the policy of the United States to foster the development and encourage the maintenance" of our merchant marine. Similarly, the Civil Aeronautics Act of 1938 declares it the policy of our Government to encourage and develop "an air transportation system adapted to the present and future needs of the foreign and domestic carriers of the United States, of the postal service, and of the national defense."

As a member of the Interstate and Foreign Commerce Committee I have become familiar with the importance of those policies and the serious problem faced by our carriers in their effort to fulfill those policies in international transport competition. We should not add to those problems by unnecessary or unrealistic provisions in any of our laws. The Immigration and Nationality Act, however, contains provisions which burden the development of our international transportation companies without contributing to the successful enforcement of the law. That law, although enacted primarily to protect the United States from the entry of dangerous aliens, imposes many fines, penalties, and expenses on our steamship lines and airlines. Thus, if an alien misleads or deceives our Government officials and our carriers as to his eligibility to enter the United States, the Immigration Act fines the carriers, makes them responsible for many expenses and the return trip fare of the alien. Even if an alien has been given permission to come to the United States by our State Department through the issuance of a visa and has been approved by our Immigration Service by being admitted to the United States, the carrier which brought him, nevertheless, may be fined $1,000 for doing so. Furthermore, the Immigration and Nationality Act requires carriers' employees to decide whether aliens are admissible to the United States even though those employees have no governmental power to investigate the alien, and must accept the alien's statements as to his eligibility. Some of these requirements are impossible impositions which retard the development of our international carriers and the related development of international trade and commerce.

On the other hand, as a member of the Judiciary Committee, I am concerned with the proper enforcement of our immigration policies. I do not favor legislation which would impair the ability of the Department of State and the Immigration Service to enforce those policies and, therefore, none of the provisions in my bill change the law as to kinds of aliens who may be admitted, nor do these amendments change the quota of aliens who may be admitted. To maintain our immigration policies, however, I do not think it is necessary to penalize our airlines and steamship companies. My amendments, therefore, seek to remove the unfair impositions on our carriers without changing the substantive immigration law or weakening its enforcement.

Second, the bill makes some technical changes in the law which will ease the burden on the agencies in issuing various travel and identity documents. The current Immigration Act in several of its provisions specifies in almost minute detail the contents of some applications for documents and of some documents themselves in such a way as to make it difficult to adjust the paperwork of the enforcement agencies to changing conditions. These amendments will not change the requirement for thorough investigation of aliens, but do relate to the forms and documents used by the agencies or by the aliens.

Third, the amendments deal with the visa procedures applicable to foreigners who come to the United States for temporary visits. Under the present law these visitors must meet the same tests and requirements as foreigners coming to this country for permanent immigration. It is generally recognized that the two groups should receive different treatment. Thus, the President in his state of the Union message recommended that different requirements be imposed on temporary visitors with respect to fingerprinting. My amendments would allow the relaxation of other formalities for temporary visitors from friendly countries but only after reciprocal agreements have been entered into with such friendly countries.

SECTION-BY-SECTION ANALYSIS OF THE AMENDMENTS TO THE IMMIGRATION AND NATIONALITY ACT PROPOSED IN THIS BILL

Section 1 amends the definition of the term "border crossing identification card" to permit it to be issued to persons living on adjacent islands and aliens visiting neighboring territories.

Reason for change: The border crossing card is a useful identification card now issued at our land borders by a consular officer or an immigration officer to expedite the identification of aliens who repeatedly cross the border. Under the present laws its use is limited because it is issued only to aliens who live on or near our land borders. The amendment would permit it to be issued also to persons who live on adjacent islands and who can, and do, because of the availability of the airplane, get into and out of the United States quickly and frequently. Since these border crossing cards are issued by our own Government officials, there is no question that adequate protection against the admissibility of undesirables will be maintained.

Section 2 amends section 212 (d) (4) to authorize the Secretary of State and the Attorney General to waive visas for bona fide visitors from friendly countries on a reciprocal basis.

Reason for change: The present law requires that a bona fide friendly visitor to the United States must meet all the formalities and requirements imposed on a person emigrating to the United States for permanent residence. This has the effect of making our country seem unfriendly to bona fide visitors. However, this amendment will permit the Secretary of State and the Attorney General to enter into agreements with friendly countries to reduce the requirements applied to bona fide visitors.

Sections 3, 4, 5, 6, and 7 amend several sections of the statute to remove detailed requirements on visas, applications for visas and other documents, and leaving such details to be specified by administrative regulation.

Reason for change: The detailed specifications in the statute prevent the Secretary of State and Attorney General from making changes in these documents to meet changing conditions and circumstances. It is the practice in most other statutes to give the administration more discretion and more flexibility to adjust the detailed requirements to the changing needs. These amendments would accomplish that in the current statute. The exact details to be shown on the documents could be specified by administrative regulations. These amendments do not change the policy requirements under the immigration laws.

Section 8 amends the act deleting section 223 entitled "Reentry Permits" in its entirety and by removing from the act all references to reentry permit wherever it appears.

Reason for change: The present law stipulates that any alien lawfully admitted for permanent residence who intends to depart temporarily from the United States may apply for, and the Attorney General at his discretion may issue, a permit to reenter the United States. The need for this reentry permit is questionable since the Attorney General already has the authority to readmit to the United States any alien previously lawfully admitted for permanent residence who departed from the United States temporarily without being required to obtain a reentry permit or other documentation. This authority is contained in section 211 (b) of the act. The application for and the issuance of a reentry permit is a needless waste of time, effort, and expense for both the Immigration Service and the alien since each alien lawfully admitted for permanent residence must register once a year and the Immigration Service has complete knowledge of the whereabouts and conditions of such alien's residence. My amendment would eliminate this duplication without changing the effectiveness of the immigration laws.

Section 9 would amend section 231 (d) of the act to eliminate a mandatory fine for errors in passenger lists, however, small and substitute therefore a fine which would be imposed if the carrier consistently refused to submit accurate passenger lists.

Reason for change: The present law calls for the imposition of a $10 fine for any error in passenger lists and manifests regardless of whether it was material and regardless of whether it interfered with the effective enforcement of the Immigration Act. The present law stipulates that the Attorney General must be satisfied that the provisions of this section have not been met, but this can result in an arbitrary decision without the carriers being given the opportunity of being heard. Even if the carriers appeal the decision the cost of such appeal can equal the amount of the fine. The present administration is apparently doing everything possible to regulate this provision of the act in a responsible manner. However, in view of the language contained in the present law, my amendment merely adds the provision that the carriers be given the right to correct clerical errors and that no fine be imposed until the carriers have had this opportunity. This amendment will not affect the enforcement of the law.

Section 10 amends section 231 (e) to clarify the Attorney General's power to waive passenger lists where they are not necessary.

Reason for the change: Passenger lists are not required of bus lines or railroads crossing the border under the present statute and this amendment grants the authority to the Attorney General to waive the requirements of such lists for other carriers where they are unnecessary or where they duplicate other information available to the Immigration and Naturalization Service.

Section 11 amends section 232 of the act to permit the steamship companies to detain an alien not only on the vessel which brought him but also on another vessel owned by the same steamship line.

Reason for the change: If the alien can be detained only on the vessel which brought him it impedes the turnaround of the vessel for its return voyage, the necessary fumigation, the performance of repairs on the vessel, the transfer of the vessel from one trade to another, or from the foreign trade to the coastwise trade. Permission to transfer the alien to another vessel will not hinder the enforcement of the act.

Section 12 amends section 233 (c) of the act to relieve the transportation companies of detention expenses in those circumstances where the alien is in possession of documents issued by the United States Government authorizing him to apply for admission or has evidence that he is exempt from those requirements.

Reason for the change: The present law imposes expenses for detention on transportation companies for bringing aliens even

though such aliens are in possession of documents issued by the United States Government authorizing them to come and the carriers to bring them. Transportation companies should be entitled to rely on documents issued by our Government, such as visas or other authorizations to apply for admission without suffering penalties because of such reliance.

Section 13 amends section 237 (a) of the act to relieve the transportation companies from the expense of deporting an alien when such alien was in the possession of a visa issued to him by the United States Government authorizing such alien to apply for admission to the United States, and to relieve the transportation companies for similar expenses in the case of a person who claimed United States nationality or citizenship and who was in possession of an unexpired United States passport or other evidence of such nationality or citizenship. Section 13 also amends section 237 (a) of the act to the extent that the alien deported under this section may be deported to a country willing to receive him.

Reason for the change: This amendment would permit a transportation company to rely on a document issued by the United States Government without subjecting that transportation company to the penalty of deportation expenses when the alien is rejected and refused admission after his arrival at a port in the United States. In addition, the present law provides that any alien arriving in the United States who is excluded under this act shall be immediately deported to the country whence he came. This stipulation results in undue hardships and expense to the carriers, and my amendment would permit the deportation of such an alien to another country willing to receive him with the approval of the Attorney General.

Section 14 amends section 237 of the act by adding a new subsection (f) to make clear that the carrier can protect itself from unscrupulous travelers by charging such travelers the transportation and other expenses incurred by the carrier because the alien was ineligible to enter the United States.

Reason for the change: The Senate committee report of the McCarran-Walter bill (Rept. No. 1137, Calendar No. 1072, January 29, 1952) indicates that the intention of the present law was to authorize the carrier to charge the alien for expenses incurred because the alien was inadmissible. That report says on page 34 "in this connection the provisions in existing law which prohibit a carrier from charging an excluded alien for his return transportation have been removed to make it clear that the carriers may enter into an arrangement with the alien for the payment of his return transportation. The provision in section 237 (b) (5) which makes it unlawful for a transportation line to take any fee, deposit, or consideration on a contingent basis to be kept or returned in case the alien is landed or excluded is not intended to preclude the taking of advance security from the alien for the payment of detention expenses in case he is detained; nor does the consideration referred to in that provision include a refund of money for the unused portion of a round-trip ticket. As revised, there is nothing in the bill which would preclude the carrier from selling a round-trip fare to an alien or making such other arrangement with the alien for the purpose of protecting itself from liability for costs incurred in connection with the bringing of the alien to this country.". To remove any doubt arising from the wording of the original section, my amendment adds this subsection to give effect to the original intent.

Section 15 amends section 243 (c) of the act to relieve transportation companies from the expenses of deportation when the alien brought to the United States was admitted or allowed to land by the Immigration Service.

Reason for the change: Aliens are in some cases examined and approved by two United States agencies. First, by the United States consul abroad who issued the visa and second, by the Immigration Service which admitted the alien to the United States. These aliens are nevertheless sometimes deported after a stay in the United States. At the present time the law imposes the costs of the deportation of these carefully screened and admitted aliens on the transportation companies. This is corrected by this amendment. Once the United States Government approves the alien for admission to the United States, there is nothing the carrier can do to avoid this penalty, and it should not be imposed.

Section 16 amends section 243 (e) to provide that carriers shall not be required to remove any alien from the United States or be fined for failure or refusal to so remove any alien unless such alien is in possession of a valid unexpired document authorizing entry into the country to which he is to be deported. Section 16 also amends section 243 (e) to include in this section the amendments made by this bill to section 237 (f), namely, authorizing the carrier to charge the alien the expenses involved in his deportation because the alien was ineligible to enter the United States.

Reason for the change: The present law provides that the carriers shall be punished by the imposition of a penalty because of a failure or refusal by the carrier to deport and pay deportation expenses when such failure or refusal may be the result of lack of documents authorizing the alien's entry to the country to which he is to be deported. My amendment merely provides that no action will be taken unless proper documents are available.

Section 17 amends section 251 (d) in the same manner as section 9 above amends section 231 (d), namely, to impose fines for errors in crew lists only when the errors are repeated and are continued so as to interfere with the proper enforcement of the immigration laws.

Section 18 amends section 251 of the act by adding a new subsection (f) which authorizes the Attorney General to waive the crew list requirements.

Reason for the change: There are circumstances when lists of crewmen are not necessary or there is duplicate information in the hands of the Immigration and Naturalization Service. This amendment authorizes the Attorney General to waive the requirement in such cases as he deems appropriate. The Attorney General has this power with respect to passenger lists, and this amendment gives him similar power with respect to crew lists.

Section 19 amends section 252 (b) to authorize a steamship company to detain crewmen on other vessels owned by that company.

Reason for the change: This amendment is similar to the amendment proposed above in section 11 with respect to the detention of passengers. If the alien crewman can be detained only on the vessel which brought him, it would impede the immediate movement of such vessel. Permission to transfer the alien crewman to another vessel of the same line will not hinder the enforcement of this act.

Section 20 amends section 254 of the act to authorize the operator of vessels to detain alien crewmen on other vessels of the same company.

Reason for the change: Section 254 (a) of the present law provides a penalty for the failure of the vessel operator to detain an alien crewman on board the vessel when permission to land has not been granted or such alien crewman is to be deported. My amendment provides that the Attorney General in his discretion may permit such detention on board another vessel of the same line in the same port.

Section 21 amends section 271 (b) of the act to relieve transportation companies of police responsibilities after they have presented an alien to the Immigration Service in an area subject to the control of that Service.

Reason for the change: There is no change in the penalty imposed on a transportation line if it lands an alien at an unauthorized place. However, after the carrier presents the alien to the Immigration Service, the carrier lacks the police power to make arrests and to physically control him. This amendment provides that once the alien has been delivered to the custody of the Imigration Service, that Service and not the carrier has the police responsibility of restraining him. This amendment is necessary in view of the existing language in section 271 (b) of the act.

Sections 22 and 23 amend section 272 (a) and (b) of the act to exempt the transportation companies from a fine for bringing an alien who is in possession of a visa or other document issued by this government authorizing the alien to apply for admission to the United States or who is allowed to land in or was paroled in the United States.

Reason for the change: In the present section 272 of the law the carrier is subject to a penalty for bringing aliens even though such aliens have been examined by the United States consul abroad and have been authorized by our Government to come to the United States. The carrier in such cases must rely on the document issued by our Government and will, under the amendment, not be fined for bringing the alien to the United States under such circumstances. This amendment also provides that if any alien is accepted by the Immigration Service and admitted to the United States, the carrier will not be penalized for bringing him.

Section 24 amends section 273 (a) of the act to eliminate the fine with respect to persons coming from adjacent islands to the same extent as they are presently eliminated with respect to persons coming from contiguous territories.

Reason for the change: The present law does not impose fines on the carriers bringing aliens from foreign contiguous territories because the enormous flow of that traffic makes it impractical for railroads, bus lines and other carriers to examine each alien and determine whether he is admissible. These same considerations apply to the heavy flow of traffic from such places as Bermuda and Nassau, and this amendment eliminates the fine for carriers operating from such areas.

Section 25 amends section 273 (b) of the act to substitute in certain cases for the $1,000 fine presently imposed on a carrier for bringing an alien to the United States who does not have a valid unexpired visa if a visa was required under this act. Further, this amendment eliminates any such fine or penalty if such alien was permitted to land or paroled into the United States.

Reason for the change: This amendment obviously needs explanation. At first glance it would seem only proper to impose a $1,000 fine on any carrier who brings an alien to the United States without a required visa. However, it must be admitted and experience has clearly indicated that established transportation companies do not willfully violate the law merely to gain additional traffic. My amendment provides that established transportation companies making regular trips to ports of the United States shall not be required to pay the $1,000 fine under this section but shall pay a sum equal to that paid by the alien for his transportation when such alien is not permitted to land or is not paroled into the United States. The cost of such transportation often exceeds $1,000 and in this day of heavy traffic demands the penalty of the loss of revenue is sufficient to act as a deterrent to those established carriers who through inadvertence may bring an improperly doc-

umented alien to the United States. Under my amendment the Attorney General would determine what carriers are classed as those making regular trips to the United States. The law would still contain the $1,000 fine plus other penalties for those other carriers who may not hold the laws of the United States in such high regard.

Section 26 amends section 273 (d) to authorize steamship companies to use a different vessel of the same line to detain a stowaway from the one on which he was brought. This is similar to the amendment proposed in section 11 above.

Section 27 amends section 316 of the act by adding a new subsection (g) in order to apply the provisions of this section to additional persons.

Reason for the change: Normally, an alien must live in this country 5 years in order to qualify for citizenship. If, however, he is sent abroad by the United States Government or employed abroad to further desirable national policy he may credit his residence abroad toward the naturalization requirements. The alien's wife and children do not receive credit for such residence under the present act. This amendment will give the benefits of section 316 to the spouse and children who live in the household of the alien described in this section who lives abroad.

CONFERRING OF CERTAIN DEGREES BY DISTRICT OF COLUMBIA TEACHERS COLLEGE

Mr. BIBLE. Mr. President, on behalf of myself and the Senator from Maryland [Mr. BEALL] I introduce for appropriate reference a bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements of such degrees.

The subject of the bill is of special importance in view of the fact that elementary school teachers and teachers at other schools receive salaries to which their degrees entitle them. The Senator from Maryland and I introduced a similar bill in the last session of Congress. Unfortunately, pressure of business in the closing days of that session prevented the bill from being enacted. I hope early action will be taken on the bill we are introducing today.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1906) authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes, introduced by Mr. BIBLE (for himself and Mr. BEALL), was received, read twice by its title, and referred to the Committee on the District of Columbia.

TAX DEDUCTION FOR DEPLETION OF HUMAN RESOURCES

Mr. NEUBERGER. Mr. President, I desire to bring to the attention of the Senate a very forward-looking proposal which has been introduced in the House of Representatives by the Honorable HERBERT ZELENKO of New York. Representative ZELENKO's bill would provide a tax deduction for the depreciation or depletion of the human resources upon which every working person must rely in earning his income, to parallel similar deductions which are now granted in our tax laws for the depreciation or depletion of natural and mechanical resources.

Mr. ZELENKO's bill, introduced on April 15, 1957, is H. R. 6912, and I introduce, for appropriate reference, a companion bill, so that Mr. ZELENKO's proposal may also be before the appropriate Senate committee for study.

The proposal is a very simple one. It is to give every taxpayer, after he reaches the age of 45 years, a deduction of 1 percent of his income earned by salaries, wages or other activities for each year of age after his 45th year. In other words, a taxpayer would subtract 44 from his age, and the resulting figure would represent the percentage of his earned income which he might take as a deduction for human depreciation or depletion.

Mr. President, in recent years we have become more and more conscious of the fact that older workers leave the labor force before their ability or their desire to contribute to the economy is exhausted—either by inability to find employment due to employers' policies or because the difference between their earnings, which are taxed, and their possible retirement benefits, which are not, do not justify further work. As Representative ZELENKO pointed out in his speech, the proposed progressive tax deduction for increasing age would serve as an economic incentive to continue work for those men and women who would prefer to remain gainfully occupied, while simultaneously giving due recognition to the inevitable facts of human depletion. We have fully, and perhaps more than fully, recognized the facts of physical exhaustion both for buildings, machinery and other capital equipment which is invested in the production of income, and also for natural resources such as oil, minerals and timber. I believe that the proposal which I am introducing for the attention of the Senate today can well serve as the basis for spotlighting the essential logic of applying to everyone who uses his own body or his mind in the production of income the same principles and standards which we apply to income earned from the exploitation of such natural resources and invested capital.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1912) to amend the Internal Revenue Code of 1954 to provide an income tax deduction for depletion of human resources, introduced by Mr. NEUBERGER, was received, read twice by its title, and referred to the Committee on Finance.

ATTACHMENT AND GARNISHMENT PROCEDURES IN THE DISTRICT OF COLUMBIA

Mr. O'MAHONEY. Mr. President, I introduce, for appropriate reference, a bill to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes. I assume the bill will be referred to the Committee on the District of Columbia. I introduce the bill on behalf of the distinguished Chairman of the Committee on the District of Columbia, the Senator from West Virginia [Mr. NEELY], my able colleague from Maryland, the senior Senator from Maryland [Mr. BUTLER], a member of the Committee on the Judiciary, and myself.

This measure is intended to amend the code of law for the District of Columbia by modifying certain provisions relating to the attachment and garnishment of salaries, wages, and commissions of certain judgment debtors.

An observation of what goes on in the District of Columbia among the credit houses which are permitted to operate here indicates that they are very heartless in the exploitation of the poorer people of the District, including many persons of the Negro race. Persons are urged and trapped into buying commodities payment for which is beyond their capacity. There have even been incidents in which it was found that, although the creditor had already garnisheed a debtor so trapped into a position of inability to pay, additional contracts of sale were made.

I am glad to say that the municipal court has been very alert in using the existing law, so far as it can be done, to stop this heartless practice of exploitation.

I was moved to seek an amendment to the code when I read recently of the decision of Judge Quinn, of the Municipal Court of Appeals of the District of Columbia, in a case in which the Westinghouse Co., or a branch of it operating in the District, was served with garnishee papers for less than $100, on the salary of one of the workmen at the plant.

There was a legal controversy, and an exemption was claimed within the meaning of the statute, and the record of the case actually shows that the creditor in that case falsified a court paper and served it upon the employer, and, by so serving the false paper, allegedly coming from the court, secured the money which had been under court ban.

Such action in the Capital of the United States is simply beyond belief. It seems to me that steps must be taken to stop this very serious abuse by which families are sometimes broken up. The head of a family, the worker, having been garnisheed without respect to exemptions, under the terms of existing law, and having no money left with which to buy food for his family, sometimes throws up his hands and leaves the family. The family cannot go on relief, because under the law the deserted wife is not the head of a family. There are numerous instances of this kind.

Therefore I trust that it will be possible for the Committee on the District of Columbia, after the Easter recess, if we have one, to proceed as early as possible to hearings on the measure.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 1913) to amend the Code of Law for the District of Columbia by modifying the provisions relating to the

attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes, introduced by Mr. O'MAHONEY (for himself, Mr. NEELY, and Mr. BUTLER), was received, read twice by its title, and referred to the Committee on the District of Columbia.

CONVEYANCE OF CERTAIN ADDITIONAL PROPERTY TO THE CITY OF ROSEBURG, OREG.

Mr. NEUBERGER. Mr. President, I am about to introduce a bill, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDING OFFICER. Without objection, the Senator from Oregon may proceed.

Mr. NEUBERGER. Mr. President, on February 29, 1956, I introduced a bill for the conveyance of certain properties in Roseburg, Oreg., to that city to be used in the public interest. The bill, with certain amendments, was enacted and became Public Law 883, 84th Congress. Briefly, it provided for the dwelling house, known as the Lillie Lela Moore House, together with furniture, personal effects, and jewelry stored in said dwelling house or elsewhere, to be placed in the hands of the Douglas County Historical Society. The bill also required the removal of the house from the land at no cost to the United States.

Mr. President, recent facts and developments make it a matter of duty to introduce another bill which will accomplish certain original objectives wherein Public Law 883, as enacted last year, falls short. Let me say that in S. 3316, as enacted with certain modifying amendments, the Federal Government retained title to the lots, including the one on which the dwelling house sits. As I have mentioned, Public Law 883 also requires the removal of the house.

This week I received an important letter from Mr. Robert J. Caley, president, Central Labor Council, Roseburg, Oreg. He writes:

> It has been brought to the attention of the Roseburg Central Labor Council that the house known as the Lilly Moore property, which was given to the Douglas County Historical Society by the last session of Congress must be moved by July 1, 1957, unless lots 5, 6, and 7 of block 29 in Roseburg are also turned over to the society. Several of our building-trades men have looked at the house to see if it could be moved and their report is that it would be impossible to move without destroying a large part of it. We believe the house to be of enough historical value to ourselves and our children to be saved and urge you to use your influence to secure the three lots so the house will not be destroyed.

It seems to me that it is necessary once more to consider the facts I presented last year, so that the basic intent of Public Law 883 may be realized. Mr. President, I beg your forbearance while I repeat certain statements I made at the time I introduced S. 3316. I believe it will make clear why new legislation is required to accomplish what was certainly the paramount objective of the act. I quote, as follows, from that statement:

> In Roseburg, Oreg., the Douglas County Historical Society, under the guidance of the president, Mrs. V. J. Micelli, has evidenced the interest, perception, and fidelity that makes the society's contribution of major importance to the cultural life of the county. The devotion and dedication so characteristic of the leaders of organizations like the Douglas County Historical Society may not bring rewards of ringing praise, public acclaim, or particularly wide recognition. They bring a rich reward, however, in the knowledge that generations to come will have a better understanding of the life and times of those who preceded them. * * * The ever-watchful eye of such organizations can prevent the irrevocable loss and dispersal of the indigenous monuments to progress found in every community.
>
> There is an old house in Roseburg, referred to locally as the Lillie Moore home, which was built a century ago by Lillie Moore's father for his young bride, Alice Gaylord. The home was representative of that stability and permanence befitting a community conscious of its sudden transition from the frontier days and its pioneer origins. It was proudly graced with many of the refinements of mid-Victorian living shipped around the Horn by order of the young groom, Mr. Moore. I have been told how the little daughter, Lillie Moore, who passed on at an advanced age, recognized that her childhood home had historical significance and should be preserved as a historical museum. This home has no electric lights, no modern heating, or other features common to our day, but it is completely representative of a prosperous, middle-class home of the 1850's.
>
> I have been told how Miss Lillie Moore sat with her neighbors and enumerated pieces of furniture within her home that should be included in any local historical exhibit. Her will, made in 1927, they tell me, evidenced her intent of a bequest for educational and public purposes. Lillie Moore was the last of her line. The family had its beginnings in the New England States, coming to Oregon in early pioneer days.
>
> On her death the property was left to the United States Government in the will probated in 1940, and following a period of litigation it was given to the Government in 1952. I am informed that the United States has had cash returns to date of $104,630.44 from this bequest.
>
> There remain in the possession of the United States three lots, the old home, and the contents of the home. Of minor value in comparison to that part of the bequest which has been sold, that which remains is admirably suited to the purposes of a museum in a city of over 12,000.

Mr. President, I am sure, if Lillie Moore could have foreseen certain events, her will would have been drawn differently. A dream she had long cherished, the use of her home as a museum, would have been carefully and specifically provided for. Perhaps instead of the Federal Government, a smaller division of government would have been the recipient of her bequest. Information that has come to me in recent months explains quite understandably why she made the designation she did. Shortly before Lillie Lela Moore made her will, she had had a difference of opinion with certain local authorities, presumably over the price of land the authorities were endeavoring to acquire for public use. Lillie Moore resented deeply what she believed was an attempt to acquire her land at a considerably lower cost than was paid for adjoining property. In drawing her will, her friends believe, she wanted to make sure the officials with whom she had differed would have no opportunity to administer her property. It was natural for her to think of the Federal Government as the proper recipient of her bequest. From the disclosures of her most intimate friends, it is evident that this will in no way alter her frequently expressed plan of providing a setting for a museum which would catch, and hold for posterity, some feeling and substance of a period receding into its storied past. In her experience, there could not have been sharp distinctions between the levels of government.

I have received several letters which throw light on this matter. I ask unanimous consent, Mr. President, to have these letters printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

> OAKLAND, OREG., *February 19, 1957.*
> Senator RICHARD L. NEUBERGER,
> *Senate Office Building,*
> *Washington, D. C.*
>
> DEAR SENATOR: Many of us in Douglas County are interested in obtaining the former Moore property for park purposes. My family were friends of the Moore family and visited often in their home. I recall a visit with Lillie shortly after her mother's death. She showed me sketches and plans she had for a park in memory of her family. She also pointed to an old Franklin stove and remarked that my children would never see one if her's was not saved. Her plans for planting of native plants and shrubs and of a building to house the historic things meant little to me then. Now that I am older and do have a family nearly grown I realize just how important Lillie's plan was. Here in the West we have little in the way of historical parks and most of us feel the great need for such.
>
> We, here in Douglas, are counting on you to do all that is in your power to save this piece of property for historic park purposes. Please do your best to help us.
>
> Sincerely yours,
>
> AGNES B. WILCOX.

> ROSEBURG, OREG., *March 18, 1957.*
> Senator RICHARD L. NEUBERGER,
> *Senate Office Building,*
> *Washington, D. C.*
>
> DEAR SIR: Numerous people in this area who are well informed regarding the Lillie Moore estate and her wishes concerning its disposition are truly hoping you will give your most earnest efforts to see that an equitable settlement is made of all the problems connected with it.
>
> We are grateful for the passage of the bill in the last session of Congress which gave the house and personal possessions of this estate to the Douglas County Historical Society. It was a right and equitable thing to do. However, we must have a place to house this valuable contribution, as well as the many pioneer trophies that are available as soon as we secure a place to exhibit and preserve them.
>
> We earnestly solicit your support of a bill to return lots 5, 6, and 7 of block 29 in Roseburg, the last remaining part of the estate. Also, we feel, since the Government has collected $106,000 under Miss Moore's will, it is not asking too much that $50,000 of it be returned with a provision that a

museum be built with the money. This reimbursement will provide that a wealth of historical data and material will be available to Oregon as well as to its many visitors.

Miss Moore's friends and associates of her later life insist she had just such a plan in mind for the housing of her family possessions.

Yours very truly,

MRS. ETHEL C. CHASE.

ROSEBURG, OREG., *March 12, 1957.*

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: It is generally known that it was the intention of Miss Lillie Moore to leave her possessions for the preservation of local history. All her family possessions were carefully described, documented and a history attached to each item. It seems apparent that the results of willing her estate to the United States Government did not carry out her intent.

I request your support of a bill promoted by the Douglas County Historical Society and the city of Roseburg to return lots 5, 6, and 7 of block 29 in Roseburg, and a refund of $50,000 which is half the cash turned over to the Government from this estate. This centrally located property is an ideal place for a museum and would fulfill the dreams and plans made by Miss Lillie Moore.

Very truly yours,

LELA TYLER.

LANE COUNTY
PIONEER HISTORICAL SOCIETY,
Eugene, Oreg., March 31, 1957.

Senator RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR MR. NEUBERGER: Our society is concerned about a matter affecting the welfare of a neighbor of ours, namely the Douglas County Historical Society. A Roseburg woman, Miss Lillie Moore, left her estate in a way intended to benefit the local society by providing funds or the equivalent for the preservation of the history of Douglas County. Through a series of unfortunate circumstances, her plans seem doomed to failure. A bill was passed in the last session of Congress, giving the house and personal possessions to the society, but retaining the three lots upon which the house stands, and making no provision for returning any of the $106,000 in cash that was turned over to the Government from the estate. The Douglas County Historical Society is asking that the three lots be given them, and also $50,000 of the cash, in keeping with Miss Moore's desire to help the society; the property and money to be used for a museum. Our Lane County Pioneer-Historical Society wishes to go on record as endorsing the request and encouraging you and Mr. Porter to give your support to a bill providing for its fulfillment.

Sincerely yours,

FREDERICA B. COONS, *Secretary.*

DOUGLAS COUNTY,
Roseburg, Oreg., March 5, 1957.

Hon. RICHARD L. NEUBERGER,
Senate Office Building,
Washington, D. C.

DEAR SENATOR NEUBERGER: This county court confirms that it was generally known that Miss Lillie Moore, for many years prior to her death, made drawings, and held conversations that would indicate her intention of bequeathing her property and estate for preservation of local history.

The results of willing her estate to the United States Government is a miscarriage of her intent.

This county court would, therefore, endorse support of a bill promoted by the Douglas County Historical Society and the city of Roseburg. The land residue, and a refund of half of the cash from Lillie Moore's estate, for museum construction, we should consider a just recognition of her intent.

Very truly yours,

COUNTY COURT OF
DOUGLAS COUNTY, OREG.,
V. T. JACKSON,
County Judge.
FRANK ASHLEY,
Commissioner.
HURON W. CLOUGH,
Commissioner.

Mr. NEUBERGER. I should like to emphasize the fact that the Federal Government has enjoyed a generous profit from this bequest. Well over $100,000 has gone into the Federal Treasury.

The bill I am introducing is identical to a bill being introduced in the House today by Congressman CHARLES PORTER, in whose district the property concerned is found. As I have said, this bill corrects certain shortcomings of the bill as enacted last year. I believe, Mr. President, that it will provide for the fulfillment of the hopes and dreams long held by Lillie Lela Moore. I am sure there would be no precedent set in legislation that would at last accomplish these objectives.

The bill I am proposing makes certain amendments to Public Law 883. It would strike out the language "and removed from said land without cost to the United States" and would add a section conveying to the city the three lots previously excluded, the condition remaining that the use of the property shall be as an historical site operated by the Douglas County Historical Society. A recapture clause remains in the bill, but there is added a section which directs the Secretary of the Treasury to make a payment of $50,000—representing approximately one-half of the revenue the United States has realized from the property to date—to the Douglas County Historical Society for use in the development and preservation of the museum.

Mr. President, I also ask unanimous consent to have the bill as introduced printed in the RECORD at the conclusion of my remarks and that it be referred to the appropriate committee.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1915) to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes, introduced by Mr. NEUBERGER, was received, read twice by its title, referred to the Committee on Government Operations, and ordered to be printed in the RECORD, as follows:

Be it enacted etc., That the act entitled "An act authorizing the Administrator of General Services to convey certain property which has been declared surplus to the needs of the United States to the city of Roseburg, Oreg.," approved August 1, 1956 (Public Law 883, 84th Cong.; 70 Stat. 887), is amended—

(1) by striking out "and removed from said land without cost to the United States"; and

(2) by adding at the end thereof the following:

"SEC. 2. The Administrator shall convey to the city of Roseburg, Oreg., all right, title, and interest of the United States in and to the following described property:

"Lots 5, 6, and 7, block 29, city of Roseburg, Douglas County, Oreg. Subject to rights granted to John Hunter by deed dated April 7, 1899, granting access over a 10-foot gateway along the south and east sides of lot 7 and the east side of lot 6 as recorded in volume 39, page 186, Deed Records of Douglas County, Oreg. Subject to the rights of the public, if any, to use an alleyway along the east side of lots 5, 6, and 7.

"Such property shall be conveyed on condition that the Douglas County Historical Society shall use such property as an historical site, and if such property shall ever cease to be so used, title thereto shall revert to the United States which shall have the right of immediate entry thereon. The cost of any survey which the Administrator determines is necessary to carry out the provisions of this section shall be paid by the Douglas County Historical Society.

"SEC. 3. If the real property described in section 2 of this act reverts to the United States, the property described in the first section of this act shall, within such reasonable period of time after such reversion as the Administrator may prescribe, be removed from such real property by the Douglas County Historical Society without cost to the United States and disposed of by the society in such manner as it may deem appropriate.

"SEC. 4. In order to provide assistance in the development of a museum for the purpose of preserving historical objects of Douglas County, Oreg., the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Douglas County Historical Society the sum of $50,000, representing approximately one-half of the amounts heretofore received by the United States from the property devised to the United States by Lillie Lela Moore."

SEC. 2. The Administrator shall make such changes in the conveyance authorized by the first section of Public Law 883, 84th Congress, or make such new conveyance, as may be necessary to carry out the purposes of the amendments made by the first section of this act.

CONVEYANCE OF CERTAIN LAND TO COMMONWEALTH OF KENTUCKY—ADDITIONAL COSPONSOR OF BILL

Mr. MORTON. Mr. President, on April 9, my colleague, the senior Senator from Kentucy [Mr. COOPER], introduced Senate bill 1823. This bill authorizes the transfer of Bunker Hill Island, now Federal property in Kentucky, to the Commonwealth of Kentucky for recreation purposes.

At the invitation of the senior Senator from Kentucky, I intended to cosponsor the bill. I find that, inadvertently, my name as cosponsor was not included when the measure was introduced. I, therefore, ask unanimous consent that I be listed as a cosponsor of the bill. This request has been cleared and approved by the senior Senator from Kentucky.

In addition, Mr. President, I ask that a letter on this subject from the Honorable Laban P. Jackson, Commissioner of Conservation for the Commonwealth of Kentucky, explaining the Governor's intentions as to the development of this

island, be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, the name of the junior Senator from Kentucky will be added as cosponsor of Senate bill 1823; and, without objection, the letter will be printed in the RECORD.

The letter presented by Mr. MORTON is as follows:

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF CONSERVATION,
Frankfort, Ky., April 12, 1957.

Senator THRUSTON B. MORTON,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORTON: We appreciate very much your efforts in helping the Commonwealth obtain Bunker Hill Island. So that you might strengthen the case, it is believed that it would be helpful for you to know what our general plan is for its future.

Governor Chandler has instructed me that as soon as he receives the deed he will survey and build a causeway connecting the island with the mainland. It is his plan to develop this island in its initial stage as a recreation area with a swimming pool, picnic tables, grills, a group camp, tent and trailer area, and perhaps a golf course.

As the tourist business increases we would enlarge on its expansion with a central building, eating and sleeping accommodations, and the like.

We are all grateful to you for your help and your interest in your Commonwealth.

Sincerely yours,

LABAN P. JACKSON,
Commissioner of Conservation.

PRINTING OF REVIEW OF REPORTS ON PORT ARANSAS-CORPUS CHRISTI WATERWAY, TEX. (S. DOC. NO. 33)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting a report dated March 6, 1957, from the Chief of Engineers, Department of the Army, together with accompanying papers and an illustration, on a review of reports on Port Aransas-Corpus Christi Waterway, Tex., branch channel to La Quinta, requested by resolution of the Committee on Public Works. I ask unanimous consent that the report be printed as a Senate document, with an illustration, and referred to the Committee on Public Works.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico? The Chair hears none, and it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. SALTONSTALL:

Address on the subject Republicanism at Work Today, delivered by Senator THYE before the Ramsey County Young Republican League annual convention, in St. Paul, Minn., April 13, 1957.

FIRST URGENT DEFICIENCIES APPROPRIATION BILL—EASTER RECESS

Mr. MANSFIELD. Mr. President, I have an announcement to make for the information of the Senate. I know that Members of this body are aware of the conflict that has existed between the two Houses of Congress on the first urgent deficiency appropriation bill.

For a number of weeks this conflict has centered on the refusal of the House to agree to the funds requested by the President and required to meet urgent payments in the fields of social security and domestic mining. The leadership in the Senate is still hopeful that this conflict can be resolved prior to the Easter recess. It is our judgment, however, that we should not adjourn at this time without passing these items in the deficiency appropriation bill.

Since the House does not share our convictions in this regard, I think that it is important to make clear the intentions of the leadership. If the House decides to adjourn for the Easter period, the Senate will certainly not refuse its consent to their adjournment resolution.

The leadership feels, however, that the Senate itself should not join in such an adjournment.

I repeat, however, that the leadership is still hopeful that the continuing resolution, as amended by the Senate Appropriations Committee, affecting this appropriation bill can be adopted and sent to the White House before the time for adjournment for Easter arrives.

We are advised that great hardship will come to aged and dependent persons unless the deficiency funds requested by the Social Security Administration are promptly made available. Similarly, severe and unwarranted hardship will result to the people in the domestic mining industry in this country if the deficiency funds requested by the President for them are not forthcoming at once.

The importance of these items is so great that the leadership of the Senate feels it would be derelict in its duty if it did not make every reasonable effort to persuade the House to join with the Senate in agreeing to the amendments to the House continuing resolution, and doing so prior to the Easter recess.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am delighted to yield to the Senator from California.

Mr. KNOWLAND. I wish to say to the distinguished Senator from Montana that the Committee on Appropriations has just concluded a meeting at which it had under consideration the House Joint Resolution 310.

After due deliberation, the Senate Appropriations Committee has recommended certain committee amendments dealing with several sections of the joint resolution.

House Joint Resolution 310, as Senators know, includes important items with respect to the Agricultural Conservation Program Service; the Farmers' Home Administration; the Disaster Loan Revolving Fund and certain loan authorizations; the Small Business Administration, which is of great importance to the country; the American Battle Monuments Commission; the Department of Health, Education, and Welfare; the Social Security Administration, including grants to States for public assistance; and certain civil functions of the Department of Defense, Department of the Army. There are certain amendments to language.

Of course, the resolution contains items on which there has been no dispute at all, with respect to which there is comity between the two Houses, which items the other body has recommended. The Senate requests have already been taken care of.

This joint resolution has now been reported, with amendments, to the Senate. I understand the copies of the report will be available in about 1 hour's time.

I shall say, as I have said privately to the acting majority leader, it was the intention of the chairman of the committee, the Senator from Arizona [Mr. HAYDEN], as I understand, to ask the Senate for immediate consideration of this resolution as soon as the copies of the report are available.

I wish to say to the Senate that I personally cannot see why either House of Congress would wish to take a recess while there is danger of the old-age assistance payments, the Small Business Administration, and so forth, and the possibility that they might not be able to function during the period of 10 days. So, of course, no resolution providing for an Easter recess has been submitted up to this time. I hope we shall not have one submitted until there has been final disposition of the urgent deficiency bill.

Mr. MANSFIELD. I wish to assure the distinguished minority leader that I shall work in cooperation with him wholeheartedly in trying to bring to a conclusion the difficulty which he has just brought to the attention of the Senate.

Mr. HILL. Mr. President, will the Senator from California yield?

Mr. KNOWLAND. I yield.

Mr. HILL. Does the Senator from California not think it would be wise to advise the Senate that when House Joint Resolution 310 comes before the Senate, later in the afternoon, there will probably be at least one yea-and-nay vote, and maybe more than one yea-and-nay vote, so that the Senate will be on notice.

Mr. KNOWLAND. The Senate will be on notice that during the afternoon there will be at least one and perhaps several yea-and-nay votes, in order that the position of the Senate may be made very clear as to the proposed committee amendments.

Mr. HILL. I thank the Senator.

Mr. WILEY. Mr. President——

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Senator from Wisconsin.

Mr. WILEY. Mr. President, I have listened with a great deal of interest to the discussion, and I agree with the sentiments expressed by the minority leader and the acting majority leader.

I feel that the country should be made aware of the exact situation. The responsibility does not rest with the executive; the responsibility rests with the legislative branch, to perform its functions.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF MILWAUKEE

Mr. WILEY. Mr. President, I rise to comment on a significant event which took place on the 11th day of April.

It was the dedication to the service of God and youth of the finest Young Men's Christian Association building in the world. This is the New Central Branch of the Milwaukee County YMCA.

The dedication is a noteworthy event to our country, since the New Central Branch is the focal point of the nationwide expansion program undertaken by the Young Men's Christian Association in the postwar era. Millions of dollars are being spent by the YMCA to provide more and better facilities for the youth of our country.

It is heartening to know that the YMCA, through its wholesome program, is actively engaged in meeting the challenge presented by this age of high-powered motors and rising juvenile delinquency, as disclosed by J. Edgar Hoover.

Mr. President, I ask permission to have printed in the CONGRESSIONAL RECORD at this point a self-explanatory letter from Mr. Edwin A. Gallun, president of the metropolitan board of directors of the Young Men's Christian Association of Milwaukee.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

YOUNG MEN'S CHRISTIAN ASSOCIATION,
Milwaukee, Wis., April 10, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D.C.

MY DEAR SENATOR WILEY: A bright new chapter in the long and distinguished history of the Young Men's Christian Association will be written in Milwaukee on Thursday, April 11.

That is the date of the dedication of the association's finest building in the world, the New Central Branch, located on the Court of Honor in downtown Milwaukee.

The dedication is of special national importance since New Central Branch—18 stories high—is the largest and most completely equipped building constructed by the YMCA in the postwar era, during which $185 million have been spent for building purposes throughout the country.

This inspiring outpouring of funds for a program dedicated to the service of youth has a twofold significance. First, it is proof that Americans, made aware of the needs of young people, are generous in providing facilities for them. Second, it indicates that the people of this country are confident the YMCA program offers an excellent opportunity for youth to develop spiritually, physically, and mentally.

Thursday's dedication dinner will be attended by 800 Milwaukee area residents, who will represent the 20,000 persons who contributed to the fund campaigns which made possible New Central and eight other branches in the community.

With God's help, New Central—like all YMCA branches—will mold better Milwaukeeans for a better America in the years ahead.

Very respectfully,
EDWIN A. GALLUN,
President.

CRITICISM OF CONGRESS

Mr. SMITH of New Jersey. Mr. President, from time to time it is suggested in the press and by comments of various sorts that our legislative program this year is slow in getting under way. I am inclined to think this is true. However, I am one of those who like to take a positive position, and to insist that those things that are worth while doing not only can be done, but should be done.

To illustrate the kind of criticism the Congress is receiving, I ask unanimous consent to have printed in the RECORD at this point in my remarks an editorial from the New York Times of April 11. This editorial is entitled "Fourth Month," and implies that we need some speeding up if we are to get through with the President's program before adjournment.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FOURTH MONTH

The fourth month of the first session of the 85th Congress is now well along; and it must be said that the legislative record both of the Congress itself and of the administration which is supposed to lead it has been virtually negligible. Admittedly, there is a special problem when the administration is controlled by one party and the Congress by the other; but in fact the President has been having almost as much trouble with his fellow Republicans as with the Democrats.

This odd situation is pointed up by an Associated Press report that the Republican Congressional leaders warned the President this week that he would have to throw his personal weight into the legislative struggle if he wanted to see action on his own program—which is another way of saying that he will have to fight a good deal harder than he has been fighting, and more consistently. Of course, things are not made any easier for the President when the leader of his party in the Senate loudly opposes the administration itself in certain important aspects of foreign policy—aid to Poland being a recent example—and when GOP leaders in both Houses are notoriously reluctant to support many phases of the domestic program, including the Presidential budget. The net result is that the prospects of a respectable legislative record at this session are not good.

Exactly two measures of major importance have been adopted so far, one of them after a leisurely 2-month delay in the Senate despite Presidential indications of urgency. This was the administration's Middle East proposal. The other bill had to be, and was, approved by April 1: extension of corporate and excise taxes at existing rates. Apart from these two, nothing much has been accomplished except a sorry display of buck-passing between the President and Congress over the highest peacetime budget in history. The House has voted a half dozen of the 1958 appropriation bills, with claimed savings of over a billion dollars; but the Senate has finally acted on none of them—and the prospect is that, as usual, many of the cuts will be restored, as indeed some of them should be.

President Eisenhower at this late date has finally been galvanized into action on probably the most vital of his programs: an adequate foreign—or, to use his own more accurate phrase—mutual aid bill. Any competent observer of Congress could have detected long ago that this area of governmental activity, of supreme concern to the long-term security of the United States and of the free world, was sure to run into heavy weather. It can be no surprise that that is just what is happening now. The administration's recent proposals in the field of mutual security are on the whole good ones but they will need a maximum effort from the White House to put them across.

Aid to education, civil rights, immigration—all matters of first-rate importance—are in difficult straits. No final action has been taken by either House on the first two, and practically nothing at all has been done on the third. Membership in the Organization for Trade Cooperation—a must if we are to make good our lofty pronouncements in favor of liberalizing the channels of world commerce—has got nowhere. Statehood for Alaska and Hawaii is once again—for the *n*th time—in the hearing stage. And so on down the long list presented to Congress in the President's messages early in the year, not to mention pledges in the party platforms.

It is always true that Congress begins slowly and ends in a whirlwind. But the beginnings this year have seemed even slower than usual and the prospects at this writing are—unless a sudden change takes place and soon—that the finish will be more wind than action.

Mr. SMITH of New Jersey. Mr. President, I am in general accord with the suggestions contained in this editorial, and I propose to do all I can to expedite matters. There are a number of items to which I wish to invite special attention, items which are generally agreed to be controversial:

First. Economic aid to those satellite countries that may be encouraged to seek their own independence and be freed from the domination of Moscow. I refer, for example, to Poland; of course to Hungary, when we know how the aid can be supplied there; to Yugoslavia and the other countries in this group. Everything that we can do legitimately, without the use of force, to support the yearning for freedom, independence and self-determination of these captive peoples is to the advantage of the Western free world and on the positive side of the terrific struggle between freedom and slavery.

Second. The budget. The budget problem can be solved if we will all be realistic, and refrain, in the present emergency, from adventuring into new fields.

Third. The school construction program. This program calls for a substantial expenditure, but if we can understand the purpose of the school construction legislation as proposed by the administration, we will see that we are only asking the Government to help fill the shortages in school facilities that were created by our inability to do anything for school construction during the war. When that vacuum is filled it now seems clear that State by State the yearly demand for additional school facilities can be taken care of locally.

Fourth. Civil rights. The reasonable program proposed by the administration guaranteeing the most elementary rights of American citizens needs our prompt attention.

Fifth. Immigration proposals of the administration.

Sixth. The Organization for Trade Cooperation. This is opposed because there is a misunderstanding of the objectives. If we believe in the expansion of world commerce, which in our present world is so vital for international understanding and good will, we must recognize that the OTC is simply a mechanism for giving the United States its fair share in the general expansion of world trade.

Seventh. Statehood for Alaska and Hawaii, promised in the platforms of both political parties.

Eighth. The so-called foreign aid program. I urge strongly the support of the new approach of the administration for making this program more clearly understood and for making it effective. The entire program, both military and economic, is critically related to the security of America. It is not in any way a handout to other countries, as has been argued in some quarters. The studies of the Special Committee, made up of members of the Foreign Relations Committee, the Armed Services Committee, and the Appropriations Committee, point clearly to the formula which the administration, through Secretary Dulles, has recently proposed. This formula separates the military from the economic parts of the program.

It is suggested that hereafter the Department of Defense should recognize our foreign military assistance as a part of our defense program. Also that the so-called economic aid hereafter should be handled through a revolving loan fund, similar in its operation and complementary to the operations of the Export-Import Bank and the World Bank. Also, it contemplates private investment in foreign countries.

The whole purpose of this part of the program is to aid the underdeveloped countries of the world in their build-up of their own economic health and in helping them to help themselves to qualify for full membership in the family of nations.

The key emphasis of this program is on repayable loans, in many instances long-term loans, and not grants.

In this last connection I ask unanimous consent that the very pertinent article by Mr. Roscoe Drummond, which appeared in the Herald Tribune of Friday, April 12, entitled "New Approach to Economic Aid," be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW APPROACH TO ECONOMIC AID

(By Roscoe Drummond)

WASHINGTON.—The Eisenhower administration is at last presenting its economic-aid program in a form which is beginning to make an appeal to Congress and which is capable of making sense to the public.

The President never spoke a truer word than when he remarked recently—and a bit wryly—that the mutual security program has no constituents, that is, no body of voters who are passionately for it because it helps them personally like dams, farm relief, and a well-located defense plant.

The fact is that military and economic assistance has always been propounded to Congress in an atmosphere of crisis and urgency and was accepted pretty much on faith and without much conviction.

That couldn't go on indefinitely. As the sharply declining support in Congress during the last 2 years has indicated, most Congressmen were becoming convinced that the American people were not willing to support such a program much longer. They simply couldn't explain it to their doubting constituents.

They found that few understood that most of the money appropriated under so-called foreign aid goes for the explicit purpose of military equipment and defense support without which the United States would have to spend much more money on its own military budget. Of the proposed appropriation for the coming fiscal year $2,400,000,000 are for military hardware and $800 million are for direct defense support without which our allies (Korea and Formosa are good examples) could not maintain the level of forces necessary to guard the free world, including the United States. No more than $950 million are earmarked for economic development and technical assistance.

Argument over foreign aid usually begins with a leading question like: "Why should we spend over $4 billion a year to help other countries?" No doubt many people look upon this as a $4 billion pie-in-the-sky boondoggle when most of this money ($3,200,000,000) goes for vital military defense. On this point Admiral Radford, as Chairman of the United States Joint Chiefs of Staff, has testified:

"The military aid program is part and parcel of the United States Defense Department program. The expenditures abroad in support of our alliances do not differ in purpose, scope, or objective from our own military expenditures."

These are some of the reasons why the administration is proposing:

That all of the military side of mutual security aid—military hardware and direct defense support—be made a regular part of the annual budget of the Pentagon. (Sensible and straightforward.)

That economic aid for development purposes and technical assistance be the primary job of the present International Cooperation Administration.

That most economic aid for development purposes be put on a loan basis (more liberal than existing Government banks can permit) and that a revolving fund for this purpose ($500 million for the coming fiscal year) be authorized by Congress so that the United States can assist underdeveloped countries with long-range projects. There would additionally be some grant and technical assistance aid—all of which would have the effect of stability in the free world and enlarged opportunity for American business.

All these changes make sense. They make the aid program more comprehensible and will make its administration more efficient.

Every committee or commission, whether appointed by Congress or by the President, which has investigated the aid program in the past year recommends its continuance. The Fairless Committee, the IDAP (International Development Advisory Board) and the CED (Committee for Economic Development)—all manned by United States business leaders—

Agree that foreign aid is in the national interest.

Urge that it be put on a more long-term basis.

Recommend that most of it be in the form of loans.

Want to see private investment encouraged.

The administration hopes that this wide area of agreement among those who have looked at the facts first-hand may carry weight with Congress and the country.

POSITION OF THE UNITED STATES IN THE FIELD OF GUIDED AND BALLISTIC MISSILES

Mr. SYMINGTON. Mr. President, there is an ever-increasing interest on the part of the American people about the position of its Government in the field of guided and ballistic missiles; and especially its relative position as against the progress made in this field by the Communists.

This interest has been increased as a result of the threats the Soviet Union has made in recent weeks against Denmark, Norway, Iceland, Belgium, Holland, West Germany, Saudi Arabia, Iran, Greece, and Turkey.

And also the similar threats made against England and France nearly 6 months ago.

In this connection, Mr. President, I ask unanimous consent that the attached article by General Phillips in the St. Louis Post-Dispatch of Sunday, April 14, be inserted at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RUSSIANS HAVE 6 MISSILES IN PRODUCTION OR DEVELOPMENT—REPORT FOR SENATORS SAYS 4 BEING PRODUCED HAVE RANGES UP TO 1,800 MILES—BACKS UP THREATS

(By Brig. Gen. Thomas R. Phillips, U. S. Army, Retired)

WASHINGTON, April 13.—While Moscow has been broadcasting almost daily threats of nuclear destruction against the allies of the United States, an alarming picture of Soviet progress in guided missiles has come to light here.

A pamphlet prepared for the Senate Armed Services Committee on the missile programs of foreign countries, and just published, discloses that Russia has in operation or in development six types of ballistic missiles. Four of the missiles have ranges up to 1,800 miles.

The others being developed and tested have ranges of 4,000 to 10,000 miles, according to the pamphlet, which devotes 21 pages to Soviet progress in the missile field.

LAUNCHING SITES BUILT

Russia also is well along in preparations for using medium- and long-range ballistic missiles, with missile-launching sites already established in Eastern Europe.

Thus a terrifying missile race is under way between Russia and the United States. Some say this is a further deterrent to war. Others say that war will be so easy to start when all that is necessary is to send missiles on their way, that the danger has been enormously enhanced.

Certainly, if Soviet threats mean anything, war rarely has been closer.

The information in the Senate Armed Services Committee pamphlet was all obtained from unclassified sources. It was, in fact, checked in the Defense Department and published material which it was thought should have been classified was deleted.

Even so the picture it gives of Soviet progress in guided missiles is sufficiently alarming. There is nothing in it to indicate that the Soviets have either an intermediate range ballistic missile or an intercontinental ballistic missile of any great accuracy.

SIX BALLISTIC MISSILES

But it does show that the Russians have, in operation or in development, six ballistic, or winged, missiles with the following ranges:

T-1, range 400 miles, operational and in production; T-2, range 1,800 miles, in pro-

duction and undergoing qualification tests; T–3, range 5,000 miles, 2 or 3 stages, in development and being tested; T–4, range 500 to 1,000 miles, a winged T–1, in production.

T–4A, range 4,000 to 10,000 miles, a 2-stage antipodal glide bomber weighing 100 tons, in development; T–7A, range 30 to 60 miles, operational and in production.

Thus Russia has four ballistic missiles with ranges up to 1,800 miles, and is developing and testing two with ranges of from 4,000 to 10,000 miles.

Some of the information on which the table is based is a year or more old, so Russia may be considerably further ahead than is indicated.

FURTHER ALONG THAN UNITED STATES

The Soviet Union is further along in preparations for using medium- and long-range ballistic missiles than is the United States. A fourth service, the rocket force, on par with the army, navy, and air force, has been organized to take over the development and operation of missiles and missile air defense.

Missile sites have been established in Eastern Europe. A dispatch from Vienna April 8 said that during the recent visit to Moscow by Hungarian Premier Janos Kadar an agreement was reached to build bases in Hungary near Papa, Tapolca, Hajmasker, and Pecs. All are within 37 to 62 miles of the Austrian border.

The Cairo radio on April 8 announced activity is going on in "the Eastern bloc which is setting up bases for atomic weapons in Eastern Europe, carrying out a series of tests of guided missiles and conducting military maneuvers on the borders of Turkey."

Needless to say, "these activities," according to Cairo, "are merely a reaction to similar activities in the Western camp which is acquiring aggressive bases in the countries of Western Europe."

FIFTY MISSILES REPORTED FIRED

Hanson Baldwin, military editor of the New York Times, has reported that the Russians already have fired 50 missiles with a range of 800 miles.

The report to the Senate Armed Services Committee includes a chart showing Soviet missile launching bases, missile plants, schools, test centers, development center and missile engine development centers.

It indicates 36 launching bases in western Russia and the satellite states and others in the Far East. The actual number today is unquestionably far greater and is being increased rapidly.

Missile plants indicated number 12. There are 6 missile schools, 12 missile development centers and 6 missile engine development centers.

GUIDANCE A QUESTION

The data given in the report to the Senate committee does not indicate how good the guidance of Soviet missiles is, but it does show that the Soviet Union, regardless of the degree of refinement of its medium- and long-range missiles, is much further along in production and preparations to use them than is the United States.

As for short range army, navy, and antiaircraft missiles it appears that the United States is far in advance of the Soviet Union. It has been reported but not confirmed that Moscow is protected by 2 rings of antiaircraft missiles 25 and 50 miles distant. If this is the case, it indicates that the Soviet antiaircraft missiles have no more range than the United States Army's Nike A, which is being superseded by the much more effective Nike Hercules.

THREATS TO NATO NATIONS

Since an announcement recently that the United States is preparing to supply some of its allies in the North Atlantic Treaty Organization with various types of guided missiles, without nuclear warheads, the Moscow radio has threatened nine of the NATO countries with atomic destruction in the event of war.

A typical threat was that made to Norway by Soviet Premier Bulganin March 27 that "it might have to pay dearly for the bases," and that it is "a natural right and duty for any state exposed to attack to make sure that the bases set up for the purpose of the attack be liquidated at once."

WHAT PRICE DEFIANCE?

What will happen to a nation that thus defies the Soviet Union?

"Tests * * * show that one hydrogen bomb can produce destruction within a radius of up to several hundred kilometers," Bulganin warned.

How will the bombs be delivered?

"The development of military techniques, particularly the rocket technique, means that today on our planet there no longer exists any distance that cannot be covered by the most modern types of weapons," said the Russian Premier.

As long ago as last April, Communist Party Secretary Nikita S. Khrushchev said the Soviet Union soon hoped to have guided missiles capable of carrying the hydrogen bomb anywhere in the world.

Anyone who turns back to the newspapers for the month or two before World War I and II started will find that press reports quite accurately indicated the near danger of war. But the situation before these wars was never so obviously tense and filled with threats as it is today.

THREATENING TITLES

"NATO Plans World Thermonuclear Warfare" is the title of a Soviet radio broadcast to Britain in English.

"Single H-Bomb Would Devastate Holland" is the title of one in Dutch to the Netherlands.

"A-Arms Mean Tragedy for Denmark, Norway" is beamed in Danish to Denmark and Norway.

"United States To Make Iran Attack Springboard" is the title of a threat in Persian to Iran.

"A-Bases in Britain Road of No Return" is another threat to Britain.

"United States Plans for Atomic Force in Greece," the Greeks are informed in Greek by radio from Moscow.

Marshal Georgi Zhukov, once President Eisenhower's friend, warned March 20 that the United States would not "be able, as formerly, to sit it out over the ocean and avoid destructive and deadly blows."

"There is no place in the world where the aggressor could find shelter," he continued.

Prime Minister Nehru of India warned on March 21 that the world today for the first time faces the "contingency that all human history, all human experience might be wiped out."

WHAT DOES IT MEAN?

All this is a crescendo of threat and despair such as never occurred in the tense times before World Wars I and II. Does it mean that war is imminent or merely that a new technique of conducting international affairs has replaced the less vituperative methods of former days?

Whoever places his faith on the latter explanation may have a rude shock.

American Gen. Lauris Norstad, supreme Allied commander in Europe, doubts the Soviet capacity to make good its threats with guided missiles.

"We ourselves are not bristling with intermediate range ballistic missiles in NATO-Europe at the present time," he said.

"I know of no reason for giving the Russians credit for doing easily the things that other people find great difficulty in doing. Therefore, I do not believe that these IRBM's stand as any immediate threat to any of the NATO countries."

UNWISE TO DISREGARD BLUFFS

It has, incidentally, always been unwise to disregard what seemed at the time to be bluffs on the part of Soviet spokesmen when speaking of military advances. They are much more likely to be secretive about such matters than we are and to be further along than is indicated in public statements.

The question of accuracy enters into any calculation concerning long-range missiles.

Dr. Von Braun's team at Redstone Arsenal rigged up a "quick and dirty" and tossed it 3,300 miles not long ago and it came down about where it was intended to, but the accuracy was not sufficient to hit a target such as a city.

But if Bulganin's threat of a weapon with a destructive radius of several hundred kilometers is taken into consideration, apparently referring to radioactive fallout, it does not matter whether or not the missile hits a city.

SHOWER OF MISSILES

All that is required in the kind of missile warfare Bulganin apparently envisaged is to shower the enemy country with missiles regardless of where they hit and trust the fallout to accomplish the destruction hoped for.

If anyone wanted to wage war in this fashion it would work. The fallout from the 1954 hydrogen bomb exploded at Bikini by the United States covered initially 25,000 square miles with an intensity of 50 roentgens or more.

The AEC minimized this awful statistic by reporting the area of significant radioactivity 36 hours after the blast as covering but 700 square miles.

The fallout from 4 such bombs, if properly placed, would cover 90,000 square miles of the United Kingdom or Great Britain and Northern Ireland.

ONLY NINE NEEDED TO COVER FRANCE

Only 1 would be needed to blanket Denmark and only 9 France.

Looking at it from our side, only a hundred or so are required to cover European Russia completely.

The United States now has hydrogen bombs with negligible fallout, but radioactive fallout can be added in great quantity to any hydrogen bomb simply by surrounding it with a case of natural uranium. This is ordinarily not fissionable, but is fissioned by the free neutrons released in the thermonuclear explosion. This adds both power and radioactive fallout.

Mr. SYMINGTON. Mr. President, a great deal of misleading information about missiles is being circulated. All those interested in freedom will also be interested in this article.

We do not know how accurate are the estimates presented in the Phillips article as to what the Soviet Communists have accomplished but we do know that any United States production of supersonic medium-range or long-range missiles is still a long way off.

It is a fact that this country has not yet fired a fully operational missile with a speed faster than the speed of modern planes and at the same time a range longer than that of the Nazi V–2, the latter fired originally some 15 years ago.

Therefore we can only be thankful that in the United States Army, Navy, and Air Force, and especially in the Strategic Air Force, we still have the capacity for instant and devastating retaliation against a possible enemy.

WORLD TRADE FAIR

Mr. JAVITS. Mr. President, I invite the attention of Senators to the opening in New York, in the great Coliseum there, of the World Trade Fair, a truly extraordinary demonstration of world trade. Fifty-nine Ambassadors attended the opening, which took place on Sunday last.

World trade is contributing to our economy an estimated sum of between $33 billion and $35 billion. Between four and five million Americans are producing for export, and between 400,000 and 500,000 Americans are affected adversely, they feel, by imports.

I urge every Member of the Senate who may go to New York City to visit the fair. We shall be good hosts, I promise. Incidentally, this is the largest fair in this hemisphere in a covered place. We feel that it represents, in a very unusual way, our great stake in world trade.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial on the opening of the World Trade Fair.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 15, 1957]

THE WORLD TRADE FAIR

Products of nearly 40 different countries and areas of the world are seeking to win American markets in the World Trade Fair which opened its doors yesterday at the Coliseum. The exhibit, which will continue through April 27, is the most ambitious of its kind to date in the United States. With every available foot of space in the city's great new exhibition hall reserved far in advance, some 3,000 exhibitors from 59 nations have put their products on display.

This fair is primarily a trade show, conducted predominantly for the benefit of potential buyers. A sample survey conducted by the fair management indicated that strictly business visitors—representatives of various types of national buying organizations—will reach a total of about 100,000. It is estimated, however, that 9 times this number of plain, curious American sightseers will attend, making the overall figure a million.

This newest and most comprehensive of all trade exhibits, which will stress "quality" products in some 60 broad categories, must be placed in perspective with the whole recently adopted International Trade Fair program of the United States. This was launched by the President on a temporary basis in 1954 with $2½ million from his emergency fund. Congress, to its credit, was quick to realize the importance of the International Trade Fair, not only as a means of exhibiting the wares of our producers but of making friends throughout the world.

In the process we have disproved some words that came some time ago from spokesmen for a major totalitarian country. The country shall be nameless, in deference to the spirit of fellowship prevailing in Columbus Circle. The words were: "The United States doesn't participate in international trade fairs because it is interested only in making munitions."

THE IMPORTANCE OF THE ORGANIZATION FOR TRADE COOPERATION

Mr. JAVITS. Mr. President, I wish to invite the attention of Senators, and of the people of the country generally, to the fact that we have not as yet approved United States membership in the Organization for Trade Cooperation, although the President has sent us a special message on the subject.

Let me say to the many who question where foreign aid is going, that they certainly should pay attention to world trade, because that is the only thing that offers any hope of replacing foreign aid. If we wish to save on the foreign aid budget, we should be supporting world trade, in which we have such a great interest. Yet there does not seem to be very great interest in the Congress in approving our membership in what is really a trade association to encourage export and import trade, of which we would be the greatest beneficiaries.

The International Trade Organization, which I supported in the House of Representatives, failed completely. The subject was not even debated. The same fate seems to be in store for the Organization for Trade Cooperation. I think we are somewhat blind to our own interest in this connection.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an editorial entitled "The Importance of OTC," published in the New York Herald Tribune of April 13, 1957. The editorial points out one of the reasons why there is so much difficulty in furthering this program. It says, in practical effect, that the United States is being prevented from joining the Organization for Trade Cooperation because it is felt that it would encourage imports. On the contrary, blocking United States membership only hurts American exporters. It means nothing one way or the other with respect to our imports, so far as concerns those who think themselves adversely affected.

United States membership in the Organization for Trade Cooperation would have a great deal to do with the general prosperity of the country, at a time when so many people desire foreign aid to be placed on a world trade basis, rather than a Government grant basis.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE IMPORTANCE OF OTC

Some American companies are stopping other United States producers from increasing their export sales. They aren't doing it intentionally. What they really want is to keep foreign companies from selling more goods here. But they have the mistaken notion that they can achieve their objective by preventing the United States from joining the Organization for Trade Cooperation.

Blocking United States membership doesn't help them since the OTC won't be able to raise or lower United States trade barriers. But it does hurt American exporters. The OTC will work to eliminate discriminatory trade practices and the chief victims of these devices are American exporters.

Opponents of OTC use the curious argument that the new organization is bad because it would promote freer trade. It is of course true that it will work for freer trade. But what the critics neglect to say is that the chief beneficiaries would be the American producers whose goods would flow more freely into foreign markets.

President Eisenhower just last week sent Congress a special message renewing his appeal for authority to join the OTC. He stressed that the OTC would be a great boon to American farmers, businessmen and workers. He told Congress that the United States is needlessly sacrificing many of the fruits of its reciprocal trade agreements program by failing to establish machinery to hold other countries to their pledges to remove quotas, license requirements and other discriminatory restrictions.

Mr. Eisenhower sought to allay protectionist fears by indorsing a bill that explicitly declares that the enactment of the OTC measure will not authorize the administration to grant fresh tariff concessions. Administration witnesses have repeatedly but futilely made the same point in testifying before congressional committees. Perhaps putting the assurance in black and white will convince the doubters. We hope so. The OTC bill should have become law a long time ago.

THE THREE-STATE RURAL DEVELOPMENT CONFERENCE TO BE HELD IN LEXINGTON, KY.

Mr. MORTON. Mr. President, along with many citizens of Kentucky, I am deeply interested in the 3-State rural development conference set for Lexington, Ky., on May 13, 14 and 15. In Kentucky there are three trade area development programs under way. In each of these 3 areas 1 pilot county has been specifically designated. A good start is being made in these counties. The counties are Butler, Elliott, and Metcalfe.

I am happy to report that Kentucky has been among the first States to give strong local and national leadership to rural development work.

The Three-State Regional Conference on Rural Development will be held at the University of Kentucky May 13, 14 and 15, according to E. J. Nesius, chairman of the Kentucky Rural Development Committee, and chairman of the three-State committee for the conference.

The first 2 days of the session will be workshop problem-solving sessions for the estimated 25 to 30 persons connected with rural development in each of the 3 States concerned—Kentucky, Tennessee, West Virginia—plus officials in the national program.

The last day, Wednesday, May 15, will be a general session on the character of rural development. Chief speaker will be Dr. John A. Perkins, Under Secretary of the Department of Health, Education, and Welfare, and former president of the University of Delaware.

Dr. Perkins, one of the top national officials in this line of work, will speak on Education and Rural Development.

Both the workshops and the general session will be held in the Fine Arts Building of the University of Kentucky.

Other National and State officials will be on the program. One is True D. Morse, Under Secretary of the United States Department of Agriculture. He will preside at the Wednesday session; he also is the main speaker at the opening day's conference. His talk, Opening Wider the Doors of Opportunity, will be the kickoff point for the 3-day conference. Dean Frank J. Welch, of the University of Kentucky College of Agriculture, and Dr. Frank Dickey, president of the University of Kentucky, will be on the program.

Wednesday's general session includes a talk by Burl St. Clair, president of the Kentucky Farm Bureau Federation, who will discuss rural development as seen by a farm organization.

Informal conferences, with exhibits and pictures showing rural development in action, will wind up the general conference Wednesday afternoon.

Rural development is a relatively new National and State project aimed at improving the economic, sociological, and educational phases of underdeveloped areas. Pilot county programs are under way in each of the three States participating in the regional conference.

Monday and Tuesday the delegates will have 10 workshop problem-solving sessions on such subjects as concepts of rural development, county and State rural development committee structure, and others.

Groups responsible for the National and State development program include Federal and State agencies dealing with agriculture, industry, labor, education, health, welfare, plus many private industries and agencies.

The three-State rural development committees are cooperating with the Federal Committee for Rural Development Program composed of representatives of the Departments of Interior; Agriculture; Commerce; Labor; Health, Education, and Welfare; Small Business Administration; and the Council of Economic Advisers. Under Secretary Morse is chairman of this national group.

More than 100 delegates from the three States and regional and national workers are expected at the workshop sessions. Several hundred persons are expected at the Wednesday general session, to which the public is invited.

I feel sure that the conference will be productive and successful. It will have the good wishes of not only the citizens of the participating counties and areas, but of all Kentuckians. I, too, wish it well.

FEEDING STARVING RUSSIANS AND AID TO PEOPLE BEHIND THE IRON CURTAIN

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point, as a part of my remarks, an article which appeared in the Reader's Digest of August 1948. It is entitled "How We Fed the Starving Russians," and was written by Lt. Gen. William N. Haskell, retired, who had been sent to Russia during the great famine of the 1920's as a representative of the Hoover Relief Commission, which handled the distribution of American food in the relief of the famine in that unhappy country.

It is an article which should be of great interest to all Members of the Senate, particularly when proposals are being made from time to time for assistance to be given to people who are in trouble behind the Iron Curtain.

Certainly I have no objection to feeding hungry people. However, I believe it is important to make certain that no Communist regime will be able to use, as a political weapon, assistance given by the people of the United States, whereby they would feed Communist Party members and would withhold food from non-Communists, who constitute the large majority of the people in the countries behind the Iron Curtain.

I believe the article will refresh the memories of Members of the Senate as to how an effective relief program was carried on under American supervision.

It might not always be feasible to establish a mission like the Hoover Commission, but I believe we should always insist on having the program administered by a group like the International Red Cross, or representatives of the Catholic Relief Organization, or the Friends Service Committee, or the Protestant Relief Agency—some responsible group which could make certain that whatever relief we might furnish would not be used by Communist governments as a weapon with which to work against non-Communists in their countries.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

How We Fed the Starving Russians

(By Lt. Gen. William N. Haskell, retired)

In 1921, the wall built by the Soviets around their land was so impenetrable that the outside world knew nothing of the famine—caused partly by requisition of peasant grain reserves and partly by a great spring drought—which threatened millions of Russians with starvation. Finally, in desperation, the Soviet Government let the world-famous writer Maxim Gorky appeal for aid to all honest people of Europe and America.

The honest people of the United States answered this appeal. From 1921 to the summer of 1923, about $60 million worth of food, medicine, and clothing was distributed in Russia through the American Relief Administration, under the chairmanship of Herbert Hoover, at that time Secretary of Commerce. Mr. Hoover appointed me Director General of the relief work in the field.

Not many weeks after Gorky's appeal, I was in Moscow with an advance guard of about 25 assistants, and shortly after that I left for a survey of the chief famine districts along the lower Volga. Here, to some 25 million souls, the only food available was the grass in the fields, acorns, tree bark, and such revolting substitutes as clay or rodents. Hordes of starving refugees were sweeping back and forth across the broad Russian plains in search of something to eat. In the villages, according to H. H. Fisher, historian of the ARA in Russia, "men and women in desperation exhumed dead cattle, or killed and devoured cats and dogs when they could be found. A ghastly struggle for existence destroyed any community spirit. In place of common effort came suspicion and hatred of one's neighbors—even of the members of one's own family; and in the more remote and less civilized communities crime ranged from cold-blooded murder down to the final degradation of cannibalism."

On my return to Moscow, I cabled Mr. Hoover that we faced the greatest famine in history. In Russia it was not a question of supplementing an existing, though inadequate supply of food, or of concentrating on a program for undernourished children. In parts of Russia there was no food at all, and the children had already begun to die. Furthermore, the system of supply and distribution in Russia had completely collapsed, and little help could be counted on from the Government. Elsewhere in Europe it had been possible to form local committees of intelligent, responsible people to help us in our work. But in Russia, when such people could be found at all, they were paralyzed by the fear of the terror which was sweeping over the land. Our Russian employees were repeatedly persecuted, arrested and put into jail.

By March 1922, our food imports had arrested the tides of death from starvation. By August, only a year after Gorky's appeal, the ARA was feeding over 10,500,000 Russian children and adults a day—a number equal to the population of New York State at that time.

In the course of this gigantic program the ARA unloaded at Russian ports 450 cargoes; moved 72,000 carloads over the broken-down railroads; operated more than 17,000 kitchens; and equipped and supplied 16,000 hospitals, dispensaries and other institutions. Eight million Russians were vaccinated or inoculated. Of the outside aid given to Russia in this crisis, over 95 percent came from the United States.

In addition to its huge feeding program, the ARA established a system of food remittances, by which, for $10 paid in the United States, a beneficiary in Russia would receive a package containing enough to nourish an average family for 1 month. Almost 99 out of every 100 packages reached those for whom they were intended, in spite of the chaos and disorganization in Russia; and also in spite of the fact that the remittances went mostly to people belonging to those classes which the Soviet Government was least interested in keeping alive—the bourgeoisie and the intelligentsia.

The meager hospital and medical facilities of Russia had been further depleted by war and civil war. Hospitals lacked bedding; medicines, soap, disinfectants and surgical instruments simply did not exist. Operations were generally performed without an anesthetic, and wounds "dressed" with newspapers and sewed up with threads drawn from old clothing.

Through the ARA, over $7 million worth of medical supplies were distributed in Russia. In addition to this, medical literature was distributed to doctors, nurses and interns so that they could learn what new developments had taken place during the 7 years that Russia had been cut off from the world. It is gratifying to be able to say that the ARA's medical department received from the Soviet authorities the fullest degree of cooperation possible under the circumstances.

Before the ARA left Russia it had stocked, to a fair extent, the hospitals throughout the Soviet Union; but, more important, it had reawakened the courage and revived the morale of the discouraged and destitute medical profession—to the heroic members of which I pay my highest tribute.

Scattered throughout the world today there are some 400 Americans, members of the ARA, who are now entering upon middle age, and to whom the years in Russia will ever remain a sharply etched memory.

These inspectors penetrated into the far corners of their famine districts, by boat or train or crawling cart, estimating needs, arranging for warehouses, organizing village committees, selecting sites for kitchens, designating doctors to examine children, and preparing for the bounty to come. In the fall of 1921 they fought the tenacious mud of the Russian roads; in the winter of that year and of 1922 they traveled for silent days over the flat unending expanses of the Russian plains, and through villages where no sign of life was apparent. By day they rode in crude sleighs or springless carts, and by night slept in peasant huts, with only the unwelcome attention of insects to make life interesting.

No poet has immortalized these young Americans, but their work endures, and I wish to believe that the millions of Russian children, now grown to young manhood and womanhood, whom they succored in the dark days from 1921 to 1923 remember them for

their breezy and efficient presence and for their exemplification of the good will toward a suffering world which always exists in America's heart.

When our work was done, the Council of People's Commissars of the U. S. S. R. assured Herbert Hoover of Russia's "deeply felt gratitude" and thanked him for the ARA's "boundless and entirely unselfish efforts * * * in the name of the millions of people who have been saved." The concluding words were: "The people of the U. S. S. R. never will forget the aid rendered to them by the American people, holding it to be a pledge of the future friendship of the two nations."

CIVIL-RIGHTS LEGISLATION AND TRIAL BY JURY

Mr. THURMOND. Mr. President, in yesterday's edition of the Washington Star the lead editorial was on a subject which I believe is close to the heart of every freedom-loving American citizen. Also, I believe it is not only a subject close to the hearts, but one that discusses a right longed for by the citizens of many nations ground under the heel of conquerors.

The subject of the editorial was Trial by Jury.

This editorial pointed out that the distinguished junior Senator from Wyoming [Mr. O'MAHONEY] has "joined the ranks of those who look with misgivings on the prospective denial of jury trials under the administration's civil-rights bills."

The editorial further placed the newspaper on the side of those who believe in trial by jury. This is what it said about denying such a right:

> This, it seems to us, contemplates a radical and even dangerous projection of the Federal judicial power. In principle, why should not the defendants in civil-rights disputes be entitled to at least the same jury protection as defendants in labor disputes?

The editorial cites the words used in a recent speech of an Assistant Attorney General in which he said the trial-by-jury bill was "a clever device to nullify" the civil-rights bills.

> We are not prepared to accept the view of Assistant Attorney General Olney—

The editorial concluded.

Also, appearing on the same editorial page is a cartoon on the same subject. It was drawn by the distinguished cartoonist, Jim Berryman, and shows Senator O'MAHONEY directing civil-rights advocates along the road to jury trial.

Mr. President, I ask unanimous consent to have this editorial printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TRIAL BY JURY

It is interesting and perhaps significant that Senator O'MAHONEY, Democrat, of Wyoming, has joined the ranks of those who look with misgiving on the prospective denial of jury trials under the administration's civil-rights bill.

The bill provides that the Attorney General may seek injunctions against violations of civil rights. Defendants in contempt cases arising out of this provision would not be entitled to trial by jury. This is true even though the penalty might be a fine or a jail sentence. It is argued that this is not a new departure, since there are other instances, labor injunctions excepted, in which there is no right of trial by jury in criminal contempt cases to which the United States is a party. This is correct. But it does not follow that the practice is one which should be extended, perhaps widely extended, by the legislation now pending in Congress.

There is no dispute over the motivation behind the proposed denial of jury trials. Sponsors of the legislation fear, perhaps correctly, that southern juries in many instances would not convict civil-rights defendants. Therefore, they say, in effect, let's bypass the jury system and try these defendants before Federal judges.

This, it seems to us, contemplates a radical and even dangerous projection of the Federal judicial power. In principle, why should not the defendants in civil-rights disputes be entitled to at least the same jury protection as defendants in labor disputes? If it is argued in the case of the former that the end justifies the means, an unpalatable doctrine in any circumstances, the fact is that experience has not yet shown the existence of such justification.

Senator O'MAHONEY, who is neither a reactionary nor a "racist," says: "I believe in the jury trial." So do we, and we are not prepared to accept the view of Assistant Attorney General Olney that the jury-trial amendment to the legislation is merely a clever device to nullify the civil-rights proposal.

Mr. THURMOND. Mr. President, I also ask unanimous consent to have printed in the RECORD an editorial which appeared in the State, of Columbia, S. C., on April 11, 1957. The editor of the newspaper is the able Samuel L. Latimer, and the president of the publishing company is the distinguished South Carolina citizen, Mr. M. J. Blalock, of Columbia, S. C.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WORDS OF LOGIC

In pointing out the inconsistency of Republican proponents of the bill jocularly known as the civil-rights measure in opposing another bill guaranteeing trial by jury, South Carolina's Senator STROM THURMOND has spoken with both commendable restraint and sound logic.

Senator THURMOND has pointedly asked if the proponents of the so-called civil-rights legislation believe in certain rights for certain people while denying the same rights to certain other people. He said it had not been explained to him, a former circuit judge, why letting a jury of 12 peers decide whether contempt had been committed is any departure from the principles of justice. He qualified cases of contempt committed before, or virtually in the presence of the court, and said he believed the majority of the American people believed in equal rights for all.

It is gratifying that Senator THURMOND'S arguments have been carried, in fairly full quotations, on the Associated Press wires. It is to be hoped that papers in other sections of the country will let their readers have the benefit of his words.

THE ECONOMY OF THE UNITED STATES

Mr. CAPEHART. Mr. President, it is my purpose to call to the attention of the Senate the record which continues to show that the economy of the United States is strong and growing steadily stronger.

Senators will agree with me that two of the most important factors reflecting the condition of the economy are personal income and bank assets. I have before me two United Press newspaper articles which appeared in the Washington Post and Times Herald of Wednesday, April 17, 1957, showing an increase in both personal income and bank assets.

I ask that these two articles be printed as a part of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

PERSONAL INCOME RISE CONTINUED IN MARCH

Personal income, a vital factor in the American economy, continued to climb last month, the Commerce Department reported yesterday.

It said personal income in March was at an annual rate of $337 billion. This was one billion dollars higher than the annual rate in February.

The Department also said personal income in the first quarter of 1957 was at an annual rate of $336 billion, $19 billion or 6 percent higher than in the first quarter of last year.

Personal income estimates include wages and salaries, income of proprietorships and partnerships, dividends and interest, rents, and other types of individual income.

FDIC NOTES 4 PERCENT INCREASE IN BANK ASSETS

Total assets of all Federally insured banks increased 4 percent during 1956, the Federal Deposit Insurance Corp. reported yesterday.

FDIC chairman H. E. Cook said the growth was about the same as the average annual rate of increase during the past 10 years.

During last year, assets rose by $9 billion and totaled $241 billion at the end of the year; deposits advanced slightly to a new total of $219 billion, and capital and surplus accounts totaled more than $18 billion.

The report covered 13,218 commercial banks and 223 mutual savings banks. The FDIC insures savings accounts in such banks to a maximum of $10,000 each.

The agency said the big increase in assets—about $7 billion—was in commercial banks. In this category, the major advance—about 17 percent—was in business loans. These totaled nearly $39 billion at the year's end.

Mutual savings banks had deposits of nearly $23 billion at the end of 1956, an increase of 8 percent during the year.

THE URGENT DEFICIENCY APPROPRIATION BILL

Mr. BIBLE. Mr. President, I wish to commend the Senator from Montana [Mr. MANSFIELD] for the very splendid and forthright statement he made concerning the disposition of the House Joint Resolution concerning the urgent deficiency appropriation bill. I am completely aware of the importance of this proposed legislation with respect to those who receive assistance under social security, and I am equally aware of its importance to small business. I recognize the fact that immediate action must be taken on the joint resolution.

I also wish to point out, as the Senator from Montana has so ably done, that those of us who have the honor of representing mining States and the mining section of our country have a real interest and a real stake in the proposed legislation.

Likewise, some affirmative action must be taken without further delay to meet head-on the very critical problem with respect to the mining industry. Authorizing legislation was passed last year, which held out to the people of my mining State, and of the mining West generally, that funds would be made available to carry on a domestic mining industry pending the submission to Congress of a long-range mining program. For Congress to fail to keep faith in that respect is, to me, unforgiveable.

It seems to me that the 4 months which have already passed have caused untold damage and hardship to the mining industry and to the miners of the entire West.

I again commend the Senator from Montana, the able acting majority leader, for forthrightly presenting the correct views, as I see them, to the Senate.

Mr. MANSFIELD. I thank the Senator from Nevada for his kind remarks. I assure him that he has expressed the views of the Senators from the West far better than I ever could.

I think it should be brought out that in the case of tungsten, which is, of course, tied closely to the production of manganese, so far as the United States is concerned, under ordinary, normal circumstances we have to import from overseas more than 90 percent of the tungsten and manganese needed in this country. The mere fact that we have enough for the time being certainly does not preclude the need for the passage of the joint resolution to which the Senator from Nevada has so eloquently referred.

Mr. BIBLE. The Senator's statement has prompted me to make this remark: It is significant to me that in the particular strategic minerals program which will come before the Senate later this afternoon providing for a continuation of the domestic mining program, we find, in looking at the foreign import picture, that there are today outstanding and fully enforceable in the neighborhood of $100 million of contracts for the purchase of tungsten overseas, contracts which the United States Government must honor. Yet we are standing here today reluctant to carry out a pledge made to our own domestic mining industry.

I ask the Senator from Montana if that can be satisfactorily explained to the mining people in the West who are closing their mines day after day.

Mr. MANSFIELD. It cannot be explained. I think it is about time for us to take action with respect to economic developments for our own people and our own products, rather than to place so much emphasis on overseas economic development for the benefit of other peoples, needed though that may be. Let us look after ourselves for a change and give our own people a break.

Mr. BIBLE. I thank the Senator from Montana. I certainly share his views in that regard.

REVIEW OF FEDERAL INDIAN POLICY NEEDED

Mr. MANSFIELD. Mr. President, a number of my Senate colleagues and I have been disturbed for some time over the economic status of the American Indian. The standard of living of many of these Indians, on and off the reservation, is deplorable, and there is very little sign of improvement at this time. A great deal of the credit for this situation is due to the failure or lack of an adequate Federal Indian policy.

Congress has pending a number of bills which would assist in alleviating the suffering of many Indians and would promote education, employment opportunities, and improved health and welfare. All of these things are necessary to provide a better life for our first citizens. I specifically refer to the area development bill proposed legislation providing for a very broad technical assistance program for Indians; Federal cooperation in providing hospital facilities to be made available to Indians away from the reservation; and resolutions calling on the Bureau of Indian Affairs to assist in raising the standard of living of the American Indians. In addition, funds are being requested to put into operation a vocational training program for adult Indians.

The Montana Congressional delegation, comprised of the distinguished senior Senator [Mr. MURRAY] and the State's two able Representatives, LEE METCALF and LEROY ANDERSON, and I have joined in promoting these various pieces of proposed legislation, for we believe that they hold great promise in helping to alleviate some of the difficult problems faced by the Indians.

There are a great number of statutes and directives dealing with Indian policy, and there will be more, but where is all of this going, what is it doing to benefit the Indian? All indications are that the policies followed by the Bureau of Indian Affairs and other agencies concerned with Indian matters have met with success in some areas and complete failure in others. In addition the policy toward the off-reservation Indian is irreconcilable in my opinion.

Where is our Federal Indian policy headed? What are the goals? How can these goals best be achieved? The answers to these questions are not clear.

There have been a number of Congressional studies and investigations which have attempted to arrive at the answers to such questions in other matters, foreign and domestic, both within and outside the operation of the Federal Government. I think it is about time that an appropriate committee of the Senate found out where we are headed and what are our goals in Federal Indian policy.

Mr. President, I made such a recommendation in a letter addressed to the chairman of the Interior Subcommittee on Indian Affairs, the distinguished Senator from Oregon [Mr. NEUBERGER], in connection with a hearing on S. 809, the bill introduced by the Senator from North Dakota [Mr. LANGER] to provide economic assistance to the American Indians.

I suggested that Congress restudy its objectives and purposes in Federal Indian policy. I stated that it is time we sat down and discussed the many problems with all interested parties: Federal and State agencies and the Indians themselves. It is time that we reexamine our goals in Indian policy, devising a new comprehensive program to promote the economic welfare and improve the standard of living of the American Indians.

I ask unanimous consent that my letter of March 26 addressed to the chairman of the Senate Subcommittee on Indian Affairs and Senator NEUBERGER's reply of March 30 be printed at this point in the RECORD. I might add that the junior Senator from Oregon is in full accord with the need for this study.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FOREIGN RELATIONS,
March 26, 1957.

Hon. RICHARD L. NEUBERGER,
Chairman, Subcommittee on Indian Affairs, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: I have been advised that your Subcommittee on Indian Affairs is holding a hearing today, Wednesday, March 27, on Senator LANGER's bill, S. 809—a bill to provide economic assistance to the American Indians. As you may know I am deeply interested in resolving the numerous problems that confront these people both on and off the reservation. There are far too many instances of Indians living in squalor and poverty due to lack of education, employment opportunities, and job training.

I have felt for some time that the Federal Government has failed to assume its proper responsibilities for this country's first citizens.

The Congress has the opportunity to make an excellent record in behalf of these people. As you know there are numerous areas of conflict which need to be resolved; Federal-State responsibility for welfare, economic development, responsibility for on and off reservation Indians, vocational rehabilitation and the relocation program. All of these things have an important bearing on the success or failure of our Indian policy.

The Indian has had full citizenship for a number of years and he should have been treated accordingly but unfortunately this is too often not the case. Indian matters tend to be an afterthought.

If the Indian is to be assimilated into our society he is going to need help to adjust. There are numerous Indians who have long since become independent but there are thousands still remaining who continue to be wards of the Federal Government. And they should not be denied Federal assistance until such time as they can provide for themselves.

There are a number of good bills pending in Congress which would go far in meeting the needs of the Indians. Senator LANGER's bill, S. 809, which I was pleased to cosponsor, is just one of the bills which provide for assistance to Indians. This bill provides for an elaborate economic-assistance program for the American Indians.

One of the most important provisions in this legislation is that which provides for establishment and encouragement of industries on or near reservations. One of the major problems facing Indians is employment. Income from tribal lands is generally limited unless supplemented from oil and mineral revenues. In addition many of these people on the reservation are not sufficiently educated or trained to compete with the outside labor market. Also many reservations greatly reduced in size, are incapable of providing for the people living within the area.

The provisions of S. 809 would provide a loan program to set up industries on or near reservations, to be operated by the Indians themselves and would provide employment opportunities for these Indians. Bulova's jewel-bearing factory on the Turtle

Mountain Reservation is an example of a successful small industry employing Indians.

There are a number of other bills pending before Congress which would be of great assistance to these people. I am pleased to note that the Bureau of Indian Affairs has requested funds for fiscal year 1958 to operate the adult Indian vocational education program enacted during the 84th Congress.

Senator Douglas' bill, S. 964, to set up a broad redevelopment program to meet depressed economic conditions and unemployment throughout the country, including Indian reservations. S. 380—A bill introduced by my distinguished colleague, the senior Senator from Montana, Mr. MURRAY, and myself would provide for construction of Indian hospitals and to provide for grants to assist in the construction of community hospitals which will serve Indians and non-Indians jointly. The enactment of this legislation would be of great assistance in meeting the medical needs of the Indians.

In addition I would like to direct the attention of the subcommittee to Senator MURRAY's Senate Concurrent Resolution No. 3 calling on the Bureau of Indian Affairs to assist in raising the standard of living of the American Indians.

The necessary legislation to meet these problems is awaiting Congressional action and the sentiment in behalf of the Indians' welfare has never been so high and the cooperation of interested parties is very much in evidence.

I want to take this opportunity to respectfully suggest and urge that the Congress restudy its objectives and purposes in Federal Indian policy. It is time that we sat down and discussed these many problems with all interested parties: Federal, State agencies and the Indians themselves. It is time that we reexamined our goals in Indian policy, devising a new comprehensive program to promote the economic welfare and improve the standard of living of the American Indians.

In closing I want to assure you of my deep interest in these matters and ask that this letter be made a part of the record of this hearing on S. 809.

With best personal wishes, I am,

Sincerely yours,

MIKE MANSFIELD.

MARCH 30, 1957.

Hon. MIKE MANSFIELD,
United States Senate,
Washington, D. C.

DEAR SENATOR: I appreciate having your letter of March 26, in connection with S. 809, a bill which you cosponsored, to provide economic assistance to the American Indians.

The Subcommittee on Indian Affairs held a hearing on this measure on March 27, and your letter was inserted in the hearing record.

I was very interested in the paragraph in your letter in which you suggest and urge that Congress restudy its objectives and proposals in Federal Indian policy. In this connection I might say that I, too, agree with your suggestion, and as a step in this direction the Subcommittee on Indian Affairs has scheduled hearings on April 11 and 12 on Indian timber sale policies. I hope that there will be additional hearings and investigations into other aspects of Indian policies.

With kindest regards,

Sincerely yours,

RICHARD L. NEUBERGER.

Mr. MANSFIELD. Mr. President, in conclusion I may say that Congress has a humane obligation to recognize the inadequacies in our Indian policy and to make a firm resolution to devise a policy to promote the economic welfare and education of the American Indian.

Mr. President, I wish to make another request.

The PRESIDING OFFICER. The Senator from Montana has the floor.

UNITED STATES-CROW INDIAN TRIBE TREATIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a history of the United States Government relations with the Crow Indian Tribe and the sorry tale of expediency shown therein, which was published in the Park County News of Livingston, Mont. The editor and publisher of this newspaper is my good friend Fred Martin.

There being no objection, the history was ordered to be printed in the RECORD, as follows:

[From the Park County News, Livingston, Mont.]

HISTORY UNITED STATES-CROW TRIBE TREATIES JUST SORRY TALE OF EXPEDIENCY, BAD FAITH

News dispatches today and in recent weeks make this review of Crow treaty history timely in view of the discussion regarding the Crow demand for $5 million for permitting construction of Yellowtail Dam on the reservation.

History has been written for the ruler, not the people.

The legend of the Great White Father in Washington, the kind, understanding, fatherly old gentleman who is the friend of Indians everywhere has come to be taken for granted, but an examination of the fact turns one down paths of subterfuge, expediency, doubletalk, and broken promises—just the opposite of the original policy outlined for Indians west of the Mississippi by Gen. William Clark of the Lewis and Clark expedition, later Superintendent of Indian Affairs. (See Clark's story this issue.)

Since Park County once was a part of Indian Territory this will be limited to Crow treaties with the basic information quoted taken primarily from a report. The Laws and Treaties Affecting the Crow Indians, by Howard M. Gullickson, onetime Montana attorney general and later district counsel for the Indian Bureau at Billings, and Fred B. Woodward, assistant attorney. This report was graciously loaned the News by M. A. Johnson, acting area director. Other basic preliminary research can be credited to Joe Montgomery of Lewistown.

The first treaty entered into between the Crow Tribe and the United States of America was dated August 4, 1825, at the Mandan village with Brig. Henry Atkinson and Maj. Benjamin O'Fallon, aides of General Clark, as United States negotiators. "The treaty is declared to be for the purpose of perpetuating the friendship which has heretofore existed between the Crow Tribe of Indians and the United States. This treaty makes no reservation of any lands and there is no mention of lands except that the Crows admit that they live within the territory of the limits of the United States and acknowledge their (the United States) supremacy and claim their protection (7 Stat. 266; II Kappler 244)."

Then apparently came the start of subterfuge, expediency, doubletalk, as indicated by the Treaty of Fort Laramie, Indian Territory, negotiated by D. D. Mitchell and Thomas Fitzpatrick, September 17, 1851, which, "though never proclaimed"; just about split up the area west of the Mississippi, certainly west of the Missouri. "The treaty of 1851 was considered by officers of the United States at that time not to have been ratified and was not believed to be binding either on the Indians or the Government. Consideration therefore, to the Indians for this relinquishment (in the next treaty on May 7, 1868, at Fort Laramie, then in Dakota Territory and signed by Lt. Gen. William T. Sherman, the same general who marched to the sea in the South during the Civil War) "of more than three-fourths of the land granted them by the treaty of 1851, was apparently not thought of by the officers of the Government * * * there is no suggestion of any consideration to be paid."

However, "in IV Kappler, 1867, there is a copy of an Indian Office memorandum relative to the treaty of September 17, 1851, at Fort Laramie, by the Chief Law Clerk of the Indian Bureau, William R. Layne, and shows the full proceedings of the ratification of this treaty, which had been considered an unratified treaty and not binding on either party. The questions concerning this treaty were considered by the court of claims in the case of the *Fort Berthold Indians* v. *The United States* and was in that case held to be binding on all parties."

But General Sherman's treaty of 1868 put hobbles on the white folks, just as it defined the borders of the Indian reservationists, because it included the clause that this (Crow) Territory:

"Shall be, and the same is, set apart for the absolute and undisturbed use and occupation of the Indians herein named, and for such other friendly tribes or individual Indians as from time to time they may be willing, with the consent of the United States, to admit amongst them; and the United States now solemnly agrees that no persons, except those designated and authorized so to do, and except such officers, agents, and employees of the Government as may be authorized to enter upon Indian reservations in discharge of duties enjoined by law, shall ever be permitted to pass over, settle upon, or reside in the territory described in this article for the use of said Indians, and henceforth they will, and do hereby relinquish all title, claim, or rights in and to any portion of the territory of the United States, except such as is embraced within the limits aforesaid."—Quoted from History of the Yellowstone Valley.

This was adopted after the discovery of gold in Emigrant Gulch, after many families had settled in the area, the discovery of minerals in the Cooke City area, and the area included in the reservation was bisected by the Jim Bridger and John Bozeman Trails—it actually was a roadblock to the east to settlement.

Then, to add to the ridiculousness of the situation, was this: On October 20, 1875, a 20-mile strip of land adjoining the reservation on the north—of the Yellowstone River extending perhaps from Shields River, on the west, to the present eastern boundary of the Crow Reservation—was set over by Executive order to the Crows * * *. The language of this order would seem to convey a vested right. On the same page is an Executive order of March 8, 1876, which revokes the above order and restores the land to the public domain. If an Indian tribe had a vested right under an Executive order, then it is beyond the power of the President to revoke such an order and restore the land to public domain without proper consideration to the Indians (I Kappler 857).

But—and this is not included in the Indian Bureau's report—on January 31, 1874, President Grant issued an order establishing the Crow Reserve, setting off the territory, roughly the area south and east of Fort Benton and extending beyond Lewistown, drained by the Judith, Arrow, and Dog Rivers and extending to the Missouri River, the northern boundary. This set off the Montana Legislature, but to no avail, from 1874 to 1882. Leeson's (1885) History of Montana declares:

"Such opinions, however, had no weight with the general Government, when a course

opposed to the interests of the people, and even the Indians, might tend to enrich a clique, and the reservations were allowed to stand an obstruction to peace and progress until 1883, when the Mountain Crows were removed to a new reserve. General Sheridan, in his report in 1882, pointed out the absurdity of holding 6 million acres of valuable land for a whole Crow Nation of 3,470 souls and recommended its sale.

"During this year (1882) Congressman Maginnis (Montana) placed the matter before Congress in such practical form as to gain attention from that body. * * * In May 1883, the Secretary of the Interior directed a recognition of mining claims of settlers upon the public lands in Montana ceded by the Crow Indians under agreement made June 12, 1880, and ratified by Congress April 12, 1882." End Leeson quote.

"By the act of Congress on April 1, 1882," the Indian Bureau report states, "the Crows agreed to sell to the United States the tract of land (all that portion of Park County east and south of the Yellowstone River). * * * For this tract, the Crows were to receive $30,000 per year for 25 years ($750,000). The title of the Crows to this land was not better than that * * * granted by the treaty of 1851.

"The next act affecting the Crows is that of July 10, 1882, by which the Crows agreed to the sale of 4,384 acres for railroad right-of-way for which they were to be paid the sum of $25,000.

"On March 3, 1891, an agreement with the Crows was enacted by Congress in which the Crows ceded the tract of land (extending from the Stillwater River to the present western boundaries of the Crow Reservations—portions of Stillwater, Carbon, and Yellowstone Counties south of the Yellowstone River) for which they were to receive the consideration of $946,000. Whether it was subsequently paid or whether it was held on deposit in the Treasury Department after the 20 years time, is not disclosed either by the act of Congress or any subsequent legislation. It will be noted that the payment of $12 a year to each member of the Crow Tribe would amount to approximately the interest at 4 percent on the $522,000.

"The act of April 27, 1904, ratified an agreement formerly made with the Crow Indians. The land ceded * * * (the area of Huntley project between the present northern boundary of the reservation and the Yellowstone River) * * *. Article 2 of this act provides for the payment to the Indians of $1,150,000 * * * to bear interest at the rate of 4 percent per annum; and interest to be added annually to the principal, and an annual payment of $12 per capita shall be paid in cash to every man, woman, and child having rights upon the reservation * * *. From a computation of the various sums, it would appear that there was in the neighborhood of $400,000 to be set up as an annuity fund as above set forth."

Then, there is the act of April 15, 1930, which provides compensation to the Crow Indians for the Custer Battlefield National Cemetery.

With the amounts still due on the principal, the piling up of back interest, the claims on the entire territory which might be valid, there may be something to that saying: "Let's give the country back to the Indians," not because of the Indians but because of the bungling and the failure to heed the policy of William Clark.

(EDITOR'S NOTE.—Authorities, helpers, and prodders on this story include Joe Montgomery, of Lewistown; Wallis Huidekoper, of Big Timber; Dudley White, of Columbus; Sam Strickland, of Wilsall, the editor's wife and her pioneer relatives and heritage, lots of other folks and just plain curiosity.)

USE OF SURPLUS AGRICULTURAL COMMODITIES TO FEED HUNGRY CHILDREN

Mr. MORSE. Mr. President, my attention has been called to an article which appeared in the April 11, 1957, edition of the Washington Star, on page A–22. The article concerns the dinner given by the Italian Ambassador in honor of Secretary Benson and Assistant Secretary of Agriculture Earl Butz; and the accompanying picture shows the Ambassador adjusting a decoration given by the Italian Government to the Secretary, while in the background the Assistant Secretary, who was also decorated, looks on.

I wish to speak for the moment, Mr. President, on one facet of the dinner article. I refer specifically to the reasons advanced by the Ambassador for the awards. I quote from the article:

> The Ambassador told assembled guests that the reasons for the award were quite complex, but he wanted to explain it in words the young people would understand.
>
> The Italian Government, he said, wanted to show its appreciation for the fine example of international cooperation in which Mr. Benson and Mr. Butz have taken part. Under the program initiated in 1955, various agricultural surpluses either have been sold or given as grants to the Italians. Among other benefits, this program has helped provide free meals for one and a half million Italian schoolchildren.

Mr. President, I have nothing but laudatory comment for this statement. The surplus foods under these conditions go where they ought to go—into the empty stomachs of hungry children. My only reservation is to ask why we do not do more of this; and, specifically, why we do not see to it that more and more of our surplus meats, milk, and cheese go into the stomachs of our hungry children—children right here at home, in the United States.

Mr. President, let me make very clear that I am perfectly willing to see to it that ample supplies of surplus foods go into the stomachs of hungry children elsewhere in the world, too, rather than to allow such foods to rot and spoil in Government bins. But, Mr. President, we have a domestic problem, too. Here in the Nation's Capital we should realize that there is a shocking need for better distribution of our surplus food commodities, in order to wipe out the disease of hunger and malnutrition which exist today not 10 blocks from the floor of the Senate. Mr. President, I speak of this matter in order to lay the groundwork for the proposed legislation which will be before the Senate at an early date.

Mr. President, at this time I ask whether we can afford not to give favorable consideration domestically to the type of food distribution, through an expanded school-lunch program, which will enable underfed American children to have at least one square meal a day.

I wish to say to the members of the press who may be in the Press Gallery at this time that the last statement I have made does not mean that I am committing myself now in favor of the free school-lunch program for the elementary schools, beginning immediately; but I wish to say that across the United States I believe it would be a fine national defense program, if we wished to put it on that basis. If we did not wish to put it on the basis of a sound, humanitarian program—namely, to see to it that American boys and girls in school get at least one square meal a day—then I do not know of any better expenditure of public funds from a defense standpoint, because only with a healthy America shall we be able, in my judgment, in the decades ahead to meet the threat of a Communist Russia.

Of course, Mr. President, those who know me, must be aware that I would also make my plea on a spiritual and moral basis. We, the people of the United States, cannot justify our failure to live up to our moral obligation, when it comes to the matter of feeding hungry American boys and girls.

My only regret regarding the newspaper story to which I have referred, Mr. President, is that we have not earlier developed the conscience and the determination to clean up the condition existing at this time in Washington and also, I am confident, in far too many other great American cities. We must cut the redtape which keeps needy American boys and girls from being fed; and I am confident that we shall do so; once the Congress comes to understand the problem.

Mr. President, I realize how busy each Member of Congress is. I know it cannot be expected that each Member of the Senate and each Member of the House of Representatives will make the kind of study the Senate Committee on the District of Columbia has been making. I recognize that it would be most unfair of me if I were to criticize Members of Congress, because they have not personally made such a study and have not conducted the sort of investigation our committee conducted in the environs of the Capitol, in fact, almost in the shadow of the dome of the Capitol. As a matter of fact, Mr. President, the other day some of us took a walk 3½ blocks from the House Office Building; and there we were confronted with conditions so shocking and deplorable, so unsanitary, so dangerous to the health of the people of the city of Washington, that one had to see them in order to believe them. For instance, in alley after alley, block after block, there were outdoor toilets so stenchful that one resisted walking down the alleys. That condition existed, as I have said, within 3½ or 4 blocks from the dome which symbolizes the Capitol of supposedly the greatest religious nation on the face of the earth when it comes to putting religious principles into practice.

Mr. President, I make these remarks today because of the Sunday which lies just ahead of us. Again I ask whether only on Sunday we shall bow our heads to our great spiritual principles, and thereafter, as representatives of a free people, do nothing about them, when it comes to meeting our obligation to appropriate the necessary funds in order to relieve such a condition.

I never will play politics with the economy issue, Mr. President. If I have to make a choice between economizing on

the budget and appropriating the funds needed for hungry American boys and girls, I shall vote to appropriate the funds; and I shall point out that not one taxpayer in the United States is justified in making a complaint against such an expenditure, because we should pray and thank God that we are able to pay the taxes necessary to be paid in order to carry out such a moral obligation.

Of course I know there are economies which can be effectuated; but here is one Senator who is not going to vote to economize at the expense of empty stomachs on the part of a good many hundreds of boys and girls here in the District of Columbia.

That is why I urge the Senate, this Eastertide, to think about this matter next Sunday. I am raising my voice today in a plea for applied Christianity. Let me say that these spiritual tenets are the same in the case of other religions, the parishioners of which next Sunday may not be bowing their heads in reverence to the particular forms of worship in which we Christians engage. But these spiritual tenets are identical in all religions, and run through the Jewish religion, the Mohammedan religion, and the religion of Confucius. Yes, Mr. President, name to me a religion based upon the acceptance of an Almighty, and the principles I am speaking for here today are common, and through all such religions is the tenet that we are our brother's keeper. I am pleading for the application of that principle today.

To return, Mr. President, in closing, to the award given Secretary Benson, I hope we will soon have before us the enabling necessary legislation provided for in article I, section 9, clause 8, of the Constitution of the United States, and title 5, United States Code, section 115, so that the Secretary and his assistant may legally accept the decorations that are being tendered to them through the State Department. I hope the Department of Agriculture will give serious consideration to an honor award of the Department for the employee who proposes necessary shortcuts and streamlined procedures designed to increase the flow of surplus commodities, and especially high protein commodities, to American schoolchildren.

I ask unanimous consent that the article to which I have referred be printed in the body of the RECORD at this point, as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHILDREN STEAL SHOW FROM FAMOUS FATHERS

(By Selwa Roosevelt)

The children almost stole the show from their daddies last night at the Italian Embassy.

The occasion was a black-tie dinner party for Secretary of Agriculture Ezra Benson and Assistant Secretary of Agriculture Earl Butz who were decorated by the Italian Government.

The thoughtful hosts, Italian Ambassador and Signora Brosio, made a very special evening out of it by inviting the honored guests to bring their children.

Of the Benson's 6 children, only 3 were present—Beverly 20, Bonnie 16, and Flora Bess 13, the youngest one displaying tremendous poise and trying to look nonchalant in her dainty red and white party dress.

The Butzes provided the youthful male contingent for the party with their handsome sons, William 13, and Thomas 9, who watched the entire proceedings, wide-eyed and asked questions about everything.

It was quite obvious that the two Agriculture officials were delighted at a chance to spend such an evening with their children.

"It's so rare when we can share our official life with them," said petite Mrs. Butz. She and Mrs. Benson and the children formed a semicircle in the drawing room before dinner to watch Ambassador Brosio present the decorations.

Mr. Benson was awarded the Cavaliere di Gran Cordone Ordine al Merito della Republica; Mr. Butz, the Cavaliere di Gran Croce Ordine al Merito de la Republica.

The Ambassador told assembled guests that the reasons for the award were quite complex, but he wanted to explain it in words the young people would understand.

The Italian Government, he said, wanted to show its appreciation for the fine example of international cooperation in which Mr. Benson and Mr. Butz have taken part. Under a program initiated in 1955, various agricultural surpluses either have been sold or given as grants to the Italians. Among other benefits, this program has helped provide free meals for one and a half million Italian school children.

Afterward, as photographers recorded the event, the universal comment from the guests was what a wonderful wholesome family the Bensons were.

Mrs. Benson, incidentally, told a guest that she had just come from a portrait sitting. It seems an Italian painter is doing the entire family in one huge painting.

Being strict Mormans, the Bensons do not smoke or drink, so they did not partake of the wines the Ambassador offered the rest of his guests. (At dinner the adults were seated at one long table and the children at a small round one in the same room.)

Adults included Undersecretary of Agriculture and Mrs. True Morse, Senator and Mrs. Bourke Hickenlooper, Representative and Mrs. Victor Anfuso, Assistant Secretary of State and Mrs. Andrew Berding, Miss Constance Harvey, Italian Minister and Signora Ortona, Mr. Sergio Pizzoni, and others. At the children's table were several daughters of Italian Embassy officials.

PERSONAL STATEMENT BY SENATOR MORSE

Mr. MORSE. Mr. President, I now turn to a matter of personal privilege. I shall introduce my remarks by reading into the RECORD at this point an editorial entitled "In Defense of No. 321," which appeared in the Bend Bulletin, of Bend, Oreg., dated April 4, 1957. It is a short editorial, and I shall read it, because I wish to use it as an introduction to certain remarks I intend to make in reply to certain vicious attacks that have been made upon the senior Senator from Oregon. The editorial reads:

One regrettable side angle to the labor and racketeering hearings in Washington the past few weeks has arisen because too many people are willing to tar everyone with the same brush. Because the teamsters union has figured prominently in the hearings, there has been a tendency to blacken all teamster locals.

This newspaper holds no brief for those teamster leaders—particularly Beck and Hoffa—who find themselves in hot water. But there is a big difference between the national picture and the local one.

Most of the teamster problem locals seem to be trusted locals, operated by the international union. Local 321 of the teamsters, headquartered in Bend, controls its own affairs, and from what we can determine, controls them wisely and honestly.

The local also has been generous in making the time of its secretary, Hugh Cole, available for a wide variety of community projects, which he has performed well.

Mr. Hugh Cole is secretary of the teamsters local in Bend, Oreg., and he is an exceedingly able and capable labor leader. He is a fine citizen, and is very active, as the editorial points out, in various community affairs. Whenever there is a program which seeks to advance community betterment in Bend, Oreg., we may be sure that Hugh Cole, secretary of the teamsters local union at Bend, Oreg., will be one of the leaders participating in that program.

Mr. President, in these days one would think sometimes that members of organized labor are not good citizens, judging from some of the smear editorials and comments we read. Yet these men are our neighbors. In every community in this land our next door neighbor may very well be the secretary or business agent or president of a local union. He is a part of the warp and woof of the American democratic system. Yet there are those who apparently think that, because some of the leaders have betrayed their trust to the rank and file, therefore all members of unions are subject to the kind of a smear campaign which certain reactionary media of information these days are circulating throughout the country.

I shall probably tread today on so-called eggs that angels fear to tread on; but there is something which needs to be said, and I am going to say it, and I think it needs to be said before the Easter holiday, when some of us will be in a position to talk to a good many of our constituents, although I shall not be able to go to Oregon until the first part of May.

Mr. President, it is well known in my State that I have labor support, and on the floor of the Senate today I want to say I am exceedingly proud of it. I have support from other groups, too, Mr. President, as the election returns have shown. However, on the question of labor support—and this is a part of my reply to some of the vicious attacks which are being made upon me these days in much of the press of my State—I am very proud of the fact that the Oregon Central Labor Council endorsed me for reelection in 1956. It represented the total labor movement in my State. It also endorsed me in 1944 and 1950, and in those days the Republicans were very proud of it.

It is interesting, now that I am no longer a Republican, Mr. President, to note that reactionary forces which dominate the Republican Party aid and abet in an attempt to smear the senior Senator from Oregon. I have a sense of humor about it, but I do not duck issues, and I shall take the fight to them by saying that one of the things I am most proud of is labor's support of me.

I have the support also of farm groups and teacher groups and small business groups, and other groups, too, Mr. President, and I am proud of it, because I would not like to think of an America

without a strong labor movement. I would not care to think of an America with the unions so weakened that they could not effectively represent their members with regard to wages, hours, and conditions of employment. That is why, when I address chambers of commerce, I talk to them on labor problems. When I get a chance to talk to business groups, I usually talk on labor problems; and when I address labor groups, I talk to them on business problems. It seems to me my job in the Senate, so far as this particular issue is concerned, is to get both groups to see the interrelationship between and among their economic interests, and also the responsibility of both groups to the public, to see to it that they follow courses of action that will protect and advance the public interest. So I am very proud to have the support of organized labor, and within organized labor in my State happens to be the teamsters union. So the question is raised: "Did the teamsters support you in the 1956 campaign?" And the answer is "Yes"—and in 1944 and 1950. And I am proud of it.

People talk to me about teamsters, Mr. President. They do not talk to me about officials of the teamsters union, but they talk to me about the men who drive the trucks over the highways of America and perform the magnificent economic service the teamsters perform for our economy. Let us not forget that there are more communities in America served by trucks than by railroads.

Yes, Mr. President, the teamsters supported me, in that they are members of the Oregon Central Labor Council, and the council endorsed me.

I think these locals, to which the Bend Bulletin referred in the editorial I have used, are typical of teamster locals in my State.

I wish to say, Mr. President, that the derelictions of top officials of the teamsters which are being brought out by investigations are not representative at all of the fine public service and labor service being rendered by many officials of teamster locals. But, because some of the editorials in my State have sought to poison public opinion by giving the impression that the senior Senator from Oregon has had nothing to say about this matter since the investigation started, I wish to point out on the floor of the Senate that I started discussing it even before the first hearing was called, and I pointed out on the floor of the Senate, as the CONGRESSIONAL RECORD will show, that I thought there should be a thoroughgoing investigation, letting the chips fall where they may.

Periodically since then, Mr. President, I have expressed myself on this matter, and I shall continue to do so until we get all the facts, and until, on the basis of the facts we pass the legislation which I think ought to be enacted.

So in this part of my speech today I wish to repeat what I said at the University of Wisconsin more than 2 weeks ago, during the course of a 2-day symposium on labor relations problems, conducted at the university in honor of that great labor economist, Edwin Witte. On that occasion I forewarned American labor leaders as I did in 1947, that it is up to the labor leaders to come forward with constructive, affirmative labor legislative proposals which legislatively will check abuses that have developed within the American labor movement.

In 1947, as a member of the Senate Committee on Education and Labor, I cross-examined the major labor leaders of the United States as they came before our committee to give testimony on various proposals for amendments to the Wagner Act. In 1947 I pointed out that certain unfair labor practices had developed under the Wagner Act, and that I thought it was necessary to pass legislation to correct those labor abuses. I asked each labor leader, "What is your proposal for amendments to the Wagner Act?" The transcript of the record will show that labor leader after labor leader said that no amendments were necessary, because no serious abuses existed. I then soundly criticized American labor leaders, and took a lot of critical and castigating comments in some of the labor press, when I said, "You will either come forward with sound labor legislative proposals or you are going to be confronted with bad labor legislation, which will injure the legitimate rights of American labor."

And that is exactly what happened, because we did not get the cooperation of labor leaders then. The result was the infamous Taft-Hartley law, which has done such irreparable damage to the legitimate rights of labor.

To American labor leaders I say today, "Come forward, and quickly, with proposals for sound and fair legislation that will handle two great problems which I think must be handled by the Congress in the field of labor legislation, or you are going to get bad legislation."

The first problem is—and I move to my next point, Mr. President—legislation that will protect the rank and file members of unions in their rights in relation to union funds.

I wish to make two points about union funds. First, union funds are vested with a public interest. Union funds are not private property, in the sense that a union should consider itself free, or its officials free, to do anything with union funds it may desire or they may desire. Union funds are vested with a public interest.

Let the unions not forget that Government has given them great privileges, too, through legislation which protects them and helps administer the legitimate labor rights.

Mr. President, we need legislation that will guarantee to the rank and file members of unions complete protection, in order to provide a check upon the activity of any national officials of the union involving the misuse of union funds.

I wish to say, as a member of the Committee on Education and Labor of the United States Senate, that I intend, as soon as we feel the record has been satisfactorily made—so that we shall have sufficient information on the basis of which to enact legislation—to support legislation which will protect the rank-and-file members of unions in respect to their own funds.

I do not have to tell the Senate, as I have said elsewhere, that if a bank president, for example, took $200,000 or $400,000 or X amount of dollars out of the treasury of the bank for an interest-free loan to himself or his associates in the officialdom of the bank, such bank president would be out of a job in a matter of hours, once the board of directors understood the situation. If he were not, the stockholders at the earliest possible moment would see to it that they had a new board of directors.

There can be no question about the fact that union funds are not funds which ought to be made available to officials of a union for interest-free loans unless, of course, the rank-and-file members by a vote authorize such a loan to a union official.

Mr. President, I wish to stress that point. It will be necessary to enact legislation which will protect the financial rights and interests of the rank-and-file members of the unions.

Secondly, let me say to the labor leaders that it will also be necessary to enact legislation which will protect the rank-and-file members of unions in the democratic process of operating American unions. I would say that the day of the labor union oligarchy is over. It is long past the time, Mr. President, that it be over.

I take the position that we need legislation which will guarantee, to the rank-and-file union members of the locals of organized labor, democratic procedures for the operation of union business. This guaranty should be assured as a matter of governmental regulation and governmental right. By doing that, Mr. President, we will strengthen the legitimate rights of organized labor.

In fairness to labor leadership let me say that the attitude of the labor leaders today is quite different from what it was in 1947, because labor leader after labor leader has said to me, "You are right about it, and it will be necessary to enact legislation in those two broad fields."

I wish to mention the foregoing, Mr. President, because I know of nothing that makes my answer to the vicious attacks made upon me by some segments of a reactionary press in my State any clearer than the position I have just outlined, which is not anything new for me. The trouble is that editors either do not read or, having read, they lie to their readers about the record of a public official of whom they do not approve.

While making this speech I should like to say that another attack is being made upon me, with all the smear, innuendoes, and implications that go along with it. During the past month or 5 weeks, everywhere I have gone, the question was asked by the press, "Did the teamsters contribute to your campaign in 1956?" My answer is, "I hope so. I certainly needed the money."

In connection with the so-called bucks-for-MORSE fund in my State, I am proud that more than 18,000 individual workers contributed to the so-called bucks-for-MORSE drive in my campaign, in which a worker would contribute voluntarily a dollar or two, or perhaps $5 on payday. He may have done it once, or several times during the campaign. I am exceedingly proud of that fact, because I

believe that such a broad base of campaign contributions is essential in American politics if we are to elect freemen to the parliamentary bodies of American democracy. I should be very much disappointed if a great many hundreds or several thousands of those rank-and-file workers in my State who contributed to the bucks-for-MORSE drive were not teamsters. I hope they were. That is why I say that when anyone talks to me about teamster support, it is necessary to define the term.

When I talk about teamster support, I am talking about the individual, rank-and-file teamster, whose friendship I have. He knows, as does the rest of organized labor, that when I think he is right on an issue, I will fight for his position, and when I think he is wrong, I will fight against him just as hard, as I have done on issue after issue.

Since this question was first raised, I have found that outside my State one teamster local union made a direct contribution of voluntary funds to the finance committee of my campaign. I am very proud of that, too, because the contribution was made without my knowledge. It was made directly to the campaign finance committee, and was made on the basis of so-called free money, and not union money—money which, I understand, was raised by the rank-and-file members of that particular teamster union. I am very proud that that contribution was made. It is a part of the official financial reporting of my campaign, filed with the Secretary of State of my State.

I have one further comment to make for the RECORD today, in answer to the type of criticism to which I am replying. The press has said to me, "Senator, did you speak to the western conference of teamsters last spring in Vancouver, British Columbia?"

My answer is that I did. I am also proud of that invitation. As I said to the press, "I would speak to them again next week, if they gave me an invitation. I would have some more good advice to give them. Do you want to know what I said in Vancouver, British Columbia, last spring, at the western conference of teamsters?"

It is interesting to note how quickly the press loses interest after an answer of that kind. It is not a question of wanting to know what one said, but they think they can poison public opinion by giving the impression that one spoke at a certain conference, and that it was not wise to speak at that conference.

I am always happy to speak at any labor conference, farmers' conference, teachers' conference, or any other conference where I think there can be raised some issues of public policy which will exemplify the teaching of Jefferson, that a democracy can be no stronger than the enlightenment of its people. So long as I serve in the Senate, when time and energy permit, I intend to carry out my job of political education with regard to the great issues which confront the people of the United States through the Congress.

So, at the western conference of teamsters, held at Vancouver, British Columbia, as the printed record of the speech will show, I spoke in large measure about a subject matter on which I spoke on the floor of the Senate in March 1956 concerning the record of the National Labor Relations Board in amending the Taft-Hartley law by way of the Eisenhower appointments to that Board, when legislative amendments could not be passed through the Congress. The National Labor Relations Board has been accomplishing amendment of the act by way of decisions of the Board.

The CONGRESSIONAL RECORD will show that in March 1956, I cited as examples nine cases. Since March 1956 decisions in 8 of the 9 cases have been reversed by lower Federal courts, and the ninth is now pending before the Supreme Court on a writ of certiorari.

For the most part, my speech before the western conference of teamsters was on the general subject that no union has suffered more at the hands of the Eisenhower Administration than have the teamsters; and the international president of the Teamsters Union was sitting on the platform with me. I only make the passing comment that in both 1952 and 1956 he endorsed the Republican candidate.

I do not blame the Republican candidate for that. That does not mean that because the president of the Teamsters' Union endorsed a Republican candidate, the Republican candidate thereby became in any way a party to any malfeasance by any union official who might have endorsed him. The Republican candidate does not thereby become a party to any previous or subsequent guilt on the part of the union official.

One must maintain a sense of humor about these attacks. I think it is rather humorous that the press should try to leave a false impression with the people of my State because I spoke to the western conference of teamsters. What they seek to do is to give the impression that I am controlled by some economic group. That is a smear. On that point, I am perfectly willing to let the record of the senior Senator from Oregon speak for itself. All anyone in doubt needs to do is to ask any union official to what extent he thinks he could exercise any influence on the senior Senator from Oregon when the senior Senator from Oregon is convinced, on the merits, that the union official is wrong.

I thought I should make this statement today because my friends in Oregon, who worked so hard in my campaign, are entitled to it. They have told me, in letters and telephone calls, that they felt they needed from me exactly the type of statement I am making here today, so that they could have the ammunition, so to speak, with which to answer the reactionary smearing press of my State, which does not like it because we licked them in 1956, with every daily newspaper in Oregon against me except 2, or possibly 3, of the smaller dailies, and with only 5 weeklies out of more than 60 for me. Of course, that is a pretty bad beating for the press to take. Yet it is not the senior Senator from Oregan who is important in this matter.

I close my speech by directing a few remarks to what I think the real problem is. The real problem of the American people is that of postponing final judgment in regard to the labor situation until the entire record has been made.

There can be no doubt that there are some corrupt labor leaders and some corrupt representatives of employers. As I said once before in the Senate, let every American citizen remember that when there is collusive labor racketeering agreement, there is on one side of the table a corrupt labor leader and on the other side of the table a corrupt employer; that labor racketeering, like bribery, is not singular; it is not possible to bribe oneself; it is not possible to do labor racketeering with oneself.

Let me say, in fairness to American employers, I am satisfied, as one who has worked in the field of labor arbitration and mediation in the years before I came to the Senate, that only an exceedingly small percentage of American employers engage in corrupt practices, just as I am convinced that only a small percentage of labor leaders engage in corrupt practices.

Mr. President, we have passed more legislation designed to take effective action against reprehensible practices by business than we have in respect to reprehensible practices on the part of labor.

Therefore I believe Congress has the duty of seeing to it that before final adjournment this year there shall be passed labor legislation which in the long run will strengthen the legitimate interests and the rights of labor by protecting the rank and file of American workers in respect to their financial rights and in respect to their rights to greater democracy in the administration of the American labor movement.

ADDITIONAL APPROPRIATIONS, 1957

Mr. BIBLE. Mr. President, I was about to suggest the absence of a quorum; but for the moment, I withhold the suggestion.

Mr. HAYDEN. Mr. President, from the Committee on Appropriations, I report favorably with amendments, House Joint Resolution 310, making additional appropriations for the fiscal year 1957, and for other purposes, and I submit a report (No. 249) thereon.

The PRESIDING OFFICER (Mr. MONRONEY in the chair). The clerk will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes.

Mr. WILLIAMS. Before the joint resolution is made the unfinished business before the Senate, I suggest the absence of a quorum.

Mr. BIBLE. I plan to suggest the absence of a quorum.

Mr. WILLIAMS. Before it is made the unfinished business, I shall wish to ask some questions.

Mr. BIBLE. I am sure the Senator from Delaware will have ample opportunity to do so.

Mr. WILLIAMS. Mr. President, what is the request of the Senator from Arizona?

The PRESIDING OFFICER. The Senator has not made any request. He

has merely reported the joint resolution. He has not yet made a request in connection with it.

Mr. WILLIAMS. He has not yet made a request?

The PRESIDING OFFICER. The Senator is correct.

Mr. BIBLE. Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 310.

Mr. BUSH. Mr. President, may we have order? I cannot hear the Senator's request.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HAYDEN. My request is that the Senate proceed to the consideration of House Joint Resolution 310, making additional appropriations for the fiscal year 1957, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

Mr. WILLIAMS. Mr. President, reserving the right to object, I should like to have the Senator from Arizona tell me what the joint resolution does with respect to restoring any appropriations for the tungsten program.

Mr. HAYDEN. The Senator from Delaware will remember that there was a budget estimate of $30 million for the acquisition of tungsten and other minerals. To the urgent deficiency appropriation bill an amendment carrying out the budget estimate was adopted by the Senate on February 18 by a yea and nay vote of 64 to 17.

The Senate went to conference with the House on the bill. The House was not inclined to do anything at all for tungsten. In the joint resolution we tried to cut the program down by providing only enough money with which to operate for the remainder of the fiscal year. Then we state in the report that there will be no further appropriation for this program unless Congress amends existing legislation. It will take $9,140,840, of which $8½ million is for tungsten, and the remainder for asbestos and fluorspar, to carry on the program until the end of the present fiscal year. We feel that inasmuch as Congress passed an act authorizing an appropriation of $91 million for this program, and inasmuch as we appropriated at the previous session of Congress $21 million for the program, it is only fair to give the operators an opportunity to close out in an orderly way between now and the 30th of June.

Mr. WILLIAMS. Is it the intention of the committee, if the $9 million is appropriated at this time that it be done with the understanding that the program will be closed out and we will not be asked for new authorizations or appropriations?

Mr. HAYDEN. I will read from the committee report:

> The committee will not consider any additional funds for the acquisition of tungsten under the existing provisions of Public Law 733; and the committee urges the proper legislative committee to consider amendments to overcome the objections that have been raised to the tungsten program.
>
> It is possible that legislation to implement the long range minerals policy could be enacted during this session of Congress. If such legislation is enacted to provide for a tungsten program, the committee will consider funds for it at the proper time.

In other words, unless there is new legislation pertaining to tungsten, this is the last appropriation we expect to make for the acquisition of tungsten.

Mr. WILLIAMS. Did the committee receive testimony from anyone connected with the Office of Defense Mobilization or the Secretary of Defense that this tungsten was needed?

Mr. HAYDEN. Yes; we had testimony from the Bureau of Mines and other agencies that tungsten is an essential metal. There is a possibility, in connection with the development of jet aircraft, for which there is need for great heat-resistant metal, that there will be a great demand for tungsten in the future. But that matter is in the experimental stage at this time.

Mr. WILLIAMS. That is not quite in response to the question I asked. I asked, Was there anyone connected with the Office of the Secretary of Defense or with the Office of Defense Mobilization who said that this tungsten was necessary for the stockpiling program or the defense of the country?

Mr. HAYDEN. We had testimony from the Office of Defense Mobilization and the Secretary of the Interior that they supported the act of Congress which authorized the program, and wanted to see it carried into effect.

I do not think there is any question at all, so far as the Department of Defense is concerned at the moment, that the tungsten is not needed now; but that is no sign that it will not be needed within due course of time.

Mr. WILLIAMS. The question in which I am interested is, Was there any testimony officially given before the committee, from anyone connected with the stockpiling program or with the Secretary of Defense, who stated that this tungsten was needed for the defense of the country? I am not asking as to whether they endorsed the program or not. Did they say that tungsten was needed?

Mr. HAYDEN. That was not the purpose of the legislation. We were trying to build up in this country a strategic minerals industry. When the war broke out, no tungsten whatsoever was being produced in the United States. We paid as high as $100 a unit for tungsten and had to scrape the world to find it. In the meantime, there has developed a mounting demand for tungsten in our country and abroad.

We have all the tungsten we need at the moment in the stockpile. That is why we are cutting down on the program. But we want to finish the program in an orderly way, because Congress held out by law to the people who were interested a program which should be fulfilled in good faith. We simply wanted to provide the money now to terminate the program.

Mr. WILLIAMS. Was testimony not given to the committee to the effect that even in the case of an all-out war, with all our domestic supplies and our foreign supplies shut off, we would have more tungsten than we would need for any foreseeable military or civilian needs for a period of 5 years?

Mr. HAYDEN. When the defense stockpile was filled, the Government discontinued purchases of tungsten. When that time was reached, in order to keep the industry alive Congress passed the act I have described. It authorized a program to keep the American tungsten industry going.

Mr. WILLIAMS. What is the price at which tungsten would be purchased if the item were allowed to remain?

Mr. HAYDEN. Fifty-five dollars a unit.

Mr. WILLIAMS. What is the prevailing world market price today?

Mr. HAYDEN. My understanding is that it is $35.

Mr. WILLIAMS. In other words, the proposal would be to buy all the tungsten which would be offered at $20 a unit above the prevailing market price in this country?

Mr. HAYDEN. That is correct.

Mr. WILLIAMS. Is it not a fact that all the tungsten which is being presently used in the United States by our domestic industry is foreign tungsten, which is being bought at $35 a ton; and that the $55 tungsten which the American Government is buying is merely being moved from one hole in the ground to another hole in the ground?

Mr. HAYDEN. That is exactly correct. That is why we thought it was proper to bring the program to a close; but we want to do it in an orderly way, so that those who have invested their money in the program could feel that the Government had not run out on them after having made promises to them.

Mr. WILLIAMS. Is it not also true that the same condition existed 1 year ago, when Congress passed the bill under which the appropriation is being made?

Mr. HAYDEN. That may have been true. I was not a member of the legislative committee which reported the bill. I do not know what representations were made to that committee. But Congress passed the act and held out the promise. Under that act, Congress last year appropriated $21 million.

Mr. WILLIAMS. If we appropriate $9 million today, it will be a safe guess to say that about $3,500,000 of it will be a direct subsidy for about 7 or 8 mines in this country.

Mr. HAYDEN. Oh, I think it will be for many more mines than that. There have been developed about 200 producers of tungsten in the United States.

Mr. WILLIAMS. Was it not testified that about 7 or 8 of them were getting about 70 percent of what is provided in the bill?

Mr. HAYDEN. There are a few large mines; yes. It takes time to open a mine

and develop it. We have included a provision limiting the amount of tungsten that can be acquired from any single mine to 2,500 units in any one month.

Mr. WILLIAMS. Does the Senator from Arizona, as chairman of the committee, have available the amount of tungsten which is presently on contract with foreign sources by the General Services Administration?

Mr. HAYDEN. I have no knowledge of that. I understand that perhaps some long-term contracts have been made with producers abroad. That is perhaps unfortunate. Those contracts will have to be honored. But Congress will be repudiating a promise it made to domestic producers if we do not pass the proposed legislation.

Mr. WILLIAMS. Is it not true that the domestic price of $55 a ton which Congress is proposing is far above the world price or the prevailing price and that actually tungsten is being smuggled over the border from Mexico into the United States and sold to the Government under the classification of domestically produced tungsten?

Mr. HAYDEN. There have been some criminal prosecutions along that line, but I am certain that no great amount of such tungsten has been brought into this country.

Mr. WILLIAMS. But there have been such instances.

Mr. HAYDEN. There have been instances of persons being prosecuted for selling tungsten smuggled into the United States as tungsten produced in the United States, and testimony has been taken and indictments have been obtained.

Mr. WILLIAMS. I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, will the Senator from Delaware withhold his suggestion of the absence of a quorum?

Mr. WILLIAMS. Yes.

Mr. MANSFIELD. Is it not true that, normally speaking, this country is dependent upon imports to the extent of more than 90 percent of its tungsten needs?

Mr. HAYDEN. There is no question about that, under normal conditions.

Mr. MANSFIELD. Is it not true that if the mines in the West close down they will close down to stay because they will be flooded and will be of no further use?

Mr. HAYDEN. And then it is only reasonable to suppose that if there is no American production, the price of foreign tungsten will rise.

Mr. MANSFIELD. Exactly. During the war, was the United States not dependent on foreign manganese and tungsten for in excess of 90 percent of its defense needs?

Mr. HAYDEN. We were, indeed; and ships carrying the tungsten were, in numerous instances, sunk by German submarines.

Mr. MANSFIELD. What is wrong with carrying on an economic development in the United States, in behalf of the people of the country, in the form of a program which is very vital to our future and our security, and is in our own best interests?

Mr. HAYDEN. That is what Congress thought, and that is what we hope will ultimately become effective, when the President sends to Congress his domestic minerals program. It has been promised for more than a year. We have been assured that before the end of this session of Congress, the President will submit to Congress a domestic minerals program which will apply to all domestic minerals.

Mr. MANSFIELD. Is this not at the request of the President and the Bureau of the Budget?

Mr. HAYDEN. Of course; this is a budgeted item.

Mr. MANSFIELD. Of course it is.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. As a matter of fact, the request of the Bureau of the Budget was for $30 million.

The Senate had originally passed, by a vote of 64 to 17, the $30 million appropriation. The report by the Committee on Appropriations, after hearing all the facts in the matter, brings the amount down to $9,100,000 from the original Senate base of $30 million.

The report itself also makes clear, as the able Senator from Arizona has pointed out, that the program is to terminate unless Congress, in its judgment, passes permanent legislation which will take into consideration all the various factors.

Mr. HAYDEN. That is an entirely correct statement.

Mr. MANSFIELD. The Senator from Delaware referred to this appropriation as a subsidy. Very well. Does the United States Government pay subsidies to newspapers and magazines, and royalties to steamship companies and airlines? As a matter of fact, is the tariff which has been in operation for 160 years not a form of subsidy of businessmen?

Mr. HAYDEN. It has been so considered by very good economists.

Mr. WILLIAMS. I may say, in reply to what the Senator from Montana has stated, that no doubt the Government is paying subsidies to a good many industries. No doubt the Bureau of the Budget did recommend $30 million. I do not question that. But we have also received from the President an overall Federal budget of $72,500,000,000. Unless we in Congress begin to take some action, cutting these subsidies, there will not be any economy effected by the Congress. Likewise there will not be any tax reduction.

Let us stop talking and really cut these appropriations. Certainly we are not going to adopt the policy of restoring all House cuts.

There will be no tax reduction and there will be no need for Members of Congress to talk about how they propose to help the taxpayers unless the Congress votes to cut the various budgets. Every agency of the Government connected with our national defense will testify that this is one of the items which is not needed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 70) requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 1348. An act for the relief of Frank E. Gallagher, Jr.;

H. R. 1451. An act for the relief of Cecelia Vaccaro;

H. R. 1454. An act for the relief of Jeffrey Charles Medworth;

H. R. 1472. An act for the relief of Anna L. De Angelis;

H. R. 1502. An act for the relief of Homer Cazamias;

H. R. 1535. An act for the relief of Georg Gahn and Margarete Gahn;

H. R. 1574. An act for the relief of Albert Hyrapiet;

H. R. 1752. An act for the relief of Frank J. and Mae T. W. Burger;

H. R. 1765. An act for the relief of Ellen G. Marinas;

H. R. 1837. An act for the relief of Elda Mondillo;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2678. An act for the relief of Leona C. Nash;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child;

H. R. 2973. An act for the relief of the estate of William V. Stepp, Jr.;

H. R. 3126. An act for the relief of Bunge Corp.;

H. R. 3276. An act for the relief of Edwin K. Fernandez;

H. R. 3558. An act for the relief of Ernest Hagler;

H. R. 3559. An act for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck;

H. R. 3572. An act for the relief of Mrs. Mary Jane Russell;

H. R. 3921. An act for the relief of Helmuth S. Heyl;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4970. An act for the relief of Joy Kulis and Janet Arline Kulis;

H. R. 5061. An act for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft;

H. R. 5081. An act for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane;

H. R. 5082. An act for the relief of Joe Kawakami;

H. R. 5083. An act for the relief of Robert Burns DeWitt;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham;

H. R. 5186. An act for the relief of Dorothy E. Green and Thelma L. Alley;

H. R. 5355. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims

of the United Foundation Corporation of Union, N. J.;

H. R. 5441. An act for the relief of Scott Berry;

H. R. 5714. An act for the relief of William Frederick Werner;

H. R. 5718. An act for the relief of Juanita Gibson Lewis;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 6050. An act for the relief of Vito Magistrale;

H. R. 6172. An act for the relief of Thomas F. Milton;

H. R. 6175. An act for the relief of Virginia Heil;

H. J. Res. 272. Joint resolution for the relief of certain aliens;

H. J. Res. 273. Joint resolution to waive the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, in behalf of certain aliens;

H. J. Res. 274. Joint resolution to waive the provision of section 212 (a) (9) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 289. Joint resolution to facilitate the admission into the United States of certain alien children; and

H. J. Res. 290. Joint resolution for the relief of certain aliens.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 288. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming; and

S. 753. An act for the relief of Georgiana Hsien (Liang) New.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles and referred to the Committee on the Judiciary:

H. R. 1348. An act for the relief of Frank E. Gallagher, Jr.;

H. R. 1451. An act for the relief of Cecelia Vaccaro;

H. R. 1454. An act for the relief of Jeffrey Charles Medworth;

H. R. 1472. An act for the relief of Anna L. De Angelis;

H. R. 1502. An act for the relief of Homer Cazamias;

H. R. 1535. An act for the relief of Georg Gahn and Margarete Gahn;

H. R. 1574. An act for the relief of Albert Hyrapiet;

H. R. 1752. An act for the relief of Frank J. and Mae T. W. Burger;

H. R. 1765. An act for the relief of Ellen G. Marinas;

H. R. 1837. An act for the relief of Elda Mondillo;

H. R. 2045. An act for the relief of Robert D. Miller, of Juneau, Alaska;

H. R. 2678. An act for the relief of Leona C. Nash;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child;

H. R. 2973. An act for the relief of the estate of William V. Stepp, Jr.;

H. R. 3126. An act for the relief of Bunge Corp.;

H. R. 3276. An act for the relief of Edwin K. Fernandez;

H. R. 3558. An act for the relief of Ernest Hagler;

H. R. 3559. An act for the relief of George T. Moore, Carl D. Berry, and Dr. Harold J. Heck;

H. R. 3572. An act for the relief of Mrs. Mary Jane Russell;

H. R. 3921. An act for the relief of Helmuth S. Heyl;

H. R. 4023. An act for the relief of Oswald N. Smith;

H. R. 4970. An act for the relief of Joy Kulis and Janet Arline Kulis;

H. R. 5061. An act for the relief of Harry V. Shoop, Frederick J. Richardson, Joseph D. Rosenlieb, Joseph E. P. McCann, and Junior K. Schoolcraft;

H. R. 5081. An act for the relief of Capt. Thomas C. Curtis and Capt. George L. Lane;

H. R. 5082. An act for the relief of Joe Kawakami;

H. R. 5083. An act for the relief of Robert Burns DeWitt;

H. R. 5168. An act for the relief of William Henry Diment, Mrs. Mary Ellen Diment, and Mrs. Gladys Everingham;

H. R. 5186. An act for the relief of Dorothy E. Green and Thelma L. Alley;

H. R. 5355. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment on certain claims of the United Foundation Corporation of Union, N. J.

H. R. 5441. An act for the relief of Scott Berry;

H. R. 5714. An act for the relief of William Frederick Werner;

H. R. 5718. An act for the relief of Juanita Gibson Lewis;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 6050. An act for the relief of Vito Magistrale;

H. R. 6172. An act for the relief of Thomas F. Milton;

H. R. 6175. An act for the relief of Virginia Heil;

H. J. Res. 272. Joint resolution for the relief of certain aliens;

H. J. Res. 273. Joint resolution to waive the provisions of section 212 (a) (9) and (12) of the Immigration and Nationality Act, in behalf of certain aliens;

H. J. Res. 274. Joint resolution to waive the provision of section 212 (a) (9) of the Immigration and Nationality Act in behalf of certain aliens;

H. J. Res. 289. Joint resolution to facilitate the admission into the United States of certain alien children; and

H. J. Res. 290. Joint resolution for the relief of certain aliens.

URGENT DEFICIENCY APPROPRIATIONS, 1957

Mr. MANSFIELD. Mr. President, I ask unanimous consent that unfinished business be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957.

Mr. WILLIAMS. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. WILLIAMS. I shall not object to the unanimous-consent request for consideration of the joint resolution; but I wish the record to show that I shall object to inclusion of this $9 million item for tungsten because I do not think it is necessary. In my opinion the Senate will be wise to eliminate this item from the joint resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the joint resolution be read for amendment, and that the committee amendments be considered first.

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Chapter I—Department of Agriculture—Farmers' Home Administration—Disaster Loan Revolving Fund," on page 3, line 13, after "(68 Stat. 81, 88)", to insert a colon and "*Provided*, That in furnishing feed assistance to farmers or ranchers in designated drought areas, the Secretary may give attention to inclusion of feeds such as cottonseed meal, cottonseed cake, or pellets which are available in the areas, so long as such assistance does not substantially increase the existing prices charged for such feeds."

Mr. KNOWLAND. Mr. President, I think a brief explanation should be made of the proviso.

Mr. HAYDEN. Mr. President, in connection with furnishing feed assistance, the Senate formerly considered a provision making mandatory the inclusion of such feeds as cottonseed meal, cottonseed cake, or pellets. However, the pending amendment merely makes it permissive. The amendment provides—

That in furnishing feed assistance to farmers or ranchers in designated drought areas, the Secretary may give attention to inclusion of feeds such as cottonseed meal, cottonseed cake, or pellets which are available in the areas, so long as such assistance does not substantially increase the existing prices charged for such feeds.

That means that when there is another drought-relief program—and probably we shall have one—attention will be directed to the areas of the United States in which cottonseed meal or cake or pellets are used. In that connection I refer specifically to west Texas, Arizona, Oklahoma, and New Mexico; it is customary to use them in those areas; and the amendment points out that it is desired to have consideration given to their use.

Mr. KNOWLAND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. The basic difference between this amendment and the

proviso originally in the bill previously before the Senate—and there was some contest at the time—is that the previous one was mandatory, and provided that the Secretary shall use such feed under certain specified conditions, whereas, as I understand, in view of the explanation given before the Appropriations Committee today and in view of the explanation given on the floor by the Senator from Arizona, the pending amendment changes the word "shall" to the word "may," and makes the provision purely optional, under the proviso referred to.

Mr. HAYDEN. Yes.

Mr. BUSH. Mr. President, I should like to ask a question: Does the proviso conform to the Knowland amendment?

Mr. KNOWLAND. Yes; it conforms in substance to the amendment I offered at that time; I refer to the amendment to make it optional.

The ranking Republican member of the Committee on Agriculture and Forestry, the senior Senator from Vermont [Mr. AIKEN], had to leave to transact some other public business; but he told me that, being optional rather than mandatory, any objection he had to this provision was removed.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was, under the heading "Chapter IV—Department of Health, Education, and Welfare—Social Security Administration—Grants to States for Public Assistance," on page 7, at the beginning of line 21, to strike out "$16,728,000" and insert "$17,728,000."

Mr. KNOWLAND. Mr. President, I hope the distinguished Senator from Arizona will make an explanation of the amendment. However, first I wish to request that the yeas and nays be ordered on the question of agreeing to the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. HAYDEN. Mr. President, the committee amendment relates to the funds granted to States for public assistance, to be available from the appropriation for the Social Security Administration, under the Department of Health, Education, and Welfare. The amendment strikes out the sum "$16,728,000," and inserts the sum "$17,728,000." In other words, the amendment provides that $17,728,000 may be used for State and local administration; and thus the amendment provides an increase of $1 million in the limitation.

The committee voted to include the amendment because of testimony presented before the committee that that much money would be required in order to carry on from now until the end of the year. That is the sole reason for including the amendment. The committee did not want any State to be unable to obtain what it was entitled to obtain. However, at the present time, unless this amendment is adopted and the bill including the amendment is enacted into law, a great many States will be out of money this very month.

Mr. BUSH. The money will be used to administer what? I am not familiar with this measure.

Mr. HAYDEN. It is for public assistance.

Mr. BUSH. Old-age assistance?

Mr. HAYDEN. Yes, old-age assistance. The law now provides that the Federal Government shall match the money provided by the States in carrying on this work. That much money will be required between now and July 1, in order to match the amount of money the States have put up.

Mr. KNOWLAND. Mr. President, will the Senator from Arizona yield to me?

Mr. HAYDEN. I yield.

Mr. KNOWLAND. In the committee there was considerable discussion, and this is one of the items which caused the previous measure to be tied up in conference, in view of the fact that the other body had originally included a limitation of approximately $15 million plus. When this measure came to the Senate, it included the item of $16,728,000.

However, it was the very strong feeling of the Senate Appropriations Committee that, in effect, this limitation acted as a nullification of the existing statute, which has been on the statute books since 1935, I believe.

Mr. HAYDEN. Yes, for 21 years.

Mr. KNOWLAND. Yes, for approximately 21 years—whereby the Federal Government has undertaken to bear half the cost of the administration of these programs.

Although I think there is room for discussion and argument as to whether the Congress might consider, in the appropriate legislative committee, the matter of whether they should bear 50 percent of the cost or 40 percent of the cost or 25 percent of the cost, for that matter, that change should be made in the basic law. Until the basic law is changed, the feeling is that the Federal Government should live up to its commitments to the States.

Mr. HAYDEN. That is correct.

Mr. KNOWLAND. That is the reason why the Senate Appropriations Committee has recommended the item of $17,728,000, which is the amount which the Administrator, has set forth in a letter from him to the chairman of the committee.

Mr. HAYDEN. The Senator from California is absolutely correct.

Mr. FLANDERS. Mr. President, I should like to ask a question of the Senator from Arizona. My question relates to the particular situation existing in my own State.

In Vermont we have taken great pride in the low cost of the administration of these funds. Can the Senator from Arizona inform me whether either the joint resolution as passed by the House of Representatives or the joint resolution as reported to the Senate by the Senate Appropriations Committee penalizes any State which has an unusually low administrative cost?

Mr. HAYDEN. Frankly, Mr. President, I am not sufficiently familiar with that matter to be able to give the Senator from Vermont a proper answer. Undoubtedly some members of the legislative committee can answer the question.

Mr. BRIDGES. Mr. President, will the Senator from Vermont yield to me?

Mr. FLANDERS. I yield.

Mr. BRIDGES. I think what the Senator from Vermont has indicated is true. Undoubtedly one of the problems we face is that a State such as Vermont, which has a low ratio of administrative costs, and which administers the program on an economic basis, would be discriminated against, as contrasted with a State such as New York, which has very high administrative costs.

Mr. HAYDEN. I might say to the Senator from Vermont the House provision penalizes his State, although it has good administration, along with the States that do not have it.

Mr. FLANDERS. We are penalized by not getting as much of a slice of Federal money, but we are content to do that so long as we do not have to contribute more money.

Mr. President, will the Senator from Arizona yield so that I may address a question to the Senator from New Hampshire and so he may answer me?

Mr. HAYDEN. I yield for that purpose.

Mr. FLANDERS. What is the advice of the Senator from New Hampshire as to the way the Senator from Vermont should vote on this particular question, with his State's interests in mind?

Mr. BRIDGES. I think the only way for the Senator from Vermont to vote would be to vote for the amendment on administrative costs, because his State, as well as every other State, is affected, and this amendment provides for what I am informed would be a substantial amount but not quite all of the full reimbursement authorized. Whereas some of the States have high administrative costs, they investigate their cases more closely than do others. Some of the States with low administrative costs do not have sufficient investigations. Nevertheless, one of the great objections we have heard to such an arrangement over the years, and it is a cumulative objection, is against the Federal Government's paying half the administrative cost no matter how high the costs in some States run, while other States try to keep their costs at rockbottom. I think that is a problem with which we are very much concerned.

Mr. FLANDERS. Would the Senator from New Hampshire suggest that I should support the position of the Senate committee on this question?

Mr. BRIDGES. I do not think the Senator could do anything else, consistently, in order to help his State, because the Federal Government under the basic law as it now stands is authorized to pay his State 50 percent of the cost. I hope, as a long-range proposition, that there will be a limitation put on administrative costs by legislative action, and that the Government will not merely pay a flat 50 percent.

Mr. FLANDERS. The Senator refers to a percentage of the total expenditure?

Mr. BRIDGES. Yes.

Mr. SALTONSTALL. If the Senator will yield, am I not correct in saying that this additional amount, with the limita-

tion now in effect, will, in the opinion of the Department, scarcely provide sufficient funds, even with very careful and prudent administration?

Mr. BRIDGES. It will be something under 50 percent.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield to the Senator from New York.

Mr. JAVITS. I have taken this matter up with the Commissioner of Public Welfare of the State of New York. New York State believes there should be no ceiling. The proposal now before the Senate represents a compromise position. If the amendment is adopted, a ceiling will be placed on the amount.

I also point out to my friends from the smaller States that the Federal Government pays a proportion of their public assistance. Hence, if the State of New York tried to do, as it does try to do, an efficient job, with a population of 17 million, it would be helping a far greater number of people and the cost would represent greater economy than is represented by the amount provided for the administration.

Mr. BRIDGES. If the Senator from Arizona will yield to me on this matter, to follow through in accordance with what the Senator from Vermont has stated, let me say that the administrative costs in Vermont are 4.04 percent, which is a low ratio. I am now talking about old-age assistance. The figure runs higher in certain other States. In New York State it runs to 18.54 percent. For instance, the highest is in the Virgin Islands, where the figure is 26.38 percent. In New Hampshire, where the costs do not run quite so low as they do in the State of Vermont, but where they are still in the low category, the figure is 7.4 percent. For instance, the figure in the State of Georgia runs to 3.73 percent. The figure for Connecticut is 9.94 percent. For the District of Columbia it is 9.14 percent. For Massachusetts it is 8.25 percent, which is in the lower bracket. Colorado has one of the best figures, 3.17. New Jersey is in the upper bracket, 16.22 percent.

The costs vary. Some States have done an excellent job in holding their administrative costs down, but the excuse of the other States is that they do a very thorough job of investigation. To some extent that may be true, but I do not think it accounts for all of the wide variations. The matter should have some legislative consideration in the future.

Mr. HILL. Mr. President, if the Senator will yield, I think it ought to be made clear that in the report of the committee on the bill, it is stated, and I read from the report:

> It is the sense of the committee that the limitation herein recommended will enable the Social Security Administration to fully meet the Federal obligations under the Social Security Act to buy each State "an amount equal to one-half of the total of the sums expended for the proper and efficient administration" of each of the assistance programs.

The words in quotations are taken verbatim from the basic act. I think it ought to be made clear that, according to the information which the committee has from the Department of Health, Education, and Welfare, more particularly the Social Security Administration—and the information is embodied in a letter to the distinguished chairman of the committee, the Senator from Arizona [Mr. HAYDEN]—the amount in the limitation embodied in the committee amendment upon which the Senate is about to vote, will be sufficient to have the Federal Government meet the obligations of paying 50 percent of the administrative costs of these programs.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The question is on agreeing to the committee amendment on page 7, beginning on line 21.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Texas [Mr. BLAKLEY], the Senator from Virginia [Mr. BYRD], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. ANDERSON], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Washington [Mr. JACKSON], the Senator from Texas [Mr. JOHNSON], the Senator from Washington [Mr. MAGNUSON], the Senator from West Virginia [Mr. NEELY], and the Senator from North Carolina [Mr. SCOTT] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Kentucky [Mr. COOPER] is necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. CURTIS], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Wisconsin [Mr. MCCARTHY] are detained on official business.

If present and voting, the Senator from Nebraska [Mr. CURTIS], the Senator from Wisconsin [Mr. MCCARTHY], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 75, nays 0, as follows:

YEAS—75

Aiken	Bush	Chavez
Allott	Butler	Church
Barrett	Capehart	Cotton
Beall	Carlson	Dirksen
Bible	Carroll	Douglas
Bricker	Case, N. J.	Dworshak
Bridges	Case, S. Dak.	Ellender
Ervin	Kuchel	Revercomb
Flanders	Lausche	Robertson
Frear	Long	Russell
Fulbright	Malone	Saltonstall
Goldwater	Mansfield	Schoeppel
Green	Martin, Iowa	Smathers
Hayden	Martin, Pa.	Smith, Maine
Hennings	McClellan	Smith, N. J.
Hill	McNamara	Sparkman
Hruska	Monroney	Stennis
Ives	Morse	Symington
Javits	Morton	Talmadge
Jenner	Mundt	Thurmond
Johnston, S. C.	Neuberger	Thye
Kefauver	O'Mahoney	Watkins
Kennedy	Pastore	Wiley
Kerr	Potter	Williams
Knowland	Purtell	Young

NOT VOTING—21

Anderson	Eastland	Langer
Bennett	Gore	Magnuson
Blakley	Hickenlooper	McCarthy
Byrd	Holland	Murray
Clark	Humphrey	Neely
Cooper	Jackson	Payne
Curtis	Johnson, Tex.	Scott

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The next amendment was, at the top of page 8, to insert:

CHAPTER V

DEPARTMENT OF THE INTERIOR

Office of the Secretary

Acquisition of Strategic Minerals

For an additional amount for "Acquisition of strategic minerals," $9,140,840: *Provided*, That none of the funds appropriated in this paragraph shall be available to accept offers for delivery of tungsten trioxide in any one calendar month, from any one producer, in excess of 2,500 short-ton units originating in any one mining district from properties controlled by such producer.

Mr. WILLIAMS. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment to the amendment will be stated.

The CHIEF CLERK. In the committee amendment, on page 8, it is proposed to strike out "$9,140,840" and insert "$600,000," and strike out the proviso beginning in line 2 of the committee amendment.

Mr. WILLIAMS. Mr. President, the purpose of this amendment is to strike out funds which were allocated to the purchase of tungsten. The committee proviso would require the Government to purchase up to 2,500 short-ton units. If this amendment is not adopted, the Government will be committed to spend about $8½ million in the purchase of tungsten at $55 a unit at a time when every agency of the Government which has anything to do with the stockpiling program or with our national defense says that not one unit is needed. They say that we have more on hand now than we could use, even in the event of all-out war, for domestic and civilian needs for a minimum of 5 years without the production of any domestic tungsten or the importation of a single unit.

The Government would be committed to purchase tungsten at a price of $55 a unit, when it can go into the open market anywhere and buy all it wants at $35 a ton. Certainly this is unnecessary extravagance at a time when economy is needed.

This is strictly an unwarranted subsidy, which would go to the benefit of only one segment of the industry. There is no more justification for this subsidy than there would be for committing the Government to buy wheat at $3 a bushel, or to buy the entire corn crop at 100 percent more than the market price, or to buy the entire output of a textile mill in New England which might be in trouble.

There is not money enough in the Federal Treasury to pay for the continuation of all such programs as could be proposed. Every Member of Congress says he is for economy. They all say, "Show us a particular item with respect to which we can effect an economy without jeopardizing national defense or security." If we are ever to find such an item this is one which is not needed by any stretch of the imagination. I do not think anyone will dispute that statement.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. HAYDEN. The same authorities which the Senator quotes all say that we should have a domestic mining industry, so that in the event we should become involved in war, we could produce strategic materials, with respect to which we are now absolutely dependent on the outside world. In the last war, we paid up to $200 a ton for this very substance.

There are two considerations. First, as the committee says, it is desired to finish in an orderly way a program which was established by Congress, and, second, to resume it as, if, and when the present administration submits a strategic minerals program.

Mr. WILLIAMS. I am in complete agreement with what is said about maintaining a domestic minerals industry; but how? Certainly not by paying double the market price. I do not agree that any industry should be maintained which can be maintained only by the Government paying a permanent subsidy of 100 percent over prevailing market prices. Let us give the taxpayer a break.

I repeat that not one representative of any agency which is charged with our national defense, or any stockpiling agency, or anyone from the Defense Department, has ever said that this program is needed from the standpoint of the security of our country. Certainly it is eight and a half million dollars which goes for direct subsidy to purchase a mineral which will be taken out of a hole in the ground in one place, moved, and placed in another hole as a stockpile.

The fact that the program was recommended by the Bureau of the Budget has nothing to do with the case. The Bureau of the Budget also submitted a $72-billion budget, and they told Congress that if it is possible to cut the budget anywhere without jeopardizing the services of the Government and the security of the country we should go ahead and do it. This is our chance.

Mr. LAUSCHE. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. Am I correct in my understanding that if the amendment which has been proposed by the distinguished Senator from Delaware is adopted the sum of $9,140,840 will be reduced to $600,000?

Mr. WILLIAMS. The Senator is correct.

Mr. LAUSCHE. And the $600,000 will be used for the purchase of asbestos and fluorspar, but not for the purchase of tungsten. Is that correct?

Mr. WILLIAMS. The Senator is correct.

Mr. LAUSCHE. Am I also correct that it is the Senator's understanding that we now have tungsten stockpiled in such quantity that we could not use it in 5 years, regardless of what circumstances might develop in our country?

Mr. WILLIAMS. That is the testimony given to the committee. On a previous occasion I placed in the RECORD a letter signed by Mr. Flemming, Director of the Office of Defense Mobilization, in which he said that even in the event of an all-out war we have more tungsten than we could use in 5 years, even if all sources of supply, both foreign and domestic, were completely cut off.

Mr. Flemming said there was no justification for stockpiling from the standpoint of need or from the standpoint of the security of the United States. Nor have I heard that the Secretary of Defense submitted any testimony that this would be needed in order to protect the security of the United States.

Of course, some testimony has been given by some people who wish to continue the spending of money in support of this program. However, I repeat if we are going to cut the budget, we must delete the items which are not needed. Certainly this one is not needed. Even if the tungsten were needed, it is possible to buy it at $35 a ton. Therefore, I ask, Why should we pay $55 a ton? Certainly the taxpayers of the country have enough to do without paying twice the prevailing market price for any product.

Mr. LAUSCHE. I concur with the statements made by the Senator from Delaware. I should like to ask one further question. For what period of time has the discussion been in progress concerning the hugeness of the stockpile and the fact that we had reached a point where we could well dispense with the subsidization of this product?

Mr. WILLIAMS. A little more than 2 years ago and again last year, when the major fight was made on the floor of the Senate, I put into the RECORD the testimony from the agencies concerned that they did not need this tungsten. Now it is proposed to appropriate another $8½ million for the same program. The legislation was enacted after the agencies concerned said they did not need the mineral; legislation was enacted over the objections of the administration at that time.

One of the bills which would have permitted the purchase of this mineral at $55 a ton, and which would have committed the Government to an expanded program, was even vetoed by the President about a year and a half ago.

All the testimony during the past 2 years has been to the effect that we have more tungsten than we need. Notwithstanding all that testimony, we are still paying $55 a ton. If my amendment is not adopted, we will commit the Government to continue buying, and to pay another $8½ million for a mineral which is not needed.

Mr. LAUSCHE. Then it is a fact that the interests which are being subsidized in a measure have known for 2 years what the facts are and what the likelihood of the judgment of Congress would be on the question of subsidization?

Mr. WILLIAMS. That is correct. Each time the appropriation was passed it was passed on the plea that we must appropriate the amount because we have the commitment. Always we are told that we are going to stop it the next time. There is always a next time. My argument is that the only time to stop a program that is not needed is when the roll is called, and that is now. If we cut out the money for it, we stop it dead.

Mr. BIBLE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I have yielded the floor.

CRITICAL MINERALS STOCKPILE—1953 MINERAL PURCHASE ACT AS EXTENDED IN 1956

Mr. MALONE. Mr. President, the public record should be kept straight with regard to this subject. The advanced laboratory work by the Stanford Research Institute and the work now being followed indicate that in order to build jet engines with heat-resisting metals above 650°, and up to 2,000° or more, it takes an alloy of 50 percent or more of tungsten. When that metal is in general use, it will be seen that the so-called 6-year stockpile will turn into a stockpile of 2 years, and perhaps even less.

The experiments being conducted by the Stanford Research Institute at Stanford University show that it will result in three or four times the use of the amount of tungsten used this year or that has been used for the last 2 or 3 years. Therefore it is clear that instead of a 6-year stockpile, we have less than a 2-year stockpile, and perhaps even less than that.

So far as the subsidy is concerned, the fixed price was computed to make up the difference in the wages between the foreign price of the metal in the country where the competition is located and the general cost of doing business in this country. That could be made up, and perhaps sometime will be made up, with a tariff or duty. It is not a subsidy.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. MANSFIELD. I am delighted that the Senator has brought up the question of subsidies. It seems to me that this administration is paying subsidies to farmers to take acreage out of production. Here we are attempting in a very small way to pay a very small subsidy for a product which is in short supply and which we have to import in excess of 90 percent for our normal needs.

The Senator knows better than anyone else in the Senate that when the mines go down, they usually go down for good, because they fill up with water

and the timbers rot, and that is the end of the business.

I invite the Senator's attention to the fact that when I was in the School of Mines in Montana I was told by my professors that one prospect out of 4,000 panned out.

Furthermore, this country is rapidly becoming a have not country in the field of natural resources. I am not referring to the hemisphere, with respect to which the Senator has carried on much in the way of investigation, and has shown how much we have in the hemisphere. However, so far as this country is concerned, we are rapidly becoming a have-not country. Yet we are afraid to continue the development of our own country for the benefit of our own people. I believe it is about time we start to turn the clock back and pay some attention to what we have in our country and to make some progress concerning it.

Mr. MALONE. I do not wish to prolong the debate. However, it should be remembered that a man by the name of Harry Dexter White once proposed that we give Russia $5 billion with which to buy this very material from them, and to save our own material, because we had no more than little stringers that were found throughout our country, because for 20 years we said we had no tungsten or other critical minerals. The reason was that we were willing to help foreign sweatshop labor compete directly with the labor of this country.

All we needed to get all the tungsten was to pay the difference in wages. If a Senator is not willing to do that, I would like to have him say that.

It is not necessary to subsidize anything. If we protect the machine-tool industry with a tariff on machine tools, then it is a subsidy to make up the difference in wages paid overseas and wages paid in America. If it is a subsidy for tungsten carbide material to have a 42 cents a pound tariff and a 12½ cents ad valorem tariff on top of that, when it only makes up the difference in wages in order to keep our manufacturing people in business, I am on the wrong track.

In my opinion, it is not a subsidy. The difference in wages could be made up by a tariff, such as is done in the case of tungsten carbide and 5,000 other products; or the price could be fixed.

This is a temporary matter. The Secretary of the Interior has said that the administration will soon propose a long-range plan. I understood the distinguished senior Senator from Arizona to say simply that this measure will be the last appropriation that the Committee on Appropriations will recommend, unless there shall be an amendment to the Mineral Purchase Act of 1953, in accordance with the conditions laid down today on the Senate floor, until the long-range plan can be discussed.

I think it is clear that all we are trying to do is to stay in business, by means of a subsidy, by paying American wages, until such time as we can get what is wanted in a long-range plan, still to be discussed. We should not be dependent upon foreign nations across major oceans for a mineral without which we cannot fight a war. It is a mistake to assume that we have a 6-year supply when we have a maximum supply of only 1½ years, as anyone will learn who will study the laboratory results in the last year.

URGENT DEFICIENCY APPROPRIATIONS, 1957

The Senate resumed consideration of the joint resolution (H. J. Res. 310) making additional appropriations for the fiscal year 1957.

Mr. LAUSCHE. Mr. President, I ask for the yeas and nays on the amendment offered by the Senator from Delaware.

The yeas and nays were not ordered.

Mr. DIRKSEN. Mr. President, I prefer not to let the RECORD stand as would be indicated by my affable friend, the Senator from Delaware [Mr. WILLIAMS]. I think some corrections are necessary. I think some specific points need to be made.

First, in 1951, when the United States was at war in Korea, we did not, according to the testimony before the committee, have sufficient tungsten with which to conduct the Korean war. I am like Will Rogers. All I know is what I see in the book, where the testimony of witnesses is recorded. If anyone wants to take the trouble to go through the hearings, he will see the testimony given by a man who, in my judgment, knows the most about the subject, namely, Mr. Leibert, of the Department of the Interior, and who testified at great length.

Let Senators settle in their minds the fact that tungsten was in short supply, and that we could not fight the Korean war because of a lack of tungsten until we went abroad to Brazil and elsewhere and contracted with producers to buy tungsten from those sources. We even sank a mine in Korea, and the man who did it was shot a few times in the operation. That is some hint of how short the supply was.

Second, it was stated that 87 percent of the benefits went to nine producers. That statement is entirely incorrect. If any Senator has any curiosity about that, let him look at page 106 of the Senate hearings. Two hundred and six producers are listed. The reason why nine producers were stated as being the chief beneficiaries was that the General Services Administration, in the interest of expeditious and simple administration, made its deal with the shippers; the miners simply brought in the tungsten. So actually there were 206 producers, and they are listed in the hearings, if any Senator wants to examine the list.

The third point I make is that this is not merely a tungsten stockpiling program. It is a stockpiling of the mineral capacity of the United States. We had a pretty serious experience during the war.

Do we want these mines to shut down? Very well. They cannot compete with foreign producers. They cannot meet the foreign price by $20 a ton. Do we want them to shut down? If so, this is a good time to shut them down and let the timbers fall, as my friend, the distinguished Senator from Montana [Mr. MANSFIELD], has said. Let the mines fill up with water. Destroy the mineral capacity, and then see what we will have to pay the foreign producers when they have us over the barrel.

We are not dealing merely with stockpiling as such, but we are dealing with the stockpiling of mineral capacity and the capacity to produce in case of emergency.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MORSE. I think the Senator from Illinois has gone to the heart of the matter with his last comment. Some of us on the committee had a similar experience years ago with the problem of tin. We were warned to reduce our own production of tin. But what happened? We paid an increased price for tin.

If these mines are allowed to decay, then we will pay an exorbitant price for the minerals.

Mr. DIRKSEN. Some persons have the curious idea that a mine can be turned on and off like a spigot. A mine has to be conditioned. A job must be done. The mine must be retimbered. It is necessary to provide entry. Certain things have to be done before tungsten can be extracted from the earth. Mines cannot be turned on and off overnight. If the mines are allowed to fall into a state of disrepair, their capacity to produce will be destroyed.

Is it not strange that under the Defense Production Act we were willing to buy 3 million units from other producers, outside the country, but are not now willing to keep our own mineral-production capacity intact? That is the long and the short of it.

This is an interim program. I do not know whether there will be a long-range program. Perhaps there will be. But I can say that when Arthur Flemming, of the ODM, testified before the Subcommittee on Minerals of the Committee on Interior and Insular Affairs, he said:

> But I have also gone on to say in support of Public Law 733—

Which, parenthetically, authorized this program—

> that it is the position of the administration that pending the consideration and adoption of a long-term policy on the part of the Congress, in our judgment we should avoid weakening this particular segment of our economy by permitting it to close down.

That is the man who ran the ODM. He had the responsibility for the stockpiling. I do not want to see that program weakened.

Today we are not dealing merely with tungsten; we are dealing also with a continuing capacity to produce. If that is not worth eight million and some hundred thousand dollars of this country's money, then I never saw a better insurance policy.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MALONE. Is it not a fact that Mr. Flemming made contracts with foreign producers, some of which are being fulfilled for as high as $60 a unit?

Mr. DIRKSEN. That is correct. In Brazil, the producers were offered $55 a unit.

Mr. MALONE. During World War II, 90 percent of our shipping from South Africa, containing strategic materials, was sunk. Some State Department officials said we would be justified in getting every unit of tungsten we could secure from Korea. Some of what we got from South Africa cost $500 a unit.

Mr. DIRKSEN. Mr. President, there is no tungsten in my State. I have no interest in that particular metal as such, except in its relation to the defense requirements of this Nation. But I hope the amendment offered by the Senator from Delaware will be rejected and the committee's position sustained. This amount was agreed upon in the committee this morning. I trust the amendment can be expedited and sent to the House for further consideration.

Mr. BIBLE. Mr. President, will the Senator yield for a brief observation?

Mr. DIRKSEN. I yield.

Mr. BIBLE. I think the Senator from Illinois has stated the case very well and very effectively. I wish he had read the next two sentences from Dr. Flemming's statement. It was made on February 26, 1957, and is the most recent statement of the administration's policy. Because it was such an effective statement and pinpointed two additional factors in connection with this particular problem, I wish to continue from where the distinguished Senator from Illinois concluded his statement. Dr. Flemming went on to say:

> And a weakened segment of the economy weakens the foundation on which our whole defense mobilization program rests.
>
> To that extent there is a defense relation. Then the additional point that I just made, we are also in a stronger position from a defense point of view if we have a going concern rather than something that is shut down when there is also a probability that the military requirement figures may change and we may need to acquire additional material.

I believe that is a very effective and correct observation.

I wish to compliment the Senator from Illinois on his statement.

I desire to point out that this proposal had the wholehearted support, after long and extensive hearings on Public Law 733, of the witnesses for the Interior Department, the ODM, and the Bureau of the Budget; and thereafter the measure received the signature of the President of the United States.

To me, it is unthinkable that at this stage—after having held out to our domestic miners that they could expect a continuation of the program—it would be cut off in this fashion.

As the Senator knows, today there are outstanding and in force contracts amounting to between $65 million and $70 million—contracts which are absolutely enforcible—for the purchase of tungsten from foreign countries, at a price averaging approximately $55 a unit.

Not to support the domestic segment of this industry—vital as it is—I believe would be a breach of faith of the worst kind by the Congress of the United States.

Mr. DIRKSEN. Mr. President, I am glad to have had the Senator from Nevada amplify the presentation, for the RECORD.

I yield the floor.

Mr. ALLOTT. Mr. President, I desire to comment briefly on the excellent remarks made by the Senator from Illinois and the Senator from Nevada.

It seems to me that several points need stressing in connection with this matter. I direct my remarks particularly to the Senator from Delaware [Mr. WILLIAMS], my good friend. I know in his desire to reduce the budget, he is prompted by the highest motives. However, in this respect, an attempt to reduce the budget would be exactly like an attempt to buy a piece of machinery for the lowest possible price, when the purchaser realized that the low-priced piece of machinery would not last, and that later he would have to buy a better one.

The following facts were substantiated by the committee and by the Members of the Senate who understand the situation:

At the close of World War II, and from 1946 to 1950, the average production amounted to only 3.7 million pounds, and the imports amounted to 8.2 million pounds.

When the Korean war began, and when we needed this valuable strategic mineral, the domestic production of tungsten in the United States was at a very low ebb. The foreign importers were able to increase the price of tungsten from $26 to actually over $100 a unit in this country. It was not until this domestic program went into effect and we got the United States producers again producing tungsten that we were able to get the price back to a reasonable one, which now is approximately $63.

By a vote of 65 to 17, we have already said to the tungsten miners all over the United States, "We believe in the future of tungsten, and we believe it is necessary."

The Senator from Nevada already has pointed out that the testimony presented before the committee shows that we have not even begun to approach the potential use of tungsten in this country.

What is the situation? Production of jet fighters in the United States is probably at as low a figure as it will ever be. If we should be precipitated into a national emergency, the need for tungsten for our jet fighters would increase a thousandfold. I do not need to inform any Senator that not a single commercial jet airliner is in use today in the United States. The first dramatic use of one occurred a week or so ago, when a Boeing 707 flew from the west coast to Baltimore, and landed at Friendship Airport.

If we are to have the jet aircraft development we need, and if jet motors are to be produced for those aircraft, we must have tungsten.

The Senator from Illinois has very ably pointed out that the solution of the tungsten problem is not to be found in turning on a spigot, as in the case of water, because once a tungsten mine is abandoned, and once the men who have the know-how to mine tungsten are allowed to depart, and once water is permitted to seep into the mine, and the timbers are permitted to rot, and the roof is permitted to cave in, we cannot still expect to obtain tungsten from the mine whenever we need it.

China has the largest known reserves of tungsten in the world. Between 1905 and 1948, China supplied 25 percent of the world's production. But what were the Chinese miners paid? The wages in that area, for the production of tungsten, were probably a few yen a day, and probably often amounted to a cup of rice for a day's work. That information is provided in the report of the Senate committee, Report No. 2146.

On the other hand, the wages paid to those who work in the mines in the United States average $16 to $18 a day. Are we going to vote that the pay of American miners shall be established on the basis of a cup of rice a day?

The opponents of this program have stated—and they have stated it in good faith, I am sure—that all of the payment will go to a few concerns. However, that statement is not borne out by the facts. There are more than 700 producing operations in the United States. It is true that most of them funnel into a few refineries. Let me point out that all the facts I am now stating are to be found in the testimony given before the committee, and are summarized in the committee's report; thus, the facts are available for anyone who wishes to read the hearings and the report.

As I began to state, there are more than 700 producers. However, it has been pointed out that their mining operations are funneled through a comparatively few refineries. Therefore, the opponents state that this proposal is for the benefit of only those few refineries. However, Mr. President, that is not the case at all.

The principal producing States are as follows:

California, 34 percent; Nevada, 28 percent; North Carolina, 16 percent; Montana, 10 percent; and Idaho, Arizona, Washington, and Colorado account for the balance.

In conclusion, Mr. President, I desire to point out that much has been made of the difference between the price the Government presently is paying and the apparent price on the world market. A few moments ago the Senator from Montana spoke of subsidies in other fields. My own feeling is that the more we get away from subsidies, the better off we shall be. However, the undisputed testimony—and it is to be found in the committee hearings, and is summarized in the committee report—shows—and now I read from the report:

> A number of the producing companies supplied information on their tax schedules which demonstrated that more than one-third of the $63 per unit price paid by the Government is returned in the form of taxes—Federal, State, county, and local taxes—plus the fringe benefits to employees such as hospitalization, vacations, and insurance of various kinds.

If that be true—and I assume it is true, because that statement is taken from the committee report, in which the committee presents its findings—that reduces the price approximately $23, in round figures, and brings it down below the world price. Is it better to maintain

in the United States an industry which we need—yes, Mr. President, an industry before which we shall be on our knees, praying for, if we get into a national emergency—and then to receive these moneys back in taxes, and in effect obtain the tungsten at the price we would pay for it on the world market; or is it preferable again to put ourselves in a position where we should be at the mercy of foreign countries, particularly in view of the fact that the tungsten mines of China today are under the domination of the Communists?

Mr. LAUSCHE. Mr. President, will the Senator from Colorado yield to me?

The PRESIDING OFFICER (Mr. CHURCH in the chair). Does the Senator from Colorado yield to the Senator from Ohio?

Mr. ALLOTT. I yield.

Mr. LAUSCHE. I observe from the hearings that in June 1956, Dr. Flemming, in charge of the Office of Defense Mobilization, testified, when he appeared before a Senate committee, that tungsten and the other three minerals are not needed for defense purposes. He testified that we have enough tungsten in stockpile to last for 5 years.

Mr. ALLOTT. Let me ask whether the Senator from Ohio has quoted Dr. Flemming's exact words?

Mr. LAUSCHE. No, I did not. I quoted the statement of someone who was quoting Dr. Flemming. However, I understand that the Senator from Delaware has dealt with the same subject.

Mr. WILLIAMS. Mr. President, if the Senator will yield, I should like to say there has been placed in the RECORD prior to this time a letter in which Dr. Flemming stated we had an adequate amount in our stockpile program to take care of all the needs of this country for 5 years, even in the event of an all-out war. It is also true that Dr. Flemming appeared before the committee and testified he would like to see some kind of a program which would preserve the domestic mining industry, but that is an entirely different question. The question raised at this time is, Does the Government need this tungsten from the standpoint of national defense? And from the standpoint of national defense I repeat what I said prior to this time, that there has been no testimony from either Dr. Flemming or anyone connected with the Defense Department that it is needed.

Mr. ALLOTT. I will answer the Senator from Delaware. I had yielded to the Senator from Ohio.

Mr. LAUSCHE. I did not complete my question. To what extent does the Congress, in view of this testimony, think it is necessary to continue stockpiling? When will we have reached a load adequate to say "This is the end of it"? That is the crux of the problem that concerns me.

Mr. ALLOTT. I think the Senator from Arizona answered that question very well a few moments ago when he said it was the intention of the committee that this would be the last appropriation for this purpose, unless the Congress appropriated more money under a different bill. Is that correct?

Mr. HAYDEN. Yes.

Mr. ALLOTT. Now I wish to answer the question that has been raised, because, in a way, it seems to me that it shows a failure on the part of the opponents to really consider the whole matter. It is true that Mr. Flemming testified in substance what the Senator from Delaware has said, but it is also true that what the Senator from Nevada pointed out, namely, that we have not even begun to scratch the surface of the uses for tungsten in this country, is also a fact. We have not begun to use the amounts of tungsten that we shall use. We need jets. We shall need thousands of jets for each one that we now use. With the increased uses of tungsten, a lot of the stockpile will be used up, and much more rapidly than it is now being used. The statement Mr. Flemming made upon this matter was based upon the then present use of tungsten, which use is increasing daily.

SEVERAL SENATORS. Vote! Vote!

Mr. WILLIAMS. Mr. President, I shall not delay the vote on my amendment but just a very few moments. The question has been raised as to the accuracy of my interpretation of the statement by Dr. Flemming with respect to not needing more tungsten for our national defense.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. WILLIAMS. Yes.

Mr. ALLOTT. I am sure the Senator from Delaware is not implying that I raised a question as to the accuracy of the statement.

Mr. WILLIAMS. No.

Mr. ALLOTT. I did not mean to do so, if I did. I was speaking of the interpretation of that statement.

Mr. WILLIAMS. In order that Mr. Flemming's position may be clear, I should like to read the exact language of his statement as contained in the House report on the question. I read from page 11 of the House report:

> The Director of the Office of Defense Mobilization assured the Congress in June 1956, that there was no defense justification for further domestic purchase of any of these four minerals, pointing out that in each instance the amount on hand and on order met both the minimum and long-term stockpile objectives. For example, Mr. Flemming testified as follows concerning tungsten, for which $68,750,000 has been proposed, representing 80 percent of the total purchase program.

I am still reading from the House report, wherein is contained Dr. Flemming's statement.

> Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year war-time requirements. * * * There is clearly no defense justification for continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period.

I think that Congress will admit that that language is clear enough for anybody to understand and that there can be no possible misunderstanding of the interpretation thereof. The committee of the House concluded its report with this statement:

> In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

Mr. President, I ask unanimous consent that the entire portion of the House report accompanying the bill be printed at this point in the RECORD as a part of my remarks.

There being no objection, the portion of the report was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR: ACQUISITION OF DOMESTIC MINERALS

The committee has disallowed the supplemental budget request of $30 million to continue, under Public Law 733, the domestic purchase of tungsten, asbestos, fluorspar, and columbium-tantalum for the remainder of the current fiscal year. Considering that there is clearly no defense justification for further acquisition of these minerals, the committee feels that continuation of this subsidy program at an estimated total cost of $91 million is entirely unwarranted.

The Director of the Office of Defense Mobilization assured the Congress in June 1956 that there was no defense justification for further domestic purchase of any of these four minerals, pointing out that in each instance the amount on hand and on order met both the minimum and long-term stockpile objectives. For example, Mr. Flemming testified as follows concerning tungsten, for which $68,750,000 has been proposed, representing 80 percent of the total purchase program:

"Tungsten on hand exceeds both the minimum and long-term stockpile objectives. The inventory plus orders is larger than the total 5-year wartime requirements. * * * There is clearly no defense justification for a continuation of this program because even without any access to either domestic or foreign sources of supply in the event of war, we would have enough in the stockpile to meet total requirements for approximately a 5-year period."

The committee believes there is even less justification for continuing this subsidy program at this time than there was on August 14, 1955, when the President vetoed H. R. 6373 which would have directed the continuation of the existing domestic minerals-purchase programs under the Defense Production Act for certain minerals, including at least three of the four in question. In his veto message, the President said:

"Finally, the provisions of H. R. 6373 would apply to only a small segment of the domestic minerals industry and would not reach the fundamentals of the program. Indeed this bill would make solution of the overall problems of the industry more difficult. * * * The interests of the domestic minerals industry will be better served by proceeding with the careful development of a long-range minerals program than by approving a stopgap measure extending substantial Government aid to only a segment of the industry."

It is obvious that no long-range program has yet been developed by the administration. This is best evidenced from a review of the situation prevailing in the tungsten industry. Since 1951 the Government has purchased from domestic producers, at $63 per unit, 3 million short-ton units under Defense Production Act authority at a total cost of $187,562,751. During this period, the Government also awarded certificates of tax necessity and provided assistance under defense minerals exploration programs to many of these same producers.

During the first half of 1956 almost all of the domestic production was being delivered to the Government under the purchase program at the price of $63 per unit, while industrial needs were being supplied from imports at about $43 per unit. As the amount on hand and on order exceeded even long-term stockpile objectives, it was necessary in June 1956 to discontinue defense purchases from domestic producers.

Under the new subsidy program, the Government has purchased since August 1, 1956, over $15 million worth of tungsten from domestic producers at $55 per unit while the United States market price was approximately $35. It should be noted that while it was contended that about 700 domestic producers might benefit from this program, only 49 producers have participated, 9 of whom have received 87 percent of the funds.

The largest purchase during this period was from a group of three affiliated companies and totaled $2,875,730, representing 19 percent of the total. A top executive of these companies testified previously that the authorizing legislation was needed in order that domestic mines "can survive foreign competition." The committee was astounded to discover through its own investigation that a dominant company in this group has the largest contract to supply tungsten to the Government from foreign mines. The committee is advised that this contract, for the purchase of over $39 million of tungsten at $55 a unit, will not terminate until December 1959.

In the light of these facts, there can be no sound justification for continuing in peacetime a subsidization program for the sole benefit of a very limited segment of the industry at such an exorbitant cost to the taxpayers of the Nation.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware [Mr. WILLIAMS] to the committee amendment at the top of page 8. [Putting the question.]

Mr. WILLIAMS. Mr. President, I ask for a division.

On a division, the amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the committee amendment at the top of page 8.

The amendment was agreed to.

The next amendment was, on page 8, line 1, to change the chapter number from "V" to "VI."

Mr. LAUSCHE. Mr. President, I ask for a division on the committee amendment.

The PRESIDING OFFICER. The Chair has announced that the previous committee amendment has been agreed to. The question now is on the committee amendment just read by the clerk, which would change the chapter number.

Mr. MORSE. Mr. President, the Chair did not hear the Senator from Ohio. I know if he had heard him he would have granted his request for a division. I shall testify that the Senator from Ohio was seeking to be heard on his request for a division on the preceding committee amendment.

I ask unanimous consent to reconsider the vote by which the last committee amendment was agreed to, so the Senator from Ohio's request for a division may be granted. I shall vote against him, but I think he should have his request granted.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request to reconsider the vote by which the committee amendment at the top of page 8 was agreed to? The Chair hears none, and the vote is reconsidered.

The question is on agreeing to the committee amendment at the top of page 8 on which a division is requested by the Senator from Ohio [Mr. LAUSCHE].

On a division, the amendment was agreed to.

The next amendment was, on page 8, line 1, to change the chapter number from "V" to "VI."

The amendment was agreed to.

The next amendment was, on page 10, line 15, to change the chapter number from "VI" to "VII."

The amendment was agreed to.

The next amendment was, on page 11, line 6, to change the chapter number from "VII" to "VIII."

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

Mr. MORSE. Mr. President, I should like to ask the chairman of the committee, the Senator from Arizona [Mr. HAYDEN], a question with regard to the joint resolution, in connection with making legislative history. First, I commend the Senator from Arizona for another great job of statesmanship he has performed in connection with this bill. The question I should like to ask the Senator from Arizona is this: Does the Senator believe there is authority under Public Law 875 to include a freeze as a natural disaster and thus make the freeze-struck orchardists eligible for emergency conservation or emergency credit under the headings of "Emergency Conservation Measures" or the "Disaster Loan Revolving Fund," which latter authorizes emergency credit?

Mr. HAYDEN. Yes; there is no question about Public Law 875, and I call the Senator's attention to the following four provisions in chapter I of the joint resolution:

(1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use.

Under these circumstances the money would be available—if this were a disaster—for land-treatment measures.

Then there is another provision as to the disaster loan revolving fund, of the Farmers' Home Administration, which contains authority for the Department to provide emergency credit to disaster areas.

I think there is ample money in the pending measure to take care of what the Senator is discussing.

Mr. MORSE. I thank the Senator from Arizona very much. His response is in accordance with the opinion I held, and I think his answer will be helpful.

Mr. NEUBERGER. Mr. President, I particularly wish to join with my colleague in expressing appreciation to the Senator from Arizona, because the orchardists in our State, particularly in the Milton-Freewater area, were caught by the disastrous freeze of 1955, and have never recovered from it. Entire orchards were as effectively wiped out as if a fire had swept them. The answer of the distinguished chairman of the Appropriations Committee is very reassuring. I have had many letters from those orchardists in recent weeks who are dependent on such emergency credit to make any start on restoration of their orchards.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the joint resolution.

The amendments were ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H. J. Res. 310) was passed.

VISIT TO THE SENATE BY WOMEN LEADERS OF MEXICO, CENTRAL AMERICA, AND SOUTH AMERICA

Mr. CHAVEZ. Mr. President, seated in the diplomatic gallery is a group of ladies who are the women leaders of Mexico, Central America, and South America. I should like to present them to the Senate. The lady in uniform is the chief of police of São Paulo, Brazil. I ask the ladies to rise.

(The ladies rose in their places, and were greeted with applause, Senators rising.)

The PRESIDING OFFICER. On behalf of the Senate, the Chair extends a cordial welcome to the distinguished ladies from the neighboring countries to the south.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER. The Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

Mr. NEUBERGER obtained the floor.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield to the Senator from Montana.

EXTENSION OF SPECIAL COMMITTEE TO INVESTIGATE POLITICAL ACTIVITIES, LOBBYING, AND CAMPAIGN CONTRIBUTIONS—SENATE RESOLUTION 128

Mr. MANSFIELD. Mr. President, on behalf of the senior Senator from Arkansas [Mr. MCCLELLAN] I submit a resolu-

tion providing for an extension of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions, and I ask that it be given immediate consideration.

The PRESIDING OFFICER. The clerk will state the resolution for the information of the Senate.

The legislative clerk read the resolution (S. Res. 128) as follows:

Resolved, That Senate Resolution 47, 85th Congress, agreed to January 30, 1957, extending the special committee established by Senate Resolution 219, 84th Congress, agreed to February 22, 1956, is amended by striking out "April 30, 1957" wherever it appears therein and inserting in lieu thereof "May 31, 1957."

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. KNOWLAND. Mr. President, reserving the right to object—and I shall not object—this matter was discussed with me by the acting majority leader. The resolution extends for 1 month the special committee which was established to investigate lobbying activity. It received the approval of the special committee by the unanimous vote of both the Democrat and Republican members. I think the request is reasonable, and I hope the resolution will be agreed to.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 128) was considered and agreed to.

Mr. MANSFIELD. I thank the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE NORMAN CASE AND TENSION BETWEEN THE UNITED STATES AND CANADA

Mr. NEUBERGER. Mr. President, on April 16 a Member of the House of Representatives placed in the CONGRESSIONAL RECORD a newspaper article charging that I "lent a helping hand to the cause of the Communists, pro-Communists, and anti-anti-Communists" because I had called publicly for an investigation of the subcommittee release of material in the case of the late Ambassador Norman.

Mr. President, I resent this charge because it is 100 percent untrue, and because it is malicious and scurrilous.

Canada has been our ally in war and in peace all through the modern era. Canadian troops have fought valiantly at the side of our soldiers against Fascist foes and against Communist foes. On Canada's soil today are our two great radar defense lines, as well as the highway and airfields leading to our strategic defense bastion in the North—Alaska. Canada shares with us the patrol of the vast Arctic frontier, where the free world of North America has its closest geographic proximity to the Soviet Union. In all these projects, Canada is closely associated with us in the cold war against communism.

Mr. President, how can it be encouraging to communism to ask for an investigation of any episode which has caused a breach between our country and Canada? If you ask me, Mr. President, nothing could serve the cause of communism more effectively than just the kind of tension between the United States and Canada that has been precipitated by the Norman incident.

Presumably, Mr. President, according to the House Member who inserted the derogatory article about me in the CONGRESSIONAL RECORD, it is quite all right recklessly to publish material about a Canadian envoy that angers the Government of Canada and many people in Canada; but it is aiding communism if a Senator asks for an inquiry into the background of this episode, so as to find a way to prevent its recurrence.

By this same standard of judgment, Mr. President, most of the leading newspapers of the United States and Canada must likewise be guilty of lending a helping hand to communism, because they too have demanded an investigation of this whole unfortunate affair, and such reforms as may be necessary to avoid it in the future.

In conclusion, I wish to say that I know personal attacks of this kind in the CONGRESSIONAL RECORD are against the policy of the illustrious Speaker of the House of Representatives, the Honorable SAM RAYBURN.

In my own comments on the Norman case, I have scrupulously refrained from personal recriminations of any sort. I even did not include in the RECORD certain editorials, because this material—from both American and Canadian newspapers—contained inferential personal attacks on some of my colleagues in the Congress.

Mr. MORSE. Mr. President, I wish to associate myself with the remarks made by my colleague, the Senator from Oregon [Mr. NEUBERGER], not only his comments today but also the record he has made in connection with the Norman case. I particularly wish to say a word, Mr. President, about the violation of a long-established rule of courtesy that no statement inserted in the CONGRESSIONAL RECORD shall cast reflection upon a congressional colleague, whether he be one of the Members of the Senate or one of our colleagues in the House.

I hope, Mr. President, that the unfortunate incident to which my colleague referred will not be repeated, because we have to make up our minds whether this rule of courtesy is to be continued. The rule works both ways. Therefore, I respectfully request that the appropriate committee of the Senate, with jurisdiction over the CONGRESSIONAL RECORD, take note of this matter, because if Senators are going to be confronted with derogatory statements of this type inserted in the CONGRESSIONAL RECORD on the part of colleagues on the House side, then let us face the fact, abolish the custom, proceed, as we do on the political platform, and feel perfectly free on the floor of either House to put in the CONGRESSIONAL RECORD statements about Members of Congress which in our judgment should be put in the RECORD.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MORSE. I should like to take for granted that the particular House Member is guilty only of an oversight and probably already regrets the mistake. It is quite possible he was not fully appreciative of the reflection upon my colleague that his insertion in the RECORD amounted to, but I wish to raise my voice here today urging that custom be followed. Also, I wish to speak these words in defense of my colleague, because the article which was inserted in the RECORD is an unwarranted slander and libel of my colleague, who is one of the most patriotic men I know, and who is not deserving of the kind of insulting treatment which this particular insertion represents.

Mr. NEUBERGER. Mr. President, I thank the distinguished senior Senator from Oregon for his statement on the floor today. I wish to emphasize to him what I said very briefly earlier. In my discussion of the Norman case, I avoided any personal recriminations or attacks. I even refrained from including in the RECORD editorials from leading newspapers on both sides of the international border because they contained some inferential criticism, which might be taken personally, of Members of Congress.

In my opinion, the worst disservice which could be done to the free world would be to have a serious breach of friendship between the United States and Canada. I believe that no one could serve the cause of the Soviet Union better than by causing a split between the two great nations which occupy the heartland and coastlines of North America. That is why I took an interest in the Norman incident, and that is why I hope that whatever rift has occurred between the United States and Canada can be closed, and that the recurrence of such wholly unnecessary incidents can be prevented in the future, at least so far as the responsibility of the Senate is concerned.

Mr. MORSE. I thank the Senator. I completely agree with his observations on the Norman case, and stand shoulder to shoulder with him in the position he has taken.

Mr. NEUBERGER. I thank my colleague.

TALE ABOUT ASSISTANT PRESIDENT

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a most excellent article by the eminent columnist and newspaperman, Thomas L. Stokes, entitled "Tale About Assistant President," which was published in the Washington Evening Star of April 17, 1957. The subhead reads: "Sherman Adams Believed Directing Fight Against Development of Public Power."

This is a most excellent column, and I know of no more accurate, crystal-clear digest of what has happened under this administration in regard to the great power issues of the Pacific Northwest than this Stokes column.

As a witness I can testify in respect to what he has to say about the importance of this issue in the Pacific Northwest. It is a most accurate column, and I am proud and pleased to ask unanimous consent that it be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TALE ABOUT ASSISTANT PRESIDENT—SHERMAN ADAMS BELIEVED DIRECTING FIGHT AGAINST DEVELOPMENT OF PUBLIC POWER

(By Thomas L. Stokes)

This is a tale about Sherman Adams, major domo in the Eisenhower administration under his innocent title of "Assistant to the President."

It is a tale, too, about geography, Sherman Adams' geography in New Hampshire, where he once was governor, and how it reacted politically on a lot more geography spread in magnificent splendor of mountain, forest, plain, and swiftly coursing rivers in the West and Northwest and on the Pacific coast and also, indeed, in the South.

But we'll stick to the West, first. This will take us to Salt Lake City and another one of Republican National Chairman Meade Alcorn's regional conferences on May 3 and 4. There will gather Republican political leaders from nine States—Oregon, Washington, California, Idaho, Nevada, Utah, Arizona, New Mexico, and Montana. The purpose of these regional meetings, of which there are six altogether, is to try to find out how the Republican Party can win next year's congressional elections.

That being the aim, much study must be given at Salt Lake City to the sad news the Republican Party got in some parts of that vast area last November, especially in Washington, Oregon, and Idaho. For one of the biggest election surprises was the earthquake which, despite the Eisenhower victory for President, shook up that region. It elected Democratic Senators in Oregon, Washington, and Idaho, added two Democratic House Members to make it 3 out of 4 Democrats in the State's House delegation here along with 2 Democratic Senators, elected Democratic governors in Oregon and Washington, and made wide gains in State legislatures.

Admittedly a factor in this Democratic upheaval was that big gorge with the intriguing name—Hell's Canyon—in the Snake River along the Oregon-Idaho boundary. A big piece of geography. Democratic candidates made an issue of it. They attacked the Eisenhower administration and former Secretary of Interior Douglas McKay for helping to hand over development at Hell's Canyon to a private power company, Idaho Power, an absentee-owned corporation which holds its stockholders meetings in Augusta, Maine. The Idaho Power Co. was awarded a license to build three dams at Hell's Canyon by the Federal Power Commission. The way was opened for the company when Secretary of Interior McKay withdrew from the FPC a recommendation by his Democratic predecessor, Secretary Oscar Chapman, for construction of one high dam by the Government at Hell's Canyon. The latter was in keeping with the overall plan prepared by the Army engineers for development of the Columbia River system, of which the Snake is a tributary.

Now we come to Sherman Adams, who won't be at Salt Lake City.

It was he who called Secretary McKay from the White House early in the Eisenhower administration and instructed him to withdraw the Chapman recommendation for a high Federal dam. Thereupon Secretary McKay tore up the memorandum which he had drafted supporting the high Federal dam and prepared another to withdraw the previous recommendation.

So much for western geography. Now for Sherman Adams' geography, to get a better understanding of why he is directing the fight against public power development. His attitude reflects a widespread antagonism in New England among businessmen against Federal power development. They have resisted development of their rivers for production of cheap electric power by comprehensive Federal development. This failure is a factor in migration of so many mills to the South. Because of that migration, much of it to the TVA cheap power territory in the Southeast, you find deep-seated hostility toward TVA among New England's Members in Congress.

That is shared by Sherman Adams. He revealed that by his attempt to prevent the chairman of the Securities and Exchange Commission, J. Sinclair Armstrong, appointed Tuesday by President Eisenhower to be Assistant Secretary of the Navy, from turning over certain information to a congressional committee investigating the Dixon-Yates deal. That deal, you may recall, was an attempt to cut under TVA, which was instituted by the Eisenhower administration and finally abandoned when exposed by the Senate investigation.

We see Sherman Adams' hand in the Hell's Canyon imbroglio again in the last Congress. He put heavy pressure on Republicans in the Senate to line them up and, with the help of a handful of Southern Democrats, to defeat the Morse-Pfost bill that would have nullified the FPC license to Idaho Power and authorized Federal development at Hell's Canyon.

There very likely will be talk at the Salt Lake City Republican meeting about Hell's Canyon and what it means in politics, though it is unlikely anyone will be so bold as to point the finger at Sherman Adams. But it is he who is the real driving force in the administration's war on public power development.

Credit should go where credit is due.

LUMBER AND THE HOUSING SITUATION

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a report by a noted lumber analyst, Mr. H. J. Cox of Eugene, Oreg., in which he discusses the administration's tight-money policy.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

Federal Housing Administrator Cole has been hopelessly floundering for some time in the unwarranted belief that builders would start construction on 1.1 million houses this year, the same as last year, regardless of so-called "tight money." A recent membership poll by the National Association of Home Builders forecast a decline to 900,000 units, or less, unless mortgage money becomes more plentiful, and the views of building representatives appearing before the Senate Housing Subcommittee are much more pessimistic with 800,000 predicted as the absolute maximum. Meanwhile, the seasonally adjusted annual rate of new home starts is running below the level for 1949.

Home building is in a tail spin, thanks to a bungling Government, rapidly worsening, particularly for financing guaranteed by the Veterans' Administration. There hasn't been any drop in the basic demand for new houses and there is no possible inflation in home building. On the contrary, it is faced with severe deflation and possible disaster if the present asinine situation is permitted to continue by subservient temple guards and congressional representatives who are content to sit on their dead posteriors and fiddle while Rome burns.

Persons able to make heavy downpayments and pay high interest rates for available and plentiful conventional mortgage loans could not discernibly dent this home building tail spin.

In the late 1930's, it took Government pressure to force banks and mortgage lending concerns in line and, now, such pressure is needed more than ever. Certain of the high echelon in Washington could do well by devoting more time to home problems and less time on golf courses and in visiting Africans.

Mr. MORSE. The foregoing comments represent a grassroots view that is apparently not understood, nor even discussed, on the putting green.

Mr. President, the entire lumber industry of our Nation is experiencing difficulties due to one principal factor—the tight-money policy of this administration. Were this not enough, there is now underway an effort to put the lumber industry of the Douglas-fir region at a further competitive disadvantage. Mr. Cox' analysis of April 4, 1957, which I ask unanimous consent to have printed in the RECORD at this point in my remarks, discloses the harmful proposal.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

Of utmost importance to green fir rail and cargo sawmills in the Douglas fir region of western Oregon, western Washington, and northern California is the attempt of certain competitive softwood regions of the country, acting under the mask of public interest, to use the American Lumber Standards Committee of the Department of Commerce for fixing a maximum moisture content at which ALS sizes would apply to 1-inch boards and 2-inch dimension.

Around 70 percent of the 10 billion board-feet annually produced in the Douglas fir region is green lumber, and it is not hard to imagine the magnitude of this competitive handicap were such regulations imposed on the major softwood producing region of the United States. Production costs would increase from $3 to $5 per thousand feet board measure, present rail freight costs to the Midwest and elsewhere would jump from $3 to more than $4 per thousand feet, and water freight rates to the Atlantic coast from $2.77 to $3.11.

President Eisenhower, upon leaving for his fast weekend automobile trip to his Gettysburg farm, ordered the return to the 1955 legal minimum downpayment requirement on homes bought with FHA-insured loans. The downpayment may now be 5 percent of the first $9,000 of house value and 25 percent of the amount in excess of that figure. But this drop of 2 percentage points will be of little use unless he removes the tight money throttle on home mortgage money.

Mr. MORSE. Oregon and Washington have long been subject to a number of disadvantages imposed by big business. The railroads have maintained rates that often make it difficult for our products to compete. For a number of years the railroads failed to supply boxcars when they were urgently needed. We have long fought this discrimination. Now, apparently, another effort will be made to cripple our lumber industry.

Last year I fought the Federal Housing Administration on that agency's attempt to discriminate against the west-coast lumber industry after the industry had very wisely promulgated rules which accurately tell the contractor what he is getting when he buys west coast lumber. With equal vigor, I shall fight any effort to place our west-coast lumber industry at a further competitive disadvantage.

The forests of the Pacific Northwest will continue to produce lumber that amply fills the needs of lumber users. Our industry will cooperate with build-

ers and contractors and other users in every possible way, but it will not permit any committee within the Department of Commerce to get by with action that will seriously impede the industry. Here and now I serve notive that any action which is unreasonable with respect to the west-coast lumber industry shall have my wholehearted opposition whether the action starts within the Department of Commerce, or elsewhere.

This administration has perpetrated a series of deeds designed to disrupt the entire housing program needed for the people of our Nation as well as the lumber industry. Last year when the west-coast lumbermen improved their grade stamping procedures the FHA tried to rule out this lumber from FHA financed housing. Now another effort, apparently with some disguised administration blessing, is about to get underway which will hurt the western lumber industry.

Frankly I do not know why this industry should be so singled out for discriminatory treatment. The big lumbermen in my State supported Republican candidates. Perhaps the administration wants to dry up a fertile source of campaign contributions for the Republican Party but that hardly seems likely. I want the RECORD to show that I intend to watch this situation and regardless of whether or not someone supported me, I shall dedicate myself to keeping our lumber industry in a healthy economic condition.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, April 17, 1957, he presented to the President of the United States the following enrolled bills:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 288. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Hsien (Liang) New; and

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

RECESS TO 5 P. M.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate stand in recess until 5 o'clock p. m.

The PRESIDING OFFICER (Mr. CHURCH in the chair). Is there objection?

There being no objection (at 3 o'clock and 41 minutes p. m.), the Senate took a recess until 5 o'clock p. m. the same day.

On the expiration of the recess, the Senate reassembled, when called to order by the President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes, in which it requested the concurrence of the Senate.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PASTORE in the chair). Without objection, it is so ordered.

ADDITIONAL APPROPRIATIONS, 1957

The PRESIDING OFFICER laid before the Senate House Joint Resolution 312, making additional appropriations for the fiscal year 1957, which was read twice by its title.

Mr. HAYDEN. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of House Joint Resolution 312.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from Arizona?

There being no objection, the Senate proceeded to consider the joint resolution.

Mr. HILL. Mr. President, I offer an amendment, to strike out the proviso on page 2 beginning on line 7 and extending through line 9.

The PRESIDING OFFICER. The amendment offered by the Senator from Alabama will be stated.

The LEGISLATIVE CLERK. On page 2 it is proposed to strike out the proviso beginning on line 7 and extending through line 9.

Mr. HILL. Mr. President, the effect of the amendment is to eliminate the proviso which the House put in the joint resolution, which proviso would keep the Federal Government from meeting the basic provision in the Social Security Act to the effect that the Federal Government shall pay 50 percent of the administrative costs of the old age assistance, the blind, and the dependent children programs.

The adoption of the amendment would simply mean that the Congress would be doing what it has already done in the past, namely, permit the Social Security Administration to comply with the provision of the basic act and provide the funds necessary to enable the Federal Government to meet the requirement of paying 50 percent of the administrative costs.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HILL. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. It is my understanding there are two items in the joint resolution, one of which concerns small business and the other of which concerns Federal help to old-age-assistance programs. All the other items are left out of the joint resolution. The two Houses are still in conference with regard to the first urgent deficiency appropriation bill. If a further conference is granted by the House, the Senate conferees can discuss these two amendments. If no further conference is granted by the House, and we believe any of those items are desirable, the Senate can add them as amendments to other appropriation bills and they can be taken to conference. Is that correct?

Mr. HILL. The interpretation and understanding of the Senator from Massachusetts are, in the opinion of the Senator from Alabama, entirely correct.

Mr. KNOWLAND. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to the distinguished minority leader.

Mr. KNOWLAND. I rise to support, without qualification, the amendment of the Senator from Alabama [Mr. HILL], who is the chairman of the subcommittee which deals with social security and assistance to States. His amendment would strike out the proviso. Adoption of the amendment would leave the law as it is and enable the social security agency to function under statutes which have been in existence since 1935. Is that correct?

Mr. HILL. The Senator from California is correct.

Mr. KNOWLAND. I think the Senate should take such action, and agree to the amendment of the Senator from Alabama. I hope the amendment will be agreed to by an overwhelming vote.

I wish to express my personal regret that House did not act on the prior resolution, which the Senate sent back to it. After all, this is a two-house Congress. I think there always has to be give and take in order that the legislative process may function.

The Senate on several occasions has demonstrated its belief in certain things, including the minerals program. I think the distinguished Senators present who spoke earlier today, including the Senator from Montana [Mr. MANSFIELD], the 2 Senators from Nevada [Mr. MALONE and Mr. BIBLE], the Senator from Colorado [Mr. ALLOTT], who made a very able argument, the Senator from Illinois [Mr. DIRKSEN], and all the other Senators who participated in the discussion, have made a very fine contribution to the record. At least so far as the minerals program is concerned, it is no worse off than if we had no bill at all, because the question is now in conference. Furthermore, the House has not foreclosed another opportunity, if another supplemental appropriation bill comes to the Senate, which I believe will happen, to again offer the amendment. The Senate has spoken twice on the matter, once by a vote of 67 to 17 on a yea-and-nay vote, and again on a division by a vote of 32 to 3, or something in that proportion. So the record of the Senate is very clear.

However, I will say I think we are faced with a practical situation, and that is that social security benefit payments and old age payments to recipients in the various States may be jeopardized if

the other phase of the joint resolution is not passed. I think it would be a mistake to pass the joint resolution with the limitation, because that would break faith with the States under the existing statutes. So although I feel it is a mistake that some compromise along the lines the Senate has suggested was not reached, I hope the Senate will send back to the House the joint resolution with the proviso eliminated.

Mr. MANSFIELD. Mr. President, I wish to associate myself with the remarks made by the distinguished minority leader. We are faced with a practical and realistic situation. I wish to commend the chairman of the Appropriations Committee, the Senator from Arizona [Mr. HAYDEN], and the chairman of the subcommittee, the senior Senator from Alabama [Mr. HILL], on the attitude they have taken and the means they have devised to meet the particular situation which now faces the Senate.

It is true, of course, that the payments to the States as the Federal Government's contribution, are almost due, and if they are not met, it will mean many of our older citizens will suffer as a result.

Naturally, I am distressed, as are the senior Senator from Nevada [Mr. MALONE], the junior Senator from Nevada [Mr. BIBLE], the Senator from Colorado [Mr. ALLOTT], the minority leader, the Senator from California [Mr. KNOWLAND], and other Senators from the mine-producing areas, who have worked so diligently on the subject, that, for the time being at least, the tungsten item is being held in abeyance.

Personally, in my opinion it is a mistake. I think it also ought to be made very plain, as the minority leader has made it plain, that the attitude of the Senate—the overwhelming attitude of the Senate on both sides of the aisle—has been in favor of the help for the domestic mining industry we have attempted to extend. The tungsten item is being postponed because of the unalterable opposition which has developed in the House, and which seems to be impossible to overcome at this time. While the chances for aid may have been lessened so far as tungsten is concerned, I certainly hope the possibility of getting the needed amount in a future deficiency appropriation bill is not remote, because I think the Senate, as well as the House, ought to recognize that there are such things as economic development programs in the United States of America. I hope when Members of the Congress vote for overseas programs, they will recognize there is a similar need here at home to think of our own people for a change, once in a while, so we can develop American resources for the betterment and the welfare of our own people.

Again I desire to thank the distinguished Senator from Alabama.

Mr. HILL. I wish to say, as the distinguished Senator from California and the distinguished Senator from Montana have said, tungsten and other items not now covered by the resolution pending before the Senate are still in conference, between the House and the Senate, and they can be acted on in conference.

Furthermore, there is nothing whatever to preclude the Senate, if it sees fit, from adopting amendments to some future bill and thus trying to effectuate legislation of this character.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. HILL. I yield to the distinguished Senator from Nevada.

Mr. MALONE. What is the situation, in a very few words, that the distinguished Senator from Alabama is proposing? I wish to have the Senator know that I have the highest regard for his judgment, and always have had.

The Senator from Nevada had a reservation on a 5:30 plane to go home tonight, but has canceled it. He is ready to stay here until the snow is about 9 feet deep on Pennsylvania Avenue, unless a commonsense view is taken of this situation.

It is the opinion of the Senator from Nevada that if the pending resolution is passed, that will be the last of the conference. There will be nothing more upon which to meet, and no trading point to discuss.

Mr. HAYDEN. Mr. President, will the Senator permit me to speak to that point?

Mr. MALONE. I should be delighted to have the Senator do so, and would appreciate it.

Mr. HAYDEN. In the first place, there have to be additional conferences, because items aside from the tungsten item have to be acted upon.

In the second place, measures in the nature of supplemental appropriation bills will come to the Senate and on any one of those the Senate could attach a tungsten amendment. Therefore, this is not the last chance. We shall have at least two good chances, yet, to work on.

Mr. MALONE. Mr. President, if the Senator will yield further, I understand that the conference committee could meet, but I also understand there is nothing about which to trade. In other words, the conferees on the part of the Senate could suggest the inclusion of some minerals in a sack, but they would have nothing to trade.

Mr. HAYDEN. There will be other items in which the House is interested in all the other measures. We will have a little trading stock.

Mr. MALONE. I have great admiration for the distinguished senior Senator from Arizona. I recall, when I was State engineer in Nevada, that I was sent to Washington D. C., on the matter of legislation for the Boulder Dam project. The Senator from Arizona had just come to the Senate from the House. That was 1927. I watched the career of the Senator in the House before that time, and I have watched his career closely over the 30 years, or whatever it has been, in the Senate. It seems impossible for it to have been that long. This is the 11th year I have served in the Senate with the Senator from Arizona, and I have a high regard for his strategy in legislation.

But there comes a time when even the Senate ought to consider what is important and what is not important. We have pinned it on tungsten.

CRITICAL MINERALS REGULATED IN GENEVA

I should like to read to the distinguished Senator from Arizona and to the distinguished Senator from Alabama a list of minerals which are contained in Senate Resolution 143, which is a resolution to withdraw 17 important critical minerals from Geneva, where they are now being regulated. Our foreign trade in these minerals is being regulated through the simple expedient of continually lowering the tariffs or duties on them, without regard for the United States Senate and the House constituting the Congress.

It is done simply because we have passed several acts transferring the constitutional responsibility of the Congress of the United States to regulate foreign trade and the national economy to the President. According to the testimony of the Secretary of State, Mr. Dulles, there is full authority in the trade agreements act to do so. That is what we have done. Responsibility is being transferred to various countries on the earth, under the auspices of any organization they may spearhead or may cause to be organized.

This process began in 1934. In 1947 the President of the United States transferred the constitutional responsibility of Congress to Geneva, Switzerland, and foreign nations competitive with the United States are regulating our foreign trade. They are regulating our national economy in Geneva, Switzerland.

Therefore, it is necessary to do something, if we are going to stay in business in this country in competition with other countries where the wages paid—at least in some of the 34 countries—are less than we pay for social security and industrial compensation. Somebody thought we could compete with them.

Harry Dexter White—I shall have to refer to this, I guess—in 1945 sent a memo to the Secretary of the Treasury of the United States, Mr. Morgenthau, and suggested doing exactly what is proposed to be done today—that is, to be dependent upon foreign nations across major oceans for the things we cannot fight a war without and cannot live in peace without, so that we can be blackmailed in peacetime into any kind of a contract and any kind of an agreement.

We are being threatened now, that if the Congress ever tries to take back its responsibility for the regulation of foreign trade they will do this, or they will do that—they will join Russia, or they will do something else. We extend the Trade Agreements Act every time. The act will expire a year from this coming June, in 1958, and I hope the Congress will have nerve enough to take back its constitutional responsibility. If it does, we will not need this tungsten legislation. However, in the meantime we do need the legislation.

HARRY DEXTER WHITE STATEMENT

Permit me to read what Mr. Harry Dexter White suggests. It will be of great interest, I am sure, to some of the Senators.

This is dated March 7, 1944, and is a memo that went to Mr. Morgenthau. I shall not read it all. Senators will find it on page 371 of the Senate Report

No. 1627, 83d Congress, 2d session. I sent an investigator to Princeton University about this. First I telephoned the library of the university and then the president of the university, and I was informed that our investigator could search the records. The investigator searched the records and brought back, among other things, this memorandum. I shall read a random paragraph.

Recent confidential reports on our raw material resources prepared for the Under Secretary of the Interior disclose an increasing dependence of the United States on foreign sources of supply for strategic raw materials because domestic reserves have been seriously diminished or virtually depleted.

For 20 years Secretary Ickes and all of his ilk said that we had no tungsten in the United States; that we had no critical materials.

It was said that all we ever needed, as proved by the 1953 Mineral Purchase Act, was to set a price that added to the world price would be sufficient to make up the difference between the wages paid in this country and the sweatshop wages paid in other countries, and to compensate for the bare cost of doing business in this country as compared to the cheap cost of doing business in other countries, of those minerals.

So the Senate and the House saw fit to pass that act. We are in business. As a matter of fact, we are producing so much tungsten it is embarrassing to every New Dealer in the United States. Because we now have a stockpile, not considering the fact that in every war—and we have had three terrible ones during the past 24 years—we have started from scratch to produce these materials, and we did produce them, we have this action proposed.

I was a special consultant to the Senate Committee on Military Affairs, which is now the Senate Committee on Armed Services, from 1941 to 1945, or whatever time the war lasted. I was a special consultant to the Secretary of the Interior and to the Committee on Strategic and Critical Minerals and Materials, and we finally produced all the tungsten that was needed. We produced several other minerals, when it was said we did not have them.

A TARIFF IS NEEDED TO MAKE UP DIFFERENCES IN WAGES

If we needed more than the addition of just enough to equalize the wages to stay in this business, that would be a different matter, but we do not need more than that. What we really need is exactly what the tungsten-carbide producers in this country have, a tariff or a duty that makes up for the difference in wages. Then they are in business. They have it. I said earlier on the floor today that the tungsten and carbide producers have a tariff of 42 cents a pound on every pound they produce, plus a 12 percent ad valorem duty, which keeps them in business. They would not be in business 30 days if they did not have it. That equalizer takes the profit out of the sweatshop wages at the water's edge. It equalizes the costs of the material, and they are in business. That is all that is needed in respect to fluorspar, tungsten, and other minerals, and 5,000 other products in the United States. All we have to do is to look over the list. We are out of business in any of those materials when the tariff or duty is materially lowered under the 1934 Trade Agreements Act, unless the material is being sold as a war material and unless we are living under a war economy.

GOING CONCERN INDUSTRY NEEDED

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. MANSFIELD. What is wrong with having a stockpile of tungsten, manganese, copper, and other metals? Do they lose their potency and efficiency when they are piled on top of the ground, or in sheds?

Mr. MALONE. No; they do not lose it.

Mr. MANSFIELD. Of course not.

Mr. MALONE. The best stockpile in the world is a going concern industry; and if we had a going concern industry producing the amount we need annually when we are at war, we would not need a stockpile.

Mr. MANSFIELD. Does not a good businessman keep an inventory on hand?

Mr. MALONE. A good businessman certainly keeps an inventory on hand, to supply any need which may suddenly arise, which he could not supply by making the material.

Mr. MANSFIELD. Because we did not have inventories of manganese, tungsten, copper, and a few other critical materials, we were caught short during the war, or during certain parts of the war, and had to depend on overseas production. We had to pay pretty high prices for what we got.

The Senator knows, as a man interested in mining, that if the tungsten, manganese, and other mines are closed, the timbers will cave in, the shafts will be filled with water, and the result will be that an investment on the part of our own people will be lost. This Government will not be the gainer as a result of such a misadventure.

Mr. MALONE. The distinguished Senator from Montana is exactly right. But I am not standing here talking for the mining industry. I am talking for the security of the Nation. I am referring to Senate Report 1627——

Mr. MANSFIELD. It is pretty hard to distinguish between the mining industry and the security of the Nation.

Mr. MALONE. Of course it is. The reason for these factual reports is to see if we could produce strategic and critical materials which we would need for war or peace, in the Western Hemisphere, where the operation can be defended. We can. With respect to most of these minerals and critical materials we can materially increase our own production by equalizing the costs, taking the profit out of the sweatshop wages at the water's edge.

I should like to read another paragraph from Harry Dexter White's memorandum. It sounds a good deal like some of this debate. He said:

1. The U. S. S. R. is richly provided with a wide range of strategic raw materials, including metals, minerals, timber, and petroleum, but the unequal degrees to which these have been developed will limit the number and volume that may be available for export in the immediate postwar years.

2. Rapid economic reconstruction and expanded resources development could greatly enhance the export surplus of the U. S. S. R., could sustain large-scale exports of metal and metallic ores, petroleum, and timber at an average annual value of at least $500 million, not including exports of other materials such as furs and semimanufactures.

3. It therefore appears that a financial agreement whereby the United States would extend a credit of $5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R. but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

With respect to petroleum, it was said that we had 16 years' supply in 1943. If that were true, we should be entirely out of petroleum in another couple of years. On the basis of a 13-year supply, we should be out of petroleum now. We should have no petroleum. It is running out of our ears, but that is another item.

With respect to manganese, he said there was a 3-year supply. Right now, if we had a duty or tariff, if we had the gumption God gave little geese, we would equalize wages at the water's edge, on the basis of a comparison of the cost of doing business here and in India, which is our chief competitor. We are getting from India 800,000 or 900,000 tons of manganese. If war were to start, we could not get a ton of it.

They stopped the shipment of monazite sands to this country in peacetime. They thought we did not have any monazite sands, but we did, so they did not need to ship it from India. But we are dependent upon India, across a major ocean, for the supply of manganese, which would stop instantly in case of war.

In Minnesota there is a great deal of low-grade manganese. Enough to last us for countless centuries, in fact. In the light of the new laboratory work which has been developed, with an adjustment to take care of the difference in wages and other costs of doing business here and in India, we are in business, and we can produce all the manganese we need.

Mr. THYE. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. THYE. Minnesota has been mentioned. I wish to say to the distinguished Senator from Nevada that I am glad he mentioned it. We in Minnesota have been mindful of the need of research with respect to various minerals, and the process of mining minerals. By research we have developed the technique of processing and obtaining rare minerals. I am glad the Senator mentioned the subject, because it is an indication that by means of a little research we become more self-sufficient as a Nation.

Mr. MALONE. We have already passed legislation in the Senate providing for a laboratory in Minnesota to work on manganese. There are billions of tons of it—not millions, not thousands, but billions.

Mr. THYE. Mr. President, will the Senator further yield to me?

Mr. MALONE. I am happy to yield.

Mr. THYE. There was a time when we thought taconite, the low-grade iron ore which is locked in the rock, was a waste material. The cost of removing it from the rock was prohibitive, when compared with the cost of mining high-grade ore deposits. But as soon as we perfected the technique for the separation of the iron ore from the rock, it became a very profitable product and operation to Minnesota. Today we know that we have an unlimited tonnage of iron ore in the form of taconite which we are processing at Silver Bay, all because of research, and making available to the technicians the equipment and the research laboratory in which to do the research.

Mr. MALONE. In the light of later developments in the laboratories, the reports of 5, 10, or 15 years ago are simply behind the times. We do not keep up with the times if we ignore the laboratory work which has been done recently. If we ignore such laboratory work, we accept the reports of 5 or 10 or 15 years ago as correct.

It was stated today that there were 6 years of tungsten in the stockpile. In the light of the laboratory work that has been conducted in various institutions, I doubt if we have a 2-year supply.

Reading further from the memorandum of Harry Dexter White:

It therefore appears—

To Mr. Harry Dexter White and to several other people who are still remembering what Harry Dexter White was for, but forgetting who advocated it.

It therefore appears that a financial agreement whereby the United States would extend a credit of $5 billion to the U. S. S. R. for the purchase of industrial and agricultural products over a 5-year period, to be repaid in full over a 30-year period, chiefly in form of raw material exports, would not only be advantageous to the United States, as well as helpful to the U. S. S. R. but would be within the limits of feasible trade between the two countries, since the amount we would wish to purchase would be in excess of the repayment which the U. S. S. R. would be required to make under the proposed loan terms. (See attachment II for suggested terms of U. S. S. R. repayment for United States credits.)

That memorandum, consisting of three pages, was sent almost word for word to the President of the United States. As a result of that memorandum from Mr. Morgenthau, the President of the United States nullified the buy-American clause which gave American workers the benefit of 25 percent in the difference in price because of the cost of labor and the cost of doing business with the competing country. That was not quite enough, but at least it made it possible for the domestic producer to get into the business.

HARRY DEXTER WHITE DEAD—POLICY LIVES ON

Mr. President, I have not finished with the table. In addition to petroleum and manganese, there was tungsten. We had a 3-year supply of tungsten, according to the table. This was in 1943. According to that table, we have been out of tungsten since 1946. The fact that tungsten has been running out of our ears has had very little effect on people like Harry Dexter White. We send $4 billion to Europe every year, and we use funny money.

Mr. President, the whole effect is to destroy the workingmen of the United States and small business in the United States. Small business cannot invest money in foreign markets. It must confine its business and its operations to this Nation. They are broke today, with taxes and free trade.

Mr. President, Harry Dexter White has been dead for a number of years, and Mr. Alger Hiss has served a term in United States prison, but we are still carrying on their policy. We still want to make this Nation dependent upon foreign nations.

Some of the foreign nations will be for us and some will be against us when another war starts in Europe. In fact, when another war starts, every nation in Europe will have to be neutral if it wants to survive. So they will deny us the use of anything there when that fight starts.

The next item is zinc. In 1943, we had an 8 years' supply of zinc. The fact that we have been producing a great deal of zinc since then, even under free trade conditions, means nothing to people like Harry Dexter White.

We were out of lead in 1949, because according to the table we had a 6 years' supply on hand. A great many lead miners did not know that.

Chrome. According to the table, there was less than 1 year's supply on hand.

Mercury. Less than a 2-year supply. With respect to mercury, we reached a point of self-sufficiency during World War II, when I was consulting engineer with the Secretary of War and with the Military Affairs Committee in connection with critical materials.

On January 10 Mr. Morgenthau sent a memorandum to the President of the United States. It is on the letterhead of the Secretary of the Treasury. It is entitled "Memorandum for the President. A $10 Billion Reconstruction Credit for the U. S. S. R."

Mr. President, I spent 2 months and a half behind the Iron Curtain in 1955. I finally decided to visit our star boarders. I thought I should visit behind the Iron Curtain if we are going to vote for all the crackpot ideas in support of everybody throughout the world. Some people might think that this matter is confined to minerals. That is not so. It includes textiles and machine tools and precision instruments and wool, and many other things.

There is hardly anything that can be mentioned that cannot be produced cheaper in a foreign country, with cheap ocean transportation to this country, than can be produced in this country. The only reason we are in business today is because we are in a war economy.

I congratulate the President of the United States on his selection of a new Chairman of the Joint Chiefs of Staff. General Twining knows what he is doing. He has also brought with him one of the best military strategists that I have ever known, General LeMay, as his assistant. If they are given an opportunity to deal with this problem, I know we will be manufacturing the things we need.

MORGENTHAU MEMORANDUM

What does Mr. Morgenthau say in his memorandum of January 10, 1945, to the President of the United States? This memorandum was dug out of the files at Princeton University by one of our investigators in 1953. He said this:

I suggest consideration be given to a financial arrangement with the U. S. S. R. to provide her with $10 billion credits for the purchase of reconstruction goods in the United States, with provision for repayment to us chiefly in strategic raw materials in short supply in the United States.

1. The interest rate could be 2 percent, amortized over a period of 35 years. A schedule of repayments is attached.

That interest rate is a little less than we get, but I can see that they were planning that we should be dependent upon Russia for the things we could not fight a war without and could not live in peace without. So what they did was to make us dependent on Russia, and when we had become dependent on Russia, they would say, "We will not let you ship these things out of the country, unless you sign an agreement that we suggest." That would be blackmail.

The memorandum goes on to say:

2. The Russians have more than adequate means to assure full repayment. There are three principal sources from which she can obtain the necessary amount of dollars.

(a) Selling to us strategic raw materials which are in short supply in the United States because of our depleted natural resources. (See attached memorandum.)

(b) Russia will be able to develop substantial dollar assets from tourist trade, exports of nonstrategic items to the United States, and from a favorable balance of trade with the rest of the world.

(c) Russia has a stock of gold estimated at $2 billion now and is reported to be able to produce from one hundred and fifty to two hundred and fifty dollars per year. These gold resources can be used to pay her obligations to the United States to the extent that her other dollar sources are not adequate.

3. An important feature of this proposal is that we will be conserving our depleted natural resources by drawing on Russia's huge reserves for current needs of industrial raw materials in short supply here. We would be able to obtain a provision in the financial agreement whereby we could call upon Russia for whatever raw materials we need without giving a commitment on our part to buy.

I confined myself to the minerals, because we had not yet arrived at the point where we were using 19-cent-an-hour Japanese labor to put our textile industry out of business. Now we have arrived at that point. The same thing is true of many other materials. We pay our workingmen in this country $16 or $17 or $18 a day, and our workingmen are able to live in houses with carpets on the floor and curtains at the windows. We want them to be able to do that. However, we allow 35 competitive nations to regulate our foreign trade.

In Geneva we repudiated every statement that every Senator has made since he has been in the Senate, that we want to hold the standard of living in this country to the point where our workingmen can have these advanced living conditions.

4. This credit to Russia would be a major step in your program to provide 60 million jobs in the postwar period.

Is not that a wonderful statement? Jobs can be created in this country by creating jobs in a foreign nation.

I just finished reading that it was proposed to give $10 million to furnish jobs in Russia, jobs which ordinarily would be furnished here, if an additional amount were supplied. Whether we fixed the amount per unit of mineral or textile or any other material, there was to be a tariff to make up the difference in wages between the foreign and domestic prices. Then the jobs would be provided in this country. But the argument is made that by creating jobs in Russia, it would help to provide 60 million jobs in the postwar era here.

He says further:

The United States has had to draw heavily on domestic raw-material reserves during the war to meet peak production requirements. The following table prepared from some recent confidential reports for the Secretary of Interior discloses the depleted natural resources of the United States, and emphasizes the need for conservation measures.

Then he repeats the table that Mr. White furnished him on March 7, 1944, which I have already read into the RECORD, except that I think he has reduced it somewhat. It is about the same.

For petroleum, there was supposed to be a 13-year supply. That was in January 1945.

For manganese, there was supposed to be a 3-year supply; for tungsten, a 3-year supply; for zinc, an 8-year supply; for lead, a 6-year supply.

For chromite, there is a question mark. The chromite producers in California, Oregon, and other places will be interested to know that there was supposed to be no advance supply whatsoever.

For mercury there was supposed to be a supply of less than 1 year. Of course, that is not true either.

Mr. Morgenthau goes on to say, in his memorandum to the President:

We could safeguard and conserve our strategic material reserves in postwar years which are now at a minimum level, by importing from abroad to meet ordinary annual production requirements. The U. S. S. R. has tremendous reserves of many materials which the United States will urgently require after the war. A reconstruction loan to the U. S. S. R. will give the means whereby we can conserve our natural resources for the next two generations, by utilizing Russian reserves.

Think of that, Mr. President. By utilizing Russian materials, we were to become absolutely dependent upon Russian sources for materials without which we cannot live or fight a war. We could conserve our own resources for two generations by utilizing Russian reserves. I continue:

The U. S. S. R. could provide substantial quantities of strategic raw materials for an annual basis within 5 years after the close of the war as indicated in the following table:

Then he goes on to show the various amounts which would be needed:

Metals and metallic ores (manganese, tungsten, graphite, mica, chrome, mercury, iron ore, platinum, copper), $80 million.

Timber and wood products, $45 million.

Petroleum, $50 million.

Oils and oil cake, $10 million.

Other industrial raw materials, $15 million.

This all adds up to a total of $200 million worth of materials which would be needed immediately.

Mr. President, I have traveled pretty well all over Russia. I was behind the Iron Curtain for 2½ months. I traveled 14,000 miles in Russia alone. I visited the great mineral area of the Ural Mountains. I visited each of the 16 Socialist Republics.

I was at Stalingrad Dam, where next year, perhaps somewhat before that time, the power will be cut in. There will be three times more installed capacity on the Volga River than there is at Hoover Dam, where we thought we were doing pretty well.

Gorki Dam, also on the Volga River, will provide a smaller amount of power, but it is probably not in operation yet.

There will be a grid system between the Volga River and Moscow. The railroads are being electrified into Leningrad. The Russians have some of the best electrical equipment and generators made. I was there and saw them. One of them is 60 feet in diameter as it stands on the floor. The wiring looked as good as it does at Westinghouse. That low-head generator was to be used in the Stalingrad Dam.

I know that Russia has all these materials. I am certain Russia has the oil. But what we propose to do now is to send our foot soldiers to the Middle East, about 500 miles from the Russian border, to protect a 1,000-mile pipeline. I flew the full length of that proposed pipeline in 1947. It had not been built then, but it is built now.

Then there is a 2,000-mile stretch of water transportation which is necessary to carry the oil from the Middle East to the European nations.

I visited the Ruhr and Frankfurt, where the chemical industries are located. I was in Birmingham, England, and in many other industrial areas, also. In those places the industries were converting from coal to oil as a fuel. There the industries were built over the coal mines, but they are now lacking the coal, so they are converting to oil.

It is necessary to move the oil through a 1,000-mile pipeline across Arabia and 4,000 miles to Europe. King Saud can "bust" the pipeline any time he wants to.

In that area we are as close to the Russian border as the Russians would be to the United States if they were in Cuba.

In my discussion with Mr. Bulganin, we were talking about bases. He said, "What would you do if we tried to build a base in Cuba?"

I said, "We would bomb the hell out of you." That is what I told him. I hope we would. I am not sure that we would, the way we run our business here. But I think that is what they would do to us if we got in their hair, because it is one thing to defend a base a thousand miles way from our center; but when we get 2,500 or 4,000 or 5,000 miles away from our center, the supply line gets a little thin. Whenever the distance is only 500 miles away, we are doing pretty well.

If the Russians are only a thousand miles away, they cover pretty nearly all of Europe. By looking at a map, it can be seen that the Russians have control of Czechoslovakia, Rumania, Poland, Yugoslavia, and Bulgaria. So there is only a little peninsula left, which we call the free world.

The free world is going to be neutral in the next war. Neutrality is the only thing that will save them, and probably they would not let the United States get anything from them, if we were to be dependent upon them. We could not get manganese from India, even if they let us go in, which they probably would not.

To continue, we were going to buy, in the first 5 years after the close of the war, $10 million worth of oils and oil cake.

Other industrial raw materials purchases would have amounted to $15 million.

The total amount would have been $200 million.

I now turn to Senate Document 83, which was made available in February 1957. In Senate Document 83, as also in Senate Report No. 1627, there is thoroughly explained and documented the factual information showing how the United States can become self-sufficient in the production of everything we need for war and peace in the Western Hemisphere. Nobody denies it; nobody can deny it.

Nobody can deny that if the proper wages are paid in this country, and if we have something which will take the profit out of the sweatshop at the water's edge, we will be in business in this country in critical materials, and will become self-sufficient in tungsten, manganese, and other items, and will materially increase the supply.

Then it can be made up on going-concern mining industries in the Western Hemisphere, which can be protected while a war is going on. If we examine a map, we observe at once that any attack on the United States from Russia or the Iron Curtain countries will come, not through Europe or Asia, but over the North Pole. In that event the countries of Europe and Asia will be neutral. Similarly, if the United States launches an attack upon Russia, the attack will also move over the North Pole. So it would seem that more reference should be made to the map.

AVOID BLACKMAIL BY PROTECTING DOMESTIC INDUSTRY

Therefore, Mr. President, the only chance we have to be independent and to avoid being blackmailed into future agreements and to avoid having to walk

from one trap into another is to make ourselves independent by promoting the production of critical minerals and materials in an area which we ourselves can protect. Then we can be neighborly and can trade with all other countries on the basis of free and reasonable competition, not on the basis of free trade, so that the capital of the United States can move into the other nations and the materials of those nations can be moved into the United States.

Let me ask the distinguished Senator from Ohio [Mr. LAUSCHE] who presently occupies the Chair, to consider the fate of the glass industry and other industries which used to be located in Ohio. Where are they today? They are in Belgium, Japan, and Germany, where wages of from 10 cents an hour to 25 cents an hour are paid. Mr. President, we say we want our workingmen to live in the way that American people should live. However, we do not vote as if we meant that.

In connection with the necessity of increasing such production in the United States, let me refer the distinguished Presiding Officer and the other Members of the Senate to Senate Document 83, published by the United States Senate under Senate Resolution 271. On page 3 of that document, under the heading "Recommendations," we find the following:

A major barrier to legitimate trade and business relations between countries is the longtime practice of sovereign nations to engage in multiple exchange rates and other subterfuges for trade advantage. Common honesty and integrity among sovereign nations in currency exchange is the first ingredient for sound business and trade relations.

THE UNITED STATES FOLLOWED ENGLAND OFF THE GOLD STANDARD IN 1933

But, Mr. President, that is something which has not existed in the Western Hemisphere or elsewhere in the world since 1933, when the United States left the gold standard or the hard money standard. Until that time, when paper currency of any country—whether Brazil or any other country of the world—was presented to an American, he obtained from the bank the equivalent in American money, and that equivalent was paid to him in either gold grains or ounces of silver—whichever metal was called for. Therefore, there could be trade and there could be buying and selling, because it was known that no subterfuge was being used.

But when we followed England by going off the hard money standard in 1933, we seemed to proceed on the theory that if it was to the advantage of other nations to cheat everyone by manipulating their monetary systems, it would be to our advantage to follow England in the same kind of deal. However, we do not gain by that. Instead, we get beaten in every such transaction.

I read further from Report No. 83:

It has been and is almost universal practice for foreign nations to place a higher unit price on their currency in terms of United States dollars than the true competitive market price, which results in what is known as a "dollar shortage"; the taxpayers of our Nation are then expected to make up the difference through the World Bank, the Export-Import Bank, or direct appropriations by Congress, including foreign aid. This practice has severely retarded trade and private investment in such areas.

Mr. President, surely you have heard of "the dollar shortage"—in other words, the situation existing when a foreign nation wishes to buy something, but does not have enough dollars to enable it to make the purchase. Of course, many times I have found myself in a similar position. However, in the United States we are required to consider the whole card, and either to increase our earning capacity or to trim our purchases until they are in line with our earning capacity. On the other hand, in the case of foreign countries, that principle does not seem to be applied. Therefore, we have the references to "the dollar shortage."

Mr. President, I recall that when the sugar bill was before the Senate, the United States had a special "deal" in the case of sugar. That arrangement was partially a tariff and partially an allocation of certain amounts of sugar to the cane-sugar producers and the beet-sugar producers of the United States; and also to the producers in Hawaii, which is part of the United States; and to the producers in Puerto Rico, which is a part of the United States; and also to the producers in the Philippines, which formerly were a part of the United States. Under that arrangement, we continued to allocate to them a considerable portion of the supply of sugar which we consume but do not produce; and we allocated a considerable amount to Cuba—46 or 47 percent of the amount of sugar which we ourselves do not produce, but which we consume.

So I asked a very bright young man in the State Department why the State Department was so adamant about keeping the Cuban percentage so large, in respect to the total amount of sugar which the United States consumes but does not produce—having in mind that in Peru and in other South American countries, an increased allocation of one-half of 1 percent would mean a great deal, and might aid us in maintaining friendly relations with those countries. The reply I received from that young man was, "The Cubans buy our grain."

I said to him, "That is very interesting. What do they pay for the grain they buy from us? Do they pay our support price for the wheat or do they pay the world price for the wheat?"

After some hesitation he said, "They pay the world price."

I replied, "That is very interesting, too. When we buy their sugar, what price do we pay for it? Do we pay our support price or do we pay the world price—bearing in mind that they sell the remainder of their sugar on the world market, and still make a profit."

Then there was a considerable amount of hesitation; but finally he said, "We pay the support price."

I said, "That is interesting. Let us do a little computing."

And Mr. President, right then and there—and it is set forth in the hearings, where we also find the answer given by the State Department—we figured that on every 100 pounds of wheat which we sell to Cuba, the taxpayers of the United States lose $1.35. Yet we call that foreign trade. No doubt that is something the taxpayers of the United States will look into as time moves on. Nevertheless that is counted by our delightful State Department as foreign trade.

I read further from report No. 83:

The long-range trade future of this Nation is in the Western Hemisphere.

That is what the committee believes and that is what the senior Senator from Nevada believes, namely, that—

The long-range trade future of this Nation is in the Western Hemisphere.

But while we are trying to buy trade, as I have just explained, with the low-cost-labor countries, they are taking our money and are using it to increase their activities in South America.

Mr. President, I have spent a considerable amount of time in each of the countries of South America; and in each one of them I have studied the industries and the wages and working conditions, just as I have done in every other nation of the world.

I have even visited Lithuania. Of course, Lithuania is about the size of Nye County, Nevada. Lithuania is so small in size that it is almost difficult to land an airplane there. I had not heard much about Lithuania until I visited that country. I remember that Jack Sharkey was a Lithuanian—and also a very good boxer.

At any rate, I was interested in visiting Lithuania, so I went there. Having visited there, I am in a position to discuss the industries of Lithuania. When I travel, I do not spend time paying social visits. If the head of state is present, I usually pay my respects to him and state my purpose in visiting his country. But whenever I visit a country, I study that country's production.

Mr. President, at this point I desire to read further from Report No. 83:

To throw this highly important interdependent trading relationship into gear the following recommendations based on simple integrity of the nations are desirable and necessary:

1. We recommend the closest cooperation among the nations of the Western Hemisphere in the interest of security from external aggression, and to promote lasting peace and prosperity.

2. We recommend convertibility of all currencies of the nations of the Western Hemisphere on the basis of their respective free exchange market values.

Mr. President, there is only one alternative to a metal standard, when the money which one exchanges contains the same number of grains of gold or calls for the same number of grains of gold or the same number of ounces of silver as the other money with which one is dealing. The only alternative is to adopt the market value of the currencies at the time when trading occurs.

So we recommend that the market value be accepted in our trade relations, and not what a particular nation says its currency is currently worth in terms of the dollar.

As an illustration, I want to tell what occurred when I went to Bolivia, for example. Bolivia is not a wealthy coun-

try. A tremendous amount of tin is produced there. If the program were handled right, I think all the tin we need in the Western Hemisphere could be produced there. I went into the tin mines of Bolivia and inspected them while I was there. I want to tell what is not a secret at all. When I looked into the matter of the economic structure, I found there is an executive rule in effect there. The executive handles most of the matters relating to money and trade. The difficulty, of course, is that one does not care what the rules of the game are, so long as they are not changed while he is playing the game. Those countries can change them any minute of the day or night. What I am saying is true of almost every nation in the world. All that information has been documented. One may disagree with the conclusions, but he cannot disagree with the facts. Those nations have a ruling, or an executive order, that if one gets an American dollar—or any other money, for that matter, although at the moment I am talking about American money—within 30 days or 60 days it must be turned in to the central bank. If it is Bolivian or Argentine money, the dollar must be turned in and one receives what the American dollar is worth in terms of their money.

I was in Bolivia in 1954. If one turned in $100 in American dollars, he received 500 bolivianos, even though the $100 were worth 1,700 bolivianos if traded on the street. One-third of the money value was deducted on the first "go round." That is the trade we talk about. We make it possible by our philanthropy. What I am talking about applies to every nation we deal with.

England has been the worst offender. England said the dollar was worth $1.03 when it was selling for $1.65 on the Shanghai exchange.

I went to Shanghai and many other places——

Mr. KNOWLAND. Mr. President, will the Senator yield for a parliamentary inquiry, without losing his right to the floor?

Mr. MALONE. I yield to the distinguished Senator from California.

Mr. KNOWLAND. The parliamentary inquiry I should like to address to the Presiding Officer is that I understand the pending amendment—I want to know if I am correct or not—of the distinguished Senator from Alabama is to strike from the House joint resolution which is before the Senate the proviso which placed a limitation of $16,728,000 on the amount that may be used for State and local administration. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. KNOWLAND. I should like to ask the distinguished Senator from Nevada, if he, without losing the floor and all the rights he has to the floor, would be willing to yield sufficiently to have action taken on the amendment of the Senator from Alabama to strike the proviso. The Senator from Nevada would still have his full rights to offer any amendments. He would still have his full rights to hold the floor as long as he desires, in order to acquaint the Senate with the issues which he sincerely believes are involved in this joint resolution.

I might say I have been informed by the acting majority leader that, if it is agreeable to the Senator from Nevada, he is willing to have the Senate take a recess until tomorrow. I understand the House is prepared to recess until tomorrow at noon. Depending on the determination of the acting majority leader, the Senate could possibly recess to an earlier hour, perhaps 10 or 11 o'clock in the morning, at which time the Senator from Nevada would have the floor and none of the rights he now has would in any way be interfered with. In that way, this one issue of the limitation of payments to the States, under the Social Security Administration, for public welfare assistance, would at least be taken care of and be out of the way.

Mr. MALONE. May I ask the distinguished minority leader, just what is to be gained by taking this joint resolution piecemeal, putting everything over except the one thing we have been trying to do? I have been trying for 10 or 11 years to put this country in the position of a going concern business, so that we will not be dependent on India and other countries. We should not be dependent on these little nations which run from everybody.

What is to be gained by taking this piecemeal and adopting it, until we get to the point where there is only one thing left?

Mr. KNOWLAND. All I can say to the Senator is that to the extent we took action on the last resolution, in which I stood with the Senator from Nevada——

Mr. MALONE. I appreciated it very much.

Mr. KNOWLAND. We had to take it piecemeal, in the sense that we acted on the amendment dealing with social-security payments to the States under the law of 1935, upon which for 21 years the States have relied.

The Senator is still not foreclosed as to any of his rights to offer the same amendment, if he wishes, that he offered before, or to offer some other amendment. The Senator still has the right of discussion in the Senate. However, I thought my proposal would enable the Senate to at least dispose of this matter.

The Senator from Nevada has not indicated, at least, that he is opposed to the public assistance phase of the joint resolution. He is merely greatly concerned because the other body did not see fit to agree on some compromise figure with respect to the mineral item.

I assure the Senator he will not lose any of his rights, if he agrees to my suggestion, but he will thereby permit the Senate to again state its position, which is that in this field of public assistance payments the Senate does not intend to shortchange the States.

Mr. MALONE. I will say to the distinguished Senator that I understand his great anxiety to adjourn the Senate. I would like very much to adjourn it myself, or recess for the period agreed on between the House and the Senate.

Mr. KNOWLAND. Mr. President, if the Senator will yield, first of all, there has been no agreement between the House and the Senate on a resolution as to a period of adjournment.

I will say to the Senator from Nevada that I have already canceled three plane reservations out of Washington, and I am prepared to cancel all the others and remain here all Easter week, if it is necessary, to conduct the public business. I am sure other Members of the Senate are prepared to do likewise.

By the same token, it has been customary for both the House and the Senate to take a recess of varying periods during the Easter season. I am merely trying to accomplish this much legislatively tonight, before the Senate recesses until tomorrow.

The able Senator has already forced, or will in effect have forced, both the House and the Senate to go over for 1 additional day, so he will lose nothing by letting us accomplish this much legislatively.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Is it the position of the Senator from California that the Senator from Nevada is speaking on the subject of materials and minerals, and the Senator from California is suggesting that the Senate be permitted to dispose of the issue on welfare?

Mr. KNOWLAND. The Presiding Officer is correct. Of course, we have no rule of germaneness in the Senate, and the Senator is entirely in order to talk about strategic materials or anything else under this heading. I was only suggesting as a matter of courtesy to the leadership of the Senate that the distinguished Senator, who obviously feels very deeply and sincerely on this subject, and who considers it to be important to bring it to the attention of the Senate and the country, might let us proceed and take care of the public-assistance phase of the matter. That is all I am asking the Senator to do.

Mr. MALONE. Mr. President, I will say again to the distinguished Senator that what we are doing is taking it piecemeal. Finally we shall be left sitting behind the eight ball with no place to go.

Mr. KNOWLAND. No.

Mr. MALONE. Wait a minute. I wish to finish this statement this time.

In the first place, the House pulled a sneak punch on the Senate by passing a resolution merely approving everything, a blanket approval without any warning to the Senate whatever, when we were already in conference, without suggesting any way out at all. Making no suggestion in the conference, so that the matter could be disposed of, they pulled this resolution out and threw it down on the table one day without any warning, and we either had to take it or go home. Then today the Senate, in its wisdom, put back the 2 or 3 or 4 things it thought important. Then the matter went over, and without warning they put over an entirely new bill in the House, and sent it to the Senate, knowing that everybody here had made plans to go home, just as I have.

I wish to go home, but I wish to tell the distinguished Senator, who leads this Senate on our side of the aisle, that I do not wish to go home that much. I am ready to stay right here, as I said before, until the snow is 9 feet deep on

Pennsylvania Avenue, until we make some sense out of this thing. We cannot do it by taking it piecemeal, everything they want and nothing we want.

Mr. KNOWLAND. I am saying to the Senator that we are not taking it piecemeal, because we are not agreeing to the House position on this matter. In the first place, we are making a very fundamental change in this resolution, which has been one of the main factors that has tied up the conference. The House first put on a limitation of $15 million, and then they put on a limitation of $16 million, which I personally think is contrary to the statute. So we are not yielding to the House in any sense of the word on this item of public assistance.

If I were suggesting to the Senator that he permit the Senate to accept the amendment of the Senator from Alabama [Mr. HILL], and if I were then proposing that tonight the Senate should pass the bill—as he might call it, piecemeal—I think the Senator's position would be entirely correct.

Mr. MALONE. May I ask the Senator from California a question?

Mr. KNOWLAND. But I am not proposing that the Senate do that. The bill will still be before the Senate, and the Senator's rights will be reserved.

Mr. MALONE. May I ask the Senator a question?

Mr. KNOWLAND. I am glad to yield to my distinguished friend, the Senator from Nevada.

Mr. MALONE. What would be gained by doing this tonight rather than tomorrow?

Mr. KNOWLAND. We would send to the country, to all of the States of the Union, notice that the Senate had again reiterated its position on the question of public assistance. I think that is extremely important from the point of view of the States and from the point of view of the old people. If the Senate should happen to recess without taking this action, they would be denied their payments under the old-age assistance program. I think it is important that they understand, which they otherwise may not, that it is another subject matter which is tying up the House and the Senate, in consideration of the joint resolution.

Mr. MALONE. I will make a suggestion to the distinguished Senator from California, our distinguished minority leader. I will guarantee that the old people of Nevada will understand, because they understand they are being destroyed utterly by the 34 competitive nations in Geneva, who are regulating our foreign trade and national economy. By voting more and more money all over the world we are cheapening the value of money every day. We give lip service to stopping inflation, and make no effort to stop it. It has increased as fast or faster since 1952 than it did during the previous 4 years.

So what we do is lower the purchasing power of wages, and we lower the purchasing power of pensions, and there are some places where there is no way to raise those pensions, for they are not paid directly. We can raise the social-security payments to keep pace with inflation. That is what we are talking about now with relation to railroad men. Inflation has lowered the purchasing power of their retirement pensions, so they have come to the point where they are willing to put in more money if we will raise their pensions, so that they can make ends meet and buy groceries. We are about to enter that discussion again. I am about to cooperate with other Senators in the Senate to bring that about.

Here we are talking about something the House might agree on, and leaving out the controversial items.

I will make this suggestion to the distinguished minority leader: That we do the same thing on the mineral purchase provision; just put it right back in, and send the joint resolution back. Then I will go along with the Senator.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MALONE. Does any Senator have anything to offer in that regard?

Mr. MANSFIELD. Mr. President, will the Senator yield for a unanimous-consent request without losing his right to the floor?

Mr. MALONE. No. I am just starting, as a matter of fact, unless we can bring some sense into play.

This is what I would like to see done: I should like to see this joint resolution sent back to the House exactly as we sent it back before, not taking it piecemeal.

Mr. MANSFIELD. All I am asking for is the opportunity to make a unanimous-consent request, without the Senator from Nevada losing his right to the floor.

Mr. MALONE. That does not mean anything. I will probably lose my life some time here, if this thing keeps up.

Mr. MANSFIELD. Perhaps we all will.

Mr. MALONE. I really intend to fight this out on the ground floor, and I am capable of doing it.

Mr. MANSFIELD. I do not doubt that in the least.

Mr. MALONE. I know what the Senator wants, and I am in sympathy with him, but he is taking the ground out from under us by agreeing with the things they want. Then they can go home and let us alone.

Mr. MANSFIELD. No. This is something else. I will tell the distinguished Senator what I had in mind. The minority leader [Mr. KNOWLAND] and I had agreed that when the Senate adjourned today—or tomorrow morning—it ought to reassemble at 10 o'clock tomorrow. If the Senator from Nevada has no objection, I should like to place that proposal in the form of a unanimous-consent request at this time.

Mr. MALONE. I have the highest regard in the world for the Senator, but I think the Senate ought to reconvene at the regular time, and I think we should leave this question for debate—all of it. Then tomorrow, when the Senate reassembles, we can debate it. I will take my chances on getting the floor. The Senator does not need to protect me.

Mr. MANSFIELD. The Senator is pretty good at preserving himself.

Mr. MALONE. It is not that. I think the country is at stake. I have just read the Harry Dexter White memorandum to Morgenthau, and Morgenthau's letter to the President. We are still supporting Harry Dexter White, and he has been dead 10 years. We are voting for him.

Mr. MANSFIELD. I will withdraw my request at this time, and listen to the Senator from Nevada with great interest.

Mr. MALONE. The third recommendation in the series to which I have referred is as follows:

> We recommend that the United States return to the constitutional method of adjusting duties or tariffs in the regulation of foreign trade and in the interest of the national economy—article I, section 8 of the Constitution.

We circumvented the Constitution of the United States when the Legislature, in 1934, under great pressure from a powerful President, transferred its constitutional responsibility. Senators occupying seats in this body transferred their constitutional responsibility to the President, with full authority to place such responsibility anywhere in the world, under the jurisdiction of any organization he might spearhead. So in 1947 he organized the General Agreement on Tariffs and Trade. I assume Senators have heard of that organization. It is located in Geneva. The President could have located it in Peiping or Moscow; and some day some President might do that.

Many things were done which were dumfounding. I represented the Military Affairs Committee at San Francisco in 1945. I was there as an observer, by direction of the committee. What did I see? I saw Harry Dexter White leading Senators around by the nose. I saw him writing the articles giving England more votes. It is 10 times the number of votes which the United States of America has. A similar situation prevails with respect to Belgium. Even Lithuania, if she had been a member, would have had just as many votes as the United States of America. So we signed, and again depended upon foreign nations for the things without which we cannot live, either in war or peace. We can be blackmailed all our lives, and we are being blackmailed.

The next recommendations are as follows:

> 4. We recommend that, beyond mutual collaboration on the Monroe Doctrine principle of security of the Western Hemisphere, sound money and mutual integrity of private interests, the sovereign nations of that area each conduct its domestic affairs without external interference.
>
> 5. We recommend that each nation of the Western Hemisphere collaborate in establishing and maintaining a stockpile of critical materials, which, added to the "going concern" production within the area, will equal the estimated consumption during any projected emergency.

I invite specific attention to the language "going concern" production.

> This procedure will be facilitated by market value exchange convertibility.

In other words, if we have a going concern production which equals our consumption in war time, we do not need a stockpile. The stockpile we need is a stockpile which represents, with respect to each particular strategic or critical material, the amount which, added to the going concern production, would equal what we need each year. That is what

we are talking about tonight. We are talking about the going concern production of the United States.

Harry Dexter White, Morgenthau, and others of their ilk said that we could not produce in this country, so we must depend on Russia. We are depending on India and other nations almost as far away, and just as uncertain. The record shows that in peacetime India stopped our importation of something which they thought we had to have, and could not obtain elsewhere. It happened to be monazite sands. It so happened that we could obtain the material somewhere else, but the principle is the same. The minute a war started, there would be a little pressure on India, and we could not obtain a ton of manganese from India.

There is one thing which I deplore about Washington. There is probably more education and less horsesense in Washington than in any other place I have ever been—and I have been in a good many places.

The next recommendation is as follows:

6. We maintain that the Western Hemisphere can be made self-sufficient in the production of the critical materials necessary for war or peace.

All we need to do, if we have any doubts in that connection, is to consult these reports. One of them was published in 1957, and the other was published in 1955. If any Senator has a few minutes in which he does not have to determine how much money to send to some foreign nation, he can profitably study these reports. I see that it is proposed to send $48 million to Hungary. We reduced the amount by about $2 million for some reason. Probably that proportion of the population of Hungary emigrated to the United States.

If there is any doubt on the subject, I refer to Senate Report 1627 for the factual, documented information. While one may draw different conclusions from those of the Senate committee which wrote the report, or different conclusions from my own, we cannot change the facts. They are documented. It would be very interesting reading if we had any time to consider the United States of America and the Western Hemisphere, instead of the area within 500 miles of Russia.

The next recommendation is as follows:

7. We maintain that whatever area it is necessary to defend for our own ultimate safety under an extended Monroe Doctrine policy must be defended from North America.

Let us consider our position. We have bases all over the world. All of Europe will be neutral when the fight starts. Those bases are within a very reasonable distance of Russia. Much strategic defense advice is to the effect that we could not hold those bases for 30 minutes. Many say, "If we could get off the ground once, it would be worth it." But that would sacrifice every man on foot and in the air, including every man who is there to maintain the planes. They would be sacrificial troops.

We have foot soldiers in 73 nations around the world, and they will be as dead as Julius Caesar or on their way to the salt mines a week after the war starts, because we will not be able to feed them and we will not be able to get them home.

We could build long-range bombers which could fly to Russia and return without refueling. We had better get to doing that. We can build cargo planes that will hold 100,000 pounds of material. With those cargo planes we will not need a billion dollars' worth of stuff in every airport of the world. We can put the material down with parachute troops and leave it there, if necessary, or move it.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. KNOWLAND. In view of the colloquy which we had, and because the Senator has objected to the request I made, I do not intend to renew my request, but I wonder whether the Senator would have any objection to having the Senate recess until tomorrow at the regular time of 12 o'clock noon, particularly in view of the fact that the House, I have been informed, has now recessed until 12 o'clock noon tomorrow. I wonder, therefore, whether the Senator would be willing to yield so that a motion could be made to recess until 12 o'clock noon tomorrow.

Mr. MALONE. I shall be very glad to yield the floor for that purpose, because I see no advantage or disadvantage in keeping the floor at this time, if it is understood that we will debate the question at 12 o'clock tomorrow. I should also like to have it understood that I will have the floor tomorrow in the event it is necessary to discuss the subject further at that time.

Mr. HILL. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. HILL. Would the Senator be willing at this time to dispose of the pending amendment?

Mr. MALONE. I did not hear the Senator.

Mr. HILL. Would the Senator be willing to dispose of the pending amendment at this time? The Senator could then offer any amendment he saw fit to offer.

Mr. MALONE. I would be happy to join the Senator from Alabama, whom I have known for 11 years on the floor of the Senate and for 25 years before I came to the Senate, in connection with veterans' organizations, if we could just say to the House, "You pulled a sneak punch on the Senate, and there is no other way around it," and if the Senate would send back to the House the same thing we sent this afternoon and say, "We are here for the period." That is what we should do. Then I would be glad to go along with the amendment of the Senator from Alabama.

Mr. KNOWLAND. Mr. President, the distinguished acting majority leader has temporarily stepped out of the Chamber. I wonder if the Senator from Nevada will yield to me, with the understanding that he will not lose his right to the floor, so I may make an insertion in the RECORD at this point.

Mr. MALONE. I will be happy to yield for that purpose, and also for the purpose of making a motion to recess or adjourn until 12 o'clock tomorrow, at which time the senior Senator from Nevada will have the floor, if he chooses to take it.

AID TO IRON CURTAIN COUNTRIES

Mr. KNOWLAND. Mr. President, I have a brief statement I should like to make for the RECORD. I have a letter which I received under date of April 12. It reads:

DEAR SENATOR: I wish to compliment you for your stand against the administration's offer of economic aid to Poland.

I have been a newspaper correspondent in Europe for 23 years and know Poland and the Iron Curtain better than most Americans.

Just this week I returned from an extensive tour through Poland. I spent considerable time in the western provinces which make up the former German territories of Silesia, Brandenburg, and Pomerania.

In these areas I had ample opportunity to see the breakdown of the Polish coal industry. The mining machinery is very antiquated and in many cases dates back to the period before 1914. The miners themselves are very dissatisfied as shown in the great turnover in personnel. Mining officials admitted to me that there was a 53-percent turnover in miners between January and July 1953.

The primary reasons for this unwillingness of men to stay in the mines are the antiquated working conditions, poor housing, and the psychological what's-the-use attitude. Everywhere I found rumors that Polish coal had been sold to Russia for 8 zlotys per car. Russia in turn got $30 per car from Sweden. Eight zlotys are worth about 6 cents in Breslau's and other Silesian black markets.

Rather than improve these conditions by giving Poland mining machinery, I for one believe that they are the very conditions that we should encourage. They have so far resulted in the slowing down of production in East Germany, Czechoslovakia, and contributed much to the Budapest revolution.

Daily I saw the effect that this shortage of coal had and would have in time of war on shipments of supplies from Russia to Red army troops in East Germany. The locomotives had no hard coal and had to operate on brown coal or peat. This is very inefficient fuel and slows the trains considerably, also lays up locomotives for frequent cleanings.

During this trip through the lost provinces of Germany I saw much evidence of the present population movement from Poland to Germany, also the replacing of these Germans by Poles from Russia. These brought back very vividly Gomulka's last expulsion of Germans in 1945–47.

At that time Gomulka was Minister of State in Charge of Western Provinces. His expulsion methods were no better than what Himmler and Frank had done to the Poles. When he came into office there were 5,650,000 Germans under his administration. Of these, 29 percent, or over 1,600,000, were killed or died in the processes used by Gomulka during the first year alone.

Your fellow Members of the United States Senate must have very short memories if they have forgotten the horror of Gomulka's camps of Stettin-Scheune, Kreskow, Frauendorf, and others. I have not, nor have any of those that saw them or heard the accounts of those that came from them. I can only suggest that you refresh their memories, then they will know better with whom they deal.

From several years of traveling in the Iron Curtain countries I am convinced that it is far from impregnable. This is a year like

1848, when the people are ripe for throwing off autocracy. With a firm stand by the United States the Iron Curtain would go over like an outhouse on Halloween with all the little Kadars and Gomulkas scampering off to Moscow.

RECESS

Mr. BIBLE. Mr. President, if there is no further business to be transacted, I move that the Senate stand in recess until 12 o'clock tomorrow, with the understanding that the Senator from Nevada will not thereby lose his right to the floor.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nevada.

The motion was agreed to; and (at 6 o'clock and 49 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 18, 1957, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate April 17, 1957:

UNITED NATIONS

Donald Vaughn Lowe, of New Jersey, to be representative of the United States of America on the Transport and Communications Commission of the Economic and Social Council of the United Nations.

DIPLOMATIC AND FOREIGN SERVICE

Gerald A. Drew of California, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Haiti.

CIVIL SERVICE COMMISSION

Frederick J. Lawton, of the District of Columbia, to be Civil Service Commissioner, term of 6 years, from March 1, 1957.

Christopher H. Phillips, of Massachusetts, to be Civil Service Commissioner, term of 4 years, from March 1, 1957.

Harris Ellsworth, of Oregon, to be Civil Service Commissioner, term of 2 years, from March 1, 1957.

ROUTINE APPOINTMENT IN THE DIPLOMATIC AND FOREIGN SERVICE

The following-named persons to the offices indicated:

To be consuls general

Robert B. Memminger, of South Carolina.
Allen B. Moreland, of Florida.
George H. Owen, of New York.

To be Foreign Service officers of class 2, consuls, and secretaries

John W. Evans, of the District of Columbia.
Russell L. Riley, of Missouri.

To be Foreign Service officers of class 3, consuls, and secretaries

John L. Brown, of Massachusetts.
William Gerber, of Pennsylvania.
Dr. Merle Walker, of Kansas.

To be Foreign Service officers of class 4, consuls, and secretaries

Mrs. Ursula H. Duffus, of Ohio.
Miss Jean Jerolaman, of New York.
Miss Lucy Richmond Lentz, of North Carolina.

To be Foreign Service officers of class 5, consuls, and secretaries

Elwood M. Browne, of Maryland.
William J. Monticone, of Rhode Island.
James C. Quick, of Florida.
Clarence W. Toulme, of Louisiana.

To be consul

Malcolm P. Hallam, of South Dakota.

To be Foreign Service officer of class 6, consul, and secretary

William P. Shockley, Jr., of California.

To be Foreign Service officers of class 6, vice consuls of career, and secretaries

Martin S. Bowe, Jr., of Massachusetts.
Miss Eleanor Van Trump Glenn, of Georgia.
Miss Fannie Goldstein, of New York.
William H. Hardage, of Georgia.
Miss Jessie L. Harnit, of North Dakota.
Clarence J. Heissel, of California.
J. William Henry, of Arizona.
Miss Margaret Ruth Kelley, of California.
James B. Lindsey, of Florida.
David H. McCabe, of Maryland.
Miss Mary Willis McKenzie, of Virginia.
Miss Isabelle Pinard, of California.
Miss Irene L. Rossi, of Pennsylvania.
Benjamin J. Ruyle, of Washington.
John W. Sullivan, of Maryland.
E. Paul Taylor, of California.
James G. Ward, of Pennsylvania.
Charles T. Warner, of West Virginia.
Walter C. Young, of Pennsylvania.

To be Foreign Service officers of class 8, vice consuls of career, and secretaries

George Aneiro, of Wisconsin.
Roy J. Apel, of California.
Diego C. Asencio, of New Jersey.
Thomas J. Barnes, of Minnesota.
Eugene J. Bashe, of California.
Arthur C. Bauman, of Michigan.
Michele C. Bozzelli, of Ohio.
John A. Cantwell, of New York.
George F. Carr, Jr., of Texas.
Temple G. Cole, of Kentucky.
G. Leslie Dillmann, Jr., of Louisiana.
John M. DuPont, of Massachusetts.
Harvey Fergusson, of New Jersey.
Peter F. Frost, of Connecticut.
Gregory Gay, of Ohio.
Robert S. Gershenson, of Pennsylvania.
William L. Givens, of California.
Leopold Gotzlinger, of Ohio.
Philip J. Griffin, of the District of Columbia.
John C. Griffith, of Connecticut.
Terrence T. Grindall, of California.
Thomas Gustafson, of Virginia.
Kent H. Hall, of California.
Clifford H. Harpe, of Tennessee.
James R. Head, of Wisconsin.
Aaron F. Jacobs, of New York.
Roy H. Johnson, of Nevada.
Stanley E. Kagan, of New York.
Robert D. Knight, of California.
Miss Morelle Lasky, of California.
Norman D. Leach, of California.
Wingate Lloyd, of Pennsylvania.
Alan Logan, of California.
Shepard C. Lowman, of Texas.
Eugene A. Luebker, of Minnesota.
Carl H. McMillan, Jr., of Maryland.
Edward J. Maguire, Jr., of California.
William H. Mills, of Maryland.
Gottfried W. Moser, of New York.
Ronald D. Palmer, of the District of Columbia.
Ross C. Parr, of Michigan.
Douglas R. Perry, of Maryland.
Robert J. Perry, of Ohio.
Walter G. Ramsay, of Virginia.
Robert G. Rich, Jr., of Florida.
George B. Roberts, Jr., of Pennsylvania.
Roger C. Schrader, of Missouri.
Richard C. Searing, of New Jersey.
Carl G. Shepherd, of New York.
William L. Simmons, of Mississippi.
Kenneth N. Skoug, Jr., of Minnesota.
John D. Spangler, of Tennessee.
James M. Thomson, of Minnesota.
Miss Virginia A. Weyres, of Wisconsin.
Dawson S. Wilson, of Florida.
Bruce E. Woolner, of Texas.
Robert G. Wright, of Illinois.
Albert J. Zuckerman, of New York.

The following-named staff officers to the offices indicated:

To be consuls

Frank C. Niccoli, of California.
William P. Robertson, of Tennessee.
Warren L. Swope, of Illinois.

The following-named Reserve officers to the offices indicated:

Joseph C. Arundale, of Oklahoma.
Lee F. Dinsmore, of Maryland.
Wilfred V. Duke, of Oregon.
Zachary P. Geaneas, of New York.
Edward Macauley 3d, of Rhode Island.
Roswell M. Parrott, of Virginia.
John L. Wiggin, of New Hampshire.

To be consuls and secretaries

Henry S. Bonner, of Massachusetts.
Frederick W. Flott, Jr., of Illinois.
E. Howard Hunt, Jr., of Florida.

To be secretaries

Philip F. Fendig, of the District of Columbia.
Franklin P. Holcomb, of the District of Columbia.
John P. Horgan, of Massachusetts.
Richard M. McCarthy, of Iowa.
Samuel H. Rickard III, of Michigan.
William C. Simenson, of Wsconsin.

To be vice consuls and secretaries

Osborne A. Day, of Connecticut.
Fred C. Thomas, Jr., of Pennsylvania.

To be vice consuls

Roderick W. Horton, of New York.
Spiros A. Siafacas, of Florida.
Quentin H. Watkins, of Indiana.

HOUSE OF REPRESENTATIVES

WEDNESDAY, APRIL 17, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, whose amazing love we cannot fathom, in these days of Holy Week, we are calling to mind the sufferings and death and resurrection of the Captain of our Salvation.

We rejoice that when there was no eye to pity and no arm to save, then in the fullness of time Thou didst send Thine only begotten Son to be our Saviour.

Our hearts go out to Thee in gratitude for His redeeming ministry, emancipating mankind from the bondage and power of sin and releasing its hidden splendor.

Give us the glad assurance that the sacrifice of His life on the cross is the propitiation for our sins; and not for ours only but for the sins of the whole world.

Help us to hasten the dawning of that blessed day when the spirit of man shall be too strong for chains and too large for imprisonment.

In Christ's name we pray. Amen.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6304. An act to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes.

The message also announced that the Senate had passed a bill and joint resolutions of the following titles, in which the concurrence of the House is requested:

S. 1034. An act to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.;

S. J. Res. 12. Joint resolution to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project, and payment to Crow Indian Tribe in connection therewith, and for other purposes; and

S. J. Res. 70. Joint resolution requesting the President to proclaim the week of April 28 to May 4, 1957, inclusive, as National Mental Health Week.

CALL OF THE HOUSE

Mr. JUDD. Mr. Speaker, I suggest the absence of a quorum and make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

The call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 63]

Barden	Holifield	Riehlman
Blitch	Holt	Robeson, Va.
Bowler	Holtzman	Sadlak
Boykin	Hull	St. George
Buckley	Jenkins	Scherer
Celler	Keating	Scott, Pa.
Colmer	Loser	Shelley
Curtis, Mo.	McDonough	Sheppard
Dague	McGovern	Sieminski
Davis, Ga.	Magnuson	Smith, Kans.
Dellay	Miller, Calif.	Steed
Dies	Miller, Md.	Teague, Tex.
Donohue	Miller, N. Y.	Teller
Eberharter	Morrison	Thomas
Farbstein	Multer	Utt
Fino	O'Konski	Vinson
Forrester	Patman	Vursell
Gordon	Philbin	Walter
Green, Pa.	Prouty	Willis
Gregory	Radwan	Young
Harvey	Rains	Zelenko
Hill	Reece, Tenn.	

The SPEAKER. On this rollcall 370 Members are present, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, FISCAL YEAR 1958

The SPEAKER. The unfinished business is the further consideration of the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, which the Clerk will report by title.

The Clerk read the title of the bill.

The SPEAKER. Without objection, the Clerk will again report the amendment adopted in the Committee of the Whole.

There was no objection.

The Clerk read as follows:

On page 6, line 6, strike out the figure "$35,899,243" and insert "$28,859,285."

The SPEAKER. The question is on the amendment.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 167, nays 205, not voting 60, as follows:

[Roll No. 64]

YEAS—167

Abbitt	Curtin	McVey
Abernethy	Dague	Mack, Wash.
Adair	Dawson, Utah	Mason
Alexander	Derounian	Matthews
Alger	Dorn, S. C.	Meader
Allen, Calif.	Dowdy	Michel
Allen, Ill.	Durham	Miller, Nebr.
Andersen, H. Carl	Fallon	Minshall
	Feighan	Moore
Andresen, August H.	Fisher	Moulder
	Flynt	Mumma
Andrews	Fountain	Murray
Ashmore	Frazier	Neal
Ayres	Gary	Nicholson
Bailey	Gathings	Nimtz
Baker	Gavin	Norblad
Baring	Grant	O'Hara, Minn.
Bates	Gray	Passman
Baumhart	Gross	Pillion
Beamer	Gwinn	Poff
Belcher	Hagen	Polk
Bennett, Fla.	Haley	Rees, Kans.
Bennett, Mich.	Harden	Rivers
Bentley	Hardy	Rogers, Fla.
Berry	Harrison, Nebr.	Rogers, Tex.
Betts	Harrison, Va.	Rutherford
Bonner	Hébert	Schenck
Bosch	Hemphill	Scott, N. C.
Boykin	Henderson	Scrivner
Boyle	Herlong	Selden
Bray	Hess	Sheehan
Brooks, La.	Hiestand	Shuford
Broomfield	Hillings	Siler
Brown, Mo.	Hoeven	Simpson, Ill.
Brown, Ohio	Hoffman	Simpson, Pa.
Brownson	Hosmer	Smith, Calif.
Broyhill	Huddleston	Smith, Va.
Budge	Hull	Smith, Wis.
Burdick	Jackson	Talle
Burleson	Jennings	Taylor
Byrd	Jensen	Teague, Calif.
Byrne, Ill.	Johansen	Teague, Tex.
Cannon	Jonas	Thomson, Wyo.
Carrigg	Keeney	Tollefson
Cederberg	Kilgore	Tuck
Chamberlain	Kitchin	Van Pelt
Chelf	Knox	Weaver
Christopher	Krueger	Wharton
Church	Laird	Whitener
Cole	Landrum	Whitten
Collier	Lane	Williams, Miss.
Corbett	Latham	Williams, N. Y.
Cramer	Lennon	Winstead
Cretella	Lipscomb	Withrow
Cunningham, Iowa	Long	Younger
	McCulloch	
Cunningham, Nebr.	McGregor	
	McMillan	

NAYS—205

Addonizio	Arends	Baldwin
Albert	Ashley	Barrett
Anderson, Mont.	Aspinall	Bass, N. H.
	Auchincloss	Bass, Tenn.
Anfuso	Avery	Beckworth
Blatnik	Harris	Osmers
Boggs	Haskell	Ostertag
Boland	Hays, Ark.	Patterson
Bolling	Hays, Ohio	Pelly
Bolton	Healey	Perkins
Bow	Heselton	Pfost
Breeding	Holifield	Pilcher
Brooks, Tex.	Holland	Poage
Brown, Ga.	Holmes	Porter
Bush	Horan	Powell
Byrne, Pa.	Hyde	Preston
Byrnes, Wis.	Ikard	Price
Canfield	James	Prouty
Carnahan	Jarman	Rabaut
Chenoweth	Johnson	Ray
Chiperfield	Jones, Ala.	Reed
Chudoff	Jones, Mo.	Reuss
Clark	Judd	Rhodes, Ariz.
Clevenger	Karsten	Rhodes, Pa.
Coad	Kean	Riley
Coffin	Kearns	Roberts
Cooley	Kee	Robsion, Ky.
Cooper	Kelley, Pa.	Rodino
Coudert	Kelly, N. Y.	Rogers, Colo.
Curtis, Mass.	Keogh	Rogers, Mass.
Davis, Tenn.	Kilburn	Rooney
Dawson, Ill.	Kilday	Roosevelt
Delaney	King	Santangelo
Dellay	Kirwan	Saund
Dempsey	Kluczynski	Saylor
Dennison	Knutson	Schwengel
Denton	Lanham	Scudder
Devereux	Lankford	Seely-Brown
Diggs	LeCompte	Sikes
Dingell	Lesinski	Sisk
Dixon	McCarthy	Smith, Miss.
Dollinger	McConnell	Spence
Dooley	McCormack	Springer
Dorn, N. Y.	McFall	Staggers
Doyle	McIntire	Stauffer
Dwyer	McIntosh	Sullivan
Eberharter	Macdonald	Taber
Edmondson	Machrowicz	Tewes
Elliott	Mack, Ill.	Thompson, N. J.
Engle	Madden	Thompson, Tex.
Evins	Mahon	Thornberry
Fascell	Mailliard	Trimble
Fenton	Marshall	Udall
Flood	Martin	Ullman
Fogarty	May	Vanik
Forand	Merrow	Van Zandt
Ford	Metcalf	Vorys
Frelinghuysen	Miller, Md.	Watts
Friedel	Mills	Westland
Fulton	Morano	Widnall
Garmatz	Morgan	Wier
George	Morris	Wigglesworth
Granahan	Moss	Wilson, Calif.
Green, Oreg.	Natcher	Wilson, Ind.
Griffin	Norrell	Wolverton
Griffiths	O'Brien, Ill.	Wright
Gubser	O'Brien, N. Y.	Yates
Hale	O'Hara, Ill.	Zablocki
Halleck	O'Neill	

NOT VOTING—60

Barden	Holtzman	Sadlak
Becker	Jenkins	St. George
Blitch	Kearney	Scherer
Bowler	Keating	Scott, Pa.
Buckley	Loser	Shelley
Celler	McDonough	Sheppard
Colmer	McGovern	Sieminski
Curtis, Mo.	Magnuson	Smith, Kans.
Davis, Ga.	Miller, Calif.	Steed
Dies	Miller, N. Y.	Teller
Donohue	Morrison	Thomas
Farbstein	Multer	Thompson, La.
Fino	O'Konski	Utt
Forrester	Patman	Vinson
Gordon	Philbin	Vursell
Green, Pa.	Radwan	Wainwright
Gregory	Rains	Walter
Harvey	Reece, Tenn.	Willis
Hill	Riehlman	Young
Holt	Robeson, Va.	Zelenko

So the amendment was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Riehlman for, with Mr. Holtzman against.

Mr. Jenkins for, with Mr. Keating against.

Mr. O'Konski for, with Mr. Reece of Tennessee against.

Mr. Becker for, with Mr. Vinson against.

Mr. Colmer for, with Mr. Buckley against.

Mr. Fino for, with Mr. Holt against.

Mr. Thompson of Louisiana for, with Mr. Farbstein against.

Mr. Willis for, with Mr. Forrester against.

Mr. Barden for, with Mr. Rains against.

Mr. Robeson of Virginia for, with Mr. Zelenko against.
Mr. Dies for, with Mr. Celler against.
Mr. Scherer for, with Mr. Vursell against.
Mr. Radwan for, with Mr. Teller against.
Mr. Morrison for, with Mr. Multer against.

Until further notice:

Mr. Gordon with Mrs. St. George.
Mr. Donohue with Mr. Smith of Kansas.
Mr. Philbin with Mr. Harvey.
Mr. Patman with Mr. Kearney.
Mr. Shelley with Mr. Miller of New York.
Mr. Sheppard with Mr. McDonough.
Mr. Walter with Mr. Curtis of Missouri.
Mr. Young with Mr. Utt.
Mr. Loser with Mr. Wainwright.
Mr. Miller of California with Mr. Sadlak.
Mr. Bowler with Mr. Scott of Pennsylvania.
Mr. McGovern with Mr. Hill.

Mr. GEORGE changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. WILSON of Indiana. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WILSON of Indiana. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WILSON of Indiana moves to recommit the bill H. R. 6871 to the Committee on Appropriations.

Mr. ROONEY. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. HOFFMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. HOFFMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The bill was passed and a motion to reconsider was laid on the table.

Mr. HILLINGS. Mr. Speaker, one of the important phases of the program carried on by the United States Information Agency is motion pictures. A wide variety of films are produced for use abroad showing our American way of life and also exposing Communist lies about our people and our system of Government. In parts of the world where illiteracy is high, motion pictures have very high value in telling our story. Experience has proven that motion pictures are an effective and popular media for getting our story across to foreign people.

Documentary films play an important part in this phase of the USIA program. Recently I had called to my attention a very significant letter written by a prominent Pakistani concerning the documentary film of the second inauguration of President Eisenhower, which was shown in Karachi and other cities of Pakistan. This letter expressed in straightforward language the value of our films, as seen by people halfway around the world. The contents of that letter follow:

A few days ago my wife and I saw in a local cinema the film showing the second inauguration of President Eisenhower in Washington. It was a magnificent film, and we congratulate the USIA sincerely for bringing it to Dacca. My wife and I went to London as representatives of Bengal when the late King George was crowned in 1936, and we saw most of the ceremonies personally. We also saw the British film depicting the coronation of Her Majesty Queen Elizabeth. The British coronation ceremony is beautiful, solemn, and grand: it was a great experience to see it. But the inauguration of the American President was very different. It was solemn and impressive, but at the same time "homely" in the truest and highest sense of the term. I have read a great deal about democracy in America—I hope that I shall have the opportunity of visiting your great country this year—but the short film of the inauguration of the President brought home to us far more vividly than any amount of literature could have done that democracy is real and effective in America; that the President was chosen by a free and democratic people, and he was their true and beloved representative. We appreciated very much the singing of the American national anthem by the Negro singer, Miss Marian Anderson. There was a sincerity and fervor in that song—and she sang it magnificently—which (in our opinion) would not have been conveyed so forcefully and brought home to the hearts of the hearer, if there had been a formal choir of thousands singing in an organized, formal manner. The manner in which the President and Mrs. Eisenhower greeted the vast assembled crowd at the inauguration and subsequently in the reception proved that the people and the President of America are one and indivisible.

We should like to see this film several times. We congratulate you again for showing us this magnificent film.

With all good wishes,

Yours sincerely,

MAHMOOD HASAN.
Chairman, East Pakistan Public Service Commission.

Recently I heard criticism of USIA for engaging in what was called a "$100,000 film fiasco." I inquired into this matter and found the facts had been considerably garbled. In the first place the film in question was produced by a commercial company and not by USIA. The film was an exposure of the true nature of communism and calculated to alert people abroad to the dangers of communism. Ordinarily, such films are not produced commercially for overseas use. In this case USIA agreed to bear slightly less than one-fifth of the production cost because, I am informed, the message carried by this film is a powerful and moving one. In return the commercial producer retained the right to show the film commercially in the United States, which he did only after the same film had been shown abroad for several months. The response to this film in foreign countries has been such that plans are now being completed to adapt it to more foreign languages to cover a total of 23 countries.

Any charges growing out of this incident, that USIA is attempting to propagandize the American people, are unfounded. I have been assured by USIA that they did not produce the film, but rather it was produced by a commercial film company. I also have been assured that the showing of the film commercially in the United States was a straight commercial undertaking and in no way related to or connected with USIA.

Mr. MACK of Illinois. Mr. Speaker, I congratulate the gentleman from New York [Mr. ROONEY] and his subcommittee for their excellent job on the Justice Department appropriation bill. I regret, however, that they did not recommend funds for construction of a new maximum security prison. I have great confidence in the ability of Mr. James V. Bennett, who has been director of the Federal Bureau of Prisons for many years. Mr. Bennett testified that a critical need exists for another prison to house the worst type of offender. Mr. Bennett told the subcommittee that overcrowding of these institutions has been critical for years and does not seem to be getting any better. Is it not false economy to delay this construction? Are we not impeding the orderly development of the Federal prison system? By delaying this work, we run the risk of conditions deteriorating to the point where we might have to undertake a crash program at far greater expense.

Within the last year or so major riots have broken out in many State prisons across the country. Overcrowding, antiquated facilities, and insufficiently trained personnel have contributed to these troubles. It is significant that none of the recent riots occurred in a Federal institution. In fact, there has not been a major disturbance at a Federal prison in many years. But unless we act to reduce overcrowding, how long can we count on maintaining that fortunate record?

I appreciate the subcommittee's reluctance to provide funds for a new maximum security prison in the fact of statistics which appear to reflect a slight decline in the prison population. According to the tables on page 262 of the hearings, there were 220 fewer prisoners incarcerated in the Atlanta, Leavenworth, and McNeil Island maximum-security prisons on June 30, 1956, as compared to June 30, 1955. However, I have been informed by the Bureau of Prisons that the United States marshals ran out of transportation money toward the end of the last fiscal year. Convicted prisoners in the marshals' custody were held back in jail until money became available after July 1 to transport them to prison. For this reason, the prison population figures for June 30, 1956, were abnormally low. A more accurate picture, I believe, is reflected by Bureau of Prisons statistics for April 4, 1957. On that date, less than 2 weeks ago, the Atlanta, Leavenworth, and McNeil Island institutions housed 6,073 prisoners, or 146 more than on the same date a year ago.

On April 4, 1957, the Atlanta prison had 2,654 inmates, 534 more than its rated capacity. The Leavenworth prison had 2,427, 523 over capacity, and the McNeil Island prison had 992, 231 over capacity.

During the first 9 months of the present fiscal year, commitments to all Federal penal institutions declined by 1.3 percent as compared with the previous

year. But if you will deduct those prisoners convicted of military and immigration offenses, you will find that commitments actually increased 7.7 percent.

Even these figures do not tell the whole story. What is perhaps more significant is that judges are being more severe with serious offenders. Hardened criminals are receiving longer sentences than formerly was the case. Please note this statement on page 255 of Mr. Bennett's testimony.

The average sentence for maximum custody cases in 1 year has increased 5 months. The average length of stay has increased 2 months at these institutions.

The appropriation asked by the Justice Department would allow work to start on a new prison for 600 prisoners convicted of serious crimes. There has been no maximum security prison built since 1902. Alcatraz was built 87 years ago.

An excellent résumé of this situation was contained in an article by Mr. Edward J. Mowery in the Sunday, April 7, issue of the National Weekly. I include the article entitled "The Crisis in Our Prison System" in the RECORD at this point.

THE CRISIS IN OUR PRISON SYSTEM

(By Edward J. Mowery)

The Federal prison system is facing a real crisis. Its administrators admit they are sitting on a "powder keg."

Here's the picture:

More than 20,000 prisoners—a record high—are jammed into antiquated bastilles, some of which were designed to "accommodate" the train robbers and whisky barons of bygone eras.

More felons are committing more serious crimes and receiving longer sentences. A mounting army of youthful offenders and a steadily rising crime cycle have completely exhausted cell capacity.

Overcrowding in the various institutions is critical and dangerous. And the lofty goal of trying to rehabilitate these thousands of inmates and return them to society is purely visionary.

A careful analysis of the explosive situation shows that the hoary institutions which once housed the notorious Capones, Dillingers, Nelsons, and Floyds have outworn their usefulness and objectivity in the jet age.

But this isn't a case of Uncle Sam hitting a sudden jackpot of criminals.

The Federal penal system has been plagued with inadequate and makeshift facilities since 1895 when its first institution, the old military jail at Fort Leavenworth, came under the aegis of the Department of Justice.

From 1909 to 1926, a crucial period in the Nation's history, the system had only three prisons including the venerable McNeil Island (Wash.) Penitentiary, once a Territorial jail.

Overcrowding of emergency proportions began in 1930 when Federal officials, with hats in hand, opened eight improvised prison camps to handle overflow. Rumrunners and lesser Volstead Act violators made up nearly half of the commitments flowing from Federal courts. But this prison bulge in population was in line for more jolts in the next quarter century.

Congress, sensitive to the need for new criminal statutes, passed 10 major laws from 1932 to 1950. Kidnapers, racketeers, draft dodgers, fugitive felons, bank robbers, counterfeiters, and espionage agents by the thousands fell into the Federal net.

State and local penal officials declined to accept Federal prisoners (their problem was just as acute) and Federal bastilles were bursting at the seams.

Ironically, a Nation which spews untold billions to aid distress in other parts of the world could find no money for current needs or future expansion of a vital Federal prison system whose only function is to protect society and salvage human lives.

The situation steadily worsened, and today harassed Federal wardens are assigning 10 men to a single cell, strewing cots in corridors, converting basements into dormitories, and spreading their limited personnel so thin that 2 officers actually supervise 800 criminals.

Fourteen institutions are now jammed beyond normal capacity and the excess load at Atlanta, McNeil Island, and Leavenworth totals 1,582 men.

This is the situation confronting the Nation's lawmakers and the communities which shelter Federal prisons now seething with tensions and unrest.

In Washington, Federal Prison Director James V. Bennett has been viewing the situation with alarm for years, but he hasn't been able to get sufficient funds to do the job.

Now, armed with a Congressional grant of $250,000 placed at his disposal last year, Bennett has completed a comprehensive and exhaustive study of Federal prison needs and he has recommended a complete rehabilitation and modernization program to stave off possible disaster.

Here are highlights of his recommendations:

Allocate $111 million for a long-range construction program; construct "at least" 7 institutions and rehabilitate 4 others in the next decade; reorient the system to meet changing geographical needs; revitalize the near-stagnant rehabilitation program for offenders, and give prison officials the "tools" to turn convicts into useful citizens.

No man could be better equipped by experience and training to advise the lawmakers on the subject than the 62-year-old prison director.

A former president of the American Prison Association and current vice chairman of the American Bar Association's criminal-law section, Bennett has been close to the prison picture since 1919 when he investigated numerous Government agencies for the United States Bureau of Efficiency.

In 1926 the employment policies of Federal prisons came under his analysis and 3 years later he aided Congressional committees to probe the entire Federal prison setup. Since heading the prison system in 1937 he has traveled extensively to the various institutions, conferred with wardens and inmates, and kept abreast of the increasing tensions and inadequacies plaguing the system.

In 1945, American military brass called for his expert knowledge in the organization of civil prisons in occupied Germany.

How does he feel about the present critical situation in his prisons?

"We're sitting on a powder keg," he told this writer, "and I've advised Congress that no safety factor now exists to care for possible national emergencies or broadening of the Federal criminal jurisdiction.

"With such outmoded and inadequate facilities, how can we possibly hope to successfully salvage lives and rehabilitate offenders?"

This implied indictment of Federal prisons by one of the Nation's top penologists brings us to another question: Just how bad are the prisons now coming under official Congressional scrutiny?

Have you ever gazed down from the swank surroundings of the Top of the Mark into picturesque San Francisco Bay? If you have, any native will point out two objects of considerable interest. One, of course, is the towering Golden Gate Bridge, an undisputed engineering triumph.

The other, a snaky triangular island jutting into the water, is Alcatraz, known to cops-and-robbers movie fans as The Rock.

Perhaps you've attached some degree of glamour to The Rock. You recall the headlines announcing the arrival of Al Capone or other racketeers at this citadel of punishment. You've been awed by its impregnability, or perhaps its unique setting.

Actually, there is nothing glamorous about Alcatraz.

Back in 1857, when President James Buchanan was being inaugurated, Alcatraz was being readied to receive its first batch of military prisoners. It's doubtful that the tiny island was even known to some San Franciscans of that day.

And when it was converted into a Federal prison for especially dangerous criminals in 1933, not a movie cameraman was on hand to record the historic event. Here is Director Bennett's description of "The Rock" in his report to Congress:

"Alcatraz, converted from an Army fort to a military prison more than a half century ago, costs three times as much to maintain and operate as other Federal penitentiaries. It's in constant need of expensive repairs.

"Everything used on Alcatraz—including water—must be transported from the mainland by boat. It's expensively located geographically since most of its commitments come from Atlanta and Leavenworth. And conversely, most of its prisoners must eventually be transported back to these institutions."

But the unsuitability of Alcatraz as a Federal prison isn't the exception. Another institution was built during the Lincoln administration. A third was opened 27 years ago as a temporary prison camp. And a fourth—New York City's Federal headquarters—was formerly a garage.

"The New York jail," Bennett explained, "has never been suitable. Maintenance and essential remodeling cost is excessive. It has no single cells or proper facilities to separate prisoners from witnesses."

The Federal official conceded, however, that he has no monopoly on aged and unsuitable penal institutions. And in view of a mushrooming population trend (190 million people by 1965), the custodial situation is bound to get worse.

The Federal prison boss, a keen student of penology for more than a quarter century, said it's fairly obvious that reexamination of America's outmoded correctional concepts is long overdue.

As for the "no bars—no walls" theory of incarceration, he said with a broad smile:

"I haven't built a prison wall since becoming bureau director in 1937. The whole essence of crime control and offender rehabilitation depends upon brains, not bars."

From 85 to 90 percent of the average prison population, he asserted, can be safely handled without walls or bars. Just the tough criminal residue requires walls, cellblocks, electronic locking devices, and other maximum custody safeguards as we know them. Neither is the no-walls concept any longer a theory.

"Of course," Bennett said, "this statement may shock the average warden who can go to sleep with few or no worries when he has walls and bars. But the no-walls concept has proven successful in the Federal system and we're expanding its potential value."

Three minimum security institutions are now operating under the new approach, he explained, and more are inevitable in future prison planning. State prisons at Wallkill, N. Y., and Chino, Calif., have no traditional bars or walls. Their Federal counterpart is located at Seagoville, Tex.

"You'll find none of the features at Seagoville that characterize the conventional type of prison," Bennett said.

Seagoville, catering to a selected clientele, has no bars, walls, guard towers (topped with

machine guns) or lines of men marching under the suspicious, watchful eyes of club-swinging guards.

And the relative visiting a Seagoville inmate isn't restricted to a supervised screen conversation in a dingy cubicle. On approved visiting days, the prisoner and his family may attend church services together or lunch in the dining hall.

Day-to-day emphasis in this prison is on self-reliance, trustworthiness, and self-respect. Work, education, vocational training, religious counseling, recreation, and medical care are key segments of the average daily program.

Half of the inmates live in small dormitories, the others in simply furnished rooms (unlocked and without bars or grilles). The men go to assigned jobs at appointed times—on their own initiative.

"This isn't an institutional program," the official explained, "it's an atmosphere in which failure, self-defeat, apprehension, distrust, and tensions are dissipated. In this setting, hostility between officer and prisoner—a devastating evil in conventional prisons—just can't exist."

Will this kind of penal utopia eventually uproot the traditional type of penitentiary in the future?

"Perhaps," Bennett mused, "we'll never be able to wholly eliminate bars and walls. But substantial modifications of philosophy and program are now under way in the Federal system.

"The very fact that effectiveness of today's prisons has been seriously challenged is evidence that some underlying ferment is whittling away at dependence on the traditional penitentiary."

A good segment of our population, he pointed out, wonders if prisons aren't failing completely in their purpose. Prisons, these critics charge, neither reform nor rehabilitate.

And what is more startling, 2 out of every 3 men released return in less than 5 years.

"These same critics," the Federal spokesman conceded, "say prison officials are turning loose hostile, embittered men who are unfit to live in law-abiding communities. We're undergoing a period of transition in approaching the entire question of crime control and offender treatment."

Would he classify thoroughly ingrained rebels, dangerous perverts and psychopathic misfits as "hopeless or congenital" criminals? And shouldn't these felons be restrained with every device society can muster?

"Certainly they should be punished and restrained," the Federal expert said, "but there are no 'hopeless' criminals and the old adage, 'once a criminal, always a criminal,' is one of the most frustrating and erroneous concepts underlying criminal laws. The New York habitual-offender laws are based upon this unfortunate concept."

These laws, he added, constitute a counsel of desperation, like an incurable disease. The real need is organized, scientific research to evaluate effects of prison treatment on both conduct and adjustment of offenders. Federal authorities are currently experimenting with group therapy, tranquilizer drugs and TV as aids in supervising prisoners.

Before treatment of prisoners can be intelligently weighed, however, a complete overhaul of the penal system is necessary to root out its numerous "pitfalls."

The immediate goal of the mammoth rehabilitation of the Federal prison system is a $17 million grant to insure construction of a midwestern penitentiary (in eastern Missouri, Illinois, Kentucky or Tennessee) and a western youth guidance center. Both projects have been approved by the President and Attorney General.

A site-selection committee for the prison may report its recommendations at any time to Congress.

It's a vast program—and an expensive one—based on years of study by the Nation's top criminologists. And if Congress supplies the necessary money, to what extent will such a program aid the mounting army of youthful offenders, revitalize an almost stagnant rehabilitation program and revamp thousands of convicts into useful citizens?

The affable prison director refused to conjecture on the degree of success his projected construction program will achieve if the plan is adopted. However, he inferred that if nothing is done about antiquated prisons and critical overcrowding, disaster may strike at any time.

In light of the terrific odds against successful rehabilitation of thousands of Federal prisoners under prevailing conditions, would the Federal expert say the penal system is failing?

"It is not failing," he said bluntly. "It's only one spoke in the wheel. But every other segment of society is failing. And we must intelligently weigh the gravity of this failure.

"Take a look at what's happening in every part of the United States. The parents, church, school, community, police, courts, and probation people all had a previous chance to salvage the prisoners pouring into our institutions.

"They failed, and after they threw in the sponge, these lawbreakers were turned over to us in desperation. We're expected to perform miracles! And the amazing thing is * * * we partially succeed despite the facilities we have to work with.

"In the face of fears and prejudices directed against the men we release, by the community, 40 percent do not return to prison. And 75 percent of all the prisoners (Federal) who are granted parole or conditional release, actually make good.

"Please remember another thing in considering this problem. Men are sent to prison as punishment, not for punishment."

Certainly, neither the public nor Congress can be complacent in the face of Bennett's appeal for help.

Will we make an intelligent effort to salvage the lives of thousands of erring youths in the next few years by supporting this program? Or will we, by apathy or design, damn them to oblivion in antiquated bastilles?

The solution is actually in your hands.

NATIONAL MENTAL HEALTH WEEK

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (S. J. Res. 70) requesting the President to proclaim this week April 28 to May 4, 1957, inclusive, as National Mental Health Week.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the resolution, as follows:

Whereas there is presently a great need for nationwide action for the prevention, treatment, and cure of mental illness; and

Whereas the National Association for Mental Health and the State and local mental health organizations associated therewith are working diligently in the fight against mental illness; and

Whereas the mental health fund is in dire need of public support in order to improve conditions in mental hospitals, provide more adequate treatment for the mentally and emotionally ill, carry on research in the field of prevention, treatment, and cure of mental illness, and promote mental health education: Now, therefore, be it

Resolved, etc., That the President of the United States is authorized and requested to issue a proclamation designating the week beginning April 28 and ending May 4, 1957, as National Mental Health Week, and urging the people throughout the Nation to cooperate in the fight for the prevention, treatment, and cure of mental illness, and inviting the communities of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

FEDERAL AID HIGHWAY ACT OF 1956

Mr. JONES of Alabama. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. JONES of Alabama. Mr. Speaker, today I have introduced in the House two bills which would amend the Federal Aid Highway Act of 1956 and the Highway Revenue Act of 1956.

The first bill would amend section 111 of the Federal Aid Highway Act of 1956 by providing that hereafter no Federal funds apportioned to a State under that act shall be used to reimburse that State for the cost of relocation of utility facilities necessitated by the construction of a project on any of the Federal aid highway systems unless such cost is a part of the cost of acquiring lands or interests in lands necessary for the rights-of-way for the highway project.

The bill would also provide that no utility would be permitted within the highway rights-of-way for any project on any of the Federal aid highway systems, except where the utility actually crosses the highway rights-of-way.

Section 111 of the 1956 act now provides that Federal-aid funds may be used to reimburse a State whenever the State shall pay for the cost of relocation of utility facilities necessitated by the construction of Federal-aid highway projects. Such reimbursement is made in the same proportion as Federal funds are expended on a project in the case of the Interstate System, on a 90–10 matching basis. Section 111 also provides that Federal-aid funds shall not be reimbursed to the States when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State.

The purpose of section 111 of the 1956 act was to assure the availability of Federal-aid funds to reimburse a State for relocation of utility facilities in connection with Federal-aid highway construction where the State itself was actually required by law or under contract to pay for such relocation. Congress, in enacting section 111, did not intend to open the door to a raid on the Federal Treasury to pay funds to the States for utility relocation costs where the utilities otherwise would be required to assume this expense. Since the enactment of the 1956 act, however, a clear majority of States

are either considering or have enacted legislation which would allow them to pay for utility relocation costs. The great majority of these limit such payment to Federal-aid highways. In fact, many of these State laws are specifically limited to the Interstate System where the State is obliged to pay only 10 percent of the total project cost. The effect of section 111 as it now exists, together with subsequent State legislation, either proposed or enacted, has produced a potential cost item in connection with the Federal highway system that was not contemplated by Congress in its consideration of the 1956 act. In connection with the Interstate System, particularly, this actually amounts to a decrease in the number of miles which may be constructed with funds authorized to be appropriated under the 1956 act. Thus the intention of Congress to complete the Interstate System within a certain period of time will be defeated unless section 111 is amended in a manner similar to that which I am now proposing or unless Congress authorizes the appropriation of additional funds to compensate for the number of miles which would not be constructed if such forages upon the highway trust fund are permitted to continue. It is quite clear that the utilities stand to receive an unprecedented windfall under section 111 as it now reads. They are benefiting as a class at the expense of the highway user who is paying for our Federal-aid highway systems through highway user taxes. In view of the situation which I have just described, I believe that it is necessary, in fact, mandatory, that Congress act immediately to preserve the highway trust fund for the purposes for which it was intended and to prevent public funds from being used for the benefit of a single class of business enterprise. Under the situation we now face, the utilities will be compensated unjustly and without regard to the interest of the taxpayer in our highway systems.

Subsection (b) of the proposed amendment to section 111 would prevent the location of any utility within the highway rights-of-way except for utilities crossing these rights-of-way. This provision is designed to prevent utilities from squatting on the highway rights-of-way. The location of utilities within the highway rights-of-way result in giving these utilities an undue advantage. The proposed provision so prohibiting utility location is consistent with the provisions of section 112 of the 1956 act relating to prohibition of service stations and other establishments within the rights-of-way of the Interstate System. It is also consistent with the regulations for the administration of Federal aid for highways issued by the Secretary of Commerce under the Federal Aid Road Act of July 11, 1916, as amended and supplemented. These regulations specifically provide that rights-of-way provided for Federal-aid highway projects shall be held inviolate for public highway purposes. I believe that to allow utilities to locate within these rights-of-way is in violation of the spirit of these regulations.

This bill which I am proposing would accomplish several important objectives. It would preserve the rights-of-way for Federal-aid highways for highway purposes. It would safeguard the public funds, Federal and State, from being used for substantially private purposes. Finally it would prevent the further diversion of funds in the highway trust fund for nonhighway purposes.

Mr. Speaker, the second bill which I have introduced in the House today would amend subsection (f) (1) of section 209 of the Highway Revenue Act of 1956 (70 Stat. 387).

Section 209 (f) (1) of the Highway Revenue Act of 1956 provides that the amounts in the highway trust fund shall be available to meet the obligations of the United States which are attributable to Federal-aid highways and incurred under Federal-aid highway legislation. This bill would amend the existing provision of law to provide that the amounts in the trust fund shall not be available to reimburse any State for the cost of relocation of utility facilities with respect to any Federal-aid highway project unless the cost of such relocation is a part of the cost of acquiring the land or interests in land necessary for the highway right-of-way. The bill would also provide that the amounts in the trust fund shall not be available to pay for the administrative expenses of any department or agency of the Federal Government, except for the Bureau of Public Roads, Department of Commerce, in carrying out the Federal-aid highway program.

The highway trust fund has been created by Congress for the purpose of assuring that the proceeds from Federal highway user taxes shall be used only to accomplish the objectives of Congress with respect to construction of Federal-aid highways and completion of the Interstate System. To the extent that the highway trust fund is used to pay for relocation of utilities where such payment is not required to meet normal just compensation expenses pursuant to eminent domain procedures, or are used for any nonhighway purposes, there is proportionately less money available for actual highway construction. Unless action is taken to preclude such practices the end result will be to shift to the Federal Government millions and millions of dollars of expense which the States heretofore have never recognized as an obligation of the State—all to the impairment of the highway trust fund.

In enacting the Federal-Aid Highway Act of 1956, Congress inserted a new provision appearing as section 111 of that act, which permits Federal funds to participate in the cost of relocation of utility facilities when such cost is paid by the State, provided payment to the utility does not violate the law of the State or an existing contract between the utility and the State. This provision may appear reasonable and just on the surface. However, there is every indication that the provision is serving merely as a tool—a device toward the enactment of bills pending in the State legislatures of a clear majority of States which will change the State law so as to permit payment by the States of utility relocation expenses which heretofore they have not been obligated to pay. I understand that the great majority of these bills are so worded as to be applicable only to Federal-aid highway projects—thereby establishing special ground rules favoring utilities with respect to Federal-aid projects. Of these, some are applicable only to the interstate system. In this case, of course, the Federal Government foots 90 percent of the cost of relocation of utilities—an unprecedented windfall. The whole scheme behind these bills is to shift to the Federal Government the type of expense which normally is borne by the utility involved. I say that this is rank discrimination against the Federal Government. This is so for the reason that if the highway project were constructed only with State funds the State would not have any obligation to assume this expense under most existing laws as well as under the great majority of bills now pending before State legislatures. This action of State legislatures is a distortion of the intent of Congress in enacting section 111 of the 1956 act. That section was intended only to assure that Federal funds would be available to participate in a legitimate right-of-way cost incurred by a State.

Another serious problem now existing concerns the fact that the Department of Labor has succeeded in having moneys appropriated from the highway trust fund to bear the cost of administrative expenses with respect to one of its own functions establishing minimum wage rates for Interstate System projects. The Labor Department is now attempting to secure additional money from the trust fund for the same purpose during the coming year. While it is recognized that such minimum wage determinations relate to highway projects financed from the highway trust fund, such determinations relate to a function of the Labor Department with respect to the labor standards program of the Federal Government. Hence, the functions of the Department of Labor in making wage determinations are not a part of road construction. There is no sound or just reason for permitting the highway trust fund to be used to finance administrative expenses covering the functions of the Labor Department.

In conclusion, I wish to point out that this second bill which I have introduced today is designed to protect the integrity of the highway trust fund for the purpose for which it was created and to prevent it from being raided to the detriment of urgently needed miles of highway construction.

REHABILITATION ACT OF 1957

Mr. ELLIOTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. ELLIOTT. Mr. Speaker, today I have introduced a bill entitled the "Rehabilitation Act of 1957." The purpose of this act is to bring about a further expansion in rehabilitation services to disabled adults. It would accomplish this result in two ways. First, it would make rehabilitation services through

the State-Federal program of rehabilitation available for persons for whom there might not be "a reasonable expectation of employment." Such rehabilitation services are referred to in this legislation as "independent living" services. As the term implies, these are services which will enable the severely handicapped individual to take care of himself to the degree that he will not have to be institutionalized, or, if he is homebound, to the degree that he will not have to have an attendant. It is felt that many of these severely handicapped people, not currently eligible for vocational rehabilitation services, will actually go on to vocational rehabilitation and independence, if they are given the opportunity to make the attempt under the supervision of skilled professional rehabilitation workers. It is estimated that there are at least 200,000 persons in the country not now eligible for vocational rehabilitation services who will be eligible for services under this title of the act.

Another part of the legislation would establish a grant-in-aid program to assist the States and local communities in the development of workshops and other rehabilitation facilities. There is a growing recognition of the fact that many severely handicapped persons must have work experience in a sheltered environment before they will be able to work in competitive employment. Assisted by funds made available under this title, it is hoped that local communities will create the workshops that are needed for this purpose. In addition, these funds would be available for other rehabilitation facilities such as adjustment centers for the blind and speech and hearing centers.

I had the privilege of being a member of a subcommittee of the House Committee on Education and Labor that made a study of rehabilitation programs and facilities throughout the country in 1953 and 1954. This study led up to the passage of Public Law 565 of the 83d Congress. At that time, I was impressed by the sound and constructive program of rehabilitation existing throughout the country. It has been further improved since that time. In 1956, nearly 67,000 people were rehabilitated through this joint State and Federal effort. There is no question that rehabilitation is both socially and economically sound. It is a program that has always been supported on a bipartisan basis. I believe that the passage of my bill will result in further expansion and improvement of this program.

It is my hope that a hearing on this legislation will be conducted during this session of Congress.

FOOD COST TRENDS

Mrs. KNUTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include tables and extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Minnesota?

There was no objection.

Mrs. KNUTSON. Mr. Speaker, may I call your attention to a committee print called Food Cost Trends put out by the Consumers Study Subcommittee, created on March 14, 1957, to study and investigate, among other things—

First. The cost of living and, with respect to agricultural products, the share which the farmer gets of the consumer dollar and how it compares with other costs, that is, wages for labor, profits for middleman, retailer, and so forth.

Second. The part which our food and fiber programs have played in winning friends for the United States and preventing the spread of communism at home and abroad.

Third. The accomplishments or deficiencies of our public, private, and voluntary agencies in this common struggle.

Fourth. The proper stockpiling of surpluses within the limits of the United States as a matter of national and civilian defense.

This document is merely an introduction to the first phase of the subcommittee's work.

We invite House Members to secure copies and begin calling it to the attention of our constituents.

We are fortunate to have as our chairman the gentleman from New York, VICTOR ANFUSO, who can definitely be called a true representative of consumers on the Agriculture Committee. We shall try to dramatize and to publicize the truth and we believe that when the consumer public is told the truth that they will come to our assistance.

FOOD COST TRENDS

Retail food prices have increased 16 percent in the past 10 years although prices received by farmers declined 14 percent.

Retail food prices reached a peak in 1952, then declined slightly in the following 3 years. Prices received by farmers reached their postwar peak in 1951 and then declined steadily until 1956. When farm prices stabilized in 1956 retail food prices began to rise again. In the latter part of 1956 and early 1957, prices received by farmers recovered slightly from their postwar record low levels and retail food prices increased even further.

The Agricultural Marketing Service of the United States Department of Agriculture makes monthly estimates of the farm value and retail cost of a typical "market basket" of farm food products purchased by an urban wage earner and clerical worker's family. This statistical series indicates that the average worker's family paid 5 percent more and farmers received 17 percent less in 1956 for the same kinds and quantities of food purchased in 1947.

FARM AND RETAIL PRICE OF CEREALS AND BAKERY PRODUCTS

The greatest divergence between the farm and retail prices in this 10-year period have occurred between the farm price of wheat and the retail prices of cereals and bakery products.

The farm price of wheat dropped 7 percent and the retail prices of cereals and bakery products increased 34 percent.

When city families purchase bread or prepared cereal products they pay mostly for processing, packaging, and distributing the product; very little goes to the farmer for the raw product. For example, there is less than 3 cents' worth of farm-produced corn in a 22-cent package of corn flakes and only 4 cents' worth of wheat in a 28-cent package of soda crackers. The pound loaf of bread that sold at retail for an average price of 17.9 cents in 1956 contained wheat having a farm value of 2.6 cents. The farm value and retail cost of several cereal products in 1947 and 1956 is shown below:

	Farm value		Retail cost	
	1947	1956	1947	1956
	Cents	*Cents*	*Cents*	*Cents*
Bread, 1-pound loaf	2.9	2.6	12.5	17.9
Soda crackers, 1 pound	4.3	4.0	24.7	27.6
Corn flakes, 12 ounces	3.6	2.8	14.8	21.9
Rolled oats, 20 ounces	6.0	4.4	14.6	19.3

The Agricultural Marketing Service estimates that the farm value of all ingredients used in the bakery products in their market basket declined 15 percent from 1947 to 1956 and the retail cost increased 31 percent.

FARM AND RETAIL PRICES OF DAIRY PRODUCTS

Both the farm price of milk and butterfat and the retail prices of dairy products reached a peak in 1952. Although farm prices have dropped 16 percent since then, retail prices declined only 3 percent.

The farm value of the quantity of dairy products in the market basket dropped 5 percent between 1947 and 1956 while the retail cost increased 15 percent.

PRICE TRENDS FOR OTHER FOOD GROUPS

It is impossible to make direct comparison between changes in the farm and retail prices of other food groups. However, it is interesting to note that in 1956 farmers received only 2 to 3 cents for the sweet corn and peas in the cans which sold at retail for 18 to 22 cents. A can of tomatoes which retailed at 15 cents had 2.3 cents' worth of tomatoes in it.

The market basket statistical series published by the Agricultural Marketing Service indicates 10-year changes in farm values and retail cost of groups of food as follows:

Food group	Percent change from 1947 to 1956 in—	
	Farm value	Retail cost
Meat products	−29	−5
Poultry and eggs	−21	−13
All fruits and vegetables	+7	+12
Fats and oils	−37	−30
Miscellaneous products	0	+4

FOOD COSTS OF AVERAGE CITY FAMILY

The average city family spent about $1,500 for food in 1956. This compares with about $1,100 in 1950 and $1,000 spent for food by the average city family in 1947—10 years ago.

Surveys of consumer food expenditures made in 1947 and 1955 indicate that the average city family of 3.3 persons spent 32 to 33 percent of its income after taxes for food in each of those years. This is equivalent to about 30 percent of its income before tax payments.

Ten years ago, in 1947, the average urban family received an income of only $3,349, according to the Bureau of the Census. In 1950 the income of the average urban family had increased to $3,673 and in 1955 it was up to $4,840. The average city family's income before payment of taxes is unofficially estimated at $5,000 in 1956.

The only recent study of city-family expenditures was made by the Bureau of Labor Statistics in 1950. The average wage and clerical worker's family in large cities in 1950 had an income before taxes of $4,332. This is about 18 percent higher than the income of the average urban family as reported by the Bureau of the Census.

The families interviewed in these large cities spent more than their income in 1950.

The average income and expenditures of the wage and clerical workers' families in large cities are shown in table 1, together with the estimated expenditures of the average urban family with an income of $3,673 in 1950.

FAMILY FOOD CONSUMPTION

National food consumption statistics indicate that an average urban family of 3.3 persons purchased about the same amount of food in 1956 as 10 years earlier. Some substitution took place between potatoes and cereals where decreases occurred, and livestock products where increases occurred. Per capita meat consumption increased 8 percent in this 10-year period.

FARM AND MARKETING SHARE OF FOOD EXPENDITURES, 1947–56

Of the $1,500 spent by the average city family for food in 1956, approximately $105 was paid to food importers and fishermen for imported foods and fish and $465 went to farmers for the farm-produced, unprocessed foods. The balance—$930—went to the agencies which processed, transported, and distributed the foods to the retail purchasers. Similar data for the 3 years—1947, 1950, and 1956—are shown below:

	1947	1950	1956
Average income of urban families	$3,349	$3,673	$5,000
Average expenditures for food and beverages	1,000	1,100	1,500
Estimated payments to importers and fishermen	50	66	105
Estimated payments to United States farmers	420	396	465
Estimated payments to marketing, transportation, and processing agencies	530	638	930

Of the $500 additional spent for food by the average city family in 1956 over 1947, $55 was paid to importers and fishermen for imported foods and fish, $45 went to farmers for farm-produced products, and $400 went to the various processing and marketing agencies which account for the so-called marketing margin. This indicates that of the $500 additional spent for food by the average family in 1956 over 1947, 80 percent found its way into the marketing margin and only 9 percent went to the farmers who furnished the consumers more livestock products and fewer potatoes and cereal products than 10 years earlier. The percentage increase in payments to each group in 1956 over 1950 and 1947 follows:

	Percentage increase in 1956 from—	
	1947	1950
Payments to importers and fishermen	110	60
Payments to United States farmers	11	17
Payments to processing, transportation, and marketing agencies	75	46

FOOD MARKETING COSTS AND OTHER ECONOMIC TRENDS

How does this 75 percent increase in payments to food-distribution agencies over this 10-year period compare with other economic trends?

First, it should be noted that a part of the increased marketing charges may be associated with the change in composition of the family food purchases during this 10-year period. Fewer potatoes and cereal products, and more meats, poultry, and eggs were purchased in 1956 than in 1947.

Second, and even more important, the average city family in 1956 purchased many more ready-prepared, fresh frozen, and specially packaged foods than in 1947. The increased payments to marketing agencies represent payments for additional services as well as higher costs for the same services as those performed in 1947. The percentage change from 1947 to 1956 in selected economic items is shown below:

	Percentage change, 1947 to 1956
Increase in marketing payments for all imported and home-produced foods and beverages purchased by the average city family	+75
Increase in marketing margin for fixed quantity of "market basket" foods	+27
Increase in payments to farmers for foods purchased by average city family	+11
Increase in hourly earnings of food-marketing employees	+61
Increase in average hourly earnings of workers in manufacturing	+60
Increase in railroad-freight rates for farm products	+50
Increase in wholesale prices of industrial products	+28
Increase in medical-care prices	+40
Increase in retail apparel (clothing) prices	+9
Increase in consumer price index	+22

CONCLUSIONS

This preliminary document only shows that retail food prices and city families' expenditures for food have been increasing in recent years even though prices to farm producers were declining.

It has not attempted to evaluate the factors which have increased the retail costs of specific foods such as meats, milk, bread, poultry, eggs, coffee, cocoa, or sugar. Nor has it gone into such related market activities as the use of trading stamps, corporation mergers, vertical integration of production, processing and distribution activities, and other practices which affect the retail cost of food. These investigations will be the next phase of the subcommittee's activities.

DOUGLAS COUNTY, OREG.

Mr. BURNS of Hawaii. Mr. Speaker, I ask unanimous consent that the gentleman from Oregon [Mr. PORTER] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. PORTER. Mr. Speaker, the eastern portion of our great Nation is blessed with a wealth of historical monuments, shrines, and museums which give to us and our posterity valuable and irreplaceable knowledge of our forebears. In the West, which still is in the romper age of United States history, many know that unless we preserve those items, which mutely depict the glorious heritage left by the pioneers, they will be lost forever.

Today, I respectfully call to the attention of my honored colleagues the work now under way in Douglas County, Oreg., a part of the Fourth Congressional District I represent. There, members of the Douglas County Historical Society and their many supporters desire to preserve the history of this county which was named for a famed Member of the United States Senate, the Honorable Stephen A. Douglas.

The society and its friends seek a site for their museum, the former home of a pioneer Roseburg lady, the late Miss Lillie Lela Moore, which the 84th Congress gave to them under Public Law 883.

Senator RICHARD NEUBERGER and I have introduced identical legislation this day which would amend the law and give to the society the surplus Government property upon which the Moore home stands, along with certain other benefits. This amending legislation is proposed because of many requests for it from citizens of all ages and groups throughout the State of Oregon, and because my good friend and distinguished colleague and I believe the cause is just.

American history bespeaks the noble ways of man's constant search for improvement. I hope this House and its distinguished Members will help my friends in Douglas County save another page of this priceless treasure.

TESTING TIME FOR LABOR

Mr. UDALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. UDALL. Mr. Speaker, I believe responsible labor leaders fully realize that public confidence in the labor movement will dwindle unless labor takes the initiative to set its own house in order.

When misconduct is brought to light the first reaction of many citizens is that a law can be passed which will solve the problem. Some laws should be passed by the Congress to meet this situation, but in the long run the job of making a union function democratically rests with the membership. In the final analysis a democracy works not because of laws, but because of the spirit men bring to bear on their responsibilities.

As one who believes that my own organization—the Congress—needs some reform, I am encouraged to find that the Senate hearings have convinced many labor leaders that much is to be gained by improving the internal practices and procedures of unions.

In my opinion, the worst mistake labor can make today is to cry "foul" and, ostrichlike, stick its head in the sand. There is work to do, and those who really want to serve the cause of sound unionism will set about the task of internal reform without delay.

The truth of the matter is that at the local level the overwhelming majority of unions have always had a high degree of democracy and respect for individual rights. My home city of Tucson had a rather striking demonstration of this fact last November during a labor dispute between the machinist union and the Hughes Aircraft Co., when the union reached its decisions by a membership vote at mass meetings attended by as many as 2,400 union members. This exhibition put to silence those who have always contended that labor-union decisions are made by the bosses.

During the last few days I have made a study of the constitutions and bylaws of many national labor groups, and I believe those in the union movement who

are interested in reform would be well advised to give close study to the framework of some model unions such as the International Typographical Union—ITU. I have heard predictions that it will be extremely difficult for members to vote Dave Beck out of office at the teamsters convention next fall, since under the teamsters constitution past conventions have been controlled by the same clique whose highhanded operations have brought the national leadership of this union into disrepute. By contrast, the ITU convention merely nominates candidates and all officers are actually elected by a secret ballot referendum of all members.

Another complaint is that in a few unions members who have dared to criticize union officials have been railroaded out of their jobs by unjust trials. Only last week another union, the United Automobile Workers, came up with a solution to this problem. At its national convention the UAW created an independent public review board of prominent citizens outside the labor movement. This board has been given authority to receive complaints and conduct investigations of any violations of the bylaws and ethical codes of the UAW. This is the type of reform designed to win public support and stave off union-busting legislation.

In the meantime, there is one field where I believe Congress should move quickly to enact legislation. I refer to bills designed to regulate the billion-dollar union welfare and pension funds, which would make the keepers of such funds trustees subject to full public scrutiny. It is interesting to note that even in this area a union like the machinists—which also has an excellent set of bylaws—already protects its funds by prohibiting loans to private individuals and requiring that such funds be invested in Government bonds. The machinists also maintain a large staff of auditors to act as a watchdog over their financial affairs.

I have always believed that our country needs a vigorous labor movement. I am hopeful that labor will answer the flood of adverse criticism by action which demonstrates a capacity for self-criticism and growth.

This is a time of testing for the working people of our country and their friends will hope that they boldly meet the challenges ahead.

JOINT COMMITTEE TO ATTEND CEREMONIES ON THE LANDING OF "MAYFLOWER II"

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, I rise in support of House Concurrent Resolution 123 filed by my colleague, the gentleman from Massachusetts [Mr. NICHOLSON], to create a joint committee of Congress to attend the ceremonies to be held at Plymouth, Mass., on May 25, 1957, in connection with the landing of the *Mayflower II*. This resolution is now pending before the House Committee on Rules, and I am hopeful that the Nicholson resolution will have the unanimous support of that committee so that the Congress may be properly represented at these affairs.

The *Mayflower* sails again. An exact replica of that historic ship sailed from England this week, tracing the course of her predecessor.

Destination: Plymouth, Mass., where a new world and a new way of life began.

Mayflower II is a gift of friendship from the British people to the American people.

It is fitting, therefore, that the United States Government should recognize this happy and colorful occasion by participating in the celebration.

I also suggest that the President issue a proclamation summing up the significance of the *Mayflower*'s arrival; calling upon all groups and individuals to cooperate in this observance; expressing anew the bond between the United States and Great Britain; pointing out that the spirit which animated the Pilgrims is shared by all freedom-loving peoples today.

That the Postmaster General be asked to issue a commemorative stamp bearing a likeness of *Mayflower II*.

That a suitable United States naval escort be provided to accompany *Mayflower II* as an honor guard on the duplication of the original *Mayflower*'s epic voyage.

That representatives of foreign governments in the United States shall be invited by the President to witness the arrival of *Mayflower II*. In order that they may appreciate the great love of freedom that inspired our forefathers. So that they may understand that this is the outstanding quality of Americans in the living of their own lives and in their relations with people everywhere.

That the President shall draw up a program insuring full participation in this celebration by the Government of the United States to focus national and world attention on this eternal spirit of liberty.

When the original *Mayflower* dropped anchor near the present community of Provincetown, Mass., the first concern of its pioneering people was to draw up the Mayflower compact. This was the first written American constitution.

The coming of *Mayflower II* will be a major event of 1957, rekindling pride in the courageous men and women who opened up this New World for us.

In conclusion, I respectfully request that the Rules Committee act favorably on this pending resolution as soon as possible and that the President assure the American people that the United States is making plans to provide a full-scale welcome for *Mayflower II*.

APPOINTMENT OF J. SINCLAIR ARMSTRONG AS ASSISTANT SECRETARY OF THE NAVY

Mr. SPRINGER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPRINGER. Mr. Speaker, I am sure the Members of the House have learned with a great deal of pleasure of the appointment of J. Sinclair Armstrong, now Chairman of the Securities and Exchange Commission, as Assistant Secretary of the Navy.

Mr. Armstrong has been a member of the Securities and Exchange Commission since July 11, 1953, and has been Chairman since May 25, 1955.

Sinclair Armstrong came to Washington dedicated to the cause of good government. As a member of the Securities and Exchange Commission he has demonstrated the ability which is so necessary in such a complicated agency. He has instituted reforms which have been far reaching and in the best interests of the people of the United States.

During his time as Chairman of the Commission, the most important aspect of the numerous activities was the enforcement program. The aim of this program was to assure fair disclosure of all material facts about corporations offering securities to the public and to prevent fraud, deceit and manipulation in the purchasing, sales and trading of securities, and thus to provide adequate protection to the public. In this effort he has done a good job and has had the backing of not only the executive department, but all of the Congress.

Mr. Armstrong has a background for his new job, having served several years in the United States Navy during World War II. He came out of the service with an honorable record and with an experience which should stand him in good stead in understanding the problems of a great organization like the United States Navy. I am sure that all of his friends in this body wish him well as he enters upon another great job which has come to him as the result of previous service well recognized in the Securities and Exchange Commission.

JOINT DEVELOPMENT OF THE HYDROELECTRIC FACILITIES OF THE TRINITY RIVER UNIT OF THE CENTRAL VALLEY PROJECT IN CALIFORNIA

Mr. SCUDDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SCUDDER. Mr. Speaker, I have today introduced a bill to authorize joint development of the hydroelectric power facilities of the Trinity River unit of the Central Valley project in California by the Federal Government and the Pacific Gas & Electric Co.

Public Law 386 as approved on August 12, 1955, authorized construction of the Trinity River project as a division of the

Central Valley project. This law also authorized and directed the Secretary of the Interior to continue to a conclusion negotiations with any non-Federal agency with respect to development of the hydroelectric power phases of the project. The Secretary was directed to report on these negotiations within 18 months following the enactment of the act. Pursuant thereto the Secretary of the Interior Fred A. Seaton, submitted his report and on February 13, 1957, recommended to the Congress that joint development be approved, thus permitting the sale of falling water to the P. G. & E., providing that the company construct, operate, and maintain the generating facilities.

In submitting this recommendation, the Secretary pointed out the advantages of the so-called partnership plan, as compared with all-Federal development. It would, first, mean a savings of $55.5 million to taxpayers in capital outlay; second, result in a net return of $165 million to the Federal Government over the repayment period of the project from the sale of falling water; and third, provide tax revenues amounting to an estimated $145.6 million to Federal, State, and local governments.

When you compare the savings and income which will be realized by private development of the power facilities, as compared to a project estimated to cost $225 million, it seems to me that this would be an extraordinarily profitable venture on the part of the Federal Government.

The objective of the bill that I have introduced today, to authorize joint development of the hydroelectric facilities of the Trinity River project, has wide support throughout the State of California. It would accomplish a considerable savings at a time when we are trying to reduce Federal expenditures and permit private enterprise to do a job which it is fully capable of handling. The proposal for joint development as submitted by the private utility has been carefully scrutinized by the Bureau of Reclamation and the Secretary of the Interior. The recommendation by the Secretary that the Congress approve joint development is based on substantiated fact. It sounds like good business to me, and I trust it receives the approval of the Congress.

The following 72 newspapers in the State of California have come out wholeheartedly in support of the joint development plan, and they represent the majority of the population of northern California:

The Daily Review, Alameda, Calif.; Alameda Times Star, Alameda, Calif.; Auburn Journal, Auburn, Calif.; the Press, Bakersfield, Calif.; Daily Report, Bakersfield, Calif.; Biggs News, Biggs, Calif.; Brentwood News, Brentwood, Calif.; California Farmer, Los Angeles, Calif.; Chico Enterprise-Record, Chico, Calif.; Chowchilla News, Chowchilla, Calif.; Colfax Record, Colfax, Calif.; Cutler Orosi Courier, Orosi, Calif.; Dixon Tribune, Dixon, Calif.; Elk Grove Citizen, Elk Grove, Calif.; Elsinore Leader-Press, Elsinore, Calif.; Emeryville Golden Gate Herald, Emeryville, Calif.; the Humboldt Times, Eureka, Calif.; Fall River Mills, Fall River, Calif.; Fillmore Herald, Fillmore, Calif.; the Fresno Guide, Fresno, Calif.; the Galt Herald, Galt, Calif.; the Union, Grass Valley, Calif.; the Daily Review, Hayward, Calif.; the News Messenger, Lincoln, Calif.; Los Angeles Times, Los Angeles, Calif.; Press-Telegram, Long Beach, Calif.; Manteca Bulletin, Manteca, Calif.; Appeal Democrat, Marysville, Calif.; Mojave Desert News, Mojave, Calif.; the North Sacramento Journal, North Sacramento, Calif.; Oakland Neighborhood Journal, Oakland, Calif.; Oakland Tribune, Oakland, Calif.; Oroville Mercury, Oroville, Calif.; Palo Alto Times, Palo Alto, Calif.; Petaluma Argus-Courier, Petaluma, Calif.; Redwood City Star Advertiser, Redwood City, Calif.; Redwood City Tribune, Redwood, City, Calif.; Delta Herald, Rio Vista, Calif.; Sacramento Shopping News, Sacramento, Calif.; the Sacramento Union, Sacramento, Calif.; St. Helena Star, St. Helena, Calif.; Salinas Californian, Salinas, Calif.; the Call-Bulletin, San Francisco, Calif.; Sanger Herald, Sanger, Calif.; San Jacinto Valley Times, San Jacinto, Calif.; San Jose Mercury, San Jose, Calif.; San Jose News, San Jose, Calif.; San Jose Evening News, San Jose, Calif.; San Juan Mission News, San Juan Bautista, Calif.; San Marino Tribune & News, San Marino, Calif.; Independent-Journal, San Rafael, Calif.; San Luis Obispo Reporter, San Luis Obispo, Calif.; Santa Rosa Press-Democrat, Santa Rosa, Calif.; the Solano Republican, Fairfield, Calif.; the Sonoma County Herald, Santa Rosa, Calif.; South Sacramento Shoppers, Sacramento, Calif.; Weekly Trinity Journal, Weaversville, Calif.; the Vacaville Reporter, Vacaville, Calif.; Waterford News, Waterford, Calif.; the News Messenger, Lincoln, Calif.; California Magazine of the Pacific, State Chamber of Commerce monthly magazine; Isleton Journal, Isleton, Calif.; the Logger-Tidings, Fall River Mills, Calif.; Enterprise Journal, South San Francisco, Calif.; the Farm News, Bakersfield, Calif.; Free Lance, Hollister, Calif.; the Utility Reporter, IBEW labor monthly magazine; Mill Valley Record, Mill Valley, Calif.; Valley of the Moon Review, Boyes Spring, Calif.; the Shopping News Times, Sacramento, Calif.; the Placer Herald, Auburn, Calif.; Yuba City Independent Herald, Yuba City, Calif.

TAX RELIEF FOR SMALL BUSINESS

Mr. OSMERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. OSMERS. Mr. Speaker, during the recent campaign the President, many Members of Congress, as well as the Democratic presidential candidate, all agreed that tax relief for small business was necessary.

Recently I introduced H. R. 6027 to provide urgent tax relief for small businesses.

According to recent figures, there are approximately 700,000 corporations in the United States. Approximately 5 percent of these earn 90 percent of all the profits, leaving 95 percent to share in only 10 percent of the income.

With the tax benefits provided for in my bill, small business will be given the incentive to expand, modernize and improve. It is inevitable that we will see a new era in productivity as a result.

Is it not more likely that, with relief, the corner grocer, who is now striving to compete with his large competitors, will finally have the funds with which to make that addition to his building, or modernize that store front? Equipment such as refrigerators and display cases will be replaced. We must encourage the individual free enterpriser if we are to preserve traditional American know-how and initiative. The health and vigor of small business is essential to the health and vitality of the overall national economy.

The tax reduction sought in my bill need not result in overall loss of income to the government. Every deduction allowed for expenditures for expansion, modernization and improvements should actually result in more employment, productivity, and greatly increased taxable small business income. There is the further goal of curbing the present-day trend to merger with, and acquisition of, small- and medium-sized concerns by their larger competitors. Many large corporations utilize the merger technique as a means of tax savings.

One of the most important causes of the plight of small and medium business is the oppressive effect of high income taxes which prevent the retention of enough earnings for growth capital. Such firms do not have ready access to the capital markets and are finding rising interest rates to be prohibitive. Under present tax laws, as soon as a small-business corporation earns $25,000, 52 percent of all its profits go to Uncle Sam with the result that, under present-day conditions, the small-business man cannot, as in the old days, reinvest earnings to enable his business to grow and prosper. The larger corporation can float stock issues, sell bonds, and make adequate bank loans, whereas small business mainly has to depend upon plowing back earnings. This is the most serious problem of small and new businesses today—the raising of equity capital to satisfy their financial needs and to expand.

We must take action now. Edwin L. Covey, Chief of Bankruptcy, United States Courts, has testified that bankruptcy cases will total an estimated 72,000 for the year ending June 30. This will exceed the depression record of 70,049 set in the fiscal year ending June 30, 1932. A real crisis exists in our economy which affects every State and county in the United States.

The more important clauses of my bill may be stated simply as follows:

First. To enable small business earning under $150,000 of taxable income per year to treat as expenditures a certain proportion of money spent for construction, improvements, and machinery to

increase productive capacity. The limits would be as follows:

If the taxable income is:	The limit is:
Not over $10,000	50 percent of taxable income.
Over $10,000 but not over $25,000.	$5,000, plus 40 percent of excess of taxable income over $10,000.
Over $25,000 but not over $50,000.	$11,000, plus 30 percent of excess of taxable income over $25,000.
Over $50,000 but not over $100,000.	$18,500, plus 20 percent of excess over $50,000.
Over $100,000 but not over $150,000.	$28,500, plus 10 percent of excess over $100,000.

Second. To reduce normal corporate tax rate to 20 percent from 30 percent existing at the present time. And to increase the surtax exemption from its present figure of $25,000 to $150,000. The following computation would show how the proposed change would result in tax benefit.

Corporate taxable income		Present tax; 30 percent normal, 22 percent surtax	Proposed tax; 20 percent normal to $150,000
$10,000		$3,000	$2,000
$25,000		7,500	5,000
$50,000:			
$25,000 times 30 percent	$7,500		
$25,000 times 52 percent	13,000		
		20,500	10,000
$100,000:			
$25,000 times 30 percent	$7,500		
$75,000 times 52 percent	39,000		
		46,500	20,000
$150,000:			
$25,000 times 30 percent	$7,500		
$125,000 times 52 percent	65,000		
		72,500	30,000

Third. To provide for rapid amortization of machinery and equipment by small businesses with taxable incomes of $50,000 or less. By giving firms in this bracket the opportunity, heretofore provided to only large defense firms, to write off such expense in five years, this provision encourages competition, with the resulting benefit to the overall economy.

In a similar vein, another provision of the bill would allow accelerated depreciation of used machinery and equipment. In the 1954 code, only new equipment and property was allowed the rapid writeoff. Since smaller businesses are the ones most likely to make purchases in the "used" category, it is really a penalty to deprive them of a right granted to larger firms who happen to be in the more fortunate position of being able to buy new rather than used.

Other provisions are designed to enable individuals or parties engaged in a trade or business to be taxed as a corporation and to enable small corporations to be taxed as individuals. The bill gives investors in small corporate business ventures the right to treat losses in them as a full deduction instead of the present limitation of $1,000. More time is given for the payment of estate taxes which will prevent liquidation in many cases.

The tax adjustment proposals I have made are dictated by the urgent situation which faces the small-business segment of our economy. These proposals will, if enacted, provide much needed relief. Most important, they will help preserve and encourage such enterprises.

I urge the Ways and Means Committee to start hearings immediately on all bills to afford relief to small business.

FOREIGN AID

The SPEAKER. Under previous order of the House, the gentleman from Louisiana [Mr. PASSMAN] is recognized for 30 minutes.

Mr. PASSMAN. Mr. Speaker, I doubt if in recent history there has been another propaganda machine devised that would parallel the one brought into being by the advocates of foreign aid. For the past 90 days there has been more propaganda circulated among the Members of Congress and the American people in behalf of foreign aid than has been circulated in behalf of any legislation during my time here.

There are tremendous pressure groups back of the foreign-aid appropriation. A large number of our highest paid bureaucrats and their subordinates are working by night and by day to convince the American people that this program is indispensable, representatives of foreign nations are lavishly entertaining in embassies in Washington and their consular offices throughout the United States in order to gain support for a continuation of the spending program. Business firms that get fat and profitable contracts are part of the pressure group, and certainly thousands of paid employees of the State Department who are scattered in the 66 recipient nations of the foreign-aid program are screaming to the high heavens about what would happen if we reduce the amount of funds they are receiving.

The political medicine men in the State Department and elsewhere are trying to convince the American people by charts, graphs, press releases, ghost writers, and phrase formers that we are doing a clever and wise thing by scattering our resources to the four winds. Certainly, our foreign-aid policy of spending has become an accepted habit by our Washington bureaucrats. I am thoroughly convinced that we have lost sight of the purpose of the foreign-aid program.

For many, foreign aid has become an Alice in Wonderland, a pie-in-the-sky program. It is a program where leaders persuade themselves into believing that if a gift of $15 million to an ally fails to win his friendship, then a gift of $50 million should do the trick. We have reached the point where we have actually convinced ourselves that we can gain friends and superiority by giving away our resources to foreign nations.

I wonder just when we are going to stop, look, and listen and have a sober and sensible review of this lavish foreign-aid spending program that will eventually bring us to our knees economically if we do not put some sense into it.

On January 31 of this year, there was $8¼ billion unexpended money for foreign aid from prior appropriations. But notwithstanding this fact, somebody reached up into the thin gray air and pulled down a figure for new funds for fiscal 1958 in the amount of $4,400,000,000.

The Congress, the executive branch, and the American people were somewhat skeptical of the program from its inception. Therefore, the foreign-aid program, as we know it today, was started in 1948 with great caution. The Congress in its wisdom determined that the authorization for the foreign-aid program should be granted 1 year at a time. Some of our more brazen leaders at the time advocated that for this program to accomplish all of its objectives could require 4 or 5 years and that the total cost could very easily go to fifteen or seventeen billion dollars. Now, what has happened? The program has been in effect for 9 years and our appropriations for the single foreign-aid program as carried in the bill handled by the Foreign Operations Subcommittee on Appropriations have already exceeded $45 billion. The number of recipient nations has increased from 17 to 66.

After the first 2 years of this program, it began to get harder to sell the Congress and the people on the idea that it was accomplishing its objectives, so the political medicine men in the executive branch decided they could overcome a reluctant Congress by doing 2 things:

First. Present the foreign-aid program to the Congress for consideration late in the session so there would not be sufficient time to consider the request thoroughly and wisely. In other words, every year, we are given the rush act near adjournment.

Second. Change the name of the program every time it appeared that the American taxpayers had grown weary of financing such a dream scheme.

The program started with the name "Foreign Assistance Act"; then the name "Marshall Plan" was applied. Later it became known as the Economic Cooperation Administration, then the Mutual Security Agency. Still later the Congress set up an agency known as the Foreign Operations Administration. That was followed by the present agency, known as the International Cooperation Administration.

Now the bogey man has caught up with us again. So, the President, Mr. Dulles, Mr. Hollister, and Mr. Fairless, and many thousands of other bureaucrats and businessmen pressure groups and propagandists have decided that they had better attempt to pull the wool so far over the American people's eyes that the hood can never be raised.

First, they propose to establish the program on a permanent basis and request legislation to accomplish this objective. Secondly, they will work untiringly and unceasingly to bury the program in other agencies where it would be hard for Members of Congress, much less the American taxpayer, to ascertain the annual cost of the program.

The Foreign Operations Subcommittee on Appropriations heard of this dream

scheme and surprised the downtown boys by starting the hearings on the foreign-aid program months in advance of the original plans to conduct hearings, even before the program could be presented to the Foreign Affairs Committee of the House. The witnesses almost stampeded; they were belligerent; but finally the Foreign Operations Subcommittee succeeded in getting a partial confession out of the top echelon witnesses. They were sick at heart that this committee had exposed their scheme. Here is a part of it, and I quote verbatim from the statement of Mr. Benjamin F. Fairless, coordinator of the President's citizen advisers on the mutual security program:

It is recommended that there be a separation between economic and military contributions to the collective security program. All forms of proposed military assistance should be submitted to the Congress as a separate title within the regular Defense budget. All forms of nonmilitary assistance should be submitted separately and labeled as economic assistance, to be justified and administered by the Department of State. The International Cooperation Administration should be integrated into the Department of State.

May I say for the record that Mr. Hollister, the director of the foreign aid program, says that he has nothing to do with the military end of the program. We will accept that as true because the military assistance part of the program is justified by Department of Defense witnesses as the program stands today.

Of course, the International Cooperation Administration is already a part of the State Department and funds for nonmilitary assistance are justified by Department of State witnesses, beginning with Mr. Dulles.

Mr. Fairless, when before our committee, stated in positive terms that it was desirable to transfer the military assistance portion of the program to the Defense budget so that the American people would accept it as a part of our own defense program.

I have a very high regard for every member of the Armed Services Subcommittee on Appropriations headed by the very able gentleman from Texas [Mr. MAHON]. I have equally high respect for members of the subcommittee handling Department of State funds headed by the very able gentleman from New York [Mr. ROONEY].

But, regardless of the integrity and splendid leadership of the members of the two subcommitttes just mentioned, the present proposal to transfer the functions of the Foreign Operations Subcommittee on Appropriations to these two subcommittees is to hide the cost of the program from the taxpayers. You know it is true, and I know it is true, so let us face up to it and cut the political medicine men's water off before it starts to flow too freely.

There is a lot of trickery, shadow-boxing, and subterfuge practices going on in the several branches of the Department of Defense every day. Let me furnish you with one example of how these smart boys who are loaded with brass are milking the Mutual Security Program.

A few years ago, they passed out sugar-coated pills to the Congress that had the desired effect. They got Pentagon language into the foreign aid program which, in effect, stated that all obsolete and obsolescent and much nonserviceable equipment of our own Armed Forces could be transferred to the Mutual Defense Assistance Program at the replacement cost.

Here is one example of legal thievery: Our services would take World War II jeeps which had cost $1,200 originally and had been used from 10 to 15 years, and transfer them to the Mutual Security Program at a cost of $3,500 each, which is the replacement value. The new ones, of course, have almost every known type of modern equipment and device that was not available at the time of the purchase of the older jeeps. They are selling these ancient jeeps to the Mutual Security Program for $3,500, whereas, in other instances, they are being sold as surplus for $37.50 to $50.

I could list pages of this kind of monkey business, but I furnished you with this one example so that you would have some knowledge of the skulduggery that is being practiced by the military because of the Pentagon language in the foreign aid bill.

Therefore, I say to you, why destroy the Foreign Operations Subcommittee, or watchdog committee, on appropriations, when they have done a creditable job. May I respectfully point out to the Members of the House that the members of the Foreign Operations Subcommittee on Appropriations have worked untiringly and unceasingly to put some sense into the foreign-aid program.

By consolidating fiscal years 1956 and 1957, we can point to a saving below the budget request in the amount of $1,868,000,000. Did we hurt the program? Certainly not, we helped it.

Another explanation, when the House passed the appropriation bills for fiscal years 1956 and 1957, our coequals in the other body put back practically every dollar the House reduced the request by. But the Foreign Operations Subcommittee on Appropriations went to conference determined that the committee and the House knew what they were doing; therefore, they would try to reason things out with the Senate conferees. The final conference figure for the 2 fiscal years was $847 million below what the other body had approved.

Did we hurt the program? Certainly we did not. We helped it.

There is another subterfuge being practiced by the political medicine men and that has to do with loans. Most of the loans made under the foreign aid program are just as worthless as a box of sand. That part of the program is a long story, but may I quote briefly from the Fairless report and his statement before our committee:

In our view loans by the United States repayable in the inconvertible currencies of foreign nations are undesirable, and the practice of granting them should be terminated. Our relations with other countries will suffer from United States control of large amounts of their currencies. The soundness of the loan device should not be jeopardized by inviting repayment in foreign currencies which cannot be freely spent by the United States.

I commented to Mr. Fairless as follows:

Would it not be better to make an outright grant than to have what appears to be a loan when we know it is not worthwhile. Do you agree with the statement that such practices are wrong and are misleading to the American people?

Mr. Fairless answered, and I quote:

Indeed, I concur 100 percent. We should either make sound loans or in the event a sound loan is impossible and yet aid seems to be in the best interest of the United States, then we should make a gift or grant.

Mr. Speaker, I should like to reiterate what I have said before, and that is the foreign-aid spending program is out from under control. It is going downhill with no brakes. Therefore, a crash is inevitable unless we can prevail upon the driver to apply the brakes.

I wonder if there is a single Member of Congress unthoughtful enough to believe that our President is in possession of positive knowledge of the need for a continuation of a lavish foreign-aid program. How could the President have anything but a meager knowledge of such a mammoth operation being carried on in 66 of the 85 nations of the world? Of course, this mammoth and complicated program is a small part of the duties of a full-time President when he is the leader of 170 million people.

Therefore, it is obvious that the President, with few exceptions, if any, is following the recommendations of his subordinates, of big business which is getting fat and profitable contracts, the internationalists who like to fly high and wide, the bureaucrats who like to head up missions in foreign lands and perpetuate their jobs and prestige, and various and assorted other pressure and propaganda groups.

I have been exposed to some of this pressure myself on inspection trips to Europe, the Middle East, and the Far East. I was intrigued by the pressure, persuasion, and cleverness that is usually generated by an enthusiastic mission head.

For instance, let us say you visit country X to inspect various types of assistance programs underway in that country. When you arrive there you listen to the pleas of the Chief of the economic mission, then his subordinate who administers the technical-aid program, then the head of the military mission program, and after that you are permitted to meet some of the heads of the government of the country. So, unless you are careful, you leave the country convinced that that nation would fall into Communist hands within an hour without these bureaucrats being there to save them from their plight.

Do you realize that we now have over 2,000 different projects or programs going, and new ones are being initiated continually? May I also remind you that it is these ambitious and enthusiastic mission heads who determine the level of aid for each country. There is nothing realistic about their recommendations. The same men determine the type and cost of the programs. These

same people can switch funds from one program to another without any approval of those in the top echelon.

Mr. Speaker, do we have a Congress capable of reasoning things out? I believe we do.

May I ask what right we have as Members of Congress to spend that which is not ours? What right do we have to place an unbearable public debt upon the heads of unborn generations?

They say it is old fashioned to quote leaders of yesteryear, but I am prompted to quote from the statements of Thomas Jefferson:

> To preserve our independence, we must not let our rulers load us with perpetual debt. If we can prevent the Government from wasting the labors of the people under the pretense of caring for them, they will be happy. The same prudence which in private life would forbid our paying our money for unexplained projects, forbids it in the disposition of public money.

Mr. Speaker, what success have we had in curing the ills of other people and nations of the world? May I quote verbatim from an article that I read, and then elaborate:

> It is a gloomy moment in history. Not for many years—not in the lifetime of most men who read this—has there been so much grave and deep apprehension; never has the future seemed so incalculable as at this time.
>
> In France the political caldron seethes and bubbles with uncertainty; Russia hangs as usual, like a cloud, dark and silent upon the horizon of Europe; while all the energies, resources, and influences of the British Empire are sorely tried, and are yet to be tried more sorely, in coping with the disturbed relations in China.
>
> It is a solemn moment, and no man can feel an indifference—which happily, no man pretends to feel—in the issue of events.

I am sure that all of you listening will agree that the conditions quoted above parallel conditions of today. Yet, I was quoting from Harper's Weekly, the issue dated October 10, 1857, a hundred years ago, my friends. How much longer will we be misled into believing that we can cure the ills that have grown up over a period of centuries, especially if we are attempting to do it with the American taxpayers' dollars. What we may be doing is destroying the incentive and arresting initiative in a lot of foreign nations and making it impossible for them to handle their own economy, according to standards they have been accustomed to. When you relieve an individual of his daily responsibilities, he develops into a weakling. The same thing applies to nations.

How many of you know cases where parents have spoiled a child by showering undeserved favors upon him and relieving him of all responsibilities, and when the child became an adult, he was a weakling and could not assume responsibility for himself. Why should we do for other nations the things that they could and should do for themselves?

Now, Mr. Speaker, I want to discuss something of utmost importance, and if anything I have said in the past or present has failed to make an impression, maybe the following will:

First. From the first session of the First Congress in the year 1792, to January 1, 1948, a period of 156 years during which time we fought and won six wars, including World War I and World War II, the Government collected from the American people in taxes $315,963,030,418.

Second. From the year 1948 through 1956, a period of 9 years, during which time we fought only one war, the war in Korea, and which, incidentally, was fought without victory, the Government collected from the American taxpayer in taxes the staggering total of $532,155,381,000.

Third. During the past 4 years, namely, 1953, 1954, 1955, and 1956, under the present administration, the Government has extracted in taxes from the people $283,458,280,000. Fantastic, is it not? These figures can be verified through the Library of Congress or the United States Treasury.

During the past 4 years, when the Government collected $283,458,280,000 in taxes, you would think that this amount would have been sufficient to support the Government. But that is not true. During the same period, the public debt was increased by $9 billion.

May I respectfully point out that the year the foreign-aid program was brought into being that the Congress went wild on its spending for every agency and department in existence, and there just does not seem to be any stopping place.

But just as sure as God made little apples, unless we bring this unreasonable overall spending program under control, the American people will retire hundreds of us. More particularly will the foreign-aid program bring about this wholesale involuntary retirement.

Mr. Speaker, contrast if you will, the $315 billion plus extracted from the American people from 1792 to 1948 with the figures of $532 billion plus taken in taxes for the period 1948 through 1956. Contrast if you will, the present administration's collection of $283 billion plus in a period of 4 years, and if the estimates for 1957 hold good, then the Eisenhower administration will have collected more taxes in 4 years and 6 months than was collected from 1792 to 1948.

Mr. Speaker, we should bear in mind that there are many foreign-aid programs. The one I have referred to today has to do only with that part handled by the Foreign Operations Subcommittee on Appropriations, of which I have the honor to be chairman. But, let us be ever mindful, and I shall take my information from the Fairless report, that in the past fiscal year the total programs abroad amounted to $7,800,000,000. This included the mutual security program, and other forms of assistance sums spent abroad by our military forces, and so forth.

May I also establish for the record that during the past 20 years, Uncle Sam has actually given or made what appears to be uncollectible loans to other nations in the amount in excess of $109 billion. Many obviously believe that this staggering, frightening, unbelievable amount has actually done more harm than good. I shall not subscribe to either view, but I say that the time has come when we must not, we should not, and in my opinion, we will not, continue to follow the blind leadership of a lot of bureaucrats who have listened to a multitude of little bureaucrats and have permitted this foreign aid program to grow until it is now in 66 nations of the world and is getting bigger every day.

It is to be regretted that almost every individual of any stature who has supported the foreign aid program, including former Members of both branches of the Congress, are immediately given the choicest positions available in the foreign aid program. They are sent abroad to help initiate and create new programs that could eventually cost this Nation tens of billions of dollars and bring us to economic chaos. We must wake up and accept our responsibilities seriously and refuse to follow the men downtown, because in many instances, they are the poorest posted men in our Nation on our economy and they fail to comprehend what a continuation of this wild and woolly uncontrolled foreign aid program is doing to our economy.

Yes, regardless of the feelings of many, we will have a foreign aid program, but I pray that it will not be in the amount mentioned in the President's budget which was $4,400,000,000, but a figure nearer $2,200,000,000. I hope that our leaders will keep in mind that on February 1, 1957, our public debt amounted to $276 billion, whereas, the total public debt of the other 84 nations of the world amounted to only $252 billion. Putting it another way, our public debt, one Nation, if you please, exceeds the combined public debts of all other nations of the world, numbering 84, by $24 billion.

Mr. WILLIAMS of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. In mentioning the various aliases of the foreign-aid program, the gentleman forgot to mention one name they had which was actually the most appropriate, the European Recovery Program, which was commonly known as ERP.

Mr. PASSMAN. There are many more names; I am only picking out a few that were brought to the attention of the American people by the bureaucrats.

Mr. JOHANSEN. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Michigan.

Mr. JOHANSEN. I would like first of all to congratulate the gentleman on the very excellent statement he is making. I do not want to anticipate his points, but I would like, since he has said that the purpose of this proposed division and shift in the two phases of foreign aid would be to keep information from the American people, I wonder if he does not feel it would also have the effect of making it increasingly difficult for the Congress to legislate wisely and discernedly?

Mr. PASSMAN. I thank the gentleman for his contribution. He is absolutely correct. In all probability if we have two committees you might find it will be costing you 2½ to 3 times as much.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Let me join the gentleman from Michigan in congratulating the gentleman upon the excellence of his statement. I was intrigued a moment ago by the gentleman's reference to the lavish entertainment in the embassies in Washington. I know nothing about that, but recently a new diplomat came to town and, strange as it may seem, this gentleman blossomed out in the biggest Cadillac I ever saw, and yet he comes from a bankrupt country.

Mr. PASSMAN. It that the gentleman who ordered gold-studded Cadillacs to be sent back to his friends?

Mr. GROSS. No; this diplomat is apparently stationed in Washington.

Mr. PASSMAN. There are plenty of Cadillacs around wherever they have foreign aid.

Mr. GROSS. I have always wondered how they come into this sudden wealth. They come from poverty stricken countries to which the giveaway artists have sent millions and sometimes billions of dollars in foreign aid. Yet they come to this country and blossom out in the biggest Cadillacs you ever saw.

Mr. PASSMAN. I thank the gentleman. I shall get into that a little later.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. HALEY. I want to commend the distinguished gentleman for the presentation he has made here today. He is one of the best informed Members of this House on this give-away or so-called give-away program or so-called foreign aid program. I hope that the gentleman, when he brings the bill up here, will cut this program to the point that this House will uphold it and that there will be no increase in funds in the other body.

Mr. PASSMAN. I thank the gentleman for the compliment, and I certainly hope the gentleman will assist us in bringing out a sensible bill.

Mr. HALEY. I want to assure the gentleman that I will support a bill cutting out all of this foreign aid if he will bring it out of his great committee.

Mr. PASSMAN. I thank the gentleman.

Mr. GARY. Mr. Speaker, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Virginia.

Mr. GARY. I want to compliment the gentleman on his remarks on this most important subject, and particularly his calling attention to the effect that it is having on our total economic policy in the United States.

DEPRESSED-AREAS LEGISLATION

Mr. HALE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. HALE. Mr. Speaker, 2 weeks ago I told the Members of this House that two textile mills were being closed down in my State of Maine within the next 2 months. I pointed out about 2,000 jobs were involved, and I urged quick action on depressed areas legislation.

I am now submitting for the RECORD two resolutions calling for legislation to aid the textile industry. One is from the city officials of Biddeford, Maine, and the other is from the Biddeford-Saco Joint Board of the Textile Workers Union of America.

They both support a bill which has been introduced in the Senate by Mrs. MARGARET CHASE SMITH of Maine. Her measure would authorize the Secretary of Agriculture to sell surplus raw cotton to American textile mills at prices they can afford to pay.

At this time I want to urge the Eisenhower Administration and Congress to support this legislation. It would do a great deal to help the sagging textile industry in the United States.

Statistics clearly indicate the downward trend of this industry. Since 1948, over 300,000 jobs have been lost. The two mill closures in Maine afford evidence that the situation is getting worse.

Yet, at the same time this is happening, surplus cotton is being sold to Japan and other foreign countries at a price substantially lower than the domestic price.

This is possible because the Commodity Credit Corporation is paying exporters of surplus cotton the difference between the domestic market price and the export price in order to cut down on our surpluses. This payment has been averaging more than 6 cents per pound.

The foreign countries which are receiving this cotton are using it to increase their share of the world textile market, while American textile exports are decreasing. In 1951 our exports of finished cotton products amounted to $390 million. By 1956 this figure had dropped to $239 million, a decline of $151 million.

In view of the foregoing, I think it would be highly desirable to permit the American industry to purchase surplus cotton at a price comparable to the export price.

This undoubtedly would help the industry to get back on its feet by building up its exports to past levels. It also would cut down on surpluses at an accelerated rate.

These surpluses increased from over 5 million bales at the end of 1953 to over 14 million at the conclusion of 1956. The Department of Agriculture estimates that 7.3 million bales will be exported in the 1956–57 marketing year. Coupled with a sale to the American industry, this would make a big dent in the carryover.

Something must be done to help the textile industry, and I think the sale of surplus cotton would be the most logical action to take at this time. The administration contemplates the expenditure of a record $5 billion for agriculture in fiscal 1958. Much of this will be spent in the form of subsidies. I approve this concern for the American farmer, but I think that a similar sympathy should be shown to the textile worker.

Some textile industry spokesmen have also advocated establishment of import quotas as another measure to improve the situation. This may not be necessary if the Japanese live up to their voluntary agreement made this year to keep their exports to this country within specified limits. The Tariff Commission has informed me they seem to be living up to it. In the meantime, the Commission is working on a program to keep a closer check on the Japanese exports.

But this is only a partial answer to our problem. The sale of surplus cotton to American industry would help. And I am hopeful that some type of depressed areas legislation will be passed this session.

The administration and Congress should not overlook the plight of the American textile industry, which is so important to the economy of the New England States.

STATE OF MAINE,
County of York, ss.:

We, the undersigned official representatives of the people of the city of Biddeford, do herewith resolve that—

Whereas the people of the city of Biddeford are vitally interested in the economic welfare of its community and that of its neighboring city, Saco, Maine; and

Whereas the Bates Manufacturing Co. located in said Saco is an integrated part of our economy and is to cease operations affecting 1,200 employees, all living in this area; and

Whereas it is our understanding that the textile industry has been affected by improper duty control of textile importation and by the sale of American grown cotton to foreign countries at cut-rate prices, thus affecting textile industry: Be it

Resolved, That the Smith bill, known as S. 314, introduced in Congress by Senator MARGARET CHASE SMITH, be adopted, or that other measures be forthwith taken to prevent the economic deterioration of our textile industry so affected.

Albert C. Lambert, Mayor; J. Alfred Letellier, Maurice Jalbert, Roland Bois, Antonio Dallaire, Louis Gendron, Marc Collette, Robert Robida, Lionel Croteau, Honorius Gagne, Raymond Lizotte, Roland L'Heureux, Councilmen; Simon Spill, City Solicitor.

A true copy.
Attest:

ROYAL SHELTRA,
City Clerk of Biddeford.

RESOLUTION ADOPTED BY THE BIDDEFORD-SACO JOINT BOARD, TWUA, AFL–CIO, IN EXECUTIVE SESSION HELD APRIL 10, 1957

What has happened to the cotton industry because of the stubborn shortsightedness on the part of responsible United States Officials?

Since the general agreement of trades and tariffs has been in effect, liquidations of more than 1,000 mills and the elimination of 342,000 textile jobs in this country has resulted, and is still continuing to happen; not only in other parts of the nation but right here in the Biddeford-Saco area where textile workers at the York mill of the Bates Manufacturing Company, through no fault of their own, will be thrown out of work because the United States Government is unwilling to listen to pleas of the textile industry nor the pleas of the Textile Workers Union of America, AFL–CIO, to save this industry and American jobs by selling American surplus cotton already paid for by American taxpayers to Japan and other foreign nations

at 10 cents a pound less than our own American textile companies can buy it on the American market by:

Failing to recognize the seriousness of this situation in subsidizing Japan and other foreign nations with American taxpayers' dollars in the matter of cotton buying.

Being unwilling to subsidize the American textile industry that is so vital to the welfare and security of a great many textile workers and communities in the United States and in the Biddeford-Saco area.

Allowing the textile workers of this nation to starve in the midst of plenty who must work for wages at 65 cents per hour less than the industrial average of the United States and is now being asked in the face of increased cost-of-living to take a further cut in pay that would bring the textile workers still lower on the economic ladder of this nation who are now at the bottom of the economic ladder. A cut in wages would depress these workers still lower and would create a hardship to the communities in which a textile worker lives.

Hundreds of millions of dollars are given away to foreign buyers and yet, to save the American textile industry and to provide full-time employment, the Government can't find even 10 percent of the amount given to foreign purchasers to save the American textile industry and textile workers' jobs: Therefore, be it

Resolved by the Biddeford-Saco Joint Board, Textile Workers Union of America, AFL–CIO, That:

1. We support wholeheartedly the Senate bill 314 as supported by Lester Martin, president of the Bates Manufacturing Co., and introduced in the United States Senate by Senator MARGARET CHASE SMITH of Maine. This bill would alleviate the depressed conditions in the textile industry;

2. We call upon all interested citizens in these communities and upon the city governments of Biddeford and Saco to actively lend their support to Senator MARGARET CHASE SMITH's bill;

3. We call upon the administration in Washington to subsidize the American textile industry until it is put on its feet and is able to effectively compete with Japanese and other foreign textile imports; and be it further

Resolved by the Biddeford-Saco Joint Board, T. W. U. A., AFL–CIO, That we call upon the President of the United States to put into effect immediately, as an emergency measure, cotton textile quotas on the basis of 5 percent by cotton textile classification; and be it further

Resolved, That favorable action on Senator SMITH's bill, No. S. 314, be taken immediately so that it will benefit the textile industry, the workers, and the Nation, now.

OUR SENIOR CITIZENS

Mr. WEAVER. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. CRAMER] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CRAMER. Mr. Speaker, in my opinion one of the most serious problems facing this Nation today, and one that is becoming increasingly acute, is that of our senior citizens—the man or woman who has reached the age where they are either retired from an active life with a small annuity and their savings on which to live or who must continue to support themselves and find in this modern age that their years are a great handicap. With today's increasing longevity this problem piles problem upon problem in all areas of the United States.

The life of our Nation has changed and the freedom of living granted to others must also be given these older members of our communities. They must be allowed to live out their years in happiness, comfort, and by a gainful way of life. We must see that their desires and happiness are provided for through understanding of their problems and their hope to remain a part of each community and its economic, social, and spiritual growth within the bounds of American liberties with freedom from either regimentation or socialistic planning.

I have today introduced a bill into the House that would provide a series of studies by competent personnel through the establishment of a new bureau of the Department of Health, Education, and Welfare known as the Bureau of Senior Citizens. This Bureau would be directed by an additional Assistant Secretary of the Department and grants to the several States would be made to assist them in their programs of studies and research, along with guidance and counsel of the Bureau in the study of geriatrics, gerontology, and other means suggested to aid these senior citizens to achieve a comfortable and honorable living.

I have been particularly impressed with this problem because of the great influx, perhaps because of the salubrious climate and other attributes of our State, into Florida of people of this age bracket and the problems that are presented there. I would emphasize this point, in reference to the State of Florida, by quoting from the preface to a publication by the Bureau of Economic and Business Research, University of Florida, entitled "Florida's Older People."

From 1900 to 1950, while the population of the United States was increasing 98 percent, the population of Florida increased 424 percent. However, a greater difference than shown by these figures is revealed by a comparison of the changes in the older population. While the Nation's age class of 65 years and over was increasing 298 percent, Florida's increase for this segment of the population was 1,603 percent.

An increase in the proportion of people 45 to 64 years of age and 65 years and over has occurred in each successive decade during the half century ending in 1950. This continuous aging of Florida's population is in part the result of the general nationwide tendency of the population to age because of gains in the control of infectious diseases, other advances in medical science, and also because of a higher standard of living. However, Florida's far greater increases in these older age categories are attributable mainly to the fact that many older people have migrated to Florida from other parts of the United States.

Included in the exhibits that follow are further figures that will demonstrate the important part that the senior citizen plays in the future of the economy and growth of the State of Florida.

The Health Information Foundation has well outlined the problem that exists in the United States today. In a recent article the background and predications on which I base my contention that this is one of the most serious problems facing the Nation is well stated and I would include certain portions of the history they have prepared in regard to population trends and causes of the unprecedented growth of population in the age group making up those entitled "Our Senior Citizens":

With each successive decade since 1900, increasing proportions of our population reach the older ages and relatively smaller proportions are found in the childhood and young adult age groups. Thus, the composition of the American population is changing noticeably, and problems relating to later years of life—problems of income, health, and social and psychological adjustment—require more of our attention. By 1933, the birthrate in the United States had dropped from more than 30 per 1,000 population at the turn of the century to a low of 18 per 1,000. Even though the rate has now recovered from the 1933 low, births are only 25 per 1,000 population and are not expected to increase appreciably. Also, by the 1930's immigration had ceased to be an important factor in adding to the young population.

While the lower birth rate and restrictive immigration legislation greatly reduced our basic sources of young people, another development occurred that had even greater effect on the changing age distribution of the population. The marked declines in mortality in the United States since the turn of the century greatly increased our chances of survival at all ages, and in recent decades especially significant gains have been made in reducing deaths among the aged. Thus, with greater proportions of our people living longer and with a declining proportion of young people, the average age in the United States has gradually increased. It is likely to increase further if the birth rate remains stable and as greater gains are made in the medical sciences in controlling heart disease, cancer, and other degenerative conditions generally associated with the later years of life.

Fifty-four percent of our population in 1900 was less than 20 years old, but today this age group makes up only 36 percent of the total. Likewise, our population from 20 to 44 years of age now represents a smaller percentage of the total, having declined from 38 percent of the total in 1900 to 35 percent today.

The age groups over 45, however, have become considerably larger proportions of the total population. Whereas people 45 to 64 years old represented only 14 percent of our total population in 1900, this age category now constitutes over 20 percent of the present population in the United States. An even greater rate of increase is reflected for the ages over 65. At the turn of the century few people would have survived to 65 or beyond—only 4 percent of the population was in those ages; today, however, 9 percent of our population is over 65.

In absolute numbers, while the population of the United States has doubled since 1900, our population 65 and over has more than quadrupled, increasing from about 3 million to more than 14 million. Clearly, as the benefits of reduced mortality continue, this age group will increase; its manifold problems will be of even greater importance in the future. By 1975 there will be about 21 million people over 65 in the United States, according to present estimates.

In terms of medical advances, our aged population has shared the significant strides of the past half century: If the 1900 mortality rates had prevailed in 1954, 44 percent more people would have died between the ages of 65 to 74; 43 percent more deaths would have occurred in the ages 75 to 84, and nearly 50 percent more people would have

died in the ages over 85. These percentage changes add up to a startling total—over 360,000 additional people 65 years of age or over would have died in 1954 had our death rates at the turn of the century prevailed. The social and economic value of such progress is becoming increasingly apparent as the potentials of our aged population are becoming more fully utilized.

Even more graphically the figures of the Department of Commerce demonstrate through census figures and estimates the increase in the size of the problem that faces us today. For the convenience of the Members who face these problems in each of the States they represent I would include a table of records showing the actual figures of that Bureau as to increases in population aged 65 and over. In the following charts we shall first, however, consider the total of this Nation together with projections extending to 1975.

Year	Total population		Population aged 45 to 64		Population aged 65 and over		
	Number (in thousands)	Percent increase since 1900	Number (in thousands)	Percent increase since 1900	Number (in thousands)	Percent increase since 1900	As percent of total population
1900	75,995		10,400		3,080		4.1
1910	91,972	21	13,424	29	3,950	28	4.3
1920	105,711	39	17,030	64	4,933	60	4.7
1930	122,775	62	21,415	106	6,634	115	5.4
1940	131,669	73	26,084	151	9,019	193	6.8
1950	151,132	99	30,720	195	12,195	296	8.1
1954 (July)	162,414	114	32,877	216	13,715	345	8.4
Projections:							
1960:							
A and B	177,426	133	36,589	252	15,701	410	8.8
C	176,126	132					8.9
D	173,847	129					9.0
1975:							
A	220,982	191	43,136	315	20,689	572	9.4
B	213,568	181					9.7
C	206,615	172					10.0
D	198,632	161					10.4

In the States themselves the figures are even more revealing, as earlier noted in the case of the State of Florida, and both actual growth and applied percentages of growth are shown in the following:

Total population and population aged 65 and over in 1950, by State and percent change, 1940 to 1950

[Minus sign (−) denotes decrease]

State and territory	Total (in thousands)	65 and over		Percent change, 1940 to 1950		State and territory	Total (in thousands)	65 and over		Percent change, 1940 to 1950	
		Number (in thousands)	Percent of total	Total	65 and over			Number (in thousands)	Percent of total	Total	65 and over
Continental United States	150,697	12,270	8.1	14.5	36.0	Continental United States—Con.					
Alabama	3,061	199	6.5	8.1	46.3	Nevada	160	11	6.9	45.5	57.1
Arizona	750	44	5.9	50.3	83.3	New Hampshire	533	58	10.9	8.3	18.4
Arkansas	1,910	149	7.8	−2.0	39.3	New Jersey	4,835	394	8.1	16.2	41.2
California	10,586	895	8.5	53.3	61.3	New Mexico	681	33	4.8	28.0	43.5
Colorado	1,325	116	8.8	18.0	34.9	New York	14,830	1,258	4.5	10.0	36.4
Connecticut	2,007	177	8.8	17.4	37.2	North Carolina	4,062	225	5.5	13.7	43.3
Delaware	318	26	8.2	19.1	23.8	North Dakota	620	48	7.7	−3.4	23.1
District of Columbia	802	57	7.1	21.0	39.0	Ohio	7,947	709	8.9	15.0	31.3
Florida	2,771	237	8.6	46.1	80.9	Oklahoma	2,233	194	8.7	−4.4	33.8
Georgia	3,445	220	6.4	10.3	38.4	Oregon	1,521	133	8.7	39.5	43.0
Idaho	589	44	7.5	12.2	37.5	Pennsylvania	10,498	887	8.4	6.0	31.0
Illinois	8,712	754	8.7	10.3	32.7	Rhode Island	792	70	8.8	11.1	29.6
Indiana	3,934	361	9.1	14.8	25.3	South Carolina	2,117	115	5.4	11.4	42.0
Iowa	2,621	273	10.4	3.3	19.7	South Dakota	653	55	8.4	1.6	25.0
Kansas	1,905	194	10.2	5.8	23.6	Tennessee	3,292	235	7.1	12.9	36.6
Kentucky	2,945	235	8.0	3.5	24.3	Texas	7,711	513	6.7	20.2	47.8
Louisiana	2,684	177	6.6	13.5	48.7	Utah	689	42	6.1	25.3	40.0
Maine	914	94	10.3	7.9	17.5	Vermont	378	40	10.6	5.3	17.6
Maryland	2,343	164	7.0	28.7	32.3	Virginia	3,319	215	6.5	23.9	38.7
Massachusetts	4,691	468	10.0	8.7	26.8	Washington	2,379	211	8.9	37.0	46.5
Michigan	6,372	462	7.3	21.2	39.6	West Virginia	2,006	139	6.9	5.5	37.6
Minnesota	2,982	269	9.0	6.8	26.3	Wisconsin	3,435	310	9.0	9.5	28.1
Mississippi	2,179	153	7.0	−.2	33.0	Wyoming	291	18	6.2	15.9	38.5
Missouri	3,955	407	10.3	4.5	24.8	Territories:					
Montana	591	51	8.6	5.7	41.7	Alaska	129	5	3.9	76.7	25.0
Nebraska	1,326	130	9.8	.8	22.6	Hawaii	500	20	4.0	18.2	53.8
						Puerto Rico	2,211	86	3.9	18.3	36.5

Since the above table was published, still further figures have become available that would indicate this growth to be even more expanded between the ages with which we are concerned than before. A similar comparison is demonstrated in the chart that follows:

Total population and population aged 65 and over in 1955 and percentage of change from 1950 to 1955

Region, division, and State	Estimates of civilian population by States and for Hawaii, July 1, 1955		Percent of change, civilian population, by States and for Hawaii, Apr. 1, 1950–July 1, 1955		Region, division, and State	Estimates of civilian population by States and for Hawaii, July 1, 1955		Percent of change, civilian population, by States and for Hawaii, Apr. 1, 1950–July 1, 1955	
	Total civilian population	65 years and over	Total civilian population	65 years and over		Total civilian population	65 years and over	Total civilian population	65 years and over
Continental United States	162,307,000	14,069,000	+8.5	+15.4	South:				
Regions:					South Atlantic	22,861,000	1,697,000	+9.6	+23.4
Northeast	41,610,000	3,848,000	+5.8	+12.0	East South Central	11,539,000	927,000	+1.1	+14.7
North Central	48,243,000	4,463,000	+8.7	+12.7	West South Central	15,407,000	1,214,000	+7.1	+19.0
South	49,808,000	3,839,000	+6.8	+19.8	West:				
West	22,646,000	1,919,000	+17.5	+20.4	Mountain	5,806,000	432,000	+15.6	+20.7
Northeast:					Pacific	16,840,000	1,487,000	+18.2	+20.3
New England	9,514,000	979,000	+2.7	+8.0	New England:				
Middle Atlantic	32,096,000	2,869,000	+6.7	+13.4	Maine	891,000	99,000	−2.3	+5.7
North Central:					New Hampshire	549,000	61,000	+3.4	+5.5
East North Central	33,498,000	2,937,000	+10.4	+13.5	Vermont	368,000	42,000	−2.5	+7.4
West North Central	14,745,000	1,527,000	+5.1	+11.1	Massachusetts	4,729,000	496,000	+1.4	+5.9
					Rhode Island	786,000	78,000	+1.5	+11.2
					Connecticut	2,191,000	202,000	+9.5	+14.9

Total population and population aged 65 and over in 1955 and percentage of change from 1950 to 1955—Continued

Region, division, and State	Estimates of civilian population by States and for Hawaii, July 1, 1955		Percent of change, civilian population, by States and for Hawaii, Apr. 1, 1950–July 1, 1955	
	Total civilian population	65 years and over	Total civilian population	65 years and over
Middle Atlantic:				
New York	15,950,000	1,421,000	+7.8	+13.3
New Jersey	5,275,000	456,000	+9.8	+16.1
Pennsylvania	10,871,000	993,000	+3.7	+12.4
East North Central:				
Ohio	8,925,000	788,000	+12.4	+11.5
Indiana	4,325,000	396,000	+10.0	+10.1
Illinois	9,237,000	862,100	+6.5	+14.9
Michigan	7,311,000	536,000	+14.9	+16.6
Wisconsin	3,699,000	354,000	+7.7	+14.4
West North Central:				
Minnesota	3,185,000	311,000	+6.9	+15.7
Iowa	2,669,000	302,000	+1.9	+10.6
Missouri	4,167,000	441,000	+5.4	+8.7
North Dakota	643,000	54,000	+3.7	+11.3
South Dakota	678,000	65,000	+4.4	+16.9
Nebraska	1,382,000	146,000	+4.6	+11.8
Kansas	2,021,000	210,000	+7.1	+8.2
South Atlantic:				
Delaware	382,000	29,000	+20.2	+11.1
Maryland	2,668,000	186,000	+15.9	+14.8
District of Columbia	835,000	61,000	+6.1	+9.3
Virginia	3,421,000	245,000	+6.7	+16.2
West Virginia	1,983,000	159,000	−1.1	+15.5
North Carolina	4,248,000	266,000	+5.8	+20.0
South Carolina	2,251,000	137,000	+7.4	+22.6
Georgia	3,581,000	254,000	+5.2	+17.8
Florida	3,492,000	361,000	+27.9	+53.9
East South Central:				
Kentucky	2,954,000	263,000	+1.4	+12.6
Tennessee	3,396,000	264,000	+3.5	+13.8
Alabama	3,083,000	229,000	+1.0	+17.6
Mississippi	2,107,000	172,000	−2.7	+15.4
West South Central:				
Arkansas	1,784,000	178,000	−6.5	+21.3
Louisiana	2,909,000	200,000	+8.9	+15.9
Oklahoma	2,179,000	224,000	−1.8	+16.1
Texas	8,536,000	612,000	+12.5	+20.5
Mountain:				
Montana	624,000	60,000	+6.0	+18.8
Idaho	609,000	53,000	+3.4	+20.9
Wyoming	301,000	23,000	+6.7	+24.1
Colorado	1,506,000	132,000	+15.2	+14.0
New Mexico	766,000	42,000	+14.7	+28.0
Arizona	982,000	61,000	+32.3	+39.4
Utah	791,000	49,000	+15.2	+16.6
Nevada	227,000	12,000	+44.1	+12.1
Pacific:				
Washington	2,534,000	241,000	+9.4	+14.1
Oregon	1,680,000	155,000	+10.7	+16.8
California	12,625,000	1,091,000	+21.2	+22.4
Hawaii	503,000	25,000	+5.5	+24.5

Source: U. S. Department of Commerce, Bureau of the Census.

These are the facts about the astounding growth of this older age bracket whom we call our senior citizens. I would be remiss if I did not acknowledge many studies that have already been made in this field by President Eisenhower and through committees appointed by him. I have long been familiar with this work and, indeed, many conclusions I have reached and incorporated in the bill I present today were the results of these studies. In that regard I would include for clarification portions of a letter written by me to the President on March 29, 1956, as follows:

Great interest has been shown in the study of gerontology by the State of Florida through the Florida Institute of Gerontology in Gainesville, and more particularly in the First District, the St. Petersburg area, by the appointment of a committee on gerontology and the commencement of studies in medical treatment for the aged at Mound Park Hospital as well as the introduction of two courses in gerontology at St. Petersburg Junior College.

It is logical that Florida should take a position of leadership in this field because of the large percentage of senior citizens in the State, there being a large concentration of these citizens in the St. Petersburg area. To substantiate this, I call your attention to the following facts:

While the Nation's age class of 65 years and over was increasing 298 percent between 1900 and 1950, Florida's increase for this segment of population was 1,603 percent; and

While there has been an increase in population by 46 percent in Florida between 1940 and 1950, the population of people 60 years or over was increasing 81 percent, and in Pinellas County this increase was in excess of 120 percent.

This, I believe, clearly indicates why Florida, in general, and my district, in particular, has such a great interest in the problems of the senior citizen.

It is my fervent hope that the senior citizens committee, which you suggested be appointed as soon as possible, will have adequate funds and personnel available to do a thorough job in research and study and will come forth with concrete and constructive recommendations on meeting the tremendous and numerous problems of the senior citizen of today, a problem which will grow more acute in future years as the number in this classification increases.

In reply to my letter the President, April 6, 1956, indicated his complete understanding of this problem and I would also make that response available to the Members:

THE WHITE HOUSE,
Washington, April 6, 1956.

The Honorable WILLIAM C. CRAMER,
House of Representatives,
Washington, D. C.

DEAR BILL: The concern and interest that you expressed in your recent letter regarding the marked rise of older persons in our population is shared by me and by large numbers of our citizens. You and your associates in Florida are to be commended for the active leadership you are taking toward the continuing betterment of these senior citizens, so many of whom retire to your State.

With respect to current planning in the field of the aging, this administration is striving earnestly and on a coordinated basis to achieve maximum utilization of existing programs. To this end, I requested earlier this week the establishment of a Federal Council on Aging to be made up of Federal officials whose departments and agencies engage in activities that may specifically benefit the aging individual. Members of the Council doubtless will wish to draw for advice upon the experience of State and local authorities who have been active in this field, and I shall make certain that your letter is brought to their attention so that they may have the opportunity to become better acquainted with the work being done in Florida and the organizations you mentioned.

The principal responsibility of the Federal Council on Aging will be to review existing programs in the light of emerging needs and to make recommendations to the appropriate departments and agencies as to the emphasis, priorities and provisions for unmet needs of the older persons.

Obviously the Federal Government alone cannot and should not undertake to meet all these needs. Where individual assistance of one kind or another is needed, much of the initiative is rightly being taken by the States and communities, and by families, employers, labor organizations, voluntary groups and religious bodies throughout the country.

The Federal Government can, however, be a helpful partner in many ways, and the formation of a Federal Council on Aging will establish a broader and more permanent basis than previously existed for coordinating programs pertaining to the aging. I am enclosing a statement that outlines recent and proposed actions of this administration affecting older persons. I am confident that you approve of and will support these efforts to improve the status of our older citizens.

With warm regard,

Sincerely,

DWIGHT D. EISENHOWER.

Mr. Speaker and gentlemen, I would impress upon you that, as demonstrated in the statistics presented this is a problem of today's generation and will become even more important to our sons and daughters as they carry on the work of our great Nation. Now is the time to provide the answer to these problems for ourselves and for all time.

I first recognize that this is the primary concern of each State but the Federal Government must play the role of advisor and consultant assisting each State in organization of workable units of assistance through study grants and a staffed Bureau for study, consultation and advisory capacities.

To accomplish this goal my bill would provide for the following acts by this Congress:

First. Establish a Bureau of Senior Citizens within the Department of Health, Education, and Welfare.

Second. Provide an assistant secretary of the department to direct this new bureau.

Third. Appropriate $2 million for grants up to 33⅓ percent of plans by each State and $500,000 for grants to private non-profit institutions.

Fourth. Establish an advisory committee on problems of aging, geriatrics, gerontology and other problems of the aged to assist the secretary.

Fifth. Provide for a national conference on the problems of senior citizens.

Sixth. Provide for reports to the President and this Congress of the needs and progress of the committees and bureau.

I am firmly convinced that establishment of a new Bureau within the Department of Health, Education, and Welfare is both necessary and the best means of solution both from a viewpoint of research and administration of recognizable problems as they are developed. This I have provided in the bill introduced today.

As earlier pointed out, America is in a state of change and the senior citizen no longer desires or expects to be a nonproductive member of both the family and the community. He, or she, is entitled to a future of continued usefulness within that community, and it has been well demonstrated that there is such a place for him in the social and economic plan of this Nation. To provide the framework of that development and growth, it is entirely the jurisdiction and problem of each individual State of this Nation. Our Federal Government can be of invaluable assistance in the coordination and guidance of this movement of self-help by the individual through guidance and facilities provided by the States.

It is my hope that the bill I have introduced today will receive thoughtful and careful consideration by the Members of the Congress and that a program of constructive legislative aid will thereby be developed to benefit the senior citizen of our great Nation.

With the relentless passing of time, we shall all reach the position and understand better the problems of the senior citizen. Today it is our problem to learn, and then, I believe, we shall and will provide for every senior citizen a place of honor through understanding.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Indiana [Mr. BRAY] is recognized for 15 minutes.

Mr. BRAY. Mr. Speaker, I have just finished reading in the May issue of Esquire magazine an article entitled "The Army's Case Against Itself," by Garrett Underhill. This article was reviewed in papers throughout the country and was promoted through great advertising. On the cover of that issue of Esquire was pasted a red and yellow flasher proclaiming "A Smothered Report: The Army's Shocking Case Against Itself." This article is a very strong and bitter attack against the Army, its training, organization, use of weapons, mobility, and many other phases of the organizational functions of the Army. A few selected short quotations in this article are as follows:

> Its (the Army's) very weakness is an open invitation to Communist aggression and ensuing disaster. * * * The Army today is not a force in being and its efforts to cope with any kind of war, large or small, would result in epic disasters in which the free world's best young men would make up in blood and suffering for Army deficiencies. Can it (the Army) be modernized or should it be abolished? * * * The situation is so desperate that our national security demands immediate action. * * * The Army's decay has caused many of our military leaders to start making radical plans for change * * * who sincerely feel that the Army is in such a bad state that it should either be abolished or merged with the Marine Corps * * *. These plans call for the Army's functions to be reduced to guarding antiaircraft installations * * * and providing a force that could be mobilized for civil defense in time of disaster. Now here in the pages of Esquire, is the completed report I would have presented to Secretary of the Army Wilber Brucker and General Taylor if Mr. Wilson (Secretary of Defense) hadn't gotten in the way. This report is presented in the hope that public opinion can do what the Army has failed to do.

These are only a very few of the condemnatory statements by the author, Garrett Underhill. Having been a commissioned officer of the Army for almost 32 years and being now a member of the House Armed Services Committee, I read and studied this article with a great deal of interest.

I also find that Mr. Garrett Underhill in Look magazine of November 4, 1952, in an article entitled "Young Men With Old Guns" made a bitter attack against the Army. Mr. Underhill's sharp criticism of the Army certainly is not new. I find an article written by him in Aviation magazine as early as December 1941, just on the eve of World War II, entitled "Air Corps Learned Plenty on Maneuvers, but Did the Army?" His buildup on this article is as follows:

> The author has been a close observer of military affairs for a number of years. Since the present war began he has been in a position to see numerous unpublished reports on both air war and ground war on each of the battlefronts. During the recent maneuvers he traveled hundreds of miles, seeing at firsthand the activities about which he has written in this article.

In this article there is no statement as to Mr. Underhill's status, whether soldier or civilian. This article discusses the Louisiana maneuvers of 1941, and as usual in his other articles, Mr. Underhill is most critical of the Army. I will quote a few of his comments:

> After months of small unit training, the conduct of the average ground soldier and junior officer was a severe disappointment. Deficient in fundamentals of scouting and patrolling that every hunter ought to know, officers and men would walk and even ride right into enemy outposts, or else become hopelessly intermixed with other elements of their own forces.
>
> All ground operations were conducted in an atmosphere of mystery, confusion and indecent haste.
>
> The Air Task Forces and observation squadrons acquitted themselves brilliantly.
>
> If anything, the air forces may thus be said to have normally done the right thing at the right time.

Considering the author's severe condemnation of the Army it seems most surprising that immediately after the printing of this article we entered World War II, and won the greatest global war the world has ever known.

I note on the first page on the article in Esquire his picture and an account of his qualifications. I naturally became interested in the background, knowledge and experience of the author. Although I have but little information regarding him, I understand that he was at one time a Reserve officer. I will quote only a few of the statements made regarding him.

> Mr. Underhill resides in Washington, where he maintains close personal liaison with top United States and foreign military men. * * * Presently he [Mr. Underhill] is a weapons consultant to private industry. * * * One of the best informed men on the Army whether in or outside the military.

I also noted a statement in the last paragraph of the article that gives a special insight into the background of Mr. Underhill. This statement was that he was talking with Gen. George Marshall, then Chief of Staff in 1939, and that he asked General Marshall who would be the generals of the future if war should come. He states that General Marshall pulled a list from his pocket and showed him that top on that list were Lt. Col. D. D. Eisenhower and Lt. Col. O. M. Bradley.

I am well aware of the great secrecy regarding the plans of promotion of officers and the recognized bad taste of an officer's discussing the merits or faults of a fellow officer. Also knowing that General Marshall was never a blabbermouth, I could not help being impressed with the great confidence placed in Mr. Underhill by General Marshall, then Chief of Staff. Such action is contrary to the policy of the Army as I knew it.

Mr. Underhill in this article discusses many weapons and vehicles. He also discusses organization, leadership, and tactics, and points out the great superiority of Russia over the United States in these fields. In brief, Mr. Underhill follows rather well the recent trend of writers and commentators in pointing out the superiority of Russia over the United States. Mr. Speaker, I intend as briefly as possible to take up item by item the great failures of the American Army as set out by Mr. Underhill. Much information in connection with our defense is classified. I have had access to both classified and unclassified. However, I will check at all times to insure that what I discuss is not secret information.

The first weapon that the author attacked as being inferior was the Garand M–1 rifle, which has been the rifle used by the American Army during and since World War II. He states that this rifle is too heavy and fires an old cartridge, .30–06, and that a new cartridge, T–35, which has been adopted by most of the NATO nations and Israel, is superior. The cartridge he mentions is one-half inch shorter and is as powerful as the .30–06. Mr. Underhill's statements in regard to this new ammunition and the

need of a different rifle are correct. American ordnance and civilian engineers have been working toward a better gun and ammunition for years. The true situation of the American rifle is that since the development of the Garand rifle there has been brought into production a better powder which enables a rifle shell to be one-half inch shorter, and yet have the same striking effect. Many countries including the United States have been developing a lighter rifle to fire this new cartridge. The Belgian Fabrique-National arms plant has developed the FN–48, which is a very good rifle, and is the type of rifle which will ultimately replace the M–1 rifle, the carbine, and the Browning automatic rifle—commonly called the BAR. Mr. Underhill recommends this rifle very highly and it is a good rifle, but Army Ordnance has developed a rifle of equal capabilities that weighs 1 pound less. I do not know of a certainty the expense involved in changing over our millions of rifles and tens of thousands of machineguns to a new weapon using a different size ammunition. Some estimate that the cost would be a billion dollars. Many military leaders in the United States question whether at this time the billion dollars might be better used in national defense. I believe, however, that the changeover is being carefully studied.

On page 49 of the article Mr. Underhill says:

> The same, scandalous lack of progress applies to our machineguns. All of the current standard models were developed about the time of the First World War, based on a mechanism patented by a man named John Browning in the days of President McKinley and Queen Victoria.

It is true that our machinegun uses part of the mechanism patented about 60 years ago. However, this mechanism is in general use in machineguns throughout the world. The United States is developing a lighter machinegun to fire the then-new shorter cartridge. There are several factors to be considered as to when a new machinegun should be made in great quantities and issued to the troops to replace the present machinegun. A great amount of money is involved in the replacement of all of our machineguns with a gun which is only slightly better than the present gun. In addition to the money involved, it is also true that when we commence a program to make these machineguns in numbers sufficient to equip the entire Army, progress and development toward an even better weapon is stopped. It is a calculated risk which we must always take when we change from one weapon to another. Mr. Underhill seems to believe from his statement that a weapon should be discarded just because it is old. I fail to see any justification for this theory. A good example of the falsity of this philosophy is shown in the development of the new Vulcan machinegun now used in our best fighter planes. The Vulcan is capable of firing 4,500 shots per minute and is the best machinegun for this work in the world. In perfecting the design of this machinegun, our Armed Forces went far back to a much earlier date than the time of Queen Victoria and McKinley as mentioned by Mr. Underhill in his article. He went back to the principle of the Gatling gun which was used in the Battle of Petersburg during the Civil War. This gun was used very effectively in the Spanish-American War in 1898 by Capt. John H. Parker in the Battle of San Juan Hill, and he was ever-after known as Gatling Gun Parker. This gun, I believe, is without question the greatest rapid-firing gun in the world, but because of its weight it would not be adaptable to ordinary ground use. However, if we had followed the philosophy that that which is old and tried must be discarded, we would not have developed this gun. In passing, it might be worthwhile to mention that the bayonet today is in many ways similar to the spearpoint used in the deadly phalanx of Alexander.

Next, Mr. Underhill points out the superiority of Russia over the United States in regard to tanks. While I am not claiming to be an expert on tanks, I did serve in that branch of the service throughout World War II; therefore, I became fairly familiar with the American tank. He is very critical of the American tanks because of their weight.

In the last paragraph of page 49 he states:

> This Russian tank packs an unprecedented amount of armor, horsepower, and firepower into an astoundingly compact low-silhouette package.

I would like to remind Mr. Underhill that armor plate, whether in Russia or the United States, weighs the same per cubic foot. While Mr. Underhill is very critical of the United States tanks because of their weight, he apparently disregards the fact that the Soviet tanks have increased from 35 tons in the T–34 to weights comparable to our postwar medium tank. If Mr. Underhill would care to check he would find that there is a good reason for Russia's increasing the weight of her tanks. They discovered in Korea that the 35-ton T–34 tank could not stand up against the now obsolete United States M–46 tank. I believe that the present M–48, now standard in the Army and the Marine Corps, is the best tank in the world.

The author praises the French AMX which was tested in the United States during 1950–51. I personally saw this tank, and it is a good light tank, but it is slightly inferior to the United States M–41—Walker Bulldog—in armor protection, firepower, and crew space. It is, however, a lighter tank. There is always a problem of how much armor should be put on a tank. Armor naturally increases protection of the crew but decreases its maneuverability and increases fuel consumption per mile. That problem is ever present in the designing and the manufacturing of tanks. In ancient writings we find the same problems were present in determining the weight of armor to be worn by a knight. Mr. Underhill in his proof that the French AMX–13 is better than our light tank, cites the use of these tanks by the Israelis, Venezuelans, Swiss, and Egyptians. I am not certain that this citation proves conclusively the superiority of these tanks.

Next the author attacks our trucks, the jeep, and our standard 2½-ton truck. The jeep is recognized as the best vehicle of its kind in the world. Yes, it is about 17 years old, but I do not want to destroy it and all the machinery to make it until a better vehicle is made. The author criticizes it as too heavy. He neglected to mention that we have a new lightweight vehicle, M–274—Mechanical Mule—which is very low and light and weighs only a few hundred pounds. The author criticizes the Army's 2½-ton truck and calls it the "2½-ton monstrosity." I have personally used the 2½-ton truck throughout World War II in combat and out, all the way from the Louisiana and Carolina maneuvers of 1941 to Korea, and I have found it a very fine vehicle that will carry 5 tons across country, and I have had them carry more than 8 tons on the road. They are rugged and almost foolproof. I have discussed this truck with military personnel who have served on all fronts and they have been unanimous that this is superior to the trucks of any other country. This truck is also criticized because it does not have the fuel-injection system. At the time these trucks were placed in production fuel-injection engines with comparable horsepower were not in production. Considering the cost of these trucks, it would not seem wise to abandon them for new trucks for this slight change.

Mr. Underhill next makes light of our artillery, stating that:

> The Army's artillery is antiquated. The main fieldpiece, the 105 mm. howitzer, was ready in 1932. It weighs almost 5,000 pounds, and is not fitted with protective armor, critical in the nuclear age. Moreover, it must be tossed into position by a truck which can be stopped with a 7-cent bullet in the radiator. A postwar Army report recommended that the Army develop self-propelled, armored artillery. The only self-propelled artillery the Army has produced recently were unready prototypes rushed into production in order to create employment in depressed industrial areas.

I am somewhat at a loss to understand exactly what the author means by these statements. I am very familiar with the operation of the 105 howitzer. Although the author attacks it thoroughly he does not suggest that there is a better caliber weapon for close infantry support. Frankly, I know of none. He neglects to mention that there is a pack howitzer of the same caliber that can be used as mountain artillery and can be dropped by parachute. Neither did he mention that there are two versions of the 105 howitzer—one towed behind a truck and the other self-propelled. I am not attempting to say which of these versions is best for I have heard that question argued by artillerymen. Neither can I understand his statement regarding the lack of self-propelled artillery. To my personal knowledge we have thousands of self-propelled 105 howitzers. I am very familiar with their use as they were used in the armored outfits during World War II. To my personal knowledge, we have the following additional self-propelled guns: 90 mm. gun, 105 mm. gun, 155 howitzer, 155 gun, 8 inch howitzer, 40 mm. antiaircraft gun. We also have a 120 mm.

gun which, although not technically self-propelled, is the main armament in the heavy tank. He also mentions the great progress Russia has made in artillery and mortars. I do not pretend to have a special entree into Russian military planning but I believe I do have as reliable sources of information on Russian armament as anyone and I have no evidence that their artillery is superior to ours. The author also mentions that Russia, has large-caliber mortars, very mobile and easily able to fire atomic shells. The large-caliber mortars are not new. The United States had them in the coast artillery, before the turn of the century, although most of them have now been cut up as junk. While Japan in World War II made effective use of her small and medium mortars, she had a number of very large mortars which were not too effective. I am fairly well acquainted with the range of mortars and while I do not attempt to say of a certainty that Russia does not intend to use them to fire atomic shells, I can, frankly, state that if I were operating it, I would want more range than in a mortar to fire an atomic shell.

The author states that the Army rockets and guided missiles capable of carrying an atomic warhead are not air-transportable. I do not know where Mr. Underhill gets this information for it is unclassified knowledge that both the Honest John and LaCrosse are capable of firing an atomic warhead and are very mobile and can be transported by air. I personally know that similar but improved weapons of that type are also being developed. It is academic that your large long-distance rockets such as Redstone are not now air-transportable.

The author next attacks the 280-millimeter atomic cannon as follows:

> The atomic cannon, for example, is probably the most ill-conceived weapon in the history of armament.

The fact is that this large atomic cannon was developed for the purpose of firing a small-yield atomic shell. At the time this weapon was developed it was impossible to get atomic missiles in a shell less than 280 millimeters in diameter. The Army in attempting to get a gun capable of firing an atomic shell naturally found it necessary to develop a gun with bore large enough to hold an atomic projectile. This was the 280-millimeter gun which is quite large. This weapon naturally has all the vulnerability which would go with a weapon of that size. It is common knowledge that there now has been developed a low-yield atomic projectile which can be fired from an 8-inch gun. The Army has such a gun today that is far cheaper than the 280-millimeter gun, is self-propelled, has great speed and maneuverability, and can fire an atomic projectile with great accuracy in a few moments after arriving at the firing position. The Army was fearful that a gun capable of firing an atomic projectile would be needed before an atomic projectile capable of being fired from an 8-inch gun could be produced. As matters developed we didn't need this large 280-millimeter gun. However, not to have developed it would have been taking an unjustified risk.

Next the author attacks the fact that the Army is using the Dart, an antitank guided missile. He mentioned the fact that the Dart is actually an attempt to build an improved copy of a German World War II projectile which the French had in service before Korea. I see no reason why the United States should not use a superior weapon merely because it has been developed by France, a friendly country. I have never maintained nor do I believe that the United States has all of the knowledge and engineering ability in the world.

The article praises the spaced-link track as follows: "The spaced-link track, a result of the new science, already has revolutionized ideas on the ability of heavy vehicles to travel in deep mud and snow. The Terra Tire, now being manufactured by Goodyear in a variety of sizes, is a cheap bag type, very low pressure tire which can even be used to convert old-type trucks to afford an unprecedented cross-country mobility." The author further states, and I quote:

> But none of these advances has been fully exploited.

The fact is that the Terra Tire is at present only in the early development stage. It is being considered and experiments are being conducted in various applications to determine its true advantages and disadvantages. Tests to date have shown advantages on certain types of terrain—snow and muskeg. It has not been satisfactory for general purpose use on highways or ordinary cross-country operation.

The spaced-link track is almost in the same category. In certain types of soil it offers improved performance, but on other types it is decidedly inferior to the standard track. For all-around use, at its present state of development, it is not superior to the conventional track.

Research efforts are continuing on both the tire and track in an effort to secure improved performance. Also in this field, a substantial effort is being initiated on vehicles with essentially the same characteristics as the large earth-moving vehicles.

In further criticism the author states:

> Time after time the Army will refuse to buy a proven weapon because a "better one" has arrived on the drawing board. For example, our divisions today are not equipped with the 20-ton M–59 armored personnel carrier, because it looks as though an 8-ton design, yet to be perfected, may be better. Budapest fighting revealed the Soviets already have armored personnel carriers. They are inferior to the M–59 but decidedly better than nothing or than 8-ton carriers which are not even in production.

I cannot understand the source of information the author has to the Army's refusal to use the M–59. On the contrary, the following is true:

Development and test of the M–59 armored personnel carrier was expedited to the fullest possible extent from its inception in August 1951, until it was placed in production in September 1953. The M–59 has been in continuous production since that time to meet urgent troop requirements.

Weighing approximately 20 tons, the M–59 is a fast, agile carrier capable of negotiating inland waterways. The M–59 is the finest carrier of its type known to be in the hands of any army in the world today.

The T–113 (8-ton) carrier is a developmental effort to produce an armored vehicle capable of being transported in assault-type aircraft. If the development of the T–113 proves successful, it is estimated that item will be released to production in the fiscal year 1961.

The T–113 may replace the M–59 in some of its roles; but, as presently conceived, it is not intended as a substitute for the M–59 in its role of transporting troops across fire-swept areas in the assault. The extent to which the T–113 will reduce requirements for the M–59 cannot be predicted pending user evaluation of the T–113.

On the last page of the article the author is very critical of the Army's tactical parachute jumps, stating that a few atomic shells would destroy these parachutes. He suggests instead a Marine plan whereby helicopters would land troops on one objective and when captured carry them to another objective, and on and on. Both plans—that of landing by parachute and by helicopter—have advantages and disadvantages, and I have seen them both used in maneuvers. As to the atomic explosion destroying the parachutes, I think without question it would also destroy the helicopter. Any landing of troops by air into hostile territory whether by parachute, helicopter, gliders, or by air transports certainly poses great difficulty. The American people can be assured that the Army, Air Force, and Marine Corps are sincerely working to determine the best methods of landing of our troops by air. I do not believe the answer is as simple as the author has stated.

Mr. Underhill is also critical of leadership in the Army. I believe that all of us who have been in service have at times seen poor leadership displayed. That is not new. We have also seen magnificent leadership displayed under most difficult conditions. I do know that the Army as well as the other two services by schooling, training, and examples are trying to develop the best in leadership. I have personally studied and observed their efforts. They are producing good results, but I am well aware that perfection will not be attained. Perhaps it can best be expressed in the words of Browning, "A man's reach should exceed his grasp or what's a heaven for"?

This article mentioned "Colonels' Revolt." I have heard this phrase many times in disturbances in foreign countries. I am certain that the author does not mean this phrase in the manner in which we often consider it. It is fortunate that we do have younger officers that are impatient to make more progress faster. I well recall that, as a battalion commander in World War II, I often became impatient with what I thought was lack of force and progress of my superiors. I also realize that a favorite pastime in the Army among both the officers and enlisted men is to

do a great deal of griping. I have been guilty of such myself. I well remember while on active duty that at the same time I was griping at my superiors, I was a little shocked to discover that my subordinates were griping at me. However, these continued attacks on the Army by Mr. Underhill over 16 years far transcends any griping or constructive criticism.

In closing I wish to make a general remark about instituting a "crash" program as suggested by Mr. Underhill to bring to the Army immediately all of the weapons and other paraphernalia now under study. To do this would cost an astronomical sum and to do the same for the other two services would place a burden upon the American economy that could destroy it. While I am interested in a strong defense, I am well aware that, if in attaining this defense we wreck the very economy that produced it, our Armed Forces would be useless to us. In addition and also important is the fact that as soon as you enter into a "crash" program to provide all the Armed Forces with a new weapon or carrier that research and further development in that field is reduced to a low point for a considerable period. By example, if we would immediately produce and arm our forces with the newest rifle we have today, we could not for several years provide them with a better rifle. Determining the time at which the Army should inaugurate a "crash" program to provide a new weapon must be carefully studied. Whatever course you take involves a calculated risk. If we knew that a war would come within a year, we naturally should freeze improved models of weapons under study and produce them in volume. On the contrary if war is more than 10 years away, such action would be greatly detrimental to America and to our economy.

In spite of all derogatory remarks made of the military leaders of America I believe they are on the whole honest, capable men, men who are only human but men who are dedicated to our Nation and their job in it.

In closing, considering the attitude shown by Mr. Underhill over a period of 16 years, I cannot quite see the significance in the title, "The Army's Case Against Itself." It is the privilege of every American to express his views on a given subject; however, I am not quite certain that Mr. Underhill is a spokesman of the Army.

PANAMA CANAL SITUATION DEMANDS INDEPENDENT INQUIRY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 1 hour.

Mr. FLOOD. Mr. Speaker, I have the honor of being a member of the Appropriations Committee of this House and of its subcommittee for the Panama Canal. In my official capacity I have visited the Canal Zone and the Republic of Panama on numerous occasions. I shall go there again during this Easter recess on official business for my committee.

During my years of service in the House, I have always been to the front in calling for deeds as well as words of friendship for all of the nations of Central and South America, and our mutual friends of the Caribbean Islands.

I reaffirm once more that warm, abiding friendship; with all of these people I am "muy simpatico."

I say this in preface so that it is understood that what I now feel called upon to say comes from the mouth and heart of an old and dear friend of Panama and her good people.

Mr. Speaker, for more than a decade, 1945 to 1957, the problems of the Panama Canal and of interoceanic canals generally have been topics of recurrent Congressional, professional, and national discussion. Now, because of a convergence of circumstances, which I shall mention later, the conditions presented by the canal problem have become acute.

By way of background, the attention of the Congress is invited to the 1946 to 1947 Isthmian Canal studies conducted by the Governor of the Panama Canal under Public Law 280, 79th Congress. This endeavor, which followed soon after the use of the atomic bomb in World War II, was featured by strong emphasis on questions of security and national defense, which in the very nature of the case were more theoretical than practical as regards the canal.

Based upon an interpretation of these two factors in that statute as the superior consideration, the report of this study recommended only the so-called sea-level project at Panama for a major increase in trans-Isthmian transit facilities.

Transmitted to the Congress by the President on December 1, 1947, without Presidential approval, comment, or recommendation, it failed to receive Congressional sanction or action. However, the recommendations in the report, though not so intended, did contribute toward the first reorganization of the Panama Canal since 1914.

This administrative change was brought about under Public Law 841, 81st Congress, popularly known as the Thompson Act in honor of Representative CLARK W. THOMPSON of Texas, chairman of the Special Subcommittee on the Panama Canal, 1949 to 1950, that made the required studies with resulting favorable report by the full Committee on Merchant Marine and Fisheries.

Other than this managerial reform, nothing tangible in the way of major improvement in the operations of the Panama Canal has ever been concluded. The waterway, in a physical sense, is yet essentially what it was when opened to traffic on August 15, 1914. Moreover, the 1947 recommendation for only the sea-level project for major construction has served to prevent adequate public discussion and consideration of tremendously important questions in our isthmian policies about which there are well-defined differences of opinion. These have been extensively presented over a period of years in numerous statements in the RECORD by many distinguished Members of the Congress. They are commended for study by all concerned with this gravely important subject.

The traffic of the canal is now at its highest point in history, with more than 800 commercial and Government transits during March 1957 which surpasses the previous high of 780 vessels in May 1953. This increase in traffic volume clearly reflects a steady growth of interoceanic commerce since the end of World War II and brings closer the time when major improvements must be made to meet future transportation needs.

The problems involved represent a challenging task. Their adequate resolution is a serious responsibility of the Congress, which is the final authority, and clearly requires expert advice to the Congress of independent character. To supply the Congress with essential disinterested assistance, Senator THOMAS E. MARTIN, of Iowa, Representative CLARK W. THOMPSON, of Texas, and Representative FRANCIS E. DORN, of New York, and I, have introduced identical measures in the present 85th Congress to create an independent Interoceanic Canals Commission: S. 611, H. R. 3258, H. R. 6008, and H. R. 4774, respectively.

In this connection, I note from the Panama Canal Review that the Directors of the Panama Canal Company recently instituted their own study for increasing the capacity of the Panama Canal and for the consideration of canals at other locations; this, notwithstanding the fact that there are four identical measures pending in the present Congress for the creation of an independent and capably constituted Interoceanic Canals Commission to study this particular question and all others relative to the subject of transisthmus canals, with recommendations to the Congress and the President.

In view of this, why have canal officials, after years of delay, suddenly undertaken to bypass the Congress on this policy question? Is it for the purpose of killing the proposed legislation and substitution of some preconceived program or basic change in the canal?

The indicated action in some ways suggests that previously taken by the Board of Directors of the Panama Canal Company concerning the Panama Railroad with which I am thoroughly acquainted and was one who contributed to blocking it. In that recommendation they acted to liquidate this strategic rail link without advance Congressional approval and would have succeeded had not the Congress become alarmed and instituted an independent inquiry. The ensuing study resulted in formal recommendations to retain the railroad, and this recommendation the Congress has accepted.

As is well known by Members of the Congress who have studied isthmian problems, the railroad incident is merely the most recent in a series of costly efforts by routine canal officials. The voluminous 1946–47 Isthmian Canal studies, costing some $5 million, proved futile. The third locks project, authorized in 1939, was suspended in 1942 after the expenditure of some $75 million. Is history now going to repeat itself again?

There is a feeling long existent, that certain Army engineers, but not all, are determined that there shall be no basic improvement of the Panama Canal except as they recommend it, and they fear that any plan not developed by themselves may result in their loss of jurisdiction over the canal enterprise. Such a view is not justified one way or the other.

As a matter of fact, the continued effort of the Panama Canal administrative setup to bypass the Congress in the determination of basic questions of canal policy will do far more damage to the prestige of Army engineers than would their acquiescence in the bipartisan proposal for the creation of an independent body to study the gravely important and far-reaching questions involved in providing increased capacity and operational improvement of the Panama Canal for the future; and before which body they would have ample opportunity to present their views.

But the Panama Canal question involves more than forming objective judgments concerning the technical problems of increasing its capacity. There are diplomatic and political complications of increasing gravity, which administrative officials of the Panama Canal have altogether ignored. Since these are not understood as they should be, a brief explanation is required.

The juridical basis for United States control of the Panama Canal rests in three important treaties:

First. The Hay-Pauncefote Treaty of 1901 between the United States and Great Britain, which facilitated its construction and established rules for its free and open navigation for vessels of commerce and war on terms of equality with charges just and equitable.

Second. The Hay-Bunau-Varilla Treaty of 1903 between the United States and Panama, which granted to the United States in perpetuity the use, occupation, and control of the Canal Zone for the construction, maintenance, operation, sanitation, and protection of the canal as if it were sovereign of the territory to the entire exclusion the exercise of such powers by Panama.

Third. The Thomson-Urritia Treaty of April 6, 1914, between the United States and Colombia, which recognized the title to the Panama Canal and the Panama Railroad as vested in the United States.

In 1936 the original setup began to change with the signing of the Hull-Alfaro Treaty of Friendship and Cooperation. This treaty superseded article I of the Hay-Bunau-Varilla Treaty in which the United States guaranteed the independence of the Republic of Panama—a provision long viewed by patriotic Panamanians as the Platt amendment of their country. It also raised the annuity from $250,000 to $430,000 and extended other benefits to Panama.

In 1955 the Eisenhower-Remon Treaty of January 25 carried these changes further, raised the annuity from $430,000 to $1,930,000, and gave Panama valuable properties worth many millions of dollars related to the operation and protection of the canal and railroad, without compensation. This treaty has not yet been fully implemented by the Congress, but there is legislation pending therefor.

The diplomatic negotiations with Panama over a number of years have been featured by steady surrenders to that Republic of rights granted to the United States in the 1903 treaty. Despite the very great advantages that accrued to Panama from the 1955 treaty, a so-called International Round Table Conference on Interoceanic Canals recently met at Panama with the apparent purpose of the further liquidation of the rights of the United States as to the control and protection of the Panama Canal, and at which the United States does not appear to have been represented.

Adjourning on April 1, 1957, in substantial agreement for further revisions of canal treaties, the discussions of the Conference, widely circulated in Latin America, were aimed primarily at securing greater compensation for Panama and denunciation of the perpetuity clauses in the basic Hay-Bunau-Varilla Treaty of 1903.

In this general connection, it is to be noted that recently returning travelers from Latin American countries report widespread agitation to get the United States, including its armed forces, out of the Panama area with the ultimate aim of turning jurisdiction over the canal enterprise to Panama or the United Nations.

The pattern of this program is obvious. It conforms to the well-known and long-standing communistic plan to place the United States on the defensive by using the Panama Canal as a psychological lever to cause anti-American feeling as well as to wrest from the United States its authority and control over the canal.

For this subversionary task there have been press reports of agitators, trained at the State College of Political and Economic Science at Prague, the propaganda educational center of the Communist world, being dispatched to the Americas to direct it. Yet our national administration remains strangely silent on this subject, and sinister propaganda affecting the future of the Panama Canal is having its full and unrefuted play.

However sincere the sentiments of Latin American participants may be in connection with this question, it is undoubtedly true that handling the canal situation in the manner indicated conforms to world Communist strategy.

It is not possible within the limitations of this statement to give all the reasons why control and operation of the Panama Canal should remain with the United States. But it is sufficient to state that the existing arrangement, sanctioned by treaties, intended, and specifically stated, to be in perpetuity as a consideration to the United States for undertaking the great task of building the canal at its own expense should continue.

In the voluminous talk about nationalization and internationalization of the Panama Canal has there been the faintest hint that the United States would be reimbursed for its vast outlay in the construction, maintenance, operation, sanitation, and protection of the canal? I have noted none.

The net investment of the United States in the canal proper as of June 30, 1955, was $368,004,765. To this sum must be added the very heavy costs over the years for the maintenance of the Armed Forces on the isthmus for protective purposes, which include fortifications, defense bases, and the like, all running in the aggregate to a staggering total of hundreds of millions of dollars. Any suggestion that the United States surrender the canal and all that inheres with it, in the light of the facts involved, is well calculated to cause such a proposal, however intended, to be regarded by our people as unfortunate.

As to the presence of United States forces on the isthmus, it is most pertinent to state that they are there not only for the protection of the interests of the United States, but, as well, the direct interests of every country in the Western Hemisphere, including Panama. In event of war with the forces of world communism, they would in no wise respect the neutrality of the canal, whether under Panamanian or international control. Instead, they would certainly seek to destroy it as a matter of their war strategy, which is characterized by unfailing defiance of every concept of freedom and international law.

If, unfortunately, any such war should occur, what power is so well equipped to protect the Panama Canal as the United States? Its capabilities have been amply demonstrated during two World Wars and the Korean struggle. And I think, too, that I reflect the overwhelming sentiment of all peoples of the Americas, North, Central, and South, that a Suez crisis will never be permitted to occur in this hemisphere.

These are realistic views and they should be candidly, and, of course, kindly stated. No immature emotionalism should be permitted to becloud the subject. We hold our neighbors in the Western Hemisphere in the closest bonds of affection and esteem. Our efforts, since the promulgation of the Monroe Doctrine in 1823 to the present, have been directed toward their security and these will continue. Their aid and cooperation we have always welcomed and will continue to welcome.

Now, dramatized by the Suez Canal crisis, the problems of the American isthmus have become objects of growing national concern among our people at large, with increasing demands for independent inquiry along the constructive lines contemplated in the proposed legislation previously mentioned. Such affirmative action by the United States should focus the spotlight of national publicity on the subject of interoceanic canals, dispel the uncertainty that has made the Panama Canal a weapon of psychological warfare against the best interests of all the Americas, result in the final and adequate resolution of the questions at issue, and lead to a wisely reasoned isthmian canal policy that will long endure.

STATEHOOD FOR HAWAII

The SPEAKER pro tempore. Under previous order of the House, the Delegate

from Hawaii [Mr. BURNS] is recognized for 15 minutes.

Mr. BURNS. Mr. Speaker, time and circumstance as well as personal choice have resulted in my being a member of very few organizations.

One organization of which I am highly honored to be a member is the 442d Veterans Club. I am privileged to be an honorary member of this club formed by World War II veterans who distinguished themselves as one of the greatest fighting units in the history of Uncle Sam's fighting forces. On March 23, 1957, the 442d Veterans Club adopted a resolution and requested me to read it before this House. It is an honor and a privilege for the Delegate from Hawaii to read the resolution from an organization of which I am proud to be a member:

Whereas the Territory of Hawaii has continued in the status of an incorporated Territory of the United States for nearly six decades; and

Whereas as such Territory, the people of Hawaii have been relegated to an inferior status as compared to their fellow citizens of the 48 States; and

Whereas the people of Hawaii have proven themselves in every conceivable way that they are anxious and capable of governing themselves as a sovereign state of the United States; and

Whereas this proof has been manifested time and again, and continuously, both in times of foreign conflict and in times of peace; and

Whereas Hawaii has stood as a military bastion in the Pacific and a showcase of democracy and international good will; and

Whereas the 442d Veterans Club, comprised of former members of the 442d Infantry Regimental Combat Team which was trained in Mississippi and was engaged in active combat in Italy and France in World War II, firmly believes that the admission of the Territory of Hawaii as a State in the Union would enhance immeasurably the prestige and dignity of the United States as the bulwark of democracy in the family of nations: Now, therefore, be it

Resolved by the 442d Veterans Club, That it reiterate its endorsement of statehood for Hawaii; and be it further

Resolved, That every Member of the Senate and House of Representatives of the United States in Congress assembled, is hereby respectfully requested to take appropriate action in granting immediate statehood to Hawaii; and be it further

Resolved, That the President of the Senate and the Speaker of the House of Representatives, or the Delegate to Congress from Hawaii, the Honorable JOHN A. BURNS, honorary member of the 442d Veterans Club, are hereby respectfully requested to read this resolution before their respective Houses; and be it further

Resolved, That copies of this resolution be transmitted to the following: The Honorable Dwight D. Eisenhower, President of the United States; the Honorable Richard M. Nixon, Vice President of the United States; the Honorable Lyndon B. Johnson; the Honorable William F. Knowland; the Honorable Sam Rayburn; the Honorable John W. McCormack; the Honorable Joseph W. Martin; the Honorable James E. Murray, the Honorable Clinton P. Anderson; the Honorable Henry M. Jackson; the Honorable Joseph C. O'Mahoney; the Honorable Alan Bible; the Honorable Richard L. Neuberger; the Honorable George W. Malone; the Honorable Arthur V. Watkins; the Honorable Henry C. Dworshak; the Honorable Thomas H. Kuchel; the Honorable Frank A. Barrett; the Honorable Barry Goldwater; the Honorable Frank Church; the Honorable Gordon Allott; the Honorable John A. Carroll; the Honorable Clair Engle; the Honorable Wayne N. Aspinall; the Honorable Leo W. O'Brien; the Honorable Walter Rogers; the Honorable Gracie Pfost; the Honorable James A. Haley; the Honorable George A. Shuford; the Honorable Adam C. Powell, Jr.; the Honorable Ed Edmondson; the Honorable Lee Metcalf; the Honorable George H. Christopher; the Honorable B. F. Sisk; the Honorable Stewart L. Udall; the Honorable Charles C. Diggs, Jr.; the Honorable J. T. Rutherford; the Honorable A. L. Miller; the Honorable John P. Saylor; the Honorable J. Ernest Wharton; the Honorable E. Y. Berry; the Honorable William A. Dawson; the Honorable Jack Westland; the Honorable John R. Pillion; the Honorable Craig Hosmer; the Honorable John J. Rhodes; the Honorable J. Edgar Chenoweth; the Honorable James B. Utt; the Honorable Phil Weaver; the Honorable Harold R. Collier; the Honorable Walter F. Baring; the Honorable Al Ullman; the Honorable Keith Thompson; the Honorable E. L. (Bob) Bartlett; the Honorable A. Fernós-Isern; the Honorable John A. Burns.

Respectfully submitted.

STANLEY M. WATANABE,
President, 442d Veterans Club.
TOGO NAKAGAWA,
Executive Secretary, 442d Veterans Club.

Mr. Speaker, it is a privilege and an honor indeed as Delegate from Hawaii to this great body to be privileged to read this resolution before you.

Mr. Speaker, I yield back the balance of my time.

THE PRESIDENT'S SPECIAL INTERNATIONAL PROGRAM

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from New Jersey [Mr. THOMPSON] is recognized for 10 minutes.

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include related matter.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, I want to congratulate the gentleman from New York [Mr. ROONEY] and his colleagues on the Appropriations Subcommittee for the Departments of State and Justice, the Judiciary, and related agencies for their conscientious and painstaking endeavors with regard to the President's special international program.

I think they have shown restraint and realism with regard to this program, and I generally concur with their findings and recommendations.

House Report No. 351 accompanying H. R. 6871 ably presents these findings and recommendations.

With Senator HUBERT H. HUMPHREY I sponsored the legislation which became Public Law 860, 84th Congress. This law made the President's special international program permanent.

With sound judgment and able administration, this program can and should grow into one which would reflect credit on this country, a program which would merit the support of the entire country, and the complete support of the Congress.

I think this is the kind of program which Chairman ROONEY wants, and which his colleagues on the subcommittee want. It is certainly the kind of program and the kind of administration of that program which Senator HUBERT H. HUMPHREY and I had in mind when we sponsored this legislation in the 84th Congress.

By comparison with other foreign-affairs expenditures the amount involved in the President's special international program is small, but the program is of vital consequence in this era of competitive coexistence between two opposing concepts of life. To live in peace with the Soviet orbit and to contain its expanding influence, we must meet its constantly shifting tactics. Since the death of Stalin and the advent of the Communist tactic of "peaceful coexistence" the Soviet orbit has concentrated increasingly on winning the sympathy and respect of peoples of other countries through displays of the strength and creative vigor, and the supposed peaceful attitudes of Communist society. Cultural delegations are dispatched to all parts of the world to show the superiority of Communist man in such peaceful pursuits as music, drama, dance, sports, and industry. Huge and costly Communist exhibits at international and national trade fairs depict the economic and technological strength of Communist society, and leave the subtle, but all too clear, impression of the great power of modern Communist states.

The Communist strategy is being waged with cunning and energy. Everywhere cultural agreements are being consummated between Communist states and other nations. Cultural delegations are not only sent to uncommitted non-Communist states but are invited in droves to the Soviet Union and to China, where they are feted and raved over. Every effort is made not only to exhibit the cultural depth of Communist society but to evince appreciation for the cultural attainments of other societies.

At the same time, no chance is wasted to show how barren is the cultural life of the capitalist world, and how insensitive is the Western World to the finer values of life. The United States is, of course, the principal target and Soviet propaganda hammers away at the materialistic crudity and cultural ignorance of our citizens and our Government.

Unfortunately, the Communists have a strong ally in this offensive against America. The stereotype of this country that is all too common abroad, even in the minds of our closest friends, pictures our country as devoid of appreciation for esthetic values and lacking even the most rudimentary development of the arts.

It is hard for us to understand the disadvantages we labor under in this new field of cultural competition. We have a big job to do in this field, and, make no mistake about it, the task lies at the heart, the vital center, of the struggle between the Communist and the free Western World for the sympathy and alliance of the uncommitted hundreds of millions of people in Asia, Africa, and elsewhere.

It is clear, I think, that if we as a people have no concern for our own cultural attainments and heritage, and for our cultural leaders, then other peoples

and other countries are hardly to be blamed if they ignore and underrate the cultural contributions which we have to share with them. They are inclined to take their cues from our own Federal Government and we have only ourselves to blame if others feel that we have no respect for our own intellectual and cultural leaders.

American newspapers and cultural leaders have vigorously criticized the lack of any domestic arts program at the Federal level at a time when we are using the arts as cultural exchange and propaganda.

The St. Louis Post-Dispatch in a major article last December 9 had this to say:

On the domestic front, the United States has the poorest record of support for art and culture of any Nation that can be described as civilized * * * unless something is done, quickly, certain forms of art will suffer irreparable harm.

The Arkansas Gazette says we have "reached a point in our civilization where we are willing to subsidize hog farmers and real estate promoters with Federal funds. It may be that artists are equally worthy."

In commenting on Public Law 860 of the 84th Congress the New York Times said editorially on January 25 this year that—

It is ironic, in fact, that this one substantial recent Federal contribution to the arts is limited to backing them outside—not inside—America. Practically every other civilized country (and some not so civilized) has recognized that the Government has a proper interest in promoting the arts, and in promoting them with cash. It would be a mark of maturity and enlightenment if we were to do the same.

The New York Times made admiring reference to the British Arts Council and the new Canadian Arts Council which was finally established on March 28 this year after having passed both the House of Commons and the Canadian Senate and obtained royal consent.

But having pointed these things out, and these are matters on which I should suppose there is broad general agreement in Congress—for President George Washington declared that—

The arts and sciences essential to the prosperity of the State and to the ornament and happiness of human life have a primary claim to the encouragement of every lover of his country and mankind.

And that—

There is nothing which can better deserve our patronage than the promotion of science and literature.

Having pointed these things out, I repeat, I still think the President's special international program has not been given the kind of support and intelligent direction and administration which was contemplated by Senator HUMPHREY and myself when we sponsored the legislative measure which became Public Law 860, 84th Congress.

Let me give one or two examples to prove my point.

I quote from House Report No. 351, page 21:

The committee is of the opinion that some of the fees paid to individuals in connection with this program are exorbitant and indicate a reckless regard for and an irresponsible handling of the taxpayers' money. Examination of the hearings will disclose that fees have been paid individuals in excess of $2,100 per week.

This is considerably more than is paid the President of the United States.

Here is a second example. Mr. Richard L. Coe, the nationally known theater critic of the Washington Post and Times Herald, wrote this in his newspaper on October 21, 1956:

What I'm getting at is not whether the Government should take part in cultural exchanges, but at the hypocrisy that rules what program there is. On the one hand President Eisenhower issues impressive statements about the importance of such an idea. On the other, once such a program has gone up the State Department rungs such projects as Anne Frank and Porgy and Bess get the turndown. * * * But what these matters boil down to—the turning down of Anne Frank and the refusal of India's invitation to Porgy for a visit—is a hollow hypocrisy of saying one thing and doing another. The President's fine phrases are being turned into meaningless gibberish by inactivity.

Another criticism that is made by well-informed observers is that none of the Federal Government's top cultural affairs officials are members of the Cultural Presentations Committee of the Operations Coordinating Board which makes most substantive decisions in respect to the President's special international program. This seems to be an unusual state of affairs, to say the least. It is similar to trying to run the Department of Agriculture without officials familiar with farm problems and the Department of Commerce without officials familiar with the problems of business.

It is clear that distinguished Federal officials in charge of the Government's cultural activities would add great strength to the Cultural Presentations Committee of the Operations Coordinating Board and vastly improve its operations.

The purposes of sections 10 and 11 of Public Law 860, 84th Congress, were to provide such distinguished leadership to the cultural exchange program.

I must say I find it very difficult to understand why sections 10 and 11 of this law have not been carried out by the administration.

I feel the gentleman from New York [Mr. ROONEY] and his colleagues on the Appropriations Committee have taken a sound position in keeping a tight rein on this program until such time as the administration gives it the kind of leadership provided for in Public Law 860 84th Congress.

I would say, further, that the name "Cultural Presentations Committee of the Operations Coordinating Board" is a misnomer since this committee does not have a single distinguished Federal official concerned with cultural activities as a member. Here I have in mind Federal officials of the stature of Dr. Leonard Carmichael, Secretary of the Smithsonian Institution; Dr. L. Quincy Mumford, Librarian of Congress; and Dr. David E. Finley, Chairman of the Commission of Fine Arts.

I include here as part of my remarks some correspondence on this matter, as well as some relevant sections from the Reports to the Congress by the United States Advisory Commission on Educational Exchange. This Advisory Commission was established pursuant to the authority of the Smith-Mundt Act of 1948.

For the past 5 years this fine Advisory Commission has been recommending that the Secretary of State establish a Federal Advisory Committee on the Arts under the authority of the United States Information and Educational Exchange Act of 1948 which is popularly known as the Smith-Mundt Act.

So far, the Advisory Commission has not been successful in this endeavor. Such an advisory committee would help greatly in this growing field of cultural exchange which is the field covered so poorly by the President's Special International Program, as the Appropriations Committee has pointed out.

MARCH 28, 1957.

The PRESIDENT,
The White House, Washington, D. C.

DEAR MR. PRESIDENT: I am very pleased that you have asked the Secretary of State and the Director of the United States Information Agency to consider my suggestion that distinguished Federal officials concerned with cultural activities be represented on the cultural presentations committee of the Operations Coordinating Board.

Such a step would be directly in line with your recommendation to the Congress in your January 6, 1955, Message on the State of the Union that "In the advancement of the various activities which will make our civilization endure and flourish, the Federal Government should do more to give official recognition to the importance of the arts and other cultural activities."

General Wilton B. Persons replied under date of March 21 to my letter of March 6 recommending such distinguished Federal officials be appointed as Dr. Leonard Carmichael of the Smithsonian Institution, Dr. L. Quincy Mumford of the Library of Congress, and Dr. David E. Finley of the Commission of Fine Arts.

In his letter General Persons said that "the cultural presentations committee of the Board has always had persons with background in cultural arts among its membership." So far so good, but the Humphrey-Thompson Act (Public Law 860, 84th Congress) specifically says that "individuals having special knowledge and experience in the field of the cultural arts" shall be appointed to all interagency committees created by you to assist in carrying out the promotion and strengthening of international relations through cultural and athletic exchanges and participation in international fairs and festivals. This act lists the United States Information and Education Exchange Act of 1948 and programs carried out under it, as well as other programs, as covered by it.

While the present OCB cultural presentations committee was created prior to the passage of Public Law 860 compliance with the spirit of this great act would and surely does require the appointment to it of distinguished Federal officials concerned with cultural activities. These officials would unquestionably add great strength to the OCB cultural presentations committee and vastly improve its operations. This was the purpose of section 11 of the Humphrey-Thompson Act and it is to be hoped that there will be no further delay in taking this step. It is very clear there is a vast difference between "persons with background in cultural arts" who are political affairs officials and the

Federal officials concerned with cultural activities which section 11 would provide.

Sincerely yours,

FRANK THOMPSON, Jr.,
Member of Congress.

THE WHITE HOUSE,
Washington, March 21, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives,
Washington, D. C.

DEAR MR. THOMPSON: I acknowledge, in the President's absence, your letter of March 6, concerning the program of cultural presentations abroad.

We fully share your view that advice on the program should be sought from persons eminent in the various fields of the arts. This will be particularly accomplished by the establishment of the Advisory Committee on the Arts under section 10 of the act authorizing this program. A chairman of the committee has been already appointed, and additional members are being selected among the persons nominated by major organizations in the field.

Regarding the interagency committees provided for under section 11, we are continuing to use the Operations Coordinating Board to provide the necessary policy and program coordination for both trade fair and cultural presentation programs. The Board being already established, it has not seemed desirable to establish additional coordinating committees. I am advised that the cultural presentations committee of the Board has always had persons with background in cultural arts among its membership and, in addition, continuously looks to the American National Theater and Academy, with its distinguished panels, for further expert guidance.

If experience shows that either the representation or the functioning of the committees concerned with the cultural program is not as is should be, appropriate corrective action will be taken. The Secretary of State and the Director of the United States Information Agency, who is the overall coordinator of the trade fair and cultural presentations programs, are also being asked to consider your suggestion that distinguished Federal officials concerned with cultural activities be represented.

We appreciate your interest in and continued support of this program.

Sincerely yours,

WILTON B. PERSONS,
The Deputy Assistant to the President.

MARCH 6, 1957.

The PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: In recent weeks Senator HUBERT H. HUMPHREY and I have expressed concern about the appointment of interagency committees under section 11 of the Humphrey-Thompson Act, Public Law 860, 84th Congress.

I have received two very interesting letters on this matter. Under date of November 30, 1956, your Administrative Assistant, Bryce N. Harlow, wrote me in part as follows: "As regards section 11, present convictions are that the OCB cultural committee which makes most substantive decisions in respect to the cultural presentations program adequately fulfills the function authorized by this section." I can only gather from this that Mr. Harlow has decided that section 11 of Public Law 860 is unnecessary. This seems to me to be a highly unusual position for him to take and I would deeply appreciate having your own views of this particular section.

On March 4, 1957, Robert C. Hill, Assistant Secretary, Department of State, had this to say with regard to section 11:

"I note your concern and that of Senator HUMPHREY about the appointment of interagency committees under section 11 of Public Law 860. Under this law the President is authorized to create such interagency committees. The Department has not been assigned responsibility in this matter. Meanwhile we are continuing to operate the cultural presentations program under delegations of authority contained in letters issued annually by the President to the Director of the United States Information Agency as coordinator of the overall program for cultural presentations and trade-fair participation. This circumstance has involved continuing cooperation with the interagency committee that has functioned since the beginning of the cultural presentation program in reviewing and approving proposed projects and advising the Department on program operation. We rely for artistic judgment on special advisory panels in cultural arts established by the American National Theater and Academy.

"You may be sure that the Department intends to operate the cultural-presentations program in full compliance with all pertinent provisions of Public Law 860."

Despite Mr. Harlow's bland assurance, there is widespread doubt at this time that the present OCB cultural committee is working out well or that it even begins to fulfill the function authorized by section 11 of Public Law 860, 84th Congress. Mr. Richard L. Coe, a member of ANTA's drama panel and a leading theater critic, wrote in the Washington Post and Times Herald on October 21, 1956, as follows:

"What I'm getting at is not whether the Government should take part in cultural exchanges, but at the hypocrisy that rules what program there is. On the one hand, President Eisenhower issues impressive statements about the importance of such an idea. On the other, once such a program has gone up the State Department rungs, such projects as Anne Frank and Porgy and Bess get the turndown. But what these matters boil down to—the turning down of Anne Frank and the refusal of India's invitation to Porgy for a visit during next month's UNESCO meeting—is a hollow hypocrisy of saying one thing and doing another. The President's fine phrases are being turned into meaningless gibberish by inactivity."

Another criticism that is made by well-informed observers is that none of the Federal Government's top cultural affairs officials are members of the OCB cultural committee which makes most substantive decisions in respect to the cultural presentations program. This seems to be an unusual state of affairs, to say the least. It is similar, I think, to trying to run the Department of Agriculture without officials familiar with farm problems and the Department of Commerce without officials familiar with the problems of business. It would seem to me that distinguished Federal officials concerned with the Government's cultural programs would add great strength to the OCB cultural committee and vastly improve its operations. This was the purpose of section 11 of Public Law 860.

I must say I find it very difficult to understand why section 11 hasn't been carried out. Further, I think the name "OCB cultural committee" a misnomer, since this committee obviously has no cultural affairs officials as members—here I have in mind such cultural officials as Dr. L. Quincy Mumford, of the Library of Congress; Dr. Leonard Carmichael, of the Smithsonian Institution; and Dr. David E. Finley, of the Commission of Fine Arts.

I would appreciate having your views on this matter.

Sincerely yours,

FRANK THOMPSON, Jr.,
Member of Congress.

DEPARTMENT OF STATE,
Washington, March 4, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives.

DEAR MR. THOMPSON: I have received your letter of February 2, 1957, concerning the appointment of committees under sections 10 and 11 of Public Law 860, 84th Congress.

With respect to the Advisory Committee on the Arts provided for under section 10, the Department considers the appointment of the chairman a definite step toward the formation of the committee. This appointment was made, in accordance with the law, by the United States Advisory Commission on Educational Exchange. Appointment of the additional members of this committee must await the completion of administrative procedures prescribed under Executive Order 10450. The Department is making every effort to expedite these procedures. Measures have also been instituted to arrange proper staff services for the committee and a number of subjects have been considered for its early attention.

I note your concern and that of Senator HUMPHREY about the appointment of interagency committees under section 11 of Public Law 860. Under this law the President is authorized to create such interagency committees. The Department has not been assigned responsibility in this matter. Meanwhile we are continuing to operate the cultural presentations program under delegations of authority contained in letters issued annually by the President to the Director of the United States Information Agency as coordinator of the overall program for cultural presentations and trade fair participation. This circumstance has involved continuing cooperation with the interagency committee that has functioned since the beginning of the cultural presentations program in reviewing and approving proposed projects and advising the Department on program operation. We rely for artistic judgment on special advisory panels in cultural arts established by the American National Theater and Academy.

You may be sure that the Department intends to operate the cultural presentations program in full compliance with all pertinent provisions of Public Law 860.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

DEPARTMENT OF STATE,
Washington, January 30, 1957.

The Honorable FRANK THOMPSON, Jr.,
House of Representatives.

DEAR MR. THOMPSON: I have received your letter of December 31, 1956, addressed to the Secretary, in which you ask for comments on pages 4–5 of your speech entitled "The Federal Government's Role in Art."

Your concern with the need for expansion of the Department's international educational exchange program is very much appreciated. The Department has requested $30 million for these activities in fiscal year 1958, an increase of 50 percent over the current appropriation. With regard to the Advisory Committee on the Arts authorized by section 10 of Public Law 860 of the 84th Congress, I am enclosing a press release announcing the appointment of Dr. Rufus H. Fitzgerald as chairman. It is expected that the appointment of other members of the committee will be announced in the near future.

Special note has been taken of your comments concerning the present interagency committee established by the Operations Coordinating Board to advise the Secretary of State with respect to the cultural presentations program operated by the Department under authority of the Humphrey-Thompson Act (Public Law 860, 84th Cong.). In its role as the agency operating this program,

the Department would, of course, be glad to work with any type of interagency committee that might be established. Its relationships with the current committee have been close, and undoubtedly the program has benefited from the careful scrutiny given each project by the members of this committee.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

APPOINTMENT OF DR. RUFUS H. FITZGERALD AS CHAIRMAN, ADVISORY COMMITTEE ON THE ARTS

The United States Advisory Commission on Educational Exchange announced today that it has designated Chairman Rufus H. Fitzgerald as Chairman of the Advisory Committee on the Arts. This Committee was created by Public Law 860, 84th Congress, to advise the President, the Secretary of State and the United States Advisory Commission on Educational Exchange concerning the promotion and strengthening of international relations through cultural exchanges. The provisions of the act call for a chairman to be selected by the United States Advisory Commission on Educational Exchange from among its membership and nine other members to be appointed by the Secretary of State.

Dr. Edens, Vice Chairman of the Commission and president of Duke University, stated that the designation of Dr. Fitzgerald as Chairman of this Committee would assure strong leadership of the Committee because of his knowledge and experience in this field. Chairman Fitzgerald, chancellor emeritus of the University of Pittsburgh, was director and professor of the School of Fine Arts and head of the department of history and appreciation of fine arts at the State University of Iowa from 1929 to 1938.

In addition to Chairman Fitzgerald and Vice Chairman Edens, the presidentially appointed Advisory Commission on Educational Exchange is composed of: Mrs. Anna L. Rose Hawkes, president of the American Association of University Women (and recently retired dean of Mills College); Dr. Arthur A. Hauck, president of the University of Maine; and Mr. Laird Bell, Chicago attorney.

DEPARTMENT OF STATE,
THE UNITED STATES ADVISORY
COMMISSION ON EDUCATIONAL EXCHANGE,
October 10, 1955.

Hon. FRANK THOMPSON, Jr.
House of Representatives.

MY DEAR MR. THOMPSON: The question of augmenting the cultural activities of our Government referred to in your letter of August 18, to the Secretary of State (copy of which you sent to me on August 19) was discussed at our recent Commission meeting.

Your statement proposing the establishment of an Advisory Committee on Arts and Cultural Exchange was of particular interest to this Commission. This is a subject which has been of vital concern to the Advisory Commission on Educational Exchange, and one upon which recommendations have been made by the Commission since December 1951. In this connection, I believe you will be interested in the attached statement which gives a brief summary of the Commission's recommendations to the Secretary of State concerning the need for and the establishment of a Committee on Arts. These recommendations were reported to the Congress in the Commission's seventh, eighth, and ninth semiannual reports, copies of which are enclosed.

The Commission appreciates your interest in this matter. Since this is a subject of mutual concern and one which the Commission will have under continual review, we shall follow with interest the action taken on the bill introduced by you as well as bills introduced by other congressional leaders, which propose the enactment of legislation to facilitate the effective operation of an art and cultural exchange program.

Sincerely yours,

R. H. FITZGERALD,
Chairman.

SEVENTH SEMIANNUAL REPORT TO THE CONGRESS BY THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE (JULY 1–DECEMBER 31, 1951)

I. CULTURE—THE SOVIET'S NEW WEAPON

Over the past year the Kremlin's constantly mounting propaganda offensive has been directed at the free nations in an attempt to break their determination and desire to unite against communism. The theme of the offensive is the "peaceful intentions of the Soviet Union and the satellites" as contrasted to the "aggressive preparations of the United States to plunge the world in a new war."

All propaganda techniques, all informational and cultural media, and all supporters of the Communist cause have been made a part of the new peace offensive. Cultural activities in particular have been emphasized since they provide a natural channel for depicting the U. S. S. R. as a peace-seeking nation which concentrates on the development of its cultural life as distinct from America which devotes its energies to building its military might and materialistic pursuits.

The Soviet's use of culture as a weapon in the cold war is new. It has a potentially adverse effect on United States interests abroad because of its special emphasis on the fine arts, which by contrast are not emphasized in the United States information and educational exchange program.

This Commission has advisory responsibilities to the Congress and the Secretary of State for the United States educational exchange program. It is therefore important and necessary that we place the matter before the Congress, together with our views thereon. This is done in the succeeding statements which have been arranged topically as follows:

1. Soviet propaganda resources.
2. Media used in the Soviet peace offensive.
3. The United States programs.
4. Special problem of the fine arts.
5. Recommendations of the Commission on Educational Exchange.

For data and statistics used in this report the Advisory Commission is indebted to the Department of State which has made the information available to us from its files.

The Commission wishes to take this opportunity to point out that the importance of educational exchange should not be overlooked. We fight antidemocratic forces with good ideas as well as with military defense. The Soviet Governments, as the following record will show, are very much alive to the importance of personal exchange in cultural as well as educational activities.

1. Soviet propaganda resources: Since both domestic and foreign propaganda are of crucial importance to the triumph of the Communist Party, the U. S. S. R. and its satellites spend billions of dollars on the Communist propaganda machine and maintain an elaborate system of training to operate it. These activities are unparalleled in history.

In 1950 the Soviet Union itself spent almost a billion dollars on propaganda activities out of a total national income of some 70 billions. In addition, the satellites spent over $480 million during the same year for this purpose. But these staggering expenditure data do not tell the whole story.

A multitude of Soviet propaganda operations are carried on within free countries. In the main, they are manned and financed by Communists and their friends on the outside. They encompass everything from printing newspapers and posters to ringing doorbells to get signatures for a "peace petition." They result in daily Communist contacts with hundreds of millions of persons in every land in the world.

The Kremlin has established a large, highly organized training program in the U. S. S. R. to insure that propaganda operations are carried out by professional expert propagandists and agitators.

Six thousand special schools exist for this purpose on the local level. These have a constant enrollment of more than 185,000 students. On the regional level there are 177 more schools that train an additional 135,000 students. Then, on the national level, there are some dozen higher institutions devoted entirely to this subject. These furnish specialized training to some several thousand advanced students.

Moreover, propaganda training is not limited to these special schools. It is emphasized in every other type of advanced adult-education program within the Soviet Union. In the training of Red army officers, schoolteachers, engineers, skilled laborers, etc., the regular course of instruction always includes instruction in agitation-propaganda techniques. The result is that nearly everyone who is in a position to influence opinion in the Soviet Union has received professional tutoring in this field. It is not too much to say that the cream of the Russian population, five to ten million persons, are trained propagandists, and all of them constantly carry on activities to promote Communist propaganda objectives.

The picture is the same within the European satellites, China, and North Korea. The process involves not only the training of Russians, Czechs, Poles, etc., for work within those countries, but also the training of Communists from outside the Soviet orbit. Persons who have received special training in propaganda train others who in turn train others, and so on.

2. Media used in the Soviet peace offensive: The Kremlin's official program for the peace offensive utilizes all informational and cultural mediums.

As in previous propaganda drives outside the Soviet orbit, U. S. S. R. activities in the peace offensive include radio broadcasts, wide dissemination of publications, support for binational societies, and assistance to the Communist Party in various countries. Under the new offensive, however, these activities have been multiplied and accelerated. For example, there has been a marked increase of radio programs to the North American and other English-speaking areas, as well as an increase in programs in other languages. The U. S. S. R. and its satellites now broadcast a total of 1,722 hours a week. This compares with a total of less than 500 hours a week broadcast by the Voice of America.

The Soviet press and publication program, moreover, has been greatly stepped up so that out of the Soviet Union pours a constant stream of publications of various sorts. These include some of the old standbys like Pravda, which is distributed around the world and sets the line for international communism, and Tass, the official Soviet news agency, and the official organ of the Cominform, For a Lasting Peace—for a Peoples' Democracy, a weekly newspaper published in 18 languages, including Japanese, Arabic, Korean, Chinese, English, and most of the languages of Europe. In addition, new Soviet publications have been created to carry the message of a peace-seeking Russia. Examples of these are the recently inaugurated English language "friendship journal" News and the Mexican magazine Paz.

Another example of the accelerated approach is in the medium of films. The Soviets are attempting to expand their film

markets by participation in international film festivals, and by holding Soviet film festivals, such as those held in India in past months. Also, individuals prominent in the Soviet film industry are being sent abroad to win friends for Soviet films.

The new element in the offensive is the cultural campaign in the course of which the U. S. S. R. is bringing to Russia an increasing number of leaders in cultural and related fields and sending Soviet citizens to western nations. Under this new approach a number of delegates are entering the Soviet Union. This is not, however, an "open door" program. Although all individuals allowed to enter the U. S. S. R. are not Communists, all are highly screened to ascertain that they will be receptive to the intense, high-powered propaganda program to which they will be subjected once inside the Soviet Union. Upon completion of this program they are returned to their own country to popularize the Soviet message.

The flow of people from the Soviet Union is equally impressive. These individuals are also carefully selected. This is to insure not only that there will be no embarrassing defections but also that the individuals are of the caliber to strike an intellectual response in the outside world.

In all of these exchange activities special emphasis has been placed on impressing the Western World with Soviet artistic superiority. The Communist world is represented as one in which artistic endeavor attains unsurpassed excellence as a result of an atmosphere of peace and well-being. Under this approach, Russian musicians, singers, ballet dancers, lecturers, professors, writers, scientists, are being sent to perform at special events such as exhibitions, festivals, anniversary celebrations, and international conferences, both private and public.

The emissaries of Soviet culture have done an effective job as indicated in the following statement:

"At the Brussels International Music Contest in May 1951, Russia carried 4 of the 7 top ratings, including the first 2, whereas the United States was unofficially represented by 2 young entrants who finished ninth and eleventh on the list of 12. The Russian violinist was so sensational as to be compared in the Belgian press to the leading violinists of the Western World.

"At the music festival in Florence this past May the Russians joined at the eleventh hour and literally stole the show with 3 or 4 outstanding artists. The United States did not participate in the festival.

"Again, at the film festival in Cannes in May 1951, the Russians after accepting at the last moment, sent an official delegation including a top film producer and one of their best stars. They scored heavily at press conferences attended by hundreds of newspapermen from all over the world. They also took honors at social functions. Their own reception was the most elaborate of the 30 official receptions offered.

"There was no official United States delegation at Cannes, nor were there any American movie stars or an official United States reception. A private United States citizen, learning that no American reception was planned, came forth with a thousand dollars of his own money and saved the day.

"In Iceland, the Russians are presenting excellent artistic programs to local audiences, whereas American artists who perform for the United States Army troops in Iceland cannot appear before local audiences due to lack of funds and union regulations prohibiting free performances.

"In India the Soviet's cultural approach has been particularly strong. It includes Soviet and satellite participation in the recent Indian film festival, to be followed by an impressive exhibition of Russian art which will be shown in five cities of India. This exhibit, reportedly worth several million dollars, consists of over 700 paintings, 22 sculptures, and over 200 other items. Leading Soviet art personages will accompany the exhibit during its Indian tour. This exhibit appears to be the largest display of Soviet art to be shown outside the Soviet Union."

There is also increased Communist activity to establish front organizations on national and international levels. Many of these organizations participate in so-called cultural activities, including the sponsorship of festivals and conferences which are calculated to appeal to a wider group than confirmed Communists.

A list of scheduled and proposed conferences and meetings of such organizations, to be held on both sides of the Iron Curtain, shows that a number of artists, writers, youth representatives, doctors, lawyers, and other professionals, will be traveling to and from the U. S. S. R. and the satellite countries in the coming months.

3. The United States programs: One of the resources for furthering this Nation's interests on the psychological front is the information and educational exchange program being carried out by the Department of State. This total program is a composite of individual programs carried out under Public Law 402, 80th Congress, and other laws authorizing special programs of educational exchange such as the program under the Fulbright Act, and the program for educational exchange with Finland.

Originally conceived as an instrument for achieving understanding of the United States among other nations, the program's objectives have sharpened so that it is now dedicated to the following three objectives:

(a) Keeping alive the spirit of cooperation among the free nations of the world for the purpose of self-protection and progress for all;

(b) Strengthening resistance to communism in countries immediately threatened with infiltration or aggression;

(c) Weakening the forces of communism and diminishing its power in areas now under the domination of the U. S. S. R.

The scope and nature of activities conducted to carry out these objectives are, generally speaking, fixed by legal authority for, or congressional intent concerning specific activities; their effectiveness in achieving foreign-policy objectives; and availability of funds.

A number and variety of information and educational exchange activities are conducted under the total program. An indication of this is given in the accompanying table which summarizes the educational-exchange program as planned for 1952, for which approximately 29.7 million in dollars and the dollar equivalent in foreign currencies has been made available. In addition, funds have been appropriated for information activity and work at the overseas missions, bringing the total for information and education exchange to $103.4 million.

Obviously the Soviet propaganda machine provides greater resources than this Nation's information and educational exchange program can supply. More are required to support the Soviet way of life.

The determination as to what total program resources this Government needs to counteract the Soviet peace offensive and other propaganda efforts is properly a responsibility of the executive and legislative branches of the Government and outside both the purview and competence of the Commission. We are convinced, however, that it would not be practicable nor desirable to attempt to match the Soviet effort. Propaganda, Russian style, is alien to American principle, practices, and economy. Nevertheless, the Commission considers it important that additional resources be provided to counteract the Soviet effort in fields not now covered by the United States information and educational exchange program, where the Soviet impact stands to jeopardize United States interests.

4. Special problem of the fine arts: The emphasis on the fine arts in the cultural phase of the Soviet peace offensive creates a special problem for the United States. First, the Soviet's emphasis on the fine arts capitalizes on the fact that certain areas of the world, particularly Europe and Latin America, have always underestimated the level of American cultural achievements. This prejudice has affected attitudes and judgments about American policies and foreign relations.

In turn, because cultural achievements are so important to the peoples of these areas, they may be influenced in favor of communism of a result of Russia's newly acquired prestige in the artistic fields.

Second, the Soviet drive in the fine arts field finds the United States at present without a counteroffensive. Fine arts activities per se are not included in the Department of State's information and educational exchange program.

Policies laid down by the Congress during the enactment of Public Law 402 have resulted in a deemphasis on the fine arts in general and a specific prohibition on Government-financed exhibits of paintings. Even if this were not the case, funds appropriated on an annual basis for the program have been too modest to permit this emphasis.

It should be pointed out, however, that in the meantime certain activities in the fine-arts field have been carried out by the Department within the limit of available funds and Congressional policies. Such activities have consisted chiefly of making the best use of volunteer performances by American artists and musicians, giving grants on a limited basis to individuals in the fine arts field, and facilitation of certain private projects. These have constituted no more than a mere holding operation.

5. Recomendations of the Commission on Educational Exchange: The Commission believes that a counteroffensive in the fine arts field should be initiated.

We foresee no immediate lifting of the barriers which in the past have prevented the Department of State from emphasizing the fine arts in its international educational exchange program. We do not, in fact, advocate that they be lifted. The Department of State has no special competence in the fine arts field. We believe that the Department's activities should continue to be confined to making a limited number of grants in the fine arts field and to facilitation of private projects. However, it is our strong conviction, which we know the Department of State shares, that even in connection with activities of this type, the Department must establish criteria to insure that those fine arts projects in which it participates will operate in the national interest. We believe that such criteria can best be developed with the assistance of private experts.

If the Department of State's activities in the fine arts field are to remain limited, who is to take the lead in conducting the necessary cultural counteroffensive?

Our Commission believes that this is a job for private endeavor, and that the first step is to interest private agencies in undertaking it. The next step is to develop a mechanism to insure continuous, close cooperation between private agencies conducting the offensive and the Department of State.

Our conclusions point to one thing—the appointment of a committee of private experts in the field of fine arts for the purpose of (a) securing the interest of private enterprise in conducting the necessary counteroffensive; (b) counseling the Department of State concerning its facilitation of private projects.

We have made a recommendation to the Secretary of State to this effect. We have

further recommended that the committee be appointed by the Secretary of State under the authority of section 8301 (6) of Public Law 402 to operate in effect, as a subcommittee of this Commission and that the chairman be designated by the Commission from among its membership. We further believe that the committee membership should in no case exceed nine individuals, exclusive of the chairman. We believe that the members should represent the public interest and be individuals whose experience and qualifications will enable them to perform the jobs as outlined in broad terms above.

The Secretary of State has informed us that our recommendations are being considered and that action thereon will be reported to us in the near future.

EXTRACTS FROM EIGHTH SEMIANNUAL REPORT TO THE CONGRESS BY THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE, JANUARY 1–JUNE 30, 1952

III. OVERSEAS AMERICAN ARTS PROGRAM

At the Commission's September 14, 1951, meeting, the Department of State reported in detail to the Commission on the importance of a presentation of American achievements in the fine arts—music, drama, painting, etc.—to foreign audiences in order to overcome the widely held view that Americans are uncultured, materialistic, and money-mad. The Department emphasized the fact that people in Europe and many other countries have confidence in American scientific and technical achievements but lack knowledge of our cultural achievements and so fail to respect the essential moral and spiritual qualities of the American people.

The Department reviewed for the Commission an analysis of the greatly intensified Soviet cultural offensive now under way in all key countries and its highly inimical effect on attitudes of people in foreign countries toward the United States. It was pointed out that this Soviet culural offensive was aimed at glamorizing and glorifying the cultural achievements of the Soviet Union and its satellites and picturing Americans as devoid of creative ability in nontechnical fields of endeavor, thus destroying respect and confidence in the American people on the part of people in other countries.

The Department summarized its activities in attempting to secure a more extensive presentation to foreign audiences of American cultural achievements. These have largely been confined to the award of a relatively small number of grants to individuals in the fine arts field and to the dissemination of information on American activity through printed and visual material. The Department has facilitated private projects without the use of Government funds, but since the Department's competence does not include specialization in fine arts matters, it has been difficult to determine which private projects should be assisted in terms of overseas objectives and needs. The Department noted the Congressional injunction against the use of Public Law 402 funds for pictures without specific Congressional authorization, which injunction has been adhered to.

In the Department's opinion, two major needs exist if we are to meet the Soviet challenge:

1. The appointment of a panel of expert advisers who would be asked to develop criteria to use in determining what private projects might make a sufficient contribution to the objectives of the information and educational exchange program to warrant departmental facilitation.

2. The development of an overseas fine arts program, utilizing the advice of the above panel and other experts, which could then be the basis of departmental action and also serve to stimulate private groups or agencies to finance and conduct as much of the program as possible.

The Department requested approval of the Commission for the establishment of a committee of expert advisers, under the authority of section 801 (6) of Public Law 402, 80th Congress, to act as a subcommittee to the Commission. The Commission agreed to the Department's request and in its second [1] and third quarterly reports to the Secretary of State for fiscal year 1952, gave the Department certain guidance on the problem. The Commission advised the Department to expedite the establishment of the Committee referred to above to keep its facilitation of private projects at a minimum until this Committee's advice could be obtained, and to refrain from using Public Law 402 funds to support overseas fine arts projects.

Since the submission of the above-mentioned reports, certain developments have taken place which have resulted in the Commission's modifying and amplifying its original recommendations. We wish to report our final position on this subject, together with factors which have contributed to the development thereof, in the statements which follow.

During the last quarter of fiscal year 1952, the Commission devoted considerable time and attention to this problem. It made an additional intensive study of the elements of the Soviet's new use of fine arts activities as a weapon in psychological warfare, as well as a detailed review of the Department of State's specific proposal of June 27, 1952, for the establishment and operation of the Committee on Overseas American Arts.

This committee will, like the Committee on Books Abroad, be appointed by the Secretary of State under the authority of section 801 (6) of Public Law 402, 80th Congress, and act as a subcommittee of this Commission. We were impressed with the soundness of the proposal and the caliber of the candidates being considered for membership. We not only approved the proposal but also developed new recommendations concerning the conduct of an official Government overseas fine arts program.

Formerly, we had reservations about the use of Public Law 402 funds for overseas fine arts projects because the Department has no special competence in this field and because no provision had been made to insure that any official programs or projects would be developed and conducted effectively.

We now believe after our full review of the Department's proposal for a Committee on Overseas American Arts that such a committee will provide a means by which a program in the field can be developed under sound criteria and with adequate safeguards so as to advance the objectives of the international educational exchange program. We feel free to recommend that the way be left open for the conduct of official Government projects where such action is necessary in the national interest. More specifically, we believe that provisions should now be made for the International Information Administration to assume its rightful leadership in the conduct of this particular phase of the American psychological counteroffensive. Therefore, all previous recommendations notwithstanding, the Commission expects and recommends that the Department of State make whatever budgetary arrangements are necessary to support this developing program, subject to the following conditions:

1. No program or specific project involving American arts and the use of Public Law 402 funds should run counter to any existing specific Congressional ban, such as the prohibition on "* * * the use of funds for pictures * * * which do not have the approval of the Congress," [2] the Department of State should request the approval of the Congress to exempt from this ban the use of funds for shipping pictures, provided the Congress considers the ban to apply thereto.

2. The Department should establish the Committee on Overseas Arts in accordance with the sound and workable plan presented to the Commission at its June 27, 1952, meeting.

3. The Department should develop a specific program for the conduct of an effective fine arts program overseas, based on recommendations to be developed by the Committee on American Arts with the approval of the Commission on Educational Exchange; and including specific provisions for the private financing and conduct of a major portion of such a program.

4. The International Information Administration should establish a central point of responsibility for fine arts matters, before the Committee on Overseas American Arts is appointed, in order to insure priority attention to this important phase of the Administration's program and a focal point of contact within the Department with which the Committee on Overseas American Arts may deal.

The Commission's recommendations on this subject, as set forth above, are being submitted to the Department of State and reported to the Congress on the same date, July 25, 1952.

EXTRACTS FROM NINTH SEMIANNUAL REPORT TO THE CONGRESS BY THE UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE, JULY 1–DECEMBER 31, 1952

V. RECOMMENDATIONS TO THE SECRETARY OF STATE PRIOR TO JUNE 30, 1952, ON WHICH DEPARTMENTAL ACTION HAS NOT PREVIOUSLY BEEN REPORTED TO THE CONGRESS

A. American arts program

During the fiscal year 1952, the Commission devoted considerable time and attention to the emphasis which the U. S. S. R. has placed on the use of culture as a weapon in the cold war. In order to fulfill our advisory responsibilities in accordance with Public Law 402, we reported our views on this subject, together with certain recommendations, to the Secretary of State in quarterly reports. The complete text of these recommendations has been reported to the Congress in the Commission's seventh semiannual report (H. Doc. 412, 82d Cong.) and eighth semiannual report (H. Doc. 35, 83d Cong.). Briefly, these recommendations are as follows:

Recommendation (submitted to the Department of State April 1, 1952): "The Commission believes that a counteroffensive to the Communists' cultural drive should be initiated but that it should be undertaken under private auspices. We further stated that in our opinion the Department of State's activities in this field should continue to be limited to the awarding of a modest number of grants in the fine arts field and to the facilitation of certain worthwhile private projects.

"We recommended that a committee of private experts in the fine arts field be established to act as a subcommittee of the Commission for the purpose of assisting us to stimulate private projects, to insure continuous, close cooperation with private agencies undertaking them and the Department of State, and to establish criteria which the Department of State might use to determine

---

[1] The Commission's 7th Semiannual Report to the Congress also served as the 2d quarterly report for fiscal year 1952 and reported fully on the Soviet's new cultural offensive.

[2] May 21, 1947, Report of the House Committee on Foreign Affairs, p. 5.

the worth of private projects which it is continuously being requested to facilitate."

Recommendation (submitted to the Department of State April 14, 1952): "The Commission wishes to reiterate and emphasize its previous recommendations on this subject as follows:

"The Department's facilitation of fine-arts projects should be kept to a minimum until the advice of the Committee on American Arts can be obtained.

"The Department should expedite the establishment of the Committee.

"Fine-arts projects should not be financed from funds appropriated for the conduct of the program under Public Law 402, 80th Congress."

Recommendation (submitted to the Department of State July 15, 1952): As reported in the Commission's eighth semiannual report to the Congress * * * "during the last quarter of fiscal year 1952, * * * the Commission made an additional intensive study of the elements of the Soviet's new use of fine arts activities as a weapon in psychological warfare, as well as a detailed review of the Department of State's specific proposal of June 27, 1952, for the establishment and operation of the Committee on Overseas American Arts. * * * We not only approved the proposal but also developed new recommendations concerning the conduct of an official Government overseas fine arts program.

"Formerly, we had reservations about the use of Public Law 402 funds for overseas fine arts projects because the Department has no special competence in this field and because no provision has been made to insure that any official programs or projects would be developed and conducted effectively.

"We now believe after our full review of the Department's proposal for a Committee on Overseas American Arts that such a committee will provide a means by which a program in the field can be developed under sound criteria and with adequate safeguards so as to advance the objectives of the international educational exchange program. We feel free to recommend that the way be left open for the conduct of official Government projects where such action is necessary in the national interest. More specifically, we believe that provisions should now be made for the International Information Administration to assume its rightful leadership in the conduct of this particular phase of the American psychological counteroffensive. Therefore, all previous recommendations notwithstanding, the Commission expects and recommends that the Department of State make whatever budgetary arrangements are necessary to support this developing program, subject to the following conditions:

"1. No program or specific project involving American arts and the use of Public Law 402 funds should run counter to any existing specific Congressional ban, such as the prohibition on '* * * the use of funds for pictures * * * which do not have the approval of the Congress,'[1] the Department of State should request the approval of the Congress to exempt from this ban the use of funds for shipping pictures, provided the Congress considers the ban to apply thereto.

"2. The Department should establish the Committee on Overseas Arts in accordance with the sound and workable plan presented to the Commission at its June 27, 1952, meeting.

"3. The Department should develop a specific program for the conduct of an effective fine-arts program overseas, based on recommendations to be developed by the Committee on American Arts with the approval of the Commission on Educational Exchange, and including specific provisions for the private financing and conduct of a major portion of such a program.

"4. The International Information Administration should establish a central point of responsibility for fine-arts matters, before the Committee on Overseas American Arts is appointed in order to insure priority attention to this important phase of the administration's program and a focal point of contact within the Department with which the Committee on Overseas American Arts may deal."

First departmental reply (dated August 20, 1952: The Department accepts the recommendation of the United States Advisory Commission on Educational Exchange "that a committee of private experts in the fine-arts field be established to act as a subcommittee of the Commission for the purpose of assisting us to stimulate private projects, to insure continuous, close cooperation with private agencies undertaking them and the Department of State, and to establish criteria which the Department of State might use to determine the worth of private projects which it is continuously being requested to facilitate.

In regard to the 3 recommendations submitted on April 14, 1952, the Department presents the following:

The Department concurs with the Commission that until the Committee on American Arts is organized within the Commission, the International Information Administration's facilitation of fine-arts projects should be kept to a minimum.

The Department is at present processing names of possible members of the Committee on American Arts selected from the panel approved by the Commission. In view of the time required for the processing of such appointments, one cannot anticipate that the Committee on American Arts would be a functioning reality before another 4 months have passed.

The Department concurs that fine-arts projects—if "fine arts projects" is used in a very narrow and intellectually sophisticated sense—should not be financed from the moneys appropriated for the conduct of the program under Public Law 402.

The Commission's attention is invited to the use of the word "arts" in the proposed name for the committee. The words "art," "arts," and "fine arts" are all replete with connotations inadequate to the role which American culture must play in the task of gaining the acceptance and recognition of our allies. The concept is considerably broadened therefore, if the name of the proposed subsidiary body of the Commission were "Committee on American Culture."

As a result of the Department's interest in initiating a counteroffensive to the Communists' cultural drive there have been two major exhibits in the field of the visual arts prepared for showing abroad. In both instances the initiative was taken by the Bureau of German Affairs. The first exhibit, a cross section of American painting, past and present, was financed by the Oberlander Trust, assembled under the direction of the American Federation of Arts and shown in Berlin, Vienna, and Munich. The second exhibit, the 19th century American painting, is now being assembled by the American Federation of Arts in response to a request submitted by a committee of German museum directors. It is to be financed by a grant from the Wyoming Foundation.

Exhibits financed from Public Law 402 funds so far have belonged to the category of crafts and educational subjects rather than to the fine-arts field.

Second departmental reply (dated October 7, 1952): With regard to the Commission's recommendations submitted to the Department on July 15, amplifying its previous recommendations, stipulating four conditions relative to the arts program, the Department desires to inform the Commission as follows:

1. The International Information Administration is taking the necessary steps, in line with the Commission's recommendation, to consult the opinion of the chairman of the House Subcommittee on Appropriations.

2. As reported to the Commission heretofore, the formal establishment of the Committee on Overseas Arts awaits the processing of the panel of possible members.

3. The International Information Administration has taken note of the recommendation that a larger fine-arts program overseas be developed. Preliminary projections of a program to make American culture better understood will be ready to present to the committee upon its establishment.

4. Concerning the establishment of a central point of responsibility within the International Information Administration for policy coordination of the cultural program, this recommendation of the Commission is the subject of a management proposal to make the special projects officer of the Office of Policy and Plans the chairman of a working group representing the Office of Field Programs, the Private Enterprise Cooperation Staff, and the media services. This proposal does not yet have full concurrence in the International Information Administration.

Recommendation (submitted to the Department of State December 5, 1952): The Commission believes that the title of the committee suggested by the Department—"Committee on American Culture"—is too all-inclusive. The Commission wishes to indicate its preference and recommends that the title be "Committee on Arts" if a new title is desired.

Departmental reply (dated April 15, 1953): The name preferred by the Commission "Committee on Arts" is acceptable to the International Information Administration.

The appropriation recommended for the President's Special International Fund represents, in my opinion, the barest minimum which we can afford for this purpose.

I am sure the Appropriations Committee would have recommended more if the Administration had fully carried out Public Law 860, 84th Congress, in all of its provisions and thereby given this important program better direction and management.

So far only a modest start has been made in filling the tremendous need in our foreign policy to present the cultural side of the American way of life to the uncommitted peoples abroad; to show that we Americans support and practice the creative and performing arts with as great a respect and as high a level of attainment as that of any other great nation and people in the world; and that our economic and productive might has given us happiness and well-being.

This program has been under way only since 1954 and yet the results, as the testimony before the Appropriations Subcommittee showed, have been dramatic.

Johnny-come-lately as we have been in the field of international trade fairs, we have been represented in 47 so far and can be proud of our showings. The American exhibits have been smash hits on every occasion.

We are meeting the Communist cultural offensive, and meeting it well in trade fairs, in sports, and in the performing arts.

There is one important side of the cultural program that is, in my opinion, not

[1] May 21, 1947, report of the House Committee on Foreign Affairs, p. 5.

being sufficiently emphasized in the present program. Little or nothing is being done to provide adequate United States representation in international exhibitions or cultural festivals, especially in the nonperforming arts. Section 3 (2) of Public Law 860 expressly calls for this and section 12 of the Act states that, to the maximum possible extent, the cultural program should include projects not just in the performing arts but in the nonperforming arts.

Some part of the funds appropriated should, in my opinion, be used to provide United States participation in the numerous fairs and festivals throughout the world devoted to exhibitions of the nonperforming arts.

It is to be hoped that the administration will carry out the policy set out in Public Law 860 in this regard.

Here are some of the international exhibitions and cultural festivals in which the U. S. S. R. and the Communist-bloc nations participate and as to which we would be remiss if we did not take steps to counter their propaganda activities disguised as cultural exchange—

The Milan Triennial, an international exhibition of architecture and decorative and industrial arts; the New Delhi Biennial, an international art exhibition; the Cologne International, a photography exhibition; and the São Paulo Biennial, an exhibition of theater architecture, and stage design.

In closing, I would like to reiterate my personal conviction that this program—dollar for dollar—is one of the most important activities of the Federal Government today.

It must have top-flight administration if it is to be continued and if it is to be successful. This can only be done as authorized by Public Law 860, 84th Congress.

THE GERRY MURPHY CASE AND THE DOMINICAN REPUBLIC

The SPEAKER pro tempore. Under the previous order of the House the gentleman from Louisiana [Mr. LONG] is recognized for 30 minutes.

Mr. LONG. Mr. Speaker, when, on April 1 last I rose to address this House on the strange and fantastic matter which has become known as the "Gerry Murphy case" and which had lately been the subject of some rather intemperate and well publicized remarks by my distinguished friend and colleague, Representative Charles Porter of the great State of Oregon, I was motivated solely by my desire to be of aid and assistance to a younger colleague, whom we all admire. It was not my purpose to enter into a controversy. Be that as it may, however, it seems apparent that a controversy is a raging about this matter, and, as shown by the RECORD of April 5 and April 8, that controversy has now been brought into this House.

While it was not my desire nor my intention to start any such controversy, I shall not hesitate to stand up and be counted on the side of Christianity, patriotism and righteousness in such controversy. As I pointed out in my address of April 1, I come from a State which is a near neighbor and a close friend of those American nations which border upon the Caribbean Sea and who are so important to our own safety and security. For many years I have had many friends among our good neighbors in these nations, and I have access in my own State of Louisiana, to men who are experts in all matters concerning the relations of our own country with those valiant, free and sovereign nations of what we term "Latin" America, and particularly our close neighbors of Central America and the island nations of the Caribbean. Consequently, I feel that I am qualified to speak with some authority about these nations. The RECORD of this House will disclose my interest in these nations since I have been a Member of this august body, and particularly my active interest in the restoration of Christian, decent government in the Republic of Guatemala, that great American nation which became the first nation on earth to throw off an established Communist Government once it had been established. With justifiable pride, coupled with Christian humility, I refer my esteemed colleague to a speech which I delivered in this House in 1954 congratulating the people of the Republic of Guatemala for their heroic action in throwing out their Communist terrorists. I am likewise humbly proud of the appreciation that has been expressed to me by so many high officials and humble citizens of Guatemala in connection with my actions on behalf of them and their great nation in their time of crisis. During the Communist rule in Guatemala, few of the people of our own Nation realized that such great cities as New Orleans and Houston were only 45 minutes or an hour away from Guatemala by modern jet bomber, that Washington, New York, Detroit and Chicago were only 2 or 3 hours distant; and that Guatemala, in those terrible days, like Communist nations everywhere, was strictly a Russian satellite, from which atomic and hydrogen terror and annihilation could have been used against our own people and own industrial installations had Soviet Russia decided to have done so.

And so, Mr. Speaker, in the current campaign of world communism against the Government of the fabled Republic of Santo Domingo, it is time that we face some facts and that we speak with the utmost frankness. Despite the great agitation displayed by my esteemed colleague from the State of Oregon, I am convinced that neither he, nor any other Member of this House would take any part in the Communist attempt to destroy the existing Government at Ciudad Trujillo if the facts are known and understood.

As a preface to an understanding of those facts, I believe that a brief review of the history of the Dominican Republic during this century is in order. The people of this great island nation are mostly the proud descendants of those great Spanish conquistadores who were the first discoverers and explorers of the Western Hemisphere. The proud and brave people of the Dominican Republic had no Anglo-Saxon traditions behind them as we of our own country had when we fought our Revolutionary War. The result was that stable government was long in coming to the Dominican Republic. Prior to 1930, stable and responsible government hardly existed there. Almost one President after another met death by assassination; each President ran his country further into debt, largely debt owed to European powers. When these debts remained unpaid and when the nation was facing bankruptcy, these European powers, as was then the custom, threatened Santo Domingo with "battleship diplomacy". By so doing, they ran afoul of our own Monroe Doctrine. Our own Government notified all of the creditors of the Dominican Republic that we would not tolerate armed invasion of our island neighbor under any pretense whatsoever. However, we had to admit the legitimacy of the claims of these foreign powers for the debts owed to them, and we took upon ourselves the responsibility for seeing that they were paid. To protect ourselves, we seized the Dominican customhouses, and proceeded to administer the financial affairs of that nation, at least partially until the year 1940. Our administration would have been extremely difficult if not impossible, without a responsible and stable government of that Republic. From the financial and political chaos that existed in the Dominican Republic prior to 1930, there emerged the strong and friendly government which, under the leadership of Generalissimo Rafael Trujillo, longtime President of the Dominican Republic, and now the chief of its armed forces, has provided more than 2 decades of stable government, during which the nation has become the first in the world (in modern times, at least) to become entirely free of debt. During this long period of peace, the economy of the Dominican Republic has prospered so greatly that the living standard of the people has been raised tenfold. Comparatively, the people of the Dominican Republic are, for the first time in the memory of anyone now living there, prosperous and happy. The vast majority of the people of that great island nation look with horror at the conditions under which they lived prior to 1930, and they have no intention of returning to those grim and horrible days. Only the usual small, almost minuscule in this case, minority of chronic dissenters, want to interfere with their present. A minority, that is, and one other group, an alien group, the Communists. It is the latter group, who are not Dominican citizens, and who engage in their murder, their conspiracies and their propaganda from outside of the Republic, who are behind the unprecedented smear and vilification campaign being waged against the Government of the Dominican Republic. The reasons behind this campaign will be discussed below.

Now, Mr. Speaker, let me make it abundantly clear that I make no accusation whatsoever that my young and esteemed friend, the Representative from Oregon, is knowingly serving the Communist cause, nor is any implication to

that effect to be drawn. On the contrary, I am convinced that neither Representative PORTER nor any other Member of this House would knowingly give aid and comfort to the nefarious schemes of our evil and atheistic Communist enemy. However, anyone who will believe that these international criminal conspirators will not use the Members of this House, or any Government official, or even the members of the Christian clergy, if they are able to do so, would be naive indeed. Indeed, the entire history of the evil Communist attempt to dominate the world demonstrates that it never achieves victory on the field of battle nor at the ballot box; rather, all of its numerous successes have been brought about through tactics of intrigue and infiltration, tactics at which the Communists are the greatest experts on earth. The history of modern communism, the records of the various investigative committees of this House and of the other legislative body, the public pronouncements of Mr. J. Edgar Hoover, head of the Federal Bureau of Investigation, all will show beyond doubt that for every admitted Communist Party member in any nation of the world there are at least 10 liberals, intellectuals, or fuzzy do-gooders who, wittingly or unwittingly, serve the Communist cause; and, beyond even that group there are always men and women of the best character and reputation, whose patriotism is beyond question, but who, nevertheless, feeling secure in their complacency, and in complete ignorance of what they are doing, and without any evil design or intent whatever, do in fact serve the aims and purposes of Godless communism. Probably it is this latter group who, by reason of their respectability, their standing in their communities, and their very ignorance and complacency, present the greatest danger to our Christian way of life. This is particularly and tragically true in our own great and free Nation, where we accept our great freedoms of speech, of the press, and of religious worship as a matter of course. We are a trusting and sincere people. Decades upon decades of our American way of life has conditioned us to trust in the sincerity of every man, until circumstances prove that our trust is not justified. God would that we might continue always with that simple faith in the decency, the honesty and the morality of our fellow man. God would that all men and women everywhere could enjoy that simple trustfulness of our fellow human beings which we in the United States of North America have heretofore come to accept as a way of life.

That simple presumption of honesty, morality and good faith of all men and women has become dangerous, Mr. Speaker, since the curse of atheistic communism has come upon the world. Communism is not at all concerned with truth, decency, morality and justice.

Communists, as a matter of course, will lie, cheat, steal, engage in the greatest imaginable acts of immorality, take advantage of those who have extended to them the hand of friendship—if such conduct will further their evil designs to plunge all the world into inhuman slavery and degradation. Communists and their followers have no conscience, no morals, no scruples. They are pure evil, evil incarnate. The honest and decent Christian peoples of the Americas, brought up in the tenets of Christian morality simply cannot understand nor accept the fact that such depraved human being actually exist and move about on our earth. Certainly decent people are not prepared to cope with them.

These depraved disciples of evil do exist, Mr. Speaker. They have succeeded in putting into bondage and slavery a large portion of the peoples of the earth; a very large portion of the lands of the earth have been subjugated by them, and they are determined to conquer and subjugate the remainder of the free world, and to stamp out and forever eradicate what remains of Christianity and western civilization. They it is, these depraved and evil devotees of godless communism, who now beset the free nations of our Western Hemisphere. They it is, these depraved devotees of pure evil, who have ordained that the Government of the free and independent Republic of Santo Domingo, and those who have served it successfully for so many years, shall be destroyed.

Now, Mr. Speaker, I well realize that those who are not too well informed about the Communist movement, might ask, quite logically, why should world communism be so concerned and so insistent upon, the destruction of one small American island republic? The answer to that question, Mr. Speaker is simply this: First, as has been said so often, communism loves to fish in troubled waters. The breakdown of civil authority, governmental chaos, all are to the advantage of atheistic communism. Communism has never won a free election anywhere in the world. Always it has come to power by taking advantage of a weak and confused government. Second, the conquest of the Western Hemisphere is the last remaining task of world communism. Its immediate goal is the conquest of our own great Nation, the strongest Nation in the hemisphere. To accomplish that conquest of our own Nation, however, atheistic communism must isolate us from our friendly American neighbors.

We must never forget that the science of psychology originated in Russia, now the vaunted "motherland" of atheistic communism. We must never forget that it is the Communists who are the greatest experts in mass psychology; that the Communists have taken the facts developed by the Russian scientist Anton Pavlov to the effect that certain fundamental laws apply to all living organisms, and have developed from these findings of Pavlov the cruel and brutal tortures of "brainwashing," the fantastic voluntary "confessions" and other standard Communist procedures for achieving their evil ends.

Now, Mr. Speaker, our Communist enemy knows quite well that the great majority of all of the peoples of all of the Americas are decent, Christian citizens, devoted to their God and their country, and imbued with those high ethical and moral standards which are the most valuable result of our Christian civilization. But these evil men are, as we have said, masters of mass psychology. And it is precisely this knowledge of mass psychology which gives rise to their determination to destroy the Government of our great and friendly neighbor, the Dominican Republic.

By reason of the fact that the United States of North America is the strongest and most wealthy nation of the Western Hemisphere, and by reason of such fundamental policies as our Monroe Doctrine which for so long protected our hemisphere neighbors from European colonialism, our neighbors have come to place a certain trust and confidence in us. Our Communist enemy knows that such trust and confidence must be destroyed before we are separated from our neighbors, and thus made ready for the final assault by our Communist enemy. Our Communist enemy knows that the best way to bring about this separation is to demonstrate to the world and particularly to our American neighbors, that we are weak and unreliable. Only in this manner can our Communist enemy bring about the disintegration of the warm and friendly solidarity which we have enjoyed for so long with the other sovereign nations of our hemisphere. What better way to bring about this result than to impudently and wantonly attack the government and the leaders of that small but valiant island nation, lying almost immediately off our continental shores, that nation which has, more than any other American nation, proved impregnable to atheistic communism, whose political leaders have made of their nation an invulnerable bulwark against communism, a nation with whom we have lived so long under conditions of the highest mutual respect, confidence, and cooperation?

Yes, Mr. Speaker, our Communist enemy knows too well the psychology of men and of nations. Our Communist enemy is busy all over the Western Hemisphere. In Guatemala, our Communist enemy thought he had achieved a victory, only to suffer, in the end, the sharpest rebuff that Communist slavery has ever suffered. But if atheistic communism can succeed in destroying the government and the political leaders of the small and friendly Dominican Republic, lying, as it does, just off our shores, and relying, as it must, upon us for protection against external aggression, of whatever nature, then godless communism will indeed have achieved a major and perhaps lasting victory. If we permit our Communist enemy to bring about the downfall of the friendly and cooperative Government of the Dominican Republican, then will we have any right to expect further cooperation or friendship from any of the other nations of our hemisphere? Once the Communist enemy demonstrates that we are unwilling or unable to protect our nearest, most anti-Communist and most cooperative friend from Communist aggression, then we may expect all the other nations of the hemisphere to conclude that we no longer provide the safety and defense which they have been encouraged to rely upon. We may expect our neighbors of the hemisphere to each take such measures as they may consider

proper or within their respective abilities, to provide for their own defense. We may expect, under such circumstances, the rapid and inevitable deterioration of the friendly relations and conditions which have made of the Americas the most peaceful and prosperous regions of the world. This, then, is an explanation of the importance to us, and, indeed, to the Christian world, of beating off the Communist aggression of our friend and neighbor, the stanchly Christian and anti-Communist Republic of Santo Domingo. Once this is understood, I cannot imagine any American, and particularly no Member of this House, lending aid and comfort, wittingly or unwittingly, to the Communist determination to overthrow the Government of the Dominican Republic.

And now, Mr. Speaker, let me proceed to go into the matter of the deceased Gerry Murphy, the unfortunate young citizen of our own country, whose untimely death in the Dominican Republic has brought about so great indignation on the part of my distinguished friend and colleague, Representative PORTER of the State of Oregon.

In my speech of April 1, I suggested that my colleague visit the Republic of Santo Domingo, there to obtain at first hand the facts of this case, so that he might speak to us about the matter from first-hand knowledge rather than relying on what would of necessity be, pure hearsay. In a speech appearing on page 5210 of the RECORD, and dated April 5, my colleague from Oregon rejects this reasonable suggestion for the stated reason that "it would not do any good." Frankly, Mr. Speaker, I am unable to follow the reasoning or the logic of this position by my colleague. Only by hearsay, the very thing which we reject as proof, could my friend, the gentleman from Oregon, know that a visit by him to the Dominican Republic in this matter would fail to do any good. Could it be, on the contrary, that what my esteemed colleague really fears is that a visit to that great and friendly Caribbean Republic would demonstrate to him that those serious charges which he has hurled about so recklessly are, after all, completely false? Certainly I do not believe that my colleague would want to deprive the political leaders of a friendly neighbor of those rights which we consider fundamental, and which I am sure he, in similar circumstances, would insist upon.

Mr. Speaker, I am sure that all, or nearly all, of my distinguished colleagues of this House will join with me in rejecting the further evidence that our colleague from Oregon presents in this matter. This evidence consists of unsupported statements, an editorial from a publication entitled "Coos Bay Times," a publication with which I am not familiar, but which I am sure is operated in the best American newspaper tradition, and hence spends as much time attacking west coast Communists as it does what it believes to be Latin American dictators; an editorial of the New York Times; a reference to an editorial in the New York Post; and, unbelievably, a resolution condemning the Dominican Republic by—believe it or not—Americans for Democratic Action. Since this last piece of evidence is so fantastic, coming from one of our distinguished colleagues, I feel that I must cite it specifically to you. It will be found in the daily RECORD, page A2775. I am sure that this last piece of evidence leaves us completely unimpressed.

As to the newspaper editorials, we all know that the journalists who wrote them would be the first to admit that the majority of editorials are made up of opinions, not of facts. We consider it a necessity of civilization that there be a free, but responsible, press. We expect our newspapers, in return, to report facts with complete objectivity. We are all aware that some newspapers do on some occasions slant news to fit their editorial opinions. Fortunately, however, this practice is limited, and the harm that it does is more than overbalanced by the good that a free and responsible press accomplishes for our Nation.

My distinguished colleague should know full well that the editorials which he relies upon, however honest and convinced be their authors, are, after all, nothing more than the opinions of those authors. Of course, these editorial writers have a fundamental right to hold their opinions and to express them. But by no stretch of the imagination may these editorial opinions be relied upon as fact.

Another piece of evidence mentioned by my distinguished colleague is that most ancient of all inter-American exaggerations, that moth-eaten concoction conceived by our Communist enemy so many years ago, that Dictator Trujillo, of the Dominican Republic, slaughtered 15,000 innocent Haitians. We are not going into a discussion of that matter here. It occurred over an event between two of our sovereign and friendly neighbors; we consider whatever did happen as unfortunate, but as absolutely none of our business. Be that as it may, however, I can see in this occurrence—if it did occur—nothing whatsoever of probative value on the allegation that the Dominican Republic, and particularly Generalissimo Rafael L. Trujillo Molina, had anything to do with the untimely demise of the unfortunate Mr. Gary Murphy. And, of course, Mr. Speaker, I do not believe or allege that my esteemed colleague from Oregon is so naive as to believe that he has made a great discovery or that he has been the first to make public this hoary and ancient incident about the alleged slaughter of the Haitians.

Mr. Speaker, I believe that our colleagues will agree that the allegations made by our colleague from the State of Oregon, and found on page 5210 of the RECORD are interesting if not startling. Taking me to task over my statement that our diplomatic mission was satisfied with the cooperation of the officials of the Dominican Republic, my colleague states, first, that what I said was untrue; and, second, that in any event, our Ambassador to the Dominican Republic, Mr. Pheiffer is "much too friendly with the dictator." That strange statement, Mr. Speaker, quite beyond the matter of good taste, raises some interesting questions: What degree of friendship constitutes "too much"? Is friendship, in the context of its usage in our Nation, a matter that can even be restrictedly qualified? Rather, does not honor demand that we be either friendly or unfriendly? These statements of my colleague also raise a serious constitutional question: Is not the unrestricted criticism of our foreign service officers by a member of the legislative branch in very bad taste, unless the conduct complained of has been duly brought to the attention of the Secretary of State, an officer of the executive branch?

Of course, Mr. Speaker, I must congratulate my distinguished colleague from Oregon for the strength and ardor of his aggressiveness. I am sure my distinguished colleagues will agree that not within our recent memories has a freshman Member of this House rushed in so boldly to attack those who disagree with him.

On the question of the late and unfortunate Mr. Gerry Murphy, the object of so much concern on the part of my colleague from Oregon, I am simply unable to go along with my esteemed Oregon colleague. By the statement of my colleague, it would appear that the deceased Mr. Murphy was a criminal, a kidnaper, a criminal conspirator, a man who flouted the laws of his own country as well as the laws of God. Certainly, we can have no faith in anything purportedly said by this lamented but criminal individual. Not only did he engage in the conspiracy to kidnap a fellow human being—according to my esteemed colleague from Oregon—but he also tended to bring into disrepute the Civil Aeronautics Administration—which either cleared him for an illegal flight to transport a kidnaped man out of the country, or failed to punish him after the deed was accomplished—the United States Customs Service and the Immigration Service—who took no steps to punish him after he boasted of his kidnaping—the United States Public Health Service—who failed to punish Mr. Murphy when he did not report his arrival from a foreign nation when he returned the rented kidnap plane—and, above all, the military services, who, despite all of their vaunted radar and early defense, failed to detect this unidentified kidnap plane as it left or returned to our shores on its illegal mission. Truly, Mr. Speaker, if the information given to my colleague from Oregon be reliable, then the late Mr. Murphy was not only a criminal, but a wanton character, completely indifferent to the damage he might do to the governmental departments who were responsible for the welfare of his country or to the reputations of the men and women who were the officers and employees of those departments of Government.

I am full of regret that I must say so, Mr. Speaker, but I am not impressed with Mr. Gerry Murphy, as he is described to us by our distinguished colleague from Oregon. Mr. Murphy—or the memory of Mr. Murphy—does not come to us with clean hands. We are a law-abiding people. As such we cannot be too concerned with what did or did not happen to Mr. Gerry Murphy.

I respectfully suggest to my distinguished colleague from Oregon that he might better concern himself with the welfare of those honest Americans still rotting in the stinking and rotten jails and torture chambers of Communist China, than with what happened to an American who, by his own admission, chose to become involved in a criminal kidnaping conspiracy.

It is my sincere hope, Mr. Speaker, that we may now bring to an end this matter of Mr. Gerry Murphy and the Dominican Republic. Let there be no misunderstanding, however, of my own position. I owe nothing to the Dominican Republic, nor to any citizen or official of that nation. Neither does that nation, its citizens, or its officials, owe anything to me. I do owe it to my country, to my God, and to myself not to stand idly by while an attempt is being made to destroy a small and friendly nation, whose only crime is that it has refused to knuckle down under the assaults of atheistic communism. I believe that the overwhelming majority of my colleagues of this House share those sentiments.

Before finally leaving the Gerry Murphy aspect of this matter, Mr. Speaker, I should like to point out that in this case the "jingling of the guinea" do, to some extent, "heal the hurt that honor feels." As pointed out by my good friend and colleague from the State of Oregon, the family of the man who brought about the death of Gerry Murphy, has paid to the parents of the dead man, damages in the amount of $50,000. If it was necessary to twist the arms of these unfortunate parents, or if any dictatorial methods were used to get them to accept this money, we are not so advised. From the statements of our esteemed colleague from Oregon, we believe that he is in perfect good faith, and we are sure that he would consider any money coming from the Dominican Republic to be tainted with the evils of what he terms dictatorship. I am sure that he will understand that all of his colleagues sincerely sympathize with him and share with him the embarrassment which he must feel by reason of the parents of the late Gerry Murphy having accepted this tainted money as damages for the death of their son.

In conclusion, Mr. Speaker, I want to put into express words something that I have heard often discussed, but which has not heretofore been stated officially so far as I know, and that is this: Granting, for the purpose of this statement, that the Dominican Republic is a Dictatorship, that Generalissimo Rafael L. Trujillo Molina is an absolute and unprincipled dictator, possessed of all of the attributes of Satan himself, and that His Excellency, Hector B. Trujillo Molina, President of that great Caribbean Republic is merely a figurehead; admitting, Mr. Speaker, that all of these things are true—which, of course we know not to be true—even then, what business is it of ours as to what type of government the people of the Dominican Republic have, or in which manner their Government operates, so long as that Government and its operation, presents no danger to our own rights? We call ourselves the good neighbor of the other nations of our Hemisphere. One certainly cannot be a good neighbor if he persists in meddling in the affairs of his own neighbors. Such meddling will not be tolerated among individuals nor among nations. Too long have we in our own great Nation said, in effect, to our Latin American neighbors, that they should divide themselves into two political factions, Democrats and Republicans, in about equal proportions, in a pale imitation of our own political way of life, and hold an election every 4 years. We have said to them, in effect, if they will do this, then we shall pick up all the checks, pay all the bills. This has been nothing short of silly. Mr. Speaker, I care not what type of government is maintained at Ciudad Trujillo, so long as it is not an atheistic Communist government which would endanger our own safety and security. I would not permit Generalissimo Rafael Trujillo Molina to tell us what type of government we must maintain in our own country. I would fight any attempt by any other nation to intervene in the affairs of our own Nation. By the same token, I shall resist any attempt of our Government to intervene in the affairs of any other nation. Quite frankly, Mr. Speaker, this constant cry of "Dictator" leaves me unimpressed. Intervention into the affairs of other sovereign nations is immoral and intolerable. The type and form of government which the great and honorable people of the Dominican Republic choose to have, as well as the political leaders they chose to govern them, is strictly none of our business. I am sure that these are the sentiments of all decent and patriotic Americans.

When it comes to patriotism, Mr. Speaker, we have no Republicans and no Democrats in this House. We have only representatives of the great people of the United States of North America. In giving friendly assurances of neighborly appreciation and support to Chief of the Armed Forces, Generalissimo Rafael L. Trujillo Molina, to His Excellency, President Hector B. Trujillo Molina and to all of the proud and brave people of the great Dominican Republic against the Communist aggression that is being waged against them, I stand with such of my great and honorable colleagues as Representative JOHN MCCORMACK, the distinguished floor leader of this House, and a Democratic Congressman from the great and historic State of Massachusetts, and with that equally great and honorable Representative from the State of New Jersey, Congressman BERNARD W. KEARNEY (Pat). These men are true patriots. They are great Americans. I am honored to stand with them. Also, I stand with my God and my country. I shall continue to do so. To paraphrase another great American, I shall continue to stand for Christianity and for decency upon men, as God shall give me to see that Christianity and that decency, in order that human liberty, human freedom and our great Christian religion shall not perish from this earth. Let those who believe otherwise do as they wish. Let those who make light of Christianity a light and joking matter, who ridicule it by referring to it in terms of "light years" do as they wish. As for me, and I am sure for a great majority of my Christian colleagues in this House, I shall, come what may, pursue the course of honor and decency. I shall continue to do so, whatever be my position in life, whether I am, in the future, a public official or an humble citizen, for so long as I live upon this earth.

HALT THE IMPORTATION OF UNEMPLOYMENT

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from West Virginia [Mr. BAILEY] is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, I consider the time opportune that the Congress give thought to halting the importation of unemployment.

Last week my colleague from Pennsylvania [Mr. SAYLOR] took the floor of the House to take exception to the current campaign to pipe natural gas into our fuel markets from the Dominion of Canada. He explained that there have been Members of Congress from both parties who have been fast-talked into lending support to this campaign.

I have been watching the situation for a long time, and I agree that it has reached the point where we who are cognizant of the potential economic repercussions must step in and protect this Nation's interests. The gentleman from Pennsylvania is seated on the other side of the aisle, but in this case we are going to solicit Members of both parties to aid in putting a stop to this nonsense. When the jobs of American citizens are at stake, we cannot spare the horses—or elephants, or donkeys.

Promoters of the Canadian gas program have persuaded public officials to go down to the Federal Power Commission and grease the way for the pipeline application. I do not know whether this type of pressure is considered cricket in Canada. As a quasi-judicial agency of the Government, the FPC is charged with making decisions on evidence and testimony presented at hearings. For elected State and Federal officials to tell the judge what his verdict should be is—to say the least—somewhat unusual in this country. It is hoped that the FPC will not be influenced by this type of administrative lobbying and will ultimately render a decision that will be in the best interests of American industry, labor, and the public as a whole.

Mr. Speaker, the application to which I refer would provide for the construction of a gas chamber to bring sudden death to the economy of mining towns in West Virginia and elsewhere. I do not condemn the Canadians for wanting to peddle their gas in this country or wherever else they can sell it. I do charge American supporters of this plan—and I do not care which party they happen to represent—with a selfish and narrow attitude.

Just how far do these fellows wish to go in intruding upon the economic security of fellow American workers? Industrial centers of Minnesota and adjacent areas have been built upon the fuels that God placed beneath our soil

and which have been extracted through the investment, labor, industry, and imagination of American citizens.

Let us imagine ourselves in a mining community of West Virginia—or it could be in a town in Ohio, Pennsylvania, Kentucky, Indiana, or Illinois. The mining company which is responsible for a considerable portion of the local employment opportunities has among its customers some industrial firms in the State of Minnesota. The tonnage may not be particularly heavy, yet it could very easily represent the bread and butter of scores of families in that mining community. They depend upon this outlet for their livelihood.

Now, then, gas is suddenly discovered in great quantities in the Dominion of Canada, and every possible consuming area is canvassed. What about that lucrative industrial region across the border that has already been built up by domestic coal and oil as a big fuel market? Certainly you are going to find the people who produce the gas and run the pipelines trying to invade this lush field. Perhaps their offers have wide appeal to fuel users in this country. Is that any justification for permitting them to come in here and put our own people out of work?

There has not been a single session of Congress in the past two decades that someone has not sounded off about dropping our tariff barriers so that a foreign nation could find it easier to get into our markets. I will say that no one is more desirous than I of wanting to work closely with the other free nations of the world, but I do not believe that it should be necessary for us to surrender our standard of living in order to stay on working terms with our foreign friends. I do not believe that anyone can accuse me of being inconsistent on this matter of tariff and trade, because I have been adamant about protecting all segments of the American economy. In other words, my efforts have not been to the exclusive benefit of my own congressional district.

Now we hear that elected officials from Minnesota and elsewhere are demanding that foreign gas be admitted at the expense of American coal and oil. Let me ask whether this group feels the same way about other commodities produced in Canada and in other allied countries. If we are going to permit tax-free foreign natural gas to come into this country, should not the same consideration be given to meat, dairy products, and grain?

I remind the gentlemen from the States producing these foodstuffs that coal has no price-support program and that the Government does not take the excess production of coal and distribute it around the world or put it in a storehouse. I challenge my friends from the Midwest who are so voluble about opening our markets to Canadian gas; I challenge them to show reason—moral and economic—why the products of West Virginia should be exposed to unfair foreign competition while industries in their part of the country are snug and secure within the framework of adequate tariffs, import quotas, and section 22 of the Agricultural Adjustment Act.

I am not suggesting that we should drop these barriers and thus destroy the thousands of jobs that would be certain to fall before the invasion of commodities produced in countries where workers receive only a small percentage of the income of their counterparts in the United States. Not at all. I believe that it is obligatory on the part of the Federal Government to defend both management and labor against inequitable foreign competition. I appeal to my friends from the Middle West to provide for the people of West Virginia and other coal-producing regions the same consideration that is making it possible for their own constituents to earn a living.

Mr. Speaker, I feel confident that the Federal Power Commission will ignore the efforts of pipeline supporters to influence its decision. If, in its wisdom, the Commission is of the opinion that taking economic impact into consideration is not within its scope of authority, then the burden will be upon Congress to place such power into the Commission's hands through the medium of an amendment to the Natural Gas Act. Meanwhile it is my hope that elected State and Federal officials who front for the international pipeline project will cease in their efforts to meddle in the business of the Federal Power Commission.

May I take this opportunity to advise my colleagues of the House that on yesterday I introduced in the Congress legislation to provide for classifying natural gas as a fuel, by amending the Internal Revenue Act of 1930, the Smoot-Hawley Tariff Act, so that we can put an import tax on the shipment of Canadian gas being piped into this country.

May I also call attention to the fact that every ton of West Virginia coal sold in the Dominion of Canada for consumption must pay a 50 cents per ton import duty before it can be shipped into Canada. Why should we let Canadian people pipe gas through pipes of 18-inch capacity into this country free without being brought under the Internal Revenue Code and properly classified?

Much reference is made to balancing the budget these days. If that gas is to come here in hundreds of millions of cubic feet, we might have a right good source of revenue that would help us pay some of these bills you hear so much complaint about on the floor of the House.

THE HONORABLE D. S. SAUND

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Maine [Mr. COFFIN] is recognized for 5 minutes.

Mr. COFFIN. Mr. Speaker, it so often happens in this House that problems of great moment are discussed. You have heard them discussed within the past hour. But sometimes we lose our perspective and what I want to talk about for a moment or two is something that has been of great help to me in keeping the perspective of this country's greatness.

There are many Horatio Alger stories in this House. Probably there is a story about every Member. But it is my privilege today to bring to you the story of one of our Members that has been reported in the May issue of Coronet magazine. I am speaking of my distinguished colleague on the Foreign Affairs Committee, Judge SAUND, of California. I commend this article to your attention, which is as follows:

MR. SAUND GOES TO WASHINGTON

(By Joseph Laitin)

(The new Representative from California is a Sikh, a disciple of Gandhi, and a two-fisted peacemaker turned farmer and businessman. As the first native of India ever elected to Congress, he considers himself a living example of democracy at work.)

The 20-year-old Sikh in a snow-white turban that set off his sensitive, dark-skinned features told the immigration inspector on Ellis Island in clipped British accents that he came from Amritsar, India, and that he wanted to enter an American university. The official validated his student's visa for a permanent stay. That was 38 years ago. Today, DALIP SINGH SAUND sits in the House of Representatives, the first native of India ever to be elected to Congress.

Except for a slight trace of British accent, he is completely American in appearance, manner and thought. A distinguished looking, even-tempered man of medium height and solid build, his boundless energy and heavy shock of blue-black hair, uncovered now, belie his 57 years. He looks and talks more like a college professor than the farmer and businessman he is.

DALIP SAUND'S election to Congress from California's 29th Congressional District hit his native India like a thunderbolt. For newspapers there, long fed on Russian propaganda, have encouraged the belief that oppression of minorities in the United States was accepted national policy. To be suddenly confronted with the astounding fact that a native of Amritsar had been elected to one of the highest offices in the United States was a very hard blow. But there it was.

DALIP SINGH SAUND had been elected from a district generally considered politically conservative. And he had defeated Jacqueline Cochran Odlum, the famed aviatrix, who not only typified American rags-to-riches success but was married to one of the Nation's richest financiers, a veritable symbol of capitalism.

"I would like to fly to India," SAUND stated, "and say to the people in their own dialect: 'Here before you is a living example of American democracy at work.'" Through the Voice of America he has already done so; and he hopes, before the end of the year, to say it in person.

SAUND may have emerged on November 6 as a symbol of American democracy, but this was an incidental byproduct of his election. For he campaigned strongly on local issues, which revolve mainly around water and farm subsidy.

Much to his surprise, he won appointment to the important House Foreign Affairs Committee, something of a coup for a freshman Congressman, as it is 1 of the 3 most powerful committees in the House. Yet, while pleased with the assignment because of his intense interest in world affairs, SAUND is likely to concern himself less with the woes of India than the problems of Indio, a desert town in his district.

In his first mimeographed letter to his constituents, he discussed farm problems at length, made almost casual reference to the "high honor" of his appointment to the Foreign Affairs Committee, and neglected to mention that he was one of the few Congressmen with whom Nehru, India's Prime Minister, had spent time during his visit to President Eisenhower.

The congressional district SAUND represents is 200 miles long and 100 miles

wide, an area larger than Delaware. It includes California's Imperial and Riverside Counties, which stretch from the Mexican border to the fringes of Los Angeles.

Normally a Republican district, it went heavily for President Eisenhower, as expected. But thousands of citizens who voted for the President crossed party lines when they came to DALIP SINGH SAUND'S name on the ballot. His election made him the first Democrat this sprawling area ever sent to Washington.

"People say it was an upset," SAUND comments, "but it wasn't. I knew it would be close, but I never had any doubts about the outcome. I had it all figured out—mathematically."

Although he says this partly in jest, he may very well have. For SAUND came to this country to study fruit canning at the University of California (he earned his tuition by working nights in a packing plant and grading papers for professors by day), but while there he also obtained a doctor of philosophy degree in mathematics.

Armed with this knowledge, he prepared to return to India in the mid-1920's. He had been a disciple of Mahatma Gandhi. But by this time Gandhi was in jail; so was Nehru. His family warned him that the authorities had a complete dossier on his anti-British utterances in America.

SAUND decided to remain in the United States until things cooled off in India. America's discriminatory laws against Indians seemed less repugnant than the prospect of a British jail cell. Looking around for employment, he visited California's Imperial Valley and was impressed with the affluence of its farmers. He decided to try his luck at Westmoreland.

In the Valley he found prejudice against Mexicans, Japanese, Chinese and Indians, who were prohibited by law from owning or leasing land. But his intellectual prowess, combined with his warmth of personality, soon melted or awed most of the bigots.

Not planning to make America his home, SAUND concentrated on making a go of farming, even though land was not legally available to him. Irrigation farming is largely management operation and he read everything about it he could lay his hands on. He made friends with landowners and eventually talked one of them into permitting him the use of several acres under a private arrangement.

He earned a reputation as a good farmer and others sought his advice. "Dalip was never too busy to get off his tractor and help me with some problem I had on my own land," recalls one farmer, "and if he didn't have time, he'd make it. I don't know whether he read the book on irrigation farming or wrote it. He was a man who always seemed to know what he was talking about."

SAUND prospered, except for one year during the depression of the early thirties, when he owed everybody money. His friends suggested he take refuge in bankruptcy. SAUND swore he would pay back every last dime.

He did, but it required 10 years. His last outstanding debt was an $80 bill owed to an oil company, and when he walked into their office to square accounts, it took a week to dig up the records of what they'd long ago written off.

Even in his early days as a dirt farmer, SAUND was active in civic affairs. He joined the Toastmaster's Club, mainly because of a desire to polish his platform personality, and eventually won its annual regional speechmaking competition. Today, he is rated as a spellbinder, despite his clipped, high-pitched voice, not uncommon among Indians.

The following year, the competition was won by E. H. Cain, one of SAUND'S first American friends, who immigrated to California from Texas around the time Saund came from India. At a luncheon commemorating his friend's award, SAUND observed: "Last year, you awarded the prize to an Indian. This year you award it to a Texan. Aren't you carrying the policy of nondiscrimination too far?"

SAUND first came to local public attention when he published a book, My Mother India, its theme anti-British imperialism. It was banned in India, and the local post office bulletin board announced that SAUND'S book could not be accepted for mailing there. That was the first anybody knew that he'd written one.

It earned him a local reputation—totally undeserved—as something of a young radical, which plagued him right through his campaign for the congressional seat. Actually, many of his political supporters feel he is so conservative he barely scrapes under the wire as a liberal.

In 1928, SAUND married Marion Kosa, Massachusetts-born daughter of a landscape painter. And when he found himself the husband of one American citizen and the father of another, he turned his attention to mobilizing and leading the fight to make the 3,000 Indians in this country eligible for citizenship. In 1946, President Truman signed the bill which accomplished this. SAUND became a full-fledged American citizen in 1949.

He won his first elective office as judge of justice court, Westmorland judicial district. Westmorland, at the time, was notorious as a center of vice and gambling which flourished on the trade of itinerant fieldworkers. Judge SAUND'S first case was a woman who was no stranger to the court; she pleaded guilty and promptly opened her purse to pay the customary fine. SAUND rapped his gavel: "One year, madam." Within a few months, Westmorland was the cleanest town in California.

His uncompromising crackdown on vice came as no surprise to his intimates. SAUND was reared as a Sikh, a religious sect in India that demands of its followers clean living, the worship of one God, and the rejection of the caste system. SAUND doesn't drink or smoke, but nobody would accuse him of being stuffy.

Even though not an attorney, Judge SAUND became so thoroughly versed in the law that attorneys who appeared before him were often amazed. It was a favorite pastime for members of the community to drop over to the courthouse when some smart aleck lawyer from San Diego was scheduled to appear as a defense counsel.

"Judge SAUND sure put them in their place when they tried to trip him because he wasn't a lawyer," chuckled one local farmer recently. "Once Dalip has read a book, he can recite it back to you 10 years later. They'd throw the book at him and he'd just throw it back, word for word."

SAUND found it difficult to continue his farming and still give adequate attention to his judicial post, which did not pay enough to maintain a family of five. So he discontinued farming and opened a chemical fertilizer plant, which he still operates.

At a political rally during his congressional campaign, a heckler rose and demanded: "What makes you qualified to go to Washington? You're only a part-time judge and your real job is selling fertilizer."

A businessman came to SAUND'S defense with: "But it's chemical fertilizer."

Ignoring the heckler, Judge SAUND fixed the businessman with a stern eye. "Let's not have any snobbery here," he said. SAUND won a lot of votes that evening.

The whole family pitched in on SAUND'S campaign. It is a closely knit family. The eldest daughter, Julie, a former UCLA student, is now married to a physicist studying for his Ph. D.; Ellie is an education major at UCLA; and Dalip, Jr., a lieutenant wounded in action during the Korean war, is studying for a degree in mechanical engineering at California Institute of Technology and working nights as a sheet metal worker.

The Saund family home is now on some land SAUND bought in the Hollywood hills overlooking the city. He designed the kind of house he wanted and hired men to build it. After observing the carpenters for 2 weeks, SAUND decided he could do better himself. So, with the help of Dalip, Jr., he erected the 3-bedroom house, calling in professional help only when the law required him to.

While SAUND was a devout disciple of Ghandi, he had two other boyhood idols—Abraham Lincoln and Woodrow Wilson—and read every book about them he could find. "They were my first glimpse of the wonderful heritage of America," he says.

His worship of Gandhi's principles are still a part of him, and he carries this tolerance of others' views into his politics. In fact, in the California Democratic Party he is known as "the peacemaker."

In the aftermath of any election, there is always lively speculation as to what factors influenced the voters. Democratic National Committeeman Paul Ziffren thinks SAUND won because he was an able candidate and because the organization made an all-out effort to get the foreign-born population to register. Others think it was because many independent voters believed that sending an Indian to Congress would show the Russians a thing or two about America.

But a dirt farmer from the Imperial Valley puts it this way: "He's growed cotton. He's growed lettuce and beets. He's worked in hay and he's worked for wages. And he won't let any smart aleck lawyers trick him. That's why we sent him to Washington."

Mr. Speaker, this is the story of a man who came here from India and has been a citizen of this country but 8 years. He now sits with us in this chamber where he is making a very real contribution both in his judgments and in the strength of his convictions.

I would like to quote part of the paragraph which ends this article. There are many theories as to why his people sent him here, but the article concludes by quoting a dirt farmer from the Imperial Valley who had this to say:

> He's growed cotton. He's growed lettuce and beets. He's worked in hay and he's worked for wages. And, he won't let any smart alec lawyers trick him. That's why we sent him to Washington.

Mr. Speaker, I feel we are indeed fortunate in having such a good friend as my distinguished colleague from California sit with us. I think his story is an inspiration to all of us and to all of the people, and I think that it is part of the lesson of America that we must continue to bring to the people of this world. It is a lesson that is far more important than money, far more vital than arms. It is the very heart of America itself.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. COFFIN. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, I, too, have read this magnificent article about our good friend, Judge SAUND, and I commend the gentleman from Maine for calling it to the attention of the Memmers of the House. Judge SAUND is my neighbor in the House Office Building in which my office is located. He is a gentleman in every respect, and I have been very much gratified by the opportunity which my service here has given to become acquainted with this great Ameri-

can, even though he has only had his citizenship for a few years.

Mr. COFFIN. I thank my friend for his contribution.

Mr. COFFIN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

PRESS SERVICE OF USIA

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, occasionally someone questions the function of the Press Service of USIA in making available a wireless file of news throughout the world. I believe some factual information on this subject will be useful in giving a complete picture of this service, and what it accomplishes.

The wireless file carries official news, based on texts of official statements and on special stories chosen and written to promote specific program objectives. It also carries full texts of important speeches and statements by the President and other Government leaders, as well as texts of major United States policy statements.

The wireless file also carries commentaries, in the form of special columns, backgrounders, and roundups of editorial opinion from the United States and world press. The commentaries are researched and written to emphasize certain policy objectives and to correct damaging misconceptions about the United States or to counter hostile propaganda.

Commercial news files are not in business to promote United States Government policies. Because of high transmission rates they frequently carry only the highlights of important United States policy statements.

Commercial agencies cannot devote much space to background information or commentary designed to explain and interpret the United States position. In most instances, the relatively high cost of long-haul communications precludes them from furnishing overseas clients with full text and full spell out coverage of important United States developments.

The best illustration of how the wireless file does not compete with commercial news agencies is to point out the content of a typical day's filing of news. For example, 27 percent is devoted to the texts of speeches by the President, Secretary of State, and so forth. Fourteen percent is devoted to anti-Communist stories or themes, 13 percent to roundups of editorial comments. In contrast 6 percent covers stories on general news.

Many countries served by USIS are not covered at all by the United States commercial agencies—Afghanistan, Belgian Congo, Ethiopia, Iran, Iraq, Jordan, Libya, Morocco, Nigeria, Syria, Gold Coast, Kenya and Tunisia. Others receive only limited service—Ceylon, Egypt, India, Israel, Lebanon, Pakistan, and Turkey.

It should be noted that in the Middle East and south Asia areas, the Soviet Tass service is available gratis to all publications in Turkey, Lebanon, Israel, Egypt, India, Pakistan, Afghanistan, and Iran. And Tass, of course, is widely available in Europe and Scandinavia. In addition, it has outlets in southeast Asia, the Far East, and South America.

The economy of journalism in most parts of the world is a much more hard-pressed affair than it is in the United States. Many papers in many areas of the world cannot afford to contract for American private news agency services; in most cases this is due to the long communications haul and consequent high toll rate. These papers, some of which can afford to pay for less expensive news service, almost uniformly rely upon non-American news agencies such as Reuters, Agence France Presse, Tass, and others. Tass, offering its file without any charge, would have the field to itself in a great many areas of the world if it were not met by the USIA wireless file.

Here are some examples of the effective use made by this wireless file:

When the Times of India received conflicting stories from Reuters and AP on the delicate question of the possible use of force in the Suez Canal crisis, the news editor called USIS for clarification. The Reuters story, he said, indicated that the President advocated the use of force to keep the Suez Canal open. AP on the other hand said that the President was opposed to the use of force. Portions of the official text from the wireless file were read over the phone to the editor, showing that the AP story was essentially correct. A copy of the official text was at that time on the way to the Times of India by messenger.

Athens, in a dispatch of October 12, reports USIS Press Service provided 90 percent of the background material for a series of five articles on Unrest Behind the Iron Curtain, which the Athens daily Ethnikos Kyriz published recently.

Beirut in December reported widespread useage in Lebanon of a special column—December 5, 1956—detailing United States policy in the Near East. The column, said USIS Beirut, inspired a number of editorials favorable to the United States and was prominently quoted by editorial writers.

Karachi reports that the Karachi Morning News of December 5 carried verbatim a 1,000-word special material chronology of Peiping statements supporting Soviet action in Hungary.

Addis Ababa, Ethiopia's new—and only—daily newspaper "relies on the USIS file to fill its pages," Addis Ababa reports. "In some issues of the paper," it was noted, "as much as half of the material has been supplied by USIS."

Outstanding cooperation was obtained from some 14 large daily newspapers throughout the United States in filing excerpts from their editorials on the election of President Eisenhower, the Hungarian crisis and the Egyptian crisis.

CONTESTED ELECTION OF CARTER v. LECOMPTE (H. DOC. NO. 153)

The SPEAKER laid before the House the following communication, which was read and referred to the Committee on House Administration and ordered to be printed:

APRIL 16, 1957.

The honorable the SPEAKER,
House of Representatives.

SIR: From the attorney of record for the contestant in the contested election case of *Steven V. Carter* v. *Karl M. LeCompte* for the seat in the 85th Congress from the Fourth Congressional District of the State of Iowa, the Clerk has received a communication submitting certain motions for consideration by the Committee on House Administration.

The communication in this matter is being transmitted to the House for possible reference to the Committee on House Administration, at the request of the attorney of record for the contestant.

Respectfully,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.

AID TO DISTRESSED AREAS

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, it is a well-known fact that many communities in the United States have not shared in the economic growth and prosperity that have generally prevailed throughout the country in recent years. The Federal Government to a great extent shares the responsibility of alleviating the economic distress in these areas. This is not a partisan view.

President Eisenhower recently spoke in support of a program to help labor surplus areas. Then, too, in the last election both major parties incorporated a solemn promise in their respective platforms supporting legislation to aid labor surplus areas.

There is evidence of strong support for such legislation since the Senate during the 84th Congress approved a bill on the subject by a 2 to 1 vote. At the same time, the House Banking and Currency Committee unanimously approved a bill similar to the measure that was passed by the Senate. Unfortunately, however, the House failed to act on the legislation because the majority and minority were divided on several administrative details and a few basic provisions with regard to the execution of the program.

NEED FOR COMPROMISE

As a result of the failure of the 84th Congress to take final action, we still do not have a program to help depressed areas. The administration has proposed one approach to the problem and the Democrats have taken a somewhat different approach. Frankly, it is time to stop squabbling over details and to unite in enacting a long-overdue program to help labor-surplus areas. I am not interested in who gets the credit for the enactment of the program. What I am

interested in is that a workable and effective program should be enacted which would help alleviate the unfortunate economic conditions that exist in many of our communities.

With this purpose in mind, I have introduced today, H. R. 6975, "Area Redevelopment Act of 1957," which attempts to compromise between the several positions that have received major attention in the 84th and 85th Congresses. It is my belief that my bill, H. R. 6975, adopts the best provisions of the proposals of the administration bill, S. 1433, as well as the best that can be found in S. 964, the bill introduced by Senator PAUL DOUGLAS, of Illinois.

Like the administration bill, S. 1433, my proposal is intended to aid industrial labor-surplus areas only. This does not mean I am opposed to extending aid to low-income rural areas. I do not believe, however, that the two programs fit into the same bill.

You will recall that last year the Department of Agriculture initiated a rural-development program. I am informed that this program is a step in the right direction to help the low-income rural areas. The administration has already proposed to increase the budget for a rural-development program. If need be, Congress should appropriate additional funds to expand that program even further. With the exception of providing assistance to rural areas, therefore, my bill constitutes a compromise between the two approaches, as I have suggested earlier.

It is my opinion that the administration bill, S. 1433, does not go far enough to meet the needs of chronically depressed areas, which need Federal help in forms of grants, vocational training with compensation, and Federal loans. While on the other hand, the Douglas bill, S. 964, provides too liberal aid to areas whose economic decline is of recent duration. In this connection, such communities normally have sufficient resources and should not be entitled to the variety of programs offered in the Douglas bill.

AID SHOULD BE PROVIDED ON BASIS OF NEED

I believe that the solution to this difference lies in providing various types of aid that would be available to communities with labor surplus. The extent of the help would be based upon the duration and levels of unemployment. Under my proposal, as embodied in my bill, H. R. 6975, the neediest communities would get the most aid, while the help extended to the less needy communities would be more limited.

This approach would also make it possible to reduce the Federal expenditures, but still leaves sufficient funds for communities which meet the most rigid tests of chronic unemployment and economic distress.

My bill, H. R. 6975, provides for designation of three different levels of unemployment, such levels determining the eligibility of the areas for different types of programs.

The three levels of unemployment are as follows:

First level: The unemployment rate in the area is 6 percent or more, adjusted seasonally, and has been 6 percent or more at least 8 months in each of the preceding 2 years.

Second level: The unemployment rate in the area is 8 percent or more, adjusted seasonally, and either has been 8 percent or more for the major portion of each of the preceding 2 years or has averaged 12 percent or more during the preceding year.

Third level: The unemployment rate in this area is 6 percent or more, adjusted seasonally, and either has averaged 6 percent or more during the preceding 5 years, 8 percent or more during the preceding 3 years, or 12 percent or more during the preceding 2 years.

Here is how I would apply these criteria to the various types of programs offered in the administration and in the Spence bills.

I. TECHNICAL ASSISTANCE

I believe that all communities with labor surplus should be entitled to technical assistance from the Federal Government. But that does not mean that the community which has had just 6 percent unemployment for parts of the last 2 years should be entitled to receive the same aid as the community which has been subjected to chronic unemployment many years.

I would, therefore, limit the extent of technical assistance given by the Federal Government to communities in the first level, mentioned before, to only one-third of the total cost of the needed technical assistance, and would require that the other two-thirds of the needed funds should come from State or local sources.

However, for the most needy communities I would extend Federal assistance to provide as much as 3 out of every 4 dollars needed.

II. LOANS

The administration bill, S. 1433, now provides that Federal participation in loans to labor surplus areas should be limited to 35 percent of the cost of the proposed projects. The Douglas bill, S. 964, would go as high as three-fourths of the total cost of the project.

In this connection, I believe that the administration proposal is amply adequate for communities which meet the criteria of the first level of unemployment, but is certainly not sufficient for areas which have suffered from chronic unemployment for many years.

My bill, H. R. 6975, would extend Federal participation under the proposed loan program, as follows:

A. For the first level areas, up to one-third of the total cost of the project.

B. For the second level areas, up to 50 percent of the total cost of the project.

C. For the third level areas, as much as 75 percent of the total cost of the project.

In addition to providing loans to labor surplus areas, my bill, H. R. 6975, will amend section 207 (a) of the Small Business Act of 1953, by providing that in making and approving loans first preference be given to small business concerns which are otherwise qualified and which are located or about to locate in areas of substantial and persistent unemployment.

Section 207 (a) of the Small Business Act of 1953 is also amended by making eligible for loans local private nonprofit organizations, including industrial foundations, development corporations, and similar groups, formed to assist, develop, and expand the economy of areas of substantial and persistent unemployment, as certified under section 4 of the Area Redevelopment Act of 1957, but only where the purpose of the loan is to enable such organizations to provide supplementary assistance to one or more small-business concerns in such areas which have qualified for loans under the preceding provisions of this subsection.

In making and approving loans under this subsection, first preference at all times shall be granted to qualified small-business concerns certified as being located in areas of substantial and persistent unemployment or about to locate in such an area and to local nonprofit organizations previously described under this amendment to section 207 (a) of the Small Business Act of 1953.

III. GRANTS

The administration bill, S. 1433, makes no provision for grants except in the case of technical assistance, while the Douglas bill, S. 964, provides for Federal grants for public facility projects. I do not believe that all the communities that have some labor surplus should be entitled to this type of aid. Therefore, my bill, H. R. 6975, in addition to providing loans for public facility projects, would allow Federal grants up to one-third of the cost of the public facility project in level 2 areas and up to two-thirds of the cost of the project in level 3 areas.

IV. SUBSISTENCE PAYMENTS

The administration bill, S. 1433, does not allow any subsistence payments to persons undergoing training for new jobs in labor surplus areas. I believe that this type of program should be used sparingly and in extreme cases only. Therefore, my bill, H. R. 6975, extends Federal subsistence payments to people undergoing training only in areas with the most chronic unemployment; namely, those which are classified in level 3.

My bill, H. R. 6975, would assure that the neediest communities would get adequate aid and in addition, it encourages the several States to establish their own program of area redevelopment and by limiting some of the aid provided by the Douglas bill, S. 964, it would also be possible to reduce the total cost of these area redevelopment programs.

Mr. Speaker, it is my belief that my bill, H. R. 6975, constitutes a genuine compromise between the administration bill, S. 1433 and the Douglas bill, S. 964. This is especially true when you compare the cost of the three bills.

Recognizing the administration bill, S. 1433, as a conservative approach, it will cost about $55 million; while the Douglas bill, S. 964, represents an ultra-liberal approach to the subject and would cost in excess of $325 million. My compromise bill, H. R. 6975, would cost in the neighborhood of $200 million and would extend Federal aid to labor surplus areas in a reasonable yet realistic manner.

Mr. Speaker, I most earnestly beseech all those who would like to see Federal aid extended to alleviate unemployment conditions in depressed areas to unite behind this compromise bill, H. R. 6975.

RECESS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess at any time subject to the call of the Chair this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The SPEAKER. The House stands in recess subject to the call of the Chair. The bells will be rung 15 minutes before the House reassembles.

Accordingly (at 2 o'clock p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 50 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 310. A joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

MAKING ADDITIONAL APPROPRIATIONS FOR THE FISCAL YEAR, 1957

Mr. CANNON. Mr. Speaker, by direction of the Committee on Appropriations I submit a privileged resolution (H. J. Res. 312) and ask unanimous consent for its immediate consideration in the House as in the Committee of the Whole.

The Clerk read the title of the resolution.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Resolved, etc., That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1957, the following sums:

CHAPTER I

Small Business Administration

Salaries and Expenses

For an additional amount for "Salaries and expenses," $1,100,000, to be transferred from the "Revolving fund, Small Business Administration."

Revolving Fund

For additional capital for the Revolving fund, authorized by the Small Business Act of 1953, as amended, to be available without fiscal-year limitation, $45,000,000.

CHAPTER II

Department of Health, Education, and Welfare

Social Security Administration

Grants to States for public assistance

For an additional amount for "Grants to States for public assistance", $275,000,000: *Provided*, That not more than $16,728,000 of this amount may be used for State and local administration.

CHAPTER III

Legislative Branch

House of Representatives

For payment to Cleo C. Fernandez, widow of Antonio M. Fernandez, late a Representative from the State of New Mexico, $22,500.

For payment to Elizabeth F. Hand, widow of T. Millet Hand, late a Representative from the State of New Jersey, $22,500.

For payment to Wilberta R. Hinshaw, widow of Carl Hinshaw, late a Representative from the State of California, $22,500.

For payment to Mildred N. Priest, widow of J. Percy Priest, late a Representative from the State of Tennessee, $22,500.

CHAPTER IV

General Provisions

Appropriations, funds, and authorizations made available by this joint resolution shall be charged against any corresponding appropriations, funds or authorizations made available by H. R. 4249, 85th Congress (Urgent Deficiency Appropriation Act, 1957) whenever said H. R. 4249 is enacted into law and shall also be in lieu of any corresponding appropriations, funds, or authorizations made available by House Joint Resolution 310, 85th Congress, whenever said House Joint Resolution 310 is enacted into law.

Mr. CANNON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, in an effort to provide appropriations for small business and social security before the Easter recess, the committee submits a joint resolution providing $45 million for loans and $1 million for related administrative expenses for the Small Business Administration.

The resolution also carries $275 million in grants to the States for public assistance and the customary allowance to widows of deceased Members of the House.

The bill totals $321,100,000 and includes a million dollars more for grants to the States than was provided in the House bill.

With these amounts, ample provision is made for the two agencies to carry them past the emergency and until final provision can be made after the recess.

I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I move to strike the last word.

Mr. Speaker, this resolution represents the third attempt of the House to make necessary provision for two Government programs which must be provided with additional funds without further delay. We attempted to do this at first in the urgent deficiency bill passed by the House on February 5. We made another attempt on yesterday, April 16, and today the other body has amended our action of yesterday in such a manner as to preclude agreement on the several propositions contained in House Joint Resolution 310.

This third resolution provides for the following:

SMALL BUSINESS ADMINISTRATION

Forty-five million dollars for loans and $1,100,000 for related administrative expenses.

This agency has been out of money for some time.

GRANTS TO STATES FOR PUBLIC ASSISTANCE

This third resolution provides $275,million for that purpose which must be made available immediately and in addition, it retains the limitation of $16,-728,000 which was in House Joint Resolution 310. The Senate today increased that limitation in House Joint Resolution 310 to $17,728,000 as against the original proposition of the House of $15,728,000.

Since this is the third attempt of the House to provide promptly for these two mandatory items it is to be hoped that the other body will, on this third attempt, agree to the pending resolution without further amendment.

GRATUITIES FOR WIDOWS

The pending resolution includes customary gratuities for widows of deceased Members of the House.

Mr. CANNON. Mr. Speaker, I ask for a vote on the resolution.

The SPEAKER. The question is on the engrossment and third reading of the House joint resolution.

The House joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the House joint resolution.

The House joint resolution was passed and a motion to reconsider was laid on the table.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a report on House Joint Resolution 312.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RECESS

The SPEAKER. Under the circumstances, the Chair thinks it would be wise to recess the House and wait a while, so the House will stand in recess subject to the call of the Chair. The bells will be rung 15 minutes before the House reassembles.

Accordingly (at 3 o'clock and 56 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 6 o'clock and 21 minutes p. m.

MRS. JOHN WILLIAM BRENNAN—VETO MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 154)

The SPEAKER laid before the House the following veto message from the President of the United States:

To the House of Representatives:

I am returning herewith, without my approval, H. R. 1863, for the relief of Mrs. John William Brennan.

The bill proposes to consider that John William Brennan, Sr., had $4,000 United States Government life insurance in effect at the time of his death on September 15, 1952, and to require the Administrator of Veterans' Affairs to pay such insurance to the veteran's widow.

The insurance protection under the veteran's United States Government life insurance policies lapsed on December 1, 1933, because of the nonpayment of premiums. On April 25, 1951, Mr. Brennan visited the Veterans' Administration regional office, Jackson, Miss., to apply for $4,000 insurance. An employee executed a portion of the insurance application but, because of the rush of business, Mr. Brennan was apparently advised to return home, have his private physician give him the necessary physical examination, and return the completed application to the Veterans' Administration. Mr. Brennan secured the examination the following morning and mailed the application.

Section 10 of the Insurance Act of 1951 provided, in part, that on and after the date of enactment (April 25, 1951) no United States Government life insurance could be granted unless an acceptable application accompanied by proper and valid premium remittance had been received by, or mailed to, the Veterans' Administration on or before that date. Since Mr. Brennan's application and premium remittance were not mailed on or before April 25, 1951, the Veterans' Administration advised him that the statutory requirements were not met and that that agency was precluded from issuing the insurance to him. Mr. Brennan died on September 15, 1952.

It appears from the committee reports on the bill that the correctness of the denial of Mr. Brennan's insurance application is conceded. Favorable action by the committee apparently was based on the belief that, as a matter of equity, the delay in filing the application should be waived since, if it had been filed 1 day earlier, it would have been accepted and the insurance issued.

It is clear that the Congress intended to terminate the granting of national service life insurance and United States Government life insurance on the date of enactment of the Servicemen's Indemnity Act. No provision was made for a processing period for additional applications or for advance notice to policyholders or former policyholders. The date of enactment depended entirely upon when the enrolled measure was actually signed by the President. This date could not have been precisely anticipated by the Congress, the interested public, or by Veterans' Administration employees processing insurance applications. Accordingly, whatever the medical facts of the case might have been, Mr. Brennan did not file his application in time to meet a deadline which the Congress intended to become effective without advance notice.

The committees' assumption that the insurance would have been issued if the application therefor had been timely filed is not supported by the record. To the contrary, the medical records indicate that Mr. Brennan suffered from increased blood pressure and pulse rate of long standing, to a degree, in several instances, greater than can be considered consistent with good health and beyond the acceptable limits for insurance purposes. In this connection, it is also pertinent to note that the Veterans' Administration on two previous occasions rejected applications by Mr. Brennan for United States Government life insurance because of high blood pressure and rapid pulse rate.

Under the circumstances, it is my opinion that this case does not warrant equitable relief or present a basis for exceptional or preferred treatment. Approval of the bill would be discriminatory and constitute a precedent which cannot be dismissed. In a Federal program as large as the United States Government life-insurance program, it is most important that the laws be administered uniformly and with special favor for none. Payment of a gratuity in the guise of insurance, as proposed by H. R. 1863, would not be in keeping with these principles.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 17, 1957.*

The SPEAKER. The objections of the President will be spread at large upon the Journal, and, without objection, the bill and the message will be referred to the Committee on the Judiciary and ordered printed.

There was no objection.

TUNGSTEN, A STRATEGIC METAL

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, it is very easy in time of peace—however unstable—to forget what happens to this Nation and its needs for strategic metals in times of emergency. Tungsten is a good example and the recent history of our Nation's need of this vital metal points up the value of having a dependable domestic source available.

Surely, Members remember how this domestic tungsten program got started. It came with the Korean crisis when we found ourselves without tungsten and without any substantial domestic production upon which to draw.

This Nation went out onto the world market in a desperate effort to obtain tungsten and in so doing bid the price up to $69 per unit—$14 per unit more than the purchase program here under discussion proposes to pay our domestic mines. We paid the high price for tungsten because we had no alternative. But the Nation at that time determined it would not be put in that spot again. As a result, the purchase-stockpiling program was adopted to encourage domestic exploration and development of tungsten.

The program—from a production standpoint—was an overwhelming success. This Nation is now self-sufficient in tungsten. But an uneasy peace has returned to the world and as a result the metal can again be obtained from foreign sources at a price cheaper than the domestic industry—which this Government called into being—can meet. Let us remember, however, that it is this very domestic production that has served to lower the world price of tungsten and let us remember that without this production we would again be dependent upon foreign sources whose slogan is "All the market will bear."

I think we all realize that stockpiling is a stopgap measure to be relied upon only until the administration's long-range minerals program can find a more stable and orderly solution. Unfortunately, the long-range program has yet to be submitted to Congress. As a result there is still a gap to be stopped and this program is designed to do that.

It is shortsighted economy, Mr. Speaker, to again make ourselves dependent upon foreign sources of a metal we must have for our defense. We should keep our domestic mines in operation as insurance—the best available—against price gouging in the world market place.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. COFFIN, for April 18 and April 29, on account of official business.

To Mrs. ST. GEORGE (at the request of Mr. ARENDS), for today, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. BURNS of Hawaii, for 15 minutes, today.

Mr. COFFIN, for 5 minutes, today.

Mr. HENDERSON, for 30 minutes, tomorrow.

Mr. BAILEY, for 20 minutes, today.

Mr. THOMPSON of New Jersey, for 10 minutes, on today, and to include extraneous matter.

Mr. LONG, for 30 minutes, on today.

Mr. POWELL, for 20 minutes, on tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. SULLIVAN (at the request of Mr. ZABLOCKI) and to include extraneous matter.

Mr. MACK of Illinois to revise and extend his remarks on the State-Justice-Judiciary bill and to include extraneous matter.

Mr. WESTLAND and to include extraneous matter.

Mr. VAN ZANDT and to include extraneous matter.

Mr. BROOKS of Louisiana in two instances and to include extraneous matter.

Mr. CRAMER and to include extraneous matter.

Mr. DORN of South Carolina.

Mr. ASHLEY (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. GWINN (at the request of Mr. JOHANSEN).

Mr. SCHWENGEL.

Mr. JENSEN and to include a speech by Mr. FRED SCHWENGEL.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1034. An act to authorize and direct the Secretary of Agriculture to convey to the University of Missouri, for agricultural purposes, certain real property in Callaway County, Mo.; to the Committee on Agriculture.

S. J. Res. 12. Joint resolution to provide for transfer of right-of-way for Yellowtail Dam and Reservoir, Hardin unit, Missouri River Basin project and payment to Crow Indian Tribe in connection therewith, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The Speaker announced his signature to enrolled bills of the Senate of the following titles:

S. 58. An act for the relief of Duk Chang Cho;

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Cosentino;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 288. An act for the relief of Esther Guagliardo;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Hsien (Liang) New.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills and a joint resolution of the House, of the following titles:

On April 16, 1957:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

On April 17, 1957:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind;

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds; and

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 26 minutes p. m.), the House adjourned until tomorrow, Thursday, April 18, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

754. A letter from the Administrator, Federal Civil Defense Administration, transmitting the Sixth Annual Report of the Federal Civil Defense Administration, pursuant to Public Law 920, 81st Congress; to the Committee on Armed Services.

755. A letter from the Acting Secretary of Commerce, transmitting a draft of proposed legislation entitled "a bill to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of personal property occurring incident to their service, and for other purposes"; to the Committee on the Judiciary.

756. A letter from the Clerk, United States House of Representatives, relative to the contested election case of Steven V. Carter against Karl M. LeCompte for the seat in the 85th Congress from the 4th Congressional District of the State of Iowa (H. Doc. No. 153); to the Committee on House Administration and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 3366. A bill to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes; without amendment (Rept. No. 368). Referred to the Committee of the Whole House on the State of the Union.

Mr. BLATNIK: Committee on Public Works. H. R. 2. A bill to authorize the State of Illinois and the Metropolitan Sanitary District of Greater Chicago, under the direction of the Secretary of the Army, to test, on a 3-year basis, the effect of increasing the diversion of water from Lake Michigan into the Illinois Waterway, and for other purposes; without amendment (Rept. No. 369). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 1937. A bill to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; without amendment (Rept. No. 370). Referred to the Committe of the Whole House on the State of the Union.

Mr. ENGLE. Committee on Interior and Insular Affairs. H. R. 3995. A bill to amend the act of August 4, 1953 (67 Stat. 41), and for other purposes; with amendment (Rept. No. 371). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee on Appropriations. House Joint Resolution 312. Joint resolution making additional appropriations for 1957, and for other purposes; without amendment (Rept. No. 372). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DONOHUE: Committee on the Judiciary. H. R. 1412. A bill for the relief of Mrs. Elise T. Kirk; without amendment (Rept. No. 356). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 1591. A bill for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.; without amendment (Rept. No. 357). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1612. A bill for the relief of Frances Pompa; without amendment (Rept. 358). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1648. A bill for the relief of Rachel Nethery; without amendment (Rept. No. 359). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1758. A bill for the relief of Mrs. Hertha L. Wohlmuth; without amendment (Rept. No. 360). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 1883. A bill for the relief of Benedict M. Kordus; without amendment (Rept. No. 361). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2083. A bill for the relief of Carl A. Willson; with amendment (Rept. No. 362). Referred to the Committee of the Whole House.

Mr. DONOHUE: Committee on the Judiciary. H. R. 3588. A bill for the relief of John R. Hill; with amendment (Rept. No. 363). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4240. A bill for the relief of Cornelia S. Roberts; without amendment (Rept. No. 364). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 4538. A bill for the relief of Martin A. McGrory; without amendment (Rept. No. 365). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 5062. A bill for the relief of Albert H. Ruppar; with amendment (Rept. No. 366). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. S. 120. An act for the relief of James F. Walsh; without amendment (Rept. No. 367). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Montana:

H. R. 6971. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. ASHLEY:

H. R. 6972. A bill to amend section 5 of the Flood Control Act of August 18, 1941, to provide for emergency measures of protection along the Great Lakes; to the Committee on Public Works.

H. R. 6973. A bill to provide that a child of a veteran who, after reaching the age of 18 years, but while dependent in fact upon the veteran or the veteran's widow, becomes permanently incapable of self-support, shall be considered to be a "child" for the purposes of determining entitlement to benefits under laws administered by the Veterans' Administration; to the Committee on Veterans' Affairs.

By Mr. COOLEY:

H. R. 6974. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; to the Committee on Agriculture.

By Mr. VAN ZANDT:

H. R. 6975. A bill to establish a program of financial and technical assistance designed to alleviate conditions of substantial and persistent unemployment in economically depressed areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. CRAMER:

H. R. 6976. A bill to provide for the establishment of a Bureau of Senior Citizens within the Department of Health, Education, and Welfare; to provide for an Assistant Secretary in the Department of Health, Education, and Welfare to direct said Bureau; to authorize Federal funds to conduct and encourage research and studies into the fields of gerontology, geriatrics, and allied problems of senior citizens; assist in the operation of projects to help senior citizens; and for other purposes; to the Committee on Education and Labor.

By Mr. CURTIS of Massachusetts:

H. R. 6977. A bill to remove the tax on the transportation of persons for travel between ports or stations in the United States where transportation begins or ends outside of the United States or the contiguous area; to the Committee on Ways and Means.

By Mr. DURHAM:

H. R. 6978. A bill to amend Public Law 31, 84th Congress, 1st session, to increase the authorization for appropriation to the Atomic Energy Commission for the construction of a modern office building in or near the District of Columbia to serve as its principal office; to the Joint Committee on Atomic Energy.

By Mr. ELLIOTT:

H. R. 6979. A bill to increase from $600 to $800 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

H. R. 6980. A bill to amend the National School Lunch Act to permit junior colleges to participate therein, and for other purposes; to the Committee on Education and Labor.

H. R. 6981. A bill to provide rehabilitation services to handicapped individuals who as a result thereof can achieve such ability of independent living as to dispense with the need for expensive institutional care or who can dispense with or largely dispense with the need of an attendant at home; to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities, and for other purposes; to the Committee on Education and Labor.

By Mr. FOGARTY:

H. R. 6982. A bill to provide rehabilitation services to handicapped individuals; to assist in the establishment of public and private nonprofit workshops and rehabilitation facilities; and for other purposes; to the Committee on Education and Labor.

By Mrs. GRANAHAN:

H. R. 6983. A bill to amend title 10 of the United States Code to permit a person on whose behalf an election to receive a reduced annuity has been made, to receive such annuity when the member of the armed services so electing dies before attaining retirement age; to the Committee on Armed Services.

H. R. 6984. A bill to amend part I of Veterans Regulation No. 1 (a) to provide a presumption of service connection in certain cases involving idiopathic convulsive seizures; to the Committee on Veterans' Affairs.

By Mr. HARVEY:

H. R. 6985. A bill to provide for further research relating to new and improved uses which offer expanding markets for farm products, and for other purposes; to the Committee on Agriculture.

By Mr. HYDE:

H. R. 6986. A bill to exempt electrical work done by licensed electrical contractors or master electricians from the Professional Engineers' Registration Act; to the Committee on the District of Columbia.

By Mr. JONES of Alabama:

H. R. 6987. A bill to amend section 111 of the Federal-Aid Road Act of 1916, as amended and supplemented; to the Committee on Public Works.

H. R. 6988. A bill to amend subsection (f) (1) of section 209 of the Highway Revenue Act of 1956 (70 Stat. 387); to the Committee on Ways and Means.

By Mr. KRUEGER:

H. R. 6989. A bill to provide that certain lands shall be held in trust for the Standing Rock Sioux Tribe in North Dakota and South Dakota; to the Committee on Interior and Insular Affairs.

By Mr. MACDONALD:

H. R. 6990. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. McCARTHY:

H. R. 6991. A bill to amend the Tariff Act of 1930 to transfer a noncompetitive specialty from the dutiable to the free list; to the Committee on Ways and Means.

By Mr. McGREGOR:

H. R. 6992. A bill to protect the safety and welfare of American workers by providing for a uniform system of identification for all receptacles containing compressed gas; to the Committee on Interstate and Foreign Commerce.

H. R. 6993. A bill to amend and extend the Public Buildings Purchase Contract Act of 1954, as amended, the Post Office Department Property Act of 1954, as amended, and to require certain distribution and approval of new public building projects, and for other purposes; to the Committee on Public Works.

By Mr. NIMTZ:

H. R. 6994. A bill to amend the Reserve Officer Personnel Act of 1954 to provide for the retention on active duty of certain officers; to the Committee on Armed Services.

By Mr. PORTER:

H. R. 6995. A bill to amend Public Law 883, 84th Congress, to provide for the conveyance of certain additional property of the United States to the city of Roseburg, Oreg., and for other purposes; to the Committee on Government Operations.

By Mr. REES of Kansas:

H. R. 6996. A bill to increase the income limitations governing payment of non-service-connected pension; to the Committee on Veterans' Affairs.

By Mr. SCUDDER:

H. R. 6997. A bill to provide for the joint development of the water power resources of the Trinity River division, Central Valley project, California, by the United States and Pacific Gas & Electric Co., to reduce expenditures of the United States, to increase revenues of the United States, to encourage the most widespread use of the power generated at the lowest possible rates to consumers consistent with sound business principles, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SISK:

H. R. 6998. A bill to provide for the conveyance of certain real property of the United States to Fresno County, Calif.; to the Committee on Government Operations.

By Mr. THOMPSON of New Jersey:

H. R. 6999. A bill to amend section 206 of the Legislative Reorganization Act of 1946, so as to enable the Comptroller General more effectively to assist the Appropriations Committees in considering the budget; to the Committee on Government Operations.

By Mr. HERLONG:

H. R. 7000. A bill to amend section 103 of the Internal Revenue Code of 1954 relating to interest on certain governmental obligations; to the Committee on Ways and Means.

By Mr. FISHER:

H. R. 7001. A bill to provide for the reconveyance of certain lands in the San Angelo Reservoir project, Texas, to former owners of such lands; to the Committee on Public Works.

By Mr. FRELINGHUYSEN:

H. R. 7002. A bill to amend the Internal Revenue Code of 1954 to provide a 30 percent credit against the individual income tax for amounts paid as tuition or fees to certain public and private institutions of higher

education; to the Committee on Ways and Means.

By Mr. FULTON:

H. R. 7003. A bill to establish an effective program to alleviate conditions of excessive unemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. JENKINS:

H. R. 7004. A bill to amend the Tariff Act of 1930 with respect to the dutiable status of handles, wholly or in chief value of wood, imported to be used in the manufacture of paint rollers; to the Committee on Ways and Means.

By Mr. WHARTON:

H. R. 7005. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. CHUDOFF:

H. R. 7006. A bill to provide for the reorganization of administrative procedures and practices in Government operations for improving their economy and efficiency, to provide for the organization of machinery to coordinate and administer such procedures and related practices; and for other purposes; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 7007. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; to the Committee on the District of Columbia.

By Mr. MICHEL:

H. R. 7008. A bill to amend the Internal Revenue Code of 1954 to provide an exclusion of up to $50 per year from gross income for amounts received as interest on savings deposits; to the Committee on Ways and Means.

By Mr. SANTANGELO:

H. R. 7009. A bill to amend the act of March 3, 1879, with respect to the admission to the mails as second class matter of issues of publications having substantial bindings; to the Committee on Post Office and Civil Service.

By Mr. CANNON:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. JENSEN: Memorial of Legislature of the State of Iowa commending the Federal agencies involved for their forethought and efforts in the interests of outdoor recreation and urges their continued cooperation in advancing this project to a successful completion; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Nevada memorializing the President and the Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the district of Nevada; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Wisconsin memorializing the President and the Congress of the United States regarding the diversion of water from the Great Lakes; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURDICK:

H. R. 7010. A bill for the relief of Willard O. Mortenson; to the Committee on the Judiciary.

By Mr. DELLAY:

H. R. 7011. A bill for the relief of Nicola Abbattista; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 7012. A bill for the relief of Samuel D. Huang; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 7013. A bill for the relief of Luis Rosendo Gallegos-Gallegos (also known as Raul Gutierrez-Gonzalez); to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7014. A bill for the relief of Mme. Henriette Buaillon and Stanley James Carpenter; to the Committee on the Judiciary.

H. R. 7015. A bill for the relief of Felicisimo Aguilar; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 7016. A bill for the relief of Maria Do Carmo Vincente Fernandes; to the Committee on the Judiciary.

H. R. 7017. A bill for the relief of Apolonia M. J. Verhoef; to the Committee on the Judiciary.

H. R. 7018. A bill for the relief of Roberto Pais Vidal; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7019. A bill for the relief of Mar Man Li and his wife, Mar Wong Li Shee; to the Committee on the Judiciary.

H. R. 7020. A bill for the relief of Masadeh Mogannam; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 7021. A bill for the relief of Manuel Rosa Silveira; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H. R. 7022. A bill for the relief of Javier Rojo Barcena; to the Committee on the Judiciary.

By Mr. WRIGHT:

H. R. 7023. A bill for the relief of Elsa Hartmann Colvin; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

208. Mr. CHIPERFIELD presented a petition of Henry County, Ill., citizens for enactment of the Jenkins-Keogh bills H. R. 9 and H. R. 10, 85th Congress, which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Progress in Our Military Program

EXTENSION OF REMARKS

OF

HON. OVERTON BROOKS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, I rise to report to the House that our military program is moving along nicely. I have just been advised by the Department of the Army that this week 4,523 young men entered the Army part of this program. Of this number, 2,244 were 18½ years of age or older, the Army states, and 2,279 are under 18½ years.

Since the Reserve Forces Act of 1955 was passed by the Congress, there have been made criticisms of the operation of the program under the 6-month training act. Suffice it to note at this time that of these 4,523 men entering the Army program—does not include the National Guard—this week, 3,080 came in under the 6-month training provisions.

The Army also informs me that a total of 161,329 young men are now enlisted under the Army Reserve program. This is clear evidence, in my opinion, that our Reserve program is definitely developing and should give our people confidence in its future.

As with most successful programs, however, additional problems arise. This is especially true of our Reserve program. With the increasing influx of younger men into this program, there come the difficulties of providing them with adequate training facilities, equipment and competent instructors at unit level. A part of this problem is that of supplying military clothing for these men in needed amounts. The Army indicates that these problems will be extremely difficult to handle in some localities, particularly the one pertaining to capable instructors.

These are but a few of the problems which this program presents to the Army and which must be ironed out as the Reserves continue to increase in size and move to their ultimate strength. This is a very favorable situation, even with the present problems, and one which will result in time in developing the best military Reserve program in the world.

A Tribute to Thomas H. MacDonald, Father of the Nation's Highway System

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. SCHWENGEL. Mr. Speaker, America lost a great public servant when Thomas H. MacDonald, former Commissioner of Public Roads, died on April 7, 1957. He has been rightfully called the Father of the Nation's Highway System. Because his early background, training, education, and experience tie him to Iowa, I deem it an honor to pay tribute to his memory.

Iowa, perhaps better than any other State, knows the great loss to the world of highway administration, planning, and construction which is sustained in the death of Thomas H. MacDonald.

Mr. MacDonald died at College Station, Tex., on Sunday, April 7, 1957, succumbing to a heart attack.

Though born in Colorado and moved to Iowa at an early age, Mr. MacDonald considered himself a son of Iowa. It was in Iowa that he was educated in engineering; in Iowa that he entered upon his profession; in Iowa that he laid the foundations for sound highway planning and engineering; in Iowa that he created his first magnificent highway system; and from Iowa that he carried to the Nation's Capitol and to the Federal Government the experience and wisdom which were to qualify him so thoroughly for the expressive title "Father of the Nation's Highway System."

Iowa knew Tom MacDonald not only with deep respect and admiration, but also with warm personal affection and friendship. It knew him not only as an engineering administrative genius, but also as a man of the highest principles, inflexible in his insistence upon rendering in his own service the fullest measure of performance to the public which employed and trusted him, and equally insistent upon such performance by others under his direction.

His career is too well known to highway and other governmental circles in this State, as well as throughout America, to need detailed restatement today. But his is an inspiring life, nonetheless, which may be profitably reviewed again.

Mr. MacDonald first attended Iowa State Teachers College at Cedar Falls, Iowa, in 1899–1900. He went on from there to graduate in civil engineering at Iowa State College at Ames, in 1904. It was during his undergraduate days there that his lifetime interest in roads was developed. A thesis which he wrote on studies of the power required to pull a wagon—this was before the days of automobiles—over various types of roads became an authoritative text in that field.

When he was serving as a young professor at Iowa State and the legislature commissioned the college to prepare a study of how Iowa's roads might be improved, Tom MacDonald was the logical person to undertake and head such a study. The research which went into that effort was the beginning of a devotion to highway improvement which was to characterize the rest of his life.

He fell naturally and logically into the position of State highway engineer when Iowa launched a road improvement program in 1907. He simply switched titles, retaining the same functions, when the Iowa State Highway Commission was established separate from the college in 1913, with Mr. MacDonald as chief engineer.

Iowa owes its first real system of all-weather roads to Mr. MacDonald's foresight and energy. This State promptly took the lead among all States in creation of a coordinated highway system, under his administration. He recognized the basic needs for proper grading and draining. More than a third of Iowa's roads were graded, bridged, and drained, and plans had been made for an unprecedented hard-surfacing program when he was called to Washington, D. C., in 1919 to take charge of the Bureau of Public Roads, as the Nation's Federal Highway Commissioner.

There stands to his credit the development of the joint Federal-State system of highway planning and construction. He insisted always upon recognition of State sovereignty in highway matters. He regarded State highway commissions as representative of the States, and the United States Bureau of Public Roads as properly bound to act only with and through the State commissions.

As the acknowledged last word in highway administration and policy planning, Tom MacDonald was frequently the adviser of congressional committees. He never wavered from his loyalty to the principle of State sovereignty. Neither did he ever relax his insistence upon the right of the Federal Government to demand uniformly high standards of design and construction in all projects where the Federal Government shared in financing. Throughout his public life, he was generous in the assignment of credit to State highway departments for their large measure of contribution to highway improvement.

These self-imposed high standards won him in the national field the same admiration and respect they had brought to him in his adopted state, Iowa.

Although himself a Republican, and he always so remained, Mr. MacDonald, without solicitation on his part, was appointed Chief of the United States Bureau of Public Roads, in 1919, by a Democratic Secretary of Agriculture, serving under a Democratic President. He accepted the proffered appointment as a matter of duty and with some misgivings as to his own ability to handle the job. He performed such an outstanding service that, as a matter of course, he remained, through 34 years of shifting Republican and Democratic national administrations, exemplifying for the Nation and the industry, that highway administration itself is not, and should not, be in any degree partisan.

One of Tom's last visits to Iowa was to attend the testimonial dinner accorded to his former associate and his successor, Fred R. White, who retired as chief engineer, Iowa State Highway Commission, in October 1952. He gracefully and justly gave credit to Mr. White for the structure built upon the foundations he had laid in Iowa, without, of course, claiming any credit for the foundation.

Tom MacDonald was widely known throughout Iowa despite his long absence from this State. There are still active in highway and engineering circles here men who knew him as a student and many who launched their own business careers in Iowa while he headed the Iowa highway effort. Many too, met him also at meetings of various national highway and related associations, before which he was a frequent and appreciated speaker.

Mr. MacDonald retired as Commissioner of Public Roads in 1953, but did not discontinue his active interest in and contribution to highway work. He accepted the position of "distinguished research engineer" at Texas A. and M. College, College Station, Tex. There he headed a highway research station which in the few years of his tenure, has contributed important knowledge and counsel to the world of roadbuilding and road use.

We say a sad goodbye to a lifelong distinguished public servant, almost without peer, and a personal friend of all who worked with him in the great and important objective of providing adequate thoroughfares for our country. He spent billions of dollars of the people's money with never a shade of a shadow of a suspicion as to the integrity or the intelligence of the expenditure thereof. He left his imprint on his time as few men are privileged or able to do. His was a substantial contribution to making America a better place in which to live. Much that today's motorist takes for granted in the ease, and comfort, and speed of his travel along America's highways, he owes to Thomas H. MacDonald.

There is no irreverence in quoting as a word of farewell to a good and faithful public servant the 5th verse of the 3d chapter of the Gospel according to St. Luke:

> Every valley shall be filled, and every mountain and hill shall be brought low; and the crooked shall be made straight, and the rough ways shall be made smooth.

Tom did his part to bring that to pass.

Ease Hardship on Handicapped Children of Veterans

EXTENSION OF REMARKS
OF

HON. THOMAS L. ASHLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. ASHLEY. Mr. Speaker, I have today introduced legislation to correct an inequity in the laws administered by the Veterans' Administration. In its simplest terms, the bill would define the term "child" include persons over 18 years old who become incapable of self-support and remain dependent on a veteran or a veteran's widow.

The following example serves to illustrate the benefits that would result from passage of this bill. A 19-year-old boy, the only child of a deceased veteran, takes his first job in industry. In his first week at work he becomes permanently disabled and incapable of earning his own way. His mother, the veteran's widow, is unable to claim her son as a dependent under present law, yet she must and will want to provide for her handicapped son. As the law stands, she would only be entitled to $1,044 annually in widow's compensation benefits from the Veterans' Administration. In addition, she would be allowed to earn up to $1,400 to supplement her meager income—a total of $2,444 to support herself and her crippled son. By redefining the word "child" for purposes of the Veterans' Administration laws, Mr. Speaker,

the widow would collect $1,452 in compensation benefits and she would be allowed to earn up to $2,700 outside income without losing her Veterans' Administration payments—a total, in this case, of $4,152, and an increase of $1,708 over existing benefits.

I should like to inquire, Mr. Speaker, how many of my colleagues would look forward to spending their last years on an income of this size, while supporting a crippled son or daughter. I believe the time has come when Congress must act to correct this unnecessary hardship.

To complete the record, Mr. Speaker, I am including a brief summary of the legislative history of the term "child," and a table of benefits that would result from this legislation. Here again, let me point out that this bill does not propose to raise existing benefit payments—but, rather, it broadens the scope of the act to include a number of our unfortunate citizens forever denied the opportunity to earn their own way:

DEFINITION OF HELPLESS CHILD

General law: Compensation payable for child over 16 years of age only if insane, idiotic, or otherwise mentally or physically helpless at date of attaining age 16 years and at date of filing claim.

War Risk Insurance Act amendment of October 6, 1917: Compensation payable to a child of any age if insane, idiotic, or otherwise permanently helpless.

World War Veterans' Act, 1924: Compensation payable to a child of any age if permanently incapable of support by reason of mental or physical defect.

Public No. 2, 73d Congress, and Veterans Regulation No. 10: Compensation payable to a child over 18 years of age only if prior to reaching age 18 child becomes or has become permanently incapable of support by reason of mental or physical defect—or until 21 years of age, under certain conditions, if in school.

Public No. 484, 73d Congress, as amended: Pension is not payable to a child over 18 years of age unless prior to reaching the age of 18 the child becomes or has become permanently incapable of support by reason of mental or physical defect—also payable under certain conditions until 21 years of age if in school.

BENEFIT SCHEDULES

Mr. Speaker, benefits under laws currently administered by the Veterans' Administration are listed in the following chart. The legislation I have introduced today would increase benefits by increasing the total number of children in a family receiving these benefits. For example, a veteran's widow supporting a son or daughter newly defined as a "child" by this legislation would be entitled to the same benefits she would receive if her family were increased by one.

COMPENSATION, DEPENDENCY AND INDEMNITY COMPENSATION, OR PENSION TO VETERANS OR THEIR DEPENDENTS

RATE TABLES

The succeeding tables of rates are added for ready reference where information as to rates payable under existing laws is desired without a detailed analysis of the elements of entitlement. The brief table of rates for wartime and peacetime service-connection disabilities is restricted to the largest class of such rates, those payable under Public Law No. 2, 71st Congress, March 20, 1933, and Veterans regulations issued pursuant thereto, as modified and amended by subsequent legislation. It does not include rates payable for service-connected disabilities under the general pension law or Public Law No. 141, 73d Congress, March 28, 1934, as amended. For rates under Public Law No. 141 and for detailed information bearing on elements of entitlement, under such laws, references should be made to the pertinent tables set forth in the preceding part of this analysis. Dependency and indemnity compensation is payable under the Servicemen's and Veterans Survivor Benefit Act for service-connected deaths occurring on or after January 1, 1957, whether service was prior to or on and after that date and without distinction between wartime and peacetime service:

Rates of compensation for wartime and peacetime service-connected disabilities under Public Law 2, 73d Cong., as amended, and Veterans Regulations

	War service-connected rates, Veterans Regulation 1 (a), as amended, pt. I	Peacetime service-connected rates, Veterans Regulation 1 (a), as amended, pt. II
(a) 10 percent disability	$17.00	$14.00
(b) 20 percent disability	33.00	26.00
(c) 30 percent disability	50.00	40.00
(d) 40 percent disability	66.00	53.00
(e) 50 percent disability	91.00	73.00
(f) 60 percent disability	109.00	87.00
(g) 70 percent disability	127.00	102.00
(h) 80 percent disability	145.00	116.00
(i) 90 percent disability	163.00	130.00
(j) Total disability	181.00	145.00
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye having only light perception, rates (a) to (j) increased monthly by	47.00	37.60
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or both buttocks, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by	[1] 47.00	[2] 37.60
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind both eyes with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation	279.00	223.00
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation	329.00	263.00
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation	371.00	296.00
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (j) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation	420.00	336.00
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of	420.00	336.00
(q) Minimum rate for arrested tuberculosis	67.00	53.50

[1] But in no event to exceed $420.
[2] But in no event to exceed $336.

Additional disability compensation because of dependents [1]

	Wife, no child	Wife, 1 child	Wife, 2 children	Wife, 3 or more children	No wife, 1 child	No wife, 2 children	No wife, 3 or more children	Dependent parent or parents
Korean conflict World War II World War I Spanish-American War, Philippine Insurrection, Boxer Rebellion Civil War Indian wars	$21.00	$35.00	$45.50	$56.00	$14.00	$24.50	$35.00	$17.50 (1) 35.00 (2)
Peacetime service (under combat or extrahazardous conditions)	16.80	28.00	36.40	44.80	11.20	19.60	28.00	14.00 (1) 28.00 (2)
Regular peacetime service								

[1] Above rates are for 100 percent disability. If and while rated partially disabled, but not less than 50 percent, additional compensation is authorized in an amount having the same ratio to the amount specified in the applicable table, above, as the degree of disability bears to the total disability; e. g., war service-connected disability of 50 percent, compensation rate $91.—if veteran has a wife, his compensation is increased as follows: $91.00+$10.50=$101.50.

Rates of compensation to widows, children, and parents of deceased veterans

For service-connected death prior to Jan. 1, 1957	Widow, no child	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child	Dependent parents
Korean conflict World War II World War I Spanish-American War, Philippine Insurrection, Boxer Rebellion Civil War Indian wars Peacetime (Regular Establishment): Death result of armed conflict, extra-hazardous service, including service under conditions simulating war, while United States engaged in war.	$87	$121	$29	$67	$94	$122	$23	{1 parent, $75. {2 parents, $40 each.
Peacetime (Regular Establishment): Death not result of armed conflict, etc.	69.60	96.80	23.20	53.60	75.20	97.60	18.40	{1 parent, $60. {2 parents, $32 each.

Rates of dependency and indemnity compensation to widows, children, and parents for service-connected death occurring on or after Jan. 1, 1957 [1]

Widows and children	Children, no widow
Widow alone: $112 per month, plus 12 percent of basic pay of deceased husband, with total amount adjusted to next highest dollar. Rates range from $122 in an E–1 case with less than 2 years' service to $242 in case of an O–8 with over 30 years' service. Slightly higher rates if deceased was lieutenant general, vice admiral, general, or admiral, with $266 top. Widow and 1 child under age 18: Same as amount payable to widow alone. Widow and 2 or more children under age 18: Same rate as that payable to widow alone with following exception: Where total amount payable under the Railroad Retirement Act or Social Security Act, or under sec. 405 of the Servicemen's and Veterans' Survivor Benefits Act based upon an assumed fully and currently insured status, is less than $128, the compensation payable to widow by VA increased by $25 for each child in excess of 1, but the total increase may not exceed the difference between the amounts payable under the above and $128. Widow and child or children age 18 and above permanently incapable of self-support where incapacity began under age 18: Regular widow's rate payable to widow, plus $70 for each such child payable to child. Widow and child or children age 18 but under 21 attending school: Regular widow's rate payable to widow, plus $25 payable to each such child. (Payment barred if child commences program under War Orphans' Educational Assistance Act of 1956.)	Children under age 18: 1 child, $70. 2 children, $100 (equally divided). 3 children, $130 (equally divided), plus $25 for each child in excess of 3 (equally divided). Child age 18 or above who became permanently incapable of self-support prior to that age: $95 (basic $70 rate increased by $25; total rate with $25 supplement variable where there are other children). Child or children ages 18 to 21 attending school: Same as basic rate payable to children under age 18 where there is no widow. (Payment barred if child commences program under War Orphans' Educational Assistance Act of 1956.)

1 parent only			2 parents living together			2 parents not living together		
Total annual income		Monthly rate	Combined annual income		Monthly rate to each	Total annual income of parent		Individual rate
More than—	But equal to or less than—		More than—	But equal to or less than—		More than—	But equal to or less than—	
	$750	$75		$1,000	$50		$750	$50
$750	$1,000	60	$1,000	$1,350	40	$750	$1,000	40
$1,000	$1,250	45	$1,350	$1,700	30	$1,000	$1,250	30
$1,250	$1,500	30	$1,700	$2,050	20	$1,250	$1,500	20
$1,500	$1,750	15	$2,050	$2,400	10	$1,500	$1,750	10
$1,750		0	$2,400		0	$1,750		0

[1] Persons eligible for death compensation based on death occurring prior to Jan. 1, 1957, may, under certain conditions, apply for and receive dependency and indemnity compensation.

Applies also to remarried parent living with spouse, with income of spouse counted.

Pension rates: Indian wars, Civil War, Spanish-American War, Philippine Insurrection, Boxer Rebellion, World War I, World War II, and Korean conflict

Indian wars	Civil War	Spanish-American War, Philippine Insurrection, and Boxer Rebellion		World War I, World War II, and Korean conflict [1]
		Service pension laws in effect Mar. 19, 1933, reenacted by Public Law 269, 74th Cong., Aug. 13, 1935, as modified or amended		
30 days or more service or through campaign in connection with or in zone of active Indian hostilities.	90 days or more service or discharge for disability incurred in line of duty.	90 days or more service or discharge for disability incurred in line of duty.	70 days or more service but less than 90 days.	90 days or more service or discharge for disability incurred in line of duty. In active service before cessation of hostilities.
Rates:		Rates:	Rates:	Rates:
⅓o disability or more $101.59	Rate $101.59	⅓o disability or more $101.59	⅓o disability or more $67.73	Permanent and total $66.15
Age 62 or over 101.59	Aid and attendance 135.45	Age 62 or over 101.59	Age 62 or over 67.73	Rated permanent and total for continuous period of 10 years or reach age 65 years 78.75
Aid and attendance 135.45		Aid and attendance 135.45	Aid and attendance 88.04	Aid and attendance 135.45

[1] Also available to Spanish War group veterans. However, such veterans generally are entitled to, and take, the higher service pension rates set forth in col. 3.

Rates of pension to widows and children

For non-service-connected deaths	Widow	Widow age 70	If widow was wife of veteran during service	Widow, 1 child	Each additional child	No widow, 1 child	No widow, 2 children	No widow, 3 children	Each additional child
Korean conflict, World War II, World War I	$50.40			$63	$7.56	$27.30	$40.95	$54.60	$7.56.
Spanish-American War, Philippine Insurrection, Boxer bellion:									
Act of May 1, 1926, as amended	$54.18		$67.73	$62.31, $75.86	$8.13	$62.31	$70.44	$78.57	$8.13.
Sec. 1, Public Law 144, 78th Cong., July 13, 1943						$27.30	$40.95	$54.60	$7.56.
Civil War, Indian wars	$40.64	$54.18	$67.73	{$48.77, $62.31, $75.86.	$8.13	$48.77	$56.90	$65.03	$8.13.

Extension of Lease Purchase

EXTENSION OF REMARKS
OF
HON. WILLIAM C. CRAMER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 17, 1957

Mr. CRAMER. Mr. Speaker, I intend to introduce immediately a bill extending the life of the lease purchase and extended lease program until June 30, 1960, with amendments designed to make the program more workable. The program otherwise expires July 22, 1957.

Fundamentally, I believe the program to be the most reasonable and acceptable approach to the ever-increasing problem of keeping up with Federal public building needs, General Services and Post Office programs.

It is essential that the extended lease authority given the Postmaster under the Lease Purchase Act be continued. This has proven to be a most effective weapon in meeting the needs of the small communities throughout the country. This is provided for in section 203 of Public Law 519, the Lease Purchase Act and empowers the Postmaster General to enter into lease agreements for periods not exceeding 30 years and to do other things required to cary out the purposes of this provision. This extended lease authority is not available to the Post Office Department under the basic law and if this act is not extended, then, this most effective method of meeting the problem of post-office needs in the smaller communities will not be available.

There have been hundreds of post offices constructed under this program that could not have been built without long term lease arrangements. In my district as well as throughout the State of Florida and the United States many urgent local needs have been met.

Using my district as an example, the following construction has in the last 2 years been completed or is under way:

Dade City; 9,000 feet, estimated construction cost $50,000.

Zephyrhills, 4,200 feet, estimated construction cost $20,000.

St. Petersburg, 142,000 square feet, estimated construction cost $1,300,000.

Interbay Branch, Tampa, 4,500 square feet, estimated construction cost $30,000.

The following construction has been approved and is being advertised or processed and thus the estimated cost is not available;

West Tampa Branch, 6,000 square feet.

Dale Mabry Branch, Tampa, 6,000 square feet.

Newport Richey, approximately 6,000 square feet.

The following construction is being considered when the present lease terms expire; size and cost is thus not yet estimated: Ybor City, Tampa branch; Tampa, mail-handling facility; Tarpon Springs, St. Petersburg and Gulf Beaches, two branches; Clearwater, additional branch; Ruskin.

I hope this gives an idea as to how important this extended lease program is in meeting the problems of smaller post offices, branch offices and expansion of existing facilities.

Aside from any considerations of merit or demerit as they relate to lease purchase as such, there can be no argument advanced that convinces me that this extended lease program is unsound, unworkable or unwise. It has proven itself to the contrary.

Considering the lease-purchase aspects of the bill I shall introduce, the following reasons seem to necessitate its extension for a reasonable period:

First. It is obvious and has been for some time that Congress is not going to meet this responsibility of Federal building and post office needs in the local communities through direct appropriations. This is true despite the fact that authorized building in the District of Columbia for Federal purposes is jumping to an alltime high, to some $130 million, not including the New House Office Building. This is true despite the fact that the needs in the local areas, in the Congressional districts, become ever more acute. This is especially true with the new economy wave that is sweeping the Nation and Congress—with which I concur—and which in itself justifies the lease-purchase approach to meeting this problem. This is further true because our backlog of public building needs is so great that the direct appropriations needed to bring the program up to date and give the type of service to the people at home to which they are entitled would be in the billions.

Second. This is the most economical method of financing these projects over the long run without having to make large construction appropriations at a time when the people are demanding economy in government.

Third. The additional cost of rent as the result of moving to larger quarters is self-liquidating by the additional business turnover resulting from the additional space and accommodations to patrons.

Fourth. The entire program is based upon the merits of the given projects and the greatest needs, rather than political considerations, and this will continue to be true so long as the GSA and the Bureau of the Budget continue to handle the program of recommending projects. Should Congress attempt to return to only the direct appropriation program it would result in district vying against district for priority and favored treatment rather than meritorious consideration alone.

Fifth. This lease-purchase program is only an alternative approach, additional to the basic law and the direct appropriations approach. Congress can still, where and when the facts justify it, authorize and appropriate for construction. This alternative is available to Congress at all times. This lease-purchase program and extended lease program provides for an additional way of meeting the need on a planned, methodical and merit basis.

Sixth. The Lease-Purchase Act has not had adequate chance to operate to prove its true value. Admittedly, there are some shortcomings of the act, and the amendments contained in my amendment are directed at trying to rectify some of these problems. The basic reason for the philosophy behind the bill remain as commanding as ever, and it is a mistake, in my judgment, to kill at this time a program that is so badly needed.

Seventh. Much money and time and effort has been already expended in planning a well-rounded program on a national basis under this act and this should not be lost or destroyed at this time.

Eighth. This is the only way, through financing, that the multi-million-dollar financing deficit can be met soon enough to provide adequate services where needed.

What Price Culture

EXTENSION OF REMARKS
OF
HON. JACK WESTLAND
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 17, 1957

Mr. WESTLAND. Mr. Speaker, I would like to make some observations on the activities of the State Department and their cultural exchange program to date.

Since I believe that an exchange of ideas between nations is a good thing, I suggested to the State Department that perhaps it would be interested in helping to send four youngsters who won the North American dairy cattle judging championship to the world championships in England in June. I received a great big "No."

These four youngsters are typical, wholesome, fine young American farm people, who are the youngest judging team ever to win the United States national judging contest, held at Waterloo, Iowa, this year, and to go on to win the North American continent championships. Since they reside in my congressional district, I have had the opportunity of meeting them. I can tell you they are fine young Americans, teenagers we can view with pride. They come from farm families of modest means, and have earned their award through hard work on the farm.

The proposed trip would enable them to be in England for about a week. Private dairy people are attempting to raise enough money for their expenses on the trip. I was interested in procuring travel arrangements through the State Department's exchange program. Cattle experts say these outstanding 4–H judgers have an excellent chance to win the world championship in England if they are able to compete.

I would like to refer to the remarks made yesterday by the gentleman from Arkansas [Mr. TRIMBLE], who pointed out the fine impression made by two young farm girls from India who came to visit in his district under the exchange program. I believe we could expect favorable results from sending these four young American farm people to England to exhibit their skills against judging teams from around the world.

Now, I do not believe that every project of this nature should be financed by the Government. However, since we have approved vast sums to be spent on the cultural exchange program between our Nation and others, I thought that this would certainly reflect good will toward our Nation, and would be a project that we could be proud of.

The State Department has informed me that they cannot spend the small sum of $3,000 or so to help send this team to England. I was interested in finding out just what kind of talent it takes to be financed by the State Department.

A look at the record is most revealing. The State Department found it could afford a sum of $133,000 so that Band Leader Dizzie Gillespie could reflect glory and honor on the United States by riding down the streets of Buenos Aires dressed as a gaucho. It appears that we are interested in spreading be-bop before we spread good farming practices. Gillespie drew $2,100 per week while teaching the Latin Americans to be cool cats.

Looking further into the record we find the Jose Limon Dance Co. received $43,801 to tour South America and teach the natives there to tango and mambo. Then there is the globetrotting Tom Two Arrows, who this year had his listing changed to Tom Dorsey. This veteran State Department cultural exhibit just returned from a tour of Japan, Korea, Formosa, Cambodia, Vietnam, Thailand, Burma, and Malaya where he demonstrated American culture, and the State Department has received glowing reports.

The list of professional acts includes many famous names in our field of entertainment, sent at a cost of $3 million. Now, I believe that we should also have a few amateur attractions to show that we have hard-working people in this country who excel without selling their talents.

The State Department has sent a few amateur groups abroad. Included are an amateur hockey team, distance runners to Finland, a track team to Rumania, the San Francisco Chinese-American basketball team, and also the world-famous professional hoop squad, the Harlem Globe Trotters.

I do not believe that all of these groups did us good. Many of them were probably of great value in spreading our culture to foreign lands. I question strenuously the value of the State Department spending $133,000 to send a jazz band to South America. I am not altogether certain that jazz is the type of culture we need to be spending that kind of money to spread.

I believe the State Department could do more toward cementing relations with the youth of other nations of the world by spending about $3,000 to send our judging team to England to compete in the world championships. Prejudices have less foothold in children than in adults. These youngsters could do a real job of spreading American good will to farm youths from many nations where our motives and system of government are misunderstood.

The State Department is also requesting $810,000 to generate enthusiasm among the American people to attend an international fair in Brussels, Belgium. The object is to send American musicals to Brussels at great cost to the State Department, and then persuade Americans to go overseas to see them, by spending $810,000 on a promotion campaign for the trade fair.

This is big money, a grandiose type of promotion designed to dazzle. I think we can do more good by sending plain American citizens to exchange everyday ideas.

I believe this Congress could well spend more time looking into what kind of people we have directing these programs. Who is choosing for us the people and the types of culture to be sent overseas to impress the foreign population with American ideals? It is obvious that sending fine young farm people is not being given consideration, but sending bebop artists from our smoky dives is considered hep international relations.

The Lowest Ebb of Our Country

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 17, 1957

Mr. JENSEN. Mr. Speaker, last Sunday, April 14, was the 92d anniversary of the assassination of President Abraham Lincoln. The Lincoln group of Washington, D. C., in cooperation with the National Park Service, held an appropriate observance at Ford's Theater, the scene of the assassination, which has since become the famous Lincoln Museum. Our colleague, the Honorable FRED SCHWENGEL, of Iowa, vice president of the Lincoln group, gave the address for the occasion. He entitled his remarks "The Lowest Ebb of Our Country."

Congressman SCHWENGEL is a lifelong student of the life and deeds of the Great Emancipator. He knows his subject well and in his address last Sunday he gave new meaning to the growing importance of Lincoln's stature. I know that Congressman SCHWENGEL considers it a great honor to deliver such an address. I can appreciate this deep sense of pride, because a few years ago it was my distinct privilege to deliver the Lincoln Day memorial address at Ford's Theater.

Under leave to extend my remarks, I am pleased to ask permission to have Congressman SCHWENGEL's fine address printed in the CONGRESSIONAL RECORD so that all can share its message:

THE LOWEST EBB OF OUR COUNTRY

(Address by Hon. FRED SCHWENGEL, of Iowa, Ford's Theater, Sunday, April 14, 1957)

Tomorrow morning at 7:22 o'clock, it will be exactly 4 score and 12 years since the great heart of Abraham Lincoln ceased to beat in mortal flesh. This happened at a time when he and the Nation that he led so nobly had reasons to feel that it stood on the pinnacle of its finest and most significant moment in history. After 4 years of sacrifice, bloodshed, and heartaches unmatched in the history of the world, the question of whether a nation had a right to dissolve itself, to secede, was settled forever. With this wonderful victory came also the greatest moral victory of any nation in history. He led his people and they joined him in breaking the chains of slavery for millions born in an atmosphere of freedom. Three million souls born to be slaves became free and soon a nation became aware of the fact that as the slaves were freed, so were their masters.

And so it was, as we look back to that time that our country was getting ready to enjoy its finest moment. It had won its greatest victories. Lincoln was happy and the people were rejoicing—the boys would soon be home now. No more sow belly and beans, home and peace, a united Nation, it was wonderful.

With this great achievement, however, Lincoln saw still other battles to be won. They were in the political arena, and he knew they must be won on the basis of reason and commonsense. This would be awfully hard, but he must try. So as he had planned the battles of the war he now was planning the battles for the peace and there was no precedent for this either. He knew it would not be easy and he knew it would take time, and he knew that what was exactly right would come gradually. We must take our time. So now the real pressure was off, permitting him, the official family, and his family to look forward to some moments of relaxation. And so, on the evening of the 14th, he entered this theater with Mary, his wife, to see Our American Cousin. He was in a box seat just above us 4 score and 12 years ago today.

We need not go into detail on what happened here on that day. All of us know too well the terrible story of the shot that killed this great-hearted man. May I try for a few moments to review the reaction of a Nation toward his passing—then from this, call to your attention some significant observations, from which we can learn some lessons for our time and which might be of some value to us.

Robert Browning Hamilton once said:

"I walked a mile with sorrow
And ne'er a word said she;
But, oh the things I learned from her
When sorrow walked with me."

It was Good Friday when he was shot—one wonders—was this the hand of the Almighty? He lived until Saturday morning; until 7:22. That day was a cold, rainy day. He was in the Peterson house—hundreds of people stood outside watching, wondering, hoping, and praying. Officials were coming and going from this brick house. Inside, Lincoln lay on a wooden bed in the rented room of William Clark. He hadn't been conscious from the time the bullet found its mark the night before. Life was ebbing away.

They did what they thought was best to keep him alive, but the doctors knew it couldn't be.

Rumors spread and soon the Nation was to know that as they sacrified for the four long years with Lincoln as leader and were about to enjoy a great period of celebration, they now were forced to mourn. Sorrow was with them once again. The Nation began a period of mourning. More people shed tears over this death than any in the history of our Nation. Yes; maybe even the world. There were funeral sermons in almost every church and community. Editorials in every newspaper in the land and muffled talk on the streets; in the homes. It was on the lips of those in saloons and the railroad cars. There was black bunting and crepe everywhere. These were attempts to say something that could not be said. Silence seemed to reign. Men tried to talk about it and the words failed and they fell back to silence. To say nothing seemed best. They did go through the motions of

grief, and they did take their part in a national funeral and the ceremony of humiliation and abasement and tears.

Newsboys at their stands normally making a lot of noise but at this time they cried no headlines. They handed the damp sheets from the press to the buyers, wiping their tears as they sold their papers. In thousands of stores the merchants told their clerks they would close for the day. And on Monday, in many schools, the sobbing teachers could only tell the children "Go home, there will be no school today."

The board of trade, operators in gold, were shocked and closed the exchange. They couldn't transact business in this atmosphere. In North Carolina a Negro in a shanty barber shop told his first customer that he wouldn't shave anybody that day, because he said, "Somethin's happen to Marse Linkum."

Lincoln wasn't on the official roll of any church, but on Sunday every church did penance—Catholic, Jew, and Protestant. They could have and did have many differences, but in this they were united—thankful that their God had given them a Lincoln and mourned deeply his death. Seemed he might have been a member somehow of every church.

The tragic effect of this murder on the South is strongly expressed in Herman Melville's poem, most effectively edited by Jim Bishop in his book The Day Lincoln Was Shot:

"Good Friday was the day
Of the prodigy and crime,
When they killed him in his pity,
When they killed him in his prime.
They killed him in his kindness.
In their madness in their blindness,
And they killed him from behind.

"He lieth in his blood—
The Father in his face;
They have killed him, the forgiver—
The Avenger takes his place.

"There is sobbing of the strong,
And a pall upon the land;
But the people in their weeping
Bare the iron hand:
Beware the people weeping
When they bare the iron hand."

As we reflect and contemplate the almost unbelievable problems of that time, one wonders how a Nation that had just gone through the valley of the shadow of death paid so dearly with so many human lives for its sins—then having won, and I believe somehow both sides in this war won—stood on the brink of enjoying and celebrating its greatest achievement—could now stand the terrible shock of having to go into the darkest valley of sorrow ever experienced by any nation in the history of man. It seems as we look back now, too terrible a load for his people to carry—but they must. They could if—if, that is, they would harken and be reminded, as Lincoln was, to what our forefathers said and did four score and seven years before. He said at Gettysburg that what they said and did about the great objectives of Government was his goal—and he certainly implied that they are our goals, too. The people must achieve them now without Lincoln as their leader. It seemed hard—but they now had, as we have, a forefather that he did not have; one whose simple pronouncements made so much sense. Volumes could be said about what he said that gave them sustenance for strength and courage in their hour of challenge, but I shall refer to only two short paragraphs of his public statements.

His annual message to Congress, dated December 1, 1862, has been nominated by many a student, at home and abroad, as the greatest state paper any American ever wrote. With this I agree. The country's plight was then as desperate as it ever was. That message was a classic of truth, of philosophy, of love of country, of duty, and actually, of beauty of thought and style. Every American ought to read it. In it Lincoln gave to Congress the formal announcement of his Emancipation Proclamation, together with its facts and reasons and needs. He argued that two nations made out of our one, could not reasonably exist. "There is no line straight or crooked suitable for a national boundary upon which to divide." "There is no possible severing of this but would multiply and not mitigate, evils among us." Note the logic in his every word. He then proposed our Constitution be modified so that his pet plan would prevail, that slaves would be free and slave owners compensated. He said, "By mutual concession we should harmonize and act together. Without slavery the rebellion could never have existed; without slavery it could not continue."

How noble, how logical is every suggestion. Then came the famous last paragraph. It is probably 60 seconds in length. When we read it we ask ourselves, Did anything grander ever come from the White House?

"Fellow citizens, we cannot escape history. We of this Congress and this administration will be remembered in spite of ourselves. No personal significance or insignificance can spare one or another of us. The fiery trial through which we pass will light us down, in honor or in dishonor, to the latest generation. We say we are for the Union. The world will not forget that we say this. We know how to save the Union. The world knows we do know how to save it. We—even we here—hold the power and bear the responsibility. In giving freedom to the slave, we assure freedom to the free—honorable alike in what we give and what we preserve. We shall nobly save or meanly lose the last, best hope of earth. Other means may succeed; this could not fail. The way is plain, peaceful, generous, just—a way which, if followed, the world will forever applaud, and God must forever bless."

In this 1-minute paragraph there are a total of 160 words—111 of them are 1-syllable words and 49 are 2-syllable words. Every one a jewel set in a crown of logic.

What a precious plea. To end the bloodiest war in history.

To sweep away the curse of slavery and selfishness.

Complete in justice—to all—even to the slaveowner.

Could purpose be more divine?

Did mortal man ever use words for a nobler aim?

How wise was Lincoln. How sad the thought that men did not let his wisdom then prevail.

But surely his God must forever bless the plea.

Let me at this point pose the question—can we find some lessons or ideas in these 160 words to end the terrible cold war today?

Then there are those suggestions on conduct for a people and as a nation for our time and for all the world:

"With malice toward none and charity to all.

"With firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in; to bind up the Nation's wounds; to care for him who shall have borne the battle, and for his widow, and his orphan—to do all which may achieve and cherish a just and lasting peace, among ourselves and with all nations."

In this paragraph, this gem of completely Christian thought, this another of his masterpieces, are exactly threescore and 12 words (72 in all) and 2 less than threescore of them are 2-syllable words and 1 word has 3 syllables and it is "charity"—another and maybe nicer name for love. Christ said, didn't He, "I give you one new law—that ye love one another." This was the core—the central idea of Lincoln's great objective—his life—by precept and example.

Then let us look at the last statement in his final inaugural address—"to do all which may achieve a just and lasting peace—among ourselves and with all nations."

We might ask ourselves—are we doing all we can to bring peace and understanding among ourselves?—think for a moment on some of our domestic difficulties—race, labor and industry, and education. They are many—varied and complex—then we don't really have to remind ourselves of the world tensions, do we? Are we doing all we can to solve the problems that plague us? I think not.

Let us then heed the admonitions of our forefathers and especially those of Lincoln.

Harken unto those great foundations of truth and morality on which our country was built.

Then we will know that as hate breeds contempt and ignorance breeds misunderstanding and poverty, so can the respect for virtue in others make us more respected, and the sharing of our freedoms and liberties will spread these virtues to other lands.

From these fine examples on our American heritage it is not hard to conclude that it is our business to make other men wiser and better as we can find or make opportunity. Let us then think on these and countless other thoughts, foundation truths of our forebears—make them our rule and guide—then try to find ways to make our personal and collective application of them to the problems of our time, remembering that the words of a great seer—"that no doctrine, faith, or knowledge is of value to man except as it bears fruit in action."

Having done this, can anyone doubt that God will continue to bless America?

Let us today then dedicate ourselves to our unfinished task before us—emulating our forbears—doing those things, as they did, that true wisdom dictates—realizing always that right makes might and that if we would attain our goal as Lincoln did, charity in all its senses must be our motive. Accepting these as our principal guidepost we will be well on the way toward attaining peace among ourselves and with all nations. Thus we do great honor to our forefathers and especially to Abraham Lincoln.

The Dallas Tornado

EXTENSION OF REMARKS
OF
HON. W. J. BRYAN DORN
OF SOUTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 17, 1957

Mr. DORN of South Carolina. Mr. Speaker, I believe sentiment is growing in America among our States and the local communities to do as much as possible for themselves without calling on the Federal Government. The people of Dallas, Tex., were stricken by a terrible tornado which caused over $4 million damage and took many lives. It is my understanding that immediately after the tornado struck, insurance adjusters and investigators moved in to take care of the people's claims. Carpenters, brick masons, engineers, and the people in general moved in the next morning and went to work to restore the damaged property. Local contributions of time, money, clothes, and food poured in. A magnificent job was done by the city of Dallas and the State of Texas. It is my understanding that no official request for help to the Federal Government in

Washington was ever issued by the local authorities. The people of Dallas will always remember with pride how everyone chipped in and, at the local level, rebuilt the damaged portion of their great city. This is the kind of effort that made America the Nation that it is today. This is the kind of pride, frugality, and thrift which will preserve this great Nation. I congratulate the people of the city of Dallas, Tex., on their splendid reaction to a major disaster.

Flood Insurance Still in Abeyance Although All Details Are Said To Be Worked Out

EXTENSION OF REMARKS
OF
HON. LEONOR K. SULLIVAN
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Wednesday, April 17, 1957

Mrs. SULLIVAN. Mr. Speaker, in a recent special order in the House, on April 8, I was intensely critical of the delays which have occurred in placing into effect the Federal flood insurance program authorized by Congress last year.

As I pointed out, people are experiencing flood damage right now, with the heavy spring rains in many parts of the country, yet the official attitude has seemed to be that the floods should wait while the minute details of the program are worked out to everyone's satisfaction—before any policies are issued or any businessmen or homeowners are afforded some measure of protection against disastrous flood losses.

Since then, I have received a great deal of additional information from the Flood Indemnity Administration of the Housing and Home Finance Agency, which administers the new program, and have been assured that the details are now being worked out, and are just about all completed.

Now, we are informed, the delay is at the door of Congress—that nothing can be done until Congress appropriates funds for the payment of possible future losses once the policies are issued and also appropriates funds for the payment of private insurance companies of agents' fees, claim adjusting costs, et cetera.

LETTER FROM COMMISSIONER MEISTRELL

This situation is outlined in some detail, Mr. Speaker, in a letter which I have received from the Commissioner of the Federal Flood Indemnity Administration, Mr. Frank J. Meistrell, and in fairness to him, I am inserting the full text of his letter at the conclusion of these remarks.

I will say, in comment on it, that I am pleased all of the details have been worked out for cooperation between the Federal agency administering the program and the private insurance firms which will handle the sale of the insurance on a nonprofit basis.

I will say I am delighted that things have been brought to the point that the program can get underway if money is made available.

But I must say, in fairness to those in St. Louis and elsewhere who live in dread of new flood damage while this whole program languishes in redtape, that it seems to me there has been much too much delay downtown on this and that there now appears to be a desire to blame any and all delays on Congress.

The act was passed last year. There was no money included for the program in the President's budget sent up here in January. The initial request for funds did not arrive until last month.

I have checked with the Appropriations Committee on this matter and I have been informed that the proposed funds for the flood insurance program were not put on any urgent priority list by the administration, and hence were not considered for any of the urgent deficiencies or supplemental bills which have been reported out so far.

SHOULD COME UP AFTER EASTER RECESS

Hence, this matter is being treated in the usual manner of any rather routine request for a supplemental appropriation, and the reason it is so treated is not by decision of the Appropriations Committee, as I understand it, but rather by decision of the Bureau of the Budget, which has shown no sense of urgency about it.

Congress has just been subjected to a buck-passing, blame-placing fiasco over deficiency postal funds, and the resentments are deep in this entire House over the way this whole issue was handled. I hate to see the Appropriations Committee again being blamed for delay on the flood insurance program, when it is not in any sense responsible for the delays which have occurred.

It is my understanding that this proposed appropriation for $50 million for payment of future losses and for payment of agents' fees and adjusters' expenses, and so on, will be considered by the committee along with other supplemental items in a bill which will probably come out shortly after the Easter recess. I wish this had been earmarked by the Budget Bureau as among the kind of high-priority items taken up in the bill we passed earlier this week which contained postal funds.

LETTER CONTAINS MORE DETAILS ON RATES

In Mr. Meistrell's latest letter to me, Mr. Speaker, there are some additional details on the probable rate structure for this insurance and on other aspects of the program which I believe will be of interest to many of the Members as well as to all of those who are anxious to buy flood insurance once the program is underway.

The text of the letter from Mr. Meistrell, dated April 15, is as follows:

HOUSING AND
HOME FINANCE AGENCY,
FEDERAL FLOOD
INDEMNITY ADMINISTRATION,
Washington, D. C., April 15, 1957.

Hon. LEONOR K. SULLIVAN,
House of Representatives,
Washington, D. C.

DEAR MRS. SULLIVAN: I am pleased to give you the following information in answer to your inquiry concerning the present status of the Federal flood-indemnity program.

I wish I could give you, and many others who have inquired, a definite answer as to when flood insurance will be made available to the general public. The fact is that the date on which we shall be able to offer flood insurance to the public is directly related to action by the Congress.

As you know, there is now pending before the Subcommittee on Independent Offices of the House Appropriations Committee a supplemental appropriation request which when approved by the Congress will provide necessary funds.

A hearing on this request was held on April 3 and I am enclosing herewith a copy of the justification of supplemental estimates and a copy of my statement before the subcommittee, which you requested. I do not have a copy of my testimony to the subcommittee which you also requested.

You will observe that the appropriation request is for $50 million based on an initial insurance authorization of $3 billion as prescribed in the Federal Flood Insurance Act. This request is composed of two major items:

The first item of $36 million is to be used, if needed, to pay losses in excess of premium income estimated at $54 million. In short, we anticipate having available for the purposes of the disaster insurance fund loss reserves aggregating $90 million.

The second item of approximately $14 million is to be used for payments to the insurance companies, and agents and brokers, for selling and servicing flood indemnity contracts, and to claim adjusters for adjusting claims arising under these contracts. This money will be expended only as such services are actually rendered.

In this connection, I should like to emphasize that:

The payments made to insurance companies for issuing policies and performing other related services on our behalf, are to reimburse them only for their out-of-pocket costs, and do not include any profit, or administrative overhead, or any other expense incident to the normal conduct of their business. The claims adjustment organizations are to be reimbursed for their services on a comparable basis. The agents and brokers who sell the contracts are to be paid on a commission basis which has not yet been finally determined.

In effect, we are prepared to put into operation a wholly new insurance business using for the purpose the facilities and the highly trained personnel of the insurance industry at cost. This appears to us to be the most economical and effective way to put this program into operation promptly.

As a consequence, the staff of the Federal Flood Indemnity Administration can be kept relatively small. Our functions will include policy formulation, supervision of program operations by the insurance companies, settlement of claims for losses, and research. The administrative costs of this agency can thus be kept comparatively low, especially during the early years when the program is largely experimental.

You asked me also what the cost will be for this insurance. This raises the whole question of rates which has been our most difficult problem.

For the major classes of risks, our net rates (after application of the subsidy) will range from $1 to $2.50 per $100 of insurance on an 80 percent coinsurance basis. Within this range, the rates will be different in various parts of the country depending upon considerations of flood frequency and flood damage in such areas.

On the basis of available data, we have established a separate set of rates for each major river basin in the United States, and for the more highly exposed areas along the Atlantic and gulf coasts. We believe that these rates reflect varying degrees of exposure, ascertainable at this time, and that they are marketable, as required by the Federal Flood Insurance Act.

The rating system we have devised will of course be refined and improved, as we gain

experience. But it makes possible flood protection for the people this program is intended to help—the home owners and businessmen of modest means who are exposed to flood hazards. The insurance industry is prepared to market flood indemnity contracts at these rates.

Mindful of the constant need for economy in our operations, we have given considerable thought to the question of large losses being incurred in excess of income derived from these rates. Certain safeguards have, therefore, been incorporated into the program:

1. The amount of insurance which can be sold to any person or corporation is limited to $250,000, and $10,000 on a dwelling and its contents.

2. The total amount of insurance in force will not be the measure of the Government's liability as most losses arising under these contracts will in all probability be partial losses. Moreover, flood indemnity contracts will contain dollar and percentage deductibles which will tend to reduce nuisance claims.

3. The flood indemnity contracts will be sold nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply, namely, the contributions of the many to pay for the losses of the few.

You will also find enclosed three different sets of answers which we have prepared to various questions that have been asked us from time to time.

We deeply appreciate your interest in this program. If we can be of further service to you at any time, please let us know.

Sincerely yours,

FRANK J. MEISTRELL,
Commissioner, Flood Indemnity Administration.

Reserve Forces Act of 1955

EXTENSION OF REMARKS
OF
HON. OVERTON BROOKS
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. BROOKS of Louisiana. Mr. Speaker, since the enactment of the Reserve Forces Act of 1955 I have made it a policy to make periodic reports to the Congress on the implementation of that law and the Reserve forces generally.

I know the Members are aware of the recent controversy between the Army National Guard and the Department of the Army which came about because of an Army directive requiring Army National Guard recruits to participate in the 6-month basic training program. The differences between the Guard and the Army were resolved after lengthy hearings before the subcommittee of which I am chairman. We were able to obtain the unqualified approval of the Army and the National Guard to a memorandum of understanding which alleviated their differences.

The required 6 months' training program for all guard recruits will have the effect of providing the Army National Guard with persons already trained in the basic arts of war and ready to enter upon the advanced and unit training phases in the Army National Guard. This is necessary because the technique and pace of modern warfare, in this age of possible sudden disaster, requires well-equipped Reserve forces in being, capable of immediate mobilization and almost concurrent entry into battle stations. I have no hesitancy in predicting that with all National Guard recruits receiving 6 months of basic training after their enlistment the level of training of the Army National Guard will rise, and more than ever before the Guard will justify the position which the Congress has given it, the first line of defense for our country.

The Army National Guard has done an outstanding job of attracting and retaining in its ranks on a voluntary basis over 400,000 young men who have consistently demonstrated an intense interest and desire to serve their country. One of the provisions of the memorandum of understanding, agreed to by both the Army and the guard, was that the strength of the Army National Guard should not be permitted to fall below 400,000.

It must be definitely understood, however, that what the committee and the parties to the agreement had in mind, in establishing this figure, was that the strength of 400,000 for the Army National Guard was to be considered a floor and not, in any respect, a ceiling.

The increased international responsibilities thrust upon this country dictating increased worldwide commitments for our active Armed Forces require that our Reserve forces be maintained in a constant state of readiness and that there be no reduction in their strength and training. However, it has been brought to my attention that the Department of the Army has projected a 1958 fiscal year end strength for the Army National Guard of 400,000. Now, at the present time, the Army National Guard has already obtained a strength of approximately 430,000, and it can be reasonably anticipated that this strength will gradually increase as more and more emphasis is put on the acquisition of trained men for the guard ranks.

Last year the Congress appropriated for a 1957 fiscal year end strength of 425,000 and, it is my understanding, that the Appropriations Committee repeatedly stated that it desired no cessation in National Guard recruiting.

In view of this, it is my earnest hope that the Congress will place no limitations on the National Guard for fiscal year 1958 which would serve to restrict recruiting activity at a time when it is now on a steady ascent. I realize, of course, that, for budget purposes, we must have an appropriations limitation on the overall strength of the Army National Guard. But I believe this strength figure should be set sufficiently high so as to not impair National Guard recruiting in the next fiscal year.

The budget now under consideration provides for only 25,000 6-month trainees for the Army National Guard, whereas a more realistic figure would be approximately 50,000. Any restriction on National Guard recruiting at this time, to my mind, would be a grave mistake and cause untold injury to the projected plans and programs for increasing the efficiency and combat capability of our Reserve forces.

The guard has constantly demonstrated its ability to meet the requirements imposed upon it by Congress. It has furnished trained units and individuals in times of catastrophe and need, and is deserving of strong and continued support in its efforts to increase its combat potential and capability for our common defense.

Our National Defense in the Atomic Age

EXTENSION OF REMARKS
OF
HON. JAMES E. VAN ZANDT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. VAN ZANDT. Mr. Speaker, on April 16, 1957, it was my privilege to address the Pennsylvania State Society, Daughters of the American Revolution, at the Shoreham Hotel, Washington, D. C., on the subject Our National Defense in the Atomic Age.

The address follows:

It is a pleasure to have this opportunity to appear before so noteworthy an audience representing as it does the best and most enduring ideals of American womanhood and citizenship.

During my years in public life I have developed admiration for your activities on a national scale as reflected in your annual continental congress here in Washington.

Your endeavors to restore and mark places of great historic importance and your intense interest in the great problems facing our country are among your laudable objectives.

I am especially happy to speak to you as my neighbors in Pennsylvania on a subject which has been of vital importance to the Daughters of the American Revolution since its founding.

I share your conviction that continued public interest in an adequate national defense is vital if we are to maintain our world position and strength in order to preserve our liberty and freedom.

In discussing the subject of our national defense in the atomic age, it is of interest that Congress is currently considering the administration's request for a $38.5 billion defense budget, the largest in 2 years.

These funds are required for the maintenance of our Armed Forces at their present strength and for the development of a wide range of new powerful weapons.

In examining this request many of us ask ourselves whether or not such enormous expenditure is really necessary for our national security.

We wonder if this huge and expensive Defense Establishment is becoming an unbearable drain on our national economy.

Some critics contend that it is a waste to continue our national defense program at its present level, now that Stalin is dead.

They further state the present Soviet leadership has no intention of attacking the United States.

In addition, they argue that the Russians have altered their doctrine and strategy and, hence, are no longer determined to communize the world.

Fellow Americans, let me assure you that this is not true.

Today the Soviet Union and Communist China maintain the largest military force in history.

Excluding the armies of North Korea and Vietminh, the Russian and Chinese Communists forces number well over 11 million men.

The Russians alone have an army of 2½ million ground troops.

The security of Western Europe is continually threatened by 31 Soviet divisions stationed on satellite territory.

Since World War II the Soviets have re-equipped their armed forces with a complete new family of powerful small arms, artillery, armor, and transportation equipment.

They have constructed a fleet of over 450 submarines and are aiding Red China in modernizing the huge Chinese Army.

The Communist bloc is also pushing ahead rapidly in the development of guided missiles and in the buildup of their atomic and hydrogen stockpiles.

For example, since the first of this year we have learned of a series of atomic bomb tests by Russia.

They are training scientific and technical personnel at a rate which will seriously threaten the lead of the West in scientific skill within a few years.

If the Soviets have changed their nature since Stalin's death there are few signs of it.

Witness their sly maneuvering in the Middle East, where they are fanning fanatical nationalism through anti-Western propaganda.

Certainly the Communist ideology has not changed since Stalin's death.

The Soviet leaders still preach the incompatibility of the Communist system and Western society.

Mr. Khrushchev, after having labeled Stalin a murderer and a tyrant, recently stated that he was nonetheless a great Marxist and "fighter of imperialism in the class war."

Khrushchev said quite openly that in this respect the present Kremlin leadership is Stalinist in its attitude.

With this attitude on the part of Soviet leaders the quest for peace remains increasingly difficult.

No one realizes more than I do the folly of an arms race.

Certainly every effort should be made to reach a sound agreement with the Soviet Union on the reduction of armaments.

But sound agreement involves international control and inspection.

It, therefore, follows that until such an effective system can be established for the entire world we must remain constantly alert in our defense and push ahead with our weapons development.

We cannot afford to take a chance on any weak disarmament plan based solely on the good faith of the Soviets.

A mistake in judgment on this crucial issue could mean our destruction.

Confronted as we are with Soviet hostility and with their refusal to cooperate on a sound disarmament system it is horrifying to imagine what might happen to us if we do not maintain and develop our defense.

We must remain vigilant.

We must be prepared at all costs to oppose Communist aggression in any form.

Therefore, let us now consider what we need to defend the United States adequately.

We cannot forget the impact of atomic-hydrogen weapons on our defense system.

Surely we have all been made aware of the new scientific age in which we are living.

In this connection, the President's plan for the peaceful uses of the atom has provided some indication of the revolution in living which we will experience when the effects of nuclear power are fully felt.

Until now, however, primary emphasis on nuclear research has stressed the destructive aspect of the atom in the weapons field.

The effect of the atom on military strategy has completely altered former concepts of defense and war.

Today we cannot think of an adequate defense system without first taking into full consideration the destructive force of atomic-hydrogen weapons.

I believe that there are two major requirements for a sound defense policy in this atomic age.

First, we must maintain and develop our capacity to retaliate massively against any power that launches a thermonuclear attack on the continental United States.

Second, we must maintain and develop our capacity to fight small or limited wars with the use of either tactical atomic weapons or of conventional arms as the circumstances may require.

Let me further develop these points.

We are living today under the shadow of atomic and hydrogen bombs.

In testimony before the Senate during its inquiry into airpower last year the Nation's top military experts pointed out that the Soviet Union now has the capability of striking a devastating blow at the United States.

Gen. Nathan Twining, chief of the Air Force, said in part:

"In looking to the future our plans and programs must be oriented toward countering the Soviet capability.

"As the Soviet war potential increases, particularly in intercontinental striking capability, this becomes even more valid.

"Such a potential will give the Soviet a continuing ability to attempt to deliver at any time of his choosing, with or without warning, a crucial blow against us.

"Thus for the foreseeable future we must maintain in constant protected readiness a retaliatory force of sufficient strength to deter an attack, or to insure ultimate victory if general war occurs."

Therefore, it is evident the maintenance of atomic-hydrogen power, as a deterrent force, requires the stockpiling of sufficient quantities of fissionable material and the development of airpower as a means of delivery.

From information released to the public it appears that both the United States and the Soviet Union have reached the position of being able to wage atomic warfare.

Working from published evidence and his own special knowledge, a British physicist recently estimated that the United States probably has stockpiled material for the manufacture of 35,000 atomic weapons as opposed to Soviet stockpiles for approximately 10,000.

Our Strategic Air Command today is the means of delivering our thermonuclear power.

From bases encircling the Soviet Union SAC can strike the Soviet Union within hours after an attack on the West.

To maintain and develop SAC as our first line of defense we must steadily push research and experimentation in weapons, piloted aircraft, and guided missiles.

Above all, we must keep pace with Soviet advances.

Bases circling the Communist bloc must be maintained.

Because it is upon this first line of defense that our national survival may depend.

The second requirement of a sound national defense policy is the ability to cope with local aggression in small wars.

We must take into account the possibility that small tactical atomic weapons may be used in a local conflict rather than conventional arms.

This means that our Armed Forces must develop offensive and defensive tactics geared to the use of a variety of small atomic weapons.

At the same time we must also be prepared for local attacks that are confined to nonatomic weapons.

According to the estimates of military experts the Soviet Union will soon possess a capability for atomic destruction equal with the United States.

This will establish a nuclear stalemate.

In such a stalemate, the United States may find that it will be difficult to initiate the use of tactical atomic weapons if the Communists use only conventional-type weapons.

When the Soviet Union is able to bomb the United States with nuclear weapons the risk that a local atomic war might spiral into an all-out conflict would be too great.

This means that our Armed Forces must possess a dual capability, namely:

(a) The capability to fight with conventional arms, using conventional tactics for some types of conflict; and

(b) With atomic weapons using atomic tactics for other types of combat.

Therefore, it is necessary to maintain our Armed Forces at their present strength and continue to supply them with conventional equipment.

We must also train them in the use of tactical atomic weapons and supply them with the latest models in our small atomic-weapons system.

Let us now turn our attention to our existing Defense Establishment and the problem of its continued development.

Testimony by leading Defense Department authorities has given convincing evidence that we do have a balanced defense system, and at a cost which our national economy can support.

Secretary of Defense Charles Wilson recently pointed out that "the forces envisaged in the long-range program of the Department of Defense constitute by far the largest Military Establishment that this country has ever undertaken to maintain for an indefinite period of time."

Secretary Wilson continued by saying:

"With the incorporation into our Military Establishment of the new weapons that we have developed, they constitute a force of tremendous striking power which, in my opinion, adequately provide for our national security at this time."

He added:

"It is also my feeling that these powerful United States forces continue to make a major contribution to peace and stability in the international field."

Fellow Americans, as a member of the House Armed Services Committee and the Joint Congressional Committee on Atomic Energy, I agree with Secretary Wilson that our present retaliatory deterrent force is much more powerful than it was a year ago.

Under plans outlined in the President's 1958 budget this force will be strengthened in both power and effectiveness.

The present number of bomber wings in SAC—numbering 11 wings of B–52's with 45 bombers per wing—will be maintained.

Plans have been made to accelerate the fighter program.

Increased stockpiles of more powerful and more diversified nuclear weapons are being made available to SAC at bases all over the world.

Research in the ballistic missile program, now highly accelerated and on atomic-powered aircraft, holds great promise for the future capabilities of SAC.

It is our hope to be first in developing the intercontinental ballistic missile which will enable us to strike the enemy with pilotless craft, armed with atomic or hydrogen warheads.

The development of ground-to-air and air-to-air missiles for our continental defense system is also being accelerated.

The Air Force has developed the Falcon and the Navy the deadly Sidewinder, both of which are now in quantity production.

The Air Force is currently concentrating on the Bomarc, a long-range missile of supersonic speed, while the Army will further develop both Nike and Talos.

The Armed Forces of the United States have a total strength of over 2,800,000 men and women.

The Army, according to Secretary Wilber Brucker, represents the most "thoroughly

equipped and superbly trained army" that this Nation has ever put into the field.

These forces, together with our strategic Reserve, are ready to fight at any moment should the need arise.

This readiness constitutes an impressive deterrent against aggression.

In support of our mutual defense alliances, and other arrangements, 40 percent of our Army is stationed overseas in 73 countries.

Army missions in 44 nations in Europe, Asia, and Latin America are directly engaged in helping to train more than 200 allied foreign divisions—a large part of the free world's military strength.

Considerable progress is being made in matters of organization, research, and development in the Army.

Under plans now being implemented the major combat units of our ground force are being reorganized into the so-called pentomic divisions, which improve the ability of the Army to fight effectively under conditions of atomic warfare without losing their ability to conduct conventional war.

We are also organizing atomic support units, which are particularly suitable in providing atomic support for the forces of our allies in combat.

Research and experimentation are progressing in the development of new weapons systems.

As a result, we are stockpiling our arsenal with an adequate variety of atomic weapons precisely tailored to our needs, and which can be used accurately against close or distant targets.

At the same time, emphasis is being placed on the continued improvement of conventional weapons needed to accomplish many tasks for which atomic weapons would be wholly unsuitable.

The element of flexibility is similarly being stressed by the Navy.

The most important offensive weapon developed by the Navy is the mobile airbase—the new carrier *Forrestal.*

In the event of global war this type of ship will serve to defend the continental United States, and at the same time project our air striking power into the enemy's territory.

In case of local war it will supplement our land-based airpower, or supply airpower where land bases are limited or nonexistent.

The Navy is also pushing its aircraft and missile-development program.

Several types of advanced aircraft, operating from mobile carrier bases, have already been added to the fleet.

Of particular importance is the new *Skyhawk,* a light attack plane with high-speed and high-altitude performance, capable of carrying atomic weapons.

The development of sea-based ballistic missiles will prove to be immeasurably important by adding variety and dispersability to our deterrent capabilities.

The Navy is making the transition from guns to missiles very rapidly.

The cruisers *Boston* and *Canberra* have been converted and a third, *Galveston,* is being readied.

Under the present program the Navy envisages a total of 21 missile ships before the end of 1958.

The Navy is also making the transition to nuclear power as rapidly as possible.

The submarine *Nautilus,* the pioneer ship in this development, has now steamed more than 55,000 miles without a single disabling casualty.

Its reactor has now been refueled after 2 years of service.

The nuclear-powered submarine introduces a new weapon into naval warfare.

It can sink ships, it can serve as a radar picket ship, it can seek out and destroy enemy submarines, and most important of all, it can serve potentially as a base for the launching of ballistic missiles.

The present program of the Navy and Marine Corps serves to maintain a high state of immediate readiness, while instituting some very basic and revolutionary changes in naval weapons systems and strategy.

The readiness of the Navy was strikingly demonstrated during the recent Suez crisis by the rapid deployment of a large part of our fleet and by the evacuation of our nationals from Egypt.

Fellow Americans, in concluding my discussion of our national defense in the atomic age, I join millions of other Americans in accepting our Military Establishment, the projected program for the development of our military capabilities, as being adequate in meeting the requirements of our defense program for the maintenance of United States and free world security.

Federal Aid to Education

EXTENSION OF REMARKS

OF

HON. RALPH W. GWINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 17, 1957

Mr. GWINN. Mr. Speaker, under permission to extend and revise my remarks, I include the following address on Federal Aid to Education delivered today by my colleague, the Honorable AUGUST E. JOHANSEN, of Michigan, before the 66th Continental Congress of the Daughters of the American Revolution, meeting in Washington, D. C.:

Two weeks ago today, on April 3, the President of the United States held a White House news conference.

By way of opening my discussion of the subject of Federal aid to education, I quote a question asked at that news conference, and the President's reply.

A newspaper correspondent asked:

"Sir * * * you said earlier tax cuts would be possible because some of these programs are not permanent. They are temporary. Could you identify 1 or 2 of these?"

The transcript of the President's reply, verified at the White House, is as follows:

"For example, I recommend the school program for 4 years; I want 4 years, and I want it stopped, if necessary by a constitutional amendment. I just want it stopped there. I don't want to go into anything we can't continue, that we shouldn't continue."

The school program to which the President referred is, of course, the proposed Federal assistance to the States for school construction, again currently before the Congress.

I believe the President is completely sincere in saying that he wants this program only on a so-called emergency, onetime, one-shot, temporary, terminal basis. He has repeatedly so stated to the Congress, and he has indicated some of the very valid reasons why the program shouldn't continue on a permanent basis.

Heretofore I have also always believed that the President was completely convinced that it is possible to have the program on such a terminal basis—a view, incidentally, I have never shared.

Now, however, I am not so sure as to the President's own certainty on this point—in view of his amazing and enigmatic reference to stopping the program "if necessary by a constitutional amendment."

I will not speculate as to whether this statement was made by the President in complete seriousness or facetiously in an effort to discount the idea that terminating the program would involve a serious problem or difficulty.

In either case, it seems to me to suggest a definite misgiving on the part of the President, a doubt as to whether terminating the program is really going to be as easy and simple as a company commander ending a drill period with the order, "Fall out."

In either case, the President's reference to a constitutional amendment in this connection ought to be so effective a warning to the Congress and the American people that it will be the kiss of death for this or any similar proposal for Federal aid to education—and I earnestly hope it will be just that.

Furthermore, if adoption of this or any program of Federal aid to education does in fact involve the likelihood or possibility that we are starting something which will require a constitutional amendment to stop, now is the time to know it; now is the time to face up to the fact, and now is the time to stop such a program, once and for all.

Indeed, it would be well for Congress and the American people to earnestly consider adoption of a constitutional amendment now, spelling out definitely and decisively the proposition that the financing and control of education and educational policy in the United States shall hereafter be specifically reserved to the States, or to the people.

I intend, as a Member of Congress, to explore to the fullest the potentialities of such a step.

The temptation is strong to elaborate on the implications of such an amendment. Particularly, I would like to point out its potential effect in restoring to the States, the local units of government, and our citizens, an acute awareness of their rights, responsibilities, and capabilities in this area of activity so vital to progress, freedom, and constitutional self-government.

Such a step would, I believe, be a powerful antidote to the real opiate of a free people—the illusory doctrine and dogma that the solution of all problems, and of the problems of education in particular, must depend increasingly upon Federal action, Federal financing, and the exercise of Federal authority.

I resist that temptation because of the greater and more immediate urgency of discussing the proposal currently before Congress, in support of which both the Congress and the American people will be bombarded, by high-voltage propaganda, increasingly in the weeks just ahead.

With regard to this proposal for Federal assistance to the States for school construction, I wish to make just two points:

First, I should like to document the fact that there are numerous determined and powerful advocates of this specific legislation, both in education and in Government, whose avowed desire and design for America is all-out, all-type Federal aid to education on a permanent basis and on an ever-expanding scale—time-wise, dollar-wise and program-wise.

For them this particular legislation is useful and important primarily because it would successfully establish a principle; because it is, in the words of Adlai Stevenson to the National Education Association convention in July 1955, "just a beginning." And Mr. Stevenson urged, as an illustration of what he had in mind, that "over the longer run it may be best, it seems to me, not to tie Federal assistance to specific purposes, such as school construction, but rather to make unrestricted cash grants to the States on a per pupil basis. State governments would then have much greater flexibility to distribute these funds among local school districts for whatever purpose would most effectively advance education."

This year, as for several years past, the official platform of the NEA advocates, without reference to any temporary or terminal

basis for the program "financial assistance from the Federal Government to the States * * * for the support of public education."

As a further clarification of the permanent and expanding type of this Federal participation envisioned by the leadership of this organization, I call attention to the testimony of Dr. William G. Carr, executive secretary of the NEA, to a Senate committee in 1955:

"As long as our schools are cut off from the most powerful and efficient and productive form of taxation that we have (Federal taxation, of course) so long will they fail to receive a reasonable share of the great wealth and income of our country."

There is nothing terminal or temporary about that philosophy of Federal aid to education.

In February of last year, Dr. John K. Norton, head of the department of educational administration at Teachers College, Columbia University, declared:

"Even if $500 million a year were voted for school-building aid, it would represent only a first step toward adequate Federal participation in the financial support of education in the United States."

Dr. Edgar Fuller, executive secretary of the Council of Chief State School Officers, whose chief argument for Federal aid to education before congressional committees is that the Federal Government now discriminates against education by limiting its Federal-aid bribes ("incentives" is the gentler word he uses) to stimulate State spending to highway and other welfare programs, and that it must offer some competitive bribery in behalf of education, has urged that "Federal assistance for school facilities be at least one-third the amount of Federal assistance for highways during the next decade, in order that competition for State [matching] funds may be equitable."

Governor Williams, of Michigan, who has a known aversion for moderation, has proposed a 5-year program of $16 billion-plus—compared with the President's one-time-only program of $2 billion, spread over a 4-year period.

Finis E. Engleman, Connecticut commissioner of education, writing in the October 1955 NEA Journal, said:

"Since for many years funds [from Federal sources] will only be sufficient to supplement the State and local efforts, some safeguards must be erected to insure the continuance of local and State efforts to finance their schools."

I said last July that "the import of these words is that someday funds from Federal sources will do all—or, at least, the bulk—of the job." And I have been told that this was reading entirely too much into Dr. Engleman's statement.

Be that as it may, I defy you to read "too much" into the statements of the amazing trio of educators and economists who addressed the American Association of School Administrators at Atlantic City on February 18 of this year.

Economist Beardsley Ruml described Mr. Eisenhower's current proposal as a "harmless gesture of good intent," but "wholly inadequate," and evasive of what he termed "the central duty of Federal support for the public schools." Mr. Ruml proposed an immediate Federal grant of $750 million a year, which would increase until it reached $3½ billion in 1962. No termination of the program was suggested, so far as I can determine.

Prof. Seymour Harris, of Harvard, proposed a start of $600 million a year now, with $6 billion a year by 1965.

Prof. Lester V. Chandler, of Princeton, didn't bother with specific figures. He simply advocated that "financing education should be primarily a Federal responsibility," with local or State support only secondary.

One final example: Dr. Theodore Brameld, professor of educational philosophy at New York University—of whom more later—in his book Toward a Reconstructed Philosophy of Education, published in 1956, urges "* * * the United States should spend annually at least $35 billion on education, nationally and internationally, during the next quarter-century. * * * Moreover, not less than half of this amount should come from the Federal Treasury" (p. 295).

What a pity that the House Subcommittee on Education did not secure for its record the testimony of these determined and reckless advocates of transfer of the responsibility for public school financing to the Federal Government, thereby putting the Congress and the American people on full and fair notice as to how truly, compared with their desires and designs, current proposals are just a beginning.

To pooh-pooh these proposals for gargantuan expansion of Federal activity and financing in the field of public education as merely the harmless pipedreams of dwellers in ivory towers is to ignore the potential eagerness of powerful educational lobbyists, of a few socialist-minded and power-hungry labor leaders, and the would-be political beneficiaries of an all-powerful centralized Federal Government to join forces to give substance to the pipedreams.

Small wonder President Eisenhower suggests the possible necessity of recourse to a Constitutional amendment to set limits and call a halt to the relatively modest program of Federal assistance for school construction he has felt constrained to propose.

And now, briefly, my second point—the matter of Federal control of education.

It is absurd and, I think, an insult to your intelligence to suggest that any transfer of responsibility for public education to the Federal Government and Federal finances, on the scale envisioned in the statements I have cited, can be accomplished without a transfer of control over education.

Yet it is stoutly argued in recent testimony before the House subcommittee that there is no threat of Federal control.

And it is pointed out that the proposed current legislation includes provisions that there must not be any Federal control.

How, as a practical matter, may I ask, can there be a massive transfer of citizen, community and State dependence for financial support without a measure of transfer of control, regardless of these puny and temporary prohibitions.

One answer, of course, is that even to achieve the comparatively modest degree of participation in Federal aid proposed by the President's school building bill, many States must change their tax structure and their school district setup—or face the prospect of Federal taxation without participation.

To argue that because tomorrow, or next year, there may not be Federal interference in, or dictation of, curriculum, educational standards or administrative policies, and conclude that therefore there is no actual or potential Federal control of education, and no threat of such Federal interference and dictation subsequently, is to miss the whole point and meaning of control.

The unfortunate widow who signs over title to her home to a greedy relative in return for an ill-defined promise of financial support loses control of that home the moment she delivers the deed—not at some indefinite future when the new owner begins to dictate her activities or serves an eviction notice.

The ominous threat of Federal control of education, it seems to me, is clearly recognized and underscored by a statement of President Eisenhower in his special message of January 28 of this year:

President Eisenhower said:

"Once the accumulated shortage (of classrooms) is overcome, if State and local autonomy in education is to be maintained, the States and communities must meet their future needs with their own resources and the Federal-grant program must terminate."

The key words, in that statement, are: "If State and local autonomy in education is to be maintained."

That, in plainest possible language, means "if State and local control of education are not to be replaced and supplanted, albeit gradually and at the outset imperceptibly, by Federal control of education."

Unfortunately, most of the advocates of Federal aid to education on a permanent and expanding basis lack either the perception, or the honesty, or the courage to face squarely this inevitable corollary of Federal control.

One advocate who does unblinkingly face up to this reality—and for his own ideological background and associations or his current proposals I have neither sympathy nor respect—is Dr. Theodore Brameld, whom I have already quoted.

Dr. Brameld does not flinch at Federal control of education. He advocates establishment of a permanent Federal Educational Authority.

In that connection may I point out that the NEA and the American Association of School Administrators are on record as favoring creation of a National Board of Education as an independent agency, which would select a Commissioner of Education responsible to the Board.

Dr. Brameld asserts "the need for educational designs that * * * are parts of an organic whole embracing schools everywhere in the Nation and the world."

More specifically, he contends that educators "in agreeing to Federal aid * * * acknowledge that final responsibility for schooling can no longer rest so exclusively where it has rested in the past—with the localities or States."

And he further argues that those who "separate the questions of Federal aid and Federal control" take the position that "whereas they are willing that Congress, as the representatives of the people, should provide funds, they are not willing that the representatives of the people should control them."

This, Dr. Brameld concludes, "implies a distrust in representative government that Congressmen who hold genuinely democratic convictions should resent."

Finally he advocates an education system that is supported heavily by Federal taxation (supplemented by local resources) and controlled by the majority; that gears curriculums, teaching, guidance, and administration to the purposes of the economy of abundance, political order, scientific society, and esthetic pattern, and that brings newspapers, radio chains, and other instruments of public enlightenment into direct cooperation with education and under similar controls.

What, then, is the conclusion of this matter?

On the darker side, the warning of Dr. Leonard D. White, of the University of Chicago, national authority on State-Federal relationships, a warning of particular import with respect to education in these United States:

"If present trends continue for another quarter century, the States may be left hollow shells, operating primarily as the field districts of Federal departments and dependent upon the Federal Treasury for their support."

On the brighter side, the knowledge that if, beginning with the problem of current school-building shortages, we will patiently, painstakingly and persistently bring to bear the resources of leadership, finance, and organized effort available in our communities and States, we will meet the needs and suc-

cessfully maintain State and local autonomy in education—an indispensable bulwark of freedom and progress.

God grant us the wisdom to recognize the task; the courage to accomplish it.

Republicanism at Work Today

EXTENSION OF REMARKS
OF
HON. LEVERETT SALTONSTALL
OF MASSACHUSETTS
IN THE SENATE OF THE UNITED STATES
Wednesday, April 17, 1957

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address on the subject Republicanism at Work Today, delivered by the senior Senator from Minnesota [Mr. THYE] before the Ramsey County Young Republican League annual convention in St. Paul, Minn., April 13, 1957.

I also submit for printing in the RECORD, to follow the address of the Senator from Minnesota, an editorial entitled "Modern Republicanism Judged by Its Results," from the St. Paul Pioneer Press of April 17, 1957.

There being no objection, the address and editorial were ordered to be printed in the RECORD, as follows:

REPUBLICANISM AT WORK TODAY

(Address by EDWARD J. THYE, United States Senator from Minnesota, before the Ramsey County Young Republican League annual convention, Commodore Hotel, St. Paul, Minn., April 13, 1957)

My participation in the Ramsey County Young Republican League Convention is something I have looked forward to ever since I received the invitation from Mr. Butler. I have always maintained that no political party can long endure without the active participation at all levels of activity by those like yourselves who are dedicated to a keen interest and desire to serve in public and community affairs.

One topic which has assumed national importance in today's political life is that of Modern Republicanism. Many Republicans have attempted to define it, while the Democrats maintain that it is a figment of imagination and that it does not exist.

I am one who believes that there is no easy definition for the term which President Eisenhower has created. I would like to believe that the term "Modern Republicanism" can only be defined by example and by the record of the Republican administration and the Republicans in Congress.

If we quickly scan the record of the Republican Party in the past 4 years, we can begin to see that Modern Republicanism is a very real thing which has won the support of the vast cross section of our people.

This record indicates that the Republican Party has met the fast-growing needs of our expanding economy without sacrificing the principles of our free-enterprise system. It has proved to be sensitive to the human needs of our Nation, and, at the same time, has maintained a fiscal stability which has allowed us to assume heights of prosperity which, 30 years ago, challenged man's imagination.

We might use the following examples in considering our definition:

1. One of the great problems of our day is that of providing school facilities for our expanding school population. It is interesting to note the approaches taken to this problem by the two major political parties. The administration has submitted a bill to the Congress which urges that funds should be made available for school construction only in those areas where a need is demonstrated. We know there are areas where the number of school-age children far exceeds the space available for classrooms. The administration would also require that the local units match the Federal funds. The Democratic Party proposed legislation for Federal aid to school construction without regard to need or the willingness on the part of the local units to match Federal funds. This represents a major difference in the approach to this highly controversial problem. The important thing to remember is that the Republican Party recognized the need for action and, at the same time, proposed a solution which would allow local units of government to participate and which limited Federal participation.

2. Ever since the Civil War, the issue of civil rights has been debated and discussed. Many office seekers have used this issue as part of a platform to enter high office. However, until 1953, very little in the way of action was taken to solve the problem. I have observed, firsthand, the situation which prevailed on civil rights in our Nation's Capital. For years and years, there were many promises made to the colored population of Washington, but not until the Republican administration came into power was any action taken. Today when you visit Washington, you will find segregation does not exist in the public schools, the public restaurants, the hotels, or the public parks and playgrounds. By Executive action, President Eisenhower has recognized the dignity of the individual and has lowered the bars of racial prejudice. If this present Congress passes civil rights legislation, it will be due largely to the patient and understanding approach taken by the President and the administration. Here we see Modern Republicanism at work. It demonstrates a sensitive concern for a social problem and a willingness to take action.

3. For over 20 years, we witnessed the vigorous debate over the issue of public power versus private utilities. The two groups of contestants had become deadlocked to a point where suspicion, fear, and anger were the rule among those who had the responsibility of converting our natural resources for power. I have lived through that long debate, and I know that many of you have debated this question in high school and college debate tournaments. Shortly after the Republican administration assumed its duties in 1953, President Eisenhower advocated a partnership to develop our natural resources. The partners were to be the Federal Government, the private utilities, the State governments, and the local units of government. He said that each partner should share in the work which had to be done. Once again, we see the recognition of a need for action and alertness in developing a workable blueprint for success.

4. Modern Republicanism has been responsive to the human needs of our people in the area of research into diseases, extension of social security, unemployment compensation, and other related programs. The agency of Health, Education, and Welfare stands as a monument to this type of action and accomplishment. It means that our standard of living has advanced to an alltime high, that people are conscious of a commonsense approach to problems that affect them most directly, and that labor has advanced to a greater position of importance in our economy and society.

5. At the same time that the Republican Party has been writing this record of accomplishments, the fiscal and monetary system of the United States has been maintained at an even level. Inflation has been curtailed, and every person's dollar is more stable. This may seem strange to you at a time when so much talk is heard on the general subject of the $71.8 billion budget for fiscal 1958. However, let us analyze the budget for a moment.

In any discussion of the budget, we must remember that 60 percent is accounted for by defense and national security expenditures. If we could eliminate this huge expenditure and just consider the domestic budget, we would find that it is sustained by an alltime high in national per capita income and national gross productive output. We must never forget that our economy is constantly expanding and that we, as a nation, are going through a period of tremendous growth. This you can see in the cars you buy, the clothes you wear, the food processing in the supermarkets of today, the improvement in farm machinery, and the advanced methods which are now employed by business and agriculture.

Even if we include the huge outlays for national defense and security, we find that the percentage of our national income going to the Federal budget is not out of proportion compared to preceding years. Let me illustrate this point: In 1953 the Federal budget was almost 25 percent of the national income, in 1954 it was 22.7 percent, and in the following years it has been declining percentagewise until the 1957 budget represented 19 percent of the national income. The $71.8 billion budget estimate for fiscal 1958 approximates about the same percentage of a projected estimate of the national income for next year.

I would like to see this percentage of our total national income reduced if at all possible, but at the same time I realize that the 19 percent of our national income is considerably less than the 52 percent and 54 percent during the war years of 1944 and 1945. In this respect, I must emphasize the tremendous economic adjustment which has been accomplished since that time without the depression which was once predicted.

Unfortunately, as long as we must engage in the cold war with Communist Russia and her satellites, we must continue to spend much of our revenue on items of defense and national security.

At this particular period in our history, this represents an abnormally large expenditure. The United States is still in the initial stages of exploring and developing the modern instruments of defense. It was 40 years ago that I served in the United States Air Service, in World War I. At that time, the Air Force was in an early stage of development. However, we who were serving thought that our planes were far advanced in comparison with what other countries had.

World War II demonstrated how quickly research and development can change all weapons. Some of you probably flew the B–29 and B–17 bombers. Everyone thought at that time that there could be little improvement in aircraft production.

Then the atomic age dawned, and we now see how obsolete the equipment we used in World War II has become. Today we talk in terms of missiles, atomic warheads, interceptor missiles, atomic-powered submarines, for fighters, 'round-the-world bombers, advanced artillery, and pushbutton warfare.

As a member of the Senate Appropriations Committee, I have the opportunity to hear the Chiefs of Staff, the top military and civilian officials of our Navy, Army, and Air Force. These men all testify that in spite of the rapid advances we have already made, we are still involved in day-to-day research and development in the use and production of new weapons. This is another reason why our current budget for defense represents such a large share of the proposed budget for fiscal 1958.

We know that we must never yield our place of leadership to the Communists. To do that would be to seal the fate of freedom, peace, and our democratic way of life. So, we must always ask ourselves this question: How much shall we pay to defend our liberty, our Constitution, our God-given rights? I, for one, would not attempt to place a dollar value on those basic elements of our way of life.

This does not mean that we must go blindly ahead without challenging proposed expenditures. The administration and the Republican Members of Congress realize that every expenditure must be carefully weighed and considered. A conscientious effort will be made to reduce the present budget by an amount which will not place our national security in jeopardy.

At the same time, the administration and the Congress are working to implement the second Hoover Commission report, which will allow us to trim expenditures and save taxpayers' money. The executive branch of our Government has already accepted wholly, or in part, 313 of the 479 recommendations made by the Commission. This represents 65.3 percent of the entire report. The 84th Congress enacted 39 public laws, House resolutions, and Senate resolutions which implement 55, or approximately one-third, of the 167 legislative recommendations that the Commission made.

I point these facts out to demonstrate that behind the scenes, there is much activity designed to increase efficiency in government and which will effect an economy. This will appear in future budget requests.

But, remember, when we discuss the large budget requested by the President, we must view that budget in the light of our present-day economy and our growth as a nation.

Now, I would like to discuss the handling of our foreign policy under the Republicans during the past 4 years. President Eisenhower and Secretary of State Dulles assumed a situation in 1953 which was not bright. There was the Korean war, the crisis in Indochina, and rumblings in almost every part of the world.

The Korean hostilities were ended shortly after the President assumed office. We witnessed a release of tension in Indochina and saw the Red Chinese pull back from their threat of war against Formosa.

The United States truly assumed leadership of the free world under the guiding hand of the President and the Secretary of State. The Russians were placed off balance. No longer was the United States holding back and waiting to see what Russia would do next. The United States became the first to act and placed the Communist world on the defensive. This was accomplished through our leadership in the United Nations, at the Geneva Conference, with the establishment of SEATO and by the strengthening of NATO.

Modern Republicanism again recognized the need for concerted action and met the challenge. The most recent test in the Middle East was met with the same degree of patience and understanding. The job is not finished, but we are not at war, and Russia has not gained domination of that important area of the world.

We have now considered major examples of how the Republican Party is meeting the needs of the people and the responsibility of shaping policy—both domestic and foreign.

Through the past 4 years, we have seen our people advance in all aspects of everyday life. There has been no appeal in this philosophy to special-interest groups. There has been no use of the divide-and-conquer technique of former years. There has been no emotional attempt to pit labor against management, banker against farmer, small against large. Ours has been an appeal for unity—unity for a very real program of progress with benefit to all and discrimination for none. The Republican Party today is a party of heart, mind, and conscience. The heart has been demonstrated by the humanitarian approach to our people's problems. The mind has guided our financial and economic destiny. The conscience has been the balance wheel which recognizes that the Federal Government shall share responsibility with the States and not dominate and discourage local initiative.

This is the type of philosophy which challenges the imagination of adults and young people alike. You are present today to participate in the work of Modern Republicanism. As we look ahead, petty differences must be eliminated so that we may pass on to future generations the heritage of a nation which, today, stands as a bulwark of hope, inspiration, and friendship to the entire world.

[From the St. Paul Pioneer Press of April 17, 1957]

MODERN REPUBLICANISM JUDGED BY ITS RESULTS

Senator EDWARD J. THYE adopted an effective and convincing way of explaining "Modern Republicanism" in his talk before the Ramsey County Young Republican League.

Rather than emphasizing words and theories, he presented concrete examples of what has been done and what is proposed by the Eisenhower administration and Republicans in Congress.

The administration supports Federal aid for school construction, but only in areas where the need is proved and where local taxpayers are willing to match Federal funds. In contrast, the free-spending policy of the Democrats calls for Federal appropriations "without regard to need or the willingness to match Federal funds."

In civil rights, the Eisenhower administration actually brought about desegregation in Washington, which had persisted under Democratic administrations despite many promises. The Republican civil-rights program now before Congress would get at the root of discrimination in the South by assuring minority groups the right to vote and thus make their influence directly effective in local politics.

Commonsense partnership between public and private agencies and companies in development of power and water resources is part of Modern Republicanism. Establishment of the new Department of Health, Education, and Welfare is an indication of the party's concern for human values and individual happiness and well-being.

In discussing the Eisenhower budget, Senator THYE pointed out that the $71.8-billion program for 1958 represents only about 19 percent of the anticipated national income. The 1953 budget was nearly 25 percent of national income, and in the war years the budgets took more than 50 percent of income. Of the total 1958 budget, 60 percent is required by defense and security measures to prevent war and protect the Nation. The foreign policy of the administration likewise has reduced the danger of another world war and has put Russia on the defensive.

Senator THYE has given an excellent summing up of the record of "Modern Republicanism." Its results are the best proof of its soundness.

SENATE

THURSDAY, APRIL 18, 1957

(Legislative day of Wednesday, April 17, 1957)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Wm. Kenneth Lyons, minister, Anacostia Methodist Church, Washington, D. C., offered the following prayer:

Almighty and most merciful God, our Heavenly Father, we come into Thy presence this hour in grateful testimony of Thy goodness. Surely our hearts are singing Thy praises, for so great is the kindness of Thy providence and so great are the manifestations of Thy love, through Jesus Christ, that our hearts say, "Surely goodness and mercy shall follow us all the days of our lives."

We realize that even from everlasting to everlasting, Thou art God. So teach us to number our days that we may apply our hearts unto wisdom.

O God, beneath whose guiding hand our fathers crossed the sea, unto Thy merciful providence and in the spirit of our Pilgrim forefathers, we commend this Nation, beseeching Thee to bless all who govern, and all who aspire to lead, that they may ever seek to lead the people in Thy fear and to Thy praise. We bless Thee for the institutions of a free country, and we would not shrink from the disciplines that accompany liberty. Grant that we may be willing to pay the price of a national life that shall increasingly trace out the mind of the Lord of lords and King of kings. Remove from our minds all narrowness and prejudice, all indifference and self-seeking, that in the power of a holy passion for the right and the true, we may fearlessly dedicate ourselves to Thy honor and glory.

May the blessing of Almighty God, the Father, and of His son, Jesus Christ, our Lord, and of the Holy Spirit, descend and remain forever upon this body, and upon all those who labor, speak, and dwell herein, and upon us all. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Wednesday, April 17, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of

the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 70) requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

ADDITIONAL APPROPRIATIONS, 1957

The Senate resumed the consideration of the joint resolution (H. J. Res. 312), making additional appropriations for the fiscal year 1957.

Mr. MANSFIELD. Mr. President, the Senator from Nevada [Mr. MALONE] has the floor, under the agreement previously entered into.

Mr. MALONE. Mr. President, I shall be glad to yield to Senators who may wish to make insertions in the RECORD, transact other routine business, or ask questions, provided that I do not thereby lose the floor.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT OF FEDERAL CIVIL DEFENSE ADMINISTRATION

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek, Mich., transmitting, pursuant to law, a report of that Administration, for the fiscal year 1956 (with an accompanying report); to the Committee on Armed Services.

RELIEF OF SURGEONS GENERAL OF ARMY AND NAVY OF CERTAIN RESPONSIBILITIES

A letter from the Secretary of the Navy, transmitting a draft of proposed legislation to relieve the Surgeons General of the Army and Navy of certain responsibilities outside the Department of Defense (with accompanying papers); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Kansas, relating to land procurement practices of the Corps of Army Engineers in the Tuttle Creek dam area of northeastern Kansas; to the Committee on Public Works.

(See the above resolution printed in full when presented by Mr. CARLSON on April 16, 1957, p. 5723, CONGRESSIONAL RECORD.)

A concurrent resolution of the Legislature of the State of New York; to the Committee on the Judiciary:

"Resolution 64

"Concurrent resolution creating a joint legislative committee to cooperate with the Federal Commission in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday and making an appropriation for its expenses

"Whereas the Congress of the United States has created the Theodore Roosevelt centennial commission of 15 members, including President Eisenhower, Vice President NIXON and 4 Members of Congress from New York State; and

"Whereas Theodore Roosevelt was born in New York State, grew up in New York State and served as a member of the New York Assembly and as Governor of New York before going on to become President of the United States, and

"Whereas the year 1958 is the centennial anniversary of the birth of the great 'Rough Rider,' and

"Whereas the State of New York is justly proud of her citizen who acquitted himself so well in war and peace, and

"Whereas it is fitting and proper that the State of New York should cooperate with the commission created by Congress in the celebration of the centennial anniversary of Theodore Roosevelt's birthday: Now, therefore, be it

"Resolved (if the senate concur), That it is the sense of the legislature that the State of New York should cooperate and lend assistance to the successful celebration of the centennial anniversary of Theodore Roosevelt's birthday; and be it further

"Resolved (if the senate concur), That a joint legislative committee be and it is hereby created to serve until December 31, 1958, to be known as the Joint Legislative Committee for the Theodore Roosevelt Centennial. Such committee shall consist of three members of the senate, to be appointed by the temporary president of the senate, three members of the assembly to be appointed by the speaker of the assembly. Any vacancy in the membership of the committee shall be filled by the officer authorized to make the original appointment. Such committee shall, at such time or times as may be appropriate: (a) attend, on behalf of the State of New York, at appropriate ceremonies or other occasions of the centennial celebration; (b) formally convey at such ceremonies and occasions the greetings and felicitations of the State of New York; and (c) extend suitable greetings and courtesies to Representatives from the Congress of the United States and other persons who may participate in or attend the centennial celebration. Such committee is empowered otherwise to act on behalf of the State in the observance of the Roosevelt centennial. Such committee may request and shall receive from all public officers, departments, and agencies of the State and its political subdivisions such cooperation and assistance as may be necessary or appropriate to carry out the purpose of this resolution; and be it further

"Resolved (if the senate concur), That the sum of $10,000, or so much thereof as may be necessary is hereby appropriated from the contingent fund of the legislature for the necessary expenditures of such committee, payable on the audit and warrant of the comptroller on vouchers certified and approved by the chairman of the committee in the manner provided by law, and be it further

"Resolved (if the senate concur), That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of Congress duly elected from the State of New York.

"By order of the assembly,

"AUSLEY B. BORKOWSKI, *Clerk.*

"In senate March 30, 1957. Concurred in without amendment.

"By order of the senate.

"WILLIAM S. KING, *Secretary.*"

Two joint resolutions of the legislature of the State of Colorado; to the Committee on Finance:

"House Joint Memorial 1

"Memorializing the Congress of the United States to amend the Internal Revenue Code to allow the oil shale industry the same depletion allowance as that given the oil and gas industry

"Whereas it is becoming apparent that the United States must eventually turn more and more to synthetic sources to supplement its petroleum resources, and for this reason the promotion and development of new domestic sources of fuel oils, including the mining and production of oil shale, is essential; and

"Whereas the depletion allowance now allowed on the mining of oil shale is 5 percent as compared with a 27½ percent depletion allowance given the oil and gas industry; and

"Whereas the oil shale industry, in the exploration and promotion of oil shale deposits and in the mining of oil shale, should be given the same economical assistance as is given the oil and gas industry, in order to expand the oil shale industry and create a competitive market between the two industries: Now, therefore, be it

"Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the Senate concurring herein), That it respectively memorializes the Congress of the United States to amend the Internal Revenue Act so as to provide that the depletion allowance allowed on the mining of oil shale be raised from 5 percent to 27½ percent of the value of the oil produced from oil shale mined; and be it further

"Resolved, That a copy of this memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to the Senators and Congressmen representing the State of Colorado in the Congress of the United States.

"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.

"LEE MATTIES,
"Chief Clerk of the House of Representatives.

"FRANK L. HAYS,
"President of the Senate.

"MILDRED H. CRESSWELL,
"Secretary of the Senate."

"House Joint Memorial 4

"Memorializing the Congress of the United States and urging the repeal of that section of the Federal laws governing old age assistance, to enable the recipients of awards to accept partial employment and to retain the remuneration received therefrom without penalty or reduction of old age assistance payments

"Whereas the people of Colorado, having adopted a constitutional amendment by the will of the majority as expressed by the vote of the people on November 6, 1956; and

"Whereas said amendment, in part, provides for a means of adapting Colorado statutes to such modifications as may be desirable, in conformity with alterations of Federal laws relating to old age assistance; and

"Whereas there have been expressed strong sentiments favoring the affirmation of the rights of all citizens to engage in work of their choice; and

"Whereas it is a well established fact that the therapy of work, and the psychological benefits derived therefrom are of great value to our aged; and

"Whereas such employment would not materially alter the average income of our elder citizens who are recipients of old age assistance: Now, therefore, be it

"Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the Senate concurring herein), That the general assembly hereby petitions the Members of the Congress of the United States to consider such modification of existing old age assistance laws as would enable recipients to accept employment and retain the compensation derived therefrom up to the statutory limit of Federal income tax exemption, establish savings, make contributions to charities, and other similar morale building forces of participation in their community life without loss of, or deductions from their awards; and be it further

"Resolved, That copies of this memorial be transmitted to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and Members of Congress from the State of Colorado.

"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.
"LEE MATTIES,
"Chief Clerk of the House of Representatives.
"FRANK L. HAYS,
"President of the Senate.
"MILDRED H. CRESSWELL,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of Colorado; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 6

"Whereas the State of Colorado is now entering its seventh year of uninterrupted drought; and

"Whereas this drought has caused serious depletion of surface stream flow with the result that farmers, industrial concerns, municipalities, and individual domestic users have had to resort to the drilling of numerous new wells and the deepening of existing wells in attempts to make up their deficiencies in water supplies; and

"Whereas this increased use of wells has resulted in a critical lowering of the water table in many areas, and has given rise to increasingly complicated problems with respect to the apportioning and regulating of the diminishing ground water supplies; and

"Whereas existing information on ground water supplies and the effects of withdrawals therefrom is inadequate: Now, therefore, be it

"Resolved by the House of Representatives of the 41st General Assembly of the State of Colorado (the Senate concurring herein), That the 41st general assembly is prepared to appropriate any reasonable amounts of money that may be needed to supplement that already appropriated to match any amounts made available by the Federal Government, through the office of the United States Geological Survey, for a comprehensive statewide survey of ground water supplies within the State; and be it further

"Resolved, That copies of this memorial be forwarded to the Speaker of the House of Representatives and the President of the Senate of the United States, to each of the United States Senators and Representatives from Colorado, to the Commissioner of the United States Bureau of Reclamation and to the headquarters of the United States Geological Survey in Washington, D. C.

"CHARLES R. CONKLIN,
"Speaker of the House of Representatives.
"LEE MATTIES,
"Chief Clerk of the House of Representatives.
"FRANK L. HAYS,
"President of the Senate.
"MILDRED H. CRESSWELL,
"Secretary of the Senate."

A joint resolution of the Legislature of the State of Rhode Island; to the Committee on Interior and Insular Affairs:

"Resolution memorializing the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii

Whereas for well over a century the people of Alaska and Hawaii have shown their capacity to govern themselves; and

"Whereas the people of the Territories of Alaska and Hawaii have consistently and willingly observed and performed all of the duties of other citizens of the United States; and

"Whereas the people of the Territories of Alaska and Hawaii have contributed considerable sums of money toward the support of the Federal Government; and

"Whereas in all of our Nation's ways since annexation the people of Alaska and Hawaii have served honorably and well in our Nation's Armed Forces; and

"Whereas to allow these modern communities of loyal Americans to continue to share the burdens and responsibilities of citizenship without the right to fully govern themselves in the manner of our States, without both voice and vote on the floors of Congress, and without vote for the President of the United States, is to continue to violate the sacred democratic principles which guided our great country's fight for independence over a century and a half ago; and

"Whereas the platforms of both political parties presently pledge and have advocated for a number of years, immediate statehood for Alaska and Hawaii; and

"Whereas the Territories of Alaska and Hawaii have been exhaustively investigated by committees and Members of the Congress to the end that the Congressional record on Alaskan and Hawaiian statehood takes up over 5,000 pages and 2 million words spread over 30 Government publications; and

"Whereas both of the Houses of the Congress of the United States have during recent sessions considered and favorably acted upon bills to grant Alaskan and Hawaiian statehood; and

"Whereas both Houses of the Congress of the United States are once again considering legislation which would grant statehood to Alaska and Hawaii: Now, therefore, be it

"Resolved by the General Assembly of the State of Rhode Island and Providence Plantations, That the President and the Congress of the United States be respectfully urged to grant statehood to Alaska and Hawaii during the current session of Congress; and be it further

"Resolved, That duly authenticated copies of this resolution be transmitted by the secretary of state to the President of the United States of America, to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States, to the chairmen of the respective committees of the Congress which are considering statehood for Alaska and Hawaii, to the Representatives and Senators in the Congress of the United States from the State of Rhode Island and to the Delegates to Congress from Alaska and Hawaii."

A resolution adopted by the board of governors of the American Bakers Association, Chicago, Ill., relating to the curtailment of Federal expenditures; to the Committee on Appropriations.

PROPOSED INVESTIGATION OF AMATEUR ATHLETIC UNION OF AMERICA—CONCURRENT RESOLUTION OF KANSAS LEGISLATURE

Mr. CARLSON. Mr. President, on several occasions during the 84th Congress, I called to the attention of the Senate the unfair and unjust action taken by the Amateur Athletic Union of America in regard to Wes Santee, one of the fine, outstanding athletes of the Nation.

It had been my hope, and that of many other citizens, that Wes Santee would be privileged to compete in and represent the United States in the mile run at the Olympics. The action taken by the American Athletic Union prevented that.

Now that the Olympic meet is over, that problem does not face us; but I still contend that Wes Santee was given shabby treatment by an organization which continues to operate under antiquated rules and regulations.

The Kansas Legislature, which has just adjourned, took official action in this regard by adopting House Concurrent Resolution No. 13, urging that the American Athletic Union be investigated and that specific findings be made to expose the entire truth with regard to the organization in this particular case.

From the resolution adopted by the Kansas Legislature, I read the following:

We strongly urge Congress to take a positive stand against any sort of tyranny in amateur athletics and if the investigation warrants, to enact legislation that will restore integrity to amateur athletics so that the American people may be justly proud of its amateur athletes.

Mr. President, I ask unanimous consent that the concurrent resolution be printed at this point in the RECORD, and referred to the appropriate committee.

There being no objection, the concurrent resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution 13

A concurrent resolution memorializing the Congress of the United States to investigate the Amateur Athletic Union of America and to take the proper action on the findings resulting from such investigation.

Whereas there is an overwhelming public demand that the alleged actions of the Amateur Athletic Union be investigated and specific findings be made to expose the entire truth with regard to this organization; and

Whereas prominent coaches have commented on and criticized the alleged injustices that have befallen some of our finest athletes and which are exemplified by the Wes Santee case; and

Whereas leading sportswriters over the entire United States have expressed shock and amazement at many of the actions of this same Amateur Athletic Union; and

Whereas investigations have already revealed that the United States Olympic Association and the Amateur Athletic Union have for all practical purposes an interlocking board of directors; and

Whereas the Junior Chamber of Commerce has seen fit to "vigorously condemn the Amateur Athletic Union as un-American to the extent to which it has applied its rules by whim and caprice instead of in a uniform manner to all, and (to) further censure the Amateur Athletic Union for so bungling its internal disciplinary problems as to make the amateur athletic picture appear confused, inconsistent and dishonest in the eyes of the world"; and

Whereas the American Legion, department of Kansas, has condemned and censured "the Amateur Athletic Union for being undemocratic, for being backward, for its obstinate refusal to enforce the poor rules it has in a fair and impartial manner, for its vengeful crucifixion of a brilliant American runner • • • "; and

Whereas there is a question as to whether there is any actual need for the Amateur Athletic Union; and

Whereas we strongly urge Congress to take a positive stand against any sort of tyranny in amateur athletics and if the investigation warrants, to enact legislation that will restore integrity to amateur athletics so that the American people may be justly proud of its amateur athletes: Now, therefore, be it

Resolved by the House of Representatives of the State of Kansas (the Senate concurring therein), That we respectfully urge and request the Congress of the United States to investigate the Amateur Athletic Union of America and to take proper action based on its findings; and Be it further

Resolved, That the Secretary of State be directed to transmit a copy of this resolution to the President of the United States, the Vice President of the United States, the Speaker of the House of Representatives of the Congress of the United States, and each member of the Kansas delegation in the United States House of Representatives and the United States Senate and to the respective houses of the legislatures of the several States of the United States.

I hereby certify that the above concurrent resolution originated in the House and was adopted by that body March 26, 1957.

JESS TAYLOR,
Speaker of the House.
G. E. ANDERSON,
Chief Clerk of the House.

Adopted by the Senate April 3, 1957.

JOSEPH W. HENKLE, Jr.,
President of the Senate.
RALPH E. BARKER,
Assistant Secretary of State.

(The VICE PRESIDENT laid before the Senate a concurrent resolution of the Legislature of the State of Kansas, identical with the foregoing, which was referred to the Committee on the Judiciary.)

JOINT RESOLUTION OF ILLINOIS LEGISLATURE

Mr. DOUGLAS. Mr. President, I am very glad that the 70th General Assembly of the State of Illinois has recently reaffirmed its support of the basic constitutional principles of equal protection of the laws, our fundamental governmental theory that the Supreme Court is the highest tribunal for the interpretation of those laws, and more specifically the decision of that Court in the historic school cases. It is good to have this formal reminder from the legislature of the State which I am honored to represent in this body that nullification, by whatever name it may be called, is inimical to the Constitution and our Federal system. I therefore ask unanimous consent that Senate Joint Resolution 6 of the 70th General Assembly of the State of Illinois adopted by the senate on March 5, 1957, and concurred in by the house of representatives on March 28, 1957, be printed in the RECORD.

There being no objection, the joint resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 6

Whereas the United States Supreme Court and various Federal courts have been subjected to severe criticism as a result of the decisions and decrees in the school segregation and related cases which declare that segregation and discrimination because of race, color, religion, or national origin in public schools and facilities violate the principles of the Constitution of the United States; and

Whereas these decisions and decrees of the United States Supreme Court and various Federal courts have been condemned as a usurpation of and encroachment on the reserved powers of the States by the Supreme Court and Central Government of the United States; and

Whereas the decisions and decrees of the United States Supreme Court and various Federal courts are being condemned, disregarded, and evaded both directly and indirectly by State legislation, procrastination in complying with said decisions and decrees, coercion and intimidation, all under the theory that any State has a right to interpose its sovereignty in opposition to an exercise of power by the Federal Government which that State determines has not been granted by the several States to the Federal Government; and

Whereas all the States of the United States are bound by the Constitution and laws of the United States, including judicial interpretation of said Constitution and laws, until later changed through constitutional processes; and

Whereas the Constitution of the United States provides the manner in which said Constitution and laws of the United States are to be enacted, amended, or repealed; and

Whereas the Constitution of the United States does not permit any State to act in total disregard of any Federal law, court decision, or decree when the State has through an assumption of unconstitutional powers declared that any said law, decree, or decision is unconstitutional; and

Whereas to permit each State to decide of itself by which provision of the United States Constitution, law, judicial decree, or decision it shall be bound would eventually result in the destruction of the Federal system of government: Be it therefore

Resolved by the Senate of the 70th General Assembly of the State of Illinois (the House of Representatives concurring herein), That the United States of America is founded upon the principle that everyone is entitled to equal privileges, opportunities, rights, duties and immunities regardless of race, color, religion or national origin, and any public facility which segregates or discriminates against any person because of race, color, religion or national origin is contrary to said principle; and be it further

Resolved, That segregation and discrimination because of race, color, religion or national origin in public schools and facilities is prohibited by the Constitution of the United States, and no State has the right to maintain at its own expense racially separate public schools or facilities; and be it further

Resolved, That this 70th general assembly go on record as approving and supporting the decision of the United States Supreme Court in the school segregation cases; and be it further

Resolved, That the Supreme Court of the United States is the final arbiter on questions of constitutionality, and any disagreement or dissatisfaction this State may have with any decision or decree of said Court should be resolved through the processes provided by the Constitution and laws of the United States; and be it further

Resolved, That the theory of interposition, whereby the authority of the Government of the United States is disregarded when any State decides it shall interpose its sovereignty in disobedience to that authority, is hereby condemned as a dangerous threat to the Constitution and Federal system of government of the United States; and be it also.

Resolved, That a copy of this resolution be sent by the secretary of state to the President of the United States, to each of the Houses of Congress, to Illinois' Representatives and Senators in Congress, to the governor and legislature of each of the other States, and to the Supreme Court of the United States.

Adopted by the senate March 5, 1957.

JOHN WM. CHAPMAN,
President of the Senate.
EDWARD E. FERNANDES,
Secretary of the Senate.

Concurred in by the house of representatives March 28, 1957.

WARREN L. WOOD,
Speaker of House of Representatives.
FRED W. RUEGG,
Clerk of House of Representatives.

THREE HUNDRED AND FIFTIETH ANNIVERSARY OF SETTLEMENT AT JAMESTOWN, VA.—RESOLUTION OF TEXAS STATE SENATE

Mr. ROBERTSON. Mr. President, my home county of Rockbridge takes great pride in the fact that it was the birthplace of Sam Houston who contributed so much to the independence of the Lone Star State. And all citizens of Virginia take pride in the fact that one of the largest, one of the richest and certainly the most rapidly developing city of the South is named for that Virginia soldier and statesman.

Throughout its period of independence from Mexico as an independent Republic, throughout its period as the largest State in the Union, the ties between Virginia and Texas have been very close. All Virginians, therefore, will be deeply appreciative of the resolution adopted by the State Senate of Texas last week in connection with Virginia's current celebration of the 350th anniversary of the English settlement at Jamestown.

Mr. President, I ask unanimous consent that Senate Resolution 338 of the Texas Senate be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Senate Resolution 338

Whereas 350 years ago 3 small sailing vessels—the *Susan Constant* (100 tons), the

Godspeed (40 tons), and the *Discovery* (20 tons)—carrying 104 souls, sailed from London late in December 1606, in the midst of winter storms which had delayed their departure for many weeks, and which appear, in retrospect, to have portended the hardships and sufferings endured and to be endured in the years ahead by their passengers, and approached the bright and beckoning shores of Virginia, clad in the verdure of springtime; and

Whereas among the company was the intrepid Capt. John Smith, who by his courage, ability, and industry saved the brave band of colonists from complete annihilation from famine and Indian depredations and thereby carved his name high on the scroll of everlasting fame; and

Whereas on May 13, 1607, the 3 sailing vessels landed at a small island in the James River, some 32 miles from its mouth, where the settlement of Jamestown was established, to be followed by years of privation, starvation and death, but which remained as the capital of the Virginia colony for 92 years; and

Whereas this first permanent settlement of Englishmen on the North American continent demonstrated the vitality and virility of the people of the England of that day and age, who, despite the awesome hardships of an untamed wilderness and the enmity of the Indians under the leadership of the great chief, Powhatan, who rightly feared the advent of the colonists, chose rather to suffer affliction in the quest of freedom than to remain in their native land the subjects of tyrannical royalty; and

Whereas the romantic legend of Pocahontas, the young Indian princess, daughter of Chief Powhatan, in saving the life of Capt. John Smith, doubtless assuring the survival of the Jamestown settlement, is a source of pride and is appreciated by the young and the old who are so fortunate as to be familiar with the rich and stirring history of our country; and

Whereas the settlement at Jamestown developed and grew into one of the great Colonies of the Original Thirteen and, following a few years of somewhat disorganized leadership, instituted representative government and adopted free competitive enterprise in America in 1619, thus becoming well-deserving of its sobriquet Old Dominion and subsequently to be known as the Mother of Presidents by reason of having furnished eight of her distinguished sons to the Nation; and

Whereas the names of the famous men of Virginia are legion, and included the peerless Father of Our Country, General Washington, Thomas Jefferson, Patrick Henry, Lighthorse Harry Lee, Matthew F. Maury, Thomas J. (Stonewall) Jackson, and the immortal Robert E. Lee, whose varied abilities represent the versatility and integrity of the true Virginian; and

Whereas in 1699 the capital of the struggling colony was moved from Jamestown to nearby Williamsburg, to serve as the capital until 1780, which latter city has been so magnificently restored by the philanthropy of Mr. and Mrs. John D. Rockefeller, Jr., and which will cooperate and participate in the Jamestown festival; and

Whereas in this richly historical region is situated Yorktown, the scene of the last and decisive battle of the American Revolution, which will observe with appropriate ceremonies the 176th anniversary of the taking of Lord Cornwallis at "past 2 o'clock" in the morning, followed by his surrender to General Washington and Count Rochambeau October 19, 1781, and which community likewise will join in the celebration of the Jamestown settlement; and

Whereas the settlement at Jamestown, assuring an English foothold on the North American Continent, together with the flowering and radiance of colonial life in Williamsburg and the beginning of our Nation's history at Yorktown, are events of unparelleled importance to Western civilization and deserve, yea, demand the cooperation and respect of freedom-loving people throughout the world; and

Whereas no citizens of this great country can more fully appreciate the hardships and achievements of the colonists of Virginia than Texans, be they native born or adopted sons and daughters for, as are Virginians of the Old Dominion, Texans are proud of the heritage of the Lone Star State and well may they be, for hers, likewise, has been, indeed, a glorious history, a land of romance, a land of legend, and a land of song, replete with the heroic sacrifices of soldier, priest, and citizen, all accomplished with a glory and patriotism unexcelled by any people and with whom we proudly share the immortal Gen. Sam Houston: Now, therefore, be it

Resolved by the senate of the 55th Legislature of the State of Texas, That the admiration of the members of this body for the glorious and inspiring heritages, together with the energies of the present and the ambitions of the future of our great sister Commonwealth of Virginia be, and the same is hereby, expressed; and be it further

Resolved, That the gratitude we share and the best wishes we hold for the success of the Jamestown Festival, joined by her sister communities of Williamsburg and Yorktown, in reenacting the scenes of yesteryear and in portraying to Americans the great contributions made by the Founding Fathers of Virginia toward the establishment and achievements of our great land be extended to all those aiding in the gigantic undertaking involved in their presentations; and be it further

Resolved, That copies of this resolution, under the seal of the senate of Texas, be forwarded to His Excellency Hon. Thomas B. Stanley, Governor of the Commonwealth of Virginia; Hon. Conrad Wirth, Director, National Park Service; Hon. Harry F. Byrd and Hon. A. Willis Robertson, United States Senators from Virginia; the president of the Association for the Preservation of Virginia Antiquities; the superintendent of the Colonial National Historical Park; the chairman of the Jamestown Festival; the president of the senate; the speaker of the house of delegates of the Virginia Assembly; Mr. and Mrs. John D. Rockefeller, Jr.; the respective mayors of the participating cities; and the festival reservations bureau.

BEN RAMSEY,
President of the Senate.

I hereby certify that the above resolution was adopted by the senate on April 9, 1957.

CHARLES SCHNABEL,
Secretary of the Senate.

RESOLUTIONS OF CENTRAL COOPERATIVES, INC., SUPERIOR, WIS.

Mr. WILEY. Mr. President, I received today from Donald Lehtinen, director, Central Cooperatives, Inc., of Superior, Wis., a series of resolutions which were adopted at the 40th annual meeting of this organization.

In attendance were delegates representing more than 100,000 local members of cooperatives in Wisconsin, Michigan, Minnesota, and the Dakotas.

The resolutions were the result of discussions held in prior years and in grassroots reviews, and reflect the sentiments of local members up to the leadership of the organizations.

They bear upon such important issues as improvement of the Duluth-Superior Harbor, action on the Federal high dam at Hells Canyon—a proposal which I personally cosponsor—unremitting efforts in the cause of world peace through American partnership with the free world, and, similarly, a ceaseless effort on behalf of sound parity protection for American agriculture, particularly the modest income farm.

I believe these resolutions will be of interest to my colleagues, and I ask unanimous consent that they be printed in the RECORD, and appropriately referred.

There being no objection, the resolutions were appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Public Works:

"RESOLUTION 2, TWIN PORTS WATER HIGHWAY

"Many resolutions urging the passage of bills to construct the St. Lawrence Seaway have been enacted at previous meetings of Central Cooperatives, Inc.

"The seaway is now under construction, and will result in our Twin Ports of Duluth and Superior becoming important seaports in the heartland of our North American Continent.

"To be assured of having adequate facilities for loading and unloading oceangoing vessels in the Twin Ports, we urge deepening of the channel to the Duluth-Superior Harbor in the immediate future, and we highly commend the formation of port authorities in the two cities."

To the Committee on Interior and Insular Affairs:

"RESOLUTION 4, HELLS CANYON DAM

"This 40th annual meeting of Central Cooperatives, Inc., representing 100,000 cooperative families in the States of Michigan, Minnesota, Wisconsin, North Dakota, and South Dakota strongly urges the construction of the proposed Federal high dam on Snake River. Such a high dam would not only control floods on the Snake River and enable use of the water for irrigation, but would also provide cheap power which is so vital in developing and exploiting western phosphate deposits.

"We also urge that the power generated by the high dam be transmitted by REA lines, so that the energy generated would be available to all users of electricity at rates prescribed by the REA. We are convinced that future generations of Americans will find the Hells Canyon high dam a wise investment for the security and welfare of our Nation. We ask Senators and the Congressmen from the States of Michigan, Minnesota, Wisconsin, North Dakota, and South Dakota to do all in their power to affect the intent of this resolution."

To the Committee on Foreign Relations:

"RESOLUTION 7, WORLD PEACE

"Whereas this 40th annual meeting of Central Cooperatives, Inc., specially commemorates 40 years of peaceful progress and mutual self help in the area it serves; and

"Whereas cooperative members the world over are in deep need of peace for their very existence, because the use of the modern weapons of war such as atomic and hydrogen bombs could bring about the annihilation of all mankind: Therefore be it

"*Resolved,* That this convention appeals to the powers of the world to confine their differences to the councils of the United Nations, use every avenue possible for peaceful solution of world problems, and use nuclear power for the benefit of mankind instead of its destruction."

To the Committee on Agriculture and Forestry:

"RESOLUTION 8, THE NATIONAL FARM PROBLEM

"Whereas Central Cooperatives, Inc., serves 100,000 families in the States of Michigan, Minnesota, Wisconsin, and South and North Dakota, where agriculture is a major source of the economy; and

"Whereas the present alarming national trend continues toward wholesale elimination of small farms by the cost price squeeze; and

"Whereas this trend can and must be stopped by constructive Federal legislation: Be it therefore

"*Resolved*, That this 40th annual meeting of the Central Cooperatives, Inc., reiterates its stand of the past annual meetings, urging our Representatives in Congress to sponsor and support Federal legislation that will give protection to the farm units in the $15,000 gross income group and under, which group represents 70 percent of our farms and contributes so greatly to our economy."

CIVIL RIGHTS—RESOLUTION OF NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION

Mr. TALMADGE. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD a resolution on civil rights, adopted by the National Society of the Daughters of the American Revolution at its 66th Continental Congress, held this week in Washington.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

CIVIL RIGHTS

Whereas the right of trial by jury, as guaranteed by the Constitution, is a basic civil right necessary for the protection of the individual from the tyranny of government; and

Whereas the gravest peril exists today to the civil liberties of all the citizens of the United States of America as evidenced by the increasing tendency of the Federal Government to encroach upon and absorb functions properly belonging to the several States, and to exert the powers so usurped by means either of administrative rulings by commissions and other governmental agencies, or by judicial action based on the substitution of injunction and contempt of court procedures for the normal constitutional processes of trial by jury: Be it

Resolved, That the National Society, Daughters of the American Revolution, recommends that the Congress of the United States reject all pending civil rights legislation and recognize the rights of the States to protect all citizens as provided in the Bill of Rights of the Constitution of the United States of America.

RESOLUTION OF LINCOLN COUNTY POMONA GRANGE NO. 10, HARLAN, OREG.

Mr. MORSE. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Lincoln County Pomona Grange No. 10, of Harlan, Oreg. This is a youth resolution, and relates to the child-labor laws.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

YOUTH RESOLUTION

Whereas our present child-labor laws prohibit the employment of youth until the age of 18, except in special cases; and

Whereas youth between the ages of 14 and 18 who seek employment would like something worth while to do; and

Whereas this group of youth are our major problem as far as juvenile troubles are concerned; and

Whereas the program formerly carried on known as the CCC (Civilian Conservation Corps) did many worthwhile things, such as forest camps, parks, lodges, trails, etc., that would not have been done without such a program: Therefore,

We recommend that this Pomona Grange go on record as favoring the establishment of a similar worthwhile program to give our youth employment and worthwhile activity that would be beneficial to the general welfare, thus helping with our juvenile problem: Therefore be it

Resolved by Lincoln Pomona Grange No. 10, Lincoln County, Oreg., in regular session assembled at Lincoln Grange No. 395, on this 9th day of March, 1957, That we recommend to the Congress of the United States that a program similar to the Civilian Conservation Corps be established to give our youth employment and worthwhile activity that would be beneficial to the general welfare; be it further

Resolved, That a copy of this resolution be mailed to Oregon State Grange; to Andrew Naterlin, State senator from Lincoln County; to Thomas R. McClellan, State representative from Lincoln County; and to the five members of Oregon's congressional delegation.

LINCOLN COUNTY POMONA GRANGE NO. 10.
NEAL MAN, *Master*.
LEONA G. DODSON, *Secretary*.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. MONRONEY, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1474. A bill to amend section 401 (e) of the Civil Aeronautics Act, as amended (Rept. No. 251).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PASTORE:

S. 1918. A bill to amend Public Law 31, 84th Congress, 1st session, to increase the authorization for appropriation to the Atomic Energy Commission for the construction of a modern office building in or near the District of Columbia to serve as its principal office; to the Joint Committee on Atomic Energy.

By Mr. BUSH:

S. 1919. A bill for the relief of Antonio Mirabelli; to the Committee on the Judiciary.

By Mr. MARTIN of Iowa:

S. 1920. A bill for the relief of Don I. Mitchell; to the Committee on the Judiciary.

By Mr. BEALL:

S. 1921. A bill for the relief of Maria Goldet; to the Committee on the Judiciary.

By Mr. HILL (for himself, Mr. KENNEDY, Mr. NEELY, Mr. HUMPHREY, and Mr. SMATHERS):

S. 1922. A bill to authorize a 5-year program of grants for construction of medical and dental educational and research facilities, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. FULBRIGHT:

S. 1923. A bill to amend section 2 of the act of June 28, 1879, providing for the appointment of a "Mississippi River Commission" for the improvement of said river from the Head of the Passes near its mouth to its headwaters; to the Committee on Public Works.

(See the remarks of Mr. FULBRIGHT when he introduced the above bill, which appear under a separate heading.)

By Mr. STENNIS:

S. 1924. A bill to establish the level of price support for the 1958 and subsequent crops of upland cotton, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. STENNIS when he introduced the above bill, which appear under a separate heading.)

AMENDMENT OF ACT PROVIDING FOR APPOINTMENT OF MISSISSIPPI RIVER COMMISSION

Mr. FULBRIGHT. Mr. President, the Mississippi River Commission presently consists of 7 members, 3 of whom are selected from the Corps of Engineers of the Army; 1 from the Coast and Geodetic Survey; and 3 from civil life, 2 of whom shall be engineers.

I introduce, for appropriate reference, a bill which would amend section 2 of the act of June 28, 1879, the act which created the Commission. This amendment would increase the membership of the Mississippi River Commission from 7 to 9 Commissioners; and would provide that 4 Commissioners be selected from the Corps of Engineers of the Army; 1 from the Coast and Geodetic Survey, and 4 from civil life, only 1 of whom shall be a civil engineer. The bill provides further that any Commissioner appointed from civil life shall at the time of appointment be a resident of the State of Missouri, Illinois, Kentucky, Tennessee, Arkansas, Mississippi, or Louisiana. It further provides that no more than one such Commissioner from civil life from any one State shall serve on the Commission at any given time, and in addition provides that any succeeding appointee shall be a resident of the State having the longest period of time without representation on the Commission.

Mr. President, I think this bill will remedy an inequity which has existed for many years, by providing that the States bordering the Mississippi River, which by reason of this fact have the greatest interest in the membership of the Commission, shall be accorded representation on the Commission.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1923) to amend section 2 of the act of June 28, 1879, providing for the appointment of a Mississippi River Commission for the improvement of said river from the Head of the Passes near its mouth to its headwaters, introduced by Mr. FULBRIGHT, was received, read twice by its title, and referred to the Committee on Public Works.

PRICE SUPPORT FOR 1958 AND SUBSEQUENT CROPS OF UPLAND COTTON

Mr. STENNIS. Mr. President, all of us have been greatly concerned over the declining farm prices and the increased cost of the items the farmer buys. On many fronts, our national economy is prosperous. Personal income is at an all-time peak; the take-home pay and the buying power of factory workers are at an alltime high. By contrast, net farm income has been reduced by 32 percent in the last 10 years. During the

same period, farm prices have gone down 15 percent, and farm costs have gone up 19 percent. The index of prices paid by farmers in January 1957 set a new all-time high of 292. Few farmers can make ends meet under these conditions.

In the case of cotton, we have placed too much emphasis on parity percentage, without regard to income. We have reached the point where controlled allotments have reduced acreage to such an extent that a 90 percent of parity support-price, or a higher one, has lost its meaning in terms of income. In the case of Mississippi, our acreage has been reduced from 2,671,000 acres, in 1953, to an allotment of 1,644,000 acres, in 1957. This represents a reduction of over 40 percent. Thus, a price support of about 150 percent of parity would be required, to give an income equivalent to that of 1953, assuming the same yield and price. The announcement recently made by the Secretary of Agriculture to support cotton at only 77 percent of parity is without justification. This action is not within the true spirit of the law, and will result in additional hardships and inequities.

While our cotton farmers have made great sacrifices in controlling their acreage almost to a breaking point, foreign countries have greatly expanded their annual production to within a few million bales of total foreign demand. Exports during the 1953–55 period were only about 44 percent of exports during the 1920's, even though foreign consumption of cotton had increased more than 60 percent. The world demand for textiles is steadily growing, but the increased demand is being met mainly by foreign cotton and by manmade fibers, rather than by United States cotton.

Mr. President, a long-range cotton program is a necessity in attaining some measure of stability and confidence in the program in the years to come. It is essential that farmers have a fixed foundation on which to build and plan their future farm operations. Some degree of certainty is necessary for the smalltown bankers, merchants, cotton ginners, and the local economy in general, as they plan for the future. We have come to the crossroads, in terms of a more realistic policy for cotton. We must have a major adjustment in our cotton laws, with the objective of establishing a program which will give more cotton acreage, will increase income, and will lend stability to our cotton economy. One of the most shocking effects of acreage cuts and price decline has been the sharp reduction in rural and farm population. The impact of these forces has literally forced many of our small and family-sized farmers off their land.

A recent survey made by the division of sociology and rural life, of Mississippi State College, indicates that only two counties in Mississippi have gained in population since 1950 and that some counties have suffered a loss ranging as high as 29 percent. Since 1950 over one-half of the counties in Mississippi have lost from 1 to 10 percent of their population; one-fourth of the counties have lost from 10 to 15 percent of their population; and one-fourth of the counties have lost from 15 to 29 percent of their population. Most of the loss in Mississippi has been in rural areas and is causing serious impacts on the local economy. If figures were available for other cotton-producing States, I believe the pattern of population loss would be found to be similar.

Looking to the next 2 years, it now appears that it is possible that we may be freed of acreage controls by 1959. However, another huge surplus will certainly follow, if corrective measures are not taken. It is not logical, nor is it sound business, to cut acreage to the bare minimum 1 year, and to permit uncontrolled production the next year. This wide fluctuation in acreage and price will continue to create unnecessary hardships on farmers, ginners, warehousemen, and the cotton industry in general. Our cotton economy cannot absorb the shock of these wide variations. The minimum national allotment for 1958 should be increased to at least 20 to 21 million acres, and an entirely new approach to the problem devised.

We have debated the 90-percent support price formula and the sliding-scale formula for cotton. I am firmly convinced that neither method offers an effective and sound long-range solution for the cotton problem. I believe that we must treat each commodity separately and distinctly, and must formulate for each basic crop a program designed for it, and one which will objectively meet the problems of that crop and will provide adequate safeguards to protect farm income.

We cannot expect a material increase in domestic consumption of cotton until competition is actually met in such a way as to restore confidence to the mills which buy the cotton. Most essential and basic is a program which will increase cotton acreage to such an extent that farmers will have at least a fighting chance to improve income.

The present so-called sliding-scale support program does not provide a remedy for cotton. This plan cuts price and acreage at the same time, creates grave uncertainties, and fails completely in meeting competition. In the final analysis, it means that our farmers are forced to take a heavy cut in acreage, as well as income, without any hope for relief in terms of increased markets.

The competitive export program included in the Agricultural Adjustment Act in 1956 clearly illustrates what can be accomplished through meeting competition. It now appears that over 7.3 million bales will be exported under this program during the current season, as compared to a total cotton export of only 2 million bales for the preceding season. This is certainly encouraging, but the fact still remains that we are not meeting domestic competition. Each day we see synthetics and paper making deeper inroads into the existing markets. Cotton's share of the domestic market has dropped from 81 percent of the total fiber market to 66 percent, as of today. On the other hand, there is a reasonable possibility of expanding our domestic market to 14 or 15 million bales annually, and expanding our exports each year to 6 or 8 million bales, under a program designed to meet competition. This would permit an acreage allotment of 28 million to 30 million acres. If we fail to meet this opportunity, and if our surpluses push us back to a 10-million-bale marketing quota, our national allotment will then be near 12.5 million acres. This would be about 28 percent below the 1957 allotment. Neither our farmers nor the cotton industry can absorb the shock of such a reduction.

Adverse economic conditions facing the farmer, increased cost of production, minimum wage laws, tariff protection for industry, and other governmental aids for business, make it impossible for our cotton farmers to bear the cost of a program which would change cotton parity to a level which would permit cotton to compete for new markets. All mechanical equipment that a farmer uses, including tractors, plows, trucks, and other items, is manufactured by labor that is paid from $1.50 to $3.50 an hour. A Federal law requires that every person connected directly or indirectly with the manufacture of this equipment, including the man who sweeps the factory floor, shall receive not less than $1 an hour for his labor. This same conditions and laws apply to every truck, to every plow, and to every other piece of equipment the farmer buys. Thus, he is faced with an artificial level of prices forced up by law. At $1 an hour for the work actually performed, the cost to the cotton farmer of producing a pound of cotton would be 48 cents for the labor alone. The present market price for cotton is 34 cents per pound. This comparison shows the burden of the farmer, in contrast with the benefits enjoyed by the consumer.

In addition to the protection which labor has, there are other tariffs which apply directly and indirectly to shore up the price of virtually every manufactured product the farmer buys. Our government gives substantial aid to business and industry; subsidizes shipbuilding, navigation; gives favorable tax amortizations and other subsidies. The result of all these activities and agencies is higher prices. The farmer did not create these conditions. He cannot change them. He must pay these prices or lose his farm. There must be some kind of government program to at least partly offset these artificial government policies which directly benefit other segments of our economy.

Mr. President, farming is also a way of life for a great many families and landowners, and is not primarily a business concern. Therefore, any cotton program is unsound if it does not give special consideration to the small, family-size farmer. This group of farmers, especially the small ones, has been neglected by this administration and by previous administrations; and corrective measures must be taken in our agricultural laws, to give them more adequate consideration.

There are several possible approaches to formulating a more constructive program for cotton which would better serve agriculture and meet the foregoing problems.

For some time I have thought the soundest approach was in providing for an allotment of acreage sufficient to grow enough cotton to meet domestic needs,

with a special price support to cover this production. Under this plan, cotton for the world market would be grown on additional acreage, with or without a specific allotment, depending on existing conditions as to the amount of surplus cotton on hand. Because it included these sound, basic features, last year I spoke in favor of and supported the Russell amendment to the 1956 agriculture bill.

With the passing of time, the necessity for a new approach to the problem becomes clearer and clearer. In considering and working on this problem over a period of many months, I have prepared a bill, and I present it to the Senate for consideration. Mr. President, I introduce, for appropriate reference, a bill which has the following as its main features, all directed to meeting the pressing problems confronting the American cotton farmer:

First. Provision is made for a national acreage allotment equal to the acres required to supply estimated domestic consumption, plus estimated production for exports, which for 1958 would be approximately 20 to 21 million acres. This acreage would be allotted to the States, counties, and farms on the basis of the present formula, with a domestic allotment and an export allotment for each farm. A price support of 95 percent of parity would be given on cotton produced under the domestic allotment, and a price support of 75 percent of parity on that produced under the export allotment. A Government loan would be available at 75 percent of parity, and cotton producers would receive an adjustment payment on the domestic allotment equal to the difference between 75 percent and 95 percent of parity.

Second. The bill further provides that the farmers shall vote whether they prefer to operate under the present flexible support system or under this combination domestic export allotment plan.

Third. The bill provides that any unused part of the soil bank funds for 1958 shall be used to meet a portion of the cost of this domestic export allotment plan.

Fourth. Special consideration is also given to our small farmers with an allotment of five acres or less by providing a support price of 95 percent of parity for all cotton produced on such acreage.

The estimated cost of this program to the Federal Government for the first 2 years will be less than one-half of the cost of the present program.

Mr. President, I believe the foregoing program is a sound approach toward meeting the primary problems of giving better protection for farm income, restoring stability and confidence to the cotton economy, and objectively meeting competition. Certainly, we do not have an adequate program now. This critical problem should be fully studied by the Committees on Agriculture in both the House and Senate, as well as by all interested parties with the purpose of developing a sound, long-range cotton program. I hope this bill and the points I have raised here will stimulate constructive thinking on this highly important subject. I believe these major considerations will prove to be the foundation for sound, constructive legislation on the subject.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER (Mr. THURMOND in the chair). The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 1924) to establish the level of price support for the 1958 and subsequent crops of upland cotton, and for other purposes, introduced by Mr. STENNIS, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, subject to the provisions of section 2 of this Act, beginning with the 1958 crop production adjustment and price support programs for upland cotton shall be carried out by the Secretary of Agriculture in accordance with provisions of the Agricultural Adjustment Act of 1938, as amended, the Agricultural Act of 1949, as amended, and the Soil Bank Act except that—

(1) The national marketing quota shall be a number of bales equal to the estimated domestic consumption plus exports of cotton for the marketing year beginning in the calendar year in which such quota is proclaimed. The percentage of the national marketing quota for domestic consumption shall be determined by dividing the total of such estimates of domestic consumption and exports into the estimate of domestic consumption, and the percentage of the national marketing quota for exports shall be determined by dividing the total of such estimates of domestic consumption and exports into the estimate of exports. The percentages so determined shall be referred to herein as the "domestic percentage" and the "export percentage";

(2) The domestic percentage and the export percentage shall be applied to each farm acreage allotment established pursuant to section 344 of the Agricultural Adjustment Act of 1938, as amended, to obtain the farm domestic allotment and the farm export allotment;

(3) The level of price support to cooperators for any crop of upland cotton for which producers have not disapproved marketing quotas shall be 75 percent of the parity price for upland cotton as of June 1 of the calendar year in which such crop is produced;

(4) The Secretary shall make equalization payments to cooperators on the farm normal yield multiplied by the farm domestic allotment (or, in the case of a farm having a farm cotton acreage allotment of five acres or less, by the farm cotton acreage allotment). Such payments shall be at a rate equal to the amount by which 95 percent of the parity price for upland cotton as of June 1 of the calendar year in which the crop is produced exceeds (A) the average farm market price for upland cotton for the first three months of the marketing year, or (B) 75 percent of such parity price, whichever is larger; and

(5) Funds available for cotton payments under the Soil Bank Act which are not required for such payments shall be used to make the equalization payments provided for in this section, and, insofar as such funds are insufficient for such equalization payments, the Secretary is authorized to use funds of the Commodity Credit Corporation for making equalization payments.

SEC. 2. The foregoing provisions of this Act shall become effective only if a majority of those voting in a referendum, which shall be held by the Secretary not later than December 15, 1957, of farmers engaged in the production of the 1957 crop of cotton, vote to approve the program set forth in such provisions.

SEC. 3. Section 303 of the Agricultural Act of 1956 is amended by changing the first sentence of subsection (e) to read as follows: "The amendments made by this section shall be effective with respect to the 1957 and succeeding crops."

SEC. 4. Section 377 of the Agricultural Adjustment Act of 1938, as amended, is amended to read as follows:

"SEC. 377. In any case in which, during any year for which acreage planted to such commodity on any farm is less than the acreage allotment for such farm, the entire acreage allotment for such farm shall be considered for purposes of future State, county, and farm acreage allotments to have been planted to such commodity in such year, but only if the owner or operator of such farm notifies the county committee prior to the thirtieth day following the beginning of the marketing year for such commodity of his desire to preserve such allotment. This section shall not be applicable in any case in which the amount of the commodity required to be stored to postpone or avoid payment of penalty has been reduced because the allotment was not fully planted. Nothing herein shall be construed to permit the allotment to any other farm of the acreage with respect to which notice is given under this section."

AMENDMENT OF PUBLIC-ASSISTANCE PROVISIONS OF SOCIAL SECURITY ACT—ADDITIONAL COSPONSOR OF BILL

Mr. MANSFIELD. Mr. President, on April 4, 1957, the Senator from Minnesota [Mr. HUMPHREY], for himself and the Senator from Rhode Island [Mr. PASTORE], introduced the bill (S. 1793) to amend the public-assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds. The bill remained on the desk until the close of business on April 15, and several additional cosponsors added their names. The name of the junior Senator from Oregon [Mr. NEUBERGER] should have been added to the list of cosponsors, but was inadvertently omitted.

The Senator from Minnesota [Mr. HUMPHREY] is absent today on official business, but as the sponsor of S. 1793, he has asked me to make the cosponsorship of this bill by the Senator from Oregon [Mr. NEUBERGER] a matter of record. At such time as the bill is reprinted, the name of the Senator from Oregon should appear as an additional cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF FEDERAL FOOD, DRUG, AND COSMETIC ACT, RELATING TO THE PROHIBITION OF CHEMICAL ADDITIVES IN FOOD—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of April 16, 1957, the name of Mr. SPARKMAN was added as an additional cosponsor of the bill (S. 1895) to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of chemical additives which have not been adequately

tested to establish their safety, introduced by Mr. HILL (for himself and Mr. SMITH of New Jersey) on April 16, 1957.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MANSFIELD:

Address delivered by him before the Executives Club on Friday, April 12, 1957.

ANNOUNCEMENT OF FURTHER HEARINGS BY SUBCOMMITTEE ON RAILROAD RETIREMENT

Mr. MORSE. Mr. President, for the information of the Senate, I wish to announce the resumption of hearings on May 1 by the Subcommittee on Railroad Retirement. Three days of hearings have been held on S. 360, S. 945, and S. 1313. Since the recess of hearings, two additional bills have been introduced, S. 1630 and S. 1651.

As chairman of the subcommittee I announce hearings on May 1, 2, 3, and 6 to complete the testimony on all of these bills by the carriers, the Railway Labor Executives Association and the Railroad Retirement Board.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Francis Everett Van Alstine, of Iowa, to be United States attorney for the northern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

Roy L. Stephenson, of Iowa, to be United States attorney for the southern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

John F. Raper, Jr., of Wyoming, to be United States attorney for the district of Wyoming for a term of 4 years. He is now serving in this office under an appointment which expired April 16, 1957.

Roland A. Walter, of Iowa, to be United States marshal for the southern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, April 26, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

AMENDMENT OF ROBINSON-PATMAN ACT, RELATING TO EQUALITY OF OPPORTUNITY

Mr. DIRKSEN. Mr. President, on Friday, April 12, I received unanimous consent to have inserted in the CONGRESSIONAL RECORD a list of persons and organizations who were opposed to S. 11, a bill to amend the Robinson-Patman Act. More than 56 such persons and organizations were listed in opposition; 18 persons and organizations were listed in favor of S. 11.

The list of persons and organizations against S. 11 continues to grow—indicating a far greater interest in S. 11 this year than was shown in 1956. I ask unanimous consent that a list of organizations and persons who have indicated their opposition to S. 11 be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PERSONS AND ORGANIZATIONS WHO HAVE SUBMITTED A MEMORANDUM IN OPPOSITION TO S. 11

Illinois Bar Association, Manufacturers Chemist Association (Henry Fowler), Bernard L. Majewski, American Bakers Association, the Empire State Petroleum Association, William Simon, Ohio Petroleum Marketers Association, A. G. Stone, M. C. Junkin Corp., of Charleston, W. Va., Drug-Chemical and Allied Trades Section of New York, Milton Handler, professor of law, Columbia University, American Hard Rubber Co., Formed Steel Tube Institute, National Retail Lumber Dealers Association, Alabama State Chamber of Commerce, National Beet Growers Federation, the American Mining Congress, National-American Wholesale Lumber Association, Earl J. Hurd, attorney, Albert E. Scherm, United States Rubber Co., the Universal Clay Products Co.

Clayton Mark & Co., Evanston, Ill.; Hill Transformer Co., Inc., California; Henrite Products Corp., Ohio; R. B. Lautner, West Virginia; E. J. Carter, New York; T. D. Higgins, Jr., Ohio; Gardner Board and Carton Co., Ohio; Berkshire Papers, Inc., Chicago; John D. Conner, Monsate Chemical Company for Chicago, Ill., and St. Louis, Mo.; International Minerals & Chemical Corp.; Otis H. Ellis, attorney; Barrett Division, Allied Chemical; Bestwall Certain-teed Sales Corp.; Blue Diamond Corp.; Cardiff Gypsum Co.; Celotex Corp.; Connecticut Adamant Plaster Co.; Fibreboard Paper Products Corp.; Samuel H. French & Co.; Grand Rapids Plaster Co.; Kaiser Gypsum Co.; National Gypsum Co.; The Ruberoid Co.; Union Gypsum Co.; United States Gypsum Co.; R. Barraclough, Petrolia, Pa.; M. L. Courington, Jr., Park Forest, Ill.; J. J. Nowicki, C. Reiss Coal Co.; A. H. Eustis, Boston, Mass.; V. A. Romito, General Chemical Division, Marcus Hook, Pa.; Donald MacLean, California & Hawaiian Sugar Refining Corp.; Frank L. King, Washington, D. C.; T. C. Fogarty, Continental Can Co., Inc., New York; M. D. Griffith, New York Board of Trade, Inc.; Thomas Jefferson Miley, Commerce & Industry Association, New York; M. A. Varela, Chicago; S. B. Taylor, Parker Appliance Co., Cleveland, Ohio; R. G. Jeter, B. F. Goodrich Co., Akron, Ohio; Edward E. Bohnsack, Independent Oil Co., Davison, Mich..; Hal Barich, Seamless Rubber Co., New Haven, Conn.; F. M. Morton, Chester, N. J.; John T. Huels, Fairfield, Ala.; George W. Geyer, Geyer Lumber & Coal Co., Chambersburg, Pa.; Townsend M. Gunn, Metals & Controls Corp., Attleboro, Mass.; O. A. Amidon, Fair Lawn, N. J.; A. Hanchett, New York; J. A. Morse, Barrett Division, Toledo, Ohio; G. L. Walter, Baton Rouge, La.; Herbert Levy, Lone Star Bag Bagging Co., Houston, Tex.; John C. Esher, Staten Island, N. Y.; Harry B. Hilts, Empire State Petroleum Association, New York.

J. J. Porter, Pompton Plains, N. J.; W. H. Brumfield, Syracuse, N. Y.; Clark J. A. Hazelwood, McGraw Electric Co., Milwaukee; J. E. Shand, Upper Montclair, N. J.; James Manacke, Ranco, Inc., Columbus, Ohio; C. P. Hackett, Syracuse, N. Y.; David M. Gooder, Illinois State Bar Association; J. F. Daly, National Aniline Division, New York; John D. Wallace, Morristown, Tenn.; L. I. Adams, San Francisco; O. A. Kitto, Fayetteville, N. Y.; Robert Roberts, Toledo, Ohio; Stanton N. Labare, Barrett Division, Norwood, N. Y.; Charles F. Lewis, Volunteer Portland Cement Co., Knoxville, Tenn.; Karl R. Zimmer, Zimmer Paper Products, Indianapolis; N. H. Rudeen, Minneapolis, Minn.; Charles H. Jones, Milton, Mass.; G. W. Matthews, Elm Grove, Wis.; Raymond W. Hess, Buffalo, N. Y.; F. J. O'Connell, Garden City, N. Y.; A. C. Hobbie, Pittsburgh Plate Glass Co., Moorestown, N. J.; Clarence B. Hausmann, New York; R. Largent, Camillus, N. Y.; Ernest E. Duque, Los Angeles; O. H. Schwanger, Elizabethtown, Pa.; Borden S. Chronister, Hopewell, Va.; Harry S. Fuguson, South Orange, N. J.; A. J. White, Kingsport Oil Co., Kingsport, Tenn.; L. S. Clark, Twin City Hardwood Lumber, St. Paul, Minn.; C. S. Parke, The Harshaw Chemical Co., Cleveland; James N. Grove, Detroit, Mich.

SCHOOL CONSTRUCTION

Mr. MARTIN of Pennsylvania. Mr. President, at this time there is much discussion relative to the financing of schools, particularly school buildings. I ask unanimous consent to have printed in the body of the RECORD a very able discussion of this subject which appeared in an editorial entitled "Will We Trade In Our Old Schools?" The editorial was published in the Washington (Pa.) Observer.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WILL WE TRADE IN OUR OLD SCHOOLS?

Perhaps we're going to start trading in our old schools the way we do automobiles.

Schools being built in this State under the State Public School Building Authority plan are financed for 40 years, on a rental system which brings a deed at the end of that time.

But a lot of school buildings which approach that age are now considered obsolete, unless they are remodeled and modernized.

Are we going to be asked by State educational authorities to build new schools before the "obsolete" ones are paid for? If so, will the local districts which are "renting" these buildings get credit for their rental investment, or will it remain in the books of the authority?

Or, if "obsolete" but unpaid-for buildings must be modernized, will the "renting" district have to pay for the work, or will the Public School Building Authority do it? It's pretty certain that this question will be answered by the State rather than by the districts concerned.

Will present methods of financing new schools lead to the kind of financing done by those motorists who never really own their cars? It would seem so.

It would go a little farther, it would seem. For the financing Public School Building Authority and the State Council of Education would be the agencies which would determine when new schools must be built or the old ones modernized.

It still looks a bit as though the old method of financing new schools—through local banks and home agencies—might be more advantageous in the end.

But that wouldn't suit the politician who thrives on State control of institutions. It would be a blow to bureaucrats.

Perhaps in a lot of instances, however, necessary new buildings cannot be financed at home. But it's nevertheless true that financing through the State is the best of all ways to yield to the State a large part of

what school control the people and the local boards have left.

It's equally true that for every bit of authority taken away from the home folk and given to State or Federal Government another bit of freedom passes from the people into the hands of the politicians and bureaucrats. It's time for the people to ask themselves, "Do we want this to happen?"

We must have schools. We must have good schools and good teachers if we are going to keep our freedoms. But will good education retain our freedom for us if the very instruments through which that freedom is given are monopolized by those who would centralize our school system and controls? We think not.

SPECIFICATIONS FOR THE CONSTRUCTION OF GRAND CANYON DAM

Mr. KUCHEL. Mr. President, in southern California approximately 7 million persons depend to a very great extent for a supply of water from the Colorado River. They also depend to a very marked degree on the development of electricity at Hoover Dam, through which the waters of the Colorado River flow, for the power necessary to carry on their economy.

A short time ago the Secretary of the Interior announced his specifications for the construction of Glen Canyon Dam, which was authorized by the Congress at the last session. The persons whose responsibility it is to care for the rights of the people of California to their rightful share of the Colorado River have raised serious questions to the manner in which those specifications are worded. They fear severe damage to the interests of the people of my State.

I wish to say to my distinguished friend, the very able senior Senator from Arizona [Mr. HAYDEN], that representatives of the people of Arizona likewise have registered objection to the specifications for the construction of Glen Canyon Dam, as those specifications have been announced by the Department of the Interior.

I have written to the Secretary of the Interior a letter in which I have asked him to hold hearings on the questions which have been raised, to consult with California, and lower basin representatives to allay the apprehensions which have arisen, and to demonstrate in advance that when Glen Canyon Dam is constructed, it will be constructed completely in a fashion which will do no damage to the rights of the people who live in the lower Colorado River Basin. It would be my sincere hope that a composition of views might be readily and speedily obtained.

I ask unanimous consent that a copy of my letter to the Secretary of the Interior be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
April 16, 1957.

The Honorable FRED A. SEATON,
Secretary of the Interior,
Washington, D. C.

MY DEAR MR. SECRETARY: You are fully aware, I know, of the urgent concern of water and power users in California that construction and operation of Glen Canyon Dam and powerplant might adversely affect their supplies of water and power derived from the Colorado River. It has been gratifying to me to note Commissioner Dexheimer's press release of April 10, 1957, stating that the requirements and rights of lower-basin interests will be respected in the construction of the Glen Canyon unit.

Without in any way disparaging the reassurances expressed by officials of your Department, nevertheless, it seems to me that the extreme gravity of the matters involved warrants more direct treatment of the protests made by our California water representatives. I need not detail to you how vital to California people is the uninterrupted flow of water and power from the Colorado River. Nor is it necessary to recall the many binding safeguards provided in law and compact which are designed to protect established rights under the "law of the river" and the contracts with the United States, including the most recent one explicitly provided by the Colorado Storage Project Act, which authorizes construction of the Glen Canyon unit.

Specific exception has been taken by California interests to certain elements in the specifications for construction of Glen Canyon Dam. It has been asserted that construction pursuant to those specifications could result in severe curtailment of water and power supplies that are assured to California by laws and contracts. Such curtailment would be unlawful. It would cause grievous injury to 7 million people living in southern California and would wreak disastrous damage to the agriculture and industry of the State.

A question has been raised about certain aspects of the structure design as they may bear on its safety, stability, or effectiveness.

Of course, I do not attempt to evaluate the technical engineering questions that may be involved in this problem. This is for engineers to resolve. It is, however, of immediate concern to me as a member of the United States Senate from California, that your Department should not start construction of a tremendous dam while the interests most vitally and most immediately affected have any reasonable basis for fearing great potential damage therefrom. In addition to my primary concern for the potential damage to people and property in California, I am mindful that any revisions of plans necessary by reason of the validity of these considerations should be made prior to award of the construction contract. One reason for this is that, were such revisions delayed until after award of the contract, the United States might be liable for substantial increases in construction costs.

All these reasons are persuasive to me that your Department should promptly seek composition of the views of the interests affected—and I refer specifically, but not exclusively, to the California interests. It is possible that such a composition of views might be effected readily. That is my sincere hope. In any event, I believe that such composition of views should be effected prior to any contractual commitment that might obligate the United States with respect to construction of the dam and powerplant pursuant to the specifications to which objection has been taken. I have great confidence that you will agree with me in this view.

To this end, I respectfully urge that you withhold the award of the construction contract pending resolution of the objections of Arizona and California to the designs and specifications. It would be my hope that this would not extend unduly the time normally required for contractual procedures leading to award of a contract of this magnitude. However, the possible adverse consequences of the present specifications are so great that the time afforded to such composition of views should be adequate for the possibly complex technical consideration that may be required.

My recommendation in this regard is that you provide for two stages of consultation with affected lower basin interests. One stage should be at the secretarial level for departmental determination of the policy foundation relative to administrative actions in construction and operation of the Glen Canyon unit, the most important of which would be assurance that progress of the work would at all times be consonant with proper protection to established rights of the lower basin.

A second stage of consultation should be at the technical level. This could be accomplished by collaboration by the engineering representatives of the lower basin interests with your chief engineer, members of his staff, and the board of consultants that I understand you are providing.

I am informed that the Colorado River Board of California is in a position to represent California interests in this matter. They will exert every energy to bring to rapid conclusion a satisfactory composition of views to the end that construction schedules may not be disrupted.

I am very hopeful that the recommendations I have urged will be followed, as I feel they offer a prompt and equitable method to resolve the issues I have presented.

May I hear from you?

Sincerely yours,

THOMAS H. KUCHEL,
United States Senator.

Mr. HAYDEN. Mr. President, will the Senator from California yield to me?

Mr. KUCHEL. I yield.

Mr. HAYDEN. The situation referred to by the Senator from California was brought to my attention by certain citizens of Arizona. I am satisfied—after talking with the Commissioner of Reclamation—that the matter can be adjusted; and that the release of the waters at the dam will be under the control of the Director of Reclamation, and he will act in accordance with the laws which relate to the river.

Mr. KUCHEL. Mr. President, the specific questions raised by officials from California are serious ones. I believe the Interior Department should, in the public interest, arrange suitable conferences, both policywise and of a technical or engineering nature, so that, with respect to the construction of Glen Canyon Dam, present apprehensions may be removed, and an unassailable solution can be amicably arrived at.

Mr. HAYDEN. That will depend on the assurances we receive. If we receive the proper assurances, it will not be necessary to hold a meeting. If we do not receive the proper assurances, a meeting may become necessary.

Mr. KUCHEL. I thank the Senator from Arizona.

RETIREMENT OF COL. SCOTT P. HART AS MONTANA HIGHWAY ENGINEER

Mr. MANSFIELD. Mr. President, one of Montana's truly devoted civil servants in State government, Col. Scott P. Hart, has resigned from his post as State highway engineer. This announcement was received with regret, because the people of Montana will miss his valuable services.

I have known Scott Hart for a number of years, and he has been most cooperative as chief engineer for the Montana State Highway Commission, under both Democratic and Republican State administrations. He is noted for his efficiency and ability to get work done despite the political atmosphere which hangs over the State capitol.

Scott is quoted as saying that he has been around a long time and that he wants to turn the workload over to younger men. However, I certainly hope that retirement will not mean the last of his contributions to the Treasure State, as Montanans will need his advice and counsel in the years to come.

I ask unanimous consent that an editorial prepared by J. R. Larcombe and published in the Phillips County News be printed in the RECORD at the conclusion of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SCOTT HART RETIRING AS HIGHWAY ENGINEER

(J. R. Larcombe in Phillips County News)

The many friends of Col. Scott P. Hart will regret that he finds it necessary to resign his post as chief highway engineer but they will also wish him well as he enjoys the pleasures of retirement. As Hart says himself, he has been around a long time and if he wishes younger men to carry the load now, that is his privilege.

Scott Hart is northeast Montana "property" inasmuch as he really got his Montana highway start at Poplar and Wolf Point as Roosevelt County surveyor. He became State "property" in 1923, though, and since then has given Montana loyal and efficient service in every post handed to him. He is rather unique in that despite long residence in the supercharged political atmosphere of the State capital he has never been involved in any of the bickering and infighting which more than once has disturbed the highway commission. He figured his job was to work; let others do the feudin' and fussin'.

Colonel Hart told this writer last winter that he and Mrs. Hart would keep their home at Helena when retirement time came. A pretty good place to live, Scott allowed, so why move? Knowing Scott as we do, we imagine he'll get along all right at whatever form of "puttering" he elects as his major hobby, so we join his other friends in wishing him well and thanking him for his unselfish services to Montana.

INVESTIGATION OF THE FINANCIAL CONDITION OF THE UNITED STATES

Mr. STENNIS. Mr. President, I should like to commend the membership of the Senate Committee on Finance for the unanimous action taken at the meeting on April 12 in adopting the resolution providing for a study and an investigation of the financial condition of the United States.

I feel that such an inquiry is long overdue. The subjects specifically mentioned in the resolution indicate that the approach will be broad and comprehensive: First, the revenues, bonded indebtedness, and interest rates on all public obligations including contingent liabilities; second, policies and procedures employed in the management of the public debt and the effect thereof upon credit, interest rates, and the Nation's economy and welfare; and third, factors which influence the availability and distribution of credit and the interest rates thereon as they may apply to public and private debt.

The subject matter is of major national importance.

For several reasons, I feel that a Congressional investigation is the logical approach to this problem. First, any indicated corrective legislation must originate in the Congress. Second, the competent professional staff has proved to be a flexible nucleus capable of expansion to meet the needs of special investigations such as this. The expense and administrative details of building up and closing down a temporary agency are avoided when a permanent standing committee's staff and facilities are utilized. Third, the membership of the cognizant Congressional committee has, through experience, a high degree of familiarity with the subject matter under study and investigation.

I am confident that the Finance Committee, under the able chairmanship of the distinguished senior Senator from Virginia [Mr. BYRD] will do an excellent job of developing the whole picture of the Nation's economy.

Membership of that committee includes a fine cross section of Members of the Senate whose experience and background have well qualified them for such an undertaking, and I feel that the job will be done promptly, thoroughly, and efficiently, to the great benefit of us all.

TWO-WAY CULTURAL EXCHANGES

Mr. WILEY. Mr. President, more than two dozen members of the diplomatic corps in Washington, D. C., have kindly responded to an inquiry which I had submitted to them on two-way cultural exchanges with the United States.

I am glad to report splendid responses from ambassadors whom I had contacted.

The sum total of these responses is rather lengthy. But since the replies represent the views of so many individual nations, and are so exceedingly constructive, I believe that the space necessary to reprint them will prove more than worth while.

The texts are carried in their entirety, with the exception of minor introductory omissions.

I ask unanimous consent, therefore, that the ambassadors' replies to my inquiry be printed at this point in the body of the RECORD, preceded by a further descriptive statement on my part.

There being no objection, the statement and communications were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

MORE THAN TWO DOZEN AMBASSADORS RESPOND TO SENATOR WILEY'S INQUIRIES ON TWO-WAY CULTURAL EXCHANGES

How can we improve and strengthen our relations with the free world?

I am sure that this basic question has occurred at various times to every single Member of this Chamber.

MANY TYPES OF INTERNATIONAL EXCHANGE

The answer is, of course, through economic, political, spiritual, cultural, and other ties.

Each of these friendly links—each of these people-to-people and government-to-government ties—plays an important role.

We and our friends cannot slight economic contacts, or political or spiritual or cultural or constructive relations in almost any other field of endeavor.

The world has been shrunken. We are next door neighbors to all mankind in every sense of the term.

In recent weeks, I have been doing what I could to help cement ties among the nations of the world especially along cultural lines. So, too, in past times, I have, of course, done everything I could to promote constructive relationships in other fields.

MY RECENT TWOFOLD QUESTION TO EMBASSIES

As will be recalled, in the March 18 CONGRESSIONAL RECORD, on page 3806, I reported that I was sending to members of the diplomatic corps here in Washington a letter of inquiry.

I asked the ambassadors a twofold question:

(a) How do you feel about the significance of improved cultural relations between our two peoples? And

(b) What do you think might be specifically done further alone this line?

And I indicated that I would, with their kind permission, quote from their responses in further public remarks.

SPLENDID REPLIES FROM AMBASSADORS

I am delighted to say that the ambassadors' responses were not only uniformly excellent, but were exceedingly constructive.

I have received acknowledgments by telephone, letter, and in person from virtually all of the members of the corps whom I was asked to contact within a limited period of time and with my limited facilities.

Additional ambassadorial replies are on the way, based upon information which is being compiled at the present time.

EXCELLENT SUGGESTION FROM INDONESIAN AMBASSADOR

Among the most constructive suggestions was one made by his excellency, Ambassador Moekarto Notowidigdo, of Indonesia.

The ambassador suggested that there be set up a committee through which cultural attachés of the embassies could get together and talk over this general matter. Perhaps from such a formal or an informal organization could come some valuable techniques, for not only bilateral exchange, but multilateral exchange.

I ASKED COMMITTEE CONSULTANT, MR. CAHN, TO CONTACT EMBASSIES

I then asked a member of the professional staff of our committee, Mr. Julius N. Cahn, to take up the ambassador's splendid suggestion with a number of the embassies.

I am pleased to state that he reported that the response was unanimously favorable.

MANY EXISTENT CULTURAL CONTACTS

Of course, a great deal of cultural contact already takes place, particularly through our friends in the Organization of American States and through other means.

Obviously, however, there is a deeply felt need for further helpful activity along this line.

And so, I hope that from this proposed Cultural Attachés Committee will come a further mutually helpful approach.

May it help fulfill the highest objectives of our friends and ourselves in contributing to world peace, understanding, and good will.

EXPLORATORY MEETING SOON AT INDONESIAN AMBASSADOR'S

The Indonesian Ambassador has generously indicated that he will gladly make

available his Embassy as a meeting place for the committee.

I expect therefore to communicate again shortly with members of the diplomatic corps to advise them of the time of the proposed initial meeting. I will respectfully invite them, if they are interested, to designate their cultural attachés to represent the ambassadors at the meeting. I will ask the State Department to designate an individual, as well, to sit in, along with a representative of the Senate Foreign Relations Committee staff.

The purpose is purely exploratory, and is intended solely to provide an avenue of additional contact for our neighbors throughout the world and ourselves.

Finally, let me note that I have taken and propose to take these steps as an individual United States Senator. I hope that through these steps, we may so to speak, plant seeds, that is, provide a basis for further flowering of relations within the free world.

INTEREST OF OTHER SENIOR MEMBERS OF COMMITTEE

This has been my purpose during my 18¼ years as a Member of the Senate, particularly during my 2 years of service as chairman of the Senate Foreign Relations Committee in 1953 and 1954, and now as senior Republican on that committee.

I feel confident that my able and distinguished successor, my colleague from Rhode Island [Mr. GREEN], chairman of our committee, shares my feelings, for he has, throughout his long and busy career, been deeply interested in the arts.

So, too, the ranking Democratic member of our committee, Mr. FULBRIGHT, is I know deeply interested in this type of subject, especially because one of the great programs of good will in the postwar era, proudly bears his name. I refer of course to the Fulbright exchange program of students, teachers, and others.

In this particular instance, I am referring, however, to the exchange of artists—musicians, painters, ballet troupes, and the like.

LETTERS FROM THE AMBASSADORS

KEDUTAAN BESAR INDONESIA,
EMBASSY OF INDONESIA,
Washington, D. C., March 28, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I am most interested in receiving your letter of March 27 and heartily endorse your concept of the importance of furthering cultural relations between the countries of the world.

As I am sure you know, various American artists who have visited Indonesia, among them Martha Graham and Marian Anderson, received a great response in my country and in addition helped dispel the misconception which unfortunately often exists among other peoples that the culture of the United States consists of jazz music and second-rate gangster movies. As an additional example, I might cite the visit to this country of the Dancers of Bali in 1952, whose sell-out performances in New York and other cities throughout the United States demonstrated the enthusiasm and interest the culture of Indonesia evoked among the American people.

You ask what I think might be specifically done further along the line of cultural exchange and here my suggestion would be that a committee be set up in which the cultural attachés of the different embassies in Washington be asked to participate and give their views and assistance.

With appreciation for your interest in this important and worthwhile matter and with kind regards, I am,

Sincerely yours,

MOEKARTO NOTOWIDIGDO,
Ambassador of Indonesia.

EMBAJADA DE CUBA,
Washington, D. C., April 5, 1957.

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: With much pleasure I acknowledge the receipt of your letter of March 27 last, cordially expressing your desire to receive my opinion in connection with two significant aspects of free world cultural relations; the significance of improved cultural relations between our two peoples, and what can be done along said lines.

The fact that Cuba and the United States are very close socially, politically, economically, and geographically, does not constitute a reason to take for granted the many phases of cultural relations that could be stimulated between the two countries.

Cuba has many outstanding artists and composers who are practically unknown to the American public; also painters and writers whose talents have yet to be discovered in this country.

Perhaps one of many ways that could be employed to raise the interest of those artists would be to give ample publicity to whatever grants or scholarships are offered by the corresponding American agencies and institutions, since in many instances the existence of those cultural facilities are not known to those who could be most representative of our true and respective cultures.

Our First Secretary, Dr. Mario Nuñez, who is in charge of public affairs at the Embassy, has been in contact with your consultant, Mr. Julius N. Cahn, and in my behalf, as I express to you at this time, he has indicated the desire to cooperate in every way possible to the success of your very important program for the improvement of free world cultural relations.

With kindest personal wishes, believe me,

Sincerely yours,

MIGUEL ANGEL CAMPA,
Ambassador of Cuba.

EMBASSY OF GUATEMALA,
Washington, D. C., April 4, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: This is to acknowledge receipt of your kind letter dated March 27, 1957, requesting my comments on the general importance of improving free world cultural relations.

I am pleased to see that you have contacted me asking my opinion on the above mentioned subject and let me inform you that it will be a pleasure to do this work on such an important topic that concerns all the people of the Western Hemisphere.

In accordance with this purpose, I will send you my comments on the matter in the near future in order to accomplish this work. I am sure that Mr. Julius N. Cahn, a good friend of ours, will be of great help to us.

With my best wishes, I am,

Sincerely yours,

JOSÉ LUIS CRUZ-SALAZAR,
Ambassador.

EMBAJADA DE LA REPUBLICA ARGENTINA,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
Senator from Wisconsin,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: It has given me great pleasure to read your letter of March 26, 1957, and to study carefully the CONGRESSIONAL RECORDS of March 18 and 21 that you were kind enough to send me.

I believe your plan to create the National Cultural Center in the District of Columbia as well as the International Cultural Exchange and Trade Fair Participation Act, is excellent.

To your question "How do you feel about the significance of improved cultural relations between our two peoples?" I do not hesitate to reply that I sincerely believe that there are no better means of understanding between nations than those that arise from the mutual knowledge of each other through the medium of literature and art, which are the basis of rapprochement through exchanges provided by industry and commerce. From the time that my Government honored me with the post of Ambassador to your country, have sponsored the following cultural exchange programs:

(a) An exhibition of 113 paintings titled "A Century and a Half of Paintings in Argentina." After its inauguration at the National Gallery of Art on April 17, 1956, where it remained a month, it traveled through the United States. The exhibition was brought here as a tribute from Argentina to the people of the United States;

(b) A series of lectures by distinguished American personalities on literature and Argentine music. They were given in the ballroom of the Embassy, in English, and illustrated with small paintings, drawings, etchings or by recordings.

As to the question "What you think might be done further along this line?" my opinion coincides with yours: the increase in the exchange of persons between our countries—men of science and letters, professors, teachers and students, as well as sculpture artists, musical and theatrical groups.

Permit me to congratulate you for your splendid work on cultural exchange and wish you the greatest success in this project.

Yours sincerely,

ADOLFO A. VICCHI, *Ambassador.*

ROYAL GREEK EMBASSY,
Washington, D. C., April 2, 1957.

The Honorable ALEXANDER WILEY,
Senate of the United States,
Washington, D. C.

MY DEAR SENATOR WILEY: I fully share your views about the great importance for improved free world cultural relations. I was also very happy to hear that your great President has endorsed the International Exchange Program. Therefore, I will gladly answer your two questions as follows:

1. I firmly believe that improved cultural relations between our two peoples are deeply significant in the development of the overall relations between our two nations. I know my countrymen are eager and happy to partake of American culture. I am sure that you are aware of the enthusiastic reception that the Greek public has bestowed upon such American projects like Porgy and Bess, the New York Philharmonic, the Ballet Theatre, to name only a few of American artistic groups to have visited my country. I also know that the American public is greatly interested in Hellenic culture, although this interest is directed more to the classical past of Greece than to modern achievements and this leads me to answer your second question.

2. May I be allowed to state a fact which goes unnoticed in this country and that is: Greece is in a period of exceptional artistic flourishing which covers almost all fields of artistic production; i. e., theater, novel writing, painting and sculpture, history, and archeology. As you very aptly point in your letter this International Exchange Program is intended to be a two-way proposition. This encourages me to suggest that the personalities in charge of the International Exchange Program may choose to focus their interest on this aspect of the program and give the American public the opportunity to get themselves acquainted with modern Greece's cultural achievements.

With all good wishes, I am,

Sincerely yours,

GEORGE V. MELAS,
Ambassador of Greece.

EMBASSY OF URUGUAY,
Washington, D. C., April 5, 1957.
The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I consider improved cultural relations between the United States and Uruguay to be of the utmost significance, for there is no doubt in my mind that this constitutes one of the most comprehensive and effective means of bringing together people who have different customs and languages.

The appeal of art and culture is universal and I know that in spite of all that has been done before our two countries still have a very great deal to offer each other in this respect.

As regards the specific steps that might be taken along these lines, I would like to mention not only the bilateral arrangements made between our two countries both at the official and at the private level but also the work of the hemispheric organizations headed by the Organization of American States.

In this latter connection, the Inter-American Committee of Presidential Representatives—on which I act for my country—is planning to intensify the role played in the field of cultural relations by the Organization of American States.

I have also learned with substantial interest of the possible establishment of a National Civic Auditorium and Cultural Center, in the District of Columbia. The existence of such a center would no doubt contribute enormously to the attainment of our common aims, for it would certainly contribute to making Washington an even more active cultural place than it is today, facilitating many types of activities that would assist the relations of this country with nations abroad.

You may certainly quote freely from the contents of this letter.

With all good wishes, believe me,
Sincerely yours,
JULIO A. LACARTE,
Ambassador.

EMBAJADA DEL ECUADOR,
Washington, March 28, 1957.
Hon. ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: I take this opportunity to congratulate you for your thoughtful and quite effective speech of March 21 regarding cultural relations between your country and the rest of the free world.

In answer to your two questions, I would like to say:

(a) To improve the cultural relations between two democratic countries is to provide a solid basis for permanent and fertile understanding. Only through a real knowledge of traditions, ideals, habits, and cultural achievements it is possible to build solidarity among nations. Therefore, the significance of improved cultural relations is of the utmost importance.

(b) I strongly believe that we must undertake a program of interchange of laborers, workmen, and farmers. Cultural exchange must not be limited to the upper classes, intellectuals, professors, and students. I also believe that the United States should spread knowledge of the wonders of this country, not only in the universities and colleges, but also in the schools of small cities and towns. Small pamphlets in Spanish, objective pictures, murals can be used as basis to penetrate in the minds and souls of the laborers and farmers of Latin America.

My dear Mr. Senator, anything you do for the improvement of cultural relations between our countries is a great contribution to the strengthening of cordial democratic relations and better understanding that must exist among nations of the same ideals and principles.

Hoping to hear from you in the near future, I am,

Sincerely yours,
Dr. JOSÉ R. CHIRIBOGA V.,
Ambassador.

ROYAL SWEDISH EMBASSY,
Washington D. C., April 4, 1957.
The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I think you deserve to be commended for the great task you have taken upon yourself in trying to promote the cultural relations between the United States and other nations. Establishing such relations and improving them is certainly a very important contribution to good relations between the peoples of the world in other respects also.

I can assure you that those American artists who have visited my country under the sponsorship of the International Exchange Program and whom you have mentioned in the list printed in the CONGRESSIONAL RECORD were enthusiastically received by the Swedish audiences which attended the performances. I think the same can be said also by the great number of American artists, musicians, dancers, actors, etc., who have been touring Sweden. They contributed greatly in establishing better relations and understanding between your people and mine; and I am sure that they returned to their own country having made many new friends in mine.

Many times I myself have witnessed the very hearty reception which has been granted Swedish artists touring the United States, and many of them have assured me that they really never felt that they were abroad. Accordingly, you certainly realize that you have my enthusiastic support in your endeavor to further intensify cultural exchanges between the United States and Sweden.

As to your second question, I must confess that I have at present no specific recommendations. I would like to mention to you, however, that on the staff of this Embassy there is a cultural attaché who is quite prepared to cooperate with American individuals, institutions, or organizations both in promoting a general program of cultural exchange and also to take part in the planning of specific projects. If Mr. Julius N. Cahn, who is assisting you in your work, feels that my cultural attaché could be of any help to him, I would be very glad if they could undertake the further discussions. The attaché's name is Dr. Björn Ahlander.

Once again I want to express my appreciation of your efforts; and wishing you the best luck, I remain,

Sincerely yours,
ERIK BOHEMAN,
Ambassador of Sweden.

EMBAJADA DE BOLIVIA,
Washington, April 1, 1957.
The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I have read with deep interest your statements on the floor of the Senate in relation to two-way cultural exchanges between the United States and other countries in the world. As you can easily realize, I am particularly interested in the importance of cultural relations between the two Americas and especially between the United States and Bolivia.

The study of the cultural development of the Americas has been a subject that has occupied a great amount of my time. I strongly believe that although the settlements of both continents were made under different auspices and through different methods of policy, the course of events indicates more strongly as time progresses that the needs of the Americas are firmly tied to each other. The revolutions for independence in the Latin American countries were greatly influenced by that in North America, and the constitutional law of the American Republics was inspired by the Constitution written for the United States. The development of the Inter-American System, whose birth was here in Washington in 1890, has also indicated that in the face of the everyday, more complex world situation, the American unity not only has to be strengthened but also must be taken as a permanent reality.

In this progress of political and economic ties, one of the most important factors is that of cultural relations. The mutual understanding of our cultures will not only avoid misunderstandings and obstacles to the march of our unity, but also it will permit us to maintain a mutual respect that will be the greatest asset to our democratic ideals. Therefore, any effort that is made to improve our cultural understanding will receive my personal support and all that I can give in my capacity as the representative of my country in the United States.

I have reviewed the list of the countries which have been visited by various American artists, and I am sorry to note that Bolivia has been bypassed. I hope that you can do something about this in the future so that my people will have the benefit of such fine cultural missions. At the same time, I think that programs should be studied to find a means of financially helping some private cultural institutions in Latin America, especially in the field of folklore music, dancing, and other artistic expressions, to come to this country so that the people of the United States will have firsthand contact with our cultural characteristics.

With my best wishes, I am,
Very sincerely yours,
VICTOR ANDRADE,
Ambassador of Bolivia.

PERUVIAN EMBASSY,
Washington, D. C., April 1, 1957.
Senator ALEXANDER WILEY,
The United States Senate,
Washington, D. C.

MY DEAR SENATOR: I am very happy to state that on this subject I fully concur with you, as today more than ever it is so necessary to appeal to the cultural background of the community of free nations in order to improve the political and economic relations.

Since both our countries maintain cultural attachés in their respective embassies, I do feel that a tremendous advance has been made in our cultural relationships. Specifically, I think that an improved system in the interchange of scholarships, visits of lecturers, the continuance of artistic presentations, cultural publications, and even more important in my estimation, a more comprehensive treatment by the press will insure a still better understanding among our peoples.

With all good wishes, I remain
Very sincerely yours,
FERNANDO BERCKEMEYER,
Ambassador.

THE AMBASSADOR OF SPAIN,
April 5, 1957.
The Honorable ALEXANDER WILEY,
Senator from Wisconsin,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I am glad to give you below my comments on the importance of improved free world cultural relations.

It seems to me that there is only one real way to arrive at a stable peace in the world, and that is to get nations better acquainted. When one discovers how wide is the misunderstanding, the distance, the ignorance among friendly peoples who come from a

common line of historic heritage, one can easily realize how much more difficult the case might be with nations that are members of different cultures, or races, and who live therefore, in separate worlds.

Actually, the ties which link the United States with the Spanish world, are so many and so deep that one cannot but be surprised that there are still so many things which have been forgotten. This great country was discovered, civilized, and pioneered, to a great extent, by the Spanish explorers, missionaries, and conquistadores. More than one-half of the United States territory still bears Spanish names, such as, for instance, the mountains, the rivers, the cities, and the coast. Also, some of the civil laws that prevail west of the Mississippi are of Spanish origin. Much of the folklore and the music of your Southwest still reflect the Spanish stamp. We Spaniards are proud of that legacy, as well as of having aided George Washington's army in the Revolutionary War, with money, ammunitions, and all kinds of arms, as a gesture of our friendship and warm sympathy.

Many of these obvious facts have been disregarded and forgotten during the past decades. But in a world that becomes closer and smaller through progress in technology, we all must work to improve the feeling of solidarity and understanding. And perhaps nothing is so instrumental to achieve it as to revive and bring again to the attention of our public opinion these aspects of our background.

I feel that the same thing applies to the Spanish knowledge of American life and American values. The average Spaniard knows little about the real aspects of the American way of life; of the moral principles on which, as a solid rock, lies the foundation of this country. Sometimes he only catches a glimpse of American realities through a moving picture, which is frequently misleading or inadequate to give a true version of this great country.

I should like very much to see a program of cultural exchange established between the United States and Spain. Much is already being done through some of the United States Government agencies toward bringing Spanish technicians to this country to learn and see the most important aspects of productivity and industrial progress. But it can still be developed in other fields of cultural activity, such as art, music, and the culture of Spain, which could be brought here through our best exponents. And the wonderful achievements of the American way of life could be shown in full splendor to the Spanish people.

The flow of visitors to both countries should also be increased, in order that Americans and Spaniards by the hundreds of thousands become acquainted and friendly. This, in my view, might be the best way to work together for the common ideals of freedom and peace which we share as members of the same western civilization.

With best wishes, I am

Sincerely yours,

JOSÉ MA. DE AREILZA.

AUSTRALIAN EMBASSY,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: * * * I am totally in accord with you in the belief that the cause of world peace will be advanced by a constant improvement in cultural relations among the nations of the free world. As to the specific questions that you pose, I would answer them as follows:

(a) Even though our peoples have been closely associated in two World Wars and have since the Second World War engaged in mutual programs designed to extend the scope of our cultural relations and to bring about a greater measure of understanding, there still exists a large area of ignorance in both our countries of the truth concerning each of them. We have still much to learn about each other before we can come to a sufficiently intimate understanding of each other's actions and decisions in the great problems which face us in the troubled conditions of today. The more we grow to know each other the better it will be for our own citizens and then by projection the citizens of the rest of the free world.

(b) Much has been done and much is being done to promote cultural exchanges between our countries. In a large measure these exchanges depend upon the generosities implicit in the Fulbright and similar programs. Many students from Australia are studying in the United States, and there is a reciprocal exchange of United States students in Australia. Schoolteachers from our countries have had experience of the other. As to what might be done further along these lines, I can only say that I believe programs at present in operation are doing a splendid job. They are limited only by the amount of money which is available for the purpose. I know of my own experience that there are many young Americans who would like to further their knowledge by studying in Australia just as there are equally large numbers of young Australians who want to learn to know the United States better. The depth of our friendships cannot be made greater. They could, however, be made more extensive by increasing the numbers of young people who might be given the opportunities which exist under present arrangements.

I hope that the foregoing may be of some value to you in any further comment that you may be making in the Senate on this aspect of our international relations, and I will look forward keenly to seeing a transcript of your remarks.

Thank you again for writing to me.

Sincerely yours,

PERCY C. SPENDER, *Ambassador.*

EMBASSY OF TUNISIA,
Washington, D. C., April 1, 1957.

Senator ALEXANDER WILEY,
Senate Office Building,
United States Senate,
Washington, D. C.

DEAR MR. WILEY: * * * It will be my pleasure and that of the whole personnel of this Embassy to cooperate to the best of our abilities in such a worthy and important project as the program of free world cultural relations.

I am sending you herewith a few comments which, I hope, will answer your questions about the significance of improved cultural relations between our two peoples and the possibilities of improving such relations.

Very truly yours,

HABIB BOURGUIBA, Jr.,
Chargé d'Affaires a. i.

Question. How do you feel about the significance of improved cultural relations between our two peoples?

Answer. The purpose of international cultural relations is to create a greater understanding of another country's culture and national life.

Understanding of the geography and history of a country, as well as its problems and way of life, can be achieved by means of speeches, films, and a wide distribution of books, pamphlets, and newspapers in colleges and universities.

The exchanging of students, professors, and even of technicians and research men could be very useful. Scholarships could be granted to Tunisian students who wish to further their studies in the United States, and, likewise, to American students interested in enrolling in a Tunisian university. It would also be advisable to grant scholarships to young people who, after having completed their education, wish to devote their time to surveys on certain aspects of one or the other country.

Special encouragement should be given to native students who wish to write monographs or a thesis on the subject of the other country.

Provisions should be made to encourage the exchange of theatrical and musical companies and folk groups.

Question. What you think might be specifically done further along this line?

Answer. One of the most urgent problems is the language barrier; it would be easy to teach English to a large number of young Tunisians; this could be done by sending American professors to Tunis. Their role would be to prepare the young Tunisians for further education in the United States.

Meetings between Tunisian and American young people between the age of 20 and 30 years old might also be considered in the near future. Study sessions could be organized in Tunisia and in the United States, where students, teachers, and other young groups such as workers, craftsmen, and businessmen could exchange their views and opinions on various problems, especially those confronted by the youth. These sessions would also provide opportunities for artistic manifestations and performances of folk music and dances.

Later on, mixed cultural commissions could be established in both countries in order to promote better coordination of all cultural activities.

Students who wish to specialize in either American or Tunisian affairs should be given an opportunity to do so. Institutes designed for this purpose might be created. An American institute in Tunis would certainly be most welcome.

Thirteen centuries ago, Mohammed, the prophet of Islam, speaking of the importance of education, said to his followers: "When seeking for culture, don't hesitate to go as far as China if needed," thus transcending a narrow concept of culture.

NEW ZEALAND EMBASSY,
Washington, D. C., April 1, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: Thank you for your letter of March 27 seeking my comments on the value of improved free world cultural relations. I shall be quite happy if you wish to quote what I have to say.

You will undoubtedly appreciate that my country is fully aware of the vitally important role this aspect of human relations can fulfill and is fulfilling in the maintenance and promotion of international cooperation and good will. We at the New Zealand Embassy in Washington have been able in a small way to further the already existing good relations between our two countries through this medium by, for example, making available New Zealand literature and art for displays in schools and cultural exhibitions. In the field of music I have endorsed the aims and purposes of UNISOMI, which seeks the establishment of a United Nations symphony orchestra and music institute as a means for promoting and strengthening the endeavors of the United Nations and world peace through music.

New Zealand, of course, is an active participant in many international exchange programs, including the Carnegie Corporation, Fulbright, and Department of State foreign leader travel programs. I know of many fellow countrymen in the United States at the moment who are deriving great benefit and instruction in their work in such fields as anthropology, geology, scientific research, and medicine.

Programs which facilitate the exchange of peoples, from different countries, who are

qualified in some field of human activity, whether it be educational, cultural, or scientific, have my wholehearted endorsement. I trust that they will be preserved and expanded, for I believe that through such program the work of the United Nations toward international good will, peace, and security can have purpose and vastly greater chance of success. I shall be happy to do anything I can to help.

With the utmost sincerity do I welcome and support any move toward increased activity in the field of cultural interchange between nations of the free world.

With my kindest regards.

Yours sincerely,

SIR LESLIE KNOX MUNRO,
Ambassador.

PORTUGUESE EMBASSY,
Washington, April 1, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: With reference to your first question, my feelings about the significance of improved cultural relations between our two peoples, I can unhesitantly say that my feelings on the matter coincide with yours. An intelligently directed program of cultural relations is the most effective vehicle for the mutual understanding and respect between two peoples such as ours, and the one which more rapidly reaches the heart and mind of the people. I have in mind, for example, the tremendous success of the performances in Lisbon by the American ballet companies, and also the concerts by the Philadelphia orchestra.

In regard to your second question, for a specific suggestion of mine along these lines, I do have a suggestion to offer. It seems to me that, although the technical achievements of the United States are well known and respected in my country, some interesting aspects of the American literary and artistic life are quite unfamiliar to many Europeans, and you know, as well as I do, that Europeans, particularly Latins, are specially receptive to, shall we say, efforts of the spirit. In this connection I thought that, for example, an exhibition of American literary life (not propaganda, of course), which should include a book exhibit, and an exhibit of the best American modern painters, and sculptors, would be extremely valuable in building up respect abroad for your culture.

Working along the same lines, I have been trying to bring to this country exhibits of Portuguese architecture and Portuguese arts and crafts, projects about which the Smithsonian Institution is quite interested.

With every best wish, I am

Sincerely yours,

L. ESTEVES FERNANDES,
Ambassador of Portugal.

EMBASSY OF THE
FEDERAL REPUBLIC OF GERMANY,
Washington, D. C., April 9, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building, United States Senate, Committee on Foreign Relations, Washington, D. C.

MY DEAR MR. SENATOR: The Ambassador has asked me to thank you for your letter of March 27 with which you kindly sent reprints of the CONGRESSIONAL RECORD of March 18 and 21, giving your ideas on cultural relations between the countries of the free world. He has put me in charge to outline our general approach to cultural relations which we think are of great importance. I am, therefore, glad to have the opportunity to comment on them.

In my opinion, cultural relations form the underlying factors for the relationship between two countries. Independent from day-to-day changes, moods and political considerations, they are the basic foundation of international understanding. We, therefore, should always try to foster cultural relations between our two peoples by every possible means in order to lay the groundwork for better mutual understanding.

Remarkable efforts have been made in the past to build up the cultural exchanges between our two nations. Especially the United States have, by the means of the United States Information Agency and in particular by establishing the Amerika Häuser, performed an outstanding work in Germany, giving the average German an idea about cultural work and achievements in the United States. The German Government is trying on a more modest basis to help the American public get acquainted with and understand German culture.

Similar to the United States Amerika Häuser in Germany, a Goethe House is now being opened in New York. But, contrary to the Amerika Häuser which are operated by the United States Government, this Goethe House has been founded and will be run under the presidency of Mr. McCloy by United States citizens as an American institution to which we will give our help if required. We hope that the Goethe House in New York, by organizing cultural meetings, exhibitions, etc., will in time further the cultural relations between the people of the United States and the people of Germany. We hope that in the future similar institutions will be founded in other major cities of the United States.

Another most valuable contribution to cultural relations have been the exchange programs of our two Governments which, giving many people an opportunity to see the other country by themselves, have enormously contributed to mutual understanding. Most of the exchangees have been leaders in their home countries or have been students who had already made their degrees. Other students only rarely study in a foreign country since they are not credited with foreign university terms in their home country. I think our universities should credit such terms in order to give students an incentive to do some of their studies abroad. The German exchange program, which up to now brought more than 300 United States citizens to Germany, will be enlarged because we attach great importance to this part of our cultural relations.

Furthermore, we should promote the exchange of art by organizing exhibitions of paintings, sculpture, and architecture in the other country. The exchange of orchestras should equally be encouraged. The understanding of art and music does not require the knowledge of the other language. These mediums reach, therefore, a very large part of the population.

I will be glad to comment further on the extension of cultural relations and if there is any special question, Mr. Julius N. Cahn may at any time call on me.

Sincerely yours,

Dr. BRUNO E. WERNER.

EMBASSY OF CAMBODIA,
Washington, April 9, 1957.

DEAR SENATOR: I approve entirely your ideas on an ever improving program of cultural relations. Many examples have proven that peoples of different cultures and civilizations can understand each other through the arts, music and dance. The more cultural relations there are, the better peoples will understand each other and develop greater mutual sympathy.

May I point out that in 1956, the United States Air Force Band, under the direction of Col. George S. Howard, also visited my country and had an enormous success. Colonel Howard is a great personal friend of His Royal Highness Prince Norodom Sihanouk, former King of Cambodia. Their friendship started in 1952 when Colonel Howard took a personal interest in the musical compositions of His Royal Highness Prince Norodom Sihanouk. The compositions have been orchestrated and performed on many occasions by the United States Air Force Band in numerous tours in the United States, Europe and Asia, and in the various capitals of the world.

Such a friendship can have only beneficient influence. His Royal Highness Prince Norodom Sihanouk is at the present time the political leader of Cambodia.

If I may be permitted to make a few suggestions I should like to mention that cultural exchanges should be completed, if possible, by a program through which an increasing number of Cambodian students could come to continue their higher education in the United States. Nothing binds more strongly than spiritual ties. Many problems existing between people are spiritual in nature or have their causes in attitudes which can only be understood or changed through the slow but sure processes of education. Only through education can progress and understanding be safely achieved and results can be enduring.

With my thanks and my best wishes, I remain,

Sincerely yours,

NONG KIMNY,
Ambassador of Cambodia.

CHINESE EMBASSY,
Washington, D. C., April 8, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR MR. SENATOR: I have read your letter of March 27 and the Congressional reprints with great interest.

While the reprints do not cover the United States cultural-exchange program in Taiwan, I am personally familiar with some of its activities, and I am aware of the benefits derived therefrom by our people.

In reply to your first question, I wish to inform you that my Government and people deeply appreciate the significance of this cultural-exchange program, especially so because our resources and facilities for cultural activities are limited, due to 8 years of war with Japan and the present Communist aggression in the Far East.

In regard to your second question, may I express the hope that this type of cultural exchange will be enlarged, particularly in the field of scholarships, fellowships, and training programs for Americans and Chinese.

You may be interested to know that our Ministry of Education has arranged for a number of American scholars and students to study in the universities in Taiwan and that exchange projects have been worked out between several Chinese and American universities. It is our hope that this kind of close cultural contacts may be augmented in the future. Needless to say, in order to make this two-way program more effective, I would like to see an increase in American support for Chinese scholars, trainees, and research workers in the United States and more visits of Chinese scholars, artists, and students to this country.

With high esteem and warm personal regards,

Sincerely yours,

HOLLINGTON K. TONG.

ROYAL DANISH EMBASSY,
Washington, D. C., April 9, 1957.

The Honorable ALEXANDER WILEY,
United States Senate, Senate Office Building, Washington, D. C.

MY DEAR SENATOR WILEY: As to your two questions, I would like to answer the first one in this way:

I am strongly in favor of not only a continuation, but also an extension of the cultural exchange programs between our two peoples. Of the very few blessings that

came out of the last World War, it seems to me that the cultural exchange programs should have a headline, as should also the exchange of persons programs in the educational field.

One of the first cultural relations programs between Denmark and the United States of America after the Second World War was the Hamlet performance by the State Theater of Virginia, under the sponsorship of the American National Theater and Academy at Kronborg Castle, Elsinore, Denmark, in June 1949. I should also like to mention the visit to Denmark in the fall of 1949 of the Howard University players under the leadership of Dr. Anne Cooke. This company gave remarkable and well-received performances of Dubose Heyward's play, Mamba's Daughters.

From recent years I should like to mention the importance of the visit to Denmark by the American Porgy and Bess company, as well as by the New York City Ballet, the performance in this country by the Danish Radio Symphony Orchestra, and the ballet from the Royal Danish Theater in Copenhagen last fall. Many other achievements could be mentioned, but I am only trying to make a point of the importance of such cultural undertakings, and should the day ever come when we do not continue these cultural exchanges we will be neglecting an important part in our participation in world affairs.

As to your second question I will express the hope that we will continue these exchanges whenever there is a natural occasion. Denmark is planning to go ahead with her cultural exchange programs. A smaller group of the dancers from the Royal Danish Ballet will be visiting the United States this coming summer, and we are about to complete the plans for the return of the Danish Radio Symphony Orchestra for a tour in 1958. We are also negotiating about the return visit by the whole corps of the Danish Ballet. If the new National Civic Auditorium and Cultural Center in Washington has been built by that time it will be possible for us also to stage one of our finest ballets, Romeo and Juliet, which during the last visit was only shown at the Metropolitan Opera House in New York as the stages in the other cities where the ballet performed were too small for this particular ballet, which is considered one of the Royal Danish Ballet's finest achievements.

I hope that these lines will give you an idea of my interest in the field of cultural exchanges. I have been very happy that you have given me this opportunity to express my views, and also to thank you for your contribution toward making these cultural exchanges possible.

Sincerely yours,

HENRIK KAUFFMANN.

TURKISH EMBASSY,
Washington, D. C., April 2, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I was most pleased to receive your kind letter of March 27, 1957, together with its enclosures which I have perused with great interest.

I can only praise your commendable efforts to further closer and improved understanding among peoples of our free world. Cultural acquaintances have undoubtedly a major role in promoting such understanding and art, in all its aspects, has a particular impact on peoples everywhere, because of its appeal to the eye and to the feelings of individuals. The people of this great country, by their appreciation of fine arts and through their great artists and performers have been splendid contributors to the culture of the world and I believe the peoples of other countries should be given the opportunity to take advantage of this large cultural wealth.

The Turkish people have always welcomed all contributions toward increasing their knowledge and been always attracted by the know-how and culture of their American friends. The significance of such contributions, in my opinion, lies in the fact that they give a timely momentum to enhance the existing friendship by extending the field of relations above and beyond the scope of material cooperation. No one questions the part played by art in general and artists in particular in creating the favorable free atmosphere where the cause of liberty and peace could prosper without fear and prejudice.

There may be many ways of furthering cultural relations between two peoples.

I deem it proper, however, to point out that these cultural programs could be much more fruitful if they are prepared and implemented, on a major scale, working in both directions. I am sure you will agree with me, when I say that Turkey, a country of great cultural heritage, has many interesting subjects in the field of music and dances both classical and folkloric. Visits by American orchestras and artists have greatly contributed in advancing the purpose of cultural exchange programs. I think that these purposes would be further attained by using the same media to enlighten our American friends so that they will get to know better their friends abroad, in Turkey as well as other countries, by seeing or hearing representative samples of their culture here more frequently.

Reiterating my heartfelt wishes of success for your praiseworthy efforts in this respect, I am, my dear Senator,

Very sincerely yours,

HAYDAR GORK, *Ambassador.*

NORWEGIAN EMBASSY,
Washington, D. C., April 13, 1957.

Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I have received your letter of March 27 last, and have conferred with the cultural counselor of this Embassy, Mr. Fredrik Wulfsberg, about the matter and he has given me the following memorandum:

"The cultural relations between the United States and Norway are extremely satisfactory. Since the appointment of cultural officers in Oslo and Washington, D. C., after the Second World War, work in this field has been channelized in a very efficient way. A great encouragement have been the visits of scholars and research students, made possible under the Fulbright and the Smith-Mundt programs, and the exchange of teachers, which has now been going on over a number of years.

"The Oslo University Summer School for American students, started in 1947, has served to create a deeper insight into Norwegian affairs and to promote lasting friendships. In the sphere of art, one may point to an increased awareness of the other country's achievements in music and design. The recent discussion on the establishment of a cultural center in the Federal Capital has been very encouraging insofar as such a center seems to create better opportunity for the arrangements of exhibitions on an official basis than previously."

I hope this will answer your purposes, and let me add that I am glad to know that you are taking up these matters in the Senate.

With best wishes,

Sincerely yours,

WILHELM MORGENSTIERNE,
Ambassador of Norway.

EMBAJADA DE VENEZUELA,
Washington, D. C., April 2, 1957.

To the Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR MR. SENATOR: Thank you for your letter of March 27 and for the enclosure of excerpts of the CONGRESSIONAL RECORD containing your statements, all of which I have read with a great deal of interest.

I shall be pleased to cooperate with you and Mr. Julious N. Cahn in the project. It is suggested that Mr. Cahn communicate with the Embassy's information service for further details.

With kind personal regards, I am,

Sincerely yours,

CÉSAR GONZÁLEZ,
Ambassador of Venezuela.

EMBASSY OF ISRAEL,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: I sincerely welcome your inquiry on the significance on cultural relations between the United States and Israel. I believe that the history of our two peoples has very significant common elements; the vision of creating a country by immigration and the harmonization of many cultures; a pioneering spirit; tolerance; the ideals of democracy; fidelity to an ancient moral heritage. These common traits of our national culture need to be stressed again and again, and perhaps the most effective way to do so is for the peoples of the United States and Israel to get to know each other through their achievements in the arts and sciences.

Such a cultural exchange between our two countries is already in operation, but we would greatly welcome its expansion. We would be very happy to receive in Israel representatives of American cultural life in its various fields, and to acquaint the American people with some of our own modest achievements. It would, in my opinion, also be very worthwhile to arrange for joint American-Israel enterprises in certain areas, such as archaeology, for example, for which Israel is particularly suitable.

I can assure you of the wholehearted cooperation of the Government and people of Israel in an expanded program of cultural relations between our two countries.

With best wishes.

Yours sincerely,

ABBA EBAN.

LEGATION OF SWITZERLAND,
Washington, D. C., April 5, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: I do highly appreciate the interest you take in the field of international cultural relations and wish to thank you for inviting me to comment on the subject.

Switzerland traditionally takes a very favorable view toward initiatives in the field of contacts between nations through cultural mediums. I have this matter in its particular scope of cultural relations between the United States and Switzerland very much at heart myself and am very glad, therefore, that you have brought your exposé to the Senate to my attention.

In order to express myself in a more specific way, I shall give the question careful consideration and will not fail to contact you again on this subject.

Sincerely,

HENRY DE TORRENTÉ,
Minister of Switzerland.

EMBASSY OF FINLAND,
Washington, D. C., April 15, 1957.

The Honorable Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: Thank you for inviting me to comment on the significance of cultural relations between our two peoples. I should like to offer a few observations, for what they are worth, on this subject in which I have a great personal interest.

Cultural exchanges between our two nations have in the recent past produced some striking successes. As one example, I might mention the visits to Finland by the Philadelphia Orchestra in 1955 and the Boston Symphony in 1956. Their performances certainly made a lasting impression on the Finnish public. We, on our side, have been able to show this country some of our arts and crafts and examples of our modern architecture in several exhibitions brought over and circulated by the Smithsonian Institution.

I entirely agree with you that the language of the arts offers a medium of communication that effectively cuts across the barriers of language and distance between the nations. It is, of course, difficult to say in a few lines what might be done further in this field. Much has to be left to private initiative and effort, but I recognize the need of encouragement and support on the part of public authorities in both countries.

Sincerely yours,

JOHAN NYKOPP,
Ambassador of Finland.

EMBAJADA DE CHILE,
Washington, April 16, 1957.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: I thank you for your courtesy in permitting me this opportunity to comment on a matter to which I have given some thought, and one I deem of great importance in the maintenance of friendly relations among the nations devoted to the philosophy of the West.

I feel very deeply that there should be a greater mutual understanding of each other's individual culture among the free nations, especially those of the Western Hemisphere, who are bound together in a common destiny. I believe that once established, this cultural understanding would serve as a hard core from which would radiate an influence for mutual effort in every facet of international activity, including defense and security, and prove a shield of reason against subversive penetrations.

While it is true that the nations of Latin America need technical knowledge and know-how in all fields of production in order to bolster their incipient economy, at the same time, more should be done on the purely cultural side, which has certain extraordinarily favorable reflection in every field of activity. I do think there should be more exchange of students—not just postgraduate or special students, but also undergraduates—in literature, music, and other branches of the liberal arts. These students become active in education and government in their own countries, and constitute a leaven in the national culture that induces to better comprehension and rapprochement between diverse cultures.

Then there is the unexplored possibility of starting and fostering workers tourism spontaneous and exclusively financed by the workers. It is surprising that so far nothing has been done toward making the attraction and lessons of tourism available to wage earners of all countries, as I say, on a spontaneous and self-supporting basis. All that is required is some scheme under which transportation and sojourn in the United States come within reach of foreign workers and that should not be a utopia.

With high personal regards,

Sincerely yours,

MARIANO PUGA.

CANADIAN EMBASSY,
Washington, D. C., April 1, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: This is to acknowledge your letter to Ambassador Heeney who is away on leave.

The cultural relations between Canada and the United States have always been close and in some ways we are culturally almost a part of the United States. We read your books, enjoy your theater, listen to your radio, and watch your television.

There are times when we almost have to struggle to keep some cultural things Canadian. Our Government, as a matter of policy, has spent a good deal of money in supporting Canadian programs on the Canadian radio and the Canadian television.

Within the last 2 or 3 years there has been the unusual development of our exporting some forms of culture to you. For instance, the Canadian National Ballet, whose dancers you so graciously introduced in the Senate 2 years ago, have just completed today a 9,000-mile tour of the United States. They played to capacity audiences in many centers and were given excellent reviews. The Canadian players from Stratford, Ontario, traveled through a great part of the United States this winter. The Canadian film of the Greek tragedy Oedipus Rex is now playing in art theaters all over the country and will definitely be used by almost all American universities. I recently summarized the Canadian export to the United States in a speech at Dayton, Ohio, and enclose a copy.

I do not think we need to worry about improved cultural relations between our two peoples. Our border has never been a barrier to the exchange of thought.

Sincerely,

R. A. FARQUHARSON,
Counselor.

BRITISH EMBASSY,
Washington, April 16, 1957.

The Honorable ALEXANDER WILEY,
Senate Office Building, United States Senate, Washington, D. C.

MY DEAR SENATOR WILEY: I am most grateful for your letter and for inviting me to comment on the general question of developing two-way cultural exchanges between our countries.

Certainly you can count on our fullest support for any project aimed at increasing the opportunities for learning at firsthand more about our respective peoples.

You will agree, I am sure, that the primary object in encouraging men and women to cross the Atlantic is not only to enable them to learn what is being done in their own field of interests, but also to give them the opportunity of seeing the general life of the people, and to view it in relation to their own work, and the community to which they belong. We hope and expect them, on their return, to pass on the information they glean and the impressions they receive to others with whom they work and among whom they live, thus broadening, in ever-widening circles, the knowledge of our respective countries which is so much desired by your President and our Prime Minister.

Clearly, these efforts will not be uniformly felt through the whole community unless those who participate in the exchange scheme are at once representative of all sections of the community and capable of influencing others. I think that the existing traffic to the United States is possibly less representative of the mass of the British people than it might be. The main emphasis at present is upon teachers and scholars, and rightly so. The machinery of commerce no doubt takes care of the leaders in our great industries, but grants which make it possible to bring to this country representatives of employees generally, and of management in small-business firms have been made available only in the last year or so, and in amounts which cater for only token numbers. Yet as representatives of the majority of our working population, it is evidently desirable that the number in those categories should be increased. More prominence, too, could be given, I believe, to representatives of the smaller newspapers and other journals, to members of the learned professions, to those directly engaged in serving the public, and to artists of all kinds. In short, I believe that relations, cultural or other, between our two peoples, will grow in significance to the extent to which we can improve the balance of representation among those taking part, by augmenting, as opportunity arises, the flow least catered for by existing arrangements.

You ask for suggestions on how the exchange program might be developed. Here I must at once pay tribute to the acts of great generosity on the American side which have made possible and have sustained such fruitful sources of growing understanding as the Fulbright and Smith-Mundt programs. Our reciprocal contributions are on a somewhat smaller scale, but even postwar difficulties have not prevented our making additions, and I would instance the Marshall scholarship scheme as one which we believe is conferring especial benefit to both sides.

More recently, and here on the cultural side, you will know that the Old World Pavilion at the current Jamestown Festival was equipped at the expense of the British Government, who also authorized the loan of priceless objects of historical interest to the Jamestown authorities for the duration of the festival.

On the unofficial side, you will know also of the cooperative arrangements made between the Nuffield and Kellogg Foundations, which bring the benefits of exchange primarily to persons engaged in agriculture, and of grants made by the Ford Foundation to the English Speaking Union which have recently made it possible to bring a number of journalists and trades-unionist leaders to the United States. Finally, there are the agencies which assist the exchange of musicians, dancers, and other artists, a feature of the whole program which you yourself have done so much to encourage. Here, where the scheme is largely self-supporting, it might well be that the best prospects for expansion are to be found, providing the necessary backing is forthcoming which would insure against the hazards implicit in dependence on public support.

If there is anything in the foregoing which you think would be of any use to you in the Senate, I should be only too happy to be quoted. May I end by saying how delighted I am to know of the interest you are taking in this vital matter?

Yours sincerely,

HAROLD CACCIA.

EMBASSY OF IRELAND,
Washington, D. C., April 16, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR WILEY: I thank you for your letter of March 27, with enclosures, relative to the importance of cultural exchanges between the countries of the free world.

It would be hard, I believe, to overstress the importance in the world of today of cultural contracts between countries for in almost no other way can the gulfs of language, social and environmental, racial, political and other differences be so triumphantly bridged than by such contacts.

The warm feelings of mutual affection and esteem which have always permeated the relationship between our two peoples have long manifested themselves on the cultural level in the shape of an almost continuous stream to and fro between our two lands of creative and performing artists of the highest caliber.

As instancing this steady two-way flow of cultural relations I may mention the visits in the year 1956 to the United States of the Irish Festival Singers and of the Little Gaelic Singers of County Derry and the memorable

appearances in Cork and Dublin last August of the Boston Symphony Orchestra, which as the Irish Press commented in an editorial devoted to an appraisal of the significance in the cultural life of our country of the visit "under a series of famous directors, has become one of the greatest orchestras in the world."

Any steps which may be taken to the end that representatives from the United States of every field of cultural attainment may be enabled to participate in artistic, dramatic and musical festivals and programs in Ireland would, I feel confident, be most welcome to our people. As the Irish Press in the editorial I have referred to pointed out in relation to the sphere of music, the Irish public appreciates that we in Ireland have musicians capable of linking the traditions of our own past with great contemporary modern music. The writer went on to say "The visits from other countries of famous orchestras, artists or guest conductors help to stimulate and broaden that appreciation."

Of course, similar considerations apply to other aspects of the cultural field. And indeed it may be said in general of cultural exchanges that they tend inevitably to raise the cultural status of each of the participating countries in each other's eyes and operate to elevate the standards of artistic taste in each country.

You will be interested to learn that provision for a scholarship exchange program has been made by an agreement signed in Dublin on March 16, 1957, between our two countries in connection with the use of the American grant counterpart fund. The agreement provides that a sum of £500,000 out of the grant counterpart fund is to be allotted in the words of the agreement, "to promote further mutual understanding between the people's of Ireland and the United States of America by wider exchange of knowledge through educational contacts."

The terms of the agreement provide that approximately £25,000 shall be expended annually for the purpose of financing studies, research, instruction, teaching, lecturing and other educational activities on the part of Irish citizens in American schools, universities and other institutions of higher learning on the one hand, and of American citizens in like educational institutions in Ireland on the other. The funds available under the Agreement may be used to finance transportation, tuition, maintenance and other expenses for such educational activities.

Furthermore, the Society of the Friendly Sons of St. Patrick of Philadelphia in 1954 set up a scholarship exchange plan as a means of promoting international good will between the people of the United States and those of Ireland. Under the terms of the scholarships, a graduate student chosen from among the students of nine colleges and universities in the Philadelphia area is awarded a grant of $1,200 a year to continue his studies at an Irish university. At the same time, a graduate student from one of five Irish university colleges is awarded a grant of $1,800 a year to continue his studies at a university in the Philadelphia area. The scholarships are awarded biennially.

Recently, the Society of the Friendly Sons of St. Patrick of Washington, D. C., announced that they had instituted an exchange scholarship program under which biennially a graduate of 1 of the Irish universities would receive a scholarship for 2 or 3 years of graduate study in one of the universities in the District of Columbia, while a graduate of one of the local universities (whose principal residence is in the Washington metropolitan area) would receive a scholarship for 2 or 3 years of graduate study in one of the universities in Ireland.

I am, my dear Senator WILEY,

Very sincerely yours,

JOHN J. HEARNE,
Ambassador of Ireland.

IRANIAN EMBASSY,
Washington, D. C., April 17, 1957.

The Honorable ALEXANDER WILEY,
Senator for Wisconsin,
Senate Office Building,
The United States Senate,
Washington, D. C.

MY DEAR MR. SENATOR: I read your letter and its enclosures with deep interest and must congratulate you on the marked success you have achieved in this connection. I am deeply impressed by the emphasis you place on the importance of improved cultural relations among the nations of the free world, and its desirable effects on safeguarding world peace.

It goes without saying that through better understanding and increased cultural exchanges among free-world peoples, residual differences could be eliminated. And with the elimination of such differences, those who try to fan the fire of discord and distort facts through false propaganda will lose the opportunity of exploiting the differences to their own advantage.

As your able and forceful comments in the Senate indicate, art, music, and culture transcend language and political barriers. And once cultural exchanges get established on a sound basis, the results could indeed be great.

Concerning the twofold question you mention in your letter, namely, the significance of improved relations; and specific steps for furtherance of such exchanges, I have the following remarks to make:

(a) Through appropriations made by the United States Congress and programs implemented by the ICA, a number of my compatriots have visited the United States, and a number of your compatriots have visited my country, Iran. The results have been splendid in both cases. I am informed, for instance, that by the portrayal of American art and culture in Iran—through the efforts of such artists as Martha Graham, Edward Vito, Pal Renzi, the San Francisco Ballet company and the Minneapolis Symphony—Iranians have come to a better appreciation of American art and culture, and this has inevitably strengthened the bonds of friendship between the two nations. A single performance of the San Francisco Ballet company in an Iranian city has helped counteract and refute reams of false propaganda emanating from the foes of freedom and peace. When the people of Iran see and hear lucid examples of the art of America, the effect is boundless. Such exchanges are the greatest weapons in our hands to enhance friendship on one hand and counteract vicious propaganda on the other.

The same success achieved by American artists sent to Iran under relevant cultural programs has fallen to Iranian artists coming to America under ICA grants.

Recently Mr. H. Sanjari, conductor of the Teheran Symphony, who is here under an ICA grant, conducted the Army and the Navy bands on two separate occasions at the Departmental Auditorium, Washington, D. C., and played selections from his own compositions to a packed house. The ovation he received was indeed impressive—and I was a witness to it. But what impressed Mr. Sanjari more was this: American musicians played his Persian music exceedingly well although they were handling it for the first time.

When Mr. Sanjari returns to Iran, he will have a vast audience to listen to his experience and to come to know of the American love of art and culture.

Similarly, an Iranian painter, Mr. Abbass Katoozian, is giving an exhibition of his works at the Middle East Institute on April 23. I understand his portrayals of American people are among the more important pieces he will show there. Such artists and musicians are well qualified to help this two-way cultural communication.

But the story does not end here. Your USIA and its effective radioarm, the Voice of America, have been reporting these special events to their responsive Iranian audiences. And so when these grantees return to Iran they will find an already very receptive field to recount their experiences to. And the chain reaction continues, gathering force at each stage • • •

Apart from such results, the grants made by the Congress toward improving cultural relations have been effective in dispelling doubts and misconceptions about America.

In your comments in the Senate, you have alluded to the charge often raised against Americans that they "are materialist minded and not interested in culture." Let me assure you, my dear Mr. Senator, that the means you suggest to counteract and refute such charges—namely, answering such charges through increased and improved cultural exchanges—are the most effective ones. I have known of many Iranians who have come to your country—men of understanding and good will—and who have realized the deep moral and cultural forces that pervade the lives of Americans at all levels. These men, thanks to cultural exchanges, will certainly impart to their compatriots the true nature of America.

At this instance I find it appropriate to quote the English translation of a portion of my Now Rouz (Iranian New Year) message to the people of Iran, a message which was broadcast to my country on March 20 this year through the courtesy of the Persian Service of the Voice of America:

"Contrary to what is generally presumed, the people of America do not work simply for money. Americans consider work to be a necessary part of the process of living. To them work is sacred, and hence they do not turn away from any kind of honest labor. No one here thinks any kind of work to be beneath his dignity. On the other hand, idleness is considered to be a disgrace, an infamy.

"It is on this conception and also as a personality-building factor that many American boys start doing some work early in life. One often sees the sons of rich families utilizing their spare time delivering newspapers, thereby getting an income. The underlying philosophy is that a person who demonstrates an ability to earn some money early in life through his own effort and initiative will, eventually, develop self-confidence and build a forceful personality. Such a person will not become a social parasite; neither will he be a liability to the society he lives in • • •."

I am sure that there are many in Iran who will confirm my views in this respect—again, thanks to cultural exchanges.

(b) In connection with specific projects along this line, may I make the following suggestions:

As you have aptly remarked, we want to improve our two-way communication. An American who understands Iranian culture can communicate his culture to his Iranian friends effectively. In the same way, an Iranian who is acquainted with American culture can communicate, in a better way, the culture of his own country to Americans. And under any circumstances, cultural exchanges are best accomplished through artists themselves.

In Iran there are groups of highly talented folk singers, actors, dancers, and musicians, who cannot afford to come to the United States; neither are there funds available in Iran for such purposes. These artists cannot qualify under current programs of cultural exchange because they lack a knowledge of the English language.

I think that it is highly desirable for these groups to come to the United States and perform or display their various art forms in American cities and States under the guidance and management of experienced

Iran-American tour directors, to be assigned to them by ICA.

The advantages of such a program could be tremendous. By disseminating their native culture in America they will, at the same time, assimilate native American culture. And on their return to Iran, they can transmit that to their compatriots. Such artists command vast audiences in Iran and people, as everywhere, are apt to listen to them more readily than they listen to politicians.

Another step would be the translation of Persian classics into English, and American classics into Persian, and their distribution on a wide scale. The cultures of both nations could be enriched through such efforts; and the results would be overwhelming.

These, in brief, are my views on the subject, and of course you are free and welcome to quote any or all in your comments in the Senate. It will be a pleasure to cooperate with you on these projects.

I hope that through your commendable efforts, cultural exchanges will be enhanced and improved among the nations of the free world. This is the mightiest weapon of peace against the vicious propaganda of international communism.

With all good wishes, I am,

Yours sincerely,

Dr. ALI AMINI, *Ambassador of Iran.*

EMBASSY OF THE PHILIPPINES,
Washington, D. C., April 15, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: I would like to thank you for your kind words and for giving me the opportunity to jot down a few thoughts on the significance and necessity of Philippine-American cultural relations. I enclose for your information copy of a brief article on cultural contracts and patterns.

I find it especially heartening that Congress has taken and continues to take active part in the program to exchange talents and works in the creative arts, in education, in journalism, and in literature.

The enclosures to your letter of March 28, 1957, including the CONGRESSIONAL RECORD of March 21, 1957, are invaluable additions to the Embassy Library.

With warm personal regards.

Sincerely yours,

CARLOS P. ROMULO.

(Enclosure: Copy of Cultural Contracts and Cultural Patterns.)

CULTURAL CONTACTS AND CULTURAL PATTERNS

In recent months there has been a remarkable upsurge of American interest in the Philippines. The scope of this interest has beeng going on for a long time; it has been going on even before the Philippines became independent in 1946. I was pleased for instance to know that in the spring of 1956, civic and church groups, schools and colleges started conducting study groups, seminars, forums, and programs on the Philippines and Southeast Asia. After the death of our former President, the late Ramon Magsaysay, I found in the many letters of condolence and sympathy, paragraphs of requests for literature on Philippine conditions and culture. The Americans would like to know the characteristics of Filipino culture before and after the Spaniards came to the Philippines, the history of the Philippine theater, regional Philippine music, the influences discernible in Philippine dances, classics in the different Philippine languages, the pattern of democratic tradition in the Philippines, and the extent of the revival of nationalist thought. During the war, I myself brought home to American audiences—conscious of the barbarity that accompanied Japanese occupation of the Philippines—the aspects of Philippine life and culture and the nature of Philippine courage in Bataan and Corregidor. After the war, our country and our people became, in a manner of speaking, more known to the United States. Suddenly our Embassy and our consulates here started receiving leters from Portland, Oreg., to Boston, Mass., requesting information about the Philippine political system, the sociological impact of Spanish colonization, the American contribution to Philippine society.

More and more Americans, we found out, would like to go to the Philippines to observe, work, or visit. We are appreciative of this interest and this desire.

Although we have been exposed to western ideas and customs and are more or less familiar with the historical impulses and events that have made America a great country, we do not fully understand the American way of life as much as it should be understood. On the other hand, most Americans at best have a hazy idea about the Philippines and its people. Today there are, proportionately speaking, more Filipinos in the United States under the exchange program than there are Americans in the Philippines. It is this unfamiliarity that we have to overcome. We need to know each other more. It is for this reason that I note with appreciation the intensified cultural exchange program being undertaken by the United States Government and those sponsored by many private American agencies. The program is by no means bilteral; it includes countries other than mine. I find it gratifying that the Members of the United States Congress have provided and continue to provide the impetus to this project. In 1956 and for 1957 the American National Theater and Academy, in its international exchange program, had made and would make possible the visit of talented American artists to perform to win friends in 80 different countries: the Minneapolis Symphony Orchestra in Algeria; the Robert Shaw chorale in Denmark; the cast of the musical Oklahoma in Italy; Benny Goodman in Japan; Dizzie Gillespie in Denmark; and Marian Anderson in the Philippines, etc.

Since 1950 Filipino writers have come to this country on Rockefeller Foundation fellowships, teachers and artists on Fulbright grants, journalists on Smith-Mundt leader grants. Others study and observe here as International Cooperation Administration participants. The itinerary and visits of some of these people have been administered by many agencies, including the Institute of International Education in New York City. The institute has been promoting and administering exchanges in the arts since 1919. I share its pride in having helped more than a thousand American students in the arts to study abroad and approximately 600 foreign students to study in the United States.

Under the Fulbright program, nearly 1,700 American and foreign art students have been awarded grants and since its inception it has had an appreciable and profound effect on the thinking of my people regarding American progress in the arts. Some of our people who have come here return to the homeland, with valuable impressions about the American family, with insights into the American character, and with a knowledge of American techniques. This has made for an understanding and appreciation of your country's constant struggle for spiritual enrichment as well as for material prosperity. Still, many of our people have but the faintest idea of the American way of life; its values, its meaning and its worth.

Observers of the American and international scenes know that other people regard American society as a materialistic society and the majority of Americans insensitive to art and literature. Mistaken or not, these impressions do not make for friendship; they even provoke arguments. In the Philippines as in this country, the observation has been made that the works of "the hardboiled school" of writers do not necessarily represent the idiom and stance of the average American.

Acquaintance with the real values of American life; familiarity with the richness of America's cultural heritage; and understanding of some of the motivations that underlie the thinking and the action of American leaders may result from a greater and more intensified cultural exchange program, for the arts transcend all barriers, religious, political, racial, and linguistic. This proposition holds true for Americans who would like to know and to understand the Filipinos, their culture, their customs, their institutions. It holds true also for other peoples who would like to understand America.

Last year, our people saw the performances of your Los Angeles Symphony Orchestra, Gregor Piatigorsky, Benny Goodman, Martha Graham, and the San Francisco Ballet. The Philippines is not a wasteland, artistically speaking, and American artists and intellectuals have always been received if not critically, enthusiastically. The visit of William Faulkner a year or so back aroused greater interest in American literature and exploration into the works of other writers from whom Faulkner derives.

It is this kind of action and reaction that makes the cultural exchange program not only illuminating but also exciting. Basically germinal in nature, its scope, I believe, should be enlarged and its participants increased.

A Filipino composer I know who visited in Tanglewood expressed appreciation of the welcome given to him and at the same time expressed the opinion that he thought he knew the reason why Aaron Copland composes the way he does. A countryman of mine who came here on a grant thought that any correct evaluation of American social behavior cannot be accomplished in 3 or 6 months, the period usually allotted to International Cooperation Administration participants. "This works both ways," he said. "You cannot have Americans writing in the Saturday Evening Post about Philippine life and literature after staying Manila for a month."

At a recent conference on the arts and exchange of persons I found that these same thoughts pervade those who have been involved in the cultural exchange program for a long time.

I think that this great country will find it salutary to be more familiar with Philippine culture. For the visits of such distinguished American artisits as you send to our shores, we would like to exchange the visits of Filipino writers, teachers, journalists, and artists. Some of my people have received fellowships from private American foundations, from universities, and institutions, but their number can be increased. We are desirous of enlarging the exchange of books between your country and ours. There are some major works in Philippine literature which the American people are not familiar with: the novels of our national hero, Dr. Jose Rizal; the work of our foremost poet in the national language; the fiction and poetry of our contemporary writers in English, Spanish, and in the various Filipino languages; the essays of some of our thinkers and the works of our revolutionary leaders. We would like to see American audiences witness the repertory if some of our theatrical, music, and dance groups. Recently in Manila, an alert and intelligent group showed Carmen in the national language; while another group performed an operetta based on incident in the novel of Dr. Rizal. There are Filipino painters who have not been given the audience they deserve. And there are writers whose works have been translated into Indian, Indonesian, and Swedish. Although these works are in English, they do not have an American audience.

I am sure that new ways can be found to improve and increase the exchange of talent and works in the arts and it is my earnest hope that the United States Congress and the various private entities deeply interested in this program will explore the necessity of giving the American people a comprehensive idea and a rounded picture of Philippine cultural life.

The exchange of talent and artistic works has become an imperative function of governments in this age when anxiety and tension rack the world. Speaking of the value of cultural exchanges, one of your distinguished statesmen said that he could not explain why in 1914, after 100 years of relative peace, the most civilized peoples of the world fell upon another and tried to commit suicide. None of the reasons, economic, racial, or political, made sense to him, he said. But he thought that there is sufficient evidence to justify the exchange of persons and exchanges in the arts to prevent another world war.

These exchanges result in mutual understanding and sympathy; contribute to the flowering of cultures, promote brotherhood and good will, and lead to the appreciaton among the peoples of the world of their respective artistic achievements.

A country's culture will never flourish in isolation. Cultural contact leads to acquaintance and understanding of cultural patterns. And a country's cultural heritage will be enriched and its development faster if it continuously touches other cultures.

It is on the basis of these observations and beliefs that logic dictates the inclusion of the Philippines as an integral part of any international exchange program which the United States should like to effect and implement.

THE BUDGET

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD a letter which was addressed by the President of the United States, under date of April 18, 1957, to the Speaker of the House, dealing with the budget situation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE, *April 18, 1957.*

The Honorable SAM RAYBURN,
Speaker, House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I am sure many Members of the Congress are as gratified as I am to note the growing awareness of private citizens that the dollars spent by the Federal Government are in fact their own dollars, and that Federal benefits are not free, but must be paid for out of taxes collected from the people. It is good to see this realization developing into a widespread insistence that Federal activity be held to the minimum consistent with national needs. As this sentiment grows, our country will be strengthened in many ways.

The evident responsiveness of the Congress to this attitude I find equally encouraging. I assure you and your colleagues that the executive branch will continue to cooperate fully with Members of the Congress who work for sensible control of Federal spending.

In House Resolution 190, adopted last March, I noted the assertion that the public interest requires a "substantial reduction" in the 1958 budget and also the request that I advise the House where a reduction of that magnitude could best be made.

You will recall that last January, immediately after the budget was presented to the Congress, I requested the Director of the Bureau of the Budget to resurvey the expenditures of every department and agency in an effort to find additional items that could properly be reduced. I have kept in close touch with those efforts. Some of the principal results are outlined in this letter.

You realize, of course, that the 1958 budget, as all Federal budgets, is in effect 2 budgets within 1. One consists of requests for new spending authority which enable Federal agencies to obligate themselves to make expenditures sometime in the future. The other concerns the actual expenditures of the agencies in the next fiscal year. These expenditures will be made partly pursuant to spending authority granted in previous years and partly under new spending authority. For example, one-third of the total actual expenditures in the 1958 fiscal year will be made pursuant to spending authority granted, not on the basis of the 1958 budget, but on the basis of spending authority requested in earlier budgets. This problem I emphasize because of its importance in appraising the effect of cuts in new spending authority which, one might assume, will reduce the level of current spending but in fact may affect only future spending.

The House resolution, for instance, does not distinguish between these two budgetary problems, so its call for a substantial reduction, I assume, applies to both and contemplates the reduction of both by a considerable number of billions of dollars.

There are thousands of items in the budget, each an individual fiscal plan to carry forward a new program or a program previously authorized by the Congress. The preparation of these items begins long before the Congress acts, with the result that the budgetary process places a high premium on judgment and foresight. Because departmental needs must be forecast a year or more in advance, no responsible official would realistically contend that every estimate for every item is precisely correct and could be changed only at the risk of serious public injury, or that the funds requested are certain to meet all future needs.

Nevertheless, painstaking efforts were made in preparing the budget to pare to the minimum all projected expenditures and programs, whether large or small. Estimates were substantially reduced before the budget document was submitted to the Congress, and at my request a searching reexamination by all departments and agencies has continued to go forward since that time in an effort further to reduce expenditures whenever possible. I will later discuss possible reductions in new spending authority disclosed by these months of continuing review.

Before turning to budgetary specifics, however, I invite attention to certain general guidlines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidlines have proved their practical worth. Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

By adhering to the same or similar guidlines, the House can help continue the progress already made.

Regarding the House appeal for guidance on specific budgetary items, I will comment first on the actual expenditures projected for next fiscal year and will later discus possible reductions in new spending authority.

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year, such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country. Departmental estimates in this area were most carefully examined and prudently reduced before they were sent to the Congress. I foresee no early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs. The fact is, as we carry forward our efforts for more peaceful world conditions, rapid technological advances in ships, aircraft, nuclear weapons, missiles, and electronics press constantly for more, not fewer, Federal dollars. I most solemnly advise the House that in these times a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world.

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State. Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multibillion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a substantial reduction in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses or cutback or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multibillion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Turning now to requests for new spending authority, as distinguished from actual expenditures, we find a more promising outlook. Budgetary reviews since last January have disclosed the feasibility of postponing certain of these requests without serious damage to program levels. A number of the

following actions, which I commend to the House, I have already suggested:

First, that new spending authority for the military assistance portion of the mutual-security program be reduced by $500 million. This reduction results mainly from new management techniques through which leadtime financing has been reduced (notably for spare parts), maintenance support not justified by the rate of consumption of our allies has been eliminated, and items have been removed from grant aid which countries can now pay for themselves. If the funds previously appropriated are continued available, this reduction will not impair the operation of military forces of other countries at mutually agreed levels.

Second, that, by delaying less urgent projects, new spending authority for military public works be reduced by $200 million.

Third, that resulting from new projections of its operating rate and related financial requirements, the new spending authority for the soil bank program be reduced by $254 million.

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

Sixth, that resulting from adjustments of construction schedules, the new spending authority of the Corps of Engineers be reduced by $13 million.

The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period and to ease the impact of this adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

Exclusive of the Army item just mentioned, but including a possible reduction of $300 million in the amount budgeted for contingent expenses, these reductions and postponements total $1,342 million. Once again I remind the House that less than half of this reduction in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and part of these expenditure reductions will have to be restored in the future. Such expenditure reductions as may result, however, will add to the $.8 billion surplus already projected by the budget. Given continuation of healthy economic growth and of strict expenditure control, these figures combined will begin to lay a firm fiscal foundation for the time when we can be sufficiently assured that our income will so exceed our expenses as to justify a reasonable tax cut for every taxpayer while we continue to reduce the Government's debt.

I am, of course, aware of the cuts thus far proposed by the House. These will be absorbed wherever possible without serious injury to programs essential to the public interest. Where such cuts cannot be so absorbed, the executive branch must and will seek restoration of the needed funds. Some of the House "cuts" have involved large sums that the executive branch is compelled by law to pay. "Cuts" of that kind do not save money and must be later restored through supplemental appropriations unless the governing statutes are revised.

Aside from scrutinizing individual expenditures and reducing new spending authority as suggested above, I strongly urge the House also to improve the Federal budgetary situation by taking such steps as these, most of which I have urged before:

First, adjust postal rates as soon as possible to reduce and eventually eliminate the postal deficit.

Second, establish interest rates for Government loan programs that will induce private funds to participate in their financing and, at the least, require that such rates cover the borrowing costs of the Federal Government.

Third, provide user charges as, for instance, for the use of Federal airway facilities, that will relieve the general public of having to subsidize governmental services affording special benefits.

Fourth, require State financial participation in Federal disaster assistance programs.

Fifth, encourage State and local groups to engage in partnership with the Federal Government in major water resources development.

Sixth, reject new projects not approved by the Board of Engineers for Rivers and Harbors and not reviewed by all interested parties, including the affected States; provide where appropriate for more local participation in approved projects; and withhold authorization and construction of all but urgently needed projects.

Seventh, enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures and the extension of the Reorganization Act of 1949.

Eighth, establish procedures that will facilitate the return of surplus Federal land and other property to private, local, or State use.

Ninth, before adopting unbudgeted programs, project the costs they would impose on the Federal budget in years ahead, and reappraise the necessity for and rate of implementation of each program.

And, tenth, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power now held by many State governors to veto specific items in appropriations bills.

An improved budgetary situation and greater efficiency in our Government will result from prompt approval of these recommendations by the Congress. All elements of the budget, meanwhile, will remain under searching examination by the executive branch in its continuing effort to find additional savings, large or small, that are possible under existing law. Any additional reductions found possible in new spending authority will be promptly reported in the usual way to the Senate and House of Representatives.

Finally, I repeat that as this effort to hold Federal costs and activities to the minimum proceeds sensibly in the executive and legislative branches of our Federal Government, the public interest is bound to be well served.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. JAVITS. Mr. President, the minority leader has had printed in the RECORD the letter addressed by the President of the United States to the Speaker of the House relating to reductions in the Federal budget.

It seems to me that every American should welcome this statement by the President of the United States, for it begins to put the subject into focus.

In the first place, the President reiterates his fundamental political philosophy when he says in the letter:

> The Federal Government can undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government.

The President ran for office and was elected on that platform.

I believe the message is also very important for what it does not say.

It represents a refusal on the part of the President to abandon the fundamental principles of the Republican Party's 1956 platform.

It represents also his refusal to yield to criticism of "Modern Republicanism." It is the Eisenhower program, which is the party's program. That is Republicanism today—unhyphenated.

Mr. President, there are millions of Americans who want the budget to be cut, and it is our determination to cut it in line with the suggestions of the President. However, the very same millions of Americans are also deeply interested in housing, health, education, the development of our natural resources, small business, and veterans, as well as many other subjects covered by the Federal budget, and they share the conviction, which has always been adopted by great majorities in both the Senate and the House, that military, economic, and technical assistance is essential to the security of the United States when extended to foreign countries who are friendly to the United States and who want to cooperate with us.

Therefore, the President's letter would appear to me to contemplate reductions within the limits which most objective observers have considered practical, in the two to four billion dollar range. This is prudent and entirely in accord with the middle-of-the-road political philosophy of the President. I deeply believe that the American people are just as responsible as we ought to be. They want the budget cut, but I do not believe they want to make meat-ax cuts at the expense of national safety and interest.

I am convinced that the President's response to the resolution of the House will help all of us along that road.

POLISH AID TO VIETNAM REDS

Mr. KNOWLAND. Mr. President, I have heretofore had printed in the RECORD an article which appeared in the New York Times of March 31. It is a brief article and reads as follows:

> POLAND AIDING VIETNAM REDS
>
> HONG KONG, March 30.—Poland is giving what official Communist sources describe as a considerable sum of money to Communist North Vietnam. The North Vietnam radio said last night that Poland had granted the money for construction projects. A Warsaw delegation is now in Washington negotiating for United States farm surplus goods and loans to help solve Poland's economic woes.

Mr. President, as I have indicated I had previously put that article into the RECORD. I wish to put it into the RECORD again because, under date of April 5, I wrote a letter to the Secretary of State,

and have received a reply from Mr. Christian A. Herter, Acting Secretary. The letter is dated April 11 and reads as follows:

DEPARTMENT OF STATE,
Washington, April 11, 1957.

The Honorable WILLIAM F. KNOWLAND,
United States Senate.

DEAR BILL: In your letter to Foster of April 5 you asked him for information on a recent press story stating that Poland had extended aid to North Vietnam. Before he left Washington, Foster had an opportunity to discuss briefly with Jerry Persons your letters on the same subject to him and to the President.

According to our information, the transaction between Poland and North Vietnam to which the press story refers does not provide for the gift of a "sum of money," as reported in the press, but for the sale of sugar machinery and boilers for power stations on credit, for which Poland will obtain repayment through the importation of goods from North Vietnam. Such credit arrangements are often used, as you know, to facilitate the sale of equipment in international trade.

Neither sugar machinery nor boilers are among the products for which Poland has requested credit from the United States during the economic discussions now taking place. Such agricultural or other products as the United States may agree to sell to Poland for local currencies or on credit terms would meet Poland's economic needs, and would be consumed in Poland.

I appreciate your bringing this matter to our attention. You may be sure that any agreements entered into with Poland will contain an assurance from Poland that commodities purchased from the United States under the agreements will not result in the increased availability of such commodities to nations other than Poland.

Sincerely yours,

CHRISTIAN A. HERTER,
Acting Secretary.

I conclude by saying that press reports indicate that, as I previously stated on the floor of the Senate, there will be a loan of approximately $100 million finally negotiated with Communist Poland, under Mr. Gomulka. I expect to have further comments on this subject. I again state I doubt very much the wisdom of the people of the United States, overburdened as they are with taxes at the present time, starting a program to support Communist economic and political systems.

CIVIL RIGHTS

Mr. DOUGLAS. Mr. President, I have been greatly interested in the developing line of argument against certain features of the civil-rights bills now before Senate and House committees. It has been expressed primarily as a concern for the protections of individuals afforded by jury trials.

This new-found enthusiasm in some who were not previously noted for their concern about trials by juries of one's peers has seemed to me to deserve more careful analysis.

PASSAGE OF THE CIVIL RIGHTS BILL MAY DIRECTLY AND INDIRECTLY DO MUCH TO MAKE JURY TRIALS BY ONE'S PEERS—AND I EMPHASIZE ONE'S PEERS—A REALITY IN AREAS WHERE THEY HAVE BEEN DIFFICULT TO SECURE

Those of us who support proposed civil-rights legislation yield to no one in our regard for jury trials by a defendant's peers in all those cases where it is constitutionally and traditionally appropriate.

In fact, the passage of the civil-rights bill and the effective protection of the right to vote and other constitutional rights may directly and indirectly do much to make such trials by one's peers—and I emphasize by one's peers—a reality in areas where they have previously been difficult to secure.

For the information and study of interested Members, I therefore ask unanimous consent to have printed in the RECORD at the conclusion of my remarks a brief which I have had prepared on this important question of jury trials in injunction and contempt proceedings.

The conclusions supported by the legal research and argument set forth in this brief are that—

First. All judicial safeguards presently applicable to injunctions issued under Federal law and to contempt actions in Federal courts apply under the pending legislation;

Second. Far from the pending civil-rights bill denying citizens constitutional rights to trial by jury—and there is no constitutional guaranty of jury trial in contempt proceedings—it is doubtful whether Congress could constitutionally provide for jury trials as broadly as the opponents of the civil-rights bill propose;

Third. The proposals to broaden jury trial guaranties would not promote, but would defeat and seem intended to defeat, the effectiveness of the pending remedial legislation; and

Fourth. Equitable enforcement of civil rights is the least drastic and the most cautious and reasonable means of protecting the right to vote.

AIM IS PREVENTION, NOT PUNISHMENT

The constitutional right to equal protection of the laws and the protection of the right to vote are also fundamental. The proper use of injunctions and contempt proceedings to protect these rights is in accord with due process under the Constitution. The aim of these provisions in the civil-rights bill is prevention of violations or deprivations of constitutional rights, not punishment. To equate these provisions with criminal prosecutions is to confuse and misread their meaning and effect. The reasonableness of, and indeed the necessity for, these provisions should therefore be clarified by this legal analysis.

I shall save until a later time any discussion or debate of these propositions. But I hope this brief will have the most careful study of all who are concerned not only with due process, but also with the protection of other constitutional rights.

There being no objection, the brief was ordered to be printed in the RECORD, as follows:

THE SOUTHERN PROPOSAL FOR JURY TRIAL AMENDMENTS TO PENDING CIVIL-RIGHTS LEGISLATION IS CONTRARY TO THE CONSTITUTION, TO CONGRESSIONAL PRECEDENT, AND TO THE EFFECTIVE PROTECTION OF CIVIL RIGHTS

TABLE OF CONTENTS

I. All procedural safeguards presently provided by Federal law for the protection of the individual would apply to proceedings authorized by the pending legislation.
A. Issuance of injunctions.
B. Civil contempt proceedings.
C. Criminal contempt proceedings.
II. The proposals to broaden present Federal provisions for jury trial in contempt cases are without constitutional warrant or Congressional precedent.
A. There is no constitutional guaranty of jury trial in contempt proceedings.
B. The jury trial proposals of the civil-rights opponents are without Congressional precedent.
C. The proposal for jury trial is intended not to further but to defeat the remedial purpose of the pending legislation.
D. The proposal for jury trial in civil contempt cases is not only lacking in precedent or policy but would contravene the United States Constitution.
III. Equitable enforcement of civil rights is the least drastic and the most cautious and reasonable means of protecting the right to vote and preventing the breakdown of law and order in the South.
(1) Reduced representation.
(2) Federal control of Federal elections.
(3) Federal forces.
Conclusion.
Appendix A: Statutes authorizing injunctive relief to the United States Government and agencies authorized to seek the same.

BRIEF

There is pending in the 85th Congress a bill to implement civil rights protections embodied in the civil rights laws. Among the provisions of this bill is one which grants the Federal Government authority to obtain injunctions to restrain violations of civil rights.

Opponents of the pending civil rights bill have centered their major efforts in opposition to the measure on the proposition that it would deprive persons of their constitutional right to trial by jury. They propose to offer amendments to the pending legislation which would require trial by jury in all contempt proceedings under the act.

An analysis of their contentions, however, indicates that—

(i) All the judicial safeguards presently applicable to injunctions issued under Federal law and to contempt actions in Federal courts apply under the pending legislation;

(ii) Far from the pending civil rights bill denying citizens constitutional rights to trial by jury, it is doubtful whether Congress could constitutionally provide for jury trial in contempt cases as broadly as the opponents of the civil rights bill propose;

(iii) The proposals to broaden jury trial guaranties would not promote, but would defeat and are intended to defeat, the effectiveness of the pending remedial legislation.

If this were all, the opposition's attempt to render ineffective the present legislative proposals could be dismissed as mere political tactics. But what renders their arguments and propositions especially disturbing is that they would deny to the Government of the United States its duty and its power to give the citizen effective protection in his right to vote and in his fundamental rights to equal protection and liberty and security under law.

Opponents of the pending civil rights bill assert that it attempts to punish citizens without jury trial. But the pending civil rights legislation is not a bill to punish for crime, but rather to prevent the commission of crime. Prevention not punishment is the purpose.

If prevention succeeds either by obedience to law without court order or by obedience to a court order, it becomes unnecessary to employ any sanctions, civil or criminal. If there is obedience to court orders, no occasion arises for contempt action. All that the

pending legislation contemplates is judicial process to restrain violations of the civil rights of citizens. Trials of violators of Federal decrees are no part of the process contemplated by the pending bill unless those enjoined defy judicial orders and thereby choose to subject themselves to civil or criminal contempt proceedings. Insofar as any penalties are imposed by the Federal courts, such disciplinary action would be for disobedience of specific court orders directed to specified defendants and not for violation of law.

The pending bill accuses no one of crime and does not seek to punish but to make punishment unnecessary. The likelihood of trial and punishment arises only because opponents of civil rights, by stripping courts of power to make civil rights injunctions effective, would invite disobedience and defiance. The civil rights bill is intended to secure compliance—it is the opponents of civil rights who anticipate and would encourage the defiance which in turn would require the substitution of punishment for prevention.

I. ALL PROCEDURAL SAFEGUARDS PRESENTLY PROVIDED BY FEDERAL LAW FOR THE PROTECTION OF THE INDIVIDUAL WOULD APPLY TO PROCEEDINGS AUTHORIZED BY THE PENDING LEGISLATION

Opponents of the pending proposal argue that it provides insufficient safeguards against hasty Federal injunctions, issued without proper hearing, and allows punishment of those enjoined without according them traditional rights, especially the right of trial by jury.

But these arguments can have little merit unless the entire present Federal law on the subject of equitable proceedings is faulty and inadequate. For the proceedings authorized by the pending bill will be accompanied by all the procedural safeguards presently provided by Federal law. We know of no outcry from the opponents of the civil rights bill against existing Federal injunctive and contempt procedures.

A. ISSUANCE OF INJUNCTIONS

The process contemplated by the pending measure is a traditional equitable proceeding, in which present law provides ample safeguards for the litigants. Permanent injunctions are issued only after full trial of the issues between the parties as in any other judicial litigation. The Government will have to make out its case that the civil rights of individuals are threatened with irreparable injury, and the defendants, represented by counsel, will have every chance by cross-examination and by their own proof, to demonstrate that the injunction is unwarranted. Where time does not permit such a complete trial and adjudication before the irreparable injury to the complaining party will have been inflicted and will in fact be beyond repair, the law provides for the issuance of preliminary injunctions and temporary restraining orders; these preserve the status quo until a full hearing can be had on the issuance of a permanent injunction. But in each of these temporary remedies, Federal law carefully safeguards the rights of the litigants.

When Irreparable Injury Will Result Before Hearing Can Be Had

(i) Temporary restraining orders, granted without notice to the adverse party, are issued only if "it clearly appears from specific facts shown by affidavit or by the verified complaint that immediate and irreparable injury, loss, or damage will result to the applicant before notice can be served and a hearing had thereon" (rule 65, F. R. C. P.).

And if such restraining order has been granted without notice, provision is made for the most expeditious giving of notice and holding of hearing. Thus, it is provided by rule 65 that "in case a temporary restraining order is granted without notice, the motion for a preliminary injunction shall be set down for hearing at the earliest possible time and takes precedence of all matters except older matters of the same character; and when the motion comes on for hearing the party who obtained the temporary restraining order shall proceed with the application for a preliminary injunction and, if he does not do so, the court shall dissolve the temporary restraining order. On 2 days' notice to the party who obtained the temporary restraining order without notice or on such shorter notice to that party as the court may prescribe, the adverse party may appear and move its dissolution or modification and in that event the court shall proceed to hear and determine such motion as expeditiously as the ends of justice require."

In addition, temporary restraining orders have minimal duration. Rule 65 provides that "every temporary restraining order granted without notice shall be endorsed with the date and hour of issuance; shall be filed forthwith in the clerk's office and entered of record; shall define the injury and state why it is irreparable and why the order was granted without notice; and shall expire by its terms within such time after entry, not to exceed 10 days, as the court fixes, unless within the time so fixed the order, for good cause shown, is extended for a like period or unless the party against whom the order is directed consents that it may be extended for a longer period. The reasons for the extension shall be entered of record."

When Time Permits Hearing

(ii) Preliminary injunctions, rather than temporary restraining orders, are required where time permits notice and hearing. Rule 65 of the Federal Rules of Civil Procedure provides that "no preliminary injunction shall be issued without notice to the adverse party." This requires that, before the issuance of a preliminary injunction, there be an opportunity afforded the parties to be heard, including a trial of any issue or issues of fact presented, at which the parties may present evidence and argue the effect of that evidence. See *Sims* v. *Greene* (161 F. 2d 87).

(iii) Both temporary restraining orders and preliminary injunctions are issued only on a showing of immediate irreparable injury and only to preserve the status quo between the litigants, not to effect any change in their relationship. See, e. g., *Sims* v. *Greene* (161 F. 2d 87); *Seagram-Distillers Corp.* v. *New Cut Rate Liquors, Inc.* (221 F. 2d 815, cert. denied, 350 U. S. 828). Neither temporary restraining orders nor preliminary injunctions may therefore be employed to compel the registration of any voter, but at the most to restrain last minute attempts by election officials or others to deprive those already entitled to vote of their right to the franchise.

Permanent Injunctions Only After a Full Due Process Hearing

(iv) Permanent injunctions alone have any effect beyond the preservation of the status quo. They can be issued, as we have already seen, only after a full due process hearing wherein the burden of proof must be sustained by the Government and the defendants have the traditional American right of counsel, confrontation and fair play in opposing the issuance of the injunction. The Government must prove a threatened violation of the civil rights laws—for example, a threatened violation of the most precious right of a citizen to exercise his franchise—and also that there will be irreparable injury to the public and private interests unless the court acts. Prevention of wrongdoing, not punishment, is the object of the injunction authorized by the pending civil-rights legislation.

(v) Thus, there is nothing arbitrary about the process by which the Government would obtain injunctions to protect civil rights unless these established safeguards on the subject are themselves arbitrary or inadequate. And there is no evidence that the provisions cited do not adequately protect against the issuance of hasty and ill-considered equitable process. Indeed, the testimony of Attorney General Brownell and cases cited therein before the Senate Subcommittee on Constitutional Rights of the Committee on the Judiciary, February 14 to 16, 1957, make clear that in the cases where Federal courts have been called upon to protect voting rights they have proceeded with utmost caution and deliberation.

* * * * * *

Civil Contempt Proceedings Are to Secure Compliance

In case there has been a violation of the court's injunction, such action may be followed by either civil or criminal contempt proceedings.

(i) Civil contempt proceedings are intended to secure compliance with judicial decrees and orders and to compensate the injured parties. The remedies in civil contempt include compensatory fines as well as conditional fines and imprisonment, but the defendant can always relieve himself from such additional penalties by complying with the decree.

Criminal Contempt Penalties Are for Defiance of the Courts

(ii) Criminal contempt proceedings, on the other hand, are intended to punish the individual for violating the court's commands and thereby to vindicate the authority of the court.

In a word, whereas civil contempt proceedings are instituted for the purpose of obtaining compliance with judicial decrees and affording compensatory relief to the parties for violation of decrees, criminal contempts are initiated to punish those who defy judicial authority or judicial commands. In neither case is there punishment for violation of the criminal law.

Both in civil and criminal contempt proceedings, Federal law presently provides numerous safeguards for the parties charged with contempt and we turn now to those safeguards.

B. CIVIL CONTEMPT PROCEEDINGS

In civil contempt proceedings the action is directed only against "the parties to the action, their officers, agents, servants, employees, and attorneys, and upon those persons in active concert or participation with them who receive actual notice of the order by personal service or otherwise." Rule 65 (d), Federal Rules of Civil Procedure. Plaintiff must carry the "heavy burden" of proving defendant's resistance in civil contempt by "clear and convincing" evidence. See, e. g., *Fox* v. *Capital Co.* (96 F. 2d 684, 686); *Telling* v. *Bellows-Claude Neon Co.* (77 F. 2d 584); *Hanley* v. *Pacific Live Stock Co.* (234 Fed. 522, 531).

Civil contempt adjudications after disobedience of final orders and decrees are fully reviewable in appellate courts. *Penfield* v. *SEC* (330 U. S. 585, 591); *Lamb* v. *Cramer* (285 U. S. 217, 221); *Leman* v. *Krentler-Arnold Hinge Last Co.* (284 U. S. 448); see *Clay* v. *Waters* (178 F. 385, 391–2).

Congress Has Never Provided a Jury Trial as a Matter of Right in a Civil Contempt Proceeding

Congress has never provided for a jury trial as a matter of right to the defendant in a civil contempt proceeding. See *Michaelson* v. *United States* (266 U. S. 42); *Odell* v. *Bausch & Lomb Optical Co.* (91 F. 2d 359, certiorari denied, 302 U. S. 756). Indeed, such a provision would apparently be unconstitutional because it would deprive Federal courts of their inherent right to enforce their decrees and authority. See II, D, infra.

Although no jury is provided as a matter of right to a defendant in a civil contempt

proceeding, there is, of course, full judicial authority to employ an advisory jury, and this authority would exist in proceedings arising from the pending bill. A court of equity always has authority to submit questions of fact to an advisory jury. See, for example, *Federal Reserve Bank* v. *Idaho Grimm Alfalfa Seed Growers' Assn.* (8 F. 2d 922, certiorari denied, 270 U. S. 646). Rule 39 (c) of the Federal Rules of Civil Procedure specifically provides that "in all actions not triable of right by a jury the court upon motion or of its own initiative may try any issue with an advisory jury. * * *"

c. CRIMINAL CONTEMPT PROCEEDINGS—CRIMINAL CONTEMPT IS ALSO TRIABLE IN OPEN COURT AND SUBJECT TO APPEAL

If the proceeding be one for criminal contempt, which is initiated to punish those who have defied the authority or the orders of the court, the protections of the Federal Rules of Criminal Procedure apply. See 18 U. S. C. 3771, 3772; *United States* v. *Lederer* (139 F. 2d 861). Under the Federal Rules of Criminal Procedure, rule 42, only the United States attorney or the court may institute criminal contempt proceedings. Rule 42 (b) guarantees every traditional right to litigate issues in open court after full notice:

"The notice shall state the time and place of hearing, allowing a reasonable time for the preparation of the defense, and shall state the essential facts constituting the criminal contempt charged and describe it as such. The notice shall be given orally by the judge in open court in the presence of the defendant or, on application of the United States attorney or of an attorney appointed by the court for that purpose, by an order to show cause or an order of arrest."

In order to avoid any possible bias against the defendant, the rule provides:

"If the contempt charged involves disrespect to or criticism of a judge, that judge is disqualified from presiding at the trial or hearing except with the defendant's consent."

Furthermore, only persons bound by and having actual notice of a decree can be punished by criminal contempt proceedings, see, e. g., *Kean* v. *Hurley* (179 F. 2d 888), and then only if the disobedience was willful and is proved beyond a reasonable doubt. *United States* v. *United Mine Workers* (330 U. S. 258); *Gompers* v. *Buck's Stove & Range Co.* (221 U. S. 418); *United States ex rel. Porter* v. *Kroger Grocery & Baking Co.* (163 F. 2d 168). Trial is not on affidavits but on testimony taken in open court. *Cooke* v. *United States* (267 U. S. 517); *New Jersey Patent Co.* v. *Martin* (166 Fed. 1010).

Criminal contempt convictions are fully reviewable in appellate courts. See *Bessette* v. *W. B. Conkey Co.* (194 U. S. 324); *Nye* v. *United States* (313 U. S. 33); *United States* v. *Lederer* (139 F. 2d 861).

If the proceedings are mixed civil and criminal, the criminal safeguards control. *Penfield* v. *SEC* (330 U. S. 585, 594); *United States* v. *United Mine Workers* (330 U. S. 258); *Kreplik* v. *Couch Patents Co.* (190 Fed. 565, 572–73).

The court in its discretion may employ an advisory jury in criminal contempt proceedings. See *In re Steiner* (195 Fed. 299, 303). Federal law does not, however, provide a right to a jury trial in criminal contempt proceedings except under certain limited circumstances.

Exception Made by Congress After Debs Case But Only in Criminal Contempt Cases Involving Private Litigants; Federal Government Retained the Means Needed for Its Operation and Survival

Until 1914 Congress had made no provision of any kind for jury trial in contempt proceedings. However, in that year, after considerable agitation following the Supreme Court's decision in the Debs case, Congress enacted as part of the Clayton Act a provision which is now section 3691 of title 18[1] of the United States Code (and see 18 U. S. C. 402) providing for trial by jury in criminal contempt cases consisting of willful disobedience of the orders and decrees of United States district courts obtained by private litigants where "the act or thing done or omitted also constitutes a criminal offense under any act of Congress, or under the laws of any State in which it was done or omitted."

However, in deference to the principle that the Federal Government must retain the means needed for its own operation and survival, and for the enforcement of the laws of the land, the law, as enacted in 1914 and in its present form, exempts from the jury-trial provision contempts "in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States."[2] Thus, when Congress enacted the provision for jury trial in criminal contempt proceedings, it rejected the proposition now tendered that jury trial should be granted to defendants in contempt actions arising from injunctions, decrees and orders sought and obtained by the United States.

There are 28 statutes on the books today under which the United States is authorized to bring injunction suits to safeguard its interests and to restrain violations of criminal law. (These statutes as compiled by the Attorney General in his testimony on the pending bill appear as appendix A herein.) The Government-suit exception to the jury trial provision for criminal contempts has been uniformly applicable in the case of all these statutes, as well as the Taft-Hartley Act, just as it would be applicable under the pending measure.

What the opponents of the remedial legislation under consideration argue is that, despite the careful procedural safeguards which Federal law provides in injunctive and contempt proceedings, Congress should now go beyond anything it has previously done in the past and provide for jury trials in all criminal contempt proceedings (without regard to the existing limitations just outlined), in all civil contempt proceedings and, what is more, even for the judicial proceedings involved in the issuance of injunctions.[3] We turn to an examination of these proposals.

---

[1] "SEC. 3691. Jury trial of criminal contempts:

"Whenever a contempt charged shall consist in willful disobedience of any lawful writ, process, order, rule, decree, or command of any district court of the United States by doing or omitting any act or thing in violation thereof, and the act or thing done or omitted also constitutes a criminal offense under any act of Congress, or under the laws of any State in which it was done or omitted, the accused, upon demand therefor, shall be entitled to trial by a jury, which shall conform as near as may be to the practices in other criminal cases.

"This section shall not apply to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice, nor to contempts committed in disobedience of any lawful writ, process, order, rule, decree, or command entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States."

[2] The Norris-LaGuardia extension of jury trials even where the Government is the litigant is discussed in II, B, infra.

[3] We deal in this memorandum with the proposals for jury trial in criminal and civil contempt proceedings. We do not stop to examine the contention that there should be a jury trial as of right before an injunction can issue. It is sufficient answer to that contention that such a negation of the "equity" power conferred under article III, section 2 of the Constitution has never before been attempted; that, because of the limited time factor in election cases it would make relief impossible in many instances; and that in all likelihood such legislation would be unconstitutional. See *Michaelson* v. *United States* (266 U. S. 42); *Cf. Brown* v. *Kalamazoo Circuit Judge* (75 Mich. 274, 42 N. W. 827).

II. THE PROPOSALS TO BROADEN PRESENT FEDERAL PROVISIONS FOR JURY TRIAL IN CONTEMPT CASES ARE WITHOUT CONSTITUTIONAL WARRANT OR CONGRESSIONAL PRECEDENT

Opponents of the pending legislation urge that there is a constitutional right to jury trial in contempt cases, and that, whether or not there is such a constitutional right, Congress should grant such a right in the pending legislation.

But, as will be seen, there is no constitutional right to jury trial for either civil or criminal contempts; and, indeed, there is serious constitutional doubt whether Congress could provide a right to jury trial in civil contempt proceedings.

Furthermore, the proposal to change the existing Federal contempt law is not made to further the remedial purpose of making civil rights guaranties more effective, but is offered in the hope that such an amendment would either defeat or make meaningless and ineffective the very remedial legislation before the Congress.

A. THERE IS NO CONSTITUTIONAL GUARANTY OF JURY TRIAL IN CONTEMPT PROCEEDINGS

Opponents of the pending civil-rights measure assert that it invades the constitutional right to trial by jury of persons charged with violating judicial orders. But this contention is groundless, for it has uniformly been held by the highest judicial authorities that there is no constitutional right to a jury trial in contempt actions.

It has been established by authoritative decisions of the United States Supreme Court since the earliest days of the Union that the Constitution guarantees no jury trial in civil or criminal contempt proceedings. See, e. g., *United States* v. *Hudson* (7 Cranch 32), *Anderson* v. *Dunn* (6 Wheat. 204), *Ex parte Robinson* (19 Wall. 505), *Ex parte Terry* (128 U. S. 289), *Eilenbecker* v. *District Court* (134 U. S. 31), *In re Debs* (158 U. S. 564), *Bessette* v. *W. B. Conkey Co.* (194 U. S. 324), *Gompers* v. *Buck's Stove & Range Co.* (221 U. S. 418), *Michaelson* v. *United States* (266 U. S. 42), *United States* v. *United Mine Workers* (330 U. S. 258), *Fisher* v. *Pace* (336 U. S. 155).

The Court's Position

The contention that jury trials are required by the Constitution for contempt cases arising under the proposed civil rights bill evokes today no different answer from that which the Supreme Court has always given:

"Surely it cannot be supposed that the question of contempt of the authority of a court of the United States, committed by a disobedience of its orders, is triable, of right, by a jury." *Interstate Commerce Commission* v. *Brimson* (154 U. S. 447, 488).

The Constitution's guaranties of jury trial apply only to such cases as were triable by jury at the time of its enactment, and jury trial in contempt cases was unknown in the Colonies. Every decision on the subject rejects an interpretation of this constitutional guaranty which would render the judicial branch the only one of the branches of the Federal Government powerless to make its authority real and effective.

Thus in *Ex parte Terry* (128 U. S. 289), Mr. Justice Harlan, speaking for a unanimous court in holding against the jury trial contention in a contempt case, said:

"Nor can there be any dispute as to the power of a circuit court of the United States to punish contempts of its authority. In *United States* v. *Hudson* (11 U. S., 7 Cranch, 34), it was held that the courts of the United

States, from the very nature of their institution, possess the power to fine for contempt, imprison for contumacy, enforce the observance of order, etc. In *Anderson* v. *Dunn* (19 U. S., 6 Wheat. 204, 227), it was said that 'Courts of justice are universally acknowledged to be vested, by their very creation, with power to impose silence, respect, and decorum in their presence, and submission to their lawful mandates.' So, in *Ex parte Robinson* (86 U. S., 19 Wall. 505, 510): 'The power to punish for contempts is inherent in all courts; its existence is essential to the preservation of order in judicial proceedings, and to the enforcement of the judgments, orders, and writs of the courts, and consequently to the due administration of justice. The moment the courts of the United States were called into existence and invested with jurisdiction over any subject, they became possessed of this power.' (*Ex parte Bollman* (8 U. S., 4 Cranch, 75, 94); Story, Const. sec. 1774; Bac. Abr. Courts, E.). And such is the recognized doctrine in reference to the powers of the courts of the several States. 'The summary power to commit and punish for contempts tending to obstruct or degrade the administration of justice,' the Supreme Judicial Court of Massachusetts well said, in *Cartwright's Case* (114 Mass. 230, 238), 'is inherent in courts of chancery and other superior courts, as essential to the execution of their powers and to the maintenance of their authority, and is part of the law of the land, within the meaning of Magna Charta and of the 12th article of our Declaration of Rights.' The Declaration of Rights here referred to was that which formed part of the Constitution of Massachusetts, and contained the prohibition, inserted in most of the American constitutions, against depriving any person of life, liberty, or estate, except by the judgment of his peers, or the law of the land. So in *Cooper's Case* (32 Vt. 253, 257): 'The power to punish for contempt is inherent in the nature and constitution of a court. It is a power not derived from any statute, but arising from necessity; implied, because it is necessary to the exercise of all other powers.' Without such power, it was observed in *Easton* v. *State* (39 Ala. 552), the administration of the law would be in continual danger of being thwarted by the lawless. To the same effect are *Watson* v. *Williams* (36 Miss. 344); *Johnston* v. *Com.* (1 Bibb, 598); *Clark* v. *People* (Breese, 266); *Com.* v. *Dandridge* (2 Va. Cas. 408); *Ex parte Hamilton* (51 Ala. 68); *Redman* v. *State* (28 Ind. 212); *People* v. *Turner* (1 Cal. 153); *State* v. *Morrill* (16 Ark. 388); and numerous cases cited in note to *Clark* v. *People* (Breese, 266 in 12 Am. Dec. 178)."

And in *Eilenbecker* v. *District Court* (134 U. S. 31), Mr. Justice Miller, speaking again for a unanimous Supreme Court, held to the same effect:

"If it has ever been understood that proceedings according to the common law for contempt of court have been subject to the right of trial by jury, we have been unable to find any instance of it. It has always been one of the attributes—one of the powers necessarily incident to a court of justice—that it should have this power of vindicating its dignity, of enforcing its orders, of protecting itself from insult, without the necessity of calling upon a jury to assist it in the exercise of this power.

Court's Contempt Power Is Essential to the Execution of Their Powers

"In the case in this court of *Ex parte Terry* (128 U. S. 289), this doctrine is fully asserted and enforced, quoting the language of the court in the case of *Anderson* v. *Dunn* (19 U. S. 6 Wheat. 204, 227), where it was said that 'courts of justice are universally acknowledge to be vested, by their very creation, with power to impose silence, respect, and decorum in their presence, and submission to their lawful mandates;' citing also with approbation the language of the Supreme Judicial Court of Massachusetts in *Cartwright's* case (114 Mass. 230, 238), that 'the summary power to commit and punish for contempts tending to obstruct or degrade the administration of justice is inherent in courts of chancery and other superior courts, as essential to the execution of their powers and to the maintenance of their authority, and is part of the law of the land, within the meaning of Magna Carta and of the twelfth article of our declaration of rights.'

"And this court, in Terry's case, held that a summary proceeding of the circuit court of the United States without a jury, imposing upon Terry imprisonment for the term of 6 months, was a valid exercise of the powers of the court, and that the action of the circuit court was also without error in refusing to grant him a writ of habeas corpus. The case of Terry came into this court upon application for a writ of habeas corpus, and presented, as the case now before us does, the question of the authority of the circuit court to impose this imprisonment on a summary hearing without those regular proceedings which include a trial by jury, which was affirmed. The still more recent cases of *Ex parte Savin* (131 U. S. 267), and *Ex parte Cuddy* (131 U. S. 280), assert very strongly the same principle. In *Ex parte Robinson* (86 U. S. 19 Wall. 505), this court speaks in the following language:

" 'The power to punish for contempts is inherent in all courts. Its existence is essential to the preservation of order in judicial proceedings and the enforcement of the judgments, orders, and writs of the courts, and, consequently, to the due administration of justice. The moment the courts of the United States were called into existence and invested with jurisdiction over any subject, they became possessed of this power'."

Commission of a Crime Cannot Bring Immunity From Punishment for Contempt

Nor is there a constitutional right to jury trial in a contempt proceeding merely because the actions constituting the contempt also violate Federal or State criminal law. The principle that jury trial guaranties in the Constitution do not apply to contempt proceedings, either civil or criminal, is in no way altered by the fact that the contempt in question may also be a violation of criminal law. The argument that jury trial is guaranteed by the Constitution for acts of criminal contempt which are also crimes fails because the punishment for the contempt is not punishment for the crime but for the willful defiance of judicial authority. It is no more relevant to the question whether a contempt of judicial authority has been committed that the conduct constituting the contempt is forbidden by criminal law than it would be relevant in a criminal prosecution that the acts charged also violated a judicial decree or command. One who willfully defies judicial authority cannot obtain the constitutional right to trial by jury merely by committing a contempt so aggravated that it violates not only judicial mandates but the Criminal Code as well.

Thus, the Supreme Court in the Eilenbecker case, supra, squarely held that jury trials are not guaranteed for criminal contempts even though the contemptuous acts are also criminal:

"The counsel for plaintiffs in error * * * [urge] the proposition that the entire statute under which this injunction was issued is in the nature of a criminal proceeding, and that the contempt of court of which these parties have been found guilty is a crime for the punishment of which they have a right to trial by jury.

"We cannot accede to this view of the subject. Whether an attachment for a contempt of court, and the judgment of the court punishing the party for such contempt, is in itself essentially a criminal proceeding or not, we do not find it necessary to decide. We simply hold that, whatever its nature may be, it is an offense against the court and against the administration of justice, for which courts have always had the right to punish the party by summary proceeding and without trial by jury; and that in that sense it is due process of law within the meaning of the 14th amendment of the Constitution. We do not suppose that that provision of the Constitution was ever intended to interfere with or abolish the powers of the courts in proceedings for contempt, whether this contempt occurred in the course of a criminal proceeding or of a civil suit."

B. THE JURY TRIAL PROPOSALS OF THE CIVIL RIGHTS OPPONENTS ARE WITHOUT CONGRESSIONAL PRECEDENT

As has just been seen, the proposals for jury trials in contempt proceedings under the pending civil-rights bill are not supported by any constitutional requirements; they are equally unsupported by Congressional precedent.

The opponents of pending civil rights bill demand jury trials in all cases of civil contempt. Yet, in the almost 170 years that Congress has sat as the legislature of this country, it has never provided for jury trial as a matter of right in civil contempt actions. Indeed, as will be seen hereafter (II, D), jury trials as of right in civil contempt proceedings would be unconstitutional as in derogation of the powers of the Federal judiciary to enforce its own orders.

The opponents of civil-rights legislation likewise demand jury trials in all cases of criminal contempt. In this respect, they would exceed the requirements for jury trials which Congress, in 1914, saw fit to grant defendants in certain cases of criminal contempt. The 1914 statute provides for jury trials in criminal contempt proceedings where the plaintiff is a private party and the act of contempt is a violation of the Criminal Code, and excludes from the right to jury trial criminal contempt proceedings resulting from suits instituted by the Government.[4] In other words, until 1914, there was no right to a jury trial whatever in criminal contempts. Since 1914 there has been the right to a jury trial in criminal contempts only where the suit was instituted by a private party rather than the Government and the contempt violates the criminal law. Despite this long history of limited jury trial in criminal contempt proceedings, the opponents of civil rights, without ever having objected to the absence of jury trials in criminal contempt proceedings brought by the Government under other statutes, now demand this right for those who willfully defy civil rights injunctions.

Thus, the opponents of the pending civil-rights bill face overwhelming adverse constitutional history against their claim of a constitutional right to jury trial in contempt cases. Likewise, their proposals for jury trials in all civil and criminal contempts are without Congressional precedent. Con-

[4] It might be well to repeat here for the sake of clarity the distinction between civil and criminal contempt proceedings. Civil contempt proceedings are intended to secure compliance with judicial orders by conditional penalties and to compensate the injured parties by compensatory fines. Criminal contempt proceedings are intended to punish the individual for violating the court's commands and thereby to vindicate the court's authority. Criminal contempt proceedings for willful violations of the court's order can be based on acts which, independently of the order, would constitute a crime or on acts which, independently of the order, would not constitute a crime. In none of the cases, however, is there penalty for violation of the criminal law; it is for violation of judicial mandate.

gress has never been willing to deprive the Federal judiciary of authority to enforce obedience to its lawful orders. Certainly, it ought not to do so here where pending legislation seeks to empower the courts to protect fundamental rights of our citizens guaranteed by our Constitution and the Bill of Rights.

The Norris-La Guardia Act Was Passed to Further the National Policy

The opponents of civil rights make much of the one and only instance of a broad right to jury trial in criminal contempts, contained in the 1932 Norris-LaGuardia Act (now 18 U. S. C. 3692). There Congress provided that in criminal contempt proceedings arising out of labor disputes involving the disobedience of judicial orders the accused should have trial by jury. As we have just seen, the general statute for jury trials is much more narrowly confined to cases where the contempts constitute violations of criminal law and do not arise out of injunctions obtained by the United States. There are 28 different statutes providing for Government-sought injunctions to restrain violations of law [6]—in none of these did Congress see fit to provide for jury trials. Norris-LaGuardia contains the only provision ever enacted by Congress in which jury trial was provided as of right in criminal contempt cases arising from injunctions obtained by the United States.[6]

But even as the sole exception to the general Congressional policy, the Norris-LaGuardia provision fails to support the contention of the opponents of the present bill. For, unlike the present proposal, that provision was enacted to insure the carrying out of the national Congressional policy as reflected and specifically defined in the Norris-LaGuardia Act.[7] In the decades prior to 1932 numerous anti-labor injunctions were issued by anti-labor Federal judges. These injunctions were made on the basis of highly controversial judge-made law unsupported by any clear Congressional mandate and frequently contrary to the law prevailing in the courts of the States where the acts took place. These anti-labor judges were unwilling to recognize the growing national policy of fostering rather than stifling the growth of a strong and independent labor movement. Courts would issue injunctions and use their contempt power indiscriminately, not to prevent violations of law but to prevent labor organization and freedom of collective bargaining. Decades of such demonstrated hostility by the courts to labor and its interests [8] prompted Congress to implement the growing national policy in the labor field by specifically curtailing the Federal injunctive power in many areas of labor litigation and by providing that juries, rather than the judges, determine whether contempts had been committed.

Thus the anti-labor judges at whom the Norris-LaGuardia jury trial provision was aimed had utilized injunctive and criminal contempt powers in a manner hostile both to the laboring defendants and to the growing national policy favoring the protection of legitimate trade unionism. The Norris-LaGuardia jury trial provision was intended both to protect the laboring defendants and to further this growing national policy. It certainly cannot be suggested either that Federal judges in the South will utilize their powers under the pending civil rights legislation in a manner hostile to the southern defendants or that the national policy of protecting the right to vote will be furthered by depriving these judges of their contempt powers. Thus, neither of the reasons which called into being the Norris-LaGuardia jury trial provision are present in this situation.

The very narrow purpose and significance of the Norris-LaGuardia provision is demonstrated by the fact that in 1947, when it was believed that the judicial abuses of previous years could no longer reasonably be anticipated, Congress in effect repealed the Norris-LaGuardia Act jury trial provision by providing in Taft-Hartley [9] that Norris-LaGuardia restraints would be inapplicable to injunctions sought by the United States under the Labor-Management Relations Act. By so doing, Congress returned to its basic policy of providing for judicial enforcement of criminal contempt in proceedings instituted by the United States. In Taft-Hartley, Congress manifested once again its determination that only the most overriding considerations would induce it to deprive the Government of speedy and effective judicial remedies. Far from any such considerations applying to the pending civil rights legislation, depriving the judiciary of the power to make effective their civil rights decrees would in fact nullify the very purpose of the legislation.

C. THE PROPOSAL FOR JURY TRIAL IS INTENDED NOT TO FURTHER BUT TO DEFEAT THE REMEDIAL PURPOSE OF THE PENDING LEGISLATION

The present suggestion for jury trial, unlike the Norris-LaGuardia provision, is not offered to further, but rather to defeat, the purpose of the pending remedial legislation. For it is not the judiciary which is hostile to the national and Congressional purpose found in the 14th and 15th amendments, in existing civil rights laws, and the pending legislation; on the contrary, it is the juries in certain States which are hostile to that national policy. It requires no elaborate documentation to show the hostility of juries in certain States to the civil rights legislation and the civil rights amendments to the Constitution. At the moment and, it is tragically probable, for some time to come, southern juries simply will not convict white southerners, no matter how willfully and wantonly they deprive American citizens, because of their color, of their most fundamental constitutional rights. The hostility of the juries to the national policy of racial equality and Negro rights can be explained. In the atmosphere of coercion, intimidation, and threat exerted in some States on the colored people thereof, juries cannot exercise their fair judgment in civil rights cases. The white community of many States is organized in force to prevent the execution of the law and the enjoyment of civil rights, especially those protected by the 15th amendment, and jurors are not impervious to organized force. It is only the Federal judges, protected as they are by tenure for life, who are sufficiently insulated from these organized economic, social, and even physical sanctions to resist the dominant community hostility to the civil rights of the minority group.

Fears Expressed by Southern Legislators About Southern Judges Are Imaginary

The fears that are expressed by southern legislators of the wrongs that southern judges might inflict upon southern citizens under the pending legislation are imaginary. Indeed, their reckless and unsupported attack on the integrity of the judiciary, more specifically of the Federal district judges in Southern States, is not only a discourtesy to these jurists, but ill befits those who indulge in it.

By and large, these judges are southerners drawn from the practitioners of the bars of the various Southern States. They have been appointed without the opposition, indeed with the concurrence, endorsement, and often at the suggestion, of southern Senators. The danger that they represent to the opponents of civil rights is not derived from any injudicious tendencies among the Federal judiciary in the South or any lack of understanding or sympathy among these judges for the problems of the South. The threat that they pose to the opposition is derived rather from the fact that, once given tenure appointments to the Federal bench, these men honestly and conscientiously apply and are applying daily the law of the land, including the civil rights laws and the 14th and 15th amendments.

What the southern proponents of jury trials fear, and all that they fear, is that their own southern judges will enforce civil and electoral rights of American citizens without prejudice, discrimination, and recrimination. The southerners are not asking for jury trials because southern Federal judges cannot be counted on to do justice in civil rights cases; they are asking for jury trials because southern white juries can be counted on not to do justice.

To provide for jury trials in the pending civil rights legislation would not only fail to further its remedial purpose, but, on the contrary, would emasculate and defeat that very remedial intent. As Assistant Attorney General Warren G. Olney III stated in a public address on April 5, 1957, the jury trial proposal of the opponents of civil rights is "a clever device to nullify the proposed civil rights legislation" by "deceptive appeals for the protection of the right to jury trial." Enforcement of injunction orders by judicial authority will effectively implement the purpose of the pending civil rights legislation and will conform to historic Congressional policy in the realm of contempt proceedings.

D. THE PROPOSAL FOR JURY TRIAL IN CIVIL CONTEMPT CASES IS NOT ONLY LACKING IN PRECEDENT OR POLICY BUT WOULD CONTRAVENE THE UNITED STATES CONSTITUTION

Opponents of the pending measure would amend it so as to grant jury trials not only in criminal contempt cases, whether or not arising in suits brought by the United States and whether or not the act of contempt is also a violation of criminal law, but apparently would extend the right to civil contempt proceedings as well. This proposal is not only contrary to the purpose of the pending remedial legislation, but also appears to be unconstitutional. For there is most serious doubt whether Congress could deprive the Federal courts of the power to make their decrees and commands fully effective by making enforcement of such decrees dependent upon and subject to the delays and uncertainties of jury trial.

Numerous decisions in State courts have held that the legislature has no power so to restrict the authority of the courts, by requiring jury trials in contempt proceedings, as to render judicial authority ineffective. The four early authoritative decisions of

[6] There are 29 such statutes counting Taft-Hartley.

[7] It is to be noted, however, that no court has held jury trial to be a right of the defendant in a contempt proceeding arising from a suit instituted by the United States either before or after the Norris-La Guardia Act. It should also be noted that in *United States* v. *United Mine Workers*, 330 U. S. 258, wherein the United States obtained an injunction in its capacity as a mine employer, the Supreme Court held the Norris-LaGuardia Act jury trial guarantee inapplicable to a contempt of that injunction.

[8] The Norris-LaGuardia Act declared that "It is necessary that he [the worker] have full freedom of association, self-organization, and designation of representatives of his own choosing, to negotiate the terms and conditions of his employment, and that he shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection * * *" (29 U S. C. 102).

[8] See Frankfurter and Green, The Labor Injunction (1930).

[9] Sections 10 (h), 208 (b).

State courts which reject legislative power to impair the inherent authority of the courts to punish contempts are *Watson* v. *Williams* (36 Miss. 331 (1858)); *Carter's Case* (96 Va. 791, 32 SE 780 (1899)); *Bradley* v. *State* (111 Ga. 168, 36 SE 630 (1900)); and *Ex parte McCown* (139 N. C. 95 (1905)).

A Mississippi's Court's Opinion

In Carter's case the Supreme Court of Virginia gives a full and cogent analysis which has been relied upon universally in States where the legislature has attempted to require jury trials in contempt proceedings. And there is probably no more concise statement of the constitutional reasons for retaining summary enforcement power in the judiciary than that given by the Supreme Court of Mississippi in 1858 in *Watson* v. *Williams* (36 Miss. 331, 341), where the court held:

"The power to fine and imprison for contempt, from the earliest history of jurisprudence, has been regarded as a necessary incident and attribute of a court, without which it could no more exist than without a judge. It is a power inherent in all courts of record, and coexisting with them by the wise provisions of the common law. A court without the power effectually to protect itself against the assaults of the lawless, or to enforce its orders, judgments or decrees against the recusant parties before it, would be a disgrace to the legislation and a stigma upon the age which invented it."

These early southern decisions have been followed in numerous other States where the courts have held that the legislature may not, by requiring jury trials in contempt of court proceedings, deprive the courts of their inherent power to make their decrees and authority effective. See, e. g., *Fort* v. *Cooperative Farmers' Exchange* (81 Colo. 431, 256 Pac. 319 (1927)); *Arnold* v. *Commonwealth* (80 Ky. 300 (1882)); *Walton Lunch Co.* v. *Kearney* (236 Mass. 310 (1920)); *In re Opinions of the Justices* (314 Mass. 767, 49 NE 2d 252 (1943)); *Pacific Live Stock Co.* v. *Ellison Ranching Co.* (46 Nev. 351, 213 Pac. 700 (1923)); *Hall* v. *The State* (55 Ohio St. 210 (1896)); *Smith* v. *Speed* (11 Okla. 95 (1905)); *Blanchard* v. *Golden Age Brewing Co.* (188 Wash. 396, 63 P. 2d 397 (1936)); *John F. Jelke Co.* v. *Hill* (208 Wisc. 650, 242 NW 576 (1932)).

The Limits of Congressional Power to Require Jury Trials

Both before and after enactment of the Clayton Act in 1914, it was doubted that Congress could, without violating the doctrine of separation of powers, grant the right to jury trial in either civil or criminal contempt. United States courts of appeals for two circuits, in *Michaelson* v. *United States* (291 Fed. 940) and *In re Atchison* (284 Fed. 604), following the universal rule announced in State court decisions, held that the Clayton Act provision for jury trial of criminal contempts violated the constitutional doctrine of separation of powers. The United States Supreme Court in *Michaelson* v. *United States* (266 U. S. 42), reversed these rulings. However, the Court clearly indicated that only because of the limited nature of the Clayton Act jury trial provision could it be upheld. It indicated that "different and more serious considerations would arise" if that statute had extended to cases of failure or refusal to comply affirmatively with a decree. The Court said:

"But it is contended that the statute materially interferes with the inherent power of the courts and is therefore invalid. That the power to punish for contempt is inherent in all courts, has been many times decided and may be regarded as settled law. It is essential to the administration of justice. The courts of the United States, when called into existence and vested with jurisdiction over any subject, at once become possessed of the power. So far as the inferior Federal courts are concerned, however, it is not beyond the authority of Congress (*Ex parte Robinson* (19 Wall. 505, 510–511); *Bessette* v. *W. B. Conkey Co.* (194 U. S. 324, 326)); but the attributes which inhere in that power and are inseparable from it can neither be abrogated nor rendered practically inoperative. That it may be regulated within limits not precisely defined may not be doubted. The statute now under review is of the latter character. It is of narrow scope, dealing with the single class where the act or thing constituting the contempt is also a crime in the ordinary sense. It does not interfere with the power to deal summarily with contempts committed in the presence of the court or so near thereto as to obstruct the administration of justice, and is in express terms carefully limited to the cases of contempt specifically defined. Neither do we think it purports to reach cases of failure or refusal to comply affirmatively with a decree—that is to do something which a decree commands—which may be enforced by coercive means or remedied by purely compensatory relief. If the reach of the statute had extended to the cases which are excluded a different and more serious question would arise."

The Court specifically stated its "doubt" that Congress could require jury trial for civil contempts:

"We first inquire whether the proceeding contemplated by the statute is for a civil or a criminal contempt. If it be the latter—since the proceeding for criminal contempt, unlike that for civil contempt, is between the public and the defendant, is an independent proceeding at law, and no part of the origial cause, *Gompers* v. *Bucks Stove & Range Co.* (221 U. S. 418, 444–446, 451)—we are at once relieved of the doubt which might otherwise arise in respect of the authority of Congress to set aside the settled rule that a suit in equity is to be tried by the chancellor without a jury unless he choose to call one as purely advisory. We think the statute, reasonably construed, relates exclusively to criminal contempts."[10]

The Supreme Court had earlier given its view that courts must be authorized to exercise contempt power "without referring the issues of fact or law to another tribunal or to a jury." In *Gompers* v. *Bucks Stove & Range Co.* (221 U. S. 418, 450), the Court held:

Power to Punish for Contempt Is Vital

"While it is sparingly to be used, yet the power of courts to punish for contempts is a necessary and integral part of the independence of the judiciary, and is absolutely essential to the performance of the duties imposed on them by law. Without it they are mere boards of arbitration, whose judgments and decrees would be only advisory.

"If a party can make himself a judge of the validity of orders which have been issued, and by his own act of disobedience set them aside, then are the courts impotent, and what the Constitution now fittingly calls the judicial power of the United States would be a mere mockery.

"This power 'has been uniformly held to be necessary to the protection of the court from insults and oppression while in the ordinary exercise of its duty, and to enable it to enforce its judgments and orders necessary to the due administration of law and the protection of the rights of citizens.' *Bessette* v. *W. B. Conkey Co.* (194 U. S. 333).

"There has been general recognition of the fact that the courts are clothed with this power, and must be authorized to exercise it without referring the issues of fact or law to another tribunal or to a jury in the same tribunal. For, if there was no such authority in the first instance, there would be no power to enforce its orders if they were disregarded in such independent investigation. Without authority to act promptly and independently the courts could not administer public justice or enforce the rights of private litigants."

Michaelson is the only Supreme Court decision upholding the power of Congress to require jury trials even in criminal contempt proceedings. There the Court indicated its serious doubt whether Congress could, by providing for juries in civil contempts, invade the equity jurisdiction conferred by the Constitution and deprive the courts of their inherent power to obtain compliance with their decrees and orders. Therefore, if Congress were to require a jury trial in civil contempts arising under the present bill, it would not only go beyond what the Constitution requires and what Congress itself has heretofore deemed proper, but would be extending Congressional authority over the judiciary in a way which would give rise to that "doubt" and those "different and more serious considerations" which the Supreme Court emphasized in the Michaelson case.[11]

III. Equitable Enforcement of Civil Rights Is the Least Drastic and the Most Cautious and Reasonable Means of Protecting the Right to Vote and Preventing the Breakdown of Law and Order in the South

The limited and traditional equity power of the Federal courts which the present measure invokes, contrasted with other remedies provided by the Constitution in cases of wholesale denial of civil rights and organized resistance to law, are a reasonable and moderate attempt to cope with national problems before they reach proportions requiring more summary and precipitous action. Courts of equity have traditionally intervened to protect against irreparable damage to public and private interests, often in cases not involving so serious an affront to the public interest as in this case where civil rights legislation seeks to protect the fundamental right to vote guaranteed by our Constitution and the Bill of Rights. This use of Federal equity powers is a cautious effort to utilize the least drastic means to protect basic constitutional rights of our citizens.

CAUTIOUS REMEDIAL MEASURES MAY AVERT BREAKDOWN OF LAW AND ORDER

Opponents of the pending civil rights measure who seek to render it ineffective by their proposal for a jury-trial amendment are doing a great disservice to their States and to the Nation. By attempting to defeat cautious remedial measures, they are inviting a state of affairs which may require far more stringent Federal action. They would create the untenable alternative that the Federal Government must rely on present ineffective laws or wait until the breakdown of law and order becomes so complete as to require harsh and peremptory Federal remedies to be invoked. This is reminiscent

[10] See also *Fort* v. *Cooperative Farmers' Exchange*, 81 Colo. 431, 256 Pac. 319 (1927).

[11] In this connection the comment of Mr. Justice Holmes, with Mr. Justice Brandeis concurring, in *Toledo Newspaper Co.* v. *United States* (247 U. S. 402, 425), is relevant. The Justices were dissenting from the majority's denial of procedural safeguards to contempts by publication, but as concerns contemptuous disobedience of judicial candates, Justice Holmes said: "I would go as far as any man in favor of the sharpest and most summary enforcement of order in court and obedience to decrees. * * *"

Even the stanchest advocates of jury trial for contempt cases concede the undesirability of its extension to civil as distinguished from criminal contempts. See, e. g., Beale, *Contempt of Court, Civil and Criminal* (21 Harv. L. Rev. 161, 173–174), approved by Justices Black and Douglas in *United States* v. *United Mine Workers* (330 U. S. at 332).

of the revolutionary theories of salvation by catastrophe: that things must get worse before they can get better.

MORE STRINGENT REMEDIES AVAILABLE

If more stringent remedies be required, there is no lack of Federal power to take far more stringent steps to guarantee the fundamental right to the franchise than those contemplated by the pending measure. Thus, the 14th and 15th amendments, both providing that Congress shall have "power to enforce by appropriate legislation" provisions of those amendments, permit a wide field of remedial action. For instance, Congress provided by law in 1866 for "the removal of suits from a State court either by the plaintiff or defendant, who shall make oath that he cannot have a fair trial on account of local prejudice and influence" (*Barclay* v. *Levee Commissioners* (1 Woods 254)). This unprecedented legislation, designed to secure to Negroes rights which were denied them in the State courts because of bias and prejudice against them, substantially altered the distribution of judicial power established by the Constitution by providing for Federal trial of actions and prosecutions ordinarily within the competence of State authority only. Nevertheless, under the implementing clause of the 14th amendment, this law was upheld by the Supreme Court in *Strauder* v. *West Virginia* (100 U. S. 303):

"A right or an immunity, whether created by the Constitution or only guaranteed by it, even without any express delegation of power, may be protected by Congress. *Prigg* v. *Com.* (16 Pet. 539). So in *U. S.* v. *Reese* (92 U. S. 214), it was said by the Chief Justice of this Court: 'Rights and immunities created by or dependent upon the Constitution of the United States can be protected by Congress. The form and manner of the protection may be such as Congress in the legitimate exercise of its legislative discretion shall provide. These may be varied to meet the necessities of the particular right to be protected.' But there is express authority to protect the rights and immunities referred to in the 14th amendment, and to enforce observance of them by appropriate Congressional legislation. And one very efficient and appropriate mode of extending such protection and securing to a party the enjoyment of the right or immunity, is a law providing for the removal of his case from a State court, in which the right is denied by the State law, into a Federal court, where it will be upheld."

Congress could likewise take far-reaching action under article IV, section 4, of the Constitution which provides that the United States "shall guarantee to every State in this Union a Republican Form of Government." It cannot be doubted that the wholesale denial of electoral rights to a significant portion of the qualified voters in certain States tends to render their governments unrepublican and unrepresentative in form, and it has many times been held that this clause of the Constitution was intended for Congressional implementation within the full discretion of Congress. (See, e. g., *Luther* v. *Borden* (158 U. S. 564).)

THE WHOLESALE DENIAL OF FEDERAL ELECTORAL RIGHTS TO NEGROES

In the light of the wholesale denial of Federal electoral rights to Negroes in many States of the Union, Congress and the President could safeguard their franchise by using far more stringent power provided for such cases. Indeed there is ample constitutional and Congressional precedent for such measures:

1. Reduced Representation

Under the second section of the 14th amendment, the representation of States in the House of Representatives can be drastically reduced when Negroes are denied the franchise. This section permits such reduced representation when the right to vote is denied to any adult male inhabitants of such State for reasons other than participation in rebellion or other crime. It will hardly be argued that, rather than employing established judicial process, Congress should permit the present intolerable wholesale denial of voting rights to continue and merely reduce representation of the offending States in Congress, thus penalizing all citizens of those States. Yet if the pending remedial measure is defeated or impaired, the more sweeping alternative will gain popularity among those suffering from, or outraged by, denial of the equal protection of the laws.

2. Federal Control of Federal Elections

There is also precedent for actual Federal control of Federal elections [12] in legislation enacted after the Civil War, when Congress enacted sweeping laws to protect the Federal electoral right. Included in the 1870 act "to enforce the right of citizens of the United States to vote in the several States, etc.," were provisions providing (as summarized by the Supreme Court in *Ex parte Siebold* (100 U. S. 371)):

(i) For Federal judicial authority to have registrations and elections guarded and scrutinized;

(ii) For the appointment by Federal courts of election supervisors;

(iii) For authority of such supervisors to challenge registration of voters or "to cause such names to be registered as they may think proper to be so marked";

(iv) For such supervisors to attend at the elections "to challenge any vote, the legality of which they may doubt; to be present where the ballot boxes are kept, until every vote cast has been counted * * * and to personally inspect and scrutinize at any and at all times, on the day of the election, the manner in which the poll books, registry lists, and tallies are kept * * *";

(v) For Federal marshals, upon application by two citizens, to appoint deputies to aid and assist the election supervisors; and

(vi) For the marshal and his deputies to "keep the peace and protect the supervisors in the discharge of their duties; preserve order at such place of registration and at such polls; prevent fraudulent registration and voting, or fraudulent conduct on the part of any officers of election, and immediately to arrest any person who commits, or attempts to commit, any * * * offense against the laws of the United States."

The National Government Must Execute Its Power or It Is No Government

This legislation was upheld by the Supreme Court in *Ex parte Siebold* (100 U. S. 371), where these sections of the civil rights acts were put in issue by the conviction of certain State election officials for stuffing the ballot box and for hindering the Federal marshals in their duty to keep the peace at elections of Federal candidates. Broad Federal authority under the Constitution to protect the purity of Federal elections against State action was upheld in the Siebold case (the same power was upheld as against private interference later in *Ex parte Yarbrough* (110 U. S. 651)). The Court answered the contention that there was no Federal authority to keep the peace at Federal elections in the following relevant terms:

"We hald it to be an incontrovertible principle, that the Government of the United States may, by means of physical force, exercised through its official agents, execute on every foot of American soil the powers and functions that belong to it. This, necessarily, involves the power to command obedience to its laws, and hence the power to keep the peace to that extent."

As to the contention that, though Congress might entirely assume jurisdiction over Federal elections it could not, short of such sweeping legislation, provide for protection of the purity of Federal elections, the Court said:

"Without the concurrent sovereignty referred to, the National Government would be nothing but an advisory Government. Its executive power would be absolutely nullified.

"Why do we have marshals at all, if they cannot physically lay their hands on persons and things in the performance of their proper duties? What functions can they perform, if they cannot use force? In executing the processes of the courts, must they call on the nearest constable for protection? Must they rely on him to use the requisite compulsion, and to keep the peace whilst they are soliciting and entreating the parties and bystanders to allow the law to take its course? This is the necessary consequence of the positions that are assumed. If we indulge in such impracticable views as these, and keep on refining and rerefining, we shall drive the National Government out of the United States, and relegate it to the District of Columbia, or perhaps to some foreign soil. We shall bring it back to a condition of greater helplessness than that of the old Confederation.

"The argument is based on a strained and impracticable view of the nature and powers of the National Government. It must execute its powers, or it is no government. It must execute them on the land as well as on the sea; on things as well as on persons. And, to do this, it must, necessarily, have power to command obedience, preserve order, and keep the peace; and no person or power in this land has the right to resist or question its authority, so long as it keeps within the bounds of its jurisdiction. Without specifying other instances in which this power to preserve order and keep the peace unquestionably exists, take the very case in hand.

Congress May Assume the Entire Control and Regulation of Federal Elections

"The counsel for petitioners concede that Congress may, if it sees fit, assume the entire control and regulation of the election of Representatives. This would necessarily involve the appointment of the places for holding the polls, the times of voting, and the officers for holding the election; it would require the regulation of the duties to be performed, the custody of the ballots, the mode of ascertaining the result, and every other matter relating to the subject. Is it possible that Congress could not, in that case, provide for keeping the peace at such elections, and for arresting and punishing those guilty of breaking it? If it could not, its power would be but a shadow and a name. But, if Congress can do this, where is the difference in principle in its making provision for securing the preservation of the peace, so as to give to every citizen his free right to vote without molestation or injury, when it assumes only to supervise the regulations made by the State, and not to supersede them entirely? In our judgment, there is no difference; and if the power exists in the one case, it exists in the other."

The Supreme Court has thus clearly recognized the power of Congress to assume entire control and regulation of Federal elections. Far-reaching proposals have been made for Federal registration or for an Electoral Practices Commission to supervise Federal elections. The pending legislation proposes to leave control of Federal elections in the hands of the States, subject only to the willingness of the State officials to protect the right of every qualified citizen to vote.

3. Federal Forces

Finally, since 1795, the President has been given full power to use military force to execute the laws where wholesale resistance is encountered. Congress, in 1795, passed (First United States Statutes at Large, page 424; see 50 U. S. C., sec. 202), "an act to provide

[12] We mean, of course, elections at which presidential electors, Senators, or Representatives are selected or elected.

for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions," providing that "whenever the laws of the United States shall be opposed, or the execution thereof obstructed, in any State, by combinations too powerful to be suppressed by the ordinary course of judicial proceedings, or by the powers vested in the marshals by this act, it shall be lawful for the President of the United States to call forth the militia of such State, or of any other State or States, as may be necessary to suppress such combinations, and to cause the laws to be executed. * * *"

And the Civil Rights Acts, within the specific context of denial to Negroes of their civil rights, reaffirmed this authority by providing for full aid of the militia and military and naval forces to guarantee such rights. Acts of April 9, 1866; May 31, 1870 (see 42 U. S. C., sec. 1933),[13] Act of April 20, 1871 (see 50 U. S .C., sec. 203).[14]

* * * * *

THE PRESENT CAUTIOUS REMEDIAL MEASURE IS FAR TO BE PREFERRED

We do not believe that anyone would wish to employ such stringent legislation as has been reviewed here in order to guarantee voting rights now denied to many citizens. But it is clear that the Constitution provides most abundant authority for remedial Congressional action to protect the rights safeguarded by the 14th and 15th amendments. It cannot be fairly contended that, rather than using the orderly judicial process to guarantee civil and electoral rights, any of these last resort remedies must be relied upon. The present cautious remedial measure is far to be preferred.

CONCLUSION

The Federal Constitution protects every citizen on every bit of soil under the jurisdiction of the Federal Government. Federal elections are the very heart and soul of this democratic union. In one way or another, the Federal Government must enforce the rights of every citizen in every part of the country to cast his vote. If the cautious and reasonable methods of enforcing the right to vote through Federal injunctions are not successful, more drastic measures will have to be tried. The one thing that cannot be accepted is that the Federal Government should surrender its own democratic foundations by tolerating wholesale denials of the right to vote in any part of the land.

OPPONENTS ARE FIGHTING FOR THE RIGHT TO VIOLATE THE LAW

Opponents of civil rights are not fighting for jury trial, but for the right to violate the law. Their entire argument is based on the expectation that civil rights decrees of the Federal court will be violated and disregarded. They are fighting for the right of defiance to the law of the land without fear of punishment or restraint.

There can be no warrant for accepting the facile arguments of the opponents of the pending civil rights legislation. Never in its history has Congress accorded jury trials as of right in civil-contempt proceedings. It was not until 1914 that Congress provided even a limited right to jury trial for criminal contempt proceedings, i. e., in cases where the Government was not the litigating party.

THEY INVOKE THE SPECTER OF JUDICIAL TYRANNY TO DISTRICT ATTENTION FROM THE REALITY OF EXISTING POLITICAL AND ECONOMIC TYRANNY

Never having been heard before to complain of these limits on the right of jury trial in contempt proceedings, the opponents of civil rights legislation now ask for an unprecedented extension of jury trials to all contempts under the pending civil rights legislation. They invoke the specter of judicial tyranny to distract attention from the reality of existing political and economic tyranny at which the civil rights bill is directed. They ask the whole Nation to distrust the southern Federal judiciary which they have recommended, endorsed, and confirmed, and they would repose the most sacred rights of the citizen in the hands of a jury rendered incapable of performing its constitutional function by fear, intimidation, and hostility.

Of course, occasions may arise when, because of persistent judicial abuse or some other cogent reason, Congress would want to provide for jury trial more broadly than it has provided generally in the law today. But the present bill certainly presents no occasion for such a requirement. On the contrary and render the pending legislation powerless, the purpose and effect of the exceptional and unprecedented demands made by the opponents of the pending bill is to disarm to carry out the will of the vast majority of this Congress and of the people of the United States.

In the name of civil liberties, overnight champions of jury trials propose now again to strangle hope of making civil rights a reality for millions of disfranchised Americans. Their arguments find not support but contradiction in the Constitution, in established Congressional policy, and in the need for implementing and securing the civil and electoral rights of our American citizens.

APPENDIX A. STATUTES AUTHORIZING INJUNCTIVE RELIEF TO THE UNITED STATES GOVERNMENT, AND AGENCIES AUTHORIZED TO SEEK THE SAME

1. Antitrust laws, restraining violation (by U. S. attorney under direction of Attorney General (15 U. S. C. 4).

2. Associations engaged in catching and marketing aquatic products restrained from violating order to cease and desist monopolizing trade (by Department of Justice) (15 U. S. C. 522).

3. Association of producers of agricultural products from restraining trade (by Department of Justice) (7 U. S. C. 292).

4. Atomic Energy Act, enjoining violation of act or regulation (by Atomic Energy Commission) (42 U. S. C. 1816).

5. Atomic Energy Act, enjoining violation of act or regulation (by Attorney General) (42 U. S. C. 2280).

6. Bridges over navigable waters, injunction to enforce removal of bridge violating act as to alteration of bridges (by Attorney General) (33 U. S. C. 519).

7. Clayton Act, violation of enjoined (by U. S. attorney, under direction of Attorney General) (15 U. S. C. 25).

8. Electric utility companies, compliance with law enforced by injunctions (by Federal Power Commission) (16 U. S. C. 825m).

9. False advertisements, dissemination enjoined (by Federal Trade Commission) (15 U. S. C. 53).

10. Freight forwarders, enforcement of laws, orders, rules, etc., by injunctions (Interstate Commerce Commission or Attorney General) (49 U. S. C. 1017).

11. Fur Products Labeling Act, to enjoin violation (by Federal Trade Commission) (15 U. S. C. 69g).

12. Enclosure of public lands, enjoining violation (by U. S. attorney) (43 U. S. C. 1062).

13. Investment advisers, violations of statute, rules and regulations governing, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80b–9).

14. Gross misconduct or gross abuse of trust by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–35).

15. Use of misleading name or title by investment company, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–34).

16. Violation of statute governing, or rules, regulations or orders of SEC by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–41).

17. Fair Labor Standards Act, enjoining of violations (by Administrator, Wage and Hour Division, Department of Labor under direction of Attorney General, see 29 U. S. C. 204b) (29 U. S. C. 216 (c), 217).

18. Longshoremen's and Harbor Workers' Compensation Act, enforcement of order by injunction (by United States Attorney, see 29 U. S. C. 921a) (33 U. S. C. 921).

19. Import trade, prevention of restraint by injunction (by United States Attorney under direction of Attorney General) (15 U. S. C. 9).

20. Wool products, enjoining violation of Labeling Act (by Federal Trade Commission) (15 U. S. C. 68e).

21. Securities Act, actions to restrain violations (by Securities and Exchange Commission) (15 U. S. C. 77t).

22. Securities Exchange Act, restraint of violations (by Securities and Exchange Commission) (15 U. S. C. 78u).

23. Stockyards, injunction to enforce order of Secretary of Agriculture (by Attorney General) (7 U. S. C. 216).

24. Submarine cables, to enjoin landing or operation (by United States) (47 U. S. C. 36).

25. Sugar quota, to restrain violations (by United States attorney under direction of Attorney General, see 7 U. S. C. 608 (7)) (7 U. S. C. 608a (6)).

26. Water carriers in interstate and foreign commerce, injunctions for violations of orders of ICC (by ICC or Attorney General) (49 U. S. C. 916).

27. Flammable Fabrics Act, to enjoin violations (by Federal Trade Commission) (15 U. S. C. 1195).

28. National Housing Act, injunction against violation (by Attorney General) (12 U. S. C. 1731b).

---

[13] "It shall be lawful for the President of the United States, or such person as he may empower for that purpose, to employ such part of the land or naval forces of the United States, or of the militia, as may be necessary to aid in the execution of judicial process issued under sections 1981–1983 or 1985–1992 of this title, or as shall be necessary to prevent the violation and enforce the due execution of the provisions of sections 1981–1983 and 1985–1994 of this title."

[14] "Whenever insurrection, domestic violence, unlawful combinations, or conspiracies in any State so obstructs or hinders the execution of the laws thereof, and of the United States, as to deprive any portion or class of the people of such State of any of the rights, privileges, or immunities, or protection, named in the Constitution and secured by the laws for the protection of such rights, privileges, or immunities, and the constituted authorities of such State are unable to protect, or, from any cause, fail in or refuse protection of the people in such by such State of the equal protection of the rights, such facts shall be deemed a denial laws to which they are entitled under the Constitution of the United States; and in all such cases, or whenever any such insurrection, violence, unlawful combination, or conspiracy, opposes or obstructs the laws of the United States, or the due execution thereof, or impedes or obstructs the due course of justice under the same, it shall be lawful for the President, and it shall be his duty, to take such measures, by the employment of the militia or the land and naval forces of the United States, or of either, or by other means, as he may deem necessary, for the suppression of such insurrection, domestic violence, or combinations."

CLARENCE DARROW

Mr. DOUGLAS. Mr. President, Clarence Darrow, the celebrated American attorney, was born just a century ago, April 18, 1857. Mr. Darrow had a dis-

tinguished record both as an attorney and as a citizen.

I did not agree with Mr. Darrow's religious views, and I did not agree with many of the positions which he took in public life. He would have been the last man to have claimed that he was perfect in all respects. Nevertheless, his record, taken as a whole, was one of able and persistent defense of "underdogs" in American society, and he performed great service in defending the rights of minority groups, such as laboring men, who were frequently unjustly accused and unduly severely punished, and in defending the right of free inquiry and the freedom of teaching.

I think Mr. Darrow probably did more than anyone else in the history of our Nation to free American schools, so that they might teach the facts of organic life and of the earth and earth sciences.

It was my privilege to have been for many years a close personal friend of Mr. Darrow. I formed a great affection for him and a sincere respect for him.

In the past few years one phase of Mr. Darrow's career has been brought to the attention of the American public by the extraordinary play Inherit the Wind, which tells, in the main truthfully, the story of the celebrated Scopes trial in Tennessee, where Mr. Darrow acted as attorney for the defense.

I wish to pay tribute to Mr. Darrow today, and to say that his career in defense of the "underdogs," ultimately winning great respect from the American public for his defense of unpopular causes, is also in a deeper sense a tribute to America itself.

WASTEFUL GOVERNMENT EXPENDITURES

Mr. TALMADGE. Mr. President, every day my mail brings me scores of letters from constituents who are in economic distress as the result of the failure or refusal of Congress to act to protect their interests.

I receive letters from farmers who are in danger of losing their farms because flexible price supports deny them their proportionate share of the national income. I hear from small-business men who are threatened with bankruptcy because nothing is done to relieve them of the burden of confiscatory tax rates. I get pleas from disabled veterans and widows and dependent children of deceased veterans who are unable to make ends meet on pre-inflation pensions. I have communication with working men and women who, caught in the squeeze between rising living costs and ever-increasing tax burdens, cannot properly provide for their families or assure the education of their children.

These people cannot understand why Congress will do nothing to help them but will unquestioningly vote thousands of dollars to be squandered on all manner of frivilous undertakings in foreign countries. These people are angry—and rightly so—that the tax dollars they pay at so great sacrifice are wasted doing things for people in foreign nations which would not even be considered to be done for Americans here at home.

A case in point is the news item distributed April 10 by the United Press Associations reporting that the United States spent $100,839 last year to send a jazz band on an 8-week tour of Africa and the Middle East and pay its leader a salary greater than that received by the President of the United States. Another example is the recent report of the International News Service of the request of the State Department for $260,000 to build a tennis court at Basra, Iraq; a dancehall in Rangoon, Burma, and a mountain retreat in Indonesia.

I ask unanimous consent that these articles be printed herewith in the RECORD as a portion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

DIZZY'S BAND PLEASED TURKS—JAZZMAN'S PAY BEAT IKE'S ON TOUR, TAXPAYERS LEARN

WASHINGTON, April 10.—Uncle Sam last year briefly paid Negro band leader Dizzy Gillespie a Government-guaranteed higher weekly salary than President Eisenhower, Congressional testimony disclosed Wednesday.

The testimony revealed that it "cost" $100,839 for Dizzy's band to make an 8-week tour of Africa and the Middle East from March 27 to May 21 last year. It gave 55 performances in 11 cities in Iran, Pakistan, Lebanon, Syria, Turkey, Yugoslavia, and Greece.

The "cost" included $43,741 for transportation, Dizzy's $2,150 a week salary, salaries of his musicians, extra pay of $1,287 for rehearsals and half pay of $1,802 for travel-time.

The tour produced $16,458 in receipts. Therefore, it cost taxpayers $84,381.

The testimony showed that Gillespie again received $2,150 a week pay when the Department subsequently sent his band on a tour of Latin America. The duration of this tour was not disclosed, but the cost to taxpayers was estimated at $40,000.

In defending the program, Department officials said it was promoting "good relations and understanding between our country and other nations."

They said Gillespie went over big in Turkey where he was "extremely generous" with his time in greeting Turkish musicians and even gave a trumpet to one Turk.

But they said they had criticism about Gillespie's conduct in Uruguay. They said he "went off by himself" and refused to meet with one group "although he could have."

The State Department arranged for Dizzy to be paid $2,150 a week to disseminate American culture by playing jazz music to foreign audiences in Africa, the Middle East, and Latin America.

While it lasted, Dizzy was the Government's highest-paid employee. President Eisenhower's $100,000 a year salary, exclusive of expense allowances, amounts to a little less than $2,000 a week.

Most of Dizzy's pay came from money appropriated by Congress for the President's special international fund which finances the cultural programs on which the State Department has been spending $2,500,000 a year.

IT'S A $17 SAVING—STATE DEPARTMENT SEARCHES WORLD AND FINDS A WASTEBASKET FOR LESS THAN $27

The State Department has proudly reported that it has scoured the world, slashed redtape, and found a wastebasket that sells for less than $27.

Testimony before the House Appropriations Subcommittee released yesterday shows that the Department discovered executive wastebaskets could be purchased somewhere for only $10.

The subcommittee cast a cold eye last year on the Department's $27 variety wastebaskets as well as its $8 smoking stands.

Asked about the cutrate wastebaskets, Thomas S. Estes, Deputy Assistant Secretary for Operations, explained:

"These are a type of executive wastebaskets, sir, that we have succeeded in finding on the market, bearing in mind the committee's interest in this item last year."

Chairman JOHN J. ROONEY, Democrat, of New York, also unearthed a few other bargains. Last year's $8 smoking stands are now available at $7.35. But it was still $73.85 for a chair, swivel, executive, and the tables that were $84 last year are $100 today.

Gloom filled the hearing room over the Department's $260,000 recreation request.

"Included in this amount of $260,000," ROONEY lamented, "we find such items as construction of a tennis court at Basra, Iraq, the construction of a recreation hall for movies and indoor games and dancing and tennis in Rangoon, Burma—that one to the extent of $19,500—a rest center for our Moscow people, a swimming pool and two more tennis courts with floodlights and provisions for dancing and cards at $27,000 at Vientiane, Laos."

The chairman also looked askance at a $25,000 clubhouse in Belgrade, a beach house at Accra on the Gold Coast (now Ghana), and a mountain retreat at Indonesia.

State Department officials explained that the money was to be used for isolated hardship posts where normal recreation facilities are not available.

Mr. TALMADGE. Mr. President, of course, I can only speak for myself; but I, for one, cannot tell my constituents that they must do without bread in the interest of economy when thousands of dollars are being thrown to the four winds overseas.

I wonder, Mr. President, how long the American taxpayer will stand for such irresponsibility on the part of his elected representatives and the officials of his National Government.

I am encouraged to believe, Mr. President, that the wrath of the taxpaying citizen will be felt sooner than many Members of Congress realize.

Mr. MALONE. Mr. President, I join the distinguished Senator from Georgia in everything he has just said. We are about to give $48 million to Hungary—and $48 million is all we are asking to keep open the mines of the United States so that they may produce the things without which we cannot fight and without which we cannot live in peace. That is all we are asking for the fiscal year 1958, when, without anyone coming to Congress, all the money which the distinguished Senator has mentioned is going into the building of dancehalls and the support of people who, when the tugs are tight, cannot be for us. They would be destroyed instantly if they tried to take our part.

THE HELLS CANYON DAM

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point, as a part of my remarks, certain telegrams and communications which I have received in respect to Hells Canyon Dam urging that the Congress of the United States proceed forthwith to consider and pass

upon the Morse-Pfost bill in respect to Hells Canyon Dam.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

VERNONIA, OREG., *April 17, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: May we, the undersigned, urge that you put all efforts and facilities at your command to support the high Hells Canyon Dam to a successful passage.

Lee Wooden, Jewell, Oreg.; Lewis Kelley, Banks, Oreg.; Fred M. Knox, Gaston, Oreg.; Edmund G. Roediger, Jr., Vernonia, Oreg.; Gy Griffith, Timber, Oreg.; Noble Dunlap, Vernonia, Oreg.

VERNONIA, OREG., *April 17, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: May we kindly urge your strongest possible support to the extent of the successful passage of the high Hells Canyon Dam now before Congress and reverse the adverse order of the Supreme Court.

GUY I. THOMAS,
Manager, West Oregon Electric Cooperative, Inc.

APRIL 3, 1957.

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WAYNE MORSE: Enclosed herewith is the resolution which the Malheur County Democratic Club No. 2, of Vale, Oreg., has adopted as of the 28th day of March, 1957. We sincerely hope that this resolution will enable you to present our views in the matter.

Very truly yours,

MARY THIEL,
Secretary of the Malheur County Democratic Club No. 2.

Whereas the development of a high single dam in the Hells Canyon area would grant the maximum benefit for flood control as well as store power production water from early flood and also have ample capacity for late flood water; and

Whereas it will provide recreational possibilities not now available to residents of the area; and

Whereas the principle of public power is still very strong in the West: Now, therefore, be it

Resolved, That the Malheur Democratic Club No. 2, of Vale, Oreg., strongly requests our House and Senate to exert every effort in the support and passing of the Hells Canyon Memorial when the same comes before them.

MARY THIEL,
Secretary of the Malheur County Democratic Club No. 2, Vale, Oreg.

MISUSE AND MISAPPROPRIATION OF TEAMSTERS UNION FUNDS

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "Teamsters Meet Raps Funds Use," which was published in a recent issue of the Portland Oregonian.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TEAMSTERS' MEET RAPS FUNDS USE

(By Harold Hughes)

A mass meeting of some 1,500 members of Teamster Local No. 162 Thursday night unanimously censured the union's international leadership and the Western Conference of Teamsters for "misuse and misappropriation of our funds," members reported.

The meeting, which was considered orderly by union leaders, was held at the public auditorium. Officials of the local hired seven off-duty Portland policemen to keep order, but there were no incidents requiring police attention.

DUMMY BEARS SIGN

Midway in the meeting, open only to union members with paid-up dues cards, an effigy of Dave Beck, teamster national president, was discovered lying on the sidewalk by a side door. Reporters, who observed the gathering from outside the building, found the dummy.

The stuffed dummy, with Beck's name on it, bore a sign reading "It's Later Than You Think."

The teamsters voted unanimously not to support with union funds any of the international or Western Conference of Teamsters officials under fire for misuse of union funds, another member said.

Specifically, one member reported, Beck's name was mentioned in censuring floor speeches.

CROSBY'S ABSENCE HOOTED

A report from the floor that Clyde Cardinal Crosby, international representative of the union, could not be at the meeting because of teamster business in Los Angeles, brought laughs and a few boos, a member reported.

The teamsters also exonerated Harry Federspiel, teamster member accused of violating the union's bylaws in recently gathering petitions supporting the work of the Senate labor-Government rackets committee investigation.

Al Moore, president of the local, which represents some 5,000 general truckdrivers and is the largest in the Portland area, after the meeting said he did not want to comment on the action taken except to say "it was a good meeting."

LOCAL OFFICERS PRAISED

Members, however, who left the nearly 3-hour meeting from time to time, confirmed the president's estimate of the gathering and added details.

Generally, the meeting censured the union's international leadership and supported its local leaders, members said.

A teamster driver for 3½ years said a 7-man committee was appointed to recommend changes in the international constitution.

"I think our local officers are doing a fine job. The criticism was directed at the national officers," he said.

Federspiel had been under investigation by the executive board. The action of the membership in unanimously tabling the investigation was another indication of the strong feeling expressed against the interntional leadership exposed by the Senate committee.

MAIN FLOOR FILLED

"They had a chance to get it off their chest," one member said. However, some members were highly critical of the local for not having more than the three floor microphones for members to speak in.

The main floor of the public auditorium was filled. The building had been rented when a regular meeting last week of local No. 162 drew more members than the teamster hall would seat. Members began arriving soon after the doors opened at 6:30 p. m., although the meeting did not start until 8 p. m.

All the proposals acted on by the teamsters came from rank and file members on the floor, a member said.

Mr. MORSE. I wish to take a moment to comment on this very interesting article, written by Harold Hughes.

Yesterday afternoon on the floor of the Senate I had considerable to say about the investigations of labor racketeering and, using as the basis of my remarks an editorial which appeared in the Bend, Oreg., Bulletin, highly commending the local teamsters union of that city and the secretary of that union, Mr. Hugh Cole, for the fine work they do in civic affairs, I pointed out that the American people would make a great mistake if they were to judge the rank and file of the teamsters union of America by the malfeasance and misconduct of some of their national officers.

Therefore I am particularly pleased to place in the RECORD today this news story. Let me read the first paragraph of the article, which sets the tone of the entire article:

A mass meeting of some 1,500 members of the Teamsters Local No. 162 Thursday night unanimously censored the union's international leadership and the Western Conference of Teamsters for "misuse and misappropriation of our funds," members reported.

The article then goes on to describe a mass meeting of the rank-and-file members of local No. 162, who left no room for doubt that they do not approve of the type of action which I not only criticized in my speech yesterday, but which I have criticized ever since it was disclosed to us that union funds had obviously been misappropriated and misused by international teamsters officers.

This article makes it clear, I believe, that we have further evidence that the rank-and-file teamsters can be counted upon to support the type of legislation which I urged on the floor of the Senate yesterday afternoon—legislation which would protect the rank-and-file members with respect to union funds, and protect the rank-and-file members in respect to seeing to it that the affairs of the union are controlled by democratic processes, and not the processes of an oligarchy.

DEATH OF MAPLE T. HARL

Mr. CARROLL. Mr. President, it is with deep regret that I rise today to notify the Senate of the untimely and unexpected death of a distinguished Coloradoan, Maple T. Harl. Mr. Harl became more than a distinguished Coloradoan through his many years of service for the Federal Government. As a Director of the Federal Deposit Insurance Corporation from 1945 to 1953 and, for 8 years Chairman of that important agency, Mr. Harl became well known to the banking fraternity of the entire Nation.

However, while all of us are acquainted with the outstanding service rendered by the FDIC to the banking interests, more important and so considered by Mr. Harl, is the fact that FDIC has become one of the bulwarks of confidence on the part of American citizens that the banking system of our country is sound and that depositors, large and small, may be secure in the belief that their money is safe.

Maple Harl died Wednesday shortly after noon at Walter Reed Army Medical Center which he entered on Monday. He is survived by his wife, 1 daughter, Mrs. Jeanne Stockmar, of Denver, and 3

grandchildren. He was born in Marshall, Mo., in 1893, and graduated from William Jewell College in Liberty, Mo., in 1914. He received an LL. D. from William Jewell in 1952. Mr. Harl also studied at the University of Chicago law school.

He moved to Colorado in 1906, where he quickly established himself in business. He served as State banking commissioner for Colorado from 1939 to 1946.

He left this position to become Chairman of the FDIC, and it was his distinction in 1948 to hand a check for $12,604,306 to Secretary of Treasury John W. Snyder. This check represented the final payment on a $239 million advance made by the Government to the FDIC 14 years previously. On that occasion, Mr. Harl pointed out that the Nation had then completed almost 5 years without loss to any depositor in an insured bank. The three and a quarter billion dollars originally advanced to banks by the Government during the depression had been recovered by the FDIC, Mr. Harl pointed out, adding that the agency had in the meantime built up a billion dollar reserve. In addition, many millions of dollars in interest money had been returned to the United States Treasury on the investment in FDIC. Since that statement in 1948, this reserve has approximately tripled, and a fine record of safety and soundness for the American banking system has been maintained. I might add that this program was inaugurated under the New Deal administration of Franklin Delano Roosevelt which has, at times, been referred to disparagingly by some segments of the business life of our country.

As Maple Harl so fittingly said:

> The American system of free-enterprise banking, with Federal and State authority sharing credit and responsibility, is the right answer to the question of financial stability; it represents not only a symbol but a bulwark of our way of life.

The proudest achievement of Maple Harl was his contribution toward the growth and development of this outstanding agency.

The activities of Mr. Harl were many. During World War I he fought in the Argonne and at St. Mihiel. He was bedridden for 4 years with a back injury. For many years an arthritis sufferer, he was chairman of the District chapter of Arthritis and Rheumatism Foundation's 1950–51 campaign. He also served as past national commander of Disabled American Veterans and was a former president of the Denver Kiwanis Club. Mr. Harl was a member of the Masonic order, having achieved the post of 32d degree Mason, and was a Shriner. He belonged to the National Press Club, Metropolitan Club, Democratic Club of Denver, American Legion, Veterans of Foreign Wars, Forty and Eight, and several business fraternities.

In behalf of his many friends in Congress and throughout the Nation, I express our sorrow and extend our sincere sympathy to his wife and daughter with the hope that our sentiments may comfort them in their hour of bereavement.

Mr. HILL. Mr. President, I should like to join the Senator from Colorado in paying tribute to Maple T. Harl. I knew him well. He was a good, steadfast friend, a fine gentleman, and an able and devoted public servant. He rendered great and outstanding service to our country.

Mr. CARROLL. I thank the distinguished Senator from Alabama.

Mr. ALLOTT. I wish to compliment my colleague on the statement he has made in behalf of Maple T. Harl. I have known Maple Harl for more than 30 years. I have been, I hope, one of his stanch friends, and always one of his admirers. We happened to be fraternity brothers in school, which was the association that first brought us together.

Maple was a Democrat. He was always proud of his party association. However, his party association never interfered with his friendship with people who were not of the same political faith, and on many occasions in the 30 years I have known him he expressed again and again his own interest in the senior Senator from Colorado and in the things he was doing in that State.

Mr. President, in the death of Maple T. Harl, the Nation has lost a valued public servant, a man who cannot easily be replaced. Indeed his mark is such an indelible one that, although his work will of necessity have to be carried on, Maple T. Harl's place can never be filled.

Mr. Harl was one of Colorado's most distinguished citizens. He has given freely of his life and his means to the community, the State and the Nation during his 51 years of residence in our State.

Mape Harl, as he has been known for years, is given credit for the work on the passage of the Federal Deposit Insurance Corporation Act of 1950 which extended the insurance coverage to bank deposits from $5,000 to $10,000 and removed the FDIC from under the jurisdiction of the Federal Reserve Act. At the time of his death, he was a Director of the FDIC, having served as its Chairman from 1946 to 1953.

His accomplishments are many from the time he worked his way through William Jewell College by selling produce in the summer, and included a great interest in the ills that befall humanity. Mape carried with him through life the marks of a true gentleman and his conduct always reflected the humble surroundings of his early years. He was not discouraged by the physical handicaps, incurred in the service of his country in World War I, nor the toughness of the competition he met in the pathways of life; rather he met adversity with a head-on determination to succeed in all the things he undertook, and at the same time instill in his family and all of those who knew him the virtues of his early lessons.

Mr. President, I ask unanimous consent that I may have printed in the RECORD at this point, as a part of my remarks, a short statement and biography of Mr. Harl dealing with the pertinent facts of his life.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Born in Marshall, Mo., Mr. Harl put himself through William Jewell College in Liberty, Mo., by selling produce during summer vacations. The college awarded him an honorary doctor of laws degree in 1933. He also studied law at the University of Chicago.

During World War I he fought in the Argonne and at Saint Mihiel. After having been bedridden 4 years with a back injury, he practiced law, specializing in wills and trusts.

Mr. Harl, who lived 51 years in Colorado, started the Harl Mortgage Co. in Denver and specialized in real estate credits. He was Colorado State Banking Commissioner from 1939 to 1946.

An arthritis sufferer, he was chairman of the District chapter of Arthritis and Rheumatism Foundation's 1950–51 campaign. He was a past national commander of the Disabled American Veterans and former president of the Denver Kiwanis Club.

Other affiliations included the National Press Club, Metropolitan Club, Democratic Club of Denver, American Legion, Veterans of Foreign Wars, Forty and Eight, and several business fraternities.

He was also a 32d degree Mason and a Shriner.

Surviving are his wife, Maybell Mayfield Harl of the home address, 4000 Cathedral Ave. NW., and a daughter, Mrs. Ted Stockmar, Jr., of Denver.

Mr. ALLOTT. Mr. President, in conclusion, I should like to say that I personally will always remember Mr. Harl's kindliness and his friendship, which I believe was and should be an inspiration to everyone who undertakes service for the public good.

Mr. MALONE. Mr. President, I should like to join with the distinguished Senators in paying tribute to Maple T. Harl. He was a very personal friend of mine for 37 years. I knew him in American Legion activities, and I knew him in the business in which he was engaged when he suffered his fatal heart attack. I have never known a finer man, or one who was more genial in the company of his friends or more firm in his convictions. He was a good American all the way through.

ADDITIONAL APPROPRIATIONS, 1957

The PRESIDING OFFICER. The Chair lays before the Senate the pending business.

The Senate resumed the consideration of the joint resolution (H. J. Res. 312), making additional appropriations for the fiscal year 1957.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL].

The Senator from Nevada [Mr. MALONE] is recognized

Mr. MALONE. Mr. President, when we adjourned yesterday I was discussing recommendation No. 7 submitted in Document No. 83, 84th Congress, 1st session. Recommendation No. 7 appears at page 5905 of the CONGRESSIONAL RECORD of April 17. I shall continue with the recommendations, which appear on page 3 of the document.

8. We maintain that increased production of the new metal, titanium, is more urgent than ever before in the production of sonic-speed long-range bombers, fighters and interceptors, guided missiles, rockets, and submarines.

9. We recommend that special attention be paid to civil aviation titanium requirements for stepped-up speed and maneuverability, including commercially pure titanium and alloys.

10. We recommend that the Minerals, Materials, and Fuels Subcommittee continue its work in the critical materials field, including possible substitute, replacements, laboratory developments, fuel reserves, the stockpile program, and the status of the investment climate in the nations of the Western Hemisphere.

Mr. President, I ask unanimous consent that the introduction to this document, which is entitled "Critical Materials—Factors Affecting Self-Sufficiency Within Nations of the Western Hemisphere," be printed at this point in the RECORD. It appears on pages 1 and 2.

There being no objection, the introduction was ordered to be printed in the RECORD, as follows:

CRITICAL MATERIALS—FACTORS AFFECTING SELF-SUFFICIENCY WITHIN NATIONS OF THE WESTERN HEMISPHERE, ECONOMIC STATUS—INVESTMENT CLIMATE

INTRODUCTION

The manipulation of the value of their currencies in terms of the United States dollar, the permit system for imports and exports, foreign exchange and the use of multiple currencies for trade advantage forms the basic roadblock to normal trade and the interchange of investments.

Alarming as it may be to American citizens, the United States appears to be the only nation in the Western Hemisphere where the investors and workingmen are not adequately protected by a duty or tariff on imports to equalize the wages and the cost of doing business here and abroad.

It is believed that these data and the information herein, not heretofore available as a reference work, will be helpful to the nations of the Western Hemisphere in establishing the necessary investment climate—and to potential investors throughout the world.

This report—Senate Document 83, 84th Congress—on the investment climate and economic status of the nations of the Western Hemisphere is in the form of a supplement to Senate Report 1627, 83d Congress, published July 9, 1954. The following 42 nations and entities are included in this document.

American Republics

1. Argentina.
2. Bolivia.
3. Brazil.
4. Chile.
5. Colombia.
6. Costa Rica.
7. Cuba.
8. Dominican Republic.
9. Ecuador.
10. El Salvador.
11. Guatemala.
12. Haiti.
13. Honduras.
14. Mexico.
15. Nicaragua.
16. Panama.
17. Paraguay.
18. Peru.
19. United States of America.
20. Uruguay.
21. Venezuela.

Dominion

22. Canada.

European colonies

British

23. Bahamas.
24. Barbados.
25. Bermuda.
26. British Guiana.
27. British Honduras.
28. Jamaica.
29. Leeward Islands.
30. Trinidad and Tobago.
31. Windward Islands.

Netherlands

32. Surinam.
33. Curacao.
34. Bonaire.
35. Aruba.
36. St. Martin.
37. St. Eustatius.
38. Saba.

Danish

39. Greenland.

France

40. French Guiana.
41. Guadaloupe.
42. Martinique.

Senate Report 1627, published July 9, 1954, on the accessibility of strategic and critical materials to the United States in time of war and for our expanded economy including the 42 nations and entities, was a digest of 10 volumes of testimony including 360 witnesses—and showed that the Western Hemisphere could be made self-sufficient in the production of the critical materials for war or peace, and could be defended.

Senate Document 83 is the result of a personal inspection of each of the 42 nations and entities of the Western Hemisphere together with a digest of the 2-year exhaustive research program and shows that such nations, including our own, have steadily moved away from the sound long-range basic principles and policies necessary to establish a favorable "investment climate."

"Investment climate" is a phrase long used by engineers to indicate conditions within a nation or a State, under which private investments may be freely made in any enterprise where a profit is indicated, without fear of an executive action or other ruling destroying the feasibility of such enterprise, with resulting loss or impairment of such investment.

Something more than legislative action is necessary in this field to establish and maintain an investor's confidence—there is no substitute, as in the case of an individual, for a period of basic honesty and integrity.

Senate Resolution 271 continued the special work of the Minerals, Materials, and Fuels Economic Subcommittee of the Interior and Insular Affairs Committee in determining the "accessibility of critical raw materials to the United States in time of war and for the expanding economy"—and "study of the best means, methods, and devices to foster the greatest measure of self-sufficiency of critical materials that can be produced within the United States and the Western Hemisphere and to expand and develop the strategic materials industry."

Senate Document No. 83 then is set up to show the approach to a favorable "investment climate" practiced in each of the 42 nations and entities, together with their current fiscal and investment status.

Principles and policies must be established by the legislative branch of the individual sovereign nation's government upon which potential investors can depend. These principles should include current market value for money exchanges; equitable duties or tariffs on imports and exports, and reasonable policies governing foreign investments in the field of invested capital, including the free flow of interest and dividends. Continuity of such principles is of the utmost importance to the international relationship necessary to encourage production of critical materials and to further amicable relations.

It is well known and recognized that there is more private capital available for investment than ever before, anywhere in the world where there is an opportunity for a reasonable profit and where there is an established favorable "investment climate." Only a nation itself can establish or destroy such an investment climate.

To send Government funds (taxpayers' money) of any nation, into foreign lands, on any pretext or by any name, means a displacement of private investments and delay of sound development. When American taxpayers are forced to substitute foreign aid for investment dollars in projects which cannot pay out on an investment basis, then the result is a program for distribution of the people's wealth throughout the world—or international socialism.

Mr. MALONE. Mr. President, I ask unanimous consent that the findings, from which the recommendations are drawn, and which appear on pages 5 and 6 and the top of page 7 of the report, be printed at this point in the RECORD.

There being no objection, the findings were ordered to be printed in the RECORD, as follows:

FINDINGS

The findings are in conformance with Senate Resolution 271, of the 83d Congress, to determine accessibility of the critical materials to the United States in time of war and for our expanding economy and security—and the policies and principles necessary to assure such accessibility.

The findings, including conclusions arrived at as a result of personal investigations in each of the 42 nations and entities of the Western Hemisphere and a digest of the 2 years' research material, are:

1. That the overriding interest of the nations of the Western Hemisphere is security from external aggression, and from internal economic measures tending to restrict full opportunity for the development of their resources and the welfare of their peoples.

2. That the long-range trade future of the nations of the Western Hemisphere lies in the Western Hemisphere.

3. That the greatest potential industrial development during the next century is located in the Western Hemisphere between Alaska and Greenland on the north and the southern tip of Chile on the south, containing 350 million people and one-third of the land area of the world.

4. That the United States is the only nation in the 42 nations and entities of the Western Hemisphere that does not have adequate methods, including duties or tariffs, to protect its investors and workingmen.

5. That for more than two decades the United States has moved toward international interdependence across major oceans for critical materials, without which the hemisphere cannot be defended—and which would not be available in time of war.

6. That in all of the 42 nations and entities of the Western Hemisphere the executive branches of the governments regulate the amount of money in circulation, thus providing executive-order control of trade and investments within their boundaries without further action by the legislative body. In 41 of these nations and entities the executive branch may invoke a permit system on all imports, exports, and money exchange and fix the price of their currency in terms of the dollar without reference to its market value.

7. That the United States, early in its history, adopted through the legislative branch a policy of adjusting duties or tariffs for the protection of American workingmen and investors by taking the profit out of the European and Asiatic sweatshop labor at the water's edge, thus regulating the national economy in relation to foreign trade in accordance with article I, section 8, of the Constitution. In accordance with this long-established principle by the Congress—the 1930 Tariff Act provided that:

"If the Commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced in the principal competing

country, the Commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize such differences."

8. That the 1934 Trade Agreements Act nullified the 1930 Tariff Act and transferred the constitutional responsibility of the Congress to regulate foreign trade (art. I, sec. 8) to the President (the executive branch). In 1947 the President, by Executive order, transferred that responsibility to the General Agreements on Tariffs and Trade (GATT) at Geneva, Switzerland, which may divide the markets of its 35 member nations, including the United States, through manipulation of duties or tariffs. Such procedure is a form of international socialism.

9. That control by the executive branch of the United States Government of the Federal interest rate, the margin on the stock exchanges and the credit in installment buying all add to investors' uncertainty and confusion.

10. That shipments of supplies across major oceans, including critical materials and replacements of industrial machinery could be completely destroyed during any future major conflict.

11. That an "investment climate" necessary for the maximum production of the critical materials in the Western Hemisphere and trade between such nations must include money exchanges at their respective market value, freedom from expropriation, discriminatory taxes, and controls; the principle of fair and reasonable competition in levying duties or tariffs on imports, and the free export of interest and dividends on investments, including the free flow of capital between the nations.

12. That the trade among the nations of the Western Hemisphere including the sources of production, can be defended as going-concern enterprises during an all-out world war.

13. That where an "investment climate" has been established there is more private capital ready to be invested in development and production enterprises anywhere in the world today than ever before in history.

14. That beyond the mutual security interest, each of the sovereign nations must conduct its own affairs, establish its own fiscal policies, and in general do the things that in its judgment meet the current development and production needs of their own people.

15. That the United States is the only nation that can currently "spearhead" the defense of the Western Hemisphere.

WESTERN HEMISPHERE

The Western Hemisphere can be made self-sufficient in the production of the so-called strategic and critical minerals and materials.

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the list of Strategic and Critical Materials, which appears on pages 7 and 8 of the report. There are 73 of such critical materials. There being no objection, the list was ordered to be printed in the RECORD, as follows:

STRATEGIC AND CRITICAL MATERIALS

GROUP I

Abrasive crude aluminum oxide.
Aluminum.
Antimony.
Asbestos, amosite.
Asbestos, chrysotile.
Asbestos, crocidolite.
Bauxite, metal grade.
Bauxite, refactory grade.
Beryl.
Bismuth.
Cadmium.
Celestite.
Chromite, chemical grade.
Chromite, metallurgical grade.
Chromite, refactory grade.
Cobalt.
Columbite.
Copper.
Corundum.
Diamonds, industrial.
Fluorspar, acid grade.
Fluorspar, metallurgical grade.
Graphite, amorphous lump.
Graphite, crucible grade.
Graphite, lubricant and packing grade.
Kyanite.
Lead.
Magnesium.
Manganese ore, battery grade.
Manganese ore, chemical grade.
Manganese ore, metallurgical grade.
Mercury.
Mica, muscovite block, good stained and better.
Mica, muscovite block, stained (radio tube quality).
Mica, muscovite film.
Mica, muscovite splittings.
Mica, phlogopite splittings.
Molybdenum.
Nickel.
Petroleum.
Platinum group metals, iridium.
Platinum group metals, platinum.
Quartz crystals.
Rare earths.
Selenium.
Tin.
Titanium.
Tungsten.
Vanadium.
Zinc.
Uranium.
Thorium.

Nonminerals

Bristles, hog.
Castor oil.
Coconut oil.
Cordage fibers, abaca.
Cordage fibers, sisal.
Cotton, extra long staple.
Feathers and down, waterfowl.
Hyoscine.
Iodine.
Jewel bearings, instrument jewel except vee jewels.
Jewel bearings, sapphire and ruby vee jewels.
Jewel bearings, watch and timing-device jewels.
Opium.
Palm oil.
Pyrethrum.
Quinidine.
Quinine.
Rubber, crude natural.
Sapphire and ruby.
Shellac.
Silk.
Talc, steatite, block.
Sperm oil.
Vegetable tannin extract, chestnut.
Vegetable tannin extract, quebracho.
Vegetable tannin extract, wattle.

GROUP II

Minerals

Bauxite, abrasive.
Cryolite, natural.
Graphite, crystalline fines.
Ilmenite.
Mica, muscovite block, stained and lower.
Mica, phlogopite block.
Platinum group metals, osmium.
Platinum group metals, palladium.
Platinum group metals, rhodium.
Platinum group metals, ruthenium.
Rutile.
Zirconium ore, Baddeleyite.
Zirconium ore, zircon.

Nonminerals

Agar.
Cotton.
Diamond dies.
Emetine.
Optical glass.
Talc, steatite, ground.
Wool.

Mr. MALONE. Mr. President, for myself and on behalf of my colleague, the distinguished junior Senator from Nevada [Mr. BIBLE], I offer an amendment to House Joint Resolution 312, the effect of which would be to have the Senate return to the House Joint Resolution 310, which was first sent to the Senate by the House yesterday, which was amended by the Senate, and was then sent back to the House. My amendment would have the effect of returning to the House the exact language which was sent to the House yesterday after the Senate had amended House Joint Resolution 310.

The PRESIDING OFFICER. The Senator from Nevada understands, does he not, that the Hill amendment would have to be disposed of before the amendment offered by the Senator from Nevada would be in order? However, the Senator's amendment could be read for the information of the Senate.

Mr. MALONE. I ask that my amendment be read for the information of the Senate, and that it be printed and lie on the table at this time. But to conserve the time of the Senate, I ask that my amendment be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, the amendment offered by the senior Senator from Nevada for himself and on behalf of the junior Senator from Nevada [Mr. BIBLE] will be printed at this point in the RECORD, for the information of the Senate, and will lie on the table.

The amendment is as follows:

Strike out all language after line 5, page 1 and insert in lieu thereof the following:

"CHAPTER I

"Department of Agriculture

"Agricultural Conservation Program Service

"Emergency conservation measures

"Not to exceed $25 million of the appropriation granted under the head 'Agricultural Conservation Program Service,' in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, shall be available until June 30, 1958, to enable the Secretary to make payments to farmers who carry out or who, after having requested and been granted approval by their county agricultural stabilization and conservation committees, have carried out subsequent to September 30, 1956, emergency measures to control wind erosion on farmlands or to rehabilitate farmlands damaged by wind erosion, floods, hurricanes, or other natural disasters when, as a result of the foregoing, new conservation problems have been created which, (1) if not treated, will impair or endanger the land, (2) materially affect the productive capacity of the land, (3) represent damage which is unusual in character and, except for wind erosion, is not the type which would recur frequently in the same area, and (4) will be so costly to rehabilitate that Federal assistance is or will be required to return the land to productive agricultural use, and for reimbursement to the appropriation to the President for disaster relief,

for allocations to the Secretary of Agriculture for such purposes: *Provided,* That this appropriation may be expended without regard to the adjustments required under section 8 (e) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h), and may be distributed among States and individual farmers without regard to other provisions of law.

"Farmers' Home Administration

"Disaster loan revolving fund

"Not to exceed $25 million of the disaster loan revolving fund established under the act of April 6, 1949, as amended (12 U. S. C. 1148a–1 to 1148a–3), may be used for emergency feed and seed assistance under section 2 (d) of said act in addition to, and under the same conditions as, the amount made available under this head in the Third Supplemental Appropriation Act, 1954 (68 Stat. 81, 88): *Provided,* That, from the funds available, upon request of the governor of any State, assistance to farmers, ranchers and stockmen in major disaster areas under section 2 (d) of the act of April 6, 1949, as amended (12 U. S. C. 1148a–2 (D)), in providing roughage for livestock shall until August 1, 1957, include assistance in procuring cottonseed meal or cottonseed cake or pellets which are available in the area, in amounts recommended by the State extension service as necessary to supplement available grazing or roughage to preserve basic herds of range livestock, upon conditions that such assistance shall be available to farmers, stockmen, and ranchers who desire to feed such protein supplements to their range livestock and that the price of such protein supplements, whether acquired by the State or by the Secretary of Agriculture and resold at less than cost or acquired by the farmer, rancher, or stockman from commercial suppliers, shall not exceed the average price charged by the respective suppliers during the calendar year 1956, or in the case of new suppliers, the average price for 1956 of the county in which the supplier is located. Insofar as funds are available, the Federal contribution hereunder for cottonseed meal or cottonseed cake or pellets shall be comparable in amount to the assistance made available to farmers in major disaster areas in the purchase of feed grains under section 301 of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1427).

"Loan authorizations

"For an additional amount for loans under title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $26 million: Provided, That not to exceed the foregoing amount shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

"CHAPTER II

"Small Business Administration

"Salaries and expenses

"For an additional amount for 'Salaries and expenses,' $1,200,000, to be transferred from the 'Revolving fund, Small Business Administration.'

"Revolving Fund

"For additional capital for the revolving fund, authorized by the Small Business Act of 1953, as amended, to be available without fiscal-year limitation, $45,000,000.

"CHAPTER III

"American Battle Monuments Commission

"Construction of Memorials and Cemeteries

"To the extent that the Commission may find necessary or desirable, the appropriation granted under this head in the General Government Matters Appropriation Act, 1957, shall be available for the purposes of the act of April 2, 1956 (70 Stat. 84).

"CHAPTER IV

"Department of Health, Education, and Welfare

"Public Health Service

"Foreign quarantine service

"For an additional amount for 'Foreign quarantine service,' $67,500.

"Social Security Administration

"Grants to States for public assistance

"For an additional amount for 'Grants to States for public assistance,' $275 million.

"CHAPTER V

"Department of the Interior

"Office of the Secretary

"Acquisition of strategic minerals

"For an additional amount for 'Acquisition of strategic minerals,' $30 million, to remain available until December 31, 1958.

"CHAPTER VI

"Public works

"Department of Defense—Civil functions

"Department of the Army

"Rivers and Harbors and Flood Control

"Construction, general

"That portion of title III of the act of July 2, 1956 (Public Law 641, 84th Cong., 70 Stat. 474, 480), that pertair to the purchase of lands and improvements in the Buford-Trenton Irrigation District in lieu of protecting said Buford-Trenton Irrigation District in connection with development, construction, and operation of the Garrison Dam and Reservoir project on the Missouri River, is amended to read as follows:

" 'That in lieu of protecting the East Bottom of Buford-Trenton Irrigation District, the sum of $1,621,791 of the funds herein or hereafter appropriated for the Garrison Dam and Reservoir project on the Missouri River shall be available for the purchase of lands and improvements in and contiguous to the Buford-Trenton Irrigation District, exclusive of tracts Nos. H. H. 3170 and H. H. 3168, and not to exceed $2 million shall be available to the Corps of Engineers for protection of the intake structure of the pumping plant in Zero Bottom and for the construction of bank protection to prevent erosion in the Missouri River adjacent to the Buford-Trenton irrigation project. The substitution of land acquisition for protection shall be made and the Secretary of the Army shall acquire such land and improvements if all of the landowners, except Lester G. Larson, the heirs of Louis Morin, Jr., and the heirs of A. Desjarlais, on or before June 30, 1957, have offered to sell their property on the terms agreeable to said landowners, and within the amount provided for such land acquisition: *Provided,* That the Chief of Engineers, United States Army, is authorized to acquire by condemnation proceedings, in the appropriate United States district court, tract 208C of the Buford-Trenton project, Williams County, N. Dak., according to the recorded plat thereof which tract is owned by Lester G. Larson, the public domain allotment of A. Desjarlais, now deceased, described as Government lots 5 and 8 in section 19 and Government lot 1 in section 30, township 153 north of range 102 west of the fifth principal meridian, North Dakota, and the public domain allotment of Louis Morin, Jr., now deceased, described as the west half southwest quarter, section 16, and the north half southeast quarter, section 17, township 153 north, range 102 west, fifth principal meridian, North Dakota, in connection with the construction and operation of the Garrison Dam and Reservoir: *Provided further,* That in the event land acquisition is undertaken in lieu of protection of the East Bottom, that in recognition of the increased per acre annual operation and maintenance cost of the remaining lands in the Buford-Trenton Irrigation District, the construction charge obligation assignable to the remaining lands of said district pursuant to the act of October 14, 1940 (54 Stat. 119), as amended, and the proposed contract between the United States and Buford-Trenton Irrigation District, approved as to form February 23, 1955, shall be nonreimbursable, and the Secretary of the Interior is authorized and directed to enter into a contract with the Buford-Trenton Irrigation District to transfer operation and maintenance responsibility for project works constructed by the Bureau of Reclamation for the benefit of the Buford-Trenton Irrigation District to such district.'

"CHAPTER VII

"Legislative branch

"Senate

"Salaries, officers and employees

"Office of the Vice President: For an additional amount for clerical assistance to the Vice President, $5,000.

"Administrative and clerical assistants to Senators: For an additional amount for administrative and clerical assistants for Senators, to provide additional clerical assistants for each Senator from the States of Louisiana and Ohio so that the allowance for each Senator from the State of Louisiana will be equal to that allowed Senators from States having a population over 3 million, the population of said State having exceeded 3 million inhabitants, and so that the allowance for each Senator from the State of Ohio will be equal to that allowed Senators from States having a population over 9 million, the population of said State having exceeding 9 million inhabitants, $8,000.

"Contingent expenses of the Senate

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, fiscal year 1956, $25,000.

"Inquiries and investigations: For an additional amount for expenses of inquiries and investigations, $820,000.

"Automobile for the President pro tempore: For an additional amount for purchase, exchange, driving, maintenance, and operation of an automobile for the President pro tempore of the Senate, $2,000.

"Automobiles for the majority and minority leaders: For an additional amount for purchase, exchange, driving, maintenance, and operation of 2 automobiles, 1 for the majority leader of the Senate and 1 for the minority leader of the Senate, $4,000.

"Joint Committee on Navaho-Hopi Indian Administration: For salaries and expenses of the Joint Committee on Navaho-Hopi Indian Administration, $5,000, to remain available during the existence of the committee.

"House of Representatives

"For payment to Cleo C. Fernandez, widow of Antonio M. Fernandez, late a Representative from the State of New Mexico, $22,500.

"For payment to Elizabeth F. Hand, widow of T. Millet Hand, late a Representative from the State of New Jersey, $22,500.

"For payment to Wilbert R. Hinshaw, widow of Carl Hinshaw, late a Representative from the State of California, $22,500.

"For payment to Mildred N. Priest, widow of J. Percy Priest, late a Representative from the State of Tennessee, $22,500."

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MALONE. I shall be happy to yield to my friend, the distinguished Senator from Illinois.

Mr. DIRKSEN. If I may be permitted to do so, first I wish to commend the Senator from Nevada for the steadfast and diligent way in which he has pursued the matter that has engaged his interest, namely, the minerals controversy. Considering his long experience

as a mining engineer, and his familiarity with the section of the country where minerals abound, his diligent pursuit of the national interest in this field is most commendable.

I share his dejection of spirit over what took place when the money item for strategic materials under Public Law 733 was deleted from the resolution by the House, notwithstanding the action taken by the Senate. I doubt, however, that at this late hour, with the Easter recess impending, we will get anywhere unless we follow certain lines of regular procedure.

I wish to make a suggestion to the Senator from Nevada. There will be two opportunities, certainly, for the Senate to register its stand on the minerals controversy. One will come on the third supplemental appropriation bill, which is at present pending either in committee or in the House, and, so far as I know, will probably come to the Senate committee for action not too long after the Easter recess.

The second opportunity will come, of course, on the Department of the Interior appropriation bill. I think hearings have been completed on the Interior appropriation bill, and it will be the first regular appropriation bill to be considered by the Senate.

On either one of those bills a proposal to modify the action which has been taken, so as to restore the funds for minerals acquisition, will be in order. There is, however, one small problem in connection with the matter, namely, that if the funds were to be made available for retroactive payment until such a measure were signed, such a proposal would be legislative in character, and would have to be offered separately on the floor. If a point of order were made against the proposal it would have to be stricken. But there would still be the alternative of moving to suspend the rules and then to insert such a provision, so as to make the money available for retroactive purposes.

I give the Senator from Nevada the assurance, on this point, that such a course can be followed no matter what action is taken on the Urgent Deficiency bill. Whether it lies dormant or whether the House agrees to another conference will make no difference, because we are not inhibited in our opportunity to take such action with respect to other appropriation bills which will come along.

I give the Senator from Nevada my assurance now, because I am interested in the matter. I heard all the testimony. I subscribe to the attitude which has been expressed by the Senator from Nevada. I would, in order to accomplish the result desired, upon my own responsibility, offer an amendment to the supplemental appropriation bill when it finally comes to the full Senate Committee on Appropriations for action. I cannot speak for any other member of the Senate committee; I can speak only for myself. I would make the endeavor in good faith, and would do so in the hope that the amendment could be adopted and inserted in the supplemental appropriation bill. If that effort should fail, I still give the Senator from Nevada my word that I will take the same course in connection with the regular Department of the Interior appropriation bill.

I am willing also to undertake the drafting of the necessary provision notwithstanding the fact that it may be legislative in character, and to make certain that it is incorporated in the bill, so as to take care of the minerals which are produced from this time, until some measure is signed by the President under which funds will become available.

I point out to my friend from Nevada, however, that assuming favorable disposition of the matter by the Senate Committee on Appropriations and the Senate, there will still remain the question of what may be done in conference. I have no way of knowing or determining what the ultimate action of the committee of conference will be.

I wanted to address my statement not only to my friend from Nevada, but also to the distinguished Senator from Arizona [Mr. HAYDEN], the chairman of the Committee on Appropriations, because I discussed the matter with him this morning.

Having helped to carry the flag on this matter, all I can do is to give the Senator from Nevada my personal assurance as a Member of the Senate and as a member of the Committee on Appropriations that I will undertake to do what I have stated, because I think it is entirely in line with the course I have pursued thus far.

Mr. MALONE. Mr. President, I appreciate the remarks of the distinguished junior Senator from Illinois. I know that his attitude has always been right in regard to the production of all critical materials, not solely minerals, without which we cannot fight a war or live in peace, and without which we can be blackmailed into agreements with foreign nations, as we have already been blackmailed. I appreciate and agree with everything he has said in this regard.

ACTION BY THE UNITED STATES SENATE—SECURITY

I may say, further, that I have deeply appreciated the attitude of all Members of the Senate toward the security of the Nation. This is the 11th year in which I have been a Member of the Senate, and twice the Senate has passed mineral bills which I have introduced, as the distinguished Senator from Arizona, the chairman of the Committee on Appropriations, will remember, bills which would continue the production of critical materials until the time when we could reach a commonsense solution in a long-range workable program. Both of those bills failed of passage in the House. That measure was called the Malone-Aspinall Act, but many other Senators and many other Members of the House of Representatives are interested.

In 1953, the Senate and the Congress passed the bill. An extension was passed in 1955. But the President vetoed the bill. I think he vetoed it because of a lack of understanding of what we were trying to do for the security of this Nation. Nevertheless, he did veto it. The bill was passed again in 1956, and the President signed it. The Senate has likewise expressed its approval of the principle—having done so on two different occasions during this session.

So not only do I appreciate the attitude and the promise of support for the security of the Nation, on the part of the distinguished Senator from Illinois; but at this time I wish to inform the Senate that I have watched its actions closely during the past decade, and never to my knowledge has the Senate turned down a requested appropriation or bill which would secure the Nation in the case of the production of critical minerals and materials without which we cannot exist in war or in peace.

Mr. HAYDEN. Mr. President——

Mr. MALONE. I yield to the Senator from Arizona.

Mr. HAYDEN. I recall the basic principle of the act of Congress the Senator from Nevada sponsored—that is to say, that there should be a strategic-minerals industry in the United States, in order that in time of war our country would not be entirely dependent upon foreign sources.

Congress enacted that law; and, in good faith, miners in my own State and in his State and elsewhere throughout the Nation have expended their money, believing that when Congress, by means of the enactment of that law, and then following it up by making an appropriation, last year, made the promise to them it would keep it, and that they could depend upon the promise made in the act, and could proceed accordingly.

But now we have reached a point where Congress has not kept its word.

So long as I have anything to do with the Senate Committee on Appropriations, it will be my endeavor to have Congress carry out its obligations. The only way to do so in this instance is to have Congress appropriate the necessary funds.

I shall be glad to bend every effort to the end that we may do our best to bring about that result when the first deficiency appropriation bill comes to the Senate from the House of Representatives. If we cannot succeed in that instance, we shall do our best in the case of following appropriation bills.

Mr. CHAVEZ. Mr. President, will the Senator from Nevada yield to me?

Mr. MALONE. I yield.

Mr. CHAVEZ. I wish to support what has been said by the Senator from Arizona [Mr. HAYDEN], the Chairman of the Appropriations Committee, and by the Senator from Illinois [Mr. DIRKSEN].

I happen to be a Member of the Appropriations Committee. I agree completely with all the remarks the Senator from Nevada has made in regard to minerals and the necessity of taking care of our own mines and our own people.

However, in the present case we are faced with a practical situation. I believe that the Senator from Nevada and other Senators who are interested in the stockpiling of minerals would gain ground if they would agree to have the Senate pass the pending measure. I assure the Senator from Nevada that, as a Member of the Appropriations Committee—and I am third in seniority on the committee—I shall vote at the first

opportunity I have, whether it be on a deficiency appropriation bill or on the regular appropriation bill for the Department of the Interior, for everything the Senator has requested.

Mr. MALONE. I thank the Senator from New Mexico.

Mr. BIBLE. Mr. President, will my colleague yield to me?

Mr. MALONE. Mr. President, I am happy to yield to my colleague.

Mr. BIBLE. I thank my colleague very much.

Mr. President, I wish to associate myself with my colleague's remarks. I should like to have the RECORD show that I join him in the sponsorship of the amendment which is now before the Senate. I think it is a shame that the amendment is not to be agreed to—if that should be the eventual outcome—and is not to be sent to the House of Representatives. I take that position because of the commitment and the expression the Congress has made to the persons involved.

As I said yesterday, I am as well aware of this problem as I am of the social-security problems and the problems of small business. I wish to call the attention of this body to the fact that, night after night, many unemployed miners go to their homes without funds, and have been doing so for some time. I also wish to point out that certainly this measure relates to a form of social security, too. It will be rather difficult to explain to our constituents that the Congress could take a recess, but could not take care of their immediate problem. As my senior colleague well knows, in our own State many thousands of men are out of employment at this very moment.

Mr. President, I should like to ask the indulgence of my colleague, so as to be permitted to ask a question of the very distinguished chairman of the Appropriations Committee.

Mr. MALONE. I am happy to yield for that purpose.

Mr. BIBLE. If I correctly understand the present situation, if House Joint Resolution 312 is enacted into law, there still will remain in the first urgent deficiency appropriation bill of 1957 a number of items; is that correct?

Mr. HAYDEN. That is correct.

Mr. BIBLE. Those items and that particular bill are still in conference; are they not?

Mr. HAYDEN. That is correct.

Mr. BIBLE. Can the chairman of the committee indicate to us when there will be a meeting of the conference committee?

Mr. HAYDEN. There will be a meeting of the conference committee at the first opportunity that I can persuade the members of the House Appropriations Committee who are conferees to talk over the differences between the two Houses. I have not been able to do so recently, and I understand that they are now preparing to leave for home. But I hope to be able to do so soon.

Mr. BIBLE. Is it possible that during the Easter recess, during the week of April 29, the conferees may get together and thresh out this problem?

Mr. HAYDEN. If an invitation from me will accomplish that result we certainly shall get together.

Mr. BIBLE. I thank the Senator for his answer.

Mr. President, I should like to ask an additional question, if I may have the permission of my senior colleague.

Mr. MALONE. I am happy to yield.

Mr. BIBLE. What is the position of the chairman of the Appropriations Committee, insofar as the regular 1958 appropriation bill for the Department of the Interior is concerned? As the Senator from Arizona is well aware, the bill contains an item of approximately $40 million to carry forward this minerals program, which was written into the law of the land by Congress, and was enacted in good faith.

Mr. HAYDEN. That item is based on a budget estimate, recommended by the Bureau of the Budget to the President; and it is now pending before the committee. Certainly it is entitled to receive consideration. The difficulty about it—as has been pointed out by the Senator from Illinois—is that the appropriations in that bill will not become effective until July 1.

Mr. BIBLE. I realize that.

Mr. HAYDEN. So, in order to take care of the intervening period, there will have to be a suspension of the rule if a retroactive measure is to be passed.

That is why I hope it will be possible for the conferees on the part of the Senate to get together with the conferees on the part of the House immediately after the recess, in order to take some action which will dispose of this matter, and not make it necessary to take it up in connection with the regular appropriation bill. Otherwise, we shall have to take it up in connection with the regular appropriation bill.

Mr. BIBLE. So I understand there are three opportunities to take care of the matter.

Mr. HAYDEN. I think we shall have the necessary opportunity in the case of the deficiency bill which is coming to us from the House of Representatives.

Mr. BIBLE. I certainly wish to impress upon the senior Senator from Arizona, the very able chairman of the Appropriations Committee, the great urgency and need in connection with this problem.

Mr. HAYDEN. I am well aware of the situation.

Mr. BIBLE. The people concerned are in need week after week; and they cannot eat promises.

Mr. HAYDEN. Of course, I fully realize the situation.

Mr. MALONE. Mr. President, I wish to say that the distinguished senior Senator from Arizona [Mr. HAYDEN], the chairman of the Appropriations Committee has been very helpful and very conscientious in this work from the beginning.

As I stated yesterday, for many years I have greatly admired his ability to accomplish things in the Senate of the United States.

Finally, Mr. President, let me say to the Senator from Arizona that I thoroughly understand that certain deficiency appropriation bills will be coming before his committee, in addition to the regular 1958 appropriation bill for the Department of the Interior. As I understand his statements, he will continue to work in the conference on the deficiency legislation which has already passed and is in the conference of both Houses.

Mr. HAYDEN. That is correct.

Mr. MALONE. And in connection with that deficiency appropriation bill, he will try to have the conferees agree upon a sufficient appropriation to carry on this matter until June 30 of this year.

Mr. HAYDEN. That is correct.

Mr. MALONE. If that is impossible, we shall try to include such an appropriation in the first deficiency bill that comes before the committee following the recess, or in the appropriation for the Department of the Interior, whichever may seem the most appropriate, and if possible make it retroactive, which, as explained by the Senator from Illinois, would take a two-thirds vote, because such a provision would be legislative in nature. If we did not succeed in making it retroactive, we would at least get an appropriation to continue operations to the end of this fiscal year, June 30.

Mr. HAYDEN. That is my hope and expectation. That is what I will try to do.

Mr. MALONE. Then, so far as the 1958 appropriation is concerned, it would come under the regular appropriation legislation already in your committee for 1958, since it is the law of the land.

Mr. HAYDEN. It is already in the law, and the committee must consider it.

Mr. MANSFIELD. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I yield to the distinguished Senator from Montana.

Mr. MANSFIELD. There is not much I can add to what has already been stated by the Senator from Illinois [Mr. DIRKSEN], the chairman of the Committee on Appropriations, the senior Senator from Arizona [Mr. HAYDEN], the junior Senator from Nevada [Mr. BIBLE], and the senior Senator from Nevada [Mr. MALONE].

First, I wish to commend the senior Senator from Nevada for the great fight he has made in behalf of the small-mine producers not only of his own State, but throughout the entire West. What he has done is take up the cudgels for what truly should be considered a national-defense matter. I can say, as acting majority leader on this side of the aisle, I will do what I can to back up the assertions, the promises, and the pledges made on the floor this afternoon relative to tungsten and other materials which are so vital to the welfare and the security of our country.

I want the RECORD to show that, insofar as we are concerned, we will do the best we possibly can to see that funds will be forthcoming in the next deficiency appropriation bill, and that funds will be forthcoming in the Interior appropriation bill, which is now under consideration, and which will carry out the program until next year.

Mr. MALONE. I wish to thank the distinguished Senator from Montana for that statement. I knew already that his heart was in the work. I know he realizes, as I do, and as do all the Senators who have been discussing the matter, that this is a national security matter. It was on that basis that we pressed for the legislation in the first instance.

It was on that basis that we passed the bill in 1953, and on that basis it was renewed last year with the approval of the President.

Over the years that I have been a Member of the Senate, the Senate has fully shown that it never fails to take proper action on such a matter. In my opinion, the House has been derelict. I give the House credit for being conscientious in what it is doing, but sometimes it is pretty hard to rationalize an action such as it has taken in the last 2 or 3 days. Nevertheless, what we are deciding is being decided for the Senate, and not for the House.

I want to express again my appreciation to the Senate. Over the decade that I have been a Member of the Senate it has shown that it is conscious of the necessity for this security measure and the necessity of not being fully dependent on foreign nations across major oceans for products without which we cannot fight a war or live in peace, and therefore being subject to blackmail by such countries upon which we are currently dependent for further agreements.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MALONE. I yield to the Senator from Illinois.

Mr. DIRKSEN. As the distinguished acting majority leader pointed out so well, we are, after all, confronted with a condition rather than a theory, and we have to resort to the most practical means to meet it.

I respectfully suggest, therefore, to my good friend from Nevada, that he withdraw the amendment he has submitted, since it already appears in the RECORD, so we can consummate action on the pending joint resolution.

Mr. MANSFIELD. If the Senator from Nevada will yield before answering the question, I should like to point out that the acting majority leader has been consistent in his efforts on behalf of the small-mine owners and producers in the West, and particularly with respect to the particular subject under discussion.

Mr. MALONE. I have no doubt the sentiment of the Senate has been for full security for this Nation and for full cooperation in the production of critical minerals and materials. The Senate has always made the proper decisions when confronted by conditions requiring action.

I want to say to the Senator that, of course, while I believe the economic structure of these little communities all over the United States makes up the economic structure of the United States, are vitally important to the economic structure of this Nation, that the delay beyond the Easter recess may be the most feasible method to bring about the proper congressional action. This not only includes minerals and mines, but textiles, machine tools, and 5,000 other products.

We are paying $40 billion annually for materials and labor for national defense. We have moved away from our dependence on our legitimate markets. We have given our markets away to the 34 foreign nations sitting in Geneva, and have moved to a war economy.

I am sure that the country is beginning to realize that condition.

The people of the country are beginning to realize more and more the real basic reason for the plight in which they as taxpayers find themselves.

That while they are objecting to the budget, that is all they can immediately see. They just write their Senator or Congressman and say, "Cut down the budget."

But, Mr. President, what makes up the budget? The budget is made up of millions and millions of dollars which are spent to buy materials for use in a critical period, from as far away as Korea and South Africa and other nations in the world, which would be unnecessary if the proper constitutional responsibility of the regulation of our foreign trade and national economy were borne by the Congress and not shifted to 34 European and Asiatic competitive nations sitting 3,000 miles away in Geneva, Switzerland. They are, as a result, bought at a much higher price than they would cost if produced in this country, and in addition at a sacrifice of life, as in Korea.

That is true with respect to 5,000 or more products that we manufacture and produce in this country. So the public has not yet fully realized what the basic situation is—that the 1934 Trade Agreements Act is the principal factor causing such a high budget.

The President of the United States cannot be altogether blamed for the high budget, because it was started 24 years ago. It has pyramided and pyramided, so it is asking a good deal for him to suddenly say, "We are just not going to appropriate money for all of this funny business," while the Congress continues the legislation upon which it is based.

So long as the 1934 Trade Agreements Act stays in existence, we are confronted with the situation brought about by it, and by the pressing forward of the State Department for the Office of Trade Cooperation legislation, which is nothing more nor less than our approval of 34 competitive nations, in Geneva, controlling our foreign trade and national economy—as long as the President is confronted with all those things, we just cannot place all of the blame upon the President of the United States for the high budget.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the distinguished Senator from California.

Mr. KNOWLAND. First of all, I wish to say I concur in what the distinguished chairman of the Appropriations Committee has said, and in what was mentioned earlier by the distinguished Senator from Illinois [Mr. DIRKSEN], who is a member of that committee, that there are certain alternative ways in which the Senate will have an opportunity to express itself after the Easter recess.

First, there is the first urgent deficiency appropriation bill, which is in conference. We hope that a conference may be held when the two Houses of Congress reassemble, following the 29th of April.

Certainly we all recognize that under our constitutional form of government, while all legislative power is vested in the Congress, there is a two-House Congress, and unless the legislative machinery is to break down completely, there has to be an adjustment between the points of view of the two Houses of Congress.

Over a long period of time, I think the Senator from Nevada has, as have many of the other Senators who have spoken today, been interested in seeing that, from the standpoint of the defense potentialities of our country, we have a domestic supply of minerals and other basic strategic materials which are essential both for the development of our great peacetime economy and for our national defense.

I think no prudent person dares lose sight of the fact that, based on the information which has been made public, the Soviet Union has a submarine fleet far larger than Nazi Germany had at the height of its power during World War II. While they may not be able completely to intercept—we would hope the antisubmarine measures would prevent their doing so—all sea travel, certainly it would be highly imprudent for us not to recognize that our sea communications would be seriously interfered with in case of war.

We also must be mindful of the fact that in the event of hostilities all these strategic materials, which are found primarily in countries behind the Iron Curtain or in countries which are in close proximity to the Iron Curtain, would not be available to us in wartime. We must face up to the fact, as mentioned by the Senator from Nevada, that the cold statistics might indicate certain of these materials today are in surplus supply compared to our apparent needs, but, with a changing technology, the advance of jet propulsion, the effect of intense heat on metals, and the need for solving many other problems, though the materials might seem to be in long supply today, they might be in short supply tomorrow.

Certainly, considering the debate which has taken place in this body and in the other body, I hope the administration will soon submit to Congress a permanent minerals policy dealing with our strategic stockpile and the importance of maintaining a domestic minerals industry.

It was pointed out yesterday that we have to take a long-term look at these problems. We know that in the event we should have no domestic industry at all, with no domestic processing plants, we could easily find that what we can buy for $25 a ton today we might have to pay $100 a ton for, through the nose, tomorrow, if there were no alternative

source of supply and we had to pay the price asked by the foreign producer. So it would be very poor economy to undertake to solve the problem by buying in the world market today, allowing the domestic industry to be destroyed, and then being called upon to pay all the traffic will bear tomorrow, when we have no way of achieving a fair and equitable balance.

I am not prepared to say at this time that the formulas used in the past are necessarily the utopian formulas. I am not prepared to say today that we should not apply a different standard for one metal that may be in long supply from the standard applied to a metal in short supply. The Senator from Nevada, with his engineering background and mining experience, is far more expert than am I, and perhaps many other Senators are, also. But I think all these factors should be taken into account by both the executive branch of the Government and by the two Houses of Congress in the developing of a long-term program, because we cannot rest entirely on purely a makeshift program.

I say to the Senator from Nevada that so far as I am individually concerned, I shall endeavor to help secure equitable action, either on the urgency deficiency bill—when the conference meets, if it does—on the supplemental bill, or on the appropriation bill for the Department of the Interior. I hope, however that by the time the appropriation bill for the Department of the Interior is considered perhaps the committee of which the Senator from Nevada is a valuable member, the Committee on Interior and Insular Affairs, will have the administration's long-term program under consideration and will have held some additional hearings, so that questions which trouble Senators, for instance, whether we have a 25-year supply, may be adequately answered. Not only the Members of the Senate and the House have to be satisfied with respect to this item, but a great many people throughout the country must also be satisfied, for they read various articles, and they wonder if the Senate and the House are correct in piling up additional materials when there apparently is a sufficient supply to meet the strategic needs of the Nation.

I know the Senator is aware of the many problems involved and I hope we can find a sound solution to them.

Mr. MALONE. I will say to the distinguished Senator from California, the minority leader, that I appreciate very much the statement he has just made. We are all looking for a long-range solution.

I think there is a very sound solution, to take the whole weight off of the President: Simply allow the 1934 Trade Agreements Act to expire on June 12, 1958, and Congress automatically regains its constitutional responsibility under article I, section 8 of the Constitution, and the Tariff Commission, an agent of Congress, will adjust the duty or tariff on the basis of fair and reasonable competition and the American workingmen and investors are back in business.

TARIFF COMMISSION, AN AGENT OF CONGRESS, ESTABLISHES DUTY

However we should immediately return the 17 minerals, without which we cannot make a jet engine to the authority and responsibility of Congress, and permit the Tariff Commission, an agent of Congress, to set that duty based on the difference between the cost of labor and the general cost of doing business here and in the chief competing nation. That would end it.

The PRESIDING OFFICER (Mr. THURMOND in the chair). The Senate will be in order.

Mr. MALONE. If that is satisfactory, we will proceed.

I merely wish to say that in that case, the same as in this case, the domestic price should be fixed, as nearly as it can be computed, based upon the difference between the world price and the cost of the labor in America, the general cost of doing busines here, and in the chief competitive Nation, and that would be the same as a duty or a tariff.

In neither case would it affect the cost of the end product. One could not find the difference in the cost of a jet engine due to paying American labor. Of course there are many other things besides jet engines involved. The steel cutting tools and armor piercing projectiles cannot be made without tungsten. We are unable to make a pound of steel without manganese.

There is a difference between the world cost of doing business and the cost of doing business here, which is mostly the cost of labor—but one could not find that in the cost of a ton of steel. What we are talking about is unimportant, except as to whether we depend on a foreign nation for something we cannot fight a war without or live in peace, or whether we should produce a maximum of these materials in this Nation and have "going concern" production for all we need in the Western Hemisphere.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the Senator from Colorado.

Mr. ALLOTT. Mr. President, I believe by this time it has been made abundantly clear, for the benefit of those who are primarily interested in this matter, what the reasons are why the Congress, cannot act upon this item before an Easter recess. It was brought out in the debate very clearly yesterday, as it has been brought out several times today in the debate, that when Congress passed the Strategic Minerals Act of last year it was made very clear to the miners of the United States that we intended to do something for the benefit of the producers of these various minerals. Now, after saying on the floor of the Senate and saying in the report of the committee that the amount appropriated last year was only to last until January 1 and that it was contemplated a further appropriation would be made immediately after January 1, when Congress convened, we have for 3½ months delayed doing anything about this matter. I should not say we have delayed doing anything, because a great many of the Senators who have been here and participated in this debate, as well as others, have tried to precipitate action on this matter since the first of the year.

I believe the remarks of the Senator from Illinois [Mr. DIRKSEN] and the Senator from Nevada [Mr. MALONE] explain why it is not possible to act upon this matter at this time.

The gist of the situation, of course, is the fact, so ably pointed out by the Senator from California, that this is a dual legislative body, and that we must have due regard for the other House. We must work with it and act in unison, to enact laws for the benefit of the country.

I wish to compliment the Senator from Nevada. I am not sure that everything has been touched upon that should be touched upon in a full debate of this question. When it comes before us again I intend, as I am sure the Senator from Nevada intends, to discuss this subject at greater length, so that the people of the country, particularly those who are not able to see in this program one of the greatest conservation measures in the United States today, may be informed as to what we are trying to do, not only for the safety of our country, not only for the sound economic policy of our country, but also for the conservation of strategic materials which will always be of great value, and an absolute need in the event we should become involved in war.

I thank the Senator from Nevada for yielding to me. I will join him in seeing that action is taken on this subject at the earliest opportunity.

Mr. MALONE. Mr. President, there are three procedures which I might follow today in this controversy. However, my colleagues have been very friendly and cooperative in suggesting a way that the program may be continued. The amendment which my colleague [Mr. BIBLE] and I have offered could be debated at considerable length, and voted upon. If the amendment were approved then it would go to the House and be subject to similar treatment accorded our amendment to House Resolution 310 yesterday.

We might debate the subject at considerable length—maybe a few days—but that procedure would, in any case, delay action until after the Easter recess—and cause many friendly Members of this body much discomfort.

As I have said, if we were to send the joint resolution back to the House with our amendment, we would again be in conference, or could receive another joint resolution from the House. Apparently we have reached a point of deadlock, which, in any case, would delay the Easter recess of the Congress and possibly gain nothing of a permanent nature.

To follow the course to which I have just referred would mean holding Senators in attendance on sessions of the Senate. I know that many of them have made other arrangements for the Easter recess. Some plan to hold hearings or conduct investigations. Others are merely trying to obtain a little rest before the session is resumed.

We could debate this issue for a considerable itme. I was moved to do so in the beginning. However, since we

have the assurance of the leading Members of the Appropriations Committee that in connection with the next deficiency bill, or the Interior Department appropriation bill, that this item will be included if the leading Members of the Appropriations Committee can prevail upon the majority of the committee to do so. I am sure they can. They have usually been able to convince a majority of the committee. We have assurances that the conferees on the part of the Senate will continue to press in conference that part of the measure already disposed of by the two Houses which will still be in conference.

I am inclined to believe that that is the best method of obtaining the money to continue purchase of the four minerals mentioned in the Minerals Purchase Act of 1953, as extended last year.

In connection with the question of the surplus of these minerals, I think it has been well established, I will say to the distinguished Senator from California, our minority leader, that in his own State the Research Institute of Stanford University has led the work in many of these investigations.

TUNGSTEN NEEDED FOR JET ENGINES

With particular reference to tungsten, it has been explained on the floor of the Senate that the use of tungsten and tungsten alloys is necessary to create a metal with increased heat resistance, so that jet engines may travel not 750 miles an hour, or at the speed of sound, but 1,200 or 1,500 miles an hour. We must have metals with a greater resistance to heat in order to construct these engines; and, according to the research institutions, the best solution is an alloy composed of 50 percent or more of tungsten, which would require from 3 to 4 times the annual use of that metal than has been customary in the past. Therefore any reserve we may have would be cut in half, or reduced to a third or a fourth.

The more generous use of tungsten in jet engines will increase their life by 4 to 5 times. The cost of these engines runs from $400,000 to $600,000 each, and we need thousands of them.

Wholly irresponsible statements have been made as to the quantity of tungsten in the stockpile. It would have been easy to obtain official figures instead of depending on articles in the press.

I am merely repeating what scientists and engineers have long known, when I say, for benefit of Members of the Senate, that whenever we repeat statistics which are 6 months or a few years old, they should be checked, because, as of today, with respect to any metal, or the use of any material, by reason of the research work and the work of the scientists and engineers directed toward the production of materials which will withstand high speeds, the picture may be entirely changed.

With respect to manganese, without which a pound of steel cannot be made, we were under the impression for a long time that all we had was certain low-grade manganese, which would cost considerably more to produce than merely the difference in labor costs and the costs of doing business as between this Nation and the competing nation. I have never urged on the floor of the Senate that the Senate do anything but make up that difference. When we go beyond that point, it must be considered as a subsidy. We may have to come to that. At the present time we do not have to come to that point in the production of the materials of which I am speaking.

In Minnesota there is enough low-grade manganese, in deposits already known, to last this country for several hundred years. All we have to do is to adjust the duty or tariff on manganese so as to arrive at an equalization between the cost of doing business in this Nation and the cost of doing business in the competing nation, and we are in business.

To complete the record, as a long-range plan for these minerals I introduced Senate bill 34 on January 7, 1957. That is a bill to provide relief for producers of certain critical minerals, metals, and materials indispensable in the construction of jet engines.

The language in the bill setting out the declaration of policy is as follows:

DECLARATION OF POLICY

SECTION 1. It is declared to be the policy of the Congress—

(a) to facilitate and encourage trade with foreign nations on the basis of fair and reasonable competition;

(b) to maintain an investment climate through the principle applying equally to the whole country;

(c) to provide necessary flexibility of import duties on certain critical minerals, metals, and materials, thereby making possible appropriate adjustments in response to changing economic conditions;

(d) to assure the accomplishment of these objectives by returning to the provisions of the Constitution (article 1, section 8) in the control over American import duties on such critical minerals, metals, and materials, now subject to international agreements;

(e) that as used in this act and amendments made by this act the term "critical metals, minerals, and materials" includes antimony, asbestos, beryllium, chromite, cobalt, columbium-tantalum, fluorspar, iron, lead, manganese, mica, molybdenum, nickel, titanium, tungsten, vanadium, uranium, and zinc, all being used in the production of jet engines;

Other conditions are laid down in the bill. It is declared to be the policy of Congress to take care of the situation. Under the terms of the bill no appropriations would be necessary, and no duty or tariff would be necessary to make up more than the difference between the labor costs and the general cost of doing business in this country and the costs in the chief competing nation, with respect to each of the minerals.

All it would do would be to take away from the 34 competitive nations, which are now regulating our foreign trade and national economy, these 17 minerals and bring them back to Congress, where the Constitution of the United States put them in the first place. The 1934 Trade Agreements Act transferred these minerals, among 5,000 products in all, to Geneva. I do not believe that any nation would criticize the President for trying to increase the production of materials and minerals without which we cannot make jet engines in this country.

Furthermore, Mr. President, the volume of business in these minerals is relatively small in foreign trade.

TABULATION OF TRADE LAWS FROM 1930–58

I wish to complete the record by inserting in the RECORD a tabulation of the foreign trade laws from 1930 to date:

First. The Tariff Act of 1930. That act is still on the books and in full force and effect, with the exception that the 1934 Trade Agreements Act took away from the Tariff Act the authority of the Tariff Commission to act. The Tariff Commission at this time has no authority whatever.

Second. The 1934 Trade Agreements Act, Public Law 316—73d Congress. That act extends authority to enter into foreign trade agreements for 3 years, from June 12, 1934, to June 12, 1937.

The act was described as an emergency act. It must be understood that the term "reciprocal trade" does not appear in the act, and it was never intended that the act be a reciprocal act. It never has been reciprocal, because exceptions have been allowed to all other nations, and all those nations have used those exceptions. We are the only nation on earth at this time which is not properly protecting its workingmen and investors in its own country.

Third. Public Resolution 10, 75th Congress. This extends the Trade Agreements Act of 1934 from June 12, 1937, to June 12, 1940.

Fourth. Public Resolution 61, 76th Congress. It extends the 1934 Trade Agreements Act for a period of 3 years, from June 12, 1940, to June 12, 1943.

I call attention to the fact that this act was passed, in the first place, as an emergency act, and has always been extended as an emergency measure. We have not let the water settle in 24 years.

Fifth. Public Law 66, 78th Congress. This act extends the 1934 Trade Agreements Act for a period of 2 years, from June 12, 1943, to June 12, 1945.

Sixth. Public Law 130, 79th Congress, extends 1934 Trade Agreements Act for a period of 3 years—June 12, 1945, to June 12, 1948.

Seventh. Public Law 792, 80th Congress. Trade Agreements Extension Act of 1948. It extends the act for the period from June 12, 1948, to June 30, 1949, a period of 1 year and 18 days.

I had something to do with cutting the extension down to one year. I thought that Congress was about ready to take on its own responsibility. That responsibility had been assumed by Congress for nearly a century and a half before 1934. It was on that system that we built the highest standard of living in the world. We regulated our own foreign trade and national economy. I thought we were ready then to take back our responsibility, and take it away from Geneva.

Eighth. Public Law 307, 80th Congress. This act repealed Public Law 792, 70th Congress. It extended the Trade Agreements Act from June 12, 1948, to June 12, 1951, a period of 3 years.

Ninth. Public Law 50, 82d Congress. The Trade Agreements Extension Act of 1951. It extends the Trade Agreements Act from June 12, 1951, to June 12, 1953, a period of 2 years.

Tenth. Public Law 215, 83d Congress. The Trade Agreements Extension Act of 1953. It extends the act for a period of 1 year, from June 12, 1953, to June 12, 1954.

Eleventh. Public Law 464, 83d Congress. This act extends the Trade Agreements Act from June 12, 1954, to June 12, 1955, a period of 1 year.

Twelfth. Public Law 86, 84th Congress. The Trade Agreements Extension Act of 1955. It extends the act from June 12, 1955, until the close of June 30, 1958, a period of 3 years and 18 days.

NO FURTHER EXTENSION WILL ALLOW CONGRESS TO AGAIN REGULATE UNITED STATES FOREIGN TRADE AND NATIONAL ECONOMY

Mr. President, I hope when the act expires in 1958 Congress will not again extend the law. If it does not extend it, every product will come back to Congress, as the Constitution, in article 1, section 8, requires.

Congress then will regulate, through the Tariff Commission, the foreign trade and national economy of this Nation on the basis of fair and reasonable competition. It will not be done on the basis of a high tariff or a low tariff or a duty, but on the basis of making up the difference in the labor and the cost of doing business, and all manufacturers and producers in this country and our workingmen will be back in business.

It is a principle established in the Constitution of the United States that the foreign trade shall be regulated by Congress, and is the principle laid down in the Tariff Act.

At the end of stockpiling by GSA in 1953, Congress passed the so-called Malone-Aspinall Act, covering seven critical minerals. In 1956 the act was extended, and that is what we are talking about today.

UNITED STATES PRESS ASSOCIATION RELEASE ON DEFENSE REQUIREMENTS

Mr. President, I ask unanimous consent to have printed in the RECORD, as a part of my remarks, a United States Press Association release entitled "Jugular of Defense."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

JUGULAR OF DEFENSE

Our conquest of the air—which must provide our first line of defense—is grinding to a halt in the absence of materials to withstand the disintegrating heat of supersonic flight. At mach 2, approximately 1,500 miles per hour, we are perilously close to the thermal barrier for both engines and planes.

The search for new heat-resistant materials is thus, in a large sense, the pursuit of military superiority. And among all the alloying minerals known, tungsten appears to be the most promising. With the highest melting point of any metal (6,152° F.) it provides a steel alloy that withstands high temperatures and high speeds in cutting tools and jet-engine parts. Alloyed with carbon (tungsten carbide) it constitutes the hardest of all man-made materials, surpassed only by the diamond.

Recognized as a strategic material, tungsten has been stockpiled and price supported by the Government. Just before knocking off last summer, Congress passed Public Law 733 to continue Government purchasing at a support price of $55 a unit (20 pounds). Funds for the purpose, however, ran out last December and a deficiency appropriation bill calling for $30 million more for tungsten, fluorspar, columbium-tantalum, and asbestos is locked in conference, the House against it and the Senate for.

The fate of this apparently minor bill could well control the destiny of the Nation's defense effort, a situation in which the misguided effort to save $30 million could hamstring the effectiveness of $43 billions of expenditure.

With price support for these strategic metals, the mines will be kept open and operating, our stockpile will increase to meet the tremendous and essential demand that metallurgists anticipate. Without it, the Nation will be at the mercy of foreign tungsten producers.

We are all for Government economy. The budget should be cut. But this is not the place. This is the jugular of progress in defense.

AID TO CLARIFY IN MID-EAST

Scarcely a day goes by that someone, somewhere, fails to come up with a plan which is to bring peace to the Middle East. The more one hears of such formulas, however, the more one must be convinced that the problem is too heartbreakingly complex to be resolved either quickly or easily. The most to be hoped for, probably, is that all parties will act with wisdom and forebearance.

Among the few groups making a positive contribution to clear thinking about the Middle East—without which, certainly, no solution will ever be found—is the American Council for Judaism, which is holding its 13th annual conference in New York City, April 26–29.

The council has been dedicated, during its entire existence, to the compilation of a public record of the fact that there are American Jews who reject for themselves, that extra set of Israeli national rights and obligations which Zionism seeks to confer on all Jews, regardless of their citizenship. In holding steadfastly to its purpose, despite bitter and unremitting Zionist attacks, the council helps public understanding of a basic issue involved in the Arab-Israeli conflict.

To council members, Judaism is a religion—not a nationality. To them—and, indeed, in fact—Zionism is a political movement, with no right to the immunity from criticism normally granted a religious faith. The council's stand helps make the point that Zionism, as a political movement, must expect the brickbats as well as the bouquets to which all political enterprises are subject.

For this and other contributions to clarity on a topic otherwise bedeviled by deliberately generated confusion, the council deserves the thanks of all men of good will, regardless of their faith.

MORE TROUBLED SOULS?

In pleading guilty to the second of six counts in the indictment charging them with spying for the U. S. S. R., Jack and Myra Sobel have escaped the possibility of execution. Their counsel, who intimated that they had been victims of the long arm of Russia, forced into espionage to protect their parents in the U. S. S. R., said: "They told me they wanted to recapture their souls for the first time since they came to this country. They were two anguished individuals, suffering intensely from experiences they had gone through before they emigrated to this country and since."

Following this recapture of their souls, the Sobels spent 40 minutes before a special grand jury investigating Russian espionage. It is to be hoped that they did their best to make amends to the country that gave them its trust and honored them with citizenship—and further, that whatever their sentence may be, their decision to confess the truth will be a moving example to others who have betrayed us—willingly or not.

Mr. MALONE. Mr. President, I close my part of the debate by bowing to the advice of my colleagues that they will do everything in their power in committee—in conference committees and on the Appropriations Committee—to arrive at agreement in conference to take care of the situation for the remainder of the fiscal year 1957 and in the regular appropriation bill for the fiscal year 1958, to keep this Nation in peace to the extent that we are not completely dependent upon foreign nations for the things without which we cannot fight a war or live in peace.

I yield the floor.

Mr. BIBLE. Mr. President, I wish to speak for a few minutes on the amendment which has been offered on behalf of my distinguished colleague, the senior Senator from Nevada [Mr. MALONE], and myself. My expressions on yesterday as well as those of today make abundantly clear my keen feelings about this particular matter. I shall not detain the Senate for any appreciable length of time. I wish, however, to repeat what I have said on several occasions, that it is inconceivable Congress would, in a solemn act, Public Law 733, duly enacted and duly signed by the President of the United States, hold out to the mining industry the firm promise that it was to do certain designated things, and then repudiate its own action.

In that connection, on this very morning I received a letter, which I shall read into the RECORD, because I believe it very forcefully points up my thoughts better than I possibly could express them myself. The letter comes from Mr. Robert C. Armstrong, of 60 Anson Drive, Reno, Nev., and is addressed to Mr. Louis D. Gordon, secretary of the Nevada Mining Association, Reno, Nev. A copy of Mr. Armstrong's letter was sent to me, and is as follows:

RENO, NEV., *April 6, 1957.*

Mr. LOUIS D. GORDON,
Secretary, Nevada Mining Association,
Reno, Nev.

DEAR MR. GORDON: A courageous fight has been waged by the proponents of the tungsten appropriation, and not the least of the struggle has been waged by Senators MALONE and BIBLE, Representative BARING, and you. I am very sure that everyone directly or indirectly connected with the production of this vital metal, and they number in the thousands, joins me in expressing heartfelt thanks.

That I might establish my right to speak of a far more vital issue than the mere refusal on the part of the House Appropriations Committee to recommend the appropriation, I respectfully submit that I purchased a large tungsten property in central Nevada, in 1952; that subsequently, under the stimulus of the original stockpiling program, I subjected this property to a thorough and competent development program; that between the years 1953 and 1956, I spent upwards of $60,000 in payments on the purchase of the property, and in development of the ore deposit; that, when the 84th Congress passed Public Law 733, extending the stockpiling program late in 1956, I—along with every other domestic producer—committed myself fully to the mining and milling of tungsten; that, having exhausted my own financial resources, I drew others into the project, whose faith in the integrity of their Government was as unshakable as my own; that these working men and women invested more than $30,000 in the project of mining and milling tungsten ore, and that the project in which they invested was entirely sound and profitable under the appropriation covering Public Law 733; that, as the sole result of the refusal on the part of the House Appropriations Committee to recommend the appropriation, our project has failed, debt has been accu-

mulated, the investors have lost their hard-earned savings, and I have been wiped out.

If, by the above, I have qualified myself to speak out, then I would say that the issue here is betrayal, inexcusable and unforgiveable. It would argue that the issue is not whether or not our Government has stockpiled enough tungsten concentrates to meet any emergency for a long period of time; not that the budget ought to be reduced; not that only a very few domestic producers benefit by the stockpiling program; not for any other policy, economic or political reason, but rather if it intends to meet an obligation it incurred by the passage of a law of the land, after inducing a whole industry to irrevocably commit itself by the passage of the law.

It seems to me, indeed I am convinced, that if a group of men duly elected by the people of this Republic, and sworn to serve them faithfully, to do their will, to guard and protect them and their interests, if those interests be honorable, can with arrogance and insolence, with coldness and indifference, and finally with impunity reject and renounce their own acts, then and in that event we have come to a dangerous, a most critical point in our struggle to create reality of the ideals of our beloved forefathers laid down for us along with their lives.

If our elected representatives in Government can now betray a handful of "dispensable" voters without danger of punishment, how long will it be before, with like impunity, they can betray a whole people.

A great many of us in the industry, perhaps a majority, are in complete sympathy with many of the arguments advanced by the House Appropriations Committee in its stand against a further stockpiling of tungsten concentrates. We believe that they are sound arguments, reflecting wisdom and intelligence and leadership; but, we hold that these arguments have no place here, and at this time; we hold that, rather, they should be used when the current program has expired, and a further extension is proposed. We hold there is a law in effect, now, a law that drew us deeply into the mining and milling of tungsten; that, had the law not been passed, we would not have so committed ourselves; that we did so commit ourselves because we had unbounded faith in our Government, and that the duty of Government is therefore plain.

We hold that, if this appropriation is not passed, and at once, we have been cruelly and fatally betrayed; but we hold that something far more horrifying will have been established if this appropriation is not made: a clear precedent will have been raised for more and ever greater betrayals, shocking and confounding the peoples ever more deeply, destroying in increasing measure their faith in their own kind. And, if that comes to pass, what then will follow?

Cordially,

ROBERT C. ARMSTRONG.

Mr. President, to me this letter points up the problem concerning the full faith and credit of the United States. I think it is absolutely unforgivable to permit a breach of faith, a breach of contract, in this instance.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BIBLE. I am glad to yield.

Mr. MORSE. I am delighted that the Senator from Nevada has read that letter into the RECORD. In my opinion, the letter is unanswerable, so far as the House of Representatives is concerned. If the House wants to attack this problem, let them attack it in the next appropriation bill for the next biennium. But I feel that there is a clear moral obligation to carry out the commitment which Congress made when the present law was enacted, in the first instance, because the investors and the operators of the mines proceeded in good faith to make their investments, thinking that they could count on Congress to fulfill its moral obligation.

I look upon this situation really as a failure on the part of the House to fulfill the obligation which is clearly implied and inherent in the law which was enacted, and on the basis of which this entire controversy has arisen.

Mr. BIBLE. I thank the distinguished senior Senator from Oregon for his remarks. I share his sentiments.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. MANSFIELD. I wish to aline myself with the junior Senator from Nevada and to say that I am in full accord with what he has said. He has come right down to the basic question, namely, the good faith of the United States of America.

I hope that, despite the action taken today, it will be possible for us in the weeks ahead to rectify this error on the part of the Government.

Mr. BIBLE. I thank the distinguished junior Senator from Montana.

Mr. President, I commend Mr. Armstrong's letter to the reading of the Members of the House, who have refused to carry out their part of the obligation. I hope they will read the letter in every detail.

It surprised and shocked me to learn that as of January 1, 1957, the United States Government had in full force and effect 11 contracts for the purchase of foreign tungsten amounting to $60 or $70 million, and some 14 contracts amounting to $98 million.

What does that mean? It means purely and simply that we are not acting in good faith toward our domestic producers, to whom we held out this representation in good faith. Certainly I acted on it in good faith when I voted for it as a freshman Senator and when I went home and repeatedly told my constituents that I had confidence in the United States Government; that I felt the Government had made a commitment to the miners which it was certainly going to carry out.

But young and inexperienced as I am in this body, I am profoundly shocked to find such a breach of faith on the part of this Government, of which I think so much. Yet we still have enforceable foreign contracts to purchase vast quantities of tungsten from abroad. I do not know how I can explain that to the hard-rock miners back in Nevada. I should certainly like to take some of the Members of the House along with me to visit those miners and to let the miners hear their explanation. If this action by the House is not calculated to shake the faith and confidence we have in our Government I do not know how else it can be considered.

Mr. MALONE. Mr. President, will my colleague yield?

Mr. BIBLE. I am glad to yield to my distinguished senior colleague.

Mr. MALONE. Having been a Member of the Senate for 7 or 8 years before my distinguished colleague came here, I could bring him up to date on some of these contracts.

In World War II, I was consulting engineer to the Senate Committee on Military Affairs. The United States was producing none of these minerals, because for many years the Secretary of the Interior—I have mentioned his name several times—Mr. Ickes, and others of the administration then in office had flatly asserted that we had negligible amounts of tungsten, manganese, and other critical materials; therefore, we must save what little we had and buy our needs from foreign nations. I have explained all that in my remarks during the past 24 hours. When the GSA or the RFC or some other agency was suddenly made responsible for stockpiling, they perhaps believed those statements. Therefore, they made those contracts and paid as high as $60 or $65 a unit, which seemed reasonable at the time, because all foreign prices were away up. But as soon as the domestic producers of the minerals went out of business the foreign producer could charge what the traffic would bear. So the prices looked reasonable at the time the contracts were made. I do not blame the individuals who made the contracts; I blame those who fixed the policy; and, in the final analysis, policymaking is the function of Congress.

One of the things I have always deplored is that when Congress wants to investigate the setup of a Cabinet officer—for instance, the Department of the Interior—as my distinguished colleague knows now, we have no force with which to make the investigation. We do not have the room or the facilities. Therefore, we must largely take the information we get from the Department of the Interior and its investigators. When we get the report, it generally contains what the Secretary is for; and at that time Mr. Ickes was against mining in this country.

Then the Korean war took place. There is no need to discuss whether we should have fought that war in the way we did. I think almost everyone knows what I think of our action in that war. But when it became unpopular, the officials of the State Department said it was worth having the war merely to get the tungsten we did not have in this country. That tungsten was covered with blood. If in that connection we consider the cost of that war, the tungsten must have cost at least $10,000 a unit, in addition to the lives of many American boys. But those in the Department had the arrogance, through ignorance—if it was ignorance; and if it was not ignorance, it was worse—to say that the Korean war was worth its cost, because it enabled us to obtain that tungsten.

However, Mr. President, all that we needed to do in order to obtain the needed tungsten was to provide for the payment of an increased amount, in order to cover the cost of wages and the cost of doing business in the United States.

Mr. President, whenever a person says, "I think wages paid in the United States are too high, instead, they should be

lowered, by using foreign labor," I can respect the person who makes such a statement conscientiously. But when a person says, "The United States should import materials which are produced at low wages," and at the same time that person says, "The American standard of wages and standard of living must be maintained," then it is obvious that there is something wrong with his thinking.

Mr. BIBLE. I certainly agree with my colleague.

Mr. MALONE. So, Mr. President, it has finally been decided that at this time we shall not call up our amendment.

Mr. BIBLE. Mr. President, I have not had much experience in speaking marathons. However, at this time I serve notice that if later in the session it is necessary to engage in such procedure, in connection with this matter, in which I so firmly believe, simply in order to keep faith, I am prepared to do so.

I repeat that in my section of the country, once a man gives his word, he is bound by it. I trust that before the final adjournment of this session occurs, the Congress will take action to keep its word to the miners who are affected by this action.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a very emphatic letter from the Secretary of the Interior, dated March 7, 1957. I wish to read the closing sentence of the letter; and in that connection I point out that I do not know how a much stronger statement could be made in behalf of the legislation which is now being urged:

In our view, the best national interest demands that the provisions of Public Law 733, enacted by the last Congress for the interim support of the four domestic minerals included in Public Law 733 (tungsten, acid-grade fluorspar, asbestos, and columbium-tantalum), be completely implemented by adequate appropriations in the urgent deficiency bill and the regular appropriation bill for the Department of the Interior.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT
OF THE INTERIOR,
Washington, D. C., March 7, 1957.

Hon. CARL HAYDEN,
Chairman, Committee on Appropriations,
United States Senate,
Washington, D. C.

DEAR SENATOR HAYDEN: The Department of the Interior is now engaged in drafting for submission to the Congress recommendations for a long-range minerals program.

This program when presented will include recommendations for maintaining a sound mineral domestic industry. Any such program no doubt would include measures which would require time to be fully effective in achieving this objective.

In our view, the best national interest demands that the provisions of Public Law 733, enacted by the last Congress for the interim support of the four domestic minerals included in Public Law 733 (tungsten, acid-grade fluorspar, asbestos, and columbium-tantalum), be completely implemented by adequate appropriations in the urgent deficiency bill and the regular appropriation bill for the Department of the Interior.

Sincerely yours,

FRED A. SEATON,
Secretary of the Interior.

Mr. BIBLE. Mr. President, I also ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a statement by Charles H. Segerstrom, Jr., president of the Nevada-Massachusetts Co. His father was the pioneer in this essential mineral industry. In my opinion, the statement points up the situation most completely.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF CHARLES H. SEGERSTROM, JR., PRESIDENT OF THE NEVADA-MASSACHUSETTS CO., RESIDING AT SONORA, CALIF., APRIL 1, 1957

My name is Charles H. Segerstrom, Jr. I am president of the Nevada-Massachusetts Co., a tungsten concentrate producer located at Tungsten, Nev. This company has been in business 33 years and with its predecessor companies has operated this mine since 1914, when the first discovery of tungsten ore was made on the property. My late father and myself have been the presidents of this company and directed its operation for this period of time. This mine is the oldest tungsten operation in the United States which has operated and withstood the ups and downs of the domestic industry. Our mining operation has not been continuous, as such, because we have seen five periods when operations could not economically continue: 1919 to 1924, 1932 to 1934, 1937, 1939, 1949, and the situation we are facing today.

Public Law 733 was passed by the 84th Congress, after full consideration by the proper committees of both Houses, after debate in the Senate and House, and the President signed it on July 19, 1956. When the appropriation of only $21 million was made in the closing days of Congress to implement the law it was fully understood by the domestic tungsten mining industry that a supplemental appropriation would be made soon after the new Congress convened, in accordance with Senate Report No. 2770 of July 24, 1956, on the second supplemental appropriation bill, 1957 (H. R. 12350).

However, in the 3 months that the Congress has been in session this year there has been a flood of misinformation and misconstrued facts and figures about the industry, about the stockpile, and about the Government's purchase programs. Irresponsible statements which have been greatly damaging to our industry have tended to create controversial issues.

I am speaking today in behalf of the domestic tungsten mining industry and I intend to clarify—as far as possible—the facts that have been misinterpreted, and to refute the misinformation that has been disseminated by a consumer, not a regular producer, of tungsten, and one who has never been considered a spokesman for the domestic tungsten mining industry.

In April and May of 1956 the Subcommittee on Minerals, Materials, and Fuels of the Senate Committee on Interior and Insular Affairs held extensive hearings on the extension of purchase programs of strategic and critical minerals. One of the witnesses testifying before these hearings was Dr. Arthur S. Flemming, Director, Office of Defense Mobilization. On page 316 of the hearings he made the following statement:

"Up to March 26, 1954, the Government made provisions only for minimum stockpile objectives.

"On that date, the President, acting on the basis of a preliminary study of the policy committee, authorized the Office of Defense Mobilization to establish new long-term mineral stockpile objectives to eliminate completely the risk of dependence on overseas sources.

"The procurement program established under this directive, I am sure you will agree, has materially strengthened the domestic mineral industries.

"The Cabinet Committee on Minerals Policy also recognized that the development of mineral resources may involve factors beyond the national security. It stated that—

" 'In addition to security consideration, the Committee believes that an orderly development and wise use of the Nation's resources is an essential element in a strong and sound economy.

" 'A major objective of mineral policy is a full and orderly program for the development and conservation of the country's mineral resources.

" 'The Committee believes that the Government has an obligation to assure that the mineral resources of the Nation be developed, conserved, and utilized in the best possible manner over the longest possible period in order to enhance its security and commerce. Development of mineral resources is, of course, primarily a function of private enterprise. The Government must, however, continue to assist in many ways.' "

Dr. Flemming further stated:

"Thus the Minerals Policy Committee recognized that there may be nondefense problems in the minerals industries and, therefore, that, as is evident later in the report, these problems are beyond the scope of the Office of Defense Mobilization as a defense agency. I suggest, however, that where a domestic purchase program is about to terminate and where all defense needs have been met, the Congress should make provision beyond the scope of defense legislation to assist the industry by providing for the purchase of specified amounts from nondefense funds until the Congress has had time to consider recommendations from the appropriate nondefense agency, namely, the Department of Interior, for a long-range program.

"Based on this approach, I have taken action necessary to insure the continuance of domestic purchase programs for six minerals under the authority of the Stock Piling Act or the Defense Production Act. These six minerals are mica, muscovite block and film; metallurgical chromite; beryl; metallurgical manganese; metallurgical fluorspar; and antimony. In the case of mercury a review will be made at a later date to ascertain whether there is any need for extension or intensification of the program."

Dr. Flemming continued:

"I also recommend that in the case of three minerals: chrysotile asbestos, acid grade fluorspar and tungsten—for which all defense needs have been met, the Congress pass such legislation and appropriate such funds as it deems necessary to provide interim assistance pending consideration by the Congress of a long-range nondefense program."

* * * * * *

Reflecting agreement with the views expressed in the last paragraph of this testimony the Senate Committee on Interior and Insular Affairs reported out S. 3982, which was passed by the Senate on June 18, 1956.

Hearings were held by the House Interior and Insular Affairs Committee and after hearing numerous witnesses an amendment in the nature of a substitute was adopted and S. 3982 was ordered reported favorably, passed by both the House and Senate, approved by the President on July 19, 1956, and became Public Law 733, 84th Congress.

As far as I have been able to ascertain no one in Congress or in the industry was under the impression that the enactment of Public Law 733 was necessarily based on defense needs, but on the contrary that it was merely an interim program to cover the four

minerals until the long-promised, long-range minerals program was drafted and presented to Congress by the Department of the Interior and enacted into law. Neither was there any feeling that the four minerals involved were receiving any preferred aid. With other minerals already being covered by other programs this interim purchase program was deemed both desirable and necessary under the overall national picture.

In 1951 and 1952 during the Korean emergency the Office of Defense Minerals Administration was confronted by large demands for tungsten from our defense officials. The demands and needs were astronomical in size. At a meeting of the domestic producers called by DMA officials early in 1951 it was pointed out that the domestic industry could really not do a great deal to meet these needs. However, I personally pointed out at this meeting that the goals for domestic production could be met only by one factor—that of price. This prediction proved itself accurate as the goal of 3 million units authorized to be acquired from domestic production by June 30, 1958, was in fact met by June 1, 1956. In other words, as I have said before, the domestic producers did an excellent job in meeting the goal.

At the same time when the domestic program was set at 3 million units, contracts were entered into in 1951 and 1952 with foreign producers for something like 7,500,000 units at an average price of $55 per unit, as against the domestic price of $63; the difference being $8 per unit, or approximately the amount of the import duty—$7.93 per unit.

These foreign contracts in a number of cases still remain in effect, and there appear to be currently still in force contracts for 1,800,000 units involving a $98 million commitment on the part of our Government. These foreign contracts call for deliveries running through the first quarter of 1959, at the average price of $55 per unit.

These foreign contracts are with countries where substantial ECA and ICA funds have been granted and where a lot of these funds were used to mechanize these foreign mines to a point where they are better equipped today than most of our domestic operations. As a result their production costs have been lowered a great deal in addition to their advantage of a low wage factor. Their wage scale of $2 per day for miners compared with $2 per hour in the United States give them a distinct advantage. The foreign producers are, therefore, in a position where they can force prices so low that no domestic producer can compete and survive. With the domestic producers out of business, foreign mines can again at any time force world prices up to any level they desire. This is what happened in our nonoperative periods previously mentioned.

In other words, our Government is still going to purchase this foreign production for 2 years longer while the domestic producers are placed in the position of a limited life under Public Law 733 and with hopes for a long-range minerals program for the future.

On this one point, we had a visit several years ago from the manager of an Australian tungsten producer who has a contract with our Government. He asked to see our contract under the 3 million unit program, and I showed him our 2 cent post card saying that we could participate in same. He then displayed his own contract of some 11 or 12 typed pages, which I read. He then commented that he didn't know there were so many darn fools in the United States who would rely on a post card contract as against their long and conventionally drawn contract.

Under date of February 12, 1957, a letter signed by Philip M. McKenna, president of Kennametal, Inc., Latrobe, Pa., a fabricator and a medium-sized producer of tungsten in Nevada, was directed to certain members of the Senate Appropriations Committee, urging the disapproval of appropriating further funds to keep the domestic tungsten mining industry in operation. The letter states, in part:

"Noting that you are on the Senate Appropriations Committee, and reading of the discussion on the appropriation of $30 million to continue to purchase tungsten, I thought you might like to have the enclosed charts showing about 20 years' supply of tungsten on hand in Government stockpiles now, at the current rate of consumption and the average for the past 4 years."

The charts referred to, I am informed, are classified information. In addition to mailing the charts to members of this committee, the information was published in Steel, a trade magazine, by this consumer-producer of tungsten whose profit interest lies in low prices for tungsten concentrates and who has recommended the disapproval of further appropriations. All of the domestic producers are supporting the appropriation, with the one exception of this fabricator-producer.

The stockpile information referred to above has been grossly misinterpreted by the person who circulated it, as well as by some Members of Congress. In refutation of this misinterpretation I quote from testimony offered February 26, 1957, by Dr. Arthur S. Flemming, Director of ODM, in a hearing before the Senate Committee on Interior and Insular Affairs:

"Mr. REDWINE. Dr. Flemming, I hand you a letter on the stationery of Kennametal, Inc., Latrobe, Pa., which for reasons which will develop in a moment, Mr. Chairman, I do not wish to offer for the record. I just want Dr. Flemming to identify it.

"Dr. Flemming, attached to this letter is a chart. There is a figure here that purports to show the total stockpile on tungsten. Is such a figure classified information?

"Dr. FLEMMING. It certainly is.

"Mr. REDWINE. Dr. Flemming, please do not mention the figure that is given, but can you say whether or not, without violating security, that is a realistic figure?

"Dr. FLEMMING. I prefer not to comment on the figure at all, in view of the fact that it is classified.

"Mr. REDWINE. Doctor, in the letter reference is made back to that figure and it is stated that that figure constitutes a 20-year supply in time of emergency of tungsten.

"Can you say whether you have a 20-year supply of tungsten on hand?

"Dr. FLEMMING. Let us make the question very specific. That is a 20-year supply for dealing with a wartime emergency?

"Mr. REDWINE. Correct, sir.

"Dr. FLEMMING. The answer to that is 'No, we do not have anything approaching that on hand.'

"Mr. REDWINE. Can you, without violating security, tell the committee approximately how many years' supply you have on hand for wartime emergency?

"Dr. FLEMMING. Thinking in terms of the requirements for a wartime emergency, we have on hand enough to carry us through approximately a 6-year emergency.

"Mr. REDWINE. Mr. Chairman, I do not think this letter should be put in the record, in view of the testimony of Dr. Flemming.

"Dr. Flemming, getting back to your stockpile of tungsten, usually in December the Defense Department advises you as to its requirements for the following year; is that correct?

"Dr. FLEMMING. Along in there.

"Mr. REDWINE. Along about that period?

"Dr. FLEMMING. Yes.

"Mr. REDWINE. Is it not true that on December 13, 1956, you were advised by the Defense Department that, because of technological, rapid technological advances in weapons, it would be this fall before any realistic figures could be given you as to requirements?

"Dr. FLEMMING. Well, I don't recall the exact wording of that letter, but undoubtedly the Defense Department had that factor in mind in so advising us, but primarily they had in mind the fact that it was necessary for them to review their requirements in the light of new strategic concepts and the new strategic plans that had been developed by the Joint Chiefs of Staff.

"They told us that because of the rather drastic changes that had taken place in those strategic plans it would not be possible for them to give us advice as to new requirement figures until some time next fall.

"Mr. REDWINE. Dr. Flemming, along that line, aren't those changes, many of them, in the development of such weapons as guided missiles, nuclear-propelled vessels and planes which require the use of the so-called refractory or high-temperature metals? Isn't that included in these rapidly changing concepts of warfare?

"Dr. FLEMMING. It is my understanding that that factor is in the picture at the present time.

• • • • •

"Senator MALONE. * * * I would like to call your attention to this matter for the record in the light of your testimony that you have a 6-year reserve or stockpile on tungsten.

"Now, Dr. Thielemann says, and I heard him testify before a House committee in San Francisco last Sunday, a week ago, that:

" 'If satisfactory tungsten base alloy can be developed which will have useful engineering properties of temperature of 2,000° F. and higher expected consumption would be doubled or tripled.'

"Now, if you believe that is really right on top of us, what would you say about your stockpile?

"Dr. FLEMMING. Senator, as you know, it is difficult to comment on that in a specific way because I do not know what defense will come up with in the way of requirement in the light of a statement of that kind, but unquestionably the requirements will be higher than they have been at the present time and that will be reflected in the stockpile.

"I would like to say this, Senator: I think the point we are making, although we don't have any figures to go on at the present time, the point that you are making, nevertheless, indicates the desirability of keeping industries of this kind on a going basis rather than letting them shut down because in this kind of world we never know when somebody is going to come through with something like this."

• • • • •

The potential usage and new uses for tungsten are greater today than they have ever been in our country's history. The domestic tungsten mining industry has been spending its own funds on a research program at Stanford Research Institute working on the high-temperature uses of tungsten-base alloys. No other metal has the qualifications for use on the 2,000° F. level and higher temperatures that are now needed for our jet engines in order for us to be ahead of the indicated Russian developments. The present limit of temperature with alloys now in use is a maximum of 1,650° F. and with a very low hour life at this point. Already through the tungsten research program we have developed a new alloy called WI–52 which contains three times as much tungsten as is being currently used, and which will exceed current maximum temperatures with a great extension of hour life. With the lifting of restrictions in October 1956 by the Department of Defense on the amount of tungsten that may be used in jet engines per 1,000 pounds of thrust the Armed Forces are now entering actively into this field. Both the Air Force and the Navy have invited the Tungsten Institute to work with them on this project to

avoid duplication of effort and to expedite the necessary research and development of tungsten-base alloys.

Also the Atomic Energy Commission is interested in tungsten both for its high-temperature qualities and for shielding, where in some fields it has no equal.

Just last Friday another giant B–52 jet stratofortress—the Air Force's costliest aircraft—literally disintegrated while in test flight. This is the fifth $8 million B–52 to meet a similar fate. As a layman I cannot go into scientific details that may cause these fateful disasters but eminent metallurgists who know the reaction of structural metals are begging for time and material to perfect better high-temperature alloys for use not only in gas turbine engines but in structural uses as well. One of the most eminent, Mr. R. H. Thielemann, chairman, department of metallurgy, Stanford Research Institute—the man who developed 14 years ago the alloy currently used in jet aircraft engines—says that "the limiting temperature at which a pure metal will still have useful load-carrying ability has a definite relationship to the melting point of the metal. This limiting temperature is the temperature at which deformed grains in the metal will recrystallize. * * * The need for metals and alloys which will have improved engineering properties at elevated temperatures is urgent. We must continue to develop and improve the present high-temperature alloys wherever possible by the judicious use of those alloying elements, like tungsten, which promote metallurgical stability at the high temperatures. For the higher temperature requirements, the most promising and probably the only means available is with the four higher melting point refractory metals—columbium, molybdenum, tantalum, and tungsten. Because of its high recrystallization temperature and high modulus of elasticity, tungsten appears to be the most promising for the more severe applications."

* * * * *

The commercial airlines' early use of jet engines is going to bring out the low hour life of currently used materials that demand frequent and costly overhauling and rebuilding of the engines. As a result the airlines recognize this problem and are very definitely interested in our new alloys, as they may mean the difference between success or failure on the use of jet engines for commercial use.

As a result the anticipated demand for tungsten can easily be as much as three times the current consumption, exclusive of military demands, at a relatively early date. The military demand will vary but with their now indicated interest in our new alloy their demand could be increased to the point where our current consumption and stockpile figures will have little, if any, meaning in the overall picture because of increased requirements. I am reliably informed that this is a matter of urgent necessity.

There are other new and important uses that are coming along rapidly but I will not take the time now to go into them in detail.

The price of tungsten concentrates has always been a major problem for the domestic industry. Prices are fixed and governed by the world market and are based on London quotations. Quoted prices are often not what the producer can expect to receive as sales are on an individually negotiated basis. As a result, the producer at all times is at the consumer's mercy as competitive foreign material is always the basis on which negotiations start. Both the lows and highs of the market price under all conditions are always controlled by the foreign producer. In times of low domestic demand low foreign prices prevail, but in times of higher or maximum demand the foreign prices are always raised to the maximum that the domestic consumer will stand or is willing to pay. During World War II the United States Government was forced to pay $1,000 per unit or higher to keep foreign production out of enemy hands. At that time the domestic industry was operating under a ceiling price of $24 per unit. During the Korean emergency the foreign price went up to $90 per unit while the domestic ceiling was $65 and the floor price $63.

It can be seen, therefore, that the domestic tungsten mining industry is entirely at the mercy of low-cost foreign producers in times of normal consumption. Furthermore, when an emergency arises the domestic consumer is at the mercy of the foreign producers. This is just a warning of what can happen overnight in the market place, and points up the entire lack of market stability on which the domestic industry can depend.

With the passage of Public Law 733 while fewer producers than the over 700 previously taking part in the 3-million-unit program resumed production because of the lower price of $55, some 200 continued to produce with the assurance that they had an interim program on which they could plan to operate.

As a spokesman for the domestic tungsten industry, I can say, and with authority, that if no funds are appropriated every tungsten mine in this country will be forced to shut down at once.

Mines are not like factories. You cannot shut them down and then reopen in the future just by pulling or pushing a switch. Many problems arise; for example, we cannot stand the expense of keeping the mine dry and replacing its timbering or permit it to fill with water and then let it rust and rot away. We lose our skilled manpower, particularly miners and engineers. In the case of miners they are becoming so scarce that it is difficult even to maintain a full crew under normal conditions due to the overall miner shortage in the mining industry. This again is true in any other industry that is up and down and on which the workmen feel that their future is so insecure that they tend to shy away from such employment.

After a shutdown of say 6 months' duration the time lag in getting the operation back on the same basis where it was before the closedown is a minimum of 2 years and can run easily to 3 or 4 years in numerous cases. The shutdown expense of many properties is so great that it would mean their liquidation and loss forever.

At the present time many operators face major losses on their inventories of finished product on hand, which run into millions of dollars, which were produced in reliance on Public Law 733. They cannot afford these losses and a great many plants, mines, and communities will become ghost camps to be liquidated at further financial losses that cannot be visualized as they are so enormous.

Regardless of the current defense requirements the thought should be maintained that our Nation would have these mines on a stand-by basis for use in an emergency. How can this be possible in the light of the above? In the long run the cheapest and most practical approach is to keep the industry operating so that the time lag will not be a factor, or a great number of mines lost forever.

With a complete shutdown of the domestic industry the country will be placed on the basis of total dependency on foreign sources of supply. This is a situation that I can imagine no one wants to see, but one that can become a reality at any time.

In addition to the vast investment loss of the domestic tungsten mining properties at least 10,000 people directly dependent upon income from jobs in the industry and, in addition, many thousands of people in allied industries will be affected.

Without the appropriation necessary to keep the strategic minerals purchase program in operation not only will an entire industry be wiped out but at the same time a source of tax revenue of at least $8 to $11 million derived annually from domestic tungsten mining operations will be lost.

The initial appropriation of $21 million, under Public Law 733, covered purchases of tungsten to December 1956. General Services Administration, designated by the Interior Department to administer the program, recommended in writing to individual producers that their offerings be continued each month in the apparent belief that retroactive deficiency appropriations would be made early in the 85th Congress.

Relying upon assurances of GSA the industry has continued to produce, to keep its mines open, whenever possible, and consequently an unwieldy inventory has now accumulated at great cost to the producer.

What I am saying in conclusion is that the United States faces a situation where we can become a have-not Nation as far as tungsten is concerned. The people in the industry, whether they be small, medium, or large-size operators, actually feel that there is a moral commitment that has been made in Public Law 733 and under which they went ahead and now under which they may lose their final efforts to keep the United States self-sufficient in the one metal around which so much of their future may depend.

The producers of asbestos, fluorspar, and columbium-tantalum all face exactly the same economic conditions as those faced by the producers of tungsten.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Salt Lake City Deseret News of March 2, commenting on the present situation with respect to appropriations for the interim minerals purchase program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TUNGSTEN MUST STAY STRONG

If nothing else, the experience of the past 17 years should have taught all Americans the necessity of making the Western Hemisphere as nearly as possible self-sufficient in strategic minerals. Yet, at this time, a broad segment of our domestic tungsten industry is fighting to keep from losing out to foreign producers—many of whom are near or behind the Iron Curtain.

Prior to the Korean war, most of the United States supply of tungsten came from such countries as China and Korea. The war cut off some of these sources. Others soon doubled, then tripled their prices. We had to have the metal, so we met the price.

Realizing the need for a strong domestic source of tungsten, the Government offered United States producers $63 a ton. Under this stimulus the domestic industry met the challenge. New mines and refineries came into being. Utah became a vital part of the industry. As a result, our supply of tungsten saw us through the war and has been stockpiled since.

But now, foreign sources have cut their prices from $90 a ton to $35. Our local industry cannot compete with that price. The Government purchase price for domestic tungsten has dropped to $55 per ton. That is about as low as it can go and allow domestic producers to show a profit. This reduction alone reduced our producers from 700 to 200 companies.

As foreign prices continue to drop, pressure is mounting for the Government to abolish its purchasing program. At a moment when we were about to become independent of foreign sources, we are faced with the possibility of closing our domestic mines and abandoning expensive mining equipment.

To forestall this, the Administration has asked for a continuation of the purchasing program until a long-range mineral policy can be formulated. There is a distinct possi-

bility that Congress will not follow the President's wishes in this matter.

This reasoning is hard to understand. Tungsten is a strategic mineral. We cannot afford to have our major sources of this raw material under the control of possible fickle allies or timid neutrals, some veritably under the guns of our potential enemies. We must have a strong domestic industry.

Mr. BIBLE. Mr. President, I ask unanimous consent to have printed in the RECORD an editorial from the Ely Daily Times of February 27, commenting on the present situation with respect to appropriations for the interim minerals purchase program.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TUNGSTEN

News bulletins from Washington indicate that the battle for funds to continue Government buying of tungsten is not yet won despite the efforts of mining State Senators, for the powerful Appropriations Committee of the House has shown a contrary disposition.

It seems to us that this committee is right as far as its knowledge goes, but it further seems to us that the committee does not understand mining. How does it happen that for so long so many otherwise well-informed people refuse to understand the essentials of mining?

Yesterday's report said that the House committee continues to be opposed to the program because, among other things, it had been advised that some larger producers were selling domestic tungsten to the Government "at a subsidy-program price of $55 a unit and purchasing foreign tungsten for use in their own industry at the United States market price of $35.

"Proponents of this nondefense subsidy claim that continuing support of these mining industries is necessary to assure a supply in time of emergency," the committee statement continues. "But the Director of the Office of Defense Mobilization assured the Congress in June 1956 that the amount of these minerals on hand and on order met both the minimum and long-term stockpile objectives. He stated that even if all sources of overseas supply were cut off, the United States would have an emergency stockpile adequate to last at least 5 years."

And here is the part that we particularly object to: The committee said the budget appropriation is unnecessary because it is "abundantly clear that the administration under the Defense Production Act continues to have adequate authority and funds to purchase any of these minerals for which any unforeseen defense requirements may arise."

What they don't seem to be able to get through their heads is that if the mines and the mills shut down for, say, the 5 years for which they believe the stockpile is adequate, there may be authority and funds to purchase domestic tungsten to meet "any unforeseen defense requirements," but there will not be any domestic tungsten to purchase. True, it will be in the ground somewhere, but little will be within a year of the concentrate stage, and defense crises are not going to wait a year in this period of history.

We don't particularly care either for inconsistent, emergency programs. Mining has been plagued by them enough already. But until we find a way to have a consistent long-range minerals policy which will keep the industry going, we must be very sure that we act in the interests of national security, not merely (as the committee seems to feel) "for the benefit of a small segment of the industry."

We wish there were some way to capture that recalcitrant committee and put its members to work in the mines and mills long enough for them to understand that it is a long way from the unworked mountain to an adequate supply of tungsten—or any other mineral—in usable form.

Mr. BIBLE. Mr. President, although it may have been called to the attention of Congress in another manner, I now ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a joint resolution adopted by the Legislature of the State of Nevada regarding the urgency of the problem now confronting us.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 5

Memorializing the President, Vice President, the Secretary of Defense, the Nevada Congressional delegation, and the Congress of the United States to continue the tungsten program

Whereas there are extensive deposits of tungsten in Nevada; and

Whereas a healthy domestic tungsten industry is a key to prosperity and national security, because without such industry the United States cannot be certain of having the stockpile of tungsten necessary to our economy and national defense; and

Whereas the economy of the tungsten producing areas within the State of Nevada and elsewhere within the United States must be kept prosperous, and the United States itself be kept strong and in a position to weather either short or prolonged periods of world and national crises; and

Whereas it requires years to develop a productive tungsten mine and constant effort is needed in development, since, if mines and tungsten processing plants be abandoned, the mines become flooded, timbers deteriorate, and skilled and able personnel are dispersed beyond recall, resulting in a crisis when production is to be resumed in an emergency; and

Whereas the expansion and well-being of the Nevada mining industry is substantially dependent upon continued production of tungsten: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the President of the United States, the Vice President of the United States, the Secretary of Defense, the Speaker of the House of Representatives, the Senators and the Representative from the State of Nevada in the Congress of the United States, and the Congress of the United States are hereby memorialized to immediately and energetically undertake positive action to do everything necessary and proper to continue, encourage, protect and stimulate the production of tungsten, and, specifically, to continue the purchase and stockpiling of tungsten; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit certified copies of this resolution to the President of the United States, the Vice President of the United States, the Secretary of Defense, the Speaker of the House of Representatives, and the Senators and Representative from the State of Nevada in the Congress of the United States.

Adopted by the assembly February 6, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. A. BASTIAN,
Chief Clerk of the Assembly.

Adopted by the senate February 6, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

Mr. BIBLE. Mr. President, I yield the floor.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. What is the pending question?

The PRESIDING OFFICER. The pending question is on agreeing to the amendment of the Senator from Alabama [Mr. HILL], to strike out the colon in line 11, on page 2, and the proviso immediately following, in lines 11 to 13. (Putting the question.)

The amendment was agreed to.

The PRESIDING OFFICER. The joint resolution is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the joint resolution.

The amendment was ordered to be engrossed, and the joint resolution to be read a third time.

The joint resolution was read the third time.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, Shall it pass?

The joint resolution (H. J. Res. 312) was passed.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

The PRESIDING OFFICER (Mr. MORSE in the chair). The bill is open to amendment.

THE FARM PROGRAM

Mr. THYE. Mr. President, for the past several months we have heard many references to what the overall cost of the farm program has been to the United States Government. For that reason, I shall cite the facts, as best I can, from information obtained from the Department of Agriculture and the statistical records of the Department.

The total agricultural budget for 1958 amounts to approximately $4.9 billion.

It should be pointed out that, of the total agricultural budget, approximately $2.7 billion, or more than half, is attributable to programs which are not designed, primarily and only, as aids to farmers.

Some of these programs are: Meat inspection program, school lunch program, the foreign aid program, forestry payments to schools, and disaster donations. The costs of these and a few others total approximately $1.7 billion.

Also included here are loan authorizations for REA and FHA, which will be repaid over a period of years. These authorizations in the 1958 budget amount to $474.5 million, while collections in 1958 are estimated at $331.9 million.

It should also be pointed out that certain other receipt items should be deducted from the budget, such as proceeds from sales of timber, grazing leases, and

sugar-tax receipts, which amount to $245.9 million.

After having made these necessary adjustments, we get a more true picture of how much of the total budget for the Department of Agriculture is chargeable to agriculture. This amounts to $2,162,000,000.

When we go into the Department of Agriculture budget for fiscal 1958 item by item, we find that it becomes a very interesting study. The original budget was $5,127,300,000. The budget was later reduced by $254 million.

The obligational authority for 1958 is $4,873,300,000.

I now show the breakdown for the specific functions within the Department of Agriculture.

"Agricultural Research Service, $95,100,000."

Experiment stations are included in the research item.

"Plant and animal pest control, $27.0 million."

"Meat inspection, $18.7 million."

Mr. President, meat inspection is conducted for the safety of the consumers. It is a consumer service.

Meat inspection, $18.7 million.
Extension, $64.1 million.

Mr. President, that service has been in existence for years. It is the educational part of the agricultural function.

	Million
Farmer Cooperative Service	$.6
Forest Service (receipts from sales of timber, grazing, etc. $161.4)	126.9
Soil Conservation Service:	
Conservation operation	73.5
Watershed protection and flood prevention	39.1
Great Plains conservation	20.0
Agriculture conservation service	237.0
Agricultural Marketing Service: Marketing research service	31.9
School lunch program, $100,000,000.	

Mr. President, that is charged to agriculture, and yet it is a direct school lunch program.

Foreign Agricultural Service, $4,400,000.
Commodity Exchange Authority, $800,000.
Soil Bank, $1,000,000,000.
Commodity Stabilization Service—
Acreage Allotment and Marketing quotas, $43,000,000.
Sugar Act Program, $72,200,000.

Income from sugar taxes, Mr. President, is $84½ million. So any administrative cost in the Sugar Act is actually reimbursed by the tax which is imposed upon sugar. Yet the cost of the Sugar Act program is charged to agriculture.

REA (salaries and expenses) $9,600,000.
Loan authority, $239,000,000.

The 1958 estimate of collections is $137½ million.

Farmers' Home Administration (salaries and expenses) $30,000,000.
Loan authority, $235,500,000.

Collections in 1958 are estimated at $194.4 million.

Staff officers, $8,200,000.
Restoration of Commodity Credit Corporation Capital Impairment (to repay CCC losses in the year 1956) $1,239,800,000.
Reimbursement of CCC for Financial Program, $843,100,000.
Title I, Public Law 480, $637,000,000.
Title II, Donations, $94,500,000.
International Wheat Agreement, $93,000,000.

Now we come to the permanent appropriations. Section 32 provides a donation of 223½ million, which is taken out of section 32 funds. Section 32 funds, Mr. President, are made up of the tariff duties which are collected on imports which come in direct competition with agricultural commodities produced in the United States and the funds are accumulated for the purpose of paying for perishable commodities on a support basis.

The permanent appropriation for this particular fund is $306.5 million.

The payment to counties for schools from forest receipts is $47.3 million.

All these items, Mr. President, total $4,873.3 million, which we have so often heard referred to as the appropriation for agriculture, oftentimes thought of by the taxpayers, because of the way it is phrased, as a subsidy, or a direct Treasury check.

Mr. President, I have a tabulation of programs shown in the agricultural budget of 1958 which benefit others than farmers:

Meat inspection, $18.7 million.
Watershed projects, $39.1 million.
School-lunch program, $100 million.
Section 416 donations, $361.3 million.
Public Law 480, title I, $637 million.
Title II donations for relief, etc., $94.5 million.

The International Wheat Agreement is a part of the State Department's function. That is $93 million.

I have described section 32, for which the figure was $223.5 million.

Mr. President, the remainder of this table I shall not read, because it refers to the figures I read on the other page. I ask unanimous consent that the remainder of this one page be printed in the RECORD as a part of my remarks. It continues with the school milk program, the REA, the FHA, and it shows the total receipts from timber sales and collections under REA and FHA.

There being no objection, the remainder of the table was ordered to be printed in the RECORD, as follows:

[In millions]

Forest payments to counties for schools	$47.3
School-milk program	45.0
Subtotal	1,659.4
REA loan authority	239.0
FHA loan authority	235.5
Subtotal of loans (loan authority to be repaid)	474.5
Total	2,133.9
Receipts received by agriculture:	
Timber sales, grazing leases, etc.	161.4
REA collections (estimated 1958)	137.5
FHA collections (estimated 1958)	194.4
Sugar taxes	84.5
Total receipts	577.8
Total to be deducted from budget	2,711.7
Total agricultural budget	4,873.3
	−2,711.7
Total chargeable directly to agriculture	2,161.6

Mr. THYE. The most significant part of this, Mr. President, is the table following, relating to "Realized Net Income, Direct Government Payments, and Direct Payments as a Percent of Net Income."

I have gone back into the years 1936 and 1937, because they were prewar years. Then I have taken the years in the postwar era, 1946 and 1947. Then I have taken the last calendar year available, which is 1956.

In 1936 the realized net income—this is agricultural net income—was $5.1 billion.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. CAPEHART. Is that the income of the farmers?

Mr. THYE. It is the realized net income of the farmers.

Mr. CAPEHART. That is the amount the farmers received?

Mr. THYE. Yes. It is the realized net income for 1936, and it amounted to $5.1 billion.

Direct Government payments to farmers—I repeat that, direct Government payments to farmers—$300 million.

The next is the direct payments as a percentage of realized net income. That is 5.9 percent.

Then we go to the calendar year 1937. The realized net income was $5.2 billion. The direct Government payments to farmers were $300 million, or 5.8 percent of realized net income.

Next we go to the calendar year 1946. This is the immediate postwar year, after World War II. The realized net income was $15 billion. The direct Government payments to farmers were $800 million, or 5.3 percent of realized net income.

In 1947 the realized net income was $17.2 billion. The direct Government payments to farmers were $300 million. The direct payments as a percentage of realized net income were 1.7 percent.

The last year, the most recent year, was 1956. The realized net income was $11.8 billion. The direct Government payments to farmers were $600 million. Six hundred million dollars is the only figure given for the direct payments to the farmers in 1956, Mr. President. In other words, the direct payments as a percentage of the realized net income amounted to 5.1 percent.

Now I should like to refer to another table, which covers the estimated direct payments to farmers in millions of dollars.

The A. C. P. program in 1957 amounted to $245.3 million.

For 1958, this item is $253 million.

Under the Wool Act, the estimated direct payment to farmers in millions of dollars is $60 million for 1957. The anticipated payments for 1958 are $55 million.

In connection with the soil bank, direct payments to farmers for 1957 are $387 million; and the estimated direct payment to farmers in millions of dollars for the calendar year 1958 will be $896 million.

Under the Sugar Act, the cost to this Government in 1957 was $65.5 million. The anticipated cost for 1958 will be $70.1 million.

The next item is the Great Plains. The estimated direct payment to farmers for 1958 will be $17.7 million.

Stating it in another way, in the calendar year 1957 the estimated direct payment to farmers, in millions of dollars, is $757.8 million. The total anticipated for the calendar year 1958 is $1,291,800,000. It will not be $4 billion, $5 billion, or $5½ billion, the figures we have so often heard stated in recent months. I had to go into these figures and place them in the RECORD in order that we and the taxpayers might understand what is involved in the farm program, and in the total administrative responsibilities and functions of the Department of Agriculture.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. CARLSON. I commend the distinguished senior Senator from Minnesota for calling the attention of the Senate to some factual figures which show the actual payments to the farmers of the Nation. The senior Senator from Minnesota has always been an effective spokesman for our great agricultural economy. He has a keen knowledge of agriculture gleaned from many years of actual experience as a successful farm operator. He is considered a leading authority in this important area of our Nation's economy. There is no man more dedicated to the betterment of agriculture in the United States, than the senior Senator from Minnestota.

I think it is most unfortunate that during the past few months we have been reading figures which have been generally distributed over the Nation, to the effect that the farm programs cost $5.5 billion or more, and that the farm income is only about $11 billion; in other words, that the cost of the farm program is 50 percent of the farm income.

I think the Senator from Minnesota has rendered agriculture a real service. It is time these figures were made known to the people of the Nation. Otherwise they, too, would be concerned, as we are, over these payments which, in reality, are not so large considering the great program as a whole. The American farmer sustained our needs during World War II and the Korean conflict. Today the farmer is producing to sustain our growing needs and demands for agricultural products, both at home and abroad. The farmers of our Nation must not be made the victims of statistical errors concerning subsidy payments.

Mr. THYE. I thank my distinguished friend from Kansas. He has always been a loyal supporter of sound legislation for our Nation's farmers and has recognized their contribution to our ever-expanding agricultural economy.

Mr. President, I have just been given by my administrative assistant a release which has come over the United Press wire service. This is the statement:

Acting Assistant Press Secretary Wayne Hawks just clarified the President's statement on farm subsidies. He said: "The $5 billion figure represents about one-half of the net income of all farmers in the United States. The figure is not all subsidy as the President's remarks implied."

I am grateful that this clarification has been made. I know that it would have been a disservice to cause me and others to labor under the impression that agriculture would be charged with such a burden as was suggested when it was stated that $5 billion was the cost of the farm programs to the Treasury. That was what led me to go into the statistical records to obtain the facts and introduce them on the floor of the Senate this afternoon.

Agriculture is doing too good a job to be placed under a cloud of taxpayers' criticism. The American farmer not only met the needs of the Nation during the war years, not only supplied the food and fiber which our allies needed, but supplied the materials for many a gallon of alcohol which was processed into synthetic rubber and ammunition in the war years.

American agriculture deserves better than to be constantly charged with being such a burden to the United States Treasury. We have won friends all over the world with the surplus products from the good earth of the United States. The United States and Canada are the great bread-producing areas of the world, as well as being producers of foods and fibers, timber, cotton, animal fats, and fatty products from vegetable crops. American agriculture has done such an outstanding job that it should be commended rather than being placed under a cloud of charges to the effect that a burden of possibly $5 billion has been imposed on the Treasury of the United States to support the farm economy of the Nation.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. THYE. I yield.

Mr. SYMINGTON. First, Mr. President, I congratulate the distinguished senior Senator from Minnesota, who, as we all know, is one of the true experts of this body on the farm program.

I ask unanimous consent to have printed in the RECORD at this point an article from the Washington Post and Times-Herald of Wednesday, April 17. This article states that Assistant Secretary Earl L. Butz is the source for the assertion that $1,000 a farm is the average amount of subsidy this country will pay each farmer in the coming fiscal year.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times-Herald of April 17, 1957]

REVIEW OF FARM POLICY HINTED BY GOP LEADERS

(By Raymond Lahr)

Republican congressional leaders were told yesterday that Federal farm programs would cost the Treasury an average of about $1,000 per farm in the next fiscal year.

The figure was given out at yesterday's weekly legislative conference between President Eisenhower and the GOP Congressional leaders.

Latest available Census Bureau figures show there were 4,787,393 United States farms in 1954. They were valued at an average of $19,706, including land and buildings.

A SHOCK

"It was a rather staggering thing," Senator STYLES BRIDGES (Republican, of New Hampshire) said later. "It was a shock to me."

Also present at the White House discussion of next year's $5 billion farm budget were Agriculture Secretary Ezra T. Benson and his aides.

BRIDGES did not explain the reason for issuing the $1,000-a-farm figure which was given to the lawmakers by Assistant Agriculture Secretary Earl L. Butz.

But some Senators said they got the impression the Department may be considering an overall review of farm policies and costs.

ACCOUNTING CRITICIZED

BRIDGES, chairman of the Senate Policy Committee, said the estimates also were discussed at yesterday's weekly luncheon of Republican Senators.

Some Farm Belt Senators, he said, replied that the cost of distributing surplus farm products abroad should be charged to the foreign-aid program, not to the farm program.

BRIDGES also reported that some Senators who attended the luncheon voiced disappointment about the failure of the Senate Judiciary Committee to act on the President's civil rights bill, which is being fought by southern Democrats.

He said he told them he still expects the Senate to pass civil-rights legislation this year even though "the speed to date doesn't indicate that it will."

Mr. SYMINGTON. Mr. President, will the Senator from Minnesota yield further?

Mr. THYE. I am happy to yield. However, I do not wish to preempt the floor and prevent recognition of my distinguished friend from Utah [Mr. WATKINS], because I know that he has been in the Chamber for an hour seeking recognition.

Mr. SYMINGTON. I thought I would be recognized in order after the distinguished senior Senator from Minnesota yielded the floor.

Mr. THYE. I am delighted to yield. I merely wished to be courteous to my friend from Utah, and not have it thought that I am holding the floor at his expense.

Mr. SYMINGTON. The distinguished junior Senator from South Carolina [Mr. THURMOND], when he was presiding, told me that I was to be recognized following the distinguished Senator from Minnesota.

Mr. WATKINS. Mr. President, I am not objecting. I hope the Senator will proceed.

Mr. THYE. The Senator from Utah is acting with his usual fine courtesy.

Mr. SYMINGTON. Mr. President, I thank the Senator from Utah for his gracious courtesy. I have congratulated the able Senator from Minnesota for his remarks. If he yields the floor, I will seek recognition.

Mr. THYE. I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. SYMINGTON. Mr. President, at this point I ask unanimous consent to have printed in the RECORD a transcript from the New York Times of part of the press conference held by President Eisenhower yesterday.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

NOT PLANNING FARM LAWS

Charles W. Bailey of the Minneapolis Star and Tribune. Sir, could you tell us about your meeting with the leaders yesterday and your discussions of the farm situation with them? Was this a routine discussion of budgetary matters or were you talking about new legislative proposals, and if so, could you tell us something about them?

Answer. Well, we are not talking about new legislative proposals. We are talking about certain of the problems that persist in our agriculture, regardless of the—all of the programs that have been tried literally since the beginning, or before the beginning of the war.

The * * * we have laws for the disposal of surpluses at a subsidized, under a subsidized arrangement for which the taxpayers pay. Then when we get rid of those surpluses to a certain degree, the arbitrary provisions of the law operate; the price supports go up, and you get more surpluses. So we have in many ways a very, very difficult problem in this whole field.

Now, this administration starts with this: We want to help the farmers who have been caught, as we call it, you know, the cost-price squeeze for so long. This particularly applies to smaller farmers, and the problem is how to help them and not to go beyond reason, and at the same time not just continue to create new problems as you try to solve ones we now have.

At present you must remember that about half the income of the farmer is from Federal subsidy. We are up to over $5 billion in our agricultural budget for the year, and I believe the amount they told me is something, averages over a thousand dollars a farm family that the United States is paying in some form of subsidy; not all of that, I think, gets right into the hands of the farmers.

But the pity of it is that if the small farmers were getting their adequate share of that, probably the system would be working. But it doesn't work that way. The big farmers get the most. So what we are doing is really looking over this whole field to see how you can best have an adequate program for the farmers, one that will stand the test of time, will be stable, and will not create new problems.

Mr. SYMINGTON. In the press conference in question the President was asked about the farm program. I have placed the colloquy in the RECORD, but I should like to read one part of his answer:

Now, this administration starts with this: We want to help the farmers who have been caught, as we call it, you know, in the cost-price squeeze for so long. This particularly applies to smaller farmers, and the problem is how to help them and not to go beyond reason, and at the same time not just continue to create new problems as you try to solve ones we now have.

At present you must remember that about half the income of the farmer is from Federal subsidy.

The just-completed remarks of the distinguished Senator from Minnesota show how wrong that statement was.

The colloquy continues:

We are up to over $5 billion in our agricultural budget for the year, and I believe the amount they told me is something, averages over $1,000 a farm family that the United States is paying in some form of subsidy; not all of that, I think, gets right into the hands of the farmers.

Mr. President, putting it mildly, not all of it does get into the hands of the farmers.

For example, the figure given includes some $686,300,000 for the administration expenses of the Department of Agriculture, including operating expenses, expenditures for agricultural research, agricultural marketing service, soil conservation, forest service, commodity exchange authority, and other similar activities and services of the Department of Agriculture.

As the able Senator from Minnesota [Mr. THYE] pointed out, it also includes the removal of surplus agricultural commodities by special grants to the inhabitants of slums in our cities, people with the lowest incomes; also the national school lunch program. It also includes Government loans, donations for such disasters as floods and fire, meat inspection services, etc. It is almost incredible that this total amount of money would be charged as a subsidy against the farmers.

Mr. President, I could read more figures to disprove this statement, but I believe they have already been placed in the RECORD by the distinguished Senator from Minnesota. My great regret with respect to this statement is the fact there appears to be a lack of understanding of just what is the farm problem in the United States today. Anyone who believes there is a thousand dollars per farm subsidy going to the farmers has no true comprehension of the growing agricultural problem now prevalent in the United States.

Mr. President, I am glad to see that there are those in high office who sympathize with the problems of the smaller farmer. But I was surprised that in the discussion where this concern was expressed, there was a statement that no corrective legislation would be presented to Congress to help solve this problem.

Mr. MORSE. Mr. President, I am very glad that the Senator from Minnesota [Mr. THYE], and the Senator from Missouri [Mr. SYMINGTON] put the President straight this afternoon, in the case of the misinformation regarding the cost of the farm program the President gave the American people at his press conference yesterday.

Of course, Mr. President, we are accustomed to this habit on the part of the President of misinforming the American people. Many of us recognize that he is not a student of these problems, and does not do his bookwork, and apparently depends upon information handed to him as he goes into press conferences or when he is briefed prior to attending such press conferences.

Mr. President, among the American people there is growing concern about these press conferences. When we consider the statement made by the President in yesterday's conference, we find that it is characterized primarily by incoherency. Many of the President's statements simply are not coherent, if we try to dig meaning out of them. That was perfectly apparent yesterday, in the case of his farm statement; and if we have any question about it, we have only to read the statement as it appears in the New York Times.

Mr. President, the President of the United States should have accurate advisers. He owes it to the people of the United States to have accurate advisers. But the examples of the President's inaccuracies and the examples of instances in which the President has misinformed the American people have become legion. The President simply does not have the information in the case of issue after issue. The sad thing is that apparently he simply parrots the misinformation which is given him prior to his press conferences. Such statements by him are very much like the speech he made in Portland, Oreg., on October 18, 1956, during the campaign. On that occasion he said:

Second, the National Park Service and the Wildlife Service: Having inherited a declining system of national parks, we have added more than 400,000 acres to our park system.

Mr. President, I am sure the President thought he was speaking accurately when he told the people that 400,000 acres had been added to the park system. I am sure he believed that much surface area had been added to the park system. However, whoever gave him that information forgot to tell him that the greater portion of that land was under water, beneath the surface of Lake Superior. Yet, Mr. President, in my State the people thought the President had given them information about an actual addition of land to the national parks.

Such inaccuracies on the part of the President of the United States are causing increasing concern. Of course, the necessary information on such matters cannot be obtained while on a putting green; it can be obtained only from books and reports. In order to do a proper job in that connection, it is necessary to study, rather than to have someone—in the most recent instance, apparently, someone from the Department of Agriculture—give off-the-cuff figures, as I assume happened yesterday prior to the President's press conference.

So the President gave the American people misinformation, only to have the ticker a few minutes ago have to correct the President of the United States.

I happen to be one who protests when the President puts his foot in his mouth so frequently by way of giving the American people misinformation. I think the Senator from Minnesota [Mr. THYE] and the Senator from Missouri [Mr. SYMINGTON] deserve a vote of thanks from us for putting the record straight this afternoon, because what the President said yesterday was not based on the facts regarding the cost of the farm program. In fact, until approximately January 1, 1956, over a period of 22 years—so the Department of Agriculture has informed us—the total cost of the farm program was approximately $2 billion, or a little less than $1 a year for every person in the United States, which, as I have said

before, is a rather cheap insurance premium to pay for at least the degree of farm stability we had at the time when we had the so-called firm price supports.

Mr. President, I hope the President of the United States learned a lesson yesterday, in connection with his press conference; and I hope he will not again rely upon information which is given to him, until he doublechecks it, so that we do not have to repeat the experience we have had this afternoon on the floor of the Senate, namely, that of having to collect the correct information, in order to correct the President of the United States.

Mr. President, because of what the Senator from Minnesota and the Senator from Missouri already have done, I shall not place in the RECORD corroborating information regarding the actual cost of the farm program.

However, I should like to make the following additional suggestion to the President of the United States: I suggest that he recognize that these problems are not solved by using labels.

It is very interesting to note what the President's program has been. For instance, he will go before a group of educators and will indulge in the most glittering generalities in discussing the importance of education. However, we should have an administration which really will fight for a legislative program which will bring the needed assistance to the boys and girls of our Nation, who by the tens of thousands are being cheated out of a decent education because of the failure to place on the statute books a legislative program which will assure them at least the minimum standard of training which is so essential for the defense of the country, if we wish to consider the matter solely on the basis of the national defense.

I regret to state that I believe the circumstances are such that words as harsh as the ones I have used this afternoon, need to be spoken about the President of the United States. But I believe it is time that some of us say from the floor of the Senate, "Mr. President, will you please start getting the facts and start presenting the facts to the American people, instead of the misinformation which so frequently comes out of your press conferences."

FEDERAL TRADE COMMISSION SUPERVISION OF CERTAIN TRADE PRACTICES

Mr. WATKINS. Mr. President, April 4, 1957, I called to the attention of the Senate the fact that food chains and other nonmeatpacker firms can buy a packing plant, or a small interest in one, and thus escape Federal Trade Commission supervision of their trade practices. This is because meatpackers are exempt from the provisions of the Federal Trade Commission Act by reason of the Packers and Stockyards Act of 1921. However, due to what amounts to virtual nonadministration by the Department of Agriculture of title II of that act, which is designed to prevent unlawful trade practices, such food chains escape supervision not only with respect to the meatpacking operations but their food store operations as well.

To remedy this situation, and others involving meatpackers equally injurious to the public welfare, I cosponsored with the Senator from Wyoming [Mr. O'MAHONEY] S. 1356, which would transfer back to the Federal Trade Commission, where it originally was placed by the Congress, authority to prevent unfair trade practices in the meatpacking industry.

My remarks on April 4 were prompted by the motion filed on March 20, 1957, by the Food Fair Stores, Inc., of Philadelphia, asking for dismissal of a complaint filed against them for an alleged violation of section 2 (d) of the Clayton Act, as amended, in contracting with suppliers to buy certain items for an anniversary sale at prices lower than the prices these suppliers were asking from competitors of the Food Fair Stores Corp. It is to be noted that this alleged violation had nothing to do with meatpacking activities carried on by a packing plant which Food Fair owns in New Jersey.

Yet, it asked the FTC to dismiss the complaint filed against it on the grounds that since it owned a meatpacking plant that its entire operations were exempt from FTC jurisdiction. In its brief filed in support of the motion to dismiss, this food chain had the temerity to cite part of the remarks I made at the time S. 1356 was introduced as evidence of the fact that FTC did not have jurisdiction in the matter. In part, the motion stated:

Senator WATKINS, of Utah, the author of a bill (S. 1356) now pending in the Senate to confer upon the Commission jurisdiction in precisely the situation in issue here, stated the following on the floor of the Senate on February 25, 1957, in support of his bill: "I believe it is in the public interest that FTC control be extended over packers which enter into other sideline businesses—businesses which now escape such control because of USDA inaction, but whose competitors are subject to FTC control. The same need for public control applies to food firms, especially food chains, which now can acquire packing plants, or a substantial interest in one, and thus escape FTC supervision over their entire operation."

Today, Mr. President, a hearing examiner of the Federal Trade Commission issued an order dismissing the complaint against Food Fair Stores, Inc., "for lack of jurisdiction," as Food Fair Stores had contended was the case in its motion to dismiss the complaint. This is a food chain, operating 238 stores located along the Atlantic seacoast, which had gross sales of $475 million for the 1956 fiscal year. Yet, because it owns a packing plant in New Jersey, which during its 1956 fiscal year, by comparison, did only $25 million worth of business, it will, if this order is upheld, be permitted to wholly escape adequate supervision over all its operations. Passage of S. 1356 will bring an end to the type of evasion of proper public regulation.

Because of the importance the practice has assumed, I ask unanimous consent that a pres release announcing this decision and the decision itself be printed in the RECORD.

There being no objection, the press release and the decision were ordered to be printed in the RECORD, as follows:

[Press release from Federal Trade Commission]

PROMOTIONAL ALLOWANCES (ROBINSON-PATMAN AMENDMENT)—UNFAIR COMPETITION (FTC)

A Federal Trade Commission hearing examiner today issued an order which would dismiss for lack of jurisdiction a complaint charging Food Fair Stores, Inc., Philadelphia, Pa., with inducing favored treatment from its suppliers in violation of the antitrust laws.

This is not a final decision of the Commission and may be appealed, stayed, or docketed for review.

The axaminer, Frank Hier, said Food Fair is a "packer" under the terms of the Packers and Stockyards Act and, therefore, is under exclusive jurisdiction of the Secretary of Agriculture. The FTC does not have jurisdiction, he said, and Food Fair's motion to dismiss the FTC complaint should be granted.

The Commission's complaint, issued in November 1955 and amended last March, had charged Food Fair with inducing special promotional allownaces which it knew, or should have known, were not being offered by its suppliers to its competitors on "proportionally equal terms," as required by section 2 (d) of the Robinson-Patman Amendment to the Clayton Act. This knowing inducement of violations of the Robinson-Patman Law, the complaint had charged, was an unfair method of competition in violation of the FTC Act.

Food Fair, which is a supermarket grocery chain of 238 stores along the Atlantic seaboard is doing an annual business of about $475 million (gross sales, 1956), has operated a meat-packing plant in Elizabeth, N. J., since July 1945. This plant sells $25 million in meat products each year. These products, the examiner said, are federally inspected, and Food Fair is listed and licensed by the Department of Agriculture as a packer.

The Packers and Stockyards Act, the examiner said, is "clear and unambiguous" and provides that "the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary.* * *"

The matters referred to in the act, the examiner said, include "broad proscriptions" against unfair business practices and "include the charge of the complaint here."

Denying the claim of counsel supporting the complaint that the Secretary of Agriculture's jurisdiction applies only to the meatpacking phase of Food Fair's business, the examiner said:

"It is * * * clear that Congress was legislating for all businesses doing any meat packing whatsoever, that the bill was intended to reach and regulate all phases of the business of any person, firm or corporation engaged in meat packing to any extent whatever, that the problem of 'unrelated activities' was squarely before Congress and thoroughly considered, that the statutory definition of 'packers' * * * was made designedly broad so as to include all within its terms, 'whatever the ramifications of his business, and whatever the form of corporate organization adopted,' or 'if such person has *an interest* in a packing business. * * *'"

Congress, the examiner added, was legislating "for the future and for an industry, and was keenly aware of extensions into other fields, and of other firms entering into the packing field. There is no evidence in this legislative history that the act was intended to be confined to those whose sole or primary business was meat packing."

Counsel supporting the complaint had maintained that complete jurisdiction in the

Department of Agriculture would lead to absurd results enabling any concern to choose between FTC and Agriculture simply by acquiring or divesting itself of a packing plant.

"The answer, of course, the examiner said, "is that where a law is clear and unambiguous in terms, command, and intent and where the latter is also clear from the legislative history, interpretation is uncalled for and no deciding authority may interpose his views and interpret it away from that intent, regardless of result. The responsibility for the latter, any duty to change, as well as the sole right to change, lies with the enacting authority, Congress. That this is recognized by that body is evidenced by the recent introduction for passage by Congress of S. 1356 to confer on the Federal Trade Commission the very jurisdiction contended for here."

UNITED STATES OF AMERICA, BEFORE FEDERAL TRADE COMMISSION—IN THE MATTER OF FOOD FAIR STORES, INC., A CORPORATION, DOCKET NO. 6458

INITIAL DECISION

Frank Hier, hearing examiner.

Andrew C. Goodhope, Frederic T. Suss, and Alvin C. Edelson, counsel supporting the complaint.

Stein, Stein & Engel, by Howard Engel, Jersey City, N. J., Gravelle, Whitlock & Markey, by Louis A. Gravelle, and Howrey & Simon, by David C. Murchison, Washington, D. C., counsel for the respondent.

In the midst of proof taking to support the allegations of the complaint, and immediately subsequent to the issuance by the Commission of amended complaint, respondent, by counsel, moves for complete dismissal for lack of jurisdiction. Since jurisdiction can be questioned at any time and is not conferred by consent, waiver, or failure to raise the point, at any previous time, the motion is timely and proper. The ground of the motion is that respondent's acts and practices, including those challenged by the complaint herein, are in the exclusive jurisdiction of the Secretary of Agriculture because respondent is subject to the Packers and Stockyards Act of 1921 (S. S. C. 191 et seq.)

Respondent herein is a supermarket grocery chain of 238 stores located along the Atlantic seaboard from New England to Florida, selling a full line of grocery and household products including fresh and canned meat and meat products. Its gross sales were about $475 million for the fiscal year ending April 28, 1956. It was organized about 1933. The charge against it in this proceeding is that it knowingly induced and received from suppliers advertising allowances which those suppliers had not made available on proportionally equal terms to all of their other customers competing with respondent in the retail sale of such suppliers' products and that respondent knew this. In short, that respondent knowingly induced a violation of section 2 (d) of the Clayton Act by its suppliers.

On July 13, 1945, respondent acquired a meat packing plant at 406 Allen Street, Elizabeth, N. J., at which place it has since slaughtered livestock and prepared same for consumption, selling and shipping in commerce to the extent of $25 million, or 95 million pounds, for the fiscal year ending April 28, 1956. Respondent's investment in said plant is $2.7 million. The products thereof are federally inspected and respondent is listed and licensed by the Department of Agriculture as a packer. Counsel supporting the complaint concedes that "to the extent it operates its meatpacking plant in Elizabeth, N. J.," respondent is a packer within the statutory definition set out in title 7, United States Code, section 191, 42d Statute page 160, which reads as follows:

"When used in this chapter the term 'packer' means any person engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of manufacturing or preparing livestock products for sale or shipment in commerce, or (d) of marketing meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs, in commerce; but no person engaged in such business of manufacturing or preparing livestock products or in such marketing business shall be considered a packer unless—

"(1) Such person is also engaged in any business referred to in clause (a) or (b) of this section, or unless;

"(2) Such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, any interest in any business referred to in clause (a) or (b) of this section, or unless;

"(3) Any interest in such business of manufacturing or preparing livestock products, or in such marketing business is owned or controlled, directly or indirectly, through stock ownership or control or otherwise, by himself or through his agents, servants, or employees, by any person engaged in any business referred to in clause (a) or (b) of this section, or unless

"(4) Any person or persons jointly or severally, directly or indirectly, through stock ownership or control or otherwise, by themselves or through their agents, servants, or employees, own or control in the aggregate 20 percent or more of the voting power or control in such business of manufacturing or preparing livestock products, or in such marketing business and also 20 percent or more of such power or control in any business referred to in clause (a) or (b) of this section. (August 15, 1921, ch. 64, sec. 201, 42 Stat., p. 160.)"

Section 406 (b) of that same statute (7 U. S. C. 227, 42 Stat., p. 169) provides "on or after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act is made subject to the jurisdiction of the Secretary, except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, * * *' and except when the Secretary of Agriculture, in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case (August 15, 1921, ch. 64, sec. 406, 42 Stat. 169; 7 U. S. C. 227)." The two exceptions mentioned in the above code section are obviously inapplicable to this proceeding and it will be noted that the jurisdictional exclusion is as "to any matter which by this act, is made subject to the jurisdiction of the Secretary * * *."

The matter above referred to is obviously that which is contained in section 202, title 7, U. S. C., page 192 of that act which reads as follows:

"UNLAWFUL PRACTICES ENUMERATED

"It shall be unlawful for any packer or any live poultry dealer or handler to:

"(a) Engage in or use any unfair, unjustly discriminatory, or deceptive practice or device in commerce; or

"(b) Make or give, in commerce, any undue or unreasonable preference or advantage to any particular person or locality in any respect whatsoever, or subject, in commerce, any particular person or locality to any undue or unreasonable prejudice or disadvantage in any respect whatsoever; or

"(c) Sell or otherwise transfer to or for any other packer, or any live poultry dealer or handler, or buy or otherwise receive from or for any other packer or any live poultry dealer or handler any article for the purpose or with the effect of apportioning the supply in commerce between any such packers, if such apportionment has the tendency or effect of restraining commerce or of creating a monopoly in commerce; or

"(d) Sell or otherwise transfer to or for any other person, or buy or otherwise receive from or for any other person, any article for the purpose or with the effect of manipulating or controlling prices in commerce, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article in commerce, or of restraining commerce; or

"(e) Engage in any course of business or do any act for the purpose or with the effect of manipulating or controlling prices in commerce, or of creating a monopoly in the acquisition of, buying, selling, or dealing in, any article in commerce, or of restraining commerce; or

"(f) Conspire, combine, agree, or arrange with any other person (1) to apportion territory for carrying on business in commerce, or (2) to apportion purchases or sales of any article in commerce, or (3) to manipulate or control prices in commerce; or

"(g) Conspire, combine, agree, or arrange with any other person to do, or aid or abet the doing of, any act made unlawful by subdivisions (a)–(d) or (e) of this section."

Obviously the above broad proscriptions include the charge of the complaint here. There follows detailed provisions for complaint, answer, hearing, decision and order by the Secretary of Agriculture with right of appeal therefrom to the United States circuit court of appeals—procedure closely following that of the Federal Trade Commission (7 U. S. C. 193–194–195) and indeed there is a separate general provision (7 U. S. C. 222) adopting for the use of the Secretary of Agriculture in the enforcement of the act, all of the implementing provisions of the Federal Trade Commission Act. It was probably this which led the Fourth Circuit Court of Appeals in *United Corporation, et al.* v. *F. T. C.* (110 F. 2d 473) to say:

"It was doubtless because plenary power over the unfair trade practices of packers had been vested in the Secretary of Agriculture by the Packers and Stockyards Act and the Meat Inspection Act, that Congress withheld jurisdiction over packers from the Federal Trade Commission. Only confusion could result from an overlapping jurisdiction, as this case well illustrates."

On the basis of the above, counsel for respondent contends that it has an in personam immunity from supervision, investigation, or correction by the Federal Trade Commission, being, by reason of its packing activities, subject in all of its operations exclusively to the jurisdiction of the Secretary of Agriculture. In a word, once in grace, always in grace. Counsel supporting the complaint, on the other hand, contends that the exclusive jurisdiction of the Secretary of Agriculture is not personal, but is only as to matters given to him exclusively, and that the acts and practices of respondent challenged in the instant proceedings are not such a matter. His argument, so far as the examiner understands it, proceeds as follows:

"(a) The Packers and Stockyards Act was aimed directly against the five big packers who, in 1917, handled 70.5 of all animals slaughtered under Federal inspection.

"(b) That these same five packers were under a 1920 consent decree forbidding them to engage in the retail distribution of grocery products including meat or meat products.

"(c) That, therefore, the Packers and Stockyards Act was, and is, confined in its operation to slaughtering, processing, preserving, selling, and shipping meat and meat products in commerce, and does not cover the retail distribution thereof.

"(d) Therefore, there was never conferred on the Secretary of Agriculture any jurisdiction whatever over the retail activities of any business coming within the statutory definition of packer, and, therefore, he has no ju-

risdiction over the great bulk of respondent's acts and practices."

The above-quoted statutory provisions are clear and unambiguous and would seem to this hearing examiner to require no resort to legislative history for clarification. But all counsel seem to think the contrary, and quote extensively from that legislative history to sustain their conflicting contentions.

Without extensive quotations from that legislative history, it is plain therefrom that while the consent decree of 1920, which barred the five major packers from engaging in most retail operations, was in the mind of Congress in 1921, it is also clear that Congress was legislating for all businesses doing any meatpacking whatsoever, that the bill was intended to reach and regulate all phases of the business of any person, firm, or corporation engaged in meatpacking to any extent whatever, that the problem of unrelated activities was squarely before Congress and thoroughly considered; that the statutory definition of "packers" in section 201 of the act (7 U. S. C. 191) was made designedly broad so as to include all within its terms, "whatever the ramifications of his business, and whatever the form of corporate organization adopted," or "if such person has an interest in a packing business, as [above] defined or if a packer has any interest in his business." It is apparent that Congress was not legislating in a 1921 vacuum, but was legislating for the future and for an industry, and was keenly aware of extensions into other fields, and of other firms entering into the packing field. There is no evidence in this legislative history, that the act was intended to be confined to those whose sole or primary business was meatpacking. On the contrary, the House of Representatives was pressured by the Farm Bureau to narrow the definition of "packer" to just manufacturing or preparing meats and meat products for sale—in other words, just to meatpacking—but this was flatly rejected; the expressed intention then being "to relieve from regulation (by the Secretary of Agriculture) those outside industries only when having no affiliation with a packer." "Affiliation" is a broad and significant word. Finally, on this point, it is most significant to this hearing examiner that in 1938 when Congress was enlarging the jurisdiction of the Federal Trade Commission by adopting the Wheeler-Lea amendment, and then having before it the extensive hearings preceding the Robinson-Patman Act, and their disclosure of new and devious anticompetitive practices which had come to life in the intervening years, with the knowledge of backward and forward integration occurring during the 1920 decade, was most careful to except from the new grant of additional jurisdiction "persons, partnerships, or corporations subject to the Packers and Stockyards Act, 1921, except as provided in section 406 (b) of said act." This careful additional exclusion of jurisdiction, not there before and coming 18 years later in that setting, seems to this hearing examiner to refute any claim that Congress in 1921 was legislating only about five packers, was not legislating as to retail activities, or unrelated operations. It seems a reaffirmation of a firm intent to have the Secretary of Agriculture regulate all phases of any business in whatever primary field, connected in any way, or operating to any degree, in meatpacking. There is, therefore, no necessity for deciding whether the exemption is in personam or merely in rem.

This interpretation logically and inevitably leads, counsel in support of the complaint contends, to absurd results enabling any concern to choose at will the regulatory authority, by simply acquiring or divesting itself of a packing plant. Or, put more crassly, by the simple expedient of buying a load of chickens, wringing their necks, plucking their feathers, and selling their carcasses in commerce, any business in the Nation, even a tire or battery manufacturer, for instance, may escape regulation of its entire business by the Federal Trade Commission, whose "expertise" in the use, for instance, of brokerage, advertising allowances, service grants, and other devious means of competitive favoritism, is widely recognized. Thus, in the instant case, alleged competitive discrimination in the use of advertising allowances to push such nonagricultural products as floor wax, chewing gum, and cleaning fluid is left exclusively to the Department of Agriculture. No law, says counsel, should be interpreted to achieve an absurd result.

The answer, of course, is that where a law is clear and unambiguous in terms, command, and intent and where the latter is also clear from the legislative history, interpretation is uncalled for and no deciding authority may interpose his views and interpret it away from that intent, regardless of result. The responsibility for the latter, any duty to change, as well as the sole right to change, lies with the enacting authority, Congress. That this is recognized by that body is evidenced by the recent introduction for passage by Congress of S. 1356 to confer on the Federal Trade Commission the very jurisdiction contended for here, and by the statement of its sponsor:

"I believe it is in the public interest that Federal Trade Commission's control be extended over packers who enter into other sideline businesses—businesses which now escape such control because of United States Department of Agriculture's inaction, but whose competitors are subject to Federal Trade Commission's control. The same need for public control applies to food firms, especially food chains, which can now acquire packing plants, or a substantial interest in one, and thus escape Federal Trade Commission's supervision over their entire operations."

Despite distinctions of counsel, which are really not actual differences, the views expressed, and the language used in *United Corporation et al.* v. *F. T. C.* (110 F. 2d. 473 (C. C. A. 4) (1940)) and Docket 6409, Armour & Co. (March 30, 1956) are consonant with, and, it is believed, fully support the views expressed, and the conclusion reached here, and these are precedents by which this hearing examiner is, of course bound.

Express findings on this motion then are:

1. Respondent comes within the definition of "packer" as set out in title 7 United State Code, section 191, not only as to its Elizabeth, N. J., plant but as an entity.

2. As such, the Secretary of Agriculture has exclusive jurisdiction of the acts and practices charged in the complaint to be illegal.

3. The Federal Trade Commission has no jurisdiction thereof.

It follows that the motion of respondent to dismiss should be and the same hereby is granted.

Any and all requests for time to brief further the motion are denied.

ORDER

It is ordered that the complaint and the amended and supplemental complaint in this proceeding be, and the same hereby are, dismissed for lack of jurisdiction.

FRANK HIER,
Hearing Examiner.

APRIL 11, 1957.

INTERMOUNTAIN INDIAN SCHOOL, BRIGHAM CITY, UTAH, AND TRIBUTE TO DR. GEORGE BOYCE, SUPERINTENDENT

Mr. WATKINS. Mr. President, a week ago today I gave a talk in Brigham City, Utah, at an occasion honoring the man who has been superintendent of the Intermountain Indian School during the more than 7 years it has been in existence, Dr. George A. Boyce.

The school is a practical example of what can be done to give young Indians—in this case, Navahos—a real American education; it is also a lesson in Government economy. In editorial comment last Saturday the Deseret News-Salt Lake Telegram said:

Government economy is a much discussed subject these days, and properly so. On every side come warnings about the need for a careful watch over the spending of public funds.

Thus, it is with special pride that we here in Utah can point today to the Intermountain Indian School at Brigham City. As Senator Watkins pointed out in an address honoring the school's outgoing superintendent, Dr. George A. Boyce, this week, the school is a good example of what can be done in accomplishing much and at little cost.

In 1950 Congress authorized the transformation of Bushnell General Hospital to the Intermountain Indian School. Before it was decided to convert Bushnell to a school, plans were under way to sell the plant for $1 or to sell it for salvage at an estimated $175,000. Later, $3,750,000 was allotted to convert the hospital and erect new classrooms and other buildings to house and educate children primarily from the Navaho Reservation.

Under the direction of Dr. Boyce the conversion was made, and the country has realized full value for every dollar of the appropriation.

Mr. President, at this time I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the text of my talk dealing with the progress and the economy achieved at this fine Indian school.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TRIBUTE TO DR. GEORGE BOYCE: PROGRESS AND ECONOMY AT INTERMOUNTAIN INDIAN SCHOOL, BRIGHAM CITY, UTAH

Dr. Boyce, friends, and neighbors, I am very grateful for the opportunity to be here with you, and to be fortunate to be privileged to join with you in this well-deserved recognition of the fine labor among us all of Dr. George A. Boyce. I say this with my heart: I shall always treasure these golden moments in memory, these hours spent here—with you—in recognition of a work well done.

Several weeks ago, when I knew that I might have this opportunity, I began to think back over all of the wonderful things that have happened—right here in Brigham City—in these last few years. Back in Washington, able from that far distance to measure again this achievement here in our beloved State, I think I could appreciate even more than most of you this miracle that you have wrought here in the success you have made of Intermountain School, in the way that you have welcomed these neighbors of ours into your hearts, and seen to it that—within but a few years really—they gained not only education, but love, respect, understanding.

THE MIRACLE OF BRIGHAM CITY

I use the word "miracle" advisedly. For it is truly that—the miracle of Brigham City and Intermountain School. This miracle inspires wonder and admiration and gratitude. And I know that Dr. Boyce will quite agree with me when I say that tonight we honor not him alone, but all of you—townsmen, other Utahns, faculty members, students—who have all taken part in this creation.

As all of you perhaps know, in numbers the Navaho are our largest tribal group of

Indians. They number nearly 80,000. They are a remarkable people, deeply inspired by their heritage from the past, talented, and resourceful. We can scarcely appreciate their historic problem as a people, gradually encircled by those of another race, possessed of superior weapons, speaking a vastly different language, favoring strange customs and beliefs. Yet it is our destiny in this land of ours that the melting pot—as we sometimes call it—has brought us all together. And it is at once our trial and our opportunity—as God Himself would have it—that we must live together, one nation, with full liberty for all, and we shall become the benefactor of this Indian people in the years to come.

WORKS BOTH WAYS

Now to truly live together, we must learn to understand each other, and understanding is not just a one-way route. It works both ways. We have—and this is truly the miracle of Intermountain School—found that understanding here. That is, I think, our triumph. We have learned—from these Navaho boys and girls; and they, in turn, from Dr. Boyce, his staff; those of you here in Brigham City, have also learned. And that is our true joy, that out of all this experience in living and learning together we have found joy in understanding and zest in accomplishment.

That is why I am so happy tonight. Happy for Dr. Boyce, happy for you whose lovely city this is, happy for all the young men and women who have been provided with this opportunity to know you better and through you, to begin to know all the fine things it means to be—not a second-class citizen—but an American, with all that implies.

I say that learning is a two-way street. I think sometimes we forget that. And I want to point out that not only the Navaho but all of us in a way, have been getting an education at Intermountain. And a wonderfully fine education it is.

FRANKLIN'S REMARKS

I think Benjamin Franklin—that educated jack-of-all-skills-and-insights—saw the real meaning, and the humor, in the situation of Indians, Americans, and education. In a little booklet he printed in 1784 he gave us words we should all remember. Ben remarked:

"Perhaps, if we could examine the manners of different nations with impartiality, we should find no people so rude, as to be without any rules of politeness; nor any so polite, as not to have some remains of rudeness.

"The Indian men, when young, are hunters and warriors; when old, counselors; for all their government is by counsel of the sages; there is no force, there are no prisons, no officers to compel obedience, nor inflict punishment. Hence they generally study oratory, the best speaker having the most influence. * * *

"Our laborious manner of life, compared with theirs, they esteem slavish and base; and the learning on which we value ourselves, they regard as frivolous and useless."

THE VIRGINIANS' OFFER

Ben Franklin went on to tell then about some events that occurred at the signing of the Treaty of Lancaster, in Pennsylvania, in 1744, between the government of Virginia and the Indians of the Six Nations. It seems the Virginians—after affairs were settled—told the Indians of their college at Williamsburg, where they had a fund for educating Indian youth. And—in short—they invited the Six Nations to send down, say, half a dozen of their young lads to the college, telling the Indians that their sons would be well cared for and instructed in all the learning of the whites.

Franklin pointed out that because of the Indian rules of politeness—which meant never answering such a proposal on the same day, lest it be felt to have been considered a light matter—the Indians waited until the next day before giving their answer. And—on this next day—the Six Nations spokesman began by expressing their deep sense of kindness of the Virginia gentlemen, in making them that offer, "for we know," the Indian speaker said, "that you highly esteem the kind of learning taught in those colleges, and that the maintenance of our young men, while with you, would be very expensive to you. We are convinced, therefore, that you mean to do us good by your proposal, and we thank you heartily. But you who are wise," he continued, after a pause, "must know that different nations have different conceptions of things; and you will therefore not take it amiss, if our ideas of this kind of education happen not to be the same as yours. * * *

"We have had some experience of it," the Indian leader added. "Several of our young people were formerly brought up at the colleges of the northern provinces; they were instructed in all your sciences; but when they came back to us, they were bad runners, ignorant of every means of living in the woods, unable to bear either cold or hunger; knew neither how to build a cabin, take a deer. * * * Spoke our language imperfectly, were therefore neither fit for hunters, warriors, nor counselors; they were totally good for nothing. We are, however, not the less obliged by your kind offer, though we decline accepting it."

THE INDIANS' REPLY

And then the Six Nations chief—who obviously appreciated the humor of the situation—in the words of Franklin's pamphlet added:

"To show our grateful sense of your kind offer, however, we say this: If the gentlemen of Virginia will send us a dozen of their sons, we will take great care of their education, instruct them in all we know, and make men of them."

Well, Ben Franklin wasn't above making up stories to tell his points, and that may be just one of them. However, it points up what I was saying: Education is a two-way street. The Navaho have learned, here at Intermountain, and we have learned with them.

I just wonder sometimes if the people of Utah and the Nation generally appreciate the marvelous work that is going on here at Intermountain daily, the experience in living and adjusting and learning that Dr. Boyce and his helpmates have directed so ably.

THE NAVAHO VETERANS

Let's just consider it, for a moment. I think many of you know that Navahos, as other young Americans everywhere, were called upon for war service in World War II. Many of them entered and made fine records, proud records, for themselves and their people. But they noticed something, too—many of them, because they were not properly educated, were "casualties" not on the field of battle but in the days of pre-service and introductory service. That hurt, not even to be allowed to fight. And there were many Navaho veterans as Indian veterans elsewhere who in the councils of their people said that the day was long since done when an Indian education was enough. Their words, the words of proud American fighting men returned home, carried weight. Their elders knew, too, that wisdom lay with the education of their children, not merely in tribal customs and mores, but in the ordinary plain and simple ways of the average American child, whatever his parentage, whatever his ancestral heritage.

I came to Congress back in 1946. I remember how appalled I was when I learned of the cold disinterest of many of my colleagues when told that we weren't keeping our promise with the Navaho, made at the Treaty of Fort Sumner more than three-quarters of a century earlier, a treaty which recognized that school in white man's ways and customs would be necessary. Under it the Navaho agreed to send their children to school and the Government agreed to furnish one teacher for every 30 such students. But this was never accomplished. We didn't provide the teachers and by and large the Navaho—just as the Six Nations leaders years before—wasn't too impressed with the value of a white man's education. But in those more than 75 years we had both learned, gradually, what is the true meaning of the word "American."

AN APPALLING LACK

I say I was appalled by the state of the Indian program when I came to Congress in the mid-forties. Appalled to learn that literally thousands of Navaho children, and other Indian children, were not receiving, as every American child should, an American education. I wasn't alone in that feeling. Through its leaders the Navaho Tribe was urging that buildings, teachers, be provided. Through its spokesman the Indian Bureau urged Congress to give full freedom of citizenship—and a proper national education—to the Indians. And in Congress we had new stirrings; some of us appreciated that action was imperative. Thousands of Navaho children—and the tribal population was growing—were not being given the opportunity for an education to fit themselves to live, wherever they might choose, in America. And it was determined—in the 80th Congress—that an action program had to be set in motion.

By then I felt fortunate that in the Senate Committee on Interior and Insular Affairs I had also been assigned to the Subcommittee on Indian Affairs. Later, in the 83d Congress when Republicans controlled the Senate, I felt particularly happy that it was my good fortune to head the Indian Affairs Subcommittee. As I think most of you know, I've served on that committee and subcommittee ever since. It is one of my finest experiences in Senate service.

A REMARKABLE GAIN

My friends, I think you will better understand why I speak of the miracle here when I recall that back in 1945 some 12,000 out of the then 19,000 Navaho children were not in school, largely because they just plain didn't have the opportunity. Since then you know—as Indian Commissioner Glenn L. Emmons has told you—that although there are now nearly half again as many Navaho of school age—some 29,000 in all, we are right on the border of that happy day when we can say that all of them are in school.

Now I am firmly convinced—and I think I can safely say that most of the informed Members of Congress will agree—that secluded reservation life is a deterrent to the Indian—in that it keeps him apart, and that in ways far beyond just the purely geographic. He should have the right, as all of us, to live where it pleases him, in America, and to have all the opportunities of full United States citizenship. Yet through our national historic development the Indian was forced into a dependent position more and more. This tended to sublimate his natural qualities—his self-reliance, his courage, his resourcefulness, his confidence, and, most of all, his faith in himself.

That is why in Congress—in the 83d Congress—the Members, in both the Senate and the House, unanimously endorsed a statement on our policy with the Indians; one that expressed it as national policy to truly grant all of them the rights and prerogatives of full and respected American citizens. That remains today—in the 85th Congress—still our keystone of Indian policy.

PREPARATION FOR LIFE

But it is one thing to express a policy, or adopt a concurrent resolution, and another to see positive results. For example, the 84th Congress passed a Vocational Rehabilitation Act—to assist Indians to adapt themselves more readily to off-reservation life. We found, in short, that just to declare an Indian a first-class American citizen, rather than a Government ward, wasn't enough. And we found, as many of you already have guessed, that education was basic to the whole success of the Indian program. Indeed, there are weighty volumes and hearing reports that proclaim that the whole or major purpose of the Indian Bureau today should be largely or wholly that of education.

And in a way, that brings us right back here—to the miracle at Brigham City. And to the splendid work of our Dr. George Boyce. For truly the hand of God and His inspiration were upon us when we realized that its wartime service done, Bushnell General Hospital stood ready and waiting a further humanitarian call to life.

Yet I wonder—I recall an article in Time—I imagine you do, too, Dr. Boyce—that told of the little misgivings we had when Congress made it possible to put the stamp of Intermountain School over the legend Bushnell General Hospital. How would it go? Would this city be overrun? Would, as Time suggested, perhaps facetiously, "tepees" spring up in our midst? Well, we all know, now—we have known these last 7-plus years: It went wonderfully well.

At this point, I shall yield to the temptation to say something about that much-needed policy of economy in our governmental operations.

ECONOMY WINS OUT

That word economy looms large in our discussions of today. It is entirely probable that if the Intermountain School were up for authorization and the necessary appropriations in our present 85th Congress, that such a measure and accompanying appropriations would be defeated—not on their merits but because of the necessity to economize—to cut the budget.

But back in the 81st Congress, it was also necessary to economize. And I thought then, as I do now, that to save a plant—that had cost the people approximately $12 million—from demolition and to convert it into a school for Indian children who didn't have an opportunity to go to school at all, was the best and most effective kind of economy.

When I came up with the idea of converting Bushnell Hospital to a vocational school for Navaho Indian children and later introduced legislation to put it into effect, the General Services Administration, which was charged with the disposal of Government surplus property, was near to a decision to either sell the plant for $1 to a group to use as a coeducational military school for underprivileged white children, or to sell the plant for salvage purposes. For salvage, it was estimated that $175,000 could possibly be recovered.

MORE THAN FULL VALUE

Well, the bill to transfer the hospital to the Indian Bureau for school purposes was passed and became law. Later, in the same Congress, I offered an amendment to the Interior appropriations bill on the floor of the Senate appropriating $3,750,000 for the conversion of the hospital into a school and the erection of some needed new classrooms and other buildings.

The amendment was adopted and I am happy to say that under the able and efficient direction of Dr. Boyce, the United States Government got more than full value for every dollar of that appropriation.

The conversion was a job well and artistically done, as we all well know.

When Intermountain opened that January of 1950, there they came—some 526 of them, less than half of whom spoke other than their native tongue. Now, well, you know the proud story as well and better than I. School enrollment is about 2,300; isn't that so, Dr. Boyce?

THE POSITIVE GAINS

And think of what has happened. It did my heart good these last few weeks to pick up the school newspaper Smoke Signals and read all about the splendid things that are happening right here. The headlines enraptured me: "1956 Graduates Leave for on-the-Job Training, Boys Will Work in 10 Western States, Girls Work in 6 Different States." The stories were so appealing, written by students themselves.

And just before I left Washington, I sat down with a whole pile of press clippings that told such a wonderful story of what's happening here at Intermountain, in Brigham City.

For instance:

1. The Navaho festival held to raise funds for completion of a Protestant Indian center for the 1,200 students of Protestant faiths you have here.

2. The seventh annual Christmas party the Catholic women of the diocese gave.

3. That dream of a Latter Day Saints' seminary and chapel here that has at last come to be—as President David O. McKay remarked at the dedication in February—"a house of worship, a house of learning, and a house of recreation."

PROVISION OF FAITH

Not only have you kept the faith, in all so many ways, but by these signal acts it is obvious that you have and will continue to give faith—that faith that is truly the finest gift of all.

Friends, I could go on endlessly in praise, in gratitude, for all that has and is and will continue to happen here in your midst. But I feel you know in this that I have said my heart and mind.

There is one thing more, however—I know by your being here tonight your devotion and your affection for George Boyce, who brought Intermountain from little more than rough buildings and a congressional appropriation—with his staff and students—to a triumph of American life. You know, too, that he has received a call.

DR. BOYCE'S CALL

Take pride in this, if you take sorrow in his leavetaking from the superintendency at Intermountain: Congress and the administration have need of his specially qualified services to perform a much-needed task—to survey and take stock of our whole measure of progress and needs for the education—not only of some portion of the Navaho—but all our Indian youth. His findings will provide basis for a special report within 2 years to the Congress.

I am happy, as you, that he will continue not only in spirit but in being to occupy his home here and maintain his office. And I am pleased that in Thomas Tommaney is a new superintendent who has truly grown up with Intermountain and in assistance to Dr. Boyce.

Forgive me if I have today—talked overlong. In a way, and may I say this with all due modesty, Intermountain is "my baby." And like any proud parent, congressional or otherwise, I dote on a rewarding child. But your faces tell me, too, that our feeling is mutual.

Dr. Boyce, all of the best in your important and valuable new work.

Mr. Tommaney, may all good fortune attend you further here, at Intermountain.

Friends from Utah, and especially those of you who call Brigham City home—and that goes for the students too—my heartiest congratulations to you who made the miracle of Intermountain School possible.

SENATORIAL OFFICE ALLOWANCES

Mr. WILLIAMS. Mr. President, many persons are becoming alarmed by the rapid increase in Government expenditures, and in recent months much discussion has been held as to how the cost of Government can be curtailed.

Today I wish to point out one specific instance wherein the Government not only insists upon the full appropriation being spent but actually proposes to levy a penalty against the official on the amount returned to the United States Treasury.

In the administration of our senatorial offices each Senator is allowed a certain amount, based upon the population of his State, for clerical hire, for long-distance telephoning, for telegrams, for special delivery and airmail stamps, and for stationery allowance. Coming from a small State, I have not needed, except on a very few occasions, the full allowance in any of these categories, and at the end of each year have been authorizing the unexpended portion's reversion to the Federal Treasury.

I recognize, of course, that in many instances Senators need their full allotments, and I question their adequacy to cover the expenses of Senators from some of the other States.

It has always been recognized that that portion of such funds not needed for the office reverts to the Federal Treasury, and for the past 10 years, since I have been a Member of the Senate, that principle has been recognized.

Last year I had $1,508.26 left over in my stationery account, which as in previous years I authorized to be returned to the United States Treasury as not being needed, but for the first time I was told that this is no longer permissible. The Government has now taken the position that the money must be spent, and that if a Member of the United States Senate does not spend his full allotment he will be taxed on the unexpended portion, even though it is left in the Federal Treasury.

I have been advised that an easy way to avoid this penalty would be to order $1,508 worth of stationery from the Senate stationary store, even though I do not need it, have it delivered to my office, and then call the truck and send it out to the city dump. In that manner the Government would be rid of the money, I would be subject to no penalty, and everybody but the taxpayers would be happy.

Or under this new ruling I could file a claim for the Treasury check of $1,508.26, pay income tax on the amount, and turn the rest over to the Republican National Committee, or put it in a special account to finance a personal political campaign.

If this ruling stands unchallenged, what is there to prevent using these unexpended funds to buy mink coats or deep freezes, for distribution at our discretion?

All the emphasis seems to be placed not on whether or not the money is needed for the administration of my office, but rather on getting rid of it, no matter for what purpose.

In the first year of my service, in setting up a new office I used the full stationery allotment, but in each of the other years there have been unexpended balances in the stationery fund, which in each instance were released to the Treasury as follows:

Fiscal year	Allowance	Expended	Balance authorized for reversion to the U. S. Treasury
1948	$600	$342.48	$257.52
1949	500	220.94	279.06
1950	700	223.79	476.21
1951	800	198.61	601.39
1952	1,100	341.09	758.91
1953	800	345.20	454.80
1954	1,200	615.25	584.75
1955	1,200	334.33	865.67
1956	1,800	291.74	1,508.26
Total	8,700	2,913.43	5,786.57

At the end of the last fiscal year I again instructed the disbursing officer of the United States Senate to return the unexpended balance to the United States Treasury. My instructions were as follows:

UNITED STATES SENATE,
Washington, D. C., June 26, 1956.

Mr. ROBERT A. BRENKWORTH,
Financial Clerk, United States Senate, Washington, D. C.

DEAR MR. BRENKWORTH: I acknowledge receipt of the voucher stating that I have $1,508.26 representing the unused portion of my $1,800 stationery allowance for the fiscal year ending June 30, 1956.

This amount is not needed and you are hereby authorized to return the balance ($1,508.26) to the United States Treasaury.

Yours sincerely,

JOHN J. WILLIAMS.

In early December 1956 I received a call from Mr. Brenkworth, financial clerk of the Senate, advising that he had been instructed that this procedure would no longer be permissible, but that either the funds would have to be spent or the Member of the Senate failing to spend his full allotment would be subject to income tax on the unexpended balance, even though the money was left in the United States Treasury.

I am not criticizing Mr. Brenkworth for relaying these instructions; he was only acting upon orders. He explained that these instructions were being issued based upon a ruling by the Treasury Department.

A suggestion was made that one way around this situation may be to file a claim for the check, accept the money, and then make a gift of it to the United States Treasury; however, I could not agree to this suggestion, because how can I give something which does not belong to me in the first place? This money, left over from my stationery allowance, does not belong to me; it never has; it belongs to the American taxpayers.

Furthermore, in giving the check back to the United States Treasury, the individual could be subject to a gift tax, added to the other gifts, the maximum gift allowance was exceeded for the year involved. He would be paying the Treasury Department to take back that which was already theirs.

I ask unanimous consent that the Treasury Department's ruling on this question be printed at this point in the RECORD.

There being no objection, the ruling was ordered to be printed in the RECORD, as follows:

MARCH 29, 1956.

This letter deals specifically with funds provided (1) for stationery for Senators (2 U. S. C. 46a), and (2) an amount not to exceed $150 quarterly, for official office expenses incurred by each Senator in his State (2 U. S. C. 53), during the taxable year 1955.

It is our understanding that the stationery allowance is credited to the account of each Senator at the beginning of each fiscal year. As supplies are procured by each Senator from the stationery room, their cost is charged against his individual stationery account. Any unexpended funds remaining in the stationery accounts of the respective Senators at the close of the fiscal year may be withdrawn by them in cash.

It is held, therefore, that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date, whether or not withdrawn, and are includible in the gross income shown on his Federal income-tax return for the taxable year in which that date falls.

Expenses charged against the stationery account are not deductible, for Federal income-tax purposes, since their payment in that manner does not constitute payment by the Senators.

The amount (not to exceed $150 quarterly) payable for official office expenses incurred in a Senator's State is payable upon certification of each Senator and is includible in his gross income for the taxable year in which such quarterly reimbursements are first available to him. This is true even though such funds are not actually reduced to his possession, so long as they are available to him without substantial limitation or restriction. These funds are understood to be thus available at the close of each quarter. Such office expenses are deductible by a Senator in computing his adjusted gross income to the extent of the reimbursements thus received.

In the event a Senator's official stationery expenses and his official office expenses incurred in his State exceed the respective allowance or reimbursement therefor, the portion of such excess considered reimbursed by that portion of the $2,500 expense allowance received during the taxable year is also deductible in computing adjusted gross income. The balance of such excess which is paid by the Senator from his own funds is deductible in computing taxable income, provided he itemizes his deductions for that purpose.

I sincerely trust the information contained herein will answer your questions on this subject. If not, I shall be glad to hear from you further.

RUSSELL C. HARRINGTON.

Mr. WILLIAMS. Mr. President, I wish to read, for emphasis, one paragraph from that letter:

It is held, therefore, that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date, whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls.

Upon receipt of this ruling, on December 31, 1956, I directed the following letter to Mr. Brenkworth rejecting the money on the basis that it did not belong to me, and again I renewed my instructions that it be released to the United States Treasury:

UNITED STATES SENATE,
Washington, D. C., December 31, 1956.

Mr. ROBERT A. BRENKWORTH,
Financial Clerk, United States Senate, Washington, D. C.

DEAR MR. BRENKWORTH: Your letter of December 17, 1956, notifying me that I have an unexpended balance in the stationery account allotted to my office in the amount of $1,508.26, is acknowledged.

As I have previously advised you, I do not need this allotment for the purchase of stationery or other essentials to my office, and therefore I have authorized you to let this unexpended balance revert to the Federal Treasury.

I have read the ruling of the Commissioner of Internal Revenue in which he indicates that this amount could be accepted by each Member of the Senate as a cash item and then included as gross income for tax purposes. I disagree with those conclusions; this money is not mine. Our salaries are fixed at a specific amount by law, and it was never intended that a Member of Congress should additionally benefit as the result of any savings resulting from the management of his office. These funds were specifically appropriated for the purpose of paying the stationery expenses of the office, and I have utilized all that was necessary. Therefore, as in previous years, I have instructed you to let the unexpended balance ($1,508.26) revert to the Federal Treasury.

I note the suggestion that I could sign the voucher, accept the check, and then endorse the check "Payable to the order of the Treasurer of the United States," transmitting it to him as a gift to the United States Treasury. This cannot be interpreted as a gift since a gift represents something the title of which rests with the donor, who in turn transmits his title to the recipient. In this instance these funds are not and never have been mine, nor were they ever intended to be mine; therefore, I cannot give to the Federal Treasury that which already belongs to them.

I appreciate your position in this matter in that you are merely relaying instructions as they were given to you and I will discuss this further with the agency affected and with the appropriate committee of Congress after we convene in January. In the meantime I renew my instructions, as incorporated in my letter of June 26, 1956, to allow this unexpended balance of $1,508.26, which had been allocated to me for necessary purchases of stationery, to revert to the Federal Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

During the succeeding weeks I have been endeavoring to get the ridiculous ruling of the Treasury reversed.

Throughout all of these discussions I have been left with just one clear understanding, namely, nobody cares how the money is spent or what happens to the goods after it is spent, nobody cares if the money is claimed and put in my pocket, but there is a terrific objection to and suggestion that the funds not needed be left in the United States Treasury.

I think the United States Government should underwrite the cost of administering my office and any other congressional office. I have purchased all the stationery I need for the administering of my office and have charged the cost to the United States Government. But by no line of reasoning do I as a Member of the United States Senate

have a right, legally or morally, to reap a profit on economies achieved in the administration of a public office any more than does the head of an executive agency have a right to divert to his own personal use the unexpended balance of any appropriation to his department.

If the unexpended balance in the stationery account is mine, then what about the unexpended balances in the other accounts? Where will this practice stop?

If we are to accept the principle that the unexpended funds in stationery or in any other office allowance are profits to the congressional Member, then what is there to prevent us from increasing these allowances and using the savings to finance our political campaigns? Certainly no one suggests this, yet it would be possible if we let the ruling stand unchallenged.

This particular office allowance has been increased substantially during recent years, and I voted for these increases, recognizing at the same time that while I did not need the extra allowances for my office many representatives from other States did need the additional funds. I reasoned that since my unexpended balance would return to the Treasury anyway, the unnecessary increase to my office was meaningless.

I have refused to sign a voucher claiming this $1,508.26 check for the unexpended balance of my stationery account in 1956 on the basis that the money does not belong to me but belongs to the United States Government, and I have submitted this question to the Comptroller General of the United States asking for an official decision. The text of my letter is as follows:

UNITED STATES SENATE,
Washington, D. C., March 22, 1957.

Hon. JOSEPH CAMPBELL,
Comptroller General,
Washington, D. C.

DEAR MR. CAMPBELL: In June 1956 I was advised by the Disbursing Office of the United States Senate that I had $1,508.26 remaining as an unexpended balance on the stationery allowance for my office. In previous years I had received similar notices regarding this account, and since once again the full allotment was not needed in the administration of my office I directed a letter on June 26, 1956, to the Disbursing Office stating that these funds were not needed and authorizing their release to the United States Treasury.

On December 17, 1956, I received a notice from the Disbursing Office that this procedure was not permissible and that the unexpended balance was mine to be accepted and was available for my personal use and that I would be required to pay income tax thereon.

I replied under date of December 31, 1956, that I could not accept these funds for my personal use since they were not a part of my salary and since I as a Member of Congress had no right to cash in on savings made in the administration of my office. I therefore refused to accept these funds. The suggestion was made that I accept these funds but return them to the Treasury as a gift. I would not agree with this procedure since in my opinion a gift to the Federal Treasury could only be made by first acknowledging this money as mine. In other words, I did not feel that this procedure was proper since refusing to recognize the funds as mine I could not give that which I did not own.

I fully recognize that in most instances the Members need and use their allotments, which is perfectly proper, but if a Member does not need his allowance certainly it is ridiculous to suggest that it must be spent or a penalty tax levied against that Member of Congress who saves Government funds. Presumably I could have ordered $1,500 worth of stationery, had it delivered to my office, and the following day discarded it in the wastebasket, and everybody would have been happy and no tax would be due. Or as I understand the Treasury Department's ruling, I can accept the money, pay the tax, and keep the remainder to finance a political campaign or to use for any other purpose I wish.

Copies of this correspondence, along with the ruling of the Treasury Department in this connection, are enclosed.

I am requesting you to review this and issue a general ruling as to whether or not I am correct in insisting that the unexpended balance on this or on any other account furnished for the administration of my office should revert to the Federal Treasury.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. President, chapter 314, section 304, of Public Law 212 of the 72d Congress, upon which this Treasury ruling was based, reads as follows:

SEC. 304. During the fiscal year ending June 30, 1933, (1) not more than $16,000 shall be available for expenditure for stationery for Senators and the President of the Senate, and for committees and officers of the Senate, (2) not more than $44,000 shall be available for expenditure for stationery for Representatives, Delegates, and Resident Commissioners, and for the committees and officers of the House of Representatives, and (3) each Senator, Representative, Delegate, and Resident Commissioner shall be allowed $90 for stationery allowance or commutation therefor, to be paid out of the sums provided in (1) or (2), as the case may be.

Mr. President, I point out that the amount has been changed many times, because of the increased cost of administering the offices. However, the law still provides that the amount "shall be available for expenditure for stationery for Senators."

It does not say it shall be available for our own personal use.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 164) establishing that when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957, in which it requested the concurrence of the Senate.

OUR OUTDOORS

Mr. MORSE. Mr. President, one of the outstanding challenges facing the 85th Congress is the opportunity for establishing sound policies with regard to our American outdoors.

One aspect of this opportunity is represented by the wilderness bill introduced in the Senate on February 11, 1957, by the junior Senator from Minnesota [Mr. HUMPHREY], along with a group of cosponsors of both parties from Maine to Oregon, among whom I was glad to be numbered. The bill had been introduced even earlier in this Congress in the House of Representatives, there also by Members of both parties, from various States.

One of these champions of wilderness preservation in the House is the Honorable JOHN P. SAYLOR, of Pennsylvania, who also, like myself, is a sponsor of another measure of fundamental importance to the establishment of a sound outdoors policy—the bill to establish an Outdoor Recreation Resources Review Commission.

As it happens, there are among certain opponents of the wilderness bill some who have sought to give the impression that this outdoor recreation review bill is an alternative measure. Mr. SAYLOR, along with others in both Houses who also are sponsors of both measures, has effectively demonstrated, however, that the two bills are in fact very properly companion measures, both of which should be enacted.

This is one of the conclusions reached by Representative SAYLOR in a significant address on "Our Outdoors" which he presented on April 11, 1957, in Philadelphia, Pa., before the Wilderness Club of Philadelphia Conservationists, Inc. I ask unanimous consent that there be printed in the body of the RECORD, as a part of my remarks, this important address, which explains and advocates this dual program for preserving certain areas of our primeval outdoors unspoiled, and at the same time conducting an inventory of all our outdoor recreation resources and formulating a program for their best use and adequate protection.

This speech was delivered on April 11 by Representative SAYLOR, of Pennsylvania. I recommend its reading to my colleagues in the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

OUR OUTDOORS—ADDRESS OF HON. JOHN P. SAYLOR, OF PENNSYLVANIA, BEFORE THE WILDERNESS CLUB, PHILADELPHIA CONSERVATIONISTS, INC., ON APRIL 11, 1957, IN PHILADELPHIA, PA.

I want to talk with you tonight about our outdoors. That is still a big subject in this country.

We have become more and more a nation of city people, workers in crowded metropolitan areas, living in suburbs, moving along crowded highways, flying in cozy airliner cabins almost out of sight of trees and streams. But the farther we get away from the rural areas that we all once knew so well and the more removed we are from woods, waters, and wildlife, the more we seem to care about our great outdoors.

Here in Philadelphia, our first great city, is a good place to think about what this means, and what we ought to do as citizens about our outdoors. I am glad to be here—always glad to be in Pennsylvania and, like all Pennsylvanians, glad to visit Philadelphia.

Here, of course, you have the Philadelphia Conservationists, Inc. Here you have the Wilderness Club. Here, in other words, is an ideal setting for some earnest thinking about one of the most important subjects that Pennsylvanians and other Americans are discussing these days.

So I deeply appreciate the invitation you have sent down to me in Washington to come back up here tonight and talk with you, and I thank you for this excellent opportunity you have provided for saying to some deeply interested fellow citizens some things that certainly need to be said.

Here in Pennsylvania—in this sylvan State—I wonder if we fully realize what it means to be discussing what we ought to do about our outdoors? I wonder if we sense fully the fact that our outdoors actually depends on what we do about it.

We have been taking the outdoors for granted, taking it as a matter of course—one thing that we didn't have to do anything about. When we have grown tired of doing things, then we have gone outdoors—anywhere. The outdoors was there all around us. We didn't have to do anything about it, except enjoy it—the great outdoors!

Not everyone has yet realized that this is changing. But it is. And it is slowly dawning on us that we are going to have to do something about it.

My fellow citizens, I am here tonight to tell you plainly that if we have in the future, just over the horizon of our beautiful Pennsylvania hills of today, a still great and beautiful American outdoors, it will be because you and I and our fellow citizens act now with a determination to see that we do have it.

You can no longer trust to the fortunes of history to leave a valley here and a range of mountains there, untouched, undeveloped, unspoiled. You can no longer anticipate an expanse of country so spacious that whenever you wish you can just hike off across the fields and into the woods along some stream and wander around back to where you started, praising God for making the country and thanking Him for always having lots of it at hand whenever you want to escape for a while from the man-made city.

Our civilization is destined to occupy for its purposes every acre on this land. There are so many of us Americans already and so rapidly are we increasing that if all is left to chance, and we do nothing about it, then—when you or your children head for the country in the future, city will change to suburb, suburb to country estates, country estate to carefully cultivated farms, and farm will lead again to country estate, estate to suburb, and suburb to another city. We are destined to occupy the whole of this land; and if we like open spaces for picnicking, streams for fishing, hills and fields for hunting, we are going to have to occupy such open spaces, such streams, hills, and fields for these very purposes.

If we are going to have any of our land wild and unmodified by man it will only be because we have deliberately so dedicated such areas.

So I say that a discussion of what we ought to do about our American outdoors is a mighty important one, because if we do nothing, if we do not act, we shall see the outdoors that we have known so well change and as far as the recreational values which we have known are concerned, it will vanish. The likes of it will never again be known.

Let me make plain that I am not talking, here and now, about conservation in the matter-of-fact material sense that has become so well known to us, so clearly a part of our morality. I am not talking at this time about good forestry. I am not talking about the good plain common sense in conserving wildlife resources by avoiding over-hunting and over-fishing. I am not talking about the immorality of cluttering up the landscape with litter and making America unbeautiful. Nor about stream pollution, or soil erosion. These are aspects of conservation that are indeed aspects of civic righteousness, and especially so for us Pennsylvanians, who once had Gifford Pinchot for governor. I am devoted to these expressions of conservation too, as indeed I am devoted to the welfare of this great Commonwealth, but they are not the subjects of my outdoor concerns tonight. They are indeed in every single instance consistent, however, with what I am here advocating—and that is the importance of the outdoors to all of us as modern Americans, and to our successors.

I speak tonight of the outdoors itself, as such—the outdoors as the environment of what Henry Thoreau called "our own true recreation."

What shall we do about it?

I say, Let's save some of it.

And let's save some of it in remnants big enough to be valid samples of our original primeval America. Let's save some of the wilderness itself.

What are the chances for this?

The chances are good. But let me tell you, these good chances are disappearing rapidly. We better not hesitate any longer.

Wilderness is the oldest resource of all, the raw material for our civilization. It is what we started with. But it is the last resource to be recognized as in need of conservation.

What is wilderness, anyhow? Maybe you face this question the way Johnny faced the teacher when she asked him what a vacuum is and he said "I have it in my head but I just can't express it." In many respects the idea of wilderness is an intangible. It does mean different things to different people. But it is a concept that conservationists have come to know very well, if not by exact definition.

Wilderness I would say is in contrast with those areas where man and his own works dominate the landscape. In the wilderness, the earth and its natural life community are untrammeled by man. Man himself of course belongs there. Indeed he does. But he visits. He doesn't reside there. His travels leave only trails.

Wilderness is land with a certain character. The word wilderness is one of those positive terms that has meaning largely because of what it rules out. Another such word is chastity. I think it is important to recognize this; when we say wilderness we are not referring to any particular use that an area may have but to a character that it has.

Recognizing this clarifies greatly our efforts to save some of this wilderness land of America, because it helps us realize that we can preserve wilderness and still have the areas involved serve other purposes—other purposes that do not destroy the wilderness character of the land.

Let me be more specific. I expressed the belief a few moments ago that our civilization is destined to take over all of the land for its own purposes, that preserving wilderness would involve setting areas aside for that purpose.

The fact is it is even later than we thought. All our wilderness is already serving some other purpose. The opportunity that we have to preserve it comes from the fact that on lands that are serving other purposes it is possible to maintain the wilderness character.

Where is it?

Well, there are some privately owned lands with a wilderness character, but, being privately owned, they are not practically available to you and me and other citizens for a wilderness preservation program. Then there are some State areas that in the aggregate include some 3 million acres, some dozen or more areas of wilderness included in parks or preserves under State jurisdiction. We can regret that history began so early here in Pennsylvania, and civilization swept across this Commonwealth so fast that before we could sense the value of wilderness as such it had vanished from all but the small samples—precious as jewels but small. In our Cook Forest State Park not far from my own home there are still a few acres of the virgin white pine that once grew tall over many, many acres of Pennsylvania. We prize this State park for its virgin forest. But unfortunately we have no great areas of wilderness in Pennsylvania. And of course the wilderness in the State parks, forests, and preserves of other States are not subject to our administration, or our concern at the polls. We can admire them, appreciate them, and commend the people of the States that cherish and preserve them. But the only wilderness that is in our custody is within the Federal areas that we own together as citizens of the United States of America.

So, listen, and I'll tell you where all the wilderness is that is available to you and me to preserve.

There are 80 areas and they are within 80 of the 149 national forests—80 areas inside the forests, not including all of an entire forest, but comprising a certain designated "zone" established as wilderness, wild, primitive, or roadless.

Out of the 181 units in our National Park System there are 48 that include areas of wilderness.

Twenty of the 264 national wildlife refuges and ranges include areas of wilderness for wildlife.

And there are 15 roadless and wild areas within Indian reservations.

These 163 areas with about 55 million acres all together make up our National Wilderness System, and every one of them is serving some stated purpose other than wilderness preservation.

The wilderness of each national park, for example, is back country, or foreground, to some unique scenic splendor, some superb example of the sublimity of our American landscape, some complex of wildlife or flora. The national park idea has suggested the wilderness concept, but the two are not identical. The original idea at the Madison Junction in the Yellowstone country was not to preserve wilderness but rather to assure all Americans the right and privilege of beholding the great natural wonders that Cornelius Hedges and his companions had seen. We owe the leaders of the National Park Service a great debt for the way in which they have fostered the wilderness idea, but we must recognize that the wilderness concept is compatible with, not identical to, the national park idea—an enrichment certainly of the national park purpose but not the genesis.

Similarly our wilderness, wild, primitive, and roadless areas are indeed parts of the various national forests in which they are located—and they are serving essential purposes of those forests. While serving these purposes, these areas have retained their wilderness character, to a very great extent because the administrators of the national forests have so managed.

The Okefenokee National Wildlife Refuge is one of our deepest areas of wilderness, but it is not because of any recreational use which it shares with any national forest or national park area but rather because its wilderness character has been preserved by the Fish and Wildlife Service in connection with the administration of Okefenokee as a wildlife refuge.

Thus have our wilderness areas been preserved, so far, by land administrators in various agencies who have handled them for various purposes in such a way that we still know them as wilderness. Our opportunity as conservationists interested in wilderness is to see that these areas continue to keep their wilderness character. And that is what is proposed in the "Wilderness Bill" which I have introduced in Congress, and

which Representatives and Senators of both parties from coast to coast have also sponsored.

The wilderness bill establishes a National Wilderness Preservation System, "for the permanent good of the whole people," by specifying certain areas of public land that are still wilderness and that are being managed for purposes consistent with their continued preservation as wilderness.

The bill provides for the continued management by the existing Federal agencies, of the areas for the purposes for which they were established but requires that this management be so carried out as to preserve the wilderness character of the areas.

This I consider the key concept of this legislative proposal; namely, that wilderness can be preserved where it is, without disturbing the uses to which the areas are now put, and without changing the administration of the areas, except to add to the administrators a responsibility for continuing so to handle the areas as to preserve their wilderness character.

For you and me, and for our children, and theirs, through a long future, I consider this wilderness bill a fundamentally important statement of national policy.

We must, of course, continue our development of resource uses. We must continue to provide outdoor recreation with conveniences for everybody in picnic places and parks of many kinds. But we must also continue to see that some of our land is preserved as nearly as possible untouched by any kind of civilized development.

Our great engineering and development programs should, indeed, be part of an overall national policy that likewise includes the preservation of some of our land as God made it.

As our population becomes greater, as our industrial and other pressures close around the areas of willderness still remaining, the necessity becomes keener for moving ahead with a program that will preserve these buffer areas for the human spirit, seeing that they may long endure for the recreational, educational, scientific, and historical uses of the American people.

Therefore, it is important to emphasize that the preservation program provided for in the wilderness bill is recognized as part of an overall outdoor program that must also include attention to other kinds of recreation needs, besides those realized in our wilderness areas.

Not only are we compelled to exercise foresight and take positive action to see that the future in this country continues to include an opportunity to preserve wilderness, but we must also recognize an important obligation to provide for all out outdoor recreation needs.

These needs are varied, but they all require space. Meeting them means seeing that economic and cultural developments across our land are so handled that recreation space is provided for all those activities that mean so much to us as the outdoor people we have always been. Hunting, fishing, camping, hiking, skiing, mountain climbing, pack tripping, nature photography, scenic appreciation, boating, canoeing—all these are comprised by the American way of living which you and I cherish.

If we continue to have the privilege of these activities we shall have to make provisions for them.

It is with this responsibility in mind that I have sponsored, once again, along with others in both the House and Senate, another measure to help us solve our problem of what to do about our outdoors. This bill is one that will establish a national commission to review our outdoor recreation resources and to make recommendations for a program for the future.

Here are the broad and ultimate purposes of this outdoor recreation resources bill:

"To preserve and develop * * * such quality and quantity of outdoor recreation as will be necessary and desirable for individual enjoyment * * * to inventory and evaluate the outdoor recreation resources and opportunities of the Nation, to determine the types and location of such resources and opportunities which will be required by present and future generations."

As a basis for the better understanding that we need in order to realize these purposes, this bill establishes a Commission charged with the following responsibilities, and I quote from the bill:

"The Commission shall proceed as soon as practicable to set in motion a nationwide inventory and evaluation of outdoor recreation resources and opportunities, directly and through the Federal agencies, the States, and private organizations and groups, utilizing to the fullest extent possible such studies, data, and reports previously prepared or concurrently in process by Federal agencies, States, private organizations, groups, and others.

"The Commission shall compile such data and in the light of the data so compiled and of information available concerning trends in population, leisure, transportation, and other factors shall determine the amount, kind, quality, and location of such outdoor recreation resources and opportunities as will be required by the year 1976, and the year 2000, and shall recommend what policies should best be adopted and what programs be initiated, at each level of government and by private organizations and other citizen groups and interests, to meet such future requirements.

"The Commission shall present not later than December 31, 1959, a report of its review, a compilation of its data, and its recommendations on a State by State, region by region, and national basis to the President and to the Congress."

I thank you very much for your interest and attention, and I solicit your further discussion of this problem of what to do about our outdoors. I have suggested a two-fold program that I, myself, have been advocating in this 85th Congress—a two-fold program that is in addition to other important programs in accommodating the recreationists that now visit our national parks and national forests in increasing numbers. Such programs—"Mission 66" in the parks, "Operation Outdoors" in the national forests—have my wholehearted support. Beyond them is our need for a careful inventory of all our outdoor recreation resources—a review of what we have, in the light of the projected requirements of our foreseeable future.

Paralleling all of these programs, present and projected, and crowding urgently for attention while yet there is time, is our effort to enact legislation that will preserve our National Wilderness System.

There are, of course, some people who for various reasons have so far opposed the wilderness bill, and some of these opponents of wilderness preservation legislation have used the outdoor recreation resources bill as a means of their opposition. For this reason, I emphasize that the two measures are in no sense in conflict.

The one bill provides for a thorough and comprehensive study over a period of time and a broad field of interest.

The wilderness bill, on the other hand, proposes to establish at once the preservation of specific areas that already are recognized as suitable and available for preservation.

Anyone who has ever tried thus to accomplish such a positive program knows that a favorite device of the opposition is to say "Oh, no, not yet; let's study it some more." So it is now, with the wilderness bill. And some such opponents have pointed eagerly to the Outdoor Recreation Resources Review Commission bill as the device for such a delay.

We are not being fooled, and you will not be either. We welcome eagerly all the support we can get for establishing the Outdoor Recreation Resources Review Commission. We hope to pass this bill promptly. But I say to you, as I have already said to others, while we are doing all this study let's be saving something too; let's pass the wilderness bill, just as soon as we can.

Man does not live by bread alone. His soul hungers for a sustenance that only Nature's grandeur can offer.

My father took me on my first National Park visit when I was a boy of 12. That experience has stayed with me through all the years. On every subsequent trip I have known the same inner satisfaction, and now I share it with my children. I hope to give them an opportunity to visit our areas of scenic splendor and wilderness recreation just as long as they are willing to spend their vacations with Mom and Dad.

I want to protect and preserve our outdoor heritage of beauty and wildness so that our children's children will also have an opportunity to see the handiwork that God has left for them to enjoy.

I am sure you share with me this deep desire to see perpetuated our great American opportunity to know the health and inspiration of the outdoors. I know that we can work together to this great end.

Thank you.

OKLAHOMA'S SEMICENTENNIAL CELEBRATION

Mr. MONRONEY. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by me regarding Oklahoma's semicentennial celebration.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MONRONEY

The Jamestown Festival and Oklahoma's semicentennial celebration both are being opened officially this month. I trust my colleagues from Virginia will understand if I mention, in this connection, that Oklahoma's exploration goes back even before that of Jamestown. Coronado crossed our State in 1541 on a trip which carried him up into Kansas.

However, a startling contrast is presented by these 2 festivals, 1 commemorating our Nation's earliest permanent English settlement, and the other, the admission to the Union of one of our youngest States. It seems to me that both should claim the attention of Senators from other parts of the country.

In one, the emphasis is on the rigors of crossing an unexplored ocean in such frail-looking craft as the *Susan Constant* and her sister ships which visited Washington recently, and on the struggles associated with our Nation's earliest beginnings.

Oklahoma's 50th anniversary as a State, on the other hand, marks the progress of the State, in one generation, from tepees to towers. It catches up the still-potent spirit of frontier days in the setting of a modern industrial society and mingles the wild West with the atomic age.

We hope that many of you will visit Oklahoma in the next few months. On Easter Sunday morning, the annual pageant in the Wichita Mountains which annually attracts more than 100,000 persons, will use Faith of Our Fathers as its theme, illustrating the faith of our pioneer fathers that endured and made possible this unique religious observance for people of all faiths, creeds, and colors.

Already a variety of celebrations have been held, ranging from the Okeene rattlesnake hunt to the presentations of Bizet's Carmen by Tulsa Opera, Inc., in Tulsa's fine Municipal Theater; from the dogwood tour in Tahlequah and the Redbud Festival in Shawnee to the Ardmore rodeo and the Territorial Dress Review at Stillwater.

The Special Commemorative stamp will go on sale June 14, coincident with the opening of the Semi-Centennial exposition at Oklahoma City.

The Exposition will feature displays of 12 nations at an International House, a 2-acre Teen Town with custom-made entertainment, and the talents of dancers and singers from 20 States at the National Folk Festival.

Two big automobile companies are spending $125,000 each to make the settings of their displays attractive. Three railroads are building a spur track on which their old and new rolling stock will be displayed. A $50,000 "plastic lady" constructed by German scientists will be shown.

A full-sized replica of Boomtown, linking together the progress of Oklahoma's oil industry and the State, is being made possible by major oil companies.

These unusual attractions at the exposition must share wtih the cooperative efforts of the people in almost every community in the State for the visitor's attention. I can't mention them all, but their variety is indicated by mention of the Cheyenne-Arapaho Day at Cheyenne, April 19; the Kick-Off Parade and '89ers celebration at Guthrie April 20 through April 23, the Semi-Centennial Exhibition of the Gilcrease Museum of American History and Art in Tulsa opening April 22, and the sports events at Enid, Norman, Lawton, Broken Bow, Bristow, Henryetta and Waynoka this month.

I want to extend a cordial invitation to attend any of these celebrations and to help Oklahoma celebrate its fiftieth anniversary as a State.

ADJOURNMENT OVER EASTER

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate House Concurrent Resolution 164 and further ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

There being no objection, the concurrent resolution was considered and agreed to.

AUTHORIZATION TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS AND RECEIVE MESSAGES DURING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I submit an order, and ask for its immediate consideration.

The PRESIDING OFFICER. The order will be stated.

The legislative clerk read as follows:

Ordered, That the President of the Senate or President pro tempore be authorized during the adjournment of the Senate to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

Ordered further, That the Secretary of the Senate be authorized to receive messages during such adjournment from the House of Representatives.

The PRESIDING OFFICER. The question is on agreeing to the order.

The order was agreed to.

THE BUDGET

Mr. MORSE. Mr. President, I hold in my hand the release from the White House of April 18, 1957, setting forth the text of a letter of the same date addressed by the President to the Speaker of the House of Representatives. It deals, Mr. President, with some of the recommendations of the President relative to the budget. Parts of it dovetail with the comments I made a few minutes ago with regard to White House representations.

I point out that of the 6 recommendations made for a cut in his budget, 2 are directed against housing programs. With housing construction in a toboggan ride downhill today, all over the United States, with lumber mills in my State shutting down, and many of them on 3- and 4-day weeks, I am at a complete loss to understand the failure on the part of officials of this administration to get the facts to the President in regard to what is happening to the construction industry in this country.

My State has the highest rate of unemployment in the Nation today. One of the reasons it has this unenviable position is due to what is happening to the lumber industry as a result of the hard-money, high-interest-rate policy of this administration, and the record of this administration in cutting public housing to the point that great damage is being done to the construction industry. It hurts thousands of fellow Americans who ought to have decent housing, who come from the low-income groups, and from the slums of America, and who cannot buy housing unless we, the rest of the people, do the humanitarian job that we ought to do, in order to give the assistance, through the public housing program, to which they are entitled.

The six proposals of the President for cuts amount to about $1,042,000,000, and the housing cuts account for only $75 million of it. But that is an important $75 million, so far as the lumber industry is concerned. It is also important because it symbolizes very well the whole attitude of this administration in regard to housing.

The special assistance functions mentioned include cooperative housing, defense housing, disaster housing, and urban renewal housing, those mortgages not being purchased by institutional investments.

Mr. President, it also includes college housing. All one has to do is make a study of the college housing problem to realize what a problem it is. For the last 2 years I have been on the Banking and Currency Committee. I have worked under the statesmanlike leadership of the Senator from Alabama [Mr. SPARKMAN], who is chairman of the Subcommittee on Housing. I want to say the record is replete with evidence that we need to do a job, and do it quickly, with regard to this matter of college housing.

So I am aghast and greatly disappointed that the President of the United States, in his message to the Speaker of the House, would be making the suggestion, and I read from the message:

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

I want to say to every operator of a large lumber mill who opposed me last November, "How do you like it? What do you think of it? I warned you during the campaign that the reelection of the administration would not bring about the relief and assistance to which the lumber industry is entitled."

I had the support of the small operators. They were already wise, but some of the big boys thought maybe the administration would change. Yet the record begins to show clearly what I forewarned during the campaign. This administration simply is not going to support a program that is essentially needed, in order to regenerate the construction industry, and put people back to work, increase employment in this segment of our economy.

I think it is a most regrettable thing that we have these recommendations from the President of the United States. That is not sound economy, Mr. President. It is false economy that he proposes. Not only that. Let me say that kind of economy is not in the interest of a sound business program for the construction industry of this country.

I certainly hope the businessmen in this field will make very clear to the President of the United States what they think of it. I will let the President in on a secret—those businessmen do not think much of it.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, April 18, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 70) requesting the President to proclaim the week of April 28 to May 4, 1957, inclusive, as National Mental Health Week.

ADJOURNMENT TO APRIL 29, 1957

Mr. MANSFIELD. Mr. President, pursuant to the terms of the concurrent resolution previously agreed to, I move that the Senate do now adjourn.

The motion was agreed to; and (at 3 o'clock and 20 minutes p. m.) the Senate adjourned, the adjournment being in accordance with the terms of House Concurrent Resolution 164, until Monday, April 29, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 18 (legislative day, April 17), 1957:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

C. Douglas Dillon, of New Jersey, to be United States Alternate Governor of the International Monetary Fund and the International Bank for Reconstruction and Development for the term of 5 years.

APPRAISER OF MERCHANDISE

Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y., vice Aleer J. Couri, resigned.

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

To be lieutenant generals

Lt. Gen. Thomas Wade Herren, O7430, Army of the United States (major general, U. S. Army).

Lt. Gen. Alonzo Patrick Fox, O8434, Army of the United States (major general, U. S. Army).

Lt. Gen. Laurin Lyman Williams, O8425, Army of the United States (major general, U. S. Army).

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3284, 3306, and 3307:

To be major general, Medical Corps

Maj. Gen. Paul Irwin Robinson, O17802, Army of the United States (brigadier general, Medical Corps, U. S. Army).

To be brigadier generals, Medical Corps

Brig. Gen. John Frederick Bohlender, O17814, Army of the United States (colonel, Medical Corps, U. S. Army).

Brig. Gen. Jack William Schwartz, O17823, Army of the United States (colonel, Medical Corps, U. S. Army).

To be brigadier general, Dental Corps

Brig. Gen. Clarence Price Canby, O17904, Army of the United States (colonel, Dental Corps, U. S. Army).

To be brigadier generals

Maj. Gen. John Francis Regis Seitz, O17734, Army of the United States (colonel, U. S. Army).

Maj. Gen. Ralph Copeland Cooper, O17741, Army of the United States (colonel, U. S. Army).

Maj. Gen. David Haytor Buchanan, O17746, Army of the United States (colonel, U. S. Army).

Maj. Gen. Herbert John Vander Heide, O17754, Army of the United States (colonel, U. S. Army).

Maj. Gen. Normando Antonio Costello, O17764, Army of the United States (colonel, U. S. Army).

Brig. Gen. Lloyd Roosevelt Moses, O29362, Army of the United States (colonel, U. S. Army).

Maj. Gen. Eugene Fodrea Cardwell, O38662, Army of the United States (colonel, U. S. Army).

Brig. Gen. Briard Poland Johnson, O29393, Army of the United States (colonel, U. S. Army).

Maj. Gen. Robert William Porter, Jr., O18048, Army of the United States (colonel, U. S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be major general

Brig. Gen. Stuart Gross Smith, O16369, Medical Corps, United States Army.

Brig. Gen. David William Traub, O17110, Army of the United States (colonel, U. S. Army).

To be brigadier general

Col. John William Cave, O18388, United States Army.

Col. Alden Kingsland Sibley, O18964, United States Army.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress:

To be brigadier general

Col. Walter Duryee Lamon, Jr., O403168, Artillery, National Guard of the United States.

Col. James Haydon Weyhenmeyer, Jr., O415260, Armor, National Guard of the United States.

Maj. Gen. Andrew Thomas McNamara, O17324, Army of the United States (colonel, U. S. Army), for appointment as the Quartermaster General, United States Army, and as major general in the Regular Army of the United States, under the provisions of title 10, United States Code, section 3036.

Brig. Gen. Thomas North, O11879, United States Army, for temporary appointment as major general in the Army of the United States under the provisions of title 10, United States Code, sections 3442 and 3447.

HOUSE OF REPRESENTATIVES

THURSDAY, APRIL 18, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, unto no one else can we draw so near and ask for so much and unto none can we unburden ourselves so freely and completely.

During these days of Holy Week we are turning our thoughts to that lowly Man of Galilee who shouldered a Roman cross and staggered out to a hill called Calvary to die upon it.

Our hearts are stirred with humility and gratitude as we think of the wonder and beauty of the self-giving love of our blessed Lord, who never harmed or hated anyone.

In the hour of His deepest pain and agony He whispered into the ear of the Eternal a petition of pity and compassion: "Father, forgive them, for they know not what they do."

Inspire us to pray and labor for that glorious day when the hot embers of ill will and hatred in the heart of men and nations shall be put out forever.

Hear us in the name of the Christ, our Saviour, and the risen Lord, in whom we find our hope and assurance of eternal life. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE FEDERAL BUDGET—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 155)

The SPEAKER laid before the House the following letter from the President of the United States, which was read, referred to the Committee on Appropriations, and ordered printed:

THE WHITE HOUSE,
Washington, D. C., April 18, 1957.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I am sure many Members of the Congress are as gratified as I am to note the growing awareness of private citizens that the dollars spent by the Federal Government are in fact their own dollars, and that Federal benefits are not free but must be paid for out of taxes collected from the people. It is good to see this realization developing into a widespread insistence that Federal activity be held to the minimum consistent with national needs. As this sentiment grows, our country will be strengthened in many ways.

The evident responsiveness of the Congress to this attitude I find equally encouraging. I assure you and your colleagues that the executive branch will continue to cooperate fully with Members of the Congress who work for sensible control of Federal spending.

In House Resolution 190 adopted last March, I noted the assertion that the public interest requires a "substantial reduction" in the 1958 budget and also the request that I advise the House where a reduction of that magnitude could best be made.

You will recall that last January, immediately after the budget was presented to the Congress, I requested the Director of the Bureau of the Budget to resurvey the expenditures of every department and agency in an effort to find additional items that could properly be reduced. I have kept in close touch with those efforts. Some of the principal results are outlined in this letter.

You realize, of course, that the 1958 budget, as all Federal budgets, is in effect, two budgets within one. One consists of requests for new spending authority which enables Federal agencies to obligate themselves to make expenditures sometime in the future. The other concerns the actual expenditures of the agencies in the next fiscal year. These expenditures will be made partly pursuant to spending authority granted in previous years and partly under new spending authority. For example, one-third of the total actual expenditures in the 1958 fiscal year will be made pursuant to spending authority granted not on the basis of the 1958 budget but on the basis of spending authority requested in earlier budgets. This problem I emphasize because of its importance in appraising the effect of cuts in new spending authority which, one might assume, will reduce the level of current spending, but in fact may affect only future spending.

The House resolution, for instance, does not distinguish between these two budgetary problems, so it calls for a substantial reduction, I assume, applied to both and contemplates the reduction of both by a considerable number of billions of dollars.

There are thousands of items in the budget, each an individual fiscal plan to carry forward a new program or a program previously authorized by the Congress. The preparation of these items begins long before the Congress acts, with the result that the budgetary process places a high premium on judgment and foresight. Because departmental needs must be forecast a year or more in advance, no responsible official would realistically contend that every estimate for every item is precisely correct and could be changed only at the risk of serious public injury, or that the funds requested are certain to meet all future needs.

Nevertheless, painstaking efforts were made in preparing the budget to pare to the minimum all projected expenditures and programs, whether large or small. Estimates were substantially reduced before the budget document was submitted to the Congress, and at my request a searching reexamination by all departments and agencies has continued to go forward since that time in an effort further to reduce expenditures whenever possible. I will later discuss possible reductions in new spending authority disclosed by these months of continuing review.

Before turning to budgetary specifics, however, I invite attention to certain general guidelines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action of local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidelines have proved their practical worth. Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

By adhering to the same or similar guidelines, the House can help continue the progress already made.

Regarding the House appeal for guidance on specific budgetary items, I will comment first on the actual expenditures projected for next fiscal year and will later discuss possible reductions in new spending authority.

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year, such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country. Departmental estimates in this area were most carefully examined and prudently reduced before they were sent to the Congress. I foresee no early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs. The fact is, as we carry forward our efforts for more peaceful world conditions, rapid technological advances in ships, aircraft, nuclear weapons, missiles, and electronics press constantly for more, not fewer, Federal dollars. I most solemnly advise the House that in these times a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world.

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, and civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State. Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multi-billion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a "substantial reduction" in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Turning now to requests for new spending authority, as distinguished from actual expenditures, we find a more promising outlook. Budgetary reviews since last January have disclosed the feasibility of postponing certain of these requests without serious damage to program levels. A number of the following actions, which I commend to the House, I have already suggested:

First, that new spending authority for the military assistance portion of the mutual security program be reduced by $500 million. This reduction results mainly from new management techniques through which lead-time financing has been reduced (notably for spare parts), maintenance support not justified by the rate of consumption of our allies has been eliminated, and items have been removed from grant aid which countries can now pay for themselves. If the funds previously appropriated are continued available, this reduction will not impair the operation of military forces of other countries at mutually agreed levels.

Second, that, by delaying less urgent projects, new spending authority for military public works be reduced by $200 million.

Third, that resulting from new projections of its operating rate and related financial requirements, the new spending authority for the soil-bank program be reduced by $254 million.

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

Sixth, that resulting from adjustments of construction schedules, the new spending authority of the Corps of Engineers be reduced by $13 million.

The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period and to ease the impact of this adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

Exclusive of the Army item just mentioned, but including a possible reduction of $300 million in the amount budgeted for contingent expenses, these reductions and postponement total $1,342,000,000. Once again I remind the House that less

than half of this reduction in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and part of these expenditure reductions will have to be restored in the future. Such expenditure reductions as may result, however, will add to the $1,800,000,000 surplus already projected by the budget. Given continuation of healthy economic growth and of strict expenditure control, these figures combined will begin to lay a firm fiscal foundation for the time when we can be sufficiently assured that our income will so exceed our expenses as to justify a reasonable tax cut for every taxpayer while we continue to reduce the Government's debt.

I am, of course, aware of the cuts thus far proposed by the House. These will be absorbed wherever possible without serious injury to programs essential to the public interest. Where such cuts cannot be so absorbed, the executive branch must and will seek restoration of the needed funds. Some of the House cuts have involved large sums that the executive branch is compelled by law to pay. Cuts of that kind do not save money and must be later restored through supplemental appropriations unless the governing statutes are revised.

Aside from scrutinizing individual expenditures and reducing new spending authority as suggested above, I strongly urge the House also to improve the Federal budgetary situation by taking such steps as these, most of which I have urged before:

First, adjust postal rates as soon as possible to reduce and eventually eliminate the postal deficit.

Second, establish interest rates for Government loan programs that will induce private funds to participate in their financing and, at the least, require that such rates cover the borrowing costs of the Federal Government.

Third, provide user charges as, for instance, for the use of Federal airway facilities, that will relieve the general public of having to subsidize governmental services affording special benefits.

Fourth, require State financial participation in Federal disaster assistance programs.

Fifth, encourage State and local groups to engage in partnership with the Federal Government in major water resources development.

Sixth, reject new projects not approved by the Board of Engineers for Rivers and Harbors and not reviewed by all interested parties, including the affected States; provide where appropriate for more local participation in approved projects; and withhold authorization and construction of all but urgently needed projects.

Seventh, enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures and the extension of the Reorganization Act of 1949.

Eighth, establish procedures that will facilitate the return of surplus Federal land and other property to private, local, or State use.

Ninth, before adopting unbudgeted programs, project the costs they would impose on the Federal budget in years ahead, and reappraise the necessity for and rate of implementation of each program.

And, tenth, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power now held by many State governors to veto specific items in appropriation bills.

An improved budgetary situation and greater efficiency in our Government will result from prompt approval of these recommendations by the Congress. All elements of the budget, meanwhile, will remain under searching examination by the executive branch in its continuing effort to find additional savings, large or small, that are possible under existing law. Any additional reductions found possible in new spending authority will be promptly reported in the usual way to the Senate and House of Representatives.

Finally, I repeat that as this effort to hold Federal costs and activities to the minimum proceeds sensibly in the executive and legislative branches of our Federal Government, the public interest is bound to be well served.

Sincerely,

DWIGHT D. EISENHOWER.

THE PRESIDENT'S LETTER IN RESPONSE TO HOUSE RESOLUTION 190

Mr. CANNON. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, the letter from the President just read to us from the desk in response to the resolution of the House of March 12, has not been available long enough to permit full and final assessment of its contents, but we appreciate the President's cooperation in responding. We are grateful to him for any suggestions he makes which can be usefully applied to the 1958 budget situation, even at this late date. It is regrettable that we could not have had this letter earlier. We especially deplore the fact that if the President was going to propose these reductions, most of which seem to be delaying reductions, he did not do it when he first sent the budget to Congress in January.

Mr. Speaker, it may be well to recall the circumstances which prompted the House to adopt House Resolution 190. The President submitted his budget for 1958 on January 16 of this year. Measured in terms of both proposed new spending authority to obligate the Government, and estimated expenditures, it is the largest peacetime budget ever presented in the history of the Nation. It proposes the greatest taxes ever taken from the American people in time of peace or war. It proposes to continue in time of peace taxes originally levied in time of war. It proposes budget expenditures of $71.8 billion—$73.6 billion including the highway trust fund formerly carried in budget totals. It calls for enactment of $73.3 billion in new spending authority to obligate—$76.4 billion including the highway item.

In terms of estimated expenditures the budget for 1958 is—

First. About $3 billion above the current year;

Second. Between $5 billion and $6 billion more than last year;

Third. Between $7 billion and $8 billion more than the year before that;

Fourth. For other than major national security programs, proposed spending is 45 percent over fiscal year 1954; and

Fifth. Total spending on a comparable basis is only 1 percent below fiscal year 1953, which was a war year—the last fiscal year of the previous administration.

In terms of proposed new spending authority to obligate the Treasury, the budget for 1958 is—

First. Three billion two hundred million dollars above the current year; and

Second. It exceeds fiscal year 1956—which ended only 9 months ago—by $13.2 billion.

Since the day it was received, the President's budget has been widely condemned as excessive. Authorities have labeled it as inflationary. It has been repeatedly and severely criticized by the press of the Nation, by Members of the House and the Senate. Taxpayers from the four corners of the country have been bombarding the Congress to effectively reduce the budget and Government expenditures. The chief fiscal officer of the Government, the Secretary of the Treasury, decried the excessive budget in some of the most inflammatory statements ever heard on such an occasion. Other high officials of the executive branch have repeatedly suggested that the budget ought to be materially reduced. Secretary Humphrey aptly expressed what seemed to be the universal sentiment when he said, "It is the size of this budget, even though balanced, that concerns us."

So, Mr. Speaker, it was with the object of supplying the Committee on Appropriations and the House with all possible information for consideration in processing the budget and especially such changes in Presidential views as statements seemed to reflect that the resolution was adopted to formally solicit the advice of the President as to where he thought substantial reductions might best be made.

We were careful to point out that in nowise was it to be inferred that the committee or the House was abdicating their constitutional responsibility or that we necessarily would be guided by any recommendations that might be forthcoming. Our sole purpose was to secure facts and information which might indicate any change of policy since the budget had been transmitted to the House.

Cursory examination of today's letter from the President affords substantial basis for the impression that the President's suggestions will be of little or no help to the Congress in reducing expenditures, but we are nevertheless glad to have the President's comments and suggestions.

GENERAL BUDGET GUIDELINES

The President urges the House to adhere to guidelines which he says he followed in making the 1958 budget. By so doing, he suggests that the House "can help to continue the progress already made," evidently inferring that the pending budget proposes some progress toward economy and retrenchment. If the House should apply the guidelines in the manner the President did in making the budget I am afraid the Treasury would be bankrupt sooner than it will otherwise be if the inordinate expenditure and tax load proposed by the President is not effectively lightened.

The first guideline the President would have the House follow is appropriation for "essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action, or through local or State government." Mr. Speaker, the House will find it difficult to reconcile this statement with the fact that the President has included in his 1958 budget numerous new State-aid programs for purely local purposes and corresponding responsibilities running into the hundreds of millions of dollars. They include a wide range of projects and programs, such as State industrial safety, juvenile delinquency, aid to build community schools, local sewage treatment plants, local flood protection, and so on.

The second guideline is that "in times like these Government spending should be held below income in order to lead the way to future reductions in taxes and the public debt." This is truly a remarkable statement in the light of the fact that this budget rests for its precarious balance on continuation of wartime taxes in time of peace and proposes to continue the ever-increasing spending rate. It is, as noted earlier, some $3 billion above the current year, between five and six billion dollars more than last year, and between seven and eight billion dollars more than the year before that. It is of no comfort or relief to the overburdened taxpayers to say that we are making progress by keeping Government spending below income.

FEDERAL CIVILIAN EMPLOYMENT

The letter points with some pride to a reduction of almost 250,000 civilian employees since the President took office in January 1953. It is gratifying that Federal employment has come down, and it ought to come down further, but we should bear in mind that in January 1953 we were at war, the Defense Establishment was operating at wartime levels. Government arsenals and factories and installations were going full blast. While the total Federal employment has come down nearly a quarter of a million since then the fact remains that the President, in his budget for 1958, proposes to increase Federal civilian employment by 75,000 over the number on the rolls in June 1956. Whatever credit may be claimed for reduction in civilian employment from a wartime level, the indisputable fact is that the President's budget proposes to add some 75,000 additional employees. I failed to hear any mention of that discouraging fact as the Clerk read the letter to the House.

SPENDING BUDGET

The President's letter falls into three basic sections. The first deals with the $71.8 billion spending budget. The second deals with the $73.3 billion new obligational authority budget. And the last lists a number of steps which the President says would improve the Federal budgetary situation, especially in years beyond fiscal 1958.

As to the $71.8 billion spending budget the President offers no suggestion that would appreciably reduce spending in 1958. He flatly says that no substantial reduction can be made in this figure—that to do so, in his words, would "weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest."

In other words, Mr. Speaker, the President in effect tells us precisely what he told us when he submitted his budget in January. In sum and substance he tells us that the $71.8 billion spending estimate is in the public interest for one reason or the other, or both. That is merely repetitious at this late date, and of no help to the committee or the Congress in processing the budget. To reach that conclusion the President cites several promises:

First. That $17.6 billion, or 24 percent of expenditures, are allocated to purposes "rigidly prescribed by law."

As to this category the President says that no substantial reduction can be made until and unless Congress revises or repeals the governing laws. The plain inference of this statement, pertaining to one-fourth of the budget, is that the President is merely following the mandates of Congress in including these items in the budget; that he has no responsibility for them; and that his role is limited to a routine, mechanical, ministerial function. Of course, the law which directs the President to submit an annual budget clearly provides that he shall include in it estimated expenditures and proposed appropriations "necessary in his judgment" for the support of the Government. He can fail—and it is his duty if he so determines—to decline to recommend money for any program even though authorized by law. Furthermore, if he believes that substantial retrenchment is of transcendent importance he is at liberty at all times to recommend modification or repeal of any law requiring expenditures "rigidly prescribed by law." But he has not done so.

Second. Some $45 billion, or 63 percent of all expenditures, are allocated to national defense or security programs.

This of course is the largest single area of expenditure and it is probably the most fruitful for retrenchment. Military spending is universally conceded to be the area of greatest waste, but what does the President suggest? He says that this area will require more, not fewer, Federal dollars in time to come and furthermore, he "solemnly advises" that in these times a cut of any "appreciable consequence" in current spending would endanger the Nation and the peace.

So, Mr. Speaker, the President thus disposes of another 63 percent of his spending budget. And that is the largest of the appropriation bills yet to come before the House. Here especially there was every expectation and hope that the President would come forward with helpful suggestions for substantial economies.

Third. Nine billion dollars, which is the remaining 13 percent of the spending budget, embraces all other functions of Government.

Here the President suggests that additional savings may well be found, but "a multi-billion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget." We are somewhat puzzled by the assumption of the President that the House resolution somehow was directed solely at the 13 percent segment. In point of fact, the resolution referred only to substantial reductions in the entire budget, not in any particular segment of it.

THE NEW SPENDING (OBLIGATIONAL) AUTHORITY BUDGET

The President's January budget proposed "new spending (obligational) authority" of $73.3 billion for 1958, an increase of about $3.2 billion above the current year. This includes numerous new programs not heretofore embarked upon and expansion of many existing activities and projects.

As to this request, the President says, "We find a more promising outlook." Appropriation bills are cast in terms of new obligating or spending authority, and it is in this respect that we had hoped that the President would be responsive to the resolution.

But examination of the President's suggestions discloses that with 1 or 2 relatively minor exceptions no material assistance is submitted for effective and durable budget reductions.

The first suggestion commended to the House is that the military assistance portion of the mutual security program, included in the budget at $2,450 million, be reduced by $500 million. His explanation for this reduction, which presumably will be taken into account when the basic legislative proposal is submitted later, clearly implies that an indeterminate portion of the proposed reduction will be in the nature of a postponement rather than a true saving. The second item, $200 million for military public works, can be secured "by delaying less urgent projects."

Mr. Speaker, note the word "delaying." In other words, a delay or postponement, not definite expenditure saving. The third item is a reduction of $254 million in the request for the soil bank program. A budget amendment to this effect has already been received by the House. While this appears to be a valid revision, it is pertinent to note that it results from "new projection of its operating rate and related financial requirements."

Thus far, Mr. Speaker, the suggested reductions fail to warrant the conclusion that they represent any lessening of the ultimate burden on the taxpayer. In

adopting the resolution, the House hoped that a substantial reduction of a durable nature would be suggested, such as the next two may possibly be. These involve a total of $75 million through reduction of the special assistance function of the Federal National Mortgage Association and a lowering of the request for the college housing authorization.

The sixth proposal, which has already been received in budget amendment form, reduces the rivers and harbors construction program by $13 million, most of which merely represents slippages in construction schedules and will have to be appropriated at a later date, possibly with additional amounts to cover administrative costs which naturally continue for longer periods on projects which are slowed down. Here again, Mr. Speaker, the suggestion is not to delete any project—merely taking account of slippage—and thus no ultimate saving to the Treasury.

In addition to these specific items the President suggests a "possible"—note the word "possible"—reduction of $300 million in the amount budgeted for contingent expenses—that is, the customary reserve included for items not specifically enumerated in the January budget. These items aggregate $1.342 billion which, of course, is still far short of offsetting the approximate $3 billion increase requested by the President in his January budget and, as noted, much of the $1.342 billion is identified as "postponement," "delay," and "adjustment."

An intriguing item mentioned is $516 million requested for Army procurement and production. The President labels this as another "delay," not a savings, pointing out that if deleted from the 1958 budget it would have to be resubmitted in the 1959 budget. He invites withholding this amount for 1958 "if the House so chooses," but only "at the expense of efficient programing." The value of this information is questionable as a response to the House request for facts as to places where reductions can best be made. We will, of course, explore the claim that this reduction can be made only at the sacrifice of efficiency.

These sundry suggestions will, indubitably, be taken into consideration in processing the budget, but they offer no substantial basis for effective retrenchment. In fact, after offering the list, the President makes this flat and amazing admission:

> Once again I remind the House that less than half of this reduction (this $1.342 billion) in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and part of these expenditure reductions will have to be restored in the future.

It is truly a remarkable circumstance that the President would first submit this detailed list and then immediately discredit its validity by admitting that it will have no real effect and that much of it will have to be restored in the future.

The House had hoped that a more searching scrutiny of budgeted increases would supply information on possible program levels leading to worthwhile reductions in the budget.

STEPS TO IMPROVE FEDERAL BUDGETARY SITUATION

Mr. Speaker, the third and final phase of the President's letter deals with a number of steps which he urges upon Congress as improvements in the Federal budgetary situation primarily as regards future years. I do not see that by and large they concern the immediate problem before the Committee on Appropriations, which is to process the 1958 budget. They involve a number of proposals for legislation of concern to the various legislative committees of the House. Nevertheless, we appreciate the President calling them to the attention of the House. More time is needed to study and evaluate several of these proposals, but I notice that one of them again urges the Congress to adopt legislation to effectuate the Hoover Commission proposal for stating appropriations on the so-called annual accrued expenditure basis. The Committee on Appropriations in a recent report effectively exploded and discredited this costly and impracticable scheme which has been oversold through misleading propaganda claiming virtue for the plan when the facts show that if adopted it would cost money rather than save money.

Another suggestion having future budgetary implications is that interest rates for Government-loan programs be increased so as to induce private funds to participate in their financing. I am certain the ramifications of this suggestion warrant careful and searching scrutiny by the legislative committees.

The President closes with the promise that any additional reductions found possible in new spending authority will be promptly reported in the usual manner to the Congress. It is to be hoped, Mr. Speaker, that the President will come forth at an early date with substantial suggestions for reductions of lasting quality. He has certainly not done so today.

THE HOUSING ACT OF 1957

Mr. TALLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a section-by-section analysis of a bill.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Speaker, I have today introduced a housing bill, H. R. 7024, which, at the proper time when the House is considering housing legislation, I intend to offer as a substitute for the housing bill which has been reported by the committee.

This new bill seeks to resolve the conflicts which have arisen over the committee reported bill. With the removal of the provisions which have caused the committee jurisdictional conflict, it seems desirable to provide further liberalization in certain other provisions of the bill.

The new bill, which is patterned after the committee reported bill, omits the three provisions of the committee reported bill to which objection has been raised by the Veterans' Affairs Committee. These are, first, provisions which would have created a special veterans' housing program within the FHA; second, the provision which would have permitted the transfer of part of the veterans' life insurance fund from investment in Government bonds to investment in mortgages; and third, the provision which would have established authority for permissive discount control and has been interpreted as introducing into the VA home loan program a mechanism for varying the effective interest return on GI home mortgages.

The new bill, as did the committee reported bill, provides for an across-the-board liberalization of FHA loan-to-value ratios for sales-type housing. Stated conversely, this means lower downpayment requirements. The new bill would "bulge" FHA loan-to-value ratios in the intermediate price bracket, namely, the $10,000 to $16,000 homes. The committee reported bill would have permitted FHA insured loans up to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the remaining value up to a maximum mortgage of $20,000. The new bill would retain the 96 percent limit on the first $10,000 of value, but increase from 80 percent to 90 percent the permitted loan-to-value ratio on the next $6,000 of value and retain the 70 percent limitation on the value in excess of $16,000 up to the permitted mortgage amount of $20,000. The liberalization proposed will take place primarily in the intermediate home price brackets where most of present day housing production occurs. Although the committee reported bill would have limited the liberalized mortgage terms to FHA section 203 sales-type housing, the new bill would make conforming liberalizing changes applicable to other sections of the FHA Act dealing with sales-type housing.

The committee-reported bill would have increased the Treasury preferred stock investment in the Federal National Mortgage Association by $100 million. Since the Federal National Mortgage Association may borrow 10 times the amount of its stock and surplus this would be an effective increase in the mortgage purchase authority of FNMA of $1 billion. The new bill proposes that the Treasury investment in preferred stock of FNMA be increased by $150 million which, of course, means the effective mortgage purchase authority of FNMA would be increased by $1.5 billion. A conforming increase would be made in FNMA's Treasury backstop borrowing authority.

The new bill omits three amendments proposed in the committee-reported bill which relate to the operations of the Federal National Mortgage Association. The effect of those amendments would have been to restrict further the operational authority of FNMA with the result that the Federal Government inevitably would be called upon to assume the financing of a larger portion of certain FHA programs than is now the case.

The few remaining departures from the committee-reported bill are of relatively minor significance.

I have introduced this bill in order that the Members of the House may have

this proposal before them when they go home over the recess. The following is a brief section-by-section statement of the provisions of the bill—I hope the Members will find this of help and interest in discussions they may have with their constituents:

SECTION-BY-SECTION OF HOUSING ACT OF 1957

(Introduced by Mr. TALLE April 18, 1957)

SECTION 1. SHORT TITLE

This section would provide that the act may be cited as the "Housing Act of 1957."

Title I—FHA insurance programs

Sections 101–103. Lower Downpayments for Sales Housing

Section 101: Increase in maximum loan-to-value ratios—FHA section 203 mortgages on 1- to 4-family homes. This section would amend section 203 of the National Housing Act by liberalizing the loan-to-value ratio limits on mortgages insured by FHA under its regular sales housing program. As amended by this section, the amounts of mortgages insured by FHA under section 203 would be limited to 96 percent of the first $10,000 of appraised value of the property, plus 90 percent of the next $6,000 of appraised value, and plus 70 percent of appraised value in excess of $16,000 up to the maximum dollar amount permissible.

Where the mortgagor is not the occupant of the housing (as in the case of a builder-mortgagor) the mortgage would continue, as in the present law, to be limited to a maximum of 85 percent of the mortgage amount available for owner-occupants.

The increase in loan-to-value limits provided under this section would also be applicable to sales-type cooperative housing mortgages which under the provisions of section 213 of the National Housing Act can be insured under section 203.

Under the present provisions of section 203, the loan-to-value ratios for owner-occupants are limited to 95 percent of the first $9,000 of the value of the home plus 75 percent of the value in excess of $9,000 (except that the President can increase this latter limit to 95 percent of $10,000 and 75 percent of the amount over $10,000 if he considers such action to be in the public interest).

Section 101 (c): Increase in maximum mortgage amounts—FHA single-family homes in suburban and outlying areas. This subsection would amend section 203 (i) of the National Housing Act to increase from 95 percent to 96 percent the maximum loan-to-value ratio of mortgages insured by FHA under that section covering single-family homes in suburban and outlying areas. A corresponding change (from $6,650 to $6,750) would be made in the maximum dollar limit. These increases would make the mortgage terms under this program consistent with the regular FHA sales housing program as it would be amended by this bill.

Existing provisions of section 203 (i) which expressly permit a person or corporation other than the mortgagor to advance all or part of the downpayment on a house would be deleted by this subsection. The deleted provision would no longer be necessary if section 101 (b) of the bill is enacted, making applicable to section 203 (i) of the National Housing Act the same provisions relating to secondary financing as now apply to sales housing for the elderly.

This subsection would also eliminate the reference in the existing section 203 (i) to insurance of mortgages on a "farm income on a plot of land, 5 or more acres in size adjacent to a public highway." This statutory language does not add to the Commissioner's other authority which presently is broad enough to permit insurance on mortgages on acceptable suburban or farm properties.

Section 102: Increase in maximum ratio of loan to value—section 220, urban renewal housing. This section would amend section 220 of the National Housing Act to increase the maximum mortgage amounts on urban renewal sales housing based on ratio of loan to replacement cost, so that they would be consistent with the increased ratios of loan to value in the regular FHA sales housing program as it would be amended by this bill.

Subsection (b) of this section is a technical amendment necessitated by a change in language made by subsection (a).

Section 103: Increase in mortgage amounts—FHA mortgage on housing for servicemen. This section would amend section 222 of the National Housing Act to increase the loan-to-value ratio from 95 percent to 96 percent for insured mortgages covering housing for servicemen. A corresponding increase (from $17,100 to $17,300) would be made in the maximum dollar limit for the mortgage. These changes would be consistent with the increases under the bill for mortgages insured under section 203.

Sections 104–110. Other Provisions Relating to FHA Insurance Programs

Section 104 would amend section 2 of the National Housing Act to provide that any payment for loss made to an approved financial institution thereunder shall be final and incontestable after 2 years from the date on which the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation. The effect of this amendment would be to prevent the Federal Housing Commissioner from demanding that a title I lender repurchase a home improvement loan (on the ground that the loan was ineligible for the insurance on which FHA paid its claim) after such 2-year period has expired. Under present law there is no statute of limitations applicable to title I insurance payments, and in many cases a long period of years will elapse before some type of information is discovered which indicates that the claim would not have been paid if all the facts had been known to FHA at the time the lender's claim was allowed; the lender is in effect required to create a contingent reserve, since it cannot be assured that the payment of claim is final. This amendment would not be made effective until January 1, 1958.

Section 105 would add to section 204 of the National Housing Act a new subsection (k) which would permit the Federal Housing Commissioner to reimburse mortgagees for reasonable expenditures made to protect property during the period commencing with the institution of foreclosure proceedings and continuing until such time as the Commissioner takes title to the property, in order to encourage such mortgagees to make the relative small expenditures required during this period to protect the property from vandalism and damage by the elements and for necessary repairs and maintenance. This period represents a minimum of several months and may, in States having statutory redemption rights, extend to as long as 18 months. A further provision of the new subsection (k) would permit the Commissioner to terminate the mortgagee's obligation to pay mortgage insurance premiums as soon as an application for debentures has been filed. Mortgagees are now required to pay such premiums up to the date of acceptance of title, and FHA then includes in the debentures amounts to compensate the mortgagees for such expenditures. This results in unnecessary duplication, in that the FHA billing and collecting of insurance premiums after the filing of a claim for debentures is followed by the repayment of the premiums to mortgagees, with interest, within a limited time. In order to provide a consistent treatment to mortgagees' applications in the various sales housing programs, the scope of the proposed amendment includes all sales-type programs, including sections 603 and 903 as well as 203.

Section 106 would clarify existing provisions relating to FHA debenture interest rates. In conformity with the provisions of section 224 of the National Housing Act, added in 1954, a debenture interest rate was established in December 1956 at 3¼ percent. In sections 204, 207, and 803 of that act, however, there remain obsolete references to the former maximum rate of "3 percent per annum." FHA has interpreted section 224 as being controlling and has published a debenture interest rate in excess of 3 percent notwithstanding the references to 3 percent contained in sections 204, 207, and 803. To remove this point of confusion, section 106 of the bill would strike out the obsolete references and insert in each of those sections an express reference to the section 224 interest-rate formula.

Section 107 would amend the special provisions of section 207 of the National Housing Act which relate to rental housing for the elderly. The amendment would permit a mortgage to be in an amount up to $8,400 per family unit where the mortgage is given by a nonprofit organization to finance an elevator-type rental housing project which is to be used and occupied entirely by elderly persons. Under present law there is no provision for higher mortgage amounts per unit for elevator-type structures for the elderly; the limit is $8,100 for all rental housing projects financed under the special provisions of section 207 for the elderly. This amendment would place rental housing for elderly persons on a par with other rental housing under section 207. The section 207 special provisions relating to rental housing for the elderly would also be amended to make it clear that units in such housing could be designated for and occupied by single elderly persons.

Section 108 is technical, merely repealing an obsolute provision in section 207 of the National Housing Act.

Section 109 would make the provisions of section 204 (j) of the National Housing Act (which are now applicable to individual home mortgages insured under sec. 203 of that act) applicable to individual home mortgages insured under sections 213, 220, 221, and 222 of that act. Section 204 (j) permits termination of the mortgagee's liability for payment of mortgage insurance premiums in those cases where the mortgagee forecloses on the mortgaged property but gives the Commissioner notice (which terminates FHA's insurance liability) that it does not intend to convey the property to FHA in exchange for debentures, or where the mortgage has been prepaid in full.

Section 110 would amend section 219 of the National Housing Act, which authorizes the transfer of moneys among certain FHA insurance funds, by adding the section 221 housing insurance fund and the servicemen's mortgage insurance fund (sec. 222) to the list of the insurance funds among which such transfers are authorized. The omission of these two funds from the provisions of section 219 could create a situation which would make it necessary under unfavorable circumstances to call upon the Treasury to redeem debentures issued by them even though ample resources for this need may be available in one or more of the other funds enumerated in section 219. Also, inclusion of these two funds within section 219 would permit transfers, as required, from these funds to other insurance funds which are now included under section 219. It should be noted that the section 203 mutual mortgage insurance fund is not now one of the funds enumerated in section 219, and that such fund would not be affected by section 110 of the bill.

Title II—Secondary mortgage market

Section 201. Capitalization of Federal National Mortgage Association

Subsection (a) would amend section 303 (b) of the National Housing Act so as to change the amount of FNMA stock which a mortgage seller must purchase under FNMA's regular secondary market operations. Under present law FNMA can increase without limit the amount of the required stock purchase; the only restriction is that it cannot be less than 1 percent of the mortgage amount. By regulation the requirement is currently 2 percent. The amendment made by this subsection would establish the maximum stock purchase requirement at 2 percent and retain the minimum at 1 percent.

Subsections (b) and (c) would amend section 303 (d) and (e) of the National Housing Act to increase the capitalization of FNMA's regular secondary market operations by $150 million (in addition to the $50 million increase recently authorized by Public Law 85-10). To accomplish this increase FNMA would deliver to the Secretary of the Treasury an additional $150 million of its preferred stock in exchange for an equal amount of its notes held by the Secretary under the interim borrowing arrangements followed in connection with the secondary market operations. The total borrowing authority under the 10-to-1 ratio (FNMA may borrow up to 10 times the sum of its capital and surplus) would thereby be increased by $1.5 billion, bringing the total borrowing authority to approximately $3.1 billion from the present level of approximately $1.6 billion.

Section 202. Treasury Purchase of FNMA's Obligations

This section would amend section 304 (c) of the National Housing Act to increase to $3.1 billion the maximum amount of FNMA's secondary market operation obligations which the Secretary of the Treasury can acquire, to correspond with the increased borrowing authority provided under the amendments made by section 201 of the bill.

This type of authority provides principally a form of Treasury backstop which assures a ready source of funds under emergency conditions when private investors might be unable or unwilling to purchase FNMA's notes. It also furnishes, of course, additional assurance to private investors that FNMA has a source of liquid funds with which to pay off maturing notes in any unforeseen circumstance in which neither liquidation of the portfolio nor refinancing might be feasible.

Section 203. Special Assistance Functions

Subsection (a) would increase from $200 million to $450 million the amount authorized for the purchase of special assistance mortgages by FNMA. The new aggregate amount of $450 million for the purchase of home mortgages would supplant the present authorizations of (1) $200 million for the purchase of whole mortgages and (2) $100 million for the purchase of 20-percent immediate participations in mortgages. (This amendment would not affect the special FNMA revolving funds which are available for cooperative housing and for military housing.) The amendment would thus merge the so-called participation funds into the whole-mortgage funds and, in addition, increase the aggregate amount available. No use has been made by lenders of the special provisions for purchasing mortgages on a participation basis.

Subsection (b) would authorize an additional $300 million for special assistance for the armed services mortgage-insurance program (title VIII of the National Housing Act and related statutes).

Section 204. FNMA Payments in Lieu of Taxes

This section would change the formula for computing the amount which FNMA must pay to the Secretary of the Treasury, as the equivalent of Federal income taxes, with respect to its secondary market operations. It would provide for the deduction from FNMA's gross income, in addition to all expenses and other deductions which would be authorized by law if FNMA were not exempt from such taxes, of any amounts paid by FNMA to the Secretary of the Treasury as a return on his investment in FNMA's securities. Such amounts would include payments made as a return on Treasury advances on account of notes, stock, or debentures.

Title III—Slum clearance and urban renewal

Section 301. Increased Authorization

This section would amend section 103 (b) of the Housing Act of 1949 so as to increase the present capital grant contract authorization for urban renewal by an additional $250 million on July 1, 1957.

Section 302. Urban Renewal Relocation Payments

This section would authorize the Housing and Home Finance Administrator, in his rules and regulations, relating to urban renewal payments, to permit local public agencies to make such relocation payments for moving expenses of individuals and families in fixed amounts, without the necessity of investigating the actual costs incurred in each case, where the claim for such expenses does not exceed the amount specified in the regulations. In no event, however, could any amount or amounts fixed by the Administrator under this amendment exceed the present $100 statutory maximum.

Section 303. Local Grants-in-Aid

As amended by the Housing Act of 1954, title I of the Housing Act of 1949 permits (for certain types of facilities offered as local noncash grants-in-aid for urban-renewal projects) the estimated costs of local facilities to be deemed their actual costs if the construction of such facilities is not completed at the time of the final disposition of land in the urban-renewal-project area and if satisfactory assurance is provided that the facilities will be completed and available within a specified time. This section of the bill would make the same provision applicable in the case of slum-clearance projects carried forward under the terms of title I as in effect prior to the Housing Act of 1954. The application of this provision to original title I projects would avoid the delay and expense resulting from the requirements that prevent the liquidation of these projects until the completion of all public facilities being built by the community as local grants-in-aid.

Title IV—Military housing

Section 401. Extension of Title VIII Program

This section would amend section 803 (a) of the National Housing Act so as to extend the title VIII military-housing program for an additional year. Under this amendment the program would expire June 30, 1959.

Section 402. Mortgage Limits on a Project Basis

This section would make the statutory maximum average of $16,500 per family unit for housing under the title VIII program applicable to each project rather than each mortgage. Since financing for a large project generally requires separate mortgages for the various areas of the project, and the mortgages in some of these areas will range somewhat higher than the $16,500 family-unit average limitation (although the family-unit average of all project mortgages does not exceed that limit), the amendment made by this section would permit greater flexibility in project planning and financing.

Section 403. Floor Area Limitations

This section, which is in the nature of a technical amendment, would amend section 410 of the Housing Amendments of 1955. Section 410 presently provides that title VIII housing shall have the same net floor area limitations as those which apply to appropriated funds housing under two specifically named existing statutes. This amendment would eliminate the reference to those statutes and would provide simply that the maximum net floor area limitations for title VIII housing shall be the same as the limitations generally prescribed (by the law in effect at the time plans and specifications for such construction are begun) for military housing constructed with appropriated funds, thereby obviating the necessity of further title VIII conforming amendments in the event that new limitations for appropriated funds housing should be enacted in the future.

Section 404. Purchase Price for Wherry Act Housing

This section would amend section 404 (a) of the Housing Amendments of 1955 to change the formula used in determining the purchase price of Wherry Act housing acquired pursuant to that section. It would substitute, for the allowance for physical depreciation now included in determining such price, an appropriate allowance representing the estimated cost of repairs and replacements immediately necessary to restore the property to sound physical condition.

Title V—Miscellaneous

Section 501. College Housing Loans

Subsection (a) would require the Housing and Home Finance Administrator, in making college-housing loans, to charge a rate of interest equal to that chargeable to him by the Treasury plus one-fourth of 1 percent The present law provides for a similar spread, except that if the resulting rate is less than 2¾ percent, the higher rate must be charged. However, because of the different base to which the one-fourth of 1 percent differential would be applied under the amendment made by section 501 (c) of the bill (which changes the formula fixing the interest rate paid by the Administrator on funds borrowed from the Treasury for college-housing loans) as compared with the present law, the net result, under February market conditions, would be to change the college housing loan interest rate from 2⅞ percent to 3½ percent. The change would take effect for any loan made pursuant to an application filed after March 15, 1957. The language refers to the rate "chargeable" (rather than "charged") by the Treasury under the new formula in order to make it clear that the new rate would be uniformly applicable to all loans to colleges resulting from applications filed after that date whether or not the Administrator had actually issued notes or obligations to the Secretary of the Treasury under the new formula.

Subsection (b) would increase the college housing loan authorization by $150 million (from $750 million to $900 million). The uncommitted balance of the present authorization will be about $92 million as of June 30, 1957, and the increased authorization provided by this amendment would therefore permit new net commitments of about $242 million.

Subsection (c) would provide that funds borrowed by the Housing and Home Finance Administrator from the Secretary of the Treasury for college-housing loans shall bear interest at a rate, calculated each calendar quarter, based on the current average market yield on all outstanding marketable obligations of the United States having a remaining maturity of 15 or more years. This formula would be in place of the formula now in the law which bases the interest rate on the average rate borne by all interest-bearing obligations of the United States, irrespective of maturity, as computed at the

end of the preceding fiscal year, or 2½ percent, whichever is higher. The new rate would currently result in the Administrator paying 3¼ percent on funds borrowed from the Treasury, whereas under present law the rate for fiscal year 1957 is 2⅜ percent.

The new formula would apply to those notes and obligations issued to the Secretary of the Treasury to secure funds in excess of the aggregate amount required for the program in the pipeline on March 15, 1957.

Section 502. Voluntary Home Mortgage Credit Program

This section would extend the voluntary home mortgage credit program until July 31, 1959. Under present law the program, which is intended for builders and home buyers in small communities and rural areas where mortgage money is scarce and for minority groups in general without regard to the size of the communities in which they live, would cease operations on June 30, 1957.

Section 503. Mortgage Credit Study

This section would authorize and direct the Housing and Home Finance Administrator to conduct a study to determine (1) the extent to which the residential-building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing, and (2) the methods and policies by which such industry, without aggravating the overall problem of inflation, may attract a greater share of available mortgage credit, manpower, and materials. The Administrator's findings would be reported to the President and the Congress not later than April 30, 1958.

Section 504. Farm Housing Research

This section would authorize and direct the Housing and Home Finance Administrator to undertake and carry out a 2-year program of farm housing research. The research would cover all phases of farm housing, but its basic objective would be the development of methods by which more attractive and more functional farmhouses can be provided at a lower cost and with better financing. The actual research would be conducted by land-grant colleges, and the costs involved would be financed by grants to such colleges by the Administrator. Such grants could be made by the Administrator only during a period of 2 fiscal years (1958 and 1959), and the total of such grants could not exceed $300,000 during either of such fiscal years.

HEALTH BENEFITS TO FEDERAL EMPLOYEES

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a bill.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, we are living in an era of momentous change and tremendous progress in medicine and in health care. We hear much about the miracles of modern medicine but we are less aware of another notable achievement of our day—voluntary health insurance. As an instrument for the financing of needed hospital and medical care, voluntary health insurance has brought succor to millions upon millions of our citizens and relief from financial pain as well as bodily pain. As a result of this movement of prepaying the costs of possible illness, today the price of health protection has become an accepted normal item in the American family budget. This is an accomplishment to be listed among the greatest in the advance of health care during your lifetime and mine.

As of December 31, 1955, 107.7 millions of persons had some form of hospitalization insurance, 91.9 millions had surgical insurance, and 55.5 millions had some form of medical coverage, largely in-hospital protection. Not all such insurance is of equal benefit, and many of these people need better protection and broader benefits. We can include our Federal workers in this latter group.

The employers of the Nation have had a most important part in all of this development. They have given encouragement to their employees to participate by promoting the idea by their willingness to handle payroll deductions and in most cases by contributing in whole or in part to the cost of the benefits secured. Today voluntary health insurance is an expected part of most employment situations. Employment by our Federal Government is notable for its shortcomings in regard to all of these benefits. The steel industry, the automotive industry, telephone and communications, transportation—all of these and practically any other major industry one might name—make it possible for their employees and their families to secure such needed protection. All of these employers have found that it is good business to do so. They attract better employees and their employees do a better job, because they are more secure and happier. These people are able to live without the threat of unexpected illness costs blighting their lives. Thus they are more valuable to their employer. Many employees of the Federal Government are trying to provide health insurance for themselves and contributing totally to its cost, even though they are deprived of the considerable benefits even of group enrollment through payroll deductions.

There has been much controversy as to whether and in what manner the Federal employee should be assisted by his employer to obtain such needed protection. Much of this has been unwarranted.

A number of versions or programs of health insurance have been proposed. Some of these have followed one extreme or another—proposals on the one hand which ignore the basic needs of most employees and the greatest costs in favor of protection for the least number of employees and the least likely costs; and on the other hand, proposals which envisage Federal contributions which in my judgment exceed the amounts that this body is likely to approve.

What we need is a proposal that falls between these extremes—one which offers the Federal employees and their families the protection which most of them most need, yet which can be operated with a reasonable contribution from the Federal Government, together with the assistance of payroll deductions for the employees' share of the cost. In such a proposal, also, adequate provision must be made for the retired employee.

I have introduced a bill designed to meet these objectives. My proposal, I am assured, has the support of the hospitals of the Nation which must render so much of the needed care, of the Blue Cross and Blue Shield plans throughout the country, and at least in its basic approach, of other groups vitally concerned with this problem.

Today in private industry, employer payments for all health benefits are usually above those provided, in the bill I have introduced, as the Government contribution. This is true where employer and employee share the cost, and is, of course, all the more true in those instances where the employer pays the entire cost.

There are many reasons why hospital-medical coverage has become one of the standard employee benefits. One of the most important reasons is that individuals cannot buy such protection as cheaply as it can be bought for groups of persons. Without using the advantages of group purchase and spreading of risks, voluntary health insurance could not have developed to the extent known today. Group coverage and group financing at the place of employment have been a natural and inevitable development.

KINDS OF HEALTH INSURANCE

Health insurance generally is divided into two kinds: basic benefits and "major medical" or "catastrophic" benefits. Basic benefits are intended to protect the individual against the cost of illnesses which are serious enough to require hospitalization, up to some specified maximum, and thus to provide protection against the cost of serious illness in the vast majority of cases. Major medical insurance, on the other hand, is intended to supplement these basic benefits and to provide protection only against illness costs which exceed—usually by a substantial margin—those covered by basic benefits; it comes into play only in the very unusual case.

The first need of any family is for protection against most of the cost of most of the illness which the family will experience. Aside from the frequent but relatively small items of expenditures for minor, non-hospitalized illnesses, the most important costs to the family are for hospital care and for surgery. It is impossible to define the point at which such expenditures become normally "catastrophic" or "major" except in terms of the liquid assets of the individual family. These are obviously relative terms which have little meaning by themselves and vastly different meanings to people in different economic levels. Of Federal employees, more than 90 percent earn less than $6,000 a year. People at these income levels are frequently in no position to carry even a few hundred dollars of illness cost, and their first need is therefore protection against any illness serious enough to require hospitalization.

But protection that stopped at a few hundred dollars of cost would be inadequate because there is always the risk of bills running into the thousands. If the two kinds of health insurance operated in the same manner, and if there were no gap between the two, it would

not matter to the employee at what point basic benefits ended and major medical benefits took over. But they do not operate in the same manner, and usually there is a gap between them. It has proved feasible to frame basic benefits so as ordinarily to meet virtually the full cost of illnesses of the kind which it covers, whereas major medical insurance normally leaves a "corridor"—for example, $100—above the basic benefits, and pays no more than 75 percent or 80 percent of the costs above the "corridor." This means that any important hospitalized illness covered only by major medical insurance leaves a residual cost which is apt to impose a serious economic burden on a man with an income, let us say, of $5,000 a year. Adequate health protection of the typical Government employee therefore requires that basic benefits, based on the principle of full payment, be extended as far as it is reasonably possible to do so.

THE PRESENT SITUATION

At the present time it is estimated there are approximately 2 million Federal employees who would be covered by any legislation of this kind. There are no reliable figures on how many of these have basic health protection. The best information available is that something less than 40 percent have basic benefits under Blue Cross and Blue Shield plans. A very much smaller group participate in programs made available through Federal employee association plans. There is no reliable information on how many participate in group practice prepayment plans, or how many have protection, in varying amount, purchased individually or through various organizations from commercial insurance companies.

The failure of the Government to assist its employees in this matter, as so much of private industry has done, has imposed a double handicap on them. By failing to contribute to the cost of health protection, it has left a great many of its employees in a position where they cannot afford, or think they cannot afford, to buy adequate protection for themselves and their families. In the second place, the Government's failure to make its payroll machinery available for collection of premiums has denied to employees many of the advantages of group coverage. Not only does this deprive them of some of the benefits of a wide distribution of insurance risks, but it also imposes the burden of cumbersome and costly methods of premium collection from individuals. From the standpoint of Government itself, the Comptroller General has reported that, after the changeover had been effected, "the continuing unit cost of administering a payroll deduction plan would generally be less than the costs now being incurred under the group collector method of collecting premiums."

The same problems in obtaining adequate coverage at the best possible rates undoubtedly apply at least as much to major medical protection. Group enrollment and payroll deduction should assist materially in obtaining for Federal employees the best possible protection of this kind, as well as the best possible basic protection.

EFFECTS OF PROPOSED LEGISLATION

The bill I have introduced would enable Federal employees to obtain a broad and comprehensive program of basic benefits, with the Civil Service Commission negotiating nationwide contracts to assure that these benefits would be available to them at the least possible cost. The bill also facilitates the addition of major medical protection.

The basic benefits prescribed by the bill for the two nationwide contracts are more comprehensive and more adequate than those usually available today to Federal employees or members of the general public. So far as concerns hospitalized illness, these benefits are comparable to the best industrial contracts existing today. The wording of the bill would permit the Commission to include also the services to ambulatory patients which are provided in a few of the most expensive industrial contracts, though because of proposed limits on the Government contribution most of these would probably not be included in the standard basic "packages" but would be treated as optional additions.

The precise amount now being paid by Federal employees for hospital and medical benefits is not known. For those now enrolled in Blue Cross and Blue Shield plans—the most widely held protection—employee payments, on the average, approximate $3.50 per month for single employees and $8.90 per month for employee with dependents. These payments and the benefits provided, however, vary widely by area.

Assuming that the Commission were to negotiate with the Blue Cross and Blue Shield organizations a nationwide plan of in-hospital benefits similar to those provided in the steel industry, for example, the best available estimate is that the cost to the employee would be roughly equal to the maximum Government contribution permitted in the bill. On this basis an employee would pay about $2.17 a month for coverage of himself alone, or about $5.42 a month for himself and dependents, and in each case the Government would contribute a like amount. The cost of major medical benefits would add approximately 75 cents a month for individual coverage, or $2 a month for family coverage. Thus, in the case of an employee who chose both basic and major medical benefits, the Government contribution would be roughly 40 percent.

These estimates rest on assumptions about age, family composition, and geographic distribution of subscribers to the plan that have not yet been fully explored, and further study is necessary before final figures can be arrived at. The rough comparisons are sufficient to indicate, however, that for a substantially smaller personal outlay Federal employees could, under this bill, receive much broader protection against the costs of hospitalized illness than they receive today.

Those employees who might choose an existing employee association plan, or a group practice prepayment plan, would find their costs materially reduced. Such plans would be enabled to extend their benefits, by adding major medical protection or otherwise, without equaling the present cost to their members.

HEALTH PROTECTION OF RETIRED EMPLOYEES

Extensive study has indicated clearly that the health needs of the retired worker and his family are appreciably greater than those of active workers, and that his financial resources are generally substantially decreased. Specifically, the aged retired person uses 2½ to 3 times as much hospital care as do the younger age groups in the population. Many insurance carriers either terminate policies as people become elderly, or increase rates to a prohibitive extent. Those carriers—chiefly nonprofit organizations—that continue coverage with little or no rate increase must distribute this item of extra cost over the rates charged to all their subscribers.

Some real encouragement should therefore be given both to the retired worker and to the carrier to continue protection into the later years of life. The bill undertakes to do this by providing a somewhat greater Government contribution during the years of retirement than is provided during the working years, and by stipulating against any increase in premium charged the individual on account of his probably greater utilization. Under both of the nationwide contracts the bill requires the carriers, in order to be eligible to participate, to provide continued coverage on these terms during retirement. For other plans, participation in the retiree program is optional.

Similar provision is made for continued protection to the survivors of deceased employees.

ADVISORY COUNCIL

Because the program is new and in some respects unprecedented, and because much will necessarily be left to administration, the bill provides for an advisory counsel, representing chiefly Federal employees, with a continuing responsibility to advise upon the carrying out of the program and to recommend improvements. The bill also charges the Civil Service Commission with the duty of continuing study of its operation, and with the making of recommendations for improvement.

INDIVIDUAL EMPLOYEE CHOICE

In one major respect the bill differs from the usual pattern of employee health programs in private industry. Ordinarily, each of those programs selects a single carrier, and the individual employee has only the choice of taking what is offered by that carrier or taking nothing at all.

There are not only many competing carriers in the health-insurance field, but there are also competing theories of the kind of benefit that best meets the need. This bill assumes that the Federal Government should give no monopoly to any carrier or group of carriers, or to any single kind of benefit.

One kind of health insurance pays a cash indemnity, partial or complete, to the employee for the costs he has incurred for health services to himself or

his family. Another kind provides what are known as "service" benefits, by which the carrier undertakes through contracts with the providers of services that those services will entail no cost to the employee beyond the subscription charges he has paid. A third kind of health protection is provided by group practice prepayment plans, which undertake to provide the needed services, through their own staffs or other arrangements, directly to their members. All three of these approaches are recognized in the bill.

Existing plans operated by Federal employee associations will share in the benefits of the bill, and can enlarge their benefits to include major medical insurance if they choose. These plans are open only to the members of the respective associations.

Group practice prepayment plans are also eligible to participate. Since these operate only in a relatively few geographical areas, they are available only to a limited number of employees.

The two nationwide contracts to be negotiated by the Civil Service Commission will be open to any Federal employee in the United States, its Territories and possessions—other than some temporary and part-time workers, and the like.

One of these contracts is to provide benefits on a service basis to the maximum extent that such benefits are available. With respect to hospitalization, service benefits can be provided throughout the United States. In many areas surgical-medical benefits are available on a service basis to persons whose incomes are below a stated figure, and in those instances where these benefits are not offered on a service basis they can be provided on an indemnity basis.

The other nationwide contract is to provide for basic benefits on an indemnity basis. The bill requires that even in the indemnity plan the basic hospitalization benefit be sufficient to meet the cost of hospital care. This provision is included because to impose on the employee a portion of the cost of hospitalization in the ordinary case imposes on him a burden that will often prove unreasonably heavy to persons of the income level of most Federal employees.

COST TO THE GOVERNMENT

The bill limits the Government's contribution to $2.17 per month for single employees, and $5.42 per month for employees and dependents.

Only a rough approximation can be made of how many employees will choose to participate in the programs offered under this bill, of the type of program they will select, and of the number who will include dependents. However, experience with similar groups of employees suggests that an overwhelming majority will participate under such a program, will choose broad benefits, and will include their dependents. Accordingly, the cost of this program to Government will be approximately $100 million per year.

SIGNIFICANCE OF THE PROPOSAL

In the matter of employee health protection, enactment of this proposal would move the Federal Government, as employer, from the rear of the procession to a place well up toward the front. This fact is important both because of the prestige of the Federal Government and because of its importance as an employer. Committed as this Nation is to the principle of voluntary health insurance, it would better become the National Government to throw the weight of its example in support of, rather than against, the belief that voluntary insurance can meet the needs of the American people.

Some 2 million employees and their families will, if this bill is enacted, be enabled to receive protection which they now lack altogether or have in less adequate form. For this protection they will pay less than they must now pay for more limited protection.

The most novel feature of the bill is the added Government contribution to the health protection of retired employees. The problem of health care of the aged is very much to the fore. Any solution will necessarily be costly, because the health needs of this group are so great. Employers, by and large, have done less in this area than they have toward health care of their active employees. Enactment of the bill I have introduced, by providing increased employer participation in health protection of retired workers, would set a precedent of far-reaching significance.

An adequate health program for Federal employees is long overdue. There have been many proposals before the Congress in recent years to establish such a program, and these proposals have differed widely, not only in their particulars, but in their concept of the Government's proper role. The subject is complex, and no one can lay claim to a monopoly of wisdom about it.

My bill has been shaped with the twofold end in view, of helping Federal employees to obtain that kind of health protection which will best meet the needs of most of them, and of doing this at a cost to the Government that is within reason. Other bills have been introduced in this session of the Congress having the same ends in view and taking much the same approach that I have taken, but at an appreciably higher cost to the Government. My sole objective, as I know is also the sole objective of the gentlemen who have introduced these other bills, is to promote the welfare of Federal employees. I hope that all bills on this subject will be given careful thought by the Committee, and that out of them will come legislation that will put the Government of the United States, where it ought long since to have put itself, among the leaders in this matter of health protection of its employees.

H. R. 7034

Be it enacted, etc., That this act may be cited as the "Federal Employees' Health Insurance Act."

SEC. 2. As used in this act—

(a) The term "Commission" means the Civil Service Commission.

(b) The term "Advisory Council" means the Federal Employees' Health Insurance Advisory Council created by section 12 of this act.

(c) The term "dependent" means a wife or husband, an unmarried child under the age of 19 years, an unmarried child under the age of 23 years who is enrolled in a full-time course of study in an institution of higher learning approved by the Commission and who is in fact dependent on the employee for over one-half of his support, or an unmarried child who is incapable of self-support because of a mental or physical incapacity that existed prior to his reaching the age of 19 years and who is in fact dependent on the employee for over one-half of his support. The term "child" includes an adopted child or a stepchild.

(d) The term "United States" includes the territories and possessions of the United States.

SEC. 3. (a) Except as provided in subsection (b) of this section, each appointive or elective officer or employee (hereinafter called "employee") in or under the executive, judicial, or legislative branch of the United States Government, including a Government owned or controlled corporation (but not including any corporation under the supervision of the Farm Credit Administration of which corporation any member of the board of directors is elected or appointed by private interests), and of the municipal government of the District of Columbia shall, if the official station of such employee is within the United States, at such time and under such conditions of eligibility as the Commission may by regulation prescribe, come within the purview of this act. Such regulations may provide for the exclusion of employees on the basis of the nature and type of employment or conditions pertaining thereto such as, but not limited to, short-term appointments, seasonal or intermittent employment, part-time employment, and employment of like nature, and shall be issued only after consultation with the head of the department, agency, or establishment: *Provided,* That no employee or group of employees shall be excluded solely on the basis of the hazardous nature of employment.

(b) This act shall not apply to any individual by reason of his status or service as a "member" of a "uniformed service" as such terms are defined in the Career Compensation Act of 1949, as amended.

SEC. 4. The provisions of this act for a Government contribution toward the cost of prepaid health benefits and for payroll deductions shall be applicable to any employee within the purview of the act who elects, for himself or for himself and his dependents, to enroll in any one of the following plans in which he is accepted for enrollment—

(a) A plan for basic health benefits provided primarily on a service basis, contracted for by the Commission in accordance with section 5 (a); and at the option of the employee a plan, approved by the Commission, for such additional or major medical benefits as may be offered by or through the carrier or carriers providing the basic benefits;

(b) A plan for basic health benefits provided on an indemnity basis, contracted for by the Commission in accordance with section 5 (b); and at the option of the employee a plan, approved by the Commission, for such additional or major medical benefits as may be offered by or through the carrier or carriers providing the basic benefits;

(c) A group plan of hospital, surgical, medical, or other personal health services (or any combination of such services) duly sponsored or underwritten by a national association of Federal employees of which the employee is a member, if such association was actively engaged in sponsoring or underwriting group health insurance on the date of enactment of this act and if such plan has been approved by the Commission; including, at the option of the employee, a plan, approved by the Commission, for such additional or major medical benefits as may be offered by or through the plan or carrier providing the basic benefits; or

(d) A group practice prepayment plan approved by the Commission.

SEC. 5. (a) The Commission is authorized, without regard to section 3709 of the Revised Statutes, to enter into a contract or contracts for a plan of basic health benefits (as defined in subsec. (d)) to be—

(1) provided as service benefits to the extent that such benefits are available;

(2) provided by one or more corporations or other organizations which provide health benefits primarily through contracts or agreements with physicians and hospitals (together with any corporations or organizations affiliated with such corporations or organizations or associated with them in offering the plan); and

(3) provided to any employee within the purview of this act who may elect to enroll in such plan, and to the dependents of any such employee who may so elect for his dependents, if his election is made at a time and under conditions specified in regulations under section 3 (a).

(b) The Commission is authorized, without regard to section 3709 of the Revised Statutes, to enter into a contract or contracts for a plan of basic health benefits (as defined in subsec. (d)) to be—

(1) provided on an indemnity basis;

(2) provided by one or more insurance companies, as determined by the Commission; and

(3) provided to any employee within the purview of this act who may elect to enroll in such plan, and to the dependents of any such employee who may so elect for his dependents, if his election is made at a time and under conditions specified in regulations under section 3 (a).

(c) The rates of subscription charge or premium shall be specified in the contracts entered into under subsections (a) and (b), either uniformly without regard to geographic variations in cost, or varied by regions to reflect such variations in cost, as the Commission, after consultation with the Advisory Council, shall determine. If the rates are varied by region for either plan they shall be varied for both plans, and the regions shall be the same. For each plan the rates for all employees or for all employees within a region, as the case may be, shall be uniform, but the rates for the two plans need not be the same. Each contract shall be for a term of not to exceed 1 year, but may be made automatically renewable in the absence of notice of termination by either party.

(d) Basic benefits, for purposes of this section, shall consist of—

(1) Benefits which the Commission, after consultation with the Advisory Council, finds sufficient to meet the cost of hospital care in semiprivate accommodations for 120 days in any period of continuous hospitalization, or for 120 days in the aggregate in any periods of hospitalization separated by 90 days or less;

(2) Benefits which the Commission, after consultation with the Advisory Council, finds to be reasonable and desirable with respect to medical and surgical services during such periods of hospitalization; and

(3) Such benefits with respect to services to ambulatory patients as the Commission, after consultation with the Advisory Council, finds to be reasonable and desirable, including benefits with respect to surgical services and including services in cases of accidental injury.

Basic benefits may be subject to such exclusions as the Commission, after consultation with the Advisory Council, finds to be necessary and desirable to avoid duplication of services or benefits otherwise available, or for other reasons; and in the case of employees who do not elect to enroll for themselves and dependents, shall exclude obstetrical and maternity benefits, as defined by the Commission.

SEC. 6. (a) For each employee for whom there is in effect a notice of enrollment in a plan in accordance with section 4, the Government shall contribute toward the subscription charges or premiums (including the charges or premiums for any additional or major medical benefits) sums equal to one-half of such charges or premiums, but not in excess of $1.00 biweekly for an employee or $2.50 biweekly for an employee and his dependents (or corresponding amounts in the case of employees paid on other than a biweekly basis). The remainder of such subscription charges or premiums shall be withheld from payments of salary to the employee. Amounts contributed by the Government and amounts withheld from salaries shall be paid to the Federal Employees' Health Insurance Fund created by section 8, to the credit of the appropriate agencies approved in accordance with section 7 (c).

(b) Notice by an employee to his employing establishment, on a form prescribed by the Commission, that he has enrolled in a plan pursuant to section 4 shall, while such notice is in effect, constitute authorization for the making of deductions from his salary in accordance with subsection (a). If both husband and wife are employees within the purview of this act, either (but not both) may give notice of enrollment for himself or herself and dependents; or if neither gives such notice, either (or both) of them may give notice of enrollment for himself or herself alone.

SEC. 7. (a) The Commission, after consultation with the Advisory Council, shall prescribe regulations fixing minimum standards for prepaid health plans (including plans for additional or major medical benefits), and it shall not enter into any contract under section 5, or approve any plan for purposes of section 4, which does not comply with such standards. Approval of a plan shall not be withdrawn except after notice and opportunity for hearing to the carrier or carriers and to the employees concerned.

(b) No contract shall be made or plan approved (1) which excludes any employee because of race or sex, or excludes any employee, at the time of his first opportunity to enroll, because of age or physical conditions, or (2) which excludes payment of benefits for any preexisting physical condition, other than a pregnancy existing on the effective date of coverage of a female employee or dependent. The first opportunity of an employee to enroll shall be dedetermined in accordance with regulations of the Commission, which shall allow each employee a reasonable period to enroll after he first becomes eligible to do so.

(c) No contract shall be made or plan approved unless the carrier or carriers involved shall agree that all payments by the Federal Employees' Health Insurance Fund on behalf of employees (both the Government contribution and the amounts withheld from salaries) pursuant to such contract or plan may be made to the appropriate one of the following five agencies established by carriers for the purposes of this act and approved by the Commission:

(1) One agency for the receipt of payments pursuant to a contract or contracts entered into under section 5 (a) or pursuant to any plan or plans for additional or major medical benefits offered by or through the same carrier or carriers;

(2) One agency for the receipt of payments pursuant to a contract or contracts entered into under section 5 (b) or pursuant to any plan or plans for additional or major medical benefits offered by or through the same carrier or carriers;

(3) Two agencies for the receipt of payments pursuant to plans approved by the Commission under section 4 (c), which plans shall for this purpose be divided into two groups in accordance with regulations of the Commission; and

(4) One agency for the receipt of payments pursuant to any plan or plans approved by the Commission under section 4 (d).

SEC. 8. There is hereby created a Federal Employees' Health Insurance Fund, to be administered under the direction of the Commission, to which fund all payments under sections 6 and 10 shall be made and from which all premium or subscription charge payments shall be made to the respective agencies referred to in section 7 (c). There are hereby authorized to be appropriated to the health insurance fund such sums as may be necessary for purposes of this act, including the amounts of Government contribution required by sections 6 and 10. The income derived from any dividends, premium rate credits or other refunds, or from interest earnings on amounts held in reserve, shall be credited to and constitute a part of the health insurance fund. Any amounts remaining in such fund after all premium or subscription charges have been paid shall be retained as a special reserve for adverse fluctuations in future charges, or for the advance funding of the cost of health insurance coverage for retired employees, or may be applied to reduce the premium or subscription cost of, or to increase the benefits provided by, the plan or plans from which such proceeds are derived, as the Commission, after consultation with the Advisory Council, shall from time to time determine.

SEC. 9. (a) No contract shall be made under section 5, and no plan shall be approved for purposes of section 4, which does not provide that an employee whose employment within the purview of this act is terminated shall have option for a period of at least 90 days to convert, on such terms and conditions as may be approved by the Commission after consultation with the Advisory Council, to an individual health-insurance contract to be paid for by him.

(b) No contract shall be made or plan approved which does not provide for furnishing to each employee enrolled in the plan a certificate setting forth the services or benefits to which the employee or the employee and his dependents are entitled, to whom monetary benefits are payable, and the procedure for securing benefits or submitting claims; and setting forth or summarizing the principal provisions of the plan affecting the employee or the employee and his dependents.

SEC. 10. (a) No contract shall be made under section 5 which does not provide that, as long as the contract is in effect, basic benefits (as defined in sec. 5 (d)) will be provided to retired employees and to the survivors of deceased employees in accordance with this section. The provisions of this section shall also be applicable to any other plan approved by the Commission (including any plan for additional or major medical benefits) upon request of the carrier or carriers offering such plan.

(b) The benefits provided pursuant to this section to retired employees shall be available under any plan to any employee who (1) is retired after December 31, 1957, on an immediate annuity under the Civil Service Retirement Act, (2) has been enrolled under such plan either (A) continuously for the last 10 years (or 1 year, if his retirement is for disability) of his creditable civilian service preceding his retirement, or (B) continuously during all of his creditable civilian service from January 1, 1958, until his retirement, and (3) elects to enroll for such benefits for himself, or for himself and his dependents if such dependents (if then living) were covered during the periods specified in clause (2).

(c) The benefits provided pursuant to this section to survivors of deceased employees shall be available under any plan to any survivor of a deceased employee if (1) the employee died after December 31,

1957, (2) the survivor is entitled to an immediate annuity under the Civil Service Retirement Act, (3) the employee was enrolled under such plan either continuously during the last year of his creditable civilian service preceding his death or continuously during all of his creditable civilian service from January 1, 1958, until his death, and during such period the survivor (if then living) was covered as a dependent of the employee, and (4) the survivor elects to enroll for such benefits. Entitlement of a survivor under this subsection shall cease when he ceases to be entitled to an annuity under the Civil Service Retirement Act.

(4) The amount of subscription charge or premium to be paid by a retired employee or a survivor of a deceased employee under this section, and the amount of the basic Government contribution, shall be the monthly equivalents of the amounts paid by, and contributed for, an active employee in the same region enrolled for the same health benefits; and the amount to be paid by the retired employee or the survivor shall be withheld from his annuity. In addition, the Government shall make a further contribution equal to one-half of its basic contribution for each retired employee, and for each survivor who has attained the age of 65 years. Amounts contributed by the Government and amounts withheld from annuities shall be paid to the Federal Employees' Health Insurance Fund, to the credit of the appropriate agencies approved in accordance with section 7 (c).

SEC. 11. The Commission is authorized to prescribe such regulations as it finds necessary for the administration of this act, including regulations with respect to the manner in which employees shall give notice of enrollment under section 4, the continuance of coverage during temporary absence without pay, the conditions under which notice of enrollment may be changed or rescinded (which shall afford annual opportunity for transfer from one plan to another plan which accepts the employee for enrollment), and the conditions (relating to reasonable notice to the employees affected) under which a plan approved by the Commission may be withdrawn. Regulations, procedures, and forms relating to the fiscal and accounting aspects of the administration of this act shall be subject to the approval of the Comptroller General.

SEC. 12. There is hereby created a Federal Employees' Health Insurance Advisory Council, to be appointed by the Chairman of the Commission and to consist of 15 persons, 1 of whom shall be designated to serve as chairman of the Advisory Council. Nine members of the Council shall consist of Federal employees or elected representatives of national associations of Federal employees, and shall serve without compensation. The other six members of the Council shall be persons experienced in the administration of prepaid health benefits or in the rendition of services under prepaid health benefit plans, and shall be compensated while serving on business of the Council, at such rate, not in excess of $50 per day, as the Chairman of the Commission may determine. All members of the Council shall be entitled to receive an allowance for actual and necessary travel and subsistence expenses while serving away from their places of residence. It shall be the duty of the Council to review from time to time the operation and administration of this act; to receive reports and information with respect thereto from employees and their representatives; to consult with and advise the Civil Service Commission, and when it deems necessary the employing establishments, in regard to the administration of this act; and to make recommendations to the Commission with respect to the amendment of this act or improvements in its administration. Each member of the Council shall hold office for 3 years; except that of the members first appointed, one-third shall hold office for 1 year and one-third for 2 years; and that a member appointed to fill a vacancy occurring prior to the expiration of a term shall hold office for the remainder of such term. The Council shall meet not less often than quarterly, on call of the Chairman of the Civil Service Commission or on request of any three members of the Council. The Commission shall provide the Council with the secretarial and clerical staff necessary and appropriate to the performance of its functions.

SEC. 13. The Commission shall make a continuing study of the operation and administration of this act; including surveys and reports on health insurance plans available to employees and on the experience of plans receiving contributions under this act, with respect to such matters as gross and net cost, administrative cost, benefits, utilization of benefits, and the portion of the actual personal expenditures of Federal employees for health care which is being met by prepaid benefits. The Commission shall from time to time make reports to the Congress and to the Advisory Council on the results of such studies, and recommendations with respect to the amendment of this act. The Council shall make such reports and recommendations available generally to employees within the purview of this act.

SEC. 14. The provisions of this act with respect to Government contributions and payments, and with respect to payroll deductions, shall become effective on July 1, 1957, or to the extent so provided in regulations of the Commission, on the first day of the first pay period beginning after that date.

PROVISIONS EXEMPTING CONGRESS FROM ACCOUNTING FOR EXPENDITURE OF INVESTIGATING FUNDS

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, Members of Congress are being subjected to criticism as a result of a one paragraph provision of the Supplemental Appropriation Act of 1954. The provision—clearly legislation in an appropriation bill—reads:

> Funds made available in this or any other act shall hereafter be available for examination of estimates of appropriations in the field and the use of such funds for such purposes shall be subject only to regulations by the standing committee concerned.

According to the Comptroller General of the United States the wording of this section precludes any accounting of the expenditure of any appropriated funds by investigating committees of Congress unless the standing committees spending the funds agree to make a list of expenditures available.

The Comptroller General also has ruled in an opinion dated January 7, 1957, and numbered B–129650 that this section requires executive departments to furnish Congressional committees with funds to finance Congressional investigations. In this opinion, the Comptroller General held that the International Cooperation Administration was required by this section to pay the costs of an investigation by the House Foreign Affairs Committee of ICA operations in Guatemala.

Under this broad interpretation, unlimited and unbudgeted funds are made available to Congress. It means that we have lost control over the expenditures of our own committees and those of the other body.

Mr. Speaker, I submit that any legislation which prevents a public accounting by a public official of the expenditure of public funds is bad legislation. We have a special House subcommittee which is raising particular Cain with executive agencies for hiding behind security regulations to keep the public from learning about the public's business. Yet Congress itself has permitted this legislation to stand as a screen behind which investigative expenses can be hidden from the eyes—not only of the public and the press—but from other Members of the House and Senate themselves.

Earlier this year, I introduced legislation which would amend the Mutual Security Act of 1954 and require the budgeting and accounting of expenditures by Members of Congress of counterpart funds. Passage of this legislation would silence once and for all the critics of Congress who logically assume that because Congress keeps something hidden, there must be something to hide.

Mr. Speaker, I am not one of those who believe that public funds spent by Congress for investigations here and abroad is money wasted. On the contrary, I feel it is a duty for Members of Congress to investigate how the executive agencies spend the tax money we appropriate to them. I cannot, however, defend these expenditures as an individual Member of Congress when I do not know how or where they were spent. And I submit, Mr. Speaker, that under the broad ruling of the Comptroller General each standing committee of either body of Congress or any Member thereof can, as a result of this section, spend funds appropriated to the executive departments without the knowledge of other Members of Congress or other committees of the House and Senate.

Today I am introducing legislation which will correct this situation by repealing the entire section.

Mr. Speaker, Congress requires employees of executive agencies to account for the expenditure of public funds. We should hold ourselves subject to the same accountability. I can think of no situation as indefensible as the one now confronting us—that is, to require by law the justification of expenditures of public funds by Government employees and then exempt ourselves from the duty so imposed.

This legislation also removes from present language the provision that expenditure of these funds by Congressional committees are subject only to regulations of the respective committees. Its effect would be to give Congress control over the amount of taxpayers' funds its committees are permitted to spend—with the exception of counterpart funds which will be dealt with in other legislation I am sponsoring.

I urge Members to study this bill and correct a situation that brings Congress under fire from those who rightly feel

that the public is entitled to know how its money is being spent, not only by the executive branch, but by Members of Congress also.

UNITED STATES CONTRIBUTIONS TO FEDERALLY IMPACTED AREAS

Mr. BOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio,

There was no objection.

Mr. BOW. Mr. Speaker, I am introducing today a bill to make certain essential changes in Public Law 874, the law under which nearly 3,000 school districts receive Federal funds for operation and maintenance of their schools because of an alleged Federal impact.

This program has been discussed repeatedly in the House during this session. I raised the issue when I questioned the secrecy and the apparent extravagance of the school budget in Arlington County, a county where over 10 percent of school funds are furnished by all the taxpayers of the United States under Public Law 874. At that time I proposed certain restrictions which are now embodied in this bill.

More recently the subject has been thoroughly aired in connection with the annual appropriation of $127 million for Federal grants to these so-called impact districts. That debate brought out additional evidence of the need for basic changes in Public Law 874. When my amendment to reduce these funds to the amount available in the current year and Mr. TABER's amendment to place a cutoff date on the impact were defeated, many Members said the subject should properly be considered in the legislative committee. My bill includes a provision for a cutoff date, and I hope it will have prompt consideration in the legislative committee.

Mr. Speaker, I was about to use Armstrong County, S. Dak., as an example of the only county in the United States which would not be eligible for Federal aid under Public Law 874. A few years ago we learned that Armstrong County was the only county in America that did not have a single Federal employee living within its borders. When I went back to check on this, I find that Armstrong County apparently committed an unforgivable sin in this era of Federal control and interference. Almost as soon as its peculiar status became apparent, it was annexed and absorbed by a neighboring county, and thus, the last outpost of freedom from on-the-spot Federal interference has been eliminated.

What does this mean, Mr. Speaker? It means that there is no need for this House to debate a Federal aid for schools bill at this session. There is no need for the legislative committee to argue and labor with this controversial legislation. There is no need because under the liberal interpretation of Public Law 874, which has been called to our attention by the gentleman from Kansas [Mr. SCRIVNER], there is not a county in the United States today where one or more school districts might not apply for and receive Federal aid for education.

We know that the children of any Federal employee may be counted by a school district in its request for Federal aid. If you are a prosperous and successful businessman in your city and you are appointed to the position of postmaster, your children may be counted for aid and you have become a Federal impact.

And, what is worse, you remain a Federal impact so long as you are in that position. I cannot find any cutoff date. I cannot find any indication it will ever end. This law is the only law we need if we want to distribute Federal funds for schools.

When I proposed reducing the 1958 appropriation to the 1957 level, a cut of about $13 million, I endeavored to explain that this program will continue to grow so long as Federal employees continue to have children, and I endeavored to point out that it continues to grow as the Federal Government hires additional people. We may come to a day when the actual salary of a Federal employee is only a fractional part of his total cost to the taxpayers. Federal aid for the education of his children, retirement, life insurance, travel, and other costs may increase the actual payroll cost many times.

If the Federal Government should follow through on reports that 6,500 employees in this area will be removed, the difference in the Federal aid will be in the neighborhood of $650,000. Parenthetically, I should point out that we might not make that saving on education. This law is so broad and loose that the Commissioner of Education could go on paying for nonexistent children if the school district claimed it was out of pocket because it thought those children were coming to school.

My main criticisms of the law are these:

First. Payments are permitted for Federal employees' children in areas where the employment is not an impact or an unusual burden on the community. This is the case where a longtime taxpaying resident of a community may go to work for the Government. The gentleman from Kansas [Mr. SCRIVNER], inserted in the RECORD for April 1, at page 4933, a list of the categories of Federal employment, or employment with private companies holding Federal contracts, that are considered to constitute an impact on a Kansas school district.

Second. Payments are continued with regard to newcomers to a community long after the new Federal employee has purchased or rented a home, been listed on the tax rolls, and made the usual contribution of a resident through his dealings with local businessmen and services. There is no cutoff date. This is how my secretary, who came here 10 years ago, who owns his home in Fairfax County, paying property tax, personal-property tax, Virginia income tax, and dealing almost exclusively in Virginia, is still considered an impact on the community. He tells me he feels like a native, but to his neighbors and the school board, he is nothing but an impact.

My bill attempts to handle these problems by providing that payments may not be made for a child if his parents have resided in the community for more than 2 years.

This limitation will prohibit the inclusion of children of category No. 1, whose parents simply change jobs in the same community, and it will give a community 2 years in which to absorb any alleged impact from the arrival of a new Federal employee.

I think it is sound and reasonable.

This is what the gentleman from New York [Mr. TABER] had in mind in his amendment to this section of the appropriation bill. Members urged it be presented in proper legislative form for committee consideration. Here it is and I hope it gets consideration soon.

My bill further provides that no school district may receive Federal funds unless its proposed budget is published in a newspaper of general circulation in the district in advance of public hearings on the proposal. This would prevent a recurrence of the secrecy with which the Arlington County school board tried to hide its extravagant budget from public scrutiny.

The Federal Government cannot give blank checks for secret expenditures. When we give Federal aid, we have a duty to know how that Federal aid is spent, and we have a duty to cut it off if it is not spent wisely and carefully and in accordance with the purposes of the Federal Government. In this bill, or any other, we cannot give away the money of all the taxpayers of the United States to some favored locale to spend as it pleases.

The remainder of my bill establishes restrictive standards on the relation between the Federal grants and the local contributions. These are intended, first, to make certain that a district does not apply for and receive Federal aid in order to reduce the rightful contribution of its own citizens; and, second, to prevent the school district from going on a spending spree with the Federal grants.

Mr. Speaker, it is high time that some limits were placed on this Public Law 874. I do not know whether school boards generally are unaware of the legislation or whether a great many school boards should be complimented for their forbearance and self-reliance, but if every school district that might be eligible under the present liberal interpretation were to make a request, this annual appropriation would not be $113 million nor $127 million but something much greater than that. As time goes on, if the Federal payroll grows or if Federal employees enlarge their families, the costs will rise anyhow.

In closing, may I emphasize that my proposal does not change the basis for computing aid for the children who live on Federal property and go to school in nearby school districts, nor does it affect the formula for a contribution where the Federal Government owns a large area of tax-free land. I am directing my amendment primarily at the contributions for children whose parents reside

in their own homes or in rental properties and make a local tax contribution similar to that of any resident of the community.

INVESTIGATIONS IN THE LABOR OR MANAGEMENT FIELD

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, many Members are keenly interested in the current investigations being conducted by the Senate Select Committee on Improper Activities in the Labor or Management Field. These investigations reveal two major problems: First, how to prevent the misuse of funds; and second, how to assure that union officials are responsive to the aims and purposes of the rank and file union membership.

The problem of assuring democracy in labor unions is an especially difficult one. It is not one which easily lends itself to legislative remedy. It is a problem we should continue to study. Certainly there is no final solution other than an aroused and active union membership.

However, I do feel that something can and must be done now to help protect union members' funds. In recent years there has been an extraordinary increase in the revenue of labor organizations and in the size of employee benefit plans. Current revelations concerning the misuse of these funds clearly point to the need for additional legislative safeguards.

Several bills have been introduced which provide for the registration and reporting of welfare and benefit plans. However, I do not feel that the mere registering and reporting goes far enough. What is required, I believe, is the specification of activities which are to be prohibited and the establishment of severe penalties for those violating the law. That is the basic intent of the bill I am introducing today.

Furthermore, it is essential that Congress do what it can to strengthen the hand of the rank and file union member who wishes to correct corrupt practices when they develop. Too often, under present conditions, a union member feels there is no safe or effective place where he can turn. My bill is aimed at providing a method whereby a rank and file union man, with knowledge that union or welfare funds are being misused, can go directly to the district attorney and begin legal proceedings.

There are no easy solutions to the problems of corruption and racketeering. However, I hope that the legislation which I am introducing today may help start us on the road to providing greater protection to union members and the beneficiaries of welfare funds.

UNITED STATES INFORMATION AGENCY

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS of Ohio. Mr. Speaker, in yesterday's daily RECORD, on page A3072, there is an explanation of why the United States Information Agency had not divulged the name of the motion picture referred to in the debate on the appropriation bill. I think it is a good explanation, and that everyone should read it.

The United States Information Agency, which comes under the jurisdiction of the subcommittee of the Committee on Foreign Affairs of which I happen to be chairman, is supposed to disseminate information in the interest of the United States, and that means all of the United States and not of any political party. In that connection, I noticed in the paper yesterday that the Director of the USIA had been out making another political speech. I think it would be advisable that Mr. Larson either disengage himself from the Republican Party or disengage himself from the directorship of the USIA. Since he is the most modern of modern Republicans, I assume that my suggestion will meet with equal approval on both sides of the aisle.

DEDICATION OF ATOMIC ENERGY LABORATORY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, very shortly at Waltham, Mass., Tracerlab, the world's most modern plant devoted entirely to peaceful uses of atomic energy, will be dedicated. The distinguished Member of Congress from New York [Mr. COLE] will be the chief speaker and is going to cut the ribbon in a very unusual way. Instead of with scissors, it will be done by remote control, using isotopes in a Tracerlab beta gage. It will burn the ribbon in a spot that is printed and that will sever the ribbon.

The laboratory is in the district of my distinguished colleague [Mr. DONOHUE]. It is my deep regret that I cannot be there, as I was to have a small part in congratulating President Faxon and all of his staff and workers on their great accomplishment, and the Commonwealth on having the laboratory in Massachusetts. I wish them all the greatest success, and that more and more atomic energy can be used for peaceful purposes. I am sorry not to be there. I cannot be there because the other body was not willing to pass the urgent deficiency bill as the House wished to have it. I felt I had to be here and be ready if there were a quorum call and also to vote on this legislation. There is urgent need to pass certain items in the bill, such as money to run the Small Business Administration and money to pay those on social security.

It is one of the penalties a Member of Congress must pay when his or her vote is needed. That does not make my disappointment any the less.

THE LATE MAPLE T. HARL

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, the United States Government lost a valiant, true, and honorable servant yesterday in the death of the Honorable Maple T. Harl, a member of the Federal Deposit Insurance Corporation. Mr. Harl was the Chairman of this organization from 1947 until 1953, at which time he was very active in assisting the Congress in passage of a law and increasing the amount of insurance on deposits in insured banks from $5,000 to $10,000.

Mr. Harl was born in Marshall, Mo. He grew up in Colorado and worked his way through the William Jewell College in Missouri. During World War I, he volunteered his services and fought in many battles in Europe. He received an injury and it was necessary for him to be hospitalized for 4 years. Thereafter, he became active in financial circles in Colorado. It was my happy privilege to work with him as the State banking commissioner of the State of Colorado. We, in Colorado, will miss him because he has been an outstanding leader among us. My sympathies are extended his widow and one child.

AUTHORIZING SPEAKER TO DECLARE RECESS TODAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Speaker may declare a recess at any time during the day, the House to reconvene subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DEFENSE DEPARTMENT REPORT ON SMALL BUSINESS CONTRACTS

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, it was recently my privilege to call to the attention of the Members of this House the nature and composition of the newly established Small Business Advisory Committee to the Department of Defense. My remarks are to be found at pages 4325–4326 of the CONGRESSIONAL RECORD for March 25, 1957.

The gist of those remarks was to lament the fact that the Department of Defense lacks both the courage and the vision to call to membership in such ad-

visory groups an adequate number of fearless, capable and independent businessmen; and, further, that this Department appears to feel it necessary to dilute a small-business advisory group with a large fraction, if not a preponderance, of representatives of giant corporations. The continuation of such policies cannot but lead us to believe that many of the closest associates of the gentleman who said "What is good for General Motors is good for the country" have not the faintest notion of the meaning of conflicts of interest. It seems that any recognition of this basic evil emerges only sporadically and in individual cases when the cat is somehow let out of the bag and the dogs—perhaps both hunting dogs and kennel dogs—are hot on the trail of another case in which Pentagon bigwigs have been inept in their confusion of the public's business and private or corporate profiteering.

In my remarks of March 25 I also noted that the Defense Department needs someone to challenge such policies as its weapons system concept of procurement before we can hope for any progress in combating the increasing concentration of military procurement from a handful of our largest corporations. It was rewarding to me to receive backing and praise for these remarks from small-business associations as widely scattered as my own California and New England.

Recently a related development in the Defense Department proves, alas, that there is continued and progressive deterioration in the depth of our industrial defense base and the funneling of defense dollars to ever fewer and fewer hands. Perhaps even worse, there is renewed evidence that when faced with bad results, the Department of Defense feels itself more in need of public relations than of the suggestions and criticisms which could be provided by widely known and accepted small-business leaders.

I am referring, of course, to the report of the Department of Defense released last week and entitled "100 Companies and Affiliates Listed According to Net Value of Military Prime Contract Awards, July 1950–June 1957." This semiannual report, which would have been discontinued several years back except for protests by Members of the Congress, cries out for your attention. We should carefully scrutinize both its cold figures and the covering explanations of the Assistant Secretary of Defense for Supply and Logistics.

The figures covering January 1955 through June 1956, a period considerably removed from the exigencies of the Korean war, are particularly awesome. During this period these 100 large corporations and their subsidiaries received 68.7 percent of all taxpayers' dollars spent for military equipment. Only 6 of these 100 corporations received more than one-fourth of the net value of all military contract awards. Twenty-three corporations account for more than 50 percent. Whereas the top 50 of these 100 corporations received 60.4 of the nationwide total, the other top 50 received but 8.3 percent of this total. And by the simplest of arithmetic, we arrive at the saddening conclusion that the thousands and thousands of manufacturing corporations outside this group of 100 received less than 32 percent by value of the total tax dollars committed by these military contracts.

When these percentages for this 18-month period are placed side by side with the comparable percentages for the last 6 years, we see all too clearly both the adverse trend of the recent past and the threatening possibilities of the future, unless the Congress does something more than scowl at Mr. Wilson and the White House for these debilitating consequences to the small and independent business sector of our economy.

In the public relations preface to the release, the Defense Department stated that it should be "emphasized that only a part of these prime contract funds are retained by the prime contractors for work in their own plants" and that some preliminary reports submitted by large defense suppliers show "that their payment to small-business firms were 20.7 percent of their total military receipts."

This is hardly encouraging, and it is often true that figures about who gets dollars from subcontracting are unreliable, since even if the first subcontractor is a small-business man, he in turn may be compelled to buy the largest part of his raw materials and components from big business.

Further, this public relation effort of the Defense Department appears to take some solace in another dead-end. It says: "A second fact to be considered is that this report includes prime contract awards not only to 100 large corporations, but also to many other separate companies, large and small, which are affiliates of the large corporations." If there is any comfort in this to small business, it would appear to be that they should succumb to the merger pressures created by the giant corporations and submerge their independence in a galaxy of centrally controlled and manipulated affiliates. Most of us see only evil for small and independent business and for our country as a whole in the continued growth of these huge and ponderous private collectivisms in the industry.

This Defense report also makes a studied attempt to justify the weapons systems of procurement by stating that "in awarding prime contracts, the Department of Defense in effect is hiring the managerial skill of the prime contractors to organize, schedule, and make efficient use of the extensive subcontracting supply lines which American heavy industry normally uses in assembling its product." So the usual subcontracting practices of heavy industry is good enough for the Defense Department.

The quoted statement is in fact a complete admission of one argument I laid before this House in my previously mentioned statement of March 25:

> Instead, the Defense Department leaves the important task of spreading defense production almost entirely up to the discretion of the large contractors by means of such subcontracting as the large contractor finds it profitable or convenient to make. This, of course, places thousands of smaller concerns more and more at the mercy of a handful of giant companies with respect to how much subcontracting is done, with whom, and upon what terms and conditions.

I wonder how long independent businessmen are going to stand by, largely without any true and independent representation in this administration, while each piece of bad news comes neatly wrapped up with the best sugar-coating which Mr. Wilson's deputies can contrive at the moment.

ECONOMY IN GOVERNMENT

Mr. BYRNE of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BYRNE of Illinois. Mr. Speaker, today we received a message from the President of the United States, stating again his desire that the budget be cut and that we economize. Just recently, on the floor of the House, we had under consideration a bill having to do with health, education, and welfare. Fourteen amendments were offered to that bill. One of them had to do with an appropriation for library service in the rural districts. An amendment was offered to cut that $2 million. I voted for that amendment. It was defeated. The night before last I read in the Washington Star that that bill after leaving this body and going to the Senate was under consideration, and there the director of that library service stated that they did not need $5 million, but that they needed only $3 million. The President of the United States asked for $3 million, an increase of 45 percent. The Budget Bureau asked for $3 million. In some manner it was raised to $5 million, an increase of 144 percent, and in spite of the fact that the proponents of economy sought to cut that appropriation, that particular amendment was defeated. I again suggest that if we are diligent we can find ways of cutting the budget. Let us keep on trying.

IMPORTATION OF NATURAL GAS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have requested this time in order to advise my colleagues of the House that on Tuesday of this week I introduced a bill (H. R. 6936) to amend the Internal Revenue Code to add to the list of liquid fuels the term "natural gas" and to fix an import duty on this particular commodity. At the time our Revenue Code was last revised, I believe in 1954, and during the consideration of the tariff laws in 1930, there was no importation of natural gas into the United States. Presently, there is one line already in operation from Canada and there is an application before the Federal Power Commission for two additional pipelines to come in. It

is injuring our markets for soft coal and also injuring our oil markets. I can see no reason why we should pay 50 cents a ton import duty into Canada for every ton of coal that we sell and allow them to pipe free of import duty into this country unlimited amounts of natural gas.

MILITARY DISCHARGES LESS THAN HONORABLE

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, I take this time to mention in answer to many inquiries that have come to me as to what the special subcommittee appointed by the gentleman from Georgia, Hon. CARL VINSON, to consider the subject matter of less than honorable discharges from our Military Establishment has done, we anticipate holding preliminary public meetings beginning about May 15, with the representatives of the Defense Department as the only witnesses at this preliminary hearing. A very considerable number of qualified witnesses are desirous of testifying in support of the objectives of H. R. 1108 and companion bills.

We have held several informal meetings, some executive; but we think the time has come now to begin public hearings.

About 30 Members of the House have already filed the same bill, H. R. 1108. If any other Member wants to do likewise, his action will be welcomed, very cordially. We invite the cooperation of the membership and the cooperation of the military in the study we are making of this major problem. The records show it is a major, nationwide problem.

MR. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. DOYLE. I yield.

Mr. ROOSEVELT. Is it also the function of the committee to consider other bills introduced on the same subject?

Mr. DOYLE. Answering the gentleman from California I will say there are a few other bills dealing with the same subject, but from a little different angle. The gentleman from Georgia [Mr. VINSON], chairman of the Committee on Armed Services, has referred those bills to this special subcommittee. The membership of this special subcommittee is made up of the gentleman from North Carolina [Mr. KITCHIN], the gentleman from California [Mr. GUBSER], the gentleman from Alabama [Mr. HUDDLESTON], the distinguished gentleman from Indiana [Mr. BRAY], all distinguished Members of this body, who make up a very fine and special subcommittee. They are working diligently. We appreciate the great interest that has been evidenced in this problem that confronts us.

Mrs. CHURCH. Mr. Speaker, will the gentleman yield?

Mr. DOYLE. I yield.

Mrs. CHURCH. I wanted to ask the gentleman if he could define the scope of the activity of this committee and the powers it may have to recommend legislation.

Mr. DOYLE. Under the order made by the chairman of the Committee on Armed Services, the gentleman from Georgia [Mr. VINSON], the subcommittee is to go into the whole subject matter concerned under H. R. 1108. Subsequent to that time he has also referred to this committee for consideration several other bills which have been filed by Members not exactly in tune with H. R. 1108, but related to it. We have been told by the chairman that we could cover the field of military discharges less than honorable. I may say to the gentlewoman from Illinois that if we can prove that legislation is necessary the committee intends to recommend legislation. The bill, of course, is designed to amend existing statutes. I am satisfied the great interest experienced from all over the Nation and by you, my distinguished colleagues, is meritorious and well founded. The subcommittee is a unit in feeling that there is room and need for thorough major changes of procedure and policy relating to the several thousand a year of less-than-honorable military discharges.

PROGRAM

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. I wonder if the majority leader can gaze into the crystal ball and tell us what we may expect for the balance of the day and what will be the program when we return.

Mr. McCORMACK. I am particularly pleased to answer the latter part of the gentleman's inquiry, because I am in better position to advise the gentleman and the membership as to the possible program the week of our return.

The resolution sent over yesterday is being debated in the Senate, and it is hoped that the Senate will act shortly. Other than that I cannot make any definite statement.

It is also hoped that the situation will be such that a satisfactory solution will be arrived at, in which event, of course, the Easter recess adjournment will take place.

For the week following the Easter recess there is only one rule out; we are all cleaned up with the exception of one rule, with the completion of this, what I might term special resolution today which must be acted upon before we adjourn and if we adjourn. Adjournment is dependent upon its being completed.

For the week beginning April 29, after our return, there is one bill reported out of a committee on which a rule has been granted. That is the Missing Persons Act reported out of the Committee on the Armed Services. I do not think there is any opposition to that bill.

I can safely say, so that the membership of the House may be advised and can govern themselves accordingly, that there will be no legislative program for Monday, April 29, or Tuesday, April 30, and that the only bill I can project my mind forward to is consideration of the Missing Persons Act to which I have referred. That could wait, if necessary, until the following week.

I do not want to commit myself beyond Tuesday because that is a little bit too far in advance, but I will say that the Members can reasonably expect the situation to be as I have outlined for the week beginning April 29. However, the Members might keep in touch with the gentleman from Massachusetts on the Republican side and with me on the Democratic side, or either of us. A matter of this kind is not a question of party consideration. They might keep in touch with us either themselves or through their secretaries and we will keep them advised so that they may govern themselves accordingly in the event there is legislation of a controversial nature or of any kind to come up on Wednesday or Thursday of that week.

Mr. Speaker, may I take this opportunity to strongly urge the chairmen of committees and the committees from now on to get bills out as quickly as possible. Of course, we all realize that the real legislative activity starts after the Easter recess. This first session of the Congress has done a remarkable job to date, but after we return I respectfully request and strongly urge that the chairmen of committees and the committees get bills out as quickly as possible so that we will have a continuous program from the time of our return after Easter until the time of final adjournment.

Mr. MARTIN. I thank the gentleman.

QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. CANNON. Mr. Speaker, I rise to a question of the privileges of the House and ask unanimous consent to proceed for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, there appears in this morning's RECORD language purporting to be that of a distinguished Member of the other body reflecting on the House.

Mr. GROSS. Mr. Speaker, will the gentleman cite the page to which he is referring?

Mr. CANNON. Page 5905 of the RECORD of April 17, 1957.

I could rise to a question of the privilege of the House, but do not care to dignify the discourtesy to that extent.

But I do rise to express the hope that the language will be expurgated when the permanent RECORD is issued, and that there will be no recurrence of such gratuitous and inexcusable offense.

VIOLATION OF THE HATCH ACT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, my attention has been called to an article appearing in the Chattanooga Times, of Chattanooga, Tenn., under date of April 15, 1957. The newspaper article contains, in addition to a story, a picture entitled "Workers Tackle Mail Backlog Here," and then the additional language, "Sign Posted in Post Office Lobby." The picture contains what is purportedly a picture of Mr. Frank Todd Meacham, acting postmaster, and a large sign that purportedly was placed in the lobby of the post office at Chattanooga, Tenn., and signed by the same acting postmaster. The sign reads as follows:

NOTICE, PATRONS AND CITIZENS

Sorry we could not serve you Saturday, April 13 last.

EXPLANATION

1. The Budget Bureau cut our money off.
2. A Democratic Congress refused to pay the bill.

I wonder, Mr. Speaker, if the acting postmaster has ever heard of the Hatch Act. If that is not political campaigning in the lobby of a Government building by a Government official, I would like for somebody to advise me what is.

3. Your postal workers are paying it.
4. It requires $47 million to give you your accustomed service through June 30 next.

Now, Mr. Speaker, I did not sit on the committee that handled the urgent deficiency appropriation bill, but I understood that it was agreed that the amount provided in the bill was sufficient. I wonder why the acting postmaster at Chattanooga, Tenn., does not get a more imposing position in the postal service or the executive department of this Government if he is such a precise and overall authority on the requirements of the entire postal service.

Mr. Speaker, this is not only an unfair but an inaccurate charge against the representatives of the people of the United States on the part of an executive employee of the Government, an employee who could not possibly have been in possession of facts necessary to determine that the requirements of the Department were $47 million.

Mr. PERKINS. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Kentucky.

Mr. PERKINS. I just want to say that there have been numerous postmasters in this country who have been kicked out of their positions since the Republican administration has been in power for much less political activity than the gentleman refers to in his statement. And I hope that this administration will not condone real political activities of their own appointees.

Mr. ALBERT. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. I would just like to say to the gentleman that I agree with what he has had to say about this acting postmaster, and in spite of people like that, my mail would lead me to believe that the American people are not being fooled, because I got not less than 20 letters this morning from my district, all of whom blame the postal situation right on the one person to whom the onus should be attributed, the Postmaster General. One lady went so far as to say, "Why do you not get rid of this incompetent?" meaning the Postmaster General, and she wound up her letter by saying: "I have been a Republican all my life. Maybe that is too long." And I wrote back and I said: "I agree."

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I would just like to say, as a member of the Committee on Post Office and Civil Service, under the very able chairmanship of the gentleman from Tennessee [Mr. MURRAY], you will find in the record that he believes that the Post Office Department, under the present Postmaster General, has been doing an excellent job. May I say as a member of the Post Office Committee, from the opportunities I have had to go into it to see some of the operations of the post office in the past, that the former Postmaster, Mr. Donaldson, did an excellent job. I think they are all dedicated public servants trying to do the right kind of a job for the people of America. I think we in the Congress ought to back them up and provide them with sufficient funds. The present Postmaster General turned back $200 million in the last 3 years.

Mr. ALBERT. I desire to state to the gentleman that I am sure that in defending the Postmaster General he did not intend to defend the action of an employee of the Post Office Department who, in a Federal building, posted a sign, to which he signed his name, which said: "The Bureau of the Budget cut our money off," and "a Democratic Congress refused to pay the bill," when we have already provided the money necessary to keep the postal service going.

The gentleman does not condone, I am sure, that conduct on the part of an employee.

Mr. CEDERBERG. I know nothing of the situation to which the gentleman refers. I would say, on the facts as presented, I would probably agree with the gentleman.

Mr. ALBERT. I thank the gentleman.

MUNICIPAL ELECTIONS IN THE STATE OF ILLINOIS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, on Tuesday there were municipal elections in the State of Illinois. These were the first elections following the action of the Postmaster General last week in shutting off mail service. The results are interpreted by political analysts as an indication of the public reception of what the Postmaster General did last weekend. For the first time in the history of municipalities in the State of Illinois in predominantly Republican districts Democratic mayors were elected. That is accepted by many students of election trends and causes as the answer of the people of Illinois to the arbitrary action of the Postmaster General. It is significant that these elections followed in a matter of days the Postmaster General's unprecedented severance of the postal services of the people and that on the whole there were no local issues of sufficient interest to cause the unseating of Republican administrations in communities that were overwhelmingly Republican.

Commenting on this marked swing to the Democrats in strongly Republican territory, which occurred on the Tuesday following the Postmaster General's Saturday of enforced postal idleness, the Republican Chicago Tribune of today, April 18, 1957, says:

UNFAVORABLE OMENS

The recent municipal elections in Illinois cities afford Republicans no occasion for rejoicing. * * * In Jacksonville, Moline, Carlinville, and Waukegan Republicans will be succeeded by Democrats as mayors. There were few, if any, important switches from Democratic to Republican administrations. * * * But it is abundantly evident that in Illinois just now the Republican label is not the asset that Republicans wish it to be.

Administration circles in both Washington and Springfield should give heed to these unfavorable omens from Illinois cities. * * * Republican officeholders are in no position to take the voters for granted.

FOREIGN AID POLICY OF THE UNITED STATES

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. HENDERSON] is recognized for 30 minutes.

Mr. HENDERSON. Mr. Speaker, the people of the 15th District of Ohio are alarmed at the magnitude and the direction of the foreign aid policy of the United States. Their complaints fall into several categories and I would like to take a moment or two to summarize those various categories.

First, some people feel that foreign aid is bad because it is a spending program and the money should not be so expended. Secondly, some people feel that that amount of money might well be spent by the Government, but should be spent for domestic aid of one sort or another. Thirdly, some people feel that foreign aid should be eliminated because it is needless interference of our Government into the domestic affairs of other nations. Fourth, some people oppose foreign aid because of the extent of maladministration and wastefulness which has characterized the program. Fifth, some people oppose the foreign aid program because some of the funds or benefits eventually come into the hands of those who oppose our basic democratic principles. Sixth, some people oppose foreign aid because they feel that we are improving or attempting to improve the social and economic status of other nations who will in turn become our competitors or our enemies or become controlled by our enemies. Seventh, some people oppose our foreign aid program because they see in it that as we raise the standard of living of other nations,

we are necessarily reducing our own economic resources and gradually bringing ourselves down to a standard of living to the level to which we are raising those whom we would assist. There are many other reasons, Mr. Speaker, which the constituents of the 15th District of Ohio have given for their opposition to foreign aid.

I have recently conducted a public opinion poll of the people of the 15th District. One of the questions is as follows: "Do you favor the continuation of our foreign aid program which is recommended for $4.5 billion next year?" Although tabulation is not complete, it might be of interest to my colleagues in Congress, as it is to me, to learn that thus far in the tabulation 28.2 percent of the residents of southeastern Ohio responding expressed themselves in favor of the question and 71.8 percent against.

Many of my constituents were not content with merely answering this question "yes" or "no." Many of them took the time to make specific remarks of their own with regard to our foreign-aid policy. Those spontaneous responses were interesting to me as I am sure they will be to my colleagues and to you, Mr. Speaker. So, I have brought with me a few of their statements and will read them:

So far as foreign aid is concerned, I see nothing with this country helping other nations if the aid is in essentials and not frills. I think Representative GEORGE MEADER, of Michigan, is right as rain when he calls the foreign-aid program a bureaucratic nightmare. It seems foolish to try to buy friends abroad while shortchanging the billpayers at home (Summerfield versus Cannon).

The prolific giveaway program to foreign governments should be stopped. All of these things were probably all right and necessary during wartime and the people did not object too strongly during the war, but they were given to understand that these expenditures would be stopped or eliminated with the cessation of hostilities.

Speaking of special privileges, I think the American taxpayer is being taxed and heavy to help a lot of Europeans and Asiatics that are not fast becoming our friends. Aid should be discontinued. This is extending the special privileges of the American Government and making it a worldwide affair.

I would like to express my feelings on the foreign-aid problem and give, maybe, some helpful thoughts about the subject. First, there are a lot of things about foreign aid I don't know about and will probably never find out about unless someone of your business tells us about it. But I can write you and express my views on the matter. I do believe foreign countries should be helped, but not with money—money will often be used for things other than what it is intended for in the first place. I would, therefore, vote 100 percent for the gift of farm machinery which would be of greater use to the people, less dangerous to us, and we could feel that the machinery would get to the people. There's a question about money ever doing any good.

Foreign aid at a realistic, reduced level.

Eventually eliminate all foreign aid.

Total of foreign aid should be reduced.

Cut foreign aid 1 billion.

Reduce foreign aid one-half.

Cut foreign aid in half.

I'm not an isolationist, but I believe we have come to the point when Government spending in foreign countries needs to be reviewed. Too many times we've sent help overseas thinking that we had friends only to find out at a later date that they weren't for our interests but for their own. Mr. Henderson, how much more sacrifices do our people have to give?

With regard to question 4, yes, we have to give some foreign aid but I should think not to the tune of $4.5 billion.

Foreign aid should be cut.

As you can see, I am very much against this continued foreign-aid program of giveaway, and think it should be cut out. During the war, I was in a lot of countries, all through the Middle East, Iran, India, Italy, Africa, Mediterranean, etc., and I saw, at first hand, how a lot of our money was being wasted. If we could eliminate the 4½ billion for foreign aid, we could balance the budget. United States foreign-aid programs should be entirely eliminated.

Read the article Our Foreign Aid Program—A Bureaucratic Nightmare in April Reader's Digest and you will get some idea how disgusting it is. We could use one of those tractors sitting over there rusting away.

Foreign aid breeds contempt. * * * Do away with it before it does us. Use the tax money allotted to foreign aid to reduce the national debt. Why give away money when we owe money? Don't kill the goose that lays the golden egg.

I have never approved the taking of tax money from citizens of this country to help France and other countries whose citizens do everything they can to dodge their rightful taxes. How far would a United States citizen get doing that?

We can't maintain a balanced budget and give money away in wholesale lots all over the world. Our people earn this money and if we must have high taxes to balance the budget, okay. But let's get the darn thing balanced and reduce taxes. Above all we must reduce expenses and get a balance while we have an inflationary period. How could we pay off such a huge debt in a recession period?

Why do we have to be taxed so terribly and then give everything away?

We are not rich enough as a nation to be able to continue to afford the giveaway program to foreign nations.

Foreign aid, yes. But let's do something about the nightmare described by Representative GEORGE MEADER in April Reader's Digest. This is incredible.

I do not favor foreign aid unless Congress has more control over the wild-eyed spending.

As for foreign aid, the more we give foreign countries, the more they will hate us when we quit.

No foreign aid unless they are also furnished technical knowledge. Do not favor putting a crutch under anyone.

Foreign aid is becoming ridiculous. It should be reduced and more selective.

Is it intelligent for the United States to finance the rest of the world? At this time most of the foreign countries should be paying us indemnity. What a mess.

We are sick and tired of having our money passed out to foreign countries.

Foreign-aid programs are now too numerous and costly.

How long can we continue to subsidize the whole world?

Foreign aid, yes, if spent more wisely.

Foreign aid, but cut down.

Not foreign aid as is—too much machinery and waste.

I think it would be wise to eliminate a lot of this unnecessary aid to foreign nations and use it on this huge national debt. If we don't quit giving, pretty soon we'll be broke and in as bad a condition as some of the countries we are being so generous with.

Everybody seems to want, in no uncertain terms, a drastic cut in foreign aid.

Our foreign aid program has been so ineptly managed, so shot with graft, etc., and the result so inimical to our original hopes that I am in favor of stopping it and doing something toward balancing our budget and cutting taxes and our national debt. * * * England is too smart to do as we are doing and we are helping people whose per capita indebtedness and rate of taxation is lower than ours. That is senseless. Foreign aid is a classic example of bureaucratic bumbling, waste, inefficiency, interdepartmental jealousy, abject incompetency in those in charge and downright thievery of the taxpayer's money. I say, let's stop it before we go under.

These are only samples, Mr. Speaker, and I have not quoted from the hundreds of letters which I have received in the past 2¼ years from the people of Ohio opposing foreign aid. In fact, it might be of interest to my colleagues to learn that I have, in that period of time, received only one letter urging me to vote for foreign aid.

With the program so unpopular, with the great number of objections that come from the hearts of the people of the 15th District, how could I represent them truly and honestly and in accordance with their desires, without having some misgivings concerning our foreign aid program? I do have grave misgivings on the justification and value of this program.

A great number of disclosures are made at the time that a mutual aid authorization bill or appropriation bill is brought to the floor of the House. But, the thing that troubles me more than the disclosures and revelations are the matters which are not disclosed, and not revealed, either to Members of Congress or to the citizens and taxpayers who are footing the bill. We are told and they are told that it is not possible, it is not proper, it is not in the best interests of our relationships with other countries, to disclose the extent of our aid to the individual countries, nor to disclose the manner in which those funds will be expended.

It remains for us Members of Congress and the public to learn with wide-eyed amazement and dismay of the reckless manner in which the funds have been expended years after it is too late to do anything about it. I refer to the report of the Government Operations Committee on our foreign aid policy in Iran. Certainly that is a sensational story, and Mr. Speaker, we know that in the report which has been printed and distributed that only the less offensive disclosures have been made, that in the first draft of the committee report are matters and facts set forth which apparently could not be made public. Two articles have appeared in Reader's Digest in recent months, the latest by our colleague, Representative GEORGE MEADER, of Michigan. These articles substantiate and increase the fears of all of us that our money is being expended foolishly.

Why is it that much of the accountability and auditing responsibility cease to be a part of the American way of government when we leave the shores of the United States? Funds expended here in our own country are accounted for, are audited and are expended in accordance with accepted rule and law. And, the people of the United States have confidence that their money spent domestically is spent legally and in accordance with accepted accounting practices.

But, they have a feeling, and probably not without justification, that the wasteful practices of which they read and hear are companions to other wasteful practices which are not disclosed and they feel that in a program measured in dollars and cents expended has few checks and controls to see that results from the expenditures are beneficial to America as well as to the country in whose behalf the funds are expended.

It used to be popular to say that much of the money was being poured down ratholes, but the resources of our great Nation are so tremendous that we have in many cases succeeded in accomplishing the impossible of filling those ratholes and a recent editorial cartoon suggested that the time had come that America must needs go out and dig additional ratholes to be filled.

We have reports of having furnished hypodermic needles in vast quantities of a size seldom used on human beings in a country that has only a handful of doctors. We have advocated the building of broad highways in lands which have urgent need for only better country roads. We have seen funds and equipment furnished nations overseas which do not possess the capabilities of absorbing such aid in any constructive way. We have seen funds spent abroad for projects and purposes that we as Americans, as believers in the principle of democracy, would never permit to be spent in our own nation. What other questionable projects exist behind the veil of secrecy, we can only suspect.

Possibly one of the most discouraging experiences of the Manpower Utilization Subcommittee of the Post Office and Civil Service Committee late last year was when the committee was listening to testimony by representatives of the State Department charged with the responsibility of disposing of these funds. The subcommittee had as its proper purpose the inquiry as to whether cuts in manpower could be made in the various Government departments. Since the generosity of the American people in the field of foreign aid, as expressed by their representatives in Congress has known virtually no limitations, it came as no surprise to learn that no endeavor could be pointed to in this segment of the State Department which was indicative of any economy in manpower or otherwise. It takes more and more personnel to spend more and more money.

Of course, the foreign aid program has become a whipping boy. Its existence is pointed to and it meets ridicule on each occasion when the needs of our people at home are brought up. Mr. Speaker, why should a program into which we are pouring 5 percent of our tax money be a program which is subject to the ridicule and to the criticism which it has received? If it is a valuable program, if it is doing so much to advance the cause of free government and free peoples, it seems to me that it is important enough for the Congress to see to it that the practices which make it subject to ridicule are eliminated. It is unthinkable that 100 percent of the billions are wasted. It is provable, however, that a great amount of the funds have been spent unwisely.

Because I believe sincerely in the need for economy in government, because I believe that we American taxpayers have a right to benefit from the money that they pay into our Treasury, and because I believe that it is a violation of our trusteeship of the Federal funds to permit that money to be recklessly expended, it has been my consistent policy to vote against both the authorizations and the appropriations for this program.

Mr. Speaker, so long as the Congress of the United States is being asked to sign a blank check of some 3 to 4 billion dollars annually of our Nation's wealth, money over which we as a responsible Congress have no control, I must continue to vote against the program.

DEFINITION OF TOTAL DISABILITY UNDER SOCIAL SECURITY ACT

The SPEAKER. Under previous order of the House, the gentleman from Kentucky [Mr. PERKINS] is recognized for 30 minutes.

Mr. PERKINS. Mr. Speaker, during the last session of Congress a new social security program was established to provide benefits for older men and women who are severely disabled. As you know, I have been particularly interested in this type of legislation since I came to Congress and took the oath on January 3, 1949. All around me in mining communities in Kentucky were men with broken backs and limbs. I well realized that we had to give some protection to people in this situation because they were no longer able to work, their workmen's compensation was already used up, and many were dependent on charity. It was with great satisfaction, therefore, that I have consistently supported and voted for a disability benefits plan under the Social Security System.

The Social Security Act, passed in 1935, had been paying monthly benefits to retired workers for 9 years when I came to Congress. I was convinced that certain improvements were vitally necessary. The original act had established a rigid retirement age of 65 years. It was assumed that this age would be so disabling as to force a worker out of the labor market. But experience showed that some workers are able to continue working well beyond the age of 65. On the other hand, many more workers, especially in hazardous jobs, are unable to continue work until 65 or even 45 due to physical or mental disabilities.

In 1949, and again in 1952, the House passed an amendment to the Social Security Act to provide payments to those workers, regardless of their age, who were fully insured if they became totally disabled prior to age 65, but both were killed in the Senate.

In 1954 the House and Senate finally agreed on a disability provision which would end the erosion of a worker's social security rights resulting from long periods of disability. This amendment is usually referred to as the disability freeze provision. This is now in full effect as far as the written act is concerned, but there is some doubt in my mind as to the effectiveness of the administration of the program.

In 1955 the House again approved a bill to establish a program of disability payments for people aged 50 and over as a basic part of the Social Security Act. Opposition again developed in the Senate, where, after a year's delay, the amendment was finally approved, and payments are due to begin July 1, 1957.

In the months that have passed since the disability system was established by law last August I have become concerned, however, with the number of reports I have received from severely disabled people who have applied for these benefits only to be told that they could not qualify. The following letter from a man in Toler, Ky., describes what is happening, I am afraid, in too many instances. He writes:

> I am a sick man of 4 years' incurable disease. I froze my social security in July 1955. I worked 37 years in the mines. I am 56 years old.
>
> I am being denied my sick benefits from this. I am enclosing a letter from my rehabilitation counsel. I went and saw him, as you see the letter says. He told me I wasn't able to be trained for one thing. * * * I went back to my social-security office. * * * They told me I had been turned down and would not let me sign up. I have produced letters from my doctor to show I will never be able to work again. What would you advise me to do? I am in bad shape and haven't worked in 4 years.

The fact that this sick man could qualify for the disability freeze but has been denied cash disability benefits is particularly disturbing to me. For it was clearly stated in the legislative history of the 1956 amendments that the definition of disability—except for blindness—and the manner in which it was determined were to be the same for cash benefits as for the freeze. If a man has been unable to work for 4 years because of his physical condition, if his doctor says he is unable to work, if he has been found disabled for purposes of the freeze, how, in clear conscience, can the social-security people justify the denial of the benefits? Is this the way Congress intended the program to operate? I know it is not.

I have been increasingly convinced that this person's situation is shared by thousands of handicapped men and women throughout the country. A recent case came to my attention in which the claimant was actually in a wheelchair and has been for some months, but the Social Security Administration has ruled that he is not totally disabled even though the VA has been making payments based on total disability since 1952.

Here is another letter from a constituent of mine who is considered disabled for his railroad retirement benefits, but not for social security. He writes:

> I applied for my social-security benefit in 1956 and went before 3 doctors in June 1956, and they all 3 said I was disabled for any kind of work on account of high blood pressure and arthritis. I am 62 years old and I draw disability annuity from the railroad company. I know I am due one from the social security.

The following letter from Morehead, Ky., suggests what may be happening in

too many social security offices. My constituent writes:

I was, of course, a strong advocate of the recent measure passed by our Democratic Congress making it possible for the age limit to be lowered for workingmen who were permanently disabled, I being in that class which had been retired by my company as permanently disabled. We find, however, the administration * * * do not consider anyone able to move about, disabled. There are many of us here in Rowan County who have been retired as totally disabled, and our burial insurance carried by the company been fully paid. When we apply to the representative of the Social Security Administration, we are forcefully told we can be confined to a wheelchair but still find work where we can use our hands and they are not going to consider us for application under this law.

Since January 1, 1955, when this disability freeze went into effect, I have received letters by the dozens from people who were denied this token gesture on the ground that they were not sufficiently disabled so that their benefit rights could be frozen. Remember that these people were not applying for benefits. They simply did not want to be penalized in the amount of the benefit they would receive at age 65 because they were so disabled they could not work. Another letter describes what has been happening.

He writes:

I am a coal miner 58 years old. I worked in the coal mines for 33 years and have been disabled to work since December 1952 and I have applied for my social security freeze and have been turned down twice but still have my case open. I have a medical report from 2 different hospitals showing I have arthritis, ulcers of the stomach, a stiff knee, 20/40 vision, 1 eardrum badly affected. Now I do not believe the law you fought for so hard and had passed was meant to be abused like that. I couldn't pass an examination for any kind of manual labor and I don't have the education for any kind of work but coal mining. Now there is not only me, but plenty others just like me that can't get anything done so I wish you would have this matter investigated and see where the trouble lies.

Here is another letter dated April 5, 1957:

I have been trying to establish a disability under the social security freeze law since January 3, 1955, but it seems to be next to impossible to do so. I last worked September 10, 1945, and have furnished them medical evidence from June 1947, up to this time. These medical reports made out by at least 10 doctors or more show my impairment as palsy. My whole body trembles so much that I have trouble eating and it's hard to take a bath. I can't get myself a drink of water, and have trouble picking up objects. Also I have a peptic ulcer, a ruptured disk and arthritis in back, hip, and legs, and have trouble walking. I have furnished them medical evidence that I have drawn State aid since June 1947 and still draw $48 a month. I have also furnished them UMWA medical histories since 1948. Note I have not furnished them any evidence for 1945 and 1946, but I am still trying to get this evidence. Now Mr. Congressman, after they have got all of my medical evidence they told me I could take it to court if I want to, but told me I could not file for benefits until I reached the age of 65 years old. Mr. PERKINS, I know you fought very hard for this law and you know the law, but I believe I am being denied my legal rights under this law.

Another letter from Offutt, Ky., describes the effect of these endless delays in reducing the amount of the benefit which a man can receive, when he finally retires, at 65. This man's application was refused with the result that he received a benefit of only $54.50, because his period of disablement counted against him. He wrote:

I appealed the case and they turned it down. I wrote another letter about 6 months ago sending statements from the doctor that I had total disability in my left arm and 50 percent disability of my right hand and I've had this disability for several years. I can get sworn statements of men that refused to give me work because of the danger to my life because of my disability. They are willing to make these statements at any time.

The hardship which arises for these thoroughly disabled people, in having to go from one social security office to another to try to obtain their rights, is one of the reasons I am particularly concerned that we find some way of determining when a man or woman is disabled, promptly and with equity. In too many cases disability benefits are awarded only after long hours of waiting, of repeated medical examinations and repeated appeals. Let me cite the case of a man in East Point, Ky. He writes:

I was told I could make an appeal for social security but I don't know if it would be any use to. I am able to walk around but I cannot do any work and as you know I draw $66.15 a month and you can imagine what it is like trying to get along and everything so high. So I don't have money to have examinations and to make trips to and from where I would have to go. I ask at social security office where I would have to go and they told me that they didn't know, so you see how it is.

I am glad to report that finally on April 10 of this year, previous decisions were rescinded and this person was determined to be entitled to a disability freeze commencing December 1, 1951.

I have been greatly concerned as the stories told in these letters continue to come in. And so I am determined to try to get at the facts. These facts show that fewer people are applying for disability benefits than preliminary estimates showed. Because of the relatively small number of people who have applied, the Secretary of the Department of Health, Education, and Welfare has himself recommended that the deadline of July 1, 1957, be extended so that workers disabled in the past can get credit for their full period of disability. The first fact is, then, that fewer people have applied for disability determinations than were expected to do so. I think there are good reasons for this fact.

First of all, of the relatively small number of disabled people who have applied, about half are being turned down by the social-security people. For example, of a total of 403,000 persons who had received a disability determination at the end of December 1956, only 205,000 were considered disabled by the social-security offices. And remember that not all of these people can qualify for benefits. Many of them are under 50 years of age and are applying only for the freeze. Can it be that someone in charge of the administration of the law is of the opinion that an individual must be perfectly helpless before he is entitled to disability benefits? This, certainly, was not the intent of the Congress.

Perhaps a clue to the answer as to why such a small number of people have applied and an even smaller number have been adjudged to be disabled lies in a little 26-page pamphlet which was recently distributed to all Members of Congress and to the public in general by the Director of the Bureau of Old-Age and Survivors Insurance. It is called "If You are Disabled," and its purpose is to describe the disability-benefits program established by the 1956 amendments to the social-security law. I have read this little pamphlet with great care, and I am disturbed by some of the language I find there. For example, on page 3, under the heading "How Disabled Do You Have To Be?" there appears the flat statement:

You must have a disability which is so severe that it prevents you from doing any kind of work.

Again, on pages 19 to 20 under the heading "If Your Application Is Denied" there is the statement:

If you get a letter notifying you that your application has been denied, it will tell you the reason. It may be that the doctors and other experts who have studied your case have found that your condition is not serious enough to prevent you from doing some kind of work. Perhaps you would be able to work if you could find a particular kind of job or do a different kind of work than you have done in the past.

This means to me—and I think it means to the American people—that some so-called expert can deny the right to disability benefits if he believes that a disabled man or woman might have some remote chance of finding any kind of work, regardless of what kind of work it is. Could he deny benefits to a completely crippled man on the ground that he could go out and sell pencils on a street corner? Could he decide that a bedridden mine worker could not qualify because he might be able to sell dancing lessons over the telephone?

No wonder only a few people are applying for benefits:

The statements in these pamphlets do not, I submit, apprise the people of this country of their basic rights under the act. Moreover, if the tone of this pamphlet indicates the manner in which this disability program is being administered, I believe we should look into the question of whether the social-security people are carrying out the intention of the Congress as to this legislation.

Mr. Speaker, I submit that the record shows that Congress did not anticipate so rigid a definition of permanent and total disability as the flat statement that it must be so severe that it prevents you from doing any kind of work. Section 103 (a) of the Social Security Amendments of 1956 reads:

The term (disability) means inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration.

When the administration testified on the 1956 amendments, the chairman of the Senate Finance Committee requested specific information on the standards which would be used in making disability determinations. The memorandum which the Department of Health, Education, and Welfare prepared and inserted in the Senate hearings stated:

Any work by an individual is some evidence of his ability to perform substantial gainful activity. However, complete helplessness is not necessary to a finding of an allowable disability. Sporadic or infrequent activity would not necessarily establish ability to engage in substantial gainful activity.

The results, however, depend upon each factual situation. In determining whether services are substantial, both the nature of the work, and the amount of earnings derived from the work are considered. Thus, an individual possessed of special knowledge and skills who works 1 hour daily as a highly paid consultant would be considered not disabled. Another individual who is limited to manual labor could be considered disabled if he were capable of only 1 hour of work daily. If the services that a very severely impaired individual is capable of rendering are a small fraction—say one-third or less—of his former services and he receives only a small fraction of his former earnings for such services, he might be considered unable to perform substantial gainful activity. An exception would be where present earnings—although a small fraction of former earnings—were nonetheless considerable.

In the same memorandum, the Department stated that—

The concept of "substantial gainful activity" has been treated by the courts and the Department is developing experience in this area with due regard to the precedents.

Many lawyers in the Congress have had considerable experience with compensation claims in the various States of the Union. I feel it is safe for me to state that the compensation statutes operate on the theory that a man is totally disabled when he receives an injury arising out of or in the course of his employment which prohibits him from going about his usual occupation and earning a living, or prohibits him from obtaining other gainful employment. These statutes do not require total helplessness.

However, I thought I should go to Words and Phrases for court decisions on what constitutes "substantial gainful activity." I found a line of cases under the War Risk Insurance Act where the courts have ruled on what constitutes eligibility for payments for total and permanent disability. This definition is remarkably similar to the one we put into the Social Security Act, and reads "any impairment of mind or body which renders it impossible for the disabled person to follow continuously any substantial gainful occupation."

The Eighth Circuit Court of Appeals, in interpreting this definition, has stated:

By "substantially gainful occupation" is meant an occupation that produces and gains a man a fair and decent living having regard to his station (*U. S.* v. *Rice* (72 Fed. 2d, 676, 677)).

Similarly in *U. S.* v. *Cornell* (63 Fed. 2d, 180, 181) this court held:

"Substantially gainful occupation" as used in the definition means any occupation for which insured is by nature fitted or competent to follow which will enable him ordinarily to make a living for himself.

And again in *United States* v. *Perry* (55 Fed. 2d, 819, 821) the Court stated:

Any kind of work for which an insured may not be fitted or competent, or qualified mentally or physically, cannot always be considered a substantially gainful occupation. A man skilled as a plumber, a carpenter, an engineer, who, in order to keep the wolf from the door, sells apples on the corner from an improvised counter of store boxes, is hardly following a substantially gainful occupation; nor, if he comes from the Army with paralyzed limbs and sits in an invalid's chair and sells shoestrings, is he engaged in what may be termed a substantially gainful occupation.

I believe it is of the utmost importance that we make sure that those people who are entitled to disability benefits should receive them. I am disappointed and concerned about the interpretation which, it seems, has been given to the disability provision. I believe it is our responsibility, as Members of Congress, to make sure that the humane intentions of this disability program are not distorted, by administrative bungling or design, into a calculated attempt to hold down costs.

It is my belief that the Ways and Means Committee should hold public hearings on the inequities that have arisen in regard to the administration of the social-security disability program. In my district alone there are hundreds of persons who would like to testify in regard to these irregularities. I believe that the situation that exists in my district is typical of that which exists in other congressional districts throughout the country.

There is one other inequity in the disability program which I would like to call to your attention. Under the 1956 amendments, a veteran's social-security disability payments would be reduced by the amount of his disability benefit paid by the Veterans' Administration. On March 28 of this year, the House, on a suspension of the rules, passed H. R. 6191, which would modify this provision so that an individual drawing a service-connected disability benefit would not suffer a reduction or elimination of his social-security benefit. This was a step in the right direction and, I am happy to say, that the bill also extended the period of time that persons could apply for the disability freeze.

I would like to insert at this point my correspondence with Hon. JERE COOPER, chairman of the Ways and Means Committee, relative to the legislation, and the reply of Mr. Leo Irwin, the clerk of the Ways and Means Committee.

MARCH 22, 1957.

Hon. JERE COOPER,
Chairman, House Ways and Means Committee, House of Representatives, Washington, D. C.

DEAR CONGRESSMAN COOPER: The 1956 social security amendments providing for payments to disabled workers who have a record of covered employment in 5 out of the last 10 years, and 6 out of the 13 quarters immediately preceding the period of disability, includes a provision for the deduction of any payments from the State workmen's compensation agency or any Federal agency which are based in whole or in part on disability.

Disability payments under the social security program are paid from the disability fund, which is established and maintained by payments from the employees and the employers. Experience to date indicates that the disability fund will be more than adequate to take care of all disability payments. In fact, if the present policies are continued, the disability fund will far exceed the amount needed to make the payments for disabled workers between the ages of 50 and 65.

There is also a question of inequity in a reduction made from payments due under a compulsory insurance policy which the worker carries, by virtue of his employment, because he also obtains payments from another source. In the interests of justice due our workers who have lost their earning power due to a medically determinable disability, the 1956 amendments to the Social Security Act should be changed so that a disabled worker receives his insurance payments from the fund to which he is required to contribute without any reduction based on payments from the Veterans' Administration.

H. R. 6163 provides that no payments from the VA shall be considered deductible from disability payments under the Social Security Act.

I would appreciate an early opportunity to be heard on this bill which has been referred to your committee.

Under the current provisions of the Social Security Act, two workers working side by side, one age 56, the other aged 60, may become disabled. The 56-year-old man receives his full payments under the Social Security Act. The 60-year-old man, being a veteran of World War I, is notified that he is eligible to receive $65 per month from social security; but, being totally disabled, the Veterans' Administration is paying him $66.15. Therefore, he receives no social-security payments. These two workers, both having contributed to the social-security trust fund for many years and the disability fund since it was established, find it very difficult to understand why one is eligible for social-security payments and the other is not.

An actual case, with which I am acquainted, is now a wheelchair patient in the Soldiers' Home in Washington, D. C., with a Veterans' Administration rating of 100-percent disability. As this is non-service-connected, his veteran's payments are $66.15 per month. He is also eligible for social-security disability payments, but the $66.15 per month which he receives from the VA will be deducted from these payments.

I am sure that you will agree this is not equitable treatment for the millions of our veterans who also contribute to the disability fund of the social-security program.

Sincerely,

CARL D. PERKINS,
Member of Congress.

COMMITTEE ON WAYS AND MEANS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., March 30, 1957.

Hon. CARL D. PERKINS,
House of Representatives.

DEAR CONGRESSMAN PERKINS: The chairman has requested me to reply to your letter of March 22, 1957, urging that you be permitted to be heard on your bill, H. R. 6163, which would remove the offset provision as it affects social-security disability-insurance payments and Veterans' Administration compensation.

I discussed your bill with the chairman and with Mr. Byrnes, as you requested in our telephone conversation the day we were considering H. R. 6191. The Department of Health, Education, and Welfare opposed the Byrnes amendment, which provides that there shall be no offset in the case of Veterans' Administration compensation for service-connected disability. The chairman and Mr. Byrnes felt that in light of this opposition it would be unlikely that the

amendment could be broadened as provided in your bill. The Department indicated to us that no action on the offset provision should be taken until study could be given to it. Mr. Byrnes' purpose was to take care of what almost anyone would admit is the most deserving case.

I regret that under the circumstances we were unable to adopt fully the provisions of your bill, although, as you well know, the Byrnes amendment includes the substance of part of your bill.

Sincerely yours,

LEO H. IRWIN, *Clerk.*

As far as the veterans are concerned, however, this bill does not go far enough. The effect of the House-passed bill would be almost meaningless for the next 10 years. I earnestly hope that the Senate Finance Committee will extend this provision in the manner proposed in my bill, H. R. 6163, so that there will be also no reduction in the social-security benefits of individuals drawing non-service-connected disability benefits.

Only those World War I veterans who have survived service-connected disabilities for 40 years and maintained their earning power to a point that would allow them to qualify for social-security benefits during the last 20 years, would be affected by the House bill. The great majority of World War II veterans have not yet reached the age of 50, required to make them eligible for disability payments, and will not reach that age for 10 years or more, so they are not affected by this provision. A World War II veteran with a service-connected disability who has been able to work at least 5 years during the last 10 or 18 months during the last 3 years may be benefited by this provision sometime around 1970 or 1975.

It is important that such disabled veterans who are now making contributions to the disability fund have these rights which they are paying for out of each pay check preserved and not canceled because they wore the uniform of their country in a time of great crisis.

It is not right, however, that their comrades who were discharged in good health be deprived of disability payments under the Social Security Act because of the fact that our Government long ago adopted a policy of caring for its disabled veterans. These millions of veterans who now make up the hard core of our industrial workers richly deserve the same treatment under the social-security program as may be given to other disabled workers who, because of age or physical disability were not able to attain the honor of serving in the military service of their country during a period of time in which we were at war.

Among the numerous letters which I have received from the victims of this discrimination against our veterans, I wish to note the following:

I worked 30 years at Armco, put 10 years in the Army, and I get $137.98 a month pension. Now, Mr. Perkins, I have become totally disabled from arthritis; had my hip fused, and can hardly get around, and still I cannot get service-connected disability. The doctors claim I have had arthritis for over 35 years, and I know I have had it for 40 years, but still I cannot get service-connected disability.

He adds a postcript:

I make leather goods, but I have no market for same.

A veteran's wife writes:

Now he (my husband) has been disabled for 2½ years. He has heart trouble. He only draws $66.15 per month veteran's pension. My three boys are none old enough to have a job. The State only allows them $22 each per months, which is $66. That makes us to draw $132.15 per month for 5 in the family. That is for all our utility bills, food, clothing, mortgage payments, and everything. He could draw his social security. He is 63 years old, but because he draws this small veteran's pension he cannot draw his social security. I want to ask you, Is there a man in Congress today who will help the veterans?

In this case we see an example of how the reduction in social security disability payments due to veterans' disability payments forces one of our disabled veterans to go on public assistance to prevent his children from starving.

One of the basic principles of the original Social Security Act was to reduce the public-assistance rolls by making insurance payments to the workers based on their work record. Here we have an individual who has made contributions to the social security trust fund for almost 20 years only to learn that as a veteran he has earned no rights to disability payments from the social security fund. Is this the first step in carrying out the recommendations of the Bradley Commission which proposes to replace veterans' payments by social security payments?

It was never my intention and I am sure not the intention of the majority of the Members of this body to substitute veterans' payments for social security disability or social security payments for veterans' disability payments. As the law now stands, those few who are able to meet the rigid definition which the Social Security Administration has set up by substituting any kind of work for substantial gainful activity as written into the act now find themselves deprived of social security payment because they are eligible for $66.15 a month from the Veterans' Administration.

If a private insurance company should collect premiums for disability insurance and then deny benefits to disabled workers because they were eligible for monthly veterans' payments, their license to operate would be immediately revoked. Yet, we find the Social Security Administration authorized by law to refuse to pay social security disability benefits which have been paid for by the worker and his employer because the worker is also eligible for veterans' payments. Even the minor group of service-connected cases included in H. R. 6191 was opposed by the Social Security Administration.

In my opinion there can be no justification for such a deduction from the social security benefits—an insurance right which has been paid for at least in part by the worker—because he is eligible for certain other payments regardless of the source of such payments. It is time that we recognize the social security program for what it is—a compulsory workers insurance program which, on the grounds of equity, should guarantee payments to the worker regardless of eligibility for benefits under other programs. All disabled workers who are eligible for disability payments under the social security program must receive their payments in full as an obligation incurred by the social security trust funds which are fully paid for by the worker and the employer.

The disability insurance plan which I have consistently supported since I came to Congress is a much more liberal plan than the one adopted last year. It would pay benefits to crippled workers at any age instead of making them wait until they are age 50 or over. It would also pay benefits to their dependents. In this way, the wife of a disabled worker would be entitled to a wife's benefit and his children to a child's benefit. He would thus have the same protection as is now given to retired workers age 65 or over. Finally, my plan would reduce the time required to be eligible for benefits so that workers and their families could qualify if they had worked just 6 of the 13 quarters prior to the crippling disability. I know that many disabled people have failed to qualify solely because they lack a single quarter of having the 20 quarters of coverage now required.

I look forward to the day when our disability program will be liberalized along the lines I am proposing. But in the meantime, I am greatly concerned that the law presently on the books must not be distorted by administrative action so as to cheat people out of the benefits which Congress intended them to have.

NORTHWEST FARM LEADER HEADS NATION'S ELECTRIC CO-OPS

The SPEAKER. Under previous order of the House, the gentlewoman from Idaho [Mrs. PFOST] is recognized for 10 minutes.

Mrs. PFOST. Mr. Speaker, I am enormously proud of the fact that Mr. John M. George, of Lewiston, Idaho, who was last month elected president of the National Rural Electric Cooperative Association, is a resident of the congressional district I represent.

He is well deserving of the honor he has won, and will fill with distinction the presidency of a great national organization which has not only been the stalwart, effective champion of rural electrification, but is dedicated to the full and wise development of this Nation's God-given natural resources for the greatest good for the greatest number.

We in Idaho and the Pacific Northwest have watched with gratification John George's 21-year struggle—against great odds—to electrify our farms and fully develop and conserve our natural resources—and we are happy that his horizons for usefulness have been so substantially widened.

It is significant that his first act as the new NRECA president was to testify before the Senate Interior and Insular Affairs Committee to express not just his own very intense support, but that of the vast farm organization he represents for the construction by the Federal Government of a high multiple-purpose dam in the Hells Canyon stretch of the Snake River on the Idaho-Oregon border.

RURAL ELECTRIFICATION COMES OF AGE

President Roosevelt had hardly finished signing the Rural Electrification Act on May 20, 1936, before John George jumped in to organize the Clearwater Valley Light & Power Association to serve the area around Lewiston, Idaho. He has been a director continuously since that time.

REA will come of age on May 20, 1957. In these more than 20 years Mr. George has seen loans reach a total of $3.24 billion—as of June 30, 1956—of which borrowers have actually drawn $2.75 billion.

Repayments have reached $377.8 million plus $243.4 million of interest, a total of $621.2 million paid into the United States Treasury. According to the annual REA report, 761 borrowers have made advance payments of $95,870,361.

The business prudence of the farmer-owned co-ops is further indicated by the 1947-to-1955 growth in the net worth of debt-free ownership from $63.6 to $404.7 million.

FOURTEEN MILLION PEOPLE

REA Administrator David A. Hamil reports that by June 30, 1956, 94.2 percent of the Nation's farms were electrified. Nine hundred and eighty energized systems have been financed by REA, operating over 1⅓ million miles of rural line and serving over 4¼ million customers. Since there is an average of 3 to 4 people in each family, this means that at least 14 million people have been moved out of the kerosene age by the REA.

RURAL LEADERSHIP IS KEY

It is one thing for Congress to authorize a program like the REA. But it takes leadership at the grassroots to make it a going concern.

John George is typical of the local leadership that made the REA story possible. He was born on a farm in Whitman County, Wash., in 1899 and at the age of 2 moved to another farm in Nez Perce County, Idaho. He attended high school in Culdesac and later went to business college in Lewiston. After his marriage to Thelma L. Wyman, who was also born and reared on a farm, the Georges moved to St. Louis, Mo., where Mr. George went to work for a clay products company. In 5 years he rose to the position of factory superintendent, but left because of ill health, and returned in 1927 to Culdesac to farm.

Two years ago he retired, turning the management of his 500-acre farm, where he raised grain, clover, peas, and cattle, over to the George's only child, Johneel Cammerer, and her husband.

Mr. George organized and for 3 years was master of the Culdesac Grange. For 7 years he served as a director of the Lewiston Grange Supply Cooperative, and for 9 years was on the AAA board. His directorship of the Clearwater Power Co., the present name for the Clearwater Valley Light & Power Association, dates from 1927.

He was one of the organizers of the Idaho Rural Electric Cooperative Association, and for 7 years was on the board of trustees of the Northwest Public Power Association. Since 1943 he has served as the Idaho member of the board of directors of the National Rural Electric Cooperative Association.

IDAHO FARMS 97 PERCENT ELECTRIFIED

As of June 30, 1956, Idaho's nearly 40,000 farms were almost 97 percent electrified. The State's 9 rural electric cooperatives have drawn $15,410,261 in REA loans to build 6,410 miles of line to serve 14,959 customers. Average use of electricty is 459 kilowatt-hours per consumer as compared to a 246 kilowatt-hour national average for REA borrowers.

In northern Idaho were low-cost Columbia River power is available, several co-ops have 600 kilowatt-hours per month power use per consumer. As power use increases, we all know rural living improves and so does farm productivity.

COLUMBIA RIVER POWER SYSTEM

As a member of the Bonneville Regional Advisory Council, John George has often put his shoulder to the wheel in the drive for more hydroelectric power.

Recently, as chairman of the legislative committee of the Northwest Public Power Association, he supervised the compilation of a practical working goal in the development of the Columbia River Basin which has been presented to President Eisenhower. He also supervised the compilation of that association's resolutions in a consumer power policy. In 1948 he served on the NWPPA legislative committee which issued a Federal power policy which has been used by a number of other associations as a pattern for drafting similar policy statements.

FOR THE PUBLIC GOOD

So it is clear that John George brings to the NRECA presidency a diversified and rich background in public service. It is good to have him at the head of this important organization.

The REA act has been described as one of the 10 greatest laws enacted by the Congress. In the extent to which it advances the public welfare, it ranks with social security, forest service, reclamation, homestead, housing, and fair labor legislation.

Rural electrification has been and will continue to be good business for the Federal Government, for main street and for rural America. For every dollar invested in rural electric cooperative lines, the consumer spends at least $4 for appliances, wiring, and plumbing. The rural tax base goes up along with the power-line.

The Federal power program likewise opens new geographic areas as the high-voltage lines bring in power from the mountain canyons where the surging waters are trapped and harnessed for the good of men. Federal power increases the tax revenues, too, in the States, counties, and municipalities where the projects operate, because it opens up new industries, and new opportunities for jobs.

Over 40 percent of the Nation's potential waterpower runs wastefully down the Snake and Columbia Rivers—wasted as power and causing waste as floods. The job of converting this power into electric energy for the benefit of the people is moving ahead, with the aid of men possessing the capability and vision of John M. George of Lewiston, Idaho.

POSTAL SERVICE

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. BOYLE] is recognized for 10 minutes.

Mr. ROOSEVELT. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from California.

Mr. ROOSEVELT. Mr. Speaker, the gentleman from Illinois was good enough to join with me as a cosponsor of the bill H. R. 6611. Through inadvertence the names of certain other cosponsors were omitted. I appreciate this opportunity of placing in the RECORD the names of the Honorable GEORGE H. CHRISTOPHER of Missouri and the Honorable JOHN A. BLATNIK of Minnesota, who should have been listed also as cosponsors. I appreciate the courtesy of the gentleman from Illinois in letting me make that correction at this time.

Mr. BOYLE. Mr. Speaker, the people of the 12th District of Illinois which I have the honor and distinction of representing, are grieved. They are saddened, Mr. Speaker, by the prospective removal of one of the landmarks of the whole Congressional District, their Post Office at Broadway and Devon Avenues in Chicago.

My constituents are so disturbed and unhappy at the prospect of a removal or consolidation that they have sent me letters and petitions signed by thousands of users of that post office, in the hope of preventing the closing down of this widely used facility.

Closing a post office is a serious matter. It represents disruption of service and a hardship to everyone that has come to depend on it over the course of years. In the case of this little station, the normal hardship is compounded. It is not a recently established branch; it has been there for over 30 years, and has impressed and ingrained its usefulness into the habits and very lives of the whole community.

This is not a large post office; it is not in a beautiful new building. But we need it and the local neighborhood service it provides.

Resultingly, I have pleaded with Ralph Wills, Deputy Executive Assistant to the Postmaster General; Congressman TOM MURRAY, chairman of the House Post Office and Civil Service Committee; and Carl Schroeder, Postmaster of Chicago. against the moving or discontinuation of the post office in this congested area.

This little post office at Broadway and Devon represents, in its way, the battle the American people all over the country are going through this very minute to preserve the service and usefulness of our postal system. It represents the continual battle which has had to be made during the last 5 years to save a free and inexpensive postal system for the people. Not since the notorious British stamp act prior to the Revolutionary War has there been greater danger to the fundamental concept of

service in our postal system than there is today. The suffering which would be brought about by a complete cessation of postal service in this country would be overwhelming beyond belief, yet inroads have been attempted and will apparently continue to be attempted under this administration. The proposed removal of my little postal station is a sign and symbol of what may yet come to every congressional district in the country.

Faced with a projected deficit in the next fiscal year of almost $650 million, the removal of this little post office does not represent a national catastrophe, neither will its removal or elimination change the picture of the balance sheet. To me and the people of my district, the removal of this station, which is located in one of the most highly congested and highly developed business and residential districts in the country would represent a real hardship. We continue to hope that the Post Office Department will recognize before it is too late the impact and hardship which their proposed action would occasion.

COMMITTEE ON MERCHANT MARINE AND FISHERIES

Mr. BONNER. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may have until midnight tonight to file a report on small boats.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file any report.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HON. THOMAS E. MURRAY, ATOMIC ENERGY COMMISSION

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, one of the great Americans of this time and era is Thomas E. Murray, a member of the Atomic Energy Commission. His dedication to public service, to spiritual truths, and his high ideals are known far and wide. I think I can safely say there is no person in our country who is more highly respected than Commissioner Murray. And equally recognized by all is his outstanding ability in the highly specialized and technical field of atomic energy which is of such great importance to our country, and which is so fraught with significance for the preservation of liberty and independence everywhere. His contributions have been such that there are few persons in the United States that the Communist leaders in the Kremlin would like to get rid of more than this great American. There will be joy and happiness in the Kremlin if he is not reappointed as a member of the Atomic Energy Commission. There will be keen disappointment on the part of countless thousands of Americans if President Eisenhower refuses to reappoint him. His term expires on June 30. At his last press conference, President Eisenhower was asked about the reappointment of Mr. Murray. I will read from a news item which appeared in the April 18 issue of the Washington Post and Times Herald. It reads as follows:

> Asked at his press conference whether he had read the request from 11 of the 18 members of the Joint Committee on Atomic Energy to reappoint Atomic Energy Commissioner Thomas E. Murray, Mr. Eisenhower said, "I have not seen it (the request), and my reaction, if I got it, was this—it is my responsibility to appoint people in the executive branch."

That is the end of the quotation. Well, there is nothing new in that statement. Everybody knows that.

Mr. PRICE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I am glad to yield to the gentleman

Mr. PRICE. Mr. Speaker, I am glad that the majority leader has taken the floor to say the well-deserved and fine things that he has said about Mr. Murray. I happen to be one of those who signed the letter addressed to the President. I did it not as an official act as a member of the committee, and those of us who did sign it did not do so on an official basis, but rather we signed that letter on a personal basis seeking to give the President background information, from those who have the best opportunity to follow closely the great work that Mr. Murray has done in the past as a member of the Commission. We fully respect the President's authority and prerogative to make these appointments, and we certainly would not want to interfere with that right or authority in any way. But we do feel the President should know the great record and the high esteem in which the majority of the members of our committee hold Mr. Murray, and the great respect we have for his great contribution to the atomic-energy program. I know of no person in the whole world more devoted to the aims of the atoms-for-peace program than Tom Murray. I know of no single individual who has done more to promote that program than Mr. Murray.

Mr. McCORMACK. I thank my friend, the gentleman from Illinois.

Mr. Speaker, I must say at this point the remarks I am making now are being made without the knowledge of Commissioner Murray. I am impelled to make these remarks because of my feeling of deep respect and high regard for this great American and because of his value and his importance at this particular time in the public service of our country.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I wish to aline myself with the remarks of my colleagues, the distinguished majority leader, the gentleman from Massachusetts, and the gentleman from Illinois [Mr. PRICE]. I want particularly to call your attention to the fact that Thomas Murray has had 7 years of experience as a member of the Atomic Energy Commission.

It was Tom Murray who first proposed the OVEC utility contract. It was Tom Murray who first proposed the EEI contracts by which private industry was allowed to furnish electricity to this great program.

It was Tom Murray who insisted that we go into an increased raw materials program.

I could go on and on reciting incident after incident of the work of this man, but I will only mention one more, the small-weapons program that he advocated.

Mr. McCORMACK. Yes. That was a program that was not accepted by the administration when first proposed, but now they have taken it over entirely.

Mr. HOLIFIELD. Exactly so; they have taken over the small-weapons program which Tom Murray advocated.

He also has been working on the question of our moral responsibility in using mass-destruction weapons. He has been fearless and has come out and advocated moral principles in the controlling of this terrible force that has been let loose in the world.

Mr. McCORMACK. And, right there, whenever we lose completely our recognition of the power and influence of moral principles, then we degrade ourselves from the spiritual to the materialistic level and we are likely to be lost.

Mr. HOLIFIELD. Exactly so.

Now, this man should be retained because he brings to the Commission an independent objective judgment. It is not always in harmony with that of the other members; quite often it is not in harmony. The reason the Congress agreed to the establishment of Commission rule of the atomic-energy program was that we might get five men of variable backgrounds, varying degrees of judgment and viewpoint, in order that they might bring their collective judgment to bear. A commission that is dominated by one man, as this Commission has been for the last 2 or 3 years, with the exception of Tom Murray, results in your getting but one viewpoint.

The Joint Committee on Atomic Energy which is supposed to be kept currently informed on all of the facets of the program will not get the information they should have without these varying points of view. This information they in turn use as a basis for recommending policy and legislation to the Congress of the United States.

I do not want to take any more of the gentleman's time—I could take an hour on this particular subject—but I want to thank him for taking the floor on this issue, and I aline myself with his thinking.

Mr. McCORMACK. I really appreciate the fine statement of my friend from California.

We recognize that it is the duty and the responsibility of the President to appoint people as he sees fit, to appoint people in the executive departments; no one takes issue with that; that was recognized in the days of George Washington and has been all down through the years with every President. So there is no real marked contribution to American intelligence and history by that observation, but on the other side, every President from Washington down has welcomed recommendations. The recommendations may not necessarily have been adopted, but I think that when 11 Members out of 18 go to the trouble of writing a letter to any President of the United States about anybody, that the President, whoever he may be, should give respectful and courteous consideration to such request; and I might say that the 11th one was a Republican member of the committee.

I am reading this news item further:

Asked why he has named Scott McLeod, State Department security chief, to be Ambassador to Ireland, when the appointment has been criticized, Mr. Eisenhower said:

"I appointed Mr. McLeod on the serious and earnest recommendation of Secretary Dulles (Secretary of State John Foster Dulles), who is held responsible by me for the successful functioning of all our embassies. And when he recommended him and did it, not in a perfunctory way, but in a very serious, direct way, which he does all those, I approved him (McLeod)."

Now, I am sure the President did not mean to say that the 11 members of the Joint Committee on Atomic Energy were not serious in their recommendation to him of Commissioner Murray; I am sure he did not mean to imply these 11 members were only acting in a perfunctory manner. Of course, the Secretary of State can have direct contact with President Eisenhower more easily than any Member of Congress—I say this not in any unkind way but in an objective way—particularly any Democratic Member of Congress. The 11 members have not acted in a perfunctory way, but with knowledge of the man himself through their close association with him as they have been while members of the Joint Committee on Atomic Energy, made the recommendation for the reappointment of this great American. I can assure President Eisenhower, if he should read my remarks by any chance or if any one of his administrative assistants by any possible chance might call to his attention my remarks, or the substance of them, he will appreciate the fact this it not perfunctory on the part of the 11 members but was done only after very serious consideration. As a Democrat I hope he will not be penalized because he is a real Democrat. There are countless persons throughout the country who are Republicans and independents hoping that Commissioner Murray will be reappointed. They entertain this hope because of his great abilities, his dedication to the public service, his independence and courage, and his nobility of character. This Commission is supposed to be a bipartisan one, with majority and minority party representation. Commissioner Murray is a Democrat and, by the way, he is a real Democrat.

President Eisenhower has not definitely said he will not reappoint Commissioner Murray. I sincerely hope that between now and the time he makes up his mind he will resolve himself to make the decision to reappoint this splendid American who is rendering such outstanding service in behalf of our country. In the field of foreign affairs he knows or ought to know that his greatest support in Congress comes from the Democratic Party. The bipartisan relationship that exists is due mainly to the fact that the Democratic Party in Congress is cooperating with him in the national interests of our country.

But is it a one-way street? That question addresses itself to the minds of many of us. Should the Democratic views and the views of the 10 Democratic members of the Joint Committee on Atomic Energy be ignored? I will not say anything further at this time other than to make the observation that I hope the President has not closed his mind against the reappointment of Commissioner Murray and that at the proper time he will reappoint him for another term as a member of the Atomic Energy Commission.

Mr. ROONEY. Mr. Speaker, will the distinguished gentleman yield?

Mr. McCORMACK. I yield to the gentleman from New York.

Mr. ROONEY. I rise to commend the distinguished gentleman from Massachusetts for his remarks with regard to Commissioner Thomas E. Murray. I do hope that President Eisenhower will take note of the gentleman's remarks and reappoint Commissioner Murray to the Atomic Energy Commission.

Mr. McCORMACK. I appreciate the gentleman's observation and I emphasize as strongly as I can that in the national interest of our country, in carrying out the bipartisan existence of the Commission, and that he is a leader, a man who has been opposed in his views yet his views have been later followed, I hope the President will reappoint Commissioner Murray.

STATEHOOD FOR ALASKA

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, as I am vitally interested in the enactment of legislation granting statehood to Alaska, I should like to take this opportunity to make a few brief remarks on this subject.

First of all, I want you to know that I am, and have long been, a stanch advocate of statehood for Alaska. I also have long contended that such legislation, to be successfully enacted into law, will require a bipartisan effort in both Houses of Congress. Statehood, by its very nature, is such an important objective that it should not be burdened by political ambitions; indeed, I believe it unwise for either political party to take the credit for the enactment of this legislation into law, or, oppositely, to blame the opposing party if it does not become such.

I say this because I have become increasingly disturbed by recent comments to the effect that a statehood bill for Alaska, and for Hawaii too, will be passed only if President Eisenhower further urges its favorable consideration by Congress.

This position of the administration in this matter has been made quite clear. The President, in his budget message for 1957, said:

I also recommend the enactment of legislation admitting Hawaii into the Union as a State, and that, subject to area limitations and other safeguards for the conduct of defense activities so vitally necessary to our national security, statehood also be conferred upon Alaska.

On March 11 Secretary of the Interior Fred A. Seaton expressed the position of the administration further. Speaking through Assistant Secretary Hatfield Chilson, who appeared before the House Subcommittee on Territorial and Insular Affairs, Secretary Seaton outlined the proposal which would permit the President to create special national defense withdrawals in the northern and western portion of Alaska. The circumstances surrounding such withdrawals were submitted in the form of amendments to the pending statehood legislation. It is my understanding that the aforementioned proposal has met with general approval by the people of the Territory of Alaska. It should also be pointed out that at the time Secretary Seaton's statement was delivered to the House Subcommittee on Territories, and again on March 26 when substantially the same statement was delivered to the Senate Subcommittee on Territories, again by Mr. Chilson, the third paragraph of each statement reiterated the position of the administration, in these words:

Before we proceed any further, let me make this clear: the administration's position is that all of the Territory of Alaska should become the State of Alaska.

I should also like to call attention to the fact that during the years that I have been a Member of Congress, the Republican Party held the majority of seats during the 83d Congress, in 1953 and 1954. During this time, on June 2, 1953, to be exact, the Committee on Interior and Insular Affairs, of the House of Representatives, by a vote of 19 to 4, approved of the statehood bill for Alaska then before it. On June 26, 1953, the committee favorably reported it to the House of Representatives. I am happy to state that I was chairman of the Subcommittee on Territorial and Insular Affairs, the subcommittee that held hearings on this legislation and first acted favorably thereon, to the full committee, at that time.

Then on April 1, 1954, the Senate passed a combined bill providing for the admission of both Alaska and Hawaii by a vote of 58 to 28. At that time there were 33 Republicans who voted for the bill and 9 against, while only 23 Democrats voted for the bill and 19 voted

against it. One then-Independent, Senator MORSE, voted for the bill.

Therefore, when statements are made by prominent members of the Democratic Party that tend to place complete responsibility for the passage of this legislation upon the administration, I believe that they are in reality admitting that the Democratic Party does not have the necessary votes to pass this legislation—legislation which both major political parties have endorsed.

The present Congress is under the control of the Democrats. We Republicans have little, if anything, to do with what matters are finally presented to the floor of the Congress because of this. And the Constitution of the United States states that Congress has the sole right to admit new States into the Union.

However, I want to assure you that I am more than willing to do everything in my power to support statehood for Alaska and Hawaii, and I am sure that I speak for the vast majority of the Republican Members of the House of Representatives when I say this. At the same time though, I repeat the need for bipartisan support to accomplish this objective. The people of Alaska have expressed their views on statehood at the polls in the past. Only a short time ago they ratified the proposed constitution for the new State by a margin of over 2 to 1. It is for Congress to now honor those opinions.

The administration has demonstrated that it is in full accord with the expressed desire of the people of Alaska to have their Territory admitted as a State; now it is time for the Democratic Party to forgo the use of any cheap political devices, and instead, join with the Republican Party and the administration in this bipartisan project so that statehood for Alaska will become an actuality.

RECESS

The SPEAKER. Under authority granted to the Chair, the Chair declares the House in recess subject to the call of the Chair. The bells will be rung 15 minutes before the House reassembles.

Accordingly (at 1 o'clock and 25 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 o'clock and 33 minutes p. m.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested a joint resolution of the House of the following title:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

MAKING ADDITIONAL APPROPRIATIONS FOR THE FISCAL YEAR 1957

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes, with a Senate amendment thereto, and consider the same.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendment, as follows:

Page 2, line 11, strike all after "$275,000,000" down to and including "administration" in line 13.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I move that the House concur in the Senate amendment.

Mr. Speaker, the Senate amendment removes the House limitation placed on Federal funds that can be used for State and local administration.

The President's budget, submitted last January, contained an estimate of $101 million for this purpose during 1957. The House limitation would have held this expenditure to $100 million.

In 1950 there was an average monthly caseload, under all public assistance programs, of 3,405,331. It is estimated in the President's budget for 1953 that the average monthly caseload during 1957 will be 3,486,000. Thus the number of public assistance cases has gone up less than 2½ percent. But the cost of handling this caseload presents quite a different picture. In 1950 the Federal share of State and local administrative expenses was $57,281,000. The current estimate for 1957 is almost double that. There should be some reasonable limitation on this unwarranted and ever-increasing rise in administrative costs.

The hearings on the second urgent deficiency appropriation bill for 1957 indicates that in January the Social Security Administration estimated the Federal share of the costs of State and local administration at $101 million for fiscal year 1957. However, on April 4, less than 3 months later the Commissioner of Social Security estimated the administration costs at "a little over $105 million as our present best guess."

A limitation similar to that proposed by the House is contained in the Labor, and Health, Education, and Welfare appropriation bill for 1958.

Mr. Speaker, I now yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I am not able to vote for this amendment. However, I shall not ask for a division or a rollcall.

The situation is this: They made enormous increases in the administrative expenses and salaries for operating these old-age pensions. The result has been that these increases have got to the point where in some spots the expense of distributing the gratuities that are given to these beneficiaries runs as high as 25 percent of the total amount that is distributed. That to me is unconscionable. It is a procedure whereby the welfare business and the old-age pension business is being run into a racket.

For my own part, I believe we have to take care of the needs of the aged, but I think we ought to be able to do it on a more economical, intelligent, and thorough basis than seems to be the case.

Mr. GROSS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, I cannot approve this resolution for the reason that the limitation imposed by the House, with respect to funds for administrative purposes, has been eliminated.

The House provided nearly $17 million for administrative purposes. Refusal of the other body to accept this limitation may well result in much higher spending for administrative costs and it should be kept in mind that these expenditures for payroll come from the overall funds which are designed to help those who need old-age assistance.

Let the RECORD show that I join with the gentleman from New York [Mr. TABER] in voting against the adoption of this resolution.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ADJOURNMENT FROM APRIL 18, 1957, TO MONDAY, APRIL 29, 1957

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 164) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved, That when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may have 5 legislative days in which to extend their remarks in the RECORD on the matter just considered.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

AUTHORIZING THE SPEAKER TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House

until April 29, 1957, the Clerk be authorized to receive messages from the Senate and that the Speaker be authorized to sign any enrolled bills and joint resolutions duly passed by the two houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AUTHORIZING THE SPEAKER TO APPOINT COMMISSIONS, BOARDS, AND COMMITTEES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the adjournment of the House until April 29, 1957, the Speaker be authorized to appoint commissions, boards, and committees authorized by law or by the House.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday, May 1 and May 8, 1957, be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BIPARTISAN COOPERATION ON PRESIDENT EISENHOWER'S FOREIGN POLICY?

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, it should be interesting to the membership of this House and to the American people to know the situation with regard to congressional bipartisanship on President Eisenhower's foreign policy and to learn whether his support in this regard comes from the Republican side of the aisle or the Democratic side of the aisle.

On yesterday the House had a rollcall vote on the question of adoption or rejection of an amendment of the gentleman from Iowa [Mr. GROSS] to the bill H. R. 6871 making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year 1958. Adoption of this amendment would have cut more than $7 million for the State Department for this country's contributions to international organizations such as the United Nations, the World Health Organization, and the Organization of American States. It would have meant that this Government would have had to abandon membership in some of the international organizations and become delinquent in the payment of dues to a number of them.

This is the summary of the vote on such an important foreign policy matter:

For the amendment:	
Democrats	67
Republicans	99
Total	166
Against the amendment:	
Democrats	128
Republicans	77
Total	205

Is it the Democrats of this House or the Republicans who vote to support President Eisenhower's foreign policy?

RECESS

The SPEAKER. The House will stand in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 40 minutes p. m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 3 o'clock and 31 minutes p. m.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 164. Concurrent resolution establishing that when the two Houses adjourn on Thursday, April 18, 1957, they stand adjourned until 12 o'clock meridian, Monday, April 29, 1957.

GENERAL LEAVE TO EXTEND

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may extend their own remarks in the RECORD at this point; and their own remarks in the Appendix of the RECORD, and in the case of the latter at their own discretion to include any extraneous matter.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ZELENKO (at the request of Mr. BYRNE of Pennsylvania), for Wednesday and Thursday, April 17 and 18, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. PERKINS, for 30 minutes, on today.

Mrs. PFOST, for 10 minutes, on today.

Mr. BAILEY, for 30 minutes, on Thursday, May 2.

Mr. BOYLE, for 10 minutes, on today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ADAIR and to include extraneous matter.

Mr. PELLY and to include extraneous matter.

Mr. O'HARA of Illinois.

Mr. PORTER.

Mr. ULLMAN and to include extraneous matter.

Mr. McGREGOR (at the request of Mr. MARTIN.)

Mr. MACDONALD (at the request of Mr. McCORMACK) and to include extraneous matter.

Mr. McCORMACK and to include extraneous matter.

Mr. ENGLE and to include extraneous matter.

Mr. FLOOD (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. WIDNALL and to include extraneous matter.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 70. Joint resolution requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Health Week.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 33 minutes p. m.), pursuant to the provisions of House Concurrent Resolution 164, the House adjourned until Monday, April 29, 1957, at 12 o'clock meridian.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

757. A communication from the President of the United States, relative to holding Federal costs and activities to a minimum (H. Doc. No. 155); to the Committee on Appropriations and ordered to be printed.

758. A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $2,728,739, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (H. Doc. No. 156); to the Committee on Appropriations and ordered to be printed.

759. A letter from the Chairman, President's appointed bipartisan Commission on Increased Industrial Use of Agricultural Products, transmitting the interim report of the Commission on Increased Industrial Use of Agricultural Products, pursuant to Public Law 540, 84th Congress; to the Committee on Agriculture.

760. A letter from the Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to relieve the Surgeons General of the Army and Navy of certain responsibilities outside the Department of Defense"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. GREEN of Oregon: Joint Committee on the Disposition of Executive Papers. House Report No. 373. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. BONNER: Committee on Merchant Marine and Fisheries. H. R. 2493. A bill to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes; with amendment (Rept. No. 374). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. House Joint Resolution 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming; without amendment (Rept. No. 375). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN: Committee on the District of Columbia. H. R. 6454. A bill to amend the act for the retirement of public-school teachers in the District of Columbia; with amendment (Rept. No. 377). Referred to the Committee of the Whole House on the State of the Union.

Mr. BONNER: Committee on Merchant Marine and Fisheries. Report on study of recreational boating safety pursuant to section 136 of the Legislative Reorganization Act of 1946, Public Law 601 (79th Cong.); without amendment (Rept. No. 378). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 307. Joint resolution for the relief of certain aliens; with amendment (Rept. No. 376). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. TALLE:

H. R. 7024. A bill to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes; to the Committee on Banking and Currency.

By Mr. BOW:

H. R. 7025. A bill to amend Public Law 874, 81st Congress which provides Federal assistance for the operation of schools in areas affected by Federal activities; to the Committee on Education and Labor.

By Mr. BROWN of Georgia:

H. R. 7026. A bill to amend and revise the statutes governing financial institutions and credit; to the Committee on Banking and Currency.

By Mr. DAWSON of Utah:

H. R. 7027. A bill to repeal section 1314 of the Supplemental Appropriation Act of 1954 which permits congressional committees to expend funds appropriated to executive agencies for investigations without limit or without requiring accounting thereof; to the Committee on Appropriations.

By Mr. DENTON:

H. R. 7028. A bill to amend title V of the Agricultural Act of 1949 to provide that all the expenses of the United States in supplying Mexican agricultural workers shall be borne by the employers; to the Committee on Agriculture.

By Mr. FENTON:

H. R. 7029. A bill to establish a program of financial and technical assistance designed to alleviate conditions of substantial and persistent unemployment in economically depressed areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. FRELINGHUYSEN:

H. R. 7030. A bill to protect labor organizations' funds and employee benefit plans in industries affecting trade and commerce from embezzlement and corruption; to the Committee on Education and Labor.

By Mr. GRANT:

H. R. 7031. A bill to regulate the foreign commerce of the United States by establishing quantitative restrictions on the importation of hardwood plywood; to the Committee on Ways and Means.

By Mr. HALE:

H. R. 7032. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

By Mr. HEMPHILL:

H. R. 7033. A bill to provide for the issuance of a special postage stamp to commemorate the Battle of Kings Mountain which took place on October 7, 1780; to the Committee on Post Office and Civil Seervice.

By Mr. HOLIFIELD:

H. R. 7034. A bill to establish a Federal employees' health insurance program; to the Committee on Post Office and Civil Serevice.

By Mr. McMILLAN:

H. R. 7035. A bill to amend the Code of Law for the District of Columbia by modifying the provisions relating to the attachment and garnishment of wages, salaries, and commissions of judgment debtors, and for other purposes; to the Committee on the District of Columbia.

By Mr. MACHROWICZ:

H. R. 7036. A bill to amend the Internal Revenue Code of 1954 to provide an additional exemption for a taxpayer or spouse who is permanently disabled, and an additional exemption for a taxpayer suporting a dependent who is permanently disabled; to the Committee on Ways and Means.

By Mr. MAY:

H. R. 7037. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for certain amounts paid by a teacher for his further education; to the Committee on Ways and Means.

By Mr. METCALF:

H. R. 7038. A bill to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 7039. A bill to permit the State of Pennsylvania to obtain old-age, survivors, and disability insurance coverage, under its State agreement entered into pursuant to section 218 of the Social Security Act, for individuals under the Pennsylvania State Police retirement system; to the Committee on Ways and Means.

By Mr. PATTERSON:

H. R. 7040. A bill to provide that postmasters at first-, second-, and third-class post offices shall be appointed by the Postmaster General, subject to the civil-service laws and rules and regulations; to prohibit prior approval or clearance on a political basis of appointments to positions in the classified (competitive) civil service, and to positions of postmaster of a fourth-class office, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PELLY:

H. R. 7041. A bill to establish a system for the classification and compensation of scientific and professional positions in the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 7042. A bill to provide for the disposition of certain property heretofore conveyed by the United States to the Housing Authority of the city of Seattle, State of Washington; to the Committee on Banking and Currency.

By Mr. PRICE:

H. R. 7043. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. ROBSION of Kentucky:

H. R. 7044. A bill to amend the Railroad Retirement Act of 1937 to provide for the payment of an annuity to widows of railroad employees who had more than 30 years of service at the time of their death, but who did not die completely or partially insured; to the Committee on Interstate and Foreign Commerce.

H. R. 7045. A bill to provide for the award of the Good Conduct Medal to certain veterans of World War I; to the Committee on Armed Services.

By Mr. SAYLOR:

H. R. 7046. A bill to establish a program of financial and technical assistance designed to alleviate conditions of substantial and persistent unemployment in economically depressed areas, and for other purposes; to the Committee on Banking and Currency.

By Mr. SMITH of Mississippi:

H. R. 7047. A bill prohibiting lithographing or engraving on envelopes sold by the Post Office Department, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VAN ZANDT:

H. R. 7048. A bill to authorize the Interstate Commerce Commission to employ 100 inspectors of safety appliances; to the Committee on Interstate and Foreign Commerce.

H. R. 7049. A bill to establish quota limitations on imports of foreign residual fuel oil; to the Committee on Ways and Means.

By Mr. ULLMAN:

H. R. 7050. A bill to amend the law with respect to the recoupment of funds expended in cooperation with the school board of Klamath County, Oreg., because of the attendance of Indian children, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7051. A bill to stimulate industrial development near Indian reservations; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 7052. A bill to amend section 216 (b) of the Merchant Marine Act, 1936, as amended, to provide for appointments of cadets from the District of Columbia, Guam, American Samoa, Virgin Islands, and the Canal Zone; to the Committee on Merchant Marine and Fisheries.

By Mr. CRAMER:

H. R. 7053. A bill to amend and extend the Public Buildings Purchase Contract Act of 1954, as amended, the Post Office Department Property Act of 1954, as amended, and to require certain distribution and approval of

new public building projects, and for other purposes; to the Committee on Public Works.

By Mr. McINTIRE:

H. R. 7054. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

By Mr. WIDNALL:

H. R. 7055. A bill to amend the Internal Revenue Code to assist small and independent business, and for other purposes; to the Committee on Ways and Means.

H. R. 7056. A bill to reduce individual and corporate income taxes by 5 percent, to reduce the alternative tax on net long-term capital gains to 12½ percent, and to increase from $600 to $650 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. GRIFFIN:

H. Res. 238. Resolution to authorize and direct the Committee on Interstate and Foreign Commerce to conduct an investigation and study of the effects of widespread abandonment of railroad passenger service in the United States, and for other purposes; to the Committee on Rules.

By Mr. HARRIS:

H. Res. 239. Resolution authorizing the Committee on Interstate and Foreign Commerce to employ two additional employees; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. BARING: Joint Resolution No. 19 of the Nevada State Senate memorializing the President of the United States, the Attorney General of the United States and the Congress of the United States to take appropriate action to cause the appointment of a second United States district judge in and for the District of Nevada; to the Committee on the Judiciary.

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii; to the Committee on Interior and Insular Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States concerning appropriations for statewide survey of ground water supplies within the State of Colorado; to the Committee on Interior and Insular Affairs.

Also, Memorial of the Legislature of the State of Colorado, memorializing the President and the Congress of the United States concerning amending of the Internal Revenue Code regarding the oil shale industry, etc.; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of Kansas, memorializing the President and the Congress of the United States to investigate the Amateur Athletic Union of America and to take the proper action on the findings resulting from such investigation; to the Committee on Rules.

Also, memorial of the Legislature of the State of Rhode Island, memorializing the President and the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Virgin Islands, memorializing the President and the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, Virgin Islands of the United States; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANFUSO:

H. R. 7057. A bill for the relief of Henryk Bigajer and Maria Bigajer; to the Committee on the Judiciary.

By Mr. BLATNIK:

H. R. 7058. A bill for the relief of Frank L. and Evelyn M. Bussmann; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7059. A bill for the relief of Rosa Elizabeth Jensen Engle; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7060. A bill for the relief of Yuriko Yamaguchi; to the Committee on the Judiciary.

By Mr. MAY:

H. R. 7061. A bill for the relief of Antonio Forlini Santopietro; to the Committee on the Judiciary.

H. R. 7062. A bill for the relief of Ardashes Hartunian; to the Committee on the Judiciary.

By Mr. NORBLAD:

H. R. 7063. A bill for the relief of Karin Tittel Taylor; to the Committee on the Judiciary.

By Mr. O'BRIEN of New York:

H. R. 7064. A bill for the relief of Mrs. Inge H. Johnson; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

209. By Mr. GRIFFIN: Petition of Lyle Schwarder, master, and 78 members of Missaukee Grange No. 918, Missaukee County, Mich., that the National Grange Headquarters Building be permitted to remain in its present location at 744 Jackson Place, Washington, D. C., and not be taken over by the Government through condemnation proceedings; to the Committee on Public Works.

210. By Mr. THOMPSON of New Jersey: Resolution adopted by members of the township committee of township of Hamilton, Mercer County, N. J., urging Congress to enact legislation providing salary increases and personnel-management relations for postal employees, and also urging support of Senate bills 27 and 386 and House bills 6 and 2474; to the Committee on Post Office and Civil Service.

211. By the SPEAKER: Petition of Mrs. Homer A. Stockton and others, Houston, Tex., relative to trying to destroy the Hoxsey treatment for cancer; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

High Honors Paid to Hon. John W. McCormack, of Massachusetts, and Hon. John J. Rooney, of New York

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. FLOOD. Mr. Speaker, as the House is about to recess for the Easter holiday, I am aware of the religious overtones of this holy week. On Monday and Tuesday our Jewish brothers paid tribute to their ancient Passover, and we of the Christian faith approach Holy Thursday, Good Friday, and the joyous Easter Sunday of rededication to our respective faiths and realization of the mysteries of eternal spring and the eternal God.

Mr. Speaker, I bring tidings of the great joy, high honor, and special distinction conferred upon two of our most respected and beloved colleagues, the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK] and the distinguished gentleman from New York [Mr. ROONEY].

Last night I was privileged to be a witness with some of my colleagues and in the presence of a brilliant gathering of clergymen led by His Excellency the Archbishop of Washington; His Excellency the Auxiliary Bishop of Washington, and many very reverend and right reverend monsignori and priests, when His Excellency the Apostolic Delegate conferred the Ecclesiastical Order of St. Gregory the Great, with the rank of Knight Commander with Star, upon the distinguished gentleman from Massachusetts [Mr. McCORMACK], and the distinguished gentleman from New York [Mr. ROONEY].

This was not an action of a political, temporal, or sovereign nature, but rather a tribute from the leaders of their faith to these two outstanding Christian American gentleman whose character, integrity, and public service merited this ancient, historic, and prized award.

Mr. Speaker, it matters not what honors may come to a public official from his friends or from his community; it matters not how high and mighty among men he may be. Unless he believes in God, unless he is sincere in the manifestation of his faith, regardless of what that belief may be, he is lacking one element essential to greatness. The distinguished gentleman from Massachusetts [Mr. McCORMACK], and the distinguished gentleman from New York [Mr. ROONEY], are devout communicants of their church and profess deeply and sincerely their belief. In these years of uncertainty and turmoil, they stand among us calm and serene as they embrace the motto of our country "In God We Trust."

Emblazoned upon the emblem of the order with which they have been honored are the words pro deo et principe—for God and country. No better phrase can depict their public and private manifestation of faith in their God and dedication as patriots to the United States of America, and so, Mr. Speaker, not only do I congratulate these, our two beloved

colleagues, but I congratulate my country and this House on the good fortune in having them as citizens and as Members. Down the long avenue of time, which I hope and pray lies before them, may they enjoy good health, long life, and great success in the vast circle of their friends and in the intimate bosom of their families ad multos annos.

The Nickel Situation

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. McCORMACK. Mr. Speaker, under leave to extend and revise my remarks, I am including in the RECORD a letter I addressed on April 3, 1957, to the Honorable Gordon Gray, Director of the Office of Defense Mobilization, and a letter dated March 20, 1957, addressed to me by Mr. John M. Curley, president of the Eastern Stainless Steel Corp.

Over a year ago I became convinced that the Department of Commerce and the Office of Defense Mobilization were not taking all the necessary steps to protect American business, particularly in the plating industry, insofar as the allocation of nickel was concerned. Subsequent hearing by three committees of the Congress verified this conviction, and the Congress in Public Law 632 of the 84th Congress directed the Secretary of Commerce to make a study of the nickel situation and report thereon by December 31, 1956. The report admitted, in effect, that there had not been fair and equitable distribution, and it is my understanding that some progress has now been made in this regard respecting the plating industry. Apparently, however, there has not been the same attention directed to the plight of other users, and I have accordingly propounded some questions on the subject to the Honorable Gordon Gray, the new Director of the Office of Defense Mobilization.

May I say for the RECORD that it is my hope that Mr. Gray will himself become acquainted with the nickel situation, the manner in which it has been allocated, and the extent to which the Federal agencies have delegated their responsibility for the allocation of this scarce and critical material.

The letters follow:

APRIL 3, 1957.

Hon. GORDON GRAY,
Director, Office of Defense Mobilization, Washington, D. C.

DEAR MR. GRAY: Over a year ago I became interested in the cause of a number of responsible business concerns that use nickel in connection with their operations in the plating industry, others in the stainless steel industry, others in the chemical industry, etc. I became convinced that the Government had a definite responsibility to insure fair and equitable allocation of nickel which was in short supply. This responsibility was increased in my opinion by the fact that 33⅓ percent to 40 percent of available nickel was taken by the Government itself for defense and stockpiling purposes, thus increasing the shortage to civilian users.

As a result of the light of publicity on the matter and following hearings by three Congressional committees it became well established that the system of allocation, insofar as platers were concerned, was not fair and equitable. Also the action of the Government in entering into an arrangement with the principal producers of nickel whereby that concern actually allocated the material to American industry was to say the least an unusual delegation if not abrogation of governmental responsibility.

The details of the allocation system were not published in the Federal Register or elsewhere to my knowledge so no one was quite sure just what the system was, the period upon which it was based, the provision for new and expanding businesses, curtailed businesses, etc.

It is my understanding that the Commerce Department, after a survey requested by the Congress, has admitted the validity of the complaints of the platers and that some helpful steps have been taken with respect to the plating industry. However, the situation with respect to operators in the stainless-steel industry and I believe in other industries remains the same. In this connection I enclose a letter of March 20, 1957, from Mr. John M. Curley, president of the Eastern Stainless Steel Corp., Baltimore, Md., wherein certain pertinent points are raised. I would appreciate your comments on the questions raised by Mr. Curley and also on the following:

1. Whether it would be possible to allocate the nickel sinter as he has suggested without involving the regular allotment of those who receive it?
2. Whether additional supplies of the nickel sinter could be similarly handled?
3. Whether some mills are receiving more nickel than they need while others are receiving less than their requirements?
4. Whether there are plans to revise the existing allocation formula?
5. Whether or not there is a written agreement between the Department of Commerce and/or Office of Defense Mobilization and the International Nickel Co. with respect to the allocation of nickel.

I shall appreciate hearing from you with respect to this matter at your early convenience and since there is a widespread interest in this subject I shall place this correspondence in the CONGRESSIONAL RECORD and shall afford your reply similar consideration unless you indicate otherwise.

Very sincerely yours,
JOHN W. McCORMACK.

EASTERN STAINLESS STEEL CORP.,
Baltimore, Md., March 20, 1957.

The Honorable JOHN W. McCORMACK,
Congress of the United States,
House of Representatives,
Office of the Majority Leader,
Washington, D. C.

DEAR CONGRESSMAN McCORMACK: Thanks very much for your letter of March 6 with copy of the CONGRESSIONAL RECORD containing data on the scrap picture as far as export is concerned. This is very interesting and I certainly appreciate your having sent it to me.

You know nickel has been a problem with us and with a couple of other concerns and the whole thing is set up on a ridiculous basis of our purchases from the Nickel Co., in 1950 and 1951. As a result of this, some people get more nickel than they need and we get little or nothing on unrated steel for domestic use.

The nickel situation, however, is easing and there is every indication it is going to ease substantially in the near future. However, in the meantime, we are still suffering for want of nickel and have to go out in the market and pay ridiculous prices for it because nobody is willing to change the formula.

At the present we have been advised by the BDSA that there is 1,500,000 pounds of nickel sinter on hand in Philadelphia in the hands of the National Lead and it has been offered to all the steel companies on the basis that it is available to them, but it will be taken off their regular allotment and, therefore, they all have refused it. We would love to get it, but we have had to refuse it because our regular allotment is so small that we would not get any electrolytic nickel if we took this sinter at Philadelphia. Sinter can be used by a steel mill, but you still have to have some electrolytic and our allotment is so small we could not even consider taking it. However, if somebody is really sincere, this material should not lie in Philadelphia for over a month just because somebody cannot decide how to distribute it. We have recommended that it be distributed on a hardship basis because the mills will not accept it on a regular allotment basis, although everybody in Washington says it is not controlled.

If they would sell this, or any part of it, as a means of overcoming the very unfair inequity, we would be glad to purchase any quantity of it at the regular price.

There is another million pounds coming in next week which will be in the same position and, of course, what will probably happen, if they are not able to sell it, will be to put it in stockpile as the only other solution. Along this line, if somebody really wants to make sure the budget does not continue on its same high figure before adoption, a good place to look for saving is on the purchases of nickel for the stockpile.

Everybody you talk to on the nickel question will tell you it is not controlled and that the Commerce Department does not tell how it is to be distributed; but, if we got that or any part of it on the basis on which it was offered, it would automatically be deducted from our allotment from the International Nickel Co. as there is a tie-in of information between the various suppliers and whether you call it control or not, we are limited to a very definite figure in spite of the fact that I am sure some mills get more than they need.

If there is anything you could do to shake loose any part of this nickel sinter by getting the machinery working to a point where the facts can be considered and you do not have to be tied to a 7-year-old formula, it would be greatly appreciated and would be of tremendous assistance to us.

I certainly hope there is something that can be done on this because it looks like a possible way of getting more nickel without these people having to lose face which is what it all amounts to.

Very truly yours,
EASTERN STAINLESS STEEL CORP.,
JOHN M. CURLEY, *President.*

Radio Station WOWO Honored

EXTENSION OF REMARKS
OF
HON. E. ROSS ADAIR
OF INDIANA
IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. ADAIR. Mr. Speaker, in this day and age when we are all so conscious of the need for spreading the gospel of freedom and liberty throughout the world, it is encouraging for me to report to my colleagues a signal honor which has been given to a radio station in my district and to the Indiana State Bar Association, of which I am a member.

Only recently, Westinghouse Radio Station WOWO, in Fort Wayne, won the George Washington Gold Medal Award of the Freedoms Foundation of Valley Forge for a daylong program designed to promote better citizenship.

The inspiration and information for this program were furnished by the American Citizenship Committee of the Indiana State Bar Association.

Joining in the daylong broadcast were Robert E. Meyers, mayor of the city of Fort Wayne; Attorney L. B. Harper, who has been active in citizenship work on behalf of the Lions' Club there; and Attorney Alexander Campbell, chairman of the bar association committee in charge of such projects. The broadcasts were highlighted by Jay Gould, a prominent member of the staff of WOWO, from documented statements by refugees, persons formerly in internment camps and local high school students. Mr. Gould's poem, Freedom, also won him a special gold medal. Carl W. Vandagrift is general manager of radio station WOWO.

As a result of its efforts to instill in its listeners the true meaning of American freedom and citizenship, I am sure that all who heard were inspired anew with the ideals of liberty which are the greatest asset of our Nation.

I am indeed proud to call attention to this stirring example of what is being done in Indiana to spread before the world the many and great blessings which are our national heritage.

House Appropriations Committee Deals Unfairly With Mining Producers Who Properly Relied in Good Faith on Previous Actions of Congress

EXTENSION OF REMARKS
OF
HON. CLAIR ENGLE
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 18, 1957

Mr. ENGLE. Mr. Speaker, the argument over appropriations which threatened to delay the Easter recess of Congress requires, I think, some statement from those who believe that the Appropriations Committee is wrong in continuing to refuse to appropriate for the minerals program authorized by Public Law 733.

It will be recalled that the budget sent up a request for $30 million for the mineral program to be included in the first urgent deficiency appropriations bill. The House Committee refused to include the money. Some of us protested this failure and the $30 million was put in the bill on the Senate side. The matter has since been tied up in conference between the two committees.

The first urgent deficiency appropriations bill involved other matters, including appropriations for the Department of Health, Education, and Welfare, and the Small Business Administration. In order to take care of some of these items, the Appropriations Committee reported House Joint Resolution 310 which provided funds for a number of these items but leaving out any appropriations for the acquisition of strategic minerals, including tungsten. This bill went over to the Senate where it was amended to include $9,140,340 for the minerals program but limited each producer to not in excess of 2,500 short-ton units—the present law puts the limits at 5,000 units.

The Senate committee, in its report to the Senate, made the following statement:

> The committee recommends the allowance of $9,140,840 for the acquisition of strategic minerals under the provisions of Public Law 733, 84th Congress. Of the amount recommended, $600,000 is for the continuation of the asbestos and fluorspar programs and the balance of $8,540,840 is for the tungsten program.
>
> It is the view of the committee that the sum recommended is adequate to allow the producers of tungsten to plan for an orderly close-down of their facilities insofar as purchases under Public Law 733 are concerned. The committee has recommended the inclusion of a limitation to limit the acceptance of deliveries from any one producer from a mining district to 2,500 short-ton units in any one calendar month. Public Law 733 limits such deliveries to 5,000 short-ton units.
>
> The committee will not consider any additional funds for the acquisition of tungsten under the existing provisions of Public Law 733; and the committee urges the proper legislative committee to consider amendments to overcome the objections that have been raised to the tungsten program.
>
> It is possible that legislation to implement the long-range minerals policy could be enacted during this session of Congress. If such legislation is enacted to provide for a tungsten program the committee will consider funds for it at the proper time.

It will be observed that the committee says that the amount allowed was in order to permit an orderly closedown of the mining facilities, and further states that the committee did not intend to consider any additional funds for acquisition of tungsten under the existing provisions of Public Law 733. This appropriation, in short, was an amount allowed to permit the mining industry to close up its operations in an orderly fashion.

It will be recalled that Public Law 733 was passed last August for an announced program covering 30 months and costing $90 million. The first appropriation last August was for $21 million. On the basis of those facts, the mining industry bought equipment, put milling properties in running operation, hired men, and proceeded to go to work on the very proper assumption that the program would last for 30 months with a total amount of $90 million, of which $21 million was already provided. In fact, the Senate Appropriations Committee last August in its report to the Senate stated that the $21 million was the initial amount and the executive agency was directed to come in with a supplemental request in January.

It is our belief that the producers very properly relied upon these representations and that they should be protected against loss incurred by reason of acting on the basis of those representations. It is manifestly unfair to set a program in operation, lead people to rely upon it, and then cut it off. Many miners have invested literally thousands of dollars in getting their equipment required, procuring some new equipment, and putting the mines in operating order. They feel a deep resentment toward their Government and especially toward the Appropriations Committee of the House. With all respect to my colleagues on the Appropriations Committee, I believe that this feeling is jusitfied and that these miners have been done a grievous wrong.

Those of us who represent some mining areas were very reluctant to accept the provisions put in House Joint Resolution 310 by the Senate. We realized it meant the end of the mining program under Public Law 733 and, for all practical purposes, the end of the tungsten industry in the United States. We thought it little enough under the circumstances, but the House Committee on Appropriations would not even accept that amount and ignored the bill, House Joint Resolution 310, when it was returned to the House with the Senate amendments.

Instead of taking this bill House Joint Resolution 310 on the floor where the Senate amendment would have been debated and voted upon, the Appropriations Committee met and passed out a new bill limited to funds for social security payments and small business. The first urgent deficiency appropriations bill presumably will remain in conference—with the tungsten miners sitting out on a limb, as they are now.

Some of us think that the members of the Appropriations Committee ought to carefully examine their consciences, especially during this Easter period, as to whether or not their action is hurting innocent people who relied in good faith upon the fairness of their Government.

Oregon Economy Suffers From Tight Money

EXTENSION OF REMARKS
OF
HON. AL ULLMAN
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 18, 1957

Mr. ULLMAN. Mr. Speaker, the present tight money policy being pursued by this administration has adversely affected many segments of our economy. Adequate testimony to the disastrous effect of this unfortunate policy on the district which I represent and on the State of Oregon in general is provided by some very significant figures which I have recently examined.

According to the Oregon State Unemployment Compensation Commission, "payments to insured unemployed reached $3,700,000 for the highest March in 20 years' history of the State unemployment compensation commission." The commission's bulletin continues by pointing out that in the State of Oregon there are currently "some 48,100 persons still without work, about 6,000 more than a year ago."

The same depressing picture is presented by considering current bank debits as reported by a publication of the

University of Oregon, the Oregon Business Review. As bank debits are generally regarded as good indicators of current business activity, I think the figures for the Second Congressional District are significant:

	Number of banks reporting	Debits, February 1957	Debits, January 1957	Debits, February 1956	February 1957 compared with—	
					January 1957	February 1956
Upper Columbia River (The Dalles, Hood River, etc.)	9	22,439,289	28,041,546	23,126,455	−20.0	−3.0
Pendleton area	8	22,201,611	31,363,539	23,175,022	−29.2	−4.2
Central Oregon (Bend, Prineville, Redmond, etc.)	5	19,000,036	22,676,408	22,029,003	−16.2	−13.8
Klamath Falls, Lakeview area	5	21,945,107	30,871,816	26,613,227	−28.9	−17.5
Baker, La Grande area	8	19,627,249	25,747,871	21,124,123	−23.8	−7.1
Burns, Ontario, Nyssa	5	16,198,184	21,268,001	16,353,099	−23.8	−1.0

Reports of two banks in Baker County, which is included in my district and in which county I live, indicate the same trend. The First National Bank of Baker reported that demand deposits of individuals, partnerships, and corporations at the close of business on April 10, 1956, were $6,256,151.14. In a similar report for the close of business on March 14, 1957, this same item was listed at $5,945,599.33. Thus, demand deposits were down over $300,000.

The report of the First National Bank of Halfway, also in Baker County, showed a similar situation. At the close of business on April 10, 1956, demand deposits of individuals, partnerships, and corporations were listed as $642,020.88. A similar report for March 14, 1957, showed this figure had dropped to $592,470.27, or a drop of almost $50,000.

New unemployment applications in Baker County reflect the same unfortunate situation. During the month of March the Baker office of the State Unemployment Compensation Commission reported that there were 102 new applications filed as compared with only 50 filed 1 year ago. I cannot help but note that reports of the two banks in Baker County, which is the area in which Idaho Power Co. is constructing Brownlee Dam, indicate that the much heralded prosperity supposedly resulting from Idaho Power Co.'s activities does not exist.

Continuance of the present tight-money policy can only lead to further aggravation of an already unhealthy economic situation. The State of Oregon and the Second Congressional District can no longer continue to endure the form of economic strangulation which it is now experiencing.

State Management of Local Programs Means a Federal Tax Cut Now

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. PELLY. Mr. Speaker, like many of my colleagues who were home in their legislative districts last week during the Easter recess, I have returned with renewed determination to do what I can as a Member of Congress to justify a major reduction in Federal taxes through the curtailment of unnecessary Government waste and spending.

The Democratic and Republican Parties alike, Mr. Speaker, had party platforms calling for such a cut in taxes, and to that purpose many Members like myself have introduced legislation. In my own case, I have been frank in stating I would not ask for consideration by the House Ways and Means Committee or support any measure to reduce the revenue of the Federal Treasury without prior assurance that cuts at least in an equal amount could be made in the budget. My own bill, H. R. 5997, would reduce, for example, the Federal revenue by $4.3 billion, and that, consequently, has been my own goal for a budget cut.

During the Easter recess, I made several public speeches in my home State. In each of these I referred to the Federal grants-in-aid program as a source of long-range economy. I said something every Member of this House knows—that 25 percent of the amount of these grants goes toward Federal administrative and other costs on the national level. In other words, if the States collected and spent their own money, without the funds passing through the Federal Treasury and being appropriated by Congress through executive agencies back to the States and local interests, the recipients of the aid, as well as the taxpayers, would all be better off.

As an example, in my district the University of Washington at Seattle is the recipient of a number of Federal grants for research. These are for worthwhile projects. But my point is that if my State had the funds and the State legislature made the appropriations, I think everyone concerned would be better off. Everybody knows the closer to the people, the better the government, and as the trend increases of State dependence on Federal handouts we face a serious imbalance of local responsibility.

Now we are asked to authorize expenditures for State and local government aid for various programs to cost more than $5.5 billion, or $1 billion over fiscal 1957, which, in turn, was almost three-quarters of a billion dollars over the year before. Since 1948, these Federal grants to States have been mounting every year. Where will it end?

The legislative proposals for fiscal 1958 include $211 million in new grants, together with a total of $6 million for previously authorized programs.

According to the May 1957 issue of Nation's Business, total aid of various kinds to State and local governments will amount to approximately $35 billion by July 1 of this year, since 1947.

Here are some of the programs Congress started last year, as outlined by the article just referred to in Nation's Business:

A water pollution control program this year will cost the taxpayers about $2 million. Next year it will cost $3 million.

A new Federal program of aid to municipalities for the construction of waste treatment facilities will result in drafts on the Treasury of $7 million this year. Next year the program will cost $62 million.

Grants-in-aid for the construction of health research facilities costing $1.6 million this year will take $8.4 million in fiscal 1958.

A program of local library services costing $2 million this year will require $3 million or more next year.

The National Science Foundation administers grants for certain research facilities which this year will cost $500,000, but which next year will take $2.8 million.

A program for the drainage of anthracite mines will cost taxpayers $1 million this year. The program will cost $2.5 million next year.

The $5.5 billion in Federal aid to States and communities in the year ahead basically takes three forms:

Grants-in-aid, at least 66 programs, which account for $5.3 billion.

Shared revenue, totaling $102.3 million.

Loans and repayable advances which total $126.3 million.

Mr. Speaker, I never hear any support in this Chamber for Federal intervention in State affairs; indeed, on the contrary, Members frequently express their opposition on the floor to Federal control.

I wonder if in the grants-in-aid programs, however, we do not overlook the means and look rather at the end. For most of the programs in themselves are worthy.

If Congress, however, directly allocated back to each respective State a percentage of the revenues collected by the Federal Government, with no strings attached, and said in so many words, "You decide and take care of your own needs," and, in short, said, "Grants to the States are at an end"—what a saving this would be to the taxpayers. What a blessing to the people.

My State of Washington gets back about $99 million out of the $848 million we pay through income taxes. If, as I believe, the cost amounts to $25 million of getting and giving our State's part of this aid, then what I mean becomes more apparent. With the $99 million plus $25 million available on the State level the State, unaided, could construct training facilities for medical and dental schools, make grants for health and other research available, plant its own trees, train welfare workers, teachers, and nurses, assist the unemployed, and finance other such programs and projects for itself. The local people, meanwhile, could decide for themselves what projects were desirable, and oversee how the programs were administered.

Mr. Speaker, there are many sources of Federal economy. Our congressional committees will examine into the details of requests of executive agencies and

come up with plenty of suggestions where savings can be made. For myself I do not favor cutting normal functions of Government, nor the standard of compensation of Federal employees which should always equal that of private enterprise. Ample opportunity for reducing Government expenditures, it seems to me, exists without meat-ax cuts, and one of these avenues is in the elimination of the system of Federal grants to States. We can screen carefully foreign aid and our own Department of Defense. We can cut here and there, as we have been doing thus far this session, to the amount of $1 billion. But unless local and State government is to be superseded and become a mere puppet form of federally controlled local field administration, we should end completely the grants to States program. The resultant savings in taxpayers' dollars would be such as to guarantee a lasting cut in taxes for all time for all people.

Other Than Honorable Discharges

EXTENSION OF REMARKS
OF
HON. TORBERT H. MACDONALD
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 18, 1957

Mr. MACDONALD. Mr. Speaker, I have today introduced a bill dealing with the hardship suffered by thousands of American servicemen who have been discharged from the Armed Forces under conditions other than honorable. These are individuals who have committed minor offenses or who because of some mental defect or disease have failed to meet, during their service, acceptable standards of social or military conduct. Their offenses or conduct were not serious enough to amount to crime either military or civil, for they have not been tried and convicted by a general court-martial.

Although the policy of the Armed Forces in issuing discharges other than honorable to such individuals was and is intended to distinguish these unfortunates from real criminals, nevertheless this meritorious effort on the part of the Armed Forces has failed of its intended effect. In the civilian mind there is little or no difference between the individual who was discharged other than honorably and the individual who was discharged dishonorably. The ordinary civilian has neither the time nor the patience to draw distinctions. If one has not an honorable discharge, chances for gaining employment are very small, indeed.

Mr. Speaker, have you seen the effects of such discharges upon the lives of these ex-servicemen? Try as they will they cannot get or hold jobs. Employers don't want to employ them, and therefore not only do they pay the price for a misdemeanor over and over again, but also their wives and children also pay a penalty out of proportion to the original offense. This atmosphere permeates as well to the social level, where it lurks as a family skeleton, a thing to be hidden. These unfortunate ex-servicemen apply, time after time, to the boards for the correction of military or naval records in the desperate hope that something might be found in their record which will afford a basis for changing the quality of their discharges. In most cases, the correction boards are helpless under the state of our present law. Their review is confined to the military record. It is true, the law says they may consider "such other evidence as may be presented by such person." But what effect is given this language? No matter how exemplary a life the individual has led since his discharge, no matter if he has been cured of the mental disease which caused his unacceptable conduct, no matter if his fault did not amount to a crime, the boards limit themselves to the official records and evidence relating strictly thereto; the cold official language comes back, "the board regrets, but." The individual must pay and pay for his misdemeanor committed when of a young age until he dies. His family and children must also pay and pay, not only until he dies, but even beyond. Mr. Speaker, is this the penalty a man should pay for acts or faults which were not criminal? Acts, which in the main, were committed by young persons who had not yet matured into adult judgment or responsibility.

I think you will agree that so severe a punishment should not be meted out to these servicemen. This bill will give them hope, a chance at rehabilitation. It will not wipe the slate clean, but it will say, that under our system, rehabilitation is not only possible but should have its rewards. Congress will now make clear its purpose, that the appropriate board must consider evidence of subsequent good character and exemplary conduct, and must issue to such individuals, a discharge or release under honorable conditions, dated back to the date of the original discharge that these men have rehabilitated themselves. Of course, it must be established to the satisfaction of the board by oral or written evidence, or even by such independent investigation as the board may make, that his character, conduct, activities, and habits since his original discharge have been good for at least 3 years. It directs the board to take into consideration in each case the reasons for the nature of the original discharge or dismissal, together with such other factors as the board may consider appropriate. Although the bill would permit the granting of an honorable discharge to these individuals, I call to your attention that it would not authorize the granting of the so-called direct GI benefits including pension, compensation, hospitalization, military pay and allowances, education, loan guaranty, retired pay, or other benefits. They would get a discharge under honorable conditions only.

Mr. Speaker, every Member of this House I am sure will agree with me when I say that this legislation is long overdue. In the fiscal year 1955, a total of 1,062,940 men and women were discharged from all branches of the Armed Forces. Of these were 69,323 who received undesirable, bad conduct, or general discharges—those subject to review under the provisions of the bill which I have introduced. It is interesting to note that between July 1, 1950 and June 30, 1955, only 561 discharges were corrected or changed by the Boards for the Correction of Military and Naval Records. I repeat only 561 out of 69,323. This is due, I am sure, not to the coldness of heart of the reviewing board, but rather to the punitive rules under which the reviewing board operates.

I am sure that every Member of Congress has one or more cases in his district where boys still in their teenage years have been given less than honorable discharges that could be meritoriously considered by the appropriate military review board.

For this reason, Mr. Speaker, I hope that the 85th Congress will enact this worthy legislation into law. By doing so it will give many thousands of our American servicemen, who have rehabilitated themselves in civilian life, a chance to prove that they have lived an exemplary life and are now good American citizens. The stigma which now automatically attaches for a lifetime to them can be erased. It will help them to obtain dignified employment worthy of their natural ambitions and abilities. I feel that they have been punished enough, let us help them to help themselves in their goal to become first-class citizens.

Foreign Policy

EXTENSION OF REMARKS
OF
HON. MIKE MANSFIELD
OF MONTANA
IN THE SENATE OF THE UNITED STATES
Thursday, April 18, 1957

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a speech which I delivered before the Executives Club, Chicago, Ill., on Friday, April 12, may be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

FOREIGN POLICY

(Address by Senator MIKE MANSFIELD, Democrat, Montana, before Executives Club, Chicago, Ill., Friday, April 12, 1957)

I shall open my remarks today by violating a basic principle of effective public speaking. I shall remind you of a somewhat unpleasant matter. In 3 days your Federal tax returns are due. It is still uncertain what Chicago's bill for income taxes will be in 1956. In 1955, however, it was about $1.3 billion.

You may wish to contrast that total with the experience of this city a little more than a century ago. In the year 1834, all taxes levied on all citizens of the town of Chicago amounted to $48.90. Lest the urge to return to the good old days grows irresistible, I hasten to add that while taxes were low, life in Chicago in those days was not without some minor inconveniences. It was not, for example, until 10 years later, in 1843, that pigs were officially banned from the public streets.

But I have not come here today to collect your income taxes. A Senator's responsibilities involve many unusual assignments but tax collection is not yet included among them. I have been asked by constituents to stop grizzly bears from crossing the Canadian border. I have been asked to change the light bulbs in the Federal building in Butte. I have even been asked to provide the correct answers for TV quiz programs.

And most frequently, I have been asked to "do something about taxes." The phrase—it is a phrase in very common usage in Washington these days—is subject to varying interpretation. When a constituent demands that a Senator "do something about taxes" he may mean many things. I am convinced by long experience in Congress, however, that there are two things he emphatically does not mean. He does not expect the Senator to raise taxes or to collect them.

I have opened my remarks on this matter of taxes because it relates very directly to the subject which we have under discussion today.

What we pay in Federal taxes is, of course, determined by the budget. This year, the budget submitted by the President to Congress is the highest peacetime budget in our history. What are the really big items? First of all, there is the cost of present national defense, $41.7 billion, almost 60 percent of the total budget of $71.8 billion. There is also a charge of $4.3 billion for foreign aid. To a large extent this foreign aid is military assistance; it is also linked to our own national defense needs. Other major items in the budget stem from the still unpaid price of past wars. Our obligations to veterans of these wars, for example, will require about $5 billion during the next fiscal year.

When we put these charges together we find that the preponderant cost of government and, hence, of the high-tax rate, is closely associated with national defense, past, present, and future. The extent of the need for national defense in turn is tied to the state of our relations with other nations. And foreign policy is the principal mechanism which guides those relations. Foreign policy and taxes, in short, are inseparably interwoven. If our foreign policy can move the international situation toward greater stability and security for all nations, the cost of national defense in time can come down and so too can the tax rate. If it is unable to do so, if instead world tensions and the danger of aggression increase, then the cost of national defense must inevitably increase and so too will taxes. The alternative is to toy with the future of the Nation. I do not believe there is a person in this room who would knowingly do that regardless of how onerous the tax burden may be.

Taxes, I am sure, constitute one reason for the growth in public and Congressional interest in questions of foreign policy during recent years. There are others, beyond taxes. Scientific achievements at the University of Chicago and elsewhere a few years ago ushered us into a new era of human history. An effective foreign policy can help to make this new age, this age of nuclear power one of ever-widening horizons of progress for the people of the United States and for all mankind. An ineffective policy, however, opens up the possibility, not merely of vastly higher taxation, but of the sudden death of tens of millions of our citizens. It is not overstating the situation to say that an ineffective policy could act to bring about the end of recognizable civilization everywhere on earth.

These are not remote possibilities. These are the realities of the world in this second half of the 20th century. These are the facts which confront us today and will continue to confront us throughout all of the tomorrows that it is possible to foresee.

We need not fear these facts. We need fear only ignorance of them or indifference to them.

The principal method for dealing with these facts as they affect our national survival and interests is foreign policy. It is the first line of defense of the Nation. It is the one hope in this nuclear age of keeping the price of national security somewhere within the limits of our capacity to pay. And I might point out that in contrast to the cost of past wars, current defense and foreign aid, it takes less than $250 million a year to run the Department of State, the agency that is responsible for foreign policy.

Let me make clear that I do not mean to suggest that foreign policy is the answer to all the problems which confront us in the world. Foreign policy, no matter how effective, is not a panacea. It is not a cure-all for the ills of mankind. It is a highly imperfect world in which we live. Our foreign policy is a major factor, but only one factor, in determining what happens in it.

Recognition of the limits of foreign policy is not, however, an invitation to deprecate its importance. It is not a call to retreat into a citadel of isolation. No matter how thick the walls, that citadel will not insulate us against the powerful tides of the 20th century.

Recognition of the limits under which foreign policy operates is a warning to use the great but not unlimited power of this Nation with restraint, with economy, and with perception, to safeguard the interests of all the people of the United States. It is, in short, an urgent reminder of our need to develop and to maintain the most effective policy possible.

There are no readymade formulas for such a policy. An effective foreign policy cannot be pulled out of the magician's hat. It cannot be had for the wishing. It is possible, nevertheless, to detect the elements which must underlay a policy that will serve our national interests to best advantage.

One of these elements is an informed citizenry. In the last analysis, the people of the United States by their ballots determine the broad direction of foreign policy. Sooner or later, foreign policy must reflect their basic sentiments. Unless it does so, it will rapidly become a rootless policy, a sterile policy. It will command neither support at home nor respect abroad.

That is why the people must have the facts on world affairs, as those facts affect the interests of the United States. The greater their knowledge and concern with these facts, the more effective will be the broad direction they give to foreign policy.

Foreign policy can be irresponsibly short-sighted or it can be concerned not only with the needs of the hour but with the long future of the Nation. It can deal only with the immediate problems or it can take cognizance of the kind of world in which we want our children and our children's children to live out their lives. Foreign policy can focus on one problem such as communism or it can, as it should, put this problem in the context of the many problems which confront us abroad. Foreign policy can be pennywise and pound foolish or it can be as economical as possible, commensurate with our long-range national security. Foreign policy can be wavering and fearful or it can be consistent and courageous in keeping with the finest traditions of the Nation. Ultimately, responsibility rests with the people of the United States to determine what form foreign policy shall take. That is why, I repeat, the people of the United States must have the facts.

Where are we to get them? The press and other media of communication, of course, perform a distinguished public service in this connection. So, too, do organizations such as yours and educational institutions which stimulate interest in foreign-policy questions.

Most important, however, the people of this country have a right to expect the facts from their Government. They have a right to expect honest information rather than smiling assurances that the Government, like father, knows best. Those of you who may have teen-aged children, I am sure, have long since been disabused of that idea, even as I have been.

The point that I am trying to make is that the national administration, whether it is a Republican or Democratic administration, has an obligation to take the Nation into its confidence in matters of foreign policy. It has an obligation to make clear the good and the bad in international situations, the successes and the failures of our policy. The people of this country are wise enough not to expect perfection in the conduct of foreign policy. They are also wise enough to discount foreign policy by cant.

Most of all, the administration in power has an obligation to spell out where it is that we are headed in foreign policy and what it is likely to cost to get there. This point brings me to the second element of an effective foreign policy. Just as we must have an informed citizenry we must also have clear and continuous leadership from the President.

Under our system of government, the system of separate powers, the President is not a dictator but neither can he be a figurehead, nor a mere agent of Congress. The President is an independent representative of all the people of the United States and his is the function of national leadership. Nowhere is this leadership more essential than in matters of foreign policy. The Vice President, the Secretary of State, and others can assist him in discharging this function. In the end, however, if the Nation is to speak to other nations with an undivided voice, it must speak through the President. If we are to concentrate our national strength to meet the challenges which roll in upon us from abroad, it is the President who must serve as the focus of our national power.

The President can be neither a Republican nor a Democrat in foreign relations. He must be the President of all the people. All of us—Republicans and Democrats alike—gain if the President and his Secretary of State conduct our foreign policy well. All of us lose if they conduct it badly.

Mr. Eisenhower is in a unique position to give the Nation the kind of national leadership we must have in foreign policy. In the first place, he is a Republican but his reputation was largely established under Democratic administrations. He is well acquainted with the situation abroad and his stature is high throughout the world, even in the Communist countries. His last election, in which he ran far ahead of his party, was a great personal tribute from the American people of both parties. He is not eligible for reelection and is therefore in an excellent position to keep the Office of the Presidency out of politics in questions of foreign policy. He has, in short, an unparalleled opportunity to lead the Nation toward greater security in a more stable and peaceful world.

This brings me to the third of the basic elements which is essential to an effective foreign policy. I refer to the role of Congress and particularly the role of the Senate of the United States.

The President has the responsibility for conducting foreign policy, but there are constitutional limitations on his power in this respect. Under our system of government, he must have the cooperation of the legislative branch. The reason for this is obvious. It is Congress which provides the funds for the Defense Establishment, for the Department of State, for foreign aid, and for numerous other purposes related to for-

eign relations. Beyond these ordinary legislative functions, moreover, the Senate has a special constitutional function. It is the function of advising and consenting in major matters of foreign relations. In recent years this function has been used with great vigor.

A case in point was the resolution passed a short time ago on the Middle East, the legal basis for the so-called Eisenhower doctrine. You will recall that in that instance the President sought special military and financial authority to deal with the crisis in the Middle East. The Senate gave the most careful attention to the request, as, indeed, it should, to any major foreign-policy matter in which the President seeks Congressional cooperation. Before passage, however, the resolution was amended by the Senate in many important respects. What the Senate did by these amendments was to safeguard the constitutional power of Congress to declare war, and, at the same time, it reaffirmed the President's power to command the Armed Forces. The Senate also made other changes designed to prevent a misuse of public funds in the Middle East and to sustain the United Nations Emergency Forces which is trying to keep peace in that region.

If I may digress for a moment, I should like to say this about the United Nations and our relationship to that organization. The United Nations is what the member states, including ourselves, wish it to be. It is no more, no less. To regard it as a supergovernment is to ignore the realities of the present world and to do a disservice to ourselves and to peace. To regard it as a body without any function in the relations among nations is equally a disservice to ourselves and to peace.

The United Nations is not a substitute for sound foreign policies on our part. It ought not to be made a scapegoat for inadequate policies of the administration. If the United Nations is to serve our interests and the interests of other free nations, it ought not to be assigned, nor should it seek responsibilities which it is powerless to discharge. But when the United Nations does make a genuine contribution to the cause of peace among nations—as the United Nations Emergency Forces are doing in the Middle East—then, by all means, in our own interests, the organization ought to have our full support.

Those U. N. forces are made up of the troops of several small nations. By maintaining the truce in the Middle East they may well be the major factor in forestalling an outbreak of a third world war in that region. They are performing a great service to humanity, and in this instance deserve the backing of this Nation and the entire world.

If I may now return to the role of Congress, the point I wish to stress is that Congress must see eye to eye with the President on the main questions which confront us in foreign policy. If there are significant differences, they must be reconciled under the leadership of the President. Unless they are, policy will break down in dissension between the two branches of the Government. We shall face the rest of the world, not as a united people, steadfast and persevering in direction, but as a divided nation, halting and indecisive in purpose.

How are we to obtain this reconciliation of views between the President and the Congress in the matters of foreign policy? A similar problem of course presents itself in domestic matters. In that connection, our Government operates largely on the principle of sponsorship of legislation by the President and his party in Congress and responsible opposition from the other party. I suggest that this formula is inadequate in foreign policy matters, particularly when the opposition party happens to be a majority in Congress. That is the case now with the Democratic Party in control of both Houses. In this situation, something more is needed than Presidential proposition and responsible opposition. What is needed is active, responsible cooperation between both political parties and between the executive and legislative branches of the Government.

What this entails is first of all mutual restraint. Neither party can seek to make political capital out of foreign policy without grave risks to the safety of the Nation. Responsible cooperation also entails close, frequent, and frank consultation between the President and the leadership of both parties in Congress. It entails the use of men of outstanding ability, regardless of party, in the State Department. It entails the acceptance by both parties of the supremacy of their national responsibilities over their party loyalties in dealing with matters which affect the safety and the well-being of the Nation.

Let me make clear what responsible cooperation in foreign policy does not mean. It does not mean a pretended unity when none in facts exists. It does not mean a bipartisanship of silence when conscience urges us to speak out in questions of foreign relations. It does not mean blind and unquestioning Congressional acceptance of the dictates of the executive branch of the Government.

Every Member of Congress owes to his constituents an obligation to think for himself on matters of foreign policy no less than on other public questions. By the same token, however, he has an obligation to place the national interest above party interest when the stake is the future of the Nation itself.

To sum up, these three elements—an informed public, Presidential leadership, and responsible cooperation between the President and Congress and between the parties—these three elements provide the foundation for an effective foreign policy.

What of the structure which rests on this foundation? What of the policy itself? A sound foundation is essential to a sound policy. It does not in itself guarantee such a policy.

Foreign policy results from the major decisions which the Nation takes or fails to take with respect to situations abroad involving our interests. These decisions are or ought to be made ultimately by the President, largely on the advice of the Secretary of State. The wisdom of his decisions will determine whether foreign policy is more or less effective, whether in the long run the cost of national security will be higher or lower, whether we shall move toward international peace and stability or toward international conflict and chaos.

The problem of decision in foreign policy does not differ greatly from the same problem in business or in the professions or even in our personal lives. In any given situation we are usually confronted with a number of possibilities. The doctor must decide whether or not to operate. The businessman must decide whether to buy or sell. We weigh and assess the pertinent factors and then choose what we believe to be the best possible course of action.

This process of weighing the factors in foreign policy can be a very complex one. Let me illustrate just how complex by reference to the situation which confronts us now regarding Poland. As you know, the Polish Government has a mission in Washington at the present time. The Polish Government is headed by Communists. Yet the Poles are seeking aid from this country. If this were the only factor in the situation—a Communist government seeking aid, the decision would be a simple one.

It is not, however, the only factor. Here are some others. The Republican administration, for example, came to power in 1952 on a platform supporting liberation of the Eastern European satellite countries. How is this pledge to be fulfilled? By force of American arms? By words? By tears shed over martyrs to liberty as in the case of Hungary? Or are we to try some other method? Does the Polish request for aid offer any possibility for contributing to peaceful liberation? In this connection, we should note that Poland has recently moved into a more independent position with respect to the Soviet Union. Its capacity to maintain even that limited position of freedom may well depend on whether or not some measure of interim economic support can be obtained from the Western nations.

The aid the Polish mission seeks is largely in the form of loans to purchase agricultural surpluses from this country. I need hardly remind you that we have those surpluses in great abundance. If the Poles do not get food from us they have two alternatives—to turn back to a greater dependency on Russia or to let their people starve. If they choose the latter we may be sure, moreover, that it is not likely to be the Polish Communists who will go hungry.

Further, all reports indicate that there has been some liberalization of political life inside Poland under the present Gomulka regime. The recent election was freer than any Poland has had since the war. The Gomulka regime has made peace with the Catholic church in Poland—the church of the great majority of the Polish people.

And what of the broader implications of a decision on aid to Poland? What of the impact of the decision on other Eastern European countries—on the liberation of Rumania, Czechoslovakia, and Bulgaria? Any decision will certainly influence them either to draw the strings with the Soviet Union tighter or to seek to loosen them. What of its effect on a divided Germany? German unification, one of the critical questions of peace in Europe and in the world, is closely related to what happens in Poland.

There are other factors that I might mention which have to be considered in this seemingly simple decision of whether or not to provide aid to Poland. I think, however, that I have said enough to make clear that we cannot pose the issue simply in terms of "should we give aid to Communist Poland?" We might well rephrase the question in these terms: "Will aid to Poland contribute to international stability and security and hence serve our own national security? Apparently, the President believes that such might be the case, for the Polish aid mission is in this country on his invitation.

I began my remarks on the subject of taxes and I should like to revert to that matter before concluding. I wish I could hold out the promise of a return to the good old days of a tax rate for Chicago of $48.90, without of course restoring the right-of-way to the pigs in the city streets. I believe most of us, however, would be satisfied with a considerably higher rate than that provided it were considerably lower than what we now have.

I believe further that we can have a lower tax rate. The key to significant reduction, as I have stressed throughout my remarks today, is a more effective foreign policy. And there are steps to that end which can and should be taken promptly. Here are a few. We need to restore and strengthen our relationships with democratic countries abroad on the basis of mutuality of interests and mutuality of sacrifice. Unless the free nations maintain their defense in common, each will pay an enormously increased price to try to maintain it alone and most may not be able to maintain it at all.

With respect to foreign aid, these programs are now under careful scrutiny in the Senate. From personal observations in many parts of the world, I am convinced that substantial savings can be made in foreign aid not only without detriment but with positive benefit to our interests and to the interests of other free nations.

There is a desperate need to streamline and coordinate the activities of the many governmental agencies which are now engaged in foreign activities. Not only is this diffusion of responsibility in itself wasteful of public funds, but it can also result in grave damage to our relations with other nations. The key factor here is to restore responsibility for foreign policy to where it belongs—to the President and his Secretary of State.

These are the first steps. They can lead, in time, to others. Most important, they can lead, in time, toward an effective foreign policy, a policy that will yield more security for the Nation in a more peaceful world. That is the only kind of policy which will serve the interests of the people of the United States. That is the only kind of policy which is worthy of the people of the United States.

Airline Subsidies—Congress Saves the Taxpayers $51 Million

EXTENSION OF REMARKS
OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks, I should like to insert the syndicated column by Drew Pearson which appeared in the Washington Post on Friday, April 12, 1957, headlined "Airline Subsidies Seen Offering Savings."

I should like to make two comments regarding the reforms in the airmail subsidy practice which have been accomplished by the Congress since 1948:

First. Effective with the fiscal year 1955 separation of the concealed airline subsidies from Post Office airmail pay relieved Postmaster General Summerfield of $73 million a year of expenditures which he had previously been forced to carry in the Post Office budget, and thus Congress in a single action reduced the Post Office deficit by over $70 million per year.

Therefore Congress relieved the post office of having to expend $73 million a year in airmail subsidies, an amount which is considerably larger than the amount of money which Mr. Summerfield has been trying to extort from the Congress in a supplemental appropriation this year by the device of shutting off the citizens' mail service last Saturday.

Second. Since subsidies were separated out of the Post Office budget and made a separate appropriation item payable by the Civil Aeronautics Board and not the Post Office Department, Congress has made the following cuts in the amount of subsidy requested in the Presidential budget submitted to the Congress at the beginning of January each year:

Fiscal year 1955 (the first year in which subsidies came before Congress as a separate appropriations item)	$24,100,000
Fiscal year 1956	10,500,000
Fiscal year 1957	3,800,000
Fiscal year 1958 (House only has acted so far)	13,056,000
Total	51,456,000

The airline subsidy figure for 1958 is not only $13,056,000 below the amount requested in the President's budget for fiscal 1958, on page 441, but also $3,586,000 below the bedrock reduction figure stated 2 months after the President's big "telephone book" budget was sent to Congress as being acceptable to the CAB Chairman, the Budget Bureau, and the President.

It can thus be seen that since subsidies were separated from mail pay, Congress has saved the taxpayers over $51 million on the single item of airline subsidies by cutting the President's budgets by that much.

The items of $5,900,000 and $6,500,000 referred to in the Drew Pearson column attached are additional savings over and above the $51 million mentioned above and are attributable in good part to the insistence of Congress at the beginning of the year 1954 that thorough audits be made of the airline subsidies.

In this connection the credit belongs to the Appropriations Committee of the House. I refer particularly to House Report No. 207 of the 84th Congress, 1st session, March 15, 1955, by Mr. CANNON from the Committee on Appropriations, at page 6:

> The survey indicates that the Civil Aeronautics Board does not have accurate facts or figures regarding Pan American operations. Most of the subsidiaries have never been properly audited and some not at all, and there has not been insistence that the operations of the entire system be treated as an entity, as required by a recent Supreme Court decision. If corrective action were taken, substantial cuts in subsidy should result.

The article mentioned above follows:

AIRLINE SUSIDIES SEEN OFFERING SAVINGS

(By Drew Pearson)

If the United States Chamber of Commerce and the Congressional economizers want to save more money, the CAB and Senator PAUL DOUGLAS, Democrat, of Illinois, have shown them an important way to do it.

The collection from Pan American Airways of $5.9 million in overpaid 1954 subsidies plus a proposed collection of $6.5 million as a result of bookkeeping which requires scrutiny is one way. It's a way by which the Government can make money instead of cutting down on such important projects as schools.

The recent bookkeeping windfall to Uncle Sam was the direct result of the hiring of 30 extra auditors by the Civil Aeronautics Board to check on the subsidiaries of the far-flung Pan American Airways. For a long time, certain members of the CAB, led by ex-Commissioner Joe Adams, have been trying to get the money to examine Pan Am's books. These CAB officials were suspicious that the big airline, with more subsidies than any other American company, was collecting extra subsidies from American taxpayers by failing to bill its foreign subsidiaries for services. But the CAB was never able to get a thorough look at the subsidiaries' books.

Credit for finally collecting this money goes first to Senator DOUGLAS, who, in speech after speech, urged his Senate colleagues both to cut down on airline subsidies and to hire enough auditors to look at the books. In the House Congressman JOHN ROONEY, of Brooklyn, did the same. DOUGLAS argued that the American taxpayers, through subsidies to Pan Am, were paying for luxury hotels and Pan Am's foreign subsidiaries. He began this campaign in 1953, continued through 1954 and 1955.

Finally he won out. Thirty extra auditors were hired.

Credit also goes to Joe Adams, who harped on the same subject—and got dropped for his pains. After Secretary of Commerce Sinclair Weeks, close friend of Pan Am, called at the White House last December it was made know Adams would not be reappointed to the CAB.

REPUBLICANS TOUGH

Finally, credit goes to Ross Rizley, recent Republican Chairman of the CAB, and to the new Republican Chairman, James R. Durfee. Both men are "sleepers." Rizley was a lame-duck Congressman from Oklahoma who turned out to be one of the best CAB Chairmen in some years, so good that adroit moves were made to get him off the Board and onto the Federal bench.

Chairman Durfee, former GOP chairman of the Wisconsin Public Utilities Commission, has also proved to be a tough, play-no-favorites Commissioner.

The order which Chairman Durfee has now published, reopening Pan American files, is one of the most sweeping ever issued by the CAB. After enumerating various cases in which Pan Am failed to charge its Mexican and Central American subsidiaries for services rendered, the CAB order concluded:

"As a result of these various matters, it appears that Pan American's subsidy needs may have been substantially overstated and that completion of the audit may disclose other discrepanices."

In a direct implication that Pan American engaged in faulty bookkeeping, the CAB stated: "It was not until fiscal 1956 when the CAB received appropriations for a substantial increase in its audit staff that such a project (of auditing) could be and was undertaken.

"The Board, we think, was entitled to assume that the carrier's reports and filing were correct.

"Pan American is yet to be heard from in connection with all these matters," the CAB order stated. "On the other hand, the audit may disclose still further areas requiring exploration.

"HUGE SUBSIDIES

"Our duty in this respect is plainly evident when it is considered that transactions between Pan American and its affiliates aggregate some $50 million annually."

This refers to the fact that Pan American is now the only airline receiving a major Government subsidy.

In 1956 Pan American received $2,669,000 subsidy on its Atlantic Division, $11,482,000 on its Latin American division, and $1,356,000 on its Alaskan division. TWA received no subsidy whatsoever, though it flies the Atlantic, parallel to PAA, and has the less profitable run through the Near East. Northwest Airlines received $1,483,000 on its Great Circle Pacific run, and Pan American is now trying to get certificated to fly that route.

Between 1951–6, TWA received a total subsidy of $4,586,000 on its foreign operations. During the same period, Pan American received the huge total of $138,615,000.

Pan American has 30 subsidiaries all over the world. If the extra auditors hired by the CAB continue to find the same bookkeeping that they found on the books of its Mexican and Central American subsidiaries, a lot of money could come back to Uncle Sam.

PAN AMERICAN REPLY GIVEN IN STATEMENT

Pan American Airways yesterday issued the following statement on Drew Pearson's column printed above:

"The Drew Pearson column contains numerous misstatements of fact and draws erroneous conclusions of an audit conducted by the CAB of Pan American Airways' books which has not even been completed. The Board itself states: '* * * the audit to date is incomplete, and substantial further investigation and analysis is required. Also, it is possible that the questionable areas dis-

closed by the audit may already have been, to some extent, taken into account by disallowance made in this or other mail rate proceedings; and Pan American is yet to be heard in connection with all of these matters.'

"Mr. Pearson states that Pan American received some $15,507,000 in subsidies in 1956, whereas Pan American received only $7,249,000 for its entire operation, including its national interest routes to Alaska, Scandinavia, Africa, and Australia.

"Mr. Pearson claims the money has already been collected from Pan American as a result of the so-called audit, whereas, by the Board's own statement, many of the questionable areas involved may already have been taken care of in other proceedings.

"Mr. Pearson, in referring to Pan American's affiliated operations, either by intent or oversight, neglects to mention the benefits in the reduction of subsidy which Pan American has received because of services performed by or for its affiliates. A few examples of these benefits are:

"1. Affiliates act as feeder lines and sell for Pan American from 10 to 15 million dollars of passenger sales per year;

"2. For acting as purchasing and shipping agent Pan American receives annually from $700,000 to $1 million;

"3. Profits from maintenance and repair flight equipment are substantial;

"4. Commissions earned as general sales agent for affiliates in the United States go to reduce Pan American's selling costs.

"One further service about which there is little or no talk is the diplomatic and national defense relationship which proved so valuable through World War II in Colombia and Brazil. The national airlines of these countries were dominated by German personnel and it was only through the investment of Pan American that we were able to de-nazify these airlines and make them of service to the hemisphere defense effort. If Pan American did not have these investments, foreign-flag airlines or nations unquestionably would. It is a possibility that such ownership could fall into Communist hands."

Amendments to Public Buildings Purchase Contract Act

EXTENSION OF REMARKS

OF

HON. J. HARRY McGREGOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 18, 1957

Mr. McGREGOR. Mr. Speaker, I have introduced H. R. 6993, a bill to amend and extend Public Law 519, 83d Congress, and to amend the Public Building Act of 1926, as amended.

The general effect of H. R. 6993 will be to continue the purchase contract method of acquiring public buildings, a program which may be coordinated with existing authority for construction by direct appropriation under the Public Buildings Act of 1926, as amended, and existing leasing authority.

That the Members may know the many advantages of H. R. 6993 herewith is an outline analysis which sets forth the amendments to existing law and accompanying statements in support of the proposed amendments:

OUTLINE ANALYSIS

Section 411 of the Public Buildings Act of 1949, as amended, 63 Statute 176, as added by the act approved July 22, 1954 (68 Stat. 518), as amended, is amended as follows:

AMENDMENTS TO TITLE I, PUBLIC LAW 519, 83D CONGRESS

Amendment

(a) The proviso at the end of subsection (a) reading: *"Provided,* That prior to July 1, 1955, a limitation of not to exceed $5 million is hereby established for such purpose" is hereby deleted and the following added in lieu thereof: *"Provided,* That subject to the foregoing restrictions on total annual payments, any such purchase contract may provide for payments at such intervals as the Administrator may deem necessary and, without regard to the foregoing requirement for equal annual payments, for partial payments during construction to cover interest on and amortization of the earned portion of the purchase price."

Explanation

The recommended deletion would eliminate language rendered obsolete through the passage of time. The substitute proviso would permit the beginning of the purchase contract term at the commencement of the construction so that the amortization of principal and interest may be commenced on that portion of the cost of the improvements as is represented by construction completed to the satisfaction of the Government. It is believed that these changes will facilitate both temporary and permanent financing since they will provide a means of eliminating or reducing short-term borrowing for construction, and of shortening the time the long-term investor must wait after making his commitment before investing his money and receiving amortization payments with interest.

Amendment

(b) The colon after the word "States" in the fifth line of subsection (d) is changed to a period and the remainder of the sentence reading, *"Provided,* That no such agreement may provide for the payment by the United States in pursuance of the terms thereof of moneys in an aggregate annual amount in excess of 15 percent of the appraised fair market value of the property at the date of the purchase contract, or in the case of property where construction shall not have been completed at that date in excess of 15 percent of the fair market value at the date of completion of such construction." is deleted.

Explanation

The proviso which limits the aggregate annual amount of payments under a purchase contract to 15 percent of the appraised fair market value at the date of the contract or the date of completion of construction, depending on whether or not the building is in being at the date the contract is entered into, is inconsistent with the basic authority of the act. Congress sets the maximum limit of cost for the project by approving estimates thereof recommended by this agency and has specified the minimum and maximum number of years over which the purchase price may be amortized, at the end of which time title to the property is required by the statute to vest in the United States. Any arbitrary limitation on the percentage of fair market value which may be amortized annually might render the contract impossible of performance. In addition, the large majority of the projects involve new construction and it is most impracticable, if not impossible, to determine in advance and before completion, what the fair market value will be upon completion.

Amendment

(c) By striking from subsection (e) the words "within 3 years after the date of enactment of this act" and inserting in lieu thereof "on or before June 30, 1960."

Explanation

Subsection (e) of section 411 of the act provides that no appropriations shall be made for purchase contract projects which have not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively, within 3 years after the date of enactment of the act. The act was approved July 22, 1954. Therefore, in order that we may proceed with planning for additional urgently needed projects and submit them to the committees for approval it is necessary that the act be continued in force for an additional period and we have here provided for an extension until the end of the fiscal year approximately 3 years beyond the present expiration date.

Amendment

(d) By striking item (2) of subsection (e) and inserting in lieu thereof "(2) an estimate of the maximum cost of the project: *Provided,* That the maximum cost set forth in any prospectus for any project may be exceeded by not more than 15 percent or shall be reduced by an amount equal to the percentage increase or decrease, if any, as determined by the Administrator of General Services, in construction costs generally dating from the time of transmittal of such project to such committees;."

Explanation

Under the method adopted by General Services Administration for implementation of the program buildings are designed to meet the particular needs of the agencies to be housed therein for construction on sites acquired for the particular building. Obviously, the site cannot be acquired or preparation of the plans and specifications undertaken until after complete approval of projects by the Bureau of the Budget and both committees of Congress. Accordingly, the maximum cost estimates required by the law to be included in the prospectus submitted to obtain such approvals are on the basis of sketch plans. As the obtaining of all required approvals, acquiring sites, preparing building plans and specifications, and advertising for bids are a time consuming procedure, the estimates, for purposes of the prospectuses, must precede by periods ranging from 6 to 18 months, the award of construction contracts. The maximum cost estimates in the 99 projects already fully approved were based upon costs current at the time the estimates were made. As indicated by the testimony during the hearing construction costs increased from 10 to 15 percent before we opened construction bids. As a result the maximum cost ceiling set forth in the prospectuses were inadequate to cover current construction costs. While this problem could be alleviated through resubmission of prospectuses, such action would further delay getting the projects under way and would appear to burden, unnecessarily, the committees. Accordingly, this amendment is proposed to provide that the maximum estimates in the prospectuses may be exceeded or shall be reduced commensurate with increases or decreases in construction costs generally.

Amendment

(e) By striking item (3) of subsection (e) and inserting in lieu thereof "(3) a comprehensive plan for providing space for all Government employees in the locality of the proposed project, having due regard for suitable space which may continue to be available in existing Government-owned buildings and in rented buildings;".

Explanation

This amendment will substitute, for the certificates of need by the head of the using agency, a requirement for a comprehensive plan for providing space for all Government employees in the locality of the proposed

project. This change will lend more flexibility to the problem of allocation of space in the project based on conditions prevailing at the time of completion of construction.

Amendment

(f) By striking the word "and" following the semicolon in item (7) of subsection (e), by changing such semicolon to a period and by striking item (8) of subsection (e).

Explanation

This amendment eliminates the requirement that prospectuses include a statement by the Director, Bureau of the Budget, of conformity with the policy of the President.

Amendment

(g) By changing the period at the end of subsection (h) to a colon and adding the following *"Provided,* That the Administrator of General Services is authorized to enter into agreements with any State, county, municipality, or any subdivision thereof providing for reduction in the amount of or for exemption from taxes otherwise payable under this subsection."

Explanation

Under this amendment agreements with States, counties, municipalities, or any subdivision thereof for exemption from or reduction in taxes would be permissible.

Amendment

(h) A new subsection (k) to read as follows is added:

"(k) The faith of the United States is solemnly pledged to the payment of all annual payments contracted for under purchase contracts entered into pursuant to this section, and there is hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such annual payments. Payments under purchase contracts entered into pursuant to this section shall be pledged, if the Administrator of General Services so requires, as security for any loans obtained by a contractor to assist in the financing of the construction of the projects to which the purchase contracts relate."

Explanation

Testimony adduced at the hearing established the fact that the difficulties encountered by contractors in obtaining financing constituted a major deterrent to the implementation of the program. Various potential sources of financing have indicated a lack of interest due to the fact that the Government's contractual obligation to make the annual payments due is the sole security offered. We were advised that a statutory amendment which would pledge the full faith and credit of the United States would materially aid market acceptability. The proposed provision, based on language contained in sections 10 (e) and (f) of the United States Housing Act of 1937, as amended (42 U. S. C. 1410 (e) and (f)), is intended to accomplish the objective without making the contracts public debt transactions. The authority granted by this new subsection, of course, would be subject to the restrictions in the law on total annual payments as well as to all of the other requirements thereof.

Amendment

(i) A new subsection (l) is added to read follows:

"(l) Wherever, in this section, the Administrator of General Services is authorized to enter into purchase contracts or a purchase contract, such authorization shall be deemed to include any contract or series or group of contracts, including but not limited to contracts covering acquisition of sites, preparation of plans and specifications, financial arrangements, and construction which the Administrator of General Services deems necessary to effectuate any of the purposes of this section."

Explanation

New subsection (e) is a technical amendment designed specifically to remove questions heretofore raised by counsel for financing institutions as to whether the terms "purchase contracts" or "purchase contract" as used in the act include any contract or series or group of contracts entered into by the Administrator of General Services as necessary to implement and effectuate the purposes of the act.

Amendment

(j) A new subsection (m) is added to read as follows:

"(m) Notwithstanding the provisions of the Assignment of Claims Act of 1940, as amended (31 U. S. C. 203, 41 U. S. C. 15), assignments of moneys due or to become due from the United States under any purchase contract entered into pursuant to the provisions of this section may be assigned to any bank, trust company, trust, insurance company, pension fund, other financing institution including a Federal lending agency, or any other individual, firm, or organization providing the financing in connection with any approved project, whether acting as principal or trustee."

Explanation

Counsel for potential investors of pension funds expressed the opinion that, in the absence of a court decision or amendatory legislation, it had serious doubt as to whether a financing institution, acting as pension trustee, could qualify as an assignee under the Assignment of Claims Act of 1940, as amended. The question is not absolutely free from doubt even though the Comptroller General of the United States, by decision dated October 9, 1956, specifically held that the validity of the assignment of the proceeds of a Government contract is not impaired by the fact that the indebtedness secured by the assignment represents an investment of trust funds, where legal title to, and control of such funds are vested in a bank or trust company. Accordingly, new subsection (m) has been drafted to eliminate this obstacle and enable participation of additional sources of financing.

AMENDMENTS TO TITLE II, PUBLIC LAW 519, 83D CONGRESS

Section 2: Subsection (g) of section 202 of the Post Office Department Property Act of 1954, as amended (39 U. S. C. 902 (g)), is further amended:

Amendment

(a) By striking the words "within 3 years after the date of enactment of this act" and inserting in lieu thereof "on or before June 30, 1960";

Explanation

Subsection (g) of section 202 of the act provides that no appropriations shall be made for purchase contract projects which have not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively, within 3 years after the date of enactment of the act. The act was approved July 22, 1954. Therefore, in order that we may proceed with planning for additional urgently needed projects and submit them to the committees for approval it is necessary that the act be continued in force for an additional period and we have here provided for an extension until the end of the fiscal year approximately 3 years beyond the present expiration date.

Amendment

(b) By striking the word "and" following the semicolon in item (7) thereof and by changing the semicolon to a period, and by striking item (8) thereof.

Explanation

This amendment eliminates the requirement that prospectuses include a statement by the Director, Bureau of the Budget, of conformity with the policy of the President.

Amendment

(c) By changing the period at the end of subsection (h) to a colon and adding the following: *"Provided,* That the Postmaster General is authorized to enter into agreement with any State, county, municipality, or any subdivision thereof providing for reduction in the amount of or for exemption from taxes otherwise payable under this subsection."

Explanation

Under this amendment agreements with States, counties, municipalities or any subdivision thereof for exemption from or reduction in taxes would be permissible.

AMENDMENTS TO PUBLIC BUILDINGS ACT OF 1926, AS AMENDED

Section 3: The first section of the act entitled "An act to provide for the construction of certain public buildings, and for other purposes," approved May 25, 1926, as amended (40 U. S. C. 341), is further amended by striking out "That, to enable" and inserting "That (a) to enable", and by adding at the end thereof the following new subsections:

"(b) No appropriation shall be made to carry out the purposes of this act for any project (1) until the expiration of 30 calendar days of continuous session of the Congress following the date on which the Administrator of General Services has submitted to the Committees on Public Works of the Senate and House of Representatives a prospectus of the proposed project, or (2) where a resolution has been adopted by either committee, during such period, stating in substance that such committee does not approve of such a project. For the purposes of this subsection continuity of session shall be considered as broken only by an adjournment of the Congress sine die, but in the computation of the 30-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain."

"(c) The prospectus of the proposed project shall include (but not be limited to)—

"(1) A brief description of the building located or to be erected at a given location;

"(2) An estimate of the maximum cost of the project: *Provided,* That the maximum cost set forth in the prospectus for any project may be exceeded or shall be reduced by an amount equal to the total percentage increase or decrease, if any, as determined by the Administrator of General Services, in construction costs generally dating from the time of transmittal of such project to such committees;

"(3) A comprehensive plan for providing space for all Government employees in the locality of the proposed project, having due regard for suitable space which may continue to be available in existing Government-owned buildings and in rented buildings;

"(4) A statement by the Administrator of General Services that suitable space owned by the Government is not available and that suitable rental space is not available at a price commensurate with that to be afforded through the proposed action; and

"(5) A statement of rents and other housing costs currently being paid by the Government for agencies to be housed in the building to be constructed, enlarged, remodeled, extended, or purchased.

"(d) The Administrator of General Services shall submit to the Congress promptly after the convening of each new Congress, a report showing the location, space, cost, and status of each project submitted under this act and uncompleted as of the date of any prior report under this act."

Section 4: The prospectuses required by section 1 (b) of the aforesaid act, approved May 25, 1926, as added by section 3 of this act shall supersede the reports required by section 4 of the said act, approved May 25, 1926, and section 409 of the Public Buildings Act of 1949, as amended (40 U. S. C. 355), and said section 409 is hereby repealed.

Section 5: There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this act.

Explanation

The purpose of these amendments is to set up a procedure with respect to the approval of building projects under the Public Buildings Act of 1926, as amended, that is substantially similar to the procedure provided for in Public Law 519, 83d Congress, as amended by this act. Also to authorize the appropriation of such sums as may be necessary to carry out the purposes of the Public Buildings Act of 1926, as amended.

The Race for Scientific Supremacy

EXTENSION OF REMARKS
OF
HON. WILLIAM B. WIDNALL
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 18, 1957

Mr. WIDNALL. Mr. Speaker, much attention has been given in the press and other media, as well as by speakers on their rostrums throughout the country, to the "critical shortage" of scientific personnel and the "decreasing trends" in science education.

Usually the alarming figures are coupled with such comparable figures as we are able to obtain or estimate for the Soviet Union. This comparison lends drama to what might otherwise be just another dull set of figures. Statistics and graphs can be produced to show that we seem to be falling behind in the scientific race with the Soviet Union.

There is little question that Russia is turning out scientists, engineers, and technically trained people at a faster rate than we are. Both the number and the percentage is greater, particularly the latter. This is understandable, because Russia has had to start practically from scratch to build up a great industrial society. This situation was made worse by the devastation of World War II.

In what has been called a "cold war" of the classrooms, it has been estimated that Russia will produce during the decade from 1950–1960 a total of 1,200,000 trained engineers, compared to our 900,000. In 1955, Russia turned out 130,000 engineers and scientists, as against 60,000 in the United States. Figures often vary, but it must be remembered that in addition, many of the Soviet boys and girls who drop out of the mainstream at the end of their 7th or 10th year, receive specialized training at schools called "technikums." There are estimated to be more than 3,500 of these in Russia. This year they will graduate 100,000 draftsmen, electricians, mechanics, lab assistants, and other technicians. We have no exact counterpart to this rich source of trained people.

It should be remembered that universal education in Russia has now reached the stage where all children receive 10 years of free public schooling if they are capable of receiving it. College entrance is on the basis of severe, competitive examinations, and all tuition is free. Worthy students receive financial aid, in return for which they give 3 years' service, or in a manner of speaking, their whole life to the state.

Russian school children are strictly regimented. They go to school 6 days a week, more hours per day, and more weeks a year than our children, and concentrate heavily on the sciences. They have no electives; they spend 4 years in chemistry, 5 in physics and mathematics, through trigonometry, is a required course. They also study a foreign language for 6 years. English, being a language of science, is very popular.

Much has been written pro and con about the quality of the people being turned out by Russia's 800 institutions of higher learning, and her technical schools. American educators and students of Russian affairs are inclined to believe that the standards are neither as high as alarmists say, nor as low as wishful thinkers would like to believe. They are coming up fast.

If Russia were concentrating only on peaceful developments of her industries, this is the sort of competition between nations that we could welcome. Certainly, it would be a race in which we should have no fear of competing. But there is evidence that the Soviets regard scientific development and engineering progress as a weapon—to build up a strong base from which to infiltrate the underdeveloped nations of the world and eventually to challenge Western industrial supremacy.

What are the actual figures for the United States? How should we best meet this undeniable challenge? Certainly, we do not wish to adopt the Soviet regimentation system. We do not want to turn out robots for certain narrowly-defined tasks. Our emphasis in education has been upon development of the whole personality of our school children. We believe in a democratic system in which students are allowed to reach the full extent of their capabilities.

Percentagewise, we again hear alarming figures. We learn that in 1900 the percentage of students in grades 9 through 12 taking physics was 19 percent whereas today it is only 4.6 percent. However, in 1954, the latest year for which figures are available, the total enrollment in grades 9 through 12 was 6,500,000 compared with only 500,000 in 1900—a thirteenfold increase. Actually the enrollment in high school physics has increased from 93,846 in 1900 to 302,800 in 1954. In chemistry, enrollment has jumped from 40,084 to 482,700. Percentages, therefore, are misleading. Yet they are quoted every day in an effort to prove that we are losing the race.

There are genuine causes for concern but they are quite different from those usually expressed. These causes are the general decline of the level of scientific teaching, the low salaries of science teachers, the skimpy amounts of money allotted by hard-pressed school boards for scientific and laboratory equipment.

In 1900, physics was offered mainly at the 10th grade level; today it is offered usually as a 12th-grade course. In smaller schools, it is often alternated with chemistry in the 11th and 12th grades. It has been pointed out that about 23 percent of high schools having enrollments up to the senior year offered neither chemistry nor physics. This is another alarming figure, until it is shown that these schools include only 5.8 percent of all high-school students. Figures cited by the Office of Education show that at least 95 percent of all students reaching the 12th grade at least have the opportunity to take these courses.

American youth today is interested in science and engineering. The Office of Education says that 55 percent of the boys who took the 1956 general scholarship exam of the National Honor Society, a high school scholastic group, said they planned to take college majors in science or engineering. Other surveys have shown that children frequently asked more questions about science than any other subject.

Yet the facts also show that youngsters who are fascinated by science at junior high school levels often avoid science in senior high school. Twenty-seven percent fail to take high school biology, 68 percent avoid high-school chemistry, and 77 percent—in this atomic age—do not enroll in high-school physics. The mortality rate continues through college, as the freshmen and sophomores drop out of school, leaving fewer and fewer students who are willing and able to pursue the demanding studies in an institute of technology or science department.

Part of this may be due to the myths that have sprung up about scientific studies. Some students have the notion that one must be a genius to succeed in science. Others think that science classes are dull—textbook and sheer academic drudgery. They can be and often are, but they need not be. What is needed are better curricula, new textbooks, modern equipment, and above all, more and better-trained teachers.

The challenge is threefold: the students' interest must be held and maintained. The new teachers must be given more incentive and challenge to keep them in the field. The experienced teachers must have opportunity to improve and discuss their techniques with their colleagues and specialists in various fields. None of these objectives can be solved very easily by a legislative approach. We cannot create a favorable climate to scientific teaching and study merely by the passage of a law.

One of the difficulties of the high school curriculum is the so-called four solids requirement that too often operates to exclude science courses while emphasizing social studies, English, and foreign language. It is too easy to condemn the schools for the trends that many people regard today as alarming.

The quality of instruction is never as high as we would like it to be. The budgets for science teaching are never satisfactory. Besides, industry competes with higher education. They comb our laboratories and classrooms for teachers who are unable to continue to make the sacrifices all too often necessary in this field.

However, there is much that can and is being done. Through such means as the science teacher achievement recognition—STAR—awards, and the preparation of career information material by such organizations as the National Science Teachers Association, we may be able to counteract the current trend. The National Science Foundation provides Federal funds for summer and academic year institutes for science teachers. It serves the President's National Committee for the Development of Scientists and Engineers as well as industrial firms, which are supporting scholarships in ever greater amounts. Contacts between university and college specialists and their colleagues in the general science field have improved greatly in the postwar years.

There is another aspect to this problem. It is obvious that Russia, in training ever greater numbers of technicians every year, is thinking not only of her own needs, but also of the many underdeveloped countries who are willing to accept cadres of scientific and technical workers from Russia. These workers bring both material and technical aid and the gospel of communism. If our own shortage of technicians in many fields persists, we may find ourselves without weapons in a very important aspect of the cold war.

Among the solutions to this problem, a national science or technical academy has been suggested. This would provide engineers and technicians for periods of service overseas in the underdeveloped countries. Perhaps a more simple solution would be to offer an option of service in lieu of military duty for those who have the skills necessary to help other nations—agricultural specialists, geologists, biologists, public health officers, construction men, and others. These men, serving as civilian personnel, or even as members of the Armed Forces, would be suitably compensated for the discomforts and hardships of living in these countries. The servicemen who qualify as scientific and professional personnel might well be willing to spend their obligatory period of military duty as overseas point 4 technicians.

One leaf that might be borrowed from the Russian book is the possibility of longer school terms and more hours of schooling per week. This suggestion has been made by several thoughtful Americans who have visited Russia and observed the education process there. For many students, unable to find sufficient summer employment to spend their time gainfully, a shorter summer vacation would serve equally well. The long summer vacation is a throwback to the days when young children had to pitch in with the summer chores on the farm. Those days are just about gone forever. Admiral Lewis Strauss, the distinguished chairman of the Atomic Energy Commission, has proposed a total of 210 days of school per year, as against the present 180. He also maintains that gifted students must be permitted to forge ahead just as backward children are given special attention. The longer period of tuition could be used to shorten the number of years of elementary and secondary schooling or to bridge the gap between the accomplishments of the American high school students and their European cousins.

Whatever the measures we take to increase our flow of scientific and technical people to the industries and laboratories and classrooms of our country, let us recognize that we are engaged in a race that, if successful, can lead us into a fine new age of peaceful accomplishments. But if we don't keep up, our civilization may be challenged by a power which would like nothing better than to humble if not destroy the great western industrial society which has wrought such significant changes in the world.

Ambassador Campa's Address on Role of the Lawyers in Inter-American Relations

EXTENSION OF REMARKS
OF
HON. BARRATT O'HARA
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, April 18, 1957

Mr. O'HARA of Illinois. Mr. Speaker, in anticipation of the approaching 17th anniversary, on May 16, of the organization of the Inter-American Bar Association I am extending my remarks to include the address of one of the great diplomats of the world, Dr. Miguel Angel Campa, Ambassador of Cuba to the United States, at the luncheon on April 16, 1957, at the University Club in Washington given in recognition of Ambassador Campa's work in the diplomatic service of Cuba for over 50 years. The luncheon was the joint tribute of the Inter-American Bar Association and the bar association of the District of Columbia under the chairmanship of Frank J. Kelly. Many of the lawyers present at the luncheon to honor the distinguished Ambassador of Cuba had visited Cuba in 1941 as participants in the first conference of the Inter-American Bar Association held in Habana.

Dr. Campa's address was contained in exactly 193 words. I think many of my colleagues will wish to preserve this address as a classic expression, in a minimum of words, of the spirit properly underlying internatonal relations and the role of the lawyers of one country working in cooperation with lawyers of other countries.

Speaking of the large contribution to Cuba-American understanding made by the Inter-American Bar Association, he said:

I cannot think of any one group better fitted for the cultivation of the pacific and spiritual ideals sustained by nations and men of good faith, than that group which is dedicated to assure, with the book, the word, or the advice, the juridical norms of justice and friendship between nations.

Dr. Campa's classic 193-word address, in full, follows:

I only wish to say a few words to express my sincere appreciation to the president and the members of the Inter-American Bar Association for the cordial invitation extended to me today.

Relations between Cuban and American lawyers have very deep roots, created by the traditional friendship of our respective peoples, and stimulated by a deep and reciprocal scientific and professional understanding.

The frequent visits of American and Cuban jurists between our countries, which gain more importance every day, not only serve as a means of knowing and of developing a higher regard for each other, but go beyond the social and academic levels to flourish in the field of international relations. I cannot think of any one group better fitted for the cultivation of the pacific and spiritual ideals sustained by nations and men of good faith, than that group which is dedicated to assure, with the book, the word, or the advice, the juridical norms of justice and friendship between nations.

As a diplomatic and a lawyer, I sincerely wish, for universal benefit, that we remain always together within this attitude of friendly collaboration, and in this position of supreme human responsibility.

Dr. Adolfo Bioy, of Buenos Aires, Argentina, is the president of the Inter-American Bar Association and William Roy Vallance of our own State Department its secretary general. Mr. Vallance is one of the founders of the association, has attended and participated in all its conferences, convened in the capitals of the various countries in the Americas. No one in the history of our State Department has done more for the cause of hemispheric understanding and solidarity, no one in the United States enjoys the confidence and the warm personal friendship of so many lawyers in so many countries of the American hemisphere. His expected retirement at the end of the present year will be a great loss to the Nation.

Mr. Speaker, I would not wish to close without joining myself with the members of the bar association in congratulating Ambassador Campa on the completion of a half century and more of distinguished service to his country. The Ambassador was born in Habana in December of 1882. In 1906, when 23, he entered the foreign service of the Republic of Cuba as second secretary. The succeeding steps in his remarkable career follow:

Chargé d'affaires, Legation of Cuba in Paris, 1907.

Designated to Legation of Cuba in Rome, Italy, 1909.

First secretary, Legation of Cuba in The Hague, 1910. Chargé d'affaires in The Hague, 1911.

Transferred to Berlin 1911. Chargé d'affaires, Berlin, 1912.

Transferred to London, 1913, as chargé d'affaires.

Appointed secretary of the Cuban delegation to the Peace Conference at Versailles, 1919.

Permanent delegate of Cuba to the League of Nations, First, Second, Third, and Fourth Assemblies.

Envoy Extraordinary and Minister Plenipotentiary to Japan, 1920.

Acting Under Secretary of State, 1925.

Envoy Extraordinary and Minister Plenipotentiary to Brazil, 1930.

President of the National Consultive Commission on Transportation, 1930.

Ambassador Extraordinary and Plenipotentiary, Mexico, 1933.

Under Secretary of State, 1937.

Secretary of State, 1939.

Representative of Cuba to the first meeting of foreign ministers, Panama, 1939.

Appointed Ambassador Extraordinary and Plenipotentiary, 1940.

President, Cuban delegation to the second inter-American meeting of the Caribbean, 1940.

President of the second meeting of foreign ministers, 1940.

President, Inter-American Union of the Caribbean, 1941.

President, International Organization of Archivists, Librarians, and Conservatories of Music.

Plenipotentiary of Cuba in the signature of the Convention of Prisoners of War, and member of the Administrative Council of the Permanent Tribunal on Arbitration at The Hague.

Secretary of the Cuban delegation to first assembly of the League of Nations and various assemblies of that Organization.

President, Pan American Columbian Society, and corresponding member of the Academy of Science of Cadiz.

Minister of State, 1952.

President of the Cuban delegation to the eighth ordinary session of the Assembly of the United Nations, 1952.

President of the Cuban delegation to the Pan American Conference at Caracas, 1954, and President of the Economic Commission of that conference.

Ambassador Extraordinary and Plenipotentiary, Washington, 1955.

Publications: Land and Air Transport Code, 1931; One Year of Cuban Foreign Policy, 1939–40, 1941; Glorious Ashes, 1941; An Actual Interpretation of the Discovery of America, 1942; Regional Politics of the Caribbean, 1944.

Decorations: Grand Cross of the Orders of Carlos Manuel de Cespedes; National Red Cross and the Lanuza Honor and Merit of Cuba; the Sun and Merit of Peru; the Golden Spike and Brilliant Star of China; Vasco Nuñez de Balboa of Panama; Cristobal Colon and Juan Pablo Duarte of the Dominican Republic; Merit, Pethion and Bolivar of Haiti; Cross of the Sun, Brazil; Aztec Eagle, Mexico; Order of the Liberator, Venezuela; Isabel the Catholic of Spain; Cross of Italy and St. Maurice and St. Lazarus of Italy; Merit of Chile; Boyaca of Colombia; Merit of Ecuador; Delgado of El Salvador; and Condor of Bolivia.

Knight Commander of the Orders of Carlos III of Spain, Cross and Leopold II of Belgium; Legion of Honor of France.

SENATE

MONDAY, APRIL 29, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of our fathers, gratefully we return to waiting tasks from the celebration of historic facts which doom the designs of evil forces and make inevitable the final reign of righteousness. Endue us, we pray, with Thy might, that every threat to the things we hold dearest, every assault on the sacredness of human personality, every seeming defeat of eternal truth, may be met and faced with the creed of Easter. May we think today of the risen glory, not as the mere extension of life beyond the physical death which one day will stop our breath, but as the expansion of life in the height and range and quality of this and every day which may be added to our earthly span. In the midst of desperate and difficult days, deliver us from moral cowardice. In a confused day, save us from any panic of spirit. As those set apart in perilous times to keep clean the springs of freedom, to minister to the human welfare of the Nation, and to help heal the open sores of the world, may the spokesmen of the people who serve in this historic Chamber have eyes to see and minds to understand and hearts big enough to claim kinship with all Thy children everywhere.

Even in the fierce fires of global contention and division, may barriers to brotherhood be burned away, and mankind find at last the peace and plenty of the kingdom of love, which has no frontier. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, April 18, 1957, was approved, and its reading was dispensed with.

ENROLLED JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under the authority of the order of April 18, 1957,

The PRESIDENT pro tempore on April 18, 1957, signed the enrolled joint resolution (H. J. Res. 312) making additional appropriations for the fiscal year 1957, and for other purposes, which had previously been signed by the Speaker of the House of Representatives.

EVALUATION OF RECREATIONAL BENEFITS RESULTING FROM CERTAIN PUBLIC WORKS—MINORITY VIEWS SUBMITTED DURING ADJOURNMENT (PT. 2 OF S. REPT. NO. 250)

Under the authority of the order of April 17, 1957,

Mr. COTTON submitted on April 18, 1957, the views of the minority of the Committee on Public Works on the bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood-control, navigation, or reclamation project an integral part of project planning, and for other purposes, which were printed as part 2 of Report No. 250.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolutions:

On April 20, 1957:

S. J. Res. 70. Joint resolution requesting the President to proclaim the week April 28 to May 4, 1957, inclusive, as National Mental Health Week; and

S. J. Res. 72. Joint resolution to implement further the act of July 15, 1946, by approving the signature by the Secretary of the Treasury of an agreement amending the Anglo-American Financial Agreement of December 6, 1945.

On April 23, 1957:

S. 58. An act for the relief of Duk Chang Cho;

S. 127. An act for the relief of Anna Maria Cosentino and Francesca Maria Cosentino; and

S. 288. An act for the relief of Esther Guagliardo.

On April 25, 1957:

S. 87. An act for the relief of Pavel Blaho;

S. 91. An act for the relief of Victor Charles Hunt;

S. 158. An act for the relief of Hewey Malachi Mackey;

S. 363. An act for the relief of Nelson Shu-Yung Chuang;

S. 424. An act for the relief of Herbert James Bramley;

S. 649. An act for the relief of Yee Chung Fong Ming and Yee Chung Nom Ming;

S. 753. An act for the relief of Georgiana Ching Hsien (Liang) New; and

S. 812. An act to amend the Agricultural Act of 1949 with respect to price support for extra long staple cotton.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

SENATOR FROM TEXAS

Mr. JOHNSON of Texas. Mr. President, today we have in the Senate Chamber a new colleague, the Honorable RALPH W. YARBOROUGH, Senator-elect from the State of Texas.

Mr. YARBOROUGH has served Texas in many public capacities. As a young assistant attorney general of our State, he was a noted "trust buster." He was an original member of the board of the Lower Colorado River Authority, one of the great waterpower projects serving the people of our State. He sat with dignity and distinction on our courts. He is a combat veteran of World War II.

We Texans are particularly proud that RALPH YARBOROUGH and other Democrats who ran in the special election polled about three times as many votes as did the members of the other party.

Mr. YARBOROUGH is now in the Chamber. At this time I send forward his certificate of election, and ask that it be read.

The VICE PRESIDENT. The certificate will be read.

The certificate of election was read by the legislative clerk, and ordered to be placed on file, as follows:

THE STATE OF TEXAS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES.

This is to certify that on the 2d day of April 1957, RALPH W. YARBOROUGH was duly chosen by the qualified electors of the State of Texas a Senator from said State to represent said State in the Senate of the United States for an unexpired term beginning on the 19th day of April 1957 and expiring on the 3d day of January 1959.

Witness: His Excellency our Governor, and our seal hereto affixed at Austin, this 19th day of April, in the year of our Lord 1957.

PRICE DANIEL,
Governor of Texas.

By the Governor:
[SEAL] ZOLLIE STEAKLEY,
Secretary of State.

Mr. JOHNSON of Texas. Mr. President, the Senator-elect is present, and is ready to take the oath. I suggest that the oath be administered to him at this time.

The VICE PRESIDENT. The Senator-elect will present himself to take the oath of office.

Mr. YARBOROUGH, escorted by Mr. JOHNSON of Texas, advanced to the Vice President's desk; and the oath of office prescribed by law was administered to him by the Vice President, and was subscribed by the new Senator.

(Applause on the floor and in the galleries.)

Mr. JOHNSON of Texas. Mr. President, I submit, and send to the desk, a resolution, which I ask to have read; and then I shall make another request.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 129) was read, as follows:

Whereas the certificate of election of RALPH W. YARBOROUGH, chosen a Senator on April 2, 1957, during the present session of the 85th Congress, by the qualified electors of the State of Texas to fill the vacancy in the term ending at noon on the 3d day of January 1959, caused by the resignation of Honorable Price Daniel, states that he was "duly chosen * * * to represent said State in the Senate of the United States for an unexpired term beginning on the 19th day of April, 1957, and expiring on the 3d day of January, 1959"; and

Whereas under title 2, section 36, of the United States Code (49 Stat. 23), and precedents of the Senate based thereon, salaries of Senators elected during a session to succeed appointees shall commence on the day they qualify; and

Whereas the said RALPH W. YARBOROUGH has this day duly qualified by taking, in the open Senate, as provided by Rule II, the oath required by the Constitution and prescribed by law, and has subscribed to the same: Therefore, be it

Resolved, That the term of the service of the said RALPH W. YARBOROUGH shall be deemed to have commenced on this the 29th day of April 1957.

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief statement, and then I shall request unanimous consent for the immediate consideration of the resolution.

Mr. President, adoption of the resolution which has just been read will clarify the situation with respect to the beginning of the term of service of the Senator from Texas [Mr. YARBOROUGH]. Under the law and the precedents of the Senate, while the Senate is not in sine-die adjourment, a Senator elected to fill a vacancy does not commence to draw compensation until he takes the oath in the open Senate and subscribes to it. The appointee holds the office and draws the pay until the Senator-elect takes the oath, as above stated.

Unless the Senate takes action with respect to fixing the beginning of the term of the junior Senator from Texas [Mr. YARBOROUGH], confusion will result. Adoption of the resolution will eliminate any confusion which might otherwise arise, and will be the official notice to the financial clerk of the Senate as to the beginning on this day of the term of service of the junior Senator from Texas [Mr. YARBOROUGH].

Mr. President, a comparable situation existed in the case of the Senator from South Carolina [Mr. THURMOND]. On that occasion the Senate adopted a resolution similar to the one now at the desk.

I have conferred with the distinguished minority leader, and he is agreeable to the procedure I have suggested. Therefore, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas?

There being no objection, the resolution was considered and agreed to.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. I ask unanimous consent that statements made in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AMENDMENT OF GRAIN STANDARDS ACT, RELATING TO CHARGES FOR CERTAIN SERVICES

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the United States Grain Standards Act, 1916, as amended, to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

INTERIM REPORT OF COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

A letter from the Chairman and members of the President's appointed Bipartisan Commission on Increased Industrial Use of Agricultural Products, Washington, D. C., transmitting, pursuant to law, an interim report of that Commission, dated April 17, 1957 (with an accompanying report); to the Committee on Agriculture and Forestry.

PROPOSED REGISTRAR AT UNITED STATES MILITARY ACADEMY

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to authorize a registrar at the United States Military Academy, and for other purposes (with accompanying papers); to the Committee on Armed Services.

AMENDMENT OF TITLE 10, UNITED STATES CODE, RELATING TO INSTRUCTION OF CERTAIN PERSONS AT UNITED STATES MILITARY, NAVAL, AND AIR FORCE ACADEMIES

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend title 10, United States Code, to authorize persons from friendly nations to receive instruction at the United States Military, Naval, and Air Force Academies (with an accompanying paper); to the Committee on Armed Services.

COL. RUSSELL KING ALSPACH

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of Col. Russell King Alspach (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF ACT OF AUGUST 3, 1950, RELATING TO PERSONNEL STRENGTHS OF ARMED FORCES

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces (with an accompanying paper); to the Committee on Armed Services.

EXTENSION OF INTERIM SYSTEM FOR APPOINTMENT OF CADETS TO UNITED STATES AIR FORCE ACADEMY

A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation to extend the interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years (with accompanying papers); to the Committee on Armed Services.

REPORT OF STOCKPILING PROGRAM

A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting, pursuant to law, a report on the stockpiling program, for the period from July 1 to December 31, 1956 (with an accompanying report); to the Committee on Armed Services.

AMENDMENTS OF CANAL ZONE CODE RELATING TO CERTAIN FUNDS OF PANAMA CANAL COMPANY

A letter from the Secretary, Panama Canal Company, Washington, D. C., transmitting a draft of proposed legislation to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes (with an accompanying paper); to the Committee on Armed Services.

REPORT ON FEDERAL CONTRIBUTIONS PROGRAM

A letter from the Administrator, Federal Civil Defense Administration, Battle Creek,

Mich., transmitting, pursuant to law, a report on federal contributions program obligation of Federal funds, for the quarter ending March 31, 1957 (with an accompanying report); to the Committee on Armed Services.

REPORT ON NUMBER OF OFFICERS ASSIGNED TO PERMANENT DUTY AT THE SEAT OF GOVERNMENT

A letter from the Director, Legislative Liaison, Department of the Air Force, Washington, D. C., reporting, pursuant to law, that, as of March 31, 1957, there was an aggregate of 2,767 officers assigned or detailed to permanent duty in the executive element of the Air Force at the seat of Government; to the Committee on Armed Services.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Assistant Secretary of Defense, Supply and Logistics, transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work (with an accompanying report); to the Committee on Banking and Currency.

PROPOSED CONVEYANCE OF FEE SIMPLE TITLE TO CERTAIN LANDS IN ALASKA

A letter from the Administrator, Housing and Home Finance Agency, Washington, D. C., transmitting a draft of proposed legislation to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war housing project Alaska–50083, and for other purposes (with an accompanying paper); to the Committee on Banking and Currency.

AMENDMENT OF SECTION 24, FEDERAL RESERVE ACT

A letter from the Administrator, Small Business Administration, Washington, D. C., transmitting a draft of proposed legislation to amend section 24 of the Federal Reserve Act (with an accompanying paper); to the Committee on Banking and Currency.

PROPOSED POLICE AND FIREMEN'S RETIREMENT AND DISABILITY ACT AMENDMENTS OF 1957

A letter from the President, Board of Commissioners, District of Columbia, transmitting a draft of proposed legislation to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes (with an accompanying paper); to the Committee on the District of Columbia.

AMENDMENT OF ACT RELATING TO EXECUTION OF BONDS IN CERTAIN CASES

A letter from the Acting Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia (with an accompanying paper); to the Committee on the District of Columbia.

REPORT ON INTERNATIONAL EDUCATIONAL EXCHANGE PROGRAM

A letter from the Secretary of State, transmitting, pursuant to law, a report on the International Educational Exchange Program, for the calendar year 1956 (with an accompanying report); to the Committee on Foreign Relations.

AMENDMENT OF LAW, RELATING TO CERTAIN UNITED STATES CONTRIBUTIONS

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions (ICSU) and certain Associated Unions (with accompanying papers); to the Committee on Foreign Relations.

EXTENSION OF GREETINGS TO NEW AFRICAN NATION OF GHANA

A letter from the Assistant Secretary of State, acknowledging receipt of the resolution (S. Res. 111) agreed to by the Senate on March 5, extending greetings to the new African nation of Ghana, and informing the Senate that the resolution had been sent to the American Embassy in Accra for transmission to appropriate officials of the Ghana Legislative Assembly; to the Committee on Foreign Relations.

AUDIT REPORT ON ABACA FIBER PROGRAM

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the abaca fiber program administered by General Services Administration for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON DISPOSALS OF FOREIGN EXCESS PROPERTY

A letter from the Director, International Cooperation Administration, Washington, D. C., transmitting, pursuant to law, a report of that Administration on disposals of foreign excess property, for the period July 1, 1954, through December 31, 1956 (with an accompanying report); to the Committee on Government Operations.

CLAIM OF SHOSHONE TRIBE OF WIND RIVER RESERVATION, WYO., ET AL. *v.* THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law, that proceedings in the case of the *Shoshone Tribe of the Wind River Reservation, Wyoming, et al.* v. *The United States* have been finally concluded (with accompanying papers); to the Committee on Interior and Insular Affairs.

PROPOSED CONCESSION CONTRACT, LAKE MEAD NATIONAL RECREATION AREA, NEVADA

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a proposed concession contract at the Katherine Wash Site of Lake Mead national recreation area, Navada (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON CANCELLATION OF REIMBURSABLE INDIAN DEBTS, WIND RIVER INDIAN IRRIGATION PROJECT, WYOMING

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a copy of an order canceling $1,875.50 of reimbursable debts existing against certain Indian landowners on the Wind River Indian irrigation project, Wyoming (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON CERTAIN CONTRACTS NEGOTIATED BY BUREAU OF INDIAN AFFAIRS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on certain contracts negotiated during the fiscal year 1956 by the Bureau of Indian Affairs, relating to education of Indian children, and so forth (with accompanying papers); to the Committee on Interior and Insular Affairs.

CLARIFICATION OF NAVIGATION RULES FOR THE GREAT LAKES

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PUBLICATION ENTITLED "STATISTICS OF ELECTRIC UTILITIES IN THE UNITED STATES, 1955, PUBLICLY OWNED"

A letter from the Chairman, Federal Power Commission, Washington, D. C., transmitting, for the information of the Senate, a copy of its newly issued publication entitled "Statistics of Electric Utilities in the United States, 1955, Publicly Owned" (with an accompanying document); to the Committee on Interstate and Foreign Commerce.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Acting Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of February 28, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ESTATE OF ISA HAJIME

A letter from the Secretary of the Army, transmitting a draft of proposed legislation for the relief of the estate of Isa Hajime (with an accompanying paper); to the Committee on the Judiciary.

FINANCIAL REPORT OF NATIONAL SAFETY COUNCIL

A letter from the President, National Safety Council, Chicago, Ill., transmitting, pursuant to law, the financial report of that Council for the year 1956 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Yu Chang Hsieh from a report relating to aliens whose deportation had been suspended, transmitted to the Senate on January 15, 1957 (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF FEDERAL PROBATION ACT, RELATING TO APPLICATION TO UNITED STATES DISTRICT COURT FOR DISTRICT OF COLUMBIA

A letter from the Acting Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF TITLE 18, UNITED STATES CODE, RELATING TO CONFINEMENT IN CERTAIN CASES

A letter from the Acting Director, Administrative Office of the United States Courts, Washington, D. C., transmitting a draft of proposed legislation to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a one-count indictment (with an accompanying paper); to the Committee on the Judiciary.

AMENDMENT OF VOCATIONAL REHABILITATION ACT

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act (with an accompanying paper); to the Committee on Labor and Public Welfare.

REPORT OF NATIONAL LABOR RELATIONS BOARD

A letter from the Chairman, National Labor Relations Board, Washington, D. C., transmitting, pursuant to law, a report of that

Board, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Labor and Public Welfare.

AMENDMENT OF VETERANS' READJUSTMENT ASSISTANCE AND WAR ORPHANS' EDUCATIONAL ASSISTANCE ACTS RELATING TO BENEFITS TO CERTAIN PERSONS

A letter from the Administrator, Veterans' Administration, Washington, D. C., transmitting a draft of proposed legislation to amend the definition of the term "State" in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone (with an accompanying paper); to the Committee on Labor and Public Welfare.

PROPOSED CHANGE OF MEMBERSHIP OF BOARD OF TRUSTEES OF POSTAL SAVINGS SYSTEM

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to provide for the Board of Trustees of the Postal Savings System to Consist of the Postmaster General and the Secretary of the Treasury (with an accompanying paper); to the Committee on Post Office and Civil Service.

REPORT ON REVIEW OF WASHINGTON AQUEDUCT, CORPS OF ENGINEERS (CIVIL FUNCTIONS), DEPARTMENT OF THE ARMY

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on review of Washington Aqueduct, Corps of Engineers (Civil Functions), Department of the Army, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

Joint resolution of the Legislature of the State of Oregon; to the Committee on Finance:

"House Joint Memorial 3

"*To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:*

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the national policy of the United States has been to honor the veterans of the wars of the United States by granting assistance to them in their declining years, either by pension or otherwise, all in consideration of their military services in defense of our country; and

"Whereas the veterans of World War I of the United States have attained an age of approximately 63 years; and

"Whereas there has been no general pension granted to veterans of that war by the United States: Now, therefore, be it

"*Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein)*, That it hereby is urged that the Congress of the United States enact legislation granting pension to World War I veterans, with reasonable income limitation provision, but otherwise substantially comparable to pension grants to veterans of America's wars prior to World War I; and be it further

"*Resolved*, That copies of this memorial be sent to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States and to each of the members of the Oregon delegation in Congress.

"Adopted by house April 1, 1957.

"Adopted by senate April 16, 1957.

"EDITH BYNON LAW,
"*Chief Clerk.*

"PAT DOOLEY,
"*Speaker of the House.*

"BOYD R. OVERHULSE,
"*President of the Senate.*"

A joint resolution of the Legislature of the State of California; to the Committee on Interstate and Foreign Commerce:

"Senate Joint Resolution 23

"Joint resolution memorializing Congress to enact legislation to provide for utilization of commercial marine terminal facilities by the United States

"Whereas the United States Government, and particularly the Army and Navy, ship a large volume of nonsecurity cargo through marine terminal facilities owned and operated by the Government, and route very little of such cargo over commercial marine terminal facilities owned or operated by public and private ports in the State of California; and

"Whereas the public and private ports are an important part of the Nation's transportation facilities and were used to capacity during World War II; and

"Whereas the maintenance and operation of commercial marine terminal facilities in a healthy condition adequately staffed with competent and experienced personnel are essential to the general welfare of the Nation in a time of war or emergency; and

"Whereas the public and private ports are ready, willing, and able, and should be permitted to handle a fair share of nonsecurity Government cargo at the regularly established tariff rates approved by the appropriate State and Federal regulatory agencies, or at fair and reasonable uniform negotiated rates: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California does hereby respectfully urge and memorialize the Congress of the United States to enact legislation similar to H. R. 2229, 85th Congress, which would require the appropriate agency or agencies of the United States Government to take such steps as may be necessary and practicable to assure that nonsecurity Government cargo shall be transshipped by the use of publicly or privately owned commercial marine terminal facilities, to the extent that such marine terminal facilities are available at fair and reasonable rates, in such manner as will insure a fair and reasonable participation of such commercial marine terminal facilities in the transshipment of such cargoes by geographic areas; and be it further

"*Resolved*, That the Secretary of the Senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Legislature of the State of Nebraska; to the Committee on the Judiciary:

"Legislative Resolution 19

"Whereas the United States Supreme Court and various Federal courts have been subjected to severe criticism as a result of the decisions and decrees in the school segregation and related cases which declare that segregation and discrimination because of race, color, religion, or national origin in public schools and facilities violate the principles of the Constitution of the United States; and

"Whereas these decisions and decrees of the United States Supreme Court and various Federal courts have been condemned as a usurpation of and encroachment on the reserved powers of the States by the Supreme Court and Central Government of the United States; and

"Whereas the decisions and decrees of the United States Supreme Court and various Federal courts are being condemned, disregarded and evaded both directly and indirectly by State legislation, procrastination in complying with said decisions and decrees, coercion, and intimidation, all under the theory that any State has a right to interpose its sovereignty in opposition to an exercise of power by the Federal Government which that State determines has not been granted by the several States to the Federal Government; and

"Whereas all the States of the United States are bound by the Constitution and laws of the United States, including judicial interpretation of said Constitution and laws, until later changed through constitutional processes; and

"Whereas the Constitution of the United States provides the manner in which said Constitution and laws of the United States are to be enacted, amended, or repealed; and

"Whereas the Constitution of the United States does not permit any State to act in total disregard of any Federal law, court decision, or decree when the State has through an assumption of unconstitutional powers declared that any said law, decree, or decision is unconstitutional; and

"Whereas to permit each State to decide of itself by which provision of the United States Constitution, law, judicial decree, or decision it shall be bound would eventually result in the destruction of the Federal system of government: Now, therefore, be it

"*Resolved, by the members of the Nebraska Legislature in 68th session assembled:*

"1. That the United States of America is founded upon the principle that everyone is entitled to equal privileges, opportunities, rights, duties, and immunities regardless of race, color, religion, or national origin, and any public facility which segregates or discriminates against any person because of race, color, religion, or national origin is contrary to said principle.

"2. That segregation and discrimination because of race, color, religion, or national origin in public schools and facilities is prohibited by the Constitution of the United States, and no State has the right to maintain at its own expense racially separate public schools or facilities.

"3. That the Nebraska Legislature go on record as approving and supporting the decision of the United States Supreme Court in the school segregation cases.

"4. That the Supreme Court of the United States is the final arbiter on questions of constitutionality, and any disagreement or dissatisfaction this State may have with any decision or decree of said Court should be resolved through the processes provided by the Constitution and laws of the United States.

"5. That the theory of interposition, whereby the authority of the Government of the United States is disregarded when any State decides it shall interpose its sovereignty in disobedience to that authority, is hereby condemned as a dangerous threat to the Constitution and Federal system of Government of the United States.

"6. That a copy of this resolution be sent by the clerk of the legislature to the President of the United States, to each of the Houses of Congress, to Nebraska's Repre-

sentatives and Senators in Congress, to the governor and legislature of each of the other States, and to the Supreme Court of the United States.

"DWIGHT W. BURNET,
"President of the Legislature."

A concurrent resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"Senate Concurrent Resolution 27

"Concurrent resolution memorializing the Congress of the United States to amend the Internal Revenue Code so as to extend the 'conduit theory' to regulated investment companies that hold their assets in State and local securities

"Whereas the New Jersey Legislature created pursuant to Senate Concurrent Resolution 2, a six-member bipartisan legislative commission, known as the School Bond Interest Rate Study Commission, for the purpose of making recommendations as to what, if anything, can be done to assist New Jersey school districts in obtaining lower interest rates on their new issues of school construction bonds; and

"Whereas President Eisenhower in his economic report of January 23, 1957, to the Congress stated:

" 'The expenditures of State and local governments are now about half those of the Federal Government, and their recent rate of increase has been considerably higher. * * * Financial considerations * * * may require some rescheduling of proposed projects, since State and local governments with large borrowing requirements have already encountered heavy competing demands in the capital markets. Some improvement in the ability of these governmental units to finance their projects would result from an amendment of the Internal Revenue Code to extend the "conduit principle" to regulated investment companies that hold their assets in State and local securities. The amendment, which would involve no loss of revenue, would permit regulated investment companies of this type to pass through to their stockholders the tax-exempt status of the income received on State and local securities. The Congress is requested to enact legislation to accomplish this result'; and

"Whereas the aforementioned New Jersey School Bond Interest Rate Study Commission has concluded that an amendment to the Internal Revenue Code in the manner recommended by the President, would increase the demand for bonds of New Jersey school districts and then tend to reduce interest rates; and

"Whereas congressional action in this regard is already being, or is about to be, sponsored by Members of Congress: Now, therefore, be it

"Resolved by the Senate of the State of New Jersey (the General Assembly concurring):

"1. The Congress of the United States is hereby memorialized to amend the Internal Revenue Code so as to permit regulated investment companies to pass through to their stockholders the tax-exempt status of the income received on State and local securities.

"2. The president of the senate is hereby directed to transmit immediately following the passage of this concurrent resolution a copy thereof, properly authenticated, to the respective presiding officers of the United States Senate and the House of Representatives and to each of the Senators and to all of the Representatives of the State of New Jersey in the Congress.

"I hereby certify that the above is a true and correct copy of a resolution adopted by the senate and concurred in by the general assembly.

"HENRY H. PATTERSON,
"Secretary of the Senate."

Three joint resolutions of the Legislature of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"Senate Joint Memorial 10

"Joint memorial memorializing the Congress of the United States to enact legislation granting 10 million acres of land in trust to this State for the purpose of providing modern educational facilities in institutions of higher learning in this State

Be it resolved by the Legislature of the State of New Mexico:

"Whereas the United States Government and the agencies thereof own over 40 percent of the total land in the State of New Mexico; and

"Whereas such land is not subject to taxation by the State and results in a hardship to the people of this State in raising sufficient revenue for the support of the institutions of higher learning; and

"Whereas a grant of 10 million acres in trust to the State for the advancement of higher education and the providing of equally modern educational facilities in every institution of higher learning in this State, and such a trust would be of permanent and enduring benefit: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be, and it hereby is, memorialized to enact legislation granting 10 million acres of land in this State in trust to the State for use in providing equal modern educational facilities in institutions of higher learning, and providing that only the income from such trust shall be used for that purpose; and be it further

"Resolved, That a duly enrolled and engrossed copy of this memorial be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States and to each member of the New Mexico delegation in Congress.

"JOE M. MONTOYA,
"President, Senate.
"GRACE MCAFEE,
"Chief Clerk, Senate.
"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"Approved by me this 22d day of March 1957.

"EDWIN L. MECHEM,
"Governor, State of New Mexico."

"Senate Joint Memorial 14

"Joint memorial memorializing the Congress of the United States to amend section 10 of the enabling act to permit greater diversity in the prudent investment of proceeds from lands held in trust

"Whereas under the provisions of section 10 of the act of June 20, 1910, as amended, investment of the proceeds from land grants to New Mexico held in trust is restricted to those interest-bearing securities, selected by the State treasurer with the approval of the Governor and the secretary of state; and

"Whereas it has been demonstrated that modern State government demands a greater flexibility in the investment of idle State funds; and

"Whereas a safe and greater return can be realized from the investment of the proceeds of trust lands to the benefit of the cestui que trustent and the future citizens of New Mexico: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be respectfully petitioned to amend section 10 of the act of June 20, 1910, as amended, to enable New Mexico, upon a three-fourths vote of the legislature, to invest the proceeds of the lands it holds in trust through a State investment specialist under the supervision of a qualified State investment council which is to include the Governor, the State treasurer, and the State commissioner of lands, in prudent investments with the same discretion as other fiduciaries; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and the New Mexico congressional delegation.

"JOE M. MONTOYA,
"President, Senate.
"GRACE MCAFEE,
"Chief Clerk, Senate.
"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.

"Approved by me this 22d day of March 1957.

"EDWIN L. MECHEM,
"Governor, State of New Mexico."

"Senate Joint Memorial 21

"Joint memorial memorializing the Congress to designate a prescribed area in Taos County, N. Mex., to be defined as a 'wilderness area'

"Whereas the Carson National Forest located in Taos County, N. Mex., is one of the most scenic, primitive areas in the Western United States; a recreational region in which the people of New Mexico take great pride and from which they and visitors derive pleasure; and

"Whereas in recent months vehicular traffic within the national forest has scarred it with a network of rutted trails, diminishing the natural beauty of the region and creating serious erosion and fire hazards: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be respectfully petitioned to declare as a 'wilderness area' that portion of the Carson National Forest centering about Wheeler Peak, including Horseshoe, Heart, Blue, Bear, Star, Waterbird, Williams, Middle Fork and Lost Lakes, Goose Creek, and the headwater area of the Red River; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States Senate, the Speaker of the United States House of Representatives, and the New Mexico congressional delegation.

"JOE M. MONTOYA,
"President, Senate.
"GRACE MCAFEE,
"Chief Clerk, Senate.
"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.
"EDWIN L. MECHEM,
"Governor, State of New Mexico."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Appropriations:

"Concurrent Resolution 531

"Concurrent resolution memorializing the Congress of the United States that sufficient funds under the deficiency appropriation provided in House Resolution 4249 which will permit the Department of Health, Education, and Welfare to continue its present 50–50 matching formula with the various States under its social-security laws for the fiscal year ending June 30, 1957, and that a sufficient appropriation be provided in House Resolution 6287 to permit the continuance of the same matching formula for the administration of assistance under the social-security laws of the United States for the fiscal year ending June 30, 1958

"Whereas it has been called to the attention of the House of Representatives and

Senate of the State of Oklahoma, duly assembled in the regular 26th session of the Oklahoma Legislature, that the Congress of the United States is considering a reduction in the appropriation for administering the social-security laws in the emergency appropriation bill 4249 for the fiscal year ending June 30, 1957, and is considering a decrease in the appropriation for administrative purposes for the Department of Health, Education, and Welfare for the fiscal year ending June 30, 1958, and making the latter appropriation a closed-end appropriation for such purposes; and

"Whereas the Congress of the United States in the 1956 amendments of the social-security laws of the United States has added new programs on a matching formula on a 50–50 basis for medical services which will entail an increase in administrative expenses; and

"Whereas the greater majority of the States will want to take advantage of such medical program for the welfare of the recipients of assistance in their States; and

"Whereas a majority of those States will be limited in the amount of money that can be appropriated within tax structures of such States for such purposes and will need at least a 50–50 matching formula with the Department of Health, Education, and Welfare in order to put into effect such medical and other liberalizations of their welfare program; and

"Whereas it has been the custom of the Congress of the United States to have an open-end appropriation in the appropriation bills for the Department of Health, Education, and Welfare in order that such Department might continue its matching formula on a 50–50 basis in event of unforeseen expenses in its administration; and

"Whereas the States have been accustomed to carrying out their programs with the understanding that there will be no curtailment in said matching funds or the matching formula by the Department of Health, Education, and Welfare, and a reduction in administrative funds by Congress would, no doubt, cause a serious administrative problem in all the social-security programs in the various States which would be seriously detrimental to the intents and purposes of both the Federal and State laws to their assistance programs and that such condition should not be permitted to arise by a curtailment of administrative funds by closed-end and decreased appropriations by the Congress of the United States: Now, therefore, be it

"Resolved by the House of Representatives of the 26th Legislature of the State of Oklahoma (the Senate concurring therein), That the Congress of the United States be memorialized not to decrease the appropriation for administrative purposes in the Department of Health, Education, and Welfare for the fiscal year ending June 30, 1957, and that Congress authorize and direct the Department of Health, Education, and Welfare not to change its present matching formula with the States from a 50–50 basis for administrative purposes: be it further

"Resolved, That the appropriation for the fiscal year ending June 30, 1958, be continued, not as a closed-end, but an open-end appropriation, in order that such Department may continue to conduct its business with the States in the same manner that such business has been heretofore conducted and that such appropriation be in an amount sufficient for the Department to participate in carrying out the liberalization of the social-security laws of the United States as provided in the various amendments of the social-security law of 1956, which becomes effective July 1, 1957: be it further

"Resolved, That copies of this resolution be sent by the secretary of state to the Chief Clerk of the Senate and House of Representatives of the United States Congress and to each member of the Oklahoma delegation in Congress.

"Adopted by the house of representatives the 8th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives.

"Adopted by the senate the 9th day of April 1957.

"COWBOY PINK WILLIAMS,
"President of the Senate."

A concurrent resolution of the Legislature of the State of Texas; to the Committee on the Judiciary:

"House Concurrent Resolution 76

"Concurrent resolution requesting Congress to enact a law giving consent to join the United States in any suit or controversy in the Supreme Court of the United States involving the Rio Grande compact to which the United States is a necessary party; requesting Texas Members of Congress to support such legislation; and directing the secretary of state to send copies of this resolution to certain Federal officials

"*To the Honorable Senate and the House of Representatives of the United States, in Congress Assembled:*

"We, the Senate and the House of Representatives of the State of Texas, in legislative session assembled, respectfully represent and petition as follows:

"Whereas in the year 1939 the Legislatures of the States of Colorado, New Mexico, and Texas ratified the Rio Grande compact, and the Congress of the United States gave its consent thereto by act of May 31, 1939 (Public Law No. 96); and

"Whereas, in the month of November 1951, the State of Texas, as plaintiff, filed suit in the Supreme Court of the United States against the State of New Mexico, the Middle Rio Grande Conservancy District, a reclamation and conservation district within New Mexico, and the officers and directors of said district, as defendants, alleging violations of the Rio Grande compact in that the defendants had failed and refused to deliver the quantities of water to which Texas is entitled under the compact, and seeking judgment of the Court requiring the defendants to comply with the compact; and

"Whereas the defendants in said suit requested the Court to dismiss the suit on the grounds that the United States was an indispensable party to the litigation because (a) the rights of Indians in New Mexico to the use of the waters of the Rio Grande were involved and only the United States could represent said Indians, and (b) the Bureau of Reclamation, an agency of the United States, is in possession of and is operating the Middle Rio Grande Conservancy District project under a contract between the United States and the district, and the Congress of the United States has not given consent for the United States to be sued in such cases; and

"Whereas the Attorney General of the United States could have intervened in said suit for the United States but refused to do so; and

"Whereas on the 25th day of February 1957, the Supreme Court of the United States dismissed the suit on the grounds that the United States was an indispensable party; and

"Whereas in view of this action by the Supreme Court of the United States the State of Texas is powerless to maintain a suit against the State of New Mexico for the enforcement of the Rio Grande compact, and cannot have its claim heard on the facts and merits by any court so long as the State of New Mexico asserts that the United States is an indispensable party to any such suit; and

"Whereas past violations of the compact have resulted in enormous losses to the citizens of west Texas because of lack of water, and if such violations continue they will result in disaster to the economy of all areas above Fort Quitman, Tex., that are dependent upon the flow of the Rio Grande for their supply of water; and

"Whereas under the ruling of the Supreme Court of the United States the only method or manner by which any State signatory to the Rio Grande compact can maintain a suit for the enforcement of the compact will be for the Congress of the United States to enact a law giving consent for the United States to be made a party to any such suit in which the United States may be a necessary party thereto; and

"Whereas, the absence of such consent by the Congress has resulted in depriving the State of Texas of its day in court, a right which is fundamental to any concept of justice and equity, and if this situation is not corrected it will continue to prevent the State of Texas from ever having its case heard: Now, therefore, be it

"Resolved by the Senate and the House of Representatives of the Legislature of Texas, That the Congress of the United States is hereby urged to enact promptly a law reading substantially as follows:

"(a) Consent is given to join the United States as a defendant in any suit or controversy in the Supreme Court of the United States involving the Rio Grande compact in any case where the United States is a necessary party. The United States, when a party to such suit, shall be subject to the judgments, orders and decrees of the court; provided, that no judgment for costs shall be entered against the United States in any such suit.

"(b) Summons or other process in any such suit shall be served upon the Attorney General or his designated representatives.

"(c) To the extent that subsection (c) of section 208 of the act of July 10, 1952, is in conflict with this act, the same is hereby repealed; and be it further

"Resolved, That the Texas Members of the Congress promote and support such legislation; and, be it further

"Resolved, That the secretary of state of the State of Texas be and is hereby directed to send a copy of this memorial to the President and Vice President of the United States, to the President and Chief Clerk of the United States Senate, to the Speaker and Chief Clerk of the House of Representatives of the United States, to the United States Senators from Texas, and to all Texas Members of the House of Representatives of the United States.

"BEN RAMSEY,
"President of the Senate.
"WAGGONER CARR,
"Speaker of the House.

"I hereby certify that House Concurrent Resolution 76 was adopted by the house on April 2, 1957.

"DOROTHY HALLMAN,
"Chief Clerk of the House.

"I hereby certify that House Concurrent Resolution 76 was adopted by the senate on April 9, 1957.

"CHARLES SCHNABEL,
"Secretary of the Senate."

A resolution of the Second Legislature of the Virgin Islands; to the Committee on Appropriations:

"Bill 376

"Resolution petitioning the Congress of the United States to appropriate funds for the improvement of the harbors at Charlotte Amalie, St. Thomas, and Christiansted, St. Croix, V. I., of the United States

"Whereas the dredging of the harbor of Charlotte Amalie, St. Thomas, was, upon

recommendation made by the Chief of Army Engineers, authorized by Congress in the Rivers and Harbors Act of 1937, pursuant to House Document No. 200, 75th Congress, 1st session, to consist of: (a) Provision of an entrance channel 36 feet deep and generally 600 feet wide; (b) removal of Scorpion Rock to a depth of 36 feet; (c) provision of an anchorage area 33 feet in depth; and (d) breakwater 700 feet long between Rupert Rock and the mainland; and

"Whereas the improvement of the Christiansted, St. Croix Harbor was, upon recommendation of the Chief of Army Engineers, authorized by Public Law 516, 81st Congress, pursuant to House Document No. 771, 80th Congress, to consist of a channel 25 feet deep, below mean low water and 300 feet wide from deep water in the Caribbean Sea to a turning basin of the same depth about 600 feet wide and 900 feet long; and

"Whereas the Appropriation Act for the fiscal year which ended June 30, 1951, appropriated the sum of $1 million for the St. Thomas project, but the appropriation was impounded by the Bureau of the Budget because of the outbreak of war in Korea; and

"Whereas both projects are imperative from both the strategic and economic points of view; and

"Whereas both the Army and Navy have indicated that the improvement of both harbors would contribute materially to the national defense and would improve the value of the harbors as a hurricane refuge in this area; and

"Whereas the improvement of both harbors would be a boon to the ships of the United States Navy as well as to cruise ships which are entering the harbors; and

"Whereas many large commercial cruise ships are anxious to come to the islands, but are unable to do so because of the inadequate harbor facilities; and

"Whereas the improvement of both harbors is of the utmost importance to the economic stability of the islands; and

"Whereas the improvement of both harbors will greatly enhance the development of tourism in the Vigin Islands: Be it

"Resolved by the Legislature of the Virgin Islands, That the Congress of the United States be and it is hereby petitioned to appropriate, pursuant to the authorizations provided for in the acts of Congress hereinbefore referred to, the necessary funds for the completion of the aforementioned projects at both Christiansted, St. Croix, and Charlotte Amalie, St. Thomas, V. I.; and it is further

"Resolved, That copies of this resolution be forwarded to the President of the Senate, the Speaker of the House of Representatives, the House Subcommittee on Interior Appropriations, the Senate Subcommittee on Interior Appropriations, the Secretary of Defense, the Chief of Army Engineers, the Secretary of the Interior, and the Governor of the Virgin Islands.

"Thus passed by the Legislature of the Virgin Islands on April 12, 1957.

"Witness our hands and the seal of the Legislature of the Virgin Islands this 15th day of April A. D. 1957.

"AUBREY A. ANDUZE,
"President.

"JOHN D. MERWIN,
"Legislative Secretary."

The petition of Myra Babcock, of Pleasant Ridge, Mich., favoring the enactment of legislation to provide compulsory humane slaughtering of animals; to the Committee on Agriculture and Forestry.

A resolution adopted by the Chamber of Commerce, of Jersey City, N. J., relating to governmental economy, and so forth; to the Committee on Appropriations.

A telegram in the nature of a petition, signed by Joseph Elinzy Camp, of Redondo Beach, Calif., relating to national defense; to the Committee on Armed Services.

A resolution adopted by the Congressional Medal of Honor Society, South Orange, N. J., expressing its gratitude that peace now exists in the world; to the Committee on Foreign Relations.

A resolution adopted by the city council of the city of Cambridge, Mass., relating to the extension of broadcast hours to station WTAO; to the Committee on Interstate and Foreign Commerce.

A letter, in the nature of a petition, signed by Richard S. White, president, Virginia Moose Association, Gloucester, Va., relating to civilian employees' rights; to the Committee on Post Office and Civil Service.

A resolution adopted by the township committee of the township of Ewing, Trenton, N. J., favoring the enactment of legislation to increase the salaries of postal employees; to the Committee on Post Office and Civil Service.

A resolution adopted at a conference called by the Governor of the State of Ohio, at Cleveland, Ohio., April 12, 1957, relating to the diversion of water from the Great Lakes watershed; to the Committee on Public Works.

A letter, in the nature of a petition, from the National Cowboy Hall of Fame and Museum, Oklahoma City, Okla., signed by Albert K. Mitchell, chairman, executive committee, relating to a proposed cowboy hall of fame and museum; to the Committee on Rules and Administration.

By Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND):

A concurrent resolution of the Legislature of the State of South Carolina; to the Committee on Armed Services:

"Concurrent resolution memorializing the commandant of the Marine Corps to name the Marine Corps auxiliary air station at Beaufort, S. C., in honor of Maj. Gen. Lewie Griffith Merritt (retired)

"Whereas the Marine Corps has established and is operating a new airbase at Beaufort, S. C., presently known as the Marine Corps auxiliary air station; and

"Whereas it is fitting that this new base be named in honor of one of its former generals who specialized in and fostered aviation in the Marine Corps and it would be particularly proper to name this station after a South Carolinian, which State has furnished the corps with many of its illustrious sons who have distinguished themselves on active duty with the corps; and

"Whereas Maj. Gen. Lewie Griffith Merritt (retired) is a native South Carolinian, having been born and reared in South Carolina and educated at The Citadel, where he graduated in the class of 1917, at which time he was commissioned a second lieutenant in the United States Marine Corps on April 7, 1917; and

"Whereas General Merritt reported for active duty with the corps on May 15, 1917, and served continuously thereafter for a period of 30 years until his voluntary retirement with the rank of major general; and

"Whereas the greater portion of General Merritt's service was spent in organizing and fostering Marine Corps aviation, having logged more than 5,000 hours himself as an active pilot, and at the time of his retirement he was qualified to fly all types of marine aircraft; and

"Whereas his career was marked by distinguished service in World War I and World War II; and

"Whereas during World War II he was the first American shot down in the European theater where he was flying as an observer over enemy territory on an observation mission with the British; and

"Whereas subsequently he commanded an aviation unit in the Pacific theater, where his command distinguished itself in combat with the enemy; and

"Whereas at the time of his voluntary retirement he was commanding general at Cherry Point Marine Base: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the commandant of the United States Marine Corps is memorialized and requested to name the Marine Corps auxiliary air station at Beaufort, S. C., in honor of Maj. Gen. Lewie Griffith Merritt (retired), a distinguished marine aviator, a native South Carolinian, and an illustrious American; be it further

"Resolved, That a copy of this resolution be forwarded by the clerk of the senate to the commandant of the United States Marine Corps and to each representative in Congress from South Carolina."

Two concurrent resolutions of the Legislature of the State of South Carolina; to the Committee on Finance:

"Concurrent resolution memorializing Congress to repeal that portion of Public Law 880 of the 84th Congress which reduces social security disability insurance benefits by such amounts as are received as benefits under any other law

"Whereas Public Law 880 of the 84th Congress reduces social security disability insurance benefits by the amount of such benefits as are received under any other law which includes Veterans' Administration benefits; and

"Whereas the general assembly believes that social security benefits are those for which the disabled person has paid for himself, and further that such a veteran has earned Veterans' Administration compensation or pension by virtue of wartime service; and

"Whereas the general assembly deplores such a reduction and believes that that portion of Public Law 880 which affects such a reduction should be repealed: Now, therefore, be it

"Resolved by the senate (the house of representatives concurring), That the Congress of the United States is memorialized to repeal section 224 which is that portion of Public Law 880 which relates to the reduction of benefits; be it further

"Resolved, That a copy of this resolution be forwarded to each Senator from South Carolina and each Member of the House of Representatives from South Carolina in the Congress of the United States, and that they be urged to make every effort to have section 224 repealed."

"Concurrent resolution memorializing Congress to repeal excise taxes on the transportation of persons and property

"Whereas a 10-percent levy on the transportation of persons and a 3-percent levy on the transportation of property were enacted by the Congress of the United States during World War II as a wartime emergency measure; and

"Whereas one of the principal purposes for levying such tax upon the transportation of persons was to discourage unnecessary wartime travel; and

"Whereas, although the emergency has long since passed, the excise taxes have been continued until the fact that it was an emergency tax seems to have been forgotten; and

"Whereas the tax on freight is levied—not just once—but at every stage of manufacture and marketing from raw materials to sales of finished goods and the combined effect of the pyramided taxes and sellers' markups is reflected in prices consumers pay; and

"Whereas the transportation of both persons and property plays such a vital role in the economic life of this country to the extent that the costs of transportation should

always be kept at the lowest possible level; and

"Whereas continuation of this discriminatory tax is having an adverse effect upon the business of the regulated carriers, undermining an industry which is vital to national defense; and

"Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

"Resolved by the Senate of South Carolina (the House of Representatives concurring), That the Congress of the United States be memorialized to take such action as may be necessary to remove excise taxes on the transportation of persons and property; be it further

"Resolved, That copies of this resolution be forwarded to each Member of Congress from South Carolina."

(Mr. JOHNSTON of South Carolina (for himself and Mr. THURMOND) presented a concurrent resolution of the Legislature of the State of South Carolina, identical with the foregoing, which was referred to the Committee on Finance.)

By Mrs. SMITH of Maine:

A joint resolution of the Legislature of the State of Maine; to the Committee on Agriculture and Forestry:

"Joint resolution memorializing the President and the Congress to correct governmental policies which create unreasonable competitive disadvantages for the cotton textile industry

"We, your memorialists, the Senate and House of Representatives of the State of Maine in the 98th legislative session assembled, most respectfully present and petition the President and the Congress as follows:

"Whereas the Bates Manufacturing Co. has announced the closing of two of its Maine plants, creating unemployment for thousands of Maine textile workers; and

"Whereas continued unfair foreign competition threatens the existence of the textile industry in Maine and other parts of the Nation; and

"Whereas this threat is immediate, burdensome, and demoralizing to workers, their families and their neighbors; and

"Whereas these thousands of American citizens are confronted with unemployment, family displacement, and economic insecurity in a period of record high spending, high cost of living, and general prosperity; and

"Whereas Federal policies have contributed to the crisis in the textile industry; and

"Whereas only the President and the Congress of the United States have the power to mobilize the resources of the Federal Government to alleviate this problem: Now, be it

"Resolved, That we, the Members of the Senate and House of Representatives of the Maine State Legislature, do urgently request the President of the United States, Dwight David Eisenhower, to use the powers of his office and of the several departments of the Government of the United States to effect immediate action to remedy the present situation in the textile industry and to establish a long-range program to provide for a healthy recovery and growth of the textile industry; and be it further

"Resolved, That S. 314, 'To assist the United States cotton textile industry in regaining its equitable share of the world market,' and other measures designed to resolve the immediate emergency confronting the cotton textile industry and to promote its long-range prosperity, be acted upon forthwith by the Congress; and be it further

"Resolved, That a copy of this memorial, duly authenticated by the secretary of state, be immediately transmitted by the secretary of state to the President and to the Senate and House of Representatives in Congress, the membership of said Senate and House of Representatives from this State and to the presiding officers of each of the legislatures in the New England States."

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Maine, identical with the foregoing, which was referred to the Committee on Agriculture and Forestry.)

By Mr. JAVITS:

A concurrent resolution of the Legislature of the State of New York; to the Committee on the Judiciary:

"Concurrent Resolution 64

"Concurrent resolution creating a joint legislative committee to cooperate with the Federal Commission in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday and making an appropriation for its expenses

"Whereas the Congress of the United States has created the Theodore Roosevelt Centennial Commission of 15 members, including President Eisenhower, Vice President Nixon, and four Members of Congress from New York State; and

"Whereas Theodore Roosevelt was born in New York State, grew up in New York State, and served as a member of the New York Assembly and as Governor of New York before going on to become President of the United States; and

"Whereas the year 1958 is the centennial anniversary of the birth of the great rough-rider; and

"Whereas the State of New York is justly proud of her citizen who acquitted himself so well in war and peace; and

"Whereas it is fitting and proper that the State of New York should cooperate with the Commission created by Congress in the celebration of the centennial anniversary of Theodore Roosevelt's birthday: Now, therefore, be it

"Resolved (if the senate concur), That it is the sense of the legislature that the State of New York should cooperate and lend assistance to the successful celebration of the centennial anniversary of Theodore Roosevelt's birthday; and be it further

"Resolved (if the senate concur), That a joint legislative committee be, and it is hereby, created to serve until December 31, 1958, to be known as the Joint Legislative Committee for the Theodore Roosevelt Centennial. Such committee shall consist of 3 members of the senate, to be appointed by the temporary president of the senate; 3 members of the assembly, to be appointed by the speaker of the assembly. Any vacancy in the membership of the committee shall be filled by the officer authorized to make the original appointment. Such committee shall, at such time or times as may be appropriate: (a) attend, on behalf of the State of New York, at appropriate ceremonies or other occasions of the centennial celebration, (b) formerly convey at such ceremonies and occasions the greetings and felicitations of the State of New York, and (c) extend suitable greetings and courtesies to Representatives from the Congress of the United States and other persons who may participate in or attend the centennial celebration. Such committee is empowered otherwise to act on behalf of the State in the observance of the Roosevelt centennial. Such committee may request and shall receive from all public officers, departments, and agencies of the State and its political subdivisions such cooperation and assistance as may be necessary or appropriate to carry out the purpose of this resolution; and be it further

"Resolved (if the senate concur), That the sum of $10,000, or so much thereof as may be necessary is hereby appropriated from the contingent fund of the legislature for the necessary expenditures of such committee, payable on the audit and warrant of the comptroller on vouchers certified and approved by the chairman of the committee in the manner provided by law; and be it further

"Resolved (if the senate concur), That copies of this resolution be transmitted to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, and to each Member of Congress duly elected from the State of New York."

CONCURRENT RESOLUTION OF KANSAS LEGISLATURE

Mr. SCHOEPPEL. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, Senate Concurrent Resolution 11 which has been adopted by the Kansas Legislature. This concurrent resolution petitions the Congress of the United States to take such actions as are necessary to assure continuance of surveys and planning and assure cooperation in the construction of projects in the State of Kansas that are vital and necessary for the prevention of floods, and for the conservation of soil and water.

There being no objection, the concurrent resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Concurrent Resolution 11

Concurrent resolution petitioning the Congress of the United States to take appropriate action to assure the continuance of surveys and planning and cooperation in the construction of projects in the State of Kansas that are vital and necessary to the conservation of soil and water by the bureau of reclamation, the United States Department of Agriculture and the Corps of Engineers and other Federal agencies and departments

Whereas water and soil are the most valuable natural resources of Kansas; and

Whereas the citizens, industries, farms, and cities of Kansas have always been subject to flood and drought but more recently they have experienced severe hardships and great financial losses from floods and droughts during the years 1951, 1952, 1953, 1954, 1955, and 1956; and

Whereas many cities, industries and farms are suffering from a critical shortage of water, and, at the same time, are exposed to the further hazards of floods and droughts; and

Whereas it has become evident that we must use every means available and feasible to conserve and control all of the sources of water supply; and

Whereas the nature of rivers is such that storms occurring in headwater regions of a stream in one State frequently inflict damage to areas in other States; and

Whereas there is a vital need for bolstering stream levels for the benefit of entire valleys and entire regions; and

Whereas the Federal Government through acts of Congress has delegated to three agencies, namely, the Bureau of Reclamation, the Soil Conservation Service of the United States Department of Agriculture and the Corps of Engineers the principal responsibilities for the conservation of water and soil, and, more

specifically, such matters as flood control, water supply, irrigation, pollution control and soil conservation, and has also delegated to other Federal agencies and departments matters related to the conservation of water and soil, flood control, water supply, irrigation and pollution control: Now, therefore, be it

Resolved by the Senate of the State of Kansas (the House of Representatives concurring therein), That we respectfully urge, request and petition the Congress of the United States to take what actions are necessary to assure continuance of surveys and planning and assure cooperation in the construction of projects in the State of Kansas that are vital and necessary to prevention of floods, and to the conservation of soil and water, by the three agencies, namely, the Bureau of Reclamation, the Soil Conservation Service of the United States Department of Agriculture and the Corps of Engineers, and also other Federal agencies or departments; and be it further

Resolved, That the secretary of state be instructed to transmit enrolled copies of this resolution to the President of the United States, the Vice President of the United States, each Member of the Congress of the United States, and the Director of the Bureau of the Budget of the United States.

I hereby certify that the above concurrent resolution originated in the senate, and was adopted by that body February 28, 1957.

JOSEPH W. HENKLE, Jr.,
President of the Senate.
RALPH E. BARKER,
Assistant Secretary of the Senate.

Adopted by the House April 3, 1957.

JESS TAYLOR,
Speaker of the House.
A. E. ANDERSON,
Chief Clerk of the House.

RESOLUTION OF CITY COUNCIL OF JEFFERSON CITY, MO.

Mr. SYMINGTON. Mr. President, on behalf of my colleague, the senior Senator from Missouri [Mr. HENNINGS], and myself, I should like to call the attention of the Senate to the fact that on April 16, 1957, the City Council of Jefferson City, Mo., adopted a resolution expressing the unanimous opposition of the mayor and the City Council of Jefferson City, Mo., to the enactment into law by the Congress of H. R. 6790 and 6791, identical bills introduced on April 10, by Representatives HARRIS and O'HARA, respectively, to amend the Natural Gas Act. The resolution expresses opposition to these "or any other proposed legislation which might in any way change or alter the present situation with respect to the producers of natural gas in the United States."

I present the resolution for appropriate reference, and ask unanimous consent that it be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce and ordered to be printed in the RECORD, as follows:

Whereas recently there has been introduced into the House of Representatives two bills numbered 6790 and 6791, respectively, known as the Harris bill and the O'Hara bill; and

Whereas the mayor and City Council of Jefferson City, Mo., are of the opinion that the enactment of either of these bills into law would be injurious and detrimental to the best interests of the citizens and residents of Jefferson City, Mo.: Now, therefore, be it

Resolved by the City Council of the City of Jefferson City, Mo., as follows:

SECTION 1. The mayor and the City Council of Jefferson City, Mo., are on record as being unanmmously opposed to enactment into law by the Congress of the United States of House of Representatives bills Nos. 6790 and 6791, known respectively as the Harris bill and the O'Hara bill, or any other proposed legislation which might in any way change or alter the present situation with respect to the producers of natural gas in the United States.

SEC. 2. The mayor and the City Council of Jefferson City, Mo., urge the Honorable MORGAN MOULDER, as Representative of the 11th Congressional District of Missouri, to vote against and oppose said legislation, and in the event said legislation is passed by the House of Representatives, the mayor and the City Council of Jefferson City, Mo., urge the Honorable THOMAS HENNINGS and the Honorable STUART SYMINGTON, as the United States Senators of Missouri, to vote against and oppose said legislation in the United States Senate.

SEC. 3. In the event the Honorable MORGAN MOULDER, the Honorable THOMAS HENNINGS, or the Honorable STUART SYMINGTON deem it necessary to vote in favor of proposed legislation dealing with natural gas, the mayor and the City Council of Jefferson City, request that they be advised and informed of the reason for so voting.

SEC. 4. That the city clerk of the city of Jefferson City, Mo., is hereby authorized and directed to mail certified copies of this resolution to the Honorable THOMAS HENNINGS, the Honorable STUART SYMINGTON, and the Honorable MORGAN M. MOULDER in Washington, D. C.

SEC. 5. This resolution shall be in force and effect from and after its passage and approval.

Passed April 16, 1957.
Approved April 16, 1957.

ARTHUR W. ELLIS,
President of the Council.
ARTHUR W. ELLIS,
Mayor.

RESOLUTION OF WISCONSIN COUNCIL OF SAFETY OPPOSING S. 815

Mr. WILEY. Mr. President, on previous occasions it has been my pleasure to point out the splendid job which has been done by labor and management in the State of Wisconsin in improving industrial safety practices.

The Wisconsin Council of Safety, in particular, has been the spearhead of the safety effort.

In this connection, I received this morning from R. W. Gillette, executive secretary-treasurer of the council, the text of a resolution which the council had adopted. The resolution opposes Federal legislation which would provide for Federal grants-in-aid to the States for industrial safety purposes.

The resolution expresses the strong conviction that the goal of greater safety might better be achieved through intensified State and local voluntary effort, rather than through the extension of Federal activity, as such, involving new appropriations in a new field.

I know this resolution will be read with deep interest, particularly in view of the very sizable financial burdens which we already confront on all sides. Certainly, the council is in a very strong position to make these comments, because it has representatives on it of 53 associations. They, in turn, represent some 226,729 persons.

So far as I am concerned, I want a still higher safety record achieved. Naturally, if the job can be performed on an entirely voluntary basis, that would be a welcome achievement.

At any rate, so that the private view, so to speak, may be fully recognized on this very important subject, and from a very worthwhile source, I present the text of the council's resolution. I ask unanimous consent that it be printed at this point in the body of the CONGRESSIONAL RECORD, and that preceding it, there be printed a list of the distinguished officers, directors, trustees, and advisers of the council.

There being no objection, the list of names and the resolution were ordered to be printed in the RECORD, as follows:

Wisconsin Council of Safety, 1 West Wilson, Street, room 234, Madison, Wis.: President, George Nelson, Consolidated Water Power & Paper Co., Wisconsin Rapids; vice president, Leslie Mangin, Manitowoc Shipbuilding Co., Manitowoc; vice president, Walter Lindemann, Hough Manufacturing Co., Janesville; vice president, Lyle Barndt, Wisconsin Farmco Service Cooperative, Prairie du Chien; immediate past president, Everett Ravn, Wisconsin Power & Light Co., Madison; executive secretary-treasurer, R. W. Gillette, Industrial Commission, Madison.

Directors: Howard Aderhold, Menasha, Marathan Corp.; Earl Aspinall, Fort Atkinson, Creamery Package Manufacturing Co.; J. J. Banach, Marinette, Ansul Chemical Co.; John Bauer, Stevens Point, Hardware Mutuals Casualty Co.; R. W. Christensen, West Bend, West Bend Aluminum Co.; Paul Edlund, Madison, Motor Vehicle Department; Earl Eckblad, New Richmond, Friday Canning Corp.; Charles Elsby, Milwaukee, Employers Mutuals of Wausau; Pat Felker, Marshfield, Felker Bros. Manufacturing Co.; Les Forde, Fond du Lac, Giddings & Lewis Machine Tool Co.; Lyle Freeman, Ashland, Splicedwood Corp.; James Franey, Eau Claire, United States Rubber Co.; William Frish, Watertown, Kusel Dairy Equipment Co.; Ed Garthwaite, Oshkosh, Deltox Rug Co.; W. O. Hanson, La Crosse, Allis-Chalmers Manufacturing Co.; Jess Hogans, Beloit, Fairbanks-Morse Co.; Harold Holton, Superior, Superior Water, Light & Power Co.; Henry Jobelius, Appleton, Appleton Wire Works; C. R. Johnston, Cornell, Cornell Paperboard Products Co.; H. C. Johnson, Racine, Eagle Luggage Co.; Marvin Keil, Beaver Dam, Green Giant Co.; Melvin Koeppen, Walworth, Perfect Seal Manufacturing Co.; J. A. Long, Green Bay, Baywest Paper Co.; Richard Lutz, Milwaukee, Falk Corp.; C. J. Muth, Milwaukee, Milwaukee Association of Commerce; Allen Paschen, Baraboo, Northern Engineering Co.; Edward Pazdera, Two Rivers, police chief; James Reilly, Milwaukee, Cutler-Hammer, Inc.; Clyde Schlueter, Wausau, Employers Mutuals of Wausau; A. M. Thomsen, Kenosha, American Motors Corp., Nash division; John Thurman, Madison, Oscar Mayer & Co.; A. W. Wiemann, Sheboygan, Armour Leather Co.; Clyde Zamjahn, Waukesha, Waukesha Foundry Co.

Trustees: W. R. Arthur, Janesville, W. R. Arthur Co.; M. F. Biancardi, Milwaukee, Allis-Chalmers Manufacturing Co.; W. E. Buchanan, Appleton, Appleton Wire Works; R. A. Ewens, Milwaukee, Wisconsin Manufacturers Association; Myron Jolidon, Milwaukee, Standard Oil Co.; C. P. McBride, Milwaukee, Pabst Brewing Co.; R. G. Knutson, Madison

Industrial Commission; E. C. Woodward, Milwaukee, A. O. Smith Corp.

Advisers: A. M. Baltzer, Small Business & Associations manager, National Safety Council; Alice Barrett, assistant executive secretary, Wisconsin State Nurses Association; Luida Sanders, director, health education division, State board of health; Frank Hausheer, general manager, State chamber of commerce; Edward J. Konkol, executive secretary, Wisconsin Good Roads Association; William Lea, director, industrial hygiene division, State board of health; John TePoorten, coordinator, Wisconsin Vocational Schools; Roger Ostrem, director, safety and building division, industrial commission; Earl Thayer, assistant secretary, State Medical Society of Wisconsin; R. C. Salisbury, director, safety division, motor vehicle department; I. F. Statz, supervisor, Fire Prevention Industrial Commission of Wisconsin; R. C. Swanson, farm safety specialist, University of Wisconsin; John Varda, general manager, Wisconsin Motor Carriers Association; M. P. Verhulst, executive secretary, Wisconsin Canners Association; Wayne Volk, engineer of traffic services, State highway commission; Stuart Wright, general manager, AAA, Wisconsin division; Lloyd Yaudas, public relations manager, Wisconsin Mutuals Insurance Alliance.

Honorary lifetime member: Voyta Wrabetz, Madison.

RESOLUTION RELATING TO SENATE BILL 815, PROPOSING FEDERAL GRANTS-IN-AID TO STATES FOR INDUSTRIAL SAFETY

Whereas Senate bill 815, proposing Federal grants-in-aid to States for industrial safety, is now pending in the United States Senate Labor Committee; and

Whereas said proposed legislation contemplates that more regulations and inspections administered by the States, under Federal supervision, will contribute to the cause of industrial safety, which concept the Wisconsin Council of Safety believes to be wrong, for the following reasons:

(a) Adequate regulations and inspections are presently administered by many of the States, including Wisconsin, without Federal aid or supervision. The experience in these States indicates that, as the need arises, other States can likewise adopt and enforce laws providing for appropriate regulations and inspections.

(b) Adequacy of present inspection activity administered by the State of Wisconsin is evidenced by the fact that only approximately 2 percent of all compensable injuries occurring in Wisconsin in the past 10 years have involved violations of State safety codes; and

Whereas said proposed legislation contemplates a program for promoting the observance of safety precautions through the voluntary cooperation of employers and employees in industry, the Wisconsin Council of Safety believes that such promotion is best carried out in voluntary manner, with no Federal assistance or supervision. In addition to the State agencies, there are other nongovernmental agencies now actively engaged in the cause of industrial safety, including the National Safety Council, with its State and local organizations, numerous voluntary trade and industrial associations, and the workmen's compensation insurance companies of the Nation. The Wisconsin Council of Safety believes that these existing agencies and organizations are wholly adequate to carry out the safety promotion contemplated by said legislation; and

Whereas the Wisconsin Council of Safety believes that the present-day industrial safety problem is not one which calls for additional regulations or inspections, but is rather one which calls for the education and motivation of management and supervisory personnel in attitudes and habits of industrial safety. This is the objective of the numerous voluntary industrial and trade associations, of the National Safety Council and its State and local associations, and of the workmen's compensation insurance companies with which practically every industry must deal; and

Whereas the expenditure of Federal funds as proposed by said legislation would not materially benefit the cause of industrial safety, nor any other worthy cause, and because there is now a widely recognized need for reduction of Federal expenditures: Now, therefore, be it

Resolved, That the Wisconsin Council of Safety be shown, on the record, as opposed to the foregoing proposed bill and any legislation similar thereto; and be it further

Resolved, That a copy of this resolution be prepared for and delivered to Senator ALEXANDER WILEY, Senator JOSEPH R. MCCARTHY, Representative LAWRENCE H. SMITH, Representative DONALD E. TEWES, Representative GARDNER R. WITHROW, Representative CLEMENT J. ZABLOCKI, Representative HENRY S. REUSS, Representative WILLIAM K. VAN PELT, Representative MELVIN R. LAIRD, Representative JOHN BYRNES, Representative LESTER R. JOHNSON.

Dated April 12, 1957.

WISCONSIN COUNCIL OF SAFETY,
CLYDE SCHLUETER, *Chairman*,
Legislative Advisory Committee.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 463. A bill for the relief of Pedro Ampo (Rept. No. 252);

S. 465. A bill for the relief of Maria Concetta Di Turi (Rept. No. 253);

S. 730. A bill for the relief of Shao Fong Sha (Rept. No. 254);

S. 756. A bill for the relief of Giuseppe Sciortino (Rept. No. 255); and

S. 891. A bill for the relief of Dr. Cheung Nung Huang (Rept. No. 256).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 653. A bill for the relief of Mrs. Elsbe Hermine van Dam Hurst (Rept. No. 257);

S. 874. A bill for the relief of Cornelis Vander Hoek (Rept. No. 258); and

S. 1206. A bill for the relief of Antoine Velleman (Rept. No. 259).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 307. A bill for the relief of Noemi Maria Vida Williams (Rept. No. 260);

S. 767. A bill for the relief of Christos A. Mauroyenis (Mavrogenis) (Rept. No. 261);

S. 804. A bill for the relief of George Christopoulos, a minor (Rept. No. 262); and

H. J. Res. 133. Joint resolution for the relief of certain spouses and minor children of citizens of the United States (Rept. No. 263).

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary, with amendments:

S. 1639. A bill to provide for the suspension of the vesting of alien property, and the liquidation of vested property, under the Trading With the Enemy Act (Rept. No. 264).

Mr. JOHNSTON of South Carolina subsequently said: Mr. President, I ask unanimous consent that the report and the minority views on Senate bill 1639, which I reported earlier today, be printed.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Francis Everett Van Alstine, of Iowa, to be United States attorney for the northern district of Iowa;

Roy L. Stephenson, of Iowa, to be United States attorney for the southern district of Iowa;

Roland A. Walter, of Iowa, to be United States marshal for the southern district of Iowa; and

Richard A. Simpson, of Virginia, to be United States marshal for the eastern district of Virginia.

By Mr. O'MAHONEY, from the Committee on the Judiciary:

John F. Raper, Jr., of Wyoming, to be United States attorney for the district of Wyoming.

By Mr. DIRKSEN, from the Committee on the Judiciary:

John B. Stoddart, Jr., of Illinois, to be United States attorney for the southern district of Illinois;

Clifford M. Raemer, of Illinois, to be United States attorney for the eastern district of Illinois; and

William J. Littell, of Illinois, to be United States marshal for the southern district of Illinois.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas:

S. 1925. A bill for the relief of Charles H. Denny and Dorothy Mae Denny, his wife; to the Committee on the Judiciary.

By Mr. BEALL:

S. 1926. A bill to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; to the Committee on Finance.

S. 1927. A bill for the relief of Salvatore Sipala; and

S. 1928. A bill for the relief of Stephen Ling-Tsung Tsao and Nancy Yat-Sun Lam Tsao, his wife; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1929. A bill for the relief of Stephen James Meier;

S. 1930. A bill for the relief of Todd Gene Biedermann; and

S. 1931. A bill for the relief of Jon Frederick Cordes; to the Committee on the Judiciary.

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1932. A bill to make certain provisions in connection with the construction of the Garrison Diversion Unit, Missouri River Basin project, by the Secretary of the Interior; to the Committee on Public Works.

By Mr. WATKINS:

S. 1933. A bill to amend the Administrative Procedure Act; to the Committee on the Judiciary.

By Mr. ELLENDER:

S. 1934. A bill for the relief of Barbara Woodward Luckett; to the Committee on the Judiciary.

By Mr. MORSE (for himself, Mr. MAGNUSON, Mr. JACKSON, and Mr. NEUBERGER):

S. 1935. A bill granting the consent and approval of Congress to the Oregon-Wash-

ington Columbia River Boundary Compact; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. CURTIS (for himself, Mr. HRUSKA, Mr. BENNETT, Mr. HICKENLOOPER, Mr. CARLSON, Mr. SCHOEPPEL, Mr. MUNDT, Mr. CASE of South Dakota, Mr. YOUNG, Mr. WATKINS, and Mr. BARRETT):

S. 1936. A bill to amend the Defense Production Act of 1950 so as to require periodic reports to the Congress concerning action taken to carry out the policy of the Congress to encourage geographical dispersal of industrial facilities; to the Committee on Banking and Currency.

(See the remarks of Mr. CURTIS when he introduced the above bill, which appear under a separate heading.)

RESOLUTIONS

Mr. JOHNSON of Texas submitted Senate Resolution 129, relative to the beginning of the term of the junior Senator from Texas [Mr. YARBOROUGH], which was considered and agreed to.

(See resolution printed in full when submitted by Mr. JOHNSON of Texas, which appears under a seperate heading.)

PRINTING OF ADDITIONAL COPIES OF FINAL REPORT OF SPECIAL COMMITTEE TO INVESTIGATE POLITICAL ACTIVITIES, LOBBYING, AND CAMPAIGN CONTRIBUTIONS

Mr. McCLELLAN submitted the following resolution (S. Res. 130); which was referred to the Committee on Rules and Administration:

Resolved, That there be printed for the use of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions 3,000 additional copies of the committee's final report to the Senate, made pursuant to Senate Resolution 219, 84th Congress and Senate Resolutions 47 and 128, 85th Congress.

OREGON-WASHINGTON COLUMBIA RIVER BOUNDARY COMPACT

Mr. MORSE. Mr. President, it gives me a great deal of pleasure to introduce, for appropriate reference, a bill cosponsored by my colleagues, the Senior Senator from Washington [Mr. MAGNUSON], the junior Senator from Washington [Mr. JACKSON], and the junior Senator from Oregon [Mr. NEUBERGER]. This bill is designed to bring about congressional consent and approval to an Oregon-Washington Columbia River boundary compact, as set forth in the bill.

Approval of this compact by the Congress will assist in carrying out the exemplary purpose, as set forth in article I of the bill, of fixing precsisely the Columbia River boundary between the two States to the end that uncertainties and disputes may be eliminated, particularly with reference to enforcement and administration of the laws of the two States.

The legislatures of Oregon and Washington have ratified the compact, and the next step in the compact procedure will be the ratification by the Congress. The Senators from the States of Oregon and Washington sincerely hope, Mr. President, that this very worthwhile legislative proposal will have early action in committee and on the floor of the Senate.

I ask unanimous consent to have printed at this point in the RECORD a letter which I have received from the Honorable Robert D. Holmes, Governor of the State of Oregon, in which he discusses the proposed compact.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF OREGON,
Salem, Oreg., April 16, 1957.

The Honorable WAYNE L. MORSE,
The United States Senate,
Washington, D. C.

DEAR WAYNE: Enclosed is a certified copy of chapter 94, Oregon laws 1957 (Senate bill 1), which ratifies a compact between Oregon and Washington, defining that part of the State boundary which lies in the Columbia River. The compact also has been ratified by the legislature of the State of Washington.

You will note from article III on page 6 of the enclosed law that the compact does not become effective until after it has been approved by the Congress of the United States and the constitutions of the States of Oregon and Washington have been amended. Since the compact has now been approved by the Legislature of Washington and Oregon, the next step is to submit it to the Congress for approval.

I would appreciate it if you, as the senior Senator from Oregon, would take the initiative in causing a bill to be introduced in the Congress by the Oregon and Washington delegations to approve this compact.

I am writing to each member of the Oregon delegation, sending each a certified copy of the Oregon law and asking that each join with you and the Washington delegation in sponsoring this legislation.

Kindest personal regards.

Sincerely,

ROBERT D. HOLMES,
Governor.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1935) granting the consent and approval of Congress to the Oregon-Washington Columbia River boundary compact, introduced by Mr. MORSE (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

DISPERSAL OF DEFENSE INDUSTRIES

Mr. CURTIS. Mr. President, I introduce, for appropriate reference, a bill proposing to amend the Defense Production Act of 1950, as amended. I am introducing the bill on behalf of myself, my colleagues the senior Senator from Nebraska [Mr. HRUSKA], the Senator from Utah [Mr. BENNETT], the Senator from Iowa [Mr. HICKENLOOPER], the Senators from Kansas [Mr. SCHOEPPEL and Mr. CARLSON], the Senators from South Dakota [Mr. MUNDT and Mr. CASE], the Senator from North Dakota [Mr. YOUNG], the Senator from Utah [Mr. WATKINS], and the Senator from Wyoming [Mr. BARRETT].

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 1936) to amend the Defense Production Act of 1950 so as to require periodic reports to the Congress concerning action taken to carry out the policy of the Congress to encourage geographical dispersal of industrial facilities, introduced by Mr. CURTIS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. CURTIS. Mr. President, as you know, the national industrial dispersion program was announced in August 1951, and was designed to scatter, as much as possible, new defense industries. As part of the Korean mobilization program, this was supposed to encourage new defense facilities to settle outside potential target areas. Obviously, the politics of this program have direct effect on its promulgation; and, thus far, we have done little more than give lipservice to an ideal.

Last year, the measure extending the Defense Production Act to June 30, 1958, contained a dispersal section sponsored by the Senator from Utah [Mr. BENNETT]. The amendment, in summary, directs the Federal Government to apply the principle of industrial dispersion when feasible, in erecting plants, in participating in such plant erection or improvement, and in the procurement of goods and services under this act.

The bill being introduced today, if enacted, will require the Office of Defense Mobilization to transmit to the Senate and House of Representatives, on or before July 1, 1957, and semiannually thereafter, a report on the action taken by the agencies of Government in carrying out the policies of dispersion of defense industries. I am highly pleased that the Senator from Utah [Mr. BENNETT], the author of the dispersal amendment enacted last year, is one of the cosponsors of this bill.

Admittedly, my deep interest in this issue is occasioned by the fact that the nothern Great Plains region affords an excellent opportunity for industrial expansion. My State of Nebraska provides the elements needed for the support of new industry—transportation, water, power, stable and efficient labor, and a history of good industrial relations. Several communities in my State can satisfactorily absorb units of production. We have several idle wartime plants which may well be used to meet some new defense need.

But transcending the strife in Congress between the "industrial haves" and the "industrial have-nots" is the recognition that continuing concentration of our productive capacity can be foolhardy in the event of atomic attack. The census of 1950 illustrated the fact that our 50 larger metropolitan areas contained 71 percent of industrial capacity which can be called defense supporting. An editorial in the September 1951 Bulletin of the Atomic Scientists, says:

Dispersal is the only measure which could make an atomic "super Pearl Harbor" impossible.

One of the first dispersal studies initiated was the "Project East River Commission," which made its study in 1952. In 1955, a committee headed by Gen. Otto L. Nelson, of the New York Life Insurance Co., reviewed the 1952 report, and concluded that—

It is high time that an effective [dispersal] program be developed to reduce urban and industrial vulnerability on a long-term basis.

As a practical step, General Nelson recommends that the United States seek to obtain a balanced 30 percent of its gross national production outside of the metropolitan target zones. The 30 percent factor is a starting point, and General Nelson uses this figure because it has been estimated that the present productive capacity of the Soviet Union is about 30 percent of our current level. While we are near the 30 percent figure, it is not a balanced production, according to General Nelson. He believes our productive capacity will grow at a rate of 4 percent per year for the next 10 years, and he holds that dispersion should be achieved by locating new or expanded facilities, rather than by moving existing ones.

Details on industrial concentration can be produced in volume; but we know that, unless motivated by sound defense objectives, human nature will usually follow the easiest course. For example, an article in Rubber World for August 1956, is entitled "The Rubber Industry Is Vulnerable to Atomic Attack." The article states that 6 well-directed H-bombs falling on 6 prime targets can wipe out two-fifths of the plants and personnel of our rubber industry. The article quotes Business Week for August 13, 1955, to point out that the shift of rubber production to new regions is relatively slight, and that 50 percent of postwar rubber industry expansion has been in the Great Lakes region, one-third in Ohio alone.

The problem of dispersion of industry is one we shall meet in the foreseeable future. It will not be solved in the Halls of Congress, nor will it be aided by emoting about the effects of atomic war. Industrialists are, by and large, a practical lot; and sound industrial planning cannot deny an appropriate emphasis on dispersion. I believe economics will be more determinative of ultimate dispersion than will governmental coercion or assistance. For the most part, governmental assistance need not attend beyond that normally afforded defense expansion.

I urge that this important bill be favorably considered within the near future.

I ask unanimous consent to have printed at this point in the RECORD an address delivered by Maj. Gen. David H. Baker to the Aviation Writers Association on November 16, 1956.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY MAJ. GEN. DAVID H. BAKER TO AVIATION WRITERS ASSOCIATION, NOVEMBER 16, 1956

It's a real pleasure to have this opportunity to discuss Air Force procurement and production problems with such an outstanding group of leading writers in the aviation world. Because I read your daily, weekly, and monthly articles most thoroughly, I have had to conclude that there isn't very much I can tell this group about today's procurement problems and how they affect industry. Therefore, I felt you might like to hear some of our ideas on what impact the trend toward guided missiles will probably have on our procurement and production policies and on our industrial relationships.

First, let there be no mistake that we are gradually yet certainly moving toward the era of guided missile. Today approximately 8 percent of our deliveries are for guided missiles. Five years ago less than one-tenth of 1 percent of our total dollar acceptances was for guided missiles, and 3 or 4 years from now we estimate that the percentage will be greatly increased. What is going on today in this area is more of a revolution than an evolution. The impact on the Air Force and industry will be as great or greater than that experienced when we went from Signal Corps observational missions to combat aircraft.

The guided missile era brings with it many new problems and requires many changes in concepts and policies. Many of these problems are common to those we encounter in our advancing supersonic manned vehicles. These include the need for greater automation of our production processes, with new requirements for highly skilled personnel. Also, there are common requirements for new materials such as titanium and stainless steels with new production techniques and manufacturing methods. During my limited time this afternoon, I must pass by these types of changes and concentrate more on those which are peculiar to the missile era.

There are many factors which generate and influence the problems in missile development and production, but the one that stands out above all others in importance is complexity. As we substitute a machine for the thinking process of man, we automatically introduce great complexity no matter if the machine is to provide difficult mathematical solutions, operate machinery, or defeat our enemy. In fact, the latter because of its difficult requirements becomes most complex of all. What are some of these new problems which we can foresee in the future?

The need for instant reaction, as well as the interrelationship of all missiles and weapons, requires complete systems integration as contrasted to island defense which worked effectively under the control of the human brain and human reaction times of our manned combat vehicles. This requirement undoubtedly means that we must obtain increasing scientific and engineering support from industry to assist the Air Force in developing and keeping together all elements of our forces, particularly in the air defense area.

We must link and integrate the several combat functions of detection, warning, and tracking of the enemy weapons with the aiming, firing, guidance control, and target kill of our own weapons. This means a continuous and positive tying together of what would normally be considered separate systems, each tremendously large and complex in its specialized function. Radar screens, fail-proof communications, trajectory calculation and analysis, interlocking of defense centers, strategy and weapons selection, operational launching of weapons, ascertainment of destruction, and the final all clear must be welded into a unitary, automatic system.

This increased industrial support will call for a much more intimate and complete participation and cooperation between industries at all levels. The products of the electronics, avionics, aircraft, aeronautical, radio, communications, television, electrical, and accessories industries must be engineered into each other and time phased in both development and production. The Air Force can only serve as the focal point for leveling and balancing these efforts, but the major burden of accomplishment will fall to industry.

Secondly, and within the overall system integration, we must more closely integrate our individual weapons systems than ever before. The greatly increased complexity of these guided systems will force us to withdraw somewhat from our Government furnished aeronautical equipment procedure, particularly during the development period. We must rely more on our prime manufacturer to assemble a complete guided system for us. However, in doing this we cannot abandon our current policies which require our primes to work with the existing and capable engine, electronics, armament, and related industries in both the development and production of the new weapons. To abandon our efforts in this regard would introduce major problems in standardization, duplication, increased costs in facilities and production, and loss of a suitable mobilization base. To avoid these major problems we, as well as our primes, must continue to utilize the strong subcontractor potential, the excellent specialized industries and the small-business structure available in this country. However, a much closer relationship must be developed between primes and supporting industries than has been evident in the past.

We are facing major problems in the area of procurement. Through the past decades we have developed and utilized good yardsticks for measuring our production efficiency. The Air Force, as well as each company in the industry, recognized the validity of such yardsticks as cost per pound of airframe weight. The guided missile has so reduced the importance of airframe weight as compared to electronics, propulsion, and control items that the old efficiency measuring devices have become somewhat obsolete and we are endeavoring to acquire new experience data which industry, as well as we, can use as a guide in evaluating our missile costs and determining our relative efficiency.

Another of our major procurement problems is that of forecasting the time and level of successful missiles availability. As you all are aware, predictions have been made since early after the close of World War II for the successful completion of operational missiles. In such a rapidly advancing art, it has been virtually impossible to cut off performance levels of the missiles because of the rapidly increasing performance of the offensive weapons both manned and unmanned. The prediction problem here is most important in terms of the predication of our budgets, the formulation of our training programs, and the development of operational and tactical doctrine. As experience is gained in both the development and production of missiles, we are able to introduce greater realism into our forecasts and are approaching the point where we can reasonably predict technically acceptable weapons.

Our facilities problems are changing today and will continue to change as we move further into the missiles era. We will, of course, need newer and more accurate types of machine tools which will be needed even for our newer and faster manned aircraft. In addition, and even more important, it is probable that new brick and mortar will be required to provide missile development and production facilities in areas where missiles can be tested. Likewise, some of our older aircraft plants have not been readily adaptable to missile production and have been replaced with more modern plants which over the first few years of production will more than pay for their investment. However, if new

plants are deemed necessary for development and production of missiles, whether paid for partially or completely by industry, the industry must plan to dispose of existing aircraft plants as new plants phase in, for as the missile dollars increase we can forecast ultimately a reduction in the aircraft dollars. This is an extremely important matter for unless this is accomplished we will find ourselves overfacilitized. In such an event, the hight cost of maintaining and operating present aircraft plants at a low level of production will certainly strain our limited budgets and we will find an increasing percentage of taxpayers and industry's funds going into nonproductive overhead.

The old bugaboo of reliability increases manyfold in importance in our missiles programs. Much has been said and written about reliability in the past few months and unless industry accepts this new challenge we can never really enter the missiles era. No longer is the human brain available to correct for failures of items to perform in the missile. A failure of a single component probably will mean the failure of the mission. In addition, we cannot afford long testing hours and innumerable test flights such as we have in our manned aircraft. Our missiles must be reliable and must accomplish the mission on the first try. Any effort on the part of industry to overcome the reliability problem will be repaid manyfold as we move into the missiles era.

Along with increased complexity of our weapons, shorter and fewer testing operations, and increased number of changes to our missiles during development and production, it is essential that our development, engineering, and productive sides of our organizations work more closely together than ever before. The barriers between the design engineers and the production engineers must be dissolved. Likewise, it is incumbent upon us in the Air Force to insure that our production people in AMC and the engineering personnel in ARDC work more closely together than ever before to insure the best possible final missile product.

Not only must we work closely together but we must recognize the need for more highly qualified personnel in support of missile operations. Even though "one shot" in nature, a missile still must be ready to go instantly and must be maintained continuously. The complexity of missiles will undoubtedly require more highly qualified support in maintenance from the missile manufacturer. The present average length of service of our airmen does not give us sufficient time to train him and utilize him effectively for this technical function.

Even in operations and field maintenance of the missile, unless industry simplifies some of the missile systems now under development we will be unable to operate them, much less to maintain them without scientific or highly qualified engineering personnel at the operational sites themselves.

Even under the most optimum conditions, it will be difficult for us to support complex missile systems at operational level without more adequate incentives for our military personnel.

These are some of the new problems that we must recognize in our Air Force and industry as we move gradually into the guided missiles era. Altogether, they spell a very substantial load and change in concept for our industry. We have no concern that the Air Force, working closely with industry, can accomplish this transition. During the past decade we have made almost miraculous advancements in the state of the art and in our combat capability, even though aviation has been a growing industry. Nine years ago military sales were nearly $600 million. Today, they are 7 billion 760 million. Nine years ago we had 239,000 workers, today we have 751,000. Today our industry is strong, virile and ready to meet any challenge. I'm sure we can with full justification predict without question tremendous breakthroughs in research, development and production which will certainly not only meet our new challenges, but will surpass all our past accomplishments. Therefore, I am sure that we can predict the stronger and greater air strength that is so necessary to maintenance of air superiority in the critical years ahead of us.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address by him delivered before the Association of American Physicians and Surgeons at Miami, Fla., April 26, 1957.

By Mr. SALTONSTALL:

Address delivered by Secretary of State John Foster Dulles at the annual Associated Press luncheon held during the convention of the American Newspaper Publishers Association on April 22, 1957.

NOTICE OF CONSIDERATION OF NOMINATIONS BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the following nominations:

Llewellyn E. Thompson, of Colorado, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to the Union of Soviet Socialist Republics;

Don C. Bliss, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Ethiopia;

Walter P. McConaughy, of Alabama, a Foreign Service officer of class one, to be Ambassador of the United States to Burma;

Robert C. Hill, of New Hampshire, to be Ambassador of the United States to Mexico;

Francis White, of Maryland, to be Ambassador to Sweden; and

John M. Cabot, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador of the United States to Colombia.

Notice is given that these nominations will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE OF HEARINGS ON S. 1356, TO AMEND THE ANTITRUST LAWS TO PREVENT MONOPOLISTIC PRACTICES BY CERTAIN PERSONS ENGAGED IN COMMERCE IN MEAT AND MEAT PRODUCTS

Mr. O'MAHONEY. Mr. President, on behalf of the standing Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, I wish to announce that hearings have been scheduled to commence on the bill (S. 1356), to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products.

The hearings will commence at 10 a. m. in room 424, Senate Office Building, on May 1, 1957.

RECENT JOINT STATEMENT SIGNED BY PREMIER CHOU EN-LAI OF CHINA AND CHAIRMAN CYRANKIEWICZ OF POLAND

Mr. KNOWLAND. Mr. President, I ask unanimous consent that there may be printed in the body of the RECORD the text of a joint statement signed in Peiping on April 11 by Premier Chou En-lai, of Communist China, and the Chairman of the Council of Ministers of the Communist Polish Republic under Gomulka.

While I ask that the entire text of the statement be printed for the information of the Senate, which I think Senators will find of interest, I again wish to reiterate that this is the same Communist Polish Government which has had representatives in Washington negotiating a loan of $100 million.

Before the Easter recess I had put into the RECORD certain information which had come into my hands, that at the very time the Polish representatives had been negotiating in Washington, the Communist Government of Ho Chi Minh in North Vietnam had negotiated a loan with Poland. This official communique, issued in Peiping, indicates that Communist Poland had also negotiated a loan with Communist China at the time Polish representatives were in Washington.

I should like to read into the RECORD a few paragraphs from the text of the statement:

The hearty welcome and warm reception accorded the Polish Government delegation by the Chinese people and the Government of the People's Republic of China demonstrated the fraternal friendship between the Chinese and Polish peoples. The visit to China of the Polish Government delegation will bring even closer the relations between China and Poland and between all the Socialist countries.

Continuing, a little later there appears this statement:

After appraising the latest international situation, both parties point out that, although thanks to the continuous constructive efforts of the peace-loving countries and peoples who advocate a peaceful settlement of international disputes the general trend of the international situation is toward relaxation, the imperialist aggressive circles have not ceased their activities to wreck peace, but have attempted to attain their old objective by new disguised ways.

I call particular attention to this paragraph:

In Europe, they are reviving the forces of West German militarism. In Asia, they are still carrying out activities to endanger the independence and neutrality of many countries in this area. In the Near and Middle East, the ruling circles of the United States are pushing forward the Eisenhower doctrine, which is aimed at supplanting Britain and France in their colonial position.

I am reading from part of the communique signed by the Polish representatives in Peiping shortly after they had negotiated a $100 million grant and credit from the United States of America.

Toward the end the statement reads:

The two parties consider that the building of socialism in accordance with Marxism-Leninism constitutes the supreme interest of the two peoples, and that in their respective Socialist construction in the light of their national characteristics and specific conditions, they should consistently combat all deviations, whether doctrinaire or revisionist. To do this is a sure guaranty for effectively overcoming difficulties and smashing all plots of hostile forces to sabotage the Socialist construction.

The two parties reaffirm their support for the worker-peasant revolutionary Government of the People's Republic of Hungary in their struggle to consolidate the Socialist system and eliminate the consequences of past mistakes. They will continue to help the Hungarian people overcome the difficulties they are presently facing.

In other words, they have both endorsed the Kadar regime, which throttled the freedom of the Hungarian people, and which exists only by virtue of Soviet troops in occupation.

The communique ends as follows:

The Government of the People's Republic of China expresses its thanks to the Polish People's Republic for its active support to China in its struggle to defend its sovereignty and Poland's various aids to China in the economic field and in the fields of shipping, science, and technology.

I have addressed another letter to the State Department, asking for full details as to how much financial aid Communist Poland is giving Communist China at a time when it is obtaining $100 million from the people and the Government of the United States.

The VICE PRESIDENT. Is there objection to the unanimous-consent request?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

TEXT OF THE JOINT STATEMENT SIGNED BY PREMIER CHOU EN-LAI OF CHINA AND CHAIRMAN CYRANKIEWICZ OF POLAND IN PEIPING, APRIL 11, 1957

A delegation of the government of the Polish People's Republic headed by Chairman Jozef Cyrankiewicz of the Council of Ministers made a visit of friendship to China in April 1957 at the invitation of the Government of the People's Republic of China.

The hearty welcome and warm reception accorded the Polish Government delegation by the Chinese people and the Government of the People's Republic of China demonstrated the fraternal friendship between the Chinese and Polish peoples. The visit to China of the Polish Government delegation will bring even closer the relations between China and Poland and between all the Socialist countries.

During its visit, the government delegation of the Polish People's Republic was received by Chairman Mao Tse-tung of the People's Republic of China. Talks were held between a government delegation of the People's Republic of China headed by Premier Chou En-lai and the government delegation of the Polish People's Republic.

Taking part in the talks were: For the People's Republic of China: Chou En-lai, Premier of the State Council and Minister of Foreign Affairs; Ho Lung, Vice Premier of the State Council; Yeh Chi-chuang, Minister of Foreign Trade; Shen Yen-ping, Minister of Culture; Chi Peng-fei, Vice Minister of Foreign Affairs; Yang Ying-chieh, Vice Chairman of the State Planning Commission; Tsai Shu-fan, Vice Chairman of the State Planning Commission; Sung Nai-te, Vice Minister of Light Industry; Tseng Chao-lun, Vice Minister of Higher Education; and Wang Pang-nan, Ambassador of the People's Republic of China to the Polish People's Republic.

For the Polish People's Republic: Jozef Cyrankiewicz, Chairman of the Council of Ministers; Karol Kuryluk, Minister of Culture and Art; Eugeniusz Stawinski, Minister for Light Industries; Marian Naszkowski, Vice Minister of Foreign Affairs; Mieczslaw Lesz, Vice Chairman of the State Commission for Economic Planning; Boleskaw Strzek, Vice Chairman of the State Commission for Economic Planning; Eugenia Karsowska, Vice Minister of Higher Education; Franciszek Modrzewski, Vice Minister of Foreign Trade; Ambassador Juliusz Katz-Suchy, member of the Collegium of Foreign Affairs; and Stanislaw Kiryluk, Ambassador of the Polish People's Republic to the People's Republic of China.

The talks were conducted in an atmosphere of friendship and sincerity and in a spirit of mutual understanding and fraternal solidarity. During the talks, the two parties, on the basis of the Sino-Polish statement of January 16, 1957, exchanged views on new questions in the present international situation, the question of further strengthening the solidarity of the Socialist countries and further developing the friendly cooperation between the People's Republic of China and the Polish People's Republic. The two parties recorded unanimity of views on the above questions.

After appraising the latest international situation, both parties point out that, although thanks to the continuous constructive efforts of the peace-loving countries and peoples who advocate a peaceful settlement of international disputes the general trend of the international situation is toward relaxation, the imperialist aggressive circles have not ceased their activities to wreck peace, but have attempted to attain their old objective by new disguised ways.

In Europe, they are reviving the forces of West German militarism. In Asia, they are still carrying out activities to endanger the independence and neutrality of many countries in this area. In the Near and Middle East, the ruling circles of the United States are pushing forward the Eisenhower doctrine, which is aimed at supplanting Britain and France in their colonial position.

The imperialist circles continue to oppose an agreement on the reduction of armaments and the complete prohibition of the use and manufacture of nuclear weapons, and refuse to agree to cessation of the tests of such weapons. They are making use of the North Atlantic Treaty Organization to expand atomic and rocket bases in Europe, gravely endangering peace in Europe and the world.

Such a state of affairs requires that the Socialist countries reinforce their solidarity and strengthen their cooperation with all peace-loving forces, that they firmly oppose the war schemes of the imperialist military blocs.

The two parties support the proposals put forward by the Soviet Union on March 18, 1957, in the disarmament subcommittee and consider that these proposals are of further help to the reaching of an international agreement on the disarmament question. The two parties consider that the proposal for an immediate cessation of nuclear weapons tests assumes a special importance in the present-day conditions. An agreement on this question which the people of the world demand be settled, will greatly facilitate the relaxation of the international situation.

The People's Republic of China and the Polish People's Republic firmly support all proposals and measures aimed at insuring peace in Europe, Asia, and the world.

The participation of West Germany in the North Atlantic Treaty Organization and the speeding up of its rearmament have aggravated the tensions in Europe and the world. Under such conditions, the two parties consider that the Warsaw treaty constitutes an entirely necessary defensive measure on the part of the peace-loving Socialist countries. The two parties also reaffirm their support for all efforts aimed at establishing a European collective security system which would insure the peace of all European countries, including Germany, and facilitate the elimination of opposing military blocs.

The two parties fully support the reasonable aspiration of the German people for the unification of Germany and support the efforts made by the Democratic Republic of Germany toward this direction.

The Government of the People's Republic of China reaffirms that the existing western border of the Polish People's Republic of the Oder and Neisse is a border of peace between Poland and Germany which is in the interest of European security, and which must not be altered.

The two parties oppose military blocs such as the North Atlantic Treaty Organization, the Manila Treaty Organization, and the Baghdad Pact, and hold that all antagonistic military blocs should be replaced by systems of collective security and collective peace. The two parties will continue to exert their utmost for the establishment of effective systems of collective security.

The two governments point out that the historic process in which colonial and semi-colonial countries free themselves from the shackles of enslavement is not to be halted by any force in the world. The two governments (condemn?) all attempts of the colonialists to obstruct the national liberation movements, attempts which violate the principle of self-determination of the peoples and menace world peace.

Although the forces of aggression have suffered defeat in the Near and Middle East, the reasonable demands of the Egyptian people have not yet been fully met, and at the same time the independence of the countries of the Near and Middle East is still being threatened. The two parties consider that observance of the principle of noninterference in the internal affairs of these countries, abrogation of the Baghdad Pact and removal of foreign military bases in these countries are the means of insuring the independence of the countries concerned. The two parties hold that free passage through the Suez Canal must respect Egypt's unshakable sovereign right over the canal. The use of the United Nations emergency force in the Gaza area and the Gulf of Aqaba can only be of a temporary nature and must be with Egypt's consent.

Parts of the territory of certain Asian countries, such as India's Goa and Indonesia's West Irian are still under the rule of the colonialists; this is a situation contrary to the will of the peoples of these countries. The two parties hold that the colonialist countries should unconditionally return these territories to the countries to which they belong.

The Kashmir issue has again intensified recently. The two parties consider that this is a question between Asian countries which should be settled by the countries concerned through peaceful negotiation, and should not be allowed to be made use of by external forces to create new tensions.

The two parties hold that strict implementation of the Geneva agreements on In-

dochina will be helpful to the peace and stability of this area. They welcome the faithful execution of these agreements by the Cambodian Government and respect the policy of peace and neutrality followed by Cambodia. The two parties express the hope that the agreement reached at the end of last year between the Kingdom of Laos and the fighting units of Pathet Lao may be carried out, which will conduce to the unification of Laos into an independent, democratic and neutral state.

The two delegations express regret at the obstruction of the implementation of the Geneva agreements by the Government of South Vietnam, supported by external forces. The two parties hope that, with the help of the international commission for supervision and control, the present difficulties may be gradually overcome.

The two parties consider that the international commissions for supervision and control in the three states of Indochina have, since the cessation of hostilities, played a positive role in improving the situation on the Indochinese peninsula. The work of the international commissions for supervision and control should receive the support of all parties concerned.

The two parties reaffirm their support for the efforts of the Government of the Democratic People's Republic of Korea to bring about a unification of Korea by the Korean people themselves on peaceful and democratic principles.

The People's Republic of China welcomes the establishment of diplomatic relations between Japan and Poland and between Japan and other countries, and is of the opinion that this development constitutes a positive contribution to the stability of international relations.

The two delegations hold that continuous efforts should be made to facilitate a rapprochement between nations regardless of the difference in the political, economic, and social systems. Despite the attempt of the imperialist forces to continue the cold war, peaceful coexistence among nations with different systems is after all in the interest of mankind.

The Socialist countries are striving for a common aim, the construction of a Socialist and Communist society. The Socialist countries are guided by a common philosophy, Marxism-Leninism. This common philosophy and this common aim bind up closely the Soviet Union, Poland, China, and the other Socialist countries. The two parties are determined to continue their best efforts to strengthen further the solidarity of the countries in the Socialist camp based on the Marxist-Leninist principles of proletarian internationalism and equality among nations.

The two parties note with satisfaction that the series of talks held recently among Socialist countries on the principles of equality, respect for each other's sovereignty, noninterference in each other's internal affairs, and mutual benefit have further improved and strengthened their solidarity and friendly relations. The two parties express satisfaction with the results of these efforts.

The two parties consider that the building of socialism in accordance with Marxism-Leninism constitutes the supreme interest of the two peoples, and that in their respective Socialist construction in the light of their national characteristics, and specific conditions, they should consistently combat all deviations, whether doctrinaire or revisionist. To do this is a sure guaranty for effectively overcoming difficulties and smashing all plots of hostile forces to sabotage the Socialist construction.

The two parties reaffirm their support for the worker-peasant revolutionary Government of the People's Republic of Hungary in their struggle to consolidate the Socialist system and eliminate the consequences of past mistakes. They will continue to help the Hungarian people overcome the difficulties they are presently facing.

The People's Republic of China is happy to see the achievements made by the Polish United Workers Party since the Eighth Plenary Session of its Central Committee. All the people's democratic forces in Poland are rallying evermore closely round the Polish United Workers Party's Central Committee headed by Comrade Gomulka. The results of the recent elections to the Polish Parliament forcefully demonstrate that the Polish people are firmly marching forward along the road of socialism under the leadership of the Polish United Workers Party. The Government of the People's Republic of China is deeply convinced that the Polish People's Republic will make increasingly important contributions to the strengthening of the great family of Socialist countries.

The two parties note with satisfaction that the cooperation between the People's Republic of China and the Polish People's Republic in the political, economic, and cultural fields and in the field of shipping is being steadily strengthened and developed in a fraternal spirit. The Government of the People's Republic of China expresses its thanks to the Polish People's Republic for its active support to China in its struggle to defend its sovereignty and Poland's various aids to China in the economic field and in the fields of shipping, science, and technology.

The 2 parties state that the 2 governments will continue to develop the friendly cooperation between the 2 countries in all the above-mentioned fields and will consult each other, whenever necessary, on important problems in which both countries are interested in a spirit of mutual understanding and fraternal cooperation.

The two parties are deeply convinced that the visit of friendship of the government delegation of the Polish People's Republic to China will help further consolidate and develop the fraternal Sino-Polish friendship, further strengthen the solidarity of the Socialist countries, and uphold the cause of world peace.

THE BUDGET

Mr. MARTIN of Pennsylvania. Mr. President, the Secretary of the Treasury, Hon. George M. Humphrey, made a speech on Thursday, April 18, 1957, before the National Industrial Conference Board, at the Waldorf-Astoria Hotel, in New York, giving his views on the President's budget. I believe his statement was of great importance, and therefore I ask unanimous consent that excerpts from it be printed in the body of the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

EXTRACTS FROM REMARKS BY TREASURY SECRETARY GEORGE M. HUMPHREY BEFORE THE NATIONAL INDUSTRIAL CONFERENCE BOARD, WALDORF-ASTORIA HOTEL, NEW YORK, N. Y., APRIL 18, 1957

The President's letter of this morning puts into proper perspective the problems about the budget which have been the subject of discussion since the budget was sent to the Congress in January.

At that time the President requested a further painstaking review of the budget by the Bureau of the Budget and by all the departments and agencies of Government. This has now been prepared and discloses the feasibility of postponing certain appropriation requests which can be made without serious damage to the program.

The President, however, stated that actual spending in the coming fiscal year cannot be cut by multi-billion-dollar amounts without danger to the national safety or interest, or the modification of some of the existing programs now authorized or required by law.

I urge every citizen to earnestly consider and support the President's direct and simple analysis of the principles involved in our budget problems.

The President's position not only guards the Nation against ill-considered or dangerous slashing of the budget, but it also points the way to well-considered steps toward holding future Federal spending down. Controlling the upward march of total Government spending is of greatest importance to us all.

There is nothing new about this approach or the principles that guide it. They are the same principles that have guided this administration for the past 4 years. We have been constantly vigilant to continually make every effort to live within our means and to get a dollar's worth for every dollar that we spend.

We have continually striven to avoid waste and extravagance and to adequately balance the necessary costs of our national safety with the equally necessary maintenance of a strong and vigorous economy. We have sought to stabilize the costs of living and foster more and better jobs, to protect the Government's, as well as the people's, high income.

It is perseverance in this continuing effort that has brought us now to the prospect of three balanced budgets in succession for the first time in 25 years. But we have also been ever mindful of our position of leadership in the world and the obligations we must necessarily bear in that regard to protect our national security.

The everlasting search for possible reductions and the drive to make them real will necessarily continue in the future as it has in the past. With the help of the Congress, and the public, and the persisting efforts of the administration, progress toward a proper balancing of our fiscal affairs and full performance of our national obligations will continue.

The proven principles set forth in the President's letter well serve both our national security and the people's best interest. They deserve the full support of every American.

CHARLES A. MARSHALL

Mr. SMITH of New Jersey. Mr. President, on Monday, March 25, a distinguished American who had rendered great and outstanding service to his country passed away in New York. This great American was Charles A. Marshall—a distinguished New York lawyer and public servant. His heritage made him a member of the Marshall family of our foremost Supreme Court Chief Justice, John Marshall. His father was General Lee's aide at Appomattox, and through his father, Charles A. Marshall, came to possess General Grant's handwritten terms of surrender to Lee, and the draft of General Lee's farewell order to the Army of northern Virginia. Charles Marshall, himself, served with distinction in France during World War I.

I am making these remarks, Mr. President, and outlining the background of this distinguished American, because of his recent outstanding Government service in Denmark. Charles Marshall was

chosen in the early days of the Marshall plan to administer our Marshall plan aid in Denmark, a part of our general program to promote the rehabilitation of those European countries which had been so economically devastated by the ravages of World War II. Denmark had suffered under occupation by the Hitler forces and was beset with all the consequences of a devastating economic dislocation.

Of course, we are all aware of the great value, to both the United States and the whole free world, of the early Marshall plan aid in such countries as France, Italy, and the Scandinavian countries. The economic assistance of the United States supplied the essential basis for the economic revival of their war-torn economies.

During the administration of this program, many of our Marshall plan administrators achieved outstanding acclaim within the various host countries, not only for the assistance the program provided, but also for their individual understanding and human qualities. Such an administrator was Charles Marshall. He not only channeled our Marshall plan assistance to Denmark in the manner most appropriate to stimulate economic recovery, but by his personal traits and human understanding he became a personal friend to the Danish people, and affirmed their friendship for the United States.

Mr. President, in these days, when we are prone to hear sharp criticism of our foreign-aid programs throughout the world on the fallacious ground that all our assistance merely breeds ingratitude and hostility on the part of the recipient countries, it is significant to point to the place of honor which the Danish people have accorded their former Marshall plan administrator, Charles Marshall, upon the occasion of his death.

Although Charles A. Marshall and his wife were both personal friends of Mrs. Smith and myself, and although we watched his brief career in Denmark with both great interest and enthusiasm, the tributes to Charles Marshall in the Danish press last month establish his place of high esteem in their memories much more than can any words of mine. It was symbolic of this high regard for Charles Marshall that the Danish Ambassador traveled from Washington to Hewlett, Long Island, to be present at the funeral service.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a translated series of excerpts from the Danish press, and quotations of certain statements by Danish public officials in tribute to Charles Marshall.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

[From Borsen of March 27, 1957]

OBITUARY

With the passing of Charles A. Marshall, who died last Monday at Lawrence Hospital in Bronxville near New York, Denmark has lost a good friend. Mr. Marshall came to this country in 1948 as the Croesus who was to distribute the Marshall millions to help rebuild the Danish economy. He shared his name with the originator of the great plan, George R. Marshall, and it was now incumbent on him to carry it out for the benefit of the country where his mission had been staked.

It is hardly a bad start to come as a bearer of gifts, but Charles A. Marshall and his wife quickly achieved a different kind of popularity, one not based on dollars alone. By their great human qualities, rich sense of humor, and warm, extensive hospitality, they spontaneously won over the Danes with whom they came in contact, while, from his desk, Mr. Marshall accomplished work that created respect for American diplomacy.

With admirable speed he learned all about the structure of Danish economic life, and on the basis of his own judgment, plus a fine ability to act as a link between his own collaborators and the Danish officials and representatives of Danish economic interests, he managed to canalize the Marshall aid's dollar stream with a minimum of waste and a maximum of long-range benefit to the Danish economy. Mr. Marshall gradually gained such insight into our economic conditions that he could match his knowledge and evaluations with those of our own bigwigs. Throughout his assignment here, Mr. Marshall remained loyal to the giver as well as to the receiver, and both the United States and Denmark owe him a debt of gratitude for his fine work.

In 1954, when the job was done, and Mr. Marshall returned to New York with his wife to resume his activity as senior partner in his highly esteemed law firm on Broadway, the couple had to face up to leave-taking celebrations extending over several weeks. On this occasion, Danish firms as well as individuals manifested unusual inventiveness in their choice of farewell gifts that, by itself, constituted a eulogy of Mr. and Mrs. Marshall, as well as an appeal to their sense of humor, which the donors knew was not in vain.

Later, the couple returned to visit the country where they had felt so happily at ease, and which had honored Mr. Marshall by conferring on him the order of a Knight of the Grand Cross. They revisited old friends and made new ones, all of whom now join in grief over the passing of Mr. Marshall.

WITH RARE TACT AND CIRCUMSPECTION

Mr. H. C. Hansen, Danish Minister of State and Foreign Affairs, uttered the following words in memory of Mr. Marshall:

"From 1948 till 1953, Charles A. Marshall was head of the American mission established here to administer aid to Denmark under the United States subsidy program for Europe, the Marshall aid. In that capacity it was Mr. Marshall's task, in close cooperation with the Danish authorities, to insure that the aid was applied in conformity with its purpose. The fulfillment of this assignment required very extensive insight into the conditions prevailing in this country, an insight that Mr. Marshall achieved very rapidly, and which he was able to use with rare tact and circumspection. Thus Mr. Marshall, by his objective contribution, helped the Marshall aid to become the great economic importance to Denmark it actually did become. But beyond what can be set down in crowns and Øre, Mr. Marshall helped the intimate Danish-American cooperation to take such a form that it increased international understanding and brought Denmark and the United States of America closer to each other. Denmark honors his memory."

[From Politiken of March 26, 1957]

FORMER HEAD OF MARSHALL AID IN DENMARK DEAD—CHARLES A. MARSHALL, ATTORNEY AT LAW, ONE OF DENMARK'S GOOD FRIENDS IN THE UNITED STATES OF AMERICA

NEW YORK, Tuesday.—Charles A. Marshall, former director of the Marshall aid in Denmark, passed away yesterday at Lawrence Hospital in Bronxville, N. Y., at the age of 74.

For more than 5 years Charles A. Marshall was stationed in Copenhagen as head of the special mission to Denmark for economic cooperation, thus acting as the intermediary of the United States of America's generous billion-dollar aid to Denmark until, in 1954, he returned to the big law firm in New York of which he was a senior partner.

With his unique capacity for sympathetic penetration, this always friendly, helpful, and understanding American quickly succeeded in grasping the peculiarities of the Danish economy, which enabled him to distribute the American aid according to requirements and need. Charles A. Marshall was to become more than a mere intermediary and distributor of means, somebody sitting on the moneybags wherefore there would be no need to exude charm in order to achieve popularity. He won real friends and studied Danish conditions far beyond the call of duty; moreover, his own cultural outlook was so wide that it was easy for him to combine, in a dignified way, his economic work for Denmark with an attitude of interest in other aspects of Danish life.

Mr. Marshall traveled all over the country to learn more about it, and he was able to do so as a friend who, on leaving Denmark, was invited to return as a dear and welcome guest.

Fortunately, on his departure, he was able to say: "I have never been disappointed in a Dane."

[Translations of excerpts from Avis Oversigt of March 27]

During his speech in commemoration of Mr. Charles A. Marshall, the former leader of the Marshall Administration to Denmark, Prime Minister and Foreign Minister H. C. Hansen states, among other things: "Mr. Marshall had the task of insuring, in close cooperation with the Danish authorities, that the aid was applied in accordance with its purpose. The solution of this problem demanded a thorough understanding of the conditions in this country, an understanding which Mr. Marshall quickly acquired and which he put to use with a rare tact and foresight. Mr. Marshall's objective efforts greatly contributed to the success of the Marshall aid to Denmark. In addition, Mr. Marshall contributed to the close Danish-American cooperation, which worked out in such a way that it increased the understanding between nations and brought Denmark and the United States closer to each other. Denmark honors his memory.

All papers carry long obituaries of Charles A. Marshall, the former administrator of the Marshall aid to Denmark, who died in New York last Monday. Among other things, it is stated that to Denmark Mr. Marshall was the man who started the rehabilitation of trade and industry after the destructive effects of war and occupation. The part of the noble giver is not so easy when one country has to assist the other. Mr. Marshall understood the art of so doing.

[From Berlingske Tidende of March 26, 1957]

MARSHALL DEAD—HEAD OF MARSHALL AID TO DENMARK 1948–54, AND A REALLY GOOD FRIEND OF THE DANES

NEW YORK, Monday.—Charles A. Marshall, ex-director of the Marshall aid in Denmark, died this morning about 9 o'clock at the Lawrence Hospital in Bronxville, N. Y. His age was 74.

Mr. Marshall was taken to the hospital 2 weeks ago to undergo an operation for a serious stomach condition.

During his stay in Denmark Mr. Marshall had suffered a heart attack, and his heart had been weak since.

REBUILT OUR ECONOMY

To Denmark, Charles Alexander Marshall became the man who sparked the reconstruction of our economic life after the ruinous effects of war and occupation. He came to Denmark in 1948 as head of the United States generous and farsighted aid program known as the Marshall plan, named after the former American Secretary of State, Gen. George Marshall, who, by the way, is no relative of Charles A. Marshall.

It is not easy to act the part of the noble giver, where one country extends aid to another, but Charles A. Marshall mastered the art. Not only did he administer the $278 million which Denmark received during the 5 years over which the aid extended, but he became a friend of Denmark, winning many real friends in our country by his frank ways, natural dignity, and cultivated manner.

Charles A. Marshall started his career by obtaining his law degree before World War I. He took active part in that war and was promoted to the rank of captain in an infantry company. When the war was over, he started a law practice in New York, and later on, as a legal adviser, had various cases in other countries, both in Europe and Latin America. He became a senior partner in the highly regarded law firm of Dorr, Hammond, Hand & Dowson, and was a greatly respected financial adviser to many big American and British firms.

Gradually he was drawn into Government service. Paul G. Hoffman chose him to direct the so-called MSA mission in Denmark.

Returning to New York in 1954 he stated in his replies to the many speeches of gratitude addressed to him, that whereas it was true enough that the Marshall aid had given Denmark's economic reconstruction a push forward, the merit belonged essentially to the Danes themselves. He added:

"Because the Danish spirit and attitude are right, I have no anxiety about Denmark's economic future."

Charles A. Marshall once characterized the skeptical Dane as a type endowed with an excess of intellectual horsepower. But he also knew another type that constituted a viable mixture of sound commonsense and idealism.

Not only did he like the Danes; he also knew them.

[From Dagens Nyheder of March 26, 1957]

DEATH OF MARSHALL-AID HEAD IN DENMARK—CHARLES A. MARSHALL DIED AFTER AN OPERATION IN AN AMERICAN HOSPITAL

A good friend of Denmark died yesterday. Late last night we learned that the former head of the Marshall mission in Denmark, Mr. Charles A. Marshall, died at the Lawrence Hospital in New York, aged 74. Mr. Marshall had had an operation 2 weeks ago and seemed to be making good progress, but suddenly Sunday night a deterioration set in, and death came early Monday morning.

Charles A. Marshall came to Denmark in 1948 as head of the Mutual Security Agency, United States generous aid, and he won a wide circle of Danish friends during the years he directed this undertaking.

It was an incident that looked like premeditation that we got a Marshall to direct the Marshall aid in Denmark; the name, however, is merely a coincidence, as Mr. Marshall was not related to the father of the Marshall plan, Gen. George Marshall. Still, we can fully certify that Charles A. Marshall directed the aid in the originator's own best spirit.

Charles A. Marshall had studied law and was one of United States finest lawyers in the field of commercial law. He participated in World War I as an infantry captain, and, in the years between the two wars, was settled in New York where he practiced law. His legal work brought him various cases that took him abroad to countries such as Russia and Mexico, to Central America, Europe, and other places, and maybe the experience thus gained was a contributing cause to the wide understanding of European conditions one met in Mr. Marshall. He had a particularly profound comprehension of the special economic conditions in Europe after the war.

With his frank, open manner, natural dignity and friendliness, with his simplicity and his cultivated, noble and refined attitude throughout, it was not hard for Mr. Charles A. Marshall to carry out his assignment in Denmark; nor were the Danes slow to appreciate his robust American sense of humor. His work here was of immense importance to Danish economic life, industry, commerce, and trade, and he manifested his friendship for Denmark in a great number of fields, also after his return to the United States.

[Translation of article which appeared in Socialdemokraten of March 26, 1957]

THE DANISH MARSHALL OF THE MARSHALL PLAN DEAD IN NEW YORK—CHARLES A. MARSHALL, THE ADMINISTRATOR OF THE EXTENSIVE AID PROGRAM IN DENMARK

Charles A. Marshall, who represented the Marshall aid program in Denmark, but whose similarity of name to the originator of the plan was just coincidental, died yesterday in a New York hospital, according to Dagens Nyheder. Mr. Marshall, who was 74 years old, was operated on for a heart condition several weeks ago and seemed to be improving, but a sudden relapse Monday morning ended a very active life.

During the 6 years from 1948 to 1954, Charles A. Marshall lived in Denmark as the administrator of the Danish branch of the extensive American economic-aid program, in which Secretary of State George Marshall took the initiative. He made many friends and was himself a good friend of Denmark.

It was not by chance that Charles A. Marshall became involved in the great work of realizing the huge aid program. He was a lawyer, and one of the best in his country in the juridic-economic field. After participation in the First World War, Mr. Marshall practiced law in New York City and, among other things, dealt with many important cases in a number of European countries which provided him with an insight into European conditions, from which he benefited later in his work for the Marshall aid program.

Charles A. Marshall was not only eminent in the juridic-economic field, but as an individual he was of a rare quality. Through his frankness and kindness, he won many friends, not only for the aid plan he was serving, but for himself personally. Thus he is remembered today not only as the representative of an idea and an initiative that restored Denmark's war-depressed economy, but also as a fine [1] and distinguished person and a good friend.

FEDERAL ASSISTANCE GRANTS FOR CONSTRUCTION OF MEDICAL AND DENTAL TEACHING FACILITIES

Mr. SMITH of New Jersey. Mr. President, on the Wednesday before the Easter recess I introduced S. 1917 for myself and the Senator from Connecticut [Mr. PURTELL] to authorize the President's program for Federal assistance grants for the construction of medical and dental teaching facilities. The 84th Congress enacted Public Law 835, which provided for a program of Federal assistance grants for the construction of health research facilities, but similar provisions for assistance to medical teaching facilities were omitted.

Under the provisions of the bill which I introduced, the currently authorized grants for the construction of health research facilities would be integrated with a program of similar grants for the construction of medical and dental school teaching facilities. As the programs for both areas will deal almost completely with the same institutions and schools, and since the line of demarcation between the use of facilities for research and teaching is a difficult one to define, it was felt most appropriate to combine the programs under a single administrative unit.

The total authorization which is provided under this program, including the previous authorization for the construction of health-research facilities, is $225 million for the next 5 years, allowing $195 million for medical research and teaching facilities and $30 million for dental research and teaching facilities. With $60 million of that total already having been authorized by the action of the 84th Congress, the total new authorization is $165 million over 5 years.

I ask unanimous consent that the letter of transmittal, dated April 10, from the Secretary of Health, Education, and Welfare, Hon. Marion B. Folsom, addressed to the President of the Senate, Hon. RICHARD M. NIXON, be inserted in the RECORD at the conclusion of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, April 10, 1957.

Hon. RICHARD M. NIXON,
President of the Senate.

DEAR MR. PRESIDENT: I am enclosing for your consideration a draft of a bill to carry out the President's recommendation, made in his January 16, 1957, budget message, that the temporary program of Federal grants for construction of medical and dental research facilities be amended to include also grants for construction of medical and dental teaching facilities.

The enclosed draft bill would amend title VII of the Public Health Service Act, which was added in the last session of the 84th Congress. That title now authorizes grants to public and private institutions to assist in the construction of facilities for research in the sciences related to health. The amendment would add authorization for grants to accredited public and private nonprofit medical and dental schools to assist in the construction of teaching facilities. Under the amendment, funds would be made available on a project-grant basis, generally under the procedures now in effect for the research facility construction grants. Schools of medicine (including schools of osteopathy and public health) and dentistry could use such grant funds for the construction of new facilities or for the improvement or expansion of existing facilities for either research or teaching, or for both. Grants to other institutions could be used only for facilities for research purposes.

Grant funds could not be used for costs of land acquisition or off-site improvements, or for projects eligible for assistance under the Hospital Survey and Construction Act.

---

[1] Gustave, as a Dane, prefers the literal translation of his Danish article to the editorial one. So, for "quality" substitute "Karat." In the last sentence read "a rare and fine human being."

As under the existing program, grants could not exceed 50 percent of the necessary costs of construction. The duration of the continued program of construction grants for both research and teaching facilities would be 5 years, as contrasted with the 3-year duration of the existing program. Annual appropriations for the combined program would be authorized up to an aggregate for the 5-year period beginning July 1, 1956, and ending June 30, 1961, of $225 million—$195 million for medical research and teaching facilities and $30 million for dental research and teaching facilities.

The present National Advisory Council on Health Research Facilities would be enlarged by the addition of the Commissioner of Education, as an ex officio member, and 4 more appointed members—2 public and 2 specialized—and would be redesignated the "National Advisory Council on Health Research and Teaching Facilities." The duties of the new Council would be similar to those of the present Council but would embrace the review of applications for teaching, or teaching and research construction grants as well as applications for grants for the construction of facilities for research purposes only.

While the draft bill is in the form of an amendment to title VII of the Public Health Service Act, which title was added by the Health Research Facilities Act of 1956 (Public Law 835), it is in substance a resubmission of the measure recommended by the administration to the last Congress. The only major change made is the reduction by $25 million of the aggregate amounts that would be authorized for the 5-year period.

This proposal is directed toward two primary needs which are basic to continuing progress in realizing our national health objectives. Medical and dental research and the skills necessary for the application of new knowledge resulting from that research are prerequisites to further progress in reducing the human suffering and economic losses caused by disease and disability. The medical and dental schools of the country do a large share of this research and they are the source of supply for all of our physicians and dentists, and for most of our graduate students in the basic medical sciences. We know that the effective demand for medical scientists, physicians, dentists, and other skilled personnel in the health fields is increasing faster than our supplies. There is accumulating evidence that augmented research and training in these critical fields will not be possible without improvement and expansion of the present physical plant of the research and training institutions. It is clear also that the financial situation of these public and nonprofit research and training institutions is such that in all too many cases they cannot, with their present resources, undertake the rehabilitation of laboratory and teaching facilities necessary for the maintenance of present levels of quality.

We are convinced, therefore, that the national interest requires a temporary grant program to assist these institutions in meeting their essential needs for a physical plant adequate to their multiple responsibilities—for teaching as well as for research. The assistance authorized by the last Congress reaches only one area of their construction needs.

The proposed program is a flexible one. It is designed to assist the schools in their efforts to achieve a desirable balance between research and teaching programs—the two basic functions which support and strengthen each other—and to continue their contributions to the preparation of specialized research personnel, to the training of many allied health personnel, and to the postgraduate training of physicians and dentists which plays such an important part in the maintenance of the quality of care. Achievement of a wider geographic distribution of research and teaching facilities would continue to be a factor to be taken into consideration in the making of grants.

Assistance for construction of teaching as well as research facilities will make it possible for the medical and dental research and training institutions to maintain and improve the quality of the programs they now carry and to expand their capacity to the limits of wise institutional planning. In addition, the availability of funds for construction can be expected to stimulate construction of new medical and dental schools, especially in those States in which there has been active consideration of the organization of new schools or the expansion of 2-year basic science schools to 4-year medical schools.

We shall appreciate it if you will refer the enclosed draft proposal to the appropriate committee for consideration.

In compliance with Public Law 801, 84th Congress, 2d session, there is enclosed a statement of cost estimates and personnel requirements which would be entailed by enactment of the proposed legislation.

The Bureau of the Budget advises that enactment of this proposed legislation would be in accord with the program of the President.

Sincerely yours,

M. B. FOLSOM,
Secretary.

THE AMERICAN WEST: PERPETUAL MIRAGE

Mr. MANSFIELD. Mr. President, the June issue of Harper's magazine contains an article entitled "The American West: Perpetual Mirage" written by the noted historian, Walter Prescott Webb.

Mr. Webb has prepared an engrossing study of the West, in which he presents a new understanding of what the West means, what it is, and why it is.

We all have our own associations with the West, but the author suggests a few new concepts. His most interesting observation is that the overriding influence that shapes the West is the desert.

The article is an engrossing literary effort, and suggests a new, logical, and reasonable understanding of the American West. I highly recommend this article to all of my colleagues of the Senate. I am sure they will find Mr. Webb's work fascinating, as well as informative.

Mr. President, I ask that this article, The American West: Perpetual Mirage, by Walter Prescott Webb, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE AMERICAN WEST: PERPETUAL MIRAGE

(By Walter Prescott Webb)

This is an attempt to discover what the West is and why it is that way. We shall not approach it from the outside; we shall begin in the middle, because that is where its dominating force—the desert—resides.

Fortunately the West is no longer a shifting frontier, but a region that can be marked off on a map, traveled to, and seen. Everybody knows when he gets there. It starts in the second tier of States west of the big river. A line drawn from the southern tip of Texas to the farther boundary of central North Dakota marks roughly the eastern boundary. It starts almost in the tropics; it reaches almost to the northern limits of the Temperate Zone. Hemmed in by Canada on the north and Mexico on the south, it runs with the sun to the Pacific. It comprises more than half of the Nation's area—all or part of 17 very large States. The airline distance around it is one-fifth the distance around the earth. This is the West, as distinguished from the other two great regions, the North and the South.

Internally the West is divided into three strips, laid one beside the other on a north-south axis—a mountain strip in the center flanked by the Great Plains strip to the east and the Pacific slope strip to the west. These gigantic natural features give variety and part of the character to the country; but they do not explain it, either separately or in combination. One can never understand the West—all of it—in terms of the rolling plains, the craggy mountains, or the slope to the sea, for none is common to the entire region. They divide rather than unify; they do not bind the West to its inevitable destiny.

The overriding influence that shapes the West is the desert. That is its one unifying force. It permeates the plains, climbs to all but the highest mountain peaks, dwells continuously in the valleys, and plunges down the Pacific slope to argue with the sea.

The desert is the guest that came to dinner, never to go away. It has stripped the mountains of their vegetation, making them "rocky"; it has dried up the inland seas, leaving Death Valley completely dry and Lake Bonneville a briny fragment in Great Salt Lake. It is the great designer of the American West, painting the landscape with color, chiseling the mesas and pinnacles, building the plains with soil washed down by perishing rivers such as the Platte and Canadian. It shortened the grass on its borders before destroying it in the interior. It never permitted trees on the plains it built, and where it found them it beat them down to sage and brush, reducing the leaves to thorns and the sap to grease and oil. The trees it could not destroy it shriveled, and those it could not shrivel it petrified.

The desert designed the animals as it shaped the land. It compelled its creatures to conform to its colors, put horns on toads, made snakes travel sidewise to keep from sinking in the sand, created grasshoppers that fly 5 miles for a sprig of grass. It made them all parsimonious of water. The rabbits require little if any, the antelope do without for long periods, some rodents and plants (like the Joshua tree) manufacture and store their own. The little prairie dog is a desert masterpiece. He is a misnamed squirrel, because the Americans who named him could not believe that a squirrel would live in a dugout. As for water, he will not touch the stuff.

What is at the heart of the West? Where is the center from which the shaping force and power radiate? The answer is simple if we would only see and accept it. The heart of the West is a desert, unqualified and absolute. Draw a line anywhere from the region's eastern boundary to the Pacific, stand on its mid-point, and you will find yourself either in the desert or near it.

If we do not understand the West it is because we perversely refuse to recognize this fact; we do not want the desert to be there. We prefer to loiter on its edges, skirt it, avoid it, and even deny it.

Instead, let us go to the center of the desert's greatest intensity, and from there measure the radius of its diminishing influence. There it lies around us in all its terror and desolate beauty, its sands shimmering in the distance, its mirages playing tricks with our vision, its mountains etched against the sky, a crosscut saw with some teeth knocked out.

This is the best of the desert, the worst of the West. Its radium varies because the

desert expands and contracts, as its enemy—rain—retreats or advances. Always at its margins there is dampness, at its borders moisture, at its limits wetness. When the desert pokes a hot finger into the border regions, the people speak of drought; when it pulls the finger back, they say "the country is getting more seasonable." At the heart of the desert there is no drought, there is only an occasional mitigation of dryness.

WHAT NOBODY MENTIONS

The influence of the desert from the center outward is comparable to the effect of a fire. If we keep a gigantic fire going for a long enough time, we will have where it was and around it a replica of the American West. In the center will be an area where all life has been destroyed, a charred mass such as may be seen in parts of Utah, Idaho, and Nevada. Beyond that will be a series of concentric circles where the destruction decreases as the distance grows. While the fire is burning you can escape its heat by going outward from it, or by going upward. So today, in the mountain State, you may go above it.

For a million years a fire of low intensity has been burning, and is still burning, in the West. It is broader and more intense in the south, narrower and somewhat cooler in the north. It covers the eight central States marked "desert States" on the map, and it scorches the near side of their flanking neighbors—the rim States, east and west—giving all nine of them large desert area.

This analogy of the fire is useful because fire, like the desert, is a positive thing. We have usually explained the West in negative terms, lack of wetness, rather than by the presence of dryness. We have adopted a series of progressively wetter terms, arid, semiarid, and subhumid—to describe the relative distance from the devil of dryness. Our aversion to deserts has led us into deceitful euphemisms, the lifted verbal hand shielding off the uncomfortable heat of reality. Let us here be realistic and divide the West in two categories, desert States and desert-rim States.

We have not always been dishonest about the presence of the desert. The early explorers thought they knew one when they saw it. They called it by name, and until after the Civil War they put it on school maps. Before the middle of the 16th century, Coronado wrote: "It was the Lord's pleasure that, after having journeyed across these deserts 77 days, I arrived at * * * Quivira." From Montana territory, Ordway of the Lewis and Clark expedition confided to his journal that "this country may with propriety be called the Deserts of North America." Zebulon Pike, farther south, said, "These vast plains * * * may become as celebrated as the sandy deserts of Africa." In 1859 Horace Greeley wrote from the buffalo range that "we are in a desert indeed." By 1835 the school maps showed the Great American Desert in block letters east of the Rockies. By 1850 such men as Daniel Webster and Jefferson Davis conceded its existence, and staked their political fortunes on their belief.

After the Civil War, the Great American Desert was abolished. It has hardly been mentioned in polite western society since, and never by the chambers of commerce. Of course, there were some small tourist deserts left, such as the Mohave and the Jornada Del Muerto, but nothing of consequence. The desert did not know that it had been abolished; it waited patiently as puny men moved in from all sides to conquer it. Enough time has now elapsed to reveal the results of this impertinence.

While the annual rainfall for each State has not been found in the reference books, we do have it for selected cities, at least one in each State. These figures are a little high because the larger cities are likely to be in the region of most rainfall. Though the figures are not exact, they are significant.

Average annual precipitation

	Inches
8 desert States (semiarid)	12
6 eastern rim States (subhumid)	24.20
3 western States (subhumid)	26.48

The desert States barely escape the true desert mark of 10 inches. The rim States are subhumid. The average for the entire West is 20 inches, the upper limit of the semiarid.

The significant thing about these figures is that they form a pattern which matches nearly all the yardsticks we use to measure the assets of a civilization. The pattern of precipitation is relatively high in the rim States and low in the desert States. The same is true of people, bank deposits, factories, cities, horses, mules, cattle, and all farm crops. (One exception is sheep; there are more sheep per square mile in the desert States than in either rim. The same is true of hard minerals.)

When this pattern is drawn, the West, especially in its desert part, appears as a depressed region. The rim States are populous and rich as compared to the vast interior. The rim States of Texas and California have about 20 million people as against less than 6 million for the 8 desert States. Texas has about 30 persons per square mile, California about 68, but the desert States have only 6. Texas and California combined had as of 1951 bank assets or liabilities of about $25 billion, as against less than $6 billion for the 8 desert States with nearly twice the area.

These figures indicate what the desert has done to those who set out to conquer it. It emerges in its true character as a great interior force—repelling to people and repulsive to wealth in nearly all forms. Though surrounded and beleaguered, the Great American Desert has not been conquered; instead it has shaped the lives and destinies of those who went against it. That is what Maj. John Wesley Powell saw when he wrote in 1878 that "a new phase of Aryan civilization is being developed in the western half of America."

THE FIRST DEFEATS

If the figures above have given the impression that the rim States have escaped the desert or conquered it, and are now safe beyond the danger line, that impression must be corrected. To correct it, we need to look at man's first general attack, that of the 1880's, which coincided with a wet cycle in the West. Since the attackers came from the humid country, they struck the eastern rim States first. They went singlehanded, with high hopes; they returned before the onslaught of the drought, emptyhanded. A. M. Simons summed up the campaign in these words:

"From the 98th meridian west to the Rocky Mountains there is a stretch of country filled with more tragedy and whose future is pregnant with greater promise than perhaps any other equal expanse of territory within the confines of the Western Hemisphere."

The disorderly charge and the ensuing rout were thus described:

"Following times of occasional rainy season, the line of social advance rose and fell with rain and drought, like a mighty tide beating against the wall of the Rockies. And every such wave left behind it a mass of human wreckage in the shape of broken fortunes, deserted farms, and ruined homes."

Later, Frederick H. Newell said: "The Great Plains can be characterized as a region of periodic famine."

The attackers withdrew, but returned with two new allies, science and invention. By ingenuity they would destroy the desert in spite of hell and without water. They made headway in the rimland by inventing barbed wire, adapting the windmill, learning about dry farming, importing desert plants, reshaping their plows, and revising their laws.

Their hopes always outran their accomplishments. What was discovered today would enable them to complete the conquest tomorrow. In the face of tragedy they became superstitious or religious, and called in the rainmakers with magic, dynamite, and prayer, and later with a chemical calculated to make a dry cloud give water.

The Federal Government enlisted on the side of the people versus the desert. It sought dam sites and blocked the rivers to create tiny islands of water in a sea of aridity. In the meantime the well drillers were probing the earth to discover every aquifer, or underground water deposit. Pumps were installed to bring up water for homes, cities, and irrigation, and every source of water—whether from river, lake, or well—was declared to be everlasting.

Regardless of the source of the water, its major effect was to create an oasis, a lovely word implying a pleasant place in the midst of a larger and less pleasant one. In and around the oasis people came to build towns and cities, establish industry, and open irrigated farms. This has happened all over the West, so that the West is today virtually an oasis civilization.

The concept of the oasis has not apparently been used in reference to the West, and cannot be used as long as we persist in denying the desert. The chambers of commerce would not be pleased if we referred to such oases of elevation as Denver, Boulder, and Rapid City; of such river oases as Santa Fe and El Paso; of the spring-made oasis of San Antonio; of the manmade oasis of Boulder City, Nev.; or of the well-based (and probably temporary) oasis of Lubbock, Tex. Los Angeles is the greatest oasis of them all.

One of the paradoxes of the West is that with its excess of land and dearth of people, it is already an urban society. The 8 desert States are 54.9 percent urban. Only Montana, Wyoming, and Idaho are rural. Utah, with only 8.4 people per square mile, is 65.3 percent urban; Nevada, with only 1.5 persons per square mile, is 57.2 percent urban. The desert has driven the people in to the oasis.

Within the desert States, the people have not overdrawn their water supply. They have struck a balance with their possibilities. This is not true in the rim States where the great cities are. Today most of these cities have outgrown their water supply and are in crisis. They have exhausted the water that made the original oasis, and their problem now is to find more at any cost. They go farther and farther to get it, and bring it in at increasing expense. Here are some examples.

Los Angeles is in an area of about 16 inches of rainfall. "Fresh water issuing from the hills led to the choice of the original site." It was begun on the little river of its name. The people congregated here and consumed the original supply of water. In 1913 the Los Angeles aqueduct was completed across the Sierra Nevada Range to a new source 233 miles distant. The original cost for the aqueduct alone was $25 million. The city outgrew this supply, and in 1939 an aqueduct was built to the Colorado, 242 miles away, at a cost of $200 million. But this is not enough, and a plan is afoot to tap the waters of the Columbia, in the Northwest, to enlarge or save the oasis of southern California.

El Paso began as a river oasis on the Rio Grande. As it grew the upstream water was pumped out, and the river failed. The underground water was tapped, to fail in turn. The Government built Elephant Butte Dam

to catch the floodwater, but it cannot keep the river running. Today El Paso is acquiring dam sites in the Guadalupe Mountains, 100 miles east; it is leasing underground water from the University of Texas lands in Hudseth County, 40 miles from the city.

San Antonio, a real rim city with close to 30 inches of rainfall, was created by the living springs that gushed out to form the San Pedro and San Antonio Rivers—tiny but dependable streams. Later the city got its water from artesian wells of tremendous head and volume. Today San Pedro Springs are completely dry; the San Antonio springs are reduced to a token, and the rivers they fed are gone. The water table has fallen, the artesian wells no longer flow. The city has few good dam sites in its territory, and is desperately pleading with the State water board to let it acquire water from the Guadalupe River basin 50 miles away.

The visitor is always shown the San Antonio River which winds through the heart of the city. The river is, so far as the visitor can see, an exotic thing; its sides are curbed, its low banks a riot of tropical plants. Boats ply back and forth carrying tourists to points of interest. The river flows full here, almost level with its curbful of water now being pumped from the wells which are no longer artesian. This is the price a proud and beautiful rim city is paying to perpetuate its oasislike character.

Dallas never shows anybody the little river on which it was born, the rat-tailed Trinity that served it well for a time. Dallas too is a proud city, consciously cultured, not joyously relaxed and playful like San Antonio, or boisterous and natural like its own near neighbor, Fort Worth. Dallas will probably deny that it is an oasis, what with its 30 plus inches of rainfall. But let us look at its water problem: Before it outgrew the Trinity, it found an everlasting supply in artesian wells which have now failed or become inadequate. It began to build dams, but not in time of drought. In desperation Dallas built a pipeline to the Red River, which gathers its waters high up on the salty plains and semidesert. Today a glass of Dallas water left overnight has a saline scum on the surface in the morning. Peddlers of potable imported water have done well at 50 cents a gallon.

The last example is the underground oasis of Lubbock, Tex. There is no spring near, and it is many miles to a river. Lubbock stands on the high plains where the annual rainfall is about 18 inches. It grew like a mushroom, because a State college was built there, oil was discovered, and an "everlasting" supply of water was found underneath the fertile soil. This high-plains aquifer is of enormous extent, making possible a giant oasis covering several counties. Turbine pumps whir day and night, pouring out streams from 4 to 8 inches in diameter. Crop yields are enormous. This is the story of the rise of an oasis based on ground water.

The story of the fall cannot be told, because it has not happened. Lubbock sees the crisis coming and is trying to avert it by acquiring water rights in the sandhills to the west. The water table is falling as new wells go down, and old ones are deepened.

The story of the five cities could be continued with variations all around the semiarid rim of the arid region. It is a story of cities that got a little too close, all haunted now by a growing consciousness that in every oasis the desert rides outside. What lies outside was described by a real authority, none other than Moses. "And thy heaven that is over thy head shall be brass, and the earth that is under thee shall be iron. The Lord shall make the rain of thy land powder and dust; from heaven shall it come down upon thee, until thou be destroyed."

WHAT THE WEST HASN'T GOT

Once we recognize the desert as the major force in the American West, we are able to understand its history. With our feet planted firmly on a desert base, what hitherto seemed strange, irrational, bizarre, becomes logical and reasonable. Granted the prevailing influence of the desert, it is obvious that the West is in comparison to the East a land of deficiencies. It is full of negatives and short on positives. This obvious fact was first noted by examining 10 standard school histories to see the relative amount of space devoted to the western three-fifths of the country occupied by a little more than one-fifth of the people.

The results were unbelievable. At one extreme the West got 1½ pages out of 100; at the other extreme it got 15. The average for the 10 books was 6 or 7 pages out of 100. This disparity could not be explained by either bias or ignorance or prejudice of the authors, but it had to be explained, made logical and reasonable.

Below is a list of the positives and negatives of the West:

Negatives: Water, timber, cities, industry, labor, Negroes.

Positives: Land, grass, minerals, natural wonders, Indians, Orientals.

A study of this list gives a clue to the brevity of Western history. The scarcity of water, timber, cities, industry, labor, and Negroes in the desert means the absence of many problems about which historians write. Their presence in the rim States is considerable. For example, practically all the timber is in east Texas, Oklahoma, and the three Pacific States. The Negro problem exists only in Texas and California, and it did not come to California until after World War I. Manufacturing amounts to only 14 percent of the national total—and since there is little manufacturing, there is little to say about labor.

The list of positives gives us the main subjects about which the historians must write. Three of them—land, minerals, and natural wonders—cannot be destroyed by the desert. Many of the natural wonders, the Petrified Forest, the Painted Desert, and the Grand Canyon it created. The grass it tolerated on its rim. On the land men laid down dry farming and irrigation; on the grass they established the cattle kingdom; and on the minerals they built mining. All have been producers of raw products, and each destructive. The farmers with the help of the wind destroyed the soil, the cattle the grass, and the miners removed an irreplaceable resource. The natural wonders, in which the West abounds, have produced annually an increased crop of tourists, whose emblem is the desert water bag. They may prove the West's most dependable asset.

UNCLE SAM'S PEOPLE

The West is the home of four-fifths of the surviving Indians, and nearly all their reservations. It is the domicile of four-fifths of the Japanese and three-fifths of the Chinese in this country. It is the home of nearly all people of Spanish-Mexican descent. Paradoxically, contrary to the general opinion, it is in the Toynbeean sense the most cosmopolitan region of the Nation. The North is peopled by many nationalities, but nearly all belong to the Western civilization. The West has all these plus the Indian civilization and the Oriental.

The concentration of the Indians in the West suggests how the desert has been used as a place to discard what is unwanted elsewhere. In their rush westward, the Americans drove the Indians toward the desert to be the wards of Uncle Sam. In the same movement they took the land from Uncle Sam, all they considered worth taking. The refuse—mainly in the desert—they left in the hands of the Government. Here Uncle Sam is the biggest landholder; he owns 47.7 percent of the land in the 8 desert and 3 Pacific States. He owns 87.4 percent of Nevada, 65.3 percent of Idaho, 64.6 percent of Utah, 51.8 percent of Oregon, 47.7 percent of Wyoming, 42.6 percent of California. He owns it mainly because nobody wanted it. Here he established the national parks and forests. The Mormons, like the Indians, fled to it because they were not wanted, and all inland atomic explosions are touched off in the desert. (But ancestors of many of the best people in the West today went there because they were wanted elsewhere in another sense.)

In the columns above we listed 6 negatives and 6 positives. We now must add a seventh negative indicated by the short shrift the West gets in the standard histories. There the historian is deprived of that indispensable ingredient of history, chronology. Aside from the Spanish effort which resulted in failure, everything that happened there occurred yesterday—almost within the long life of one man. Historicallyfi the West has no depth, no long background of slow development. Its story is told in current events. It came on the scene too late to participate in the founding of the Nation or to prevent its dissolution in the Civil War. The result is that it has not yet produced a great statesman. Only two Presidents, Herbert Hoover and Dwight Eisenhower, have come from the region; only one was born there, and he rarely mentions it except at campaign time, and in the State of his birth.

Aside from the Battle of San Jacinto, there has never been a military conflict on Western soil that had the slightest influence on national affairs.

The 20-volume Dictionary of American Biography gives a sketch of every American who has had significance in our history. An examination of the 1,252 names listed under the letter B revealed that only 99 (8 percent) had any connection with the West. The current Who's Who lists 45,227 biographies, but only 7,369 (16.7 percent) are from the West. These percentages run far below the 22 percent of the population now in the West.

Eighty-six people have been voted into the American Hall of Fame, but there is not a Western man among them.

The Federal Government has set up 57 sites of national historic character, and of these only 2 are in the West, one commemorating Theodore Roosevelt and one in the Black Hills honoring Washington, Jefferson, Lincoln, and Theodore Roosevelt—not notable for being westerners. All national historical parks and sites, battlefields, and cemeteries are in the East, the boot hills of the West not yet having attained national recognition.

What is the biographer going to do for a region that has so few men of distinction? What is the historian going to do with a country almost without chronology or important battles or great victories or places where armies have surrendered or dead soldiers were buried? How can he make a thick history out of such thin material?

BRIEF AND BIZARRE

Two characteristics of Western history emerge from the situation. Western history is brief and it is bizarre. It is brief because the time is so short and its material deficient.

Western history is bizarre because of the nature of what it has got. The historians and other writers do what men have always done in the desert. They make the best of what little they do have. Westerners have developed a talent for taking something small and blowing it up to giant size, as a photographer blows up a photograph.

They write of cowboys as if they were noble knights, and the cowmen kings. They do bi-

ographies of bad men, Billy the Kid, the Plummer gang, and Sam Bass, of bad women like Calamity Jane, of gunmen like Wyatt Earp and Wild Bill Hickok, of cowmen like Goodnight, of miners like Death Valley Scotty and Silver Dollar Tabor. They blow the abandoned saloon up into an art museum, and Boot Hill into a shrine for pilgrims. In Montana Charlie Russell is better than Titian, and in the Black Hills Frederick Remington is greater than Michelangelo. Custer, who blundered to his death, taking better men with him, found a place in every saloon not already preempted to that travesty on decency and justice, Judge Roy Bean.

This talent for making the most of little has produced 2 strange western societies, 1 good and 1 bad. The good society is that of the Mormons in Utah, a rejected people with a bizarre religion who sought peace in the desert, took the bee as their symbol, and created by their hive-like industry something admirable.

The other society of more recent vintage sprang up in a similar desert, but took a different direction. No State has less to recommend it than Nevada. It is all desert and, once its minerals were depleted, it had little chance of prosperity and hardly enough people to maintain a State government. It solved its problem by creating an oasis of iniquity and license in a sea of moral inhibitions. It provided a haven in the desert to which all could come who wanted to gamble, divorce, or fornicate and have it quick and legal. Then it found it could have a monopoly only on the first two, and so substituted for the third the abolition of State income tax to attract the millionaires who make good customers at the casinos. Nevada was revolutionized, its population shortly doubled, and it has had the highest income per capita of any State in the Union. Nevada is what it is today because of what it did not have yesterday. In compensating for what the desert denied it, it has created the most bizarre society in the Nation.

As we look at the West with its dry center and rims of less dryness, we see that the desert is the unifying force. True, the people have moved into the oases, some of them manmade, but for the most part they dwell around its moist edges where they struggle for water with all their ingenuity. They are a normal people trying to create and maintain a normal civilization in an abnormal land.

They are like a musician performing on a giant stringed instrument with many of the strings missing. The missing strings put extraordinary demands on the performer. He must make the best of what he has; he must compensate by ingenuity, agility, and improvisations for the missing strings. His range is limited, his repertoire reduced. He cannot follow the musical conventions, will try anything, and we should not be surprised that the effects are sometimes odd. We can understand him better if we remember that he is seeking to conquer the great American desert. As the preacher said: "One generation passeth away, and another generation cometh: but the earth abideth forever." And so does the desert in the heart of the American West.

A CHALLENGE TO CATHOLIC EDUCATORS

Mr. MANSFIELD. Mr. President, on April 25, 1957, our former colleague, Hon. William Benton, former Senator from Connecticut, delivered an address to the annual convention of the National Catholic Educational Association in Milwaukee, Wis. In his address Mr. Benton described the Soviet educational system, and pointed out some meanings for American education in general, and Catholic education in particular.

Mr. President, I ask unanimous consent that the address of former Senator Benton be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A CHALLENGE TO CATHOLIC EDUCATORS

(Address by Hon. William Benton, publisher, Encyclopedia Britannica, National Catholic Educational Association, Milwaukee, Wis., April 25, 1957)

I am honored to have been asked to talk to you tonight about one of the most urgent subjects in today's world. The last time I spoke in Wisconsin I was cast as the keynoter of the 1952 Democratic State convention. It was a moment when Wisconsin Democrats were worried by their State's junior Senator much more than they appear to be today. I am happy to be here again—and under today's auspices.

Monsignor McManus said recently that the Catholic schools are "the most flourishing and fastest growing educational enterprise in the United States." Dramatic proof of this growth is the size and scope of your convention here in Milwaukee.

I am here with you because Father Donnelly, the president of Loyola University of New Orleans, read an article I wrote for the 1956 Britannica Year Book. This grew out of a visit by Mrs. Benton and me to the U. S. S. R. about 18 months ago. Father Donnelly sugested to Monsignor Hochwalt that I talk to you about Soviet education and what it means for America and for Catholic education in America. The rest was easy. Monsignor Hochwalt and I have been friends since we served together in Paris in 1946 on the United States delegation to the first general conference of UNESCO. I well recall how Monsignor Hochwalt thrilled our entire delegation—on our first Sunday in Paris—when he delivered the sermon at high mass in the Cathedral of Notre Dame.

My interest in Soviet education dates from that Paris conference. The cold war hadn't yet been declared for all to see, and the Soviets had given no clear answer on their intentions toward UNESCO. Would the U. S. S. R. sabotage the Western World in educational and cultural matters? I was then serving as Assistant Secretary of State. I decided to go to Moscow to make inquiries. Gen. Bedell Smith, our Ambassador to Moscow, sent his plane to Paris to fetch me. My wife and I flew a first leg as far as Berlin. There we drew a stony-faced blank from the Russians. The Iron Curtain was riveted down. We weren't wanted. We couldn't get clearance. Back we went to Paris.

Because you here work in the field of primary and secondary education I shall limit myself tonight to three quick points about the higher Soviet institutions, and then I shall go on—or back—to the lower schools. I am going to stress three positive points—and deliberately. The positive points have the most to teach us. I never believe in underestimating an opponent, and this particular opponent—the Communist hierarchy—boasts of the anticipated annihilation of the West. The teaching of the Communist dogma is neatly embalmed in a apocryphal anecdote from the Yalta Conference of 1945. One morning as Churchill, Roosevelt, and Stalin assembled for the daily round of conferences, Churchill removed his cigar from his mouth and said, "Gentlemen, I want to tell you of a momentous dream I had last night. I dreamt that God approached my bed in a blazing halo and anointed my forehead, saying, 'Winston, I hereby proclaim you prime minister of the world.'" Roosevelt thereupon jauntily tilted his cigarette holder and said, "How odd. I had a similar experience, except that in my dream God anointed me saying, 'Franklin, I hereby declare you president of the world.'" Whereupon Stalin puffed on his pipe and said, "This is strange, for I too had a similar dream; but I don't remember having anointed either of you."

My first point deals with the dimensions of the higher Soviet system. We Americans are proud that our college and university enrollment recently passed the 3 million mark. But the comparable Soviet figure is 3,775,000, and it is growing faster than ours. The Soviets boast 1,825,000 students in 33 Soviet universities and 800 higher institutes, and another 1,950,000 in 3,700 tekhnikums. (The tekhnikum in full flower as it exists today is a uniquely Russian institution—best described as a vocational college.) In addition to these full-time students millions take correspondence and evening classes. The current figures that seem most to upset Americans are for engineering. A year or so ago the Soviets graduated 63,000 new engineers to our 23,000.

My second point concerns the quality of Soviet higher education. Within their specialties, Soviet graduates measure up well with our own. Except for 10 percent of their time which all must devote to Marxism-Leninism, they concentrate narrowly on their specialties. As specialists, they are competent. We Americans will delude ourselves if we attribute Russian advances in science and technology—for example in atomic physics and aeronautics—mainly, or even largely, to imitation, or to espionage, or to the work of captured German scientists.

My third quick point concerns the talent of Soviet students. Here in the United States we have been jolted by a series of recent studies. These studies show that, of the top 20 percent of our high school population in intelligence, not more than 1 in 3 is graduated from college. Every year 200,000 exceptionally promising American youngsters fail to make the jump from high school into college—half of them because their families can't afford it.

This particular kind of wastage of a national asset isn't indulged in by the U. S. S. R. No people in the world today, with such possible exceptions as the Scots and the Jews, give more attention to developing talented young people. By the use of persuasion, and by incentives and pressures—in a combination that gives the individual very little real choice—the Soviet state steers its promising students into fields it decides are important and then holds them in the educational system up to the highest point of training they can absorb.

Money isn't a problem for a Soviet student. There is now no tuition charge at any level. Above the secondary school, every student gets a cash stipend of about half a worker's wages. In fields the Government is emphasizing, pay is higher; for example, it is higher in aeronautical engineering than in history. Its size also depends on how well the student performs in examinations. Further, if he does well, he is deferred from the draft; in some fields he is exempted permanently.

Most important of all, the Soviets make the life of the professional man, the scientist, the scholar and the engineer, the most desirable, or perhaps I should say the least undesirable, in the U. S. S. R. Such groups are treated and rewarded as counterparts to our American corporation presidents. In the U. S. S. R. it is they who get the cars and chauffeurs, the vineyards and the dachas in the country. This helps explain why Russian youngsters work their hearts out, and often wash their brains out, to climb the educational ladder.

A few weeks ago Prof. Edward Teller, of the University of California, called the father of the hydrogen bomb, made a statement that

should have rocked this country. He says we Americans have already lost the cold war of science to the Russians. Because it takes a dozen or more years to produce a scientist, and because the Russians have more young people in training than we do, and because they have kept their talented students in the educational system, there is now no conceivable way, says Dr. Teller, to prevent the Soviets within the next few years from overtaking and surpassing us in numbers and quality of scientists. If we Americans are to regain our scientific lead, our target date must be in the seventies or the eighties. The sixties, says Dr. Teller, are already lost.

To help us combat this crisis, a year ago I proposed that the Federal Government annually grant 100,000 competitive 4-year college scholarships, plus 20,000 graduate fellowships. As in the GI bill, the successful candidate should choose his own institution.

In addition to tuition and living expenses, each scholarship would provide a cost of education bonus to the institution.

* * * * *

Now I shall move on to Soviet primary and secondary education; first with a brief description and, second, with some of the implications for our own educational system here in America and particularly for Catholic education.

The Soviet system draws much of its quality from its czarist precursors. But prior to 1914 no more than one-half of Russian children of primary school age were ever enrolled in school; at least half of all Russians remained illiterate throughout their lives. Probably the greatest single Soviet achievement has been the gigantic program to bring every child into school. If the Communists have given up butter for guns, they have given up meat for education. Obviously they didn't invent universal education: We Americans were the pioneers. Universal education has been part of the American dream for more than a century. But it is now a fact of life that the Communists are attempting to pilfer our American dream of universal education and in broad daylight.

The core of the Soviet system is the so-called 10-year school. This is roughly comparable with our 12-year elementary and high school system. Please believe me when I tell you that the Russians pack far more facts, and alleged facts, into their children's heads in those 10 years than we do in our 12. I do not suggest, however, that facts are the sole aim or even the primary objective of education.

All children enter the 10-year school at age 7. The first four grades, devoted to reading, writing, and arithmetic, were made compulsory for all in 1930. The next three grades, the so-called incomplete secondary years, were made compulsory in 1947. The big decision to make the full 10 years universal and obligatory was taken in 1951. The target date is 1960 for all children from 7 to 17 and the goal had been 70 percent realized by 1955.

In the last 6 years of the 10-year school the academic pressure mounts progressively. History, geography, and literature enter the curriculum. Each student must devote 6 years to one foreign language. In the Federated Republic, which embraces three-fifths of the population of the U. S. S. R. and extends from the Baltic to the Pacific, every student, in every grade, is studying the same subjects at the same time, and with the same textbooks, with the single exception of his choice of a foreign language. English, as the new language of science, is now the favorite. John Gunther recently reported that there are 41,000 teachers of English in the U. S. S. R. My wife met one of them in the famous Moscow subway. Her Russian chauffeur was unable to explain its marvels except by gesticulation. A young man introduced himself and in excellent English took over as guide. After 5 or 6 minutes, as he turned to leave, he hesitantly queried my wife, "Madam, may I ask you a question? How is my English?" She replied, "Your English is fine; indeed it's perfect." He insisted, "Please be frank with me because I am an English teacher." She repeated, "I assure you your accent is perfect." He turned away and again came back, "Madam," he said gravely, "you are the first foreigner to whom I have ever spoken in my life." Then he vanished into the crowd.

The most striking feature of the 10-year curriculum is its emphasis on mathematics and science. Every graduate must complete mathematics through trigonometry. Each must take 5 years of physics, 4 years of chemistry, 4 years of biology, and 1 of astronomy. Some of our American experts have recently obtained copies of the science examinations used for the 10-year certificate. These examinations approximate the level required for admission to our American university graduate departments of science.

Admiral Lewis Strauss, chairman of our Atomic Energy Commission, comparing Soviet secondary education with our own, has stated: "I can learn of no public high school in our country where a student obtains so thorough a preparation in science and mathematics, even if he seeks it—even if he should be a potential Einstein, Edison, Fermi, or Bell."

Soviet boys and girls, like their West European counterparts, work far harder than do our American youngsters. Wearing their military-look uniforms, they attend classes for long hours each day, 6 days a week, 10 months a year. Discipline is strict. Examinations are severe. Beginning with the fourth year, pupils take examinations each spring covering an entire year's work. Examinations are oral as well as written, and are conducted in the presence of visiting inspectors.

One facet of the Soviet school system which dramatizes its growing efficiency, and which was of particular interest to me as chairman of Encyclopedia Britannica Films, the largest producer of classroom films in the free world, was the rapid strides in the development of audio-visual education. Mr. Ivan Kairov, Minister of Education of the Federated Republic, said to me, "the use of films is of tremendous importance."

In the Soviet Union, if a minister of education decides that 200 new films are to be produced and used, the 200 are produced and used. Here in the United States, more than a quarter century of patient work has gone into demonstrating the value of this new tool to individual teachers, principals, and school boards. We are still ahead of the Soviets in the quality of our films. Most of their films are of the documentary type, not integrated into the curriculum as are ours. But the Soviets seem to be surging ahead of us in their use of films.

In Kiev I visited a studio that produces educational films. Four pictures were screened for me. One was titled "The Story of the Note Book." The film opens with a teacher—a very attractive woman teacher—talking to a class of 8- or 9-year-olds. She holds up examples of the children's notebooks. Some have smudges. Some have fingerprints. Some have sloppy writing. She tells the children she wants them to appreciate the work that goes into producing a notebook. She turns to a still picture of lumbermen felling great pine trees, a still picture hanging right there on the classroom wall. Suddenly this picture begins to move and there we are—off on a very creditable movie showing the making of paper from the pine tree right through to the notebook—with the teacher's voice narrating throughout. At the end we go back into the classroom, with the pupils standing up and swearing to the teacher that henceforward they will treat their notebooks with the respect they deserve.

I was shown a new catalog published by the ministry of culture, listing nearly 1,000 educational films. Under the section on astronomy, for example, there was a film on solar and lunar eclipses; another on the changing of the seasons; one on the sun, another on the universe. One astronomy film was entitled "Heavenly Guests." I couldn't quite figure out what this means—perhaps comets.

David Johnston, an audiovisual expert at the University of London, visited the U. S. S. R. last year. In one 10-year school near Moscow, which seemed to him fairly typical, he found movie projectors in the biology room and the chemistry room. For physics, there were two film projectors, two film-strip projectors and two epidiascopes. The school library had over 200 physics films, and over 200 geography films. An assistant sets up the equipment, but the teacher controls the actual projection from a switch panel at his desk. Even the lowering and raising of the windowblinds was motorized in this school. In another school, Mr. Johnston counted 10 movie projectors.

So you will see that the Soviets are moving swiftly in this new and major area of educational technology. I fear they are likely to reach the goal of a projector in every classroom before we reach the goal of a projector in every school building. I warned you I would stress the strong points of Soviet education. Another good quick example is that in the U. S. S. R. there need be no shortage of physics teachers; draft exemption as an incentive should see to that.

Most obviously Soviet education also has its serious problems. With new millions to enroll, it faces a shortage of school rooms even more acute than ours. The new millions may also force on the system some lowering of standards. In the 10-year schools, polytechnical courses are beginning to replace logic and psychology, and some examinations are being abandoned.

But the Soviet system has weaknesses deeper and far more tragic, by our standards, than these. Fundamentally, it is a system of training rather than education. It is aimed wholly at service to the Soviet state. It is designed to sharpen human tools for coming 5-year plans. Because the end is narrow, the students concentrate narrowly. Because the end is specific, teachers and examiners place heavy emphasis on rote memorization.

For 40 years the Soviets have been trying to abolish moral absolutes and to establish in their stead materialistic absolutism. The Soviet constitution promises freedom of religion. In practice this means freedom from religion. All religion is systematically combated in the schools and through the youth organizations. But, ironically, the Soviets have reared a strange "religion" of their own, complete with an elaborate theology of atheism, embracing the dialectical trinity as expounded in the gospel according to Marx, Lenin and Stalin. They even have seminaries and missionaries to disseminate their mystique of materialism. Although Stalin has now been de-deified by his successors, we must not forget the divinity that still surrounds the Communist Party in the minds of its votaries. And of course all of us know that many Communists have been known to go to confession—and never come back.

Mr. Allen Dulles, the Director of the Central Intelligence Agency in Washington, has suggested that education may prove to be the Achilles' heel of communism. Can the Communists educate young people to think about chemistry and engineering without also teaching them to think? If students think clearly about medicine and aeronautics, won't they be apt to think about poli-

tics, economics and philosophy—and about religion? That simple question may prove to be the central issue of our time. We can hope and pray that the answer is favorable, but we dare not assume that it will be, or base our national policy on such an assumption. The example of Germany in the thirties, with its advanced science and technology, is all too vivid. The only prudent policy for the United States is to seek to multiply its own best efforts.

Educating the whole man, rather than training the prototype of the specialist, the technician, or the functionary, must remain our American goal. Yes, our young people need more mathematics and more science. But not because they must operate a technocratic society. They need mathematics and science because these disciplines are essentials of a liberal education.

Communism flings a sharp challenge to American educators in general, and to Catholic educators in particular. The challenge is this: To be our own best selves. Catholic education has its own unique intellectual tradition. At its purest it is a tradition of liberal education.

Twenty years ago, Dr. Robert M. Hutchins, then president of the University of Chicago, reminded the Midwest division of your association that the Catholic Church has "the longest intellectual tradition of any institution in the contemporary world." He then leveled against Catholic education in the United States what he called a "scandalous accusation," that it had failed to emphasize its age-old tradition of cultivating the intellect and instead had imitated the worse features of secular education, among which he listed athleticism, collegiatism, vocationalism, and anti-intellectualism. In brief, the trouble with Catholic education was that it was not Catholic enough.

Father John Courtney Murray, the distinguished theologian who serves as the advisor on articles pertaining to Roman Catholicism in the Encyclopaedia Britannica, spoke here in Milwaukee last spring. He referred to the Roman Catholic population of the United States as "a segment of our society, fully integrated into the pluralistic structure, which has now become so large that its educational needs and interests have become public needs and interests, at the same time that they remain special to the particular community." Today, with over 4 million students enrolled—11 percent of all school and college enrollments in the United States—the Catholic schools have numbers enough not only to carry weight but to provide leadership in every community.

Must our Catholic schools not strive increasingly to become citadels of intellectual as well as moral excellence? They have the tradition. They have the organization. Already, on one great moral issue, they have given leadership to the entire Nation. That issue is segregation.

The moral case for desegregation is of course manifest, but today there are two powerful new arguments, arguments of prudence, rising out of the international strains of competitive coexistence. The first is that a billion dark-skinned human beings in the underdeveloped areas who are now deciding whether to follow the leadership of the free world, look with grave misgiving at the spectacle of racial discrimination in the United States. The second is that we can no longer afford to waste the talent of our Negro youth.

Long before the Supreme Court decision of May 1954, Catholic elementary and high schools in area after area where segregation had been firmly entrenched by law and custom, quietly opened their doors to Negroes. Before 1954, 25 Catholic colleges, universities, and seminaries had desegregated—including institutions in Mississippi, Louisiana, and the District of Columbia. They have thus provided a stirring example for the public institutions.

Because they hold to a common acceptance of first principles and objectives, Catholic schools and colleges have a special opportunity to work toward what must be established as the primary aim of American education: producing not highly trained technicians on the Soviet model but educated individuals on the American model—men and women who possess wisdom as well as knowledge; compassion as well as high personal standards; convictions as well as disciplined reasoning; sensitivity to beauty as well as tough-minded ability to distinguish between the genuine and the counterfeit; individuality as well as willingness to work together with others toward a common goal. Because teachers in Catholic schools are for the most part dedicated on the basis of religious vocation, their training can be more carefully supervised, their professional careers more systematically organized. Curriculum reforms can be achieved more readily than in public education—provided there is a will among Catholic educators to make such reforms.

There are increasing indications that such a will not only exists but is strengthening. Catholic schools and colleges throughout the country are trying imaginative new approaches. The Sisters of Mercy in Chicago, for example, are experimenting with the idea that education should be regarded as a continuous process. They are developing an integrated education—from kindergarten through the fourth year of college—in which each part is related to all the others, and through which the student can proceed at his own best pace.

The University of Notre Dame is reorganizing the entire curriculum of its College of Arts and Letters—to give greater unity and purpose to undergraduate studies. Too often in American higher education these are nothing but a hodge-podge of unrelated tidbits.

One of the most interesting new developments in Catholic education—one that grew out of your 1952 convention in Kansas City—is the Sister Formation Conference. This remarkable venture undertaken by the major orders of teaching nuns in the United States has won the support of the Fund for the Advancement of Education of the Ford Foundation. It aims at nothing less than a complete revolution in the recruitment and training of religious teachers for the Catholic schools.

A ferment is indeed stirring Catholic education in the United States at this midpoint of the 20th century. It rises out of what seems to me—as a non-Catholic layman—a most remarkable capacity for constructive self-criticism. This in turn springs from newly strengthened confidence. With boldness, imagination, and a willingness to change—Catholic schools and colleges may well realize in the decades ahead the full potential of their matchless tradition.

I leave you, as I began, with a quotation from Monsignor McManus: "Our Catholic schools are going places. Those who staff and direct them have talent, ambition, energy, capacity for hard work, boundless enthusiasm, and the priceless asset of an assurance of God's benevolent help." And I add to Monsignor McManus: What a magnificent moment to be ailive—to be here at this great convention—and to be at such a work.

ADDRESS BY PRESIDENT CARLOS P. GARCIA, OF THE PHILIPPINES

Mr. MANSFIELD. Mr. President, it is a matter of gratification for the American people and for all lovers of freedom to read the address delivered by President Carlos P. Garcia, of the Philippines, on the 15th anniversary of the fall of Bataan, when he reiterated in stirring words the determination of the Filipino people "to meet the challenge of godless Communist aggression," that the peoples of the world may live in peace and happiness.

When he also said that "the spirit of Bataan symbolizes for all time the Philippine-American covenant to stand together always in defense of freedom and democracy and of those institutions and causes that Filipinos and Americans commonly hold dearest and nearest to their hearts," President Garcia was voicing the ideals of people who know what it means in heroic sacrifice to fight for the highest values in the democratic way of life.

Now that President Magsaysay has passed to the Great Beyond, the Filipino people are fortunate indeed that his successor is fully cognizant of the dangers of totalitarianism. Here is a leader who has the same determination as that exemplified by his predecessor to fight communism without quarter, and to shield his nation from the blandishments, cajolery, and intimidation of Moscow.

The Philippine-American spirit will continue to be one of unity in its resolute stand against totalitarianism while we have leaders of the courage and vision of men like President Garcia.

Mr. President, in the course of an interview in Manila, the account of which is carried in this morning's New York Times, President Garcia made the statement:

> The Philippines will never forget what the United States has done here.

May I say that reciprocity is a two-way street, and that the United States will never forget the sacrifices made by the Filipinos in our common cause during the Second World War.

The distinguished Senator from New Jersey [Mr. SMITH] and I, along with Secretary Dulles, had a chance to observe President Garcia in action during the time of SEATO conference in Manila in September 1954. We were impressed by his decency, honesty, and sincerity. We know he has a difficult job, but we know that under his leadership the good and friendly relations between our two great Republics will continue in the years ahead.

Mr. President, I ask unanimous consent that a copy of the address delivered by President Garcia, as well as articles from the Washington Post and New York Times, be printed in the RECORD as a part of my remarks.

There being no objection, the address and articles were ordered to be printed in the RECORD, as follows:

> It is difficult for a Filipino who is proud of his race to stand on this hallowed ground overlooking Bagumbayan Field without feeling a twitch of glorious pain in his heart. It was here where a people's aspiration for freedom was set aflame with the death of one man—where one bullet snuffed out one life, only to kindle the courage of millions of people. It is meet, therefore, that on the anniversary of Bataan Day the stage be set on this sacred ground.

I have often wondered why year after year we choose to remember that heartbreaking day, 15 years ago, when organized resistance in the peninsula of Bataan by gallant Filipino and American soldiers crumbled before overwhelmingly superior forces of the enemy; why we have to recall every once so often the gallant but tragically futile stand of the Philippine and American forces in that beleaguered and blood-drenched peninsula and bring to mind again the nightmares of the death march that followed.

If a people chose to remember the tragedy of Bataan, it is because Bataan may have been a military defeat, but it was a magnificent victory of a people's spirit, the victory of a strong and steadfast heart against a cruel and determined enemy. There must be something in the fall of Bataan that makes our people take pride in being Filipinos. Wars have been lost in the past and defeated peoples gone down with them, but the defeat of Bataan was a temporary military defeat—the Filipino people not only won that war but became stronger with it.

What did the Philippines lose in the battle of Bataan? As we look back through the years against the perspective of a people's courage that rose from defeat and subjugation to a new and glorious present, it is now clear that all we lost in Bataan was merely a piece of real estate which our fighting men yielded to the enemy only because of overwhelming odds. The military bastions of Bataan were the ones that crumbled. The will to fight, the fortitude to endure, and the determination to win the battles never died in the Filipino people. In fact, within a few months this spirit swept the length and breadth of our country, fired the humblest farmer with a new determination, and gave birth to the resistance movement which was kept alive until American forces liberated the country from the enemy. It was this spirit that led small patrols into encounters with the enemy at tremendous odds, that forced a people to endure deprivation, starvation, and death rather than bow to the domination of a conqueror. Finally, this avenging spirit marched with the liberation forces and, side by side with their American allies, ferreted the enemy out of his ratholes and, without regard to life or limb, hastened the early liberation of his benighted country. It must be the inspiration of this spirit which led José Abad Santos to a smiling death rather than bow to the enemy; that led Manuel Colayco and more like him to disregard their safety for the sake of their hapless countrymen. Much later, in the frozen wastes of Korea, the Filipino brought this ringing courage to meet the challenge of the Godless Communist aggression in that part of the world that other peoples may live in peace and happiness.

It was inevitable that the world should take notice of the Filipino brand of patriotism and love for freedom. It was this spirit that earned for the Filipino a worthy and honored place among the sisterhood of free and independent nations. I know now that Bataan must be celebrated every year, not only to remember the gallant dead but to fire the living with a new resolve to carry on the torch of freedom—to rededicate again those ideals for which so many suffered and died.

On this occasion, let us pledge to the heroes of Bataan, living and dead, that by our sincere dedication to liberty and democracy, by our unswerving determination to keep our native land free from the curse of a godless ideology and by our unrelenting crusade for peace and universal prosperity, we shall prove to history that they have not died in vain.

Let the spirit of Bataan be the new redemptive power that would rout the forces of corruption, greed, concupiscence, vice, and criminality in our midst. Let the spirit of Bataan be the regenerative power that would lift our people to a life of faith and hope or triumphant nationalism without any isolationist fear to live with the free world on terms of equality and mutual respect. Let the spirit of Bataan be the new dynamics to our economic renaissance that would turn the wheels of industry, multiply the productivity of our agriculture, open new avenues of employment for the sinews of labor and new fields of investment for capital. Let the spirit of Bataan symbolize into perpetuity the Filipino-American covenant to always stand together as they stood together on the summits of Bataan and on the rock of Corregidor in defense of freedom and democracy, and of those institutions and causes that we commonly hold dearest and nearest to our hearts.

Let the spirit of Bataan be an added instrument of the people for the upbuilding of a Philippine nation truly free, prosperous, and truly happy.

I thank you.

[From Washington Post and Times Herald of April 29, 1957]

NEW LEADER IN MANILA

President Carlos P. Garcia, of the Philippines, knows how it feels to have the moon and stars fall on him. The tragic death of President Magsaysay which catapulted Mr. Garcia into the Presidency at Manila sent him to President Truman's Memoirs to study the similar transition of authority that occurred in this country in 1945 on the death of President Roosevelt. Mr. Garcia's countrymen, too, are conscious of this historic parallel, and it is heartening to hear them report that Mr. Garcia, a quiet man without much of the dramatic in him, is rising to the occasion as Harry Truman did.

Mr. Garcia's friends admit that he lacks the genius for reaching the hearts of the people that President Magsaysay had in rich abundance. But he has a good grasp on realities. He has identified himself with the ferment of freedom, independence, and improved standards of living that is felt throughout the Orient. And he sees that the greatest hope for attainment of these aims so vital to all the people's of Asia lies in close friendship with the United States. Like his predecessors, he speaks with profound thankfulness of the freedom the United States gave to the Philippines, and of the influence that example has had on the whole Orient. So he makes continued partnership with this country the cornerstone of his foreign policy.

In both the foreign and domestic spheres, Mr. Garcia is seeking to carry out the policies to which Magsaysay was dedicated. Following the Truman example, he is also making a fight for election in his own right in November. His emergence as an able successor to the venerated Magsaysay is a salutary demonstration of the strength of Philippine democracy.

[From the New York Times of April 28, 1957]

GARCIA GIVES AIMS AS FILIPINO CHIEF—AIMS TO PURSUE MAGSAYSAY POLICIES AND TO BE ELECTED PRESIDENT—HAILS UNITED STATES

MANILA, April 23.—President Carlos P. Garcia of the Philippines has two immediate goals—to continue the policies of the late President Ramon Magsaysay and to be elected President in his own right.

In an interview, President Garcia stressed his determination to continue "the closest possible relations with the United States." Sharp criticisms of the United States by some Philippine politicians, Mr. Garcia said, do not represent majority Filipino opinion and certainly not that of the administration.

"There's proof of that in the present political campaigns," Mr. Garcia said. "Many candidates who have been critical have suddenly become great friends of the United States—it's politically the thing to do if a candidate expects people to vote for him."

CHAIN REACTION STARTED

Not only is President Garcia impressed by help given the Philippines by the United States but he credits America with having "started a chain reaction over the world" that has brought independence to a number of nations.

"The Philippines will never forget what the United States has done here," he said. "The United States promised us independence. Once this country was redeemed from the Japanese, the United States did not wait a single day to redeem its promise. No sooner had Japanese occupation ended than we got our freedom.

"I believe that what the United States did here had a great deal to do with India and Pakistan getting their freedom so quickly, with Indonesia and Burma, and the Indochina states," Mr. Garcia continued. "And I think that that reaction is still at work—in Africa, for instance. It is a great thing for the world.

"The United States is trying its best to help us. I do not feel, whatever some others might say, that the United States has imposed its will on us anywhere. Aid has been offered freely and openly, and we can take it or leave it. We have been wise enough to take it, and we have benefited."

Turning to politics, Mr. Garcia said, "I expect to be nominated for the Presidency this year, and I expect to win.

CONFIDENT OF VICTORY

"The most difficult task will be to get the nomination," he predicted. "The death of Magsaysay has stimulated many ambitions in many people. There will be a battle in the Nationalist party convention. I feel I can win the battle, but it may be hard. Whoever does win should win the election easily because the chief opposition party—the Liberal party—is split wide open. I expect to start a new term in November in my own right."

There is a parallel between Mr. Garcia's succession to the Presidency and that of former President Harry S. Truman of the United States. Both succeeded an exceedingly popular hero who died suddenly and unexpectedly. Both had long and not too colorful political careers. Neither was considered a particularly strong man, and yet each moved immediately to take firm and active control of his administration.

Mr. Garcia concedes the parallel when asked about it. Had he read Mr. Truman's Memoirs on his years in the White House?

"Not all of them," Mr. Garcia admitted, "but I did recently read the sections in which he describes his feelings upon taking over the Presidency when Roosevelt died. I know how he felt."

Mr. Garcia was in Australia when he first got word that Mr. Magsaysay's plane was missing and presumed lost. He rushed back to the Philippines, receiving confirmation of Mr. Magsaysay's death on the way.

Mr. WILEY. Mr. President, in an interview in Manila with the North American Newspaper Alliance datelined April 23, 1957, the new President of the Philippines, Carlos P. Garcia, has made statements of great interest to the free world. It is evident that the late President Magsaysay's successor is a courageous champion of democracy and that those who believe in freedom and human dignity can rest assured the new leader of the Filipino people will continue to uphold all those spiritual values that are the basis of the strength and greatness of all democratic nations the world over.

The Washington Post and Times Herald, in an editorial published April 29, 1957, basing its views on the interview I have just mentioned, pays tribute to President Garcia and says that "his emergence as an able successor to the venerated Magsaysay is a salutory demonstration of the strength of Philippine democracy."

No better description could have been made of the vitality of the Philippines as a democratic country, and no higher tribute could have been paid to the Filipino people. We in America are proud to have such friends and allies, and we salute them for showing the world that the processes of democracy in the Philippines continue undisturbed no matter what changes in their leadership may take place.

In making continued partnership with the United States the cornerstone of his foreign policy, President Garcia shows that he has the vision of a statesman. As Secretary of Foreign Affairs under the late President Magsaysay, he was coarchitect of that revered Filipino's outspoken and forthright stand for Philippine-American friendship. Now that President Garcia is the Chief Executive, it is no wonder that he should carry on with the same foreign policy that as Secretary of Foreign Affairs he so ably implemented.

I ask unanimous consent that the Washington Post and Times Herald editorial and an article entitled "Garcia Gives Aims as Filipino Chief," published by the North American Newspaper Alliance, be printed at this point in the RECORD.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald]

NEW LEADER IN MANILA

President Carlos P. Garcia, of the Philippines, knows how it feels to have the moon and the stars fall on him. The tragic death of President Magsaysay which catapulted Mr. Garcia into the Presidency at Manila sent him to President Truman's Memoirs to study the similar transition of authority that occurred in this country in 1945 on the death of President Roosevelt. Mr. Garcia's countrymen, too, are conscious of this historic parallel, and it is heartening to hear them report that Mr. Garcia, a quiet man without much of the dramatic in him, is rising to the occasion as Harry Truman did.

Mr. Garcia's friends admit that he lacks the genius for reaching the hearts of the people that President Magsaysay had in rich abundance. But he has a good grasp on realities. He has identified himself with the ferment of freedom, independence, and improved standards of living that is felt throughout the Orient. And he sees that the greatest hope for attainment of these aims so vital to all the peoples of Asia lies in close friendship with the United States. Like his predecessors, he speaks with profound thankfulness of the freedom the United States gave to the Philippines and of the influence that example has had on the whole Orient. So he makes continued partnership with this country the cornerstone of his foreign policy.

In both the foreign and domestic spheres Mr. Garcia is seeking to carry out the policies to which Magsaysay was dedicated. Following the Truman example, he is also making a fight for election in his own right in November. His emergence as an able successor to the venerated Magsaysay is a salutary demonstration of the strength of Philippine democracy.

[From the North American Newspaper Alliance release]

GARCIA GIVES AIMS AS FILIPINO CHIEF—WOULD CONTINUE MAGSAYSAY POLICIES AND TO BE ELECTED PRESIDENT—HAILS UNITED STATES

MANILA, April 23.—President Carlos P. Garcia of the Philippines has two immediate goals—to continue the policies of the late President Ramon Magsaysay and to be elected President in his own right.

In an interview, President Garcia stressed his determination to continue the closest possible relations with the United States. Sharp criticisms of the United States by some Philippine politicians, Mr. Garcia said, do not represent majority Filipino opinion and certainly not that of the administration.

"There's proof of that in the present political campaigns," Mr. Garcia said. "Many candidates who have been critical have suddenly become great friends of the United States—it's politically the thing to do if a candidate expects people to vote for him."

CHAIN REACTION STARTED

Not only is President Garcia impressed by help given the Philippines by the United States but he credits America with having started a chain reaction over the world that has brought independence to a number of nations.

"The Philippines will never forget what the United States has done here," he said. "The United States promised us independence. Once this country was redeemed from the Japanese, the United States did not wait a single day to redeem its promise. No sooner had Japanese occupation ended than we got our freedom.

"I believe that what the United States did here had a great deal to do with India and Pakistan getting their freedom so quickly, with Indonesia and Burma, and the Indochina States," Mr. Garcia continued. "And I think that that reaction is still at work—in Africa, for instance. It is a great thing for the world.

"The United States is trying its best to help us. I do not feel, whatever some others might say, that the United States has imposed its will on us anywhere. Aid has been offered freely and openly, and we can take it or leave it. We have been wise enough to take it, and we have benefited."

Turning to politics, Mr. Garcia said, "I expect to be nominated for the Presidency this year, and I expect to win.

CONFIDENT OF VICTORY

"The most difficult task will be to get the nomination," he predicted. "The death of Magsaysay has stimulated many ambitions in many people. There will be battle in the Nationalist Party convention. I feel I can win the battle, but it may be hard. Whoever does win should win the election easily because the chief opposition party—the Liberal Party—is split wide open. I expect to start a new term in November in my own right."

There is a parallel between Mr. Garcia's succession to the Presidency and that of former President Harry S. Truman of the United States. Both succeeded an exceedingly popular hero who died suddenly and unexpectedly. Both had long and not too colorful political careers. Neither was considered a particularly strong man, and yet each moved immediately to take firm and active control of his administration.

Mr. Garcia concedes the parallel when asked about it. Had he read Mr. Truman's memoirs on his years in the White House?

"Not all of them," Mr. Garcia admitted, "but I did recently read the sections in which he describes his feelings upon taking over the Presidency when Roosevelt died. I know how he felt."

Mr. Garcia was in Australia when he first got word that Mr. Magsaysay's plane was missing and presumed lost. He rushed back to the Philippines, receiving confirmation of Mr. Magsaysay's death on the way.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I must leave the Chamber soon, but, if Senators will indulge me, I have a brief announcement I should like to make for the information of the Senate.

Mr. President, we have some 15 appropriation bills to consider in the Senate. It is about the time of the year when the Appropriations Committee begins to report those bills to the floor. As all Senators know, the Senate does not consider appropriation bills unless and until the House has acted upon them.

I have asked the Appropriations Committee to give me some information as to the present status of bills pending before that committee.

I have been informed by some of my colleagues that they desire to be notified as soon as the appropriation bills are reported to the Senate, and that in most instances they desired to see the rules followed, which require that an appropriation bill, hearings, and report be available to Senators 3 days before the bill can be brought up for consideration by the Senate.

I am informed that the Treasury, Post Office bill is likely to be reported by the committee between May 7 and May 10. The Interior bill will probably be reported in the second week of May. The general government matters and the independent offices bills will probably be reported in the second week of May. The Commerce Department bill will probably be reported in the second week of May.

Hearings will start tomorrow afternoon on the State, Justice, Judiciary bill. Secretary Dulles will be the first witness. I read in the paper this morning that the President directed the Secretary yesterday to testify before the committee. I should like to observe that the Secretary has been scheduled to testify for some 2 months now, and that actually the date was set several weeks ago.

There are also the Agriculture Department appropriation bill, which we hope will be reported by May 22, and the third supplemental bill, and the District of Columbia appropriation bill by the latter part of May.

Mr. President, it is the hope of the leadership that we may be able to dispose of more than a majority of the appropriation bills during the month of May. Hearings have already begun on most of them, and are far advanced.

As usual, the mutual security bill, the legislative bill, the defense bill, and the later supplemental bills will come along during the month of June, and that will complete our action. I should

like to have all Senators on notice that we expect at least eight appropriation bills to be considered during the month of May. In most instances the 3-day rule must be followed. Senators should make engagements during May with extreme care if they desire to be present when appropriation bills are considered. I am sure there will be considerable controversy in connection with most of them.

Mr. President, I make this statement in order that every Senator may be on notice as to the intentions of the leadership.

ORDER DISPENSING WITH THE CALL OF THE CALENDAR

On request of Mr. JOHNSON of Texas, and by unanimous consent, the call of the calendar today under the rule was dispensed with.

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand in adjournment until 12 o'clock noon on Wednesday next.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

THE SCRANTON STORY

Mr. CLARK. Mr. President, the city of Scranton, Pa., has recently received unfavorable publicity because of the activities of certain labor leaders in that community.

The city of Scranton itself is one of the pearls of the Commonwealth of Pennsylvania. The city has met adversity with fortitude. It has pulled itself up by its bootstraps. It is a city of which everyone in the Commonwealth of Pennsylvania is extremely proud.

Mr. President, I ask unanimous consent to have printed in the RECORD two statements which were read into the record of the Senate Permanent Committee on Investigation by the Senator from Arkansas [Mr. MCCLELLAN], chairman of the committee, on April 16, 1957. These statements made on behalf of the Scranton Chamber of Commerce and the Northeast Pennsylvania Industrial Development Commission clearly state a situation with which I am very familiar—that Scranton and northeastern Pennsylvania represent outstanding examples of ingenuity in industrial and community development. I have great personal praise for their civic responsibility and their intrepid courage in creating new employment.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

Senator JOHN L. MCCLELLAN,
Chairman, Senate Permanent Committee on Investigations, Senate Office Building, Washington, D. C.:

A humble community would like the honor to have this statement read into your committee's record prior to commencement of testimony from invited witnesses from Scranton, Pa.

As the processes of this, our Congress, move on in the pursuit of new or corrective legislation to provide this Nation with the best in democratically arrived at laws, it becomes very apparent that all of the apples in the barrel might be characterized, in your quest to spotlight one or more apples under investigation.

Scranton and northeastern Pennsylvania have a proud record—a record that has been lauded on Congressional floors. It represents a record of achievements in the best American tradition.

Under a system of personal individualism, workers from the hard-coal areas of Pennsylvania have, for more than a century, engaged in labor that has been rugged, has been disillusioning, and most dangerous. But they persevered. They have faced the adverse and responded.

During World War II, if the committee staff will check the records of the Veterans' Administration or the armed services, the Scranton and northeastern Pennsylvania region have given to the cause of national liberty more than their equal share of servicemen. When these men returned home, those among them that shared the dismal trials of service and welcomed the advent of civil life, these men were confronted with an economic situation that offered no employment. But, as in wartime, that situation was not totally bad.

Leaders in Scranton and northeastern Pennsylvania conceived what is being heralded in another section of this Senate, the Senate Committee on Banking and Currency now studying the area redevelopment program, a program of community industrial self-help called the "Scranton Plan" which has created thousands of new jobs in the face of a declining anthracite industry.

We wish that the honorable Senate and your committee would recognize that, in view of the tremendous appeal which sensational news reflects from Washington, that Scranton and its environs could be negatively affected if your committee does not at the very outset establish, if it will establish forthwith, a community does have noteworthy qualities. That Scranton is respected as one of those communities.

Scranton and the entire northeastern section of Pennsylvania are engaged in an heroic battle to achieve economic solvency. That community has gained fame for initiating a wonderful self-help spirit that did not await Federal or State intervention and supervision of its problems, but solved most of them within the community.

We can hardly believe that your committee would do anything to defame such a community as a whole, a city that only recently was honored as an all-America city.

But rather, your committee in its contemplation of national reaction to your spotlight hearings will temper a generous number of favorable observations on the stimulating community program that is now in effect at Scranton.

We trust that your committee can appreciate our earnest concern over your broad projection of Scranton before your most honorable body.

VICTOR C. DIEHM,
President, Northeast Pennsylvania Industrial Development Commission.
HAZLETON, PA.

Scranton, Pa., once center of the anthracite industry, developed 12 years ago an industrial development plan of community self-help. People raised $4 million to build 27 community plants to employ almost 10,000 of our people.

This truly American plan has done much to help solve our economic problems.

In view of the widespread negative publicity attached to Senate hearings on practices of labor leaders in the Scranton area, we are concerned that our Nation will associate our industrial development in a negative way.

We are a courageous people, whose Scranton plan we hope will continue to merit the attention and the consideration of progressive people, who will want to associate with us and help us to continue building our new economy.

JOHN J. O'CONNELL,
President, Scranton Chamber of Commerce.

Mr. CLARK. Mr. President, Scranton, Pa., once the flourishing center of the anthracite industry, developed 12 years ago an industrial development plan of community self-help. The people of Scranton raised $4 million to build 27 community plants to create almost 10,000 jobs.

This remarkable initiative has done much to overcome their economic difficulties.

In view of the widespread negative publicity that has come to Scranton as a result of the recent Senate hearings, I ask unanimous consent to have printed in the RECORD a copy of "The Scranton Story" so that the Nation can appreciate the fine community spirit and outstanding civic leadership of one of Pennsylvania's great cities.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE SCRANTON STORY—70 NEW PLANTS BUILT, 100 EXPANDED

THE SCRANTON PLAN TODAY

Twelve years ago, at the close of World War II, an industrial development plan—destined to become the renowned Scranton plan—was launched. At the time of its inception, the entire future of this region was totally dependent upon the success or failure of the daring plan.

The Scranton plan was born of necessity and it was launched in the greatest cooperative community spirit ever experienced in the country.

More than $4 million have been raised in community industrial corporations and it should be noted that that money has been used to build 26 community plants for new industries to lease or buy. They are worth more than $19 million today.

Just 12 years after the birth of a community self-help program which has brought honor after honor to Scranton and its citizens, there are moments when, reflecting on the progress made to date, one wonders what this area might be like today had there not been decisive action on the part of the hard-working people who make the Scranton area their home.

Fortunately, such reflection is brief—for the outstanding achievements of the past few years have carried the region so far along the road of industrial progress that the days when the area was faced with the loss of its single basic industry seem dim in comparison.

The Scranton plan has brought the entire region to the point where—with the added impetus provided by the Scranton Chamber of Commerce and the continued cooperation endeavors of our citizens—the dreamed-of goal of making the Scranton area one of the industrial capitals of the world is not too far away. The road ahead is not

smooth, however. Strong efforts must still be forthcoming from all concerned if we are to overcome the final obstacles in our way and complete the task of building a new economy—based on the solid and everlasting bedrock of industrial diversification.

The experience gained in the early days of the Scranton plan will lead us to believe that we can—and will—accomplish that goal.

27 community plants

Present appraised value	$19,365,000
Total industrial floor space	2,620,236
Total employed (approximate)	7,775
Estimated potential employment	14,950
Estimated annual payroll	24,953,000
Estimated potential payroll	59,800,000

43 new buildings financed by private capital in the area

Estimated cost of plants	$69,234,000
Total square feet	3,583,900
Estimated potential employment	10,680
Estimated potential payroll	32,787,880

100 expansions in established industries

Estimated cost of expansions	$18,548,400
Estimated employment	24,700

Current expansions—community plants: Trane Co., 24,000 square feet; Life No. 10, 128,000 square feet.

UNIFICATION OF DEFENSE FORCES

Mr. SYMINGTON. Mr. President, everyone interested in the possible reduction of the Federal budget knows that by far the greatest opportunities for economy exist in connection with the national-defense items.

Therefore I ask unanimous consent to have printed in the RECORD at this point an article entitled "Real Unification of Forces Urged," written by John D. Mosris, and published in the New York Times of April 28, 1957.

The article has to do with the opinions of a distinguished Member of the House of Representatives, Representative GEORGE H. MAHON, of Texas, one of the most experienced and informed Members of Congress on this particular subject. Representative MAHON is chairman of the Subcommittee on Military Appropriations of the House Appropriations Committee.

Mr. President, all those Members of both bodies of the Congress who are interested in reducing the cost of Government will be interested in this article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REAL UNIFICATION OF FORCES URGED—TEXAS REPRESENTATIVE BIDS EISENHOWER END RIVALRIES SO BUDGET CAN BE CUT

(By John D. Morris)

WASHINGTON, April 27.—The chairman of a Congressional panel in charge of the military budget urged President Eisenhower today to initiate a drive for real unification of the Armed Forces.

Representative GEORGE H. MAHON, Democrat, of Texas, blamed inordinate jealousy and rivalry among the services for soaring defense costs. He predicted that annual outlays proposed by the administration would rise to about $50 billion in the next few years unless rivalry was stopped.

MISSILES SINGLED OUT

The military budget for the 1958 fiscal year, which starts July 1, 1957, is $38 billion compared with $35,500,000,000 2 years ago. The House Appropriations subcommittee headed by Representative MAHON meets next week to start writing the bill to provide the money.

Mr. MAHON, in an interview, looked for some reductions but doubted that savings approaching $3 billion, as suggested by some economy advocates, could be achieved by Congress without real unification of the services.

He said the rivalry was particularly costly in the development of missiles, with the Army, Navy, and Air Force each asking for "more money, more programs and more duplications."

"The only answer," he asserted, "is more unification—something approaching a merger of the services. We have got to put them all in the same uniform."

Mr. MAHON recalled that only last year he had defended "a certain amount of rivalry" among the services as healthful, but added:

"It has now gotten out of hand. It's very unwholesome and very wasteful and I think something has got to be done about it."

He said legislation probably would be required. President Eisenhower could provide the impetus, if he could find the time to take a personal interest in the problem, Mr. MAHON said.

KNOCK SOME HEADS

"If President Eisenhower with his vast prestige as a military man should say this rivalry has gone beyond wholesome bounds and is threatening the national security and retrenchment, if he would knock some heads together, he could get the support of Congress to work it out," Mr. MAHON asserted.

The main basis of the rivalry, he said, involves a struggle between the Army and Air Force in the knowledge that "whoever controls the missiles will dominate the military scene say 10 years from now."

In addition, he said, the Navy is battling the Air Force to preserve the aircraft carrier's mission as a strategic offensive weapon.

"There is a fierce contest going on," he remarked. "It's the fiercest that I have ever observed. I see a tendency of the services to look upon the sister services as enemies in this long-range planning. Each feels that the other is threatening her place in the sun. If we had them all working on the same team, maybe a satisfactory solution could be found."

Even under present circumstances, Representative MAHON said, the services should be able to get along on expenditures of $35 billion a year.

"It would be wholesome if the Department of Defense would set such a ceiling and determine to live within it," he suggested. "It seems to me we ought to buy a reasonably satisfactory defense for $35 billion.

"I would favor an overriding national policy that all the defense we can't buy for $35 billion we would do without. I think we would come nearer to getting our money's worth."

THE SOVEREIGN STATES

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a review by Mr. William Henry Chamberlin, published in the Wall Street Journal of April 29, on a book entitled "The Sovereign States," written by James Jackson Kilpatrick, editor of the Richmond News Leader.

There being no objection, the book review was ordered to be printed in the RECORD, as follows:

THE BOOKSHELF

(By William Henry Chamberlin)

RINGING AVOWAL OF STATES RIGHTS

It is appropriate that a citizen of Virginia, Richmond editor James Jackson Kilpatrick, should raise the sadly tattered and often furled banner of States rights.

For Virginia is the State of Thomas Jefferson, fiercest critic of centralized governmental power; of Patrick Henry, who opposed the adoption of the Constitution because he feared a threat to State and local liberties; of Robert E. Lee, who laid down a commission he had held with distinction in the United States Army because he placed loyalty to his State first.

Mr. Kilpatrick's book on The Sovereign States is avowedly written with a purpose—to assert the rights of the States against what he regards as the encroachments of the Federal Government and of the Supreme Court. Like most white southerners (if one may judge from the resolutions of southern legislatures and the attitude of almost all southern Members of Congress), he regards the ruling of the Supreme Court against the maintenance of segregated schools as an unwarranted intrusion into the proper functions of the States.

His argument on this point is stated as follows:

"(1) Under the 10th amendment, all powers not delegated to the United States nor prohibited by the Constitution to the States are reserved to the States respectively or to the people; (2) the power to operate racially separate schools never was prohibited to the States by the 14th amendment or by any other provision of the Constitution, but on the contrary was clearly understood to be reserved to them; (3) therefore, that power remains vested in the States respectively to this day, and can be prohibited to them only by the Constitution itself, and not by any judicial construction."

Mr. Kilpatrick discusses at length the circumstances of the adoption, in 1866, of the 14th amendment which provides that no State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States or deprive any person of life, liberty or property without due process of law or "deny to any person within its jurisdiction the equal protection of the laws."

He shows that the same Senate which passed the amendment almost simultaneously established racially segregated schools in Georgetown, now part of Washington, D. C., and that many northern States at that time maintained segregated schools. At no time, he observes, was the passage of the amendment regarded as aimed against racially separated schools.

But the book is not primarily a polemic about the Supreme Court decision striking down the practice of segregation in public schools. It is devoted to the broader subject of the rights of State governments.

Going back to the nationwide debate which preceded the adoption of the Constitution, the author cites the fiery Patrick Henry as he prophetically perceived that the power of Federal taxation would swing the balance against the States. Henry's words were: "Your rich, smug, fine, fat Federal officers—the number of collectors of taxes and excises—will outnumber anything from the States. Who can cope with the excise man and the tax men?"

And he cites the ringing words of Thomas Jefferson, in the Kentucky resolution against the alien and sedition laws: "Confidence is everywhere the parent of despotism; free government is founded in jealousy and not in confidence; it is jealousy and not confidence which prescribes limited constitutions to bind down those whom we are obliged to trust with power; our Constitution has accordingly fixed the limits to which and no further our confidence may go."

The so-called right of a State to interpose its authority to prevent a wrong threatened by the Federal Government was asserted in

the closely parallel Kentucky and Virginia resolutions. Ranging through the pages of American history, Mr. Kilpatrick shows that at various times various sections of the country showed a defiant attitude toward the Federal Government and toward Supreme Court decisions.

The reader is introduced to the Hartford convention of 1814, which reflected widespread New England disaffection with "Mr. Madison's war" and with the nullification crisis in South Carolina over the "tariff of abominations." Disclaiming any sympathy with slavery, Mr. Kilpatrick points out that up to the time of the Civil War the obligation to return fugitive slaves was the law of the land, upheld by many court rulings.

But in the northern States where antipathy to slavery was strong, personal-liberty laws, enacted by the States, had the effect of making Federal legislation and court rulings null and void. What was sauce for the northern goose then, he implies, may also be sauce for the southern gander at the present time.

While this book is not one of profound original scholarship, the author has done good homework on his sources and reconstructs past political events and court decisions with vigor, vividness, and imagination. In resurrecting and restating the views of the more extreme advocates of State sovereignty, though, Mr. Kilpatrick is probably championing a lost cause. The march of science, invention, and modern industrial organization has not respected State frontiers.

There is an infinitely greater interdependence among the 48 States of 1957 than there was among the 13 States of the Union which grew out of the American Revolution. The sense of being a citizen of a single State is weakened in an age when the automobile has made Americans nomads and the airplane brings New York closer to California than it was to Boston when the Constitution was adopted.

Yet as a dissenting opinion, set forth with clarity and integrity, Mr. Kilpatrick's avowedly partisan brief commands attention and respect. This southern editor has put the case of the South as capably, perhaps, as it has been presented, and with considerably more than average knowledge of historical, constitutional, and legal precedents.

EGYPT, SUEZ, AND THE MIDDLE EAST

Mr. JAVITS. Mr. President, while the Congress was in recess, the Government of Egypt under Colonel Nasser made a unilateral declaration as to the conditions under which the maritime nations of the world may use the newly opened Suez Canal.

Under circumstances of continued tension and threat of explosion in the Near East, the key point for us continues to be the Suez Canal. It was the nationalization of Suez which started the chain of events that created the Mideast crisis. It will be our success in respect of Suez in assuring the use of the canal under the six principles adopted by the United Nations Security Council with Egypt's concurrence, with participation in these assurances by the canal's principal user, that will determine whether we or the Communist-oriented policy of Colonel Nasser will have won the day in the Middle East.

Let us not forget that this canal was bottled up by Colonel Nasser so that it could not be used for months, and was cleared by the United Nations with United States support. Also, that the Suez Canal is the jugular vein to this day for France, Great Britain, our two principal allies in the free world.

It would be self-delusion to describe events to date in respect of the Suez Canal as other than Colonel Nasser's having his way with the whole free world and a sharp reverse for our foreign policy.

We saved Colonel Nasser by insisting upon the United Nations Charter guaranties and the evacuation of British, French, and Israeli forces from Suez and Sinai. We saved him again from his own Communist allies by serving notice on the Soviet Union, which might have led to atomic war, that we would tolerate no volunteers in the Near East. But that does not seem to count for very much with Colonel Nasser.

On the contrary, we have found Egyptian policy diametrically opposed to ours in the Jordan crisis. There, by our invocation of the newly adopted "Eisenhower Doctrine" for the Mideast, and a king who will not be pushed around by Communists and their friends, Jordan's existence as an independent country is apparently being retained instead of its being dismembered at the hands of its Communist-oriented, alleged friends, Egypt and Syria.

Two steps are now vital for us. First, we should give prompt leadership to the principal users of the canal with respect to finding alternate means for the transportation of petroleum products to free Europe. For this purpose, six Senators have introduced Senate Resolution 120. The State Department has filed its report on the measure, and it should have a prompt hearing by the Committee on Foreign Relations.

Second, our Government should immediately back signers of the Constantinople Convention in invoking those provisions—contained in item 9—of Egypt's unilateral Suez Canal declaration which agree to arbitration and accept the compulsory jurisdiction of the International Court of Justice. Under it, such questions may be raised as the assurance of full freedom of transit for all through the Suez Canal pursuant to the Constantinople Convention of 1888 and the linking of the canal's operation to the politics of Egypt; compensation for claims in connection with the nationalization of the canal; and responsibility for establishment and collection of tolls.

Whatever setbacks Colonel Nasser suffers in other quarters, success or failure of his policy is the Suez Canal. This is true in terms of world prestige, "face" in the Arab States, and the fundamental economic condition of his regime. That his regime as now run is a jittery dictatorship and afraid of disclosures of the facts is shown by its expulsion of New York Herald Tribune correspondent Barrett McGurn, who dared to report them. We cannot and must not allow ourselves to fail to continue this struggle or to accept the status quo.

In support of my statement, I ask unanimous consent now to have printed in the RECORD at this point the texts of the documents on the Suez, issued by Egypt; an article entitled "Egyptians Agree To Heed Arbiters in Suez Disputes," published in the New York Times of April 25, 1957; an article entitled "United States Set To Accept Cairo's Suez Plan," published in the New York Times of April 24, 1957; an editorial entitled "Nasser and the Law," published in the New York Times of April 29, 1957; an editorial entitled, "Suez and the Security Council," published in the New York Herald Tribune of April 26, 1957; and a release issued by the Overseas Press Club of America, protesting the expulsion of Barrett McGurn.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

[From the New York Times of April 25, 1957]

TEXTS OF THE DOCUMENTS ON SUEZ

UNITED NATIONS, N. Y., April 24.—Following are the texts of a letter from Dr. Mahmoud Fawzi, Egyptian Foreign Minister, to Dag Hammarskjold, United Nations Secretary General, of an Egyptian declaration on the operation of the Suez Canal and of a letter from Henry Cabot Lodge, United States representative, to Sir Pierson Dixon of Britain, President of the Security Council, requesting a meeting of the Council on the canal question:

EGYPTIAN'S LETTER

"Your Excellency, the Government of Egypt are pleased to announce that the Suez Canal is now open for normal traffic and will thus once again serve as a link between the nations of the world in the cause of peace and prosperity.

"The Government of Egypt wish to acknowledge with appreciation and gratitude the efforts of the states and peoples of the world who contributed to the restoration of the canal for normal traffic, and of the United Nations whose exertions made it possible that the clearance of the canal be accomplished peacefully and in a short time.

"On March 18, 1957, the Government of Egypt set forth in a memorandum basic principles relating to the Suez Canal and the arrangements for its operation. The memorandum contemplated a further detailed statement on the subject. In pursuance of the above, I have the honor to enclose a copy of the declaration made today by the Government of Egypt in fulfillment of their participation in the Constantinople Convention of 1888, noting their understanding of the Security Council resolution of October 13, 1956, and in line with their statements relating to it before the Council.

"I have the honor to invite Your Excellency's attention to the last paragraph of the declaration which provides that it will be deposited and registered with the Secretariat of the United Nations. The declaration, with the obligations therein, constitutes an international instrument and the Government of Egypt request that you kindly receive and register it accordingly.

"I avail myself of this opportunity to renew to Your Excellency the assurances of my highest consideration."

EGYPT'S DECLARATION

"In elaboration of the principles set forth in their memorandum dated March 18, 1957, the Government of the Republic of Egypt, in accord with the Constantinople Convention of 1888 and the Charter of the United Nations, make hereby the following declaration on the Suez Canal and the arrangements for its operation:

"1. Reaffirmation of convention.

"It remains the unaltered policy and firm purpose of the Government of Egypt to respect the terms and the spirit of the Constantinople Convention of 1888 and the rights and obligations arising therefrom. The Gov-

ernment of Egypt will continue to respect, observe, and implement them.

"2. Observance of the Convention and of the Charter of the United Nations.

"While reaffirming their determination to respect the terms and the spirit of the Constantinople Convention of 1888 and to abide by the charter and the principles and purposes of the United Nations, the Government of Egypt are confident that the other signatories of the said convention and all others concerned will be guided by the same resolve.

"3. Freedom of navigation, tolls, and development of the canal.

"The Government of Egypt are more particularly determined:

"(A) To afford and maintain free and uninterrupted navigation for all nations within the limits of and in accordance with the provisions of the Constantinople Convention of 1888.

"(B) That tolls shall continue to be levied in accordance with the last agreement, concluded on April 28, 1936, between the Government of Egypt and the Suez Canal Maritime Co., and that any increase in the current rate of tolls within any 12 months, if it takes place, shall be limited to 1 percent, any increase beyond that level to be the result of negotiations, and, failing agreement, be settled by arbitration according to the procedure set forth in paragraph 7 (B).

"(C) That the canal is maintained and developed in accordance with the progressive requirements of modern navigation and that such maintenance and development shall include the eighth and ninth programs of the Suez Canal Maritime Co. with such improvements to them as are considered necessary.

"4. Operation and management.

"The canal will be operated and managed by the autonomous Suez Canal Authority established by the Government of Egypt on July 26, 1956. The Government of Egypt are looking forward with confidence to continued cooperation with the nations of the world in advancing the usefulness of the canal. To that end the Government of Egypt would welcome and encourage cooperation between the Suez Canal Authority and representatives of shipping and trade.

"5. Financial arrangements.

"(A) Tolls shall be payable in advance to the account of the Suez Canal Authority at any bank as may be authorized by it. In pursuance of this, the Suez Canal Authority has authorized the National Bank of Egypt and is negotiating with the Bank of International Settlement to accept on its behalf payment of the canal tolls.

"(B) The Suez Canal Authority shall pay to the Government of Egypt 5 percent of all the gross receipts as royalty.

"(C) The Suez Canal Authority will establish a Suez Canal capital and development fund into which shall be paid 25 percent of all gross receipts. This fund will assure that there shall be available to the Suez Canal Authority adequate resources to meet the needs of development and capital expenditure for the fulfillment of the responsibilities they have assumed and are fully determined to discharge.

"6. Canal code.

"The regulations governing the canal, including the details of its operation, are embodied in the canal code which is the law of the canal. Due notice will be given of any alteration in the code, and any such alteration, if it affects the principles and commitments in this declaration and is challenged or complained against for that reason, shall be dealt with in accordance with the procedure set forth in paragraph 7 (B).

"7. Discrimination and complaints relating to the canal code.

"(A) In pursuance of the principles laid down in the Constantinople Convention of 1888, the Suez Canal Authority, by the terms of its charter, can in no case grant any vessel, company, or other party any advantage or favor not accorded to other vessels, companies, or parties on the same conditions.

"(B) Complaints of discrimination or violation of the canal code shall be sought to be resolved by the complaining party by reference to the Suez Canal Authority. In the event that such a reference does not resolve the complaint, the matter may be referred, at the option of the complaining party or the authority, to an arbitration tribunal composed of one nominee of the complaining party, one of the authority, and a third to be chosen by both. In case of disagreement, such third member will be chosen by the President of the International Court of Justice upon the application of either party.

"(C) The decisions of the arbitration tribunal shall be made by a majority of its members. The decisions shall be binding upon the parties when they are rendered and they must be carried out in good faith.

"(D) The Government of Egypt will study further appropriate arrangements that could be made for factfinding, consultation, and arbitration on complaints relating to the canal code.

"8. Compensation and claims.

"The question of compensation and claims in connection with the nationalization of the Suez Canal Maritime Company shall, unless agreed between the parties concerned, be referred to arbitration in accordance with the established international practice.

"9. Disputes, disagreements, or differences arising out of the convention and this declaration.

"(A) Disputes or disagreements arising in respect of the Constantinople Convention of 1888 or this declaration shall be settled in accordance with the Charter of the United Nations.

"(B) Differences arising between the parties to the said convention in respect of the interpretation or the applicability of its provisions, if not otherwise resolved, will be referred to the International Court of Justice. The Government of Egypt would take the necessary steps in order to accept the compulsory jurisdiction of the International Court of Justice in conformity with the provisions of article 36 of its statute.

"10. Status of this declaration.

"The Government of Egypt makes this declaration, which reaffirms and is in full accord with the terms and spirit of the Constantinople Convention of 1888, as an expression of their desires and determination to enable the Suez Canal to be an efficient and adequate waterway linking the nations of the world and serving the cause of peace and prosperity.

"This declaration, with the obligations therein, constitutes an international instrument and will be deposited and registered with the Secretariat of the United Nations."

LODGE'S LETTER

"On behalf of the Government of the United States, I request you in your capacity as president of the Security Council to convene a meeting of the Council on Thursday afternoon, April 25, or as soon thereafter as may be convenient for the purpose of resuming discussion of item 28 (relating to the Suez Canal) of the list of items of which the Security Council is seized.

"During its discussion of this matter last October the Council agreed, by a resolution adopted unanimously on October 13, that any settlement of the Suez question should meet six basic requirements therein set forth.

"About a month ago the Government of Egypt indicated the regime which it desired to apply to the canal traffic when it should be resumed and requested observations thereon by the Government of the United States.

"The United States Government was informed that the proposals of the Government of Egypt were likewise communicated to the Secretary General.

"The canal is now again open to traffic and we have been informed by the Government of Egypt of its intention to make public its declaration on the conditions applicable to transit.

"In these circumstances, the Government of the United States believes that the Council should now meet to take note of the situation regarding passage through the Suez Canal.

"Accept, Excellency, the renewed assurances of my highest consideration."

[From the New York Times of April 25, 1957]

EGYPTIANS AGREE TO HEED ARBITERS IN SUEZ DISPUTES—PROPOSE INTERNATIONAL PANEL TO DECIDE ON COMPLAINTS—REAFFIRM CANAL CONTROL

(By Homer Bigart)

CAIRO, April 24.—Egypt published today a solemn declaration setting forth her final position on management and operation of the Suez Canal.

While stating that Egypt will operate the canal and collect tolls, the declaration makes important concessions to the Western six-point formula for insulating the waterway from the politics of Egypt.

The document has been deposited and registered with the United Nations Secretariat in New York. Egypt regards the declaration as an international instrument possessing all the force of a multilateral treaty.

[At the request of the United States, the United Nations Security Council will meet Friday morning to consider the declaration.]

The declaration reaffirms Egypt's determination to abide by the Constantinople Convention of 1888 in terms and spirit.

PROCEDURES ARE DETAILED

It also makes these further provisions:

Egypt proposes international arbitration of complaints of discrimination and other violations of the canal code. Egypt agrees to accept the decisions of an international tribunal as binding.

Differences arising from interpretation of the Constantinople Convention, as in the case of Israeli shipping, would be referred to the International Court of Justice. Egypt would accept as compulsory the jurisdiction of the Court.

Egypt will set aside 25 percent of all gross receipts for maintenance and development of the canal. Egypt promises to improve the canal in accordance with the progressive requirements of modern navigation.

Egypt will welcome and encourage cooperation between the Suez Canal Authority and shipping interests on advancing the usefulness of the canal.

Any increase in tolls will be limited to 1 percent within any 12 months. Any additional increase would be settled by negotiations or by international arbitration.

Any changes in canal regulations could be challenged and submitted to an international arbitration tribunal.

The arbitration tribunal would be the final court for settlement of all complaints on violations of the canal code, including those alleging favoritism or discrimination.

The panel would consist of one nominee of the complaining party, one of the Suez Canal Authority, and a third to be chosen by both. In case of disagreement, the third member would be chosen by the International Court of Justice upon application of either party.

Decisions of the tribunal would be made by a majority of its members. The Egyptian declaration says: "Decisions shall be binding upon the parties when they are rendered and must be carried out in good faith."

Before going to the international tribunal, complaints will be heard by the Suez Canal

Authority. If that body fails to settle a dispute, either complainant or the Canal Authority may refer the case to the tribunal.

Egypt also pledges further study of appropriate arrangements that could be made for fact finding, consultation, and arbitration.

Diplomatic sources expressed general satisfaction tonight over Egypt's declaration. They said it obviously was not a slick lawyer's gambit, but a paper that has been worked out point by point in the lengthy series of discussions between the Egyptian Foreign Minister, Dr. Mahmoud Fawzi, the United Nations Secretary General Dag Hammarskjold, and the United States Ambassador Raymond A. Hare.

They foresaw some western skepticism over the degree of binding legality in such a document.

"But it is as solemn a declaration as you will get from any sovereign state," said one diplomatic observer. "It looks just as binding as a negotiated treaty. If you suspect Egypt's faith in this, would you be any more trusting of her compliance with a negotiated treaty?"

The declaration went beyond Egypt's March 18 memorandum in this respect: Egypt accepts as binding all decisions on canal disputes referred to the proposed international tribunal or to the World Court.

She already had announced willingness to have the matter of Israeli shipping referred to the World Court. In the new declaration she promised to take the necessary steps in order to accept the compulsory jurisdiction of that court.

The Constantinople Convention decrees that the canal remain free and open to all shipping in time of war as well as in time of peace. Article 19, however, gives Egypt the right to take measures necessary for her defense. Although this provision is hedged with the reservation that such measures must not obstruct the free use of the canal, Egypt contends that the existence of a state of war with Israel permits her to ban Israeli shipping.

The United Nations Security Council in 1951 adopted a resolution calling on Egypt to cease all interference with shipping, but Egypt refused to obey the injunction.

On the subject of tolls, in the new declaration, Egypt reaffirmed her insistence that all tolls be payable in advance to the Suez Canal Authority.

UNITED STATES REQUESTS MEETING

(By Thomas J. Hamilton)

UNITED NATIONS, N. Y., April 24.—The Security Council will meet Friday morning to consider the Egyptian declaration.

A meeting was requested by the United States this morning at the same time that Egypt requested the United Nations to register the unilateral declaration as an international instrument.

Henry Cabot Lodge, United States representative, declared that "the Government of the United States believes that the Council should now meet to take note of the situation regarding passage through the Suez Canal."

A British spokesman said that the Egyptian statement indicated some progress as compared with the earlier Egyptian memorandum.

A French spokesman declined to comment. Unless France insists upon further negotiations, the Security Council is expected to accept the Egyptian declaration as an accomplished fact.

However, Israel, whose ships apparently would continue to be denied the use of the canal, may ask for permission to make a statement. Mordecai Kidron, Israeli representative, discussed the situation this afternoon with Sir Pierson Dixon, British representative and President of the Council for April.

Legal authorities are agreed that if Egypt should halt ships belonging to Israel or any other country, the aggrieved party could charge that this was a violation of the 1888 convention.

However, Israel, like the United States, is not a party to the convention, and the complaint might have to be brought by a signatory.

The basic objection of some western experts is that the Egyptian declaration, being unilateral, could be revoked or revised tomorrow, or at any time and no legal objections could be raised. For this reason they doubt whether the United Nations has the right to register the declaration as an international instrument.

The charter provides that "every treaty and every international agreement" entered into by a member government since October 1945 shall be registered with the United Nations, and that it cannot be invoked before a United Nations organ unless this has been done. However, it makes no provision for registering unilateral governmental statements of policy.

According to official sources, however, the United Nations has registered declarations of this type in recent years. Mr. Hammarskjold may reveal his decision on the Egyptian request at a press conference tomorrow.

[From the New York Times of April 24, 1957]

UNITED STATES SET TO ACCEPT CAIRO'S SUEZ PLAN—TERMS HELD BEST OBTAINABLE—U. N. IS TO BE TOLD CANAL REGIME IS INTERIM ONE

(By Dana Adams Schmidt)

WASHINGTON, April 24.—The United States Government appeared ready today to accept Egypt's terms for operating the Suez Canal as the best obtainable under the circumstances.

But in a report to be made to the United Nations Security Council Friday, the United States is expected to qualify its acceptance by describing as an interim arrangement the canal regime set forth by Cairo. A declaration containing what was described as Egypt's final position on the matter was published today.

Washington is also expected to note that the arrangement is based on a unilateral Egyptian statement of intentions and not on the kind of international negotiations envisaged in the six principles for a Suez settlement. These principles were endorsed by the Security Council last October, before the British-French invasion of Egypt.

Officials indicated that the United States presentation would avoid blaming the Egyptians for any shortcoming in their statement of intentions.

Those officials who were preparing the United States presentation did not seem eager to continue the talks with Egypt on the Suez Canal regime. Their feeling was that President Gamal Abdel Nasser's government was unlikely to make concessions tomorrow that he was not willing to make yesterday.

The United States Government has in effect authorized American ships to resume use of the canal. At his news conference yesterday, Secretary of State Dulles said the Government had "no objection" to passage of American ships through the canal provided that they paid tolls under protest.

The British delegation is expected to acknowledge Egypt's plan for operation of the canal as the de facto regime and to announce that British ships have been authorized again to use the canal. But the British will emphasize, it was noted, that these terms are not acceptable as a permanent solution.

The French, taking a considerably stronger line, will not authorize their ships to use the Suez Canal at this time, it was said. They are expected to insist that, without further clarification, the Egyptian document is not acceptable even as a de facto arrangement.

A comparison between the memorandum Egypt sent the United States and six other governments March 26 and today's Egyptian statement showed that the United States Ambassador to Egypt, Raymond A. Hare, had succeeded in persuading the Egyptians to make a number of modifications.

The most notable was the strengthening of Egypt's commitment to submit disputes to the International Court of Justice at The Hague.

In the earlier document, Egypt had said merely that disputes between signatories of the convention of 1888 on freedom of passage in the canal would be referred to the World Court. The new document adds that Egypt will take the necessary steps to accept the ruling of the World Court in accordance with the provisions of article 36 of the court's statute.

This appeared to be an advance commitment to accept the jurisdiction of the court as required by article 36. The article says the court can deal only with cases in which both parties to a dispute have either agreed generally to accept its decisions or to accept them in that particular case.

The weakness of the commitment is that it applies only to the eight signatories of the convention of 1888. The United States is not one of them.

The commitment does not answer the key question whether Egypt would accept the Court's ruling if a signatory raised the question of Israel's right to free passage. Although some legal experts said today that the Egyptian text technically included this possibility, competent United States officials thought it highly unlikely that the Egyptians would do so in practice.

It is expected that the commitment to go to The Hague, together with the general tenor of the document, would be the basis of any Egyptian claim that she had met the third of the Security Council's six points: that that canal be insulated from the politics of any nation.

Another improvement, from the United States point of view, is a new paragraph declaring that disagreements on increases in tolls beyond 1 percent may be arbitrated.

This is in addition to the provisions previously published for arbitration of disputes over discrimination and administration of the canal code by a board of three—one chosen by the Egyptian authority, one by the complainant, and a third agreed on by both.

A third modification is the addition of an article in which Egypt welcomes and encourages cooperation between the Suez Canal and representatives of world navigation and trade organizations. This is a slight concession to the fourth of the Security Council's principles; namely, that the manner of fixing tolls be agreed between Egypt and the users.

It appears to offer the most promising opening for further negotiations, although the Egyptians are clearly talking about private navigation and trade organizations, not their governmental representatives.

The four other Security Council principles of canal operation are:

Unrestricted and open transit through the canal without discrimination, respect for Egyptian sovereignty, a fair proportion of tolls to be allotted to development, and disputes to be settled by arbitration.

[From the New York Times of April 29, 1957]

NASSER AND THE LAW

Despite the restraint put by the American show of force on President Nasser's Soviet-backed designs on Jordan, Cairo is now celebrating a great victory of still unforeseeable consequences. The reason for this celebration is the tacity, if still provisional, acceptance by the United States, and under its leadership by the United Nations, of Nasser's unilateral declaration proclaiming him to be the "sovereign master of the Suez Canal."

But before the Western Powers completely abdicate their rights they can and should take one immediate step to test both the validity and the honesty of the new Pharaoh's fiat. Since the use of force has been ruled out, this step must be a recourse to the law. The way to it is, in fact, opened up by Nasser's own declaration.

Under this declaration, registered by the United Nations as an "engagement of an international character," Nasser undertakes not only to "respect the terms and the spirit of the Constantinople Convention of 1888," establishing a definite system of international guaranties for freedom of navigation in the Suez Canal, but also to accept the compulsory jurisdiction of the International Court of Justice over "differences arising between the parties to the said convention in respect of the interpretation or the application of its provisions."

In defense not only of their own rights and interests but those of the whole free world, the Western Powers cannot fail to take Nasser at his word and call on the World Court to pass judgment on their differences with him. These differences involve, first of all, Nasser's seizure of the canal and the canal company, his abrogation of international guaranties of freedom of navigation in the canal and his unilateral arrogation of absolute control over this international waterway, all of which the United States, Britain, and France have denounced as illegal and a violation of the 1888 convention. They involve his blockade against Israeli shipping through the canal in violation of the convention, which forbids any kind of blockade, and in defiance of the Security Council's demand for an end of it. They involve his blocking of the canal during the recent hostilities, which should determine who should pay for clearing it.

A judgment on the first issue would also decide on who has the right to collect the canal tolls. These tolls are now being paid by American and other ships to Egypt under protest on the ground that the old canal company may still sue for payment. It would seem to be the duty of the old canal company to clarify the issue by filing a test suit and attaching a ship. Meanwhile, the blocked Egyptian accounts must stay blocked to protect ships against double jeopardy and to assure compensation for the canal owners, on which Nasser promises arbitration without obligation.

A World Court judgment would stand above the politics and the passions that now paralyze the United Nations, and no one could object if members of the United Nations take action to enforce it.

[From the New York Herald Tribune of April 26, 1957]

SUEZ AND THE SECURITY COUNCIL

The Suez Canal question is back in the Security Council, this time with its point of reference the Egyptian plan for operations. Egypt has not negotiated an agreement with the users of the canal or other nations concerned with its future. It has presented its own plan for operating the canal, pretty much on a take-it-or-leave-it basis. Considerable doubt even exists as to the exact legal status of the Egyptian declaration, which is entirely unilateral in nature. Secretary General Hammarskjold, putting the best face upon an unpleasant matter, said yesterday that the Egyptian plan had been registered with the U. N. as an international engagement. He conceded, however, that Egypt could revoke it at will. And there is nothing in Nasser's record of past behavior to suggest that he would abide by an engagement any longer than suited his purpose.

The declaration itself falls far short of the six principles for operation of the canal which were endorsed by the Security Council last October—prior to the Anglo-French invasion—to which the Cairo Government had previously paid lipservice. The all-important provision of the six was that the canal be insulated from the politics of any one nation. Egypt today promises to abide by the six principles according to its understanding of them. As Cairo's understanding frequently passes that of other men, there is little reason to except that canal operations will be insulated from Egyptian politics. Indeed, Nasser's announcement makes it clear beyond doubt that Egypt will collect all tolls from ships using the canal entirely upon its own terms. And while it is encouraging to find at least some reference for arbitration in case of disputes, there is considerable doubt over procedures and eligibility. No clear-cut indication exists, for example, that Israel's case for passage would receive consideration, although the Security Council has already affirmed the right of Israeli shipping to use Suez.

Since Egypt has not shown itself susceptible to moral suasion, and since the General Assembly has canceled the effect of foreign intervention by force, the United States and other interested parties may be in the position of having to accept Egypt's documentation of a fait accompli, resorting only to such meaningless formulas as suggesting that canal tolls be paid under protest. It is a difficult situation and there is only the faintest of hope that something forceful and fruitful can come from the discussions which are to begin in the Security Council. Whatever is done, it will be well to remember that compromise with dictators has never provided the world with more than a brief respite in the past, and is unlikely to do so now.

OVERSEAS PRESS CLUB OF AMERICA, INC., PROTESTS EXPULSION OF BARRETT MCGURN

The Overseas Press Club today (Wednesday, April 24) cabled a strong protest to President Gamal Abdel Nasser of Egypt over the expulsion from that country of Barrett McGurn, veteran Herald Tribune correspondent.

The cable was signed by Wayne Richardson, president of the Overseas Press Club, and Victor Lasky, chairman of its freedom of the press committee.

The full text of the OPC protest follows:

"The Overseas Press Club of America, representing 1,800 past and present foreign correspondents, is deeply shocked at the expulsion from Egypt of the distinguished New York Herald Tribune correspondent, Barrett McGurn. We consider Mr. McGurn's ouster as giving credence to the oft-repeated charge that your government is turning totalitarian. We point out that whatever merits your position in international affairs may have will now more than ever be clouded in the arena of world public opinion. We sincerely hope you will take immediate measure to prevent any recurrence of such incidents. American correspondents have only one function; that is, to tell the truth about conditions overseas. We hope you are not afraid of the truth."

THE BUDGET—NOTICE BY SENATOR JAVITS OF INTENTION TO SPEAK

Mr. JAVITS. Mr. President, I shall seek recognition on Wednesday next for the purpose of stating to the Senate my views on the budget, and also upon the question of how it affects the policy, program, and performance of the Republican Party in relation to its campaign promises and platform. I shall also deal with the question as to whether or not there are any hyphenated Republicans.

AMBASSADORS PRAISE WIDER CULTURAL EXCHANGE AMONG THE NATIONS

Mr. WILEY. Mr. President, within the next few days I expect to announce the date and time of an initial meeting of cultural attachés of the various embassies here in Washington who will meet with other official sources, interested in cultural exchanges.

The purpose of the meeting is the establishment of a cultural committee, designed to expand the program of cultural interchange among the nations of the world.

I commented on this subject on the Senate floor on April 18, as indicated on page 5970 and succeeding pages of the RECORD. At that time I included the texts of many fine comments which I had received from members of the diplomatic corps, in response to an inquiry which I had submitted to them. In that inquiry, I had asked regarding their reactions to cultural exchanges, and what specifically might be done to improve such exchanges.

Every last member of the diplomatic corps here in Washington who has responded thus far has enthusiastically praised the program in terms of cementing good will and understanding among the nations.

OAS SECRETARY GENERAL PRAISES CONCEPT

Speaking for a great organization which has itself admirably worked along these lines, His Excellency Jose A. Mora, Secretary General of the Organization of American States, writes:

I have examined these letters with much interest and want to congratulate you on the measures that you are taking in this important area.

He continues:

As you are aware, the Organization of American States has a broad and comprehensive program to promote closer cultural understanding among the member States of the Organization, and I shall be pleased to designate a representative to sit in on any meeting that you may organize to give further consideration to your proposal.

I send to the desk now additional expressions which I have received, including letters from His Excellency Baron Silvercruys, Ambassador of Belgium, and Ambassadors Mohammed Ali, of Pakistan, and Yilma Deressa, of Ethiopia.

OUTSTANDING WORLD FAIR IN BRUSSELS

In connection with the very splendid comments made by Ambassador Silvercruys, I particularly invite attention to

the fact that the approaching world fair in Brussels in 1958 offers one of the outstanding of all opportunities by which the nations of the world may bring to the attention of tens of millions of viewers the very finest in their national cultures, so as to increase international knowledge, understanding, and good will.

The plans for the World Fair in Brussels have excited the widest of interest, and naturally, we of the United States are looking forward to making our own fullest contribution.

Meanwhile, I trust that we of the 85th Congress will make the necessary appropriations for this and other important cultural responsibilities.

I ask unanimous consent now that the Ambassadors' letters to which I have referred be printed in the body of the CONGRESSIONAL RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

WASHINGTON, *April 25, 1957.*

Hon. ALEXANDER WILEY,
United States Senator,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: I am grateful to you for your letter of March 27 and for the opportunity given me to comment on the importance of cultural relations between our two countries.

Belgium has been privileged in the field of cultural exchange with the United States.

The importance of cultural relations between the two countries is not questioned. It has been effectively demonstrated by the results achieved since 1919 by the Belgian-American Educational Foundation in the United States and by the Fondation Universitaire in Belgium.

The First World War had hardly been brought to a close when these sister organizations came into operation. Both were suitably endowed out of residual funds largely established by the American people and the Belgian Government for the Commission for Relief of Belgium and for the Fonds National in Brussels. Both were dedicated to educational purposes and imbued by the highest conception of public service under the leadership of Herbert Hoover in this country and of Emile Francqui and Félicien Cattier in Belgium.

For more than 30 years, these sister organizations have been instrumental in establishing the closest association between the two countries. In fact, they have created in the field of cultural and scientific exploration new vistas of cooperation in upholding the ideals the two nations have in common.

This program has achieved remarkable results. Substantial scholarships have made it possible for professors and graduate students in each of the two countries to attend universities in the other country. To date, some 400 Belgian university professors, either through teaching or research, have taken part in the academic life of this country under the auspices of the Belgian-American Educational Foundation and the Fondation Universitaire. Some 15 of these professors have subsequently held offices as rector or president of Belgian universities. Furthermore, some 800 Belgian postgraduate students have received in American universities exceptional facilities to pursue their studies and to secure additional degrees. Eleven of this number subsequently became cabinet members in the Belgian Government and three have been prime ministers. Others have played important parts in the scientific, business, and political life of Belgium and they have made their own contributions to mankind. This educational exchange has been instrumental in solidifying understanding and cooperation between the two countries.

Over this period of more than 30 years, the Fondation Universitaire in Belgium has extended an equally friendly hand of cooperation, particularly in the field of scientific research. Under its leadership and under the aegis of the National Fund for Scientific Research, the Institute for Scientific Research in Central Africa, the Cancer Institute, and kindred organizations, Belgium has joined with the United States in such research and has shared in the noblest enterprises for the benefit of all peoples.

Since World War II, the Belgian-American Educational Foundation and the Fondation Universitaire have been greatly assisted by the various exchange programs established by the United States Government on a multilateral basis. Among such programs are those under the Fulbright Act, the Smith-Mundt Act, and the International Cultural Exchange and Fair Trade Participation Act of 1956. To such legislation, prompted by the highest statesmanship, it is fitting that the names remain attached of Senator ALEXANDER WILEY of Wisconsin, of Senator H. ALEXANDER SMITH of New Jersey, of Senator KARL MUNDT of South Dakota, and of Senator J. WILLIAM FULBRIGHT of Arkansas.

Many of the American people and most of the Belgian people also remember the great symbolic act of friendship evidenced by the efforts and contributions of American schoolchildren all over the United States to help restore the library at Louvain after World War I.

In recent times, Belgium has been favored by performances put on by notable groups from the United States such as the Cleveland, Philadelphia, and New York Philarmonic Orchestras, the New York City Ballet, the Ballet Theater, and more recently by the Denver Philharmonic Orchestra in their broadcast, Salute to Belgium.

As in every phase of human relations, cultural contacts between our two countries can be further improved and strengthened. To cite one example right here in Washington, the Cultural Center which it is proposed to establish in the District of Columbia would be a significant step.

As far as Belgium is concerned, the year 1958 holds great promise for strengthening cultural exchange with the United States and other countries. In that year, Belgium will happily be host in Brussels to the world fair. In the framework of such a spirited festival, all nations will be able to exhibit their achievements and activities in all fields including culture and education.

Belgium looks forward to the active participating in the world fair of the United States, leader of the free world. The exchange of culture and ideas that will take place at the world fair in Brussels holds great promise for our two countries and for mankind.

Sincerely yours,

BARON SILVERCRUYS,
Belgian Ambassador.

EMBASSY OF PAKISTAN,
Washington, D. C., April 24, 1957.

The Honorable ALEXANDER WILEY,
United States Senate,
Washington, D. C.

MY DEAR SENATOR WILEY: * * * May I extend to you my congratulations for rendering an admirable service by highlighting the importance of improved free world cultural relations.

May I submit my reaction to your two-fold question put forth in your letter as follows:

(a) The significance of improved cultural relations between the United States and Pakistan is far greater than is commonly realized. Taking into consideration the different patterns of culture in the two countries, it is impossible to develop a full and lasting understanding between the peoples of the two countries, except through improved cultural relations between our two peoples. The existing friendly relationship between our two countries and also the close alliance between the Governments of the two countries, can be further cemented by improved cultural relations between the peoples of the two countries.

(b) The most effective way to bring about such improved cultural relations would, in our opinion, be a well-planned program of cultural exchanges. Till now, for all practical purposes, exchanges between the two countries have been limited to education and training. These programs of exchanges have certainly been serving very useful purposes in their specific fields. If the exchange program is extended to include exchange of artists from the fields of fine arts, music, dance, etc., this would lead to a better understanding of Pakistan culture and tradition in United States of America, and of American culture and tradition in Pakistan, and thus promote better understanding between the two countries. It cannot be overstressed that since the appeal of art can transcend the barrier of language and cultural differences, an exchange of artists from the two countries would be the most effective and fruitful means of establishing people to people contact, resulting in improved cultural relations between the two countries.

In closing may I extend to you my sincere thanks and appreciation for providing an opportunity to this embassy to present its views and reaction on the subject.

With best wishes and kindest personal regards,

Yours sincerely,

MOHAMMED ALI,
Ambassador of Pakistan.

ETHIOPIAN EMBASSY,
Washington, D. C., April 17, 1957.

The Honorable Senator ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SENATOR WILEY: * * * I have studied the cultural exchange program which you have outlined in your letter and found it to be a very interesting device in the promotion of understanding between the nations of the world.

In reply to your questions as to the nature of cultural contact to be used in order to promote understanding between the United States and Ethiopia, at this moment I can only suggest some personal ideas which I believe will be helpful. Should you wish to go more deeply into the matter I will communicate to my Government and will let you have their views at a later date.

American films are regularly shown in all the movie houses of Ethiopia, for which reason additional effort may not be called for. Ethiopia has been interested in establishing cultural relations with all friendly nations and to this end, an up-to-date theater and opera building had been completed in the capital not long ago. Since then a number of international artists including some Americans have given performances in the theater at Addis Ababa. The American baritone, William Warfield, made quite a success at the Haile Selassie Concert Hall last October. I believe a periodic visit of American artists to Addis Ababa and other Ethiopian cities will be welcomed and can contribute to the understanding between our two peoples. I am sure the Ethiopian public will be delighted with performance of some American plays such as Harvey (of Ray Bolger show), South Pacific, Porgy and

Bess. American music will also be appreciated. Language is no barrier since an important section of city people are fairly versed in English language. It may also be possible to bring out Ethiopian theater or concert group to entertain the American public.

Mr. Senator, without in any way minimizing the effect on our relation of cultural exchange such as outlined above, I believe, even a more permanent stamp could be left with our two peoples if academic scholarships are granted to Ethiopian students in American universities. Presently a number of Ethiopian students are studying in the United States under a scholarship granted through ICA, but we could do with much more. I am sure the University College of Addis Ababa will be glad to receive a number of American students in the field of oriental languages should they wish to study Ethiopic or Amharic languages and literature.

I will be happy to cooperate with Mr. Julius N. Cahn in any way that may contribute to the advancement of this project and he is free to call on me at all times.

With best regards,

Sincerely yours,

YILMA DERESSA,
Ambassador.

INTEROCEANIC CANALS AND THE HYDROGEN BOMB

Mr. MARTIN of Iowa. Mr. President, in a statement to the Senate which appeared in the RECORD of April 16, 1957, at page 5730, I included a number of letters from experienced engineering, atomic warfare, and other experts on various phases of the canal question.

Through the courtesy of Brig. Gen. William H. Rose, former assistant to the Chief of Engineers, United States Army, 1941–46, I have received a copy of an illuminating article by William L. Laurence on the hydrogen bomb, published in the July 29, 1956, issue of the American Weekly. It carries the following editorial note about its author:

William L. Laurence, world famous science writer, was the only journalist at the first atom bomb test in New Mexico in 1945 and saw the atom bombing of Nagasaki. He won a Pulitzer prize for his story of the Nagasaki bombing and for subsequent articles on the development of the atom bomb.

The information developed in Mr. Laurence's article is highly pertinent to the current discussions of the interoceanic canal problems, especially for committees of the Congress concerned with that question. Furthermore, it confirms the point previously made by many qualified experts that the security of any canal cannot be obtained in this age by nuclear weapons through passive defense measures. Instead, it depends on industrial power of this Nation coupled with the wisdom of its statesmen.

I ask unanimous consent that the article be printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHY THERE CANNOT BE ANOTHER WAR

About 1 hour before sunrise on Monday, May 21, in the northern Pacific, I stood on the flag bridge of the U. S. S. *Mount McKinley* and watched the test explosion of America's—and the free world's—first airborne hydrogen bomb.

It had been dropped from a B–52, the world's fastest bomber, in the vicinity of the island of Namu in the Bikini Atoll, and was exploded at a height of more than 15,000 feet after being released from an altitude of about 10 miles.

While hydrogen fusion bombs of immense destructive power had been exploded before in our Pacific proving ground in the Marshall Islands, the one I saw that Monday morning was the first portable one, the very first one that could actually deliver its catastrophic blow to the land of any aggressor against us or our allies.

It was the first time one that could carry to any potential enemy an apocalyptic concentrate of megatons of devastation, the equivalent of millions of tons of TNT.

I was thus privileged to witness in the camp of the free world the arrival of its most powerful defensive weapon against any aggressor—the portable multimegaton hydrogen fusion bomb.

As I stood there watching, time, as far as human perception was concerned, had stopped flowing. I saw breath-stopping phenomena follow one another at incredible speed and yet I somehow felt as though they were taking place in slow motion. It was as though one was experiencing a nightmare in broad daylight. With wide-open eyes I was uncertain of the reality of the things that were happening because of the sense-defying speed at which the vast panaroma of the superearthly spectacle was shifting on the immense stage of sky, ocean, and clouds.

Through high-density goggles I saw a supersun rise over the vastness of the blue-black Pacific, with a dazzling burst of green-white light estimated to equal, for a brief instant, the light of 500 suns at high noon. Awestruck and unbelieving, I watched the enormous fireball expand in a matter of seconds to a diameter of about 4 miles, more than 20 times the diameter of the fireball of the new antiquated atomic fission bombs that had devastated Hiroshima and Nagasaki.

For nearly an hour after the fireball had faded I watched incredulously, with naked eye, the great many-colored cloud that had been born in a gigantic pillar of fire. This cloud rose and spread until the boiling mushroom at its top had reached about 25 miles into the stratosphere and covered a stretch of sky, now tinged by the rising sun to the east of it, about a hundred miles long.

Having seen what a much smaller fireball and mushroom-topped cloud, picayune by comparison, had done to the city of Nakasaki, I was momentarily staggered by the thought of what the fireball and mushroom I was then watching would do to any of the world's great cities—New York, Washington, Chicago, Paris, London, Rome, or Moscow. But then, as I kept on watching, a second more reassuring thought became uppermost in my mind, a thought that has kept growing ever more reassuring in the days and weeks that have followed that historic morning last May.

This great iridescent cloud and its mushroom top, I found myself thinking as I watched, is actually a veritable protective umbrella that will forever shield mankind everywhere, in the free world and slave world alike, against the threat of annihilation in any atomic war.

This rising supersun, an inner voice seemed to be saying, really was a symbol of the dawn of a new day on earth—the coming of an era in which any sizable war had become impossible, because no aggressor could from now on ever dare to start an aggressive war without the certainty of absolute and swift annihilation.

This world-covering, protective umbrella, I have since become convinced, will continue shielding mankind everywhere until the time will come, as come it must in the not too distant future, when those millions now enslaved will throw off the yoke of their oppressors and stand free under the sun.

When that time comes, possibly within the next quarter century, mankind will then be able to beat atomic swords into plowshares, harnessing the vast power of the hydrogen in the world's oceans to bring in an era of prosperity, combined with spiritual growth, such as the world has never even dared dream about.

To those who would have us stop our tests in the Pacific, I would therefore say: "These tests, and others of improved models to come, serve as an effective substitute for war. History will record, I am sure, that world war III was fought and won on the Pacific proving ground in the Marshall Islands without the loss of a single life and without the slightest damage to any inhabited locality anywhere in the world."

That this is not mere wishful thinking can be proved by a few comparative facts. The single atomic fission bomb I saw tested in the desert of New Mexico on the morning of July 16, 1945—the same model that I watched 3 weeks later transform the city of Nagasaki into an atomic cloud that rose 60,000 feet—packed a destructive power equal to that of 20,000 tons of TNT, namely, an explosive force of 20 kilotons.

Nowadays, when we talk in terms of megatons, namely, the equivalent of millions of tons of TNT, a bomb of only kilotons is a mere outdated trifle by comparison.

Nevertheless, that now antiquated atomic weapon was in its day the equal of no less than 2,000 10-ton blockbusters, which were considered veritable marvels in the first years of World War II.

To carry the equivalent of just one Nagasaki-type bomb, it will thus be seen, would then have required no less than 2,000 B–29's, World War II's largest bombers, each costing about $1 million. With a crew of 9 men per bomber, such a mission would have required 18,000 highly trained young American flyers. The Nagasaki-type bomb, on the other hand, was carried by just 1 B–29 and 1 crew of 9.

Now, 11 years later, this equivalent of 2,000 10-ton blockbusters of World War II is so obsolete that it is not even fit to be used as a trigger for the multimegaton hydrogen bomb. To set off a hydrogen fusion bomb of the type I watched explode on May 21, we now have improved models of ordinary atomic-fission bombs (using uranium 235 or plutonium) yielding an explosive force as high as 500 kilotons (the equivalent of 500,000 tons of TNT), or smaller ones of much higher efficiency than the models dropped on Japan.

Now, with the successful testing of our first portable multimegaton hydrogen bomb, we have entered the egaton age, in which 1 plane, carrying just 1 hydrogen bomb, can deliver on a target a cargo of destructive force exceeding by far all the explosives dropped on Germany, Japan, and Italy combined throughout all of World War II.

In fact, just one 10-megaton bomb, about the size I saw explode over Bikini, would equal about five times the total load of explosives dropped in the whole World War II by the air forces of all the combatants.

What would a 10-megaton bomb, of the size tested last May, do if dropped over a city? We can get an idea from the official data given out by the Atomic Energy Commission on the results of the test of a device that yielded an explosive force of only

5 megatons, namely, the equivalent of 5 million tons of TNT in the November 1952, test.

That shot, known as "Mike," produced the greatest lateral destructive effects up to that time from a single explosive device—complete annihilation within a radius of 3 miles, severe to moderate damage out to 7 miles, light damage as far as 10 miles.

In Washington, with the Capitol as ground zero (detonation point), there would have been complete annihilation west to Arlington Cemetery, east to the Anacostia River, north to the Soldier's Home, and south to Bolling Field.

That 5-megaton bomb created the largest nuclear explosive fireball produced up to that time—3½ miles in diameter at its maximum, enough to engulf about one-quarter of Manhattan Island, the heart of New York City. With the Empire State Building as ground zero, the fireball would have extended from Washington Square uptown to Central Park.

That blast caused the particular test island, named Elugelab, to disappear, leaving a crater roughly a mile in diameter, into which 14 Pentagon Buildings could have fitted easily. The crater sloped down to 175 feet—equivalent to the height of a 17-story building.

Within 2 minutes after the explosion, the mushroom cloud soared to 40,000 feet—the height of 32 Empire State Buildings. Nearing its maximum 10 minutes later, the cloud-stem pushed upward 25 miles, deep into the stratosphere, while the mushroom-cap portion, 10 miles high, spread laterally for 100 miles.

These earth-destroying weapons, now being constantly reduced in size and increased in power, thus make it certain that no nation, no matter how powerful, could dare risk a thermonuclear (hydrogen fusion) war, because such a war would mean certain suicide for the aggressor.

The hydrogen bomb derives its tremendous power from the fusion of two forms of hydrogen—hydrogen 2 (deuterium) and hydrogen 3 (tritium). Hydrogen 2 is derived in endless amounts from ordinary water, while hydrogen 3, an element no longer found in nature, is created inside the bomb itself, at incredible speed, out of the lighter variety of the common element lithium, known as lithium 6.

It takes the fusion of only 110 pounds of hydrogen 2 and 165 pounds of hydrogen 3 to yield an explosive force equal to that of 10 million tons of TNT. The addition of 2 plus 3 not only makes 5; inside the hydrogen bomb the addition of 2 plus 3 makes 10 million.

Two little words, in fact only half words—"micro" and "mega"—make it possible for 2 plus 3 to equal 10 million, or even 20 million or more.

"Micro" means one-millionth, while "mega" stands for a million. (Scientists refer to a million dollars as a "megabuck"). Taken together they mean that the tremendous explosive forces in the range of megatons develop inside the hydrogen bomb in fractions of a millionth of a second, namely, microseconds or even micro-microseconds.

Only this unimaginable speed, in which the creation of a large quantity of hydrogen 3 and its fusion with hydrogen 2 takes place in hundreds of individual steps, each taking only billionths of a second, in a repeating cycle, makes it possible for the elements of the bomb to hold together long enough to build up its multimegaton explosive force.

It was when I saw that awesome force blast the peaceful Pacific sky that I believed the human race was freed from the threat of nuclear war.

THE GORE REPORT

Mr. SCHOEPPEL. Mr. President, I have prepared a further statement with reference to the Gore report relating to campaign expenditures and contributions in the 1956 general election. I ask unanimous consent that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SCHOEPPEL

On April 12 the distinguished junior Senator from Tennessee referred to my remarks which appear in the CONGRESSIONAL RECORD of March 29. My position as expressed to the Senate remains unchanged. I stand on that statement. However, the able Senator, who was chairman of the subcommittee during the period when this report was prepared, has raised some questions which I am happy to answer.

The Senator from Tennessee said I was indulging "in a plainly partisan effort to discredit the report." The distinguished Senator said:

"I can find no logical excuse for this unwarranted attack except that it is a smokescreen calculated to obscure from the view of the American people the defects of existing law and their tendency to pollute the streams of political life, and designed to discourage at this session of the Congress the enactment of any legislation in this field."

My criticism of the report has been supported by the president of the American Bar Association and others who are not engaged in partisan politics. I wish that it had not been neecessary for anyone to criticize the report of his subcommittee.

To refute this statement by the Senator from Tennessee, I merely quote from my remarks of March 29:

"The Congress will perhaps enact new election laws during the current Congress which will meet many of the legitimate criticisms which have been raised in the public hearings and by both the majority and minority members of the subcommittee. Any legislation we adopt will of necessity require the reporting of contributions and expenditures. If our efforts are to be meaningful, we must make sure that the Congress is adequately staffed with responsible people to analyze the reports which it will receive from political committees and individuals" (p. 4774).

* * * * *

"I am sure that the Congress can write more realistic election laws than those we now have. But we will receive no help or guidance from the report filed by the subcommittee covering the past campaign. We must approach our task with open minds and no preconceived notions other than to assure that the will of the American people prevails in each and every election contest, and that adequate funds may be contributed and spent to properly present the programs of the parties and candidates to the people of the United States" (p. 4789).

I certainly hope we can agree on new election laws at this session of the 85th Congress.

My able colleague comments on the fact that I characterized my work as spot checking the report. He refers to "the microscopic treatment to which it has been exposed." I only wish that I had the resources to completely analyze the report of his subcommittee.

Pursuant to Senate Resolution 123, 80th Congress, the chairman of the Committee on Rules and Administration filed a report on January 9, 1957, showing the expenditures of the Subcommittee on Privileges and Elections during the period July 1, 1956, to December 31, 1956, together with the names and salaries of each member of the staff. This appears on pages 819–821 of the CONGRESSIONAL RECORD of January 22. It shows expenditures of $80,771.22, and that 34 people were associated with the subcommittee at one time or another during this period. It was their responsibility, not mine, to produce this document. Without the assistance of such a staff or the other resources, including IBM equipment available to the Senator from Tennessee, I resorted to a spot-checking procedure to determine whether the tables contained gross errors. I can assure the Senator that I was not looking for trivial errors.

My friend and colleague, the Senator from Tennessee, stated:

"However the fact remains that, notwithstanding his herculean faultfinding effort of 2 months' duration, characterized by the distinguished Senator as spot checking, the findings and conclusions therein stated remain unshaken and unaffected" (p. 5588).

The spot check which I attempted shows duplicate counting and many other errors now conceded by my friend, the Senator from Tennessee. I am confident that a complete and detailed analysis by a staff of 34 people would reveal so many additional errors that all conclusions drawn from the report must be carefully qualified.

Perhaps the subcommittee's general findings would be supported by a complete audit of its report, but no one today can say that this document, released to the press of the country by the subcommittee, accurately sets forth the statistics concerning the corporate, family, and other affiliations of contributors.

The former chairman of the subcommittee in his remarks on April 12 said:

"Without restating here all of the conclusions and observations expressed in the report by the majority members of the subcommittee, I shall mention a few which particularly aroused our attention and concern:

"First. There are heavy campaign expenditures, on the one hand, by persons affiliated with big business and large vested interests, and by wealthy individuals; and, on the other hand, by organized labor—the former being preponderantly to Republican committees and candidates, and the latter almost entirely to Democratic committees and candidates" (p. 5588).

I am sorry that the majority members of the subcommittee suggest that our two great political parties divide the American people into economic classes. In my remarks on March 29, I said:

"The strength of our country lies in the fact that our two great political parties have always drawn their support from people in all walks of life and in all income groups. No one can perform a greater disservice to our country than to foster class divisions and attempt to drive the people of one supposed class into one of our great political parties, and those of other classes into the other. If we ever reach this sorry state of affairs, we will be in serious jeopardy. This concept has been advanced repeatedly by a few demagogs and some labor leaders who hope to take over the Democratic Party so as to advance their own lust for power. All Americans must condemn class warfare, regardless of their party affiliations" (p. 4774).

The distinguished Senator from Tennessee has noted errors in the spelling of the names of individuals in my remarks of March 29. He is correct in stating that I checked and rechecked my material, and I regret any errors which may appear therein. However, I repeat, I was not aided by a staff of 34 people, and my research did not cost the taxpayers over $80,000.

My remarks on March 29 dealt only with matters of substance. I was not concerned with errors in spelling. If I had commented on the trivial errors which my spot check of

the subcommittee's report revealed, many additional pages of the CONGRESSIONAL RECORD would have been required. If that had been my purpose, I would have mentioned the fact that my exhibit I shows loans by an individual with the name of Gary Hagg taken from subcommittee exhibit 10, and Gory Hogg in subcommittee exhibit 26. Similarly, the name Fuller Kimbell was taken from subcommittee exhibit 10, and Fuller Kimbrell from subcommittee exhibit 26. Let me cite just one more example. There is a contribution of $9,000 attributed to F. U. Du Pont in subcommittee exhibit 12 and to F. V. du Pont in subcommittee exhibit 11.

There are so many spelling errors on the machine listings that the subcommittee apologized for them with a statement preceding each such tabulation. I purposely did not discuss these trivialities when it was obvious that no reader could be confused as to the identity of the individual whose contribution was referred to.

The Senator from Tennessee referred to spelling errors because I commented on the fact that the machine listing showed a contribution by Mrs. Joseph A. Moore in the amount of T3, T00. When a column of figures includes alphabetic characters, it is obvious that proper identification becomes impossible. My criticism was justified by the fact that the chairman of the subcommittee found it necessary to rerun the recapitulation sheet at the end of the exhibit. I insist that this is an error of substance, and not a trivial one.

Let us now turn to the criticism directed at my mentioning Barbara Rockefeller's contribution to the Democratic Party. In my remarks of March 29, I protested the effort to link individuals into families. I said:

"The intended purpose of such an exhibit is quite apparent; namely, to create the impression that a group of wealthy families have some special interest in the Republican Party" (p. 4775).

I also showed the difficulties inherent in such a procedure. I said:

"For example, if a girl by the name of Smith living in New York has a large fortune and marries a man by the name of Jones in Texas, she then becomes Mrs. Jones of Texas. The subcommittee could not associate the contribution of Mrs. Jones of Texas with the Smith family of New York in every instance without employing an army of experts and clerks. Hence, any such list becomes meaningless" (p. 4775).

I was well aware that Barbara Rockefeller was the divorced wife of Winthrop Rockefeller. I do not believe that the private affairs of members of the Rockefeller family, or any other family, are a proper subject for discussion on the floor of the Senate. Inasmuch as my distinguished colleague has mentioned the fact that Barbara Rockefeller is divorced, may I point out that she received a substantial financial settlement. It was Rockefeller money which placed her in the position to make a contribution to the Democratic Party. Furthermore, she is the mother of Winthrop Paul Rockefeller, the son of Winthrop Rockefeller and the grandson of John D. Rockefeller, Jr. She was granted custody of this child.

I made it quite clear that I was not an authority on genealogy. The Senate should not be concerned with the problem of determining her connection with the family. We would not be reviewing these details of the subcommittee had confined its work to listing the contributions of individual contributors. I am at a loss to see any useful public purpose in the compilation of these family groupings.

The Senator from Tennessee expresses surprise that three members of the Du Pont family, whose family connection the subcommittee had not noted, contributed financial support to the Democratic Party. On March 29 I showed that one of these individuals, Mr. J. H. Tyler McConnell, was the Democratic gubernatorial candidate in Delaware last fall. It is surprising that the subcommittee was not aware that Alexis I. du Pont Beyard served as the Democratic Lieutenant Governor of Delaware during the period 1949 to 1952. He was also the Democratic candidate for United States Senator in the 1952 general election.

The subcommittee in its report referred to the fact that "* * * in the case of the Du Pont family, the names of over 900 members of the family were checked against the list of contributors" (p. 65).

There are 900 members of the family because it is one of America's oldest families. Eleuthere Irenee du Pont de Nemours, a refugee from a French dictatorship, established a factory to make gunpowder in this country in 1802. I might add that the first Du Pont to settle in the United States was a close friend of Thomas Jefferson, who many regard as the founder of the Democratic Party.

Since the Du Pont family has been mentioned so prominently in the subcommittee's report and in the subsequent remarks by the junior Senator from Tennessee, may I also add that members of this family have served in this body. Henry Algernon du Pont was elected to the United States Senate from Delaware on June 13, 1906, and served until March 3, 1917. His cousin, Thomas Coleman du Pont, was Senator from Delaware from July 7, 1921, to November 7, 1922. He was elected to the United States Senate in 1924 and served from March 4, 1925, until his resignation on December 9, 1928.

I cite these facts to show that political contributions by members of a family with this long tradition of service to their country does not imply, as the subcommittee suggests, support of the Republican Party to further big business and large vested interests.

The distinguished Senator from Tennessee, in his statement on April 12, placed in the RECORD on exhibit entitled "Exhibit A, Summary Table of Exhibit 11, 1956 Contributions of 12 Selected Families, As It Would Be Changed by Exhibit 2 and Accompanying Remarks of the Senator from Kansas."

I must take exception to this table. An examination of my exhibit 2 clearly shows that I did not attempt to correct the report of the subcommittee. The title of my exhibit 2 reads: "Comparison of committee exhibit 11 showing contributions of 12 selected families with exhibits 12 and 26." I do not know which exhibit is correct or how many other individual contributors should be included in a given family. I repeat, my effort was only a spot check. I did state in my remarks that the subcommittee's exhibit 12, based on replies to individual questionnaires, would probably be more accurate than subcommittee exhibit 26. Page 4776 of the CONGRESSIONAL RECORD shows that I said:

In attempting to check the consistency of the subcommittee's work I have compared amounts shown as contributions for the names listed under the 12 families against exhibit 12, a list of 1956 political contributors of $5,000 or over, and against exhibit 26, a list of 1956 political contributions of $500 and over—alphabetical list of contributors arranged by party—January 1 to November 30. I have assumed where there was a difference between exhibits 12 and 26 that exhibit 12, based on the special questionnaire sent by the subcommittee in the event it shows a larger amount than exhibit 26, should be taken as the correct amount for the individual in question."

Therefore exhibit A, prepared by my colleague the Senator from Tennessee, does not reflect my position. For example, the contribution of Robert Lehman was shown on both exhibits 11 and 12 as $11,000. Exhibit A, prepared by the Senator from Tennessee, raises this contribution to $13,000, the amount shown in exhibit 26. In preparing this table he apparently selected the highest figure in each instance. I see no justification for such a procedure. I repeat, I made a comparison of some of the inconsistent listings which I found in the subcommittee's report. It does not constitute a correction of subcommittee exhibit 11.

Let me now refer to another point raised by my colleague the junior Senator from Tennessee. He said:

"There are also certain errors of omission in the distinguished Senator's exhibits. In his exhibits 4, 5, 7, 8, and 9, appearing on pages 4778–4784 of the CONGRESSIONAL RECORD under the column headed 'Exhibit 26,' contributions of the following are omitted, Mr. Henry Ford II, Mr. George Whitney, Mr. Donaldson Brown, Mr. Roger Firestone, together with the names of several other Republican contributors, though there are included in the exhibit 26 column the contributions of various other Democrats and Republicans" (p. 5590).

In compiling these exhibits I omitted the contributions of these individuals under the column headed exhibit 26, as I followed the procedure I explained in connection with my exhibit 2. To make my position completely clear let me again quote from page 4776 of the CONGRESSIONAL RECORD:

"I have assumed where there was a difference between exhibits 12 and 26, that exhibit 12, based on the special questionnaire sent by the subcommittee in the event it shows a larger amount than exhibit 26, should be taken as the correct amount for the individual in question."

The individuals named by the Senator from Tennessee were listed in exhibit 12 with larger contributions than in exhibit 26.

The chairman of the subcommittee, on page 5588, tried to explain the omission from the exhibits showing corporate affiliations of such names as C. R. Smith and Warren Lee Pierson. He said that reports of some contributions were received too late for inclusion in these exhibits, which had been tabulated before exhibit 26. Since these exhibits would necessarily be incomplete, and hence inaccurate, the question may appropriately be raised as to why they were included in the report at all.

The Senator from Tennessee was granted permission to include subcommittee exhibit 25 in the CONGRESSIONAL RECORD at the conclusion of his remarks. It appears starting on page 5592 through 5606. The Senator said:

"The implications of these unchallenged and unchallengeable facts cannot be weakened by the style of criticism directed at the report by our distinguished colleague. This exhibit contains almost 1,200 separate listings of names, of which 329 appear more than once, and the duplicates have been eliminated in arriving at the totals. In addition, there are 149 contributions attributed to husband and wife, or the wife alone. The net result is that this exhibit shows contributions of approximately 780 individuals, the majority of whom, of course, contributed to Republican candidates and committees, and more than 300 of them have multiple directorships in the largest corporations in the United States. Of this total number of 780 individuals, the distinguished Senator from Kansas has been able to find but 4 instances of error, which alter the net figures by no more than $6,500. Mr. President, I ask unanimous consent that exhibit 25, as it appeared in the subcommittee report, be inserted in the RECORD at the conclusion of my remarks" (p. 5590).

I must respectfully disagree that exhibit 25 constitutes a summary of unchallenged

and unchallengeable facts. I have no idea how the Senator arrived at the statement that I had been able to find but 4 instances of error, which altered the net total figures by no more than $6,500. I made no such statement. No attempt was made to examine the list of officers of each of these 225 corporations. That would have been an impossible task. The insurance companies, trade corporations, commercial banks, and transportation companies other than airlines included therein, were not subject to any review. Where companies appeared on other subcommittee exhibits, such as the 100 largest military prime contractors, the 88 corporations participating in the atomic-energy program, and the 29 largest oil companies, a comparison was made between the listing shown in exhibit 25 and the other subcommittee exhibits. These comparisons constitute my exhibits 4, 7, 8, and 9. They are clearly identified in the CONGRESSIONAL RECORD as a comparison between the subcommittee's exhibits.

I must respectfully disagree with the Senator's statement that I found only four instances of error. On April 12 the Senator explained that the subcommittee exhibits relating to contributions by officials of the 17 leading certificated airlines, the 29 largest oil companies, the 100 largest military prime contractors, and the 88 corporations participating in the atomic-energy program, had been completed before all the information contained in exhibit 26 was available to the subcommittee. This was the Senator's explanation for significant omissions. He stated that subcommittee exhibit 25 contains "unchallenged and unchallengeable facts."

At this point I include a tabulation showing the names of the companies and the differences in the contributions shown in subcommittee exhibit 25 and subcommittee exhibits 15, 18, 19, and 20, in those cases where the amount shown in these earlier subcommittee exhibits is larger than shown in subcommittee exhibit 25. In these instances the subcommittee cannot plead lateness in securing information. It was available to them for the preparation of these earlier exhibits. The data could have been included in exhibit 25 since it was in the possession of the subcommittee.

Differences between Republican contributions shown under company totals in subcommittee exhibits 25 and 15, 18, 19, and 20, when amount shown in exhibit 25 is less than that shown in other exhibits

Company	Exhibit 25	Amount	Exhibit No.
United Air Lines	$14,600	$15,300	15
Standard Oil of California	6,750	9,000	18
Standard Oil of New Jersey	6,500	7,500	18
Texas Co	4,847	9,397	18
Tide Water Associated Oil	27,300	27,550	18
Du Pont, E. I., de Nemours	138,645	138,745	19
Ford Motor	35,000	35,399	19
General Motors	162,050	163,250	19
Goodyear Tire & Rubber	18,850	19,400	19
International Business Machines	27,500	33,500	19
General Electric	51,950	68,849	20
Detroit Edison	1,500	3,500	20
Westinghouse Electric	40,750	42,250	20
Total	536,242	573,640	------
Difference	37,398		

Once again let me stress that I have only compared those companies shown in subcommittee exhibit 25 whose names also happen to appear on these other subcommittee exhibits. I have made no examination of the figures for those companies which are listed only in Subcommittee Exhibit 25. Again I do not pretend to know whether the amount shown in Subcommittee Exhibit 25, or in these other exhibits is the correct amount. In any event the inconsistencies I have listed total $37,398, considerably more than the $6,500 reported as my findings by the junior Senator from Tennessee. There are obviously more than four inconsistencies.

The junior Senator from Tennessee suggests that the tables which I inserted in the CONGRESSIONAL RECORD on March 29 constitute corrections of the subcommittee's report. Nothing could be further from the facts. In each case the tables were clearly labeled. They showed inconsistencies within the subcommittee report. I have no way of knowing which exhibit is correct, or on which figure we can rely. Over and over again I stressed that I was not attempting to completely verify any of the exhibits. For example, in my discussion of Subcommittee Exhibit 16, I said:

"Mr. President, I must again repeat that I have not checked a list showing all of the names of the members of these firms against either exhibit 12 or 26. The omissions I have found indicate that many others would show up if such a check were made. This is precisely what the subcommittee staff was supposed to have done" (p. 4778).

I had no alternative but to spot check this report. In my statement on April 4, I said:

"Certainly the information filed with the subcommittee or with the Clerk of the House of Representatives or the Secretary of the Senate would not show any of the corporate affiliations or memberships in various organizations or the family connections of individuals who made campaign contributions. It is difficult to see how such information is of any importance to the Congress. We are concerned with knowing the names of contributors, the amount of their contribution, and to which political organizations the contribution was given.

"Whether an individual contributor is a member of the House of Delegates of the American Bar Association has no bearing on the drafting of legislation affecting campaign contributions and expenditures" (p. 5096).

I wonder whether a more accurate and meaningful report concerning the amount contributed, the names of the contributors and their current addresses could have been produced if the staff had concentrated on this task rather than the attempt to identify individuals in terms of their association with various groups to which they happen to belong, including their family affiliations.

It occurs to me that the efforts of the staff should have been directed toward the perfection of exhibit 12—"1956 Political Contributors of $5,000 or Over," Exhibit 26—"1956 Political Contributions of $500 and Over—Alphabetical List of Contributors Arranged by Party," Exhibit 27—"1956 Political Contributions of $500 and Over—Alphabetical List of Contributors Arranged by Parties and by States," and Exhibit 28—"1956 Political Contributions of $500 and Over—Alphabetical List of Contributors Arranged by Party and by Recipient Committee or Candidate." If the staff had concentrated on the production of these lists, I believe it would have been possible to have presented complete information on individual contributions.

In my opinion any legislation we adopt concerning campaign contributions will apply to individuals, and possibly to contributions from a husband and wife, or their minor children. It is difficult for me to conceive how the Congress of the United States could enact legislation relating campaign contributions of individuals to their association in any organization. The subcommittee's difficulties arise from the fact that it undertook a statistical study which can have no bearing on any proposed legislation.

This report came under attack from so many quarters due to this practice which serves no useful purpose unless the subcommittee has reason to believe that the contributions were, in fact, from corporations or other organizations, which it does not allege.

My colleague in attempting to determine the motive for my remarks of March 29 said:

"I say, further, that we may take notice of the fact that there is now an unfilled demand for several thousand copies of the report of the subcommittee, and we may well question whether or not the secondary motive is to discourage a reprinting to satisfy these thousands of requests" (p. 5538).

My only motive in addressing the Senate was to show that this report, in its present form, is misleading and inaccurate. The Senator from Tennessee is correct in assuming that I would oppose the reprinting of the committee print as a Senate document, since I know that it contains many errors which I have detected, and I have good reason to believe that there are additional errors which a complete audit would disclose.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

REORGANIZATION PLAN NO. 1 OF 1957—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 161)

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying paper, referred to the Committee on Government Operations:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1957, prepared in accordance with the Reorganization Act of 1949, as amended.

The liquidation of the assets and the winding up of the affairs of the Reconstruction Finance Corporation have been proceeding for the past several years, in accordance with law. Reorganization Plan No. 2 of 1954 expedited and simplified liquidation by transferring certain functions of the Corporation to the Export-Import Bank of Washington, the Small Business Administration, and the Federal National Mortgage Association. Reorganization Plan No. 1 of 1957 transfers all present functions of the Corporation to appropriate officers and abolishes the Corporation.

First, the reorganization plan transfers to the Housing and Home Finance Administrator functions of the Corporation relating to items resulting from programs which provided assistance to States, municipalities, and other public agencies in financing various public projects. Also transferred are functions relating to the liquidation of programs of financial aid for drainage and irrigation projects.

Second, the plan transfers to the Administrator of General Services functions related to the liquidation of matters arising from national defense, war, and reconversion activities conducted by the Corporation preceding, during, and subsequent to World War II. Functions re-

lating to the liquidation of the Smaller War Plants Corporation are also transferred to the Administrator.

Third, the plan transfers to the Administrator of the Small Business Administration: first, all of the Corporation's disaster loan functions which were not transferred to the Small Business Administration by Reorganization Plan No. 2 of 1954, and second, all matters arising out of the Corporation's financial-assistance programs to business enterprises except those relating to assistance to railroads, financial institutions, and insurance companies and those listed in schedule A. The first category consists of items, such as paid loans, charged off loans, and closed files, which were not embraced by Reorganization Plan No. 2 of 1954. The second category includes generally loans or other matters involving outstanding amounts under $250,000 arising under financial-assistance programs to business enterprises, as well as all functions relating to paid or charged off loans, regardless of amount, under such programs.

Finally, the plan transfers to the Secretary of the Treasury all of the functions of the Corporation not otherwise transferred by the plan. Those functions relate principally to the obligations and loans listed in schedule A, which consist generally of business loans with outstanding principal balances in excess of $250,000, and to financial assistance to railroad companies, financial institutions, and insurance companies. The Secretary of the Treasury will also receive the capital stock of the War Damage Corporation, dissolution of which is expected in the near future when one remaining lawsuit is concluded.

The functions transferred by the reorganization plan are, in general, similar to, and can appropriately be administered in conjunction with, present activities of the respective transferees.

The plan also transfers the pertinent assets of the Corporation to the respective agencies, together with the related liabilities, and by operation of law substitutes the particular transferee for the Corporation with respect to all instruments of every kind and character pertaining to the transferred functions, assets, and liabilities. In order to permit the transferees to administer the transferred matters with the same flexibility of operation as obtains at present, the plan transfers to each transferee those powers, authority, rights, and immunities which are now available or applicable to the Corporation for carrying out the respective functions. To the extent that it becomes necessary or desirable, therefore, the transferees will be enabled, with respect to the transferred functions, to sue and be sued, to engage private attorneys in conjunction with litigation involving the transferred functions, and to avail themselves of any other authority, powers, or immunities now available to the Corporation, whether under the Reconstruction Finance Corporation Act, as amended, or otherwise. In enacting the Reconstruction Finance Corporation Liquidation Act the Congress included a provision reading "The activities engaged in by the Secretary of the Treasury as a result of the enactment of this act shall continue to be subject to the provisions of the Government Corporation Control Act." The Government Corporation Control Act will continue to be applicable to the functions transferred by the reorganization plan.

By transferring the remaining assets and liabilities of the Reconstruction Finance Corporation to officers who conduct continuing programs involving similar functions, the plan will carry out the basic purposes not only of the Reconstruction Finance Corporation Liquidation Act but also of the Reorganization Act of 1949, as amended. The size of the Corporation's portfolio has diminished to such a point that after June 30 it should not be necessary to maintain a separate agency solely for the purpose of administering the remaining assets. The plan will make possible a more economical administration of the Corporation's functions by obviating the expense incident to maintaining a separate organization. It is not, however, practicable at this time to indicate more specifically the reduction of expenditures which it is probable will be brought about by the taking effect of reorganizations contained in the plan.

Incident to the abolition of the Corporation, the reorganization plan (1) abolishes the function of making the final report provided for in section 10 of the Reconstruction Finance Corporation Act, as amended—title 10, United States Code, section 609—and (2) provides for a final report to the Congress by the Secretary of the Treasury which is to reflect the affairs of the Corporation up to the date of abolition of the Corporation and is to be made not later than June 30, 1959.

After investigation I have found and hereby declare that each reorganization included in the Reorganization Plan No. 1 of 1957 is necessary to accomplish 1 or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 29, 1957.*

PROTOCOL WITH JAPAN, RELATING TO AVOIDANCE OF DOUBLE TAXATION—REMOVAL OF INJUNCTION OF SECRECY

Mr. JOHNSON of Texas. Mr. President, the President has today transmitted to the Senate a protocol with Japan, relating to a treaty for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

As in executive session, I ask unanimous consent that the injunction of secrecy be removed from Executive K, 85th Congress, 1st session, and that it be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the protocol between the United States and Japan, signed at Tokyo on March 23, 1957, supplementing the convention of April 16, 1954 for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the protocol.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 29, 1957.*

(Enclosures: 1. Report by the Secretary of State. 2. Supplementary income tax protocol with Japan, signed March 23, 1957.)

POLIOMYELITIS IMMUNIZATION PROGRAM IN MINNESOTA

Mr. MORSE. Mr. President, before I proceed with remarks I desire to make, I wish to thank the acting minority leader, the distinguished junior Senator from Nebraska [Mr. CURTIS], for the courtesy he has extended to me by permitting me to precede him on the speaking program this afternoon. It is typical of the parliamentary courtesy which my friend from Nebraska always extends to me.

I want the record to show also that the junior Senator from Nebraska has extended to me many fine social courtesies, as well. That is why I consider him to be one of my personal friends in this body. I thank him sincerely for this courtesy.

Mr. President, the distinguished junior Senator from Minnesota [Mr. HUMPHREY] is currently in the Middle East on official business. In his absence, I ask unanimous consent to have printed at this point in the RECORD a brief statement which the Senator from Minnesota had intended to make today in the Senate on the subject of the poliomyelitis immunization program in Minnesota.

I ask unanimous consent also to have printed at this point in the RECORD a memorandum to Governor Freeman from Dr. Robert N. Barr dated March 19, 1957, and a letter to Governor Freeman from Mr. Thomas P. Cook, executive secretary of the Hennepin County Medical Society, dated March 25, 1957, relating to the program.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HUMPHREY

There has been much discussion of the poliomyelitis immunization program from the very inception of the program, and a great deal of criticism at various times concerning the planning and handling of the several projects.

Perhaps because of the highly unfortunate series of incidents at the very beginning of the national program, when live virus turned up in several parts of the country, there has been a tendency in many parts of the Nation

to go slow on the immunization program. There has been an unfounded but nevertheless significant distrust of the vaccine itself in many parts of the Nation, a distrust which has been overcome only through vigorous leadership and hard work.

In Minnesota, the Governor, public health authorities, and the medical profession have worked together in splendid fashion to develop a polio immunization program which has achieved results, and which has given us documented evidence that the immunization program of two doses has reduced the incidence of paralytic poliomyelitis among individuals who have received the two doses to one-sixth of the rate for those who had received no Salk vaccine.

Following recent reports that the vaccine would soon be in short supply, Gov. Orville Freeman requested the Minnesota Department of Health to give him a report on the current status of the polio immunization program and to make sure that financial considerations would not bar any Minnesotan from receiving the protection of the vaccine.

The Minnesota Department of Health made a detailed report to the Governor which tells an inspiring story of what can be accomplished where there is a will to accomplish. This report on March 19, 1957, was followed by a report from the Hennepin County Medical Society, which further expands the narrative, and indicates that Minnesota is 1 of only 3 States which have expended 100 percent of their Federal allocation for polio vaccine.

Together these two reports make inspiring reading, and are vivid testimony to the effectiveness of group effort in a democracy, and of the way in which private citizens and public officials can work together in the face of crisis for the common good. Minnesota can be very proud of this story, and I am sure that my colleagues will find the chronicle stimulating and encouraging.

STATE OF MINNESOTA,
DEPARTMENT OF HEALTH,
March 19, 1957.

To: The Honorable Orville L. Freeman, Governor of Minnesota.

From: R. N. Barr, M. D., secretary and executive officer, Minnesota Department of Health.

Subject: Poliomyelitis vaccination program.

Thank you for your memorandum of March 11, 1957, indicating your interest in the poliomyelitis immunization program and the problem of developing a procedure to insure that the cost of such does not prevent people from securing desired protection.

We are discussing this matter with all interested groups and are transmitting detailed information to the individual members of the State board of health, and will have a complete review of the problem at the next meeting, which will very likely be on Thursday, April 4.

In the meantime, Dr. Dean Fleming, director of our division of disease prevention and control, will provide you and the board of health and all interested groups with a complete summary of the present information as to the availability of vaccine, the amounts that have been used in Minnesota during the entire program, and the activities of medical and other groups in the effort to assure that present and future supplies of vaccine will be used to the best advantage of all people in the State.

Our information over the entire period indicates that the physicians in Minnesota have provided a splendid service in seeing to it that people in all areas received Salk vaccine, and while individual criticisms have been made relative to charges for vaccine the general overall information indicates that in essentially all areas of the State a nominal charge has been made for the administration of vaccine for those who have been able to pay and for those individuals unable to pay it has been given without charge, and where there are large numbers in the family the charges for its administration have been made accordingly.

The Minnesota State Medical Association and its component county societies have lent every effort within their limitations in seeing to it that the members of their organization carry out these principles.

The results in the number of people immunized and the reduction in paralytic poliomyelitis cases in Minnesota are mute testimony to what had been accomplished. As you know, Minnesota has used all the vaccine made available to it under the Federal Poliomyelitis Act. This supply was exhausted as of December 7, 1956, and records indicate that the statewide use of vaccine purchased through commercial channels has continued at a very high level. In addition, physicians are reporting to the Minnesota Department of Health the numbers and ages of persons being immunized with commercial vaccine.

The action of the National Foundation for Infantile Paralysis (NFIP) indicated in the fall of 1956 that it intended to make available approximately $11 million for polio immunization. Our welfare boards indicated they would provide for immunization of those persons who are on their various assistance rolls. It was for these reasons that the State board of health did not request the 1957 legislature to appropriate funds for the purchase of vaccine.

Subsequently, the NFIP has indicated to its county chapters that they may properly expend one-third of their resources obtained through the 1957 drive for providing immunization against poliomyelitis.

We, therefore, have every reason to believe that while Minnesota may not receive the public acclaim as have certain cities like New York, Chicago, and recently Seattle, where large organized immunization programs were carried out, it will be able to more than hold its own in the number of persons in the State who are immunized against poliomyelitis and the protection obtained as the result of such immunization. The State department of health is confident that physicians in Minnesota will continue to provide reports on those immunized. This will make it possible for Minnesota to be one of the States where the exact evaluation of the results of immunization may be obtained. You will recall that it was previously reported to you that Minnesota was 1 of the 2 or 3 States that have complete records of both cases and immunization thereby making it possible to critically evaluate the results of immunization throughout the State. Our records for 1956 indicated that the incidence of paralytic poliomyelitis was 6 times as great in those who had received no Salk vaccine as it was in those who had received 2 doses.

State health departments report each week to the United States Public Health Service on estimated supplies and needs for poliomyelitis vaccine within their States. Minnesota's report for March 18 indicates the following estimated stock of vaccine in the State:

	Cubic centimeters
In State health departments	0
In local health departments	3,086
In wholesale houses	23,057
In drugstores	9,000
In doctors' offices	9,000
Total	44,143

We estimated that this supply would last one week. It is our understanding that no additional vaccine will be available from the manufacturing companies before Apirl 15.

Our records indicate that of commercial vaccine shipped into Minnesota:

	Percent
Eli Lilly Co. supplies	80.7
Pitman Moore Co. supplies	13.1
Parke Davis Co. supplies	4.2
Sharp & Dohme Co. supplies	2.0

You will be receiving further reports on this matter.

Respectfully,

R. N. BARR, M. D.

P. S.—This memorandum and our reply has been transmitted to Mr. R. R. Rosell, executive secretary, Minnesota State Medical Association, who will supply you with additional information on the subject.

HENNEPIN COUNTY MEDICAL SOCIETY,
March 25, 1957.

The Honorable ORVILLE L. FREEMAN,
Governor, State of Minnesota,
St. Paul, Minn.

DEAR GOVERNOR: The Hennepin County Medical Society wishes to supplement the March 19 Salk vaccine report of the Minnesota Department of Health with the following comments:

The American Medical Association recently called a 1-day meeting in Chicago to discuss public apathy toward the effectiveness of Salk polio vaccine and the accumulation of more than 26 million cubic centimeters of this serum on the manufacturers' shelves which was rapidly becoming outdated.

The meeting referred to was held on Saturday January 19 and medical representatives were on hand from every State in the Union, Territorial possessions, and some foreign countries. Dr. Jonas Salk and other eminent medical scientists reemphasized the effectiveness of Salk vaccine as an immunizing agent, warding off the tragic effects of paralytic polio.

Surgeon General Burney presented the latest United States Public Health figures which reflected the percentage of the national population in the various age brackets that had received one or more injections of Salk vaccine.

A third phase of this meeting dealt with the expenditure of Federal funds which had been allocated to State health departments of the separate States for the purchase and control of Salk vaccine. Only 3 of the 48 States had spent their total allocation of Federal funds for the purpose for which this appropriation had been made and 1 of these 3 States was Minnesota. A well-earned compliment to the administration of our State health department in its discharge of a public responsibility.

This 1-day meeting adjourned in the early evening and each representative returned to his home community charged with the responsibility of developing a campaign that would result in public utilization of this effective weapon against paralytic polio.

The public health committee of Hennepin County Medical Society under the direction of Drs. Charles E. Merkert and W. W. Rieke, ably assisted by the State department of health and other agencies concerned with contagious disease problems spent the balance of January 1957 in laying the groundwork for a Salk vaccine campaign in this county. Representatives from the pharmaceutical houses producing and selling the vaccine were present at each of our several meetings. A program of mass inoculations was never given favorable consideration because of our fear that the vaccine adequate to meet our needs might not be available in the

quantities needed and because the success of our accomplishments to date in this endeavor, on a private physician basis, by comparison with what other areas throughout the Nation had achieved in varying types of programs. Minnesota was, and still is, one of the outstanding leaders in the percentage of population participation in this immunization effort. This statement can be readily substantiated by procuring Federal figures on this subject and by the report of the Salk vaccine manufacturers reflecting the delivery and usage of vaccine in Minnesota.

Banking institutions and other large places of business were responsible for the mailing of more than one-third of a million stuffers throughout Hennepin County and adjacent areas advocating the immediate use of Salk vaccine. Radio stations and TV outlets were providing some 8 to 12 plugs per day as a public service. Three hundred and sixty-five drugstores throughout our community carried window posters and counter displays pleading for public participation in this fight against paralytic polio. The metropolitan dailies and suburban weeklies gave generously of their news space. Members of our committee addressed meetings of school nurses, teachers, and parent-teacher association groups, on the value and effectiveness of this serum in the war against polio. The people responded to these pleadings and urgings; they stirred themselves out of their complacencies and lethargy toward Salk vaccine, and the results speak for themselves, we ran out of vaccine—locally and nationally.

This office has been in long-distance communication with the several manufacturers of the vaccine and have their assurance that shipments of the serum will be renewed on or about the 5th of April. In the meantime we have established a priority for the city health department and the commissioner of health for the city of Minneapolis and today we filed a firm order in their name for a pro rata amount of the million units to be shipped to governmental agencies this week. Every effort will be made to provide funds in this community to enable the city and county health authorities to continue injecting underprivileged children through the well child clinics and immunization centers maintained by these public health authorities.

Many places of business and industry in this county have sponsored in-plant programs of Salk vaccine injections for their employed personnel—most of these at company expense.

The writer meets with labor leaders on Thursday night of this week to discuss the details of similar programs in those places of employment that have not as yet seen fit to provide such programs.

It is my unqualified opinion that Minnesota can be proud of what it has already accomplished in this endeavor, but that we will not consider the job well done until every eligible individual has at least had the opportunity to procure this protection, with or without the means to pay for it.

Respectfully yours,

THOMAS P. COOK,
Executive Secretary,
Hennepin County Medical Society.

ANOTHER ADMINISTRATION GIVE-AWAY AT HELLS CANYON

Mr. MORSE. Mr. President, a cynical hoax is being put over on the country's taxpayers. The administration has talked piously of cutting Federal expenditures, particularly in the field of water-resources development. Partnership dams have been advertised by the Eisenhower administration as a means of reducing the Federal debt.

Yet on Thursday, April 25, the office of Defense Mobilization announced a multi-million-dollar tax handout to the Idaho Power Co. to build two inadequate dams in the Helis Canyon area of the Columbia River Basin. Since early 1953, this administration has opposed the full development of Hells Canyon for flood control, electric power, navigation, irrigation, and recreation, and has favored and supported the Idaho Power Co.'s plan for less than full development.

Repeatedly it has been claimed that this plan will save the taxpayers money. Administration apologists have made this claim. One example is the adverse report of the Interior Department on the Federal Hells Canyon Dam bill in the last session.

The saving factor was commented upon by the Federal Power Commission Examiner in his report of May 4, 1956:

> One of the seemingly attractive aspects of the Idaho Power proposal and one which has been exploited and publicized was that Idaho Power would, without cost to the taxpayer, relieve this need (for electric power) to a substantial extent.

In 1956, before the Senate vote on the Hells Canyon bill, full page advertisements in national magazines, expensive advertisements, propagandized that the Idaho Power Co. dams at Hells Canyon would save the taxpayers money. Those ads were paid for by electric power rate payers.

Now the cat is out of the bag: The United States Treasury will subsidize the private-utility inadequate dams. The backers of the Federal high Hells Canyon Dam predicted that this would be the case.

Last Thursday, ODM announced that quick tax writeoff certificates amounting to $65,206,094 were to be issued to the company. In fact, the certificates are not for a definite dollar amount; they are for 65 percent of Brownlee Dam and 60 percent of Oxbow Dam. The cost of these dams, in the Interior Department recommendation to ODM that the tax subsidy be given, understates the cost of the two dams by many millions below the estimates of Interior's own experts and the findings of the Federal Power Commission. The lower figures are based on the company's claims, rejected by the Department of the Interior's engineers and cost experts, rejected by the FPC examiner, and not accepted by the FPC. So the actual value of the certificates will be far greater.

What does this mean? The ordinary taxpayer can deduct only a fraction of the cost of capital investments from his taxable income. But the quick tax write-off certificate means that Idaho Power Co. can deduct one-fifth the total value of the certificate for each of the first 5 years, reducing by that amount the amount of taxable income.

Even on the basis of the low estimates used by Interior and the Office of Defense Mobilization, the Idaho Power Co. will not have to pay but will save $29,250,000 in taxes during the next 5 years.

UNITED STATES GIVES TAX-FREE LOAN TO IDAHO POWER CO. AT HELLS CANYON

The Federal Power Commission in 1953 characterized these tax writeoffs as follows:

> This has the precise effect of a grant by our Government to a certificate holder of an interest-free loan.[1]

Mr. President, I digress here, because I wish to point out that when a labor-union leader takes $200,000 or $400,000 or X amount of dollars for an interest-free loan to himself, in my judgment he commits an act of immorality. Likewise, I say, Mr. President, that when the Eisenhower administration deals in this kind of executive immorality, it steals, based on moral terms, from the taxpayers of the United States; and it is about time that in the Congress a few Members have the courage to protest and to call this administration what it is—an administration honeycombed with political immorality. O, Mr. President, the stealing is done within the terms of the law; the officials can say that the Office of Defense Mobilization has a right, under the law, to do what it is doing in this case. But that does not make it moral, Mr. President. Instead, it makes it rotten. This administration is so rotten that it stinks to high heaven; and the time has come to draw the issue with this administration in regard to such a handout to American big business. It is a shocking betrayal of a public trust. It cannot be justified.

Mr. President, I am one Senator who proposes to tell the American people, on the basis of the facts, what this administration is doing to them as taxpayers, by putting its hands into the taxpayers' pockets and giving an interest-free loan to the Idaho Power Co. and to other big businesses in the United States, by means of such a deal by way of an accelerated tax amortization program which cannot be justified on national-defense grounds.

In a moment I shall deal further with that matter; but first I wish to state what this action really is, namely, a shocking betrayal of the taxpayers of the United States.

Mr. President, I have grown weary of the sanctimonious pronouncements of the President of the United States which would lead the American people to believe that he does not stoop to the kind of tactics with which I now charge him. I am fed up with his sanctimonious pronouncements, Mr. President. The time has come to place the responsibility directly where it belongs—right on the shoulders of Dwight D. Eisenhower. I say to the President, "Come on; tell the American people how you can justify this action on any ground of political morality."

Mr. President, I believe it is our duty to speak against the immorality of a labor-union leader when he takes interest-free money out of the pockets of the members of the union; and I think it

[1] Matter of Treatment of Federal Income Taxes as Affected by Accelerated Amortization, FPC opinion No. 264, December 3, 1953.

is also time to speak out against the President of the United States when he allows this kind of immorality to run through his administration, and does not put a stop to it.

So I throw back to his teeth the language of his own Federal Power Commission in 1953, when it characterized these tax writeoffs as follows:

> This has the precise effect of a grant by our government to a certificate holder of an interest-free loan.

Mr. President, on the most conservative basis, a 50-year loan of $29,250,000 at 6 percent is worth $329 million. That shows what a hand-out it is. Those responsible think the average citizen will not realize what the interest will amount to over a period of 50 years. Otherwise, of course, if they had to figure the depreciation at the regular rate, there would be a cost to them of additional millions of dollars. That indicates the kind of give-away in which the administration is participating in this instance. It indicates what Idaho Power is getting for quick tax write-offs, instead of making normal deductions over a 50-year period. Indeed, the 50-year depreciation period is conservative, for the useful life of a dam is much greater. As an example, the Washington Water Power's Cabinet George Dam is given a normal depreciation life of 70 years.

HANDOUT MEANS LARGER FEDERAL DEBT

In very simple terms, the Idaho Power Co. is being permitted to avoid millions of dollars of tax payments during the next 5 years. This means shifting the burden of that tax loss, plus interest payments, to other taxpayers.

The 1956 staff report of the Joint Committee on Internal Revenue Taxation makes this quite clear. In describing the effect of this form of tax amortization, it says:

> If the budget is to be balanced, larger burdens are imposed on the rest of the taxpayers.

I may add that if the budget is not balanced, the taxpayers also must pay interest for the increase in the national debt. So in this kind of double dealing, the taxpayers lose both ways.

Only a few weeks ago, the administration walked out on a campaign pledge to reduce taxes for small corporations. It did so because, it claimed, the Treasury could not afford the lost revenues. Small corporations lost the relief they needed, because of the defeat of the Fulbright amendment.

SUBSIDY FOR HIGH-COST POWER

Yet in the last 6 years, $3.34 billion—yes, billion—in tax writeoffs have been granted to electric power companies—more than half in the past 4 years—1953–56—according to the joint committee.

SUBSIDY FOR HIGH-COST POWER

The joint committee staff report states:

> Rapid amortization is a form of special Government assistance to private manufacturers, or bluntly, a subsidy.

Theoretically, it is designed to be an incentive to build capacity which would otherwise not be built. In this case, the subsidy comes after the company started to build.

This is a very interesting circumstance. As I pointed out in August 1955, the Idaho Power Co. in August 1953 applied for tax writeoffs on only Brownlee Dam and Oxbow Dam, but not for Little Hells Canyon Dam, the third dam in its so-called plan. Two years later—in August 1955—the Federal Power Commission granted licenses on only Brownlee Dam and Oxbow Dam; and delayed—probably forever—any requirement for building the third dam, Little Hells Canyon. This was surprising foresight on the part of the company—to be able to predict what the Federal Power Commission would do.

Let us look at another example of incredible foresight. The Federal Power Commission's examiner found—on the basis of a very detailed record—that the Idaho Power Co. power in the Hells Canyon area would cost 7.6 mills for Brownlee Dam, and 6.6 mills per kilowatt-hour for all 3 dams. He found that there was no market for such fancy-priced power in the Idaho Power Co. service area, and still less of a market in Oregon and Washington, where power prices are much lower.

But the company started to build Brownlee Dam anyway. How did it know that the Office of Defense Mobilization would come along with this multi-million-dollar subsidy to help it out—witht taxpayers' money?

Yes; this is a fascinating coincidence, Mr. President.

CASE FULL OF COINCIDENCES

There are other fascinating coincidences in the Hells Canyon controversy. On May 5, 1953, the Secretary of the Interior withdrew his predecessor's objections to the Idaho Power Co.'s license application when only the Oxbow Dam application was on file. He based his letter on the company's three-dam plan. Only after the Secretary's letter did the company's stockholders authorize the three-dam license applications—a few days later, for the company's annual meeting is always in early May.

Again, in 1955, the Federal Power Commission examiner's report came out a few days before the company's annual meeting.

Again, in 1957, the Office of Defense Mobilization gift is announced a few days before the stockholders' meeting in Maine.

ODM IGNORES FORMAL PROTESTS AND FACTUAL CHALLENGES

In February 1956, a group of Senators and Representatives filed with the Office of Defense Mobilization a detailed protest to the grant of these certificates. Our protest was based on factual errors and misrepresentations in the Interior Department's recommendation to ODM and the ODM staff analysis.

So, for example, we showed that, contrary to the assertion by the Department of the Interior, the company dams would not make usable power available to western Oregon and Washington, where a power shortage impends.

We showed that neither memorandum set forth any evidence for the bald assertion that Idaho Power Co. would use the power to serve defense industry; and, from our knowledge of the area, we can assert there is none of any magnitude there. Further, at the power costs shown to be attached to these second-rate dams, defense industry will have no use for the electricity generated by them.

AN ATTEMPT TO EVADE BYRD HEARINGS?

For some time, the Chairman of the Senate Finance Committee has made clear that he proposed a study of ODM's quick tax-writeoff program, especially as it pertains to private utilities. Indeed, his hearings are scheduled to begin this week, on May 2. A specific subject for consideration during the hearing is the Idaho Power Co.'s Hells Canyon applications.

It would appear that despite this impending hearing, addressed in part to this case, ODM nonetheless went ahead to close out the case. In other words, they wanted to jump the gun. They wanted to get ahead of the Senate committee. They made the grant before the Senate committee could conduct its hearings.

This is another example of how the executive departments, under this administration, try to give congressional committees the runaround. I happened to be presiding today over a subcommittee going into the problem of the radio daytime question—not into the substantive question, but into the procedural question as to why the Federal Communications Commission has not given the daytime broadcasters a decision on their petition so that they would be able to process their appeals to a higher court if a decision went against them—in keeping with our historic judicial process. To my shocking surprise, I received a message from the staff that the Commission did not think a member of the Commission should come to the hearing; but apparently the Commission was willing to send a subordinate. As a lawyer, I would not think of interfering with a decision of the Commission on its merits, but it is rather shocking to learn that the Commission will not send a member of the Commission to a hearing when it is looking into the question of dilatory delays in handing down a decision in this case.

It should be emphasized that these administrative law tribunals are children of the Congress. The Congress happens to be their legislative parent. They are agents of the Congress, responsible to the Congress. It happens to be the duty of the Congress when any administrative agency, whether it be the Federal Power Commission, the Federal Communications Commission, or any other administrative agency, is charged by responsible citizens with dereliction of duty, to look into the matter and ascertain what the facts are, and members of those agencies should appear before appropriate committees of Congress and make their statements.

I shall await with interest tomorrow morning to see whether or not the Federal Communications Commission sends a member of the Commission to speak in behalf of the Commission. If it does not, my recommendation will be that our committee take appropriate action, and

there will then be an appropriate resolution from me presented on the floor of the Senate.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. O'MAHONEY. I am very happy to hear the Senator from Oregon make these remarks. The time has long passed since there has grown out of all proportion the development toward disregard of the legislative powers of Congress by the boards and commissions to which we have delegated legislative power.

It has occurred to me on numerous occasions that one of the best ways, perhaps, to handle this matter would be in conjunction with the confirmation of all nominees to any board or commission. I myself have adopted that practice on the Judiciary Committee. When, by chance, I have been appointed to conduct hearings on certain nominations, I have always taken the caution to put the nominee under oath and have asked the nominee, while under oath, if, should he be confirmed to the position to which he was nominated, he would carry out the law as it is written by the Congress, without fear or favor, and without partisanship toward the executive branch of the Government. It works. The Congress, particularly the Senate, should not overlook the power it has in the confirmation of officials. I think we ought to make it a practice, throughout the committees of Congress, in passing upon nominations, to make certain that the nominees understand that they are not responsible to the White House.

A very unfortunate thing happened several years ago, under this administration, when one of the reorganization acts was created. Under the Truman administration, the Senator will recall, a reorganization act suggested by the Hoover Commission was adopted, which provided that the chairmen of most of the commissions should be appointed by the President when he made the original nomination, and the chairman was given certain housekeeping authorities. The purpose of that was to save money. But now the White House constantly channels information and policy designs to the chairmen of the various commissions. The Federal Communications Commission, I have no doubt, is one. The Civil Aeronautics Board is another. The White House tells the chairman what the White House policy is, in spite of the intent and purpose of the law, which is that a commission should be an independent agency, exercising delegated powers from Congress, to sit in a semiofficial capacity, listening to all sides, and not serving the purpose of the White House.

We now learn from the papers that the White House is about to ask for authority to build a new executive mansion—a vast new building—either on the Ellipse, where employees from the various departments play baseball, or perhaps on Lafayette Square. The White House is no longer large enough to accommodate the anonymous assistants of the President who carry on the work of the President when he does not do it himself.

I am very happy that the Senator from Oregon has made this allusion to a very important phase of the decline in the powers of Congress. I hope he will insist that the Commission be represented before the committee tomorrow.

Mr. MORSE. I shall insist.

Mr. O'MAHONEY. And I shall be happy to give all the poor assistance I can in helping the Senator to get the results that are necessary.

Mr. MORSE. I wish to say that I agree with what the Senator from Wyoming has said, and I am particularly pleased to have his contribution to this discussion, because I know of no man in the Senate who is a greater authority on the administrative law process than is the Senator from Wyoming.

What we are dealing with again is the whole question of responsibility to the Congress of administrative agencies created by the Congress. The difficulty with too many of the men in these agencies is that their heads have become too big for their hats. A good example of that is Mr. Gray of ODM. He owed it to the Congress of the United States to withhold a decision on this matter, instead of granting the certificate, until he heard from the Senate through the Byrd committee. And before I finish, I shall put into the record the position of the Senator from Virginia [Mr. ROBERTSON] in regard to the hasty action Mr. Gray is guilty of.

In addition, the present chairman of the Joint Committee on Defense Production, when vice chairman of the Committee last year, advised Director Flemming of his opposition to these certificates. Pursuant to his instructions the Director was put on notice that the Senator from Virginia [Mr. ROBERTSON] last year, after adjournment, had directed a study and asked for hearings; and I shall quote from the request of the Senator from Virginia [Mr. ROBERTSON]:

> With particular reference to the Oxbow and Brownlee projects on the Snake River in the Northwest.

This was a request by the Senator from Virginia [Mr. ROBERTSON] for a committee hearing on this matter, pending before ODM, and in spite of that, Mr. Gray proceeded to issue these certificates. In my judgment, by so doing, he stands in contempt of the Robertson committee, and I happen to be one who believes he ought to be so charged.

After all, Mr. President, the Robertson committee had the right to ask for this postponement until an investigation into the facts could be made. The Senator from Virginia [Mr. ROBERTSON] is now chairman of the committee. The action of the ODM is a strange reply to the chairman of a congressional joint committee with jurisdiction over the subject. Indeed, ODM's unseemly haste appears to be an attempt to avoid and evade Congressional scrutiny of its actions.

I know why they would want to do that, because the granting of the certificate could not be justified on the basis of the record that would be made before the Robertson committee.

This act of political immorality upon the part of Gray could not have been justified, Mr. President. He knows it, but he did not want to wait for the Robertson committee to present the facts. That is the kind of irresponsible conduct we are getting from an agency head under this administration, and it is about time we made clear to this administration that the fight is on, and we do not intend to let this kind of defeat of the public interest go unchallenged any longer.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the correspondence of the Senator from Virginia [Mr. ROBERTSON], with the ODM on this matter, which he has graciously supplied to me.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

JULY 23, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: The Idaho Power Co. has asked for accelerated depletion on its Oxbow and Brownlee Dams on the Snake River, totaling I believe, $103 million, but has not asked for accelerated depletion on the Hells Canyon Dam and officials of the company have told Senator WATKINS of Utah that it did not plan to ask for accelerated depletion on the Hells Canyon Dam if the Federal Power Commission granted it a certificate to build it.

In my opinion, none of these power projects can meet the test of the accelerated-depletion law as being essential to the defense effort and, therefore, I hope the request heretofore submitted for the Oxbow and Brownlee Dams will be denied.

With kindest regards, I am

Sincerely yours,

A. WILLIS ROBERTSON.

JULY 24, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: Senator A. WILLIS ROBERTSON, vice chairman of the Joint Committee on Defense Production, has requested a further study of the mobilization program with respect to the issuance of certificates of necessity for accelerated tax amortization, with particular reference to the Oxbow and Brownlee projects on the Snake River in the Northwest.

Senator ROBERTSON has also indicated that he intends to request that the Joint Committee on Defense Production hold hearings on these two applications for certificates of necessity.

I am advising you of the above in order that there may be an adequate opportunity for study and due consideration of these matters prior to a final determination.

Sincerely yours,

HAROLD J. WARREN.

AUGUST 22, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization, Executive Office of the President, Washington, D. C.

DEAR DR. FLEMMING: Under the heading "Washington Whispers" it is stated in U. S. News & World Report of August 24 that the steel companies will ask the privilege of rapid amortization of new steel facilities as part of the settlement of the wage price issue within the industry.

What I said in a recent letter to you about the amortization of new powerplants applies equally as well to new steel plants. Should new steel plants be built they will be built for purely peacetime production. The only authority the Government has to grant special

amortization privileges as tax-saving devices is to encourage the construction of new facilities needed for war production. Senator BYRD, chairman of the Senate Finance Committee, has directed the staff of the Joint Committee on Internal Revenue Taxation to conduct an exhaustive study this fall of amortization laws and the manner in which they have been employed to secure tax deductions. Personally, I do not think there is anything radically wrong with the law but, of course, there is an old political saying, "No law can rise above its enforcement."

With kindest regards, I am,

Sincerely yours,

A. WILLIS ROBERTSON.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., August 24, 1956.

Hon. A. WILLIS ROBERTSON,
United States Senate,
Washington, D. C.

DEAR SENATOR ROBERTSON: I deeply appreciated your thoughtfulness in writing me relative to the applications for rapid tax amortization filed by the Idaho Power Co. on its Oxbow and Brownlee Dams on the Snake River.

I can assure you that your views will be given very careful consideration in passing on this matter.

Very sincerely and cordially yours,

ARTHUR S. FLEMMING,
Director.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., August 28, 1956.

Hon. A. WILLIS ROBERTSON,
United States Senate,
Washington, D. C.

DEAR SENATOR ROBERTSON: Thank you very much for your letter of August 22.

Certain representations have been made to us relative to the establishment of expansion goals for structural steel, steel plate and tubular goods. The question of whether these goals will be established will be decided solely on the basis of whether or not existing capacity would be adequate in the event of general mobilization. I can assure you that I will not permit the question of prices to influence the decision one way or another. Also, I can assure you that the demands of a rapidly expanding civilian economy will not influence the decision.

I am in complete agreement with you that defense incentives should be used strictly for defense purposes and should not be used to solve nondefense problems.

Very sincerely and cordially yours,

ARTHUR S. FLEMMING,
Director.

ELBERTON, GA., *September 5, 1956.*

Hon. A. WILLIS ROBERTSON,
Vice Chairman, Joint Committee on Defense Production, Senate Office Building, Washington, D. C.

DEAR SENATOR: Thanks for your letter of September 1.

I am writing Dr. Flemming, as suggested by you, and asking him to be prepared to testify before the Joint Committee next year relative to the matters discussed in your letter. I also told Harold Warren to contact Dr. Flemming.

I hope you will get some needed rest this fall.

With all good wishes,

Sincerely yours,

PAUL BROWN.

Mr. MORSE. The Senator from Virginia [Mr. ROBERTSON], in his correspondence with ODM, made it quite clear that he felt there was abuse in the tax certificate program, particularly with regard to projects not directly related to defense. The Idaho Power projects are clearly within the area to which he objects. He had a right to depend on former Director Flemming's assurance that "defense incentives should be used strictly for defense purposes."

However, ODM did not abide by this assurance.

Mr. President, I shall read only a paragraph of the letter of the Senator from Virginia [Mr. ROBERTSON], written to me, dated April 26, 1957.

In view of the correspondence and personal conversations which I had with Dr. Arthur S. Flemming concerning the application of the Idaho Power Co. for a certificate for accelerated depletion on its Brownlee and Oxbow Dams on the Snake River, I was just as surprised as you when I learned that the certificate had been granted.

ODM did not honor the request of some 19 Senators and several Representatives to hold public hearings to resolve the questions of fact raised in the Interior and ODM memoranda on these applications.

As with all of the other administration actions in relation to the Hells Canyon case, ODM's grant of the taxpayers' money to Idaho Power has been characterized by an unwholesome hurry to bull the giveaway through.

ADMINISTRATION ACTION RECALLS DIXON-YATES

The repeated acts of favoritism to the Idaho Power Co. brings to mind the series of questionable actions to put across the Dixon-Yates deal.

Why is the administration so adamant in its opposition to a high Federal dam at Hells Canyon? It is urgently needed for flood control—for low-cost power production to avert a serious shortage. It is urgently needed as the only major multipurpose dam that can assure full downstream development. It has the tremendous advantage of imperiling no conservation values; indeed it will be of positive value for recreation, while other administration-favored projects imperil fish, wildlife, and wilderness.

The record of the administration on Hells Canyon shows utter bias against full development that pays its own way and for underdevelopment that wastes resources. It has shown again and again that it has no use for the facts, no interest in the merits of the issue; only political expediency, sellout, and immorality characterize the pattern of this administration in this field.

The quick tax writeoff subsidy to Idaho Power is a shocking political theft from the people's pockets to enrich a private utility and enable it to waste the best dam site in the country.

I warn the American people today from the Senate that they should not support this giveaway, and I warn this administration that once the American people find out the facts they will hold this administration to account. I warn that the people will not pay for this giveaway.

Mr. President, I close by saying I do not find it pleasing to have to speak so critically of any administration, Republican or Democratic, but I wish to say I have done so today because in my judgment the facts warrant it, and the time has come for Republicans and Democrats alike in the Congress to hold this administration responsible for the kind of malfeasance in office that I have pointed out for the RECORD today.

I close again by thanking my friend from Nebraska for permitting me to speak before him.

FAST AMORTIZATION FOR DEPRECIATION GRANTED TO THE IDAHO POWER CO.

Mr. BYRD. Mr. President, I wish to make a brief statement. I have been informed that the Office of Defense Mobilization has issued a rapid writeoff tax depreciation to the Idaho Power Co., which will mean the granting of rapid tax certificates aggregating $65,200,000.

I believe this is an utterly indefensible act, because the law providing for the rapid writeoff depreciation was intended to apply only to those industries which were engaged in defense operations. A public utility is guaranteed its profits.

Therefore I cannot understand why such a large writeoff has been given the Idaho Power Co.

Mr. President, I wish to say that on October 22, 1956, I wrote to Mr. Flemming, Director of the Office of Defense Mobilization, protesting against the issuance of these rapid writeoff certificates. I ask unanimous consent to have my letter of that date to Mr. Flemming printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON FINANCE,
October 22, 1956.

Hon. ARTHUR S. FLEMMING,
Director, Office of Defense Mobilization,
Washington, D. C.

MY DEAR MR. FLEMMING: As chairman of the Senate Finance Committee, I have requested the Joint Committee on Internal Revenue Taxation staff, headed by Mr. Colin F. Stam, to review existing legislation allowing fast amortization for depreciation of plant and equipment for tax purposes, and to study its effect and need under current peacetime conditions.

I am informed that pending applications for such fast tax amortization by steel companies alone involve proposed new construction totaling at least $1.2 billion.

As a member of the Finance Committee, I know that the original and continuing purpose of this wartime legislation has been to expedite production essential to national defense.

It is my opinion that under present peacetime conditions such special privilege can be justified only in exceptional and rare cases. Otherwise, there is danger of creating unfair competition, oxerexpansion, and damage to smaller business. I am concerned also about the temporary loss of revenue resulting from these cases.

I understand you have temporarily postponed action on pending applications by steel companies and perhaps certain others. As chairman of the Senate Finance Committee, I am asking you not to grant those applications which you have held up or any others about which there is the slightest question until this committee can complete its review of the situation under existing defense and business conditions and make its report.

Meanwhile, please submit to the Senate Finance Committee as promptly as possible a list of all pending applications for fast

amortization, along with such information as may be pertinent in each case.

Cordially yours,

HARRY F. BYRD,
Chairman.

Mr. BYRD. Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks the reply which Mr. Flemming sent to me in answer to my letter of October 22. In the letter Mr. Flemming indicated that he was not going to extend the operation of the rapid writeoff depreciation, and included in his reply a list showing the applications he had received, aggregating $3,661,741,000.

There being no objection, the letter and the statement were ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C.

Hon. HARRY F. BYRD,
Chairman, Committee on Finance,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: Thank you very much for your letter of October 22 relative to the tax-amortization program.

As you state, the purpose of this program has been to provide an incentive to private industry to expand facilities required for defense production. Under the current system of expansion goals, this has been done in an orderly fashion. As established defense requirements have been met, the goals have been closed. Of a maximum of 228 goals, only 23 remain open and unfilled, and this number will soon be reduced further.

With the exception of direct defense or AEC projects, expansion goals reflect gaps in the mobilization base which would exist under mobilization conditions. In order to determine whether or not a gap exists, we have taken military requirements, defense-supporting requirements, and the requirements of a rockbottom civilian economy and balanced them out against the supplies that would be available. If it is determined that supplies would not be adequate the extent of the shortage is identified and this becomes an expansion goal. We believe that expansion goals should be established only under these conditions. We do not believe that they should be set up in an effort to meet current situations where the demand is greater than the supply.

Certificates now being issued cover expansions for continuing defense requirements within open goal areas, particularly those which are directly related to current Department of Defense or Atomic Energy Commission procurement.

As you requested, I enclose a list of all pending applications for tax amortization with accompanying notes of explanation on individual cases and groups of cases. Those for which there is no expansion goal have been tabulated on the last page.

In regard to pending applications filed by the steel industry, I issued a press release on September 21, 1956, which reads as follows:

"At a meeting this morning the Defense Mobilization Board considered the question of the policy which should be followed in the future in the establishment of expansion goals and the granting of rapid tax-amortization certificates within those goals. Consideration of this matter grew out of the requests that have been made for the establishment of new steel-expansion goals. It was determined that no final decision would be made on the policy to be followed until the matter has been discussed at the Cabinet level. After this discussion has taken place a decision will be made and announced on the policy to be followed and on the relationship of the decision to the requests for new steel-expansion goals."

Following Cabinet consideration of the tax-amortization policy on September 28, I stated publicly on October 3 that I would not be in a position to make a decision on the establishment of expansion goals for the steel industry until I receive from the Department of Defense the new mobilization requirements on which they are now working.

I appreciate your interest in this matter and look forward to your committee's report.

Sincerely yours,

ARTHUR S. FLEMMING,
Director.

Rapid tax amortization applications pending as of Oct. 17, 1956

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
2932	31785	United States Steel Corp	Gary, Ind	Aug. 27, 1956	$35,000	------	Metallurgical coke facilities not now eligible for certification. (See note.)
2932	31803	------do	Morrisville, Pa	Aug. 29, 1956	19,000	------	Do.
2932	31859	Crucible Steel Company of America	Midland, Pa	Sept. 13, 1956	10,000	------	Do.
1211	31922	Armco Steel Corp	McAlester, Okla	Oct. 1, 1956	5,000	------	Do.
		Total			69,000	------	Do.
4923	27377	Panhandle Eastern Pipe Line Co	United States at large	Dec. 29, 1953	2,896	171	Natural gas pipeline.
5121	29208	Gaylor Oil Terminals	Long Beach, Calif	Mar. 14, 1955	2,500	65	Petroleum storage facilities.
4613	29333	Texas Eastern Transmission Co	United States at large	Apr. 7, 1955	16,367	65	Oil products pipeline.
2829	30606	Firestone Tire & Rubber Co	Lake Charles, La	Oct. 4, 1955	16,452	------	Alkylation facilities.
2911	30676	Petro-Tex Chemical Corp	Houston, Tex	Oct. 20, 1955	27,000	------	Do.
2911	30686	Sunshine State Refinery, Inc	Florida at large	Oct. 24, 1955	675	------	Do.
2911	30716	Phillips Chemical Co	Borger, Tex	Oct. 31, 1955	4,396	------	Do.
2911	30839	Delhi-Taylor Oil Corp	Corpus Christi, Tex	Nov. 28, 1955	3,690	------	Do.
1314	31104	El Paso Natural Gas Products Co	Odessa, Tex	Dec. 29, 1955	11,300	------	Do.
2911	31105	Odessa Butadiene Co	------do	------do	19,215	------	Do.
2911	31178	Petroleum Chemicals, Inc	Lake Charles, La	Jan. 5, 1956	4,361	------	Do.
2911	31238	Phillips Chemical Co	Borger, Tex	Jan. 27, 1956	10,395	------	Do.
4922	31341	Utah Gas Service Co	Utah at large	Mar. 7, 1956	510	226	Gas pipeline to AEC installation.
2911	31360	Pan-Am Southern Corp	Destrehan, La	Mar. 13, 1956	3,000	65	Petroleum refining facilities.
2911	31370	Southland Oil Co	Tampa, Fla	Mar. 23, 1956	9,550	------	Alkylation facilities.
2819	31372	Hancock Chemical Co	Long Beach, Calif	------do	1,500	------	Do.
1314	31384	Commerce Oil Refining Corp	Portsmouth, R. I	Mar. 27, 1956	34,000	------	Do.
2911	31440	Standard Oil Co. (Ohio)	Cleveland, Ohio	Apr. 16, 1956	3,887	------	Do.
8911	31465	California Oil Co	Perth Amboy, N. J	Apr. 27, 1956	309	------	Do.
2911	31482	Ashland Oil & Refining Co	Cattlesburg, Ky	May 3, 1956	500	------	Do.
2911	31483	------do	Buffalo, N. Y	------do	948	------	Do.
2911	31464	------do	Canton, Ohio	------do	1,433	------	Do.
2911	31527	Standard Oil Co. (Indiana)	Whiting, Ind	May 18, 1956	4,244	206	Research and development.
2911	31528	Malco Asphalt & Refining Co	Artesia, N. Mex	------do	855	------	Alkylation.
2911	31588	Standard Oil Co. (Ohio)	Toledo, Ohio	June 11, 1956	500	------	Do.
5121	31723	Northville Dock Corp	Northville, N. Y	Aug. 1, 1956	1,400	226	Petroleum storage facilities.
4613	31757	Yellowstone Pipe Line Co	Spokane County, Wash	Aug. 14, 1956	574	------	Alkylation facilities.
4923	31776	Brooklyn Union Gas Co	New York, N. Y	Aug. 23, 1956	4,510	------	Do.
2911	31777	Texas Co	Port Arthur, Tex	Aug. 24, 1956	2,600	------	Do.
2911	31796	DPX Sunray Oil Co	Stephens County, Ind	Aug. 29, 1956	450	------	Do.
2911	31849	Aurora Gasoline Co	Detroit, Mich	Sept. 10, 1956	1,238	------	Do.
2911	31868	Shell Oil Co	Wood River, Ill	Sept. 13, 1956	488	------	Do.
2911	31884	Phillips Petroleum Co	Sweeny, Tex	Sept. 17, 1956	2,950	------	Do.
2911	31885	------do	Phillips, Tex	------do	7,250	------	Do.
5721	31896	Franklin C. Murphy	St. Ignace, Mich	Sept. 20, 1956	490	226	Petroleum storage facilities.
1314	31911	Union Oil & Gas Corporation of Louisiana	Eunice, La	Sept. 27, 1956	5,704	------	Alkylation facilities.
2911	31958	D-X Sunray Oil Co	Tulsa, Okla	Oct. 16, 1956	9,888	------	Do.
		Total			217,025	------	
4911	13746	Electric Energy Inc	United States at large	Aug. 14, 1951	191,000	55	Electric power generating facilities.
4911	26407	Idaho Power Co	------do	Aug. 6, 1953	35,944	55	Do.
4911	26500	------do	------do	Aug. 21, 1953	67,138	55	Do.
4911	31167	Gulf States Utilities Co	Orange County, Tex	Jan. 3, 1956	1,450	225	Electric power transmission facilities.
4911	31579	Cleveland Electric Illumination Co	Cleveland, Ohio	June 6, 1956	1,674	225	Do.
4911	31926	Ohio Edison Co	Minerva, Ohio	Oct. 1, 1956	267	225	Do.
		Total			297,473	------	

NOTE.—Where no goal number is indicated, the application is not now eligible for certification.

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Geal No.	
1093	27745	Harvey Machine Co., Inc.		Mar. 23, 1954	$24,842	------	Titanium sponge facilities.
1011	29064	United States Steel Corp.	Houseville, Pa.	Feb. 7, 1955	25,000	------	Iron ore beneficiation facilities.
1011	29630	------do	Gary, Ind.	May 23, 1955	21,500	------	Do.
3311	29631	------do	Chicago, Ill.	------do	15,000	------	Do.
3311	29659	------do	Lorain Work, Ohio	May 26, 1955	11,260	------	Do.
1011	29676	------do	Youngstown, Ohio	------do	10,530	------	Do.
3311	29719	------do	Birmingham, Ala.	June 14, 1955	14,000	------	Do.
1011	29785	------do	Mesabi Range, Minn.	June 13, 1955	11,060	------	Do.
1093	29912	National Distillers Products Corp.	Ashtabula, Ohio	June 28, 1955	2,050	------	Do.
1011	29917	Marquette Iron Mine Co.	Negaunee, Mich.	June 29, 1955	32,000	------	Do.
3311	30145	Bethlehem Steel Co.	Sparrows Point, Md.	July 19, 1955	2,440	------	Do.
2829	30288	Columbia Titanium Co.	Natrium, W. Va.	Aug. 1, 1955	10,500	------	Do.
1011	30554	United States Steel Corp.	Utah County, Utah	Sept. 14, 1955	8,000	------	Do.
1011	31192	Bethlehem Steel Co.	Sparrows Point, Md.	Jan. 9, 1956	9,240	------	Do.
3339	31432	Kennecott Titanium Development Co.	Undetermined	Apr. 12, 1956	10,375	206	Pilot plant, titanium.
3339	31435	Texas-Zinc Minerals Corp.		Apr. 13, 1956	8,000	224	Uranium ore mining facilities.
1011	31436	Jones & Laughlin Steel Corp.	Cleveland, Ohio	------do	5,721	------	Iron ore beneficiation facilities.
1011	31443	United States Steel Corp.	Minnesota at large	Apr. 16, 1956	19,320	------	Do.
1011	31647	Granite City Steel Co.	Madison County, Ill.	July 2, 1956	5,900	------	Do.
1094	31661	Lucky Mo Uranium Corp.	Fremont County, Wyo.	June 29, 1956	9,577	224	Uranium ore mining facilities.
1011	31775	Iron Mines Company of Venezuela	Venezuela, South America	Aug. 24, 1956	1,800	------	Iron ore mining facilities.
1094	31809	Vitro Corporation of America	Salt Lake City, Utah	Aug. 31, 1956	1,242	224	Uranium ore mining facilities.
1092	31817	Sonoma Quicksilver Mines, Inc.	Cuerneville, Calif.	Sept. 4, 1956	1,921	64	Mercury.
1094	31842	Dawn Mining Co.	Stevens County, Wash.	Sept. 10, 1956	3,786	224	Uranium ore mining facilities.
3339	31903	Titanium Metals Corporation of America	Henderson, Nev.	Sept. 25, 1956	935	------	Titanium sponge facilities.
3339	31904	------do	------do	------do	7,862	------	Do.
1094	31906	Lost Creek Oil & Uranium Co.	Split Rock, Wyo.	------do	3,365	224	Uranium ore mining facilities.
		Total			277,246	------	
4281	29248	Emery Transportation Co.	Jersey City, N. J.	Mar. 21, 1956	115	216	Motor truck terminal.
4462	31738	Lake Superior & Ishreming RR. Co.	Delta County, Mich.	Aug. 9, 1956	9,927	------	Port facilities.
4221	31923	Utah-Coleman Grain Elevator Co.	Avondale, La.	Oct. 1, 1956	5,794	------	Do.
4213	31939	Fort Orange Trailer Corp.	Cheshire, Conn.	Oct. 4, 1956	50	216	Motor truck terminal.
		Total			15,886	------	
4422	29777	Bethlehem Steel Corp.	United States at large	June 13, 1956	2,600	------	Dry cargo ship.
4422	30542	American-Hawaiian Steamship Co.	------do	Sept. 12, 1956	115,000	227	Roll-on, roll-off ships.
4412	31170	Ship Builders Co., Inc.	United States at large	Jan. 3, 1956	15,000	------	Dry cargo ship.
4421	31377	Tank Barge 14, Inc.	------do	Mar. 23, 1956	600	224	Barge.
4412	31452	Alcoa Steamship Co., Inc.	------do	Apr. 23, 1956	35,700	------	Ore carriers.
4418	31667	Central Gulf Steamship Corp.	------do	July 9, 1956	4,500	------	Dry cargo ship.
4412	31816	Red Hills Corp.	------do	Sept. 4, 1956	4,350	27	Oil tanker.
4412	31893	Paragon Oil Co., Inc.	------do	Sept. 20, 1956	9,500	27	Do.
		Total			187,250	------	
4512	30591	Delta Air Lines, Inc.	Atlanta, Ga.	Sept. 27, 1955	450	------	Commercial aircraft
4512	30649	Trans World Airlines, Inc.	United States at large	Oct. 12, 1955	70,400	------	Do.
4512	30650	------do	------do	------do	18,400	------	Do.
4512	30693	Northeast Airlines, Inc.	Boston, Mass.	Oct. 25, 1955	11,536	------	Do.
4512	30699	United Air Lines, Inc.	United States at large	Oct. 27, 1955	4,338	------	Do.
4512	30810	Northwest Airlines, Inc.	------do	Nov. 21, 1955	9,300	------	Do.
4512	30811	Trans Caribbean Airways, Inc.	------do	Nov. 18, 1955	2,280	------	Do.
4512	30815	American Airlines, Inc.	------do	Nov. 21, 1955	159,574	------	Do.
4512	30858	United Air Lines, Inc.	------do	Dec. 1, 1955	175,650	------	Do.
4512	30899	Western Air Lines, Inc.	------do	Dec. 7, 1955	1,400	------	Do.
4512	30908	Continental Air Lines, Inc.	------do	Dec. 9, 1955	2,372	------	Do.
4512	30988	Delta Air Lines, Inc.	------do	Dec. 16, 1955	3,750	------	Do.
4512	31011	Flying Tiger Line, Inc.	------do	Dec. 20, 1955	19,500	------	Do.
4512	31098	Eastern Air Lines, Inc.	------do	------do	124,080	------	Do.
4512	31186	National Airlines, Inc.	------do	Jan. 9, 1956	4,391	------	Do.
4512	31187	------do	------do	------do	8,010	------	Do.
4512	31186	------do	------do	------do	35,100	------	Do.
4512	31189	National Airlines, Inc.	------do	------do	47,840	------	Do.
4512	31194	Delta Air Lines, Inc.	------do	Jan. 11, 1956	44,000	------	Do.
4512	31198	Braniff Airways, Inc.	------do	Jan. 12, 1956	50,990	------	Do.
4512	31210	Pan American-Grace Airways, Inc.	------do	Jan. 16, 1956	14,485	------	Do.
4512	31211	------do	------do	------do	25,440	------	Do.
4512	31212	Trans World Airlines, Inc.	------do	------do	2,600	------	Do.
4512	31213	Alaska Airlines, Inc.	------do	------do	1,500	------	Do.
4512	31214	Pan American World Airways, Inc.	------do	------do	289,969	------	Do.
4512	31218	Continental Air Lines, Inc.	------do	------do	16,992	------	Do.
4512	31219	------do	------do	------do	10,974	------	Do.
4512	31220	------do	------do	------do	18,960	------	Do.
4512	31221	Trans Caribbean Airways, Inc.	------do	Dec. 28, 1955	2,280	------	Do.
4512	31553	Delta Air Lines, Inc.	------do	May 31, 1956	80	------	Do.
4572	31554	------do	------do	------do	2,500	------	Do.
4512	31670	------do	------do	July 11, 1956	40,000	------	Do.
4512	31726	Eastern Air Lines, Inc.	------do	Aug. 2, 1956	60,365	------	Do.
4512	31737	United Air Lines, Inc.	------do	Aug. 8, 1956	28,200	------	Do.
4512	31772	Trans World Airlines, Inc.	------do	Aug. 23, 1956	48,800	------	Do.
4512	31927	Western Air Lines, Inc.	------do	Oct. 2, 1956	21,565	------	Do.
4512	31929	------do	Los Angeles, Calif.	------do	754	------	Do.
4512	31942	------do	United States at large	------do	5,526	------	Do.
		Total	United States		1,384,351	------	
3561	31448	General Electric Co.	Schenectady, N. Y.	Apr. 19, 1956	1,163	224	Components for atomic powerplants.
3641	31580	Hertner Electric Co.	Strongsville, Ohio	June 7, 1956	210	224	Small motors for military aircraft.
		Total			1,373	------	
3339	31447	Olin Mathieson Chemical Corp.	New Haven, Conn.	Apr. 18, 1956	1,550	224	Components for atomic energy.
3614	31725	General Electrical Co.	Fitchburg, Mass.	Aug. 2, 1956	1,493	74	Steam turbines.
3614	31729	------do	Schenectady, N. Y.	Aug. 3, 1956	19,204	74	Do.
3511	31933	------do	Lynn, Mass.	Oct. 3, 1956	17,931	74	Do.
3512	31935	------do	San Jose, Calif.	------do	4,200	224	Nuclear power equipment.
		Total			44,378	------	
3494	31703	Camloc Fastener Corp.	Paramus, N. J.	July 19, 1956	220	------	Metal fasteners facilities.
3729	31850	Accurate Bushing Co.	Garwood, N. J.	Sept. 10, 1956	332	------	Do.
		Total			552	------	

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
3561	31679	Ingersoll-Rand Co	Painted Post, N. Y	July 12, 1956	$2,292		Air compressor facilities.
1093	29709	Mallory-Sharon Titanium Corp	Weathersfield, Ohio	June 3, 1955	14,521	223	Titanium processing facility.
3339	29870	Aetna-Standard Engineering Co	Ellwood City, Pa	do	919		Machine tools.
3541	31493	Giddings & Lewis Machine Tool Co	Fond du Lac, Wis	May 9, 1956	676	224	Machine tools for military service.
3542	31691	Cincinnati Shaper Co	Hamilton Co., Ohio	July 16, 1956	3,225		Machine tool facilities.
		Total			19,341		
3729	31488	Indiana Realty Corp	Ozone Park, N. Y	May 7, 1956	200	224	Facilities for the production of military aircraft, guided missiles, and components.
3722	31567	Austenal Laboratories, Inc	La Porte County, Ind	June 5, 1956	2,611	224	Do.
3721	31594	Aero Design & Engineering Co	Bethany, Okla	June 13, 1956	836	224	Do.
3722	31599	B & E Tool Co., Inc	Southwick, Mass	do	115	224	Do.
3722	31622	Bendix Aviation Corp	Utica, N. Y	June 26, 1956	236	224	Do.
3721	31624	McDonnell Aircraft Corp	St. Louis County, Mo	do	1,796	224	Do.
3721	31629	Cessna Aircraft Co	Wichita, Kans	June 27, 1956	2,540	224	Do.
3722	31639	United Aircraft Corp	East Hartford, Conn	July 2, 1956	6,378	224	Do.
3722	31640	Curtiss-Wright Corp	Wood-Ridge, N. J	do	4,632	224	Do.
3721	31645	Lockheed Aircraft Corp	Burbank, Calif	do	5,198	224	Do.
3721	31650	Bendix Aviation Corp	South Bend, Ind	June 29, 1956	354	224	Do.
3722	31652	Ex-Cell-O Corp	Elwood, Ind	do	102	224	Do.
3721	31653	do	Downey, Calif	July 20, 1956	370	224	Do.
3722	31654	do	Fostoria, Ohio	do	378	224	Do.
3722	31677	Thompson Products, Inc	Cleveland, Ohio	July 12, 1956	6,171	224	Do.
3729	31685	Robson Hydraulic Units Corp	Charlotte, N. C	July 13, 1956	78	224	Do.
3721	31692	Boeing Airplane Co	Seattle, Wash	July 16, 1956	3,414	224	Do.
3599	31704	Curtiss-Wright Corp	North Hollywood, Calif	July 23, 1956	1,368	224	Do.
3569	31722	Trane Co	La Crosse, Wis	Aug. 1, 1956	1,272	224	Do.
3721	31734	General Dynamics Corp	San Diego, Calif	Aug. 7, 1956	2,024	224	Do.
3519	31739	Simmonds Aerocessories, Inc	Vergennes, Vt	Aug. 9, 1956	100	224	Do.
3721	31744	Goodyear Aircraft Corp	Litchfield Park, Ariz	Aug. 10, 1956	218	224	Do.
3722	31746	Rohr Aircraft Corp	Auburn, Wash	Aug. 13, 1956	567	224	Do.
3722	31754	United Aircraft Corp	East Hartford, Conn	do	308	224	Do.
1999	31756	Bendix Aviation Corp	North Hollywood, Calif	do	262	224	Do.
3721	31759	Lockheed Aircraft Corp	Marietta, Ga	Aug. 15, 1956	610	224	Do.
3722	31761	Thompson Products, Inc	Harrisburg, Pa	Aug. 16, 1956	793	224	Do.
3721	31770	Pennsylvania Manufacturing Co	Newington, Conn	Aug. 22, 1956	161	224	Do.
3721	31795	Vickers, Inc	Torrance, Calif	Aug. 28, 1956	1,130	224	Do.
3721	31798	Glenn L. Martin Co	Baltimore 3, Md	Aug. 29, 1956	401	224	Do.
1929	31819	do	Jefferson County, Colo	Sept. 4, 1956	166	224	Do.
3721	31832	Zarkin Machine Co., Inc	Long Island City, N. Y	Sept. 6, 1956	117	224	Do.
3721	31843	United Aircraft Products, Inc	Dayton, Ohio	Sept. 10, 1956	101	224	Do.
3729	31844	Aro Equipment Corp	Byran, Ohio	do	2,716	224	Do.
3721	31846	Fairchild Engineering & Airplane Corp	Hagerstown, Md	do	372	224	Do.
3729	31847	do	Bay Shore, N. Y	do	120	224	Do.
3729	31848	Curtiss-Wright Corp	Cleveland, Ohio	do	683	224	Do.
3722	31854	do	Caldwell, N. J	Sept. 12, 1956	400	224	Do.
1929	31883	Cameron Iron Works, Inc	Houston, Tex	Sept. 17, 1956	425	224	Do.
3722	31895	Fairchild Engine & Airplane Corp	Deer Park, N. Y	Sept. 20, 1956	64	224	Do.
3616	31898	Hetherington, Inc	Folcroft, Pa	Sept. 21, 1956	211	224	Do.
3722	31899	United Aircraft Corp	North Haven, Conn	Sept. 24, 1956	202	224	Do.
3722	31912	Solar Aircraft Co	San Diego, Calif	Sept. 28, 1956	381	224	Do.
3721	31913	Lockheed Aircraft Corp	Burbank, Calif	do	366	224	Do.
3729	31916	Ryan Aeronautical Co	San Diego, Calif	do	200	224	Do.
3722	31924	Bendix Aviation Corp	Sidney, N. Y	Oct. 1, 1956	900	224	Do.
3721	31925	G. E. Tool Corp	Farmingdale, N. Y	do	55	224	Do.
3729	31944	Hughes Tool Co	Culver City, Calif	Oct. 8, 1956	36	224	Do.
3721	31946	Goodyear Aircraft Corp	Akron, Ohio	Oct. 9, 1956	109	224	Do.
3729	31949	Project Fabrication Corp	College Point, N. Y	do	41	224	Do.
3721	31953	Fairchild Engine & Airplane Corp	St. Augustine, Fla	Oct. 11, 1956	11	224	Do.
3721	31956	Chance Vought Aircraft, Inc	Dallas, Tex	Oct. 15, 1956	4,010	224	Do.
3721	31960	Douglas Aircraft Co	Santa Monica, Calif	Oct. 16, 1956	992	224	Do.
3721	31961	do	El Segundo, Calif	do	144	224	Do.
3721	31962	do	Long Beach, Calif	do	1,698	224	
		Total			59,343		
4811	31161	Citizens Utilities Co. (California)	Lassen County, Calif	Dec. 30, 1955	274	224	Telephone communication facilities for military bases.
3664	31437	Automatic Electric Co	North Lake, Ill	Apr. 13, 1956	24,679	224	Do.
4811	31674	Mid-Texas Telephone Co	Killeen, Tex	July 11, 1956	433	224	Do.
4811	31675	do	do	do	175	224	Do.
4811	31676	do	do	do	463	224	Do.
		Total			26,024		
3661	28884	Andrew Corp	Orland Park, Ill	Dec. 27, 1954	160	224	Facilities for the production of military electronic equipment.
3661	31271	National Aeronautics Corp	Dublin, Pa	Feb. 10, 1956	330	224	Do.
3661	31356	Sangazo Electric Co	Pickens County, S. C	Mar. 15, 1956	736	224	Do.
3619	31420	International Business Machines Corp	San Jose, Calif	Apr. 9, 1956	9,311	224	Do.
3661	31545	Bendix Aviation Corp	Towson, Md	May 28, 1956	62	224	Do.
3661	31546	International Business Machines Corp	Owego, N. Y	May 29, 1956	9,471	224	Do.
3661	31583	Gulton Manufacturing Corp	Metuchen, N. J	June 8, 1956	1,116	224	Do.
3662	31586	Ratheon Manufacturing Co	Waltham, Mass	do	349	224	Do.
1941	31605	Hughes Aircraft Co	Culver City, Calif	June 14, 1956	648	224	Do.
3811	31682	Sperry Piedmont Co	Albemarle County, Va	July 13, 1956	1,200	224	Do.
3661	31733	Varian Associates	Palo Alto, Calif	Aug. 7, 1956	4,700	224	Do.
3661	31769	Hamilton Watch Co	Denver, Colo	Aug. 22, 1956	815	224	Do.
3661	31789	F. H. Ayer Manufacturing Co	Chicago, Ill	Aug. 27, 1956	30	224	Do.
3671	31810	Collins Radio Co	Cedar Rapids, Iowa	Aug. 31, 1956	69	224	Do.
3661	31815	Ramo-Wooldridge Corp	Englewood, Colo	do	2,820	224	Do.
3661	31820	Burroughs Corp	Detroit, Mich	Sept. 4, 1956	1,200	224	Do.
3661	31830	Leach Corporation	Los Angeles, Calif	do	246	224	Do.
3661	31890	Tydeman Machine Works, Inc	Redwood City, Calif	Sept. 17, 1956	39	224	Do.
3661	31910	Collins Radio Co	Dallas, Tex	Sept. 27, 1956	40	224	Do.
3661	31928	Avco Manufacturing Corp	Evendale, Ohio	Oct. 2, 1056	99	224	Do.
3661	31951	Tele-Dynamics, Inc	Philadelphia, Pa	Oct. 10, 1956	138	224	Do.
3661	31957	General Precision Laboratory, Inc	Pleasantville, N. Y	Oct. 15, 1956	23	224	Do.
		Total			33,602		

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
3861	31700	Winnette Slide Manufacturing, Inc	Hempstead, N. Y	July 18, 1956	$275		Photographic slides.
1929	31549	American Machine & Foundry Co	Buffalo, N. Y	May 31, 1956	244	244	Ordnance components.
3731	31564	Bethlehem-Sparrows Point Ship, Inc	Sparrows Point, Md	June 5, 1956	420		Do.
3731	31575	Bethlehem Steel Co	Hoboken, N. J	June 6, 1956	4,740		Do.
3731	31576	do	Baltimore, Md	do	990		Shipbuilding and repair facilities.
3731	31617	Avondale Marine Ways, Inc	Westwego, La	June 20, 1956	1,758		Do.
3731	31663	Pacific Dry Dock & Repair Co	Oakland, Calif	July 6, 1956	12		Do.
1911	31699	B-GE Manufacturing Co	Gilroy, Calif	July 18, 1956	126	224	Ordnance components.
3731	31758	Bethlehem Steel Co	Beaumont, Tex	Aug. 15, 1956	690		Shipbuilding and repair facilities.
3731	31821	do	Fairfield, Md	Sept. 5, 1956	600		Do.
3731	31822	do	Hoboken, N. J	do	720		Do.
3731	31823	do	Baltimore, Md	do	995		Do.
3731	31824	Bethlehem Pacific Coast Steel Co	San Francisco, Calif	do	12,000		Do.
3731	31825	do	Los Angeles, Calif	do	8,000		Do.
3731	31827	Martinolich Shipbuilding Co	San Diego, Calif	Sept. 6, 1956	5,439		Do.
		Total			36,734		
7399	29379	Turco Products, Inc	Los Angeles, Calif	Apr. 18, 1955	793	205	Research and development facilities for defense purposes.
7399	29859	Westinghouse Electric Corp	Pittsburgh, Pa	June 21, 1955	5,185	206	Do.
7399	30931	Cities Service Research & Development Co.	Middlesex County, N. J	Dec. 12, 1955	1,034	206	Do.
7399	30959	Enterprise Engineers	Meriden, Conn	Dec. 14, 1955	74	206	Do.
7399	31034	Collins Radio Co	Los Angeles, Calif	Dec. 22, 1955	1,807	206	Do.
3811	31232	Kearfott Co., Inc	Little Falls, N. J	Jan. 25, 1956	3,200	206	Do.
7399	31442	Ramo-Wooldridge Corp	Los Angeles, Calif	Apr. 16, 1956	13,419	206	Do.
7399	31455	Weber Aircraft Corp	Burbank, Calif	Apr. 23, 1956	208	206	Do.
7399	31466	Bethlehem Steel Co	Northampton, Pa	Apr. 30, 1956	12,500	206	Do.
7399	31470	General Motors Co	Oak Creek, Wis	do	6,000	206	Do.
7399	31492	General Electric Co	Pleasanton, Calif	May 8, 1956	10,000	206	Do.
7399	31530	do	San Jose, Calif	May 21, 1956	380	206	Do.
7399	31531	do	do	do	987	206	Do.
7399	31559	Aerojet-General Corp	Sacramento, Calif	June 4, 1956	418	206	Do.
7399	31621	Avco Manufacturing Corp	Wilmington, Mass	June 25, 1956	10,229	206	Do.
7399	31628	Union Carbide & Carbon Corp	Parma, Ohio	do	5,820	206	Do.
3841	31637	Becton, Dickinson and Co	Platte County, Nebr	July 1, 1956	277	206	Do.
7399	31646	Lockheed Aircraft Corp	Van Nuys, Calif	July 2, 1956	998	206	Do.
7399	31655	Technical Operations, Inc	Burlington, Mass	do	332	206	Do.
7399	31681	Motorola, Inc	Riverdale, Calif	July 12, 1956	1,204	206	Do.
3821	31687	Forewel Corp., Inc	Buffalo, N. Y	July 16, 1956	40	206	Do.
7399	31688	United States Steel Corp	Monroeville, Pa	do	4,463	206	Do.
7399	31713	Westinghouse Electric Corp	Churchill, Pa	July 26, 1956	4,130	206	Do.
3613	31742	Liquidometer Corp	Los Angeles, Calif	Aug. 10, 1956	126	206	Do.
7399	31760	Radiation, Inc	Orlando, Fla	Aug. 15, 1956	164	206	Do.
7399	31765	Hughes Aircraft Co	Culver City, Calif	Aug. 20, 1956	710	206	Do.
7399	31767	Aerojet-General Corp	Azusa, Calif	Aug. 21, 1956	895	206	Do.
3821	31811	Bailey Meter Co	Wickliffe, Ohio	Aug. 31, 1956	750	206	Do.
7399	31869	Union Carbide & Carbon Corp	Elmsford, N. Y	Sept. 14, 1956	4,310	206	Do.
2823	31870	do	South Charleston, W. Va	do	7,984	206	Do.
7399	31871	do	Niagara Falls, N. Y	do	1,911	206	Do.
7899	31882	do	Tuxedo, N. Y	do	6,975	206	Do.
7399	31891	United States Borax & Chemical Corp	Anaheim, Calif	Sept. 17, 1956	962	206	Do.
7399	31905	Lockheed Aircraft Corp	Van Nuys, Calif	Sept. 25, 1956	847	206	Do.
7399	31914	Motorola, Inc	Phoenix, Ariz	Sept. 28, 1956	98	206	Do.
7399	31917	Ryan Aeronautical Co	San Diego, Calif	do	500	206	Do.
7399	31918	Boeing Airplane Co	Wichita, Kans	do	232	206	Do.
7399	31919	McDonnell Aircraft Corp	St. Louis, Mo	do	3,684	206	Do.
7399	31920	Republic Steel Corp	Independence, Ohio	do	4,785	206	Do.
7399	31930	Magnavox Co	Champaign County, Ill	Oct. 2, 1956	1,598	206	Do.
7399	31934	General Electric Co	Lynn, Mass	Oct. 3, 1956	1,230	206	Do.
7399	31936	do	Schenectady, N. Y	do	305	206	Do.
7399	31940	United Aircraft Corp	Windsor Locks, Conn	Oct. 5, 1956	735	206	Do.
7399	31947	General Dynamics Corp	San Diego, Calif	Oct. 9, 1956	17,996	206	Do.
7399	31948	do	do	do	91	206	Do.
3811	31952	Detroit Controls Corp	Norwood, Mass	Oct. 11, 1956	921	206	Do.
		Total			141,507		
3463	31573	Aluminum Company of America	Vernon, Calif	June 6, 1956	4,323		Aluminum castings and extrusions.
3463	31574	do	Lafayette, Ind	do	9,000		Do.
3561	31720	Heat Treating Engineers	Milwaukee, Wis	July 30, 1956	150		Do.
		Total			13,473		
3351	30299	Metal Manufacturing Co	Newark, Calif	Aug. 2, 1955	2,672		Copper fabricating facilities.
3631	31394	Wm. Brand & Co., Inc	Windham, Conn	Mar. 30, 1956	250		Do.
3631	31396	Warren Wire Co	Powmal, Vt	July 16, 1956	1,606		Do.
		Total			4,528		
3311	28777	United States Steel Corp	Morrisville, Pa	Dec. 1, 1954	8,350		Steel production facilities.
3311	28862	Bethlehem Steel Co	Lebanon, Pa	Jan. 14, 1955	260		Do.
3312	28899	United States Steel Corp	Chicago, Ill	Jan. 20, 1955	88,000		Do.
3312	29343	do	Duluth, Minn	Apr. 11, 1955	3,357		Do.
3312	29978	Wallingford Steel Co	Wallingford, Conn	July 17, 1955	2,190		Do.
3312	30171	Universal-Cyclops Steel Corp	Bridgeville, Pa	July 20, 1955	2,959		Do.
3312	30544	United States Steel Corp	Cleveland, Ohio	Sept. 12, 1955	3,163		Do.
3312	31223	Alan Wood Steel Co	Conshohocken, Pa	Jan. 17, 1956	1,800		Do.
3311	31391	Bethlehem Steel Co	Steelton, Pa	Mar. 20, 1956	768		Do.
3313	31514	Universal-Cyclops Steel Corp	Bridgeville, Pa	May 16, 1956	995		Do.
3391	31570	Ladish Co	Cudahy, Wis	June 15, 1956	10,286		Do.
3391	31571	do	Kenosha, Wis	do	944		Do.
3391	31572	do	Vernon, Calif	do	556		Do.
3312	31684	Jones & Laughlin Steel Corp	Houston, Tex	July 13, 1956	250,000		Do.
3312	31701	Colorado Fuel & Iron Corp	Pueblo County, Colo	July 18, 1956	1,400		Do.
3323	31702	Allegheny Ludlum Steel Corp	Ferndale, Mich	July 18, 1956	744		Do.
3313	31731	H. K. Porter Co., Inc	West Aliquippa, Pa	Aug. 6, 1956	911		Do.
3312	31747	United States Steel Corp	McKeesport, Pa	Aug. 13, 1956	88,998		Do.
3312	31748	do	Lorain, Ohio	do	17,470		Do.
3312	31749	do	do	do	42,627		Do.
3312	31750	do	McKeesport, Pa	do	13,352		Do.
3312	31751	do	do	do	8,954		Do.
3312	31752	do	Lorain, Ohio	do	14,702		Do.

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

Standard industrial classification code No.	Tax amortization No.	Company	Location of facilities	Date filed	Amount (thousands)	Goal No.	
3312	31771	Colorado Fuel & Iron Corp.	Pueblo County, Colo.	Aug. 23, 1956	$1,600	------	Steel production facilities.
3312	31773	do	do	do	3,000	------	Do.
3312	31779	United States Steel Corp.	Chicago, Ill.	Aug. 27, 1956	5,000	------	Do.
3312	31780	do	do	do	17,895	------	Do.
3312	31781	do	do	do	33,136	------	Do.
3312	31782	do	do	do	8,895	------	Do.
3312	31783	do	Gary, Ind.	do	62,215	------	Do.
3312	31784	do	do	do	46,483	------	Do.
3312	31786	Youngstown Sheet & Tube Co.	Campbell, Ohio	do	24,375	------	Do.
3312	31790	Inland Steel Co.	Indiana Harbor, Ind.	do	4,180	------	Do.
3312	31791	do	do	do	16,264	------	Do.
3312	31792	do	do	do	18,430	------	Do.
3311	31793	do	do	do	2,020	------	Do.
3313	31797	Union Carbide & Carbon Corp.	Koloo, Ind.	Aug. 29, 1956	941	------	Do.
3312	31800	United States Steel Corp.	Morrisville, Pa.	do	48,900	------	Do.
3311	31801	do	do	do	13,000	------	Do.
3311	31802	do	do	do	8,500	------	Do.
3312	31804	do	do	do	5,000	------	Do.
3311	31805	Alan Wood Steel Co.	Conshohocken, Pa.	do	3,539	------	Do.
1011	31806	do	do	do	3,500	------	Do.
3489	31831	Watson-Stillman Co.	St. Louis, Mo.	Sept. 6, 1956	1,640	------	Do.
3312	31833	Allegheny Ludlum Steel Corp.	West Leechburg, Pa.	Sept. 7, 1956	1,752	------	Do.
3312	31834	do	do	do	201	------	Do.
3312	31835	do	Brackenridge, Pa.	do	500	------	Do.
3312	31836	do	do	do	1,728	------	Do.
3312	31837	do	do	do	330	------	Do.
3312	31838	do	Dunkirk, N. Y.	do	3,150	------	Do.
3312	31839	Kaiser Steel Corp.	Fontana, Calif.	do	65,000	------	Do.
3489	31840	Detroit Steel Corp.	Portsmouth, Ohio	Sept. 10, 1956	1,111	------	Do.
3312	31841	do	do	do	16,445	------	Do.
3312	31851	Continental Steel Corp.	Kokomo, Ind.	do	1,090	------	Do.
3313	31852	Pittsburgh Metallurgical Co.	Charleston, S. C.	Sept. 12, 1956	189	------	Do.
3313	31853	do	Calvert City, Ky.	do	1,504	------	Do.
3312	31855	Lukens Steel Co.	Coatesville, Pa.	do	40,000	------	Do.
3312	31858	Crucible Steel Company of America	Midland, Pa.	Sept. 13, 1956	12,522	------	Do.
3312	31860	do	do	do	7,596	------	Do.
3312	31861	do	do	do	20,040	------	Do.
3312	31862	do	do	do	12,660	------	Do.
3312	31864	Inland Steel Co.	East Chicago, Ind.	do	47,380	------	Do.
3312	31865	do	do	do	52,845	------	Do.
3313	31873	Union Carbide & Carbon Corp.	Marietta, Ohio	Sept. 14, 1956	3,000	------	Do.
3313	31874	do	do	do	2,430	------	Do.
3313	31875	do	do	do	372	------	Do.
3313	31876	do	do	do	413	------	Do.
3313	31877	do	do	do	290	------	Do.
3313	31878	do	Ashtabula, Ohio	do	1,200	------	Do.
3312	31892	Armco Steel Corp.	Ashland, Ky.	Sept. 18, 1956	136,396	------	Do.
3312	31894	McLouth Steel Corp.	Trenton, Mich.	Sept. 20, 1956	100,250	------	Do.
3312	31897	Republic Steel Corp.	Cleveland, Ohio	Sept. 21, 1956	4,500	------	Do.
3312	31900	Inland Steel Co.	East Chicago, Ind.	Sept. 24, 1956	7,000	------	Do.
3312	31907	Youngstown Sheet & Tube Co.	Youngstown, Ohio	Sept. 26, 1956	1,579	------	Do.
3312	31908	do	Chicago, Ind.	do	3,585	------	Do.
3312	31909	do	do	do	6,928	------	Do.
3312	31921	Armco Steel Corp.	Houston, Tex.	Oct. 1, 1956	118,000	------	Do.
3391	31932	General Electric Corp.	Lynn, Mass.	Oct. 3, 1956	795	------	Do.
3312	31937	Republic Steel Corp.	South Chicago, Ill.	Oct. 4, 1956	2,149	------	Do.
3323	31941	Erie Forge & Steel Corp.	Erie, Pa.	Oct. 5, 1956	5,018	------	Do.
3323	31943	Ohio Steel Foundry Co.	Lima, Ohio	Oct. 8, 1956	3,330	------	Do.
3312	31945	Armco Steel Corp.	Middletown, Ohio	do	42,298	------	Do.
3312	31954	Granite City Steel Co.	Granite City, Ill.	Oct. 11, 1956	23,075	------	Do.
		Total			1,609,961	------	Do.
1003	28878	Harvey Machine Co., Inc.	Torrance, Calif.	Dec. 28, 1954	1,870	215	Titanium.
3612	31627	Union Carbide & Carbon Corp.	Maury County, Tenn.	June 26, 1956	3,780	------	Graphite electrodes.
3339	31671	Brush Beryllium Co.	Harris, Ohio	July 11, 1956	4,526	224	Beryllium metal.
3359	31718	Mallory-Sharon Titanium Corp.	Weathersfield, Ohio	July 30, 1956	3,608	223	Titanium.
3339	31766	Firth Sterling, Inc.	Trafford, Pa.	Aug. 20, 1956	105	224	Zirconium.
3612	31794	Crescent Carbon Corp.	Kern County, Calif.	Aug. 27, 1956	1,760	------	Synthetic graphite.
3339	31808	Tantalum Metal Corp.	Muskogee, Okla.	Aug. 31, 1956	6,652	224	Tantalum metal.
3339	31818	Wah Chang Corp.	Albany, Oreg.	Sept. 4, 1956	1,534	224	Zirconium.
3339	31866	Rem-Cru Titanium, Inc.	Midland Area, Pa.	Sept. 13, 1956	11,210	223	Titanium.
3339	31867	do	Unknown	do	36,615	223	Do.
3612	31872	Union Carbide & Carbon Corp.	Maury County, Tenn.	Sept. 14, 1956	5,782	------	Carbon electrodes.
3299	31889	Owens-Corning Fiberglas Corp.	Anderson, S. C.	Sept. 17, 1956	10,833	------	Fibrous glass products.
3399	31931	Babcock & Wilcox Co.	Beaver Falls, Pa.	Oct. 3, 1956	1,200	223	Titanium.
3359	31950	Titanium Metals Corp.	Brackenridge, Pa.	Oct. 10, 1956	225	223	Do.
3359	31955	Ex Wilbur B. Driver Co.	Newark, N. J.	Oct. 12, 1956	300	------	Steel alloy facilities.
		Total			90,000	------	Do.
2833	28924	Monsanto Chemical Co.	St. Louis, Mo.	Jan. 5, 1955	735	------	Facilities for manufacturing of aspirin.
2841	30545	Shell Chemical Corp.	Morco, La.	Sept. 12, 1955	30,000	82	Glycerin production facilities.
2841	31007	Dow Chemical Co.	Freeport, Tex.	Dec. 20, 1955	8,350	82	Do.
2896	31204	California Oxygen Co.	Sacramento, Calif.	Jan. 16, 1956	430	224	Production facilities, liquid oxygen.
2896	31255	Dye Oxygen Co., Inc.	Phoenix, Ariz.	Feb. 1, 1956	185	224	Do.
2896	31340	Industrial Air Products Co.	Portland, Oreg.	Mar. 9, 1956	779	224	Do.
2841	31383	Olin Mathieson Chemical Corp.	Doe Run, Ky.	Mar. 27, 1956	10,575	82	Glycerin production facilities.
2896	31532	Big Three Welding Equipment Co.	Houston, Tex.	May 21, 1956	1,745	224	Production facilities, liquid oxygen.
2841	31636	Union Carbide & Carbon Corp.	Institute, W. Va.	June 28, 1956	9,804	82	Glycerin production facilities.
2896	31811	Dye Oxygen Co., Inc.	Phoenix, Ariz.	June 30, 1956	245	224	Production facilities, liquid oxygen.
2896	31863	Union Carbide & Carbon Co.	Fontana, Calif.	Sept. 13, 1956	1,158	224	Do.
2829	31901	Rohm & Haas Co.	Philadelphia, Pa.	Sept. 24, 1956	20	224	Bomb shelters.
2829	31902	do	do	do	34	224	Do.
		Total			63,736	------	
3491	31959	Republic Steel Corp.	Charleston, W. Va.	Oct. 16, 1956	1,800	------	Production facilities, steel barrels.
		Grand total			4,597,150	------	

Rapid tax amortization applications pending as of Oct. 17, 1956—Continued

SUMMARY

Not now eligible for certification under any open and unfilled goal

Description	Amount	Number of cases	Description	Amount	Number of cases
Metallurgical coke facilities	$69,000,000	4	Shipbuilding and repair facilities	$36,364,000	12
Alkylation facilities	200,590,000	29	Aluminum castings and extrusions	13,473,000	3
Titanium sponge	33,630,000	3	Copper fabricating facilities	4,528,000	3
Iron ore beneficiation facilities	204,041,000	17	Steel production facilities	1,610,261,000	84
Port facilities	15,721,000	2	Synthetic graphite and carbon electrodes	11,322,000	3
Ore carriers	35,700,000	1	Fibrous glass products	10,833,000	1
Dry cargo ships	22,100,000	3	Steel containers	1,800,000	1
Commercial aircraft	1,384,351,000	38	Air compressor	2,292,000	1
Metal fasteners	552,000	2	Facilities to produce aspirin	735,000	1
Machine tools	4,144,000	2			
Photographic slides	275,000	1	Total	3,661,741,000	211

Eligible for consideration under expansion goals

Description	Amount	Goal	Number of applications	Description	Amount	Goal	Number of applications
Gas pipeline	$2,896,000	171	1	Glycerin	$58,409,000	82	4
Oil-refining facilities	22,137,000	65	3	Facilities for production of procurement items for the armed services and AEC	157,155,000	224	107
Petroleum storage facilities for armed services	2,400,000	226	3	Research and development	156,126,000	206	48
Electric power generating facilities	294,082,000	55	3	Mercury	1,921,000	64	1
Electric power transmission facilities	3,391,000	225	3	Motortruck terminal facilities	165,000	216	2
Oceangoing tankers	13,850,000	27	2				
Roll-on, roll-off ships	115,000,000	227	1	Total	935,409,000		188
Steam turbine facilities	38,628,000	74	3				
Titanium melting facilities	1,870,000	215	1	Grand total	4,597,150,000		399
Titanium processing facilities	67,379,000	223	6				

Mr. BYRD. Mr. President, as chairman of the Committee on Finance I directed the staff of the Committee on Finance to study the entire question and present a memorandum. I presented the memorandum to the Senate previously and had it inserted in the body of the RECORD. At this time I ask to have printed in the RECORD the letter I addressed to the President of the Senate under date of December 28, 1956.

There being no objection the letter was ordered to be printed in the RECORD, as follows:

THE COMMITTEE ON FINANCE,
Washington, D. C., December 28, 1956.

To the PRESIDENT OF THE SENATE.

SIR: I have the honor to submit a report by the staff of the Joint Committee on Internal Revenue Taxation, dated December 27, 1956, relative to the desirability of continuing in its present form section 168 of the Internal Revenue Code of 1954, authorizing a 5-year tax amortization writeoff on the basis of certificates of necessity issued by the Office of Defense Mobilization.

The 5-year amortization provision was first enacted during World War II in connection with the imposition of an excess-profits tax. At that time it was estimated that World War II might last for a period of at least 5 years and that the provision was necessary to provide adequate facilities for the prosecution of World War II. During the Korean war an excess-profits tax was again imposed, and the 5-year amortization provision was again enacted to speed the construction of facilities essential to the prosecution of that war. The Korean excess-profits tax expired under the terms of the law on December 31, 1953; however, the 5-year tax amortization program of the Korean war has been continued in the code, in spite of the fact that more than 3 years have elapsed since that war was terminated.

It has been stated that the amortization provision is necessary to encourage construction of facilities which it is estimated will be needed in a future war. Necessarily, such estimates are highly speculative and subject to frequent changes. When a certain goal of expansion is reached today it may be modified tomorrow. Considerable hardship might occur from a competitive standpoint in granting a certificate of necessity to one manufacturer and denying it to another. After peace was declared, in 1953, 6,000 certificates of necessity were issued by the Department of Defense, covering investments of $13 billion and tax writeoffs of $7 billion. This greatly exceeds the World War II figures.

The report clearly demonstrates that section 168 of the Revenue Act of 1954 should be modified, if not repealed. On the basis of certificates issued between the years 1950 to 1956, it is estimated there will be a loss in revenue of approximately $5 billion, none of which can begin to be recovered until 1961. This is a hidden cost for which no appropriation is required by the Congress. Its effect makes it more difficult to balance the budget or reduce the tax burden of taxpayers not receiving such a benefit. The granting of such broad powers to the Office of Defense Mobilization is not, in my opinion, in the public interest.

I favor the repeal of section 168 of the Revenue Code of 1954, except insofar as it applies to facilities directly connected with the national defense.

Respectfully,

HARRY F. BYRD,
Chairman, Committee on Finance.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. MANSFIELD. Is the distinguished Senator from Virginia referring to the writeoff which the Idaho Power Co. has just received for the proposed Hells Canyon Dam?

Mr. BYRD. The Senator is correct.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. BYRD. Yes. I am expressing my strong disapproval of that writeoff.

Mr. MANSFIELD. It appears to me that what is happening is that the Idaho Power Co. is getting, in effect, a gift from the Government as far as the dam site is concerned, and now is being further rewarded by a tax amortization, I understand, to the extent of something like $40 million. Is that correct?

Mr. BYRD. I am not familiar with that fact, I will say to the Senator. My remarks are directed to the rapid writeoff certificates, which have to do with the question of taxation. As chairman of the Committee on Finance, I have great concern in that field. I am very much opposed to such a procedure. I have pending before the committee, as the Senator from Montana probably knows, a bill dealing with the subject, and hearings will begin on Thursday. The purpose of the bill is to repeal the law, which has permitted such writeoffs to the extent of $7 billion up to the present time.

As the Senator well knows, the law was passed with the intention that it be applicable only to defense contracts. It was passed during the war for that purpose. However, it has been very much abused.

I hope the Committee on Finance will very shortly report the bill I have introduced, to repeal the law, with the exception of provisions relating to certain defense items that have been heretofore produced.

Mr. MANSFIELD. Mr. President, I should like to ask the distinguished chairman of the Committee on Finance this final question. I should like to ask him whether the agency charged with the responsibility for the amortization of taxes in any way consulted with the chairman of the committee about the matter, or with any other committee of Congress.

Mr. BYRD. Not only have we not been consulted, but no reference was made to this very comprehensive report that was made by the staff of the Joint Committee on Internal Revenue Taxation, which was sent to the Senate on December 28, and which recommended that the law be repealed.

The Committee on Finance was not consulted. I am making my very strong protest against this action.

So far as the Senator from Virginia is concerned, if there is any way in which

this procedure can be canceled retroactively, I hope it will be done. Some consideration should be given to that feature by the committee.

It is totally indefensible to give a public utility, whose earnings on its investment are guaranteed, a writeoff to the extent of $65 million. That does not mean a complete saving. It means that the company may take its depreciation in 5 years, instead of the usual 20 or 30 years.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. BYRD. I yield.

Mr. MANSFIELD. We are confronted with the highest peacetime budget in our history. There is considerable talk about a tax reduction. However, there will not be any tax reduction unless there is a reduction in the budget. The budget, as I said, is the highest in the history of our country, but, nevertheless, the administration is, in effect, making it even a bigger budget by the amortization of such projects as this one, because funds which should be coming into the Treasury, for the purpose of tax cutting and lowering the debt, are being used to perpetuate a system which has long outlived its usefulness.

Mr. BYRD. The Senator is correct in this respect, that this will postpone in this particular case the collection of additional taxes.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. ROBERTSON. I wish to associate myself with the statement made by my distinguished senior colleague. Last year the junior Senator from Virginia was vice chairman of the Joint Committee on Defense Production. This year he is chairman of that joint committee. As vice chairman, when I learned that the application of the Idaho Power Co. was pending, I wrote to Dr. Flemming under date of the 23d of July, stating that, in my opinion, the Idaho Power Co. did not qualify under the law. The next day the committee instructed its chief clerk to write to Dr. Flemming to the effect that the committee was interested in the matter and desired to take testimony before any action was taken.

There are $60 million involved in the writeoff, over a period of 5 years. As the senior Senator from Virginia has stated, a public utility is allowed to charge a rate that gives it a fixed return on its investment. Here, in addition, they will get the equivalent of a $60 million loan, without any interest, over a period of 5 years, because they can write off that much after taxes.

I was glad to hear the senior Senator from Virginia say that if he can find any way to stop this action, he will do so. I express my great surprise that this action was taken, in view of what the senior Senator from Virginia and the junior Senator from Virginia did last fall.

Mr. BYRD. I thank my colleague.

SECONDARY BOYCOTT

Mr. CURTIS. Mr. President, on January 7, I introduced my bill, S. 76, which is intended to put a stop to a common technique of labor union officials that is second only to violence. This technique is the secondary boycott. Although no action has been taken on my bill by the Senate Labor Committee, there is a tremendous need to protect the public from the mountainous costs of the secondary boycott.

There are thousands of secondary boycotts that are occurring throughout the United States and, as Senators may recall, I have from time to time summarized the secondary boycott examples that have occurred in Nebraska. Recently I received a letter from a retailer in Nebraska who complained that when he ordered a truck of rubber from Akron, Ohio, the company selling him the rubber had to advise that no motor carrier in the Akron area would accept cargo which was destined to be delivered in Nebraska by a nonunion truck line.

Mr. President, we might raise a question as to the purpose for which the certificate for convenience and necessity was issued to all these truckers, or as to what right any carrier would have to refuse to accept this cargo.

There have been many instances of secondary boycotts being used in Nebraska. On previous occasions I have discussed these incidents in connection with a number of small and independent, yet very important, transportation companies. I refer to the case of the Coffey Transfer Co., of Alma, Nebr.; Clarke Bros. Transfer Co., of Norfolk, as well as the Abler Transfer Co., of the same city. There has been the case of the Ross Transfer Co., in northwest Nebraska, and many others. The secondary boycott technique has been used in connection with construction in Nebraska and it has affected many lines of business. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD at this point several articles that appeared in the Omaha World-Herald containing factual statements of these Nebraska labor problems.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Omaha World-Herald of March 18, 1957]

SIX-TRUCK FIRM THROWN AT TEAMSTERS BLOCKADE

Six semitrailer trucks splashing along Midwest highways Monday represented a weapon with which a dozen small Nebraska trucking firms hope to smash the blockade on interstate freight shipments imposed on them and the communities they serve by the teamsters union.

Where unionized interstate truckers are bound by hot-cargo clauses in their labor contracts to respect the boycott slapped on the Nebraska firms by the teamsters, the six-unit truck fleet is not.

It is owned by the men who run the boycotted trucking firms.

Operating under temporary authority from the Interstate Commerce Commission, the Nebraska Short Line Carriers, Inc., trucks took to the road 3 weeks ago, Harry Lee, general manager, said Monday.

Authorized ports of call are Chicago, Ill.; St. Louis, Mo.; Kansas City, Mo.; and Omaha.

The little fleet is carrying freight from those cities to Omaha and from Omaha to them.

In most instances it will be freight which, the independent truckers say, the established freight lines would not turn over to or accept from them because of the boycott.

The small truckers, most of whom say they wanted to remain in the short-line business, contend they were forced to organize the new corporation because their customers in dozens of Nebraska communities served exclusively by the boycotted lines were suffering from the embargo.

Shipments arrived late. Freight costs were higher. In some instances merchandise shortages developed.

Late last fall the individuals who own the small lines joined to finance the new company.

Impressed by testimony of businessmen of numerous Nebraska small towns about hardships resulting from the boycott, the ICC granted the temporary route authority.

The Federal agency now is considering a permanent license.

The new company, said Mr. Lee, has asked for authority to operate to Denver, Colo.; Des Moines, Iowa; St. Joseph, Mo.; and Minneapolis-St. Paul, Minn., in addition to the cities on the temporary license. Service to intermediate points also is sought.

Mr. Lee said the firm is using rented equipment. Locally, it operates from the terminal of Clark Bros. Transfer Co., one of the boycotted firms.

[From the Omaha World-Herald of March 24, 1957]

BIG TRUCK FIRMS HURT BY SECONDARY BOYCOTT

An executive of a large trucking firm told the World-Herald Saturday that his industry faces a life-or-death dilemma because of the intensified use of the secondary boycott by the teamsters union.

His company, he admitted, is participating in the boycott imposed by the union against a dozen small truckers in Nebraska.

Under Interstate Commerce Commission regulations, the executive said, "we do not dare hold up a shipment in interstate commerce.

"But the union tells us that if we do not hold it up they will put us on strike."

MUST GIVE SERVICE

"The ICC insists we must render true public service, serve every one alike. The union says if we serve the boycotted lines we're in trouble."

The executive would not permit the use of his name or that of his company. "There are too many jobs at stake. We can't afford trouble with the union," he explained.

An officer of one company was asked why he signed a teamsters contract containing a clause requiring him to participate in a union boycott.

LOSING PLENTY

"We couldn't have signed any contract without the hot-cargo clause," he replied.

"And, believe me, I'm losing plenty of business because of it. There's nothing I can do. The only way I can fight it is to go out of business," he said.

The boycott against the 12 Nebraska carriers has cost unionized trucking firms here hundreds of thousands of dollars in gross revenue, one executive estimated.

He noted that one result of the embargo was the creation of the boycotted firms of the Nebraska Short Line Carriers, Inc., a nonunion interstate company.

ANOTHER COMPETITOR

"That will cause further loss of business," he said, "because there is another competitor in the field."

One executive said the hot-cargo clause need not apply only to cargo in the accepted definition.

"If the teamsters were trying to organize a bank they could declare the checks we use to be hot cargo. Our men wouldn't

have to accept the checks. We'd have to change banks," he said.

"It's a most powerful thing—a Jimmy Hoffa vehicle to organize everyone he wants," he declared. "And it's gone quite far in Nebraska, further than in other States."

COULD PARALYZE

Another company official said the use of the secondary boycott by the teamsters "could paralyze the country," he added.

"There isn't a business that doesn't have some connection with the teamsters," he explained.

Strengthening of the Taft-Hartley law to outlaw the secondary boycott was considered the only remedy by trucking-firm officials. They endorsed the efforts of Nebraska Senator CARL T. CURTIS in that direction.

UNION ACTION NEARLY RUIN FOR PLUMBER—BOYCOTT DELAYED ROOF, BUT RAIN HELD OFF

(By Howard Silber)

"One heavy rain," sighed Richard Rowbal, Ord, Nebr., "and I'd have been responsible for $90,000 in damages.

"As it was, that teamsters' union cost me more than $300."

Mr. Rowbal, a plumber who erects metal buildings as a sideline, has no reason to deal with the teamsters. No attempt has been made to organize his tiny work force.

NEEDED SECTIONS

But a secondary boycott by the union against a dozen small truckers in Nebraska has caused Mr. Rowbal economic hardship. And, had that one heavy rain fallen in Ord last September, the boycott might have put him out of business.

It was the Rowbal case and hundreds like it that prompted Senator CARL T. CURTIS recently to reintroduce legislation to outlaw the secondary boycott.

Mr. Rowbal was putting up a corn storage building. He ran out of metal roof sections—$30 worth.

SENT RUSH ORDER

A rush order went to Detroit. Normal delivery time by truck is 1 week. The usual procedure is by interstate truck to Omaha and via Romans Motor Freight Lines to Ord.

Most interstate truckers have contracts with the Teamsters Union. Most of the contracts contain "hot cargo" clauses which compel the truckers to refuse to deal with carriers boycotted by the union.

Romans is under boycott. It is the only trucking firm serving Ord regularly.

BUILDING UNCOVERED

The interstate carrier refused to give Romans the Rowbal shipment. The cargo finally was shipped by rail. It arrived 8 days late.

A week earlier 60,000 bushels of Government corn had been put into the partly roofless building. There was no other place to store it.

Had the corn been soaked the Government might have rejected the entire lot. Mr. Rowbal said he had contracted to complete the building in time for the corn and was responsible for keeping the corn in good condition.

PRODUCTS RUINED

The $300 paid out by Mr. Rowbal was in additional equipment rental and workers' wages while he waited.

Now the case of Bill Andersen, Ord refrigeration repairman, and Ellis Carson, Ord grocer:

The refrigeration unit that serves two large coolers in Mr. Carson's market failed. The replacement part had to come from Minneapolis, a 2-day haul. The boycott delay made it 5 days.

Mr. Carson lost $75 worth of produce, Mr. Anderson lost Mr. Carson's good will.

The Ord Cooperative Hospital ordered 6 cartons of bottled germicide from Minneapolis. Five days late, it was carried to Ord in an uninsulated livestock truck. Most of the germicide had frozen. It could not be used.

John Osenbaugh, Burwell, Nebr., druggist, had to wait 3 weeks for deliveries of drugs from Kansas City, Mo. The normal time is 2 days. He had to buy substitutes at higher prices.

Because of boycott delays he ran out of cattle insecticide when farmers and ranchers needed it badly. They had to drive to other towns to buy it.

DELAY COST $400

A feeder elevator ordered by Howard Huff, Ord implement dealer, arrived 1 month late. Parts for a stock truck he was repairing were delayed a week. The layup cost the truck owner $400 in business.

After remaining on an Omaha loading dock 3 or 4 days, type metal for the Ord Quiz was shipped back to Chicago, and arrived in Ord 3 weeks late. The Quiz had to melt standing type for metal. Now the melted type has to be reset. "That costs money," said Editor Ed Apking.

SMUGGLED OUT

Christmas catalogs printed by that newspaper for a Chicago firm had to be smuggled from a Romans' truck to an Omaha line's terminal.

Dean Misko, Ord sporting goods dealer, ordered leather mechandise from Texas for Christmas trade. It arrived after Christmas because of the boycott.

Peanuts for a March of Dimes benefit sale reached Palmer, Nebr., 5 days late.

HE WON'T SIGN

Floyd Ward, Taylor, Nebr., grocer, waited 2 extra weeks for a shipment of macaroni from Kansas City and then had to drive 9 miles to Sargent, Nebr., to pick it up. A "hot cargo" clause trucker, refusing to turn it over to Romans, had sent it by rail. Taylor has no railroad.

Jack Romans, president of the trucking firm, said the union tried unsuccessfully to organize his 18 full-time employees.

"Now," he said, "the union is trying to force me into signing a contract anyway. I won't do it. It would be like joining with Hitler."

Mr. CURTIS. At this time I wish to discuss the secondary boycott experiences of a small company manufacturing steel ventilators in Akron, Ohio. This company, which employs about 150 production workers, has been in business for 66 years. It is the Burt Manufacturing Co., which until the last 10 years, has sold its products throughout the United States and in foreign countries without hindrance from labor union officials.

In October 1945, the CIO United Steelworkers Union won a National Labor Relations Board election at the Burt plant, and it was certified as the legal bargaining agent for production employees. Since that time the union and the company have successfully negotiated contract after contract, and apparently find that collective bargaining works very well for both of them.

But as soon as the steelworkers became the bargaining agent for the employees of the Burt Co., the AFL Sheet Metal Workers Union cast its eyes upon the membership rolls of Burt's employees. In brief, the sheet-metal workers union considered Burt products nonunion because they were not made by members of the sheet-metal workers. This jurisdictional dispute has continued over the years, and the merger of the giant AFL and giant CIO, instead of remedying the jurisdictional dispute, has only intensified it. Today this jurisdictional dispute and secondary boycott imposed against Burt is probably the most classic example of the unfairness of a union official's secondary boycott techniques.

The Burt case is also one of the best examples to show that the Taft-Hartley Act should be amended to prevent and close the present secondary boycott loopholes of section 8 (b) (4) of the act. Burt is a victim of four secondary boycott loopholes. Let me identify them.

Although it is unlawful under the Taft-Hartley Act for a union to induce employees of another employer to engage in a concerted refusal to work when the purpose is to force any person to stop doing business with any other person, clever union officials can get around this provision. Instead of putting pressure on employees, they intimidate or coerce the employer to stop doing business with another firm. This perhaps is the greatest loophole in the present act, and S. 76 would correct it.

The second loophole in the law to which Burt falls victim is that the sheet-metal workers union may put pressure upon a key employee, perhaps a foreman, to refuse to handle Burt products. Thus there is no violation because there has not been any "concerted" activity by the union. The law requires concerted activity.

Still a third loophole is a form of "hot cargo" contract. Here the sheet-metal workers' officials require contractors to sign a "standard form of agreement," which contains among other things, language to the effect that the employer will handle wages, hours, working conditions, and materials in accordance with the jurisdictional standards of the sheet-metal workers union.

The union says that this means that the contractor agrees not to use any sheet-metal products which are not made by members of the sheet-metal workers union.

A fourth loophole which affects Burt is built around the phrase in the law, "in the course of employment." If the business agent for the sheet-metal workers union finds Burt products on a construction job, he simply refuses to furnish sheet-metal workers for the job. Since the men never officially become employees there can be no interference with workmen in the course of their employment. It has been so interpreted by the Labor Board.

I am told that Burt is only one of numerous victims in this field. I understand that the Chicago Heights Furnace Supply Co., of Chicago, Ill.; the Youngstown Furnace Co., of Youngstown, Ohio; the Reeves Steel and Manufacturing Co., of Dover, Ohio; the Republic Steel Corp.'s Burger division in Canton, Ohio; the Henry Furnace Co., of Medina, Ohio; the Airo-lite of Marietta, Ohio; the Swartout Co., of Cleveland; H. H. Robertson Co., of Pittsburgh; and the Wheeling Steel Corp., of Wheeling, W. Va., are but a few of the firms who are victims of a secondary boycott imposed by the sheet metal workers union.

Although most of these boycotts involve steelworkers, the United Auto

Workers and other unions also are involved.

Let me detail several secondary boycott examples suffered by Burt.

In April 1956, sheet metal union representatives from Chicago would not permit the erection of $25,000 worth of ventilator equipment manufactured by Burt in a plant of the Johnson motors division of the Outboard Marine Manufacturing Co., of Waukegan, Ill. It was the position of the sheet metal officials that Burt ventilators were not union made, because their members did not make them. Only through the intervention of the top union officials in Washington were the ventilators erected.

In May 1956 sheet metal union representatives stopped the erection of $35,000 worth of Burt ventilators specified in a contract for the new Campbell Soup Co. plant in Napoleon, Ohio. The ventilators had been delivered to the jobsite, and, only after a considerable delay, the subcontractor got the union to give him permission to erect the ventilators. But to do it, he had to pay double time for all work performed.

This same sort of double-time racket was required of a contractor in New Jersey who had ordered Burt ventilators.

This monopoly by the 50,000 members of the sheet metal workers union is used even against industrial giants. The construction of the Ford Motor Co. engine plant in Lima, Ohio, was delayed when this union refused to allow its members to unload railroad cars containing $100,000 worth of Burt ventilators. From July 5, 1956, until September 17, 1956, these railroad cars were tied up on a siding with demurrage charges accumulating daily. The contractor was afraid to unload the ventilators.

Also in 1956, a secondary boycott threat was made at the construction of a new Chrysler Automobile Co. plant near Akron, Ohio. The $85 million plant called for the installation of $17,000 worth of Burt equipment. Because of a secondary boycott threat and delay, Chrysler canceled the contract.

Within the last few months the Burt case has received national publicity, but that has failed to dampen the enthusiasm of the officials of the sheet metal workers union to continue their monopoly. Although both the AFL and CIO leaders have deplored the secondary boycott, it has continued.

The Wooster Sheet Metal & Roofing Co., of Akron, Ohio, was threatened with labor trouble unless the company discontinued purchase of Burt products. Wooster had bought from Burt for more than 30 years, but was told that its employees would be called off the job if they continued to use Burt.

Even the State of Ohio bowed to the union—until the Governor heard about it.

A State architect turned down plans for Burt ventilators on a building project at Ohio University. The architect wrote the subcontractor for the job saying that he had learned that Burt products were not acceptable in Ohio to the AFL sheetmetal workers union.

Governor LAUSCHE, now one of my colleagues, the junior Senator from Ohio, reversed that decision. The plans were submitted and an order was given for the ventilators.

After the Wooster secondary boycott threat the Akron Beacon-Journal, on December 3, 1956, in an editorial asked:

> By what right may a labor union arrogate to itself the authority to tell an employer where he shall or shall not purchase supplies and materials for his business?

The real danger is beyond damage to Burt. As the Akron Beacon-Journal pointed out in its editorial:

> Thus, Wooster Sheet Metal is deprived of its free choice to obtain ventilators wherever it deems the price and quality to be favorable.

This is the real danger of the secondary boycott. That danger is that the American public's freedom of choice is being removed because of the monopoly power of the labor-union official. S. 76 by curbing this power by outlawing all secondary boycotts and organizational picketing would serve the public benefit.

In union circles the Burt case has become a celebrated example of union power. Mr. George Meany, president of the AFL–CIO, is well aware of this particular problem, and the executive council of his union discussed it during their meeting in Miami last January.

In fact, Mr. Meany, Mr. Joseph Beirne, president of the communications workers, and Mr. George Harrison, president of the Brotherhood of Railway Clerks, formed an official committee of three to visit Akron and to investigate the secondary boycott.

Accompanied by three union officials from both the steelworkers union and the sheet metal workers union, Meany and his committee toured the Burt plant on February 18. The trio left Akron and scheduled a meeting February 28 in Washington. Following this February 28 meeting, Mr. Meany reported that satisfactory progress was being made.

A few days ago a special committee of the AFL–CIO, under the direction of George Meany, ordered the sheet metal workers union to discontinue its secondary boycott against the Burt Manufacturing Co. It took 10 years to get this decision, but at this time it is too early to know whether the sheet metal workers' officials will agree to stop the boycott.

It is obvious that secondary boycotts and particularly the experiences of Burt and other companies should not be left to the decisions of union officials to solve. There is a need for legislation to insure prompt relief in order that the public does not have to depend upon the whim of a professional unionist.

Secretary of Labor Mitchell is also familiar with the Burt case and other secondary boycotts of this type. When the Secretary submitted three suggested changes in the Labor Management Relations Act a few weeks ago, he made no mention of secondary boycotts.

In the Secretary's letter of transmittal to the Congress, he said:

> Matters of jurisdictional disputes, restrictive practices, and secondary boycotts at construction project sites were resolved by agreement that legislative action was not required now, since present efforts at voluntary solutions of these problems would be continued.

Mr. President, I am very much disappointed at this statement that appears in Secretary Mitchell's letter. I am sure that many of the workers of the country, as well as management and the public generally, are disappointed too. It is not surprising that the Akron Beacon-Journal of March 21, in an editorial, criticized Secretary Mitchell in this respect. It is a well-known fact that voluntary solutions are not coming forth in reference to the evil of the secondary boycott.

As I see it, there are two immediate methods for correcting this situation: First, to hold hearings and to enact the anti-secondary-boycott bill, S. 76.

The other possibility is that the committee, under the chairmanship of the Senator from Arkansas [Mr. MCCLELLAN], which is investigating union racketeering and improper union activities, hold hearings on the Burt case.

I ask the Senator from Arkansas to give serious consideration to the Sheet Metal Workers Union conspiracy to force Burt illegally to compel its employees to join a union that is not of their choice. I also ask him to note the secondary boycotts coercing employers, employees, and the public all over the country.

If the labor union officials are sincere about cleaning up improper practices, secondary boycotts are one place in which they can start.

Mr. President, the practice of the secondary boycott is of concern to every citizen in the United States. I would especially mention how it affects the consumers of the country. After all, everyone is a consumer. The practice of secondary boycotts results in higher prices, it reduces the selection of goods for the consumers, and it makes needed articles in short supply.

It has happened, when a company has become financially distressed by resisting the unwarranted attacks by union leaders, that other companies have showed up on the scene and have offered to buy the distressed company. Sometimes they are compelled to sell, by reason of the very difficulties that they face. Thus, the secondary boycott becomes an instrument for furthering the concentration of economic power in this country. It is an aid to monopoly.

The secondary boycott deprives the workers themselves of their civil rights. It has been used to compel individual citizens to join a labor organization when they did not want to. It has been used, as in the case of the Burt Manufacturing Co., in an effort to compel individuals to cease their membership in a recognized labor union and to compel them to join one not of their choosing. The secondary boycott has been used to deprive workers of one of their most precious civil liberties, the right to make their own choice, to join or not to join, and to work where they choose without paying tribute to any outsider.

The wage earners of America are entitled to protection from the union czars. I have faith in the personal integrity of the millions of men and women who work in this country. I believe that if more

power is placed in their hands, and less in the hands of some of their self-perpetuating leaders, it would be a wholesome thing.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD an advertisement published by the Roberts Dairy Co. in the Lincoln, Nebr., Journal and the Lincoln, Nebr., Star. The advertisement expresses the views which I have just stated.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

STRIKES SHOULD NOT BE CALLED BY LONG DISTANCE

In the face of much criticism, Roberts Dairy Co. has favored organized labor for 20 years. And we deal with the much-publicized teamsters.

It has been the contention of our company that employees should be protected as fully as possible against the petty tyrannies which can and do develop in any group in which authority is necessarily delegated.

Despite the bad publicity given organized labor, our position has not changed. One condition, however, would change it.

Our position will change whenever service to the individual members ceases to be the primary purpose of a labor union.

Whenever local business agents answer to other than local membership, service to the individual members ceases to be the primary purpose of the labor union.

As a friend of organized labor for 20 years, we feel that we are justified in offering the following comments. For reasons which shall be explained, union leadership should not, in its own interest, follow any of these practices:

1. Tie up company assets by contract so that the sale of the business lies outside the control of actual ownership.

2. Free itself from any legal responsibility either by its leadership or membership, through contracts obtained by coercion.

3. Call strikes by long distance without any agreement on the part of employees, much less understanding of possible issues.

And, of course, if the secondary boycott may be used, even obstinate employees may be brought into line in favor of the aforementioned measures for "maintaining union membership."

Under the foregoing conditions, one dishonest union official can easily sell out any independent company to a large competitor willing to pay enough to eliminate the "nuisance."

And, of course, the large company can then buy out the smaller on its own terms by reason of the "sale of assets" clause.

Bargaining is in many ways like government. The further away from responsibility to the individual member that bargaining is removed, the greater the chance for abuse. Bargaining should be done entirely with local business agents unless there is some exceptionally good reason that this should not be done. (Our company bargained successfully for 20 years with local unions.)

For with the death of small and independent business dies also the local union as an entity, the conscience and grassroots moral strength of organized labor. Divine justice works slowly but inevitably.

ROBERTS DAIRY CO.

Mr. CURTIS. Mr. President, I ask unanimous consent also to have printed at this point in the RECORD a statement of my own that explains the purpose, background, and detail of S. 76, which I introduced.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CURTIS

The following statement explains the purpose, background, and detail of S. 76 which I introduced January 7 before the United States Senate:

I. PURPOSE OF THE BILL

The bill is designed as a substitute for the present language of section 8 (b) (4) of the Taft-Hartley Act. Its purpose is to make more effective the prohibition on secondary boycotts which Congress intended at the time of the passage of the original act in 1947.

In drafting the language, an effort has been made to simplify the wording so that the intent shall be clear and understandable. As with the present language of section 8 (b) (4), secondary boycotts are the primary concern, but certain primary activities directly related to secondary boycotts are also covered.

II. THE BACKGROUND OF THIS PROPOSAL

1. Status of secondary boycotts prior to passage of the Taft-Hartley Act

Even before the passage of the Taft-Hartley Act, secondary boycotts were generally regarded as unlawful. Numerous court decisions going back for many years had adopted this view. Writing in 1940, a recognized authority on labor law, Mr. LUDWIG TELLER, who ns now a Member of the 85th Congress and serving in the House of Representatives, said:

"American judicial decision has come into general agreement that there is a distinction between a primary boycott and a secondary boycott, and, as shall be seen hereafter, that the primary boycott, if peacefully carried on, is legal, while the secondary boycott, illegal because involving the exercise of coercion upon innocent third persons not parties to the dispute." (TELLER, Labor Disputes and Collective Bargaining, vol. I, p. 454.)

Federal statutory relief became necessary because of the difficulty of securing adequate relief in Federal and State courts—a situation brought about by the restrictions placed on the issuance of injunctions in labor disputs by the Norris-La Guardia Act and similar statutes in many States. Thus an admitted evil—the secondary boybott—existed, but affected parties were unable, because of procedural restrictions, to get effective help.

2. Legislative history of section 8 (b) (4) of the Taft-Hartley Act

Prior to the passage of the Taft-Hartley Act, lengthy hearings were held by Congressional committees on the need for a more balanced labor-relations statute. As the committee reports show, one of the most discussed evils was the secondary boycott. Testimony before both the Senate and House committees showed in minute detail the unfair and undesirable technique and purpose of secondary boycotts.

There is no question but that the Congress in passing section 8 (b) (4) sought to prohibit the use of secondary boycotts in industries subject to the provisions of the act. The point is almost too clear to require documentation. The conference report to the House of Representatives referred to section 8 (b) (4) (A), as follows:

"Under clause (A) [of 8 (b) (4)] strikes or boycotts, or attempts to induce or encourage such action were made unfair labor practices if the purpose was to force an employer or other person to cease using, selling, handling, transporting, or otherwise dealing in the products of another, or to cease doing business with any other person. Thus it was made an unfair labor practice for a union to engage in a strike against employer A for the purpose of forcing that employer to cease doing business with employer B. Similarly it would not be lawful for a union to boycott employer A because employer A uses or otherwise deals in the goods of, or does business with, employer B." (H. Rept. No. 510, 80th Cong., 1st sess., 43.)

Senator Taft, who was sponsor of the bill in the Senate, discussed on the floor of the Senate the secondary boycott section in the following terms:

"Under the provisions of the Norris-La Guardia Act, it became impossible to stop a secondary boycott or any other kind of a strike, no matter how unlawful it may have been at common law. All this provision of the bill does is to reverse the effect of the law as to secondary boycotts. It has been set forth that there are good secondary boycotts and bad secondary boycotts. Our committee heard evidence for weeks and never succeeded in having anyone tell us any difference between different kinds of secondary boycotts. So we have so broadened the provision dealing with secondary boycotts as to make them an unfair labor practice." (93 CONGRESSIONAL RECORD, 4198.)

3. The language of section 8 (b) (4)

Although intended to prohibit secondary boycotts, the language of section 8 (b) (4) does not use the term. It was apparently felt that, by describing the technique normally used, the matter could be more effectively handled. Consequently, it was made unlawful for a union or its agents to induce or encourage employees to refuse to perform work where an object is to force one employer to cease doing business with another. Within this phraseology certainly falls the majority of the situations which have traditionally been regarded as secondary boycotts. It did not, as subsequent experience has painfully shown, cover all. Moreover, this fact has led those who have sought to circumvent the act to use boycott methods which deviate sufficiently from the specified activity so as to be untouched by the sanctions of the act.

4. Board and court interpretations of section 8 (b) (4)

Congressional intent to prohibit secondary boycotts has not been carried out. Board and court interpretations have made serious inroads on the statutory framework. Inadvertent omissions in the original language have also contributed to the present situation. As a result, important loopholes now exist which, when carefully used by well-advised parties, can permit the very type of activity which Congress sought to prohibit.

Some of the so-called loopholes are listed below:

(1) Threats to Employers

The present language makes unlawful only the inducement of employees to refuse to perform work. The threat of a boycott directed to an employer or its agent goes unchallenged. Particularly where small businesses are concerned, the threat of a secondary boycott directed toward a company president or a plant manager can be even more effective than the inducement of his employees. Often, the company is in no position strategically to wait and see if the union means to or has the power to carry out its threat. This fact of life has been recognized by the unions, and threats to neutral employers have been used with telling effect.

(2) Hot Cargo Clauses

Early in the administration of the Taft-Hartley Act the Board issued a decision in the now famous Conway's Express case (*Conway's Express* (87 NLRB 130, enforced, 195 F. 2d 906)) which, in effect, stated that a clause in a collective bargaining contract permitting unionized employees to refuse to

handle goods labeled as unfair or "hot" by the union would serve as a valid defense to otherwise unlawful inducement of a secondary boycott.

The Board's decision was upheld on appeal by the Second Circuit Court. Although the decision of the court may not necessarily be as complete an endorsement of the hot cargo clause as is sometimes thought, unions were quick to seize on the Conway decision as a convenient vehicle to circumvent the act. All that was needed was a clause in a collective bargaining contract permitting a secondary boycott. Given sufficient bargaining strength on the part of the union, the result was easy to foresee. Hot cargo clauses appeared all over the country. Secondary boycotts were conducted with impunity under the protective wing of such provisions.

A majority of the Board continued to follow the Conway doctrine until the McAlister case (*McAlister Transfer, Inc.*, 110 NLRB No. 224) which was decided in 1954. At that time, the Board restudied the matter. In the McAlister decision, the Board adopted the view that hot cargo clauses could not be sustained as a valid defense against otherwise unlawful conduct unless the employer acquiesced in their observance. The Board continues to follow the rule set forth in the McAlister case. See, for example, the Board's decision in *Sand Door & Plywood Co.* (113 NLRB No. 123).

It seems difficult to understand the Conway decision and the rationale behind it. In effect it espouses the principle that private parties can, by contract, set aside or circumvent an important matter of public policy embodied in a statute passed by the Congress. To my knowledge, no precedent exists for such circumvention. Even if the parties to a collective bargaining agreement containing such a clause were the only ones involved in Congressional consideration of the secondary boycott problem, there still would be no justification for a contradiction of that policy once it had been clearly set forth.

Here, of course, Congress was clearly considering interests going far beyond the primary employer and the union with which it is at the time doing business. Congress was seeking to protect neutral and third party employers, their employees, and most important, the community as a whole. Indeed, a major purpose of section 8 (b) (4) was to limit the area of industrial strife to those directly involved in the dispute. In this posture it is obvious that the hot cargo doctrine as set forth in the Conway case constitutes a flagrant attempt by an administrative agency to destroy a clear Congressional mandate.

While the present Board has adopted a more reasonable view of the matter, the problem is so important that it should not be left to the opinions of appointees to administrative office. Congress must speak once and for all in regard to the matter.

(3) Refusal to Enter Employment

In certain industries where occasional or per-job employment is the rule, unions have found that a secondary boycott can be conducted, not by inducing employees to refuse to perform work—which is unlawful—but merely by refusing to let members accept work with an employer who is alleged to be "unfair." The technique is effective where the union controls most of the skilled help in the market and where employment is on a per-job basis. The present act does not, according to Board and court decisions, reach this type of tactic, and it was so held in *Joliet Contractors Association* (99 NLRB 1291; 202 F. 2d 606).

(4) Secondary Customer Boycott

The language of section 8 (b) (4) does not prohibit secondary customer boycotts. Thus, for example, a union can apparently picket the customer entrances of a retail store which is carrying a product manufactured by a company with which the union has a primary dispute. Similarly, a union can organize a consumer or customer boycott against a soft-drink distributing company merely because that company advertises on a radio or television station with which the union has a primary dispute. These are examples of secondary customer or consumer boycotts where the secondary employer offers goods or services directly to the consuming public. Such a boycott is a potent form of economic pressure.

(5) Restricted Definitions of the Terms "Employer" and "Person"

For the general purposes of the application of the act, section 2 sets forth definitions of terms used in the act. Among the definitions included are those for the terms "employer," "employee," and "person." In applying the secondary boycott section of the act the Board has, in a number of cases, adhered strictly to these definitions, thus permitting otherwise unlawful conduct. For example, the *International Rice Milling Co., Inc.* (84 NLRB 360), the Board held that a railroad company was not an employer within the meaning of the act. Hence, its employees could be induced to refuse to perform work even though the objective was to force the railroad company to cease doing business with another person. The interpretation was reversed by the fifth circuit court in the *International Rice Milling Co., Inc.* v. *NLRB* (F. 2d 21), but the court's opinion has not been accepted by the Board. Although the case was taken to the Supreme Court, the Court was not asked to review this issue. See *Sprys Electric Co.* (104 NLRB 1128), where otherwise unlawful inducement was permitted because a governmental agency was the organization involved in the interruption of business. Also see *Chauffeurs, Helpers Local 327* v. *B & S Motor Lines* (116 NLRB No. 117); *Local 833, UAW* v. *Paper Makers Importing Co. Inc.* (116 NLRB No. 37); and *Int'l Woodworkers of America* v. *W. T. Smith Lumber Co.* (116 NLRB No. 255).

It is my opinion that the legislative history of the present act indicates an intent on the part of Congress to broadly apply the secondary boycott prohibition. As our fifth circuit court has pointed out, the need for restricted definitions of certain key words, which undoubtedly exist in connection with the application of some other parts of the act, does not exist in applying the secondary boycott provisions.

Whatever may be the correct interpretation of the present Taft-Hartley language on this particular point, it is my intention that the wording of S. 76 shall be broadly construed and shall not be limited by the restrictive definitions of the terms "employer" and "employees" used in connection with other sections of the act.

(6) Ambulatory Picketing

In an early decision of the Board (*Schultz Refrigerated Services, Inc.* (87 NLRB 92)) picketing of the trucks of a primary employer was permitted wherever those trucks stopped to pick up or deliver. Subsequent decisions in the past several years have restricted the application of the doctrine, but it should be settled once and for all. The theoretical basis of the doctrine lies in a legitimate desire to protect primary picketing at or near the premises of the primary employer.

The trucks become an extension of the premises. Hence, the following of the trucks has been permitted. The reasoning overlooks the obvious fact that picketing away from the premises of the primary employer has quite plainly the principal objective of inducing employees of the secondary employer to refuse to perform work. Consequently, in my judgment, it should be regarded as unlawful.

The above listing is not intended to cover all the loopholes that exist in the present framework of boycott protection. There are others. The proposed language is intended to cover all the indicated loopholes, but it is not intended that the construction of the proposed wording be limited to those situations covered by existing interpretation plus the loopholes. Where there is economic pressure on an employer for one of the stated objectives, the activity is intended to be unlawful, whether it fits a presently contemplated situation or not.

III. A comparison of the language of S. 76 and section 8 (B) (4) of the Taft-Hartley Act

In this section, the several parts of the proposed bill are discussed and compared with comparable wording in section 8 (b) (4) of the Taft-Hartley Act.

1. Introductory wording:

The present act makes it an unfair labor practice for a labor organization or its agents—

"(4) to engage in, or to induce or encourage the employees of any employer to engage in, a strike or a concerted refusal in the course of their employment to use, manufacture, process, transport, or otherwise handle or work on any goods, articles, materials, or commodities or to perform any service, where an object thereof is."

The comparable language in S. 76 reads as follows:

"(4) to exert, attempt to exert, or threaten to exert (regardless of the provisions in any collective bargaining or other contract) against an employer or employees of an employeer, economic or any other type of coercion, by picketing or by any other means, where an object thereof is."

The proposed wording is at once a simplification and an extension of the present statutory language. The Taft-Hartley wording in essence makes unlawful the inducement of employees to refuse to perform work. Experience has shown that there are other and equally effective forms of economic coercion against the neutral or third-party employer besides inducing his employees not to perform work. If the objective of the section is to prevent economic pressure directed toward a neutral employer, then it follows that all types of economic pressure, whether directly or indirectly applied, should be prohibited. It is true that some types of economic coercion are more common than others. The prohibition of the more common types inevitably leads to a devious resort to other techniques, less common perhaps, but no less invidious.

The proposed language references "economic or any other type of coercion" against a third-party employer. This coercion may be directed "against an employer, or the employees of an employer." Admittedly, this is a comprehensive reference. So it is intended to be. Nothing less than this is acceptable if secondary boycotts are to be prohibited. This was, of course, the intent of Congress in 1947. I believe that it is the intent of Congress today. Let us, with courage and decision, effectuate that intent.

Before discussing by way of illustration the types of economic and other coercion which are covered it should be stated that the language does not, nor is it intended to, limit or interfere with the right to conduct a primary strike. There were those who challenged the present Taft-Hartley language as prohibiting the picketing normally incidental to a primary strike on the theory that the picketing had the effect, if not the intent, of inducing employees of third-party suppliers not to cross the picket line. Whatever an overly literal reading of the present language may reveal, it is obvious that Congress in 1947 intended no such result. Nowhere in the legislative history of the act is there the

slightest indication of such intent. Indeed, there are at least general statements to the contrary. Obviously, it is a result which is not to be lightly inferred.

The proposed language does not interfere with the right to conduct a primary strike, nor with the usual picketing that normally occurs at or near the situs of a primary dispute. This statement is not intended to interpret either common situs picketing problems or ambulatory picketing problems which are discussed elsewhere in this explanation.

On the positive side the proposed language prohibits the type of inducement covered by the wording of the present act. And it goes beyond this to include all types of economic coercion whether directly applied to an employer or indirectly through his employees. Illustrative of the economic and other types of pressure intended to be covered by the language are the following:

(1) Threats of economic or other coercion directed to owners, executives, or their representatives.

(2) Threats to induce or the actual inducement of customer or consumer boycotts of the product or services of a secondary employer.

(3) Threats to refuse or the actual refusal to accept employment with secondary employers. (The refusal-to-accept-employment situations have generally involved product boycott problems. In these situations the manufacturer of the allegedly unfair product is the primary employer and the user of that product is the secondary employer. The prohibition is to be applied in this frame of reference although it is not to be limited to product boycott situations alone.)

(4) The inducement of employees to refuse to perform work.

As already stated, the above listing is illustrative and not to be regarded as covering all types of coercion which are intended to be included by the comprehensive wording of the proposed amendment.

The parenthetical inclusion in the proposed language relates to the hot-cargo clause problem. By this wording, it is intended that hot-cargo clauses shall not serve as a defense to otherwise unlawful conduct. It is further the intent of the wording that no contract language shall in any way be construed so as to bind an employer to permit or acquiesce in an otherwise unlawful refusal on the part of his employees to perform work. The declared public policy of the United States against secondary boycotts cannot be modified by private contractual agreements. I might add that, in my judgment, the insistence by a union of the inclusion of such a clause in a collective-bargaining contract should be regarded as a refusal to bargain in good faith.

The term "employer" as used in this section is not limited to the strict definition of the term as set forth in section 2 of the present act. It is specifically intended to cover any employer, whether or not he be subject to other provisions of the statute. Among others this would include railroad companies, State and Federal Governments, employers of farm labor, etc.

It may be argued by some that the comprehensive nature of the prohibition proposed makes it subject to constitutional challenge. Such an objection is unfounded. It was raised and disposed of by the courts in connection with the present language of section 8 (b) (4). (*International Brotherhood of Electrical Workers, Local 501* v. *N. L. R. B.* (341 U. S. 694).) There is no constitutional right to induce, or threaten to induce, even by peaceful means, acts which are unlawful. Congress has declared secondary boycotts to be unlawful. Their inducement, or threats thereof, is not privileged.

2. "(A) causing or attempting to cause any employer or self-employed person to join any labor or employer organization":

In this paragraph and in subsequent paragraphs designated by capital letters numbering (A) through (F) the introductory wording found in comparable sections of the Taft-Hartley Act and reading "forcing or requiring" has been changed to "causing or attempting to cause." The purpose of the change is to insure the full effectuation of the legislative intent to eliminate secondary boycotts. Once the factor of unlawful coercion has been found, the intent of Congress is not to be frustrated because it might conceivably be said that the objective of the coercion was merely to induce or cause a certain course of action rather than to force or require it. Otherwise, the language is the same as that contained in the first clause of paragraph 2 "(A)" of the Taft-Hartley Act. Although the language has received relatively little application insofar as the present law is concerned, no one will dispute the wisdom of its inclusion. It is placed in a separate paragraph here for purposes of clarification only. No change in meaning or interpretation is intended aside from that specifically referenced in the earlier part of this paragraph.

3. "(B) causing or attempting to cause an employer or other person to cease doing business with any other person."

This is the heart of the proposed amendment, just as generally similar language is the heart of section 8 (b) (4) of the present act. The only change in wording aside from the change in the introductory phrase referenced in the explanation of "2" above is the elimination of the enumeration in the present language. It is felt that the phrase "cease doing business with" covers the specific items now mentioned such as selling, using, handling, etc. The use of the phrase "cease doing business with" by itself is not intended to imply more restrictive application of the language. It is a simplification, not a restrictive application, and is proposed for purposes of clarity.

One situation has been brought to my attention involving the application of the phrase "cease doing business with." It is best explained by way of illustration. Let us assume that there is a labor dispute between a union and a manufacturer of electrical fixtures. To further its effort, the union enlists the cooperation of unions engaged in electrical construction. These unions, through their agents, advise electrical contractors that they will get into trouble if they use electrical fixtures manufactured by the employer alleged by the union to be unfair. The construction unions point out to the contractors that they don't have to cease doing business with the jobber or distributor of electrical fixtures; they merely have to order fixtures from the jobber or distributor which are not manufactured by the allegedly unfair company. Where the jobber or distributor handles more than one line of fixtures, it might be argued in some quarters that the coercion or threat thereof is not designed to force the contractor to cease doing business with the jobber or distributor. He is merely being asked to provide one brand of a product instead of another. In my judgment, this set of facts is a type of "cease doing business with" under the terms of the Taft-Hartley Act as it is now written. By putting pressure on a contractor to reject one line of products merely because of the existence of a labor dispute with the manufacturer of those products is an interference with the business relationship between the contractor and the jobber, and thus, in a very real sense, is a type of "cease doing business with." It can also be argued that by this pressure the construction unions are indirectly forcing the jobber or distributor to cease doing business with the manufacturer alleged to be unfair. In my judgment, either theory is adequate to justify the application of existing Taft-Hartley language, but, whether it is or not, such application is intended in the drafting and construction of this amendment to the Taft-Hartley Act.

4. "(C) causing or attempting to cause any other employer to recognize or bargain with a labor organization as the representative of his employees unless such labor organization has been certified as the representative of such employees under the provision of section 9."

The language here is, with the exception of the first three words, exactly the same as that now contained in section 8 (b) (4) (B) of the Taft-Hartley Act. Present interpretation of that language is regarded as satisfactory.

5. "(D) causing or attempting to cause any employer to interfere with his employees' right to join or refrain from joining a labor organization as set forth in section 7."

This language is not contained in section 8 (b) (4) of the Taft-Hartley Act. It is designed to prohibit the use of economic coercion for the purpose of forcing an employer to interfere with the right of his employees to join or refrain from joining a union. Among other things, the wording would prohibit what is now known as recognition picketing.

The cornerstone of the Wagner Act and the Taft-Hartley Act is contained in section 7. In the original law the guaranty set forth in section 7 declared as a matter of public policy the right of employees to self-organization—the right to freely select their own bargaining representative. Added to this basic right in 1947 was the corollary right to refuse to participate in union activity. Taken together, these guaranties form the basis of our national labor policy. It is a sound basis. The cornerstone is well laid.

With this as a basis, it follows necessarily that neither a company nor a union should have the right to coerce an employee in the exercise of his right to join or refuse to join a labor organization. And from this it follows that an employer should be free from economic pressure or coercion designed to force him to interfere with the rights of an employee.

Section 9 of the present act generally follows the scheme set up in the Wagner Act whereby the selection of a bargaining agent can be made by secret ballot in an election conducted by the National Labor Relations Board. This is a procedure which gives meaning to the guaranty of an uncoerced choice. The thousands of elections conducted by the Board over the past 20 years indicate beyond question the efficacy of the balloting procedure.

Today, however, a serious inroad on the right of freedom of choice has been made. It is an inroad which is not covered by present statutory language. It is recognition picketing.

In the usual situation, recognition picketing takes place where an employer has refused a demand that the union be recognized as a majority bargaining agent and thereafter a picket line is set up at or near the employer's place of business. The only way that the employer can resolve the situation is to recognize the union, regardless of the wishes of his employees, and sign up with the union. For the employer to do so is to engage in an unfair labor practice, but economic pressure of the picket line in some cases forces him to make a choice between signing up with a union and violating the law or going out of business.

The election machinery set up in the act should be used to determine majority status. Recognition picketing should be permitted only where the employer refuses to accept the choice of his employees in selecting a bargaining agent.

The overwhelming majority of State courts today have declared recognition picketing to be unlawful. These courts have realized the inconsistency between a guaranty of free choice and economic coercion which forces an employer to select a bargaining agent for his employee. Consequently, in most jurisdictions, such picketing can be enjoined. This fact does not, however, solve the problem at the Federal level. With the Supreme Court's decision in the Garner case, which emphasized the preemption by the Federal Government in certain important areas in labor-management relations, State jurisdiction in recognition picketing situations may well be now limited to those situations in which the National Labor Relations Board either does not have jurisdiction, or does not seek to exercise its jurisdiction (*Garner* v. *Teamsters, C. & C. Union* (346 U. S. 486)). A large segment of the American economy is therefore left open to this patently unfair and coercive device.

The recognition-picketing problem is included in this section of the act because it is closely allied to the secondary boycott issue. Studies have shown that a majority of secondary boycotts arise from situations in which the union is trying to organize the employees of the primary employer. Unsuccessful by direct appeal, the union seeks to pressure the employer into recognition by putting economic pressure on the secondary employer who does business with the primary employer. The language of the present act covers those situations in which the recognition is being forced through the use of pressure on a secondary employer. The proposed language would add a necessary element to the protection by prohibiting economic pressure directed toward the primary employer. While such pressure is normally in the form of picketing, the proposed wording covers all types of economic pressure which have as an object the forcing or requiring of an employer to interfere with the right of his employees to join or refrain from joining a labor organization.

There can be no question today of the constitutionality of a prohibition against recognition picketing. In *Building Services Union* v. *Gazzam* (339 U. S. 532) the United States Supreme Court upheld a lower court decision permitting an injunction against recognition picketing in the State of Washington. The public policy of that State condemned interference with the right of employees of that State to self-organization. The same treatment would undoubtedly be accorded a congressionally enunciated policy on the subject.

6. "(E) causing or attempting to cause employees to join or refuse to join a labor organization except as provided in the first proviso to section 8 (a) (3)."

The proposed language is not found in the Taft-Hartley Act. Its purpose is to prohibit the use of economic coercion against an employer where an object is the forcing or requiring of employees to join or refuse to join a labor organization. Obviously this purpose is related to that discussed in proposed paragraph (D).

In picketing situations today, where the union is seeking to become the bargaining agent, there is the much debated problem of recognition versus organizational picketing. In a few jurisdictions, particularly in New York, there is an effort to distinguish between the two types. Theoretically, this can be done. Recognition picketing involves a situation in which the union demands recognition from the employer and, failing to get it, puts up a picket line. Organizational picketing, on the other hand, embraces the situation where the union makes no demand on the employer for recognition but pickets allegedly for the purpose of organizing the employees. While a difference does exist in theory, it is open to question as to how much validity it may have in practice.

From the employer's point of view, in both cases the picket line is there. If the existence of the pickets reduces the number of customers as it often does, for example, in the case of a retail store, or induces the employees of a third-party employer to refuse to pick up or deliver at the premises of the picketed employer, the economic effect is the same. The loss is just as great whether the union has demanded recognition or whether it claims merely to be organizing the people. The solution for the employer, if he cannot stand the pressure, is to force his employees into the union and to sign up.

From the point of view of the employees of the picketed employer, the difference is also insubstantial. The economic coercion against the employer is just as real in one case is in the other. If, as a result, they feel they have to join the union, their freedom of choice is impaired, whether the picketing is said to be organizational or recognition in character.

From the union's point of view, the answer is obvious. If recognition picketing is prohibited and organizational picketing is permitted, all the union has to do is to make sure that it never overtly demands recognition and sticks to its claim that the picketing is organizational in character. The important weapon is the picket line. If it brings about the requisite degree of economic coercion, the employer and the employees will be forced to sign up.

From a legislative point of view—whether it be Federal or State—the restriction on organizational picketing raises a difficult problem. To the extent that it is an appeal to employees for support, it should be protected. To the extent that it coerces by economic pressure employees into joining a union, it should be condemned. This dual character of organizational picketing is the source of considerable confusion. My own view is that, where all the facts of the case show the picketing to be coercive—that is, to have the effect of forcing or requiring employees to join a union—it should be prohibited. Such is the intent of the language here proposed.

It is not the intent of this language to impinge upon the legitimate efforts of unions to preach the benefits of organization to employees. I would not intrude upon this right if I could. To me it is both important and necessary. On the other hand, I would not permit the use of this right as a technique to coerce employees in the exercise of their right to select or reject a union. In my judgment, organizational picketing in most contexts goes beyond an appeal to reason and becomes an instrument of coercion. Where election machinery is available, and where the law prohibits employer interference with the right of employees to select their own bargaining agent, let unions sell the benefits of organization by appeals to reason, not by the use of economic force.

The specific language used refers to "forcing or requiring employees." In my judgment, these words have nothing to do with persuasion, exhortation, or the right of free speech. Where organizational picketing has the effect of forcing or requiring employees to join or not to join a union, it should be struck down. It is at that point no longer privileged as free speech.

While the language is most importantly directed toward picketing, it also is intended to include other types of economic coercion where an object is forcing or requiring employees to join or to refuse to join a labor organization.

In some quarters there may exist a belief that the proposed language runs afoul of the constitutional guaranty of free speech. I would not propose it, nor support it, if it did. I am convinced that it does not. My conviction is supported by two significant court decisions, one by the Supreme Judicial Court of Maine and the other by the Wisconsin Supreme Court. In the Maine case (*Pappas* v. *Stacey* (116 Atl. (2d) 497)), a restaurant was picketed for the alleged purpose of organizing the employees. The issuance of an injunction was upheld on the grounds that the picketing violated a Maine statute guaranteeing freedom of self-organization. Overruled by the court was the union's contention that the injunction infringed on constitutional rights. The decision was appealed to the Supreme Court of the United States, and was there dismissed without opinion (*Pappas* v. *Stacey* (350 U. S. 870)).

The Wisconsin case (*Vogt, Inc.* v. *Teamsters Local* (Wis. Sup. Ct. (1956), 37 LRRM 2535)) also involved a typical organizational picketing situation. In an initial decision (*Vogt, Inc.* v. *Teamsters Local* (270 Wis. 315)) the court reversed on constitutional grounds a lower court decision granting an injunction. On reconsideration the original decision was reversed and the lower court judgment was affirmed.

While the Supreme Court of the United States has not directly passed on the question, I believe that these recent decisions indicate the direction of judicial thinking in those areas where it is necessary to draw a line between free speech on the one hand and the right of employees to self-organization on the other. When speech in a context of action becomes coercive it can be prohibited.

Nothing in the proposed language is intended to interfere with the otherwise legal enforcement of statutory rights accorded under section 8 (a) (3) of the Taft-Hartley Act.

7. "(F) Cause or attempt to cause any employer to assign particular work to employees in a particular labor organization or in a particular trade, craft, or class rather than to employees in another labor organization or in another trade, craft, or class, unless such employer is failing to conform to an order or certification of the Board determining the bargaining representative for employees performing such work: *Provided*, that nothing contained in subsection (b) shall be construed to make unlawful a refusal by any person to enter upon the premises of any employer (other than his own employer), if the employees of such employer are engaged in a strike ratified or approved by a representative of such employees whom such employer is required to recognize under this act."

The wording here, aside from the first three words, is exactly the same as that contained in paragraph 8 (b) (4) (D) of the Taft-Hartley Act.

The above represents an effort to set forth in detail both the reasons for the proposed changes in present language, and the intended application of the wording suggested. Obviously not all situations can be spelled out in advance. In 1947 Congress thought it was outlawing secondary boycotts. The objective has not been reached. It may be that, even with the language here proposed, loopholes will develop. It is my sincere belief that if those who are construing the language of this bill will recognize and accept the fundamental concept of the intent of Congress to do away with all secondary boycotts and organizational picketing the objective can be achieved.

Mr. CURTIS. Mr. President, last August the Reader's Digest magazine devoted a special feature article to the secondary boycott. It was entitled "Labor's Dreaded Squeeze Play: The Secondary Boycott." The story, according to the Reader's Digest, was a tale of "vicious examples of how collective bargaining is turned into collective bludgeoning."

Noting my secondary boycott bill of the last Congress, the magazine endorsed

the proposed legislation. The publication said, in part:

The curb on picketing that "organizes from the top" would go a long way toward blunting the illegal secondary boycott weapon. * * *

Our economy, like our Government, has long been safeguarded by checks and balances which prevent any one group from exercising tyrannical power. By means of the Wagner and Taft-Hartley Acts, Congress has placed the might of our Government behind the workers' right to organize, and so redressed the balance of power between employers and workers. Perhaps it is time now for a few checks which will protect our economy from tyrannical use of the secondary boycott.

Mr. Victor Riesel, the noted columnist on labor relations, who incidentally was the victim of a vicious attack resulting in blindness because he was exposing labor racketeering, has also commented on the Burt secondary boycott:

For the hassle with the sheet-metal workers is not an isolated case. It is typical of scores of other jurisdictional wars between old AFL and old CIO unions.

Mr. Riesel ended his column with the question: "Why should the public get caught in the middle of such wars?"

I ask unanimous consent to have printed at this point in the RECORD the text of the January 30, 1957, column Inside Labor, written by Mr. Riesel.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

INSIDE LABOR

(By Victor Riesel)

Move over King Saud. You think you're a monarch? We really have a powerful potentate lolling around on some sand dunes of our own.

He's one of the oldest ruling American monarchs. Been in power for about 50 years. You can find him on the sands of Miami Beach, his cabana-tent flaps flying in the balmy breezes. He is Robert Byron, president of the Sheet Metal Workers Union since the very early 1900's. Now, at 76, he has a bad case of cacoëthes.

This is a sort of industrial disease—meaning to have an irresistible urge. In this specific case, it is an urge to control his entire field. This Byron is a very regal fellow.

While we all know that King Saud stayed at the Waldorf in New York, no commoner—least ways no dues paying member of the Sheet Metal Workers—is permitted to know just where Byron has been staying in Miami Beach lo these many weeks. So you can't really ask him questions about the strange case of his union's private war on other unions.

Let me tell you about this war and how it has caught one reputable firm in a crossfire which has cost the company $500,000 a year. This is an industrial war which could set a precedent and cost American businessmen hundreds of millions of dollars and give many a workingman many a headache while trying to earn his daily bread.

In Akron, Ohio, a firm called the Burt Manufacturing Co. rolls out fine ventilating equipment. It pays its people well. They like their employer. And they like their union, the United Steelworkers of America, led by David McDonald. But Byron and the Sheet Metal Workers don't like McDonald's union.

The Sheet-Metal Workers say that the Steel Workers have no right unionizing the Burt company. The law says that the Steel Workers have the right. The workers in the plant say the Steelworkers Union has the right. But the Sheet-Metal Workers say no—that the 200 Burt employees should be paying dues to their outfit and not to McDonald's.

So the Sheet Metal Workers Union for the most part has refused to install Burt Co. equipment in buildings. The Sheet Metal Workers Union told its members not to handle or erect Burt equipment. The union had warned contractors not to purchase Burt products because they will not provide skilled men to work on them.

Byron's union has even passed on word to engineers and architects warning them not to specify Burt equipment in their design or they will be asking for trouble. The Sheet Metal Workers Union told one key member in each of many plants to watch for Burt material and see to it that there's no installation. Nor did they keep their feelings secret from construction companies. The result has been the half a million dollar annual loss, charges the company. This small national union of 50,000 duespayers is in such a strategic position that it can wage war on other unions literally 25 times as large and arrogantly disregard all efforts to resolve the disputes it has created.

In January 1956, United States Secretary of Labor James Mitchell himself had to put pressure on the Sheet Metal Union to install Burt equipment in the Ford plant at Lima, Ohio. But the Burt Co. was not as lucky with its products at a Chrysler plant and at the Ohio Bell Telephone Co. These firms had to pass up purchases from Burt or have the stuff remain on the streets.

When Burt sold goods to Ohio University, then Gov. Frank Lausche had to step in and get action. All this has hit the company to the point where the steelworkers' chief David McDonald wrote to AFL–CIO President George Meany charging:

"Its effect (the refusal of the Sheet Metal Union to handle this equipment), plain to all, will ultimately be to drive the Burt Manufacturing Co. out of business unless the steelworkers who represent the employees agree, 'to put them (the workers of the Burt Co.) in our organization' (the Sheet Metal Workers)."

The import of this private war is that some unions are business-type outfits. They want the members, for the members make them strong and bring in more dues. The fact that the workers are already unionized apparently makes no difference. And that's one of the basic conflicts inside the AFL–CIO executive council meeting in Miami Beach this week. For the hassle with the Sheet Metal Workers is not an isolated case. It is typical of scores of other jurisdictional wars between old AFL and old CIO unions.

The squeeze on the Burt Co. infuriated Congressman AYRES from the Akron district. He wrote to George Meany asking, "Is there a labor merger or isn't there?" If there is, then such wars should be wiped out, said the Congressman. If there isn't, then there should be a law, he added.

He's right. Why should the public get caught in the middle of such wars?

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER (Mr. CLARK in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

THE HUNGARIAN REFUGEE PROGRAM

Mr. JACKSON. Mr. President, on May 15 the refugee reception center at Camp Kilmer, N. J., is to be shut down. It is an event that I view with mixed emotions—mixed emotions in that it at once fills me with pride over the magnitude of the job this country has done in aiding thousands of freedom-seeking Hungarian refugees, and chills that pride with shame that we are quitting before the job is done.

Mr. President, since that signal day last November 20 when the first American plane carried a load of refugees to the United States, our Nation has taken in more than 31,000 who fled from Communist oppression. Our Nation further has assisted in resettling another 100,000 Hungarian refugees in other countries.

There remain in Austria today only about 40,000 of the estimated 171,000 Hungarians who crossed to freedom. There are another 16,000 to 18,000 estimated Hungarian refugees who have fled to Yugoslavia in recent weeks since Austrian escape was blocked by Communist barbed wire.

Let me tell the Senate about just one of those 40,000 remaining in Austria. Her name is Agnes Rozsa—Ro-Zha. She is 17 years old.

Only a few months ago, in early December, Agnes crossed into Austria. It was a hazardous flight of 6 days and nights, mostly by foot, from her home in Debresen, Hungary. Agnes was an only child. Her father made the supreme sacrifice of insisting that she escape Hungary without him. He feared his age and health would hinder her escape. His one hope was to see Agnes gain freedom in America, to be reared by her only American relative, a first cousin. The first cousin is Mrs. Sydney Abrams, of Seattle, a constituent of mine, and herself a Hungarian immigrant.

Few members of Mrs. Abrams' immediate family survived destruction by the Nazis during World War II. The emotional tie between those who survived is as close as is humanly possible. Yet, because this bond between Agnes Rozsa and her cousin in America does not meet the technical requirements under which the refugee program now operates, they are barred from being reunited here.

Agnes' first letters to Mrs. Abrams after reaching Austria were eloquent and powerful testimonials that even children reared in Communist grade schools and gymnasiums still possess the innate understanding of, and desire for, freedom. Agnes was justifiably excited at the prospect of coming to America and of the Abrams' plans to send her to the University of Washington.

Even though she was being moved from camp to camp, awaiting the opportunty to come to America, her spirit was sustained with hope.

In January the Abrams asked me to help them bring Agnes to America. They filled out the necessary certificates of financial responsibility and met the other requirements for taking in a Hungarian refugee. On February 12 she was interviewed by the United States con-

sulate in Vienna, and told she could expect to be sent to the United States within another week or so. We heard nothing until March 6. Then we were told that due to her December entry into Austria, a processing date could not be determined immediately. Later in the month we were advised Agnes had been removed from preferred status and might be eligible for immigration in August—if then. My protest brought a reply from Ambassador Thompson in Vienna—

Since future parole operation uncertain, doubt whether refugee named can be scheduled for processing.

Now, Mr. President, there are 7,000 to 8,000 Agnes Rozsas in Austria who are desperate. That is the number of refugees reported by the New York Times April 6 as having relatives in America, but relatives too distant to qualify them for admission under the reduced refugee program.

Please do not allow Agnes Rozsa and others like her to be abandoned—

The Abrams have written me.

To us it would be a personal tragedy. To the United States it would be an even greater tragedy. Nothing could be a stronger deterrent to future uprisings against communism than American camps filled with abandoned, hopeless Agnes Rozsas.

Yet, what do we find the administration and the Congress doing? The answer is threefold:

We are letting our crash program to aid Hungarian refugees fizzle out.

We are permitting the good will created by our airlift to be dissipated in despair and distrust.

We are opening ourselves to the propaganda line that America has closed its doors to anti-Communists.

Mr. President, I assume Immigration Commissioner Swing speaks for the administration when he tells me, as he did in a letter 2 weeks ago, that the emergency has greatly decreased. As a result, he told me—and the same thing was told the press April 13—the refugee program will continue on a limited scale. Refugees will be selected on the basis of hardship—separation of spouses and minor children—and on the basis of special interest such as cases involving scientists, engineers, and the like.

The best estimate I have heard is that this limited scale program may bring in 3,000 more refugees.

We have been told, then, the program does not have room for Agnes Rozsa or any of the 7,000 or 8,000 other Agnes Rozsas still in Austria.

The emergency may be decreased, as Commissioner Swing says, but it is far from over. It will not be over until Agnes Rozsa and other Hungarians with relatives in America willing to take them are permitted to come here, and until the 40,000 remaining refugees in Austria and those in Yugoslavia are settled somewhere.

Or need I remind my colleagues of the news stories coming out of Austria early this month concerning mass hysteria and despair and the necessity for a "suicide watch" to be established over refugees after the cutback in the American refugee-assistance program was announced.

Little Austria, which before the Hungarian uprising absorbed some 245,000 refugees from Communist oppression into its own small population of 7 million, has indicated it will take at least 20,000 of the 40,000 remaining in that country. The United States, even though it has taken more than 31,000, still ranks only 16th among nations in admitting Hungarian refugees on a population-percentage basis.

Mr. President, Congress has been sitting on its hands. We have before us legislation to grant permanent status to the 25,000 so-called parolees among the more than 31,000 Hungarian refugees we have admitted. We have before us legislation to admit up to approximately 70,000 refugees from communism every year, regardless of national origin. We have other legislation before us to liberalize our immigation laws. As yet, neither the House nor the Senate has held hearings on this legislation.

The Congress is not alone to blame. The administration, in the words of a Washington Post and Times Herald editorial of April 18, "apparently has done little to press for this legislation, and it is inexcusably remiss in permitting loose and vague official talk about ending the parole admissions."

The same editorial concluded that "the President owes it to the country to set this disgraceful matter right at once with a clear statement of his intentions and a fresh call upon Congress for enactment of permanent legislation."

I fervently hope the President will exercise leadership in this matter, for indeed the refugee program has brought this administration to another brink, this time the brink of success. America has had a chance to demonstrate that it can respond to unreserved courage with unqualified generosity. The opportunity is slipping away from us, but it is not lost. If the administration cannot or will not provide the necessary leadership to carry the Hungarian refugee program through to its logical end, Congress can. We in Congress still have a chance to fulfill the promise our country held out as a haven to those who lost their homelands fighting for the ideas that keep us free.

It is well for us to remember that while there may be certain risks inherent in the admission of refugees, the contributions of those refugees who have come to America, particularly in the past 20 years, have added immeasurably to the security of this country.

And, at least as important, people who are willing to risk their lives for freedom in America certainly have demonstrated they have the ingredients that make for good American citizens.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. JACKSON. I yield to the distinguished junior Senator from New Jersey.

Mr. CASE of New Jersey. Mr. President, I wish to compliment the Senator from Washington for the fine statement he has just made, and to assure him, with many of our colleagues on both sides of the aisle, that this is not a partisan matter in any sense. We completely share his concern for the objectives.

First, I should like to ask several questions, if I may, to bring out points on which I think we are all agreed, but which ought to be emphasized. The first is, of course, that the Senator is aware that immigrants who have entered this country from Hungary, especially in recent months, have been of an extraordinarily high character, have been well trained in particular skills, have been well educated, and are above the average, indeed, as a result of which this country has greatly benefited from receiving the thirty-thousand-odd who have entered under the parole provisions of the immigration laws, as well as under the regular quota.

Mr. JACKSON. The Senator is correct. The screening process at Camp Kilmer revealed many outstanding and capable people who can contribute much to the welfare of our country, both at home and abroad.

Mr. CASE of New Jersey. I should like to make the particular point that I agree fully with the suggestion that we ought not stop here, but should continue to open our gates, certainly with respect to those Hungarians now in Austria who have relatives in this country. This is a matter not only of fairness to the individuals whose hopes have been aroused, but also a matter of the appearance this country gives, depending upon whether or not it fulfills its moral obligations and obligations to humanity in this regard. It is very important that we not stop now, before the job is done, because of the effect stopping would have upon other countries whose cooperation is necessary if the whole job is to be done and if the escapees and refugees in Austria now, as well as the great number who recently came into Yugoslavia, are to be taken care of by free countries. Our continued effort is necessary if the President's Committee for Hungarian Refugee Relief and the intergovernmental committee are to get the job done completely.

Mr. JACKSON. The Senator is quite correct. I think millions of Americans and people throughout the free world are much disturbed over the fact that apparently there was nothing we could do at the peak of the Hungarian revolt.

I should like to say to the Senate that it would seem to the junior Senator from Washington the admission of the refugees is the minimum we can do to encourage people behind the Iron Curtain to resist tyranny. If we do not make it possible for a minimum number of people to come to America should they fight their way to freedom, then there is virtually no hope that the people behind the Iron Curtain will muster the courage to resist Communist tyranny.

Mr. CASE of New Jersey. If the Senator will yield further, I agree fully with the comment he has just made, as I do with his entire statement. I should like to make one or two other points by way of questioning, in addition to the points we have discussed.

Of course, there is before the Congress and in committee a two-pronged proposal for revision both of the provisions of existing law with respect to refugees and also of the provisions of the basic act. I know the Senator shares my concern that we should act at this session on both of these great problems in regard to

refugees. Among other things, we should legalize the status of those thousands of people who are here now, whose ability to do the normal things citizens of this country can do for themselves and in aid of the country—such as service in the Armed Forces, defense work, and all the rest—is impaired. They should not be barred from that service by an uncertain status. We must take care of the present parolees, and we must provide for additional refugees, in a number which in its own judgment Congress can decide but which certainly should be sufficient to take care of similar emergencies that may arise in the future, to meet this country's obligation in this troubled time which may last for many years.

I am sure the Senator will agree there ought to be some provision not only for a proper and reasonable share of refugees from Communist tyranny, but also refugees from other tyranny in spots where it occurs throughout the world. Of course, we have in mind immediately the question of the unfortunate Jewish people in Egypt at this time.

Speaking for myself, and I am sure for many of my colleagues, I hope we will be able to act upon that matter at this time.

I should like to make one further point—and I know the Senator has indulged me for a long time—that most important of all, perhaps, is the fact that we must get this job done now. We must not leave it until the closing days and weeks of the session, as we did last year, when the result was that the meager action taken by the Senate in the closing days came to nothing, because it fell in the rush to get out and was not acted on by the House.

This and other matters in the President's program—or the program of all of us, in the field of progress in welfare and decency and humanity—we ought to get busy now, so that we will not be faced with a filibuster or a delay attendant with the rush always involved in the closing of a session.

Mr. JACKSON. I think it is very important legislation in relation to the cold war. I think it can be very effective in the cold war.

Mr. CASE of New Jersey. I wish to thank the Senator. I appreciate very much his indulgence.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JACKSON. I now yield to my distinguished colleague, the Senator from Illinois.

Mr. DOUGLAS. I, too, wish to congratulate the Senator from Washington for bringing the matter of the remaining Hungarian refugees before the Senate. As I understand, the Senator is stating that there are now 40,000 Hungarian refugees in Austria, and that Austria can probably absorb 20,000 of these refugees, although she has already taken in a total of 245,000 of all refugees. The Senator from Washington is proposing that we take half of the remaining 20,000 refugees, or approximately 10,000, instead of the 3,000 hardship and skilled cases. That would mean, therefore, that we would bring in an additional 7,000 who now would be barred, who have relatives—but distant relatives—in this country, for whom support would be provided. Is that correct?

Mr. JACKSON. The Senator is correct. It is estimated there are about 7,000 to 8,000 in that category.

Mr. DOUGLAS. It seems to me the proposal of the Senator from Washington is a very modest and very moderate one. I hope action can be taken on his proposal.

Does the Senator from Washington not feel that one reason why no bill has been reported from the Committee on the Judiciary is the long discussion on civil rights?

Mr. JACKSON. I think there is no doubt that action has been delayed as a result of the continued hearings and discussions on proposed civil-rights legislation.

Mr. DOUGLAS. Is it not true that if the Committee on the Judiciary will act quickly on civil rights legislation, then we can take action on the Hungarian refugee problem?

Mr. JACKSON. The Senator is correct. Of course, I hope that the House committee, as least, will take prompt action, so that we will have a bill to consider in the Senate.

Mr. DOUGLAS. Yes. But we can move on our side if the civil rights bill once gets out of the Committee on the Judiciary.

Mr. JACKSON. The Senator is correct. There is no reason why the Subcommittee on Immigration and Naturalization could not proceed to hold hearings.

Mr. DOUGLAS. Yes. Does the Senator from Washington not feel that if the Senate Committee on the Judiciary does not quickly report a bill regarding civil rights, a discharge petition should be submitted to the Senate, so that if action is not taken within a reasonable period of time, the Senate will be able to act on civil-rights legislation without waiting for the Committee on the Judiciary?

Mr. JACKSON. I think it is very important that the Senate act on, and vote on, civil-rights legislation at this session of Congress. Whatever steps are necessary to be taken should be taken.

Mr. DOUGLAS. The committee has had this matter before it for consideration for almost 4 months.

Mr. JACKSON. Since the beginning of the session.

Mr. DOUGLAS. That is correct. Does the Senator not feel that if action is not taken by the middle of next month, it would be appropriate to submit a discharge petition and ask to have the Senate discharge the committee?

Mr. JACKSON. I am not familiar with the discharge petition process in the Senate, though I am familiar with it in the House. I am in favor of whatever action is necessary. If that is the only way in which legislation can be obtained, then that action should be taken.

Mr. DOUGLAS. I thank the Senator.

Mr. JAVITS rose.

Mr. JACKSON. I now yield to my distinguished colleague from New York.

Mr. JAVITS. Mr. President, I, too, would like to join my colleagues in complimenting our colleague from Washington in this body, and a former colleague of mine in the House, for his fine statement on this critical subject.

We always speak of fervently hoping—as my colleague does, with his usual eloquence—that the President will exercise leadership in this field. Ought we not fervently to hope that the leadership of the Senate and House will exercise their prerogatives? The President has exercised leadership, and I think rather brave leadership, in allowing 31,000 refugees to be admitted into this country as parolees, under a section of the act which, it is charged, was never intended for that purpose. He has continued to allow them to come into this country.

Although Congress has been in session for 3 months, it has not lifted a finger to pass the legislation which it ought to pass, in the interest of winning the cold war.

So I hope very much that my colleague will accept the suggestion which I have made. I think we have a right to be exercised about the fact that the congressional leadership has done nothing, whereas Presidential leadership has done the only thing that has been done. We say, "More leadership, Mr. President." What about a little leadership on the floor of the Senate and the floor of the House?

Mr. JACKSON. I have made it clear that the Congress and the Executive should cooperate in furthering this program. I am not saying that only one department or branch of the Government should act. I think there is need for both branches to work hard to obtain action before adjournment.

Mr. JAVITS. I debated the issue with the chairman of the subcommittee having the subject in charge in the other body. Broad assertions were made to the effect that many Communists were discovered among the Hungarian refugees. I would appreciate the comment of my colleague upon that subject, because I understand that remarkably few were discovered, and that those who were discovered were immediately sent back. I am informed that the Immigration Service has put 100 men on the job, in order to thoroughly scrape the bottom of the barrel and do an adequate job of screening in this situation. I think we have had remarkably good performance and good fortune in relation to the admission of the 31,000 refugees already admitted.

Mr. JACKSON. I am not advised as to that particular phase of the problem. I do know that refugees from Hungary have made valuable contributions to the security of this country in the past 20 years. I should like to cite, as I did, not long ago in the Senate, the names of four men from Budapest.

The first is Dr. John von Neumann, a refugee from Budapest, who unfortunately passed away recently. He was the world's greatest mathematician, according to a distinguished American scientist. His contributions to the security of our country are so numerous that it would require a long time to enumerate them.

The next refugee is Dr. Edward Teller, the father of the hydrogen bomb, who, probably more than any other individual, made it possible to win that terrible race with the Soviet Union.

The next one I should like to mention is Dr. Theodore von Karman, the world's greatest living aeronautical engineer. He also came from Budapest.

The fourth is Dr. E. P. Wigner, one of the outstanding nuclear reactor specialists in the world today.

These men all came from Budapest, within a few blocks of one another. Suppose they had walked east instead of west.

Mr. JAVITS. It would have been a very sad day for our country.

Mr. JACKSON. The Senator is correct.

Let me make one further point. The story with respect to Hungary also applies to other countries from which refugees have come to America to contribute to the betterment and security both of our country and the free world. I did not intend to limit my observations to Hungary or to the contributions of Hungarians.

Mr. JAVITS. The Senator knows that the Senator from New Jersey [Mr. CASE], the senior Senator from New York [Mr. IVES], and I, as well as other Senators, feel that refugees from the dictatorship persecution in Egypt today also deserve the attention of the Congress and of the President of the United States.

Mr. JACKSON. I agree. My reference is to tyranny, whether it be red, black, or any other color.

Mr. JAVITS. Exactly.

The Senator from New Jersey [Mr. CASE] and I were discussing the subject a moment ago, and mention was made of the name of Tracy Voorhees, chairman of the President's Committee on Refugees. He has done a fine job in respect to the refugees who have come in.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. CASE of New Jersey. I wish to join my colleague from New York in commendation of the work of Tracy Voorhees. Mention of his name recalls to my mind the fact that in my office about a week ago he commented on the question which was raised by the Senator from New York, in regard to the number of Communists who had entered the country, or attempted to enter the country, under this program in the past 7 or 8 months. As I recall, the number which he gave me was five. There was a very careful screening. That is the answer to the charge that Communists are using this program as a means of infiltrating this country. Such a charge is perfectly ridiculous.

I thank my colleague from Washington for raising this most important question on the floor. Again I express the hope that we will get to work promptly. I assure our colleague from Illinois [Mr. DOUGLAS], who raised the question of the advisability of a possible motion to discharge the committee from further consideration of the proposed legislation that I, for one, would be very glad to join in such a motion.

Mr. JACKSON. I hope we can all unite in this effort, without regard to partisanship. We are talking about freedom for millions of people abroad. I know that my distinguished colleagues, the junior Senator from New Jersey and the junior Senator from New York, feel the same way.

Mr. JAVITS. Mr. President, will the Senator further yield?

Mr. JACKSON. I yield.

Mr. JAVITS. Let me add my assertion to that of the Senator from New Jersey. I, too, will join in any motion to discharge which may be necessary in order to get action at this session upon this legislation, and upon civil rights legislation.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. JACKSON. I yield.

Mr. WATKINS. I did not hear all the discussion about the so-called inactivity of the Judiciary Committee and the Immigration Subcommittee.

However, I point out that the Judiciary Committee of the Senate has been engaged in a civil rights contest for many weeks. If we insist upon having hearings on immigration legislation, that will displace the civil rights legislation.

Mr. JACKSON. The distinguished senior Senator from Illinois [Mr. DOUGLAS] made that point. It seems to the junior Senator from Washington that it might be possible for the Immigration Subcommittee to hold hearings.

Mr. WATKINS. That would involve at least two Members who are actively engaged in the civil rights controversy, and the effort to report a bill from that committee. The price of holding the hearings which have been suggested would probably be the sidetracking of civil rights legislation.

Mr. JACKSON. Of course, it is my hope that legislation affecting both civil rights and the refugee and immigration problem will be acted upon at this session of Congress, as requested by the President.

Mr. WATKINS. I am very much in favor of doing so. I am a cosponsor of both the proposed civil rights legislation and the immigration legislation.

Mr. JACKSON. I know how the distinguished Senator from Utah feels.

Mr. WATKINS. But I doubt whether any move at the moment to discharge the committee would succeed. I think the situation is such that it must be allowed to run its course a little longer before we can obtain action.

THE ADMINISTRATION OF OUR GOVERNMENT

Mr. SALTONSTALL. Mr. President, we are proud of our freedom of speech and of the press. Criticism is right and good. Criticism of the actions of Government is normal and is expected in free nations. At the same time, it is imperative that we be realistic.

Lately, there has been considerable criticism of the administration of our Government. If our Government takes action which may be new, imaginative and creative, there are always some who may not approve. Seldom do we as a people agree on anything 100 percent. If we did, it would not be the free country that we love.

Whenever there is honest disagreement and free discussion, it is wise to take stock of the problems we face. As I see it, there are three broad issues before us today in the Government.

The first relates to the conduct of our internal affairs and the extent to which we believe our Government should participate in providing services to our people.

Second, the maintenance of our military forces for our protection and security.

Third, we must decide what steps we should take to preserve peace in the world and offer greater security for ourselves and other freedom-loving people. Never before in our history has so much depended so vitally on what we in the United States decide to do.

In the face of such responsibilities primarily to our own people and to free people everywhere, we must be vigorous and affirmative. Unless we are willing to take steps forward along paths that we believe will lead to a more peaceful world, we may lose the confidence of our allies and friends. We may lose our own security and ultimately our way of life—that way of life which has advanced us to our present position of strength and leadership. Above all, we must be realistic.

As for the conduct of internal affairs, we must realize we are in a period of rapid growth. Our population has increased by 11 million in the last 4 years. Our economic growth has been phenomenal. The advancement of science has revolutionized our lives in many ways. Correspondingly, the responsibilities of our National Government have grown in directions unknown even when many of us here today were schoolboys. Their rapid growth has created many problems. We can differ as to how government can wisely handle these problems. We can change our minds. We can make mistakes and profit by those mistakes. In our generation, for instance, we have changed our Constitution twice in order to amend our laws with relation to prohibition. We have put on and taken off controls of our economy. We shall continue to seek new decisions for changing problems.

Our job here at home is to give our people the services we believe their Federal Government should provide.

To carry out these programs requires the decision to live within our means. We in Congress must determine what we want to do—what we are willing to go without—what we are willing to slow down or postpone. For instance, the Bureau of the Budget informs me there are 13 new authorizations for which appropriations have never been granted. Just those which have a specific termination date will require approximately $2.3 billion to carry to completion. We should examine which of these programs need be started in fiscal year 1958. That is the duty of Congress.

There will be $25.4 billion unobligated on July 1, 1957—see table 7, page A13, Budget Document, 1958. Certainly we can examine the possibility of withdrawing or cutting down the authorizations that require this money to become obligated. If we do, that portion which we repeal or reduce will help eliminate new appropriations by that amount. This again becomes the duty of Congress.

The President in his letter to Speaker RAYBURN dated April 18 pointed out how the budget can be reduced by $1.8 billion. Perhaps there can be more realistic cuts than even those the President suggests. And, I mean by realistic cuts, cuts that do not have to be put back in supplementary budgets to fulfill what are really contractual obligations.

These are some of the important issues we face in the management of our internal affairs.

Our concern for military and world affairs requires perhaps more of us as a people—bigger and more difficult decisions. We live in a world of tension; failure to recognize times as they are helps no one. We must be strong in a military way—to give confidence that if we are attacked, or any nation with whom we have an agreement is attacked, that we have the ability to retaliate swiftly and devastatingly.

In order to be strong militarily, we must continue to advance our knowledge of the intricate weapons of modern warfare. Despite assurances that there are no serious adverse affects from testing nuclear weapons, there has been much criticism recently of our continuing these tests. But, as one who has followed them and who has witnessed one of them, I cannot se how we can develop these new weapons without testing them—nor do we know how to defend against them unless we have fully studied their effects. I cannot see how we can give up these tests without foolproof safeguards that we do not now have.

Our decisions as to our military establishment are of a vital importance, not alone to us, but to the peoples of other free nations. Whatever we do in building up our defenses, we take a calculated risk, based on the best considered judgment available. No defense is ever a perfect defense. Under our system, the military leaders give advice as to what they need. The ultimate responsibility of recommending to the Congress what the military needs is that of the President. The responsibility of providing for those needs is that of the Congress. So, for instance, upon the recommendation of the President, we must decide whether there is sufficient money for research to get the best weapons. We must decide upon the number of modern airplanes we must build. We must decide upon the need of a new aircraft carrier. We must determine whether there are sufficient aircraft and vessels to keep our Army and Marine Corps mobile.

We must make these military decisions realistically. In the field of defense, much of the peace of the world depends on what we do. Unless we remain strong militarily—unless we advance constantly in new scientific weapons for defense and for retaliatory attack—we here at home in the United States are in danger of losing our security and way of life. Our friends may lose their confidence in our leadership.

To be the leader of the free nations of the world, we must not only be economically sound and militarily strong, but also courageous enough to put forward ideas and programs that we hope may lead to a greater opportunity for peace in the world and to relieve existing tensions in various sections of the world. We must continue to be affirmative and positive in the conduct of foreign affairs.

I have, since I saw the inevitability in 1940 of our being drawn into World War II, felt that the ever-increasing smallness of our world requires a greater understanding and effort on our part in events and problems that arise without our borders.

Since World War II ended, we have:

First. Helped organize the Organization of American States.

Second. Helped to organize the United Nations as an instrument to keep the peace.

Third. Built up NATO within the Charter of the United Nations, to assist in maintaining our own security and that of our allies in Europe.

Fourth. Initiated the Marshall plan to help our friends in Europe regain their economic stability.

Fifth. Adopted the Truman doctrine in the Aegean Sea.

Sixth. Assumed the leadership and carried the heavy burden of the United Nations effort in the Korean war.

Seventh. Agreed to use our forces in the Straits of Formosa and clearly stated and continue to state that we will not join in letting the Chinese Communists "shoot their way" into the United Nations.

Eighth. Stimulated SEATO, a Far Eastern organization very similar to NATO in the West.

Ninth. Given point 4 grants and loans and later mutual-security aid to nations of the world who have intense nationalistic feelings and want to improve their way of life.

Tenth. Recognized Israel as a nation and clearly demonstrated our determination that she be preserved as such.

Eleventh. More recently adopted the Eisenhower Mideast policy—an experiment that is just now getting underway.

Twelfth. Maintained a strong military potential to protect the free world from the threats of communism.

These are among the most important, of the many positive efforts that we have undertaken to do our part in restoring a more peaceful world, in defending against an idology which has clearly demonstrated its desire to stamp out our free way of life. As we examine these programs in retrospect, one thing is clear; we have tried in both the Truman and Eisenhower administrations to secure a more peaceful world—and we have taken positive, affirmative action to do it.

In some of these programs, we have wasted our money and our effort. In many we have succeeded. Whether we have attempted too much too quickly, too little too late, can always be argued.

In everything we do, we have come to realize only too clearly that Soviet Russia is opposing all our efforts. While our country, and the other free nations of the world, play by the rules and respect our obligations, the Soviet is not so restricted. This necessarily places us at a short-term disadvantage, but I have every confidence that in the long run the course which we follow will succeed.

Similarly, the Soviet is not restrained, as we are, by democratic processes. It is never necessary for the Russian leaders to go to the Russian people for approval of their actions. The Soviet, therefore, has greater flexibility. They can improvise. They can and do resort to expediency. Under our system, however, we have the glorious advantage of democracy, and I am equally confident that the democratic way will ultimately prevail.

To find out what is a sound course of action to follow in the conduct of foreign affairs often requires experiment. The United Nations was an experiment. We helped to organize the United Nations and we made the decision to stick by it, and to abide by principle, keeping our word to the rest of the world. In so doing, we have had to make some very difficult decisions. We have had to decide against supporting England, France, and Israel in their attack on Egypt, which we believed was a violation of the fundamental principles of the United Nations. We put principle above political expediency. This same problem we faced again during the crisis in Hungary.

Whether we could have done more in Hungary in the time of its crisis than we did will always remain a question. But our Government believed that the principle of living up to our word and keeping our agreements was a sounder course to follow, even though our best emotions called out for us to take immediate action. The Soviets did not abide by these principles.

Recently we have tried out a new policy in the Middle East. Now we are discussing the experiment of loaning money to a satellite of Soviet Russia—Poland. These steps which as I see it are experiments, may turn out to be of utmost value to our security in the long run. It is a question of judgment, of policy, and it is better to do something than to do nothing if there is a possibility that positive steps will turn out favorably.

All these problems involve decisions that must be made by the administration of our Government. These are all decisions that we are free to criticize or to praise. But they are the type of decision nonetheless that must be made by the administration today when it assumes its leadership of free-world affairs.

Certainly it is better in defense and in diplomacy to be willing to make decisions and to act on those decisions than do nothing. It is only from these new ideas and new steps that we can hope to find the solutions to world problems which will ultimately offer us lasting peace and security.

When we are critical, we are exercising the inherent privileges of citizenship and legislative prerogatives. But it is much easier to criticize actions after the fact than it is to supply reason and judgment upon which decisions involving great calculated risks must be made. In exercising our prerogatives we want to make sure that we are not preventing our Government from going forward in its attempt to solve these difficult problems. We want to maintain our own confidence in our ability to act successfully. If we

do, the rest of the free world will maintain its confidence in us.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield for a question.

Mr. SMITH of New Jersey. I commend the distinguished Senator from Massachusetts for his very able presentation of the issue before the Senate, and I wish to ask him a question. I appreciated his wonderful analysis of the steps being taken by our Government for the Nation's security and the things which we must do to insure our safety.

The Senator from Massachusetts and I are members of a combination of committees which is studying the future foreign-aid program of the United States. I ask the Senator whether he does not think the United States has a real part to play in satisfying the yearnings these days of the peoples of the Far East and the Middle East for a program of independence and self-determination, and whether our reasonable support of those efforts, by loans or otherwise, is not a desirable step toward helping those peoples to attain their aspirations, not by war, but by economic help, in order that they may be a part of the peaceful world, and not be pulled in behind the Iron Curtain of Soviet Russia.

Mr. SALTONSTALL. I thank the Senator from New Jersey for his comment. I agree with him. He has referred to one of the experiments to which I was alluding in my speech. In some cases it may be wise to go forward; in other cases it may be better to do nothing; in still other cases it may be wise to lend money rather than to grant aid or to send military assistance.

In other words, we must do whatever is necessary to stimulate confidence that we mean what we say, in order that we may be a leader in the effort to make the world more free and to make the nationalistic aims of the freedom-loving peoples more possible of achievement.

Mr. SMITH of New Jersey. I thank the Senator from Massachusetts for his answer, because I think the Senator agrees with me that the United States ought to indicate a sympathetic interest in having other peoples become free from outside controls and free from the slavery imposed by totalitarian Russia, so that they may become a part of the family of nations to preserve peace.

Mr. SALTONSTALL. There is no question about it; the world has grown so small that our own security may depend on such efforts.

PUBLIC WORKS PROJECTS

Mr. WATKINS. Mr. President, during the floor debate on the omnibus flood control and rivers and harbors bill, some criticism which I believe was unjustified was directed at me and others. At that time, the Senate was operating under a rule limiting debate, and I did not have time available in which to reply, so I wish to take this opportunity to set the record straight.

In the first place, such statements of criticism implied that I was opposed to the flood control and navigation programs. Such an implication is not warranted, especially in view of my record and the recent observations I had made on the floor that afternoon and evening. What I said then was that, as a member of the Senate Public Works Committee, I have long supported all forms of water resource development. I favor and have long supported sound flood control and navigation projects and other programs for water resource development. I made that statement then, and I repeat it today, so that my position will not be unjustly interpreted.

All I ask—and I insist that it is in the best interests of the flood control and navigation programs—is that these two programs should have a higher percentage of cost sharing by the beneficiaries. The people and private business firms that benefit directly from these programs should be required to help pay the costs, both for construction and operation and maintenance. This is not an unreasonable position. It has, in fact, been recommended for many years by the construction agency itself, the Army Corps of Engineers, and it has also been recommended by the major commissions created to study this area of government, including the second Hoover Commission.

I fully agree with one statement made that flood control is a "subject for which Federal expenditures can be fully justified." In fact I think no one in this body would quarrel with that as a general statement. The difference of opinion appears to be how much, if any, of the expense for such activities should be borne by the people and the local and State governments in the area directly benefited. In my amendment to the omnibus flood control bill, I proposed that the Federal Government stand only 50 percent of the costs of flood control and navigation. This itself would commit the Federal Government to expenditures of many billions of dollars over the coming years.

I also came under criticism for a statement that no estimates whatever were provided as to the total cost of the program authorized by the 1957 omnibus flood control and rivers and harbors bill.

This, I assert, is a completely accurate statement and I defy anyone to give me a concrete estimate of the total amount of Federal spending authorized in Senate bill 497.

Of course, I am aware that there was a total figure offered in the report of roughly one billion and a half in new construction authorized.

But, as I explained, there was no estimate whatever provided of the annual operation and maintenance costs that would be assumed by the Federal Government if these projects were built. I made a rough estimate, based on the costs of the past two decades, that such costs in 50 years would equal the construction expense. Hence, I suggested that an authorization of at least $3 billion would be what Congress was approving.

This estimate actually fell several billion dollars short of describing the amount of new construction and project modifications actually authorized in that bill. It would have been more accurate to describe it as a $5 billion authorization, or even a $10 billion authorization. One may take his choice, and the sky is literally the limit. The American Farm Bureau Federation has recently made an analysis of this bill; and I ask unanimous consent to have printed at this point in the RECORD, President Charles B. Shuman's letter of April 23 on the bill.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN FARM BUREAU FEDERATION,
Washington, D. C., April 23, 1957.

Hon. CHARLES A. BUCKLEY,
Chairman, House Public Works Committee, House Office Building, Washington, D. C.

DEAR CONGRESSMAN BUCKLEY: On behalf of the American Farm Bureau Federation, we would like to express our views with regard to S. 497 which authorizes rivers and harbors and flood-control projects for construction, operation, and maintenance by the Corps of Engineers. As a representative of about 1,600,000 farm families we have a major interest in such projects.

1. Presently authorized but unconstructed or partially constructed projects of the Corps of Engineers provide a backlog of work representing very substantial costs which will require many years to complete.

According to the Bureau of the Budget, authorizations totaling approximately $9 billion have been approved for Corps of Engineers projects for which money has not yet been provided.

House Committee Print No. 21, 82d Congress, 2d session, dated December 5, 1952 entitled "The Civil Functions Program of the Corps of Engineers, United States Army," reports that the total construction costs of the 182 projects under construction in 1951 increased 124 percent, or approximately 2¼ times over the original estimated cost when the projects were authorized by Congress. The total backlog of projects to be constructed by the Corps of Engineers at that time was estimated to have a final construction cost of approximately 100 percent above the estimated cost at the time of authorization.

A wide variation between the estimated project construction costs at the time of seeking congressional authorization and the final construction cost appears to be a common method of operation in the Corps of Engineers. It was not only true a few years ago but it is also true today. The costs of the St. Lawrence Seaway serve as a good example of current underestimation of project construction costs. The estimated total United States cost for the seaway has jumped from $67 million (after adjustment for Canadian construction of Point Rockway) to $133 million since 1956. Likewise, the project's annual cost is now estimated to be approximately twice the estimated cost in 1953.

Thus, it can readily be seen that a rough approximation of the total cost of completing the presently approved $9 billion of project authorizations may well be about $20 billion.

From the report of the Chief of Engineers for 1951, and the Hoover Commission report, indications are that the operation and maintenance cost of Corps of Engineers projects over a 50-year period may be about equal to the original construction cost. Thus, the presently authorized project of the Corps of Engineers will be a future commitment of the United States Government in the neighborhood of $40 billion.

2. The proposed additional project authorizations would add substantially to the backlog of unconstructed projects.

S. 497 would authorize approximately 180 additional projects at an estimated cost of approximately $1,540,000,000.

If we assume that the Corps of Engineers estimates are understated in the present instance as in the past, the total construction cost will run about $3.4 billion. The cost of operation and maintenance of these projects over a 50-year period will be another $3.4 billion. Thus, the approval of S. 497 would add to the already imposing future commitments of the United States Government, for Corps of Engineers projects, approximately an additional $7 billion. This would make a total commitment for which future appropriations would be necessary of approximately $47 billion.

3. The 180 new project proposals have not been given adequate study.

We suggest that it is not feasible for any committee of the Congress to give adequate consideration to each project in an omnibus bill containing as many individual projects as are proposed in S. 497.

It is also suggested that the experience with respect to cost and cost-benefit estimates of the Corps of Engineers does not give sufficient assurance that the projects recommended by the Corps of Engineers have been given adequate study.

In the present instance we understood that a substantial number of the projects included in S. 497 have not been given approval by either the Corps of Engineers or the Bureau of the Budget.

We are of the opinion each such project should be considered individually by the committee and by the Congress on its merits rather than to throw them all together in an omnibus bill.

4. Large backlogs of project authorizations involve risk of change in economic and other factors that may make such projects obsolete.

Between the time a project is authorized and the time money is provided to start construction a great number of economic and physical developments may occur which completely change the nature of the problem.

One example of this is that a number of upstream watershed projects may have been instituted under the watershed protection and flood prevention program which substantially affects the scope and character of downstream flood control and navigation needs. At the present time hundreds of such projects are under study by local groups all over the United States.

5. Large backlogs of project authorizations and partially completed projects are major factors in loss of administrative and congressional control of the budget.

When numerous projects have been authorized, and particularly when construction has been started, pressure for funds from local interests are generated which makes it extremely difficult to give objective consideration to budget estimates.

This is often a contributing factor to excess construction costs. Each project has an optimum rate and sequence of construction progress which, if followed, would reduce construction cost to the minimum.

However, when the Corps of Engineers start too many projects and a conflict between the need for economy in budget expenditures, and the carrying forward of such projects develops, this must either be resolved by giving the Corps of Engineers all the money they want or by reducing the rate of construction of many projects to levels that result in wasteful expenditures.

6. Large backlogs of project authorizations are a deterrent to the assumption of local and State responsibilities in water resource development.

In numerous instances, the possibility that local interests might undertake a needed improvement is eliminated by the fact that Federal authorization for such a project has been approved, often many years ago. Thus, the project may not be carried forward by local or State interest because the Federal authorization is preemptive and prevents local action. This becomes particularly acute when action is needed but the competing demands for Federal funds prevent the allocation of Federal funds for such projects for long periods of time.

7. S. 497 involves extraordinary congressional delegations of authority to the Corps of Engineers.

Paragraph (a) of section 205 provides:

"In prosecuting plans and projects for navigation, flood control, and allied purposes heretofore or hereafter authorized storage may be included in any reservoir project to be constructed by the Corps of Engineers without reimbursement to increase low flows downstream to the extent warranted at that time, or anticipated to be warranted during the economic life of the project, by widespread, general, and nonexclusive benefits from such increases in low flow. Storage may likewise be included for the same purpose and under the same conditions in any reservoir constructed by the Secretary of Interior for irrigation, hydroelectric power, municipal and industrial water supply, and allied purposes, under the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388), and acts amendatory thereof and supplementary thereto): *Provided*, That such storage be constructed and used in compliance with applicable State laws and interstate compacts: *Provided further*, That nothing herein shall be construed to amend, modify, or limit the applicability of section 8 of the Reclamation Act of 1902."

This language gives the Corps of Engineers, as well as the Bureau of Reclamation, new authority of wide latitude. It allows both agencies to provide additional storage in all projects "heretofore or hereafter authorized" at direct taxpayer's cost for the purpose of increasing low flows downstream. This additional storage may be added to the extent warranted at the time or anticipated during the life of the project. Such blanket authorization to provide additional storage in all Federal water storage projects could and undoubtedly would cost billions of dollars with the only limitation being the amount of money the Congress would appropriate for construction. This would also give the Federal agencies an opportunity to proceed with such construction without coordination and cooperation with local and State agencies. We do not mean to say that such storage may not be desirable under certain conditions. However, we believe such blanket authorizations are undesirable; and that it would be preferable if Congress were to consider each such proposal for water storage on an individual project basis.

For these reasons we believe that S. 497 should not be enacted into law. We suggest in lieu thereof that the committee select a few (and because of the present backlog of authorizations it needs to be only a few) of the most pressing projects, set them up as individual bills and give consideration to them as individual projects on their merits.

We further submit that this situation emphasizes the need for an impartial review by an independent national board of the economic and engineering features of each water resource development project as a guide to action by Congress. This proposal involves the divorce of the recommending function from the operating function. We submit that it is not feasible to expect any operating agency to make the kind of impartial analysis of projects that should be provided the Congress as a basis for their decisions.

Very sincerely yours,

CHARLES B. SHUMAN, *President*.

Mr. WATKINS. Mr. President, to support my statement, I wish to review what we authorized in Section 205 of that bill. This is what we authorized in subsection (a):

In prosecuting plans and projects for navigation, flood control, and allied purposes heretofore or hereafter authorized, storage may be included in any reservoir project to be constructed by the Corps of Engineers without reimbursement to increase low flows downstream to the extent warranted at that time, or anticipated to be warranted at that time, or anticipated to be warranted during the economic life of the project, by widespread, general, and nonexclusive benefits from such increases in low flow. Storage may likewise be included for the same purpose and under the same conditions in any reservoir constructed by the Secretary of the Interior for irrigation, hydroelectric power, municipal and industrial water supply, and allied purposes, et cetera.

In other words, we authorized nonreimbursable storage in any flood control, navigation, and reclamation project heretofore or hereafter authorized for increasing low flows downstream. This means, I believe, an authorization of storage construction at Federal expense for the purpose of maintaining a minimum flow of any stream during summer and fall months or during periods of drought. Furthermore, this storage requirement may not only be based upon current needs, but also may be extended to the extent anticipated to be warranted and during the economic life of the project—which may be for all time.

A second major change in our water-resource-development policies was authorized in subsection (b) of this section 205. This subsection provides that storage may be included in "any reservoir project surveyed, planned, constructed or to be planned, surveyed and/or constructed by the Corps of Engineers or the Bureau of Reclamation to impound water for present or anticipated future demand or need for municipal or industrial water."

This is another broad authorization, affecting every project on the planning boards or in the project backlog for flood control, navigation, and reclamation. Inasmuch as it covers "present or anticipated future demand for municipal or industrial water," it is an authorization of tremendous size.

This authorization, however, is not specified as a nonreimbursable grant, as was the low-flow authorization just discussed. It very appropriately requires reimbursement, with interest, whenever the benefiting interests take delivery on the water. Such a requirement applies today to water storage constructed for municipal and industrial uses under the reclamation program, except that participants under the latter program must contract for the water in advance of construction. Some very tight contracts are written by the Government for that purpose, Mr. President, I can assure you from my personal legal experience.

One possible consequence of this authorization is that it will kill State and local initiative in water development, recognized as a primary need in the policy statement at the beginning of the section. If the Federal Government voluntarily builds future storage for municipal and industrial purposes in every

water-storage project it undertakes, the local and State governments will let Uncle Sam take over their water-procurement problems, and will enter into contracts for water delivery only when and if the need becomes urgent. Furthermore, it is likely that beneficiaries of such unsolicited storage may try to get the water without reimbursement when the need arises.

The section sets up no criteria or standards for reimbursement for these built-in storage contributions. The contracts will return "equitable reimbursement" as determined by the Secretary of the Army or the Secretary of the Interior. This broad delegation makes it even more difficult to estimate the future potential costs of this authorization. And if "incremental costs" only are assessed, we can be assured that many municipalities and industries are destined to get future water supplies at bargain rates.

These were the matters to which I was alluding when I made the statement previously referred to. However, I find that that statement was interpreted to mean that I was referring to cost increases which may be necessitated by price spirals for materials and labor associated with the construction industry. As a matter of fact, there was introduced into the debate a clipping to show that contract costs had exceeded estimates on one of the units of the Colorado River storage project, a water-supply project for a four-State, semidesert region. The clipping disclosed that costs for the bridge over the Colorado River below the Glen Canyon dam site had been roughly $1 million above the engineers' estimate. Inasmuch as it was announced that the clipping was being submitted to show that we did not know where we were going with respect to costs for the Colorado River storage project, I believe it only fair that I introduce into the RECORD at this point news releases and editorial comment regarding the bids on the first major contract for the Glen Canyon project. I now request unanimous consent that this material be printed at this point in the RECORD.

The PRESIDING OFFICER (Mr. JAVITS in the chair). Is there objection?

There being no objection, the release, article, and editorials were ordered to be printed in the RECORD, as follows:

[News release by the Department of the Interior, April 29, 1957]

CONTRACT AWARD AUTHORIZED FOR CONSTRUCTION OF GLEN CANYON DAM

Award of contract to the Merritt-Chapman & Scott Corp., of New York, for the construction of Glen Canyon Dam on the Colorado River in Arizona, has been authorized on a bid of $107,955,522, Assistant Secretary of the Interior Fred G. Aandahl announced today.

Commissioner of Reclamation W. A. Dexheimer said the contract, which is the largest single contract of record for construction of a dam, permits approximately 7 years for construction. Actual award of contract for the structure will be made by Assistant Commissioner and Chief Engineer L. N. McClellan at the reclamation engineering center at Denver.

Simultaneously, Secretary Aandahl advised agencies from the lower Colorado River Basin States of Arizona, California, and Nevada that gates will be installed in the left diversion tunnel which will be able to pass annually the entire flow of the river even in a high runoff year. The agencies had expressed concern that the closure plan as outlined in the specifications might be detrimental to downstream interests.

"In order that it may be entirely clear to downstream interests that a closure procedure which would prejudge actual flow conditions prior to and during the closure process has not been adopted," Secretary Aandahl said. "The Bureau of Reclamation proposes to modify the gate installations in the left tunnel plug, increasing the capacity to accommodate flow conditions greater than those normally to be expected. * * *

"The Bureau will provide for installation by the contractor of larger gates so that during the whole of the construction period the tunnel gates and the other outlet facilities available will be capable in any year of passing all of the runoff even though years of great runoff like 1907, 1909, or 1917 were to be experienced.

"Those 3 years have produced the maximum runoff at Lees Ferry during the past 60 years. The Bureau will also maintain full control over and direction of the closure process. Thereafter, the outlet facilities, including turbines, will be capable of passing the total inflow in any year."

Waters of the Colorado River are allocated between the upper and lower basin States by compact, and Glen Canyon Dam and Reservoir were authorized as a part of the Colorado River storage project. The upper basin includes Utah, Colorado, Wyoming and New Mexico. The dam is located 16 miles above the dividing point between the upper and lower basins, at Lees Ferry, and is designed as the principal control structure for the upper basin.

Glen Canyon Dam will rise 700 feet from bedrock, second only to the 726-foot Hoover Dam in height among dams in the Western Hemisphere. It will exceed Hoover's 3¼ million cubic yard volume of concrete with a total of 4,770,000 cubic yards, exceeded only by Grand Coulee Dam on the Columbia River in Washington and Shasta Dam on the Sacramento River in California.

It will be a concrete arch dam and will have eight 112,500 kilowatt capacity generators in a powerhouse at the toe of the structure. Total capacity will be 900,000 kilowatts.

The dam will create a reservoir of 28 million acre-feet capacity in a lake stretching 186 miles upstream on the Colorado River into central Utah and 71 miles up the San Juan River.

The total contract price of $107,955,522 is nearly one-eighth of the total amount authorized for construction of the Colorado River storage project. It is also $27.6 million below the engineer's estimate of the cost of construction.

The Colorado River storage project also includes the Flaming Gorge Dam and Reservoir on the Green River, the Navaho Dam on the San Juan, and the Curecanti Unit on the Gunnison River. The four authorized storage units will have about 32,000,000 acre-feet of reservoir capacity and about 1,100,000 kilowatts of installed generating capacity. Revenue from the power output will repay the entire power cost with interest and also assist in the repayment of the cost of irrigation phases of the project.

Irrigation of 360,000 acres of land is contemplated in eleven participating projects.

[From the Deseret News and Salt Lake Telegram of April 11, 1957]

NEW YORK FIRM LOW BIDDER ON GLEN CANYON DAM—FIGURE CUTS ESTIMATE BY $27 MILLION

(By Nelson B. Wadsworth)

KANAB.—A New York construction company, Merritt-Chapman & Scott Corp., Thursday submitted an apparent low bid of $107,955,122 for construction of Glen Canyon Dam and power facilities.

The dam is the most important and largest single project in the entire Colorado River development program.

Merritt-Chapman & Scott's bid was $107,955,122, $27,653,048 less than the United States Bureau of Reclamation engineering estimate of $135,608,170. It was also $10,381,354 less than the $118,336,476 bid of the next lowest bidder, Glen Canyon Construction Co., an association of 10 firms headed by Guy F. Atkinson, San Francisco.

OTHER BIDS

Two other companies submitted bids for construction of the dam, which represents the most expensive single reclamation project in American history.

Morrison-Knudson Corp., Boise, Idaho, in combination with eight other firms, with a bid of $120,178,853, was third low bidder. The bid of a fourth firm, T. Rosso, Prescott, Ariz., was incomplete and not accepted by the Bureau.

The bids were opened by L. F. Wylie, USBR construction engineer, at 10 a. m. in the new gymnasium of Kanab High School. More than 600 contractors, engineers, building materials representatives, and interested citizens crowded into the structure for the historic opening.

WYLIE ELATED

Mr. Wylie said he was elated at the outcome of the bidding.

"We had hoped we would get a good low bid but we had no idea we would get one this good and this low," he said.

William Denny, executive vice president in charge of construction for Merritt-Chapman & Scott, said his company would be "ready to kick off as soon as we get the O. K. from the Bureau of Reclamation."

Bureau officials said they hope to award the contract by May 1. Full-scale construction could get under way by the middle of May, they said.

MAJOR ITEMS

Major items of work included in the prime contract include drilling of the left diversion tunnel, lining both left and right diversion tunnels, building two cofferdams to divert river water during construction, construction of the 700-foot dam itself, powerhouse and other related structures.

More than $8,759,680 in contracts have already been let on the Glen Canyon project, which when finished will have cost an estimated $421 million. These include the right diversion tunnel, a steel arch bridge and access roads.

The New York company will have 2,500 days, nearly 7 years to complete the massive dam which will be 1,500 feet wide.

"However, I think we'll beat that date," Wylie said, indicating that the job may be finished well under the 7 years. He said at least one of the eight generators that will eventually produce 900,000 kilowatts of power may be in operation by the middle of 1962 "if everything goes well."

LARGEST IN HISTORY

The contract for the dam was the largest single construction contract in the history of the Bureau of Reclamation. Largest previous contracts were the recently awarded contract for Trinity Dam in northern California, $48,928,100, and the prime contract for Hoover Dam at $48,890,995.

More building materials will go into construction of the dam than were used by the ancient Egyptians to build the Great Pyramid. Some 5,200,000 cubic yards of concrete and 35,340 tons of steel will be used to build the dam and allied structures—also more than was used in Hoover Dam.

COST EXCEEDS ALL

The project's total cost will exceed that of Grand Coulee Dam, Hoover Dam, Shasta Dam, and all others in the United States. Preliminary work on the dam began last October.

Currently the Mountain State Construction Co. of Denver in combination with Northwood Inc., Portland, Oreg., and Theo Woods Construction Co., Salt Lake City, have bored 450 feet into solid rock on the first leg of the 2,740-foot right diversion tunnel. This project will be completed in December.

Judson Pacific-Murphy Kiewit Construction Co., Emeryville, Calif., is also working on abutments for the steel arch bridge that will span the vast gorge downstream from the dam.

The Glen Canyon Dam will exceed by more than one-half the cost of other projects included in the entire Colorado River program.

Others in the program are Flaming Gorge Dam and powerplant on the Green River in northeastern Utah, Navaho Dam on the San Juan River in northwestern New Mexico, Curecanti Dam on the Gunnison River in west central Colorado, and 11 participating irrigation projects in Utah, Wyoming, Colorado, and New Mexico.

Glen Canyon Dam will form the second largest manmade reservoir in the United States and the third largest in the world. Its reservoir will be second in size only to Lake Mead above Hoover Dam in this country. The world's largest reservoir is in India, the Waingana, with 33,300,000 acre-feet.

When the Glen Canyon Dam is filled, it will contain enough water to cover the entire State of Connecticut with 10 feet of water.

[From the Deseret News and Salt Lake Telegram of April 12, 1957]

A GOOD, LOW DAM BID

The opening of bids Thursday for construction of the Glen Canyon Dam and power facilities indicated that a New York firm's desire to go west could become a tremendously important impetus behind fulfillment of the upper Colorado River project.

The apparent low bid was submitted by Merritt-Chapman & Scott Corp. of New York. Its bid was $107,955,122. This is $27,633,048 less than the United States Bureau of Reclamation engineering estimates and $10 million less than the next highest. The bid should remove any stumbling block to obtaining the appropriations from Congress.

L. F. Wylie, Bureau engineer, summed up our feelings when he said after opening the bids: "We had hoped to get a good low bid, but we had no idea we would get one this good and this low."

Opponents of the project had been trying to force a delay by claiming the Bureau's engineering estimates were not realistic and that bids would be much higher.

Had that been true, opponents would have had some heavy ammunition to fire today. A long and costly delay might have been the result.

It is no wonder that the low bid surprised backers as well as opponents of the project. More building materials will go into construction of the dam than were used by the ancient Egyptians in building the Great Pyramid. Building costs have risen tremendously, and this added fuel to speculation that Government estimates would prove to be disastrously low.

Merritt-Chapman & Scott was apparently motivated by a desire to move west and take an active part in reclamation work here. It built the Folsom Dam across the American River in central California and is now engaged in building the Priest River Dam and power station in Washington.

A spokesman for the firm in New York said they were able to offer a bid well below estimates because they would use their own facilities to build the dam and not incorporate activities with any other company. This, he said, "stands for more efficiency and hence less cost."

Bureau officials say they hope to let the contract by May 1. This will be another blow against the project's foes. Earlier this week, Reclamation Commissioner Wilbur A. Dexheimer said there would be no delay in awarding contracts for the dam despite efforts of Arizona water officials who sought a 60-day delay for a revision of specifications.

If all goes well now, power might be generated from the dam by 1962, substantially earlier than expected. This is, indeed, good news for the upper basin States.

[From the Salt Lake Tribune of April 13, 1957]

GLEN CANYON BIDS SHOULD SILENCE CRITICS

Opening of bids on Glen Canyon Dam effectively answers those critics of the upper Colorado River project who have maintained that Bureau of Reclamation figures were unrealistic and that construction costs would run far higher than estimates.

The low bid on the dam, key unit in the Colorado project, was $107,955,122. This is more than 20 percent under the Bureau's estimate of $135,600,170. And the other two complete bids were also substantially below the estimate.

The low bid, submitted by Merritt-Chapman & Scott Corp. of New York, still has to be accepted and the contract let. But this can be done within 30 days, possibly by May 1, with actual construction starting a month later.

Thus a dream of years moves closer to fulfillment.

The upper Colorado States have worked long and earnestly to bring this about. Governor George D. Clyde, as director of the Utah Water and Power Board, played an important role. So, too, did Senators, Representatives and elected officials representing both major political parties, private citizens and such groups as the Aqualantes. And the Bureau of Reclamation and the administration in Washington gave most effective support. Very fittingly, the ceremony of opening the bids at the little community of Kanab in southern Utah Thursday came exactly 1 year to the day after the upper Colorado bill was signed by President Eisenhower.

Choice of the date may or may not have been coincidental. But the fact that only 12 months have elapsed since the project achieved legal status demonstrates how well the Bureau of Reclamation has matters in hand. This is almost as important as the fact that bids on the project were below estimates.

The builder of Glen Canyon Dam faces a mighty undertaking. The contract will be the largest in the 55-year history of the Bureau of Reclamation. And it will take nearly 7 years to complete the dam, power house and related works. Yet even so, Glen Canyon is only part of a greater project which will be of incalculable value to the Nation as a whole and to the intermountain area in particular.

This must not be forgotten. The fight for the upper Colorado project is not over. The critics and the opponents have not yet given up. But with the opening of the bids they lost their chief argument. For, as Reclamation Commissioner W. A. Dexheimer said, the bid "gives us assurance that we can build the project within our estimated cost and that the overall upper Colorado project is financially feasible."

Financially feasible—the news from Kanab is wonderful.

Mr. WATKINS. Mr. President, these reports disclose that the low bid for the Glen Canyon Dam came to only $107,955,122. Engineers' estimates for this unit were $135,608,170. This very favorable contract award, therefore, represents a saving of $27,653,048, or roughly 20 percent under the estimates.

It is significant that while this project is advancing at a 20-percent reduction in cost, at least two other large river projects are encountering increased costs. The estimated construction costs for the St. Lawrence Seaway project are reported to have increased from $105 million to $140 million, and the estimated project operation and maintenance costs have doubled. On the west coast, the Clear Creek Tunnel for the Trinity River project will cost $36,644,556, as against the engineers' estimates of $30,389,000.

In mentioning these other projects, I do not wish to criticize them for having to meet unanticipated cost increases. I recognize that engineers, like the rest of us, can make mistakes; and I also recognize that in these days it is extremely difficult to make estimates conservate enough to keep up with the price spiral, or to meet special circumstances not foreseen in planning.

The cost-shaving accomplishment at Glen Canyon is a tribute to some very able and conservative engineers, who in committee assured us that their estimates had been made with an allowance to meet anticipated cost increases in the reasonable future. Furthermore, this Colorado River storage project is perhaps the most extensively investigated water project ever to come before the Congress. Nearly a quarter of a century of engineering investigations, costing $10 million, were financed by contributions from the States involved and from power revenues allocated to the upper basin States from Hoover Dam power sales.

I may add that even if this below-estimate cost achievement can be maintained for the remaining units of this great project, resulting in ultimate power costs of less than the estimated 4.7 mills, the byproduct power produced will be sold for the announced project rate of 6 mills per kilowatt-hour. The reason for this pricing policy is that we in the four-State upper Colorado River Basin are primarily interested in water development, and will be financed with surplus power revenues from Glen Canyon.

By contrast, power from the proposed high Hells Canyon Dam, which would be produced for about the same cost, presumably would be sold at the prevailing Bonneville Power Administration system wholesale rate, which averages about 2.1 mills per kilowatt-hour.

A similar situation would prevail at the proposed Federal dam at the John Day site on the Columbia River. According to figures provided for me by the Bonneville Power Administration, the proposed John Day Dam, if built as a Federal project, would produce 6,600,000,000 kilowatt-hours of power at the dam site, at a cost of 2.99 mills a kilowatt-hour and 5,344,000,000 kilowatt-hours at a cost of 3.31 mills a kilowatt-hour. Under present pricing policies in the Northwest, this large amount of power would be sold at the system wholesale rate of 2.1 mills, resulting in a tremendous below-cost subsidy to large industries and other area power users.

In addition, the construction of John Day Dam would encroach upon the tail-

water of the existing McNary Dam, with a resultant loss in generation at McNary of 194,900,000 kilowatt-hours per year. This would mean a power loss of $448,270 per year, or $22,413,500 over 50 years, at McNary Dam.

These economic factors are ignored by spokesmen for Northwest development who persistently attempt to discredit a very sound and economically defensible water resource development on the Colorado River.

Make no mistake about it: I do not ask that one standard apply in the Northwest or elsewhere in the country, and another one in the Colorado River Basin. On the contrary, I believe in the economic soundness of the project planning represented by the Colorado River storage project, where project beneficiaries meet all costs of operation and maintenance, and repay nearly 99 percent of the project costs, with interest on two-thirds of the total investment. I would like to see comparable projects in other parts of the country approach more closely these very high economic standards. If this cannot be done, then I think that the people who criticize us should either cease their unfair and unfounded criticism or urge that our river development program be placed on the same generous level as are comparable projects elsewhere.

An editorial in the Salt Lake Tribune of April 7 clearly shows that the people of the reclamation States are seriously studying the discrimination being directed against the reclamation program, which pays its own operation and maintenance expense and reimburses the Federal Government for capital costs. I hereby request unanimous consent for printing of the editorial at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SHALL WE SHARE THE COST OF PUBLIC WORKS?

The growing demands for economy in government have caused some Intermountain residents to examine both sides of the Federal spending coin.

Economy in public expenditures is agreed to be highly desirable but usually, and practically, it is applied to the other fellow's project and home State.

Fears are prevalent—not without justification—that sectional interests and traditional foes of western development will make special targets of reclamation and other projects vital to the growth and stability of the Intermounain Region.

It is sound economy and good judgment in many ways to continue work on reclamation projects which will create new taxable wealth for the Nation and make new agricultural and industrial enterprises possible. The Federal Government cannot begin to receive repayment of its "loans" for such projects until they are in operation.

One such project is under way in the Weber River Basin. It is nearing the stage when it will be of tremendous benefit to water-short north central Utah and a source of increased revenue for the Federal Government. Another is the upper Colorado River project, of which Glen Canyon and Flaming Gorge Dams are only in the beginning phase. But since they are to be under construction for years at best and time is of the essence, work should not be unnecessarily delayed.

These projects are self-liquidating for the most part. Except for the small percentage of the total cost charged to recreation and related benefits, the Federal Treasury is to be reimbursed for the money it "invests" in water and power development.

The same is not true in the case of many other public works, particularly the approximately 100 projects included in the omnibus rivers and harbors flood control bill (S. 497) now before Congress. President Eisenhower vetoed a similar bill last year on technical, rather than economy grounds. Several projects listed are controversial (some being fought by conservation groups) but because it follows the classic "pork barrel" tradition of providing something for almost every State, the measure is given a good chance to pass.

The total cost of the projects which the bill would authorize is estimated at more than $1½ billion.

Communities from New England to California (including Utah) and from Minnesota to Texas have projects included in the omnibus bill. The cost per project runs from a few thousand dollars to over $100 million. Many of the proposed works, to be paid for by all taxpayers, would benefit primarily small groups of people or areas. One for instance, calls for widening a channel for the benefit of a few thousand pleasure boat owners on a New York State bay. Another would erect bulwarks to protect a road from being damaged by waves on the shore of Lake Michigan.

Many of the projects, which the Army Corps of Engineers proposes to construct, are sound and worthy. Only in a comparatively few, however, do State, local or private interests pay a fair share of project costs.

Where local participation is required it often takes the form of additional locally financed work, acquisition of land and rights of way and assumption of damage claims.

Local contributions on public works projects generally vary from nothing to about 50 percent of the total cost, depending upon the project.

In spite of this the Senate quickly killed a suggestion made recently by Utah's Senator WATKINS to put such projects on a partial repayment, self-sustaining basis. He had suggested that an amendment be made to the rivers and harbors bill requiring a 50–50 cost sharing between State and local beneficiaries and the Federal Government.

Local cost sharing not only would make the State and local interests more acutely aware of what the programs cost but it also would contribute to needed economies, Mr. WATKINS said.

The suggestion was sound but the pork-minded Senators, who cry for economy out of one side of their mouth, would have none of it.

Some day exasperated taxpayers are likely to demand such a change, the principle of which was embodied in the Hoover Commission recommendations years ago.

Mr. WATKINS. In closing, Mr. President, I wish to point out that in my efforts to bring about a reconsideration of section 205 of the omnibus flood-control bill, I was proposing additional study of general authorizations, in spite of the fact that they would render substantial contributions in Federal subsidies to my own State and geographic region.

The authorizations for nonreimbursable low-flow storage and for anticipated future storage construction were extended by the Public Works Committee to apply to reclamation projects as well as civil works projects. This constituted perhaps the greatest single subsidy ever granted to reclamation, and it was made by the Public Works Committee, and incorporated in an omnibus bill for rivers and harbors and flood control, which also share in the new subsidy.

I proposed to strike out this section so that it could be subjected to study by the Senate Interior and Insular Affairs Committee, as well as our colleagues in the Public Works Committee, and acted upon as separate legislation, without ramming it through the Congress in an omnibus project bill. In my opinion, an omnibus bill is no place for water policy legislation of such far-reaching potential, desirable as the general objectives were.

If I had been solely interested in Federal expenditures for a program that directly benefits my area, I could have remained silent and let this section go through without attracting notice to it. But I chose to speak up, because I think that water-resource development is so vitally important, and the present and potential costs are so tremendous, that policy changes merit the most careful scrutiny and should involve consideration of adequate State-local participation and cost sharing by the beneficiaries.

Furthermore, there was a sizable Utah flood control project in the omnibus bill, and my proposal for 50–50 cost sharing would have hit that project just as well as those in other States. Thus far, I am pleased to report, I have had no complaints against my action from the community affected. Perhaps the explanation is that these people are used to paying for water development projects.

ADJOURNMENT TO WEDNESDAY

Mr. HOLLAND. Mr. President, in accordance with the order previously entered, I move that the Senate do now adjourn until noon Wednesday.

The motion was agreed to; and (at 3 o'clock and 15 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Wednesday, May 1, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate April 29, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Llewellyn E. Thompson, of Colorado, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Union of Soviet Socialist Republics.

Don C. Bliss, of New Jersey, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ethiopia.

Walter P. McConaughy, of Alabama, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Burma.

Robert C. Hill, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Mexico.

Francis White, of Maryland, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Sweden.

John M. Cabot, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary

and Plenipotentiary of the United States of America to Colombia.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges of the Tax Court of the United States for the remainder of the unexpired terms of 12 years from June 2, 1946:

Russell E. Train, of the District of Columbia, vice Clarence P. LeMire, retired.

Bruce M. Forrester, of Missouri, vice Luther A. Johnson, retired.

IN THE COAST GUARD

The following-named persons to be commanders in the United States Coast Guard:

Paul E. Burhorst
Walter R. Lewis

The following-named person to be a lieutenant commander in the United States Coast Guard:

Robert P. Chirnside

The following-named persons to be lieutenants in the United States Coast Guard:

William R. Jenkins
Philip R. Sherman

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

William P. Kozlovsky
Mark J. Millea, Jr.
Arthur J. St. John
Edwin L. Parker
Paul E. Schroeder
Ralph W. Judd
Richard V. Elms, Jr.
Francis C. Lottridge
Raymond J. Boyd, Jr.
William T. Sheppard
John G. Schaefer, Jr.
Edward A. McGee
James C. Morrow
William M. Sillers, Jr.
James I. Doughty
Roger A. Eastman
Robert C. Chanaud
Crook Stewart, Jr.
Earl W. Clark, Jr.
Ernest J. Mayer, Jr.
Richard G. Kerr
James F. Culbertson
John M. Wilkinson
Robert R. Houvener
William J. Tillo
George W. Dick, Jr.
Gerald J. Budridge
Dwight T. Ramsay
Paul A. Trimmer
Walter E. Mason, Jr.
Charles L. Clark
William F. Boucher
James L. Howard
Francis H. Molin
Kenneth A. Long
Richard B. Wise
Alfred F. Bridgman, Jr.
George T. Seaman
John R. Kirkland
Henry Lohmann
Milton Y. Suzich
Carlton W. Swickley
Arthur E. Ladley, Jr.
Jack E. Coulter
Richard T. Brower
Raymond J. Copin
Guy W. Mizell
Clyde "E" Robbins
Verne E. Cox
Robert B. Bacon
Philip J. Danahy
Terry "F" Blair
Joseph A. McDonough, Jr.
William C. Nolan
Clyde T. Lusk, Jr.
George H. Wagner
Billy E. Richardson
Thomas R. Tyler
Albert C. Tingley, Jr.
James A. Wilson
Wayne C. Stansill
Norman G. Cubberly
Arthur H. Edmunds
Charles F. Hahn
John E. Moseley
Donald L. Stivender
William A. Publicover
Albert E. Reif, Jr.
Addison S. Jennings
Rex R. Morgan
Lawrence D. Levine
Victor R. Robillard
Arnold M. Danielsen
John F. Comes
Donald K. Dorini
Donald M. Thomson, Jr.
Richard C. Groepler
Michael T. Brock
John P. Skillings
Robert C. Benson
James L. Fear
John W. Reece
Robert L. Guibord
Paul Totten
James M. Fournier
Henry J. Roehner, Jr.
Robert T. Getman
Louis H. Mense
Eugene P. Baumann

The following-named persons to be ensigns in the United States Coast Guard:

Matthew Joseph Ahearn
William Robert Babineau
Ernest Jacob Bader
Arnold Bruce Beran
Russell Charles Bishop, Jr.
Louis King Bragaw, Jr.
James Elro Brown, Jr.
Frederick Clemmons Bruner
Richard Buell
Robert Jean Cardinal
John Michael Cece
Richard Joseph Collins
Thomas DeWitt Combs, Jr.
Carol Eugene Conry
Everett Larry Crowell
Donald Bower Davis
Ralph Zachary DelGiorno
Robert Lawrence DeMichiell
John Richards Erickson
Harold Edward Fallon, Jr.
Thomas Wallace Finnegan
John Patrick Flaherty, Jr.
Terrill Morgan Gloege
Richard John Green
Harlan Denis Hanson
Henry John Harris, Jr.
Robert Arthur Johnson
Paul Theodor Kaufmann
John William Kime
John Brownell Lynn
Ronald George Malone
John Ignatius Maloney, Jr.
Richard Joseph Marcott
David Ross Markey
Thomas Tracy Matteson
Ronald Allen McClellan
David Joseph Meskell, Jr.
Richard Walter Michaels
John Roger Mitchell
Donald McGregor Morrison, Jr.
Charles Solomon Niederman
Thomas Patrick Nolan
James Clifford Osborn
William Carlus Parish
George Donald Passmore
Ralph Nicholas Pennacchini
Harry Jack Reckitt
Keith Doyle Ripley
Andrew Raymond Rippel
Peter Joseph Rots
Albert Donald Super
Richard D. Thompson
Douglas Barnes Thurnher
George Paul Vance
John Carl Wirtz
Tommy Gene Woodworth

The following-named persons to be chief warrant officers, W-2, in the United States Coast Guard:

Merrill W. Allison
Edwin H. Baird
Donald H. Bangs
Thomas O. Cameron, Jr.
Edmond S. Cinq-Mars
Frederick D. DuBrucq
Osborne Estelle
Earl R. Gard
Herman H. Korf
Henry N. Marsh
Peter J. Monk
Buford A. Morris
Harry W. Near
Kenneth T. Outten
Santiago P. Quinones, Jr.
Paul M. Seiler
Kenneth A. Snow
James D. Walters
Norman M. Zelck

UNITED STATES PUBLIC HEALTH SERVICE

The following candidates for personnel action in the Regular Corps of the Public Health Service subject to qualifications therefor as provided by law and regulations:

I. FOR APPOINTMENT

To be senior surgeon

Emil E. Palmquist

To be senior assistant surgeons

Ernest E. Musgrave
Aubrey F. Haynes

To be assistant dental surgeon

James W. Miller

To be senior scientist

Richard A. Ormsbee

IN THE NAVY

Having designated, in accordance with the provisions of title 10, United States Code, section 5231, Vice Adm. Maurice E. Curts, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him to have the grade, rank, pay, and allowances of admiral while so serving.

IN THE NAVY

Clarence Fong, midshipman (Naval Academy) to be an ensign in the Navy, subject to qualifications therefor as provided by law.

John L. Funkhauser, midshipman (Naval Academy), to be an ensign (special duty only, Communications) in the Navy, subject to qualifications therefor as provided by law.

James "D" Paulk, Jr., midshipman (Naval Academy) to be an ensign in the Navy as previously nominated, to correct name, subject to qualifications therefor as provided by law.

The following-named midshipmen (Naval Academy) to be ensigns in the line of the Navy in lieu of ensigns in the Supply Corps of the Navy as previously nominated, subject to qualifications therefor as provided by law:

James C. Ballantine, Jr.
Philip C. Holmen
John E. Nolan
Richard B. Nygaard
Gary D. Matthews

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy, subject to qualifications therefor as provided by law:

Charles W. Adcock
Dean K. Allen
Robert C. Arnett
Daniel L. Ash
James S. Barber
Walter G. Beckwith
George L. Beierling, Jr.
William E. Bendix
Burton O. Benson
Gordon M. Binder
Robert J. Bitts
James H. Booker
Robert E. Bowles
William L. Breed
James D. Browning
Paul L. Chapdelaine
John C. Cooper
Charles L. Cowan
Francis L. Cundari
Gerald M. Dallas
Horace W. Diamond, Jr.
James C. Edenfield
Thomas H. Feron
John F. Ferri
Edwin L. Fields
John H. Fishburn
David G. Franz
Cyrus F. Freidheim
James J. Geddes
Roy N. Gillespie
Carlos B. Greer
Charles B. Gustafson
Delmont C. Hadley
James Hanemann, Jr.
Walter D. Harvey
Harold J. Haynes
John T. Helm III
Thomas J. Henry
Frank S. Hill
William W. Hill
Robert F. Hoerle
Glenn W. Hohman
Charles E. Hutchinson
William W. Hymes
John A. Jones
Donald J. Kazimir
Kenneth H. Keller
Dennie J. Koupal
Dwight R. Ladd
Charles H. LaFranchi
Kenneth W. Leiding
Gordon T. Longerbeam
John W. Lucey
Alton P. McKinley, Jr.
Edward A. McMerty
James O. Machlan
Arnold Mangham
Warren L. Martin
John S. Matherne
Ronald L. Munroe
Daniel B. Newton
Ralph P. Norris
Thomas F. X. O'Rourke, Jr.
Edward J. Pasternak
Arturo A. Pico
David G. Pyle
William F. Reeve
Martin S. Roberts III
Raymond G. Roble
Harland F. Romberg
Leon B. Rosseau, Jr.
Stephen E. Rowe
Cary H. Rush
Louis R. Salvator
William A. Sanders
Kenneth H. Santoro
Alan A. Schick
William W. Seaton, Jr.
John A. Shaffner
Wayne D. Sharbrough, Jr.
Charles S. Shoemaker
David E. Sonon
Joseph P. Spetz
Charles T. Stephens
Robert F. Stover
Ronald L. Swan
Kenneth R. Swimm
Howard D. Thompson
William B. Truesdale
Barry B. Walters
Leith D. Wimmer
Don R. Winner
John S. Worrell
Ralph Zaayenga

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy, subject to qualifications therefor as provided by law:

Burton E. Baer
Larry A. Beck
John R. Blue
Richard G. Cline
David M. Connor, Jr.
Richard H. Crain
Raymond A. Elosua
Harvey E. Field
Thomas M. Finerty
Frank F. Harding
Jerry J. Hauter
Douglas J. Hinds
Louis C. Hines
Gerald G. Hooper
Jack L. Jones
Leland B. Jones
Kenneth L. Lane
Gerald L. Lee

Eugene A. Leeb	Frank H. Spaulding
William H. Leney	Harrison I. Steans
James H. Mayer	Matthew A. Stephenson
Richard C. Moore	James B. Stoltman
Dale R. Mummert	Carl E. Stone
John E. Nelson	Charles E. Storm
Roy B. Opitz	Stanley Sulzer
Jared H. Peterson	Edward R. VanPatten
Earl E. Poorbaugh	Richard W. Walker
David T. Savage, Jr.	James B. Whittaker
James G. Seely, Jr.	Samuel J. Wilder, Jr.
Charles A. Smith	Joseph M. Woods III
Donald L. Sodrel	

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Civil Engineer Corps of the Navy, subject to qualifications therefor as provided by law:

William J. Bardin, Jr.	James "H" Hunter III
John G. Bauer	John J. Huson
John L. Chabay	Donald E. Klingler
Wentworth H. Corley, Jr.	Richard W. Knorr
Jack D. Daugherty	Charles A. Lang
Larry R. Dolinsky	Douglas J. Mansfield
Gerald G. Fain	Jimmie L. Martin
George E. Frazier	Eugene L. Marvin
Edward C. Frevert, Jr.	John G. Merkle
Magnus M. Gorrie	Robert L. Street
Charles H. Gould	Lee W. Thomas
Hector L. Haddock	Arthur J. Thompson
Joseph J. Hartnett	Vernon B. Watwood, Jr.
Paul Hodges	John A. Westcott

Bertram H. Lowi (Naval Reserve Officers' Training Corps) to be an ensign in the Medical Service Corps of the Navy, subject to qualifications therefor as provided by law.

The following-named (civilian college graduates) to be lieutenants in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

Charles H. Moseley, Jr.
Martin R. Plaut.
Layton R. Sutton.

The following-named Reserve officers to be lieutenants in the Medical Corps of the Navy, subject to qualifications therefor as provided by law:

Martin G. Andersen	James H. Johnson
Nelson E. Bachus	Jack P. McDaniel
Robert E. Ball, Jr.	John A. Most
Jacob V. Brown	Willis S. Myers
Richard A. Buckwalter	James A. Rogers
Frederick G. Coester	Eustine P. Rucci
Biagio A. Conte	Erwin L. Samuelson
Herbert L. Eckert	John R. Stenger
Charles W. Emerick	David L. Stephens
Gerald D. Faulkner	Peter Sternlieb
Robert C. Garcia	Ralph E. Wallace, Jr.
William P. Gibbons	John S. Wilson
John R. Hartman	William R. Winter

The following-named women officer candidates to be ensigns in the line of the Navy, subject to qualifications therefor as provided by law:

Jeannette E. Green.
Doris M. McNabb.
Ida R. Moore.

Rufus B. Moore to be an ensign in the line of the Navy, for temporary service, for limited duty only, classification Ordnance, subject to qualifications therefor as provided by law.

The following-named United States Navy retired officers to be lieutenant commanders in the line of the Navy, for temporary service, pursuant to title 10, United States Code, section 1211, subject to qualifications therefor as provided by law:

Fredrick R. Barker.
Archibald Gibson.

The following-named (Army Reserve Officers' Training Corps) for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to qualifications therefor as provided by law:

Wiley M. Clapp, Jr.	Joseph G. Mixson
George V. Ellison	John C. Sullivan
Franklin J. Kline	

WITHDRAWAL

Executive nomination withdrawn from the Senate April 29, 1957:

POSTMASTER

Carl E. Heideman, Algonquin, Ill.

HOUSE OF REPRESENTATIVES

MONDAY, APRIL 29, 1957

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. MCCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

APRIL 29, 1957.

I hereby designate the Honorable JOHN W. MCCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, our Father, in obedience to Thy command and Thy holy will, we are making our supplications and petitions unto Thee although Thou art fully acquainted with all our needs and desires, our longings and aspirations.

We earnestly beseech Thee to bestow Thy grace and favor upon our Speaker and the Members of this legislative body as they again assemble in this Chamber to engage in the business of statecraft.

Grant that in our daily life we may never compromise with any pagan standards of living, but may we be single-minded in our devotion to Thee and scrupulous in our loyalty to the principles of justice and righteousness.

Show us how we may bring into reality the dreams of that glorious day when men and nations shall no longer live in dread and fear, in mistrust and suspicion, nor in the darkness of selfishness and self interest.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Thursday, April 18, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On April 12, 1957:

H. R. 3322. An act for the relief of James L. Bostwick; and

H. R. 5866. An act to amend the Atomic Energy Act of 1954, as amended, and for other purposes.

On April 16, 1957:

H. R. 6870. An act making appropriations for the fiscal year ending June 30, 1957, and for other purposes.

On April 17, 1957:

H. R. 2046. An act for the relief of August J. Strigga.

On April 20, 1957:

H. J. Res. 279. Joint resolution authorizing the procurement of an oil portrait and marble bust of the late Chief Justice Fred M. Vinson;

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes;

H. R. 4271. An act to provide that the Delegate from Alaska in the House of Representatives of the United States may be a member of the Alaska International Rail and Highway Commission; and

H. R. 5520. An act to amend the Second Liberty Bond Act to increase the maximum interest rate permitted on United States savings bonds.

On April 23, 1957:

H. J. Res. 126. Joint resolution to permit articles imported from foreign countries for the purpose of exhibition at the Washington State Sixth International Trade Fair, Seattle, Wash., to be admitted without payment of tariff, and for other purposes; and

H. R. 6092. An act granting the consent and approval of Congress to the Merrimack River flood control compact.

On April 25, 1957:

H. R. 71. An act to prohibit the payment of pensions to persons confined in penal institutions for periods longer than 60 days;

H. R. 2367. An act to establish a deferred grazing program as part of the relief available to drought-stricken areas under Public Law 875, 81st Congress, and for other purposes;

H. R. 3035. An act to provide a temporary extension of certain special provisions relating to State plans for aid to the blind; and

H. R. 4686. An act to continue until the close of June 30, 1958, the suspension of duties and import taxes on metal scrap, and for other purposes.

HOUSE JOINT RESOLUTION ENROLLED

Mr. BURLESON, from the Committee on House Administration, reported that that committee on April 18, 1957, had examined and found truly enrolled a joint resolution of the House of the following title:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

SIGNING OF ENROLLED JOINT RESOLUTION

The SPEAKER pro tempore. The Chair desires to announce that pursuant to authority granted on Thursday, April 18, 1957, the Speaker did on that day sign the following enrolled joint resolution of the House: House Joint Resolution 312, making additional appropriations for the fiscal year 1957, and for other purposes.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

APRIL 29, 1957.

The honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law for the Honorable JOSEPH M. MONTOYA as a Representative-elect to the 85th Congress from the State of New Mexico, to fill the vacancy caused by the death of the Honorable Antonio M. Fernandez, has been received from the Secretary of State of New Mexico, and is on file in this office.

Respectfully yours,

RALPH R. ROBERTS,
Clerk, United States House of Representatives.

SWEARING IN OF MEMBER

Mr. MONTOYA appeared at the bar of the House and took the oath of office.

REORGANIZATION PLAN NO. 1 OF 1957—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 161)

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Government Operations and ordered to be printed:

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1957 prepared in accordance with the Reorganization Act of 1949, as amended.

The liquidation of the assets and the winding up of the affairs of the Reconstruction Finance Corporation have been proceeding for the past several years, in accordance with law. Reorganization Plan No. 2 of 1954 expedited and simplified liquidation by transferring certain functions of the Corporation to the Export-Import Bank of Washington, the Small Business Administration and the Federal National Mortgage Association. Reorganization Plan No. 1 of 1957 transfers all present functions of the Corporation to appropriate officers and abolishes the Corporation.

First, the reorganization plan transfers to the Housing and Home Finance Administrator functions of the Corporation relating to items resulting from programs which provided assistance to States, municipalities, and other public agencies in financing various public projects. Also transferred are functions relating to the liquidation of programs of financial aid for drainage and irrigation projects.

Second, the plan transfers to the Administrator of General Services functions related to the liquidation of matters arising from national defense, war, and reconversion activities conducted by the Corporation preceding, during, and subsequent to World War II. Functions relating to the liquidation of the Smaller War Plants Corporation are also transferred to the Administrator.

Third, the plan transfers to the Administrator of the Small Business Administration (1) all of the Corporation's disaster loan functions which were not transferred to the Small Business Administration by Reorganization Plan No. 2 of 1954, and (2) all matters arising out of the Corporation's financial assistance programs to business enterprises except those relating to assistance to railroads, financial institutions, and insurance companies and those listed in schedule A. The first category consists of items, such as paid loans, charged off loans and closed files, which were not embraced by Reorganization Plan No. 2 of 1954. The second category includes generally loans or other matters involving outstanding amounts under $250,000 arising under financial assistance programs to business enterprises, as well as all functions relating to paid or charged off loans, regardless of amount, under such programs.

Finally, the plan transfers to the Secretary of the Treasury all of the functions of the Corporation not otherwise transferred by the plan. Those functions relate principally to the obligations and loans listed in schedule A, which consist generally of business loans with outstanding principal balances in excess of $250,000, and to financial assistance to railroad companies, financial institutions, and insurance companies. The Secretary of the Treasury will also receive the capital stock of the War Damage Corporation, dissolution of which is expected in the near future when one remaining lawsuit is concluded.

The functions transferred by the reorganization plan are, in general, similar to, and can appropriately be administered in conjunction with, present activities of the respective transferees.

The plan also transfers the pertinent assets of the Corporation to the respective agencies, together with the related liabilities, and by operation of law substitutes the particular transferee for the Corporation with respect to all instruments of every kind and character pertaining to the transferred functions, assets and liabilities. In order to permit the transferees to administer the transferred matters with the same flexibility of operation as obtains at present, the plan transfers to each transferee those powers, authority, rights and immunities which are now available or applicable to the Corporation for carrying out the respective functions. To the extent that it becomes necessary or desirable, therefore, the transferees will be enabled, with respect to the transferred functions, to sue and be sued, to engage private attorneys in conjunction with litigation involving the transferred functions, and to avail themselves of any other authority, powers or immunities now available to the Corporation, whether under the Reconstruction Finance Corporation Act, as amended, or otherwise. In enacting the Reconstruction Finance Corporation Liquidation Act the Congress included a provision reading, "the activities engaged in by the Secretary of the Treasury as a result of the enactment of this act shall continue to be subject to the provisions of the Government Corporation Control Act." The Government Corporation Control Act will continue to be applicable to the functions transferred by the reorganization plan.

By transferring the remaining assets and liabilities of the Reconstruction Finance Corporation to officers who conduct continuing programs involving similar functions, the plan will carry out the basic purposes not only of the Reconstruction Finance Corporation Liquidation Act but also of the Reorganization Act of 1949, as amended. The size of the Corporation's portfolio has diminished to such a point that after June 30 it should not be necessary to maintain a separate agency solely for the purpose of administering the remaining assets. The plan will make possible a more economical administration of the Corporation's functions by obviating the expense incident to maintaining a separate organization. It is not, however, practicable at this time to indicate more specifically the reduction of expenditures which it is probable will be brought about by the taking effect of reorganizations contained in the plan.

Incident to the abolition of the Corporation, the reorganization plan (1) abolishes the function of making the final report provided for in section 10 of the Reconstruction Finance Corporation Act, as amended (10 U. S. C. 609), and (2) provides for a final report to the Congress by the Secretary of the Treasury which is to reflect the affairs of the Corporation up to the date of abolition of the Corporation and is to be made not later than June 30, 1959.

After investigation I have found and hereby declare that each reorganization included in the Reorganization Plan No. 1 of 1957 is necessary to accomplish one or more of the purposes set forth in section 2 (a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 29, 1957.*

REORGANIZATION PLAN NO. 1 OF 1957

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 29, 1957, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended)

ABOLITION OF THE RECONSTRUCTION FINANCE CORPORATION

SECTION 1. Definitions: As used in this reorganization plan:

(a) The term "Corporation" means the Reconstruction Finance Corporation.

(b) The term "remaining functions" means (1) all functions of the Corporation, (2) except as otherwise provided in subsections (b) and (c) of section 6 of this reorganization plan, all functions of the Secretary of the Treasury under section 10 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 609), and (3) all functions of the Secretary of the Treasury under sections 102 and 106 (b) of the Reconstruction Finance Corporation Liquidation Act (67 Stat. 230, 231), as amended.

(c) The term "transferees" means the Housing and Home Finance Administrator, the Administrator of General Services, the Administrator of the Small Business Administration, and the Secretary of the Treasury.

SEC. 2. Transfer of functions: (a) There are hereby transferred to the Housing and

Home Finance Administrator the remaining functions with respect to or arising out of (1) the securities and obligations of, loans made to, and contracts or other agreements with States, municipalities, political subdivisions thereof, public agencies, boards, commissions, or other public bodies, and (2) loans, securities, and obligations acquired in connection with programs of financial assistance for drainage and irrigation projects.

(b) There are hereby transferred to the Administrator of General Services the remaining functions with respect to or arising out of (1) the affairs of the Smaller War Plants Corporation which were transferred to the Corporation pursuant to Executive Order No. 9665 of December 27, 1945 (11 F. R. 3), and section 207 of Public Law 132, 80th Congress (61 Stat. 209), (2) the national defense, war and reconversion activities with respect to which notes of the Corporation were canceled pursuant to the provisions of title II of Public Law 860, 80th Congress (62 Stat. 1187), and (3) activities of the RFC Price Adjustment Board and the functions transferred to the Corporation by Executive Order No. 9841 of April 23, 1947 (12 F. R. 2645).

(c) Except as otherwise provided in sections 2 (d) (1) and 2 (d) (2) of this reorganization plan (relating to financial assistance to railroads, etc., and to schedule A hereto annexed), there are hereby transferred to the Administrator of the Small Business Administration the remaining functions with respect to or arising out of programs of financial assistance to business enterprises and to victims of floods or other disasters.

(d) There are hereby transferred to the Secretary of the Treasury all functions of the Corporation not otherwise transferred by the provisions of this reorganization plan, including, but not limited to, all functions of the Corporation with respect to or arising out of (1) programs of financial assistance to railroad companies, financial institutions, and insurance companies, (2) the obligations and loans listed in schedule A hereto annexed, and (3) the War Damage Corporation.

(e) The foregoing transfers include the transfer to each transferee, for use in executing his respective functions thereunder, of the powers, authority, rights, and immunities now vested in or available or applicable to the Corporation for carrying out the functions transferred to the transferee under this reorganization plan.

SEC. 3. Transfer of assets and liabilities: The loans, obligations, securities, capital stock, and other assets pertaining to the functions transferred by section 2 of this reorganization plan (including accrued interest thereon, and property acquired in connection therewith) and the liabilities, contracts, bonds, mortgages, notes, and other instruments relating thereto are hereby transferred from the Corporation to the respective transferees: *Provided, however,* That all assets, liabilities, and commitments relating to the functions transferred by section 2 (a) of this reorganization plan are hereby transferred to the revolving fund (liquidating programs) established by the Independent Offices Appropriation Act, 1955 (68 Stat. 295).

SEC. 4. Administrative property, personnel, funds and records: In addition to the transfers made by the provisions of section 3 of this reorganization plan, there shall be transferred to the Housing and Home Finance Agency, General Services Administration, Small Business Administration, and Treasury Department so much as the Director of the Bureau of the Budget shall determine to be appropriate by reason of transfers made by sections 2 and 3 of this reorganization plan of the administrative property, personnel, records, liabilities and commitments of the Corporation or of the Office of Production and Defense Lending in the Department of the Treasury and of the authorizations, allocations, and funds available or to be made available with respect to the transferred functions (including, but in no way limiting the generality of the foregoing, the authority to issue notes or other obligations to the Secretary of the Treasury, which may be purchased by the Secretary, under section 7 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 606), and the duty of making payments on such notes or obligations issued by or transferred to the respective transferee hereunder). In allocating the administrative expense funds applicable to the functions transferred by the provisions of this reorganization plan the said Director shall allocate and transfer to the General Services Administration as a payment on behalf of the Housing and Home Finance Agency, General Services Administration, Small Business Administration, and Treasury Department such sum for rent of building space for the carrying out of the transferred functions during the fiscal year ending June 30, 1958, as the said Director shall determine. Such further measures and disposition as the Director of the Bureau of the Budget shall determine to be necessary in order to effectuate the transfers provided for in this section shall be carried out in such manner and by such agencies as the Director shall direct.

SEC. 5. Delegation of authority: Each transferee may from time to time make such provisions as he shall deem appropriate authorizing the performance by any officer, employee, agency, or administrative unit under his jurisdiction of any function transferred to him by the provisions of this reorganization plan.

SEC. 6. Abolition of the Corporation: (a) The Corporation is hereby abolished.

(b) The Secretary of the Treasury shall retire the capital stock of the Corporation and, subject to the provisions of section 4 hereof, shall pay into the Treasury, as miscellaneous receipts, all unused funds of the Corporation.

(c) Not later than June 30, 1959, the Secretary of the Treasury shall transmit a report to the Congress, which report (1) shall cover the affairs of the Corporation up to the time of the taking effect of the provisions of this reorganization plan, and (2) shall correspond to the final report required by section 10 of the Reconstruction Finance Corporation Act, as amended (15 U. S. C. 609). The function of making the final report provided for in the said section 10 is hereby abolished.

SEC. 7. Effective date: The provisions of this reorganization plan shall take effect at the time determined under the provisions of section 6 (a) of the Reorganization Act of 1949, as amended, or at the close of June 30, 1957, whichever is later.

SCHEDULE A

This schedule annexed to Reorganization Plan No. 1 of 1957 lists by name and address of the obligor or borrower the obligations and loans referred to in clause (2) of section 2 (d) of such reorganization plan:

NAME AND ADDRESS OF OBLIGOR OR BORROWER

Alaska Plywood Corp., Juneau, Alaska.
Alford Refrigerated Warehouse, Dallas, Tex.
Braun Bros. Packing Co., Troy, Ohio.
Chromcraft Corp., St. Louis, Mo.
Civic Hotel Corp., Odessa, Tex.
Deep Water Terminals, Inc., Brooklyn, N. Y.
Detroit Steel Corp., Detroit, Mich.
Hal Roach Studios, Inc., Culver City, Calif.
Hayward Woolen Co., Whittinsville, Mass.
The Horle Arms Co., Deep River, Conn.
Jack Tar of Arkansas, Inc., Hot Springs, Ark.
Landers Packing Co., Denver, Colo.
Langley Corp., San Diego, Calif.
Lawton Community Hotel, Lawton, Okla.
Lone Star Steel Co., Dallas, Tex.
Louisville Builders Supply Co., Louisville, Ky.
Lustron Corp., Columbus, Ohio.
Mayfair Extension, Inc., Washington, D. C.
New Haven Clock & Watch Co., New Haven, Conn.
Oregon Fibre Products, Inc., Pilot Rock, Oreg.
The Prudence Co., Inc., New York, N. Y.
Seidelhuber Steel Rolling Mills, Seattle, Wash.
South Water Building Corp., Rockford, Ill.
South Water Machinery Corp., Rockford, Ill.
Texas Consolidated Oils, Dallas, Tex.
Texas Frozen Foods Corp., Harlingen, Tex.
Waltham Watch Co., Waltham, Mass.
Wheland Co., Chattanooga, Tenn.

AUTHORIZING THE SPEAKER TO DECLARE RECESS ON THURSDAY, MAY 9, 1957

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Thursday, May 9, 1957, for the Speaker to declare a recess for the purpose of receiving the President of the Republic of Vietnam.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HARD MONEY AND HIGH INTEREST—CONGRESS SHOULD ACT

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, Congress cannot longer ignore the threat to the security of our Nation by the hard money, high interest policy of the Federal Reserve Board and the present administration. It is the duty of Congress to supervise and give guidance to our money masters. The Federal Reserve Board and the Open Market Committee are our money masters, under direction of Congress. We are responsible for their actions.

DOLLAR WORTH SEVEN MILLS

Interest rates have reached heretofore unheard of levels. For instance, on 90-day Treasury bills, the purchasing power of the dollar today compared with 1939 for interest paying purposes by the Government is 7 mills compared to $1 in 1939. In other words, it requires $143 of the taxpayers' money now to pay the high interest on these Treasury bills that it required only $1 to pay in 1939 for the use of the same amount of money for the same length of time.

Areas of depression throughout our Nation are expanding, and no longer are the farmers, the home owners, and the home builders the only sufferers from this depression. It is including other classes and groups every day. Something must be done about it right away or our economy will be destroyed.

Congress should demand a reversal of the hard money, high interest policy by requiring the Open Market Committee to support Government bonds at par as the

first step toward restoring stability in the Government bond market. At present holders of bonds who bought them in good faith during and soon after the war, believing that they could always get their money back, have suffered losses aggregating billions of dollars. For the first time in all history there is no going rate for United States Government securities, the best paper on earth. The Federal Reserve is an agency of Congress. It is obligated to carry out the will of Congress, and I think that Congress should immediately demand a reversal of its policy.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

CIVIL RIGHTS LEGISLATION

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, I believe that it is the earnest wish of a large majority of the Members on both sides of the aisle that they shall have an opportunity to vote on H. R. 6127, the civil rights bill. In order that there may be a certainty of bringing H. R. 6127 before the House for a decisive vote, I am today placing a petition to discharge the Committee on Rules from further consideration of H. R. 6127. Time is running out and since the Discharge Calendar can only be called up on the second and fourth Mondays of the month, it is evident that only the latter part of May and June remain for such action.

I want to emphasize that this action is not intended as showing a lack of confidence in the Rules Committee and also that the petition becomes inoperative if the Rules Committee acts at any time prior to 7 legislative days before May 27. The petition does, however, make certain that any difficulties encountered in the Rules Committee can be overcome prior to the closing rush of the session.

As I explained to the House on April 2, 1957—CONGRESSIONAL RECORD, page 5000—this discharge petition actually is directed against House Resolution 221 which calls upon the House to resolve itself into a Committee of the Whole House on the State of the Union and which provides for 2 days of debate on H. R. 6127, equally divided, and makes provision for such amendments as Members may wish to propose. The time will be controlled by the distinguished chairman of the Committee on the Judiciary, Mr. CELLER, and distinguished ranking minority member of that committee, Mr. KEATING.

Mr. Speaker, H. R. 6127 is a good beginning to right the wrongs under which many of our fellow citizens are suffering. This bill, while not as comprehensive as the one I introduced earlier this year, places the Congress on record in favor of a national policy to protect the right of the individual to be free from discrimination on account of race, color, or religion, and protects the voting rights of all citizens. This would be implemented by the establishment of a six-man commission on civil rights, with a full-time staff director appointed by the President with the consent of the Senate, which would gather information and make reports. It provides for a larger staff in the Attorney General's office headed by an Assistant Attorney General for Civil Rights. And most importantly, this bill authorizes the Attorney General to institute civil proceedings to obtain injunctive relief in cases involving the right to vote. In addition, the Attorney General can also file civil suits against persons who attempt to harm a citizen's right to vote.

There has been a good deal of discussion concerning the enforcement of injunctions issued by Federal courts to give relief to persons being deprived of their right to vote. Opponents of civil-rights legislation claim that the present bill would deprive a man of his right to a jury trial. In a lengthy analysis—daily CONGRESSIONAL RECORD, April 17, page A3038—I believe I demonstrated that this argument is wrong in theory and wrong in fact. It is simply a move designed to encourage resistance to a valid court order. The opponents of civil rights have never been heard before to complain about their own State laws which permit judges to send defendants to jail for contempt of court without a jury trial. In *Hart Cotton Mills* v. *Abrams* (231 N. C. 431), over 70 union members were sentenced to jail or fined for contempt arising out of alleged disobedience to a temporar, injunction limiting picketing of a struck textile mill. They were sentenced under the North Carolina statute which does not grant a jury trial. This case, as in others, also featured the use of affidavits and the citing for contempt of persons not a party to the suit. The decision was upheld by former Justice SAMUEL J. ERVIN, JR., of North Carolina. I see no reason why, in cases dealing with the right to vote, a court should not be able to enforce it by fine or by jail sentence as it does in many other cases of the same nature and simplicity. The addition of a jury-trial rider to this bill will be a signal to some lawless State elements and even officials to defy the Federal court's order, counting on a jury that would share the community's prejudices against Negro constitutional rights by voting to acquit regardless of clear evidence of guilt.

Mr. Speaker, the preservation of civil rights is the prime duty of every government, whether it be Federal, State, or local. Wherever law-enforcement measures and the authority of Federal, State, or local governments are inadequate to discharge this primary function of government, these measures and this authority should be strengthened and improved. The voluminous testimony before the Judiciary Committee attests to the numerous incidents of intimidation and coercion in depriving colored persons the right to vote. The constitutional guaranties of equal protection under the laws clearly place upon the Federal Government the duty to act when State and local authorities abridge these constitutional rights. We need to guarantee the same rights to every person, regardless of who he is, where he lives, or what his race, religion, or national origin may be. This is the obligation of our Government. To do less would constitute not only a lack of faith toward those of our citizens who are today being deprived of their just rights, but will also do us great harm in the eyes of the whole world. How can we assume the leadership of the free world if we remain tainted by inequality in our own land?

H. R. 6127 has been endorsed by the platforms of both political parties and has the vigorous support of the Attorney General. The time has now come when the Congress must vote and fulfill campaign promises. This bill cannot be allowed to be pigeonholed in the Rules Committee. The discharge petition, which I am about to lay on the desk of the Clerk, provides an opportunity for every Member to be placed on record in favor of a House vote on civil rights. The vast majority of us are determined that the House shall vote on civil rights in this session. I know that if the bill gets to the floor, it will pass. If we act now to get the bill on the floor promptly, there will still be ample time for action by our friends in the other body to achieve the same results that I am sure we shall obtain.

THE CHRISTIAN REFORMED CHURCH IN AMERICA

Mr. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FORD. Mr. Speaker, this year marks the 100th anniversary of the founding of the Christian Reformed Church in America. As the Representative of Kent and Ottawa Counties in Michigan, the counties where this church originated and where 89 of its present 486 congregations are located, I would like to call the attention of the House to the century of progress which this church has enjoyed.

It was in April 1857 that five small congregations of Dutch immigrants in western Michigan united to form a new denomination. The final organizational step was taken at a meeting at Graafschap, Mich.—just outside of my district in Allegan County—on April 29, 1857, when the church at that village joined with churches at Grand Rapids, Noordeloos, Polkton—now Coopersville—and Vriesland, to form a classic. From this inauspicious beginning has grown a church of approximately 204,000 members in 486 congregations served by 386 ministers.

You will note that the Christian Reformed Church is not a large church numerically. Yet it has organized congregations in 26 States, Alaska, the District of Columbia, and in 8 Canadian Provinces. The church here in Washington is located at New Hampshire Avenue and Oneida Street NE., where serv-

ices are held at 11 a. m. and 7:30 p. m. each Sunday.

The Christian Reformed Church is a Calvanistic church emphasizing the sovereignty of God and accepting the Bible as the infallible Word of God. In addition to the Apostolic Creed, the church uses the Heidelberg Catechism first published in Germany in 1563, the Confession of Faith written by a Belgian preacher in 1561, and the Canons of Dort drawn up by an international assembly of Reformed churches held in the Dutch town of Dort in 1618.

In my contacts with these folks during the past 8 years I have been impressed not only with the depth and sincerity of their religious convictions but also with the constructive stability and high sense of responsibility which they contribute to our social and political life.

The Christian Reformed Church owns and operates Calvin College, a fully accredited 4-year liberal arts college at Grand Rapids, Mich. Currently the college has an enrollment of nearly 2,000 students with a faculty of 82 members. For the training of its professional leaders the church maintains on the same campus Calvin Seminary, which offers 3 or more years of theological training.

The denominational building containing church offices and a publishing house is also located in Grand Rapids. Here is published weekly the Banner, the official magazine of the church, and de Wachter, a paper for those to whom the Dutch language is more familiar.

The church carries on an active missionary program with ordained men in Japan, Ceylon, Africa, South America, and among the Indians of the Southwest.

In its radio program, according to various surveys, the Christian Reformed Church may reach as many as 3 million people weekly. Each week its 30-minute broadcast, the Back to God Hour, is heard on 350 radio stations, most of them members of the Mutual network. Here in Washington the broadcast may be heard each Sunday over station WWDC at 9 p. m. The entire program is now being expanded to include 15-minute telecasts.

This church has also been active in sponsoring displaced people, in sending emergency relief to needy around the world, and in fostering a program of mercy at home.

It sponsors and helps to support hospitals for the mentally ill or infirm, a number of homes for the aged, and rest homes and schools for the physically handicapped and the mentally retarded. It also supports some 200 Christian day schools from coast to coast.

The theme of the centennial celebration now going on throughout the country and to be climaxed at an international synodical celebration in Grand Rapids on June 12 to 14 is "God's favor is our challenge." The church realizes that any of its accomplishments are due to God's blessing and that the present membership has the privilege of accepting the challenge of the future.

I am confident that their efforts and the efforts of millions like them are having a salutary and healthy effect on the moral, spiritual, political, and social life of our country.

HON. WM. A. BLAKLEY

Mr. IKARD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. IKARD. Mr. Speaker, few men have during so short a time of service in the Congress won such widespread respect and admiration as did Senator William A. Blakley who has just completed his service as Senator from Texas. Senator Blakley is truly a great and distinguished gentleman whose service to his State and country will long be remembered. I am including here an editorial that recently appeared in the Palestine (Tex.) Herald-Press:

OUR PRESENT SENATOR

With all the hubbub going on about election of a new Texas Senator, the Texas public may not have taken much notice of the Senator we have now.

This man, William A. Blakley, of Dallas, is serving under an appointment by former Gov. Allan Shivers, and seconded by Gov. Price Daniel. Blakley, a successful oilman, took the job on a temporary basis, making known immediately that he would not be a candidate in the special election coming up.

But it appears that, although Senator Blakley has no political ambitions for the future, he is not taking his present position as a mere passing honor. He is working at the job, and thinking about it.

That became apparent when the Senator answered promptly a letter from the Anderson County Chamber of Commerce regarding member demands that the Federal budget be reduced. If Blakley had been only marking time in the Senate until his successor takes over, he might not have bothered to answer. In fact, he might not even have been in Washington.

Instead, he showed that he is interested in his job, for he answered the chamber of commerce letter almost immediately upon its receipt. The chamber of commerce letter was dated March 8, and Blakley's reply was written on the 12th.

The temporary Senator says he agrees fully that the Federal budget needs cutting and said he will do what he can to effect such cuts. "It is not enough to balance the budget," he said, "but we must also start to pay off the tremendous national debt." And, further in the letter he made a statement that every American should drill into his head:

"Heavy taxation, if long continued, will not only weaken local self-government but will also lead to serious impairment of individual initiative."

Two cheers for Blakley. The first because he believes in commonsense handling of money by the Federal Government, and the second because, even though he has no ambition to continue as Senator, he is putting in his time and his effort while holding the job.

THE LATE WILLIAM H. STAFFORD

The SPEAKER pro tempore. The gentleman from Wisconsin [Mr. REUSS] is recognized.

Mr. REUSS. Mr. Speaker, I rise to inform this House of the death on April 21 of William H. Stafford, who for 20 of the 30 years from 1903 to 1933 was a Member of this body, representing the Fifth Wisconsin District.

William H. Stafford was born in Milwaukee, Wis., on October 12, 1869. He was graduated from Harvard Law School in 1894, after attending the Milwaukee public schools. He was admitted to the bar in the same year and, except for his years in Congress, was in private practice in Milwaukee from that date until his death. He was a member of the local, State, and national bar associations and was one of the oldest members of the Wisconsin Club.

Mr. Stafford was a lifelong Republican. He was first elected to the 58th Congress in 1902 and was a member of the 58th to 61st Congresses, the 63d to 65th Congresses, and the 67th, 71st, and 72d Congresses. While a Member of this body, he served on the Appropriations and Military Affairs Committees.

William H. Stafford was a man of independence and courage. As a member of the Appropriations Committee, he was known as the "watchdog of the Treasury" and often opposed private bills for expenditures even though he said he lost friends doing so. He was one of 50 Members of the House who voted against United States entry into the First World War. His name is associated with early advocacy of independence for the Philippines, abolition of "lame duck" Congressional sessions, and modification of the Volstead prohibition law.

It was my privilege to know Mr. Stafford personally from my early boyhood. For more than 50 years he owned land adjoining that of my family in the town of Merton in Waukesha County, Wis. I knew Mr. Stafford as a lover of the outdoor world. He had a particular fondness for trees, many of which he planted on his land.

In recent years, too, as a candidate and a Member of this House myself, I was aware more than once that he had gone out of his way to speak kind words of me, even though we were of opposite political parties. He was a bachelor and ate regularly at the Wisconsin Club, and his outspoken views there frequently upset his colleagues in that citadel of political orthodoxy. Yet his very unorthodoxy won him their deep respect for his sincerity and independence.

Mr. Speaker, I shared that deep respect, and it is with a profound sense of real loss that I announce Mr. Stafford's passing.

Mr. ZABLOCKI. Mr. Speaker, I want to join with my colleagues in expressing regret at the news of the passing away of William H. Stafford, a former Member of this body from Milwaukee, Wis.

A quarter of a century has passed since the late William H. Stafford served his last term in the House of Representatives, but the image of his personality is still vivid in the memory of some of his former colleagues and contemporaries. He was a colorful, outspoken man. During his service in our national legislature he was associated with early advocacy of independence for the Philippines, abolition of "lame duck" sessions, and modification of the prohibition law.

He was among a handful of Members who voted against the entry of the United States into World War I. Eleven years later he again opposed certain of our activities in the international scene.

The late William H. Stafford lived to be 87 years of age. He is survived by a sister, Mrs. Ella Steiner, Milwaukee; a niece, Mrs. John M. Lindsay, Milwaukee, and two nephews, Fred J. Siekert, of Milwaukee, and Stafford Siekert of Apple Valley, Calif.

I wish to convey to them my sincere condolences at this time.

Mr. SMITH of Wisconsin. Mr. Speaker, the death of William H. Stafford of Milwaukee means that Wisconsin has lost one of its outstanding citizens. For 20 years he served as a Member of this body representing the people of the Fifth Congressional District of Wisconsin.

As a boy I recall the activities of Mr. Stafford as he was well known in Racine, my home city. A review of his work as a Member of this great body reveals that he was a sound legislator. He was not given to breezy demagogic orations but was content, as we say in Wisconsin, to "saw wood." He had a job to do in this body and he did it without fuss or fanfare. The fact that he was a member of the Appropriations and Military Affairs Committees, too, is evidence of the high regard which the leadership in this body considered him.

My early recollections of his activities here came as a result of his attitude and his vote against our entry into World War I. He followed the leadership of that great American, Senator Robert M. La Follette, Sr. I think it can be said, Mr. Speaker, that time has vindicated the action of Mr. Stafford on that proposition.

After leaving this body, he returned to his home city, Milwaukee, where he practiced law for many years, in fact, I believe up until the time of his death.

The Republican Party of Wisconsin can be proud of the record that Bill Stafford made as a Member of this great body.

GENERAL LEAVE TO EXTEND REMARKS

Mr. REUSS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to insert material in the RECORD in connection with this memorial to William H. Stafford.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CIVIL RIGHTS COMMISSION

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, although I regret that it should be necessary to force the consideration of vital and essential legislation such as the current civil-rights proposals by the use of a discharge petition, I was pleased to be the third Member of Congress to sign the civil-rights discharge petition which was filed today by my distinguished colleague, the gentleman from California, JAMES ROOSEVELT. It is, of course, hoped that the Rules Committee of the House of Representatives will expedite action on this vital and important legislation, action which should not be delayed a moment longer. If this legislation is to reach the Senate in time for action this year, it must clear the House of Representatives no later than the end of May. It is indeed gratifying to learn from my distinguished colleague, the gentleman from Massachusetts, JOHN W. MCCORMACK, Democratic majority leader of the House of Representatives, that he expects this legislation to pass the House by a 2 to 1 vote before the end of May.

Mr. Speaker, I wish to take this opportunity to place myself squarely in support of the civil-rights bill reported out by the Judiciary Committee, H. R. 6127. Although it only partially fulfills the need, it represents a practical approach and constructive step forward in establishing better human relations in America. The very minimum that Congress can do at this time is to provide for a bipartisan Civil Rights Commission, increase the authority of the Attorney General in civil-rights matters, protect the voting rights of all citizens, and eliminate discrimination in interstate travel. Without Federal legislation, uniform standards of human decency would not prevail in America.

This legislation represents the considered judgment of some of the best minds in this Congress—and I refer to the good minds on both sides of the aisle. Necessary legislation, such as this civil-rights bill, is the responsibility of both political parties.

The Civil Rights Commission will fill a vital need in the administration of the civil rights laws. With power to investigate, study, and collect information concerning economic, social, and legal developments which constitute a denial of equal protection of the laws, it can make a tremendous contribution to the national welfare.

It provided in this legislation that the Attorney General will be authorized to institute for the United States or in the name of the United States a civil action for preventive relief whenever a person suffers a deprivation of his civil rights under the existing law. It is also provided that the Attorney General is authorized to institute an action whenever any persons are about to engage in those acts and practices which would deprive any citizens of his civil rights under existing law. Thus, for the first time real meaning is given to the civil rights legislation upon which so many Americans are dependent for their civil and voting rights.

The representatives of the Southern States should be able to find their way to accept this legislation. It represents a delicate approach to a problem of wide magnitude. Compromise has already been prefabricated into the legislation. It is much less than enough to assure the existence of substantive freedom in America, freedom for all people.

Vast areas of civil rights in America are untouched and remain the work of a future Congress. This legislation is in the nature of a moderate step forward. Eighty-eight years have passed since the adoption of the 14th amendment and all progress in the development of civil and human rights in America since that time has been made too slowly for our American concepts of justice and equality. And yet the very moderate, temperate recommendations of this legislation appear to be the full distance that this Congress can go in achieving an honorable regard for civil and human rights. Few citizens can believe that the legislation is sufficient and yet we support it because it appears to be the best we can do at this time.

The problem of integrating American life is not a local problem. To the South, it means the breakdown of separate social systems developed over the generations. The universal dignity which will develop in the mainstream of southern life will increase productivity, develop a deeper sense of social responsibility, and preserve and protect the greatest asset with which the South is blessed, its peoples of all races, colors, and creeds. The South cannot afford the unabated loss of its citizens by movement to areas of the Nation more disposed to their social progress.

The North has an abundance of prejudice problems which will probably provide more labor than the South for the Civil Rights Commission. Prejudice can be seen to take effect at the city limits. Few areas in the new dominions of northern suburbia are feasibly and practicably available to all Americans. The migration of city dwellers into the new confused outposts of suburbia are frequently motivated by a desire for a segregated community and segregated schools. Friendly warm communities are not friendly and warm to everybody. Community clubs are designed for segregation by "clubby" covenants which blaspheme that dignified word. Their ostensible purpose is to preserve community life. Their practical purpose is to discriminate and segregate. Banks and lending institutions have had their part in isolating these communities from tolerance by a segregation loan policy.

The problems of the North are in many respects more difficult than those of the South. The difference is that the North tries where the South is inclined to despair. We of the North plead with our fellow citizens from the South to reconcile to a fuller meaning of liberty—a meaning which America needs throughout the world.

I hope that the Rules Committee will immediately report out this vital legislation so that it can be promptly acted upon by the House of Representatives.

HELLS CANYON DAM

The SPEAKER pro tempore. Under previous order of the House, the gentlewoman from Idaho [Mrs. PFOST] is recognized for 30 minutes.

Mrs. PFOST. Mr. Speaker, developments of the past few days prove once again that the big power monopolies have this administration twisted around their little finger. They have only to ask for a favor—regardless of how shocking it may be—and they get it.

The latest favor asked for—and received—by the gimmie-and-get boys in the private electric utilities is a multimillion-dollar Federal tax subsidy for the Idaho Power Co. And the tragedy is

that the taxpayers of the country are going to have to dig deep into their pockets to pay for it.

The subsidy is in the form of a fast tax writeoff on two of the site-wasting dams—Brownlee and Oxbow—which the company has a license to build in the Hells Canyon stretch of the Snake River. Their construction would preclude forever the building of a high, multiple-purpose Hells Canyon Dam.

I do not need to tell you that a fast tax writeoff, in simple terms, is permission given to a company by the Government to deduct the construction costs of a new project from the company's Federal income tax.

The Office of Defense Mobilization has given the Idaho Power Co. an accelerated tax-amortization certificate which allows the company to apply a rapid tax writeoff to 65 percent of the cost of the Brownlee Dam and to 60 percent of the cost of the Oxbow Dam. In other words, the company can write off over $65 million of the cost of the 2 dams, through income-tax deductions, in 5 years.

Under normal conditions, the company would be obliged to spread its depreciation deduction over a much longer period. So the fast tax writeoff gives the company a nice little parcel of cash which they can invest at their own profit.

INTEREST-FREE LOAN

It has been estimated that in the next 5 years the Idaho Power Co. will receive an interest-free loan of $30½ million. Projected over the 50-year normal life period of these hydroelectric projects, this means the Idaho Power Co. will actually receive a total subsidy of $329.3 million.

This cash handout is more than 3 times the cost of the 2 little dams—and $21 million more than the cost of the high Federal dam. What is more—over the 50-year period, by investment and reinvestment, it could net the company some $200 million more than the entire construction costs of the 2 dams.

If you still have any lingering doubts that this love affair between the administration and the private power monopolies is a torrid one—just consider this fact. Right while ODM was announcing the vast program of Federal tax benefits for the Idaho Power Co., its chairman also was announcing that the program would be curtailed in the future. It is interesting that this program, originally intended to encourage and safeguard private investment in essential defense plants during the Korean emergency, should be curtailed only after a handsome valentine had been dispatched to a big eastern power monopoly.

SERVANT OF THE PEOPLE

Mr. Speaker, for years our Government has operated under both Republican and Democratic administrations on the theory that electric power was the servant of the people. During the last 4½ years it has become blazingly clear that the present Republican administration considers electric energy to be the servant of the monopolies—which they may use at will to extort from the people every possible dollar in return for the power they must have to light their homes, lighten their chores, and turn the wheels of their factories. If there ever was a classic example of the people be damned—this is it.

You all know well the Hells Canyon story. The issue is full development versus partial development of a great natural resource that belongs to all of the people. The high Federal dam will produce more power at about half the cost. According to best estimates, the cost of high-dam power at market would be less than 3 mills per kilowatt-hour compared to almost 7 mills per kilowatt-hour for power from the low Idaho Power Co. dams. With Bonneville power selling at 2 mills, a lot of hard-headed people have been wondering where the Idaho Power Co. was going to find a market for 7-mill power in the Pacific Northwest, except among the captive consumers of the Snake River Valley in Idaho and Oregon. Now, however, with the taxpayers building the dams for them, the power company will be on easy street, regardless of whether their rates attract new industry into the region or provide more power for essential defense plants.

All studies indicate that the high Hells Canyon Dam would produce about 400,000 kilowatts more prime power than would the puny run-of-the-river private power dams. The high dam would also add some 436,000 prime kilowatts to the 8 Federal down-river dams now in operation, under construction, or authorized. For example, Hells Canyon would add approximately 65,000 kilowatts to the Ice Harbor power production, 48,000 to McNary, 50,000 to The Dalles, and 24,000 to Bonneville. We have already put millions of our tax dollars in these dams—and it is foolhardy not to finish the job.

THE INDISPENSABLE DAM

But less power at higher cost is not the only issue in the controversy raging around Hells Canyon. The high dam is an indispensable link in the existing and future navigation, irrigation, flood control and power projects of the Federal Government in the Snake and Columbia River Basins. To remove the Hells Canyon project is to sink a dagger in the heart of the carefully considered, overall plan of the Bureau of Reclamation, and the Army Corps of Engineers for the full development of this area.

To kill the high dam is also to rob the people of untold benefits that are rightfully theirs. Only the construction of the multiple-purpose dam can make possible valuable assistance to irrigation, agriculture, mining, navigation and flood control, as well as low-cost power. To squander the site on low dams that will produce only high-cost power is to give the people half a loaf instead of a full loaf of bread, a wheelbarrow instead of a Thunderbird, fragmentary development for full development of a great natural resource.

The question of the loss of tax revenues always comes up in a private versus public power argument. The private power companies argue that while they pay taxes, a Federal project does not. They say that if the private project is not built, the counties, the States and the Nation will be denied huge tax revenues.

Mr. Speaker, we all know that no private high-cost-power single-purpose development could possibly create the expansion in taxpaying farms, in towns, in business and industry that automatically comes in the wake of a Federal multiple-purpose project.

I have a hunch, however, that we won't be hearing this loss-of-taxes argument so much now that the private utility in this case has been handed such a nice, fat tax deduction at the expense of the individual taxpayer. We Americans have a way of not liking it when a private concern is given a Federal license to dip down into our own pockets.

HIGH HELLS CANYON SELF-LIQUIDATING

And I believe citizens out across the country are going to be even more receptive to information about the financing of the Federal dam than they have in the past. They are going to be very much interested in the fact that the Hells Canyon project—like every other Federal reclamation project—is self-liquidating. The costs will be borne by the consumers of the electricity. In the case of the high dam, revenues from the abundant amounts of low-cost power it will produce will repay to the Federal Treasury all reimbursable costs, with interest, over a fifty-year period. The taxpayers will loan the money—and get their original investment back, with a nice profit.

Mr. Speaker, the American taxpayer is going to be righteously up in arms when he learns that through a fancy gimmick known as a fast tax writeoff, he is going to pay for the Idaho Power Co. dams. The magnificent Hells Canyon site is his God-given heritage. Now it becomes evident that not only is this resource being squandered by underdevelopment, and for a project which will make electricity bills in the region stratospheric high for years to come, but that his hard-earned tax dollars are going to build it to boot. And his wrath will increase when he remembers that the Idaho Power Co. has boasted again and again in its advertising that its dams would not cost the taxpayers 1 red cent. This is the stuff of which political revolutions are made—revolutions which angrily turn a party out of power and keep it out for years to come.

Mr. Speaker, those of us who are sponsoring Hells Canyon bills in the House are not waging this fight just for the people of our own congressional districts, nor of our own States, nor even of the Pacific Northwest. Building the high Hells Canyon Dam is just as important to other Members of the House, and to the people they represent, as it is to our constituents.

This past week we have all been watching anxiously the tide of events in Jordan. For months our eyes have been on the Suez Canal—and on the Middle East tinderbox. Each morning we learn how torn with strife is our tight little world, how close is conflict in one part of it or another.

LOW-COST POWER FOR DEFENSE

We cannot foresee the full impact these events will have on America, but we can well be sure that might and force are still the language that every aggressor understands. We remember what Bonneville and Grand Coulee meant to us

during World War II, and we realize that only by continuing to be the arsenal of democracy can our voice be truly effective. Huge blocks of low-cost power, such as Hells Canyon Dam would provide, could lend considerable authority to that voice.

Already the Pacific Northwest faces an electric energy shortage that is stunning. The Bonneville Power Administration, which markets the Federal wholesale power from the dams already constructed, is discouraging further expansion of rural electric systems. This power-hungry part of the country suffers periodic brownouts—and the situation becomes more serious with each passing month.

To waste the great defense and peacetime potentials of Hells Canyon would be unforgivable. Yet that is what is going to happen if Congress does not pass the Hells Canyon bill this session.

The high-handed outrage of the tax writeoffs shows the extent to which the Power Trust controls this administration. The people's interests are being shamefully violated every day. They have nowhere to turn but to the Congress. We have the opportunity of the decade to perform a public service not only for this generation but for generations to come by authorizing a high Hells Canyon Dam.

Mr. ULLMAN. Mr. Speaker, would the gentlewoman yield?

Mrs. PFOST. I am glad to yield to the distinguished gentleman from Oregon.

Mr. ULLMAN. Mr. Speaker, I should like to associate myself with the very able gentlewoman from Idaho in the remarks she is making and congratulate her on her statement. It is my privilege to represent the district adjacent to the Hills Canyon area on the Oregon side. I know the gentlewoman from Idaho represents the adjacent district on the Idaho side. I believe it is true that we both replaced Congressmen who were opposed to the high Federal dam; is it not?

Mrs. PFOST. That is true.

Mr. ULLMAN. And is it not also true that in the whole Pacific Northwest, in the last election, Hells Canyon and the full development issue were very important?

Mrs. PFOST. Very much so. I would say to my colleague from Oregon that the building of the high Hells Canyon Dam was one of the two major issues in my campaign in Idaho.

Mr. ULLMAN. And the voters made the decision on that issue, did they not?

Mrs. PFOST. That is true.

Mr. ULLMAN. I know in my district it was a natural issue, and the voters emphatically decided in favor of the high Federal dam, as they did in many, many other places in that part of the country.

Mrs. PFOST. The people of the area, in my opinion, strongly endorsed the high dam at Hells Canyon by the resounding majorities they gave high-dam advocates in the Northwest elections last fall. I thank the gentleman for his comments.

Mr. McCORMACK. Mr. Speaker, will the gentlewoman yield?

Mrs. PFOST. I yield to the majority leader, the gentleman from Massachusetts.

Mr. McCORMACK. I congratulate the gentlewoman from Idaho on the great fight she has made on this outstanding project. It is one I favor, as the gentlewoman knows. Coming from Massachusetts, I think it is a disgrace to see the great natural resources of our country going to waste. It is not a question of public and private power; it is a question of the maximum utilization of the natural resources of our country and of that great area as pinpointed by the Hell's Canyon project.

Mrs. PFOST. Indeed it is.

Mr. McCORMACK. The question of the sale of power then enters into private hands through negotiation. Private interests have a different problem. We cannot expect them to invest countless millions of dollars of their stockholders' money just to marshall natural resources that they cannot use. But it is a reckless waste on our part to permit these tremendous natural resources to go to waste. That is the reason I supported Boulder Dam, that is the reason I supported the Tennessee Valley Authority, that is the reason I supported all of these great projects, because it is in the national interest of our country to marshal those great resources in the interest of the people of our country.

Mrs. PFOST. The gentleman is so right. I appreciate his kind remarks. We have been grateful over the years for his support of the projects in the West. Certainly the development of those projects is in the interest of all of the people, as the gentleman has so ably stated. Not only the people that are immediately affected in that area but the people of the whole Nation benefit from such comprehensive development.

Mr. PORTER. Mr. Speaker, will the gentlewoman yield?

Mrs. PFOST. I yield to the gentleman from Oregon.

Mr. PORTER. I commend the gentlewoman on her very fine and forceful statement, as well as the remarks made by my colleague from Oregon and the majority leader.

I have just returned from my district, which is in southwestern Oregon. I am sorry to report that the economic situation there is very poor. As the gentlewoman well knows, we for a long time were the beneficiaries of a power program which meant inexpensive power, and we are on our way to becoming free from being a one-industry area.

Some years ago, as the gentlewoman well knows, the power policy of this Government changed. The Hells Canyon Dam is an instance of that change. As a result, in our district where there is a severe economic slump at this time because of the lumber situation, the price of lumber, we have nothing to look to. It is a desperate situation. We are not on the Snake River but we are in an area where we would profit greatly and the whole Nation would profit because of the indirect results in increased incomes in our area. So I say I have reason because of my recent trip to Oregon, from which I returned just this morning, to appreciate the gentlewoman's remarks.

Mrs. PFOST. I thank my colleague, the gentleman from Oregon.

ADMINISTRATION GIVEAWAY TO IDAHO POWER CO.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 15 minutes.

Mr. ULLMAN. Mr. Speaker, I want every Member of this great body to remember Tea Pot Dome and to remember Dixon-Yates, for these are minor scandials compared with the giveaway at Hells Canyon.

On April 25, 1957, this tarnished Republican Administration issued an order that will, in effect, require American taxpayers to foot the bill for a large part of the cost of two private dams on the Snake River by the Idaho Power Co.

It is not enough that Sherman Adams, the power behind the throne and the protector of private power monopoly, has maneuvered to the Idaho Power Co. the Hells Canyon stretch of the Snake River.

It is not enough that a former Secretary of the Interior tore up a memorandum he had written supporting the mighty Hells Canyon Dam when it became apparent that such support violated the private power commitments of this resource-soiled administration.

It is not enough that the Federal Power Commission has been handpicked to grant the will of the private power monoply.

It is not enough that the present Secretary of the Interior has been overruled in his feeble attempts to provide a partial restoration of the great public loss at Hells Canyon.

No, Mr. Speaker, not even the above maneuvers have been sufficient, for now it has been disclosed that this already soiled administration has bailed out the Idaho Power Co. at the expense of every single American taxpayer by providing quick tax write off certificates which will insure complete subsidization for this project.

Mr. Speaker, we from the Pacific Northwest are well acquainted with a Republican Party which has dealt from the bottom of the deck on the matter of natural resources. Apparently the National Republican administration has failed to heed the revolt against those policies as expressed in the 1956 election returns in the Pacific Northwest.

My colleagues in this House, as well as the Members of the other body, have frequently heard about the need for a high dam at Hells Canyon during the past few years. I am sure that the details concerning the need for this high dam, with its great power potential and its millions of acre-feet of storage have seemed complicated.

All that has been said about the needs of the Pacific Northwest for this power and this storage and all that has been said concerning the inadequacies of a series of small dams with limited power and token storage is true. There is no need to belabor these facts. The information is available and speaks for itself.

However, the issue before Congress today involves more than storage capacity and power potential. This is a simple question of morality.

Mr. Speaker, these rapid tax writeoff certificates are being justified as "necessary in the interest of national defense during the emergency period." As the amortization provision of the 1954 tax law, section 116, states, this is the criteria that must be met in order for the Office of Defense Mobilization to issue such certificates.

In granting these certificates, I submit that both the will of Congress and the spirit of the law have been violated. Presumably, the certificates were issued in the name of national defense, but I submit that if these low dams have any bearing whatsoever on national defense, that contribution is detrimental to the long-range interests of the Nation. The granting of these certificates is nothing more than another aspect of the flagrant giveaway on the part of this administration.

The Idaho Power Co. has estimated that the cost of the Brownlee project will be $67,100,000 and the cost of the Oxbow Dam is estimated at $35 million. The certificates issued by the Office of Defense Mobilization has approved a tax writeoff amounting to 65 percent of the cost of building Brownlee and 60 percent of the cost of constructing Oxbow. Thus, the total amount for the 2 dams of $65,200,000 has been approved for rapid tax amortization.

Normally, a company would pay Federal taxes on 52 percent of the $65,200,000 or a total tax of $30,500,000. Thus, the Idaho Power Co., by the decision of the Office of Defense Mobilization, is given an interest-free, tax-paid loan of $6,100,000 per year for 5 years. According to the best available information, if the two dams were completed according to schedule, this would mean that the Idaho Power Co. would be given complete forgiveness for all income taxes for the next several years.

Conversely, the Federal Government will lose in revenue in the area of $6,100,000 annually—an annual loss which the Federal Government must borrow and pay interest on if funds are to be available for Government operations. Continual refinancing which is thus necessitated will mean that the American taxpayer will pay $22,900,000 in interest on the interest-free loan to Idaho Power Co. I doubt if anyone will quarrel with my use of a 3-percent figure as the average cost of money to the Government during this Republican tight-money era.

As a recipient of a tax-free loan, Idaho Power Co. will be in a position to invest over $30 million at a rate of approximately 6 percent, which earnings can in turn be compounded. Over the 50-year period of its Federal license, the company will be in a position to realize a net windfall of approximately $329 million—all made possible by the biggest Government giveaway yet reported.

Mr. Speaker, I think it is high time that the American people took stock of what they can expect to receive as a result of this deal. The American people lose $30,500,000 in taxes over a period of 5 years. They must pay $22,900,000 in interest charges over a period of 50 years. Idaho Power receives a net windfall of $329 million.

And for this dubious exchange, what does the Pacific Northwest receive?

We lose 500,000 kilowatts of year-round cheap power by destroying the possibility of a high Hells Canyon Dam.

We lose 2,880,000 acre-feet of vitally needed storage for flood control and downstream power generation.

We lose the possibility of irrigating 1 million acres of upstream land through potential power revenues from a high dam at Hells Canyon.

We lose recreation and fish and wildlife facilities for millions of Americans.

We lose, at a time when the region is undergoing an economic slump, thousands of jobs and new industries that would produce more goods and pay more taxes to the Federal Government.

The Snake River Basin loses all hope of 3-mill power—but instead will hereafter be subservient to monopoly control at three times that rate. The region and the Nation will pay the cost of a high Hells Canyon Dam without any of the benefits—a dam which would be an investment and a defense asset for the American people rather than a bonanza for the Idaho Power Co. If Congress authorizes the high dam, the ratepayers will fully reimburse the cost of the project plus all interest costs incurred by the Government, and at the end of a 50-year period the people of the United States will own, free and clear, a project which will bring $25 million to $30 million annually into the Federal Treasury.

Idaho Power Co., through its representatives, loudly proclaimed that it was asking that it be permitted the privilege of constructing, solely with its own money and without one cent of cost to the taxpayers of the United States, the low dams on the Snake. Yet today, the Idaho Power Co. stands as the recipient of a $329 million bonanza and you and I and the American public are footing the bill.

I would also like to draw attention to a full-page advertisement on the Idaho Power Co. plans in the May 26, 1956, edition of the Saturday Evening Post which was paid for by the American electric ratepayers. This advertisement said, in part, "America's more than 400 independent electric light and power companies do not have to wait for an act of Congress for tax money from the Treasury," and added that the Idaho Power Co.'s construction of its three low dams on the Snake River "will save you and your fellow taxpayer $465 million." The issuance of these tax writeoff certificates proves the fraudulence of that statement. Taxpayers' dollars will be used to build the private dams. The administration through subterfuge is giving away a resource that now can be saved only through congressional action.

Mr. Speaker, the brazenness of this latest perversion of public policy cries out for an immediate investigation. The economic and political strangulation of my district and of the Pacific Northwest can no longer be permitted.

We cannot afford to stand by while the agents of this administration through conspiracy with the private utility monopoly desecrate our remaining natural resources. Congress has a right to know the reasons why this administration is subsidizing Idaho Power Co.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. KEARNEY (at the request of Mr. MARTIN) on account of illness.

To Mr. BEAMER (at the request of Mr. HARVEY) on account of illness.

To Mr. LOSER, to May 6, 1957, (at the request of Mr. COOPER) on account of illness.

To Mr. FLOOD, for balance of week, on account of official business.

To Mr. BROWN of Missouri (at the request of Mr. ROOSEVELT), for April 30 and May 1, on account of official business of the Committee on Small Business.

To Mr. ROOSEVELT, for April 30 and May 1, on account of official business of the Committee on Small Business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. VANIK, today, for 10 minutes.

Mr. PATMAN, on tomorrow; and on Thursday next, for 30 minutes, and to revise and extend his remarks and include certain extraneous matter.

Mr. ULLMAN for 15 minutes today.

Mrs. PFOST for 30 minutes today.

EXTENSION OF REMARKS

By unanimous consent, permission, to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. DAVIS of Tennessee and include a speech delivered by him at the dedication of a statue to the late Hon. Edward Hull Crump.

Mr. DORN of South Carolina and to include a speech.

Mr. CANNON and to include extraneous matter.

Mr. REED and to include related matter.

Mr. BERRY and to include related matter.

Mr. BALDWIN. and include related matter.

Mr. CELLER in two instances.

Mr. DOYLE and to include related matter.

Mr. DINGELL (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. ZELENKO (at the request of Mr. MCCORMACK) in one instance and to include extraneous matter.

ADJOURNMENT

Mr. EDMONDSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Tuesday, April 30, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

761. A communication from the President of the United States, transmitting a proposed amendment to the budget for fiscal year 1958 for the Department of the Interior, involving a net reduction in the amount of $5,658,000 (H. Doc. No. 162); to the Committee on Appropriations and ordered to be printed.

762. A communication from the President of the United States, transmitting amendments to the budget for the fiscal year 1958 involving an increase in the amount of $167,000 for the legislative branch (H. Doc. No. 163); to the Committee on Appropriations and ordered to be printed.

763. A letter from the Secretary of State, transmitting a report on the international educational exchange program carried out by the Department, pursuant to Public Law 584, 79th Congress (H. Doc. No. 164); to the Committee on Government Operations and ordered to be printed.

764. A letter from the Comptroller General of the United States, transmitting a report on the audit of the abaca fiber program, as administered by the General Services Administration, for the fiscal year ended June 30, 1956, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 165); to the Committee on Government Operations and ordered to be printed.

765. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 1, 1957, submitting a report, together with accompanying papers and illustrations, on a review of reports on North Fork, Redbank, and Sandy Lick Creeks at Brookville, Pa., requested by a resolution of the Committee on Public Works, House of Representatives, adopted July 29, 1955 (H. Doc. No. 166); to the Committee on Public Works and ordered to be printed with three illustrations.

766. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 6, 1957, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of Chatham, Mass., prepared under the provisions of section 2 of the River and Harbor Act approved July 3, 1930, as amended and supplemented (H.Doc.No. 167); to the Committee on Public Works and ordered to be printed with nine illustrations.

767. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 27, 1957, submitting a report, together with accompanying papers and an illustration, on a review of reports on East Boat Basin, Cape Cod Canal, Mass., requested by resolutions of the Committee on Public Works, United States Senate and House of Representatives, adopted March 12, 1949, and July 6, 1949, respectively (H. Doc. No. 168); to the Committee on Public Works and ordered to be printed with one illustration.

768. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 5, 1957, submitting a report, together with accompanying papers and an illustration, on a review of reports on Saxon Harbor, Wis., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted November 30, 1945 (H. Doc. No. 169); to the Committee on Public Works and ordered to be printed with one illustration.

769. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and illustrations, on a survey of Millwood Reservoir and alternate reservoirs, Little River, Okla., and Ark., authorized by the Flood Control Act approved May 17, 1950 (H. Doc. No. 170); to the Committee on Public Works and ordered to be printed with two illustrations.

770. A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation entitled, "A bill to amend the United States Grain Standards Act, 1916, as amended, to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes"; to the Committee on Agriculture.

771. A letter from the budget officer, Federal Home Loan Bank Board transmitting 1 copy of Standard Form 143, Report of Status of Apportionments for Corporations and Enterprises, for the Period Ending March 31, 1957, for the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation, pursuant to instructions contained in section 54C, Budget-Treasury Regulation No. 1, dated June 1952; to the Committee on Appropriations.

772. A letter from the Director, Legislative Liaison, Department of the Air Force, transmitting the quarterly report as of the end of the third quarter of fiscal year 1957 (March 31, 1957) showing the aggregate of officers assigned or detailed to the executive element of the Air Force at the seat of government, pursuant to section 8031 (c), title 10, United States Code; to the Committee on Armed Services.

773. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled, "A bill to extend the interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years"; to the Committee on Armed Services.

774. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled, "A bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces"; to the Committee on Armed Services.

775. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill to amend title 10, United States Code, to authorize a registrar at the United States Military Academy, and for other purposes"; to the Committee on Armed Services.

776. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill to amend title 10, United States Code, to authorize persons from friendly nations to receive instruction at the United States Military, Naval, and Air Force Academies"; to the Committee on Armed Services.

777. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled "A bill for the relief of Col. Russell King Alspach"; to the Committee on Armed Services.

778. A letter from the Director, Office of Defense Mobilization, Executive Office of the President, transmitting the semiannual report to the Congress on the stockpiling program for the period from July 1 to December 31, 1956, pursuant to section 4 of the Strategic and Critical Materials Stock Piling Act, Public Law 520, 79th Congress; to the Committee on Armed Services.

779. A letter from the Administrator, Federal Civil Defense Administration, transmitting the quarterly report of Federal contributions for the quarter ending March 31, 1957, pursuant to subsection 201 (i) of the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

780. A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports on Army, Navy, and Air Force prime contract procurement actions with small and large concerns for work in the United States for the first 8 months of fiscal year 1957, pursuant to Public Law 268, 84th Congress; to the Committee on Banking and Currency.

781. A letter from the Administrator, Small Business Administration, transmitting a draft of proposed legislation entitled "A bill to amend section 24 of the Federal Reserve Act"; to the Committee on Banking and Currency.

782. A letter from the Administrator, Housing and Home Finance Agency, transmitting a draft of proposed legislation entitled, "A bill to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war housing project Alaska–50083, and for other purposes"; to the Committee on Banking and Currency.

783. A letter from the Director, District Unemployment Compensation Board, government of the District of Columbia, transmitting the 21st Annual Report of the District Unemployment Compensation Board for the year 1956; to the Committee on the District of Columbia.

784. A letter from the Acting Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia"; to the Committee on the District of Columbia.

785. A letter from the President, Board of Commissioners, District of Columbia, transmittting a draft of proposed legislation entitled, "A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes"; to the Committee on the District of Columbia.

786. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled, "A bill to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act"; to the Committee on Education and Labor.

787. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled, "A bill to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions (ICSU) and certain associated unions"; to the Committee on Foreign Affairs.

788. A letter from the Director, International Cooperation Administration, transmitting an additional report (relative to a letter dated November 13, 1956, from the Department of State transmitting a report for foreign excess property disposals by the Department) dealing with the International Cooperation Administration including the activity of the predecessor agency (Foreign Operations Administration), pursuant to Public Law 152, 81st Congress; to the Committee on Government Operations.

789. A letter from the Comptroller General of the United States, transmitting the first report on the review of the Washington Aqueduct, Corps of Engineers (Civil Functions), Department of the Army, for the fiscal year ended June 30, 1956; to the Committee on Government Operations.

790. A letter from the Comptroller General of the United States, transmitting a report on significant financial aspects of the Railroad Retirement Board, December 1956, containing information and recommendations concerning the actuarial condition of the railroad retirement account; to the Committee on Government Operations.

791. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim, pursuant to (60 Stat. 1055; 25 U. S. C. 70t): *Shoshone Tribe of the Wind River Reservation, Wyoming, Petitioner, v. The United States of America, Defendant* (Docket No. 63); to the Committee on Interior and Insular Affairs.

792. A letter from the Acting Secretary of the Interior, transmitting a proposed concession contract with Lake Mohave Resort, Inc., to provide facilities and services for the public at the Katherine Wash Site of Lake Mead National Recreation Area, Nev., for a period of 20 years from January 1, 1957; to the Committee on Interior and Insular Affairs.

793. A letter from the Acting Secretary of the Interior, transmitting a report on contracts made by the Bureau of Indian Affairs for the fiscal year 1956, pursuant to section 4 of the Act of June 4, 1936 (49 Stat. 1458, 1459); to the Committee on Interior and Insular Affairs.

794. A letter from the Acting Secretary of the Interior, transmitting copies of order canceling $1,875.50 of reimbursable debts existing against certain Indian landowners on the Wind River Indian irrigation project, Wyoming, pursuant to authority in an act of Congress approved July 1, 1932 (47 Stat. 564, 25 U. S. C. 386a); to the Committee on Interior and Insular Affairs.

795. A letter from the Acting Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of February 28, 1957, pursuant to section 5 (e) of the Communications Act as amended by Public Law 554; to the Committee on Interstate and Foreign Commerce.

796. A letter from the Chairman, Federal Power Commission, transmitting one copy of its newly issued publication entitled, "Statistics of Electric Utilities in the United States, 1955, Publicly Owned," for the information of the House of Representatives; to the Committee on Interstate and Foreign Commerce.

797. A letter from the Acting Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled, "A bill to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a one-count indictment"; to the Committee on the Judiciary.

798. A letter from the Acting Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation entitled "A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia"; to the Committee on the Judiciary.

799. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting a letter relative to the case of Yu Chang Hsieh, A-6986597, involving suspension of deportation under the provisions of section 244 (a) (1) of the Immigration and Nationality Act of 1952 and requesting the case to be withdrawn and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

800. A letter from the Secretary of the Army, transmitting a draft of proposed legislation entitled, "A bill for the relief of the estate of Isa Hajime"; to the Committee on the Judiciary.

801. A letter from the president, National Safety Council, transmitting a report of the audit of the financial transactions of the National Safety Council for the year 1956, pursuant to Public Law 259, 83d Congress; to the Committee on the Judiciary.

802. A letter from the Secretary, Panama Canal Company, transmitting a draft of proposed legislation entitled "A bill to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

803. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled, "A bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

804. A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation entitled, "A bill to provide for the Board of Trustees of the Postal Savings System to consist of the Postmaster General and the Secretary of the Treasury"; to the Committee on Post Office and Civil Service.

805. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 27, 1957, submitting a report, together with accompanying papers and illustrations, on a review of reports on Criehaven Harbor and Matinicus Harbor, Maine, requested by resolutions of the Committee on Public Works, House of Representatives, adopted May 27, 1947, and April 13, 1948; to the Committee on Public Works.

806. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and an illustration, on a letter report on Cypress Drainage District, Conway and Perry Counties, Ark., requested by a resolution of the Committee on Public Works, House of Representatives, adopted May 27, 1949; to the Committee on Public Works.

807. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Perdido Bay, Ala. and Fla., authorized by the River and Harbor Act approved March 2, 1945; to the Committee on Public Works.

808. A letter from the Administrator, Veterans' Administration, transmitting a draft of proposed legislation entitled "A bill to amend the definition of the term 'State' in the Veterans' Readjustment Assistant Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone"; to the Committee on Veterans' Affairs.

809. A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation entitled "A bill to amend the provisions of the Social Security Act to consolidate the reporting of wages by employers for income-tax withholding, and old-age, survivors, and disability insurance purposes, and for other purposes"; to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DINGELL:

H. R. 7065. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $700, to the Committee on Ways and Means.

H. R. 7066. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $800; to the Committee on Ways and Means.

By Mr. DOYLE:

H. R. 7067. A bill to amend the Federal Property and Administrative Services Act of 1949 to permit the donation and other disposal of property to tax-supported public recreation agencies; to the Committee on Government Operations.

By Mr. KRUEGER:

H. R. 7068. A bill to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior; to the Committee on Public Works.

By Mr. MACK of Washington:

H. R. 7069. A bill to amend the Agricultural Marketing Agreement Act of 1937, as amended, to include cranberries for canning or freezing; to the Committee on Agriculture.

By Mr. MAGNUSON:

H. R. 7070. A bill to provide for construction by the Secretary of the Interior of certain units of the Greater Wenatchee division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. REUSS:

H. R. 7071. A bill to amend the act of May 25, 1926, to provide for the establishment of the highest possible standards of architectural design and sound decoration for Federal public buildings; to the Committee on Public Works.

By Mr. SAYLOR:

H. R. 7072. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes; to the Committee on Ways and Means.

By Mr. WILSON of California:

H. R. 7073. A bill to amend section 1215 of title 10 of the United States Code to equalize the benefits provided for retired members of the Armed Forces; to the Committee on Armed Services.

H. R. 7074. A bill to amend section 1332 of title 10 of the United States Code to provide for crediting service as a contract dental surgeon or acting dental surgeon with the War Department toward retirement for nonregular service; to the Committee on Armed Services.

By Mr. COOLEY:

H. J. Res. 313. Joint resolution designating the week of November 22 to 28, 1957, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. Res. 240. Resolution authorizing the printing of the manuscript, "Foreign Trade Interests in the State of Michigan" as a House document; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. LANE: Resolutions adopted by the Commonwealth of Massachusetts memorializing the Congress of the United States to enact legislation placing full responsibility for civil defense on the Federal Government; to the Committee on Government Operations.

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to enact legislation to provide for utilization of commercial marine terminal facilities by the United States; to the Committee on Merchant Marine and Fisheries.

Also, memorial of the Legislature of the State of Kansas, memorializing the President and the Congress of the United States to assure the continuance of surveys and planning in the construction of projects in the State of Kansas that are vital and necessary to the conservation of soil and water by the Bureau of Reclamation, the United States Department of Agriculture, and the Corps of

Engineers, and other Federal agencies and departments; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States to correct governmental policies which create unreasonable competitive disadvantages for the cotton textile industry; to the Committee on Agriculture.

Also, a memorial of the Legislature of the State of Nebraska, memorializing the President and the Congress of the United States approving and supporting the decision of the United States Supreme Court in the school segregation cases; to the Committee on Education and Labor.

Also, a memorial of the Legislature of the State of New Jersey, memorializing the President and the Congress of the United States to amend the Internal Revenue Code so as to extend the "conduit theory" to regulated investment companies that hold their assets in State and local securities; to the Committee on Ways and Means.

Also, memorial of the Legislature of the State of New Mexico, memorializing the President and the Congress of the United States to enact legislation granting 10 million acres of land in trust to this State for the purpose of providing modern educational facilities in institutions of higher learning in this State; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of New York, memorializing the President and the Congress of the United States to cooperate in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to make funds immediately available to finish the planning and start construction of the flood control and hydroelectric facilities needed at the Green Peter project; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States to enact legislation granting pension to World War I veterans, with reasonable income limitation provision, but otherwise substantially comparable to pension grants to veterans of America's wars prior to World War I; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 7075. A bill for the relief of Emmanuel De Leon; to the Committee on the Judiciary.

By Mr. BOGGS:

H. R. 7076. A bill for the relief of Mother Maria Teresa Eceizabarrena, Mother Teodora Sanchez Rodriguez, and Mother Maria del Carmen Gonzalez Rodriguez; to the Committee on the Judiciary.

By Mr. DOYLE:

H. R. 7077. A bill for the relief of Kum Cha Lee; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 7078. A bill for the relief of Albertine Suzanne Girard Boyko; to the Committee on the Judiciary.

By Mr. SCHWENGEL:

H. R. 7079. A bill for the relief of Vincenzo Gangemi; to the Committee on the Judiciary.

By Mr. ROBERTS:

H. R. 7080. A bill for the relief of Mr. and Mrs. Richard J. Smith; to the Committee on the Judiciary.

By Mr. VURSELL:

H. R. 7081. A bill to provide for the removal of a cloud on the title to certain real property located in the State of Illinois; to the Committee on Government Operations.

By Mr. WILSON of California:

H. R. 7082. A bill for the relief of Earl P. Garoutte; to the Committee on the Judiciary.

H. R. 7083. A bill for the relief of Jesus Garcia; to the Committee on the Judiciary.

H. R. 7084. A bill for the relief of Ofelia Magdaleno de Mendez; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 7085. A bill for the relief of Mrs. Anna Beskidniak; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

212. By Mr. BUSH: Petition of citizens of South Williamsport, Pa., urging passage of H. R. 3029 or any bill which will require compulsory humane slaughter of animals in packing and slaughter houses throughout the United States; to the Committee on Agriculture.

213. Also, additional petition of citizens of Williamsport, Pa., urging passage of H. R. 3029 or any bill which will require compulsory humane slaughter of livestock and poultry in packinghouses and slaughter shops; to the Committee on Agriculture.

214. Also, petition of District 17, Department of Pennsylvania, the American Legion, representing Legionnaires and Legion posts in several counties in central Pennsylvania, in support of legislation granting pensions to veterans over the age of 65 who are financially unable to provide for themselves and families; to the Committee on Veterans' Affairs.

215. By Mr. CANNON: Petition of employees of Globe-Union, Inc., Milwaukee, Wis., re reduction of the budget; to the Committee on Appropriations.

216. By Mr. THOMPSON of New Jersey: Resolution adopted by the members of the township committee of Ewing Township, N. J., urging the adoption of legislation providing salary increases and personnel management relations for postal employees; to the Committee on Post Office and Civil Service.

217. By the SPEAKER: Petition of Thomas W. Armitage and Malcolm W. Black, Griswold & Co., Inc., New York, N. Y., relative to submitting certain suggestions coming as a result of having attended Joint Civilian Orientation Conference No. 23; to the Committee on Armed Services.

218. Also, petition of the director, Emergency Civil Liberties Committee, New York, N. Y., relative to a grievance against the Un-American Activities Committee of the House of Representatives; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Food Fair Decision Threat to FTC

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 29, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD the following statement made by me and text of a letter to Representative OREN HARRIS, chairman, Committee on Interstate and Foreign Commerce:

FOOD FAIR DECISION THREAT TO FTC

The meatpackers' exemption from surveillance by the Federal Trade Commission that was created in the Packers' and Stockyards Act of 1921 poses grave threats to the continued usefulness of the FTC and to its ability to proceed against unfair and discriminatory practices by any American company.

Under a ruling by a Federal Trade Commission hearing examiner in the Food Fair case, which involved unfair practices in the operations of a supermarket grocery chain of 238 stores, any company, no matter what its primary line of business is, simply by establishing a small meatpacking operation can oust the FTC of jurisdiction over its activities. I have written a letter to the chairman of the Interstate and Foreign Commerce Committee urging him to take early action in order to resolve the statutory ambiguity that gave rise to this condition and to affirm the FTC's jurisdiction over monopolistic practices of meatpackers.

The text of my letter to Representative OREN HARRIS, chairman, Committee on Interstate and Foreign Commerce, is as follows:

"On April 11, 1957, a hearing examiner for the Federal Trade Commission issued a ruling that underscores the urgency for early consideration by the Interstate and Foreign Commerce Committee of necessary legislation to close the loophole in the Federal Trade Commission Act created by the meatpackers' exemption. In the *Food Fair Stores, Inc.* case (FTC Docket 6458), FTC's hearing examiner ruled that Food Fair's ownership and operation of a meatpacking plant ousted the Federal Trade Commission from jurisdiction over unfair methods of competition that violate the Federal Trade Commission Act and discriminatory practices that violate the Robinson-Patman Act even though these unfair and discriminatory practices are totally unrelated to the distribution of meat and meat products, or for that matter, even to the distribution of agricultural products.

"By vesting $2,700,000 in a meatpacking plant, Food Fair has been able to remove FTC surveillance over the business of a supermarket grocery chain of 238 stores with gross sales of $475 million. This is a case where the tail wags the dog.

"Unless the Federal Trade Commission overrules its examiner, his decision leads to absurd results. Any company, no matter what its primary line is, with a minimal investment in a meat packing operation can deprive the Federal Trade Commission of jurisdiction over its activities. Under the examiner's ruling, this device could be used by tire producers, battery manufacturers, automobile manufacturers, integrated oil companies, or any other industrial giant, to eliminate antitrust enforcement by the Federal Trade Commission over monopolistic practices that result in unfair and discriminatory methods of competition.

"I hope that the hearing examiner ultimately is found to be in error. The fact that there is much to support his interpretation of the packers' exemption, however, further demonstrates the need for Congress to clar-

tify this statute and to affirm the jurisdiction of the Federal Trade Commission over the activities of meatpackers.

"As the law now stands, the Secretary of Agriculture has jurisdiction to enforce the antitrust provisions of the Packers' and Stockyards Act of 1921. The Secretary of Agriculture, however, for more than 30 years has done nothing to enforce these antitrust provisions, even with respect to those companies whose primary lines are slaughtering, processing, and selling meat and meat products. It is obvious that the Secretary of Agriculture is neither equipped for nor qualified by experience to continue these antitrust responsibilities.

For these reasons I urgently request that you schedule early hearings on my bill, H. R. 5282, to return to the Federal Trade Commission jurisdiction to prevent monopolistic acts and practices and other unlawful restraints by persons engaged in commerce in meat and meat products."

Unofficial Visit to the Jewish Colony at Sosua in the Dominican Republic

EXTENSION OF REMARKS
OF
HON. HERBERT ZELENKO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 29, 1957

Mr. ZELENKO. Mr. Speaker, during the Easter recess, accompanied by three of my distinguished colleagues, Hon. ISIDORE DOLLINGER, of New York, Hon. EARL CHUDOFF, of Pennsylvania, and Hon. SAMUEL N. FRIEDEL, of Maryland, I made an unofficial visit to the Jewish colony at Sosua in the Dominican Republic. We were guests of the colony which was established 17 years ago to provide a haven for persons of the Jewish faith who were victims of Nazi horror and inhumanity.

We spent several days in Sosua where we worshipped in their synagog, lived in their homes, visited their farms, factories, school, and hospital.

We found a happy and prosperous people in a thriving community. Those who came there oppressed and forsaken are now proud citizens of the Dominican Republic, living in harmony with their neighbors, respected and welcomed everywhere.

The Sosua settlers told us, and we can report from personal observation, that the promises made to them by Generalissimo Trujillo in 1940 have been fulfilled. He has kept his word.

In Ciudad Trujillo, the capital of the Dominican Republic, we witnessed a history making and significant event.

Alfred Rosenzweig, who came there with the small band of Hitler's victims, was sworn in as a Congressman of the Republic. He was the first of the Jewish faith to achieve this honor. To us this was indicative of the freedom of opportunity, freedom of religious belief and worship, and the absence of discrimination of any kind, because of race, creed, or national origin in the Dominican Republic.

We were invited to meet with Generalissimo Trujillo. In the course of our discussion, we mentioned the plight of the Egyptian refugees who are now seeking a haven from communism and Nasser terrorism. We were particularly concerned because President Eisenhower and Secretary of State Dulles have refused the same preference to the Egyptian refugees as was given to the Hungarians.

Generalissimo Trujillo assured us that he would be happy to do today what he did in 1940. He said that the door of the Dominican Republic is open to all oppressed people, regardless of race, creed, or national origin and that 5,000 Jewish refugees can be admitted immediately. He further advised us that he is making available sufficient fertile land for all those who will come.

Results of Questionnaire Mailed by Hon. John F. Baldwin, of California, to Residents of the California Sixth District

EXTENSION OF REMARKS
OF
HON. JOHN F. BALDWIN, JR.
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 29, 1957

Mr. BALDWIN. Mr. Speaker, early this year I mailed a questionnaire to every family of registered voters in the California Sixth Congressional District. The response to this questionnaire was the largest that I have ever received. Many constituents not only answered the questionnaire, but sent supplementary letters or wrote detailed comments on the back of the questionnaire. I have spent many hours personally reading all of these comments, and they have been most helpful. I am firmly convinced that a Congressman can better represent his constitutents if he knows the views of all of these constituents, than if he has only heard from pressure groups.

The tabulation of the questionnaire is summarized below:

1. A civil-rights bill is under consideration by Congress which would provide that any intimidation or other effort to prevent a citizen from legitimately voting in Federal elections is a Federal offense, and that the United States Attorney General be given authority to prosecute such a violation. Do you favor or oppose such a bill? Favor, 86.4 percent; oppose, 8.6 percent; undecided, 5 percent.

2. President Eisenhower has proposed that Congress authorize him to use our Armed Forces, if necessary, to protect the territorial integrity and political independence of any Middle Eastern nation requesting such aid, against overt armed aggression from any nation controlled by international communism. Do you favor or oppose such authorization? Favor, 63.6 percent; oppose, 25.5 percent; undecided, 10.9 percent.

3. The Refugee Relief Act, which permitted admission into the United States of refugees, expired on December 31, 1956. Proposals have been made that an extention of this act be passed so that additional refugees from Hungary and other countries might be admitted to this country. Do you favor or oppose such an extension? Favor, 41 percent; oppose, 48.5 percent; undecided, 10.5 percent.

4. President Eisenhower has proposed to Congress that the McCarran-Walter Immigration and Nationality Act be liberalized so that unused immigration quotas could be transferred to country whose quotas are oversubscribed. Do you favor or oppose this modification in the act? Favor, 47.4 percent; oppose, 41.7 percent; undecided, 10.9 percent.

5. The present tight-money situation has resulted primarily from Government efforts to prevent inflation. If you had your choice, which of the following would you prefer:

(a) High interest rates, with reasonable stability in prices—89.3 percent.

(b) Lower interest rates, but with higher prices for the goods you buy—10.7 percent.

6. It has been proposed that the Veterans' Administration's interest rate on veterans' home loans be increased from 4½ to 5 percent to stimulate lending agencies to make more VA home loans. Do you favor or oppose this increase in the VA interest rate? Favor, 56.6 percent; oppose, 34.3 percent; undecided, 9.1 percent.

7. It has been proposed that the veterans' preference, which gives priority to veterans over nonveterans in Federal civilian employment, should not apply after a nonveteran has a minimum of 15 years' Federal service. In other words, a nonveteran with more than 15 years of Federal civilian service could not be "bumped" (ousted from his job), in case of a reduction in force, by a veteran with less Federal civilian service. Would you favor or oppose such a limitation of the veterans' preference.

Answers from all constituents: Favor, 73.8 percent; oppose, 21.8 percent; undecided, 4.4 percent.

Answers from veterans: Favor, 68.5 percent; oppose, 27.4 percent; undecided, 4.1 percent.

Answers from nonveterans: Favor, 80.1 percent; oppose, 15.8 percent; undecided, 4.1 percent.

Answers from Federal civilian employees who are veterans: Favor, 44.6 percent; oppose, 51.6 percent; undecided, 3.8 percent.

Answers from Federal civilian employees who are nonveterans: Favor, 90.5 percent; oppose, 8.6 percent; undecided, 0.9 percent.

8. (Answered by residents of Solano County.) The Air Force has announced that it considers it essential to construct 500 additional housing units at Travis Air Force Base to provide adequately for military personnel stationed at the base, and for our national defense. In order to do this, under present law, the Air Force must first purchase the existing 960 housing units at the base which were originally built under the Wherry Act. Such purchase would remove the Wherry housing units from the tax rolls, depriving Solano County of approximately $45,000 in property tax revenue per year. With these facts in mind, do you favor or oppose the Air Force proposed construction of the 500 additional housing units? Favor, 36.8 percent; oppose, 51 percent; undecided, 12.2 percent.

I, Me, My, Mine

EXTENSION OF REMARKS
OF
HON. CLARENCE CANNON
OF MISSOURI
IN THE HOUSE OF REPRESENTATIVES
Monday, April 29, 1957

Mr. CANNON. Mr. Speaker, under leave to print I am enclosing correspondence which is self-explanatory:

NEW YORK, N. Y., *April 18, 1957.*

DEAR REPRESENTATIVE CANNON: May I respectfully register the fact that as a voter,

I agree completely with the New York Times editorial position on the irresponsibility and politically prompted motives behind your committee's actions in its un-thought-through cuts in appropriations. And may I further state my belief that the American public as a whole, having voted overwhelmingly for President Eisenhower and his program, will prove to have long memories politically on your present actions.

Sincerely,

M. McCRUM.

APRIL 22, 1957.

DEAR SIR: In response to the accompanying letter of April 18, 1957, who in the world would consider it politically expedient to deny appropriations?

I take my political life in my hands every time I vote to cut these topheavy budgets. But I have been here so long that I can afford to vote for the general welfare and the solvency of the Government notwithstanding the bludgeoning assaults from the lobbyists and special interests and self-seeking pressure groups who jam Washington and the corridors of the Capitol and fill the mail with letters like yours.

With best wishes.

Very truly yours.

CLARENCE CANNON.

Speech of Hon. Clifford Davis, of Tennessee, at the Dedication Ceremonies for the E. H. Crump Memorial, April 21, 1957

EXTENSION OF REMARKS

OF

HON. CLIFFORD DAVIS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DAVIS of Tennessee. Mr. Speaker, the late Edward Hull Crump, who served as a Member of the House of Representatives in the 72d and 73d Congresses, was a dynamic political and civic leader in Memphis and the State of Tennessee for 5 decades. He was without question a man of integrity, patriotism, and great mental capacity. He was beloved by the citizens of Memphis, who recognized that he served unselfishly to build a happier and more prosperous community. He was interested in the common man. His charities and helpfulness were extended quietly. Many who were ill, discouraged, in financial distress, or with personal sorrows found ready assistance from him.

When he left this life for a greater reward, the Council of Civic Clubs decided that there should be an everlasting memorial to his long and great life. A perfectly beautiful life-sized statue was erected in Overton Park, one of our oldest and most beautiful recreation and cultural centers.

I had the very high privilege of making the address at the dedication of this memorial on the last Easter Sunday. In this speech I sought to recite some of his outstanding contributions to the life of our section of the country.

By this permission to extend my remarks, I have the honor to include that humble effort that those who knew him in Washington and others may be able to review his outstanding record.

The address follows:

SPEECH OF HON. CLIFFORD DAVIS, OF TENNESSEE, AT THE DEDICATION CEREMONIES FOR THE E. H. CRUMP MEMORIAL, APRIL 21, 1957

Mr. Chairman, Your Honor the Mayor, gentlemen of the city commission, our beloved Senator McKellar, and my friends:

It is with sincere humbleness that I have the honor and the high privilege to represent so many on this Easter Sunday when we endeavor to pay tribute to that great American, the late Edward Hull Crump, to whose memory we are dedicating this everlasting reminder.

Mr. Crump was my closest political adviser, counsellor, and friend. Countless others called him such. He gathered unto himself loyal friends in every walk of life.

Humble in victory, without rancor in defeat, he traveled far along life's road to great achievement. Service to others is the toll we pay as we travel life's highway. For every mile along his way he paid in devoted service to his fellowman.

There are many roads in life which one may follow. Some lead to quicksands of tyranny and some to freedom. Some roads lead to individual despair and others to happiness. Many roads lead to destinations unknown. Mr. Crump was always ready to use his legislative influence to erect a helpful sign for the benefit of his fellow citizens traveling along life's many highways. He never hesitated to recommend the coercion of law to prevent the progress of the weak. He used his voice and his vote to help those stranded in the march of life through no fault of their own.

Mr. Crump was devoted to his mother, who created a family atmosphere in which he breathed the highest ideals and was stimulated to sustained and strenuous intellectual and moral effort in order to conform to family standards. His mother had an abiding confidence in the future of her son, which strongly influenced him to justify it.

Through three generations of this family the same could well be written. Mr. Crump had great pride in the three fine sons he and his beloved wife brought to manhood and success.

While Mr. Crump was fundamentally conservative, I cannot help but refer to him even so as a true liberal. As a review of his record will show and the people more and more realize, he believed in the most freedom possible for the individual consistent with orderly society.

For nearly a century and a half there was no memorial to Sir Christopher Wrenn, the great English mathematician, architect, and scholar in St. Paul's, the great cathedral of his building. At long last the famous epitaph was composed. That inscription known to so many of you who have visited the cathedral simply says, "Beneath lies buried the founder of this church and city, Christopher Wrenn, who lived more than 90 years not for himself but for the public good. Reader, if you seek his monument, look around you."

If there ever were a parallel in thought, it lies in this tribute to the real builder of Memphis. How true it is that the hard work of Mr. Crump will ever live in the hearts of generations unborn when we but look around.

Though he never made a public speech, he made some of the deepest and finest utterances in meetings with public delegations and with his political supporters in the privacy of his well-appointed office. Though not admitting that he was a city planner, he was constantly working for a bigger, happier, cleaner, and more prosperous Memphis.

He was interested in the building of schools and we have but to look around to see these fine physical structures. We must be reminded that he insisted that the training of our youth be left with skilled educators. He tolerated no political influence in the election of teachers nor in the prescribed courses of study.

During Mr. Crump's administration as mayor, he established the juvenile court in the days when there were few courts of this jurisdiction in the land. This court to this day has contributed immeasurably to the happiness of our youth, in the rehabilitation of those who have faltered, and in the re-establishment of broken homes. So it is in these days when juvenile delinquency presents a problem in so many concentrated centers of population, we see but rare instances of juvenile crime in Memphis and no investigating committee can find reason to seek cause and effect here.

It was Mr. Crump who established the City Beautiful Commission. He loved the beautiful and insisted on the city's physical cleanliness. The national recognition given to the efforts of the current work of the City Beautiful Commission bears evidence of its worthiness.

Looking around further we see park after park built upon his urging. I shall never forget walking with him through Hodges Field when he envisioned another place for athletic contests. The E. H. Crump Stadium will ever stand as a monument to his interest in athletics. It has provided a great outdoor arena not only for football and track events but has accommodated great religious gatherings on many occasions.

It took courage to force some transportation companies to separate grades for safety and easy movement of traffic, but the older citizens within the hearing of my voice know that he had that courage and in many instances viaducts and subways were constructed.

One of the great monuments to his memory is the beautiful Mississippi River bridge, to which I shall always refer most naturally as the E. H. Crump Bridge. The late Mr. Thomas H. MacDonald, longtime Commissioner of Public Roads, considered this the finest and most beautiful bridge built under the many years of his administration. Mr. Crump influenced the building of the beautiful approaches and the modern lighting facilities. He it was who had the vision for this necessary gateway east and west. Senator MCKELLAR was a great instrument in its successful conclusion, and in a small way I was able to work with him and local officials and citizens of Memphis and Arkansas under the constant direction of Mr. Crump.

The Memphis harbor project so important to the future of Memphis, which will add to our transportation needs and the making of more payrolls and the spread of wealth to everybody in Memphis, was a creation of his own mind. This development already so far along in its design and building is progressing steadily toward the fullest possible accomplishment.

Years ago he became interested in cleaning up the bad conditions at our front door in the Wolf River channel. An interceptor sewer was built but we found that with the rapidly growing population and the development of chemicals and industry still more had to be done. One of his last monuments, not yet completed, is the cutting of Wolf River directly into the main channel of the Mississippi on the northern limits of our city. I am pleased to advise that we are nearing success in this matter and I have dedicated my best efforts as a member of the Committee on Public Works in the House, and as chairman of the Subcommittee on Flood Control, to its earliest possible completion.

All of you know that cheap power from the Tennessee Valley Authority has added to our prosperity and has benefited our section tremendously. Mr. Crump long ago was an advocate of cheap power and he never failed for a moment in supporting the philosophy and the objectives of TVA, and

it was he who builded another monument in insisting that Memphis purchase the distribution system for electricity. Today under wise management our light division is operating on good business principles and is keeping up with the growth of Memphis most satisfactorily.

He was interested in bringing natural gas to Memphis, and all of us know the tremendous demands on our water system and the fine way in which those demands are met.

So we have another monument that will live for all time in the distribution of public utilities by a city well known throughout the country for its efficiency and its service to the people. And I should like to remind all of you that working with his long-time friend, Mr. E. W. Hale, former chairman of our county commission, he established the same unselfish interest in county affairs as he did in purely city matters, and with a recognized strong city and county government cooperating in matters of State government, we have reached a high place in the family of cities.

On many occasions Mr. Crump surprised me by his knowledge of the Bible. Undoubtedly he read it with a deep earnestness and with an amazing understanding. He had had one of the cleanest minds I have ever encountered.

An excellent conversationalist, he had in his fine brain such a wealth of general information that he could talk accurately, thoroughly, and exhaustively about any subject that could be suggested by anyone.

Mr. Crump was most highly respected as a Member of the United States House of Representatives during his two terms of service.

It must not be forgotten that he was seven times a delegate to the Democratic National Conventions, a member of the Democratic State committee for 4 years, of the Democratic National Committee for 9 years, a regent of the Smithsonian Institution, as well as a successful mortgage-loan, real-estate, and investment banker.

When I had business at the White House some years ago, President Roosevelt opened the conversation with an inquiry about Mr. Crump. He asked particularly that I urge him to come to see him. Shortly before President Roosevelt's death, he telephoned Mr. Crump and asked that he drop by to see him on a matter of some importance. Upon returning from the visit, Mr. Crump said to me, "Cliff, the President will not be with us long." In less than a fortnight, he had passed on to his reward. I have often said that to many Mr. Crump seemed to have an extraordinary ability to see far into the future and oftentimes many of us felt he could see through a stone wall.

He gave to all of us two mottoes which I have never heard used by any other man. They have been most valuable to me personally. He said, "Plan your work and work your plan." And still another was, "Observe, remember, and compare." If in every walk of life we could but observe a set of circumstances, remember them well, and compare the relationship with a problem or emergency of the moment, we could save so many mistakes in decision.

To me, this is not a sad moment. The man we honor had much too full a life for that. I must confess, however, a feeling of great loneliness and a heart filled with a longing for his counsel in these troublesome days. I like the works of the poet Edwin Markham:

"And when he fell in whirlwind, he went down
As when a kingly cedar—green with boughs—
Goes down with a great shout upon the hills
And leaves a lonesome space against the sky."

Born of a great intellect, Mr. Crump was a man of great faith, industry, and manifold experiences. He had faith in his fellow man. That faith in others led them to put their trust in him.

He had great faith in our kind of government. His life was dedicated to its preservation and its betterment. His compass was the Constitution of his country; his ultimate goal, a better life for his fellow man. To paraphrase Emerson, governments have their development in the moral integrity and character of man.

He believed in a life hereafter.

One of the imperishable yearnings of the soul of man is to live beyond the day of death. During life our departed leader created to himself an everlasting memorial. His services to his Government and, through Government, to his fellow man will go on and on. Many hereafter, because of his ennobling example, will gain inspiration to serve in the cause to which he gave his full devotion. That will be our lasting memorial in his honor.

Leadership and Responsibility

EXTENSION OF REMARKS
OF

HON. W. J. BRYAN DORN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DORN of South Carolina. Mr. Speaker and ladies and gentlemen of the House, my South Carolina colleague, the Honorable ROBERT W. HEMPHILL, is in much demand as a public speaker because of his forthrightness and keen analysis of the problems facing our country and the world today. I commend to the attention of the House the following splendid address delivered at a banquet of the Omicron Delta Kappa Leadership Society at the University of South Carolina:

LEADERSHIP AND RESPONSIBILITY

(Speech of Hon. ROBERT W. HEMPHILL, Member of Congress, before Omicron Delta Kappa Leadership Society, University of South Carolina, Columbia, S. C., April 25, 1957)

Mr. President, distinguished guests, ladies and gentlemen, some time ago I witnessed an argument between two little sisters about an office in a little club of their neighborhood. The younger of the two sisters had been elected recording secretary and the older of the two was making fun of the younger. The younger recording secretary lashed out: "You just don't understand, you see, this is the first time I have ever been elected to anything, and I am proud of it."

The little wisdom expressed here might well illustrate something so evident here as well as in the Capital of the United States where I have some responsibilities.

Leadership and recognition are treasures only a few attain. Every honor that you and I receive, such as election to this fine organization, is not only a privilege, but has far-reaching effect and responsibility. The organization of which you are a part—the school where you have attained these honors—the community from which you come—your families and their names—the church to which you belong, and even your girl friend, are now in the spotlight that your success has gained for you.

The examination of a critical world is never limited to a man or woman, regardless of age, who is in a coveted position; everything he or she touches, and everything with which he or she is surrounded, is on the block for testing. And so, we must understand, that if we are to accept the reins of leadership we can never turn them loose, nor can we escape our public and private responsibilities—and this applies to the great heroes in the world governments.

Early in 1953 there disappeared from the American scene a man who had been denied his greatest desire. His father had been President of the United States, and by right he should have been. Some felt he was cheated—others, just defeated, in his aspirations of 1952. Without rancor or bitterness he returned to his seat in the United States Senate and his responsibilities as the majority leader. He worked unceasingly for a party which had refused him, believing that he was working for a Nation that must survive. In the midst of his efforts he was stricken by cancer, but continued despite terrific physical pains and colossal discouragements. In an article about him shortly after his death, a great publication [1] carried an item entitled, "Heroic Last Days of Robert Taft." All of his colleagues knew that he lived like a leader. The world knows now that he died like a leader, and even in death he is an inspiration to great and good men everywhere.

Most of you gathered here today are leaders on an American campus. As a member of the public, a citizen, and even as a Member of Congress, I have every right to expect of you the highest type of citizenship, outstanding integrity, and highest morality in your mature life. You have what it takes—you have been recognized and honored for it and you cannot let us down now—you must not even let yourselves down.

I mentioned morality, as a delineation between right and wrong, which is more important to me than any other factor in the history of what man calls civilization. The same moralities that today are necessary in the huskings of the market are necessary among the nations of the world. If America departs from her morals, or any high Government official disregards them, we suffer. We are suffering now from the burdensome taxation from a decade of tension, from a loss of friendship among our most honored and ancient of allies, from a loss of face over the entire globe, all of which might be blamed on our departure from moral truths; everybody knows that you cannot buy a friend—that is, everybody but the United States Government.

I suppose every speaker you have had has had something to say about communism. My classification of communism is very simple. Communism is the devil's form of government, and behind the Iron Curtain there is a hell on earth. History may blame our governmental policies, our efforts to combine good and evil at the same conference table—as one of the main causes of the growth of communism in a world that wanted freedom.

Let us look at the Communist leadership for a moment. Red China is the world's biggest dope peddler.[2] The government is in the business of dope and corruption. Red China is not responsible to world opinion, to world morality, nor concerned with common decency. Let us then compare the record of Nationalist China on this evil. Before the war and before the Communists were encouraged by our diplomatic stupidity, narcotics were decreasing in China, and to those who may criticize Chiang Kai-shek and his government, I wish to point out this one fact as an evidence that the Chritianity he and his wife believe in works among the peoples of the East.

At the Geneva Conference in 1954 the Communists were present[3]—present, too,

---

[1] This Week magazine.
[2] Reader's Digest, February 1955.
[3] Reader's Digest, February 1955—Distrust Thy Neighbor as Thyself.

was the climate of fear and suspicion which always prevails when Communists get together. The Russians brought their own food and their own automobiles. The Chinese Communists would not rent a house which the Russians had previously considered because of fear of hidden microphones and wiretappings. The American representatives rode about in a rented automobile; but the Communist had bulletproof cars. Which way of life will you and the world choose, and in which direction will you leave the future—in the direction of morality or otherwise?

I wish I could tell you that this lack of appreciation of morality is confined to those who do not believe in our way of life or the religions which have made this country great. Unfortunately, I cannot. On Saturday, April 13, we had no mail service. An American businessman had been given a high cabinet post and responsibility for the operation of the Post Office Department. On January 10, 1956,[4] he had made a statement about his budget as follows: "To provide the American people with an even better mail service," and "That tried and proven concepts of business management have been introduced into every phase of the Post Office Department's activities." Despite these statements we find that he had disobeyed the law known as the "antideficiency law," and this fact was confirmed by Democrats and Republicans in debate which followed.[5] Instead of applying the business methods required by law and appropriating the funds by quarters sufficient to take care of any threatened or anticipated emergency, the law was violated and the American public was alarmed, and properly disgusted, as it should be. If the Congress needed any defense because they provided the funds requested by the Budget Bureau and the Post Office Department, neither the Postmaster General, whose unbusinesslike methods were partially responsible, nor the Director of the Budget,[6] whose appalling ignorance was such that he did not even know that the Post Office revenue does not go to the Post Office, has had the morality to admit the wrong. Great Americans of the past have been quick to say, "I made a mistake." Shall we now cultivate leadership or leaders whose morality is lacking or who have neither the courage nor the patriotism to admit mistake?

The American people are quick to forgive a mistake, honestly admitted. I hope the leaders of the future will have the honor and integrity the American people deserve.

I have talked here of people, of nations, politics and morals, and of leaderships and responsibilities. The campus leaders of Omicron Delta Kappa have furnished many leaders in the maturing life of the Nation—internationally, as well as on a State and community level. I wish I could look into the magic glass and see your place tomorrow. I believe each of you will be cognizant of the responsibility you have. You must, if civilization is to flourish and continue, develop to an even greater extent than you already have your sense of morality, and your dedication to the principle that there is no substitute for honor and trust, there is no justification among men or among governments which superimposes the wrong way over the right way.

And—lest you forget—a recording secretary has an important position of leadership and responsibility.

I salute you as the patriots, the leaders, of the America of tomorrow.

Thank you for allowing me to come.

[4] CONGRESSIONAL RECORD, April 12, 1957, p. 5583.

[5] Ibid.

[6] Bulletin—Comptroller General, United States, issued April 13, 1957.

Tax Cut for Low Income Taxpayers

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DINGELL. Mr. Speaker, today I introduced two bills to provide a tax cut for low income taxpayers, and I rise to discuss my reasons for so doing and to urge Congress to give early and favorable consideration to my bills.

During the last session of Congress I introduced a bill substantially identical to one of the bills that I introduced today.

The House has cut budget requests of some $72 billion by over $1 billion to date, with the big money bills yet to come. I insert here a table showing the amount of the various cuts by the House of Representatives in budget requests:

Summary of House action on appropriation estimates, 85th Cong., 1st sess.

Appropriation bill	Estimates	Cumulative estimates	Bill reduction	Cumulative reduction	Percent reduction	
					Bill	Cumulative
1. Regular and supplementals, 1958:						
Treasury-Post Office	$3,965,291,000		$80,364,000		2.0	
Interior	515,189,700	$4,480,480,700	60,794,000	$141,158,000	11.8	3.2
General Government matters	20,921,870	4,501,402,570	4,900,500	146,058,500	23.4	3.2
Independent Offices	5,923,195,000	10,424,597,570	537,993,300	684,051,800	9.0	6.5
Labor-Health, Education, and Welfare	2,981,277,581	13,405,875,151	134,446,000	818,497,800	4.5	6.1
District of Columbia (Federal payments only)	25,504,450	13,431,379,601	3,000,000	821,497,800	11.7	6.1
Commerce	871,513,000	14,302,892,601	217,827,940	1,039,325,740	25.0	7.2
State-Justice-Judiciary (as reported)	665,649,802	14,968,542,403	101,850,009	1,141,175,749	15.3	7.6
2. Supplementals and deficiencies, 1957:						
Urgent deficiency, 1957	382,067,500		46,977,500		12.3	
Second urgent deficiency, 1957 (as reported)	55,100,000	437,167,500	6,110,000	53,087,500	11.1	12.1
3. Total session		15,405,709,903		1,194,263,249		7.7

The President said recently that the Budget Bureau has projected a surplus of about $1.8 billion, based on figures preceding the cuts which Congress has made to date. He further indicated that another $1.8 billion can be saved through administrative economies, which would mean an estimated surplus of $3.6 billion. It does not appear either unlikely or unreasonable to expect that there will be sufficient money available for a tax cut of the kind which I propose in one of my two bills. Indeed, I have withheld introducing any tax cut legislation until this time because I was not sure that responsible fiscal policy would permit an orderly reduction of the national debt together with a reasonable amount of tax relief. The first bill which I have introduced provides for raising individual exemptions from $600 to $700. Revenue loss to the Federal Government from this proposal will be $2.8 billion. Under this proposal approximately 3.6 million people in the low-income tax group will be absolved from any tax liability whatsoever. This is a very small percentage of the number of taxpayers in this country, of which there are today about 81 million. Those who will be removed from the income-tax rolls are those who are least able to pay, and those whose income tax is most expensive to process in the Bureau of Internal Revenue. Many of those removed from the tax rolls actually pay less than the amount that it costs the Government to process their return. Slightly over half of this tax cut will go to those who earn less than $5,000 a year, and who constitute the largest class of taxpayers.

Under this particular program the average worker in my district earning the average wage of about $5,000 a year with a wife and two children would receive a tax cut of about $80 or 15.4 percent. For comparison among the various income levels I insert into the RECORD a table of reduction of taxes for various representative income groups with an average family of two children:

Married couple, 2 dependents

$3,000	$120	$40	$80	66.7
$4,000	320	240	80	25.0
$5,000	520	440	80	15.4
$8,000	1,152	1,064	88	7.6
$10,000	1,592	1,504	88	5.5
$15,000	2,900	2,780	120	4.1
$25,000	6,268	6,116	152	2.4
$50,000	18,884	18,648	236	1.2
$100,000	51,912	51,624	288	.6
$500,000	402,456	402,092	364	.1
$1,000,000	857,456	857,092	364	(1)

[1] Less than 0.05 percent.

The other bill which I have introduced offers the taxpayer an increase in the individual exemption from $600 to $800 per annum. This will be possible if the present rate of reduction in appropriations is continued by Congress. The reason I say this is that at the present rate of reduction of appropriations the House will cut the Eisenhower budget by slightly in excess of $4.7 billion. An increase in individual exemptions from $600 to $800 per year will reduce Treasury revenues by about $5 billion. It will also have the effect of eliminating about 7.2 million of the low-income bracket taxpayers.

I want to underscore this, Mr. Speaker, that independent of the economies being effected in the budget by reduc-

tions of appropriations by the House of Representatives, Mr. Eisenhower and the Bureau of the Budget have anticipated a Government surplus of about $3.6 billion. This leaves ample room for reduction of taxes along the lines of either of the 2 plans I have suggested in my 2 bills with a budget surplus of about $3.6 billion for reduction of the national debt.

This is the kind of tax cut which is most beneficial to the economy of this country. It goes principally to those who are in the lower income-tax brackets and must immediately spend the proceeds to buy their daily needs. As such, it will flow immediately into the channels of trade and create jobs and opportunity. Those in the upper brackets benefit also by a reduction in taxes. Industry and trade will have an increased volume of money moving in pursuit of goods and services. All will benefit. Such a tax cut will stimulate business and industry, and it is not inconceivable to expect that the stimulus will be such as to result in additional revenue to the Federal Government so as to reduce estimated revenue loss.

I urge early and favorable consideration on either of my two tax cut bills.

Courage and Candor

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Monday, April 29, 1957

Mr. BERRY. Mr. Speaker, under unanimous consent, I insert in the RECORD a constructive statement regarding a man who has through the years known the inside of the State Department.

Because of certain adverse information in opposition to Bryton Barron, I present this statement covering the background of this man who knows the facts.

All students of government realize that one of the greatest obstacles to economy, efficiency, and reform in public affairs is the reluctance of men and women who possess a firsthand knowledge of particular evils to come forward and lay the facts on the line. Such reluctance arises from a natural loyalty to old associates, combined with an awareness of the fact that if one speaks up he may bring down on his head no end of calumny and abuse from those whom he may expose. The latter is a particularly menacing prospect for the lone citizen if those who would be affected by his testimony happen to have the vast resources and machinery of government at their disposal to defame their accuser and confuse the issue.

It is, therefore, appropriate that I express the admiration which some of us from South Dakota hold for a man who spent his formative years in our State and who has been forthright and vigorous in urging reform in an important area of government, namely, the State Department, which he probably knows better than most of us because he served in it here in Washington for more than a quarter of a century. I speak of Bryton Barron, the author of a recent book entitled "Inside the State Department," now in its second printing. Mr. Barron and his wife reside at 401 Waterway Drive, Falls Church, Va., but their friendship with Senators MUNDT and CASE and many other South Dakotans has extended over the years. Both Mr. and Mrs. Barron have close relatives in South Dakota, and Mrs. Barron's brother, Louis Lillibridge, of Burke, S. Dak., is a former member of the State legislature and a highly respected citizen of the State.

Bryton was reared by his pioneer grandparents on a farm near Sioux Falls. Following his graduation from the high school there in 1916 at the head of his class, he entered the local Baptist college. Soon he had captured nearly every honor on the campus, including his class presidency and captainship of an undefeated debate team as well as the editorship of the college paper. He dropped out for 1 year to earn money working on the Argus-Leader, the leading newspaper in the State, and then returned to compete for and win a Rhodes scholarship in State competition. He entered Oxford University in 1920, was awarded a diploma in economics and political science in 1922, and then in 1923 became the first South Dakotan to obtain a research degree—bachelor of literature—at Oxford.

Bryton returned to Sioux Falls with his bride in mid-1923 to become the Argus-Leader's editorial writer. Some years later the distinguished editor of the paper, the late Charles M. Day, wrote of Bryton that he was "a shark for work and a deep student of history and economics, earnest, loyal, and efficient."

In 1925 the Barrons set off for the Philippines on teaching appointments. Of Mr. Barron's record while in the Orient, the director of education in Manila wrote as follows on January 5, 1929:

> It was through Mr. Barron's effort that our division of publications was created and organized, and it was my pleasure to appoint him chief of this division. We have never had a man in the Philippine service in whom I had greater confidence. This is evidenced by the fact that he won such rapid promotion. * * * Mr. Barron is the type of man who is never satisfied unless he is doing two men's work and doing it well.

While in the Philippines, Mr. and Mrs. Barron collaborated in the preparation of a series of textbooks on grammar and phonics. Over 150,000 copies have been sold, and they are still in demand.

Mr. Barron entered the Department of State in Washington on July 11, 1929, as an editorial assistant at a salary of $2,600. Inside of 6 months he had been advanced to chief of the section and jumped 2 grades in salary. His work on the official register of the Department brought to him data regarding the records of various individuals in the service. His previous editorial experience enabled him to play a leading role in the inauguration and development of the Department's weekly publication, the Department of State Bulletin. Supervision of his staff of a score or more editors required him to follow closely the work on diplomatic correspondence compiled for publication. Important State papers, including Presidential proclamations, came across his desk in draft form for editorial attention. Further promotions followed for Mr. Barron, and he was given charge of preparing the Department's printing and binding estimates, along with control of appropriations for those purposes, and participated in hearings before the Bureau of the Budget and congressional appropriation committees. In 1940 Mr. Barron was promoted again, this time to Assistant Chief of the Division of Research and Publication, one of the largest then in the Department, and given another increase in salary along with responsibility for day-to-day administration of the Division.

In 1944 Barron was again promoted in salary and given an opportunity to rebuild the Department's treaty staff and restore treatymaking to its proper role in the conduct of foreign policy. He pursued the task with the utmost vigor, taking steps to set the records in order and to train treaty technicians so that all future commitments for the Nation would be properly drawn. In 1946 Barron was rewarded for his efforts with another grade increase in salary. In due time he initiated and obtained congressional approval of legislation designed to require prompt publication of all United States treaties and agreements. He also inaugurated a looseleaf service to provide for the maintenance of up-to-date treaty information, an innovation which was highly praised. Always a stern taskmaster, Barron eventually ran into discontent in his own staff. His fight against the abuses of executive agreements also made him enemies among those who were running the Department at that time, and finally in 1950 he was reassigned to other work. The year previous a national biographical reference service had listed Bryton Barron as 1 of the 10 outstanding men in the Department.

After 20 years of the strain of administrative responsibility, Barron welcomed the change in assignment, to historical research, to which he could bring to bear his familiarity with treaty problems, even though it involved a slight cut in salary. In this area his last and most interesting project was the compilation of papers dealing with Yalta and the betrayal of American interests at that 1945 meeting between Roosevelt, Churchill, and Stalin, with Alger Hiss in attendance.

Mr. Barron's last performance rating in the Department, signed by the Chief of the Historical Division, G. Bernard Noble, as well as by the Assistant Chief of the Division, and dated January 14, 1954, read as follows:

> Overall work performance is very competent. Research is done carefully and painstakingly; organization of material is logical; attention to technical details and security is entirely satisfactory.

The review of Mr. Barron's work for the previous year, signed by the Chief of the Policy Studies Branch along with the Assistant Chief of the Division, and dated

December 10, 1952, was to the same effect as the foregoing, with the added comment that the review by Barron of the work of others shows very good critical insight.

The picture changed a few months later when Barron officially protested suppression of controversial documents. The division chief who had praised his work in the above-quoted 1954 signed statement, but who was on record in opposition to release of the Yalta story, took steps to have Mr. Barron fired. The attention which this patriot from South Dakota focused on the attempt at suppression resulted in the Yalta papers being released in 1955, even though only in expurgated form, but Barron paid for it with his job, having been forced to retire effective February 1, 1956. In some quarters Barron was accused of insubordination in this connection. It is his comment that the insubordination, if any, was on the part of those who resisted prompt and unexpurgated publication of significant documents as requested by Congress and promised by the Department—not on the part of those like himself who pressed to fulfill the program. It may be noted in passing that the compilations of documents on Teheran and Potsdam, conferences which paralleled the one held at Yalta and on which Department historians were working when Barron was busy on Yalta, have strangely enough not yet been released to the American people.

Mr. Barron was interested in economy and a housecleaning in the Department long before he left the service. Back in 1952 Senator CASE of South Dakota, in writing to a fellow Senator, said of Mr. Barron:

> He really knows the personnel of the Department and has watched with dismay as it became infiltrated with Reds and padded with people who were not needed.

He spoke of Mr. Barron as "a career man with an excellent reputation and a good educational background." After the Republicans took office in 1953, Mr. Barron had several talks with Donald Lourie, the new Under Secretary for Administration. Speaking on behalf of several veteran employees who made it a matter of record at the time that they sought no favors for themselves but were willing to be detailed to help Mr. Lourie for a few months, Mr. Barron presented specific recommendations regarding personnel and organizational changes in line with the 50-percent reduction in the size of the Department which Secretary Dulles was said at the time to be considering. Some changes were made along the line of those suggestions, but opposition within the entrenched bureaucracy prevented any thorough housecleaning.

In line with the suggestion given, Mr. Barron himself was detailed to Scott McLeod's office on a special assignment shortly after the new security officer was appointed in early 1953. Senator MUNDT wrote the Department congratulating it on the use being made of the services of "tried, trusted, and able career men like Mr. Barron," adding:

> I know that for years Mr. Baron has been disturbed over some of the laxity which has continued in responsible positions in your Department men and women who lack the sturdy sense of dedication to our American ideals.

After this detail had been completed and Mr. Barron had returned to his regular work, the Security Chief wrote the Assistant Secretary in charge of Barron's work as follows:

> I want you to know how deeply indebted I am to you for your generous understanding of my problems in making available to me the services of Mr. Bryton Barron, who has made such a useful and practical contribution to the survey team studying the organization, direction, and administration of the Bureau of Security and Consular Affairs. I fully realize that the assignment to my office stretched out considerably longer than originally agreed upon, but the problems he faced were numerous and intricate, and it was only due to his perseverance, long hours of work, and devotion to his task that the job is completed as of this date.

The rank and file of the employees in the Department of State indicated their respect and confidence in Mr. Barron on frequent occasions and to an unusual degree. In his early years there he managed its first softball team, which had a most successful season, and he was subsequently elected manager of the basketball team. In 1935 he helped organize the employees recreation association and was elected its first president. He also helped organize an employees union, served for many years as an elected member of its board of directors, and was designated a spokesman of the employees before the Bureau of the Budget and the Civil Service Commission. It is particularly noteworthy that he helped obtain the charter for the State Department Federal Credit Union and was for 8 successive years elected to its board of directors by the members of this organization, the largest employee group in the Department. The board of directors in turn elected Mr. Barron treasurer and general manager of the union each of those years, a remarkable demonstration of the high esteem in which he was held by his fellow workers. This was again reflected in a letter which came to him from an official of the credit union just before Mr. Barron left the Department and which concluded with these words:

> Your unselfish service to this institution is so well known to the membership that it requires no repetition on my part. Nevertheless, I cannot let the opportunity pass without reminding you that as a founder, charter member, holder of No. 1 account, treasurer during many formative years, and as my colleague on the board of directors, you have exercised a powerful and wholesome influence upon the affairs of this institution which now numbers upward of 8,000 accounts with accumulated assets of more than $2 million.

In his private life, Barron demonstrated 20 years ago some of the resourcefulness of pioneer ancestors when, lacking money to buy a home, he took leave from office, borrowed to buy some materials, and then proceeded to build with his own hands an 8-room house. Much of the interior he finished off working nights and holidays. Years later, when the family moved to a new home on Lake Barcroft, the house that Barron had built 18 years before found a ready market.

The Barron family has always been a well-knit unit. Those who follow model aviation as a hobby knew the group—father, mother, daughter Bebe, and son Roger—as the Flying Barrons, winners of innumerable prizes and trophies in model contests all over America. Bebe, now grown and married, has two sons; Roger, who was graduated from Princeton with honors, is also married and doing graduate work at MIT. As an outgrowth of activity in the model hobby, Bryton was in 1952 elected national secretary-treasurer of the Academy of Model Aeronautics. Mrs. Barron, who for years operated a private school of her own in Fairfax County, has helped many of the young people in that area.

Looking back over the record, it is clear that Bryton Barron's years at the head of the Department's treaty staff, where he had to deal with policy questions and responsible officials in every area of our foreign policy, his 20 years of administrative experience in the Department at a time when that agency's prestige was at its height, his years of working in the secret archives of the Government, and the wealth of biographical and other data which he has accumulated at first hand, render him peculiarly qualified to report on conditions in the State Department.

In addition to his book, he has in recent months written magazine and newspaper articles on the subject, has been heard on both local and coast-to-coast broadcasts, has indicated his readiness to cooperate with congressional committees, and has been in wide demand as a lecturer before interested civic and patriotic groups. Commenting on his book, a writer in National Review has aptly remarked that—

> Mr. Barron is the first man to report to the American public on conditions inside the Forbidden City in Foggy Bottom.

Walter Trohan, veteran Washington correspondent of the Chicago Tribune, after commenting that the book was "packed with dynamite," went on to say that—

> No one can question Barron's experience or qualifications for writing the inside story of the State Department.

The Tablet, that stanchly patriotic weekly published in Brooklyn, has commended Mr. Barron for his courage. And the Honorable Spruille Braden, who served as an Ambassador to several Latin-American countries and as Assistant Secretary of State, has stated that he can confirm much of what Mr. Barron has written as being absolutely accurate, adding:

> Mr. Barron * * * has done a splendid patriotic job, and one that was much needed.

In arguing for economy and a housecleaning in the Department he knows so well, Bryton Barron contends that the bureaucratic setup has become so big that it is both unmanageable and a perfect cover for undesirable elements. He wants only those employees retained who by the record are wholeheartedly in support of the American way of life and our sovereignty as a nation. Personal attacks on him will not divert him from the basic issues.

Our Nation's Budgetary Affairs

EXTENSION OF REMARKS
OF
HON. DANIEL A. REED
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Monday, April 29, 1957

Mr. REED. Mr. Speaker, on April 7, 1954, it was my privilege to speak before the Republican Women's Conference meeting in Washington, D. C. At that time I spoke on the subject of the Republican record with respect to the management of our Nation's fiscal affairs. I recently had occasion to review the remarks that I made at that time. Those remarks are germane to the present-day consideration of our Nation's budgetary affairs. For the information of my colleagues in the House, I would like to include a portion of the remarks I made on April 7, 1954, before that very wonderful meeting of Republican women held in Washington, D. C.:

ADDRESS BY THE HONORABLE DANIEL A. REED, CHAIRMAN, HOUSE COMMITTEE ON WAYS AND MEANS, BEFORE THE REPUBLICAN WOMEN'S CONFERENCE, APRIL 7, 1954

Tax reduction and reduced expenditures have been the traditional fiscal policy of the Republican Party as a formula for achieving a balanced budget and debt retirement. Under this formula, the Republican Party has dedicated itself to a high standard of living for all the people under a peaceful, free enterprise system.

It was my privilege to serve as a Member of Congress immediately after World War I. In 1919 the national debt was $26 billion. Taxes were at their highest level in the history of the United States. Six or seven million persons were idle and relied for their sustenance on soup kitchens organized in our cities. The issue confronting the American people at that time was how could the Nation's productivity and employment be stimulated.

The Republican Party's answer to that problem was not to plunge the Nation into further deficit financing nor were tax increases resorted to in an effort to foster a welfare State.

The first thing the Republican Party did was to retrench and to eliminate nonessential Federal expenditures. Next in 1919–20, personal income taxes were reduced from 12 percent to 8 percent.

Again, in 1921–23, a cut was made in individual income taxes of married persons by increasing their personal exemption from $2,000 to $2,500 and the exemption for each dependent was increased by $200 to $400. In 1924 the tax rate was reduced from 8 percent to 6 percent; also the tax for 1923 was reduced 25 percent by the 1924 act.

Again in the 1926 Revenue Act for the years 1925–27, personal income taxes were reduced from 6 percent to 5 percent. The exemption for a single person was increased from $1,000 to $1,500 and the exemption for married couples was increased from $2,500 to $3,500. In 1928, for the year 1929, the rate was reduced from 5 percent to 4 percent on personal income taxes.

Did these tax reductions result in further deficit financing and additions to the national debt? Not at all. The 6 or 7 million idle people were put to work. One billion dollars each year for 10 years was paid on the national debt. A great decade of prosperity was enjoyed by the people during this period of tax reduction. The budget was balanced each year for 10 years.

In addition to these income tax reductions of the 1920's, many excise taxes, which retarded business expansion and were such a nuisance to the consumer, were either reduced or repealed.

Thus by the reduction of Federal income taxes and war excise taxes in the post-World War I period, business was stimulated, prosperity resulted, the budget was balanced, and the national debt was reduced $10 billion in 10 years.

In the annual report of the Secretary of the Treasury, that distinguished financier and statesman, the Honorable Andrew W. Mellon, once said as follows: "The Treasury Department has always contended that in the long run the taxation of income at moderate rates would be more productive than at very high rates. The soundness of this contention appears to have been borne out by the tax returns under the law of 1926, for both the calendar years 1925 and 1926."

However, we can look to a more recent period for another demonstration of this Republican tax philosophy successfully in operation. I refer to the Republican 80th Congress. In the fall of 1945, the Bureau of the Budget estimated that the administration would have a deficit of over $30 billion for the fiscal year 1946. The economic condition of the Nation was marred by increasing unemployment and the slowing down of business activity.

The issue then was how would we accomplish our objective of providing incentives for business expansion and to increase consumer purchasing power. The answer was partially supplied by the Revenue Act of 1945, which became effective January 1, 1946. It was then estimated that the revenue effect of this legislation would result in a loss exceeding $5 billion. Congress courageously passed the measure in spite of the estimated deficit of $30 billion. Mr. Truman did not veto the bill. This legislation gave relief to both individual and corporate taxpayers. The excess profits tax was repealed for 1946 and later years, and the capital stock tax was repealed. All of this tax reduction program of 1945 was done to forestall threatened economic recession.

Let us examine what happened to the Federal revenues under the stimulating effects of this tax reduction. Our tax receipts instead of being less than the previous year increased an additional $300 million and by 1948 the Federal revenues had increased by approximately $1.7 billion over 1946. Through this tax reduction a scheduled budgetary deficit was converted into a surplus of $754 million for the fiscal year 1947. In the Revenue Act of 1948, taxes were again reduced, and a surplus of $8.4 billion resulted for fiscal year 1948.

In short, the tax record of the 80th Congress reads succinctly as follows: Taxes were reduced $5 billion per year; the budget was balanced for the first time in 17 years; $7 billion was paid on the national debt; a surplus of $8.4 billion was left in the Treasury in 1948. I need not cite the tremendous boom that occurred simultaneously in our economy.

The dynamic qualities that can be fostered in an economy by a sound tax program have been demonstrated by developments in other countries of the world. Canada, Great Britain, and in fact most of the countries of free Europe, have launched a program of tax reduction. As these countries have cast aside their unsuccessful ventures in varying forms of controlled economies and socialism they have undertaken to lend impetus to private enterprise and to restore the fiscal stability of their respective governments through tax reduction. The theory behind this trend has been ably stated by the Honorable R. A. Butler, England's distinguished Chancellor of the Exchequer, when he said, "We must banish the hopeless feeling that extra effort is not worth while."

Concern has properly been expressed that a substantial reduction in the level of Government spending may produce a depressing influence on the national economy activity. In order to offset such a trend the suggestion has been made that a commensurate reduction in Federal taxation should either precede or occur simultaneously with the cut in expenditures. In this connection the following is quoted from an article by Sumner H. Slichter appearing in the Harper's magazine of February 1953. He states the following as the seventh point in the eight-point program to combat recession, and I quote:

"(7) Cut taxes: If individuals and business concerns raise their spending for goods as fast as the Government cuts its defense spending, the total demand for goods will not drop and there will be no recession. The Government can help individuals and business concerns to spend more by taking less from them in the form of taxes. Hence it is important that cuts in defense spending be promptly matched by cuts in taxes."

This wise counsel comes from one of the leading economists in our country who is the economic adviser to some of our Nation's largest businesses.

There is the documented record of the Republican fiscal policy at work. That is the Republican record of keeping faith with the American public by providing greater incentive for productive effort and successfully enhancing the level of our national economy. The greatest beneficiaries of these Republican measures have been the people of small incomes—wage earners, salaried men, and men operating small individual business enterprises.

This Republican policy is certainly a marked departure from the philosophy prevailing during the 20 years of Democratic rule, when 14 major revenue measures were enacted into law increasing taxes. It is a long overdue departure from the New and Fair Deal programs of tax and tax, spend and spend.

Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS
OF
HON. WILLIAM F. KNOWLAND
OF CALIFORNIA
IN THE SENATE OF THE UNITED STATES
Monday, April 29, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered before the Association of American Physicians and Surgeons at Miami, Fla., on Friday evening, April 26, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR WILLIAM F. KNOWLAND, ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, MIAMI, FLA., APRIL 26, 1957

We must not take our constitutional form of government or our free-enterprise system for granted. Neither fall into the category of something that can be locked in a safe deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population, and in natural

resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal, and economic freedom.

We must not dilute our constitutional guaranties whereby human freedom would be comprised with totalitarian tyranny in any form of world government.

The incentives furnished under our system have constantly opened new horizons.

In this atmosphere, Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

We must as a Nation build on principles rather than personalities. Individuals come and go but fundamental principles endure.

What are some of these basic principles for which we should stand.

1. Constitutional government with the division of power between the legislative, executive, and judicial branches of the Federal Government and the reservation of all power not granted to the Federal Government, under the Constitution, to the States and to the people. The longer I have been in the Senate the stronger has grown my support of States rights.

2. Maintenance of our free enterprise system under which we have grown from a small colony of 3 million people to a great world power of 170 million with the most productive economic system the world has ever known.

3. Protection by the Federal Government and the States of the people from the concentrated and arbitrary use of power by business or labor organizations against individuals and small-business enterprises. The right to earn a living as an employee or as a proprietor of a small business is a "civil right" of the first magnitude.

4. Maintenance of a soundly growing economy based on free enterprise and full employment. No business or labor organization should have the power to strangle the economic life of 170 million Americans and by so doing endanger free men everywhere. With power must also go responsibility.

5. Support of a sound fiscal structure for our Federal, State and local governments. This requires all of them to live within their means and to stop trespassing on the tax resources of the others.

Without a sound dollar and a solvent government our whole structure of local, State, and National Governments, of public and private educational facilities, of wage earners, of public social security and private pensions and retirement systems will be jeopardized.

Without a sound dollar every employee, every housewife and our people living on retirement income or social-security payments will be penalized. Inflation and debt repudiation is but another form of confiscatory taxation in the Marxist socialist pattern.

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

A tax system under which the Federal Government taxes personal incomes at rates varying from 20 to 91 percent and corporate income at a 52-percent rate is simply too burdensome. It will ultimately destroy our free enterprise system.

For fiscal year 1958 President Eisenhower estimates that the Federal Government will spend almost $72 billion—an increase of more than $5 billion over the 1956 spending rate.

The budget continues in balance only because of a continuous increase in the level of our prosperity which has brought forth a steady rise in tax revenues with no increase in rates.

Few people realize that all we need to do at the present time in order to be able both to reduce our towering national debt and cut taxes is to stop increasing Federal expenditures. Had Federal outlays been held at their 1955 level we would now face the pleasant prospect of a budget surplus of almost $9 billion in the coming fiscal year. This would be sufficient for a sizable reduction both in the national debt and in taxes.

In order to have a budget surplus of almost $5 billion in the forthcoming fiscal year, all we need to do is to keep Federal expenditures from rising above their already high current level. This reduction of $3 billion can and must be achieved as a minimum. I pledge my efforts to this end.

This must not be any single shot effort. In future years we must continue to keep Federal expenditures from increasing and wherever possible, to reduce them. Only this way can our burdensome taxes and national debt be steadily reduced.

There is a prevalent school of thought which maintains that Federal expenditures must keep pace with the growth of our economy. This is a dangerous and unnecessary philosophy. For one thing, it is the economy that maintains the Federal Government and not vice versa. Further, unless we are able to reduce our tax burden, we may end up by destroying or seriously crippling that which is the source of our strength—our free enterprise economy.

We live in a perilous age. Unless we are able to reduce Federal expenditures and taxes, we will have no margin available for emergencies.

I do not deny that as the country grows, some increase in Government expenditures is necessary and even desirable. However, of one thing I am certain. During a time of peace it is not necessary for Federal expenditures to increase as fast or faster than the increase in the national income or as fast as an overburdened tax system can produce increased revenues.

The founders of this republic knew well the history of the world up to their time. They knew that where there was a concentration of power in a single agency of national government that the freedom they sought to guarantee could easily be lost.

Those of us who continue to believe firmly in this wise political philosophy instinctively know that the Federal Government cannot give anything to the States unless it first takes it away from their citizens.

It is in our best interests that the States of our Union be strengthened rather than weakened.

The 48 States should be experimental laboratories where people within limited geographical areas would have the opportunity to legislate and administer policies in conformity with the local needs and desires.

In determining those State policies all adult American citizens are entitled to vote if they meet the qualifications established by law.

Throughout the major part of the last 30 years, the Federal Government has had to use a constantly increasing portion of the Nation's taxable capacity to meet its expanding obligations. Only by calling a halt to this process can the weakened sovereignty of our States be shored up and revitalized. If the Federal system is worth retaining, our aim has to be less Federal spending and less taking on of new obligations accompanied by a reduction in Federal taxes and debt. In this way and solely through these means the States and localities will have the wherewithal to undertake the many necessary programs as society grows and becomes ever more complex.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice.

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies, we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past 2 weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: The destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British redcoats crushed the first American rebellion in a week and captured the leaders (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the free world be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the Freedom Fighters bazookas and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

There is now being negotiated in Washington grants, loans and credits of $100 million to the Communist Gomulka government of Poland.

This has the support of the executive branch despite the fact that:

1. Poland is a member of the Communist Warsaw pact and is occupied by Soviet divisions.

2. On February 27 of this year it voted for the Soviet resolution in the United Nations to condemn the United States.

3. Gomulka himself helped liquidate non-Communist Poles at the close of World War II.

4. The Soviet Union has stripped Poland of over $4 billion worth of industrial and agricultural products. By this aid we will indirectly be aiding the Soviet Union.

5. When we strengthen a Communist economic system we strengthen the Communist political system.

6. At the very time Poland was negotiating the $100 million out of the United States their delegation in Communist North Vietnam were extending loans and credits to the Communist government of Ho Chi Minh.

On April 11 a joint statement was issued in Peking by Premier Chou En-lai of Communist China and Josef Cyrankiewicz, Chairman of the Council of Ministers of Poland, which among other things said:

"The hearty welcome and warm reception accorded the Polish Government delegation by the Chinese people and the Government of the People's Republic of China demonstrated the fraternal friendship between the Chinese and Polish peoples. The visit to China of the Polish Government delegation will bring even closer the relations between China and Poland and between all the Socialist countries."

Further on the communique said: "After appraising the latest international situation, both parties point out that, although thanks to the continuous constructive efforts of the peace-loving countries and peoples who advocate a peaceful settlement of international disputes the general trend of the international situation is toward relaxation, the imperialist aggressive circles have not ceased their activities to wreck peace, but have attempted to attain their old objective by new disguised ways.

"In Europe, they are reviving the forces of West German militarism. In Asia, they are still carrying out activities to endanger the independence and neutrality of many countries in this area. In the Near and Middle East, the ruling circles of the United States are pushing forward the Eisenhower doctrine, which is aimed at supplanting Britain and France in their colonial position."

In addition, the Communist Chinese and Polish representatives said this:

"The two parties consider that the building of socialism in accordance with Marxism-Leninism constitutes the supreme interest of the two peoples, and that in their respective Socialist construction in the light of their national characteristics and specific conditions they should consistently combat all deviations, whether doctrinaire or revisionist. To do this is a sure guaranty for effectively overcoming difficulties and smashing all plots of hostile forces to sabotage the Socialist construction.

"The two parties reaffirm their support for the worker-peasant revolutionary government of the People's Republic of Hungary in their struggle to consolidate the Socialist system and eliminate the consequences of past mistakes. They will continue to help the Hungarian people overcome the difficulties they are presently facing."

Before concluding, the Polish Communists again indicated that they were giving economic assistance to another Communist country in the following words:

"The Government of the People's Republic of China expresses its thanks to the Polish People's Republic for its active support to China in its struggle to defend its sovereignty and Poland's various aids to China in the economic field and in the fields of shipping, science, and technology."

Communist Yugoslavia in the post-World War II period (July 1, 1945, to date) has received more than $1 billion in grants, loans, and credits from the United States.

During this entire period, Dictator Tito has:

1. Opposed our foreign policy of encouraging mutual-defense pacts against potential Soviet aggression.

2. Supported Communist Chinese membership in the United Nations.

3. During the whole period of the Communist aggression in Korea, the Yugoslav Government either supported the Soviet position or abstained on the resolutions condemning the aggression.

4. Abstained on the February 27 Soviet resolution condemning the United States. (Resolution was defeated by a vote of 8 yeas to 53 nays.)

In addition to the economic and military aid already given Tito's Yugoslav Communist government, there is now under consideration a proposal to turn over 215 jet planes to them.

This does not make sense to me.

We have a number of stout non-Communist friendly nations that are allied with us in mutual defense pacts. They need jet fighter planes. These nations include the Republic of Korea, Turkey, Thailand, Pakistan, Vietnam, the Republic of China on Formosa, and the Republic of the Philippines. All of these allies should have priority over Communist Yugoslavia.

I do not favor taxing the American people to support Communist economic or political systems abroad.

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached.

Why, however, has there been a strange silence by the membership to discuss in the United Nations the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clear-cut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in April and May? While the Security Council is meeting on the Mid-East question this month or next will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking, and enslaved people who want to be free will be waiting for the answers.

All Americans, regardless of party, can join together in subscribing to the oath of Thomas Jefferson:

"I have sworn upon the altar of God eternal hostility to every form of tyranny over the mind of man."

Address Delivered by Secretary of State John Foster Dulles

EXTENSION OF REMARKS

OF

HON. LEVERETT SALTONSTALL

OF MASSACHUSETTS

IN THE SENATE OF THE UNITED STATES

Monday, April 29, 1957

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very eloquent and forceful speech made by Secretary of State John Foster Dulles on Monday, April 22, in New York City, at the annual Associated Press luncheon held during the convention of the American Newspaper Publishers Association.

Secretary Dulles has well set forth the basic principles of our foreign policy.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

RUSSIAN STRATEGY UNABLE TO DIVIDE FREE WORLD—TEXT OF A SPEECH BY SECRETARY OF STATE DULLES AT THE ANNUAL ASSOCIATED PRESS LUNCHEON

I recall pleasurably your annual luncheon a year ago. It is a compliment that you have asked me to come a second time.

Since this is my first speech of the second Eisenhower term, it may be appropriate to set forth the basic concepts which guide our foreign policy. It is important that both friend and foe should know the principles by which we chart our course.

At the close of World War II, the statesmen of the world met at San Francisco to

plan a better future for a war-scourged world. They wrote the United Nations Charter; and in its first article they laid down three basic and interlocking principles.

There must be peace; there must be justice; and there must be liberty for nations and for persons.

Peace, justice, and liberty—these same concepts underlie the foreign policies of the United States.

Our task is to realize these concepts in a world of rapid and accelerating change.

Two decades ago I wrote that world peace depended, not on preserving the status quo, but on finding ways of peaceful change. Today, this requirement is more than ever imperative.

Our foreign policy accepts change as the law of life. We seek to assure that change will be benign, and not destructive, so that it will promote not merely survival but freedom and well-being.

FIRST REQUIREMENT: SHUT OUT AGGRESSION

A first requirement is that the door be firmly closed to change by violent aggression.

Of all the tasks of government the most basic is to protect its citizens against violence. Such protection can only be effective if provided by a collective effort. So, in every civilized community, the members contribute toward the maintenance of a police force as an arm of law and order.

Only the society of nations has failed to apply this rudimentary principle of civilized life.

An effort was made through the United Nations to create an armed force for use by the Security Council to maintain international order. But the Soviet Union vetoed that.

However, the member nations still had the possibility of cooperating against aggression. For the charter, with foresight, had proclaimed that all nations had the inherent right of collective self-defense.

The free nations have largely exercised that right. The United States has made collective defense treaties with 42 other nations. And the area of common defense may now be enlarged pursuant to the recent Middle East resolution.

This collective security system is subject to assaults from without, and to infirmities within.

SOVIET RULERS WANT FREE NATIONS DIVIDED

The Soviet rulers understandably prefer that the free nations should be weak and divided, as when the men in the Kremlin stole, one by one, the independence of a dozen nations. So, at each enlargement of the area of collective defense, the Soviet rulers pour out abuse against so-called militaristic groupings.

And as the free nations move to strengthen their common defense, the Soviet rulers emit threats. But we can, I think, be confident that such Soviet assaults will not disintegrate the free world.

Collective measures are here to stay.

The greater danger comes from internal hazards. A collective defense system, in which each member nation is completely sovereign, requires a high degree of voluntary cooperation and agreement.

Happily, we have that. For example, it is agreed that the primary task is to deter war. Modern weapons have such vast destructive power that there could be no real victor were general war ever to occur.

It is also agreed that the principal deterrent to aggressive war is mobile retaliatory power. This retaliatory power must be vast in terms of its potential. But the extent to which it would be used would, of course, depend on circumstances.

The essential is that a would-be aggressor should realize that he cannot make armed aggression a paying proposition.

LAND, SEA, AIR POWER ALL VITAL TO DEFENSE

It is also agreed that it would be imprudent to risk everything on one single aspect of military power. There must be land, sea, and air forces for local action and for a defense which will give mobile striking power the chance to do its work.

Thus the general design of common defense is widely agreed. Of course, its detailed application presents recurrent difficulties. Also, the sharing of the burden raises problems.

Modern weapons are extremely expensive. Immense sums must be spent in research and development and in making weapons which may become outmoded almost before they are in production.

The United States is the only free world country able to sustain the cost of developing a capacity for retaliation adequate to deter a potential aggressor who himself has great and growing aggressive power.

In addition, the United States supplies military equipment to others and, in some cases, helps to stabilize the economies of allies which cannot otherwise play their proper part in the scheme of common defense.

The President faces no more difficult task than the crucial one of deciding, in this defense field, how much to spend, where to spend it, and how to bring the cost into a budget which provides for other needed tasks and does the whole without monetary inflation or excessive taxation.

There are some who, in a zeal to economize, would slash that part of our budget which is often miscalled foreign aid—as though it did not aid us. That would not be economy, but extravagance.

If the forces and facilities which others provide were subtracted from the common defense, the United States defense budget would have to be expanded vastly from what it now is. That is the considered judgment of the President and his military advisers.

COLLECTIVE DEFENSES NOT CONSIDERED IDEAL

The free world collective defense arrangements are not ideal.

There is nothing automatic about them, and they require a continuing conscious effort by many nations to cooperate and to forego the petty selfishness and the extremes of nationalism which could poison the relationships.

But the relationship is predominantly one of good will and trust. It marks a significant step in the long-overdue progress of international society from anarchy to order.

To maintain and develop this progress is a basic principle of our foreign policy.

But we do not believe that the only way to security is through evermounting armaments. We consider that controls and reduction of arms are possible, desirable, and, in the last reckoning, indispensable.

It is not essential that controls should encompass everything at once. In fact, progress is likely to come by steps carefully measured and carefully taken.

Thus far it has not been possible to assure the inspection and other safeguards that would make it prudent for us to reduce our effective power. But we shall continue to seek that goal.

Armaments are nothing that we crave. Their possession is forced on us by the aggressive and devious designs of international communism.

An arms race is costly, sterile, and dangerous. We shall not cease our striving to bring it to a dependable end.

ANY POLICE SYSTEM ESSENTIALLY NEGATIVE

Any police system is essentially negative. It is designed to repress violence and give a sense of security. But the sense of security is illusory unless behind its shield, there is growth and development.

Military collaboration to sustain peace will collapse unless we also collaborate to spread the blessings of liberty.

Trade, from the earliest days, has been one of the great upbuilders of economic well-being. Therefore, this Government advocates trade policies which promote the interchange of goods to mutual advantage.

Also, the United States, as the most productive and prosperous Nation, assists other nations which are at an early stage of self-development.

It is sobering to recall that about two-thirds of all the people who resist Communist rule exist in a condition of stagnant poverty. Communism boasts that it could change all that, and points to industrial developments wrought in Russia at a cruel, but largely concealed, cost in terms of human slavery and human misery.

The question is whether free but undeveloped countries can end stagnation for their people, without paying such a dreadful price. Friendly nations expect that those who have abundantly found the blessings of liberty should help those who still await those blessings.

Of course, each country must itself make the principal effort to improve its lot. But others can provide an impetus and the margin between hope and despair, and perhaps between success and failure.

They can do this by showing interest and concern; by giving technical guidance; and by providing capital for development.

PRIVATE CAPITAL SHIES AT BIG RISKS

Much of this is done under private auspices, and we wish it could all be done that way. But sometimes the hazards are greater than private capital will assume. So, our Government supplies some funds for economic development purposes.

The sharing of markets and of development capital is not a giveaway operation. It assures that the free world, of which we are part, will be a vigorous, hopeful community. That corresponds to our interests and to our ideals.

Our mutual-security program can and should make our policies more clear and more stable. Two weeks ago I outlined proposals to this end before a special committee of the Senate.

With the help of the Congress, and with the support of the American people, our trade and economic development policies can serve mightily to demonstrate that the peace of free men is not the doomed peace of human stagnation, but a peace of such vitality that it will endure.

Just as our policy concerns itself with economic development, so, too, our policy concerns itself with political change.

During the past decade, there have come into being, within the free world, 19 new nations with 700 million people. In addition, many nations whose sovereignty was incomplete have had that sovereignty fully completed.

Within this brief span nearly one-third of the entire human race has had this exciting, and sometimes intoxicating, experience of gaining full independence.

PROGRESS TO GOAL OF SELF-GOVERNMENT

The United States believes that all peoples should have self-government and independence if they desire it and show the capacity to sustain it. We rejoice that there is progress toward this goal.

But liberty requires more than the mere breaking of old political ties that have become unwelcome.

Those patriots who won for us our independence knew and proclaimed that our free institutions could be sustained, and our independence made durable, only if our Nation accepted the disciplines which religion and education enjoin.

That is indispensable to assure responsible leadership able to guide a young nation through the dangers which beset it.

International communism is on the prowl to capture those nations whose leaders feel that newly acquired sovereign rights have to be displayed by flouting other independent nations. That kind of sovereignty is suicidal sovereignty.

The United States stands as the faithful and vigorous champion of the principles of our Declaration of Independence. And we want the new independence of others to be something better than a brief twilight preceding the blackout of Communist despotism.

Nowhere is the pressure for change greater than within the Soviet orbit. For there the most basic human aspirations are the most repressed.

A year ago Khrushchev boasted before the 20th Congress of the Soviet Communist Party that communism was on its way to triumph everywhere on its merits as a system of thought and government.

But in October how many Communists could be found in supposedly Communist Hungary? A few hundreds of secret policemen, hopelessly implicated in the crimes of the regime, and a handful of traitors willing to govern by grace of Soviet tanks.

COMMUNISM PROVED OPPRESSIVE DESPOT

Communism in practice has proved to be oppressive, reactionary, unimaginative. Its despotism, far from being revolutionary, is as old as history. Its subjects, in vast majority, hate the system and yearn for a free society.

The question of how the United States should deal with this matter is not easily answered. Our history, however, offers us a guide. The United States came into being when much of the world was ruled by alien despots.

That was a fact we hoped to change. We wanted our example to stimulate liberating forces throughout the world and create a climate in which despotism would shrink. In fact, we did so.

I believe that that early conception can usefully guide us now.

Let us provide an example which demonstrates the blessings of liberty. Let us spread knowledge of that around the world. Let us see to it that the divided or captive nations know that they are not forgotten; that we shall never make a political settlement at their expense; and that a heartfelt welcome and new opportunity await them as they gain more freedom.

Let us also make apparent to the Soviet rulers our real purpose. We condemn and oppose their imperialism. We seek the liberation of the captive nations.

We seek this, however, not in order to encircle Russia with hostile forces, but because peace is in jeopardy and freedom a word of mockery until the divided nations are reunited, and the captive nations are set free.

We revere and honor those who as martyrs gave their blood for freedom. But we do not ourselves incite violent revolt. Rather we encourage an evolution to freedom.

VOICE OF AMERICA SPREADS INFORMATION

The Voice of America, our information programs and cultural exchanges, spread throughout the world knowledge of what freedom is and does. When Hungary was invaded and freedom crushed, we sponsored a United Nations condemnation of the Soviet Union. And when some steps are made toward independence, as recently in the case of Poland, we show a readiness to respond with friendly acts.

Events of the past year indicate that the pressures of liberty are rising.

Within the Soviet Union there is increasing demand for greater personal security, for greater intellectual freedom, and for greater enjoyment of the fruits of labor.

International communism has become beset with doctrinal difficulties. And the cruel performance of Soviet communism in Hungary led many to desert Communist parties throughout the world.

The satellite countries no longer provide a submissive source of added Soviet strength. Indeed, Soviet strength, both military and economic, has now to be expended to repress those who openly show their revulsion against Soviet rules.

The Soviet Government pays a heavy price in terms of moral isolation.

Soviet rulers are supposed to be hardheaded. For how long, we may ask, will they expend their resources in combating historic forces for national freedom which are bound ultimately to prevail?

UNITED NATIONS PEACE WITH JUSTICE

Let me speak now of the United Nations. Its charter couples peace with justice, and provides the most significant body of international law yet known.

The United States has agreed to those principles and seeks to conform to them; and we expect other signatories to do the same. On occasions we invoke the processes of the United Nations to help to make effective the principles embodied in the charter.

We are not ashamed, as a powerful Nation, to pay the same decent respect for the opinions of mankind that we thought proper when, young and weak, we sought our independence.

That is no abdication of foreign policy. It is the exercise of foreign policy, and its exercise in the way which represents the best hope for humanity.

Our dedication to the principles of the United Nations Charter was severely tested by the recent Middle East crisis. We were then faced with a distressing and unprecedented conflict of loyalties. Historic ties would have led us to acquiesce in the forcible action that was began.

But this would have involved disloyalty to the United Nations undertaking that all members renounce the use of force except in defense against armed attack. That same pledge is also embodied in all our treaties of alliance. We decided to be loyal to that commitment.

This was a hard decision, although to those directly affected it was not an unexpected decision.

DECISION UNPOPULAR BUT IMPERATIVE

It was not, I suppose, a popular decision. Yet it was imperative if the world was not to go as it went when the League Covenant was disregarded.

But, as we have seen, the charter prescribes not merely peaceful settlement, but settlement in conformity with justice and international law.

We must, and do, seek also to advance that goal. For example, we are now striving to bring about conditions in the Middle East better than those provocative and dangerous conditions out of which the recent violence was born.

This cannot be done quickly or all at once. Where emotions run high, and a sense of grievance is deep, those most directly involved are more eager to gain partisans for their cause than to heed impartial counsel.

Wherever such situations occur, they are always worsened by Soviet intrigue. The Kremlin likes troubled waters in which to fish.

We know, in domestic affairs, that it is hard to apply just solutions when racial or class passions run high. The task is equally hard in international affairs, and sometimes war seems to offer a shortcut to the desired end. But that is an illusion.

The only durable solution is one which comes by patiently, resolutely, and resourcefully seeking justice and the rule of law. That, at least, is the faith and the dedication of your Government.

I have tried to describe principles which guide United States foreign policy. But while guiding principles are essential, they are not enough. They must be reinforced by daily action, as throughout the world, our views are sought and our influence is made felt.

This is the task sometimes called waging peace. It is a hard task.

It is seldom dramatic. The many who take part in it may never be known as heroes. Yet they make efforts, and in some cases sacrifices, like those required in war to win a war. By so doing, they spare us the infinitely greater sacrifice of war itself.

Surely the stakes justify that effort. As I am briefed on the capacity of modern weapons for destruction, I recognize the impossibility of grasping the full, and indeed awful, significance of the words and figures used.

Yet we would be reckless not to recognize that this calamity is a possibility. Indeed, history suggests that a conflict as basic as that dividing the world of freedom and the world of international communism ultimately erupts in war.

That suggestion we reject. But to reject in terms of words, or of hopes, is not enough. We must also exert ourselves to the full to prevent it. To this task, the American people must unswervingly dedicate their hearts and minds throughout the years ahead.

That is not too much to expect. Americans are a people of faith.

They have always had a sense of mission and willingness to sacrifice to achieve great goals. Surely, our Nation did not reach a new peak of power and responsibility merely to partake of the greatest, and perhaps the last, of all human disasters.

If only we are faithful to our past, we shall not have to fear our future. The cause of peace, justice, and liberty need not fail, and must not fail.

The Twin Enemies of Freedom—Communism, Like Crime, Advances and Takes Hold Because Men Ignore God—Communism Denies and Destroys Every Spiritual Value

---

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I am pleased to present copies of correspondence between myself and Mr. J. Edgar Hoover in which it will be noted he granted me the privilege of including in the CONGRESSIONAL RECORD the text of his address before the 28th annual convention of the National Council of Catholic Women on November 9, 1956, in Chicago, Ill. I am sure that every Member of this great legislative body will be pleased to have the text of this important speech by this distinguished American available to full reading.

Being a member of the House Un-American Activities Committee you will naturally expect me to call your special

attention to Mr. Hoover's comments on the subject of "Communism."

The letters and address follow:

JANUARY 10, 1957.

Hon. J. EDGAR HOOVER,
Director, Federal Bureau of Investigation, Department of Justice, Washington, D. C.

DEAR FRIEND: On November 9, 1956, you delivered an address before the National Council of Catholic Women at Chicago, Ill., entitled "The Twin Enemies of Freedom."

If you have no objection I would appreciate very much having the privilege of presenting this to the House of Representatives and ask unanimous consent to have same printed in the CONGRESSIONAL RECORD.

Thanking you for your consideration of this request, I have the honor to be,

Cordially,

CLYDE DOYLE,
Member of Congress.

UNITED STATES DEPARTMENT OF JUSTICE,
FEDERAL BUREAU OF INVESTIGATION,
OFFICE OF THE DIRECTOR,
Washington, D. C., January 15, 1957.

Hon. CLYDE DOYLE,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I have received your kind letter of January 10, 1957, and I am happy to enclose a copy of my November 9, 1956, speech before the National Council of Catholic Women which you may certainly feel free to have included in the CONGRESSIONAL RECORD.

Your interest in this regard is indeed encouraging.

Sincerely yours,

J. EDGAR HOOVER.

THE TWIN ENEMIES OF FREEDOM

(Address of J. Edgar Hoover, Director, Federal Bureau of Investigation, before the 28th annual convention of the National Council of Catholic Women, November 9, 1956, Conrad Hilton Hotel, Chicago, Ill.)

I am honored to discuss with this outstanding group of "career" women a matter of pressing urgency to every home in America. I say "career" women because I feel there are no careers so important as those of homemaker and mother.

As homemakers and mothers, you must be disturbed, as I am, with the continued advance of the twin enemies of freedom—crime and communism. These evil forces menace not only the security of our Nation but they also menace the homes of America, which are the foundations of our civilization.

Statistics show that before this year comes to an end, 1 out of every 16 homes across the land will have been blighted by sorrow and misery because of crime. Lawlessness will deprive some of these homes of their breadwinners and leave disgrace, shame, and heavy hearts, as their loved ones join the ever-expanding forces of the lawless.

Recently, newspapers carried a heartwarming report that church membership in America has now passed the 100 million mark. That is good news for all of us. But this good news was marred for me by the knowledge that nearly 11½ million persons have been arrested for serious offenses, or to bring this dreadful fact into sharper focus, 1 out of every 15 persons in our Nation has a record of arrest for a serious offense.

Those who look upon life in the abstract might hold to the view that the number of arrests is not a true yardstick for measuring the extent of lawlessness. I invite them to look at the record of convictions. This record shows that more than 5½ million persons have been convicted for one or more violations of the law, or 1 out of every 29 persons in the land.

In this age of materialism, all too frequently crime is considered merely in terms of dollar costs. It is a shocking fact that crime costs every home in America $467 a year—an estimated total of $20 billion each year.

The staggering cost of crime in dollars and cents becomes more realistic when we face the fact that for every $1 spent on education, $1.29 is spent on crime. For every $1 contributed to the churches of America crime costs $12. Our national debt could be wiped out completely in 14 years if this money were used to reduce that debt rather than to pay tribute to the lawless. But unfortunately the real cost cannot be measured in monetary terms.

Some 11½ million people in these United States have either been disgraced or have had their lives completely ruined in their attempts to live outside the law. If a person wants to throw his life away, he has that choice. But it is not a right; because the innocent suffer more than those who violate the laws. The real tragedy of crime lies in the suffering of its innocent victims. In any 24-hour period, 7,094 serious crimes are committed across our land. Every time your watch ticks off 12 seconds you can record the occurrence of a serious violation.

I believe the basic source of pressures for peace and security lies with the women of America. The fact that you have gathered here in Chicago in convention is proof that the necessity for militant action to sustain the American way of life is obvious to you. For today, a dangerous complacency threatens to blind our people to the menaces which would destroy us unless they are recognized and curbed.

Textbooks are filled with theories on crime causation. There are many contributing factors to crime, but the real cause can be stated in simple terms: crimes are committed by those who lack a sense of moral responsibility. For the most part, they commit crime knowingly and with deliberate intent. If we are to live in an America free of crime, if we are to see a better world, then we must live by and teach the Golden Rule.

Criminals are made—not born. The blame for crime must be placed where it rightly belongs—upon the adult. A new sense of responsibility must be born in the home if we are to reverse the rising trend of youth toward lawlessness. Reasonable discipline, administered with consistency, is essential in developing a stable individual.

The crime problem is basically a youth problem. In the past 4 years, while the number of 10- to 17-year-old children in this country increased 10½ percent, arrests of boys and girls in this age group increased nearly 21 percent. Youths are committing more serious crimes with increasing frequency, and this is a source of real alarm in every community in the land.

Last year 2,262,450 major offenses were committed by the Nation's crime army. A little over 42 percent of these crimes were committed by children under 18, and nearly half of these were under 15. The 10- to 17-year-olds last year were involved in 62 percent of all arrests for automobile thefts, 53 percent of all arrests for burglary, 47 percent of all arrests for larceny, and 21 percent of all arrests for robberies.

This situation, in the final analysis, is not the failure of youth but the failure of adults. The fact remains that out of every 100 boys and girls in the 10 to 17 age group, 97 live law-abiding lives. There is nothing basically wrong with the youth of the land. Youth needs only to be guided along the proper path. A youth's intelligence must be anchored in morality to give him the ability to determine right from wrong, good from bad, and the true from the false. Given discipline, young people will learn self-discipline; given training, they will learn to live useful lives. The 3 out of each 100 who annually break the law have wandered into a morass of disbelief—where they have no faith, no belief in a Supreme Being, no respect for the rights of others, no belief in the dignity of man, and finally, no belief in themselves.

There must be training for parenthood as well as a fixing of responsibility for the failure of parenthood. Too many parents allow their children to run free with no check on what they do, where or with whom they go. The result is a juvenile jungle. Too many homes breed juvenile delinquents through parental neglect. Too many children are left to shift for themselves—hungry, helpless, loveless.

When parents are not sufficiently interested to know where their children are and what they are doing, the risk for their future is grave. It is the parents who should be brought before the bar of justice to account for their stewardship when their children go astray. The parents are responsible to a great extent for the sins of their children. The parents should be held morally, legally and financially responsible.

I have studied the case histories of thousands of criminals. In almost every case, the failure to develop character is directly attributable to lack of proper influence and guidance in the home. Unfortunately, the home no longer provides the inspiration for right living. The American home must become again a center of learning how to live as well as a center of living.

Modern society is geared to a fast tempo; there are great demands on the parents to provide the material necessities for their children. Too often, the primary need for sympathetic and spiritual guidance is neglected and the child is deprived of the very element which is most essential to stabilize him emotionally and to aid him in his growth toward maturity. As a result of this thoughtless neglect, society suffers.

What is needed is to restore the home to its proper place where the lessons of the Golden Rule are translated into daily living, where the members of the family counsel and aid each other, and where each has a share in the responsibilities of home life.

What is needed is a return to the home where parents are companions of their children as well as the providers of the necessities of life, where parents share their leisure time with their children, and where children are taught the spiritual and civic responsibilities of manhood and womanhood. A child above all else needs the firm moral backing of a conscientious mother and father and the love, understanding and security that a good Christian home affords.

What is needed is greater participation by parents with their children in the programs of the church, the school and the community. What is needed is to cease being "penny-wise and pound-foolish" in providing for our churches, schools, and community facilities.

What is needed is a greater interest in and knowledge on the part of parents of the needs of local law enforcement agencies to the end that those agencies might have the support and the facilities so necessary to protect the homes of the land. Good government does not just happen—it is the result of the constantly vigilant efforts of the many who selflessly strive to build a better community, and beyond that, a better Nation and a better world.

What is needed above all is to practice the living faith of our fathers in our daily lives and a dedication to making the Kingdom of God a reality on "earth as it is in Heaven."

The neglect in the training of so many of our Nation's youth, their lack of spiritual nourishment, their ignorance of the great truths of the Bible, and the tragic void of God and prayer in their lives weaken our homes and our Nation's welfare.

Secularism is not necessarily an evil of immorality and excesses. More often it is the evil of nonmorality and indifference.

That is why I say the greatest crime is the toleration of crime.

Neglect at home and lack of discipline in the home are two of the main reasons for juvenile delinquency, it is true, but the basic cause of the present situation is that so many of our young people have no real sense of moral responsibility which comes from an intimate knowledge of God's teachings. This is essential to meet the criminal enemies of our freedoms.

It is essential in order to meet the Communist enemy of both our spiritual and physical freedoms.

Communism, like crime, advances and takes hold because men ignore God. The real danger in communism lies in the fact that it is atheistic and seeks to replace the Supreme Being. Communism is secularism on the march. It is the mortal foe of all the world's religions which acknowledge the existence of God. Either the faith of our fathers will triumph or communism will engulf us. In this land of ours the two cannot live side by side.

Nowhere among the leaders of the Communist Party in the United States, Russia, Red China, or in any other part of the world will you find one who loves and believes in God. God is truth. Communists hate truth and, therefore, they hate the church.

One of the slogans of the Communist Revolution in Russia in 1917 was: "Religion is the opium of the people."

This was first uttered by Karl Marx, the founder of communism, in 1843. Lenin, now resurrected by the Kremlin as the Communist idol and guide of the present and future, restated it in 1905. And last year, Nikita Khrushchev, the present head of the Russian Communist Party, publicly proclaimed that Communists have not changed their opinion on religion and said: "We remain the atheists that we have always been; we are doing all we can to liberate those people who are still under the spell of this religious opiate."

When Communists temporarily and passively tolerate religion, it is for the purpose of furthering communism. But time and again they have struck ruthlessly against Christians, Jews, and other faiths, torturing, imprisoning, and murdering those who hold God above the state. Those who hate God always bring misery in their wake. They are brutal, cruel, and deceitful. Communism denies and destroys every spiritual value. No church and no church member can temporize with it.

And now the American Communists would have us believe they have changed their philosophy. What a farce that is. They now even deny their allegiance to the Soviet Union. They now speak of advocating a "peaceful and constitutional road to socialism in our country." Communism in America would garb itself in new and more respectable raiment, but it is the same old conspiracy against human dignity and freedom it has always been and always will be. The Communist conspiracy is as deadly now as it was before the Geneva Conference because of its false smiles.

The "big lie" technique originated with the Communists and has been perfected by the Communists. Largely through this technique, backed with a ruthlessness which challenges the imagination, one-fourth of the world's surface and 1 out of every 3 persons, or 900 million souls, are under the influence of the Red star. The Communists never have taken over a country by a majority vote in a free election. There are only 25 million Communist Party members in some 60 countries of the world, a bare 3 percent of the people enslaved. They have attained their tyranny through infiltration and by brutal force, by seizing leadership of key organizations, popular fronts, and lulling the vigilance of patriots with propaganda, lies, and deceit.

We relax our vigil at our peril. In dealing with the Kremlin and its followers the road of appeasement is not the road to peace. It is merely surrender on the installment plan.

The American public must not be lulled into complacency by the new Communist propaganda line. It is just another Leninist tactic. Lying, twisting, and turning are their time-proven techniques to gain their ends.

The current Communist tactics do not change the basic goals of Communist conquest; they do not change the basic Communist techniques; they do not mean independence from Soviet Communist leaders; and they do not represent any change of heart or a lessened antagonism toward religion. Communists shift from violence and threats of violence to rely temporarily upon enticement, duplicity, and division. The current Communist tactics are designed to win again by deceit the influence and alliance the Communists once enjoyed with some well-meaning but unsuspecting progressive-minded persons in our Nation. These tactics are designed to develop a broadened base for the advance of Marxist socialism; and primarily they are designed to evade American justice and the relentlessness with which the Communist Party has been prosecuted by the United States Department of Justice in American courts and exposed by Congressional committees and the American press.

Communist concessions are never made with peaceful intentions, nor with honor, nor with honesty, and the Communists have proved time and again, when their false smiles will not gain their objectives, that they have no hesitation in using tanks and machine guns to achieve their purpose.

Lenin said with utter frankness, "Concessions do not mean peace with capitalism, but war on a new plane."

American Communists have not suddenly become good citizens. They are merely making war against America on a new plane.

In fact, there is nothing really new in the current Communist tactics. The American Communist Party, from the time of its inception here in Chicago in 1919 until the present, has changed its name 9 times. The constitution of the Communist Party in this country has been changed 17 times, zigging and zagging for the attainment of its diabolical ends through deception and doubletalk.

If the party runs true to form, it will change its constitution again next February, and perhaps its name, when it meets in convention in New York City. Regardless of what it does—of this you can be sure—it will be the same old crowd at the same old stand banded together for the same old purpose—to advance the Communist cause and to serve the Soviet Union. They will use the same old techniques with which they have hoodwinked so many people in the past.

The women of the Nation must make their contribution by raising their voices to preserve the American way of life and to counteract the Communist attacks against our laws which have so effectively been applied to curbing the Communist program with its criminal ends. The chief objective of Communist attacks will be to discredit acts of Congress; the courts; the prosecutions of the United States Department of Justice; and the FBI.

The strategy of the Communists to get others to front for them and do their dirty work cannot be underestimated. To illustrate, last Christmas 42 persons signed a petition to request Presidential amnesty for the Communist Party leaders convicted under the Smith Act for conspiring to teach and advocate the overthrow of the Government of the United States by force and violence. Not only did these persons ask the Government to release a group of Communist conspirators from prison to observe a Christian holiday which they would destroy, but they asked that the sentences of these atheists be commuted to the time already served. Even more shocking is the fact that half of the signers of the petition were clergymen, professors of theology, or persons who were engaged in other religious positions. Another such petition is now in preparation to again ask for the release of those who would destroy the American way of life.

This is not an isolated example. Last year a legal brief was filed with the United States Supreme Court urging that the Internal Security Act of 1950 be declared unconstitutional. This legal brief had been initiated by 18 persons. Nine of these persons, exactly one-half, were members of the clergy. Of the 360 persons who signed the brief, some 100 were clergymen.

Because they despise the church, the Communists continually attempt to infiltrate unsuspecting religious organizations. What better cloak of legitimacy can be found for their programs than to present them as the offerings of clergymen and churches?

One of the oldest Communist techniques is to use others to do their dirty work. Communism, they say, must be built with non-Communist hands. Today there are less than 20,000 Communist Party members in the United States. But the party's actual strength never can be measured in terms of members because thousands of bleeding hearts, pseudoliberals, sympathizers, and dupes always stand ready to lend their aid when their services are needed.

The record clearly establishes that Communist Parties have the power of swift and solid growth when the opportunity arises. When the Communist Party membership was at its peak in the United States a decade ago, it was stronger in number than the Soviet Communist Party when it seized power in Russia. In Italy, the Communist Party once dwindled to only 15,000 members and then increased to more than 2 million. In Red China, a small inconsequential party of less than 10,000 grew to more than 6 million.

The national chairman of the Communist Party of the United States, William Z. Foster, has correctly said: "The actual strength of the Communist movement in the United States is not something that can be accurately stated in just so many figures. It has to be measured largely by the general mass influence of the party and its program."

Our most effective defense against this conspiracy lies in our basic American faith in God, an ardent fervor for liberty under law and justice for all, and belief in the God-given rights of individuals. Morality and religious convictions stand as major obstacles in the path of Communist progress.

Even today, in the lands where Red tyranny reigns, the fires of freedom are burning as never before. Incident after incident has come to light where patriots were willing to shed their blood to feed the fires for freedom which one day will burst into a giant conflagration which even the dictators' heels of might cannot stamp out. The fact that physical and mental torture, slave labor camps and brutal murder do not stay man's selfless drive toward freedom for all mankind has baffled the Red Fascists, because they do not know God and His way.

To a people who still love freedom and who still look to a Supreme Being, their sacrifices shall not be in vain because one day the Almighty will wreak vengeance on this atheistic, terroristic tyranny. Communism runs counter to the aspirations of the human heart. The Communist way eventually will perish from this earth because it prostitutes truth, because it is heartless and cruel, because it is evil and because it denies the existence of the Omnipotent. We pray for the coming of that day.

We must strive to overcome the apathy, ignorance and guile which nourish the twin enemies of our freedom—crime and communism. Let us never forget that strength and good character, like charity, begin at home. So long as the American home is nurtured by the spirit of our Father in heaven and is a center of learning and living, America will remain secure.

The Trend Toward Monolithic Banks

EXTENSION OF REMARKS
OF
HON. EMANUEL CELLER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, April 29, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address given by me before the convention of the Independent Bankers Association, at the Golden Gate Hotel, Miami Beach, Fla., Friday, April 26, 1957:

This morning I should like to discuss with this most distinguished assemblage a matter of grave national concern. I am referring to the trend toward monolithic banks that is wiping out independent banks on a wholesale scale and concentrating control of the Nation's banking business into fewer giant financial institutions. This trend is an ominous one indeed for the future of the independent banking system; permited to continue unchecked, it could have dangerous consequences for the entire competitive economy which depends for its lifeblood upon banking credit.

Traditionally the banking system of the United States has relied for its vitality on vigorous competition by a multitude of independent banks, locally organized, locally financed, and locally managed. Unlike other countries, such as Great Britain and France, where a few mammoth institutions control nearly all the banking facilities, the American system is based on unit banking—that is, strong, growing community banks which provide a wide range of financial services to the people in the area. It is the unit banking system which has played a key role in the economic development of this country. And it is this kind of system, premised on small units effectively competing with each other, that our antitrust fabric is designed to perpetuate and preserve.

CONCENTRATION OF BANKING FACILITIES

Against this background, what are the details in respect to concentration of banking facilities? In this connection, let me refer you to the report of our House Judiciary Antitrust Subcommittee, dealing with corporate and bank mergers. Our subcommittee found that at the present time, the 100 largest banks control approximately 46 percent of the total assets of all the commercial banks in the country and more than 48 percent of the bank deposits. It found that in 10 of the 16 leading financial centers, 4 banks own more than 80 percent of all commercial bank assets; 2 banks more than 60 percent; that in each of the 16 leading financial centers, the first 2 banks own more than 40 percent of all commercial bank assets; the first 4 banks more than 60 percent.

There is yet another facet—concentration through bank holding company control. In my State of New York, for example, 14 holding companies control banks having deposits of $7.2 billion, amounting to 19.5 percent of all commercial bank deposits in the State. In Arizona, 2 holding companies control over 80 percent of all commercial bank deposits. In Minnesota, 2 holding companes hold 45 percent of the commercial deposits; in Montana, the same 2 companies control over 44 percent of the commercial deposits; in North Dakota, 29 percent; and in South Dakota, 37 percent of the commercial bank deposits. One holding company controls 42 percent of Oregon's bank deposits, and the same company in Nevada holds 78 percent of the commercial bank deposits.

PACE OF BANK MERGER ACTIVITY

Largely responsible, in my judgment, for the present degree of concentration has been a spate of mergers accomplished through acquisitions by banks and by holding companies. In fact, the rapidly accelerating trend towards mergers has been the major development in banking over the past 7 years. Thus in the period from 1950 through 1956 some 1,017 of the Nation's commercial banks have disappeared by way of mergers and consolidations. Banks so eliminated have not been, for the most part, the financially weak, unsound banks that needed rescue in the depression pattern. Nor have they been, in the main, the specialized, poorly organized, or the inefficiently managed. On the contrary, most of the banks that have disappeared have been growing, efficient, profitable, vigorously competitive banks taken over at peak earning capacity. The merger pattern is not predominantly a situation where two or more small, inadequately financed or managed banks, falling behind in the competitive race, seek by merging to form a big integrated institution, able to compete on equal terms. On the contrary, a large percentage of mergers involved one or more giant banks having assets of $100 million or more. And the absorbed banks were likewise no minnows; a large percentage of those banks having assets in excess of over $50 million.

There is yet another consideration. During the last 35 years, the number of banks has been reduced by more than half. In 1921 there were over 30,000 commercial banks serving the Nation's borrowers and creditors; by contrast, at the end of 1956 some 13,680 commercial banks remained in operation—a new low. This despite the postwar boom, the 286 percent growth in bank assets, the new high level of loans and deposits, the greatly increased use made of banking services, and the enormous growth in the number of depositors.

REMEDIAL LEGISLATION TO CURB BANK MERGERS

Particularly in light of recent experience, additional legislative action is imperative to prevent bank mergers having substantial anti-competitive effects. At the present time bank mergers are circumscribed by the provisions of the Sherman Act of 1890 which prohibits combinations in restraint of trade, attempts to monopolize, or monopolization of trade or commerce. Illegality is established by proof that the merger has actually resulted in an unreasonable lessening of competition; it is immaterial whether the merger was accomplished by stock or asset acquisitions.

Section 7 of the Clayton Act, adopted in 1914, on the other hand, deals specifically with corporate and bank mergers and bans those achieved by stock purchases where there is the mere reasonable probability of a substantial lessening of competition or a tendency to monopoly. Responsibility for enforcing the section insofar as banks are concerned was vested concurrently in the Attorney General and the Federal Reserve Board.

Section 7 was designed to stop mergers beyond the reach of the Sherman Act but its failure to include mergers accomplished by asset acquisitions resulted in a loopole which so far as nonbanking corporations are concerned was closed by passage of the Celler-Kefauver Act of 1950. However, because of revisions made in subsequent versions of antimerger bills, it became impracticable to include within the scope of this act corporations other than those subject to the jurisdiction of the Federal Trade Commission. This left assets acquisitions by banks unaffected by the new law since authority to enforce the provisions of section 7 dealing with banks is vested in the Federal Reserve Board and not in the Federal Trade Commission.

This loophole in existing law not only has no logical basis, but, more important, it has seriously hampered enforcement efforts to proceed against bank mergers injurious to competition. For this reason legislation is urgently needed which would provide enforcement agencies with the same authority to move against bank mergers accomplished by asset acquisitions as they now have to move against bank mergers achieved by stock acquisitions.

During the last session I introduced a bill, H. R. 5948, to provide such authority. This bill was approved by the House without a dissenting voice but the Senate was not given opportunity to consider the measure.

It is significant that after the House passed my bill, Mr. Ray M. Gidney, the Comptroller of the Currency, spearheaded a drive to have the Senate Banking and Currency Committee consider another bill dealing with bank mergers. This bill, drafted by Mr. Gidney's assistants, represented an obvious maneuver to head off Senate passage of H. R. 5948. It was contrary to the President's recommendations calling for revision of antitrust legislation to cover bank mergers accomplished by asset acquisitions, as envisaged by H. R. 5943.

The bill drafted by the Comptroller would amend section 18 (c) of the FDIC Act and give the Federal bank supervisory agencies sole jurisdiction to approve or disapprove a proposed merger, taking into account as one of the factors to be considered whether the transaction may lessen competition unduly or tend unduly to create a monopoly. Concomitantly, it would deprive the Attorney General of enforcement jurisdiction under the Clayton Act notwithstanding that in the more than 60 years since passage of the first antitrust law, no one had previously suggested that its provisions did not apply to banks as well as to other sectors of the American economy. According to the Department of Justice any pretense that this measure would provide protection for competion is a sham.

Notwithstanding these considerations, the Comptroller's bill was approved by the Senate during the last Congress and was again adopted by the Senate this year as section 23, chapter 5 of title III of the financial institutions bill of 1957, commonly known as the omnibus banking bill.

Let me quote what the Attorney General had to say before our Antitrust Subcommittee several weeks ago about this provision sponsored by Mr. Gidney:

"First, the proposed banking legislation prescribed for bank mergers would weaken section 7 standards. The factor of competition would be only one of numerous considerations to be taken into account by a banking agency in scanning a merger. Beyond that, the competitive considerations of section 23 specified, whether the acquisition may 'lessen competition unduly or tend unduly to create a monopoly' are completely novel and are intended simply to be less stringent than those specified by the Clayton Act, section 7, for other American business. As the result, not only does that proposal prescribe pale antitrust standards, but even that lesser standard is only one of many factors banking agencies must consider. All told, then, that proposal does little more than give lipservice to insure competitive enterprise in banking.

"Banking agencies themselves recognize inherent difficulties in construing this jerry-built standard."

What is more, the section proposed by the Comptroller would weaken the standards which he states his office now follows in respect of bank mergers. In this connection it must be remembered that under present law, approval by the Comptroller of the Currency is required in all cases of mergers between national banks or between a na-

tional bank and a State bank where the resultant institution is to be operated under a national charter. May I point out that Mr. Gidney has averred before our subcommittee that before giving his approval to any such merger, he will determine whether its effect in any section of the country may be substantially to lessen competition or tend to create a monopoly; that he will determine, in short, whether the merger is violative of the policy of the Celler-Kefauver Antimerger Act. He has stressed that he would not approve any bank merger or consolidation which he considers to be in violation of the principles of this act.

But what does the record show? It shows that up to January 1956 the Comptroller's office did not even promulgate standards embodying these principles or acquaint its examiners with this alleged policy. Indeed, it was only after our subcommittee brought this dereliction to light in December 1955 that Mr. Gidney hastily promulgated standards for considering the competitive consequences of bank mergers.

The record also shows that from April 1953 (when he assumed office) to the end of 1956, Mr. Gidney approved 424 bank mergers, with banks absorbed in such transactions having total resources of $6,977,985,576. Furthermore, from April 1953 to the end of 1954 the Comptroller approved 193 mergers involving absorbed banks with resources of $2,581,943,159. Not once during this period did he disapprove an application for competitive reasons.

After hearings before our subcommittee in May 1955, Mr. Gidney's record became a shade better. Thus in June 1955, for the first time, he informally disapproved a merger application for competitive reasons; and followed that up in November 1955 by refusing, for the same reasons, to approve certain proposed mergers in cases involving 8 banks. However, in 1955 he approved 126 bank mergers involving, in respect of banks absorbed, resources of $2,015,225,452. In 1956 Mr. Gidney approved 105 bank mergers, the banks absorbed in such transactions having total resources of $2,380,816,965. In that year he informally disapproved 10 applications for competitive reasons.

In the last analysis, the conclusion is inescapable, as the Attorney General has testified, that Mr. Gidney has tended to give little or no consideration to the question as to whether or not competition would be substantially lessened. In fact, the Comptroller apparently assumes that a merger which tends to monopoly is in the public interest. By his own admission, he is utterly unconcerned by the current wave of bank mergers—a view, I might add, that is diametrically opposite to that of the chairman of the Federal Reserve Board.

To be blunt, Mr. Gidney's normal procedure is to rubberstamp, as a matter of routine, any monopolistic proposal that may be presented. I recognize that it is not an uncommon administrative tendency for regulatory agencies to be more or less responsive to the industries which they are supposed to regulate. Mr. Gidney's case is more unique, however, since he appears to have been taken over completely by the giant banks he is supposed to regulate. His concept of the public interest is to identify the functions of his office with the private interests of the banks subject to his jurisdiction.

In light of these considerations, it is clear that to give the Federal bank supervisory agencies unfettered jurisdiction over the antitrust implications of bank mergers and to weaken the standards, all as proposed by the Comptroller, would only stimulate the tempo of present bank merger activity.

Fortunately, the bank omnibus bill, and particularly section 23, will not be considered by the House Banking and Currency Committee until the next session of Congress. I deem it imperative, in the interest of preserving the integrity and vitality of the unit banking system, to work unceasingly, to prevent passage of this section.

On the positive side, legislation is necessary to amend the antitrust laws to encompass bank mergers, however accomplished. Such legislation must insure against the Attorney General being deprived of antitrust jurisdiction in bank merger cases. It must also embody present section 7 standards. My premerger notification bill, H. R. 2143, which was recently approved by the subcommittee, originally contained a section identical with my bill of last year, applying these principles. However, in order that premerger notification not be confused with legislation amending the substantive standards of section 7 of the Clayton Act, as amended by the Celler-Kefauver Act, the bank merger section has been deleted. In the near future I will introduce a new bill dealing solely with bank mergers. While I have not yet come to a final conclusion, I am giving careful consideration to a proposal amending the antitrust laws which will (1) give the Federal bank supervisory agencies jurisdiction over bank mergers but prohibit approval of any transaction where the effect may be substantially to lessen competition or tend to create a monopoly; (2) require the agency to obtain the views of the Attorney General in respect to the antitrust implications of the proposed transaction, together with the views of the State bank supervisor in respect to banking factors, where a State bank is involved; (3) reserve to the Attorney General antitrust enforcement jurisdiction.

I hope that you will give this proposal your immediate consideration and examination.

ACTION NECESSARY TO CURB HOLDING COMPANY EXPANSION

In addition to bank merger legislation, action is equally necessary, at the Federal level, to prevent the holding company device from being used to circumvent State branch district lines drawn to safeguard against banking monopoly. In the absence of effective Federal or State legislation on the subject, these geographic limitations can be avoided by the simple expedient of forming a holding company to acquire control of banks throughout a State without regard to district lines. As one holding company candidly acknowledged when organized, it felt itself compelled to carry out its plans by this method of group banking because the laws of the State and the National Banking Act both prohibited branch banking beyond certain limits.

Such circumvention is possible notwithstanding that a holding company system is a substitute for a branch system and that there is no essential difference between branches and affiliates, or subsidiary banks. As the House Banking and Currency Committee pointed out: "Great stress has been placed on their difference in form, which everyone of course recognizes. * * * (H)owever, in a large measure they are differences without a distinction. Other than in form, what is the practical difference between a branch and a bank the stock of which is owned by a holding company that can select the bank's directors and change them at its pleasure, even holding repurchase rights to the directors' qualifying shares; that can hire and fire the bank's personnel and otherwise supervise its operations; that can make its investments, handle its insurance, buy its supplies, originate and place its advertising; can pass on its loans to local firms and individuals, usually receiving a fee for services performed?" The fact is that "as each new bank is * * * added to those already a part of the holding-company system, such bank automatically becomes in effect, though not in name, a branch of that banking system."

To my mind the conclusion is inescapable that despite all that has been said about the distinction between bank-holding company groups and branch-banking systems, both accomplish the same thing, the operation of a number of banking units under one control and management. Also inescapable is the fact that through the corporate device, holding companies still can be used to evade branch-banking laws and thus defeat the declared policies of the State regarding branch banking.

Largely through the efforts of your association, Congress in 1956 enacted the Bank Holding Company Act for the purpose of maintaining competition among banks and minimizing the dangers inherent in concentration of economic power through centralized banking control. But it is most unfortunate that the Senate deleted from the bill a key provision passed by the House prohibiting holding-company expansion of banks within a State except in accordance with the branch-banking laws of that State.

This whole issue of holding-company circumvention of branch lines came dramatically to life in New York State when the First National City Bank applied to the Federal Reserve Board for permission to form the largest bank-holding company in the Nation. Initial objective of First National City was to acquire control of the County Trust Co. of White Plains, N. Y., the dominant commercial bank in Westchester County, and thus pierce the branch line separating New York City and Westchester. In short, through the device of forming a holding company, the same management which was restricted in its operation under a bank charter to New York City, sought to acquire a unit bank in another district, operate it in the same manner a branch would be operated, and flout the expressed will of the legislative body of New York State regarding the establishment of banks. Moreover, there was every prospect that the First National City Bank plan would initiate a chain reaction until ultimately a handful of giant New York City banks, through the holding-company device, would be in control of nearly every sizable bank in the State of New York. Success of the plan would have meant that the day of independent unit and regional banking would have passed and that money and credit in New York State would be largely controlled by a few gigantic banking institutions.

For these reasons, I testified at length befor the Federal Reserve Board calling attention to the alarming competitive consequences of the proposal. In addition, I testified in the early part of January 1957 before the State of New York Joint Legislative Committee To Revise the Banking Laws, and pointed out the necessity of amending the State's banking laws to prohibit any bank holding company from acquiring in the future any bank located outside the district prescribed for branch banks.

It is gratifying that Governor Harriman and the New York State Legislature recognized the threat to the State banking structure implied in the First National City plan. This was evidenced by adoption on January 29, 1957, of stopgap legislation, effective until May 1, 1957, prohibiting any bank holding company from acquiring a bank located outside the branch banking district. It was also evidenced by legislative approval of a measure extending this legislation until May 1, 1958, which I have little doubt that the Governor will sign. In these circumstances, the First National City proceeding before the Federal Reserve Board would become moot since the transaction would be barred under State law.

It is clear, of course, that this action at the State level is extremely important particularly since New York is the banking center of the Nation. Nevertheless it is my firm conviction that the effort to pierce branch district lines through the holding company

device is a matter of national import and should, therefore, be considered at the Federal level. Otherwise, action would be required in State after State, on a piecemeal basis, to obtain legislation preventing holding company attempts at banking dominance. For these reasons, I urge you immediately to undertake an all-out effort, which I will join, to pave the way for amendment of the Federal Bank Holding Company Act so as to prevent holding company expansion except in accordance with State geographic limitations applicable to branch banks. Such an amendment should be similar to a provision contained in the House-approved bill which was deleted by the Senate.

Your efforts should be concentrated toward having the amendment considered by the House Banking and Currency Committee when it begins hearings on the omnibus banking bill. Part of the effort should be directed to obtain the support of other like-minded organizations determined to stop the trend toward monolithic banking.

The consequences of banking monopoly are ominous indeed. It is my hope that with your help Congress will take prompt, effective action to insure that that condition will not come to pass.

HOUSE OF REPRESENTATIVES

TUESDAY, APRIL 30, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, help us during this day to live humbly and honestly, sincerely, and serenely, never proving disloyal and recreant to any of our duties but always discharging them faithfully and in the fear of the Lord.

Inspire us with a courageous and confident approach to all our problems, and may we seek to solve them with a trustful and firm reliance upon divine wisdom and strength.

Grant that we may not be timid and cowardly in maintaining our convictions and principles even though they may seem to run counter to popular practice and prejudice.

May we be true, for there are those who trust us; may we be pure, for there are those who care; may we be strong, for there is much to suffer; may we be brave, for there is much to dare.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries.

DESERT-LAND ENTRYMEN

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, I take this opportunity to inform Members that it is my intention to object when H. R. 3753 is called. This is a bill to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

I regret very much that it is necessary to object since a valued member of our Committee on Appropriations, the gentleman from Idaho [Mr. BUDGE], is the author of this bill. Our colleague from Idaho is a conscientious, hard-working member of our Committee on Appropriations. However, in spite of my high regard for him, I do feel that H. R. 3753 is bad legislation, particularly at this time.

It seems to me that this bill should be debated and considered in the regular manner rather than on the Consent Calendar. Are we on the one hand making an effort to remove land from production through use of the soil bank while the same Department of Agriculture is being asked on the other hand to bring land of this kind into production?

While it may be true that this will not require additional administrative money, it is certainly true that additional loan funds will be required. It is impossible to predict how much will be needed but it will, no doubt, run into a considerable sum of money. The Farmers' Home Administration will need more loan funds, since they are not available, or funds will be shifted from other needy borrowers.

Another objection to the bill is the type of security that can be given to the Government under this plan. If it is the intention of the Congress of the United States to grant loans of this type in the desert with so little security, then we certainly ought to review our loan policies so that other parts of the country with more desirable resources will also be given consideration.

While I agree that it is an intriguing idea to make the desert bloom, I feel that with agricultural production now exceeding our market demand, it ought to be the first responsibility of the Department of Agriculture and the Congress to assist in the well-established farming communities of this country where the cost-price squeeze has placed farm families in a difficult financial position.

INTERFAITH COMMITTEE

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, a former distinguished Member of this body, the Honorable Dewey Short, who, as you know, is now Assistant Secretary of the Army for civil and military affairs, has written me a letter asking that I read it to my colleagues with reference to a very, very important program of which he has been made chairman.

The letter is as follows:

DEPARTMENT OF THE ARMY,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, D. C., April 25, 1957.

Hon. L. MENDEL RIVERS,
House of Representatives,
Washington, D. C.

DEAR MENDEL: I am writing to you on behalf of the Interfaith Committee to which I have been appointed Government chairman. We enlist your assistance in making May 14, Washington, D. C.'s first Interfaith Day, a success. Although such a day has been an annual occasion in many cities throughout the United States, this is the first time an Interfaith Day has been sponsored in and for the Greater Washington, D. C., area. As in the case of other cities, our Washington Interfaith Committee consists of representatives of the Protestant, Catholic, and Jewish faiths through their Almas Temple Shrine, Knights of Columbus, and B'nai B'rith organizations.

While many outstanding events have been scheduled for May 14, the Interfaith Committee felt it would be quite fitting for the day's activities to close with a professional ball game played in its honor, since baseball is a living embodiment of American democracy in action. Thus, through the cooperation of the Washington Senators, the May 14 night game between the Senators and the White Sox will honor Interfaith Day.

I would greatly appreciate your presenting this matter to your colleagues and encouraging their active participation. Tickets for the game will sell for the regular price, 75 cents to $2.50. Prior to game time, awards will be made to outstanding national and local personages in public life for their contribution to better understanding among people. In addition, parades, band music, and a program of entertainment have been planned.

For the convenience of persons interested in attending the Washington Senators-Chicago White Sox ball game May 14, 1957, tickets can be obtained from any of the following:

Alton S. Bradford, Almas Temple Shrine, 1315 K Street NW.

Charles Zipperman, Jewish Community Center, 16th and Q Streets NW.

Henry G. Catucci, Knights of Columbus, 918 10th Street NW.

(Checks should be made payable to Washington Interfaith Committee.)

Your cooperation in this matter is greatly appreciated.

Sincerely yours,

DEWEY SHORT,
Assistant Secretary of the Army
(Civil-Military Affairs).

Mr. Speaker, I urge that my colleagues take note of this. They cannot do anything better for a greater cause.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ARE GOVERNMENT DEPARTMENTS IN COLLUSION WITH LABOR RACKETEERS?

Mr. SMITH of Wisconsin. Mr. Speaker. I ask unanimous consent to address

the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. SMITH of Wisconsin. Mr. Speaker, I am sure that the American people were shocked when on yesterday a Senate committee turned up some evidence which does not look good for our Government. Before the committee was businessman Earl P. Bettendorf, of Texarkana, Tex. He testified that he paid $175 a week to Scranton, Pa., teamster officials so his nonunion trucks could deliver goods under contract with the Navy at an Army Signal Corps depot at Tobyhanna, Pa.

Mr. Bettendorf said he made the payments "with the knowledge and consent of the United States Government" and said the Government adjusted his contract to pay for the added cost.

Mr. Speaker, I suggest that this House has a responsibility to look into that situation and to ascertain whether or not there was collusion between the contractor, the labor racketeers, and our own Navy officials.

Mr. Speaker, are these labor racketeers more powerful than the Government of the United States? It would seem from this instance that they are.

CONGRESS SHOULD NOT ACCEPT THE PHILOSOPHY OF ATOMIC ELECTRIC POWER AT ANY COST WHEN IT MEANS FURTHER DISPLACEMENT OF OUR ADEQUATE COAL SUPPLY

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, one of the most lucid and rational papers delivered at the recent Nuclear Congress in Philadelphia was that presented by Mr. Jack K. Busby, executive vice president of the Pennsylvania Power & Light Co., Allentown, Pa. Mr. Busby participated in a panel discussion devoted to the subject, The Latest Prospects for Economic Nuclear Power.

It first reviews briefly pertinent material developed by other speakers at the Nuclear Congress. It refers to testimony of Marling J. Ankeny, director of the Bureau of Mines; Frank Weaver, Federal Power Commission; Karl Mayer, consultant, Stanford Research Institute; W. Kenneth Davis, director, Division of Reactor Development, Atomic Energy Commission; and James H. Harlow, chief mechanical engineer, Philadelphia Electric Co.

The combined testimony of the distinguished gentlemen which Mr. Busby cites is worthy of appraisal for everyone concerned with the commercial development of the atom. When the complete minutes of the meetings are on printed form, I shall ask that they be made a part of the reference file of the Joint Atomic Energy Committee.

Mr. Speaker, from time to time I have taken the floor of the House in defense of the Atomic Energy Commission's opposition to a so-called crash program. Let me point out that AEC Chairman Lewis L. Strauss, at a press conference on April 1, explained that he opposed the Gore-Holifield bill last year because, among other reasons, it would have slowed down other developmental work on nuclear fission. He added:

"I think the same reasoning prevails [this year] and I would hope that the same people who opposed it before in the Congress would oppose it this time and perhaps with some recruits."

Mr. Speaker, I too hope that we shall have recruits for the AEC program and in opposition to expensive hit-or-miss projects. I commend the Busby statement to the attention of any Member who may be uncertain as to America's proper pursuit of the atom's potential.

Mr. Busby and Mr. Ankeny have lent emphasis to a statement which I made last month in regard to the abundance of coal reserves in the United States. To invest millions of dollars in an atomic power system merely for the satisfaction of producing electricity from this source of energy would be a betrayal of the trust invested in us by the people who would be forced to bear the cost of such a project—the general public. In addition, such an undertaking would be in violation of the inherent rights of those families who depend upon a going coal industry and a progressive railroad industry for a livelihood.

Now that it has been established without qualification that there is sufficient minable coal to satisfy the growing demands of the electric utilities industry for centuries to come, what reason would Congress have for the summary establishment of a more expensive competitive industry? For the information of Members of Congress not close to the coal industry picture, I should like to point out that, while there was a modest increase in bituminous coal production in 1956 over the previous year, unemployment in mining communities is still a most serious problem.

As for anthracite, the people of our colliery areas in northeastern Pennsylvania rightfully look upon Government-subsidized competitive fuels as an unfair body blow, for it threatens them with further deprivation and discouragement.

I wonder how many Members of Congress noticed this headline in the Journal of Commerce for March 28: "Pennsy to lay off 1,600 maintenance men." Let me say that 600 of this number were employees at car shops in Altoona, my hometown. Those unfortunate workers could not very well be expected to accept the philosophy of "atomic electric power at any cost," for further displacement of coal would only mean greater decline in rail traffic and less need for maintenance men, repair workers, and operating crews.

As explained in Mr. Busby's statement, North America—particularly the United States—is the most unattractive market in the world for high-cost nuclear power and Europe is perhaps the best market for such power. Mr. Busby's sagacious appraisal of the contrasting conditions between America and Europe are exceedingly relevant. "Rather than borrowing difficulties, it would seem wise to stand firmly on the economic advantage we do have," he explains. "We should not sacrifice these to the lure of engaging in a kilowatt race where fossil fuels are scarce and power is comparatively high cost and in short supply."

When this factor is taken into consideration, the impracticability of a crash program becomes all the more evident.

Mr. Speaker, no one could be more enthusiastic than I about the role of the atom in a peacetime economy. As a member of the Joint Committee on Atomic Energy, I am in the fortunate position of being close to the Atomic Energy Commission. I have an opportunity to talk with our leading scientists and engineers. I am constantly impressed at the progress that has taken place since our ingenious technicians first began to look into the atom to find out what it might yield for promoting the general welfare.

Unfortunately, so much glamour has attached itself to the subject that Congress, like the general public, may be inclined to automatic approval of entirely too many projects evolving around the peacetime atom, regardless of their practicability. The crash program belongs in this category. The idea of wholesale generation of electric power from fissionable material is of course an attractive proposition until, that is, the cost factor is taken into consideration. Commercial generation of atomic power is not going to be economically useful for many years to come; in support of this conclusion, I now invite you to acquaint yourselves with the opinion of an outstanding power company executive, Mr. Jack K. Busby. His statement follows:

Mr. Chairman, at the outset, permit me to disavow the kind of broad knowledge and technical familiarity with matters atomic which might be implied by my presence here on this panel in company with men whose attainments in the field are so well known.

My experience with atomic energy is indeed quite limited and stems entirely from a general acquaintance with the work of my company in association with Westinghouse in research and development on the homogeneous type of reactor. The objective of this research program is to establish the feasibility of constructing a 150,000-kilowatt nuclear powerplant on the Pennsylvania Power & Light Co. system.

Thus, I approach this question of a desirable nuclear program here in the United States primarily from the point of view of a utility executive—but, I should add, as a spokesman for no one other than myself.

The presentations you heard this morning highlight certain facts:

1. As to coal, Mr. Ankeny has made it clear that we have ample supplies of economically minable and transportable coal adequate to more than take care of power generation needs and other coal needs through the period here in question.

2. As to hydro, Mr. Weaver has reported, in effect, that the maximum amount which could be developed would have primary usefulness in carrying peak loads and would

not be sufficient in amount to affect the overall capacity situation. Thus, the hydro potential is seen to be complementary to the base load power supply and not directly competitive with either conventional steam or nuclear powerplants for the future.

3. As regards markets, Mr. Mayer neatly capsuled the matter in his statement that for the decade 1960–70, North America—particularly the United States—is the most unattractive market in the world for high-cost nuclear power—and that Europe is the best market for such power.

4. As regards nuclear-power costs, Mr. Davis' projections tie in very closely with Mr. Mayer's analysis. Mr. Davis' figures indicate that in 1970 nuclear power in the United States will begin to be low enough to be competitive in cost with conventional power.

5. As regards conventional-power costs, Mr. Harlow's paper on the characteristics to be expected of a conventional plant as of 1980 suggest a cost of about 6.1 mills per kilowatt-hour assuming 36 cents per thousand British thermal units for coal and today's levels of construction costs. Assuming 2 percent per year inflation between now and 1980, the result should be a substantially higher cost per kilowatt-hour. This again tends to confirm Mr. Davis' projections that as of 1980 nuclear power should be fully competitive.

The facts in the papers presented this morning indicate to me the reasonableness of the following general conclusions on this subject of national policy for atomic-power development.

First of all, that there is no need for a crash program of atomic-power development in the years immediately ahead in order to make up for a shortage of fossil fuels. Mr. Ankeny has made it entirely clear that we have adequate supplies of economically minable and transportable coal sufficient to cover our power generation and other needs.

Secondly, there is no need for a crash program of atomic-power development in the years directly ahead as a basis for counteracting high prices of fossil fuels. Mr. Mayer has in his turn made it entirely clear that power costs in the United States, based on fossil fuels, are lower than in other industrialized regions elsewhere in the world.

Thirdly, there is no need for a crash program because of a power shortage since no such shortage exists or is threatened here in this country. This is conceded by everyone.

These three factors of shortage of fuel, high cost of fuel, and shortage of power are the reasons for the crash programs for atomic-power development abroad. We are not confronted with these serious problems. Rather than borrowing difficulties, it would seem wise to stand firmly on the economic advantages we do have. We should not sacrifice these to the lure of engaging in a kilowatt race with nations abroad where fossil fuels are scarce, and power is comparatively high cost and in short supply. If we should do so, we would be placing a substantial extra burden on the Nation's economy at a time when we can ill afford it.

On the other hand, the fact that we should not have a crash program for atomic-power development at this time certainly does not mean that we should sit back and do nothing. Clearly there is a need for research and development as against the time in the future when we will be requiring atomic-power plants as sources of economic power.

How should such research and development proceed? It is reasonable that this be handled in two phases:

(1) Experimentation which would culminate in the construction of prototypes of reactors. This field of experimentation and prototype construction should certainly be open to industry and industry should be encouraged through research assistance which the Atomic Energy Commission is authorized to grant under the Atomic Energy Act. Also, at the same time, it would be expected that AEC would carry forward an experimentation program—nonduplicative of industry projects—to meet its responsibilities under the act to insure that all promising peaceful applications of atomic energy are being looked into and developed.

(2) For the next phase in research and development, there should be construction of full-scale atomic powerplants when the basic experimentation and prototype development show that such construction on the large scale is justified. Again, this is something that should be done by industry, with appropriate assistance by AEC as necessary and appropriate under the particular circumstances.

The difficulty that exists—and one which has led to considerable political controversy—is the making of a fair determination as to when a given reactor type should be further developed on a full-scale basis.

On the one hand, the Government should not inject itself into the situation by Government building of powerplants which are technologically premature, or which would be built by industry if industry were given the chance. Such action would be Government intervention in the business of power supply on the basis of a partisan decision to extend nontaxpaying Government power at the expense of the taxpaying utilities and other taxpayers who have to foot the bill.

On the other hand, a failure of industry to test out worthwhile reactor concepts on a full-scale basis could prejudice an orderly development and progress toward commercial and economic atomic power.

Much of the sound and fury about the Gore bill and reactor acceleration would be eliminated if we can find a fair and acceptable way to make these necessary determinations on the timing for full-scale development.

One proposal that has been made is that a national evaluation group of highly qualified persons should be formed. This group could make periodic reviews of the situation and render public reports to the Congress and the executive branch. And such reports, being prepared out of political context, might well serve to mark out an orderly process of development which reasonable people could accept.

Finally, I suggest that a crash program is not automatically justified by reference to potential foreign markets. The foreign situation—particularly the 15 million kilowatts of nuclear capacity to be in service by 1967 as spoken for by Euratom—should be scrutinized with caution. Europe has never provided much of a market for power-generation equipment. Further, the dollar shortage situation has to be taken into account as do the forces of national pride in the countries abroad. It could easily be a serious mistake for this country to disrupt a sound domestic program for the development of atomic power by adopting a crash approach when the foreign markets may prove to be nonexistent or existent only in minor degree.

All of these considerations, coupled with our favorable national situation as regards fuel and power, emphasize the wisdom of pursuing in orderly fashion an aggressive and orderly program of research and development. And as economic circumstances justify it, nuclear power will take its proper place in the field of power supply. As this evolutionary process occurs, industry should progressively stand more on its own feet and Government assistance be correspondingly curtailed.

LABOR RACKETEERS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a report.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, the statement of the gentleman from Wisconsin, our colleague [Mr. SMITH], again calls attention to a situation which shows that the Federal Government itself has either been intimidated by some of the unions, sometimes the teamsters and sometimes the CIO, or, as a matter of policy, is reluctant to take a stand. This reference is in answer to a privileged resolution which was introduced in October of 1939 by me when the Navy had a contract with a Detroit plant for the production of certain materials for the Navy and the industry was using the Navy plans, specifications, and patterns. For 24 days in one instance, 41 in another—and this is the statement of Acting Secretary of the Navy Edison—the CIO—that is Brother Reuther's organization, the fairhaired boy at the moment—held up and refused not only to proceed with production but to deliver to the Navy its own plans and specifications. Now, when a union can kick the Federal Government around, as the CIO did then and has since, it is, as suggested by the gentleman from Wisconsin, about time that the Congress take effective action.

But listen to the questions I asked and to official answers:

[No. 253]

REQUESTING CERTAIN INFORMATION FROM THE SECRETARY OF NAVY ON CERTAIN MATTERS IN CONNECTION WITH A STRIKE OF EMPLOYEES IN THE PLANTS OF THE BOHN ALUMINUM CO. AT DETROIT, MICH. (H. RES. 314). MR. HOFFMAN

NAVY DEPARTMENT,
Washington, October 20, 1939.

The CHAIRMAN, COMMITTEE ON NAVAL AFFAIRS,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: The resolution (H. Res. 314) requesting information from the Secretary of the Navy on certain matters in connection with a strike of employees in the plants of the Bohn Aluminum Co. at Detroit, Mich., was referred to the Navy Department by your committee with request for report.

The questions in the resolution are set forth below, the answer to each appearing immediately thereafter:

(a) Whether the Navy Department did have a contract with said corporation.

At the time the said strike was called, the Navy Department did have a contract with the Bohn Aluminum & Brass Corp., of Detroit, Mich., for the manufacture of special bearings for aircraft engines. In addition, the corporation was also engaged in the manufacture of special bearings and castings for manufacturers with whom the Navy Department had contracts.

(b) Whether a strike which interfered, or would interfere, with the activities of the Navy Department occurred.

A strike actually occurred in the plants of the said corporation which did interfere with the activities of the Navy Department.

(c) How long such strike continued.

A strike was called at the corporation's plant No. 1, Detroit, Mich., on August 29, 1939. At the time the strike was called, plant No. 1 was engaged in the manufacture of special bearings for aircraft engines for manufacturers with whom the Navy has contracts. On September 15, 1939, a second strike was called at all of the seven plants of

the corporation in the Detroit district in sympathy with the strike at plant No. 1 (bearings). At the time of calling the second strike, plant No. 2 was engaged in the manufacture of castings for airplane engines in process of manufacture at the Naval Aircraft Factory, Navy Yard, Philadelphia, Pa.; also castings for a manufacturer with whom the Navy has a contract for a special type of marine engine.

The duration of the strike in plant No. 1 (bearings) was from the 29th of August to October 8, inclusive, 41 calendar days. The duration of the strike in plant No. 2 (castings) was from September 15 to October 8, 1939, inclusive, 24 calendar days.

(d) Whether the delivery of bearings or parts which had been manufactured for the Navy, or of plans, specifications, or equipment, or any of them was delayed.

The delivery of completed castings, bearings, and parts, also those in the process of manufacture, was delayed for the duration of the strike.

The Navy Department was unable to obtain the return of the Government-owned patterns, plans, and equipment for the duration of the strike.

(e) What, if any, representations were made by the Navy Department to the corporation looking toward the ending of said strike.

No representations were made by the Navy Department to the corporation looking toward the ending of the strike.

(f) What, if any, representations were made by the Navy Department to the union or its representatives looking toward the settlement of the strike?

On September 28, 1939, the United States Navy resident inspector of naval material at Detroit, Mich., informed the regional director of the United Automobile Workers, Congress of Industrial Organizations, Detroit, Mich., of the seriousness of the delay in the delivery of the material due on contracts, also the urgent need of the shipment of patterns and requested that he instruct his representative in charge of the picket line at the corporation's plant No. 2 to allow a representative of the inspector of naval material and a truck to pass through the picket line to pick up Government-owned patterns and ship them on a Government bill of lading.

The regional director of the United Automobile Workers, Congress of Industrial Organizations, sent three representatives of union local No. 208 to discuss the removal of the patterns with the inspector of naval material. The representatives of union local No. 208 were given full access to the files on the Navy contracts and they were informed that the delay in releasing patterns for delivery was seriously jeopardizing the manufacture of airplane engines at the Naval Aircraft Factory. At the end of the discussion, the union representatives stated that as the strike situation stood at the present time, their answer was emphatically "No" and that they would not let patterns or inspected castings be removed. No further action was taken by the Navy Department to remove the patterns and castings. The Navy Department kept in touch with the strike situation at the Bohn plants through its field representatives, and through the United States Department of Labor, but took no steps looking toward the settlement of the strike.

Sincerely yours,

CHARLES EDISON,
The Acting Secretary of the Navy.

CAREER FOREIGN SERVICE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, there is an article by James Reston of the New York Times which I include as a part of my remarks entitled "United States Envoys Are Found To Lack Languages of Assigned Capitals—Study of Eisenhower Appointments Shows Deficiency Exists Among Many High Officers—Dulles To Seek Remedy."

As the House knows well Mr. Reston is an expert on foreign affairs and the Foreign Service.

Mr. Speaker, it is very shocking to my mind that so many of the very fine career Foreign Service officers are not selected to represent our country abroad. Many of them speak various languages. A good many of our political appointees speak no foreign language. It is very vital to us, I think, particularly in these troublesome times, in the cold war, to have people speak the language of the country to which they are assigned and to understand diplomacy. Diplomacy is not learned in a day but takes years of training. Our trained Foreign Service officers know not only the language of foreign countries but they know their historical background and their past political and economic situation and national defense resources and strength. Our Foreign Service officers do not receive enough pay, and their expenses are very great. In many countries—I will not name them now—the climate is very bad for them and for their children. It works a severe hardship on them. The schools are very expensive, and they have many incidental expenses. They are our first line of defense and they are our eyes and our ears, and they need our finest encouragement.

Mr. Speaker, I hope something will be done to help them in every way possible. In helping them we help ourselves, and give America protection, greater prestige and power in the world.

The article I refer to is as follows:

[From the New York Times of April 30, 1957]

UNITED STATES ENVOYS ARE FOUND TO LACK LANGUAGES OF ASSIGNED CAPITALS—STUDY OF EISENHOWER APPOINTMENTS SHOWS DEFICIENCY EXISTS AMONG MANY HIGH OFFICERS—DULLES TO SEEK REMEDY

(By James Reston)

WASHINGTON, April 29.—A study of President Eisenhower's ambassadorial appointments indicates that foreign language deficiency is still the major flaw in the United States Embassies and Legations overseas.

This applies not only to the President's noncareer ambassadorial appointments but also to the Ambassadors appointed from the career Foreign Service. For example:

Llewellyn E. Thompson, Jr., the newly appointed Ambassador in Moscow, is the only chief of mission in a Communist country who speaks the language of the place to which he is assigned.

In the whole of the Arab world, so important in the current struggle for the Middle East, only three United States Ambassadors speak Arabic. These three are Ambassadors Raymond Hare in Egypt, George Wadsworth in Saudi Arabia, and James S. Moose in Syria. The State Department lists their knowledge of Arabic as limited.

In the North Atlantic Treaty Alliance, the United States Ambassadors do not speak the language of the country in Belgium, Denmark, France, Germany, the Netherlands, Norway, and Turkey. In other non-English-speaking countries of the alliance—Iceland, Italy, Portugal, and Greece, the Ambassadors are listed as having a limited speaking knowledge of the language. No United States Ambassador has been appointed to Luxembourg.

In Asia the Ambassadors appointed do not speak the language in Japan, China, Korea, Burma, Thailand, Vietnam, Indonesia, and the Philippines.

HANDICAP VARIES

This dramatizes and exaggerates the importance of facility in foreign languages among top representatives of the United States abroad. In some cases—Greece and Scandinavia, for example—English is so widely spoken in the capital cities that lack of knowledge of the national language is not a great handicap.

In others—the Arabic speaking countries—a knowledge of French, the second language of the countries concerned, is important and most United States Ambassadors in the area speak French.

In some countries, long diplomatic experience is more important than language facility. Thus, the appointments of Ambassador Edward C. Dowling in Korea, George V. Allen in Greece, and David Bruce in Germany have been generally approved, despite their lack of knowledge of the languages concerned.

What the facts do explain is why Secretary of State Dulles is going before the Senate Appropriations subcommittee headed by Senator LYNDON B. JOHNSON of Texas tomorrow. Secretary Dulles intends to plead for restoration of funds cut from the State Department's appropriation by the House—particularly the funds cut from the language training program.

IT HAS HAPPENED BEFORE

There is nothing new in the inability of United States Ambassadors to go out and speak the language of the countries to which they are assigned. It has happened before, as now, that the United States Ambassador in France could not speak French and the United States Ambassadors in Germany, China, and Japan could not speak the languages of those countries.

What is new is that the need to speak these languages in an era of growing United States responsibility overseas is increasing all the time and that the State Department has finally come up with its most ambitious language-training program to deal with the problem.

The State Department asked Congress for $5,100,000 to finance the Foreign Service Institute in the next fiscal year. The institute is charged with foreign language training. The House cut the request to $3,700,000.

State also asked for $646,000 in transfer allowances, which would make it easier to transfer men who acquired languages in one post to the place where it would do the Foreign Service and the country the most good.

The House cut this to $75,890 and the committee concerned said it was its "express intent" that the Department should not spend more than this amount.

MEDICAL EXPENSES DENIED

The State Department, which has great trouble getting adequate staff personnel in the areas of pestilence, also asked for funds to take care of the medical expenses of the families of men assigned to these posts. These were refused by the House, though such provision is made for United States military personnel and their families in the same embassies.

In these same areas of great heat and discomfort, the State Department requested funds for sanitary rest houses and recreation facilities. This amounted to $260,000. The House committee refused the request and commented:

"Needless to say, no funds are recommended for such purposes."

Finally, the State Department requested $1,200,000 to defray the expenses of entertaining visiting Americans and foreign government officials in all the United States Embassies of the world.

This year, State got $800,000 in representation funds to be split among more than 3,000 Foreign Service officers overseas. The House cut the request to $600,000.

YOUNG OFFICERS NEEDED

The major problems raised by the cuts, however, are in the quota of the new young men and women coming into the professional Foreign Service and in the area of more effective language training.

About 380 Foreign Service officers have been added in the present fiscal year. Loy Henderson, Deputy Under Secretary of State for Administration, estimates that it will be necessary to bring in 460 more young Foreign Service officers to make up for the deficiencies in the past. The House budget would provide for 200 new officers in the next year.

In arguing its case before Congress on the question of foreign language training, however, the administration is in a difficult position. For its recent ambassadorial appointments from the noncareer ranks have not emphasized the importance of foreign language facility.

CAREER MEN PASSED OVER

Since the election it has not appointed a single noncareer ambassador who speaks the language of the country concerned to a class I foreign language ambassadorship. And in some of the career appointments, it has passed over experienced men who had languages for vacant posts and sent to these posts career officers who could not speak the language of the country.

For example, U. Alexis Johnson, who speaks Chinese, has been appointed to Czechoslovakia, though he does not know either Czech or German, while Karl Rankin has been kept in Formosa, though he does not speak Chinese.

The record of appointments in Latin America is much better. There, the tradition of appointing career Foreign Service officers who speak Spanish is strong, and in the main experienced men with language facility have been appointed. New noncareer ambassadors, however, have been selected for Cuba and the Dominican Republic although they do not speak Spanish.

This has led to the argument in Congress that the administration could find experienced men and women who speak foreign languages if they would only recruit them more carefully from the vast and growing number of Americans who have been serving overseas since the war.

For example, there are now 88,498 United States civilians working for the Government outside the continental United States. In addition, there are 734,168 Americans serving beyond the United States frontiers in the Armed Forces.

RETIREMENT OF BRIG. GEN. LOUIS H. RENFROW

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, I know that many of my colleagues will be interested to know that a friend of ours, and a particularly good friend of mine, Brig. Gen. Louis Renfrow, is resigning as Deputy Director of Selective Service. His resignation is effective May 1, tomorrow. General Renfrow has rendered outstanding service in many capacities over a period of 40 years and on leaving the Government I know that he will go with the best wishes of many of us here who have had the privilege of working with him. He and his wife are residents of the district I represent in Missouri and, of course, we extend our very best wishes. I am extending my remarks in the RECORD and am including letters of commendation and appreciation, as well as an article from the monthly bulletin Selective Service.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. JONES of Missouri. I am glad to yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. Mr. Speaker, General Renfrow has been a very outstanding officer and the Nation is truly indebted to him for the fine service he has rendered over a period of many years.

Mr. JONES of Missouri. I thank the gentleman.

STRONG SENTIMENT FOR ECONOMY

Mr. JOHANSEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. JOHANSEN. Mr. Speaker, in common with my colleagues I have been spending some days at home talking with my constituents. The results of conversations with scores and hundreds of constituents of the Third District of Michigan convince me that the people of that district are in earnest about the matter of economy. They are in earnest about the matter of tax reduction. Their misgivings regarding the efficacy of foreign aid and their shock over some of the startling scandals in that area are at a new peak. They want the strongest possible national defense, but they are convinced that even the defense appropriations are not immune to waste and are not immune to the application of sound principles of economy.

There is growing opposition to proposals for new and expanded Federal programs and activities within the United States, involving additional heavy costs to the taxpayers; opposition to Federal assistance to the States for school construction is an example.

There appears to be a growing, healthy skepticism of the Santa Claus role of Uncle Sam, and a growing awareness that while Santa Claus may get the credit, the taxpayers get the bill.

There appears also to be an increasing awareness that there is no longer any forgotten man so far as taxation is concerned.

There seems to be increasing recognition that the taxpayer is indivisible—that costs of mushrooming Government and governmental activities are being multiplied at Federal, State, and local levels, thereby compounding the burdens upon the taxpayer.

Finally, the major concern seems to be a fear that the situation is out of control, and the question is being asked, more and more, as to when and where it is going to end, in the sense of being brought under firm control.

I suggest that we would do well in our deliberations and decisions in the weeks ahead to bear in mind some of these reactions, reactions which I am sure are not limited to the Third District of Michigan.

Mrs. ROGERS of Massachusetts. Mr. Speaker, would the gentleman yield?

Mr. JOHANSEN. I am delighted to yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the gentleman not find among the people with whom he talked that most of them say, cut in general, but do not cut certain things; so that it is difficult to select sometimes the things we can cut?

Mr. JOHANSEN. Mr. Speaker, I would agree that they want discrimination and discretion used, but I suggest, also, that they are in a mood which could very easily be turned into a demand for the broadest and most sweeping sort of reductions.

ELEVENTH SEMIANNUAL REPORT, MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 160)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States:

I am transmitting herewith the 11th semiannual report on the operations of the mutual security program, for the period July 1, 1956, through December 31, 1956.

Under present world conditions, I am convinced that this program is, more than ever, essential to the security of the United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 26, 1957.*

INTEREST RATES AND THE TIGHT-MONEY POLICY

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I expect to talk on a subject that is not too interesting to many people, but I think it is the most important subject in our country today; that is, interest rates and the tight-money policies put into effect by the Federal Reserve Board and the Open

Market Committee with the approval of the administration presently in power.

It would be well if the Members of Congress would take 30 days off from all other subjects and spend it on their constitutional duty and authority to regulate the value of money. Among the definite legislative powers written into the Constitution was that the Congress elected by the people shall have the power to regulate the value of money. The framers of the Constitution were making sure that the other branches of the Government had nothing to do with it. The judiciary has nothing to do with it. The executive branch of the Government has nothing to do with it.

There was a reason why the framers of the Constitution wanted this power left to the people. There is no other single power that affects all the people, every person, more than this one subject of regulating the value of money.

There is a particularly good reason why Congress should have this power. Congress is composed of two legislative bodies, the other body, elected one-third each 2 years, a continuing body, the body that never dies, and this body, the House of Representatives, composed of 435 Members, each of whom is elected every 2 years. That is the way it should be. We should not change it. It should always be for 2 years. That means that the people, if they were to witness a dangerous trend in our Government that the people wanted to correct, could do it easily and quickly by electing an entirely new House of Representatives, 435 Members. Then they could get Representatives who would carry out their will and their wishes. Another safeguard written into the Constitution is that certain bills including revenue and appropriation can only be introduced in this body that must be elected every 2 years.

I do not look with favor on efforts that are made to change the tenure of Members of the House from 2 to 4 years. I think it is good just as it is, for 2 years. Then the people every 2 years can change their trend in Government if they desire to do so.

The trend in the recent past has been, I think, a dangerous one in regard to hard money and high interest. I have studied this question some. I do not know as much about it as many other people; in fact, I certainly do not claim to be any expert. I know that I am not an expert. I have at least been a student and tried to learn something about it. I do not claim to know all about it, and I never will know all about it, but I know enough about it to know that there are certain wrongs and injustices that are going on today that would not be going on if the Members of Congress realized and knew it and had the time to give it the attention that it deserves.

MEMBERS NOT EQUIPPED TO DO THE JOB

I have often wondered why Members of Congress were not more interested. Members are honest, able, and they are sincere and patriotic. They have the interest of the people at heart, but there is no reason on earth why they should not give it consideration except one, and that is they are not equipped to do the job. I know that is a serious admission on my part just as a humble Member of this great body that I must admit I am not equipped to do the job. But I do admit it. You must admit it because it is true. There are three subjects that Members do not have the time to give consideration and attention to that really go to the heart of our American system of government. These three subjects are taxes, appropriations, and monetary matters. The greatest benefit that the people could possibly get from any expenditure of public funds would be to insist that every Member of Congress and every Member of this House have an administrative assistant for these three subjects of taxes, appropriations, and monetary matters. The Members do not have the time now, but if they had an economist working for them who could keep up with all the problems of government and all the functions of government and with all the different agencies so as to advise Members, they would be much better off. I do not buy this proposal to enlarge the staffs of the different committees. It is a step in the right direction, I must admit, but that is not what the Members need the most. A Member needs somebody close to him who is responsible only to him, the Member, and who will keep the Member advised and who will carry out the will and the wishes of the Member, prepare information, and so forth. That is what the Members need. If they just have a bigger committee staff, I do not believe that will necessarily get the job done. As Members we are prepared to take care of clerical matters and office correspondence, because we have adequate help provided for that purpose, although some congressional districts are so large it is almost impossible for the Members of these districts to keep up with their office work.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN. Do you mean three assistants or just one?

Mr. PATMAN. No; I think one assistant could do the job for the present.

Mr. HOFFMAN. For the three subjects?

Mr. PATMAN. Yes; 1 assistant for the three subjects. I just picked these out as the most important ones. In that way we could better watch the budget. There is no time for a Member to give consideration to the budget now. We do not know much about it and we must take the word of others. We do not know anything about the tax bills that come here. We vote blindly for them or against them. They are prepared by the experts who do know what every word and punctuation mark means. We voted for a tax bill in 1954; it has already been discovered there are over 100 serious loopholes in it. If we had had 435 administrative assistants who were working on these matters involving taxes and appropriations and monetary matters not only would we, as Members, have known about these loopholes, but they would have been prevented because if you call things to the attention of the Members of this House, they will do the right thing. This House is the fairest jury on earth. Not only that, but they would have discovered ways to have helped and aided in writing up a more constructive bill. But, we were not informed. We did not have the information. We did not have the knowledge. It is really a reflection on the House to have to bring a bill in under a gag rule. I know that. I used to vote against gag rules consistently, because I just felt that it was wrong. But, I soon got used to it. We do not know too much about tax bills. Sometimes we do not know enough about them to discuss them intelligently. But, it is a reflection on us. We could equip ourselves so that we would be informed and we would have the basic information to act intelligently.

We have to be practical about these matters. We must have somebody to do it for us, so the best money we could spend in the interest of the people would be to properly equip a Member of Congress to do the job that he is elected to perform and sworn to perform. We do not hesitate to appropriate the money to properly equip every important official in the Federal agencies. We deny ourselves what we generously give executive agencies. I think that is the reason we let some of these things go on—some are just as bad as they possibly could be—that are going on in America today in open broad daylight, right before our own eyes. We see them but we cannot do anything about it. We are not equipped to properly inform other Members by preparing the necessary data and supporting information.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. HOFFMAN. Has the gentleman any idea that one assistant for each Member could keep him advised as to what is happening? For example what is in the budget, or the merits of a tax bill?

Mr. PATMAN. Well, of course these tax bills do not come up every month or every week. The appropriations come up every year; but basically and generally I think he could. Members work on different things. Some would be working on appropriations, some would be working on taxes, and some would be working on monetary affairs and on different subjects. You turn loose 435 administrative assistants and they will cover every subject that it is possible for Congress to cover.

Mr. HOFFMAN. But as I understood the gentleman's argument, it was that each Congressman should be advised, through an assistant, on these three subjects.

Mr. PATMAN. I am just giving that as an example. I mean all subjects.

Mr. HOFFMAN. All subjects?

Mr. PATMAN. Well, let us not quibble about details. I have great respect for the gentleman from Michigan, and I hope he does not try to involve me in details of that type, because I am trying to make a contribution, honestly and sincerely. Whether it is or not, I do not know, but at least I am trying to make an honest effort, and I hope the gentleman does not try to get me off the track on matters of detail. But I am stating generally that each Member should have one administrative assistant to help him

perform the duties that he cannot perform now, and I do not believe any Member of this House can honestly say he is equipped to perform the duties he is elected to perform.

Mr. HOFFMAN. I have the utmost respect for the gentleman and his opinions. I was merely inquiring for information. If the gentleman objects, I will adjourn myself and go to lunch.

Mr. PATMAN. The gentleman is always helpful and constructive and I appreciate his efforts.

DOLLAR WORTH 7 MILLS

Now, let us take the value of the money today. They talk about a dollar going down to 50 cents. For certain purposes it has gone down to 7 mills. Imagine now a dollar worth 7 mills. That is exactly right. If you measure the value of that dollar in interest that was paid by the Government in 1939 on 90-day Treasury bills, with the interest that is paid today on 90-day Treasury bills, you will discover that to be the fact. It is really astounding. It is shocking. Yesterday the newspapers even refused to carry it because they thought there was something wrong about it. There is nothing wrong about it. You pay $143 today for the interest on the same amount of money on Treasury bills, for the same length of time, that you paid only $1 for in 1939. There is the value of the dollar sinking from $1 in 1939, for the purpose of paying interest on 90-day Treasury certificates, to 7 mills in April 1957. There is an example of how the value of the dollar will go down on interest rates.

Furthermore, the value of the dollar on prime commercial paper, 4 and 6 months—this is also very disturbing—is only worth 16.3 cents. That is all it is worth for the purpose of paying interest on prime commercial paper, 4 to 6 months. It is worth about one-sixth of what it was in 1939.

WHAT WILL CONGRESS DO?

Congress knows this. Is Congress going to do anything about it? All Members of Congress have not kept up with it because they are not equipped to do the job, but I will tell you what the records show.

We cannot allow this to go on indefinitely and have a safe country; our security is involved. We cannot let the interest rates go without regard to any stability and have a stable country. Money should not be taken away from families, who need it to buy food and clothes, to pay unnecessary interest.

TREASURY SHIP WITHOUT A RUDDER

It is the first time, Mr. Speaker, in the history of the United States Government where those in charge have no idea what the going rate of interest on Government bonds is. They do not know; there is no way to determine. It is a ship without a rudder; that is what our Treasury Department is now. They do not know how much interest they are going to have to pay. I think it is the first time in all history when we have a Secretary of the Treasury, a very brilliant man, a very likeable man—I have no desire to condemn him, and I am not, except I do not like his views and his opinions about public service, who says that he does not try to keep the interest rate low on Government obligations—he does not try to keep them down. He has been encouraging the increase in interest rates. I do not agree with him.

That has been going on and this is the result. Let us see what the interest rate amounts to in this country.

There is not any one factor except interest rates that will absolutely, quickly, and immediate unbalance every budget in America. Whenever you automatically and arbitrarily increase interest rates you affect the humble household, the housewife who buys from the nearby delicatessen, or the traveling grocery store, or from the fruit stand on the corner. She will have to pay more money for what she buys for that home because of increased interest rates. It goes all through the economy immediately and quickly.

SIXTY DOLLARS PER CAPITA INCREASE IN INTEREST RATES

The result is that today we are paying $10 billion a year more money just for interest alone than we were paying 4 years ago for the same amount of money—$10 billion. It enters into this budget. That is the reason the budget is so high, but you never hear anything about cutting down interest rates. They are raising interest rates all the time and screaming about the budget. Many of the very ones who are raising the interest rates are the ones who are screaming the most about the high budget.

Let us analyze for a moment what $10 billion means in increased interest rates in the Nation. It means, if you divide $10 billion by 170 million people about $60 per capita for every man, woman, and child in America; it means about $300 increase for a family of 5 in 1957 compared to the beginning of 1953. That means that every person in America will have $60 less to spend for automobiles, washing machines, clothing, food, comforts, and the necessities of life, because that $60 will be diverted to the paying of interest, to the paying of interest, I repeat. Whether that particular person actually signs his name to a note or goes into a store he is paying interest as part of the charge. He has got to pay it. It is immaterial whether it is direct or indirect, it is in his food bill, it is in every bill for any purchase he makes; it is in all the taxes he pays—that interest of $60 per capita. In every town in America when the interest rates are raised, the telephone company, for instance, has to have an increase in their rates. The gas company, the electric light company, the water company—all utilities—increase their rates to take care of this increase in interest. It is going on all over America today. In connection with your schools, you are paying more interest on school bonds arbitrarily raised and that is in your tax bill every year. In your transportation system, in your utilities, in everything that has a price tag on it, you will find that hidden interest. It is a hidden debt that all the American people must pay and it is in the form of increased interest.

NO INFLATIONIST

If it is necessary to have this increased interest, well and good. I am against inflation. I know that I have been pictured in some newspapers as an inflationist because they want to condemn me for my views; but I will put my record up against that of any Member of the United States Congress. My record is a good one and nearly perfect against inflation. It is perfect on balancing the budget, it is perfect on keeping the budget balanced and for a stable economy and a sound dollar. No one can truthfully say a word against it. But when you talk like I am about how high interest is affecting the country, presenting the truth about the matter, people who do not like to hear it will say almost anything against you. That is why it was said by some that I am an inflationist when my record is just the opposite of being an inflationist. I have not been and I never will be an inflationist. I know what sound money means to this country.

Mr. MORRIS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Oklahoma.

Mr. MORRIS. I think the gentleman from Texas is making a very great contribution to our thinking. Certainly the things that he has brought out are food for much thought. If he will yield for a moment, I would like to call his attention to these figures that I have. I shall try to verify them. They come from a very reliable source, in my opinion, and they go, of course, to the general subject matter that the gentleman is covering in his remarks.

These figures indicate that from 1933 to 1955 the taxpayers of this country paid out $40.8 billion in the form of subsidies to manufacturers, that there were subsidies to shipping companies and airlines amounting to $5 billion in the same period from 1933 to 1955 and that during the period from 1933 to 1955 the subsidies in support of farm prices only amounted to $1.2 billion. There are $1.2 billion for the farmers of the United States as compared to $5 billion for losses and subsidies to shipping lines and airlines and $40.8 billion for manufacturers.

I am just exactly like the gentleman, I feel that the membership of this House is fair, I feel that our people generally are fair, but as the gentleman believes, I feel that we need to find a better answer than we now have so that the Members of this House and so that the people of America may better understand our economy. When you talk about taxes, about appropriations, and about monetary matters, you are talking about the very heart and soul of our economy. I want to say to the gentleman that I am listening with great interest to what he is saying. I think he is making a fine contribution to our country at this time.

FEDERAL RESERVE BANKS NOT OWNED BY BANKS

Mr. PATMAN. I thank the gentleman from Oklahoma. May I invite your attention, Mr. Speaker, to something that is right along the lines suggested by the gentleman from Oklahoma in his remarks. Many people in our country think the Federal Reserve banking system is owned by the banks. That is the general understanding of our people. There is not a word of truth in it. The

banks do not own the Federal Reserve System, they do not own any part of it. It is a fallacy, it is a misrepresentation, it is a fraud to contend it. Anyone who has studied it knows that the Federal Reserve System is a Government-owned institution. The only claimed ownership that they have—and that is not a proprietary ownership—is that every bank that belongs to the system must make a deposit equal to 3 percent of its capital stock, including surplus. That 3 percent from all the banks that belong to the Federal Reserve System amounts to about $330 million now. It is called stock but it is not stock at all. They have paid that money into the Federal Reserve bank where that particular commercial bank is located. But, that money is not used for any purpose. It is not needed by the Federal Reserve bank for any purpose. It is no good at all. It could be paid back today and would not affect the System and would save the Government $20 million a year. The banks are paid 6 percent every year on the use of that money and most of it is tax exempt. They cannot sell that so-called stock. They cannot hypothecate that so-called stock. They cannot vote the so-called stock according to the amount they have invested. It serves no purpose at all except it is designed to make the banks feel like they are running the Federal Reserve System or have something to do with its control and management. And, they should not have. They gets lots of benefit from it.

COMMERCIAL BANKING SYSTEM

I believe in the commercial banking system. I think we have the finest and best system on earth. But, I am talking about independent banks. I am not talking about holding-company banks or branch banks; I am talking about our great independent banking system. And that is the way we want to keep it. We want to stop these big banks from getting control of all the little banks over the country.

FOR FEDERAL RESERVE

And, I believe in the Federal Reserve System. I think it is one of the finest and grandest systems in the world. I am not opposed to it. I just want to keep it like it was organized to do. I am against them going out of their way to favor certain big banks put on a depression when a purpose will be served for the big banks and keep raising interest at the expense of the people. That is what they are permitting.

CONGRESS SHOULD ACT

Now, here is where Congress comes in. Congress is to blame. I am to blame; all of us are to blame, because the Constitution says that Congress shall have the power to regulate money, which means fixing the interest rates. Now, what do we do? We delegate to the Federal Reserve System certain powers. That sounds all right. There are seven members appointed by the President, confirmed by the Senate, to represent the people. That sounds all right. But, one time when Congress was not watching and one time when we were more concerned about the depression than we were any other problem, certain amendments went through Congress that changed our Federal Reserve banking system. We no longer have 12 independent Federal Reserve banks in the United States with 24 branches. We have a central banking system. An Open Market Committee was set up by law which permits the big banks to influence the supply of money and the rate of interest. It came up on our blind side. It came up when we were not looking.

Now, personally, I am not opposed to a central bank. I am for a central banking system. I am for it just like other countries are, but I am for it like other countries have a central banking system that is run by public servants in the interest and for the benefit of all the people and not owned or operated or administered by the private banking interests who want to continually increase interest rates up, up, up. There is the only difference we have with all the central banking system in America today, is the fact that it is not run by the people. I mean the part about regulating the supply of money. So far as the actual banking functions are concerned, the Government should have no part other than to make sure that the bank is safely conducted to protect the depositors, and that is the only interest that the Government should have. But, when it comes to determining how much money will be put out and how much interest should be paid, that is a governmental function, except, of course, when banks, competing with one another, have interest rates up and down. I am not trying to restrict that, as the usury laws of the States will limit it. But, I am talking about the central banking system. It is all right to have a central banking system, but unlike the central banking systems of the world, we have private commercial banks sitting in on policymaking through the Open Market Committee. Right here in broad daylight in the presence of all Members of Congress they are doing it. And they are running interest rates higher and higher and higher and making the value of the dollar go down lower and lower and lower. And we are doing nothing about it.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DIRECTING UNITED STATES COURT OF CLAIMS TO RETURN A BILL TO HOUSE OF REPRESENTATIVES

Mr. LANE. Mr. Speaker, I offer a resolution (H. Res. 241) and ask for its immediate consideration.

The Clerk read the resolution as follows:

Resolved, That the adoption by the House of Representatives of House Resolution 174, 85th Congress, is hereby rescinded. The United States Court of Claims is hereby directed to return to the House of Representatives the bill (H. R. 2648) entitled "A bill for the relief of the MacArthur Mining Co., Inc., in receivership," together with all accompanying papers, referred to said court by said House Resolution 174.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. BOW. Mr. Speaker, reserving the right to object, has this matter been cleared with the leadership on this side?

The SPEAKER. It has been cleared with everybody, so the Chair has been informed.

Mr. BOW. I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

DOMESTIC ZINC INDUSTRY

The SPEAKER. Under previous order of the House, the gentleman from Oklahoma [Mr. EDMONDSON] is recognized for 45 minutes.

Mr. EDMONDSON. Mr. Speaker, exactly 7 days ago eastern Oklahoma and several adjoining States were hit by a blockbuster in terms of a news release by one of the largest industrial concerns operating in the tri-State area of Oklahoma, Kansas, and Missouri. The Tulsa World of April 24 carried this story:

Eagle-Picher Lead and Zinc Mining Co. announced Tuesday it will close its mining and milling plants in Oklahoma, Kansas and Missouri and its smelters at Henryetta, Monday.

O. A. Rockwell, vice president and general manager of mining and milling operations, said the decision was the result of a flooded market. He said operations will "shut down for an indefinite period."

Rockwell added that each operation would be resumed as market conditions permit. He said currently the domestic zinc industry is producing at a greater pace than its products can be consumed.

The production halt will idle an estimated 500 Eagle-Picher employees in the 3-State area and more than 600 at the Henryetta plant, as well as hundreds of workers in associated industries.

HENRYETTA HARD HIT

The smelter shutdown at Henryetta, coupled with a production cutback at the Pittsburgh Plate Glass Co. and a layoff at local mines, will push the unemployment mark above 1,000 there.

I may say parenthetically that Henryetta is a town of about 8,000 population.

In Ottawa county, center of an area which produces more lead and zinc than any other comparable area in the Nation, the suspension of operations is expected to force the layoff of about 300 additional employees of 15 smaller mining companies which ship ore to Eagle-Picher.

The story that was carried in the Tulsa World was echoed in newspapers all across the State of Oklahoma. The Henryetta Daily Free-Lance of April 23, 1957, had this story by its editor, Leland Gourley:

Foreign imports claimed another battle victory over Henryetta industry Tuesday and 700 more industrial workers will be out of jobs come Monday. Eagle-Picher is shutting down for an indefinite period.

The announcement came Tuesday from O. A. Rockwell, Miami, vice president and general manager of the mining and smelting division of Eagle-Picher, who said all tri-State operations "will be shut down for an indefinite period" and "curtailment of operations" already is underway, with "all work suspended" by next Monday.

This will bring to more than 1,000 the number of men out of work here due to curtailment of Pittsburgh Glass Co., another victim of foreign imports, and the summer shutdown of coal mining.

The Okmulgee Times of April 24 carried the following headline and story:

SIX HUNDRED AND FORTY-SIX PERSONS FACE LAYOFF IN CUTBACK

Temporary shutdown of the Eagle-Picher Co.'s Henryetta zinc smeltering plant and mining and milling operations throughout the tri-State area was announced Tuesday.

The Okmulgee Times contained a quotation from Mr. Rockwell which has immediate significance to this story:

Probably the greatest factor in the present zinc market situation is due to imports of foreign concentrates and metal which have been greater than total domestic production for the several years.

The Daily Oklahoman, one of the largest metropolitan dailies of our State, carried this story on April 24 by Gene Campbell:

The economy of northeastern Oklahoma was shaken Tuesday when Eagle-Picher Co. unexpectedly announced it will shut down all of its mining and smelting activities in the State for an indefinite period beginning Monday.

Similar stories appeared in the Tulsa Tribune, the Miami News Record, and other leading periodicals of the State of Oklahoma.

On April 25, the Tulsa Tribune reported:

Miners thrown out of work by the Eagle-Picher Lead & Zinc Co.'s decision to close all its mine and mill production by Monday today began a trek to the unemployment office.

An estimated 1,400 workers in the tri-State area of Oklahoma, Kansas, and Missouri and the company's giant smelter at Henryetta, Okla., are expected to be out of work indefinitely.

Meanwhile, the State senate today adopted a resolution memorializing Congress to take certain corrective action about imports which were instrumental in causing the Eagle-Picher shutdown.

Mr. Speaker, there can be no question about the fact that we have seen in the last 3 years a continuing increase in the imports into the United States of both lead and zinc, which are the principal products mined in the tri-State area. The statistics supplied today through the Library of Congress and the Bureau of Mines show that the import of zinc ore in 1954 was 454,027 tons. In 1955 that figure had risen to 478,044 tons. In 1956 the total was up to 510,000 short tons. Zinc metal imports went up from 156,858 tons in 1954 to 195,696 tons in 1955 and on up to 222,000 tons in 1956. The total increases for both ore and metal had risen from 1954 when the total was 610,000 tons to 1956 a total of 732,000 tons.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. WITHROW. I am very much interested in this. I have quite a few lead and zinc mines in my district.

Mr. EDMONDSON. I appreciate the interest of the gentleman.

Mr. WITHROW. I wonder if in the figures the gentleman is giving us whether all of this lead and zinc came in for domestic consumption and what proportion was stockpiled?

Mr. EDMONDSON. I think the gentleman is as aware as I am that the statistics on stockpiles are restricted in character and are not available for general information. I can tell the gentleman there are statistics which show that an increased percentage of domestic consumption is being supplied by imports, and I expect in the course of my remarks today to give some statistical information on that point. But, as to the exact percentage that is being stockpiled and the exact percentage that is going into the barter program, which is probably a more significant amount, I cannot answer the gentleman.

Mr. WITHROW. That is quite important.

Mr. EDMONDSON. I will agree that it is an important and significant point.

Mr. WITHROW. I thank the gentleman.

Mr. EDMONDSON. As to lead, the figures on increased imports are somewhat comparable. In 1954, 161,413 tons of lead ore were brought into this country. In 1955, that went up to 177,479 tons. In 1956, the figure had risen to 196,515 tons of lead ore—by far the largest figure that we have had coming into this country in lead ore since the 1940's. In lead metal, the figure went up from the figures in 1951 of 179,032 tons to 262,007 tons in 1956. Although there were some fluctuations in the intervening years between 1951 and 1956, the total combined figures for lead ore and metal show an increase from the 1954 figure of 437,699 tons to a total of 458,522 tons.

As to what has been happening with reference to domestic production, the following figures were recently supplied by representatives of the lead and zinc industry to Dr. Gabriel Hague, economic adviser for the President, in response to his direct question. The ratio of imports to domestic production of zinc in 1950 was 70 percent. In 1954 that figure stood at 1.29 to 1. In other words, imports had risen to 129 percent of domestic production. In 1955 they went up to 133 percent of domestic production. In 1956 they stood at the record figure, exceeded only once before in recent history, of 137 percent of domestic production. The complaint made by the domestic industry that they have seen a steadily rising participation in the domestic market on the part of the import industry is documented solidly by the facts and documented also by the fact that the Government has found on increased demand being made upon it for its stockpile program to take care of domestic production. I am quite sure the gentleman will agree with me that if there had been domestic markets, there would not have been a rapidly increasing demand upon the stockpile program which has been visited upon that program in the last few years by the domestic zinc producers. This is by no means a new problem, as Members are well aware. It first came to my attention when I came to Congress in 1953. At that time I think we were probably in the middle of as serious a domestic crisis in the lead and zinc industry as we have seen in many years. In looking into that problem I discovered that the number of miners working in the lead and zinc production in the tri-State area had fallen to less than half the number of miners who had been in that production only a couple of years before. On April 16, 1953, I submitted a preliminary report on the zinc industry in Oklahoma to the President of the United States. In that report I pointed out the urgency of the situation in our area; the fact that it was affecting related areas and related businesses, and the urgent necessity for some action by the Federal Government, either to curtail imports or in some way to insure a continuing fair share of the domestic industry for our domestic producers. The President answered on May 11, 1953, in these interesting words:

This preliminary report on zinc mining conditions in Oklahoma and the tri-State area contains statements that impress me with the seriousness of this situation. A strong domestic mining industry is vital to national security and to the continued prosperity of our country. I hope that the administration may find a way of relieving the depressed conditions that prevail within many mining districts.

That was the answer of the President in May 1953.

Subsequently I had occasion to submit several additional reports to the President and members of the White House family. This is the last word I have had from the President himself on this subject. In the course of the situation and its development and the urgent problem as it spread across this country, the lead and zinc industry brought a case before the Tariff Commission of the United States. Acting under laws established by this House, the lead and zinc industry established the extent of the damage to the domestic industry and the very urgent implications of that damage to the overall economy of the United States. In May 1954 the United States Tariff Commission, after extended hearings over many months, in which they heard from representatives of the industry, from representatives of the governors of a number of mining States, and from a number of the Representatives of different States who serve here in the Congress, the Tariff Commission made a series of findings and recommendations. The findings of the Commission were specific and to the point, that as a result of the Government's treatment "reflecting concessions granted thereon in the General Agreement on Tariffs and Trade, the articles described in paragraphs 391 and 392 of the Tariff Act of 1930, excepting certain specific items, are being imported into the United States in such increased quantities, both actually and relative to domestic production, as to cause serious injury to the domestic industry producing like or directly competitive products.

After a series of related findings, the Tariff Commission went on to make this specific recommendation to the President:

In view of the foregoing findings, the Tariff Commission, with Commissioner Ryder dissenting, recommends that the preferred duty concessions granted in the General Agreement on Tariffs and Trade on products described in findings 1 and 2, be modified to permit for an indefinite period an application of increased rates of duty as indicated in findings 3 and 4 above.

Those findings, 3 and 4, called for specific increases in the tariff rates on both zinc and lead brought into this country, raising those figures to 50 percent above the rate existing on January 1, 1945.

The President, after considering the findings of the Tariff Commission under the procedures set up by Congress, concluded that he would not put into effect the recommendations of the Tariff Commission for an increase on zinc and lead being imported into this country. Instead, he informed the zinc industry and the lead industry that he was going to take measures within the Interior Department and within the framework of the executive branch to help sustain the industry. Those measures since then have consisted of rather extensive stockpiling purchases of lead and zinc produced in this country and led to the expansion of barter arrangements to try to relieve our local market to some extent of the steadily increasing imports into this country.

That they have not been successful with these efforts on behalf of the President, have not done the job, is manifested not only in the tri-State area by what has been happening there, but also by the shutdown of the number of other mining companies across the country, small mining companies which not only have to have a favorable price situation but also a measure at least of protection from disastrously lower-priced, foreign-produced ores and metals.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. BOW. May I say to the gentleman that I sincerely hope some action will be taken which will protect the people of his State from unemployment because of importation. I think we are beginning to find out, if the gentleman will yield for this observation, that throughout the country we are finding more and more industries are being affected by imports. In my own State, Ohio, the great pottery industry has suffered. Many of the potteries have been closed; most of them are now in distress because of the lack of a quota system.

The clay pipe industry is now beginning to suffer. I think we have it throughout the country.

I wonder if the gentleman will agree with me that under the Constitution of the United States, section 8 of article 3, it is the duty of the Congress to set the duties and import taxes, and that the Congress has by the adoption of the reciprocal trade agreements, delegated its authority to the executive branch to where now in the executive branch we have these tariffs being set, the agreements being made which are affecting us, where the deal now is made on the basis of foreign affairs rather than under the Constitution, under which the Congress sets the duties and tariffs for the protection of American industry and to keep our people on their jobs. We have by delegation of the power of our constitutional authority to fix duties and tariffs lost control of the situation. Our effort now should be to regain control of the right to fix duties and rates for the protection of our own people.

Mr. EDMONDSON. I think the gentleman has stated some points that definitely are worthy of careful consideration by this Congress, and I certainly would agree with him that we have surrendered the final word on this question in a way that is very doubtful in its wisdom, in my opinion. I personally would rather see a Tariff Commission that answered directly to the Congress for the final word rather than answered directly to the President of the United States for the final word on their recommendations.

Mr. BOW. Mr. Speaker, will the gentleman yield further?

Mr. EDMONDSON. I yield to the gentleman.

Mr. BOW. The Tariff Commission, of course, is an arm, or branch of the Congress, set up under the Constitution; but we have through the reciprocal trade agreements delegated that authority to the executive branch which they have delegated to others. I do not want to get into a debate on that at this time, but may I again say to the gentleman that I hope sincerely something will be done as a result of the gentleman's fine discussion today that will result in a betterment of the situation. It is nothing less than a crime and a shame to have people out of work because of importation of foreign-made goods into this country.

Mr. EDMONDSON. I appreciate the gentleman's statement, and I am also sympathetic to the problem he has in his pottery industry and industries related to that great business in our country.

Mr. LANHAM. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Georgia.

Mr. LANHAM. I want to commend the gentleman from Oklahoma for the very splendid statement he is making. He knows of my interest in this whole matter of getting the facts to the Congress and getting power to do something about unfair competition such as is ruining the mining industry in his own State. I just hope that we are going to be able at least to prevent a further delegation of congressional power to what is called the Organization for Trade Cooperation, better known as the OTC. That is the next thing that is threatening us. If we do that then we confirm all of these agreements that have been made and which have never been confirmed by the Senate. If we pass this OTC Act we are losing forever and we have lost forever the power of the Congress to regulate trade with foreign countries and to protect our own people from unfair cutthroat competition.

The gentleman knows I have introduced a bill which would set up tariff quotas or would enable the Tariff Commission to do that. We have been having breakfasts at which we discussed this bill. All of us ought to get together and ask the gentleman from Tennessee [Mr. COOPER] to give us a hearing on that bill. We may not be able to pass it at this session but at least we can awaken the American people to the fact that Congress has given away all of its power in this field and we can at least defeat the OTC bill.

Mr. EDMONDSON. I appreciate the gentleman's statement and also his longstanding interest in this problem. I certainly will join the gentleman in urging that hearings be held on his bill. I have studied the bill and I think it is one that the committee should give careful consideration to at the earliest possible moment.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Wisconsin.

Mr. WITHROW. I, too, want to commend the gentleman for the very fine statement he has made in regard to this very important question. With reference to the Tariff Commission making this recommendation to the President, I understand that that recommendation was unanimous on the part of the Tariff Commission.

Mr. EDMONDSON. I think there was one Commissioner, Commissioner Ryder, who dissented in the final recommendation that was made.

Mr. WITHROW. I was under a misapprehension then. I personally feel as though we have to have a quota system on imports in this country. I believe in it. We have had entirely too much interference on the part of the activities of the Tariff Commission by the State Department. The State Department is the Department that has blocked tariff raises in instances where we needed them sadly. I have in mind several instances in my own district, in the rubber-manufacturing field, for instance, where they have recommended time and time again very sharp increases in the tariff on rubber footwear. It has been to no avail by reason of the influence of the State Department.

Mr. EDMONDSON. The gentleman makes a very fine point there. When I spoke to representatives of the glass industry in my district who were complaining about the imports, I said, "Why do you not take your case to the Tariff Commission?" They replied, "Look at the sorry record of every industry that has gone to the Tariff Commission. Not 1 out of 10 received relief when the Tariff Commission made a recommendation."

Mr. WITHROW. The State Department has made a mere figurehead out of the Tariff Commission and rendered that Commission very ineffective.

Mr. EDMONDSON. I thank the gentleman.

Mr. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I am happy to yield to the gentleman from Kansas who also was active in this fight to assist the

lead and zinc industry since 1953, to my knowledge.

Mr. GEORGE. I want to commend the gentleman for bringing to the attention of the House all of the facts and information that he has introduced into the RECORD. Coming from a mining district and having this happen on top of all the other depressed conditions that we have had since World War II has concluded is almost an anticlimax in any congressional district. The unemployment in my district is tremendous and, frankly, most of it has been caused by the importation of foreign oil which affects a coal mining area in my district, also the lead and zinc industry. I do not know whether the gentleman explained to the Members of the House that during World War I this district furnished 50 percent of all the lead and zinc used in the war effort at that time. During World War II over 12 percent of the lead and zinc used in that great effort was supplied by this area. Now, closing down is a little bit more than is involved here, because if we are allowed to leave the facilities in these mines nonoperative for years, water is a tremendous operation in that field, and water is apt to come in and take over that entire area so that it cannot be recovered in case of any other emergency that might arise. Now, to me it is a short-sighted policy when this Government, or whoever is responsible for the condition that causes it to come up and exist, adopts a policy that destroys the mining facilities and the potential in case of a major attack. I do not know whether we can keep out sealanes open. I do know that under our point 4 program and under foreign aid we have taxed our people in the mining industry to expand these industries in the other countries to help put our people out of business. Now, we talk about reciprocal trade. I have seen this picture coming for a long time. Frankly, I am most happy that my vote has not contributed to the problem that we have had in our district. I have opposed reciprocal trade since 1950. I do not want to delegate the power of the Congress in any instance. I am willing to accept my own responsibility here. Our point 4 program, of course, is a nice program, but it should not be used by our State Department to put the taxpayers of the United States that are carrying on that program throughout the world out of business. So, I hope we do come back to a realistic approach to what not only the lead and zinc problems are in our area but the whole mining problem throughout the United States.

I thank the gentleman for yielding.

Mr. EDMONDSON. I thank the gentleman from Kansas, and I am also grateful to him for stressing the importance of this tri-State field. The fact of the matter is that next only to steel the most important defense metals we have are lead and zinc, and anyone who does not realize the security implications and the defense implications that result from the closing down of production and the loss of skills in this very vital mining industry is not very well aware of the overall importance of these metals in our national security.

Mr. BREEDING. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Kansas.

Mr. BREEDING. First I want to compliment the gentleman from Oklahoma on his remarks. Also I want to join my fellow Kansan [Mr. GEORGE] in his remarks, as well as my other colleagues. I come from an area that has considerable quantities of oil and gas, and I believe my colleague mentioned imports of oil. Some sections of my State mine zinc and lead which has been mentioned in this debate. Therefore I certainly want to join the gentleman from Oklahoma [Mr. EDMONDSON] in his efforts. Did the gentleman name the cities that have lead and zinc plants?

Mr. EDMONDSON. Not outside Oklahoma, but there are a large number of smelters and mills located throughout the tri-State area.

Mr. BREEDING. I speak for a lot of laboring people and manufacturing organizations that are located in the Fifth District of Kansas.

Mr. EDMONDSON. I thank the gentleman very much for his help.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Oklahoma.

Mr. ALBERT. I want to commend my colleague for the very forceful effort he is making on behalf of a situation which is really important not only to his district but to our whole State. Eastern Oklahoma has just been through the worst drought in modern history. Parts of it are now under flood. We have gone from one extreme to the other. Here we are witnessing the laying off of hundreds of miners and smelter workers who contribute substantially to important sections of our State. I want to commend the gentleman for the effort he is making in their behalf and in behalf of the people that he represents.

Mr. EDMONDSON. I thank my good friend and colleague from the Third District of Oklahoma, whose fight in behalf of his unemployed coal miners and industrial workers in the Third District is well known to all of us in the Congress.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from West Virginia.

Mr. STAGGERS. I wish to commend the gentleman from Oklahoma for his statement and join with him in trying to see if something cannot be done to alleviate the situation. I have been in this fight, too, for some time. I might say that when I first came to Congress I took a delegation to the Tariff Commission to try to straighten out the situation in the handmade-glass industry. From there we went to the Department of State and finally to the White House. We did not get anything done. When this new administration came in I followed the same procedure. I went down and saw Sherman Adams, Assistant to the President. Then we saw people in the Tariff Commission. But up to now we have not been able to do anything. I think it is high time Congress does something about it.

Mr. EDMONDSON. I thank the gentleman for his contribution. I thank him, too, for the long fight he has conducted in this field. The gentleman well knows that whenever our country is in mortal danger, is under attack, when our sealanes are cut and traffic across the seas is hindered they have to call upon the miners of coal and of lead and zinc and other metals that are needed in our war effort. They ask them to double and treble the production of our country. If we permit those mines to shut down and we permit those skills to be lost, we will not be in a position of strength and security to meet the present Red menace all over the world.

I think the gentleman has made the same plea on this floor on more than one occasion.

Mr. STAGGERS. Mr. Speaker, would the gentleman yield further?

Mr. EDMONDSON. I yield.

Mr. STAGGERS. I should like to emphasize what the gentleman said about the importance of coal. When we have a national emergency coal is so very important. The Tariff Commission and the Congress must do something about the situation of the importation of residual oils into this country.

Mr. EDMONDSON. The gentleman is correct.

Mr. DAWSON of Utah. Mr. Speaker, would the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Utah.

Mr. DAWSON of Utah. Mr. Speaker, I want to join my colleagues in commending the gentleman from Oklahoma for calling this matter to the attention of Congress. I am sorry there are not more Members on the floor to hear what has been said.

As the gentleman well knows, he and I and others have been down to the Department of State to discuss this matter. As the gentleman from West Virginia [Mr. STAGGERS] so ably said, we have been everywhere that we know of to call this matter to the attention of the people in the administrative branch of the Government. We have tried to acquaint them with the sorry plight of the lead and zinc industry in our various States.

Before coming to the floor today I took occasion to check in my State with some of the people who were responsible for the operation of the mines there and they told me that we are going to have a situation shortly out there that will parallel that which has occurred with the Eagle-Picher mine in the tri-State area. It is aggravated by the fact that there is a sense of fear presently hanging over the industry that it may not be long, perhaps just a few months, when there will be announced the end of the long-term stockpiling program. That will drive the market further down. Also we are faced with the prospect of an announcement of the termination of the barter program through the Department of Agriculture. In the event either one of those situations develops, which is quite likely, we will find the market going down still further. Even a penny drop in the price of zinc would be serious. The price of zinc is now around 13½ cents. The price of lead is about 16 cents. A drop in the market price of either one of those metals might mean that practically every lead and zinc mine in the United States is going to be closed.

So far as I can see, there is no other solution to this problem than to face up to it realistically and provide some sort of an import quota or a tariff to protect our market against the importation of foreign metals. The gentleman is well versed in this matter, and I think he agrees with me there is not any substitute for that type of a program.

Mr. EDMONDSON. Mr. Speaker, I certainly want to thank my friend from Utah, who has been one of the real leaders in this movement, for his contribution. I would agree with him that a mere extension of the stockpiling program and of the barter program will not provide a long-range answer to this situation. The fact that there is uncertainty about them today is compounding the problem. But I do not think it will be solved by a mere extension of those programs.

Mr. DAWSON of Utah. I am positive of that. I recall about a year and a half ago when the present stockpiling program was announced, as well as the barter program, we were called down to the White House and met with the President. At that time he read the statement that was later published to the effect that if this program he had in mind did not fulfill the desires of industry or at least bring the price up to the point where they could operate he would be prepared to put into operation other programs which would provide that the market would be up to the point where they could keep the mines in operation. I think that time has arrived. The very sad closing of the Eagle-Picher mine, one of the big ones in the country, in the gentleman's district, is proof of what is going to happen in other areas. I just hope the Members of this body will all read what is being said here this day and see that action is taken now, rather than wait 2 months from now when the contingencies occur to which the gentleman has referred.

Mr. EDMONDSON. I thank the gentleman for emphasizing the national character of this matter. Just the other day I talked by long-distance telephone to Salt Lake City to Mr. Otto Herres, one of the spokesmen for the industry, who was one of the principal witnesses before the Commission. He told me at that time something the gentleman from Utah has also told me, that there are a number of companies that are just hanging today on the rim of survival, and that certainly would be destroyed if we were to have a drastic curtailment of the stockpile or the barter program at this time.

Mr. DAWSON of Utah. I thank the gentleman.

Mr. BREEDING. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Kansas.

Mr. BREEDING. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. EDMONDSON. There is no question about the fact that there is authority in law today for something to be done to meet this problem. The other day Senator MONRONEY and Senator KERR joined with me in sending a telegram to the President. After outlining the situation, this request appeared in the telegram:

> Due to the grave economic crisis and the threat to national security now resulting from shutting down of mines and smelter capacity in Oklahoma and the resulting unemployment, we urge you, either on the basis of the recommendation of the Tariff Commission in 1954, or under section 7 of the Trade Agreements Extension Act of 1955, or under other authority vested in you, to immediately take such action which will result in relieving this threat to national security and this crisis of nonproduction and unemployment in Oklahoma mines and smelters.

Section 7 of the Trade Agreements Extension Act of 1955 clearly provides as follows:

> In order to further the policy and purpose of this section, whenever the Director of the Office of Defense Mobilization has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security, he shall so advise the President; and, if the President agrees that there is reason for such belief, the President shall cause an immediate investigation to be made to determine the facts. If, on the basis of such investigation, and the report to him of the findings and recommendations made in connection therewith, the President finds that the article is being imported into the United States in such quantities as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security.

That is an absolute blank check to the President to do anything from quotas to an increase in tariffs to an absolute embargo on imports if he finds it necessary in order to alleviate this situation, and he has this authority under existing law.

There is also clearly authority for the President under the escape clause as outlined by the Tariff Commission in its 1954 report, when it reported as follows:

> If it was determined that the articles were, as a result in whole or in part of the duty reflecting the concessions, being imported in such increased quantities as to cause or threaten serious injury to the domestic industry producing like or directly competitive products, the President, acting under the escape clause, could withdraw or modify the concessions to the extent and for such time as might be necessary to prevent or remedy such injury.

These articles are being brought into this country under concessions which drastically lower the tariff rates prevailing upon them.

There is no question about the injury to the industry, there is no question about the fact that because of the character of this industry our national security could very well be impaired if it is allowed to continue. So I submit that the President clearly has the authority to take action at the present time if he elects to do so, and his decision the other day with reference to the oil situation, which I certainly commend and was glad to see made, emphasizes the fact that he does have the authority if he wants to recognize the plain facts of the situation and do something about it.

All the people of the lead and zinc industry are asking today is that the President recognize in the case of lead and zinc the defense character of these metals and the national security questions involved in lead and zinc production, just as he recognized just this past week those same facts with regard to the oil industry.

Mr. GEORGE. Mr. Speaker, will the gentleman yield?

Mr. EDMONDSON. I yield.

Mr. GEORGE. I am sure the gentleman agrees with me that we both are thinking in our own minds that the national security is definitely involved in the lack of having a substantial program to support the lead and zinc industry in this country. Is that not the gentleman's thinking?

Mr. EDMONDSON. That is true.

Mr. GEORGE. We are also thinking in the event of an all-out war that if we allow these facilities to deteriorate and allow the water to take over to the point where it will require 2 or 3 years to bail them out and require new machinery and everything to be put in to put them back into operation again, and if our sealanes are cut, where are we going to get our lead and zinc in this country?

Mr. EDMONDSON. The gentleman is exactly correct. That certainly points up the national security implications that are present in this situation.

Mr. GEORGE. We are not looking at it purely from a local and selfish standpoint but from the standpoint of the overall national interests when we ask for relief and the continuation of some type of program that will allow these mines to operate on a self-supporting basis.

Mr. EDMONDSON. The gentleman is exactly correct.

Mr. Speaker, there can be no question about the feeling of Oklahoma, in their conviction that something is wrong with a Government policy which leads to drastic shutdowns in our domestic industry while the country's consumption of the product stands at a high level.

The action of our State legislature, in calling for Washington's attention to the mounting imports of lead and zinc, is evidence of this feeling.

On April 25, 1957, Editor Ed Livermore of the Claremore Progress had this to say:

> News that Eagle-Picher is closing down its operations in Oklahoma brings to light a much-discussed problem: Is it better to continue building up foreign countries and providing markets for their goods than to take care of our own economy?
>
> Oklahoma is going to suffer as a result of the Eagle-Picher shutdown. Possibly 2,000 men will be out of work, and perhaps a fourth that many more jobs will be wiped out in service establishments, etc., in the Miami and Henryetta communities. * * * This is a very serious matter that affects more than just these two communities. * * * It affects the entire State, and similar situations affect the entire country.
>
> Foreign manufacturers can produce at a cheaper figure because of the cheaper labor overseas. True, we must always have an interest in conditions abroad, but when we damage our own economy in the process, soon we will find ourselves in no position to help anyone * * * even ourselves.
>
> Congress has been bombarded long and loud about increasing the embargo on foreign merchandise. A yardstick must be

found that will measure out unfortunate circumstances such as the Eagle-Picher situation before they occur. There is a limit to how far one can go to be a good neighbor.

On the same date, Editor C. Allan Mathews of the Tri-State Tribune had this comment:

Meanwhile with Eagle-Picher closing down for a while, which in turn forced many other companies dependent upon their milling facilities for their own "dirt," morale has dropped a peg or two in the area.

While we can never probably forgive the company for building "the big fence" in the middle of town, and after all these years, it still rankles a bit, we can still see the company's side of the present problem.

The Government is importing tariff-free zinc from many foreign countries, including Mexico, Canada, South America, Africa, and Spain, to name a few, with seemingly little concern for effect on domestic mining companies or the American miner.

Americans cannot and should not be expected to compete with the subwage standard and the subliving standards of most of these foreign laborers and companies. It is impossible to produce as cheaply in America as it is to import, under those conditions.

In recent years our Nation's major goal seemingly has been to appease and woo our foreign neighbors—to buy their friendship, regardless of the cost. We'd be the first to admit that it is important, perhaps necessary.

On the other hand, it's hardly fair to the folks at home, who are footing the bill, to be entirely neglected, ignored, or forgotten.

The Tri-State zinc and lead industry deserves protection from foreign imports—either in the form of a tariff or a subsidy.

Tri-State mines deserve an operating margin of profit and return on their investment—from the Eagle-Picher Co., down to the smallest "gouge."

Senators KERR and MONRONEY, and Representative EDMONDSON, can follow their telegrams to the President with indignant demands that our foreign policy include the interests of our own citizens.

The spirit of the people in Oklahoma, however, has not been dimmed. Editor Leland Gourley, writing in the Henryetta Daily Free-Lance, has spoken eloquently of this spirit:

Henryetta will not die on the vine. This is a sad day for Henryetta's economy with the announcement of the closing of the smelter here due to market conditions, thus making 750 more men unemployed.

Come Monday, half the breadwinners in this community of 8,000 will be unemployed.

We must not give up the ship.

Now is the time for all good men to come to the aid of their community. Let confidence, courage, harmony, and effort be the watchwords in the days ahead rather than despair, defeat, and disunity.

We must marshal our forces to keep Henryetta from being wiped off the face of the map with a giant blow.

As soon as this newspaper learned the bad news, it went to work immediately contacting every possible source that might be of some help. This action already is beginning to bear fruit. It has resulted in action in Washington and in Oklahoma City. The President received a telegram this afternoon from our representatives in Washington. Governor Gary already has pledged his support and our legislative delegation in the State capitol is at work, forsaking all other matters to place this paramount issue foremost.

This is just a sampling of the kind of thing that we must do with fervor and endurance.

Our hometown chamber of commerce must become more vigorous in its efforts to secure new industry, and in this difficult assignment every citizen must lend his support.

Our hometown unions are faced with a choice to make. We predict they will take the course of the union employees of Phillips Petroleum Corp. in Okmulgee who salvaged an industry there, rather than the course of the bitterness in Picher, Okla., that resulted in the making of a ghost town.

Our churches must call on God to guide our thinking, wisdom, and direction in the proper pathway to a solution.

Your hometown newspaper pledges to help lead the way and provide encouragement and a rallying point for leadership. But this is something that will take the best guts and brains we have and every ounce of energy the entire community can muster.

It is a problem. All problems have a solution. We will find it. We will emerge victorious.

While these editorials testify to the spirit of Oklahoma, they also reflect some of the confusion and disappointment of the people of America with administration of the trade policy of the United States.

That policy is sure to be under increasing fire, if something is not done to meet situations such as we now confront in the tri-State area.

When I testified before the House Ways and Means Committee on February 2, 1955, in support of extending our Government's reciprocal trade program, I tried to make one Congressman's position clear with these concluding remarks:

I am also hopeful that this committee will fulfill its responsibility in seeing that the spirit and meaning of reciprocal trade are not destroyed by the executive branch of our Government.

I cannot believe it was ever intended by Congress in writing this policy into law, that sound and productive American industries should be destroyed through its implementation.

I cannot believe it was ever intended that hundreds of thousands of American workers should be thrown into unemployment as a direct and immediate result of trade agreements which flood our markets with competitive products from abroad.

I cannot believe that it was intended that the escape clause should be ignored by the White House—when a case is made under it, as it was in the case of the lead and zinc industry of this Nation.

The time has come for the Congress to take positive steps in support of the reciprocal-trade program, to assure that its true meaning and objectives are continued, rather than perverted, by the Executive.

Like any other program, the reciprocal trade program must have the support of the people to survive.

We cannot undermine and destroy our Nation's mining industry, its glass industry, its petroleum industry and others, and hope to continue the popular support which is essential to reciprocal trade.

Let us, therefore, write into law the safeguards which are necessary to protect American industries essential to national security and any emergency effort which might arise—and send our reciprocal-trade program to the White House with these safeguards in it.

I am sure this committee is capable of correcting the injustice we now see in the international trade picture for great segments of American industry and of correcting that injustice by wise and effective amendment of the reciprocal-trade legislation.

In response to that request, and to similar requests by many other Members of this House, we placed in the reciprocal trade law the protective section known as section 7, which I quoted at length at an earlier point in these remarks.

Congress has therefore acted to provide protection for domestic industry when our national security is impaired by the substantial weakening or destruction of an industry, such as the lead and zinc industry.

It is now up to the President, and I earnestly hope that he will act speedily.

Every day of delay means additional suffering and distress for the unemployed miners, mill workers, and smelter workers of this great industry. Every day of delay means an additional drain upon the welfare and relief resources of Oklahoma and the Nation. Every day of delay means another day lost in the all important struggle to maintain America's full strength and preparedness in the cold war.

I am deeply grateful to the other Members of the House of Representatives who have joined with me in this appeal for prompt action on behalf of our Executive, and I hope and pray that the sun will not set on another day of needless delay.

Mr. DAWSON of Utah. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DAWSON of Utah. Mr. Speaker, in common with other domestic lead and zinc producing areas whose position has been pictured here today, Utah is feeling the ever-tightening squeeze of foreign competition and looks apprehensively at the very near future of this important segment of its mining industry.

At the moment, it is true, lead and zinc prices are holding up under artificial stimuli. But there is one catch—many of our producers are having difficulties in finding a market for their production.

The reason is easy to find: World production is at a record level, and American imports are above domestic consumption.

The domestic lead and zinc industry has been surviving because of two Federal programs—stockpiling and bartering—which were designed to provide a demand for domestic production, reduce the world surplus of these important metals, and still permit a free interchange of trade with friendly nations.

But what has happened? The minimum goal portion of the stockpiling program has long since been filled, and the Government is now working on the long-term goal, buying restricted amounts of production each month while the excess domestic production must pile up in surplus. Reliable reports say that the long-term goal will be satisfied within a few months and that will be the end of the present stockpiling program.

Under the barter program, we trade surplus agricultural commodities to other nations for strategic minerals. This was to have had the doubly beneficial effect of diminishing our farm surpluses and the world mineral surplus.

But foreign producers have not resisted the temptation to step up their production of lead and zinc to take advantage of so attractive a market. The result: a greater surplus than ever.

We have only created a vacuum which foreign production has rushed in to fill—while domestic producers stand by helplessly.

Mr. Speaker, I submit that we must do something, and do it soon, to stop the suffocation of this vital industry. We must speedily invoke a tariff or a quota system or some other plan which effectively will put our domestic lead-zinc producers on an equal footing with the foreign competition against which they are so unfairly matched. And I repeat, it must be done soon, before the market drops further and sends the industry to a ruin from which it can never recover.

NATIONAL ENERGY AND FUEL RESOURCES

The SPEAKER. Under previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Mr. Speaker, on January 7 I announced that I would introduce a bill in Congress which would be aimed at "extending the long-range availability of energy resources." Since that time I have given careful consideration to the type and character of legislation that the Congress should consider in connection with the very essential problem of achieving a balanced fuel economy in the United States. I have refrained from presenting a bill to the Congress until such time as I had the opportunity to examine any other legislation introduced affecting the natural-gas industry.

On April 10 there was introduced in the House the "new" gas industry bill. I understand it does not have the unanimous endorsement of all segments of that industry. Although I cannot determine with any assurance whether H. R. 6790 will receive the active support of the administration, nevertheless, the President in a recent White House press conference did state that he generally approved the principles contained in the new measure. Hearings on H. R. 6790 are scheduled to begin May 7 and I am assuming that the administration will not offer a different bill for committee consideration by that time.

I make these observations because it was not my intention to introduce legislation on the subject if the much-heralded "new" gas bill included amendments which I believe necessary in the public interest if the Natural Gas Act is to be modernized to meet the challenge of the changing times and the new responsibilities inherent in the enormous growth and expansion of the natural-gas industry. I have carefully examined H. R. 6790, the new bill, and I fail to find contained therein a single proposed amendment of the Natural Gas Act that falls within the framework of the bill which I introduced in the last session of Congress. This indicates to me conclusively that the highly publicized efforts of the representatives of the natural-gas producers, pipeliners, and distributors to bring forth a bill on which all can agree represented a compromise among themselves with respect to their problems without taking into account the overall public interest or the problems of competing fuels.

In principle, I am opposed to Federal controls over the production phase of any natural resource fuel and I am a firm believer in the free competitive enterprise system. However, I do not believe in freeing the producers of gas from the burdens of regulation unless the other clearly interstate segments of that industry meet their full national obligations and responsibilities as industries subject to utility-type regulation.

I pointed out last year that there was a loophole in the Natural Gas Act which exempted direct sales of natural gas from Federal Power Commission jurisdiction notwithstanding the fact that such gas had entered into the stream of commerce, crossed State lines, and was clearly in the control of the interstate pipeline carriers who were regulated by the FPC with respect to all other phases of their operations.

This loophole represents to a large extent a needless dissipation of a very valuable natural resource under boilers and hastens the day of exhaustion of the short supply of natural gas. Moreover, this exemption represents an unfair competitive advantage for natural gas and has resulted in serious damage to the coal and, yes, oil industries because it has served as an inducement to the pipeline companies to dump valuable natural gas under boilers and displace competing fuels on a price-cutting basis, without effective regulation. If the producers of natural gas are to be freed from Federal regulation and additional volumes of gas are to be committed to natural-gas pipelines, there is all the more reason for closing the loophole which accelerates the exhaustion of the available supply of natural gas and creates an inequity for competing fuels.

Another roadblock in the way of achieving a balanced fuel economy are the widespread below-cost sales of natural gas. This practice has grown because of the contractual requirement by producers of natural gas that the pipeline companies take a fixed quantity of natural gas on a year-round basis notwithstanding the peaks and valleys in demand that result from the varying temperatures throughout the year in consuming areas. Natural gas can be controlled at the wellhead by the turn of a valve but the producers of natural gas arbitrarily require high load factors in natural gaslines in order to realize the greatest profit from their agreements to commit their product to the pipelines of the Nation. In dealing with a great industry such as the natural-gas industry, the level of profit cannot be the only standard by which approval or disapproval of their practices should be measured. While the producers of natural gas may be entitled to freedom from direct FPC controls, nevertheless there are higher considerations to weigh before doing so now. The FPC should not permit natural-gas companies to take more gas in a given period than can be distributed for the most efficient uses of this scarce national resource during the given period. It is for this reason that I believe that the Natural Gas Act should be further amended so as to empower the FPC to discourage excessive "take or pay" natural gas producer contracts by prohibiting below-cost sales of natural gas.

Natural gas is in short supply. I was not surprised to see the new reserve life index figure recently released by the American Gas Association which showed that there was only 21.8 years' supply of natural gas left based on present consumption, whereas 10 years ago—1946—there was 32.49 years' supply left. The loophole in the Natural Gas Act which I have mentioned and the practice of making below-cost sales in order to dispose of surplus natural gas are substantial contributing factors in our precipitous approach to the peril point with respect to the remaining natural gas reserves. Present consumers of natural gas are entitled to the wisest beneficial use of this fuel as are the future users thereof. Therefore, the interests of the public as a whole should be uppermost in the minds of the Congress, the FPC, and the natural gas industry when any consideration is given to amending the Natural Gas Act. If the FPC were to be given jurisdiction over direct sales, and the authority to prohibit below-cost sales, I believe it would serve well the cause of extending the beneficial use of natural gas and would contribute substantially to the achievement of a balanced fuel economy.

In the light of all of the foregoing considerations, I have prepared a bill which I believe is best calculated to meet the needs of the greatest number of the American people now and in the foreseeable future. In section 1 of my bill I have provided language which would amend the Natural Gas Act so as to give the FPC jurisdiction over direct sales and at the same time free the producers of natural gas from Federal regulation and leave this latter problem to the States of production. I do not believe that you can properly free the producers of gas from Federal regulation on the one hand without closing the jurisdictional loophole on the other.

Section 2 of my bill is a necessary technical amendment to effectuate the closing of the loophole in order to give the FPC jurisdiction over direct sales.

Section 3 of my bill is an amendment of the Natural Gas Act which would give the FPC the power to prohibit below-cost sales of natural gas.

In closing, I wish to point out that the three principles set forth in my bill fall squarely within the recommendations for changes in the Natural Gas Act made in the report of the Presidential Advisory Committee on Energy Supplies and Resources Policy issued February 26, 1955. Furthermore, on numerous occasions in the past the Federal Power Commission in its annual reports to Congress has recommended that direct sales be made subject to its jurisdiction.

Moreover, numerous decisions and expressions of opinion by the Federal Power Commission have indicated its general opposition to the sales of natural gas below cost.

I am assuming that Chairman Harris will consider all bills germane to the subject of the May 7 hearings and include consideration of my bill in addition to the two bills now pending. Certainly the Congress will give serious consideration to my bill—and the reasons which justify its enactment into law in the public interest.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, I ask unanimous consent that the special order which I had to address the House today be transferred to Thursday next.

The SPEAKER. Is there objection?

There was no objection.

PERSONAL EXPLANATION

Mr. KEATING. Mr. Speaker, on rollcall No. 52, I was absent on official business as a United States delegate attending a meeting of the Intergovernmental Committee for European Migration at Geneva. If I had been present, I would have voted "Nay."

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. EDMONDSON, today, for 45 minutes.

Mr. STAGGERS, for 5 minutes, today.

Mr. VANIK, for 10 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. COLE.

Mr. EDMONDSON and to include extraneous matter.

Mr. LONG and to include a speech he made before the Red River Valley Association in Shreveport on April 22, 1957.

Mr. PATMAN and to include a speech delivered by Hon. OVERTON BROOKS before the Red River Valley Association on April 22.

Mr. KEATING and to include extraneous matter.

Mr. BLATNIK (at the request of Mr. SIEMINSKI) and to include an editorial.

Mr. MCGREGOR.

Mrs. DWYER.

ADJOURNMENT

Mr. DOYLE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 41 minutes p. m.), under its previous order, the House adjourned until Thursday, May 2, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

810. A letter from the Administrator, General Services Administration, transmitting a report on contracts negotiated for experimental, developmental, or research work, during the 6-month period ending December 31, 1956, pursuant to Public Law 152, 81st Congress; to the Committee on Government Operations.

811. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, relative to the case of Yong Leong, A-3926776, involving the provisions of section 6 of the Refugee Relief Act of 1953, and requesting that it be withdrawn and returned to the jurisdiction of this Service; to the Committee on the Judiciary.

812. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, transmitting the 17th annual report, pursuant to section 201 (c) of the Social Security Act, as amended; to the Committee on Ways and Means and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. S. 469. An act to authorize the United States to defray the cost of assisting the Klamath Tribe of Indians to prepare for termination of Federal supervision, to defer sales of tribal property, and for other purposes; with amendment (Rept. No. 379). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 7086. A bill to amend title II of the Social Security Act to permit retirement by all persons in the United States at the age of 60 years with benefits that will assure full participation by elderly persons generally in prevailing national standards of living, to provide like benefits for disabled persons, and to provide benefits for certain female heads of families and for certain children; to provide for the establishment and operation of this system of social security by an equitable gross income tax; and for other purposes; to the Committee on Ways and Means.

By Mr. CHRISTOPHER:

H. R. 7087. A bill to prohibit insurance companies doing insurance business of an interstate character from issuing group health, hospitalization, and accident insurance which may be canceled after a period of 3 years for any reason other than nonpayment of premium; to the Committee on Interstate and Foreign Commerce.

H. R. 7088. A bill to authorize the Administrator of Veterans' Affairs to fix a special compensation rate for service-incurred disability in certain cases; to the Committee on Veterans' Affairs.

H. R. 7089. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain equities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. COFFIN:

H. R. 7090. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. DAVIS of Georgia (by request):

H. R. 7091. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes; to the Committee on the District of Columbia.

By Mr. EDMONDSON:

H. R. 7092. A bill to authorize the issuance of a special series of stamps commemorative of the 200th anniversary of the birth of Maj. Jean Pierre Chouteau; to the Committee on Post Office and Civil Service.

By Mrs. GRIFFITHS:

H. R. 7093. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. HORAN:

H. R. 7094. A bill to provide for construction by the Secretary of the Interior of certain units of the Greater Wenatchee division, Chief Joseph Dam project, Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON:

H. R. 7095. A bill to amend the Tariff Act of 1930 to permit temporary free importation under bond for exportation, of articles to be repaired, altered, or otherwise processed under certain conditions and for other purposes; to the Committee on Ways and Means.

By Mr. JENKINS:

H. R. 7096. A bill to amend paragraph 1684 of the Tariff Act of 1930 with respect to istle or Tampico fiber; to the Committee on Ways and Means.

By Mr. KEOGH:

H. R. 7097. A bill to adjust the tax rates on light sparkling wines in relation to those imposed on other wines; to the Committee on Ways and Means.

By Mrs. KNUTSON:

H. R. 7098. A bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Post Office and Civil Service.

By Mr. McFALL:

H. R. 7099. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. WILLIS:

H. R. 7100. A bill to revise, codify, and enact into law, title 21 of the United States Code, entitled "Food, Drugs, and Animals," to the Committee on the Judiciary.

By Mr. MAHON (by request):

H. R. 7101. A bill to authorize the sale of certain vessels to the Government of Guatemala; to the Committee on Merchant Marine and Fisheries.

By Mr. MOORE:

H. R. 7102. A bill to increase from $600 to $1,000 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age and blindness); to the Committee on Ways and Means.

By Mr. PORTER:

H. R. 7103. A bill to amend subsection (l) (1) of section 3679 of the Revised Statutes to extend the penalty provision of such subsection to violations of the requirement of

apportionment of certain appropriations to avoid the necessity for deficiency or supplemental appropriations, and for other purposes; to the Committee on Government Operations.

By Mr. SMITH of Virginia (by request):

H. R. 7104. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947 as amended, by providing an additional personal exemption for resident income-tax payers and their spouses who are blind; to the Committee on the District of Columbia.

By Mr. STAGGERS:

H. R. 7105. A bill to provide that the provisions of the Natural Gas Act shall not apply to the sale of natural gas, as an incident of its production and gathering, by an independent producer not engaged in the interstate transmission of natural gas; to bring under Federal Power Commission jurisdiction direct sales of natural gas made by natural gas companies; and to prevent below-cost sales of natural gas in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. THOMPSON of New Jersey:

H. R. 7106. A bill to amend the act of May 25, 1926, to provide for the establishment of the highest possible standards of architectural design and sound decoration for Federal public buildings; to the Committee on Public Works.

By Mr. HYDE:

H. J. Res. 314. Joint resolution proposing an amendment to the Constitution to provide that the people of the District of Columbia shall be entitled to vote in presidential elections; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. McINTIRE: Memorial of the Legislature of the State of Maine, memorializing the President and the Congress to correct governmental policies which create unreasonable competitive disadvantages for the cotton-textile industry; to the Committee on Agriculture.

By Mrs. ST. GEORGE: Resolution 64 of the Legislature of the State of New York entitled: "Concurrent resolution creating a joint legislative committee to cooperate with the Federal Commission in honoring the memory of Theodore Roosevelt and celebrating the centennial anniversary of his birthday and making an appropriation for its expense"; to the Committee on the Judiciary.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States not to decrease the appropriation for administrative purposes in the Department of Health, Education, and Welfare for the fiscal year ending June 30, 1957; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States relative to requesting the enactment of a law giving consent to join the United States in any suit or controversy in the Supreme Court of the United States involving the Rio Grande compact to which the United States is a necessary party; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDONIZIO:

H. R. 7107. A bill for the relief of Mariano Abate; to the Committee on the Judiciary.

H. R. 7108. A bill for the relief of Mrs. Saveria Musto Di Prizio; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7109. A bill for the relief of Sarah Jane McMullen; to the Committee on the Judiciary.

By Mr. CURTIN:

H. R. 7110. A bill for the relief of Lee Tai Wong; to the Committee on the Judiciary.

By Mr. DOOLEY:

H. R. 7111. A bill for the relief of Vincent Llewelyn Campbell; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 7112. A bill for the relief of Bozana D. Alimpic; to the Committee on the Judiciary.

By Mr. GORDON:

H. R. 7113. A bill for the relief of Sachiko Cousins; to the Committee on the Judiciary.

By Mr. HILLINGS:

H. R. 7114. A bill for the relief of Erich and Martha Lankisch and children, Sigrid and Gabriele; to the Committee on the Judiciary.

By Mr. KEATING:

H. R. 7115. A bill for the relief of Rochester Iron & Metal Co.; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7116. A bill for the relief of Eugene de Thassy; to the Committee on the Judiciary.

By Mr. KING:

H. R. 7117. A bill for the relief of Takemasa Okuda and Mrs. Hatsune Okuda; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 7118. A bill for the relief of Generoso Schena; his wife, Philomena Schena; and their two children, Silvio and Lina Schena; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 7119. A bill for the relief of Dora Serviarian; to the Committee on the Judiciary.

By Mr. MOORE:

H. R. 7120. A bill for the relief of Nicholas Koutsouradis; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7121. A bill for the relief of Chih-Yee Wu; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 7122. A bill for the relief of John Paterson; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7123. A bill for the relief of Rosa Bandus Wygnanski; to the Committee on the Judiciary.

By Mr. TEWES:

H. R. 7124. A bill for the relief of Lester R. Loomis; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

219. By Mr. HORAN: Petition of Mrs. Mildred Zimmerer and 19 others of Deer Park, Wash., in favor of legislation to prohibit alcoholic beverage advertising over the air or in the channels of interstate commerce; to the Committee on Interstate and Foreign Commerce.

220. By the SPEAKER: Petition of the president, Congressional Medal of Honor Society of the United States of America, South Orange, N. J., petitioning consideration of their resolution with reference to expressing to President Eisenhower and to the Congress sincere gratitude and thanks that peace exists in our beloved country, etc.; to the Committee on Foreign Affairs.

221. Also, petition of the city clerk, Minneapolis, Minn., with reference to opposing passage of the new Harris bill, H. R. 6700, or other legislation of a similar nature, or any legislation which restricts or eliminates the present legally recognized control of the production and sale of natural gas in the field; to the Committee on Interstate and Foreign Commerce.

222. Also, petition of the city clerk, Cambridge, Mass., relative to extending the broadcast hours of WTAO; to the Committee on Interstate and Foreign Commerce.

223. Also, petition of the clerk, Township of Ewing, Trenton, N. J., requesting passage of the bills H. R. 6, H. R. 2474, S. 27, and S. 386, which provide for salary increases and personnel management relations for postal employees; to the Committee on Post Office and Civil Service.

EXTENSIONS OF REMARKS

Maj. Jean Pierre Chouteau Commemorative Stamps

EXTENSION OF REMARKS

OF

HON. ED EDMONDSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. EDMONDSON. Mr. Speaker, I have today introduced a bill which would authorize issuance of a special series of 3-cent postage stamps during the calendar year 1958 in commemoration of the 200th anniversary of the birth of Maj. Jean Pierre Chouteau, who in 1796 established the first permanent white settlement in what is now Salina, Okla.

Frequently called "the father of Oklahoma," Jean Pierre Chouteau arrived at the site of Salina in the spring of 1796 in command of a party of French traders and trappers while George Washington was still President of the United States. Major Chouteau brought his group to what is now Oklahoma from the region west of St. Louis to explore the unknown country along the Grand, Verdigris, and Arkansas Rivers and to establish a settlement and trading post to open trade with the Indians in the area.

A man of refinement and culture, Major Chouteau is reputed to have read Greek and Latin classics in the original, and to have brought many of the treasures of civilization to the area. Lawns were planted in rare shrubs, trees, and flowers; and paradise trees brought direct from France remain there today.

From Salina, business, industry, and enterprise began and spread. Fur trading became a big business, and salt manufacture became important to the region. Nearby, shipyards were built for the construction of keel boats of considerable size.

Subsequently, trading posts extended across the State, and the impact of Maj. Jean Pierre Chouteau upon the area was tremendous and unforgettable. His contributions to the history and civilization of Oklahoma are recognized by the

statewide observance of October 10, his birth-date anniversary, as Oklahoma Historical Day both by virtue of a joint resolution of the Oklahoma Legislature and by proclamation by the Governor of Oklahoma.

It would be most fitting and appropriate for the Postmaster General, in line with the bill I have introduced, to prepare for issuance, a commemorative stamp in honor of Major Chouteau, and to offer such stamps for sale to the public first at Salina, Okla., where Major Chouteau settled, and which the Governor of Oklahoma has proclaimed to be the Pioneer Capital of Oklahoma for the day.

Address by Congressman Overton Brooks, of Louisiana, Before the Red River Valley Association

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 30, 1957

Mr. PATMAN. Mr. Speaker, the 32d annual convention of the Red River Valley Association met in Shreveport, La., April 22–23, 1957. Congressman OVERTON BROOKS made a very fine address. It is filled with interesting facts, particularly about navigation of Red River. It is as follows:

In the year 1899 the last boat steaming up the Red River arrived at Shreveport and after leaving its cargo retraced its course back to the Mississippi. Since this date no river boats have arrived at Shreveport and the Red River has not been used for navigation. The question naturally arises, "Why has this stream not been used for waterborne commerce in more than 50 years?"

The answer is that the Red River over the years became unsuited for navigation. It has developed like many other streams in this Nation which have changed due to the stripping of the hillsides of timber and to the cultivation of the lands by draining them and making possible the quick removal of water from the land. The little streams throughout our countryside have often dried up and have even disappeared in many instances in the course of the development of our Nation.

Red River has suffered this fate. The banks are soft and crumble and melt away under the terrific impact of high water rushing downstream to the sea. Channels have changed in the course of time to such an extent that boundaries have disappeared and old lines have been marked out. Parts of Bossier Parish, for instance, now find themselves on the Caddo side of the river. In at least one instance we have built a great bridge over the Red River and this was in Avoyelles Parish—only to find later that the river actually bypassed the bridge and left the structure high and dry, making a several-million-dollar structure, in the course of a very short time, worthless and unusable. In another instance, in northern Bossier, within the last few years, the State was compelled to spend tens of thousands of dollars to stop the ever-moving process of a Red River-changing-channel in order to save another bridge in the course of construction in the Plain Dealing area and prevent it from being bypassed.

From the time the last river boat came to Shreveport, our people began to yearn for and to hope for the day when navigation would be restored to the river. They have seen other river ports in Louisiana and elsewhere thrive and grow and expand while our own valley, as fertile as the Garden of Eden, does not keep pace with this growth of these other areas. We have the people, the climate, the natural advantages of other localities; but we fail to provide the water transportation and water rates which they enjoy. This is the real difference between the Red River Valley cities and towns and other places.

In the years prior to 1946, we who were interested in the further development of our valley had been at work trying to restore navigation. At first we asked for navigation on the Red River itself as the answer to our traffic problems. We know that every large community must of necessity have every form of transportation—road, rail, air, pipelines, and water—and that the community that fails in any one respect does not contribute fully to its own development competitively with other more fortunate communities. After working on this matter for years, our plans were submitted to the Board of Rivers and Harbors of the Army engineers in Washington, a board composed of the best hydraulic engineers in America.

I was present when this hearing occurred in Washington in 1946. I can look back over the years and realize how important this hearing was to our people here. Claudius Dickson, of Shreveport, was president of the Red River Valley Association and headed the delegation going to Washington. John Ewing, of the Shreveport Times, a director of the Kansas City Southern Railway, came up especially and made a splendid presentation. Senator John H. Overton, my uncle, organized the meeting and presented the witnesses. Other distinguished citizens, many now gone to their rewards, made appearances on behalf of water transportation along the Red River. We all asked for navigation on the river itself.

After months of study and deliberation, the Board of Rivers and Harbors on April 19, 1946, in effect turned down our request for navigation on the Red River, but approved a plan for a waterway to be built on the south side of the river in the alluvial valley as a canal. There can be no question but that the approval of the Overton Waterway was a rejection of the use of the channel of the Red River for navigation purposes. Since this decision was rendered, year by year we have asked the Congress for money for the purpose of planning, blueprinting, and for engineering work for the lateral canal, and the Congress has granted this request; and has provided in all $515,000 for this purpose.

Why did the Board of Rivers and Harbors turn down the use of the channel of the Red River for navigation purposes but, at the same time, approve the construction of a canal along the south side of the river from Shreveport to the Atchafalaya? There were a number of reasons for this decision.

The first reason was that which I have already discussed; namely, the shifting of the channel, the caving and the disintegration of the banks of the stream, the lack of availability of an adequate supply of water in the Red; and the greater cost of providing for navigation along the channel of the Red River and the greater length of the channel of the river for transportation, for such purposes over that of the canal.

I think it is obvious that navigation on the Red River would require more water than navigation on the Overton Waterway. This is, of course, because the Red River is a flowing stream and the canal will be a slackwater course. It will require much more water to maintain a channel of a specified depth on the flowing stream than on a slackwater canal. How much more will be required depends upon the rate of the flow of the river and this will depend upon the number of obstacles placed in the path of the current.

The third reason that the use of the Red River channel for navigation purposes was discarded is that such a route must be much longer than the canal type of waterway. The Overton Waterway, as designed, is 205 miles long. On the other hand, the Red River channel is 280 miles long—75 miles longer than the proposed Overton Waterway. The Red River channel, of course, is longer because it is filled with curves, and bends. Then, too, its current will provide a serious obstacle to upstream navigation. The lack of current on the Overton Waterway, as designed, makes for much less bank wash and erosion; and provides for a greater stabilization of bank and channel.

The use of the Red River channel, if this were feasible, would require 12 locks and dams. The dams on the river of necessity would be much larger and longer than those on the canal, for from bank to bank the river is much wider and, of course, would cost much more money to construct. It is obvious also that banks above and below the locks and the dams would have to be completely stabilized for some distance to prevent what occurred in Avoyelles Parish when the Red River cut a pathway around one of the bridges which had been constructed and thereby rendered the bridge useless. This would require much money. The project to stabilize the banks of the Red 3 miles above and 3 miles below Shreveport has already cost the Government over $10 million. This will give you some idea of the cost of stabilizing the river for a distance of 280 miles.

The original estimate of the cost of the Overton Waterway was $42 million. Since this estimate was made in 1946, of course, prices have gone up considerably. The Engineers will give you a further cost estimate; but I would guess that it would certainly run under $100 million. On the other hand, the cost of building the Red River route, using the river channel for navigation, will run $300 million or better—two or three times that of the cost of the waterway.

Besides this, the Engineers say that it is not feasible to build the waterway on the Red River. Constant shifting of channels, crumbling of banks and varying elevations of water make real problems; and these, in turn, make the river itself unsuited and unusable for navigation purposes.

You may say, "Well, Congressman, who says that the river is unsuitable for navigation besides yourself?" I answer, "The United States Corps of Army Engineers."

When we are sick, we go to a doctor; when we have a toothache, we visit a dentist; and when we need to build a great canal for navigation, we look to our engineers. They have not let us down in any emergency.

This is the group of engineers which has built the program of flood control and navigation for our Nation since its inception. It is the group which was founded by the Father of our Country, George Washington, when he was President of the United States. He sent to Europe to obtain three of the very best engineers from the armies of Napoleon, and they formed what is now our Army engineers. Since that time our Corps of Engineers has rated tops in conduct, ability, and efficiency.

The Army engineers is the same organization which landed its men on the shores of Normandy in France in World War II, even before the combat troops landed; and they cut the barbed wire and removed the obstacles, preparing the way for the landing of the infantry and the artillery, the tanks and the jeeps. They won an immortal place in the hearts and minds of our people; and neither time nor distance will efface the valor of their efforts nor the impact of their achievements in the development of Ameri-

ca. I think we can safely depend upon them in the building of the Overton Waterway.

The canal when built will begin at the confluence of the Old and Mississippi Rivers, and will continue on up to Shreveport, 206 miles to the northwest. The first 7 miles is through Old River, and the next 24 miles through the Red River, at which point it follows Coulee des Grues, Choctaw Bayou, and Chatlain Lake Canal to Alexandria. It then proceeds through land cuts to Cane River through Natchitoches, and then on to Bayou Pierre and to Shreveport. It will use 120 miles of existing waterway as compared to 86 miles of land cuts. At Shreveport a turnaround basin will be built and a basin for loading and unloading will be built at all of the large stopping points.

It is fair to say that most of the land utilized will be far removed from urban centers and will be low or swampy land not normally used for cultivation. By the same token, the number of roads to be rerouted will be reduced to a minimum.

I have heard it said that such a canal will split the countryside wide open, and that a barrier greater than anything we have experienced will be erected to prevent the free passage to and fro across the waterway. This, of course, is not true. The waterway, of course, will be no greater a barrier than is Bayou Pierre and Cane River at the present time. At this time these streams and others like them must be bridged if we are to cross them. The same will apply to the canal.

On the other hand, the canal will pass through rather low places in the countryside, and this waterway will provide means of draining these sections of central and northwest Louisiana, which they do not now have. It is estimated that flood control and drainage benefits for the area will exceed $1 million per year. Flood control is an item for which we will spend millions of dollars even though we do not build the canal. If built, the canal will help take care of this expense, and no other development presently contemplated will provide flood control and drainage benefits as indicated by the building of the canal.

Of course, this canal will cost lots of money. Any worthwhile project will cost money; and the question is whether or not it is justified. The Army engineers will settle this question, and I submit that they are better able to dispose of this question accurately than any other group of people.

The actual or total benefits from the construction of this project will be inestimable. A million and a half people have settled in this portion of the Red River Valley and they are all affected by freight rates. Every rate increase of the railroad companies and the truck carriers and the buses adds to the cost of living of our people. Those who live in the areas of Louisiana where navigation is available know the difference in the costs. A rate increase is often the difference between success and failure of business.

Throughout the length and breadth of this country, we see the great cities and towns grow up along the rivers and the harbors. Navigation has attracted the people and businesses to these spots. Cost of living is lower and business prospers in such locations. And we see the great highways terminating at the sea and at the inland ports; and even the railroads, feeling the quickening impulse of lower rates, lay double tracks, add to their equipment and personnel and begin to boom in the stimulus of the increased transportation attendant with the port and with navigation. It is largely in places where there is navigation that the communities grow and prosper. New Orleans, the crescent city; St. Louis, the hub of America; Chicago, the windy city; Pittsburgh and its golden triangle—all of these great cities are built on waterways and the backbone of their prosperity and growth lies in the development which lower freight rates and navigation have given to the community.

The Overton Waterway will open up to us, for waterborne commerce, the great ports along the Mississippi, such as Baton Rouge, New Orleans, Memphis, and St. Louis; the ports along the Atchafalaya and along the intercoastal canal, such as Lake Charles, Houston, and Beaumont. It will connect our communities directly with navigation all along the inland waterways of America—with Pittsburgh, Chicago, Minneapolis, and Sioux City. It will develop in our midst a new type of industry and bring fresh opportunity and new accomplishment to our people.

If we are going to have navigation for the Red River Valley below Shreveport, it is going to be by way of the Overton Waterway. Congress will never appropriate funds for the construction of a great project such as this if it is not approved by the Corps of Engineers. Nor will the people who must support the project by local cooperation approve it in the absence of the recommendations of the Army engineers. We can use all of the persuasion possible and apply political pressures, but I can tell you this—the Army engineers will not yield to the point of recommending a project which they feel is not worthy of the approval.

If, therefore, we reject the canal proposal, make no mistake, navigation in the Red River Valley is dead. We have no alternative. If we accept the proposal, we move forward. The way is not smooth. It is rough; filled with opposition and difficulties; but at the end of the rainbow, it offers the fulfillment of a dream of 55 years—navigation in the Red River Valley. We move forward—at times, it is true, slowly—but always forward, and ultimately over the years we leave to our children the priceless heritage of having developed our God-given resources to the best of our ability. We leave to them the basis for competitive commerce in our valley, for further development greater than otherwise would have been possible; for prosperity and for happiness.

General Aniline & Film Corp.

EXTENSION OF REMARKS
OF
HON. STERLING COLE
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 30, 1957

Mr. COLE. Mr. Speaker, on April 30, 1956, I testified before the House Interstate and Foreign Commerce Committee in support of my bill, H. R. 80, 84th Congress. Subsequently, I inserted the text of my testimony the CONGRESSIONAL RECORD, volume 102, part 6, page 7721. The subject of my testimony concerned a warning that the United States should not repeat the mistakes which we committed following World War I when we returned vested enemy assets to the German Government and thereby deprived American citizens with valid claims against the German Government of a source of funds for payment of these claims. The claimants are still waiting for full payment.

I am deeply concerned with this problem of assets vested during World War II because there is located in my district the Ansco plant owned by General Aniline & Film Corp. Majority stock of GAF is held by the Alien Property Custodian and it is my hope that the Department of Justice will, in the near future, sell this stock to American citizens. My bill, H. R. 597, 85th Congress, is concerned with this subject.

In my testimony before the committee in 1956, I made a statement to the effect that I. G. Farben had ordered destroyed a nitrocellulose plant located near Afton, N. Y., and that this destruction, ordered just prior to Hitler's aggression in Europe, deprived the United States of a production potential of vital nitrocellulose.

My statement was based on testimony given by Mr. Harry L. Derby, former president of the American Cyanamide Corp. and a minority stockholder in GAF, before a subcommittee of the Senate Judiciary Committee on July 1 and 2, 1954. Mr. Derby was also Chairman of the Army and Navy Munitions Board of the Chemical Advisory Committee during World War II.

Subsequent to my testimony, Mr. D. A. Schmitz, who was president of GAF in 1936 when the plant at Afton was leveled, disputed the statement that the destruction of this plant had been carried out on orders from Germany. He stated that the action was taken because the plant had not been in use for several years and the local taxing authorities had levied on the property a tax which was uneconomical for the corporation to pay for a nonproducing unit. Mr. Schmitz believes that statements concerning destruction of this plant have cast a doubt on his loyalty as an American citizen and on the loyalty of his board of directors and subordinates during this period.

Mr. Schmitz has sent to me a photostat of a letter from Mr. H. W. Sachs, Ansco's chief engineer at the time, which gives Mr. Sachs' statements concerning the destruction of this plant:

BINGHAMTON, N. Y., *January 3, 1957.*

Mr. D. A. SCHMITZ,
Greenwich, Conn.

DEAR MR. SCHMITZ: I am in receipt of letter of December 19 written by Mrs. M. Stiegelmaier at your behest. The essential facts regarding dismantling of the Afton plant are as follows:

The cotton nitrating plant in the town of Afton, N. Y., was built approximately 1916, and I understand operations were discontinued about 1920. The plant had been idle ever since.

In the course of the years, the masonry structure of most buildings suffered from severe deterioration due to weathering as well as chemical action in those sections where acids had been used. Machinery and equipment were sold piecemeal, at suitable opportunities, or taken to the Binghamton plant. By 1936, the remaining balance had no further use value and this included much of the boilerhouse installation. Some of the buildings were used for storage of baled scrap film waiting for disposal.

Even though the plant had reached an extremely low use level the town of Afton insisted upon a tax assessment way out of proportion. Repeated attempts were made to lower the tax payments, without success; negotiations were carried on by Mr. Chris King, assistant treasurer, now deceased.

In order to remove the tax burden it was finally decided to dismantle the plant. Consequently, in the summer of 1936 all buildings were leveled to the ground and the stack was blown up. The actual work was

carried out by Levine & Sons, scrap dealers in Binghamton, under the supervision of the writer, who was Ansco's chief engineer at that time.

These are the true circumstances which led to the dismantling of the Afton plant. I do not intend to enter or participate in any controversies but the facts should speak for themselves.

I trust the above will comply with your request.

With kindest regards,

Sincerely yours,

H. W. SACHS.

Mr. Speaker, the statement concerning the nitrocellulose plant at Afton was a very minor part of my testimony.

It was not my intention to cast doubt on the loyalty of the American management of GAF and no such intention should be inferred. It is, of course, well known that I. G. Farbenindustrie was a cartel of tremendous power which aided Hitler's war machine in its early successes but Mr. Schmitz has written to me:

First, to my knowledge, the I. G. Farbenindustrie in Germany had definitely no control over the management or policies of General Aniline & Film Corporation during the period that I was president of that company, beginning in June of 1936 and until I was relieved of my position when the Alien Property Custodian seized the company in 1942.

Regarding the Afton plant, to my knowledge no order for its dismantling was ever received from any source outside the company. In the event that such a directive could have been made, it most certainly would not have been honored by my management. Certainly any such action would have required a board of directors' resolution.

I am pleased to insert Mr. Schmitz' statement and Mr. Sachs' letter so that they can be a matter of public record.

Poland's Independence Day

EXTENSION OF REMARKS

OF

HON. FLORENCE P. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mrs. DWYER. Mr. Speaker, it is only fitting that we in the Congress of the United States join this week with the courageous, freedom-loving people of Poland in the commemoration of the 166th anniversary of Polish independence.

It was on May 3, 1791, that the Polish people enacted one of the first and most progressive European democratic constitutions. It was a constitution forged by a proud and devout people from the fires of rebellion against tyranny. It was a manifestation of the unconquerable spirit of a people who sent such patriots as Pulaski and Kosciusko to aid the American colonies in their fight for freedom. And though Poland too often has felt the fury of freedom-crushing invaders, this spirit of liberty, which through the years has molded a bond of spiritual kinship between our countries, has never died.

This year there is a special significance to Poland's Independence Day which all the free world should recognize. During the past year the Posnan riots in Poland and the revolution in Hungary demonstrated dramatically the total bankruptcy of the Kremlin's policies behind the Iron Curtain.

In Poland, by raising their voices on the streets of Posnan in righteous demand for bread, freedom, and the withdrawal of the Soviet Army from their homeland, the Polish people exposed to the world the economic ruin incubated by communism.

Their demands for bread showed that Poland, under communism's collectivization experiment, was unable to feed her own people.

The demands of the Posnan workers for freedom—freedom of worship, freedom of the individual, freedom of enterprise, and freedom from fear—showed how wholeheartedly they rejected Soviet control of Poland and Communist dictatorship.

Their demands for withdrawal of Soviet troops from their soil showed that the Polish people had no desire to be a part of Moscow's military machine.

Perhaps most important, the revolt of the workers in Posnan clearly exposed the fallacy of the worldwide Communist propaganda—that communism is the rule of peasants and workers, the Utopia of the masses.

Indeed, the Posnan uprisings have brought during the past year a degree of freedom to Poland. Her people can breathe more freely. Cardinal Wyszynski, Poland's beloved anti-Communist Catholic leader, was freed from prison, and wider religious freedom was given to the people. Her pro-Moscow government was replaced by a national Communist government dedicated to Polish interests. The dreaded secret police were curbed and freedom of the press was partially restored.

The spark of rebellion against godless tyranny which flared on the streets of Posnan has, during the past year, spread to other subjugated peoples behind the Iron Curtain. Revolt exploded in Hungary. News of unrest reaches us from Czechoslovakia, Lithuania, China, and even from the Soviet Union.

In Poland, this spark of freedom has grown to a point where—for the first time since the Soviet Union took over the country—the Polish people this week will be permitted to privately commemorate, by decree of the Warsaw government, their May 3 Independence Day.

As they celebrate this day, the eyes of the Polish people are turned hopefully to the West, particularly to the United States.

This is understandable, for Poland has strong historical, cultural, and spiritual ties with the Western World. Her roots are especially deep in America, where the tide of Polish immigration through the years has served to enrich our culture in every field of human endeavor. Indeed, our 7 million Polish-Americans today can look with pride on the heritage they and their forefathers have brought to our land.

With the Polish people looking toward America for political, moral, and economic support, the Governments of Poland and the United States for several months have been seeking to negotiate some form of emergency aid.

There is no question that Poland, with its economy devastated by the years of Soviet exploitation and mismanagement, needs technical and economic assistance.

There are, however, several serious questions which must be considered in acting on such requests for assistance.

First, the Warsaw government is Communist, even though it has sought to divorce itself from Moscow control. Thus, in helping Poland at this time, would we be using our resources to strengthen Moscow and the Communist cause?

Second, would American aid to Poland at this time provoke Russian wrath against the Polish people, and lead to a ruthless stamping out by the Kremlin of the few freedoms that have been won during the past year?

These are questions which we in Congress must consider in taking action on any assistance for the Polish people.

But we also must consider, with open minds, the other side of the story; we cannot close our hearts and our minds to these facts:

Poland's 28 million people, who turn to us now in their time of need, are unshakably Catholic, proudly nationalistic and bitterly anti-Russian. They have no common bonds or sympathies with the Kremlin, nor with the 1,500,000 members of the Polish Communist Party who ruled their lives with blueprints supplied by Moscow.

They are, however, trapped by geography. Poland is encircled by the Soviet Union's military and political bloc. Successful armed rebellion is impossible. But, in the long view of history, the Communist system of government forced on Poland by the might of the Russian army is only transitory. Poland as a nation successfully rejected Russian subjugation in the past; and, with the devotion to freedom of the Polish people, she will overcome Communist oppression this time.

Already, Poland has won back certain of these freedoms. Given more time, and moral as well as material support, I believe the Polish people eventually will move farther and farther along the road to complete independence.

There is no doubt that this situation involves certain calculated risks. The Polish people, who have aroused Russian antagonism to a breaking point, already have taken a risk by turning to us for help. If we turn our backs on them, we—in turn—will be facing the risk of forcing the desperate Polish people to turn back to the Soviet orbit for help, and thus sealing off the first critical fissures in the Iron Curtain.

As I stated recently in an address before the Polish National Alliance Women's Department in Chicago, I do not believe that we can afford to be too impatient, or too demanding, as much as our hearts weep for the people of Poland. I believe, for the welfare of our own people and for the people of Poland, that we must proceed cautiously.

I believe—as President Eisenhower believes, and as he and the State Department have clearly indicated—that we should take cautious steps to strengthen Poland's independence. I believe, in weighing both the good and

the bad factors, that it is essential to extend to the Polish people a judicious measure of the aid they need so desperately.

If the giving of such aid will help the Polish people pry themselves loose from the Soviet grip, and to develop a society along their own lines, it will be worth the price. If American aid assists or speeds the process of liberalization, it will be the cheapest and most effective—as well as the most humane—offensive the United States can mount in the cold war.

It is my hope that, in observing Polish Independence Day this year, the Congress not only will extend expressions of sympathy and friendship, but also will take steps toward the formulation of a policy which can bring about eventual realization of the dream of freedom that has been reborn behind the Iron Curtain.

Republican Foreign Policy

EXTENSION OF REMARKS
OF
HON. J. HARRY McGREGOR
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Tuesday, April 30, 1957

Mr. McGREGOR. Mr. Speaker, under leave to extend my remarks, I am including an address given by my very capable colleague, Congressman JOHN M. VORYS, of Ohio. These remarks were given at the Arneson Institute of Practical Politics held at Ohio Wesleyan University on April 22.

This Institute of Practical Politics of Ohio Wesleyan has received worldwide recognition and speakers of both parties are annually invited to participate. I was most happy to have the privilege of being in attendance and I consider it a pleasure to incorporate the remarks of my colleagues in the RECORD:

REPUBLICAN FOREIGN POLICY

(Speech of Representative JOHN M. VORYS, of Ohio, member of the House Foreign Affairs Committee, Monday afternoon, April 22, 1957, on Republican Day at Ohio Wesleyan University, sponsored by the Arneson Institute of Practical Politics)

Our foreign policy is bipartisan on fundamentals, set forth in the platforms of both political parties, and supported by the leadership of both parties in Congress. Many people grumble about this. They want their party to have all the good, sound principles, and the other party to take all the ideas they disagree with. But neither of the great parties will accommodate such people. Both parties support the sound, patriotic ideas.

Personally, I rejoice in this demonstration of the essential unity of our people. It brings continuity to our policies, hope to a divided world, despair to the despots.

Nevertheless, there are differences between our two parties that show up in methods, in means, in performance, in results. Under our Constitution, the President has primary and paramount responsibility for conducting foreign policy. Today, and for the last 4 years, the people and the daily papers talk about the Eisenhower foreign policy, and Republican foreign policy, and the history books will say it that way.

We are in the fifth year of Republican foreign policy under President Eisenhower, a troubled, turbulent, complicated, critical period of continuing tension, controversy, and change throughout the world. Foreign policy is more than a speech, a set of principles. It involves courses of action on our part going on day and night, here and all over the world, some secret, many unnoticed, some exciting and dramatic. A day-by-day, play-by-play review now would be impossible. Regardless of the ups and downs and zigzags of each day's headlines, the heart of Republican foreign policy under President Eisenhower is simple, noble, practical; we work for peace.

President Eisenhower's first administration started with action for peace.

He had promised to end the war in Korea, and he did it.

He made his historic atoms for peace proposal in the United Nations, and the only nation that had ever dropped an A-bomb in war became known as the leader in devoting atomic energy to peace.

He electrified the world with his open skies inspection proposal at the summit meeting, as a practical, workable step toward disarmament.

We obtained a peace treaty at long last for Austria. We settled the explosive status of Trieste. The President asked for and obtained authority to use our Armed Forces in the area of Formosa, where war threatened 2 years ago; and peace has been maintained in Asia ever since.

He and our great Secretary of State, John Foster Dulles, with courage and skill have prevented war by Soviet miscalculation by letting the Reds understand clearly that we would fight if they launched aggression, but never letting them know where or when we would not fight. If this policy had been followed in earlier years, we might have avoided the last three wars under Democratic Presidents. If the Kaiser had known beforehand that we would come in, World War I might never have started. If Hitler had not heard "again and again" that we would not send our boys to fight on foreign soil, World War II might have been avoided. If the Chinese Reds had not heard that Korea was beyond our defense perimeter, they might have held off. To prevent war by miscalculation, our leaders must be courageous, but careful. Time and again in the last 4 years, we have gone to the brink of war, but we haven't gone over, because Eisenhower and Dulles took care that we didn't miscalculate, and neither did our enemies.

But peace to us means more than mere absence of war. We seek peace with justice.

When the Suez Canal was nationalized, we immediately sought peaceful settlement. Then, right in the heat of our fall campaign, Britain, France, and Israel, our old friends, launched aggression. We were put to the test, and the President said, "There cannot be one law for our friends, another for our foes," and joined in pressures in the U. N. for withdrawal. But he said, "There will be no involvement of our forces in this situation." And, although the Democrat opposition criticized him and his acts day and night during the last week of the campaign, the people reelected him with a landslide. The people were for peace with justice. And today, Britain, France, and Israel have withdrawn and our forces, as he promised, have not been involved.

Where do we stand now? President Eisenhower, in his great second inaugural address in January, said, "We live in a land of plenty, but rarely has this earth known such peril as today. * * * In too much of the earth there is want, discord, danger." He spoke of "new forces and new nations" * * * of old and great nations in time of change, of "the designs of international communism, dark in purpose, clear in practice." Then he said:

"We look upon this shaken earth, and we declare our firm and fixed purpose: the building of a peace with justice in a world where moral law prevails. The building of such a peace is a bold and solemn purpose. To proclaim it is easy. To serve it will be hard. And to attain it, we must be aware of its full meaning—and ready to pay its full price."

In this grim and deadly struggle with Godless, ruthless communism, the price of peace is high. Sixty-three percent of our budget is for our protection against Soviet aggression, subversion, and infiltration, military, economic, ideological. But the price of war is higher, not only in budgets, but in blood and tears. In past wars we paid with the priceless lives of the young, our bravest and best. In future wars all of us risk suffering and death.

While the price of peace is great, the rewards are great, even during this uneasy costly peace. We have had 4 years of the greatest prosperity, the highest standard of living, of any nation on earth in all human history. Under Republican foreign economic policy, our foreign affairs are profitable to our people. Last year our people received nearly $24 billion from exports, foreign investments, foreign investors and travelers, while our Government was spending $4.2 billion on foreign military and economic aid, but spending four-fifths of it in this country. Last year our exports, our sales abroad, amounted to $19 billion, our imports, our purchases abroad, were $14 billion, and we had 20 percent of the international trade of the whole world. That is, one-fifth of all commerce crossing international borders was sold by the United States, while in the last 4 years the cost of our own defense and our share in collective security has been an ever-dwindling fraction of our ever-rising national income. Peace is not only, as our President has so eloquently said, "our duty and our destiny." Peace is profitable to the United States of America.

We have in this country people who want the profits of peace without paying the price. They say, "if we cut out our military spending and our foreign aid, we would have even more profitable peace." Now I believe that the President and Congress should, and will, cut our military and collective security costs as low as possible, but I can assure you that, if we cut it all out, we would not have profitable peace. We would soon have war, or a peace dictated from the Kremlin, and it would not be profitable to us.

Most of us understand the need, the economy, of our own vast military machine, for maintaining peace, deterring costly war. Let's look for a moment at the economics of our collective security. Our so-called foreign aid is up for reappraisal in the White House, in Congress. I can, however, give you a few facts about Republican administration of foreign aid.

It costs about one-tenth as much as our military expenditures on our own forces. Eighty percent of this is spent in this country and goes to our own farms and factories. Foreign aid appropriations in the past 4 years have been just about one-half what they were in the 4 preceding years of Democrat administration. We have about 19 divisions in our Army, Russia has 175. We have the best Navy in the world. Russia has 400 submarines to sink our Navy; Russia has the largest Air Force; we feel ours is the best. Both countries have A- and H-bombs, guided missiles. We have one thing Russia hasn't got. We have a string of air and naval bases all around Russia; Russia has no bases around us. We have small forces on those bases, and mobile air and naval forces ready to get to them quickly, but we depend largely on the forces of the countries near where those bases are located, to defend them against sabotage, infiltration, sudden attacks. When we help those countries to defend their own soil and keep these bases ready for massive retaliation, we contribute to our mutual security. That system, as Admiral Radford says, is "part and parcel of our own defense."

It cost us last year $6,600 to maintain an American serviceman abroad, without counting his weapons. It cost us last year $789 per man in mutual security funds to help maintain an allied serviceman abroad, armed and equipped, ready for action where we want him, according to jointly made defense plans. Our so-called foreign aid helps to maintain 200 allied divisions in 44 nations, a naval force with as many vessels as our own, although not as powerful; 300 air squadrons, as many as we have, but not as well equipped. It is not our forces alone that deter Russia; it is the combination of our forces with those that surround her ready to strike from every side, that maintains peace, and gives us and the free world mutual security, collective security.

Now I am opposed to giveaways; we cannot buy friends, but if we can help arm and strengthen nations that want to stay free and are willing to raise forces larger than they can arm and support, and thus help deter Soviet aggression, at one-tenth of the cost of our own forces, we are getting a bargain in our mutual security program.

Some people say we should bring our forces home, arm to the teeth, and wait for the Soviets to come here. If we did that, it would cost more, because intercontinental planes and missiles are very expensive. I think the Soviets would try to come here, after taking over the rest of the world and cutting us off from the constantly increasing number and volume of strategic materials we need to import. I have seen war-devastated countries of Europe and Asia, where they fought at home. I prefer our policy of planning to fight our wars away from home, on friendly soil, if we have to fight, and not doing all the fighting ourselves. This is not a selfish policy. In this way we give other free nations a chance to defend their soils, while we defend ours. This policy of collective security, mutual security, has given us peace for 4 years.

I have told you that foreign aid amounts to one-tenth of our own military spending. Well, about one-tenth of that one-tenth is spent on nonmilitary technical assistance and development assistance, 80 percent in loans, and goes also to nations with which we have no military mutual security agreements. This includes some neutralist nations. We wish they would join us in mutual defense, but we cannot force them. Whatever happens, we don't want them to go Communist, or be taken over by Communists, through being forced to rely on the Reds for technical and development assistance. So we help them fight hunger, disease, and ignorance. We help them develop their economic and political independence, for that adds to our security in war, and in peace we do more business with more developed countries.

You know about our agricultural surplus problem. We use farm surpluses in the mutual security program whenever we can. Since World War II just about 30 percent of our foreign aid, $16 billion of it, has been surplus agricultural products. Thus, foreign aid has been our biggest single farm aid program, while helping to maintain peace.

You have heard much about giveaways, grants. Well, $14 billion of our post-World War II aid, about 25 percent, has been in the form of loans, and we have been repaid $5.7 billion in interest and principal of these loans. Tell that to people who say that such loans are giveaways.

In the last 4 years the legislation for these policies, involving the cost of peace, and the rewards of peace, has had bipartisan support, and bipartisan opposition, although, of course, the leadership and the execution came from the Republican administration. I believe in giving credit where credit is due. I must also report that there has been more Democrat partisanship in foreign policy in Congress in the last 3 months than I have seen in my 18 years in Congress, and it has not been good for our country. I believe in placing blame where it belongs.

You are all familiar with the President's Middle East doctrine. The law was signed March 9. It applied in the Middle East methods that had been tested and found successful in earlier acts. The aid provisions were similar to the Greek-Turkish aid law, passed by the Republican 80th Congress at the request of a Democrat President. The authority to use our Armed Forces was similar to that granted in the Formosa resolution passed in 1955 by a Democrat-controlled Congress at the request of a Republican President with but 3 no votes in the House and 3 in the Senate. No new appropriations were included. Emergency use of old appropriations winds up June 30, 1957.

You would have thought that, in view of the ominous and obvious tension and instability in the Middle East, this law would have been rushed through.

Instead, a partisan hue and cry started, saying the proposal was unprecedented, unconstitutional, a declaration of war, a blank check, and that Congress had not been consulted; this went on for over 2 months. The House acted in 25 days, in commendable bipartisan spirit, and made no crippling amendments. Now a House Member is not supposed to criticize the Senate, but somewhere, some amendments got in this bill that I feel were unnecessary, unintelligible, or undesirable. The Executive, however, considered them as merely harassing, rather than hamstringing, and the House accepted them rather than risk delay by a second filibuster—you know where.

One of these amendments involved the President's authority to use armed forces. A straight Democrat Party vote struck out the words which were copied from the Formosa resolution, "he is authorized" and inserted instead "the United States is prepared to use armed forces." It was amusing that the Democrats decided to repeal by law the charges made all through last year's campaign that the United States is unprepared to use its Armed Forces.

On this issue of bipartisan consultation, here are some facts I can give you firsthand: The President had a bipartisan Congressional meeting on foreign policy, including the Middle East doctrine, at the White House for 4 hours on New Year's Day, although Congress did not convene until January 3. Before the Presidential message on Saturday, January 5, publicly stating his policy, Secretary Dulles went over the provisions of the bill, inviting comments and suggestions, with both House and Senate committees. The text of the bill when introduced reflected the results of Congressional consultation and suggestions.

Nevertheless, some of the Democrats kept saying for 2 months that there ought to be Congressional consultation and approval before the President takes a public position on such matters, and thereby commits the country.

Now, let's see what happened next: In March the question of whether the United States should support sanctions against Israel in the United Nations was being publicly discussed by nearly everyone—except the President. He called a bipartisan meeting at the White House on March 21 to discuss the Israeli situation. Now those meetings are supposed to be off the record, but if any definite action is taken, it is announced in a press release immediately after the meeting. It is significant that no action was announced after that meeting except that the President was going on the air that night. The President then proposed a course for Israel, which I approved and which Israel followed, which kept the issue of sanctions from coming to a vote in the U. N., but there is no record that this course had the approval, or disapproval, of the Democrat Congressional leaders.

It appears that the Democrats, after insisting on being consulted, before action, declined responsibility for action. Nevertheless, the President called a bipartisan meeting to report on the Bermuda conference the day after he returned.

When you start to play politics on this business of bipartisan consultation, you can work it two ways. You can say, "The President put us on the spot by committing himself publicly without consulting us," or you can say, "He put us on the spot by consulting us in advance before committing himself publicly."

Playing politics either way on foreign policy problems is bad for the country. We will have a Republican President conducting foreign policy for nearly 4 years. We will have a Democrat Congress now and next year. Then we need a Republican Congress.

On the perplexing, complicated, controversial problems of foreign policy, there is room for honest difference of opinion, for intelligent, sincere debate. There is no room for partisan politics. We Republicans must try to keep it out. Politics should stop at the water's edge. That means partisan politics on foreign policy should stop at Capitol Hill. When the Democrats start, we must point it out, show it up, knock it down, and stop it.

For our cause working for peace is a noble one. It ought not to be "above party." It ought to be the cause of both parties. Let us be sure it is ours.

I have dwelt, perhaps overmuch, on the practical, political aspects of working for peace, the cost and the rewards. But there are higher rewards. "Blessed are the peacemakers." I conclude with these moving words from our old soldier, peacemaker President, in his second inaugural address on the price of peace:

"Before all else we seek, upon our common labor as a nation, the favor of Almighty God. And the hopes in our hearts fashion the deepest prayers of our people.

"May we pursue the right—without self-righteousness.

"May we know unity—without conformity.

"May we grow in strength—without pride of self.

"May we, in our dealings with all peoples of the earth, ever speak truth and service justice."

Improvement of the Red River

EXTENSION OF REMARKS
OF
HON. GEORGE S. LONG
OF LOUISIANA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. LONG. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

SPEECH BY CONGRESSMAN GEORGE S. LONG AT THE ANNUAL MEETING OF THE RED RIVER VALLEY ASSOCIATION, SHREVEPORT, LA., APRIL 22, 1957, ON IMPROVEMENT OF THE RED RIVER

Mr. Chairman, I am highly honored and indeed very happy to have been invited to this splendid organizational meeting of the Red River Valley Association. The association has done outstanding work in the field of flood control, soil conservation, and in general promoting beneficial projects for the

Red River area. It is a privilege to number among my friends the men who head up this fine organization. Your president, Mr. Fairbanks, is one of my fellow townsmen and a gentleman whom I hold in the highest regard. And may I say here that Mr. Roy Mathius is one of the most energetic and capable men in this field, and I hold him in the highest regard. All of these gentlemen are earnest and sincere and accomplish much good for the people of our great State.

While it is true that I have not always agreed with all of their philosophies and plans, I have endeavored to disagree without being disagreeable. It has often been said that when two men in business always agree, one of them is unnecessary.

I am offering a plan which may be considered as a supplement or an alternative to the plan which is under consideration, that is, the Overton Red River Canal. I will go into this matter in detail at a later time in my discussion.

Earlier this year I introduced a bill in the Congress of the United States, known as H. R. 3844, which has for its purpose to provide a waterway accessible to several States from Oklahoma to the Gulf of Mexico. My proposal would actually begin at Denison, Tex., and work southward deepening and widening the Red River to the Atchafalaya River and thence to the Gulf of Mexico. The waterway would be more than just a deepened channel or a canal. It would encompass features of both with the end result that the people throughout the area involved would enjoy the benefits of a fine inland water system. In my plan which would begin improvement of the river at Denison, Tex., I include the establishment of a channel through Caddo Lake to Jefferson, Tex. The Jefferson, Tex., area contains a vast and virtually untapped iron ore bed which could be worked economically if water transportation were available. The utilization of the waterway for this purpose would add a vast amount of tonnage to the year traffic. My plan would encompass parts of Red River which readily lend themselves to improvement and which are feasible as an inland water system and also encompasses canals around those portions of the river which do not lend themselves to construction improvement. The river would be straightened in places and entirely bypassed in other spots.

Let me say, here, that the plan I have in mind would effectively control the waterflow on the Red River through a system of locks and dams. These locks and dams would maintain the water level throughout the year at a depth which would enable water traffic to move. During the times of floodwaters, the locks and dams could be opened to permit the floodwater to pass on through. This plan, in addition to providing a fine inland waterway system would have interesting possibilities in the field of irrigation.

I know there are some who will immediately take the position that this sort of project is not practical. There are the criers who want to cry before they know what can be done. I seriously doubt that there has ever been a large and far-reaching project without its full share of skeptics. I have the greatest respect for General Holle and his group of Army engineers. I certainly realize that they are doing a good job in their field, but at the same time, I do not propose to let the Army engineers do my thinking for me. They have been wrong in the past, and they will be wrong again in the future. The Army engineers say there is no precedence for a project of the type I propose. It is not within my scheme of operation to follow established precedence. I think it is much better to make precedence. I have known many things in my lifetime that were labeled "impossible" that are now being used for the benefit of mankind. The things that we accept as commonplace and without which our lives would not be as easy, were, for the most part, considered impossible, impracticable, unworkable, and the idea of some crackpot. I need only to mention the automobile, the airplane, the telephone, radio, television, etc.

In my boyhood it was an established fact in the minds of many that the Ohio River could not be made navigable the year around, but I personally have lived long enough to see it done.

When I was a member of the Oklahoma State Legislature some 30 years ago, we tried to secure authorization to make the Arkansas River navigable. The report from the engineers, at that time, was that this plan was impossible. Today, my friends, improvement of the Arkansas River, together with other rivers, has been authorized and part of the work toward making these streams navigable is underway or in the preparatory stage. In a few years the Arkansas River will be navigable and will be used in commerce. I do not hesitate to say to you, my friends here today, that the time is coming and will come soon when the Red River will be navigable from Denison, Tex., to the Gulf of Mexico.

When my brother, Huey Long, was Governor of this great State, he proposed to construct a bridge across the Mississippi River at New Orleans. The Army engineers told him that this positively was an impossibility and the time would never come when such a structure could be built. But he was not discouraged by the adverse report and went to work with other engineers who told him after a preliminary survey that it could be done. Today, that wonderful bridge across the Mississippi is there to facilitate the travel of hundreds of thousands. Further, as a result of the discovery of what could be done, there is today more than just the one bridge across the Mississippi.

In my opinion, if the Army engineers would be more inclined to take a second look and not steadfastly adhere to a single plan, we would all benefit by a more enlightened approach to the matter before us. I think we are in agreement that we want a workable and fully practical waterway system without too much of a penalty being imposed upon a small segment of our population. The Overton Canal, as it is proposed, is merely a barge canal. The Red River improvement which I propose would be good for small craft and barges and make available a plentiful supply of water that is much needed and which would provide a fine inducement to industry which might wish to come to our State.

There is still another aspect to the waterway proposition. In the Overton Canal plan, it is proposed that local interests pay a part of the construction and all of the main payments of this canal. To me, that is not fair, as we are saddling a few small parishes in our State with a tremendous burden in the construction of a waterway which is intended to help all the people of the States of Texas, Arkansas, Louisiana, and even Oklahoma. Actually the parishes through which the canal would pass would not benefit as much as the terminals of the canal. I know that it is claimed that the local interest share will not run too high, not over $20 million, but, here again, I disagree. I believe you will be interested to know that I have talked in private with engineers who are employed by the Government, and they have told me almost exactly what I am telling you about my plan. Many fine engineers in this country believe that by the system I have outlined to you today, through a system of canals, and straightening and widening and deepening the river, that we will have a permanent waterway with an abundance of water.

Now, let me discuss the Overton Canal briefly. In the building of the Overton Canal there will not be much water and what water there is must be pumped out of the Red River into the canal in order to provide a sufficient depth to float barges. Now there is where I differ with some of my good friends. Regardless of what our friends in the Army engineers may say, all the reasons in the world would not make this feasible. Should we go ahead with the Overton Canal, in my opinion, we would be constructing a monstrosity which would go down in history as one of the greatest engineering mistakes in our area. I do not claim to be an engineer, but as you know, commonsense can and should be used in everything.

In my district there are three parishes through which this canal would pass. The land there is rich and to dig a canal with its bank areas and rights of way a lot of good land would be destroyed. To dig a canal through a parish would cause many landowners to find their farms divided and this, of course, creates a considerable problem. These same people are going to have to pay taxes to pay for their own farms as well as for the canal. As I stated earlier, these people are not the ones who are going to benefit by such a canal if it is built. If we are going to construct a canal or a deep waterway, I propose that we let the Federal Government build it from start to finish and thereby eliminate local charges. Then you would have no trouble after the determinations were made as to how and where the canal is to be built. There is no complete survey or determination of all the facts on the Red River. It is merely said that it will reach from the mouth to Shreveport. If the canal is intended to go to Jefferson, Tex., then we should have a survey to make determinations for all of the river from Denison, Tex., to the Gulf of Mexico and the river through Caddo Lake to Jefferson, Tex.

I believe that all of the Congressmen from the States of Louisiana, Texas, and Arkansas would go along with this line of thinking. I have talked this matter over with my friend, WRIGHT PATMAN, of Texas, and we are in agreement that local interests should not be called upon to pay for this waterway; that it should be paid for by the United States Government because it will serve the interest of all the country and not just a few small parishes in Louisiana.

It is time that we stop and look and listen. We all believe that a waterway is needed. I have strongly advocated a deep waterway from Alexandria to the Gulf of Mexico ever since I first made the race for a seat in Congress. I was ridiculed by many who said that this was impossible. I thought we might go down the Red River into the Atchafalya River, thence into the Gulf of Mexico, or we might travel into the Calcasieu River and enter the deep waterway at Lake Charles. However, I believe that deepening the Red River and traveling from there into the Gulf of Mexico is much more desirable and feasible. This would furnish our area with a fine water outlet to the entire world.

Incidentally, it is only a short distance from the waterway to Oklahoma, and by constructing some 35 miles of canal the large limestone- and cement-producing areas of Oklahoma would provide a great boost in tonnage.

If we proceed with deepening the Red River at places, it will be desirable to make lakes such as the one that is on the Sulpha River just south of Texarkana. Lakes of this type serve as reservoirs during floodtime and an invaluable asset to a water system of this type. Further, when the lakes are full, water can be released during drought periods to maintain a proper water level and also provide possible irrigation sources. In this manner the water in the Red River could be controlled and there would be no such thing as another disastrous flood. Water will be there to irrigate the land, and the

great valley of ours from Denison, Tex., to the Gulf of Mexico would become a veritable paradise, a Garden of Eden without equal anywhere. To improve our area in this manner would attract residents, and the value of land up and down the river would double and triple in value. Business would increase, industry would move in, and our lot would be vastly improved.

So, my friends, I urge you to get your great organization to go into this matter in a serious way so as to arrive at the best and most feasible way for the United States Government to build a deep waterway through this great land of ours.

In time of war, this being an area far inland, industry could be developed for the manufacture of various war materials with a ready outlet to the sea. We would have power, we would have labor, we would have raw materials, and we should have transportation. Further, a deep-water system this far inland would provide storage areas for our ships during times of repair.

To me, just to build a canal from the mouth of the Red River to Shreveport would be much less than half a loaf and would not serve the purpose for which we need a deep waterway. Let's be fair and honest and realistic. Local interests would never receive enough benefit from it to pay even a small portion of the taxes. You would ask seven small parishes to build a waterway for the benefit of big businesses such as Lone Star Steel. Also, in my opinion, it would serve as a place for our Government to manufacture war material for our national defense. Large paper mills would be able to come into the area, as they could bring their timber to the mills and their products to the rest of the world. I do not feel that it is fair to burden these seven small parishes to the tune of some $20 million, because, my friends, that is a large sum in itself. The $20-million figure is not a realistic one, because I have gone into this matter completely and I estimate, when you take into consideration the bridges, pipelines, and other items, in addition to the upkeep of the canal, the cost will exceed $50 million. I have had the pleasure of discussing these things with your president and executive vice president. I do not wish to be put in the position of opposing a waterway, but sincerely and earnestly urge you to make a change so that the expenses will be taken off the parishes of this State.

Gentlemen, it has been a privilege and a pleasure to meet with you today. I appreciate this opportunity to think out loud.

Thank you and goodby.

Address by Hon. Marion B. Folsom Before Rochester, N. Y., Rotary Club

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. KEATING. Mr. Speaker, it was my privilege recently to participate in ceremonies in connection with presentation of the Rochester, N. Y., Rotary Club award for public service to the distinguished Secretary of Health, Education, and Welfare, Marion B. Folsom. Secretary Folsom is a long-time resident of Rochester, where he was for many years an officer and director of the Eastman Kodak Co.

The Rotary award comes as well-deserved recognition for Secretary Folsom's contributions over many years, in and out of Government service, to help achieve a better life for his fellow Americans.

In an able and earnest address following acceptance of this award Secretary Folsom set out cold, hard figures concerning his Department and the Federal budget, which shoud be studied by all of us. It is directness and clarity like this which have won Marion Folsom respect and esteem wherever he has given of his time and talents. He is clearly one of the most competent and valuable members of this administration.

Under leave to extend my remarks, I am pleased to insert the following excerpts from Secretary Folsom's informative speech at this point in the RECORD:

The Federal Government often is called upon to undertake some programs in health, education, and economic security when the needs of the people have not been met by private effort or by local and State governments.

When Federal action is necessary, the most helpful action often is not for the Federal Government to take over the whole show. Instead, Federal activities should be designed to encourage greater initiative and enterprise by individuals, private agencies, and State and local governments. In this way, a pattern of cooperative action is brought into play—a sharing and division of responsibility designed to foster the best combination of services for all the people.

In a moment I want to tell you about some of the prudent and constructive investments the Department is making, or proposing, in health, education, and welfare. But first, because these activities need to be considered within the framework of the total Federal operation and our total economy, I would like to mention briefly a subject that is getting a lot of public discussion these days, the Federal budget as a whole.

When we talk about the size of the budget, we should remember that we are talking primarily aboutu the cost of national security. We are talking not only about the cost of protecting our homes and businesses today, but about the cost of veterans programs and interest on the debt, which are largely the result of past wars.

The fact is that these expenditures for national defense and related items amount to more than 75 percent of the whole national budget. These expenditures have increased from 4 percent of the total national income in 1940, to 11 percent in 1950, and to an estimated 15 percent in fiscal 1958. As the President has said many times, "We all wish that large defense expenditures were not necessary but certainly our country can and must afford the price of protecting our free society in this age of peril."

While the portion of our income spent for national defense necessarily has gone up, nondefense Federal activities in the proposed 1958 budget would take about the same proportion of the estimated national income—about 4.3 percent—as for the previous 2 years. Furthermore, this proportion is down substantially from the level of almost 6 percent in 1950, and more than 7 percent in 1940.

Many of the most experienced men in Government tell me that the testing and review of the budget that goes on within this administration—the search for economies and savings—are greater than they can remember. From my experience in business I would say that the budget of a business firm is not subject to anything like the exacting and painstaking review and justification required for the budget of a Government agency today.

This search for greater economy and efficiency is continuous. Only last week, the President pointed to possible savings which would reduce Federal spending somewhat in 1958 and lead to even greater economies in 1959. The fact is that total expenditures proposed for next year would take a smaller proportion of the estimated national income—about 19 percent—than in any of the 6 preceding years.

Some concern has been expressed about the effect of the budget on our total economy. And yet, in recent years, when the budget was larger in relation to the economy than it is today, business and industry have grown and prospered as never before. Almost all the indicators of economic progress—wages and profits and plant expansion and many others—set a new high record last year. And most of these indices have continued to climb so far this year.

I am just as concerned as anybody about the long-range effects of high rates of taxation—and I am anxious to see taxes cut again as soon as this can be done without injury to the national security and welfare. But in today's expanding economy there is no sound basis for picturing the 1958 budget as if it were an economic catastrophe.

In considering the administration's budget and fiscal policies, it is important to look at the whole structure of what has taken place since President Eisenhower first came into office. In January 1953, the President inherited a prospective deficit of about $11 billion in his first year. Now what has happened since then?

Well, first, we have had the most complete overhaul of our tax system in history. I am proud to have had some part in this revision. Many tax provisions which stifled the healthy growth and expansion of private business were eliminated or modified. Many inequities which placed an undue burden on old people, on working mothers, on those with heavy medical expenses, on parents with children in college were removed.

In addition to these changes, the excess-profits tax was eliminated and individual income taxes were reduced approximately 10 percent. Altogether, in 1954, taxes were reduced by $7.4 billion annually, the largest reduction in any single year in history. These tax reductions and the other tax changes have benefited, directly or indirectly, every man, woman, and child in the country. And I believe they have been important factors in the recent unparalleled growth of our economy. As an indication of this growth, business expenditures for new plants and equipment are now running at a level 43 percent above 1954.

In the second place, the President has now proposed a budget which provides a surplus for the third successive year. It has been a quarter of a century since we have had three balanced budgets in a row.

In a period when circumstances beyond our control compel large expenditures for national defense, this is a notable achievement. It is an achievement in which business and professional leaders, as all citizens, can well take pride. And yet this achievement seems to me to have been largely ignored in much of the current discussion of the size of the budget.

We should remember that the budget is related to our population and our economy as a whole. It is only natural that some budget figures should tend to increase as the Nation grows. We can hardly expect to have a big, growing, increasingly prosperous country with a budget suited to horse-and-buggy days. Since 1950, our population has increased 13 percent, and our total output of goods and services—not counting price increases—has increased about 30 percent.

In discussing the proposed budget, President Eisenhower told the story recently of his conversation with some of the heads of the biggest corporations in America. The businessmen described how their budgets were increasing, on an average, from 6 to 10 percent. The businessmen were surprised that anyone would not expect this or would question it. One by one, they said, "Why, we are a growing company."

And the President replied, "What do you think America is?"

In the Department of Health, Education, and Welfare, the programs and services we have recommended for next year would amount to about $2.8 billion—4 percent of the total Federal budget, or less than 1 percent of the national income.

It is important to understand, however, not only how much money would be spent—but in what way and why. Where we have recommended increases to Congress, we have first made a most careful study and we are deeply convinced that there is a genuine need for these programs and that they will be of real and lasting benefit to the country as a whole.

These programs are, in the best sense of the word, economical. For they are investments in human resources—in the health and vigor of the people; in their education and training for living and working in an increasingly complex world; in their protection against economic emergencies and distress and want. These are the resources which, in the final analysis, have been responsible for our expanding prosperity, our national security, our progress as a Nation. To neglect these human resources now—to slip backward in these fields—would only pile up greater costs and more acute emergencies in the long run.

And so we are placing the strongest emphasis on constructive investments which will reduce human need in the future. The value of such emphasis is well illustrated by two figures. More than $1½ billion, or about 65 percent of the Department's proposed budget for the next fiscal year, will be required for the regular program of public assistance grants for the needy aged, dependent children, the blind, and the totally disabled.

We believe that to relieve human need is good but that to prevent it is much better. An so one of the proposals in the new budget is for $2 million for research to help find out why people become dependent upon public welfare and to help eliminate some of the basic causes of dependency. We propose to spend $2½ million to train more professional workers to help persons receiving public assistance rebuild their lives toward financial independence. Already there have been a few demonstrations of dramatic success when trained professional workers have concentrated on providing the services that not only help people in need but help them out of need. We feel, therefore, that these two proposals are relatively small investments which will return far more than their cost by reducing the need for public assistance in the future. This is an example of constructive economy in the best sense of the word.

One of the first constructive national programs to reduce human need was started 20 years ago with the social security insurance system. This program has increased the financial security and independence of almost every family in America. Today, almost 3 out of 4 workers reaching 65 are eligible for social security benefits as a matter of right, based on their contributions and the contributions of their employers over the years. Altogether, 9.4 million persons are getting benefits now. If it were not for this program, the annual cost of public assistance would be several billion dollars higher today. In the past 6 years, for example, while the population over 65 has increased by more than 2 million, the number of older persons receiving public assistance has dropped by about 290,000. Many of those receiving public assistance today were not eligible for social security during their working years. Now that social security coverage is almost universal, the reduction in old-age assistance will be even greater in the future.

The value of a constructive approach also has been demonstrated dramatically in medical research. Funds have been increased more rapidly for this program than for any other major program in the Department. Yet there can be no doubt that sound medical research returns far more than it costs—through the sparing of human life, through reductions in the human and economic toll of disease and disability. Within the past 10 years the average life span in the United States has increased 5 years and the death rate has declined 12 percent. There have been dramatic reductions, for example, in the incidence of poliomyelitis and in deaths from influenza, tuberculosis, pneumonia, and other diseases.

Surely it would be false economy to cut back funds for research to help cure or control mental illness, cancer, heart disease, or other major killers and cripplers of our times when these diseases take such a terrible toll in human suffering and economic loss each year.

Or consider the program of vocational rehabilitation. This program provides medical care, training, and other services to disabled persons, to help restore them to productive jobs. Last year, largely because of modest budget increases in this program, the number of persons rehabilitated was increased to 66,000—a new record. Before they received these services, these people had annual earnings of about $17 million. After rehabilitation, their earnings were increased to about $127 million a year. And so the increased income taxes alone will pay for the cost of rehabilitation within a few years. Furthermore, about 13,000 of these people were receiving public assistance before they were rehabilitated. The cost of public assistance in 1 year alone would almost equal the cost of rehabilitation.

In the field of education—crucial to the future of our country—there are many problems which call for constructive action now. We know, for example, that in the next 10 to 15 years, the number of young people seeking higher education will double, perhaps even triple. And this will call for an educational expansion and adjustment beyond anything we have known before. Higher education, of course, is primarily the responsibility of the States and private institutions. We are proposing a very limited investment—grants to the States of $2.5 million a year for 3 years—to encourage planning and action within the States to meet this critical and growing need before it becomes even more acute.

Another problem of far-reaching significance is the very large number of capable students whose education is ended too soon. If current trends continue, about 40 percent of the young people who enter high school will drop out before they graduate. And of those who do graduate from high school, only half of those in the upper fourth of their class will go on to college. Only 6 out of 10 of the top 5 percent of high-school graduates receive a higher education. This is a tragic waste of human resources. Another example is in the field of mentally retarded children. Without special help, many of these children are destined to a life of dependence on others, falling far short of their real potential. Given the right kind of special attention and training, many of these children will grow up to lead happier and more useful lives. For the first time in the history of this country, the Federal Government is supporting a program of research to help solve these and other long-standing problems in education. This is a constructive investment in the future of our young people and the future of the Nation.

Another sound and prudent investment is the proposed program of emergency Federal assistance to help relieve a critical shortage of school classrooms in many communities. We have studied and restudied the classroom problem—carefully and objectively. Three conclusions are clearly evident from the facts.

First, there is a serious shortage of public-school classrooms. This shortage developed because not enough schools were built during many years of depression and war and because, more recently, we are having by far the biggest enrollment increase in our history. The problem also has been aggravated by record-breaking shifts in population.

Second, despite a great increase in school-building efforts, the States and many communities are not making enough headway in reducing this shortage.

Third, unless financially needy communities get help, the classroom shortage will persist for many years, hampering the education of our children and limiting the progress of our country.

Now I understand and respect honest differences of opinion as to whether the Federal Government should help build more schools in this emergency. It is unfortunate for the welfare of our children, however, that many of the public statements on such an important issue have been seriously misleading, and some have been clearly inaccurate.

It is contended, for example, that the classroom shortage is a myth or figment of imagination. Those who take this position offer no new or additional information of their own. They accept bits and pieces of data from the various surveys that have been made, and they quote these bits and pieces out of context or only in part. Yet the essential fact is that every responsible survey of actual conditions in the schools has reached the same clear conclusion—there is a substantial, widespread, and continuing classroom shortage.

It seems to me that the best source of information is the State and local school agencies who are closest to the situation and best able to get the facts. I have complete confidence in the integrity of these authorities. The latest survey was made last fall by the chief educational agency in each State. For the third year in a row, the States reported our schools are overflowing with about 2¼ million children above their capacity. These children are not imaginary. They are in school today, and they can be counted with reasonable accuracy. These children, and millions of their classmates, are handicapped by half-day school sessions or badly overcrowded conditions or use of makeshift facilities. The States reported 80,000 additional rooms are needed now simply to accommodate this overflow of students.

The States also reported they need 79,000 additional classrooms to replace facilities which are obsolete or unfit. I recognize that obsolescence is more difficult to measure—opinions on this will vary—but, nonetheless, it is a very real and important factor. And so the latest and best estimate by the States places the total classroom shortage at about 159,000 classrooms.

It is important to remember that we must deal not only with this backlog of shortage, but with continuing vast enrollment increases and with annual replacement needs in the future. The States indicate, for example, they will need 59,000 to 65,000 additional classrooms next fall simply to meet the new needs developing since school started last fall. Therefore, even if the States actually build this year the 69,000 classrooms they

have predicted—a record high—they would make only a small dent in the accumulated shortage.

A second major fallacy is the argument of some critics that the administration is proposing Federal assistance for classroom construction as a means to leap into Federal control of education in this country.

Let us understand what is proposed here. The Federal Government would allocate some funds to the States. The States would put in some money, too, and then the States would administer grants to the local communities which need help very badly to provide schools for their children. So even in the building of the schools the Federal connection would be pretty remote. But, even more important, by the time the first teacher or student entered the new school, when the actual education of children begins, there would no longer be any Federal involvement or connection whatsoever. How, then, could this proposal result in Federal control of education, even if we wanted it that way?

Furthermore, I don't know anybody who wants it that way. Certainly the President and we in the Department have emphasized many times we would be the last ones to want to control the instruction of the Nation's children. Certainly the State and local school authorities who are supporting this bill are most anxious to keep the Federal Government from controlling their affairs. In 1950, the late Senator Taft, after careful and objective study, sponsored a program of Federal aid for operation, as well as construction, of schools—a broader and more liberal program than is proposed today—and certainly Senator Taft was no advocate of Federal controls.

It is important to remember also that the Federal funds proposed by the administration would amount to only 15 percent of total funds for school construction in this country. These funds would be allocated only to the districts with the most acute shortages and the least resources to build needed schools. The Federal funds would amount to only about 3 percent of total funds for public schools for all purposes. It has been contended that even if this program itself would not mean Federal control, it would serve as a foot in the door and would lead to Federal domination of education in the future. The fact is that throughout our history the Federal Government has assisted the cause of education—and is doing so today—without domination or control. As far back as 1787, Congress required that public lands be set aside for educational purposes. In 1862, under the leadership of President Abraham Lincoln, the Federal Government began making financial grants to support the land-grant colleges. Only recently, by the way, the Association of Land-Grant Colleges adopted a resolution expressing appreciation that there has been no Federal control in this program. For 40 years, the Federal Government has been making grants to support vocational education. Since World War II, the Federal Government has invested $18 billion to help war veterans continue their education. For 6 years now, the National Government has provided funds to help build and operate schools in communities overburdened by Federal installations. In all these activities, over all these years, the Federal Government has helped meet national needs in education—and there is no Federal control of education today.

Furthermore, we are advocating only a temporary program. Once the backlog of shortage has been removed, with the help of emergency Federal aid, then the States and communities could meet future needs on their own, simply by continuing their current rate of construction.

Finally, the proposed legislation specifically provides, and I quote, "In the administration of this act, no department, agency, officer, or employee of the United States shall exercise any direction, supervision or control over the personnel, curriculum, or program of instruction of any school or school system." I don't see how it can be put any plainer than that.

Clearly, in the light of all these facts, the argument that we are seeking Federal control of education is simply a phony.

We believe the people of America are with us in seeking Federal assistance to help eliminate the classroom shortage. Emergency Federal assistance was strongly supported in the platforms of both political parties. Recent public-opinion polls seem to indicate that people in all walks of life, in all parts of the country, favor this program by about 4 to 1. The people know that badly overcrowded classrooms and half-day sessions are hurting the education of many children every day. They know that educational opportunities lost today may never be regained.

In all these programs in health, education, and economic security, we are proposing constructive investments in the future. Our objective is the same as yours in Rotary: service to society.

By acting now, with foresight, in community action and in national action, we may invest in our most priceless asset—the individual human being. As the individual advances in health, education, and economic security, his own life is enlarged and our whole society is enriched.

Townsend Plan Legislation

EXTENSION OF REMARKS
OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 30, 1957

Mr. BLATNIK. Mr. Speaker, for many years legislation embodying the principles of the Townsend plan "pay-as-you-go Federal social security for all" have been before the Congress. Last year, for instance, I joined with the gentleman from California [Mr. GUBSER] in sponsoring the Townsend plan bill in the 84th Congress.

I have today introduced the new Townsend plan bill which differs from previous Townsend bills, but not with respect to any basic principle, objective or standard. As a classification, it may generally be said that the new bill differs in terms of legislative form, in respect to technical form.

CHANGES IN 1957 TOWNSEND PLAN BILL

First. The 1957 Townsend plan bill is specially drafted as an amendment to the Social Security Act, repealing or suspending, as the applicable case may be, the various provisions of Old Age and Survivors Insurance and Federal Disability Insurance title II and instituting in place thereof the Townsend plan program.

Second. It provides for a transitional period and process whereunder it would be eased into effect, starting at a low rate of tax and benefits, these gradually increasing during the first year and a half, thereby progressively absorbing the benefits existing under the present system—without anyone being in any way dislodged or subjected to any less benefit that they are receiving. Likewise the tax system would be correspondingly brought into effect on a progressive basis, starting at 1 percent and increasing to a final maturity of 2 percent over a period of about a year and a half.

This transitional feature provides for the using of the reserve fund of OASI for precisely what it was created to be used for, namely, payment of the benefits under OASI, until the development of the Townsend program fully displaces them by way of absorbing them and progressing on to the maturity of the fully adequate benefits of the Townsend program.

Third. The 1957 Townsend plan bill specifically defines the objective it seeks. It provides that each year the Department of Commerce, under its Census Bureau work of annually surveying the distribution of money income in the United States population, report to Congress each year, specifically, what rate of tax would have been necessary during the preceding year, under the program, in order for the overall income of the aged population not to have been inferior to that of the younger adult population. This feature is designed to create a situation under which the Congress and everybody else will henceforth know, as a matter of clear record exactly what the relative position of the aged is economically. This provision would create a basis on which everybody could henceforth deal with the primary question of "just how much pensions should justly be" on a basis of fact. Up to now, this question of exactly how much pensions really ought to be has not been officially dealt with. The Townsend program is fundamentally predicated upon exactly that study and approach to the whole problem. This bill would provide, in the Social Security Act, the legal requirement that this question be authentically reported on each year, to Congress by the Department of Commerce.

Fourth. There have always been a long list of arguments, in principle academic arguments, about the workability of the gross income tax predicated in the Townsend plan. This bill provides, in its definition of "gross income" the conclusive end to this whole field of confusion, purely theoretical and academic argument and of wasted time and effort dealing with entirely unrealistic claims and counterclaims very simply: Since 1933, a genuine gross income tax has been operating with unchallenged efficiency and practicality in the State of Indiana. Correcting jurisdictional references, the precise text of the definition of gross income contained in the Indiana Gross Income Tax Act of 1933, as amended up to and including 1953, is incorporated in the 1957 Townsend plan bill.

It is specifically to be noted that this does not constitute any change in principle or departure in policy by the Townsend organization. The tax proposed in the Townsend bill has traditionally been exactly what is now proposed. However, there have always been those, in

and out of Congress, who insisted persistently that the Indiana tax really was not the same, was in reality quite different from the Townsend proposal. Actually the definition of the tax base in the Townsend plan bill is precisely identical with that in the Indiana law.

Fifth. Citations to the Internal Revenue Act, bearing upon tax procedures are converted so as to cite the Internal Revenue Code of 1954.

Sixth. The 1957 Townsend plan bill provides for old-age retirement at the age of 60 years; for full benefits to persons disabled between ages 18 through 59; for full benefits for female heads of family groups with one or more dependent children; and for proportionate benefits of one-third the full benefit rate for dependent children under 18. This last is new coverage.

Seventh. The 1957 Townsend plan bill does not require compulsory spending of benefits by beneficiaries.

Eighth. The 1957 bill does not require complete and outright, all-or-nothing retirement by beneficiaries, but encourages their participation in the Nation's productivity—but, at the same time, it provides a deterrent sufficient to prevent pensioners from selling their services so cheaply as to constitute unfair competition with other work seekers. The provision is that above the amount of $75 per month, adult beneficiaries would lose $1 of their benefit for each full $2 earned in employment or self-employment. For the secondary beneficiaries, the children, they, too, would lose $1 of their benefit for each full $2 per month in excess of $50 earned in employment or self-employment.

Ninth. The requirement of citizenship is eliminated as a condition of qualification to receive benefits. In place of it is the requirement that any person over 18 must have resided in the United States for a total of not less than 10 years in order to qualify. The reasons for this alteration are manifold; but suffice it to point out that very rare would be the citizen of the United States who would not satisfy this requirement before his childhood was over. At the same time, this residence requirement, imposed on our own citizens, would abridge the treaties we have with various nations, reciprocally agreeing that we treat each others' nationals exactly as we treat our own citizens; and it would conclusively bar persons from becoming simply retirement emigrees to the United States, as all would have to be here long enough to support the system quite significantly before being eligible to draw its benefits.

The bill exempts dependent children from this residence requirement even if the adults upon whom they depend may be barred by its residence requirement. These changes in the Townsend bill are not changes in any sense of principle, methodology, or standard. In reality, they are developments in the line of incorporating into an actual legislative instrument—a bill—provisions and definitions which more fully and, in fact, pretty completely embody and express the principles and meaning of the Townsend plan in the form of a law.

There are many reasons why this project was not feasible in former times, the most compelling, for example, being historical, namely, that the thinking of Congress has not reached the point of surrender to certain very fundamental tenets of the Townsend plan. In the 1956 amendments to social security Congress really gave in to universal coverage; they gave in the very basic principle of disability insurance; they cracked on the very severe issue of reduction of the age of eligibility for retirement. Prior to these events the Townsend movement was restricted to fighting for these fundamentals which were necessary as "breaks" in the structure of the present social-security system before the real fight toward the Townsend plan could be planned timewise.

With these changes accomplished as outlined above, the turn in the road was at hand, the opinion of Congress has changed fundamentally, and the specifics can be designed. This new bill embodies that new, final stage of evolution in the fight toward the Townsend plan. The 1957 Townsend plan bill is the first embodiment of the Townsend plan in terms of these long-fought-for and now accomplished necessary achievements in the development of the thinking of Congress on the subject of social security. It is in this very comprehensive and complex sense that this bill is new or different. It is not different in its principles, methodology, or standards.

THE NEED FOR TOWNSEND PLAN LEGISLATION

The need for this type of legislation is embodied, first, in the fact that we have a Social Security Act in the first place. This means that in 1935 Congress recognized that the social security problem existed to such a degree that the act was adopted. This realization extended to the level of the problem being recognized as, in principle at least, a national, not a local or regional problem, a problem requiring basically Federal legislative action. This legislative action in itself certified to the ruling conviction that privately the problem could not be handled. Placed on the fundamentally Federal base, it recognized that the problem was beyond the capabilities of local and even State governmental scope. The consequent actions of Congress after 1935, and up to and including 1956, certify unanswerably that this opinion as to the problem has continuously solidified and strengthened.

The system of OASI and Federal disability insurance—its latest phase—has done good as far as it has gone, or could go. When it is all summed up, however, the truth is this: We have a social security problem simply because the great majority of the American people reach old age and find themselves lacking the financial ability to command income and living standards reasonably comparable to the general standards of living prevailing around them. As a matter of fact, about 22 percent of persons aged 65 and over in the United States, as of 1955, had no money-income whatsoever from any source; they are totally dependent people.

The Townsend plan is based squarely on the belief that Americans should achieve economic sufficiency and independence as the final result of life.

In February 1954, the Social Security Bulletin carried an article by Jacob Fisher of the Social Security Administration's Division of Research and Statistics, namely, postwar changes in the income position of the aged. This report shows:

The population aged 65 and over increased 17 percent from 1947 through 1952—while the total population aged 14 and over increased only 5 percent—but their share of total personal income increased from 7 percent in 1947 to only 8 percent in 1952.

Analysis of Census Bureau data shows the share of the elderly to have been 7.3 percent in 1953, 7.7 percent in 1954, and 7.9 percent in 1955. By 1955, the aged population had increased 31.7 percent over its 1947 number—while the total population aged 14 and over increased only 8.3 percent. Thus, the average aged person's comparative income position declined, seriously, from the pitifully inferior 1947 level to an even more inferior level in 1953, 1954, and 1955. The increase of the aged as a portion of the total population continues unabated, while their total share of income remains unchanging.

This took place despite congressional action in 1950 increasing OASI benefits by 70 percent and in spite of congressional actions in 1952 and 1954. It took place in spite of the dramatic increase of private pension systems and the liberalization of just about every existing public and private retirement system as well.

Since World War II, OASI has not only failed to solve the social security problem; it has even failed to prevent it from getting worse.

Furthermore, a 1955 report from the Social Security Administration plainly warns that to establish even so modest a minimum OASI benefit as $75 a month would entail payroll tax rates so high as to endanger public support of its contributory principle, in their view.

Unabated surpluses of production dictate that we must keep buying power abreast of our ever-expanding ability to produce. Unless we stop destruction of the average American's buying power upon his reaching old age, this can never be done. This is what OASI has proven unable to do. It is exactly what the Townsend plan will do.

Added to what we authentically know the American people can do privately for their retirement, Townsend plan benefits will end poverty and dependence in old age, retiring all persons on fair economic equality with their fellow adults in general—thus amplifying buying power, the only way prosperously to absorb surpluses.

Therefore, the Townsend plan should be adopted immediately, in place of the present system of old-age and survivors insurance.

HOW THE 1957 TOWNSEND BILL WOULD WORK

This is a program that is capable of specific illustration. On the first day of

the sixth month following the enactment of this bill, the program would go into effect. For purposes of simplicity, let us assume that this effective date of the program were January 1.

Then as of January 1, the tax proposed in this bill would go into effect and the present payroll tax—the National Insurance Contributions Act—would cease under the repeal provision of the bill. For the 6-month period of January through June the gross income tax would operate at the rate of 1 percent. For the 7th, 8th and 9th months, the tax-rate would be advanced to 1¼ percent; for the 10th, 11th and 12th months—through December—the tax-rate would be advanced to 1½ percent; for the 13th, 14th and 15th months, the tax-rate would be advanced to 1¾ percent; and for 16th and all succeeding months the tax-rate would be 2 percent. Meanwhile, as of the first of the seventh month, the revenue collected from the first month, less specifically the cost of administration for that first month, would be distributed as benefits to the beneficiaries qualified as of that date to receive them. The amount of benefits would be determined by simply dividing the revenue available by the number of primary beneficiaries plus the number of secondary beneficiaries—children and others not qualified for the full primary benefit—converted into the number of primary beneficiaries the sum of their fractions represent.

As of the first of the eighth month, the revenue available from the second month would be so distributed; and, thereafter, as of the first of each month there would be distributed as benefits the revenue collected from the sixth preceding month. Thus, as the tax-rate matured and as beneficiaries qualified the program would ease into effect over a period of about a year and a half.

Statistical studies show that the first benefits under this program, as of the seventh month, would probably be between $60 and $70 per month. In each succeeding month, obviously, they would rise, generally—and starting with the 12th month—when the revenue collected under the first advance of the tax rate to 1¼ percent would come up for distribution—benefits would certainly rise then and thereafter.

The 1957 Townsend plan bill provides that benefits under OASI and disability insurance would continue to be paid to whatever extent they might be greater than the benefits being paid at any given time under the Townsend program, and to the extent that such benefits under OASI would continue to be paid, they would be paid out of the reserve funds of OASI.

However, since the average benefit under OASI—that is, the average retired worker's primary benefit—is only about $63 a month—and wives' benefits little over half of that, and widow's benefits, and so forth, about three-fourths of it—it is clear that most OASI benefits would immediately be absorbed by the benefits under this program. As this program matured under the full 2 percent rate of the gross income tax, there is no doubt whatsoever that all benefits under the present system would be absorbed. Thus, it is to be noted that a total transition from the present system to the Townsend program is provided for and spelled out in the 1957 Townsend plan bill. At no time would any beneficiary of the present program get a single penny less than the present program provides for him, but, duly, they would all receive far better benefits than are presently provided for. All benefit-obligations of the present system would be completely honored.

Beneficiaries under the Townsend program would be all persons aged 60 and over retired from gainful occupation; all persons 18 through 59 who are totally and permanently disabled; all female heads of family groups having dependent children under 18 in their family groups and all such dependent children and orphans under 18 years of age—these latter to receive benefits in the amount of one-third of the current primary benefit being paid to the foregoing. This benefit coverage of the people of the United States certainly takes account of all who could possibly expect to qualify under any of the present programs of the Social Security Act; and it takes into coverage the few elements that OASI still excludes. Any possible exceptions to the coverage of this program who might possibly be entitled to benefits under the present programs are hard to imagine, indeed, especially once the Townsend program is fully instituted under its full tax rate of 2 percent. Whatever possible cases there might be, they would obviously be so infrequent and so few that they do not constitute anything of such magnitude as to be classed as a problem. The Townsend program, once operating under the full support of the 2 percent rate of the gross income tax—as indicated by 1955 statistics on the population, the distribution of income, and the volume of business in the United States—would provide primary benefits of the order of $130 to $140 a month.

This level of benefits, under the coverage provided for in the Townsend bill, would involve a revenue of about $2.5 billion a month. The immediate question becomes this: How can so large a number of beneficiaries at these benefit levels be justified? In other words, the immediate question to be settled is that raised by those who are forever denouncing anything that is going to cost money. Obviously, this is a program the financial features of which really raise their dander. However, the answer is not difficult to set forth.

The first fact is a simple one: As of 1955, the group aged 65 and over lacked by 48 percent an equal income share as compared with the younger adults—aged 25 through 64. They endured this lack—about 22 percent of them having no income whatsoever from any source—despite all the programs presently in force under the social-security system as it is, despite all other public and private programs, despite the expanded rates of savings and investment that these times of unprecedented prosperity afford.

The nub of the matter is that less than the Townsend program will not fill the gap, will not eliminate the economic inferiority of the aged. Less will not secure the future of the younger people from the fate of economic deterioration when they reach old age, and so forth.

So, it comes down simply to this: Is the solution of the social-security problem a beneficial thing to our society or not? If it is a beneficial thing to do, then it is worth the price. The Townsend program is simply the only one ever designed and put forth actually to eliminate, fully solve this problem. If the problem is ever to be solved in any other way than through the Townsend program, it will have to be by providing the same standard of benefits for the same number and classes of people as are provided for under the 1957 Townsend plan bill. That is all there is to it, in reality. Either the problem is a valid one and should be solved or it should not.

To those who say that the financial magnitude of the problem has been overestimated, I say that economic sufficiency and independence should be the final reward in life for the people of the United States; that this requires two things: First, that people, retired people primarily in this context, not be subjected to an income level that involves poverty, insufficiency in terms of the actual general living standards of the times; and, second, that as an overall group retired people should enjoy an up-to-date share in income and living standards as compared to those enjoyed by younger adult people. Less than this constitutes inferiority, lack of freedom and independence, curtailment of the ability to participate fully in the social, economic life of the day—injustice, in short. The Townsend plan bill is calculated on the basis of those convictions and standards.

Now, if somebody feels, in their own view, that less than this is really an answer, let them state how much they believe should be the share of the aged. On this basis the whole matter can be settled; but the burden of proof is theirs. The Townsend plan bill alone is based upon the square question, "How much should an old-age pension be?" The Townsend bill provides the ways and means of providing the answer to achieving that pension—whatever it should be.

Since it is self-evident that whatever the final decision of Congress turns out to be as to what an old-age pension really ought to be, provide for, there still remains this unassailable truth—"It will require just as much money to be raised for just as many people under any other plan as under the Townsend plan." Therefore, the whole question reverts back to the primary one: Is the genuine solution of this problem of social security desirable or not?

To those who feel that it is desirable, we present the Townsend plan, embodying the defined ways and means of solving it. To those who do not wish its solution we say, "It is time you frankly said so." This is the essence of the Townsend plan bill.

SENATE

WEDNESDAY, MAY 1, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

God of all grace and love: Pressed and pursued by the high concerns of public service and welfare in this bewildering and demanding day of global change, we are grateful for quiet cloisters of the spirit where in moments of reverential calm at the altar of Thy forgiving grace Thou dost restore our jaded souls.

As we turn to problems taxing our best for solution, deliver us from the sophistries of cynicism and from the inclination of our own hearts to self-deceit. Guide with Thy pure wisdom those who here take counsel for this Nation and for the nations who look with hope to the flaming beacon of our liberty, that Thy kingdom may go forward till the whole earth is filled with the transforming knowledge of Thy redemptive love; and Thine shall be the power and the glory. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, April 29, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF OPERATIONS UNDER THE INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the first semiannual report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 1, 1957.*

REPORT OF MUTUAL SECURITY PROGRAM—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 160)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am transmitting herewith the 11th semiannual report on the operations of the mutual-security program, for the period July 1, 1956, through December 31, 1956.

Under present world conditions, I am convinced that this program is, more than ever, essential to the security of the United States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *April 26, 1957.*

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet today during the session of the Senate:

The Committee on Interior and Insular Affairs and the Committee on Public Works, to hold a joint session.

The Committee on Foreign Relations.

The Permanent Subcommittee on Investigations of the Committee on Government Operations.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until tomorrow, at 12 o'clock noon.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I wish to announce that it is our purpose to have the Senate go over from tomorrow until Monday.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUTHORIZATION FOR CERTAIN CONSTRUCTION AT MILITARY INSTALLATIONS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military installations, and for other purposes (with accompanying papers); to the Committee on Armed Services.

REPORT OF BOARD OF VISITORS TO UNITED STATES NAVAL ACADEMY

A letter from the Chairman of the Board of Visitors to the United States Naval Academy, transmitting, pursuant to law, a report of that Board, for the year 1957 (with an accompanying report); to the Committee on Armed Services.

REPORT OF BOARD OF TRUSTEES OF FEDERAL OLD-AGE AND SURVIVORS INSURANCE TRUST FUND AND FEDERAL DISABILITY INSURANCE TRUST FUND

A letter from the Managing Trustee and members of the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, transmitting, pursuant to law, a report of that Board, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Finance.

REPORT ON MILITARY PRIME CONTRACTS WITH BUSINESS FIRMS IN THE UNITED STATES FOR EXPERIMENTAL, DEVELOPMENTAL, AND RESEARCH WORK

A letter from the Administrator, General Services Administration, Washington, D. C., transmitting, pursuant to law, a report on military prime contracts with business firms in the United States for experimental, developmental, and research work (with an accompanying report); to the Committee on Government Operations.

REPORT OF NATIONAL SCIENCE FOUNDATION

A letter from the Director, National Science Foundation, Washington, D. C., transmitting, pursuant to law, a report of that Foundation, concerning a Geophysical Institute in the Territory of Hawaii (with an accompanying report); to the Committee on Interior and Insular Affairs.

ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS—WITHDRAWAL OF NAME

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, withdrawing the name of Yong Leong from a report transmitted to the Senate on January 15, 1957, pursuant to section 6 of the Refugee Relief Act of 1953, with a view to the adjustment of his immigration status; to the Committee on the Judiciary.

AUDIT REPORT ON RAILROAD RETIREMENT BOARD

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on significant financial aspects of the Railroad Retirement Board, dated December 1956 (with an accompanying report); to the Committee on Labor and Public Welfare.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Oregon; to the Committee on Appropriations:

"Senate Joint Memorial 6

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress assembled:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the control of floods in the Willamette River Basin has long been recognized by the Congress to be necessary and desirable; and

"Whereas certain flood-control projects have been built by the United States and are in service within the Willamette River Basin; and

"Whereas the early construction of other flood-control facilities on certain tributary streams is urgently needed to balance the operation of already existing facilities and thereby check recurring and aggravated damage to lands and property adjacent to the principal uncontrolled streams; and

"Whereas the Green Peter project on the Middle Fork of the Santiam River is among the most urgently needed to round out the Willamette River Basin program; and

"Whereas full utilization of the hydroelectric power potential of the Green Peter project would add 95,000 kilowatts of electric generating capacity at a strategic point in an area where power requirements are rapidly increasing; and

"Whereas construction at this time would alleviate unemployment in this locale and help stabilize the economy of western Oregon: Now, therefore, be it

"Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein), That the Congress of the United States be memorialized to make funds immediately available to finish the planning and start construction of the flood-control and hydroelectric facilities needed at the Green Peter project; and be it further

"Resolved, That the secretary of state of the State of Oregon be and hereby is directed to send copies of this memorial to the President of the United States, to the Secretary of Defense of the United States, to the President and Chief Clerk of the Senate of the United States, to the Speaker and the Chief Clerk of the House of Representatives of the United States, and to all members of the Oregon congressional delegation.

"Adopted by senate April 1, 1957.

"ZYLPHA ZELL BURNS,
"Chief Clerk of Senate.
"BOYD R. OVERHULSE,
"President of Senate.

"Adopted by house April 5, 1957.

[SEAL]

"PAT DOOLEY,
"Speaker of House."

A concurrent resolution of the Legislature of the State of Kansas, favoring Congressional action to assure continuance of surveys and planning and assure cooperation in the construction of projects in the State of Kansas that are vital and necessary for the prevention of floods, and for the conservation of soil and water; to the Committee on Public Works.

(See concurrent resolution printed in full when presented by Mr. SCHOEPPEL on April 29, 1957, pp. 6006–6007, CONGRESSIONAL RECORD.)

A resolution adopted by the San Gabriel Valley District, California Federation of Women's Clubs, favoring the enactment of legislation to implement the provisions of the second Hoover Commission report; to the Committee on Government Operations.

A resolution adopted by the executive board of the Golden Gate district, California Federation of Women's Clubs, at San Mateo, Calif., relating to contracts for the construction of the Trinity River Dam; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Civic Council of the City of Minneapolis, Minn., protesting against the enactment of any legislation which restricts or eliminates the present legally recognized control of the production and sale of natural gas in the field; to the Committee on Interstate and Foreign Commerce.

A petition from the Methodist Federation for Social Action, Gresham, Oreg., signed by Lloyd F. Woorley, D. D., president, praying for a redress of grievances; to the Committee on the Judiciary.

A letter, in the nature of a petition, from the University of the Americas, Jacksonville, Fla., signed by Noel Marshall Cawthon, chancellor, relating to the appropriation of funds for the construction of that university as a Federal institution; to the Committee on Labor and Public Welfare.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, and withdrawing the nomination of Molly L. Casteel to be postmaster at Mosheim, Tenn., which nominating messages were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Charles E. Bohlen, of the District of Columbia, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary to the Republic of the Philippines.

The VICE PRESIDENT. If there be no further reports of committees, the nominations on the calendar will be stated.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations on the calendar be stated from the beginning.

The VICE PRESIDENT. That will be done.

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Orman W. Ketcham, of Maryland, to be judge of the Juvenile Court for the District of Columbia, for a term of 6 years.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination?

Mr. FREAR. Mr. President, now that this nomination is before the Senate, is there any limitation on the time available for its consideration?

Mr. JOHNSON of Texas. No. Does the Senator from Delaware care to address himself to the nomination?

Mr. FREAR. Yes, I should like very much to do so.

Mr. JOHNSON of Texas. How much time does the Senator believe he will require?

Mr. FREAR. I do not plan to speak at length, but probably what I shall say will take at least 2 minutes.

Mr. JOHNSON of Texas. The Senator from Delaware is one of the most understanding Members of this body, and certainly he is entitled to have whatever time he desires. He rarely takes a great deal of time, and I welcome the opportunity to hear him.

Mr. FREAR. I thank the distinguished majority leader.

Mr. JOHNSON of Texas. Mr. President, I yield the floor.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination?

Mr. FREAR. Mr. President——

The VICE PRESIDENT. The Senator from Delaware is recognized.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Delaware yield, to permit the Senate to take action first on the new reports on the Executive Calendar?

Mr. FREAR. I am glad to yield.

Mr. JOHNSON of Texas. Mr. President, let me state that, following action on the new reports, it is my purpose to have the Senate consider the nomination previously passed over. I was not aware that the Senator from Delaware desired to be heard on that nomination.

Mr. FREAR. That course is perfectly acceptable, Mr. President.

The VICE PRESIDENT. Without objection, the new reports on the Executive Calendar will be stated.

UNITED STATES ATTORNEYS

The Chief Clerk proceeded to read sundry nominations of United States attorneys.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations of United States attorneys be considered en bloc.

The VICE PRESIDENT. Without objection, the nominations of United States attorneys will be considered en bloc; and without objection, they are confirmed.

UNITED STATES MARSHALS

The Chief Clerk proceeded to read sundry nominations of United States marshals.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the nominations of United States marshals be considered en bloc.

The VICE PRESIDENT. Without objection, these nominations will be considered en bloc; and, without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I ask that the Senate now resume the consideration of the nomination for judge of the Juvenile Court for the District of Columbia.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate resumed the consideration of the nomination of Orman W. Ketcham, of Maryland, to be judge of the Juvenile Court for the District of Columbia, for a term of 6 years.

Mr. JOHNSON of Texas. Mr. President, I yield the floor; and I thank my friend, the Senator from Delaware [Mr. FREAR].

The VICE PRESIDENT. The question is, Will the Senate advise and consider to the nomination?

Mr. FREAR. Mr. President, as a member of the Senate Committee on the District of Columbia, I have a real interest in District affairs. The pending nomination of Mr. Orman W. Ketcham, to be judge of the Juvenile Court for the District of Columbia, causes me some concern; and I cannot refrain from calling attention to the hazards of placing on the bench of this specialized court any

person without the requisite specialized qualifications.

The Standards for Specialized Courts dealing with children, issued by the Children's Bureau of the United States Department of Health, Education, and Welfare, state, as appears on page 83:

THE JUDGE

Selection of a competent judge who can give leadership to the court specializing in children's cases is of the greatest importance, particularly in view of the wide discretion conferred on him by law.

In selecting the judge of the specialized court, certain personal attributes must be considered as well as training and experience. In order to be fully qualified for this work the judge should have been admitted to the bar in the State where he is to serve and have had some experience in the practice of law. Also he should be—

1. Deeply concerned about the rights of people.
2. Keenly interested in the problems of children and families.
3. Sufficiently aware of the findings and processes of modern psychology, psychiatry and social work that he can give due weight to the findings of these sciences and professions.
4. Able to evaluate evidence and situations objectively, uninfluenced by his own personal concepts of child care.
5. Eager to learn.
6. A good administrator, able to delegate administrative responsibility.
7. Able to conduct hearings in a kindly manner and to talk to children and adults sympathetically and on their level of understanding without loss of the essential dignity of the court.

The position of juvenile court judge is one of the most important in any community, and certainly here in the District of Columbia the selection of a person for this post is worthy of our most serious consideration. Only one qualified by background, training, and experience should be considered.

The jurisdiction of this court includes actions for support of wives and children, actions to establish paternity and to obtain support for children born out of wedlock, and actions involving delinquent and dependent children. The court's volume of work for the past fiscal year included 1,764 nonsupport actions, 869 to establish paternity, and 3,478 cases of delinquency and dependency.

As in any juvenile court, each of these cases presented peculiar problems; and the handling of them on a day-to-day basis requires a broad knowledge and understanding of the social factors involved and a sound application of appropriate corrective measures. They must of necessity be evaluated in terms of individual and community needs, as well as available resources.

Obviously, one not well grounded in experience and not equipped with a practical working knowledge cannot cope with the volume and complexity of these situations.

Some Senators, I have no doubt, can remember, as I do, a time—a few years ago—when the juvenile court was far behind in its work, and did not have either community support or public confidence. This was due to a number of circumstances, including the disabling illness of the then presiding judge.

The juvenile court has a highly specialized operation, requiring the most skilled and experienced leadership available. Thus, consideration of an appointee should be nonpartisan, and should be based solely on qualification and experience.

It is my personal opinion—and it is shared by many interested and informed persons and community groups—that, because of the specialized nature of the work, continuity in the judgeship is most desirable. Any change will inevitably result in a slowing down of procedures and less effective operation of the court for at least 1 year, and perhaps longer. Much that has been gained will be lost; individuals coming before the court and the community alike will suffer. Hence, we should exercise due care in contemplating any change.

Press reports and the published annual report attest that the court's current operations are well handled by the admittedly qualified and experienced incumbent judge. Among other achievements, the record shows that, first, the court calendar is current; second, children are detained a minimum of time in the receiving home, while awaiting court hearings; third, collections on support orders for families from husbands and fathers are at the highest level in the court's history. Three-quarters of a million dollars was collected in the fiscal year 1955–56, and the collection of $1 million is forecast for the current fiscal year.

According to a recent article in the Washington Daily News, a new and inexperienced judge will be faced with some very important and immediate problems.

Mr. President, for information, at this point I ask unanimous consent to have printed in the RECORD an article entitled "Juvenile Business as Usual," which was published in the Washington Daily News of April 4, 1957; also the Annual Report of the Juvenile Court for the District of Columbia for 1955 and 1956; also an article entitled "Juvenile Court Aid Is Studied," published in the Washington Daily News of April 24, 1957.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Is there objection?

There being no objection, the articles and report were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of Thursday, April 4, 1957]

JUVENILE BUSINESS AS USUAL—JUDGE KETCHAM HAS HIS WORK CUT OUT

(By Martha Strayer)

District Juvenile Court was as busy as usual yesterday—while the Senate District Committee was confirming Judge Edith H. Cockrill's successor, Orman W. Ketcham.

Judge Cockrill made preliminary rulings on some family problems which Judge Ketcham will have to decide finally.

What shall be done with the baby of a 16-year-old girl who was seduced by a married man who wants to give her child out for adoption?

Should a beauty parlor worker have a chance to make a home for her two pretty little girls, if she can stretch her $54 weekly pay to care for them and can get her own psychiatric problems straightened out?

Shall a father who has done nothing for his little son be forced to give him up for adoption?

Can the future of a 9-month-old illegitimate baby be trusted to her young mother, who hasn't visited her for 6 months?

Should the child of a mentally retarded Negro mother be given out for adoption or be raised by the Public Welfare Department at public expense?

What shall be done with a little boy and girl whose father wants them adopted and whose mother brought her future second husband to court, so the judge could talk to him about making a home for the children?

Can a young woman veteran of World War II, emotionally disturbed and overwhelmingly in debt, care for her two fine-looking children?

What shall be done with a 6-year-old boy whose alcoholic father has kept him in a rooming house and sent him alone to a restaurant for his meals, while the father was working?

In each case, Judge Cockrill put the child in the care of the Welfare Department and gave the parents time to see if they could work out plans or prove their good faith.

WAITING

Meanwhile Mr. Ketcham waited outside the District Committee room to hear his appointment confirmed.

Two issues, in addition to the Chevy Chase, Md., residence of the new appointee, were raised. Senators questioned if Mr. Ketcham's experience as a Justice Department lawyer qualified him for the juvenile court judgeship. They said the court should have been allowed to operate with continuity under its present judge, instead of putting it into politics.

The final vote was 7 to 2.

ANNUAL REPORT OF THE JUVENILE COURT OF THE DISTRICT OF COLUMBIA, 1955–56

The court calendar is current.

During the fiscal year ending June 30, 1956, the court received a total of 4,327 complaints of delinquency against 2,902 children from parents, police, and school officials. Complaints affecting 224 dependent children were filed by the Department of Public Welfare and other agencies. This total of 4,551 complaints represents an increase of 139 complaints from the previous year, an increase in the number of delinquent children of 67 and a decrease in the number of dependent children of 67. There were 2,594 children known for the first time to the police and/or the court during the fiscal year. The figure of 2,594 represents an unduplicated count of children known to police and/or the court as delinquents during the year. The Youth Aid Division of the Metropolitan Police Department in their screening process retained some of these cases for informal action.

After study, 1,073 delinquency complaints filed at court, involving 906 children, were closed by the juvenile section of the court without formal action or referred to social agencies within the community for continuing supervision. The remaining 3,478 complaints on 2,220 children were petitioned for formal court hearing and disposition.

The social-work staff has carried an increasing caseload and yet has maintained a high standard of casework service. The court suffers from the national shortage of trained social workers, a shortage estimated by the Children's Bureau of the Department of Health, Education, and Welfare to be approximately 50,000.

The juvenile section completed 1,875 social studies as compared with 2,078 in the previous year. The juvenile probation section had under its supervision 1,283 children, an increase of 88 from the previous year, and 324 children were dismissed from probation after making a good adjustment while receiving probation services; 186 children had their probation revoked, an increase of 16 from the previous year; 673 children were

committed to the Department of Public Welfare, 36 less than the previous year, of whom 322 were dependent, and 351 were delinquent; 116 boys were committed to National Training School for boys, 28 less than the previous year. Jurisdiction was waived in cases of juveniles charged with felonies in 34 cases to the United States district court.

The adult intake section of the court processed 3,495 cases involving support of wives and/or children. This number represents an increase of 283 from the previous year. Of the total complaints received, 2,476 were adjusted or referred to appropriate community agencies; 124 voluntary-support agreements were effected and 895 were filed for court hearing, the number filed for court hearing being 14 percent higher than in the previous year; 869 cases were filed to establish paternity and provide support for children born out of wedlock, an increase of 138 cases.

The adult probation section had under its supervision during the year 4,527 persons who were under court order for support of wives and/or minor children. This number represents an increase of 21 percent over the previous year. An additional 473 cases were carried on probation in the newly established collection unit of the court. A substantial part of this adult caseload continues from year to year, since support orders for illegitimate children are effective until the children reach 14 or 16 years of age, depending upon the statute under which paternity was determined.

A collection unit was established in March 1956, within the social work department of the court to expedite the enforcement of support orders. Clerical staff has been reassigned to augment the work of this unit, which through weekly tabulation, results in speedy court hearing for those in arrears in support cases. The collection unit does not receive payments, rather it notifies delinquent payors of payments overdue and consequent court action.

The financial office which is a section of the office of the clerk of court receives all moneys paid into court. In fiscal 1956 a total of $785,105.85 was received by this office on court orders, an increase of $185,388.64 from the previous year.

A million dollars might well be realized in collections on support orders in the coming year indicating the growing clerical needs of the court, as well as the increased caseload.

The volume of work in the clerk's office has increased in proportion to that of other sections of the court. There were 16,143 court hearings in fiscal 1956; 1,881 juvenile cases were petitioned, an increase of 124 from the previous year. Informations were filed in 1,796 adult cases, an increase of 276 cases. In the office of the clerk of the court increases in petitions and informations bring related increases in the required number of summons, warrants, dockets, and calendar entries. The clerk's office has endeavored to maintain current records, only, however, by dint of over 1,000 hours of overtime work on the part of the staff members of that section.

During the year the court had 42 jury days and 104 cases were tried by juries. Of these, 91 were to establish paternity and 11 were juvenile law violations. Of the juvenile jury trials, 7 resulted in guilty verdicts, 3 in acquittals, and 1 directed verdict of acquittal by the court. Two cases of contributing to the delinquency of a minor were tried by juries resulting in 1 guilty verdict and 1 directed verdict of acquittal.

The Child Guidance Clinic, established in 1943, is an integral part of the court and the court's budget. It is staffed by the United States Public Health Service, which appoints a psychiatrist, a clinical psychologist, and a clerk stenographer. The clinic examines children or adults who are under the jurisdiction of the court; confers with their probation officers; and interprets the clinical findings to the judge of the court. These examinations consist of psychiatric evaluations and/or psychological tests. During the fiscal year the caseload of the clinic consisted of 221 new and reopened cases. This required 454 interviews with patients, 82 interviews with relatives, and 470 psychological tests. For each case formal or informal conferences were held by the clinic staff with the probation officers involved and formulations were submitted for court hearings as required. In addition the clinic staff conferred with community agencies such as the District of Columbia General Hospital and the District of Columbia mental hygiene clinic regarding patients referred to them by the court.

As of June 30, 1956, there were 105 warrants on nonsupport cases which had not been returned by the United States marshal's office, as well as 271 warrants which had been returned as not found. With respect to juveniles, there were 7 outstanding and unserved attachments and 8 attachments had been returned as not found. The United States marshal's office in the past fiscal year has expedited the apprehension of defendants and has been most cooperative in the service required by juvenile court.

Press coverage by accredited members of local newspapers, permitted since January 1955, has developed an awareness on the part of the public of the court's needs and the community's inadequacies in the form of treatment and facilities for juveniles and other related problems. Constructive, factual, and unbiased press coverage has resulted in a sense of community responsibility for community ills.

Monthly statistics on juvenile delinquency have been made available during the fiscal year to the Board of Commissioners, the Commissioners' Youth Council, the Washington Criminal Justice Association, the Children's Bureau of the Department of Health, Education, and Welfare, United Community Services, Senate Subcommittee on Juvenile Delinquency, Metropolitan Police Department, District of Columbia Public Library, School Attendance Office, Department of Public Welfare, United States Park Police, Bureau of Rehabilitation, and to the press.

The Juvenile Court Advisory Committee, which is appointed by the judge, and consists of interested individuals, 15 in number, from civic and professional groups, has met regularly. It has given careful consideration and advice on matters referred to it by the court and has interpreted to the community the philosophy, achievements, and needs of the court. The advisory committee has proven of inestimable value as a liaison between the court and the community.

The organization of the court contains the judiciary, consisting of the judge, an administrative officer, statistical clerk, and secretarial staff; the guidance clinic, the office of the clerk of the court, and the department of social work. The department of social work includes adult intake and probation work, a collection unit which expedites support orders and a juvenile section. The office of the assistant corporation counsel functions as a part of the court, although the budget and administrative responsibility for the operation of this office rests with the Corporation Counsel of the District of Columbia.

The juvenile court of the District of Columbia was established in 1906. Thus, it was one of the earliest juvenile courts in the country. Its jurisdiction includes all children under the age of 18 years who are charged with violations of law, who are beyond parental control, who are truant from home or school, who are engaged in conduct endangering their own health, morals, or safety, or the health, morals, or safety of others, or who are without adequate parental care. In addition to its juvenile jurisdiction, the court has original and exclusive jurisdiction in matters of paternity of children born out of wedlock, adults charged with violations of the child labor and compulsory education laws and with contributing to the delinquency of minors. The court also has concurrent jurisdiction with the United States district court in cases involving support of legitimate family members.

[From the Washington Daily News of April 24, 1957]

JUVENILE COURT AID IS STUDIED

George L. Hart, Jr., chairman of the District Law Enforcement Council, today said he is trying to come up with a suitable recommendation for reducing the workload of the juvenile court judge.

He said he has been told that Judge Edith H. Cockrill, who is scheduled to be succeeded on the bench by Attorney Orman W. Ketcham, works from 9 or 9:30 a. m. until 8:30 at night.

SPARE TIME

"I feel that any juvenile court judge should have time enough to take part in various activities around town—service on committees, etc.—looking toward prevention of juvenile delinquency," Mr. Hart said.

"I also have been told by judges in other courts that when they preside from 10 a. m. until 4 p. m. they are so completely fatigued that they would not be able to render justice thereafter."

Mr. Hart, who is also chairman of the District Republican Central Committee, said he is inclined to disapprove of the idea of adding a hearing examiner or examiners, as a relief for judge. "I believe juveniles are entitled to the attention of a judge," he said.

JUDGE'S STAND

He said he understood Judge Cockrill favors appointment of a referee or hearing examiner rather than an additional judge.

Mr. Hart denied that a bill providing for an additional judge already has been drafted in the District Corporation Counsel's office.

Mr. FREAR. Mr. President, in connection with the last insertion, it will be noted that a study is being made to provide the juvenile court with an associate judge.

To me this is an admission that the incumbent judge has in the past done, and is doing, a very outstanding job. It is also an admission on the part of the District officials that there is a possibility that the workload of this court will be slowed down because of the removal of the experienced incumbent judge.

Mr. President, I should also point out that information given me within the last few days causes me to believe that this proposed study has reached the point where a bill has already been drafted to, first, provide the incumbent judge a term of 10 years; second, to provide an associate judge, also for a 10-year term.

My source of information advises that this bill may well be presented to the Congress immediately after the confirmation of the person presently being considered.

If this be true, Mr. President, why not present the bill today, in order that an experienced judge can remain on the bench of this important court, and provide an associate judge to assist, and let him be given an opportunity to qualify himself in the many involved duties of the court?

In previous statements, I have stated that I would support and vote for the present nominee as associate judge of this juvenile court.

The residence requirement prescribed by Congress in 1949 appears no longer to be considered a factor in the selection of a juvenile court judge for the District. Of course, I firmly believe that residence in the District at time of appointment still is a statutory requirement, and a desirable qualification.

Returning to the business before the Senate, there is before the Senate, for our advice and consent, the nomination of a young man of 38, with 4 children under the age of 6. Although undoubtedly a fine gentleman, the nominee is, so far as I can determine, completely lacking in background and experience essential to the juvenile judgeship, as the following indicates:

First. Doubtful eligibility under the law and Congressional policy as to residence in the District.

Second. Experience.

A. Assistant in a large law firm preparing corporate papers and antitrust cases for the senior lawyers in the firm. From his biography, this job appears to have lasted some 3 or 4 years, including the year prior to his admission to the District bar.

B. Representing local clients, none in juvenile court. Under A and B, he had a total private practice of about 4½ years, including the above.

C. A nonlegal job with Fund for the Republic from January to September 1953.

D. Government employment for a year of two with FOA.

E. Finally, some trial experience in the Department of Justice for somewhat over a year and a half.

Under D and E, he had a total of some 3½ years of Government practice.

Third. He never has tried a case in a juvenile court. In fact, he stated that he never had been in juvenile court.

Fourth. He "wants opportunity to learn." But can we afford to have him do so at the expense of our children and the community?

Fifth. Many witnesses generally had only a short acquaintance with him and had no direct knowledge of the court's operations or the requirements of the position of juvenile judge.

Sixth. His boys camp experience was not that of dealing with the problems of delinquents.

Mr. Ketcham, as an attorney, having about 7 years of private and public law practice, appears to have the qualifications, including, no doubt, the experience, necessary for a municipal judgeship. He definitely has none of the specialized qualifications requisite to the juvenile judgeship. There is a total lack of experience in that field, and no background whatsoever justifying a waiver of such lack of experience.

Will not the juvenile court's steady growth and improvement be jeopardized by placing thereon an inexperienced judge? Mr. Ketcham is not especially trained and skilled in this specialized field of law, and is not well versed in the applicable juvenile court rules of procedure. Will not his inexperience and lack of special competence cause the community and the court to suffer a serious setback? Will not his inexperience and lack of special qualifications necessarily result in a backlog of cases, a possible diminution in the revenue presently collected on support orders, and at least a temporary loss of the prestige which the court has attained under the present capable and experienced judge?

Mr. President, I also wish to add an expression to the many citizens and groups in the District of Columbia for their very fine response in support of the stand I have taken in this matter.

The letters and telegrams I have received are approximately 20 to 1 in favor of having continuity in the juvenile-court judgeship. It has been very heartening to receive such fine support.

Mr. President, in conclusion, I repeat, I have nothing personal against the nominee whose name is now before the Senate. I simply think he is unqualified for the position to which he has been nominated, namely, juvenile court judge for the District of Columbia. I sincerely hope the Members of the Senate will give further consideration to the nomination before giving its consent and approval.

Mr. BEALL. Mr. President, there are frequently numerous applicants for any desirable high position, but it is an example of the greatest possible good fortune when a man and the job are matched as perfectly as in the matter we are discussing today.

I firmly believe that the judiciary will gain immensely from the services of Mr. Orman W. Ketcham; on the other hand, I think the District of Columbia Juvenile Court will give Mr. Ketcham an excellent opportunity to utilize fully his many superior legal and sociological abilities. Although Mr. Ketcham has numerous qualifications, the foremost, perhaps, can be summed up in a phrase which was repeated time and again during the intensive study which was made of his background. He has, indeed, a judicial temperament. In addition, he has a knowledge of the problems of youth which has been gained over the years as a father and as an official at boys camps. This supplements the book knowledge he has gained through his work on committees of the bar association which concerned themselves with juvenile problems, domestic relations, and the like.

I wish to stress that the persons who have known him and have worked closely with him have given their unqualified support to his appointment as juvenile court judge. His outstanding achievements have been publicized to a large extent, but I should like to repeat several points. He is a graduate of Princeton University and the Yale Law School, and he compiled an impressive war record during his 5 years of service in the Navy during World War II. He is a member of the Bar Association of the District of Columbia, which, incidentally, supported his nomination, and he has done extensive work for that organization and the American Bar Association. He has also been a leader in various church and civic affairs, including a church discussion group on public problems for teen-agers and camps operated by the Boy Scouts of America and the Young Men's Christian Association. I feel certain that his service will bring added honor to the great traditions of our court system.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Orman W. Ketcham to be judge of the Juvenile Court for the District of Columbia?

The nomination was confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified immediately of this confirmation.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE BUDGET

Mr. JOHNSON of Texas. Mr. President, I have an engagement, and if I may have the attention of the Senate, I have a brief statement I should like to make.

Mr. President, during the Easter recess, most of us had a welcome opportunity to return home and visit with the people whom we represent.

I believe that most of my colleagues would agree that the attitude of our people toward events in Washington is one of bewilderment. I have a great deal of sympathy for that attitude and my sympathy increases with each passing day.

It was only a few short months ago that the Nation's highest fiscal officer touched off the greatest economy drive in our history. He told our people that their normal and understandable desire for economy in Government must be translated into action.

In fact, the Secretary of the Treasury, Mr. Humphrey, went even further than that. He warned this country that the alternative to cutting the budget was a hair-curling depression.

It is obvious that Mr. Humphrey was not speaking casually or entirely for himself. He must have had the backing of his department, because only a few days later, Under Secretary of the Treasury W. Randolph Burgess said it would be sound for Congress to cut the budget by two to three billion dollars.

The President, at first, made statements which seemed to indicate sympathy for this attitude. He invited Congress to look into the budget and find out where it could be cut.

It was only later—after Congress indicated that it was willing to follow the Treasury's advice—that the President came to the conclusion that big cuts could not be found.

Mr. President, I know of only one way to cut the President's $72 billion budget. That way is to cut the appropriations bills that come before Congress.

That process has started already. It has begun in the House and already the administration's representatives—both official and unofficial—are pleading with the Senate to restore the cuts.

Only yesterday, as chairman of a Senate Appropriations Subcommittee, I opened hearings on the State, Justice, Judiciary, and related agencies bill.

The Secretary of State was the first witness.

He appeared to ask us for the restoration of $29 million out of the $47 million which had been cut by the House.

As chairman of the subcommittee, I have not come to any final conclusion over the merits of the cut or the merits of the Secretary's plea. I shall not come to any conclusion until I have had the opportunity to examine all the facts.

But it is not difficult at this point to predict a long procession of Cabinet officers and executive officials before the committees of the Senate. Each one of them will urge us to reject Secretary Humphrey's advice—at least so far as their departments are concerned.

I have no intention of prejudging their various appeals. Each case will have to stand on its own merits.

But, Mr. President, is there not some way that we could lay down a few ground rules in this matter? Is there not some way in which we can have some consistency and some agreement among the officials who control the destiny of this Nation?

The Secretary of State tells us that unless we restore the House cuts, we will "breach gravely the front line of our defense of peacc and freedom in the world."

I do not want to breach the front-line defense of peace and freedom. But neither do I want my hair curled by Secretary Humphrey's depression.

Mr. President, the American people are giving us a clear and firm mandate to cut the administration's budget. Anyone who doubts that statement can have his doubts resolved quickly by traveling through his home State.

The people were led to believe that their desire for economy had the backing of the administration—or at least its highest official fiscal officers. Now they find that each individual official wants the economy somewhere else.

We are all familiar with the story of the gambler who refused to discriminate between a crooked and an honest game. It was all right with him if the dealer took his cards off the bottom of the deck, the top, or out of the middle.

He just wanted to know the rules of the game.

Mr. President, I am not a gambling man but, like the gambler, I would like to know the rules.

Does the administration deal off the top of the deck when it tells Congress to cut the budget? And then does somebody deal off the bottom of the deck when they come along and tell the Senate that we cannot cut the individual appropriation bills?

And then is somebody dealing out of the middle of the deck when one of the Nation's most distinguished newspaper correspondents anticipates the Secretary of State's testimony in articles 2 days in advance of his appearance?

Mr. President, I know of only one way to deal. That is right off the top of the deck.

I am going to listen to the testimony. I am going to vote my convictions. And those convictions include a refusal to grant one cent that cannot be clearly justified in the interest of our Nation's peace and prosperity.

There is no intention on my part of being impressed by assertions that a cut jeopardizes the Nation's security—unless these assertions can be proved. Neither will I be stampeded by appeals to make unwise cuts.

Mr. GORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend from Tennessee.

Mr. GORE. I should like to offer for the consideration of the distinguished Senator and his subcommittee an experience which I, along with several other Members of the Senate, had last fall. In November, as a member of the Interparliamentary Union, I was on Formosa, along with other Senators, some of whom are now in the Senate Chamber, and several Representatives, who were delegates to the Interparliamentary Union. We had a conference with Ambassador Rankin in Taipeh. Prior to the conference with Ambassador Rankin, I had observed a large number of United States Government automobiles and also United States citizens on Formosa, so during the briefing and conference I inquired of Ambassador Rankin how many United States Government personnel there were on the island of Formosa.

I was astounded, and I think some of my colleagues were astounded, by the answer, which was that there were more than 4,000.

Mr. JOHNSON of Texas. Is the Senator speaking of United States employed personnel?

Mr. GORE. Yes. I then proceeded to ask the Ambassador if he thought it would be possible for him to do an adequate job of representation of the United States Government and its interests with fewer personnel than that. I was again astounded by a frank answer. He said, "Senator, I must give you a frank answer. I think I could do the job with half as many."

I submit that answer for the consideration of the Senator. I had intended to request the opportunity to appear before his subcommittee and relate the incident referred to, but I am happy to present it in this fashion.

Mr. JOHNSON of Texas. I appreciate the Senator's observation.

I would doubt that the Senator means that Ambassador Rankin has any such number of employees under his jurisdiction, but the question of the actual number of employees under his jurisdiction, and who may be included in the State-Justice appropriation bill, will certainly be scrutinized thoroughly.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. JOHNSON of Texas. I yield.

Mr. GORE. I did not mean to indicate that all of the 4,000 were Department of State personnel.

Mr. JOHNSON of Texas. I understand.

Mr. GORE. Most of them were undoubtedly personnel belonging to CIA and other departments and agencies of the Government. I inquired as to the number of employees of the United States Government on the island of Formosa.

Mr. JOHNSON of Texas. Mr. President, I wish briefly to conclude.

I have not predicted any hair-curling depression, nor have I forecast a breach in the front of freedom. I am trying to do a prudent job in the interest of our people; and that prudent job includes consideration of the need for economy.

It is evident that Congress will follow Mr. Humphrey's advice and seek some material savings. However, the problem is difficult, and it is made more difficult by the lack of communication between the right and the left hands of the executive branch. This was illustrated by the testimony given yesterday before the Senate appropriations subcommittee. In order that every Senator may have the opportunity to read this testimony now, I ask unanimous consent that my statement to Secretary Dulles and the Secretary's statement to the committee be printed at this point in the RECORD as a part of my remarks.

There being no objection, the statements were ordered to be printed in the RECORD, as follows:

STATEMENT BY CHAIRMAN LYNDON B. JOHNSON BEFORE SENATE APPROPRIATIONS SUBCOMMITTEE HEARING TESTIMONY ON STATE AND JUSTICE, JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL-APRIL 30, 1957

Mr. Secretary, it is a great pleasure to have you before this subcommittee of the Senate Appropriations Committee today. There are a number of questions which the members desire to address to you.

There appears to be some confusion as to the circumstances under which you are appearing. Up until yesterday, the subcommittee members understood that you would testify under a voluntary arrangement which was made on April 4.

But we were informed yesterday—by the President's press secretary through the New York Times—that you were directed by the President to testify today. This statement came as something of a surprise.

It will be noted that the secretary's appearance before the subcommittee has been changed as to the hour and the date. But the fact that he would testify was established 26 days ago.

We are approaching this hearing under circumstances in which we are receiving conflicting advice. The distinguished correspondent of the New York Times, Mr. James Reston, has written articles yesterday and today which I imagine, Mr. Secretary, will anticipate a considerable part of your testimony.

I ask unanimous consent that these articles be inserted in the record.

The distinguished chief of the Scripps-Howard Bureau, Mr. Walker Stone, has written a series of articles tending to demonstrate that there should be heavy cuts in USIA funds. I ask unanimous consent to insert in the record at this point one of those articles.

Another distinguished Scripps-Howard correspondent, Marshall McNeil, has outlined the problems before this subcommittee and indicated a belief that this is a good time for cuts. I ask unanimous consent that two of his articles be inserted in the RECORD.

Mr. Secretary, I do not know whether you are aware of the fact but this is your fourth anniversary—both as to the day and the hour. It was on April 30, 1953, at 2 p. m., that you appeared before this committee to explain your first budget.

Your predecessor, the Honorable Dean Acheson, had requested $151,148,590 to run the State Department for fiscal 1954. You reviewed these figures and then appeared before this committee on April 30, 1953, to request that the figures be lowered to $130,524,337.

After hearing all the facts and figures, the Republican 83d Congress decided that $107,886,676 was sufficient. The cuts voted by the Republican-led House of Representatives at first were even deeper and included a 23-percent slash in personnel—23 percent lower than your own figures.

You were questioned by this committee as to the effects of the 23-percent cut. You said that it was something that you could live with if you had time. Your qualification was that the economy moves might be made too rapidly.

Your testimony during the course of that hearing was most interesting and I believe that your thoughts had a great effect upon the American people.

You agreed absolutely with a statement that a decrease in personnel in many areas should result in more efficient operation. You said you sought to restrict the Department in size and concentrate on making high level policy.

Now—4 years, almost to the second, later—you appear before this committee and ask for an appropriation $76,000,000 greater than your predecessor, Dean Acheson. It is $97,000,000 more than you thought adequate in that year.

As I recall, Mr. Acheson had some problems on his hands. At the time he made his request, the war in Korea was still running full blast. The crisis in Southeast Asia was in the making. Formosa was a trouble spot.

Mr. Secretary, this is a responsible committee. We intend to listen to all the facts that are available before we come to a conclusion. But I would be less than frank if I did not tell you that there are many things we—and the American people—fail to understand.

Your predecessor was heavily criticized on the grounds that he had expanded State Department personnel beyond reasonable limits. You yourself set frugality and trimming the budget as one of your major goals.

This year, you are asking for nearly $44,000,000 more for fiscal 1958 than you are spending at the present time—a 24 percent increase. In order to simplify the question, I am eliminating the building funds.

These figures do not include the United States Information Agency or mutual security funds. Both will be considered in separate categories.

I understand that you do not have direct responsibility for those categories.

Mr. Secretary, it is not difficult to sum up the situation which we face. It is not prejudging the matter to point out that the American people are demanding a clear justification for every cent appropriated by our Government.

The Secretary of the Treasury has spurred on this demand by saying that the alternative to budget cuts is a hair-curling depression. The President has—at one point—issued us an open invitation to find places where cuts can be made.

Under Secretary of the Treasury W. Randolph Burgess has said that cutting the budget from $2 to $3 billion "would be a sound thing to do." This, of course, is perfectly in line with President Eisenhower's 1952 campaign pledge in St. Louis, Mo., for a businessman's administration "which knows how to practice the wiser spending of less of the people's money."

Four years ago, you yourself pointed to your Department as one which should be restricted in terms of personnel.

We would now like to hear your testimony on this subject.

STATEMENT BY THE HONORABLE JOHN FOSTER DULLES, SECRETARY OF STATE, BEFORE THE SENATE APPROPRIATIONS SUBCOMMITTEE, APRIL 30, 1957

Mr. Chairman and other members of the committee, I come here to appeal with respect to $29,228,000 of $47,331,000 which the House of Representatives would cut from the $227,714,000 appropriation that the President requested to enable the State Department to conduct our foreign relations during the coming year.

The President has said that each department would publicly state whether it could absorb cuts proposed by the Congress or whether it felt such cuts would be harmful to services rendered to people by the Federal Government. We believe that $18,103,000 of the proposed cuts can be absorbed. They represent highly desirable expenditures. But certain building operations and special events can be postponed without serious harm. With respect to $29,228,000 of the proposed cuts, there would be harm to the Nation which, in the opinion of the President and myself, would be real and grievous.

Under our Constitution the President has the primary responsibility for making and carrying out the foreign policy of the United States. It is his conviction, as it is mine, that the foreign policy required to maintain peace and freedom cannot be carried out with adequate effectiveness if this $29 million cut by the House of Representatives is maintained.

Never before in history has a nation had the degree of worldwide responsibility for the maintenance of peace that is now carried by the United States. Our responsibilities are mounting almost daily. Whether or not they can be adequately discharged depends not just upon the broad principles proclaimed by America's leaders. It depends directly upon the performance of those who, in the Department of State and in 81 countries, carry on the day-by-day task of waging peace and defending freedom.

Theirs is a hard task, one that is seldom dramatic. Their devotion in representing America, their skill and training in the task of explaining our purposes and prevailing upon others to share those purposes, their everlasting dedication to the cause of peace with justice, are all vitally important to the welfare and safety of each of us. They make efforts and sacrifices in the service of our country that have no reward except a knowledge of duty well done. And the success of those efforts is the sparing to our country of the infinitely greater costs and sacrifices that would be involved if war were to occur. But their efforts will not prevail if they are inadequate in numbers and training, and if they lack essential facilities for gathering and communicating information.

If the House cuts were to stand, they would require us:

To cut our personnel by abolishing some 700 positions when expansion is needed to meet growing responsibilities and relieve excessive strains.

To cut the use of cable communications when it is peculiarly necessary that there be intimate, prompt, and full communication between the Department of State and those in the field.

To cut our allowances to field officers for informal contacts when more than ever diplomacy depends upon such contacts.

To cut the training of our officers, notably in languages, when there is more than ever need to communicate directly with those who speak other tongues.

The total effect of these cuts would be to breach gravely the front line of our defense of peace and freedom in the world. Both the President and I believe that the disparity has never been so great between the amount to be saved and the risk to be assumed.

II

Before dealing specifically with such aspects of the problem, I should like to illustrate the upward trend of our international responsibilities.

(1) The number of nations with which we have to deal is rapidly increasing. Since 1945, there are 19 new nations and the 20th (Malaya) will proclaim its independence at the beginning of our next fiscal year. Several others have had their sovereignty made more nearly complete. The membership of the United Nations has grown from 51 in 1945 to 81 at the present time.

(2) Each of these nations has, today, its own independent importance. Once, only a few missions were really important. But today virtually every nation presents challenging problems, where failure of our diplomacy in any one could have a chain reaction.

(a) We now have collective defense relations with 42 nations, and the area of collective defense may be further increased under the recent Middle East resolution.

(b) The less developed countries of Asia, now including a dozen newly independent nations, are increasingly alert and sensitive to their opportunities and responsibilities.

(c) The Soviet bloc of countries in Europe is no longer wholly sealed off. There are growing possibilities in diplomatic relations.

(3) The government which principally challenges freedom and which principally endangers the peace, that of the Soviet Union, has been rapidly enlarging its diplomatic service. Between 1953 and 1957 it has more than doubled its officially accredited governmental representatives in Western Europe, the Middle East, and the Americas. (Western Europe from 840 to 1,998; the Middle East from 454 to 836; the Americas from 360 to 554.)

(4) An indication of our mounting responsibilities is the volume of telegraph traffic. It will total about 35 million word groups in the current fiscal year, as against 21 million word groups in fiscal year 1953.

(5) Passport applications increased by 37 percent between fiscal year 1953 and fiscal year 1957, and visas issued by the Foreign Service during the same period increased by 47 percent.

(6) An entire continent, Africa, is looming larger and larger as a vital area of the future, and international communism intensively seeks to master the awakening spirit of its people.

In the face of a threat to peace and freedom which all must admit to be grave, the United States, through historical evolution, has the primary responsibility of maintaining such voluntary cohesion in the free world that its members will not one by one be taken over by international communism. That task, as delicate and difficult as it is vital, is the high task of the Department of State and the Foreign Service.

The entire appropriation which the Department of State seeks amounts to about one-third of 1 percent of the total United States budget. But we recognize that there must be economy wherever it can be achieved. Therefore, of the $47 million of cuts voted by the House, we accept $18 million. This $18 million relating to building activities and special events, although desirable, can be postponed without impairing vital interests. But the balance of the proposed reduction, $29 million, would be a false economy, not compatible with the peace and security of the United States.

Let me now take up some of the specific items.

Salaries and expenses

The Department of State is requesting $112 million for salaries and expenses. The House has cut this amount by nearly $19 million to about the 1957 figure. The House report implies that this would leave the Department and the Foreign Service in a budgetary position no worse than in fiscal year 1957. That is not the case. If the Department is to maintain in fiscal year 1958 merely its present level of operations, approximately $6,300,000 more will be required than was appropriated for 1957. This result from such factors as increases in costs of wages and rents abroad, and the necessity to pay for a full year the salaries of those employees—if they are to be retained—who did

not draw a full year's salary during 1957 because they were recruited at various times during that year.

However, it is not good enough merely to stand still at the present level. In the face of growing responsibilities, we do not have the personnel, facilities, and, in certain instances, the skills to perform with necessary effectiveness the tasks imposed upon us.

Too many people have to work overtime in the Department of State and the Foreign Service. We do not regularly keep track of overtime. But the Bureau of Far Eastern Affairs reports a grand total of 119 years of uncompensated overtime performed in Washington in the past 2½ years and in the field in the past year and one-half. This is typical. It is bad for health and efficiency. It places excessive strains upon our staff, and that is dangerous not just for them, but for the Nation.

If the action taken by the House is accepted by the Senate, the Department will suffer from handicaps such as the following:

(1) We shall have to cut, somewhere, somehow, about 700 present positions.

(2) We shall not be able to obtain the increased coverage needed in the vital areas of the Middle East and Africa.

(3) We shall not be able to keep pace with political and economic developments in the Far East, where the Chinese Communist regime daily steps up its efforts to frighten and subject those neighboring nations which are free.

(4) We shall have to cut, rather than increase, the speed and scope of communication between Washington and our overseas missions. That need was illustrated last week in relation to Jordan. Communications to our Embassy there of highest priority involved delays of upward of 24 hours because of inadequate decoding facilities. One cable received last week from our Ambassador in Jordan contained this paraphrased language: "I learn through the Ambassador of * * * who is kept informed by his Embassy in Washington, that there is a proposal for * * *."

Such dependence of our ambassadors upon foreign embassies is frequent. It is not due to our inattention but to the need to economize in terms of cable expense. There is need for more funds to spend on cables, and for additional communication facilities to meet possible emergencies. These facilities must be provided in advance of, and not after, the emergency which calls for them.

(5) We shall not be able to meet the steadily increasing need for travel of our foreign representatives for home and regional consultations.

(6) We shall not be able to meet our responsibilities for leadership by advance planning. The complaint is sometimes made that the State Department does not do sufficient advance planning. There is more than is known. Nevertheless, I recognize that there should be still more. But we cannot do more forward, and contingent planning, when our personnel is inadequate even to meet the pressing needs of day-by-day events.

(7) We shall not be able to implement the provisions of law which would provide assistance for meeting the costs of medical expenses incurred by foreign service officers on behalf of their dependents.

(8) We shall be unable to assist in the establishment and maintenance of welfare facilities at the more isolated and unhealthful hardship posts where no suitable facilities exist.

(9) We shall not be able to provide a reasonable transfer allowance to employees for certain costs which they sustain solely because they move in the interests of the United States under government orders.

(10) We shall be unable to advance our program of recruiting into the department and the Foreign Service the best products of the colleges and universities. In 1956, there were 12,500 qualified applicants for entry into the foreign service. This compares with about 1500 a few years ago. It is immensely important that highly qualified young men and women pick the foreign service as a career. But this enthusiasm cannot be sustained if we have to close down on accepting and training new recruits.

The preceding recital is inadequate in that it deals largely with specific problems in specific areas. Much of the impact of the budget cut for salaries and expenses would not be subject to such measurements. Its impact will permeate the entire department from top to bottom, and the foreign service in every corner of the world. It will, I fear, depress the high morale of the personnel of the department and the foreign service.

These men and women for the most part are inspired by a sense of patriotism. They work not for themselves but for their country. During recent years, as I have visited upward of 40 countries, I have made it a point to meet and talk with our mission staffs. On each such occasion I have assured them that the President, the Congress and the Nation respected and appreciated their efforts for peace and freedom in the world. It is my plea that the vote of the House be not the final verdict of the Congress.

Foreign Service Institute and training for foreign service

We seek approximately $5 million or 2½ percent of the State Department's total budget for the Foreign Service Institute and our training program. Of this, about $3 million goes to paying the salaries and expenses of the trainees, and about $2 million is actual training costs.

Practically all the increase requested for actual training costs, an increase of $650,000 is to provide training in one of the so-called world languages. Today fully one-half of our officers do not have useful knowledge of French, Spanish, or German. Approximately 70 percent of the new officers entering the service do not have a useful knowledge and facility in any foreign language.

A few years ago it was found necessary to relax the language requirements for entry into the service because, generally speaking, our high school and college educational system does not produce students able to speak foreign languages. But this makes it the more imperative that we ourselves provide language facilities for those who elect to enter the foreign service.

The usefulness of officers without language skills is limited, particularly at the lower level. It is imperative that this situation be remedied.

Representation appropriation

I turn now to the matter of the representation appropriation. The department is requesting $1,200,000 for fiscal year 1958. The House has cut this request in effect to $672,800. I wonder how many recall that a decade ago, in 1947, the Congress allowed $800,000 for this item. In terms of comparative purchasing power the retrogression is even greater than the dollar figures indicate. The value of the representation dollar has declined by at least 25 percent since 1947. And there will be at least 11 more missions in 1958 than in 1947.

The debate in the House on this item gave rise to some levity. It is, I submit, no laughing matter. To an increasing degree diplomacy is conducted outside of the office, and outside of office hours. This involves receiving and returning social invitations, participating in local activities, and the like.

Today, officers without private means cannot do this adequately; and even if they do have private means, they should not have to meet these costs out of their own pockets.

I recently noted the following statement in A Century of American Diplomacy, written by my grandfather, John W. Foster, over 50 years ago:

"It may be said to the credit of the Congress (in 1782), that * * * it made liberal allowances to its diplomatic representatives abroad, considering the poverty of its treasury and the large demands upon it for the conduct of the war. The annual allowances to Dr. Franklin and Messrs. Adams and Jay were over $11,000 each—a more liberal sum than is granted to our representatives at those capitals today, if the relative cost of living is taken into consideration."

International contingencies

The House has cut our request for the international contingencies appropriation from $2.5 million to $1.5 million. This is the fund out of which the United States pays the cost of its participation in all international conferences. In the nature of the case the precise timing and duration of these conferences cannot be foreseen because they depend upon circumstances in part beyond the control of the United States. Nevertheless we do know with approximate certainty the number and character of conferences which will be held in the current fiscal year, and these alone according to our estimate will require $2,185,000 of the $2,500,000 for which we have asked, leaving only $315,000 to take care of the unforeseen emergencies which experience indicates will arise. The amount allowed by the House action is the same as that available to us for this fiscal year. This we have found to be sadly deficient, as proved by our supplemental request now pending for $450,000.

International Educational Exchange

The Department requested $30 million for the international educational exchange appropriation for 1958. This, together with local currencies growing out of Public Law 480 would have permitted an overall program of approximately $35 million. The House approved an appropriation of $17,575,000 and suggested that with local currencies this would permit a program equivalent to this year's program, which was already below the level for which we had hoped. While this is true as an overall generalization, this cut would, in practice, not permit the operation of a program similar to this year's because foreign currencies can be used in only 33 countries and dependent areas. The programs in the other 54 countries and dependent areas that depend entirely on dollars would have to be cut on an average 35 percent below the present level and 65 percent below the planned level.

International communism shows, in at least one respect, a wisdom which the democracies often seem to lack. They pay much attention to long-range programs. They think not just in terms of the immediate morrow, but also of results obtainable in a coming generation. They pay great attention to opinion-forming persons and particularly to those who teach and train the youth.

The Department's educational exchange program does not begin in its scope or cost to match the comparable programs of International communism. It does represent an indispensable minimum effort to insure a better understanding over the years ahead as between the free nations. This program is a vital one in laying a dependable foundation for the interdependence upon which an enduring peace depends.

Miscellaneous

I shall not, in this oral statement, make specific reference to other actions taken by the House with respect, for example, to the appropriation for missions to international organizations and the several international commissions. Others will discuss these and two other items of particular interest to the State Department in the President's special international program, namely, the cultural and sports presentation item and the Brussels Exhibition appropriation. I should like to make it clear, however, that in all of these I feel that it is necessary for the Senate to restore the House cuts.

I also urge that the Congress continue to give the Department the degree of flexibility which it has heretofore had in expending the funds appropriated to us. This is particularly pertinent in the salaries and expenses appropriation. Our budget processes require that we prepare our estimates from 6 to 18 months in advance of our expenditures. It is impossible for us to forecast accurately world developments to an extent that would permit us to pin-point so far ahead what our precise needs are. It is necessary, therefore, that we have reasonable flexibility in the matter of shifting funds, for example, originally intended for personnel to equipment items, and vice versa.

In conclusion, let me say this:

The world is constantly becoming more complex. Also, the danger which could result from matters going wrong is becoming infinitely great; indeed it surpasses human comprehension. It is concurrent with the development of this nuclear age that the United States must carry an increasing share of the responsibility for peace.

Each of the members of this Subcommittee is, I know, aware of the international problems that we face and the difficulty of dealing with them. I am confident that you will agree that no investment that the people make in their Government pays so high a return as the modest investment required to maintain an adequate and efficient State Department and Foreign Service. That is the best guaranty that our people will, in the words of our Constitution, enjoy in peace the blessings of liberty.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Montana.

Mr. MANSFIELD. I should like to ask the majority leader a question. Whose responsibility is it to draw up the budget?

Mr. JOHNSON of Texas. That is a responsibility which Congress has vested in the Executive. The executive department has within it a Director of the Bureau of the Budget, appointed by the President of the United States and attached to the Executive Office of the President. It is my information that that Bureau has on its payroll some 500 persons, and that they spent a year formulating the President's budget. The budget contains some 1,125 pages. It is twice as big as the Sears, Roebuck catalog; although it does not have a picture in it. It cost the taxpayers $4 million to prepare it.

Mr. MANSFIELD. Mr. President, will the Senator further yield?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Is it true that the Secretary of the Treasury, Mr. George Humphrey, stated that if the budget were not cut, it would make our hair curl?

Mr. JOHNSON of Texas. I think he indicated that unless we could effect economies and make a reduction in the budget, we would be confronted with a hair-curling depression.

I believe further that his Under Secretary Mr. Burgess, in response to questions from the able Senator from Oklahoma [Mr. KERR]—although I do not imply that the Senator from Oklahoma shared all the views of the Under Secretary—replied that he thought it would be "sound" to make at least a $2 billion or $3 billion cut. Is that correct?

Mr. KERR. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KERR. The Senator's statement is correct. The statement referred to was made in conjunction with some questioning by the Senator from Oklahoma, who is a member of the Finance Committee, when the Secretary of the Treasury was before that committee, with respect to the cost of carrying the national debt.

The Senator from Oklahoma was greatly interested in the observation and statement of the Under Secretary that a cut was not only desirable and sound, but entirely possible. He stated that it would be entirely possible for the budget, as submitted by the President to the Congress, to be reduced by a minimum of $2 billion or $3 billion.

He also made it plain, and acknowledged, that the cost of carrying that part of the Feneral debt which had been refinanced by the present administration was $1,200,000,000 a year more than the cost of carrying the same amount of debt under the previous administration.

He also stated that, as the remainder of the public debt was refinanced—as it must necessarily be, as the outstanding obligations come due—if the same increase in interest rates were made with respect to the new obligations, whereby the present outstanding debt would be refunded, in the end the increase in the carrying charge on the public debt would amount to approximately $4 billion a year. That is to say, the people would have to pay $4 billion a year more in interest on the public debt than they were paying when the present administration took office.

The Senator from Oklahoma thought that if the President's budget could be reduced between $2 billion and $3 billion—and the Senator from Oklahoma thinks it can—had it not been for the increase in the annual cost of carrying the public debt of $1,200,000,000 a year over and above what the cost had been in the previous administration, the saving could have been between $3 billion and $4 billion, instead of between $2 billion and $3 billion.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I shall be glad to yield in just a moment.

Mr. President, I am not complaining, but I do want the country to understand the situation which confronts Congress. We have before us a budget which has taken a year to prepare. It is 1,125 pages in length. Five hundred persons have worked on it. Four million dollars has been spent to prepare it.

It came to the Congress on January 17. First the House had to consider it. Then it went to the Senate. We have fewer than 25 employees to review the work of the 500 employees in the Budget Bureau, and we have 15 appropriation bills to consider.

We made an arrangement with the Secretary of State 26 days ago to appear before our committee and present the facts. We wanted to receive him with understanding and sympathy. What happened? I am amazed at the propaganda wheels of this administration. I picked up the New York Times, and I read that the President, from Augusta, had telephoned the Secretary of State and directed him to appear before this committee—the implication being that we were not going to let him appear.

The press secretary, Mr. Hagerty, did not say that the Secretary had had an appointment for 26 days. He did not say that he appears every year. He did not say that the Senate had restored funds, as recommended last year by the subcommittee of which I was chairman, and by other subcommittees in previous years.

He did not say that the committee had always tried to keep foreign policy out of politics. He stated that the President had directed the Secretary to do something which he had agreed to do 26 days before. We had a specific appointment with him at 2 o'clock on April 30.

I suppose the purpose was to bring to the attention of the American people the power of the high office of the Presidency, and the popularity of a great President, and to let the people know that he did not want the budget cut.

I am not prepared to say at this stage that he is wrong. I am prepared to say that the first session of the 83d Congress, under the leadership of my friends who are today in the minority in the legislative branch, after hearing all the evidence of the present Secretary of State, appropriated $108 million for the Department of State.

It was 4 years ago, almost exactly to the minute, that the Secretary of State appeared before the subcommittee. It was his anniversary. We welcomed him. We welcomed him with open arms, Mr. President. We wanted to receive whatever information he had and to consider his justifications.

We remembered that we had been critcized, and that our former Secretary of State had been criticized. We had heard some of our foreign operations referred to as "globaloney."

What did Secretary Dulles bring to us? Did he bring a budget of $108 million? No. He brought a budget of $227 million.

After mature consideration, and after the House had fully considered the matter, and after every element had been reconsidered, it was decided that perhaps there was $18 million which, as the Secretary of State said, could be "absorbed." In other words, an $18 million cut could be made.

Four million dollars of it would be put into the mutual security fund and $14 million of it would be relinquished.

Perhaps that was the result of the attitude of the distinguished senior and junior Senators from Ohio.

Mr. President, the highest peacetime budget of Franklin D. Roosevelt was in effect during fiscal 1940.

That was the year when the Germans were going through the Low Countries. The budget was $9 billion. It contained funds for 900,000 employees.

The highest budget during President Truman's administration, for any peacetime year, was for fiscal 1950—10 years later. The budget jumped from $9 billion in 1940, to $39 billion in fiscal 1950.

The number of employees jumped from 900,000 to 1,900,000.

Now we have the present budget. It provides, not for 1,900,000 employees, but for 2,400,000 employees—an additional half a million employees. Not all of them, of course, were acquired under the Eisenhower administration. Some of them were acquired in fiscal 1950 and in fiscal 1952, during the Truman administration. The record should show that.

The present budget provides for 2,400,000 employees and for $71,800,000,000. That is eight times as much as the Roosevelt administration spent in its highest peacetime year.

Mr. President, I know that all of us have been spending more money than we did in 1939, and things cost considerably more. I also know that the dollar is not worth as much today as it has been worth in the past. I am aware of all those circumstances, and fairness requires that I point them out.

I am also aware that this Government operated with stature and with efficiency and that it commanded the respect of the world with 900,000 employees in its highest peacetime year during the Roosevelt administration. We now have exactly a million and a half more employees than were required then.

Like many of my colleagues on both sides of the aisle I shall apply myself to the task of scrutinizing each penny that we appropriate. I shall attempt to reduce items which I think can be reduced, and eliminate items which I think can be postponed, in the hope that Congress can still control the purse strings.

I believe Congress still has the courage and the capacity to resist the pleas of those who say out of one corner of their mouth, "You will have a hair-curling depression," and out of the other corner, "You will destroy the country's security if you do not go along with us."

I want all Senators to read the two statements I have placed in the RECORD. I invite Senators, on both sides of the aisle, to make any economy recommendations at once. Do not wait until the bills are out here in the glamor of the Senate Chamber. Do not wait until the appropriation bills have been reported and hearings have been completed and printed. Just march down to the first floor of the Capitol, where the Appropriations Committee is holding hearings daily, and give the committee the benefit of your advice.

We welcome recommendations. We seek help, and we plead with and urge every Senator to come and make suggestions.

If their constituents feel as mine do, they will be willing to see some of the items in this 1125 page budget postponed, and some even eliminated. Those items may range from guided missiles to paper clips. We will not always agree as to which items should be eliminated. However, if we dedicate ourselves to the task which Secretary Humphrey so vividly called to our attention, I have no doubt that results will be forthcoming.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. WILEY. I have listened with profit and with some amusement to the Senator from Texas. First of all, let us understand that our good friends the Democrats are in control of the committees. Action is up to them, not just talk. I am sure that we all want frugality in government. However, I should like to say that there are some facts that we must not forget. In comparison with the dollar of yesteryears, our dollar has depreciated 50 percent. We have the biggest national income in the history of America. Although we are presented with a $72 billion budget, we have today a gross national income of $338 billion. We have a gross national product of over $400 billion; and a balanced budget.

As we give further review to the budget, which is a matter of paramount concern to all of us, I should like to emphasize an economic factor which, I believe, will give us a better perspective of the budget picture.

First of all, let me say that I am for economizing wherever possible without damage to our defense and domestic economy. If we, as taxpayers, can get more for our money by streamlining operations, by eliminating unnecessary programs, by cutting unnecessary programs down to absolute essentials——

Mr. JOHNSON of Texas. I wish to interrupt the Senator at this point to commend the Senator and to welcome him to the fold. I agree with his statement that the dollar is not worth as much as it used to be. I pointed to that fact in my remarks. I am sure the Senator will wish to join with me and the Secretary of the Treasury in an attempt to cut the budget.

Mr. WILEY. On the general proposition, sir, of seeking to get a dollar's worth for every dollar invested, we can agree. On the other hand, there are some other things which I believe the Senator from Texas fails to bring to the attention of the audience in the gallery. One is, for instance, that we are facing, in this contracted world, the most serious threat that has ever confronted the life of our Nation. I am sure he does not wish to use a meat ax on appropriations which are necessary for our national defense—in this atomic and hydrogen bomb age.

Mr. JOHNSON of Texas. I yielded to the Senator from Wisconsin, and I should like to comment on the Senator's statement at this point. I do not know whether the people in the gallery heard everything I said, but obviously the Senator from Wisconsin did not. I very carefully pointed out that Secretary Dulles said yesterday, that to carry out the House reduction would endanger the peace and security of this country. I have no desire to endanger the peace and security of our country. I have not reached any conclusion as to whether the House reduction should stand.

Mr. WILEY. Then I am glad to welcome the Senator from Texas into my fold. That is the point I am making. We must be careful and not be stampeded into wrong action. I am glad we can all agree on not only the necessity of preserving this country from external violence, but also that we must think in terms of the economic health of our Nation.

There are many persons who want to abolish such benefits as social security and assistance to the aged; to do away with all internal improvements. But we in Congress simply must use our heads. We in Congress are ultimately responsible for the budget; we cannot pass the buck to the Executive. The Executive has given us the budget; it is our business now to go over that budget and consider it carefully. This we must do conscientiously, constructively, conservatively, and very carefully. We must not be penny-wise and pound-foolish. We must not become so infected by the economy fever as to blindly slash programs which are essential to the national defense and to the domestic progress.

Regrettably, the fact which is often overlooked is that the budget, which is being widely interpreted as a schedule of extraordinarily high spending, is more a result of inflation than of vastly increased expenditures, and in comparison to the national income, it is the smallest budget in years.

In the Washington Evening Star of Monday, April 29, 1957, an editorial entitled "Inflation and United States Budget," written by the distinguished columnist, David Lawrence, points up very clearly how inflation has inflated the budget. That is the point I would stress, because our letters indicate clearly that many of the persons who write to us are not familiar with what I call the changed facts of life in this changing world. I believe we could all benefit from the background facts and statistics in this excellent article; therefore, I ask unanimous consent that it be printed at this point in the RECORD.

Mr. JOHNSON of Texas. Mr. President, I have no objection to the article being printed in the RECORD provided it appears at the conclusion of my statement.

There being no objection, the article was ordered to be printed in the RECORD.

(See exhibit A.)

Mr. JOHNSON of Texas. I agree with the statement of the distinguished Senator from Wisconsin that we must be prudent. I stated most of the points to which the Senator from Wisconsin has referred.

Mr. WILEY. I am glad we agree.

Mr. JOHNSON of Texas. I do not believe in the meat-ax approach. Nothing I have suggested would indicate that I favor such an approach. I am aware of the argument made by Mr. David Lawrence. I read his article with great interest.

Mr. WILEY. And with some profit, I hope.

Mr. JOHNSON of Texas. I think so. There is no question that it costs more today to run the Government. There is no question that the dollar is not worth as much today as it was in 1939. I said so previously.

But this is a factor which the Senate must remember in dealing with the entire matter: Nine hundred thousand persons ran the Government in the fiscal year 1940, a few months before the United States entered World War II.

Mr. WILEY. What was the population of the Nation then?

Mr. JOHNSON of Texas. Two million four hundred thousand persons are running the Government now. That is a million and a half more Government employees.

I do not favor cutting the social-security benefits. I voted my convictions in that regard last year. I am not prepared to say that the budget should be cut $3 billion or $5 billion.

Mr. WILEY. I am glad to hear the Senator say that.

Mr. JOHNSON of Texas. If the Senator had heard my original statement, he would have heard me say what I have just stated.

I am prepared to say, however, that it is confusing to hear the Secretary of the Treasury state that if the budget is not cut we will have a hair-curling depression, and to have the Secretary of State say that if we cut the budget we will affect the peace and security of the country. I ask my friend from Wisconsin, Which Secretary must we follow?

Mr. WILEY. I should say that the Senator from Texas must do as he has always done—follow his conscience. There is like difference of opinion in the Democratic ranks.

Mr. JOHNSON of Texas. Following his conscience is exactly what the Senator from Texas said he proposed to do. But we receive advice from the executive department, and I express the hope that we may have some consistency in that advice.

EXHIBIT A

INFLATION AND UNITED STATES BUDGET—SURVEY SHOWS REQUESTS ACTUALLY BELOW AVERAGE OF PAST 6 YEARS

A big surprise is in store for those critics who have been glibly blaming President Eisenhower for the size of the Federal budget.

For it turns out that $41.2 billion out of the $62.7 billion by which the budget has been increased since 1940 are the result of rising costs—usually called inflation.

Another way to express it is to say that the Federal Government is today spending $41.2 billion in higher prices for the same kind of goods and services it bought in 1940 at lower prices.

Actually the Eisenhower budget in terms of a stable dollar is below the level of 4 years ago and less than the average for the last 6 years.

The economic division of the magazine U. S. News & World Report, in a copyrighted article this week, has computed what all the Federal budgets for the last 6 years would be in 1940 dollars. These economists find that instead of a $72 billion budget, numerically speaking, the Federal budget on a purchasing-power basis in the coming fiscal year would about to only $30.6 billion. This calculation was made in the customary way, familiar to statisticians, by using the Commerce Department's own published index of the prices the Government has paid over the years for the goods it has bought.

The latest budget, moreover, is lower than the last two budgets of the Truman administration, measured the same way, and lower than the one for the first full fiscal year—1954—in which the Eisenhower administration was responsible for making of the Federal budget.

Turning to the family budget of the average American—and using the Government's price index for the goods the private citizen buys—the same trend is noted. A house that used to sell for $10,000 just after World War II, sells for $14,000 today. An automobile that the family bought for $1,950 in the year 1940, now costs about $2,800. According to Government figures, the average family in 1940 spent $2,009 for food, clothing, housing, and all the things that a typical home requires. But by 1947, the outlay was $4,042, or more than double that of 1940. Looking at a comparison covering the last 10 years, it will be found that the same family is now spending $5,551, or 40 percent more than in 1947 for the same things. But in terms of 1940 dollars the spending has risen only about 4 percent—from $2,659 to $2,766 in the last decade.

The critics who have jumped on President Eisenhower for the size of the current budget have ignored the steadily rising costs that have come as a consequence of labor demands each year and the price increases all along the line that have been required to meet such rises in cost.

Bernard M. Baruch, America's elder statesman, who has had long experience with the inflation problem, made a significant speech 3 years ago on this very question. He said flatly that failure to impose controls promptly by President Roosevelt when World War II occurred, and the unwillingness of President Truman to do likewise soon enough when the Korean war broke out, have placed on the American people a burden of $140 billion of unnecessary debt—more than half of the total national debt of today.

Mr. Baruch's point is that pressures by different groups of economic and political forces which prevent the opportune ordering of controls over wages and prices is much more expensive in the long run than the inconveniences to the economic system resulting immediately from such controls. For prices and wage scales that once go up cannot be readily rolled back.

Inflation, of course, works both ways. It sends income up, too. That's why there is a big surprise when the total spending of today is related to the national income of the American people. Thus, even in 1957 dollars, the spending by the Federal Government for all nondefense items, including welfare programs, now takes only 7.5 percent of the national income, whereas in 1950 it took 10 percent. Back in 1939, the nondefense category of spending was absorbing 11 percent of the national income. Yet, the erroneous impression now is widespread that nondefense spending today is out of all proportion compared to the past.

Mr. Eisenhower has not yet gone to the people, as he may do soon, with an explanation of what really has caused us to have a $72 billion budget. When he does, he can show that inflation and postwar exploitation by economic groups are together responsible for the swollen budgets of the National Government, and the State and city governments, as well as the expanded budget of the American family.

Mr. KERR. Mr. President, will the Senator from Texas yield?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Oklahoma, who has been waiting patiently for several minutes.

Mr. KERR. The distinguished Republican columnist and propagandist, David Lawrence, has been mentioned. I have a deep affection for him. I read his column every day to learn what the newest propaganda line of the administration is.

I ask my friend from Texas if he knows a columnist who, in his judgment, has been more generously rewarded for his propagandizing than has the columnist referred to by the distinguished Senator from Wisconsin.

Mr. JOHNSON of Texas. My information in that respect is very meager. I have more columnists dealing with me now than I can handle. I should be glad to have any information which the Senator from Oklahoma has on the subject. I do not have it.

I now yield to the Senator from Wisconsin.

Mr. MARTIN of Pennsylvania. Mr. President, I should like to ask the distinguished Senator from Texas and the distinguished Senator from Wisconsin a question before the Senator yields.

Mr. JOHNSON of Texas. If the Senator from Wisconsin will indulge me, I am happy to yield to my delightful friend from Pennsylvania.

Mr. MARTIN of Pennsylvania. All of us are deeply concerned about this question, and it is worth while to have this discussion this morning. There is no question that the matter of the budget is a Congressional responsibility. The budget has been submitted to Congress.

This, however, is the question I wish to ask: It has been said that inflation has increased the cost of government. I believe there is no question that that is true. But is not the additional cost of government, and particularly the cost of borrowed money, one of the greatest reasons for inflation?

Mr. JOHNSON of Texas. Yes, I think so. I should say the cost of the money which is being borrowed now is more than the amount of the entire budget when I first came to Washington. The Government is spending more for interest on the money which is being borrowed than was spent for the entire cost of government when I first came to Washington.

I now yield to the Senator from Wisconsin for the purpose of making some insertions in the RECORD.

Mr. WILEY. I wanted to make an additional reply.

Mr. JOHNSON of Texas. Very well; the Senator merely said he wished to make some insertions.

Mr. WILEY. I desire to do both. I hope the Senator from Texas will be generous to me.

Mr. JOHNSON of Texas. Certainly, except that the Senator has a colleague on his side of the aisle who wishes to speak.

Mr. MARTIN of Pennsylvania. Mr. President, is the Senate now operating in the morning hour?

Mr. JOHNSON of Texas. Not yet.

Mr. WILEY. In 1940, I think the population of the Nation was something like 30 million less than it is today. Since then, there has been a world war with resulting aftermath costs. Today the population is 30 million greater. We now have responsibilities throughout the earth which we did not have then. Those factors also must be taken into consideration in considering the increased size of the budget together with our increased national income and production.

Mr. JOHNSON of Texas. Mr. President, the majority leader is aware of the increased population. I do not know whether there has been a 30-million increase, but I will accept the figures of the Senator from Wisconsin.

Mr. WILEY. It is approximately 30 million.

Mr. JOHNSON of Texas. What I am aware of is that the budget is eight times

the size of the budget of fiscal 1940. It is conceivable that circumstances will require this Government to spend more money before the fiscal year has ended than has been budgeted. We cannot foresee all contingencies. But what I am saying is that all Senators are welcome to come before the Appropriations Committee while the hearings take place and make any suggestions they wish to make as to how economies can be effected. I hope and trust that they will do so. Meanwhile, I hope the executive agencies will reach some agreement on policy.

I yield now to the distinguished chairman of the minority conference, my friend, the senior Senator from Massachusetts [Mr. SALTONSTALL].

Mr. SALTONSTALL. I thank the majority leader.

Mr. President, I wish to say that yesterday I was present with the majority leader when Mr. Dulles testified. I heard him make his preliminary statement to the effect that he was not going to make up his mind in advance. I agree with him entirely.

On Monday last, I tried to express myself on this general subject, in perhaps a rather theoretical discussion. I regarded it as a very important discussion, because it related to the way in which we have to work.

I am sure the majority leader agrees with me that we do not wish to do anything which will adversely affect our national security. He has said so. I am sure he will also agree with me when I say that we do not wish to do anything which will adversely affect our world leadership of the free nations.

Of course the domestic policy of the United States is for the Congress to decide; it must decide how far and how fast we shall go and where we shall stop.

Mr. JOHNSON of Texas. And the policy regarding external affairs is also one to be established by the Congress.

Mr. SALTONSTALL. Yes, in the case of external affairs, provided Congress does not jeopardize the diplomatic position of the United States.

Mr. JOHNSON of Texas. The Senator from Massachusetts knows that the Senator from Texas has urged his colleagues to vote to strengthen that field.

Mr. SALTONSTALL. Yes.

In his very able letter to Speaker RAYBURN, the President has suggested cuts of one-billion-eight-hundred - odd - million dollars. Personally, I believe that somewhat further cuts can be made. Personally, I believe that probable cuts of between $2,500,000,000 and $3 billion can be made in the budget as suggested.

Mr. JOHNSON of Texas. Mr. President, at this point I should like to interrupt the Senator from Massachusetts. The statement he has just made is one of the most heartening I have heard. The distinguished former minority whip, and the present chairman of the minority conference, expresses the opinion, out of a wealth of experience on the Appropriations Committee, that the Eisenhower budget can be trimmed between $2,500,000,000 and $3 billion. Every Member of the Senate should take note of that statement by the Senator from Massachusetts, who has served for many years on the Appropriations Committee. Will the Senator from Massachusetts state just how long he has been a member of the committee?

Mr. SALTONSTALL. For approximately 10 years.

Mr. JOHNSON of Texas. The Senator from Massachusetts has been a member of the Appropriations Committee for more than 10 years. The distinguished Senator also served as chairman of the Armed Services Committee. Preceding his service in Congress, he served as Governor of his State, and he was a very able executive. He is not one who makes statements out of the blue. He considers what he has to say. When he says this budget can be cut between $2,500,000,000 and $3 billion, I wish to state that I hope he will help show us just where the cuts can be made.

Mr. SALTONSTALL. I certainly will. I make my statement on the basis that the President himself has pointed out where the budget can be cut $1,800,000,000; and I think he and the majority leader and I and others can show where further economies can be made.

When we compare the present situation with that in 1940; and compare the number of the Government employees at this time with the number of employees in 1940; and compare present costs with the costs in 1940, and when we reflect that we are now engaged in a cold war, and when we consider the fact that more than 8,500,000 of our people are under arms and that in the Defense Establishment we have more than half a million civilian employees—just exactly how many, I cannot state accurately at this time—we realize that all that has been built up since the end of World War II and since the end of the Korean war. That is part of our security.

As the Senator from Texas knows, the cost of armaments has risen very greatly. In that connection, let me cite one example, one which is very clear to me: The great Norden bombsight, which was used on our B–29 bombers during World War II, cost $6,250. The bombsight now in use on B–52's costs $250,000.

Mr. President, I am glad the majority leader has not made up his mind about the possible cuts. I have not made up my mind about the possible cuts. I believe we should do our utmost to go through these budgets with the greatest of care. Ours is the final decision. We wish to be realistic, and we wish to have the Senate make realistic cuts, cuts which will not have to be restored later because of a failure to carry out contract obligations.

Some of the cuts which have been suggested to us are in the latter category, in my humble judgment. Such cuts must be restored, and cuts must be made elsewhere, at places where we believe cuts can properly be made—cuts which will be realistic, and which will not affect adversely our security or our world leadership.

Mr. JOHNSON of Texas. Mr. President, my friend, the Senator from Massachusetts [Mr. SALTONSTALL], is a very realistic and sincere person. I hope he will be able to help those of us on the majority side by making suggestions as to where the cuts can most properly be made.

The illustration he has given in the case of the increased cost of bombsights, relates to a matter of which the Senator from Texas is very well aware. Certainly we cannot return to the prices of 1949 or 1950.

For some time the Senator from Texas has been deeply disturbed about the contracts let by all the services within the Defense Department. He thinks that if the contractors were as cost-conscious when they are building a Government project as they are when they are handling their own personal fiscal affairs, millions of dollars could be squeezed out of the contracts which are performed for the military establishments.

As the Senator from Massachusetts knows, we have attempted to study some of those matters. But we who serve in the legislative branch have great difficulty in turning ourselves into a General Accounting Office or a contract-letting agency.

Only the night before last I talked with a very able Member of the House of Representatives, my colleague from Texas, Representative PAUL J. KILDAY. For many years he has been a member of the Armed Services Committee of the House of Representatives.

Mr. SALTONSTALL. And he is a very able gentleman.

Mr. JOHNSON of Texas. The Senator from Massachusetts knows him, and knows that he never operates in a partisan atmosphere.

Representative KILDAY said to me, "I have considered this Defense budget, which represents more than half of the recommended expenditures; and I have come to the conclusion that, regardless of how active our Appropriations Committees or our Armed Services Committees or our investigating committees may be, we on the Hill cannot control and supervise the execution of each of these contracts and of each dollar spent."

I hope the Senator from Massachusetts will follow closely what I have to say at this point, because Representative KILDAY was speaking in complimentary terms of the Senator's party.

He said, "I think it was originally a Republican suggestion, advanced perhaps by a Member of the Senate, that we give to each service—the Army, the Navy, the Air Force, the Marines—the money requested in the budget, and give to the Defense Department the money requested by the Commander in Chief, and then add a proviso to the effect that—

Provided, however, That each Secretary, in consultation with his Chief of Staff, shall set up a system of expenditure priorities, which will result in a net saving of 5 percent—

"Or 10 percent, or some such figure."

Representative KILDAY said to me, "I am convinced that any cut we make will subject us to criticism on the ground that we have adversely affected security; that we have pitted our judgment against that of the admiral or the general concerned."

The Senator from Massachusetts knows, as does the Senator from Texas, that our constituents want the services to get along with fewer mess boys, and with

fewer assistants in the administrative field, and with fewer redtape artists. But our constituents want us to provide for every bit of fighting strength that our leaders think we need. Of course, it is difficult for us to determine where the one begins and where the other ends.

Perhaps the Appropriations Committee should seriously consider—when it deals with the appropriation bill for the Department of Defense—giving to the President and to the Secretaries what they have requested, and then stating, "We direct you, as a part of the fiscal policy of the United States, for which we have a responsibility, to set up a system of priorities which will result in a saving or an economizing of a specific percentage"—perhaps 5 percent or 10 percent. That plan was suggested to me by Representative KILDAY, and I recall voting on such an amendment offered by Senator Ferguson, of Michigan.

I should like to have my friend's comments on that suggestion.

Mr. SALTONSTALL. I would say to the majority leader that subject has been discussed, as he knows, and as I know. I think the difficulty with it comes from several factors. One is that Congress did not want to grant a blanket approval of reductions wherever the department wanted them made. Secondly, there was a question whether the Appropriations Committee could do it without a change in the law. Third, the suggestion has been made to put into effect a provision whereby a 5-percent cut could be made, but not more than 10 percent in any 1 item.

Mr. JOHNSON of Texas. I did not remember how the Senator voted on the first proposal.

Mr. SALTONSTALL. I myself cannot remember.

I think the question has come up that one of the difficulties is that Congress would not be living up to its full responsibilities in following that course.

Mr. JOHNSON of Texas. Perhaps we could follow the procedure we followed in the Mideast resolution, whereby proposals would be communicated to the Congress for its information—not for its agreement, but for its information.

Mr. SALTONSTALL. That is now done in our procurement program as to all real-estate matters.

Mr. JOHNSON of Texas. And in the Mideast matter, the Senator from Texas offered such an amendment, and reports are now being made with respect to the Mideast.

Mr. SALTONSTALL. That was a very helpful amendment.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Kentucky.

Mr. COOPER. First I should like to say that I appreciate very much the spirit of the remarks of the distinguished majority leader, and I agree with many of the constructive suggestions he has made.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. COOPER. All of us will always say waste should be eliminated and some reductions could be made. Nevertheless, I would also say perhaps it would be much more appropriate for our leaders on this side of the Senate to make appropriate suggestions——

Mr. JOHNSON of Texas. Which side is the Senator talking about—both sides?

Mr. COOPER. This side.

Mr. JOHNSON of Texas. The Senator is talking about his side.

Mr. COOPER. Men with much more information and experience with respect to appropriations could speak better than I could on this subject. I simply rise to say that while all of us will agree on the necessity for eliminating any waste that can be eliminated, in order to reduce expenditures, I think all of us also know this issue is being used, among other things, to attack some of the aims of the Eisenhower administration, and also to attack him personally.

Mr. JOHNSON of Texas. The Senator from Texas disclaims any responsibility in that regard. That is not his purpose.

Mr. COOPER. I will agree with that. I do not ascribe that purpose to the distinguished Senator in any way, and I think he knows that.

Mr. JOHNSON of Texas. I thank my friend for his fairness.

Mr. COOPER. But I think throughout the country there are private groups who are using the issue for that purpose. So I think the time has come when some in this body who believe in some of the aims of the President should attempt to place the budget in proper perspective.

With great deference to my friend, I think he will agree with me that the budget of 1939 cannot be compared in any way with the present budget, or even with the budget of 2, 3, or 4 years ago, or 6 years ago. My distinguished colleague from Wisconsin pointed out to him several factors which make that apparent. One factor, of course, is the depreciated value of the dollar. Another is the great cost of the debt which accrued during the war. A third is the cost of the great social program which the party of the distinguished majority leader initiated, and which he would not wish to withdraw.

I was not in Congress at the time, but was in my own small town far away, and was not in a position to have intimate knowledge of the facts. However, many of us thought that if more money had been spent on defense before World War II, we might have been in a better position.

The Senator from Texas has compared the present budget with the budget of President Truman. Again, the Senator will remember that the defense budget of the Truman years has been brought into question. Many persons have thought that if a proper amount had been spent on defense in the years following World War II, we might have avoided some of the casualties of the Korean war, and might be in a better position today. Those are matters for speculation, but they are questions which should be considered.

Also, during the administration of President Truman, other social programs were begun, for which Congress now has to appropriate money. I do not believe the party on the other side of the aisle wants to defeat or renounce those programs.

Mr. JOHNSON of Texas. There is nothing in the statement of the Senator from Texas that would indicate he desires to renounce or repeal any of those programs. The Senator from Texas has made it abundantly clear, and he wants to emphasize it now, that no one is more aware than the Senator from Texas, that we cannot go back to the fiscal 1950 or the fiscal 1940 budget. The Senator from Texas did point out a fact with which the Senate should reckon. It is that in the present State Department appropriation request there is a provision for 1,800 new employees—not for the administration of the first 4 years of the Eisenhower crusade, not for the Franklin D. Roosevelt spending administration, but for this administration.

The Secretary himself and some of his associates were critical of the $151 million requested by the preceding administration and reduced the request to $130 million. Under the leadership of the Senator's party in the Congress and in the executive, it was stated that $103 million was adequate. The Secretary said he could live with even deeper cuts if given time; that he could reduce the number of employees in the interest of efficiency. I had the record of that hearing declassified, so that anyone who desires can read it.

What has happened? Our responsibilities have grown, surely. Our problems have increased, I must admit. Our dangers are not more remote. But the fact is we have before us, not the budget of Dean Acheson, not the $103 million budget on which the Secretary said he could operate his department the first year of the Eisenhower administration, but a request for more than twice that amount. If we eliminate the amount for buildings for the State Department last year, the request was $179 million. The request this year is $223 million—again eliminating the buildings. That is an increase of $44 million, from $179 million to $223 million. Then we hear that the Senator from Tennessee was told by an Ambassador representing this country that there are 4,000 employees in one place, and he could operate efficiently with 50 percent of that number. It sounds like the testimony of the Secretary 4 years ago. Perhaps he needs those 1,800 employees. If he does, the Senator from Texas will vote for them. But the need must be clearly and unmistakably demonstrated. That is all I am saying. The Senator from Texas is not repealing any program. He is pointing out that the services have increased, that the needs of Government have increased, that today we have 2,400,000 working for the Federal Government, if this budget is approved, compared to 900,000 in fiscal 1940.

If the Senator will read the debates of the former period, he will find that some of the most illustrious Members of his party were seriously critical of the Executive at that time for having 900,000 people on the Government rolls.

We are going to pass upon the requests as they arise. I hope the Senator will read the Secretary's testimony.

The Senator has rendered distinguished service as an Ambassador. He knows of the needs of the State Department. I welcome his advice. I appreciate his social consciousness. Furthermore, I am grateful to him when he votes with us, occasionally.

Mr. COOPER. I wish to say to the Senator from Texas that I do not care to have him place me in the position of answering specifically the question of the State Department appropriation request. I was trying to discuss some of the general terms of the budget situation, and also was attempting to place the present budget request in some better perspective.

While it does not directly relate to the size of the budget, it still is a fact which ought to be remembered that the first year of the Eisenhower administration saw the start of the effort to bring the budget into balance. As large as the budget is, it is in balance. I believe if the next budget follows in the same direction, it will be the third balanced budget in a row.

Secondly, the money which pays for the demands of any budget that is adopted by the Congress will be obtained at a lower tax rate than was previously the rate, at the time when the Eisenhower administration came into power.

I think those facts have to be recognized and remembered by the people of this country. I am not attempting today to comment upon any specific issues in the budget. I simply wish to say that somebody—and I believe particularly in our own party—ought to begin to place in perspective some of the facts of the budget and the fiscal situation in this country, even if it must be a comparison with previous administrations.

Mr. JOHNSON of Texas. Mr. President, I would not disagree with the Senator on that point. I am always reluctant to offer counsel to his party.

Mr. COOPER. May I say, sir, I think perhaps one of the great results of this particular debate is that it has brought to your party, sir, a real appreciation of the necessity for fiscal stability in this country.

Mr. JOHNSON of Texas. I hope my friend will consider the main point of my discussion and the confusion that is presented to the Appropriations Committee. On the one hand, the Secretary of State is saying that if we cut this budget we will—and I quote, asking for my friend's attention—"breach gravely the frontline of our defense of peace and freedom in the world."

That is a statement which must not be ignored. That is a warning from the ranking Cabinet officer. That is an alarm sounded by the person responsible for our diplomatic service and our foreign relations throughout the world.

On the other hand, we have to consider the position of the highest fiscal officer in the Government. The Senator invites me to urge members of my party to follow a stable fiscal course. The highest fiscal authority of the Senator's party, Secretary Humphrey, a very able businessman—and I believe him to be an extremely able businessman—says that if we do not cut the budget, we will have a depression that will curl our hair.

I say to my friend from Kentucky, I do not wish to breach the frontline of defense, but I do not wish to have Secretary Humphrey curl my hair, either.

I am hopeful that we can find a course which will result in sufficient economies and avoid the Humphrey hair curling, while not endangering the peace and security of the land we all love so much. In that hope I believe I would be joined by my patriotic friend from Kentucky.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Kentucky.

Mr. COOPER. The Senator and I are agreed upon the general objectives he has stated. I do wish to point out that I think there are movements and groups in this country who do not use the present situation for the same purposes which actuate the distinguished Senator.

Mr. JOHNSON of Texas. The Senator can be responsible for the folks on his side of the aisle, and I will do what I can to persuade Senators on my side of the aisle. I hope none of them are using it for anything other than the good of the Nation.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Mr. President, I think this discussion has been most helpful to our Nation.

Mr. JOHNSON of Texas. I thank my friend.

Mr. MARTIN of Pennsylvania. I do wish to point out to my colleague that in the cutting of the budget it may be possible that individual Senators will find it necessary to make concessions, because there are certain things we would like to have in our own communities.

If the Senator will indulge me, I think Secretary Humphrey had in mind that we ought to apply business principles to Government, just as we apply them to business enterprises. When there are too large expenditures in business the profits decrease, and there is a great deal of criticism of the operation of a certain corporation, let us say. I feel that in some way that is what the Secretary of the Treasury had in mind. I have great admiration for the Secretary's ability and the patriotic contribution he is making now to the stability of America.

Mr. JOHNSON of Texas. Mr. President, I appreciate the enlightening discussion of my friend, the Senator from Pennsylvania. He is one of the fiscal experts in this body. I am glad to have his evaluation of the distinguished Secretary of the Treasury, for whose ability I also have a very high regard.

I observe that it is the Senator's view that the Secretary of the Treasury was attempting to apply business principles to Government, the same as they are applied to free enterprise.

Mr. President, government is quite different from free enterprise, but I tried this morning an approach which led to a little amusing incident. I believe it will at least entertain my friend. I tried to get some folks to apply business principles to the Congress which they apply to the executive, and they would not do it.

Here is the illustration. We had a former colleague appear before us, the United States representative to the United Nations, Henry Cabot Lodge. He told us about the automobiles he had been able to cut out of his budget, and he pointed out that he did not have to buy them, but that he leased some automobiles. I was aware of this lease arrangement, because I understood the Cabinet followed the practice, and the White House followed it. Under this arrangement General Motors will not only furnish a new car to the President, Vice President and Cabinet officers, but now will also furnish them to ambassadors. That lease arrangement calls for the payment of $500 a year. The individual to whom such a car is leased furnishes the gasoline and oil, but as I understand, General Motors takes care of maintenance and repairs, the cost of tires and other expenses.

The officials I have mentioned can get a new car for $500 a year. The Speaker of the House of Representatives, the Republican leader, and the Democratic leader, have been furnished cars under authorization of Congress. The majority leader of the Senate and the minority leader of the Senate, together with the President pro tempore, are furnished cars. However, we cannot have the business practice to which I have referred applied to us—I suppose because General Motors feels that what is good for General Motors is good for the Cabinet, but is not good for Congress.

The Vice President drives a General Motors car under a $500 lease arrangement. Cabinet officers and ambassadors drive them under the same arrangement, as do members of the executive branch. But the legislative branch must trade its cars in.

I asked the financial clerk to make a study of how much it cost to trade them in. There is a slight difference between Republican trade-ins and Democratic trade-ins, and I am glad that in this particular instance the Democrats have practiced frugality. It cost us less to trade in our cars over the period studied than it cost Republicans. During that period it cost about $1,800 a year, as I recall, for the Senate to operate a car. That is the trade-in price. That does not include gas and oil. The Democratic trade-ins resulted in a figure of approximately $1,500, more than three times as much as the Government is paying for cars for ambassadors.

I appeal to my good friend to attempt to persuade the influences in the executive department and the influences in General Motors to extend to the legislative branch the same rental arrangement now extended to the executive department. This is one place where we could save a few hundred dollars.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MARTIN of Pennsylvania. I should be glad if General Motors were to extend to me, as an individual, the same privilege.

Mr. LAUSCHE. Mr. President, will the Senator yield for a statement?

Mr. JOHNSON of Texas. I yield.

Mr. LAUSCHE. I have listened with great interest to the arguments which have been made, especially by the Senator from Kentucky and the Senator from Wisconsin, concerning the reasons why the present budget is not too high.

They ascribe the large size of the budget, first, to an increase in the population; and second, to the decreased value of the dollar.

The Senator from Wisconsin especially pointed out an article which appeared in one of the national magazines, showing the decreased value of the dollar. I submit that when the dollar decreases in value, and when the population increases, there is more than a corresponding increase in the revenues collected by the Government.

The present occupant of the chair [Mr. TALMADGE] was formerly Governor of Georgia. I was once the Governor of Ohio. The present occupant of the chair and the junior Senator from Ohio know that when the value of the dollar decreases, the quantity of revenues collected by the Government increases in greater degree.

However, there is one phase of this argument which, in my judgment, is far graver than any of the aspects mentioned in the discussion today. The Government has a debt of $275 billion. It is alleged that we are living in an era of the greatest prosperity in the history of the country. I submit to my colleagues this question: If we do not reduce the debt now, when shall we reduce it? If we say that we cannot reduce the debt, then I put this question to my colleagues: What is the plight of our country?

I do not agree that we are living within the revenues of the country. The moneys which should be applied to the payment of the debt or to the reduction of taxes are being used improperly for current governmental operations. I do not believe it can be seriously doubted that in the home of the average American citizen, when money is supposedly abundant the citizen is paying off his mortgage indebtedness. That is what our Government ought to be doing today. But instead of taking a part of the huge income and applying it to the debt, we are listening to the argument that nothing can be cut, either in one place or another. In reply to that argument, I call upon my experience as Governor of Ohio. Countless were the times when departmental heads said, "We cannot suffer a cut." Cuts were made, and the departments were operated notwithstanding the cuts.

Mr. JOHNSON of Texas. Mr. President, I have not heard anyone state on this floor that no cut could be made. I certainly hope that is not the position of any Senator.

I should like to respond very briefly to the suggestion of the Senator from Ohio with respect to applying some of our surplus—should we have a surplus—to the national debt.

Recently I asked some of my friends and associates of past years to comment on the following question: "If Congress should cut the Eisenhower budget by as much as $2 billion, for example, would you suggest that taxes be cut by a like amount, or that the money be applied to the national debt?"

Eight thousand eight hundred and ninety-five persons responded. I should like to give the Senator from Ohio this information, because it comes from patriotic, enlightened citizens of my State. Five thousand one hundred and seventy-five stated that they would like to see it applied to the debt; 3,034 said they thought they could use it in a tax reduction.

Mr. LAUSCHE. That is a fine tribute to the patriotism and wisdom of those who answered that the saving should be applied to payment on the national debt.

We may as well understand that if we reduce taxes we shall be feeding into current economic spending greater quantities of money; and with greater quantities of money being spent, the spiral of inflation will be increased.

From my standpoint politically, expediency might indicate an argument in favor of a reduction of taxes. However, if I think of my country first, I shall wish to put the fiscal affairs of the country in such condition that any emergencies which may arise in the future can be met.

I should like to allude to one further point, which has not been mentioned in this discussion. The Senator from Virginia [Mr. BYRD] has stated that the budget includes 13 new items of Federal governmental operation which historically and traditionally have been performed by State or local governments. In my judgment, the Government has grown top-heavy in Washington. That is because we feel that only Washington knows what is good for the people. The people back home, for example, say, "We do not want this program." However, we in Washington say, "You don't know what is good for you. We will send you the word out of the Capital, and we will tell you what tonics you should take."

If we adopt the 13 new recommendations, we will find ourselves in a difficult situation. Let us assume that they amount to $20 million this year. Twenty years from now they will probably amount to $2 billion. I am not willing to yield to the proposition that this budget cannot be cut. I do not imply that the Senator from Texas has so indicated.

Mr. JOHNSON of Texas. The Senator from Texas certainly has not so indicated. The Senator from Texas indicated that it could be and should be and would be cut.

Mr. LAUSCHE. The President of the United States, for whom I have great respect, about 2 months ago, implied that perhaps the Secretary of the Treasury was right. It has been only in the last 2 weeks that the fight has been made for the preservation of the budget as it was submitted.

From my standpoint, I shall apply to the budget the same spirit I applied with regard to the $5 million item which the Senator from Texas has mentioned. The junior Senator from Ohio will not ask for his State a single thing that he would not be willing to give to another State or to his country. However, the things he will be prepared to deny for himself he will vigorously insist they be denied in the budget.

I should like to conclude now by expressing my thanks to the Senator from Texas for his very lucid and effective presentation on the question today. I do feel that out of it all will emanate a clarification of the subject, to the end that the final judgment that will be adopted will inure to the preservation of our country.

VISIT TO THE SENATE BY LITTLE CHAMBER ORCHESTRA OF PORTLAND, OREG.

Mr. NEUBERGER. Mr. President, we of the State of Oregon are extremely proud of the Little Chamber Orchestra of Portland. This organization of gifted and talented young women displayed their superior musical ability in 1955 to audiences in Europe which consisted of highly discriminating people in the realm of music. Everywhere they were applauded and hailed with enthusiasm. This year, they again are on their way to Europe—once more under the gifted baton of their skillful leader, Dr. Boris Sirpo, himself an immigrant to this country from Finland, a nation of valiant people and of great musicians.

The young women of the Little Chamber Orchestra, Mr. President, are today in the Senate gallery. I appreciate the courtesy and kindness of the majority leader of the Senate in yielding to me during this important debate, so that I might have the privilege of introducing these outstanding and talented young women from our State to the Members of the United States Senate.

I should like to ask the permission of the Chair that these young women from Oregon may rise and be recognized, and to announce that they will present a concert tonight at 8 o'clock at the famous Thomas Jefferson Memorial Auditorium.

(The members of the Little Chamber Orchestra rose in their places in the gallery and were greeted with applause, Senators rising.)

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). On behalf of the entire Senate, we extend to you a cordial welcome.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, I thank my friend from Ohio. I ask unanimous consent that we now have the usual morning hour, with statements limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GOLDWATER, from the Committee on Interior and Insular Affairs, with amendments:

S. 692. A bill to provide that the United States hold in trust for the Indians entitled

to the use thereof the lands described in the Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes (Rept. No. 265).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C. (Rept. No. 266).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with an amendment:

S. 334. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain (Rept. No. 269).

By Mr. JACKSON, from the Committee on Interior and Insular Affairs, with amendments:

S. 1574. A bill to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes (Rept. No. 267).

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs, without amendment:

S. J. Res. 79. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming (Rept. No. 268).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 359. A bill to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres (Rept. No. 270);

S. 1063. A bill vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba (Rept. No. 271);

S. 1274. A bill to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes (Rept. No. 272);

S. 1319. A bill to renounce any right, title, and interest which the United States may have in certain lands in Montana (Rept. No. 273);

S. 1396. A bill to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State (Rept. No. 275);

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak. (Rept. No. 277); and

H. Con. Res. 91. Concurrent resolution expressing the sense of the Congress with respect to the recognition of the Altar of the Nation, located in the Cathedral of Pines, Rindge, N. H., as a memorial to all American war dead (Rept. No. 278).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 1568. A bill to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada (Rept. No. 276).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 1352. A bill to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak. (Rept. No. 274).

By Mr. JOHNSTON of South Carolina, from the Committee on Agriculture and Forestry, with amendments:

S. 45. A bill to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex. (Rept. No. 280).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BIBLE (by request):

S. 1937. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes; to the Committee on the District of Columbia.

By Mr. MALONE:

S. 1938. A bill for the relief of John Russell Sinclair; to the Committee on the Judiciary.

By Mr. ELLENDER (by request):

S. 1939. A bill to amend the Federal Seed Act of August 9, 1939 (53 Stat. 1275), as amended; to the Committee on Agriculture and Forestry.

By Mr. RUSSELL (for himself and Mr. SALTONSTALL) (by request):

S. 1940. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. McCLELLAN (by request):

S. 1941. A bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects; to the Committee on Government Operations.

(See the remarks of Mr. McCLELLAN when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG (for himself and Mr. LANGER):

S. 1942. A bill for the relief of Bela Kiraly; to the Committee on the Judiciary.

By Mr. SCOTT:

S. 1943. A bill for the relief of Norma Josephine Hodges Dowd; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1944. A bill for the relief of Ethel Auth; and

S. 1945. A bill for the relief of Jakob Liblang, Jr.; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 1946. A bill for the relief of Mrs. Edmund L. Gruber; to the Committee on the Judiciary.

By Mr. DIRKSEN:

S. 1947. A bill to amend the Internal Revenue Code of 1954, to remove certain firearms from taxation and registration; to the Committee on Finance.

By Mr. BENNETT:

S. 1948. A bill to amend section 503 of the Internal Revenue Code of 1954 so as to deny exemption from income tax to labor, agricultural, or horticultural organizations and business leagues, chambers of commerce, real-estate boards, or boards of trade which engage in certain prohibited transactions; to the Committee on Finance.

By Mr. MURRAY (by request):

S. 1949. A bill to facilitate the administration of the public lands, and for other purposes; and

S. 1950. A bill to establish uniform procedures relating to the acquisition of non-Federal land for purposes of the National Park System, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself, Mr. MURRAY, Mr. HILL, Mr. HUMPHREY, Mr. MANSFIELD, Mr. BEALL, Mr. NEUBERGER, Mr. MAGNUSON, Mr. MONRONEY, Mr. HENNINGS, Mr. CARROLL, and Mr. McNAMARA):

S. 1951. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction for expenses incurred by certain physically handicapped individuals for transportation to and from work, and to provide an additional exemption for a taxpayer, or his spouse or dependent, who is permanently physically or mentally incapacitated, and for other purposes; to the Committee on Finance.

By Mr. JOHNSTON of South Carolina:

S. 1952. A bill to clarify the application of section 507 of the Classification Act of 1949 with respect to the preservation of the rates of basic compensation of certain officers or employees in cases involving downgrading actions; to the Committee on Post Office and Civil Service.

By Mr. JOHNSTON of South Carolina (for himself and Mr. NEELY):

S. 1953. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947 so as to provide an additional exemption of $1,000 for a taxpayer who has attained the age of 65; to the Committee on the District of Columbia.

By Mr. JOHNSTON of South Carolina (by request):

S. 1954. A bill to revise the laws relating to the handling of short paid and undeliverable mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. CASE of South Dakota:

S. 1955. A bill for the relief of the Clarkson-Bennett Memorial Hospital; to the Committee on the Judiciary.

By Mr. KEFAUVER:

S. 1956. A bill for the relief of Ramindra (Raymond) Singh; to the Committee on the Judiciary.

PRINTING OF ADDITIONAL COPIES OF REPORT ENTITLED "THE INTERNATIONAL PETROLEUM CARTEL"

Mr. KEFAUVER submitted the following concurrent resolution (S. Con. Res. 26) which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed 3,000 additional copies of the report entitled "The International Petroleum Cartel," a staff report to the Federal Trade Commission submitted to the Subcommittee on Monopoly of the Senate Committee on Small Business, which was printed as a committee print during the 82d Congress, 2d session. Such additional copies shall be for the use of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

PAYMENT OF TRANSPORTATION AND SUBSISTENCE COSTS TO CERTAIN TEMPORARY EMPLOYEES

Mr. McCLELLAN. Mr. President, by request, I introduce, for appropriate reference, a bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects.

This bill is introduced in response to a request addressed to the President of the

Senate by the Secretary of Commerce under date of April 8, 1957. The letter and accompanying draft bill were referred to the Committee on Government Operations.

I ask that a copy of the letter from the Secretary of Commerce, which sets forth the need for the proposed legislation, be included in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1941) to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees on direct Federal highway projects, introduced by Mr. MCCLELLAN (by request), was received, read twice by its title, and referred to the Committee on Government Operations.

The letter presented by Mr. MCCLELLAN is as follows:

THE SECRETARY OF COMMERCE,
Washington, April 8, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: Submitted herewith is a draft of proposed bill to authorize the payment by the Bureau of Public Roads of transportation and subsistence costs to temporary employees.

In the conduct of direct Federal highway construction programs by this Department, a serious staffing problem occurs each spring at the beginning of the construction season. The forest highway program is primarily affected; however, other programs concerned with this problem are national park highways and parkways, forest development roads, public lands highways, defense access roads, and other highway programs administered by the Department for various Federal agencies. Since the peak of the highway construction period is during June, July, and August, it is necessary to hire students and other available persons on a temporary basis. These positions are exempt from the Classification Act of 1949, as amended (5 U. S. C. 1082 (28)), and such personnel are given temporary unclassified appointments for a period of not to exceed 180 days.

It has been the policy of the Department to pay the cost of transportation of these employees from point of hire to project location and return, as well as subsistence costs, or a per diem allowance, during the entire period of project assignment on the basis of the provisions of an employment contract with each man. However, a recent decision of the Comptroller General precludes the payment of transportation and subsistence expenses, as such, through the medium of an employment contract and holds that such allowances should be paid as wages, which wage rates are primarily for determination by the Department.

The establishment of salary rates for these temporary seasonal employees to include equivalent cost of transportation and subsistence is considered administratively undesirable for the following reasons:

(1) Variation in subsistence costs,

(2) Variation in methods of providing subsistence,

(3) Adverse effect on morale of permanent employees, and

(4) Additional cost to the Government such as that involved in paying, on an inflated base rate, overtime necessitated by a short working season.

On the other hand, the discontinuance of the payment of transportation and subsistence costs to this class of employees would result in drastic curtailment of the construction programs affected inasmuch as recruitment would be virtually impossible for temporary positions were employees required to absorb transportation and subsistence costs.

Enactment of legislation such as that proposed herein, which would specifically authorize payment of transportation, travel expenses, and subsistence for such employees, is believed to be of the greatest necessity in successful recruitment of an adequate number of personnel to carry out the direct highway construction programs for which this Department is responsible.

The Department recommends this proposed legislation for the favorable consideration of Congress.

We have been advised by the Bureau of the Budget that it would interpose no objection to the submission of the draft legislation to the Congress.

Sincerely yours,

SINCLAIR WEEKS,
Secretary of Commerce.

AMENDMENT OF SECTION 503 OF INTERNAL REVENUE CODE OF 1954, RELATING TO THE DENIAL OF CERTAIN INCOME TAX EXEMPTIONS

Mr. BENNETT. Mr. President, the early hearings being conducted by the Select Committee on Improper Activities in the Fields of Labor and Management reveal that there have been a number of shocking financial irregularities in one of our largest unions; and it is to be expected that other situations of the same kind may be revealed. This has focused great attention on the problem of effective control and supervision of union financial matters, chiefly in the field of welfare funds although there have been revelations of the alleged misuse of funds representing dues paid in by the members of the union.

At present there appears to be no effective rule or law by which the actions of persons who abuse their responsibility can be brought to light, short of the painstaking and laborious investigating process now being carried on by the McClellan committee.

I think there is a practical means of protecting these funds represented by a law already on the books, which, by slight amendment, can be made to cover such funds of unions and any other organizations of similar character now enjoying tax-exempt status.

Without dwelling further on the many excesses brought to light by the hearings, I should like to call the attention of the Senate to the fact that the 1954 Internal Revenue Code gave tax-exempt status to a number of organizations. Included in this group are labor unions, agricultural and horticultural organizations, business leagues, chambers of commerce, boards of trade, and many other groups not organized for profit and the earnings of which presumably do not inure to the benefit of any private shareholder or individual.

This tax-exempt status, under the wording of section 503, is now denied to a certain few organizations if they engage in certain prohibited transactions. The purpose of this denial is to prohibit the very sort of thing that was revealed as having happened in the case of the teamsters; namely, improper use of organization funds for personal benefit of those who are in a position to control or influence the application of the funds. If this is a sound protection under these limited circumstances and for the few organizations now included in the act, I believe the Senate may decide that it is equally sound to extend the application to other tax-exempt organizations covered by section 503 as mentioned above.

These organizations would continue to enjoy their tax-exempt status so long as they use their funds properly and do not engage in transactions which make their income or resources available to favored officers or persons on conditions which not only jeopardize the funds but also deny to the organization the use of its own money which could be employed for the legitimate, worthwhile purposes for which the organization was created.

Section 501 of the 1954 code lists the types of organizations that are exempt. Paragraph 503 (c) lists certain prohibited transactions involving certain persons which, if carried on, will cost the association its exemption. These include the following:

First. Lending any part of its income or corpus, without the receipt of adequate security and a reasonable rate of interest.

Second. Paying any compensation, in excess of a reasonable allowance for salaries or other compensation for personal services actually rendered.

Third. Making any part of its services available on a preferential basis.

Fourth. Making any substantial purchase of securities or any other property, for more than adequate consideration in money or money's worth.

Fifth. Selling any substantial part of its securities or other property, for less than an adequate consideration in money or money's worth.

Sixth. Engaging in any other transaction which results in a substantial diversion of its income or corpus.

The purpose of my bill is simply to expand the number of tax-exempt organizations which are subject to denial of their exemption if they engage in these prohibited transactions. We do this not only by adding labor unions, but also by adding agricultural or horticultural organizations, business leagues, chambers of commerce, real estate boards, and boards of trade.

These are activities which should not be countenanced by organizations of this type, enjoying the privileges they do. Certainly the transactions I have listed above are not in keeping with the worthwhile purposes of these organizations.

The legislation I am introducing today would make it possible, too, for the Internal Revenue Service to question these organizations with respect to the prohibited transactions, placing the burden upon the exempted organizations of proving that they have continued to keep faith with their memberships, and can justify a continuance of their tax-exempt status. When evidence of misuse or abuse comes to light, as in the bizarre case of buying a union leader's house for a large sum of money and then permitting him life tenancy in the property, it would be a simple matter to request that the transaction be justified.

Thus the burden is on the organization to prove its clean hands, and the now difficult task of determining the extent of the wrongful acts would be made much easier.

I have also included a provision whereby loans now in existence which would be considered prohibited transactions would have a period of approximately a year and a half in which to have their terms changed.

I want to emphasize that this legislation will not affect those organizations which are keeping faith with their memberships. It will, however, provide an adequate check on the activities of those organizations which are being operated so as to give undue advantage to selfish men who would corrupt their office for personal gain. It should also act as a great moral deterrent because it would have the effect of denying an organization's tax-free status, thus giving the leadership of any responsible organization pause before permitting any prohibited act.

Mr. President, I ask unanimous consent that the bill lie on the table until Monday next, so that those of my colleagues who wish to join me in sponsoring it may do so.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from Utah.

The bill (S. 1948) to amend section 503 of the Internal Revenue Code of 1954 so as to deny exemption from income tax to labor, agricultural, or horticultural organizations and business leagues, chambers of commerce, real-estate boards, or boards of trade which engage in certain prohibited transactions, introduced by Mr. BENNETT, was received, read twice by its title, and referred to the Committee on Finance.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. BYRD:

Address delivered by Senator TALMADGE before the Kiwanis Club of Richmond, Va., on April 29.

By Mr. GOLDWATER:

Address entitled "Labor's Responsibility to Freedom," delivered by him before the United States Chamber of Commerce, at Washington, D. C., on May 1, 1957.

By Mr. WILEY:

Statement by him relative to vital role of American women, together with list of top women appointments in the Eisenhower administration.

By Mr. O'MAHONEY:

Argument by Senator WATKINS before the Subcommittee on Antitrust and Monopoly, Senate Judiciary Committee, regarding Senate bill 1356.

By Mr. JAVITS:

Correspondence between himself and the State Department and an editorial dealing with admission of members of the United States Armed Forces to the Dhahran Airbase.

By Mr. NEUBERGER:

Editorial entitled "Who Will Rescue Oregon When Our Timber Is Gone?" published in the Oregon Labor Press of April 19, 1957.

NOTICE OF HEARING ON NOMINATION OF JOSEPH S. FARLAND TO BE AMBASSADOR AND MINISTER PLENIPOTENTIARY TO DOMINICAN REPUBLIC

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

Notice is hereby given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, the Senator from Utah [Mr. BENNETT], who desires to present a matter to the Senate, has been very patient and understanding. I must have my lunch and then preside over a hearing at 2 o'clock. I wonder if he would be willing to let me make a short statement or two at this time.

Mr. BENNETT. The Senator from Utah will be delighted to yield to the Senator from Texas.

FIRST ANNIVERSARY OF THE PASSING OF THE LATE SENATOR ALBEN W. BARKLEY

Mr. JOHNSON of Texas. Mr. President, yesterday marked the first anniversary of the passing of one of the most distinguished Members of the Senate—Alben W. Barkley.

Alben Barkley seemed to millions of Americans an enduring and permanent part of this institution. He was a statesman and a legislator of rare skill and ability. But he was also human, and had the common touch.

He brought into our language the word "Veep"—and to our people it symbolized a friend with a deep feeling for humanity.

We shall miss him through all the years to come—miss his kindly humor and his wise counsel. But in reality he will always be with us as he left his mark upon the United States Senate, and it will never be erased.

SAN JACINTO WAS ONE OF WORLD'S DECISIVE BATTLES

Mr. JOHNSON of Texas. Mr. President, during the Easter recess the people of Texas observed the 121st anniversary of the Battle of San Jacinto, the climax of Texas' fight for independence. April 21 is truly a great day for Texans.

An editorial in the Houston Post, one of the outstanding newspapers not only of the Southwest but of the Nation as well, summed up in a very moving fashion the way Texans feel about San Jacinto Day. I ask unanimous consent that this editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FACTS OF SAN JACINTO FIGHT MORE FANTASTIC THAN ANY TEXAS BRAG

This is the most memorable date in Texas history. It is the 121st anniversary of the day on which destiny put its arm around Sam Houston and his half-starved band of volunteers and decreed their victory over Santa Anna's hordes. Thus the fateful issue was resolved—whether Texas should be a vassal State, crushed under the heel of a ruthless alien tyranny, or whether it should be an independent, proud, flourishing commonwealth, joined with other States of the same basic Anglo-Saxon stock in the greatest Nation in the history of the world.

Texans have a reputation for claiming the biggest, most, best, and most marvelous of everything. Nothing of which they boast is so fantastically amazing as Sam Houston's victory at San Jacinto. No other historically significant battle is comparable. It was truly a miracle—a divine miracle, one likes to think.

Think of it: Yelling, "Remember the Alamo. Remember Goliad.", nine hundred and ten Texas colonists charged the camp of more than 1,300 trained Mexican troops, and in an 18-minute engagement completely routed them. Those 910 Texans killed 630 Mexicans and captured 730, with the incredibly small loss to themselves of 9 killed or mortally wounded.

Looking back, one may reflect what an easy victory that was. But to those looking ahead in the spring of 1836 it seemed anything but easy. Santa Anna had thousands of troops in Texas; they had massacred Travis and his one-hundred-and-eighty-odd defenders of the Alamo; they had slaughtered Fannin and his three-hundred-and-thirty odd men at Goliad; they had destroyed the lesser forces of Ward, King, Grant, and Johnson in south Texas. Who could say that Santa Anna would not do the same to General Houston's little army? Many, indeed, thought he would, and many fled to escape the Mexican scourge. The 910 who dared attack the Napoleon of the West, with these things fresh in mind, deserve all the more glory for their valor. They saved Texas from serfdom.

Besides that, what did the victory mean? Its significance is stated in an inscription on the base of the San Jacinto monument, written by the late L. W. Kemp, the highest authority on the history of the battle. It reads:

"Measured by its results, San Jacinto was one of the decisive battles of the world. The freedom of Texas from Mexico, won there, led to annexation and to the Mexican War, resulting in the acquisition by the United States of Texas, New Mexico, Arizona, Nevada, California, Utah, and parts of Colorado, Wyoming, Kansas, and Oklahoma. Almost one-third of the present area of the American Nation, nearly a million square miles of territory, changed sovereignty."

Let Texans remember, with rejoicing and gratitude, what the pioneers did for them 121 years ago today. Let Texans cherish, guard, and always be worthy of the heritage of freedom and a great country, won for them on the plain of San Jacinto.

FLOOD CONTROL IN THE SOUTHWEST

Mr. JOHNSON of Texas. Mr. President, I have just spent a few days in one

of the wettest States in the Union—the State of Texas. When I left Washington for the Easter recess, I expected to find my State as I had left it last year—just about the driest State in the Union. I knew that some rain had fallen, but I had no idea we were in for really prolonged wet weather.

Texas is, and has always been, a land of extreme weather. Nature seems to give us the ultimate in drought, until the grazing lands become deserts and the crops wither into dust. Then she gives us a month of hard rains and high winds, flooding the rivers and the reservoirs.

This is why I have always stressed the need for projects that could meet our needs in times of heavy rainfall as well as in times of drought. Projects designed to control floods may do us little good when we go 7 long years without rain, as we have just done in Texas. And irrigation projects cannot hold back the onrushing waters when the rains finally fall.

If there was ever any doubt as to the wisdom of flood-control projects in the Southwest, it has been removed by the events of the past 2 weeks. The Army Corps of Engineers' southwestern chief, Brig. Gen. L. E. Seeman, estimates that engineer-built lakes and reservoirs in the Dallas area alone have, in this period of torrential rain, saved the area $65 million in damages.

The cost of these Dallas projects was $68 million. So in 2 weeks' time these projects have almost paid for themselves in terms of disaster prevented.

General Seeman says that if the reservoirs had not been constructed, 141,000 cubic feet of water per second would have poured down the Trinity River through the city of Dallas. This is a truly disastrous rate of flow. But thanks to these Corps of Engineers projects, the rate of flow was held to 41,000 cubic feet per second.

There has been damage on the Trinity, and there will be damage in the other river basins where the rains have fallen. But on the Trinity, at least, this damage has been held to $6½ million, or about one-tenth of the damage that has been prevented.

Mr. President, there are still areas of Texas and the Southwest where the rains have not fallen. But in many places the long misery of the drought is over. There might have been another misery for Texans—the misery of flooded cities and farmlands—if vision and common sense had not combined to protect us with these reservoirs.

Sixty-five million dollars saved—and on just one river, in one area. There will be other reports soon, which I shall give to the Senate as they come to me, of other disasters prevented by flood-control projects.

Mr. President, I ask unanimous consent that there be printed in the body of the RECORD, at this point in my remarks, a news story appearing in the Dallas Morning News of Sunday, April 28, telling the story of what these projects have done for Dallas.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMY SAYS LAKES SAVE 65 MILLION

(By Clardy McCullar)

Dallas' water-supply lakes, which held 208.6 billion gallons of water Saturday, helped save the Dallas area $65 million in flood damages, the Army Corps of Engineers estimated.

Brig. Gen. L. E. Seeman, Southwest divisional engineer, estimated actual damages at $6.5 million.

Damages would have totaled $71.5 million if it had not been for the engineer-built Benbrook, Grapevine, Garza-Little Elm, and Lavon Lakes and the Dallas and Fort Worth floodways, General Seeman said.

If the engineers' projects had not been completed, estimated the general, 141,000 cubic feet of water a second would have gushed down the Trinity at Dallas.

That is almost as much as the 184,000 cubic feet a second which swirled past Dallas during the record 1908 flood.

With engineer flood control, the water actually flooded past Dallas at 41,000 cubic feet a second, General Seeman added. The flood-control projects cost $68 million, and almost paid for themselves in their first flood, he said.

More thundershowers are predicted for Sunday morning, heralding further increases in the lakes. But dry air, moving into the city before noon, should stop the rainy spell through Monday, the United States Weather Bureau reported.

Saturday, Lake Dallas held 79.8 billion gallons of water and was pouring 6.9 feet above its spillway into Garza-Little Elm Lake, which held 94 billion gallons.

There finally was enough water in the two lakes to join them and make one lake. The road across Lake Dallas Dam was closed at each end Saturday morning, and it will never again be opened. Within a few weeks, the engineers will cut away part of the Lake Dallas Dam.

The wedge-shaped breach in the earthen part of the dam will be 200 to 300 feet wide at the bottom and extend 20 to 25 feet below the usual top of the water. Boats and fish will be able to move through the cut easily.

Dallas has the contract right to remove and salvage the outlet gates near the lake bottom in the concrete part of the dam. So fish will have another passage between the old and new lakes.

When the lakes are linked, the new lake will be about 80 feet deep at its deepest point.

When full, it will stand at 515 feet above sea level. But, like all engineers lakes, it will be able to store flood waters above that conservation pool. Top of the flood control pool is 532 feet above sea level. Lake Dallas holds water up to 525 feet, but stores no flood waters now.

Grapevine Lake held 34.7 billion gallons of water at 4 p. m. Saturday—more than the 31.8 billion gallons held by all three lakes April 1.

Grapevine was 13 feet below the top of its conservation pool (535 feet above sea level) and 38 feet below the top of its flood control pool (560 feet above sea level). It is doubtful, the engineers said, that the current runoff will fill Grapevine's conservation pool.

But when the Trinity goes down, the engineers will release water above the 515-foot mark in the new Lake Dallas-Garza-Little Elm so the lake will be able to take care of any new floodwaters. Similarly, the engineers are holding flood waters in Lavon Lake till the river goes down.

Since the first of the year, more than 192 billion gallons of water have poured into Lake Dallas-Garza-Little Elm and Grapevine.

Twenty-five billions made it in the 8 hours before 4 p. m. Saturday.

When its conservation pool is full, the new Lake Dallas-Garza-Little Elm will hold 160.4 billion gallons of water (at 4 p. m. Saturday the combined total was 173.9 billion gallons). Grapevine will hold 61.5 billion gallons with a full conservation pool. That's a combined total of 221.9 billion gallons.

Dallas has the rights to 163 billion gallons more than enough for 5 years.

Some of the rest belongs to the Park Cities, Denton, Grapevine and some other smaller communities. And there are reserves for siltation and evaporation.

THE AMERICAN WEST

Mr. BENNETT. Mr. President, the distinguished Senator from Montana [Mr. MANSFIELD], last Monday placed in the RECORD an article from the June issue of Harper's Magazine entitled "The American West: Perpetual Mirage," by Walter Prescott Webb.

As the Senator from Montana pointed out at the time, the article is an engrossing one, and suggests some new and interesting concepts about the West. I believe, however, that the article creates some wrong impressions, and I think some of the statements made therein call for a reply.

Mr. Webb calls the West a land of deficiencies, a depressed region, an area which has had little influence on the shaping of our national destiny. The reason for this alleged backwardness, he says, is the desert influence, which is felt in all 17 Western States.

No one can deny the influence of the desert in the West, which has had to find ways to adapt its farming, its industrial development, its conservation policies to the fact that water is scarce and precious. But the implication that the West has not contributed its share to the development of our Nation is certainly unwarranted.

Mr. Webb laments the fact that only 16.7 percent of the biographees in the current Who's Who are from the West, although the West has 22 percent of the Nation's population.

This figure is an unfair one. I believe it will be found that it is based on residence rather than birthplace, and it is natural that a larger proportion of outstanding men would be living in the larger metropolitan centers of the East, where we find the headquarters of the largest corporations, the most universities, the center of our National Government. But when one looks at the origin of our outstanding men, instead of their present residences, we find a different story indeed.

Dr. E. L. Thorndike, of Columbia University, made an interesting study of this subject several years ago. Using Who's Who in America and American Men of Science as a basis, Dr. Thorndike compiled a State-by-State list of the birthplaces of outstanding men, then ranked the States on the basis of their "superior birth quotient." [1] Four of the eight highest States—Utah, Idaho, Colorado, and Wyoming—are among what Dr. Webb

[1] The Origin of Superior Men, by Dr. E. L. Thorndike, the Scientific Monthly, vol. 56, p. 429, May 1943.

calls the Desert States, and a fifth, South Dakota, is what he calls a desert rim State.

I ask unanimous consent to have printed in the RECORD at this point, the table prepared by Dr. Thorndike.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

State	Superior birth quotient	Rank
Utah	170	1
Massachusetts	164	2
Connecticut	148	3
Idaho	142	4
Colorado	141	5
New Hampshire	140	6
South Dakota	139	7
Wyoming	136	8
Vermont	132	9
Maine	130	10
Rhode Island	128	11
North Dakota	118	12
Iowa	116	13
Kansas	115	14
Washington	115	15
Nebraska	115	16
Montana	114	17
Nevada	113	18
Ohio	110	19
Minnesota	108	20
Indiana	104	21
California	103	22
Wisconsin	102	23
Oregon	102	24
Michigan	99	25
New York	98	26
Illinois	97	27
Maryland	95	28
Delaware	93	29
Pennsylvania	83	30
Missouri	78	31
New Jersey	77	32
Arizona	72	33
Oklahoma	71	34
Virginia	70	35
West Virginia	67	36
South Carolina	51	37
North Carolina	51	38
Kentucky	50	39
Texas	49	40
Tennessee	46	41
Alabama	41	42
Florida	38	43
Arkansas	37	44
Mississippi	36	45
Georgia	36	46
New Mexico	35	47
Louisiana	32	48

Mr. BENNETT. Mr. President, the implication is obvious. Dr. Thorndike puts it this way:

> We may conclude that the production of superior men is surely not an accident, that it has only a slight affiliation with income, that it is closely related to the kind of person residing in New England and in the block formed by Colorado, Idaho, North Dakota, South Dakota, Utah, and Wyoming, from 1370 to 1900, and that these persons probably diverged from the average of the country toward the qualities which make persons in 1930 learn to read, graduate from high school, spend public funds on libraries rather than roads and sewers, own their own homes, avoid homicide, be free from syphilis, etc.[2]

An earlier study by Dr. Thorndike, limited to outstanding men of science, showed similar results. Utah again led the other States of the Union by a great margin, with Colorado second, followed by four New England States.[3]

From these studies it is apparent that the West contributed more than its proportional share to the leadership of this Nation, both in general fields and in the field of science.

Why do the Western States and New England excel so consistently in the number of outstanding men they produce in proportion to their population? Is it the climate? Is it the type of people who settled these two areas? Is it the similarities in the land of the two areas, both which are rugged and rocky, and not ideally suited to agriculture?

Perhaps the reasons are not the same for both regions. In the case of the West, I believe the very thing which Mr. Webb calls the West's greatest problem—the desert—is to a considerable extent responsible for the superiority of the region in the studies referred to. The West makes extraordinary demands on those who attempt to wrest a living from its soil. Agriculture in most of the West is dependent upon irrigation, and the westerner puts far more effort into the production of a bushel of wheat, corn or apples than does his counterpart in the more humid areas of the country.

This fact, during the early days of the West, served to discourage those settlers who were too lazy, too indifferent or too weak to live the hard life of a westerner, and those less hardy souls usually moved to some less demanding climate.

Aside from the number of outstanding men produced by the West, there is another criterion of the caliber of people to be found in this region, and one which is more general. This is the outstanding record of the West in the field of education.

In the number of school years completed, the Pacific and Mountain States lead all other regions of the Nation, with averages of 11.5 and 10.7 years, respectively, compared to a national average of 9.3. Utah, incidentally, leads all the States with an average of 12 years.[4]

A study of the educational achievements of the various States, prepared by Raymond M. Hughes and William H. Lancelot, rated the States on the basis of "all-around rank" in the general performance in education. Utah again led the rest of the nation, and 13 of the top 16 States were from the West.[5]

From these facts, I think it can be readily seen that far from being a "land of deficiencies" as Mr. Webb characterizes it, it is in many important respects a land of achievement.

It is true, as Mr. Webb says, that the West has had a brief and perhaps a bizarre history compared to other sections of the country. He notes that "aside from the Spanish effort, which resulted in failure, everything that happened there occurred yesterday—almost within the long life of one man." But perhaps this brevity of western history is one of the reasons why the area is more concerned with the future than with the past, and why it is today concentrating its efforts on learning to use more effectively the limited resources it has.

[2] Ibid., p. 430.

[3] The Improvement Era, February 1944, p. 77.

[4] Statistical Abstract of the United States, 1955, p. 114.

[5] Education—America's Magic, by Raymond Mollyneaux Hughes and William H. Lancelot, 1946, p. 85.

STEEL

Mr. MARTIN of Pennsylvania. Mr. President, in the year 1857 William Kelly, a native of the city of Pittsburgh, living in Eddyville, Ky., at the time, received a patent that made it possible to produce steel by the ton rather than the pound. This ushered in the "Age of Steel."

Although Henry Bessemer, an Englishman, had received United States patents on the same process in 1856, William Kelly proved priority of invention a year later. In 1870, Kelly's United States patents were renewed while Bessemer's were denied renewal.

Thus our steel industry's 100th birthday will be saluted throughout the land between May 1 and December 31. The Federal Government will mark the occasion by issuing a special commemorative 3-cent postage stamp. First-day sale of the stamp will be in New York City on May 22 during the 65th general meeting of the American Iron and Steel Institute.

The steel industry is intimately identified with the Commonwealth of Pennsylvania. But the Nation, and Pennsylvania, have grown mightily on the industrial progress set in motion by William Kelly's tinkering in his little-known ironworks in Eddyville.

Today the United States alone far outstrips the steel production of Russia and all her satellites combined. As of the first of this centennial year, plants in Pennsylvania had a steelmaking capacity of 35,801,910 net tons, greater than that of West Germany, Great Britain, France, or Japan. Pennsylvania's steelmaking capacity alone represents two-thirds of the total production of Russia during 1956.

There are 33 steel producing companies in Pennsylvania, with 45 plants in 38 communities. Last year an average of more than 200,000 Pennsylvanians were employed by steel companies. Their total earnings amounted to more than $1 billion.

The roster of steel companies with producing furnaces in Pennsylvania represents a Who's Who of industrial achievement and includes Armco Steel Corp.; Alan Wood Steel Co.; Allegheny Ludlum Steel Corp.; Alco Products, Inc.; Babcock & Wilcox Co.; Baldwin-Lima-Hamilton Corp.; Bethlehem Steel Co.; Braeburn Alloy Steel Corp.; A. M. Byers Co.; Carpenter Steel Co.; Colonial Steel Co.; Crucible Steel Company of America; Edgewater Steel Co.; Erie Forge & Steel Co.; Firth Sterling Inc.; Harrisburg Steel Co.; Heppenstall Co.; Jessop Steel Co.; Jones & Laughlin Steel Corp.; Latrobe Steel Co.; Lukens Steel Co.; Midvale-Heppenstall Co.; Mesta Machine Co.; National Forge & Ordnance Co.; Pittsburgh Steel Co.; Phoenix Iron and Steel Co.; Sharon Steel Corp.; Union Electric Steel Corp.; United States Steel Corp.; Universal-Cyclops Steel Corp.; Vanadium-Alloys Steel Co.; Vulcan Crucible Steel Co.; Washington Steel Co.

While Pennsylvania is justifiably proud of its predominant position in the development and present state of the steelmaking art, I would be remiss in my obligation to my colleagues if I did not concede that many other States have played, and continue to play, a vital role in this great industry.

Samuel Higley, for example, of Simsbury, Conn., is credited with producing the first steel in America, around 1725. What is believed to be the first

steelworks in America was established in Trenton, N. J., in 1734. The first successful ironworks in the colonies was built at Saugus, Mass., in 1646. George Washington himself was the son of a Virginia ironmaster. But the first blast furnace, to produce molten pig iron for steelmaking furnaces, was built in 1792 at the site of what was to become the great steel center of Pittsburgh.

The steel industry exerts a tremendous influence for good on the economic health of America. For example, in 1956 alone, steel companies spent $1.2 billion for expansion and modernization. In 1957 the companies plan to spend $1.7 billion. This creates thousands of jobs in many lines of work. Today, our iron and steel industry represents an investment of $12 billion and employs 675,000 men and women in jobs where wage levels are in the top 10 percent of all industrial workers.

There is now much discussion that the large steel companies are playing too much part in the steel industry. Some figures are of interest: In 1902 the United States Steel Corp. produced two-thirds of the steel in the United States. Fifty years later it produced less than 30 percent of the steel produced in the United States; 287,679 individuals own stock in the United States Steel Corp.

What of the future of the great steel industry? The industry produced 1,390 pounds of steel per capita in 1956, against 300 pounds per person in 1900. Each year Americans use more steel. By 1975 our population, now 170 million, will be close to 200 million. Steel is our cheapest metal and there is every indication that continued advances in its use and technology will advance its position as the basic material for our economic growth in the years ahead.

DEATH OF EDMUND WARREN FLYNN, CHIEF JUSTICE OF THE SUPREME COURT OF THE STATE OF RHODE ISLAND

Mr. PASTORE. Mr. President, at 4:15 last Sunday afternoon in Our Lady of Fatima Hospital, which overlooks the city of Providence, there died Edmund Warren Flynn, chief justice of the Supreme Court of the State of Rhode Island.

This passing of a great man and a great mind gives me a sense of keen personal loss. It was the passing of a friend—the passing of an idol.

It was my first day in public office—that January day of 1935—when Ed Flynn, as I have always known him, ascended to the chair of the chief justice. It was my first day in the general assembly, and my first vote was to confer that honor on my brother representative, Ed Flynn.

Our Governor of that day is my colleague of this day, the senior Senator from Rhode Island, the Honorable THEODORE FRANCIS GREEN.

My pride in my vote for Ed Flynn has increased with the years. As a youthful lawyer I looked up to the inspiration of this able jurist. As a fellow townsman I felt I knew intimately this ideal citizen who walked humbly with his neighbors. He lived his circumspect and modest life in the very circles of his youth; a humble parishioner, although his church showered him with honors, although colleges added to the degrees he had won with high scholarship.

Later, as Governor of my State, I relied heavily on the advice and counsel of my chief justice. The traditional separation of powers between the executive branch and the judiciary was meticulously observed, but there was never any separation in our respect, admiration, and affection for one another.

The life of Ed Flynn is proof of the opportunity which America offers to the able and ambitious. He served that America well—as soldier, statesman, jurist, and genial, gentle, generous neighbor.

Great causes will miss his eloquence. Individual crises will miss his wisdom. Thousands who cannot quite put their emotions into words will miss something of the stability of the security that Ed Flynn symbolized.

Many of us will miss a valued friend.

May he rest in peace.

THE CANCER STORY—A CHALLENGE TO ALL

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an outstanding article entitled "Cancer Story: Challenge to All," published in the Sunday magazine section of the Denver Post for April 21, 1957. The author of the article is Mr. Robert H. Hansen, of the staff of the Denver Post, and a former Nieman Fellow in Journalism at Harvard University in Cambridge, Mass.

Mr. Hansen has made an intimate and thorough study of the urgent need for greater research into the causes and roots of the grim riddle of malignancy in all its forms.

I am pleased that he has drawn for some of his material and arguments upon an article which I wrote on this general theme in the February 1957 issue of Eagle magazine.

I ask unanimous consent that Mr. Hansen's effective and cogent article appear in the body of the CONGRESSIONAL RECORD, along with a moving editorial entitled "Stop Cancer," also written by Mr. Robert H. Hansen, which appeared on the editorial page of the Denver Post for April 22, 1957.

These forceful presentations, by an able and outstanding journalist, become all the more urgent when we consider the fact that, not only does the huge administration budget of $72 billion contain fewer funds for the National Cancer Institute than during the present fiscal year, but that our Government spends infinitely less on cancer research than it does to outfit a superdreadnought or just one aircraft carrier.

I know of no task more urgent than to explore every possible scientific avenue leading even remotely toward an ultimate solution of the terrible riddle of cancer, and that is why I commend Mr. Hansen's article and editorial to all Members of the United States Senate.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Denver Post of April 21, 1957]

CANCER STORY: CHALLENGE TO ALL

(By Robert H. Hansen)

This is the story of cancer. It won't be easy to read, and it wasn't easy to write. But those of us who are victims have had to face these facts, and until the American public does cancer will remain the Nation's No. 2 killer.

This is the story, too, behind the army of 16,000 volunteers who this month are campaigning door to door to raise $325,000 in Colorado for the American Cancer Society. More than 1,000 scientists, using $9 million in society funds, are now seeking a cure.

Cancer really is a body of diseases. It can take many forms and many courses. Sometimes it can be diagnosed easily and early. Other times it can be most mystifying as to diagnosis, treatment, and behavior.

Cancer falls into two general categories—unicentric and multicentric.

Under the unicentric heading fall the cancers of the stomach, intestines, uterus, skin, breast, cervix, and prostate. If the cancer is localized in one area, it can be attacked by surgery or radiation.

The rate of cure ranges from up to 90 percent for some of the skin cancers to 5 to 10 percent for the cancers of the stomach and prostate. About 20 percent of the cervix cancers and 30 percent of the breast cancers can be cured.

By cure we mean complete eradication of the disease, to the point where the majority of victims will die of something other than cancer. Generally, if localized unicentric-cancer patients survive for 5 years, they are regarded as cured.

But if the original unicentric cancer has spread to other areas, such as from the lung into the spine or a lymph node of the neck, it is beyond removal, and the cure is rare.

For this kind of cancer there are two treatments. One is X-ray, which can prolong life and make living easier, if not virtually normal, for some time.

The second is known as the endocrine treatment. The idea is to break the hormone chain which links the pituitary gland in the brain to other endocrine glands, such as the thyroid, adrenals, testes, and ovaries.

The pituitary gland sends out hormones to these other endocrine glands. Cancerous organs can exist, but not thrive, without these hormones. So the chain is broken by surgery or injections of antagonistic hormones.

This won't cure cancer. But it will slow it down sometimes so sharply that it actually disappears, only to return later. Bed patients with unbearable pain from prostate cancer have been restored to an active, useful life for anywhere from months to 10 years by this treatment. Lives of breast-cancer victims have been lengthened from months to 15 years.

Despite all claims to the contrary, there simply is no such thing as effective chemotherapy (treatment by chemical agents) for unicentric cancers. This holds whether they are localized or spread.

Then there are the multicentric cancers. These are cancers which involve more than one locality and are commonly associated with the blood-forming tissues such as bone marrow, liver, spleen, thymus, and lymph nodes. Hodgkin's disease and the leukemias, both acute and chronic, are typical examples of these cancers.

For all practical purposes, there is no cure for multicentric cancers. But by their very perverse nature, some of their victims can live 20 or 30 years without treatment of any kind. Others may survive only a few days

or weeks, no matter what medical science does for them.

The 5-year-cure assumption which applies to the unicentric cancers does not hold for the multicentric variety. Recurrence can come at any time from 1 month to 20 years.

Victims of acute leukemia may die in days, usually in months. Life can be prolonged at most for a year or two. Among adults, 30 percent can obtain significant prolongation of life, up to a year or so. Results are somewhat better in children's cases.

Chronic leukemia is much slower. Life expectancy is figured in years, to tens of years. But there is little evidence that those with chronic types live any longer than they did 30 years ago, despite medical advances. However, they do live better.

There are several kinds of Hodgkin's disease. Generally, average life expectancy is 4 years, but some die in weeks while others survive for 10 and 20 years.

So while there is absolutely no such thing as a cure for multicentric cancers, victims can hope for long, normal, productive lives.

Treatment can take many forms.

For chronic types of multicentric cancers, effective results have been achieved by radiation (whether by X-ray or radioisotopes such as radioactive phosphorus), nitrogen-mustard taken by injections or orally, ACTH and cortisone, or combinations of these.

Acute types are treated with various drugs which interfere with the growth of the malignant cells, administered by shot or pill, like aminopterin and 6-mercaptopurine.

Judicious treatment of the symptoms and patient care, through close management of such complications as hemorrhages, emotional ills, infections, and anemia, can substantially prolong life and relieve discomfort.

So where do we go from here?

"What America needs today is a crash program of medical research," writes Senator RICHARD L. NEUBERGER, Democrat, of Oregon, in a recent issue of Eagle magazine.

"It should be a program proportionate to the $40 billion which we seem able to spend annually on weapons of war. What war, after all, can compare with that against cancer, heart disease, mental disturbances, and other sinister maladies wracking mankind?"

Yet NEUBERGER points out that Congress and the public still think in pygmy terms with respect to combat against disease. We spend $48 million for research at the National Cancer Institute and $10 billion on naval vessels.

In recent years, Congress has doubled cancer funds, but NEUBERGER quotes the former United States Surgeon General, Leonard A. Scheele, as saying $500 million could be spent in 1 year of research at the National Cancer Institute.

"You would be certain that you could carry on your program from year to year without delay or interruption," NEUBERGER quotes Scheele. "Your top doctors and scientists would know their continued employment, at fair and adequate pay, was assured.

"They would not be tempted to break off their work to enter lucrative private practice. In addition, you could follow every possible lead or hope, no matter how remote or elusive it might seem.

"You would not have to budget so carefully and pursue only the most promising discoveries. In a war, the military often overspends because it might be fatal to the country to underspend.

"We could do that in the area of cancer research if we had a billion dollars or even half a billion dollars at our disposal."

And why not, asks NEUBERGER.

"Americans spend over $15 billion a year on liquor and tobacco. They even spend $280 million for chewing gum and $116 million for shampoos. Why not twice as much for cancer research as for gum?"

NEUBERGER notes that Congressional reluctance to tackle cancer still prevails despite the toll it has taken in Senate ranks alone. Senators Taft, Vandenberg, and Wherry, he recalls, were fatally stricken by cancer.

"Yet the Senate will move with alacrity to vote $4 billion for B–52 bombing planes, but it can cavil over barely more than 1 percent of this for cancer research," NEUBERGER complains.

During World War II, NEUBERGER continues, cancer killed two and one-half times as many people as were killed in all its battles. In 1 year cancer killed 10 times more Americans than died in 3 years in the Korean war.

What about the private, voluntary agencies?

NEUBERGER says they can't do the job alone—it is too big, too costly. Only about 25 percent of the contributions to the American Cancer Society go to research—or about $3 million of the $30 million to be raised this year. The rest goes to education and service.

Still, more than $50 million will be spent this year on research, including Government appropriations and other donations. In 1945, only $1 million went into cancer research. However, the Department of Agriculture and Du Pont both spent more on other research last year.

Every year another 500,000 Americans are stricken by cancer. Another 250,000 die.

So NEUBERGER's demand for a crash program in public health is gaining support in Congress. One possibility receiving close study is the appropriation of $5 million to $10 million more a year, to draw private drug manufecturers into the cancer war.

"For a country spending $40 billion a year for armaments, there is no sum too high to invest in the well-being of its citizens," NEUBERGER concludes.

[From the Denver Post of April 22, 1957]

STOP CANCER

The battle against cancer has developed into mankind's greatest and costliest war on disease. The attack is being waged by thousands of scientists in hundreds of hospitals and laboratories. But there is no victory, or even a truce, in sight.

Since 1945, annual research funds have been expanded from 1 million to $50 million, including Federal aid. In those dozen years 2,500,000 Americans died of cancer, including such leaders as Senators Taft, Vandenberg, McMahon, and Wherry; Generals Vandenberg, Air Force Chief of Staff, and Vinegar Joe Stilwell, and Dr. Enrico Fermi, father of the atomic bomb.

Their deaths have not been in vain. Today, the attack on the Nation's No. 2 killer is being pressed on all fronts—causes, courses, detection, and treatment.

Progress, however slow and limited, is being made. Radiation and surgery now can cure 1 of every 3 victims. Earlier detection could cure another 75,000 patients a year, including an estimated 600 Coloradans who will die needlessly in 1957, because they weren't caught in time.

While important advances have been made in radiation and surgery, there is still no drug cure. Over 80,000 chemicals have been tried unsuccessfully. But enough promise has been shown that Congress has voted $20 million for cancer drug research this year.

Other research avenues have been neglected because funds are lacking. Viruses, environment, and immunity are three relatively unexplored approaches which might offer a cure or prevention.

Nevertheless, cancer research has entered a new era of hope and plenty. Chemotherapeutic agents are being sought in such unusual places as insect larvae, secretions of the lamprey eel, and the ovaries of the cow. A phantom man has been made of polystyrene to study X-ray penetration. Radioactive isotopes have been introduced into tumors to find some way to damage malignant cells. Studies are under way into the effect of psychological stress on malignant neoplasms. An ultrasonic microscope is being constructed to learn more about cell structure, electronically.

About $70,000 has been allocated by the American Cancer Society for research in Colorado. One of 10 ACS projects at the University of Colorado medical center has been described as of Nobel prize proportions.

But when we stop to realize that 40 million now-healthy Americans eventually will get cancer, the war on this cruel killer still seems pitifully small—particularly compared with a $40 billion peacetime defense budget.

And it is a national disgrace that Americans still spend 390 times more in liquor stores, 100 times more at racetracks, and 11 times more for chewing gum than they give to the American Cancer Society.

So when the 1957 Cancer Crusade comes to your door this month to raise $325,000 in Colorado and $30 million nationally, think of your neighbors—two of every three families in your block, and every block, will suffer the ravages of cancer.

No appeal to give generously, then, should be necessary.

PANAMA CANAL: NEW DEFENSE ROLE

Mr. MARTIN of Iowa. Mr. President, during the week of April 21–26, 1957, the Isthmus of Panama was the scene of extensive combined exercises by the Army, Navy, Marine Corps, and Air Force. Conducted on a grander scale than any peacetime maneuvers in that area since prior to World War II, they effectively demonstrated the profound changes in defense concepts concerning the defense of the Panama Canal that the development of modern weapons has caused.

Extensively reported in the press of the United States and other nations, the new concepts of defense should gain wide acceptance. Thus, it is with considerable gratification that along with former Representative Willis W. Bradley, of California, I was one of the first in the Congress to stress this transition, and to strongly express my views in regard to it. In many statements I have emphasized that the defense of the Panama Canal, like that of the other key transportation centers, is not a matter of passive measures of construction design, but a major responsibility depending upon the combined military, naval, air, and industrial might of the continental United States, coupled with statesmanlike conduct of its policies.

Among the many summaries of these maneuvers and the lessons learned I have read with special interest that by Hanson W. Baldwin, distinguished military critic, in the New York Times of April 28, 1957. Though not dealing with the fundamental problems involved in the design or operation of the Panama Canal, Mr. Baldwin emphasizes the change in Panama Canal defense concepts from pre-Pearl Harbor days to the present. He stresses that it is no longer the "strategic focus" of "defense thinking," and that its primary protection will depend on strategic reserves in the continental United States.

To make this news story more widely available for present and future reference, I ask unanimous consent to have it printed in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW DEFENSE ROLE FOR CANAL SHOWN—PANAMA TRAINING EXERCISE DEMONSTRATES ECONOMIC AND STRATEGIC PRIORITY

(By Hanson W. Baldwin)

FORT CLAYTON, C. Z., April 27.—The role of the Panama Canal in economics and strategy was highlighted this week by Carib-Ex, one of the largest training exercises held in the Canal Zone since the war.

The combined exercise of the Army, Navy, Marine Corps and Air Force was for psychological, political and military effect.

Delegations of defense ministers or high-ranking officers from 18 Latin-American countries watched an amphibious and helicopter landing by the Marines and a parachute drop and air landing by two Army battalions. Both were supported by Air Force and Marine aircraft.

Chile and Haiti were the only Latin-American countries that did not send delegations. Chile was represented by one officer from Washington, a member of the Inter-American Defense Board.

SOLIDARITY EMPHASIZD

The exercise was intended to promote inter-American solidarity. This objective is, in fact, the primary mission today of United States defense forces stationed in the Canal Zone. Both the Army and Air Force have operated Latin-American military schools in the Canal Zone for some time.

The Unified Carribean Command, under Lt. Gen. R. M. Montague, has a title that is misleading. Actually it has little to do with the Caribbean and no jurisdiction over water areas on either side of the Panama Canal. They are under the commanders of the Atlantic and Pacific fleets.

One of the primary purposes today of the Caribbean command is to promote hemispheric solidarity. Military aid missions in Latin-American countries come under General Montague. He and his component commanders of the Army, Navy, and Air Force spend much time traveling through Latin America.

The mobility, speeds and ranges of modern weapons have changed the defense picture so greatly that it is now agreed General Montague still has responsibility for the defense of the Panama Canal. But it is generally conceded that the Panama Canal is indefensible in an atomic-missile war.

The first line of defense of the Panama Canal in nearly any type of war lies far beyond Panama. Panama is close enough to the United States to be aided quickly by air or even by sea in an emergency, as this week's exercise showed.

SABRES SHOW STRATEGY

Supersabres twice flew the round trip nonstop with refueling in the air. It was a total of 4,000 miles from Texas to Panama. They demonstrated the capability of supersonic fighters to deliver nuclear strikes quickly from bases in the United States.

These changes in modern weapons put the Panama Canal's first line of defense far out in the Pacific and along a chain of islands that ring in the Caribbean Canal Zone defenses. In the future it will be primarily dependent upon the strategic reserve in the United States. This does not mean that the Canal Zone will be left completely without defense forces. But the Canal Zone today is low in strategic priority. To one who was here in the days when the canal was the focus of United States strategic thinking, the changes in the defense picture here are amazing.

There are virtually no naval forces here. Submarine and naval patrol plane bases are in a caretaking status. Great gun batteries that once guarded the canal against a naval attack are gone. There are only two anti-aircraft battalions here and one Army infantry regiment. The latter has no field artillery.

More amazing is the fact that there is not a combat aircraft stationed permanently in the Canal Zone. France Field, once swarming with aircraft, is commanded by a second lieutenant. The Canal Zone administration may eventually take over this field and possibly Albrook Air Force Base also.

Nike antiaircraft batteries will eventually replace the present antiaircraft guns. The Canal Zone's other needs in any emergency short of a nuclear war could be supplied quickly from a central strategic reserve in the United States. The canal probably will never again occupy the same permanent strategic position it did in the days of the 1930's and in World War II.

The reason for this is clear. Then naval power was the key to the defense of the United States and we had a one-defense responsibility.

AIRPOWER CARRIES BURDEN

Today airpower has assumed many of the burdens of defense formerly shouldered by surface ships. In any case we have had since World War II a two-ocean Navy mobilized to meet any naval threat.

Moreover, none of our most modern men of war can pass through the canal. All aircraft carriers with modern canted decks are too broad in beam for the present locks.

STRATEGIC ROLE CITED

But Gov. William E. Potter, of the Canal Zone, believes that the canal is of vital defense interest to industry of the United States.

Many agree with him, particularly in referring to a cold war or in any kind of a hot war short of a nuclear war. For it is an ocean highway for more and more of the vital strategic raw materials that the United States needs in increasing amounts.

All this seems to mean that the Panama Canal will be maintained, guarded and protected not only because of its great importance to international shipping but because in the long-term view it is probably of vital or great importance to the economic welfare of the United States.

But it is no longer the strategic focus of United States defense thinking. And the canal's primary defense will not be based on the Canal Zone but on the strategic reserve in the United States.

NEGLECTED DEVELOPMENT OF COLUMBIA RIVER BASIN

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD an outstanding editorial entitled "Operation 'Hobble' on Mighty Columbia," published in the Denver Post of April 21, 1957.

This editorial in a newspaper devoted to the public welfare emphasizes how the present national administration has neglected and abandoned the development of America's greatest river system, so far as potential waterpower is concerned.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OPERATION "HOBBLE" ON MIGHTY COLUMBIA

About 25 years ago the Federal Government launched a program to build large hydroelectric dams on the Columbia River and its major tributaries. Some of the dams were multipurpose, meaning they were intended not only for generation of electric power, but for reclamation, flood control and—to a lesser extent—navigational benefits, too.

That program was not undertaken through an authority as a similar one was in the Tennessee Valley. All the States and all the Federal agencies cooperated, each undisturbed as to its statutory authority, but all held together on a single program goal by the executive branch of the Federal Government and a like-minded majority in the Congress.

Now that program has been broken up. Its disintegration started before the Republicans moved in Washington in 1953. It began to hit snags interposed by economy-minded Congressmen who saw no distinction between investment in river basin development and spending of general fund money—billions of which were paid by nonwestern taxpayers. And of course this opposition was encouraged by handsomely financed and tireless lobbyists on the payroll of private utilities who saw (and still see) Government power as a social malignancy of danger to the business managed electric power companies in the West and elsewhere.

Well, the Eisenhower administration has further slowed down the river basin development program by pulling away from dam sites where private public utilities evince an interest in exploitation, and by taking a dim view of such investments unless—as in the upper Colorado River project—something other than public power generation is a primary benefit. And the Eisenhower policy, which we assume is based in part on sincere ideological doubts about public power, has cost the GOP dearly in States drained by the Columbia River.

To anyone who understands the history of the controversy in the Pacific Northwest, the present frantic maneuvers of the administration to merchandise its partnership gimmick in the ballot bazaars of Oregon, Washington, and Idaho are funny. Even the Democrats in Congress from that region are adding to the hilarious confusion, apparently more interested in capitalizing on the political opportunities inherent in the administration's stand, than in developing their own river.

The Columbia River rises in Canada and flows westward into the Pacific. It is not our river as much as it belongs to the States through which it flows. But in another sense it is an asset that belongs to the Nation, as indeed it proved to be when the gigantic aluminum industry that sprung up from its great power wheels contributed so much to the American air armadas that helped win the war.

We regret, therefore, that the enormous value of that great river of the West is being sacrificed to the delaying tactics and obstruction of pettifogging politicians. And we can only be glad that as much work was done before the onslaught of timid men, feckless compromisers, slick special interests, and wreckers brought things to their present impasse.

SENATOR CHURCH DEFENDS THE WEST

Mr. MANSFIELD. Mr. President, on Monday of this week I had inserted in the CONGRESSIONAL RECORD an article by the noted historian, Walter Prescott Webb, entitled "The American West: Perpetual Mirage."

I found Professor Webb's article very interesting. He arrived at a number of new conclusions as to the forces which have shaped the West, namely, the desert. He points to what he considers the lack of great statesmen in the West, and suggests that western history is brief and bizarre.

Many persons may take exception to Professor Webb's thesis and his findings.

UNIVERSITY OF MICHIGAN LIBRARIES

The distinguished junior Senator from Idaho [Mr. CHURCH] is one. The Senator objects to the irrelevance of a great deal of the facts and data presented, and explodes a number of Professor Webb's theories.

The junior Senator from Idaho presents his views in a letter addressed to Harper's Magazine, and so that the Senate may have the benefit of the views of this very able Representative of the West, I ask unanimous consent that the letter, dated April 25, be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND
INSULAR AFFAIRS,
April 25, 1957.

The EDITOR, HARPER'S MAGAZINE,
Philadelphia, Pa.

DEAR SIR: Walter Prescott Webb has woven an intriguing fabric from rather insubstantial yarn. I am not critical of his thesis; it is interesting, and as valid, I suppose, as any other about the fact of geography or climate as an influence upon people or nations.

Irrelevance is the vice to which I object. Professor Webb's theory that the desert is the unifying, shaping force of the West is irrelevant to the facts he advances to show that somehow the West is a less productive region than the rest of the country in human resources, traditions, and future. If the West is desert (and I know of no thoughtful westerner who fails to recognize the fact and impact of the desert) that may explain its newness.

But the desert does not make the West a mirage, nor does it explain the absence of westerners in the biographical encyclopedias, or in the Hall of Fame. My State is younger than Professor Webb. When he was born, Idaho's population and Arizona's were each 88,000. The desert States of Wyoming and Nevada had 110,000 people between them. The same four in 1950 shared a population of 1¾ million. Between 1890 and 1950 (Mr. Webb, I am informed was born in 1888) the population of all the 11 Western States increased sixfold; the rest of the country but little over twofold. A Toynbean approach to history might persuade the eminent Texan to get a little more perspective before consigning our region to intellectual limbo. Our biographers and historians may yet have something to say.

Indeed, there is more to be said now than Professor Webb says. Chief Joseph is to me as attractive an historical personality as any Revolutionary or Civil War general, and more authentic. Brigham Young from Vermont and William E. Borah from Illinois in Mr. Webb's view do not qualify as westerners. In my view they do, and great ones.

Professor Webb's statistics are selectively presented. He mentions east Texas, Oklahoma, and the three Pacific States as having practically all the West's timber. Idaho's 96 billion board feet exceeds Texas' 26 billion feet substantially; Oklahoma has 6 billion feet. The Rocky Mountain States (all classified by Mr. Webb as desert) have 236 billion feet, Texas and Oklahoma hardly qualify to be included as big timber producers with any single Mountain State, much less with California with 360 billion feet and Washington and Oregon with 748 billion feet.

Other statistics could be piled up to refute the vacuum theory espoused by Mr. Webb. Oil, grain, beef, and myriad other contributions flow eastward to feed, enrich and make mobile the trans-Mississippi civilization. True, Mr. Webb has placed the Midwest on the desert's rim, along with his beloved Texas, but even without his designated rim States, the eight States he has indicated as the heart of the desert make monumental contributions to the remainder of the Nation.

As historian, Walter Prescott Webb spurns the impact of the West's violent and compressed history upon the Nation, and takes as a measure the hour-glass of tradition and the shadows of the Founding Fathers. Western history is brief and bizarre, but that its material is deficient is a statement so obviously incorrect that it hardly warrants comment.

The West, writes Mr. Webb, "came on the scene too late to participate in the founding of the Nation or to prevent its dissolution in the Civil War." So did Mr. Webb. My own State, before statehood, made a major contribution to the preservation of the Union during the Civil War. Idaho's gold fields poured out their yellow metal during the entire conflict, the major source of gold to purchase the sinews of war for the Federal cause.

It is true that great armies did not struggle to valiant victory or extinction upon our vast plains and mountains; but consider the accomplishments of individuals and small groups who conquered this formidable wilderness in epic odyssey. Show me a trek as adventurous as that of Lewis and Clark. It was this great exploration which gave the Nation its firm claim to the Pacific Northwest.

I have mentioned Chief Joseph of the Nez Perce Indian tribe. He outthought and outfought four ranking Civil War generals in his 1,700-mile quest for sanctuary from the white man's avarice. He was outnumbered, outgunned, and surrounded by hostile foes on every side—yet he carried his entire tribe and 3,000 head of horses across three States toward a junction with Sitting Bull, camped across the Canadian border in 1877. He lost his last battle, but his tactics have been studied from West Point to St. Cyr, and he stands in heroic stature as one of the greatest of American military geniuses. Where was the superiority of the civilization beyond the desert's rim when Joseph—Thunder Rolling in the Mountains—matched his native wits against the veterans of the 7th Cavalry?

There are other names from my own State and region that I would mark high in the halls of Valhalla. But Mr. Webb can find them by a little research beyond the Texas trees that screen his view of the Idaho forest.

Sincerely,

FRANK CHURCH,
United States Senator.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. MANSFIELD. I am glad to yield.

Mr. CHURCH. I thank the distinguished Senator from Montana for having taken note of my remarks with respect to the article written by Professor Webb, and also for the courtesy of having those remarks included in the CONGRESSIONAL RECORD. I wanted the Senator to know that I sincerely appreciate his action.

Mr. MANSFIELD. I express my thanks to the distinguished junior Senator from Idaho. I point out to him that I agree with him in his thesis that there have been some great statesmen produced in the so-called desert West. I can recall William Borah, from the Senator's great State of Idaho; Tom Walsh, from Montana; and numerous others as well.

So I am delighted that the Senator from Idaho saw fit to write the letter, for I am quite certain that the education of the good professor will be enhanced as a result of it.

Mr. CHURCH. I thank the Senator from Montana.

THE BUDGET—ADDRESS BY SENATOR BYRD

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the text of a speech I made before the United States Chamber of Commerce earlier today.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

America is founded on the democratic principle that the will of the people shall prevail. I have served in the Senate for nearly 25 years. I have seen many citizens coming to Washington asking for appropriations, and I have received thousands of letters for the same. But I have never before witnessed anything like the present demand from the grassroots in all sections of the country for retrenchment in Federal spending. Senators and Congressmen are deluged with mail for reduced spending.

This started when the President submitted the pending budget, which I call a luxury budget on a global basis. It is a luxury budget because it increases more than 350 appropriations. It sows the seed for future spending. For example, it proposes 14 new grants to the States to be added to the 53 grants programs now existing. It is a global budget. Eighty nations are, or have been, recipients of American foreign aid.

INFLATION TAKEN INTO ACCOUNT

It is the largest peacetime budget in our history. I say with all sincerity that from a fiscal standpoint it is the most irresponsible budget submitted in my day. I document this statement by comparison with the largest peacetime budgets of the Roosevelt and Truman administrations. President Roosevelt was not noted as an economizer. His highest peacetime budget, in 1941, was $13.3 billion, and even then Europe was already at war. That was when the dollar was worth 100 cents by the 1935–1939 index. On the basis of present 50-cent dollars his 1941 budget would total $26.6 billion. The pending budget is nearly three times that amount. The highest peacetime budget of the Truman administration, in 1950, was $39.6 billion. The pending budget is nearly $30 billion higher than President Truman's peacetime peak after taking into account the drop in dollar value since 1950.

This comparison is important in any consideration of the contention that the size of the pending budget is largely due to 50-cent dollars resulting from inflation.

The American people are alarmed over consequences of continuing reckless public spending, and they have good reason to be. They have taken aggressive initiative for reduction in public spending. If our democracy means what we so often boast: Our citizens rule our Republic through their elected representatives, the President and the Congress should heed their voice.

There is a great tide of protest coming to Washington, and it must be continued with increasing vigor in order to accomplish the purpose. To comprehend this nationwide protest, we should understand that it is in culmination of excessive Federal spending over 26 years. We were at peace in 18 of these years. In this period there have been 20 deficits, 13 in peacetime years. With notable exception in fiscal years 1954 and 1955, it is what has happened to our fiscal system in the past quarter of a century that has aroused the average citizen to the peril of continued profligate spending.

The American people know fiscal solvency is the base of free government. Without it there can be no military preparedness except under totalitarian methods such as those in Russia. Without solvency, we would enter an age of international darkness. Solvency is an absolute requirement if universal confidence in our currency is to be maintained. Our free-enterprise system is the greatest deterrent in the world today to Russian aggression. This system can only exist under solvent government. While we may regard ourselves as the most powerful force in the world, it should be remembered that other nations also have been powerful and dominated much of the world in their day. But history records that many of these nations destroyed their position by assuming burdens beyond their capacity.

Reviewing our fiscal record for the past 25 years, I would say that the greatest evil resulting from the excessive spending has been inflation which has cut the purchasing power of the American dollar in half compared with its 1935–39 value.

I am aware that Federal spending is not the only factor in inflation, but as a matter of record high Federal spending reflects itself in depreciation of the dollar. There are, of course, other factors in the cause of inflation, but huge Federal spending is perhaps the greatest factor in the depreciation of our currency.

Terrible debt is another evil resulting from the fiscal record of the past 25 years. The direct debt of the Federal Government has increased from $16 billion in 1932 to the present debt of $275 billion. That is 1,600 percent. Interest in 1932 cost taxpayers $599 million. Now it is $7 billion yearly, or 10 percent of Federal revenue. Higher costs are in prospect. Interest rates on Federal bonds have been increased. If all the Federal debt were refinanced on the basis of the higher rate now being paid, interest costs would increase to approximately $9 billion.

Public debt is not like private debt. If private debt is not paid off, it can be ended by bankruptcy, hurting relatively few people. But, if the public debt is not paid off with taxes, the end is disastrous inflation or repudiation. Either would destroy our form of government.

In addition to the $275 billion direct Federal debt, the Federal Government has accumulated contingent liabilities of at least $250 billion. These are obligations the Federal Government has guaranteed and insured, such as $40 billion in Federal housing programs.

The direct Federal debt is equivalent to the full assessed value of all the land, all the buildings, machinery, livestock, and everything of tangible value in the United States. This does not include State and local public debt which totals $50 billion. Individuals and corporations owe $466 billion more, making a grand total of indebtedness of approximately $800 billion. This is an increase of one-third in 4 years.

We are mortgaged to the hilt, and it is not a pretty picture. It makes one wonder to what extent present so-called prosperity is based on new debt which must be paid or refinanced at increasing interest costs.

If we continue toward insolvency in the future as we have in the past, we will destroy the greatest free government in the history of the world. It is time to take heed, stop squandering public money, turn around and start conserving our national credit. What we spend we must pay from taxation or add to the public debt as a deficit.

Power always follows the purse and herein lies another evil of growing Federal expenditures. Vast Federal expenditures are insidiously destroying the rights of the States and local self-government. Taxes collected from the American people to pay for Government programs, projects, and activities are now estimated at approximately $110 billion. Of this total tax take, $80.6 billion is collected by the Federal Government and $30 billion by the State and local governments.

Federal expenditures were reduced to a total of $64.6 billion in fiscal year 1955. Since that date they have been increasing each year and now we have the estimate of $73.6 billion for the coming year, including Federal expenditures for public roads. The great portion of this increase has been in strictly domestic-civilian programs, projects, and activities—exclusive of all national security and foreign-aid expenditures. The domestic-civilian expenditures reached a low point in the postwar era in 1954 when they totaled $19.1 billion. Compared with the estimate of $28.9 billion for the coming year, there is an increase of $9.8 billion, or 51 percent in 4 years.

The proposed new public school-construction program is an example of the increases in the domestic-civilian area which open up vast fields for enormous Federal spending. The President says this program will be limited to an expenditure of $2 billion over a 4-year period. The record shows that Federal grants to States have grown from $250 million in 1932 to $5.4 billion proposed in the pending budget. This is an increase of 2,000 percent.

When the President says the new Federal school construction would terminate in 4 years, I invite attention to the fact that when the Marshall plan was adopted, President Truman gave solemn assurance to the American people that it was an emergency plan limited to 4 years at a cost of $15 billion, and the law then enacted so provided. The fact is that this so-called emergency foreign-aid plan has continued for 10 years, and has cost approximately $55 billion. Great effort is now being made to make foreign-aid spending permanent, and its scope has been enlarged to include more Middle East countries. Current suggestions would even eliminate annual appropriation review by Congress.

Experience is the best teacher. We must not be misled by thinking that peacetime appropriations begun in the name of emergency will not be continued in future years in the name of necessity.

The present budget is in precarious balance. A surplus of only $1.8 billion is estimated when the year ends June 30, 1958. This surplus, which amounts to about 2 percent, is based on two unpredictables. It contemplates an increase of approximately $700 million from higher postal rates, which have not yet been approved by Congress. I believe the Post Office Department should be self-sustaining, and it is my purpose to vote for proper increase in postal rates, but it should be noted that the estimated budget balance counts on postal-rate increases that have not been authorized by law.

The second unpredictable lies in the fact that the budget for fiscal year 1958 anticipates a 6-percent increase in tax revenue from existing sources. This, of course, anticipates more inflation. The Government plans in advance to spend this revenue from inflation. The fact is, however, that no one can safely predict that such revenue will develop.

Based on this slender margin, tied to two unpredictables, it is very possible that there may be a deficit in the coming year instead of a surplus.

Quotations from two eminent authorities are appropriate here. Secretary of the Treasury Humphrey, one of the most outstanding financial experts in the United States, regarding this spending budget said: "There are a lot of places in this budget that can be cut, and, if the upward trend of spending is not stopped, we will have a depression that will curl your hair."

This assumes the Federal Government has left us some hair to curl.

Now listen to a great and respected world economist, Mr. Per Jacobsson, the managing director of the billion-dollar International Monetary Fund, speaking before the Economic and Social Council of the United Nations on April 17, 1957. He warned of increasing acute dangers unless key nations, particularly the United States, curtailed Government spending.

He said, and I quote: "A stage has now been reached where a return to monetary stability is demanded with growing insistence by the public."

After expressing uneasiness in regard to recurrent increases in the cost of living, he then said: "History has shown that those countries that have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment."

There are two fields for reducing Federal expenditures. The first is elimination of waste and duplicated effort and requirement of more economical administration. This is a broad and very fertile field for reduction. For example, we have 2,392,987 regular Federal employees. Yet the Eisenhower budget proposes to increase these employees by 31,500.

In addition to these Federal employees, there are 271,573 foreign nationals employed overseas: 26,100 in France, 98,463 in Germany, 128,030 in Japan, etc.

I believe there is hardly an agency of the Government that cannot reduce its administrative or so-called overhead expenditures by 5 to 10 percent and still function effectively.

Every businessman knows how deadening is nonproductive overhead expense. The administration has signally failed to reduce overhead, notwithstanding the able Hoover Commission reports.

The second field for reduction is elimination of programs. When we consider the extent to which the Federal Government has usurped State and local activities, and the vast expansion of Federal programs into areas far afield from proper Federal activities, there should be no fear in attacking Federal programs, especially those which can be more efficiently conducted by States and localities, or by the people themselves.

There are 37 million citizens receiving Federal checks. Add to this number their dependents and you probably have a majority of the population. Let us never forget that perhaps the most fundamental principle of our democracy is that the people must support the Government and not the Government the people.

When budget reduction is under consideration it should be understood that frequently there is vast difference between annual expenditures and appropriations for the same year. This is inherent in current Federal budgetary procedure under which programs, projects and activities are funded by appropriations far in advance. Under this procedure Federal agencies, in many accounts, each year carry over huge unexpended balances in previous appropriations which continue available for expenditure in future years, usually without further consideration or action by Congress.

Federal agencies will start fiscal year 1958 on July 1 with $70 billion in unexpended balances in prior year appropriations. If the President's request for $73.3 billion in new appropriations should be granted in full, total expenditure availability would be more than $143 billion, and if highway trust fund appropriations and balances were added the total would exceed $150 billion.

Of the $73.3 billion requested in regular new appropriations and authorizations, approximately $25 billion would be for expenditure in some future year; and of the $71.8 billion expenditure estimate, more than a third would be spent from balances in prior year appropriations. In this situation it is likely that an undetermined amount of any reductions made by the Congress in pending

UNIVERSITY OF MICHIGAN LIBRARIES

new appropriations may simply reduce balances to be carried over for expenditure in some subsequent year; with no effect on actual expenditures in the coming year.

In the days ahead when you see in the newspapers that this and that appropriation has been cut, don't be too jubilant until you are certain that it is a 1958 expenditure cut and not an appropriation cut for some future year, which, of course, can be restored.

Expenditure cuts require joint action of the executive branch and the Congress. The President controls the timing and the amount of Federal spending. The President can effectively control spending out of appropriations and balances.

When Mr. Eisenhower came into office in January 1953, he was confronted with a budget for fiscal year 1954 prepared by Mr. Truman as the outgoing President. This Truman Korean war budget was $79.6 billion. Mr. Eisenhower reduced it to $67.8 billion. It is fair, however, to state that about two-thirds of that reduction was due to the ending of the Korean war. In fiscal year 1955, Mr. Eisenhower did a great job. I pay tribute to him for it. He continued expenditure reductions to $64.6 billion, approaching his announced goal of a $60 billion budget. But in fiscal year 1956, there was an increase of $2 billion. In fiscal year 1957, there was another increase of $3.6 billion, and now for fiscal year 1958, the pending budget, including roads, proposes another increase of $3.5 billion. This would be $9 billion more than the low Eisenhower expenditure budget of 1955.

In 1953 inflation which, since 1940, had destroyed 48 cents of the purchasing power of the dollar, was halted coincident with the Eisenhower reduction in spending.

The dollar remained stable in 1953, 1954, and 1955, and began again to lose value in 1956 when spending increased. The reduced spending in fiscal years 1954 and 1955 not only halted inflation but had a dynamic effect on business expansion and business confidence for the future.

1955 LEVEL

Our goal now should be to return our expenditures to the Eisenhower level of $64 billion for fiscal year 1955. We got along very well in that year. We had adequate funds for all purposes, including the military. It was strictly an Eisenhower budget. It is possible that we cannot reach the 1955 level in the coming year, but we can work to that goal. Mr. Eisenhower has said that the people want the expenditure in his pending budget proposals. It is possible that when he prepares the next budget he may reach the conclusion that the people want expenditures at the 1955 level so we can pay on the public debt and provide for tax reduction. Certainly, this would be in harmony with the public will now so vigorously expressed.

I am convinced the President wants to follow the will of the people. It would be helpful to him if, in the preparation of the next budget, he had the assistance of a Director of the Budget who was dedicated to reduction of Federal expenditures not only for efficiency in government, but in amounts sufficient to allow debt and tax reduction.

Excessive Federal spending has placed burdensome taxes on the shoulders of the American people. We now have the highest peacetime tax collections in all history. As chairman of the Senate Finance Committee, I well know the hardships such taxes have imposed on all classes of our people. It is my conviction that the present tax level cannot be continued long without serious impairment of the competitive enterprise system and severe hardship to our citizens.

In the cold cash of Federal, State, and local taxes, we are taking from the American people one-third of the total national income.

DEBT AND TAX REDUCTION

If Federal expenditures were cut by $8 billion to $9 billion, reviving the Eisenhower budget level of fiscal year 1955, there could be a tax reduction which would revitalize our business activities, reduce hardships, and restore the profit incentive, which is the motor that makes the competitive enterprise system work and stimulates individual initiative.

I am now thinking aloud after consulting the able head of the staff of the Joint Committee on Internal Revenue Taxation as to how expenditure reduction could best be converted into debt and tax reduction.

In making this statement, I want it understood that these are my personal suggestions after consultation with the staff. I have no intention of interfering with the jurisdiction of the Ways and Means Committee, where revenue measures must originate.

It may be wishful thinking, but debt and tax reduction based on expenditure reduction can become a reality if the people demand it. I am thinking in terms of a 1555 expenditure level with the saving to be used as follows:

A payment on the public debt of $2 billion.

Increase in per capita exemptions from $600 to $700 for the relief of all income-tax payers and especially those in the lower brackets. This would reduce revenue $2.8 billion.

Relief to the heavily burdened taxpayers in the middle-income brackets to a total of $1 billion. This objective involves complex revision in bracket rates which is being worked on by the staff.

Reduction in the high-bracket rate from the present 91 to 65 percent. This would reduce revenue $225 million.

Reduction in corporate taxes from the present 52 percent rate to 50 percent. This would reduce revenue $830 million.

Relief to small business in the most effective manner. This also involves complex amendment, and the staff is working on this objective which would reduce revenue by approximately $500 million.

Reduction in the most burdensome excise taxes. This would reduce revenue by $1 billion.

All of this could be done if expenditures were held to the Eisenhower expenditure level of 1955.

MAY TAKE TWO BUDGETS

I want it clearly understood that these are merely suggestions for discussion, and that they depend upon expenditure reduction sufficient to assure a balanced budget.

I shall continue to oppose any tax reduction that results in a deficit to be added to the debt, and let us clearly understand that any tax reduction is completely dependent upon reduction in expenditures.

Such a program of reduction in expenditure, debt and taxes would be general, just, worthwhile, and preferable to negligible tax cuts in little nibbles. If necessary, I believe we should await further expenditure reduction under the next budget to provide for a comprehensive tax reduction program, after careful consideration, which would benefit all classes of citizens.

We should do all we can now to reach the 1955 Eisenhower budget level, and if it is not achieved continue the effort until the objective is gained.

Meanwhile, we should:

Enact appropriations in a single bill capable of being calculated on an expenditure basis and measured against estimated revenue; and

Adopt the Hoover Commission recommendations and administer them in a manner to accomplish the $5 billion savings which the Commission estimated could be accomplished. In this connection, the President would make a material contribution through a special message to Congress on the subject, and congressional hearings should follow through on such a message.

There is a long and difficult battle ahead, if we are to restore this country to a fiscally sound basis and reduce taxes to a point which will stimulate sound progress and individual initiative.

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

RAPID DEPRECIATION AMORTIZATION CERTIFICATES GRANTED IDAHO POWER CO. BY OFFICE OF DEFENSE MOBILIZATION

Mr. CHURCH. Mr. President, at this time I wish to associate myself with the remarks made on the floor of the Senate on Monday, by the distinguished senior Senator from Virginia [Mr. BYRD], concerning the rapid amortization privileges for depreciation which have just been granted to the Idaho Power Co. by the Office of Defense Mobilization. After I learned of his remarks, I wrote to the Senator from Virginia, commending him on the stand he had taken. At this time I ask unanimous consent to have the text of my letter printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 29, 1957.

Hon. HARRY F. BYRD,
United States Senate,
Washington, D. C.

DEAR SENATOR BYRD: Your remarks on the floor of the Senate today concerning the fast amortization certificates granted to the Idaho Power Co. by the Office of Defense Mobilization are most timely. I agree with you that the granting of these certificates aggregating over $65 million is utterly indefensible. The documentation you adduced shows that the action was taken notwithstanding your request that it be withheld pending the completion of studies by your committee, and notwithstanding the inference in Director Flemming's reply that action would be withheld until your committee had made its report.

As you stated in your letter of December 28, 1956, these certificates amount to hidden costs for which no appropriation is required by the Congress. They make it more difficult to balance the budget or reduce the tax burden of taxpayers not receiving such a benefit.

In addition to the fact that public utilities are guaranteed their profits and therefore should not be entitled to this incentive benefit, this particular public utility has stated publicly that it did not need the fast amortization and could finance its expansion without this assistance. I associate myself

with Senator MANSFIELD's suggestion that in this particular instance, there is the additional factor that the Government has added to these benefits a gift of the dam site itself.

The people of the United States are indebted to you for calling attention to this subsidy, and I commend and thank you for your action.

I pledge my support to S. 1795, a bill to eliminate this favoritism.

Sincerely,

FRANK CHURCH.

Mr. CHURCH. Mr. President, the issue raised by this shocking action of the Office of Defense Mobilization is one of special privilege. The rapid amortization provision was originally enacted at a time when the heavy demands of war for increased plant capacity made it appear prudent to attract risk capital for investment in war-plant expansion, by making rapid tax writeoffs for depreciation available. The peculiar wartime conditions which may have justified this provision for war plants have long since disappeared. Moreover, as the distinguished Senator from Virginia pointed out, these special tax writeoff privileges ought never to have been extended to public utilities, because public utilities are licensed to operate as monopolies, and are guaranteed their profits by law. Yet, despite these obvious facts, the Idaho Power Co. has just been granted a writeoff by way of rapid depreciation amortization tax certificates, on dams it proposes to build in the Hells Canyon stretch of the Snake River; in this case, aggregating $65,200,000.

It is foolish to assert that the privilege of rapid amortization does not constitute a special benefit to the favored taxpayer, and one which ordinary taxpayers do not share, or to maintain that the Government is in no worse position, revenuewise, than it would be if normal depreciation were taken. The Federal Power Commission and the staff of the Joint Committee on Internal Revenue both have said that the legal effect of this order is the granting of an interest-free loan. Who will seriously contend that an interest-free loan in these hard-money-policy times is not a substantial economic benefit? The use of what is, in effect, public credit for 5 years without payment of interest, is privilege enough; but the wrong is further compounded by the fact, as the staff of the joint committee has pointed out, that the company reports its capitalization for rate-making purposes without taking into account the special benefits deriving from the rapid writeoff privilege. Thus, the rate payers do not share the benefit that the company has gained.

Mr. President, I endeavor to maintain a temperate tone in my remarks; but I must say that a temperate attitude is difficult to maintain when the people of the United States, by administrative act, are compelled to grant a special subsidy to a private utility company on dams to be built on a river which has already been contributed by the people at large. The time has come to strike unwarranted privileges from our income-tax laws. I commend the distinguished senior Senator from Virginia on his proposal to do this, and I pledge him my wholehearted support.

THE 100TH ANNIVERSARY OF MODERN STEELMAKING IN THE UNITED STATES

Mr. KENNEDY obtained the floor.

Mr. BRICKER. Mr. President, will the Senator yield 4 or 5 minutes to me?

Mr. KENNEDY. I yield to the Senator from Ohio, with the understanding that I do not lose my right to the floor.

Mr. BRICKER. I ask unanimous consent that I may speak for about 5 minutes without the Senator from Massachusetts losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Senator from Ohio may proceed.

Mr. BRICKER. Mr. President, this year marks the 100th anniversary of modern steelmaking in the United States. Our dynamic steel industry has been a pillar of national strength in peace and in war. In the Nation's steelmaking hub, Ohio and Pennsylvania, as in the 26 other States which produce ingot steel, special observances will be held between May 1 and December 31 to commemorate this milestone in human ingenuity and industrial progress.

I understand that the Post Office Department will issue a commemorative 3-cent stamp later this month to mark the occasion.

It was 1857 when William Kelly, an American ironmaster, received letters patent for a machine called a converter, which for the first time made possible the mass production of steel. Although Henry Bessemer, an Englishman, had received United States patents for the same process in 1856, Kelly proved priority of invention, and is recorded as the actual father of volume steelmaking in America.

An original Kelly converter, about the size of a concrete mixer, is on exhibit in the Smithsonian Institution here in Washington.

From that modest start in 1857, a total of 85 companies are now producing ingot steel in plants located in 119 communities dotted over the land from coast to coast and from the Great Lakes to the Gulf. Some 255 companies are finishing steel for the Nation's markets.

From the very beginning, Ohio has been a full partner in the growth of the steel industry. While Bessemer and Kelly, and their oxygen conversion process, are identified with Pennsylvania, one of the first open hearth furnaces was pioneered in Ohio. In 1873 the Lakeside Furnaces were built in Cleveland by Samuel Wellman. The open-hearth process used by Wellman became universally preferred after 1888, until today not more than 3 percent of our total steel output is by the Bessemer process.

Volume steel production has made possible such vital industries as autos, railroads, communications, and electric power. Steel is the basic material of our industrial might. It is Ohio's greatest industry.

Volume supply of high-quality steel also has made possible the development of the machine tool industry, in which Ohio is second to none. Today, over 300 member companies of the National Machine Tool Builders Association open their 3-day annual convention in Washington. In war and peace, the steel in machines has been the key factor in America's military, agricultural, and industrial strength.

Ohio's Mahoning Valley ranks behind only the Pittsburgh and Gary areas in steel output. But the industry, although concentrated to some extent in northeastern Ohio, is spread over the State.

The history of the industry in Ohio goes back almost to the very year that the Buckeye State was admitted to the Union. In 1804, Daniel Heaton built a smelting furnace on Yellow Creek, near the present site of Youngstown, and began casting household iron products such as kettles and stoves. About this time Cincinnati began producing nails. However, Ohio was primarily an agricultural State until after the close of the Civil War and the development of the Kelly-Bessemer invention. Ohio is still a great farm State, but the inventive milestone we celebrate this year shifted the emphasis of Ohio's economy from agriculture to industry.

Fourteen steel-producing companies have 20 plants in 14 Ohio cities and towns. The Ohio plants have a 1957 capacity of 26,596,280 net tons of steel. Here, in the order of their current annual capacity, are the Ohio steelmaking communities which are contributing so mightily to our military security and our economic well-being:

Community:	*Net tons annual capacity as of Jan. 1, 1957* [1]
Youngstown	6,500,000
Cleveland	4,260,000
Lorain	2,565,000
Middletown	2,249,000
Steubenville	2,200,000
Canton	2,063,000
Campbell	1,728,000
Warren	1,660,000
Portsmouth	1,500,000
Massillon	620,000
Lowellville	593,000
Mansfield	500,000
Toronto	136,000
Cincinnati	21,600

[1] Figures supplied by American Iron and Steel Institute.

We are very proud of our steel companies and of the men and women in management and labor who have contributed to their growth. The list of companies is impressive, and includes Armco Steel Corp., American Compressed Steel Corp., Copperweld Steel Co., Detroit Steel Corp., Empire Steel Corp., Industrial Forge & Steel Co., Jones & Laughlin Steel Corp., Louis Berkman Co., Republic Steel Corp., Sharon Steel Corp., Timken Roller Bearing Co., United States Steel Corp., Wheeling Steel Corp., and Youngstown Sheet & Tube Co.

In a world shadowed by Communist tyranny and blighted by numerous pockets of extreme poverty, the American steel industry is a monument of hope.

Under the conditions of modern warfare, it is not unreasonable to measure relative military strength in terms of steel-producing capacity. For the free world to dissipate its decisive advantage in this field would betray the potential

UNIVERSITY OF MICHIGAN LIBRARIES

victims of Communist aggression and destroy all hope of liberation for those now oppressed.

Also, the economic underprivileged peoples of the world and their leaders may come to see in our privately owned and operated steel industry the only realistic alternative to collectivist philosophies which promise much but produce little. If the centennial observance which begins today rekindles faith in free economic choice, fair competition, and individual initiative, the world will be a far better place in which to live.

Ohio joins the other steelmaking States in marking a century of remarkable American progress. We look forward confidently, with the 27 other steel-producing States, to the opportunities of the century to come.

I am indeed happy to join with my distinguished colleague from the State of Pennsylvania in his expression in the Senate a while ago on the position of his State in this great industrial enterprise.

I thank the Senator from Massachusetts for yielding to me.

SELECTION OF SENATORS WHOSE PORTRAITS ARE TO BE PLACED IN THE SENATE RECEPTION ROOM (S. REPT. NO. 279)

Mr. MONRONEY. Mr. President, if the Senator from Massachusetts will yield to me, I should like to suggest the absence of a quorum.

Mr. KENNEDY. Very well.

Mr. MONRONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair.) The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MONRONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, as chairman of the Special Senate Committee on the Senate Reception Room, established by Senate Resolution 145 of the 84th Congress, as amended, I wish to report to the Senate that our committee has completed its deliberations, and its surveys of scholarly and senatorial opinion as described in the committee report, and recommends that there be placed in the 5 unfilled spaces in the Senate reception room paintings portraying the following 5 outstanding Senators of the past:

Senator Henry Clay, of Kentucky, who served in the Senate 1806–7, 1810–11, 1331–42, 1849–52. Resourceful expert in the art of the possible, his fertile mind, persuasive voice, skillful politics, and tireless energies were courageously devoted to the reconciliation of conflict between North and South, East and West, capitalism and agrarianism. A political leader who put the national good above party, a spokesman for the West whose love for the Union outweighed sectional pressures, he acquired more influence and more respect as responsible leader of the loyal but ardent opposition than many who occupied the White House. His adroit statesmanship and political finesse in times of national crisis demonstrated the values of intelligent compromise in a Federal democracy, without impairing either his convictions or his courage to stand by them.

Senator Daniel Webster, of Massachusetts, who served in the Senate 1827–41, 1845–50. Eloquent and articulate champion of "Liberty and Union, now and forever, one and inseparable," he grasped in an age of divided loyalties the full meaning of the American Constitution and of the supremacy and indissolubility of the National Government. Molding the symbols of the Union he cherished so strongly that neither secession nor war could break them, his steadfast courage and powerful leadership in two of the Senate's most historic and critical debates were brilliantly portrayed in orations attentively heard and eagerly read. Influential spokesman for industrial expansion, his dedication to Union above all personal and partisan considerations overshadowed the petty moral insensitivities which never compromised his national principles; and his splendid dignity and decorum elevated the status and prestige of the Senate.

Senator John C. Calhoun, of South Carolina, who served in the Senate 1832–43, 1845–50. Forceful logician of State sovereignty, masterful defender of the rights of a political minority against the dangers of an unchecked majority, his profoundly penetrating and original understanding of the social bases of Government has significantly influenced American political theory and practice. Sincerely devoted to the public good as he saw it, the ultimate tragedy of his final cause neither detracts from the greatness of his leadership nor tarnishes his efforts to avert bloodshed. Outspoken yet respected, intellectual yet beloved, his leadership on every major issue in that critical era of transition significantly shaped the role of the Senate and the destiny of the Nation.

Senator Robert M. LaFollette, Sr., of Wisconsin, who served in the Senate 1906–25. Ceaseless battler for the underprivileged in an age of special privilege, courageous independent in an era of partisan conformity, he fought memorably against tremendous odds and stifling inertia for social and economic reforms which ultimately proved essential to American progress in the 20th century. Determined to make law serve the rights of persons as well as property, to make Government serve the interests of great social justice as well as great political parties, his constructive pioneering efforts to promote the general welfare aroused the slumbering conscience of the Nation and made the Senate more responsive to it. The bitter antagonisms stirred by his unyielding opposition to international commitments and conflict were ultimately submerged by widespread admiration for his dedicated lifelong fight against political corruption and corporate greed.

Senator Robert A. Taft, of Ohio, who served in the Senate 1939–53. The conscience of the conservative movement, its ablest exponent and most constructive leader, his high integrity, analytical mind and sheer industry quickly won him a select spot in the councils of his party and the hearts of all his colleagues. His Senate leadership transcended partisanship; his political courage and candor put principles above ambition. Dedicated to the Constitution and the American tradition of individual rights as his keen legal mind interpreted them, he demonstrated the importance of a balanced and responsible opposition in an age of powerful governments.

These five names, it should be made clear, and I shall discuss some of the objections raised to each in a moment, are not offered as the five greatest Senators of all time. The Senate resolution under which we were deliberating instead called for simply:

> Five outstanding persons from among all persons, but not a living person, who have served as Members of the Senate since the formation of the Government.

Nevertheless, the decisions of the special committee in agreeing to these five names were unanimous. And although we recognize, with humility, the hazards of attempting to pass judgment on other Members of the Senate, when we claim for ourselves neither the detachment nor the expertness of professional historians—and although we recognize further that no other Senator or committee of Senators would have necessarily reached the same conclusions—we can take pride nevertheless in the fact that Clay, Webster, Calhoun, and LaFollette were among the top 5 receiving the most endorsements from our panel of 150 scholars; that the same 4 names were also among the top 5 receiving the most endorsements from those Senators who responded to our inquiry; and that the late Senator Taft, whose name completes the 5 recommended by our committee, was the first choice of the Senators who responded and among the first 10 in the poll of scholars.

Our committee does not, of course, attempt to say that many other Senators of the past are not deserving of recognition, or are not considered, in the minds of some, even greater, however that term may be measured. On the contrary, the excellence of so many nominations made our assignment a nearly impossible task. Speaking only for myself, I will say to the Senate that I had the most difficulty excluding from the list three other outstanding Senators of the past:

George Norris, of Nebraska, one of the most courageous, dedicated men ever to sit in the Senate, and one whose influence on the public power, agricultural, labor, and political aspects of this Nation will long endure.

Thomas Hart Benton, of Missouri, the great "Nestor of the Senate" from 1820 to 1850, who on more than one occasion took on the great triumvirate individually and collectively and bested them in the Senate itself; and

Oliver Ellsworth, of Connecticut, the outstanding figure in the first Senate, who authored the Federal Judiciary Act that will always remain a monument to his genius, and shepherded the Bill of Rights through the Senate.

Many others deserve recognition, and were the subjects of scholarly, thoughtful letters from Members of the Senate

or distinguished historians, political scientists and public figures. Sports writers choosing entrants to Baseball's Hall of Fame in Cooperstown have it easy by comparison—for them, and for those who miss, there will always be a next year. Our committee was limited to five—for all time—without a "next year," a "second team," or a list of those deserving honorable mention.

Nevertheless, in the report filed today, the committee lists in alphabetical order the following names—omitted the three I have already mentioned—which were among those most prominently mentioned in letters received by the committee from Members of the Senate, our panel of scholars, and the general public, which we list because of our regret that a selection of only five names was permitted and because of the possibility that some future committee of the Senate, meeting at some future date, will find occasion to honor additional names:

Alben W. Barkley, of Kentucky.
William Borah, of Idaho.
Stephen Douglas, of Illinois.
Carter Glass, of Virginia.
Justin Smith Morrill, of Vermont.
John Sherman, of Ohio.
Charles Sumner, of Massachusetts.
Lyman Trumbull, of Illinois.
Oscar Underwood, of Alabama.
Arthur Vandenberg, of Michigan.
Robert Wagner, of New York.
Thomas Walsh, of Montana.

The members of the special committee recognized that they faced a particular problem with respect to Senators of the 20th century. We realize that many of those nominated from this period were men with whom contemporary Senators, including members of the committee, have served, and about whom both sentiment and prejudice may still exist in sufficient quantity to influence the opinions of Senators, historians, and the general public. Nevertheless, the mandate of the Senate as contained in Senate Resolution 145 called for the selection to be made "from among all persons who have served as Members of the Senate since the formation of the Government"; and this clearly implied that, to the extent possible, the entire history of the Senate should be considered and represented in the selection process. It is important to note, moreover, that to eliminate consideration of 20th century Senators and thus to impose a cutoff date of 1900 may well have meant imposing in effect a cutoff date of approximately 1850, because of the predominance of outstanding Senators from the period of 1830 to 1850 compared with those in the latter half of the century. To have recommended five Senators who all served more than a century ago would not, we finally decided, fulfill either the mandate of the Senate resolution or our efforts to arouse public interest in the Senate, its greatness, and its role.

With this in mind, the committee has selected Senators Robert M. La Follette, Sr., of Wisconsin, and Robert A. Taft, of Ohio, as outstanding representatives of the progressive and conservative movements in the 20th century. We realize, of course, that considerable controversy and sentiment still surround each of them; that it is impossible to prove that they deserve the honor more than Norris or Vandenberg, for example, or Borah, Carter Glass, Barkley, Wagner, Walsh, Underwood, or any among a dozen others who were seriously considered; and that whatever names are chosen from the 20th century will appear to suffer in comparison with the Great Triumvirate.

Nevertheless, the committee believed La Follette and Taft to be the most appropriate choices under the terms of the resolution—particularly in view of the way in which they symbolized the progressive and conservative points of view on the great domestic issue that confronted the Senate during this century: the proper role of governmental activity in the economic and social life of this country.

But both were more than symbols. "Fighting Bob" La Follette, a great Governor of Wisconsin whose influence is still felt in that State, was the outstanding Progressive of his day; and his struggle strongly influenced the economic reforms of the Wilson and Roosevelt eras. Prof. Henry S. Commager thought him "An obvious choice for the period around the turn of the century. A man who did more to bring about progressivism than anyone who was in the Senate in his generation." An oustanding political scientist who also picked La Follette over the other great progressives of this century, Dr. E. E. Schattschneider of Wesleyan, called La Follette "The most vigorous and important exponent of liberal Republicanism in the Senate in the first quarter of the 19th century." However isolated he may have been in the Senate, and however shortsighted his views on foreign policy may seem to most of us, his impressive legislative accomplishments which are outlined in the committee report, his tireless battles to make Government serve all the people, and his deeply felt insight into social and economic forces, all combined to shape a career we rightfully honor today.

Bob Taft was also more than a symbol. All of us here who served with him would agree, even though on many occasions we may have disagreed with him, that he was a figure of many dimensions. His name offers logical balance to the name of La Follette in our group of five, just as he himself offered logical balance during the days when the role of the opposition was more difficult. The distinguished historian Alpheus T. Mason, of Princeton, ranked Taft with the great triumvirate of Clay, Calhoun, and Webster because he "succeeded in being a strong party man without being blinded by partisan considerations." Quincy Wright, along with other well-known professors including Clinton Rossiter, of Cornell, pointed out in his letter that Taft's leadership of the conservative movement was all the greater because his "conservatism was qualified by his capacity to perceive necessary reforms." The fact that he was the leading choice among Members of the Senate today is not without significance.

Nevertheless, because of the controversy still surrounding the names of Taft and La Follette, it is important to recall that Clay, Calhoun, and Webster in their own times did not always enjoy the wide recognition of their talents that posterity has given them. Listen, for example, to these words spoken about Henry Clay:

> He prefers the specious to the solid, and the plausible to the true. * * * He is a bad man, an impostor, a creator of wicked schemes.

Those words were spoken by John C. Calhoun, who ridiculed Clay's lack of education, moral conduct, and short temper. Daniel Webster said Clay was "his inferior in many respects"; and Andrew Jackson once characterized him as being as "reckless and as full of fury as a drunken man in a brothel." On the other hand, who was it that said that John C. Calhoun was a rigid, fanatic, ambitious, selfishly partisan, and sectional turncoat, with "too much genius and too little common sense," who would either die a traitor or a madman? Henry Clay, of course. When Calhoun boasted in debate that he had been Clay's political master Clay retorted, "Sir, I would not own him as a slave." Both Clay and Calhoun from time to time fought with Webster; and from the other House the articulate John Quincy Adams viewed with alarm "the gigantic intellect, the envious temper, the ravenous ambition and the rotten heart of Daniel Webster."

And yet our committee has selected Henry Clay, Daniel Webster, and John C. Calhoun—and felt it had no other choice. For over 30 years they dominated the Congress and the country, providing leadership and articulation on all the great issues of the growing Nation—the tariff, fiscal policies, foreign relations, defense, internal improvements, agriculture, industrial development, westward expansion, States' rights, and slavery. From time to time they supported and opposed each other for the Presidency that each desired but never achieved. And despite whatever bitter words passed between them, their mutual respect for each other remained high. "I don't like Henry Clay," said John Calhoun, "I would not speak to him, but, by God, I love him." Webster considered Calhoun "much the ablest man in the Senate. He could have demolished Newton, Calvin, or even John Locke as a logician. Whatever his aspirations, they were high, honorable, and noble. There was nothing groveling or low or nearly selfish that came near the head or the heart of Mr. Calhoun."

Henry Clay predicted that Calhoun's principles would "descend to posterity under the sanction of a great name." And whatever John Quincy Adams may have thought of Webster's "rotten heart," he considered his celebrated reply to Hayne to be the "most significant (act) since the founding of the Constitution."

This is not to say that objections cannot be raised to each of the three. Criticism of Henry Clay's moral conduct, scholarship, and political schemes may well be justified; and there are those who feel he carried the principle of compromise too far. It is true that Clay said "It is a rule with me, when acting either in a public or a private character to attempt nothing more than what there exists a prospect of accomplishment." And yet his spirit of compromise, in the words of Carl Schurz, "was illumined by

UNIVERSITY OF MICHIGAN LIBRARIES

a grand conception of the destinies of his country, a glowing national spirit, a lofty patriotism." His greatest anxiety was the preservation of the Union; and few did more to contribute toward its salvation. Abraham Lincoln called the Great Pacificator "my beau ideal of a statesman, the man for whom I fought all my humble life." An extraordinarily gifted figure, his brilliant oratorical talents, unusual vitality and a unique gift of winning the hearts as well as the minds of his countrymen all enabled his three great compromise proposals in 1820, 1833, and 1850 to save the Union until it grew strong enough to save itself. "No other American politician," as Vernon Parrington has observed, "has been so loved by a hero-worshiping electorate—and so lovable."

Daniel Webster, it is true, portrayed, in the words of one of his intimate friends, an extraordinary "compound of strength and weakness, dust and divinity." It is true that he accepted a retainer from Nicholas Biddle of the Bank of the United States; that he accepted favors from the New England manufacturers; and that his decisions both as a Senator and as a Secretary of State appear to have been open to improper influence. Yet there is no serious evidence that his views on the bank, the tariff, and foreign policy would have been any different without these dubious connections—and on the contrary Prof. Allan Nevins has written that he demonstrated more than any other colleague real insight into the problems of public finance, moderate protectionism, and international affairs. Whatever may have been petty about his financial affairs, there was nothing petty about his moral stature in times of national crisis or in his dedication to the Union.

No list of outstanding Senators would be regarded as complete without Webster. Professor Commager wrote the committee that "Webster is so obvious a choice that it would be superfluous to attempt a justification. Indeed if a single name were to be selected, that name would be, almost by common consent, Webster." And in 1900 when balloting began for the American Hall of Fame at New York University, Webster was tied with Abraham Lincoln for second place immediately behind George Washington. Many members of our panel of scholars stated that they selected Webster for the permanent impression left by his constitutional ideas despite his faults of character. My old government professor at Harvard, Arthur N. Holcombe, wrote me:

> Though a blot on his record, these dealings were not so far out of line with the political morals of his time as they would be today. Allowance should be made for the lower standard of political ethics at the senatorial level then.

The same answer, I believe, can be given to those objecting to the views entertained and defended by John C. Calhoun. "He was wrong," Pulitzer prize-winning historian Arthur Schlesinger, Jr., wrote us, "but he was a greater man and Senator than many people who have been right." In defending the views of his State and section on the practice of slavery, abhorrent to all of us today but a constitutionally recognized practice in his time, Calhoun was yielding neither to the pressures of expediency nor immorality—nor did his opponents at the time so regard it. Calhoun was not a proponent of disunion—though he warned at the end of his career that secession might be the South's only means of achieving justice, he fought long and hard to keep the South in the Union.

Generaly judged to be the most notable political thinker ever to sit in the Senate, whose doctrine of concurrent majorities has permanently influenced our political theory and practice, John Calhoun did more than any other Senator in the 19th century, in the words of Professor Nevins "to make men think clearly and carefully on fundamental political questions. He was a model member in the purity of his public and private life, in his incessant industry and in his efforts to master completely the main issues of his day."

And thus I am among those who would regard it as inconceivable not to name Clay, Webster, and Calhoun on the list of five outstanding Senators. No other Senators have ever rivaled the unparalleled leadership and statesmanship which they gave to a growing and anxious nation during a critical era when the Senate was the Nation's most important body. Whatever objections may be raised to their views and morals, in my opinion, must be balanced against their achievements—and against the high-mindedness and dignity which moved them at their finest moments.

As I have pointed out in the committee report, which outlines their careers and achievements in more detail, the objections which can be raised to each of the five names selected—just as they can be raised against any name suggested—are outweighed in the case of these five Senators by their overall statesmanship, their service to the Nation, and their impact on the Senate, the country, and our history. They are not necessarily, as already pointed out, the five greatest Senators; nor are they necessarily the most blameless or irreproachable ones, nor models of contemporary behavior. Allowances must be made of the times, the morals, and the practices of the period in which each served; and political and policy differences should not diminish their claim to the label "outstanding."

Obviously everyone will not agree. The distinguished Yale professor, Samuel Flagg Bemis, who nominated Webster even though one of his books has been cited as an authority for Webster's laxity in financial matters, told me of an interesting precedent in this matter of portraits—a precedent which went the other way—namely, that when the Bemis book appeared, the large portrait of Webster which balanced that of John Hay suddenly and mysteriously disappeared from the anteroom of the Secretary of State in Washington, apparently relegated to a more obscure hanging in some other room. Senators, too, will disagree; and in filing this report with the Senate, I want to make clear my hope that Senators who do disagree with our conclusions will voice their objections or preferences to the Senate. Should a majority be opposed to the recommendations contained in our report, I assume under the parliamentary situation it would be possible for the Senate to reject it. Although individual Senators were asked to submit nominations, no attempt was made to clear our findings with Senators from the same home States as those proposed—and the committee will be glad to defend its choices against whatever objections may be raised.

There is always much for which a chairman is grateful in filing a report. I am grateful for the kindness and cooperation of my four colleagues on the committee—Senators BRIDGES, RUSSELL, BRICKER, and MANSFIELD—who brought to this task the wisdom and sense of responsibility it deserved. I am grateful to the distinguished historian Allan Nevins, who graciously consented to serve as chairman of our Historical Advisory Committee, and whose counsel was of particular value to me; and to all the members of our panel of scholars who responded to our inquiry with thoughtful, helpful letters. I am particularly delighted to be able to report that the committee spent less than 6 percent of its budget. Of the $10,000 allotted to the committee under the resolution, $9,465.63 has been returned.

Of the $550 that was spent, $500 was spent in the Library of Congress for research.

I conclude by stressing once again that I believe this project to have had for this body considerable value beyond the basic necessity for its creation. The Senate emphasized in the discussion preceding passage of the resolution, and the committee has attempted to emphasize during the past year, that there is considerable merit in stimulating interest among the general public and the Senate itself in the high traditions of the Senate, in the political problems faced by even our most distinguished statesmen, and in the high standards of the past which might be inspiring or emulated today. It is the committee's hope that the considerable interest evoked by this project will be of value at a time when the democratic way of life is under pressure from without and the problems and conflicting pressures involved in the political profession are frequently misunderstood within our own country. The committee has attempted in a small way to focus the Nation's attention upon the Senate and its distinguished traditions, upon the high quality of men who have served in the Senate, and upon the significant role that the Senate has played in the history of our Nation. The members of the special committee thus hope that an increasing awareness of national and senatorial history which should not be forgotten will be of benefit to the general public and to the Senate itself.

I wish at this time, Mr. President, to submit our report to the Senate, and ask that it be printed.

The PRESIDING OFFICER. The report will be received and printed.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Montana, who is a member of our committee.

Mr. MANSFIELD. I wish to compliment and commend the distinguished junior Senator from Massachusetts for the fine job he has done as chairman of the committee. It was not an easy task. I think the Senate ought to know that the Senator from Massachusetts devoted a great deal of his own time and energy to this particular project. I think the Senate should know that at all times he sought to learn what the wishes of the others members of the committee were. I am very happy that we were able to submit a unanimous recommendation.

I am sure Senators are well aware of the difficulties which the Senator from Massachusetts has enunciated this afternoon. No man is perfect. If he were perfect, he would not be a human being; and if he were perfect, he certainly would not be a United States Senator.

I am delighted that the distinguished chairman of our committee has brought out the facts as they apply to each of the individuals whose records were studied. I am more than happy that in this era of high budgets and high spending, he has brought to the attention of the Senate the fact that less than 6 percent of the $10,000 appropriated for this committee has been spent, and that more than $9,000 is being returned to the Treasury of the United States.

Again I sincerely commend the distinguished Senator for the fine job he has done, and assure him that it was an honor for me to serve on the committee under him as chairman.

Mr. KENNEDY. I thank the Senator. The committee was fortunate in obtaining the services of Charles L. Clapp, formerly of the faculties of the University of California and Florida State University, who originally undertook this project while serving as a congressional fellow of the American Political Science Association, having been 1 of 5 teachers of political science selected by that organization in national competition to spend a year in Washington working with Congress, and who, at the request of the chairman, has voluntarily continued to serve the committee's staff needs during the current session.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. SALTONSTALL. I am glad that my colleague, from the Commonwealth of Massachusetts, the chairman of the committee, and his colleagues on the committee, have selected the distinguished statesman from Massachusetts, Daniel Webster. As one who spoke at the centennial of Daniel Webster's death, at his home in Marshfield a few years ago, and who had the opportunity to read his record at that time and learn what part he took in the affairs of the Senate, I am certainly happy that the junior Senator from Massachusetts, as chairman of the committee, was able to persuade the other members of the committee, without much difficulty, to include the name of Daniel Webster.

Mr. KENNEDY. I thank my senior colleague from Massachusetts.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MORTON. First, I should like to commend the chairman of the committee, the junior Senator from Massachusetts, and the other members of the committee for an excellent job well done. I know that the task he performed for us was not an easy one.

I was happy, of course, to see that the name of Senator Henry Clay of Kentucky was included in the list, as I felt sure it would be. No doubt he received more nominations than any other, from historians, Members of this body, and others who were asked for comment.

It might be interesting to Members of the Senate to point out a few highlights in the career of that great man. He was born in Virginia in 1777, and moved to Kentucky before the turn of the 19th century, at the age of 20.

He was first elected to the Senate in 1806, when he was only 29½ years of age, under the constitutional age limit. He served in the Senate upon many different occasions, and also served in the House of Representatives. On one occasion when he was elected to the Senate it was to fill the unexpired term of Buckner Thruston, who had resigned from the Senate. He was the first Kentucky politician who was graced with a last name which is so difficult to pronounce, and his was the last name which appeared on the ballot. I have the advantage of not having such a difficult last name, I am thankful to say.

Henry Clay was in the House of Representatives for several terms, not consecutively. He had a way of being elected Speaker almost invariably the day he walked in to take his oath of office as a Member of the House of Representatives. He established a record of tenure as Speaker of the House which was not broken for many years. I happened to be serving in the House when that record was broken by the present distinguished Speaker of the House of Representatives, Hon. SAM RAYBURN, of Texas, the good friend of many of us. Many present Members of this body have had the privilege of serving under Speaker RAYBURN.

The memory of Henry Clay has been kept warm in the hearts of Kentuckians. His home there, Ashland, in Lexington, is a shrine, which is visited by thousands of Kentuckians and others annually.

I should like also to say that I am indeed happy that serious consideration was given to another great Kentuckian, and that his name was included in the list which was read by the Senator from Massachusetts. I refer to the late great Alben Barkley, whose death, significantly enough, occurred just 1 year ago today. His death was mourned by all Americans, but especially by the people of Kentucky. No man has been more beloved by the people of his State, in all the history of that State, than that of Alben W. Barkley, of Kentucky.

Mr. KENNEDY. I thank the Senator. I will say to the Senator from Kentucky that Henry Clay, among the five Senators who were chosen, was at the top of the list that we received from the Advisory Committee of Scholars from all over the country. It was the opinion of the select committee, in view of the way the reception room is arranged, with spaces for five portraits on each side of the room and one at the end, that Senator Clay's picture should be placed at the end of the room, in the dominant position, not only from the standpoint of seniority, but also because of his extraordinary talents in doing so much to bind the country together during the years before the outbreak of war in 1861.

In addition, as the Senator from Kentucky has suggested, Henry Clay certainly would be on the list of the three great Speakers of the House of Representatives. In addition, of course, he served as Secretary of State.

Daniel Webster also served as Secretary of State, as did John Calhoun. That indicates the dominant power of these men, who served in the House of Representatives in 1813 and still were dominant in 1850, at the time of the Compromise of 1850. All of which demonstrate their talent and their vitality. I appreciate what the Senator from Kentucky has said about Henry Clay, to whom President Lincoln referred as "my beau ideal of a statesman."

Mr. SMITH of New Jersey. Mr. President, I desire to express to the Senator from Massachusetts my personal deep appreciation for the work he and his committee have done.

I add to that also my commendation to the Senator from Massachusetts for the book he published recently entitled "Profiles in Courage."

He has made a great contribution to American history and a great contribution to the Senate.

Mr. KENNEDY. I thank the Senator from New Jersey.

Mr. SMITH of New Jersey. It is a great source of personal satisfaction to me that one of our recent colleagues was included in the selection. I refer to Bob Taft, whose special talents and influence justified his inclusion in the group selected.

I am more than happy to support all the selections of the committee.

Mr. KENNEDY. I thank the Senator from New Jersey.

Mr. THURMOND. Mr. President, I wish to take this opportunity to congratulate the distinguished Senator from Massachusetts and the members of his committee for the outstanding manner in which they have performed their duties and discharged their responsibility under the resolution that was adopted by the Senate to select outstanding Senators.

At this time I should like to make a few remarks about John Calhoun, of South Carolina.

Mr. President, the selection of South Carolina's beloved John C. Calhoun as 1 of the 5 outstanding Senators whose portraits are to be placed in the Senate reception room prompts me to comment on the contributions he made to the Nation. The committee charged with the responsibility of selecting five outstanding Senators, not living today, was assigned a difficult task.

No five persons selected would have pleased everybody. But that was not the assignment. It was to select outstanding men. Often outstanding men do not meet with general approval.

UNIVERSITY OF MICHIGAN LIBRARIES

Nevertheless, the committee has performed the job for which it was chosen in such a manner as to prove that it sought first to do its duty, second to please.

I had the honor to nominate John C. Calhoun for this recognition which comes to him more than 100 years after his death in 1850.

Calhoun lived and made himself famous in an era of titans. He did not gain his fame by seeking the popular course of alining himself with the most popular men in public life. He was a leader, not a follower.

Had he placed public approbation ahead of personal probity, John C. Calhoun very likely would have been President.

Instead of ingratiating himself with his associates in political matters, he often chose the lonely way of advocating or defending unpopular issues. Calhoun roused the ire of opposing colleagues in the Senate, but he was a favoriate of the pages. It has been said that "he was as polite to a page as to the President of the Senate."

Nearly a half century ago, in March 1910, a statue of Calhoun was placed in Statuary Hall of this Capitol. A number of addresses were made in connection with the ceremonies. I want to quote from the address of Senator Henry Cabot Lodge, of Massachusetts, who was requested to participate in the ceremonies by Senator Tillman, of South Carolina.

This is the closing paragraph of his speech on Calhoun:

> He was the greatest man South Carolina has given to the Nation. That in itself is no slight praise, for from the days of the Laurenses, the Pinckneys, the Rutledges, from the time of Moultrie and Sumter and Marion to the present day, South Carolina has always been conspicuous in peace and war for the force, the ability, and the character of the men who have served her and given to her name its high distinction in our history. But Calhoun was much more even than this. He was one of the most remarkable men, one of the greatest minds that American public life can show. It matters not that before the last tribunal the verdict went against him, that the extreme doctrines to which his imperious logic carried him have been banned and barred, the man remains greatly placed in our history. The unyielding courage, the splendid intellect, the long devotion to the public service, the pure, unspotted private life are all there, are all here with us now, untouched and unimpaired for after ages to admire.

Those are the words of Henry Cabot Lodge, Senator from Massachusetts.

Calhoun served first in the Legislature of South Carolina, but after only 2 years his remarkable ability caused his election to the Congress where he served from 1811 to 1817.

As Calhoun entered the House of Representatives, Henry Clay was elected Speaker. Clay immediately appointed the members to committees with complete disregard for seniority. Calhoun was named to the Foreign Relations Committee. A few months later, he was elected acting chairman, when the chairman left the Congress.

At the next session, John Smilie, of Pennsylvania, was elected chairman of the committee, but, at the first meeting, Smilie moved that Calhoun be made chairman instead of himself. This was done unanimously over Calhoun's protests.

That was 1812, and England was using highhanded methods to destroy American shipping and threatening the very life of the young Nation. Calhoun and Clay were the leaders of a group in the House known as the War Hawks because they advocated war on England to stop the aggression to which this country was submitting.

President Madison strongly opposed the young leaders.

Calhoun's war report from the Foreign Relations Committee was finally presented to the House on June 3, 1812. The South Carolinian's logic and his long, hard efforts prevailed over the determined battle of President Madison and his adherents. The report was adopted by a vote of 79 to 49, and the Senate later adopted it by a margin of 19 to 13.

It had been a hard and bitter fight, but Calhoun had won his first victory on an unpopular issue—one which beneficially altered the course of this Nation's history.

In 1816 Calhoun voted for the tariff bill of that year. That vote was cited when he opposed later tariff bills to show him to be inconsistent. But 2 years before voting for the tariff of 1816, Calhoun had stated his definition of inconsistency.

In 1814 in the House he had stated:

> Men cannot go straight forward but must regard the obstacles which impede their course. Inconsistency consists in a change of conduct when there is no change of circumstances which justify it.

His service in the House and his subsequent service as Secretary of War from 1817 to 1825, in the Cabinet of President Monroe, proved Calhoun's strong feeling of nationalism. To doubt that he loved the Union, in view of his unusual contributions on behalf of expanding and strengthening it, would be almost as difficult as to doubt that he loved his native State.

When he became Secretary of War, unsettled accounts of the Department amounted to $50 million. Old officers had little taste for taking orders from a young and inexperienced Secretary. Nevertheless, Calhoun plunged into his assignment with vigor and tact.

Calhoun remembered the defeats of 1812 caused by the weaknesses of the War Department and he determined to eliminate them. It was perhaps the happiest period of his life because he made steady progress toward attaining his goal of creating an efficient department.

Calhoun took a personal interest in the development of the Military Academy at West Point. He interviewed each prospective cadet.

When Congress reduced his budget, he effected economies necessary while, at the same time, reorganizing and improving the Department in spite of the reduced funds. He left the Department with its debts nearly paid and in a vastly improved state of preparedness. Calhoun had driven himself almost to physical collapse. He had suffered several illnesses during his service as Secretary of War, but refused to limit his efforts.

In 1823, South Carolina nominated Calhoun for President, but events developing conflicts between nationalism and sectionalism relegated him to second place.

He became Vice President in 1825, when John Quincy Adams became President. Calhoun was assiduous in attendance as Presiding Officer of the Senate, although such had not been the practice.

During these years, Calhoun enjoyed great popularity, not only in the South, but also throughout the North. Perhaps his destiny was decided on the last day of February 1827, by an action which he might have avoided and which lesser men sought to persuade him to avoid.

The question was that of the wool tariff. By avoiding the issue in the Senate, he might finally have reached the White House. Calhoun disregarded the consequences and the vote he had cast for the revenue tariff of 1816.

Although his friends begged him to stay out of the chair that day, the South Carolinian resolutely faced the issue. As President of the Senate, he cast the deciding vote against the wool tariff.

During this period, Calhoun struggled with the question of nationalism versus sectionalism. The evidence is that he deplored the necessity for sectionalism. He did not seek advantages for his section or for his State at the expense of other sections or other States. Neither did he give his approval to other States profiting at the expense of his beloved South.

Again, in 1828, when Calhoun was the running mate for Jackson, who was to be the next President, the South Carolinian faced the future without regard for his own ambitions. In May of that year the so-called Tariff of Abominations was passed by the House and sent to the Senate.

It was reported that a tie was being arranged so as to force Calhoun again to cast the deciding vote, and to embarrass Jackson as well as Calhoun. The Vice President let it be known that he would vote against the bill, if a tie forced him to vote. He further stated that he would then withdraw as a candidate for the Vice Presidency so as not to injure Jackson.

The tie was not arranged, but the passage of the tariff bill greatly upset him as he saw the growing prospect of division between the States.

Although he was always a restraining force against the ardent secessionists, Calhoun labored hard with the problem while he was being criticized by some for his inaction. His authorship of the Exposition of the Constitution in 1828, in which the nullification thesis was propounded, was not known until 1831. The South Carolina Convention passed the Ordinance of Nullification in November 1832, following the action of the legislature in adopting the exposition Calhoun had drafted.

He also expressed his conception of nullification in a letter to Gov. James Hamilton on August 28, 1832.

He declared that the Constitution preserved "the ascendency of the constitu-

tion-making authority over the lawmaking—the concurring over the absolute majority."

Soon Jackson and Calhoun were moving farther and farther apart. Finally, the Vice President resigned on December 28, 1832, to accept a seat as Senator from South Carolina.

Hopes burned strong among Calhoun's friends that he would yet reach the White House, and in 1843 a biography was published for the campaign of 1844. An Alabama newspaper put Calhoun's name in its masthead, pointing out that his opinion was known on the three great issues of the day—the tariff, the annexation of Texas, and abolition.

Calhoun was a realist, however. He had written a friend as early as 1837 acknowledging that his qualities which were most admired were also the qualities which would cause the most serious objections to his candidacy.

In April, 1844, he requested that his name not be presented to the convention.

But Calhoun was to be called again to serve as a representative of the Federal Government. As early as 1836, he had stated in the Senate that he favored the eventual annexation of Texas to the United States. When Tyler became President, one of his most ardent desires was to bring about the annexation. Tyler offered the post of Secretary of State to Calhoun in 1843 for him to work toward bringing Texas into the Union, but Calhoun declined, saying the time was not propitious.

Fate had a hand in what followed. An explosion on a ship in the Potomac in 1844 killed Secretary Upshur, who had been chosen when Calhoun refused. Urged by a friend, President Tyler again called on Calhoun to take the Cabinet post. The nomination of the South Carolinian was confirmed unanimously by the Senate on March 6 without even having his name sent to a committee.

Calhoun was reluctant to return to Washington, but he could not resist the challenge of adding Texas to the Union. He viewed the annexation as a part of the manifest destiny of the young Nation, as well as a chance to strengthen the position of the South, and, in so doing, increase the likelihood of preserving the Union.

Even with Jackson helping in this project, the opposing forces were too strong. England and France fought the expansion of the United States. The slavery issue enraged the North, and even in the South the fear of war restrained support for annexation.

When Calhoun sent the treaty with Texas to the Senate for ratification, only 16 Senators voted for ratification.

In spite of becoming seriously ill in February 1845, Calhoun continued to work toward bringing Texas into the Union. Realizing that it would be impossible to secure the necessary two-thirds majority in the Senate to ratify the treaty with Texas, he set about accomplishing his objective by another method.

He had a joint resolution introduced in Congress, and it was approved on March 1, 1845. With this mandate, President Tyler secured the agreement of his Cabinet the next day. In the waning hours of the Tyler administration on March 3, 1845, the President and the Secretary of State dispatched a message to Texas, officially inviting the Lone Star Republic to join the Union.

Again Calhoun had beneficially altered the course of American history.

He went home to South Carolina, proud of the result of his fight to annex Texas and eager to take up and enjoy country life at his home at Fort Hill, now a part of the Clemson College campus.

For 6 months his life was that of a father and plantation owner. Fort Hill was the stopping place of many famous persons of the day as they sought to learn Calhoun's views or to secure his advice.

The South Carolinian had no desire to return to public life. He wrote a friend that he would never have considered going back into the Senate except that he feared there might be war with England, and hoped that he might do something to stop it. His friends still nursed the hope that he could be a presidential candidate in 1848, acceptable to all sections.

Calhoun's interests encompassed the Nation—peace, free trade, and a lower tariff for the South, raw materials out of the West for the North and new land, and railroads, good ports, and union for the West. Unfortunately, his interest in all of the sections caused each to charge him with having his interests inspired by presidential ambitions.

He opposed the war with Mexico, which raised the question of what would be the status of any new territory added as a result of the war. Although the Wilmot Proviso was defeated in the Senate, Calhoun saw that its theme of preventing the further spread of slavery had won the country.

During 1847 and 1848, in his Senate speeches, he preached the doctrines of moderatism and restraint. Bitterly he was attacked by enemies as the one responsible for the Mexican War because he had brought about the annexation of Texas.

As the champion of States rights, his appearance in those disturbed years created a sensation. Even a reference to him at a public gathering in the South would set off wild applause in an audience.

As the conflict grew over the issues of the States versus the Federal Government, the end of an era was approaching for perhaps the greatest triumvirate in American political history. Calhoun, Clay, and Webster all were growing old. As far apart as they were in their positions, they did seek a common objective: Preservation of the Union.

Calhoun's health was failing fast. One contemporary said that "he lives in his mind with no thought of the body." He collapsed on the floor of the Senate on January 18, 1849, but insisted on being present again the next day.

Finally, on March 4, 1850, his last speech was read by Senator James Mason of Virginia, because Calhoun was too weak to read. He sat for 2 hours as Mason read. The questions he asked in that speech and the answers he gave were prophetic:

> How, then, can the Union be saved?

He asked:

> The North has only to will to accomplish it—to do justice by conceding to the South an equal right in the acquired territory * * * to cease the agitation of the slavery question, and to provide * * * in the Constitution, by an amendment, which will restore to the South * * * the power she possessed of protecting herself, before the equilibrium between the sections was destroyed * * * If you who represent the stronger portion, cannot agree to settle them on the broad principle of justice and duty, say so, and let the States we both represent agree to separate and part in peace. If you are unwilling we should part in peace, tell us so, and we shall know what to do, when you reduce the question to submission or resistance.

It was his final warning. Even then he was convinced that firmness on the part of the South would solve the question, either by northern acceptance or by peaceful separation.

As the speech was finished, Webster and then Clay stepped to the side of Calhoun, to show their respect. A few days later, Calhoun forced himself from his death bed to be present when Webster delivered his 7th of March speech. Calhoun even replied briefly; but his strength was gone, and he died on March 31.

Calhoun formulated and voiced the views of his people. He led them and, at the same time, restrained them. His clarity of logic was matched only by his determination to do that which he believed he must do.

Many of his contributions to the Nation have been forgotten, or passed over lightly. That is the reason why I refer to them here. Calhoun should be remembered, first of all, for his force of character, even above intellectual power. As Senator Lodge put it: "He flinched from no conclusion."

As we today honor five of the men who have been outstanding in the history of our Nation, let me quote Calhoun's expression of faith in our political system:

> I solemnly believe that our political system is, in its purity, not only the best that was ever formed, but the best possible that can be devised for us.

The fact that our system produced the five men selected by the committee proves that Calhoun's estimate of our system was correct.

Again I wish to commend the distinguished chairman and his committee for the selections they have made.

Mr. KENNEDY. Mr. President, I wish to thank the Senator from South Carolina for his comments. I congratulate him on his very fine outline of Senator Calhoun's life.

Prof. Allen Nevins, when writing to me in April, when I told him we were going to pick Senator Calhoun—and, as Senators know, Professor Nevins is a Pulitzer prizewinner and is one of the great historians of the Nation—had the following to say about Calhoun:

> Of all the Senators in the 19th century, he did most to make men think clearly and carefully on fundamental political questions, and he made the most original and profound

UNIVERSITY OF MICHIGAN LIBRARIES

contributions to constitutional theory. His doctrine that a concurrent majority is much to be preferred in government to an absolute majority, still has force. It was his great object, he said, to require the parts of American society to be just to each other by compelling them to consult the interests of one another. He wished a harmonious Union founded on this idea of mutual consideration, the North showing magnanimity to the South, and the South magnanimity to the North. No Senator in our history has brought such a keen mind to abstract political theories. He was a model Member of the Senate, too, in the purity of his public and private life, in his incessant industry, and in his efforts to master completely the main issues of his day—the tariff, the public lands, internal affairs, finance, and foreign relations.

Mr. THURMOND. I thank the Senator from Massachusetts very much.

Mr. KENNEDY. I thank the Senator from South Carolina.

Mr. COTTON. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I thank the distinguished Senator from Massachusetts for yielding to me for a moment at this time.

I, too, wish to join in complimenting the Senator from Massachusetts [Mr. KENNEDY] and his colleagues on the special committee for the careful, judicious, and wise decision they have made in this matter, which means so much to the Senate and to all the American people.

I appreciated having the opportunity to listen to the brief statement the distinguished Senator from Kentucky made about Henry Clay.

I greatly profited from the thrilling speech just delivered by the able Senator from South Carolina [Mr. THURMOND] about John C. Calhoun.

I believe it would be unfortunate if a word were not said for the RECORD at this point about Daniel Webster. So, Mr. President, very informally I should like to add that word, because Daniel Webster was born in the State I represent. He represented the great State of Massachusetts in the United States Senate; but New Hampshire gave Daniel Webster to Massachusetts and to the Nation.

I know that neither the distinguished Senator from Massachusetts [Mr. KENNEDY] nor my senior colleague, the distinguished senior Senator from New Hampshire [Mr. BRIDGES], who were both on the committee, would have leaned a fraction of an inch toward their own States in making their decision; but they should be justly commended for the fact that they recognized, as every son of Massachusetts and every son of New Hampshire recognizes, that Daniel Webster's name and fame will always be inextricably entwined with the traditions of the United States Senate.

His massive head, his profound mind, his thundering voice will live as long as this great Senate remains, and its traditions endure.

I should like to remind the Senate at this point that Daniel Webster was born in New Hampshire, that he represented the State of New Hampshire at the other end of the Capitol, as a Representative in the Congress of the United States, before going to Massachusetts; that, as a lawyer, in the famous Dartmouth College case, he argued and helped decide a case that laid down a principle which still lives in constitutional law and which is still taught to every law student in our schools as exemplifying a great principle of constitutional law.

I regret that there have been some statements made recently, during the controversy about the question before their special committee, that have in a sense reflected on Daniel Webster as a national and as a historical figure.

I am sure that those words were not intended as a real reflection on him, because his fame is above that kind of reproach.

Daniel Webster's greatness is unassailable, for in the supreme test of his life he put his country above self.

The distinguished Senator from South Carolina has very ably and eloquently spoken to us of those great compromises that took place in the 1840's and the 1850's, when 3 of the greatest men who ever sat in this body began to see the gathering war clouds, and were desperately striving, from their various points of view, without surrendering their own independent convictions, to prevent the splitting asunder of this Nation and to prevent all the bitterness, the bloodshed, the sorrow of the Civil War, and all the shame and stigma of reconstruction. Those 3 men, 1 from the South, 1 from the border States, and 1 from New England, with varying points of view, wrote a great chapter in American history. On the 7th day of March 1850, Daniel Webster rose in the Senate Chamber and, in my humble opinion, made the greatest speech in his life. It represented a great sacrifice, because it brought down upon his head bitterness and attack from all over the North and his own New England, because it was not the popular thing to say, but, rather, the honest and the fearless thing to say. In that famous 7th day of March speech he sought to bind the wounds of the Nation and save it from the arrogance and the fanaticism of both the North and the South. After that speech it will be remembered that a New England poet and a leader of the abolitionist movement, wrote these bitter words concerning Daniel Webster:

So fallen. So lost. The light withdrawn
Which once he wore.
The glory from his gray hairs gone forevermore.

For a time Daniel Webster was under bitter attack. No man with that point of view, no man with that grasp of our Constitution, no man with that readiness to sacrifice his own popularity and his own political career, which he had built up for many years until he was enshrined in the hearts of the Senate and until he was regarded as the champion of a great section of this country, can ever be successfully challenged as a great statesman. To his everlasting glory may it be recorded that in the end he became the champion, not of a section, but of his country.

In closing, I want to remind the Senate of something that is probably known to the fine young people who have been thronging the Capitol, because it is found in Senate Document No. 13, "Our Capitol," which many of us have distributed to high school students, who are such welcome guests these days. I would remind the Senate that under the cornerstone of the Senate wing of the Capitol, under this very Chamber, in the handwriting of Daniel Webster, is a document deposited under the cornerstone of the new Senate wing of the Capitol in 1851, when the shadows of the coming conflict were gathering. In the closing of that manuscript, which still rests under our feet, this is what Daniel Webster said:

If, therefore, it shall be hereafter the will of God that this structure shall fall from its base, that its foundation be upturned, and this deposit brought to the eyes of men, be it then known, that, on this day the Union of the United States of America stands firm, that their Constitution still exists unimpaired, and with all its original usefulness and glory; growing every day stronger and stronger in the affection of the great body of the America people, and attracting more and more the admiration of the world. And all here assembled, whether belonging to public life, or to private life, with hearts devotedly thankful to Almighty God for the preservation of the liberty and happiness of the country, unite in sincere and fervent prayers that this deposit, and the walls and arches, the domes and towers, the columns and entablatures, now to be erected over it, may endure forever.

God save the United States of America.

DANIEL WEBSTER,
Secretary of State of the United States.

I thank the Senator for yielding to me.

Several Senators addressed the Chair.

Mr. KENNEDY. I promised that I would yield to the Senator from Oregon for a question. I yield to him.

Mr. NEUBERGER. I should like to ask a question, if I may, of the distinguished Senator from Massachusetts, who has been the chairman of this special committee.

Before I ask the question, I should like to join my colleagues in commending the Senator and his associates on the committee for the great care and thought and research which have gone into the nominations that they have made.

I think it is particularly fitting that liberal attitudes, such as those expressed by the late Senator La Follette, and the conservative viewpoints, such as those epitomized by the late Senator Taft, have both been honored. Such things as character know no political line.

As a person who himself greatly admired the late Senator George W. Norris of Nebraska, I should like to ask a question of the Senator from Massachusetts. In so doing, I am aware of the very brilliant book written by the Senator from Massachusetts, the volume "Profiles in Courage," which discusses Senators of great valor and political sacrifice of the past. Among the Senators immortalized in the book is the late Senator Norris, so I am fully aware of the fact that the chairman of the special committee is just as appreciative as I am of the nobility of character and the great courage of the late Senator George W. Norris, of Nebraska.

I was disturbed some weeks ago to read an article, which I believe appeared on page 1 of the Washington Post and Times Herald, which indicated that certain Senators from some States were asking for so-called rights of political

clearance over the nomination of Senators from those States to be considered for this great distinction of having their portraits displayed in the Capitol Building, with all the significance that goes with these selections.

We today exercise certain rights of political clearance over nominations of persons from our States for various governmental positions, but I think it would be a great mistake if such a practice were extended to a veto over the immortalizing of certain deceased Senators of the past.

I know the chairman of the special committee agrees with me that indeed it would be unfortunate and distressing if political controversies among the living could be extended virtually to the grave, in order to exercise some nullification power over honor for Senators who are departed.

I should like to ask the Senator, as a result of these explanatory and prefatory remarks, if there was any truth at all to the story which appeared in the Washington Post and Times Herald that such political clearance was being asked over these nominations. If so, was any such clearance at all a factor in the circumstance that the late Senator George W. Norris, of Nebraska, was not one of the Senators selected by the committee?

Mr. KENNEDY. I will say to the Senator that the committee did receive a letter from one Senator in which it was suggested that before the committee finally made its judgment known, as a possible procedure perhaps the Senators from the States from which the Senators so honored came should be informed. Though I do not have the letter with me, the implication was that their approval should be sought.

That procedure was not followed by the committee, although the matter was brought before the committee. A decision was made that it would be much more in keeping with the purposes for which the special committee had been gathered if the special committee should make its decision and present it directly to the Senate, rather than to take the intermediate step. So the suggestion was rejected. I am not stating that there was anything beyond the suggestion which appeared in the letter we received. That was not the reason why the late Senator Norris was not chosen.

As I indicated, personally I had a great regard for the late Senator Norris. I know the Senator from Oregon wrote a book called Integrity, the story of Senator Norris, which I relied on very heavily when I wrote about Senator Norris in the book I wrote a couple of years ago.

It is a source of regret to me that Senator Norris, Senator Benton, and Senator Ellsworth, could not have been included. It was felt by the members of the special committee that it would be best to have a unanimous decision. We were a microcosm, to a degree, of the Senate, and therefore rather than having a vote of 3 to 2 or 4 to 1, it was felt it would be far better to have unanimity.

I think it is not unfair to reveal there was a decision made as between Senator Norris and Senator La Follette, and the unanimous choice of our committee was made in favor of Senator La Follette. The choice of Senator La Follette is easy to defend, even though an equally good argument could be made for Senator Norris.

I know the Senator from Oregon engaged, in his earlier years, in the procedure of picking the best left-handed hitter who ever played in the National League, and the Senator knows that these tasks are rather difficult.

I will say to the Senator that, interestingly enough, considering all the letters from the scholars we received, and all the letters from Senators, four of our choices were the top choices of both the scholars and the Senators; and Senator Taft was the top choice of the Senators, and among the first 10 chosen by the scholars. Only 1 man suggested the 5 we ultimately picked, and he is the Senator from North Dakota [Mr. YOUNG].

Mr. NEUBERGER. I thank the Senator for his observations. I am gratified to learn that the factors which have been discussed in the press did not play a part in the circumstance that Senator Norris was not chosen.

Mr. KENNEDY. Yes. Even though the letter was written, I would not suggest that the Senator who wrote it intended to try to suggest a prohibition against the choice of anyone. The Senator merely suggested a procedure, which the committee considered and rejected.

Mr. NEUBERGER. I understand fully the Senator's remarks.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, I rise to give testimony in behalf of the worthiness of the choice made by the special committee in selecting Robert A. Taft, of Ohio, as one of the five men whose portraits shall be suspended in the Senate wing of the Capitol, for the great contribution he made to the country in his official capacity as a Senator.

In all probability, there are fellow Members of the Senate who, because of their intimate contact with the late Senator Robert A. Taft, could testify in his behalf with far greater strength than I.

Robert A. Taft was a fellow Ohioan. My contacts with him as a public official, while not broad, yet were not narrow. I watched his work in the United States Senate. In campaigns, while he was a candidate on the opposing political party ticket, my pathways crossed with his. Through these contacts, and the information which I received about him, I formulated my judgment of the character and the services which he rendered for his Nation.

I cannot help thinking that standing at his side always was the spirit of courage to do that thing which he believed was best for his country. In the hours of adversity, when the irresolute heart would have abandoned the pathway of what was right, the heart of Robert Taft became more resolute. Great was his spirit in normal periods, but it was accentuated when the battle was thickest.

The senior Senator from Ohio and I campaigned in 1950. I was running for governor. Robert A. Taft was running for the Senate. I have already stated that our pathways crossed, as we worked from the shores of Lake Erie down to the banks of the Ohio River.

While I admired him for the work which he did as a public official in the Senate, my admiration for him became deepest when I saw the stalwartness with which he withstood the grief, the torment, and the ordeals of the campaign to which he was subjected in 1950. Bob Taft's economic position in life was strong. Many might believe, judging from outward appearances, that all was comfort with him; and yet I can say without any hesitation that throughout all the years of my public life I never saw any public official subjected to the cruelty of treatment that was his lot in the campaign of 1950. His meetings were picketed. His addresses were heckled by organized opposition. I went into a little town called Waynesburg, in Stark County, one afternoon. A man came up to me and said, "Governor, you will be pleased to learn what happened here yesterday, across the street in front of that bank building."

I said, "What happened?"

He said, "Senator Taft was making a talk, and just when he reached the climax of his presentation, on the white of his shirt there landed a tomato."

I said, "That does not please me. That was wrong."

Picnics were held throughout Ohio, and the portrait of Bob Taft was suspended somewhere on a tree, and baseballs were sold three for a quarter. Whoever knocked out his teeth received a prize for it.

The point I am trying to make is that in the face of all that he never winced. He never complained. He went through that campaign and took the treatment accorded him in a manner more noble than that of the most heroic soldier.

He was a great Senator. He was a great man. In my judgment, this worthy committee, of which the junior Senator from Massachusetts is chairman, did credit to itself in selecting him. In my opinion the people of Ohio, when looking upon the selection objectively, will applaud it. In my judgment, as the history of the past recedes and the passions of the time come to an end, the name of Senator Robert A. Taft will grow more glowing and more beautiful in the history of our country.

Mr. KENNEDY. I thank the Senator for a very eloquent statement, which I think summarizes well the reasons why Senator Taft was unanimously chosen by the committee.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. BUSH. I would not want this colloquy to come to an end without some comment from the desk which I occupy temporarily, that of acting minority leader.

I listened with great interest and full approval to the commendatory statements of the acting majority leader; and in the absence of our minority leader, I wish to make a few observations on behalf of my colleagues on this side of the aisle.

Let me say to the Senator from Massachusetts, as chairman of the committee,

UNIVERSITY OF MICHIGAN LIBRARIES

and to the distinguished Senator from Ohio [Mr. BRICKER], who is also a member of the committee—and I am glad he is present in the Chamber—that I think it should be a matter of great satisfaction to them to be able to submit a unanimous and universally accepted report on this very delicate and sensitive question, on which there can be such a wide variety of opinion.

Some of us tried to assist the committee by making suggestions. There were others who, like myself, found it difficult to make a full slate of suggestions. We are particularly grateful that the committee has come forward with such fine recommendations, in which we can all take great pride, and with respect to which we can express almost united approval.

So I offer my personal—and, at the moment, official—congratulations to the distinguished chairman and the other members of the committee, including particularly the distinguished senior Senator from Ohio, who is present in the Chamber.

As a native of Ohio, and as a Senator from Connecticut, I wish to say a word about the distinguished late Senator Robert A. Taft, who, when he was last in the Senate, occupied the desk which I occupy temporarily at this moment.

I happened to have had the pleasure of knowing this man during the last 20 years of his life. My acquaintance with him in the last 10 or 12 years of his life, strangely enough, was largely in Connecticut, which State, we felt, had the second claim on him, after the great State of Ohio.

The name of Taft has been a great name in our State. William Howard Taft, the distinguished father of the late Senator Taft, and a former President of the United States and Chief Justice of the United States, was a professor at Yale University, in New Haven, Conn., following his retirement from the Presidency of the United States. I had the distinct privilege of studying under him when he was a professor at Yale University.

We have landmarks of the Taft family in various parts of our State. There is the Taft Hotel in New Haven. There is the famous Taft School in Watertown; and there are other landmarks. So we in Connecticut can join with our brothers from Ohio in taking great pride in the nomination of Robert A. Taft to be one of the five Senators whom the committee has so generously honored.

I am very grateful to the distinguished Senator from Massachusetts for permitting me to say these few words, and I am very happy that my good friend, the distinguished senior Senator from Ohio, was present, so that he might hear me express my special admiration for his beloved colleague, Robert A. Taft.

Mr. KENNEDY. I thank the Senator from Connecticut for his generous words.

As I have indicated in my statement, it was a source of considerable regret to the committee that it could not have selected Oliver Ellsworth, of Connecticut, an outstanding figure in the first Senate. George Frisbie Hoar, writing of him, stated that when he came to the Senate in 1877, the condition was that no man had ever dominated the Senate—not even the great triumvirate—as did Oliver Ellsworth. He was on our list of 17, from which 5 were chosen.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. BRICKER. It was my privilege and responsibility to be a member of the committee, along with the distinguished chairman, the Senator from Massachusetts, the distinguished Senator from Georgia [Mr. RUSSELL], the distinguished Senator from Montana [Mr. MANSFIELD], and the distinguished Senator from New Hampshire [Mr. BRIDGES].

I have never served upon any committee with greater satisfaction, because of the fine way in which each of the members approached his responsibility.

There was never a political or partisan consideration in the minds of the committee in selecting the men whose portraits are to dignify the anteroom of the Senate Chamber.

We felt from the beginning that were we not to select the great triumvirate we would have to change the history books of the United States, because when schoolchildren came to visit the Senate and did not find their portraits there, they would naturally wonder why we had not recognized what most of us had learned in school.

I knew Senator La Follette, but not too well, although I had met him. I knew his distinguished son better. It was while I was in school that the elder La Follette was exercising his great influence and commanding so much respect from the people, even though he was in the minority most of the time. Nevertheless, by the very virility of his attack on various problems which confronted the country at the time, he gained the respect of his fellow countrymen, even though many of them differed with him.

I am personally gratified that my former colleague, Senator Taft, was chosen. He was the unanimous choice of the committee, as the chairman has indicated. I also appreciate the fine comments of the Senator from Connecticut [Mr. BUSH], whom we in Columbus, Ohio, like to think of as the third Senator from Ohio. He grew up in our Capital City, and I knew his distinguished father.

It was my privilege to appear in the Supreme Court many times while Senator Taft's father was Chief Justice, long before I knew Senator Taft.

Then came Senator Taft's entrance into politics in Ohio, first as a candidate for the house and then the senate of the State legislature; finally as candidate for the United States Senate. Later, with the support of the Ohio delegation, he was candidate for the Republican nomination for President of the United States.

Our relationship became very close, as we acted together many times. We served together in the Senate.

Senator Taft was a man of great character and the highest integrity, and an indefatigable worker.

He had been an outstanding student in his days in school. At one time in Ohio I had the privilege of sitting on a commission before which he appeared as an attorney. I had never seen papers better prepared or a case better presented than the way he presented them. That was just before he came to the Senate.

Therefore it is a great personal satisfaction to me, having known Senator Taft as well as I have through many years, and having had intimate relations politically with him, that the committee, presided over by the distinguished Senator from Massachusetts [Mr. KENNEDY] was unanimous in picking Senator Taft.

I believe that the words spoken on the floor of the Senate this afternoon have rather strengthened our feeling that we were doing the right and patriotic thing in making our selections.

I hope that the pictures, as they hang on the walls of the Senate anteroom, where so many people will see them, will be an inspiration to everyone, including many generations yet to come, and a reaffirmation that devotion to duty and character and integrity and hard work are those qualities which have made this country great, and will continue to be the underlying virtues in the development of our country.

I thank the chairman for the fine manner in which he and the other members of the committee performed their duty.

Mr. KENNEDY. I am grateful to the Senator from Ohio for his statement and for his kind words about me.

I ask unanimous consent to have placed in the body of the RECORD a letter which the committee received on Monday from former President Harry Truman. It furnishes an invaluable analysis by a distinguished former Member of this body and longtime student of history of the great Senators who have served in the Senate.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INDEPENDENCE, MO., *April 25, 1957.*

Hon. JOHN F. KENNEDY,
United States Senate,
Washington, D.C.

DEAR SENATOR: At long last, and after much study and research, I have assembled the names of those Senators who are considered great, if only in my own estimation.

There are so many to be considered I do not see how you will ever be able to arrive at the five greatest.

We know the ones close to us, and, naturally, we feel kindly toward them, but it seems to me that the principal criterion is the value of a Senator's contribution to the welfare and salvation of the Republic at a time when it was needed most. You will find that I have placed certain emphasis on our early Senators, some of whom have never been discussed as widely as those closer to us.

I will be in Washington on May 3 and 4 and would like very much to come down and talk to you and the committee about my list. Unfortunately, the judgment of a former Senator is likely to be prejudiced in some particulars.

I am hoping that SAM RAYBURN and the leaders in the House will initiate a similar project. The remarkable thing is that some Senators were great in the House before coming to the Senate; and several, including John Quincy Adams, were great in the Senate before going to the House. Therefore the restrictions eliminating consider-

ation of the careers of Senators outside the Senate increased immeasurably the difficulty of determining who is great and who is not.

Sincerely yours,

HARRY S TRUMAN.

BY STATES, A LIST OF GREAT SENATORS

ALABAMA

Oscar W. Underwood, a tariff expert. His tariff bill was the start of reciprocal trade—1915-27 (House, 1897-1915).

ARKANSAS

Joseph T. Robinson, one of the great majority leaders. He supported his President and his party for the good of the country—1933-37.

CALIFORNIA

Hiram W. Johnson, a great progressive. Helped elect Woodrow Wilson in 1916. Was not so "progressive" with Franklin Roosevelt—1917-45.

COLORADO

Alva B. Adams, a great conservative in times when the Democratic Party needed a safety brake. An honorable man who stood by his principles—1923-24 and 1933-38.

FLORIDA

Stephen R. Mallory, Secretary of the Navy in the Confederate Government. He deserves consideration. From 1897 to 1907 his son of the same name served as Florida's Senator—1851-61.

GEORGIA

William H. Crawford. Votes for him in the electoral college threw the election of 1824 into the House. J. Q. Adams was elected—1807-13.

INDIANA

Alfred J. Beveridge. Noted more for his literary ability than for his political career. His life of John Marshall is considered an authority—1899-1911.

Charles W. Fairbanks. Became Vice President. He was interested in Alaska and saw its potentialities. It is said that the mirror in the Vice President's office, which once belonged to Dolly Madison, is placed at its present height so that Vice President Fairbanks could see to comb his hair—and he had very little to comb.

IDAHO

William E. Borah. A great progressive Republican in the early days; was not so progressive with Roosevelt. He deserves consideration—1907-40.

ILLINOIS

Stephen A. Douglas. Defeated Lincoln for the Senate as a result of a series of debates. It made him famous after the War Between the States. He was for squatter sovereignty, however, and the Kansas-Nebraska bill which was one of the main causes of the war of 1861-65. That bill repealed the Missouri Compromise and the Compromise of 1850. Nullified all Henry Clay's work—1847-61.

IOWA

Albert B. Cummins. One of the authors of the Esch-Cummins Act, a mile-one in railway legislation—1908-26.

KANSAS

John J. Ingalls. Like Beveridge, he is better known as a literary light. Is said to have plagiarized his great poem Opportunity—1873-91.

KENTUCKY

Henry Clay. He was known as the Great Compromiser. Had a hand in the Missouri Compromise and the Compromise of 1850. He was in many tough political fights and was never very fairly treated by the New England historians. He was a truly great legislator. Served for more than 30 years—1806, 1810, 1831-42, 1849-52.

Alben W. Barkley. Served as leader of the majority in the Senate longer than any other Senator. Sponsored many bills for the welfare and progress of the country—1927-49, 1955-56.

LOUISIANA

Judah P. Benjamin. Probably the greatest legal mind ever in the Senate. Because he had been a member of the Confederate Cabinet as Attorney General, Secretary of War, and Secretary of State, he went to England after the War Between the States and became the top leader of the English bar. Was considered the greatest advocate of his time—1853-61.

MAINE

Hannibal Hamlin, a Maine Democrat until 1860 when he was elected Vice President on the ticket with Lincoln. In the Senate after the war he was an antiradical. He deserves consideration—1848-57, 1869-81.

James G. Blaine, a great politician. My old rebel Democratic grandfather always said he was the smartest Republican of his time. He was Secretary of State in the Cabinet of President Benjamin Harrison—1876-83.

MASSACHUSETTS

John Quincy Adams. A very able Adams, he was foreign representative, Secretary of State, and President. He was an enemy of Andrew Jackson, and nearly every other public man of his time, but he was a great public servant—1803-8.

Daniel Webster. Lived in the period of great oratory. He made his reputation in his debates with Hayne, of South Carolina, "Liberty and Union, one and inseparable." Mr. Webster's public ethics were practically nonexistent. He was in the pay of Biddle's United States Bank and a number of other people whose legislative interests were involved. His New England abolitionist friends made the most of his debates with Hayne, but these came after President Jackson had said, "Our Federal Union, it must be preserved." There is a great story about Clay and Webster and their financial difficulties. It seems that Clay had had a bad night at a game of chance with some of his friends. He went to the Riggs Bank to make a loan of $4,000. The bank told him to have someone endorse the note. He met Mr. Webster as he went out of the bank and asked for his endorsement. Webster asked Clay the amount of the note. When Clay told him, he said, "All right, let's just double it and split." That is a Senate cloakroom story, and the windup is that the Riggs Bank still has the note—1827-51.

George F. Hoar. He was a hard-working, conscientious public servant. His autobiography is very good reading. Another Senate cloakroom story is that when Senator Hoar was informed of Ben Butler's death, he expressed the hope that it was no idle rumor. Deserves investigation—1877-1904.

MICHIGAN

Arthur H. Vandenberg, a great man who finally saw the error of isolationism. He had the intellectual honesty to say that although he had been for it, isolationism was not right under modern conditions. He cooperated fully for a bipartisan foreign policy—1928-51.

Lewis Cass, a soldier, governor, and diplomat. Secretary of War in Jackson's Cabinet, and Secretary of State in Buchanan's. Deserves careful consideration—1845-48, 1849-57.

Zachariah Chandler. Member of Committee on the Conduct of the War. Investigate—1857-75.

MISSISSIPPI

John Sharp Williams. One of the Senate's great orators. There are many stories around the cloakroom about his repartee and quips in debate—1911-23.

Pat Harrison. Leader of the minority in days when it was a very tough job. A very able debater—1919-41.

Jefferson Davis. Secretary of War in the Cabinet of Franklin Pierce, President of the Confederacy. His Rise and Fall of the Confederate Government is one of the best analyses of the United States Constitution—1847-51.

MISSOURI

Thomas H. Benton, a great sound-money Senator and Jackson's floor leader in the United States bank fight. He and his brother had been Jackson's enemies in Tennessee, but he made a statement in the Senate cloakroom that is still told: "I shot at the old s. o. b. once, but he is right this time, and I am fighting for his program"—1821-51.

George Graham Vest, also one of the Senate's great orators and a master of debate. His comment on the dog is a classic—1879-1903.

MONTANA

Thomas J. Walsh. He uncovered the Dougherty-Fall-Sinclair Teapot Dome affair—1913-33.

NEBRASKA

George W. Norris. TVA and public power owe all they have to Senator Norris. He was one of the great progressives in the 1920's—1913-43.

NEW YORK

William H. Seward. Fought to preserve the Union. Became Lincoln's Secretary of State and a great one only after he found that Lincoln was the President and foreign policymaker for the Nation—1849-61.

Elihu Root. A great conservative and adviser to several Presidents—1909-15.

NORTH CAROLINA

George Edmund Badger. Married three times. First wife was daughter of Governor Turner; second wife was the daughter of Colonel Polk and sister of Leonidas Polk, Episcopal bishop and Confederate general; his third wife was Delia William, a widow, who outlived him. He was against squatter sovereignty but voted for the Kansas-Nebraska bill which, he said later, was the worst thing he ever did publicly. He was appointed to the Supreme Court by President Fillmore, but the Senate never acted. Did all he could to keep North Carolina in the Union. Senate passed a unanimous resolution regretting his retirement from that body. Unusual. Was considered the greatest of North Carolina lawyers, and as an advocate before the Supreme Court of the United States ranked with Webster, Crittenden, Barrien, and Cushing—1846-55.

OHIO

Benjamin F. Wade. Member of the Committee on the Conduct of the War. President pro tempore of the Senate. Wanted Andrew Johnson convicted in the impeachment trial so that he could be President. One speech he made in Cincinnati was considered by Douglas Freeman worth a division to the Confederate cause. A great radical Republican in his time—1851-69.

Robert A. Taft. It is difficult to judge men objectively in such close perspective, but he was a very able Senator and an honorable man. He believed in and fought for the conservative approach to government. His views on education were sound—1938-53.

PENNSYLVANIA

Robert Morris. Financed the Revolutionary War in its final stages. Was very helpful in putting the new Republic on a sound basis. Was offered the Treasury Secretaryship by Washington—1789-95.

OREGON

Edward Dickinson Baker. Born in London February 24, 1811. His father was a schoolteacher. He was brought to Philadelphia in 1815; in 1825 went to New Harmony, Ind., and then to Belleville, Ill. Married a widow (Mary A. Lee) with two children April 27, 1831. A soldier in the Black

UNIVERSITY OF MICHIGAN LIBRARIES

Hawk War. In 1835 he moved to Springfield, Ill., where he was one of that brilliant circle—Lincoln, Douglas, Browning, Yates, and Trumbull. He defeated Lincoln for the 29th Congress in 1844. Supported Polk on his Oregon policy. When war with Mexico came, he returned from the House and raised an Illinois volunteer regiment which he led to join Gen. Z. Taylor. Came to Washington in 1846 with dispatches. Made a speech in the House in uniform, with good effect, for better equipment for the soldiers, then resigned, went to the front where he served with distinction. His regiment did not reenlist, and he resigned his commission. He went back to his law practice, ran for Congress on the Whig ticket in a Democratic district at Galena and won after living in the district only 3 weeks. Known only for eloquence in 31st Congress. Went to California in 1852 after a trip to Panama in 1851. Made a Mark Anthony oration at the funeral of California Senator Broderick in September 1859 (Broderick, by the way, was an interesting character too. He was a Democratic Senator from California from March 4, 1857, to September 16, 1859, when he was mortally wounded in a duel with David S. Terry, chief justice of the California Supreme Court). Baker went to Oregon in February 1860, at the invitation of a Republican committee organizing Oregon for statehood. Was elected United States Senator in October by a combination of Douglas Democrats and Lincoln Republicans. This victory over the Democratic candidate assured Lincoln's control at Chicago of the Oregon delegation and caused Oregon to suffer almost 90 years of Republican Senators. Sumner said that Baker's speech made in debate with Judah P. Benjamin on January 2, 1861, would pass into the permanent literature of the country and that it assured his place in the Senate. His speech on August 1, 1861, in reply to Senator Breckinridge was also a famous Union speech. He made it in uniform as a colonel of a Pennsylvania regiment known as the 1st California Regiment. Killed at Ball's Bluff October 22, 1861. Buried in San Francisco in a cemetery he had promoted. There is a small marker at Ball's Bluff—1860–61.

SOUTH CAROLINA

John C. Calhoun, the greatest of the States rights advocates, was Vice President with Andrew Jackson. He and Hayne met Webster in the famous debates. (Hayne should also be considered.) He stood up for his beliefs and had division and States rights prevailed, both would have been considered truly great. I am happy that they failed, but they should be considered—1832–43, 1845–50.

TENNESSEE

Andrew Johnson, best constitutionalist in the White House or the Senate—1857–63.

VIRGINIA

Carter Glass. As a Member of the House, he fought through the Federal Reserve Bank System. Was Secretary of the Treasury with President Wilson. The times passed him by, but as chairman of the Senate Appropriations Committee, he never attempted to block Roosevelt's recovery program—1920–46.

WISCONSIN

The two La Follettes, Sr. (1905–29) and Jr. (1925–47). Both great liberals; both definitely should be considered, although, like Joe Robinson, Bob Taft, Alben Barkley, and Carter Glass, they are too close to us for true perspective.

Mr. MONRONEY. I wish to add a few words to what has been said about the fine and excellent manner in which the chairman of the committee, the Senator from Massachusetts [Mr. KENNEDY], has performed his very important function in recognizing the five truly great Members of the Senate.

I have seen many reports and I have heard many discussions, but I have never heard anything that has approached the excellent manner in which the distinguished chairman has carried on his functions in bringing about recognition of these fine men.

Mr. KENNEDY. I thank the distinguished Senator.

Mr. WILEY. Mr. President, I wish to pay honor to those who are leading in the tribute to the five most honored Senators in our Nation's history.

I believe that the committee headed by the distinguished junior Senator from Massachusetts [Mr. KENNEDY] is to be congratulated for its most excellent and, yes, its courageous choices.

I shall comment for but one moment on the choice which is naturally closest to the hearts of the people of my State. I refer, of course, to the designation of Robert Marion La Follette, Sr., as one of the five whose portrait is to be hung in the Senate reception room.

In selecting "Fighting Bob," the committee did itself honor and it did the Senate honor.

It selected a man of lion-like courage, of incorruptible honesty, of indomitable perseverance for what he felt to be right.

It selected a man who did not flinch from every battle into which his fervent conscience took him, who fought cleanly, and who fought hard.

He made Wisconsin preeminent in the Nation in the battle for social justice, the statutory battle for the underprivileged, the underdog, the unprotected. He was a man with vision and imagination. We need such vision and imagination in the Nation. We need it in my own party, as the late Gov. Walter Goodland pointed out. We need it in both parties.

Even his bitterest opponents—and we must remember that he had many such during all the stormy years of his public service—would readily concede that "Fighting Bob" was a great Senator by every conceivable definition of that term.

We salute his memory. We salute the fine family which bears his name, including the late Bob, Jr., who served so long and so well in the Senate. And we salute his brother Phil, likewise a great son of a great father, and a great Governor of my State.

As one who literally ran against Progressive candidates in elections, as one who disagreed strongly with the Progressive Party, I say that I am proud of the committee's selection, proud of its designation of Robert M. La Follette, Sr.

WAH CHANG CORP. ZIRCONIUM PLANT AT ALBANY, OREG.

Mr. NEUBERGER. Mr. President, on April 22, 1957, there was formally dedicated in Albany, Oreg., the new zirconium plant of the Wah Chang Corp. This plant will produce zirconium sponge for fabrication into metal for use in atomic reactors.

It was my privilege to work cooperatively for many months with officials of the Atomic Energy Commission to help bring about reactivation of the original zirconium installation in Albany, where the process for producing this strategic metal was developed by scientists and engineers of the United States Bureau of Mines.

One of the world's leading metallurgists, K. C. Li, chairman of the Wah Chang Corp., gave the principal speech at the dedication on behalf of the owners of the new plant. I had the honor of delivering the main dedicatory address. Gov. Robert D. Holmes expressed the gratification of the State of Oregon for the signal event which was taking place. Ex-State Senator Orval N. Thompson, of Linn County, counsel in Albany for the Wah Chang Corp., was master of ceremonies. The invocation was movingly made by Rev. Morton L. Booth of the First Presbyterian Church of Albany.

I had the privilege of reading a special message from Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission, for which the Wah Chang Corp. at Albany will serve as a supplier of zirconium. Admiral Strauss pointed out very appropriately, in his message, that the historic submarine *Nautilus* went to sea and cruised 60,000 epoch-making miles with its charge of atomic fuel cloaked in zirconium that had been made at Albany, Oreg.

WAH CHANG PLANT BRINGS NEW EMPLOYMENT

This new facility, employing 280 people for 52 weeks a year, is the type of manufacturing plant so urgently needed by Oregon in its present economic crisis, due to a falling off in income of the crucial lumber industry.

Still more important, the Wah Chang zirconium plant will be producing a metal that can advance not only the military uses of nuclear products but the adaptation of these vital energy sources to the even greater needs of mankind at peace.

The dedication of the new Wah Chang zirconium plant was a thrilling experience for me, because it marked a new phase in the industrialization of the State of Oregon. It was a step into an era when fabrication of a new structural metal for the atomic age on a large-scale basis became a reality.

Zirconium is one of the strategic substances used in nuclear power reactors because of its special properties of high resistance to corrosion and low absorption of neutrons. This latter quality has made it a promising structural material for reactors because it helps in maintaining a chain reaction.

Zirconium is a new metal and metallurgists have told me that only a few of its commercial uses have been envisioned. Demand for this new industrial metal indicates that its processing will play an important part in expansion of manufacturing in the State of Oregon. The new Albany industry will employ about 280 persons at average wages of $5,000 annually, giving our State a new year-around payroll of the kind needed to take up the slack in the fluctuating lumber industry.

COMPANY PLANS EXPANSION

Already the management of the Wah Chang organization has announced plans for expansion of facilities. The company

is exploring new techniques for production of zirconium and other new metals needed for the age of atomic and rocket propulsion. Indeed, the limits of our progress in these fields may be determined by the degree of success in developing new metals for the new requirements ahead, uses to which our present state of technology have given but a bare inkling.

New industry, such as is typified by the Wah Chang zirconium operations, is vitally needed to restore the income of Oregon citizens. In the period from 1947 through 1956 Oregon's per capita incomes have steadily and inexorably dropped with respect to their comparison to the national average. In 1947 per capita income was $202 above the national average, but by last year it had slipped to $10 below the national figure. New industry with payrolls that are maintained 52 weeks of the year are needed to reverse this trend and to restore the prosperity of my State's citizens. The opening of the Wah Chang plant for making a new metal gives rise to hopes for attainment of new horizons in our economic future.

The Wah Chang plant is an outstanding example of the product of cooperation between Government and industry. Back in 1945 the United States Bureau of Mines began studying the possibilities of developing an economical process for producing zirconium metal. The Northwest Electrodevelopment Laboratory of the Bureau, at Albany, was selected as the site for the experimentation. Metallurgists and researchers of this Government agency worked to unlock the secrets of processing zirconium ore into a ductile metal. In February of 1945 they produced 90 grams of the rare metal through a magnesium reduction process.

By February of 1947, they had developed a pilot plant capable of producing 60 pounds of zirconium metal per week. This expansion of production required an accelerated melting program and a revolutionary furnace was developed by the Government scientists to meet the challenge.

BUREAU OF MINES PERSONNEL AIDS DEVELOPMENT

From these small beginnings, the Albany plant has been expanded so that it now can produce 300,000 pounds of zirconium sponge annually.

After the initial work of development by Bureau of Mines technicians, the Federal Government decided to invite participation of private industry in the zirconium program. The Albany plant was closed temporarily, and then reactivated in 1955 when the Navy Department and Atomic Energy Commission determined that a vastly increased supply of zirconium was needed to meet defense requirements. The work of Government scientists in paving the way for private industry to enter the field of zirconium metal production cannot be overemphasized.

The opening of the Wah Chang plant was a matter of special satisfaction to me. Establishment of this industry in Oregon was a project on which I worked with Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission. I am pleased that it now has been brought into active operation. I had been deeply concerned, in May of 1955, when the decision was made to curtail operations at the Albany Bureau of Mines plant. I urged a study to determine whether the Government plant could not also be used in supplying the vital new metal. After a series of meetings and much correspondence with the Atomic Energy Commission members and its staff, a decision was reached on May 1, 1956, to reopen the Bureau of Mines plant under a contract with the Wah Chang Corp. Because of the need for greatly expanded production facilities, it was determined that the Government-owned plant would be inadequate. With the encouragement of the Atomic Energy Commission, Wah Chang started construction of its own private facilities in August of last year. The plant was brought to completion in 6 months and production has began to meet the shortage of metal required for our reactor program. I am pleased to have been able to make a contribution toward such a fruitful addition to Oregon industry.

OREGON MAY BECOME RARE-METAL CENTER

I have been informed by Mr. Stephen Yih, general manager of the zirconium division of the Wah Chang Corp., that plans are well advanced for expansion of the plant facilities. The company's decision to increase productive output so soon after the start of initial operations is an indication of the management's firm belief that the new metal has great potential. The company's investment of capital has been made at no little risk. The people of Oregon, I am sure, will view with great expectations the prospect of seeing their home State become a center for fabrication of a new industrial material.

Mr. Yih has told me that the company plans to triple its plant facilities in Albany during the current year. Next month they will break ground for one unit of a new zirconium treatment plant, of a size comparable to the present operation. By next October, Mr. Yih has advised me, a third plant is expected to be placed in operation. The new operations will concentrate on separation of new rare metals such as hafnium, tantalum, and columbium.

Each of the two new plants, I have been told, will provide employment for about the same number of persons as are now working at the zirconium operation. Nearly 300 persons are employed at the present plant. Thus, by the end of the year, the new-born rare metal industry of Oregon will employ some 900 persons. This is truly a meteoric industrial mushrooming, when we consider that the Wah Chang Corp. broke ground for its first plant only last August.

I should like to add that we in Oregon regard it as a hopeful omen that the words Wah Chang mean, in Chinese, "great development." This may be the beginning of a truly great development in our State of Oregon. Mr. Stephen Yih, an official of the Wah Chang organization, will be manager of the zirconium division of Wah Chang at Albany.

K. C. LI RECEIVES LEWIS AND CLARK MEDALLION

It also is pertinent for this report to show that I presented to Mr. Li, as a symbol of his firm's interest in the State of Oregon, an exact replica of the famous Peace and Friendship Medal presented to the Indian chiefs of the Pacific Northwest by the great explorers, Meriwether Lewis and William Clark, as they carried our flag to the Pacific's lonely shores. This Peace and Friendship Medal, ordered by Thomas Jefferson himself, is a hopeful omen—I trust—of the type of uses to which zirconium metal from the new Albany plant of Wah Chang may be put in the years ahead.

Mr. President, so that Members of the United States Senate may be informed fully as to this major occurrence in the progress of atomic expansion, I ask unanimous consent to have printed in the RECORD the address of Mr. K. C. Li at the dedication of the Albany zirconium plant; a letter to me containing the eloquent invocation by the Rev. Morton L. Booth; a complete official copy of the program on that occasion; and a summary which synthesizes my own dedicatory address to the throng of representative Oregon citizens who were assembled for the event.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REMARKS OF MR. K. C. LI ACCEPTING THE MEDAL PRESENTED BY SENATOR RICHARD L. NEUBERGER AT THE OPENING OF THE ZIRCONIUM PLANT OF WAH CHANG CORP., ALBANY, OREG., APRIL 22, 1957

With all humility, and in the name of my associates and fellow workers, whose sweat and toil in this enterprise exceed my own, I accept your generous award. It is an inspiration to us from a great statesman and distinguished Senator of a liberal State, where the Wah Chang Corp. enjoys the opportunity to grow to the full promise of its future.

The medal, I am aware, commemorates the historic expedition which completed the opening of the American continent from sea to shining sea, and provided the land bridge from the colonial past to the glorious American present. The medal inspires us, because, in a modest way, Wah Chang's coming to Oregon represents an enterprise which we hope will help provide the bridge from one industrial age to another, the prenuclear to the new atomic age.

Will my associates and fellow workers in the audience join me in the expression of our deep appreciation by rising to thank Senator NEUBERGER?

ZIRCONIUM IN OREGON

(Remarks by Mr. K. C. Li, chairman, Wah Chang Corp., at the opening ceremony of the zirconium plant of Wah Chang Corp., Albany, Oreg., April 22, 1957)

Mr. Governor, honorable Senator, honorable Congressmen, honored guests, associates and coworkers of the Wah Chang family, ladies and gentlemen, we are gathered here to open officially and to dedicate a nuclear plant, the only one of its kind in the Northwest of the United States. On behalf of my associates and my coworkers, I want to thank you for your presence here today. I know it is your deep interest in this important industry that has prompted you to make this personal sacrifice to be here on a busy Monday morning.

It may interest you to know that this plant was built from scratch, and that in 6 months' time it has been put into full production. This accomplishment was made possible only because of the splendid assistance that you, Mr. Governor, the Senators,

UNIVERSITY OF MICHIGAN LIBRARIES

the Congressmen, the chamber of commerce, the Bureau of Mines, and all the community so kindly gave us, and because of the sweat and tears of my fellow coworkers, led by our brilliant engineers, who worked day and night to bring this about. Today we are not only in full production as originally planned, but we have even had to install additional furnaces. My fellow coworkers and I would very much appreciate it if the Governor, the Senator, and Representative CHARLES PORTER, of this district, will push the buttons that will start them into action.

We also have three shipments processed, packed, and ready for delivery to the Government. My associates would appreciate it if the Governor, the Senator, and the Representative of this district would officiate at the signing of the documents covering these shipments.

Wah Chang in Chinese means "great development." Our new operation here in Albany is, indeed, a great development in the sense that it represents a very important part of the nuclear industry. Wah Chang was established in the United States 45 years ago. In all these years Wah Chang has been specializing in mining, smelting, and refining of rare metals.

We at Wah Chang are very proud that our interest in the production and refining of these metals allowed us to make significant contributions to the national defense in World Wars I and II.

In the First World War, Wah Chang supplied almost 100 percent of the Government's requirement for antimony, which was used in the production of shrapnel shells so important in trench warfare, the characteristic feature of World War I.

In World War II, Wah Chang was able to meet Government needs for strategically vital supplies of tin, antimony and tungsten. Six months before Pearl Harbor, when these metals were already almost unobtainable on the world market, Wah Chang was able to supply the Government with the large tonnage which formed the nucleus of a national stockpile. Without this stockpile, high-level planners in the United States Government would not have been able to operate in an atmosphere free of panic.

After Pearl Harbor, Wah Chang became the only Government agent for the beneficiating and allocating of all tungsten purchased by the United States. We feel very proud of this contribution.

During the Korean incident, Wah Chang was called upon by the Government to contribute toward its tungsten program to free the tungsten industry—and the national defense—from dependence on foreign supplies.

Today, the United States is the largest producer of tungsten in the free world. Here, again, Wah Chang is proud that its leadership in the industry not only helped to inspire, but facilitated, this significant peacetime development.

For tungsten is still an important metal, only slowly yielding its position as the No. 1 structural metal to such newly important reactor metals as zirconium, hafnium, niobium, tantalum, etc.

Wah Chang's current history reflects this historic development. In building our plant here in Oregon this year, we committed Wah Chang's future to the future of these new and rare metals which are taking their place beside tungsten.

As you know, some of these metals are in plentiful supply; others are still rare. Their uses, however, are uncommon. The metallurgy for extraction of their ores is still in its infancy. Necessary advances can be accomplished only by huge investment.

Our Government has, as with titanium, for instance, guaranteed the necessary capital investment of private owners. Though Wah Chang began research on these rare metals of the future many years ago, and had developed a number of new processes, it was never fortunate enough to obtain any Government guaranty for its advanced work on these metals. With such guaranty, Wah Chang's pioneering would, I assure you, have been easier and faster.

Nevertheless, our contributions to the rare-metals industry have been substantial. We are well known in the industry for our contribution to the science of separating molybdenum completely from tungsten, an absolute requirement in electrical, radio, radar, and signal corps installations. The tungsten ore occurring in the United States, as most of you know, contains anywhere from 5,000 to 30,000 parts per million, whereas specifications for the above uses do not permit a content of even one part per million.

We have also developed a unique process for the smelting and refining of antimony. You will also be interested to know that the only book ever published in English on this metal was written by our director of research.

We hope to be able to announce soon the separation of tantalum from niobium, through a procedure simpler than the liquid-liquid method. It is along such lines that we conceive of Wah Chang's future great development and its contribution to the needs of the United States in the great age of jet engines which is just dawning.

However, being a private and small concern, we understand our limitations realistically. We also know where our priceless assets lie—in our young men, whose enthusiasm and creative thinking will help us to continue to find the best techniques and develop the most efficient operations for the production of the finest zirconium, hafnium, and other rare metals. Our past experiences encourage us to believe in our future success in handling these metals.

Two years ago, with the blessing of the Government, Wah Chang entered into a cooperative agreement with the Department of the Interior to operate its Bureau of Mines titanium plant in Boulder City, Nev. Under that cooperative agreement Wah Chang has produced and delivered titanium sponge, the best ever received in commercial quantities by the Government. Wah Chang has from time to time made its process public as a service to the industry and has rendered a complete report, which is to be published by the United States Bureau of Mines early next year.

At the beginning of 1956, with the encouragement of the Atomic Energy Commission, we entered an agreement with the Atomic Energy Commission to reactivate its zirconium plant at Albany to produce zirconium sponge for the Commission at no profit to our company. Even with our utmost efforts to increase production to 130 percent of utmost designed capacity, the Atomic Energy Commission is still far short of zirconium for its reactor program.

So, in August 1956, 8 months ago, again with the encouragement of the Atomic Energy Commission, Wah Chang began the construction of this new zirconium plant, which we officially dedicate in this wonderful town of North Albany, without Government financing and without a long-term contract to produce zirconium sponge to alleviate the shortage of this reactor product. We are proud of our record. The plant was completed from scratch in 6 months' time. This is second only to our war performance record in tungsten during World War II, when we were obliged to build our tungsten plant in Glen Cove, N. Y., in 5½ months' time.

This record is influenced, I am sure, by our realization that service to our country is our duty, service to industry is our business, and progress is our aim.

In spite of this wonderful performance, I am sure my associates here will agree with me that our operation is still in its infancy. Much improvement of our plant, of our techniques, of our supervision, of everything, is needed. Improvements must be part of our program. So must our research, for we are sure that zirconium and hafnium will not only be among the important nuclear materials, but also will be the structural materials of the future. They will, we feel, be important in fields which have not yet been even explored.

Being a small company, we fully realize our limitations. It is not going to be easy, but I feel confident that with your help, and with the continued support of the Governor and our distinguished Senators and Congressmen, and with the kind of enthusiasm demonstrated by my associates and coworkers in the building of this plant in a short 6 months, we will succeed regardless of how long it may take to achieve our objectives.

Oregon has been known for decades as a great supplier of lumber to the world. When I first took up mining, many years ago, the name of Oregon came to my attention practically every day. Later, when I worked as a miner and surveyor underground, in the United States and elsewhere, I saw Oregon timber as the support of every worthy mine. I hope, Mr. Governor, that my associates and fellow workers will make this industry, the zirconium industry, worthy of the name of Oregon, and will make Oregon also famous for zirconium production.

Governor Holmes, Senator Neuberger, Representatives Ullman, Norblad, Green, and Porter, we are very happy that in spite of your tremendously heavy schedule you have found time to make this opening ceremony. We welcome you and our welcome is sincere and permanent. Our aim is progress and your frequent presence here, I assure you, will always be an inspiration to our progress.

INVOCATION BY REV. MORTON L. BOOTH, D. D.

Our Father God, we thank Thee for the gifts of mind and spirit; for courage and vision combined and working together. As we build for peace or for struggle, grant unto these Thy servants a deep and lasting satisfaction with what is being done here. As we move forward together wilt Thou continue to aid us in the uncovering of Thy bounty within our land and in the uncovering of the laws of further scientific developments. May all that we begin and carry through for Thee and for our fellow men merit Thy blessing. Grant us courage and peace. And to Thee shall our glory, allegiance, and worship be, evermore. In Thy holy name. Amen.

A NOTE OF WELCOME

Most of our guests here today come at some personal sacrifice, and I want them to know I appreciate deeply their interest in our operation.

"Wah Chang" in Chinese means great development, For Wah Chang, our new development in Albany is indeed a "great development" in the sense that it represents a new direction in the development of the company and its history. We were interested, until recently, almost exclusively in tin, antimony, and tungsten.

In building our new zirconium plant in the State of Oregon, we committed Wah Chang's future to the future of the new rare metals which are taking their place beside tungsten. We are proud of our record in this new enterprise. The plant was completed from scratch in 6 months. Our delivery of zirconium from this plant to the Government began in January of this year, as scheduled.

We are most fortunate to be operating in a very friendly community which has given us so much support. The mayor, the members of the chamber of commerce, the members of the city council, the members of the Bureau of Mines, and the Oregon Metallurgical Laboratory have been wonderful to us.

I take this opportunity, in behalf of my associates and myself, to thank all for their

past cooperation and to solicit their continued cooperation.

K. C. LI,
Chairman of the Board, Wah Chang Corp.

PROGRAM

Orval N. Thompson, master of ceremonies.
10 a. m.: Flag raising ceremony.
10:15 a. m.: Invocation, the Reverend Morton L. Booth, pastor, First Presbyterian Church.
10:20 a. m.: Welcome, K. C. Li, chairman of the board, Wah Chang Corp.
10:50 a. m.: Remarks, the Honorable Robert D. Holmes, Governor of the State of Oregon.
11 a. m.: Address, the Honorable RICHARD L. NEUBERGER, United States Senator from Oregon.
11:45 a. m.: Group signing shipment documents of zirconium shipment No. 10.
11:15 a. m.: Benediction, the Reverend Morton L. Booth.
2:30 p. m.: Plant open to public for tour.

GUEST LIST

The Honorable WALTER NORBLAD, House of Representatives, Washington, D. C.
The Honorable Elmo Smith, former Governor of Oregon.
The Honorable Charles Sprague, former Governor of Oregon.
The Honorable Mark Hatfield, secretary of state, State of Oregon.
The Honorable Sig Unander, State treasurer, State of Oregon.
The Honorable Warren Gill, State senator.
The Honorable Jess Savage, State house of representatives.
The Honorable Roy Fitzwater, Oregon State House of Representatives.
The Honorable E. G. Arnold, Linn County judge.
The Honorable Floyd Jenks, Linn County commissioner.
The Honorable Wayne Downing, Linn County commissioner.
The Honorable William L. Fitzpatrick, mayor, city of Albany.
Mr. William Bollman, city manager, city of Albany.
Mr. R. P. Booth, president of KVAL–TV, partner of Tillman-Booth Co., director of Booth-Kelly Lumber Co., president of Cascade Manufacturing Co., Eugene.
Mr. Hal Byer, manager, Chamber of Commerce, Albany.
Mr. Roy Collins, president, Chamber of Commerce, Albany.
Mr. Stan Czech, assistant principal, Albany Union High School.
Mr. R. W. Deweese, vice president of sales, Electric Steel Foundry Co., Portland.
Mr. Neil Duffie, manager, Western Kraft Corp., Albany.
Mr. David C. Duncan, president, Chamber of Commerce, Portland.
Mr. Wallace Eakin, managing editor, Albany Democrat-Herald.
Mr. Ken Earnest, superintendent, Pennsylvania Salt Manufacturing Co., Portland.
Mr. Dale Fischer, president, Fischer Marcola Co., Eugene.
Mr. Sam. Frager, director, Chamber of Commerce, Albany.
Dean George W. Gleeson, School of Engineering, O. S. C., Corvallis.
Mr. W. H. Gonyea, president, Clear Fir Sales Co., Springfield.
Mr. O. H. Hinsdale, president of Umpqua Navigation Co., vice president of Umpqua National Bank, Reedsport.
Mr. Francyl Howard, publisher, Greater Oregon, Albany.
Dr. J. A. Kirk, M. D., Eugene.
Mr. Percy Locey, realtor, Corvallis.
Mr. E. B. MacNaughton, chairman of the board, First National Bank of Portland.
Mr. H. A. Mason, vice president, Symington Gould Co., Depew, N. Y.
Mr. E. Stephen McClain, vice president, United States National Bank of Portland.
Mr. C. K. McCormack, owner of Beam-McCormack Insurance, Albany.
Mr. J. M. McCollough, assistant sales manager, Pennsylvania Salt Manufacturing Co., Portland.
Mr. Phillip O'Toole, O'Toole Motor Co., Corvallis.
Mr. A. H. Roberson, United States Bureau of Mines, Albany.
Mr. C. M. Rushing, treasurer, Oregon Metallurgical Corp., Albany.
Mr. W. H. Shields, president of Shields Construction Co., Eugene.
Mr. Eldon J. Sloan, supervisor of Oregon State Employment Service, Albany.
Mr. Charles Sterret, manager, Chamber of Commerce, Portland.
Mr. L. L. Stewart, president of Bohemia Lumber Co., Cottage Grove.
Mr. Orval N. Thompson, attorney, law firm of Weatherford & Thompson, Albany.
Mr. J. S. Walton, dean of chemical engineering department, O. S. C., Corvallis.
Mr. R. C. Warren, president of Cascade Manufacturing Co., Portland.
Mr. Mark L. Wright, acting regional director, region 1, United States Bureau of Mines, Albany.

ALBANY ZIRCONIUM PLANT ILLUSTRATES TYPE OF NEW INDUSTRY NEEDED BY OREGON, NEUBERGER SAYS

ALBANY, OREG.—The steady year-round employment provided by the new Wah Chang zirconium plant in Albany was praised by Senator RICHARD L. NEUBERGER as the type of payroll needed in Oregon to restore the State's lagging economic structure, when he spoke at dedication of the plant today.

"Not only will this important manufacturing establishment contribute a vital material to the defense of America and the rest of the free world," said NEUBERGER, "but it also will serve to take up the slack in jobs created by recurring unemployment in Oregon's basic lumber industry."

The 44-year-old junior Senator from Oregon, who worked closely with Adm. Lewis Strauss, of the Atomic Energy Commission, to bring about reactivation of the zirconium facility, declared that low-cost hydroelectric power had helped to make the Pacific Northwest a center of atomic development in recent years.

NEUBERGER also praised scientists and engineers of the United States Bureau of Mines, who he said had helped to make Albany a center of "basic and fundamental research into the importance of new metals to nuclear projects such as the pioneering submarine *Nautilus*." Metallic zirconium, he explained, is highly resistant to corrosion and also has properties which help to sustain a chain reaction.

Bureau of Mines metallurgists were credited by the Senator with "significant and far-reaching experiments which gave impetus to the meteoric rise of zirconium as an atomic-age metal." He pointed out that in 1945 the Bureau plant produced 90 grams of the metal, but by this year the plant's capacity had been increased to 300,000 pounds annually, making Albany an important center for zirconium production.

NEUBERGER pointed out that in May of 1955 he had protested against a decision to close the Bureau of Mines plant. "Later in the year, when it appeared that Armed Forces demand for zirconium would far outstrip the supply, I urged Admiral Strauss to consider reactivation of the Bureau of Mines laboratory," NEUBERGER said. "After conferences and considerable correspondence with Atomic Energy Commission staff members, Admiral Strauss advised me a resurvey would be made. The study of zirconium requirements which followed my representations not only resulted in reopening of the Albany plant owned by the Government but in expansion of production goals. On May 1, 1956, nearly a year after my intervention, Admiral Strauss announced a decision to reopen the plant under a contract with the Wah Chang Corp."

Senator NEUBERGER lauded K. C. Li, chairman of the Wah Chang Corp., and Stephen Yih, general manager of the zirconium division in Albany, for the speed with which the new plant was brought into production. Construction of the new zirconium sponge-fabricating unit was accomplished in about 6 months.

Mr. Li, born in China, educated in England, and a naturalized American citizen, has an extensive and impressive record of supplying strategic metals to the United States Government during times of stress, NEUBERGER added. In World War I, his company was the principal supplier of antimony to the Allied Governments, and prior to and during World War II, he was instrumental in amassing this country's stockpile of tungsten.

"Mr. Li's work is one more example of the vital part which foreign-born citizens have played in our Nation's historic development—in peace and in war," NEUBERGER said. "Would our standards have reached such levels without the energies and ingenuity of men like Andrew Carnegie, the philanthropist and industrialist of Scottish origin; Charles Steinmetz, the German-born mathematician and electrical engineer, or the English-born John Jacob Astor, the merchant whose empire speeded the course of western development? Without the talents of these adopted sons, the Nation would, indeed, have been poorer."

NEUBERGER said the zirconium process used at the Wah Chang plant for reduction of metal-bearing sands impressed on him the interrelationship of Oregon's natural assets in advancing our industrial expansion. NEUBERGER said he was surprised to learn that tons of woodchips were combined with so-called rare earths in the electroprocess treatment to produce zirconium sponge. "This is further evidence that full use of Oregon's basic assets—forest products and low-cost power—will be the basis for industrial growth open to Oregon people," NEUBERGER said.

"Atomic Energy Commission experts forecast that it will be many years, perhaps decades, before atomic power becomes competitive with conventional electrical energy," the 44-year-old Senator said. "Before atomic energy comes into its own as an industrial fuel, millions of kilowatts of electricity will be needed to create fissionable material and to produce the rare and special metals—like zirconium—needed to control and convert the atom to beneficial and humanitarian uses. In the race to maintain leadership in the atomic field, every available kilowatt may be needed. It is of utmost importance, therefore, that our Government follow water-resource policies using to the fullest the Northwest region's hydropower potential."

At the ceremony, NEUBERGER also presented a personal message on behalf of Adm. Lewis L. Strauss, Chairman of the Atomic Energy Commission. Text of Admiral Strauss' message follows:

"I am glad to have the opportunity to express through Senator NEUBERGER, my congratulations to the Wah Chang organization and to the people of Albany on this occasion.

"A major problem in this country's nuclear program has been the need to obtain materials able to stand the unusual conditions of heat and radiation which exist inside atomic reactors. Zirconium was found to have unique properties for meeting these requirements.

"The process for producing zirconium for atomic-energy uses was developed in Albany, and the first plant to produce zirconium for reactors was operated here. When the submarine *Nautilus* first went to sea over 2 years ago, its uranium fuel was clad in zirconium produced in Albany. As you may

UNIVERSITY OF MICHIGAN LIBRARIES

know, the *Nautilus* steamed over 60,000 miles on this first fuel charge. It is therefore highly appropriate that this new addition to the Nation's zirconium-producing facilities should be built in this community.

"Again, may I extend congratulations to the company and to the people of Albany."

CHICAGOLAND COMMERCE AND INDUSTRY EXPOSITION

The Senate resumed the consideration of the bill (H. R. 4803) to permit articles imported from foreign countries for the purpose of exposition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff.

The PRESIDING OFFICER The bill is open to amendment.

Mr. MONRONEY. Mr. President, I do not think there is any amendment to be offered to the bill.

The purpose of H. R. 4803 is to permit the entry, free of duty, of articles imported for exhibition at the Chicagoland Commerce and Industry Exposition to be held at Chicago, Ill.

The bill follows the pattern of previous legislation enacted by the Congress in connection with various international exhibitions, expositions, and fairs held in the United States.

It has long been the policy of Congress to facilitate participation of foreign countries in international expositions held in the United States by permitting articles intended for display at these expositions to be entered free of import duties and charges under safeguarding regulations of the Secretary of the Treasury.

The Chicagoland Commerce and Industry Exposition is to be held at Chicago, Ill., from June 28, 1957, to July 14, 1957, inclusive, under the auspices of the Chicagoland Commerce and Industry Exposition, Inc. This corporation, in the interest of attracting workers to the Chicagoland area to relieve an acute shortage of personnel for business and industry, will emphasize Chicago's attractiveness as a place to locate permanently and will show its wider market for foreign products from worldwide manufacturers.

H. R. 4803, as reported, provides that the imported articles shall not be subject to marketing requirements of the general tariff laws except when such articles are withdrawn for consumption or use in the United States. Articles admitted may be lawfully sold at any time during or within 3 months after the close of the exposition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be offered, the question is on the third reading of the bill.

The bill (H. R. 4803) was ordered to a third reading, read the third time, and passed.

UNEXPENDED STATIONERY ALLOWANCE

Mr. WILLIAMS. Mr. President, the Comptroller General of the United States has just issued a decision overriding a recent ruling of the Treasury Department wherein that agency had held that a Member of Congress must either spend his full stationery allowance or be subject to Federal income tax on any unexpended portion thereof.

Under the Treasury ruling these unexpended funds would have been taxable even though they were never withdrawn from the United States Treasury.

On April 18, 1957, I incorporated in the RECORD this ruling of the Treasury Department and outlined in detail my own specific case wherein I had been unsuccessfully attempting to release to the United States Treasury $1,508.26 left over and not needed for stationery in fiscal 1956.

In the Comptroller General's ruling, the full text of which will be incorporated at a later point, he states:

> While the Commissioner of Internal Revenue in his letter of March 29, 1956, to the Honorable H. STYLES BRIDGES, a copy of which was enclosed with your letter, ruled "that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls," he apparently did not consider a factual situation such as yours, where the unused balance of the stationery allowance is expressly waived and, which, by operation of law, lapses and is deposited in the general fund of the Treasury.

Referring further to the rules, the Comptroller General states:

> The quoted rule provides an improved procedure for those Senators who wish to apply the unused balances of their stationery allowances to supplement the allowance for the succeeding fiscal year. It does not, however, preclude a Senator from expressly waiving or releasing any interest he may have in such unused balance.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. Did I understand the Senator from Delaware to quote from the letter to the effect that the moneys were, when they were not claimed in the fiscal year for which they were appropriated, reverted to the Treasury of the United States without being earmarked?

Mr. WILLIAMS. That is correct; and they revert to the United States Treasury without a Senator having to go through the farce of, first, claiming the funds for stationery expenditures when he does not need them, and then endorsing a check to the United States Treasury as if in some great display of charity.

The Comptroller General has overruled that formula and has said that any Member of Congress who does not need the funds for the purpose for which they were appropriated may allow the funds to remain in the Treasury, where by operation of law they will automatically revert to the general fund.

Mr. LAUSCHE. For the purpose of my own guidance, may I ask the Senator from Delaware the reasons why he felt those funds should not be claimed by him?

Mr. WILLIAMS. When all the funds are not needed for the purpose for which they are appropriated the balance belongs to the American taxpayers. Eighteen hundred dollars was appropriated in this instance for my stationery allowance. I did not need the full amount, and I knew I would not need it next year. Therefore, as in previous years, I authorized the release of those unexpended—$1,508.26—funds to the general fund of the United States Treasury. In the preceding years, that procedure had been accepted.

However, last year the Treasury Department ruled that when the money was not spent, whether or not the funds were withdrawn the Member of Congress who failed to spend them would be subject to a penalty tax.

Under that ruling, before the end of the fiscal year I could have purchased $1,500 worth of stationery, had it delivered to my office, only later to send it to the city dump. Then there would have been no tax due, and everybody would have been happy except the taxpayers.

Had we accepted the ruling of the Treasury Department, wherein a Member of Congress was going to be liable for taxes on the unexpended portion, then we must accept the premise that the money belongs to the Member. Under that intepretation the Member would have the right to take the remaining portion, after paying his tax, to go out and buy a mink coat or a deep freeze at the expense of the taxpayers. Or he could use the funds remaining after tax and finance his political campaign. Certainly we do not intend to return to that kind of operation again.

So I refused to accept the principle that those funds belong to me when I did not need them for the purpose for which they were appropriated and had left the money in the Treasury.

Mr. LAUSCHE. How many years of allocation did the Senator from Delaware forgo?

Mr. WILLIAMS. Eight years. The first year I used all the appropriation. In the rest of the years, there were varying balances. Altogether about $6,000 was left over in the previous years.

There was never any question prior to the recent ruling but that the funds would automatically remain in the Treasury unless they were spent for the purposes for which they were originally appropriated.

Mr. LAUSCHE. Am I correct, further, in my understanding that if the interpretation adopted by the Treasury Department was carried into effect, the provisions which were declared by it would constitute an inducement to a Member of Congress not to use the funds for mailing purposes, even though the mailing should have been done in the performance of his duty?

Mr. WILLIAMS. The ruling could have had that effect. It certainly had the effect of putting a penalty on a public official simply because he was trying to administer the affairs of his office as economically as possible.

I see no reason why this particular fund should be singled out for any different ruling than that which applies

to any other fund applicable to the administration of our offices. We get a certain amount for telegrams, a certain amount for telephones, so much for airmail stamps—airmail not being included in the franking privilege—so much for special-delivery stamps, and so much for various other charges, including an allowance for clerical help. If we do not use the funds allocated for those purposes, they automatically revert to the Treasury.

But if we are to accept the ruling that the savings in a particular category belong to a Member of Congress who makes the savings, the point I raised was, Does it stop with stationery? Can a Member cash in on the unexpended portion of the other allowances he receives for his office? Is that procedure to be extended to the various Government agencies wherein they will be forced to spend their full appropriations or else be subject to a penalty of paying tax on the remainder? Certainly that is not a policy which should be adopted either for Congress, or for the executive branch, or for the judicial branch of the Government.

If Congress was asking for this special privilege the country would be aroused, and it is equally absurd to find the Treasury Department arbitrarily insisting upon such a stupid procedure.

Mr. LAUSCHE. Mr. President, let me say that to my knowledge, there was allocated for my use $7,900 for telegrams, and $1,200 for long-distance telephone calls. In my view, I would have had to indulge in an abnormal thinking spree, in order to use the $7,900 allowance for telegrams.

Let me ask the Senator from Delaware whether I am correct in understanding that although I used only $40 for telegrams during the first 3 months, if the principle about which he complains were to be carried into effect generally, the balance remaining unexpended at the end of the fiscal year would inure to my own benefit?

Mr. WILLIAMS. It would, if the principle which is applied to stationery were applied to Senators' telegram accounts, and I see no difference between the accounts. If the principle of the Treasury's ruling were extended, either the unexpended balance would accrue to the Senator's personal benefit or, if he saw fit to insist that the funds did not belong to him—and I do not believe that they do—and if he saw fit to leave them in the United States Treasury, under the Treasury ruling, he would be forced to pay a penalty tax. That proposal is about as absurd as any I have ever heard.

In my own instance, the letter I have received this year states that in the case of telegrams, I have been allotted $2,753.40 for the calendar year 1957. I used approximately $7 in January; and I have before me a report which states that in the month of February, I used $5.65 for telegrams. According to that report, if my use of telegrams continues at anywhere near the rate at which I used them during January and February 1957, approximately $2,500 or $2,600 will be the remaining unexpended balance of my telegram allowance for the calendar year. I ask, Is that my own money? Certainly not.

Mr. LAUSCHE. I should say it is not.

Mr. WILLIAMS. Certainly it is not mine. But am I to be charged a penalty because I refused to spend it? Perhaps that is the reason why we have not been able to reduce the appropriations; perhaps there is too firmly embedded in the minds of some bureaucrats the philosophy that money authorized for expenditures must be spent. Certain bureaucrats seem to be shocked when authorized funds are not spent. They do not seem to be able to cope with that problem. I believe it is about time that someone teaches them how to deal with unexpended balances.

Mr. LAUSCHE. I should like to make a statement at this point, if the Senator from Delaware will yield to me for that purpose.

Mr. WILLIAMS. Certainly.

Mr. LAUSCHE As Governor of Ohio, it was my experience that some few weeks before the end of the fiscal year, department after department became bent upon spending down to the last nickel which had been allocated to it; and the theory of the spending was that unless all the money was spent, when the department returned to the legislature, the sum allocated to it for the next year would thus be somewhat less than the amount allocated to it for the preceding year. Of course, such an application of funds is entirely wrong.

I should like to ask a further question: Is it the judgment of the Senator from Delaware that, although there is a legal provision that these funds, if unexpended, belong to him, yet in his judgment that policy or principle is not sound, and therefore he refuses to accept the funds?

Mr. WILLIAMS. That is true. I may say that that is not only my position; it is also the position of the Comptroller General, who has upheld in his ruling the contention I made in my presentation on the floor of the Senate on April 18; namely, that when I did not need all of these funds, I could and I should leave them in the Federal Treasury, and that they automatically, by operation of law—and that is the language of the Comptroller General—revert to the general fund; and no further action on my part is required. In other words, as Members of Congress, all that we need to do is simply not spend the money and let it automatically revert to the general fund—which is the position I took on April 18. If we do not spend all the money allotted, certainly we should not have to go through the farce of drawing out the remaining balance, claiming that it is needed for a purpose for which it is not needed, and then presenting it as a gift to the Treasury as a charitable contribution.

The other day I pointed out that such an arrangement would not work either in many States which have a tax on gross incomes. In my State of Delaware, for instance, we have a tax on gross incomes. In that connection, payments of Federal income taxes are not allowed as deductions for income tax purposes. Therefore, payments to the Federal Treasury would not be deductible when computing State taxes. Furthermore, neither in Delaware nor in any of the other 47 States is the United States Treasury recognized as a charitable organization. [Laughter.] To my knowledge, the Federal Treasury has never applied for recognition as an object of charity. Unless it is recognized legally as a charitable organization in each of the 48 States, then such contributions to the Federal Government, even though the Treasury Department might recognize them as charitable contributions, would not be recognized as such in the respective 48 States and thus would still be subject to tax.

The only way to clear up this fantastic ruling was to reverse the ruling of the Commissioner of Internal Revenue. The Comptroller General in his decision here has overruled that ruling of the Commissioner of Internal Revenue.

Mr. LAUSCHE. Mr. President, I thank the Senator from Delaware, and I commend him for bringing this matter to the attention of the people of the country.

Mr. WILLIAMS. I thank the Senator from Ohio.

Mr. President, I continue quoting the Comptroller General:

> The quoted rule provides an improved procedure for those Senators who wish to apply the unused balances of their stationery allowances to supplement the allowance for the succeeding fiscal year.

In other words, in case a Member has a few hundred dollars left over this year which he will not need, he can withdraw that amount and can credit it to his stationery allowance for expenditure in the following year or if he does not need the money as in my case the Comptroller General said:

> It does not, however, preclude a Senator from expressly waiving or releasing any interest he may have in such unused balance.

In regard to my particular case the Comptroller General said:

> In our report of March 12, 1957, on the audit of the accounts of the Stationery Room, United States Senate, for the period January 5, 1955, through June 30, 1956, we considered your stationery allowance. It was treated in our audit report in the same manner as similar items in prior years, that is, as a reduction of the allotted allowances under the caption "Appropriations Not Available for Further Obligation." Accordingly, any part of an allotment which expressly is waived by a Senator lapses by operation of law, and in regular course is deposited in the general fund of the Treasury.

In other words, no further action so far as we are concerned is required; we merely spend the amount we need, waive the right to the remaining amount, and it automatically reverts to the General Fund.

The concluding phrase of the Comptroller General's letter very appropriately sums up the whole situation. He states:

> Our conclusion is that if these unused balances are expressly waived by you, they revert to the general fund of the Treasury by operation of law.

Mr. LAUSCHE. Mr. President, at this point will the Senator from Delaware yield further to me?

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. WILLIAMS. I yield.

Mr. LAUSCHE. How did the Senator from Delaware waive the right to claim these funds? Did he do it by letter or by an oral statement?

Mr. WILLIAMS. I did it by letter. However, I understand that such waiving is implied in case it is not spent during the fiscal year for which it was appropriated.

Mr. President, in simple, layman's language, it is the decision of the Comptroller General that neither a Member of Congress nor any other public official has to go through the farce—as proposed by the Treasury Department—of first claiming such unexpended funds, and then, in a great display of charity, returning them to the United States Treasury.

Likewise, the Comptroller General rejects the implication that unexpended appropriations belong to the official achieving the economy.

Mr. President, I ask unanimous consent that the full text of the Comptroller General's ruling be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL OF
THE UNITED STATES,
Washington, April 30, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate.

DEAR SENATOR WILLIAMS: This refers to your letter of March 22, 1957, acknowledged March 26, concerning the unexpended or unused balance in the stationery allowance for your office.

Stationery allowances for Senators have been provided in annual appropriation acts since the year 1868. Commencing with fiscal year 1956, the Legislative Appropriation Act, 1956 (69 Stat. 503), authorizes such allowances at the rate of $1,800 per annum for each Senator. The stationery allowance allotted to each Senator may be used by withdrawal in kind from the Stationery Room. Any unused earned allowances may be withdrawn in cash at the end of each fiscal year or upon termination of office. Control of stationery allowances is maintained through individual accounts kept in the Stationery Room of the amounts allotted to each Senator. These accounts are charged on the basis of actual issues of stationery from the Stationery Room and with any unused portions of allowances paid in cash. In past years unused balances of the allowance allotments not withdrawn in cash at the end of each fiscal year were carried forward in a Senator's account for use in subsequent fiscal years. However, beginning with fiscal year 1956 a new procedure was adopted as shown from the following quoted extract from a letter dated March 26, 1956, to Mr. Felton M. Johnston, Secretary of the Senate, from the Committee on Rules and Administration, signed by Gordon F. Harrison, chief clerk of Committee on Rules and Administration, by direction of the Honorable THEODORE FRANCIS GREEN, chairman:

"Also, carryovers of stationery balances due a Senator at the end of each fiscal year, which he wishes to be applied to his stationery allowances for the next fiscal year, shall be accomplished by the endorsement of his commutation check to the Keeper of the Stationery for such purpose. These balances shall not be placed on the books of the Keeper of the Stationery without so being first withdraw and then reapplied. Such balances established in this manner shall be used first in a Senator's stationery account before any debit is made against his current year allowance."

The quoted rule provides an improved procedure for those Senators who wish to apply the unused balances of their stationery allowances to supplement the allowance for the succeeding fiscal year. It does not, however, preclude a Senator from expressly waiving or releasing any interest he may have in such unused balance.

In our report of March 12, 1957, on the audit of the accounts of the Stationery Room, United States Senate, for the period January 5, 1955, through June 30, 1956, we considered your nonacceptance of the unused balance of your stationery allowance. It was treated in our audit report in the same manner as similar items in prior years, that is, as a reduction of the allotted allowances under the caption, "Appropriations Not Available For Further Obligation." Accordingly, any part of an allotment which expressly is waived by a Senator lapses by operation of law, and in regular course is deposited in the general fund of the Treasury.

While the Commissioner of Internal Revenue in his letter of March 29, 1956, to the Honorable H. STYLES BRIDGES, a copy of which was enclosed with your letter, ruled "that any unexpended funds remaining in the stationery accounts of respective Senators at the end of the fiscal year are constructively received by each Senator on that date whether or not withdrawn, and are includible in the gross income shown on his Federal income tax return for the taxable year in which that date falls," he apparently did not consider a factual situation such as yours, where the unused balance of the stationery allowance is expressly waived and, which, by operation of law lapses and is deposited in the general fund of the Treasury.

In answer to your specific question as to whether you are correct in insisting that the unused balance of your stationery allowance or of any other allowance furnished for the administration of your office should revert to the Federal Treasury, our conclusion is that if these unused balances are expressly waived by you, they revert to the general fund of the Treasury by operation of law.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. WILLIAMS. Also, in line with the colloquy with the Senator from Ohio, I ask unanimous consent that a letter dated January 12, 1957, signed by THOMAS C. HENNINGS, JR., chairman of the Committee on Rules and Administration, in regard to telegram allowance, be incorporated in the RECORD at this point. This letter shows the rules regarding how another of these funds operates.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
COMMITTEE ON RULES AND
ADMINISTRATION,
January 12, 1957.

Hon. JOHN J. WILLIAMS,
United States Senate,
Washington, D. C.

DEAR SENATOR: Attached are the 1957 regulations of the Committee on Rules and Administration for senatorial telegrams.

The committee desires to point out that the Department of State will transmit messages for Senators transacting official business abroad. Charges for such messages are billed to the Senate monthly, and paid by the Sergeant at Arms without cost to the Senator. Senators with foreign business to transact will find this procedure the best and most secure for their needs.

At its meeting on January 11, 1957, the Committee on Rules and Administration decided to readopt the annual telegram quotas established for Senators in 1956, as the quotas for the calendar year 1957. Under this plan, your dollar allocation for official telegrams this year will be $2,753.40.

Please note that the dollar quota allotted to you for 1957 is not cumulative, and any unspent, residual amount cannot be carried over to the next year, also that those Senators who exceed their quotas will have the excess billed to them directly by the telegraph company.

Sincerely yours,

THOMAS C. HENNINGS, JR.,
Chairman.

Mr. WILLIAMS. Mr. President, I also ask unanimous consent to have incorporated in the RECORD at this point a statement from the office of the Sergeant at Arms, dated March 30, 1957, regarding this same fund, in which he outlines the amount that has been spent from this account by my office for telegrams and the remaining balance.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

OFFICE OF THE SERGEANT AT ARMS,
UNITED STATES SENATE.

DEAR SENATOR: This will inform you as to the status of your official telegraph account for the calendar year 1957.

From February 1 to February 28, 1957:

Charge for wires during above period, $5.65.

Balance for calendar year quota, $2,747.75.

Mr. WILLIAMS. Mr. President, I put this in the RECORD because, while it is unrelated to the stationery item, it shows how these other accounts have been operated in the past and the reasons why we could not sit idly by and let this Treasury ruling stand unchallenged. If we did and if the ruling were extended into all the fields, it would be almost impossible to estimate the loss that would result to the Government.

The farfetched implications and danger behind the acceptance of the Treasury's ruling in connection with stationery expenditures were such that it had to be challenged.

In conclusion I commend the Comptroller General for the clarity with which he has stated his decision. I am confident that with this background it will only be a matter of simple procedure for the Treasury Department to correct its previous ruling.

Mr. President, as evidence of the nationwide protest expressed against this ruling when it was called to the country's attention, I ask unanimous consent to have incorporated at this point in the RECORD a series of editorials appearing in various publications throughout the country. All these editorials endorse the principle that the unexpended balances of any appropriated funds belong to the American taxpayers.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From the Wilmington (Del.) Morning News of April 20, 1957]

HE CAN'T RETURN IT

United States Senator JOHN J. WILLIAMS has again found that something that happened to him has significance for all of us.

It was nearly 10 years ago that his one-man crusade against corruption in the Bureau of Internal Revenue got started when he found that a tax agent in the Wilmington office was tampering with his personal income-tax returns.

Since then he has kept everlastingly at being a taxpayers' watchdog. More than any other Member of Congress, he went after corruption in the Truman administration, and he saw the Democratic Party take up the broom for its own housecleaning. Meanwhile, and constantly, he has gone after the legalized waste and inefficiency that can cost the people just as dearly as corruption. Now he comes up with a minor but amazing story of his troubles in giving back to the Government some money he didn't need to spend on office supplies.

A frugal man with his allowance for office supplies, Senator WILLIAMS found he had $1,508.26 left over from that account. From 1948 through 1955 he had no trouble turning back what he didn't spend. This time, however, he came up against a "new ruling" of the Treasury. It was that if he had a balance left he would have to pay income tax on it. He was told he couldn't even make a free gift of the money to the Government without paying a gift tax.

All that seems very strange to a man who says he regards this $1,508.26 as money that does not belong to him in the first place, but to the American people. In a way, ironically, he is hoist by his own petard. Watching Congressmen on junkets, he was the Senator who got a law passed back in 1953 to make income taxable certain expense accounts of lawmakers.

He certainly shouldn't be penalized for trying to give the money back, and certainly the people shouldn't be saddled with the purchase of a lot of unused office supplies. If Senator WILLIAMS doesn't yet know just what the answer is to this ridiculous situation, we surely don't. But we're willing to give him time. He'll figure out a way.

[From the Miami Herald of April 25, 1957]

CAN YOU SAVE $1,508 A YEAR?

A ridiculous ruling by the Treasury Department has been disclosed by Senator JOHN J. WILLIAMS, of Delaware.

Like all Senators, he gets a yearly allowance of $1,800 for office stamps and stationery.

WILLIAMS explained to the Senate that because he comes from a small State, he never uses the full $1,800, and since 1948 has returned a total of $5,786.57 to the Treasury.

He had $1,508.26 left over last year, and has made several attempts to return it. The Treasury won't let him.

"This is no longer permissible," WILLIAMS said he was told.

"The Government has now taken the position that the money must be spent, and that if a Member of the Senate does not spend his full allotment, he will be taxed on the unexpended portion even though it is left in the Federal Treasury."

What kind of foolishment is this?

Evidently, the Treasury, accustomed to handling millions of the taxpayers' dollars, has been thrown into confusion by a mere $1,508.

There's nothing "mere" about $1,508. It's more than the average income per capita for a whole year of the citizens of 15 of the 48 States.

Millions of Americans could make good use of $1,508. They have the right to expect their Treasury to be as careful of it as they would.

The Treasury might not need so many billions of dollars if everyone in Washington obeyed a saying familiar to many housewives: "Take care of the pennies, and the dollars will take care of themselves."

[From the Wall Street Journal of April 22, 1957]

ONE THOUSAND FIVE HUNDRED AND EIGHT DOLLARS AND TWENTY-SIX CENTS EQUALS SEVENTY-ONE BILLION EIGHT HUNDRED MILLION DOLLARS

Senator WILLIAMS, of Delaware, has a problem. His problem is that he has been frugal with his allowance for office stationery. Of course, the taxpayers get up the money for such office expenses for all Senators. But Mr. WILLIAMS wound up the last fiscal years, as is his custom, without all his stationery money having been spent.

So he tried to give the money back to the Treasury, figuring that even $1,508.26 might be welcome. But he has discovered he can't give it back under a new ruling, unless he is willing to pay personal income taxes on it, or perhaps a gift tax. He notes he could order the unneeded stationery and have it hauled to the city dump. And he believes he could throw the money into his campaign funds or just put it in his pocket.

"All the emphasis" of the Treasury's ruling, he says, "seems to be placed not on whether or not the money is needed for the administration of my office but rather on getting rid of it, no matter for what purpose." Over the weekend Treasury Secretary Humphrey said his agency would accept the money, but he was silent on the main point—the question of paying taxes on it.

The philosophy behind the Treasury ruling is one which is quite familiar to anyone who has observed the operation of the Federal Government's various bureaus, or put in a little time in the Armed Forces. That philosophy is that money once received must be spent no matter how—or next time the budget comes up some economy-minded legislator will get the idea it wasn't needed in the first place. And, perhaps, get a little too inquisitive for bureaucratic good.

Now $1,508.26 is not a vast sum, compared with the pending budget of $71.8 billion. But it could become a very famous sum. For it could be the sum that proves, if there was any doubt, that the $71.8 billion is riddled with spending that is needless.

And that the $71.8 billion can never be gotten down very far as long as the bureaucrats keep turning up their noses at $1,508.26.

[From the Chicago Daily Tribune of April 20, 1957]

SPEND THAT MONEY, OR ELSE

Senator WILLIAMS, Republican, of Delaware, didn't spend much of the $1,800 stationery allowance made to him by the 1956 Federal budget. On last June 30 he told the Senate's fiscal clerk to return the unspent balance, $1,508.26, to the Treasury. He had followed the same practice in previous years, during which he turned back $5,786 to the taxpayers.

But last year, he informed his Senate colleagues, he was told that he couldn't do this. By a Treasury ruling, the money had become constructively his, even though he hadn't spent it for the purpose for which it was appropriated. If he wanted to give it back to the Government he would have to withdraw it, pay personal income tax on it, and then return it, subject to any gift taxes that might arise from his year's benevolences.

The Senator suggested that the difficulty could easily have been solved by ordering stationery that he couldn't use and having it hauled to the city dump. Or, he said, he apparently could have pocketed the public funds and spent them on his political campaign. But just to let the money revert to the Treasury, on the ground that its expenditure was unnecessary, was unthinkable in bureaucratic eyes.

For a decade Senator WILLIAMS has been a vigilant sentinel against breaches of trust in the Treasury and Revenue Service. His curiosity uncovered some of the more noisome scandals of the Truman regime. But none of his disclosures has equaled this latest fantasy.

Try and imagine a similar situation in any private business in the land. If the controller of a business told a department head that he had to spend the money allotted him whether the business needed the expenditure or not, he would not be fired. His associates, mindful of his long and faithful service, would lead him away and turn him over to the men in white.

Senator WILLIAMS' experience will confirm the suspicions of millions of citizens that our national affairs are in the hands of lunatics.

[From the New York Times]

HOME TO ROOST

A former Delaware chicken farmer named Senator JOHN J. WILLIAMS has long been noted for his singleminded and sometimes lonely attack on governmental waste and extravagance. He apparently believes in economy not only for the Government but also for himself. He has now found out that economy doesn't always pay. He tried to return unspent funds in a stationery account—the regular allowance Senators get for writing paper—only to discover, he says, that according to a Treasury ruling he would have to pay taxes on the amount returned.

But if he didn't return anything, he would not have to pay anything. Does this mean that he could just pocket the money that he didn't spend on stationery? Or, as he suggests, that he should order the stationery and then throw it away, so there wouldn't be any taxable unspent funds in the account? Secretary of the Treasury Humphrey, a well-known economizer himself, said yesterday that Mr. Williams could give back the money, but didn't say anything about tax liability. Whatever the outcome, we hope that Senator WILLIAMS, former chicken farmer, doesn't give up in his quest for savings in Government, even though this time his economy-size chickens seem to have come home to roost.

[From the Philadelphia Inquirer of April 19, 1957]

ONLY SPENDING WILL DO

Having delved into a great many corners and crannies of our Government Senator JOHN J. WILLIAMS, of Delaware, has turned up many striking and some shocking instances of extravagance, waste, and dunderheaded bureaucracy.

Consequently nothing new along those lines should astonish Mr. WILLIAMS, but he does appear to be astonished now. Senator WILLIAMS gets an allowance for stationery. Last year he saved $1,508.26 from that item. He desired to return that amount to the Treasury. Both facts confirm belief that Senator WILLIAMS is an exceptional man.

But, he says, he has run head on into a new ruling that the Treasury (a) cannot accept the money; (b) that it must be spent, and (c) if it isn't the Senator will be taxed on the unexpended portion even though it is left in the Federal Treasury.

It is just not possible to comprehend the kind of reasoning—or lack of it—that could produce a formula as absurd as this. Under it Mr. WILLIAMS could purchase a lot of stationery for which he has no use. Or, it has been suggested he could claim the money and then make a gift of it to the Treasury. The Senator objects he can't give away something that didn't belong to him.

This everything-has-to-be-spent ruling, it would seem, is bound to apply to considerable sums of money, in the aggregate. It is

UNIVERSITY OF MICHIGAN LIBRARIES

an injustice and an affront to American taxpayers and should be rescinded. Even if only a few officials and agencies want to practice a little economy on their own hook a bureaucratic barrier like this one is as outrageous as it is silly.

[From the Salisbury (Md.) Times of April 22, 1957]

A LITTLE COMMONSENSE

Delaware's economy-minded Senator JOHN WILLIAMS, the terror of chiselers in the Bureau of Internal Revenue, has come out on top in his latest tangle with bureaucracy.

He had $1,508.26 left over from his allotment for stationery. He was supposed to include the leftover sum as personal income and to pay taxes upon it.

He took the more straightforward way of trying to turn the unexpended sum back to Uncle Sam. Uncle was surprised. Things are not done that way. Folks spend Federal money instead of giving it back. It was suggested that he take the $1,508.26 and buy $1,508.26 worth of stationery. Uncle Sam's books would then balance. Senator WILLIAMS then wouldn't have to pay income taxes on the $1,508.26, and he could have the stationery hauled away and burned.

The Delaware Senator has a habit of taking his problems directly to the Senate, and thereby to the people. When he told of corruption in the agency that collects income taxes things happened. Collectors were indicted. The department was cleaned up.

He took his personal problem to the Senate and people across the country read about the Senator who had $1,508.26 in surplus funds and would have to pay taxes on it because the rules of the game said he couldn't give it back.

The rules apparently changed overnight. Senator WILLIAMS can give back to Uncle Sam the money he says isn't his. He doesn't have to claim it as income and pay tax on it. Nor does he have to burn it up in unneeded stationery.

He's put a little commonsense back in Government.

[From a Los Angeles, Calif., Newspaper]

WAYS OF WASHINGTON BUREAUCRACY

No one familiar with the workings of the Washington, or any other, bureaucracy will be surprised at the difficulties Senator WILLIAMS, Republican, of Delaware, is having with a balance of $1,508 remaining in his allowance for office stationery.

For several years Senator WILLIAMS has been spending considerably less than his allowance and returning the balance to the Treasury, but this year, he reports, the Treasury has a new ruling: it can't take it, and if Senator WILLIAMS doesn't spend the money he will have to pay income tax on it.

One official, according to WILLIAMS, suggested that he order $1,508 worth of stationery and have it hauled to the Washington city dump. The Senator has appealed to the Comptroller General for some way out of the impasse.

Rudyard Kipling once remarked that British shore-going institutions were founded on nonconformable strata of impervious inaccuracy. He could have said asininity with equal truth. Some of the tales Rebecca West relates of British officialdom equal the situation described by Senator WILLIAMS. Somerset Maugham tells how a site for a defense gun was sought on his Riviera villa; the negotiators tried to buy it: when he offered to present it to the French Government, a site for a gun emplacement was purchased from a neighbor: the French Government had no machinery for accepting a gift.

It may require special legislation in this case, and it may be difficult to obtain. For Senator WILLIAMS' colleagues may not be sure he is setting a good example by saving something out of his allowances.

[From the Tulsa (Okla.) Daily World]

IT'S ONLY TAX MONEY

Thanks to the nickel-nursing habits of Delaware's Senator JOHN J. WILLIAMS, the folks at the forks of the creeks are getting a bird's-eye view of how unimportant the Federal Government considers the use made of tax funds once they are appropriated.

As conscientious as any man in Washington on the uses to which tax money is put, Senator WILLIAMS has wound up with a surplus in his special appropriation for stamps, telephone calls, and telegrams. The overage, so the Senator announces, is $1,508.26—and the Treasury has refused to accept it in refund.

Instead, Senator WILLIAMS reports, Treasury told him to either spend it or pay income taxes on it. At least that is the effect of the Treasury's advice. Quite sagely, Senator WILLIAMS sums up his feelings of why this is wrong:

"The Government would be rid of the money, I would be subject to no penalty, and everybody but the taxpayers would be happy."

It is mighty poor business for the Federal Government, once it has approved the expenditure of funds, to reject their return when not needed. The Department of Agriculture has been known to ignore efforts to return crop checks from those who had taken acreage out of production but did not want to be paid for it.

Senator WILLIAMS has pinpointed a situation that needs correction. Profligate spending should not be encouraged, as the Treasury obviously is doing. Remedial legislation is needed to assure the American taxpayers that their money is not being wasted; and especially that it is not being wasted by and with the help of those in Government who control it.

[From the Bryan (Ohio) Times]

SUPERLATIVE NONSENSE

Every now and then the newspapers carry an item which is, as Robert Strom would put it, perfectly fantabulous, and such an item is that regarding Senator JOHN WILLIAMS, Delaware Republican.

Senator WILLIAMS spent only a small part of his allowance for office stationery, and so at the end of the year he was about to return the amount left, some $1,508, when the Treasury Department told him that it couldn't be done, although for 9 years he has been following that procedure. The money must be spent, the Treasury held, or he would be taxed on the unspent portion.

However, the Treasury then came up with a brilliant idea. They suggested that Senator WILLIAMS order $1,508 worth of stationery, and after it was received at his office call a truck and have it taken to the city dump.

Of course we may all be relieved later to learn that this story is from Disneyland, rather than Washington, or that it was planted by Communist agents to make the American Government look idiotic. But as of the moment it stands as a guidepost, pointing to the way in which a government can waste money in a manner that would have made Alice in Wonderland look like a sensible, economical housewife.

Looking at Washington, D. C., seriously is pretty discouraging, but viewing the whole thing as a burlesque show it becomes colorful and amusing, even though it is expensive, and the Treasury Department is to be congratulated on contributing some of the gaudiest nonsense that has been staged of late—and the competition is keen.

[From the Montana Standard of April 25, 1957]

CROOKS AND BUREAUCRATS FEAR THIS LITTLE MAN

The fact that William G. (Big Bill) Lias, West Virginia gambler and horseracing tycoon, lost a $2 million income tax case in the Supreme Court of the United States the other day may not have rung a bell in your memory. In any case, we'll fill in a few details.

Mr. Lias can attribute his bad fortune to another case which may need a bit of memory jogging. This one goes back to 1946. In that year the Internal Revenue Bureau listed one JOHN J. WILLIAMS, a chicken farmer at Bayard, Del., as a tax delinquent.

This upset Mr. WILLIAMS no end, because he had paid his income tax and he had the canceled checks to prove it. He began an investigation which disclosed that an Internal Revenue employee had embezzled his money, as well as that of other taxpayers.

But what angered him most was that although this embezzlement was known to his employers in the Internal Revenue Bureau he was still on the payroll.

Mr. WILLIAMS decided that the Internal Revenue Bureau needed a wholesale housecleaning, so he set about to do something about it. Although he had never been in politics, he ran for the United States Senate and was victorious over Senator Tunnel, a veteran Democratic New Dealer.

As soon as he took office in the United States Senate in 1947 he began a series of investigations which rocked the Justice Department and the Internal Revenue Bureau and touched off a series of grand jury investigations, trials and convictions. The investigations resulted also in the recovery of millions of dollars to the United States Treasury which otherwise would have gone into the pockets of crooks.

As a result of the disclosures of Senator WILLIAMS some 388 Government officials and employees were fired, resigned, or retired in a 3-year period. Sixty of them were tried and convicted.

And one of these was Big Bill Lias. Senator WILLIAMS exposed the fact that the Justice Department had allowed claims totaling over $2 million against Big Bill to lapse. It has taken a little time to collect this money into the United States Treasury but the Supreme Court decision just handed down just about seals up the matter.

Crooks and fumbling bureaucrats have learned to fear this little man.

Recently, when he reported a carefully documented experience of his own which indicated that once money had been taken from the United States Treasury there was no way to put it back in, a Cabinet member, Secretary of the Treasury George M. Humphrey, immediately got on the job and issued a sharply worded statement that the Delaware Senator was mistaken.

Senator WILLIAMS had reported that last year he spent only $291.74 of the $1,800 allotted to him for stationery, but that when he tried to return the excess $1,508.26 to the United States Treasury he was told that it couldn't be done. And that, moreover, Senator WILLIAMS had best account for the money in his own income tax or the agents would be after him.

The matter seems to be still pending. But Senator WILLIAMS has never been very far wrong.

The average citizen should get considerable satisfaction out of knowing that a quiet little man with an almost inaudible voice has brought fear and trembling to the hearts of crooks and bureaucrats.

Senator WILLIAMS has helped all of us retain our faith in our Republic.

[From the Worcester (Mass.) Evening Gazette of April 22, 1957]

WHEN THE GOVERNMENT DOESN'T WANT MONEY

Senator JOHN J. WILLIAMS, of Delaware, a Republican, wants to give some of his office expense money back to the Treasury Department. It is a relatively small amount—

$1,508.26—but he does not need it, he says, and perhaps the taxpayers would appreciate having it returned.

The taxpayers undoubtedly would like just that, but the Treasury can take the money back only if Senator WILLIAMS pays a personal income tax on it. This strange situation has been brought about by a Treasury ruling that any unexpended funds remaining in stationery accounts are "constructively received" by each Senator on the date of reception—whether they are withdrawn or not—and such funds are not deductible for income-tax purposes.

The fact that money received for office expenses by a United States Senator is considered personal income, hence taxable, will probably come as a surprise to many persons. The fact that the Senator cannot give the money back, even though he does not need it, without incurring tax penalties is equally surprising.

Senator WILLIAMS makes the point that the force of the ruling is directed toward getting rid of the money, thus putting pressure on each Senator to use it any way he can.

Although the amount is small, there are 96 Senators. There is an even greater number of Representatives. How many similar accounts are subject to this strange ruling of the Treasury Department is anybody's guess at the moment.

But it seems a fair assumption that this philosophy must apply over a wide field. It can hardly be considered limited to the stationery accounts of Senators.

If so, here is one small area of attack that will bear investigation in the search to find ways of cutting the national budget.

[From the St. Petersburg (Fla.) Independent of April 22, 1957]

A PREMIUM ON ECONOMY

The story Senator JOHN J. WILLIAMS, of Delaware, tells about his inability to return unused expense money to the Federal Treasury is all too indicative of a strange disease that has become prevalent in most levels of government.

Senator WILLIAMS recounts that because he comes from a small State he seldom has use but for a small portion of the $1,800 the Government allows him for office stationery and stamps. Since 1948 he has made a practice of returning the unused amount to the Treasury. But last December when he tried to return some $1,500 in unused funds, he was told this was no longer permissible:

"The Government," he declared on the floor of the Senate, "has now taken the position that the money must be spent and that if a Member of the Senate does not spend his full allotment he will be taxed on the unexpended portion even though it is left in the Federal Treasury."

While the amount of money involved in Senator WILLIAMS' case is infinitesimal compared with billions spent by the Federal Government each year, there seems to be a prevailing theory throughout Government that once funds are appropriated they must be spent during the fiscal year or penalties will result. Thus when appropriations time rolls around we find various agencies scurrying around to use up their appropriations for fear the end of the fiscal year will find them with an unspent balance.

The theory goes that if every last cent is not spent during the fiscal period, Congress will conclude that the agency is receiving too much money and will proceed to slash the agency's appropriations for the ensuing year.

Whether Congress actually works on this theory is debatable. Be that as it may, the various agencies seem to think it does, and gets rid of its unused funds accordingly. As a result untold millions are spent uselessly.

Congress is now engaged in the somewhat surprising act of attempting to reduce high-level spending. It is looking for ways and means of accomplishing the job. Perhaps one aid would be to remove any penalty—real or imagined—on economy among the agencies that do the spending.

Indeed, Congress might go so far as to place a premium on economy and reward the directors of those agencies which through the elimination of nonessential spending manage to reduce the overall operating cost of Government.

[From the Tampa (Fla.) Morning Tribune of April 20, 1957]

HE SHOULD NOT FIGHT ALONE

Government economy is the pet subject of Senator JOHN J. WILLIAMS, Republican of Delaware. He may not deliver many addresses on the floor of the Senate, but when he does speak he rips into those who waste the taxpayers' money and cares not where the chips may fall.

In his latest speech, the Republican Senator presented an extraordinary report about funds allotted for operation of his office. It is one which should do more than curl the hair of the average taxpayer. It also should make his blood boil.

Senator WILLIAMS explained that because he comes from a small State, he never uses all of the $1,800 yearly allowance he gets for office stamps and stationery. Every year since 1948, he said, he has returned some of the allowance to the Treasury.

But last December, the Senator pointed out, when he tried to give back $1,508.26, he was told "this is no longer permissible." He added: "The Government has now taken the position that the money must be spent and that if a member of the Senate does not spend his full allotment he will be taxed on the unexpended portion even though it is left in the Federal Treasury."

No wonder the Senator is hopping mad. No wonder he has appealed to the Comptroller General for a ruling as to whether he is correct in insisting upon returning unused expense money. No wonder he talks about seeking legislation to win his battle.

We suppose some Treasury bureaucrats will say Senator WILLIAMS is dealing in tremendous trifles. To be sure, the amount involved is small.

But the Senator has dramatized an important principle. For if the Treasury's ridiculous ruling is allowed to stand in his case, it also would seem to act to prevent administrative agencies from returning any unused portions of their annual appropriations. What a blow that would be to efforts to cut unnecessary spending.

Senator WILLIAMS ought not to be fighting this battle alone. The first one to join him should be none other than Secretary of the Treasury Humphrey.

[From the West Chester (Pa.) Local News of April 19, 1957]

THOSE UNSPENT BILLIONS

There is no reason why Senator JOHN J. WILLIAMS, of Delaware, shouldn't have a happy Easter. Up until late yesterday there was some doubt about it. Having advised the Senate that he was in quite a predicament regarding $1,508.26 in unused stationery funds, the Senator appeared at a loss as to what he should do with it. Seemed every approach he tried to return the money to the Government came to a dead end. He admitted he was quite concerned.

Then Secretary of the Treasury George M. Humphrey heard of the Senator's dilemma and went out of his way to advise him that he must have been misinformed when he told the Senate he had been rebuffed in his effort to hand the money over to the Treasury. Mr. Humphrey was so disturbed over the incident that he said he would be perfectly willing to accept the check in the name of the Treasury if Mr. WILLIAMS would give it to him.

The Treasury chief assured the Senator, and indirectly the taxpayers of the country, that no one but WILLIAMS himself could spend the money and that, if it went unspent, eventually it would come back to the Treasury as unexpended funds. This fact may seem rather routine to Mr. Humphrey, but to hear it stated so lucidly must be a source of comfort to a man confused as apparently was Senator WILLIAMS.

The unspent portion of Mr. WILLIAMS' funds, of course, is little more than the proverbial drop in the bucket when it is remembered that there are billions of dollars in this category in scores of Federal departments and agencies. Unspent funds have long been a part of the picture in Washington, D. C., and, as the Senator from Delaware has pointed out, represent taxpayers' money and should be carefully guarded.

It would be revealing, if not startling, to the public if every Member of the Senate and House, every department and agency, had to report exactly what appropriated but unspent funds each has at hand. The total would be staggering. It would make Mr. WILLIAMS' $1,508.26 look like peanuts. But, on second thought, it's not that at all. It's taxpayers' money—every cent of it.

The Senator from Delaware has shown he realizes the urgent need for conserving public funds, even to the extent of saving on letter paper. It's the kind of economy that has long been missing in a city where budgets grow bigger and spending is more and more the order of the day.

Some may feel that the Senator was unduly concerned. We are of the opinion this is not possible where public funds are involved.

[From the Pittsburgh (Pa.) Sun-Telegraph]

TAX ON THRIFT

Let's not waste sympathy on Senator JOHN J. WILLIAMS, Republican, of Delaware.

This fellow has been taught a lesson he deserves by trying to save the Government money. He stands exposed as an exponent of the dangerous doctrine of thrift.

Senator WILLIAMS found himself with $1,508.26 left over from his stationery account.

He tried to return the money to the Treasury. He found that under a revised Treasury ruling he could not return the money he did not use unless he paid a personal income tax on it.

There is an ugly phrase for Senator WILLIAMS' frugality.

We accuse him right here and now of trying to subvert bureaucratic extravagance.

What does he mean by hoping to save us taxpayers a few pennies.

We warn you, Senator, you have not heard the last of this, we hope.

TRANSATLANTIC FINAL MAIL RATE CASE

Mr. YOUNG. Mr. President, there has recently come to my attention an order of the Civil Aeronautics Board, No. E–11146, relating to the Transatlantic Final Mail Rate Case, involving the mail and subsidy payments made by the Government to Pan American World Airways.

Mr. President, I intend to comment only briefly on this order, but I ask unanimous consent that it be incorporated in the RECORD, so that Members may have the opportunity to read and study the full text.

UNIVERSITY OF MICHIGAN LIBRARIES

There being no objection, the order was ordered to be printed in the RECORD, as follows:

ORDER NO E–1146, UNITED STATES OF AMERICA, CIVIL AERONAUTICS BOARD, WASHINGTON, D. C., ADOPTED BY THE CIVIL AERONAUTICS BOARD AT ITS OFFICE IN WASHINGTON, D. C., ON THE 20TH DAY OF MARCH, 1957—IN THE MATTER OF TRANSATLANTIC FINAL MAIL RATE CASE, DOCKET NO. 1706 ET AL.

ORDER REOPENING THE RECORD FOR FURTHER PROCEEDINGS

The Board, through a series of orders,[1] has heretofore established mail rates in the above proceeding for the transatlantic operations of Pan American World Airways, Inc. (Pan American) for the past period January 1, 1946, through December 31, 1953, and for the future period beginning January 1, 1954.[2] The rates for Pan American were established in two phases. The first, known as the Transatlantic Final Mail Rate Case, involved rates on the basis of the subsidy requirements of only the transatlantic operations, while the second, known as the Reopened Transatlantic Final Mail Rate Case, concerned the establishment of the rates on the basis of the need of the carrier as a whole, as required by the decision of the Supreme Court in *Delta* v. *Summerfield*.[3] Pan American has sought review of its mail rate order in this proceeding from the United States Court of Appeals for the District of Columbia Circuit, and its petition for review is now pending in that court.

About June 1955, the Board's staff began the first system-wide audit of Pan American's operations, and the tentative results thereof, which deal solely with the calendar year 1954, have just recently been made available to the Board. The aforesaid audit, which is not yet completed, has revealed, for the first time, many practices of Pan American which require scrutiny, involving, among other things, agreements and transactions between Pan American and other foreign and American flag carriers, the charges by and to Pan American arising out of such transactions, and related matters. To the extent that a need has been demonstrated for a comprehensive review of the relationship between Pan American and its associates and affiliates, the Board has already taken appropriate action to this end.[4] In addition, however, much of the newly developed information has most serious implications concerning the reasonableness of the mail rates established for the carrier, not only for the year 1954, but for the years 1946–1953 as well.[5] Thus, the Board has reason to believe, upon the basis of analysis of audit results now available to it, that—

(a) Pan American has failed to charge Uraba, Medellin and Central Airways (UMCA), a certificated United States carrier entirely owned by Pan American and operating in Central America, proper costs for aircraft leased to it by Pan American, contrary to the terms of an agreement filed with the Board pursuant to section 412 of the act and contrary to appropriate principles of allocation, thus resulting in apparent undercharges for aircraft rentals of $270,000 during the period 1946–1953; and

(b) Pan American has absorbed ground service costs of UMCA at Tocumen Airport, Panama, amounting to about $246,000 in the period 1950 to 1953, and $99,000 in 1954, again contrary to appropriate principles of allocation and contrary to the terms of an agreement filed with the Board by Pan American pursuant to section 412 of the act, entered into with Compania Panamena de Aviacion, S. A. (COPA) and other affiliates, including UMCA, whereby COPA bills Pan American for the ground services it performs for the affiliates, and Pan American, in turn, recovers from the affiliates the payments it makes to COPA; and

(c) Pan American has failed to bill outside companies, including affiliates, and contrary to appropriate principles of allocation and agreements therefor, with proper charges and rates for airport services it renders such companies at a number of airports in Central and South America, and thus has obsorbed $4,100,000 of costs in the period 1946–1953 which should have been charged to the other companies in accordance with the said agreements; and

(d) While UMCA is entirely owned by Pan American, it has not been charged an appropriate share of the common pool of overhead costs of the Latin American division; and it is estimated that during the years 1946 to 1953 Pan American should have allocated $595,000 of such costs to UMCA; and

(e) During the period September 1950 through December 1954, Pan American overstated its operating expenses by improperly charging $280,000 of depreciation expenses, $66,000 in 1954 and $214,000 in the prior years, as related to $548,000 of flight equipment spare parts which it acquired from AOA in September 1950, but which were not given any value by AOA on its books at the time the transfer was completed; and

(f) Pan American has failed to allocate to its Miami and Brownsville overhaul bases, which perform maintenance services for other companies as well as Pan American, a portion of that part of the Pan American system general and administrative expenses charged against the carrier's Latin American division, estimated to total $1,145,000 during the period 1946–1953; and

(g) Pan American in numerous instances has deviated from the Board's uniform system of accounts or has failed to observe accepted accounting principles in the keeping of its books and records and in the reporting of the results of its operations, with possible distorting effect upon rate matters involved herein.

As a result of these various matters, it appears that Pan American's subsidy needs may have been substantially overstated, and that completion of the audit may disclose other discrepancies requiring further exploration on the Board's part.

The information that has just been developed in the current audit was not apparent from the reports filed with the Board by the carrier and, for the most part, could not have been determined from the type of audit of the carrier's books and records which the staff was then equipped to perform. The information relates not only to practices of Pan American in respect to the charging for services to affiliates but also to the actual accounting practices of the carrier as related to the Board's uniform system of accounts for air carriers and other pertinent reporting regulations. The detection of this information, therefore, required not merely an audit of broad scope but also an integrated audit of the entire Pan American system on a simultaneous basis. In past years, the rates for Pan American have been determined on a divisional basis for the reason, among others, that the magnitude of the problem of determining rates on a system basis for this carrier, with its four operating divisions and numerous affiliates, was, due to lack of staff personnel, beyond the facility of the Board adequately to perform. Because of these limitations, heretofore it has not been possible to perform audits of sufficient scope to develop information of the type now revealed concerning Pan American as an entity, and it was not until fiscal 1956, when the Board received appropriations for a substantial increase in its audit staff, that such a project could be—and was—undertaken. Under these circumstances, the Board necessarily has been required to rely in ratemaking more extensively than it preferred upon the information supplied to the Board by Pan American in accordance with the various filing and reporting requirements of the act. And apart from this, the Board, we think, was entitled to assume that the carrier's reports and filings were correct.

The Board recognizes, of course, that the information now available to it may be subject to substantial qualification. As heretofore noted, the audit to date is incomplete, and substantial further investigation and analyses are required. Also, it is possible that the questionable areas disclosed by the audit may already have been, to some extent, taken into account by disallowances made in this or other mail rate proceedings; and Pan American is yet to be heard in connection with all of these matters. On the other hand, as we have already indicated, the audit may disclose still further areas requiring exploration. In the light of the specific items of information outlined herein, which indicate that for the 1946–1953 period alone Pan American's properly recognizable expense, which was underwritten with subsidy, may have been overstated by as much as $6,500,000, we think it clearly our duty and responsibility to reexamine, in the public interest, the mail pay awarded in this proceeding. Moreover, our duty in this respect is plainly evident when it is considered that transactions between Pan American and its affiliates aggregate some $50 million annually.

In view of the foregoing, the Board finds that the public interest requires that the record in this proceeding be reopened to permit the reexamination and reevaluation, in accordance with the standards of section 406 (b) of the act, of the mail pay and rates heretofore fixed for Pan American in this proceeding, with a view to determining the changes or modifications, if any, that should be made therein in the light of the system-wide audit herein mentioned. Since the audit is not yet complete, the particular issues as to which further hearings may be necessary are not now fully known and will not be capable of delineation until the necessary audit investigations are concluded. At that time the Board will issue a further order defining the specific issues to be resolved in the reopening proceeding.

Accordingly, it is ordered:

1. That appropriate application be made to the Court of Appeals for the District of Columbia Circuit in *Pan American World Airways, Inc.* v. *Civil Aeronautics Board*, Case No. 12578, for remand or such other appropriate action by said court as may be required in order to permit the Board to proceed in accordance with the findings contained herein.

2. That, effective upon the date of any order issued by said court remanding the aforesaid appeal, or otherwise indicating or giving permission for such further proceedings, or indicating that such permission is

---

[1] Order No. E–8672, Sept. 29, 1954; order No. E–8833, Dec. 20, 1954; order No. E–9282, June 7, 1955; order No. E–9530, Aug. 30, 1955; order No. E–10117, Mar. 23, 1956; and order No. E–10458, July 13, 1956.

[2] In the same proceeding the Board also fixed final mail rates for the transatlantic operations of Trans World Airlines, Inc. (TWA) and American Overseas Airlines, Inc. (AOA) which are not involved in the instant order.

[3] 347 U. S. 74 (1954).

[4] A formal investigation of such relationships was instituted by order E–11103, dated Mar. 8, 1957.

[5] These are the years involved in the Transatlantic Final Mail Rate Case. The rate for Pan American's Pacific division for 1954 is open; also the rate for the Latin American division is open for 1952. While substantial effect might be given to the matters here involved for the years 1952 and 1954 in relation to these open periods through application of the offset principle, nonetheless it is doubtful that fully adequate treatment can be accomplished on such a restricted and piecemeal basis.

unnecessary, the proceeding known as the *Transatlantic Final Mail Rate Case*, Docket No. 1706, et al., be reopened for the purpose and to the extent outlined herein, and the Board's prior orders in such proceeding be set aside to the extent necessary to give effect to the Board's further determinations in relation to Pan American World Airways, Inc.

By the Civil Aeronautics Board.

M. C. MULLIGAN, *Secretary.*

Mr. YOUNG. Mr. President, all of us know that the CAB has long been handicapped by a lack of adequate field audit personnel to thoroughly analyze the situation with respect to subsidy payments to carriers. Furthermore, in the case of Pan American, which has a vast list of subsidiary foreign and domestic carriers over which it has partial or complete control, the auditors have been handicapped by their inability to examine the books of foreign subsidiaries.

In June of 1955, however, the Board's staff began its first systemwide audit of Pan American's operations. While this audit has not yet been completed, it has, in the words of the CAB order, "revealed for the first time, many practices of Pan American which require scrutiny." The newly developed information, according to the CAB, "has most serious implications" concerning the reasonableness of the mail rates established for Pan American, not only for the single open year, 1954, but for the years 1946 to 1953 as well.

The CAB asserts that it has reason to believe, on the basis of analysis of audit results now available to it, that Pan American has undercharged subsidiaries for materials and services supplied; has absorbed ground service costs of subsidiaries; has failed to assess the appropriate share of overhead costs against subsidiaries; has overstated operating expenses by improperly charging depreciation expenses, and has in numerous instances deviated from the Board's uniform system of accounts or has failed to observe accepted accounting principles in the keeping of its books and records and in the reporting of the results of its operations.

The CAB, as a result of these findings from limited audit of only part of Pan American's operations, has concluded that Pan American's subsidy need for the period 1946–53 may have been overstated by as much as $6,500,000. More important, however, CAB has concluded, on the basis of these findings, that a complete and thorough audit of the entire Pan American system for the past 10 years is necessary and desirable. With the transactions between Pan American and its affiliates aggregating about $50 million annually, the recovery by the Government could total tens of millions of dollars.

Mr. President, this raises a serious question in my mind. Pan American, under the terms of the CAB order, is under what amounts to an indictment for improper bookkeeping, which may have resulted in the collection of huge sums of money from the subsidy appropriation of this Congress. Meanwhile, Pan American continues to press before the CAB and in the White House for further extension of its near monopoly in international air transportation.

Mr. President, while the cashier is under indictment for dipping his fingers into the till, the board of directors rarely elects him president of the bank.

Similarly, while Pan American is under investigation for practices which may have defrauded the American taxpayer out of millions of dollars in subsidy payments, I do not believe it should be awarded any further extensions of its route, or any new traffic rights anywhere. Pending the outcome of this investigation, I believe Pan American should remain in status quo, and if the audit reveals the practices at which this CAB order hints, then I believe a new look should be taken by the Civil Aeronautics Board, and by the Congress, at the Pan American moncpoly, with a view to reducing it to a more manageable and controllable size.

AMENDMENT OF SECTION 401 (E) OF THE CIVIL AERONAUTICS ACT, AS AMENDED

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 251, S. 1474, amending the Civil Aeronautics Act to provide certification of cargo air carriers.

The PRESIDING OFFICER. The bill will be stated by title, for information.

The LEGISLATIVE CLERK. A bill (S. 1474) to amend section 401 (e) of the Civil Aeronautics Act, as amended.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

Mr. MONRONEY obtained the floor.

Mr. LAUSCHE. Mr. President, I suggest the absence of a quorum.

Mr. MONRONEY. I yield for that purpose, with the understanding that I shall maintain my right to the floor.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. COTTON in the chair). Without objection, it is so ordered.

Mr. MONRONEY. Mr. President, S. 1474 was unanimously reported by the Aviation Subcommittee of the Committee on Interstate and Foreign Commerce. Its purpose is to put real stability and permanence into what has been an 11-year effort to create and expand a reliable and efficient nationwide air cargo service.

I feel that this bill, which the Subcommittee on Aviation has unanimously reported, will be a breakthrough in giving us the widest possible use of aircraft for the transportation of goods. The present recordbreaking passenger traffic will seem rather small indeed by comparison, I feel, when this service has had the chance to grow as a permanent part of our aviation industry.

One has to look no farther than the railroads to realize that the value of the railroads for passenger service was only incidental to the usefulness of these great utilities in another direction. It was after the inauguration of the carriage of freight that the railroads found their greatest revenue, and dollars for expansion, which largely came from the freight service.

I feel certain that the same result will follow in the case of the airlines. The passenger service, which has been developed first, will give way in total revenues and in total service to the potential of air freight. I am sure these potentials are virtually unlimited. I feel that there is a market ready and waiting for full development and expansion of air freight, after the cargo carriers that we now have under temporary certificates are given some assurance of more permanent life.

It is absolutely impossible, under present conditions, for these air-cargo carriers, four of which are certificated to fly domestic all-cargo routes, to make plans ahead, to prepare, either in the matter of organization or equipment, to meet the challenge of developing the great air cargo service for which I feel the Nation is ready.

The bill before the Senate seeks to grant to the four cargo air carriers operating within the United States certificates of indefinite duration to fly, without any subsidy whatsoever, air freight and mail over routes previously awarded to them by the Civil Aeronautics Board.

The need for this bill arises from the fact that the Civil Aeronautics Board has failed to grant permanent or indefinite certificates to these lines, or to any lines, but has kept them on a temporary status each time they have filed their applications for renewal, at which time they have been given another 5-year extension. Thus they cannot plan ahead, obtain the necessary equipment, or build up the necessary organization to give the all-out air cargo service which their original certification intended.

Our hearings showed definitely the crippling effect this short-time or temporary certification was having on the development of what could become a great nationwide system. As I have said, four air cargo carriers are involved. These are AAXICO, Inc.—the American Air Export-Import Co.—the Flying Tiger Line, Inc., Riddle Airlines, Inc., and Slick Airways, Inc. Most of these airlines have been operating for many, many years. The Flying Tiger and Slick are the two oldest. They have maintained flying service since 1946. The Riddle Line has been flying since about 1950, operating under exemptions and other certifications of routes between New York City and San Juan, P. R., and from New York City to Florida areas. They have only recently been given a temporary certificate as a result of the hearings before the Civil Aeronautics Board.

May I point out that these four carriers could be given a certificate of indefinite duration. They have all been carefully examined. Hearings have been held not once, but twice, as they have been given 5-year temporary certificates

UNIVERSITY OF MICHIGAN LIBRARIES

by the Civil Aeronautics Board. These companies come before the Board and lay all the facts on the table with relation to operations, revenues and operating mileage. They have been found to be competent in every way by the Civil Aeronautics Board, but the Board will give them only temporary certificates under which to operate.

While the Board in its decisions found the companies to be competent, willing, and able to handle the freight routes, the Board, as a consistent policy, has refused to grant certificates of more than temporary duration. This is the pattern that has existed since the passage of the Civil Aeronautics Act back in the 1930's.

In fact, every airline certificated today on more than a temporary basis received its permanent rights through an act of Congress, and not from the Civil Aeronautics Board.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to my distinguished colleague.

Mr. LAUSCHE. Do I correctly understand the Senator from Oklahoma to state that not a single one of the presently certificated passenger air carriers received its certificate other than through an act of Congress?

Mr. MONRONEY. That is absolutely true. It was necessary, when the Congress passed the original Civil Aeronautics Act back in the thirties, to give grandfather-clause rights to the lines operating under the then existing routes. Since that time, until we had the feeder airline case of a year ago, no new airline had been given any type of indefinite or permanent certificate. They were all placed under temporary certificates of 2, 3, 4, or 5 years' duration. When the certificates terminated, these airlines, which had been flying satisfactorily, were required to expend time and money, and place a drain on manpower, in order to be certificated for another period of time.

Although the Congress, although the committee, although the people interested in aviation in the towns and cities served, had urged the Civil Aeronautics Board to provide permanent certification or indefinite certification, such action was not forthcoming. The companies were held under these temporary operating certificates, and consequently they could not grow. They could not invest their money in the necessary equipment, and they could not in many cases keep their personnel, because the people who worked for them could get jobs with permanently certificated airlines. The people who worked for them knew these lines had only had 2 or 3 years of life before they would have to go before the Board again to find out if they were going to be in business for the next few years.

Mr. LAUSCHE. Although the Senator from Oklahoma has already discussed this phase of the information, about which I wish to ask another question, may I ask for what length of time these four companies have been on a temporary operating basis?

Mr. MONRONEY. Let me say to my distinguished colleague that the two largest ones, Slick and Flying Tigers, have been on a temporary basis for some 12 years. They received their first 5-year license in the year 1949, I believe. Unfortunately, the 5-year operating approval expired in 1954. The Civil Aeronautics Board kept them without any license whatsoever to operate for 2 years, while they sought to be recertificated on a permanent basis or a temporary basis. Finally, on May 11, 1956, they were given another renewal for 5 years. Virtually the same situation applies to both Slick and Flying Tigers. Both of them were first certificated on August 12, 1949. Their service was inaugurated in October 1949. As I say, their 5-year certificate expired. They had to operate without a certificate for 2 years before the Board got around to giving them another 5-year extension.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. MONRONEY. I yield.

Mr. LAUSCHE. Is it correct to say that, on the basis of past experience, the prospects are that not one of these companies would receive a permanent franchise until the Congress took action?

Mr. MONRONEY. That has been the history of all types of certification. It is unfortunate. The Board has the power and duty, after approving them, perhaps once, on a temporary certificate basis, to give them permanent certification, so that they can go forward in a free-enterprise manner, develop their investments, their territories, their personnel, and their systems without having to go to a Government agency and be told every 2 or 3 years—or, in this case, every 5 years—whether or not they are to be allowed to remain in business.

Mr. LAUSCHE. Am I correct in my understanding that the bill does not contemplate providing subsidies for any one or more of these companies?

Mr. MONRONEY. No subsidy whatsoever is provided for in the bill. There will be only the meager protection of a route structure. The companies must fly and operate without a single red cent from the Government in any form of subsidy.

I thank the distinguished Senator for his interest.

Mr. SMATHERS. Mr. President, will the Senator yield to me?

Mr. MONRONEY. I yield to my distinguished colleague, who is coauthor of the bill.

Mr. SMATHERS. I thank the Senator for the statement he is making. As he has already stated, the bill was reported unanimously from the Aviation Subcommittee.

Is it not a fact that one of the pressing reasons for the proposed legislation is that it is impossible for the cargo carriers which have temporary certificates to expand their operations or obtain new equipment, because every time they go to the bank the bank says, "We will not make a loan to you, because we do not know that you will be recertificated at the end of 5 years." The loans must run for a period of 10 years or so, because usually it is necessary to borrow a considerable amount of money. The result is that the cargo airlines are placed in a position in which they cannot borrow money to continue operations, buy new planes, and do a better job. It was pretty well demonstrated, as the Senator from Oklahoma will agree, that these companies will not at any time operate under a subsidy. They are not on subsidy at this time. As a matter of fact, their rate of growth, profitwise as well as cargowise, has been fantastic. There is a great future ahead of them. But apparently the Civil Aeronautics Board is bogged down with other work, or is reluctant to give them permanent certificates, which makes this legislation necessary.

Mr. MONRONEY. The distinguished Senator has made a great contribution in explaining the situation. I was told—and our hearings will bear out the statement—that there is a delay of two and a half years after placing an order for a DC–6–B, a modern passenger- or cargo-carrying plane, before getting delivery. The only way to maintain successful and profitable cargo-carrying lines is to get new planes. The cargo carriers cannot fly obsolete, hand-me-down passenger planes which have been worked over into freight planes.

They must enter the field with large, modern planes where ton-mile costs come down. As I have said, there is a lead time of 2½ years. A company must place its order and wait for 2½ years to get the plane—a DC–6–B or a Super-Constellation. By that time the certification period is half over. A cargo carrier has only 2½ years more, if the bank is willing to lend the money. The bank wishes to know whether the equipment is to be depreciated over a period of 6 or 7 years. However, if the lifetime of the certificate is only 2½ years after the carrier receives the new equipment, the bank will wonder whether the carrier is to receive the proper depreciation allowances.

Slick Airways had the following difficulty: It did not wish to buy obsolete equipment, but because it could not obtain deliveries of new equipment, it had to buy 8 DC–4's, a plane built in 1940. In 1957 it bought 8 DC–4's at a price perhaps as high as the cost of the plane when it was first built in 1940. In addition, the carrier had to buy some 7 C–46's, a 2-motor plane, simply because it could not obtain the new equipment. Under the temporary certification arrangement pressed upon it by the CAB, the carrier was unable to go forward with a long-range program and obtain the new, modern type of equipment which it needed.

It will be even more important, in the years ahead, that these air cargo carriers have a more definite period of life, because the new turbo-jet-props will come in, and new jet transports. Many of the air freight operators feel that, expensive though jet transport is, it will afford opportunities for lower costs per ton-mile in operation than do many of the propeller-driven aircraft.

I should like to point out, from the report, the reasons why the committee feels that it is absolutely necessary to have this legislation. I read:

Your committee's Aviation Subcommittee recently concluded public hearings on S. 1474

at which all-cargo carrier representatives and other interested persons were heard. Their testimony regarding the need for this legislation may be summarized as follows:

(1) All-cargo carriers have earned the right to permanent status as shown by the steady growth of their services, revenues, and financial worth (see table 1, CAB Summary of Authorizations and Operating Data). Their operations history gives every indication that this type of service has in fact become firmly established as a permanent part of the air transport picture. Furthermore, this growth has been accomplished without the aid of any subsidy whatever.

(2) Operating under "temporary" certificates it is almost impossible for these carriers to obtain adequate long-term financing for the purchase of larger, more efficient, specially designed aircraft required for sound, economic development of the air cargo industry. For the same reason it is also more difficult to build up firm working relationships with surface carriers whose services are an integral part of air cargo operations.

(3) Cargo carriers are at a competitive disadvantage to permanently certificated lines in bidding for the services of topflight pilots and other airlines personnel.

(4) Lacking permanent status cargo carriers have been faced with an almost continuous round of costly and time-consuming proceedings before the CAB for certificate application and renewal. With the security offered by a permanent certificate the money and executive talent now diverted by these proceedings could be turned toward improving airline operations and management.

(5) Strengthening the all-cargo carriers' operations by placing them on a "permanent" basis would be of value to the national defense. These carriers served in both the Berlin and Korean airlifts; they now provide substantial supplementary transport services to the Armed Forces on a contract basis; and they form an important Ready Reserve of trained personnel and equipment in the event of a national emergency.

Your committee believes that in view of their fine record of past operations and the certainty of expanding public demand for the type of service offered by them, these carriers have earned and are fully entitled to the benefits of permanent certification.

Mr. President, I have an amendment to offer.

The PRESIDING OFFICER. The committee amendments must be considered first. The clerk will state the committee amendments.

The amendments of the Committee on Interstate and Foreign Commerce were, on page 1, line 4, after "(49 U. S. C.", to strike out "487" and insert "481"; on page 2, line 6, after the word "such", to strike out "fact only" and insert "fact"; in line 9, after the word "of", to strike out "unlimited duration" and insert "indefinite duration effective until suspended or revoked as hereinafter provided"; and in line 14, after the word "certificate", to insert a colon and *"Provided, however,* That any certificate of indefinite duration issued by the Civil Aeronautics Board pursuant to this subsection shall include only such points as were continuously served between the date of enactment of this subsection and the date of the carrier's application as provided in this subsection", so as to make the bill read:

Be it enacted, etc., That section 401 (e) of the act of June 23, 1938, as amended (49 U. S. C. 481 (e); 52 Stat. 987), is amended by adding the following at the end thereof:

"(5) If any applicant who makes application for a certificate within 120 days after the enactment of this paragraph shall show that, from November 15, 1956, to date of its application, it or its predecessor in interest, was an air carrier furnishing, within the limits of the United States, all-cargo service as authorized by a temporary certificate of public convenience and necessity issued by the Civil Aeronautics Board, and continuously operating as such air carrier (except as to interruptions of service over which the applicant or its predecessor in interest has no control) the Board, upon proof of such fact, shall, unless the service rendered by such applicant during the period since its last certification has been inadequate and inefficient, issue a certificate or certificates of indefinite duration effective until suspended or revoked as hereinafter provided authorizing such applicant to engage in air transportation within the limits of the United States between the same points and in the same manner and for each such class of traffic as authorized by such temporary certificate: *Provided, however,* That any certificate of indefinite duration issued by the Civil Aeronautics Board pursuant to this subsection shall include only such points as were continuously served between the date of enactment of this subsection and the date of the carrier's application as provided in this subsection: *Provided further,* That authority to engage in the transportation of mail pursuant to a certificate of unlimited duration granted hereunder shall be limited to the carriage of mail on a nonsubsidy basis with compensation restricted to a service rate."

The amendments were agreed to.

Mr. MONRONEY. Mr. President, I offer an amendment, on page 2, line 21, to strike out "unlimited" and insert in lieu thereof "indefinite." The amendment is necessary to make the bill conform to the language in the second committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended, so as to read: "A bill to amend section 401 (e) of the Civil Aeronautics Act of 1938, as amended, in order to grant permanent certification to air carriers engaged in domestic all-cargo operations without subsidy."

NATIONAL DEFENSE TRANSPORTATION DAY

Mr. MONRONEY. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 234, Senate Joint Resolution 22.

The PRESIDING OFFICER. The secretary will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 22) to designate the third Friday of May of each year as National Defense Transportation Day.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on the Judiciary with an amendment.

COMPETITION BETWEEN WHOLESALERS AND RETAILERS

Mr. KEFAUVER. Mr. President, I am convinced the one thing that makes America stand out in the world is its economic system of free enterprise. In the beginning of this country, this concept was largely an ideal in the minds of men who desired freedom from unreasonable restraints in the every day conduct of their lives and business. However, with the development and growth of our country, this ideal of a free competitive enterprise system has been the continuing objective of our Representatives in Congress and in the legislatures of our various States. In fact, much of the major efforts of our lawmakers has been to perfect and protect this system in the public interest.

The fundamental objective of this free enterprise system is to provide for all American businessmen the right to be independent, the right to make their own decisions and to determine their own actions in accordance with their own judgment and their immediate needs. For this great American economic system to live and prosper, we must see to it that not only must it include large producers but also sellers, distributors, and retailers. It must include, if it is to prosper, competition between manufacturers, producers, or sellers; it must include competition between wholesalers, distributors, or jobbers; and it must include competition between retailers. Each of these levels of competition is entitled to equal dignity and is of equal importance to our economic system.

Mr. President, I know that you, like I, believe in this competitive free enterprise economy of the United States. I suspect though, that you, like I, are beginning to be disturbed about what is happening to it. During the past 4 years, a multitude of mergers has outstripped anything of the kind since the 1920's. With these mergers, competition has been lessening. The "big" in all facets of American business are becoming constantly more powerful. We have, today, the "big" in the automobile business, the "big" in the steel business, the "big" in the oil business, the "big" in the aluminum business, the "big" in the meat industry, as well as in many other industries too numerous to mention.

Four years ago, I joined in a report of the Antitrust Subcommittee, of which I was then a member, and of which I am now chairman, pointing out that we were in the midst of the third great merger movement to sweep the United States. In the intervening 4 years, the pace has not lessened, it has instead quickened. The New York Times observed in 1954, that the "wave of mergers is now more like a floodtide, so wide and pervasive has it become." By 1955 the Wall Street Journal put it this way:

Company mergers and acquisitions are taking place at an astonishing rate.

Also 4 years ago, the House Judiciary Committee made a study. It observed:

In recent years a rising tide of industrial and bank mergers has played a significant role in hastening the reduction of competition in many areas and promoting the concentration of economic power. Many superstructures in industry have been created,

UNIVERSITY OF MICHIGAN LIBRARIES

not through superior technology or natural internal growth, but through absorption of independent competitors.

The House committee pointed out that under these conditions "mergers are not indicative of a normally developing industry, but rather symptoms of the competitive avarice of certain giant corporate enterprises."

Fortune magazine estimated that mergers of important corporations are being effected at the rate of about 45 a month and that probably a score of lesser companies are absorbed daily.

On any day that we pick up a newspaper we notice the joining together of more and more corporations. Only this morning we read the account of the American Can Co. and the Dixie Cup Co. voting to merge, resulting in the concentration of this industry into fewer and fewer hands.

In recent years, some of us in Government and others in the press, have been calling attention to this very disturbing trend. Now it is 1957, and just last week we saw one of the results of this movement upon small business.

Mr. Edwin L. Covey, Chief of the Federal Courts, Bankruptcy Division, increased his present estimate of the number of bankruptcies anticipated during the year. Mr. Covey estimates that the number of cases filed during the 12 months ending next June 30 will reach a record high. He estimates that there will be 72,000 bankruptcies. Think of that. That is almost 2,000 more than the present record. And the present record was set in a year to which none of us wants to return—1932.

As if conditions were not already serious enough, we were given a glimpse of what we might expect to have happen in the future, by an article in the Wall Street Journal of March 14, reporting a speech by Mr. Roger M. Blough, chairman of United States Steel, which he made to the Economic Club of Chicago. Mr. Blough stated:

> A new business concept—giant corporations joining to form large combines for spreading their risks—may be developing on the economic scene.
>
> The future may indeed call for bigger business organizations, as man seeks to unlock the secret of the atom, penetrate outer space, and harness the rays of the sun.

Nor is this partnership of corporations idea merely a forecast of what may be necessary to handle America's tomorrow—it is already taking place.

Mr. Blough continued:

> Our biggest corporations are rapidly getting too small to do all the things that are expected of them. The development of all materials, for instance, has become too expensive, and involves such risks, that a number of steel companies have had to band together to develop faraway iron ore deposits and to establish plants and processes for the manufacturing of usable blast furnace materials out of low-grade ores.

I frankly do not like this trend. I have long believed that it is only a step from the loss of economic freedom to the loss of political freedom. Nazi Germany under Hitler and Fascist Italy under Mussolini were examples of that step. In both of these countries, statism followed the seizure of economic and industrial power by the few. Present-day Sovietism is another example. Here economic and political power also are one. In order to keep America strong, we of the legislature must forever be vigilant and seek out ways of preserving the small-business man.

In its seventh annual report, submitted to the Senate on February 1 of this year, the Senate Small Business Committee observed that "price discrimination is the food on which monopoly feeds." Since my earliest days in the Congress, I have found price discrimination to be one of the most serious diseases that saps the vigor of our free-enterprise system, reducing the role that small and independent business plays in the health of our economy.

The American economic system of free competitive enterprise is protected and maintained by our antitrust laws. These laws express the national public policy. Their enforcement provides free and open markets, equality of opportunity to all persons to compete in trade or business, and freedom of choice in the purchase and sale of all commodities.

Our antitrust laws should provide freedom of choice in trade at all levels of competition. Although this is the goal of the antitrust laws, Congress has found it necessary time and again to pass additional legislation to meet some new threat to our free competitive enterprise system which the law did not cover.

Although the battle has been hard, the American people have never hesitated to support, nor has the Congress ever failed to enact, antitrust legislation needed to protect our free competitive enterprise system. However, history teaches us that protecting this system requires constant vigilance because there are always some who for selfish reasons adopt and use unfair and destructive methods of competition, particularly price discrimination, to gain economic advantage. This advantage injures, destroys, and prevents competition. It creates monopoly, and substantially lessens the need to compete on the basis of fairness and efficiency. This practice has been most harmful and most difficult to prevent. The fight against this evil has had a long legislative history.

Our first Federal law prohibiting price discrimination was the Interstate Commerce Act of 1887. Congress enacted this law largely as the result of public resentment against the discriminatory practices of the Standard Oil Co. and other giant trusts and combines, which destroyed smaller competitors. In 1890, the Sherman Antitrust Act was passed, making illegal every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade. This act also made it illegal to monopolize or attempt to monopolize, or combine or conspire with any other person or persons to monopolize any part of trade.

In two cases prosecuted by the United States Government, against the Standard Oil Co. and the American Tobacco Co., both decided by the Supreme Court in 1911, the evidence dramatically demonstrated that price discrimination had played a major part in bringing about monopolies in the petroleum and tobacco industries. Following these decisions, there was great concern over the monopoly problem. This concern was reflected in the presidential campaign of 1912. In the platforms of both the Democratic and Republican Parties, as well as the Independent Party, each called for legislation that would prohibit specific acts and practices, such as price discrimination, which led to monopoly rather than to wait for monopoly to grow to full flower and then attempt to break it up.

It was in response to this public demand that Congress enacted in 1914 the Clayton Antitrust Act and the Federal Trade Commission Act. Among other things the Clayton Act made unlawful and specifically prohibited price discrimination and other harmful acts and practices that substantially lessened competition and tended to create a monopoly. The Federal Trade Commission Act made unlawful and prohibited unfair methods of competition to cover all other acts and practices which had not then been defined.

In subsequent efforts to enforce the Clayton Act prohibition against price discrimination, three loopholes or weaknesses were found which practically nullified the law. The first loophole was that while the statute sought to protect competition generally from substantial injury, it was not adequate to protect an individual wholesaler or retailer competing locally in the resale of a manufacturer's goods. The second was the proviso which exempted price discrimination on account of differences in quantities sold without reference as to whether there was any saving in cost to the seller. The third loophole was the proviso which exempted price discrimination made in good faith to meet competition. Because of these loopholes or weaknesses in the Clayton Act, discriminatory practices increased and spread throughout many industries and brought about an ever-increasing public demand for corrective legislation. The prevalence of the price discrimination evil and its destructive effects upon small manufacturers, wholesalers and retailers at all levels of competition was set forth in an overwhelming mass of evidence in some 30 volumes of factual studies submitted to the Congress by the Federal Trade Commission and by the congressional committee hearings on the Robinson-Patman Act.

Mr. YARBOROUGH. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I am very happy to yield to the distinguished junior Senator from Texas.

Mr. YARBOROUGH. Can the Senator from Tennessee tell us whether the formation of monopolies and mergers during the past 4 years has had an adverse effect on small-business men? And does the Senator have an opinion about the overall effect of such monopolies and mergers on the free-enterprise system?

Mr. KEFAUVER. I thank the Senator from Texas for his question. There have been three great merger movements in the history of our Nation. One took place in the latter part of the 19th century, and resulted, in my opinion, in the panic and depression of that time.

The second great merger movement was in the late 1920's and resulted in the depression of the early 1930's.

We are now in a period of another great merger movement in our history.

Both of the previous merger movements and the present merger movement have greatly lessened the opportunity for small business to flourish. Many small-business men feel that in order to compete, it is necessary for them to join with some corporation.

Small-business men are being denied markets, they are being denied procurement, and their income is being pushed down, simply because of the overpowering influence of the greater and greater, larger and larger corporations.

There are corporations which represent the so-called conglomerate mergers; that is, they have merged various and sundry kinds of business into one corporate empire. It is very easy for the controlling corporation to let one of its subsidiary corporations lose money in order to force some small business to sell out to the large corporation, or to limit its competition in a particular area. The controlling corporation can make up for the loss sustained by one subsidiary by the amount of the income earned by another subsidiary corporation.

So inevitably the result of what we are experiencing today, as has been the case on all previous occasions, will be a lessening of the opportunities of small business. That is evidenced by the fact that during the past few years the profits of large business have been soaring; they have been getting larger and larger all the time. But the profits of small business have been going steadily downward. One has only to go to the small towns and cities today and to speak with the small-business men in order to realize that the merger movement which is progressing so rapidly at present means the death knell for thousands of small businesses. The administration, although it has brought many antitrust cases, has really not taken sufficient initiative to checking the merger movement, and in this failure Congress also has played a part. The continuance of mergers will substantially lessen competition; the lessening of competition will mean the removal of economic opportunity and, at the same time, the removal of political freedom, as well.

Mr. YARBOROUGH. May I ask the Senator from Tennessee whether he thinks the present laws are adequate, or whether the formation of mergers and monopolies during the last 4 years has been due to a policy of laxness on the part of the Attorney General of the United States? Does the Senator from Tennessee feel that the Attorney General has fully exercised the powers conferred upon him by law to prevent the great wave of mergers?

Mr. KEFAUVER. The question asked by the Senator from Texas is definite and direct. The Sherman Antitrust Act is designed to prevent the creation of mergers. That act contains provisions devised to prevent mergers and to break up monopolies after they have been created.

The Department of Justice has stepped up some of its prosecutions under the Sherman Antitrust Act, but very few cases have been brought for the divestment or the breaking up of combines after the mergers have been created. In other words, the failure has been due to laxness in dealing with the giant monopolies after they have been created.

During the last 4 years it is my understanding that the Attorney General has instituted only one proceeding under section 2 of the Sherman Act which could lead to divestiture or dissolution. This suit against General Motors involves only its bus division which is insignificant in General Motor's overall activities.

In the early part of the present administration, the Federal Trade Commission did very little toward coping with the merger problem. I must say that in the last year, and especially in recent months, the Federal Trade Commission, under the chairmanship of Judge Gwynne, has brought an increasing number of cases. Particularly under section 7 of the Clayton Act, the so-called Celler-Kefauver amendment, a great many cases have been brought.

I think stronger enforcement is needed on the part of the Department of Justice, and the Federal Trade Commission also could do more in this respect. I think there needs to be a strengthening of the laws in a great many respects. Congress should provide heavier penalties in the antitrust laws. Many corporations will violate the antitrust laws and will pay fines as the penalty, simply as an operating expense.

Also, Congress should pass the prenotice-of-merger bill, which I am happy to note the administration has recommended.

We also need to restore the Robinson-Patman Act to the position it held before the decision of the Supreme Court in the Standard Oil of Indiana case in 1951. Since that time, price discriminations have been rampant. Always they are indulged in on the basis of meeting competition in good faith. That is the basis on which price discriminations occurred in the days of the old Atlantic & Pacific Tea Co., which was investigated in the early 1930's.

In my opinion, we also need an investigation of the laws, in order to ascertain whether something can be done about the great power of corporations in the case of conglomerate mergers, which, in my opinion, are not adequately dealt with by means of existing laws.

So I say to my friend the Senator from Texas [Mr. YARBOROUGH] that more needs to be done at the administrative level, particularly in the Department of Justice.

I believe the departments should have increased appropriations, in order to be able to carry out the laws. They should request increased appropriations. Such appropriations are good investments.

Congress also has a responsibility in the matter. Congress must improve the antitrust laws and must plug some loopholes.

Congress also needs to take affirmative action to help small business. The Douglas bill, to set up an area-redevelopment program, which the Senate passed last year, should be enacted into law.

In many sections of the country, small businesses need equity capital. Congress should see to it that small businesses receive a larger share of the procurement contracts of the Federal Government, particularly in the case of defense procurement.

I have observed that there has been some gloating over the fact that the Reconstruction Finance Corporation is going out of business. Mr. President, the Reconstruction Finance Corporation did a fairly good job in lending money to small businesses; in fact, it did a much better job than the present Small Business Administration has done to help the small-business man in his efforts to compete.

Mr. JAVITS. Mr. President, will the Senator from Tennessee yield to me?

Mr. KEFAUVER. I yield.

Mr. JAVITS. By way of comment upon the most interesting and provocative address which is being made by my colleague, the Senator from Tennessee, let me say that I feel deeply, and I say with assurance that all of us who serve in the Congress are gravely concerned, about the extent of the merger movement in the United States. I believe it is recognized that there are deep technological reasons for it. It is also recognized that small business is the backbone of American enterprise, and that small business must have a way to exist.

Personally, I believe—and I shall appreciate having the comment of the Senator from Tennessee on this point—that small business needs two other things even more than it needs the tax relief which has so generally been discussed. Of course, I hope small business will receive tax relief, also. I shall support the granting of such relief. I believe that small business needs technical assistance, especially engineering assistance, in respect to marketing—which is another field in which big business has great advantages. I also believe that small business needs to have the Antitrust Division of the Department of Justice arrive at a new concept in the case of joint efforts on the part of small business, as the principle of restraint of competition is applied to such activities. Certainly such a new concept is needed by small business, which needs protection from what would be the uneconomic aspects of the application to it of the laws against restraint of competition in the case of big business.

I hope very much that in the course of our concentration upon the problems of small business, we shall consider that situation. Many years ago, when practicing law, I was attorney for many small business groups, especially in the NRA days and the trade association days immediately following the NRA. I found that in many cases such businesses could survive and could be prosperous and could be very helpful in the public interest if, in the application of the antitrust laws to them, some cognizance were taken of the fact that if they were ever to compete with great financial power, they, themselves, would have to have some opportunity to cooperate, although today we find that is inhibited by the antitrust laws. I wonder whether the

UNIVERSITY OF MICHIGAN LIBRARIES

Senator from Tennessee will comment on that point.

Mr. KEFAUVER. Mr. President, I appreciate very much the observations the distinguished Senator from New York has made, and I think there is much to what he has said. Undoubtedly it is true that small business associations, groups, and corporations should have the benefit of studies regarding trade practices, marketing methods, manufacturing techniques, and delivery techniques which will make for greater economy on the part of small business corporations, so as to enable them to compete. Of course, there are many associations which try to help with such matters. However, my experience has shown me that most of the associations with which I am acquainted are dominated by the larger corporations, and often take positions and attitudes, in connection with governmental proposals, including congressional proposals, which are inimical to the best interests of the small corporations. I have also found that sometimes the interests of the small corporations in the marketing associations and similar groups do not receive proper recognition, by virtue of the fact that the associations may be financed and run largely by and for the larger corporations.

Rather than to try to solve this troublesome problem through legislation attempting to immunize small-business groups from the antitrust laws, which I think would be a mistake, I believe the greatest assistance can be afforded to small business through equitable adjustments in our tax burdens. I sponsored a bill, along with Representative WRIGHT PATMAN to establish a graduated corporation tax. Our bill, if enacted, would not reduce the total revenues to the Treasury, but it would enable small business to stand on its own feet. The present corporate tax laws in my opinion encourage mergers.

I believe that one thing which could and should be done in that connection, and which would be very helpful to small business, is in line with the idea we had in the case of the Smaller War Plants Corporation, during World War II. Perhaps in the case of the Small Business Administration, which Congress has established, assistance could be given to small business, first in finding out what Government procurement is available, and to assist in the presentation of brochures to enable small businesses to secure such business and to assist in the making of arrangements with other small-business groups, so they could jointly bid on some Government business.

I believe that both under the law and on a voluntary basis and in the handling of the business of the executive agencies, there are many ways by which some benefits could be given to the small-business man and some encouragement could be given along the line suggested by the Senator from New York.

However, fundamentally, I am very definitely of the opinion that we are going to have to stop the increasing concentration of economic power in various lines of endeavor in the hands of fewer and fewer people, if small business is to have a chance to survive. In that effort we need strong efforts on the part of the executive branch of the Government, and we need to have additional laws passed by Congress.

A little later in my remarks I shall refer to the one law which should be passed in order to stop monopoly, as well as discrimination.

As I was saying, loopholes were found in the Clayton Act which hurt its purpose of helping small business. The third loophole was the proviso which exempted price discrimination where it was made in good faith to meet competition, regardless of the effect upon competition or upon whether a monopoly would result. Because of these loopholes or weaknesses in the Clayton Act, discriminatory practices increased and spread throughout many industries and brought forth an ever-increasing public demand for corrective legislation.

As a result, the Congress enacted the Robinson-Patman Act in 1936, in an effort to strengthen the Clayton Act by closing the three loopholes or weaknesses previously described.

The scope of the provision prohibiting price discrimination, where the effect may be to substantially lessen competition or tend to create a monopoly in any line of commerce, was enlarged and rewritten so that price discrimination would also be prohibited where the effect may be to injure, destroy, or prevent competition with "any person who either grants or knowingly receives benefit of such discrimination, or with customers of either of them." The law was thus amended to protect competition of individual competitors, as well as competition generally, from the harmful effects of price competition. The proviso exempting price discriminations made on account of different quantities sold was eliminated, and instead it was provided that price differences would be lawful where they were based upon actual savings in cost to the seller resulting from different methods or quantities in which a commodity is sold or delivered.

The proviso of the old Clayton Act exempting price discriminations made in good faith to meet competition was considered by Congress to be one of the principal loopholes of the law and a major obstacle to its enforcement. The Robinson-Patman Act attempted to eliminate the nullifying effects of this proviso by rewriting it as a procedural provision, so that whenever a manufacturer or other seller at the primary level of competition claimed that he was justified in discriminating in price because he was meeting in good faith an equally low price of a competing manufacturer, the Federal Trade Commission would be required to prove that the actual or probable effect of price discrimination was substantially to injure competition. It was clear that where the effect of the discrimination substantially injured competition, the law was meant to prohibit this discrimination.

Speaking of these provisos, the Senate report—Senate Report No. 1502, 74th Congress, 2d session—in part stated:

> The weakness of present section 2 lies principally in the fact that: (1) It places no limit upon differentials permissible on account of differences in quantity; and (2) it permits discriminations to meet competition, and thus tends to substitute the remedies of retaliation for those of law, with destructive consequences to the central object of the bill. Liberty to meet competition, which can be met only by price cuts at the expense of customers elsewhere, is in its unmasked effect the liberty to destroy competition by selling locally below cost, a weapon progressively the more destructive in the hands of more powerful, and more deadly to the competitor of limited resources. While the bill as now reported closes these dangerous loopholes, it leaves the fields of competition free and open to the most efficient, and thus in fact protects them the more securely against inundations of mere power and size.

As drafted, one of the principal objectives of the Robinson-Patman Act was to correct the good faith proviso. Anyone who will read the legislative history of that act, I am sure, will agree with this statement. Congress gave no indications and certainly did not have in mind that a manufacturer or seller in the primary level of competition could arbitrarily discriminate in price between his customers who were competing at the wholesale level or who were competing at the retail level. It is illogical and unfounded to assume that Congress intended to give any manufacturer or seller at the primary level of competition the right to discriminate in price between competing wholesalers or between competing retailers and thereby substantially injure, destroy, or prevent competition between such wholesalers or retailers.

Even though the legislative history of the Robinson-Patman Act is fairly clear, in 1951, in the case of the *Federal Trade Commission* v. *Standard Oil Company of Indiana*—340th United States Reports, page 231—the Supreme Court of the United States, in a 5 to 3 decision, held that a manufacturer or seller at the primary level of competition may discriminate in price between competing wholesalers or between competing retailers in order to meet in good faith an equally low price of a competing manufacturer or seller, regardless of the substantial injurious effects upon competition between wholesalers at the secondary level and between retailers at the third level. In effect, the Supreme Court held that the very loophole that practically nullified the price discrimination section of the old Clayton Act, which the Congress clearly intended to close, and thought it had closed when it enacted the Robinson-Patman Act, was still open and that the good faith proviso afforded just as complete a defense under the Robinson-Patman Act as it did under the old Clayton Act.

The 1951 Supreme Court's decision in the Standard Oil case, and the Courts of Appeal decisions in *Balian Ice Cream Co.* v. *The Arden Farms* (231 F. 2d 356) and *Brown* v. *Standard Oil Co.* (238 F. 2d 54), handed down in 1955 and 1956, respectively, make it clear that section 2 (B) provides an absolute defense to all price discriminations, regardless of the seriousness of the probable effect.

As a result of these decisions, the Robinson-Patman Act has been seriously weakened. The act now affords no protection to competition between wholesalers or between retailers. The public

interest in protecting competition at all levels has been subordinated to the individual manufacturer's or seller's private interest in discriminating in price. The act has become largely a declaration of the seller's right to discriminate in price, and wholesalers and retailers who are discriminated against are deprived of their right to object, regardless of the number of businesses that are injured and destroyed. Such discriminatory pricing practice constitutes a serious threat of substantial injury and destruction to competition between wholesalers and retailers. It cannot be prevented as the law now stands unless the Robinson-Patman Act is amended to close the loophole created by the Standard Oil decision. For this reason S. 11 was introduced by me and cosponsored by 19 other Senators to amend section 2 (b) of the Robinson-Patman Act. This was done in order to secure equality of opportunity to all persons to compete in trade or business, and to preserve competition where it exists, to restore it where it is destroyed, and to permit it to spring up in new fields. Similar bills—S. 11, H. R. 11 and H. R. 1840—were considered by the Senate and House during the 84th Congress.

It is not the intent of S. 11 to legislate morals or business ethics. It seeks merely to prevent the exercise of monopolistic practices when their effects are harmful to competition. It does not seek to add anything to the basic law, that is, section 2 (a) of the Robinson-Patman Act; it merely seeks to restore to the law part of that which was taken away by the decision in the Standard Oil case. In essence, S. 11 recognizes, as a defense to a charge of price discrimination, the good faith defense, unless it can be shown affirmatively that, nevertheless, the effect of the discrimination may be to substantially lessen competition or tend to create a monopoly in any line of commerce.

Thus, in the simplest language, the primary purpose of S. 11 is to deny one of the weapons of monopoly—that is, price discrimination—to powerful buyers or sellers where the effect is to substantially lessen competition or tend to create a monopoly, even though price discrimination is practiced in the name of meeting competition. If this weapon is not denied to powerful buyers or sellers, then unfair bargaining advantage is given to them wholly unrelated to their efficiency.

The Senate Antitrust and Monopoly Subcommittee, of which I am chairman, has just completed current hearings on S. 11 and S. 1211, which is the counterpart of S. 11. The subcommittee set 13 days, hearing 115 witnesses. Exclusive of exhibits, testimony ran to 2,560 pages of transcript. This is not the first time that the equality of opportunity bill has been considered by this subcommittee. In fact, testimony already received by congressional committees on this subject totals approximately 5,000 pages of transcript, exclusive of the exhibits. During the 84th Congress, H. R. 1840, a bill similar to S. 11 passed the House of Representatives by an overwhelming vote of 393 to 3. However, a general antitrust bill incorporating the language of S. 11 was reported by the Senate Judiciary Committee on the last day of the session, and its consideration by the Senate was prevented by the failure to receive unanimous consent.

The hearings just completed have demonstrated how sharply are drawn the issues between the manufacturers, producers, and sellers at the primary level of competition who oppose the enactment of the equality of opportunity bill, and the wholesalers and retailers at the second and third levels of competition who support and advocate the passage of such legislation.

Mr. President, if we are to have a strong America, for the future, we must not only preserve competition at the primary or manufacturer's level, but we must also preserve competition at the wholesale and retail levels. It is at these second and third levels of competition that the great numbers of American labor, most of whom are small-business men. Our aim must be to assure to these levels of competition an equal and fair opportunity to exist in the sun and prosper.

In the very near future the Judiciary Committee will act upon S. 11. I trust the bill will be favorably reported and that the Senate will approve it.

ADJOURNMENT

Mr. BUSH. Mr. President, there being no Senators who desire to speak, I move that the Senate do now adjourn, in accordance with the order previously entered, until tomorrow at noon.

The motion was agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 2, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 1, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Joseph S. Farland, of West Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Dominican Republic.

FEDERAL POWER COMMISSION

Jerome K. Kuykendall, of Washington, to be a member of the Federal Power Commission for the term of 5 years expiring June 22, 1962. (Reappointment.)

FEDERAL MARITIME BOARD

Ben H. Guill, of Texas, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1961. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate May 1, 1957:

JUVENILE COURT FOR THE DISTRICT OF COLUMBIA

Orman W. Ketcham, of Maryland, to be judge of the Juvenile Court for the District of Columbia for a term of 6 years.

UNITED STATES ATTORNEYS

John B. Stoddard, Jr., of Illinois, to be United States attorney for the southern district of Illinois for a term of 4 years.

Clifford M. Raemer, of Illinois, to be United States attorney for the eastern district of Illinois for a term of 4 years.

Francis Everett Van Alstine, of Iowa, to be United States attorney for the northern district of Iowa for a term of 4 years.

Roy L. Stephenson, of Iowa, to be United States attorney for the southern district of Iowa for a term of 4 years.

John F. Raper, Jr., of Wyoming, to be United States attorney for the district of Wyoming for a term of 4 years.

UNITED STATES MARSHALS

William J. Littell, of Illinois, to be United States marshal for the southern district of Illinois for a term of 4 years.

Roland A. Walter, of Iowa, to be United States marshal for the southern district of Iowa for a term of 4 years.

Richard A. Simpson, of Virginia, to be United States marshal for the eastern district of Virginia for a term of 4 years.

WITHDRAWAL

Executive nomination withdrawn from the Senate May 1, 1957:

POSTMASTER

Molly L. Casteel, Mosheim, Tenn.

EXTENSIONS OF REMARKS

Address by Hon. Herman E. Talmadge, of Georgia

EXTENSION OF REMARKS

OF

HON. HARRY FLOOD BYRD

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a very fine address made by the Senator from Georgia [Mr. TALMADGE] before the Kiwanis Club of Richmond, Va., on April 29.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR HERMAN TALMADGE, OF GEORGIA, BEFORE THE KIWANIS CLUB OF RICHMOND, VA.

President Welch, distinguished guests and my friends of the Richmond, Va., Kiwanis Club, your thoughtful invitation for me to speak to you today was an unexpected honor. It is one which I accepted with pleasure and satisfaction because of the close bonds of kinship and friendship which have existed between your own Commonwealth and my home State of Georgia throughout the whole course of our history.

Since the days of my youth I have looked to the State of Virginia and the city of Richmond with admiration and respect.

Representative government was born in Virginia.

Virginia's sons wrought the first constitutional republic for this Commonwealth.

Virginians wrote the Declaration of Independence and the Constitution.

UNIVERSITY OF MICHIGAN LIBRARIES

And, of fond remembrance to southern people, Richmond is revered as one of the hallowed capitals of the Confederacy.

Georgia is proud to have shared your heritage and your history.

The forebears of many of our citizens came to Georgia from Virginia.

In many ways, during the past 180 years, the governments of both States have shown remarkable parallels in their development. This similarity is particularly striking today both in organizational structure and in programs being carried forward.

On a number of important occasions, your distinguished and respected senior Senator, Hon. HARRY F. BYRD, has spoken in Georgia, and he is greatly admired by the people of my State. I, personally, have been an admirer for many years of his outstanding record as a farmer, a publisher, an administrator, a sound, honest, and courageous public official and a statesman of renown.

I should like to pay the highest tribute possible to Senator BYRD and to your able junior Senator, A. WILLIS ROBERTSON. Both of these fine gentlemen have been most kind and helpful to me in my initial service in the Senate, for which I am deeply grateful.

And, I might add, that during my service as Governor of Georgia my associations with your chief executives—Governors Tuck and Battle—were most pleasant and rewarding.

Your present Governor, Hon. Thomas B. Stanley, is highly regarded throughout the South and the Nation for his leadership, his firmness on basic issues and his steadfast adherence to constitutional processes.

I commend you on the distinction and ability of your chosen leaders.

We, in Georgia, are grateful for their help, support and counsel in the fight to preserve our form of government in this country.

Virginia today is the No. 1 target of those who would destroy home rule and local self-government in this Nation. But I am confident that the people of Virginia will stand firm and meet this challenge in the tradition of Patrick Henry, George Washington, Thomas Jefferson, James Madison, James Monroe, Robert E. Lee, Woodrow Wilson and the other great leaders this States has given to the Nation and to the world.

My friends, I want to take this opportunity of discussing with you the most deadly threat ever to confront us.

That is, the steady and vicious attacks now being waged on two broad fronts, the end objective of which is the destruction of representative government in this country.

These attacks, clever and calculated in design, are twofold.

One is aimed at destroying constitutional processes and the protective safeguards of freedom they afford.

The other is aimed at destroying the Nation through internal bankruptcy.

Should either attack succeed, it will succeed with finality.

The attack on constitutional government goes to the very heart of our existence as a Nation.

That is true because once we lose our precious rights under that instrument, we cannot defend ourselves against any other threats, either from within or from without.

What threats have been posed to constitutional government in the last few years?

We have seen the United States Supreme Court, in a series of partisan political decisions, deliberately ignore the Constitution of the United States and substitute impractical and unproved theories for established law and precedent as the basis for its rulings.

We have seen the Federal judiciary invade and seek to obliterate the reserved rights of the States in many fields of their internal activity.

The Court has sought to prohibit the 17 Southern States from operating their public school systems in the manner they determine to be in the best interests of their citizens.

The Court has sought to outlaw sedition laws in 12 States, Alaska, and Hawaii.

The Court has forced Federal regulation of natural gas production in 30 States.

The Court has sought to limit the power of States and cities to discharge employees when they plead the fifth amendment against self-incrimination.

The Court has sought to usurp State authority in cases of criminal appeals.

These decisions are unconstitutional.

They are not the law of the land, as some falsely insist.

They are the judge-made law of force and force alone.

It is not the people of the South who defy the Constitution; rather, it is they who uphold it.

When a Federal district judge, acting under this doctrine of force, issues a blanket edict under which anyone exercising his freedom of speech can be haled into court and fined for criminal contempt without a jury trial, then, I say to you, it is time for us to take stock as to where we, as a nation, are headed. It should be the signal for the restoration and reassertion of our cherished constitutional rights.

We will never submit to this unlawful and unconstitutional judicial tyranny.

We will resist its imposition with all the strength at our command.

We are not going to sit idly by while freedom of speech is destroyed and thought control is imposed on the people of this Nation.

We are not going to sit idly by while an unconstitutional, arbitrary, and illegal extension of Federal judicial power is attempted.

This is not only an attack on the rights of the States to govern their own affairs but also a gross abuse of judicial processes imperiling the civil liberties of every American citizen.

Equally dangerous to the liberties of all the people of the whole United States is the so-called omnibus civil-rights bill now pending before Congress.

This diabolical six-point program is a grave threat to our traditional concept of constitutional government.

If it is enacted, an army of Federal agents will swarm over every State, harassing and intimidating the people and usurping the functions of local law-enforcement authorities.

The so-called civil-rights commission which would be established by this legislation would have authority to summon on 24 hours' notice anyone from any part of the United States to any place it might designate to defend himself against charges of which he was totally ignorant prior to the receipt of the subpena.

Under the bill, the Attorney General of the United States would be empowered to represent private individuals and to bring legal actions and suits in their names whether they desire to go into court or not.

Still another section would write into law a provision overturning the legal doctrine of the ages requiring an exhaustion of administrative remedies as a prerequisite to judicial relief.

It is regrettable that the Congress is wasting its time and energies on such a measure.

The same effort applied along constructive lines to develop the human and natural resources of this great country; to stimulate new job opportunities; and to provide decent housing and more effective governmental services for the masses of our people—would result in the advancement of real civil rights and human security for minorities and majorities alike.

By this method, and by this method only, can we bring needed social and economic improvement.

Certainly, it is foolish to suggest that we can do it by destroying fundamental constitutional rights of every citizen.

Every fledgling lawyer knows that the real civil rights of every citizen of this country are contained in the first 10 amendments to the Constitution.

These 10 amendments have been known since the beginning of this Nation as the Bill of Rights.

They are written in plain, unmistakable language.

From them spring all the rights necessary for the preservation of life, liberty, and the pursuit of happiness.

I cannot emphasize too strongly the serious nature and far-reaching implications of this proposal.

It shall be my purpose to cooperate fully with your Senators and all those of like mind in the fight to prevent these measures from being foisted on the American people.

Another dangerous proposal is that of limiting debate in the United States Senate.

For all practical purposes there has been unlimited freedom of discussion on all issues in the United States Senate since the year 1807.

The present rule XXII, under which the imposition of cloture is permitted in the Senate, was adopted in 1917 and was revised in 1949. It provides for cutting off debate only after an affirmative vote of two-thirds of the Senators duly chosen and sworn.

This provision affords an adequate safeguard against abuse of the privilege of free speech and at the same time helps to maintain the delicate balance of powers afforded under our form of government.

The right of a Senator to present all of the facts in connection with an issue, to turn the light of truth, justice and fairness on that issue, goes to the very heart of the protection of minorities.

As long as the United States Senate remains a free and unfettered forum, as long as a vigorous and determined minority of Senators can present all of the facts concerning any measure, the rights of the people of this country will be more nearly secure.

So, we have seen, that through unconstitutional usurpation of power by the Federal courts, through proposed "force bill" legislation, through efforts to alter the longstanding rules of the United States Senate and through a myriad of similar devices, our system of government, as wrought by the Founding Fathers, is under sustained attack.

Not being able to carry their point under the system, its enemies have set out to destroy the system itself.

Of course, you and I know that if they succeed, they would not only destroy the greatest country on earth, but themselves in the process.

I am convinced, too, that the irresponsible fiscal policies being followed by our Government are a threat to our national existence.

Being such a threat, there is always the danger that a great deal of our spending may be prompted, without full justification, by those who would hasten the day of our insolvency.

Senator BYRD for many years has raised what appeared at times to be a lone voice against waste and extravagance in the Federal Establishment. Now, his legions are growing on the groundswell of a grassroots demand to cut nonessential spending.

During the last decade our Nation has shown the greatest growth of any period in its history.

Yet this growth is being imperiled by profligate spending policies.

The brave pronouncement of stabilizing the cost of living has fallen by the wayside.

During the coming fiscal year, the Federal Government expects to collect in taxes out of the people of this country the stupendous total of 75.8 billions of dollars.

This means that about one-sixth of the gross national product of the country will be paid in Federal taxes.

One wonders how long this Nation will survive such a drain on its economy.

The policy of hard money for the people and easy money for bureaucrats does not make sense to me.

There is no reason why the Federal budget should be any greater than that of 1955–56, which totaled $66.5 billion. By all economic yardsticks, it should be less.

The inflated $71.8 billion spending bill currently pending before Congress can be cut at least $5½ billion without impairing national defense or curtailing a single program of essential services affecting the masses of the people.

The only really effective way to trim Government spending—and I learned from experience as governor of a State—is through across-the-board budget reductions and refusal to inaugurate new spending programs. With the exception of defense and debt interest requirements, such a formula is needed to cope with the present Federal budgetary situation.

I favor such a cut of 6 percent which would save $1,584,000,000.

Additionally, I think the budget should be cut in four other ways. The first would be the discontinuation of all foreign economic aid—saving $1,800,000,000. The next would be the elimination of all but $1 billion of foreign military aid—saving $1,600,000,000. Thirdly, I would not enact the proposed program of Federal aid for education—saving $451,000,000. And, finally, I would reduce propaganda spending by $85,000,000—making a grand total budget cut of $5,520,000,000.

The across-the-board cuts could be absorbed almost entirely through a reduction in administrative costs, through institution of economy and more efficient practices and through streamlined methods without detriment to essential Federal services.

In fact, many agencies and departments are carrying over large amounts of money from year to year.

Tremendous defense and other savings could be realized through a continuing congressional review of all unexpended appropriations to determine their validity in the light of present conditions.

As far as the services themselves are concerned, appropriations to them should be determined in light of the latest technological advances as well as through a concerted effort to eliminate duplication and to reduce manpower through full utilization of latest developments and ideas in weapons and tactics.

In the field of foreign spending, the time has come for a thorough and sifting examination of each foreign economic aid proposal and for the same careful scrutiny of each and every military assistance project, to insure that the American taxpayer is getting his money's worth in national security.

Our government has grown so large and its activities become so extensive that no one disputes the fact that there is much waste in its operations.

My view is that the best way to eliminate this waste is through reducing appropriations.

By eliminating useless and nonessential spending, we can assure a continued balance of the Federal budget and make possible an immediate reduction in Federal income taxes of as much as 10 percent.

I am proud to associate myself with your senior Senator in his efforts to secure for the American people a sounder and more realistic Federal budget. I am optimistic that, as long last, his crusade in the interest of the oppressed taxpayer will this year be crowned with at least a measure of success.

I say with all candor that unless the present policy of Federal spending is held in check, all hope of a tax cut at any time in the future will vanish and we will be confronted with another round of Federal tax increases and more likely the imposition of additional new taxes.

I do not believe the American people will stand for this, but we are headed in that direction.

It is said that unless we in the United States scrap our archaic and outmoded conceptions of constitution law; unless we destroy trial by jury and other safeguards under the Bill of Rights; unless we adopt all manner of measures regulating human morals, racial and religious conduct; unless we discard our valued and long-established institutions; unless we scatter our wealth and resources to the four corners of the earth and unless we surrender our national pride and sovereignty, that Russia will exploit these failures or shortcomings against us.

Now, I ask, Who cares what Moscow thinks, says, or does?

It would be of little value to anyone if, in recklessly seeking to appease other countries, we destroyed our own.

If we make our policies to meet Communist criticism or propaganda, we should abolish private enterprise, representative Government, private schools, independent courts and every other institution of our society.

That brings to mind a legitimate question: Just whom are we trying to impress with our panicky and unstable policies?

By destroying our heritage, are we trying to impress some of the South American countries where military juntas preside over the life or death of every citizen?

Are we trying to impress the Communist butchers who tied the hands of American soldiers behind their backs and machinegunned them into a common grave?

Are we trying to impress the potentates of the Middle East in whose domains slavery is still the practice and maiming of the body is punishment for a minor infraction of the law?

Are we trying to impress the tribal chieftains of Africa?

Are we trying to impress the dictator Nasser who knows no law but force?

Are we trying to impress Nehru and members of his Congress Party of India where in the most recent election the caste system, sacred cows, communalism, and astrology were the issues foremost before the people?

Now, when this Nation reaches the place that her leaders are more concerned about what a foreign Communist propaganda agency does or says than they are about preserving the internal structure of our Government, than they are about protecting the rights and liberties of our people, than they are about maintaining the solvency and sovereignty of our Nation, than they are about upholding the reserved rights of the States and the people, then, my friends, we are in bad trouble and had better assert ourselves.

For once the flame of liberty afforded under our present form of government has flickered and gone out, it will never again shed its light and warmth over this land of ours.

Then it will be too late to lament over what once was or what might have been.

In conclusion, I make this observation.

Sometimes we may be justified in feeling frustrated with the policies of our Government.

But we must never sell America short nor should we discount the loyalty, courage, honesty, ability, and sincerity of purpose of the American people.

They have demonstrated again and again their intense determination to meet and to overcome whatever challenges may confront them.

Because of this, I am confident that this Nation will survive in spite of all the mistakes of its governmental leaders may make.

I hold fealty for both my State and my Nation.

In no instance has there been any conflict or problem for me for I know, as every loyal American knows, what is best for my State also is best for the country as a whole.

Washington needs to pause for reflection and for a reevaluation to realize fully once again from whence comes all freedom, all equality, all strength, all integrity, all security, and all those other precious attributes identified with our growth as a nation.

There must be a complete return and a sincere rededication to the fundamental teachings of the Holy Writ.

There must be a renewed respect for the true meaning of the Constitution and a respect for law as it is written.

There must be a practical recognition of the fundamental laws of nature.

There must be an instillment of sound business practices into the government.

And, there must be a solid determination on the part of all public servants to keep faith with the people.

Americans must be freed of the attendant evils of bureaucracy, red tape, intimidation and tyranny so that our people may once again be masters of their own destiny.

As for me, and the future of this country, I put my faith in Almighty God and in the sound judgment of my countrymen as we work shoulder-to-shoulder for right and justice.

To this concept, I am pledged.

To this concept, I give my energy and devotion.

Admission of Members of United States Armed Forces to the Dhahran Airbase

---

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an exchange of correspondence with the State Department on the subject of the admission of members of the United States Armed Forces to the Dhahran Airbase, in view of the restrictive provisions—with which I thoroughly disagree—on the part of the Government of Saudi Arabia; and also an editorial on the same subject published on April 25, 1957, in the New York Times.

There being no objection, the correspondence and editorial were ordered to be printed in the RECORD, as follows:

TEXT OF A LETTER DATED APRIL 17 FROM THE DEPARTMENT OF STATE TO SENATOR JACOB K. JAVITS

DEAR SENATOR JAVITS: I have received your letter of April 9, 1957, to the Acting Secretary, enclosing the statement which you made on that date before the Senate on our relations with Saudi Arabia. We appreciate the opportunity to review your remarks on this subject and, in response to your request, to provide comments on points raised.

As you point out, the various interested agencies of the Government consider the retention of the United States rights at the Dhahran Airfield of importance to our national security. The recent significant round-the-world flight of B–52 aircraft refueled, for example, over Dhahran.

Our recent discussions with Saudi Arabian representatives here were concerned with arrangements which would continue the United States rights at the airfield under the

UNIVERSITY OF MICHIGAN LIBRARIES

agreement of June 18, 1951. The text of this agreement, including its recognition of the sovereignty of Saudi Arabia over the airfield and the right of that Government to require visas of all persons entering Saudi Arabia, was not at issue.

We did, however, during these discussions express our special concern over restrictions on the admission of persons of the Jewish faith into Saudi Arabia. The representatives of Saudi Arabia explained that their regulations were not intended to discriminate against citizens of another country on the basis of religion, but were related to the tensions arising from the Arab-Israel dispute. The hope was expressed that Saudi Arabia would be able, as these tensions were eased, to eliminate restrictions arising from them. The Department will continue to take every appropriate opportunity to emphasize the continuing concern of the United States over the existence of these restrictions.

We can assure you that, whenever the question of slavery arises and there is firm evidence of its practice, the United States makes known its opposition to the continuance of this practice. We do not consider, however, that complete agreement with the United States on all matters is a prerequisite for cooperation in essential areas of foreign affairs.

We also note your remarks concerning King Saud's relations with President Nasser of Egypt. It is true that Saudi Arabia has associated itself with Egypt in aspects within the framework of Arab regional policy. At the same time, King Saud has emphasized his opposition to communism and his close friendship with and support for the United States. I know that you will agree with this attitude on the part of the ruler of a key Middle Eastern country is of considerable significance.

We believe that the recent visit of King Saud to this country was successful in creating greater understanding between the two Governments. We will continue to exert efforts to resolve those areas of disagreement which may still exist between us.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.

TEXT OF A LETTER DATED APRIL 18 FROM SENATOR JAVITS TO THE DEPARTMENT OF STATE

DEAR MR. SECRETARY: Receipt is acknowledged of the Department's letter of April 17 regarding relations with Saudi Arabia. I note the following key phrases: in respect of the barring of United States soldiers of Jewish faith from our base at Dhahran that "The Department will continue to take every appropriate opportunity to emphasize the continuing concern of the United States over the existence of these restrictions." With respect to the fact that Saudi Arabia is backing Colonel Nasser's particular brand of Mideast chauvinism with heavy overtones of Kremlin manipulation, the Department says: "It is true that Saudi Arabia has associated itself with Egypt in aspects within the framework of Arab regional policy. At the same time, King Saud has emphasized his opposition to communism and his close friendship with and support for the United States." I must dissent from the conclusion that either of these statements represents an adequate United States position. The Department should be taking much firmer steps than apparently are being taken or contemplated in respect of both of these urgent issues.

To allow the discrimination against United States soldiers—as well as United States citizens—by the Government of Saudi Arabia because of their Jewish faith is a grave retreat from the highest American traditions and principles. It is an intolerable situation which began in the previous administraton in June 1952 and continues into this administration. It is contrary to the policy adopted by the United States in the early 1900's in its relation with Russia, and it is contrary to Senate Resolution 323, adopted on July 26 last, protesting such discrimination. It certainly cannot be reconciled with the Department's statement that King Saud has emphasized "his close friendship with and support for the United States."

I can see no fair reason for our Government's tolerating any connection between "the tensions arising from the Arab-Israel dispute" and the barring of United States soldiers from a United States base, contrary to American tradition and practice, and I believe that the Department should allow of no such connection.

Saudi Arabia has recently joined Egypt in seeking to bar peaceful international shipping from the Gulf of Aqaba in direct opposition to the findings of our country that these were international waters available to all for peaceful commerce. This represents far closer association in actions disruptive of United States policy and international peace than the Department apparently recognizes in his statement: "that Saudi Arabia has associated itself with Egypt in aspects within the framework of Arab regional policy."

On the contrary, considering the assumptions encouraged by both the United States and the United Nations under which a withdrawal of Israel's forces recently took place, this action on the part of Saudi Arabia can only complicate the situation for our country and again endanger international peace. This stand by Saudi Arabia is certainly not an evidence of "close friendship with and support for the United States."

I do not get the impression from the Department's letter that there will be a determined and continuous effort to undo the injustices which I have described above, with clear notice to the Government of Saudi Arabia that the actions set forth above are not tolerable within the friendship which is professed toward the United States on the part of Saudi Arabia, and cannot be continued indefinitely.

A 5-year extension of the United States right to use the Dhahran Airbase may be justified on security grounds, and in that I have the greatest respect for the judgment of our President; but to tolerate the barring of United States soldiers from the Dhahran base or Saudi Arabia's backing of Colonel Nasser and his defiance of the United Nations and the whole free world is contrary to the interests of the United States and of peace, is intolerable, and the Department's policy should not allow of it for an indefinite future.

Respectfully,

JACOB K. JAVITS.

[From the New York Times of April 25, 1957]

AMERICANS IN ARABIA

The refusal of the Saudi Arabian Government to admit American citizens of the Jewish faith extends even to American soldiers manning the airbase at Dhahran under the recently renegotiated agreement with the United States. Thus our own Government is in effect a party—however unwillingly—to an outrageous discrimination against Americans on the basis of their religious belief.

In a letter to Senator JAVITS the State Department has pointed out that it had vainly expressed special concern over the restrictions, but that the Saudi Arabians had said "their regulations were not intended to discriminate against the citizens of another country on the basis of religion, but were related to the tensions arising from the Arab-Israel dispute." We do not believe this Arabian statement to be true; but even if it were true, its implications are totally unacceptable. The Saudi Arabian Government is saying that Americans of Jewish faith must necessarily have a political allegiance to a foreign government, Israel, to which Saudi Arabia is hostile, and that therefore these Americans must be treated on the same basis as if they were Israeli citizens. This is an intolerable suggestion reflecting on the loyalty of loyal Americans; and it is even more intolerable that the State Department is willing to bow, reluctantly or not, to such a suggestion.

Secretary Dulles' additional explanation at his press conference Tuesday is equally unsatisfactory. He reports at this late date that King Saud's negative attitude toward lifting the ban against American Jews was at least partly explained by the cold shoulder Mayor Wagner had given the Monarch on his arrival in New York last January. Disgusted as we were by the mayor's rudeness to an official visitor, we think that this incident is a pretty sorry excuse for Mr. Dulles to be making on behalf of the King. The fact still remains that the United States Government is acquiescing in religious discrimination against its own nationals, contrary to the principles of a Senate resolution passed last July and contrary to the historic position of our Government in dealing with such problems in the past.

Depletion of Oregon Timber

EXTENSION OF REMARKS
OF
HON. RICHARD L. NEUBERGER
OF OREGON
IN THE SENATE OF THE UNITED STATES
Wednesday, May 1, 1957

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a cogent editorial from the Oregon Labor Press of April 19, 1957, entitled "Who Will Rescue Oregon When Our Timber Is Gone?" I also ask permission to include an interview with me by Paul Hauser which appeared in the Oregonian, of Portland, Oreg., for April 21, 1957.

This interview describes some of my views on the unfortunate economic situation which has brought Oregon's average incomes on a downhill slide during the past 10 years, in relation to the national average.

I present this material for the attention of the Senate so that other Senators can study some of the economic problems affecting a major region of the Nation—the Pacific Northwest. These problems require national solution, and they demand new policies from the Eisenhower administration; namely, an end to the hard-money program and a return to the Bonneville low-cost-power program.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Oregon Labor Press of April 19, 1957]

WHO WILL RESCUE OREGON WHEN OUR TIMBER IS GONE?

Statistics may be dull, but they can be wonderfully revealing.

A monthly statistical bulletin is issued by the Oregon State Unemployment Compensation Commission. It's full of graphs and charts and tables and percentages and averages. They're not very inspiring to read, but often they reveal vital information that can't be found anywhere else.

This month's bulletin is especially interesting because its cold statistics actually reveal why it's so tough to find a job in Oregon to-

day and why Oregon seems to have slumped into an economic recession while other States enjoy greater prosperity.

First of all, the bulletin reveals that 48,100 Oregonians were looking for work during the first week of April, as compared with 42,200 a year ago. More alarmingly, the commission sees little indication of the usual spring gains in lumber, logging, and other seasonal occupations.

More than 40 percent of Oregon's jobless are in the lumber and logging industry. No one denies that Oregon's unemployment crisis is the direct result of the slump in the lumber and plywood market.

The Eisenhower administration decreed a policy of hard money and high interest rates. As a result, the profits of banks are at an alltime high, but home building is at its lowest level since 1949. Fewer houses mean less demand for lumber. The lumber industry is hard hit—and so is Oregon, the Nation's leading lumber State.

When lumber slumps, Oregon slumps. The dangerous and frightening degree to which Oregon's prosperity depends upon the lumber industry is revealed by these figures from the State statistical bulletin:

Almost one-quarter (24.2 percent) of all workers in Oregon are employed in lumber and wood products. No other State depends upon lumber to any such degree.

California is a close second to Oregon in the production of wood products—but less than 2 percent of all California workers are employed in this industry. Washington ranks third in lumber production but only 9.2 percent of Washington's workers depend upon lumber for their weekly paychecks.

In short, Oregon's entire economy depends to an alarming degree upon an industry that has three very serious shortcomings:

1. Employment in lumber and logging is highly seasonal, with long winter layoffs. Dependable year-around payrolls are found only in a small part of the wood-products industry.

2. Full employment in the lumber industry seems to depend upon hundreds of small mills and fringe operators who can be shut down by a small drop in price or demand for lumber or plywood.

3. Oregon's prime stands of timber soon will be gone. The lumber industry has cut its way steadily southward, starting on Puget Sound half a century ago. Now it is rapidly chewing up the last great stands of Douglas fir in southern Oregon.

What will happen when Oregon's last stands of prime timber are gone? Our neighboring State of Washington set an example of good luck or good management when her timber began to disappear. Washington's dwindling lumber jobs were replaced with year-round payrolls in aircraft at Boeing, in atomic energy at Hanford and in aluminum in many cities, large and small.

In other words, low-cost Federal power saved the payrolls of the State of Washington. For low-cost power is essential to aircraft, aluminum and atomic energy.

But will there be enough new low-cost power from Federal dams to work a similar economic transformation in Oregon? The answer is "No"—unless the Eisenhower administration's giveaway at Hells Canyon can be stopped and its antipublic power policies can be reversed.

That's why organized labor in Oregon is fighting to save Hells Canyon, fighting for full Federal development of our rivers. We're trying to save our jobs and the future of our State.

We want to make the best possible use of falling water—the only major resource we'll have left when the best timber is gone.

We want to reverse the economic trend that began in 1947, when Oregon's per capita income was $202 ahead of the national average. Last year the incomes of Oregon citizens had dropped $10 below the national average.

[From the Oregonian, Portland, Oreg., of April 21, 1957]

NEUBERGER RUES PAYROLL DECLINE, SEES CHEAP POWER AS ONLY REMEDY

(By Paul Hauser)

Senator RICHARD L. NEUBERGER is concerned that Oregon is on a downhill trip on the payroll escalator and sees buildup of an available bulk of low cost power sufficient to attract new industries as the only hope of changing direction.

NEUBERGER arrived in Portland Saturday for a week-long stay during Congress' Easter recess and met the press at his home, 1910 Southwest Clifton Street.

"I don't think I can stress enough the serious economic situation confronting Oregon," said the Senator. He pointed out that in 1947 per capita income of Oregonians was $202 above the national average and has since sunk to $13 below.

"We've been coming down the escalator for 10 years," he said.

PAYROLL NEEDS CITED

"Unless Oregon gets some new basic year-around payrolls we're going to have real difficulty maintaining the school standards, the educational standards and the welfare standards we've been accustomed to."

But NEUBERGER foresees only "some slight chance" that Congress will find any money at all in the current controversial budget for a start next year on the 1-million kilowatt John Day Dam. None was provided in the President's budget and it's 10 times as difficult to put in than to cut out.

Lack of unanimity on such major projects, the Senator said, is "the monkey on our back in the Northwest."

GOOD PROGRAMS SUFFER

"When some other part of the country is working for a Federal project you see an enormous unified effort * * * but most of the opposition to the great Federal projects in the Northwest comes from our country."

Senator NEUBERGER said he fears that many small but worthwhile programs in fields of health and school aid will suffer in the current hysteria over the budget.

He noted that funds for cancer research were cut back in the administration's budget.

"Actually they ought to be multiplied 10 times for a real crash program such as developed atomic energy."

Foreign aid, a program with "no friends," is likely to suffer as well, but NEUBERGER, who has backed up President Eisenhower's foreign-aid program as a bulwark of peace, said he would hate to think of placing the United States in a category of a country willing to be "profligate with soldiers but stingy with dollars."

DOUBLE STANDARD FEARED

NEUBERGER spoke again of his conviction that great campaign funds are leading to "a hopeless double standard of morality in Government."

"How can we say a little bureaucrat is hopelessly committed when he accepts a deep freeze, and yet allow governors and Senators to accept tens of thousands as campaign contributions?"

Senator NEUBERGER and others are working on bills which would provide Federal financing of congressional campaigns, limiting individual contributions to $100, and giving income tax credit up to $10 for individual contributions to political parties.

SYSTEM CALLED WRONG

NEUBERGER said he believes the present system of political campaign financing is leading to freezing of the Democratic Party as the party of labor and the Republican Party as the party of business. He thinks it "inherently wrong" either way.

"My whole basic belief is that a man should not enter public office obligated either to organized labor or to corporations or businesses."

NEUBERGER will discuss a set of 6 standards for labor unions at his first public appearance of 7 scheduled this week before the Portland Central Labor Council, Monday night.

Labor's Responsibility to Freedom

EXTENSION OF REMARKS

OF

HON. BARRY GOLDWATER

OF ARIZONA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. GOLDWATER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I made this morning to the United States Chamber of Commerce.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LABOR'S RESPONSIBILITY TO FREEDOM

(Address of Senator BARRY GOLDWATER before the United States Chamber of Commerce, Washington, D. C., May 1, 1957)

A reference to your program will disclose that the subject of this discussion is Labor's Responsibility to Freedom. I do not intend to adhere to that rather confined topic because I feel that all of us have responsibilities to freedom, not labor alone; and, while certain leaders of labor today are doing more, I feel, to destroy some of the tenets of our freedom, I believe that all of us should pause at this time in our history and ask ourselves, "What are we doing toward our responsibilities to freedom?"

In proceeding to discuss this topic with you today, I intend to outline not only the responsibility of the leaders of labor to freedom, but also to touch upon what I feel is the responsibility of business and professional people to this same magnificent blessing.

Who is the enemy of freedom? If freedom is our thesis what is the antithesis? A philosophy of government, or of business, or of labor? None of these segments of society are any particular menace to freedom until they make power and authority their goal.

Any group which seeks to impose its will upon a single unwilling citizen through the exercise of unrestrained power outside the law, or by the corruption of the law, is the enemy of freedom. Power itself is the enemy of freedom.

Lord Acton once said: "Power tends to corrupt and absolute power corrupts absolutely."

History reveals the greatest violence to freedom has always been done by men or institutions who made power the supreme goal of their life. Power is invariably created as a collective effort and then exercised by one or two individuals using the power of the collective to enforce their personal wills to achieve their personal ambitions and goals.

Organization into like-minded groups with a common aspiration has produced much that is good in America. Our service clubs, our trade associations, our kids on the sandlots playing little league baseball, our political parties, and our trade unions—were all organized in an effort to unite like-minded men so that a goal beyond the reach or ability of any single individual might be obtained through collective effort.

I heartily subscribe to labor's trade-union principle. Trade unions sincerely concerned with bettering working conditions, with improving the skill of artisans, with preserving

UNIVERSITY OF MICHIGAN LIBRARIES

the integrity of a trade or a craft, have made a magnificent contribution to our 20th century society. In our Nation the dignity of honest labor has always been respected. No man has ever presumed to look down upon another because of his occupation, and I pray such a day will never come.

I went to school with a carpenter's son, the watchmaker's boy was my dear friend, and the captain of our football team was the son of a blacksmith. The fathers of these men were valiant servants of freedom.

They went to Cuba with Teddy Roosevelt. They built the railroads across the western plains. They harnessed the rivers and made the valleys green.

Their lifetimes of honest toil set a standard for the working man in America which is today besmirched and tarnished and dragged in the mud by certain labor leaders who have made absolute power their only goal, who defy the law, who employ violence and brutality to enforce their will upon those free workers who dare to rebel against the all-powerful union boss.

Freedom is menaced today by those leaders of organized labor who have renounced their historic responsibility to their union members and established political power as the total objective of their organizations.

The objective of labor organizations, as recognized in the Clayton Act of 1914, and in numerous pieces of legislation since that time, is collective bargaining and attainment of better hours and better wages for the working men and women of America. With those purposes, no American can find fault. Rather, all should encourage their advancement.

Today, however, certain leaders of labor bring to the bargaining table, not only the strength of their arguments, to which they are entitled, but they are able to place by their side and at their backs the power of politics. Mr. Reuther constantly cries out against big business and against the monopoly of big business. He decries any effort other than his own to find political favor through pressure upon the political parties of America. Yet, through the use of his almost limitless millions of dollars, and his likewise almost limitless manpower, he has practically dominated one political party and, in my opinion, has ceased to be a leader of labor and has become, instead, a leader of politics.

This constitutes a usurpation of power and, as I have said before, power is dangerous in the hands of anyone, be it management or be it labor.

Let's take a look at the power that certain leaders of labor have been able to amass in the labor field.

In 1955 Mr. Walter Reuther, commenting on the merger of the AFL–CIO said: "This will make labor one of the most powerful forces in the Nation."

Mr. George Meany said: "It goes without saying that labor unity will provide a more effective instrument for political action."

President Charles Schultz, of the Wisconsion CIO, had this to say: "Most of the membership realizes that political action is the right arm of collective bargaining." And then he added: "We know that if we had a Democratic governor in Wisconsin the Kohler strike would have been won."

In the Senate of the United States the McClellan committee, of which I happen to be a member, is currently investigating alleged tieups between the leaders of organized labor and racketeers and vice. With great piety Mr. Walter Reuther has called for a cleanup inside labor. He has, by inference, condemned those leaders who have used union funds for their personal benefit.

May I emphasize that it was the misuse of union funds which produced these wails of anguish from Mr. Reuther? And may I suggest that the freedom of the individual and the safety of the individual is far more valuable than all the moneys in all the union treasuries in all the world.

In the single instance of the strike against Kohler in Wisconsin, Mr. Reuther and the UAW have done more damage and violence to freedom than was accomplished by all the peculiar financial transactions of Mr. Dave Beck.

The strike against Kohler has been given only passing attention by the liberal press of our Nation. It is perhaps hardly newsworthy because these same tactics of brutality and violence have been used so many times in the past.

If not newsworthy, the actions of the UAW against Kohler are certainly worth reporting as a typical example of the lawlessness of a power-hungry labor union determined to impose its will upon the free workers of an industrial plant.

On April 5, 1954, a group of Mr. Reuther's Automobile Worker's Union members went out on strike against the Kohler Co., of Kohler, Wis., a manufacturer of plumbing fixtures and fittings. Following a back-to-work movement the plant was reopened. Today that strike is still in progress. The issue at stake is union control of employment at the Kohler plant.

The union first asked for a strict union shop—this, despite a Wisconsin right-to-work law. It finally said it would settle for maintenance of membership clause, one which would require that union members maintain their membership in order to keep their jobs. Herbert Kohler, the company head, believes in the right to work for any man and has refused to surrender to the union.

Mr. Walter Reuther dispatched Emil Mazey, secretary-treasury of the UAW–CIO, to the Kohler plant to run the strike. Mazey took with him a collection of union thugs. One of his associates was William Paul Vinson, a 27-year-old, 6-foot, 200-pound organization expert.

William Paul Vinson slipped up behind 50-year-old, 140-pound, Willard Van Ouwerk, who, with his wife, had been shopping in Sheboygan, and struck Van Ouwerk from behind, knocked him unconscious, kicked him, and trampled him, sending him to the hospital with internal injuries, a crushed chest, a pierced right lung, and four fractured ribs.

This, may I emphasize, was an assault upon a free American who had never done any harm to William Paul Vinson or to Emil Mazey or to Mr. Walter Reuther. Mr. Van Ouwerk's great offense was that he had refused to join the union and strike the plant.

In the course of time Vinson was brought to trial before a jury of 4 women and 8 men.

Vinson was identified by five witnesses as the perpetrator of that vicious attack. The jury found him guilty and a circuit court judge of the State of Wisconsin sentenced him to serve 2 years in the State penitentiary.

The union's reaction to this orderly process of law was authorized by Mr. Emil Mazey.

Mr. Mazey castigated the judge, questioned his integrity and his ability, and then ordered union members to stay away from three small grocery stores because the judge owned a small amount of stock in these American businesses.

The strike at Kohler continues. The union under the direction of Mr. Walter Reuther, and through his lieutenant, Mr. Mazey, has used every method ever employed to win a strike. It has used violence, it has brought in goons to instill fear. More than 700 acts of violence and vandalism against nonstrikers, including brutal beatings, shotgun blasts into windows of homes, dynamiting of homes have been reported since the strike began.

And Mr. Walter Reuther's union has spent more than $12 million of union funds in an attempt to win this strike.

The issue has gone far beyond any desire to win a strike. Mr. Don Rand, international representative of the UAW and one of Mr. Reuther's boys, recently made this statement: "It seems to me it is almost sinful to have any labor dispute degenerate to the point this one has where we actually have to wreck the company—that's what we're doing, wrecking the company."

In the name of freedom, I ask you—does Mr. Reuther have to wreck the company to satisfy his lust for personal power over the employees of the Kohler plant? It is almost sinful, says Mr. Rand, to destroy an American business and the jobs of American working men because the American business will not surrender its freedom to the dictates of Mr. Walter Reuther.

And how is the union going about its efforts to destroy the Kohler Co.?

Well, they sent in goon squads to incite riots at Sheboygan, Wis., to prevent a supplier of English ceramic clay from unloading his vessel for transshipment to the Kohler plant.

Then the union used its power and influence to prevent the unloading of that vessel at Milwaukee.

In the name of freedom I ask you—is this America? Where force and violence can be used with impunity to destroy the peace, to impose the will of one man upon a community or upon a manufacturing plant.

In this strike we see the long strong arm of the political power of Mr. Reuther. Unfortunately nine governmental bodies in this free Republic have succumbed to union pressure and have enacted legislation to create a compulsory boycott of the Kohler products.

Oh, the union wasn't quite so direct as to ask these governmental bodies to enact an embargo against the purchase or installation of the Kohler products specifically. No, they are much cleverer than that. They secured the enactment of legislation to prevent the installation of products from any plant which was being struck by a union.

I ask you, how could Lincoln Park, and River Rouge, Mich., or Bristol or New Britain, Conn., or the Massachusetts House of Representatives, or Boston or Lynn or Worcester, Mass., or Los Angeles County, Calif., so desert the principal of freedom as to bow down to the will of this one man, Walter Reuther, and his ruthless, determined attempt to rule or ruin the Kohler plant?

"How?" I have asked. Political power is the answer, and power in the hands of any man is not good.

Let me cite another example, a report in the Chicago Tribune of July 29, 1955. On that day Angelo Inciso, an ex-convict and top man of local 286, of the AFL workers, served notice upon Rear Adm. Daniel V. Gallery, Chief of the Naval Air Reserve Training, that union pickets were prepared to stop all truck deliveries into Glenview Naval Air Station.

Trucks were stopped and there was no incoming traffic. Now why was this union picketing the naval station? Not because of any action taken by naval authorities or Navy suppliers, but because four sailors on permanent duty at the station had been working nights when off duty at a small electronic shop.

Perhaps the sailors had wives and children. It's just possible that they thought they were free to earn a few extra dollars to supplement their Navy pay, to buy necessities or conveniences for their wives, their children, or themselves. But this did not suit the concept of America nourished by Angelo Inciso, union boss and ex-convict.

Who won this battle? The union won the battle, and the then Under Secretary of the Navy, personally telephoned the base to give his orders to instruct the four sailors to give up their employment.

Oh, yes, Mr. Walter Reuther believes in freedom. He and the members of his union

are quick to stand upon their rights as American citizens whenever and wherever their brutal tactics of absolute power have been questioned or criticized.

Mr. Walter Reuther also believes in freedom to spend the money collected from union members in any fashion he may desire, and Mr. Reuther insists that freedom encompasses his right to spend union dues money for political purposes at any level.

Mr. Reuther defends his spending of compulsory dues money for political purposes by saying that they do not spend this money in national elections, but use only contributed money. Mr. Reuther ignores the moral error in this practice while, at the same time, speaking from every platform about the moral rightness or wrongness of issues. I ask him, "What is morally right about spending the dues money of members of one political faith to defeat candidates of that same faith?"

It makes no difference whether this money is spent at the national level, the State level, the county level, or the local level. It is morally wrong and Mr. Reuther knows it. Yet, he continues to do it.

Why? Because money can bring him political power, particularly when this money is coupled with the thousands of men he can put in the field for political purposes. Mr. Reuther proclaims that he is a stanch protector of freedom, but Mr. Reuther denies the political freedom of his own members.

Mr. Reuther believes in the right and freedom of Mr. Emil Mazey to openly castigate a duly elected judge of the courts of the State of Wisconsin.

And Mr. Reuther undoubtedly believes in the freedom of Mr. Mazey to order a boycott on a grocery chain in order to do some injury to the judge who presided at that trial.

Mr. Reuther believes in the freedom of Jim McDevitt to appear at a banquet given in honor of four convicted union leaders in Scranton, Pa.

Mr. Reuther believes in freedom—his freedom to use political force to obtain the ordinances which have been enacted to penalize the sale of Kohler products in those nine communities.

And we can assume that Mr. Reuther would defend the freedom of his bully boy, William Paul Vinson, to assault a 150-pound peaceful nonstriker and send him to the hospital for 22 days.

And we can assume that Mr. Reuther would defend his freedom to dispatch 400 union "toughs" to the town of Clinton, a town, mind you, with only 1,600 population.

Mr. Emil Mazey took these 400 union muscle men to Clinton. Mr. Walter Reuther would defend his freedom to use political power to prevent the extradition of a unionist who was accused of an assault on a nonstriker and then fled to Michigan to escape prosecution.

Mr. Reuther speaks loudly in the name of freedom. He speaks out against big business and the dangers of their monopoly. But he carefully ignores the monopoly and the power of that monopoly in politics which he himself has created. For example, at the Democratic National Convention in 1956 there were over 200 delegates who were not just rank-and-file union members but who were leaders in the labor movement.

Now, I don't decry union members or union officials being delegates to national conventions. In fact, the Republican convention had over 60 who were rank-and-file members of the union movement. But when Mr. Reuther can dispatch over 200 delegates to a convention, I suggest to you that that is the breeding of power of the worst kind.

Mr. Walter Reuther would defend his freedom to instruct every paid employee of the UAW in Michigan to get out and work for the Democrats—and to recruit hundreds of additional workers and pay them with union funds.

Mr. Reuther would defend his freedom to ask men to leave their jobs and work for a political party, and these men are paid out of union dues—dues, mind you, that were collected from members of both parties. One thousand, five hundred and eighty men worked for an undisclosed number of days at a salary of $20 per day, plus $5 expenses, which, by my calculations, totals $37,000 a day. These men were employed to impose and enforce Mr. Reuther's political will upon the free voters of Wayne County.

Mr. Reuther urges that organized labor take the leadership in world affairs. Is he suggesting that the man at the lathe, or the man with the wrench, or the man at the drawing board, drop his tools, don striped trousers and become the leader in world affairs? Or, isn't he saying, in fact, that the labor leaders, such as himself, should assume that world leadership?

Mr. Reuther believes in the political and economic philosophy of the Americans for Democratic Action. He believes in and is a member of the Committee of the "Conference of Economic Progress," an organization that believes wholeheartedly in the Federal Government controlling our economic system.

Mr. Reuther believes in a liberal program for America. Not the kind of liberal program that the true liberals of history have espoused, but a liberal program based upon Federal control and Federal domination of our lives. Another of our great labor leaders, Mr. Meany, has echoed this belief, although it is difficult for me to believe that George Meany believes in the economic or political philosophy of Mr. Reuther. Mr. Meany said, "While the 85th Congress will not be predominantly liberal, we now have renewed hope for accomplishing that objective in 1958."

Before that, on November 25, 1955, Mr. Meany said: "It goes without saying that labor unity will provide a more effective instrument in political action. Our major objective is to elect strong, liberal majorities in Congress."

What right do Mr. Reuther or Mr. Meany have to stand up and speak for 16 million Americans, on the assumption that the labor movement will elect a liberal Congress?

I know working people. I employ people. I have worked with people all of my life, and I don't think the working people of this country want the kind of liberalism that Mr. Reuther espouses any more than they want outright socialism. But, on the other hand, what Mr. Reuther preaches is socialism.

Power is the root of evil. Power is the enemy of liberty. And here we have a most obvious example of a man's personal desire for political power being exhibited across America. Mr. Reuther said on November 30, 1955, "With the forthcoming merger of the CIO and AFL * * * will make labor one of the most powerful forces in the Nation."

Now, if he wants to use that power for collective-bargaining purposes, then he is within the limits of his constitutional and moral rights. But if he persists in using that power as he has been, to control a political party, in an effort to control the politics of America—then he is out of bounds.

You may doubt the far-reaching effects of this political power. If you do, let me read you a short sentence or two from the report of the executive council of the American Federation of Labor for the year 1953. This statement was made in connection with the recommittal to the committee of a bill which would have amended the Taft-Hartley Act in certain respects. Among those amendments was one that I had proposed which would give the States more power in settling labor disputes. Here is the long, strong arm of the union leaders reaching into the Senate of the United States, and I quote: "We, therefore, permitted the debate to continue for a couple days and then Senators X and Y presented fair labor practice amendments. This, of course, put the southerners on the spot because they were obliged to oppose this and it also did the same for the Republicans who, as a party, are supposed to favor the proposal. The A. F. of L. was opposed to a FEPC proposal being added to a labor bill. We then made arrangements with Senator Z to offer the motion to recommit before any amendments were voted on and as all factions were fearful and more or less confused, they voted to recommit the bill, 50 to 42."

Mr. Reuther believes that it is perfectly all right for labor to flex its political muscles in the Senate of the United States but he thinks, at the same time, that it is wrong for businessmen or professional men to do the same thing. I don't condone this practice. In fact, I regret that any group in America, whether it be labor or business, has the political power to go to the floor of the Senate and disturb the normal operations of that body. I mention this to you only to show you the extent to which the political power of these men has grown through their immoral use of dues money and manpower.

May I suggest that Mr. Walter Reuther is free to exercise his talents as a leader of a true trade-union movement in the United States? He is also free to enter politics and to utilize his talent for organization in either political party or form a new one.

May I suggest that Mr. Walter Reuther's present program of exploiting the labor-union movement to create a machine for personal political power is an affront to freedom and a challenge to every citizen in our Nation?

Now is the time for the working men of America to rise up against this cynical perversion of the union movement by certain labor leaders.

Now is the time for the working men and women of America to reaffirm their faith in the freedom and integrity and importance of the individual.

Now is the time for every citizen of this free Republic to renounce and condemn those who seek to fashion machines of absolute power.

Now is the time to reject and renounce that collectivist philosophy which regards man as too weak or too stupid to care for himself and proposes that man can only meet his destiny through the machinery of an all-powerful organization.

I suggest to Mr. Reuther this morning that he seriously and carefully ponder the position in which he finds himself. He can be a leader of labor and obtain for labor, through collective bargaining, those things to which they are entitled, or he can become the leader of a political movement. I suggest that he cannot be both at the same time because if he tries to do this he most certainly will destroy the very house for which he speaks in such passionate terms—the house of labor.

A political party cannot be a bargaining agent in this free country. A political party cannot dictate the terms under which labor and management will work. That is only done in Communist Russia and in Red China and in the other countries dominated by the Communist doctrine. Let Mr. Reuther remember, and forever remember, that the American people abhor power centralized in any one person or group of persons, and that they will not stand for a continuation of his trying to be, at one and the same time, a leader of labor and a leader of a political party.

The labor movement can be jeopardized—yes, seriously injured—if Mr. Reuter continues to misuse union funds for political purposes and continues to use the collective strength of these organizations to impose his

UNIVERSITY OF MICHIGAN LIBRARIES

political will upon the people of this country. When organized labor takes on the appearance of an overall political party, it invites opposition where none might otherwise develop. If organized labor wants to abandon its historic role and become a political party, that is the right of its members so to decide, but it is not the right of one man to impose his will upon the Nation's political scene as representing the will of his membership.

Let me, in conclusion, touch upon what I feel is your responsibility to freedom. You, the business people of this country, have neglected your responsibility to the defense of the free enterprise system. You have done this to the extent that young people across America actually fear our profit system, instead of respecting it as the creator of much of our economic success. You have been afraid, up until reent years, to take stands on issues, issues that affect not only you, but the entire country.

You are to be commended for having changed that "head in the sand" attitude. The business people of America have a great reluctance, even today, to engage in politics with either party, preferring, as I have heard many of you say, to keep clear of politics because of business reasons.

Let me tell you something: while you pussy foot and hide, there are organized groups of people in this country who are determined to impose their Socialist views upon the minds of America. So, lose your fear of political participation and join with all Americans to the end that a healthy political climate will be maintained in this country.

Yes, all of us have a responsibility to freedom. As Benjamin Franklin told a woman on emerging from the constitutional convention when she asked, "What have you given us?"—"We have given you freedom, if you can keep it."

Fredom cannot be kept by governments only, because Governments under our concepts were created to be the servant of the people. Only you, the citizens of America, through your neglect of Government and political forces, can destroy our freedom. Only you, by pursuing the material more than the spiritual, and ignoring the latter, can destroy the freedoms of America.

Let the voice of your conscience speak out against those who would cynically employ brutality and terror to enforce their will on free men.

Now is the time for a passionate devotion to those standards of individual integrity which made this Nation great.

Now is the time when you and I must join together to give to this land we love and to all human beings, wherever they may be, a new birth of freedom, under God.

The Vital Role of American Women

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, May 1, 1957

Mr. WILEY. Mr. President, it was my privilege yesterday to speak to a group of women before whom Mrs. Ivy Baker Priest, the able Treasurer of the United States, delivered a speech. I had the honor to introduce her. I ask unanimous consent that a statement I have prepared regarding women prominent in government in this country, together with a list of such women, be printed in the CONGRESSIONAL RECORD.

There being no objection, the statement and list were ordered to be printed in the RECORD, as follows:

THE VITAL ROLE OF AMERICAN WOMEN

On several occasions, I have commented upon the increasingly significant role played by American women throughout our entire Nation.

Americans understand and welcome this fact.

By now, it is no particular news to the American people to point out that women already own an estimated two-thirds of the national wealth, or that women already constitute one-third of America's labor force.

What may not be generally realized, however, is the welcome extent to which American women are coming into their own—in occupying positions of importance in the business, political, professional and public service life of our land.

MRS. PRIEST, GUEST OF INVEST LUNCHEON

Yesterday, I had the pleasure of being host at a luncheon of the National Invest-in-America Committee.

One of our honored guest speakers was the able Treasurer of the United States, Mrs. Ivy Baker Priest. She symbolizes, I believe, the vital role which women play in our economic life—as investors, as taxpayers and in many other financial capacities.

OUTSTANDING WOMEN LEADERS IN EXECUTIVE BRANCH

Recently, I noted an article by Josephine Ripley in the Christian Science Monitor, in which she enumerated some of the outstanding women like Mrs. Priest, who have been serving in government with high distinction.

Included among them are, of course, such excellent public servants as former Ambassador Clare Booth Luce; the former Assistant United States Treasurer, and later Assistant to the Secretary of the Treasury, Catherine B. Cleary, of Milwaukee; the former Deputy Administrator of Civil Defense, Mrs. Katherine Howard; the former Deputy Director of Foreign Operations, Mrs. Hiram C. Houghton.

And currently, we enjoy the continued services of the Director of the Women's Bureau of the Department of Labor, Mrs. Alice Leopold; the Chairman of the Subversive Activities Control Board, Mrs. Dorothy McCullough Lee; our representative on the United Nations Human Rights Commission, Mrs. Oswald B. Lord; the newly nominated Ambassador to Norway (formerly Ambassador to Switzerland) Mrs. Francis Willis. (Mrs. Willis symbolizes, in turn, the very welcome increase in the participation of women in America's Foreign Service.)

So, too, in the honored ranks of Government, are the newly confirmed Director of the Children's Bureau, Katherine Oettinger, who succeeds another outstanding woman, Dr. Martha M. Eliot.

ABLE MEMBERS IN LEGISLATIVE BRANCH

Of course, here in the Senate we are proud of the invaluable services of the senior Senator from Maine [Mrs. SMITH]. In the House of Representatives too, is a sizable contingent of able women legislators of both parties.

WOMEN SERVING AT HIGHER LEVELS

In still another article in the Monitor, in this instance, by Mary Handy, a significant fact was pointed out: In 1870, only fourtenths of 1 percent of the women working had executive-level jobs. In 1930, that proportion of higher-level workers had risen to 3 percent, and by 1956 the level had gone up to 6 percent.

APPOINTMENT OF WHITE HOUSE ASSOCIATE PRESS SECRETARY

And recently, within the past few weeks, no less a personage than the President of the United States has rightly recognized women's higher level role, by appointing Mrs. Anne Wheaton as Associate Press Secretary at the White House.

ENCOURAGE RISING FROM THE RANKS

I am pleased to comment on this general subject, because, in my judgment, every possible encouragement should be given to this trend.

This Nation needs skilled manpower and skilled womanpower. Even more important, it needs skilled brainpower—irrespective of sex—brainpower for the advancement of that Republic.

We cannot afford to squander any talent. We cannot allow individuals of great promise to be kept at lower employment levels, simply because they happen to be of the fair sex.

We learned during World War II through the WACS, the WAVES, the Women Marines, the SPARS, how we benefited as a Nation when we secured women's services, virtually alongside their fighting men.

Yes, we learned, too, through our experience with wartime factories, from Rosie the Riveter, that women are ready, willing, and eager to serve their land in ever-new capacities.

RESPONSIBILITIES AS MOTHERS

Naturally, their primary responsibilities rightly remain as mothers of the race, as guardians with their husbands of the Nation's homes. But that need not detract from their appropriate contributions elsewhere.

I send to the desk now a few brief supplementary comments, along with a long and enheartening list of top women leaders selected by the Eisenhower administration.

This list comes, incidentally, from the office of Miss Bertha Adkins, assistant chairman of the Republican National Committee, in her own right, one of our most prominent women leaders.

I ask unanimous consent that these comments and the list be printed at this point in the body of the CONGRESSIONAL RECORD.

SUPPLEMENTARY STATEMENT BY SENATOR WILEY

If each of us looked at our respective States, we could quickly find an outstanding group of women who amply represent the type of woman leader whom I am describing, and whom I am seeking to encourage.

We would find them in the General Federation of Women's Clubs, in the League of Women Voters, in the American Association of University Women, in the National Federation of Business and Professional Women's Clubs, in the American Legion Auxiliary, and in innumerable other religious, ethnic, social, professional, and other groups.

We would find them in the Republican and Democratic Party units at the grassroots. We would see them serving with and for the Nation's hospitals, schools, orphan homes, welfare institutions, underprivileged service centers, and in many other connections.

Were time and space not factors, I could cite a great many such fine ladies from my own State of Wisconsin.

A LEADING WOMAN IN THE DISTRICT OF COLUMBIA

I shall, however, set forth a few brief facts concerning one particular woman whose fine record has come to my attention from folks who highly respect her.

She is not from my State, but rather resides here in the District of Columbia where there is no Senator nor Representative to speak up in this manner for folks of merit.

And she is not in government, but rather is in private enterprise.

This particular woman has served as past president of the local Soroptimist International.

She is vice president of the Connecticut Avenue Association, and an active member of the board of directors of the Central Charge organization.

She has been prominent in the field of giving public recognition to what is well de-

scribed as "juvenile decency." (I refer to the fact that most of our youngsters are fundamentally decent, and only a handful—less than 5 percent—become juvenile delinquents.)

During the past 12 years, she has been serving our veterans at Bethesda Naval Hospital, helping to rehabilitate them.

When the news of the magnificent Hungarian rebellion against Communist tyranny flashed to the world, she was one of the first here in the District area to take action. She and her employees eagerly agreed on the donation of proceeds of a portion of their business time for Hungarian relief. Similarly, she has arranged to bring several Hungarian refugees here to become self-supporting jobholders.

Her field—her business—is one which an uninformed person might not ordinarily think of in terms of a major United States business. And yet it is one, according to economists. It is that of dancing instruction.

The lady of whom I speak is the president of the Arthur Murray Studios of the metropolitan Washington area. She is also regional director of 25 studios in 8 States and the District.

Her District business is, I understand, the most successful such franchise operation out of many such successes in the Nation. And she has built it herself during less than 20 years. She has built it with the philosophy of service, the sound, spiritual philosophy of contributing to character and human development.

She herself represents the ideals she seeks to advance, for she started humbly as a clerk in the Chase National Bank at $65 per month. And she worked her way up—an enterprising, dedicated woman in a so-called man's world—a pioneering woman, who grew with what had been an unknown industry, but what is now a vast industry throughout the Nation.

Indeed, the industry is extending overseas, for she is opening up a studio in Frankfort shortly—the first such American studio on the European Continent.

The lady's name is Ethel Fistere.

I have never had the pleasure of meeting this fine lady, or even any of her associates.

I select her as an example—a worthy example—of folks whom we may not know, but whom we may well admire.

CONCLUSION—LET WORLD'S WOMEN TAKE NOTE

Known or unknown, famous or less famous, in public or in private life, in everyday matters or in unique jobs, they are rendering significant service to the Nation.

In light dancing, or in serious diplomacy, in Wall Street or Main Street, I say: "More power to our women of ability—in serving this Nation."

Let the women of the world take inspiration from the women of America—from the Helen Kellers of America who have conquered every conceivable handicap, from the Susan B. Anthonys who have championed women's equal role, from the women columnists and the women presidents of corporations and women scientists and educators and leaders in all walks of life.

TOP WOMEN APPOINTMENTS IN THE EISENHOWER ADMINISTRATION

(Listed in order of appointment)

1. Mrs. Oveta Culp Hobby,[1] Houston, Tex. (member of President's Cabinet) (resigned), Secretary, Department of Health, Education, and Welfare.

2. Mrs. Ivy Baker Priest,[1] Bountiful, Utah, Treasurer of the United States.

3. Mrs. Oswald B. Lord,[1] New York, N. Y., United States Representative on Human Rights Commission of the Economic and Social Council of the United Nations; alternate United States representative to the 8th session of U. N. General Assembly (1953); alternate United States representative to the 9th session of U. N. General Assembly (1954); alternate United States representative to the 10th session of U. N. General Assembly (1955); alternate United States representative to the 11th session of the U. N. General Assembly (1956).

4. Mrs. Daniel J. Schneider,[1] Lakewood, Colo., Superintendent of the United States Mint at Denver.

5. Mrs. Clare Boothe Luce,[1] Ridgefield, Conn., United States Ambassador to Italy.

6. Mrs. Katherine G. Howard,[1] Boston, Mass., Special Adviser to the Federal Civil Defense Administrator (served first as Deputy Administrator), member, National Civil Defense Advisory Council.

7. Mrs. Lorena B. Hahn,[1] Omaha, Nebr., United States Representative on Status of Women Commission, United Nations.

8. Mrs. Hiram C. Houghton,[1] Red Oak, Iowa, member, Public Advisory Group on Refugee Relief Program, Department of State, formerly Deputy Director for Refugees and Migration, International Cooperation Administration (also Foreign Operations Administration).

9. Miss Albina R. Cermak,[1] Cleveland, Ohio, Collector of Customs at Cleveland.

10. Miss Catherine B. Cleary,[1] Milwaukee (resigned, June 1954), Assistant Secretary of the Treasury (first named Assistant United States Treasurer).

11. Mrs. Georgia France McCoy, Oklahoma City, Okla., Assistant to the Secretary, Department of Health, Education, and Welfare.

12. Mrs. Rae V. Biester,[1] Drexel Hill, Pa., Superintendent of the United States Mint at Philadelphia.

13. Mrs. Lottie Randolph, Columbus, Ohio, Assistant to Administrator, Farmers' Home Administration, Department of Agriculture.

14. Miss Mildred E. Reeves,[1] Washington, D. C., Associate Judge, Municipal Court of the District of Columbia.

15. Mrs. Consuelo Northrop Bailey (resigned), South Burlington, Vt., member, Advisory Board, United States Post Office Department.

16. Miss Frances E. Willis,[1] Redlands, Calif., United States Ambassador to Switzerland.

17. Mrs. Elizabeth Shirley Enochs,[1] Lorton, Va., United States technical delegate on directing council of American International Institute for Protection of Childhood.

18. Dr. Bess Goodykoontz,[1] Iowa, alternate United States delegate, directing council of American International Institute for Protection of Childhood.

19. Mrs. Wendell Willkie,[1] New York City, N. Y.;

20. Mrs. Theodore Roosevelt, Jr.,[1] Oyster Bay, N. Y., members, American Battle Monuments Commission.

21. Mrs. Wilfreda J. Lytle, Wilmington, Del., Director, Women's Activities (Second Region), Federal Civil Defense Administration.

22. Dr. Beatrice Aitchison, Portland, Oreg., Director, Transportation Research, Bureau of Transportation, United States Post Office Department.

23. Mrs. Daphne Leeds,[1] Atlantic City, N. J., Assistant Commissioner of Patents, Department of Commerce.

24. Miss Roberta Church, Chicago, Ill., consultant to minority groups, Department of Labor.

25. Mrs. Dorothy McCullough Lee,[1] Portland, Oreg., formerly member, Board of Parole, Department of Justice.

26. Mrs. Frances P. Bolton,[1] Cleveland, Ohio, United States representative, eighth session, United Nations General Assembly.

27. Mrs. F. Peavey Heffelfinger,[1] Wayzata, Minn., alternate United States delegate to UNESCO (United Nations) conference in 1953. United States delegate to eighth and ninth general UNESCO conferences in Montevideo in 1954 and 1956, respectively. Also, in 1953, public member, 16th session of the Economic and Social Council of the United Nations, Geneva, 1953.

28. Miss Cleta Smith,[1] St. Louis, Mo., United States collector of customs at St. Louis.

29. Mrs. Olivia Erpenbach,[1] Minneapolis, Minn., collector of customs at Minneapolis.

30. Mrs. Helen Rogers Reid,[1] New York, N. Y., member, Government Contracts Committee.

31. Dr. Jean T. McKelvey, Ithaca, N. Y., member, advisory committee to the Secretary of Labor.

32. Mrs. Frances Lee,[1] San Mateo, N. Mex., member, Inter-American Commission of Women, Department of State.

33. Mrs. Raymond Sayre,[1] Ackworth, Iowa, member, Agricultural Advisory Commission; member, Commission on Congressional and Judicial Salaries.

34. Mrs. Alice K. Leopold,[1] Weston, Conn., Assistant to Secretary of Labor for Women's Affairs; also Director of Women's Bureau, Labor Department; public member, Commission on Intergovernmental Relations.

35. Mrs. Lovilla Lalor, Santa Rosa, Calif., Director, Women's Activities (region 7), Federal Civil Defense Administration.

36. Mrs. Ada Mucklestone, Chicago, Ill., Director, Women's Activities (fourth region), Federal Civil Defense Administration.

37. Mrs. Frances Diehl, San Francisco, Calif., Director, Reception Center, San Francisco (liaison with visiting governmental guests and exchange students for U. S. State Department).

38. Mrs. Carmel Carrington Marr, Brooklyn, N. Y., assistant to the United States Ambassador to the United Nations.

39. Mrs. Jessie Vann,[1] (term expired), Pittsburgh, Pa., member, International Development Advisory Board.

40. Mrs. Anna A. Mitchell,[1] West Hartford, Conn., United States collector of customs at Bridgeport.

41. Mrs. Jane Morrow Spaulding, Charleston, W. Va., consultant, Foreign Operations Administration.

42. Mrs. Mildred C. Ahlgren,[1] Whiting, Ind., member, Public Advisory Board, Foreign Operations Administration.

43. Mrs. Frances Nolde, Reading, Pa., consultant in Defense Air Transportation.

44. Mrs. Pearl C. Pace,[1] Burkesville, Ky., member, Foreign Claims Settlement Commission.

45. Mrs. Jessie D. Sayler,[1] Savannah, Ga., United States collector of customs at Savannah.

46. Mrs. Frances Lee,[1] San Mateo, N. Mex., only woman member, American delegation to the Inter-American Conference at Caracas (March 1954).

47. Mrs. Edna Basten Donald,[1] Grand Island, Nebr., member, National Assay Commission.

48. Mrs. Ralph D. Keeney,[1] Somersville, Conn., member, National Assay Commission.

49. Mrs. O. Blake Willcox,[1] Englewood, N. J., member, National Assay Commission.

50. Mrs. Edward A. Pool,[1] New York, N. Y., member, National Assay Commission.

51. Mrs. Philip J. Woodward, Winchester, Mass., Assistant Administrator for Education (region 1), Federal Civil Defense Administration.

---

[1] Indicates Presidential appointment; others are departmental or career appointments.

[1] Indicates Presidential appointment; others are departmental or career appointments.

[1] Indicates Presidential appointment; others are departmental or career appointments.

UNIVERSITY OF MICHIGAN LIBRARIES

52. Dr. Anna L. Rose Hawkes,[1] Vermont, member, United States Advisory Commission on Educational Exchange.
53. Mrs. Helen Chapman,[1] Jerseyville, Ill.;
54. Mrs. Percy Maxim Lee,[1] Farmington, Conn.;
55. Miss Helen G. Irwin,[1] Des Moines, Iowa;
56. Mrs. Lucille Leonard,[1] Providence, R. I.;
57. Dr. Susan Riley,[1] Nashville, Tenn., members, Foreign Operations Council, Foreign Operations Commission.
58. Mrs. Myra Glazier Kenney, Worcester, Mass.;
59. Mrs. J. B. Cooley, Minot, N. Dak., members, Council of Consultants, Small Business Administration.
60. Mrs. Gladys Forsyth, Lincoln, Nebr., Board of Field Advisers, Small Business Administration.
61. Mrs. Emmert T. Bowlus,[1] Frederick, Md., Comptroller of Customs, Port of Baltimore, Md.
62. Miss Jane H. Todd, Tarrytown, N. Y., member, Council of Consultants, Small Business Administration.
63. Mrs. Ann Louise Ferris, Allegan, Mich., Civilian Defense Officer (Evacuation), Federal Civil Defense Administration.
64. Mrs. Charles W. Weis, Jr.,[1] Rochester, N. Y., member, Federal Civil Defense Advisory Council.
65. Mrs. Jean W. Fuller, Los Angeles, Calif., National Director, Women's Activities, Federal Civil Defense Administration.
66. Miss Winifred G. Helmes, St. Paul, Minn., Assistant Director, Women's Bureau, United States Department of Labor.
67. Dr. Mary P. Holleran,[1] Hampton, Va., United States Representative on Inter-American Cultural Council of the Organization of American States.
68. Mrs. Katharine Dixon Agar,[1] Chicago, Ill., member, United States Commission for Celebration of the 200th Anniversary of the Birth of John Marshall.
69. Miss Catherine Cleary, Milwaukee, Wis., National Advisory Council on Vocational Rehabilitation, Department of Health, Education, and Welfare.
70. Miss Louise Baker, Lincoln, Nebr., National Advisory Council on Vocational Rehabilitation, Department of Health, Education, and Welfare.
71. Mrs. Howard Coffin,[1] Washington, D. C., member, Hamilton Bicentennial Commission.
72. Mrs. Margaret Patterson,[1] New York, N. Y., member, Hamilton Bicentennial Commission.
73. Mrs. J. Madison Blackwell,[1] New York, N. Y., member, 1955 Annual Assay Commission.
74. Mrs. D. Ray Murdock, Greenburg, Pa., member, 1955 Annual Assay Commission.
75. Mrs. R. Henry Norweb,[1] Cleveland, Ohio, member, 1955 Annual Assay Commission.
76. Miss Lucy M. Seiler,[1] Philadelphia, Pa., member, 1955 Annual Assay Commission.
77. Mrs. Margaret Cathcart,[1] Lake Forest, Ill., member, Soo Locks Centennial Commission.
78. Mrs. Rae C. Hooker,[1] Mount Pleasant, Mich., member, Soo Locks Centennial Commission.
79. Mrs. Charles A. Dean,[1] Jr., Grosse Pointe Farms, Mich., member, Soo Locks Centennial Commission.
80. Mrs. Julie B. Kirlin (resigned), Boston, Mass., adviser, Office of International Trade Fairs, Commerce Department.
81. Miss Jane H. Todd, Tarrytown, N. Y., consultant, Women's Bureau, United States Department of Labor.
82. Dr. Althea K. Hottel,[1] Bala Cynwd, Pa., United States Representative, Social Commission of Economic and Social Council, United Nations.
83. Miss Francis Knight, Washington, D. C., Director, Passport Division, Department of State.
84. Dr. Martha M. Eliot,[1] Washington, D. C., Alternate United States Delegate, Eighth World Health Assembly, Mexico City, May 10–June 4, 1955.
85. Miss Mary H. Donlon,[1] Kinderhook, N. Y., member United States Customs Court.
86. Dr. Katherine G. Bloyley,[1] Keuka Park, N. Y., member, Board of Foreign Scholarships.
87. Mrs. W. Greg Smith, Denver, Colo., Director, Women's Activities (Sixth Region), Federal Civil Defense Administration.
88. Mrs. Pearl Wates, Thomasville, Ga., Director, Women's Activities (Region Three), Federal Civil Defense Administration.
89. Mrs. Elizabeth B. Cusack,[1] Winchester, Mass., Alternate United States Representative, United Nations Children's Fund.
90. Associate Justice Jennie Loitman Barron, Brookline, Mass., Delegate, United Nations Congress on Prevention of Crime.
91. Mrs. Robert Low Bacon,[1] Long Island, N. Y.
92. Miss Elizabeth B. Howry,[1] Jamestown, R. I.
93. Mrs. Eugene Meyer, Washington, D. C.
94. Mrs. James H. Rowe, Jr., Washington, D. C.
Members, Commission to plan civic center in Washington, D. C.
95. Mrs. Frances B. Crowninshield,[1] Boca Grande, Fla., member, Boston National Historic Sites Commission.
96. Mrs. J. Ramsay Harris,[1] Denver, Colo., member, International Development Advisory Board (2 years).
97. Mrs. Bernice B. Cronkhite,[1] Cambridge, Mass., member, Board of Foreign Scholarship (2 years).
98. Mrs. Margaret M. Conant,[1] Glen Dale, Md., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
99. Mrs. Mildred E. Younger,[1] Los Angeles, Calif., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
100. Mrs. Hazel H. Abel,[1] Lincoln, Neb., member, Theodore Roosevelt Centennial Commission.
101. Mrs. Sherman Post Haight,[1] New York, N. Y., member, Theodore Roosevelt Centennial Commission.
102. Mrs. Oscar A. Ahlgren, Whiting, Ind., Assistant to National Director, Savings Bonds Division, Treasury Department.
103. Mrs. Isabella J. Jones, Pittsburgh, Pa., Assistant to Assistant Secretary for Program Analysis, Department of Health, Education and Welfare.
104. Mrs. Nicholas (Alice Roosevelt) Longworth, Washington, D. C., member, United States Delegation to Inauguration of the President-elect of Brazil, January 30, 1956.
105. Mrs. William E. Martindale,[1] Harrisburg, Pa.
106. Mrs. Dorothy Young,[1] Philadelphia, Pa.
107. Miss Mamie Woodcock,[1] Salisbury, Md.
108. Mrs. Grace Bamonte Damour,[1] New York City, N. Y.
Members, 1956 Annual Assay Commission.
109. Mrs. Lorena B. Hahn,[1] Omaha, Neb., (1956) United States Representative on Status of Women Commission, United Nations.
110. Mrs. Christine Unger, Denton, Tex., Director, Women's Activities (region 5), Federal Civil Defense Administration.
111. Mrs. Dorothy D. Houghton,[1] Red Oak, Iowa, member, United States National Commission for UNESCO.
112. Mrs. Faye Hartman,[1] San Diego, Calif., director, San Diego office, Federal Housing Administration.
113. Mrs. Clover Todd Dulles,[1] New York City, N. Y., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
114. Mrs. Mary Dilworth Barnes,[1] Pittsburgh, Pa., member, Board of Advisers, Federal Reformatory for Women at Alderson, W. Va.
115. Mrs. Helen C. Russell,[1] San Francisco, Calif., United States delegate to the Ninth Session of the General Conference of the United Nations Educational, Scientific, and Cultural Organization.
116. Mrs. Dorothy McCullough Lee,[1] Portland, Oreg., member, Subversive Activities Control Board.
117. Miss Corma Mowrey,[1] Charleston, W. Va., member, President's special people-to-people group to promote understanding and friendship throughout the world.
118. Miss Anna Lord Strauss,[1] New York City, N. Y., member, President's special people-to-people group to promote understanding and friendship throughout the world.
119. Mrs. William Barclay Parsons, Jr.,[1] New York City, N. Y., member, President's special people-to-people group to promote understanding and friendship throughout the world.
120. Mrs. Eva Bowring,[1] Merriman, Nebr., member, Federal Board of Parole.
121. Mrs. Grace Christian, Ocean City, N. J., Director of Women's Activities (region 1), Federal Civil Defense Administration.
122. Miss Catherine Kelly,[1] Washington, D. C., judge of municipal court, District of Columbia.
123. Dr. Katherine G. Byley,[1] Keuka Park, N. Y., reappointed, board of foreign scholarships.
124. Mrs. Katherine Neuberger, Red Bank, N. J., member of 1957 Annual Assay Commission.
125. Mrs. Charles S. Payson, New York, N. Y., member of 1957 Annual Assay Commission.
126. Mrs. Oswald B. Ford,[1] New York, N. Y., reappointment (January 1957), United States representative, Human Rights Commission, Economic and Social Council of United Nations.

[1] Indicates Presidential appointment; others are departmental or career appointments.

Jurisdiction Over Monopolistic Acts or Practices on the Part of Persons Engaged in Commerce in Meat and Meat Products

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Wednesday, May 1, 1957

Mr. O'MAHONEY. Mr. President, the Senate Subcommittee on Antitrust and Monopoly, of the Committee on the Judiciary, this morning opened hearings upon a bill introduced by the senior Senator from Utah [Mr. WATKINS] and myself to amend the Packers and Stockyards Act by transfering to the Federal Trade Commission jurisdiction over the enforcement of the antitrust features of that law.

It may be of interest to point out that the first attempt to bring about the enactment of the Packers and Stockyards

[1] Indicates Presidential appointment; others are departmental or career appointments.

[1] Indicates Presidential appointment; others are departmental or career appointments.

Act, for the regulation of the meat industry, was a bipartisan proposal by one of my predecessors, the late Senator John B. Kendrick, Democrat, of Wyoming, and the late Senator William S. Kenyon, Republican, of Iowa. That was more than 35 years ago. The act was finally passed early in the administration of President Harding, who signed the law in May 1921.

It is evidence of the bipartisan character of the effort of Congress to regulate commerce in the public interest that this new bill is sponsored in this session by a Democrat and a Republican. I am happy to be associated with the Senator from Utah in this effort, which has widespread support throughout the country, and concerning which the Senator from Utah gave the first testimony this morning. I ask unanimous consent that the text of his cogent and persuasive argument in support of the proposed legislation be printed in the CONGRESSIONAL RECORD.

There being no objection, the argument was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WATKINS BEFORE SUBCOMMITTEE ON ANTITRUST AND MONOPOLY, SENATE JUDICIARY COMMITTEE, ON S. 1356, CONFERRING UPON THE FTC JURISDICTION TO PREVENT MONOPOLISTIC ACTS OR PRACTICES AND OTHER UNLAWFUL RESTRAINTS IN COMMERCE BY CERTAIN PERSONS ENGAGED IN COMMERCE IN MEAT AND MEAT PRODUCTS

Mr. Chairman, in a free enterprise economy, the most effective regulator of economic activity is competition. Operating through the market forces of supply and demand, price competition is the best and most effective device for allocating resources to the production and subsequent sale of those goods or products for which demand is greatest. Also, such competition in the market for consumer preference is the best guaranty for improving product quality and maintaining prices which are fair to both producer and consumer.

As the economy has become more and more complex, so has the nature of competition. In some industries a relatively small number of firms has come to dominate economic activity. In some cases this has been due to superior management and business skill. In other cases it appears to have been the result of competitive practices which are not commensurate with the public interest. Price manipulation and unfair trade practices have been used to eliminate competition and to render neutral the forces of supply and demand.

COMPETITION A BIPARTISAN CONCERN

The public has come to expect and demand that government reinstate, where possible, and maintain by law as much price and other competition as the public interest necessitates in those areas of the economy in which it works badly or where little of it exists. This public concern is reflected in the platforms of both political parties. It is a matter of bipartisan concern.

For example, the 1956 Republican platform declares:

"The Republican Party has as a primary concern the continued advancement of the well-being of the individual. This can be attained only in an economy that, as today, is sound, free, and creative, ever building new wealth and new jobs for all the people.

"We believe in good business for all business—small, medium and large. We believe that competition in a free economy opens unrivaled opportunity and brings the greatest good to the greatest number."

Republicans also at that time pledged themselves to "a continuously vigorous enforcement of antitrust laws" (p. 7).

On the other hand, members of the Democrat Party at their 1956 Convention pledged themselves to maintaining "competitive conditions in American industry," and likewise "to the strict and impartial enforcement" of the laws "designed to prevent monopolies and other concentrations" of economic power (p. 18).

Thus both of our major political parties are committed to the objective of maintaining a free and expanding economy by fostering the growth of competition. For this reason, among others, I was happy to join with the distinguished chairman of this subcommittee in sponsoring S. 1356. This bill is designed to prevent monopolistic acts or practices, and other unlawful restraints in interstate commerce by persons engaged in processing and distributing meat and meat products. This S. 1356 does by—

1. Amending the Federal Trade Commission Act so as to return to the FTC jurisdiction over the meat packing and distributing industry, and by—

2. Amending the Packers and Stockyards Act so as to eliminate the authority the USDA has to prevent unfair trade practices under title II of that act, but which it has not effectively administered for 30-odd years.

Although S. 1356 repeals the jurisdiction of the Secretary of Agriculture over packers, as authorized in title II of the Packers and Stockyards Act, it leaves undisturbed the jurisdiction of the USDA over the operation of stockyards, which is contained in title III of that act, as well as his special jurisdiction over dealers and handlers of live poultry, which is provided for in title V.

In regard to title III, I want to point out that the Department of Agriculture has been and is doing a commendable job. This is attested to by the description of its activities in this connection which are found in its Report on Current Activities and Problems Under the Packers and Stockyards Act, issued April 4, 1957.

Although the study giving rise to this report was prompted last February by the pending introduction of S. 1356, which would transfer title II authority to regulate packers back to the FTC where it was originally, about 75 percent of this report is devoted to the embellishment of my observation concerning title III. Also, planned future expansion of packers and stockyards activities by the Department of Agriculture apparently consists entirely of title III operations. This is evidenced by the fact that the only increase in funds for fiscal 1958 requested by the USDA for Packers and Stockyards Act administration is an item of $178,000 "to provide improved supervision of stockyards posted under the Packers and Stockyards Act and to post additional yards."

On the other hand, not one dollar is requested to expand the almost nonexistent title II operations, whose transfer back to the FTC is provided by S. 1356. The 25 percent of the self-appraisal report, which refers to title II activities, makes it very plain, in my judgment, that title II administration, in effect, is practically nonexistent. These hearings, Mr. Chairman, I am sure, will amply develop this point, and, therefore, I shall not elaborate at this time.

Before discussing in detail my reasons for co-sponsoring S. 1356, I want to make a few general observations.

UNFAIR COMPETITION CONDEMNED

First, I want to make it plain that no packer, large or small, or other business firm engaged in slaughtering or processing meat products has anything to fear from the return of title II authority to the FTC, provided their business behavior and trade practices conform to the norms outlined in the antitrust laws, which are designed to maintain and foster price as well as product competition.

Likewise, my action should not be construed as an attack upon big business. Big business per se is not to be condemned. In fact, much of the comforts of everyday living which we all enjoy is made possible by economies of production which only large-sized firms can achieve. Only when big business uses its superior bargaining power and economic resources in a manner not consistent with the public interest—in this case to eliminate competition by unfair means, is it to be condemned.

By the same token, in co-sponsoring S. 1356, I do not intend to cast reflection upon any particular firm now doing business in the slaughtering or meat processing industry. Rather, I have been prompted to join Senator O'MAHONEY in sponsoring this legislation for two major reasons:

First, in light of the poor economic position in which most livestock producers find themselves, and the tremendous increase in direct buying from livestock producers, I believe it is imperative that proper scrutiny be maintained over the trade practices of firms slaughtering livestock and processing and distributing meat products so as to permit the existence of as many marketing alternatives for producers as the nature of the industry will permit. Fair competitive bidding should give producers higher prices than otherwise would be the case. And such competition can exist only where producers have marketing alternatives.

Second. I believe it is in the public interest that FTC control be extended over packers which enter into other sideline businesses—businesses which now escape such control because of USDA inaction, but whose competitors are subject to FTC control. The same need for public control applies to food firms, especially food chains, which now can acquire packing plants, or a substantial interest in one, and thus escape FTC supervision over their entire operations.

I shall discuss these two reasons in some detail at this point:

STOCKMEN NEED PROTECTION

Mr. Chairman, several million farmers, ranchers, and stockmen produce meat animals for market. With respect to cattle, the bulk of such animals are marketed during a period of a few weeks each fall. Most producers, especially in the great western range States, as you know so well, must market their animals at that time regardless of the prices offered, because they either do not raise enough feed to carry the stock until prices are more to their liking, or they cannot afford to buy feed for that purpose. A great number—essentially the small operators—must sell at that time in order to meet pressing financial obligations. As you know, most ranchers operate on a basis of "borrow it in the spring and pay it back in the fall." Still others must sell during the fall marketing season in order to meet the costs of daily living.

In recent years these forced fall marketings have been even heavier than normal, because of the effects of drought and the cost-price squeeze. High livestock numbers, caused by excessive feed-grain production on lands diverted from wheat and cotton production under the price support and acreage allotment and marketing quota programs, also have contributed to heavier marketing and low prices. These factors combined have served to virtually eliminate any bargaining power which producers might have had under more normal conditions.

Especially is this true in light of the increase in direct buying over the past 10 years from livestock producers. For example, whereas in 1946 the largest overall packer purchased directly from producers 20 percent

UNIVERSITY OF MICHIGAN LIBRARIES

of the cattle it slaughtered, this figure had increased to 32.7 percent by 1956. Whereas the same firm purchased directly 37.1 percent of the calves it slaughtered in 1946; in 1955 it purchased directly from producers 52.1 percent. There has also been a marked upward trend in direct buying by the next 9 largest overall packers during the past 10 years.

Since the subcommittee will develop this point, and all its ramifications later, I shall not pursue the matter further at this time, except to call to the subcommittee's attention the fact that producer organizations are very concerned about this upward trend in direct buying and the effect it has upon the prices their members receive in light of their weak bargaining positions. An example of this concern is provided by the following resolution adopted by the Utah Cattlemen's Association at its 38th annual convention held at Salt Lake City on December 7 and 8, 1956. The resolution reads as follows:

"DIRECT SELLING

"Whereas we strongly recommend that the Utah Cattle Association members refrain from consignment selling of livestock direct to packers for slaughter; and

"Whereas consignment slaughter shortchanges the livestock producer and robs him of his rights as a seller. Consignment slaughtering thrives on a glutted market. It takes all of the gamble out of buying and gives the packer an assured profit with no investment and accomplishes nothing for the grower except to get rid of his stock and stop his feed bills. This is not buying, and it is not selling. We, therefore, condemn all three forms of consignment selling; namely, 'grade and yield,' 'price on grade,' and 'price on rail;' and

"Whereas this system takes advantage of split grading. The producer is paid on the basis of only three grades, while the meat is marketed by the packer on the basis of as many as 14 grades. Parts of the carcass can be sold at a much higher grade and price than that which the producer is credited; and

"Whereas packers also often trim carcasses before weighing and take advantage of shrink for hot weight. Direct selling to packers reduces livestock prices. A high percent of the better quality cattle move direct to packers leaving cattle of lower quality to move through markets and determine prices in the major markets of the West. In turn, these unrealistic low prices serve as the basis for pricing more direct to packer sales. Packers are also eliminated as potential buyers at our markets by these direct shipments—this reduces competition and prices at the markets: Therefore be it

"*Resolved*, That we must return to competitive bidding on cattle if producers are to get full market value for their cattle."

On the buyers' side of the market, by contrast, we find that less than 500 federally inspected plants—which for the most part are not individually owned firms, I might add—and less than 1,000 nonfederally inspected plants are engaged in slaughtering and meat processing. It also should be noted that 10 national concerns which own the bulk of these plants, slaughter approximately 50 percent of the cattle, 66 percent of the calves, 70 percent of the hogs, and 77 percent of the sheep coming under Federal inspection.

In an industry where the buyers are few in number and the sellers are great in number, it is evident that the buyers are in a position to set the prices they will pay and the sellers have only the option of "taking it or leaving it." Where all the dictating as to price is done by the buyers, it behooves us to maintain as many market outlets as possible for livestock producers, who obviously under these circumstances at best, have a very poor bargaining position. Also, in an industry where the buyers' side of the market is dominated by a few national operative concerns, this is not an easy task.

Producer organizations at the grassroots level in increasing numbers are expressing concern about this situation. For example, at the Utah Cattlemen's Association convention mentioned above, the following resolution was also adopted:

"Whereas this year has probably been the worst for cattlemen since the early 1930's, yet packer and retail profits are at an all-time high; and

"Whereas we feel our problems have been increased by the large spread between live cattle and retail prices; and

"Whereas chain stores and retail organizations have become so big that they can, undoubtedly, influence our markets: Therefore be it

"*Resolved*, That we commend the investigation being made by Senator JOSEPH C. O'MAHONEY, of Wyoming, into the possible manipulation of our markets by the large retailers and producers."

At its 50th annual convention held January 8–9, 1957, also in Salt Lake City, the Utah Wool Growers Association adopted this resolution:

"Utah woolgrowers desire to offer complete cooperation with the O'Mahoney subcommittee of the Senate in its hearing relating to the apparent collusion between packers and chainstores in the processing, sale, and merchandising of our meat products and we lend every effort to make these hearings complete and informative."

SMALL BUSINESS SUFFERS

In the present situation, it is in the public interest—which is commensurate with that of the livestock producer, the consumer, and the small independent packer—to insure that unfair trade practices do not lead to greater concentration by elimination of competition. In this connection, I point to the 1956 platform of the Republican Party, which pledged "the continuation and improvement of our drive to aid small business." "Small business," the platform added, "can look forward to * * * a continuously vigorous enforcement of antitrust laws."

Enactment of S. 1356 will clearly facilitate such enforcement which, in my opinion, is now lacking as far as prevention of unfair trade practices is concerned in the meat packing and processing industry.

Now I am well aware of the fact that this bill is favored among others, by an association representing, in the main, small independent packers who slaughter about 70 percent of the livestock in 9 Western States, including my own State of Utah. While these independent packers are concerned about the entry of the national packers—especially the big 10, which account for 77 percent of the meat animals slaughtered in the United States—into the markets of these 9 States, as cosponsor of S. 1356, I am only concerned that use of unfair-trade practices does not aid or impede such entry.

I am equally aware of the fact that another association which represents, by and large, the interests of these national packers is not only actively and openly opposed to this bill, but even used its influence to try to keep such legislation as S. 1356 from being introduced in the first place.

For these reasons, I want to make it very plain that the provisions of S. 1356 will be enforced by the FTC just as vigorously against an independent packer engaged in unfair trade practices as it will against a national packer. On the other hand, I want to reiterate that no packer, large or small, has anything to fear if this bill becomes law, unless it is engaged in unfair trade practices.

Taking the meat packing industry as a whole, my first concern is that no packer or distributor, big or small, independent or national, take unfair advantage of the already weak bargining position of the livestock producer. The marketing arrangement which economists call monopsony is characterized by few buyers and many sellers. This situation by and large is descriptive of the meat packer-producer relationship. In such a marketing situation, if all the buyers within trucking or shipping distance are owned by the same parent company, or if they are owned by but 1 or 2 such companies, the seller, perhaps as a result of a common policy in the first instance, and price leadership in the second instance, is not likely to get a price for his animals which is the result of real competitive bidding. Thus, generally speaking, the producer might just as well sell to the closest plant and take what he can get.

RESPONSIBILITY ABDICATED BY USDA

Where such a situation exists, or where there is only one packing plant or other buyer, it certainly would be in the best interests of livestock producers to insure the prevention of unfair-trade practices which could prevent the entry of competitors, or serve to eliminate or control existing competitors. The USDA in my judgment is not supplying such regulation, supervision, or enforcement today, nor has it for over 30 years. How could it, when such responsibility here in Washington is literally buried in the Trade Practices Section (staffed by three individuals) of the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service?

This section not only is responsible for preventing unfair trade practices under title II, whose transfer to FTC is the purpose of S. 1356, but also under title III which deals with stockyards. By no stretch of the imagination is it reasonable to conclude that these undoubtedly capable people can prevent unfair trade practices in the food business—the largest industry in this country. Although the Packers and Stockyards Branch has 20 field offices, most of their work, as the Department's self-appraisal report indicates, is in connection with activities relating to the regulation of stockyards, or title III enforcement, which is not disturbed by S. 1356. Not one person is engaged full time in title II enforcement.

Now, this is not to be deemed criticism of the personnel of the Trade Practice Section or the Packers and Stockyards Branch itself, but it is meant to be criticism of several national administrations for the almost complete lack of action in the past to comply with the congressional mandate given the USDA in 1921 to prevent unfair trade practices in the meat-packing industry. The simple facts are that the Packers and Stockyards Branch has no enforcement staff for administration of the fair-trade practices provisions of title II of the act relating to packers. Testimony given to this subcommittee by a former head of that branch indicates that it cannot even investigate complaints, let alone take effective action. Why the Packers and Stockyards Branch does not even require packers to submit reports containing data which is most essential in the detection of unfair trade practices.

As the Department indicated in its report on the Packers and Stockyards Act:

"The annual reports of meatpackers are received by the 20 district offices that are maintained by the Packers and Stockyards Branch. * * * Information contained in these reports is primarily concerned with ownership, organization, and financial condition. * * * The annual reports of the top four packers are forwarded to the Washington office of the Branch where they are retained in a permanent file.

"Although the annual reports of packers are received, there is no tabulation or statistical analysis made of the information contained in them for the purpose of determining industry trends, problems, or conditions" (p. 14).

One might logically ask, as a result: For what purpose are these reports reviewed? Why are they not reviewed for the purpose of determining industry trends, problems, or

conditions? Why even require reports in the first place unless they are reviewed in order to carry out specific objectives of the Packers and Stockyards Act?

As concerns title II, the Department is charged with the responsibility of preventing unfair trade practices by meatpackers, yet these reports do not even require packers to show losses on their meat, nonmeat food products, and nonfood product operations. Yet such information generally is essential to determine whether a firm is absorbing losses in one area in order to eliminate competitors, but making up the loss in other areas where it already dominates the market. If none but the reports of the top four packers are sent to Washington how could the Department ever detect various market sharing arrangements which limit competition for livestock and mean lower prices to producers? The odds are that it could not make such a detection, let alone produce evidence sustainable in a court of law.

In a given situation where there were several packers, including independent firms, a livestock producer might not receive much higher prices than would be the case if only one were to bid for his animals. But this much is certain: the prices he could expect to receive would not be any lower than those he otherwise would receive if he were limited to a single buyer, and if there is really competitive bidding, there is a good chance that such prices would be higher.

Now opponents of this bill have voiced opposition on the ground that "there is no monopoly in meat packing." This is a truism Another is that "there is no use to lock the barn door after the horse is stolen." No, the problem is not one of correcting monopoly; rather, the problem is one of preventing unfair trade practices which serve to eliminate competition and thus create, or tend to create or increase monopoly control over the market. Should the latter happen, it is equally certain that livestock producers will receive lower prices than would be the case if some price competition existed.

UTAH STOCKMEN SUPPORT S. 1356

It is this concern which has led many grassroots producer organizations to support the return to FTC of the authority to prevent unfair trade practices in the meatpacking industry. In this regard, Mr. Chairman, I should like to read the following letter to me from Mr. Edward S. Crawford, executive secretary of the Utah Cattlemen's Association dated April 10, 1957. The letter reads as follows:

"This letter is to advise you that on April 6, 1957, the executive committee of the Utah Cattlemen's Association met and adopted a resolution favoring the transfer of the trade practices section of the Packers and Stockyards Act to the Federal Trade Commission, as proposed in S. 1356 and H. R. 5282." At its 50th convention in January of this year, the Utah Woolgrowers Association adopted the following resolution:

"We are in accord with the proposal to place the administration of the Packers and Stockyards Act in the hands of the Federal Trade Commission. We feel that there will be a more direct contact between the administrative authorities and the packers and stockyards."

In an explanatory letter dated March 13, 1957, Mr. James A. Hooper, Secretary-Treasurer of the Utah Woolgrowers, informed me as follows:

"We received your letter of March 1, 1957, which enclosed S. 1356 together with a statement you made at the time of the introduction of the bill. * * * Your statement is very well put, and we concur with your bill S. 1356."

I am sure the subcommittee has received many similar expressions from producer groups at the grassroots level in other States.

PACKERS AND FOOD CHAINS ESCAPE REGULATION

Mr. Chairman, transfer of control over packers from the FTC in 1921 to the USDA, and subsequent nonenforcement since then by that Department have given rise to another situation, which, in my judgment, warrants return of title II authority to the Federal Trade Commission.

Many packers sell numerous nonmeat products, and own and operate other types of business enterprises besides packing plants.

In January 1957 the FTC published an excellent study on Industrial Concentration and Products Diversification in the 1,000 Largest Manufacturing Companies: 1950. This study indicates that:

1. 6.6 percent of the total shipments made by the largest five companies principally engaged in the sale of fresh meats consisted of 14 classes of nonmeat food products such as: Butter, dairy products, shortening and salad oils and oleomargarine.

2. Eleven and six-tenths percent of the total shipments made by the largest eight companies engaged principally in the sale of fresh meats consisted of 62 classes of nonfood products such as soap and glycerine, grease and tallow, feed and fertilizer, and pharmaceuticals.

Significant for our purposes here is the observation contained in the study that:

"With * * * 2 exceptions, all of the shipments in industries other than fresh meats or prepared meats were made by the 4 largest of the 8 companies principally engaged in fresh meats. These companies carried on extensive manufacturing operations not necessarily a part of the production of fresh meats and prepared meats. * * * The 4 companies shipped varying numbers of a total of 21 classes of food products and 51 classes of nonfood products" (pp. 64–65).

Yet these packer-owned enterprises now are not subject to FTC regulations as concerns unfair trade practices, because the parent concern is a packer, although nonpacker-owned competitors are subject to such FTC control. This gives an unfair advantage to packer-owned, nonmeat-processing businesses. An example of this situation is provided in a case identified as Docket No. 6409. This is a case in which the FTC brought an action against a large national packer for alleged false advertising in connection with the sale of oleomargarine. The action had to be terminated on March 30, 1956, because the company involved was a packer, exempt from FTC jurisdiction by reason of the Packers and Stockyards Act.

This practice by packers has, in turn, led food chains and other nonpacker firms to buy a small interest in a packing plant or similar processing facility. Such action enables them to qualify as a packer and to escape FTC enforcement of unfair-trade practices carried on by their related enterprises, and through USDA nonenforcement of the Packers and Stockyards Act, the trade practices carried on by their newly acquired packing plants also escape supervision. Such a situation is well illustrated by the *United Corporation, et al.* v. *FTC,* case (110 Fed. (2d) 473). In this instance, action was brought against the corporation which then was engaged in the sale and distribution of canned meat products. After the FTC had filed its petition, the defendant corporation acquired an interest in several packing companies. It then filed a motion for dismissal of the FTC complaint on the grounds that it was a packer, and thus not subject to the jurisdiction of the FTC. In granting the defendant's petition, the court said:

"The Commission, while virtually conceding that petitioner at the time of the entry of its order came within the definition of a packer as contained in the Packers and Stockyards Act, contends that it had jurisdiction because petitioner had not acquired that status at the time of the filing of the petition before it. The facts as to this are that the petition was filed March 31, 1937. Petitioner acquired 20 percent of the stock of Montel, Inc., April 12, 1937 and 20 percent of the stock of Emmart Food Products Co., May 1, 1937. The order was not entered until August 2, 1939. As early as 1936 petitioner had entered into a contract entitling it to a one-fifth interest in the business of Montel, which was then operating as a partnership (p. 274).

"When petitioner here, by acquiring stock in Montel, Inc., and Emmart Food Products Co., became a packer within the meaning of the Packers and Stockyards Act and subject to the jurisdiction of the Secretary of Agriculture, the Trade Commission had no further power of regulation over it; and the fact that the Commission may have been considering regulation under a complaint theretofore filed is immaterial (p. 476).

"For the reasons stated, the order of the Federal Trade Commission will be set aside for lack of jurisdiction over the business of petitioner" (p. 477).

Mr. Chairman, such activity by food chains seems on the increase. The reason is obvious. If they can escape FTC control by purchasing a packing facility, and the USDA continues to maintain an inadequate enforcement agency, they will have more flexibility in their operations than otherwise would be the case. Where this happens, the result is to give them a freedom of operation their competitors cannot enjoy. But such freedom—exemption from unfair trade practice regulations—could well be destructive of our free-enterprise system, since it gives them an unfair advantage over their competitors and thus a means of eliminating publicly desired price competition.

A more recent case can be identified as FTC Docket 6458. On November 21, 1955, the Federal Trade Commission filed a complaint against Food Fair Stores, Inc., of Philadelphia, alleging that the corporation had engaged in unfair-trade practices prohibited by the FTC Act by contracting with suppliers to buy certain items for an anniversary sale at prices lower than the prices these suppliers were asking from the corporation competitors. It is to be noted that this alleged violation had nothing to do with the operation by Food Fair of a meatpacking plant it owned in New Jersey.

On March 20, 1957, Food Fair filed a motion with the FTC in which it was asked that the original complaint be dismissed on the grounds that the corporation was in the packing business and, consequently, not subject to the Federal Trade Commission Act as to its trade practices. It was argued that the corporation was subject to the Packers and Stockyards Act. In its brief filed in support of the motion to dismiss, this food chain had the temerity to cite part of the remarks I made at the time S. 1356 was introduced as evidence of the fact that FTC did not have jurisdiction in the matter. In part, the motion stated:

"Senator WATKINS, of Utah, the author of a bill (S. 1356) now pending in the Senate to confer upon the Commission jurisdiction in precisely the situation in issue here, stated the following on the floor of the Senate on February 25, 1957, in support of his bill: 'I believe it is in the public interest that FTC control be extended over packers which enter into other sideline businesses—businesses which now escape such control because of USDA inaction, but whose competitors are subject to FTC control. The same need for public control applies to food firms, especially food chains, which now can acquire packing plants, or a substantial interest in one, and thus escape FTC supervision over their entire operation.'"

On April 18, 1957, a hearing examiner of the Federal Trade Commission issued an order dismissing the complaint against Food Fair Stores, Inc., "for lack of jurisdiction," just as Food Fair Stores had contended was

UNIVERSITY OF MICHIGAN LIBRARIES

the case in its motion to dismiss the complaint. This is a food chain, Mr. Chairman, operating 238 stores located along the Atlantic seacoast, which had gross sales of $475 million for the 1956 fiscal year. Yet, because it owns a packing plant in New Jersey, which by comparison during its 1956 fiscal year did only $25 million worth of business, it will, if this order is upheld, be permitted to wholly escape adequate supervision over all its operations.

The hearing examiner in dismissing the complaint summarized the present status of the law, as presented by the FTC counsel, by stating that it leads "to absurd results enabling any concern to choose at will the regulatory authority, by simply acquiring or divesting itself of a packing plant. Or, put more crassly, by the simple expedient of buying a load of chickens, wringing their necks, plucking their feathers, and selling their carcasses in commerce, any business in the Nation, even a tire or battery manufacturer, for instance, may escape regulation of its entire business by the Federal Trade Commission, whose 'expertise' in the use, for instance, of brokerage, advertising allowances, service grants, and other devious means of competitive favoritism, is widely recognized. Thus, in the instant case, alleged competitive discrimination in the use of advertising allowances to push such nonagricultural products as floor wax, chewing gum, and cleaning fluid is left exclusively to the Department of Agriculture."

As the hearing examiner further pointed out, the responsibility for removing the absurdities of the law rests with the Congress. This fact, he went on to say, is evidenced "by the recent introduction for passage by Congress of S. 1356 to confer on the Federal Trade Commission the very jurisdiction contended for here, and by the statement of its sponsor." He then went on to quote the identical remarks I made when the subcommittee chairman and I introduced S. 1356. These are the remarks I read a moment ago which Food Fair had quoted in its motion to dismiss the complaint.

RELIEF SOUGHT FROM CONSENT DECREE

Without doubt, in part at least, such action by food firms has stimulated the action taken by three national packers to seek relief from a 36-year-old consent decree they signed in 1920, which prevents them from handling some 140 other food and non-food products. Such relief is essential, they say, if, under the circumstances, they are to compete on favorable terms with food chains which have and are acquiring packing plants.

The history of the consent decree and its effect upon Federal control of unfair trade practices in the meatpacking industry is indeed interesting. In the years prior to 1921 and before passage of the Packers and Stockyards Act, the FTC's investigation of packers resulted in the filing of antitrust suits by the Justice Department against some five national packers. Apparently rather than face prosecution, these packers signed a consent decree which since then has prevented them from:

1. Dealing in 140 food and non-food products, chiefly vegetables, fruit, fish, and groceries.

2. Using their distribution facilities for the handling of any of these 140 products.

3. Owning and operating .retail meat markets.

4. Dealing in fresh milk or cream.

OBJECTIONS TO S. 1356 UNFOUNDED

In 1921, when the Congress was considering passage of legislation to regulate stockyards, the five national packers, which had signed the consent decree, were able to convince Congress that prevention of unfair trade practices in that industry should be transferred from the FTC to the USDA. Materials which have been circulated in opposition to S. 1356 by the association representing these large national packers, list four reasons why a transfer was desirable then, and why such authority now should remain with the USDA. The reasons given are:

"1. Meatpacking, being at the time the country's largest single industry, was of sufficient importance to warrant establishment of a separate, specialized agency.

"2. The FTC was an investigative rather than an administrative body, and hence did not have the power nor the specialized knowledge necessary to do an effective job of administration.

"3. Inevitably, there would be overlapping of jurisdiction between the Department of Agriculture and the FTC, and much confusion thereby created.

"4. The Department of Agriculture had in existence the necessary bureaus and personnel to undertake administration of the act. Moreover, existing personnel were well equipped to undertake supervision of the complicated relationships characteristic of the livestock and meat industry."

Regardless of the merits these arguments may have had in 1921, it is evident from what I have already said that 36 years of ineffective administration or nonenforcement of title II renders them completely valueless today. Experience clearly indicates, and the USDA self-appraisal report confirms this fact, that the Congress made a mistake when it transferred authority to regulate trade practices of packers from a specialized agency handling antitrust matters to the USDA, which did not then and does not now have a separate regulatory agency. Indeed, regulatory activities of the USDA are scattered piecemeal throughout its various agencies.

Mr. Chairman, a short review of USDA experience in the administration of the Packers and Stockyards Act will make this conclusion even more obvious. Originally, the USDA did establish a separate agency to administer the act. In 1927, however, this agency was abolished and responsibility for administration was placed in the Bureau of Animal Industry—a research agency. During the 1940's it was in the Production and Marketing Administration—the price-support agency. In the fall of 1953, responsibility was transferred to the Agricultural Marketing Service.

Enforcement of the title II provisions relating to unfair trade practices today is lodged in the Trade Practices Section of the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service. This section, I repeat, is staffed at the Washington level by a handful of people. The great bulk of the work of this trade practice section deals with title III activities—stockyards regulation, not prevention of unfair trade practices under title II, whose transfer to FTC is provided by S. 1356. It should be obvious to all that the odds against its being able to regulate the activities of economic giants the size of many of these national packers and food chains are many times greater than the odds David faced in his battle with Goliath. What more effective way is there to escape proper public regulation, as expressed by the antitrust planks in the 1956 platforms of our two major political parties, than to transfer such antitrust authority from an effective and specialized agency, such as the FTC, to another agency and Department and insure its burial in a section which doesn't have a single full-time employee engaged in title II activities? A handful of people, in effect, are charged with regulating the largest industry in this country—the food business.

PUBLIC INTEREST REQUIRES ENACTMENT OF S. 1356

Under such circumstances it should be very plain that if the national packers obtain relief from the consent decree, and if the FTC is not given back its original authority to prevent unfair trade practices in this industry, the result could have dire consequences for the public welfare. Small businesses in the meat packing and wholesale and retail grocery industries can, and may well fail in droves. The increase in mergers in the meat packing industry is cause for genuine concern. Livestock producers, as well as producers of other food products, could expect to see their already weak bargaining positions further destroyed. The consumer, too, would face the prospect of growing monopoly control over the higher prices he might be forced to pay.

On this latter score, it is important to note that whereas over the past 10 years—1947 to 1956—the retail cost of meat products declined only 5 percent, in spite of the greatest increase in recent slaughter history, prices received by producers declined by 29 percent. These figures are revealed in the report Food Cost Trends, published April 15, 1957, by the Consumers Study Subcommittee of the House Agriculture Committee (p. 5). For our purpose here today, it is to be regretted that the initial phase of the subcommittee's work did not include an investigation of the effect corporation mergers and the trend toward vertical integration of production, processing, and distribution activities have upon prices received by producers and paid by consumers.

Facets of the latter include the increasing trend toward direct buying and the recent action taken by three national packers to seek relief from the consent decree. The subcommittee, however, gave assurance that investigation of mergers and vertical integration as they affect the price spread between what producers get and what consumers pay will constitute the next phase of the subcommittee's activities (p. 8).

Mr. Chairman, testimony received last June 21 by the Judiciary Committee's subcommittee on monopoly and antitrust reveals a record of ineffective administration and nonenforcement of the title II provisions relating to packers contained in the Packers and Stockyards Act. One witness reported going to the Chief of the Packers and Stockyards Branch in 1953 for the purpose of filing a complaint under title II against a national packer. The head of that Branch asked him not to file the complaint so that he personally could contact the alleged violator and obtain his promise of future compliance, since he had neither the staff nor funds even to investigate the complaint, if it were formally filed. This same witness indicated that his organization had given up going to this Branch because it never took action on any complaint it had filed. The USDA self-appraisal report of Packers and Stockyards Act administration indicated that not even one formal charge has been made under title II in recent years, mainly because apparently not even a formal hearing on a complaint has been held by the Packers and Stockyards Branch.

FTC JURISDICTION NEEDED

In spite of these facts, the national packer association which opposes S. 1356, states in printed matter being circulated against this bill that "the same factors which influenced the decision in 1921 should have an important bearing on the issue today." One of these factors, as I have pointed out—which the same group in 1921 said warranted transfer of the controls to the USDA—was that the FTC "did not have the power nor the specialized knowledge necessary to do an effective job of administration." Well, this observation in reverse now dictates the return of title II authority to the FTC.

The desire of the national packers to take such authority away from the FTC and to give such control to USDA in 1921, and their desire now to keep it there seems predicated upon the common knowledge that the FTC is an effective and efficiently operated agency. Too effective FTC administration, as far as they were concerned, led to the consent decree, which led to the transfer to the USDA,

and now seems to be the basis of their opposition to return that authority to the FTC. It is now amply clear, quite to the contrary of such self-interest assertions, that the USDA personnel at the time of the transfer from FTC in 1921 were not "well equipped to undertake supervision of the complicated relationships characteristic of the livestock and meat industry." In fact, such personnel hardly even exist, let alone are they well equipped today for title II enforcement.

SOUND ADMINISTRATION DEMANDS TRANSFER

On the other hand, it is certain that if the Congress is ever going to be able to get effective administration of the laws it passes, it must recognize the need to group similar functions together for administrative purposes. Sound principles of organization dictate the reasonableness of this position. We have only ourselves to blame when we establish an independent agency, such as the FTC, to carry out a specific function like the prevention of unfair trade practices, and then proceed to dismember that agency by transferring its functions to other agencies and departments not equipped nor staffed to do the job.

Now I have heard the argument that packers are a vital part of agriculture, and, as such, the USDA should be responsible for preventing unfair trade practices in that industry. If this be so, and all logic is against it, then, by parity of reasoning, every other processor of agricultural products is also a vital part of agriculture and such antitrust authority over them also should be exercised by the USDA. It likewise is difficult for me to understand why such an argument now relied upon by the Department in opposing S. 1356 also did not apply when the USDA recommended that the Farm Credit Administration be transferred out of the Department and established as an independent agency. Certainly credit is just as vital to agriculture as meat packing.

Mr. Chairman, because I believe it summarizes the problem very concisely, I should like to read a letter dated April 5, 1957, which I recently received in support of S. 1356 from Mr. Alden K. Barton, chairman of the Utah State Board of Agriculture. This State official, who is in an excellent position to evaluate title II administration in the field, writes as follows:

"DEAR SENATOR WATKINS: I have reviewed Senate bill 1356 amending the antitrust laws relating to the meat-packing industry. I am in full accord with the statements you made before Congress in relation to fair-trade practices not being enforced by the Department of Agriculture and recommending that it could be efficiently handled under the Federal Trade Commission.

"It seems to me that the Department of Agriculture has had more to do with the stockyards division than they were staffed to handle and have not had the trained personnel to properly administer the fair-trade practices of the packers. There seems to be a feeling that packers can become monopolistic as they are endeavoring to go into other business such as livestock feeding and retail business to cover up some of the practices which would eliminate them from the laws that were intended to govern such practices.

"Another important practice which you mentioned is the chain stores going into the packing business in order to be exempt from the Federal Trade Commission supervision. It is felt by many that this is a bad practice and should be controlled. * * * I know that the four large packers are opposed to your bill; that is evidence that they are fearful of having more rigid supervision from the Federal Trade Commission than they are now getting from the Department of Agriculture.

"If you would like my advice, I would certainly favor Senate bill 1356. I feel it will be beneficial to the livestock industry. I also feel that anything that can be done to help the livestock industry should be the first order of business, under this high support program for basic commodities the livestock industry has suffered. I for one would like to do anything possible to help them out of the condition they are in at the present time. I have talked to several livestock men and they feel the same way that I have expressed myself to you.

"Hoping you are successful in getting this bill through the 85th Congress.

"Yours very respectfully,

"UTAH STATE DEPARTMENT OF AGRICULTURE,
"ALDEN K. BARTON,
"*Commissioner of Agriculture.*"

But there is another basic reason why this authority to prevent unfair trade practices in the packing industry should be returned to the FTC, where Congress originally placed it. Because of 36 years of nonenforcement, title II of the Packers and Stockyards Act has never been fully litigated. The courts, therefore, have never been called upon to interpret the many and broad provisions which it contains. So from a practical standpoint, and in light of the seriousness of the situation, it might be several years before title II is fully litigated, so that effective action can be taken against alleged violators of the unfair trade practices provisions of that title.

In the meantime, if the national food chains and other food firms continue to acquire packing plants and thus escape FTC jurisdiction entirely, and the national packers concerned get out from under the consent decree, this situation would result:

1. A few large or giant firms would be able to set the prices received by producers not just of livestock products but a great many other farm products as well, and the prices paid by the consumer at the other end.

2 The same few giant concerns would be able to eliminate thousands of small businesses in all kinds of activities handling food products.

SENATE

THURSDAY, MAY 2, 1957

Dr. Bob Jones, of Bob Jones University, Greenville, S. C., offered the following prayer:

Almighty God, we thank Thee for our country, for the liberties we enjoy, for the piety that has been handed down to us from the past. Help us to hand it on to our children. Help us to realize that life is not divided into the secular and the sacred, but that all ground is holy ground, every bush a burning bush, and every place a temple.

Help us to realize that all authority is given unto God, and that we all live under His directive or permissive will. Help us to so live.

Bless our country and all who have responsible positions, and help us to be faithful to Thee and to the purposes Thou dost have for our land.

We pray in the precious name of the Lord Jesus Christ. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 1, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H. R. 6304) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following committees or subcommittees were authorized to meet today during the session of the Senate:

The Committee on Interior and Insular Affairs, and

The Committee on Public Works, jointly; and

The Permanent Investigating Subcommittee of the Committee on Government Operations.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour, for the introduction of bills, the presentation of petitions and memorials, and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

COMMITTEE SERVICE

Mr. JOHNSON of Texas. Mr. President, I have discussed a proposed order with the distinguished minority leader. It is agreeable to him for it to be brought up now. I ask unanimous consent for the present consideration of an order assigning my junior colleague, the Senator from Texas [Mr. YARBOROUGH], to the committees in the Senate, and ask to have the clerk state the order.

The VICE PRESIDENT. The order will be stated.

The legislative clerk read the proposed order, as follows:

Ordered, by unanimous consent, That Mr. HENNINGS be excused from further service on the Committee on Post Office and Civil Service; and

That Mr. YARBOROUGH be assigned to service on the following committees, namely: Government Operations, Interstate and Foreign Commerce, and Post Office and Civil Service.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. JOHNSON of Texas. Mr. President, I hope the order may be entered now.

The VICE PRESIDENT. Without objection, the order is agreed to.

THE PRESIDENT'S BUDGET

Mr. JOHNSON of Texas. Mr. President, all the morning newspapers carried headlines informing the country that the President may appeal to the people to support his budget.

In a very real sense that appeal will be welcome. It may help to clarify some of the confusion which has been caused by the conflicting statements of the President's Cabinet officers. I cannot help but wonder, however, whether these appeals are being addressed to the proper source. Instead of appealing to the people, it might be well for the President to appeal to the members of his official family, namely, the Secretary of the Treasury, the Under Secretary of the Treasury, and the distinguished Secretary of State.

If we are to accept as gospel the statements of our officials, Congress has already been placed in an impossible position. On the one hand, we are told that if we cut the budget, we will "breach the Nation's security." On the other hand, we are told that if we do not cut the budget, we will have a hair-curling depression. Congress has been told that whatever it does—cut or not cut—Congress will hurt the country. It is about time that the administration made up its mind, so that Congress can proceed to do a prudent job, free of conflicting pressures and varieties of propaganda.

Mr. President, it is rare that I pay tribute on the floor of the Senate to public officials. However, in my 25 years of experience in Washington, I have never seen a public official who I thought had done a more effective job of press relations than that performed by the distinguished press relations secretary of the President, Mr. Hagerty. If I were consulted about who should handle the information we send abroad, I believe I would call upon Mr. Hagerty so that he could employ his talents upon the rest of the world as well as he has in this country.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

AUDIT REPORT ON FEDERAL PRISON INDUSTRIES, INC.

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Federal Prison Industries, Inc., Department of Justice, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

AUDIT REPORT ON BUREAU OF PUBLIC ROADS

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Bureau of Public Roads, Department of Commerce, for the years 1955 and 1956 (with an accompanying report); to the Committee on Government Operations.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 8

"Concurrent resolution requesting the Congress of the United States to amend the Hawaiian Organic Act so as to provide for annual regular sessions of the legislature and increase the compensation of members of the legislature

"Whereas section 41 of the Hawaiian Organic Act provides for biennial sessions of the Legislature of the Territory of Hawaii, such section having been in effect since April 30, 1900; and

"Whereas subsequent to the enactment of the Hawaiian Organic Act the population of the Territory has more than tripled and it is now necessary for the legislature to meet annually for the proper and adequate consideration of governmental problems and determination of policy for the Territory; and

"Whereas the constitution of the state of Hawaii as agreed upon by the delegates of the people of Hawaii in convention on July 22, 1950, made provision for annual regular sessions of the legislature; and

"Whereas the compensation of members of the legislature has not been adjusted by the Congress since 1921: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature (the Senate concurring), That the Congress of the United States is hereby respectfully requested to amend the Hawaiian Organic Act to provide for annual regular sessions of the legislature as set forth in the constitution of the proposed state of Hawaii, and to increase the compensation of the members of the legislature as contemplated by section 17 of article XVI of said constitution, all as set forth in the form of bill for the enactment of which the legislature petitioned by Joint Resolution 3 of the session laws of Hawaii 1955; and be it further

"Resolved, That certified copies of this resolution upon its adoption shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior and the delegate to Congress from Hawaii.

"We hereby certify that the foregoing concurrent resolution was this day adopted by the House of Representatives of the 29th Legislature of the Territory of Hawaii.

"G. VINCENT ESPOSITO,
"Speaker, House of Representatives.
"HERMAN P. F. LUM,
"Clerk, House of Representatives.

"We hereby certify that the foregoing concurrent resolution was this day adopted by the Senate of the 29th Legislature of the Territory of Hawaii.

"W. H. HEEN,
"President of the Senate.
"WILLIAM S. RICHARDSON,
"Clerk of the Senate."

By Mr. CHAVEZ:

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Interior and Insular Affairs:

"House Joint Memorial 3

"Joint memorial memorializing the United States Congress to pass legislation granting to the State of New Mexico and the other Western States all of the lands and minerals within their respective borders with the exception of lands within national parks, national monuments, national forests, and lands utilized for national defense, and for the promotion of aviation and agriculture

"Whereas the people of New Mexico recognize that the United States of America owns over 45 percent of all the lands within the borders of New Mexico; and

"Whereas the people of New Mexico recognize that the United States of America owns a large proportion of the Western States as tabulated below:

	"Percent
"Arizona	69
California	45
Colorado	37
Idaho	64
Montana	33
Nevada	84
New Mexico	45
North Dakota	6
Oklahoma	8
Oregon	52
South Dakota	17
Utah	71
Washington	35
Wyoming	51

"and

"Whereas the people of New Mexico have long been aware of the inequitable lack of sovereignty and loss of revenue from the lands aforesaid and minerals contained therein; and

"Whereas the Taylor Grazing Act of 1934 in its preamble states that its purpose is 'to promote the highest use of the public lands pending its final disposal'; and

"Whereas by the several acts of admission of the Western States enumerated above each State was admitted into the Union on an equal footing with the original States in all respects whatever, which is not the case in fact when the Federal Government owns the majority of the lands within the said Western States and the minerals contained therein; and

"Whereas the Government of the United States has from time to time taken and continues to take more of the lands and minerals in addition to those already owned by it within the Western States, and thus deprives New Mexico and its citizens, and deprives the other Western States and their citizens further from the benefits of such lands and minerals: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States of America be, and it is hereby, memorialized to promptly, diligently, and fairly consider and act upon at this session, legislation designed to grant to New Mexico and its citizens, and to the other Western States and their citizens, title to all of the lands and minerals presently owned by the Government of the United States within the borders of New Mexico and of the other Western States, with the exception of lands in use, or needed in the immediate future for use, in the discharge of governmental functions, and of lands and minerals in national parks, national monuments, na-

tional forests, and of lands for national defense and for promotion of aviation and agriculture; and be it further

"*Resolved*, That copies of this memorial be transmitted to the President and to the Vice President of the United States, to the Speaker of the House of Representatives of said Congress, and to each Senator and Representative from New Mexico in the Congress of the United States.

"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.
"JOE M. MONTOYA,
"President, Senate.
"GRACE MCAFEE,
"Chief Clerk, Senate.

"Approved by me this 22d day of March 1957.

"E. L. MECHEM,
"Governor, State of New Mexico."

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Public Works:

"House Joint Memorial 17

"Joint memorial memorializing the Congressional delegation of New Mexico and Arizona to exert their efforts on behalf of the establishment and construction of a flood-control and irrigation dam on the San Francisco River at the proposed Frisco Dam site, Reserve, N. Mex.

"Whereas the establishment and construction of a flood-control and irrigation dam at the Frisco Dam site on the San Francisco River in southwestern New Mexico would serve a multifold purpose; and

"Whereas the establishment and construction of the proposed dam would prevent the recurrence of floods such as those of 1941 and 1949 that seriously damaged areas of Reserve, Alma, Glenwood, and Pleasonton in New Mexico and Clifton in Arizona, and many acres of valuable farmland along the banks of the Frisco and Gila Rivers; and

"Whereas the controlled irrigation of such areas would be of untold benefit as the Frisco River in such areas practically dries up during the late summer months when the water is needed the most; and

"Whereas if the dam is constructed at the proposed site on the Frisco River, known as the Frisco Dam site, the costs would be relatively small due to the height of the rock walls bounding the river and the narrowness of the river canyon at this point; and

"Whereas if the dam is constructed at the proposed site, the people of the State of Arizona will cooperate with and welcome such construction as it will be of untold value to many of their citizens: Now, therefore, be it

"*Resolved by the Legislature of the State of New Mexico*, That the Congressional delegation of New Mexico and Arizona be hereby memorialized earnestly to exert their efforts on behalf of the establishment and construction of a flood-control dam at the Frisco Dam site on the San Francisco River at Reserve, N. Mex.; and be it further

"*Resolved*, That copies of this memorial be transmitted to each member of the Congressional delegation of New Mexico and Arizona.

"DONALD D. HALLAM,
"Speaker, House of Representatives.
"FLOYD CROSS,
"Chief Clerk, House of Representatives.
"JOE M. MONTOYA,
"President, Senate.
"GRACE MCAFEE,
"Chief Clerk, Senate."

WHY POLAND SHOULD BE HELPED—STATEMENT BY POLISH AMERICAN CONGRESS

Mr. JAVITS. Mr. President, I present, for appropriate reference, a statement by the Polish American Congress entitled "Why Poland Should Be Helped." On this day, 166 years ago, Poland enacted one of the first European democratic constitutions. We nations in the free world now have the opportunity to do something to assist in the attempt of freedom-loving Poles to regain the rights and liberties guaranteed by that constitution. The statement is especially fitting, for the past year saw the struggle for freedom from Communist tyranny so clearly manifested in Poznan. I ask unanimous consent to have the statement printed in the RECORD.

There being no objection, the statement was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

WHY POLAND SHOULD BE HELPED, A STATEMENT BY THE POLISH AMERICAN CONGRESS

Since the October upheaval in Warsaw, when, in the wave of unrest and discontent of the population, Polish Communists recognized the urgency of needed economic and political reforms, American sympathy for Poland has been growing rapidly. From humanitarian and, to some extent, diplomatic views, at least 90 percent of American press and radio and television commentators favor technical and economic help for Poland. However, in this gratifying wave of sympathy for the Polish people, a sense of apprehension could be detected. One question is being frequently asked—whether, while helping Poland we would at the same time strengthen the Soviet Union and communism?

The answer to this question is an emphatic "No" for the following reasons:

1. The Polish people are painfully aware of the fact that Communist concepts of economy and industrial planning have brought them to the brink of disaster. The Communists themselves accepted this truth by retreating from such spheres of economic activities as the collectivization of farms which has been brought to a standstill, and complete socialization of small private enterprises which has been abandoned.

These two examples prove beyond doubt that the Polish people have forced Communists to a considerable retreat from stubborn entrenchment in Marxist-Leninist theories and practices. And this is only the beginning. Given more time, and moral as well as material support, the Poles will eventually go farther on the road to complete independence.

2. Polish national interests, historic evolvement as well as cultural and spiritual ties with Western civilization clash with Communist designs for world domination. Polish implacable hostility toward communism in general and toward Russian colonialism in particular is a proven fact of history.

There is no danger—that by helping Poland economically we would be strengthening communism and the Soviet Union. On the contrary, stronger and more independent Poland would mean a gradual retreat of communism in Central and East Europe and would effectively oppose Russian designs for conquest.

Another argument is being set forth even by people whose sympathy toward Poland is sincere, that there is a great risk involved in helping the Polish people now. They say that American aid for Poland would provoke Russian wrath against the Poles. They add that the Polish people have already aroused Russian antagonism to a breaking point.

Let us bear in mind, therefore, that the Poles are well aware of the risk. They are willing to take it. The very fact that they asked us for help instead of begging the Kremlin for handouts, proves beyond doubt that Poland wants to return to the Western family of nations where her national birth placed her a thousand years ago. The Poles have already taken a risk by turning to the West. It should be evaluated as a calculated risk. They are risking far more in turning to us than we are risking in granting them help.

The stakes are high and worth the chance both for Poland and for the United States. In the long view of history, the Communist system of government forced on Poland by the might of the Russian Army is only transitory. Poland as a nation successfully opposed Russification in the past and, with her boundless devotion to freedom and democracy, will emerge victorious from Communist oppression. But she needs our help and fully deserves to be helped in her hour of dire need.

Finally, some aspects of Poland's foreign policy are being used in arguments against a large scale help. We should remember that Poland's current foreign policy is not of her own choice. It has been linked to Russia with full consent and support of the Western Powers at Yalta. Poland is not yet able to follow an independent course in foreign affairs. This can develop only in accordance with the amount of material and moral help that Poland could get from the West.

CIVIL RIGHTS—RESOLUTION

Mr. JAVITS. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Eisenhower Regular Republican Club of the 14th Assembly District East, New York City, commending President Eisenhower for his concern for civil rights and firm action in seeking to abolish prejudice and urging increased and widespread support for the President's civil-rights program.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

EISENHOWER REGULAR
REPUBLICAN CLUB,
New York, N. Y., April 5, 1957.

Whereas the President of the United States, Dwight D. Eisenhower, has again and again demonstrated his dedication to the cause of equality and justice for all; and

Whereas genuine democracy cannot exist unless every American is assured of his constitutional rights and of freedom of intimidation and violence in the exercise of these rights; and

Whereas courageous Negro and white citizens in some areas of our Nation have been subjected to repeated acts of intimidation and violence aimed at crushing all efforts to promote equality and understanding among our people; and

Whereas individuals have been killed and injured, and property, including churches, has been severely damaged by the enemies of decent Americans everywhere: Be it

Resolved by the members of the Eisenhower Republican Club, Inc. (Regular Organization)—

1. That we commend our President for his consistent record of concern for civil rights and his firm action in abolishing discrimination and segregation wherever Federal law has jurisdiction.

2. That we strongly endorse the President's civil-rights program and urge all Americans to support it with increased vigor against the determined opposition of most Democratic leaders.

3. That we call upon our President to encourage and strengthen the forces seeking

UNIVERSITY OF MICHIGAN LIBRARIES

justice everywhere by speaking out boldly against organized violence that has afflicted parts of our land.

4. That copies of this letter be sent to the President, the Attorney General of the United States, and the Senators of the State of New York.

5. That other Republican organizations in the New York City area be urged to adopt similar resolutions.

Adopted unanimously, April 2, 1957, business meeting.

ELLEN BENN,
Executive Member.
S. B. PETERSON,
President.
ISABEL VERDEJO,
Recording Secretary.

ALEXANDER HAMILTON BICENTENNIAL—RESOLUTION

Mr. MUNDT. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Daughters of the American Revolution in the recent national congress held in this city, endorsing the purpose and program of the Alexander Hamilton Bicentennial Commission.

There being no objection, the resolution was referred to the Committee on the Judiciary and ordered to be printed in the RECORD, as follows:

ALEXANDER HAMILTON BICENTENNIAL

Whereas the President of the United States of America has issued a proclamation directing that the year 1957 bring appropriate observance by "all officials and agencies of Federal Government, and all citizens," and has urged upon the governors of the several States that they do honor to the memory of Alexander Hamilton during this bicentennial year, "with appropriate activities and ceremonies commemorative of his inspiring role in our national life": Now, therefore, be it

Resolved, That the National Society, Daughters of the American Revolution, in keeping with its historic role of honoring the memory of the heroic founders of this Nation, hereby declares its wholehearted cooperation in appropriate ceremonies commemorative of the 200th anniversary of the birth of Alexander Hamilton, the first Secretary of the Treasury of the United States of America.

RESOLUTION OF NATIONAL ASSOCIATION OF REFRIGERATED WAREHOUSES

Mr. BYRD. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted at the 66th annual meeting of the National Association of Refrigerated Warehouses, at Atlantic City, last month, relating to Federal taxation and spending.

There being no objection, the resolution was referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

Whereas the proposed Federal budget continues the ruinous course established by the New Deal and Fair Deal of tremendous Federal spending and continued high level of taxes; and whereas such spending and taxing will ultimately result in destruction of America's free enterprise economic system and democratic political structure; Now, therefore, be it

Resolved, That our public refrigerated warehouse industry again warns the Nation of this great danger and prays Congress to make every effort to make reductions in the proposed Federal budget that will make possible later tax reductions without reverting to deficit spending.

ENDING THE "NO-MAN'S LAND" IN LABOR RELATIONS—LETTER AND RESOLUTION

Mr. WILEY. Mr. President, I was pleased to receive this morning a splendid letter from the secretary of the Wisconsin Employment Relations Board.

Arvid Anderson described an important meeting which had been held in Madison at the end of last month designed to cope with the problem of what has been well described as a most regrettable "no-man's land" in the field of labor relations.

I mean an area where the State employment relations agencies unfortunately may not regulate labor disputes, despite the fact that, at the Federal level, the National Labor Relations Board has declined to exercise jurisdiction over such disputes.

I have previously commented on this subject, because I regard it as extremely significant.

We must end the "no-man's land." We must enable the State agencies to handle State problems at the State level.

We must not permit confusion and uncertainty to continue in the ranks of labor, management, and among the State officials who have to do the job at the grassroots.

I am pleased that there has now been formed a permanent organization of State labor relations agencies.

I present Mr. Anderson's letter, together with a copy of a resolution which had been adopted by this organization.

I commend the resolution to my colleagues. I am not a member of the Senate Labor Committee which handles items of this nature, but I earnestly hope that the committee will consider this matter at its earliest possible convenience.

I ask unanimous consent that the letter and the resolution be printed in the RECORD at this point.

There being no objection, the letter and resolution were ordered to be printed in the RECORD, as follows:

THE STATE OF WISCONSIN,
EMPLOYMENT RELATIONS BOARD,
Madison, Wis., April 30, 1957.

Hon. ALEXANDER WILEY,
United States Senate,
Committee on the Judiciary,
Washington, D. C.

DEAR MR. WILEY: This is to advise you of the results of the April 23 and 24, 1957, conference in Madison, Wis., called for the purpose of considering the impact of the "no-man's land" decision in the field of labor relations.

At this meeting a permanent organization of State labor relations agencies was organized and the enclosed resolution was unanimously adopted. It was the viewpoint of all present that Congress should accept the invitation of the United States Supreme Court to adopt legislation designed to eliminate the no-man's land in which labor disputes arise and over which the States have no power to regulate even though the National Labor Relations Board, for budgetary and other reasons, refuses to act.

We sincerely hope that you and the other members of the Wisconsin Congressional delegation will use your best efforts to support legislation which will afford some relief from the intolerable no-man's land in which many employers and employees now find themselves.

While no specific measure was endorsed by the association, it is the viewpoint of Chairman L. E. Gooding and the board members that either the bill proposed by Senator IVES or Senator WATKINS merits support.

Sincerely yours,
ARVID ANDERSON,
Secretary, Association of State Labor Relations Agencies.

RESOLUTION ADOPTED BY THE ASSOCIATION OF STATE LABOR RELATIONS AGENCIES ON APRIL 24, 1957, IN MEETING AT MADISON, WIS.

Whereas the National Labor Relations Board, acting pursuant to powers granted to it by the Congress of the United States, has established jurisdictional standards under which it declines to exercise jurisdiction over many labor disputes affecting interstate commerce on the ground that such disputes are predominantly local in character; and

Whereas the Supreme Court of the United States on March 25, 1957, held that the States may not regulate labor disputes affecting interstate commerce, even though the National Labor Relations Board has declined to exercise jurisdiction over such disputes; and

Whereas the aforesaid decisions of the United States Supreme Court result in the creation of a vast area in which thousands of labor disputes are or will be wholly unregulated and the parties thereto deprived of any forum and remedy; and

Whereas the existence of such an area of unregulated labor relations is inimical to the health, safety, welfare, prosperity, and well-being of the several States and their citizens; and

Whereas the United States Supreme Court, in its aforesaid decisions has stated that the remedy for this situation lies with the Congress of the United States: Now, therefore, it is hereby

Resolved by the Association of State Labor Relations Agencies, That the unfortunate situation above described requires immediate and appropriate remedial action by the Congress of the United States; and it is further

Resolved, That the officers of the association be and they hereby are directed to forward copies of this resolution to the President of the United States, to the chairman and members of the Senate Committee on Labor and Public Welfare, to the chairman and members of the House Committee on Education and Labor, the Secretary of Labor, and to the Chairman of the National Labor Relations Board.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SMATHERS, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1463. A bill to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission (Rept. No. 283);

S. 1491. A bill to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended (Rept. No. 281); and

S. 1492. A bill to provide more adequate and realistic penalties for violations of certain statutes administered by the Interstate Commerce Commission (Rept. No. 282).

By Mr. SYMINGTON, from the Committee on Agriculture and Forestry, with amendments:

S. Res. 125. Resolution requesting the Secretary of Agriculture to make a study of

methods of providing an overall feed program (Rept. No. 284).

(See the remarks of Mr. SYMINGTON when he reported the above resolution, which appear under a separate heading.)

By Mrs. SMITH of Maine, from the Committee on Armed Services, without amendment:

S. 1859. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush 1957 Jamboree of the Boy Scouts of America, and for other purposes (Rept. No. 285).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga. (Rept. No. 286).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

S. 405. A bill to require the Bureau of the Census to develop farm income data by economic class of farm (Rept. No. 287).

STUDY OF METHODS OF PROVIDING AN OVERALL FEED PROGRAM—REPORT OF A COMMITTEE

Mr. SYMINGTON. Mr. President, from the Committee on Agriculture and Forestry, I report favorably, with amendments, the resolution (S. Res. 125) requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program, and I submit a report (No. 284) thereon.

This resolution requests the Secretary of Agriculture to conduct a thorough study of possible methods of improving the feed grain program. The report, due on July 15, 1957, shall include drafts of any legislation considered necessary to carry out such recommendations.

In submitting this resolution on April 15, I expressed hope that we could study the recommendations and be ready to take any necessary action early next session.

An overall feed grain program is sorely needed. Representatives from all the major farm organizations have emphasized that it is necessary to bring the total feed grain supply into better balance with demand.

Legislation that deals with only one of the feed grains can never achieve this goal.

The USDA stocks of grains report of April 24 states:

Stocks of feed grains—corn, oats and barley—add to a total of nearly 85 million tons—the largest in the 15 years for which comparable data are available.

Should this condition continue, it can only mean disastrously low livestock prices.

Therefore, Mr. President, I urge prompt action on this resolution, so that the Department of Agriculture can immediately begin studying this problem.

The VICE PRESIDENT. The report will be received and the resolution will be placed on the calendar.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—FEDERAL PERSONNEL AND PAY

Mr. BYRD. Mr. President, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, I submit a report on Federal employment and pay for the month of March 1957. In accordance with the practice of several years' standing, I ask unanimous consent to have the report printed in the RECORD, together with a statement by me.

There being no objection, the report and statement were ordered to be printed in the RECORD, as follows:

FEDERAL PERSONNEL IN EXECUTIVE BRANCH, MARCH 1957 AND FEBRUARY 1957, AND PAY, FEBRUARY 1957 AND JANUARY 1957

PERSONNEL AND PAY SUMMARY

Information in monthly personnel reports for March 1957 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures is summarized as follows:

Total and major categories	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In March numbered—	In February numbered—	Increase (+) or decrease (−)	In February was—	In January was—	Increase (+) or decrease (−)
Total [1]	2,392,987	2,390,517	+2,470	$847,617	$989,594	−$141,977
Agencies exclusive of Department of Defense	1,224,925	1,218,303	+6,622	425,756	512,459	−86,703
Department of Defense	1,168,062	1,172,214	−4,152	421,861	477,135	−55,274
Inside continental United States	2,188,431	2,185,279	+3,152			
Outside continental United States	204,556	205,238	−682			
Industrial employment	657,303	658,000	−697			
Foreign nationals	271,578	272,516	−938	27,172	28,086	−914

[1] Exclusive of foreign nationals shown in the last line of this summary.

Table I, below, breaks down the above figures on employment and pay by agencies.

Table II, page 5, breaks down the above employment figures to show the number inside continental United States by agencies.

Table III, page 7, breaks down the above employment figures to show the number outside continental United States by agencies.

Table IV, page 8, breaks down the above employment figures to show the number in industrial-type activities by agencies.

Table V, page 9, shows foreign nationals by agencies not included in tables I, II, III, and IV.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957, and pay for February 1957, and comparison with January 1957*

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Executive departments (except Department of Defense):								
Agriculture	83,341	82,180	1,161		$26,650	$30,079		$3,429
Commerce [1]	48,020	47,335	685		19,706	22,565		2,859
Health, Education, and Welfare	51,288	50,569	719		19,958	[2] 20,597		639
Interior	50,263	49,649	614		18,939	21,409		2,470
Justice	30,652	30,797		145	13,916	15,823		1,907
Labor	5,942	5,929	13		2,508	2,843		335
Post Office	524,347	522,908	1,439		173,970	228,354		54,384
State [3]	33,384	33,056	328		11,620	12,912		1,292
Treasury	82,789	81,070	1,719		31,827	35,854		4,027
Executive Office of the President:								
White House Office	399	401		2	213	244		31
Bureau of the Budget	437	446		9	270	322		52
Council of Economic Advisers	28	29		1	21	29		8
Executive Mansion and Grounds	69	70		1	26	27		1
National Security Council [4]	27	26	1		17	19		2
Office of Defense Mobilization	270	263	7		167	167		
President's Advisory Committee on Government Organization	5	5			2	3		1

[1] March figure includes 274 seamen on the rolls of the Maritime Administration and their pay.

[2] Revised on the basis of later information.

[3] March figure includes 11,026 employees of the International Cooperation Administration as compared with 10,842 in February and their pay. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The March figure includes 2,642 of these trust fund employees and the February figure includes 2,585.

[4] Exclusive of personnel and pay of the Central Intelligence Agency.

UNIVERSITY OF MICHIGAN LIBRARIES

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957, and pay for February 1957, and comparison with January 1957*—Continued

Department or agency	Personnel				Pay (in thousands)			
	March	February	Increase	Decrease	February	January	Increase	Decrease
Independent agencies:								
Advisory Committee on Weather Control	14	8	6		$4	$4		
Alexander Hamilton Bicentennial Commission	11	12		1	6	7		$1
American Battle Monuments Commission	609	602	7		85	94		9
Atomic Energy Commission	6,709	6,717		8	3,281	3,734		453
Board of Governors of the Federal Reserve System	581	582		1	278	319		41
Boston National Historic Sites Commission	5	5			1	1		
Civil Aeronautics Board	597	598		1	316	364		48
Civil Service Commission	4,420	4,439		19	1,887	2,138		251
Commission of Fine Arts	4	4			2	2		
Corregidor Bataan Memorial Commission	2	2			1	2		1
District of Columbia Auditorium Commission	18	18			1	1		
Export-Import Bank of Washington	189	189			109	125		16
Farm Credit Administration	953	959		6	467	535		68
Federal Civil Defense Administration	1,177	1,167	10		585	667		82
Federal Coal Mine Safety Board of Review	7	7			5	4	$1	
Federal Communications Commission	1,161	1,160	1		565	644		79
Federal Deposit Insurance Corporation	1,122	1,143		21	531	600		69
Federal Home Loan Bank Board	721	716	5		318	356		38
Federal Mediation and Conciliation Service	336	[1] 340		4	223	246		23
Federal Power Commission	711	707	4		363	406		43
Federal Trade Commission	744	734	10		377	440		63
Foreign Claims Settlement Commission	116	116			56	61		5
General Accounting Office	5,368	5,373		5	2,310	2,671		361
General Services Administration	27,483	27,404	79		9,202	10,686		1,484
Government Contract Committee	21	21			10	10		
Government Printing Office	6,467	6,490		23	2,708	3,252		544
Housing and Home Finance Agency	9,983	9,964	19		4,458	5,107		649
Indian Claims Commission	14	14			10	11		1
Interstate Commerce Commission	2,146	2,150		4	1,013	1,148		135
Jamestown-Williamsburg-Yorktown Celebration Commission	4	4			2	3		1
National Advisory Committee for Aeronautics	7,721	7,713	8		3,571	4,109		538
National Capital Housing Authority	250	252		2	90	105		15
National Capital Planning Commission	30	36		6	16	20		4
National Gallery of Art	331	332		1	103	$115		12
National Labor Relations Board	1,130	1,137		7	595	671		76
National Mediation Board	111	111			68	84		16
National Science Foundation	308	281	27		125	148		23
National Security Training Commission	6	6			2	3		1
Panama Canal	14,101	14,133		32	3,573	3,656		83
Railroad Retirement Board	2,349	2,342	7		845	958		113
Renegotiation Board	417	431		14	254	293		39
Saint Lawrence Seaway Development Corporation	35	35			22	24		2
Securities and Exchange Commission	786	785	1		402	462		60
Selective Service System	6,996	6,969	27		1,607	1,845		238
Small Business Administration	1,049	1,024	25		495	555		60
Smithsonian Institution	771	762	9		270	314		44
Soldiers' Home	1,017	1,020		3	225	261		36
Subversive Activities Control Board	36	31	5		21	23		2
Tariff Commission	216	213	3		118	131		13
Tax Court of the United States	141	144		3	89	105		16
Tennessee Valley Authority	15,147	14,903	244		6,220	7,138		918
Theodore Roosevelt Centennial Commission	4	4			2	2		
U. S. Information Agency	11,783	11,718	65		3,057	3,467		410
Veterans' Administration	177,232	177,539		307	55,001	63,084		8,083
Woodrow Wilson Centennial Celebration Commission	4	4			1	1		
Total, excluding Department of Defense	1,224,925	1,218,303	7,248	626	425,756	512,459	$1	86,704
Net change, excluding Department of Defense			6,622				86,703	
Department of Defense:								
Office of the Secretary of Defense	1,700	1,692	8		1,070	1,095		25
Department of the Army	428,357	428,717		360	150,453	169,161		18,708
Department of the Navy	391,939	393,136		1,197	150,630	168,967		18,337
Department of the Air Force	346,066	348,669		2,603	119,708	137,912		18,204
Total, Department of Defense	1,168,062	1,172,214	8	4,160	421,861	477,135		55,274
Net decrease, Department of Defense			4,152				55,274	
Grand total, including Department of Defense	2,392,987	2,390,517	7,256	4,786	847,617	989,594	1	141,978
Net change, including Department of Defense			2,470				141,977	

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	82,023	80,991	1,032	
Commerce [1]	44,321	43,702	619	
Health, Education, and Welfare	49,459	48,737	722	
Interior	46,010	45,398	612	
Justice	30,115	30,262		147
Labor	5,827	5,810	17	
Post Office	521,868	520,433	1,435	
State [2]	8,580	8,528	52	
Treasury	81,783	80,080	1,703	
Executive Office of the President:				
White House Office	399	401		2
Bureau of the Budget	437	446		9
Council of Economic Advisors	28	29		1
Executive Mansion and Grounds	69	70		1
National Security Council [3]	27	26	1	
Office of Defense Mobilization	270	263	7	
President's Advisory Committee on Government Organization	5	5		

Department or agency	March	February	Increase	Decrease
Independent agencies:				
Advisory Committee on Weather Control	14	8	6	
Alexander Hamilton Bicentennial Commission	11	12		1
American Battle Monuments Commission	17	18		1
Atomic Energy Commission	6,689	6,697		8
Board of Governors of the Federal Reserve System	581	582		1
Boston National Historic Sites Commission	5	5		
Civil Aeronautics Board	593	593		
Civil Service Commission	4,404	4,423		19
Commission of Fine Arts	4	4		
Corregidor Bataan Memorial Commission	2	2		
District of Columbia Auditorium Commission	18	18		
Export-Import Bank of Washington	189	189		
Farm Credit Administration	944	950		6
Federal Civil Defense Administration	1,177	1,167	10	
Federal Coal Mine Safety Board of Review	7	7		

[1] March figure includes 274 seamen on the rolls of the Maritime Administration.
[2] March figure includes 1,722 employees of the International Cooperation Administration as compared with 1,727 in February.
[3] Exclusive of personnel of the Central Intelligence Agency.

TABLE II.—*Federal personnel inside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*—Continued

Department or agency	March	February	Increase	Decrease
Independent agencies—Continued				
Federal Communications Commission	1,134	1,134		
Federal Deposit Insurance Corporation	1,120	1,141		21
Federal Home Loan Bank Board	721	716	5	
Federal Mediation and Conciliation Service	336	[1] 340		4
Federal Power Commission	711	707	4	
Federal Trade Commission	744	734	10	
Foreign Claims Settlement Commission	116	116		
General Accounting Office	5,294	5,296		2
General Services Administration	27,380	27,301	79	
Government Contract Committee	21	21		
Government Printing Office	6,467	6,490		23
Housing and Home Finance Agency	9,817	9,800	17	
Indian Claims Commission	14	14		
Interstate Commerce Commission	2,146	2,150		4
Jamestown-Williamsburg Yorktown Celebration Commission	4	4		
National Advisory Committee for Aeronautics	7,721	7,713	8	
National Capital Housing Authority	250	252		2
National Capital Planning Commission	30	36		6
National Gallery of Art	331	332		1
National Labor Relations Board	1,112	1,119		7
National Mediation Board	111	111		
National Science Foundation	308	281	27	
National Security Training Commission	6	6		
Panama Canal	422	412	10	
Railroad Retirement Board	2,349	2,342	7	
Renegotiation Board	417	431		14
Saint Lawrence Seaway Development Corporation	35	35		
Securities and Exchange Commission	786	785	1	
Selective Service System	6,801	6,776	25	
Small Business Administration	1,040	1,016	24	
Smithsonian Institution	769	760	9	
Soldiers' Home	1,017	1,020		3
Subversive Activities Control Board	36	31	5	
Tariff Commission	216	213	3	
Tax Court of the United States	141	144		3
Tennessee Valley Authority	15,147	14,903	244	
Theodore Roosevelt Centennial Commission	4	4		
United States Information Agency	2,763	2,716	47	
Veterans' Administration	175,981	176,293		312
Woodrow Wilson Centennial Celebration Commission	4	4		
Total, excluding Department of Defense	1,159,698	1,153,555	6,741	598
Net increase, excluding Department of Defense			6,143	
Department of Defense:				
Office of the Secretary of Defense	1,653	1,648	5	
Department of the Army	364,990	365,194		204
Department of the Navy	358,868	360,059		1,191
Department of the Air Force	303,222	304,823		1,601
Total, Department of Defense	1,028,733	1,031,724	5	2,996
Net decrease, Department of Defense			2,991	
Grand total, including Department of Defense	2,188,431	2,185,279	6,746	3,504
Net increase, including Department of Defense			3,152	

[1] Revised on basis of later information.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	1,318	1,189	129	
Commerce	3,699	3,633	66	
Health, Education, and Welfare	1,829	1,832		3
Interior	4,253	4,251	2	
Justice	537	535	2	
Labor	115	119		4
Post Office	2,479	2,475	4	
State [1]	24,804	24,528	276	
Treasury	1,006	990	16	
Independent agencies:				
American Battle Monuments Commission	592	584	8	
Atomic Energy Commission	20	20		
Civil Aeronautics Board	4	5		1
Civil Service Commission	16	16		
Farm Credit Administration	9	9		
Federal Communications Commission	27	26	1	
Federal Deposit Insurance Corporation	2	2		
General Accounting Office	74	77		3
General Services Administration	103	103		
Housing and Home Finance Agency	166	164	2	
National Labor Relations Board	18	18		
Panama Canal	13,679	13,721		42
Selective Service System	195	193	2	
Small Business Administration	9	8	1	
Smithsonian Institution	2	2		
United States Information Agency	9,020	9,002	18	
Veterans' Administration	1,251	1,246	5	
Total, excluding Department of Defense	65,227	64,748	532	53
Net increase, excluding Department of Defense			479	
Department of Defense:				
Office of the Secretary of Defense	47	44	3	
Department of the Army	63,367	63,523		156
Department of the Navy	33,071	33,077		6
Department of the Air Force	42,844	43,846		1,002
Total, Department of Defense	139,329	140,490	3	1,164
Net decrease, Department of Defense			1,161	
Grand total, including Department of Defense	204,556	205,238	535	1,217
Net decrease, including Department of Defense			682	

[1] March figure includes 9,304 employees of the International Cooperation Administration as compared with 9,115 in February. These ICA figures include employees who are paid from foreign currencies deposited by foreign governments in a trust fund for this purpose. The March figure includes 2,643 of these trust fund employees and the February figure includes 2,585.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during March 1957, and comparison with February 1957*

Department or agency	March	February	Increase	Decrease
Executive departments (except Department of Defense):				
Agriculture	3,150	3,011	139	
Commerce	2,739	2,676	63	
Interior	8,263	8,200	63	
Treasury	5,644	5,638	6	
Independent agencies:				
Atomic Energy Commission	145	146		1
Federal Communications Commission	13	14		1
General Services Administration	1,090	1,117		27
Government Printing Office	6,467	6,490		20
National Advisory Committee for Aeronautics	7,721	7,713	8	
Panama Canal	7,272	7,262	10	
Tennessee Valley Authority	12,389	12,162	227	
Total, excluding Department of Defense	54,893	54,429	516	52
Net increase, excluding Department of Defense			464	
Department of Defense:				
Department of the Army:				
Inside continental United States	[1] 181,700	[2] 181,799		99
Outside continental United States	[1] 22,625	[2] 22,688		63
Department of the Navy:				
Inside continental United States	220,338	221,200		862
Outside continental United States	5,995	6,027		32
Department of the Air Force:				
Inside continental United States	165,117	165,265		148
Outside continental United States	6,635	6,592	43	
Total Department of Defense	602,410	603,571	43	1,204
Net decrease, Department of Defense			1,161	
Grand total, including Department of Defense	657,303	658,000	559	1,256
Net decrease, including Department of Defense			697	

[1] Subject to revision.

[2] Revised on basis of later information.

UNIVERSITY OF MICHIGAN LIBRARIES

TABLE V.—*Foreign nationals working under United States agencies overseas, excluded from tables I through IV of this report, whose services are provided by contractual agreement between the United States and foreign governments, or because of the nature of their work or the source of funds from which they are paid, as of March 1957 and comparison with February 1957*

Country	Total		Army		Navy		Air Force	
	March	February	March	February	March	February	March	February
Belgium	6						6	
England	7,533	7,941			37	37	7,496	7,904
France	26,100	26,051	18,231	18,104			7,869	7,947
French Morocco	5,818	6,137	160	164	951	1,001	4,707	4,972
Germany	98,463	98,757	82,358	82,626	543	555	15,562	15,576
Japan	128,030	127,884	66,752	[1] 66,293	19,235	19,408	42,043	42,183
Korea	4,922	5,040	4,922	5,040				
Malta	90	94			90	94		
Netherlands	41	39					41	39
Norway	25	23					25	23
Trinidad	550	550			550	550		
Total	271,578	272,516	172,423	172,227	21,406	21,645	77,749	78,644

[1] Revised on the basis of later information.

NOTE.—The Germans are paid from funds provided by German Governments. The French and English reported by the Army and Air Force are paid from funds appropriated for personal services. All others are paid from funds appropriated for other contractual services.

FOREIGN NATIONALS

Table 5 segregates and accounts for certain categories of personal services rendered to the United States Government overseas which cannot be regarded as ordinary direct employment.

Generally this personal service is rendered military agencies overseas under agreements with the foreign governments. In most cases the employment is indirect. The foreign governments hire the employees. The United States military agencies in most cases administer or direct the activity.

The source of the funds for the payment of these employees varies. The Germans are employed without direct reimbursement by the United States, and by agreement payment is made from the German economy. The Japanese are employed under a master labor contract between United States agencies and the Japanese Government.

French and English are employed for the Army and Air Force under agreements with the respective Governments. Funds originally appropriated for "Personal service" are used for this purpose. The Koreans and others are paid under varying contractual agreements with funds appropriated for "Other contractual services."

Personnel hired and used under such circumstances cannot be properly considered in the same category as regular employment, but they are used and should be counted for what they are.

The Joint Committee on Reduction of Nonessential Federal Expenditures is endeavoring to identify these groups of employees and to count them along with, but separate from, the regularly reported United States employment overseas.

STATEMENT BY SENATOR BYRD

EMPLOYEES

Executive agencies of the Federal Government reported regular civilian employment in the month of March totaling 2,392,987. This was a net increase of 2,470 as compared with employment reported in the preceding month of February.

Civilian employment reported by the executive agencies of the Federal Government, by months in fiscal year 1957, which began July 1, 1956, follows:

Month	Employment	Increase	Decrease
July	2,398,673	14,250	
August	2,400,493	1,820	
September	2,388,854		11,639
October	2,396,163	7,309	
November	2,394,324		1,839
December	2,389,788		4,536
January 1957	2,387,015		2,773
February	2,390,517	3,502	
March	2,392,987	2,470	

Total civilian employment in civilian agencies during the month of March was 1,224,925, an increase of 6,622 as compared with the February total of 1,218,303. Total civilian employment in the military agencies in March was 1,168,062, a decrease of 4,152 as compared with 1,172,214 in February.

Civilian agencies reporting the major increases were Treasury Department with 1,719, Post Office Department with 1,439, Agriculture Department with 1,161, Department of Health, Education, and Welfare with 719, Department of the Interior with 614, and Department of Commerce with 685. The increases in the Departments of Agriculture, Interior, and Treasury were largely seasonal.

In the Department of Defense decreases in civilian employment were reported by the Department of the Air Force with 2,603, the Department of the Navy with 1,197, and the Department of the Army with 360.

Inside continental United States civilian employment increased 3,152 and outside continental United States civilian employment decreased 682. Industrial employment by the Federal agencies in March totaled 657,303, a decrease of 697.

These figures are from reports certified by the agencies as compiled by the Joint Committee on Reduction of Nonessential Federal Expenditures.

PAYROLL

The regular monthly Federal civilian payroll in February totaled $847,617,000. United States pay for foreign nationals working under Federal agencies abroad totaled $16,163,000. The total February payroll for agencies of the executive branch of the Federal Government was $863,780.

The total for January was $1 billion. Despite an increase in employment the February payroll was $142,514,000 less than the January total. A number of factors contribute to such a situation. For example, February was a short month.

These figures for the month were certified by executive agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures. Payroll figures are on an actual basis and necessarily lag 1 month behind the personnel count.

Payroll for the first 8 months of fiscal year 1957, including United States funds for foreign nationals not on regular rolls, totaled $7.5 billion. This was a monthly average of $936 million, since the fiscal year started July 1, 1956.

These payroll figures by months follow:

[In millions of dollars]

Month	Regular payrolls	Foreign nationals not on regular rolls (United States funds)	Total
July	907	17	923
August	950	17	967

[In millions of dollars—Continued]

Month	Regular payrolls	Foreign nationals not on regular rolls (United States funds)	Total
September	846	17	863
October	947	17	964
November	931	17	948
December	933	18	951
January 1957	990	17	1,006
February	848	16	864
Total (8 months)	7,351	136	7,487

FOREIGN NATIONALS

The total of 2,392,987 civilian employees certified to the committee by executive agencies in their regular monthly personnel reports includes some foreign nationals employed in United States Government activities abroad, but in addition to these there were 271,578 foreign nationals working for United States military agencies during March who were not counted in the usual personnel report. The number in February was 272,516. A breakdown of this employment for March follows:

Country	Total	Army	Navy	Air Force
Belgium	6			6
England	7,533		37	7,496
France	26,100	18,231		7,869
French Morocco	5,818	160	951	4,707
Germany	98,463	82,358	543	15,562
Japan	128,030	66,752	19,235	42,043
Korea	4,922	4,922		
Malta	90		90	
Netherlands	41			41
Norway	25			25
Trinidad	550		550	
Total	271,578	172,423	21,406	77,749

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. GREEN, from the Committee on Foreign Relations:

Henry J. Taylor, of Virginia, to be Ambassador Extraordinary and Plenipotentiary to Switzerland; and

Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary to Ireland.

EXECUTIVE REPORTS OF COMMITTEE ON ARMED SERVICES

Mr. RUSSELL. Mr. President, from the Committee on Armed Services, I re-

port favorably the nominations of three lieutenant generals in the Army to be retired and the nominations of a small group of general officers for appointment and promotion in the Army and Army Reserves. This group includes the name of Maj. Gen. Andrew Thomas McNamara for appointment as the Quartermaster General of the Army. I ask that these nominations be placed on the Executive Calendar.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations placed on the Executive Calendar are as follows:

Lt. Gen. Thomas Wade Herren, Army of the United States (major general, U. S. Army);
Lt. Gen. Alonzo Patrick Fox, Army of the United States (major general, U. S. Army); and Lt. Gen. Laurin Lyman Williams, Army of the United States (major general, U. S. Army); to be placed on the retired list.

Maj. Gen. Paul Irwin Robinson, Army of the United States (brigadier general, Medical Corps, U. S. Army), and sundry other officers for appointment in the Regular Army of the United States.

Brig. Gen. Thomas North, United States Army, for temporary appointment as major general in the Army of the United States.

Mr. RUSSELL. Mr. President, in addition, from the Committee on Armed Services, I report favorably a group of approximately 4,700 nominations for appointments in the Air Force, Navy, and Marine Corps, in the grade of commander and below. These names have already appeared in the CONGRESSIONAL RECORD. In order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Vice President's desk for the information of any Senator.

The VICE PRESIDENT. Without objection, it is so ordered.

The nominations ordered to lie on the desk are as follows:

Quincy E. Fortier, and sundry other persons for appointment in the Regular Air Force; and

William A. Abbott, and sundry other midshipmen (Naval Academy) to be ensigns in the Navy.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JAVITS:

S. 1957. A bill for the relief of Jimmy Isaac Levy and his wife, Mireille Levy;

S. 1958. A bill for the relief of Lawrence Edward Noonan; and

S. 1959. A bill for the relief of Ahamed Meah; to the Committee on the Judiciary.

By Mr. FLANDERS:

S. 1960. A bill for the relief of Emmanuel Balz Ruzic; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 1961. A bill for the relief of Maria Van Arendonk; to the Committee on the Judiciary.

By Mr. BUTLER:

S. 1962. A bill to authorize the Secretary of Agriculture to convey a certain tract of land owned by the United States to the Perkins Chapel Methodist Church, Bowie, Md.; to the Committee on Agriculture and Forestry.

S. 1963. A bill to amend section 35 of title 18 of the United States Code so as to increase the punishment for knowingly giving false information concerning destruction of aircraft and motor vehicles; and

S. 1964. A bill for the relief of Juana Maria Geldrich; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 1965. A bill for the relief of Sotiris Lambiris; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 1966. A bill for the relief of Biase Conte;

S. 1967. A bill for the relief of Maria Teresa Bongiovanni; and

S. 1968. A bill for the relief of Ambrose Pitter; to the Committee on the Judiciary.

By Mr. THYE:

S. 1969. A bill to continue availability of funds for surveys and planning under title VI of the Public Health Service Act; to the Committee on Appropriations.

S. 1970. A bill for the relief of Karl Hirofumi Eidmann; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey (for himself and Mr. PURTELL):

S. 1971. A bill to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. SMITH of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY:

S. 1972. A bill for the relief of Letizia Maria Arini; and

S. 1973. A bill for the relief of Maria Begonia Lamana Garcia; to the Committee on the Judiciary.

By Mr. CARLSON:

S. 1974. A bill for the relief of Bruce Schmedemann; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 1975. A bill for the relief of Peder Strand; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 1976. A bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes;

S. 1977. A bill to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes; and

S. 1978. A bill to authorize the imposition of forfeitures not exceeding $100 for certain violations of the rules and regulations of the Federal Communications Commission in the common carrier and safety and special services fields; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the first two above-mentioned bills, which appear under separate headings.)

By Mr. DIRKSEN (by request):

S. 1979. A bill for the relief of Barbara Hollinger;

S. 1980. A bill for the relief of the Acme Bronze Co.; and

S. 1981. A bill to amend the Trading With the Enemy Act, as amended, so as to provide for certain payments for the relief and rehabilitation of needy victims of Nazi persecution; to the Committee on the Judiciary.

By Mr. MORSE:

S. 1982. A bill to authorize the Commissioners of the District of Columbia to issue bonds to finance a school-construction program in the District of Columbia; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE (for himself and Mr. NEUBERGER):

S. 1983. A bill to amend the law relating to the limitation of liability on vessels in order to provide that the owner's interest in certain insurance be included in such liability; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 1984. A bill to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Smithsonian Institution to house certain art collections of the Smithsonian Institution; to the Committee on Post Office and Civil Service.

S. 1985. A bill to authorize the preparation of plans and specifications for the construction of a building for a National Air Museum for the Smithsonian Institution, and all other work incidental thereto; to the Committee on Public Works.

By Mr. COTTON (for himself, Mr. MARTIN of Pennsylvania, Mr. BRIDGES, Mr. BUSH, and Mr. BUTLER):

S. 1986. A bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes; to the Committee on Public Works.

(See the remarks of Mr. COTTON when he introduced the above bill, which appear under a separate heading.)

By Mr. HOLLAND:

S. 1987. A bill for the relief of Richard K. Lim and Margaret K. Lim; to the Committee on the Judiciary.

By Mr. HRUSKA:

S. 1988. A bill to extend the gratuitous insurance benefits granted by subsection 602 (d) of the National Service Life Insurance Act of 1940, as amended, to parents of certain deceased members of the Armed Forces without regard to the dependence of such parents, and for other purposes; to the Committee on Finance.

S. 1989. A bill for the relief of Mrs. Reynard R. Addleman; to the Committee on the Judiciary.

By Mr. WILEY:

S. 1990. A bill for the relief of Agnes Nina Coll; to the Committee on the Judiciary.

By Mr. COTTON (for himself, Mr. SALTONSTALL, and Mr. PAYNE):

S. J. Res. 84. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. COTTON when he introduced the above joint resolution, which appear under a separate heading.)

PROPOSED JOINT COMMITTEE TO REPRESENT CONGRESS AT 350TH ANNIVERSARY OF FOUNDING OF JAMESTOWN, VA.

Mr. BYRD submitted the following concurrent resolution (S. Con. Res. 27); which was referred to the Committee on the Judiciary:

Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of 4 Senators and 5 Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to represent the Congress of the United States at the ceremonies to be held at Jamestown, Va., on July 30, 1957, in commemoration of the 350th anniversary of the founding of Jamestown, the first permanent English settlement in America. The committee shall select a chairman from among its members.

Resolved further, That the necessary expenses of such committee, which shall not exceed $———, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman.

UNIVERSITY OF MICHIGAN LIBRARIES

PRINTING AS A SENATE DOCUMENT THE INTERIM REPORT OF THE COMMISSION ON INCREASED INDUSTRIAL USE OF AGRICULTURAL PRODUCTS

Mr. CURTIS submitted the following resolution (S. Res. 131), which was referred to the Committee on Rules and Administration:

Resolved, That the interim report of the Commission on Increased Industrial Use of Agricultural Products, submitted to the Congress April 17, 1957, pursuant to Public Law 540, 84th Congress, be printed as a Senate document.

AMENDMENT OF VOCATIONAL REHABILITATION ACT

Mr. SMITH of New Jersey. On behalf of myself, and the Senator from Connecticut [Mr. PURTELL], I introduce, for appropriate reference, a bill to amend the Vocational Rehabilitation Act. This bill is part of the legislative program of the Department of Health, Education, and Welfare, and would increase from 2 to 3 years the maximum period during which any one individual could receive assistance for training in physical medicine and rehabilitation.

Certification in physical medicine and rehabilitation requires a minimum of 3 years of specialized training beyond the doctor of medicine degree, and as a result the present limitation of 2 years in this field is hindering the progress of the traineeship program.

Mr. President, I ask unanimous consent that the text of the bill, together with the letter of transmittal, dated April 19, from the Secretary of Health, Education, and Welfare, the Honorable Marion B. Folsom, addressed to the President of the Senate, the Honorable RICHARD M. NIXON, be printed in the RECORD, at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and letter will be printed in the RECORD.

The bill (S. 1971) to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act, introduced by Mr. SMITH of New Jersey (for himself and Mr. PURTELL), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the second sentence of section 4 (a) of the Vocational Rehabilitation Act (29 U. S. C. 34 (a)) is amended by adding the following immediately before the period; ", except that, in the case of a course of study in physical medicine and rehabilitation, such period may not be in excess of 3 years."

SEC. 2. Clause (3) of section 7 (a) of such act (29 U. S. C. 37 (a)) is amended by striking out "for any one course of study for a period in excess of 2 years" and inserting in lieu thereof "for any one course of study, other than a course of study in physical medicine and rehabilitation, for a period in excess of 2 years, or for a course of study in physical medicine and rehabilitation for a period in excess of 3 years."

SEC. 3. The amendments made by this act shall become effective July 1, 1957.

The letter presented by Mr. SMITH of New Jersey is as follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
April 19, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
Washington, D. C.

DEAR MR. PRESIDENT: I am transmitting for your consideration a legislative proposal to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act (29 U. S. C., ch. 4) so as to extend from 2 to 3 years the maximum period during which this Department may assist in furnishing any one individual with training in physical medicine and rehabilitation. These sections of the act, which authorize Federal support of training and traineeships for rehabilitation personnel, currently provide that the Secretary shall make no grant for "furnishing to an individual any one course of study extending for a period in excess of 2 years" (sec. 4 (a)), and that the Secretary shall provide no training or instruction (or fellowship or scholarship) to "any individual for any one course of study for a period in excess of 2 years" (sec. 7 (a)).

Certification in physical medicine and rehabilitation requires a minimum of 3 years of specialized training beyond the doctor of medicine degree. No other Federal law authorizing Federal support of training in a medical specialty contains a 2-year statutory limitation on traineeships. The effect of this limitation is to hamper accomplishment of one of the key objectives of the Vocational Rehabilitation Act.

On an average day there are in the United States about 4 million noninstitutionalized persons with long-term disability. One of the greatest single obstacles to the more rapid provision of rehabilitation services to disabled people is the acute shortage of physicians trained in rehabilitation. This shortage promises to remain as a serious stumbling block unless the number of doctors receiving such training is substantially increased. The number of physicians certified by the American Specialty Board of Physical Medicine and Rehabilitation totals about 300, with an annual increment in the past few years of about 25. It is for this reason that, since 1951, the Health Resources Advisory Committee of the Office of Defense Mobilization has regularly listed physical medicine and rehabilitation as one of the medical specialties in which there are acute shortages.

The training provisions of the Vocational Rehabilitation Act were included to help promote a rapid and substantial increase in the supply of trained rehabilitation personnel. The statutory 2-year limitation on traineeships for rehabilitation training in medicine is substantially hindering the achievement of that objective, since the physiatrist (specialist in physical medicine and rehabilitation) is a key member of the professional team providing rehabilitation services to disabled persons.

As a new specialty, physical medicine and rehabilitation must compete for physicians with older medical specialties such as internal medicine, orthopedics, and neurology. Young doctors frequently decide to enter another medical specialty where support is obtainable for the complete course when they learn that only 2 of the required 3 years of training in physical medicine and rehabilitation is available for vocational rehabilitation traineeships. Doctors deciding to specialize in physical medicine and rehabilitation are faced with the special problem of finding other ways and means of financing a third year which this Department, through its Office of Vocational Rehabilitation is, under existing provisions of law, unable to support. At the present time there are six young physicians in their second year of vocational rehabilitation traineeships who require 1 more year of training after their traineeships expire on June 30, 1957. In addition, there are 17 first-year residents who, in order to complete their eligibility requirements for Board certification, will need 2 further years of training, only 1 of which can be supported by funds appropriated under the Vocational Rehabilitation Act.

This amendment will not involve any increase in costs beyond those contemplated for the normal growth of the training program. However, the contribution which these crucially needed, trained specialists will make in advancing rehabilitation programs and services to communities throughout the Nation is incalculable.

We shall appreciate it if you will be good enough to refer the enclosed draft bill to the proper committee for consideration. I urge that early consideration be given to this proposed measure.

The Bureau of the Budget advises that it perceives no objection to the submission of the proposed legislation to the Congress for its consideration.

Sincerely yours,

M. B. FOLSOM,
Secretary.

CLARIFICATION OF APPLICATION OF NAVIGATION RULES FOR THE GREAT LAKES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the Secretary of the Treasury requesting the proposed legislation.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1976) to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

TREASURY DEPARTMENT,
Washington, April 25, 1957.

THE PRESIDENT OF THE SENATE,
Washington, D. C.

SIR: There is transmitted herewith a draft of a proposed bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes.

The main purpose of the proposed legislation is to change statutory language relating to the application of rules for preventing collisions on the Great Lakes and their connecting waters in order to make it clear that such rules apply to foreign vessels navigated within the territorial waters of the United States.

The present language of the statute concerning the applicability of the Great Lakes rules states that such rules shall be followed in the navigation "of all public and private vessels of the United States" (33 U. S. C. 241), while the statutory provisions concerning the inland rules and the western rivers rules provide for their applicability to all vessels (33 U. S. C. 154, 301). Because of the difference in language, the applicability of the Great Lakes rules to foreign

vessels has been questioned, despite section 4401 of the revised statutes (46 U. S. C. 364) which provides in part that all "* * * vessels navigating the Great Lakes shall be subject to the navigation rules of the United States when navigating within the jurisdiction thereof * * *." Therefore, it is considered desirable to amend the statutory language concerning the Great Lakes rules to remove any doubt that foreign vessels navigating the Great Lakes are subject to the rules while within the territorial waters of the United States.

In addition to the above change, a change is proposed in the penalty provisions of the statute, as well as a repeal of two obsolete sections of the revised statutes. A memorandum enclosed herewith analyzes in more detail the proposed changes, together with the reasons therefor.

It would be appreciated if you would lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

DAVID W. KENDALL,
Acting Secretary of the Treasury.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938, RELATING TO INCLUSION OF CERTAIN LIMITATIONS IN CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes. I ask unanimous consent to have printed in the RECORD a letter from the Chairman of the Civil Aeronautics Board requesting the proposed legislation.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 1977) to amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

CIVIL AERONAUTICS BOARD,
Washington, March 29, 1957.

Hon. RICHARD M. NIXON,
President of the Senate,
United States Senate,
Washington, D. C.

DEAR MR. PRESIDENT: The Civil Aeronautics Board recommends to the Congress for its consideration the enclosed draft of a proposed bill "To amend the Civil Aeronautics Act of 1938, as amended, to authorize the Civil Aeronautics Board to include in certificates of public convenience and necessity limitations on the type and extent of service authorized, and for other purposes."

The Board has been advised by the Bureau of the Budget that there is no objection to the presentation of the draft bill to the Congress for its consideration.

JAMES R. DURFEE,
Chairman.

ISSUANCE OF BONDS TO FINANCE SCHOOL CONSTRUCTION PROGRAM IN THE DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I introduce a bill to authorize the Commissioners of the District of Columbia to issue bonds to finance the school-construction program of the District of Columbia, and ask that it be appropriately referred. I ask unanimous consent that the bill be printed at this point in my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 1982) to authorize the Commissioners of the District of Columbia to issue bonds to finance a school-construction program in the District of Columbia, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Commissioners of the District of Columbia are authorized to expend, out of any proceeds received from the sale of bonds pursuant to the provisions of section 2 of this act, such sums as may be necessary—

(1) for the planning and completion of a school-construction program in the District of Columbia, including the planning, renovation, repair, modernization, construction, and equipping of an adequate and modern school system; and

(2) for expanding the school facilities of the District of Columbia in such manner as they deem to be in the public interest, including but not limited to, the provision of adequate teacher-training facilities, post-high-school educational facilities, special facilities for the handicapped, and professional, technical, and vocational educational facilities.

SEC. 2. (a) For the purposes referred to in the first section of this act, the Commissioners of the District of Columbia are authorized from time to time to issue bonds, in a total amount not to exceed $69,210,000, for sale to the public, in such amounts, at such times, and upon such conditions as to price, interest, amortization, time for calling and otherwise, as the Commissioners shall prescribe in the notice of issuance of such bonds. Any such notice shall provide for the receipt of sealed, secret bids. The Commissioners shall accept the lowest responsible bid therefor, except that they may reserve to themselves the right to reject any and all bids.

(b) Such bonds, and the interest thereon, shall constitute a charge against all revenues coming into the hands of the District of Columbia and against any funds deposited to the credit of the District of Columbia in any banking institution or with the Treasury of the United States. Such bonds shall be guaranteed, both as to principal and interest, by the United States.

(c) The interest paid on such bonds shall be free of all Federal and District of Columbia taxes of any kind.

(d) No bonds shall be issued pursuant to this act which provide for the payment of principal and interest thereon for more than 20 years after the date of issuance.

AMENDMENT OF SHIPOWNER'S LIMITED LIABILITY LAW

Mr. MORSE. Mr. President, on behalf of myself and my colleague [Mr. NEUBERGER], I introduce, for appropriate reference, a bill to amend the law relating to limitations of liability on vessels in order to provide that the owner's interest in certain insurance be included in such liability.

Under the present law, upon the happening of a sea disaster, widows, dependent children, and injured persons are faced with a limitation of the shipowner's liability which assures them little, if anything, by way of compensation for loss.

In the United States it was established by the act of March 3, 1851—Forty-six United States Code, Annotated, pages 181–189—that each voyage of a vessel is an isolated venture, and the shipowner need not risk his personal fortune beyond the value of the ship and income earned from freight.

Obviously, this offers little help to those affected by a sea disaster when the vessel goes to the bottom of the ocean, and the freight never reaches its destination.

In 1935, after the *Morro Castle* disaster, the act of March 3, 1851, was amended so as to establish a fund for payment of personal injury or death claims, if and when established in a court of law. The fund is calculated at the rate of $60 per ton of the vessel involved. It is clear that such a fund will be inadequate in the cases of most casualties or injuries.

Mr. President, shipowners can buy insurance on vessels and liability insurance connected with their operation just as you and I can buy insurance on our own automobiles. The bill I have just introduced is a step in the direction of assuring more adequate benefits in these cases, because, if enacted into law, it would bring into the fund for widows, dependent children, and injured persons affected by a sea disaster, the proceeds of insurance covering the shipowner's insurable interest in his vessel, and his liability insurance. In other words, instead of the shipowner pocketing the proceeds of his hull insurance and liability insurance, as he may do under the present law, my bill would provide that the proceeds of such insurance would go into the fund to afford the means of compensation to those who have suffered the direct consequences of loss of life or bodily injury in a sea disaster. Such liability, as well as damages for death or bodily injury, of course, would have to be established in the usual manner, including determinations in courts of law.

Mr. President, this legislative proposal impresses me as being most meritorious, and I urge that it be given serious and prompt attention by the Senate committee to which it is referred. In view of its desirable objectives, I am sure that many of my colleagues wish to associate themselves as cosponsors. Therefore, I ask unanimous consent that the bill may be printed in the RECORD, and be held at the desk until the close of business May

UNIVERSITY OF MICHIGAN LIBRARIES

13 in order that other Senators may add their names as cosponsors.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD, and held at the desk, as requested by the Senator from Oregon.

The bill (S. 1983) to amend the law relating to the limitation of liability on vessels in order to provide that the owner's interest in certain insurance be included in such liability, introduced by Mr. MORSE (for himself and Mr. NEUBERGER), was received, read twice by its title, referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That subsection (a) of section 4283 of the Revised Statutes (46 U. S. C. 183 (a)) is amended by inserting after "exceed the amount or value of the interest" a comma and "including all hull insurance and liability insurance."

SALE OF CERTAIN VESSELS TO CERTAIN CITIZENS OF FEDERAL REPUBLIC OF GERMANY

Mr. COTTON. Mr. President, on behalf of myself, the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from Maine [Mr. PAYNE], I introduce, for appropriate reference, a joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany. I ask unanimous consent that the joint resolution be held at the desk through Monday, May 6, to permit other Senators who may be interested to join as sponsors.

The VICE PRESIDENT. The joint resolution will be received and appropriately referred; and without objection, the joint resolution will lie on the desk, as requested by the Senator from New Hampshire.

The joint resolution (S. J. Res. 84) to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany, introduced by Mr. COTTON (for himself, Mr. SALTONSTALL, and Mr. PAYNE), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

DESIGNATION OF VETERANS' ADMINISTRATION HOSPITAL, NASHVILLE, TENN., AS THE J. PERCY PRIEST VETERANS' MEMORIAL HOSPITAL—ADDITIONAL COSPONSOR OF JOINT RESOLUTION

Mr. GORE. Mr. President, the next time it is printed, I ask unanimous consent that the name of my colleague, the senior Senator from Tennessee [Mr. KEFAUVER] be added as a cosponsor of the joint resolution (S. J. Res. 82) to provide for the designation of the proposed United States Veterans' Administration Hospital at Nashville, Tenn., as the J. Percy Priest Veterans' Memorial Hospital, introduced by me on April 16, 1957.

The VICE PRESIDENT. Without objection, it is so ordered.

PRINTING OF REVIEW OF REPORT ON BRAZOS RIVER, TEX. (S. DOC. NO. 34)

Mr. CHAVEZ. Mr. President, I present a letter from the Secretary of the Army, transmitting an interim report dated January 11, 1957, from the Chief of Engineers, Department of the Army, together with accompanying papers, and illustrations, on a review of report on the Brazos River, Tex., requested by a resolution of the Committee on Public Works of August 12, 1954. I ask unanimous consent that the report be printed as a Senate document, with illustrations, and referred to the Committee on Public Works.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. WILEY:

Address delivered by him at Labor and Industry Day dinner, Foremen's Club, Philadelphia, Pa., May 1, 1957.

By Mr. O'MAHONEY:

Statement by Representative EMANUEL CELLER on May 2, 1957, before the Senate Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary in favor of S. 1356.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received today the nomination of Wilson C. Flake, of North Carolina, a Foreign Service officer of class 1, to be Ambassador of the United States to Ghana.

Notice is given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Harold K. Wood, of Pennsylvania, to be United States attorney for the eastern district of Pennsylvania for the term of 4 years, vice W. Wilson White, resigned.

A. Pratt Kesler, of Utah, to be United States attorney for the district of Utah for a term of 4 years. He is now serving in this office under an appointment which expires May 8, 1957.

Bernard A. Boos, of South Dakota, to be United States marshal for the district of South Dakota for a term of 4 years. He is now serving in this office under an appointment which expires April 16, 1957.

Clement W. Crahan, of Iowa, to be United States marshal for the northern district of Iowa for a term of 4 years. He is now serving in this office under an appointment which expires May 21, 1957.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, May 9, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

POLISH CONSTITUTION DAY

Mr. IVES. Mr. President, tomorrow will mark the 166th anniversary of Polish Constitution Day. I have prepared a statement in this connection, which I ask unanimous consent to have printed in the body of the RECORD, following these remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES

Tomorrow, May 3, is a significant date in Polish history. It was on May 3, 1791, that Poland enacted one of the first democratic, progressive constitutions in Europe. May 3 became Poland's national day.

This year May 3 is of special significance. This year, for the first time since Communism clamped its iron fist on Poland, the Poles are able to celebrate their own national day.

Heretofore, the people of Poland have been compelled by their Communist masters to confine their celebrating to July 10, the anniversary of Poland's subjugation by the Soviet Union. May 3 has still not been officially restored as Poland's national day. But the Warsaw government has been compelled, by the heroism of the Polish people, to allow them to commemorate the occasion privately.

This evidence of a liberalization on the part of the Communist regime in Poland is a direct result of the uprising in the streets of Poznan last June. Polish workers, rioting in the city, raising their hands against the Communist tyranny, demonstrated once and for all the fallacy of the theory that communism is the rule of peasants and workers.

They cried in the streets of Poznan for bread, for freedom, for withdrawal of the Red army. They showed the world how communism has brought Poland to a state of economic ruin. And as a result, in October, Poland underwent a bloodless revolution against its Soviet overlords.

The present Gomulka government is still Communist. It must tread carefully, for there are five Red army divisions in Poland, 23 in East Germany, 20 in Hungary, and 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. But the striving of the Polish people for greater freedom, for absolute independence from the Soviet Government and a return to the west, and for recovery from the disastrous economics forced on them by Soviet exploitation, will not be denied.

Soviet policy has demonstrated that it will not tolerate too much liberalism in Poland nor the return of democracy to that country, if the Soviet Union can prevent it. But the heroic workers of Poznan have also demonstrated that even the world's largest army

cannot forever subjugate a people determined to breathe the air of freedom. Their courage has already borne fruit, as demonstrated by the fact that May 3 will be observed tomorrow, once more, in Poland, and by many other evidences of a Polish evolution in the direction of freedom.

I feel, Mr. President, that all Americans may well join tomorrow in an expression of friendship and sympathy for the people of Poland, of admiration for their courage, of confidence that the inevitable collapse of the Soviet satellite empire will find the people of Poland in the vanguard of the forces of freedom. And I feel also that it is incumbent upon us to do anything we can, consistent with the interests of the United States, to help our friends in Poland in speeding the day when, once again, they shall enjoy the democratic privileges symbolized in their history by the date of May the third.

Mr. FLANDERS. Mr. President, being mindful of the 3-minute rule, I ask unanimous consent that I may speak for not more than 5 minutes by the clock on the subject of the anniversary of Poland's constitution.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. FLANDERS. Mr. President, I wish to call attention to the fact that tomorrow will be the anniversary of the adoption of the Constitution of Poland in 1791, only 4 years after the adoption of our own. The Communists have not allowed the celebration of this national holiday. However, one of the concessions gained by the Polish people out of the events of last October permits private observance, but not national recognition. To take note of this date is particularly appropriate this year, as it has been an unusually eventful one for Poland and for the Soviet bloc in general. The Poznan uprising and the bloodless revolution in October have lasting significance; in that they have shattered the Soviet propaganda and theory. This fact is dramatically shown when Poland, formerly a granery of Europe, and in the face of Soviet promises for a better life for all, must beg enough food to feed her people.

Poland tried the Soviet way, and rebelled. Now there are indications that Poland would like to reject Soviet control and wishes to return to the family of Western nations. The withdrawal of Soviet troops was high among the demands of the people in October. Russia's desire for world domination holds no appeal for Poland. The people are now aware of Communist policy and what it can do to them. In the face of difficult circumstances and a vigorous rebellion, the Soviets reluctantly found it expedient, last October, to grant certain concessions. These concessions are not generally known. For instance, it is not generally known that 80 percent of the former collective farms have been returned to the peasants. A limited number of small shops have been permitted. Although the jamming stations in surrounding countries have increased their power, few people know that jamming within Poland has stopped, and the people are listening to the broadcasts of the Voice of America, the British Broadcasting Co., and Radio Free Europe. The Polish press itself has been remarkably bold in its criticism of Communist institutions. It would be difficult, indeed, for the Soviets to revoke these concessions as long as Poland averts economic collapse. Rather, it is likely that with a strengthened economy and an assurance of Western support Poland could continue to withdraw from Russian domination and again become a member of the Western family.

The Government of Poland has requested economic aid from the United States. Poland needs food, raw materials, and commodities to keep her industries going, and to prevent serious unemployment and hunger problems. Such conditions could, and very likely would, produce fertile soil for further Soviet intervention. It is notable that the request came to us rather than to the Kremlin.

Certainly there is risk involved. The Gomulka government is by no means free of Soviet influence. Here it is well to remember that Poland is surrounded on all sides by Soviet domination. Poland has already tried the patience of the Kremlin, and the presence of approximately 50 Russian military divisions in bordering satellites, as well as the U. S. S. R. itself on the east, demands restraint. Further, the Government faces a potentially disrupted economy drained of its resources by mismanagement and exploitation.

The time is here when aid to Poland could possibly break, and certainly weaken, the rule of the Kremlin in that country. In addition, if it is clear to other satellite nations that we welcome all nations who desire peace and freedom, it could change their course of action in the event conditions became ripe for modifications in their countries. It is an opportunity full of problems, but which, wisely faced, may advance the cause of freedom. We may not have such an opportunity again.

Mr. BUSH. Mr. President, commemoration of Polish Constitution Day tomorrow takes on added significance because of events of the past year which have demonstrated that the spirit of freedom still lives in that unhappy country and other nations behind the Iron Curtain.

The uprisings in Poznan, the Polish October events, and the heroic Hungarian revolution, weakened the grip of Communist Russia on those nations, and strengthened the forces working for peaceful liberation of the captive peoples.

Mr. President, I count many among the people of Polish descent in my State of Connecticut as close personal friends. They are a warmhearted, generous people, who keep alive the traditions of the land of their ancestors while yielding to none in their devotion to the American way of life. I know I speak for all the people of Connecticut in expressing the hope that the people of Poland will one day live in freedom.

Poland has requested economic aid from the United States. Representatives of the Polish Government have had conversations with our State Department, and we may expect recommendations to be made to the Congress in the near future. The decision as to whether to extend aid to Poland must rest upon facts not yet before us. While reserving final judgment, Mr. President, until those facts are in our possession, I am sympathetically inclined to the view that it would be worth some risk to give Poland a reasonable amount of aid, in the hope that such evidence of America's desire to help the Polish people, not their rulers, would strengthen the forces working for freedom.

Mr. President, I ask unanimous consent that a statement of facts pertaining to the present situation in Poland be printed in the RECORD following these remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FACTS PERTAINING TO THE PRESENT SITUATION IN POLAND

Developments in Poland are of the utmost importance to the West. With the process of de-Stalinization which followed the 20th Congress of Communist Party and when all western policies of liberation failed to materialize, Poles entirely unaided from the outside world showed the greatest possible determination to obtain maximum freedom and to restore their traditional links with the West. Last year's events in Poland and Hungary have shown the fallacy of the so-called Soviet bloc monolith.

The United States is interested in helping the Polish people who aim to attain freedom and democracy. It must be remembered that it was not Gomulka who made the Polish revolution but that under popular pressure so clearly revealed during the Poznan rising and the October events, the Communist Party in Poland was forced to make concessions and that the initiative came from the masses of the patriotic Poles.

The fact that the Communist government remains in power results from the country's geographical and political position. Poland is encircled by Soviet divisions—23 in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. Under these conditions it is only too natural that Poland has to follow a very careful and restrained policy in order not to jeopardize the gains so far attained.

It must be noted that the Polish events and the Hungarian uprising showed that from the military point of view the Warsaw Pact has lost a great part of its importance. During the Poznan riots the Polish Army at that time under Rokossowski's command maintained a passive attitude. In the case of Hungary nearly the entire army went over to the side of the national revolutionaries. Therefore in case of conflict the Soviet Union could not trust the so-called satellite armies.

The Polish people are very much opposed to the presence of 5 Soviet divisions on Polish soil under the terms of the Warsaw Pact. The present Polish leadership is trying hard to explain that the presence of the Soviet troops in Poland is necessary owing to the lack of security with regard to the Polish western frontiers. One of the elements of Soviet pressure on Poland is the fact that Poland's western frontiers on the Oder-Neisse line are still unrecognized by western powers.

The recent compromise arrived at between Gomulka and the so-called Stalinist group of the party stems from the fact that Gomulka does not represent the absolute majority in the party. In order to obtain the upper hand in the party's leadership it is obvious that Gomulka is maneuvering toward some sort of compromise. There may also have been an ultimatum from the Soviet Union dictating such policy as one of the conditions under which Poland is allowed more independence than the other subjugated nations.

UNIVERSITY OF MICHIGAN LIBRARIES

There are also certain moves which may be interpreted as strengthening the Communist rule. The Communist Party would certainly like to limit freedom of expression as far as the Polish press is concerned, as it considers that the press is going too far in its criticism of Communist institutions. Jamming of foreign broadcast has ceased and people are now listening to the Voice of America, Radio Free Europe and the B. B. C. Soviet jamming stations in Czechoslovakia and Eastern Germany have increased their interference however.

The Communist Party has also limited the hopes of the Council of Workers that it would have a larger voice in the management of factories and mines. All this goes to show that the situation in Poland is far from being or becoming stabilized. On the one hand is a stubborn patriotic and really heroic nation trying to rid itself of Communist rule, and on the other, is a divided Communist Party. One branch, the Stalinist camp, would like to return to the previous methods of governing by police and strict controls. The second camp is the group of Communist liberals which would like to introduce national communism. Between these two tendencies stands Gomulka maneuvering the situation with great difficulty from any extremities which in most cases would boil down to Soviet military intervention.

On the economic front Poland urgently needs about 500 million foreign credits and is trying to expand her foreign trade. Negotiations in Washington show that Poland needs most of all foodstuff, raw materials, and commodities with which to feed her industry. Hunger and unemployment could have disastrous consequences which in turn would bring Soviet intervention.

In the national, economic field there have been sweeping changes. Collectivization of agriculture has ceased; 80 percent of the collective farms have been dissolved and the peasants have taken back land, machines, and livestock. Craftsmen have been allowed to ply their trade again and small shops are now permissible. During the past 2 months 20,000 small shops were reopened. It would be very difficult for any Communist government in Poland to revoke these decisions and trends.

The new leadership of Poland has come to certain terms with the Catholic Church. On October 24, 1956, Cardinal Wyszynski was released after 3 years of imprisonment without court sentence. Cardinal Wyszynski in his sermons appeal to the Polish nation for patience and endurance.

The Polish nation as a whole manifested its complete sympathy with the Hungarian uprising. In every Polish town and village a committee for help to Hungary was created. Poland although herself in dire economic straits tried extensively to help the Hungarian people.

The Polish nation looks toward America for political, moral, and economic support. They realize that in this era of atomic warfare their final liberation will not come through war. They hope, however, that by maintaining constant pressure on the forces of slavery represented by the Soviet Union, the West will bring nearer the day of their liberation by peaceful means. One of these means is strengthening Poland by economic aid. American help has a tremendous psychological impact not only on Poland, but on other subjugated nations such as Czechoslovakia.

The 3d of May provides an opportunity to pay homage to the Polish people who, moved by their love of freedom, are wisely and cautiously trying to gain complete freedom and democracy and restore Poland's ties with the West. It cannot be repeated strongly enough that it was not Gomulka who brought about the changes in Poland and the bloodless revolution, but that the actual achievements were due to the popular pressure. At the time of the Poznan break, freedom, and Russians-go-home riots, Gomulka was still politically negligible.

The whole Polish situation calls for a constructive, imaginative policy for central and eastern Europe, which until now, has not been formulated.

Mr. GREEN. Mr. President, tomorrow will mark the anniversary of the enactment in 1791 of the first democratic and progressive constitution of Poland. It is symbolic of Poland's courage and unquenchable thirst for freedom that, for the first time since the Communist subjugation of Poland, private celebrations of this historic event will be allowed in Poland. Let us hope that the fight for freedom will continue to advance so that next year this anniversary may be publicly commemorated in Poland.

Events since last May 3 in Poland have been truly historic. The Polish people, through their daring struggle against their Communist masters, have won important concessions and a measure of freedom.

I know that in the years to come they will succeed in enlarging these concessions and freedom, so that the day will be hastened when an independent and democratic Poland will be restored to the community of nations.

It is my purpose, in rising today, to pay my respects to the valiant Polish patriots, and to join them in commemorating this important day in their national life.

Mr. THYE. Mr. President, 166 years ago tomorrow, on May 3, 1791, the people of Poland enacted one of the first democratic constitutions in Europe. Thus tomorrow people of Polish descent all over the world will be commemorating Poland's National Day.

It is interesting to note that this date so nearly coincides with the ratification of our own Constitution. As we think of what has transpired in this past century and a half, we in this country must indeed be grateful for the many blessings which have befallen us, in direct contrast to the multitude of misfortunes which have overtaken the Polish people.

Today, we feel a strong common bond with the Polish people when we realize that they are still fighting for the same freedoms we have enjoyed and cherished since the founding of our country.

The Polish uprisings last June showed the world that these proud people will not bow to Soviet tyranny, and that they will not be content to exist as a mere satellite in the Soviet orbit.

Since October, Poland has been, in fact, an independent nation.

We have every reason to believe that the people of this great little nation will hold fast to what they have achieved and will continue to strive for a more democratic government until they once again stand as a part of the free world.

Let us on this Polish National Day, assure the brave people of Poland, that they are not forgotten.

Mr. SALTONSTALL. Mr. President, on Friday of this week, May 3, the people of Poland will observe Poland's National Day, the anniversary of the adoption of the Polish Constitution on May 3, 1791. This was one of the first European constitutions providing a democratic type of government.

In the years which have followed since 1791 the people of Poland have suffered on many occasions from conquering armies. The latest conqueror is Soviet Russia.

Events in Poland during the past year have been momentous and indicative of the great changes which have been sweeping through many of the countries behind the Iron Curtain. The Poznan uprising in June of last year was a very significant indication of the desperate and bitter hatred of communism held by workers and peasants in Poland. I feel sure that the same feeling exists in other subjugated countries.

The Poznan uprising was a great shock to the Russian rulers. It led directly to the great events in Poland of last October when, through what really amounted in many respects to a bloodless revolution, the Soviet Government was forced to make a number of important concessions to the Polish Government and to the Polish people. While Poland does not enjoy the liberty her people so greatly desire her situation has been greatly improved.

One of the concessions made to Poland has been the granting of permission for a celebration on May 3 honoring the anniversary of the constitution. The Russians for many years have prohibited this observance, and forced the Polish people to celebrate on July 10 of each year the subjugation of Poland by the Soviet Union.

I am proud to speak of this observance in the Senate today, and to express the hope that the democratic principles set forth in the original Polish Constitution in 1791, and maintained through the years by the courage and determination of the Polish people, will once more become the basic laws of Poland.

Mr. SMITH of New Jersey. Mr. President, tomorrow marks the 166th anniversary of Polish Constitution Day. On this day in 1791, the Polish nation, in the midst of autocratic Europe, adopted a constitution eloquent with the love of liberty. The bitter struggle of this brave people to preserve the principles of that occasion has continued through the years.

This year, 1957, Poland can proudly observe its progress in this unending struggle against tyranny. The irresistible spirit of the Polish people flashed forth in the Poznan riots last June. Finally, in October, they shed reactionary Russian controls and raised up the Gomulka government. It is a leadership of Communists, to be sure, but of nationalists also who, as Poles, have reestablished the Church at the very heart of the nation to express the real yearnings of the people.

Today, Poland's existence is precarious. In the shadow of its totalitarian neighbor, it is beginning to assert the right to determine its own destiny. We are watching this magnificient effort with warm sympathy and hope, and we join with Polish people everywhere in saluting the gains which have been obtained during this historic year.

It is our fervent hope and prayer that the weakened chains may soon be burst as under the impact of the striving for liberty, and that we shall once again

proudly welcome this courageous nation into the ranks of the free.

Mr. FREAR. Mr. President, May 3, 1791, is a date remembered by Polish people everywhere because of the adoption of one of the first European democratic and progressive constitutions.

Many changes have been wrought in that country, but the anniversary of the enactment of that constitution still is close to the hearts of Polish people throughout the world.

As May 3 will mark the anniversary of Poland's national day, I ask unanimous consent that a statement I have prepared, entitled "A Tribute to the People of Poland," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

A TRIBUTE TO THE PEOPLE OF POLAND

This year, for the first time in many years, the Polish people will be able to celebrate their national independence day, May 3. True, no public displays will be tolerated by the Government. But at least within the privacy of their homes historic events, memorable for what they have meant in terms of human freedoms, will be recalled with pride and hope.

Indeed, the happenings of the past year give some cause for hope, a hope which has its roots in the magnificent bravery, at the same time cool and reckless, of the Polish people.

Consider the circumstances in which they find themselves. They are surrounded by Soviet troops on all sides. Some twenty-odd divisions of these troops lie to their west in East Germany. A like number is in Hungary. Other divisions are in Czechoslovakia and Rumania. The armed might of the Soviet Union is entrenched within Poland itself. In addition, the subversive tentacles of Soviet-directed communism are twisted in a stranglehold around many areas of their national life.

Yet in spite of the dangers without and within the Polish people have dared to raise their voices against their Communist masters in Poland and the Soviet Union.

The result has been, not complete freedom, but what could perhaps be described as a kind of creeping freedom.

Freedom of the press is not permitted. But at least some measure of freedom of person and of speech is allowed.

Freedom of religion is not untrammeled. But at least, within the bounds of communism and dictatorship, religion is allowed to perform some part of its humble ministry.

A government of, by, and for the people is far from a reality in Poland. But at least some of the iron strictures of Stalinism have been removed and a limited choice among Communists is tolerated.

What has been accomplished in the past year in Poland in terms of the fight for human liberty has been the work of the Polish people. No assistance came, or perhaps could have come, from the outside. The Polish people have done it themselves.

For this they deserve the admiration and tribute of the free world.

Mr. JAVITS. Mr. President, on behalf of the Senator from Maryland [Mr. BEALL] I ask unanimous consent to have printed in the RECORD a statement he has prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR BEALL

On May 3, 1791, one of the first democratic constitutions of Europe was enacted by the freedom-loving men and women of Poland. Now it is 1957 and we are on the eve of the anniversary of that momentous occasion. Our emotions, however, are not completely joyful. We think with satisfaction of the democratic spirit of Poland, but we are horrified by the attempts which have been made to bind it with the chains of slavery. We remember the many Polish heroes who have devoted their lives to the cause of liberty, and the memory of their deeds accents the revulsion we feel when we consider the treatment suffered by their heirs at Poznan.

Yes, there is happiness in our hearts when we commemorate the great, democratic undertaking which was started in May 1791, but there is sorrow when we consider the trials which it has been forced to endure. Of the two sentiments, our joy is much the greater, however, for despite the blandishments and brutalities of would-be conquerors, Poland has preserved the spark of freedom.

When the tyrant's heel was pressed into the free soil of Poland, it failed to snuff out the love of freedom which is a vital part of the nature of that great nation. Oppressive force was unsuccessful in keeping the true patriots of Poland from publicizing their cause to the entire world.

With these thoughts in mind, we should join in commemorating the day on which the children and friends of free Poland in all parts of the world will be praying for complete deliverance of this troubled land.

Mr. WILEY. Mr. President, as you know, tomorrow is the 166th anniversary of the adoption of the Polish Constitution—one of the early democratic constitutions of Europe.

As we respectfully pay tribute to this important event in Polish history, it is, indeed, fitting that we reevaluate the changing situation in Poland today.

As we know, the courageous Polish people still strive for freedom. Although a tough Communist regime still controls the political and military machinery, it has not quelled the strong, nationalistic and freedom-loving spirit which is traditional in the people of that country. Yes, although atheists are still in the saddle, Poland's enduring devotion to God has been strengthened, not weakened.

By the uprisings at Poznan in June 1956, and the pursuant events, the Poles have strongly expressed their revulsion against Communist rule. The bloodless revolution of October, though obviously far from completely successful, gained a welcome degree of liberalization in which the people could breathe more freely.

Basically, the political climate has been improved somewhat, with the people gaining a few more liberties, some more freedom of expression, and opportunities for individual enterprise.

We are hopeful, of course, that this lays the groundwork for still wider advances toward freedom. We hope, as well, that it sets an example of an overall trend toward independence, which may well be followed by other countries under Kremlin domination.

SOVIET FAILURE OF THREE FRONTS

Thus, by their stouthearted actions, the Poles have once again made important contributions to the free world's cause.

In addition, they have contributed to Soviet failure on three fronts:

On the political front, the Poles—together with the Hungarians—have broken down the illusion of a monolithic bloc of Communists states.

On the economic front, they have tried, found wanting—and negated the Communist economic theory. For example, collective farms—having miserably failed at meeting production standards—are being dissolved and the peasants are taking back land, machines, and livestock. Too, craftsmen are being allowed to ply their trades again and small shops are reportedly permissible.

On the strategic front, the passive attitude of the Polish military toward the Poznan rioters indicated that Russian Communists cannot rely on Polish—and no doubt other dominated nations'—troops, as a Soviet-aligned fighting force.

AID TO POLAND IS IN INTEREST OF PEACE

Now, we must ask ourselves: How can we effectively and wisely take advantage of the turn of events—to further help the Polish people and the cause of the free world?

In every reasonable way possible, of course, we must encourage their effort toward greater independence and freedom.

Naturally, caution is advisable—since we do not want to expose Poland to a tragic slaughter, such as occurred in Hungary.

Consequently—as stated by President Eisenhower and Secretary Dulles—we must not attempt to encourage open revolt.

Instead, subtle pressures inside the Polish boundaries—and outside where possible—must be applied to widen the cleavage between Poland and the Kremlin, and to encourage the will to freedom, so traditionally inherent in the Polish people.

As we recognize, we must deal through Gomulka—a hard-core Communist, and leader of the Communist Party membership of 1,500,000.

Regrettably, this minority still maintains tight rein over Poland's 28 million people.

WE MUST TREAD CAREFULLY

Thus, in attempting to aid Poland, we must tread carefully.

As we recognize, the Poles are striving to maintain a balance between three points:

First. The Polish nation hungers for greater freedom and liberalization, and for absolute independence from the Soviet Government;

Second. The country's economy, in disastrous shape after so many years of Soviet exploitation and Communist mismanagement, desperately needs help to restore stability; and

Third. Soviet policy has demonstrated on many occasions that it will not tolerate too much liberalism.

In the face of these conditions, progress may be somewhat slower than we might wish.

However, we must be wise, enterprising—and, as necessary, bold—in taking full advantage of this Achilles heel in the Soviet-designed buffer zone around the Kremlin.

UNIVERSITY OF MICHIGAN LIBRARIES

We know, of course, there is a great deal of controversy over the use of economic aid to Poland.

Naturally, we want to be careful to assure that our efforts in no way strengthen the Communist war machine.

SENATE'S WISE ACTION TO FEED THE HUNGRY

However, if economic aid can be utilized for strategic advantage—in strengthening Poland's efforts toward greater independence, and weakening the Soviet influence in Poland—then, that policy appears to be sufficiently justified.

That is why I am so pleased that the majority of the Senate wisely acted to authorize the constructive use of surplus United States foodstuffs for Polish aid.

Meanwhile, we must continue to assure the Poles, privately through Radio Free Europe, governmentally through the Voice of America, and every other possible public and private channel, of our desire—and intention—to continue to assist their struggle for independence.

CONCLUSION

As we commemorate the anniversary of the Polish Constitution, we pay sincerest respect to a historic advance in democratic government.

As we know, there are over 7 million Americans of Polish descent in this country.

To them, and to those in their homeland who aspire to a return to Poland to its proud democratic tradition—we pledge our relentless efforts to encourage independence, and promote peace and security in a free world.

INTERNATIONAL FISHERIES

Mr. GREEN. Mr. President, I wish to announce at this time that a subcommittee has been set up within the Foreign Relations Committee to deal with a number of agreements pending before the Senate relating to the control and conservation of international fisheries. These agreements consist of an interim convention for the conservation of the North Pacific fur seals; a protocol to the international convention for the regulation of whaling; and to a protocol with Canada with respect to the sockeye salmon fisheries in the Fraser River system.

The subcommittee, which will be under the chairmanship of the Senator from Oregon [Mr. MORSE], has not yet fixed a date for hearings on these agreements; but it is contemplated that such hearings will be held in the near future. Other members of the subcommittee are the Senator from Louisiana [Mr. LONG] and the Senator from Vermont [Mr. AIKEN].

THE KENTUCKY DERBY

Mr. MORTON. Mr. President, I know the sun will shine in Old Kentucky for the running of the Kentucky Derby this coming Saturday. Ten thousand voices will be raised, and scores of thousands will cheer the champion of champions in the sport of kings.

I invite the attention of my colleagues to the fact that our distinguished colleague from Oklahoma [Mr. KERR] has a connection in the race. His brother happens to own a horse which was foaled in Old Kentucky, called Round Table. I am not giving out any tips, but since one of our colleagues is so closely connected with a horse foaled in Old Kentucky, and now owned in Oklahoma, I wanted to bring that to the attention of my colleagues.

THE AMERICAN WEST

Mr. GOLDWATER. Mr. President, on April 29 the distinguished Senator from Montana [Mr. MANSFIELD] placed in the RECORD an article that is to appear in the June issue of Harper's Magazine, entitled "The American West: Perpetual Mirage." The article was written by the noted historian, Walter Prescott Webb.

I do not care to dwell more than a moment or two on this subject, but I do feel those of us who live in the Far West, and particularly those of us who have lived all our lives on what this man calls the American desert, should rise in defense against some of the remarks used by Dr. Webb in his article. Those who live in the desert like it. I am not in agreement with the assertion of Dr. Webb when he says that the area does not produce men or products. The fact is that we in the West are young. We have not had the time that men in the East have had. But we are proud of what we have done.

When Dr. Webb states that men are not produced in the West, I call attention to the fact that one college in Texas furnished more officers in World War II than did the Military or Naval Academies. Arizona gave Teddy Roosevelt the Rough Riders. The California 40th Infantry of the National Guard was the one that did the groundwork in Korea.

He states that the white men drove the Indians west. The Indians were there far before the white men were, in the East they are still there, and we are proud of them.

Let me only talk of my own State in answer to the doctor's charges.

With respect to population, Arizona leads the Nation in the percentage gain, having had a gain of 65 percent from 1945 to 1955. Out of the first 10 States, showing the greatest population growth, the first three are so-called desert States.

Arizona is second in the rate of income growth, showing a gain, over that same period, of 142.8 percent in the rate of income growth. Again, 4 of the top 10 States are the so-called desert States.

Arizona leads the Nation in the rate of farm income growth, with an increase of 143 percent. Here again we find Arizona, Texas, and New Mexico in the top 10 States.

Arizona is first in growth of manufacturing employment, with an increase of 192 percent. Here again we find that 5 of the top 10 States are in the desert area Dr. Webb speaks so little of.

Arizona leads the Nation in nonferrous minerals production, with an increase of 266.4 percent. Again, Arizona, Montana, Utah, and Idaho are listed among the first 10.

Arizona leads the Nation in bank capital growth, with an increase of 291.7 percent. Again, 4 of the top 10 States are in this desert area of which the doctor speaks so belittlingly.

Arizona leads the Nation in the rate of bank deposit growth, with an increase of 104.7 percent. Again we find that the first 3 of the top 10 States are in the desert area.

Arizona has the second best gain in life insurance in force, with a gain of 342 percent. Again, 5 out of the top 10 States are in the desert area.

Mr. President, I should like to have the Senators from these other so-called desert States stand up and analyze for Dr. Webb and Harper's magazine what we in the West have been able to do by having the courage to fight the problems presented by the heat and barrenness of the desert. We are proud of our region in the West. We are proud to live in the desert. We are proud we have been able to make the desert produce.

In spite of what Dr. Webb thinks, we shall continue to live there.

To close, Dr. Webb states as a fact that our area is devoid of forests. Two-thirds of my State of Arizona is covered by the largest ponderosa pine forest in the world.

I do not know where the distinguished doctor obtained his information, but I will try to help set him right. It seems to me a student of his stature should have looked into the matter a little more.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. PASTORE. As a Senator from an eastern State, I should like to make the observation that the Senators from the West do pretty well in the Senate of the United States.

Mr. GOLDWATER. I thank the Senator.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. GOLDWATER. I yield.

Mr. CARLSON. I wish to say that I appreciate very much the comments made by the distinguished Senator from Arizona. I have read the article by Dr. Webb, in which he states that this area of our country out in the West does not produce any great men. I should like to ask him this: What State furnished the military leader for the Spanish-American War? He was Gen. Frederick Funston, of Kansas. What State furnished the leader for World War I? He was Gen. John J. Pershing, of Missouri. What State furnished the leader for World War II? He was Dwight D. Eisenhower, now the President of the United States.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. ALLOTT. I have not yet had the doubtful pleasure of reading the article written by the man to whom the Senator refers as a student. I would hesitate to classify him as a true student if the conclusions he has drawn are in line with the thoughts the Senator has just expressed, and the thoughts expressed by other Senators I have heard mention him.

First of all, I do not concede that my own State is a desert State.

Mr. GOLDWATER. The doctor does consider your State a desert State.

Mr. ALLOTT. I realize that he does, which shows that he ought to travel across the United States at least sometime during his life.

I hope that in the near future I may also, on the floor of the Senate, further enlighten him as to some of the great accomplishments of the State of Colorado, and also of the other States in the West, which have contributed so much to the safety and security of this country throughout its entire growth.

Mr. GOLDWATER. I thank the Senator.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. PASTORE. I should like to add to the list of "Who's Who," furnished by my distinguished colleague the Senator from Kansas [Mr. CARLSON]. Which State produced the present Vice President of the United States? The State of California.

Mr. CARLSON. I thank the Senator.

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. YOUNG. I have not yet had an opportunity to read Dr. Webb's article, but I understand he made some derogatory remarks about the State of North Dakota.

Mr. GOLDWATER. The author does not think highly of all 17 States of the West.

Mr. YOUNG. May I say that North Dakota is proud of the great record it has established. It is a land of unlimited opportunity, rich soil, vast national resources and a spirited people.

North Dakota leads the Nation in barley and flax production. We are No. 2 in wheat production and we rank high in the production of other agriculture products.

North Dakota has an enviable record in its service to the Nation. Not only did the State rank No. 1 in war bond purchases during World War II, but its crack 164th Infantry Regiment was one of the first units of the American Army to take the offensive against the Japanese in the Pacific. Its courageous troops fought gallantly, with heavy losses, on Guadalcanal.

We furnished some of the finest and most gallant soldiers in the entire United States during both world wars, the Spanish-American War and the Korean action.

North Dakota's history is an inspiring one, and it is today one of the great States of the Union.

Mr. GOLDWATER. The doctor went on to complain that we had never had wars fought in the West. We are very happy about that, but I do believe the Texans will admit they had a pretty good battle at San Antonio, and there was a Civil War battle in the State of Arizona.

We are peaceful people. We do not like to go around shooting each other. Therefore, we have not provided spectacular wars for this doctor to record.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. CURTIS. I gather that the article in Harper's magazine, to which the distinguished Senator is referring, was in one of the early editions of Harper's, when they first began to publish the magazine. Is that a correct statement?

Mr. GOLDWATER. It could have been translated from pictographs from one of the walls of our canyons in Arizona, but I suspect that is not so, because it is dated June of this year.

Mr. CURTIS. It was published in this day of enlightenment, when Dr. Webb could have obtained accurate information if he had wished to.

Mr. GOLDWATER. In fact, this article was inserted in the RECORD before it was even published and made available to the public.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. GOLDWATER. I am happy to yield to the Senator from New York.

Mr. JAVITS. I might say to the Senator that New York State has 10 percent of the population of the United States and furnishes 20 percent of the taxes. I believe I speak for my colleague [Mr. IVES] when I say we welcome very much the 17 Western States, and think they are great.

Mr. GOLDWATER. With all the land grant colleges in New York—and we are glad to give you our land—we welcome that note of welcome.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. GOLDWATER. I am happy to yield.

Mr. SMITH of New Jersey. I am glad to be able to congratulate the distinguished Senator from Arizona for the talk he has presented today. As a former resident of Colorado, although today I represent the State of New Jersey, I have the honor of being an honorary third Senator from Colorado, part of the western area which is being discussed. I know Colorado very well, and know the distinguished Senators from the State of Arizona. Anything the distinguished Senator says about Arizona is welcome to my ears. It is real music to my ears, because what the West has done for this country cannot be overstated.

If anybody delivers a calumny against the West, I wish to be in line with those who say that misstatement must be corrected. I congratulate the Senator.

Mr. GOLDWATER. In closing, Mr. President, I wish to thank the Senator from New Jersey, and tell the Senator he is also one of our ex officio Senators from Arizona, because we welcome him out there every fall for his annual rest.

Mr. CAPEHART. And Indiana, also.

CERTAIN PROVISIONS IN CONNECTION WITH CONSTRUCTION OF GARRISON DIVERSION UNIT, MISSOURI RIVER BASIN PROJECT—CHANGE OF REFERENCE

Mr. YOUNG. Mr. President, on April 29 I introduced on behalf of myself and my colleague [Mr. LANGER] Senate bill 1932, which deals with a proposed irrigation project in my State. The bill was referred to the Committee on Public Works, because it was designed to amend a flood-control act. The bill properly belongs under the jurisdiction of the Committee on Interior and Insular Affairs.

I have discussed this with the Chairman of the Committee on Public Works, the distinguished Senator from New Mexico [Mr. CHAVEZ], and he has no objection to the bill being transferred to the jurisdiction of the Committee on Interior and Insular Affairs.

Mr. President, I ask unanimous consent that the Committee on Public Works be discharged from further consideration of the bill (S. 1932) to make certain provisions in connection with the construction of the Garrison diversion unit, Missouri River Basin project, by the Secretary of the Interior and that the bill be referred to the Committee on Interior and Insular Affairs.

The PRESIDING OFFICER. Is there objection? Without objection, the Committee on Public Works will be discharged from further consideration of the bill, and it will be referred to the Committee on Interior and Insular Affairs.

PRESIDENT EISENHOWER'S ADDRESS TO NATIONAL COUNCIL OF LEAGUE OF WOMEN VOTERS

Mr. SMITH of New Jersey. Mr. President, yesterday President Eisenhower greeted some 150 members of the National Council of the League of Women Voters in the Rose Garden of the White House. In speaking to these prominent women President Eisenhower made a clear and concise statement of the importance of our economic assistance and mutual-security programs to this country's national security.

Because of the widespread sentiment which is currently calling for budget reductions, and I am in sympathy with that, I believe that it is of utmost importance to call attention to the vital importance of our so-called foreign-aid programs in our foreign policy and our own defense. There are certain worldwide conditions which we cannot ignore or wish away, no matter how great our desire for cutting back expenditures. We must approach budget reductions fully aware of our responsibilities for the peace and orderly development of the world.

As the President has accurately and forcefully placed this matter in clear perspective, I ask unanimous consent that the text of his comments yesterday to the National Council of the League of Women Voters be printed at this point in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF PRESIDENT EISENHOWER'S REMARKS TO THE NATIONAL COUNCIL OF THE LEAGUE OF WOMEN VOTERS, MAY 1, 1957, IN THE WHITE HOUSE ROSE GARDEN

Ladies of the National Council, when you ask for comments on foreign policy and the operation of foreign policy, you in effect ask for a sort of marathon performance that can

UNIVERSITY OF MICHIGAN LIBRARIES

go on here for much longer than the time you have to spare, I am sure.

First of all, I would earnestly want to commend you for your interest in this problem. The foreign problem overshadows everything else that we have as an argument at home or what we would call one of our domestic problems. It either causes that problem or certainly colors it. Our defensive arrangements, in all of their different aspects, account for about 63 percent of our budget. So all of the economies that we would like to accomplish in our tax take and in our expenditures finally come back—if we are going to make them in very large amount—to affect this foreign policy problem that we have.

Now there are a few things that I think we should understand. A foreign policy is not difficult to state. We are for peace, first, last and always, for very simple reasons. We know that it is only in a peaceful atmosphere, a peace with justice, one in which we can be confident, that America can prosper as we have known prosperity in the past. It is the only way that our people can, in the long run, be freed of great burdens and devote their substance to the constructive purposes that we have—in schools and hospitals and helping the development of our people in every way.

FROM A POSITION OF STRENGTH

We seek that peace from a position of strength. As long as there is abroad in the world a predatory force, seeking to destroy our form of government, we are going to remain strong. It is only prudence, and as a matter of fact, it is the only way to be successful. Because when you are talking to people that respect only force, you must have the ability to use force. But we recognize those constructive arrangements as negative and sterile themselves. And again, we want to get rid of that burden.

Now, as we pursue peace, we have organized—there was organized some years ago—the United Nations. The United Nations is not always effective, of course, in any particular instance, because of circumstances. But it does represent, as we see it, the greatest hope that the world has for establishing finally a forum in which differing viewpoints will be brought and argued and where arrangements may be made that will be necessary, if we finally come to the point that all of us realize we must live peacefully.

It can help, therefore, in bringing about peace and much more so in maintaining peace with justice, after we have had some kind of workable arrangement that will allow us to reduce armaments.

When a specific problem comes up, for example, the Suez argument of last fall, no one would claim that the United Nations is necessarily the most effective instrument for deciding the particular dispute. But if any nation such as ours, powerful as it is, ignores the United Nations in trying to solve these disputes, what is going to happen to this greatest hope of all mankind for peace?

You must respect it. You must work through it so far as it is possible. But the charter itself of the United Nations does not preclude the attempt to establish, prevent or restore peace through individual methods.

U. N. CHARTER CITED

As a matter of fact, the Charter says in case of dispute the first efforts should be made between the contending countries themselves. You can do it also by regional and other organized efforts that do not involve the United Nations—but if the United Nations is ignored, I think we do it at our future peril.

Another point that I think is important for all of us to remember: The strongest force abroad in the world today, particularly among those people that we call the more underdeveloped peoples, is the spirit of nationalism. This spirit is stronger than communism in these areas, and fortunately it is stronger than the spirit of any communism in all of them—in some of them, I mean. What I mean by that is this: This desire to be free, to say I am a citizen of this country or that country, to say we are independent—this is a spirit that has been growing with tremendous leaps and bounds ever since the famous pronouncement of President Wilson of the right of self-determination of small peoples. Today it is a terrific force in the world.

Now this means this: They are going to remain independent, or they believe they are going to remain independent, by whatever means they have to use.

ECONOMIC BASE NEEDED

One of the things necessary to remain independent politically is to have an economic base on which that independence can be supported. Their determination to remain independent is so strong that they will get that economic help, that economic investment money, from somebody. And if we don't supply it or do our share of the supplying it from the free world basis, the free world standpoint, others will.

We know that they will not long remain independent if they go somewhere else. But they don't.

It is astonishing how frequently we are compared, in the minds of a citizen of one of these countries that we call underdeveloped, to Russia in terms of, well which is the strongest—which is correct—which is trying to take us over—which is trying to be truculent—which is trying to start the war.

We know we are peaceful. We know we are a country that is ruled by ourselves. Government only with the consent of the governed does not start wars, because it is the people that have to fight them that make the decision.

This is not true in dictatorships but the people of other countries don't understand this. I have been asked by people very high up in some of these governments, why do I not do so and so—why do I not suppress a certain magazine—why do I not do this, that or the other thing? My explanations—although I think very convincing—are often, to them, seemingly nothing.

A man said to me, "If you were our friend, you would do so and so." They don't understand. Therefore, they do not understand that our form of government is essentially one that is stable in preserving peace, and that it is dictatorships that can undertake the reckless adventure of war.

All of these problems are the kind of things that have to be considered when we are talking about the conflicting considerations of the safety of our country and our desire to keep more of our own money at home so we can spend it for what we please and not give it to the Government to spend. And with this last desire I must say I am earnestly in sympathy and I would very much like to go out of this office someday with another even bigger tax cut than we were able to put over in 1954.

The other day, I was riding in an airplane and I had some friends with me. And they began to criticize our efforts in the foreign field and say they thought we could save a lot of money there. Let us remember, foreign aid doesn't have any pressure group in any Congressman's district. It is something that has to depend on the intelligence of the American people and not on selfish interest.

And they said, "You say you are trying to be economical and you are trying to save money, yet you will spend this money over here, when you won't even give a Texas drought-stricken man so much corn meal and this and that and the other thing."

"Well," I said, "this is what I am going to try to explain in simple terms. We are riding in this airplane and let's assume we own it. We have been looking at the operational costs and we decide we are spending too much money on it. Now we are going to save some money.

"Well, if we find we have 2 stewards on this plane. We figure that 1 can do. All right, one steward fired.

"Well, we agree we won't fly it over such long trips, we don't need so much fuel capacity, and we can save money and carry a better payload by getting rid of a tank. We won't fly in bad weather so we will get rid of an expert navigator and make the copilot double up. And we will cut down on the furniture. We will get rid of the carpets, and so on here.

"These are all the services that we have demanded up to date. But now that we find out how much it costs, we are ready to do without these services, but we are still dissatisfied with what we have saved."

So one bright fellow speaks up and says: "Well, let's just cut out one of the engines, we won't use so much gas."

Now you are talking about foreign aid. Foreign aid is one of the engines that keeps this ship of ours afloat in the world and going on a steady course. So the rest of the passengers say:

"Well, baloney—you take away that engine, then we lose one when we are out over the sea, and we have probably lost our reserves and we are down. We are now in an emergency without the preparation to meet it."

PREVENTING ISOLATION

Foreign aid, my friends, is something that is being conducted to keep the United States secure and strong. It is preventing the isolation of the United States as a prosperous, rich, powerful country. There would be isolation if the United States refused to participate in the realization by under-developed countries of their proper ambitions for nationalization, for national independence and for the economic base that will support that individual independence. That's all there is to it.

In my opinion, you can't take freedom and allow freedom finally to be pushed back to the shores of the United States and maintain it in the United States. It can't be done. There's too much interdependence in the world.

Now, I do not for one instant—this is getting to be a long speech, too, isn't it?—I do not for one instant maintain that every dollar put into this is wisely spent. I know there have been articles published showing where in Iran or somewhere else there were stores of supplies bought for a people and they found out later that they bought supplies for people that didn't even yet know how to use a hoe, or something like that.

Of course, there have been mistakes. There have been human people doing this. And sometimes they were trying to do it in a great hurry, or they were obsessed with the idea that money could buy friends and money could keep friends. Well, that is all untrue.

We can, though, with our attitude and with some investment, help these people. It is dangerous to make too close an analogy between our own experience and that of some of these countries.

You must remember, when we were developing and money was being invested in our country from abroad, on a loan basis properly, we had great natural resources. Those loans practically constituted a mortgage on all those great resources. We were very low in population. We have been growing up to our resources in population ever since. We have done it under conditions that have produced the greatest prosperity any nation has known.

These other countries are already far over and beyond their capacity, in some instances, of population—without a cent. How do you collect capital in those countries to do the job that needs to be done, to produce roads, railroads, communications—the things that allow people to pull themselves up by their

bootstraps? That is what we are trying to get people to do because we believe in peace.

We believe in peace. And we believe that the more these people rule themselves, the more that the decision for world action lies in the hands of the people who have to fight wars, then there will be fewer wars. That's what we believe.

THESE SIMPLE TRUTHS

Now I come back to my first thought, and that is how delighted I am to see you people interested in these things. Unless the United States understands these simple truths which I have just so roughly touched upon this morning—unless our people understand them and are ready to push them through—then the future doesn't look nearly so bright as it should.

If the United States does understand them, then the sacrifice of money is not going to sound in their ears like the sacrifice of our sons on the battlefield. That is what we are trying to prevent.

So let's make all the savings we can in the carpet and the chairs and the extra personnel and all the rest of the things that we have been demanding, wherever we think it is safe and just and fair among ourselves to do it. But let's not throw away the engines of this ship of state.

Thank you very much.

CHILD HEALTH DAY

Mr. SMITH of New Jersey. Mr. President, yesterday, May 1, was Child Health Day. It is fitting that we should set aside one day each year to call attention to the health needs of our children, and to pay tribute to the many public and private agencies which perform such signal services for the protection of our children's health and thereby the future vitality of our Nation.

In addition, President Eisenhower's proclamation of Child Health Day called attention to Universal Children's Day, which commemorates the work done by United Nations agencies to assist children everywhere. The United Nations International Children's Emergency Fund has now been performing a marvelous service to the world for 10 years in their work for the improvement of the health of millions of children everywhere. By bringing medical assistance to many of the areas of the world where disease remains rampant and unchecked, UNICEF has brought protection through preventive medicine, as well as treatment, for millions of children faced with widespread incidence of yaws, tuberculosis, malaria, and other crippling diseases.

The love of children in their innocence is one which transcends geographical, political, religious, or racial differences and represents a common bond for mankind.

Mr. President, I ask unanimous consent that an editorial from the May 1 issue of the Washington Post, entitled "Health for All Children," be printed in the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HEALTH FOR ALL CHILDREN

In today's world the health of one nation or one person becomes ever more the health of all. Therefore it is fitting that this country's traditional observance today of Child Health Day should be expanded to include Universal Children's Day, which commemorates what is being done by United Nations agencies to improve the lot of children everywhere. A "salute" to this work is called for by President Eisenhower in his Child Health Day proclamation.

This year marks the 10th anniversary of the world agency most directly concerned with the health of children, the United Nations International Children's Emergency Fund. Established just after the war to feed the emaciated and hungry children of war-devastated Europe, UNICEF has gone on to help as many as possible of children everywhere who are victims of hunger and neglect and stalked by such disease enemies as tuberculosis, yaws, malaria, trachoma, and anemia. It is providing milk, cod liver oil, medicines, and other supplies to about 45 million needy children. Last year 80 governments contributed to the agency and 95 countries received aid, matching the value of their assistance at more than $2 for each UNICEF dollar.

The health and future of American children are closely related to these activities. Seventy-five percent of the victims of malaria are children and UNICEF has been waging an offensive on this front; one of its biggest projects this year is to assist the malaria eradication campaign of our next-door neighbor, Mexico.

More healthy, productive citizens for the world of tomorrow will make that world a safer one for the American children who must function in it.

NATIONAL CEMETERY AT BIRCH COULEE, MINN.

Mr. THYE. Mr. President, there was published in the Minneapolis Sunday Tribune of April 28 an article entitled "Heroes of Birch Coulee Save State," referring to a book entitled "Birch Coulee," written by Dr. Bernard F. Ederer, a former State legislator from Stevens County, Minn.

This is in connection with a bill, S. 1417, to establish a national cemetery at Birch Coulee, which I introduced in the Senate. Representative H. CARL ANDERSEN has introduced a companion bill in the House. It is House bill 3008. The article to which I refer states reasons supporting the desirability of enactment of this legislation. I ask unanimous consent to have the article printed in the RECORD at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Minneapolis Sunday Tribune of April 28, 1957]

HEROES OF BIRCH COULEE SAVE STATE

MORTON, MINN., September 3, 1862.—Sioux Indians under the command of Chief Gray Bird took flight today after a desperate 31-hour battle at nearby Birch Coulee in which 19 Minnesota infantrymen were killed and 44 wounded.

Only luck and the apparent unwillingness of the Indians to engage in open warfare kept the encounter from being more disastrous than it was, and Birch Coulee will go down in Minnesota history as the most spectacular battle of the Indian wars of 1862.

The battle began just before dawn yesterday, when more than 200 Indians swooped down with bloodcurdling yells on an encampment of the raw Sixth Minnesota Infantry and Renville Rangers Cavalry at the Coulee, 1½ miles north of Morton in Renville County.

Nearly all the troops' 100 horses were killed in the first half hour, and the men used the carcasses for cover until they could get their wagons turned over.

Main part of the battle lasted about an hour, but the Indians kept up desultory fire throughout the day and into the night. A few infantrymen were hit by these bullets as they left cover to aid the wounded, many of whom lay for 30 hours in burning sun and chill night without food or water before aid arrived.

Reinforcements from Fort Ridgely, many of them draftees on their way to fight in the Civil War, were heard firing cannon as they approached Birch Coulee about 2 p. m. yesterday, but they did not arrive until 11 a. m. today.

The fort is 14 miles away, an easy 5-hour march, yet it took 28 hours from the time the first Indian firing was heard to make the trip. This will go down in Minnesota history as a prime example of military stupidity.

Failure to pursue the fleeing Indians also is open to censure as an example of poor judgment.

But no one will dispute the courage and endurance of the Minnesota troops, and the halting of the Indians, even if it was due to their own fear at hearing reinforcing cannon approaching, may have been the factor which saved Minnesota for the white man.

For up until this point the Indians were winning the battle.

They massacred 644 citizens and killed 93 soldiers in battles.

The Dakota Sioux were sweeping east, Winnebagos coming north from their reservation south of Mankato, and Chippewas coming south from the upper Mississippi area in a sort of pincer movement which devastated and virtually depopulated a region 200 miles long and 50 miles wide.

In 23 counties of western and southern Minnesota nearly all homes were abandoned as citizens fled eastward.

If the Indians then had succeeded in the Birch Coulee massacre as they had in the others, they could have swept on down the Minnesota River to St. Paul and driven all the white men out of the State.

In case you're confused, this story so far is a reconstruction from various histories of the battle of Birch Coulee.

Most Minnesotans have never heard of it, nor are they aware there is a State memorial park in Renville County commemorating it—and has been since 1893.

It comes as a surprise to Minnesotans that the battle is compared by some historians to the Alamo in Texas or the Little Big Horn in Montana.

However, with Minnesota's centennial year approaching, the people out in Birch Coulee territory hope to make a little more noise about it, and they're starting Monday.

A native son who grew up on a farm located practically on the battlefield and who now has written a novel based on the histories and legends of the battle, will speak at 8 p. m. Monday in Morton high school auditorium.

He is Dr. Bernard F. Ederer, now a Del Mar, Calif., dentist. He is a former State legislator from Stevens County and a former member of the State conservation commission.

Before he's through, he'll speak at Redwood Falls, Morris, Mankato, Bird Island, Olivia and other communities, telling the story of Birch Coulee. He addressed the State legislature 6 weeks ago about it and plans to go to the east coast from Minnesota publicizing the historical battle and his book.

Ederer will be inducted into the Sioux tribe at Monday's meeting. The head of the tribe, James Leith, supposed to be a descendant of the Birch Coulee villain, Chief Little Crow, will represent the Indians.

Future plans for Birch Coulee include clearing of a tree-covered natural amphitheater in the park, in which pageants formerly were presented, and moving of monuments and markers from adjacent properties to the actual battlefield site.

UNIVERSITY OF MICHIGAN LIBRARIES

[From the Minneapolis Star of April 27 1957]

THE HISTORY OF BIRCH COULIE

To the EDITOR:

Dr. Bernard F. Ederer, author of Birch Coulie, will appear at 8 p. m. Monday at the high school auditorium at Morton, Minn., to discuss the history of Birch Coulie.

This is an opportunity to draw statewide attention to a vital portion of Minnesota history which has been obscured through the years because it occurred at the same time as the Civil War. Indeed, had it not been for the implied permission of the late President Lincoln, the men who defended Birch Coulie instead would have had to join the Army to defend the North.

Birch Coulie battlefield lies in a part of a State park located a mile north of the Minnesota River and approximately 100 miles west of the Twin Cities with the nearest post office located at Morton. About three-fourths of a mile to the south, partially obscured by trees, stand the beautiful monuments of granite, erected by the will of the Minnesota Legislature of 1893. These monuments are dedicated to the brave heroes of Birch Coulie and the friendly Sioux, some of whose names appear on one shaft. For years the Birch Coulie monuments have remained almost unnoticed and unknown by the vast majority of Minnesotans. Had it not been for these brave ancestors, Minnesota as it is known today might never have been.

MRS. ARTHUR P. KEAVENY.

MORTON, MINN.

AMENDMENT OF APPROPRIATION BILL FOR THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Mr. NEUBERGER. Mr. President, I submit today an amendment to the appropriation bill for the Department of Health, Education, and Welfare, to appropriate $500 million for the National Cancer Institute, with the stipulation that this sum remain available until totally expended. The senior Senator from Oregon [Mr. MORSE] is a cosponsor with me of this proposal.

In other words, the National Cancer Institute need not allocate the entire amount during a single fiscal year, unless such a policy is completely feasible and practical.

My purpose is to put at the disposal of the men and women in this Institute, who are engaged in probably the most vital medical research of our time, all possible financial resources for the hastening of their urgent task.

I was shocked a few months ago when I noticed that the recordbreaking budget of the national administration, despite its $72 billion size, actually would reduce by 3 percent the Federal funds appropriated for cancer research during the current fiscal year. Could any economy be more senseless and absurd than this—economy at the expense of our investigation into the causes of the most sinister disease plaguing mankind?

Last year I was informed by my friend, Dr. Leonard A. Scheele, former Surgeon General of the United States, that the National Cancer Institute might use as much as $500 million if the availability of the sum were known well in advance, and if extensive preparations might be made for the employment of skilled scientists and medical researchers far ahead of time.

Dr. Scheele pointed out, for example, that able investigators of the terrible riddle of malignancy would be assured that their salaries were no longer reliant on the uncertainties of the year-to-year Congressional appropriations, and that thus there could be avoided the inevitable temptation to these people to abandon their research and laboratories for the greater financial rewards of private medical practice.

Mr. President, we are living today in a vast welter of political oratory, editorials, and articles about governmental economy. Yet I believe that economy which sacrifices research into the causes and possible cures of cancer is not economy at all, but instead a reckless gamble with human life.

If our people can spend $15 billion on liquor and tobacco, if our Government can spend $44 billion on armaments, if we can envision a disbursement of $33 billion for roads, then we certainly can contemplate the long-range investment of at least half of $1 billion into the invaluable research and studies sponsored by the National Cancer Institute.

Therefore, I submit this amendment to appropriate $500 million now for the future work of the National Cancer Institute, which would provide that any unexpended portions of the total amount shall remain available until the doctors and scientists in charge of our cancer-research program have had a full opportunity to invest these funds appropriately.

Mr. President, I ask unanimous consent that the amendment be received and appropriately referred, and printed in the RECORD at this point.

There being no objection, the amendment was received, referred to the Committee on Appropriations, and ordered to be printed in the RECORD, as follows:

On page 26, line 24, strike out "$46,902,000." and insert in lieu thereof "$500,000,000, to remain available until expended."

Mr. NEUBERGER. Mr. President, I also ask unanimous consent to have printed in the body of the RECORD an article by me published in the Eagle magazine for February 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"CRASH PROGRAM" FOR HEALTH

(By RICHARD L. NEUBERGER, United States Senator from Oregon)

"Give me health and a day, and I will make the pomp of emperors ridiculous"—*Ralph Waldo Emerson.*

With one of America's most famous female radiologists at my side, I looked through the slitlike glass window which had been niched in concrete walls 30 inches thick. Beneath a great coneshaped apparatus, a woman lay on a table. A bathrobe covered her body. The room was darkened. The tiny point of the equipment seemed to pick out her chest and throat. She was receiving radiation treatment from a "cobalt bomb" for deep-seated cancer. The mysterious roentgen rays made no sound.

Would the treatment be successful? Would it arrest the deadly march through her system of malignant cells? Would she survive?

These questions flashed across the innermost frontier of my mind. Another question lurked there, too. Would the woman on the table ever know a moment's peace or contentment again? During her entire life, be it long or short, could she ever spend a fleeting hour free of anxiety and terror? Would each twinge of pain mean that the fatal killer had returned?

The woman on the table was obviously younger than my wife or I. What if it had been one of us on that table beneath the cone—the cone from which came the unseen rays that might mean a reprieve, if only the malignancy had been detected in time? Cold drops of perspiration dotted my forehead as I harbored these thoughts.

And yet, I mused how little we actually know about the rampant behavior of cells and tissue which men call cancer. The "cobalt bomb" was not a certain cure, even though nuclear fission had made it possible. It was a hope—a faint hope, though nonetheless genuine. And as I stood outside the vault of concrete and lead where the rays from a tiny inner cylinder of plutonium were working their mission which might mean life or death, I wondered why the richest Nation on earth was not investing more of its effort, resources, and wealth toward the possible liberation of mankind from cancer. Surely few battlefronts could be more crucial.

Cancer is a threat which hangs over us all from the bassinet to the tomb; yet we spend far less attempting to solve it than we do, for example, on the fittings for one aircraft carrier of the *Forrestal* class.

As the radiologist and I peered through the narrow window at the young woman on the table, few things loomed as important as cracking the terrible riddle of cancer. All else—politics, money, personal ambition—faded into comparative insignificance.

What America needs today is a crash program of medical research. It should be a program proportionate to the $40 billion which we seem able to spend annually on weapons of war. What war, after all, can compare with that against cancer, heart disease, mental disturbances, and other sinister maladies wracking mankind?

Mike Gorman, 43-year-old executive director of the National Mental Health Committee, points out that, despite its inadequate support from governmental appropriations, medical research during the past decade has added 5 years to the life expectancy of the average American. Translated into earning capacity alone, the people whose existence has thus been prolonged have paid seven times as much into the Treasury in personal income taxes as has been invested in the United States Public Health Service. And Gorman adds this further heartening note:

"In an age when the Communists and their satellites outnumber the forces of the free world by better than 2 to 1, medical research has bolstered our manpower resources and increased our productive strength. It has reduced immeasurably the tragic toll of human suffering."

Yet we in the Congress, as well as the public at large, still think in pygmy terms with respect to combat against disease. Unhesitatingly, we will spend billions for tanks or battleships or bombing planes. By contrast, we are stingy with mere millions when sickness is the enemy, rather than a foreign foe. And when we contemplate that the United States Government is spending $48 million on the National Cancer Institute as contrasted with $10 billion on naval vessels, we must keep in mind that it takes $1 million multiplied 1,000 separate times to amount up to just $1 billion.

Nor was even the $48 million investment achieved for the onslaught against cancer without persistent and tireless effort on the part of certain Members of Congress.

When I was a candidate for the Senate in 1954, few topics held audiences more attentive than my insistence that Federal expenditures for medical research generally—and in the field of cancer in particular—should be increased many times. I even proposed an ultimate outlay of $1 billion for cancer research alone, if necessary. This statement was repeated by me at trade unions, civic clubs, Eagle aeries, Grange halls, before veterans' groups, and women's organizations. It drew almost universal support and interest, especially when people learned that we were then spending $63,980,000 on the Inter-American Highway and only $24,978,000 on cancer research. Was greater knowledge of mankind's grimmest killer a mere 38 percent as urgent as the Inter-American Highway through distant jungles?

As a newcomer to the Senate, I have served as a private in the ranks of an all-out attempt to bolster our attack against the disease which is nearly the equivalent of a death sentence to all afflicted by it. Leaders in this effort were members of both major political parties—LISTER HILL, of Alabama; WARREN G. MAGNUSON, of Washington, and WAYNE MORSE, of Oregon, Democrats; and MARGARET CHASE SMITH, of Maine, and EDWARD J. THYE, of Minnesota, Republicans. Encouragement was received from CARL HAYDEN, of Arizona, a Democrat who is chairman of the Senate Appropriations Committee and has served in Congress ever since his State was admitted to the Union in 1912.

This bipartisan undertaking brought about the doubling of Federal funds available for cancer research at the National Cancer Institute, from $24,978,000 to $48,432,000.

As we worked to achieve this goal, I thought of the fact that man has learned to conquer the air, the waters under the sea, to ascend Mount Everest, and even to influence the weather under certain circumstances. But cancer remains the inexorable assassin. Neither wealth nor fame nor power can stay its ravages. It killed valiant Babe Didriksen Zaharias, Senator Arthur H. Vandenberg, Senator Robert A. Taft, John P. Weyerhaeuser, Jr., of the vast timber corporation, and many others who still had much to contribute to American progress.

Although a crash program of medical research into the ominous roots of cancer would come too late to prolong their lives, perhaps it might help to spare the cancer victims of a later generation—in our own country and elsewhere in the world. Mercy knows no national boundaries.

MARGARET CHASE SMITH, only woman Member of the Senate, effectively emphasized the disproportionate sums which we spend on frivolities and on grappling with the most dreadful diseases plaguing the human race. Senator LISTER HILL, chairman of the Appropriations Subcommittee handling health funds, insisted that top salaries in Public Health Service laboratories be increased from $15,000 to $20,000 annually. "The productivity of any research organization depends upon the quality of the staff," said Senator HILL.

Furthermore, during our discussion of health appropriations on the Senate floor, Senator HILL assured me that the increased funds for cancer research were not a goal in and of themselves but simply part of an onward march which must continue.

Partly because of the great impetus for an all-out program in the realm of malignant diseases like cancer, research expenditures by the Government for the fiscal year of 1957 also have been vastly expanded in other fields. The National Institutes of Health, located in Bethesda, Md., are now in the midst of their most active 12-month period. Note this contrast in all major classes of appropriations:

	1956	1957
General operating expenses	$5,929,000	$11,922,000
National Cancer Institute	24,978,000	48,432,000
Mental Health Institute	18,001,000	35,197,000
National Heart Institute	18,898,000	33,396,000
Dental Health Institute	2,176,000	6,026,000
Arthritic disease activities	10,840,000	15,885,000
Microbiology activities	7,775,000	13,299,000
Neurology and blindness disease activities	9,861,000	18,650,000
Total	98,458,000	182,807,000

Thus, United States Government expenditures for medical research have been increased 85 percent in 1 year. Even teeth and gums had participated in the advance. Yet is this disbursement enough?

In Washington, D. C., our residence has been next door to that of Dr. Leonard A. Scheele, a tall 49-year-old man who recently retired as Surgeon General of the Public Health Service. One sultry evening, seated in our patio over coffee and cake, I asked my neighbor: "Leonard, what is probably the maximum amount of money which the National Cancer Institute could spend in 1 year for research and study, if given reasonable notice in advance?"

The Surgeon General pondered for a moment. "Half a billion dollars," he answered.

"What would be the usefulness of that quantity of money?" I asked.

"You would be certain that you could carry on your program from year to year without delay or interruption," Dr. Scheele replied. "Your top doctors and scientists would know their continued employment, at fair and adequate pay, was assured. They would not be tempted to break off their work to enter lucrative private practice. In addition, you could follow every possbile lead or hope, no matter how remote or elusive it might seem. You would not have to budget so carefully and pursue only the most promising discoveries. In a war, the military often overspends because it might be fatal to the country to underspend. We could do that in the area of cancer research if we had a billion dollars or even half a billion dollars at our disposal.

The sums which Dr. Scheele and I discussed may loom as fantastic. But are they? Americans spend over $15 billion a year on liquor and tobacco. They even spend $280 million for chewing gum and $116 million for shampoos. Why not twice as much for cancer research as for gum?

Whenever I urge a vast increase in Federal funds for medical research, people invariably inquire about the sums raised for this purpose by voluntary agencies. "Don't they do the job?" is the perennial question.

The voluntary agencies do a magnificent job. In 1954, for example, the American Cancer Society collected $21,670,000 in private contributions and the Damon Runyan Cancer Fund an additional $1,751,000. Organizations such as the Eagles, the Veterans of Foreign Wars, the AFL–CIO, and others have helped generously toward this private total of over $23 million. Yet only $7,189,000 of the private donations were allocated for research. The rest had to go—and properly so—for the treatment of pitiful and agonizing cancer cases in families lacking sufficient financial resources for their care. It is obvious, therefore, that the Government must carry on the major responsibility in cancer research, or it will not be carried on at all.

Research into all potentially fatal diseases, and particularly cancer, is one avenue for liberating mankind from a grim fear and a painful reality. Should our Government not share in such a responsibility? We would scoff if some official in our town proposed that the fire department be entirely reliant on voluntary contributions. Yet which is the more imminent menace to the average person, fire or cancer? Ask a cancer sufferer.

Although I have been a legislator at both the State and national level, I still am unable to fathom the legislative mind when it comes to this vital human problem. Such famous Senators as Taft, Vandenberg, and Wherry have been fatally stricken by cancer. Yet the Senate will move with alacrity to vote $4 billion for B–52 bombing planes, but it can cavil over barely more than 1 percent of this for cancer research. We will appropriate limitlessly to combat the foe we can visualize, whether it be the Soviets, Nazis, or Imperial Japanese. But stinginess and hesitancy cloud the picture when the enemy is an insidious disease which strikes silently and invisibly, but nonetheless murderously.

As a member of Oregon's House of Representatives, my wife had to struggle for almost 4 months to persuade her colleagues to vote a trifling $80,000 for pilot courses aimed at rehabilitating retarded children. The lack of trained teachers and classes for these unfortunate youngsters brings heartache to thousands of families. It also dooms the children to lives of public dependency and helplessness. Skilled teaching can enable them to read, to play happily, to feed themselves, maybe even to work at a trade. Yet Mrs. Neuberger, herself a former teacher of physical education, found the legislature quicker to appropriate $150 million for roads and highways than a tiny fraction of this for retarded children.

One night during the 1953 legislative session, when her retarded-children bill languished in committee, she said to me desperately, "It's easier to get funds for inanimate objects than for human beings. It hardly seems possible that human beings do the voting on these appropriations."

Yet this mental block on the part of legislators may be waning. Under the leadership of an Eagle Congressman from Rhode Island, JOHN E. FOGARTY, Congress has just allocated over $2 million for programs aimed at rehabilitating retarded children. Another goal of the program is to try to discover why some children have congenital defects which render it difficult for them to lead normal lives. This sum is by far the most generous benefaction ever set aside for such a purpose. In his campaign for the children's funds, Representative FOGARTY had the active and fervent support of a fellow Rhode Island colleague, Congressman AIME J. FORAND. Mr. FORAND is likewise a faithful member of the Eagles.

Slowly but inevitably Americans are coming to realize that every dollar invested in medical research can be amortized in longer, happier, and healthier lives.

Some of this understanding is due to the leadership of a remarkable and attractive woman named Mary Lasker. She has used the fortune inherited from her late husband to encourage study of the ailments which cripple and kill people. The Albert and Mary Lasker Foundation gives substantial awards each year for achievements in the area of psychiatric and medical research. Writers and journalists, for example, are rewarded for outstanding contributions on these topics. Mrs. Lasker also helps to support such projects as the National Mental Health Committee and the New York Memorial Hospital for Cancer and Allied Diseases.

Each of us sees illness only as an isolated occurrence. It may happen to us or to a loved one. This is tragic, but we still do not see how it affects America as a whole. How many realize that mental sickness deprived our Armed Forces of over 2,500,000 young men

UNIVERSITY OF MICHIGAN LIBRARIES

in the prime of life during World War II? Are we aware that more than half the hospital beds in the United States are required for mentally disturbed men and women, and that even these are not enough? On the Senate floor I pointed out that "almost two and one-half times as many people died of cancer during World War II as were killed in action in all our far-flung battles over the face of the world. Furthermore, in 1 year cancer killed nearly 10 times the number of Americans who were killed in action throughout 3 years of the war in Korea."

Medical research has begun to unlock some strategic doors. The Salk antipolio vaccine is a sample of what prolonged and well-financed medical research can accomplish. The vaccine is not perfect, but it provides children with 70 to 90 percent protection against the crippling havoc of infantile paralysis. We take for granted today such antibiotics as penicillin, streptomycin, terramycin, and aureomycin. All are the products of medical research. They have helped to reduce the death rate from tuberculosis 73 percent, from kidney diseases 60 percent, from pneumonia 43 percent. As a result, the life expectancy of the average American increased from an age of 60 in the year 1937 to 68.8 by 1953. Phenomenal new discoveries with respect to the fat content of diets may contribute toward cutting down fatal heart disease in the decade ahead.

These developments, it seems to me, are overwhelming arguments for vast expenditures in medical research. What can be more important than human happiness and human life? These are geared directly to good health. For a country spending $40 billion a year for armaments, there is no sum too high to invest in the well-being of its citizens. I still recall what my wife, Maurine, said to me when she was fighting for a paltry $80,000 in the Oregon Legislature, to spend in behalf of retarded little children.

"The beasts of the field on my mother's farm will do anything for their young," she said. "Can we look the next generation of human beings in the face if we have not done everything possible for them in the vital area of sound bodies and medical care?"

THE BUDGET

Mr. SYMINGTON. Mr. President, last Monday the junior Senator from Missouri placed in the RECORD an article containing recommendations of the Honorable GEORGE MAHON, chairman of the Military Subcommittee of the House Appropriations Committee, about how this annual Federal budget could be cut many billions of dollars.

The next day an editorial on this subject appeared in the St. Louis Globe Democrat.

I had no idea this editorial was in the works; but its contents are so completely true with respect to the problem at hand that I ask unanimous consent it be inserted at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the St. Louis Globe-Democrat of April 30, 1957]

HIGH COST OF DEFENSE WASTE, RIVALRIES

As the House Appropriations subcommittee on the military budget prepared this week to write the 1958 defense bill, Chairman GEORGE H. MAHON issued an urgent plea for a drive to start real unification of the armed services.

Congressman MAHON declared inordinate jealousy and rivalry among military branches are responsible for ballooning defense costs.

The current year's military budget is $35,500,000,000. For the next fiscal year a total of $38 billion is asked. Mr. MAHON predicted annual requested outlays would zoom to $50 billion in a few years unless unification is achieved.

He is not being pessimistic. Despite denials by Pentagon spokesmen, the waste because of service rivalries, extravagant competition, inefficient buying and manpower practices is a capital scandal.

Estimates are these tax dollar losses run into the billions.

Not a single American wants to lower the power of United States defenses by a single jet, bomb or needed man. We must have a military potent enough to scare off any aggressor, equal and superior to any other strategic arsenal in the world. We dare not lower our defense arm.

But that does not mean the military budget is a sacred cow that can be milked steadily by inefficient organization, by bureaucratic brass feuding for position or supremacy in the defense structure.

It does not mean the American people have to hold still for obvious extravagance and refusal to accept unification of services.

It does not mean Pentagon planners are sacrosanct. It certainly does not mean the defense allotment—soaring by the billions—cannot be reduced by simple, businesslike organization and procedures.

Ten years ago Congress passed a military unification program, designed to take the fat out of defense costs. This act has not accomplished its purpose.

There is no excuse for the failure of the military branches to coordinate fully in the matter of purchasing, use of manpower, medical care.

Congressional investigations have shown the services still buy independently, often competing with each other for scarce materials, thus raising prices the taxpayers have to shoulder. Sometimes they stockpile goods other services have in surplus. The different arms maintain separate manpower and recruiting systems.

As the Globe-Democrat pointed out previously, the Hoover Commission reported that establishment of a single Federal Catalog System, with central Government purchasing, would save the Nation $4,500,000,000 a year.

Some of the most intense and costly vying among services is in the field of missile development and aircraft pioneering. Various branches have tied up plane and missile manufacturers in an unwholesome competition for service supremacy—duplicating effort, prodigally absorbing the scarce engineering talent, often causing heavy losses.

In any huge operation, such as defense, some mistakes are bound to occur. That is true in business and industry, as well as in the military. But the systems, the jealousies and easy-handed spending of the defense setup breed enormous wastes. The generals and admirals deny this, but the evidence outweighs their protests.

President Eisenhower knows the score on military spending and waste. He probably knows it better than any individual in Washington, outside the Pentagon's inner sanctum. He has the prestige to crack down with a Commander in Chief's order for unification—real unification.

If he would do this—the task is admittedly tough—the defense budget could be pared by several billions without an iota of hazard to its effective power.

Every needed dollar for fully competent defense should be spent. But if the Nation does not cull out preventable waste from military operation, the defense budget will rocket out of hand and become a more acute danger to the Nation's economy.

Mr. SYMINGTON. Mr. President, we are now talking about saving ten or twenty or fifty million dollars annually at some particular place in the budget—and any saving of any kind is of course most desirable. But should we not face up to the place where many billions of dollars can be saved annually?

One reason given for this has been "there is no mileage in discussing military matters because the people trust the President completely on military matters."

But this is not a question of military strategy—it is a question of efficient operation; and there was nobody who believed more in more unification of the armed services a few years ago than President Eisenhower.

Only recently we had further concrete proof that great savings are available if some decisions are made. A report on defense manpower has just been made to the Secretary of Defense by the Cordiner Committee, headed by Ralph Cordiner, president of the General Electric Co. Mr. Cordiner states that if his Committee's recommendations are adopted it will save the country $5 billion annually at no sacrifice whatever to national defense.

I do not know whether Mr. Cordiner is a Democrat or a Republican, but I do know that he is an able and seasoned industrialist; and it was therefore a shock to learn that his plan for saving this money for the American taxpayer has in effect been scrapped by this administration.

Mr. President, I understand the Secretary of the Treasury now wants to "curl" all the money back that was taken from his Department by the House; that the Postmaster General wants his money back and so also does the Secretary of State. But if we really want to reduce the current tax burden on the American people, we had better stop chasing minnows and start chasing shad; else we may well tax ourselves out of the free enterprise system.

I sympathize with anyone who is reticent on the basis of the old school tie. But there is one school tie tradition all of us wear, and that is the tradition of not wanting to be taxed unnecessarily.

NATIONAL RADIO WEEK

Mr. SALTONSTALL. Mr. President, I wish to call to the attention of the Senate the observance of National Radio Week which will be held from May 5 to May 11. Radio is one of the great media of communications which are so vital to our daily lives. Radio is an important link between the people and their Government. In addition to many public services such as participation in national and community campaigns for civic improvement and vital information during times of disaster, such as floods or hurricanes, radio is a fine source of entertainment for many millions of listeners.

Radio also has an economic importance since it carries advertising which stimulates the business and industry of our country.

Some 3,000 AM radio stations and 500 FM stations, as well as the 4 nationwide networks, are taking part in the observance of National Radio Week. This observance is being sponsored by several organizations including the National As-

sociation of Radio and Television Broadcasters, the Radio Advertising Bureau, the Radio-Electronics-Television Manufacturers Association, and the National Appliance and Radio-TV Dealers Association.

As we all know, radio and television have made many alterations in our lives, particularly in the field of communications, since we were schoolboys.

Mr. WILEY. Mr. President, this coming Sunday the Nation will observe the commencement of National Radio Week, May 5–11.

This fine occasion is sponsored industrywide by the National Association of Radio & Television Broadcasters, the Radio Electronics Television Planners Association, and the National Appliance & Radio-TV Dealers Association.

I should like to take this occasion to salute the 3,000 AM radio stations and 500 FM stations, as well as the 4 national radio networks.

As we are all aware, radio has had a spectacular upsurge in the postwar era.

Although there were some misguided folks who were predicting radio's demise because of television competition, the fact is that radio today is stronger than ever, in virtually all respects.

We have more stations on the air, we have more constructive news programs, we have more good music, we have more public service programing, and more of lots of other splendid features as well.

The prosperity of the radio industry is a welcome cornerstone in a prosperous free-enterprise system.

Radio plays an indispensable role in the advertising of America's goods and services.

Of course, radio has had to compete on an increasingly diligent basis with television. While radio advertising in some respects has declined, as in the instance of half-hour network shows, spot advertising—national and local—has soared.

In any event, we can be sure that our alert radio industry will give television and other media a good run for the advertiser's dollar, and in the meanwhile, will give American listeners the sort of entertainment and information they want and need.

There is, of course, another phase to the radio story, and that is the fact that there has never been a disaster—National, State, or local—where radio has not proven itself to be the vital link in the saving of lives and property.

In war and in peace, the radio set alongside us, the console model, the small set, and now the portables in increasing numbers, are irreplaceable pieces in every home and virtually in every room.

Production of radio sets continues to mount, despite the fact that the gloomy pessimists were long predicting that the market had been so-called saturated.

The fact is that there is an even vaster market than might have been previously anticipated in this and in many other respects.

I salute, therefore, America's 3,600 stations, particularly, of course, the stations of my own State. They confront a great many problems these days. The FCC is wrestling with a good many itself, but I am hoping that there will be equitable solutions.

I know that the views which I am expressing today are shared by my colleagues. I know, too, that the people of Wisconsin would like to say a particular word of thanks to our stations, for all that the stations have meant in terms of contributions to wholesome community life—to farmer and city dweller, to housewife and student, to the well and to the bedridden, to the enthusiast of serious music and the jazz-fan of the disc jockey, to the businessman-sponsor and the workingman who buys products and services which are advertised on radio and who consumes them.

May National Radio Week prove another great success.

REASSIGNMENT OF CERTAIN TELEVISION FACILITIES

Mr. AIKEN. Mr. President, there is now pending before the Federal Communications Commission a proposal which threatens to cut off all television reception for approximately 120,000 people living in 48,000 homes along the western border of Vermont, east central New York State and western Massachusetts.

In addition, more than 100,000 other viewers in this area will have to purchase costly conversion equipment which the FCC estimates will cost up to $100 or $150 per set, if they are to receive any television service at all.

The FCC describes this proposal as a reassignment of the existing Channel 6 VHF station from WRGB, Schenectady, to a television station at Syracuse, N. Y. The FCC would then replace the Schenectady Channel 6 with a UHF television channel.

For 17 years WRGB has been a very high frequency station, and by its pioneering efforts over these years it has attracted a viewing audience of more than half a million people.

For many of these viewers this is the only television channel that is available to them.

It is only one channel, but the difference between daily television service and no television at all.

Now it is proposed to take this one channel away from these people so that viewers in other areas may have 3 channels instead of 2. The Commission describes this proposal as a "deintermixture proceeding."

From the facts that I have obtained, I cannot understand nor in any way justify this proposed change, even under such an impressive name as "deintermixture proceeding."

In recent weeks I have been receiving a steady stream of mail from constituents who face the loss of all television service if this proposal should become effective.

Some of those who have written me are shut-ins, for whom television has become their primary contact with the outside world.

In addition, there are many persons who live in such small communities as Fair Haven and Poultney, Vt.; in Granville, N. Y., and the towns of western Massachusetts, along with the farmers of this area, who feel that they have just as much right to the many pleasures of television as Americans residing in more populated areas.

The Federal Communications Commission has issued a report showing that a majority of the members of this important Federal regulatory body favor the juggling of channels which would result in this indefensible television blackout.

I recently wrote to the Federal Communications Commission to register my opposition.

In acknowledgment of my letter, Mr. George C. McConnaughey, the Federal Communications Commission Chairman, wrote a letter of explanation which describes this proposal in some detail. It seemed to me to be an extraordinary explanation.

First he said:

> Station WRGB is the only operating VHF station in the area.

Let me emphasize his use of the word "only"—the "only" VHF TV station now serving the people of western Massachusetts, east central New York State, and west central Vermont.

The Federal Communications Commission Chairman then explained that there are several UHF stations operating in the area now and numerous UHF channels assigned to this area, adding these significant words:

> As a result of action we have taken in this proceeding, other UHF stations will be activated in the area.

I do not pretend to be an expert on such a highly technical matter as a "deintermixture proceeding," but commonsense tells me that the Federal Communications Commission can keep adding UHF channels indefinitely and this action will not in any way relieve the blackout that will be caused by the removal of Channel 6 from the area.

I have learned on good authority that there are 120,000 people in 48,000 different homes who cannot receive these ultra high frequency stations.

Therefore the establishment of additional UHF stations will not help these people at all.

A bird in the hand is worth two in the bush, and one functioning VHF Channel 6 bringing television into the area is worth many promises of UHF channels to come, particularly if the programs from the UHF channels cannot be received anyway.

I am convinced from the facts, as they have been presented to me, that the FCC should review this case with the greatest of care, and refuse to issue an order which would deny adequate television service to the people of this three-State area.

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. NEUBERGER in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

UNIVERSITY OF MICHIGAN LIBRARIES

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

NATIONAL DEFENSE TRANSPORTATION DAY

Mr. O'MAHONEY. Mr. President, I understand that the unfinished business is Senate Joint Resolution 22, Calendar No. 234. This joint resolution would designate the third Friday of May in each year as National Defense Transportation Day.

The PRESIDING OFFICER. It is the understanding of the Chair that this matter will not come before the Senate automatically until 2 o'clock, and that prior to that time it must be taken up either by motion or by unanimous consent.

Mr. O'MAHONEY. It was for that reason that I was about to make a parliamentary inquiry.

I now ask unanimous consent that the Senate proceed to the consideration of the joint resolution. I make the request because I know the measure is noncontroversial and will be passed, I feel certain, without objection. It will cause no debate and will not delay the Senator from Florida [Mr. SMATHERS] or the other Senators who wish to address the Senate.

I ask unanimous consent that the Senate may now proceed to the consideration of the joint resolution.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (S. J. Res. 22) to designate the third Friday of May of each year as National Defense Transportation Day.

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

Mr. CARLSON. Mr. President, reserving the right to object, may I inquire if the distinguished Senator from Wyoming has cleared the consideration of the joint resolution with the majority leader and the minority leader?

Mr. O'MAHONEY. It has been cleared on both sides of the aisle.

There being no objection, the Senate proceeded to consider the joint resolution (S. J. Res. 22) which had been reported from the Committee on Interstate and Foreign Commerce with an amendment on page 2, after the resolving clause, to strike out "That the third Friday of May of each year shall hereafter be designated and known as National Defense Transportation Day, and the President is authorized and requested annually to issue a proclamation calling upon the people of the United States" and insert "That the President of the United States is authorized and requested annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day, and urging the people of the United States," so as to make the joint resolution read:

Resolved, etc., That the President of the United States is authorized and requested annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day, and urging the people of the United States, including labor, management, users, and investors, in all communities served by any of the various forms of transportation by land, by sea, and by air, to observe this occasion by appropriate ceremonies which will give full recognition to the importance to each and every community and the people thereof of our transportation system and the maintenance of its facilities in the most modern state of adequacy to serve our needs in times of peace and in national defense.

Mr. O'MAHONEY. Mr. President, the joint resolution, as amended, would authorize and request the President of the United States annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day.

A public hearing was held on this resolution by the standing Subcommittee on Federal Charters, Holidays, and Celebrations of the Committee on the Judiciary on April 8, 1957. At that public hearing, representatives of the National Defense Transportation Association testified in favor of the proposed legislation.

This resolution, by requesting the President of the United States to set aside a day each year to be known as National Defense Transportation Day, will provide an opportunity for the transportation industry of the country to emphasize transportation preparedness for national defense. The resolution further calls on the President to urge the people of the United States in all communities served by any of the various forms of transportation by land, by sea, and by air, to observe this day by appropriate ceremonies which will give full recognition to the importance to each and every community and the people thereof of our transportation system and the maintenance of its facilities in the most modern state of adequacy to serve our needs in times of peace and in national defense.

The committee is of the opinion that this is a meritorious resolution, and that the designation of a day to be known as National Defense Transportation Day will serve to bring to the attention of our Nation the vital importance of transportation in any national emergency which might hereafter arise. Accordingly, the committee recommends favorable consideration of Senate Joint Resolution 22, as amended.

There was no objection of any kind to the joint resolution at the hearing or in the full committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. BUTLER. Mr. President, I wish to associate myself with the remarks of my distinguished colleague from Wyoming. I thank him publicly for the work he has done in holding hearings on the joint resolution.

The National Defense Transportation Association is an excellent organization. Its purposes are of the highest. I am certain that when the day shall be set aside it will be of great benefit to the people of America.

Mr. O'MAHONEY. I thank the Senator from Maryland. I should say that he is the author of the joint resolution, and that it is he, not I, who deserves the commendation.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

The title was amended so as to read: "Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day."

LATIN AMERICA AND THE UNITED STATES: NEW DIMENSIONS IN INTERNATIONAL COOPERATION

Mr. SMATHERS. Mr. President, for the past half-year our attention has been riveted to the turmoil in the Middle East. There Communist subversion has exploited growing economic desires and fervent nationalism to create chaos. There the eyes of the world appear to be focused, as every headline, every newscast, almost every speech dwells on the facts and prospects of the changing tides in the Middle East. While we have been concentrating on the rapid-fire developments in the Middle East, Latin America—right here in the Western Hemisphere—has been experiencing similar widespread ferment and unrest. But because it is not at the moment in the direct geographic path of the Soviets, developments in this area receive scant attention. Yet the pot boils down there.

Reports from South America, Central America, and the Caribbean have been increasingly troubling. In recent weeks the Chilean Government has had forcibly to suppress mass rioting. In Haiti, a discontented populace forced the overthrow of the president. The country is presently without a government, and several days ago police fired tear-gas bombs at demonstrating crowds in the Haitian capital. In Cuba, only 45 minutes from the United States, revolutionaries stormed the presidential palace, seeking to assassinate President Batista. Reports from Cuba of continuing revolutionary activities reach us daily. The provisional government of General Aramburu, in Argentina, which is striving to reestablish free government after a decade of Peron, is constantly plagued by Communist and Peronist plots. In northern South America, Colombia bristles with violence and insecurity. The Liberal and Conservative Parties have put aside their differences to join forces against the strong-arm methods now prevailing in the country. If the president goes ahead next month with his plan to succeed himself, contrary to Colombian tradition and constitution, some observers expect a repetition of the bloody 1948 riots of Bogotá.

The wave of internal strife sweeping Latin America is not the only problem in the Western Hemisphere. Late last week, there were reports of a Nicaraguan invasion of Honduran territory. The territory in question has been disputed for many years. Recently both countries have moved troops to the area. Some observers attribute the reawak-

ened interest on the part of both governments to the fact that United States oil companies have been prospecting in the vicinity.

There is continued talk and speculation that our long-time friends and allies, the Panamanians, are watching with great interest Colonel Nasser's seizure of the Suez Canal, and his success at cutting himself in for a bigger "take" from the operation of this international waterway. These are festering, developing matters which should command our immediate attention.

Mr. President, we cannot be complacent with regard to Latin America on the economic front, either. The habit of lumping all 20 republics together in statistical reports can be, and is, deceptive. It is true that last year considerable capital investment flowed from both United States and European sources into Latin America. It is also true that the region's foreign trade and industrial expansion reached record levels in 1956. Latest reports indicate, moreover, that Latin America's gold and liquid dollar holdings rose during the first 9 months of 1956 by some $177 million.

A breakdown of the figures shows that not all the countries fared well in the reported progress. Mexico, Brazil, Venezuela, El Salvador, and Cuba had a prosperous year. But not all our neighbors were so fortunate. Argentina's reserves plunged by some $137 million, while Colombia's reserves dropped by one-third in less than a year. In fact, 1956 saw Colombia develop the worst economic crisis in its history. Inflation wracked the Paraguayan economy. Bolivia suffered what amounted to economic chaos last year. The boliviano, pegged at 720 to the dollar in 1953, reached 7,360 to the dollar by mid-1956.

Guatemala, the little nation in Central America where Communist infiltration was rooted out over 2 years ago, was having a hard pull to prove that democratic government and free enterprise can bring a better way of life to the underprivileged. President Castillo's reversal of the former government's land-distribution program has caused a number of difficulties. The new plan calls for the return of expropriated land to the original owners and the relocation of land-hungry peasants in new community developments on nationally owned coffee fincas and in virgin jungle territory. Unfortunately, this type of agrarian reform is handicapped by insufficient funds to build the necessary roads, drainage systems, community centers, and to clear land. The poor peons who benefited from the wholesale division of expropriated properties under the Communist-dominated regime are waiting to see what free enterprise can bring to them. In the case of the only country which has purged a Communist-infiltrated regime, the progess of Guatemala is being watched by underdeveloped countries the world over.

Mr. CHAVEZ. Mr. President, at this point will the Senator from Florida yield to me?

The PRESIDING OFFICER (Mr. JAVITS in the chair). Does the Senator from Florida yield to the Senator from New Mexico?

Mr. SMATHERS. I am happy to yield to the able Senator from New Mexico.

Mr. CHAVEZ. The Senator from Florida has mentioned Guatemala. It is all very well to speak of getting rid of a government, if the reforms referred to by my good friend, the Senator from Florida, are carried out. But does the Senator from Florida know of a single instance in which Guatemala has benefited from the so-called reforms?

Mr. SMATHERS. I agree with the Senator from New Mexico; the reforms which were instituted by the government which preceded that of President Castillo did not result, I believe, in any benefit at all to the natives of Guatemala.

Mr. CHAVEZ. I have visited Guatemala, and I think I am familiar with the situation in Latin America generally. I believe I know the reactions and the characteristics there. I know that the Grace Lines and the United Fruit Co. are doing well; but the Guatemalan woman is still walking from Amatitlan to Guatemala City.

Mr. SMATHERS. I thank the Senator from New Mexico for his contribution. I believe he will agree that that is the reason why, in connection with the vast foreign-aid appropriation bill which soon will be before us, more consideration should be given to the Guatemalans and to other peoples of the Western Hemisphere, who thus far have been rather neglected.

Mr. CHAVEZ. I agree completely. So far as international economic improvement is concerned, we have treated the peoples of Latin America—from the Mexican border to Patagonia—like a bunch of orphans. Talk about satellites. They may not be political satellites, but certainly they are economic satellites, with few exceptions.

Mr. SMATHERS. I thank the Senator from New Mexico.

Mr. CHAVEZ. I hope the Senator from Florida will emphasize the necessity of doing something for the Western Hemisphere. I do not confine my attention to Latin America; I refer to all of the Western Hemisphere, from Hudson Bay to Patagonia. We discuss aid of various sorts for the Middle East and our interest in the future of the Middle East. But after the Senator from Florida and I have gone, the future of our country will lie in the Western Hemisphere.

Mr. SMATHERS. I thank the able Senator from New Mexico. I hope that both he and I will be here for some time. However, I agree with him that even today our future lies in that area. I thank the Senator from New Mexico very much for his remarks, and I agree with him 100 percent.

Mr. President, I have just been handed an Associated Press dispatch which has just come off the wire. It further emphasizes the ferment and restlessness which are occurring. The dispatch reads as follows:

WASHINGTON.—The United States declared "grave concern" today over the clash between troops of Honduras and Nicaragua and declared its readiness to take part in an international peace commission or any other move for a settlement.

Matters of that sort can be headed off if we give to the countries in that area of the world, which have been our good neighbors, and which mean so much to us, at least some of the attention which they deserve to receive from us. If we do so in time, there will not be the disputes and clashes which, unfortunately, we read about today in the press.

Meanwhile the Communists, although busy elsewhere in the world, have not abandoned their efforts to subvert Latin America. The widespread publicity given to the brutal Communist suppression of the Hungarian revolt struck a blow to the Communist effort south of the Rio Grande. But it was only temporary, and there has been no letup in Communist endeavors to capitalize on the widespread social conflict and awakened nationalism under which many of the Latin American republics are laboring.

The combination of social transition, nationalism, and Communist intrigue is as explosive a mixture in Latin America as anywhere else on the globe. After the Guatemalan experience, there can be no grounds for belief that the Western Hemisphere is immune from Communist penetration and subversion. The conditions which made possible Communist penetration in Guatemala are duplicated in other parts of the hemisphere.

I am convinced that we have too much at stake in Latin America to trust to a benevolent destiny there. We must work harder to ease the tensions in the Americas than the Communists are working to create them.

It is well to recall that the Middle East is not the only oil-producing region in the world. Latin America produces nearly a billion barrels of oil a year, about 16 percent of the world's total, compared with 15 percent in the Middle East. Of course, in known reserves, the Middle East far outstrips the Latin American area, but to date most tracts south of the Rio Grande regarded as promising by geologists remain unexplored.

Nor is oil the whole story. Latin America is our principal supplier of many raw materials vital to defense and to peacetime industry. United States private investments in the area last year climbed to over $6.5 billion, more than in any other region of the world. Our two-way trade with the American republics ran to over $7 billion.

The emphasis which the State Department puts upon crisis spots elsewhere in the world, while letting Latin American problems slide, can lead to future disaster in Latin America. No one can predict, of course, what course Latin America's tremendous political, social, and economic upheavals may take. The United States, as the preponderant power in the Western Hemisphere and as leader of the free world, can and must help our sister republics to channel the course of their development toward constructive goals, or else be prepared to suffer the consequences.

Moreover, it is a highly precarious gamble to take international friendships for granted, as we seem wont to do with

UNIVERSITY OF MICHIGAN LIBRARIES

our neighbors. The Kingdom of Jordan recently provided us with an example of how deceptive a so-called sure thing can be in international affairs. Jordan, created under British tutelage and with over half of its annual budget supplied by the British Treasury, rewarded Britain by pushing out the British commander of its armed forces and generally ripping the bonds which only a few years ago appeared to be irrevocable. If, at the moment, we are inclined to feel a degree of satisfaction with the good will and friendship existing between the Latin American republics and our country, it would be foolhardy to believe that this state of affairs can continue under any and all circumstances.

Under the circumstances—turbulence in the region, Communist activities there, and our vast stake in the political and economic progress of the area—it is difficult for me to comprehend why the administration left the key post of Assistant Secretary of State for Inter-American Affairs vacant since the resignation of Henry Holland on August 31, 1956. Only this month—8 months later—has a nomination for the position been submitted to the Senate.

I might say that Mr. Rubottom has been recommended for the post of Secretary for Inter-American Affairs. Mr. Rubottom is a Texan. He is an able man, in my opinion. He is a career diplomat, with a splendid record. I hope the Senate will shortly confirm his nomination. I believe that if Mr. Rubottom will exercise the independence which any Assistant Secretary of State for Latin American Affairs should exercise, if he will stand up and speak his piece in behalf of the Latin American countries, as I have no doubt he will, he will make a great Assistant Secretary of State, and will do a great deal toward cementing better relations between the countries of Latin America and ourselves.

Mr. President, it is hard to fathom the apparent disinterest and complacency on the part of the Department of State with regard to our relations with Latin America. I introduced last July, and the Congress passed, an appropriation for a special fund aimed at assisting our sister republics in the vital basic fields of health, education, and sanitation. It was a relatively small amount, $15 million, 75 percent of which had to go out on loan; 25 percent could go on grant. Last December I visited Central America, and was astounded to learn that none of the countries had even heard about the program. In fact, it was not until this past February or March, 1957, that a decision was reached within the Department of State as to how the program was to be administered. The machinery of operation for this program was thereafter not set up until very recently, so that for practical purposes about a year was wasted. My judgment is that this slowness of administration was due solely to the fact that the program was one the Congress had to force on the State Department and the ICA, and because they had not originally recommended it, but actually opposed it, they were at first determined to administer slow death to it. However, after visits with the new Under Secretary of State, Mr. Herter; Acting Assistant Secretary of State for Inter-American Affairs, Mr. Rubottom; ICA Administrator, Mr. Hollister; and Dr. Atwood, also of ICA, together with a very strong push from the very able and distinguished Senator from Montana [Mr. MANSFIELD], who is a member of the Senate Foreign Relations Committee, the program finally began to function.

When the Latin American countries found out about this Congressional program designed for them, they literally ran over each other to get this limited help. The applications in short order exceeded the supply. I must say that in recent weeks, Dr. Atwood and his deputy, Mr. Minot, have done effective and expeditious work in putting the program into motion and in applying it to those whose need was most immediate. For this action which we have seen in the last few weeks I think Dr. Atwood and Mr. Minot deserve commendation.

Bear in mind that the total amount of money available under this program is only $15 million. It was allocated in the following manner: Two grants totaling $2 million have been made; one was to the Organization of American States for agricultural research in the amount of $500,000, and the other to the Panamanian Sanitary Bureau in the amount of $1.5 million. The latter grant is to be used in the battle to eradicate dreaded malaria from the hemisphere. It is estimated that national expenditures by the Latin American governments in the same campaign will exceed $26 million for the year. The disappearance of malaria from the American scene would relieve some 76 million people who live in malarious areas from the severe effects of the disease in terms of human suffering and financial and economic drain. The malaria-eradication campaign is in the great tradition of inter-American cooperation against disease began by Drs. Walter Reed, United States Army, and Carlos Finlay, Cuba, in their joint battle against yellow fever, which was started many years ago.

Of special interest are the several loan agreements made under the terms of the amendment and signed earlier this week. One of the first to be signed was an agreement with Panama for a loan of $2 million for the construction of water and sewage works in the city of Panama. President Ernest de la Guardia told me last fall that the problem of sanitation and sewage disposal was of paramount concern to him. He pointed out to me that it was a problem that also affected United States citizens living in the Canal Zone, and that a solution to it was necessary for the welfare of both United States citizens as well as Panamanians living in the city of Panama. The project was engineered and planned in 1951, but action was stalled for lack of funds. Panama is now putting up $1.815 million, and has agreed to repay the loan in 20 years with 3 percent interest.

The loan being made to Costa Rica is especially heartwarming and promising. Like the Panama agreement, this is a loan, payable with interest. It is for $2 million, the money to be used to rejuvenate the children's hospital in San Jose. Presently there are about 400 children in a 200-bed hospital which has grown up over the centuries. The Costa Rican Legislature demonstrated its enthusiasm for the loan by passing enabling legislation in 3 days. Moreover, news of the loan created such local interest that the Government was able to raise a public subscription of $180,000. The Government, in the meantime, has budgeted for the hospital for the next 10 years. It is hoped, moreover, that improvements in the children's department will lead later to improved techniques in other hospital branches. A United States Embassy dispatch characterized the loan as follows:

> It is doubtful whether it would have been possible to find any other cooperative project which would create more good will than this one.

Healthy children, good will, and a thoroughly cooperative venture—what greater bargain could we hope to achieve with our foreign aid? Remember, too, that this is a loan, not a grant. It is the vital catalyst for making much-needed modernizations, while at the same time maintaining everyone's self-respect.

In Chile a series of fortuitous circumstances made the terms of the special fund uniquely suitable. There exists in Chile a core of highly trained scientists and technicians, but too few to supply the minimum needs of the country. Moreover, they lack properly trained supporting personnel. In addition, the paucity of scientific publications, journals, and properly equipped research laboratories makes it difficult for them to keep up with the latest developments in their respective specialties and to develop other technicians.

Recognizing the need to increase the number and improve the quality of adequately trained scientists and technicians, the Chilean Congress in 1954 enacted a law which created the universities' construction and research fund. The law provided that, from January 1, 1956, and for a period of 20 years, one-half of 1 percent of all government revenues shall be devoted to the fund. The money allotted to the fund is to be spent in the construction, equipment, and installation of experimental stations, laboratories, and other institutions devoted to scientific research in the seven universities. Administration of the fund is entrusted to a council of rectors composed of the rectors of the seven Chilean universities.

One of the first steps taken by the Council of Rectors was to request technical assistance from the United States mission in Chile for the planning and implementation of a scientific and technological research program. An expert from the National Research Council was sent to Chile to make a preliminary survey of the country's needs. Then Dr. Ralph Krause of the Stanford Research Institute made some followup recommendations to the Council of Rectors, a principal one being that the future of scientific and technological research in Chile depended upon intensive scientific training at the undergraduate as well as graduate levels.

There was great enthusiasm for carrying out Dr. Krause's recommendations,

But the ever present question of how improvements were to be paid for arose. At this point the Council of Rectors, unofficially and without reference to any special United States fund, approached the ICA mission in Chile on the feasibility of obtaining a loan to implement Dr. Krause's recommendations. Fortunately, at this time, the amendment to the Mutual Security Act for fiscal 1957 had been passed, and the project eminently qualified for a loan under the terms of the act.

On Monday the Chilean Government signed for a loan of $850,000. Part of the funds will go toward establishing a central library for the seven universities. About $700,000 will be expended for modern equipment, instruments, and materials for the laboratories of the seven universities. The ICA mission in Chile considers the new project, and I quote, "a brilliant opportunity of furthering good relations among Chilean institutions of higher learning, the United States Government and other agencies, thus helping to counteract the Marxist influence that has been in evidence in some of the Chilean universities." If the materials made available under the loan improve scientific training in Chile, I will consider the project of extreme importance in aiding in the long-range economic development of the country and its political and economic stability.

Mr. President, I think it could be well stated at that point that it is unbelievable to me, after their people have said these kinds of things about this program, that ICA would somehow continue to oppose this particular amendment.

Two million dollars for a very different purpose has been lent to Peru. In Peru there is grave fear that population pressures on the congested altiplano, accentuated by drought and by its accompanying hunger and despair, will lead to permanent poverty and social upheavals. Meanwhile, Peru possesses rich agricultural lands which lie fallow because they have never been penetrated by roads. The loan is to be used to open land for resettlement of thousands of Indian families. The Peruvian Government will undertake all the costs of building the settlers' housing and facilities and easing the transition period for the settlers' families until the farms become productive.

Again may I remind you that this is a loan, payable in 20 years with interest. Yet it provides the Peruvian Government the opportunity to give hope to a large, depressed segment of its population that might otherwise seek a violent solution for its otherwise hopeless status quo.

From the special fund for Latin America, Ecuador is also to receive a loan of $2 million for financing an imaginative land resettlement project, while Paraguay is the recipient of a $1 million loan for agricultural and industrial development in its exemplary Mennonite colonies.

I feel we have made a beginning on a valuable new type of assistance to our Latin American neighbors. Rather than watch from the sidelines as conditions deteriorate, we have found a mechanism for attacking some of the basic problems of our friends. In the last analysis, the United States stands to benefit enormously from the increasing prosperity and stability that will accrue from each small seed of help that we extend.

I cannot repeat too often that these are loans, not handouts. This is the type of assistance the Latin Americans have been urging for a number of years. It is the type of assistance that will help them in achieving their objective of political and economic stability. It is the type of assistance that will promote minimum standards which will create an atmosphere that will attract the investment of private capital. Until these minimum standards are achieved, private investments will not flow into these areas. No one desires to invest capital in any area where disease, pestilence and illiteracy are major factors. It is therefore highly improbable that private investments would do anything about health, education and sanitation projects, for there is no immediate and direct monetary return in promoting them. Private investment today is attracted to only those countries in Latin America where at least minimum standards have already been achieved in these fields. These are few countries indeed. As a matter of fact, over 69 percent of private investment is in five Latin American countries, namely, Brazil, Chile, Cuba, Mexico, and Venezuela. We must remember that there are 15 other Latin American countries, many of whom have not been able to develop an atmosphere which would attract private capital. Yet it is exactly in these fields that many of the Latin American countries are badly in need of temporary assistance, and where the loans provided for under the amendment which I introduced last year will be most effective. We want to rely on private capital to develop those areas but certain minimum health, education, and sanitation standards must be met before conditions are propitious for private capital. It is these minimum standards we are trying to achieve in Latin America by this amendment.

Mr. President, in connection with that, there is very little that we have thus far done, as was pointed out by the very able Senator from New Mexico.

I have here an article which appeared in the Miami Sunday News on April 28, 1957, written by an estimable columnist by the name of Bill Baggs. He points out some figures which I think would be appropriate to mention.

To begin with, the aid in 1956 cost us $1,200,000,000.

* * * * *

Here are some figures, the economic aid totals in 1956 to countries in Asia:

South Korea, $211,000,000.
South Vietnam, $192,800,000.
India $80,900,000.
Formosa, $96,500,000.
Pakistan, $66,300,000.
Iran $40,000,000.
Laos, $36,600,000.
Cambodia, $26,200,000.
Thailand, $24,800,000.
Turkey, $86,900,000.

In Europe, the three largest receivers are:

Spain, $87,700,000.
Greece, $45,700,000.
Yugoslavia, $43,100,000.

And he states:

One could argue, and many have, that these great amounts are justified in this nervous world.

However * * * not yet has the writer heard an argument of any merit that this is a balanced aid program. For instance, the members of the family, so to speak, are the other 20 Republics in this hemisphere. They have been regarded as not needing aid. Indeed, they have not asked for it, but the need is immense. Our own friends and neighbors in this hemisphere need aid as much as most of the places in Asia.

Yet, in 1956, typical of the aid which dribbled south, was:

Mexico, $800,000.
Cuba, $400,000.
Colombia, $1,100,000.
Argentina, $100,000.
Uruguay, $200,000.
Venezuela, $100,000.
Brazil, $3,000,000.

He says:

This Sunday report is neither a plea for an economic aid program nor a case against one.

Rather, it is a suggestion that ours is an unbalanced economic aid program, ignoring our very best friends, the Latin Americans, who have pleaded our cause in peace and have helped to fight our battles in wars. We have no better friends. But you can find no suggestion of this friendship in the economic aid program.

Mr. President, I ask that the article be printed in the RECORD in full at this point as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Miami Sunday News of April 28, 1957]

TOO MUCH SCRATCH FOR IKE'S ITCH?

(By Bill Baggs)

Lately Mr. Eisenhower has lost his immunity to public criticism, and among his recent lumps none has been as large as the one inspired by his economic aid program. Certainly you should be interested, if not fascinated, by his economic aid program. You are providing the scratch for this itch.

Readers frequently flee from any arithmetic report. Possibly this is a lingering rebellion from school days. For whatever reason, it is a fact, that there simply is no other road available down which one may travel to see the picture of the economic aid program.

To begin with, the aid in 1956 cost us $1,200,000,000.

After prospecting through the national budget of 1956, one finds that this money was invested in the management of foreign armies and air forces as well as foreign economies.

One of the primary impressions of the American is that a slab of this is handed over to our British cousins. This is false. Most of the foreign aid travels halfway around the world to Asia.

Here are some figures, the economic aid totals in 1956 to countries in Asia:

South Korea, $211,000,000.
South Vietnam, $192,800,000.
India, $80,900,000.
Formosa, $96,500,000.
Pakistan, $66,300,000.
Iran, $40,000,000.
Laos, $36,600,000.
Cambodia, $26,200,000.
Thailand, $24,800,000.

Turkey comes in for $86,900,000, and in Europe, the three largest receivers are:

Spain, $87,700,000.
Greece, $45,700,000.
Yugoslavia, $43,100,000.

UNIVERSITY OF MICHIGAN LIBRARIES

One could argue, and many have, that these great amounts are justified in this nervous world.

However, not yet has the writer heard an argument of any merit that this is a balanced aid program. For instance, the members of the family, so to speak, are the other 20 Republics in this hemisphere. They have been regarded as not needing aid. Indeed they have not asked for it, but the need is immense. Our own friends and neighbors in this hemisphere need aid as much as most of the places in Asia.

Yet, in 1956, typical of the aid which dribbled south, was:

Mexico, $800,000.
Cuba, $400,000.
Colombia, $1,100,000.
Argentina, $100,000.
Uruguay, $200,000.
Venezuela, $100,000.
Brazil, $3,000,000.

This Sunday report is neither a plea for an economic aid program nor a case against one.

Rather, it is a suggestion that ours is an unbalanced economic aid program, ignoring our very best friends, the Latin Americans, who have pleaded our cause in peace and have helped to fight our battles in wars. We have no better friends. But you can find no suggestion of this friendship in the economic aid program.

Mr. SMATHERS. Before long Foreign Aid Appropriations will be coming before us. They need to be put into better balance. Many of us, and justly so, are in a mood to carefully examine the proposed expenditures, and cut where not fully justified. While I propose to oppose foreign aid in some instances, I am convinced that the small amounts presently being provided for Latin America, far from being in excess, barely fulfill the minimum requirements of an effective program for the Western Hemisphere. I am equally convinced that the new approach to foreign aid developed in the special fund for Latin America, which we passed last year, is a significant and worthwhile innovation. Here in the Western Hemisphere, where international cooperative procedures in economic and political matters are being tested, we have a real chance to make freedom and prosperity a true bulwark against communism. We can do this by continuing the type of assistants which I proposed last year and which the Congress adopted for Latin America. It is a program in which we can effectively assist our neighbors to help themselves in solving their difficulties. It is not a foreign-aid program in perpetuity. I am unalterably opposed to any such program. It is a specific program, developed for limited purposes and a limited time. It is a program designed to promote minimum standards which will attract the investment of private capital. It is a program with respect to which we can see the end in sight. It is a program that represents an investment by the United States, the results of which will be realized when these various Latin American countries have achieved political and economic stability.

Mr. KEFAUVER. Mr. President, will the Senator yield for a brief observation?

Mr. SMATHERS. I yield.

Mr. KEFAUVER. I wish to compliment the Senator upon his fine address and to commend him for his interest in our South American neighbors. With the existing situation in Europe, Asia, and the Middle East, I believe that too often these days we overlook programs for the nations to the south.

The Senator has been a wonderful friend of our South American neighbors. He has done much to establish better ties, and I think he has rendered fine service in presenting his address and the program which he has suggested today.

Mr. SMATHERS. I am very grateful to the able senior Senator from Tennessee for his comments. I may add that he himself has long evidenced a great interest in the part of the world to the south of the United States. I know that the people in that area count him as one of their good friends. I know that when the amendment designed to facilitate the lending of money in Latin American countries comes before the Senate the Senator from Tennessee will support it, as he did last year when that subject was considered.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. FULBRIGHT. I wish to associate myself with the remarks of the Senator from Florida and the Senator from Tennessee. The project which the Senator from Florida is promoting is very worthwhile. He has been urging action along this line for a long time, and I assure him that I think the program is very important. I shall do what I can to assist him in promoting such a program.

Mr. SMATHERS. The Senator from Arkansas is a very influential member of the Committee on Foreign Relations. In the past he has evidenced a great interest in the southern nations. With his continued support, I believe we shall be able to get at least a minimum program for our Latin American neighbors passed. Certainly his strong voice in behalf of it will mean a great deal.

THE DIRECTOR OF THE BUDGET, AND REDUCTIONS IN THE BUDGET

Mr. FULBRIGHT. Mr. President, I have noted with deep regret the attack upon Mr. Percival Brundage, the Director of the Budget, made before the chamber of commerce yesterday, in which, according to this morning's paper, his resignation was called for. I particularly regret that the attack was made by a Member of the Senate, who made it, he said, "without prejudice to President Eisenhower, for whom I have the greatest respect."

I regard Mr. Brundage as one of the most enlightened and discriminating and courageous Directors of the Budget that we have had in a long time.

It is quite evident to anyone who glances even casually at the budget that real, substantial reductions can be made only by trimming some aspect of the swollen and extravagant Defense Establishment.

It seems to me to be quite unfair to suggest that eight or nine billion dollars can be cut without reducing military appropriations.

That being so, whose responsibility is it to suggest cuts in the military budget? Especially is this so when the President and Commander in Chief is a famous general.

Why should Mr. Brundage, an enlightened and civilized man, with a deep understanding of national and international affairs, be singled out for condemnation, and the President excused from any responsibility. That on its face seems to me to be extremely unfair and unwarranted.

The implication that the President is being led around by his subordinates seems to me also unwarranted.

I deeply regret that such a personal attack has been made upon a fine public servant, the Director of the Budget.

DEVELOPMENT OF PHOSPHATE ON THE PUBLIC DOMAIN

Mr. SMATHERS. Mr. President, as acting majority leader, I move that the Senate proceed to the consideration of Calendar 269, Senate bill 334, a bill to amend section 27 of the Mineral Leasing Act of February 25, 1920.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 334) to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain.

Mr. CARLSON. Mr. President, may I inquire of the distinguished acting majority leader whether the matter has been cleared with the minority leader, the Senator from California [Mr. KNOWLAND]?

Mr. SMATHERS. I understand it has been cleared by both sides.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Florida.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

HORATIO ALGER AWARDS

Mr. DIRKSEN. Mr. President, it has become a familiar story, in election years, of the rise of men from humble beginnings to positions of great public trust. I am proud to say that my own career has paralleled this typically American story. For my parents were immigrants who came to a new country, raised a family, and in the great American tradition, after having served in World War I as an enlisted man who was commissioned in the field, I returned to set up a small bakery with my brother. It was from this baker's bench that I came to Washington first as a Congressman, and now serve here as a United States Senator.

So I am pleased that the story of businessmen who have followed the same course should have been, at long last, recognized by the American Schools and Colleges Association by the Horatio Alger award, which is just 10 years old this year. From the many thousands of men who have risen from humble beginnings,

they select each year a chosen few who best epitomize the American tradition and at the same time prove their right to such recognition by their own contributions to America and their home communities.

Next week, May 9, in New York, Dr. Norman Vincent Peale, chairman of the Horatio Alger Awards Committee, will present five such awards to men who follow in the footsteps of Herbert Hoover, Bernard Baruch, and Dr. Milton Eisenhower. Numbered among them will be two men from my own State.

The first is Louis Zahn, who began his business career helping out with the family's finances. He sold chewing gum at the age of 6, in Chicago. Then he had a newsstand. In 1932, when thousands of others were discouraged, he borrowed $225 and started a drugstore. Today he heads his own $10 million drug chain.

The second man, Dr. John J. Sheinin, is closer to my heart, for he fled from his native Russia during the Kerensky revolution, in which he was very nearly shot. Penniless and unable to speak English, he yet reached his goal and became a doctor. As head of the Chicago Medical School, he found similar problems, for the school was not recognized by the American Medical Association and the American Hospital Association. He brought the school through that stage, and today, after 25 years with the medical school, it is recognized and successful, turning out students who achievd top honors before national examining boards.

If ever two men symbolized the Horation Alger awards, certainly these two Illinoisans do. It is my proud pleasure to bring their records to the attention of my colleagues in the Congress as modern reminders of the great country in which we live, and in which opportunity still lies ahead for men of ambition and vision, no matter how humble may be their start in life.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its business today, it stand in adjournment until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CALL OF CALENDAR ON MONDAY NEXT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that on Monday, following the completion of the morning business and the consideration of the executive calendar, there be a call of the calendar, from the beginning, of measures to which there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET

Mr. JAVITS obtained the floor.

Mr. CARLSON. Mr. President, will the Senator from New York yield so that I may suggest the absence of a quorum.

Mr. JAVITS. I yield for that purpose.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BUSH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I have waited some days before speaking to the subject to which I intend to speak today, in order to proceed with the subject very carefully, and also in the hope that perhaps it would be taken up by other Senators, as in part it already has been. I believe the time has come to marshal into perspective our present situation in respect of the administration's action on the budget, and what needs to be our action in Congress.

The battle of the budget has been joined also as the battle of the administration. Second thoughts on the budget are now due. There is no question about the deep interest of all our people in economy in Government, minimizing the effect of Government spending on inflation and reducing the tax load as far as practicable.

I think we should be cognizant of the fact that under the cover of the great public interest in budget cuts, however, may now be discerned other interests regardless of party, who seek a return to a long-outmoded isolationism in foreign policy and entrenched opposition to any Federal participation in health, housing, education, and similar programs now accepted as standard by a great majority of our people. That is perhaps best shown by the fact that a budget cut in the area of $2 billion to $3 billion is widely accepted as practicable. Indeed, the President himself in his letter to the Speaker of the House of Representatives on April 17 specified where $1,858,000,000 could be cut without endangering our country and the peace of the world. Many have spoken on the subject, including the minority leader of the Senate.

But cuts of up to $3 billion do not constitute the real issue. The real issue is made by those who could cut the budget about twice that, or from $5 billion to $9 billion, who speak in terms of "giveaways" about foreign aid, and who oppose needed Federal participation in programs for domestic wellbeing.

Even within the Republican Party there is reference to those who in substance support the President's efforts to deliver to the people what was promised in the campaign of 1956 and in the Republican Party platform as "modern Republicans." Modern Republicans are sought to be identified with the Democratic Party's New Deal and Fair Deal wing, apparently in an effort to discredit the very principles and programs on which this Republican administration was returned so overwhelmingly to office last November. I respect the sincerity and standing of those who espouse a position in fundamental disagreement with the President, but I cannot disregard my party's platform and the pledges of support for it on which I and so many of my colleagues ran and were elected.

There is no hyphenation or qualifying adjective applicable to Republicans who back President Eisenhower. He is the President of the United States and the leader of the Republican Party. He is the symbol of Republicanism today and of the people who supported his philosophy, his principles, and his programs last November. That is today's Republicanism and the Republicanism I espouse, and I deeply feel the opponents of it, not its supporters, it seems to me, need to qualify their identification with the party.

I hasten to add that those who support the President cannot expect to agree with him on every measure. But support does contemplate agreement on the President's basic political philosophy and a high percentage of support for the resulting programs. I believe that the effort to identify supporters of the President's program and the Republican Party's 1956 platform with the New Deal and Fair Deal is inaccurate, a disservice to the Republican Party and indeed I feel, does not help the American people.

A primary declaration of the 1956 Republican platform adopted in San Francisco states that—

> We are proud of and shall continue our far-reaching and sound advances in matters of basic human need—expansion of social security—broadened coverage in unemployment insurance—improved housing and better health protection for all our people. We are determined that our Government remain warmly responsive to the urgent social and economic problems of our people. To these beliefs we commit ourselves as we present this record and declare our goals for the future.

I think it is very important to note that in the 1956 campaign, the President pledged himself and the party to carrying out this platform. On the eve of election at the White House, November 5, 1956, the President stated:

> We believe that government must have a heart as well as a head. By this we mean that government must concern itself in pointing the way and leading the way to those great social security programs, to the health of our people—the education of our people—to make certain that all these are available as an average American citizen has a right to expect them.

I believe we must respect our pledges and the mandate of the American people to do our share in carrying them out.

I think it is fair to say that the Republicans who follow President Eisenhower favor Government action where it can be effective and achieve useful objectives without compromising individual liberty or the private economy. We do not believe, however, in rejecting action solely on the ground that it emanates from Government.

There are opponents of programs of foreign aid and Federal aid to school construction and similar measures in both the Republican and Democratic Parties. It is only because those who support these programs in both parties are willing to combine to vote them that they have been heretofore, or are likely again to be, enacted. Nor should we for

UNIVERSITY OF MICHIGAN LIBRARIES

a moment forget the extent to which it is out of character to characterize the Democratic Party alone as the arch advocate of budget cutting. In view of the record of the previous Democratic administration, which I will outline, few will believe—or, I might say, few ought to believe—this characterization to be other than a strictly political conversion for the duration of a Republican administration only.

In practice, Republicans who follow Eisenhower consider Government, insofar as it undertakes programs affecting the individual—aside from the administration of justice, customs, defense, foreign affairs, and other functions traditionally associated with Federal sovereignty—to be useful as a coordinating and stimulating medium. I should like to give a few examples. An excellent one is Federal aid for small business development through the establishment of a Small Business Administration to assure small business its fair share of defense contracts, of technical assistance, and of direct loans where small business cannot get them through normal commercial channels and strong antitrust action to free competition. The strictures that this administration is being conducted by big business or for big business are being completely exploded, in my view, by this hard fact.

Pending in Congress right now are two bills for Federal aid to school construction—one is the administration bill, the other is the so-called Kelley bill which I believe represents the so-called New Deal-Fair Deal philosophy. The Kelley bill calls for a large per capita distribution based primarily upon numbers of pupils in the States. The administration bill calls for helping primarily those States which cannot help themselves. I happen to believe that the administration bill should be somewhat larger in amount, but the fundamental principle of the administration bill is right and represents the kind of thinking which is typified by President Eisenhower's leadership of the Republican Party.

We have another example in the health field. It will be remembered that the New Deal-Fair Deal proposal was for a great system of Government insurance, with medical service to be provided by Government-paid doctors. The Eisenhower brand of Republican thinking resisted this idea on the grounds of its devastating effects on the traditional relationship between doctor and patient. Now this national governmentally financed health program is obsolete, due to the fact that more than 100 million Americans carry some form of health insurance or participate in private voluntary health plans. What is needed now—and this is the Eisenhower approach—is help to enable these health plans to extend their range of coverage and to provide assistance for older people, the indigent, the unemployed, and others who are not valid actuarial risks. In short, the Government would be filling in the vacant places created by the private system rather than trying to replace or displace the private system.

Among other indicia of today's Republicanism is the backing of determined civil-rights action. It supports full utilization of the executive authority to achieve the fullest freedom of opportunity regardless of race, color, or creed for all our people.

Again, I sincerely commend the distinguished minority leader for his forthright leadership upon the civil-rights issue in this Chamber.

Without a change in the Senate rules, which is one of the ornaments of this body, to make it possible to end filibusters, the prospects for civil-rights action in Congress are greatly jeopardized.

Today's Republicanism backs an immigration policy consistent with the needs of the anti-Communist struggle and our free-world leadership. The President has sent his recommendations to Congress on that subject.

I am deeply convinced that the very same millions of our citizens who are interested in the most economy possible in the budget and the lowest possible taxes are at the same time equally interested in all of the things that the Government proposes to do in the budget. These include national security and defense, housing, education, health, aid to the aged, aid to needy children, aid to agriculture, development of our natural resources, and that element of our security which is inherent in the bipartisan foreign policy of which foreign military, economic, technical assistance, and exchange-of-persons programs are a vital part.

In his recent budget letter to Mr. RAYBURN, the President stated that the Federal Government "should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government." The President ran and was elected on this basic premise.

That letter, sent by the President to the Speaker of the House, was vitally important to me not only for what it said on reducing the budget but also for what it did not say. The President refused to abandon the Republican Party's 1956 platform, and I urge my colleagues in my party not to abandon either the principles or the programs which have been proven by popular acceptance to reflect the thinking and the aspirations of the vast majority of the American people.

Let us examine in some detail the Eisenhower administration budget, and consider what it means in terms of the national economy.

It is essential to note that in the fiscal years, 1952–55, until the Eisenhower administration could really take hold, the Federal Government ran at a deficit of $20,700,000,000, largely based on what had been accumulated from the previous administration. This was reflected in an increase in the national debt in the same years by $15 billion.

On the other hand, beginning in fiscal 1955–56—in other words, ending June 30, 1956—we have had a $5 billion reduction in the Federal debt, out of surpluses, including the estimated surplus of $1,800,000,000 for the next fiscal year, even with the current budget allowed in full. In the same period, too, there has been a remarkable stability in the cost of living and a substantial increase in living standards estimated for the American people.

Figures compiled by the Department of Labor show that the real spendable earnings of factory production workers in March 1957, were over 20 percent higher than the 1947–49 average.

The real test of the budget and expenditure is not only what we spend, but also what we earn. And the gross national product of the United States has risen from $360,700,000,000, for the full fiscal year when this administration took over, to an estimated $425 billion for fiscal 1956–57, an increase of well over $60 billion, or 18 percent.

Mr. President, it is very significant that this year the Federal budget will take a lesser percentage of the gross national product of our people than that represented by the increase in the years during which the present administration has been in power. Here are the figures: In 1953, the Federal budget amounted to 20 percent of the gross national product. In 1957, it had dropped to about 16 percent, and it is expected to remain at that figure in the fiscal year 1958, as well. In short, while we have a solid determination shared by the President, the minority leader, and many others in high authority, to cut this budget as much as it possibly can be cut—and an estimated $2 billion to $3 billion seems to be in sight—Republicans should not be intimidated, by being called "modern Republicans," into accepting a return to "1890 thinking" in our party.

In addition to the $1,850,000,000 in cuts specified by the President, it may be possible to effect a further cut in defense expenditures, although the effect on general employment by the sudden withdrawal of big orders for planes, ships, and other defense materiel and the need for maintaining defense-production facilities must both be watched, in the interests of our general economy.

Let me mention some of the places where cuts may be made: Rivers and harbors projects call for appropriations of $647 million. In fact, in the last 3 years, Congress has appropriated 4 percent or $73 million more than the President asked for. In this part of the budget, there is a lot of "pork barrel" which could and should be cut.

The Post Office estimated deficit in the budget is $651 million. The President asked for an increase in postal rates which would add $654 million a year, and would cancel the deficit, and would cut the budget by that much. But this calls for an increase in first-class-mail rates from 3 to 4 cents, and we must decide whether we wish to pay that increase in mail rates in order to save on the budget.

Also we can scrutinize carefully the number of civilian employees in the Federal Government, now about 2,500,000; and we can guard against undue increases. Of course, one of the policemen in that field is the distinguished senior Senator from Virginia [Mr. BYRD].

Two areas in alleged budget cutting, however, indicate what I have said, namely, that those with special interests are seeking, perhaps unwittingly, to lead us back to an outmoded and dangerous isolationism, in the course of the budget debate—a debate and the scrutiny it re-

flects which I think are both wise and proper. Those of us who feel strongly on this subject should willingly join issue on basic policy decisions on major matters involving our fundamental security, but we should not permit the questions to be decided by money alone. I speak of the slashing cuts advocated in foreign aid, and also of the cut of $35 million already made in the House of Representatives in the $140 million requested appropriation for the United States Information Agency—a cut over which the President expressed "deep concern" as damaging "a key instrument in our efforts to promote peace."

Foreign aid and the USIA should be subjected to the greatest scrutiny, of course. Indeed, the President has suggested that the military aspect of foreign aid be cut back from $2,450,000,000 to $1,950,000,000, a cut of $500 million. But this is quite different from branding the foreign-aid program generally as a giveaway, and proposing to eliminate completely economic aid, and to cut military aid drastically. These programs, of which the USIA is a vital component, are keystones of our free-world leadership for peace and freedom over communism.

Foreign aid and the USIA which are said to have no constituency in this country fighting for them, which is why they are said to be so vulnerable, I think they ought, indeed, to have the greatest constituency fighting for them of any in the United States, because they are such vital ingredients in our winning by peaceful means the historic struggle against communism.

Mr. President, we are not living in a vacuum. We are living in a grim, life-or-death, epoch-making struggle between ourselves and communism, which is the antithesis of our way of life and of everything we think worth living for. The aim of our national policy is not to resolve the struggle between freedom and communism by an atom and hydrogen war. We hope to resolve it by the excellence of our performance, our moral standards, and the force of our argument for freedom; by such means, we hope mankind will be persuaded that freedom is best. Considered in terms of our success in preserving mankind, even more depends on these elements of our foreign policy—which include foreign economic assistance and the Information Agency—than on the $38,500,000,000 budgeted for the Armed Forces, vital as they are.

Mr. President, I have said that we are living in an atmosphere of very tense competition, and indeed we are. I hear very much talk about living in a vacuum, rather than about living in the condition in which we actually live. Let us see what others are doing in this respect.

By way of comparison with our efforts, it is reported that the Soviet Union is selling its ideology with an expenditure, at the very least, of $236 million for radio propaganda and publicity for distribution abroad. In fact, figures—which are, of course, hard to obtain—nevertheless indicate that the Soviet Union for 1953—the last year for which I have been able to obtain such statistics—spent $1,657 million, and, with its satellites, an estimated $3,400 million, for propaganda and culture.

Mr. President, this morning I contacted USIA for a more up-to-date estimate of how much Russia is currently spending for her giant propaganda network. It was informed she spends somewhere between $500,000,000 and $1,000,000,000 each year—and that figure does not include the very considerable cost of Isvestia and Pravda, the Communist newspapers. It does include funds for Radio Moscow, TV, propaganda movies, leaflets and similar activities.

Obviously, Russia is not only willing to spend, but in fact already is spending some nearly 10 times the current budget for USIA, in an all out effort to sell the Communist ideology to the world.

This does not mean that the budget of the United States Information Agency should not be scrutinized with the greatest care, like that of any other agency. But I think it does mean that the United States Information Agency should not be punished by deep budget cuts.

Let us test this out on the cuts already made by the other body. We find the following situation. To maintain the work of the agency at least at the level of the current fiscal year would require $116,600,000—adding to last year's appropriation $2 million to cover mandatory Civil Service requirements, and $1,100,000 as the first installment on the Mideast radio transmitter. Instead, the Agency has been allowed $10,300,000 less. In addition to the restoration of this $10,300,000, $18,600,000 is needed for increased activity of vital importance to our country in the current phase of the cold war. Let us not forget that the Soviet Union is about to launch a new campaign under the guise of coexistence, and yet at this very moment we seem to be moving toward cutting down instead of building up our counterattack.

I think we ought to get very specific. I examined carefully the debate in the other body and the committee hearings. I have come up with some specific matters which I should like to put into the RECORD, because that is the only way in which we can be realistic. I can be just as hardheaded as anybody who wants to cut the budget to the bone.

Of the $18,600,000 requested by the Information Agency to expand its activities, half is for stepped up information work in Africa, in the Near, Middle and Far East, and in Latin America. The USIA wants to open more reading rooms, libraries, and 15 new information posts and subposts abroad—10 of them at key points on the powder-keg continent of Africa, which is a priority target for the Communists. Now, when there is a feeling of good will toward America and Americans in the newly independent nations of Africa such as Ghana, let us work not only with the Africans, but among them.

Mr. BUSH. Mr. President, will the Senator yield for a question?

Mr. JAVITS. I yield.

Mr. BUSH. The Senator took a trip around the world after the election in 1956. I wonder if the Senator had an opportunity on that trip to visit those reading rooms and libraries and information posts to which the Senator has referred in his speech.

Mr. JAVITS. I thank the Senator for that question. I did. I found them to be very fine examples of American life. I found them to be very popular in countries with teeming populations, such as India and Pakistan. I do not think we can begin to understand their hunger for reading matter, because there is very little entertainment and very little they can afford to buy along that line.

Mr. BUSH. I am glad to hear the Senator say that, because, while I have not had the advantage of world travel, I have talked to friends who have. They have made very favorable comments about the reading rooms and the libraries, which are outstanding functions of the United States Information Agency. I am glad the Senator is pointing that matter out in his address today.

Mr. JAVITS. The Agency asks another $2,300,000 to enable it to produce and distribute hundreds of hours of new programs for the greatly increasing number of television stations. I think we ought to build the stations up, not tear them down. We say our agencies should be awake. They are awake, because the march of television is forward, not back. Today, USIA sends television programs to some 200 stations abroad, but it estimates that by July 1958, 200 new television stations will exist. In Japan alone, the number of stations will more than double. In Latin America, 57 new stations will start; in the Near East, 7 more are expected; and in Europe, 109 new stations will join the 135 now operating.

Another $1 million is needed for new programs in Eastern Europe, including increased distribution of the magazine, America Illustrated, so that we cannot only continue to distribute the magazine in the U. S. S. R. for the next year, but also reach behind the Iron Curtain with an additional language version of the magazine. Anyone who has seen the slick publications put out by U. S. S. R. for distribution in our country must recognize how vital is the publication of America Illustrated.

The Agency needs nearly $1,500,000 to produce more than 7 million books in both English and translated editions to be sold primarily in the Near East, Far East, and Latin America. Designed to sell commercially through local outlets for about 10 cents each, these books about America are portable good will ambassadors which students can afford to buy, read, and then pass on to family and friends.

I might say one thing I learned when I was a member of the Foreign Affairs Committee of the House of Representatives. Foreign-language books are one of the staples of the Soviet propaganda drive which we must meet. Particularly is this true in a country like India, which, if there is any place in the world where it is true, is the focal point of the struggle between the Soviet Union and ourselves.

Foreign-language books are one of the staples of the Soviet propaganda program which we must meet, particularly

UNIVERSITY OF MICHIGAN LIBRARIES

in countries like India, where books are expensive and people hunger for them. If they do not get ours, they will get those of the Soviet Union. It is high time we remember that.

Added to these items is the cost of increasing the output of motion pictures—primarily to the underdeveloped areas of the world where illiteracy is high—our overseas exhibits such as "Atoms for Peace"; and the President's "people-to-people" program, estimated to cost $500,000.

A good case is made out for the restoration of about $29 million of the House cut in the appropriation for USIA.

In terms of our own security, the evidence is that we should continue the foreign-aid program. Indeed, two such highly qualified and impartial observers as Francis Cardinal Spellman, of New York, and Harold H. Held, chairman of the Chemical Corn Exchange Bank, one of New York City's great banks, testified to the importance of our foreign-aid programs just the other day.

Cardinal Spellman reported the worldwide need for relief supplies was "appalling," in a speech before the Bishop's Fund Appeal for Oveaseas Relief. I quote the word "appalling," used by one of our great newspapers. Mr. Helm reported, as a result of a recent trip abroad, that he had become further convinced that continuation of American aid in the Far East at its present level is not only desirable, but necessary.

Many in this Chamber think our Vice President is a hardheaded fellow, too, and very recently he called marked attention to the need for economic aid in the report on his historic African tour; and in a speech before the United States Chamber of Commerce, one of the leading organizations in the country urging extensive budget cuts, the Vice President stuck by his guns.

Let us see what foreign aid we give abroad. Let us get down to the facts. Let us be as hardheaded as those who advocate deep budget cuts say they are.

Under present programs, about $600 million a year is expended for economic and technical assistance abroad by our Government, apart from expenditures for foreign military assistance and its economic element of defense support, which constitute the bulk of the $4.4-billion budget request for foreign aid. Only $600 million is left for economic aid for development, and even this $600 million is cut in half. Why? Because $300 million of the $600 million actually moves to benefit directly the great majority of the peoples of the underdeveloped countries other than countries such as Korea, Formosa, Turkey, and Vietnam. They get $300 million of this development assistance, and there even nonmilitary economic assistance is directly tied into the overall maintenance of the national security, which is so vital to our own defense, as we have shown by the way we handled those countries.

Mr. President, to meet the epochal Communist challenge seeking to exploit depressed standards of living, health, sanitation, and housing in the underdeveloped countries, we need to find a way in which our country—taking together what the Government does and what private interests do—can mount an effort of the magnitude of $5 billion a year for economic and technical assistance. I hasten to add that this sum should include a doubling of the rate of overseas private investment from the present annual amount of something under $2 billion net in the fields in which overseas private investments traditionally operate. Our aim should be to do this job mainly through the private sector of our economy, but to do it we need to continue and strengthen—not cut off—such governmental foreign economic and technical assistance as we now give.

First, because in such matters as public health, government administration, the work of private voluntary and nonprofit agencies, and the development of roads and similar public works governmental assistance must be supplied. That is the only way the objective can be reached in these overseas areas.

Second—and I know this again from my experience as chairman of the Subcommittee on Foreign Economic Policy in the other body—because business itself feels greater comfort in its own activities abroad when the Government continues its assistance. Indeed, to continue at about the present level is just about the finding of the President's advisers on the mutual-security program, under the chairmanship of one of our country's leading industrialists, Benjamin Fairless, formerly the president of the United States Steel Corp. And Secretary Dulles' proposals of $750 million in revolving loan funds for foreign aid move in the same direction.

Mr. President, let us understand two things. Many people like technical assistance and, they say, they do not like economic aid. But in practically every country, if technical assistance is to be effective, there must be economic aid. The best example is the so-called village development program, which is the greatest single contribution in India, to keep the people on the side of freedom, which has now reached 80 million people in India directly and personally in their own little homes. I visited these villages, and saw enough of a sample to state that as a fact. This is a program which is now interesting Pakistan and Burma and other areas so vital to us. They need not only technical assistance, but they need the little bit of money they receive, which represents a jeep, or a roadmaking machine, or an extra supply of seed, or a cast iron stovepipe, which revolutionizes cooking in the home and takes the odors out instead of spreading them within. That takes a little bit of economic aid each place, but when it is all added together it is $300 million, the amount I have named as actually being used for this purpose, and it goes a very short way indeed.

Mr. President, in this, too, the Russians are competing with us. Not only are they competing, but they are competing on horseback. It is estimated that they will be giving a billion dollars—not $300 million, but a billion dollars' worth of economic aid in this very fiscal year, when we are making a tremendous noise about the fact that we may be giving $300 million. They will be giving aid to Afghanistan and to Egypt and to Syria and other countries vital to our interests.

Mr. President, let us not forget that foreign aid has been continuously carried on since 1947 by overwhelming majorities in the Congress despite exactly the same assaults which are being made upon it now. I am not speaking now of the exact amount involved. We may cut a few hundred million dollars or we may not, but I am speaking of a program of the magnitude of that which is proposed to the American people for fiscal 1958. I am talking about a program of that magnitude. We might trim a bit here or trim a bit there, but I deeply feel that is the order of magnitude we need in the interest of our national security, and it needs to remain about the same. I deeply feel that our people are firmly convinced and committed upon the subject of continuance of the foreign aid program as an essential element in the security of the United States so long as the grim Communist specter stalks the free world.

Mr. President, in summary, our obligation is responsibility to the country and its security. Those who call the loudest for the deepest and the biggest budget cuts and tax cuts will condemn us the most—and I think quite rightly so—if we forfeit our responsibility for the security of the Nation, the ultimate triumph of freedom over communism, the historic effort to avoid atomic war, and the further development of domestic security and well being for the individual, commensurate with the vigor and productivity of our private economic system.

The role of our Federal Government is to help coordinate and facilitate security and well being for the individual without compromising our basic private economy and freedom. This I am convinced it can accomplish. This should be the rule for Republicans and Democrats alike. In my party, I am proud to be alined in substantial support of a President who stands for and was elected upon this political philosophy, and, Mr. President, I intend to fight for that philosophy in the councils of the Senate, no matter how sensitive the issue, including the budget.

Mr. President, I ask unanimous consent to have included as a part of my remarks an interesting editorial from an upstate journal, the Buffalo Evening News, on the USIA, entitled "Keep the Voice Effective," and a column on the same subject written by David Lawrence, appearing in many syndicated papers, entitled "Meat-Ax Budget-Cutting Methods," published April 18, 1957.

There being no objection, the editorial and the article were ordered to be printed in the RECORD, as follows:

[From the Buffalo Evening News of April 23, 1957]

KEEP THE VOICE EFFECTIVE

The methods of carrying America's message to the outside world have been disputed for years. And, whatever apparatus is employed, it will never satisfy everybody. Least of all, the Members of Congress who must vote the funds to keep it in working order.

The House has cut the United States Information Agency's budget by about 26 percent in spite of President Eisenhower's plea against drastic reductions in funds. The Senate may restore some of it, but it isn't likely the entire $144 million—the requested appropriation—will be authorized.

The usefulness of all of USIA's activities has been questioned and will be questioned again. It has been characterized as a gigantic boondoggle. The President doesn't think so and we agree wholeheartedly that it should and must be continued. As with so many other essential agencies, however, we are not at all sure that a big budget means a better operation. Certainly there have been enough stories of waste and extravagance in the USIA to warrant the hope that it can be made a more effective voice for America even if it is put on a slenderizing diet.

Mistakes have been made in the content of American propaganda to the outside world. It has been compared unfavorably to the straight-news approach of the British Broadcasting Corp. But under direction of Arthur Larson, its new chief, there is evidence that the Voice of America and affiliated agencies of the USIA will adopt a policy of less propaganda and more uncolored news in broadcasts and literature.

There is another field in which the United States can tell its story to the peoples of nations overseas—the world trade fairs that are held each year in Europe and more remote parts of the world. The House Appropriations Committee has sliced deeply into the funds which go to display our industrial supremacy overseas—reducing an $18,500,000 request by $7,600,000.

Until 3 years ago, it was a standing joke abroad when the great and powerful United States didn't have exhibits at such world trade fairs which play a large political as well as commercial role in world affairs. While we were either absent or represented by a display of negligible dimensions, the Soviet Union really spread itself in lavish and spectacular exhibits. The United States Government entered the field in 1954 and since, at every fair wherever on the globe, consistently has made the Russian entries look shabby. That this performance enhanced United States prestige cannot be questioned.

The next fair is to be held at Poznan, Poland, scene of the beginning of the Polish revolt last summer. Plans for United States participation are almost complete and there will be no skimping on our exhibit. Its importance is obvious. But, if the budget cut made by the House committee sticks, several others of equal importance will have to be skipped. We sincerely hope the Senate will find somewhere else to save this $7,600,000 instead of taking it out of as effective an instrument of American foreign policy as the trade fairs program has proved to be.

MEAT-AX BUDGET CUTTING METHODS—PRESENT CONGRESS SEEMS INDIFFERENT TO COLD WAR PROPAGANDA NEEDS

(By David Lawrence)

Billions for war, but a mere pittance for the dissemination of ideas that could influence peoples abroad, restrain capricious rulers, and prevent war. That's the curious result of the meat-ax method of cutting the budget which seems to have been adopted by the Democratic Party that controls Congress today.

The proposed cost of armament runs to $38 billion. It is a vital part of the Federal budget, because it is counted on to help deter potential enemies from attacking the United States and its allies.

But less than one-third of 1 percent of what is being spent for armament now has been appropriated by the House of Representatives for the United States Information Agency, which has the main responsibility for transmitting the American viewpoint on peace throughout the world.

A cut of $38 million just made by the House of Representatives leaves the United States Information Agency $106 million for next year. This is $7 million less than was voted for the current year. Yet the problems of the Middle East and the Far East are no less critical than they were, and the task of cementing relations with our allies in Europe has not by any means diminished in importance.

In an atomic age it is imperative that peoples everywhere should influence their governments to refrain from precipitating a world war. But peoples must have the facts and the information on which to form judgments. Anyone who has the slightest knowledge of how difficult it is to penetrate the public opinion of foreign countries realizes the enormous task that faces the United States Information Agency.

Soviet Russia spends billions where America spends a few millions in communicating with other peoples, especially in the areas of most strategic importance.

The United States is relatively new at the business of exporting ideas. Some mistakes have been made—but not as many perhaps as in the doling out of billions to foreign governments to help rehabilitate their economic structures since World War II.

The objective—to prevent the spread of international communism—is admitted everywhere in Washington to be worthwhile. But when it comes to supplying the necessary funds to carry on that phase of the cold war, Congress seems indifferent.

This is not because of partisianship alone. There are other factors. One is the lack of familiarity of Members of Congress themselves with the many influences that are operative every day in foreign lands to check American diplomacy and threaten the defeat of our efforts to win the friendship of other peoples.

The Soviet auxiliaries among the intellectuals are numerous in many countries, and the press is actually controlled by agents of Moscow in various parts of the world where the United States Information Service is trying to offset Communist propaganda. It's a battle that America cannot afford to lose, and it takes money to fight that kind of warfare.

The United States Information Agency makes available free, for instance, the texts of important American pronouncements of policy because the newspapers abroad couldn't possibly afford to pay the heavy costs of cable tolls to get those speeches transmitted. There are literally dozens of other worthwhile projects which are designed to inform the peoples abroad concerning America's peaceful intentions and her humanitarian interest in the welfare of other nations. Instead of encouraging this work, Congress is shortsightedly discouraging it.

Unfortunately, some Members of Congress set themselves up as expert judges of how the United States Information Agency should be conducted. It is, of course, a specialized field. The hearings recently held show a woeful lack of knowledge by many Members of Congress of what it is important to do to win the cold war.

It is shocking to any American who travels abroad to discover how little is known about the United States even in the English-speaking countries. Very few newspapers and periodicals are sent from America to other countries—only a few thousand here and there. The vast population of the rest of the world has a scant knowledge of America's purposes and policies. As a consequence, the distortions distributed by the Communists have to be challenged again and again. If Congress doesn't furnish the necessary money to the United States Information Agency, the growth of anti-American sentiment will go unchecked.

Ideas are transmitted in modern systems of communication in a variety of ways. The printed word is important, but so also are radio and television and motion pictures. Many millions who are illiterate may not be able to read books or newspapers, but they do look at movies. The potentialities of the various means of communication are limitless. Yet the House of Representatives has actually cut down the program of the United States Information Agency and evidently prefers to give a clear field to the Communists in this cold war. Will the Senate do likewise?

What the House has just done is a tragic development—a failure to recognize that war can be prevented only by getting peoples to reject the policies of dictators and by winning the hearts and minds of peoples. Ideas are plentiful, but money to convey them is almost as necessary as any other deterrent force.

Mr. JAVITS. Mr. President, I yield the floor.

Mr. BUSH. Mr. President, I wish to congratulate the able Senator from New York upon the superb address he has made this afternoon for the benefit of the Senate and for the people of this country. I hope they may have the advantage, throughout our States, of understanding the philosophy of the Senator's address today.

Mr. JAVITS. I thank the Senator.

Mr. BUSH. The Senator has brought to bear on this very important issue an accumulated knowledge, experience, and understanding of this budgetary question, with particular emphasis upon the foreign-affairs aspect of it. I think he has made for us one of the most penetrating addresses I have heard this year on the subject of the budget, with which we are about to deal.

I am very happy to congratulate the Senator. I wish to take advantage of this opportunity to make some further remarks myself which, in a large measure, will support the remarks of the Senator from New York.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from New York.

Mr. JAVITS. I thank the Senator very much for his kindness. I have a very high regard for his thinking and his patriotism. I am very grateful for his very kind words.

Mr. President, might I ask the Senator to further yield so that I may suggest the absence of a quorum?

Mr. BUSH. Mr. President, I am willing to yield briefly for that purpose.

Mr. COOPER. Mr. President, before that is done, will the Senator yield to me?

Mr. BUSH. I yield to the Senator from Kentucky, who would like to make a comment on the address of the Senator from New York.

Mr. COOPER. I should like to say that I was prevented from being here at the time of the speech of the distinguished junior Senator from New York. Very kindly he presented me with a copy of his speech earlier in the day. I had occasion to read it. I consider it a great speech, one which deals realistically with the problems of the budget which we face, and one which supports the President of the United States in his aims. I

UNIVERSITY OF MICHIGAN LIBRARIES

congratulate the distinguished Senator upon his speech.

Mr. JAVITS. Mr. President——

Mr. BUSH. I yield to the Senator from New York with the understanding that I will not lose my right to the floor.

Mr. JAVITS. Mr. President, I wish to thank my colleague from Kentucky [Mr. COOPER] for his kind remarks.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUSH. Mr. President, I desire to express my own conviction that the Republican Party must remain responsive to the needs of the American people in an expanding and dynamic economy, and in a world of tensions in which the Soviet Union still menaces freedom everywhere.

The Senator from New York [Mr. JAVITS] has gone into many phases of this question in a very thorough and brilliant fashion. As I stated earlier, I hope his remarks may have the very widest circulation, because not only has he acutely recognized some of the important problems which we face in connection with this budget discussion, but he has brought to bear on them his experience and his facility in dealing particularly with the mutual security elements of the budget. We are all very grateful to him for clarifying the issues to the extent to which he has clarified them. I know that we shall hear more from him on that subject in the days to come.

The American people are rightly concerned over the size of the proposed Federal budget for fiscal year 1958. When expressed in terms of current dollars, the total of $71.8 billion—exclusive of the highway and other trust funds—is, indeed, startling.

Reflecting the concern of the people, there has been much criticism in the Congress of the President's budget. Some has been informed and responsible; much has been reckless and partisan.

There has been criticism expressed on both sides of the aisle in this Senate.

Addressing my remarks at the present time to some of my Democratic friends, I may say that I have been somewhat amused by their belated conversion to the cause of economy. I hope that conversion is sincere, and that there will be no backsliding into the free-spending errors of their past.

But to one who examined the Democratic Party platform in 1956, perhaps some skepticism may be permitted.

If Adlai Stevenson had been elected last year, and had attempted to carry out his party's platform pledges, he would have been forced to advocate spending programs which would dwarf those of Dwight D. Eisenhower.

There was no limit but the sky on Federal spending called for in the Democratic platform.

Now it is time to put the President's budget in proper perspective.

In terms of a stable dollar, the budget is below the level of 4 years ago and less than the average for the last 6 years.

And, when we compare nondefense spending with national income, the results are startling. The 1958 budget proposes to take only 7.5 percent of the national income for nondefense programs, as compared with 10 percent in 1950 and 11 percent in 1939.

I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article which was published in the May 3 issue of the U. S. News & World Report, entitled "Why United States Budget and Your Own Budget Are So Big."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of May 3, 1957]

WHY UNITED STATES BUDGET AND YOUR OWN BUDGET ARE SO BIG

Glance behind the latest budget figures and you find this—

What's happened to the Government's budget in the last 10 years turns out to be pretty much the same thing that's happened to your own family budget.

Both have grown steadily, but inflation, rising costs, accounts for most of their growth.

Take away the effects of inflation, and Federal spending is almost unchanged from levels of recent years.

Family budgets, meanwhile, are up nearly 40 percent in the same decade, with nine-tenths of that rise the result of inflation.

The growing agitation over President Eisenhower's budget of nearly $72 billion—a record for peacetime—now is leading many people to take a fresh look at Government spending.

The facts disclosed by this closer scrutiny have come as a surprise to many.

What has happened to the big Federal budget in recent years, it is being discovered, is the same thing that has happened to the budget of an average family or of a typical business. Inflation is the key.

Prices, wages, charges for all sorts of services that the family or the Government buys have risen spectacularly in the years following World War II. Spending increases, in large part, are thus the result of price increases, not of purchasing increases.

When you take out of the usual budget picture the effects of inflation, you find this:

Government spending in terms of real dollars of equal buying power, has been unusually stable now for several years.

While spending of these real dollars will rise in the year that starts July 1, this spending will remain below the level of 4 years ago—President Eisenhower's first full year in office.

Spending of ordinary dollars of today will be up, numerically, next year to a level nearly double that of 1947. Yet real spending—or purchasing—will be only about a third larger than in 1947.

Since 1940 the rise in annual budget outlays has been a spectacular $62.7 billion. Yet only $21.5 billion of this—or about one-third—is real in terms of what Government has been able to buy. About $41.2 billion—or two-thirds of the rise—is money that is going down the inflation drain.

This view of the budget is about the same as the one a family gets when it takes a close look at the situation and learns that, with perhaps twice as much income, the family is enjoying very little more of the good things in life than it did 10 years ago.

You get, in the accompanying charts prepared by the economic unit of U. S. News & World Report, a clear picture of the effect that inflation has had on the budget of the United States Government and on the budget of the average American family in the period since World War II.

Government's budget in the year that ended in mid-1940—just before World War II—came to a total of $9.1 billion of spending.

By 1947, after spending heavily in war and then cutting back, Government was spending $39 billion. But these dollars did not have the same purchasing power as those of 1940.

In real terms of 1940 dollars Government in 1947 was spending $22.8 billion.

Budget spending, in other words, had jumped from $9.1 billion to $39 billion—up by nearly $30 billion. Yet real spending had gone up from $9.1 billion to $22.8 billion, or by $13.7 billion.

Less than half the spending rise was real. More than half was the result of higher prices.

For the year that starts July 1, Government's spending budget is estimated at $71.8 billion. This is a rise of 84 percent from 1947.

In terms of real dollars of 1940 vintage, however, spending next year will come to only $30.6 billions. This is a rise of less than 35 percent from 1947.

You find, too, that, in the period since mid-1953. Government spending of real dollars has been pretty stable. In these terms, spending is to be at about the same level—or only slightly higher—in the year that starts July 1, 1957. It will, in fact, be lower than it was in 3 of the preceding 6 years, and less than the annual average for those 6 years.

Spending, in other words, is on the rise, but only about in line with price rises that are occurring.

Ordinary families, too, have found themselves spending more and more dollars for what, in many cases, turns out to be no more of goods and services.

Take the spending of the average family—or household—in this country, as computed from reports by the United States Departments of Labor and Commerce.

In 1940 the average family spent $2,009 for all the things that a typical family wants and needs.

By 1947 the average family was spending $4,042—double the outlay in 1940.

Now look at this change in terms of real dollars of the same buying power and you get an entirely different picture.

Measured this way, the family's spending in 1947 had risen from $2,009 to $2,659—or by about one-third. A great many of the family's dollars, along with Government's, were going down the drain.

Now, after another decade or so of rising costs, even more dollars are being claimed by inflation. In the year starting July 1, the average family will spend an estimated $5,551—nearly 40 percent more than the 1947 outlay.

In terms of real dollars—in purchasing power—the family's spending has risen since 1947 from $2,659 to $2,766, or by only 4 percent.

The average family, it becomes clear, is putting out a lot more dollars numerically without getting much more prosperous.

Prices, again, are the reason. The new car that the family bought this year cost about $2,800, instead of the $1,950 or so the family paid in 1947. The home that could be bought for $10,000 right after World War II now sells for around $14,000.

Everything Government buys—or nearly everything—has gone up in price in the same way.

For an example of what has happened since a 1940 dollar bought a dollar's worth of goods or labor, look at what has befallen the Armed Forces.

In the days before World War II, the average member of the forces received pay and allowances amounting to $1,289 a year. Now,

that average is budgeted at $3,767—nearly 3 times what it was in that earlier day.

Back in 1939, the United States was buying its best fighter planes for $60,000 apiece. Now, Government is budgeted to pay $1.5 million for each fighter plane. Where a heavy bomber cost $300,000 in 1939, Government now is paying $8 million for a single bomber.

These, of course, are not the same planes that Government was buying in 1939. They are bigger, faster, far more complicated and loaded with expensive gear. Atomic weapons, electronic equipment, other things needed to fight a modern war also take more time and labor to produce than did the fighting gear of 1939.

These products of rapid technical development are adding to the cost of Government in much the same way as price increases. A businessman, in an age of automation, finds the same thing to be true of his operation. So, too, does a family that tries to stretch its income to cover all sorts of automatic equipment for home and car.

President Eisenhower's view of these trends sounds pretty much like that of any family that has taken the trouble to check its real progress toward a prosperous life.

The President put it this way at a recent news conference: "A number of my business friends have said their budgets had gone up through these past years from the average 6 to 8, 10 percent a year. And they were astonished that the Federal Government had gone up only 3½ percent, in view of the increased cost in the costly things we have to buy. * * *"

Another view of the big Federal budget was mentioned by President Eisenhower at this same news conference. This is the view that takes the national income as a rough measure of the country's ability to afford Government spending on defense and other programs.

What you see from this angle is that, in the year starting July 1, 1957, Government will spend an amount equal to 20 percent of the Nation's income.

This is about on a line with the proportion of income that Government has been spending during the last several years. Even in 1950, when the United States had shrunk its defenses to something like skeletons, Government was spending about 18 percent of national income.

Now, by contrast, Government is on a virtual war footing. Result: Spending on national security and on all of Government's relations with other nations next year will take about 12.5 percent of the Nation's income. Back in 1950, these things took only 8 percent of income.

Spending on other programs—all the regular peacetime functions of Government—has been climbing steadily these past few years. But national income has been rising, too. Result: Spending on these normal programs next year will take about 7.5 percent of national income. But in 1950, these activities took 10 percent of the Nation's income. In 1939, they took 11 percent of income.

President Eisenhower, referring to these trends, has noted that, while a rise in national income may mean the country can afford more Government spending, it does not mean that Government should necessarily do more. He sums things up in this way: "Explain it as you will, as I said when I first mentioned this budget $72 billion is still a terrific amount of money to extract from the economy, and put into purposes that are not productive of new machines or new jobs—of new facilities that make new jobs, and everybody is absolutely correct in trying to find the way that those expenses can be cut."

The President warned, however, that the budget could not be reduced substantially unless Congress cuts back on existing programs, many of which were authorized years ago.

Mr. BUSH. I should like to call attention particularly to a brief excerpt from the article:

When you take out of the usual budget picture the effects of inflation, you find this:

Government spending, in terms of "real" dollars of equal buying power—

Let me say, parenthetically, that reference is made to what we might call "constant" dollars—

has been unusually stable for several years.

While spending of these "real" dollars will rise in the year that starts July 1, this spending will remain below the level of 4 years ago—President Eisenhower's first full year in office.

Spending of "ordinary" dollars of today will be up, numerically, next year to a level nearly double that of 1947. Yet "real" spending—or purchasing—will be only about a third larger than in 1947.

Since 1940, the rise in annual budget outlays has been a spectacular $62.7 billion. Yet only $21.5 billion of this—or about one-third—is "real" in terms of what Government has been able to buy. About $41.2 billion—or two-thirds of the rise—is money that is going down the inflation drain.

That is going down the inflation rathole, Mr. President, and I charge the responsibility of that to the administrations which preceded the Eisenhower administration.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. BUSH. I yield to the Senator from New York.

Mr. JAVITS. I believe the Senator has made quite an interesting point, which has perhaps been somewhat confused in the press. Does the Senator from Connecticut feel that the people of the country should consider the increase in the cost of living, on the basis of the Bureau of Labor Statistics figures, or other figures, preceding January 1953 as vastly more alarming and a greater threat to their permanent standard of living than the increases since January 1953?

In other words, is it not a fact that in recent years there has been a small percentage of increase—I believe it is under 4 percent—although it is shown as a constantly rising figure, and in spite of the fact that it is constantly charged that the standard of living has gone up tremendously; whereas the cost of living has geen going up only fractionally in recent years as compared with the drastic increases, on which the present increases are based, which took place before January 1953?

Mr. BUSH. I thank the Senator for calling attention to that fact. It is true that when the Eisenhower administration came into office one of the first actions it took was to try to build up defenses against inflation, in order to stop this quiet stealing of the savings of a lifetime that belong to the citizens and taxpayers of our country, and to try to stop the wastage of their pensions and insurance policies and their investments, and so forth, which were being ravaged by this constant depreciation in the value of the dollar.

It is greatly to the credit of the Eisenhower administration and the Republican Party, which stood solidly on the platform of stopping inflation, that to a large extent that has been done within the last 4 years.

The Senator from New York has pointed out that the total increase in the cost of living in the last 4 years and 3 months is less than 4 percent. It will be seen from the figures I have quoted and from others that I shall quote later how that compares with prior years.

It has been the policy of the Eisenhower administration to stop inflation. Our friends across the aisle frequently talk about what they call the hard-money policy of this administration. This administration has no hard-money policy. There is no tight-money policy of this administration. The policy of the administration is to stop inflation.

Fortunately, the Federal Reserve Board has recognized the importance of that policy and has taken such steps as lie within its powers over money markets to stop inflation.

This action has been interpreted politically as a so-called hard-money policy of the Eisenhower administration. It is not that at all. It is important to draw that distinction, and to keep on drawing that distinction.

I notice that the Committee on Finance, under the very able leadership of the distinguished Senator from Virginia [Mr. BYRD], is about to hold some hearings on the question of interest rates. That subject will involve this whole question we are discussing. The committee will examine into the debt-management policies of the administration and related subjects.

I am very glad that the committee will do that, and I am sure that if it will—as I know it will, under the chairmanship of the distinguished Senator from Virginia—give the Federal Reserve Board a full opportunity to lay before the committee the actions which the Board has taken and the reasons for such actions, the country will feel very secure in the management of our fiscal affairs that lie within the authority of the Federal Reserve Board.

I am very glad that the Senator from New York has raised this question. I hope that as we get into this debate on the budget, and as we get into the question of interest rates, we shall have an opportunity to make clear to the Members of the Senate and to the people of the United States that, so far as the Eisenhower administration is concerned, there has been no hard-money policy, and that there will not be any hard-money policy. The policy is to stop inflation, so as to protect the savings and wages and earnings and insurance policies of the people of the United States, because they are entitled to that protection. It is the only honest way of dealing with fiscal matters affecting the United States Government.

I repeat, I am very grateful to the Senator from New York for raising this point. I wish to quote again from the U. S. News & World Report article, because I believe this point needs emphasis and has a very distinct bearing on the question of the budget.

The article reads, in part, as follows:

Everything Government buys—or nearly everything—has gone up in price in the same way.

UNIVERSITY OF MICHIGAN LIBRARIES

For an example of what has happened since a 1940 dollar bought a dollar's worth of goods or labor, look at what has befallen the Armed Forces.

In the days before World War II, the average member of the forces received pay and allowance amounting to $1,289 a year. Now, that average is budgeted at $3,767—nearly three times what it was in that earlier day.

Back in 1939, the United States was buying its best fighter planes for $60,000 apiece. Now, Government is budgeted to pay $1.5 billion for each fighter plane.

It should be remembered, also, that today's plane is a jet plane.

I continue to quote:

Where a heavy bomber cost $300,000 in 1939, Government now is paying $8 million for a single bomber.

These, of course, are not the same planes that Government was buying in 1939. They are bigger, faster, far more complicated, and loaded with expensive gear. Atomic weapons, electronic equipment, other things needed to fight a modern war also take more time and labor to produce than did the fighting gear of 1939.

Therefore, Mr. President, we can see what the forces of inflation and technology have done to the military budget. They have presented a tremendous problem to the Federal Government.

The forces of inflation are one of the chief reasons, if not the chief reason and the most important reason, that we are faced today with a budget which is the highest expenditure budget of the Eisenhower administration.

Mr. President, on this point also I wish to quote an article which recently appeared in the Washington Evening Star. It is by David Lawrence, who, in part, writes:

The critics who have jumped on President Eisenhower for the size of the current budget have ignored the steadily rising costs that have come as a consequence of labor demands each year, and the price increases all along the line that have been required to meet such rises in cost.

Mr. President, the entire editorial has such a bearing on the question that I ask unanimous consent that it also be printed at this point in my remarks, together with certain tables which provide valuable facts relevant to discussion of the budget.

There being no objection, the editorial and tables were ordered to be printed in the RECORD, as follows:

INFLATION AND UNITED STATES BUDGET—SURVEY SHOWS REQUESTS ACTUALLY BELOW AVERAGE OF PAST 6 YEARS

(By David Lawrence)

A big surprise is in store for those critics who have been glibly blaming President Eisenhower for the size of the Federal budget.

For it turns out that $41.2 billion out of the $62.7 billion by which the budget has been increased since 1940 are the result of rising costs—usually called inflation.

Another way to express it is to say that the Federal Government is today spending $41.2 billion in higher prices for the same kind of goods and services it bought in 1940 at lower prices.

Actually the Eisenhower budget in terms of a stable dollar is below the level of 4 years ago and less than the average for the last 6 years.

The economic division of the magazine U. S. News & World Report, in a copyrighted article this week, has computed what all the Federal budgets for the last 6 years would be in 1940 dollars. These economists find that instead of a $72 billion budget, numerically speaking, the Federal budget on a purchasing-power basis in the coming fiscal year would amount to only $30.6 billion. This calculation was made in the customary way, familiar to statisticians, by using the Commerce Department's own published index of the prices the Government has paid over the years for the goods it has bought.

The latest budget, moreover, is lower than the last two budgets of the Truman administration, measured the same way, and lower than the one for the first full fiscal year—1954—in which the Eisenhower administration was responsible for the making of the Federal budget.

Turning to the family budget of the average American—and using the Government's price index for the goods the private citizen buys—the same trend is noted. A house that used to sell for $10,000 just after World War II, sells for $14,000 today. An automobile that the family bought for $1,950 in the year 1940, now costs about $2,800. According to Government figures, the average family in 1940 spent $2,009 for food, clothing, housing, and all the things that a typical home requires. But by 1947, the outlay was $4,042, or more than double that of 1940. Looking at a comparison covering the last 10 years, it will be found that the same family is now spending $5,551, or 40 percent more than in 1947 for the same things. But in terms of 1940 dollars the spending has risen only about 4 percent—from $2,659 to $2,766 in the last decade.

The critics who have jumped on President Eisenhower for the size of the current budget have ignored the steadily rising costs that have come as a consequence of labor demands each year and the price increases all along the line that have been required to meet such rises in cost.

Bernard M. Baruch, America's elder statesman, who has had long experience with the inflation problem, made a significant speech 3 years ago on this very question. He said flatly that failure to impose controls promptly by President Roosevelt when World War II occurred, and the unwillingness of President Truman to do likewise soon enough when the Korean war broke out, have placed on the American people a burden of $140 billion of unnecessary debt—more than half of the total national debt of today.

Mr. Baruch's point is that pressures by different groups of economic and political forces which prevent the opportune ordering of controls over wages and prices is much more expensive in the long run than the inconveniences to the economic system resulting immediately from such controls. For prices and wage scales that once go up cannot be readily rolled back.

Inflation, of course, works both ways. It sends income up, too. That's why there is a big surprise when the total spending of today is related to the national income of the American people. Thus, even in 1957 dollars, the spending by the Federal Government for all nondefense items, including welfare programs, now takes only 7.5 percent of the national income, whereas in 1950 it took 10 percent. Back in 1939, the nondefense category of spending was absorbing 11 percent of the national income. Yet, the erroneous impression now is widespread that nondefense spending today is out of all proportion compared to the past.

Mr. Eisenhower has not yet gone to the people, as he may do soon, with an explanation of what really has caused us to have a $72 billion budget. When he does, he can show that inflation and postwar exploitation by economic groups are together responsible for the swollen budgets of the National Government, and the State and city governments, as well as the expanded budget of the American family.

Budget expenditures as percentage of national income (fiscal years)

Fiscal years	(1) National income (billions)	(2) Budget expenditures (billions)	(3) Percentage (3) = (2)/(1)
1939	$70.2	$8.9	13(12.7)
1945	186.5	98.4	53(52.8)
1953	300.5	74.3	25(24.7)
1954	298.2	67.8	23(22.7)
1955	308.6	64.6	21(20.9)
1956	334.1	66.5	20(19.9)
1957 estimate	336.3–353.3 (350)	68.9	20(19.7)
1958 estimate	350.4–368.2 (363)	71.8	20(19.8)

Budget expenditures as a percent of gross national product, fiscal years of 1956–58

	Gross national product (billions)	Federal budget expenditures (billions)	Budget expenditures as a percent of gross national product
Fiscal year 1956 (actual)	$402.6	$66.5	16.5(2)
Fiscal year 1957:			
1st quarter (actual)	413.8	----	----
2d quarter (actual)	423.8	----	----
3d quarter (preliminary comm., CEA)	426.5	----	----
4th quarter projection	430.0	----	----
Average for year	423.5	68.9	16.3(27)
Fiscal year 1958, consistent with revenue projection and above 1957 quarters (no price rise):			
1st quarter	434–35	----	----
2d quarter	438–40	----	----
3d quarter	442–45	----	----
4th quarter	446–50	----	----
Average for year	440–442.5	71.8	16.3(2)–16.2(3)

Budget expenditures per capita in actual and constant prices (fiscal years)

Fiscal year	Actual prices	Constant prices [1]
1939	$68	$157
1945	707	1,204
1953	469	494
1954	421	442
1955	394	413
1956	399	413
1957 estimate	406	408
1958 estimate	416	416

[1] Adjusted to December 1956 wholesale prices.

BUDGET EXPENDITURES AND AVERAGE WAGES IN THE ECONOMY

1. The monthly data on labor's earnings published by the Bureau of Labor Statistics for the period July 1953 through June 1954 show that for the fiscal year ending June 1954, for production workers in manufacturing, the average hourly earnings were $1.79; weekly earnings were $71.27.

2. For December 1956, for the same groups of workers, the average hourly earnings were $2.05; weekly earnings were $84.05.

3. Thus, the percentage increase from the fiscal year 1954 to December 1956 is 14.5 percent for average hourly earnings; 17.9 percent for average weekly earnings.

4. The increase in budget expenditures is less than these percentages. Estimated fiscal year 1957 expenditures of $68,900 million are 1.7 percent above fiscal year 1954 expenditures of $67,772 million. Fiscal year

1958 expenditures are estimated at $71,807 million; 6 percent above fiscal year 1954.

Mr. BUSH. Mr. President, I wish to say one more word about those who are attacking the administration on the basis of the so-called hard-money policy and the question of interest rates. I feel that what they are really doing—and perhaps they do not realize it—is to attack absolutely the integrity of the Federal Reserve System, which is a great bulwark of defense in our whole economy, and is a great credit to the Democratic Party, under whose auspices it came into being.

I hope that in the course of the coming debate about interest rates, we can make the people of the country understand that the past attempts to make money cheap artificially resulted only in rapidly increasing the cost of living. This has had a very deleterious effect upon the savings of the people and also upon the budget submitted by the President of the United States.

Mr. GORE. Mr. President, will the Senator yield?

Mr. BUSH. I yield briefly, for a question.

Mr. GORE. What does the Senator mean by artificially increasing or decreasing interest rates?

Mr. BUSH. I mean by that the fixing by law of interest rates at a low figure, a figure which is below the normal market, below the market created for money by supply and demand, such as the fixing of an interest rate of 4½ percent on VA loans. Such a rate, at a time when demand for credit is very large, makes those loans unattractive to the investors of the country. The consequence is a shortage of supply of money for those purposes.

I consider that the artificial fixing of interest rates, as, for instance, was done in the previous administration, when Treasury bonds were pegged at par, resulted in the establishing of an artificial price level for those bonds.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BUSH. I yield.

Mr. GORE. Would the Senator from Connecticut agree that since the country is no longer on a gold standard, the currency is a managed currency?

Mr. BUSH. I agree with that statement. Yes; that is correct. We are not entirely off the gold standard. We are so far as the convertibility of the currency is concerned.

Mr. GORE. Then would not the Senator agree that a calculated action or policy deliberately adopted by the Government to push interest rates up or to push interest rate down could equally be described as artificial?

Mr. BUSH. No.

Mr. GORE. In other words, would the Senator say that anything which tended to push interest rates down would be artificial; but if interest rates went up, that was according to the law of supply and demand?

Mr. BUSH. No. I think the Senator from Tennessee realizes that the power lies within the Federal Reserve Board to make certain impressions upon the money market which may have the effect of loosening it or tightening it. Inasmuch as we do not have the control that is provided by convertibility into gold, it is necessary, therefore, that there be some other control. It is very necessary that that other control not be interfered with for political purposes.

Mr. GORE. Mr. President, will the Senator further yield?

Mr. BUSH. I yield for a question.

Mr. GORE. Which action by the Federal Reserve or the Treasury, the action to loosen or the action to tighten—to use the Senator's own terms—the availability of credit, would he describe as an artificial action?

Mr. BUSH. I do not intend to discuss the whole subject of interest rates today. I brought it into my own remarks parenthetically this afternoon. I certainly intend to make my good friend, the Senator from Tennessee, very well aware of my views in connection with the matter when I appear before the committee of which he is a member and also on the floor of the Senate, if the matter comes before the Senate. I do not wish to labor this particular argument about the budget with that side issue. So if the Senator will permit me, I shall not go into a detailed answer of his question, which I think is a perfectly fair question, but I shall answer it for him at another time.

Mr. President, I do not contend that the budget cannot and should not be reduced. I believe it is possible to achieve sound economies which will pave the way for tax cuts. But this work requires the careful use of a surgeon's scalpel, instead of a butcher's meat ax.

I commend to the attention of my colleagues a recent letter sent by President Eisenhower to the Honorable SAM RAYBURN, Speaker of the House of Representatives, in which the President pointed to a way in which an economy operation can be performed on the Federal budget without hamstringing the programs which the people have endorsed, and to which we are pledged.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter from the President to Speaker RAYBURN.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, April 18, 1957.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives,
Washington, D. C.

DEAR MR. SPEAKER: I am sure many Members of the Congress are as gratified as I am to note the growing awareness of private citizens that the dollars spent by the Federal Government are in fact their own dollars, and that Federal benefits are not free but must be paid for out of taxes collected from the people. It is good to see this realization developing into a widespread insistence that Federal activity be held to the minimum consistent with national needs. As this sentiment grows, our country will be strengthened in many ways.

The evident responsiveness of the Congress to this attitude I find equally encouraging. I assure you and your colleagues that the executive branch will continue to cooperate fully with Members of the Congress who work for sensible control of Federal spending.

In House Resolution 190 adopted last March, I noted the assertion that the public interest requires a "substantial reduction" in the 1958 budget and also the request that I advise the House where a reduction of that magnitude could best be made.

You will recall that last January, immediately after the budget was presented to the Congress, I requested the Director of the Bureau of the Budget to resurvey the expenditures of every department and agency in an effort to find additional items that could properly be reduced. I have kept in close touch with those efforts. Some of the principal results are outlined in this letter.

You realize, of course, that the 1958 budget, as all Federal budgets, is in effect 2 budgets within 1. One consists of requests for new spending authority to enable Federal agencies to obligate themselves to make expenditures sometime in the future. The other concerns the actual expenditures of the agencies in the next fiscal year.

These expenditures will be made partly pursuant to spending authority granted in previous years and partly under new spending authority. For example, one-third of the total actual expenditures in the 1958 fiscal year will be made pursuant to spending authority granted not on the basis of the 1958 budget but on the basis of spending authority requested in earlier budgets. This problem I emphasize because of its importance in appraising the effect of cuts in new spending authority which, one might assume, will reduce the level of current spending but in fact may affect only future spending.

The House resolution, for instance, does not distinguish between these two budgetary problems, so its call for a "substantial reduction," I assume, applies to both and contemplates the reduction of both by a considerable number of billions of dollars.

There are thousands of items in the budget, each an individual fiscal plan to carry forward a new program or a program previously authorized by the Congress. The preparation of these items begins long before the Congress acts, with the result that the budgetary process places a high premium on judgment and foresight. Because departmental needs must be forecast a year or more in advance, no responsible official would realistically contend that every estimate for every item is precisely correct and could be changed only at the risk of serious public injury, or that the funds requested are certain to meet all future needs.

Nevertheless, painstaking efforts were made in preparing the budget to pare to the minimum all projected expenditures and programs, whether large or small. Estimates were substantially reduced before the budget document was submitted to the Congress, and at my request a searching reexamination by all departments and agencies has continued to go forward since that time in an effort to reduce expenditures whenever possible. I will later discuss possible reductions in new spending authority disclosed by these months of continuing review.

Before turning to budgetary specifics, however, I invite attention to certain general guidelines that, to the extent existing law permitted, were applied in formulating the 1958 budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the

UNIVERSITY OF MICHIGAN LIBRARIES

interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidelines have proved their practical worth. Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

By adhering to the same or similar guidelines, the House can help continue the progress already made.

Regarding the House appeal for guidance on specific budgetary items, I will comment first on the actual expenditures projected for next fiscal year and will later discuss possible reductions in new spending authority.

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country. Departmental estimates in this area were most carefully examined and prudently reduced before they were sent to the Congress. I foresee no early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs. The fact is, as we carry forward our efforts for more peaceful world conditions, rapid technological advances in ships, aircraft, nuclear weapons, missiles, and electronics press constantly for more, not fewer, Federal dollars. I most solemnly advise the House that in these times a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world.

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State. Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multibillion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a "substantial reduction" in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multibillion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Turning now to requests for new spending authority, as distinguished from actual expenditures, we find a more promising outlook. Budgetary reviews since last January have disclosed the feasibility of postponing certain of these requests without serious damage to program levels. A number of the following actions, which I commend to the House, I have already suggested:

First, that new spending authority for the military assistance portion of the mutual security program be reduced by $500 million. This reduction results mainly from the new management techniques through which lead-time financing has been reduced (notably for spare parts), maintenance support not justified by the rate of consumption of our allies has been eliminated, and items have been removed from grant aid which countries can now pay for themselves. If the funds previously appropriated are continued available, this reduction will not impair the operation of military forces of other countries at mutually agreed levels.

Second, that, by delaying less urgent projects, new spending authority for military public works be reduced by $200 million.

Third, that, resulting from new projections of its operating rate and related financial requirements, the new spending authority for the soil-bank program be reduced by $254 million.

Fourth, that the investment of the Federal National Mortgage Association in special assistance functions be reduced from $250 million to $200 million, a reduction in new spending authority of $50 million.

Fifth, that the college housing authorization be reduced from $175 million to $150 million, a reduction in new spending authority of $25 million.

Sixth, that resulting from adjustments of construction schedules, the new spending authority of the Corps of Engineers be reduced by $13 million.

The House may wish to give attention to an additional item of $516 million requested for Army procurement and production. The existing authority, granted by the Congress during the Korean war, plus certain reimbursements received since then have made it unnecessary to request new spending authority for this purpose in recent years. Beginning in fiscal year 1959, the Army's need for such spending authority will recur. The $516 million item is requested now to enable the Army to phase efficiently into this new period and to ease the impact of this adjustment in fiscal year 1959. At the expense of efficient programing, the sum can be withheld if the House so chooses. Such action would, of course, increase by $516 million the large amount that will have to be authorized for Army procurement and production in fiscal year 1959.

Exclusive of the Army item just mentioned but including a possible reduction of $300 million in the amount budgeted for contingent expenses, these reductions and postponements total $1.342 billion. Once again I remind the House that less than half of this reduction in new spending authority can be reflected in reductions in expenditures during the next fiscal year, and even a part of these expenditure reductions will have to be restored in the future. Such expenditure reductions as may result, however, will add to the $1.8 billion surplus already projected by the budget. Given continuation of healthy economic growth and of strict expenditure control, these figures combined will begin to lay a firm fiscal foundation for the time when we can be sufficiently assured that our income will so exceed our expenses as to justify a reasonable tax cut for every taxpayer while we continue to reduce the Government's debt.

I am, of course, aware of the cuts thus far proposed by the House. These will be absorbed wherever possible without serious injury to programs essential to the public interest. Where such cuts cannot be so absorbed, the executive branch must and will seek restoration of the needed funds. Some of the House "cuts" have involved large sums that the executive branch is compelled by law to pay. "Cuts" of that kind do not save money and must be later restored through supplemental appropriations unless the governing statutes are revised.

Aside from scrutinizing individual expenditures and reducing new spending authority as suggested above, I strongly urge the House also to improve the Federal budgetary situation by taking such steps as these, most of which I have urged before:

First, adjust postal rates as soon as possible to reduce and eventually eliminate the postal deficit.

Second, establish interest rates for Government loan programs that will induce private funds to participate in their financing and, at the least, require that such rates cover the borrowing costs of the Federal Government.

Third, provide user charges as, for instance, for the use of Federal airway facilities, that will relieve the general public of having to subsidize governmental services affording special benefits.

Fourth, require State financial participation in Federal disaster assistance programs.

Fifth, encourage State and local groups to engage in partnership with the Federal Government in major water-resources development.

Sixth, reject new projects not approved by the Board of Engineers for Rivers and Harbors and not reviewed by all interested parties, including the affected States; provide where appropriate for more local participation in approved projects; and withhold authorization and construction of all but urgently needed projects.

Seventh, enact bills approved by the administration to implement Hoover Commission recommendations, such as the authorization of appropriations on the basis of annual accrued expenditures and the extension of the Reorganization Act of 1949.

Eighth, establish procedures that will facilitate the return of surplus Federal land and other property to private, local, or State use.

Ninth, before adopting unbudgeted programs, project the costs they would impose on the Federal budget in years ahead, and reappraise the necessity for and rate of implementation of each program.

And, 10th, to help assure continuing economy on the part of the Congress as well as the executive branch, take action that will grant the President the power now held by many State governors to veto specific items in appropriations bills.

An improved budgetary situation and greater efficiency in our Government will result from prompt approval of these recommendations by the Congress. All elements of the budget, meanwhile, will remain under searching examination by the executive branch in its continuing effort to find additional savings, large or small, that are possible under existing law. Any additional reductions found possible in new spending authority will be promptly reported in the usual way to the Senate and House of Representatives.

Finally, I repeat that as this effort to hold Federal costs and activities to the minimum proceeds sensibly in the executive and legislative branches of our Federal Government, the public interest is bound to be well served.

Sincerely,

DWIGHT D. EISENHOWER.

Mr. BUSH. Mr. President, I wish to quote, for emphasis only, a brief portion of the letter, as follows:

I invite attention to certain general guidelines that, to the extent existing law permitted, were applied in formulating the 1958

budget. These may be helpful to the House in reaching its own budgetary decisions:

First, the Federal Government should undertake only essential activities that the people cannot sufficiently provide for themselves or obtain adequately through private voluntary action or local or State government. Both the Congress and the executive branch should adhere closely to this principle in the interest of sound, economical Government.

Second, in times like these Government spending should be held below income in order to lead the way to further reductions in taxes and the public debt.

Third, all governmental expenditures should remain under close scrutiny in the interest of strict economy and, in the currently prevailing prosperity, to help relieve competing demands for economic resources.

Such guidelines have proved their practical worth. Today—

And this is interesting, because one does not hear it commented on very often in the budget discussion—

Today Federal civilian employees are almost a quarter of a million fewer than in January 1953. The $7.4 billion tax cut in 1954 has already saved our people almost $25 billion in taxes. For the first time in a quarter of a century we have in prospect three balanced budgets in a row. In fiscal year 1956 the surplus was $1.6 billion. It promises this fiscal year to be about the same size, and next year perhaps as much as $1.8 billion. If we hold to this course, we should have paid in these 3 years about $5 billion on the public debt, and the annual necessity to raise the statutory debt limit should have become a thing of the past.

Mr. President, I quote now from another part of the President's letter:

At the outset, we need to remind ourselves that, as in every household budget, all Federal expenditures are not equally subject to control. Many Federal expenditures are rigidly prescribed by law. Others are bills that simply have to be paid. In the 1958 fiscal year such unavoidable expenditures will total about $17.6 billion, or 24 percent of all Federal expenditures. These funds must be spent for such items as veterans' pensions, public assistance, and the interest on the public debt. The substantial reduction called for by House Resolution 190 cannot be made in this part of the budget until and unless the Congress revises or repeals the governing laws.

In the second place, 63 percent of projected expenditures next fiscal year—some $45 billion—will support programs related to the protection of our country.

I skip to other paragraphs in the President's letter:

The remaining expenditures projected in the budget approximate $9 billion, 13 percent of the total. These support the rest of the Federal Government—such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide operations of the Department of State.

Additional savings in such widely varied activities may well be found by the executive branch and the Congress. But a multi-billion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget.

Thus, it is clear that a substantial reduction in Federal expenditures next fiscal year in keeping with House Resolution 190, whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multi-billion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

Mr. President, in considering those programs, let me refer for a moment to the housing program. We have concluded our committee hearings on that program, and we are now in the process of drafting a housing bill for this year. Let me point out that I observe on the part of the Democratic members of the Committee on Banking and Currency, tendencies not to cut the President's budget, but, instead, to very substantially increase it. I am very much in sympathy with such programs as the urban redevelopment program and the slum clearance program. These programs, as provided in the 1954 act, have been of substantial benefit and will be of substantial benefit to many communities in Connecticut and to all our industrialized centers. In his budget the President has made adequate provision for them, I believe. However, I do not wish to see the President's budget cut, insofar as these programs, which we are just getting under way, are concerned. I think the advocates of economy should be consistent, at least to the extent of not trying to persuade us to increase the appropriations for these items, which, according to the agency, are sufficient to keep the program going at a reasonably good pace.

Mr. President, I now wish to address myself to my Republican colleagues. President Eisenhower's overwhelming victory last year was more than a personal tribute to a great and beloved leader; it was an expression of confidence on the part of the people in the Eisenhower programs which were unanimously endorsed in the platform adopted by the Republican National Convention in California, in August 1956. I remind my Republican colleagues that the President's budget is intended to provide the funds necessary to carry out those pledges, which were made to the American people.

We are pledged to the maintenance of a strong national defense, to advancement of the cause of peace in the world, and to domestic programs which are responsive to human needs and which provide essential services in a growing national economy. The President has said that he does not intend to run away from his promises, now that the American economy is bulging at the seams, and when employment is at very high levels, and when the gross national product reached a new high in 1956, and is headed for another new high in 1957. We are not going to run away from our pledges to the people. All these economic conditions, in a general way, are helpful in connection with the Government's programs which are included in the budget. We are pledged, I have said, to the maintenance of a strong national defense and the advancement of the cause of peace in the world—so ably discussed today by the junior Senator from New York [Mr. JAVITS]—and to domestic programs which are responsive to human needs, and which provide essential services in a growing national economy.

I should like briefly to quote from the Republican platform, because I think it has a very definite bearing on the question of the budget. We said, in that platform:

Four thousand communities, studying their school populations and their physical and financial resources, encourage our Republican administration to urge a 5-year program of Federal assistance in building schools to relieve a critical classroom shortage.

The Republican Party will renew its efforts to enact a program based on sound principles of need and designed to encourage increased State and local efforts to build more classrooms.

We also said:

We have supported measures that have made more housing available than ever before in history, reduced urban slums in local-Federal partnership, stimulated record home ownership, and authorized additional low-rent public housing.

We also said:

We initiated the first flood-insurance program in history under Government sponsorship in cooperation with private enterprise.

Mr. President, I should like to say, parenthetically, that I hope the House of Representatives will vote for the necessary appropriation to put the flood-insurance program into effect. I cannot possibly understand the delay which has occurred in the House of Representatives in the case of the appropriation to implement this program, which was voted by substantial majorities in both Houses last year, with virtually no opposition at all. I hope the House of Representatives will soon vote for the necessary appropriation to get the program under way.

We also said:

We pledge close cooperation with State, local, and private agencies to reduce the ghastly toll of fatalities on the Nation's highways.

Mr. President, I am sorry the distinguished Senator from Tennessee is not on the floor at the moment, since he has been chairman of the Subcommittee on Roads, and I have worked very closely with him during the last 2 or 3 years in connection with highway legislation. But, Mr. President, I say to all my colleagues in the Senate that this is no time to abandon such a program as that for the National System of Interstate Highways. This is a time when that program should be pushed toward completion. The revenues for the program are provided especially by the gasoline tax and other highway user taxes, and are set aside in a trust fund; and I believe it would be a tragedy if the law were changed so as to require that those funds go back into the general fund of the Treasury. We need the National System of Interstate Highways; we need it for many reasons—for national defense, for improved travel for commerce, for improved travel for pleasure, and for the safety of the lives of the American families who travel on our highways. We have only to consider the mounting toll, year by year, in the case of deaths and accidents of all kinds upon our highways,

UNIVERSITY OF MICHIGAN LIBRARIES

to appreciate the need for the system of interstate highways, which is financed approximately 90 percent by Federal Government funds, taken out of the increased funds coming from highway user taxes—increased funds which come largely as a result of the increased use of the highways provided under the act.

Mr. President, those who are so anxious to help us reduce the budget should also consider most seriously the situation in the Post Office Department. I see on the floor at this time the distinguished senior Republican member of the Committee on Post Office and Civil Service, the Senator from Kansas [Mr. CARLSON]. I hope we shall hear from him on this subject. I believe it is vital that those who are sincerely interested in the budget get behind a postal-rate increase, which is long, long overdue; it has been 25 years since there has been an increase in the first-class mail rate.

Despite the improvements which have been made in the postal system, under the leadership of Postmaster General Summerfield—and a great many improvements have been made—the postal system is still in need of a great deal of renovation and a great deal of improvement and a great deal of modernization. That will never be done, in my opinion, Mr. President, unless we get the postal service on a self-sustaining or nearly self-sustaining basis. Therefore, I hope the Congress will act favorably on the recommendation of the President of the United States that the postal rates be increased.

In our platform, we said this about that subject:

> We pledge to continue our efforts, blocked by the Democratic leadership of the 84th Congress, for a financially sound, more nearly self-sustaining postal service—with the users of the mails paying a greater share of the costs instead of the taxpayers bearing the burden of huge postal deficits.

Mr. President, I go to another subject. We stated in our platform the following, and this was dealt with by the distinguished Senator from New York very ably:

> We recognize that no single nation can alone defend the liberty of all nations threatened by Communist aggression or subversion. Mutual security means effective mutual cooperation. Poverty and unrest in less developed countries make them the target for international communism. We must help them achieve the economic growth and stability necessary to attain and preserve their independence.
>
> Technical and economic assistance programs are effective countermeasures to Soviet economic offensives and propaganda. They provide the best way to create the political and social stability essential to lasting peace.
>
> We will strive to bring about conditions that will end the injustices of nations divided against their will, of nations held subject to foreign domination, of peoples deprived of the right of self-government.

To that end, Mr. President, I feel that we are committed to support the budget of the President in connection with the matters heretofore mentioned. I feel we have an obligation, because of the pledges of the Republican Party platform; and I have read some of the pledges that were made when we asked the American people to reelect Dwight D. Eisenhower President of the United States and entrust the conduct of our National Government to a Republican Party administration.

I remind some of my colleagues that reckless talk of budget cuts as deep as $3 billion or $4 billion or $5 billion will create the impression that Republicans are turning their backs on their pledges.

I know the President has no intention of repudiating his promises, and the Republican Party should not permit the people even to suspect that we are less faithful to our trust than he is.

Let us remember that we are a party of principle. Let us approach the job of cutting the budget in that frame of mind.

There can be reductions in the budget. Actions can be taken in this Congress which will pave the way for tax cuts in the future. But budget cutting must be undertaken on a carefully selective basis, without injuring our national defense, without undermining our leadership in the free world, and without impairing the essential services which the people need.

In closing, Mr. President, I should like to say I always think it is unfortunate that we never seem to have a chance to come to grips with the budget as a budget. We try to handle the budget through separate appropriation bills. To my knowledge, efforts have been made by leaders in the Senate, since I have been a Member of the Senate, to bring about a single appropriation bill, so that, after all is said and done, we can look at the whole thing at once and say, "Now, is this what we really want or not?" The way we are compelled to vote upon appropriations now, piecemeal, having 12 separate appropriation bills, it is virtually impossible for a Senator, who may wish to be economy minded and who may wish to help in a reduction of the budget, to know where he stands in relationship to the whole matter. So I once more express enthusiastic approval of a single appropriation bill.

Also, I take this opportunity to say I wish we could pass an item-veto bill, so the President of the United States could veto certain items which creep into appropriation bills, without having to veto the whole bill. I think most of the States permit their governors to exercise an item-veto privilege. In the interest of economy, it seems to me we could hardly pass a bill which would be more useful than an item-veto bill, by which the President of the United States could exercise some discretion in connection with a veto.

Last year we passed an omnibus bill, but there were items amounting to six or seven hundred million dollars in that bill, representing a minority of the total, which had not been approved either by the Corps of Engineers or by the Bureau of the Budget, and were not really in good shape to be passed by the Congress; but we passed it.

The President felt compelled to veto the entire measure, because there were certain items in it which had not gone through the normal routine that had been set by the Congress previously for it to follow. If the President had had the privilege that an item veto bill would give him, and if he had had the responsibility which an item veto bill would give him, he would never have vetoed that omnibus bill, and we would have been in a much better position today to go ahead with some of the flood-protection projects that were included in the bill, and which are of vital necessity to the country, than we find ourselves in today.

I now yield the floor.

Mr. NEUBERGER. Mr. President, like all other Senators, I am sure, I have been receiving a heavy volume of mail about the President's budget for the coming fiscal year. With a few exceptions, the letters streaming into my office have attacked the size of the budget and have demanded substantial cuts, particularly in programs related to our foreign policies which President Eisenhower has described as essential to our security and our national interests.

Mr. President, it is ironic that the battle against the Eisenhower budget has been originated and led by persons and groups who have always been the hard core of the Republican Party, the President's party. The signal for the attack was given early by the President's own Secretary of the Treasury, Mr. George M. Humphrey. The cue was taken at once by groups who share Secretary Humphrey's big-business background and philosophy.

Thus, for instance, a large, expensive advertisement appeared in the Portland Oregonian last month, urging people in Portland to write to their Senators and their Congresswoman—all Democrats—to cut the President's budget. This advertisement was sponsored by a group of Oregon industrial companies, headed by the company whose president is the current president of the National Association of Manufacturers.

The advertisement prominently quotes Secretary Humphrey's statement that the President's budget might precipitate a hair-curling depression. Not only does it quote the Secretary of the Treasury against the President's budget, it even seeks to quote the President himself against it. To read this advertisement, you might wonder who prepared this budget and presented it to the Congress in the first place. Mr. President, I ask unanimous consent that the text of the advertisement be printed in the RECORD at this point.

There being no objection, the advertisement was ordered to be printed in the RECORD, as follows:

SPEAK UP—WRITE NOW—CUT FEDERAL SPENDING—IT'S TIME THE GOVERNMENT STARTED LIVING WITHIN OUR MEANS—THE BUDGET MUST (AND CAN) BE TRIMMED—BUT IT'S UP TO YOU

Most of us live within our income.

It's not easy, but we do it. Sometimes we go without things we'd like to have, but we have just so much money and that's that.

But look at the Federal Government.

It charges ahead, taxing and spending almost without restraint. If it needs more money it just puts a bigger bite on the taxpayers. Why, right now Uncle Sam is asking for $71.8 billion of our money (yours and mine) for 1958.

And, don't let anybody kid you: the sharp rise in Government spending is not due primarily to increased defense costs. The Government is spending less on defense than it did in 1954. The increase in Government spending comes from special programs and pet projects not concerned with defense.

Senator HARRY BYRD, Democrat, of Virginia, says that the proposed budget can be cut at least $5 billion without hurting national defense or the efficiency of the Government. Many Congressmen agree. The Hoover Commission has also shown how billions can be saved.

But Government spending goes higher and higher—and when anybody complains about it, Washington blames it on us, the people. Washington says it has to spend all that money because we, the people, demand it.

That's just not true. The demand for these enormous increases in spending does not come from the people. It comes from pressure groups—from organizations that want something for themselves at the expense of the taxpayers.

How long are we going to let pressure groups and bureaucrats dictate how much of our money the Government will tax and spend?

This Government spending spree must be stopped—and there is only one way to stop it: we, the people, must take a stand.

It's up to us. Only we can make Uncle Sam come to his senses and start living within the income we can afford. If all of us don't stand up and speak out for economy, nobody else will.

President Eisenhower has said he hopes Congress will cut the budget wherever it can. Secretary of the Treasury George Humphrey warned that unless Federal spending is reduced we'll have a depression that "will curl your hair."

Write your Congressman today. Urge a cut in Federal spending.

Do it now, while Congress is debating the 1958 budget. Let them know how you feel. It's your money they're going to spend. Speak up. Write now. Or be prepared to pay the price.

Write three letters today. Spend 9 cents—help save billions.

WHAT THE BUDGET MEANS TO EVERY OREGONIAN

As it stands now, the budget will cost each Oregonian—man, woman, and child—about $431.

The original budget estimated for 1958 was $4 billion less than the $71.8 billion called for by the President. This $4 billion could have been used to cut taxes—a cut that would have saved each Oregonian about $24 and the entire State about $40 million.

The Federal budget affects us all. It affects our homes, our jobs, our savings, our liberty. Let's do something about it. Write now.

Here are the Congressmen to write:

Senator WAYNE MORSE, Senate Office Building, Washington, D. C.

Senator RICHARD NEUBERGER, Senate Office Building, Washington, D. C.

Representative EDITH GREEN, House Office Building, Washington, D. C.

Sponsored by: The Hyster Co., Electric Steel Foundry Co., Albina Engine & Machine Works, Inc., Cascade Manufacturing Co., Howard-Cooper Corp., and Irvington Machine Works.

Mr. NEUBERGER. Mr. President, one cannot be wholly unsympathetic with the disappointment and chagrin thus expressed about the Eisenhower budget by some people. After all, many of the sentiments set forth in this advertisement could have been taken directly from General Eisenhower's campaign speeches in his first race for the Presidency. As a candidate, the President made extensive use of the familiar arsenal of economy slogans which for so long had been his party's favorite political ammunition. Of course, that is always politically convenient; but it also means that the President cannot escape his own responsibility for its consequences in the form of the attacks on the Federal budget we see today.

Mr. President, although it might be politically tempting for a Democratic Senator to join in criticism of the budget of a Republican President, I have, by and large, defended the budget against these attacks. I have tried to point out that the budget represents Government programs; that you cannot attack appropriations without destroying the programs themselves. Of course, Mr. President, that is the real target of the attack. The people who have led the fight on the President's budget, as for example in the advertisement I have mentioned, have little sympathy for the Government's social welfare programs, for its agricultural programs, or for our overseas programs of international cooperation. The economy slogan has always served as a convenient guise for crippling attacks on the substance of governmental activities.

The mask slipped a bit, in the case of the sponsors of the advertisement in the Oregonian, when the advertisement explains that the demand for appropriations for governmental programs "does not come from the people. It comes from pressure groups." Mr. President, I suppose it all depends on the program in question. Apparently, men who want fast tax writeoffs for private-utility dams, or subsidies for new merchant ships, or a $25 billion Federal highway program—they are people. Only pressure groups want higher pay or more adequate retirement benefits for postal and civil-service employees, or Federal aid to school construction, or flood-control and flood-insurance protection for endangered persons and property—from New England to Oregon. And sometimes we are led to believe that no one at all, except possibly some anonymous bureaucrats, wants the Government to continue the mutual security program, the point 4 technical-assistance program, and the other overseas programs of our foreign policy which the President has said are essential in our national interest.

Mr. President, because the advertisement in the Oregonian urged people to write their Senators to cut the President's budget, I wrote an article for the editorial page of the Oregonian to set forth my views on this subject. This article appeared, in slightly abridged form, on April 16, 1957. I ask unanimous consent that it may be printed in the RECORD at this point:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARTICLE FOR THE OREGONIAN

(By Hon. RICHARD L. NEUBERGER, United States Senator from Oregon)

As a result of advertisements placed in the Oregonian by the Hyster Co. and other corporations, my office is inundated by letters from our State demanding huge cuts in the Federal budget. To a Democrat like me, it is politically tempting to respond to this torrent of mail by blaming the budget on President Eisenhower, who submitted this $71,600,000,000 spending program to Congress.

But the path of partisan politics is not always the path of responsibility. The budget is the problem for us all, because it determines the posture of our Government—at home and in the rest of the world.

Contrary to the advertisement, President Eisenhower has not advised the Congress to cut the budget. Indeed, on April 3, the President even defended to the last penny the most controversial item in the budget—over $4,400,000,000 in so-called foreign aid. He said this "is the program we believe is the least we can do."

As a Member of the United States Senate who must vote on the budget, I would appreciate the opportunity of posing a few questions to those who are insisting that Congress apply a meat ax to the President's budget. These are my inquiries:

1. More than 80 percent of all Federal expenditures are for past and future national security, including the Armed Forces, new weapons, veterans' programs, foreign policy programs, and interest on the national debt. To what extent should Congress pit its judgment against that of the President, the Joint Chiefs of Staff, and his other advisers, on matters of national security?

The only part of the budget where cuts could be large enough to affect our taxes one way or another is in the $43 billion military security appropriations. What would critics of the Congress say if Congress were to cut these appropriations far beyond the level we are told the Nation's safety requires?

2. The most tempting target to most of my correspondents is the budget for our overseas expenditures, generally lumped together under the unpopular label of "foreign aid." The bulk of these expenditures goes for the military needs of South Korea, Formosa, the North Atlantic Treaty Organization (NATO), and other allies of the United States. The valiant and democratic people of Norway and Denmark have just again been threatened with atomic obliteration by Russia because of their participation in NATO, and their fate is at stake in NATO's continued strength. Should we surrender these free people and strategic areas to their powerful Communist neighbors? Or undertake their defense by increasing our own armed strength, even if this means putting twice as many young Americans under arms, just to avoid the unpopular notion of "foreign aid"? Similarly, the far smaller budgeted sums for point 4 technical assistance and economic development are important programs of our foreign policy. Should Congress, in the process of making appropriations, undertake to reverse the Eisenhower administration's foreign policies?

In a number of treaties and other commitments, the American people have pledged their sons to the defense of distant lands. Surely we are not a Nation willing to be internationalist with its soldiers but isolationist with its dollars. As long as we send American troops to remote bases across the seven seas, I shall not vote to deny the President funds for policies which he says will make less likely the danger of atomic combat for these men—and that applies regardless of the political party of the President occupying the White House.

3. The elimination of Federal aid to schools is urged by many of the letters. The Secretary of Health, Education, and Welfare has said that some 35,000 essential classrooms can be built each year only through Federal aid. A nationwide survey has just revealed that 75 percent of men schoolteachers and 17 percent of women must take on extra jobs in order to feed themselves and their families. We could, of course, close our eyes to the educational needs of America's children, and let the schools of the world's richest Nation fall behind those of Soviet Russia and other, less

UNIVERSITY OF MICHIGAN LIBRARIES

wealthy countries. But if we want the schools we need, they must be paid for from taxes, whether local or Federal—and at this very time, the strains on our local sources of taxation should demonstrate to people in Oregon why the Federal taxing powers are needed to help meet the heavy capital outlay for new school buildings.

4. Health and welfare is another place where budget cutting is demanded. Even the President's budget sliced cancer-research funds by 3 percent—to $46 million. Yet the retiring Surgeon General of the United States told me the Government might be able to use 10 times this sum in a "crash" program to try to get at the grim riddle of malignant diseases. Is any expenditure too large to invest in an effort to lift from over the heads of every man, woman, and child on earth the terrible sword of Damocles which we know as cancer? Could anyone buy his own cancer research with the pennies he might save by the cut in this appropriation?

5. The advertisement in the Oregonian sought to apply the recommendations of the Hoover Commission to the budget. Some of these recommendations are adverse to the continued operation of the Bonneville Power Administration, and to further Federal dams on the Columbia like McNary, The Dalles, or John Day. They would threaten such navigation benefits as the Yaquina Bay Harbor and the channel at the mouth of the Columbia River, unless so-called user charges are imposed. Surely no one with Oregon's interests at heart desires to see our water-development programs put in such straitjackets.

6. Finally, the administration's tight-money policy, by increasing interest rates on the Federal debt, has itself added to the annual Federal budget almost $1 billion in interest charges over fiscal 1955—and corresponding increases in State and local debt charges. Local school bonds, for instance, now must carry twice the interest cost of a few years ago. Thus billions in interest charges are added to our tax bills by administration fiscal policies for which we, in effect, receive nothing.

A Federal budget can be considered only in relation to the size of the country financing it. In the past 4 years, the budget actually has declined from 20 percent of the gross national product to 16 percent. I fear that reckless and indiscriminate cuts will be made at the expense of useful programs like aid to schools, health research, and self-liquidating investments such as our Northwest power dams.

This is not to say that no savings anywhere can be possible. Of course the Congressional appropriations committees are scrutinizing each agency's budget for this purpose. Congressmen pay taxes just as all citizens.

Only, let us keep in mind that cutting "the budget" means cutting programs—and attacks on programs can be disguised as meritorious demands for economy. As long as we recognize that it is programs and policies, not only an abstract budget, which are involved, perhaps we can find some which can be reduced or postponed—and perhaps there are others which should be accelerated and increased, in the national interest and in that of the people of Oregon.

Mr. NEUBERGER. In conclusion, Mr. President, I also ask that there be printed in the RECORD a cogent column by Mr. Marquis Childs, from the Washington Post and Times-Herald for May 1, 1957, on the subject of Republican opposition to the budget presented by the Republican President. This also touches on the matters I have just discussed.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STORM OVER BUDGET BREWS ON HILL

(By Marquis Childs)

Democrats returning from the Easter recess are voicing their indignation over what they heard back home from prominent Republicans. This was no less than a demand that they the Democrats, cut President Eisenhower's $72 billion budget or take the political rap for big spending.

Those Democrats who have felt obligated to support foreign aid, school construction and other measures Mr. Eisenhower has called for are beginning to ask why they should deliberately put themselves in the line of fire from the Republican rightwing. This reaction to the stop-the-spending propaganda being lavishly poured out in many parts of the country is bad news for the President's program.

In Oregon, an advertisement in newspapers denounced the spending spree, demanding that Uncle Sam come to his senses and start living within the income we can afford. The advertisement was sponsored by six corporations, including the Hyster Co. of Portland, of which Ernest Swigert, president of the National Association of Manufacturers, is the head.

The advertisement, which quotes the President as saying he hopes Congress will cut the budget wherever it can, asks voters to write to Senators WAYNE MORSE and RICHARD NEUBERGER and to Representative EDITH GREEN, all Democrats.

In other words, here were Republicans calling on Democrats to defeat the President on issues he has repeatedly said are vital. If there are to be any large budget cuts, they must come out of foreign aid or defense, and the President has said that cuts in aid will be damaging to American foreign policy.

This is a pattern that is becoming repetitious. Last year, in response to an urgent appeal from Secretary of State John Foster Dulles, who said he spoke with the authority of the President in behalf of aid for Yugoslavia, NEUBERGER voted with the administration. Yet when he went back to Oregon some Republicans accused him of being "pro-Communist" because of his vote to give economic help to Marshal Tito.

Senator WILLIAM F. KNOWLAND, the Republican leader of the Senate, and Senator STYLES BRIDGES, chairman of the Republican policy committee, both opposed the President on aid for Yugoslavia.

The pattern, NEUBERGER and other Democrats complain, is one of having your cake and eating it, too. When NEUBERGER ran for the Senate in 1954, Senators GEORGE W. MALONE, of Nevada, and HENRY C. DWORSHAK, of Idaho, went into Oregon to campaign against him on a "back Ike" appeal. Yet the Congressional Quarterly record of votes for the 1956 session of Congress shows that NEUBERGER supported the President on foreign policy on 95 percent of all rollcalls, while the record for MALONE was 27 percent and for DWORSHAK 36 percent.

Shortly before Members of Congress went on their Easter holiday the House defeated an amendment which would have cut the appropriation to support international commissions in which the United States has an important role.

Of the 166 House Members who voted for the cut, 99 were Republicans and 67 were Democrats. Of the 205 who voted against the cut, 128 were Democrats and 77 Republicans. Speaker SAM RAYBURN sputtered indignantly that once again the Democrats had to come to the rescue of the Republican President.

Democratic leaders in both the Senate and House complain that there is little or no effort on either side of the Capitol to rally support for the President among the Members of his own party. More often than not the attitude is one of indifference or private opposition to what the White House wants.

Returning from his golfing vacation at Augusta, Ga., the third play-rest-work interval since the first of the year, the President will have to face up to the revolt over the budget. In the words of one of his Congressional critics, he will have to fish or cut bait. He will, in short, have to show more effort and determination in behalf of the essentials of his program than he has demonstrated during the past 4½ years.

Mr. COOPER. Mr. President, I understand that the Senator from New Hampshire [Mr. COTTON] is prepared to deliver a speech. I have talked to the Senator, and I wonder if it is satisfactory to him to relinquish the floor to me for a short time.

Mr. COTTON. Certainly. I shall be very happy to do so.

Mr. COOPER. Mr. President, my remarks today, which will be brief, follow the same subject which has been discussed today by the distinguished Senator from New York, and only now by the distinguished Senator from Connecticut. My remarks will be general, but, as I stated yesterday on the floor, I think the time has come when Members on this side of the aisle should attempt to place in proper perspective the budget request of the President of the United States.

It is unquestioned that the President's proposals for the budget have aroused widespread interest throughout the country, and even sharp debate in the Congress of the United States. As I see it, objections to this budget have taken two principal forms. First, there has been widespread criticism of its fiscal aspects. Second, there have been bitter attacks made against the basic purposes and the specific programs of the Eisenhower administration.

The first aspect of this debate is undoubtedly a valuable one to the country. It is the searching examination and review of the expenditures which are proposed, and the policies upon which they are based. Also, there is substantial agreement in the Congress and in the country upon certain principles regarding the budget.

There is agreement that fiscal solvency and stability is the indispensable base for the growth of the country's economy. It cannot be disputed that the President and the Congress must keep expenditures in control, to hold in check, as the able Senator from Connecticut has just stated, the inflationary pressure which threatens the expansion of our economy, necessary defense measures, and the very living standards of our people. It is our duty to strike from this budget, as any budget, waste, unnecessary expenditures, and even programs which can be postponed. And I point out that this the President has recognized in his recent budget reduction suggestions to the Congress. Certainly on this side of the aisle all of us have agreed that unnecessary expenses should be eliminated. But, in the debate which has ensued since the submission of the budget, charges of fiscal irresponsibility have been made against President Eisenhower and his administration. It is right that the rec-

ord of the administration should be recalled, and that the present budget be put in proper perspective.

From the close of World War II until 1953, when President Eisenhower assumed office, a balanced budget had been achieved in only 3 fiscal years. Two of them were fiscal year 1948 and fiscal year 1949. Undoubtedly the Republican 80th Congress had its influence upon the attainment of balanced budgets in those years. When President Eisenhower took office, he found the 1953 budget unbalanced by $9.4 billion, and if he had not cut drastically the 1954 budget submitted by President Truman, a deficit of $10.1 billion would have resulted.

In addition to the national debt, obligations of the Korean war, amounting to $80 billion, had not been paid and had to be absorbed in the ensuing budgets of the President's administration.

I do not criticize the administration of President Truman for those obligations, because they were obligations of the Korean war, but it is a fact that in part they had to be absorbed in the budgets of President Eisenhower.

Yet, the record establishes the truth that President Eisenhower has attained effective control of the Federal budget. The fiscal 1956 budget was balanced and returned a surplus of $1.6 billion to the Federal Treasury. The 1957 budget, with 2 months left to run, will also be balanced and will return an estimated surplus of $1.7 billion. And the budget now under study is balanced and is estimated to produce a surplus of $1.8 billion.

All of this means that more than $5 billion will have been used to reduce the national debt under President Eisenhower's leadership.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. GORE. I wonder if the Senator would be willing to inform the Senate—and in case he does not have the information ready at his fingertips, to supply it for the RECORD—the size of the public debt at the time of President Eisenhower's inauguration and the size of the public debt today.

Mr. COOPER. I do not have the exact figures, but I understand the question which the distinguished Senator is raising. The debt has increased, but the debt has increased, as the distinguished Senator from New York [Mr. JAVITS] so well pointed out, because this administration had to pay the deficit obligations of the previous administration.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BUSH. I should like to ask the Senator if it is not true that the first fiscal year, which ended in 1953, before the Eisenhower administration presented a budget, resulted in a deficit of approximately $9½ billion?

Mr. COOPER. I just called attention to that in my remarks.

Mr. BUSH. Which would partly give the answer to the distinguished Senator from Tennessee.

Mr. COOPER. The Senator is correct.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. GORE. I wish to say to the distinguished Senator from Kentucky, for whom I have high regard and warm personal affection, that fancy bookkeeping indeed is required to both reduce and increase the national debt at the same time.

Mr. COOPER. I was speaking of the payments on the national debt, in calling attention to the debt reduction, and I insist it is a debt reduction.

In calling attention to this debt reduction we should also recall that a major tax reduction was voted in 1954. In its first year of operation this tax reduction saved individual and corporate taxpayers a total of $7,363,000,000. And this reduction, of course, has brought similar savings in subsequent years.

I do not believe it is possible, as some critics of this budget have tried to do, to attain comparison with the budgets of 1939, or 1940, or even 1950. The reasons are obvious. It is possible, however, to obtain a clearer picture of the proposed 1958 budget by contrasting it with the fiscal 1953 budget. In fiscal 1953 the Federal budget represented 21 percent of the gross national product. In fiscal 1958 the President has proposed a Federal budget which represents 16 percent of the gross national product. It is true, of course, that in 1953 we were fighting the Korean war, a terribly expensive proposition. It is also true, however, that in 1957 and assuredly in 1958, the United States is maintaining the most extensive and most effective system of military and economic defense relationships throughout the world, also an expensive proposition.

It can be fairly said that beginning with the sharp reduction made by this administration in the final proposed budget submitted by President Truman, President Eisenhower has succeeded in reducing expenditures and maintaining revenues to the point where the Federal Government is at long last operating in the black.

But I have not risen particularly to speak about specific items in the budget, for they will be considered as appropriation bills come before us. Nor do I join issue with those who want to exercise a searching review of expenditures in the budget, as they have done with past budgets.

There are many in this Congress and throughout the Nation who are concerned with inflation who are approaching the budget from that viewpoint.

I have risen to speak briefly today about the second aspect of the attack upon the budget, which I mentioned at the beginning of my remarks. It is the attack against the very goals which President Eisenhower has set for his administration.

President Eisenhower has stated on many occasions clearly and forcefully the overriding purposes of his administration, that is, to secure a lasting peace in the world based on justice and to enlarge the area of freedom and opportunity for all our people at home.

The platform adopted in San Francisco last summer represented a statement of these broad purposes in terms of specific programs and policies. Many here contributed to the writing of the platform, and many pledged specific support to it.

I think it could be said here that many would not be here today but for that platform and for the leader that we followed in 1956.

Mr. JAVITS. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. CHURCH in the chair). Does the Senator from Kentucky yield to the Senator from New York?

Mr. COOPER. I yield.

Mr. JAVITS. I should like to state to the Senator that I campaigned the length and breadth of New York in the last election, most intensively. There were some things on which I was opposed to what the President was advocating, but I was able, I felt, to secure the great majority of support in that State because of the composite, which was the whole program, and, more than that, because of the basic philosophy which animated it, which the people felt was enlightened and truly middle of the road.

I congratulate the Senator for pointing out that what those of us who have spoken today, and others who, I hope, will speak after us, are trying to do is to state and maintain our own faith. I congratulate the Senator for making that clear.

Mr. COOPER. I thank the distinguished Senator from New York. As did the Senator from Connecticut [Mr. BUSH], I wish to mention a few of the commitments of the platform. They include:

Federal aid for public-school construction;

Extension of coverage of the minimum wage;

Expansion of the social-security program;

A Federal health reinsurance program;

An effective civil-rights program; and

Economic-aid programs to counter the Soviet economic offensive.

It is possible, of course, that all Members on our side may not agree with every one of these objectives. I myself substantially agree. However, the program represents the considered decision of my party.

While great programs were commenced in the administrations of President Roosevelt and President Truman, many voters had come to believe that those programs simply represented change, and change without direction. They turned to President Eisenhower in 1952 and again in 1956 to seek direction. They found that his purpose, as translated into specific programs, was to promote national security and progress within the limits of the Nation's fiscal ability.

The Eisenhower administration's program has been a moderate one. It has avoided extremes, both of the right and of the left. It has retained progressive

UNIVERSITY OF MICHIGAN LIBRARIES

programs inherited from previous administrations. Yet it has faced the conditions which confront this country in the mid-20th century, and has focused attention on programs which would advance the cause of freedom abroad and at home.

I do not intend this afternoon to try to speak comprehensively on the aims of the President's program. There will be time for that during the discussion of the appropriation bills which come before us. I should like to point out at least some of those aims with respect to foreign policy, and with respect to our domestic program.

With respect to foreign policy, I believe two main approaches—and, I may add, successful approaches—of President Eisenhower could be placed in jeopardy by the attacks on the budget.

The Eisenhower administration has insisted that defense spending be maintained at a level which will provide security for this country. The achievement of nuclear weapons by Soviet Russia and the relative diminution in strength of our allies have cast up the United States as the only Western country possessing sufficient power to protect its own security and the security of the democratic systems of the free countries of the world. That was dramatically demonstrated a few days ago when the British Government issued its white paper saying that the security of the world today depended upon the nuclear deterrence owned by the United States.

This has required the highest peacetime defense budget in our history, but it has accomplished its purpose. We are at peace, and this program stands in successful contrast to American weakness prior to World War II and the Korean war. I say that this defense must be maintained.

The Eisenhower administration has also had the vision to realize that military measures alone will not attain national security. My distinguished colleague from New York [Mr. JAVITS] has discussed the objectives of our foreign-aid program. By that program this administration has sought to attain security in cooperation with the other free countries, by adding them to maintain their political and economic independence. In those countries—and perhaps in the uncommitted areas of the world—the future of freedom may well be decided.

I have had some opportunity to observe the importance and influence of those programs. At some later date I expect to address myself more specifically to our foreign-aid programs.

These attacks against the defense and foreign-aid budget reveal a stubborn area of isolationism in both parties. Those who represent it are a small but very vocal and powerful group. They refuse to face the facts of America's position in the world today, and some of them use the budget as a cloak behind which to protect programs and policies which the President, the administration, and the Congress have determined to be essential to achieve our security and to move toward peace. This is true even though only 6 months ago there was grave danger of our involvement in war in the Middle East, and even though this danger continues.

I shall select only one item on the domestic side of the budget for brief discussion. I wish to discuss the widespread attack on the President's proposal to furnish aid to the States for school construction.

This country is the richest in all the world. It now enjoys its greatest prosperity. Yet it is a country in which there is great disparity of educational opportunity among its various sections. Even worse, there is a deterioration in the quality of education. Surely our Government can afford to make a contribution to provide its children with an equal start in life.

I was reminded yesterday, when the distinguished junior Senator from Massachusetts [Mr. KENNEDY] submitted his report upon the selection of five great Senators whose portraits are to be hung in the reception room, that one of the five who were named was the great Senator Robert A. Taft, of Ohio.

Many have chosen him as their standard and paragon of conservatism. Yet that great Senator fought for the principle of opportunity—not security, but the principle of opportunity. He introduced bills in the Congress to that end, and fought for them. At one time he secured passage through the Senate of a bill to provide Federal aid for education, because, as he said so well, it would provide equal opportunity to the young men and young women of this country.

There are groups who attack this budget because of their open hostility to social progress. They represent a small minority, but they are well financed and extremely persistent. After 20 years they refuse to accept the social and economic reforms which have long since become a part of our American system. It is ironic that many of those people have prospered greatly under this administration; yet they would deny opportunities, even on a greatly reduced scale, to others.

It is my hope that in the budget review and budget decisions which we must make during the next few months my party and this Congress will not isolate themselves from the continuing needs of economic justice, greater political freedom and opportunity at home, and the objective of security and peace, together with the advancement of freedom in the world.

Finally, Mr. President, I would suggest that the responsibility for providing the administration with the means and with the leadership for carrying out the aims of the administration of President Eisenhower rests with the members of the Republican Party in Congress.

Like others, I have pledged myself to review carefully all budget requests and to help eliminate any waste and unnecessary programs. However, I have risen also to speak against the effort which is used by some to attack the great aims and objectives of the administration and to attack the President himself. I believe it is the duty of our party to preserve the purposes and aims of the administration.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. BUSH. Mr. President, I wish to congratulate the Senator from Kentucky upon his splendid presentation this afternoon and for his forthright contribution to this continuing debate on the budget for the next fiscal year.

The Senator is one who is well qualified to speak on the subject. He has a very thorough grasp on the importance of certain sections of the budget because of his experience. I am thinking particularly of the items in the budget which relate to our foreign policy, our foreign service, our mutual security program, and our technical assistance program. He has seen those programs as they have been applied, and he has seen them at first hand and at close range. Therefore, it is a comfort to me to have his appraisal of these items in the budget.

I congratulate him on the forthright manner in which he has stated his views today.

Mr. COOPER. I thank the Senator from Connecticut.

Mr. JAVITS. Mr. President, will the Senator yield to me briefly?

Mr. COOPER. I yield.

Mr. JAVITS. I, too, would like to join my colleague in congratulating the Senator from Kentucky on his action today. I should like to point out, too, that this argument has been going too far and too much the other way. It is high time that the voices of responsibility of our elective representatives, who have the people to depend upon, be raised in speaking to this subject. I do not believe anyone need fear telling the American people the truth.

I congratulate my colleague from Kentucky.

Mr. COOPER. I thank the Senator.

Mr. CARLSON. Mr. President, I wish to associate myself with the remarks of the distinguished Senator from Kentucky on the budget. He has made a fair and timely statement, in which he has stated, I believe, the view of all Members of the Senate, that while we must economize and cut the budget wherever we can, we must not forget the basic objectives, not only of the administration, but also of our great Nation, of which all of us are a part, when it comes to living among the nations of the world and living strong domestically from a defense standpoint and an economic standpoint.

I congratulate the Senator.

Mr. COOPER. I thank my friend, the distinguished Senator from Kansas.

AMENDMENT OF THE TENNESSEE VALLEY AUTHORITY ACT

Mr. COTTON. Mr. President, on behalf of myself and the senior Senator from Pennsylvania [Mr. MARTIN], the senior Senator from New Hampshire [Mr. BRIDGES], the senior Senator from Connecticut [Mr. BUSH], and the senior Senator from Maryland [Mr. BUTLER], I introduce for appropriate reference a bill to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes.

I ask unanimous consent that the bill be held at the desk through Monday, May 6, to permit other Senators who may be interested to join as sponsors.

The PRESIDING OFFICER (Mr. CHURCH in the chair). The bill will be received and appropriately referred; and, without objection, the bill will lie on the desk, as requested by the Senator from New Hampshire.

The bill (S. 1986) to amend the Tennessee Valley Authority Act of 1933, as amended, and for other purposes, introduced by Mr. COTTON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

Mr. COTTON. I wish briefly to acquaint the Senate with the background and the purposes of the bill to amend the Tennessee Valley Authority Act, which I have just sent to the desk. The RECORD should show as clearly as possible the reason for and the purposes of the measure, and exactly what it provides.

The Government Corporations Appropriations Act of 1948 contains the following legislative provision:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress.

That provision of law has remained in full force since 1948, but its effect has been modified. In an opinion dated September 10, 1955, the general counsel of the Tennessee Valley Authority, Joseph C. Swidler, advised the TVA board:

> In thus prohibiting the use of revenues for construction of "new power producing projects" without prior Congressional approval, Congress clearly intended that the prohibition should apply only to new steam plants and single-purpose power dams, and not to generating units in existing plants or to transmission facilities.

The effect of that ruling is twofold. First, it casts doubt on what the law is with regard to the use of TVA's revenues; second, it tends to indicate, if we accept it as it is stated, that so long as its revenue is not used to construct complete new powerplants, as many additional units to present plants may be constructed as the Board of the Tennessee Valley Authority in its wisdom deems proper and necessary. In view of the developments in technology, it is perfectly possible in this way to increase the power producing capability of the Tennessee Valley Authority tremendously and to transmit its power over a greatly expanded territory.

The question that has risen because of this ruling came to a head last year, in 1956, in connection with a supplemental appropriation bill. At that time, the administration requested an appropriation of $3,500,000 in the second supplemental appropriation bill for fiscal year 1956, to finance construction work on additional generating units at the John Sevier steam plant.

The majority of the House Appropriations Committee denied the funds and stated:

> The committee finds that the Tennessee Valley Authority power revenues have provided it with sufficient funds for the construction of such additional units as TVA now requires, and believes that the agency should follow normal business procedure, using its revenues to the extent necessary.

A minority of the committee issued a strong statement of minority views. The views of the majority prevailed in the House of Representatives.

I might interpolate that the majority views were almost bound to prevail because, as a result of the committee's action, the supplemental appropriation bill carried no funds for this purpose; and a motion to change the legislative situation would have been ruled out of order.

When that appropriation bill reached the Senate, the Senate Committee on Appropriations took a decidedly opposite viewpoint. No question was raised, or at least very little question was raised, about the desirability or the necessity of the new units requested and required by the TVA, but the Senate committee felt that to pass the bill in the form in which it was sent over by the House would mean that Congress had, tacitly at least, and by implication, surrendered its control of the use of the revenues of the Tennessee Valley Authority, which is the creation and the child of Congress. So the Senate Committee on Appropriations placed back in the appropriation bill last year the specific appropriation for TVA for the new installations and thus denied TVA use of its power revenues with Congressional approval. The question, I repeat and wish to emphasize, was not as to the necessity or the desirability of the installations; it was whether, by passing the bill without appropriating the money for this purpose, Congress would surrender its control over the revenues and would, to that extent, place its mark of approval on the interpretation made by the general counsel of the Tennessee Valley Authority.

The Senate followed the recommendations of its own Committee on Appropriations. The matter was then thrashed out in the committee of conference. Finally, the necessity of passing the supplemental appropriation bill caused the Senate conferees to yield. So the bill was passed without the definite appropriation. Two of the conferees, my colleague, the distinguished senior Senator from New Hampshire [Mr. BRIDGES], and the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL], felt so strongly about the principle involved that they refused to sign the conference report.

I call attention to the fact that the Senate went on record backing its own committee. In the course of the debate in the Senate, I recall that it was repeatedly urged that this question should be settled by a regular legislative bill, and should not be settled in a collateral way in connection with the supplemental appropriation bill. That is the reason why at this time I am introducing this measure.

Mr. GORE. Mr. President, will the Senator yield?

Mr. COTTON. Yes; I yield to my friend from Tennessee.

Mr. GORE. I recall the debate last year, to which the able Senator from New Hampshire refers. I recall, too, the joint service which the distinguished junior Senator from New Hampshire and the junior Senator from Tennessee enjoyed as members of the Committee on Appropriations of the other body. There are few men who have a more detailed and comprehensive understanding of the operations of the independent agencies of the Government than that which is enjoyed by the junior Senator from New Hampshire.

I think the able Senator has approached the pending problem in a correct way. Although I disagree with the advisability of the enactment of the bill which the able Senator is introducing, it is, in my opinion, the proper way to approach the subject rather than to attach a rider to an appropriation bill.

The able Senator from New Hampshire and I enjoy joint service on the Senate Committee on Public Works, to which the bill he is introducing will be referred. I hope the bill will receive consideration, and I shall join him in requesting consideration. It is my hope that after consideration, the committee will deem the recommendation of its enactment unwise.

If the Senator from New Hampshire will not think I am trespassing on his time——

Mr. COTTON. Not at all. I am very happy to have the contribution of the Senator from Tennessee to the matter. It is something on which we have worked together, as the Senator has mentioned, both in our service in the House of Representatives, when we were members of the Subcommittee on Independent Offices Appropriations of the Committee on Appropriations, and in the Senate on the Committee on Public Works.

While we may not see this proposal from the same point of view, it is a pleasure to discuss it with the Senator. I am glad he is on the floor, and I appreciate his contribution to the discussion. I want him to go ahead and to feel perfectly free to say whatever he desires to say about the matter. I am happy to yield to him.

Mr. GORE. Mr. President, the Senator from New Hampshire has again demonstrated the generosity, the graciousness, for which we, his colleagues, love him.

The Senator will recall that although certain citizens from the area which I have the opportunity to represent, in part, opposed such action, I, as a Member of the other body, supported the provision in the 1948 act.

Mr. COTTON. I remember that.

Mr. GORE. Furthermore, I joined with him in supporting the requirement that the TVA projects be amortized over a 40-year period, this likewise being over the opposition of some of my compatriots from the area of the country which I have the opportunity and the honor, in part, to represent.

I do not agree, however, with the interpretation of the 1948 act which the able Senator from New Hampshire now places upon it. The history of the legislation makes it very plain, I think, that the reference is to new plants. An additional generator to be installed in the dam across the Tennessee River at

UNIVERSITY OF MICHIGAN LIBRARIES

Muscle Shoals should not, in my opinion, be considered as a new plant. Neither should an additional generating unit at an existing steam plant be regarded as a new plant, but rather as an additional installation in an already established plant.

Mr. COTTON. I thank the distinguished Senator from Tennessee for his statement. He has very clearly stated the points on which we can work together and the points on which we disagree. Incidentally, the Senator's knowledge, not only of the history, but also of the engineering and mechanical operations of the Tennessee Valley Authority, most of which is in his State, is exhaustive. I know he will correct me if I am in error. I believe he will agree that, whereas in the early days of the Tennessee Valley Authority and in a measure up to the present time, a steam unit generated approximately 50,000 or 75,000 kilowatts, it is now perfectly possible and feasible to install steam units which will generate 200,000 or even possibly 300,000 kilowatts of power. Thus, when units of modern type are added, it is perfectly possible to increase tremendously the power-producing potentialities of any one plant, whether it be a hydroelectric plant, a steam plant, or a combination of the two.

Mr. GORE. Mr. President, will the Senator from New Hampshire yield?

Mr. COTTON. Certainly.

Mr. GORE. I agree fully with the Senator from New Hampshire. Indeed, whereas the first steam-plant generating units constructed by the Tennessee Valley Authority were—as the able Senator from New Hampshire has said—of the order of 50,000 kilowatts capacity, and I think some in the case of the Norris Dam were of 25,000 kilowatt capacity, the newest steam plant constructed by the TVA, upon authorization by the Congress, has units of 250,000 kilowatts installed capacity, each. So the Senator from New Hampshire is entirely correct. However, that development is the result of improved technology, not the result of modification of the law, brought about by interpretation by the General Counsel of the TVA of the law.

Mr. COTTON. That is correct, and I thank the Senator from Tennessee for his statement.

At this point I wish to state—because of the point the Senator from Tennessee has raised—that I do not assert that the increased power-producing potentialities have anything to do with a change in the original meaning of the Government Corporations Appropriation Act of 1948. I mention it now to show the necessity of a very definite, clear-cut expression of Congressional control, because the increased potentialities of the new, modern units, together with the increased efficiency of transmission, mean that if the TVA is to have complete, carte blanche authority to use its revenues to build new units, it can extend its activities to a very large degree without Congressional approval. If that is what the Congress wants, the Senator from New Hampshire will, of course, yield to the will of the majority. However, I think that of itself requires an expression of Congressional intent.

At this point I wish to refer briefly to the report, last year—1956—of the Senate Committee on Appropriations. The Senate committee voted to restore the requested appropriation; and in its report the committee said:

> The committee believes it is unwise for the TVA to continue a policy whereby units can be added at existing plants without coming to the Congress for authorization and funds. The committee urges the appropriate legislative committee to act on this matter in order to clarify this situation before the next appropriation request is submitted to the Congress.

That is a formal request by the Senate Appropriations Committee that the appropriate legislative committee take such action. The reason why I have presumed to take the initiative in introducing such a bill is that the appropriate legislative committee, I assume, is the Committee on Public Works; and I expect that the Chair in his wisdom will refer the bill to that committee.

At this time I wish to quote briefly from a letter written by the Comptroller General of the United States, dated March 26, 1956, at a time when this controversy was in progress. The letter was addressed to the Honorable JOHN TABER, of the Committee on Appropriations, House of Representatives. The letter covers various subjects, but it includes the following:

> This letter is not addressed to the question of TVA's statutory authority, which has been the subject of considerable discussion and disagreement, except to recommend that the present law be amended to clearly state the intent of the Congress with respect to its control over TVA's capital expenditures for power facilities. We believe such legislation is necessary at this time because, in our opinion, (1) the present law is not clear in this respect, (2) there has been a substantial change in the nature of TVA's capital expenditures for power facilities between 1948 and 1955, and (3) the present law, as currently applied, does not give the Congress effective control over TVA's expenditures of public funds for power facilities. It is our view that the Congress can most effectively control expenditures of this character through appropriations; however, if the Congress wishes TVA to use its power revenues, or funds obtained from other sources, to construct or acquire power facilities, it should require TVA to obtain specific and prior authorization from the Congress for such facilities.

Mr. President, from the Senate Appropriations Committee, from the Comptroller General of the United States, and from many others, comes the call for clarification of this matter. Whatever may have been the original intent—and I shall not take time to argue that point at the present time with my distinguished friend, the Senator from Tennessee, and whatever may be the justice and accuracy of the interpretation by the General Counsel of the TVA, at least there is so much doubt upon this matter that Congress should have an opportunity to pass upon the question of whether it is going to surrender to the board of the TVA the discretion to use the revenues of the TVA to expand its operations, when in the course of technological development that expansion could be very considerable and, in fact, could extend for great areas and could include large cities outside the present service perimeter of the Tennessee Valley Authority.

In just a moment I shall be glad to yield further to the Senator from Tennessee; but, first, I wish to call attention briefly to some of the provisions of the bill I have introduced, in order that the Senate may understand exactly what the bill seeks to do.

In the first place, the bill, which I have just introduced, would amend the last paragraph under the subtitle "Independent Agencies and Corporations," in title II of the Government Corporations Appropriation Act, 1948, now reading as follows:

> None of the power revenues of the Tennessee Valley Authority shall be used for the construction of new power producing projects (except for replacement purposes) unless and until approved by act of Congress (16 U. S. C. 831h–2).

Section 26 of the Tennessee Valley Authority Act of 1933, as amended (16 U. S. C. 831y), contains a broad grant of power to the TVA Board over the use of power revenues or any other revenues accruing to the Corporation. The section provides that proceeds from the sale of power or any other products manufactured by the Corporation shall be paid as miscellaneous receipts of the United States Treasury at the end of each calendar year, but then contains the following:

> Save and except such part of such proceeds as in the opinion of the Board shall be necessary for the Corporation in the operation of dams and reservoirs, in conducting its business in generating, transmitting, and distributing electric energy.

Mr. President, I consider it necessary, therefore, to include in the bill the phrase "notwithstanding section 26" so that the limitations contained therein will also be a limitation on the authority to expend power revenues contained in section 26.

In other words, the bill does not affect this broad power, except it states that, notwithstanding this provision, Congress shall continue to control the use of revenues insofar as they are used for new power generating facilities.

The bill next provides that power revenues can only be expended for the "construction, or acquisition of any power producing units, installations, facilities or projects" as Congress may approve in its consideration of TVA's annual budget. This means that if TVA were to seek authority to expend power revenues for the stated purposes, the request for such authority would have to be contained in the President's budget.

The first proviso sets forth in exact detail just how Congress shall express its approval for the use of power revenues by TVA. This is important. This must be done by specific language in an appropriation bill, and would preclude the use of committee reports as a vehicle of approval. It should be made perfectly plain that the bill provides that.

I want to emphasize, and particularly to call to the attention of my good friend from Tennessee [Mr. GORE], the last

proviso in the bill, which contains the phrase "except for replacement purposes." It defines the phrase to mean:

The repair or replacement of an existent unit, installation or facility, which replacement would not result in increasing the number of units, installations or facilities at existent plants.

That, of course, means—and I want to emphasize this—that in presenting this measure to the Senate, the Senator from New Hampshire is not seeking to stifle or hamstring the Tennessee Valley Authority. Rather, he is seeking to have Congress clearly define its continual control over its expansion. This particular provision, the last provision in the bill, makes it clear that if this bill became the law, the Tennessee Valley Authority, or its Board, could use its revenue to replace a steam unit that, at present, produces only 50,000 kilowatts with one that produces 250,000 kilowatts. It simply prohibits new, additional units without the authority of the Congress.

I wish to mention one other matter, and then I shall yield to my friend and be through. As my friend from Tennessee knows, for he has been acting as chairman of the subcommittee considering the bills, there are at present two bills being considered by the Committee on Public Works. One of them is S. 1869, introduced by the distinguished Senator from Oklahoma [Mr. KERR], on behalf of himself and Senators HILL, GORE, KEFAUVER, STENNIS, EASTLAND, and SPARKMAN. The other one is S. 1855, introduced by the distinguished Senator from Kentucky [Mr. COOPER].

Both bills are designed to permit the Tennessee Valley Authority to issue bonds, borrow money, conduct its business, build its facilities, and repair and extend its operations as any other business does, without coming back every year for appropriations from the Congress.

The bill introduced by the distinguished Senator from Oklahoma provides, in its present form, that if the Tennessee Valley Authority, exercising the power proposed to be conferred on it, is to extend its operations beyond the perimeter of its present service, it shall notify the Congress and wait 60 days for action that the Congress might take in connection thereto.

S. 1855, introduced by the Senator from Kentucky [Mr. COOPER], provides that the Tennessee Valley Authority cannot use its revenues to extend its operations beyond its present service area without coming back to the Congress for specific authorization.

If the provision concerning expansion in S. 1855 should receive the approval of the Public Works Committee and should be approved by the Congress, that would settle this question, so that the bill I am presenting today would be unnecessary. However, there are many other factors in the proposed bills of the Senator from Oklahoma [Mr. KERR] and the Senator from Kentucky [Mr. COOPER] that are controversial.

They include factors such as a limit on bonding authority, how bonds shall be floated, whether they shall be under the control of the Secretary of the Treasury as to the time and form, and provisions for repayment to the Treasury of the taxpayers' investment in the Tennessee Valley Authority. So that I think it is reasonable to say that the outcome of the bills is extremely doubtful.

Therefore, the Senator from New Hampshire has at this time presented this bill, hoping it will be referred to the Committee on Public Works and hoping there will be prompt consideration of it by the Senate, because it excludes all the other questions and simply goes to the heart of this matter, which was the subject of such sharp controversy last year. That was that in constructing new power facilities, whether they be in a plant by themselves or whether they be additional units to present plants, specific approval of the Congress should be obtained. In other words, if TVA is to extend its operations into a wider territory, and run longer distances and take in new cities and new territories, it should have the specific approval of the Congress, which it had to have until 1955, when the TVA ruling was made.

That is the purpose of my bill. I am sorry to have taken so much time of the Senate, but I wanted the RECORD to show that clearly.

I now yield to the Senator from Tennessee.

Mr. GORE. Mr. President, the able Senator and I find ourselves in disagreement as to the legislative intent and the proper interpretation of the 1948 provision. I join him, however, in the view that it is entirely proper for the Congress to review the 1948 provision, and review it in the light of the improved technology to which the able Senator has made reference. In determining whether or not it is necessary for the Congress to enact law which would be further restrictive of the management of the TVA by its Board of Directors in a business-like way, the Senator points to bills pending now before the Senate Public Works Committee, and to the possibility that, by use of revenue, an expansion of the TVA might be possible.

The possible expansion to which the able Senator refers might be either geographic expansion or a vertical expansion, that is, an increase in the generating capacity of the TVA to serve the area presently served by the TVA.

I think the Senator will agree that the service area which the TVA now supplies, and which it has been supplying, is one where production of electricity has been rather static for 12 years now. Were the revenues of TVA not required for amortization of the projects already in being, the apprehension of the able Senator might, in the view of the junior Senator from Tennessee, have more point. But when the amortization requirement is coupled with the requirement for payments in lieu of taxes, considering the enormous demand for increased electricity in the TVA area, I just doubt that there is any ground for real apprehension of a geographic expansion of the TVA.

I agree, however, that it is a matter to which Congress can and properly should give attention.

Mr. COTTON. May I say to the Senator from Tennessee that the Senator from New Hampshire does not necessarily indicate he is apprehensive or that he necessarily objects to certain expansion of the TVA. The point that he does emphasize, and the reason for this proposed legislation, is that if there is to be such expansion it should have the full consideration of the Congress of the United States, where every State and every section, whether far away from or contiguous to the Tennessee Valley, will have an opportunity to consider the wisdom and fairness and advisability of such expansion.

Also, while I agree that the Senator from Tennessee is correct in stating that during the past few years there has not been substantial expansion or growth of TVA, there has been some. I have in mind at this moment that the city of Memphis was insistent that the Tennessee Valley Authority produce electric energy for that city some time ago.

I think the question of expansion is a very real one. I am not stating that necessarily we should say there shall be none, but it is important, I think, that we should have complete control. That is the purpose of the legislation.

I thank the Senator from Tennessee for his contribution.

I wish to apologize to the distinguished Senator from Kansas, who is about to take the floor, for the time we have consumed.

PROGRESS IN MENTAL HEALTH TREATMENT

Mr. CARLSON. Mr. President, I do not wish to have this week go by without discussing briefly some of the progress we have been making in mental health treatment.

President Eisenhower has set aside this week, beginning April 28, as National Mental Health Week, and as I regard mental health one of our most serious problems, I wish to take this opportunity to discuss some of the problems in connection with it and also report progress that is being made in the cure and control of this disease.

It is only in recent years that we have actually come to grips with this problem and are now treating patients for mental illness instead of incarcerating them in hospitals, which, in reality, became prisons for the rest of their lives.

We in Kansas have been most fortunate, in that the Menninger Foundation—which is internationally known—is located at Topeka, Kans., and has for many years conducted a program of research and carried on clinical demonstrations which prove that mental illness responds to treatment just like physical ailments.

As we observed the effectiveness of the work of the Menninger Foundation, we in Kansas became convinced that their program was good not only for Kansas, but for the Nation.

It was in 1947 that Kansas decided to do something about its mental health problem, and while I shall discuss the mental health program from a national standpoint, I also wish to discuss some

UNIVERSITY OF MICHIGAN LIBRARIES

of the changes that have taken place in Kansas since 1947.

It was my privilege to serve as Governor of the State of Kansas. I not only took a personal part in the campaign which our citizens and the Kansas Legislature approved, but took steps necessary to get the program underway.

One of my first official acts was to appoint a commission composed of outstanding doctors and private citizens and charge them with the responsibility of making recommendations to the Governor and the legislature for changes in our mental health program.

Mr. GORE. Mr. President, will the Senator yield?

Mr. CARLSON. I am happy to yield to the Senator from Tennessee.

Mr. GORE. I wish to congratulate the able Senator for the success of the program which he had the honor and foresight to inaugurate in the great State of Kansas.

Mr. CARLSON. I appreciate the kind remarks of the very able Senator from Tennessee. It is not only true that we have made great progress in Kansas, but great progress has been made in many States of the Nation—most States at the present time. However, 10 or 15 years ago there was not sufficient attention paid to the mentally ill of this Nation. I am happy we are now making this progress. I know Tennessee has made progress, as well as many other great States.

Mr. GORE. May I say that under the administration of Gov. Frank Clement, of Tennessee, very great progress has been made in this field. In this activity, as in other fields in the area of human welfare, Governor Clement has taken a very keen personal interest.

Mr. CARLSON. That is very commendable.

In 1948 we were spending $1.06 per patient-day, while in 1953 we spent $3.87 and $4.73 in 1955.

I have before me a report from Dr. George W. Jackson, Director of Institutions in Kansas, for the year 1956, which states that the daily cost per patient has increased 41.2 percent, but operating expenses per patient released alive has decreased 42.2 percent.

According to Dr. Jackson, of the 1,040 first admissions—that is, people admitted to our mental hospitals—during fiscal year 1955, the following dispositions had been made within 1 year: still in hospital, 25.77 percent; discharged, 37.02 percent; on trial visit, 23.56 percent; in family care, 5 percent; deaths and otherwise absent, 8.65 percent.

That, to me, tells the story of the great progress that has been made within our State, when you realize that only one-fourth of those who were admitted during the year 1955 were in the State hospitals at the end of the year.

The fact that 37 percent were discharged as cured, about 25 percent were out on trial visit, and 5 percent in family care demonstrates that Kansas' program is paying dividends.

In Kansas during the year 1949, with more people in our mental hospitals, only 455 were released, while the number released in 1955 was 1,356.

About 80 percent of those admitted to our hospitals are released in 1 year. This 80 percent includes about 8 or 9 percent who died during their stay in the hospital.

Things have been happening in a good many States, but my responsibility, I think, is to try to tell what has happened in the State of Kansas that has materially changed our whole mental hospital situation.

I am proud of the fact that Kansas is probably the only State in the Union in which the mental hospital population has gone down in the past 5 years. It is down now more than 7 percent, in contrast to the national average, which shows roughly an increase of 15 percent. Even with our Kansas State hospitals still quite inadequately staffed, 74 percent of the folks who entered those hospitals in 1954 went home, most of them within a period of from 3 to not to exceed 6 months.

I believe that Kansas has the only system of State hospitals in the country where there is not a long waiting list and where people do not have to sit in jail for a week or a month before they can even enter a hospital where a doctor might see them a month later.

It is possible and probable, I think, that in Kansas we shall never have to build additional hospital beds if we can keep our present program going. To be sure, we shall have to build some replacements, but when we started this program, the Public Health Service told us that we needed 3,800 more beds; in very rough figures, they would have cost $38 million. That sum was not spent—and I do not believe it will need to be spent.

Thus, our experience to date suggests strongly that increased expenditures for the care and treatment of the mentally ill are good investments not only in human values, but also in terms of dollars and cents.

Under a program of custodial care only, relatively few patients are released, hospital populations build up and up, more beds must constantly be provided, at an average cost of approximately $10,000 per bed; and no solution to the problem of mental illness is ever in sight.

On the other hand, a dynamic program of psychiatric care and treatment makes possible the improvement and cure of a great many patients who can then be released as useful citizens of the community again. Turnover is much greater, more patients can be treated and discharged, and mental hospital populations may actually decline, as they have in Kansas. Thus, it may never be necessary to build the additional buildings and beds, which would otherwise be needed to provide for a constantly increasing hospital population.

Mr. President, I requested the National Committee Against Mental Illness, Inc., to furnish me some recent statistics in regard to the progress made in the treatment of mental illness during the past few years.

It is interesting to note that at the close of 1956, for the first time in history, there was a reduction under that of the previous year in the number of resident patients in State mental hospitals. This reduction amounted to approximately 7,000 under the resident patient figure at the close of 1955.

The decrease is particularly remarkable when one notes that 1956 was a record year for admissions—approximately 186,000 mental patients were admitted to hospitals in 1956, as against 178,000 in 1955, and only 115,000 in 1945.

It is also significant, when one considers that since 1945, when figures on mental hospital population were first collected on a national scale, that there had been an average increase of 9,400 patients each year in the total mental hospital load.

This progress is most encouraging to me, and furnishes proof that every State in the Union can do what the State of Kansas has done during the past decade.

Mental illness is a real and continuing national problem, when we realize that 1 out of every 10 persons will spend some part of his life in a mental hospital.

This means about 16 million people now living in the United States will be hospitalized for mental illness at one time or another unless new treatment and cures are found.

I believe it can be definitely proved that mental illness or other personality disturbances are usually significant factors in criminal behavior, delinquency, suicide, alcoholism, narcotics addiction, and very often in cases of divorce.

The statistics on the number of cases of the above-mentioned problems are appalling; and it is only in recent years that we have begun fully to understand that they are most often the result of mental disturbances.

One of the most interesting studies I have read in recent years on mental illness was a survey by the Menninger Foundation, completed in 1954, which indicates that emotional ills in industry cost this Nation billions of dollars in productivity each year.

Figures from this report reveal that as a result of mental disturbances, industry suffered a $9 billion loss because of absenteeism from work; that 80 to 90 percent of the accidents were due to psychological causes, which cost an untold sum of money.

It was interesting to note further from this report that alcoholism represents a loss to industry in excess of $1 billion. One out of every 50 workers is a problem drinker and 89 percent of these are in the 35 to 55 year range.

Financial losses may easily be determined on the basis of statistics, but no one can place an estimate on the agonies, heartaches, and the suffering of those who are close to patients suffering from mental illness. Many of the heartrending problems of the patient and those closely associated with him could be cited, however, I wish to relate a few of the experiences that came to light in our study of the hospital situation in Kansas.

Here are some of the human interest stories:

One woman who had been there for 20 years had not spoken a word over the last 8 years. Her doctor was not discouraged, however—he was a young fellow. If I had been that man, perhaps I would not have had the courage he had to try to help her.

He began spending time with her, and in the course of 2 weeks she began to talk. No one had ever tried to talk to her before that, I guess. Now she is a practical nurse in the community, after spending 22 years in the State hospital because no one ever took any interest in her.

Among the patients where cases were reviewed when the new staff took over was a hot-tempered Dane who somehow had gotten shuffled into the Topeka State Hospital 19 years previously. There was no evidence that the man was ever sick enough to have been hospitalized. He had gotten into a little difficulty with the law and was put in the State hospital. He spoke little English, and the harder he tried to prove he was not sick, the more the authorities believed he was very ill. He is back in Denmark now.

Perhaps the most tragic of these human-interest stories was that of a young woman of about 23. She was a rather pretty, sweet girl, but her hair was bedraggled and neglected. She was standing by the door one day when the doctor went up to speak to her. The doctor asked, "What are you doing here?" and her answer was, "I guess I am just waiting to get like the rest of them." She had never had a doctor talk to her at all.

We were indeed gratified to see that these good things could happen—that people in mental hospitals can be helped to get well.

These and thousands of similar cases have been treated and cured. The question now is, Where do we go from here?

First, I strongly urge that the Congress, the States, and private organizations and institutions engaged in this work vote increased funds for the type of programs that are paying dividends. We must not be niggardly with funds for the treatment of the mentally ill. We should not hesitate to vote more funds for research in this field, both from the Federal and State governments.

We need to discover cures and better methods of care and treatment. It is true, we are spending substantial sums of money in this field, but here is one place where we can be of real help.

Quite generally you hear that we should spend large sums of money for new construction and new buildings for our mental patients. With this I am in accord, but I can never forget the statement of Dr. Will Menninger when we were talking about building new mental hospital buildings in Kansas. Dr. Menninger stated at that time that new buildings were fine, but what we needed was more doctors and more trained people to care for our mentally ill. We proceeded on this basis in Kansas, and I think the results speak for themselves.

Since 1947 the people in Kansas have voted on a constitutional amendment providing funds for construction of buildings at our State institutions and this program is now well underway.

We need more funds for the training of additional psychiatrists, psychiatric social workers and nurses to take more efficient care of the increasing number of the mentally ill. Here again we can be or real assistance.

One of the new programs that needs to be encouraged and pays big dividends is the development of out-patient service. It is probably safe to say that as many as one-third of the patients who are now treated successfully in the clinics would several years ago have been regarded as suitable only for hospital treatment. Treatment in an outpatient clinic is obviously less costly than hospitalization and provides the great therapeutic advantage of allowing the healing process to take place in the same environment in which the illness originated, avoiding the violent transition from community to hospital to community again.

During the next few years, there will probably have to be an appreciable increase in State mental health budgets. While the new drugs and other therapies have led to a remarkable increase in discharge rates, they have also created the demand for thousands of additional psychiatric personnel to treat and return to the community untold numbers of mental patients, which up to now are considered hopeless.

In the long run, however, there is no doubt that increased expenditures for research and training will pay off in the reduction of the number of patients in our State mental hospitals. We have only to look at the research successes against tuberculosis, which have closed TB hospitals all over the country in the past 4 years, to realize that the same thing can be done for mental illness if we spend enough money to use present treatments, to find new ones, and to train the people to apply them.

What if we choose not to spend additional moneys for treatment, research, and training during the coming biennium? The alternative is stark and clear. The States will continue to spend approximately $350 million a year to construct additional buildings to house the ever-increasing flow of mental patients. The research which developed the new drugs has begun to cut down the resident population, but it will have to be greatly accelerated if we are to win the war against mental illness.

ADJOURNMENT TO MONDAY

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. CARLSON. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 12 o'clock noon on Monday.

The motion was agreed to; and (at 4 o'clock and 43 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until Monday, May 6, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 2, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Wilson C. Flake, of North Carolina, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ghana.

PATENT OFFICE

Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents, vice Arthur W. Crocker, elevated.

The following-named persons to the positions indicated:

UNITED STATES ATTORNEYS

Lloyd H. Burke, of California, to be United States attorney for the northern district of California for a term of 4 years. (Reappointment.)

Frederick W. Kaess, of Michigan, to be United States attorney for the eastern district of Michigan for a term of 4 years. (Reappointment.)

John O. Henderson, of New York, to be United States attorney for the western district of New York for a term of 4 years. (Reappointment.)

UNITED STATES MARSHALS

William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina for a term of 4 years. (Reappointment.)

Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas for a term of 4 years. (Reappointment.)

George W. Beach, of New Mexico, to be United States marshal for the district of New Mexico for a term of 4 years. (Reappointment.)

Noah W. Riley, of Wyoming, to be United States marshal for the district of Wyoming for a term of 4 years. (Reappointment.)

William E. Smith, of New York, to be United States marshal for the eastern district of New York for a term of 4 years. (Reappointment.)

William Budd Parsons, of Washington, to be United States marshal for the western district of Washington for a term of 4 years. (Reappointment.)

Saul Hale Clark, of Idaho, to be United States marshal for the district of Idaho for a term of 4 years. (Reappointment.)

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 2, 1957

The House met at 12 o'clock noon.

Dr. Joseph Liberles, rabbi of Temple Ezra, Chicago, offered the following prayer:

Almighty God, at this time of the year when nature revives and Thy creation is most emphatically expressed, every living thing sings praises to Thee, O Most High. In Thy bounteous grace Thou didst crown all the work of Thy glory with the creation of man. Thou didst bestow upon him the innate love for liberty, the aspiration to be free.

From the day when Moses cried out: "Let my people go," to the moment when God commanded Israel to "proclaim liberty throughout the land and to all the inhabitants thereof," from the hour when Patrick Henry exclaimed, "Give me liberty or give me death," to the resounding of the four freedoms, men have never ceased to be free. May our passion for freedom never abate.

Bestow Thy blessings, O Lord, upon this House and upon the men who are striving to govern with justice, truth, and love. Give them insight and understanding so that their decisions for millions of people will be wise, just, and righteous.

Cast Thy spirit upon them and strengthen them in their endeavors. Gird them with steadfastness and fortitude to achieve progress and growth not only technical and physical but also and more so emotional and spiritual growth.

UNIVERSITY OF MICHIGAN LIBRARIES

May life, liberty, and the pursuit of happiness be the irrevocable birthright of all men for all time. Amen.

The Journal of the proceedings of Tuesday, April 30, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1474. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938, as amended, in order to grant permanent certification to air carriers engaged in domestic all-cargo operations without subsidy.

THIRD DEFICIENCY BILL

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight Friday, May 3, to file a privileged report on the third deficiency bill.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER. Mr. Speaker, I reserve all points of order against the bill.

FREE IMPORTATION OF GIFTS FROM MEMBERS OF ARMED FORCES

Mr. COOPER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6304) to make permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad, and for other purposes, with Senate amendments thereto and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 13, strike out "United States.'" and insert: "United States."

Page 2, strike out lines 14 to 17, inclusive, and insert:

"SEC. 2. This act shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption on or after the day following the date of its enactment and before July 1, 1959."

Amend the title so as to read: "An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad."

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

Mr. COOPER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, as it passed the House of Representatives, H. R. 6304 would have made permanent the existing temporary free entry privilege relative to gifts from members of the armed services on duty abroad, except that certain further discretionary authority was provided to the Secretary of the Treasury relative to the limitation on the privilege of free entry of alcoholic beverages and tobacco. I explained when this bill passed the House that there is a limitation of $50 in value with respect to shipments under existing law and there are safeguards to assure that the articles are bona fide gifts from a member of the Armed Forces on duty outside the continental limits of the United States. As I further stated, a very definite morale factor is involved. As indicated in the House report, in view of the continued presence in many parts of the world of members of the Armed Forces, your committee believed that the free entry privilege for the specified gifts should be made permanent so as to relieve the Department of Defense from having to request, and the Congress from having to enact, periodic extensions of the free entry privilege.

The Senate has amended this bill so as to provide for only a 2-year extension of this existing privilege. The Senate committee report stated that it is important to Congress to retain control of import regulations and that Congress should review occasionally the operations of this special legislation, and for that reason the free entry privilege should not be made permanent but should be extended for merely an additional 2 years to July 1, 1959. A technical amendment was also added.

I urge the House to concur in the Senate amendments.

Mr. REED. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED. Mr. Speaker, I have joined with the distinguished chairman of the House Committee on Ways and Means in urging that the House agree to the Senate amendments to H. R. 6304.

It will be recalled by the membership of the House that H. R. 6304 in its House-passed version would have made permanent the existing privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad. The Congress has regularly been called on to enact legislation extending a temporary authority providing for the free importation privilege with respect to such gifts. Because of the favorable administrative experience that has been realized under the law, the House in its wisdom decided it would be appropriate to make this authority permanent in the realization that the granting of such permanent authority would not preclude the Congress from periodically making inquiry as to the appropriate administration of the act and in addition the granting of permanent authority would have obviated the need for the Congress to go through the time-consuming process of enacting legislation every 2 or 3 years.

The Senate amendment has the effect of changing the permanent authority provided by the House to a 2-year extension of the authority so that the privilege of free importation of gifts from the members of the Armed Forces of the United States would continue until July 1, 1959. It is important that this privilege be continued because of its important beneficial morale contribution to Armed Forces personnel overseas. In the interest of continuing this privilege without interruption I have urged my colleagues in the House to concur in the Senate amendment.

THE M–14—NEW STANDARD SHOULDER WEAPON—SPRINGFIELD ARMORY

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, I seize the opportunity today to salute and point with pride to the United States Army Ordnance and the Springfield, Mass., Armory. The devoted and dedicated men of the Army Ordnance and the employees of the Springfield Armory have once again demonstrated their great know-how in research, development, and production in the field of small arms. Late yesterday, the Department of the Army announced the approval of plans to adopt a new standard rifle. That rifle now designated as the M–14 is the product of the brains and skill of the Springfield Armory. The selection of the M–14 as the basic weapon of our fighting forces results from long, exhausting and highly competitive tests with other weapons. The Department of the Army's decision to adopt this weapon was based on a number of factors. Under test since 1952 and in all kinds of battlefield and climatic conditions, it measured up to the rigid requirements demanded to give our fighting soldier the best possible weapon.

Mr. Speaker, the fact that this new and wonderful weapon had its genesis at the Springfield Armory does not come as a surprise to experts in the small-arms field. Since 1795 this arsenal has been engaged in the production of and the research and development of new and better shoulder pieces. It is interesting to note that this armory owes its existence

to George Washington who, in 1794, approved Springfield as the location of a national armory. In all of the battles and wars in which our Nation has engaged since that year, the soldier who bore the brunt of ground warfare has carried a weapon produced or perfected by this great armory. The effective shoulder weapons of the great wars, the M–1903 Springfield rifle and M–1 Garand rifle were designed and developed here, and here, too, were manufactured many and varied weapons that have been used in practically all of the wars in which this country has been engaged. The history of this historic Government installation is replete with achievements of its employees. Mr. Speaker, it is a history of tradition and accomplishment unequaled in the records of any ordnance establishment.

The Nation is indebted to the long line of men and women who have manned the drafting boards and production machines; to the superintendents, commanders, and supervisors; to all who have contributed to the making of this armory as one of the best in the Nation's arsenals of defense.

Mr. Speaker, my community is proud of the part the Springfield Armory has played and will continue to play in the history of the United States. It affords me great pleasure, in the face of this most recent accomplishment, to tip the congressional hat to the Army Ordnance, the Springfield Armory, and the men and women who make it tick.

I include as part of my statement the Department of the Army release of May 1, 1957.

Secretary of the Army Wilber M. Brucker announced today the institution of a new small-arms weapons system for its combat forces with approval of plans to adopt a new standard rifle.

Adoption of this new rifle, which replaces four current United States Army shoulder weapons, rounds out a program for a new weapons system, long planned and partly consummated recently with the adoption of the M60 general purpose machinegun. Both the new rifle and the new machinegun fire the 7.62-mm. NATO cartridge, which will be common to our NATO allies.

The new system offers many advantages. It gives the modern Army a better and lighter rifle and a lighter machinegun to give forward infantry units greater firepower, while cutting the number of weapons in the small-arms system from 7 to 2 (1 machinegun and a rifle in 2 barrel versions).

It cuts field logistics loads by reducing the types of small-arms ammunition and, significantly, adopts a cartridge that will be standard also for our allies. It simplifies handling and maintenance problems and reduces training time for the combat soldier.

Known during the period of its consideration by the Army as the T44, the new rifle will eventually replace the standard M1 (Garand); the Browning automatic rifle, familiarly known since World War I as the BAR; the caliber .30 carbine; and the M3 submachinegun. The new rifle was developed by United States Army Ordnance at Springfield Armory, which also produced its predecessor, the M1 rifle. The M1 or Garand, has been the basic infantry weapons since early 1936.

A very limited quantity required for test purposes by the using arms has been manufactured to date. Request for appropriations to produce the new rifle are expected to be included in the fiscal year 1959 budget. As funds are made available, a pilot line quantity will be produced, followed with volume production and issue of the new rifle to troops beginning in 1960.

The newly adopted rifle uses the 7.62-mm. (caliber .30) NATO standard cartridge, also developed by the United States Army, and is capable of either fully automatic or semi-automatic fire.

There are two barrels for the new rifle. With the lighter of the two, the rifle, designated the M14, weighs 8.7 pounds. It does the work of the carbine, M1 rifle and submachinegun. When the new rifle is equipped with the heavier barrel and tripod, it is called the M15, weighs 13 pounds and replaces the 20 pound BAR.

The T44 rifle has been under test since 1952 in comparison with a rifle of similar characteristics and performance produced by the Belgian munitions firm, Fabrique Nationale. The Belgian rifle has been known here as the FN, popularly, and the T48, officially. Both weapons were subjected to exhaustive tests under all conditions of troop use in the Arctic and the tropical and temperate zones.

The performance of both weapons throughout the tests was superior to that of the M1 rifle, and between the two there were only marginal differences. The major factors favoring the M14 are that it is 1 pound lighter than either the M1 or the T48 and is considered better suited for American transition to both mass production and training than the Belgian design.

THE FIRE OF POLISH FREEDOM BURNS BRIGHTLY IN HEARTS OF PEOPLE DESPITE RESTRAINTS

Mr. KELLEY of Pennsylvania. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. KELLEY of Pennsylvania. Mr. Speaker, as Representative of the 21st District of Pennsylvania which includes many thousands of outstanding and patriotic Americans of Polish descent, I want to take this opportunity to speak in their behalf and in behalf of everyone in Westmoreland County who believes deeply in freedom, to salute the spirit of freedom which still burns brightly in the hearts of the Polish people.

On May 3, 1791, moved by the example of the people of the United States of America—to whose cause Poland had lent outstanding help—Polish people set up their own democratic constitution, and set about establishing the basis for real progress and forward-looking government in Central Europe.

As we all know, the Polish people have lived through a horrifying series of conquests, partitions, invasions, with destruction of their national independence and sovereignty. But never has the spirit of liberty been destroyed in Poland.

Right now, we understand that the fierce love of liberty of the Polish people has forced the Soviet masters to relax a bit some of the restraints and brutal regimentation which had previously been imposed. But let us not take from this that we can now forget about Poland and let her people look out for themselves. They are still prisoners of the Soviet system—but they will never be willing prisoners. They will never be Sovietized.

On the occasion of one of the happy days of Polish history, Constitution Day, I am happy and proud to pay tribute to the spirit which motivates the Polish people today as always—the spirit of freedom.

INCREASE IN PENSIONS OF SPANISH-AMERICAN WAR WIDOWS

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am taking the time of the House today only long enough to call attention to an article by Eleanor Roosevelt which appeared in her widely read syndicated column calling attention to the bill, H. R. 358, to increase the small pensions of the widows of Spanish-American War veterans. There are only a handful of these widows and they are existing today on $52 per month. This bill would increase the pension to $75 per month.

I do hope that before many days this bill will be passed by the House.

Mrs. Roosevelt's article follows:

I have a letter in my mail from William E. McCann, Jr., who is writing for the National Committee on Legislation and Its Administration, United Spanish War Veterans. He is concerned about the condition of the widows of the Spanish-American War veterans. He reminds me that these veterans, 100-percent volunteers both in the Army and Navy, and their widows are now on the average about 78 years old. More than 75 percent of them are wholly dependent on their meager pension for existence and are in dire need. It seems to me that there cannot be very many living; and, though I realize what a heavy burden paying for past war puts on the taxpayers of the United States, I feel that to care more adequately for this small group of wives of veterans is an obligation the country would gladly accept.

There is a bill in Congress, H. R. 358, to grant an increase in their pensions, and I want to draw it to the attention of my readers in the hope that they will feel as I do: that the remaining years of these poor women should be made at least possible to live in dignity and without great hardship.

THE AVA CITATION PRESENTED TO HON. JOHN E. FOGARTY

Mr. LANHAM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANHAM. Mr. Speaker, on April 29, 1957, the Rhode Island Vocational Association of the North Atlantic Conference at Newport, R. I., presented to the Honorable JOHN E. FOGARTY, through Mr. R. E. Bass, president-elect of the American Vocational Association, the AVA citation in recognition of distinguished service to the cause of vocational education. I am happy to include with

UNIVERSITY OF MICHIGAN LIBRARIES

my brief statement a copy of the citation, the speech of Mr. Bass, and Congressman FOGARTY's splendid response.

The Members of this House will join me in expressing approval of the presentation of this award to JOHN FOGARTY, the distinguished chairman of the Subcommittee on Appropriations for Labor, Health, Education and Welfare. The award could not have been made to a more deserving and distinguished friend of vocational education. All of us are happy to see this recognition come to the man who is acknowledged to be the outstanding leader in Congress for the promotion of the health, education, and welfare of the American people.

SPEECH BY REPRESENTATIVE JOHN E. FOGARTY AT NEWPORT, R. I., APRIL 29, 1957

Mr. Toastmaster, members of the North Atlantic Regional Conference of Supervisors and Teacher Educators of Vocational Education, members of the Rhode Island Vocational Association, and friends, this evening I would like to say something in defense—even in praise—of practicality. Things that are practical; things pertaining to or connected with the ordinary activities, business, or work of the world—they interest us almost to the exclusion of everything else, but some seem to be ashamed that they do.

There are some who would have us believe that practical things are narrow, small, provincial, and unworthy of us. I do not share this belief. Tonight let us consider practical things—practical education—without apology and without reservation. I believe that in the process of practical training for an occupation, one can develop citizenship ideals and acquire general information essential to a happy and successful life.

As you know, I have been interested for many years in practical vocational training for young people and adults. I am proud to be the product of this kind of training myself. As some of you may know, I learned to be a brick mason through apprenticeship training. So I know what it is to learn a trade slowly and exactly and to be proud and confident of my skill. Thus, through personal experience, I learned the importance and value of practical vocational training to an individual. This is one of the reasons why I have wanted to make vocational training, of which apprenticeship is a part, available to others who need it and profit by it.

I am proud to have had a part, to have taken many practical steps, if you please, in increasing the vocational opportunities of the youth and adults of our Nation.

Through my experience as a Member of National Congress, I have learned the importance of vocational education to our Nation's security and economy. For some years I have served as chairman of the House Subcommittee on Appropriations that handles appropriations for vocational education. As a result, I have listened to and questioned hundreds of witnesses dealing with this subject. From this experience I have learned of the splendid progress of the program and have become a staunch supporter of your cause.

It has long been my firm conviction that productive workers constitute our greatest resource. I am convinced, as I believe most thinking Americans are, that the security and well-being of the United States are tied inseparably to the productivity of our people. Through the years vocational education has played an important role in the preparation of youth and adults for efficient production.

The United States has become the most powerful and the most productive nation in the world today. Our people enjoy the highest standard of living of any people, anywhere, anytime.

As evidence of this, may I bring to your attention the fact that here in the United States we have only 6 percent of the world's population, but we own 70 percent of all automobiles, 50 percent of all telephones, 45 percent of all radios, 34 percent of all railroads; we use 56 percent of all silk, 53 percent of all coffee, 51 percent of all the corn, 50 percent of all the cotton, 34 percent of all the coal, 32 percent of all the copper, 30 percent of all the iron and 32 percent of all the manufacturing production.

The fact that America enjoys such a high economy is no accident. It has occurred because our people, at the local, State, and National levels have planned intelligently and have developed great training programs for both youth and adults to give them ability to produce more and thus have more.

No nation can remain strong or maintain a high standard of living unless there are adequate provisions for passing on to the oncoming generations the skills and knowledge of the productive workers of today and yesterday, and in the march of progress to acquire new knowledge and to develop new skills. It is in the light of these and other facts that we must continue to improve and expand vocational training programs in this Nation. And this is why I have worked with other Members of National Congress to prevent in recent years drastic cuts in Federal funds for vocational education and instead have helped to secure an increase in funds.

So you see, I have experienced practical training myself and I have worked for the extension of this privilege for others. I have supported its further development because I know what vocational education means to our Nation and our people.

Let us look back to the beginning of our free and independent Nation. We could compare the United States at the end of the American Revolution to a great mason fruit jar full of churning gases and discontented elements. A new Government was established and the lid was taken off. All those talents and all those abilities that had been hampered by class strata and theoretical distinctions were given the chance to develop as much as they could. There was scrambling, there was hardship, there was cruelty; but there was also the fastest and most brilliant growth of any society in history. A nation was settled. The living standard has become the highest ever known. Invention and skills have made life comfortable and pleasant. We owe much c our good fortune to our confidence in practical ability and our willingness to allow any man to use his skills and to better himself. Our productive workers have done in one century what people in some other countries have failed to do in hundreds of years.

The vigor and productivity of our people have made us the world's greatest power. Their skills must be passed on to other generations; their knowledge must be supplemented by new discoveries. And in the practical training that is passed on we may see another ideal, that of duty faithfully performed.

As we review with pride the great progress of our beloved Nation in productivity and high standards of living, let us not be unmindful of the steps being taken by Soviet Russia and her satellites to increase production and to become a real economic competitor with the free nations of the world.

From reliable reports we have learned that Russia is no longer composed of ignorant, unproductive peasants, even though she is yet far behind the United States in production per man.

The U. S. S. R. has become the second greatest industrial power on earth. This was pointed out about a year ago by Allen W. Dulles, Director of the Central Intelligence Agency, a man who probably has more information about Russia at his fingertips than any other man in our Federal Government, in an article that appeared in the Washington Sunday Star on April 29, 1956. Among other things he said:

"The Soviet Union has become the second greatest industrial power in the world. Today the gross national production of the U. S. S. R. is slightly more than one-third that of the United States; it is about three-fourths again as large as that of the United Kingdom, which ranks in third place. We still have a very great lead, but the Soviet rate of progress is rapid. * * *

"In general, this examination has led me to the conclusion that the only safe position to take is that in technical, engineering, and industrial fields the Soviets can achieve any particular objective we can achieve."

Much of Russia's increase in production has come through practical education. This is evidenced by statements by William Benton, publisher of the Encyclopedia Britannica, and former United States Senator from Connecticut, who spent several months in Russia in late 1955 studying Russia's education system. In the May 1956 issue of the National Education Journal there was an article by Mr. Benton in which he stated:

"A recent trip to the U. S. S. R. has convinced me that education has become a main theater of the cold war; that Russia's classrooms and libraries, her laboratories and teaching methods may threaten us more than her hydrogen bombs. * * *

"The Communists from the earliest days gave up butter for guns; but they gave up meat for education."

Recently, in a speech before a group in Washington, D. C., Mr. Benton said:

"The Soviets are now challenging us frontally on what have historically been two of our strongest points—technology and mass education. The present rate of Russian education advance is faster than our own. Just as is their growth-rate in industrial production surpassing ours, the gap in total performance is closing. It is closing rapidly."

The December 1956 issue of Coronet carried an article by Mr. Benton entitled "The Soviet Technikum: Ominous Threat to the West." The subtitle of the article reads:

"We have nothing to match these unique technological schools that turn out supertechnicians—without a college degree."

In this article Mr. Benton states:

"Many of these technikums turn out what might be called junior engineers. Actually these juniors are supertechnicians and specialists who fill vitally important secondary jobs, leaving graduate engineers free for more highly skilled work, and creating a surplus. And this surplus is what is helping defeat us in the cold war in Asia and Africa.

"Trained in propaganda as well as science, the Soviet engineers and technikum graduates are exported by the hundreds to underdeveloped nations thirsting for guidance and leadership in all fields of technology.

"The United States, lacking this middleman technician category, is wasting thousands of its well-trained engineers in comparatively second-rate jobs—as sales engineers, manual writers, glorified draftsmen, and trouble-shooters. Not only are we graduating little more than half the engineers that the Soviet is, but we are wasting their talents for lack of technikum counterparts."

That our security is dependent on skilled workers and technicians is pointed out in an article by Francis and Katherine Drake, "Do We Want the Second Best Air Force?", which appeared in the May 1956 issue of the Reader's Digest. The following are a few of the pertinent statements contained in the article:

"One-third of our planes are grounded for lack of sufficient skilled men to keep them flying.

"This wholesale breakdown in combat readiness is due to one main factor: The

inability of the Air Force to hang onto its skilled help.

"The critical part of these losses is that the dropout rate is highest among the men who are needed most—the skilled technicians who are the mainstay of the service."

The article quotes Secretary of the Air, Donald A. Quarles, as saying:

"I think of no invention, no new aircraft, no weapon that would increase our Air Force capability in a measure so great as would be achieved by providing a stable corps of trained personnel." In a speech by Lewis L. Strauss, chairman of the United States Atomic Energy Commission, which was carried in the bulletin Freedom's Need for the Trained Man, published by the Thomas A. Edison Foundation, Inc., there appears the following:

"If there is to be another war among the great nations of the world before the human race discovers a method of abolishing recourse to combat, that war may be survived by the country with the greatest stockpile of nuclear weapons and instruments of their delivery. But such a war will almost certainly be lost by the country with the fewest resources in trained manpower."

As we watch and study productive developments behind the Iron Curtain, let us ever keep in mind the immortal words about vocational education that were uttered by the late Congressman Dudley M. Hughes almost 41 years ago (June 16, 1916), on the floor of the United States House of Representatives while the Smith-Hughes measure was under consideration, when he said, and I quote:

"National efficiency is the sum total of efficiency of all individual citizens, and the national wealth is the sum of their wealth-producing capacity. * * * In the markets of the world we compete, not as individuals, but as a unit against other nations as units. * * * This * * * unquestionably introduces a national element into vocational education."

The American people are challenged as never before in the field of economics. Much of the future security and well-being of this Nation is tied inseparately to the skill and productivity of our people. This is a great challenge to the educators of our Nation.

We can and will prevent the Soviets from accomplishing their goals of winning the minds of men, of overtaking us in production per man, and in defeating us in an economic war. Vocational education—the development of adequate and competent manpower—is one of the important tools that can keep our Nation strong and keep us free.

PRESENTATION OF AVA CITATION TO HON. JOHN E. FOGARTY BY R. E. BASS, PRESIDENT-ELECT OF THE AMERICAN VOCATIONAL ASSOCIATION

In the course of human events there emerges from the masses comparatively few leaders of men—persons who put service to their fellowmen above self and personal gain. It is the more significant when such leaders stand out in national Congress because in our Government's lawmaking body we have many of the wisest and best statesmen in the Nation. But, thanks to our American way of life, such leaders do arise and it is such a man whom we are honoring here tonight.

And in the course of congressional events of the past years vocational education, as well as other grants-in-aid programs, has been carefully evaluated.. We have no objection to the worth of vocational education being measured; because those of us in this work and the thousands of persons who benefit from it know it is good—that it makes for efficiency of production—that it raises the professional competency of America's working forces—that it contributes to the welfare of all the people—that it serves to strengthen our security and freedom, and to preserve the American way of life.

We know these things but when Congress recognizes them and champions the cause of vocationl educational it inspires us to greater heights.

This great State of Rhode Island has produced a leader in the National Congress of which the Nation is justly proud. The Honorable JOHN E. FOGARTY, as chairman of the House Appropriations Subcommittee which handles appropriations for the Departments of Labor and Health, Education, and Welfare, has rendered outstanding service to his State and Nation. Among his significant contributions he has given inspired and devoted service in the cause of vocational education in the National Congress as a means of improving the lot of America's workingmen; of increasing efficiency in the production of goods and services; and the preservation of the free-enterprise system in this country. He has also proven a real humanitarian in promoting expanded public health programs throughout the Nation.

In appreciation of his contributions to the cause of vocational education, for his statesmanship and leadership; and for his distinguished services to Americans everywhere it is my pleasure, on behalf of some 30,000 members of the American Vocational Association, to present this citation to Congressman FOGARTY, of Rhode Island. It reads as follows:

"CITATION IN RECOGNITION OF DISTINGUISHED SERVICES WHICH HAVE CONTRIBUTED TO THE BENEFIT OF MANKIND, PRESENTED BY THE AMERICAN VOCATIONAL ASSOCIATION TO THE HONORABLE JOHN E. FOGARTY, STATESMAN, HUMANITARIAN, CONGRESSMAN

"For his efforts and unceasing support of humanitarian measures and programs so vital to the well-being of our Nation,

"For his devotion to those ideals which have made the United States strong and free,

"For his outstanding leadership ability and his courage to stand firm for principles and programs he believes are essential to the welfare of all the people of his beloved country,

"For his recognition of the important role vocational education plans in the growth, strength, and security of our Nation,

"For his dynamic part in making vocational education available to an ever-increasing number of Americans who, through their skill, technical and scientific knowledge, have made possible our high standard of living and productivity,

"This citation is issued under the authority of the house of delegates of the association and signed by its executive secretary and president."

WHEN POLITICS IS NOT POLITICS

Mr. MULTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, the best place for misinformation is the United States Information Agency.

Tuesday, April 30, 1957, the Director of that Agency, Arthur Larson, a Republican appointed by President Eisenhower, told the National Press Club that his political activities ceased when he took over that Agency in January 1957.

Let us look at the record.

On Tuesday night, April 16, 1957, at Honolulu he made a speech; he flew more than 200 miles to Hilo and made another speech on Friday night, April 19, 1957. He then flew another 300 miles to Lihue and made a third speech on Saturday night, April 20, 1957.

Each speech was entitled "Modern Republicanism" and urged his listeners to build up the Republican Party. Each time he spoke as the guest speaker at a Republican Party fund-raising dinner—advertised price—$100 per plate.

Obviously, the United States Information Agency is now the repository for grand old partisan misinformation.

POZNAN, POLAND

Mr. LANE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, last June, in the city of Poznan, the Polish people rebelled against their Soviet oppressors.

This courageous demonstration by the workers set off a chain reaction of unrest throughout the Soviet empire. The Communists, to forestall a bloody uprising, were forced to make certain concessions. Although minor, they clearly reveal the confusion and fear in the Communist camp.

Poland is too big a nation to be forever shackled to a totalitarian way of life imposed by Communist Russia.

One step toward the recovery of their independence will inevitably lead to other steps until Poland is completely free again.

On this 166th anniversary of Polish Constitution Day, we not only offer words of encouragement to the liberty-loving Polish people but on this occasion we praise them for their indomitable spirit in demanding, and getting, some relief from Communist tyranny.

The people of the United States and Poland are so closely related by ties of kinship, religious faith, and devotion to the principles of freedom that the sufferings of the Polish people are of immediate concern to us.

United States policy must assert its determination to promote by every peaceful means the liberation of Poland and every other captive country whose peoples are held in bondage and are being cruelly exploited by Communist imperialism.

The pressure exerted by the Polish people has opened up a crack in the Soviet system of totalitarian controls.

That breach will widen as time goes on, as the weaknesses of communism become more apparent, and that hideous tyranny collapses in total bankruptcy.

The United States should extend technical and economic assistance to its good friend the real Poland to strengthen it for the day when it will oust the Communist tyrants and enjoy the blessings of freedom and independence.

INCREASING PERSONAL INCOME TAX EXEMPTIONS

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

UNIVERSITY OF MICHIGAN LIBRARIES

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, today I am introducing a bill to increase personal income tax exemptions from $600 to $750 retroactive to January 1, 1957. I have noted with pleasure that a number of other Members of Congress from both parties have recently gone on record for a variety of types of tax reductions; unfortunately, however, the tendency is to set January 1, 1958, as the effective date.

In addition to fulfilling more quickly the bipartisan promises made prior to each of the last several elections, a tax cut extending from last January 1 would have the dual advantage of forcing a substantial reduction in the budget now under discussion and of serving notice that Government bureaus must in the future be considerably more respectful of the tax dollars. Heretofore Congress has demanded economy each time a money bill comes up, yet somehow the majority up here on Capitol Hill—and I am referring to the majority of the 435 and not necessarily to the majority party—invariably relents at the last minute and turns over to the bureaucrats just about everything that they request. My bill will remedy that tradition in a hurry. If we reduce income and refuse to allow a further raising of the debt ceiling, then Federal spenders will have no alternative but to economize.

A person need not be an economist, a financier, or an accountant to recognize the absurdity of the budget that Congress has been asked to accept for the coming fiscal year. It is such a monetary monstrosity that an aroused general public is calling upon Congress to oppose what amounts to one of the boldest bureaucratic swindles ever perpetrated.

It is our duty to answer this call, and let the chips fall where they may. The Bureau of the Budget has thrown the book at us—all 1,150 pages of it. Were it not for the lateness of the hour, I would suggest that we indicate our contempt by setting off an old-fashioned bookburning, with flames reaching skyward as a signal to every responsible Government official that extravagance will no longer be tolerated. The individual taxpayer cannot live high on the hog when his barn has not been paid for. I see no reason why Federal spenders should be exempt from this simple rule of economics. Nothing would be more helpful from the standpoint of good government in this country if a monetary diet were imposed for the express purpose of cutting down on the size of the bureaucratic belly.

Experience proves that reduced income is the best cure for a prolonged spending spree. Perhaps by reducing the tax bit, we will make good managers out of the wastrels. We will of course hear bleatings and wolf cries about the national security, but that is only to be expected. America must not relax its defense efforts so long as world tension persists, yet there is no reason why expenditures cannot be cut down without any slight disadvantages to our protective might.

Once Congress lays down a line of economic necessity through a reduction in income tax, then the spenders will be forced to review their programs and lop off the fat. Foreign spending is one phase of Government activity where an important start can be made. It is utterly unfair to burden the American taxpayer with devastating assessments in order that dollars may be shipped around the universe.

The needs of our own people have too long been subordinated to the demands of foreign governments. Several weeks ago, when Great Britain asked the United States Government to permit postponement of interest on one of her debts to us, the deferment was granted despite the fact that England's own budget—announced only a short time earlier—provided for substantial tax reduction. Ironically, this tax cut was made possible because the United States agreed to assume an increased part of England's defense responsibilities. In the light of these developments, I cannot conceive of how Congress could refuse a tax cut for our own people at this time.

Elsewhere on the world front, money collected from American taxpayers is being shipped abroad with reckless abandon. I am especially disappointed that our handouts are continuing to go to Yugoslavia, whose dictator is just as red as the top eschelon in the Kremlin. Tito may be wearing a different uniform, but his team is in the same league as murderer's row in Moscow. You can be sure that our citizens back home are opposed to this deal that takes their money and turns it over for the promotion of a philosophy which we are supposed to be fighting.

On the subject of foreign aid, I believe that another advantage of enacting a tax reduction at this time would be to cut down on the Cook's tours which so many Federal workers are taking at taxpayers' expense. I refer to the vast sums used by employees of the International Cooperation Administration, the State Department, United States Information Agency, Defense Department, and other agencies to tour the world under the guise of necessary travel. This practice has become one of the most prevalent abuses of a vast and extensive bureaucracy.

Mr. Speaker, there are definite ways to save billions of dollars if Congress rejects lavish expenditures by reducing Federal revenue. Add to this fact the basic right of every citizen to retain a greater portion of his earnings rather than be forced to contribute it to a wasteful bureaucracy and you will understand why my bill to provide a tax reduction effective January 1 of this year merits the unanimous support of this Congress.

SIGNIFICANCE OF POLISH CONSTITUTION DAY

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Speaker, I rise to call to the attention of my colleagues, and to the people of my State and of all of the States, the significance of tomorrow's date, May 3, as Polish Constitution Day, the anniversary of the day in 1791 when the government that had been forced upon Poland by Russia and Prussia was overthrown and a new constitution was adopted by the Diet.

There is an even greater significance to this commemoration than there was even a year ago, when many of us in this House took notice of the anniversary, and expressed hope and confidence that events were working inevitably for the liberation of the people of Poland from the iron grip of Soviet Russia and from the political, economic, and social atrocities of Communist imperialism. That greater significance has come from a sequence of events that erupted on June 28 of last year with the bold, brave, and freedom-seeking demonstration by workers at Poznan, Poland, which was the greatest anti-Communist demonstration in the Soviet world since the East German uprising of 2 years earlier. That sequence of events still is building, step by step.

The past year has proved to be one of the most eventual in the history of postwar Poland, and in the history of all of the people and all of the lands that are behind the Iron Curtain. The heroic Hungarian revolution must be counted in this sequence, but it began in Poland at Poznan, and during this past year the Polish people have taken the lead in demonstrating that Communist policy cannot be enforced forever upon freedom-loving and freedom-seeking people.

The aims of Communist imperialism may not have been changed, but surely the manner of striving to arrive at them has been, since the workers at Poznan dared to raise their hand against Communist tyranny, demanding bread and freedom. It is the workers who showed to the whole world, to the embarrassment and shame of the Soviet Russian rulers, the fallacy that communism is the rule of peasants and workers.

In comparing the greater significance of the observance of Polish Constitution Day this year, it is important to take notice that the Communist Warsaw government this year is permitting the people of Poland to commemorate this day privately, whereas the May 3 celebration was prohibited for years and was replaced by the day of Poland's conquest by Soviet Russia, July 10.

On this Polish Constitution Day, the eyes of the people of Poland more than ever are turned with hope toward the United States of America, as the Polish Nation, Communist though it still may be, struggles to achieve more freedom by evolution.

Political, moral, and economic support is what the people of Poland look for and hope for from the Government and the people of the United States. In this atomic age, war cannot be the instrument of the final liberation of the people of Poland, but we and the other nations of the free world can speed the day of Poland's liberation by peaceful means, by maintaining constant pressure on the forces of slavery represented by Soviet

Russia. Economic aid at this point is of the greatest importance, and American help has a tremendous impact not only on Poland, but on other nations such as Czechoslovakia and others behind the Iron Curtain who impatiently await liberation.

Poland needs and deserves our help now, and there is no danger that by helping Poland economically we would be strengthening Communist imperialism and Soviet Russia, because a stronger and more independent Poland would mean a gradual retreat of communism in Europe and would block forever Russian designs for conquest.

POLISH CONSTITUTION DAY

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. SADLAK] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, shortly after Poland was overrun by the Nazi war machine in September of 1939, Winston Churchill said:

> The heroic defense of Warsaw shows that the soul of Poland is indestructible, and that she will rise again like a rock.

Events in Poland from June of last year to the present, clearly demonstrate the truth of this remark. Perhaps no one today better realizes than the Soviet despots themselves the invincibility of the free spirit and the determination of the Polish people. The soul of Poland is indestructible. It rises again from the dust where the hobnailed boot of the oppressor desperately tramped to destroy it. Like a rock—it will endure.

Tomorrow, on May 3, over 7 million Americans of Polish descent in this country and Polish people throughout the world will observe Constitution Day. The celebration of this historic holiday has been prohibited for many years in Poland, and the date has been replaced with July 10, the day that Poland was subjugated by the Soviet Union. Though the date has not been officially restored as the national holiday, the new liberalized policy of the Warsaw Government will tomorrow permit private observance of this memorable event. This is just another of many changes made by the Polish Government in recent months. It is another sign showing which way the wind is blowing in the national life of Poland.

The measure of independence in Poland, however small it may be, has punctured the myth of Soviet power and productivity. Though large granaries exist in Poland, the communistic system is unable to feed the people. Though Russia would have us believe the satellites enjoy a sound economy, we hear in Poland the cry for bread. Though Russia boasts of the protective mantle of Communist welfare and security, we find the Polish people eager to discard it as they call for freedom. Though Russia taught the peasant and the worker the benefits of communistic living, it is the Polish peasant and the worker who raises his fist against its tyranny.

A shattering blow was dealt to the rule and theory of Soviet despotism, and the march to freedom is on.

There is no doubt that the people of Poland today breathe more freely, but the five Soviet divisions still policing the area are too close for comfort. They watch grimly Polish activities, and the Russian bear growls and smarts at the fruitful budding of a free Polish democracy.

The Gomulka government strives to maintain a balance between a 3-cornered struggle: First, Poland's desire for absolute independence and a return to the West; second, Poland's disastrous economy due to Soviet exploitation and mismanagement, and her dire need for help to restore stability; third, Russia's opposition to too much liberalism in Poland or return of democracy to that country.

As to point 1, no one who knows the history of Poland doubts that she will rise again and take her rightful place in the family of nations. The liberties guaranteed by the Polish Constitution will be treasured as they have been now for 166 years. They will be an inspiration in the fulfillment of their patriotic objective to attain absolute freedom.

It is the hope of every freedom-loving American that point 2 could be met if our aid to Poland is adequate and in time. We must supply the grain for the bread they desperately need. We must send them our food surpluses and the materials which they need to stabilize their country.

Then the 3-cornered struggle of the Gomulka government may end with the balance tipping over to the side of freedom. Communism, already potentially weakened by its own venomous seeds of destruction, will perish as the faith and rising spirit of a determined people ascends. As earlier stated, the soul of Poland is indestructible. It will live on—like a rock strong to withstand the onslaughts of all false ideologies threatening our world of free democratic countries.

The observance of this great national holiday—Polish Constitution Day—will this year add significantly to the meaning and appreciation of the rights guaranteed by a free constitution. For those who have lost freedom are best able to evaluate it; others take freedom for granted.

It is our sincere hope and prayer that the brave Polish past will be a source of constant encouragement to the Polish people, and will lead them to a brighter Polish future.

WATER POLLUTION CONTROL ACT

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Speaker, Public Law 660 of the 84th Congress, known as the Water Pollution Control Act, is on the whole a fine piece of legislation. Based upon Public Law 845 of the 80th Congress, by amplifying and revising it, the law makes illegal the pollution of water supplies, especially, of course, because many of our major rivers and streams are interstate or intercommunity and are justifiably Federal matters. The law provides penalties for violations and sets up procedures for prosecution of violators.

I suppose to this extent such a measure could go through both Houses of Congress with scarcely a dissenting vote. However, clauses 5 and 6 in Public Law 660 go further and invade the realm of Federal aid.

Federal aid itself has been called by many people a delusion. We now have some 98 measures, programs, and projects of Federal aid involving over $3,000 million annually—simply taking the taxpayers' money and redistributing it, minus, of course, an administrative or carrying charge.

Clauses 5 and 6 provide millions of dollars not only to the States and communities to survey and plan their needs but actually to finance the communities for sewer-treatment plants on a matching basis. Simultaneously, and even before the law was passed, many communities who can well afford to do their own financing, immediately swarmed around the Federal gravy train to "get theirs." Many of them are not even near streams possible of pollution.

Although only $7 million could be spent the first year for this purpose, $50 million—the limit—was just approved for the fiscal year 1958.

Mr. Speaker, I submit that Federal grants penalize those communities and agencies which have already gone ahead on their own. This program taxes them to pay for the communities which have been neglecting their own sanitary affairs and do not have sewage disposal treatment works. Other communities have ceased their own efforts and are awaiting approval of Federal grants.

Grants tend to delay local effort in the hope that Federal money will become available.

It seems reasonable to assume that if a community can finance 70 percent of their own local improvements, as required under the law, it also can afford the other 30 percent as the price of home rule and freedom from Federal control.

The Federal-grants program, if not stopped now, will grow and involve greater shares of Federal funds than local funds, leading to increasing Government control over local and State economies. Grants are not needed nor desired by many State and interstate agencies and the doling of funds to them results in misuse of taxpayers' money. Enforcement, research, and administration of Water Pollution Control Act should not require expenditure of more than $2½ million per year by the Public Health Service.

Mr. Speaker, I am today introducing legislation to repeal the Federal grant sections of Public Law 660, namely, sections 5 and 6, and hope that this measure may have immediate attention before the proper legislative committee.

UNIVERSITY OF MICHIGAN LIBRARIES

ONE HUNDRED AND SIXTY-SIXTH ANNIVERSARY OF THE POLISH CONSTITUTION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on this Friday, May 3, the people of Poland, as well as the Americans of Polish descent, will celebrate the 166th anniversary of the Polish Constitution. Adopted in 1791, the Polish Constitution was inspired by the American Declaration of Independence. Both of these historic declarations represent great historical instruments in the march of freedom. Both of them are based upon the recognition that man is endowed with certain inalienable rights and that for the protection of these rights government is created from among those and by those who are to be governed.

Since the time when these two great documents of freedom were proclaimed well over a century and a half ago, freedom has been constantly challenged by those who would establish the laws of men over the laws of God and authoritative government over government by the consent of the people.

During these 166 years, Poland has faced many a crisis. This courageous nation has suffered many reversals. The Polish people have suffered severely from tyranny and cruel dictatorship. In these recent years, Poland suffers from the shackles of cruel and godless Russian communism. During all of this time, however, the courage of the Polish people has not faltered, even slightly. It might be said that some battles have been lost, but regardless the Polish people are certain that in the end their war for independence and freedom will be won. In the not too far distant future, I believe a virile, courageous, powerful Poland, under the direction of God, will once again be a bulwark of freedom in Eastern Europe.

Just during the past year, the great courage of the Polish people proved this was possible. Their heroic uprising in June in Poznan preceding the heroic Hungarian revolution shattered completely the theory of Communist Russia's domination over the countries of Central and Eastern Europe. Demanding freedom, demanding their independence, the workers of Poland demonstrated completely how fiercely they reject Soviet communistic control.

As one of the great countries of the world, as one of the most courageous nations of the world, and as a noble and godly people, Poland must again become an independent nation. The legions of Communist Soviet Russia must withdraw from Polish soil. Poland must be governed by the Polish people, in freedom and in independence of any foreign domination.

The first step in this achievement has been gained as a result of the October revolution. Communist Russia knew full well that retribution could not be exercised by its armies against the workers, the laboring people and all of the Polish people without a tragic defeat. By taking their destiny into their own hands, the courageous Polish people exposed completely the fallacy that communism is the rule of government for those who labor and those who call themselves workers. Because of their courage in October, the Polish people on this May 3d, their Constitution Day, have won their first step toward complete independence and breathe more easily and freely. The gospel of Marxism, Leninism, and Stalinism, like a heavy stifling gas, has been blown from the air of Poland by the wind of freedom blowing in during the October revolution.

Today, on this anniversary, Poland still languishes under the heel of Soviet communistic domination. Geographically, Poland is surrounded by the military might of Communist Russia. It is only because of this fact that a Communist government is still in control in Poland. The first blow, however, has been struck. The meaning of this is crystal clear. Communism cannot survive much longer in Poland.

On this anniversary today the American people, as well as free people everywhere, extend their hand of friendship to the people of Poland, and in doing so, congratulate the Polish people on their courageous effort in October to break the shackles of Russian communism. Because man was created to be free, because faith is stronger than the sword, and because right will triumph over evil, the destiny of Poland is the destiny of a nation in freedom. Before many more anniversaries are celebrated, Poland and its courageous people will be independent and in freedom will be marching hand in hand with the United States of America and with people in freedom everywhere. Of this fact, I am certain. God-fearing men, believing in their standing for the right, will always prevail over tyranny and evil. Poland will soon again be an independent, free nation.

In my congressional district in Massachusetts, and in my home city of Lowell, there are many American citizens of Polish ancestry. They are fine and respected and honorable people. They have achieved high positions in the learned professions. They have been honored with public office. As Americans they fought heroically in World War I and World War II, and in the Korean war against the tyranny of dictatorship. They helped their America win out over the forces of slavery and evil. They helped to preserve freedom for America. These distinguished American citizens look forward to the time when the noble country of their ancestry, courageous Poland, will again be independent and free. They look forward, as do all Americans, to the time when the destiny of Poland will again be in the hands of its own people. On this anniversary of the Polish Constitution, established 166 years ago, Polish people everywhere have cause to be proud, proud of the achievements of the Polish people against tremendous forces of evil, proud of their progress in their difficult path to liberty, proud of their courage, and proud of their faith. Of this fact they can be sure: communism can only end in failure, while the destiny of Poland is independence and freedom.

POLISH INDEPENDENCE DAY

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, it is a pleasure this year, as always, to join in commemorating Polish Constitution Day. Often as I have participated in paying tribute to the noble Polish people, and often as I have spoken on the occasion of Poland's national day, this anniversary never loses its importance to me.

This year, May 3 holds special significance for the Polish people and for all other people of the world who cherish freedom. As a result of events in the past year, we can discern holes in the Iron Curtain—holes caused in part by the Poznan uprisings in June and the Warsaw upheaval in October.

By their brave resistance, the people of Poland have shown once again that no amount of tyranny can extinguish their will to be free. After years of cruel Communist oppression, they have begun to edge their way toward freedom and have gained at least some measure of independence.

On May 3, 1957, as we commemorate the promulgation of that great instrument of democratic ideals, the Polish Constitution, we do well to remember the present plight of the Polish people. Having gained some freedom from the men in the Kremlin, they are now attempting to solidify their position.

Whether this country feels it can give aid to Poland is, of course, a delicate matter which is being studied closely by the administration at this very moment. There is widespread sympathy for the Polish people, coupled with a determination not to give any aid or comfort to the agents of the international Communist conspiracy.

By whatever means we can realistically help, this Nation owes a duty to contribute to Poland's efforts to gain her freedom. We in America, who owe so much to our many fine citizens of Polish descent, and to those great heroes the two nations revere in common, Pulaski and Kosciusko, must never forget our friends in Poland.

As May 3 approaches, we renew our bonds of friendship with the Polish people, and we hope and pray that the day is not too far distant when they will again be free.

POLISH CONSTITUTION AND AID

Mr. MAY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MAY. Mr. Speaker, on May 3, the brave and long-suffering people of Poland observe a day of hope. They commemorate the enactment of a democratic and progressive constitution on May 3, 1791.

Today the people of Poland do not enjoy the basic freedoms which such a constitution guarantees. Poland, along with other nations of Eastern Europe, has fallen under the heel of a vicious form of colonialism—Soviet international communism, a crude philosophy designed to subjugate freedom and make slaves of men.

Freedom is an essential basic to the progress and spiritual well-being of mankind. The Polish people have long realized the value of freedom and boldly demonstrated their belief throughout a turbulent history.

We in America have read many times of the special contribution to our fight for freedom in the Revolutionary War by Gen. Casimir Pulaski and Gen. Thaddeus Kosciusko. The Polish people realized that we needed help and it was readily forthcoming.

Today Poland needs help more than at any other time in her history. The American people must accept the challenge. Communism has virtually destroyed the Polish economy. Starvation and economic dislocation are prevalent. The Polish people demonstrated in the Poznan riots that they know who the enemy is. The theme was "Russians, go home."

The Polish Government has requested a loan of $75 million to be repaid in Polish currency. The money is to be used for foodstuffs and raw materials necessary to bolster the Polish economy. This loan will not aid the Soviet masters. It will help to eliminate the economic conditions upon which communism thrives. The hunger and economic weakness rampant in Poland today are precisely the factors upon which communism depends for its growth and sustenance. American aid must be forthcoming immediately if these factors are to be eliminated. We must follow the vigorous policy of peaceful liberation. As long as people are held subjugated by the weight of the armed might of the Soviet Union, the entire free world is in grave danger. It is my fervent hope that when the Polish people observe May 3 in the years to come, they will have cause to celebrate in an atmosphere of true freedom.

FINANCIAL REPORTS OF LABOR ORGANIZATIONS

Mr. RHODES of Arizona. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, in recent days there has been some controversy in the press and in the Committee on Education and Labor concerning the existence or nonexistence of power vested in the Secretary of Labor to make public financial reports of labor organizations. To set the record straight, I think it would be well to look at the legislative history of the statutes applicable to the question.

In the 83d Congress, the House Committee on Education and Labor considered certain amendments to the Taft-Hartley Act. One of the amendments in committee would have amended section 9 (g) to include the following sentence:

> The Secretary of Labor shall hold open to the public any information filed under this subsection and subsection (f).

Evidently in 1954 this committee considered that specific authorization was necessary in order for the Secretary of Labor to disclose these reports to the public.

Senator Taft, in 1947, undertook to interpret subsections (f) and (g) of the Taft-Hartley Act. Senator Taft, then chairman of the Senate Committee on Labor and Public Welfare, in describing these provisions on the floor of the Senate, on April 23, 1947, said:

> Such reports are not open to the public, any more than corporation reports are open to the public; but they are open to inspection by the members, and they are also open to proper Government officials.

Senator SMITH of New Jersey, another majority member of the committee, said:

> The information is not made public. It is filed with the Department of Labor, and it is available to members of the unions, who have a right to know these things.

The report of the Senate Committee on Labor and Public Welfare on the bill which contained the provisions which became subsection 9 (f) and (g) stated:

> The committee considered and rejected a suggestion that such information be open for public inspection.

The contemporaneous interpretation of these provisions by their principal draftsmen and proponents and later action by the Committee on Education and Labor indicate a lack of authority to make union financial reports public. The statements in the Senate committee report on the bill, and those made during debate by committee members must be given great weight in determining the intent of Congress as to how the provisions should be construed. The conference committee, in adopting the provisions of the Senate bill, did not indicate any disagreement with the legislative history previously made with respect to disclosure of the information and must be considered as also adopting that history. The conclusion is inescapable that when the Secretary of Labor asks for authority to make these records public, he knows whereof he speaks.

POLISH CONSTITUTION DAY

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, as I join with my colleagues of the House today, to salute the brave people of Poland on this the 166th anniversary of Polish Constitution Day, I cannot help but feel that this is a day to be set apart, not by Poles alone but by all Americans, all men who believe in liberty.

It was just 10 years ago today that I was privileged to participate in a most memorable observance of Polish Constitution Day. A group of lovely young girls from my district, the Arfa Girls Chorus of Passaic, had come to Washington on a pilgrimage to honor this day and pay homage at the shrines of freedom with which this beautiful Capital City abounds. I broke bread with them in the morning and later heard them lift their voices in song before the statue of their national hero and ours, Gen. Casimir Pulaski, that stands in the heart of downtown Washington. They sang again in the dusky vastness of the Capitol's Statuary Hall and in the White House itself, their songs of freedom, faith, and courage. It was a glorious experience and one I shall never forget, and it served to impress indelibly on my heart the understanding that American freedom and Polish freedom are closely intertwined.

It is heartening to realize that this day, for the first time since the Communist subjugation, Poles in their homeland will be openly celebrating their Constitution Day. It is a symbol and a reminder that no conqueror has been successful in the permanent subjugation of the Polish people. The role of the tyrant has always been transitory, and as in the past, Poland with her fierce devotion to freedom and democracy will emerge victorious from Communist oppression.

The past is ever prologue to the future; and Poles who have seen their country again enslaved by a ruthless conqueror will never cease to work and pray for that day when all of their bonds will be loosened, all of their people free.

Here in this House today we are commemorating Polish Constitution Day, and if we will but listen closely we may be able to hear the muted hoofbeats of Pulaski's legion pounding over the Baltimore road—the whispering echo of the general's prayer as he lay dying for the cause of American freedom:

> I have so much for which to pray; that my country will once again be free as this country surely will.

As General Pulaski forecast, we in America are free; and today in solemn reverence may we bow our heads and repeat again his prayer—that his country, too, might be free.

ANNIVERSARY OF THE ADOPTION OF THE POLISH CONSTITUTION

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I am grateful for the privilege of once again joining with my distinguished colleagues in the annual celebration commemorating the adoption of the Polish constitution, the date of which May 3, 1791, is

one of the outstanding milestones in the evolution of democracy in Europe.

This Polish constitution closely follows our own form of representative government as initiated by our Founding Fathers. While we are still guarding the rights and privileges granted to us under our Constitution, the valiant anti-Communist Polish people have lost all rights, all privileges, all independence bestowed upon them 166 years ago, and have become an enslaved nation.

For centuries it has been the lot of the Polish people—foremost exponents of democratic ideals—to undergo bitter privation and persecution. We all know that to be the history of Poland—a history replete with constant struggle and sacrifice. The people of our great country, yours and mine, should be forever grateful to the Polish race for their many splendid contributions to liberty.

Today, in the hearts of millions of Polish people, those still behind the Iron Curtain and millions of our own Americans of Polish birth or descent, there burns the light of freedom that will some day soon bring to Poland a new independence.

I am sure that with few exceptions the people today in Poland would if they could jubilantly join us in this celebration to commemorate the adoption of the Polish constitution and renounce Soviet Russia. Even the iron heel of Soviet Russia cannot prevent the Polish people from a silent and hopeful observance of the anniversary of their great day.

The Poles have never calculated costs when their national pride and existence were at stake. They will fight when there is not an apparent chance of winning. They are the perpetual upholders of the lost but ever-glorious cause: Polish freedom. Battles in the past against Poles have been won, but the war has never been won. There has always been a Poland, even if it existed temporarily only in their hearts.

I pray that some day soon the end will come to the incessant warfare, to the oppression of the small nations, to bloodshed and pain, to intolerance and greed that have frustrated all the attempts of establishing peace and freedom in the world, and have brought tragedy to the lives of countless millions. I pray that the alien regime now in Poland will be hurled out and liberty will again be restored to these courageous people.

This observance of Polish Constitution Day should be another occasion to reassure the subjugated people of Poland that the Government and the people of the United States are dedicated to their peaceful liberation from Soviet bondage.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, may I inquire of the majority leader as to the program for next week?

Mr. McCORMACK. There is no legislation up for today.

The program for next week is as follows:

On Monday there is the Consent Calendar. There will be one suspension, H. R. 358, a bill providing for an increase in pensions for widows of Spanish-American War veterans. It is my distinct recollection that that bill passed the House in the last Congress.

Thereafter on Monday there will be considered the bill H. R. 5807, the Missing Persons Act.

For Tuesday and the balance of the week the program is as follows:

The Private Calendar will be called on Tuesday.

Then there is the third supplemental appropriation bill for 1957.

Thereafter the bill H. R. 6659, the Housing Act of 1957, will be taken up.

Then H. R. 52, increasing the rates of compensation for service-connected disabilities; and following that the bill, H. R. 3658, concerning widow eligibility for Veterans' Administration benefits.

May I say also that the President of the Republic of Vietnam will address a joint meeting of the House and Senate on Thursday next.

I make the usual reservation that any further program will be announced later, and that conference reports may be brought up at any time.

Mr. MARTIN. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MARTIN. I yield.

Mrs. ROGERS of Massachusetts. May I ask the gentleman from Massachusetts [Mr. McCORMACK] if he knows when there will be programed the bill H. R. 72, which would provide that under certain conditions the family or the estate of a man incarcerated in a mental hospital would lose the benefit of certain money? I think it is a very dangerous bill. It is confiscatory and at the hearings, more than once, the Veterans' Administration brought up the constitutionality of the bill. Under the provisions of the bill, if such a veteran dies in a mental hospital, unless his father and mother were dependent they would not get the money from his estate. There are some other very bad provisions in the bill. I voted against the bill in the Veterans' Affairs Committee and I oppose it with all my being. I should like to know when this bill will come to the floor.

Mr. McCORMACK. I have not programed that particular bill for next week. My understanding is that a rule has not been granted on it.

Mrs. ROGERS of Massachusetts. What about the bill H. R. 52?

Mr. McCORMACK. That is the bill increasing rates of compensation for service-connected disabilities?

Mrs. ROGERS of Massachusetts. Yes. That is very much like a bill that was passed last year. To my knowledge it is the first time the other body has refused to pass a bill of that type, to increase compensation for service-connected disabilities. The House passed the bill. I am going to do everything in my power to have it passed at this session in the other body as well as in the House. I know it will pass there.

Mr. McCORMACK. I recall that that bill did pass the House last year.

Mrs. ROGERS of Massachusetts. Yes, it passed the House last year, but not the Senate.

I am delighted the floor leader, the gentleman from Massachusetts, has programed the O'Hara Spanish-American War widows bill which provides increases in their pension, on Monday next under suspension of the rules. It passed the House last year but failed of passage in the other body. I congratulate the only Spanish-American War veteran, Mr. O'HARA.

THE EISENHOWER PROGRAM

Mr. CHRISTOPHER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CHRISTOPHER. Mr. Speaker, almost every time I pick up a paper I see the assertion by some editor, who offers no proof to substantiate his assertion, that the Democratic Members of Congress are gumming up the Eisenhower program and not allowing it to be enacted. I think if you will check the CONGRESSIONAL RECORD you will find that more Democrats have voted for the Eisenhower program than the men in his own party. I respectfully suggest to the President of the United States that he play a little less golf and do a little more work on the Members of his own party if he wants his program enacted.

There have been times when some people thought golfing was a waste of the President's time. Take back in 1922. James Larkin Pearson, North Carolina poet laureate, wrote this about a golfing President:

When there ain't no work for his hands and mind,
The President plays some golf;
When the work is rushing and getting behind,
The President plays some golf.
When the great and mighty affairs of state
Are vexed with problems small and great,

The word goes out that they must wait
Till the President plays some golf.
When there ain't no trouble on earth at all,
The President plays some golf;
When the world is tottering to its fall,
The President plays some golf.
When the crops are poor and the purse is flat
And there ain't no food for the hungry brat,
There's just no time to attend to that
Till the President plays some golf.
When he's awful tired and wants to rest,
The President plays some golf;
When he's fully rested and feels his best,
The President plays some golf.
If there be dark clouds or a shining sun,
A house on fire or a race to run,
There's nothing at all that can be done
Till the President plays some golf.

AMENDING RAILROAD RETIREMENT AND RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include therein a letter and certain statements.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Speaker, at the joint request of the Association of American Railroads and the Railway Labor Executives' Association, I am introducing a bill, prepared by the Railroad Retirement Board, to amend the Railroad Retirement Act and the Railroad Unemployment Insurance Act. This bill contains technical and administrative amendments to both acts, and, I am advised, is noncontroversial, would not add cost to the administration of the retirement and unemployment insurance systems, and would authorize several needed improvements in the administration of both systems.

As part of my remarks, I should like to include the joint letter from the Association of American Railroads and the Railway Labor Executives' Association and a general explanation of this bill.

WASHINGTON, D. C., *April 26, 1957.*

The Honorable OREN HARRIS,
Chairman, House Committee on Interstate and Foreign Commerce, House Office Building, Washington, D. C.

DEAR CONGRESSMAN HARRIS: The Railroad Retirement Board prepared the enclosed draft bill containing technical and administrative amendments to the Railroad Retirement Act and Railroad Unemployment Insurance Act and has discussed the proposed amendments with the Association of American Railroads and the Railway Labor Executives' Association. These two associations have approved the Board's proposals, and are in agreement that the bill would not add cost to the railroad retirement and unemployment insurance systems, and that it is essential to have it enacted because it would authorize several needed improvements in the administration of both.

The enclosed statement entitled "General Explanation of the 'Technical' Bill" describes briefly the several amendments which the bill would make in the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Since this is a noncontroversial proposal, jointly requested by railroad management and railroad labor, we hope that you can arrange for its early introduction and enactment.

We are writing a similar letter to the chairman of the Senate Committee on Labor and Public Welfare.

Sincerely yours,

W. T. FARICY,
President, Association of American Railroads.

G. E. LEIGHTY,
Chairman, Railway Labor Executives' Association.

GENERAL EXPLANATION OF THE TECHNICAL BILL

The bill would provide for rounding out to the next lower multiple of a dollar the average monthly compensation and the average monthly remuneration on which annuities are based, but would round to the next higher 10 cents the amount of any annuity. This change would facilitate the construction of tables for computing annuities and would have no material effect on the amount of the annuity.

The bill would transfer from the Social Security Administration to the Railroad Retirement Board the authority to make determinations for the purpose of applying section 3 (e) of the Railroad Retirement Act (the overall social-security minimum as to amounts payable under the Railroad Retirement Act), of periods of disability (within the meaning of the Social Security Act) for career railroad employees (those with 10 or more years of railroad service). This would make possible the exclusion of such periods in determining eligibility for, as well as the amount of, benefits. (At the present time the Social Security Administration makes such determinations for the Board.) This transfer of authority would facilitate administration, because, among other things, no special applications for such determinations would be required (applications for disability annuities would be deemed also applications for such determinations) and the Railroad Retirement Board would be authorized to rely for such determinations on evidence obtained in establishing disability for annuity purposes, or obtained for other purposes, such as for sickness benefits.

The bill would clarify the provisions for the payment of annuities, or other amounts due under the act, which had accrued but were unpaid at the time of the annuitant's or other beneficiary's death. If payment in any such case (or in the case of any death benefit) is to be made to a widow or widower, the living-with requirements would have to be met by such widow or widower. Further, the bill would list more specifically the persons to whom the residual benefit of section 5 (f) (2) would be payable, and would limit payment of the insurance lump sum of section 5 (f) (1) to the widow or widower of the deceased employee or, in the absence of such a survivor, to the person equitably entitled to reimbursement for paying the burial expenses of the deceased employee.

The bill would permit the payment of retirement and spouse annuities in a lump sum on a commuted-value basis, if less than $5 a month, just as is now the case of survivor annuities.

Under the bill, the maximum monthly benefits payable to the family of a deceased employee would be calculated after, instead of before, taking into account the deductions required to be made because of the employment of a member-beneficiary of the family; and deductions now required in some cases from a survivor's benefit would no longer be made.

The bill would clarify the provisions for crediting, for survivor-benefit purposes, wages covered by the Social Security Act; would simplify the calculation of the average monthly remuneration in determining the amount of survivor benefits; would consider an employee as insured for survivor-benefit purposes if he would be insured under the Social Security Act were his railroad service after 1936 deemed to be social-security employment; and would provide for the payment into the railroad-retirement account (as is provided for the railroad-unemployment-insurance account in enforcing the provisions of the Railroad Unemployment Insurance Act) of fines and penalties imposed by the courts in enforcing the provisions of the Railroad Retirement Act.

The bill would also amend the Railroad Unemployment Insurance Act in several respects. Canadian railroad employees would be treated the same as American employees with regard to their rights to unemployment, sickness, and maternity benefits. Of 2 successive days of employment for which only 1 day's remuneration is paid, the bill would consider the first of such days as a day of employment. A day on which no more than $3 is earned would be treated, under certain circumstances, as a day for which no remuneration was payable and, therefore, as a compensable day of unemployment. Finally, the bill would permit the amounts in the railroad unemployment-insurance administration fund to earn interest and would consider such amounts as part of the balance in the railroad unemployment-insurance account for purposes of fixing contribution rates.

With respect to internal administration the bill would authorize the Board to establish a certain number of grades above grade GS-15; and would authorize the payment of the tuition, expenses, and salaries of employees selected by the Board to attend certain training courses—a provision which would make inapplicable to the Board, under certain circumstances, the restriction in general law on the number of employees in the Board engaged in personnel work, was eliminated from the final draft.

AMERICA'S FIRST LINE OF DEFENSE

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and to include a newspaper article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, as one who has worked with many members of our Foreign Service both in my capacity as a Member of Congress and member of the Foreign Service Advisory Committee, I have had numerous occasions to observe their vital role in the international war of ideas.

Our Nation is joined in ideological struggle with a resourceful and imaginative adversary who is served by thousands of diplomatic and clandestine agents throughout the world. Upon the shoulders of our Foreign Service officers rests the responsibility to meet this challenge. How important it is that these officers be given the moral and financial support necessary to permit them to do an effective job.

At this point, Mr. Speaker, I should like to introduce an article by Malvina Lindsay entitled "First Line Defense Gets Scant Backing," which appeared in today's Washington Post and Times Herald, and which so effectively sums up the mission of the Foreign Service.

FIRST LINE DEFENSE GETS SCANT BACKING

(By Malvina Lindsay)

One meets them everywhere, those earnest men and women who are zealously studying foreign languages and cultures, shedding home ties and possessions, and preparing with a sense of dedication to be their Nation's emissaries in far parts of the world.

They may be in the Foreign Service, or in technical assistance or other programs to better international relations. They are the soldiers of the hot peace, and they form a thin shield between a cold war and an atomic one.

Yet, unlike the American emissary who carries a gun, they get little support at home. In the current economy drive in Congress they have become the popular cats to kick. Some distinguished gentlemen of the House recently had a field day pursuing this sport when they cut the State Department's budget. Some distinguished Senators are now ready to take their turn at it.

It is assumed that GIs and their officers stationed abroad need not only adequate housing but facilities for recreation. Yet in Congressional zeal to cut appropriations of the State Department, a furor has been raised over expenditures for swimming pools, clubhouses, and such for Foreign Service personnel.

But if this Nation expects its civilian representatives to perform effectively their delicate missions in critical, and often primitive, areas of the earth, it should be vitally concerned with their physical fitness and their morale. Business corporations give much attention to measures that will insure productivity from employees sent abroad.

Representative FRANK T. BOW of Ohio reminded the House that "there are some places in this world where we owe it to those who make up our first line of defense in those areas to give them some recreational opportunities."

He told of finding "some of our people" in Laos living in native huts where water had to be brought from a river in tanks, stored in gasoline drums, "where you could see wiggly crawly things," and boiled before using.

"The people we send to those faraway places," he said, "carry great responsibility for the Nation and the free world, and I think it is a shame that in a report of this kind (the one on State Department appropriations) there is nothing but castigation of the agency."

Another Congressional attack was on entertainment allowances for American diplomatic representatives abroad. The request for this was slashed in half by the House—in face of current criticism of appointment of millionaires as ambassadors. This was accompanied by the usual potshots against diplomats including the bewhiskered cookie joke.

Representative FRANCES P. BOLTON, who in her constant, conscientious traveling to remote places has probably visited more consulates than any Member of Congress, reported she had found that many representatives of this country abroad had to put their hands into their own pockets to pay for entertainment.

She told of attending a dinner at a small consulate for herself and her colleagues, and of discovering later that the cost of the dinner for the 14 people took the whole year's dress allowance of the hostess.

Congressional baiters of the State Department were ready to counter with reports of high living abroad at Uncle Sam's expense. But while no large governmental program can be free of misfits who make mistakes for critics to seize upon, any fair appraisal of the Foreign Service and of other agencies engaged in overseas programs would show a proportion of responsible, dedicated personnel that should make Americans proud.

Because of Maginot Line thinking by some Members of Congress and much of the public, the corps that battles with ideas does not receive the consideration given to those who man strategic bases or build bombs. They are bombarded with criticism from behind, also have their weapons curtailed in the name of economy. Yet if they fail the bomb throwers take over and we get the war that will cost trillions—not millions—of dollars.

SEMIANNUAL REPORT OF THE INTERNATIONAL CULTURAL EXCHANGE AND TRADE FAIR PARTICIPATION ACT OF 1956—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs.

To the Congress of the United States:

In accordance with the provisions of section 9 of Public Law 860 of the 84th Congress, I transmit herewith for the information of the Congress the first semiannual report of operations under the International Cultural Exchange and Trade Fair Participation Act of 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 1, 1957.*

ADMINISTRATION'S MONETARY POLICIES

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, we are talking a great deal about the budget, as we should. It is very important that we prevent waste and not spend any money that we do not have to spend, because the money we spend comes from the taxpayers. We should be very careful about it. There is one thing we have overlooked, and that is the force and effect of the interest rates on the budget and on our economy. The interest rates have a tremendous effect. I do not believe the Congress is giving the time and thought to the question that it deserves.

TWELVE MEN HAVE MORE POWER THAN THE UNITED STATES CONGRESS OVER OUR ECONOMIC AFFAIRS

We have today a situation that is really no compliment to the Congress of the United States, and that is that although we have 435 Members of this body—the House is very close to the people, elected every 2 years—we have 96 Members of the other body, elected one-third every 2 years—531 Members in all of the United States Congress—we have 12 men in this country who have more power over our economic affairs and have more influence over our economy than the United States Congress.

Those 12 men are creatures of the Congress. They are the Open-Market Committee. I doubt if there are 3 Members of the House who know the names of the entire 12 men who compose that Open-Market Committee, and I will embrace the other body in that statement, too, because we pay no attention to the subject, yet we have under the Constitution delegated to those 12 men more power than we reserved to ourselves.

That Open Market Committee can buy and sell Government securities. There is no limit to its sales; there is no limit to its purchases. It is a very convenient way to purchase Government securities. The Open Market Committee is in the New York Federal Reserve Bank and the manager of the account can buy a billion dollars worth of bonds right now if he wants to; he can buy $10 billion worth of bonds if he wants to.

How does he pay for those bonds? He gets the money from the Bureau of Engraving and Printing here in Washington, D. C., Federal Reserve notes.

HOW WE LET FEDERAL RESERVE GET AWAY FROM CONGRESS

What do they pay for those notes? They do not pay anything. That is one of the powers we have granted to them, the power to create money; and they use that money to buy our own Government bonds. Then they hold the bonds and continue to draw interest on those bonds. That is the reason we have let the Federal Reserve get away from Congress. The Federal Reserve System does not come back to Congress for an appropriation every year. It is the only large agency of Government that we have in our country that does not depend or rely upon Congress for anything. We have delegated to them enough power and credit where they buy our Government bonds, hold the bonds, collect about half a billion dollars a year interest on those bonds. They spend it for any purpose they desire and then turn 90 percent of it over to the Treasury at the end of the year. It is a very fine arrangement for those people. They have accumulated a large sum of money in that way.

PAY ON DEBT

There are surplus funds in the Federal Reserve banks of about three-quarters of a billion dollars that could very well be paid into the Treasury. It serves no purpose where it is, and we could reduce the debt that much and save that much interest. Private member banks hold in what they call stock $330 million in the Federal Reserve banks. It is not stock at all, it is just called stock; it is a misnomer. It is an involuntary investment by the private banks who have to keep it there while they are members of the system. They get 6 percent interest on it but they cannot vote the stock, they cannot hypothecate the stock, they cannot sell the stock. The so-called stock does not serve any purpose in the world, yet we are paying $20 million a year interest on that stock which serves no purpose. It should go back to the banks.

The main purpose for which I asked this time was to point out the power we have delegated to the Federal Reserve banking system. We are permitting them to absolutely control and run the economic affairs of our country to an extent that they have more power, as I said in the beginning, than the Congress.

Mr. Speaker, I invite attention to an article that appeared in one of my favorite magazines, Business Week. I read that magazine every week. It is a fine

magazine. I have found it reliable and dependable. The magazine is very careful about what it publishes.

In an article appearing in the April 27, 1957, issue, there is the following:

FED RENEWS FIRM GRIP ON CREDIT

The signs earlier this year that the Federal Reserve might relent in its tight money policy turn out to have been misleading. It was only marking time.

Once more, the Washington experts are convinced that an inflationary wage-price spiral threatens the United States economy—despite admitted areas of softness.

So, in hopes of encouraging business to pare prices as a stimulus to buying, the Fed now says it will keep the clamps on the Nation's supply of credit.

Notice this very significant statement contained in the article:

"And it appears quite plain that they are prepared to resist appeals for looser credit—from Congress or other quarters."

FOURTH BRANCH OF GOVERNMENT

What does that mean? It means that an agency we have created says to us that they are going to resist us. They are defying their master. The Congress created the Federal Reserve System. It is an agency, a creature, a servant of the Congress of the United States. There is no question about that at all. Nobody can dispute it. Yet we have let them get off to themselves and to become what in effect is the fourth branch of Government. They are defying the Congress, they are saying they are going to resist the Congress, they are not going to pay any attention to Congress, they will oar their own canoe and run their own affairs and our economy just like they want to run it. They will have high interest rates. They will have low Government bonds. That is what they have been doing and that is what they expect to continue to do.

That is a direct challenge to the Congress. Furthermore, it is a direct challenge to the newly created committee in the other body to investigate monetary and credit policies and interest rates. So I assume that committee will take up this challenge at once. It is a challenge to that committee, it is a challenge to the entire Congress, and that challenge should be met.

We witnessed in this House through one of its committees not so long ago a test of the power of the Federal Reserve System. One of the finest committees of this Congress, the Government Operations Committee, headed by one of the most patriotic and able men I know, the distinguished gentleman from Illinois [Mr. DAWSON], decided to have an audit of the 12 Federal Reserve banks. That committee met with resistance. The Government Operations Committee ordered the Federal Reserve banks to submit their books to the General Accounting Office, an agency of the United States Government.

Did you know that the Federal Reserve Board, through Mr. Martin, its Chairman, refused to let the committee have any one of the 12 banks audited by the General Accounting Office?

Now, you know that is defiance. That is defiance at its worst. My prediction is that they are not going to get by with it. I know Chairman DAWSON; I know something about his ability; I know something about his courage, and I know that is not the end of it. But that shows how far they have gone. They have actually defied the master, the body that created them; they have defied them and they have refused to carry out the instructions.

For your information, my friends, the Federal Reserve System is about—let me see, 1913—43 years old. Did you know that those 12 banks, not one of them has ever been audited by a Government auditor? That is a fact; not one of them. Have you ever seen an audit? No. And you cannot see it; it is secret. They have audits made by their own auditors. They do not have any Government auditor. They will not permit the General Accounting Office to audit their books.

Furthermore, did you know that the Open Market Committee in the New York Federal Reserve Bank, that is doing billions of dollars' worth of business a year buying Government bonds and selling Government bonds, has never been audited by the General Accounting Office? Do you know what has been going on over there? I do not, and nobody else does, because it is secret. You are not being told. You are not seeing any records. I know this, that any person in the money market who knows what the Federal Open Market Committee is going to do today in the Open Market Committee, as to whether they are going to buy bonds or sell bonds, can oftentimes make a fortune within 2 hours by speculating in Government bonds in the market. We all know that, and we know that there is a lot of talk around as to what they are going to do, and the people in the know can make millions a day. How many have done it? I do not know and you do not either. There has never been any investigation made. Now, that is no credit to the Members of Congress; it is no compliment to this great body that we will turn over to a group of 12 men, the Open Market Committee, such tremendous powers, one power to go to the Bureau of Engraving and Printing and by the truckload just truck off Federal Reserve notes, money, and buy United States Government bonds with that money, and then keep those bonds and collect the interest on them.

Ordinarily you would say that if you give me a check to go pay a note that you owe, and I take that check, drawn on your funds, and I pay that note that you owe, we will say for $1,000 that is drawing 6 percent interest, as your agent, I pay that note, and that would stop the interest because the note would be paid. But in this case, why, the Government permits the Open Market Committee to give a check on the Government to buy a bond and then keep the bond and continue to draw interest every year. That is exactly what has happened. That is the way that the Federal Reserve makes over $500 million a year. It is happening right here in broad daylight, folks; it is right before our very eyes. We are permitting it to go on and we are doing nothing about it. It is not right; it is wrong. The people would not permit it 10 minutes if they knew all about it, and what is going on. You would not either if you knew all about it. We do not have the time to study it; we do not have the help provided for you that would enable you to keep advised of all these things that are going on. But we know certain things are going on, and yet we do nothing about it. One of these days we are going to have a sad awakening, and I hope that we do something about it before we have that awakening.

Now, the interest rates. The budget is over a billion dollars higher this year just because of interest rates alone. All right. When we refinance the other part of the Government debt at these high rates it will be $4 billion more every year. Why are we permitting that? It is not necessary. We do not get the use of any more money. It is hurtful to the economy. It does not stop inflation; it causes inflation. Whenever you increase interest rates you increase the price of everything that is manufactured and bought, and increasing prices increases inflation. So, it is not only disturbing, it is disruptive. We know it, and yet we let it go on because we have delegated this power to these 12 great men, these powerful men. Let us see who these men are. There are seven of them, members of the Federal Reserve Board. They are selected in a fine way. The President selects them and they are confirmed by the United States Senate. That is all right. That is the customary way, the orthodox way. Nobody objects to that. We may assume they are good people, working in the public interest. But the other five represent the private bankers. So 5 of those 12 who determine our policy are sitting in there representing the private bankers. And who helps them? Well, the other presidents of the Federal Reserve banks who are not on the Open Market Committee and the advisory group representing the bankers. In other words, we have 7 public members surrounded by 24 representatives of the banks at every meeting, to fix interest rates and to determine the supply of money. That is what we have. It is legal. Congress passed it. We never looked into it. We never audit their books. They never come back to Congress to get any money and we never get to investigate them because they are away from Congress. They have become the fourth branch of our Government.

Let us see what those interest rates mean. Today we have about $25,900,000,000 worth of what are known as Treasury bills, 90-day Treasury bills. In 1939 on that much of Treasury bills we would have paid $6 million for the use of that much money for 1 year. Do you know how much we are paying on it today? We are paying at the rate of $678,600,000 a year. That is how much we are paying. We know this. We are permitting it to go on. It is unnecessary. It is harmful to the country. It is destructive. It serves no good purpose. It is bad when we do nothing about it. And that is happening right here in broad daylight, right before our very eyes. It should be stopped. It is not right. It borders on dishonesty and fraud and deceit. It should not be allowed. Congress should do something about it.

Ordinarily an agency of the Government would come up here before the

Committee on Appropriations and they would have to show what they were going to do, and Congress would have to approve it. But the Federal Reserve, when it received from Congress the power to create money itself and the power to have money printed and used as it wants to, got away from Congress. They do not come back to Congress for anything. That is the reason they are defying us and that is the reason we must take another look at the powers that we have granted to the Federal Reserve System.

I think that purchasing power among the people generally is the basis for a prosperous economy, a healthy economy. Without adequate purchasing power we do not have a satisfactory economy. We witnessed in the early thirties what lack of purchasing power would do. There was nothing wrong with our country then except lack of buying power, lack of money. That is what it was. We just would not let the money get out among the masses. We used the trickle-down system and the money did not get down; it never got down to the masses. We were told then—I was here then—we were told that there was too much production, overproduction. We know now, in looking back, that we had inadequate production. We were told we had too much production. It was not true. We just did not have enough money to buy, enough money was not created for that purpose. It was not made possible. We might just as well recognize the facts of life, that we have a capitalistic system. I believe in a capitalistic system. I believe in a commercial banking system. We have the finest and best in the world. I have no objection to it if it is operated in the public interest. That is what they are supposed to do. I have no objection to the banks making good profits. They are entitled to good profits, because we want them to serve the people well, and in order to do that they are entitled to fair profits, good profits. I want them to have them. I have no objection to that.

NEW YORK BANKERS CONTROL

The Federal Reserve System I think is the finest and best system in the world, but we have gotten away from the intent of the Federal Reserve System. We have turned it over to the influence of the New York bankers. I hate to say that the New York bankers are controlling our monetary system today but I believe it and I believe the facts will support it. They are ruining our country. They are diverting purchasing power. They are causing millions of dollars to be paid every years to the moneylenders for no service in the world, and taking that money away from the people who would like to spend it for the comforts and necessities of life and to remove the drudgery of life. It is wrong, it is cruel, it should not be allowed.

Today we are paying $10 billion a year more in interest than we were paying 4 years ago for the same amount of money. Individuals and corporations are paying it for the same amount of money that they were paying 4 years ago, $10 billion more. Take your pencil and a piece of paper and divide $10 billion by 170 million people, and you will find that that means $60 a year for every man, woman, and child in America. That means that every year, this year and succeeding years, every man, woman, and child in America will have to pay $60 for the interest alone, unearned interest. It should not be paid. It is wrong to pay it. But Congress is doing nothing about it. That means $300 a year for every family of 5. That means every year a family of 5 will have $300 less to spend for the comforts and necessities of life, because it will go into the interest channel to pay for interest to go to the moneylenders for services they did not render. It is a diversion of purchasing power that is injurious and destructive to our country. It is not necessary. It should not be allowed. But we are allowing it. We should do something about it.

The first thing they did, these money managers of ours, to whom we granted all this tremendous power, and we are not even looking over their shoulders to see how they exercise it, they denied us the privilege of auditing their books. We do not even see what they have done with the billions of dollars. All right, we made a mistake there. But we ought to correct it. We ought to take a look.

But No. 1, let us go back to this Federal Reserve Act and just take a little look at it. It is a good law. In 1913, 2 days before Christmas, it became a law. Woodrow Wilson sponsored it as President of the United States. When the bill was going through the Congress an effort was made to put bankers on the policy-making boards. Woodrow Wilson shook his finger at them and said, "We will never allow that to be done," when they came to see him in the White House. He told those bankers to their faces that we might just as well put railroad owners on the Interstate Commerce Commission to fix railroad freight and passenger rates as to put bankers on the policy-making board to determine the supply of money and the interest rates that the people shall pay. As long as Woodrow Wilson lived a banker was never on those boards, not one time. And the Federal Reserve was all right. But, in the depths of the depression when we were all looking for a way to come out of the depression and paying little attention to the effect in the future of laws we passed, we passed an act here that changed the Federal Reserve System. They were substantial changes. It took an about-face. Woodrow Wilson was against the central bank. At that time, if I had lived during that period, I would have been against the central bank, too. But times have changed. In 1935, when this revolutionary law was passed to change the Federal Reserve System, it was converted into a central bank. I do not object to that part of it. I am for a central bank now. I think we need it. We have to have it. I do not object to it at all. But what happened when we were not looking in 1935 and we did not realize what was going on? It was not even discussed here in the Congress. They set up this board to put private banker representatives on policymaking boards to determine interest rates. That is what they did and it was wrong.

Mr. BURDICK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. BURDICK. Does not the gentleman from Texas believe that the action of the Federal Reserve Board in 1920 when they demanded a payup policy was a direct cause of the depression that followed?

Mr. PATMAN. There is no question on earth about it, for the reason that whenever you pay off debts, you cancel money. That is what they did. They ordered the debt paid. A lot of people say, "Why not pay off all the national debt?" Of course, we would like to pay the national debt. But, if you pay too much of it at one time you would put the country into a depression because you would cancel that much money. When you go to a local bank and you borrow $100 and give a note for $100, they create $100 in money to let you have the $100. That is creating money on the books of the banks. Most of the money is created that way out of thin air, as we call it, except that they have to have $1 of reserve for every $6 that they issue in that way. In 1920 that is what put our country into a terrible condition. It was by demanding that these debts be paid off. I would like to see a consistent policy of paying off the national debt. Something should be paid off every year. But, remember, as the national debt is paid, other people must go into debt an equal amount or more or the country will suffer. It requires debts to have money. It is that simple. It sounds idiotic, but the fact is that if there is no debt there is no money. That is our capitalistic system that we believe in. I believe in it and you believe in it. We might just as well recognize it, but that is it—no debt, no money. So that being true, we turned over the greatest power on earth to 12 men without supervising them in any way whatsoever. There are no audits. There is no proper accounting. There is nothing to control them. They are away from us. They have set up their own fourth branch of the Government and are now defying the Congress of the United States. When this administration came into power, one of the first things it did, which I think was a terrible error, was to force down the price of Government bonds. For 14½ years Government bonds had been above par and we had gotten along all right. That meant that people who bought those bonds, if they wanted their money, they could get their money, and they could invest it in some other way. If they wanted to finance a neighbor's home, they could do that. But, the first thing that was done 4 years ago was to cause policies to be put into effect that caused these Government bonds to go down and down and down until they reached 88. That meant if your neighbor wanted to build a home and he could not get the financing and you would like to finance it for him by selling your bonds and letting him have the money, you could not sell the bonds because they had gone down too low. So I suggest that you give consideration to

this question and take some of the power away from these 12 men that we have given to them.

REDUCTION OF THE PUBLIC DEBT

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 10 minutes.

Mr. VANIK. Mr. Speaker, although the pressures for budget reduction and a corresponding tax reduction are as great upon me as they are upon every other Member of Congress, I want to take this opportunity to recommend to Congress the advisability of applying any surplus accumulated this year by budget reduction upon the tremendous public debt of this country which at the present time totals in excess of $276 billion.

At the present rate of reduction in Federal expenditures it appears that some three to five billion dollars and at least $3 billion will be pared from the Eisenhower budget. This reduction of Federal expenditures, while very difficult to achieve, is only a small sum in comparison with the tremendous public debt of our Nation which was generated principally because of the high cost of World War II and the Korean war.

If this country were to declare an outright attack on its indebtedness, it seems to me that the national indebtedness of this country could be reduced with almost the same degree of acceleration with which it was generated. For example, if instead of voting a tax reduction, which would in effect bring very few dollars into the pockets of the average taxpayer, this Nation in its wisdom were to apply the $3 billion on the public debt, that sum of money removed from investment in Federal indebtedness would have to search out new fields of investment in corporation expansion, private housing, and other related fields. The supply of investment capital for which a constant cry is made would be increased by this sum of money. The presence of $3 billion added for private investment could have a very deterrent effect on the prevailing interest rate and conceivably could reduce the prevailing interest rate by perhaps one-half of 1 percent. If the prevailing interest rate were reduced by one-half of 1 percent, the Federal Government itself would be the greatest gainer as the greatest borrower in America. The interest on the Federal debt is fast approaching 10 percent of the total revenues of our Government, and if the interest rate could be reduced by one-half of 1 percent, the interest saving to the United States Government on its own indebtedness would approximate almost $1½ billion per year. In addition to this saving the repayment of public indebtedness in the sum of $3 billion would result in higher taxable income on the part of those persons or corporations receiving repayment which would increase tax collections by our Government by perhaps an additional billion dollars. So that in the aggregate, a $3 billion reduction in Federal indebtedness of the United States would actually result in savings to this country of almost double that amount.

If the reduction of Federal indebtedness by $3 billion and the return of that much money would add to the money supply of the country, the entire Nation would profit by the stabilization or the reduction of the interest rate on private debt which has in recent months moved in a more inflationary direction than any other item affecting the American cost of living. Every citizen in America would benefit by the increase in the supply of investment capital and the depressant effect which it would have on the cost of money by way of the current interest rate.

The tremendous pressure for tax reduction comes principally from corporate enterprise which for the greater part has irresponsibly dissipated reserves for depreciation in order to avoid the passage of true income to a status of taxable income and subject to the internal revenue tax collector. Under the use of quick amortization procedures and the accelerated depreciation privileges of the Internal Revenue Act of 1954, large segments of American enterprise have "enterprised" billions of dollars from the Federal Treasury by exhausting depreciation allowances. For example, in the annual report of the United States Steel Corp., management complains about the inadequate depreciation and criticizes the income-tax law which limits the total depreciation recoverable during the life of a facility to the number of dollars originally spent for it and complains about the problem of the declining value of a dollar unrecoverable under unrealistic limitations. In this annual report the management points out that "faster recovery, such as has been permitted under certificates of necessity, tend to reduce the inadequacy which would otherwise exist; but the only real basis of recovering purchasing power would be to adjust for the change in the dollar intervening between the year of capital expenditure and the year in which depreciation is taken." How can they reconcile this statement with the glorious stock split of 1955?

The United States Steel Corp. in its 1956 annual report indicates that the corporation's wear and exhaustion or depreciation record for 1956 was $278 million and that this will decline to $140 million of amortization in 1958, after which amortization will virtually disappear. Quoting further from the report of the United States Steel Corp. management we read the following sentence on page 27 of the annual report:

> As amortization will decline and virtually disappear, the depreciation deficiency will actually increase and income will seemingly increase. Since taxes will increase by over half, the declining amortization, a curious and serious situation will result: At the very time that business appears to have greater income, the cash with which to conduct it is diminished.

The report fails to show that the depreciation arbitrarily consumed taxable income which escaped the Federal tax collector.

The United States Steel Corp. management further points out that the estimated tax deductible amortization for all business amounted to $3,400,000,000 in 1956 and that if no more certificates of necessity are issued, it is estimated that this amortization will decline to about 500 million by 1961. The corporation management further points out that this may represent a tax windfall to the Treasury. And it rightfully should. The Treasury needs some windfalls.

Mr. Speaker, as a matter of fact, the only way that the American Government can recover its almost $23 billion loss of tax revenues in the grant of accelerated depreciation certificates granted by the Office of Defense Mobilization is by continuing the present levels of corporate taxation. If these levels of taxation can be continued until all of the quick depreciation certificates have been exhausted, the corporations which have used quick amortization will be generating tremendous quantities of taxable income which rightfully deserves to flow to the Federal Treasury. If current rates of corporate taxation can prevail for the next 4 or 5 fiscal years, the Government would recover substantially all of its $23 billion loss in taxes by reason of the quick amortization certificates which have been granted to this time.

It appears obvious, therefore, that if fiscal prudence were the test applied to our national affairs, the national indebtedness of this country could be reduced with almost the same degree of acceleration with which it was created. If our Nation will insist on collecting the income taxes rightfully due and owing this country, if tax loopholes under which American corporations engaged in oil production at home and abroad will be required to pay taxes which they rightfully owe this country, if the use of the quick depreciation privilege is immediately terminated, and if the American people would support their Representatives in Congress in an all-out attack on national indebtedness, the job could be done in a remarkably short period of time. The gains to the American people would far outweigh the temporary gains that might result from small tax reductions now, and if apprised of all of the facts and all of the advantages to their Nation, I believe they would support the wisdom of making our Government economically stronger.

In the final analysis the greatest bulwark of strength which our Nation possesses in the event of a contingent depression or possible war is the fiscal stability that only a reduced public indebtedness can produce. Our democracy must be economically sound to survive. Sound national credit is as important a weapon for the national security as any developed by modern research.

If Congress in its wisdom feels that distribution should be made now of accumulated surplus resulting from budget reduction, then I will support a tax reduction for the family by increasing exemptions from $600 to $700—but I will oppose corporate tax reduction until our Nation recoups its tax losses resulting from quick tax write-offs and the arrogant corporate dissipation of depreciation reserves to avoid income taxes.

COMMITTEE ON RULES

Mr. SMITH of Virginia. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER pro tempore (Mr. HALEY). Is there objection to the request of the gentleman from Virginia?

There was no objection.

THE 1958 BUDGET

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 25 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, at this time I want to discuss for a few moments the $72 billion budget which the President sent to the Congress in January. I believe it is perfectly clear to everyone that if substantial cuts are made in the budget without impairing the necessary services to our people that they must come from the tremendous budgets for the Department of Defense. I believe also as the gentleman from Texas, Congressman MAHON, indicated in an interview with John D. Morris, of the New York Times, on April 27, 1957, that the budget cuts for the military must be accompanied by essential organization or, as it is popularly called, unification of the services.

On October 24, 1955, I wrote to the Honorable Charles E. Wilson, Secretary of Defense, concerning the failure of his Department to enforce the so-called O'Mahoney Act, section 638 of the Department of Defense Appropriation Act of 1953, and I quote my letter in part as follows:

As I view the situation, Mr. Secretary, not only is the basic problem of constitutional government involved but many other issues of real concern to the American people. I will comment briefly on some of them. The facts are conclusive that our educational facilities—though basic to defense—need great assistance. Large sums are required for the development and conservation of basic natural resources. Billions are needed for highways and public works. Costly outlays for fundamental and applied research are a "must" if we are to keep ahead in the technological race. Our health institutions are not in the state we desire. Oppressive taxes should be reduced, especially for the low-income groups. The budget requires balancing in its turn and the ever-growing national debt reduced.

As you know, I am, and have always been, an advocate for a strong national defense upon which to support a foreign policy. It is also essential to our survival. I will not be beguiled into laxity by the palliative tactics now emanating from the Kremlin. No one dares be. I believe that our defenses and basic institutions should be strengthened in every possible way for the long pull ahead. But the evidence is conclusive that the overlapping, duplication, and waste is of such magnitude in and among the military services as to make possible enormous savings, with no loss of efficiency or military effectiveness, and thus release funds badly needed for the objectives listed above.

See CONGRESSIONAL RECORD volume 102, part 1, pages 598–99, for full text.

O'MAHONEY AMENDMENT TO DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1953

The O'Mahoney amendment followed several years of investigation by the Bonner, Hardy, Hébert subcommittees, the Senate Preparedness Committee, and other interested groups. The act reads:

(a) Notwithstanding any other provision of law and for the purpose of achieving an efficient, economical, and practical operation of an integrated supply system designed to meet the needs of the military departments without duplicating or overlapping of either operations or functions, no officer or agency in or under the Department of Defense, after the effective date of this section, shall obligate any funds for procurement, production, warehousing, distribution of supplies or equipment or related supply management functions, except in accordance with regulations issued by the Secretary of Defense.

(b) This section shall be effective 60 days after the approval of this act.

AN INTEGRATED SUPPLY SYSTEM

The intent of the act was to develop an integrated supply system. Senate Report No. 1361 on the Department of Defense appropriation bill for 1953, page 9, states in part:

The committee believes that great savings can be made by improved integration and management of the military supply system. To this end it recommends addition of section 638 to the bill, imposing a direct and specific duty on the Secretary of Defense to achieve such improvement at an early date.

When the next Congress convenes the Department of Defense should present a program, based upon regulations in effect, which will speedily eliminate the duplications and "historical accidents" that recur and exist in the present system of procurement, warehousing, and issue of supplies and equipment.

Under the new system, it should be impossible for two competing facilities to be set up (or to continue to exist) in the same area for the same purpose as determined by the Secretary of Defense. Service facilities for maintenance of equipment such as motor shops, laundries, etc., should be integrated to serve all departmental requirements in the area. Special attention should be given to the procurement, production, distribution, warehousing, maintenance, and issue of common-use items such as clothing, food, medical supplies, and building materials, to minimize stocks, handling, transportation, and related supply management activities. Wherever possible such items and the method of handling them will be made uniform throughout the Department of Defense to facilitate such integration. Where different stock levels exist in various parts of the Department, it is expected that the lowest level will be applied to the whole Department in the absence of a compelling justification for special treatment, which justification will be made to the appropriate committees of the Congress.

PROGRESS TO DATE

The progress on the development of an integrated supply system to date has been very slow. On November 15, 1952, the Secretary of Defense issued regulation 4000.8 as a step toward the fullfilment of his responsibility under the O'Mahoney amendment. This step, however, was directed more toward improvement of intradepartmental supply than interdepartmental supply or real integration as required by the statute. It was, however, a step and presumably the utmost that could be expected at the time in view of departmental hostility. However, during 1953 and 1954 this regulation was to a large extent rescinded and its effect destroyed and the O'Mahoney Act was virtually ignored in the Department of Defense despite numerous protests from Members of Congress—Government Operations Committee, food and clothing report, hearings May 1955.

The very valuable integrated medical supply test at Alameda, Calif. under the Army was abandoned in November 1954 despite the fact that it proved successfully that one service could store and distribute common items for itself and the other two services. The Alameda test was prescribed by the Secretary of Defense in July 1951, but was stalled until March 1952, and, though it proved successful in operation, a bitter service struggle caused it to be dropped rather than extended as was contemplated by those who started it. The story of the Alameda test was ably detailed to the Secretary of Defense by the gentleman from Missouri [Mr. CURTIS] in a 13-page letter in January 1955—Government Operations Committee, food and clothing report, hearings, May 1955.

Currently, the Department of Defense has under way several projects known as single-manager systems for special classes of supply items such as food, clothing, medical; petroleum, oil and lubricants. These single manager systems are not integrated, but are parceled out to the three services. However, they could become important steps.

NEED FOR AN INTEGRATED SUPPLY SYSTEM

The House Committee on Government Operations, 84th Congress, 2d session, issued a committee print entitled "Supplementary Real and Personal Property Inventory Report (Civilian and Military) of the United States Government Located in the Continental United States, in the Territories, and Overseas as of June 30, 1956." On page 55 it is shown that the personal property inventories of the Department of Defense on June 30, 1956, totaled $111,164,000,000. I repeat, over $111 billion, not million.

The breakdown by services was:

Army	$27,461,000,000
Navy (M. C.)	46,020,000,000
Air Force	37,683,000,000

SUPPLY SYSTEM INVENTORIES

On page 68 of the report it is shown that the supply system inventories of the Department of Defense total $50,974,000,000. Of this amount, the stock-fund inventories amount to $9,772,000,000. These inventories are broken down as follows:

TABLE 7.—*Supply system inventories, Department of Defense, as of June 30, 1956*

[Millions of dollars]

	Total	Stock fund inventories	Appropriated fund inventories
Department of Defense	50,974	9,772	41,202
Army	19,855	7,114	12,741
Navy	[1] 15,297	1,478	[1] 13,819
Marine Corps	1,844	406	1,438
Air Force	13,978	774	13,204

[1] Includes $774 million aircraft spare engines and $174 million of shipboard supplies not included in Navy supply system inventory data.

I have found that it is impossible to determine the total for similar categories of inventories in the supply systems of the military services on account of variation in definitions. For example, the Army carries its inventory accounts in seven categories: first, peacetime operating; second, mobilization reserve; third, economic retention; fourth, contingency retention; fifth, claimant; sixth, disposable excess; and seventh, unserviceable.

The Navy carries its inventory in five categories: first, peacetime operating; second, mobilization reserve; third, economic retention; fourth, contingency retention; and fifth, disposable excess.

The Air Force has five categories, as follows: first, operating and retention, serviceable; second, operating and retention, reparable; third, reserve; fourth, other claimants; and fifth, disposable excess.

It should be noted that the services have various types of reserves, contingencies, retention stocks, economic retention stock, and so forth. In general it may be stated that these categories are really long stocks disguised under various names other than excess. However, Army witnesses have testified that the Army warehousing bill alone is near $1 billion annually with its enormous depots bulging with these items.

STOCK FUNDS (SUPPLY CORPORATIONS)

During the past several years there has been a great increase in the use of so-called stock funds. These are essentially supply corporations. Stock funds are under stock fund managers. Each has its inventory, its cash and its receivables. This so-called corpus is to be maintained intact and one theory behind the stock funds is that no stock is to be issued unless it is paid for. So it is necessary for the using agencies to appear before the Appropriations Committees and obtain money with which to buy stock items even though in excessive supply which have already been purchased and placed in the revolving fund of the supply corporation. The corporation thus transmutes annual controllable funds into no-year relatively uncontrollable funds through the sale of what is often excess property. The stock may or may not be replaced by the corporation depending upon supply and demand. If not, Congress appropriated to the agencies for the buildup of the stock corporations.

Since the reported inventories of the various stock funds of the Army, Navy, Marines, and Air Force, amounted to approximately $10 billion as of June 30, 1956, it would be necessary for the Congress to appropriate another $10 billion if this stock were to turn over once during the fiscal year. This is a slow turnover but most stock fund inventories do not turn once a year.

DUPLICATION IN STOCK FUNDS

An analysis of the various stock fund statements in the 1958 budget shows great duplication and triplication and even quadruplication in the stock items covered by the funds. For example in the stock funds in the general stores area we find:

	Obligations 1958 estimate	Sales 1958 estimate	Inventory at June 30, 1958 estimate [1]
NAVY			
General stores	$195, 600, 000	$200, 000, 000	$305, 729, 311
MARINE CORPS			
General property	10, 000, 000	17, 000, 000	56, 186, 799
ARMY			
General quartermaster supplies	228, 000, 000	255, 000, 000	407, 167, 669
AIR FORCE			
General supplies	610, 000, 000	574, 500, 000	246, 619, 518

[1] These inventory figures cover only a part of similar stores in the supply systems.

It is further evident that many stocks are in long supply and are accounted for in the numerous types of reserves, contingencies, retentions, and so forth. It is therefore apparent that the Congress should not appropriate money to buy these long and excess stocks from the numerous stock fund corporations but should require their issuance, with proper accountability, without the transfer of funds.

I am confident that hundreds of millions of dollars can be saved through this process alone if it is vigorously pursued.

JUSTIFICATION FOR USE OF STOCK FUNDS

It is a moot question as to when stock funds should be used. The consensus is that only fast-moving common use, standard, consumable items should be included. Special and technical items should not be included since they are slow moving and encumber the cash in the stock fund. In theory, if the fast-moving, common-use items are included and furnished to multiple users there will be a fast turnover in the stock, as in a chainstore, and the fixed overhead will be reduced by spreading it over a greater volume of business—hence, economy will ensue.

In June 1949 a joint report on A Federal Inventory Control System was issued by the Bureau of the Budget, General Accounting Office, and the Treasury Department. This report indicated that the supply revolving fund appropriations were justified where funds for procurement and issue of common items are available to several appropriation units.

On October 1, 1954, the so-called Cooper committee, comprised of 12 fiscal authorities, issued a report, Financial Management in Department of Defense. This report confirms the Bureau of the Budget, General Accounting Office, and Treasury Department position and would limit the use of stock funds as follows:

> The committee believes that revolving funds (i. e., stock and industrial funds) have contributed to progress in certain areas, e. g., where a buyer-seller relationship is appropriate, where there are common-use inventories, and where industrial or commercial-type installations serve a variety of customers.

PARADOX IN DEPARTMENT OF DEFENSE POSITION

Officials in the Department of Defense who are exponents of the stock funds favor them on an intradepartmental basis but not on an interdepartmental basis. Since the reimbursement procedure is the same on an intradepartmental and interdepartmental basis it would be consistent to use the stock fund arrangement on a Department of Defense-wide basis thus insuring more users, faster turnover of stock and a reduction in expense through the greater volume issued against a relatively fixed overhead.

FEDERAL CATALOGING—$150 MILLION SPENT BY DEFENSE SINCE 1949

On January 18, 1945, President Roosevelt requested the Director of the Budget to take steps to develop what has come to be known as a Federal catalog for use in all transactions requiring a description of items of real and personal property. This directive was the result of a general awareness of excessive waste during the war period caused by the lack of common supply language—among the military services particularly.

On July 15, 1946, President Truman addressed a similar directive to the Acting Director of the Budget requesting him to arrange for the organization of a central staff to assist in developing the details of a uniform cataloging system.

Since that date there have been numerous hearings and additional legislation toward the end of developing a uniform catalog in order to eliminate the excessive waste particularly in the many military supply systems. I am advised that the Department of Defense alone has spent approximately $150 million since 1949 on the catalog and as of the 1st of February 1957 had completed the identification of 3,129,000 items. This development makes it possible to utilize the catalog for all supply purposes from the development of specifications, requirements, warehousing, issuing, disposal, and so forth, in all the services. Proponents of the catalog have indicated to the Congress that billions of dollars may be saved through the full employment of the cataloging system. This again means integration in common supply as contemplated by the O'Mahoney act.

ELECTRONIC ACCOUNTING MACHINES

Electronic accounting machine systems have been developed whereby inventories of millions of supply items under common catalog numbers at numerous locations can be compiled at the frequency and place desired. In other words it is possible to determine how many of a certain kind of lead pencils, for instance, there are in the combined military supply systems and it is thus possible to know whether or not additional or similar items should be procured. It can also be done for the 3,129,000 items that have been cataloged. This is an important development and one which should be fully utilized at once since it is well known that the services are constantly buying items that are being excessed simultaneously. Recent examples of this have been furnished by the Senate Preparedness Committee. The time is ripe for the executive branch to do an effective supply management job in accordance with the requirements of the law which has been on the books

for a number of years. Huge sums will be saved in the process and greater effectiveness will surely ensue.

PRESIDENT EISENHOWER'S POSITION

President Eisenhower is well aware of this waste and has spoken of it often since 1945. On September 25, 1952, he devoted a whole speech to the subject at Baltimore, Md. He charged failure to carry out the true intent of the Unification Act of 1947, as amended, and stated:

This brings us to the supremely important matter of unification of the Armed Forces. When I became Chief of Staff, upon my return from Europe in 1945, I felt that all our war experience had rendered obsolete the defense organization then existing. I was convinced then, as I am today, that effective coordination of the services in war requires central planning in time of peace.

This is the essence of unity in the Armed Forces. But that unity must also extend to the procurement and administration of all the costly materiel and equipment of modern warfare. It was the hope of all of us who worked to achieve the passage of the National Defense Act of 1947, that this kind of unity was in the making.

This has not proved to be the case. Such unity as we have achieved is too much form and too little substance. With 3 services, in place of the former 2, still going their separate ways and with an overall civilian staff frequently unable to enforce corrective action, the end result has been not to remove duplication, but to produce triplication.

All this must be brought to an end.

President Eisenhower spoke feelingly of the huge waste in supply matters and of its threat to defense with fiscal solvency. He cited some examples to prove his points. He also stated what he was going to do about the "loose way of operating" as he has termed the situation. What has he actually done about it? The answer is the present budget.

CONCLUSIONS

In view of the existing budgetary crisis, it is my conclusion that—

First. All common supply items, stock fund operations, single manager systems, should be integrated under one operation. Depots and auxiliary services should be included.

Second. Funds available for procurements from the stock funds should be frozen and held by the integrated supply manager.

Third. Estimates for appropriations in the 1958 budget for purchases from stock funds should be identified and withheld.

Fourth. All common stocks should be placed in one supply-demand-control system, under uniform cataloging and under electronic machine accounting.

Fifth. Minimum stock levels should be set for the common stocks and long stocks issued without cost but with accountability.

CREATION OF A PERMANENT UNITED NATIONS POLICE FORCE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. CARNAHAN] is recognized for 60 minutes.

Mr. CARNAHAN. Mr. Speaker, I have joined the gentleman from New Jersey [Mr. FRELINGHUYSEN] and others in introducing today a resolution calling for the creation of a permanent United Nations police force similar in character to the emergency force now on duty in the Middle East.

The emergency force, created in a time of crisis by action of the General Assembly, has by its presence greatly lessened tensions in the Middle East. Composed of only 6,000 men who are not armed for combat, the emergency force nevertheless has assisted materially in preventing a renewal of fighting and has improved the prospects of a peaceful solution under which Israel and her neighbors might live in mutual trust and work together to develop the vast, potentially rich area politically and economically.

The experience of the emergency force has demonstrated that the concept of an international force is practical. Events of the past few months have indicated that a small, symbolic force of this character can be useful as an instrument in maintaining the peace and preventing the spread of fighting.

The Middle East emergency force was recruited for this one specific task, and presumably it will be disbanded when a solution to the problem has been achieved. Then, the United Nations will revert to the position of being without an arm of this type for use in future emergencies unless and until the cumbersome and time-consuming procedures of the General Assembly are followed for creating a special emergency force. The delay might well be fatal in some cases.

It is my belief that we should profit by the experience of the Middle East. For that reason, I am raising the question of a permanent United Nations force through the introduction of this resolution in order that the matter can be fully explored and debated.

Undoubtedly, many questions will be raised. No doubt the problems involved in activating an international force for permanent service will be immense. But unanswered questions and unresolved problems, to my mind, only emphasize the need for careful and earnest consideration of the proposal, not only by the Congress but by thoughtful private citizens who are actively participating in the search for peace.

It would be extremely valuable to have public hearings by appropriate congressional committees at which the opinions of experts in and out of Government could be solicited. We need to hear from the many national organizations who are seriously studying the whole problem of peace. If by introduction of this resolution individuals and groups are stimulated to think seriously about world problems and to address themselves to the task of finding answers to these difficult problems, I will feel more than amply rewarded.

It should be clearly understood just what is intended when we speak of a permanent United Nations force in this resolution. Certainly those of us supporting this resolution do not want to build up a superinternational army equipped with all the newest weapons of mass destruction.

Rather, what is envisioned is something in the nature of a police force—a relatively small group of men specially trained and equipped and ready to step into situations which threaten the peace. The force would not be expected to fight wars. It would intervene between antagonists, preserve order, clear the atmosphere of belligerency, and gain time for a just solution.

Small wars are rapidly becoming obsolete in a world relying on atomic weapons. Every conflict today, however small and isolated, threatens to erupt into worldwide hydrogen warfare. The sensible thing is to nip the potential war in the bud, and one likely way to do this is by placing a United Nations force between the parties to any controversy. Such a force would symbolize world opinion, and it is extremely doubtful that participants in such disputes would risk flouting this symbolic world force.

No doubt many situations will arise in the future when a small United Nations force, in being and ready for action, could play a decisive role in maintaining peace. It would be tragic if the United Nations is unable to act because of the lack of appropriate authority and machinery.

This resolution envisions an international force that would not be on anybody's side. It would be on the side of law and order, just as the policeman on the corner is for law and order. Such a force would exist for one purpose and one purpose only—the preservation of peace.

I do not contend that this resolution offers a solution to all the problems which confront the world in its quest for peace. By passing a resolution of this type, we will merely be putting the House and, with the concurrence of the Senate, the Congress on record in favor of the concept of a permanent United Nations force.

We cannot spell out all the details in a resolution. How shall the force be recruited, trained, equipped, and deployed? How shall it be used? What will be the role of the General Assembly and the Security Council? These are some of the unanswered questions which should be raised during hearings and public discussion.

But by seriously considering such a resolution, we can assert again the leadership of this country in world affairs. We can reemphasize our dedication to the cause of peace and justice and our determination to pursue all courses which hold out the promise of increasing the chance of peace and diminishing the dangers of war.

Perhaps some of you here today have an entirely different concept of an international force. But we can agree, I am sure, that the idea behind this resolution is worthy of serious study and consideration.

Mr. Speaker, I have the honor to serve as chairman of the House Foreign Affairs Subcommittee on International Organizations and Movements. The subcommittee is now engaged in a series of hearings throughout the country at which we solicit the views and opinions of private citizens and spokesmen for various organizations on foreign-policy matters.

Many of these people, who, incidentally, have demonstrated a surprisingly

broad grasp of foreign-policy matters, have enthusiastically endorsed the general idea of a permanent police force. They cannot wrap up in a neat package the answers to all the unanswered questions and unresolved problems which enter into the consideration of such a force. But these people feel, as do those of us sponsoring the resolution, that introduction of the proposal in legislative form will focus attention on the subject and stimulate wide public discussion.

In a government such as ours, which depends on the intelligent support of its citizens, wide public debate and discussion of this subject will be extremely valuable. And out of the debate and discussion could very well come the basis of a course of action to guide our Government when this matter is considered by the United Nations, as it surely will be in the not-too-distant future.

Mr. Speaker, I ask unanimous consent to insert in the RECORD at this point the text of the resolution I introduced today.

The SPEAKER pro tempore (Mr. HALEY). Is there objection to the request of the gentleman from Missouri?

There was no objection.

The resolution is as follows:

Whereas the United Nations emergency force, created pursuant to resolutions of the United Nations General Assembly, has made a significant contribution toward stability in the Middle East, and is a step toward the maintenance of international peace and security; and

Whereas the need for a force of this character appears likely to continue; and

Whereas a United Nations force, established on a permanent basis, could be an important instrument for the maintenance of international peace and security: Therefore be it

Resolved by the House of Representatives (the Senate concurring), That:

(a) a force similar in character to the United Nations emergency force should be made a permanent agency of the United Nations, that it should be specially trained, armed, and equipped for such duties as observation and patrol;

(b) no individuals should be accepted for membership in this force who are nationals of the permanent members of the Security Council or of states not members of the United Nations;

(c) appropriations for maintenance of the force should be provided by the United Nations out of its regular budget.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I have listened with great interest to the explanation of the resolution which the gentleman from Missouri introduced today. I also introduced an identical resolution, along with a number of other Members. I trust it receives the serious consideration of Congress and that it will be widely debated, because I think there is considerable merit in the proposal which is being made.

At the outset, I feel it should be said that a surprisingly large body of public opinion appears to back up specific, practical steps whereby we may get a permanent organization of the kind we are proposing.

In this connection I wish to insert an article from the Newark Star-Ledger of February 24, 1957, entitled "U. N. Policing Idea Gains Favor in United States," by Elmo Roper and associates:

THE PUBLIC PULSE: U. N. POLICING IDEA GAINS FAVOR IN UNITED STATES

From time to time many harsh words are spoken and written about the United Nations. It has been called everything from a glorified debating society to a threat to United States sovereignty—even a propaganda mouthpiece for the Communists.

So it becomes important to record the fact that with all its alleged faults and frailties, the United Nations nevertheless enjoys a high degree of confidence among the rank and file of the American people.

A short time ago we asked a sample of public opinion a long and detailed question about the U. N.:

"Some people say the United Nations should have a permanent police force in order to enforce or put teeth into its decisions. This would be composed of troops from all the United Nations countries, including the United States. Others are against having a permanent police force because the United States could not completely control what its own troops in the police force were used for. Would you favor or oppose a permanent U. N. police force with American troops in it?"

This is a very explicit question. Moreover, one reason for a "No" answer is prominently provided for anybody who wants to seize it. The question was not asked in a time of international relaxation, but against the grim background of the Suez crisis, and of the U. N.'s first spontaneous and actual placing of such a police force in the field, so the overall answers have a great deal of significance:

	Percent
In favor of such a police force	57
Opposed	22
"Don't know" or "It depends"	21
	100

Such opposition as there is to a U. N. police force containing American troops is greatest in the South.

The Far West's vote of confidence in the police force idea is very high. The East is more restrained and the Midwest might be described as lukewarm. But even if every "Don't know" or "It depends" vote were ultimately cast against it, the idea of a police force with American troops would still gain a majority in every part of the country except the South, where the results would be only a 50–50 standoff.

Thinking in terms of an international force to keep world law and order is a new thing for the American people. Even when we were fully involved in World War II, 15 years ago, our obvious desire was to stay clear of actual ties with other countries once the war was won.

Against this background, it is remarkable that we find ourselves now taking the U. N. as much for granted as we do. It is even more remarkable that we are so ready to go along with the idea of a standing U. N. force—not one just thrown together hastily for a time of emergency, but one which would be a safeguard against emergencies arising, and ready to nip one in the bud if it did. Our old ways of thinking have been dear to us, but our survival seems to be dearer.

How much of this feeling is just a willingness to follow Eisenhower's lead? It is hard to tell. His own emphasis seems now to have shifted to more reliance on United States power and policy to prevent conflict from flaring up again. When we ask this question again some months from now, we shall be able to get some indication of how solidly grounded these attitudes are among the American people.

I might also refer to the fact that a recent poll of members of the General Federation of Women's Clubs showed support for such a plan by a ratio of 27 to 1.

I call the attention of the House to the fact that we passed the so-called Middle East resolution last March which declared that this country was willing, if necessary, to provide both economic aid and military assistance to preserve peace in the Middle East against Communist aggression. There was one provision in that resolution which I would like to quote. It was inserted by the other body. This specified that the President "should continue to furnish facilities and military assistance to the United Nations emergency force in the Middle East." I think this statement, which was adopted by both the House and Senate and signed into law by the President, demonstrates that the United Nations emergency force has played a crucial role in allaying tensions in the Middle East. Since there is every expectation that the United Nations emergency force will prove invaluable in working out any settlement in that area, we have reiterated our willingness to provide this force with adequate support.

The gentleman from Missouri has indicated that the United Nations emergency force is moderate in size, roughly 6,000 men. For the information of the House, I should like to give a breakdown of the force as it is presently constituted.

To begin with, there are 10 countries represented. Brazil presently has 537 men. Canada provides somewhat over 1,300. Colombia provides 527, Denmark, 388, Finland, 253, India, 944, Indonesia, 584, Norway, 455, Sweden, 325 and Yugoslavia 759.

Of the total of 5,800 now in Egypt approximately 3,200 are presently in the Gaza Strip.

What has the United Nations emergency force done? First of all, I should point out that of necessity it had to be set up hastily by the United Nations Assembly. Luckily this hasty improvisation proved successful. If there had been no emergency force, there would not have been the acceptance of the cease fire which did occur, and there would not have been the subsequent withdrawal of the British, French, and Israeli forces from Egypt. In other words, the force which was mobilized very hastily to meet a specific crisis has already demonstrated its value.

At this point I would like to call to the attention of the Members an article in the current issue, the April issue, of Foreign Affairs by Lester Pearson, Canada's Secretary of State for External Affairs. At the outset of his article, Mr. Pearson says:

Now policing a peace—or an armistice—can be an essential international function, at times a dramatic one. It cannot be denied that the United Nations has been successful in this function in some important cases. However, action in this field has been largely pragmatic and ad hoc. I believe—and recent events have strengthened my belief—that the time has come when we should seek

ways to enable the United Nations to pursue this work in a more organized and permanent way.

The world's alarm last November over events in Egypt—intensified, if that were possible, by the frustrating situation in Hungary—galvanized the General Assembly into establishing a United Nations emergency force, an action which until then had not been thought practicable or probable. We must now do everything possible to insure that this action is successful in achieving the desired results. If we fail in this, a damaging blow—perhaps a fatal one—will be dealt to the whole concept of supervising the peace and avoiding hostilities through the United Nations Assembly. If we succeed, then we must build on that success so that when we are faced in the future with similarly complicated and dangerous situations we can avoid the hasty improvisations of last autumn.

I think Mr. Pearson demonstrates in a very dramatic way just what this resolution seeks to approve. He underlines the inadvisability of improvising an emergency force such as is presently in the Gaza Strip. He demonstrates that the time is now propitious for us, for our country, to take the lead in encouraging the establishment of a police force such as we are suggesting. We are not suggesting anything very radical. As the gentleman from Missouri [Mr. CARNAHAN] has pointed out, this is a very moderate proposal. It is a supervisory, an essentially noncombatant unit, that we are proposing—prepared to defend itself but not to do more than take over a certain supervisory police duty. It would be dedicated, in other words, primarily to preventing the outbreak of wars, especially accidental ones, whether they are in the Middle East or elsewhere. It would be primarily a symbol of the moral strength of the United Nations.

There is another proposal—and I regret imposing on the gentleman's time to this extent—which I myself would like to see discussed if hearings are held by the Committee on Foreign Affairs or a subcommittee thereof. I would like to see considered, if possible, the proposition that the force should be directly recruited by the United Nations rather than based upon separate national contingents. I have not included such a provision in my proposal because it is a complicated, complex problem and, perhaps, a controversial one. But it does seem to me that we might examine the possibility of making the members of such a police force directly responsible to the United Nations, as are the present employees of the U. N. Secretariat.

In conclusion, I trust that we are now going to take advantage of the experience which the present United Nations emergency force has provided us. I urge the administration to explore thoroughly with other members of the United Nations the possibility and feasibility of establishing a permanent United Nations police force. It seems unwise and undesirable that we should improvise in haste, as we have in the past, on the basis of each particular crisis.

Mr. CARNAHAN. I am happy to assure the gentleman that should the resolution come for consideration before the Committee on Foreign Affairs, the whole matter of recruitment will be given very careful consideration.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. HAYS of Arkansas. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield.

Mr. HAYS of Arkansas. Mr. Speaker, I am very happy to hear these comments by my friend, the gentleman from Missouri, and also the statement by the gentleman from New Jersey [Mr. FRELINGHUYSEN]. I am not prepared to accept necessarily the resolution in the specific form in which it is submitted, but I am certainly able at this moment to endorse the idea of the Committee on Foreign Affairs taking a look at the problem.

I think it would be very beneficial for hearings to be held at this session; and I hope the committee will find it possible to conduct hearings and that interest will be focused upon this proposal.

I am happy that it is offered in a bipartisan spirit. I think it is in that category of issues that should be so considered. I recall asking Mr. Dulles one time his views on a United Nations police force, and he assured me that he looks with favor on a semipermanent police force; at any rate he thinks that there is great value in the experience that we are gaining in the Suez area.

Perhaps the expression "semipermanent" is to be preferred to "permanent" because we all look forward to the liquidation of armaments someday in a happier period in which there would be no threat of war. But just as we do not envisage the conduct of municipal affairs without a police force, it is not likely that we will have in any foreseeable time a condition of world stability and peace in which it would be undesirable to have at least a symbol of international law and order. So, as I interpret the statements just submitted to the House the gentleman has in mind just that kind of force and not an international army.

Mr. CARNAHAN. That is right; we are not envisioning an international army, but merely a police force.

Mr. HAYS of Arkansas. I think in that connection, if the gentleman will yield further, it might be well to point out that in addition to Mr. Dulles' general endorsement of the idea of a standing force, former President Truman stated to the committee presided over by the gentleman from Missouri in Kansas City the other day that he, too, subscribes to this idea. With support of that kind it seems to me the House should proceed to consider something in the way of a "sense" resolution that in some form would give endorsement to the maintenance of a force under the sponsorship of the United Nations that would prevent incipient wars.

The measure is preventive; it has in mind preventing outbreaks that could lead to serious global conflicts, and I congratulate the gentlemen who have offered these resolutions.

Mr. CARNAHAN. I may say to the gentleman from Arkansas that we who introduced the resolution have no feeling that the resolution in the form in which we have introduced it is final, of course; it is merely to introduce the concept for consideration and debate.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield very briefly?

Mr. CARNAHAN. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. In connection with the remarks by the gentleman from Arkansas about Mr. Dulles, I would like to point out that I suggested the establishment of such a permanent United Nations force to Ambassador Henry Cabot Lodge last January. In his reply to me, Mr. Lodge said that the proposal would receive the consideration of experts in the United Nations, and that he would notify me of their conclusions on this and other studies which they are making in this general area.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Illinois [Mr. SPRINGER].

Mr. SPRINGER. I know that the distinguished gentleman from Missouri has made many fine contributions as chairman of the subcommittee dealing with this particular resolution, and I know his subcommittee will give this resolution the consideration which it ought to have. There have been 1 or 2 questions, however, that I wanted to be sure about because of the discussion on this floor and what the gentleman from Arkansas has said.

I visualize this resolution which has been introduced, as I read it here today, to set up an insulating force and not in effect a combat force to be thrown against, we will say, these partisans to any particular issue between two nations. Am I right?

Mr. CARNAHAN. That is the idea of we who are introducing the resolution. Would the gentleman from Arkansas care to comment on that question?

Mr. HAYS of Arkansas. I think we have reached one vital phase of the problem. The force that is already in being, the established United Nations Emergency Force in the Suez area, stands as an example of a policing arrangement of the type that the gentleman from Illinois refers to that does not project itself into formal warfare between two opposing armies.

Mr. SPRINGER. May I direct this also as an example of what we might look to in the future perhaps. If there had been this kind of a force in being at the time of the difference between North and South Korea, I take it this resolution would have anticipated that situation probably and would have suggested moving such a force between those two opposing forces as an insulating force over which, I take it, moral opinion would keep any country from rushing over the top of this insulating force?

Mr. HAYS of Arkansas. I think that is a splendid argument. However if the police force carries out its assignment there may be situations in which they would have to be on one side or the other of a conflict. Choice of sides in that case would be determined by U. N. resolutions and not by a field decision.

Mr. SPRINGER. May I recall another situation, that between China and Northern and Southern Vietnam. In that situation this force might have been able to operate as an insulating force?

Mr. HAYS of Arkansas. I certainly agree with the gentleman.

Mr. SPRINGER. There are other places in the world today that if this resolution were adopted possibly such a force could be used if it were in being and ready and available.

Mr. HAYS of Arkansas. I agree with the gentleman.

Mr. FRELINGHUYSEN. On that question I think the case of Korea demonstrates one of the problems involved. The permanent police force which we envisage would not have the military capacity required by the United Nations force developed to handle that situation. However, if prior to the outbreak of hostilities in Korea there could have been the interposition of such an insulating force, it might have helped prevent the outbreak of war.

Furthermore I think the situation that developed in Hungary last year is one where a permanent force might have been of very definite value. If there had been a force in being representing the moral force of a great many nations which could, at the request of the Hungarian Government, have been flown into Budapest, it might have served as a strong psychological deterrent to the Soviet Union. Such a step might possibly have prevented the brutal action taken by the Soviet Union, or at least have made it more difficult for her to carry out such moves.

Mr. SPRINGER. I would like to lead on to a second point. I take it, if you have the first phase of this in operation, the insulating forces, the second point you hope to develop as a result of this force is that you will then get negotiation between the two parties in accordance with the charter. That would be the second step that would come out of this kind of force. Am I correct?

Mr. CARNAHAN. That is correct.

Mr. SPRINGER. I take it that it is reasonable, may I say to the gentleman from Missouri, to believe that in the future the United Nations expects to be faced with situations which are similar to those that exist between Israel and Egypt and that that is part of the purpose of this resolution. Am I correct?

Mr. CARNAHAN. Yes; and perhaps many other situations might arise.

Mr. SPRINGER. This then is in the nature of a so-called sheriff's posse or of a police group which hopes to prevent two illegal forces at work under the United Nations Charter from doing each other harm. Is that the essence of what this thing does?

Mr. CARNAHAN. That is right.

Mr. SPRINGER. One further point. In reading paragraph B, under "Resolved," I find this language:

> No individuals should be accepted for membership in this force who are nationals of the permanent members of the Security Council or states not members of the United Nations.

Would the gentleman care to develop that a little further, as to why that particular section was included?

Mr. CARNAHAN. It is the feeling of those who introduced the resolution that there would be better feeling about it if it were made up from the nationals of the smaller countries throughout the world, those who are not permanent members of the Security Council.

Mr. SPRINGER. There is one thing further that has disturbed me just a little. Is there any feeling on the part of the gentleman as to any limitation of numbers that would be in such a force by any one country?

Mr. CARNAHAN. That is another one of the many questions that I think should be very carefully explored, and we have made no attempt in the resolution to set a definite number.

Mr. SPRINGER. Is that one of the things that the gentleman expects to develop in the hearings?

Mr. CARNAHAN. That is right.

Mr. SPRINGER. And is there a possibility that there will be a percentage limitation on what any country may contribute to this force?

Mr. CARNAHAN. Personally, I would like to see a percentage limitation on the participation of any country in the force.

Mr. SPRINGER. I thank the gentleman.

Mr. CARNAHAN. I thank the gentleman for his excellent contribution and for his kind words.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Iowa.

Mr. GROSS. There is a so-called United Nations police force in the Middle East. Why is there no United Nations police force on or near the 38th parallel in Korea?

Mr. CARNAHAN. I am sure the gentleman can answer that question as well as I could.

Mr. GROSS. I cannot understand why there is a so-called police force in the Middle East and none on the 38th parallel in Korea to relieve American boys and American taxpayers of that responsibility. The gentleman, I think, will agree that that was supposed to be a United Nations police action.

Mr. CARNAHAN. If we had a police force as suggested by the resolution, I am sure that good use could be made of such a force.

Mr. GROSS. The police force was organized in the Middle East and is there now. Why was not one organized to police the 38th parallel in Korea?

Mr. CARNAHAN. I do not have the answer to the gentleman's question. However, I think the gentleman should understand from what I tried to say that we are not proposing a force of the proportions that can fight a war.

Mr. GROSS. Well, there is no war in Korea today.

Mr. WAINWRIGHT. Mr. Speaker, if the gentleman will yield, I would like to say in answer to the question of the gentleman from Iowa that I think he presents a very good question and it is quite conceivable, as was suggested here earlier, I believe by the gentleman from Arkansas, that this is just the sort of situation such action, if taken by the United Nations, would fit.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. CARNAHAN. I yield.

Mr. GROSS. Well, I think the reason why there is no United Nations police force, nor has there been, on the 38th parallel in Korea is because the United Nations has no appetite for fighting a real war. That was clearly demonstrated when the Korean war was fought, when we provided 95 percent of the men who did the fighting and dying and all of the financing.

Mr. WAINWRIGHT. That, sir, is the gentleman's opinion, and I always respect the gentleman's opinion.

Mr. Speaker, will the gentleman yield further?

Mr. CARNAHAN. I yield.

Mr. WAINWRIGHT. I would like to join the gentleman in support of the resolution and tell him that I, too, have introduced such a resolution today. I would like to add one or two thoughts to those presented here. Yesterday the Chief of Staff of the United States Army, General Taylor, presented to a group of us the two-war theory: The ultimate war, the atomic, nuclear war, and the so-called small war or brush-fire war, adding further that a nuclear war carried out by the great powers, Russia, United States, and England, could lead to the ultimate destruction of civilization. Small wars or brush-fire wars are carried out by men, by human beings. At the present time the great powers, including the United States, are making every effort to reduce their ground forces. That was indicated by the British white paper, relying wholly on the deterrent of a full war, ultimate war. The economists of modern-day civilization call for this kind of reduction. Mankind has to rely on manpower to put out the brush wars, and the gentleman's resolution and the resolutions that have been introduced today would provide just that sort of thing.

Last month I sent out a poll to some ten thousand people within the Congressional district I represent and asked this question: "Should the United Nations be authorized to raise its own troops and have its own army to be used to stop aggression?"

That is a far stronger statement than the gentleman's resolution and much stronger, for example, than the gentleman from Arkansas indicated that he would be interested in supporting. And yet, despite the surprising strength of that question, the returns show that 72 percent of the people are in favor of such a strong resolution and such a strong proposal and 28 percent of the people are against it. I cannot think of any better way to say that the American people, if my district is at all representative, are in favor of and would support a resolution of the kind introduced by those of us today.

I want to thank the gentleman and congratulate him.

Mr. CARNAHAN. I thank the gentleman for his contribution.

Mr. REUSS. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Speaker, I want to commend my colleagues the gentleman from Missouri [Mr. CARNAHAN] and the gentleman from New Jersey [Mr. FRELINGHUYSEN] for their constructive initiative and imagination in introducing

today the concurrent resolution favoring the creation of a permanent United Nations police force.

I heard a moment ago the observations of the gentleman from Iowa [Mr. GROSS] on the lack of appetite of the United Nations for police action. I should think the best way to whet that appetite would be for him to give his vigorous support to this splendid resolution.

It was a significant moment in world history last November when a U. N. General Assembly established the United Nations emergency force to meet the critical need for an international armed patrol in the Middle East. For the first time there came into being an independent military unit capable of giving practical expression to the collective judgment of the world community. Now it seems to me is the time to capitalize on this successful experience in the Middle East by a careful examination of the possibility of creating this permanent international police force.

The concurrent resolution just introduced suggests some of the conditions under which such a force might best operate. Wide public discussion will serve a very useful purpose, and I hope that the very introduction of this resolution will stimulate fruitful debate. I believe it is altogether appropriate that this House should take the lead in such a debate.

Mr. CARNAHAN. I thank the gentleman very much.

Mr. MERROW. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from New Hampshire.

Mr. MERROW. Mr. Speaker, I want to commend the gentleman from Missouri [Mr. CARNAHAN] for introducing this splendid resolution. I am in support of the measure and have today introduced a resolution which is identical with the one the gentleman introduced and with the similar resolutions introduced by my colleagues who have spoken here in connection with this subject.

I should like also to take the opportunity, Mr. Speaker, to commend the gentleman for the splendid work he is doing in foreign affairs. It is my privilege to sit under his chairmanship of the Subcommittee on International Organizations and Movements of the House Committee on Foreign Affairs. He is doing an excellent piece of work in conducting hearings throughout the country to determine what the feeling is in reference to the great issues of foreign policy.

I congratulate him for the introduction of this resolution. I hope it is soon acted upon and approved by a heavy majority.

Mr. CARNAHAN. I thank my friend, the gentleman from New Hampshire, for his kind words. I have worked on the Committee on International Organizations and Movements under the chairmanship of the gentleman from New Hampshire [Mr. MERROW]. He did a fine piece of constructive work while he was chairman of that subcommittee.

Mr. HASKELL. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Delaware.

Mr. HASKELL. May I ask as to the process within the United Nations regarding how and when this police force will be called upon to be used? I notice there will be hearings on this matter and the details are possibly not clear yet, but I wonder if the gentleman can give me a general idea of how there will come to pass the use of a permanent force as opposed to, for instance, the ad hoc force that is now in being.

Mr. CARNAHAN. It is thought the force would be established under the authority of the General Assembly and would be under the direction of the General Assembly after it came into being.

Mr. HASKELL. The Security Council itself would not have the decision?

Mr. CARNAHAN. That is a question that would need to be carefully explored. We had thought the force would be set up under the General Assembly.

Mr. HALE. Mr. Speaker, will the gentleman yield?

Mr. CARNAHAN. I yield to the gentleman from Maine.

Mr. HALE. I regret very much I have not been here to hear all the gentleman's speech. I came into the Chamber rather late.

I am deeply interested in the subject matter the gentleman has been discussing, and I am in full support of the resolution he has introduced. Indeed, I myself expect in a few moments to introduce a similar resolution.

I believe very strongly that some permanent police force is calculated to be of great service to the world at a time like the present. Too much, of course, should not be expected of it; the police force would not be an army. It could not carry on war such as the United Nations carried on in Korea from 1950 to 1953. Certainly, however, the present police force in the Middle East has, I think it cannot be denied, performed an immensely useful function. It may well be that a similar police force could be used to advantage in some other situations even today, and surely situations will arise in which such a force would be of great value. This year, when the present police force was created, and created very hastily, it was an ad hoc police force. I think it is extraordinary that it was possible to recruit so good a force in so short a time. I believe it has done an extraordinarily useful work. All of us should feel very grateful indeed for the services that have been performed.

I most heartily commend the gentleman for what he has done and for his able discussion of his resolution and the occasion therefor. I hope that this group of resolutions will receive early and attentive consideration in his committee.

Mr. CARNAHAN. Mr. Speaker, I want to express appreciation to all of those who have contributed to this debate and ask unanimous consent that all Members may revise and extend their remarks at this point on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOYLE. Mr. Speaker, it is indeed a pleasure to support the concurrent resolution just introduced by my colleagues, Congressmen CARNAHAN, FRELINGHUYSEN, and REUSS, which favors the creation of a permanent United Nations police force.

Twice the United Nations has extended its authority over armed forces engaged in restoring peace—once in Korea and now in the Middle East. The latter force, in particular, is demonstrating the power and usefulness of which the U. N. can be capable if given the necessary authority and equipment. The objective of this resolution is not new or startling. A permanent U. N. police force was architected by the authors of the United Nations Charter, and was considered by them to be fundamental to the cause of lasting world peace. Attempts were made in the earliest years of the United Nations to realize this dream, but efforts by the free nations to implement the design were frustrated by the Soviet sphere.

The respect and usefulness of the United Nations emergency force in the Middle East offers the hope that world opinion will so demand its continuation on a permanent basis that Russia will at last be forced to agree.

It is altogether fitting that this Congress initiate and encourage this step. The authors of the resolution are to be congratulated on their foresight in sponsoring this resolution, which may result in a new chapter in the power and influence for peace of the United Nations.

ATOMIC ENERGY COMMISSION PROCEDURES IN LICENSING OF REACTOR FACILITIES

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. PRICE] is recognized for 30 minutes.

Mr. PRICE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, for some time, I have had concern regarding the procedures which have been followed by the Atomic Energy Commission in the granting of licenses for nuclear power reactors. Recently, the staff of the Joint Committee on Atomic Energy completed a study of AEC procedures and organization in the licensing of reactor facilities. This report is available from the Joint Committee on Atomic Energy and I recommend it to those who are interested in this matter.

We have had a remarkable record in the United States in regard to the development of the atomic energy industry with a minimum of accidents and public hazards. I, for one, am determined, however much this industry changes under the impact of the amendments of the Atomic Energy Act of 1954, that we shall do everything possible to keep our record in the future at as high a standard of safety as we have had in the past. There are a number of developments, however, that concern me in this regard, not the least of which is the procedure which the AEC followed in connection

with the granting of a conditional permit to the Power Reactor Development Corporation for the construction of a fast breeder reactor in Monroe, Mich.

I can understand their desire for rapid progress in this field. I have joined with my colleagues in expressing concern about the failure to make more rapid strides under the existing program in the United States, in view of the progress which has been made in Canada, Great Britain and Soviet Russia. Nevertheless, Mr. Speaker, I do not feel that the announcement made by the Chairman of the Atomic Energy Commission early last summer at the groundbreaking ceremony at Lagoona Beach had to proceed on the first anniversary of the United Nations Atomic Energy Conference in Geneva in the face of and in contradiction of the recommendations of the Advisory Committee on Reactor Safeguards. This committee consists of an outstanding group of independent scientists and engineers who have had a historic role of importance since 1947 in providing the AEC with formal and informal expert guidance. Never before had the Atomic Energy Commission proceeded with the construction of a reactor or a nuclear facility in the face of an adverse report by the ACRS or its predecessor committees. It is unfortunate that there have been substantial changes in the role of this committee since this report was issued. Some informed people who are close to the operations of the AEC feel that the changed status of this committee is due to a desire to avoid the issuance of another report similar to the June 6 letter.

There was a strange sequence of events regarding this committee's report which was publicly referred to for the first time before the Committee on Appropriations on Friday, June 29, 1956. In the hearings on the Second Supplemental Appropriations bill, 1957, on page 225, with the full membership of the Commission before them, the committee asked about this Advisory Committee report. Commissioner Thomas E. Murray pointed out and I quote: "All reactor designs must be submitted to the Reactor Safeguard Committee to get their approval before we will grant licenses or construction permits to go ahead." He then read from portions of the committee's report. It is now clear, Mr. Speaker, that these were the pertinent portions of this report. In order that the Members of the House may see how pertinent, apart from the technical language that it contains, I include the entire body of the June 6, 1956, report of the Advisory Committee on Reactor Safeguards in the RECORD at this point in my remarks:

REPORT OF ADVISORY COMMITTEE ON REACTOR SAFEGUARDS ON PRDC APPLICATION—MADE PUBLIC BY AEC ON OCTOBER 9, 1956

JUNE 6, 1956.

Subject: Power Reactor Development Co. (Atomic Power Development Associates) Fast Power Reactor (Reports APDA 108 and 114)

Mr. K. E. FIELDS,

General Manager, United States Atomic Energy Commission, Washington, D. C.

DEAR MR. FIELDS: The present status of the reactor being proposed by the Power Reactor Development Co., associated with Atomic Power Development Associates, was reviewed by the Advisory Committee on Reactor Safeguards at its 18th meeting on June 3, 1956. This review included the design of the reactor, the state of information on the nuclear properties and the relation of the reactor to its containment and its site. The proposed PRDC reactor represents a greater step beyond the existing state of the art than any other reactor of comparable power level which has been proposed by an industrial group.

From this review the following conclusions were derived:

1. Even though there are no facts or calculations available to the committee that clearly indicate that the proposed reactor is not safe for this site, the committee believes there is insufficient information available at this time to give assurance that the PRDC reactor can be operated at this site without public hazard.

2. It appears doubtful that sufficient experimental information will be available in time to give assurance of safe operation of this reactor unless the present fast reactor program of the AEC is amplified and accelerated as detailed below.

3. It is impossible to say whether or not an accelerated program would give sufficient information to permit safe operation of this reactor at the Lagoona Beach site on the time schedule presently proposed.

The following program of investigation is suggested in order to provide information to judge the safety of the proposed operation:

(NOTE.—APDA–108: Description of Developmental Fast Neutron Breeder Power Reactor Plant, September 1, 1955. APDA–114 Location and Environmental Safety of Development Fast Breeder Power Reactor Plant. Some Supplementary Safeguard Topics Relevant to the Power Reactor Development Co. Reactor.)

1. The origin of the positive component of the temperature coefficient in EBR–I must be established. A clear demonstration must be given that a coefficient of this magnitude cannot exist in the PRDC design. The experimental program required would involve three phases:

(a) Study of the spontaneous behavior of a new EBR–I core designed with rigid fuel elements to insure against the possibility of bowing. Such a study might have to include experiments with both series and parallel flow through core and blanket.

(b) Extensive studies of oscillator experiments on the PRDC design with a simulator, using a wide variety of component temperature coefficients and associated time constants. These studies should be designed to demonstrate that oscillator tests in the startup of the PRDC reactor can produce all the temperature coefficient information required to assure safe transient properties of the reactor, i. e., a negative prompt temperature coefficient of sufficient magnitude to prevent a fuel meltdown.

(c) Further experimental work on ZPR–III to show the magnitude and size of the Doppler effect in order to verify the theory.

2. The magnitude, time constant, and sign of the various components of the temperature coefficients in the PRDC design must be evaluated together with a reasonably complete theoretical understanding of their origin in terms of the mechanical design. This program has three aspects:

(a) A demonstration by the simulator studies under 1 (b)—that the proposed startup program on PRDC can give the information required over a wide range of possible coefficients and time constants.

(b) Conduct of oscillator studies on the EBR–II reactor to show that they are feasible and capable of being interpreted to give the necessary information.

(c) Startup program on the PRDC reactor itself to obtain the final information needed before the reactor can be safely operated at full power without meteorological restrictions.

The objective of this program must be to ascertain whether the various negative coefficients are sufficient to prevent meltdown under any conceivable circumstances of control maloperation.

3. The committee as a whole was not satisfied with the evidence presented that no credible supercriticality accident resulting from meltdown could breach the container. It is felt that a more extensive theoretical and experimental program to examine all the possibilities needs to be established and pursued vigorously. The following are examples: mechanical mockup studies designed to study distortion of core on sudden melting, criticality studies in ZPR–III design to investigate maximum supercritical arrangements, detailed design studies of the reactor structure, with supporting mockup experiments, to insure subcritical distribution of melted fuel and to assure that free fall of core parts cannot reassemble a critical mass suddenly.

4. It is considered critically important that the EBR–II program be pursued more aggressively and coordinated more closely with the PRDC design than is presently the case. The EBR–II program is the only program now constituted which could provide engineering information and operating experience on a high-power-density fast reactor in advance of the scheduled date for operation of the PRDC reactor.

The nature and content of the EBR–II program which the committee considers essential depends on the outcome of investigation 3 above. If it can be shown that a supercritical accident with sufficient energy release to breach the building cannot take place, then the EBR–II program should be aimed at providing general engineering information relevant to the economical design and safe operation of the PRDC reactor.

On the other hand, if it cannot be shown that breaching of the building during a meltdown is impossible, then a much more extensive EBR–II program is required. The test reactor to be operated as EBR–II should then be a genuine prototype of the PRDC reactor. The fuel elements of the test reactor should be identical in all essentials to those proposed for the PRDC reactor, and operated at power densities at least as high as those to be used in the PRDC reactor. The static and dynamic properties of the test reactor should be fully investigated, completely understood theoretically and proved incapable of causing meltdown. These properties should be investigated both for the reactor with its initial charge of U–235 and U–238 and for the reactor with the steady-state concentration of plutonium in the core.

5. The program should not be limited to the above points but should be broadened to whatever extent may be shown necessary by the program itself.

The committee wishes to note that the experience that now exists on fast power reactors of high power density is not wholly reassuring. While the ERB–I incident is not directly relevant in this connection because the reactor was known to possess an unstable prompt power coefficient under the conditions of the terminal experiment, nevertheless the fact remains that the orgin of this unstable coefficient has not been clearly established and therefore its possible occurrence in the PRDC design cannot be definitely excluded on the basis of present experimental information. Opinions differ as to whether its absence can be completely assured in a safe way by the oscillator tests in the prestartup program proposed for the PRDC reactor in situ.

The committee considers it important that bold steps be taken to advance the development of the fast breeder reactor concept and commends the willingness of the Power Reactor Development Co. to risk its capital and prestige in advancing the development of this reactor concept. But the committee does not feel that the steps to be taken should be so bold as to risk the

health and safety of the public. It is important for the AEC to provide sufficient development facilities and experimental information that the safety aspects of the PRDC reactor can be reliably appraised in advance of operation of the reactor itself.

Sincerely yours,

C. ROGERS MCCULLOUGH,
Chairman, Advisory Committee on Reactor Safeguards.

Now, Mr. Speaker, what happened regarding this matter. At that time, the request was made to pass over this issue until a later date. Mr. Strauss said that the matter was under consideration by the Atomic Energy Commission. At one point, he said:

The Commission has taken no action.

When pressed as to why the committee had not been given full knowledge of this safety problem or why it "was not mentioned to us, Mr. Chairman"? Mr. Strauss said:

It was. It was stated that this fast breeder was the most hazardous of all the reactors (p. 239).

When the committee suspended action and requested further information, Mr. Strauss returned on July 3, 1956, and said, among other things:

The Commission has not acted upon the subject of the safety aspects of the proposed reactor and the Detroit Edison Co. and associates are waiting, as are many others interested in this business, on the action that is expected and hoped for from the Congress at this session on the bill to assist in the indemnification of third parties against the possibility of a reactor incident.

The Commission appeared in the other body just 3 days later on Friday, July 6, 1956. It is interesting to note that in the absence of Commissioner Murray, not one single mention was made to the Appropriations Committee of the other body regarding the safety problems of the fast breeder reactor.

No further report was made to Congress. We all know Congress adjourned on July 27. Five days later on Friday, August 3, the Commission met and voted for the first time to ignore its Advisory Committee on Reactor Safeguards. Several members of the Joint Committee who were informed immediately issued protests at the Atomic Energy Commission's action. The Commission has raised a real question as to whether the promotion of this new industry should be made by the same agency which regulates it. The Joint Committee will soon have to consider this question. Meanwhile, a number of members have proceeded to seek legislative action to force the Commission to comply with the procedures which have brought the high safety record we have enjoyed to date. I agree wholeheartedly with the bills which have been introduced, even though the bill which I have introduced today differs in some major respects from those which have been introduced earlier. The major differences are:

My bill not only gives legislative status to the Committee on Reactor Safeguards but sets a minimum of members to carry on this important activity as well as the maximum which is provided in the earlier bills.

To maintain the high level of performance which has been carried on by the high quality of the members in the past, I provide that the membership shall consist of outstanding scientists and engineers. It is important that men of outstanding achievement in their fields who have a sense of social responsibility constitute the membership of this important committee. We do not want to hold back the development of industry based on the nuclear sciences, but we know that these industries can be brought into being in a safe and prudent manner. Men of independent judgment and stature in their professions can make this kind of finding without challenge to their integrity or scientific judgment.

When the Commission acted on the PRDC conditional permit, the then chairman of the Joint Committee, Senator CLINTON ANDERSON, said, among other things:

From a practical standpoint, AEC might feel obligated to go on through with a bad deal with respect to public safety because they will have permitted the expenditure of huge sums under the construction permit. It is my belief that decisions on safety should be made without any examination of dollars involved but only from the standpoint of human lives.

I agree thoroughly with this statement of position and I have included "construction permits of licenses or other nuclear facilities" under the requirements of my bill so that it will be clear that safety considerations will apply to construction as well as operation of the facilities under consideration. I do not see how you can draw a distinction here, but since the AEC is insisting that they are drawing a distinction in the PRDC case, I have included construction permits under the purview of the Committee on Reactor Safeguards.

This Commission has made the ruling since the Advisory Committee report was made public that all future reports will be considered internal documents and, therefore, their publication will be forbidden. I cannot understand this action in view of Admiral Strauss' admission in a letter to the Chairman of the Joint Committee on Atomic Energy on October 9, 1956, when he said:

Reviewing the circumstances in connection with your request for this document our request that it be treated as administratively confidential was a mistake.

Yet, on October 31, 1956, the Commission transmitted its new proposed regulation on public records. In this letter, the Commission said:

This regulation adopts the philosophy that all of the records of the Commission relating to its regulatory activities are available for public inspection except in certain specified areas.

I had understood this to mean that all information regarding safety would be made public. Many people hailed this proposed regulation based on the same interpretation which I had given it. Yet, it now turns out that section 9.4c excludes from the public records interagency and intraagency communications. The very report which started this whole case which was denied to the Joint Committee except on an administratively confidential basis is now excluded from the public record. The reports of the Advisory Committee on Reactor Safeguards which had been considered intraagency communications would also be excluded. I have, therefore, provided in my bill that "upon submission of the report to the Commission, it shall be made part of the public record." I provide that it shall be published and if portions of it require security classification that it shall be published in an unclassified form. There is no reason that the safety aspects of this new industry should not have the widest circulation and discussion so that all who are interested may have knowledge and contribute to the formation of public opinion, in regard to the development of this new industry. After these reports are made public, my bill provides for notice in the Federal Register and the holding of a public hearing after 30 days, with the further requirement that no permit or license be issued until at least 60 days will have elapsed from the publication of the safeguard committee's report.

Mr. Speaker, I hope that the Congress will have an early opportunity to take action on this bill. The atomic industry is moving ahead. We must have public knowledge of the risks which are involved and the knowledge of the steps which should be taken to meet these risks so that we shall achieve public acceptance and help restore the United States to the world leadership which we had in the first decade of this new science.

A BILL TO WAIVE RECOVERY OF ERRONEOUS PAYMENTS TO MEMBERS OF THE ARMED SERVICES

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, I am today introducing a bill authorizing the Comptroller General to waive the recovery by the Government of erroneous payments to members of the armed services.

Many times I have had brought to my attention the problem of service personnel who have received erroneous payments from the Government. Years later discovery of the error is made and recovery is attempted by the Government. In nearly all such cases the money has been paid and received in good faith, and repayment works an unnecessary hardship on the individual. The result is that the Congress must from time to time pass special legislation for the relief of such individuals.

The bill will permit the Comptroller General to waive recovery where repayment would be "against equity and good conscience," and where the payment had been made without error on the part of the individual who received it.

Because the Comptroller General is directly responsible to the Congress, I feel that he is the logical individual to adjudicate the waiver question. I urge the passage of this legislation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. WOLVERTON, from May 2 to June 6, 1957, inclusive, in order to attend as a Congressional adviser to the United States delegation, the World Health Conference at Geneva, Switzerland.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CARNAHAN, today, for 1 hour.

Mr. BOYLE, for 1 hour, on Monday, May 6.

Mr. MACHROWICZ, for 1 hour, on May 6, on the occasion of Polish Constitution Day.

Mr. CHRISTOPHER, on Wednesday, May 8, for 1 hour, to commemorate the birthday of that greatest of living Americans, Harry S. Truman.

Mr. MASON, for 45 minutes, on May 13, on the subject States Rights and the Constitution Versus Civil Rights and the Supreme Court.

Mr. HARVEY, for 30 minutes, on Monday next.

Mr. KEATING, for 30 minutes, on Monday next.

Mr. PRICE, for 30 minutes, today.

Mr. PATMAN, for 30 minutes, on Monday and Thursday of next week, and to revise and extend his remarks and include extraneous matter.

Mr. BAILEY, for 30 minutes, on Monday next; and the special order granted to Mr. BAILEY for today was vacated.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. FORAND in two instances.

Mr. FISHER and to include extraneous matter.

Mr. HUDDLESTON.

Mr. RODINO.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. BYRNE of Illinois and to include an editorial.

Mr. KEAN and to include an address by Congresswoman DWYER.

Mr. COLE.

Mr. BECKER (at the request of Mr. PILLION).

Mr. VAN ZANDT and to include extraneous matter.

Mr. HENDERSON.

Mr. DEROUNIAN and to include extraneous matter.

Mr. YATES.

Mr. FASCELL.

Mr. FARBSTEIN.

Mr. SIKES and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. PATTERSON (at the request of Mr. HOSMER) and include related matter.

Mr. CRETELLA and to include editorials.

Mr. BYRD.

Mr. BAILEY and to include an address by ROBERT C. BYRD.

Mr. CANFIELD (at the request of Mr. FRELINGHUYSEN) and to include extraneous matter.

Mr. GWINN and to include a speech on Federal aid to education.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1474. An act to amend section 401 (e) of the Civil Aeronautics Act of 1938, as amended, in order to grant permanent certification to air carriers engaged in domestic all-cargo operations without subsidy; to the Committee on Interstate and Foreign Commerce.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on April 18, 1957, present to the President, for his approval, a joint resolution of the House of the following title:

H. J. Res. 312. Joint resolution making additional appropriations for the fiscal year 1957, and for other purposes.

ADJOURNMENT

Mr. REUSS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 56 minutes p. m.), under its previous order, the House adjourned until Monday, May 6, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

813. A letter from the Comptroller General of the United States, transmitting a report on the audit of Federal Prison Industries, Inc., for the fiscal year ended June 30, 1956 (H. Doc. No. 171); to the Committee on Government Operations and ordered to be printed.

814. A letter from the Comptroller General of the United States, transmitting the first report on the audit of activities of the Bureau of Public Roads, Department of Commerce, for the fiscal year 1956; to the Committee on Government Operations.

815. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize certain construction at military installations, and for other purposes"; to the Committee on Armed Services.

816. A letter from the Chairman, National Labor Relations Board, transmitting the 21st Annual Report of the National Labor Relations Board for the year ended June 30, 1956, pursuant to the Labor Management Relations Act of 1947; to the Committee on Education and Labor.

817. A letter from the Director, National Science Foundation, transmitting the report of the National Science Foundation concerning the feasibility of a geophysical institute located in the Territory of Hawaii, pursuant to Public Law 909, 84th Congress; to the Committee on Interior and Insular Affairs.

818. A letter from the Archivist of the United States, transmitting a report on lists or schedules covering records proposed for disposal by certain Government agencies, pursuant to the act approved July 6, 1945 (59 Stat. 434); to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PRICE: Committee on Armed Services. H. R. 1214. A bill to authorize the President to award the Medal of Honor to the unknown American who lost his life while serving overseas in the Armed Forces of the United States during the Korean conflict; without amendment (Rept. No. 381). Referred to the Committee of the Whole House on the State of the Union.

Mr. WINSTEAD: Committee on Armed Services. H. R. 6881. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush '57 Jamboree of the Boy Scouts of America, and for other purposes; without amendment (Rept. No. 382). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Committee on Rules. House Resolution 244. Resolution for consideration of H. R. 52, a bill to provide increases in service-connected disability compensation and to increase dependency allowances; without amendment (Rept. No. 383). Referred to the House Calendar.

Mr. THORNBERRY: Committee on Rules. House Resolution 245. Resolution for consideration of H. R. 72, a bill to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary; without amendment (Rept. No. 384). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 246. Resolution for consideration of H. R. 6659, a bill to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes; without amendment (Rept. No. 385). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KILDAY: Committee on Armed Services. S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; without amendment (Rept. No. 380). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FORAND:

H. R. 7125. A bill to make technical changes in the Federal excise tax laws, and for other purposes; to the Committee on Ways and Means.

By Mr. BYRNE of Illinois:

H. R. 7126. A bill to amend section 602 of the Federal Property and Administrative

Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 7127. A bill to amend the Internal Revenue Code of 1954 to increase the amount of the personal exemption to which a taxpayer is entitled with respect to a dependent who is a student and whose educational expenses are paid by such taxpayer; to the Committee on Ways and Means.

H. R. 7128. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

H. R. 7129. A bill to establish a Federal policy concerning the termination, limitation, or establishment of business-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes; to the Committee on Government Operations.

By Mr. VINSON:

H. R. 7130. A bill to authorize certain construction at military installations, and for other purposes; to the Committee on Armed Services.

By Mr. BUCKLEY:

H. R. 7131. A bill to amend an act extending the authorized taking area for public building construction under the Public Buildings Act of 1926, as amended, to exclude therefrom the area within E and F Streets and 19th Street and Virginia Avenue NW., in the District of Columbia; to the Committee on Public Works.

By Mrs. DWYER:

H. R. 7132. A bill to amend the Internal Revenue Code of 1954 so as to allow a deduction for certain expenses incurred by a taxpayer for the care of his children while his wife is physically or mentally incapable of caring for such children; to the Committee on Ways and Means.

By Mr. FISHER:

H. R. 7133. A bill to extend the interim system for appointment of cadets to the United States Air Force Academy for an additional period of 4 years; to the Committee on Armed Services.

By Mr. FORAND:

H. R. 7134. A bill to amend title II of the Social Security Act to include Rhode Island and California among the States which are permitted to divide their retirement systems into two parts so as to obtain social security coverage, under State agreement, for only those State and local employees who desire such coverage; to the Committee on Ways and Means.

By Mr. HILL:

H. R. 7135. A bill to admit free of duty a water tunnel to be imported for use at Colorado State University, Fort Collins, Colo.; to the Committee on Ways and Means.

By Mr. LAIRD:

H. R. 7136. A bill to provide a minimum initial program of tax relief for small business and for persons engaged in small business; to the Committee on Ways and Means.

By Mr. PHILBIN:

H. R. 7137. A bill to amend title 10, United States Code, to authorize persons from friendly nations to receive instruction at the United States Military, Naval, and Air Force Academies; to the Committee on Armed Services.

By Mr. PORTER:

H. R. 7138. A bill to establish a Congressional policy for the determination of postal rates and fees; to the Committee on Post Office and Civil Service.

By Mr. PRICE:

H. R. 7139. A bill to amend the Atomic Energy Act of 1954, as amended, with respect to procedures on application for facility licenses, and for other purposes; to the Joint Committee on Atomic Energy.

By Mrs. ST. GEORGE:

H. R. 7140. A bill to amend title 10, United States Code, to authorize a registrar at the United States Military Academy, and for other purposes; to the Committee on Armed Services.

H. R. 7141. A bill to amend title II of the Social Security Act so as to remove the limitation upon the amount of outside income which an individual may earn while receiving benefits thereunder; to the Committee on Ways and Means.

By Mr. SAYLOR:

H. R. 7142. A bill to increase from $600 to $750 the personal income tax exemptions of a taxpayer (including the exemption for a spouse, the exemption for a dependent, and the additional exemption for old age or blindness); to the Committee on Ways and Means.

By Mr. VINSON:

H. R. 7143. A bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces; to the Committee on Armed Services.

By Mr. WAINWRIGHT:

H. R. 7144. A bill to authorize the National Potato Grade Labeling Act, which provides quality requirements for, and the inspection, certification, and labeling of Irish potatoes; to the Committee on Agriculture.

By Mr. ABERNETHY (by request):

H. R. 7145. A bill to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia"; to the Committee on the District of Columbia.

By Mr. BALDWIN:

H. R. 7146. A bill to amend the Federal Employees' Compensation Act to increase the benefits provided thereunder for paraplegics; to the Committee on Education and Labor.

By Mr. BERRY:

H. R. 7147. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied to tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. BONNER:

H. R. 7148. A bill to amend the Internal Revenue Code of 1954 to extend the period for amortization of grain-storage facilities; to the Committee on Ways and Means.

By Mr. BURNS of Hawaii:

H. R. 7149. A bill to provide for the periodic transfer to the Hawaiian home-development fund of certain excess funds in the Hawaiian home administration account; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 7150. A bill to provide for the settlement of claims of military personnel and civilian employees of the Federal Government for damage to, or loss, destruction, capture, or abandonment of, personal property occurring incident to their service, and for other purposes; to the Committee on the Judiciary.

H. R. 7151. A bill to fix fees payable to the Patent Office and for other purposes; to the Committee on the Judiciary.

H. R. 7152. A bill to amend the act relating to the small claims and conciliation branch of the municipal court of the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mrs. GREEN of Oregon:

H. R. 7153. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 7154. A bill to admit free of duty a beta-ray spectrometer to be imported for use at Stanford University, Stanford, Calif.; to the Committee on Ways and Means.

By Mr. HASKELL:

H. R. 7155. A bill to amend sections 4 (a) and 7 (a) of the Vocational Rehabilitation Act; to the Committee on Education and Labor.

By Mr. HIESTAND:

H. R. 7156. A bill to repeal sections 5 and 6 of the Federal Water Pollution Control Act; to the Committee on Public Works.

By Mr. HOLMES:

H. R. 7157. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. MACK of Washington:

H. R. 7158. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. MERROW:

H. R. 7159. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. NORBLAD:

H. R. 7160. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7161. A bill to amend section 4462 of the Revised Statutes, as amended, with respect to certain vessels carrying freight for hire on the inland waters of southeastern Alaska or between such waters and the inland waters of the State of Washington; to the Committee on Merchant Marine and Fisheries.

By Mr. SANTANGELO:

H. R. 7162. A bill to amend the Fair Labor Standards Act of 1938 to include hotel workers within its coverage; to the Committee on Education and Labor.

By Mr. TOLLEFSON:

H. R. 7163. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. ULLMAN:

H. R. 7164. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. AVERY:

H. R. 7165. A bill to amend section 401b of the act of July 14, 1952, to permit applications for moving costs resulting from military public works projects to be filed either 1 year from the date of acquisition or 1 year following the date of vacating of the property; to the Committee on Armed Services.

By Mr. HARRIS:

H. R. 7166. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act; to the Committee on Interstate and Foreign Commerce.

By Mr. HOFFMAN:

H. R. 7167. A bill to amend section 1314 of the act of August 7, 1953, Public Law 207, 83d Congress (67 Stat. 418), with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records; to the Committee on Appropriations.

By Mr. LANE:

H. R. 7168. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. R. 7169. A bill to amend the Railroad Retirement Act of 1937, the Railroad Retirement Tax Act, and the Railroad Unemployment Insurance Act, so as to provide increases in benefits, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Mississippi:

H. R. 7170. A bill to amend the Internal Revenue Code of 1954 with respect to information required from certain tax-exempt organizations; to the Committee on Ways and Means.

By Mr. WAINWRIGHT:

H. R. 7171. A bill to create a Federal Advisory Council of Health in the Executive Office of the President in accordance with the recommendations of the Commission on Organization of the Executive Branch of the Government, to evaluate and advise on reorganizing the conduct of the several medical programs in respects necessary to achieve a maximum of economy and to eliminate duplications of efforts and competition among the several departments and agencies; to the Committee on Interstate and Foreign Commerce.

By Mr. DAWSON of Illinois:

H. R. 7172. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 7173. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7174. A bill to amend section 3 of chapter 324 of the act of June 11, 1946 (60 Stat. 238), to clarify and protect the right of the public to information; to the Committee on the Judiciary.

By Mr. MERROW:

H. J. Res. 315. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany; to the Committee on Merchant Marine and Fisheries.

By Mr. CARNAHAN:

H. Con. Res. 165. Concurrent resolution calling for creation of a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. FRELINGHUYSEN:

H. Con. Res. 166. Concurrent resolution favoring the creation of a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. MERROW:

H. Con. Res. 167. Concurrent resolution calling for creation of a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. WAINRIGHT:

H. Con. Res. 168. Concurrent resolution to create a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. HALE:

H. Con. Res. 169. Concurrent resolution to create a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. REUSS:

H. Con. Res. 170. Concurrent resolution to create a permanent United Nations police force; to the Committee on Foreign Affairs.

By Mr. PATMAN:

H. Res. 242. Resolution providing for the consideration of H. R. 11, a bill to reaffirm the national public policy and purpose of Congress in the laws against unlawful restraints and monopolies, and for other purposes; to the Committee on Rules.

By Mr. GUBSER:

H. Res. 243. Resolution expressing the sense of the House that the Secretary of Health, Education, and Welfare should study and investigate the Santa Cruz plan for the rehabilitation of hospitalized mental patients; to the Committee on Interstate and Foreign Commerce.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. FORAND: Memorial of the Rhode Island General Assembly memorializing Congress for the express purpose of establishing a Veterans' Administration Hospital for Mental Diseases in Rhode Island; to the Committee on Veterans' Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States relative to a compact relating to the boundary between the States of Oregon and Washington along the course of the Columbia River; and declaring an emergency; to the Committee on the Judiciary.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to amend the Hawaii Organic Act so as to provide for annual regular sessions of the legislature and increase the compensation of members of the legislature; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California (by request):

H. R. 7175. A bill for the relief of Roberta Sung, Rebecca Sung, and Mrs. Ching Fang Lee Sung; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 7176. A bill for the relief of Annie Manolos; to the Committee on the Judiciary.

By Mr. AUCHINCLOSS:

H. R. 7177. A bill for the relief of Edward J. Bolger; to the Committee on the Judiciary.

By Mr. AYRES:

H. R. 7178. A bill for the relief of Mr. and Mrs. Joseph D. Metzgar; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H. R. 7179. A bill for the relief of Mrs. Serafina Fernandez Maldonado; to the Committee on the Judiciary.

By Mr. BOLLING:

H. R. 7180. A bill for the relief of Lee Wing Soon; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. R. 7181. A bill for the relief of Mrs. Sachiko Kojima Johnson; to the Committee on the Judiciary.

By Mr. BURNS of Hawaii:

H. R. 7182. A bill for the relief of Mrs. Yuki Hamada; to the Committee on the Judiciary.

H. R. 7183. A bill for the relief of Chun Loui Kam Yip; to the Committee on the Judiciary.

H. R. 7184. A bill for the relief of Sang Hoon Lee and Sang Yuen Lee; to the Committee on the Judiciary.

H. R. 7185. A bill for the relief of Masako Yoshimura; to the Committee on the Judiciary.

H. R. 7186. A bill for the relief of the estate of Richard Anthony Nunes, Jr.; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 7187. A bill for the relief of Rosemary Ping Liang; to the Committee on the Judiciary.

By Mrs. DWYER:

H. R. 7188. A bill for the relief of Jozefa (Gorczyca) Niziolek; to the Committee on the Judiciary.

H. R. 7189. A bill for the relief of Fumiko Saito; to the Committee on the Judiciary.

By Mrs. GRANAHAN:

H. R. 7190. A bill for the relief of Giuseppe Antonio Torchi; to the Committee on the Judiciary.

By Mr. GUBSER:

H. R. 7191. A bill for the relief of Ascension Ortiz Martinez; to the Committee on the Judiciary.

By Mr. HAYS of Ohio:

H. R. 7192. A bill for the relief of Peter C. Wang and Rose Kuan Wang, M. D.; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7193. A bill for the relief of Shigeko Mizuta; to the Committee on the Judiciary.

By Mr. KEARNS:

H. R. 7194. A bill for the relief of John Dean Brian; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7195. A bill for the relief of Josefa Brzezowska; to the Committee on the Judiciary.

By Mr. KEOGH:

H. R. 7196. A bill for the relief of Arjamand Ali; to the Committee on the Judiciary.

H. R. 7197. A bill for the relief of Abdul Rohim; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 7198. A bill for the relief of Col. Russell King Alspach; to the Committee on Armed Services.

By Mr. KILGORE:

H. R. 7199. A bill for the relief of Anita Woerl; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7200. A bill for the relief of the estate of Isa Hajime; to the Committee on the Judiciary.

By Mr. McFALL:

H. R. 7201. A bill to authorize the award of a Medal of Honor to Alfred C. Petty, United States Army; to the Committee on Armed Services.

By Mr. MILLER of California:

H. R. 7202. A bill for the relief of Paul Sevigny; to the Committee on the Judiciary.

H. R. 7203. A bill for the relief of Dwight J. Brohard; to the Committee on the Judiciary.

By Mr. MOSS:

H. R. 7204. A bill for the relief of Debra Ann Marinello; to the Committee on the Judiciary.

By Mr. RABAUT:

H. R. 7205. A bill for the relief of Domenico Spagnoletti; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7206. A bill for the relief of Berta Semmler; to the Committee on the Judiciary.

By Mr. ROOSEVELT:

H. R. 7207. A bill for the relief of Jelena (Helen) Polhovski; to the Committee on the Judiciary.

By Mr. SANTANGELO:

H. R. 7208. A bill for the relief of Luigi Scotto (Louis Scotto); to the Committee on the Judiciary.

By Mr. SAUND (by request):

H. R. 7209. A bill for the relief of Jose Perez-Mendoza; to the Committee on the Judiciary.

H. R. 7210. A bill for the relief of Armando Lomas-Ayala; to the Committee on the Judiciary.

H. R. 7211. A bill for the relief of Ruben Arriola-Garcia; to the Committee on the Judiciary.

H. R. 7212. A bill for the relief of Giovanni Terracina; to the Committee on the Judiciary.

By Mr. SEELY-BROWN:

H. R. 7213. A bill for the relief of Louis S. Thomas and D. Grace Thomas; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 7214. A bill for the relief of Julian Avila-Carmarena; to the Committee on the Judiciary.

H. R. 7215. A bill for the relief of Salvatore Peragine (Peraggine); to the Committee on the Judiciary.

By Mr. SMITH of California:

H. R. 7216. A bill for the relief of Mrs. Magda Holdy Toma; to the Committee on the Judiciary.

By Mr. TELLER:

H. R. 7217. A bill for the relief of Victoria Pei Chiung Tcheng; to the Committee on the Judiciary.

By Mr. WAINWRIGHT:

H. R. 7218. A bill for the relief of Yvonne Pestkowski; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7219. A bill for the relief of George John; to the Committee on the Judiciary.

H. R. 7220. A bill for the relief of Lilian Magdalena Morris; to the Committee on the Judiciary.

H. J. Res. 316. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. Con. Res. 171. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

224. By Mr. CRETELLA: Resolution of Washington Poultry & Hatchery Association, requesting the Congress of the United States to investigate the financing practices in the poultry industry; to the Committee on Agriculture.

225. By Mr. FORAND: Petition of Helen A. Thomas and 280 others, in favor of the bills S. 582 and H. R. 4835; to the Committee on Interstate and Foreign Commerce.

226. By Mr. HOEVEN: Resolution of the Sioux City Chamber of Commerce waterways committee regarding the urgent need for flood protection on the Floyd River in Sioux City, Iowa; to the Committee on Public Works.

EXTENSIONS OF REMARKS

The 40th Anniversary of the National Coal Association

EXTENSION OF REMARKS

OF

HON. ROBERT C. BYRD

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BYRD. Mr. Speaker, the National Coal Association, which was organized to deal with questions of fuel supply during World War I, will hold its 40th anniversary convention at the Shoreham Hotel in Washington, June 4–6. What takes place at the convention will be of nationwide interest, since the status of the coal industry is so closely related to the general welfare and the national security.

The National Coal Association has come a long way since its birth four decades ago. It has played a vital role in periods of war and peace.

The Honorable Tom Pickett, executive vice president of the National Coal Association and a former Member of Congress, has been good enough to supply me with the advance program of activities scheduled for the convention. I am sure that the program will have wide appeal, for—in addition to coal industry people—representatives of railroads, chemicals, and other allied industries will attend. I am pleased to note that the banquet speaker will be a learned member of the clergy for whom everyone has the greatest respect, Dr. Norman Vincent Peale, pastor of Marble Collegiate Church in New York City.

Mr. Speaker, I am proud to inform the Congress that Mr. W. W. Goldsmith, president of Elk Horn Coal Co., Charleston, W. Va., is chairman of the NCA convention committee. Another resident of the constituency which I represent is Mr. L. Newton Thomas, chief executive officer of the Carbon Fuel Co., Charleston. He is president of the National Coal Association.

I am sure that our colleagues will want to join me in congratulating this organization for the excellent contribution it has made to the development of one of the basic industries of this Nation, coal.

Polish Constitution Day

EXTENSION OF REMARKS

OF

HON. EMMET F. BYRNE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BYRNE of Illinois. Mr. Speaker, I would like to place in the RECORD a few remarks about Poland today since the Polish people will celebrate the anniversary of their constitution of 1791 tomorrow, May 3. This constitution, as we know, was one of the first democratic and progressive constitutions in Europe.

We are all familiar with dramatic events of the last year involving postwar Poland and I believe these events have contributed greatly to an emerging awareness in the Soviet bloc that the Communist ideology cannot endure forever in the countries which are under their domination. The Soviets may control economically and militarily but activities in recent months prove that the Polish people have not permitted an inroad into their spiritual life and ideals but have held on to their belief in liberty.

It is heartening to note that it was the workers who dared to raise their hand against Communist tyranny thereby demonstrating the fallacy in the Communists claim that their philosophy is the rule of the peasants and workers.

May 3 gives Americans everywhere an opportunity to pay tribute to the Polish people who are so valiantly struggling to again have complete freedom and to restore the bonds with the West and the United States. These ties have long existed. It was Thaddeus Kosciusko, of Poland, who volunteered his services to our continental Army in the American revolution. He fought so courageously for us because he believed in the principles for which we were fighting. He was made a brigadier general in 1783 and was awarded the Order of Cincinnati which carried the privilege of citizenship and an annual pension. Kosciusko was beloved by other American officers. Shortly before he died, and many years after his return from America, he emancipated his serfs in order to manifest his belief in liberty, equality, and fraternity.

Polish Constitution Day, May 3, 1957

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. VAN ZANDT. Mr. Speaker, we pause today to celebrate the 166th anniversary of the adoption of the Polish Constitution May 3, 1791. This is an important date in the history of Poland. It marks the beginning of modern Poland with a limited monarchy, ministerial responsibility, and biennial parliaments. Much of the obstructive machinery of the old system was abolished and invidious class distinctions were done away with. Absolute religious toleration was established. No sooner was it adopted, however, than it was overthrown by the force of invading Russian armies. Since then, Poland has known little freedom except for the period between the two World Wars. Today we look forward to the time when Poland may again know true freedom.

For the last 13 years, since the Red army "liberated" Poland from the Nazi forces, the Soviet Union has dominated the Polish government. It has been a Russian satellite. Soviet planners have directed the economy, leading the nation to near bankruptcy. The Polish econ-

omy was made completely dependent on Russia, both for markets and machinery parts. Production of consumer goods was curtailed in order to build more heavy machinery for exports to Soviet Russia. The people lost all incentive to work, for the benefits of their labor helped only their Soviet overlords. Communist attempts to collectivize the farms failed. It is reported that the independent-minded Polish peasants resisted collectivization so stubbornly that some 80 percent remained individual farmers despite all the pressures applied by the government. Russian teachers shaped the educational system to teach communism and stamp out the Polish love of liberty and Christian faith. But after 13 years it is manifestly clear that the most stringent Soviet efforts have failed completely. The vast majority of the Polish people are united in their hatred for Soviet oppression and Soviet communism. We have seen testimonies to this resistance in the Poznan uprising last June and in the revolution of October 1956.

Poland now stands in a perilous and uncertain position on the road between slavery and freedom. The question of whether the "nationalist" regime headed by Mr. Gomulka will further increase the freedoms of the Polish people or be swallowed up by the Soviet Union is one which none of us can answer now. Mr. Gomulka is a Communist and could not be classed as a champion of democracy by the wildest stretch of the imagination. He is not a new embodiment of the spirit of the constitution of 1791, except that he too appears to seek the independence of his native land from Russian control. Collectivization has been stopped, religious instruction is again given in the schools to those who desire it, and the Polish people supported his government in the semifree elections held this January. But Gomulka has signed an agreement with Russia that permits the continued stationing of Red troops on Polish soil and he is not seeking to renounce the Warsaw Pact. Still, it is reported that the Soviets are seeking to oust Gomulka and replace him with a lackey similar to the Hungarian, Janos Kadar.

The question of how much freedom Gomulka will really establish in Poland and whether he can continue to resist Soviet domination is a particularly difficult one for Americans today. The Gomulka regime has requested substantial foreign aid credits from the United States. If Russia reasserted her control over Poland, our aid would really be aid to Russia. On the other hand, many are convinced that if United States loans proved effective in relieving some of the most pressing economic difficulties in Poland today, it would enable the Gomulka government to break away from Russia to an even greater extent. This would give inspiration to the peoples living under all the other satellite governments of Eastern Europe. It could show a way to peaceful liberation, by evolution, however slow it may be.

Reports in the newspapers indicate that President Eisenhower favors granting a loan to the Gomulka regime, though a much smaller one than it has requested. All of us who love freedom and who have watched from afar the past oppression of the Polish people will join in the hope that if this step is taken, it will lead toward the eventual realization of full freedom for Poland.

Address by Hon. Alexander Wiley, of Wisconsin, Before Foremen's Club of Philadelphia, Pa.

EXTENSION OF REMARKS
OF
HON. ALEXANDER WILEY
OF WISCONSIN
IN THE SENATE OF THE UNITED STATES
Thursday, May 2, 1957

Mr. WILEY. Mr. President, it was my extreme good pleasure last evening to speak at the Labor and Industry Day dinner of the Foremen's Club in Philadelphia. I had a very fine time. That representative group of labor, management, and investors comprises the three elements in our society which will make for stabilization if they pull together. This was an example of a group working together and agreeing that, by and large, America needed not only their investment in material wealth, but also their realization that this is not the world we knew a few years ago, but is a world which challenges their best patriotic devotion to the American way of life.

I ask unanimous consent that my comments at the dinner be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

WE NEED MORE INVESTMENTS IN AMERICA; FURTHER BUILDING THIS COUNTRY WITH THRIFT, HARD WORK, AND UNCEASING FAITH

(Excerpts from address delivered at the Labor and Industry Day dinner, Foremen's Club, Philadelphia, by Senator ALEXANDER WILEY, Republican, of Wisconsin, senior Republican, Senate Judiciary and Foreign Relations Committees, Wednesday, May 1, 1957)

It is a real pleasure and privilege to participate in this Labor and Industry Day dinner.

I am glad to visit Philadelphia, the City of Brotherly Love, the cradle of American liberty on this May 1.

It is a most appropriate day, when we—you and I—can strengthen the foundations of liberty. Likewise, we can and should strengthen the ties of mutual respect and understanding between labor and management, and all segments of our population.

MY THEME TONIGHT: MORE INVESTMENTS

My theme tonight is very simple, and yet, I believe, it is significant and enduring.

My theme is: We need still more investments in America.

In this National Invest in America Week and in all the other 51 weeks of the year we need to invest, soundly and carefully, more savings, accumulated by means of our thrift and our hard work.

Why? So that our dynamic economy can still further expand; so that there will be higher productivity, more jobs; a higher standard of living, more comforts and conveniences for all.

ANOTHER KIND OF INVESTMENT NEEDED

But we need still another kind of investment as well besides our dollars and cents, our tangible savings.

We need the type of investment with which you foremen are especially familiar—you leaders of men.

I refer to the investment of something more intangible—our minds and souls, our faith and determination.

But an investment in what?

WHAT IS AMERICA

An investment in everything for which this Republic stands. So let us ask: Exactly what is this America of ours that we would invest in?

Is it simply the 3 million square miles of this part of the North American Continent?

Is it simply our cities and countryside, our forests and lakes and rivers, our towns and hamlets?

Is it our churches, our schools, and our homes?

Yes; but we are talking of investment in all these and more.

Is it our 170 million living souls, young and old, each with their individual personality, their economic and political and religious ideas?

Yes; and it is still more.

Is it America's history, from the days of the ringing here of the Liberty Bell; the days of Valley Forge—through all the subsequent evolution that occurred, through our expansion westward, our wars, our elections, our explorations, our progress?

Is it our businesses, large and small, our factories and our mines?

Yes; it is all this, and still more.

Is it our precious Constitution and its Bill of Rights?

Is it our dreams and our vision?

Is it our world leadership and our faith for a better tomorrow?

Yes, all these and still more.

Is it the sacrifices in blood and treasure which have been paid for this thing called the American way? The million men who have died in all of our past military conflicts, so as to keep this country free?

Is it our devotion to freedom, not simply for ourselves, but for all mankind?

Still again, we answer: All this and more.

Is it our businessmen, our laboring people, our educators, our scholars and our preachers?

It is these and more.

Is it the mothers and fathers of America, dreaming dreams of a better world for their children, and reaching out to understand more of the meaning of life, by contacting the Infinite?

Yes, my friends, it is all these and still more, that I say you and I are called to invest in.

And let me repeat, when I say "invest," I mean more than the common significance of that term.

We know that when one invests in something, something very precious, something that is a part of him, he does more than simply place his cash on the dotted line.

PRESERVING OUR GREAT FREEDOMS

When you and I think of investing in America, we should think of seeing to it that everything is done in order that America shall remain free and secure.

We mean that we invest with our spirit and our determination. Why? So that the great freedoms which mark this land—freedoms of press, speech, religion, trial by jury, and others—shall remain intact and so that we can hand them down to those who come after us.

When we invest in America, we see to it, for example, that our schools here in Philadelphia and everywhere else become still better. Why? So that our children will

grow up to be strong moral men and women who live wholesome lives.

Yes, so that our children will recognize the privilege of American citizenship and will be competent and adequate to meet all the challenges of such citizenship.

WORLD LOOKS TO US IN JORDAN AND OTHER CRISES

When we invest in America, we recognize that we are investing in the country that is the lighthouse of the world, the leader of the world.

We are the country to which the world looks for the salvation of the troubled Middle East and of South Asia and of Western Europe and of all other lands.

If the crisis in Jordan, for example, is successfully solved, as we hope and pray it will be, it will be because your country helped to solve it—your President, your State Department, and, yes, the presence nearby, of the ready Armed Forces of your flag.

Men of good will in Jordan and elsewhere look to us for leadership, just as the men you supervise look to yourselves for leadership.

We Americans are not meddlers, but neither are we shirkers.

The Middle East today may seem 5,000 long miles away; but really, it is in our own backyard because space and time have been shrunken by man's inventiveness.

So, we will not shrink from our duty and responsibility there, as we see it.

ASSURING HEALTH AT HOME BY SOLVENT ECONOMY

Meanwhile, here at home, now, how can we specifically invest in this leader country?

Obviously, through an adequate defense, a still sounder program of social justice for all, sound schooling, and making sure that our economy remains healthy.

Naturally, it is this last point to which I have referred which is especially pertinent to this Invest in America Week. An economy which is healthy is not a luxury; it is an absolute necessity.

More nations have been destroyed by inflation and/or bankruptcy than have been destroyed by wars.

You will remember that the German mark during the days between World War I and World War II became so depreciated that it eventually reached the point where a trillion marks was worth a single American dollar. The printing presses had gone wild. And soon the Weimar Republic collapsed.

That must not and will not happen here.

THE RESPONSIBILITIES OF TRUSTEES

A healthy economy is one where those who are in charge of the direction of the economy sense their responsibility as trustees.

A trustee conserves values; he does not squander them.

He adds to assets; he does not impair them.

That is why a sound dollar, a sound banking system, sound credit, a sound insurance industry, a sound securities industry, a sound home and construction industry—all these are part of an expanding, healthy economy.

EXPANSION IS KEY TO PROSPEROUS TOMORROW

I keep referring to this matter of expansion because this country must keep moving forward.

We must do so for several reasons:

(a) Because our people have rightly come to expect an ever higher standard of living.

(b) Because it has been estimated that we need to create a million new jobs every year.

That includes jobs for young people entering the labor force and it includes jobs to replace tasks that have been replaced by new-type operations.

RISK CAPITAL VITALLY NEEDED

(c) Because it has been estimated that $14,000 or $15,000 is necessary to create a new job on the average. And that money must come principally from an increasing amount of savings, wisely invested in risk capital, in the form of private stocks and bonds.

(d) Because our population is expanding. More than 4 million youngsters were born last year.

And with the extension of man's span of life there are more and more mouths to feed and clothe and more and more individuals to make comfortable.

So when we invest we invest for ourselves, for our loved ones, and for those who will follow after us.

We have in America an economic engine run on the gasoline of finance. Finance is the fuel which makes the machinery run. And that machinery not only carries its own weight, but carries others' load of work as well.

But finance is no longer for the few. It is for the many.

THE MEANING OF "PEOPLE'S CAPITALISM"

More than 8 million Americans own stocks and bonds in publicly owned corporations. And more than 13 times that number own life-insurance policies.

Add, too, the tens of millions with sound stakes in our banks, our savings and loan associations, our millions of privately owned businesses, and you get a picture of what has been aptly called people's capitalism, the capitalism of all Americans, all owners of stakes in the private-enterprise system.

To preserve and advance this people's capitalism is your task and mine.

ECONOMY COULD BE DESTROYED BY CLASS WAR

You and I know that, besides war or inflation, there are other ways by which this or any other economy could be destroyed.

It could be destroyed by class warfare, by hatred and bitterness between individuals and groups.

It could be destroyed by a failure of labor to recognize management's problems, or of management to recognize labor's problems, or both labor and management to recognize foremen's and supervisors' problems.

Each of us must learn to put ourselves in the other fellow's shoes.

If collective bargaining is to be successful, there must be mutual understanding and good will.

If foremen are to get the jobs done, they must have a team to work with, a team which recognizes the need and advisability of greater productivity.

For purposes of illustration, let us look back for just a moment to colonial times, the era of early Philadelphia.

THE EARLY AMERICAN HOME

Imagine, if you will, the early American, sitting before the fire in his own home on a wooden three-legged stool.

He had there all the elements of our early political economy.

He had his own capital, as represented by his home, his land, and his simple tools, and his wife's spinningwheel and loom.

That is—

He provided his own labor, himself and his family.

He was his own management.

He was supported by his own three elements of management, labor, and capital, as certainly as the three legs of that wooden stool supported him.

But his was a simple home and a simple economy.

COMING OF SPECIALIZATION

Since then, the industrial revolution has given us the benefit of the marvelous results of specialized production. More than 66 millions are at work today.

But, you might say that our whole modern economy still rests squarely on a three-legged stool. It is supported by the three essential legs of management, of labor, and of capital.

Obviously, a stool cannot stand on two legs.

No more can our economy stand, without all three of these supports, labor, management, and capital.

If each of these three groups always remembers its interdependence on the other two, our economy will never topple.

FIVE-FOLD OUTLETS FOR PERSONAL INVESTMENT

Now, my friends, inevitably the comment may come, "Senator WILEY, I agree with you that we should invest in America, both tangibly and intangibly, but where should we put our financial investments?"

Well, my friends, I am not a specialist in advising on finance.

If anyone has additional funds which he wants to invest, my first suggestion would be "go to your banker."

Go, as well, to other specialists, get their best judgment, and then follow through, based upon your individual needs and wants.

I personally have always considered that a well-balanced investment in things material would consist of:

1. A ready reserve of cash in your bank, in your savings and loan association.

2. Adequate insurance to protect your loved ones.

3. Your own home, if you feel the need, as more than 3 out of every 5 Americans do, to own your own residence.

4. Government bonds (on which Congress has now wisely acted to raise the interest returns).

5. Stocks and bonds in corporations whose records of earnings and growth or of potential good yield you have carefully studied.

VITAL IMPORTANCE OF "LABOR AND INDUSTRY DAY"

But as you study corporations, including your own employer, bear in mind that a corporation's success depends upon more than management, and yes, upon more than investors, as important as they are. It depends on employees, it depends on you foremen, you who provide the vital link between labor and management.

That is why I am particularly glad that this dinner is on Labor and Industry Day and that Labor and Industry Day is on May 1.

That is because May 1 in some parts of the world has come to be identified with demonstrations, conducted by Communists or under Communists' influence.

The mere fact that we do not have uprisings in the United States on May 1 or at any other time is a clear indication, it seems to me, that America provides what labor needs and wants.

America provides what all of us want, young or old.

TRIBUTE TO ORIGINATORS OF INVEST-IN-AMERICA WEEK

As I approach the conclusion of these thoughts, I want you to know that it has been a special joy to come to historic Philadelphia.

It has been a pleasure, not only for all the reasons which I have earlier mentioned, but because it is Philadelphia which originated and spearheaded this national Invest-in-America Week celebration.

As you know, I had been pleased to comment on this outstanding celebration on the floor of the United States Senate.

The spread of Invest-in-America Week demonstrates how a few individuals inspired by a need can originate a worthy idea, an idea which will grow and which will catch on like wildfire. Why? Because it is needed and because it is constructive and helpful for a great cause.

A MESSAGE TO AMERICA'S YOUNGSTERS

And speaking of great causes, perhaps the best way we can invest in America is

through our youngsters, through the children and grandchildren in our own homes.

This spring I have spoken to possibly a thousand Wisconsin high-school students who have come to Washington before and during the Easter recess.

I have stressed with them the privilege of being an American.

I have emphasized the necessity of being alert so that we don't ever become so complacent that we risk another Pearl Harbor.

Investing in America means, too, for each one of us, young and old, to recognize that this is a changing, not a static, country in a changing, not a static, world It is up to us to make those changes constructive.

Yes, my friends, we have a great job to do, and, like Nehemiah, we have to be about our Father's business.

I believe that, like the prophets of old, we cannot let the enticements or the threats of our Nation's enemies divert us from the basic job.

May we respond as Nehemiah did, "I am doing a great work; I cannot come down."

May each of us continue to advance the business which is every American's business, the business of protecting and advancing this Republic.

BUILDING THE "CATHEDRAL" OF AMERICA

I would like to conclude, my friends, by recalling the story of the workmen who, under Sir Christopher Wren's direction, were building St. Paul's Cathedral. They were asked, "What are you doing?" One workman said, "I am laying brick." Another workman said, "Oh, I am mixing mortar." But the third one replied, his eyes looking up on high, "I am helping Sir Christopher Wren build a cathedral." That is what we will all be doing when we truly invest in America—building and maintaining a great edifice—this Republic.

Polish Constitution Day

EXTENSION OF REMARKS
OF
HON. PETER W. RODINO, JR.
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. RODINO. Mr. Speaker, under leave to extend my remarks I wish to join all Americans of Polish descent in the celebration of the anniversary of the Polish Constitution.

One hundred and sixty-six years ago a group of patriotic, liberal, and far-seeing Polish leaders wanted to inaugurate a new era in Poland. They felt that some basic changes in the machinery of the government were needed; and to meet this imperative need they drafted a constitution. It was adopted, promulgated, and went into force on May 3 of 1791.

Since that year May 3 has been celebrated as Constitution Day, and the event has been regarded as a great landmark in Poland's fight for liberalism and for independence. The Constitution of 1791 was a liberal, democratic document, and as such it aimed to reduce the powers of the monarch without impairing the authority of the central government. By this constitution the government became one of limited, constitutional monorachy. It did away with the old class distinctions and class privileges, and guaranteed religious freedom. In this respect it embodied some of the ideas of the American Revolution, and also of the French Revolution. The constitution of course aimed at strengthening Poland by uniting all its citizens more firmly in defense of its independence. In embracing these twin aims of liberalizing and strengthening the Polish Government, the constitution of 1791 was a major democratic instrument, and to this day it serves as a symbol to the Poles in their tireless struggle for freedom and independence. I heartily join all Americans of Polish descent in the celebration of the anniversary of this great and significant event, the Polish Constitution Day.

Polish Constitution Day

EXTENSION OF REMARKS
OF
HON. ALBERT W. CRETELLA
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. CRETELLA. Mr. Speaker, May 3 is Polish National Day. It commemorates the anniversary of the enactment of Poland's democratic constitution on May 3, 1791.

At this crucial time in history when communism dominates half of Europe, it is essential that the United States and the free Western Powers give all possible support to the Polish cause for freedom and independence.

I do not believe it is the United States policy to incite uprisings behind the Iron Curtain against the Communist governments, for such a policy by itself while demonstrating the burning spirit of the people for freedom, results in the horrible destruction and the death of fighters and innocent women and children at the hands of overwhelming Soviet manpower and armaments. Such terror was witnessed recently both in Hungary and Poland.

Rather, our policy must be to raise our voices continually against this Soviet subjugation and even to offer material and economic aid to the Poles, if we can receive the assurances that such aid will indeed reach the Polish people and they are aware of its source. A private organization, the Ford Foundation, has recently announced a grant to Poland. It will be well for our Government to heed closely the effectiveness of this assistance as a possible guide for further United States efforts.

I believe there to be some validity in the argument that the Polish people, if given the proper moral and material tools, will better equip themselves for casting off Russian domination and regaining independence.

There is no question in the minds of the Kremlin that brave Poland stands firmly in the camp of the West. For Poland to cast such a die in the face of stark adversity, gives the free world an insight into the fiber of bravery and courage possessed by these people, who, since World War II have been denied their cultural and sacred freedom.

Let us not be cajoled into imagining that the Gomulka government is the government of the Polish people. This is merely a shabby compromise instigated at the direction of Moscow as an attempt to mollify a country whose free existence has been erased and sense of nationalism offended.

Although Poland may be relatively free as a nation in captivity by the Communists, the United States should settle for nothing less than the complete return of freedom to this and other countries, so that they may govern as they choose.

Polish Constitution Day

EXTENSION OF REMARKS
OF
HON. DANTE B. FASCELL
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. FASCELL. Mr. Speaker, tomorrow is Poland's national day, commemorating the anniversary of the adoption on May 3, 1791, of one of the first European constitutions based on democratic and progressive principles. Because of recent events in Poland and Hungary the celebration of Poland's national holiday assumes special importance this year.

Since the Poznan uprising in June and the bloodless Gomulka revoultion of last October, the whole basis of Soviet control in Poland has been challenged. When taken in conjunction with the heroic efforts of the Hungarian freedom fighters, these events assume major historical significance. Communist claims to have won the allegiance of the peoples of the subjugated nations of central and eastern Europe have been shown to be false.

For Poland, as for the other countries of eastern Europe, Communist rule has brought economic ruin; the forced collectivization of agriculture has resulted in dismal failure, and attempts to win the loyalty of the youth workers and intellectuals have been openly repudiated. It is obvious that the vast majority of Poles are wholeheartedly opposed to Soviet control of Poland's foreign policy, to Communist dictatorship as a form of government, and to the teachings of Marx, Lenin, and Stalin. The present Warsaw government has brought a certain degree of liberalization and has sought to put Poland on a more equal footing in dealing with the Soviet Union. The path to a free and democratic Poland remains a long and hazardous one, but those who know the Polish people have no doubt that this is the path which they will courageously seek to follow.

It is of more than mere symbolic significance that the Soviets for years prohibited the celebration of Poland's national day on May 3, substituting for it the hated July 10 anniversary of Poland's subjugation by the Soviet Union. This year the present Warsaw government has not dared restore May 3 as a formal national holiday, but it has declared that the Polish people may commemorate it privately. This compromise is typical of the precarious balance which the Gomulka regime must maintain in

its efforts to attain greater freedom and liberalization for Poland without provoking Russian antagonism beyond the breaking point.

Developments in Poland in this crucial period are of grave importance both for the West and for the Soviet Union. The continuing unrest and discontent in Poland indicate the demand for further reforms. Already collectivization of agriculture has ceased and 80 percent of the collective farms have been dissolved, craftsmen have been allowed to return to their private trades, and small shops under private operation are now permissible. The new leadership has also come to more satisfactory terms with the Catholic church; however, as the recently released Cardinal Wyszyski has pointed out the Polish people must show patience and endurance. Poland is still encircled by Soviet Army divisions, and the West is in no position to help the Poles achieve their aims by resort to armed force.

The Polish nation does, however, look to the West and particularly to America for political, moral and economic support. Continued interest on our part will bring nearer the long-awaited day of complete Polish liberation by peaceful means.

The Iron Curtain which has split Europe for over a decade shows clear signs of rusting away. The efforts of the Polish people to maintain constant pressure on the remaining Soviet bonds of slavery are being closely watched by the other subjugated peoples of Central and Eastern Europe. To aid these peoples in their difficult struggle for freedom the United States must follow a policy of constructive and imaginative leadership.

Rhode Island Independence Day

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. FORAND. Mr. Speaker, on May 4 Rhode Island will be celebrating the anniversary of its freedom. One hundred and eighty-one years ago the bells tolled for the brave people of Rhode Island, granting them their independence from their mother country, Great Britain.

In course of time, events are overlooked and personal sufferings unrelated. But, these brave colonists endured such inequities with a strong determination to shake themselves of this yoke. True to the tradition of democracy the people imposed their will upon the legislators of the time to act, and swiftly, to rid themselves of the rule of a tyrannical ancestor. It was on the 4th of May 1776, that the Rhode Island Assembly adopted the resolution renouncing allegiance to the British King. This act was the initial spark of freedom that fired the Congress of the United States to take similar action 2 months later.

Although Rhode Islanders have always been noted for their individual initiative and independence, the people of the State have stood together when they knew their cause was just. Rhode Island was the first of the 13 colonies to declare complete independence of Great Britain, and it was the last to ratify the Federal Constitution, refraining until it felt that certain inequities had been corrected.

The events which led up to these developments were hard pills to swallow by this little colony. Colonial resentment found expression in a series of incidents, many of which occurred in Rhode Island. As early as 1764 Newporters climaxed a riot with crewmen of the British schooner *St. John* by firing upon the vessel with cannons. The following year a Newport mob, angered by impressment of American seamen, seized and burned one of the boats of the British vessel *Maidstone*. Most famous in this series of incidents was the burning of the British revenue schooner *Gaspee*.

The colonial spirit of independency was the rock on which Britain's North American empire was finally wrecked. Accustomed for more than a generation to little or no taxation, and to nearly complete freedom in the management of their internal affairs, the colonists were disposed to resent every British attempt to strengthen colonial administration.

In 1774 Rhode Island gave support to the calling of the Continental Congress, naming as delegates the former political rivals Stephen Hopkins and Samuel Ward. In 1775, upon receipt of the news of Concord and Lexington, the general assembly created an army of observation—most of the troops later joined Washington's Continental Army. The same year the assembly commissioned its own navy, consisting of two units, to protect the colony's trade. Before the year was out, this force had attacked and captured a vessel of the Royal Navy. On May 4, 1776, the Rhode Island General Assembly climaxed its program of resistance by formally declaring its freedom from Britain. This action, taken 2 months before the Declaration of Independence at Philadelphia, made Rhode Island the first sovereign State established by Europeans in the New World.

Mr. Speaker, in keeping with our great past, Rhode Island will celebrate its second annual Heritage Week this year over a 10-day period, from May 3 to 12. Events honoring our historic inheritance are being scheduled and will include pageants, ceremonies, exhibits, and open-house invitations on a statewide scale, including many of our most treasured historic sites and shrines.

The heritage of Rhode Island is a continuing thing, a patrimony passed on from generation to generation. New honors, new accomplishments, new discoveries—all are based upon that devotion to liberty and integrity that was implicit in the founding of our State. The many industries that make Rhode Island renowned today had their beginnings in the humble crafts of our State's settlers. The culture of Rhode Island is the contribution of those made welcome by this State's tradition of freedom of conscience. Our schools and universities stem from the love of learning that distinguished Roger Williams and his followers.

Many illustrious names are woven into the fabric of Rhode Island history: Roger Williams, William Blackstone, John Clarke, and William Coddington, John and Moses Brown, Gen. Nathaniel Green, Stephen and Esek Hopkins, Oliver Hazard Perry, Gilbert Stuart, John Goddard, Peter Harrison, and Samuel Slater. These and many more have helped to make our Nation strong and secure and have contributed to its economy and culture.

Poland's National Day

EXTENSION OF REMARKS
OF
HON. LEONARD FARBSTEIN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. FARBSTEIN. Mr. Speaker, Congress has many times voiced its friendship toward and support of the Polish people on Poland's national holiday, May 3. For many years now these expressions have had to be made in terms of sympathy for a people subjected and oppressed.

This year we can look forward for the first time since the end of war with new hope for a new day in Poland. Poland is not free. But at least some of its bonds have been loosened.

In the economic sphere, several changes have taken place. It is reported that collectivization of agriculture has ceased and that 80 percent of the collective farms have been dissolved and land, machines, and livestock have been returned to the farmers. Individual enterprise on a reduced scale is apparently now permitted and in the past 2 months 20,000 small shops have been reopened.

A certain measure of religious freedom is also allowed. Catholic Cardinal Wyszenski has been released and in his sermons appeals to the Polish nation for patience and endurance.

Politically the Polish people have moved as far toward freedom as their Soviet Communist masters will allow.

This brave and determined people continue to demonstrate again and again their love of liberty and hatred of their Communist masters.

They demonstrated it in the Poznan uprisings in June in the demand for bread, freedom, and the withdrawal of Soviet troops.

They demonstrated it in the widespread expressions of sympathy for the Hungarians in their fight against their Soviet overlords. In every town and village in Poland committees were created for aid to Hungary, although the Polish people themselves have been in serious economic distress.

They demonstrated it when they turned to the West for economic succor, knowing well that such a policy would inevitably arouse the dangerous wrath of the Soviet Union.

The Polish people have dared to take such action although they are in the very nest of the Soviet Communists. Twenty-three divisions of Soviet troops are stationed in East Germany. Another 20 are in Hungary. Some eight are in Rumania and Czechoslovakia and large numbers of troops are in the eastern border of Poland itself.

In the Polish people's struggle to achieve more freedom through evolutionary means their eyes turn hopefully toward the West and especially toward the United States. They realize that in this era of the atom and hydrogen bombs a war of liberation could be a war of annihilation. They know that final freedom cannot therefore come through war. But they look to the West for that political, moral, and economic support which, with its constant pressure on the forces of oppression represented by the Soviet Union, will lead, we all hope, to a restoration of the whole range of Polish rights and liberties.

Poland's Struggle for Freedom

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. ANFUSO. Mr. Speaker, May 3 of each year marks the anniversary of the adoption of the Polish Constitution of 1791, one of the first democratic documents of its kind in Europe and one of Poland's great contributions to the development of the concept of human freedom. On this occasion it has become customary for the Members of Congress to express the friendship of the American people toward the people of Poland and to wish for them the early liberation of their country from Communist oppression.

This year the hope for their liberation seems more realistic. A series of events which have taken place during the past year afford all freedom-loving people greater hope and encouragement in the struggle for Poland's freedom. The Poznan uprising last June, the bloodless revolt led by Gomulka last October, and the heroic Hungarian revolution, have demonstrated the total bankruptcy of communism and its influence in the eastern European satellite countries.

The requests for bread, freedom, and the withdrawal of Russian troops from Poland only proved that communism has brought Poland and the other subjugated countries to a state of economic ruin and political enslavement. Of particular interest was the fact that the request for withdrawal of the Soviet Army from Polish territory emphasized in no uncertain terms that the Polish nation does not desire to be a part of the Soviet military bloc.

The events of last October have brought a certain degree of liberalization in Poland. The Gomulka government is seeking greater freedom for its people, independence from the Soviet Government, and a closer rapproachement with the West. At the same time, Russia is giving clear indications it will not tolerate a return of democracy in Poland. This perhaps may foreshadow a clash sometime in the future.

In this struggle of the Polish nation to achieve freedom, the eyes of its people are turned primarily toward America for encouragement, for friendship and for sympathetic understanding. It is, therefore, most appropriate to utilize this occasion of the anniversary of the Polish Constitution for expressing our solidarity with the people of Poland. To them and to their kinsmen in America, who have never forgotten them in their tragic plight under the yoke of communism, we send our heartfelt greetings and our best wishes that Poland will soon be truly liberated and join the family of nations as a free and independent nation.

What Alabama Makes Makes Alabama

EXTENSION OF REMARKS
OF
HON. GEORGE HUDDLESTON, JR.
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 1, 1957

Mr. HUDDLESTON. Mr. Speaker, this is Alabama Industry Week in my home State. We are celebrating it because we believe in the saying: "What Alabama Makes Makes Alabama."

As the whole Nation knows, Alabama is enjoying a tremendous industrial expansion. Entirely a rural area not long ago, our State is rapidly becoming urban with new factories and plants popping up almost daily. During 1956 at least 160 large industries were located or existing industries were materially expanded within the State. The new facilities provided 18,604 additional jobs in Alabama, which led the director of the Alabama Department of Industrial Relations, Eugene Wells, to boast with reason:

> There is a job for every able-bodied man in Alabama who wants to work today.

While other Southern States are worried about a serious migratory problem in labor, Alabama is able to supply the jobs for its laborers which neighboring States are not. In fact, the creation of the 18,604 new industrial jobs in Alabama last year should show these average community gains, based upon a recent United States Chamber of Commerce report: 55,068 more persons, 20,836 more households, 19,906 more automobiles, 744 more retail stores, and 32,371 more workers employed in other industries.

Alabama industrial expansion announced in 1956 totaled $376,287,000—an all-time record in our State. This is certainly graphic proof of the confidence which industry has in Alabama. Mr. Roland L. Adams, president of the Alabama State Chamber of Commerce, calls this one of the very best selling points we have in attracting more and more industries to our great State.

So far this year, a total of 22 new plants or large expansion programs have been revealed. Mr. Pleas Looney, director of the Alabama planning and industrial development board, reports that the 1957 outlook is much brighter than it was this time in 1956 because of the development of Alabama's waterways system. Now seriously considering Alabama sites are a number of heavy type industries requiring an abundant water supply and low-cost barge transportation.

Alabama industry is truly in high gear. When the wheels of industry are humming, economic prosperity is here. The industries are happy, the workers are happy, the merchants are happy; all the State is happy.

It is thus with much pride that my State this week is celebrating Alabama Industry Days. This eighth annual observance, from April 29 through May 4, is under the sponsorship of the Associated Industries of Alabama.

Another outstanding organization which has certainly done its part in boosting local business is the Birmingham "committee of 100," which is 7½ years old today. It was organized in December 1949. During the previous 2 years, not a single new factory had located in Birmingham, the iron and coal center of the South. It was almost unbelievable but true. Overnight, 100 civic leaders set to work to woo new industry. The committee was overwhelmingly successful. It has since brought more than 100 major plants, warehouses, and district sales offices to Birmingham and Jefferson County. In 1956, 20 new plants were established in the county and 26 local companies expanded their facilities. The new industries added $74 million to the area's annual payroll.

In just 66 months, the Birmingham "committee of 100" has given the Birmingham area new and vital lifeblood. New factories mean new markets. A boon in industry is a boon to business in general.

On the occasion of Alabama Industry Week, I would like to salute the individual industries whose management has had the foresight to move to Alabama. I trust that their economic prosperity in our State will encourage other industries to follow.

In this connection, under leave heretofore granted, I am pleased to insert in the CONGRESSIONAL RECORD, an article headlined "Why Does Industry Move to the South?" which appeared in the April 28, 1957, edition of the Birmingham News, one of the fine dailies in my district:

RESOURCES, LABOR, MARKET, ETC.: WHY DOES INDUSTRY MOVE TO THE SOUTH?—HERE'S WHAT A STUDY TURNED UP

Why is industry moving to Alabama and the South?

Two members of the industrial development department of Alabama Power Co. have spent considerable time studying that question. They were W. Cooper Green, Alabama Power vice president, and head of the department, and Ed Staub.

Here's the way they described the basic things that are luring industry southward:

1. LABOR

"The labor pool is deep enough to last for many years. Because of mechanization on the farm and the transition from cotton to livestock production, more and more people are available for industrial work. Also

the modern trend by industrial management is to shift the back-breaking burden and human skill to machines. * * *

"Most of the big corporations that recently built plants in Alabama and the South were not searching primarily for cheap labor, but rather for a labor population that was young, quick to learn, and productive. Cheap labor in the South is a misnomer. * * * Industrialists have recognized that per unit of production, the workers in the South are on a par, and in many cases have proved superior to workers in other areas."

2. NATURAL RESOURCES

"In natural resources, the South has no equal and can match or excel any region in the Nation. The efficient utilization of these raw materials has barely begun.

"The South sells itself when it has this much to offer out of the Nation's storehouse:

"Seventy percent of the Nation's petroleum, 80 percent of all the natural gas, 61 percent of all navigable waterways, 35 percent of all potential waterpower east of the Rocky Mountains, 22 percent of all the coal, 75 percent of all the graphite, 40 percent of all commercial forest area, 40 percent of the phosphate rock, 100 percent of all the bauxite, and ample water supply. From this listing, it is little wonder that in the last 5 years, more than half of the Nation's new chemical plants have located south of the Mason-Dixon line."

3. MARKET

"Our area is the fastest growing market in the Nation for consumer goods. With each new factory the market grows. Someone has to supply this market, and foresighted industrialists will continue to locate branch plants at points of consumption. Per capita income in the Southeast has risen from $332 in 1940 to $1,292 in 1955, an increase of 301 percent.

"In Alabama it has risen from $268 to $1,181 during the same period, a rise of 340 percent. Saleswise the South * * * offers merchants and advertisers tremendous opportunities. * * *

"As industry continues to locate and expand in Alabama and the South * * * the result will be additional increase in per capita income, and a general rise in the economic level. This will mean a demand for products that must be satisfied. * * * It is cheaper to serve this new market by branch plants than by freights."

4. CLIMATE

"The South is endowed with a uniform climate that makes for good year-around working conditions."

5. WATER SUPPLY

"Alabama and the South are blessed by a plentiful supply of both ground and surface water * * * Alabama has more than 531 square miles of inland water area and 1,091 square miles of total water area."

6. TRANSPORTATION

"Alabama is geographically located in the very center of the southern market, and is the logical hub for shipments to the various distribution centers.

"The Warrior-Tombigbee-Mobile Waterway is luring new industries to its banks at a recordbreaking speed."

7. POWER AND ENERGY RESOURCES

"In Alabama and the South there is a plentiful supply of electric power with rates less than, or comparable to any other region. * * *

"Natural gas pipelines are all over Alabama and the South.

"Energy for industry is one of the least of our worries."

7. DECENTRALIZATION

"In this age of atomic power and threats of recession, industry is looking southward. There is room to expand here.

"If the national economy deflates, the South's new factories will be the last to sag because they are among the newest and most efficient in the Nation."

8. COOPERATION FROM THE PEOPLE OF THE SOUTH

"One thing you don't mark down on the budget sheet, but does show up in the final balance sheet is the friendliness and cooperative spirit on the part of existing industries, community leaders and citizens to incoming manufacturers."

9. NOTHING SELLS LIKE SUCCESS

"For every $1 million spent in new branch plants, the southern people have overmatched that with $15 million for expansion of already established plants.

"The years 1955 and 1956 saw more than $350 million worth of capital investment allocated for new industries and expansions of existing industries, in Alabama. Industry's plans point to another recordbreaking year for 1957."

In Commemoration of Poland's Constitution Day

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. PATTERSON. Mr. Speaker and distinguished colleagues, tomorrow we pause to celebrate Polish Constitution Day. It was on May 3, 1791, that a new birth of freedom occurred in Poland, and each year freedom-loving Polish people commemorate this day, even though during the past 13 years in Poland they have been forced to do so in secrecy.

Polish Constitution Day means to the American people more than just another historic date. For indeed the Polish people have, throughout the years, become so intricate a part of the American Republic that an unshakable bond of friendship exists between the two countries. Some of our finest citizens are of Polish descent and they, along with others, have worked unceasingly to elevate our Nation to a position where today we stand foremost among the world's powers.

And, Mr. Speaker, today let us also remember those heroic Polish individuals, like Casimir Pulaski and others who took so outstanding a part in the American Revolutionary War and even sacrificed their lives for the cause of liberty on this continent. When we think of those great men, we can more deeply comprehend the dauntless spirit and invincible fortitude with which the patriots of Poland seem determined to shake off the Soviet yoke, and which have commanded the admiration of the entire world, including no doubt that of the Soviet tyrants themselves.

It was 13 years ago, Mr. Speaker, that the last vestige of freedom disappeared in Poland when the Soviet Army began its oppression of the people. Since that time, Poland and other victims of Soviet tyranny have looked to the West with hope and confidence that their freedom would be an important goal of the United Nations. Unfortunately, largely through reluctance of the Soviet Union, the United Nations has failed miserably in the execution of its solemn obligation of fostering the right of national self-determination among nations, and Poland together with other captive nations remains at this very moment a victim of gross neglect of duty on the part of the United Nations.

Mr. Speaker, we in the United States wish to see our freedom-seeking friends in Poland completely free from the chains of Communist bondage. We wish to see the sacred political right of national self-determination restored in Poland. The demands made last July by the Polish people for bread and freedom from Russian oppression were only one more positive indication that national self-determination is not enjoyed in that country.

Now it is true that the bloodless revolt against the Communist regime last July in Poznan did result in liberalized policies toward the populace. Poland is more independent of Moscow today than she was 1 year ago, and certain discernible traces of democracy can be found in the country, to the dismay of the Kremlin. But Mr. Speaker, the Polish people still have a Communist government—the same form of government that has kept the people in chains now for 13 years—and just as a goose is a goose, a fox is a fox, and a snake is a snake, so is communism communism, even though some propagandist might attach the prefix national before the term in order to further hoodwink the victims. What the people of Poland want and deserve, my friends, is democracy—not communism.

Therefore, Mr. Speaker and my distinguished colleagues, as we commemorate Poland's Constitution Day, let us remember that it is not kind words, but rather concrete action that brings freedom to suppressed nations. And I believe that one of our highest tributes to Poland would be the passage of a resolution by this body that condemns the Soviet Union for its unwarranted interference in the internal affairs of Poland, and at the same time calls upon the United Nations to take concrete action designed to restore to Poland and other captive nations the right of national self-determination.

Polish National Day

EXTENSION OF REMARKS

OF

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. YATES. Mr. Speaker, on this day 166 years ago, a great progressive and democratic document was signed. On May 3, 1791, the constitution of Poland was enacted. It was a logical product of the traditional allegiance of the Polish people to the principles of liberty and self-determination. This document has remained a cherished declaration of be-

lief in justice and free expression down through the years, despite the encroachments attempted upon it by hostile forces. It is yet a constant reminder to the Polish Nation of Poland's heritage of freedom, a heritage that cannot be denied even by the oppressive force of brutal domination.

The commemoration of National Day provides us with an opportunity to pay homage to the Polish people who, moved by their love of freedom and independence, continue to strive unceasingly to live by the precepts of their constitution, to regain complete liberty from oppression, and to restore their highly valued ties with a Western community in full concord with their aspirations.

This past year's events in Poland have shown the unswerving determination of her people to regain that traditional freedom. "For God and Country" is the national motto of Poland, and to God and their country they dedicated their very lives. In the face of a stunning display of overwhelming force, the Polish people heroically—and alone—took the lead in demonstrating the total bankruptcy of Communist policies. By demanding bread and freedom they showed that communism has brought Poland to the brink of economic ruin. By demanding the end of the Communist collectivization experiment, they showed that communism has turned a nation once called the granary of Europe into a nation unable to feed her own people. By demanding freedom and the withdrawal of the Soviet Army, they showed the hatred and contempt inspired by Russia's military and political machine.

Today the celebration of National Day in the United States takes on an added meaning, for some measure of those freedoms have been won back by the heroic people of Poland. Economic aid has been sought and gained from the West; small shops are back in business in the cities and towns; forced collectivization of agriculture has ceased, and over 80 percent of the collective farms have been dissolved; and the Catholic Church, long the victim of Soviet-imposed tryanny, has been freed of much of the restrictive pressure. Today, for the first time since the subjugation of Poland by the Soviet Union, the celebration of this date as National Day is permitted, although it may only be commemorated privately.

In the long view of history, the Communist system of government forced on Poland by the diabolical might of Russia is only transitory. Poland as a nation successfully opposed corruption of her principles of freedom in the past, and with her boundless devotion to liberty and democracy, will emerge victorious from Communist oppression. But she needs the encouragement and assistance of freedom lovers everywhere, and her history and record show that she deserves such encouragement and assistance.

When word of the Hungarian uprising reached the people of Poland, the nation as a whole manifested its complete sympathy and fullhearted assistance. In every Polish town and village a committee for "Help to Hungary" was formed. The people of Poland, though in dire economic straits themselves, thought well enough of the Hungarian battle for freedom to offer their own sorely needed food and clothing. We can hardly do less for Poland in its struggle out of enslavement.

Mr. Speaker, the United States has always championed the right of any people to choose their own system of government, for as Secretary of State Dulles has said, America must "encourage the evolution of freedom." Until the people of Poland regain their freedom, our own system of government is the less for it. The poet John Donne said it well: "Any man's death diminishes me, because I am involved in mankind."

We must pledge ourselves, on this anniversary of the Polish Constitution, to the support of any nation striving to be free of oppression; and to the brave people of Poland we must dedicate our unrelenting efforts to bring freedom from human bondage.

Polish Constitution Day

EXTENSION OF REMARKS
OF
HON. AIME J. FORAND
OF RHODE ISLAND
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. FORAND. Mr. Speaker, men and women of every nationality with faith in democratic principles join with those people of Polish ancestry in commemorating the anniversary of the Polish constitution of the 3d of May. It is fitting that we pause a moment to pay tribute to a document that stands beside our Declaration of Independence as a landmark in humanity's struggle for liberty.

Tomorrow is the 165th anniversary of the day in 1791 when the statesmen of Poland signed a constitution that inaugurated great reforms in Poland's Government. Equally impressive as the scope of the reforms was the bloodless manner in which they were carried out, indicative of the Poles as peacemakers without bloodshed rather than warmongers. This does not mean that they will turn from a fight for a cause they consider just. On the contrary, they are stouthearted people imbued with centuries of Christian doctrine, the dictate of their minds and energies.

In this generation the Polish people oppose the Communists at every turn and in every way that they can. Such opposition is to be encouraged and the people supported in their efforts to be free. The Poles cannot, of course, object in an organized way on a national level, but they can be given the comfort and assistance of the free world. The Polish-Americans of my State and of the country are their greatest source of encouragement and by their example may do much eventually to assist them in their quest for freedom. We hear reports from behind the Iron Curtain of the heroic action on the part of these people who refuse to bend to the oppressor's demands, and who refuse to accept slavery as a normal state of mankind. The process of freedom is very slow, and although today we do not hear of any violent revolutions in Poland, there are definite actions on the part of the Government of this country which are small tokens of assurance to the Polish people, and people of other nations, that are now being denied their God-given right of freedom. This tribute today I sincerely hope will reach the ears of all freedom-loving people everywhere for it is often said that the fires of freedom burn hottest among the oppressed.

In 1939 Poland made the world's first stand for liberty against the onslaughts of the Nazi might. But her strength could not avail against this great force, suplemented as it was by the Soviet stab in the back. In short, Poland suffered a new partition, and one far worse than any before. No people endured more, or resisted more defiantly than the Poles. When the circumstances of war made the Russians our allies, hope rose again in Polish hearts that Poland might yet be free. But, viewing the world since 1945 it became clear that one principal factor which frustrated the advance of the world toward peace, security, and progress is the activity of the Soviet Union. In every way Russia wantonly dissipated any hope for a world at peace and relieved of international tensions. And today they have advanced a new propaganda theme designed to conceal their real treacherous intentions, a theme entitled "Peaceful Coexistence." Try as they will the Soviet shift in policy will not divert the attention of America from its attachment to relief for the oppressed.

Mr. Speaker, in this world beset with atomic hypertension, and with the threat of global warfare let us take heart as we look to the courageousness of our Polish brethren. Let us redouble our efforts for peace in the world and the restoration of liberty and self-government to Poland and other freedom-loving nations now under Communist rule.

Poland's National Day

EXTENSION OF REMARKS
OF
HON. STEVEN B. DEROUNIAN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. DEROUNIAN. Mr. Speaker, on May 3, for the first time in many years, the Polish people will celebrate the birth of the freedom they once knew and is now lost to them. May 3 will mark the anniversary of a constitution devoted to democracy, adopted by Poland in 1871.

Although for long years, this constitution, symbol of freedom, has lain lifeless, recent months have brought changes and indications that the people of Poland may yet throw off the yoke of communism and once again cloak themselves with freedom and liberty. In this, God is on their side and ultimately the victory will be theirs.

The Free World is again witnessing the course of communism: Hunger, starvation, the denial of every birthright of man, and, inevitably, the struggle of the people to free themselves from its stranglehold. Our hopes are with the Polish people. They will win their freedom, we know.

Results of Questionnaire

EXTENSION OF REMARKS
OF
HON. O. C. FISHER
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. FISHER. Mr. Speaker, I recently submitted to the people of the 21st Congressional District in Texas a poll covering 12 current issues. The response has been very gratifying. More than 12,000 returns have been received. Tabulation of the answers has now been completed. The results are as follows:

QUESTIONNAIRE

1. The Eisenhower doctrine authorizes the President, if requested by an invaded country, to use American troops to combat overt Communist aggression in the Middle East. Do you favor this? Yes, 47.6 percent; no, 43.3 percent; no opinion, 9.1 percent.

2. A bill in Congress proposes that the Federal Government contribute a substantial amount of Federal funds to help finance local school construction, subject to local compliance with Federal regulations. Do you favor this? Yes, 28.1 percent; no, 67.2 percent; no opinion, 4.7 percent.

3. For the alleged purpose of protecting the civil rights of citizens from discrimination on account of race or religion, legislation in Congress proposes:

1. That a Federal commission be empowered to subpena persons and records to investigate claims of discrimination.

2. That the Attorney General may bring lawsuits, with lawyers and court expenses paid by the taxpayers, to recover money for damages on behalf of people who claim their civil rights have been violated.

3. That citizens, under Federal court injunction, may be sentenced to prison without jury trial for violating, or being about to violate, another's civil rights.

Do you favor this legislation? Yes, 12.4 percent; no, 77.2 percent; no opinion, 10.4 percent.

4. A bill in Congress would extend the Federal minimum wage and overtime law to retail stores and service establishments. Do you favor this? Yes, 41.1 percent; no, 49.4 percent, no opinion 9.5 percent.

5. During the past year, under present laws, about 350,000 immigrants were admitted to this country. A bill in Congress would increase this number each year. Do you favor the increase? Yes, 8.4 percent; no, 83.7 percent; no opinion 7.9 percent.

6. Do you favor statehood for Hawaii and Alaska? Yes, 67.2 percent; no, 17.4 percent; no opinion 15.4 percent.

7. Last year Congress adopted a soil-bank plan (costing $1.2 billion annually), to pay farmers for taking certain farmlands out of production, thus reducing surpluses. Do you favor continuation of the soil bank? Yes, 37.6 percent; no, 46.2 percent; no opinion, 14 percent.

8. The closed shop is outlawed by the Taft-Hartley Act. A bill in Congress would legalize agreements in the construction industry under which unions could select the employees on construction jobs and require that new workers join a union within a short period after going on the job. Do you favor this? Yes, 9.2 percent; no, 82.2 percent; no opinion, 8.6 percent.

9. The President's annual budget calls for a total of $71,800,000,000. Do you favor a reduction in this amount? Yes, 79.2 percent; no, 9.7 percent; no opinion, 11.1 percent.

10. The budget calls for $4.4 billion for foreign military and economic aid ($2.6 military aid, $1.8 billion economic aid), during the next fiscal year. Do you favor this? Yes, 18.4 percent; no, 64.6 percent; no opinion, 17 percent.

11. On the subject of tax reduction, do you favor the policy of first achieving a balanced budget before undertaking tax reductions? Yes, 76.1 percent; no, 17.4 percent; no opinion, 6.5 percent.

12. In the operation of the Post Office Department, there is presently an annual deficit in its operation of about $464 million. A bill in Congress would increase postal rates in order to reduce the deficit. Do you favor any increase in postal rates? Yes, 54 percent; no, 39 percent; no opinion, 7 percent.

EISENHOWER DOCTRINE

Mr. Speaker, there were so many interesting comments in regard to the various issues that I am constrained to discuss a few of the questions and perhaps clarify some of them.

Considerable interest was shown in the first question—dealing with the Eisenhower doctrine. About the time the questionnaire was sent out the Congress took final action on that issue, and it was overwhelmingly approved. So the issue is now moot, in a manner of speaking, but continues to be a lively topic before the American people.

Actually, the President already had the authority which he requested from the Congress. That authority has been held to be inherent in his constitutional authority as Commander in Chief of our Armed Forces. And it has, without any action by the Congress, been exercised many times in the past. A few examples include the action against the Barbary pirates in 1801; the second Barbary War in 1815; the American-Mexican incident between 1914 and 1917; the Boxer uprising in 1900; the almost innumerable instances of intervention in Latin America; the Dominican Republic, and Nicaragua. Then there was the Korean conflict.

The purpose of the President in asking for congressional approval for his use of troops to combat overt Communist aggression in the Middle East was obviously to obtain an expression of support for that phase of our foreign policy.

PEOPLE WANT REDUCED SPENDING, TAX RELIEF

Mr. Speaker, I have the honor of representing a fairly conservative district. The people there are good, average Americans who still believe that 2 and 2 make 4, and that all is not gold that glitters. They still cling to the belief that a man should put in a good day's work for what he earns. They are very dubious about this business of getting something for nothing. In their patriotic zeal they put the Nation's welfare and the future of our country ahead of petty political considerations. They abhor demagoguery and political chicanery. They are hardy and patient people, and because of strength and fortitude they have survived 7 years of the most devastating drought in history.

Those people are understandably concerned about the size of our public debt. They are worried about the highest peacetime budget in history. They feel the heavy burden of the present tax load. They feel that the present Federal spending velocity should be reduced substantially. They want something paid on the public debt, and they want some tax relief.

It will be noted that 79.2 percent feel the President's current budget estimates are too high. Seventy-six percent favor a balanced budget before undertaking further tax reductions.

PUBLIC SUPPORT FOR RETRENCHMENT ENCOURAGING

As one who has through the years—not just this year—fought against nonessential Federal spending, I am encouraged by the amount of public support that is this year being shown in favor of this retrenchment policy. It is a good sign and it should bear fruit, coming as it does from all over the Nation.

Thus far the House has considered $15 billion in appropriations out of the $72 billion budget. And we have whacked more than $1 billion from it. That is a good start. President Eisenhower has recently suggested another $2 billion that he believes can be trimmed. Surely we can whittle another $2 billion or $3 billion. If the Senate follows suit we should, therefore, be able to cut at least $5 billion. It all depends.

FOREIGN AID SHOULD BE CUT

Mr. Speaker, there are a number of budget items that can and should be reduced or eliminated. These include the $4.4 billion for foreign aid and the half billion for school construction assistance. The latter calls for a total outlay of $2 billion, with a half billion to be granted to local schools the first year. In my judgment we should defeat the proposed school aid measure and nip that new Federal commitment in the bud. How can we ever hope for balanced budgets and tax relief if we keep right on tallying up new expensive Federal grant programs, most of which, once started, snowball and go on for years and years?

As I see it, foreign aid should be limited in the main, except for certain loans and technical assistance, to military support for friendly and deserving countries which cannot help themselves and where it is to our selfish advantage to help keep them armed and prepared to combat Communist aggression.

FISHER VOTE ON FOREIGN AID

For the past 4 years I have personally voted against every bill for foreign aid. I have been constrained to do so because those bills have been presented in package form, all economic and military assistance lumped together, and they have included too much of what I was convinced was both wasteful and nonessential. The American taxpayers simply cannot go on and on carrying so much of the burdens of the world on their shoulders.

CUT SPENDING, CUT TAXES

We all know that tax reduction, including an increase in personal exemptions, to be really meaningful must be made at a time when the resulting loss

in revenue will not have to be replaced with borrowed money, with the borrowed money to be added to the national debt.

We all know that is not really tax relief. It is tax postponement—just passing the added amount on to our children and grandchildren to pay. It may placate certain vote-hungry politicians, but it is not a sound approach and everyone knows it.

There is a remedy if the Congress has the courage to make use of it. Let us face up to the issue. We can balance the budget. We can reduce nonessential spending. We can reduce the public debt. And at the same time, while doing these things, we can and should reduce the heavy tax burden.

HOOVER COMMISSION RECOMMENDATIONS

Mr. Speaker, in seeking ways to reduce, we are reminded of the great work done by the Hoover Commission. Sixty-five percent of all Hoover Commission proposals are in effect, including most of the major ones. The approval of some of the remaining proposals, at least, would undoubtedly help in promoting economy and efficiency in the operation of the Government.

PEOPLE FAVOR IMMIGRATION RESTRICTIONS

Mr. Speaker, the fifth question relates to immigration and the pending legislation designed to relax existing restrictions.

As indicated by the answers and comments, the people are very much alarmed about the proposed increase. It will be noted that only 8.4 percent favor an increase, and many of these answers were qualified. A total of 83.7 percent oppose any increase, and I am convinced the vast majority favor a reduction rather than an increase in the present rate of admissions.

President Eisenhower, as was true of President Truman before him, favors a drastic change in our traditional quota system. Under that proposal more than 100,000 more immigrants would be admissible yearly, above the number now being admitted. Last year more than 350,000 entered.

FISHER SUPPORTS PRESENT RESTRICTIONS

Mr. Speaker, I am unalterably opposed to any further breakdown in our quota system of orderly and restricted admissions. Our own population is increasing rapidly. At our present rate we will have more than 200 million by 1975—and that is not very far off.

If we want to preserve our standard of living we simply cannot absorb the surplus population of Europe, as pressures would have us do. We cannot afford to become the dumping ground for that surplus. And the same is true with respect to our neighbors to the South and of the entire Western Hemisphere. Let us listen to the voice of the American people and then hold the line firmly.

FLOOD PREVENTION, WATER CONSERVATION

Mr. Speaker, it is our responsibility to distinguish between what is essential and what is not essential in Federal spending. One action where money can be wisely spent with assurance of good dividends to the taxpayers on the investments is in the field of flood control and water conservation, based upon sound engineering justification.

A good example that comes to my mind is that of the Falcon Dam on the Rio Grande. In just one flood which occurred shortly after that dam was constructed the saving from damage amounted to more than the entire cost of the project.

We have been urging advancement of the proposed international project on the Rio Grande above Del Rio. And we have urged the Corps of Engineers to complete surveys on all our streams in the 21st District of Texas, including the Colorado and tributaries, the Guadalupe, the Nueces and its tributaries, and others. That is a flash-flood country, and protection is needed.

In addition, the Reclamation Bureau is presently making a comprehensive survey of the entire water situation in Texas. This may lead to location of feasible projects on our rivers and streams.

A multipurpose flood-control, irrigation, and water-conservation dam is now being proposed by the Reclamation Bureau on the Conchos above the city of San Angelo. Most of the cost will be paid back to the Government in accordance with contracts for the sale of water to the city of San Angelo and to irrigators. Because of this market for water, this project will be paid for in the main by local people and will cost the Government comparatively little.

INCREASE IN POSTAL RATES?

It will be noted that 54 percent of the people favor an increase in postal rates in order to reduce the annual deficit. That deficit is estimated at $650 million next year. If it can be reduced or eliminated it will cut the size of the budget just that much.

According to the responses I have received most of the people want substantial raises in rates on so-called junk mail. The pending bill on the subject proposes to raise first-class rates by 1 cent, and this would yield $348.5 million yearly in new revenues, including revenue from an increase by 1 cent on post cards.

Second-class zone rates on magazines and newspapers would be upped by 4 successive annual 15-percent increases to provide a total of $31 million annually in additional revenue by the end of the fourth year.

Rates on third-class mail—largely direct-mail advertising circulars—would advance to yield $128 million in additional revenue by 1960. This increase would be on piece rate under bulk mailings, from 1.5 cents to 2.5 cents by 1959.

The Postmaster General is now required by law to set parcel-post rates at a level that makes this class of mail pay its own way, and that is now the case.

In regard to congressional franked mail, it is of interest to note that since August 1953, the Department has been paid in full for handling it—approximately $1.5 million yearly—and penalty mail of Government agencies—approximating $35 million yearly—which were formerly carried free.

Mr. Speaker, because of time and space limitation I must conclude. I believe that in conclusion I will quote from a comment on a questionnaire that was sent in from Brownwood, Tex., by a constituent who, while expressing certain kind and generous indulgence toward me, expresses a basic philosophy. Here it is:

Think you are doing a good job for us but your ideas of sound government do not coincide with the "spend and elect," "court the minorities," and "never mind the debt" attitude that prevails in Washington. I think, and sincerely hope, your ideas go along the same path as mine which does not follow those paths. We are already at the danger point in taxation as we also have taxes other than Federal, remember.

The Striving of the People of Poland for Freedom

EXTENSION OF REMARKS
OF
HON. ROBERT W. KEAN
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. KEAN. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a very comprehensive address by the very able Representative from the Sixth District of New Jersey, Mrs. FLORENCE P. DWYER, on one of the most important events in the world today—the striving of the people of Poland for freedom and relief from the yoke of international communism.

This address, made before the 50th anniversary dinner of the Polish National Alliance Women's Department in Chicago, Ill., on March 24, 1957, merits the attention of every Member of Congress.

The address follows:

I am deeply honored to have the privilege tonight of addressing this distinguished gathering. I say this in all sincerity, and in all humility, for I know of no other organization in our land that has worked so tirelessly and accomplished so much in sustaining the eternal seed of American friendship in the bleak soil behind the Iron Curtain.

Yes, I am proud to join with you tonight in the observance of the 50th anniversary of the women's department of the Polish National Alliance, for I know the wealth of contributions members of your organization have made to the educational, cultural, civic, and social welfare developments of our Nation during these years.

I am proud to be with you tonight, for I know that our great Nation was born with the devoted help of Polish patriots.

I am proud to be with you tonight, for I share with you the conviction that the people of Poland thirst for freedom; that the spark of rebellion against godless tyranny which was ignited at Poznan still holds the bright hope of salvation for all the oppressed multitudes behind the Iron Curtain who are inching, step by step, along the road to freedom.

Certainly, this dream of freedom is not new to the Polish people; it is not a vision created in desperation by the hunger, the fear, the privation, the persecution of the Kremlin's ruthless communistic colonialism. The love of freedom is deeply rooted in Poland's culture. The Polish people were one of the first in Europe to strive for this God-given right; and, though its land too often has felt the

fury of freedom-crushing invaders, this spirit of liberty has never died.

This inborn belief in freedom and human dignity, shared in common by our countries, has molded a bond of spiritual kinship between the people of Poland and America. It is a bond that has endured since the bitter days of our own struggle for freedom when Pulaski and Kosciusko left their homeland to fight for our cause.

Even beyond this spiritual kinship, Poland has deep roots in America. The tide of Polish immigration, through the years, has served to enrich our culture in every field of human endeavor. Today, our 7 million Polish Americans can look with pride on the heritage they and their forefathers have brought to our land.

I have always believed that the true hallmark of the American way of life is that, in this land of ours, it is possible for a person to be a 100-percent United States citizen and still cherish and perpetuate the best of the culture and the customs of the country of his origin.

This is important in a free nation such as ours, for we are descendants of every nation and every race on earth. And each has played its part in shaping American life. Be we of Polish descent, or Irish, or Italian, or German, or English—or of any of the other nationalities—we should be proud of our ancestral heritages, and seek to keep them alive and part of our American life.

The love of native country and the pride of customs and culture are particularly strong among our Polish-American citizens. The strength of these ties is reflected in the constant communication between you and your loved ones in Poland—a communication which even the Communists have not been able to sever.

It is important that this communication continue. The letters you write and the packages you send may not be dramatic; they may not make headlines. But they are very important, for they have comprised, in recent years, the single lifeline through which America has been able to keep alive our friendship with the Polish people. They have served to brighten the lives of those behind the Iron Curtain, and to remind them that they have not been forgotten or abandoned by the United States.

But, in the pattern of events of the past year in Poland, these questions arise:

Can this single lifeline of hope continue indefinitely to sustain the proud spirit of the Polish people?

Can hope alone sustain the determined seeking of liberty of a people whose economic and financial resources have been plundered by the forces of communism?

In searching for answers to these questions, I believe it is important to review the events in Poland which have sent shock tremors of unrest and rebellion throughout the Soviet Union's network of captive nations.

I have, just as you, vivid memories of the Poznan riots of last summer. Indeed, I was privileged—as a member of the New Jersey State Legislature last year—to introduce a resolution, which was quickly enacted, memorializing the undying love of freedom of those Polish patriots who were jailed or massacred in Poznan when they arose to demand "Bread and freedom and the right to worship God."

The defiance of the vast power and ruthlessness of the Soviet Government by a people who refused to surrender their spirits or their minds to the invader is one of the inspiring milestones in mankind's never-ending search for the light of freedom. It was, in the greatest sense, the turning point in the history of the relations between Moscow and its satellites—an inspiring example of courage and determination that turned the eyes of the world, especially behind the Iron Curtain, on Poland and the Warsaw government.

The causes of this rebellion against tyranny within Poland which has shaken the very foundations of the Kremlin's program for world conquest are many.

Basically, we all know, the Polish people through the years have faced westward because of their cultural traditions and their Roman Catholic faith. Poland's 28 million people—unshakably Catholic, proudly nationalistic and bitterly anti-Russian—have no common bonds or sympathies with the Kremlin, nor with the 1,500,000 members of the Polish Communist Party who ruled their lives with blueprints supplied by Moscow.

In addition to this vital factor, by mid-1956 there was a widespread discontent in Poland generated by a continuing economic crisis. Life in Poland was becoming more and more difficult. Living standards dropped, and prices kept climbing to higher and higher levels. The few consumer goods that could be purchased were priced far out of the reach of the average person.

In general, the Polish people were paying the price for years of poor and self-centered planning by the Communists. The entire Polish economy, under the Soviet Union's direction, had been geared to heavy industrial production without regard for the stable, balanced economic development necessary for a people's welfare. At the same time Polish trade was geared solely to satisfy Soviet interests rather than Polish interests. Historic trade patterns with the West were cut off, much to Poland's disadvantage, for Poland could not supply the legitimate needs of her people with trade with the East.

All of these factors contributed to a worsening economic crisis which, in 1956, went beyond the point of toleration.

Political elements also entered into the complex pattern of events and contributed to the general air of discontent. These elements, for the most part, had their origin in the Moscow regime's sudden switch of policy to an anti-Stalin line, in which Stalin was exposed for what he was and what he did. This act by the Soviet leaders in revealing before the eyes of the world the lie of Communist propaganda touched off immediate repercussions behind the Iron Curtain. In Poland, where anti-Russianism has a long and respected tradition, the repercussions were particularly violent. The Polish people began to seriously question past policies and past loyalties.

This mounting discontent reached a climax with the Poznan riots last June. The following 4 months brought increasing political ferment and potential danger for Poland, until—at last—the Warsaw government faced up to the responsibilities of its own misdeeds and mismanagement and returned Wladislaw Gomulka to power.

Gomulka, a Polish Communist leader who had been purged from the party and imprisoned for his anti-Stalin, nationalistic deviations, instituted a program of action that contained many concessions to the Polish people. Cardinal Wyszynski, Poland's beloved anti-Communist, anti-Soviet Catholic leader, was released from prison. Wider religious freedom was given to the people. General modifications in economic planning were proposed after a realistic reappraisal of Poland's deepening economic plight. The new Gomulka regime even responded favorably to President Eisenhower's proposal for economic aid.

In the cultural field, other concessions were made. Open criticism of the Government and Soviet Russia appeared in the public press. And, in the political field, some changes in the electoral law brought about a small degree of parliamentary reform. A tighter rein also was placed on the dreaded secret police.

Particularly dramatic in this abrupt change in leadership was the removal from office of pro-Kremlin Polish Communists who advocated slavish obedience to Russia, and the ouster of Marshal Rokossovsky, the Soviet military leader whose name had become a symbol of fear and persecution in every Polish home. All of these pro-Soviet officials were replaced by Polish Communist nationalists as Gomulka guided the Warsaw government on a new course of national communism which he maintained would be dedicated mainly to Polish interests.

The background upon which these changes took place heightened the tense air of danger in Poland. Hungary was in the grips of revolution. Soviet troops in Russia and East Germany were alerted, and in Poland the Red Army began preparations for another of the Kremlin's ill-famed maneuvers. The crisis finally subsided, at least temporarily, when the Soviet Union agreed to recognize the Gomulka government after assurances were given that Poland's relations with Moscow would not be altered substantially except for greater Polish independence.

Thus, for the moment, Gomulka's Polish "National Communist" regime has succeeded in its war of nerves with the powerful Soviet Union. But the struggle is far from over. Gomulka now must strengthen his regime, if he hopes to survive. Politically, he has been striving to do this by reshaping the party apparatus and strengthening it with his own loyal followers. However, the most critical problem facing Gomulka today is, without question, to solve Poland's economic ills. Should Gomulka fail, the prospects of the future of Poland's national communism would be dim.

During the past months, Gomulka has taken steps to remedy Poland's sick economy. For instance, pressures on the farmers have been eased. But it appears increasingly evident that Gomulka is placing his greatest hope on substantial economic aid from the United States. The Poles need farming and mining machinery; they need cotton, fats, and oils; they need many of the agricultural products which we have in surplus and which we have been using in our extensive economic aid program.

In recent weeks, a Polish delegation has been in Washington, conferring with our Department of State on means of expanding our economic relations with Poland and helping the Polish people in their hour of need.

These negotiations involve problems as complex and as fraught with significance for the entire world as almost any phase of our present-day international negotiations.

Most Americans, I am sure, agree that we should welcome any progress made in Poland—or in any other nation behind the Iron Curtain—toward a greater measure of freedom and sovereignty.

Our Government, in entering negotiations with Poland, is not urging nor trying to force upon the Polish people any economic, social, or political system or ideology. Our Government's only hope is that the Polish people eventually will be given the liberty to choose freely whatever system they want.

In general, our Government has taken a cautious attitude in these negotiations.

President Eisenhower's administration has manifested its interest in giving some form of aid to the Gomulka regime in Poland. Now, the purpose of this policy is not to aid any sort of communism. The doctrines of communism are repugnant to all free peoples, and they will remain so whether they are promulgated from Moscow, Warsaw, Belgrade, or any other capital.

No, our Government's policy is not to interfere in the internal affairs of Poland, nor to encourage the cause of communism. But our Government does have an enormous interest in extending the area of freedom from Moscow's domination as the best means of discouraging aggression and enhancing the eternal hopes for a sound and lasting world peace.

This, I firmly believe, is the objective we in the Congress must keep in mind as we view the question of aid to Poland.

I believe we should not close our minds to these negotiations. We must give the State Department our faith and our confidence as it proceeds with the delicate shaping of this policy which well may serve to ease the satellites toward a greater degree of independence from Moscow.

These negotiations take time, and patience, and confidential discussion. Once the policy has been formulated, the Congress can exercise its responsibilities under the Constitution. But, until that time—when we begin our study of such a policy in all of its implications—we should not bind ourselves with a rigid, dogmatic position which will make attempts at successful negotiation impossible.

This is most important at this time, for our policymakers are faced with many grave questions as they proceed with these negotiations.

In the first place, the Eisenhower administration is confronted with severe legal restrictions in seeking to administer some form of aid to a Communist-controlled country. Long before last year's satellite rebellions began, Congress passed the Battle Act, which prohibits aid to Communist governments. There was a need for such restriction at the time. But now the question arises whether such restrictions should not be at least partially eased to fit the pattern of freedom-inspired unrest behind the Iron Curtain.

But, even beyond such legal questions, there is a need for great caution in aiding such satellite nations as Poland during this transitional stage between complete suppression and complete freedom. The welfare of both the people of America and the people of Poland demands such caution.

Briefly, our dilemma is this: If the United States does not aid Poland, the Poles may be compelled to turn to the Soviet Union for the assistance we were not prepared to extend. As a condition, Poland probably would be forced to include in its government more of the pro-Moscow Communists, and thus sacrifice what degree of independence it has achieved.

On the other hand, were we to grant Poland substantial aid through loans and credit, we doubtlessly would run the risk of provoking intervention by Soviet Russia. It happened in Hungary. Russia would not tolerate a Hungary which was not tied securely to the Soviet Empire. It is probable that Russia would neither tolerate a genuinely independent Poland, nor any fundamental change in the structure of the Polish state. Russia today tolerates the Gomulka regime only because it is Communist and retains a certain loyalty to Moscow.

Also, there is the argument that aid to Poland would strengthen the Communist regime and make it difficult for the evolution of any genuine democracy there. Communism, whether it be Stalinist or nationalist, is fundamentally opposed to the ideals of democracy; and it follows that if we strengthen a Communist regime, we reduce the possibilities for the gradual emergence of democracy. Perhaps, what now appears to be a short-term gain may, in the long run, prove to be a burden of oppression that would be impossible to dislodge.

On the positive side, however, there is the argument that to aid Poland is to aid the Polish people, and not the Warsaw government. It is to make life easier for the Poles; it is to ease the burden of oppression from their tired shoulders; it is to give them a chance at a measure of the necessities of life.

These are some of the problems that face our Government today as it carefully considers the question of expanded trade relations with Poland as a measure of aid to the Polish people. The concern of our Government—which for so long has been the beacon of hope to the oppressed, the hungry, the homeless of the world—is for the welfare of our own people and for the people of Poland—and not the Warsaw government. We cannot afford to be impatient, or too demanding, as much as our hearts weep for the people of Poland. We must remember that the problems involved are complex; that the situation is charged with many dangers, both for us and for the people of Poland. We must remember, no matter how loudly our instinct calls out for the relief of hardships, that headlong and ill-advised action could only serve to wipe out the flickering light of the beginnings of freedom in Poland.

I believe, however—as President Eisenhower believes, and as he and the Department of State have clearly indicated—that we should take cautious steps to strengthen Poland's independence. I believe, in weighing both the good and the bad factors, that it is vital to extend to the Polish people a judicious measure of the aid they need so desperately.

Six years of World War II cost the United States alone $390 billion. By this estimate, just 1 day of that war cost our people nearly $200 million, or less than the amount we might loan to Poland to stave off an acute food shortage.

If the giving of such aid will help the Polish people pry themselves loose from the Soviet grip, and to develop a society along their own lines, it will be worth the price. If American aid assists or speeds the process of liberalization, it will be the cheapest and most effective—as well as the most humane—offensive the United States can mount in the cold war.

Unless we take such steps, there can be no hope for eventual liberation of the captive nations of the world; there can be no real meaning to the cause of freedom we have sought to advance across the horizons of the world.

The Late Senator Robert A. Taft

EXTENSION OF REMARKS
OF
HON. JOHN E. HENDERSON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. HENDERSON. Mr. Speaker, I am confident that the people of Ohio and of the Nation are gratified to learn that the portrait of the beloved late Senator Robert A. Taft, of Ohio, is to be placed in the Senate reception room as one of the five outstanding Senators of the past.

We, of Ohio, were confident that Robert A. Taft was qualified for the honored selection. Indeed, we would have been disappointed had his name not been selected. We knew him and loved him. We rejoiced when his conservative convictions which he refused to compromise won for him the admiration of all America in the campaign of 1950.

It has always been my personal belief that Senator Robert Taft could have obtained higher office had he been willing to modify some of his convictions. But, his position in the hearts of his fellow Americans would have been lowered.

His portrait in the Senate reception room, the life he lived, and the principles for which he stood, will serve as an inspiration to those who now, and in future years, will represent his State and his country and to the youth of America who wish to enlist their services and their lives in the campaign to keep America strong, free, and American.

Monopoly in the Meatpacking Industry

EXTENSION OF REMARKS
OF
HON. JOSEPH C. O'MAHONEY
OF WYOMING
IN THE SENATE OF THE UNITED STATES
Thursday, May 2, 1957

Mr. O'MAHONEY. Mr. President, Hon. EMANUEL CELLER, chairman of the House Committee on the Judiciary, testified this morning before the Senate Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary, in favor of Senate bill 1356, which has been introduced by the distinguished senior Senator from Utah [Mr. WATKINS] and myself, to restore to the Federal Trade Commission the power of enforcement of the antitrust provisions of the Packers and Stockyards Act.

This measure is of great importance. While it deals partially with meat, it deals also with all sorts of food products and nonfood products.

Thirty-five years ago there was discovered in the United States, by reason of an investigation by the Federal Trade Commission, an amazing concentration of economic power in the hands of five meatpacking companies. So revealing and so emphatic was the story disclosed by the Federal Trade Commission investigation that the Department of Justice brought suit against the five big packers under the Sherman Act. The packers, the defendants, instead of fighting the suit, gave their consent to the entry of a decree. One of the purposes of the decree was to divest the packers of their ownership and operation of the stockyards of America. Another objective was to divest them of the power of dealing in nonfood items, such as groceries and milk, and also of the operation of retail grocery stores. Such operations were then regarded by the courts, as they are now prohibited by the Sherman Act, as a concentration of economic power against the public interest.

The measure which has been introduced in the Senate merely restores to the Federal Trade Commission the power to enforce those provisions of the Trade Commission Act, the Clayton Act, and the Packers and Stockyards Act.

The statement of Representative CELLER was so persuasive, so effective, and so simple to understand that I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY REPRESENTATIVE EMANUEL CELLER, CHAIRMAN OF THE COMMITTEE ON THE JUDICIARY, HOUSE OF REPRESENTATIVES, BEFORE THE SENATE JUDICIARY ANTITRUST AND MONOPOLY SUBCOMMITTEE IN FAVOR OF S. 1356

I welcome the opportunity of appearing before this distinguished committee to urge prompt and favorable consideration of S.

1356, jointly sponsored by Senators O'MAHONEY and WATKINS. Identical bills[1] were introduced in the House by Representatives DIXON, BERRY, METCALF, and myself. The bipartisan sponsorship of these bills in both Houses of Congress bespeaks their nonpartisan character and highlights the urgency of their enactment in the public interest.

Prompt adoption by Congress of this legislation is needed in order to restore Federal supervision over monopolistic practices resulting from unfair methods of competition in the meatpacking industry. The meatpacking industry, although the third largest in the United States, is today the only industrial group which effectively escapes such supervision by a Federal administrative agency.

Beyond that, a recent decisional trend, which I shall discuss, highlights existence of a statutory loophole through which certain grocery chains and other major elements of the food industry can likewise escape—and are escaping—Federal supervision of practices destructive of antitrust principles, by the simple expedient of acquiring a minority interest in a packing plant.

This situation, which bids fair to exempt certain monopolistic practices in the retail as well as the wholesale food industry from effective Federal supervision, results from the Packers and Stockyards Act of 1921.[2] That act removed supervision over anticompetitive trade practices of meatpackers from the Federal Trade Commission—an agency principally concerned with implementation of Federal antitrust policies. Instead, it placed this responsibility in the Secretary of Agriculture, an official whose multifarious duties are unrelated to antitrust enforcement, who has never been either equipped or motivated to supervise restrictive competitive practices, and who has not supervised them.

To correct this situation, the bill under consideration by this committee does two things: (1) It removes from the Secretary of Agriculture responsibility for preventing unfair methods of competition and other monopolistic practices in the meatpacking industry, and (2) it returns such responsibility to the Federal Trade Commission.

My plan this morning, Mr. Chairman, and members of the committee, is to discuss three general propositions:

First, that in enacting the Packers and Stockyards Act of 1921, Congress intended to subject unfair methods of competition and other practices inconsistent with antitrust principles in the meatpacking industry to more stringent, rather than less stringent, Federal supervision;

Second, that in the past 36 years the Secretary of Agriculture has failed almost completely to enforce provisions of the Packers and Stockyards Act dealing with anticompetitive practices by packers, thereby affording the meatpacking industry what amounts to an exemption from such provisions; and

Third, that recent legal moves of the large packers, coupled with widespread entrance of grocery and market chains into the packing business, combine to create a situation in which effective antitrust enforcement and effective prevention of monopolistic practices in the food industry, as envisaged in the pending bill, become more than ever vital in the public interest.

HISTORY OF THE PACKERS AND STOCKYARDS ACT OF 1921

Turning first to the history of the enactment of the Packers and Stockyards Act of 1921, it is manifest that Congress did not intend to create the present supervisory vacuum in favor of packers and allied interests. On the contrary, Congress acted under the spur of the recent disclosures of widespread monopolistic trade and pricing practices on the part of dominant elements in the meatpacking industry and intended to subject the industry as a whole to more rigorous supervision.

Even before World War I there was widespread public concern over the Nation's system of food production and distribution, and particularly as to whether combinations and restrictive practices in this area were leading to unduly high prices. This concern increased with wartime shortages and attendant higher prices. In 1916 an unsuccessful attempt was made in Congress to order an investigation of the Big Five packers (Swift, Armour, Wilson, Cudahy, and Morris), and in 1917 President Wilson ordered the Federal Trade Commission to institute such an investigation. After a 2-year study the Commission issued a 6-volume report, finding that the Big Five had been and were using their vast power illegally to manipulate markets, restrict food supplies, control prices, defraud producers and consumers, crush effective competition, secure special privileges, and profiteer.

In 1920, as a result of this report, the Attorney General filed antitrust suits against the Big Five under the Sherman Act and the Clayton Act.[3] The complaints charged the defendants with having combined to restrain trade and to suppress competition in the purchase of livestock and the sale of dressed meats, by purchasing stock in competitive companies and in public stockyards, and by acquiring and operating retail meat markets, stockyard terminal railroads, and market newspapers. The defendants were further charged with attempting to dominate trade in products not related to the meatpacking business.

The case was never tried. The packers entered into a consent decree enjoining the further operation of the alleged combination and prohibiting the packers, among other things, from holding stock in public stockyard companies, public cold-storage plants, stockyard-terminal railroads, or market newspapers. The decree also forbade the defendants to handle or deal in commodities not related to the meatpacking business or to sell meats, fresh milk, or ice cream at retail.

It was in this climate that Congress, which had been engaged in virtually continuous consideration of packer legislation since 1918,[4] debated the packers and stockyards bill of 1921. As reported to the House by a unanimous Committee on Agriculture, and as later enacted with minor amendments, the bill contained two largely separate legislative patterns.

Title III dealt with stockyards and transactions taking place in stockyards. In addition to making it unlawful for stockyard owners, market agencies and dealers to engage in unfair and deceptive practices (sec. 312), this title provided detailed regulation of stockyards modeled on the provisions of the Interstate Commerce Act. "The procedure and language," the committee reported concerning title III, "are modeled very closely on the Interstate Commerce Act, and the Secretary of Agriculture is given substantially the same jurisdiction over stockyard matters which the Interstate Commerce Commission has over railroads, including the power, after full hearing, to establish and enforce just and reasonable rates and charges for, and practices in connection with, the furnishing of stockyard services."[5]

Title II, on the other hand, dealt exclusively with packers, as broadly defined by the act, and prohibited them from engaging in specified anti-competitive practices. Practices so prohibited closely paralleled conduct condemned by the Federal Trade Commission and conduct enjoined by the consent decree of 1920. Responsibility for investigating and preventing such practices by packers was taken away from the Federal Trade Commission and transferred to the Secretary of Agriculture. According to the House committee report, this was done in order to prevent "overlapping of authority and duplication of jurisdiction of other departments of government."[6] Enlarging on this in debate, a member of the committee told the House:

"While there was a difference of opinion among members of the committee as to the most satisfactory and most effective place to lodge the supervisory authority, some favoring the Secretary of Agriculture, some favoring the Federal Trade Commission, others favoring a special commission, and a majority favoring the Secretary of Agriculture, the Secretary of Agriculture was finally agreed upon mainly because of the fact that the Department now has in the Bureau of Markets, the Bureau of Animal Industry, and the Pure Food Inspection Department scores of employees on the ground at the several market centers who can be of material assistance to the Secretary in gathering the information needed to insure intelligent action by him in exercising his supervisory relationship. In other words it is the thought of the committee that the lodging of the supervisory power with the Secretary of Agriculture will make for both economy and efficiency."[7]

Among additional reasons advanced for placing this function in the Department of Agriculture (and now advanced for keeping it there) were that the size and importance of the meat industry warranted establishment of a single specialized agency; that the Federal Trade Commission lacked power or experience to regulate stockyards; and that to give the Federal Trade Commission and the Department of Agriculture powers in the same area of industrial activity would make for overlapping of jurisdiction and confusion.

On the other hand, it has been contended that it was the meatpacking industry that prevailed upon Congress to displace the Federal Trade Commission because of industry resentment of the Commission's report on the Big Five packers. Remarks of Senator Norris, chairman of the Senate Agricultural Committee, who opposed the shift, reflected this view. He said:

"The Federal Trade Commission which investigated the packers, Mr. President, was put on the rack, and every big business—not the packers alone, but every other big business, and every allied financial industry—jumped onto the Federal Trade Commission. They started a propaganda over this country, that has never before been equaled in any similar transaction, condemning the Federal Trade Commission. They did not come forth and deny that what the Trade Commission said was true, but they condemned the Federal Trade Commission for giving the information to the people. The people were startled when the conditions were given publicity."[8]

Regardless of the factors that may have contributed to the end result, there is no shred of evidence that Congress intended to exempt the packers from accountability for trade practices contrary to antitrust princi-

---

[1] H. R. 5282, 5283, 5454, and 7038.

[2] 42 Stat. 159, as amended (7 U. S. C. sec. 181 et seq. (1952)).

[3] *United States* v. *Swift & Co.* (Equity No. 37,623, S. Ct., D. C. 1920).

[4] See House of Representatives Rept. No. 77, to accompany H. R. 6320, 67th Cong., 1st sess., May 18, 1921, p. 1.

[5] Id., p. 10.

[6] Id., p. 2.

[7] Remarks of Representative McLaughlin, of Nebraska, May 27, 1921, vol. 61, CONGRESSIONAL RECORD, p. 1878.

[8] Remarks of Senator Norris, June 13, 1921, vol. 61, CONGRESSIONAL RECORD, p. 2492.

ples. Chairman Haugen, reporting for the House Committee on Agriculture, stated:

"A careful study of the bill will, I am sure, convince one that it, and existing laws, give the Secretary of Agriculture complete inquisitorial, visitorial, supervisory, and regulatory power over the packers, stockyards, and all activities connected therewith; that it is a most comprehensive measure and extends further than any previous law in the regulation of private business, in time of peace, except possibly the Interstate Commerce Act." [9]

INABILITY AND FAILURE OF THE SECRETARY OF AGRICULTURE TO SUPERVISE TRADE PRACTICES OF THE MEATPACKERS

The defect of the Packers and Stockyards Act does not lie in any lack of legal authority. The point is that the act cannot be properly enforced by the Secretary of Agriculture. It is clear that the fundamental defect of the present statutory mechanism lies in the impracticality of placing antitrust supervisory and enforcement responsibility in the Department of Agriculture—an agency that has neither the experience, the staff, nor the incentive to exercise responsibility in matters of this kind.

The past 36 years have demonstrated beyond peradventure of doubt that the experience of the Department of Agriculture in marketing, animal industry, and pure food inspection, together with its functions of regulating stockyards, have not qualified it for exercising scrutiny over monopolistic practices of meatpackers resulting from unfair methods of competition.

Moreover, the result of giving the Secretary of Agriculture antitrust enforcement responsibility is that there has been a singular paucity of cease and desist orders issued against packers under title II in the past 36 years.[10] Thus, for all practical purposes there has been created a supervisory vacuum for which not only packers qualify, but also other enterprises seeking immunity from enforcement can qualify, by donning the broad definitional habiliments of a packer.

I do not believe that Congress can continue to condone a statutory situation which has removed a segment of antitrust enforcement from an expert investigative agency—the very agency whose exhaustive investigation of the meatpacking industry disclosed the need for additional, corrective legislation—and placed such authority in an agency whose experience and interest lie in other areas.

This February, in a move described in the Wall Street Journal as "obviously designed to head off current proposals to transfer antitrust jurisdiction over packers to the FTC," [11] the Secretary of Agriculture ordered a survey of the Department's activities and problems relating to trade practices of packers. That survey, which was released on April 4, so candidly acknowledges the facts in respect to nonenforcement that it is difficult to understand why the Department would oppose, as it apparently does, the transfer of this function to an agency qualified for antitrust investigation and enforcement.[12]

According to the Department's survey,[13] the Packers and Stockyards Act is currently administered by the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service of the Department; in other words, in a branch three echelons removed from the secretarial level. The appropriations and staffing history of the branch speak eloquently of the lowly place it and its work have been accorded. Its organization was built up on the basis of 260 positions in 1923, a number stated to be sufficient not only for regulation of the stockyards but also for a substantial volume of investigative activities. However, this was cut to 130 positions in 1925, and has thereafter hovered around 100. Today the branch has 93 full-time and 5 part-time employees.

Eliminating the administrative chief and 24 full-time and 5 part-time clerical employees leaves the administration of the act to 7 Washington and 61 field specialists. This group of 68 (which includes 4 valuation engineers and 3 scale and weighing specialists) has basic responsibility for a staggering volume of duties.[13]

These duties include regulation of 375 livestock markets and 64 terminal markets posted under the act, a total expected to reach 500 during the current fiscal year. They include regulation and/or supervision of 1,300 livestock commission firms and about 2,000 livestock dealers. They include the supervision of 1,300 poultry dealers, agents and handlers, under title V of the act, added in 1935. They include the periodic testing of 2,000 scales.

Beyond this, there are 2,000 packers and 2,600 buyers who purchase for these packers that are supervised under the act, and whose trade and pricing practices are the subject of the pending bill. Included among these packers, moreover, are 14 chain stores, of which 6 have almost 11,000 retail stores. To handle this load and also unfair practices of stockyards under title III, there has been established a trade-practices section in the Packers and Stockyards Branch. This trade-practices section comprises—let me emphasize—2 market specialists and 1 stenographer.

The Department of Agriculture survey concedes that because of inadequate appropriations and a determination to make "the most effective use of rather limited funds,"[14] administration of the act has, over the years, concentrated upon regulation of stockyards and of practices there occurring. It states, however, that the last few years have seen a change of emphasis. It points to the fact that there are now pending 17 investigations (of a total of 46) that deal with meatpacker trade practices, including "some that originated as far back as 2 years ago and are at or near the stage of formal charges."[15] Based on the record there is little likelihood that trade practice enforcement dealing with packers will ever occupy a prominent place in the work of the Department of Agriculture. It must be recognized that the Packers and Stockyards Branch is only a small part of the departmental organization, its total budget a trifling part of the departmental budget, and supervision of packers' restrictive practices is only a minor part of the duties and responsibilities of the branch under the act.

It is clear that the Department has consistently for more than 30 years assigned little importance, if any, to the duty of enforcing vital antitrust provisions. The departmental survey stresses the fact that in fiscal 1956 a total of 1,704 scales were tested; that review of stockyard rates and charges saved shippers $482,000, and that investigation of an individual market stopped losses of $750,000 per year in fraudulent weight of hogs. These are functions for which the Packers and Stockyards Branch is qualified. Its efforts in this area should not be diluted by the addition of antitrust functions with which it has never been familiar. As the Department's survey states:

"Most of the cases under the act do not involve broad economic problems but are local in nature and effect and do not require long involved studies or large numbers of personnel. Investigations of alleged monopolistic practices, however, do become more involved and may require studies over an extended length of time by quite a number of personnel and entail a great deal of work by Department of Agriculture attorneys."[16]

Mr. Chairman, the Department of Agriculture should receive adequate appropriations for those functions which its Packers and Stockyards Branch is qualified to perform. Antitrust functions, however, should be promptly returned to the agency whose specialty they are. I shall quote, if I may, from the statement I made in February, when I introduced H. R. 5282. I then said: "The Secretary of Agriculture has indicated that next year he will ask Congress for an appropriation for this purpose. But even should the Department obtain necessary funds, it would be far more costly to set up a separate enforcement agency in the Department than to use the existing enforcement facilities of the Federal Trade Commission. These considerations are particularly important in light of the fact that the Federal Trade Commission has been established precisely to enforce provisions of law dealing with unfair methods of competition.

"Furthermore, it has been estimated that minimum unfair trade practice enforcement by the Department of Agriculture under the Packers and Stockyards Act would require an additional staff of 60 full-time employees. On the other hand, the Federal Trade Commission could absorb such enforcement activity with its present staff.

"In recent years the Department of Agriculture has relegated the Packers and Stockyards Branch to a commodity division in the

[9] House of Representatives Rept. No. 77, to accompany H. R. 6320, 67th Cong., 1st session, p. 2.

[10] The cease and desist orders issued by the Secretary of Agriculture under title II of the Packers and Stockyards Act are as follows:

Year	Respondent	Date	Docket No.
1957	Straub & Smith	Feb. 11	2253
1956	Machlin Meat Packing	Feb. 20	2120
1953	Valleydale	June 1	2058
1953	Flicker Packing	Feb. 18	2040
1950	Berry Packing	Oct. —	1910
1949	Quaker	Dec. 13	1838
1949	Cross	June 17	1820
1949	Victorville	do	1818
1948	Ainbinder	Apr. 20	1801
1947	Columbia	May 19	1787
1939	Home	Oct. 18	1223
1938	Schloss	July 2	1105
1938	Perlen	do	1022
1938	Schloss	Feb. 3	1019
1938	Feldman	June 30	980
1938	Brighton	May 17	948
1938	Schloss	June 8	928
1938	Swift	June 1	580
1938	Wilmington (revoked Sept. 7, 1938)	Apr. 15	477
1937	Schloss	Oct. 20	708
1937	Empire	Apr. 23	603
1936	Scala Packing	Jan. 7	581
1936	C. Swanston & Son	Nov. 11	549
1936	Armour et al.	Mar. 30	440
1936	A. and P. (revoked Dec. 28, 1938)	Dec. 29	476
1933	Trunz	Oct. 25	419
1933	J. J. Felin	do	420
1922	Armour et al.	Aug. 30	1

NOTE.—Some of these orders do not deal with the prevention of monopolistic practices resulting from unfair trade practices, but with such matters as refusal to pay for livestock, etc. The order in each of these cases will be submitted for the record.

[11] Article in the Wall Street Journal for February 21, 1957.

[12] U. S. Department of Agriculture Report on Current Activities and Problems under the Packers and Stockyards Act released April 4, 1957, herein called survey.

[13] The survey makes no reference to any assistance to the Packers and Stockyards Branch by "scores of employees" in the Bureau of Markets, the Bureau of Animal Industry and the Pure Food Inspection Department referred to in the 1921 rebates in Congress. See note 7, supra.

[14] Survey, p. 8.

[15] Id., p. 9.

[16] Survey, p. 28.

agricultural service. Principal functions of this division are marketing news services and Federal meat grading—both of which depend on packer cooperation for their success. In these circumstances it is hardly to be expected that this division could, in any event, adequately enforce provisions of antitrust laws."

RECENT DEVELOPMENTS RENDERING ACTION URGENT

My final point, Mr. Chairman, involves certain recent legal and economic developments that render the effective prevention of monopolistic practices in the food industry more important than ever before.

The first of these is the motion filed late last year by three of the defendants in the 1920 antitrust suit for relaxation of the terms of the consent decree entered against them in that year. The packers contend that circumstances have changed to such an extent as to entitle them to relief. Specifically, they ask to be relieved of the injunction against entering the business of dealing in meat at retail and in nonmeat foods. Their objective is said to be to enter the supermarket field. I do not propose to discuss the merits of this motion, which was addressed to the Federal district court. I do believe, however, that if the court should find merit in the motion and should grant it, entry of the packers into the nonmeat food industry and the retail meat industry will give added reason for making sure that a competent agency shall be in the position to supervise the trade and pricing practices of the parties.

The other facet of this problem arises from the fact, as asserted by the packers and the Department of Agriculture survey, that food chains have extensively entered the field of meatpacking. In this connection, the definition of what constitutes a "packer" under the Packers and Stockyards Act creates a number of problems of statutory coverage, as between the jurisdiction of the Federal Trade Commission and the Secretary of Agriculture. The act defines the term "packer" so that it not only includes any person engaged in the business of (a) buying livestock in commerce for purposes of slaughter or (b) manufacturing or preparing meats or meat food products for sale or shipment in commerce, but also includes interests in food markets controlled by persons in either such category, as well as any person who owns as much as 20 percent of the control of an enterprise in either of the stated categories (a or b), and as much as 20 percent of the control of a food market.

Several decisions involving this broad definition of "packer" give cause for concern. The committee is doubtless familiar with the 1940 case of *United Corporation* v. *Federal Trade Commission*,[17] in which the fourth circuit held that by purchasing stock in corporate packers after the FTC had filed a complaint against it, the corporate respondent, engaged in the marketing of canned meat, had successfully become a "packer," thereby ousting the FTC of jurisdiction to make an order requiring it to cease and desist from misrepresentation and false and misleading advertising.

More recently, on April 11, 1957, a hearing examiner for the Federal Trade Commission issued a ruling that underscores the urgency of closing the loophole in the Federal Trade Commission Act that was created by the meatpackers' exemption. In the Food Fair Stores case,[18] the Commission's examiner ruled that Food Fair's ownership and operation of a meatpacking plant ousted the Federal Trade Commission from jurisdiction over respondent's practices in allegedly inducing and receiving unfair and discriminatory allowances in violation of section 2 (d) of the Robinson-Patman amendment to the Clayton Act. These practices were totally unrelated to the distribution of meats or meat products. However, by investing $2,700,000 in a meatpacking plant, Food Fair has been able to remove FTC surveillance over the business of a supermarket grocery chain of 238 stores with gross sales of $475 million annually. This is clearly a case where the tail wags the dog. Unless the FTC overrules its examiner, his decision leads to absurd results. His opinion indicates his belief that Congress intended "to have the Secretary of Agriculture regulate all phases of any business in whatever primary field, connected in any way, or operating to any degree in meatpacking." Under this view, any company no matter what its primary line, can oust the FTC of jurisdiction over its activities by making a minimal investment in a meatpacking operation.

I hope that the hearing examiner ultimately is found to be in error. The fact that there is support for his interpretation of the packers' exemption, however, emphasizes the need for Congress to clarify this situation and to reestablish the jurisdiction of the Federal Trade Commission over the activities of meatpackers.

The packers' exemption has beshrouded other aspects of the Federal Trade Commission's jurisdiction with ambiguity. In the case of Armour & Co.,[19] for example, the Commission's examiner dismissed a complaint of false advertising under the so-called oleomargarine amendment to the Federal Trade Commission Act[20] on the ground that Armour is a packer and therefore not within the Commission's jurisdiction. The Commission upheld its examiner. When similar charges were entertained by the Commission against the Blanton Co.,[21] which is not a packer, that company appealed to the eighth circuit, contending that this amendment is unconstitutional because it does not apply equally to competitors who are not packers.

Passage of the bill under consideration to restore to the Federal Trade Commission jurisdiction over packers is essential in the interest of antitrust enforcement. Conversely, failure of Congress to act, coupled with the litigation of legal problems of the kind I have described, will frustrate such enforcement in ever-growing areas for decades to come. This I know this committee will not countenance.

[17] 110 F. 2d 473 (1940).

[18] FTC Docket No. 6458 (1957).

[19] FTC Docket No. 6409 (1956).

[20] 15 U. S. C., section 55 (a) (2) (1952). This amendment prohibits representations in advertising suggesting that oleomargarine is a dairy product.

[21] FTC Docket No. 6197 (1956).

Poland's National Day

EXTENSION OF REMARKS
OF
HON. FRANK J. BECKER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. BECKER. Mr. Speaker, May 3 commemorates the anniversary of the enactment of the first democratic constitution in Poland. Yet, today finds Poland struggling valiantly against the dominating fist of Soviet Communist Russia.

Under the handicap of this terrible tragedy, the people of Poland never cease fighting for their freedom. Their courageous uprising at Poznan last June, and the Polish October events, point up the fact that the rank and file of the Polish people will not rest until they are free again.

The United States can always be proud of the people of Poland and their descendants who settled in the United States. Their help in building this country to its present greatness can hardly be estimated in terms of statistics.

The people of Poland have proven conclusively, during the past year, that they can rise again and, by their demonstrations, wholeheartedly reject Soviet control of Poland and Communist dictatorship. All peoples of the free world will join in a frevent prayer on this anniversary that freedom for the people of Poland will not be too far in the future.

The War Against Our Immigration Law

EXTENSION OF REMARKS
OF
HON. LAWRENCE H. SMITH
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. SMITH of Wisconsin. Mr. Speaker, the distinguished gentleman from Pennsylvania, the Honorable FRANCIS E. WALTER, has to his very great credit the enactment of the so-called Walter-McCarran Act. In recent weeks, this law has been the target of many groups who would repeal our immigration law. Mr. WALTER himself has been the recipient of many unfair attacks by these people.

Mr. Speaker, in the April 20 issue of Human Events our colleague submitted an article entitled "The War Against Our Immigration Law." He stated that this drive to repeal our immigration law was spearheaded by Communists, their fellow travelers and others. Under leave to extend my remarks, I am including the article for insertion in the RECORD as it is a very important statement by a man who helped to write the law and whose only objective, as I see it, is to protect American citizens against unlimited immigration. This law must not be repealed.

THE WAR AGAINST OUR IMMIGRATION LAW
(By Hon. FRANCIS E. WALTER, of Pennsylvania)

Spearheaded by the Communists, their fellow travelers, congressional liberals and spokesmen for the so-called ethnic minority blocs, the assault on America's immigration system is increasing in intensity every month. Attempts to amend or abolish the Immigration and Nationality Act—generally referred to as the Walter-McCarran Act—have become standard operating procedure at every session of Congress since passage of the act in 1952.

In the closing hours of the Congress last year, those who are bent on wrecking our protective immigration system came within a hair's breadth of accomplishing their job of destruction. On the very last day of the session, Senators ARTHUR WATKINS and EVERETT DIRKSEN, in an unprecedented move, appended to a routine bill a series of amendments which would have demolished the national origins quota system and opened the floodgates. These amendments were rushed through the Senate without customary hearings and without committee reports.

In fact, these amendments had not even been printed when they were passed and sent to the House of Representatives—where the wheels had been greased to slip them by in the final rush before adjournment. Amendments of this sort are invariably sent to the appropriate committee before submission to the House. In this particular case, however, the amendments were sent over after the House Judiciary Committee had held its last meeting of the session. As chairman of the Immigration Subcommittee in the House, I was able to head off adoption of these amendments only by persistent effort as the clock was ticking off the closing moments of that body.

These amendments, which have again been introduced in the present Congress, contain provisions which would open every valve the Walter-McCarran Act furnishes for controlling the number and caliber of aliens gaining admission to our shores. If the provisions of these amendments are adopted, the net result will be (1) destruction of our national origins immigration system which gears the flow of immigration for maximum assimilation and for the preservation of our cultural integrity; (2) increase of total annual immigration from around 230,000 to well in excess of 600,000; and (3) emasculation of the chief screening and security safeguards of the present law.

Moreover, unless the rank and file of patriotic citizens—at the crossroads of America—demand of their Senators and Congressmen that they vote against these weakening amendments, they are likely to be adopted in response to the mounting clamor of leftist organizations.

The Committee on Un-American Activities recently disclosed that the Communist party has created over 180 organizations for the purpose of bringing grassroots pressure on the Congress to destroy the Walter-McCarran Act. At the recent convention of the Communist party in New York City, the destruction of this law was one of the two legislative objectives on which the twenty-odd-thousand Communist agents in this country were ordered to concentrate during this year.

The Walter-McCarran Immigration Act, the result of 4½ years of painstaking research and exhaustive hearings, represents the simplification and codifying of 148 different immigration and naturalization laws. It has two chief purposes: (1) To insure that the citizens of the United States—whatever their ancestry—will form a true nation, not a hodgepodge of unassimilated ethnic minority groups; and (2) to keep from our shores criminals, Communists, and other subversives.

To understand what danger lies in the current proposals to change this law, it is necessary to understand just what the Walter-McCarran Act provides, and the principles it embodies.

The Immigration and Nationality Act (Public Law 414, 82d Cong.) became law on June 26, 1952, over the veto of President Truman. Congress overrode Truman's veto by a vote of 278 to 113 in the House, and a vote of 57 to 26 in the Senate. As those figures suggest, the passage was a "bipartisan" effort. It was a faithful concensus of national sentiment on the subject of immigration.

Until Congress stamped its decisive approval on the Walter-McCarran Act, American immigration law was a snarl of separately enacted, and in many cases conflicting, statutes. Numerous injustices, such as racial exclusion, resulted from this tangle. On the other hand, many aliens were admitted who should have been kept out. One of the gravest weaknesses in our old laws was the fact that our immigration and naturalization policy were not coordinated. The result of this failing was that ethnic blocs grew up within our country, estranged from the society about them. Such enclaves are notoriously easy pickings for unscrupulous politicians, and often prove fertile ground for the seeds of Communist agitation.

The Communist question is, in many ways, the most serious that the Walter-McCarran Act is designed to handle. Prof. Louis Budenz testified before the Senate Immigration Subcommittee that the "general world pattern pursued by the Kremlin" shows that "* * * the direct responsibility shall be in the hands of aliens in any respective country in which operations are carried on. It is the fixed design of Moscow to employ aliens in the most responsible positions in every country. This assures that nostalgia and patriotism may be reduced to the minimum. * * * The native Communist leader, therefore, is always under the control of a superior, who is an alien, or an ex-alien, the latter having received his citizenship merely in order to serve the Kremlin more effectively."

This is, obviously, a common sense measure by the Communists. While I am convinced that the vast majority of our naturalized citizens are loyal Americans, I think it is apparent that immigrants, coming to our shores with prior loyalties, can function as subversives with less emotional stress than native-born citizens. The shrewdness of the Communists in exploiting this fact is borne out by this startling information: analysis of approximately 5,000 of the more militant members of the Communist Party revealed that 91.5 percent were either of foreign birth, married to persons of foreign birth, or born of foreign parents. Over half traced their origins to Russia and the satellite countries. It is beyond question, therefore, that prior loyalties, in the form of cultural and emotional commitments, are used to advantage by the Communists.

To combat this grave danger, the Immigration and Nationality Act incorporated provisions of the Internal Security Act of 1950, enabling immigration authorities to screen out subversive elements. The immigration law now provides for deportation of alien Communists, and cancellation of the citizenship of naturalized Communists who obtained citizenship fraudulently. It also tightens up procedures for screening out criminals, prostitutes, narcotic-addicts, and the like.

The method devised for achieving maximum assimilation of aliens admitted—and minimum politicking—is called the national origins quota system. This formula was introduced in the Immigration Act of 1924, and has been retained in the present law. It provides that the annual quota for any 1 of the 85 major quota areas shall equal one-sixth of 1 percent of the number of inhabitants of the United States, computed from the 1920 census, originating in that area. The total number of quota immigrants now admissible each year is 154,657. Additionally, a substantial number of nonquota immigrants are admitted each year. These include husbands, wives, and children of American citizens and natives of independent countries of the Western Hemisphere. There is no numerical limitation on the entrance of nonquota immigrants, and their numbers swell the ranks of immigrants coming to this country to well over 225,000 annually.

In the fiscal year 1956, the United States admitted 321,625 immigrants—people who took up permanent residence in this country. Of this number, 232,315 were admitted under our regular immigration laws and 89,310 were admitted under the so-called Refugee Relief Act, which is in reality only a device for admission of more aliens into this country through the back door. These figures represent substantial increases over fiscal year 1955, and the trend indicates that the pressure upon our immigration system will increase proportionately each year.

The national origins system is vilified, in the chant of the immigration hucksters, as racist, bigoted, and reactionary. These accusations are summed up in the classic phrase of the demagog bidding for minority bloc votes: the national origins system, it is charged, makes second-class citizens of immigrants.

All of these accusations are false. The Walter-McCarran Act is, in many essential respects, the most liberal immigration law in the world. The charge of racism is especially ludicrous. The truth is that this immigration statute removed, for the first time, racial bars to immigration. The quotas for Asiatic countries are now determined by the same formula as those for European countries, i. e., according to the proportion that their group in our country bears to the total population. Congressman WALTER H. JUDD, an acknowledged authority on the Far East, has said that "this law removes, at one stroke, the remaining racial discriminations in our nationality and immigration laws which have so greatly contributed to ill feeling in many parts of the world."

The culminating charge, that the national origins system creates second-class citizens, is the most hypocritical of all. A second-class citizen we are informed, is someone who is denied opportunities open to the rest of society, and who is thereby placed on unequal footing with his fellow citizens. The national origins system produces no such results. In fact, it is the expressed purpose of that system to make sure that all new citizens, by assimilation into society, are given equal opportunities, and are placed on an equal footing with everyone else. On the other hand, it is those who thrive on manipulated ethnic votes, who want, desperately, to create second-class citizens. These vote hucksters want to build up blocs whose interests are cut off from those of the country at large. Isolated from many of the main issues that are vital to the United States, these bocs are perfect material for the political demagog.

The political impulse behind many of the attacks on the national origins system can be seen when we inspect the proposed alternatives. The chief substitute which has, from time to time, been proposed is the unified quota system. Under this system, admissions would not be decided on an automatic, mathematical basis. Rather, the power to determine admission would be vested in a commission, politically appointed. Such a change is roughly one from a government of laws to a government of men. It would instantly convert immigration from a policy conducted in the national interest to a policy directed by political greed—in which each pressure group would strive to make its particular influence felt, and in which the demagogs would attempt to jam through blocs of immigrants representing just so many captive votes. The national origins system is the only impartial method of quota allocations ever devised. In the explosive context of immigration, setting up a system free of political conniving is a major job in itself.

The national origins controversy boils down to this: Is there such a thing as the United States? Do the American people have a culture which unites them as a nation? If we are to judge by results, the answer to these questions has to be "yes." There is something about America which has made it great and strong, and which has made it and kept it free, although—in my opinion—it has nothing to do with race or superiority or inferiority. Rather, it is a matter of basic ideology, cultural attitudes, of a common heritage. That we are a nation of immigrants is indeed a part of that heritage, but the emphasis in that phrase is on the word "nation." We are immigrants who have fused into one people, with one national loyalty—to the United States of America.

This country can continue in its great traditions only if its citizens understand

and believe in them. New citizens, therefore, must be brought in by a pattern and in degrees which will allow them to become a true part of American life. Immigration which contradicts this pattern or which exceeds those degrees is a disservice to the immigrant and our society alike.

As part of the clipping away of the national origins system, it is proposed that the base year—1920—chosen for establishing the total number of admissible quota immigrants, be changed to 1950. This one amendment, if enacted, would not only increase the quotas by about 85,000 annually, but would change the entire complexion of the cultural composition of immigration to this country. Because of numerous special enactments (such as the displaced persons law and the Refugee Relief Act) and a disproportionate use of quotas by natives of certain countries, the flow of immigration during the last several years has not been patterned to maintain the cultural balance of our population.

Another pending amendment is to apply the unused portion from large quotas to the waiting lists for small quotas. By completely rearranging the apportionment of visas, this proposal would further weaken the national origins system. Current attempts to alter the quota provisions relating to the Asia-Pacific triangle—by which orientals born in Western Hemisphere countries are chargeable to oriental quotas—would have the same effect. Another attempt to destroy the "national origins" system is the proposal that dependent colonies take over the unused quotas of their mother country. All of these proposals are thinly veiled attempts to wreck the national origins quota system, which is vital to the preservation of the basic cultural composition of our society. For that reason, they must be defeated.

The onslaught on our immigration laws is not limited to the national origins system. The tactic is to strike from many directions at once, with the hope that through sheer weight of numbers, some of the amendments will get through.

Here are some of the other proposals that have been introduced in the House and Senate:

1. It is proposed that a Board of Visa Appeals be established to review consular decisions granting or withholding visas, with its decisions in turn subject to judicial review. This means that immigration to the United States would assume the status of an adjudicable right of aliens, rather than a privilege.

2. Under the present law, the consular officers may refuse to issue a visa if they have reason to believe that an alien seeks to enter the United States for purposes detrimental to the welfare or security of the country. It is proposed that the consular officers be forced to establish in court their grounds for refusal. Again, this makes immigration a right, rather than privilege. It would also force the Government, at the demand of an alien, to disclose secret security information.

3. It is urged that broad discretionary power be vested in the Attorney General to admit aliens—outside the quotas—when he deems it in the public interest, and to permit aliens who have illegally entered the country to remain here permanently. The net effect of such provisions would be to open a huge gap in our immigration laws and to put a premium on illegal entry, when there are an estimated 3 to 5 million aliens illegally in the United States already.

4. The Walter-McCarran Act provides that an alien who has received, in the United States, pardon for a crime is exempt from deportation. It is proposed that this benefit include those pardoned for crimes by other countries. Such a provision, of course, would place power over immigration to the United States, in such cases, in the hands of foreign governments.

5. The present law stipulates that naturalized citizens who return to their homeland and establish residence for 3 years, or who establish residence in some other country for 5, lose their citizenship. It is proposed that such residence abroad should not be cause for loss of citizenship. The effect of this proposal would be to confer upon aliens the benefits of American citizenship, and then to permit them to evade the duties of citizenship.

Analysis of these and literally dozens of other pending amendments reveals a common thread: they all aim to subordinate the interests of the United States to the interests of other countries and their citizens. This is, in fact, the major theme of diatribes against the Walter-McCarran Act. It is asserted that Europe, Asia, and almost every country in the world, are suffering from too many people, and too little wealth. Therefore, they say, it is the "duty" of the United States to accept the population surplus of other nations, irrespective of their assimilability or our own population problems.

This is not the philosophy by which I have been guided in my career in the Congress. I believe that the first duty of an elected representative of the American people is to serve his own country. It is quite true that the population of the world, like the population of the United States, is expanding rapidly. Europe's surplus population alone is estimated at 79 million. The Far East is a vast sea of humanity with a combined population totaling almost a billion people. To suppose that the United States, through its immigration policy, can cure the problems presented by such masses of people is sheer folly. If we should open wide the floodgates to receive humanity's surplus, we would not improve the lot of the underprivileged countries of the world. We would only succeed in dragging ourselves down closer to their level.

While other nations of the world may, through envy or misunderstanding, want us to follow such a policy, they would suffer from it as much as we. For it is only as long as the United States remains strong and free that it can hold back the tide of communism. If we go under, they will go with us.

The Honorable Barratt O'Hara's Diamond Jubilee Dinner

EXTENSION OF REMARKS
OF
HON. GORDON CANFIELD
OF NEW JERSEY
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. CANFIELD. Mr. Speaker, I wish I could have attended BARRATT O'HARA'S diamond jubilee dinner in Chicago on Thursday, April 25. The warm-hearted, silver-haired gentleman from Illinois is down in my book as one of my unforgettable Congressmen and it does me no end of good to be in his company, to hear him reminisce on his adventuresome and interesting life, to absorb his wholesome philosophy whichever accentuates his concern for the less fortunate in life.

We know Mr. O'HARA in the House today as our only Member who served in the Spanish-American War. Mere mention of his name electrifies the men of 1898 and their families when they assemble in my area. I thought I had some real experience in journalism until I really looked into the history of my colleague who is now beginning to say the Spirit of '76 is invincible. And who but the other House O'HARA, Republican JOSEPH PATRICK, of Minnesota, can cause House microphones to tremble in the manner of the Illinoisan?

Barratt has been exceedingly kind to me. Somehow, I sense he has sort of an affection for me as he does all his colleagues. I like the way he treats his secretary, Marie Crowe, coauthor of a number of his books. Barratt is happy at 75 and I am happy because he is.

The Transportation Tax Law Should Be Repealed

EXTENSION OF REMARKS
OF
HON. ROBERT L. F. SIKES
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. SIKES. Mr. Speaker, under unanimous consent, I insert in the CONGRESSIONAL RECORD an article which appeared in the Playground News, of Fort Walton Beach, Fla., April 18, 1957, which indicates some of the reasons why the citizens of Florida feel that the transportation tax law should be repealed.

My colleague, the Honorable A. S. HERLONG, Jr., has introduced a bill, H. R. 2867, to repeal the transportation tax law, sections 4261, 4262, 4271, 4272, and 4273, Internal Revenue Code of 1954. Some 40 bills, I am informed, have been introduced and are now awaiting action of the 85th Congress, relating to this subject.

Speaking in support of the bill, as shown in the CONGRESSIONAL RECORD of March 5, 1957, Mr. HERLONG said:

> It is possible, through repeal of the taxes on transportation, to extend a measure of relief to each and every person and each and every business, without any serious loss of revenue to the Government. * * * the potential benefits to be gained by all consumers through the cumulative effect of lower prices at each stage of manufacture, wholesaling and retailing, are so great as to make any possible loss of revenue almost insignificant by comparison. * * * repeal of the taxes on transportation cannot safely be delayed, while immediate repeal would be in the best interest of all.

Another of my colleagues, the Honorable JAMES E. VAN ZANDT, author of H. R. 376, which seeks repeal of the transportation tax, in a speech in support of his bill and recorded in the CONGRESSIONAL RECORD of February 18, 1957, says:

> The cost of transportation and the burden falls most heavily on those least able to afford it. * * * Transportation, more than any other factor, is part of everything this Nation uses or consumes. * * * Repeal of the transportation taxes would, therefore, benefit each and every person and the entire national economy.

The news article reads as follows:

RESOLUTION IS ADOPTED AT DESTIN MEETING—BOATSMEN ASSOCIATION SEEKS REPEAL OF TAX

At a meeting of the Florida Boatsmen Association, Inc., held at the Community

Center Building in Destin, Fla., Saturday night, a spirited discussion centered on matters relating to taxation, license fees, and regulation of the fishing industry, President J. E. Brunson said.

James H. Wise, member of the legislature from Okaloosa County met with the association members for a discussion of pending legislation relating to fishing and boating, Brunson added.

"A number of bills have been introduced and are pending action of the legislature now in session in Tallahassee," he explained.

A resolution was adopted requesting the legislature to approve a concurrent resolution urging Congress to repeal the transportation tax. This tax, according to David W. Palmer, association counsel, who presented the resolution, has been the subject of much litigation, so much that it is no longer profitable to the Government as a revenue producing measure.

"It is a war measure," he said, "enacted in 1941, to deter people from riding the trains, planes, and boats and thereby give more room for transporting military personnel and equipment.

"Some 30 bills are now before Congress seeking repeal," he added. Ten State legislatures have already taken similar action seeking repeal.

"Many court decisions have held that the tax had been illegally collected on the movement of logs, earth, oil, ice, gravel, and persons making fishing and sightseeing trips. More than 100 associations, including the Chamber of Commerce of Los Angeles and Kansas City, are supporting the repeal movement," Palmer said.

C. L. Kelly, secretary-treasurer, presented the resolution as follows:

"Whereas the Federal transportation tax is a discriminatory and unfair tax, imposed on those who in their business or profession are required to travel or transport goods, wares, and merchandise; and

"Whereas the courts have held that the tax, in a number of instances, was illegally collected and that said tax does not apply, under certain conditions, to various articles, commodities, persons and activities, such as the movement of logs, earth, oil, ice, gravel, fishing boats, etc.; and

"Whereas it appears from the remarks of Hon. ROBERT L. F. SIKES as recorded in the CONGRESSIONAL RECORD of April 13, 1955, and May 31, 1955, that said tax has not been uniformly imposed but has been collected contrary to law; and

"Whereas large sums of said tax illegally collected have been refunded pursuant to court decree; and

"Whereas in Florida, because of our location, said tax imposed an unfair and undue burden on our citizens: Now, therefore, be it

"*Resolved*, That the Florida Boatsmen Association, Inc., hereby petitions the Legislature of the State of Florida, now in session at Tallahassee, by appropriate concurrent resolution to request the Congress of the United States to repeal said transportation tax law; be it further

"*Resolved*, That said association hereby requests Members of the Congress from Florida to repeal said law; that a copy of this resolution be sent to Members of Congress from the State of Florida; be it further

"*Resolved*, That a copy hereof be released to the press to the end that due publicity be given the subject.

"Approved at Destin, Fla., this 13th day of April 1957.

"FLORIDA BOATSMEN ASSOCIATION, INC.,
"By J. E. BRUNSON,
"*President.*

"Attest:

"C. L. KELLY,
"*Secretary-Treasurer.*"

Attached to the above and foregoing resolution and transmitted to the State legislature in Tallahassee, Fla., was the following:

House Concurrent Resolution

A concurrent resolution requesting the Congress of the United States to repeal title 26 sections 3475 and 4261 of the Internal Revenue Code of the United States, which levies an excise tax on the transportation of property and persons within the United States

Whereas the Federal excise tax on transportation was for the most part levied as an emergency revenue measure for the conduct of World War II, and in the case of the tax on transportation of persons for the purpose of discouraging unnecessary civilian travel, and was not intended as a part of the permanent rate structure, and is no longer necessary because the emergency created by World War II and the problems peculiar to it have ceased to exist; and

Whereas the country's railroads, airlines, truck and bus companies and water carriers are caught between increased costs and rate competition among themselves and with unregulated and private transportation, and the transportation tax increases the prices the users of the for-hire transportation services must pay, and makes the for-hire transportation agencies involuntary collectors of a tax which drives business to private operations; and

Whereas the for-hire transportation industry is essential to the national defense and the well-being of this industry must be safeguarded from the unnecessary and disrupting influence of the transportation tax which prevents for-hire transportation agencies from being able to compete for their fair share of the available volume of traffic; and

Whereas the transportation tax is most unjust to the Nation's railroads which are especially essential to the national defense because they move the largest share of troops, equipment, and vital supplies in times of war and national emergency; and

Whereas the transportation tax is costly for the carrier to collect and administer and thus adds to the total freight bill by increasing the carrier's overall costs, putting an extra burden upon the carrier and on the shipper through high rates; and

Whereas the transportation tax, because of its nature or application tends to become discriminatory as to communities and individuals, and restricts trade areas, thereby interfering with the free flow of commerce within the United States, and the State of Florida is particularly affected because its shippers must ship their commodities for long distances to reach markets; and

Whereas the transportation tax rate is a fixed percentage of the fare or freight rate, and is substantially increased without any increase in the tax rate every time it is necessary to increase passenger and freight rates; and

Whereas the for-hire transportation agencies are especially important to the State of Florida because Florida is an importer, i. e., more goods and people come into the State and remain than go out, and this means that the transportation tax adversely affects the State of Florida to a point approximating a lack of constitutional uniformity; and

Whereas the for-hire transportation agencies are essential to the well-being of the large tourist trade in the State of Florida and the State of Florida is especially interested in protecting and developing its vacation and tourist travel and cheaper transportation costs will aid in the accomplishment of this purpose; and

Whereas transportation is in no sense a luxury but is a vital necessity and there is, therefore, sound reason for distinguishing between the transportation taxes and other excise taxes that are imposed upon luxury items; and

Whereas the benefit the public in general will derive from the repeal of the transportation tax will far outweigh the loss of revenue to the Federal Government; and

Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

Resolved by the House of Representatives of the State of Florida (the Senate concurring), That they be placed on record in favor of the repeal of the 3 percent Federal transportation tax on all commodities shipped, and the repeal of the 10 percent transportation tax on all passenger fares; and

Resolved, That this resolution be forwarded to Representative FORAND and the members of the House Subcommittee on Excise Taxes with the recommendation that serious consideration be given to supporting the repeal of excise taxes as applicable to the movement of people and goods via for-hire carriers; and

Resolved, That the members of the Florida delegation in Congress do all within their power to bring about the repeal of the Federal transportation tax, and be urged to pursue this matter as diligently as possible in order that the State of Florida might reap the benefits which would be forthcoming.

Mr. Speaker, in Florida this transportation tax has become a nuisance. Fishing boats were required to contribute an aggregate sum of about $100,000 to the United States Treasury Department as a transportation tax. After some 7 years of litigation, the courts have held that the tax was unlawfully collected and must be refunded—*Smith* v. *U. S.* (110 F. Supp. 892); *Walker et al.* v. *U. S.* (144 F. Supp. 440; affirmed 234 F. (2d) 910); *Davis* v. *U. S.* (235 F. (2d) 174); *Smith v. U. S.* (157 C. C. H. 9550 (5th Circuit), decided April 3, 1957).

As shown by my remarks in the CONGRESSIONAL RECORD of April 13, 1955, in some areas no effort was made to collect the tax. The court found that the tax varied in different localities. In some places the tax was collected at the rate of about 5 cents while under identical circumstances on other boats the tax was collected at the rate of 60 cents on a $5 fishing trip.

Because of the inherent nature of transportation, as legally defined, much travel and the movement of various commodities, goods, wares, and merchandise, have been held by the courts to be nontaxable. The unauthorized assessment and collection of the tax has resulted in considerable litigation throughout the United States with its attendant expenses to both the Government and the taxpayer. The most satisfactory solution to this problem is to repeal the transportation tax law.

The effort to expand the statute by administrative rulings to impose the tax on articles and activities not specified in the statute is not limited to fishing boats but includes such tonnage as wood—*Masonite* v. *Fly* (182 F. (2d) 934; 194 F. (2d) 257); building materials—*Earl* v. *Babler* (180 F. (2d) 1016); earth—*Ellis* v. *U. S.* (187 F. (2d) 698); stone—*Kerns* v. *U. S.* (204 F. (2d) 813); oil—*Jones* v. *Continental Oil* (141 F. (2d) 923); *Continental Oil* v. *Jones* (92 F. Supp. 927).

Now, I understand, in some places an effort is being made to collect the tax on sightseeing in disregard of a regulation

expressly excluding sightseeing from the tax.

In view of the foregoing facts, H. R. 2867, legislation to repeal the transportation tax, should receive early consideration.

Congress and the International Atom

EXTENSION OF REMARKS
OF

HON. STERLING COLE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. COLE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address which I made at the Atomic Industrial Forum Symposium on April 25, 1957, at the Plaza Hotel in New York City:

CONGRESS AND THE INTERNATINOAL ATOM

(By Hon. STERLING COLE, of New York)

Mr. Robbins, Commissioner Vance, distinguished guests, ladies, and gentlemen of the forum, the forum has been formed now for just over 4 years and during this short period the forum has had an incredible growth. Where it started with 1 or 2 meetings a year, it is now fostering meetings even on the other side of the globe. It is a great pleasure to talk with a group of people who have shown such great dedication to the cause of developing the peaceful uses of the atom.

Your day long symposium on the international legal problems of atomic energy is but another milestone that you have passed in your steady march of progress.

Many of the problems which have been included on your agenda today are problems which are proper subjects for congressional attention. While it appears that the most desirable way to protect an American manufacturer or designer against the very remote possibility of a runaway in the reactor when it is installed and operated abroad is through an international convention, there may be a proper role for legislation in this sphere. The very first agreements for cooperation paid no attention at all to this problem. At the urging of the Subcommittee on Agreements for Cooperation, the Atomic Energy Commission inserted into its agreements a clause that would hold the United States harmless for materials or services supplied to other nations. Although the Joint Committee has raised a question for some period there still has been no similar clause inserted into the agreements for cooperation which would protect the American supplier. Further persuasive efforts by the Joint Committee to have the agreements for cooperation protect the suppliers may be needed. If these efforts are not successful perhaps there should be a statutory requirement that the agreements require the cooperating nation to protect the American supplier, at least until such time as an international convention can resolve the basic problems in an overall manner.

Another problem which needs close examination by the Congress is that of foreign patents. It would seem that the Atomic Energy Commission has not been as alert to filing patents in other countries as it might have been. I do not say this in any derogatory sense since the United States Government might not have any interest in exploiting the rights abroad which arise out of inventions. Nevertheless, the failure to exploit these rights could seriously affect United States firms who want to go abroad. It is possible that this is something that can be taken care of by the Commission by straight administrative action. It is also possible that this could require legislative attention. The problem arises only with respect to those United States patents to which the Commission takes title but which the firms developing the ideas want to use abroad. The catch in the foreign patent situation is that failure to file may permit complete outsiders to file on United States-originated ideas and to block the development of United States ideas in reactors in the countries involved. I hope that any possible patent roadblock to the foreign development of atomic energy by United States firms can be quickly eliminated.

In view of the fact that all of the studies on the economics of atomic energy indicate that power from atomic energy is most likely to be economical when produced in foreign countries, the international picture plays a tremendously important part in the development of the domestic program. Even when reactors are first built abroad I doubt that they will be economic. The question, therefore, seems to me is very properly raised; namely, how do we get our reactors to be the ones which are built in other nations? Since we would be the first to obtain information which will let us know about the economics of such reactors, I would suggest that we subsidize the construction of advanced development reactors abroad. I would not have the subsidy complete but would limit the amount of subsidy to half of the additional cost of building those reactors over the cost of constructing conventional powerplants. Even then, I would suggest that we only put in funds which would be matched dollar for dollar by foreign governments. Also, I would expect the United States to have ready access to these reactors, not only for inspection and control, but for studying all of their technological and economic operations. It would be expected that the financial assistance would be given to the other nations only if the major component parts of the reactor were bought in the United States.

All of these matters are minor compared to the one great question before the Congress this session. This is the matter of the ratification of the International Atomic Energy Agency statute.

In many ways I look upon the International Agency as a close parallel to the forum. In its initial phase it is starting with about as many members on its board of governors as you had on your board of directors. It is starting out with about as many on its initial staff as were on the initial staff of the forum. In 4 years I believe the Agency will be playing as important a role in the international affairs of atomic energy as the forum is playing among the private interests in this great field.

Of course you know that the Agency received its start at President Eisenhower's famous speech to the General Assembly of the United Nations on December 8, 1953. We have all followed it anxiously since that period and I have been extremely interested in watching the idea take root and flourish.

When the Atomic Energy Act of 1954 was under discussion, the joint committee wrote into the bill provisions of law enabling the United States to enter into agreements for cooperation in the peaceful uses of atomic energy. Wanting to encourage the idea of the International Agency, we also included a section in the law which would permit the United States to enter into agreements for cooperation with the Agency once it had been approved by the Congress. I was very glad that the Congress accepted such a provision for it indicated general congressional approval of the idea of the Agency.

As the various drafts of the statute for the Agency were written, the Joint Committee received full information on the developments from the State Department. In July of 1955, just before the joint committee left to attend the International Conference on the Peaceful Uses of Atomic Energy at Geneva, Ambassador Moorehead Patterson came before us and told us about the draft as it had evolved to that point. During the 10th General Assembly of the United Nations, the 1st committee held considerable debate on the method of formation of the Agency. The United States participated in this debate but, even more important, was one of the main leaders in the debate. A resolution, approving the idea of the International Agency and recommending that there be an International Conference called to consider the final draft of the Agency, was adopted by the General Assembly without opposition.

A 12-nation drafting session was held in Washington in the spring of 1956, during which time the ideas of India, Russia, Brazil, and many of the nations who were not participating, but who had made comments, were incorporated into the statute. The statute was approved by the drafting session without objection. After the drafting session, Ambassador James J. Wadsworth came before the committee and described the work that had been performed in perfecting the statute to that point.

Last fall the Conference on the Statute of the International Agency was held at the United Nations in New York. After a month of debate, directed both to the general and to the specific provisions of the statute, and during which time many further amendments were added to the statute, the statute was approved for ratification without objection by 81 nations. By the end of the period, during which the statute was open for signature, 80 of the participants in the Conference had signed. Ratifications have begun to be deposited with the United States. Russia's ratification is one of these.

I was fortunate to be able to attend the Conference as 1 of 4 congressional advisers to Ambassador Wadsworth. The other 3 advisers designated by the Congress were Congressman KILDAY and Sentors BRICKER and PASTORE.

During that Conference I had a remarkable opportunity to watch the other nations in their confidence of the future of atomic energy and of the Agency. I was amazed and delightfully surprised to find the overwhelming desire among all the nations to make the Agency a workable and sound organization for the international development and the future international control of the peaceful uses of atomic energy. More than anything else, at that Conference, I was impressed by the tremendous desire of all the nations involved to reach a common conclusion on the problems. Almost as great was the feeling that atomic energy will bring many great blessings to the peoples of the world.

Since the closing of the Conference on October 26, the Preparatory Commission has been busily at work getting ready for the First General Conference of the International Agency. In the Preparatory Commission, I am told, the same feeling has continued: the same unanimity of desire to get ahead; the same willingness to seek solution to common problems acceptable to all. It is against this background that I wish to begin discussing the future of the Atomic Energy Agency with you.

As you well know, the President, on March 22, transmitted the statute of the Agency to the Senate to be ratified as a treaty. This means that there must be 64 votes in favor of the statute. Thirty-three negative votes, or any major reservation, can kill the spirit of this Agency. I am taking this opportunity of bringing to your attention the fact that there is a very strong movement on in the Senate which would either modify or kill the statute.

For myself, I cannot agree with this movement. I believe that this Agency is a tre-

mendous force for the future of our country, and for the future of the world.

First of all, I want very quickly to dispel the idea that this Agency will automatically be open to Red China. The 10th General Assembly limited the participation in the drafting of the Agency to the members of the United Nations and of its specialized agencies. This does not include Red China. The drafting session extended an invitation only to the National Republic of China and not to Red China, although the Soviet Union sought to change the invitations. A motion to remove the limitations in the statute requiring adherence by future members to the United Nations principles was overwhelmingly rejected by the International Conference. This motion was made primarily to permit Red China to become a member later on. The credentials of the National Republic of China were upheld on two different votes. Thus, there have been at least five separate occasions when the problem of Red China was considered. On all of them the position of the United States against the admission of Red China was maintained without any veto. A veto written into the statute would not be a desirable or satisfactory basis for the operations of this kind of an Agency.

Another complaint against the Agency is that the United States will be giving 5,000 or 20,000 kilograms of uranium enriched in uranium-233 to the Agency. So far no one has indicated that this material will be donated as a gift. Indeed, the statute contemplates that the Agency will pay for the services and materials received unless there is a special agreement to the contrary. The Atomic Energy Commission has already informed the joint committee that it does not believe that it has any statutory authority to give materials to the Agency. If, at any time in the future, it should be decided that the United States should make a gift of materials, the Commission would seek to have that authority granted to it by Congress.

A further claim is that materials given to the Agency could be diverted and made into weapons. I do not believe that this would be the case. In the first place, the International Agency has provisions in its statute for the inspection and control of projects to which the Agency gives assistance. These provisions are almost identical with the provisions which are written into the bilateral agreements of the United States. However, they carry one additional safeguard that the United States bilaterals do not have. These Agency projects would carry a contractual basis for action by the United Nations in the event any diversion should be found. This contractual basis is, of course, missing from the United States bilaterals.

In the second place, Agency projects are limited to those projects which will be designed to implement the development of atomic energy for peaceful uses. A nation which wanted to divert the materials from these projects would find it dangerous and costly since they would have to devise ways to get around the rigid inspection and control provisions and to process materials which could be highly radioactive. Any nation that wanted to embark on a weapons program of its own could do so outside of the Agency. Indeed, many nations probably will start atomic energy programs of their own. The more nations that start their programs under the International Atomic Energy Agency, the fewer will be the nations which will have atomic programs which can be turned into military uses. Let there be no mistake about this. Uranium is one of the most abundant resources in the world. The knowledge of building reactors is not limited to any one country. Other countries will be able to obtain both the materials and information on how to use atomic energy from sources other than the United States. If they desire, they can use them for the military uses of atomic energy.

We can, and should, encourage those countries which are now beginning to get into the atomic energy program to devote themselves only to the peaceful uses.

Many have asked why we should join in with the Agency when we can achieve the same results through our own bilateral programs. I do not think we can achieve the same results. It was many of the small nations that first suggested that the International Agency be established through a conference. They did not want to have the Agency statute set up by the major powers and then forced on them.

They wanted to have a voice in the formation of the Agency and in its operation. The wisdom of letting them have this voice today has been shown by the many ways in which the statute of the International Agency has been bettered by the amendments offered in the Conference last fall. Also, it is part of their national pride that their atomic energy program will be drawn not from any one nation but from all of the nations of the world. There may be many nations in the world who because of their traditionally neutral positions, may prefer to receive assistance from the Agency instead of receiving further assistance from the United States. Such nations could include Switzerland and the Scandinavian countries.

Also, I should remind you that it was a small nation, Thailand, that suggested the amendment to the statute giving the Agency the authority to take over the inspection and control functions of the national program of any single nation.

Above and beyond all that can be achieved through the distribution of materials and information on the peaceful uses of the atom, there will be one outstanding accomplishment which can be obtained from the International Agency. This will be a period of learning about all of the problems—technical legal, psychological—of international inspection and control. The Agency was suggested at a time when neither the United States nor Russia was able to agree on an inspection and control plan for themselves for disarmament purposes. The Agency's operations can produce that technology and that confidence in international control which will lead to complete international control of atomic energy at an appropriate time later on.

There has been some objection raised to the ability of the Agency to furnish materials to Iron Curtain countries. I do not fear this authority. The Agency is not going to start on large grandiose plans. It can start out, however, furnishing radioisotopes for peaceful purposes. These radioisotopes could be used to help people behind the Iron Curtain control and cure diseases. Small research reactors containing amounts of materials militarily insignificant can help people behind the Iron Curtain learn about the bases of atomic energy. Since the International Agency was proposed as a means of winning the hearts and minds of peoples of the world, certainly there should be no disagreement that these activities of the Agency can, and should be, encouraged. Remember that the Iron Curtain countries requesting assistance for projects must also agree to appropriate inspection and control features. This kind of experience can be extremely valuable to the Agency and to the world in learning how the control systems operate behind the Iron Curtain. Later on there may be countries that will want other reactors of more advanced types. In considering those projects, as in considering any initial project, the board of governors of the Agency would have to consider the adequacy of the inspection and control systems which might be required, as well as the ability of the nation to comply with these features. This means that the basic responsibility would rely upon the board of governors to make this decision. We can, and I think we should, have confidence that the board of governors would make any such decision in the light of all of the known facts surrounding the project.

Thus far I have talked about the Agency in terms of meeting the arguments against it. It seems to me, however, that there is much more to be gained by talking about the future than the Agency can make for the world. Of course it can provide a ground for the training of many scientists in many countries. Further than that, it can provide a central clearinghouse for the exchange of information. In the field of science such a clearinghouse is a great help since the thoughts of one person will frequently strike a sympathetic spark in the minds of others. The more scientists that can read and discuss the work of the leaders in other countries, the more quickly will this great potential be tapped for the good of all. In scientific fields you never know where a new and original thought will come from. Remember that the basic formula on which this field is founded came from an unknown examiner in the Swiss Patent Office. The more persons around the world who are able to study the problems of atomic energy, the sooner will this great energy be released for the benefit of all mankind.

Many of the commercial problems which will develop in this field can run into extremely complex legal situations unless there is one international agency which can help resolve the problems. I have already mentioned one of these fields. This is the problem of the manufacturer or supplier of materials or services to reactors built in foreign lands. One of the earliest tasks that the International Agency could undertake would be the calling of a convention which could draft an international treaty in which many of the difficult legal problems could be resolved to the advantage of all nations. The treaty could, indeed, give the Agency some administrative functions which the Agency cannot now undertake. This could include the administration of an indemnity fund such as the indemnity fund in the Anderson and Price bills now being considered by the joint committee. The treaty could cover extensive and difficult substantive and procedural questions in the unlikely event of such a runaway. Another natural problem for the Agency to work on would be international techniques for the disposal of waste radioactive gases and liquids in the atomic energy program. The problem of international control to radiation exposure could also be considered. I am sure that the Agency already has such projects in mind for its operation once it is established. These will be of great advantage to the United States or any nation seeking to sell its services in the international market. But above all, the great contribution that can be made by this Agency is in the development of the technology, the law, and the public acceptance of international control. This will not be achieved suddenly but gradually. The Agency cannot achieve this benefit if it has no materials at its command.

I cannot criticize those who want to study and understand the Agency thoroughly before the statute comes before the Senate for ratification action. I, too, have had a long period of studying the Agency. I do hope that once the study has been completed that the discussion of ratification will then proceed on the same high level of hope and faith for the whole world that has been evident in the discussions and international discussions of the Agency to date. President Eisenhower's proposal before the United Nations received worldwide acclaim. The negotiations on the statute have proceeded in the faith and hope that the Agency would come into being as soon as possible.

So far we have spent much effort and great sums of money in developing atomic weapons for waging war whenever we may be called on to defend our liberties and our shores. If the time ever comes when any nation should again have to fire an atomic weapon in anger, it will be a great tragedy.

In the words of Pope Pius XII:

"There will be no song of victory, only the inconsolable weeping of humanity, which in desolation will gaze upon the catastrophe brought on by its own folly."

Now is the time, while maintaining our armed strength, to devote our efforts as wholeheartedly to finding the ways in which to develop atomic energy for the peaceful benefits of all mankind. The only real way in which this can be done is under an international agency devoted to the resolution of international atomic energy problems through international law.

As we enter into the age of the international development of atomic energy, we must learn to have faith in the ideals and judgments of the free nations of the world. But we must remember that the free world—and indeed the whole world—looks to the United States for leadership in this great dilemma. To date the United States has exercised that leadership wisely and with restraint in the negotiations leading to the signing of the Statute of the International Atomic Energy Agency. As long as the United States continues to apply its ideals to this field in the same strong but reserved manner that it has, the United States will continue to supply the leadership of a foundering world. When this country shall begin to withdraw again unto itself, it will be only a nullity among the nations of the world.

Congress, after giving the statutes thorough consideration, should ratify the statute by an overwhelming vote. This will tell the other nations that we have faith in them and their peoples. This will also affirm the pledge given to the world by President Eisenhower to the General Assembly on December 8, 1953:

"The United States pledges before you—and therefore before the world—its determination to help solve the fearful atomic dilemma—to devote its entire heart and mind to find the way by which the miraculous inventiveness of man shall not be dedicated to his death, but consecrated to his life."

Vocational Rehabilitation

EXTENSION OF REMARKS
OF

HON. CLEVELAND M. BAILEY

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 2, 1957

Mr. BAILEY. Mr. Speaker, I believe that our colleagues will agree that no program of the Federal Government represents a sounder investment on the part of the American people than the vocational rehabilitation program. Last week at Jackson's Mill, W. Va., Region III of the National Rehabilitation Association—including West Virgina, Virginia, Maryland, North Carolina, Kentucky and Washington, D. C.—held its annual meeting. My colleague who represents the Sixth Congressional District of the "Mountain State" participated in the program. I am pleased to direct the attention of the House to the remarks made by the Honorable ROBERT C. BYRD on Saturday noon, April 30, when he addressed the regional meeting.

Representative BYRD's remarks follow:

Ladies and gentlemen, in almost all health fields, but particularly perhaps in rehabilitation, the activity and leadership coming from voluntary associations serve to keep our Federal effort free of any hint of paternalism. Furthermore, as Americans, we can take pride in knowing that quite apart from all the points we make about the national economy and security, the basic drive behind vocational rehabilitation is one of simple humanity. The work you do saves millions of tax dollars and increases our productivity and national worth. There is no question about that. On the basis of a special study of persons rehabilitated during the 1953 fiscal year who were receiving some help from public relief agencies during rehabilitation, it is estimated that 13,000 disabled persons, about 20 percent of the total rehabilitated during the 1956 fiscal year, were dependent to some extent on public assistance either at the time of acceptance or during the process of rehabilitation. It is estimated that the cost of maintaining these 13,000 persons on public assistance for one year would be about $11.1 million. The cost of operating a basic rehabilitation program is estimated at $9.6 million.

The annual rate of earnings of the group of persons rehabilitated during the 1956 fiscal year who were receiving wages was estimated at $17.5 million before rehabilitation and $127.3 million the first year after rehabilitation.

Statistics show that rehabilitated persons pay back $10 for every $1 invested in rehabilitation.

The economic facts of rehabilitation give strong support to the proposition that vocational rehabilitation is an investment in human welfare that is completely self-liquidating. No program of the Government better illustrates the principle that the expenditure of effort and money to help people become self-reliant and self-sustaining is not only proper and sound but is a prudent disbursement of public funds.

All of us, you in the field, the people in the State and Federal office of vocational rehabilitation, and Members of Congress, see the greatest rewards in terms of human lives. The true measure of your work is in terms of those children and adults who have learned to live again. That is a measure that, in the minds and hearts of all of us, transcends dollars and cents.

When we were discussing my appearance here today it was felt that the best way for me to make a contribution would be to talk about the point of view a legislator brings to bear on a subject like vocational rehabilitation. Point of view, of course, is largely a personal matter. Legislatures are made up of individuals who bring into them varied attitudes and equipment. But it is fair to think that there is such a thing as a legislative frame of mind, if I may use that phrase. In Congress, and in State legislatures, generally speaking, majority opinion evolves steadily, without many abrupt changes. In essence, this is because a legislature represents a people whose attitudes and opinions also evolve that way. As we go along, day-to-day, we hardly seem to be changing at all. But if we stop to take a backward look we will sometimes be surprised at how far we have come. In this context it might be instructive to review the situation in Congress and the Nation when the Vocational Rehabilitation Act had its rather modest birth in 1920.

At that time, or rather during the hearings held by the 65th and 66th Congress in 1918 and 1919, the plans for Federal grants-in-aid to the States for vocational rehabilitation were presented as representing "social justice on the one hand, social economy on the other." Federal participation was presented as being nothing more than stimulating to the States. There was a great deal of interest throughout the country, on the part of industry, labor, State government, and private organizations. No one was sure, exactly, how big the problem was. Everyone knew that inaction was resulting in a tragic waste of lives. We don't today, see the alternative to this program in terms of disabled people out on the streets selling shoelaces or just plain begging, but that was the way they saw it then. There was, then, very little resistance to the idea in Congress. What resistance there was—and the printed hearings bear out that it was a sincere, thoughtful, high-minded resistance, with nothing arbitrary in it—took two phases. On the one hand was this problem: Was Congress invading a territory better left to the States? What little experience there was in this respect concerned the land-grant colleges and the still new Office of Vocational Education. The proponents of the measure quite honestly expected Federal participation, in dollars, to remain small. They expected that State contributions would greatly outweigh Federal contributions. And great care was taken to see that actual administration would remain in State control.

The second type of question—I won't say objection—raised was whether or not the bill was too inclusive. The famous phrase "injured in industry or otherwise" raised a specter of a program to retain at public expense practically the whole population. One Representative, for example, wondered if this term might not be construed to include everyone who gets sick. The difficulties implicit in limiting the phraseology were illustrated by the case of an employee receiving a disabling injury while on the way to work. This was at the joint committee hearings in 1918 and it is significant to note that the Representative raising the question was not objecting to the bill. He was prepared to vote it out of committee favorably. But he was concerned with the problem of seeing it through the House and Senate, and getting it made into law. Then, as now, Congress needed facts with which to work. Proponents of the measure had the members' sympathy, but sympathy was not enough. During those hearings in 1918, the members wanted facts. They wanted some idea of the scope of vocational disability. What was the dollar value of lost productivity? How many people actually needed vocational rehabilitation? In 1918 these questions could not be answered with any statistical certainty, but the committee heard a wealth of testimony on the situation in individual industries or in particluar areas. They could not get all the information they wanted, but they heard that other countries were doing more than we were, that the problem was widespread and grave, and that programs abroad, and isolated programs here, showed that handicapped persons could be helped to economic and spiritual self-sufficiency. The 65th Congress did not get to vote on the bill, but it was reintroduced in the 66th, and became law on June 2, 1920.

Passage of this act did not usher in any millenium, as we all know. It has been a long, hard pull. First you people in vocational rehabilitation had to build up your programs in the States. When you first started there was only a handful of people who knew something about the subject. You had to create a new discipline, build up a national pool of knowledge, invent new skills and then train people to use them. You also had to make friends, so to speak, or open lines of communication with various people in State and local governments, in industry and in labor. And, most importantly, you had somehow to reach the handicapped. You had to let them know you

were there, and convince them that you had something worth while to offer. Over and above all this there has always been the problem of getting your program across to Congress and the State legislatures.

Generally, you have done a good job. Legislators want facts, as I said before, and a lot of them have been developed since those early days. Now you can give us the facts, facts which are pretty well irresistible on a dollar and cents basis.

In 1943, with passage of the Barden-La Follette amendments to the Vocational Rehabilitation Act, your movement closed the book on the chapter of ancient history and moved into an exciting future. It was in the succeeding decade that you were able to entertain the notion of caring for all the handicapped, no matter how severe their deficiencies.

Physical restoration: What a wonderful phrase that is. Every year saw new kinds of cares taken in hand for the first time. Counseling receded into the background as physical medicine advanced. And all parts worked together harmoniously. As physical medicine advanced, so did the science of prosthetics. At the same time there were developments of new jobs, or job skills, for the rehabilitees. The progress in physical medicine accompanied that of the rehabilitation center as a means of restoring the more severely handicapped. And the 1954 amendments will resul' 'n an even greater significance for the rehabilitation center. Sheltered workshops, too, have grown in importance, for you are restoring people now who cannot be expected to step right out into competitive employment. We can hope, and expect, that future legislation will help expand that part of the program.

Right now, the legislative pattern for the vocational rehabilitation program seems to me to be pretty adequate in its broad outlines. There are areas where it can be improved, or added to, of course. But it now seems to encompass the field, and it has about as much flexibility as legislation can have without becoming vague or indefinite. What we need now is more money for expansion, more rehabilitation centers, more sheltered workshops, and more trained personnel.

Now, in the 37 years since passage of the Vocational Rehabilitation Act, I understand there have been great changes, evolutionary ones, in your thinking. Along with this has been the development, or cultivating, of local planning and responsibility.

Some of our present-day developments were dismissed in 1918 as highly unlikely. It was felt, for example, that private organizations would by their very nature be limited to small pilot studies. No one foresaw the present day's tremendous response to fundraising campaigns of the voluntary health agencies. Then again, it was anticipated that rehabilitation work would require no new facilities. The sponsors of the act decried the possibility. And there has been one big change that has come about so slowly most of us never think of it. Back in the early twenties everyone discussing vocational rehabilitation operated on the tacit assumption that a great many cases were hopeless. In those days they were thinking mostly of injured persons in whom one faculty was lost or impaired, but who were still mostly sound—almost the entire emphasis was on developing vocational skill with what a man had left to him when he came to the agency. When vocational opportunities were discussed, there was a lot of talk about running bee farms or raising capons. They never contemplated the day—how could they contemplate the day?—when men who had lain for 20 years on their backs would be carried into hospitals on stretchers and would walk out to face a new life 6 months later.

There are quite a few people who have never had any personal, intimate knowledge of severely handicapped persons. They have seen them in the streets, perhaps, but this problem is pretty remote and impersonal. When we talk of the inspiring history of this movement, we know that to some it is just a matter of statistics. This is not a matter of heartlessness. How, without knowledge, can you look at a man, distinguishable only by some peculiarity in his gait, and appreciate the narrow margin between his present state and a vegetative existence? One doesn't begin to comprehend this field until he knows the "before and after" status of particular individuals. There is a tendency with some people to see, or hear of, a man rotting helplessly on a cot, and to think that his case is helpless. They would rather not think about him any more. It is too painful. They drop a penny in the hat and forget about him. But here, in a coal mining State, you won't find that apathy and indifference.

To every coal miner, and to everyone who knows the mines, severely crippling injuries have been far from remote. Men so crippled they would never work or walk again have been part of everyone's experience. The fear of becoming a hopeless cripple, even more than the fear of death, has haunted every coal miner. And no matter how safe the mines have become, they are still places of great hazards.

So here, in a coal mining State, where you have the greatest awareness of what being handicapped means, you will find the greatest appreciation of rehabilitation. And it is fitting that in these areas you find the greatest development in civilian rehabilitation, the most exciting and inspiring story of all with a remarkable display of courage, ingenuity, and humanity. The United Mine Workers have launched their own drive to wipe out the backlog of so-called hopeless cases. Although the initiative has come from the mine workers, they have not of course worked alone. They have received full cooperation from State and Federal agencies, and they have found rehabilitation personnel and facilities ready to work with them.

Being a member of the Foreign Affairs Committee, I sometimes think that if we could adequately publicize this program abroad it would create a much better understanding of us among people in general over there. As a matter of fact, if we could adequately publicize it here in this country it would really wake the public up.

Judging by results, the rehabilitation program seems to operate on the assumption that no case is hopeless. The work we hear of today gives new meaning to the old phrase, "where there's life there's hope."

There has been a steadily growing tendency, reflected in legislation, to see the rehabilitative process whole; to see it as an integrated part of the entire complex of health service and facilities. The 10 beautiful hospitals built by the UMW will not be isolated centers—they are part of a new dynamic approach which aims for total health. If they are the forerunners of more and more local initiative, on the part of labor, industry, and community, the future of vocational rehabilitation may be brighter than any one of us thinks. The best thing about the initiative that comes from the base of the pyramid, rather than the tip, is that this is the best way to get new ideas into action, and to get brilliant new approaches.

At this point, I wish it were possible to predict what this Congress, and subsequent ones, are going to do about rehabilitation. Unfortunately, I do not have a crystal ball. But this much I can say: over the years Congressional support of vocational rehabilitation has strengthened as our understanding has deepened. We see great progress in techniques, we see the State programs getting stronger and more far reaching. It would seem that we are now at one of those historical points where we can launch an all-out drive to bring this program within reach of every handicapped person in the United States.

On past evidence there will be no partisanship in approach to any bills relating to vocational rehabilitation. And just as we are certain of your unselfishness and concern for the general welfare, so can you be sure of our continued interest in your great work. The future is really up to you.

The Voice of the People Against Federal Aid to Education

EXTENSION OF REMARKS
OF
HON. RALPH W. GWINN
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 2, 1957

Mr. GWINN. Mr. Speaker the great majority of the witnesses heard and statements filed in 1,300 pages of testimony before our subcommittee of the House Education Committee were against Federal aid to school construction.

Yet, the subcommittee, before the testimony was printed and before the committee had any opportunity to read it, voted out a bill providing $500 million a year for 4 years, or a total of $2 billion.

The Committee of the Whole should reject it, but it will no doubt vote out a bill for $300 million a year for 5 years, or a total of $1,500,000,000.

This means, if divided among some 60,000 school districts, that each district will get one-sixth of a schoolroom, or about 5 seats per district.

Obviously, this legislation is—as it has been charged over and over—intended by the proponents, to be nothing but a "camel's nose in the tent." It amounts to dishonesty to talk about meeting an emergency, a shortage of classrooms, by any such proposed legislation.

It shows that the people who need schoolrooms—and there is a need—could not have petitioned the Congress for such an inadequate program. Indeed, this is not the people's demand.

The Government itself is the propagandist for this Federal aid. It estimated the shortages, or guessed at them. Then it became its own publicity agent to drum up support for its own programs and to establish the idea that there was an emergency the people could not meet for themsleves. This bill is positive proof that the Government itself believes the people cannot manage their own affairs for themselves.

The United States Office of Education representatives testified that the efforts of the people for their own children were inadequate, and that they should be compelled by Government in Washington to do more. Instead of using the word "compulsion," they often substituted the words "stimulate the States by the Federal Government" to do what they should do in the judgment of Washington.

Our own Government itself has become the public fomenter of the people. It prepared this legislation and sent it by messenger to the Congress to carry out—not the people's wishes, not the Congress' measures—but its own compulsions over the people with regard to their education. And it spent the people's tax money to propagandize its own programs at the expense of the people, and at the expense of our children.

It proposes to weaken some of the districts by taking their money from them and rewarding other districts according to the Government's own formulas of favoritism in return for votes.

In this business the great overweaning, powerful, pretending Government brings its own satellites to its support. For example, there is marched into formation one of the greatest lobbies; viz., The National Education Association. It has advocated, in season and out, for at least 25 years, Federal aid to education.

Then there is the Council of Chief State School Officers. Then follow in line various groups of Government employees, beneficiaries of Government or public grants and aids, subsidies, or tax exemptions. Government maintains its power by bringing to its support those having a beneficial or natural tendency to help each other to stay on the gravy train.

There is no evidence of a rank-and-file support for this legislation. The hierarchy of the CIO–AFL officialdom, and the hierarchy of the parent-teachers association (but not the rank and file in either organization) testified for this legislation.

Aside from those above-mentioned groups, the people were all against it; that is, businessmen, doctors, farmers, bankers, taxpayers, school-board members, the American Legion, great numbers of patriotic societies from one end of the country to the other, chambers of commerce, taxpayers' associations, industrial councils, women's clubs, and the rank and file of such organizations. They reported their opposition in a great number of meetings across the country.

The statements filed also reported rank-and-file opposition at the grassroots. The character of this opposition is quoted below. Many individual school-board members testified and filed statements in opposition; so did State and county school-board members.

Fear of control by the Federal Government was general and outspoken. There was bitterness, too, that the Federal Government should try to shove Federal aid down the throats of the people whether they wanted it or not.

They insisted that they, the parents, the producers of all the wealth of the country, are taking care of their children and are building the necessary schoolrooms for an increasing population. The school taxes, they said, are very burdensome, much more burdensome than they should be because of the intolerable and inexcusable Federal taxes.

NO SCHOOL DISTRICT ASKED FOR FEDERAL AID

It should be noted that not a single school district out of some 62,969 sent a representative to plead in favor of Federal aid to education because it was too poor to meet its own need with local and State aid.

BANKER'S TESTIMONY AUGMENTED

Mr. William M. Adams, of the Investment Bankers Association of America, advised the Subcommittee on Education after his testimony that the sale of school bonds had jumped upward again. He wrote:

The sale of school bonds (i. e., bonds for the construction of public elementary and secondary schools) during the period from October 1, 1956, through March 31, 1957, have included over 1,397 issues aggregating over $1,124,245,000. If this amount is increased by the approximately 30 percent of total school construction funds ordinarily obtained from sources other than the bond financing, the school bond sales during this 6 months' period should provide school construction of about $1,606,064,000, which at the usual estimate of $30,000 per classroom would provide over 53,500 classrooms.

If the next 6 months of actual school bond sales is as good as the last 6 months, then money will be raised for 107,000 classrooms. Add that to the 69,200 classrooms financed prior to October 1, 1956, and scheduled on that date to be built during the school year 1956–57, and we have all told 176,200 classrooms, or 17,200 more classrooms than the 159,000 classrooms which the United States Office of Education itself guessed or estimated would be needed for the school year 1956–57.

The Investment Bankers Association reports that school bond sales are running nearly double those for last year, and each month shows an accelerating rate of school bond financing. If there was a schoolroom shortage last year, that is October 1, 1956, when the United States Office of Education collected its estimates or guesses, then the increased bond sales by the States themselves have far exceeded the proposed additional $300 million to be furnished by the Federal Government. This shows that the States themselves are meeting the need. The States are making the Federal Government's efforts look picayune, which they are.

THE AMERICAN LEGION OPPOSED AFTER CONSIDERATION THROUGHOUT THE STATES

Mr. Richard C. Cadwallader, a member of the National Americanism Commission of the American Legion, pointed out that—

The tremendous scope of the youth and educational activities of the American Legion in about 18 programs have given it an insight and an informed opinion based on experience with the elementary and secondary schools in each of the several States through its 17,000 posts and the American Legion Auxiliary and have earned it the right to speak authoritatively on this matter.

He went on:

One of the primary objectives of the American Legion is to teach an understanding * * * of our American philosophy of government. * * * The American Legion believes that real freedom for the individual cannot be safeguarded unless the power of government is decentralized and restrained. * * * Federal aid is not the way to get good schools * * * the respective States have the capacity to meet their educational requirements if they wish to do so * * * it would seem impossible to have Federal aid * * * without at least the minimum of Federal control * * * and it invites the danger that in time the Federal agencies will want to prescribe the curricula, textbooks, other instructional materials, teacher qualifications, methods, and standards * * * and accounting and fiscal procedures. * * * History indicates that once Federal appropriations are made for any purpose, the tendency is for the affected groups to lobby for their continuation * * * the expenditures by States and local governments for education are already the largest and most expensive of any of their activities * * * State and local activities need no stimulating.

The conclusion of the American Legion is that—

Any objective analysis of the public-school system of the local communities * * * will inevitably lead to the conclusion that the pending proposals for Federal usurpation of the prerogatives of local school districts is unnecessary, unreasonable, unsound, and dangerous to the preservation of local vitality and initiative * * * if it should pass it would represent a tragic attack on the sovereignty of the States, the welfare of our people, our freedom as a nation, and our economic stability. * * * Above all, it would represent a surrender to the basic collectivist philosophy of communism. * * * The American Legion urges the Congress to reject * * * proposals to appropriate any Federal funds to general public education in elementary or secondary schools.

THE ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS, INC., OPPOSE

Pointing out that this program is held out to cover an emergency—to cure a temporary schoolroom shortage, the statement of the doctors showed that this is pure deception. They pointed out that last year, Dr. William G. Carr, executive secretary of the National Education Association testified before the Senate committee that—

As long as our schools are cut off from the most powerful and efficient and productive form of taxation that we have (Federal taxation, of course) so long will they fail to receive a reasonable share of the great wealth and income of our country.

Does this sound temporary? They go on to quote Dr. John K. Norton, head of the department of educational administration at Teachers College, Columbia University, who said:

Even if $500 million (a year) were voted for school building aid, it would represent only a first step toward adequate Federal participation in the financial support of education in the United States.

To the planners, the emergency is always permanent.

Once the new educational bureaucracy has established its foothold in the Federal Government, the bureaucratic employees will perpetuate themselves in their jobs by employing statistics to prove the existence of new emergencies—

To show Federal control, the doctors cited an 108-page booklet, Administration of Vocational Education, and a sentence on page 4 which reads:

Each State is required to submit a plan which must meet with the approval of the Federal Office of Education.

THE AMERICAN FARM BUREAU FEDERATION

Mr. John C. Lynn, legislative director of this largest farm organization with a

membership of 1,600,000 farm families in 48 States, said:

We recognize the problem * * * we are convinced that the people in the local counties and communities, we have farm bureaus in 2,600 of these 3,000 counties in the United States, can do this job * * * the result of intervention by the Federal Government could be to stymie initiative on the part of local people who will get the impression that if they wait long enough, the all-powerful Federal Government will come in and assist them. * * * Even though this legislation is labeled a temporary measure, we know from long experience that there is nothing so permanent as a temporary Federal program. Federal aid to education will certainly be followed by Federal intervention. * * * I cannot read pages 7, 8, 9, 10, and 11 without getting the impression that there is a tremendous amount of control there in every opportunity under the provisions of this bill for the Federal Government or Commissioner of Education to dictate who is qualified personnel.

The Virginia Farm Bureau's executive secretary, Mr. M. A. Hubbard, testified that—

Our Farm Bureau members have continued to express firm and undiminished opposition to Federal aid to education.

The Massachusetts Farm Bureau, Inc., sent its executive secretary, Mr. Carlton I. Pickett, who testified in part:

When the School Building Assistance Act expires on June 30, 1959, it is estimated that about $525 million in school construction in Massachusetts will have been approved and built * * * our century old * * * school foundation program will continue * * * the foundation is there to see that every last child in Massachusetts gets a required standard of education and the State must help any city or town to provide it * * * my group flatly holds suspect the encroachment of big Federal Government as a solution to all local problems.

NATIONAL CONFERENCE OF STATE TAXPAYERS ASSOCIATION EXECUTIVES AND OKLAHOMA PUBLIC EXPENDITURES COUNCIL

Mr. Steve Stahl, executive vice president and representative of both organizations, made the trip to Washington to tell the subcommittee that Oklahoma does not need Federal aid to education and he carried a fistful of facts. Among them was the information that underprivileged Oklahoma has increased its school revenues by 50 percent in 5 years, raised teacher salaries by one-third, increased school-bond issues more than 300 percent. The Evening World-Herald of Omaha, Nebr., March 23, commenting on Mr. Stahl's testimony in an editorial entitled "Throw the Bum Out," recounted an old familiar story:

"A man who goes to Washington to reject a handout from Uncle Sam might expect at least a courteous hearing. * * * But Mr. Stahl ran into 2 hours of heckling * * * they interrupted his prepared statement at every comma with scathing questions," wrote Allan Cromley of the Daily Oklahoman Washington bureau. * * * Mr. Stahl finally sat down, thoroughly frustrated, much of his typewritten statement unread. * * * Back home * * * he reported to his fellow Oklahomans that people who go to Washington with a tincup in their hand are welcomed royally, while those who don't want anything are given the "bum's rush." We hope Mr. Stahl is not too disheartened, and that others will be encouraged to join in his fight. The day may come when the "bum's rush" will be given to those who deserve it.

Public Affairs Research Council of Louisiana, Inc., sent Mr. Edward J. Steimel, its executive director, to testify about the financial capacity of the State of Louisiana, district by district, for meeting its school-construction needs and of the willingness of the people to do that. He summarized:

I present information to show clearly that Louisiana—one of the poorest States according to the administration bill—not only does not need Federal aid but has unused bonding capacity after meeting its needs to equal almost one-third the total 4-year appropriation in the administration bill.

Mr. Steimel read a newspaper report quoting the assistant superintendent of schools of Louisiana as saying:

Louisiana can support her schools without Federal aid * * * of course, we would take it * * * but the control issue is very much present.

Connecticut Public Expenditures Council's executive director, Mr. Carter W. Atkins, showed that Connecticut was producing "a surplus of 547 classrooms for the school year starting September 1959 and a surplus of 521 for 1960. Connecticut has been and is now taking care of its school building needs without Federal aid. There is not the slightest doubt that it can and will continue to do so."

The Southern States Industrial Council was represented by Mr. Tyre Taylor, who stated this was an organization of industrial and business concerns in 16 Southern States from Maryland to Texas, including Virginia, West Virginia, and Oklahoma:

The council opposes Federal aid to education, including Federal aid to school construction * * * because public education is a matter which should be controlled by the States and localities and not by the Central Government. We think the Federal Government is already too big * * * and that what is needed is some regard for the provision of the Constitution reserving the rights that are not delegated to the Federal Government to the States or to the people * * *. The council believes that Federal aid for schools, in whatever amount and however applied, and irrespective of the number and kind of so-called safeguards adopted, is the first step toward the nationalization of the schools * * * assuming the need * * * the States and localities are in a far better position to supply it than is the Federal Government—quoting Senator BYRD—"which is mortgaged to the hilt."

The United States Chamber of Commerce, was represented by Mr. Thomas A. Ballantine, chairman of the committee on education, and Dr. John R. Miles, manager of the education department. Mr. Ballantine testified in detail and Mr. John S. Coleman, president of the chamber of commerce, showed in a letter that as a result of a series of legislative clinics, and discussing this Federal-aid issue with thousands of businessmen, it was the overwhelming consensus of every group that—

The States and their communities are responsible for, and able to, finance the development of the school systems required of their citizens.

The national chamber regards as unwise and unnecessary the legislation now being considered by this committee * * * neither local reports nor the research of the national chamber indicates that an emergency now exists which would justify nationwide Federal intervention in the construction of school facilities * * * our investigations indicate * * * that no critical national shortage in classrooms has been or can be demonstrated to exist.

The New Jersey Chamber of Commerce spokesman was Mr. Leonard E. Best of the education committee. He pointed out that—

New Jersey does not need Federal aid, since it is one of the highest spenders on education among the 48 States.

Indicating that New Jersey does not want Federal aid, Mr. Best said:

In fiscal year 1955 Federal funds for education cost New Jersey $2.93 for each dollar received * * *. Federal tax relinquishment would provide a permanent source of Federal aid for school construction without the danger of Federal control over education * * * and would render unnecessary the creation of a Federal unit to administer the program.

The New Jersey Taxpayers Association, Inc., said:

There is no gainsaying the fact that much of the drive for Federal school aid comes from those who think the funds will be devoted * * * to equalization between the States. Most of the funds would not be used for such equalization.

They reported:

Of the $3.3 billion distributed in Federal aid programs in fiscal 1956, only 23 percent was channeled into the stream of equalization. The rest—77 percent—merely took a roundtrip to and from Washington.

The Illinois Chamber of Commerce was represented by Mr. Joseph W. Cavataio, who described in detail the Illinois need and the school problems commission recommendations to meet the need. He summarized by saying:

Illinois plans and is able to take care of its own problems.

The Wisconsin State Chamber of Commerce general manager, Mr. Frank A. Hausheer, said:

The job can and will be completed by those who know Wisconsin's needs best—State and local governments working in concert with the citizenry * * * we do not want this assistance at the expense of our neighbors * * * may not aid be solicited next to provide funds for school maintenance and teachers' salaries?

The Sheboygan County Taxpayers Association and Sheboygan Falls Chamber of Commerce, Wisconsin, was represented by Mr. Andrew J. Houwers, vice president of the former and president of the Sheboygan Falls School Board. He left with the subcommittee a study made to refute a national study purporting to show Wisconsin deficient in its ability to finance school construction. Wisconsin amended its constitution to liberalize local school-debt limitations and "recognizes its responsibilities toward its children. I believe your function is to develop that recognition and willingness in the States that may be lagging. Handing out Federal aid will not do it," he said.

The Ohio State Chamber of Commerce research director, Mr. Arch D. Schultz, presented a 61-page booklet, Facts About Ohio Schools, by Dr. C. J. Botte, of the research department, and a legislative report, Financing Ohio's Public Schools. Both indicate that Ohio can and will solve its own school problems.

The West Virginia Chamber of Commerce managing director, Mr. H. A. Stansbury, said:

The estimates of need are grossly exaggerated * * * 42 percent of the total present enrollment are housed in schoolrooms less than a dozen years old * * * the program continues during the current school year with $3,800,000 of county bond funds in hand on July 1, 1956, with $2,066,000 of such bonds having been approved and issued subsequently, and with more than $6 million of current or special revenues budgeted for buildings all of which adds up to another $12 million being expended by the 55 county school boards for school construction during the 1956–57 school year. The people of West Virginia are fully facing up to the responsibilities * * * of building their own schools without Federal help.

The Empire—New York—State Chamber of Commerce witness was Mr. Phillip C. Wolz, chairman of their education committee. Mr. Wolz has been a commissioner of education in Rochester, N. Y., for 14 years and past president of the New York School Boards Association, Inc., so he speaks with experience and research knowledge of his subject. He points out that:

One of the bills you have under consideration proposes to make available $15.7 million of Federal funds that we do not need for school buildings that we are going to build anyway. To get the $15.7 million you propose to impose a tax of $48.1 million upon our citizens as our share of the $325 million program. * * * In order to qualify for the aid we do not need we are required to appropriate an additional $32.4 million in matching funds. * * * Last calendar year the residents of our State spent $282,569,800 which was used to build 4,660 classrooms in 366 projects. * * * The whole proposal is a political hoax as far as providing additional education facilities for New York. Under the terms of this bill we would be able to provide 309 additional classrooms, which would cost us, under the tax burden we would be called upon to assume, $155,700 per classroom. * * * Without the benefit of Federal aid we are providing classrooms at an average cost of $51,000 * * * the aid formula * * * perpetuates the fiction that through such Federal aid the States with the highest per capita income contribute heavily to the needs of other States. * * * The fact is * * * that less than one-third of these funds actually will be channeled from some States to others, while more than two-thirds just makes a round trip to Washington and back * * * and they shrink on the trip, as the cost of administration is deducted.

A supplemental statement by the department of governmental affairs of the Empire State Chamber of Commerce, in answer to specific questions of mine, showed that all New York school districts are able to meet their own needs.

The New York State Federation of Women's Clubs' president, Mrs. William S. Shary, testified that 15 States do not levy a corporation income tax and 13 of these do not levy a personal income tax either—16 other States although they tax their own industry, will grant 5- to 15-year business tax exemptions to firms in New York and elsewhere which move to or expand within their borders. She said:

If tax money is collected in New York and spent for schools in other States, it would enable those States to build their schools partly at our expense and thus keep their own taxes low. * * * They use the lure of those low taxes to induce taxpaying, jobmaking business and industry to move from New York State. * * * Another danger * * * it could lead to Federal control * * * as in vocational education as set forth in House Document No. 529 of the 75th Congress * * * (this) "federally supported program has to a considerable degree become a federally dictated program * * *" until it is demonstrated that other States have exerted similar effort, there is no justification for a Federal aid bill which would take millions of dollars away from the people of New York and give to other States.

The Defenders of the American Constitution, represented by Lt. Gen. Pedro DelValle, and the Constitution Party of Virginia, represented by Mr. B. M. Miller, were opposed. They feared control and felt the States were willing and able to do their own school-construction jobs.

Mrs. Edith Stafford, president of the Los Angeles School Board of Education, and Mrs. Ruth C. Cole, member of the Board of Education of Los Angeles, Calif., reported:

We have a very great building program * * * we may be taxing ourselves more than other States are doing. Is it fair to be called upon to support programs in other States?

Mr. Carruthers A. Coleman, member of the Fayette County (Ky.) Board of Education:

The Fayette County Board of Education has gone on record as opposed to any further extension of Federal aid in the common school education system of our country * * * we have a * * * problem * * * we intend to settle it in our own State in our own way. * * * We feel the State of Kentucky has the means within its boundaries to furnish the kind of education its people want * * * and the kind of education which has produced some of our country's greatest people * * * some of whom never had any schoolroom at all * * * it is not our intention to shirk * * * responsibility * * * nor is it our intention to abdicate these powers by seeking Federal aid.

Mrs. Earl Maughmer, Jr., secretary, board of education, Houston, Tex., testified:

The Texas official delegation to the White House Conference on Education went on record unanimously in opposition to Federal aid to education. * * * We in Houston have * * * been passing enough bond issues * * * for school construction.

Mr. George P. Whitman, Jr., chairman, State School Building Authority of Georgia, and Mr. John Sims, director, State school building authority, State of Georgia, said:

We have either under construction or completed at the present time 14,461 schoolrooms and our present needs are 5,340 which we estimate will cost the State of Georgia approximately $88 million beyond the $200 million program we already have financed. Now, we plan to finance that program ourselves. I speak for the State board of education and the State administration. We do not believe in Federal aid to education in Georgia * * * we believe that when we come up with our hands out to Washington * * * that who controls the pocketbook controls the operation in the end.

Mr. Louis H. Schimmel, president, board of education, Pontiac, Mich., after explaining a unique plan for financing schools by the State of Michigan, said:

I feel that every State should make the effort to demonstrate that it is doing all it can to solve its own problem, such as Michigan has done; and if they do that, they may discover, as Michigan has, that they can do the job without any outside assistance.

The only evidence we have on the hearing record from any local school boards or districts is that they do not want or need Federal aid to school construction.

It is significant that when a resolution in favor of Federal aid to school construction was presented to the National School Boards Association meeting in Atlantic City, N. J., in February 1957 it was tabled by a 4-to-1 vote. This association is made up for the most part of nonprofessionals. They are the local officials whom the people elect or appoint to manage and finance the school districts in which they found the money for classroom construction.

In addition to the witnesses who appeared in opposition, the following national organizations and individuals entered statements on the hearing record of our committee in opposition to more Federal aid to school construction:

The National Association of Manufacturers' statement said, in part:

The heart of the matter is whether the financing, direction, and control of the public-school system shall remain in State and local hands, close to the people and responsive to their wishes and needs, or shall eventually be transferred to a central government authority.

The inadequate case for Federal aid they cited as follows:

The increase of school-age population is commonly cited to justify general Federal aid. The inference is that the school-age population has far outrun the growth in economic capacity. If it were true that the population as a whole were increasing faster than the Nation's economic capacity to grow, the result would be a declining standard of living. But this is not true. Nor is it true that the recent increase of school-age population has outrun our economic growth. The following figures show the relative increase of personal income and of children aged 5 to 17 years from 1950 to 1955. For this comparison, the States are ranked according to per capita personal income:

	Personal income[1]		School-age population, 5 to 17[2]	
	Increase 1950–55	Percent increase	Increase 1950–55	Percent increase
Highest quartile	$44,296,000	38.0	3,527,000	30.0
2d quartile	15,542,000	32.0	1,394,000	21.6
3d quartile	9,272,000	30.6	957,000	19.0
Lowest quartile	9,517,000	33.8	809,000	11.2

[1] Department of Commerce, Survey of Current Business, August 1956.
[2] Bureau of Census, Current Population Reports, Series P–25 ,No. 151, Feb. 11, 1957.

Whether we take the 12 States with highest per capita incomes or the 12 States with the lowest per capita incomes, the figures show that income has increased faster than children. The 12 lowest income States have had the smallest increase of school-age population, both absolutely and relatively, and they have had next to the highest rate of increase in personal incomes. This group of States is coming ahead fast. The relatively small increase of school-age population is to be accounted for in part by the heavy migration out of these States in the preceding census decade. In the period 1940–50, the 12 States with highest per capita income in 1940 gained 4,595,000, and the 12 States with lowest per capita income in 1940 lost 3,032,000.[1] The relative shift continued to 1955. In the period 1950–55, the highest income States gained 7,308,000 and the lowest income States gained only 841,000. In the whole discussion of need and capacity there has been a confusion of two quite different things. * * *

The entire statistical case for Federal aid has been built on Circular 490 (of the United States Office of Education). The estimate of 80,000 classrooms needed to provide for excess enrollment and 79,000 rooms needed to replace unsatisfactory facilities, which has been set out in the statements of Secretary Marion Folsom to Congressional committees and the press, is based on the data in this circular. In view of the irregularities and internal inconsistencies of the figures in this basic document, it is impossible to accept them for the purpose of proving statistical magnitudes.

The National Society Daughters of the American Revolution; the American Coalition of Patriotic Societies—100; and the Thirty-first Women's Patriotic Conference on National Defense, Inc.—18, inserted their resolutions in opposition to Federal aid to school construction in the hearing record with accompanying letters.

Listed by States, the following statements in opposition to Federal aid to school construction were entered in the record:

Alabama State Chamber of Commerce, quoting State Superintendent of Education: "We do not know how many school classrooms are in use in Alabama."

Arizona Farm Bureau Federation.

Dr. George S. Benson, president, Harding College, Searcy, Ark.

California School Boards Association.

California Taxpayers Association.

Facts in Education, Inc., Pasadena, Calif.

Educational News Service, Fullerton, Calif.

C. T. Richardson, teacher, San Mateo, Calif.

California State Chamber of Commerce.

California Farm Bureau Federation.

Colorado Public Expenditures Council.

Colorado Farm Bureau, Denver.

El Paso County Republican Women's Club, Colorado Springs, Colo.

Connecticut Chamber of Commerce.

Karl E. Brandt, Wilmington, Del.

Georgia State Chamber of Commerce.

Associated Taxpayers of Idaho, Mr. Max Yost, executive manager: "the above information clearly shows Idaho does not need Federal aid for construction of * * * school facilities."

Taxpayers Federation of Illinois.

Illinois PTA Study Group.

We, the People, Mr. Harry T. Everingham, vice president, Chicago.

Association of American Physicians and Surgeons, Inc., Chicago, Ill.

Indiana Legislature, memorial of, against.

Dr. D. L. Sharp, Anderson, Ind.

Henry Weis Mfg. Co., Inc., Elkhart, Ind., Mr. Paul W. Kerr, president representing.

Indiana State and Indianapolis Chambers of Commerce.

Iowa Taxpayers Association, Mr. Lyle R. Mercer, president: "Iowa has the borrowing capacity to finance the construction of these 550 classrooms, and many more."

Sioux City Journal Tribune editorial February 13, 1957: But Either Way the Richer States Lose. Same February 14, 1957, Woodbury Co., Taxpayers Conference Against.

Kansas State Chamber of Commerce.

Associated Industries of Kentucky, Inc., Mr. Rayburn Watkins, managing director: "Here are the facts that demonstrate * * * Kentucky not only can, but * * * already has faced up to its * * * problems."

Mrs. Paul L. Young, Kentucky teacher.

Free Men Speak, Mr. Kent Courtney, editor, New Orleans, La.

Madison Parish Farm Bureau, Tallulah, La.

Public Affairs Research Council of Louisiana, Inc.

Louisiana Farm Bureau Federation.

Baton Rouge Chamber of Commerce, La.

Baltimore, Md., Association of Commerce.

Massachusetts Federation of Taxpayers Associations.

Greater Lansing Chamber of Commerce, Michigan.

Citizens Research Council of Michigan.

Detroit Board of Commerce, Michigan.

Missouri State Chamber of Commerce: "State is creating a temporary school building construction fund to demonstrate that Missouri is able, ready, and willing to take care of its own school construction shortages without any control, interference, or assistance from Washington."

Missouri Public Expenditures Survey.

Mississippi: Telegrams from Lt. Gov. Carroll Gartin; Mr. Louis Alfard, chairman, State educational finance committee; Mr. Wm. B. Neal, director of finance, State educational finance commission, Jackson, Miss.: "All districts can meet needs with State aid. * * * Federal aid not needed."

Mississippi Daughters of the American Revolution.

Mississippi Economic Council.

Clarion (Miss.) Ledger and Daily News editorial, March 17, 1957, the Folly of Federal Aid.

Montana Taxpayers Association, Mr. S. Keith Anderson, executive secretary, lists unused bonding capacity and comments: "Needs have not been great enough to put before the people for their vote."

Bozeman Chamber of Commerce, Montana.

Chamber of Commerce, North Platte, Nebr.

Hastings (Nebr.) Chamber of Commerce.

Nebraska Citizens Council, Inc.

Nevada, Ely White Pine Chamber of Commerce.

New Jersey Taxpayers Association, Inc.

Kingston Area Chamber of Commerce, Kingston, N. Y.

Glens Falls Chamber of Commerce, New York.

Citizens Public Expenditure Survey, Inc., New York.

North Carolina, Chatham Motors, Inc., Siler City.

McDaniels Lewis of McDaniels Lewis & Co., supporting Investment Bankers Association testimony, Greensboro, N. C.

Mooresville Chamber of Commerce, Inc., Mooresville, N. C.

Editorials, the Plain Dealer, January 29, 1957, Too Costly; February 7, 1957, They'd Have To Take It (Ohio).

National Federation of Independent Farm Organization, Lucas, Ohio.

Editorials, Columbus (Ohio) Dispatch, January 31, 1957, Congress Well Advised To Kill School Bill; Columbus (Ohio) Citizen, January 29, 1957, More Schools at More Cost.

Oklahoma City Times, March 5, 1957, editorial, The Federal Aiders' Sorry Case.

Pennsylvania State Chamber of Commerce.

Pennsylvania Farmers Association, Mr. G. A. Biggs, president, Lemoyne, Pa.

Editorials in Catholic Standard and Times, by Archbishop John F. O'Hara, Philadelphia.

Mr. Graham Miller, Meriod, Pa.

Indiana (Pa.) Chamber of Commerce.

Associated Industries of Rhode Island, Inc.

South Carolina's Governor, George Bell Timmerman, Jr., made a strong statement against Federal aid.

Sumter (S. C.) Chamber of Commerce.

South Carolina Chamber of Commerce.

Governor Price Daniel, of Texas, a telegram and memorial of legislature against.

Angelina County Chamber of Commerce, Lufkin, Tex.

Catholic State League of Texas.

Texas Manufacturers Association.

Anderson County Chamber of Commerce, Palestine, Tex.

East Texas Chamber of Commerce.

West Texas Chamber of Commerce.

Utah Taxpayers Association, Mr. M. H. Harris, executive secretary: "Report of the Utah Conference on Education * * * and informed opinion is that Utah can and will take care of her own school building needs."

Salt Lake City Chamber of Commerce, Utah.

Virginia's Gov. Thomas B. Stanley opposed.

Virginia, Arlington School Board member, Mrs. Helen S. Lane.

Virginia teacher, Suzanne R. Dickson, Falls Church, Va.

West Virginia, Southern Coal Producers, Charleston, Mr. Walter R. Thurmond, secretary: "Disturbed by huge budget * * * (it is) outside province of Federal Government and need for school construction has been tremendously exaggerated. * * * Governor Underwood * * * said what West Virginia needed was not a tremendous building program so much as it needed improved teaching."

Wyoming, Gov. Milward L. Simpson, and a joint memorial of the State Legislature of Wyoming, against.

Casper (Wyo.) Chamber of Commerce.

In addition to these witnesses and statements of record before the Subcommittee on Education, there have come to me letters, editorials, reports, and telegrams from individuals and organizations in about 40 States in opposition to more Federal aid to school construction. I have received more than 200 letters urging reduction of the $71.8 billion budget, many of them growing out of this Federal aid controversy.

Governor Timmerman, of South Carolina, in flatly refusing Federal aid to schools is outraged by Washington which he says is possessed "with a blind prejudice against representative government, with which the moguls of centralization go left-winging along in a frenzied rush to outdo the other side of the Iron Curtain in nationalizing everything presently involving a free people's choice." Referring to the quickie questionnaire the United States Office of Education put out to prove that the generous, and most-kind Uncle Sam taxpayers' own money, should build our classrooms, he said:

The figure 1953 (classrooms needed reported on Circular 490 of the U. S. Office of

[1] Study Committee Report on Federal Responsibility in the Field of Education, p. 131.

Education) is not a statistic of a shortage that is not being met. * * * In no sense does it reflect a need for Federal aid * * * it is an estimate of a need which was being met. We in South Carolina are opposed to Federal aid for education.

His testimony describes what he calls the guess-estimate figures and how, if the questions answered by the States did not suit the United States Office of Education, it fired back the questionnaire maybe to someone who would give the United States Office the kind of answer it wanted. This is one case in point. It happened in other States. Some of these were North Carolina, South Carolina, Colorado, Michigan, West Virginia, and Oklahoma.

A copy of a letter from the superintendent of Pinal County schools, Superior, Wis., to the president of the American Association of School Administrators, March 20, 1957, confirms the suspicion that some pressure was put on school superintendents to report maximum need which would result in a panic starter:

I do know that our own State department of public instruction used its best persuasive powers to encourage local superintendents to paint as dark a picture of the school housing situation as possible here in Arizona. This was done with the avowed purpose of encouraging Federal aid for school building and at the same time establishing as high a claim as possible on any Federal funds that might be set aside for school building. * * * If the United States Chamber of Commerce has challenged the veracity of some of these statistics and of some school men by inference, perhaps you should be a bit careful calling their hand. It just could be that they could prove their position. * * * When it comes to inflating a minor fact into a mountain of fancy, our brothers in education do not have any trouble holding their own with a California real estate salesman or even Arizona dude wranglers.

GOVERNORS AND SOME LEGISLATURES HAVE SAID "NO"

Gov. James E. Folsom, of Alabama, a so-called poor State, is strictly opposed, saying:

Federal school aid would mean they'd try to control our schools.

Gov. William G. Stratton, of Illinois, publicly declared:

We do not need Federal aid for schools in Illinois.

Gov. Price Daniel, of Texas, in his message:

I shall continue to fight with all the vigor at my command against further encroachment by the Federal Government upon the rights of our State and our people.

In a telegram to me he said:

Texas is meeting the problem * * * without reliance or help from Washington.

The Texas Legislature has memorialized Congress in opposition to Federal aid to school construction.

Gov. Harold Handley, of Indiana, told the legislature that the shortage of classrooms is not as critical as the advocates of Federal aid to education have indicated:

We are providing these new classrooms twice as fast as the advocates of Federalized education say we should be building them.

The Indiana Legislature memorialized Congress against this legislation.

Gov. Milward L. Simpson, of Wyoming:

We do not need any more Federal aid to education, and memorialized their legislature against Federal aid.

Gov. Thomas B. Stanley, of Virginia, said in New York, February 2, 1957:

I am vigorously opposed to any Federal-aid program in this field under whatever guise it may be offered. The States and localities are capable of meeting their needs at much greater economy to the taxpayer without Federal aid or intervention in building and operating their public schools.

The late Congressman Lesinski, of Detroit, Mich., a former chairman of the Education and Labor Committee, said as chairman of the committee when it refused to vote out a bill:

It is impossible to draft a general Federal-aid bill which will not contain a great degree of Federal control over local school systems. * * * I am convinced, after the hard study we have put to the question, that no acceptable bill preventing Federal domination of local schools can be drawn. I reluctantly come to that conclusion, but I had to face the facts.

The weight of the evidence on the hearing record, by the citizens who must pay the bills, and the sentiment expressed in messages to me from all over this country, is against further Federal aid to school construction. It is not needed. It is not wanted.

Let us reduce the budget instead of raising it. Let the people back home, who want freedom, manage their own schools.

Those who have not testified may want to tell their Congressmen and Senators their position in this matter.

SENATE

MONDAY, MAY 6, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, to whom the darkness and the light are both alike: Thou seest what is in the darkness and the mysteries that lie beyond our dust. Surely man cometh up like a flower and is soon cut down; he never remaineth in one stay.

Again our hearts are solemnized as death once more has invaded this Chamber, where the will of free people is made known. That grim messenger has taken from our midst one in the zenith of his years. We call to remembrance this day the indefatigable energy, the hatred of atheistic tyranny, the uncowed courage, which were dedicated by the one whose seat is vacant, as he sounded forth a trumpet that must never know retreat, a trumpet of warning and alarm at the peril to our national heritage, from foes in our own household who plot to subvert our dearly bought liberties. We would dedicate ourselves anew with full purpose of heart, wherever we are called to stand in this decisive hour in the global struggle between the darkness and the light. Before we depart from this mortal stage, gird us to give our all as we strike our blow for the truth of God and the freedom of man. We ask it in the name of that One who is the truth and the way and the life. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the Journal of the proceedings of Thursday, May 2, 1957, was approved, and its reading was dispensed with.

DEATH OF SENATOR McCARTHY, OF WISCONSIN

Mr. MANSFIELD. Mr. President, I am advised that the senior Senator from Wisconsin [Mr. WILEY] has a resolution to submit, and that he will request unanimous consent for its immediate consideration.

Mr. WILEY. Mr. President, it is with deep regret that I make the formal announcement to the Senate of the death on Thursday, May 2, of our colleague the junior Senator from Wisconsin [Mr. MCCARTHY].

As is the custom of the Senate, sometime in the near future there will be set aside a day when all the Members of this body who will wish to speak in eulogy of our departed associate may have the opportunity to do so.

For the present, I should like simply to recall a few facts concerning his life and to make a few brief observations concerning one who was among the more prominent Members of this body.

JOSEPH R. MCCARTHY was born on November 14, 1909, on a farm in Grand Chute, Outagamie County, Wis.

In 1935 he graduated from the Law School of Marquette University.

In 1939 he became a circuit judge, the youngest in Wisconsin history.

In 1942–45, he served as intelligence officer with the Marine Corps in the Pacific. He was awarded the Distinguished Flying Cross and the Air Medal with four Silver Stars.

In January 1947, he began his service in the United States Senate, after his election victory the previous November.

He was reelected for the term beginning January 1952.

He departed this life last Thursday.

These are the bare facts of his life and career. But they do not begin to tell the story of all the events that he packed into his relatively brief span of existence. Literally millions of words have been printed in the press and spoken over the radio and television, and throughout the length and breadth of this land, since the news of his untimely death came.

Today we of the Senate joined reverently in a service in his honor. We united to pay our last respects to him whom fate has removed from the stage of life long before his time.

It is always a tragedy to see someone who is relatively so young leave this mor-

tal scene. It is a particular misfortune when someone so vigorous, with such vitality, suffers premature death, leaving behind him, as in this instance, a young wife and infant child.

It is still too early to know the place which history will, in the long run, accord to him. For the moment, suffice it to say that he made a tremendous impression on the consciousness of the American people.

Commencing in 1950, he brought to the fore, and dramatized, an issue—the serious problem of Communist subversion—in a way that had never been done before, and has not been done since. Through all the maelstrom that followed, he carried on in his anti-Communist efforts with the same vigor that attached to every aspect of his career, whether it was service as a judge, in the Marine Corps, or as a Member of the United States Senate.

There was and is a vast number of Americans who held him, as they hold him now, in deepest affection, with a fervent sense of loyalty and admiration. Today, they feel a deep sense of personal loss.

JOSEPH R. MCCARTHY was a man of distinct and powerful personality. He was a man who aroused quick and fierce friendships and, admittedly, opposition, as well.

Yet, there is no one to doubt that he deeply loved this country, and would have given his life for it. He sought to serve this Republic in civilian life, as he had served it in uniform, to the best of his ability and to the utmost of his dynamic energy.

So, I join now with all those who knew him in expressing to his widow and to the other members of his family heartfelt sympathy.

Mr. President, I send to the desk resolutions and request their immediate consideration.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 132) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. JOSEPH R. MCCARTHY, late a Senator from the State of Wisconsin.

Resolved, That a committee of 24 Senators be appointed by the President of the Senate to attend the funeral of the deceased at Appleton, Wis.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT, under the second resolving clause, appointed the following Senators to constitute the committee on the part of the Senate to attend the funeral of the deceased Senator; Mr. WILEY, Mr. JOHNSON of Texas, Mr. KNOWLAND, Mr. CHAVEZ, Mr. BRIDGES, Mr. EASTLAND, Mr. MCCLELLAN, Mr. CAPEHART, Mr. YOUNG, Mr. JENNER, Mr. MALONE, Mr. THYE, Mr. MUNDT, Mr. SCHOEPPEL, Mr. CARLSON, Mr. BUTLER, Mr. DIRKSEN, Mr. GOLDWATER, Mr. ERVIN, Mr. HRUSKA, Mr. CURTIS, Mr. MARTIN of Iowa, Mr. REVERCOMB, and Mr. THURMOND.

Mr. MANSFIELD. Mr. President, I should like to announce that at a future time, there will be set aside a period when all Members of the Senate will have an opportunity to eulogize our late colleague.

Mr. KNOWLAND. Mr. President, as the acting majority leader has announced, there will later be set aside a day, as may be agreeable to the family of the late Senator MCCARTHY, when the Members of this body will have an opportunity to eulogize him and to speak on his life and works.

Mr. President, the story of Senator JOSEPH RAYMOND MCCARTHY was a typically American one.

He was born in Grand Chute, Wis., November 14, 1909; attended the Underhill country school; worked on a farm, and later started his own chicken farm; at the age of 19, moved to Manawa, and enrolled in Little Wolf High School, while working in a grocery store and ushering at a theater in the evenings, completing a 4-year course in 1 year; in 1930, entered Marquette University, at Milwaukee, Wis., to study engineering, but later transferred to the law department, and graduated in 1935; was admitted to the bar the same year, and commenced practice in Waupaca; in 1936, moved to Shawano, Wis., and continued the practice of his chosen profession; was elected circuit judge of the Tenth Judicial Circuit of Wisconsin in 1939, and, while serving in this capacity, enlisted, in 1942, as a private in the United States Marine Corps.

I think that JOE MCCARTHY was as proud of his service in the Marines and of the Marine Corps as he was of anything in his life.

He was later commissioned lieutenant, serving 30 months on active duty with 19 months in the South Pacific area. He was an unsuccessful candidate for United States Senator in 1944 while in military service. He was reelected circuit judge of Wisconsin in 1945 while still in the Marine Corps. He was elected, as a Republican, to the United States Senate in 1946, and reelected in 1952.

He was a courageous American, who sought to alert what he felt was a large body of uninformed or apathetic people to the deadly danger confronting our country.

Some complain that in debate his tactics were rough. Senator MCCARTHY, if he were here, would not deny this. He would point out, however, that in dealing with international communism we are confronting a system that does not hesitate to liquidate millions of non-Communists by starvation, firing squads, or a bullet in the back of the head in the cellars of the NKVD.

He was shocked when he discovered that those who had the power and bore the responsibility in several instances ignored the facts of espionage and Communist infiltration when they had documentation from the highest and most responsible investigative agency in the executive branch.

Quieter and less spectacular figures had presented facts only to have them treated as "Red herrings." They had warned of dangers abroad only to be told to "wait for the dust to settle."

JOE MCCARTHY has gone. He died at 48, in the prime of life. The danger to our Nation and the free world remains. I believe he will be satisfied if we as a people do not again fall into a state of complacency or let our guards down when dealing with the most godless tyranny the world has ever known.

He, as all of us must in time do, now confronts One whose judgment is far better than that of those who over the recent years either praised or were critical of him.

Our deepest sympathy goes to his widow, Jean, to his family, and to the people of Wisconsin.

Mr. President, I now ask unanimous consent that there may be printed in the body of the RECORD the sermon delivered this morning at St. Matthew's Cathedral in eulogy of the late Senator MCCARTHY by the Right Reverend John K. Cartwright at the requiem mass for the repose of his soul.

There being no objection, the sermon was ordered to be printed in the RECORD, as follows:

SERMON DELIVERED BY THE RIGHT REVEREND JOHN K. CARTWRIGHT AT THE REQUIEM MASS FOR THE REPOSE OF THE SOUL OF THE HONORABLE JOSEPH R. MCCARTHY, MAY 6, 1957, ST. MATTHEW'S CATHEDRAL, WASHINGTON, D. C.

Many thoughts and emotions crowd on us today as we gather to render a last farewell to one who filled such a large part in the lives of all of us.

First there are the very human and unwelcome thoughts that come to us in the presence of death. We are in our own minds such an inseparable part of this life on earth that the termination of it for anyone else seems something wrong and terrible and repugnant, particularly when, as today, the mystery is made more dark and strange by the so-called untimeliness of death, and still more so by the contrast of death's marble sleep with the very exceptional endowment of vitality and strength that once belonged to the departed.

Next are the thoughts that come to those who were associated with the Senator in the bonds of friendship, whether that friendship rose from personal and individual contacts or whether it had its origin in labor and concern for the causes that so passionately interested him. Those bonds are now severed with the finality that death brings and that nothing disputes. Now these friends will no longer meet and work together with him. For them this day is weighted with very grievous thoughts.

Many more people who did not share the privilege of his personal friendship will feel stirrings both of gratitude and of regret at the passing of his public testimony to clear-minded citizenship.

There are millions who will never forget what he did for our country in this time of the testing of the nations.

Lastly, there are thoughts of sympathy with those who were closest to the departed, with the wife whose graciousness and affection were blended with such unusual understanding and helpfulness, with the little child who did not reach the age to know this father, but who will learn to be proud of the place that belongs to him in the annals of patriotism.

Senator MCCARTHY filled in the last few years a role which will be more and more honored as history unfolds its record. It was his privilege in a time of great confusion to have a clear vision on the great political

problem of our time. Of course, everybody has become aware of the fact that communism is the greatest enemy of our society at least in its form of imperialism and aggression. Not everybody saw from the beginning, and many still do not see, that the threat of communism is domestic as well as foreign, civil as well as military. But this man saw it clearly and knew that it is an evil with which there can be no compromise. It has been the tragedy of our day that so many have been willing to deal with communism, to trade with it, to hope for the best from it, to consider it as a non-Anglo-Saxon form of democracy, or even as a variant of Christianity. Those who have come to grips with actual communism in the countries of the Iron Curtain know that it is an unmixed evil. Those who have had to fight it in Korea know that there is no good ever to come of it. The late President of the Philippines, for example, was one who saw it to its depths and his last word on his last day was to warn his people that they should use no half measures in repelling it. In spite of all such warnings there has been a strange confusion and ill-founded optimism in American political life. In such a situation no greater service could have been rendered to our country than was rendered by this watchman of the citadel who insisted upon a clear understanding by our people of the nature of this enemy and of its power not only to attack but to undermine our institutions of freedom.

But his was not only a clear mind. To be clear in the time of confusion is also to have courage, the courage fearlessly to stand in the minority until the majority shall come to understand the essence of the matter. This took no ordinary bravery. There is no one more resentful of the hero than those who do not want to be saved because they do not know that they are threatened. There were many such. Their number is much lessened now. Millions of people now see the truth which was only perceived by hundreds before this man gave his testimony. To do this required a magnificent heart of courage such as has been needed at every time for those who saw ahead. He will take his place among those colleagues of the Hall of Fame each one of whom is great in memory because at one time or another he had the fortitude to stand alone.

Such was this man's earthly achievement and such his title to enduring fame. However, the burial service of the Catholic Church is not primarily intended either as a farewell or as a eulogy of the departed. It is rather a supplication to Almighty God for the repose of a soul and as an admonition to those who stay behind that the city of man on earth is not a lasting one. It is a reminder of mortality that is common to all of us, of sin that each commits and of judgment that each one faces, of God's merciful dispensation of forgiveness, and of the calling to immortal life of all followers of the risen Christ. These great truths are transcendent to all individual considerations. Therefore the requiem and absolution are of universal application. Throughout the ages the same prayers of supplication and of warning have been said and chanted over saint and sinner, over pastor and people, over pope and king and president. The great saint Pius X was raised only lately to the honors of canonization, but when he departed this world many years ago, the same prayers were said that God might forgive his sins and that all might take a lesson from his departure and judgment that their own departure and judgment would someday come. And so the church insists at all the burials of her faithful on these solemn truths. And so she insists today and asks us to remember with her this newly departed soul that he may have a merciful judgment as he has gone forth in the faith of Christ and that he may come to God's love and to his destined home in heaven.

So let us not forget these grave lessons today as we gather around the earthly remains of Senator McCARTHY. These remains rest here for awhile before God's altar that their presence may bespeak his faith in these truths. And we join in the rites and prayers so as to renew and reasseverate our confidence in the Christian outlook on the mystery of death. Just a few days ago this soul lived on earth. Earth's aims and ambitions, earth's struggles and successes and failures, earth's friendship and love and happiness all were very real to him. Now they have no longer any meaning to him except insofar as his work was good in God's sight and insofar as God's will transplants the friendships and loves he cherished into the great communion of saints in heaven. Only that part of life which God rewards and that other part which is capable of transmutation into eternal life, only those parts are now of concern to him who has been called by God to the fulfillment of his eternal destiny. And our purpose in being here at his obsequies should be, a little bit to grieve perhaps, a little bit to express our admiration and our gratitude, a little bit to shrink at death, all these in our human, natural way. But in our Christian, supernatural way we should be here to reassert our belief in immortality, to reach our hand of help to him in prayer, to take to ourselves the consolation of knowing that, whither he has gone, we also by God's grace shall come.

So we take leave in our human way of the Senator and public man, of the friend, of the beloved husband and father. But we also take leave in our Christian way of a brother Christian who has gone to God. To God we surrender, what God gave only in part to this world, a soul that was made for God and heaven. And we feel confident that in God's place under God's love there will be rest for the weary, reward for the faithful, and honor for the brave.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the proceedings held in the Senate Chamber this morning in the nature of a funeral service for the late Senator McCARTHY be printed in the RECORD of today.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

(The matters ordered to be printed in the RECORD appear at the conclusion of the proceedings of the regular session of today.)

Mr. MANSFIELD. Mr. President, as acting majority leader, I should like to join the distinguished minority leader in extending condolences and sympathy to Mrs. McCarthy and their adopted child, and to the family of the Senator who reside in Wisconsin. I have faith to believe that in spite of the difficulties which have beset him on earth, he will find peace when he goes to meet his Maker.

JOE McCARTHY has left us. Some of us were in disagreement with him on occasion, but all of us recognized him as a Senator from Wisconsin. It will not be too long when, in the course of events, all of us now in this Chamber will join our former colleague.

We are deeply sorry for his family. We know, of course, that in his way he did the best he possibly could to keep the affairs of this country on an even keel. We can only express the hope that at this time, as he goes to meet his Maker, his soul, and the souls of all the faithful departed, will rest in peace.

ORDER FOR ADJOURNMENT TO WEDNESDAY

Mr. MANSFIELD. Mr. President, I desire to announce that the business heretofore scheduled for today will be conducted on Wednesday. At this time I ask unanimous consent that when the Senate adjourns today, it stand adjourned until noon on Wednesday next.

The VICE PRESIDENT. Without objection, it is so ordered.

JOINT MEETING OF THE TWO HOUSES ON MAY 9, TO HEAR ADDRESS BY THE PRESIDENT OF VIETNAM

Mr. MANSFIELD. Mr. President, I wish to inform the Senate that there will be a joint meeting of the two Houses on Thursday, May 9, 12:30 p. m., in the Hall of the House of Representatives, to hear an address by the President of Vietnam, the Honorable Ngo Dinh Diem.

ADJOURNMENT TO WEDNESDAY

Mr. WILEY. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate stand in adjournment until Wednesday next at 12 o'clock noon.

The motion was unanimously agreed to; and (at 12 o'clock and 14 minutes p. m.) the Senate adjourned until Wednesday, May 8, 1957, at 12 o'clock meridian.

FUNERAL SERVICES FOR SENATOR JOSEPH R. McCARTHY, OF WISCONSIN

The proceedings of the funeral services held for Senator McCARTHY, ordered to be printed in the RECORD, are as follows:

The Members of the Senate assembled in the Senate Chamber at 11 o'clock a. m., to attend the funeral services for Senator JOSEPH R. McCARTHY, of Wisconsin.

The casket containing the body of the deceased Senator had been carried to the well of the Senate Chamber and placed in the area in front of the Secretary's desk.

The Vice President of the United States, Richard M. Nixon; the Speaker of the House of Representatives, Sam Rayburn; Representative Joseph W. Martin, Jr.; Representative John W. McCormack; Representative Leslie C. Arends; and I. Jack Martin, representing the President of the United States, entered the Chamber and were escorted to the seats reserved for them.

Mrs. Joseph R. McCarthy and the members of the family of the deceased were escorted to the seats reserved for them.

The Postmaster General, Arthur E. Summerfield; the Secretary of Agriculture, Ezra Taft Benson; and the Commandant of the United States Marine Corps, Gen. Randolph McC. Pate, were escorted to the seats reserved for them.

The Chaplain of the Senate, Rev. Frederick Brown Harris, D. D.; Rt. Rev. Msgr. John Keating Cartwright, S. T. D.;

and Rev. William J. Awalt, S. T. L., of St. Matthew's Cathedral, Washington, D. C., took the places assigned them on the rostrum.

Dr. HARRIS. In this memorial hour we come to think of the life and service of one now fallen, who was ever a fighter—one who with intrepid spirit in this blessed land of room enough fought his early way from obscurity to the highest halls of governance; who left all to follow his country's flag across dim leagues of infested seas, when all that flag symbolizes was assailed by ruthless foes; one who returned to front on the national scene insidious enemies of the Republic, malignant powers of darkness, who seek to destroy the moral and spiritual foundations of this last, best hope of humanity under God, and who deny and desecrate the image of God in every individual.

This hour, as the mortal body of one who here served lies in this historic Chamber, we unite in gladly acknowledging that, unscathed by all differences of judgment regarding methods adopted for attaining worthy goals, in the heart of JOSEPH MCCARTHY there burned the bright flame of patriotism, pure and undefiled. In this hour, when beyond strident, controversial voices there is the peace of a calmer appraisal, we hail his indomitable purpose, his clearly defined objective, which was to expose cunning foes who, under cowardly cover, plot the betrayal of our freedom.

Now that his sun has gone down while it was yet day, those who praised and those who blamed agree that his ruling passion was to utterly destroy the subversion, in high places and low, which threatens the survival of our free life. Now that his lips are silent, in these days of destiny, when the precious things we hold nearest our hearts are beset by subtle dangers such as have never before been faced, may the ancient admonition of God's Holy Word be heard and heeded with a new alertness by those who guard the Nation's ramparts: "If the watchmen upon the walls see the enemy advancing and give not the warning, then the blood of the people shall be required of the watchmen's hands." And so this fallen warrior, though dead, speaketh, calling a nation of freemen to be delivered from the complacency of a false security, and from regarding those who loudly sound the trumpets of vigilance and alarm as mere disturbers of the peace.

Upon our swiftly passing days, may there rest the benediction of a faith that greatly dares, as, with a vow recorded in high heaven, we pledge anew that we will never falter, never desist, never compromise, never sheathe our righteous sword, until this torn and tortured earth is made safe for decency, truth, honor, and the pledged word. Then, as ebbs out our little day—

"Suffice it, if, our good or ill unreckoned
And both forgiven through God's abounding grace,
We find ourselves by hands familiar beckoned
Unto our fitting place"—

through death's portal, into some larger room in the Father's many-mansioned house.

The service for which we are gathered will be conducted by representatives of the religious faith to which Senator MCCARTHY gave his loyalty and his devotion. For that purpose, I present an honored priest of that church, who will conduct the service, the Reverend Father William J. Awalt, of St. Matthew's Cathedral.

Father AWALT. In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Go forth upon thy journey, Christian soul; go forth from this world, go in the name of God, the Omnipotent Father who created thee.

Go in the name of Jesus Christ, our Lord, Son of the Living God, who bled for thee. Go in the name of the Holy Spirit, who has been poured out on thee. Go in the name of angels and archangels, in the name of thrones and dominations, in the name of princedoms and powers; of cherubim and seraphim; go forth.

Go on thy course, and may thy place today be found in peace, and may thy dwelling be the holy mount of Zion, in the name of Christ, our Lord.

Be merciful, be gracious; spare him, Lord; be merciful, be gracious, Lord; deliver him from the sins that are past. From Thy frown and Thine ire, from the perils of dying, from the nethermost fire, from all that is evil, from the power of the Devil, thy servant deliver, for once and forever.

We commend to Thee, O Lord, the soul of this, Thy servant, Joseph; and beseech Thee, O Jesus Christ, Redeemer of the world, that as in Thy love for him Thou becamest Man, so now Thou wouldst vouchsafe to admit him into the number of Thy blessed. Remember, O Lord, that he is Thy creature, not made by strange gods, but by Thee, the only true and living God; for there is no other true God but Thee, and none can work Thy wonders.

Let his soul find consolation in Thy sight, and remember not his sins; for although he has sinned, as have we all, yet he still retained a true faith in Thee, Father, Son, and Holy Ghost; he has had a zeal for Thy honor, and faithfully adored Thee, his God, and the Creator of all things.

In Christ Jesus there has dawned for us the hope of a blessed resurrection, heartening, with a promise of immortality to come, those of us who are saddened by the certainty of dying. The life of those who are faithful to Thee, O Lord, is but changed, not ended; and when this earthly dwelling place decays, an everlasting mansion stands prepared for them in heaven.

A Psalm of David:

The Lord is my Shepherd: I want for nothing; He makes me to lie in green pastures, He leads me to waters where I may rest; He restores my soul. He guides me along the right paths for His Name's sake. Although I walk in a darksome valley, I shall fear no evil, for Thou art with me.

In the rites just concluded in St. Matthew's Cathedral, the church has given the late Senator MCCARTHY the greatest honor she can bestow in the ceremonies and prayers of Christian burial. Of his own accord, so many times in life he had sought there, in that same church the solace and the help that he needed. Because he loved his faith and his church, he was brought there by others to his accustomed and familiar place, to be paid the last tribute that his faith could bestow.

It is only fitting that the other place which figured so largely in his life should now figure in the honors bestowed upon him. It is only fitting that one who gave so much of himself to his country should be honored now, at least briefly, in the place of his labor, the United States Senate. To him, the Senate of the United States was his life. For it, he had worked tirelessly and, we now know, to the detriment of his health, in a manner that will long be unparalleled in its dedication to country and to people.

For Senator MCCARTHY, his faith was his inspiration to service. A little known side of his character, which he kept hidden, but strong, was his manly devotion to his God. In his fight for the principles for which he stood, in the bravery and courage he displayed, well may he have reflected on the words of St. Paul:

"If God is for us, who is against us? He who has not spared even His own Son but has delivered Him for us all, How can He fail to grant us also all things with Him? Who shall separate us from the love of Christ? Shall tribulation, or distress, or persecution, or hunger, or nakedness, or danger, or the sword? But in all these things we overcome because of Him who has loved us. For I am sure that neither death, nor life, nor angels, nor principalities, nor things present, nor things to come, nor powers, nor height, nor depth, nor any other creature will be able to separate us from the love of God, which is in Christ Jesus our Lord!"

What was for him inspiration to service is for you, his wife and his family, consolation in this time of your sorrow. For this same Christ has said, "I am the resurrection and the life. He who believeth in Me, although he be dead, shall live; and everyone who liveth and believeth in Me shall not die forever." Religious men had hoped for immortality; Philosophers had reasoned to an afterlife; but no one had given undeniable proof until Christ came. "I am the resurrection and the life," He said; and from the grave He came back to give us eternal life.

Many of us at least subconsciously adopt a curiously truncated theology. We stop short at the crucifixion, leaving the resurrection as a sort of appendix a happy ending to round off the story, after the real climax is complete. But to leave out the resurrection means that we have not really understood the nature of redemption, nor indeed the nature of God. God is a God of the living, not of the dead. He does not delight in death, destruction, and desolation. If He destroys, it is only to rebuild; if He lays

waste, it is only to plant anew; if He dies, it is only to rise again.

We are followers of Christ. We follow Him not only with the cross, not only in suffering and death. These are but the means to our end. If we die with Christ, it is to live eternally with Him. We do not believe in survival only, but in life, for Christ has promised us life, life in its fullness, in all its aspects. We are born into a family; we are born again into a family which is the Church. While there is sorrow in the passing of one we love, it is but for a short time. Time passes quickly for us. We do not sorrow as do those who have no hope. The joy, the peace, the happiness that we rightly expect of Christ are not to be had in isolation one from another, for God is a Father of a family, and Christ is the Brother of the Children of God. If, for the Christian, life is not taken away, then the love that we experience in a family now is as nothing compared with that of Heaven. It will be all the greater, because it is not only the love of an individual for God, and of God for the individual, but love shared by all those who are one in Christ. To you, his family, I say: In this is your consolation and faith, which I pray will be turned into reality.

"For the rest, brethren, whatever things are true, whatever honorable, whatever just, whatever holy, whatever lovable, whatever of good repute, if there be any virtue, if anything worthy of praise, think upon these things. And what you have learned and received and heard and seen, these things practice. And the God of Peace will be with you.

"Have no anxiety, but in every prayer and supplication with thanksgiving let your petitions be made known to God. And may the peace of God, which surpasses all understanding, guard your hearts and your minds in Christ Jesus."

Enter not into judgment with Thy servant, O Lord; for in Thy sight shall no man be justified, unless through Thee he find pardon for all his sins. Let not, therefore, we beseech Thee, the hand of Thy justice be heavy upon him whom the earnest prayer of Christian faith commendeth unto Thee, but by the help of Thy grace may he escape the judgment of vengeance; who, whilst he was living, was marked with the sign of the Holy Trinity: Who livest and reignest, world without end. Amen.

O God, to whom it belongest always to show mercy and to spare, we humbly beseech Thee for the soul of Thy servant, JOSEPH MCCARTHY, whom Thou hast called out of this world, that Thou deliver him not into the hands of the enemy, nor forget him forever; but command that he be received by Thy holy angels and taken to paradise, his true country, and that as he hath believed and hoped in Thee, he may not suffer the pains of hell, but have joy everlasting through Christ, our Lord. Amen.

Let us pray.

Grant, O Lord, this mercy to Thy servant departed, that he who in his desires did Thy will, may not receive the punishment of his misdeeds; and that, as true faith hath joined him to the company of the faithful here below, Thy mercy may make him the companion of the holy angels in heaven, Through Christ, our Lord. Amen.

O God, the Creator and Redeemer of all the faithful, hear our supplications; and through Thy infinite love and mercy graciously grant to the soul of Thy servant, departed, the remission of all his sins, by which he may have deserved the severity of Thy divine justice and punishment in the world to come. Vouchsafe to him grace and mercy before Thy divine tribunal, and let him attain to everlasting rest and happiness, through the infinite merits of Jesus Christ. Amen.

O God, great and omnipotent, judge of the living and the dead, before whom we are all to appear after this short life to render an account of our works, let our hearts, we pray Thee, be deeply moved at this sight of death; and while we consign the body of the deceased to the earth, let us be mindful of our own frailty and mortality, that walking always in Thy fear and in the ways of Thy commandments, we may after our departure from this world experience a merciful judgment and rejoice in everlasting happiness, through the same Christ, our Lord. Amen.

Grant, O Lord, we beseech Thee, that whilst we lament the departure of our brother, Thy servant, out of this life, we may bear in mind that we are most certainly to follow him. Give us grace to make ready for that last hour by a devout and holy life, and protect us against a sudden and unprovided death. Teach us how to watch and pray, that when Thy summons comes, we may go forth to meet the Christ and enter with Him into life everlasting. Through the same Christ, our Lord. Amen.

Almighty and most merciful Father, who knowest the weakness of our nature, bow down Thine ear in pity unto Thy servants upon whom Thou hast laid the heavy burden of sorrow. Take away out of their hearts the spirit of rebellion, and teach them to see Thy good and gracious purpose working in all the trials which Thou dost send upon them. Grant that they may not languish in fruitless and unavailing grief, nor sorrow as those who have no hope; but through their tears look meekly up to Thee, the God of all consolation. Through Jesus Christ our Lord. Amen.

May the angels lead thee into paradise; may the martyrs receive thee at thy coming, and take thee to Jerusalem, the Holy City. May the choirs of the angels receive thee; and mayest thou, with the once poor Lazarus, have rest everlasting.

Eternal rest grant unto him, O Lord,
And let perpetual light shine upon him.
May he rest in peace. Amen.

May his soul, and the souls of all the faithful departed, through the mercy of God, rest in peace. Amen.

In the name of the Father, and of the Son, and of the Holy Ghost. Amen.

Thereupon, at 11 o'clock and 22 minutes a. m., the casket was borne from the Senate Chamber, and the service was concluded.

HOUSE OF REPRESENTATIVES

MONDAY, MAY 6, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou eternal and ever-blessed God, under the canopy of Thy gracious providence, we again assemble in this Chamber, lifting our souls in adoration and thanksgiving, in confession and penitence, in supplication and intercession.

Humbly we acknowledge that daily we must yield our spirits to Thy spirit if our life is to have worth and meaning, wisdom and strength.

Grant that we may begin this day and all our days with the prayer, "Lord what wilt Thou have me be and do?"

Inspire us to do Thy will more perfectly, for in the doing of Thy will is our peace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Thursday, May 2, 1957, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed a resolution, as follows:

Senate Resolution 132

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of HON. JOSEPH R. MCCARTHY, late a Senator from the State of Wisconsin.

Resolved, That a committee of 24 Senators be appointed by the President of the Senate to attend the funeral of the deceased at Appleton, Wis.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That, as a further mark of respect to the memory of the deceased, the Senate do now adjourn until Wednesday next.

The message also announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 57–10.

POLISH CONSTITUTION DAY

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, this day for the first time in many years the people of Poland are being allowed by their Government to celebrate their national day of liberation—the anniversary date of their democratic constitution in 1791.

The Polish people earned this right by their bloodless revolution of last October, by the Poznan uprising in June. They gained much when the brave Hungarian people rose in revolt against Moscow domination.

The people of Poland are not wholly free and masters of their own destiny. Premier Gomulka cannot cut loose from Moscow entirely without inviting the same kind of savage repression that the Hungarians suffered.

But much has been gained within the past year. The urge for freedom has been given new hope; the drive toward freedom has proved irresistible.

It was the workers who rose first against Kremlin domination, the workers who showed that they want no part of international communism, the workers who rejected Communist theory and practice.

This is a moment in history when a wise American foreign policy must be framed that takes account of Poland's needs and the realities of Poland's position.

We must not turn our backs on the Polish people now, or refuse them the aid they seek from us merely because they have not been able wholly to break the Kremlin's ties.

Poland's desire to be free was demonstrated when the Poznan workers demanded bread, freedom, and the withdrawal of the Soviet Army. Poland's economy has been ruined by Russian selfishness and misrule; her people are in need of food and other assistance.

At this moment the most practical way of demonstrating our sympathy with her people is to treat them generously and with wisdom. We honor them for their demonstration of courage; let us honor ourselves with wise policies toward them.

RELAXATION OF ACREAGE AND PRODUCTION RESTRICTIONS

Mr. COAD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. COAD. Mr. Speaker, in going over the recent letter and statement which the Secretary of Agriculture has filed with the Agriculture Committee of the other body, I note that the administration continues to take its stand for the total and complete destruction of the farm program. The statement was made that pulling down our surplus is a favorable development and with this I agree. But, in the very next paragraph the administration wants a relaxation of acreage and production restrictions. It is also stated that a program is needed which will permit farmers to produce without artificial restraint. And again, it is stated that, "Commercial farmers are geared to produce more than could be commercially disposed of at recent market prices." This then means only one thing—Mr. Benson wants the large, efficient commercial farmers to have complete freedom to produce at drastically lower prices.

This administration talks about family sized farms but goes right on plotting to give free rein to corporation farming interests.

We hear explained the often expressed notion that we should go back to free enterprise and that the farmer is the first who should get back on it. But, I say that now the farmer is the last vestige of our free enterprise system. Those who cry free enterprise the most want to start by junking the entire agriculture program.

Those who propose this so-called free enterprise for the farmer make happy-sounding references to efficiency farming. What is actually meant is corporation farming for it has been proven that corporation farming with all the technological devices and with the fewest possible persons is the most economical and efficient.

We have also heard much said about the fact that if there are these efficient farming operations, that food will be cheaper and the consumers have indicated that they believe this philosophy. The idea is propagated that the consumer will ultimately gain through this corporation farming through reduced food costs.

But here, Mr. Speaker, is the booby trap.

When corporations gain a stranglehold on the farm economy they will be able to do what the family farmer has been unable to do for himself. The corporation-type farms will set whatever price they want to on food. And, comparing corporation activities in other realms of business, it does not take any wild guess to know that food prices will not be cheaper.

Therefore, with Secretary of Agriculture Benson espousing that kind of philosophy to the ultimate detriment of the American people—both farmers and consumers—I again call upon President Eisenhower, as I did in a telegram to him on April 20—just a few days ago—to dispense with the services of Ezra Taft Benson and appoint the Honorable Clifford Hope, former United States Representative from Kansas, in his place. Mr. Hope, through long years on the House Agriculture Committee, has displayed the fact that he knows fully the farm problems and is forthright in his actions to solve it. Mr. Hope also has that unique ability to bridge the chasm of partisan differences to effect good programs which are beneficial to the farmers and the consumers. And, for the sake of all Americans, I urge that this action be taken at once, for it is obvious that Secretary of Agriculture Benson has failed more than the farm laws have failed.

ISRAELI INDEPENDENCE

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, the important occasion of Israel's ninth Independence Day, May 6, 1957, should recall to all Americans that 172 years ago our infant Republic was celebrating a similar birthday.

One important difference should be noted in the establishment of Israel as against our own origin. We declared our independence and fought a desperate fight to uphold our freedom. With Israel it was the United Nations by an overwhelming majority vote which set up this new nation dedicated to democracy and individual freedom. Yet the State of Israel in spite of this international approval of its establishment has had to fight desperately for its continued existence as a sovereign republic.

It behooves the membership of the United Nations, including the United States, to end the provocation from Israel's neighbors and to guarantee her borders against attack and invasion.

On this ninth anniversary all friends of the Republic of Israel express our responsibility and determination that the people of Israel shall live in peace, and enjoy the progress that their genius and labor is sure to bring them.

I join with my colleagues in the House of Representatives in extending best wishes to Mr. David Ben-Gurion and the Israeli Parliament on this great occasion.

THE LATE HONORABLE JOSEPH R. McCARTHY

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House briefly in tribute to the late Senator McCARTHY.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Senator McCARTHY was a great American. He fought for what he believed to be right. He was troubled and concerned for the welfare of his country. The courage and loyalty he brought to this generation of our wonderful country will stand as an example for all time.

His fighting heart, his frankness, his driving determination to protect our form of government and our way of life will be greatly missed in the operations of our National Government. His friends as well as all who knew him well were completely mindful of his respect and reverence for all loyal, honorable Americans, whether or not they walked the high road or the low road. And all of his friends knew of the lack of respect and the contempt and disgust he felt toward those who sheltered themselves as Americans but who were ready, willing, and actually did do all they could to

destroy the finest government ever conceived by man and the finest country in the world, his, yours, and my America.

From the falling of Captain Parker on Lexington Common to the falling of the last American on Korean soil, many fine loyal Americans, oh so many of them, gave their lives that our priceless free way of life might continue. Senator McCARTHY was determined this priceless heritage should not be destroyed from within our country by disloyal individuals pretending to be loyal. He was determined to prevent Communists in America from destroying the America so costly forged in victory won in the fury of battle.

The vigor of his fight, the force of his determination, the courage of his spirit shook and rocked the forces of communism in America to its foundation and pounded it and pounded it into the very soil it was betraying. His fearlessness shattered communism in this country and forced the Communists from their organizations into disintegration and into hiding behind the fifth amendment.

As an American I am grateful for all Senator McCARTHY accomplished. I believe his greatest contribution was the alerting of the American people throughout our country to the dangers of communism within our own boundaries. Because of his mighty fight, communism will never again threaten our free way of life from within our own hallowed territory. Because of Senator McCARTHY, it is no longer smart or safe to be a Communist in America.

In the making of his forceful fight against communism, he was constantly and faithfully and intelligently assisted by his lovely and charming wife. Her advice to him, I am sure, was always very helpful and very constructive. My deepest sympathy goes out to Mrs. McCarthy and to the family of the Senator.

Senator McCARTHY had many friends and I am proud to say I was one of them.

His outstanding fight against communism could have saved our great country. Many disagreed with some of his methods, but no loyal American could disagree with his fervent and courageous battle to destroy communism within our national borders. All must admire and respect his loyalty to his country and to all Americans who believed in their country. He tried to do what he thought was right. He fought for those principles he thought were basic. He believed that no sacrifice was too great for the preservation of our American way of life.

Because of these profound principles and the courage of a lion, I am proud to say that in my view Senator McCARTHY was a great American.

Mr. Speaker, I have just come from the Senate Chamber where I listened to the fine tributes paid to the late Senator McCARTHY. One was made by Father Awalt of Senator McCARTHY's own Catholic faith. The other was made by Dr. Harris, the Protestant Chaplain of the Senate. Both knew Senator McCARTHY so well. I hope everyone will read them. The Right Reverend Monsignor Cartwright, who earlier delivered the stirring eulogy at St. Matthew's Cathedral, was there also.

Mr. Speaker, I was one of those who was privileged to visit all that remained of Senator McCARTHY on Saturday afternoon last and I was tremendously impressed with those who visited at the same time and the long lines of those who were paying their last tribute and respect to the man who fought for God and who fought to save this country from subversive influences.

So far as I am personally concerned, I have suffered a great loss. I never went to Senator McCARTHY for help that I did not receive it. Thousands of people have told me the same thing. We cannot replace him.

THE GIRARD COLLEGE CASE

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, the recent Supreme Court order in the Girard College case is in line with the trend of the present Supreme Court Justices to upset century-old customs and legal precedents. In this case the Supreme Court ruled that a trust set up in 1831 in Philadelphia under the will of Stephen Girard, setting aside a large sum of money in trust "for the erection, maintenance, and operation of a college for as many poor white male orphans as the said income will be adequate to maintain" violates the 14th amendment to the Constitution. The rationale of the opinion is that the present trustees are officials of the city of Philadelphia and the State of Pennsylvania; therefore, the action of the trustees in refusing college admittance to two colored boys was, in the opinion of the Court, "an act of discrimination by the State of Pennsylvania."

Mr. Speaker, the real question that the Court should have settled is, "If a trustee happens to be an official of a city or a State, when he acts as trustee is he acting as the legal agent of the maker of the trust or is he acting as the agent of the State?"

When one considers that no public funds were involved in the Girard College case; that the entire $100 million now in the fund are private funds—the result of the provisions of the Stephen Girard will—the answer to that question should be obvious, even to our present Supreme Court Justices.

According to this recent order of the Court, any trust set up under a will that meets all legal and constitutional requirements when made can be overturned, invalidated, declared null and void, with the changing whims and temperaments of the Justices.

Nothing is sacred nor permanent under our present uncontrolled Supreme Court. Century-old customs and previous Court rulings may now be overturned, destroyed, invalidated by a capricious Supreme Court, a majority of whose Justices have sociological predilections that influence or dominate their opinions.

Mr. Speaker, it is my considered opinion that in this case the Supreme Court itself has acted unconstitutionally.

[From the Richmond Times-Dispatch of May 5, 1957]

THE LAW IS STRETCHED AGAIN

When Stephen Girard died in 1831, leaving $6 million for the establishment of a college for poor, white male orphans in Philadelphia, he certainly never dreamed that the United States Supreme Court would set his will aside 126 years later. Yet that is what has happened. The Court has just ordered Girard College to admit two Negroes.

The Court did this unanimously, although the Pennsylvania State Supreme Court had been well-nigh unanimous (5–1) in holding that Stephen Girard had the right to leave his money for the education of whites only, if he wanted to. The Philadelphia Orphans' Court had been unanimous in taking the same view.

But it has now become obvious that the United States Supreme Court will seize upon just about any pretext to construe the Constitution, the statutes or a private will in favor of integration of the races.

The Pennsylvania Supreme Court, operating in a State which has an antidiscrimination statute for the protection of Negroes, and fully cognizant of the need for according our colored citizens their constitutional prerogatives, held that Girard had the sole right to name the beneficiaries under his will, since it is one of our most fundamental legal principles that an individual has a right to dispose of his own property by gift or will, as he sees fit.

But when the case reached the Nation's highest tribunal, this finding was overruled. The reason alleged was that the board operating the college is an agency of the State of Pennsylvania, and that refusal to admit Negroes consequently is State discrimination, and hence a violation of the 14th amendment.

The board of the college was held to be a State agency because the institution functions under the board of the City Trusts of Philadelphia. The Pennsylvania State Supreme Court took the view that this had nothing to do with the case but the Supreme Court of the United States held just the opposite.

The Supreme Court's reasoning in this case is ominous for the future, insofar as any religious, educational or business corporations functioning in Virginia and other States under State charters are concerned. It now appears that colleges and universities, church schools and churches, theaters and other organizations having charters from the State Corporation Commission may be ordered by the court to abandon segregation. Many educational institutions heretofore regarded as private and beyond the reach of such rulings are now in jeopardy, merely because they have charters from the State.

The Supreme Court's position should also be a warning to Virginians or other southerners who may still think the Nation's top tribunal would approve any legal device whereby the State would be superseded in the operation of the public schools by some other agency using State funds, but claiming that the schools were private.

The Court's far-fetched construction of the law in the Girard College case shows again to what lengths the Justices will go to rule in favor of any cause espoused by the NAACP.

NINTH ANNIVERSARY OF THE INDEPENDENCE OF ISRAEL

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my re-

marks at this point in the RECORD in commemoration of Israel's Independence Day.

The SPEAKER. Is there objection to the request of the gentleman from New York.

There was no objection.

Mr. KEATING. Mr. Speaker, the ninth anniversary of Israel's independence is an occasion for rejoicing and sober reflection among all men who treasure freedom and liberty. It is an especially important day to all of us in the United States who have followed closely and worked for the progress of this new nation.

These 9 years have been marked by progress perhaps unequaled in the history of the world.

These 9 years have been marked by an increasing awareness throughout the world that Israel is here to stay.

These 9 years culminate today with Israel standing stalwart and strong as a bastion of democracy in the Middle East.

We in the United States, looking back with pride to our beginnings, find a remarkable degree of kinship with the people of Israel. May we in this country never forget our own heritage, steeped in the ideals of freedom, and in recalling that proud tradition, may we never forget that Israel today needs our help and support, just as the struggling American colonies not so long ago needed all the help and support they could get.

Our bonds with Israel and our obligations to Israel are sacred and strong. On this, the occasion of Israel's Independence Day, let us unite in pledging anew our devotion and dedication to the courageous people and doughty leaders of this bulwark of freedom. By their shining example they have shown all the world that the spirit of liberty is not dead, and that men will still stand and fight against the greatest of odds to preserve their God-given rights.

POLISH INDEPENDENCE DAY

Mrs. CHURCH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Illinois.

There was no objection.

Mrs. CHURCH. Mr. Speaker, 4 years following the ratification of the Constitution of the United States, the freedom-loving people of Poland, on May 3, 1791, adopted one of the first European constitutions providing a democratic type of government.

We join with Polish people everywhere in commemorating this significant occasion, and express the hope that the principles and ideals set forth in that constitution will soon again be the law of that great land. Since that day, 166 years ago, the Polish nation has repeatedly struggled to maintain its freedom and we know that today it continues this fight with magnificent effort.

I would like, in paying tribute to the historical strength and courage of the Polish people and their passion for freedom, to hail also that vast segment of our own population, Polish in origin, loyal at all times to the highest concepts and standards of this great Republic. I would emphasize today the part that they have played in building this Nation, in strengthening our own freedom, and in joining with us valiantly at all times as we have fought to protect that freedom. May this be the day when, in celebrating Poland's National Day, all Americans, whatever their native origin, join with our Polish brethren in renewed dedication to the cause of individual freedom and human dignity, which is our purpose in being and must remain the motivation of our every action.

NINTH ANNIVERSARY OF ISRAEL

Mr. KEAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. KEAN. Mr. Speaker, I salute the valiant nation of Israel on her ninth anniversary. It is a pillar of democracy in the troubled Near East. Israel should prove an example to her now hostile neighbors of what Western civilization can accomplish in that backward area for the benefit of all the people. Let us hope that a realization of those benefits may result in a diminution of the hostility whipped up largely for political reasons.

Israel is there to stay. Certainly the leaders of the hostile nations know in their hearts that this is true. Certainly if these leaders would cease their agitation the peoples of the Near East would join in working together for the benefit of all who live in the area.

Israel should have access to the coastline through the Gulf of Aqaba. Israel should be assured of cessation of hostile raids from her neighbors so that her soil may be tilled in peace. Israel should be able to make use of the waters of the Jordan. Israel must be permitted to send her shipping through the Suez Canal on an equal basis with all other nations.

In spite of all past difficulties the strength of Israel has grown. The valor and ability of her citizens has been proven on the battlefield. May the coming years bring prosperity and peace to the end that the genius of her people may bring happiness to those who have chosen to make their homes in that land.

NINTH ANNIVERSARY OF ISRAEL

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, it gives me a great deal of pleasure to add my sincere greetings on the ninth anniversary of Israel's independence. In retrospect, the remarkable history of the State of Israel stands as a symbol of the courage and tenacity of its people. Perhaps never before had so many seemingly insurmountable obstacles been placed before a young nation struggling for its security. Israel was forced to live in a hotbed of alien and hostile neighbors and philosophies; to absorb an almost unprecedented influx of immigrants representing diverse levels of cultures and tongues; to face the problem of survival with meager and undeveloped resources and with citizens not always adequately trained for the economic tasks of the new state; and, finally, Israel was obliged to fight for its very existence against an extermination policy so tragically reminiscent of what their European brothers had but recently fled from only a few short years before.

I was in Israel 2 years ago, arriving there on October 6, 1955, and I was profoundly impressed by all that I saw. Here flowed two great parallel movements: The preservation of the past and the consecration to the future. A people dispersed and landless for 20 centuries had come home to reclaim their land and to redeem themselves, but at the same time, they were determined to preserve the best of their past. This was a remarkable combination of religious fervor and national devotion.

Just 1 week before I arrived in Israel, it was announced to the world that the Communists had finally and irrevocably moved into the Near East. I was disturbed and troubled by the irresolution and the indecision of the leaders of our own great country, who were unready and unable to meet the Soviet threat.

Much has happened since that time to justify my admiration for the courage of the Israeli people and my alarm over the weakness and passivity of our own policies. At that time I believed that our Government should act immediately and firmly against Nasser. Unfortunately another viewpoint prevailed. The Department of State sought to appease him with the offer of economic aid while it denied Israel the arms and treaties she needed for her defense. The Department of State's efforts to turn Nasser away from the Russians did not work. He repaid us with arrogance and seized the Suez Canal and defied the Western World.

We have seen the events which have transpired since that time and today the threat of a new crisis hangs over the Middle East as a result of Nasser's policy.

However, "phenomenal" is the word for Israel. Blessed with a persevering, undaunted, and inspiring leadership, Israel throughout these turbulent times has remained the bastion of democracy in the Middle East. Whatever inroads communism may make into the Middle East under tyrants and dictators, we may rest assured that Israel will remain our stanch friend and communism's dedicated enemy.

Israeli history has already taught us that Israel will survive the aims of Messrs. Khrushchev and Nasser. Only when their fanatic policy of destruction of Israel is abandoned can the fruitful and creative peace which we all desire in the Middle East come into full blooming. The support of our country for the frontier democracy of Israel is a must. Thus, it is with deep sincerity that today

I extend my greetings and best wishes to the State of Israel on her ninth birthday.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar Day. The Clerk will call the first bill on the Consent Calendar.

SETTLEMENT FOR CERTAIN INEQUITABLE LOSSES IN PAY

The Clerk called the bill (H. R. 293) to authorize settlement for certain inequitable losses in pay sustained by officers of the commissioned services under the emergency economy legislation, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM of Iowa. Mr. Speaker, in view of the fact that there has been some question about this bill on previous calls and the fact that I am advised by the author of the bill that a rule has been requested, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

LOANS TO HOMESTEADERS AND DESERT-LAND ENTRYMEN

The Clerk called the bill (H. R. 3753) to enable the Secretary of Agriculture to extend financial assistance to desert-land entrymen to the same extent as such assistance is available to homestead entrymen.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MARSHALL, Mr. CHRISTOPHER, and Mr. McCARTHY objected.

PENSION FOR VETERANS SUFFERING FROM TUBERCULOSIS

The Clerk called the bill (H. R. 1264) to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That paragraph I (e) of part III of Veterans' Regulation No. 1 (a) is amended by adding at the end thereof the following: "An individual will be deemed to be permanently and totally disabled for the purposes of this part during all periods of hospitalization for active pulmonary tuberculosis."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. SHUFORD] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. SHUFORD. The bill, H. R. 1264, is identical to H. R. 9922, which passed the House during the 2d session of the 84th Congress and which failed of enactment in the Senate.

Under existing law, a veteran who is hospitalized for a non-service-connected case of tuberculosis does not receive a pension until the expiration of 6 months of hospitalization, and then only from the 1st day of the 7th month. This is a situation which is peculiar to this disease and does not apply to other diseases or disabilities.

This bill seeks to correct this situation by providing that payment of pension in such cases shall begin the first day of hospitalization, in line with that applicable to other diseases.

The Veterans' Administration is unable to furnish an estimate of cost on this measure, but it is believed to be rather small.

LIMITING PAYMENTS TO CERTAIN BENEFICIARIES OF VETERANS

The Clerk called the bill (H. R. 72) to amend section 21 of the World War Veterans' Act, 1924, to provide for the disposition of certain benefits which are unpaid at the death of the intended beneficiary.

The SPEAKER. Is there objection to the present consideration of the bill?

Mrs. ROGERS of Massachusetts. Mr. Speaker, a rule has been granted on this bill. Certain provisions of the bill are extremely bad. I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

SUSPENDING APPLICATION OF CERTAIN LAWS WITH RESPECT TO PERSONNEL EMPLOYED BY COMMITTEE ON WAYS AND MEANS

The Clerk called the joint resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

Mr. SISK. Mr. Speaker, reserving the right to object, I do this in view of some circumstances that arose last year with reference to the employment of certain people on the staff by the Committee on Ways and Means. There were certain charges of a possible conflict of interest. At this time I should like to ask any member of the Committee on Ways and Means to comment with reference to the position of the committee in the event they find that such conflict of interest may exist.

Mr. FORAND. Mr. Speaker, would the gentleman yield?

Mr. SISK. I yield to the gentleman from Rhode Island.

Mr. FORAND. Mr. Speaker, first of all I want to commend the gentleman from California [Mr. SISK] for being on his toes as usual. He always does a good job in looking after the welfare of his constituents.

In the instant case, I can assure him that the Committee on Ways and Means and also the subcommittees are mindful of the factors involved in this particular resolution. Also I can give the gentleman assurance that the matter relating to this particular resolution, or to which this particular resolution relates, has been thoroughly investigated by the chairman of the Subcommittee on Foreign Trade Policy, the gentleman from Louisiana [Mr. BOGGS], and no improper action was found.

The facts are simply these, Mr. Speaker. Due to the nature of the work involved in the investigations made by the Committee on Ways and Means on taxes and tariffs, it is most difficult to get qualified men to come work for the committee for a matter of only a few months. We must take people from the field who have a vast knowledge of the particular subject we are investigating. Naturally, they have a rather lucrative practice and dislike very much to take the chance of the conflict of interest statute depriving them of their future livelihood just for the sake of working for the committee for possibly 2 or 3 months. For that reason it is necessary for us to seek the enactment of a resolution such as this in order to protect these people and at the same time provide our committee with the type of help we need. I trust the gentleman will accept that explanation.

Mr. SISK. Mr. Speaker, I appreciate very much the explanation made by the distinguished gentleman from Rhode Island [Mr. FORAND]. I realize the need for these specialists and, of course, with his statement that conflicts of interest such as may have developed possibly in the past will not develop in the future, I withdraw my reservation of objection.

Mr. PATMAN. Reserving the right to object, Mr. Speaker, I wish the gentleman from Rhode Island would explain to me from which statutes these employees will be exempt.

Mr. FORAND. It is in the report on the resolution.

Mr. PATMAN. I had not noticed this resolution but I am very much opposed to resolutions of this type providing for exemptions from the conflict-of-interest provisions of the statutes. I just have a feeling that the committee can find people who are not engaged in the same type of business who could do this work. It looks to me a little inconsistent for the Congress to permit people who can profit from the administration of tax laws to come into the committee and help write the tax laws. That is particularly true since the tax laws are passed with the Members not knowing exactly what they mean. They do not know what these commas and semicolons and certain phrases mean. We must take the word of the committee. If the committee is going to take the word of experts who are in the business and who can profit from the administration of the laws they

help write, it occurs to me it just does not seem to be in the public interest. If we cannot get people otherwise to do this work possibly we should consider a resolution such as this, but I cannot conceive of the committee's being unable to get that type of help. Will the gentleman read to me the statutes involved?

Mr. FORAND. It is title 18 of the United States Code, sections 281, 283, and 284.

Mr. PATMAN. Just read section 281.

Mr. FORAND. Section 281 reads as follows:

Whoever, being a Member of or Delegate to Congress, or a Resident Commissioner, either before or after he has qualified, or the head of a department, or other officer or employee of the United States or any department or agency thereof, directly or indirectly, receives or agrees to receive, any compensation for any services rendered or to be rendered, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter in which the United States is a party or directly or indirectly interested, before any department, agency, court martial, officer, or any civil, military, or naval commission, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States.

Mr. PATMAN. That points up the objection I have. Under that statute, you permit a person who has a conflict of interest, who is representing clients against the Government, to come in here and help write the tax laws. If they were not exempt, they could not only be fined and sent to jail for 2 years but would forever hereafter be ineligible to hold any office of profit or trust under the United States Government. In other words, we are asked to do a lot here. It just looks to me as if it is just too much to ask us. If we cannot possibly get people otherwise, of course, that is a different story.

Mr. FORAND. The truth of the matter is, if you are going to take people who know the law you have to get people who are practicing in the business.

Mr. PATMAN. Why can you not use these people as witnesses? Have them appear as witnesses and find out everything they know about it and then write the bill the way you feel it should be written, without having them in the secret sessions and the executive conferences and knowing exactly what is going on, knowing the value of every word and every phrase and every paragraph, when the Members of Congress themselves do not know the value of them? They have a great advantage. Then to exempt them from the conflict-of-interest statutes it just seems to me is asking too much. I have been opposing this type of legislation all the time, because I do not agree that it should be done.

Mr. FORAND. This thing is not anything new, as the gentleman well knows. This type of resolution has come in from time to time. I can assure the gentleman, as I have assured the gentleman from California, that before we put anybody on our staff, whether permanently or temporarily, he is very, very thoroughly screened. We do not accept anybody or everybody who wants a job.

Mr. PATMAN. It is not the screening of them. The gentleman admits they are practicing law and that they are involved in cases to which the tax laws you write probably apply.

Mr. FORAND. This particular instance has reference to the tariff, not the tax laws.

Mr. PATMAN. It is the same thing. They represent clients that are interested.

Mr. FORAND. That is exactly true, they do represent clients.

Mr. PATMAN. I know, but in screening them you admit that they are practicing law and that they are involved in cases that your tax laws, as written, would probably apply to. This does not apply in this particular instance. I think our Government is falling down somewhere. We have got to get people who will not profit from the administration of these laws that they write. The proposed law just does not make sense to me.

Mr. FORAND. This only removes the 2-year limitation now existing in the law with reference to a person practicing before a Government agency.

Mr. PATMAN. I think that is a good part. I think it should be that way. People should not be able to get in a Government agency and make an interpretation and then run right out and get into a law firm and profit from it. I think there should be a restraining influence. I hope the gentleman will not insist on this bill today, and that he will ask that it be passed over for the present until I can look into it.

Mr. FORAND. I hope as a result of the gentleman from Texas making an investigation of his own that he will come to the same conclusion that we, on the committee, have come to, and that is, that it is mighty difficult to get qualified people. And, of course, if we are going to do a job, we must have qualified people.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. McCORMACK. I believe that my friend, the gentleman from Texas, fails to get the real point involved in this resolution. This resolution does not have for its purpose the waiving of conflicts of interest, but involves rather the situation where a man because of peculiar qualifications is desired by a committee, that committee may avail themselves of his services. Of course, the gentleman knows as well as I do that the real effectiveness of an investigating committee is to get the story behind the story. In order to do that they have to get people who are eminently qualified by experience as well as education in the bureau or agency work itself. This resolution, as I understand it, simply says that if they should for the purposes of a proposed investigation or proposed inquiry appoint someone who is so qualified that after their services are over with the committee or the subcommittee that the 2-year limit or prohibition will not apply as a result of their services with the committee.

Mr. PATMAN. The gentleman is, I believe, mistaken about that. Of course, that would be one of the effects. That would be one of the results which I concede. But, that is just one.

Mr. ROGERS of Colorado. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. ROGERS of Colorado. It is pointed out in title 18 of section 284, which prohibits any practice before any department for 2 years after employment.

Mr. PATMAN. That is correct.

Mr. ROGERS of Colorado. The only object and the only purpose of this legislation is that if an individual qualified and carrying on his business should be employed by this committee that that 2-year period should not apply to him.

Mr. PATMAN. That is not the way it is written though. That exempts everybody, whether he has been working for the Government or not, or whether he has been in a private law practice. It is an overall proposition and covers everything.

Mr. ROGERS of Colorado. But, I refer the gentleman to section 284.

Mr. PATMAN. It covers that. I concede that it covers that point, but there are other exemptions from the statutes. That is just one that is mentioned. What are the other exemptions?

Mr. ROGERS of Colorado. Of course, the existing law title 18, section 281 is what the gentleman from Rhode Island [Mr. FORAND] read to you a moment ago. The other section 283 to prohibit anybody now employed in the United States Government from pressing a claim.

Mr. PATMAN. This would exempt them from that, if they are employed by this committee.

Mr. ROGERS of Colorado. The resolution would exempt them from section 281, section 283, and section 284. That is true.

Mr. PATMAN. Will the gentleman ask that this bill be passed over without prejudice at this time so that I may have an opportunity to look into it?

Mr. ROGERS of Colorado. The point is that it was up once before and objection was made to its consideration. It went over at the request of the gentleman from California. He looked into it thoroughly. Now the gentleman comes along and makes objection. The question is, when will we take the bill up for consideration?

Mr. PATMAN. There are 435 Members of the House. Each Member I believe has the right to object. I am not suggesting that any other Member would object or ask that the bill be passed over, but I think each Member has that right.

Mr. ROGERS of Colorado. I do not deny that in the least, but the point is that if each of the 435 Members were to object we would never get legislation passed.

Mr. PATMAN. That is very true; but, of course, we know that does not happen. I remind the gentleman that many of these bills get through by unanimous consent. This is a very important bill

and it should not be on the Consent Calendar. It should be presented under a rule that would allow adequate debate and proper consideration.

Mr. Speaker, House Joint Resolution 230 that is really before the House now for consideration and which is House Calendar No. 43 is as follows:

Resolved, etc., That service or employment of any person not presently employed by the Federal Government as an attorney, accountant, expert, or professional staff member in assisting the Committee on Ways and Means of the House of Representatives, or any duly authorized subcommittee thereof, in the investigations authorized by House Resolution 104, 85th Congress, shall not be considered as service or employment bringing such person within the provisions of section 281, 283, or 284 of title 18 of the United States Code, or of any other Federal law imposing restrictions, requirements, or penalties in relation to the employment of persons, the performance of services, or the payment or receipt of compensation in connection with any claim, proceeding, or matter involving the United States.

It will be noticed that House Joint Resolution 230 refers to House Resolution 104. That resolution is as follows:

Resolved, That, effective from January 4, 1957, the Committee on Ways and Means, acting as a whole or by subcommittee, is authorized to conduct through studies and investigations of all matters coming within the jurisdiction of such committee.

SEC. 2. For the purpose of this resolution, the committee, or any subcommittee thereof, is authorized to hold such hearings, to sit and act during the present Congress at such times and places, within the continental United States, its Territories, and possessions, as the committee may determine, whether or not the House has recessed, or has adjourned, to require the attendance of such witnesses and the production of such books, papers, and documents by subpena or otherwise, to administer such oaths, and to take such testimony, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or of any subcommittee, or by any member designated by any such chairman, and may be served by any person designated by any such chairman or member.

SEC. 3. The committee may report to the House at any time during the present Congress the results of any studies or investigations made under authority of this resolution, together with such recommendations as it deems appropriate. Any such report which is made when the House is not in session shall be filed with the Clerk of the House.

It will also be noticed that if this resolution, House Joint Resolution 230, is passed, it will allow all the personnel selected by the House Committee on Ways and Means to have the exemptions provided in the resolution. In other words, it will not be confined to one subcommittee that happens to be investigating tariff matters. The resolution will provide exemptions for all employees working for the Committee on Ways and Means or any subcommittee thereof in the investigation authorized by Resolution 104.

The committee's report clearly outlines the objective of the proposed exemption from the conflict-of-interest statutes. It is as follows:

The Committee on the Judiciary, to whom was referred the joint resolution (H. J. Res. 230) to suspend the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means in connection with the investigations ordered by House Resolution 104, 85th Congress, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

PURPOSE OF THE LEGISLATION

The purpose of this resolution is to suspend the application of certain Federal laws—the so-called conflict-of-interest statutes contained in sections 281, 283, and 284 of title 18 of the United States Code—with respect to personnel to be employed by the House Committee on Ways and Means in connection with the investigations authorized by House Resolution 104, 85th Congress.

GENERAL STATEMENT

House Resolution 104 authorized the Ways and Means Committee of the House of Representatives to conduct studies and investigations of all matters coming within the jurisdiction of that committee. In order to assist the committee in carrying out its legislative responsibility, it has been found necessary to employ experts. Understandably, it has been found increasingly difficult to induce professional men to accept such committee assignments. Under the present law, such assignments preclude persons so employed from appearing for profit before Government agencies and bureaus. Moreover, the ban would continue for 2 years after termination of such employment over matters which an individual may have handled while employed by the Government.

In the past, many resolutions similar to this have been enacted and are, therefore, precedents for the enactment of this resolution.

It should also be pointed out that these restrictions and limitations of the present law affect individuals who merely serve on a temporary basis. Unless exemptions like those embodied in this resolution are granted, the House Committee on Ways and Means will be deprived of the specific talents and ability of outstanding men and women essential to the work of the committee, since such persons will not wish to forfeit their right to practice for profit before a governmental bureau or agency.

Therefore, the Committee on the Judiciary recommends the favorable enactment of this resolution:

The following are the specific sections of title 18 of the United States Code which would be waived by the enactment of this resolution.

EXISTING LAW

"TITLE 18, UNITED STATES CODE

"§ 281. Compensation to Members of Congress, officers and others in matters affecting the Government

"Whoever, being a Member of or Delegate to Congress, or a Resident Commissioner, either before or after he has qualified, or the head of a department, or other officer or employee of the United States or any department or agency thereof, directly or indirectly, receives or agrees to receive, any compensation for any services rendered or to be rendered, either by himself or another, in relation to any proceeding, contract, claim, controversy, charge, accusation, arrest, or other matter in which the United States is a party or directly or indirectly interested, before any department, agency, court martial, officer, or any civil, military, or naval commission, shall be fined not more than $10,000 or imprisoned not more than 2 years, or both; and shall be incapable of holding any office of honor, trust, or profit under the United States.

"Retired officers of the Armed Forces of the United States, while not on active duty, shall not by reason of their status as such be subject to the provisions of this section. Nothing herein shall be construed to allow any retired officer to represent any person in the sale of anything to the Government through the department in whose service he holds a retired status.

"This section shall not apply to any person because of his membership in the National Guard of the District of Columbia nor to any person especially excepted by act of Congress.

"§ 283. Officers or employees interested in claims against the Government

"Whoever, being an officer or employee of the United States or any department or agency thereof, or of the Senate or House of Representatives, acts as an agent or attorney for prosecuting any claim against the United States, or aids or assists in the prosecution or support of any such claim otherwise than in the proper discharge of his official duties, or receives any gratuity, or any share of or interest in any such claim in consideration of assistance in the prosecution of such claim, shall be fined not more than $10,000 or imprisoned not more than 1 year, or both.

This section shall not apply to any person because of his membership in the National Guard of the District of Columbia nor to any person specially excepted by enactment of Congress.

"§ 284. Disqualifications of former officers and employees in matters connected with former duties

"Whoever, having been employed in any agency of the United States, including commissioned officers assigned to duty in such agency, within 2 years after the time when such employment or service has ceased, prosecutes or acts as counsel, attorney, or agent for prosecuting, any claims against the United States involving any subject matter directly connected with which such person was so employed or performed duty, shall be fined not more than $10,000 or imprisoned not more than 1 year, or both."

The first three lines of the language of the report are:

Suspending the application of certain Federal laws with respect to personnel employed by the House Committee on Ways and Means.

So there is no attempt to mislead anyone, and I am certainly not charging any bad faith.

I am shocked to think that the House would consider without any debate, by unanimous consent, adopt such an unusual and far-reaching bill. It should come up under a rule. When the Revenue Act of 1954 passed the House of Representatives, it was under a gag rule. We were told that it was so involved that very few Members knew what the bill contained; many of them on the committee did not know all of its provisions. We were told that it was prepared by the experts.

After this bill became law, it was discovered there were some very large loopholes in it. In fact, the Government is losing tens of millions of dollars, possibly billions of dollars a year by reason of these enormous loopholes that were never discovered, when the bill was being considered in Congress. We know that the bill is largely the work of experts. The shocking thing is that we will have experts who are actually engaged in the practice of law and who can profit the most from loopholes in tax laws to be actually allowed to help write them for the Congress.

Furthermore, we say in the resolution that even if an employee of the committee engages in a conspiracy against the Government and uses his position as an employee to feather his own nest and to allow his client great profit, that

he will not be punished because we are exempting him in advance from any law that would cause him to be punished.

It does not make sense to me. I will have to get more convincing information before agreeing to this proposal.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

RELINQUISHMENT OF OFFICE OF CHIEF JUDGE

The Clerk called the bill (H. R. 935) to provide that chief judges of circuit and district courts shall cease to serve as such upon reaching the age of 70.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

RELEASE OF STOCKPILED LONG STAPLE COTTON

The Clerk called the resolution (H. J. Res. 172) relating to the stockpile of extra long staple cotton under the Strategic and Critical Materials Stockpiling Act.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That notwithstanding any other provision of law, 50,000 bales of domestically grown extra long staple cotton in the stockpile (including any cotton which does not meet current stockpile specifications) established pursuant to the Strategic and Critical Materials Stockpiling Act, as amended (50 U. S. C. 98), shall be withdrawn and transferred to the Commodity Credit Corporation for sale at not less than the prices at which the Commodity Credit Corporation may sell its stocks under the minimum pricing provision of section 407 of the Agricultural Act of 1949, as amended. Proceeds from such sale, less costs incurred by Commodity Credit Corporation, including administrative expense, as determined by the Secretary of Agriculture, shall be covered into the Treasury of the United States as miscellaneous receipts.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY FEED PROGRAM

The Clerk called the bill (H. R. 2486) to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Commodity Credit Corporation, under such regulations as may be approved by the Secretary of Agriculture, is hereby authorized to grant relief to farmers and dealers in connection with claims arising out of early and late deliveries under purchase orders for drought relief feed issued under the 1954, 1955, and 1956 emergency feed programs, by recognizing as valid those purchases and deliveries of designated surplus feed grains and approved mixed feeds, which (a) were actually purchased by the farmer from the dealer on or after the date the Secretary declared the county, where the purchase order was issued, to be eligible for assistance under the emergency feed program, and (b) are found to have been physically delivered to the farmer not later than twelve months from the date the purchase order was issued to the farmer.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

DESIGNATION OF JIM WOODRUFF DAM AS LAKE SEMINOLE

The Clerk called the bill (H. R. 3077) providing that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers in southwest Georgia shall be known and designated as Lake Seminole in honor of the Seminole Indians whose ancestors, the Hichiti's and Apalachicola's, inhabited the general area in which this lake is located. Any law, regulation, document, or record of the United States in which such lake is referred to under any other name or designation, shall be held to refer to such lake as Lake Seminole.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ADJUSTING PENALTIES RELATING TO INJURIOUS NONMAILABLE MATTER

The Clerk called the bill (H. R. 4193) to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538–540).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 1716 of title 18, United States Code, as amended, is further amended by striking out the words "2 years" in the seventh paragraph, and by inserting in lieu thereof, the words "1 year"; by striking out the words "10 years" in the eighth paragraph and by inserting in lieu thereof the words "20 years"; and by adding a new paragraph to read as follows:

"Whoever is convicted of any crime prohibited by this section, which has resulted in the death of any person, shall be subject also to the death penalty or to imprisonment for life, if the jury shall in its discretion so direct, or, in the case of a plea of guilty, or a plea of not guilty where the defendant has waived a trial by jury, if the court in its discretion, shall so order."

Mr. KEATING. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, last year 44 persons were killed on a commercial airliner, which blew up over Colorado after a bomb had been placed aboard. This tragic occurrence led me to introduce a bill to prescribe the death penalty for such willful destruction of aircraft or motor vehicles. That bill became Public Law 709 in the 84th Congress.

In my opinion, it is as serious an offense to send a bomb through the mails as it is to place one aboard an aircraft. H. R. 4193 would, in effect, extend the provisions of Public Law 709 to cases where death or injury resulted from depositing outlawed objects in the mails with intent to kill or injure others.

The need for such legislation has been illustrated by a number of instances over the past 20 years in which innocent persons, including employees of the Post Office Department, have been killed or severely injured by explosives. At the present time the perpetrator of a crime as heinous as this is subject, under Federal law, only to a fine of not more than $10,000 or to imprisonment for not more than 10 years, or both.

Mr. Speaker, it is time we acted to prevent tragedies, such as have occurred in the past, by increasing the penalty to fit the crime.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VALIDATING OF OVERPAYMENTS WHILE AT CIVILIAN HOSPITALS

The Clerk called the bill (H. R. 3366) to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding any other law, all payments of pay and allowances made to any commissioned officer of the Medical Corps of the Army, Navy, or the Naval Reserve, or any medical officer of the Air Force, who, while serving on active duty before July 1, 1954, as an intern or resident physician in a hospital other than a Federal hospital, received compensation from that hospital (including meals and living quarters in kind), are validated to the extent that such pay and allowances were paid.

SEC. 2. Any person covered by section 1 who has made a repayment to the United States of the amount so paid to him as pay or allowances is entitled to be paid the amount involved, if otherwise proper. Any repayment hereby authorized will be made from appropriations currently available for pay and allowances.

SEC. 3. In the audit and settlement of the accounts of any certifying or disbursing officer full credit shall be given for the amount for which liability is relieved by this act.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

INDIAN TRUST LANDS; AMENDING ACT OF JUNE 4, 1953

The Clerk called the bill (H. R. 3995) to amend the act of August 4, 1953 (67 Stat. 41), and for other purposes.

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent that the bill (S. 998) to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes, be considered in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That the act of June 4, 1953 (67 Stat. 41), is amended by adding at the end thereof the following sentence: "If the grantee of such land fails for a period of 1 year to observe the provisions of the transfer agreement and the Secretary of the Interior fails to declare a forfeiture of the conveyance, the former beneficial owner, if an individual Indian or an Indian tribe, may petition the United States District Court for the district where the land is located to declare a forfeiture of the conveyance and to vest the title in the United States, in the same trust status as previously existed."

The bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider and the bill H. R. 3995 were laid on the table.

BRIDGE AND ROAD ACROSS CHINCOTEAGUE NATIONAL WILDLIFE REFUGE

The Clerk called the bill (H. R. 2493) to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in order to permit the controlled development of a portion of the seashore of the Chincoteague National Wildlife Refuge, Va., for recreational purposes, the Secretary of the Interior is authorized to grant to the appropriate agency or agencies of the State of Virginia such easements and rights as may be necessary for the construction and maintenance of a bridge across Assateague Channel and terminating on the Chincoteague National Wildlife Refuge, and also for the construction and maintenance of an access road from the terminus of such bridge to a public beach and recreation area to be developed along the southeastern shore of Assateague Island as designated by the Secretary. The grant of such easements and other rights may be without consideration but shall be subject to such terms and conditions as the Secretary deems appropriate for the adequate protection of wildlife refuge and other interests of the United States, including the right to close the road for any violation of the terms of the easement or other rights granted hereunder. The Secretary of the Interior also is authorized to enter into such agreements with State, county, or municipal agencies as he may deem necessary for the construction, maintenance, and operation by such agencies of a public beach, concession, parking areas, and other related public conveniences, which agreements also may be granted without consideration but shall contain appropriate conditions regarding the making of reasonable charges for use of the facilities by the public, taking into consideration the costs of construction, maintenance, and operation of such facilities and shall provide that all such facilities will become the property of the United States upon termination of the agreements.

With the following committee amendment:

"Beginning on line 9, page 2, strike out the balance of the sentence after the words 'United States' and insert a period after the words 'United States'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

WATER TO HEART MOUNTAIN DIVISION, SHOSHONE, WYO.

The Clark called the resolution (H. J. Res. 287) permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

There being no objection the Clerk read the resolution as follows:

Resolved, That pending completion of a repayment contract the Secretary of the Interior is authorized to continue to deliver water to the lands in the Heart Mount division, Shoshone Federal reclamation project, Wyoming, during the calendar years 1957 and 1958, as under the provisions of section 9, subsection (d) (1), of the Reclamation Project Act of 1939 (53 Stat. 1187, 1195, 43 U. S. C. 485h (d) but without regard to the time limitation therein specified.

The resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the Consent Calendar.

INCREASING PENSION FOR SPANISH-AMERICAN WAR WIDOWS

Mr. DORN of South Carolina. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 358) to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion, and the Philippine Insurrection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 8 of the act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as amended (38 U. S. C. 364g), is amended to read as follows:

"SEC. 8. The rates of pension payable to widows and former widows under the provisions of section 2 of this Act, as amended, are hereby increased to $75 monthly."

SEC. 2. Section 1 of the act of June 24, 1948 (62 Stat. 645; 38 U. S. C. 3641), is amended by deleting the words: "authorized by section 4 of the Act of August 7, 1946 (Public Law 611, 79th Congress), as amended by the Act of July 30, 1947 (Public Law 270, 80th Congress)," and inserting in lieu thereof the following: "prescribed by section 8 of the Act of May 1, 1926, as amended by section 3 of the Act of March 1, 1944 (58 Stat. 107), as now or hereafter amended (38 U. S. C. 364g)".

SEC. 3. The act shall be effective from the first day of the second calendar month following its enactment.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. Mr. Speaker, I demand a second.

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN of South Carolina. Mr. Speaker, this bill would increase the rate of pension payable to widows of deceased veterans of the Spanish-American War to $75 monthly, with proportionate increase for children under 16 years of age where there is no widow. At the present time these widows receive $54.18 generally, except that some receive $67.73 monthly based on the fact that they were married to the veteran at the time of his service.

There are approximately 83,000 cases involved and all but slightly over 4,000 of these were not married to the veteran during his period of service, thus the increase, generally, is from $54.18 to $75 monthly.

The present average age of Spanish-War widows is 73 years and the first year's cost is estimated at $20,139,000, which will decrease with each succeeding year, with the 5th year estimated to cost $18,111,000.

This bill is identical to H. R. 2867, which passed the House in the 2d session of the 84th Congress, but failed of enactment in the other body.

Mr. Speaker, I yield such time as he may desire to my distinguished colleague from Illinois, author of the bill [Mr. O'HARA of Illinois].

Mr. O'HARA of Illinois. Mr. Speaker, I wish to express my deep appreciation to the distinguished gentleman from South Carolina [Mr. DORN] for his devoted service to the veterans and for his graciousness in affording me the opportunity to speak on a bill that is very close to my heart. I wish, also, to express my appreciation, my very warm appreciation, to the great Speaker of this House, the gentleman from Texas [Mr. RAYBURN]; to the beloved majority leader, the gentleman from Massachusetts [Mr. MCCORMACK]; to the beloved minority leader, the former Speaker of this House, the gentleman from Massachusetts [Mr. MARTIN]; to the great chairman of the Committee on Veterans' Affairs, the gentleman from Texas [Mr. TEAGUE]; to the ranking majority Member and champion of all veteran causes, the gentlewoman from Massachusetts [Mrs. ROGERS]; and to the members of the Committee on Veterans' Affairs, one and all.

As the last Spanish-American War veteran in this body, I do have a great interest in the pending bill. I would not be human if it were otherwise. The widows of the men who in their youth served with me in a war before the breaking of this century are in dire need and are suffering for the necessities of life. Most of them are living on the $54.18 a month that they now receive as pension payments. They have no social-security benefits. Their husbands, for the most part, had no worldly goods to

leave them, and now they are alone, far on the western slope of life, miserably eking out existence on a pittance of $54.18 a month.

These are not young women. The average age is 73, and some are well in their eighties. I have here many letters. I cannot take the time to read them here, but I have read them, and when I had finished the reading my eyes were moist.

Here is a letter from a widow 82 years old. She has nothing except the $54.18 of her pension check. She is not well, and yet in the winter when the snow was deep and heavy she had to go out to shovel the snow to make a path to the humble room in which she was forced to spend these years of what should be the years of the golden age.

Here is a letter from a woman who was 19 when in 1898 President McKinley called for volunteers. The young man, also 19, to whom she was betrothed, answered the call for volunteers, went off to Cuba, and then to the Philippines, and for 3 years while he was in the service of his country, in active combat service, she kept the faith and waited for his return; then they were married. Now he is gone and she is alone, a partial invalid, with no income other than her pension of $54.18.

There are so many, many of these letters. They are written in handwriting that is not firm as it would have been in happier days when the boys who fought the war that started this beloved country of ours on the road to her destiny were in their youth. I will close my reference to these many letters with this quotation from one of them:

> Please, God, may I die with a smile on my lips, maybe a painful one, remembering the lawmakers who were kind enough to award us a pension just a little bit bigger but meaning everything in the world to us.

Mr. Speaker, the bill that is so close to my heart and which is now under consideration increases the pension of Spanish War widows from $54.18 to $75 a month. That is a difference of only $20.82 but to these aged women, and there are only a handful of them, it means almost the difference between night and day.

Now on $54.18 they cannot afford to buy even the most inexpensive medicines that they so badly need. Add $20.82 a month, about $5 a week, and in these times of great inflation, and some of these aged women can have medicines to ease their pains that now they cannot afford.

Add $20.82 a month and some of these aged women who now are forced to go some days without eating will have a share of the food that every good heart would wish for them.

I commend this bill to your hearts. I speak with emotion because these are the widows of the men who when they were young were my comrades and who followed Old Glory on the seas and on the lands in the Atlantic and in the Pacific. I cannot fail these old comrades of mine who now are gone. I cannot fail their widows. Yet I cannot do anything but fail them and to leave them in the misery of their distress unless my beloved colleagues in this body, on both sides of the aisle, join with me in the passage of this bill.

This you did last year, and when Speaker RAYBURN, former Speaker MARTIN, Majority Leader MCCORMACK, Minority Leader HALLECK and every Member of this body united behind the bill and brought about its passage, I experienced one of the greatest emotions of my life. It was a proof that the heart of America is always good and warm, and that the people of this country of ours are truly represented by the men and women with hearts who serve for them as their representatives in the Congress. It proved, too, that the Spanish American War veterans and their widows are not forgotten even though that war is long since passed and has been followed by two World Wars of such great nature as to overshadow the war of 1898.

There are now serving in this body many veterans of World War I and World War II. My prayer is that when the last of these veterans is serving in this Chamber he will receive from his younger colleagues of that period the same kindness and understanding and helpfulness that you have shown to me as the last veteran in this Chamber of the war of 59 years ago.

Mr. BROOKS of Louisiana. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Illinois. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. As I understand it, in some States, like, for instance, my own State, the old-age pension is considerably more than $54.18. In cases of that sort the widow of a Spanish-American War veteran would be in a sense better off financially if she were not the widow of a veteran of the Spanish-American War, for in that case she would actually draw in the way of an old-age pension perhaps $65 a month rather than $54.18. Is that not true?

Mr. O'HARA of Illinois. That is true, and I thank the gentleman for bringing that to the attention of the House.

Mr. BROOKS of Louisiana. This bill is simply a matter of equity?

Mr. O'HARA of Illinois. Just equity, that is all. I trust the bill will pass unanimously and that it will become law this year. These are aged women; they will not be here very long. I hope this year they will get from the graciousness of the Congress this small measure of relief that means to them so very, very much.

Mr. MCDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MCDONOUGH. Mr. Speaker, as a coauthor of this bill, I arise to support the passage of H. R. 358. I have collaborated with my colleague [Mr. O'HARA of Illinois] for several years on this legislation and am pleased that it has been brought up for consideration today. It is vital and urgent for the widows of veterans of the Spanish-American War because of the small pension they have had to live on, amounting to $54.18.

I would like to see this amount increased to $100 a month as provided in the bill which I introduced in this Congress, but under the circumstances I will concede to the Veterans Affairs Committee report on the bill for an increase to $75. Since we are under suspension of the rules, no amendment to this bill can be offered.

We in America owe a debt of gratitude to every man who left home and family to defend his native land in answer to his country's call to arms. It is a debt that can never be discharged, for as long as our Nation lives, as long as American citizens can walk erect as freemen under the protection of Old Glory, so long will all living Americans owe that freedom and the might and prosperity of our Nation to each and every veteran of every war fought to defend and preserve the United States of America.

We as a people have tried in some measure to express our appreciation to our American veterans, to give certain privileges and care which in some measure might assist the returning veteran to reestablish his future, to guard his health, and to give him necessary hospitalization and medical care when he returns to civilian life with disability resulting from his military service.

We can look with pride to the advance we, as a nation, have made in establishing services for our veterans and their dependents to which they are fully entitled. But this was not always the case.

And it is something of a shock to realize that Americans once fought and died in a war where there were no draftees, no Government war-risk insurance, no vocational training, no hospitalization for 20 years after the war ended, and no widow's pension for 19 years after the war's end. This was the Spanish-American War, a war fought by the only 100-percent volunteer army the world has ever known.

The legislation under consideration would increase pensions for the widows of the veterans of this war, and would give to the Spanish-American War veterans the knowledge that their wives would have a substantial measure of protection for the future, as well as give to their widows a more adequate pension to supplement their income and afford some measure of security in their declining years.

Surely this is little compensation for the sacrifice made by our Spanish-American War veterans.

I am fully aware that the pension awarded to widows of our veterans is intended only to supplement other income, and not to provide complete security. And I am also aware that legislation to increase widow's pension has generally been opposed on the grounds that such increase would not be in accord with the original purpose of such pension.

I do not agree with this position.

The proposal to increase the monthly pension rate for widows of Spanish-American War veterans from $54.18 to $75 is not a proposal to grant a sustaining pension. This legislation will only increase the rate of pension so that it will actually serve the original purpose of augmenting the income these widows may already have, and to the extent established by the original legislation.

Let us take a look at the facts. The first legislation granting a pension to

widows of Spanish-American War veterans was enacted in July of 1918. This act awarded a widow the sum of $12 monthly plus $2 for each child.

This rate remained in effect until September of 1922 when Congress increased the rate of widow's pension to $20 plus $4 monthly for each child. In 1926 the widow's pension was again increased to $30. However, in 1933 the pension for widows of veterans without service-connected disability was repealed, and no pension was allowed until the act of 1926 was reenacted more than a year later in 1934 reestablishing the rate at $30 monthly.

This rate was continued until 1944 when the rate of widow's pension was increased to $40 per month. In 1947 the rate was advanced to $48 monthly, in 1952 to $51.60, and finally in 1954 to $54.18, the present pension rate for widows of Spanish-American War veterans.

During this same period from the date the first pension was granted to widows of Spanish-American War veterans in 1918, a review of the cost of living index indicates that cost of living in the United States based on 100 percent in 1918 rose to 118.1 percent in 1926, and to 177.2 percent in 1955; or an increase of 77.2 percent in cost of living.

In the face of these facts with the present high cost of living and devaluation of the dollar since the pension was originally established, and even since the $54.18 rate was granted, an increase in the pension rate to $75 monthly can only be regarded as a supplement to other income. The present rate of $54.18 is totally inadequate.

And it also must be kept in mind that most of the widows of our Spanish-American War veterans are women of advanced years with resultant decline in earning power. Many have no social-security coverage from any source, and many have very little income, and can only obtain the bare necessities of life when such income is adequately supplemented by this pension.

The increase proposed by H. R. 358 will only grant an increase in the monthly pension rate for widows of our Spanish-American War veterans which will finally furnish to a greater extent the same degree of supplementation of other income which these widows may have as did the original pension rate when the cost of living in this Nation was more than 77 percent lower than it is today.

I believe our Spanish-American War veterans are entitled to have this added protection afforded by the Government to their wives, and that the increase in the rate to $75 should be approved.

Mr. DORN of South Carolina. Mr. Speaker, I yield such time as he may desire to the gentleman from Massachusetts [Mr. LANE].

Mr. LANE. Mr. Speaker, almost 59 years have passed since the Spanish-American War.

The average age of Spanish-American War widows on the pension rolls is 73. Only 82,000 are still alive.

The purpose of H. R. 358 is to increase the current rates, in order to compensate in part for the increased cost of living, and to remove past inequities by making pensions to widows and former widows identical.

Proportionate increases are also provided for children under 16 years of age where there is no widow. It is obvious that there are very few in the latter category.

The additional cost of this bill is estimated at $20 million, with an accelerating rate of decline a certainty with each succeeding year.

The status of Spanish-American War widows is far different from those of subsequent wars. They are relatively few in number.

They have reached the advanced age where many of them are already living on borrowed time.

The cost of this pension increase is small, and will shrink toward the vanishing point within 10 to 15 years.

To be correct in the description of this bill, I must say that the totals include widows of deceased veterans of the Boxer Rebellion and the Philippine Insurrection, as well as the Spanish-American War, but their numbers are so small that it is more practical and convenient to use the term "Spanish-American War widows" as the subject of this bill which has been reported favorably by the Committee on Veterans' Affairs.

With the exception of the inconsequential number of Civil War widows, the survivors of those who fought in the Spanish-American War now constitute the oldest group.

They have reached the age when we must consider their needs, and the honor due them, without the callous ingratitude that often hides behind the slogan of "Economy."

The precedent of proving pensions for aged veterans—and their widows and minor children—is clearly established. Those pensions, in order to have some material substance, must not fall too far behind the bare minimum required for existence.

This is one situation where the standards of the countinghouse are in poor taste. These widows of Spanish-American War veterans are entitled to an increased pension, and at a uniform rate of $75 per month, as evidence of our consideration and respect.

From the cross section of opinion that I pick up in talks with my colleagues, I believe that this bill will pass without rancor, or dissent—in homage to the widows of those men who fought the war with Spain.

Mr. DORN of South Carolinia. Mr. Speaker, I yield such time as he may desire to the gentleman from Louisiana [Mr. LONG].

Mr. LONG. Mr. Speaker, I wish to associate myself with the remarks made by the gentleman from South Carolina and the gentleman from Illinois in support of this pending bill.

I think that this is good legislation and I am supporting it.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have no requests for time. I think the feeling on our side is overwhelmingly for this bill. It passed by unanimous consent in the last session of the Congress. I pray the time will soon come that the other body will pass this measure, in order to bring a measure of relief to these dear old widows who have suffered so much and for so long. I am sure it will pass unanimously in this House.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. DORN of South Carolina. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RHODES of Pennsylvania. Mr. Speaker, I wish to associate myself with my colleagues in support of H. R. 358. This increase in the monthly rate of pension for widows of Spanish-American War veterans to $75 a month is obviously meritorious legislation.

It will mean an approximate weekly increase of $5 to these deserving persons, a sum desperately needed in many cases to buy the essential food and clothing to sustain themselves. It is a pleasure to have the opportunity of supporting this bill because of its importance to the estimated 82,000 widows who will be eligible for its increased benefits.

I hope that favorable consideration may also be given in this session to legislation to increase the pensions of widows of World War I, many of whom are in dire financial difficulties because of rising living costs, and who are finding it impossible to buy the basic necessities of life.

MISSING PERSONS ACT

Mr. TRIMBLE. Mr. Speaker, I call up House Resolution 237 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended. After general debate, which shall be confined to the bill and continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. TRIMBLE. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio [Mr. BROWN] and now yield myself such time as I may require.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. Speaker, as the reading of the resolution indicates, it makes in order the bill H. R. 5807 to make permanent the Missing Persons Act and give the War Department the power to review certain cases in the Philippines. I know of no objection to the rule and, for that matter, none to the legislation itself.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, as the gentleman from Arkansas has so well explained, House Resolution 237 makes in order, under the 1-hour rule, the consideration of H. R. 5807, a bill reported from the House Committee on Armed Services, I believe by unanimous vote, to make certain amendments and make permanent the Missing Persons Act as previously amended.

We have no requests for time on this side of the aisle. The measure seems to be one that has very great support, almost unanimous support, I might add.

Mr. Speaker, I yield back the remainder of my time.

Mr. TRIMBLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. BROOKS of Louisiana. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 5807, with Mr. WILLIS in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BROOKS of Louisiana. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill, H. R. 5807, is commonly known as the missing-persons bill. The purpose of the measure is to permit the continuation of the present authority, with certain minor modifications, to place persons in a missing-persons status; and further, to give the proper officials in the Government the authority to credit pay and allowances and make payments to the nearest relatives and the next of kin during the time when they are in a missing status.

The Missing Persons Act was originally passed in 1942. It was a temporary measure, however, to run only 5 years, so that it would have terminated under its own provisions in 1947. However, Congress felt that it should be extended and since 1947 we have extended the act year by year until the present time. The last extension was made last year and it runs out July 1 of 1957, unless it is renewed, extended, or this particular bill is passed.

This bill provides essentially that when a person is missing the departments may place that person in a missing-persons status and, as a result of this finding, the next of kin then will receive the pay and the emoluments due that person had he not been in the missing status. It also gives the proper officials the right to declare the missing status of that person terminated when he returns or to declare it at an end when, through the development of information and in the course of time, it is found that he actually died during the time since he left the service.

This bill covers all persons both in military and civilian status. It covers employees on an hourly basis, on an intermittent basis or part-time employees. It does not cover what we call indigenous employees. Employees who enter the missing status within the continental United States are covered specifically by the act. They are covered when the head of the department concerned determines that the missing status is the approximate result of their employment. This authority is not contained in the temporary act, but the extension of coverage to Federal employees in the United States is extremely important because of the possibility that such employees may enter a missing status while performing their duties as a result of aircraft accidents, submarine accidents, or while engaged in security missions.

The bill also covers members of the Reserve components who may become missing while performing inactive training duty or active duty for training. That is, if these reservists enter a missing status while performing that duty, they would receive or have credited to their accounts the same pay and allowances they would have received if performing full-time active duty. The bill also covers reservists who become missing while on inactive duty training without pay.

Authority is also provided to move household goods and personal effects to the official residence of record or residence of the dependent or the next of kin of a person who is in a missing status for a period of more than 30 days with or without the application of the next of kin or other persons having a substantial interest in the return of such effects. The temporary act provides only for shipment to a dependent upon application. This the committee changed. The military services in the past, and especially during the Korean war, have incurred serious difficulty in locating dependents to whom the household or personal effects can be shipped. This often results in unnecessary storage costs and excessive correspondence at times.

The bill also enlarges on the temporary act by providing, in emergency circumstances, for the sale of privately owned vehicles and other bulky items, the proceeds to be mailed to the owners or their dependents. This will go far to reduce unnecessary claims and excessive administration.

I may say that during the Korean war we had to set aside a full lot in the Far East because there were so many cars over there that had not been claimed, and no authority existed for the military to dispose of those cars following the placing in a missing status of the persons who had owned the vehicles.

In addition, the bill provides that entitlement to pay and allowances shall not be denied in the case of any member of the Philippine Scouts, who was captured in the Philippine Islands by the enemy during World War II, solely on the ground that such member was paroled or permitted to return to his home prior to the termination of the Japanese occupation of the Philippine Islands. I would like to discuss this latter provision at a little more length.

The authority to pay members of the Philippine Scouts was not a part of the original Department bill. It was written in by the committee and adopted by unanimous vote. It is the same language as was contained in the bill which passed the House last year.

Let me tell you something of the Philippine Scouts and why it is necessary that this legislation contain an authorization for our Government to pay its just debt to these brave soldiers.

The Philippine Scouts were formed early in this century when the Congress authorized a military component of the United States Army to be made up of qualified Filipinos and to be known as the Philippine Scouts. These Philippine Scouts were actually members of the United States Army and are not to be confused with the members of the Army of the Philippines, which was entirely different.

During the war after the surrender of Bataan and Corregidor these men became captives of the Japs. They were put out on parole during the course of the war because it served the purposes of the Jap occupation to release them on parole. After they were released on parole they were supposed to go to their homes. Then following the end of the war our people said they were not missing persons within the intent and purposes of the law and, therefore, because they had been placed on parole by the Japs, without their own consent, they were not entitled to be paid as missing persons.

This is contrary to the view taken by the Navy. It was the view of the Army that we would pay our own people under those circumstances, but when it came to the Philippine Scouts they would not recognize them as entitled to payment as missing persons. The committee thought this was an error. And because the committee felt that this was wrong, it was decided that we should insert into this bill the stipulations that we have, to consider the scouts as entitled to the benefits of the Missing Persons Act.

I want to here pay a special tribute to the Philippine Scouts. They were part of our own Army. They were sworn to support our Constitution and our flag. They were clad in our own uniforms, obeyed the orders of our own officers, ate our own rations, and were paid from our Treasury. It is true that we paid them only 18 pesos in Philippine currency which was the equivalent of $9 in our own money. Our troops were paid $15 at that time; but this difference was due to the economic differences in the two countries.

When Pearl Harbor Day struck, we had many Philippine Scouts on duty. Before the war, I had repeatedly urged that we increase the number to avoid the necessity of drafting more of our own men in the United States. We preferred, however, to select our personnel;

and in effect we selected, for the Philippine Scouts, only the cream of the manhood of those islands. As a result, the Philippine Scouts built up a morale and a prestige in the Far East which was almost fabulous.

When the Japs descended upon the Philippine Islands, they were there at their post of duty almost to a man. They stood with our own soldiers during the long and trying days of Bataan; they were there shoulder to shoulder with our men during the days preceding the fall of Corregidor. They fought heroically to the very end; and they lowered their own arms only when Old Glory came down in surrender at Corregidor; only when MacArthur and Wainwright gave the orders. They were told at the surrender to obey the orders of their captors and try to get along with them.

When the long, grueling death march following the fall of Bataan was ordered, they walked in solemn sadness along that stretch which led to their imprisonment—that is, all but those who fell by the wayside, to arise no more—and they went through the same hardships which were visited upon our own people during the days of the imprisonment.

Seventy-eight thousand of our people were captured at Bataan and more in the fall of Corregidor. The Japs were unable to take care of these prisoners. They ordered the release of the Philippine Scouts on parole—not because the Scouts asked for this treatment, but because the Japs were unable to take care of them and they were dying like flies from wretched conditions and because of undernourishment. The Japs told them to go to their homes; but most of the Scouts had been staying in barracks at American Army bases and they had no homes to go to. They went to homes of relatives or to friends; and they remained under Jap surveillance during the long course of World War II. At times they were called up for violations of their parole. They were questioned, in Jap fashion, for hours at a time; they were punished and in some cases they were executed. A representative of the American Legion—Father Duffie—told us in some detail that some of them were decapitated and their heads placed in villages or before the homes of their friends on spikes as a reminder of punishment which would come to those who violated Jap-imposed laws and regulations.

At the end of all of this the Philippine Scouts were carefully investigated by our Army officials, and these 6,000 were all given honorable discharges from the Scouts by our own people.

The Navy treated its Filipinos differently. They paid them for time on Jap parole. They gave them the same treatment which was given our own people. We want the same treatment for the Philippine Scouts.

At the end of the war the Philippine Islands were given their independence by this Government as a recognition of the courage and fidelity of their people. They established a republican form of government and elected a brave Filipino as their President. This man, Ramon Magsaysay, was a real friend of the United States. He had fought as a part of the Army of the Philippines alongside of our own troops. When the surrender came, he became a guerrilla, and, along with General Wainright's supply officer, Gyles Merrill, he fought until American troops returned to liberate the islands. Magsaysay's efforts were so destructive of the Jap overlordship that they offered a reward of $50,000 for his head.

This man, a faithful friend of the United States, recently killed in a tragic air accident, would have approved this action by our Congress. I am sorry that he is not alive today to know of the true appreciation of our Congress for the valiant and heroic devotion of the Philippine Scouts.

Mr. Chairman, this bill, as I say, covers a very small number of our own nationals. It also covers some 6,000 Philippine Scouts.

The total cost of the bill is, roughly, $2,830,000. I think it is a very worthy measure, and I think it is very important that we permanently extend the Missing Persons Act, because we are going to need it as long as the world is in such troubled times as at the present. I, therefore, urge the passage of the bill.

Mr. VAN ZANDT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise to support H. R. 5807 which is designed to make the temporary Missing Persons Act a permanent statute.

This authority will allow the heads of departments to take necessary action in all cases and at any time that members of the military or civilian Government employees become missing while in the performance of their duties.

It will give added assurance to the men and women, whether in uniform or in civilian clothes, that Congress and the people of the United States are interested in their welfare at all times.

However, I would like to address myself to the provision of the bill which will provide payment of the back pay and allowances of the Philippine Scouts.

I have been interested in this problem, and the solving of this inequity, for several years and I will remind the Members that it has been more than 12 years since the members of the Philippine Scouts returned to military control after the recapture of the Philippines. All this time the members of this brave organization—a part of the United States Army—have waited patiently for our Government to pay them for the time they were prisoners of war, but in a paroled status.

I cannot understand how, in good conscience, we have turned our backs on those brave soldiers who stood shoulder to shoulder with our own boys in the defense of Bataan and Corregidor.

The Army Department would have you believe that because the Philippine Scout was paroled he is not entitled to any pay for the period he was in a paroled status. But what could the individual Scout do when ordered by his Japanese captors to go into a paroled status? I hardly believe that we expected the members of our Armed Forces to refuse a parole and thus be subject to torture and possible execution by the enemy.

When the Philippine Scout went on parole—even against his wishes—he did not, because of that act, become a civilian. His enlistment certainly did not expire. The simple fact is that he remained a soldier of the United States Army all of the time while on parole, regardless of duties performed or other acts—unless they were contrary to the interests of the United States.

A soldier's pay is not a gratuity; it is payment in terms of contractual relationship. In this respect I say that the Army has erred in refusing to pay these men. We have already heard that the Navy paid its insular forces made up of Filipinos, just like the Philippine Scouts, who were captured and later paroled. It certainly must be difficult for our friends in the Philippines to understand how one branch of our military service will pay its servicemen for the exact type of service for which another branch of our service refuses to honor.

I say to the Members of the House today that there is nothing in the Missing Persons Act now, nor has there ever been, which grants to the Army the authority to take away the vested right of a soldier, in the United States Army, to his pay and allowances, unless his acts were contrary to the articles of war. There is no charge here that any of the acts of the remaining 6,000 members of the Philippine Scouts, who want their pay, were contrary to the articles of war or the best interests of the United States. Quite on the contrary the opponents of this measure would have you believe that when a Philippine Scout was paroled he went home and led a happy life during the Japanese occupation. Army witnesses appearing before our committee would have us believe that when the Philippine Scout was paroled that he thereafter went unmolested, regained his former occupation and made a fine living for himself and his family and therefore there was no reason to pay him as a soldier of the American Army. Let me explode that myth for you. The Philippine Scouts were career soldiers, so what gainful occupation, business or profession could they return to? Even if they had a business, occupation or profession the economy of the Philippines was so controlled by the Japanese that they could not have practiced it.

No less personage that the Honorable Emmet O'Neal, a former colleague of ours and a former Ambassador to the Philippines, appeared before our committee and stated that, in his opinion, no more than 1 percent of the Philippine people were able to make more than a starvation diet during the occupation. There was no business, as we understand it, just a struggle for existence. There were legions of persons who would do almost anything to get a scrap of bread—just enough to eat for one meal; one example stated to the committee was of a woman who gave away a $3,000 bracelet for a bag of rice.

These were not normal times and there was no business except business conducted by the Japanese. There were 1 to 3 million people who died during the occupation, the exact number will never be known, a large number of whom had families, had businesses and pro-

fessions but they could not practice or engage in them because the struggle was to secure the minimum amount of food for the person and his family. So how could the Philippine Scout—the paroled career soldier—return to his home and start living a life of ease.

The opponents of this bill also made a point of the fact that many of the Philippine Scouts did not join guerrilla bands. They state that if they did join the guerrillas they had already been paid for their back pay and allowances. Some of the Philippine Scouts did join the guerrillas it is true but these were mainly young men, unmarried, and with very few family obligations. This type of man could take a chance, whereas the Scouts with families could not do so. The moment they did anything contrary to the wishes of the Japanese the most revolting atrocities were visited upon their families. This left the Philippine Scout who had family responsibilities very little choice in what he could do. For the majority it meant that they must stay at home, obey the many rules and restrictions of their captors and attempt, by any means available, to eke out a bare existence for themselves and their families. We had guerrilla leaders appear before the committee who testified that much information concerning the Japanese which they received while in the hills was passed on to them by paroled members of the Philippine Scouts. The Army apparently takes no notice of this but stands by its position that these men lived at home in a life of ease. But I repeat, whatever the man did—so long as it was not contrary to the interests of the United States—he remained an enlisted man in the United States Army serving a period of service under contract with our Government and he is entitled to be paid for his services.

The provisions of the legislation concerning Philippine Scouts benefits 6,000 people living many thousands of miles from us.

We could continue to forget them. We could forget their loyalty and their service to this country when our Nation was fighting for its very existance. But if we do, I wonder if any member of this House will rest easily hereafter.

As one Member I want to be able to look citizens of the Philippine Republic in the eye and be able to tell them that our Nation has paid its just debts to their countrymen.

Mr. TRIMBLE. Mr. Chairman, I have no further requests for time.

Mr. BROOKS of Louisiana. Mr. Chairman, we have no further requests for time. I ask that the bill be read for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Missing Persons Act (56 Stat. 143), as amended, is further amended as follows:

(a) Section 1 (a) (3) is amended to read as follows:

"(3) Civilian officers and employees of the departments who are citizens or nationals of the United States, or who are aliens who have been admitted to the United States for permanent residence, except that the following categories of civilian officers and employees shall be covered only upon a determination by the head of the department concerned that such status is the proximate result of employment by the department:

"(i) persons who enter any status listed in section 2 of this act within the continental limits of the United States and

"(ii) persons who enter any status listed in section 2 of this act who are residents at or in the vicinity of their places of employment in the Territories and possessions or in foreign countries and who were not living there solely as a result of their employment."

(b) Section 2 is amended to read as follows:

"SEC. 2. (a) Any person who is in the active service, or is performing full-time training duty, other full-time duty, or inactive duty training and who is officially determined to be absent in a status of missing, missing in action, interned in a foreign country, captured by a hostile force, beleaguered by a hostile force, or besieged by a hostile force shall, for the period he is officially carried or determined to be in any such status, be entitled to receive or to have credited to his account the same basic pay, special pay, incentive pay, basic allowance for quarters, basic allowance for subsistence, and station per diem allowances for not to exceed 90 days, to which he was entitled at the beginning of such period of absence or may become entitled thereafter, except that the pay and allowances for a person who is performing full-time training duty or other full-time duty without pay, or inactive duty training with or without pay, shall be that to which he would have been entitled if he had been performing full-time active duty with pay, and entitlement to pay and allowances shall terminate upon the date of receipt by the department concerned of evidence that the person is dead or upon the date of death prescribed or determined under provisions of section 5 of this act. Such entitlement to pay and allowances shall not terminate upon the expiration of a term of service during absence and, in case of death during absence, shall not terminate earlier than the dates herein prescribed. There shall be no entitlement to pay and allowances for any period during which such person may be officially determined absent from his post of duty without authority and he shall be indebted to the Government for any payments from amounts credited to his account for such period. Persons performing full-time training duty, or inactive duty training shall be entitled to the benefits of this section only when such persons are officially determined to be absent in a status of missing, missing in action, interned in a foreign country, captured by a hostile force, beleaguered by a hostile force, or besieged by a hostile force as a result of the performance of prescribed duty ordered by competent authority:

"(b) Notwithstanding any other provision of law, such entitlement to pay and allowances shall not be denied, in the case of any member of the Philippine Scouts who was captured in the Philippine Islands by the enemy during World War II, solely on the ground that such member was paroled and permitted to return to his home and engage in civilian pursuits prior to the termination of the Japanese occupation of such islands. Claims of members of the Philippine Scouts for pay and allowances under this subsection (whether or not such claims have been presented and rejected or disallowed) may, until 3 years after the date of enactment of this subsection, be presented for consideration or reconsideration and payment under this subsection: *Provided,* That such claims shall not be approved for payment unless after an investigation a finding is made that the claimant voluntarily participated with or for the Japanese Government, Japanese nationals, or others and performed actions or duties of an active military nature hostile to the United States: *Provided further,* That except in the event of legal proceedings, any person except the authorized representative of the American Red Cross, the American Legion, the Disabled American Veterans, and the Veterans of Foreign Wars, and such other organizations as shall be approved by the Secretary of Defense, who shall, directly or indirectly, solicit, contract for, charge, or receive any fee or compensation for rendering assistance in the preparation, execution or filing of the necessary papers in any application for the pay and allowances authorized by this subsection shall be guilty of a misdemeanor, and each and every offense shall be punishable by a fine of not more than $500 or by imprisonment at hard labor for not more than 2 years, or by both such fine and imprisonment."

(c) Section 9 is amended by redesignating that section as subsection (a) and adding the following new subsection at the end thereof:

"(b) A dependent of any person in active service, as defined by this act, is a 'person' under this act for the sole purpose of determining status as provided in sections 5 and 9, and any determination under those sections by the head of the department concerned shall be conclusive on all other departments of the Government: *Provided,* That nothing in this section shall be construed as conferring upon any dependent any right to pay, allowances or other compensation to which not otherwise entitled."

(d) Section 12 is amended to read as follows:

"SEC. 12. The dependents and household and personal effects of any person in active service (without regard to pay grade) who is officially reported as dead, injured, missing for a period of 30 days or more, interned in a foreign country, or captured by a hostile force, may be moved (including packing, crating, drayage, temporary storage, and unpacking of household and personal effects) to the official residence of record for any such person or to the residence of his dependent, next of kin, or other person entitled to receive custody of the effects in accordance with regulations issued by the head of the department concerned; or, upon application by such dependent, next of kin, or other person, or upon the person's application if injured, to such other location as may be determined in advance or subsequently approved by the head of the department concerned or by such person as he may designate. When the head of the department concerned determines that an emergency exists and that such sale would be in the best interests of the Government, he may provide for the disposition of the motor vehicles and other bulky items of such household and personal effects of the person by public or private sale. Prior to any such sale, and if practicable, a reasonable effort shall be made to determine the desires of the interested persons. The net proceeds received from such sale shall be transmitted to the owner or to other persons in accordance with regulations issued by head of the department concerned; but if there be no such persons or if such persons or their addresses are not ascertainable within 1 year from the date of sale, the net proceeds may be covered into the Treasury as miscellaneous receipts. Claims for net proceeds which are covered into the Treasury under the authority of this section may be filed with the General Accounting Office by the rightful owners, their heirs or next of kin, or their legal representatives at any time prior to the expiration of 5 years from the date the proceeds are covered into the Treasury; and, if so filed, the General Accounting Office shall allow or disallow the claim. When such claim is allowed it shall be paid from the appropriation for refunding moneys erroneously received and covered. If claims are not filed prior to the expiration of 5 years from the date the proceeds are covered into the Treasury, they shall be barred from being acted on by the courts or the General Accounting Office. The provisions of this section do not amend or repeal the

Federal Tort Claims Act (60 Stat. 842-847), as amended; sections 2575, 2733, 4712, 4713, 6522, 9712, 9713, title 10, United States Code; or section 507, title 14, United States Code. The head of the department concerned is authorized to store the household and personal effects of the person until such time as proper disposition can be made. The cost of such storage and transportation, including packing, crating, drayage, temporary storage, and unpacking of household and personal effects, shall be charged against appropriations currently available. In lieu of transportation authorized by this section for dependents, the head of the department concerned may authorize the payment in money of amounts equal to such commercial transportation costs or a monetary allowance in lieu of transportation as authorized by law for the whole or such part of travel for which transportation in kind is not furnished, when such travel shall have been completed. When the person is in an 'injured' status, the movement of dependents or household and personal effects provided for herein may be authorized only in cases where the anticipated period of hospitalization or treatment will be of prolonged duration. No transportation shall be authorized pursuant to this section upon application by dependents unless a reasonable relationship exists between the condition and circumstances of the dependents and the destination to which transportation is requested. Beginning June 25, 1950, and for the purposes of this section only, the terms 'household and personal effects' and 'household effects' may include, in addition to other authorized weight allowances, not to exceed one privately owned motor vehicle, shipment of which at Government expense is authorized in those cases where the vehicle is located outside the continental limits of the United States or in Alaska."

(e) Section 15 is amended to read as follows:

"SEC. 15. This act, except sections 13, 16, and 17, is effective from September 8, 1939."

SEC. 2. Subsection 2 (b), Missing Persons Act, as added by this act, is effective from September 8, 1939. All other amendments made by this act are effective upon the date of enactment of this act.

Mr. VAN ZANDT (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that further reading of the bill may be dispensed with, that the bill be considered as read, that it be printed in the RECORD and that it be open to amendment at any point.

Mrs. ROGERS of Massachusetts. Mr. Chairman, reserving the right to object, I wish to endorse this bill most heartily. The Filipinos are the best friends we have in the world. The bill should pass.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read as follows:

On page 4, line 12, delete the word "such."

On page 4, line 13, insert the word "no" before the word "claims"; delete the word "not" where it appears; delete the word "unless" and in lieu thereof insert the word "if."

On page 4, line 23, following the word "shall" insert the word "hereafter."

The committee amendments were agreed to.

The CHAIRMAN. There being no further amendments, under the rule the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WILLIS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 5807) to amend further and make permanent the Missing Persons Act, as amended, pursuant to House Resolution 237, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BROOKS of Louisiana. Mr. Speaker, my colleague from Texas [Mr. TEAGUE] asks that he be permitted to extend his remarks in the consideration of the bill just passed today. He is unable to be present.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

A MAN

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, to those of us who knew and believed in him, JOE MCCARTHY was one of the outstanding patriots of our time.

He sensed the danger to our national security which came from the infiltration of Communists into high political policymaking positions in the Federal Government.

He sensed the grievous harm they were working because of their acceptance in the social and intellectual life of our country; the encouragement given them by high Government officials.

By the so-called liberals who dictated and expressed the policy of the press MCCARTHY was abused and vilified.

Time has vindicated his judgment, and those who then criticized not only his methods but his purpose might well hang their heads in shame.

JOE MCCARTHY had convictions. He had courage. He had determination and he knew not the meaning of surrender.

He may have lacked the flashy, evasive methods of the open field runner, who often brings an audience to its feet in wild applause. To me, he had the characteristic of the all-powerful fullback, who, seeing the necessity of a yardage gain, has his mind fixed on the scrimmage line and, regardless of consequences, crossed it; gained the necessary goal.

Whatever may be said of JOE MCCARTHY, even his worst enemies, including the cowardly ones who dared not face him, will admit the worthiness of his objectives; the fact that today the victory which he sought has, because of his efforts, been largely won.

No longer, even in Washington nor in the leftwing press, do the advocates of communism, the vocal supporters of its objectives, dare to openly challenge the attainment of the purpose which he sought.

From one of his consistent supporters, permit me to read Saturday's editorial from the Chicago Tribune:

A VALIANT FIGHTER

If Senator JOE MCCARTHY had been a Communist sympathizer or agent, given to invoking the fifth amendment, the chant would now be rising from every liberal minaret in the land that he was hounded to his death by false accusations. The cry would be heard that he was a victim of character assassination and that he was driven to death through persecution by insinuation.

We have heard these lamentations every time a Communist has dived out of a high window or jumped off a roof. When Harry Dexter White, the Communist agent in Henry Morgenthau's Treasury Department, died 4 days after he had been called before the House Committee on Un-American Activities, one liberal mouthpiece termed him the "victim of a special sort of tyranny" in the form of our modern American style inquisition.

When Laurence Duggan, former State Department official and Director of the Institute of International Education, having been named as a Communist, catapulted to death from the window of his 16th floor office, copious tears were shed on the theory that an act of desperation had been occasioned by a groundless accusation.

The U. N. General Counsel, Abraham H. Feller, like Alger Hiss, a graduate of New Deal Washington, also exited life through a 12th floor window after the Senate Internal Security Subcommittee had become interested in the number of Communists who had moved into key U. N. posts. As usual, the liberal line was that he had been put under the strain of defending his associates against indiscriminate smears or exaggerated charges.

We have heard the same outcry again recently, when E. Herbert Norman, Canadian Ambassodar to Egypt, jumped off the roof of a high building in Cairo, a few days after the same subcommittee had revived charges of his one time Communist connections. The editorial tirade of one liberal organ in New York was launched on the note, "Whether Mr. Norman was literally driven to his death by the actions of Senator EASTLAND'S Internal Security Subcommittee and its chief counsel, Robert Morris, may not be susceptible of proof." But—and you can easily fill in the rest.

We do not expect to hear the death of Senator MCCARTHY bemoaned in such terms. The Senator was no Communist; hence he was no hero to the liberals. He was a patriotic American and a determined opponent of Communists. And because of that he was made the target of the greatest organized smear campaign of our day. Every liberal commentator and newspaper lost no opportunity to vilify him. The White House palace guard plotted his ruin. The President singled him out for studied insults. His political enemies ganged up on him.

The term "McCarthyism" was coined to make him appear contemptible, but no sensitive lover of Moscow was ever pilloried with such violent animosity as was Senator MCCARTHY in the public hearings that revolved around the petty issue of a promotion that never materialized for a member of his staff who was drafted into the Army as a private.

There followed the lynching bee in the Senate which reached a predetermined judg-

ment that Senator McCarthy's conduct was to be condemned.

Even Joe McCarthy's honorable service as a marine in the Pacific war was questioned, and it was implied that somehow he was not entitled to the combat medals he had won. Insinuations were made that he was a tax evader, but when the Internal Revenue Service completed its investigation, it was found that Senator McCarthy had overpaid his tax and was entitled to a refund.

No man in public life was ever persecuted and maligned because of his beliefs as was Senator McCarthy. All of the phony martyrs of ordeal by slander lumped together never absorbed a fraction of the abuse that was visited on him. He took it all without a whimper and stuck to his guns. The Republic has lost a stalwart defender.

Proof that McCarthy's objective was appreciated and that he will long live in the hearts of the so-called common people was found in the effort of thousands who here in Washington sought to honor him by attendance at the services held to commemorate his passing.

AMEND MINERAL LEASING LAWS

Mr. THOMSON of Wyoming. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

Mr. THOMSON of Wyoming. Mr. Speaker, I am today introducing legislation to increase the allowable acreage of coal lands that can be held by a single lessee or permittee in any one State from 5,120 acres to 20,480 acres. This is most important legislation to the development of the public land States of the West, and I hope that it may be readily approved and enacted into law.

No group of individuals are in a better position to know the needs of these States with regard to power, and their view into the problems instant thereto than are the public service commissioners of the various States. These individuals work daily with the problem, fix rates and grant franchises within the States. The Mountain-Pacific States Conference of Public Service Commissions, comprising the regulatory bodies of the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming, also the Territory of Hawaii, have adopted a resolution with regard thereto as follows:

Resolution Urging Congress To Amend Mineral Leasing Laws So as To Enlarge Limitation on Coal Lands

Whereas vast deposits of federally owned low-grade lignite, bituminous and subbituminous coal are scattered throughout the 11 Western States and may be produced by relatively inexpensive open-pit mining; and

Whereas such coals can be processed for industrial low temperature carbonization, tars and chemicals, char as a fuel, and are particularly suitable as a fuel for electric steam generating facilities located near the coalfields, which could be advantageously integrated with available hydroelectric generation; and

Whereas the refinement of such coal resources to produce chemicals and other by-products as well as fuel for electric energy generation by public and private utilities is vital to the industrial and community growth and of the general economic welfare of the 11 Western States in which the coal is located and the general welfare of the Nation as well; and

Whereas in order to prevent monopoly the Mineral Leasing Act of 1920, as amended, restricts to any single lessee or permittee 5,120 acres of coal lands in any one State, but such limitation is no longer practicable and retards development of such coal deposits because of the large investment required for exploration and for the operation of modern industrial plants and electric steam generating facilities; and the need for such fuel in the operation of such plants for an average normal plant life period is fairly estimated to be not less than 20,480 acres to any one lessee or permittee in any one State; and

Whereas if sufficient acreage of such coal deposits adapted to open-pit mining is made available, the development of such industries and electric power generation using such coals for their own fuel purposes would be greatly encouraged; and

Whereas it is apparent that such permissible acreage needs to be increased to not less than 20,480 acres for such benefits: Now, therefore, be it

Resolved by the Mountain-Pacific States Conference of Public Service Commissions duly called and held at Phoenix, Ariz., April 23–26, 1957, That all means for the expansion of existing industry and development of new industries and the use of coal for the generation by public and private interests of electric energy is desirable and essential to the welfare of the region and of the United States; and be it further

Resolved, That the availability of the increased acreages of Federal coal deposits adaptable to open-pit mining to any one lessee or permittee in a single State is necessary to promote the establishment of additional industries and the construction of additional electric steam generating facilities in the region; and be it further

Resolved, That this conference recommends to the Congress that the Mineral Leasing Act of 1920, as amended, be amended to increase such permissible acreage for the exploration and mining of such coal deposits in any one State from 5,120 to 20,480 acres to a single lessee or permittee; and be it further

Resolved, That the secretary of this conference forthwith transmit a copy of this resolution to each of the Members of the Senate and of the House of Representatives in the Congress of the United States representing the 11 Western States.

STEEL INDUSTRY CENTENNIAL

Mr. CHENOWETH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. CHENOWETH. Mr. Speaker, the steel industry of the United States is this year commemorating its 100th anniversary. Since I represent a district where the production of steel is a major industry, it gives me great pleasure to congratulate the steel industry of this country on its centennial anniversary.

It is not necessary for me to set forth the importance of the steel industry to the development and growth of the United States. From a primitive beginning in 1857, the capacity of the industry has grown steadily until it now exceeds 133 million tons per year—the largest of any country in the world. Five million tons of additional capacity was added in 1956. Further expansion has been projected for 1957 and future years.

In Colorado we are very proud of the achievements of the Colorado Fuel & Iron Corp., which has contributed so much to the progress of our great State. This company has a very important steel plant located at Pueblo, our second largest city and the industrial center of Colorado.

The early history of steelmaking in Colorado and other parts of the West has been linked inseparably with such basic industries as transportation, mining, oil and gas, farms and ranches, manufacturing, and others. Since the end of World War II, the growing volume and variety of western manufacture and fabrication has been an important addition to the new industrial West. Definite progress has been made both in expanding present plants and in the establishment of new manufacturing industries. This is providing new market and production opportunities and is helping to give better balance to the economy.

Research has and will continue to be the keynote of western progress. The sciences of geology, chemistry, and metallurgy, combined with many years of experience in the manufacture of steel and the forming of finished products, have helped basic western industries to make a vital contribution to both peacetime and defense production. The West of today is still a huge research laboratory for both private and governmental explorations.

Steel production in Western States in recent years has shown substantial increases, particularly in the States of Colorado, Utah, Texas, and California. In the State of Colorado steel-producing capacity has increased over 500,000 tons in the past decade. The largest steel plant of the Colorado Fuel & Iron Corp. is located at Pueblo and the annual ingot capacity of this plant has been increased to 1,800,000 tons, starting this year. C. F. & I.'s total ingot capacity, including its plants in the eastern division, is 2,829,500 tons.

Growing out of the Nation's most colorful era of railroad building, and with the vision of those who foresaw a great future for Colorado and other Western States, this pioneer steel company set as its objectives:

The establishment and building of colonies, towns, schools; industries such as coal mining, ironmaking, and manufacturing works, canals and roads.

This was the beginning of C. F. & I., in the year 1872. From this small western beginning has grown a company that has achieved national importance with sales for the fiscal year ended June 30, 1956, exceeding $341 million, over 22,000 employees on its payrolls, and operating 13 steel plants at strategic locations in the western and eastern portions of the United States.

To keep abreast of the overall rate of expansion of the steel industry, C. F. & I. has carried on a broad program of modernization and expansion in recent years at its various plants and properties. Since a large part of the improvement program to date has been in the Colorado division, I will outline a few of the important steps that have been taken by

C. F. & I. in an effort to keep pace with western expansion.

A new and modern coal mine has been opened in southern Colorado, and improvements have been made to iron mines and quarries in order to assure an adequate source of raw materials.

The productive capacity of blast furnaces and open-hearth furnaces has been increased. A new open-hearth furnace, No. 17, with a rated capacity of 230 tons per heat, was completed in March of this year.

A new rod mill was installed at Pueblo in the latter part of 1949. This mill has been an important factor in the expansion of the wire mills at Pueblo and at the company's two California plants. Facilities to produce additional tonnages of reinforcing bars are now under construction at the rod mill.

A new seamless casing and tubing mill was formally opened in October 1953, at Pueblo, for the production of oil country tubular goods. New stretch reducing fafacilties were added to this seamless mill in the latter part of last year designed to increase production of tubular products for the oil and gas producing fields of the West.

The first rail was rolled at Pueblo in April 1882, and rails and fastenings for western railroads are still important C. F. & I. products. Included in the improvement program have been facilities to provide a three-way use of the rail mill—rails, billets for the rod mill, and tube rounds for the seamless pipe mill.

New steel finishing facilities have been installed in recent years and new rolled and wire products have been added for diversified industry needs.

More than a $40 million annual payroll goes into the economy of Pueblo out of the total payroll of $125 million for C. F. & I. and its subsidiaries. Further increase is expected at Pueblo as new employees are added to handle the projected increase in output of this plant.

The 8,500 employees of the Pueblo plant have helped to make possible the new developments and outstanding growth of the western division operation. Their steelmaking skills and cooperative effort will help in building the Greater West that lies ahead.

Colorado, and other western States, will again make an important contribution to the next century of steelmaking progress.

COMBATING INTERNATIONAL COMMUNISM

Mr. BROWN of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROWN of Missouri. Mr. Speaker, we in the Ozarks area of Missouri are delighted that the President is, at last, coming to the people to explain and support his budget requests for combating international communism.

We want the facts before we cast our congressional vote on these vital matters; and we sincerely hope that the President will not try to sugar coat any bitter pills involved. We want the whole truth.

We are disturbed that most of the Nation's professional military leaders feel compelled to follow the Pentagon party line in their answers to congressional inquiries.

And we are more than a little upset over the article in Life magazine this week by Commissioner Thomas E. Murray of the Atomic Energy Commission in which he charges that, while supernuclear weapons have now reached a standoff and may be absolutely useless, the Nation's stockpile of smaller nuclear weapons is not in being but still in the development stage, 3 to 5 years away from reality.

How does this fit in with the press stories we read that new nuclear tactical weapons make it feasible for Great Britain and NATO to reduce their manpower requirements?

If trouble had erupted in Jordan or if a brush fire starts in Formosa or East Germany, are we sending American boys into battle with mythical weapons? Are we maneuvering ourselves into a position where we might have to use the superbombs and start the hydrogen holocaust that must not come?

Surely, in these times of frequent international eruptions when warships and marines are being dispatched to troubled areas, the people should have a candid, unvarnished appraisal of the Nation's capacity to fulfill the military commitments that the President and Congress have made.

If the lid is on the Pentagon, could it not be lifted long enough for a group of respected military and civilian authorities—like Generals Marshall, Ridgway, General Toey Spaatz, Robert Lovett, and others—to take a new look at our defense arsenal and report to the people any weaknesses we might have?

Surely, it is a matter where several wise heads would be better than one, even if the one is a highly respected and trusted ex-general.

The cold, hard facts of our time must indicate to even the most blissful pollyannas that these are the decisive years of our history and the need for public awareness has never been greater.

Fact No. 1 is written in the Communist Manifesto:

> The purposes of communism are changeless. Its maneuvers, its methods, its tactics may change. But the polar star of Communist policy is world domination; and that is a fixed star.

Fact No. 2 has been written so many times in so many chapters of history that it is almost axiomatic; but the Secretary of State put it into words the other night this way:

> History suggests that a conflict as basic as that dividing the world of freedom and the world of international communism ultimately erupts in war. * * * We must exert ourselves to the full to prevent it.

Fact No. 3 was, perhaps, best stated by the great philosopher Nietzsche:

> By the very act of staying constantly on guard, a man can become so weak as to be unable to defend himself.

Maintaining a defensive preparedness for a long period of time is fraught with complications and booby traps. Always, there is the danger of unbalanced inflation. Part of the economy on a wartime footing, without wartime controls. That always spells trouble for people outside the war production centers and people on fixed salaries or pensions.

Only constant vigilance and bold, courageous actions can even begin to keep these dynamic forces of conflict from crunching vast numbers of defenseless citizens in an economic vise.

The predatory threat of international communism, the constant danger of general war, and the domestic inflationary pressures inherent in a protracted defense effort are, I suggest, the three big facts of our time. They are not pleasant facts to contemplate, because these are unpleasant times. But like it or not, they are the facts we must face, boldly and squarely.

Now let us take a good look at where we stand and see how we are measuring up to this unparalleled call to greatness. How are we coming in this struggle against communism? Are we getting so much stronger than they are that we will be able to guarantee peace? Are we gaining new friends and support? Are we making a bold, courageous effort to control inflation and protect our citizens who are not participating in the war effort? Do we have a blueprint for victory that is clear, concise, and practical for the long haul that might be involved in this struggle? What is the truth of our situation?

For many, many years—long before I ever got into politics or went to Washington—I have had a feeling that one of our biggest obstacles in this struggle against communism has been that it is felt to be politically unpopular to tell the people the whole truth about the situation confronting us.

I remember during the Korean war, when for 6 months or a year, our boys didn't even have enough ammunition, much less any fancy new weapons * * * the common questions on the street corner were: "What did they do with all that money we paid in for national defense? Why were we not prepared?"

Of course, the answer came out later: Most of the money went for housekeeping expenses and nuclear weapons that we did not choose to use. But until the showdown bared the facts before God and everybody, we went blissfully along trusting in the military experts, thinking we were well prepared for almost any emergency.

Today, I fear, the truth is an even more elusive commodity in Washington than it was 7 years ago. Too often the answers you get to important questions depend on when you ask and what the administration is trying to "sell" at the time.

For instance, 6 months ago, they told us: Everything is peaceful and prosperous. There is good news from the Middle East, and we are winning the battle against inflation. The state of the Union was never better; and everybody was singing "Life Is Just a Bowl of Cherries."

Then almost overnight the good news from the Middle East turned into bad news overnight. The cost of living edged up with each monthly report.

Life was no longer a big bowl of cherries. People started asking: "Who Threw the Overalls in Mrs. Murphy's Chowder?"

One day, the experts tell us we have enough armed strength to lick the daylights out of 939 million Communists. We can relax and talk about tax cuts. Two weeks later, the word is: We are falling dangerously behind in relative strength. Everybody back to the grindstone. One day, they talk about a "peacetime" budget. Next day, it is a cold war budget. Fits and starts—hot and cold—off in one direction, then back to the opposite pole.

And the worst thing about it all is that any connection between what the President says and what this administration does is often coincidental.

The President presents a budget—says it is "carefully and intelligently prepared" to meet the minimum needs of the Nation. What happens? The Secretary of the Treasury comes over to the Congress the next week and says this document is a monstrosity. Cut it.

Who is steering the ship of state these days? Believe me, it is not the Captain. It is the crew. And every time the poor old Captain charts the course due east, the crew kicks the rudder and heads us due west. If we ever get to wherever it is the Captain thinks this ship is going, we will either back into port or we will sneak up on it from the rear.

Here, in the decisive years, the most crucial period of our history, you wonder if our leadership really has any blueprint, any bold courageous program, or vision of where we are going or what we will be called upon to do when we get there. There are few new ideas, just slight variations of the old.

In fact, the whole idea seems to be: The way to arrive at a policy is first to hire as many "important" people as you can hire, let them surround themselves with a little empire of employees, and maybe somebody will come up with something.

There are today in the executive branch of the Federal Government close to 600 top-salaried Mr. Secretaries, Mr. Administrators, and other glamour-title executives. Six years ago, there were 296.

The Department of Defense now has some 30 Mr. Secretaries, compared to only 8 in World War II. For what? To handle less armed strength than was handled by eight.

The State Department has 4,000 more employees—and lots more glamour boys—than it had 6 years ago. For what? To handle foreign relations with fewer free world allies.

The Department of Agriculture put on thousands of new employees in the last 18 months. And what did they accomplish? The lowest net farm income in our postwar history, and a budget request for 1958 totalling some $5 billion.

Employees are no substitute for ideas; and in business or in Government, leadership must come from the top. When there is a program of action that seems worthwhile, money and men are forthcoming.

But until there is a program, even good men will grow confused and bewildered; and the money will be wasted.

I make no pretense at having any miracle answers to this myriad of complicated problems; but somebody had better come up with some answers, and I have a few suggestions:

The four basic wants of all Americans are really very simple: We want to live at peace under God. We want a chance to earn a decent honest living. We want to educate our children. And spend the declining years of our lives in honorable, independent retirement. These are the basic goals we seek. These are our fundamental wants.

Now in these times of war threats and inflationary pressures, how many of these wants can we have? I think we can have them all. But we must have a clear picture of what we have to do to get them. We must have a blueprint to follow. And first, we must know exactly where we are before we can calculate where we are going.

For that reason, I have written the President today respectfully requesting that he summon a group of the Nation's most respected military and civilian authorities to give us a frank and honest evaluation of the Nation's Armed Forces, and to tell us candidly and forthrightly what is required of us in the way of men and modern weapons to preserve the peace. Not just what we need to stay slightly ahead of communism. Not just what we can do and get by. Let us hear what is required—not on order but in being—to be strong enough to ask and get Communist disarmament. What does it cost and let us see if we cannot afford it?

Is it true that most of our money and manpower are invested in strategic nuclear weapons that we must have for their deterrent effect but weapons we do not dare use? Are we wide open for "piecemeal defeat" by the Communists?

What is the mission of the Army? The Navy? The Marine Corps? And what do they need to carry out that mission?

We are cutting back on planes and counting on missiles. But some people who know say that strategic missiles are 5 to 10 years off. Is this right?

Would our chances for peace be improved if we made an all-out sacrifice to get a real "big stick" in being and demand a showdown? Or will it be safer to try to sustain a rigid preparedness for the next 20 to 50 years?

Are these troops we are paying for in some of these foreign countries really loyal, effective fighters for freedom? Or are they a new form of mercenary legion? When the chips are down, will they surrender their arms to the enemy and run? Or can we count on them to do their part?

Are our lines too thin, our outposts too far forward, in view of present Communist strength? Would we be better off to pull in our lines to the Western Hemisphere and build a superstrength, highly mobile striking force among these nations we know we can rely on?

These are some questions that must be answered before these fateful, decisive years are too far gone; and it is my honest opinion that it is impossible to get the whole truth under the gag rule now imposed on our professional military leaders.

I fear that too many of our professional people are following the Pentagon party line in a desperate effort to demonstrate unity in a department hopelessly un-unified.

Is it not time that we called in some men like General Marshall, General Bradley, General Ridgway, Bull Halsey, Toey Spaatz, Clifton Cates, Hanson Baldwin, Robert Lovett, Dean Acheson, yes, and ex-Presidents Hoover and Truman for a thorough evaluation?

If these minority reports that have leaked are not true, if we have nothing to fear from all these cutbacks in research and weapons contracts, let us hear it from these men who have no ax to grind and no compromise agreements to uphold.

Let us have it straight out and unequivocally, what the Nation's defense expenditures must be to win this struggle against communism, not just to hang on and hope.

This is a great nation with a tremendous reservoir of spiritual strength. We may not like the thought of sacrifices, but we have demonstrated many times our ability to endure them.

Much as we want lower taxes, we still want to know what is expected of us and what the situation requires. We have not grown so fat and so selfish that we ask, in the face of grave peril, "How little can we do to get by?" We can still rise to greatness, above and beyond the call of duty.

Our instincts tell us that these are the decisive years. Our forefathers had the wisdom and courage to build a great civilization, and surely we have the will to save it. But give us the whole truth, the plain unvarnished facts, and ask of us what the situation demands.

We can win this struggle against international communism, and all we ask is a clear picture of where we are going and what you want us to do when we get there.

STEEL INDUSTRY CENTENNIAL

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, this year the steel industry is celebrating its centennial. In the year 1857 an Irishman by the name of William Kelly, a native of Pittsburgh, received a United States patent on a machine which made possible for the first time volume production of steel. This was the Kelly converter, similar in principle to the machine invented about the same time in England by Henry Bessemer.

Starting May 1, and running through December 31, more than 100 steel-producing communities all over the Nation will mark this anniversary with suitable ceremonies and activities.

On May 22, in New York City, Postmaster General Arthur Summerfield will place on sale the first of 120 million commemorative postage stamps. Ben Fairless, former chairman of the board of the

United States Steel Corp., and now president of the American Iron and Steel Institute, will buy the first stamp.

Coming as I do from the steel center of Gary, Ind., a city which has grown great during this first century of steel, I feel especially proud to say a few words in connection with the start of this nationwide period of celebration. Next to the Pittsburgh area, the Gary-East Chicago mills form the greatest producing community in the United States.

Gary, with 165,000 population—Indiana's second largest city—is truly a community born of steel. Only last year the city was joined by the Gary Works of United States Steel Corp. in joint celebration of their 50th birthdays. The name derives from Judge Elbert H. Gary, first chairman of the board of the corporation.

As of the start of this year, three companies in Indiana's Gary-East Chicago complex—United States Steel Corp., Inland Steel Co., and Youngstown Sheet & Tube Co.—had a combined annual steel capacity of 15,848,000 net tons. In other words, one county of my district—Lake—has a capacity larger than the total output of France during 1956, and nearly 30 percent as great as that of Russia.

A number of our major cities, such as Gary, Pittsburgh, Cleveland, and Youngstown, have grown to prominence with the steel industry. The tendency, therefore, might be to consider this centennial celebration of only regional interest. As a matter of fact, the plentiful supply of high quality steel has made possible the high standard of living which the people of the United States enjoy today. Steel is basic to every other industry.

Ingot steel is being produced in 119 communities all over America. Beside Indiana, Illinois, Ohio, and Pennsylvania, plants are located in Alabama, California, Colorado, Connecticut, Delaware, Georgia, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Jersey, New York, Oklahoma, Oregon, Rhode Island, Tennessee, Texas, Utah, Virginia, Washington, and West Virginia.

The steel industry, steel communities, and the Nation have had dramatic growth since the days of William Kelly, Henry Bessemer, Robert Mushet and Alexander Holley. A growing nation, hungry for things made of steel, has placed great demands upon the steel producers.

Indicative of this demand is the enormously expensive multibillion dollar expansion program now in progress throughout the industry. Five million tons were added nationally in 1956 and by the end of 1958 another 10 million tons will be added. Presently, our steel industry can turn out about 40 percent of the world's total output.

Taking as an example the city of Gary, one can readily grasp the enormity of the progress made by this industry in only the last 50 years of its incomparable first century. Truly, this industry promises to contribute as mightily to the future progress of our Nation and the world as it has in the past. We are proud of the part that Gary will play in that progress.

HOUSING LEGISLATION

Mr. TALLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. TALLE. Mr. Speaker, the legislative calendar indicates that housing legislation will be considered tomorrow.

On the day we closed for the Easter recess I introduced the bill H. R. 7024, which is in some degree a modification of the committee bill H. R. 6659.

One of the important aspects is the requirement with reference to downpayments. In order that Members may have an opportunity to examine the alternate proposals I have prepared a table which I should like to have printed in the RECORD for their examination.

Mr. Speaker, I ask unanimous consent that this table may be printed following my remarks and that I may revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

(The table referred to follows:)

Minimum downpayments for 1-family owner-occupant mortgagors based on alternative mortgage formulas assuming sale price equal to FHA value

Mortgage formula—FHA appraised value	Current FHA statute (96 percent of 1st $9,000 of appraised value and 75 percent of excess value)	Recommended by committee		Recommended in Talle bill H. R. 7024 (96 percent of 1st $10,000 of appraised value, 90 percent of next $6,000, and 70 percent of excess value)
		Nonveteran loan (96 percent of 1st $10,000 of appraised value, 80 percent of next $6,000, and 70 percent of excess value)	Veteran loan (98 percent of 1st $10,000 of appraised value, 90 per cent of next $6,000, and 85 percent of excess value)	
$6,000:				
Amount	$300	$240	$120	$240
Percent	5.0	4.0	2.0	4.0
$7,000:				
Amount	$350	$280	$140	$280
Percent	5.0	4.0	2.0	4.0
$8,000:				
Amount	$400	$320	$160	$320
Percent	5.0	4.0	2.0	4.0
$9,000:				
Amount	$450	$360	$180	$360
Percent	5.0	4.0	2.0	4.0
$10,000:				
Amount	$700	$400	$200	$400
Percent	7.0	4.0	2.0	4.0
$11,000:				
Amount	$950	$600	$300	$500
Percent	8.6	5.5	2.7	4.5
$12,000:				
Amount	$1,200	$800	$400	$600
Percent	10.0	6.7	3.3	5.0
$13,000:				
Amount	$1,450	$1,000	$500	$700
Percent	11.2	7.7	3.8	5.4
$14,000:				
Amount	$1,700	$1,200	$600	$800
Percent	12.1	8.6	4.3	5.7
$15,000:				
Amount	$1,950	$1,400	$700	$900
Percent	13.0	9.3	4.7	6.0
$16,000:				
Amount	$2,200	$1,600	$800	$1,000
Percent	13.8	10.0	5.0	6.3
$17,000:				
Amount	$2,450	$1,900	$950	$1,300
Percent	14.4	11.2	5.6	7.6
$18,000:				
Amount	$2,700	$2,200	$1,100	$1,600
Percent	15.0	12.2	6.1	8.9
$19,000:				
Amount	$2,950	$2,500	$1,250	$1,900
Percent	15.5	13.2	6.6	10.0
$20,000:				
Amount	$3,200	$2,800	$1,400	$2,200
Percent	16.0	14.0	7.0	11.0
$21,000:				
Amount	$3,450	$3,100	$1,550	$2,500
Percent	16.4	14.8	7.4	11.9
$22,000:				
Amount	$3,700	$3,400	[1] $2,000	$2,800
Percent	16.8	15.5	9.1	12.7
$23,000:				
Amount	$3,950	$3,700	[1] $3,000	$3,100
Percent	17.2	16.1	13.0	13.5
$24,000:				
Amount	$4,200	[1] $4,000	[1] $4,000	[1] $4,000
Percent	17.5	16.7	16.7	16.7
$25,000:				
Amount	[1] $5,000	[1] $5,000	[1] $5,000	[1] $5,000
Percent	20.0	20.0	20.0	20.0

[1] Reflects maximum insurable mortgage of $20,000.

AMERICAN FEDERATION OF MUSICIANS

Mr. LANDRUM. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, revise and extend my remarks, and include the text of the report of the special subcommittee of the Committee on Education and Labor.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. LANDRUM. Mr. Speaker, I am today introducing a bill which, in my own opinion, is designed to carry out the recommendations of a special subcommittee of the Committee on Education and Labor.

This special subcommittee was appointed to investigate the operations of the musicians' performance trust funds of the American Federation of Musicians. The conclusions and recommendations of the subcommittee were published in the form of a report to the full committee October 10, 1956. Inasmuch as this material is available only in the form of a committee print, I am asking unanimous consent that the text of the report be printed in the body of the RECORD at the conclusion of my remarks.

SUMMARY ANALYSIS OF BILL

Section 1: The first section of the bill would extend the existing prohibition against the payment of money by employers to labor organizations so as to prohibit all payments made by anyone as a result of collective-bargaining negotiations or contracts. This change is necessary because the practice has grown up of creating independent trustees instead of employee representatives, to receive such funds, thereby evading the original standards of the Labor-Management Relations Act to which these plans were required to conform.

Section 2: The second section of the bill would extend the existing prohibition against the receipt of money by labor organizations so as to prohibit the receipt of money by anyone as a result of collective-bargaining negotiations or contracts. The change is necessary for the same reasons outlined in connection with the first section of the bill.

Section 3: The third section of the bill changes the conditions under which payments may be made to employee benefit plans, or for any other purpose resulting from collective bargaining. The present law allows payments to employee benefit plans under certain conditions; that is, there must be a trust agreement; it must be for the benefit of the employees of the contributing employer; both management and labor must be represented on the board of trustees; it can only be used for specified purposes, and so forth. The present law has not served to protect employee benefit funds from abuse ranging from outright thievery to inept administration. Under this section of the proposed bill payments resulting from collective bargaining may be made if, and only if, the affected employees themselves sign a written authorization allowing the payments to be made. This is the same requirement now in the law governing the checkoff of union dues.

Section 4: The fourth section of the bill establishes the effective date for the proposed changes; in brief, all existing employee benefit plans will be required to conform within 180 days after enactment, unless their terms subject them to an earlier termination or renewal date.

Section 5: The fifth section of the bill protects State regulatory authority in this area. If this authority is not expressly reserved, the ever-growing preemption doctrine would undoubtedly be invoked so as to invalidate existing and future State statutes. It is not intended that this change in Federal law be the basis for disrupting whatever efforts the States may now be making to protect these funds for the benefit of their own citizens.

Section 6: The last section of the bill changes the section title to conform to the changes in the substantive law.

REPORT OF SUBCOMMITTEE ON MUSICIANS PERFORMANCE TRUST FUNDS

The special subcommittee appointed on May 10, 1956, to investigate the operations of the musicians performance trust funds of the American Federation of Musicians herewith submits its report to the chairman of the Committee on Education and Labor of the House of Representatives.

Because of the many complaints received from Local 47, American Federation of Musicians (located in Los Angeles, Calif.) regarding the method of operation and basis of contributions to the musicians performance trust funds your subcommittee held hearings in the city of Los Angeles on May 21 and 22, 1956. On October 1 and 2, 1956, the subcommittee met in executive session to consider the material presented at the hearings, additional information received since the hearings, and to arrive, if possible, at conclusions and recommendations. This report is the result.

HEARINGS

Testimony presented during the hearings contain the following principal complaints and instances of alleged abuses:

(1) Neither the individual musicians nor any local union has any voice whatsoever in the negotiation of collective-bargaining agreements by the American Federation of Musicians. Section 36, article XIII of the bylaws provides that the AFM may enter into collective-bargaining agreements "for the benefit of all members of the federation and each member is bound by the terms of such collective-bargaining agreements." It is the standard and continuing practice of the federation to negotiate and execute collective-bargaining agreements in the motion-picture, radio, television, and phonograph-recording industries, without submitting such agreements to the members affected thereby; and even after the execution of such agreements, to change and alter the terms thereof to the disadvantage of the musicians most affected without consultation with, or approval or ratification by, the musicians thus affected. During the period of negotiations, no proposals are submitted to the members concerned, and they have no voice whatever in the terms or conditions finally settled or agreed upon.

(2) In order to comply with, yet at the same time evade the intent of, the provisions of the Labor Management Relations Act of 1947 (29 U. S. C. A., sec. 186), the AFM has created, by agreements with employers, a number of so-called trust funds to which employers are required to make so-called voluntary contributions as the price of, and as a condition precedent to, the employment of musicians in the following industries: motion pictures, television film, transcribed radio, and phonograph recordings.

The result of requiring these contributions—which are actually compulsory, not voluntary—has been to create widespread unemployment throughout these industries, to encourage the importation of "canned" foreign music with the following results:

(a) Unemployment of musicians in the United States;

(b) Loss of economic and cultural benefits to the Nation which would ordinarily flow from such employment;

(c) Inferior products are forced upon employers and the public; and

(d) Indirect loss of employment in related crafts (sound engineers, sound technicians, music cutters, projectionists, sound crews, etc.).

(3) Local 47 musicians pay a tax of 1 percent upon their earnings in the motion-picture and television-film industries into the theater defense fund of the union (the aggregate of which tax comprises 87 percent of all the funds collected since 1946 for that fund), whereas other musicians who perform in theaters and dance bands pay no such tax whatever.

Further, 97 percent of the total so-called contributions paid into the trust fund from television films comes from films in which Local 47 musicians played, while musicians in theaters, dance bands, and otherwise throughout the United States and Canada perform no services from which any contributions, directly or indirectly, go to this particular trust fund. Members of more than 700 locals throughout the United States and Canada receive payments from this trust fund although they have performed no services from which any contribution has gone to the trust fund.

(4) Section 1, article 1, of the bylaws of the AFM presently provides that the president of the American Federation of Musicians "is authorized and empowered to promulgate and issue executive orders which shall be conclusive and binding upon all members and/or locals"; any such order, by its terms, "* * * (b) may annul and set aside" the constitution or bylaws "or any portion thereof * * * and substitute therefor other and different provisions of his own making." This power under article 1, section 1, has, in fact, been exercised as recently as 1954.

(5) Strike funds collected from theater musicians and motion picture recording musicians have been misused and diverted upon the order of International Executive Board of AFM (a) to establish a pension for the widow of a former president, (b) to purchase a printing plant and equipment for the use of the AFM, and (c) to establish a retirement fund for international officers and other employees of the federation.

(6) Residual property rights have been protected by collective bargaining agreements throughout the entertainment industry for the protection of artists in all fields of artistic property. The technical term is "residual performance rights." No such agreements exist at the present time to protect or enforce the residual performance rights of individual musicians. The AFM has diverted compensation for such rights from the individual musicians to the trust funds since June 1955 (although prior to that date such rights were asserted and enforced by collective bargaining agreements negotiated by the federation; such performance rights constitute a basis upon which the industry makes contributions to the trust funds).

Witnesses who made these charges requested Federal legislation to correct what they considered were abuses. Other witnesses defended the actions of the president of the American Federation of Musicians and its executive board; although some of these witnesses indicated disagreement with the decisions and activities of the president and the executive board they maintained that it was an intraunion problem which should be worked out within the union itself and that no legislation was necessary or should be considered.

FINDINGS

On the basis of the record it seems quite clear to your subcommittee that—

(1) The membership of the Los Angeles Local No. 47, American Federation of Musicians, has no voice in collective bargaining negotiations carried on at the national level, and has no effective control of its own affairs.

(2) Because of the structure of the American Federation of Musicians, its method of

selecting delegates to their national convention, and the powers conferred on the president and the executive board, it is unlikely that members of that local can ever obtain proper or adequate participation in the management of the affairs of the union.

(3) Substantial sums which would, in most industries, go toward increased wages and fees for many members of local 47 and the New York local are now being diverted into the various musicians' performance trust funds. The purposes for which these funds are used are highly objectionable to many members of local 47. Although the funds are supposed to be used to provide employment for unemployed musicians and to promote cultural development throughout the country these witnesses believe that the majority of performers benefiting from the funds are not really unemployed professional musicians who normally make their living in that profession, and also that the method of allocating the funds is a device by which the president and executive board of the AFM control an overwhelming majority of the delegates to the national convention of the union.

CONCLUSIONS AND RECOMMENDATIONS

Your subcommittee has considered the situation in terms of possible legislation and has arrived at the following conclusions:

(1) The Federal Government should not be required or authorized by legislation to interfere with or supervise day-to-day relationships between union officials and union members; such intraunion matters can and should be worked out within the structure of the labor organization itself; sooner or later in most cases the will of the members themselves will govern the conduct of the union.

The subcommittee recalls that the original House bill in 1947 contained some provisions requiring periodic elections of all union officers, voting procedures for establishing dues schedules, special assessments, engaging in strike action by secret ballot under Government auspices, etc. Such provisions were omitted in conference because they would inject the Federal Government into the internal affairs and management of labor organizations.

(2) The Federal Government should consider legislation designed to give individual employees some protection with respect to payments made by their employers that would otherwise go to them in the form of higher wages.

When the Labor Management Relations Act of 1947 was enacted there was an open question as to whether or not employers were required to bargain regarding health, welfare, pension, and other types of employee benefit plans. This question was resolved in the Inland Steel Case in 1948 (22 LLRM 2506) so as to require the employers to bargain with unions regarding such matters. The rationale of this decision was that the benefits flowing from such plans were embraced in the terms "wages, hours, and working conditions." In essence, therefore, the law today regards all sums paid by an employer as a result of collective bargaining negotiations or agreements as wages regardless of the fact that the money may go directly into a fund as in the case of the musicians performance trust funds or directly into union treasuries as in the case of dues deducted from wages. In the case of dues, however, deductions may not be legally made and paid directly to unions unless "the employer has received from each employee on whose account such deductions are made a written assignment" (sec. 302 (c) (4), LMRA).

Your subcommittee recommends that additional hearings be held to determine the feasibility of amending the Labor Management Relations Act of 1947 so as to make this same requirement with respect to payment of dues applicable to all other payments made by an employer as a result of collective bargaining negotiations or contracts. Under such legislation each employee would have a legally protected right to decide for himself if he wanted his share of "wage" increases paid to him or to the union or in any other conceivable manner.

In making this recommendation your subcommittee recognizes that such legislation might, to some extent, interfere with and perhaps slow down collective bargaining negotiations as they are presently carried on in some instances. It would, of necessity, require that union negotiators know in advance of collective bargaining sessions whether or not their members wanted their share of possible increases in the form of larger paychecks or in the form of benefits provided by the establishment or continuance of a specific employee benefit plan.

The above argument (i. e., possible complications with respect to certain phases of existing collective bargaining procedures in some cases) should be considered along with the following arguments:

(1) It would enable the individual union member to share in the benefits of collective bargaining contracts entered into by the union on his behalf, thereby preventing the kind of situation that now exists in local 47, AFM.

(2) It would encourage unions to administer employee benefit plans to the satisfaction of those members who contribute a portion of their wages (or who forego a wage increase) for such purposes.

(3) It is simple and easy to understand.

Your subcommittee has also concluded that further hearings regarding the operations of the musicians performance trust funds are not necessary when considered from the standpoint of possible Federal legislation. Hence, with this recommendation and report the subcommittee believes its assignment has been completed.

Respectfully submitted,

PHIL M. LANDRUM,
Chairman.
JAMES ROOSEVELT,
JOE HOLT.

OCTOBER 10, 1956.

REBIRTH OF BIRMINGHAM'S DOWNTOWN AREA

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, my hometown of Birmingham, Ala., is now engaged in a full-scale civic program to save its downtown area from economic suffocation.

The exodus to the suburbs has created an economic as well as a sociological problem in many of our Nation's largest cities. Birmingham, the Magic City and the iron and coal center of the South, is now caught in the grip of a similar situation. The city is expanding but the expansion is coming in the suburban areas.

Downtown merchants, who rely on a volume business to meet their high overhead, go begging for customers. On the other hand, would-be customers are stymied in their attempts to trade downtown because of a worsening downtown traffic snarl.

In 12 years, the number of automobiles in Jefferson County has more than tripled. There were 71,000 autos in 1945 and now there are 215,000. New roads and highways have been built, but not 3 times the mileage which existed in 1945. Birmingham lies in Jones Valley with Red Mountain at its southern edge. This mountain prevents the construction of a belt motorway, at any reasonable cost, which could encircle the city and divert through traffic off the crowded downtown streets.

Despite the daily traffic snarls and scarcity of parking spaces, downtown merchants now have a gleam in their eyes. They have just organized a permanent Birmingham Downtown Improvement Association.

Already, thousands of dollars have been subscribed toward the association's first annual budget of $100,000. It will go for surveys and planning. Newspaper headlines are heralding the rebirth of the downtown area. Once again, things are looking up.

The Downtown Improvement Association will investigate ways and means to give downtown Birmingham a facelifting. Uppermost on the association's agenda will be studies of more offstreet parking facilities in the central section, additional thoroughfares into the downtown area, and a freeway or belt motorway system to keep through traffic from further congesting downtown streets.

The downtown merchants know their problem and they are going about solving it themselves.

Now busy organizing the improvement association is a parent group headed by Mr. William P. Engel, a devoted civic leader who is a former president of the Birmingham Chamber of Commerce. Mr. Harold Blach, one of our outstanding merchants, is vice president of the group.

At the improvement association's initial meeting on April 16, 1957, Mr. Engel described the downtown area as presently on the defensive. "The automobile is the villain of the downtown drama," he declared. "Eight percent of the highway mileage carries two-thirds of the traffic."

Surveys on what can be done to speed the flow of downtown traffic have already been made by the Birmingham Police Department's traffic bureau, the Birmingham Transit Co., and others. Elimination of all curb parking in the central area as well as the addition of several more one-way streets are among the improvements suggested.

Seven and one-half years ago the entire city of Birmingham, including the surrounding suburbs, faced something of the same type of economic blight. For the previous 2 years not a single new factory had come to Birmingham, whose economy is built on its factories. It was an alarming situation and there again the local civic leaders decided that it was time to do something about the situation.

The Birmingham Chamber of Commerce called a special meeting and invited 100 of the city's top business executives to attend. While the South as a whole was experiencing the most dramatic industrial gain in history, Birmingham had been bypassed in this postwar boom. For a city whose phenomenal growth from a crossroads 82 years before to a population of 326,000 at that time had earned it the nickname of the Magic City, this was discouraging news.

This was the setting for the founding of the Birmingham Committee of 100 in December 1949. This committee, whose outstanding work is now a familiar story throughout the Nation, began its important task of helping shape the Birmingham district's industrial future. A 5-year advertising campaign was launched. As a result, more than 200 plants, warehouses, home and district sales offices have now been located in Birmingham. New investments totaled $200 million, some 20,000 new jobs were created, and $18 million added to the district's annual payroll.

Just as the Committee of 100 was launched at the city's darkest industrial hour the Downtown Improvement Association has now been organized to spur renewed interest in downtown businesses. With the traffic problem eased, downtown stores hope to attract more and more customers once again. With business again booming, new stores and office buildings will doubtless go up in the central section. Property values will rise once again.

It will be a healthy situation for all concerned. If downtown property values are maintained, it is to the benefit of every taxpaying citizen. The downtown property pays more than one-fourth of the county's taxes.

Just as Birmingham's Committee of 100 not only succeeded in its objective but also attracted nationwide attention in boosting Birmingham business, the Downtown Improvement Association is bound to meet with success. Economic development of a section must be planned the same as the expansion of a single factory. With civic-minded merchants, newspapers, and public officials all working toward a common goal which is for the good of all, the Downtown Improvement Association can look forward to improved downtown conditions with almost certai: optimism. It will be a hard campaign, but I am confident we will soon see a real rebirth of Birmingham's downtown area.

NINTH ANNIVERSARY OF THE INDEPENDENCE OF ISRAEL

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. BOYLE] is recognized for 60 minutes.

Mr. BOYLE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks; also that all Members may have 5 legislative days in which to extend their remarks in the RECORD on Israel and that all Members may have the opportunity to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. BOYLE. Mr. Speaker, today marks the ninth anniversary of the founding of the State of Israel. On this happy occasion, I congratulate the people and leaders of the new State of Israel on this milestone in their country's brief, modern history. The people of the United States and most of the world hope that Israel will continue to be a stronghold of democracy and a bastion of the pioneer spirit in the Middle East for many years to come.

Americans everywhere take pride in the part played by the United States in the creation of the new State of Israel. President Truman's actions in 1948 will always be considered as one of the most inspired and altruistic acts in the history of American foreign policy. Through its support for Israel at that crucial time, the American public expressed its approval and admiration for those practical and spiritual goals which animate the nation of Israel today.

From the day 4,000 years ago when Israel was forced into bondage by an Egyptian tyrant, the Jews in exile kept alive the idea of their eventual liberation and return to Palestine. Through terrifying historical vicissitudes—invasions, dispersions, oppression, tortures, and martyrdom—the Jews never lost their collective identity nor their recuperative powers. They retained their language and their traditions, and that attachment to the little country of Palestine which was the focus of their inner life. They retained their hopes of national fulfillment and final liberation. Despite all obstacles and barriers placed in the way of a national Hebrew revival by inertia, and indifference and politics, the faith of Jewry triumphed over material considerations. The flag of Israel now flies proudly over that land from which it was so long absent.

The toil and labor of the citizens of Israel has transformed the desert of Palestine into a replica of the fertile acres and vineyards of ancient times. The country is once more populated with Jews, now returning from exile, and a new Hebrew culture has been created from the best elements contributed by settlers from a score of countries. New ingredients have been grafted to the image of an ancient Hebrew civilization, to create a blend of both. If the new elements of a reconstituted Jewish community find expression in technical accomplishments, in industry, in superior agricultural techniques, or in land reclamation, the old tradition is typified by a desire for liberation, tenacious patriotism, and a hatred of tyranny.

Much as the creation of a State of Israel represents a victory of the powers of the spirit, so it represents the lifting of a burden from the Western Christian conscience. After the end of the Second World War, the horrified victors saw the results of an aberration in their own civilization which had cost the lives of 6 million Jews. Even then the victors nearly failed to do justice to the survivors of European Jewry, who had pleaded for a state of their own. The creation of the State of Israel was for the nations of Europe an act of penance, an act of universal justice, and a belated recognition of the righteousness of the Hebrew cause. If the new Jewish state was to be established in Palestine—the only acceptable spot—it was only fair that the original occupants should give up a little bit of the vast area occupied by Arabs stretching from Iraq to Morocco. Would the Arabs begrudge the Jews a tiny portion of this vast region? Were the Arabs right in holding this vast region for themselves alone? Was it wrong for the Jewish people to have a tiny fragment of it? This was a problem for the Western conscience, and it was solved in the best possible way—by creating a new state. Thus these powers who had oppressed the Jews had repaid their debt in some measure to the world Jewish community by creating Israel.

After the Israeli troops defeated the combined armies of the Arab States in 1948 and 1949 the Arabs were still bitter at Israel. Instead of accepting defeat and leaving Israel alone, they carried on a vocal, vicious, and vindictive campaign against Israel, refusing to make peace with her, trying to poison the minds of all countries against her, and sending guerrillas over the frontier to attack defenseless Israeli collective farms.

Soon after the Arabs and Communists joined forces to threaten the very existence of Israel. The Soviet Union and Czechoslovakia provided arms, artillery, and aircraft for Egypt, much of which was captured by Israeli forces in their lightning campaign against Egypt across the Sinai Desert in 1956. Despite this successful campaign the Arab threat to Israel still exists, while the declared intention of Arab leaders is to overwhelm the nation with military force, massacre the population, and annihilate Israel and all its works.

If the existence of the State of Israel is a symbol of the better nature of Western civilization, we Americans are morally committed to the preservation and the support of Israel. Israel is a small nation, has few resources, and is overpopulated. Israel is an island of Western culture threatened all around. Unless we continue to grant Israel technical assistance and arms, she may eventually be submerged by a tidal wave of Arab and Communist aggression. We will not and cannot let Israel down.

The moral commitments of the West and the United States to Israel are in strange contrast to the policy of the Eisenhower administration in the Middle East. The State Department has consistently and deliberately sought to evade its commitments to Israel by favoring the Arabs on every occasion. Not only have we abdicated our responsibilities, but the faulty pro-Arab policy of the administration has created a split with our British and French allies, at a time when the threat of the U. S. S. R. to the existence of the United States is as great as ever and at a time when the U. S. S. R. is actively seeking a toehold in the Middle East. The split between the United States and her allies has greatly disturbed millions of Americans.

There are discrepancies in the administration's account of the Suez crisis of July 1956 and the Anglo-Egyptian police action against Nasser. In this dispute with the Egyptian dictator, Britain and France were doing a favor for the West; they were trying to keep the Suez Canal open for the passage of British goods and at the same time to bring down an ally of the Communists. In this they failed because of administration pressure. The administration's version of these events alleges that Britain and France committed a crime by attacking Nasser and that Britain and France at no time gave the United States

advance notice of their intentions. A recent magazine article entitled "How Our Allies Tricked Us," by Demaree Bess, details the entire administration line on this issue.

Here the administration also takes the credit in forestalling a similar attack on Egypt, supposedly planned by Churchill in 1953, and reputedly not far from the minds of the British Tory Party at any time since. Also, after his trip to Egypt—and this is the basis of the unfortunate change in our Middle Eastern policy—Secretary of State Dulles decided that our policy had become dangerously unbalanced, considering the rising tide of resentment against us and our allies. At the same time, the administration discovered that the Arabs were able to injure us by closing the Suez Canal or by halting the flow of oil. The administration now yielded to the Arabs, substituting appeasement for policy and abasement for clear thinking about the real problems of the Middle East. By appeasing the Arabs, the administration sacrificed Israel to what it wrongly considered the proper policy. Then, when Israel took advantage of the Anglo-French invasion of Egypt to strike back at Egypt in a pure defensive manner, whence the fedayeen raids had come, the administration put pressure on Israel to withdraw from Gaza and Sinai, which Israel needed for her surplus population, and from the shores of the Gulf of Aqaba, which Israel needed to control in order to build up her new port of Elath.

The administration has done less than its share in protecting Israel from Egyptain aggression and discrimination on the seas. Restrictions on Israeli shipping dated from the time of the 1948 disturbances still remain in force, and Israeli shipping has no access to the new port of Elath from Haifa or Jaffa. The cargoes of Israeli ships which attempt to pass through the canal may be confiscated, or even the ships themselves. These Egyptian restrictions represent a direct violation of the International Convention of 1888 regulating the Suez Canal, which internationalizes the waterway and declares that it must remain open to the shipping of all nations in peace and war. Thus Egypt puts herself in opposition to international law, in a fruitless attempt to exercise economic pressure on Israel. In 1951 and 1954 the Egyptian ban on Israeli shipping came before the United Nations, which recommended on both occasions that Egypt open the canal for unrestricted passage. But Egypt has refused to do this and takes refuge in technicalities, claiming that a state of war still exists between Israel and Egypt—a viewpoint which is also of use in providing a pseudo-legal basis for the continuation of the sinister Egyptian fedayeen raids on Israel.

Although the Middle East is the principal center of the world's oil production, Israel has only the little she produces herself and what she can import from the Caribbean region. Israel has no access to Iranian oil, to the oil of Kuwait, of Bahrein, or Saudi Arabia. Is it fair for the Arab States to refuse to sell their oil to Israel, particularly when Israel needs the oil and is willing to pay a good price for it? It is apparent that the Arab oil boycott must cease, and with it the distortion of Israel's foreign trade patterns. The administration could exercise pressure on the international oil cartel to deliver oil to Israel if it wished. Is there any good reason why the spiritual fulfillment and the national interests of millions of Jews must be sacrificed to the materialistic concerns of the giant oil companies?

A few months ago, the administration was ready to apply sanctions against Israel because Israel did not withdraw from Gaza, Sharm el Sheikh, and Aqaba as rapidly as the State Department wanted. The world saw the unedifying picture of the United States—a great power—threatening a little country—Israel. It seems incongruous that the United States and the United Nations have one standard of morality when dealing with the Soviet Union and another when dealing with little Israel. In this case, Israel received treatment from the hands of the State Department which that agency would never have scrupled to use with a larger state.

The Israeli withdrawal from Gaza and Aqaba was slow and deliberate. A slow retreat was natural after Israel's campaign against Egypt. Israel naturally wanted to exercise control over the bases of the fedayeen raids as long as she could. Israel's blitzkrieg was a war of self-defense. The fact that these forays have recommenced, on a small scale, shows the correctness of Israeli strategic assumptions.

Besides threatening to apply sanctions to Israel at the time of the Suez crisis, the administration cut off aid to Israel. This meant that Israel did not benefit some months from a grant-in-aid program, a technical-assistance program, or a surplus food program. At a time when Israel was still admitting large numbers of homeless Jewish refugees from Poland, Hungary, and most desperate of all, Jews who were being expelled from Egypt with nothing but the ragged clothes on their backs, the withdrawal of American aid was a serious blow. Curtailment of United States aid worked serious hardship on the refugees as well as on Israel's economy. The State Department also denied passports to Americans of Jewish faith who wanted to visit Israel for a period of some months, including the period of the Passover, an important Jewish high holy day, in April of this year. Another byproduct of the State Department's decision was to deprive Israel of an important amount of foreign exchange. Israel needs foreign exchange desperately to import goods and machinery to be used in national development.

One of the most shocking results of the State Department program for the Middle East has been our military alliance with Saudi Arabia. We have mistakenly supplied arms and aid to the feudal state, whose rulers have always been in agreement with Nasser that Israel must be wiped out, and have received American arms which may be used in an attempt to do just that. So great is the regard of the State Department for Saudi Arabia that President Eisenhower received King Ibn Saud even though he refused to receive Prime Minister Anthony Eden of Britain.

King Ibn Saud rules a large and wealthy country. He draws even greater wealth from American economic aid and oil royalties. Ibn Saud's personal income runs into billions of dollars annually; yet, Ibn Saud is a notorious slaveholder, and many of the ruling family and high Saudi dignitaries are slaveholders. So far the United States has refused to participate in the United Nations antislavery campaign because the State Department considers participation in this worthy drive as interference in the internal affairs of a foreign state. The state which is meant in this declaration is, of course, Saudi Arabia—which is the chief slaveholding nation today. Islamic missionaries are encouraged by Ibn Saud to convert the Negro population of East Africa, and many of these travel to Mecca. Somehow a large proportion of them never return to their East African villages. Slaveholding and slave trading are repugnant to all Americans. Yet the State Department has chosen to forget that it was less than a hundred years ago that this country was locked in a death struggle over this identical issue. A struggle in which thousands of Americans who felt a passionate hatred of slavery lost their lives.

In order to acquire a military airfield of questionable strategic value in Saudi Arabia the United States signed an agreement with Ibn Saud in 1951. In return Ibn Saud has been receiving tanks and other military hardware designed for use in his eventual campaign for the extermination of Israel. This arrangement was renewed at the time of Ibn Saud's recent visit to the United States. The United States-Saudi agreement provides specifically for the exclusion of undesirable military personnel, that is, persons not acceptable to Ibn Saud and his clique. This is nothing more than a legalistic device to bar American Jews—who serve in the Armed Forces along with everyone else—from visiting, living, or working for American defense in Saudi Arabia. Although this agreement was accepted, and hence endorsed by the Eisenhower administration, it represents a flagrant violation of constitutional guaranties which give Jews that same right as all other citizens. The final jurisdiction over an American airbase is a matter for Americans to decide, not Arabs. Restrictions on personnel affront American sovereignty—and even more important dilute and defile American honor—no matter where they may take place. Saudi Arabia compounds its techniques of racial discrimination with blacklisting of any American firms trading with Israel, and persecutes any Americans within range who have contributed to the United Jewish Appeal or who hold Israel bonds. American import-export firms controlled by Americans of Jewish faith are subject to various discriminatory practices.

The discrimination practiced by the Saudi Arabian Government has not passed unnoticed by the Congress. It was only on the 25th of July last year that the Senate passed a resolution condemning and deploring certain discriminatory practices against American citi-

zens on the part of foreign states. In spite of this Secretary of State Dulles could say: "We do not like to acquiesce, but we have to recognize that Saudi Arabia is our ally."

When the United States can conclude international agreements including racial discrimination clauses of this sort, intelligent, nonpartisan observers must conclude that American assurances to Israel are meaningless. It would be well if the United States would abandon its pro-Arab, anti-Israel Middle Eastern policy in favor of a more objective trend which would contribute to peace in that area and the well-being of both Jews and Arabs.

Transmitting all of the features of United States activity that smack of appeasement, we congratulate Israel on her remarkable progress disclosing great economic development under difficult circumstances.

We appreciate what Israel needs most is peace. We know that this little country will continue to strike hard for the cause of freedom since she has already won two victories for the sake of freedom and liberty.

As Israel goes forward to write her glorious history, America and the world should promise her evenhanded justice to the end that the whole area can live in an atmosphere of right, decency, and productivity.

In such a climate the thatch aggression of communism cannot prevail.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the distinguished gentleman from Pennsylvania.

Mr. FLOOD. I am sure the gentleman would like to know that in 1945 I was a member of the Committee on Foreign Affairs of this House and introduced a resolution, which was later adopted by the House, calling for the establishment of a free and sovereign state in Palestine to be known as Israel. That resolution, as I say, was adopted by the House, and I am especially happy, therefore, to be here today and see the distinguished gentleman from Illinois make these commemorative remarks on the birthday of that gallant little state in the creation of which I was so proud to play a part.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I am glad to yield to our illustrious leader.

Mr. McCORMACK. I shall make remarks following the gentleman's remarks; but also for the RECORD I want to observe that I was chairman of the Democratic committee on platforms and resolutions in 1944 when, for the first time, there was a plank put in definitely for a free and independent Jewish nation in Palestine. The resolution that my friend from Pennsylvania referred to followed that at a later date, and was adopted by the House.

Mr. BOYLE. I thank the majority leader.

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I am glad to yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I congratulate the gentleman for calling the attention of the House at this time to this felicitous event in commemorating, as we do, the ninth anniversary of Israel, the only democracy in the Middle East, whose valiant struggle for freedom and perpetuation of the principles of liberty, which are dear to all free peoples, establishes them as leaders in bearing the standard of liberty in the forefront of the civilized world. I would also take this time to recall to the Members of the House the fact that in 1948 the first public official, among those stars of greater magnitude, to endorse the establishment of the State of Israel as a free nation was the then Governor Dewey, of New York, whose action gave a great impetus and assisted in developing the nonpartisan sentiment of this country for the creation of the State of Israel, and the action by the then administration in favoring the recognition of Israel came shortly thereafter, in response to the impetus provided by the statement of Governor Dewey.

Mr. BOYLE. I thank the gentleman from Pennsylvania.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from California.

Mr. McDONOUGH. I want to congratulate the gentleman for bringing this commemorative anniversary to the attention of the House and congratulate the State of Israel, which has assumed great importance among the nations of the world in spite of its smallness. But, because of its strategic location and because of the position it occupies in the Middle East and the fact that the United States sponsored the State of Israel, we have a responsibility for its continued existence. This is a memorable occasion. It has weathered through some very difficult times in the past 9 years. It has stood up against great adversity, shown great courage and determination, and its continuance, in my opinion, in the Middle East as a democracy is a great asset to the United States. I am happy to join in the commemoration address of the gentleman from Illinois.

Mr. BOYLE. I thank the gentleman for his cooperation.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to my distinguished colleague from Illinois.

Mr. O'HARA of Illinois. Mr. Speaker, I wish to commend my distinguished colleague from Illinois and my dear friend, Mr. BOYLE, and to join with him in his remarks. Israel has no better friend in the Congress, and the friends of Israel in this Congress are legion, than my colleague from Illinois. Congressman BOYLE is known not only in this body but throughout the Nation as a tireless champion of the cause of Israel. For that he is to be commended, and for his eloquent as well as logical presentment today I join with others in this Chamber in applauding congratulations.

Israel to me is the bright area of sunlight in a troubled area. Sometimes I think of the young Lafayette, visioning from afar the fire of liberty that was burning on the American continent, and then following the call of destiny to join his forces with those of Washington. And as he then saw America and I think visioned how that fire of liberty on the American continent was to grow until it had affected mankind everywhere, so do I vision Israel and her future.

Here in a troubled area we have in the people and the Government of Israel all the qualities and all the attributes and all the circumstances of our own forefathers when from the forests they were carving the framework of a nation that was to be the servitor of all mankind.

Mankind always is marching forward. There is no status quo in the lives of men and of nations. Israel in a troubled area represents the new order that has come with machinery, invention and science. In that region of the world, where now the average man has only ahead of him years of misery and of poverty, Israel will bring the sunshine of the new industrial order. The Arab nations that now are disturbed in mind because the status quo is threatened will in time come to call Israel blessed.

It will be the same in that area as it was in our own beloved country. Chicago is a great industrial city, and if it were not as great and as rich and needing so much in goods and in food there would not be the prosperous farming regions of Illinois. As Israel grows and expands as an industrial center so will there be need of and buying power for the broad agricultural regions occupied by the Arab nations. Israel and the Arab nations will become trusting partners in the joint adventure of opening a continent to a progress that will not cease in its advance until poverty in a world of richness has been driven from the homes even of the humblest.

I do not wonder that Rabbi Morton Berman, veteran of World War II and deeply embodied in the affection and the admiration of all the people of Chicago, is soon to depart from the site of his friends and of his fame to make his home henceforth in Israel. As Lafayette saw beckoning to him the destiny of America, and followed where he was beckoned, so is Rabbi Morton Berman following the beckoning of the destiny that he visions in the future of Israel.

The doors of Israel are open to the poor and the oppressed. Many on arriving there have no possessions, only determination and willingness to be a part in the march of progress of which Israel is the symbol. Rabbi Berman will be leaving a position of security and of high honor. All that he will be casting aside to become a part of the great movement forward for which the State of Israel stands. Many of the others coming to Israel will be leaving nothing behind, except the miseries of poverty and the pangs of discrimination. So it was with our own country, those who gave up much and those who had little to leave behind, but they all brought the same spirit, the same determination, the same devotion, all responding to the call of destiny. That is the way man always climbs from one plateau of human existence to a higher plateau. That, Mr. Speaker, I think, is the way Providence intended it to be.

I am very happy to have this opportunity of contributing these humble remarks on the glad occasion of Israel's 9th birthday. Every day that I have

been in the Congress I have been the friend of the State of Israel. In every session of the Congress of which I have been a Member I have been honored to join with members of congressional committees waiting upon the Secretary of State in Israel's behalf. In serving the cause of Israel I am serving in the very best sense the cause of my own beloved country and of the world of free government and of human dignity in which my own beloved country is the leader.

The bonds uniting Israel and the United States will never be severed.

Again I commend my dear colleague from Illinois, Mr. BOYLE, for having set aside this hour of our deliberations for a proper observance of Israel's birthday. I am thankful to him for the opportunity afforded me of speaking from my heart on a subject that is deeply embedded in my heart.

Mr. BOYLE. Mr. Speaker, I thank the gentleman very much for his remarks. I think his appraisal of my efforts and my feeling is a little too laudatory, because actually through the years there have been few individuals in the House who have displayed the gentleman's own intensity of purpose and devotion to the cause of Israel.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the distinguished majority leader.

Mr. McCORMACK. The gentleman earlier referred to the pro-Arab policy on the part of the administration. Am I correct?

Mr. BOYLE. The gentlemen is correct.

Mr. McCORMACK. I agree with the gentleman that they took a pro-Arab policy when they could expect no benefit from it, and I would go further and say that as a result of the policy in the Middle East, or in spite of it, Nasser has grown stronger and been drawn closer to the Kremlin than ever before.

The gentleman has referred to Britain and France. The rug was pulled out from under them and their whole influence in the Middle East was destroyed. The only other power in the Western World capable of filling the void that was created was the United States. So as a result of that policy we have in the Middle East we are there alone. We have not made any gains at all. Is that right?

Mr. BOYLE. That is true in every word.

Mr. McCORMACK. As to this policy, the Middle East policy, it is quite apparent that if the British and French had not had to pull out of there it would have been unnecessary for us to pass the Eisenhower resolution. We are in there now unilaterally, because when the influence of the British and French was destroyed in the Middle East the Kremlin would have taken over the whole area by default unless some great nation's influence was injected into that area again. The British and French could not go back, and you could not have any of the little countries go in there. There was only one country that could do it, and that was the United States. We are in there because they realize now, that when the void was created there by the dissipation of the influence of the British and French in that important area, that only the powerful influence of the United States in the non-Communist world could go in there and keep things in balance.

Mr. WITHROW. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. WITHROW. I have listened to the remarks of the distinguished gentleman from Massachusetts. I remind him that there is no war going on, there is no shooting, and our boys are not dying on foreign soil. I think at all times when that sort of argument is presented that we should keep that in mind.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield.

Mr. McCORMACK. That is a very sweet statement to make. We are on the defensive everywhere in the world. The Middle East is a capitulation, the Middle East is another Munich; that is what the Middle East situation is. Do not deceive yourself. Where are the friendships of 5 years ago? Those friends have turned neutral, or we have lost them. We had Indonesia 5 years ago; they are anti-American today. Where are our friends in other countries? They are neutral.

So I say to my friend from Wisconsin—whom I like—when he continues to think and talk that way that the defection of just one country, either France, West Germany, or Italy, should either one of them go communistic by any chance—and we hope and pray they will not—then all Europe will have difficulty in remaining out of the channels and domination of the Kremlin. That would be disastrous for us.

When the gentleman says there is no fighting, sure. We can have peace; yes; we can get down on our knees to the Communists, if you want to, but that is not the kind of peace I want.

Mr. WITHROW. I can assure the gentleman we do not either.

Mr. McCORMACK. You are pretty close to it when you talk the way you do, though.

Mr. WITHROW. I can assure the gentleman that we do not want peace if we have to get down on our knees; and we are not.

The remarks the gentleman has made in covering the globe and saying that our foreign policy is bad I think are entirely in error. I think the real test is whether or not our boys are being subjected to fire abroad.

Mr. McCORMACK. I am sure the gentleman remembers that Chamberlain thought the same way.

Mr. WITHROW. And the other references the gentleman made are entirely irrelevant. I do not believe that the gentleman is qualified at this time to cover the globe as he has.

Mr. McCORMACK. I think in the world we have today we have to be strong and firm, not weak. Only the other day the New York Times, which is not a Democratic organ, in an editorial referred to Munich. When the New York Times gets to thinking that way, the situation must be very bad.

Mr. AVERY. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from Kansas.

Mr. AVERY. I ask the gentleman to yield so that we might bring this down to firmer terms, so far as the majority leader is concerned. I believe the gentleman said a few minutes ago that if we had had the proper policy when the French and English went into the Middle East area we would not have been faced with this critical problem today. Will the gentleman tell the House what he would have done to better stabilize our position? Would he have committed our boys abroad at that time?

Mr. McCORMACK. One thing is certain, I would not have destroyed the influence of a friendly nation. Even if I did not agree with that policy, I would not gang up with the Soviet Union, as was done in the use of the United Nations, to browbeat France and England. Does the gentleman admit that we voted with the Soviet Union in the United Nations?

Mr. AVERY. We voted with the Soviet Union in the United Nations, but I will not go along and say that we collaborated with the Soviet Union.

Mr. McCORMACK. Did I use the word "collaborate"?

Mr. AVERY. What word did the gentleman use?

Mr. McCORMACK. I ask the gentleman, Did I use the word "collaborate"? I said we voted with them, and the gentleman admits we voted with them.

Mr. AVERY. Previous to that statement the gentleman used the words "gang up" that I thought meant collaborated.

Mr. McCORMACK. The gentleman's interpretation is his own.

Mr. GROSS. Mr. Speaker, would the gentleman yield?

Mr. BOYLE. I yield to the gentleman from Iowa.

Mr. GROSS. In the case of Saudi Arabia, with its practice of slavery, which the gentleman has condemned—and I condemn slavery wherever it may be found—if Saudi Arabia should be invaded, under the so-called Eisenhower doctrine for which the gentleman voted, the United States troops could be sent in to defend that form of government, which practices slavery and other distressing things, could they not?

Mr. BOYLE. I would answer positively that they could if requested by the government in question. I voted for the resolution as I had voted for the previous Formosa resolution, when I was a barefaced freshman. The Formosa resolution drew an imaginary line along the Pescadores. I thought we should take the better of two alternatives. And I submit in the light of what has transpired, when the 6th Fleet went to the Mediterranean and Middle East recently and order was restored, it was the wise thing to do.

Mr. GROSS. Of course—if the gentleman would yield further—we did not need the Eisenhower doctrine, with all that it implies, to send our Mediterranean Fleet into the eastern Mediterranean. Such action has been taken before without any so-called Eisenhower doctrine.

UNIVERSITY OF MICHIGAN LIBRARIES

Mr. BOYLE. The gentleman from Iowa [Mr. GROSS] has been very articulate and has been very helpful to the Congress in pointing out some of the possibilities. I feel we were justified in passing the Formosa resolution and also the Eisenhower doctrine because there had been so many declarations on the part of the President, on the part of the Department of State, on the part of Secretary Dulles, on the part of our admiral down there, and even on the part of Vice President NIXON, that I took it upon myself to vote, in behalf of my constituents, in favor of the Formosa resolution; and following the same line of reasoning I voted for the Eisenhower doctrine. I do not think it is the greatest piece of legislation that was ever enacted. But I do feel that in this revolutionary era we have to take a firm, solid position, and I would do it tomorrow if called upon to do so.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. BOYLE. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Mr. Speaker, Israel marks the ninth anniversary of its founding today, an occasion in which her friends throughout the world join in paying tribute to this brave little land. It was good to read in the press this weekend that tensions are momentarily lessened in the Middle East and that Israelis may observe their anniversary with lighter hearts than they have known in many months.

Although only 9 years old, Israel has known almost constant tension, uncertainties, and fears, making even more miraculous its great accomplishments. With courage, conviction, and faith, the Israelis have caused the desert to blossom like a rose, while at the same time defending their borders and holding wide open their gates to the tattered, bewildered hordes of refugees seeking escape from persecution.

To those who have stood close by and watched Israel grow, its progress has been an inspiration, and an achievement awakening admiration and respect.

As one of a group of congressional legislators, I have had a deep feeling of friendship for Israel since its first early struggles to gain statehood. In 1946 when that tiny nation was undergoing its birth throes I sought to visit its shores during a pre-Marshall plan inspection trip. My desires were thwarted by the State Department, which felt my visit inadvisable in view of the sporadic outbursts of street fighting that characterized that uneasy period. I have had some trees planted in my name on the hills of Israel, and I am hoping that someday before too long I will have the opportunity to see for myself all that has been happening in that brave Middle East bastion of democracy. I want to see the trees that in my name are making green the desert sands; I want to meet and talk with the brave men and women, and the children, too, who are tilling the soil, building the dams, and wresting from the earth the richness of the Holy Land. I salute them today, 9 years since the flag of Israel first fluttered the announcement of the birth of that new state, as they work with eyes on their shaky frontiers but hearts aflame with pride and thanksgiving, that theirs has been the destiny to deliver their people into this their promised land.

May Israel enjoy peace and happiness on this ninth anniversary, and may the future bring the fulfillment of the promise of that day, when every man shall sit under his own vine and fig tree, and none shall make him afraid.

Mr. BOYLE. I thank the gentleman for his felicitations to Israel on this glorious occasion.

Mr. MCCORMACK. Mr. Speaker, many centuries ago, long before the beginning of our Christian era, there was the independent Kingdom of Judea in which the Jews lived happily in their chosen patriarchal ways, developed their mode of life, built their own political, religious, and social institutions, and created their distinct civilization, one of the oldest, not only in the ancient Near East, but in all history. Then, about 2,000 years ago, the Kingdom of Judea was overrun and came to an end. Thereby the Jewish people not only lost their national political independence but they were evicted from their ancestral homeland and eventually dispersed in all parts of the world.

Since those distant days nearly all Jews lived in what has come to be known as diaspora, that is, in dispersion. During that long period of exile from their ancient homeland the Jewish people suffered much; they endured proscriptions, discriminations, and multitudes of inequalities in many lands. But they faced their almost endless vicissitudes with exemplary fortitude. During all that time their spiritual and cultural heritage sustained their spirit of freedom and independence. Through the centuries that unique heritage was kept alive; it was carefully nurtured and jealously guarded. Finally, after long centuries of awaiting and suspense, many Jews were afforded the opportunity of returning to their ancient homeland. And in May of 1948, with the proclamation of Israel's independence, they launched once more upon an independent political existence.

That was only 9 years ago. The creation of the State of Israel was not easily or effortlessly achieved. It was the culmination of strenuous and persistent efforts toward the accomplishment of a noble, sacred task, undertaken under hazardous conditions. Today the State of Israel is the best living testimony for the persistent and tenacious efforts put forth by self-sacrificing Jews for the common welfare and safety of all. Through studied and strenuous efforts, by 1948, Palestine had become a safe refuge for homeless and destitute Jews. And on May 15 of that year, when the leaders of the Jewish people proclaimed Israel's independence, herculean work had been done toward the creation of the new state. For instance, in the course of a single generation—1922 to 1948—the Jewish population of Palestine had been increased by almost tenfold. On the eve of Israel's independence there were some 650,000 Jews in the country, and that was a good, auspicious beginning, a good start for the new small state. This was especially true because the newly arriving immigrants were dedicated to the single cause of making Israel a new center of spiritual and cultural life and a haven for persecuted Jews throughout the world. At the present time there are more than 1,600,000 Jews in Israel and the population is still increasing. A large majority of the immigrants are under 50 years of age, which means that the Israelis are a youthful people and possess youth's energy and enthusiasm.

Today Israel is a living, growing and powerful entity in the Middle East. It is a lively and dynamic state. It is a democratic and progressive state with representative governmental institutions. It is a small but strong state to be reckoned with in all phases of Middle Eastern affairs. In many respects it is a model state in that part of the world. The Israelis are known for their industry and ingenuity, and they have displayed these fine traits in the building and in the improvement of their country. They guard their newly won freedom in their ancient homeland with extraordinary vigilance and uncommon bravery. With enthusiasm and energy they are doing their utmost to turn the desert of the Negev into a fertile land, and the hills of Galilee into blossoming orchards and a land of plenty. By the skillful use of science and the technical abilities of their people, by the erection of hydroelectric power stations, by installing petrol refineries and by laying oil and water pipelines, the Israelis have transformed arid and inhospitable hills and desert plains into industrial centers and productive farmlands. In many spheres of activity the Israelis have worked near-miracles in a relatively short time.

Today on the celebration of the ninth anniversary of its independence day the State of Israel stands as a new and encouraging phenomenon in the Middle East. It is fast becoming the most industrialized urban community in the midst of underdeveloped rural communities. To some extent it is already in a position to export many finished products, even though much of the raw material needed for industry have to be imported. Economically and financially Israel is dependent on trade, but as she does not have sufficient trade to take care of her needs she is dependent on foreign aid. In this respect the response of Jewish people in the United States and throughout the world to the needs of Israel is admirable and most encouraging. They make great sacrifices to assist their relatives and friends in the new State. Of course the Government of the United States has also given funds and material aid to Israel. The Government of this country has also been carrying on a program of technical assistance to aid the Israelis in such fields as agriculture, health, industry and education. These programs of aid symbolize the respect and friendship that the American people have for the young nation.

Politically and on the broad diplomatical front, the State of Israel has had its anxious moments and parlous days. For that reason since its creation it has been turned into an armed camp, and she has done this willingly and has

shouldered its heavy financial and material expenditures. Before all else the new state has to be defended at any cost and the Israeli leaders seem to have had a realistic approach to this problem. The events of the conflict with the Arab countries, including the recent fight with Egypt, are only too familiar. Though full-scale war on all fronts has not taken place, still, the problem of peace between the State of Israel and the Arab states is far from being solved. No Arab state has as yet recognized Israel's official existence, and of course no Arab government has diplomatic intercourse with Israel. There is only a precarious and an uneasy truce. It is gratifying that Israel has persistently pressed for the amicable settlement of all outstanding issues with her Arab neighbors, and she has not been discouraged by the rebuffs and verbal repulses with which her peace overtures have been greeted.

After 9 years of uneasy but very busy existence, today Israel can proudly claim the right to be recognized as an upstanding member of the family of nations. Under most hazardous circumstances and trying conditions, harassed on nearly all sides by implacable enemies, she has moved forward and has made steady progress. Despite the multiplicity of difficulties and dilemmas, economic and financial hardships, fiscal problems and political uncertainties, the people of Israel face the future with confidence and justified pride. They continue their task of making Israel an ideally viable state with undiminished zeal and boundless zest. On this day, on the celebration of the ninth anniversary of Israel's Independence Day, I wish them peace, prosperity, and happiness, and express my ardent hope that success will reward their efforts to create a strong and stable state in their ancient homeland, a state which will endure as a force of peace in the troubled Middle East.

Mr. ZABLOCKI. Mr. Speaker, I want to join my distinguished colleagues in commemorating the ninth anniversary of the State of Israel.

It is regrettable and tragic that this anniversary finds the Middle East torn with conflict, enmity, and fear. That vital region of the world, the cradle of ancient civilizations, should enjoy a more peaceful and pleasant state. Surely there is enough room there, and a wealth of human and natural resources, to accommodate the legitimate aspirations of the people of that region. With good will toward each other, and the cooperation of the free world, the nations of the Middle East should be able to work out their destiny in peace and harmony.

As we congratulate the State of Israel upon its ninth birthday, we are all mindful, I am certain, of the grave responsibilities which rest upon its shoulders: the responsibilities of providing a constructive example of democracy at work, and of striving with vigor and perservance for a peaceful solution of the Middle East problems.

The birth of the State of Israel constituted the fulfillment of the hopes and dreams of countless persons of Jewish faith and ancestry throughout the world. Surely no state, born of such deep hopes and prayerful aspirations, can disregard its mandate by failing to live up to the faith which has been placed in it. I join with people of good will throughout the world in congratulating the State of Israel upon its ninth anniversary, and in expressing the hope that the State of Israel shall stand like a beacon of democracy, truth, and justice for many years to come.

Mr. ADDONIZIO. Mr. Speaker, I am very proud to add my congratulations today to the State of Israel on the occasion of its ninth anniversary.

The custom of annual celebrations for great moments in a nation's history has become so common that it is a temptation, generally, to observe them with a few pleasant platitudes. But today's anniversary is altogether different. Israel's existence now, in the 10th year after the United Nations officially signed her birth certificate—itself an act without precedent—is not a matter merely for great joy, but perhaps for even greater astonishment.

Israel's infanthood was one of problems. The day of her inception was the first day of a bitter war against 5 Arab neighbors with a population 5 times her own. A short time later, she received, within a brief space, 680,000 refugees, a number equal to her own population. These she had to feed, clothe, house, and fit into an economy strained drum tight. And what of her natural endowments? An arid, uninhabitable desert constitutes three-fifths of her land. The rest produces only by means of constant, backbreaking effort.

Against these odds, Israel pits her greatest asset: Her people. She schools all her children; she adjusts to their new life the refugees from Europe and the primitive people who have sought refuge from Asian and African lands; she has in her people the will, the intelligence, and the persistence to dig deep into her land and to make the most of its mineral and agricultural resources. Against the hostility that arises from primitive illiteracy and ignorance, from censor-choked dictatorship, from jealousy, she pits the complete, open democratic way of life that is symbolized by a representative Parliament, by a free press, by free elections, by equality in opportunity. Against the need for constant military preparedness, she pits the determination of her citizens to stay and to sacrifice as long as necessary. Against a world split into two camps, she dares to be independent and morally responsible.

This lustry little State has managed to achieve the impossible. She has kept her doors open to those Jews still homeless and still denied other harbors. Maintaining her honor and her dignity even though her friends in other lands are so distant from her physically, she is a strange and wonderful sight in a region whose leaders dedicate themselves to her destruction.

In the midst of the turbulence of the world situation today, whatever long and stony path must be followed to achieve a solution of Middle East problems, the starting point for the future is clear: The State of Israel is a fact, the State of Israel is here to stay.

Mr. CELLER. Mr. Speaker, the ninth anniversary of the birth of the State of Israel marks more than the occasion of promise and fulfillment—for the State of Israel is just that, both a promise and a fulfillment. This anniversary is a frame for the drama of history.

Nine years ago the term "Middle East" meant little or nothing to the peoples of the world. If it meant anything at all, it meant the exotic: camels, the hoods and robes of Moslem horsemen, desert, and drought. To the statesmen, to the geopoliticians, to the colonial powers, it meant the passageway to three continents, oil, the lifeblood of Europe—but never people.

But now, the term "Middle East" snares the headlines. The concentrated attention of all the powers has turned in that direction. The issue of war and peace is at stake.

But in these intervening years from public indifference to public anxiety, a little state was born, struggled, and grew, bringing into that region its first taste of democracy, introducing its concept of the dignity of the individual, bringing culture and science, and even water, to an area which mankind had chosen to forget. A little state of not quite 2 million people commanded the attention, through its brilliant spokesmen, of the United Nations.

In poverty and distress amid a sea of hostile neighbors, it opened its doors to the oppressed and forgotten Jews all over the world. It brought industry and shipping to the desert. It revived the soil and, withal, fed the spirit of learning and inquiry. And it had an army, an army whose secret weapon was first, its respect for human intelligence, and second, its dedication to the survival of this tiny piece of earth.

Israel is the past, the present, and the future, and its enemies those who dwell only in the past, self-deluded in that they see the future only if swallowed by the past.

It is an amazing history—a very short history—this history of a small, independent, democratic state which, with all the odds against its survival, nonetheless survives and grows. It is a monument to man's inconquerable spirit that, out of tragedy and waste, could come this kind of growth toward light, toward peace, toward the freeing of man's soul.

Four times I have traveled to Israel and on each of the four times I saw the evidence of man's endurance and his will to live. The accomplishments of Israel have the stature and strength and beauty of an epic saga.

Mrs. CHURCH. Mr. Speaker, over this past weekend, there have occurred throughout the depth and breadth of the United States happy but solemn celebrations of the ninth anniversary of the founding of the State of Israel on May 6, 1948.

It is a moment in history when those of us who love freedom and recognize the rights of peoples to self-government should give heed to the signal success of that small nation. It is a time in history when we should equally give heed to the need of free men everywhere to unite in defense of our basic freedoms and similar rights wherever they are exercised throughout this torn world.

I have expressed to all those who have faith in the importance of the survival of Israel and to all those, in fact, who hail the dreams and hopes of that small but competent nation my own desire that as quickly as possible a solution be found for those great problems which at present are preventing all countries in that area from reaching their fullest development and are preventing their people from reaching the highest level of security and well-being. I have pledged myself to make every possible effort to seek the basis for such lasting peace in the area as may make it possible indeed for Israel not only to stand as a beacon of freedom but permit her also to implement that freedom to live in peace; and through that peace to meet her highest goals and to satisfy her richest ideals. I hope indeed that the day will soon come when such peace becomes an actuality and her full achievement becomes an unhampered reality.

I would also express my appreciation to those in this country who have shared her burden so gloriously and lent their strength to her.

Mr. RODINO. Mr. Speaker, the ninth anniversary of Israel's independence is an occasion of great joy for all who have watched this small state evolve into a democracy of prominence and stability.

That Israel has achieved so much in so short a time and under such trying circumstance is a credit to the fortitude, the intelligence, and the national spirit of the Jewish people. A people with less courage, less intelligence, and less spirit would never have achieved such a marked degree of success which has been theirs.

Israel's future is endangered. It has been ever since the birth of the Republic and will undoubtedly continue to be, so long as the surrounding Arab States carry on their policies and actions of calculated hostility. That there are pressing and difficult problems outstanding between the Arab nations and the Israelis cannot be denied. These problems can be solved, however; and they can be solved in peace, but only when the Arabs recognize the fact that Israel is an independent, democratic, republic endowed with all the rights, privileges, and obligations of legitimacy. Until that fact is accepted by the Arab nations as a premise in future relations the Middle East shall in all probability continue to be a cauldron of international trouble.

One of the most ominous aspects of the Israeli-Arab conflict has been the extent to which the Communists have seized upon it as a means for furthering their own aims. Without any pretense to seek justice Soviet Russia has seized upon this conflict as an instrument for expanding Soviet influence throughout the Middle East and North Africa. The Soviets have now become the champions of the Arab cause. They have sent arms to Egypt and other Arab States, and at the height of the recent Egyptian-Israeli crisis they even suggested sending "volunteers" to aid the Egyptians.

Under a veil of Arab nationalism communism is on the march in the Middle East.

And yet, there is a strange paradox in Soviet Russia's assumption of the role of benefactor of the Arab and Moslem peoples, because the greatest oppressor of the Moslem peoples today is the Soviet Union. For four decades the Soviets have been carrying on a campaign to destroy the culture and the way of life of the 26 million Moslems living within the Soviet Union.

These are troubled times for Israel. And there are no assurances that prospects for the future will be any brighter. However great the difficulties, a people richly endowed with so many natural gifts cannot fail to succeed. For centuries the Jewish people have defied extinction; they have demonstrated a power of survival that no other nation has. In this present struggle for survival they will succeed and this they will do in a spirit of justice and in peace.

Mr. DOLLINGER. Mr. Speaker, Israel is celebrating its 9th Independence Day and this is indeed a time of rejoicing for her people and her friends throughout the world. It is a time or rejoicing because she has survived her year of greatest danger, toil, and hardship; she stood up to here enemies and exhibited such courage that she has grown in stature in the eyes of the world; she has proved that she intends to maintain her integrity and independence regardless of the threats and aggressiveness of her enemies.

However. the horizon of her future is still shadowed. Her existence is still threatened by here powerful enemies who refuse to heed her plea for peace and who may decide at any moment to carry out their determination to crush her. It is heartening that her people have remained steadfast and undaunted in the face of all the hardships and dangers which have beset them and that they continue to work and sacrifice so that Israel's freedom may be preserved.

During the recent months of crisis, Israel had to direct all her efforts toward defense, as a result of which her economy was dealt a terrible blow. She must have the help promised by the U. N. and the United States; Nasser must be made to renounce his state of belligerency against Israel, and there must be an end to raids and sea blockades and boycotts.

Those of us who are interested in saving the State of Israel, the only truly democratic state in the Middle East, must give her all possible assistance, and we must not relax our efforts in any way until her peaceful existence is assured.

Mr. FARBSTEIN. Mr. Speaker, the ninth anniversary of the establishment of the State of Israel is being celebrated on May 6. I want to congratulate the people of Israel on this happy occasion and to express my admiration for them. Their courage and determination in building a homeland for the Jewish people against tremendous obstacles by man and nature has brought them world acclaim. They have built a united nation devoted to the principles of democracy and dedicated to freedom and liberty.

Americans are proud of the part they have played in helping Israel become independent and in strengthening her economy. In the Middle East, where we need friends to block the advance of communism, Israel is one of our staunchest friends and the only democracy in the entire area. By maintaining a democratic government, responsive to the will of the people, by its free press and representative democratic institutions, Israel has set an example of democracy in action that has no parallel in the Middle East.

In these 9 years, there have been constant threats to Israel's independence, but neither political nor economic hardships have deterred its people from their course. Many of these people have lived under conditions that recall the early days on the American frontier and they have displayed the same pioneer spirit. Though they were all Jews, they came from many lands, their backgrounds showed wide contrasts, and they spoke many different languages. With courage and fortitude, under the spur of adversity and the inspiration of an ancient ideal, they developed a united nation, dedicated to freedom and democracy.

The strategic importance of Israel to the West grows with each day. Despite the threats of the Egyptian dictator armed with Communist weapons, they have not permitted themselves to be turned away from the basic task of building the economy and security of their country. Today, with the development of the southern port of Elath, they are pointing the way by which the Suez Canal can be bypassed. With the Suez Canal in the grip of the Egyptian dictator, who does not hesitate to play the Communist game, alternate means to link the Red Sea with the Mediterranean have become vitally necessary in order to assure Europe the oil it needs for its independence and defense. It is unthinkable that Europe will continue to permit Nasser to control the lifeblood of its industry and economy through his illegal seizure of the Suez Canal.

Egypt will not be in a position to strangle Europe if a new land bridge is built across Israel in order to connect the Red Sea with the Mediterranean. This bridge from Elath on the Gulf of Aqaba to Ashkelon and Haifa on the Mediterranean makes it possible to bypass the canal with security. A 32-inch pipeline between these points would deprive Nasser of his monopoly by materially reducing Europe's reliance on the Suez Canal.

In spite of the great strains on her economy, Israel is continuing to provide a refuge and opportunities for new productive life to the persecuted and the homeless. Nasser's attack upon the Egyptian Jewish community has resulted in the expulsion of more than 15,000 innocent men, women, and children and the confiscation of all their possessions by Egypt. These fleeing people are finding homes in Israel. The Hungarian revolt against Communist oppression sent thousands more from that Soviet satellite to Israel. At the same time, the Jews of Poland are escaping Communist oppression in large numbers. Altogether this year, Israel will provide shelter and new homes for 100,000 Jewish refugees without regard to the staggering cost of such an effort.

On this ninth anniversary, I wish for the people of Israel that there will be an

end to the threats against their survival and that the bonds of friendship which they have with the United States will become ever stronger. I hope that in the interests of the free world, our Government will continue to help Israel in greater measure this year, because of the immigration burden that Israel has undertaken. I hope, too, that our Government will contribute to the establishment of new communications and other transport facilities between the Port of Elath and the Mediterranean coast. The wisdom of our insistence upon the independence of Israel has been fully confirmed and we have reaped benefits of many times our investment in that young nation.

Mr. FLOOD. Mr. Speaker, it gives me a great deal of pleasure to salute the brave State of Israel on the occasion of its ninth anniversary.

It will be recalled, Mr. Speaker, that it was I who introduced a resolution, House Concurrent Resolution 113, on December 13, 1945, calling for the establishment of a homeland for the Jewish people who, as a result of the effects of the war and persecution by ruthless and implacable dictators, had been disfranchised from their respective homelands.

I said at that time that the ruthless persecution of the Jewish people in Europe has clearly demonstrated the need for a Jewish homeland as a haven for the large numbers who have become homeless as a result of this persecution.

This homeland, I am very happy to say, has been established, established on a foundation of intrepid spirit and conscientious effort.

At last, the beleagered Jews have a home of their own in which to carry on a life which they had hoped and dreamed of but, again unfortunately, they have had to face another threat to their freedom which has been well documented in today's news. I know that Israel will continue to carry on its brave fight to protect its freedom as it has so nobly done in the past.

I wish at this time to express my congratulations to that gallant little state that has come so far in so short a time. When we stop to consider the great odds against them, we are forced to admire the unflagging courage and determination with which the 20th century pioneers of Israel have tackled their problems.

Perhaps the most difficult internal task for this young nation was the absorption of the refugees. In 1948, Israel flung wide its doors and displaced Jews from Europe, many of them penniless and broken by years of Nazi oppression, were given sanctuary.

When Jews from the Middle East and Africa asked admittance, they, too, were welcomed. Since that time the population of Israel has increased tremendously. Housing and food had to be provided and work found for the enormous influx. Seven hundred thousand people, fortified by their faith and ennobled with a cooperative spirit, made room in a country about the size of the State of New Jersey, for their less fortunate brothers.

Israel is today still faced with internal difficulties. Although great strides have been made in turning barren desert wastes into flourishing farmland, the country is unable to feed its own population completely from its own resources.

It is confronted with problems related to blending the diverse elements of its population, some of whom come from large urban centers, while others have migrated from areas with nomadic and tribal traditions. Ostracized by its neighbors and surrounded by borders bristling with hostile arms, Israel must pour vital funds into military preparation to defend its independence.

On this ninth anniversary of their independence, it is my fervent hope that the Israelis will find the peace necessary to permit them to continue unmolested their progress toward establishing in the Middle East a shining example of democracy at work. This, I am confident, they will do.

Mrs. GRIFFITHS. Mr. Speaker, under leave to extend my remarks, I should like at this time to join my fellow Americans in observance of an historic occasion, the ninth anniversary of the State of Israel.

The people of Israel are to be congratulated on this ninth anniversary of their independence. The road they have traveled has not been an easy one. At times it has been most discouraging, but Israel has made great progress and will continue to do so.

The threats to Israel's survival must disappear. The continued free existence of Israel is a "must" in every consideration of the problems in the Middle East. All negotiations with opposing sides must start with this fact as a basic premise.

It must be made clear to all that Israel is here to stay. She is a state, and as such is entitled to all the rights accorded every other state. As the only truly democratic state in the Middle East, any threat to Israel's survival is a threat to all free nations. Russia's push for control of the Middle East can be stopped by restoring peace between the Arab States and Israel. A lasting peace can only result from direct peace negotiations, for direct peace negotiations offer the hope of just settlements, satisfactory to both sides, settlements which could be permanent.

The United States has a duty to make a positive move in the United Nations for a definitive settlement of the Arab-Israel question through direct negotiations by the parties themselves.

Mr. ANFUSO. Mr. Speaker, as we celebrate the ninth anniversary of the establishment of Israel as an independent and sovereign state, we think back upon that historic day in May 1948 when the Jewish state was proclaimed. Coupled with the realization of a 2,000-year-old dream was the grave anxiety in Israel and in America over the outcome of this venture and what the future held in store for it.

Nine years have now gone by. Israel has emerged as a dynamic little state, a democracy in the true sense of the word. It has made great progress in every sphere of human endeavor. It has gone far in solving some of its economic, social, and humanitarian problems, in integrating nearly a million immigrants, in developing its limited resources, its industry and agriculture, and particularly in improving the standard of living of its population.

Israel, however, is still confronted with difficult international problems, with the security of its borders, its relationship with its Arab neighbors, and the problem of attaining economic self-sufficiency. If peace could be maintained in this general area, many of these problems could be solved in time. I strongly believe in the sovereignty of Israel and the sovereignty of any lawfully constituted state. The right of people to remain free and independent is a God-given right and should not be taken away by force.

It was most unfortunate that the relations between the United States and Israel, which had been most friendly and cordial during the past 9 years, became somewhat strained last fall as a result of the Sinai action. There was no cause or reason for this. Had the United States pursued its traditional policy in this matter, had we truly realized then the full meaning of Nasserism and its Communist coconspirators, had we understood that they were really not gunning so much for Israel as for the United States and our Western allies, we could have avoided much misunderstanding and tension.

Today, we all know that Dictator Nasser is not very much different from Dictator Hitler or Dictator Stalin or Khrushchev. Their attitudes are the same, their contempt for democracy is the same, their deeds are similarly outrageous, and it is by now axiomatic that no dictator is ever satisfied no matter how much he is appeased.

It is my deep regret that the United States has in recent years failed to pursue a firmer policy in the Middle East, as befits a world power such as ours. By now we are all aware that appeasing Nasser has not achieved peace and stability in the Middle East, just as appeasing Hitler in the 1930's did not achieve world peace.

It is high time for the United States to exert its influence and prestige in world affairs in putting this would-be Hitler of the Middle East in his proper place, if we desire to safeguard the Middle East against communism and the vital interests of the free world in this area. The removal of Nasser would be the best contribution to Middle East stability and world peace.

I wish to take this opportunity to extend sincerest greetings and best wishes to Prime Minister David Ben-Gurion and to the people of Israel on this glorious occasion. May they live to see their struggling young state achieve genuine peace in the very near future, and may they be destined to enjoy their freedom and independence for a long, long time to come. I also send my greetings and good wishes to all Americans of the Jewish faith, whose moral and financial support have helped to sustain Israel in its darkest days during the past 9 years.

Mr. BENTLEY. Mr. Speaker, I understand that today, May 6, marks the ninth anniversary of Israel independence day, and I think it appropriate to join my many other colleagues in the House from both sides of the aisle in paying our tribute and extending our congratu-

lations to the Government and people of Israel on this occasion.

If there is one thing on which I believe the great majority of the American people feel as one, it is on the assumption and belief that the Israelis have proven their right to a continued independence and existence as a free nation. Speaking personally, I hope that we will do our best to establish friendly and cordial relations with all the nations of the Middle East. The problems of that area, however, cannot be finally settled until the Arab governments admit Israel's right to existence. Once this premise is established, all other present difficulties would, I feel, more readily admit of solution.

I hope that the expressions of friendship and good will that will be made all over our country in recognition of this anniversary will go far toward convincing our Arab friends of our deep and sincere convictions on this matter. If they realize beyond any doubt of our own feelings in this respect, I believe it may contribute to a change in their own policies. That is perhaps the best contribution which we can make toward stability and peace in the Middle East at the present time.

It is a privilege and pleasure to extend my own greetings and best wishes to the Israeli Government and people on this happy occasion and to express my sincere hope that future anniversaries will bring continued progress and prosperity to them. I also hope that time will strengthen the close and friendly relations between our two countries even more than they exist today.

Mr. MULTER. Mr. Speaker, today marks the ninth anniversary of the rebirth of Israel as an independent nation.

When we observed St. Patrick's Day on this floor 2 years ago, I remarked upon the fine feeling of brotherhood that caused our colleagues to participate in the celebration of that occasion. I commented on the fact that many of our colleagues traced their ancestry to Ireland, Italy, and Israel, and ventured the hope that, in 1957, Islam would cause its adherents to join us.

Recently we were visited by a great Irishman of the Jewish faith who helped strengthen the ties of brotherhood between men of good will.

Unfortunately, the recent visit of an Arab potentate had the opposite effect.

Our country missed a great opportunity to implement the traditions and principles that made our country great.

Instead of insisting that no country may discriminate against our citizens because of race or religion, our President and his Secretary of State backed away from those great and fundamental concepts of moral government and approved the ungodly conduct of a slave master.

This is not the only instance of these men attempting to lead us down the path of international immorality.

Look at what they do as to Egyptian refugees.

We rushed forward to save the Hungarian refugees, as we should have done.

But not one thing has been said or done to permit a single Egyptian refugee to enter this country.

There is no difference between the sad plight of the helpless and penniless Hungarian forced by Communist aggressors to flee for his life and the sad plight of the helpless and penniless Egyptian driven from his homeland by Dictator Nasser because Nasser, viciously and without right, has deprived him of his Egyptian citizenship and of his property and his home and ordered him out of his country.

In one instance, we blame the Communists. In the other, we must blame the Communist stooge, Nasser, the little Hitler of the Nile.

Another instance of trampling on our morals is found in the pussyfooting about the Suez Canal.

We talk big and firm and righteous to progressive, democratic, freedom-loving and peace-seeking Israel, or at least President Eisenhower and Secretary Dulles do. And they quiver and quake and bow and scrape and fumble and bumble before backward, dictatorial, hatemongering and lawbreaking Nasser.

In extending greetings and congratulations to Israel today and wishing it Godspeed on its path to prosperity, happiness, and peace, I urge our own officials to read the Ethics of the Fathers so that they may learn how to live by the Ten Commandments in our international actions as well as in our personal ones.

Mr. CURTIS of Massachusetts. Mr. Speaker, I am happy on this ninth anniversary of the independence of Israel to join in tribute to this brave new land and to all who have sacrificed so much for it.

The achievement of independence by Israel was an historic step in the forward march of freedom. On this ninth anniversary of Israel's independence day, friends of freedom throughout the world pay tribute to the brave and perservering founders of that new country and to those who have followed in their footsteps.

Having myself visited Israel twice in recent years, I know of the hardships endured by the pioneers who settled there, and tamed the desert lands and made them green, just as American pioneers years ago conquered the forests and the wilderness of this country.

Attacked and invaded, even in its infancy, Israel overcame its enemies, and has since forged ahead in agriculture, in industry, and in the arts, despite the blockade which it has had to endure from hostile nations on every side.

Israel has provided a haven for the persecuted and oppressed of every land. Israel's action in receiving and caring for these oppressed peoples, and bringing comfort and dignity into their lives is the greatest example of international charity in the history of the world. It has been well said that in Israel we see the rebirth of a people rising phoenix-like from the ashes of persecution.

Judged by every important United States standard, Israel deserves our sympathy and support. It is a democracy believing in the dignity of man and associated with Western ideals of civilization. It is developing a rich culture and high spiritual ideals. As a sovereign nation, its integrity should be zealously guarded by all peace-loving and fair-minded individuals and nations.

America has announced that the preservation of Israel is a basic tenet of her policy. This means not just existence, but peaceful existence with opportunities for trade and commerce. Such a policy must be implemented, and America's influence used to bring about a relaxation of tensions and bona fide negotiations longing to a peaceful settlement of the Israel-Arab difficulties.

Mr. REUSS. Mr. Speaker, there is no holiday dearer to the hearts of all Americans than Independence Day. On that day, Americans of all races, creeds, and national origins join in saluting their Nation and in rededicating themselves to our traditional but ever-living ideals of freedom and justice.

It is altogether fitting therefore that as Americans we should pause today to mark the anniversary of the independence of Israel 9 years ago. Israel, like our own Nation, secured its freedom in battle. Like America, too, Israel has been a promised land for millions of oppressed peoples seeking a new life.

Surrounded still by hostile neighbors, Israel stands out as a beacon light of democracy in the troubled Middle East. I believe that the United States has a profound responsibility to continue extending a helping hand to the Israeli people as they tackle the problems of building a new nation. Our technical assistance and economic aid will strengthen ties of solidarity at a time when the United States needs the reliable friendship of responsible governments.

Mr. Speaker, I am happy to join my colleagues in this well-deserved tribute to Israel on her independence day.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this day, May the 6th, 1957, is the ninth anniversary of the independence of Israel. I am proud and honored to have this opportunity to commemorate this anniversary of the birth of a gallant nation.

Since its birth 9 years ago, the valiant people of Israel have convincingly demonstrated in this short time their fundamental belief in the freedom of man and their abhorrence of tyranny by resisting almost constant aggression to its homeland and constant efforts to annihilate its people. With remarkable determination, the people of Israel are succeeding in the building of an attractive, livable, modern and happy nation. If let alone by its neighbors and if all of the time and effort could be expended upon this building and construction, the progress that would have been achieved would have been amazing, even in this day of technical and scientific miracles.

As the future of this young, free nation unfolds, the great determination and unbreakable spirit of its people during these early years will forever glow like the sunset across the great desert as day turns to evening. Perhaps no other nation in the history of the world has existed throughout its days from the very beginning in such an atmosphere of tension and strife, of brutality and cruelty. Surrounded on every side by neighbors possessing violent hatred and prejudice, the great spirit of this new

nation of Israel has sought to do the right and has won the admiration of the entire free world.

On this ninth anniversary the burning question still is, Will Israel succeed? This question is in the minds and hearts of free men in free nations all over the world. It is my view Israel must succeed and therefore will succeed. I believe this is true with all of the conviction I possess, and I will tell you why.

Enemies possessed of prejudice and hatred may destroy a country's material resources and developments, and they may destroy individuals and families with their cruelty and brutality, and they may scorch the land, but these enemies can never annihilate and destroy the spirit of determined free men. The United States of America was the leader of the free world and the United Nations which established the nation of Israel. As this brave little nation was born the United States and other free nations gave it their blessing and their protection. We took our position then and we must stand by that position now and in the future. The time has passed when this Nation or any other free nation can permit one of its members to be destroyed. It is time to make it forcefully clear that any aggression in the Middle East will not be tolerated. The United States and other free nations assumed a responsibility 9 years ago, and the faith and dependency upon that responsibility must be kept if principle and honor are to govern the conduct of American foreign policy.

Israel has won its battle for freedom. This gallant nation is here to stay. It is time for the nations of the Middle East and elsewhere to accept this fact. As a nation, Israel will cooperate to the limit with any other nation who holds out its hand in friendship. Israel desires peace and wants to live in peace with its neighbors. The solution to the entire problem of the Middle East and to the removal of a possible source of world catastrophe is this cooperation among the peoples of these ancient lands.

With the establishment of peace and cooperation, great achievements would take place for the benefit of the people of this entire area. With the cooperation of the United States of America and other great free industrial nations, miracles in this part of the world would unfold. Peace would make it possible for the great desert to bloom for the benefit of all mankind. Peace and cooperation together can make brothers out of enemies.

Because of the confidence I entertain of this possibility, I believe in the future of Israel. I believe this new nation, so strong in spirit and so determined to succeed, will not fail. Someday it will bring so much light and so many benefits to the whole Middle East that these peoples will turn to their neighbors of this ancient land but new country of Israel with the realization that in friendship and cooperation and peace there is no limit to man's progress except the limitations of man.

Israel, on this ninth anniversary I salute you. I congratulate you on the greatness of your progress and the fineness of your spirit and the strength of your courage. In the cause of right you will forever stand.

Mr. KEOGH. Mr. Speaker, we should take particular pride in saluting the Republic of Israeli on the ninth anniversary of its founding, as we had a share in that founding. The citizens of Israel are of well-tempered steel. They must be for their young nation has had a succession of trials by fire and its security remains threatened.

Israel has been built by confident families. What has been accomplished in 9 years is an achievement rare in history. What has been done is all the more notable because it has been done by families working under the threat of national and individual extinction at the hands of unreasoning enemies. But their confidence has sustained and impelled them as they have proceeded toward the realization of a dream cherished through centuries.

And if Israel has enemies, it most certainly has friends. It is appropriate—yes, imperative—that this important anniversary be marked by renewed declarations of this friendship, so that the world may know that this brave and progressive nation continues to hold the active and sincere support and encouragement of all who cherish freedom and the principle of self-determination.

The vision of a Jewish homeland has been turned into a stanch reality in Israel, but blood, sweat, and tears have been spent in the transformation. Even more severe trials may lie ahead. In the application of the moral force of the United States toward the easing of Middle East tensions, we have a great responsibility not only for the advancement of justice to all interested peoples, but also for the preservation of the independence of a free nation which has had from its inception a special claim on our friendship.

Mr. DINGELL. Mr. Speaker, the State of Israel, today celebrating its 9th anniversary of existence, is both a unique phenomenon in history and a 20th century miracle.

No other nation whose independence we Americans commemorate came into existence in quite the manner in which Israel was created.

Her people have come for a 100 years to the Holy Land, the dispersed Jewish refugees of many lands, the survivors of persecution and discrimination, the orphans of war and pillage—from Europe, from Africa. Consumed by a desire to establish, at last, a homeland for a people whose many great contributions to civilization have too often been rewarded with treachery and extermination, the early settlers made the land fertile with their sacrifice, and proved to the world that given an opportunity, they could establish, in an area considered hopelessly barren, a true nation, upright, moral, hardworking, and courageous. So this unique nation is composed of dozens of kinds of people, ranging from professors of leading universities in Europe to the primitive refugees from Yemen, from the aged survivors of the Nazi Buchenwalds to the sturdy children who are now the third generation of native Palestinians.

And all of us must agree that Israel's existence is a true miracle. The day she became a nation, by solemn resolution of the United Nations and with the immediate recognition by our own Government, was the first day of her trial by war. May 14, 1948, is not a date in history which the people of Israel remember with only pleasant memories, for it was the initiation skirmish of the endless battles which have continued, intermittently, to this very hour. And yet here is this tiny country, no larger than the State of New Jersey, with its doors standing wide open to all those Jews who have found themselves men without a country, whose people consider the individual's right to a voice in parliament more precious than the luxuries which many of us consider necessities. If ever a new-born nation had the cards stacked against it, historically speaking, that surely was Israel. Its peace disturbed by constant frontier warfare, its pockets drained by the unprecedented demands of new refugees streaming in, its commerce impeded by hostile neighbors, its hope for future economic betterment blocked by those who would otherwise share in the benefits, Israel, nevertheless, has grown stronger with every passing year, and will remain the great beacon of democracy and civilization in the Middle East.

The great Dr. Chaim Weizmann, first President of Israel, said in 1948:

> We are a small country but a big people. We are a people of vast experience, vast political and social experience, and we must not be satisfied with just having a country of our own. It must be a country where people produce things which will indicate to the world that in the Jewish people there still live the same forces which gave the world moral and even social laws which the world still preserves. I should like, therefore, to see our schools and universities become models of perfection, our social laws and our relations with other peoples pervaded by a spirit of peace and the spirit of an old nation, which after a small pause of 2,000 years, has come home.

We in America rejoice with the people of Israel in these great ideals, and hope sincerely that they may soon come closer to realization.

Mrs. KELLY of New York. Mr. Speaker, I want to take this opportunity to pay tribute to the National Israel upon the ninth anniversary of its creation.

No nation has been forced to withstand more turbulence and strife. The past year was no exception but it highlighted the gravity of the conditions existing in the Middle East. It is most unfortunate that the United States did not foresee the grave complications that would arise from the seizure by Egypt of the Suez Canal Co. The refusal of the United States to recognize this as illegal and as a complete abrogation of an international agreement is one of the policies of this administration I fail to understand. This, following inaction by the United States and the free world when Egypt received offensive arms from the U. S. S. R. in 1955 is the basic reason for the present crisis. The United States must lead now in the demand that the basic, controversial issues in this part of the world be settled at a peace confer-

UNIVERSITY OF MICHIGAN LIBRARIES

ence between the nations of the Arab world and Israel. The United States policy must cease to permit nations backed by Communist Russia to rattle the sabers and achieve their objective.

The failure of the United States to have a coordinated plan toward the Middle East with our allies, has divided the free world. The failure of the United States to understand the importance of the Suez Canal as a lifeline for Europe is shocking. The economy of Europe is dependent on uninterrupted transit through the canal. The exclusion of Israel in the use of the Suez Canal is a blockade to a sovereign nation and must not be permitted to continue. The United States contribution to the rebuilding of the Suez Canal which had been destroyed by Egypt should not have been committed unless the use of the canal was guaranteed to Israel.

The Eisenhower doctrine for the Middle East does not meet the real problem of Russian infiltration in that area. It establishes a United States "go it alone" policy which is not consistent with the collective defense policy for other regions of the world. France and England must be partners of the United States in all alliances. The action of France, England, and Israel should not have drawn sanction from the United Nations, but it could have been used as a bargaining point to achieve that which was desired—a settlement of the issues which caused the unrest in the Middle East.

At a time of ferment and crisis in the Middle East, it is refreshing to pay tribute to an element of stability and progress in that area—one of the youngest nations in the world, the Republic of Israel. The 6th of May marks the ninth anniversary of the birth of Israel and the realization of a dream kept alive for over 2,000 years by the Jewish people all over the world.

Perhaps no other people, in struggling to achieve national independence, have endured more hardship and suffering and yet remained so steadfast in their objective as the people of Israel. The First World War saw the movement for a Jewish state in Palestine take shape. But, it was not until after the Second World War, during which millions of people of the Jewish faith perished, that the new Jewish state came into existence. Millions of Hebrews have now returned to Zion and have created, under adverse circumstances, a modern, democratic state. This triumph is the greatest tribute to the traditional genius of the Hebrew mind.

Since May of 1948, Israel as a national homeland for world Jewry has been a vital, going concern. Its emergence as a state has had profound impact in the Middle East and in world affairs. Guided by determined, courageous statesmen, Israel has made magnificent strides in the past 9 years. Its dynamic immigration policy, which has increased the population in Israel from 62,000 to 1,500,000 in 30 years, is ample proof of its vitality and progressive orientation.

No other state has accomplished so much with so little in so short a time. Hundreds of acres of former barren desert have been brought under cultivation. Immigrants have been successfully settled in communal villages. Their labors have increased agricultural production toward the ultimate goal of self-sufficiency in food and raw-material output. Israeli industry is developing rapidly. Cities are being expanded and modernized. A dedicated effort to develop the arts and sciences is generating a rebirth of Hebrew culture.

Today Israel represents one of the outposts of Western civilization in Asia. It is a vital democracy responsive to the will of the people. It is dedicated to their welfare. Although it is not strong in terms of area or armed might, it is one of the most vigorous advocates of those principles of democracy and freedom which bind the people of Israel with the people of the United States in the struggle against Communist tyranny. We salute Israel on this great anniversary of her birth and hope that the State of Israel will achieve in the coming year her just recognition among all the nations of the world, particularly those in the Middle East. To this, the United States must pledge her support.

Mrs. DWYER. Mr. Speaker, today I am proud to join with other Members of the Congress in paying tribute to a courageous and freedom-loving nation.

It was 9 years ago that the new nation of Israel was born.

During these years, many grave problems have faced this infant nation. The blood of her heroic sons has been the bitter price of winning her independence and protecting her borders against her enemies. The sweat and toil of her people have turned a desert land into a prosperous and progressive nation. The freedom-inspired aspirations of her patriots have made her the citadel of the free world in the troubled Middle East.

Today, the racial, religious, and economic tensions and the hostile ambitions and philosophies of some of her neighbors still threaten the peace and, indeed, the very survival of Israel. It has been made increasingly evident, by events of the past year, that much of this unrest and hostility has been stirred by the Kremlin.

That is why I believe it is most important for us in the Congress today to rededicate ourselves to that basic tenet of our foreign policy—the preservation of Israel's independence.

Israel, by voluntarily withdrawing her troops from a neighbor's soil, gave evidence to the world of her good faith and adherence to the principle of peaceful settlement of international disputes.

We can do no less than strive, as the leader of the free world, for the peaceful, neighborly cooperation which holds the best hope for lasting peace in the tension-haunted Middle East. We can do no less than support Israel's rights in the Gulf of Aqaba and the Suez, and the integrity of her boundaries.

The days ahead for Israel still are troubled. A firm and honorable peace must be cemented between Israel and the Arab world. Her self-sufficiency in agriculture and industry must be encouraged. These are the goals for which we in America must continue to work.

Today, as we face these challenges, we salute Israel's birthday and extend to her the strength of our hearts and our will as a nation. May she live forever as a proud and important member in the world family of free nations; may she stand forever as a shining symbol of a brave people's dedication to freedom and human dignity.

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, I am proud to join my colleagues in paying tribute to a courageous people on the ninth anniversary of the founding of Israel. There are so many who have contributed so much to the growth of this small nation, which represents a haven for the oppressed from throughout much of the world.

Nine years ago the victors in a great World War looked with horror on the results of an aberration which had cost the lives of 6 million Jews. Americans are proud to have had a part in the founding of a haven for these persecuted people, and in the growth of this small new nation which has come so far in a short time. It is indeed a small nation by American standards, one with few resources except its people, and there are truly too many of these for the size of the land. But it has been the sweat and labor of these people which has gradually transformed the desert lands into fertile acres.

But in these 9 years the way has been hard. There have been wars and constant threats to Israel's independence. Only the strength of the people of this nation has allowed the country to stand in the face of its sworn enemies. At times the path has been hard and discouraging but the people have persevered and progressed.

The country is virtually surrounded by enemies, but I hope that the friendship of Americans has been a ray of hope and encouragement through these hard years. I think it important that this anniversary of Israel's independence be marked with renewed assurances from this country of the friendship and hopes that stream from these shores to that small nation on the Mediterranean Sea. The world should know of the admiration and support from those who love and cherish freedom for the free State of Israel.

The way ahead is not free of shadows. The sworn enemies of this new land are not content to have this country continue to grow. But the people who are now passed on and many thousands more have made Israel grow from a desert to an oasis and there are hundreds of thousands more who will work for the preservation of this courageous nation.

I join my many fellow Americans in sending greetings to Israel and to its people who have the admiration, friendship, and hopes of freedom-loving peoples around the world. May this free state continue its progress and may its people—so long persecuted and attackled—find peace and prosperity for themselves and those to follow them.

Mr. BOLAND. Mr. Speaker, yesterday Israel celebrated the ninth anniversary of its independence. May 6 is a date that truly symbolizes a great Jewish accomplishment. Within 9 years the ideal of Zionism has been transformed from dream to reality. During these 9 difficult

years of existence Israel has struggled, but she has won, thanks to the skill of her leaders and the tenacity of her population. Both the Arabs and the great powers have exerted strong pressures on Israel, but in spite of them Israel has survived and flourishes. I salute Israel on this happy anniversary.

Israel, like America, is a nation of pioneers and a people of diverse origins. Both nations are devoted to democracy and both nations oppose the impending threat of communism in the Middle East. As America's bulwark against the Soviet threat, Israel deserves and will obtain America's fullest support.

Israel is more than ever important for the defense of the United States and the West in the Middle East, since Britain has evacuated Suez and since British standing in the Middle East has declined. The United States is now assuming Britain's former role, and in order to do so it needs all the friends it can find at the eastern end of the Mediterranean. If war should break out in the Middle East, the United States must have bases and allies. Under these circumstances, Israel might turn out to be one of America's most important footholds in the Middle East.

It is therefore a clear necessity for the United States to support Israel out of strategic interest and strategic need. Also the United States has traditionally opposed aggression and supported the weaker side in international disputes. Moreover, Israel represents the only center of Western culture in an area which must be westernized. Israel is the spearhead of cultural revolution in the Middle East and when peace comes to that region Israel can serve as instructor and tutor and example to the surrounding Moslem nations.

Israel has declared for the side of the free world, for democracy, for the Western cause; the United States must not and cannot abandon Israel nor the values and accomplishments for which Israel stands.

Mr. FRIEDEL. Mr. Speaker, it gives me pleasure to be able to give the people of Israel this message of encouragement and hope, despite the present dark and threatening clouds of possible further conflict in the strategically important and oil rich Middle East. The State of Israel is here not only because Theodor Herzel and others conceived it, but because the drift of history made it inevitable.

At any rate, the State of Israel, recognized as such by President Truman within a few hours of its proclamation, admitted to the United Nations a year later, and carrying a population of about 2 million souls, is a fact. Israel began life 9 eventful years ago, fighting to survive. Today she is still fighting for her very life in one way or another, and with God's help, no force will be able to dislodge her.

The reason I have high hopes for a bright future for Israel is that she is a bastion and bulwark against the atheistic forces of evil communism and is, therefore, the natural and spiritual ally and kin of the United States, of Western democracy, and of freedom. Also, very recent events in the United States point to a better and more sympathetic understanding in the near future, of the necessity of closer cooperation between these two genuinely democratic and freedom loving nations. We must never forget that God is the source of our strength. We look with reverence to that sacred spot on Palestine's soil, remembering that from Zion went forth the Law, and the Word of God from Jerusalem. We proclaim the same divine truths today, which notwithstanding the changes of time, have remained our heritage and which no powers of persecution or tyranny by the vile and venal communistic forces can destroy.

Mr. BARRETT. Mr. Speaker, on this ninth anniversary of Israel's independence, I would like to congratulate her on the completion of another successful year.

Not only has Israel managed to maintain her frontiers intact and to repel hostile guerrilla raiders, but she has recently made great strides in the development of industry and agriculture, which are of greatest importance to her national existence. Of special interest is the continual progress Israel is making in developing her own lands.

Between 1948 and 1955 the cultivated area under irrigation has tripled. The Israeli Government has established a centralized national water authority which implements and supervises the execution of irrigation projects. Large sums from Israeli development funds and from foreign aid have been invested in irrigation projects all over Israel. The Lake Huleh power and irrigation project has opened thousands of acres for cultivation in northern Israel; the pipeline completed in 1955 to carry the waters of the Yarkon River near Tel Aviv to the arid tracts of the Negev is a great step forward. This pipeline will supply much of the Negev—a desert before the establishment of Israel—with sufficient water to enable Israeli pioneers in that region to be self-sufficient in food.

To assure most efficient use of the newly irrigated land, the Israeli Government has encouraged the growth of farmers' federations, agricultural cooperatives, producers' associations, and a citrus fruit control and marketing board. When Israel's agricultural plans are completed, she should once more merit the name of "a land of milk and honey," as it was known in Bible times.

To permit Israel to complete her agricultural planning, the United States must continue to give technical assistance to her, for economic self-sufficiency and high levels of food production will assure the survival of a brave new Middle East nation.

INDIANA PIONEERS A MOVEMENT TO REHABILITATE ALCOHOLICS

The SPEAKER pro tempore (Mr. WILLIS). Under previous order of the House, the Chair recognizes the gentleman from Indiana [Mr. HARVEY] for 30 minutes.

Mr. HARVEY. Mr. Speaker, the State of Indiana, a few years ago, decided to face up to one of the growing problems of present-day society. As a consequence of that decision, Indiana created in the fall of 1953 a commission on alcoholism, and shortly thereafter the State pioneered a program of rehabilitation for alcoholics.

By way of introduction to the subject, let me quote a gentleman who is a recognized authority. Robert D. Wolf, native Hoosier with a background of administration in United States Army hospitals, has been, since its founding, the supervisor of the Nash Rehabilitation Center. In an address last year before the University of Utah School of Alcoholic Studies, Mr. Wolf declared:

> Although some very real advances have been made in the psychiatric and medical handling of the alcoholic, there is much to be learned and accomplished concerning his rehabilitation.

Mr. Wolf, in outlining the program that Indiana feels is proving successful, continued in these words:

> We have found that the alcoholic is an ordinary man with an individual problem. It is our purpose to help him with this problem. At Nash Center, a plan is in progress which includes a controlled sort of environment; for each patient, when received, has certain needs to be supplied.
>
> These men, for the most part, have normal reactions. They work well and willingly for the personal satisfaction that any of us feel for a job well done. Also, we find that these men are capable of accepting responsibilities and team up well on given projects, establishing quickly a working fellowship in cooperative effort. They are loyal to each other, realizing they all share the same problem.

What then is the Nash Rehabilitation Center, how is it operated, and what success is it having in restoring the victims of alcoholism as useful members of society?

The center is located on the grounds of the New Castle State Hospital, a few miles from my farm home in Henry County, Ind. Let me emphasize, however, that the center is not dependent on the larger State institution except for necessary medical care of its patients.

Consisting of a 30-bed cottage-type building, the center is scheduled for expansion to 50 beds next month. Its only other facility is a building, 30 by 60 feet, housing a dining hall and kitchen. This latter structure, incidentally, was planned originally on a contract bid of $25,000, but later built by the patients themselves at an actual cost of $7,000.

Some patients at Nash Center are volunteers. They await admission either at their own request, or one submitted in their behalf by family, friends, or Alcoholics Anonymous. Most, however, are first patients of State mental institutions referred to the center when medical authorities believe occupational therapy will complete recovery.

Nash Center, I know from personal visits, is a simple, serene establishment. Its atmosphere is quiet and relaxing. Its limited staff is sympathetically dedicated to helping the patients find themselves, develop self-confidence and self-respect.

On a basis of statistical research, Indiana with a population of 4 million persons, is known to have 120,000 alcoholics. As a part of the State's widely acclaimed

UNIVERSITY OF MICHIGAN LIBRARIES

program of mental health, some 2,000 victims of hard drink have been treated since Dr. Fred Lawrence was named medical director of the commission on alcoholism 3 years ago. Approximately 600 of these patients have spent time at Nash Center, and for nearly 200 returned to normal living, the stay at Nash averaged 43 days. Before citing more of the success reported by Mr. Wolf and his associates I should like to point out one paragraph in a letter recently received from him. It says:

We have found that industry has overlooked the problem of alcoholism. Our records show that a large percentage of our patients are either skilled labor or professional men.

While Mr. Wolf did not elaborate, it is surely evident to all that when alcoholism as a sickness is allowed to progress unchallenged its toll in sum total is economic loss running into hundreds of thousands of dollars, to say nothing of broken families, shattered careers, and heartache.

To round out the picture of Indiana's rehabilitation program—and I am proud to say that it is being studied and duplicated by other States—let me repeat more fully some of Mr. Wolf's remarks before the Utah group. He said, and I quote:

While staying at Nash patients get constructive ideas and surroundings, and situations are geared to help them advance. Also as a symbol of sincerity in their welfare we accept their ideas within reason and they are assigned to tasks which match as closely as possible their regular vocation.

It is difficult to pin down what brings about improvement in the problem drinker's condition, but high importance has been given to occupational therapy. It is doubtless one of the most beneficial factors in recovery and plays a major part in overall rehabilitation.

Important, too, in the operation of the center is the attitude of the staff and its relation to the patients. Without a kind and sympathetic approach from the staff, the entire program can be foiled and therefore made useless in the alcoholic's social anxieties and apprehensions.

Of importance, too, is the selection of men for the patients' group. As in any type of program, one nonconformist can cause confusion and turmoil which ultimately would lead to defeating our purpose. The center attempts to make each man feel satisfied with his good deeds, his work, and his actions.

Mr. Wolf, in the course of his remarks, recounted the steps taken to change a patient's thinking from a negative to a positive attitude. Then he said:

This teaching is not "lumped upon" the patient in 1 day or a week. It goes on in a continuing process and results eventually in removal of the critical self-awareness, guilt feeling, and anxieties common to alcoholics. This is furthered by explaining to the individual that his behavior influences other patients who are on the long road to recovery.

In conclusion, Mr. Wolf stressed that Nash Center maintains for its patients good food, clean linens, and a high standard of personal cleanliness.

The center—

He said—

provides medical treatment, individual and group therapy, psychiatric social services, vocational guidance, and orientation. In free association with other patients and coordinators, he discusses his problems so often that he gradually becomes desensitized to them—reacting to them with less and less energy. Each reversion to bad behavior patterns is of shorter duration, while the level of normalcy remains longer in effect until the patient's new behavior pattern becomes more or less a fixed habit.

Justifiably, I am sure, Mr. Wolf says there are many changes in those who find the good way of life at the center.

Through education and constant service—

He asserts—

there is a new day ahead and it isn't far off.

With other Hoosiers I salute Mr. Wolf and the Nash Center in the great pioneering effort that is theirs.

POLISH CONSTITUTION DAY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Michigan [Mr. MACHROWICZ] is recognized for 60 minutes.

Mr. MACHROWICZ. Mr. Speaker, I have asked for this time to call the attention of my colleagues to the fact that the 3d day of May was a great day and is a great day in the life of the Polish nation. It is Polish Constitution Day which is equivalent to our own 4th day of July, and has for the past 166 years been celebrated as the Polish National Day. It has been said in the history and the development of modern democratic government, you can usually find in the constitutions of the governments the standards and the rallying points of advanced political and economic freedom. If that be true, then the Poles everywhere can indeed point with great pride to the 3d of May constitution of 1791. It is truly one of the world's greatest documents of freedom. Under it, the Polish tradition of liberty and democracy found brilliant expression. This constitution discarded all class distinction. It abolished restriction upon the freedom of the individual and it guaranteed religious tolerance. In its own preamble, it stated and I quote: "That all powers in civil society are derived from the people."

It was the first truly democratic constitution in Europe and a milestone of development of parliamentary democracy. By basic law, it established freedom of thought and of speech. And what is very important, it was given to the people without any bloodshed whatsoever. The Polish nation did not long enjoy the freedom that it had at the time the Polish constitution was adopted. The history of Poland is a tragic one. It had been dismembered by the three neighboring powers and for over a century it suffered under foreign domain.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. Mr. Speaker, I would like to have the record of these proceedings show that for many years it has been the custom and the practice on this day for this body to set aside this time to pay tribute to Polish National Day. While it is true that there have been many Members of the House of Polish ancestry and many others who have great numbers of Polish-American citizens in their districts, it is my opinion that no one in this House before this time or now is better equipped; nor is it but fitting and proper that this hour should be handled today in this tribute by the gentleman from Michigan now in charge of the time who is now speaking in the well of the House [Mr. MACHROWICZ]. Many people have paid tribute to the Poles of America on this day, but the gentleman from Michigan has matched his words with action. The gentleman from Michigan actually was a soldier fighting in the Polish Legion in World War I although he certainly does not look that old, but it happens to be so as a fact, and the gentleman also has served as a veteran of our own American Armed Forces. I had the pleasure and distinction of serving with the gentleman from Michigan as a member of the Katyn Committee, a special committee appointed by the House of Representatives to investigate the massacre of many thousands of Polish reserve officers to establish the guilt for that massacre. The gentleman from Michigan was invaluable by virtue of his ability and his help to that committee both here and abroad. He is bilingual. He speaks better Polish than I do English. So certainly on this day, since in his veins flows the proud blood of Polish ancestry, we are honored and his people are honored that he gives us the benefit of his experience and his feeling. I might say, yesterday in New York, I spoke to a great mass meeting at the 69th Regiment Armory, a meeting called and held by the Polish-American Congress for the purpose of urging complete freedom for Poland. In connection with that body, and as a result of that meeting, Mr. Speaker, I today introduced a resolution calling for this Government to extend its facilities in aid to Poland in keeping with the negotiations now taking place.

I shall later implement this resolution with necessary legislation to permit the execution of the provisions of the resolution.

Again I compliment the gentleman from Michigan upon his presentation.

Mr. MACHROWICZ. I thank the gentleman for his laudatory and generous remarks.

I want to state also, Mr. Speaker, that in the work of the special committee on the Katyn massacre, which had a very great effect upon the spirit and morale of all the people behind the Iron Curtain irrespective of party, that the gentleman from Pennsylvania was an indefatigable worker and did a tremendous amount of work on that committee.

Mr. Speaker, there has been a traditional bond of friendship between the Polish people and the American people for many, many years. In their struggles and in their fight for their freedom and independence the Poles have always looked to the United States of America as its foremost and most loyal ally. We in the United States have been loyal to the people of Poland.

The history of the past year in Poland has brought about a new situation, one which confuses many of us, one which

probably is not well understood by many in the United States.

Let us remember the situation with which the Poles were faced. They were faced with the knowledge that the Western powers would not and could not go with military aid to the Polish people. They were surrounded on one side by Soviet Russia and on the other side by Germany. Russian troops were on their soil. The situation seemed almost an impossible one, and yet with great spirit and with great ability the Poles in the past year have been able to eke out a bit of liberation, not the kind of freedom they dreamed of—they still suffer under communism—but because of the great strength of spirit they displayed the Kremlin had to concede certain rights to the Polish people. There is today a certain freedom of the press, a very limited freedom. The Voice of America is no longer jammed in Poland. The economic conditions have somewhat improved, and the Poles again are looking with a brighter soul and brighter eye toward the future; and it is at this time that we in the United States should evaluate what is going on in Poland properly and should think of ways in which we can possibly help the Polish nation in its valiant struggle for liberation.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentleman from New York.

Mr. KEATING. Right along the line the gentleman has mentioned I think it would be of interest to call the attention of the House to a recent decision of the Polish court.

A Mrs. Bozyk, of my constituency, and her husband escaped from a Nazi labor camp and came to the United States and were naturalized as citizens in 1955. They left a little girl in Poland. Mrs. Bozyk has made a number of efforts to get the child back. The child was left when it was a tender infant. She had not seen the child in many years.

Finally we were able to get a visa for Mrs. Bozyk to go to Poland. She went, and suit was instituted there against the people who held the child and who had no doubt indoctrinated her with some of the principles with which the gentleman and I are not in accord.

Frankly, I was pessimistic about the outcome of that suit, particularly when it appeared in the court proceedings that the child herself said that she hated her real parents—which, of course was perhaps not an unnatural thing after so much time had gone by. But just 2 or 3 days ago the Polish court awarded this child to the mother and father, the real mother and father, American citizens, residents here. The press carried the story that the people who are trying to keep the child have taken steps to secrete the child or to keep the child away so that the court order cannot be enforced. The court, however, has served notice on this family that they must produce this child. I am inclined to believe that that is the thing that we have come to call justice. I am gratified by the decision. I know what it means to this mother and father who have dreamed of the day when they could have their child back with them. I think the Polish court, unless there is more to it than I know about at this distance, is entitled to some commendation for deciding this case on its merits.

Mr. MACHROWICZ. I thank the gentleman. I hope it is clear that nothing I have said nor in what the gentleman from New York has said would indicate that we are at all satisfied with what the government that is now representing the Polish people in Warsaw is doing. We know very well that the elections in January of this year, though they were so-called free elections, were by no means free elections. The voters did not have an opportunity to decide between communism and democracy. If they had a choice, there is not any question what the choice of the Polish people would have been. They would have voted for democracy. They had a very limited choice. They did have a man who represented communism but a type of communism which was opposed to the Moscow type of communism, the so-called national communism, and they selected that type as the lesser of two evils.

Mr. KEATING. I agree with the gentleman's comments in that regard. He and I know, because I have many friends of Polish ancestry, among whom I count the gentleman now addressing us, that the spirit of freedom and desire for liberty and independence are, perhaps, the strongest in the Poles of any peoples in the world. I cannot believe that they will forever be kept under a tyrant's heel and I am hopeful that the things we are seeing now are a format which will develop into a complete freedom for the great Polish people.

Mr. MACHROWICZ. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I know that what the gentleman has done has had an enormous effect in Poland, as well as all over the United States, and other countries that are suffering from being under the yoke of communism. We all admire the gentleman's very fine war record. The people of Poland are very lucky to have one of their descent here in this country to speak and work for them. I am tremendously proud of the people of Polish descent in my district. They are a wonderfully fine people. They have given a great deal. I am very, very proud of a young Polish boy I had the privilege to appoint to West Point. He won on a competitive examination and he is now holding a very fine position. I know what Poland has done for the United States and I am grateful to the gentleman and to all of those of Polish descent for that.

Mr. MACHROWICZ. I thank the gentlewoman from Massachusetts.

I would like to say a word on a subject matter which is rather close to my heart because we do have now in the United States a practical way of demonstrating that the policy of peaceful liberation is one that we believe in and one that we are willing to support. There are now pending negotiations between the Warsaw Government and the United States Government for a loan to purchase certain surplus commodities that we have in the United States. Unfortunately, there is great misunderstanding about these negotiations. Some consider this to be a grant but it is by no means a request for a grant. It is a loan, it is an offer to purchase for cash certain commodities.

Now, if there is anything that the Polish nation needs today to strengthen its spirit and its hope in the gallant struggle that it is now conducting, it is aid of the type that we in the United States can give it. I know that there are some in the Congress who have expressed their doubts as to the wisdom of granting such a loan. I, myself, will say that certainly there is a great risk in the step the United States is taking now.

But, let us consider the alternatives. If Poland does not obtain the loan and the ability to purchase surplus commodities from the United States of America, it will have to do the only thing that is left for it, turn back to Moscow for aid, because without this aid it can no longer exist. So, I sincerely hope that my colleagues will understand that the granting of this loan is something that is in substance a following of the policy of peaceful liberation which we are presently proclaiming and which will lead to eventual further cracks in the Iron Curtain, because what has happened in Poland in the last year is the first significance that there are such cracks in the Iron Curtain and that there may be more in the future if we do give those people the opportunity to express themselves.

Only this morning there was ominous news from Poland over the press and over the radio that there have been very serious armed revolts against the present regime and that troops have been called out to stifle these revolts. Now, all of us, of course, feel glad to know that the spirit of resistance exists in Poland, but I dread to think what may happen if these revolts spread in Poland at this time when no effective aid can be given by the Western Powers. It could lead to another disaster like in Hungary, and I am sure none of us would like to see that happen.

I think it is tremendously regrettable that the President of the United States and the Secretary of State in December of last year made statements which indicated to the people behind the Iron Curtain that there would be no aid forthcoming for them if such revolts continued. That was entirely uncalled for. For, if we do not intend to encourage these revolts, it is ridiculous for us unsolicited to give promise to the Kremlin that if such revolts occur we in the United States will not help our gallant friends behind the Iron Curtain.

So, on this Polish Constitution Day, I sincerely hope that this House, which has demonstrated in the past few years on several occasions its tremendous interest in the possibility of the liberation of these countries behind the Iron Curtain, will bear in mind that the events of the last year have indicated that the possible liberation of those countries is nearer than we thought it was and that we will give, through economic aid and through such other assistance as is pos-

UNIVERSITY OF MICHIGAN LIBRARIES

sible for us, such aid as we can to the Polish nation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, the late 18th century was a revolutionary age. The American Revolution and the French Revolution had given rise to new liberal and democratic ideas, and the old mornarchical ideas were in decline. Poland was in fatal danger of annihilation by enemies on every side. Many Poles were aware of this danger, yet they could do little under the existing autocratic government. Some courageous political leaders, however, correctly sensed the seriousness of the issue, and set themselves to the task of drafting a constitution. These patriotic and liberal-minded leaders discharged their difficult task honorably and with distinction. The result was the constitution of 1791, which was adopted and promulgated on May 3 of that year.

Judged by any set of liberal and democratic standards the Polish Constitution of 1791 was a great instrument. In one sense it led the Polish governing class from the Middle Ages to the modern times. The monarch's powers were circumscribed; and a constitutional monarch with a responsible form of government came into being. Much of the powers of the central government were reduced, but its prestige and authority were enhanced. Many old privileges and class distinctions were cast aside, and complete religious freedom was guaranteed. The document was noteworthy for its liberalism and moderation; it was acclaimed by Edmund Burke as a masterpiece.

Mr. Speaker, the history of Poland, with the trying periods it has gone through, is one of the most interesting and amazing of all nations. In its darkest days its brave people, possessed of and actuated by their deep faith and their intense love of God, have never despaired in their determination to regain their independence and the liberty of their people. Poland and its brave people are now undergoing a most trying period. As their deep faith has sustained them in past periods of pain and suffering, so will that deep faith sustain them today, for the possessing of deep faith on the part of a people is the sustaining influence between victory and defeat.

Poland and its brave people have that deep faith, and with their faith and with the courage that they possess, Poland will again regain its complete sovereignty and independence and for its people liberty under law and under God.

Today the 166th anniversary of its adoption and promulgation is being celebrated. It is also another memorable day in the life of the people of Poland, and those of Polish blood everywhere for May 3 is the Feast of Our Lady of Czestochowa, the patroness of Poland. I join all Polish-Americans in this celebration and in doing so honor the memory of those who produced that memorable and great document, the Polish Constitution of 1791.

Mr. MACHROWICZ. I thank the gentleman from Massachusetts.

Mr. BENTLEY. Mr. Speaker, will the gentleman yield?

Mr. MACHROWICZ. I yield to the distinguished gentleman from Michigan who has a distinguished record in his work against communism and I know has visited Poland within the last week or two.

Mr. BENTLEY. Mr. Speaker, I thank my friend from Michigan. I should like, before making my own remarks, to pay tribute to the splendid record which he personally has achieved ever since he has been in Congress of interest in the cause of the liberation of the captive peoples not only of Poland, but of all those in Eastern Europe.

Mr. Speaker, this past Friday, May 3, marked the 166th anniversary of the Polish Constitution on May 3, 1791. It is a very real pleasure and privilege to join my Republican and Democratic colleagues of the House in recognizing the historic significance of this anniversary. It is particularly important to do so at this time which marks an important moment in postwar Polish-American relations.

It is interesting for me to recall that only 1 week ago I left the Polish capital of Warsaw after a brief but interesting visit of 2 days, during which time I discussed current conditions with more than 30 separate people, mostly Polish Government personalities, as well as officers of our own Embassy and representatives of the foreign and Polish press. Since I traveled to Poland as a member of the European Subcommittee of the House Committee on Foreign Affairs, it would not be appropriate for me at this time to make a detailed statement regarding my own observations and impressions. Those are being presented to my subcommittee and our joint recommendations will be contained in a report soon to be forthcoming.

I can say, however, that I entered Poland conscious of one very real impression indeed. Three and a half years ago, I was officially refused a visa to enter that country by the then Polish Government. The fact that this time I received a visa, and on relatively short notice, is a clear indication that some change has taken place during the intervening time.

One other outstanding impression I would like to share with my colleagues of the House on this occasion. As most of them know, the city of Warsaw was very largely destroyed during various actions of World War II. I understand that about 75 percent of the destroyed portion has been rebuilt and, to me, this is most significant, it has been rebuilt largely in accord with prewar architecture. This was my first visit to Poland but I was informed that the so-called old city looks very much as it did before the war.

Since we are today recognizing, Mr. Speaker, an outstanding moment in Polish history, it is well to call attention to the fact that the Government and people of present-day Poland do retain such an important link with their traditional past. There were other examples in the design of military uniforms, in the garb of Polish boy and girl scouts and several others, especially from a nationalistic point of view. There is, I feel, no desire to return to the political and social institution of prewar Poland but there is a very keen appreciation of those traditions and influences that made Polish history the glorious story that it is.

It is my understanding that this House will shortly be called upon to vote on legislation that may have a very important effect on present relations between our two countries. On that I will not comment further at this time. But I do want to assure the people of Poland of the great friendship and sympathy for them on the part of the American people. I am always made very conscious of this because of the large numbers of persons of Polish descent who reside in my State of Michigan and even within my own congressional district. However, these feelings are not confined to Polish-American communities but exist everywhere throughout the United States.

Regarding the subject of a future American policy toward Poland, I can only say that I, along with millions of my fellow countrymen who believe that liberty is the inalienable right of all men throughout the world, must favor and support any program that will truly help the Polish people along the road to freedom and true democracy. The important thing is not the political and economic institutions which the Polish people may choose for themselves but that those institutions be freely chosen by the people concerned and not imposed upon them by an external force.

It is a real honor for me, Mr. Speaker, to call attention to the traditional friendship between the American and Polish people on this historic anniversary and to express the hope and belief that, in the future, this occasion will come to mean even more to both countries than it has in the past.

I thank the gentleman for yielding to me.

Mr. MACHROWICZ. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks at this point in the RECORD on the subject of the Polish Constitution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KEARNEY. Mr. Speaker, May 3 marked the 165th anniversary of the enactment of one of freedom's great documents, the Polish Constitution. During the past 13 years of Soviet domination the people of Poland have not been permitted any overt recognition of their national holiday. This year as yet another in the chain of reforms the Poles have obtained solely through stubborn persistence, the government declared that May 3 may be commemorated privately, although it was not declared officially a national holiday.

This was a small concession indeed, but its significance lies in the fact that the armed might of the Soviet Union has been successfully challenged once again, and by a heroic people encircled by foreign troops on their borders, despite the presence of five foreign divisions in their own land.

The much-vaunted invincibility of the Red armed machine which the Russians have used in their campaign to instill fear and a sense of hopelessness of resistance in so-called satellite nations has been proved a fiction of the Russian propaganda mills.

The Poznan riots last June were riots of Polish workers. This fact punctured yet another Communist propaganda bubble which was that the Soviet Union is the world representative of the proletariat to be considered a rallying point for dissatisfied workingmen everywhere.

The shouts of the Poznan demonstrators were for the opportunity to earn food for their families and for personal liberty, in addition to demands for withdrawal of the hated Russian troops. The fact that these workingmen were moved to violence in their declarations exploded yet another Soviet propaganda claim—that communism holds the solution to the world's economic ills, with the implied corollary that small sacrifices of personal liberty are well worth the gains in economic security.

For these demonstrations of some of the glaring failures of the Communist system, the free world is indebted to the courageous Polish people. Thirteen years suffered in the iron vise of foreign domination were not enough to strangle the spirit of a people known the world over for their independence and fierce national pride.

On the occasion of the anniversary of their national constitution we salute their enterprise and offer them our sympathy and encouragement in the days and months to come as they struggle to regain their freedom.

Mr. CUNNINGHAM of Nebraska. Mr. Speaker, I would like to join many of my colleagues in calling attention to a historic date, May 3. It was on this date in 1791 that Poland enacted the first European democratic and progressive constitution.

Although there is still far from freedom for individuals in present-day Poland, the Polish people are once again allowed to celebrate May 3 as their National Day. This celebration replaces one that must have been repugnant to the Polish people, July 10, the dark day when Poland was subjugated by the Russian Communists. May 3 is not being celebrated nationally this year, but for the first time in many years the people will be allowed to commemorate the day privately. It is my hope that the Polish people will continue to grow away from Russian communism so that this historic day will again become the symbol of free government by the people, and so that the free Polish people will be allowed to celebrate the day publicly and reflect on its meaning, so well known to all of us in America.

We in America are well aware of the valiant fight being carried on inside Poland for the return of a democratic form of government. Slowly, strides are being made within, which are hailed by free peoples everywhere. The partial removal of Russian troops was a monumental accomplishment in a nation surrounded by Soviet armed forces and unable to defend itself militarily against the might of the Russian armies.

It is the hope of Americans that Poland will be able to continue on its road to freedom. The reduction of police control and growth of individual liberty mark more steps toward removal of Russian influence. It is noteworthy that collectivization of agriculture has ceased and that 80 percent of the collective farms have been dissolved so that the peasants once more own land, machines and livestock.

The establishment of thousands of small shops is still another example of the growth of the individual inside Poland. And all Americans were gratified to learn of the release of Cardinal Wyszynski and of his messages to the Polish people.

In the months since the Hungarian revolt, the world has seen thousands of Communists abandon the party in free Western European nations. The brutal force used by the Soviets in crushing the freedom fighters has demonstrated to the world that Russian communism is not the salvation of the workers and peasants. And in Poland it has been the workers and peasants who have been heard and forced the retreat of Russian communism in Poland. We in America are hopeful that through constant pressures from the freedom-loving people of Poland, the influence of Russian communism will continue to diminish in still another part of the world.

Mr. McVEY. Mr. Speaker, last Friday, May 3, marked the 166th anniversary of the adoption of the Polish constitution, and at this time I should like to make a brief statement in commemoration of that memorable date.

The constitution of May 3, 1791, truly is one of the world's most outstanding documents. The principles embodied therein compare favorably with those in our own Declaration of Independence. Poland was the first European nation to have a written constitution proclaiming democratic rights and religious freedom for all of its people.

Poland's independence, gained through the valiant efforts of her people, was of short duration. Since the adoption of its constitution, Poland has been subjugated many times by foreign aggression, and although the bloodless revolution of last October has brought about some liberalization, her people are still striving to gain complete freedom and democracy.

The people of Poland have taken the lead in illustrating the complete bankruptcy of Communist policy. In their request for freedom, the workers of Poznan have clearly shown that they reject Soviet control and Communist dictatorship. The Polish nation does not want to be a member of the Soviet bloc's military machine, and we must remember that her policy in recent years has not been of her own making. The infamous Yalta agreement is largely responsible for the situation in which Poland has been placed, and action should be taken to correct the wrongs perpetrated on these noble people.

The events of the past year demonstrate Poland's great desire to rid herself of Communist rule. Her people know that Communist concepts of economy and industrial planning have brought them close to disaster. On this occasion, it is fitting that we reassure our Polish friends that we will continue to support them in their fight for freedom. They have opposed the Communists in every possible way, and their determination to restore freedom to their country will eventually lead them to victory over their oppressors. It is the hope and prayer of all Americans that the day will soon arrive when Poland will once more be a free and independent nation.

Mr. SHEEHAN. Mr. Speaker, with the opening words of the Polish National Anthem—"Jeszcze Polska nie zginela"—"Poland is not lost"—I wish to express our commemoration of the anniversary of Poland's Independence Day.

It was on May 3, 1791, that Poland, in a bloodless coup, adopted a constitution which provided for the sovereignty of the people in the state, a religious tolerance, and which represented a sincere effort to convert the country into a constitutional monarchy. The preamble clearly expresses the motivating force that gave birth to the document:

> Persuaded that our common fate depends entirely upon the establishing and rendering perfect a national constitution; convinced by a long train of experience of many defects in our government, and willing to profit by the present circumstances of Europe, and by the favorable moment which has restored us to ourselves; free from the disgraceful shackles of foreign influence; prizing more than life, and every personal consideration, the political existence, external independence, and internal liberty of the nation, whose care is entrusted to us; desirous, moreover, to deserve the blessing and gratitude, not only of our contemporaries, but also of future generations; for the sake of the public good, for securing our liberty, and maintaining our kingdom and our possessions; in order to exert our natural rights with zeal and firmness, we do solemnly establish the present constitution, which we declare wholly inviolable in every part, till such period as shall be prescribed by law, when the nation, if it should think fit, and deem necessary, may alter by its express will such article therein as shall be found inadequate. And this present constitution shall be the standard of all laws and statutes for the future diets.

This seems a somewhat remarkable incident and document when one recalls that it was formulated during the first partition of the country. Although the document remedied the defects of the Polish political system and character, it was never applied, for in 1793 Poland's boundaries were again despoiled. The basis for this second partition was to arrest the progress of what Russia and Prussia referred to as the "imminent and universal danger" that threatened Europe from the fatal revolution in France—an unrest which had spread into Poland. It is recognizable that the Polish Constitution was inspired by British practice, the French Declaration of the Rights of Man and the Citizen, and by the adoption of our Constitution here in the United States which occurred barely 2 years previous.

Although she has known 3 partitions, totaling 135 years of bondage, Poland has been valiant in her defense of peoples against oppression and tyranny. The annals of history indicate her position and prove her existence as a great nation. Her men have entered

UNIVERSITY OF MICHIGAN LIBRARIES

the freedom movements and battles for independence the world over, and we Americans can identify several of them in our heritage.

The Poznan uprisings last June evidenced their ever-burning desire for freedom from oppression. It would almost seem that nourished by decades of resistence, the souls of the Polish people have become indelibly stamped "For your freedom and ours"—a slogan which originated during the Polish insurrection in 1830 and which still rings true today.

Therefore, to the Poles behind the Iron Curtain and throughout the world, we take this opportunity to convey our thoughts and prayers and to extend the hope of all free nations—liberty of man.

Mr. ZABLOCKI. Mr. Speaker, today, for the first time since the Soviet occupation of their land, the people of Poland will once again celebrate the anniversary of their famous constitution of May 3, 1791. This celebration, formerly prohibited by the Kremlin-imposed regime, will be subdued and private in nature. Still, it has been allowed by the new Polish Government. This, in itself, is very significant because it is indicative of the change which is going on in Poland, and generally, in the nations behind the Iron Curtain.

The bloodless Polish revolution of October 1956 marked a new, and a very promising, stage in the history of that old and brave nation. Subjugated by Soviet Communists for over a decade, Poland took her destiny into her own hands, and, with tremendous courage and dexterity, began to disengage itself from the mesh of Soviet bonds.

In 6 months the Polish nation has attained a certain degree of freedom and independence. Within the boundaries of their country the Poles are beginning to breathe more easily. The internal conditions have been somewhat liberalized. There has been a sweeping change in the economic field with the abandonment of the collectivization of agriculture, the reopening of thousands of small, private shops, and the like. All these changes, when compared to the conditions still prevailing in other Communist-dominated countries, are substantial and significant.

The road to full freedom and democracy will be long and tortuous for the Polish nation. We must remember that the Soviet Union will not tolerate too much liberalism, and that Poland is surrounded by Soviet divisions. Aside from the 5 divisions stationed in Poland, there are 23 Soviet divisions in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, and the bulk of the Soviet forces on Poland's eastern frontier. Surrounded on all sides by this tremendous power, the Polish nation will have to move slowly and cautiously.

In this period, fraught with new dangers and new hopes, I am certain that the Polish nation is looking to its friends in the West for encouragement and assistance. If we meant what we have said about our determination to aid others in their efforts to be free, it is now incumbent upon us to embark upon a course of action which will aid the people of Poland in realizing their legitimate aspirations, and which will further the cause of peace and freedom in the world.

As we pay tribute to that historic document, the Polish Constitution of May 3, 1791, let us reaffirm our friendship for the people of Poland, who have stood over the centuries as the bulwark of Christianity and democracy in Eastern Europe; and let us pledge our encouragement and assistance to the people of that courageous nation in their struggle to achieve more freedom by means of evolution.

Mr. FLOOD. Mr. Speaker, developments in Poland are of the utmost importance to the West. With the process of de-Stalinization which followed the 20th Congress of the Communist Party and when all Western policies of liberation failed to materialize, Poles entirely unaided from the outside world showed the greatest possible determination to obtain maximum freedom and to restore their traditional links with the West. Last year's events in Poland and Hungary have shown the fallacy of the so-called Soviet bloc monolith.

The United States is interested in helping the Polish people who aim to attain freedom and democracy. It must be remembered that it was not Gomulka who made the Polish revolution but that under popular pressure so clearly revealed during the Poznan rising and the October events, the Communist Party in Poland was forced to make concessions and that the initiative came from the masses of the patriotic Poles.

The fact that the Communist government remains in power results from the country's geographical and political position. Poland is encircled by Soviet divisions—23 in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. Under these conditions it is only too natural that Poland has to follow a very careful and restrained policy in order not to jeopardize the gains so far attained.

It must be noted that the Polish events and the Hungarian uprising showed that from the military point of view the Warsaw Pact has lost a great part of its importance. During the Poznan riots the Polish army at that time under Rokossowski's command maintained a passive attitude. In the case of Hungary nearly the entire army went over to the side of the national revolutionaries. Therefore, in case of conflict the Soviet Union could not trust the so-called satellite armies.

The Polish people are very much opposed to the presence of five Soviet divisions on Polish soil under the terms of the Warsaw Pact. The present Polish leadership is trying hard to explain that the presence of the Soviet troops in Poland is necessary owing to the lack of security with regard to the Polish western frontiers. One of the elements of Soviet pressure on Poland is the fact that Poland's western frontiers on the Oder-Neisse line are still unrecognized by Western Powers.

The recent compromise arrived at between Gomulka and the so-called Stalinist group of the party stems from the fact that Gomulka does not represent the absolute majority in the party. In order to obtain the upper hand in the party's leadership it is obvious that Gomulka is maneuvering toward some sort of compromise. There may also have been an ultimatum from the Soviet Union dictating such policy as one of the conditions under which Poland is allowed more independence than the other subjugated nations.

There are also certain moves which may be interpreted as strengthening the Communist rule. The Communist Party would certainly like to limit freedom of expression as far as the Polish press is concerned, as it considers that the press is going too far in its criticism of Communist institutions. Jamming of foreign broadcast has ceased and people are now listening to the Voice of America, Radio Free Europe, and the B. B. C. Soviet jamming stations in Czechoslovakia and Eastern Germany have increased their interference, however.

The Communist Party has also limited the hopes of the council of workers that it would have a larger voice in the management of factories and mines. All this goes to show that the situation in Poland is far from being or becoming stabilized. On the one hand is a stubborn patriotic and really heroic nation trying to rid itself of Communist rule, and on the other, is a divided Communist Party. One branch, the Stalinist camp, would like to return to the previous methods of governing by police and strict control. The second camp is the group of Communist liberals which would like to introduce national communism. Between the two tendencies stands Gomulka maneuvering the situation with great difficulty from any extremities which in most cases would boil down to Soviet military intervention.

On the economic front Poland urgently needs about 500 million foreign credits and is trying to expand her foreign trade. Negotiations in Washington show that Poland needs most of all foodstuffs, raw materials, and commodities with which to feed her industry. Hunger and unemployment could have disastrous consequences which in turn would bring Soviet intervention.

In the national, economic field there have been sweeping changes. Collectivization of agriculture has ceased; 80 percent of the collective farms have been dissolved and the peasants have taken back land, machines, and livestock. Craftsmen have been allowed to ply their trade again and small shops are now permissible. During the past 2 months 20,000 small shops were reopened. It would be very difficult for any Communist government in Poland to revoke these decisions and trends.

The new leadership of Poland has come to certain terms with the Catholic Church. On October 24, 1956, Cardinal Wyszynski was released after 3 years of imprisonment without court sentence. Cardinal Wyszynski in his sermons appeals to the Polish nation for patience and endurance.

The Polish nation as a whole manifested its complete sympathy with the Hungarian uprising. In every Polish town and village a committee for help

to Hungary was created. Poland although herself in dire economic straits tried extensively to help the Hungarian people.

The Polish nation looks toward America for political, moral, and economic support. They realize that in this era of atomic warfare their final liberation will not come through war. They hope, however, that by maintaining constant pressure on the forces of slavery represented by the Soviet Union, the West will bring nearer the day of their liberation by peaceful means. One of these means is strengthening Poland by economic aid. American help has a tremendous psychological impact not only on Poland, but on other subjugated nations such as Czechoslovakia.

The 3d of May provides an opportunity to pay homage to the Polish people who, moved by their love of freedom, are wisely and cautiously trying to gain complete freedom and democracy and restore Poland's ties with the West. It cannot be repeated strongly enough that it was not Gomulka who brought about the changes in Poland and the bloodless revolution, but that the actual achievements were due to the popular pressure. At the time of the Poznan bread, freedom and "Russians Go Home" riots, Gomulka was still politically negligible.

The whole Polish situation calls for a constructive, imaginative policy for Central and Eastern Europe, which until now, has not been formulated.

Mr. GORDON. Mr. Speaker, May 3 commemorated the anniversary of the enactment of the Polish Constitution of May 3, 1791, one of the first European democratic and progressive constitutions. By the terms of this constitution many progressive social and political reforms were introduced, making the date a memorable one in Poland's modern history. The past year has proved to be one of the most eventful in the history of post-war Poland. During the past year the Polish people have taken the lead in demonstrating the total bankruptcy of Communist policy. By requesting bread, freedom and the withdrawal of the Soviet army on the streets of Poznan they showed that communism has brought Poland and other subjugated countries to a state of economic ruin. Poland was once one of Europe's granaries. As a result of Communist collectivization experiment, Poland in unable to feed her people. The Poznan workers demonstrated how wholeheartedly they reject Communist control. The request that the Soviet army be withdrawn from Polish territory proves that the Polish nation has no desire to be a member of the Soviet bloc's military machine and that Poland's policy over recent years has not been of her own making.

The October events have brought a certain degree of liberalization. The Poles can now breathe more freely and Poland is on a more equal international footing with the Soviet Union. We are informed that the present Polish government is striving to maintain its balance between three points: (1) the Polish nation's urge for greater freedom and liberalization and absolute independence from the Soviet government and a return to the West; (2) the country's disastrous economy after so many years of Soviet exploitation and Communist mismanagement, desperately needs help to restore stability: (3) Soviet policy has demonstrated on many occasions that it will not tolerate too much liberalism in Poland nor the return of democracy to that country.

The liberalization of Poland has attained such a degree that the celebration of May 3, prohibited for years and replaced by July 10, the day of Poland's subjugation by the Soviet Union, is once more allowed. It has not been restored as a national day, but the Warsaw government has declared that people may commemorate it privately.

In the Polish nation's struggle to achieve more freedom by means of evolution, the eyes of the Polish people are turned hopefully to the West, and especially to the United States. The developments in Poland are of the utmost importance to the West. The United States has a deep and legitimate interest to help the Polish people who aim to attain freedom and democracy. It must be remembered that it was not Gomulka who made the Polish revolution but that under popular pressure so clearly revealed during the Poznan uprising and the October events, the Communist Party in Poland was forced to make concessions and the initiative came from the masses of the patriotic Poles.

The fact that the Communist government remains in power results from the country's geographical and political position. Poland is encircled by Soviet divisions—23 in East Germany, 20 in Hungary, approximately 8 in Rumania and Czechoslovakia, to say nothing of the bulk of Soviet troops on the eastern border of Poland. Under these conditions it is only too natural that Poland has to follow a very careful and restrained policy in order not to jeopardize the gains so far attained.

It must be noted that the Polish events and the Hungarian uprising showed that from the military point of view the Warsaw pact has lost a great part of its importance. During the Poznan riots the Polish army at that time under Rokossowski's command maintained a passive attitude. In the case of Hungary nearly the entire army went over to the side of the national revolutionaries. Therefore in case of conflict the Soviet Union could not trust the so-called satellite armies.

The Polish people are very much opposed to the presence of five Soviet divisions on Polish soil under the terms of the Warsaw pact. The present Polish leadership is trying hard to explain that the presence of the Soviet troops in Poland is necessary owing to the lack of security with regard to the Polish western frontiers. One of the elements of Soviet pressure on Poland is the fact that Poland's western frontiers on the Oder-Neisse line are still unrecognized by western powers.

The recent compromise arrived at between Gomulka and the so-called Stalinist group of the party stems from the fact that Gomulka does not represent the absolute majority in the party. In order to obtain the upper hand in the party's leadership it is obvious that Gomulka is maneuvering towards some sort of compromise. There may also have been an ultimatum from the Soviet Union dictating such policy as one of the conditions under which Poland is allowed more independence than the other subjugated nations.

There are also certain moves which may be interpreted as strengthening the Communist rule. The Communist Party would certainly like to limit freedom of expression as far as the Polish press is concerned, as it considers that the press is going too far in its criticism of Communist institutions. Jamming of foreign broadcasts has ceased and people are now listening to the Voice of America, Radio Free Europe and the B. B. C. Soviet jamming stations in Czechoslovakia and Eastern Germany have increased their interference however.

In Poland there have been sweeping changes in the national and economic fields. Collectivization of agriculture has ceased; 80 percent of the collective farms have been dissolved and the peasants have taken back land, machines and livestock. Craftsmen have been allowed to ply their trade again and small shops are now permissible. During the past 2 months 20,000 small shops were reopened. It would be very difficult for any Communist government in Poland to revoke these decisions and trends.

The new leadership of Poland has come to certain terms with the Catholic Church. On October 24, 1956, Cardinal Wyszynski was released after 3 years of imprisonment without court sentence. Cardinal Wyszynski in his sermons appeals to the Polish nation for patience and endurance.

The Polish nation as a whole manifested its complete sympathy with the Hungarian uprising. In every Polish town and village a committee for Help to Hungary was created. Poland although herself in dire economic straits tried extensively to help the Hungarian people.

The Polish nation looks toward America for political, moral, and economic support. They realize that in this era of atomic warfare their final liberation will not come through war. They hope, however, that by maintaining constant pressure on the forces of slavery represented by the Soviet Union, the West will bring nearer the day of their liberation by peaceful means. One of these means is strengthening Poland by economic aid. American help has a tremendous psychological impact not only on Poland, but on other subjugated nations such as Czechoslovakia.

On the economic front Poland urgently needs about 500 million foreign credits and is trying to expand her foreign trade. Negotiations in Washington show that Poland needs most of all foodstuff, raw materials, and commodities with which to feed her industry. Hunger and unemployment could have disastrous consequences which in turn would bring Soviet intervention.

Mr. Speaker, I also include the following statement Why Poland Should Be Helped, issued by the Polish American Congress. This statement clearly sets forth the mutual advantages to the Pol-

UNIVERSITY OF MICHIGAN LIBRARIES

ish people and the United States in the extension of assistance by us. It is my hope that the current negotiations will result in the extension of adequate aid to help the Polish people in their struggle for greater freedom.

WHY POLAND SHOULD BE HELPED—A STATEMENT BY THE POLISH AMERICAN CONGRESS

Since the October upheaval in Warsaw, when, in the wave of unrest and discontent of the population, Polish Communists recognized the urgency of needed economic and political reforms, American sympathy for Poland has been growing rapidly. From humanitarian and, to some extent, diplomatic views, at least 90 percent of American press and radio and television commentators favor technical and economic help for Poland. However, in this gratifying wave of sympathy for the Polish people, a sense of apprehension could be detected. One question is being frequently asked: Whether, while helping Poland we would at the same time strengthen the Soviet Union and communism?

The answer to this question is an emphatic no for the following reasons:

1. The Polish people are painfully aware of the fact that Communist concepts of economy and industrial planning have brought them to the brink of disaster. The Communists themselves accepted this truth by retreating from such spheres of economic activities as the collectivization of farms which has been brought to a standstill, and complete socialization of small private enterprises which has been abandoned.

These two examples prove beyond doubt that the Polish people have forced Communists to a considerable retreat from stubborn entrenchment in a Marxist-Leninist theories and practices. And this is only the beginning. Given more time and moral as well as material support the Poles will eventually go farther on the road to complete independence.

2. Polish national interests, historic evolvement as well as cultural and spiritual ties with Western civilization clash with Communist designs for world domination. Polish implacable hostility toward communism in general and toward Russian colonialism in particular is a proven fact of history.

There is no danger that by helping Poland economically we would be strengthening communism and the Soviet Union. On the contrary, stronger and more independent Poland would mean a gradual retreat of communism in central and east Europe and would effectively oppose Russian designs for conquest.

Another argument is being set forth even by people whose sympathy toward Poland is sincere, that there is a great risk involved in helping the Polish people now. They say that American aid for Poland would provoke Russian wrath against the Poles. They add that the Polish people have already aroused Russian antagonism to a breaking point.

Let us bear in mind, therefore, that the Poles are well aware of the risk. They are willing to take it. The very fact that they asked us for help instead of begging the Kremlin for handouts, proves beyond doubt that Poland wants to return to the Western family of nations where her national birth placed her a thousand years ago. The Poles have already taken a risk by turning to the West. It should be evaluated as a calculated risk. They are risking far more in turning to us than we are risking in granting them help.

The stakes are high and worth the chance both for Poland and for the United States. In the long view of history the Communist system of government forced on Poland by the might of Russian Army is only transitory. Poland as a nation successfully opposed Russification in the past and, with her boundless devotion to freedom and democracy, will emerge victorious from Communist oppression. But she needs our help and fully deserves to be helped in her hour of dire need.

Finally, some aspects of Poland's foreign policy are being used in arguments against a large-scale help. We should remember that Poland's current foreign policy is not of her own choice. It has been linked to Russia with full consent and suport of the Western Powers at Yalta. Poland is not yet able to follow an independent course in foreign affairs. This can develop only in accordance with the amount of material and moral help that Poland could get from the West.

Mr. KLUCZYNSKI. Mr. Speaker, it was a long time ago when the progenitors of the Poles were driven by the Romans to the wilderness of central Europe, settling finally among the virgin forests and impenetrable morasses of the basin of the upper waters of the Oder and Vistula Rivers. Here the Lechici, as they called themselves—a name derived from the mythical patriarch Lech—seemed to have lived for centuries in loosely connected communities the simple lives of hunters, shepherds, and tillers of the good soil that made that country so rich. They dwelled there until the pressure of their neighbors compelled them to combine for mutual defense. Of this infant state, the Kingdom of Piasts emerged. From Gallus, a 12th century chronicler, we learned that Prince Ziemovit, the great grandfather of Mieszko I—962-992)—wrested from the vast Moravian Empire the Province of Chrobacia, extending from the Carpathian Mountains to the Bug River and that Christianity was first preached on the banks of the Vistula by Greek Orthodox missionary monks. It was Mieszko I who officially adopted Christianity, and his son, Boleslaw I, went a considerable step further, aiming at securing the independence of the Polish church and an additional guaranty of the independence of the Polish nation. In the year 1000, Boleslaw elevated the town of Gniezno into the metropolitan See of Poland. From then on Christianity and Poland marched hand in hand toward a road which through centuries lasted to this day.

Since then Poland had her glorious days and her dark days, and some part of that history is worthwhile to recall. In the middle of the 13th century Tatar hordes under Batu invaded the kingdom of Poland and left towns like Sandomierz and Cracow in ashes. Batu went as far as Hungary where his glory vanished as suddenly as it had appeared.

Once again Poland had to rebuild and she did so with the help of foreign settlers—Germans, Moravians—who came as immigrants and received equal rights with the Poles. Among the foreign settlers came the men of the Teutonic order, who had just been expelled from Hungary. Then came the wars fought against the order who had established itself in Poland at the beginning of the 13th century and had come there being wholeheartedly accepted by the Poles who needed manpower against the Prussian invaders. Those were crucial times in the history of the Polish nation and it took the Poles almost 200 years to defeat the order in the famous battle at Tannenberg in 1410. Once again Poland saw her great days, cementing the union with Lithuania and building up the country devastated by constant wars. Great kings emerged both under the dynasty of the Jagiellons and Vazas. The Jagiellonic period—1386 to 1572—is the history of consolidation and fusion. Two centuries of Jagiellonic rule made Poland great despite her grave external difficulties. They introduced the first liberal foundations for the original Polish constitution. Levies for the gentry were set and for the first time the Polish Szlachta realized that they were not the ruling class of that nation, although they were the only class who met in special meetings to elect their kings.

With the election of Henry Valois, a Frenchman, the Vaza dynasty in Poland was founded. And even here another liberal step in curbing the rule of the dynasty was establish. Under the Henrican Articles which converted Poland from a limited monarchy into a republic with an elective chief magistrate, the King was to have no voice in the choice of his successor. He was to marry a wife selected for him by the Senate. He was to be neutral in all religious matters. Should the King fail to observe these articles the nation was absolved from its allegiance. Under the Vazas great kings emerged, among them Stephen Batory, and John Sobieski III, who at Vienna saved Europe from the Turkish invasion. Once again Poland saw glorious days and dark days. But somehow each time she emerged gloriously.

The period between 1548 and 1606 the Poles call their golden age. Poland was the great land of Eastern Europe, and because of universal tolerance encouraged by the Government, even Protestantism was widely spread. People like Jan Kochanowski, the prince of Polish poets, came into being. He had stuided at Padua, and Paris was not unknown to him. A Jesuit priest, Rev. Piotr Skarga, the greatest of Polish orators, became famous in the days of the golden age.

Again Poland was drawn into conflict because of invasions from the Russians, Swedes, and Prussians, and each time she emerged from it more gloriously than ever before. Even though partitioned for nearly half a century, Poland regained her full independence and we can proudly say that nothing could break the backbone of that wonderful nation that has fought so hard through centuries to run their own soil and cultivate the history and traditions of that land. And it was in those dark days when the Poles on May 3, 1791, converted their country into a hereditary limited monarchy, with ministerial responsibility and duennial parliaments. The merits of this great May the 3d constitution, I discussed in detail on many previous occasions and have stressed the fact that it was one of the most liberal and most democratic constitutions known in those days.

On other occasions I have spoken on Poland's important role in the present state of affairs. I have underlined her devotion to the Western world and her

anti-Communist stand. Only last year with the Poznan uprising, that set off the revlution in Hungary, Poland once again has proven her sincerity and her great willpower to shake off the yoke of communism. If I have mentioned part of her historic past it was only to arouse once more the conscience of all my distinguished colleagues to support wholeheartedly the desires of the Polish nation, which after all her struggles, is enentitled to regain her proper place among the real democratic nations in the world.

Speaking for the millions of Americans of Polish descent, I feel that we have a great obligation to that nation which was the first to oppose Hitler's aggression and the first to oppose and fight for so long against the Communist tyranny.

On this greatest Polish national holiday, the Third of May, let me once again express my sincere sympathy to the still enslaved Poles and add thereto the hope and prayer that it will not last very long and that in the near future Poland will obtain full and complete independence.

Mr. BOLAND. Mr. Speaker, 166 years have passed since the May 3 Constitution of Poland was framed. Many forms of democracy were built into this constitution. It offered the Polish people the means by which they could achieve freedom and a genuine representative government. For its time the May 3 Constitution was a liberal, progressive document.

But the Russians destroyed any hopes the Poles might have had for the establishment of constitutional government in Poland. Not only did the Russians and their allies destroy the constitution; they also destroyed the Polish State.

Today as we commemorate the anniversary of the May 3 Constitution it is well that we remember the fate of Poland so long ago; for Poland is today in great danger from Russia.

In the course of the past year Poland has been in a state of economic and political crisis. After a decade of bad planning and terroristic methods in the national economy, the Communist regime was forced to admit that it had failed. Depressed economic conditions stirred discontent throughout the nation. Riots broke out in Poznan, but the Communists, seeing the writing on the wall, allayed further popular explosions by releasing Wladyslaw Gomulka, a purged Polish Titoist, and by placing him in control of the government.

A crisis in Polish-Soviet relations ensued but was resolved with Soviet acceptance of the Gomulka regime. Promises of more freedom, fears of Soviet intervention, removal of pro-Soviet Communist leaders from the Government, and the establishmentof a regime allegedly more dedicated to Polish interests compelled the Poles to accept the Communist government of Gomulka. There was little else they could have done without provoking severe Soviet retribution.

It is difficult to find any comfort in Poland's present situation. The regime remains Communist; freedom has been expanded but only as a means for consolidating the regime's strength among the people; the philosophy of the Polish state remains rooted in Communist ideology. Soviet agents are no doubt working assiduously for the return of the pro-Soviet Communists to leadership and the removal of the Gomulka faction. And, all the time Poland is held in a vise; it is surrounded by Soviet troops in East Germany and Russia. A strike for real freedom would be followed by an immediate death blow at the entire nation.

On this day of national dedication it is the hope of all freemen that Poland will survive her present crisis; that the spirit of the May 3 Constitution will once again prevail; and that genuine freedom will one day be Poland's to enjoy.

Mrs. GRIFFITHS. Mr. Speaker, May 3, commemorates the anniversary of the enactment of one of the first European democratic and progressive constitutions—the Polish Constitution of 1791. This constitution was adopted at a critical time in Polish history and, during decades of foreign oppression, has served the Polish people as a symbol of democracy and independence.

The courageous people of Poland have this past year again shown clearly their love for freedom and desire for self-government. Again they have demonstrated how wholeheartedly they reject Soviet control of Poland and Communist dictatorship.

The peoples of Poland have come a long way this past year toward realizing their desires for freedom and self-government at great personal sacrifice. In doing so, they have fought the cause of liberty and freedom for all mankind.

But the degree of liberalization that has been obtained in Poland this past year must be maintained and strengthened and greater freedom and liberalization and, ultimately, absolute independence finally acquired.

We people of America, who have enjoyed decades of freedom, must stand firmly behind the people of Poland, giving them every assistance we can for the cause of liberty and freedom is everyone's.

It is a great privilege to join with my colleagues in honoring this great historic occasion.

Mr. CURTIS of Massachusetts. Mr. Speaker, I rise in recognition of Poland's Constitution Day, May 3.

On September 13, 1788, 11 States had ratified the Constitution of the United States and the Continental Congress on that date passed a resolution placing the new Constitution in operation. Less than 3 years later, on May 3, 1791, the Polish Constitution was promulgated.

Each of these events marked a momentous step in the forward march of freedom. The same patriotic impulses were stirring in these two Nations at almost the same time. This is an indication of a bond of sympathy and understanding between the people of Poland and the people of the United States which has endured to the present day.

Since that far-off period, America has been enriched by the coming to its shores of many sons of Poland who have settled in America, and have prospered and made their contribution to our common life. Sons of Poland have brought to America their special talents and cultural backgrounds, and have proved themselves loyal citizens.

Forces from which the Polish people could not protect themselves have temporarily crushed freedom in Poland, which now lies behind the Iron Curtain, a victim of despotism. Lovers of freedom, however, look for the day when Poland will rise again and once more achieve the freedom which her people have cherished since May 3, 1791.

Mr. BARRETT. Mr. Speaker, the third of May marks the anniversary of a great day in the history of the Polish people and in the history of freedom-loving peoples everywhere. It was on May 3, 1791, that Poland promulgated the first democratic constitution in Europe. This great document of constitutional government responsive to the will of the people recognized Poland's traditional belief in the principles of individual liberty and political democracy. It was a true product of the Age of Enlightenment, crowning with success the long struggle of the Poles for liberty.

The new Polish constitutional state was, however, of short duration. The Poles soon fell prey to predatory neighbors who ruthlessly partitioned Poland out of existence as a sovereign entity. But the Polish nation, exemplified by the spirit of unity and the courage of the Polish people, did not die. Resistance to foreign domination and political tyranny characterized those fateful years of occupation, kept alive the Polish dream for liberation and liberty, and immortalized such great Polish heroes as Kosciusko and Pulaski.

Poland's long struggle for freedom seemed to end in 1918, when the Poles once more emerged as a free and independent nation. Events following World War II, however, proved that this was only a pause in that noble struggle. Today Poland exists as a state. But it represents a political sham foisted upon the Polish people by Soviet dictators. There is no political or religious freedom for the people of Poland. They enjoy no political democracy. Current events are recording another dark chapter in Polish history.

For the people of Poland there can be little celebration today. But in these times of darkness, they can look back with pride upon a long and noble heritage of struggling for democracy and liberty. From this heritage they can derive new strength and courage in their opposition to the Kremlin dictators. Events of last fall provide proof that the ideal of freedom and political democracy is still a potent inspiration to the Poles. We in the free world pay tribute to them on this great day, and hope that Poland may one day emerge again from tyranny and despotism to celebrate in freedom and peace this most glorious of holidays.

Mr. MADDEN. Mr. Speaker, this year, in commemorating the Constitution Day anniversary of Polish independence, we are happy that the past year has recorded important steps back to freedom and liberty.

On previous years I have reviewed Poland's long battles over the centuries to enjoy independent government. This fight for freedom will not cease until complete victory is attained.

I wish to complete my statement on this 166th anniversary of Polish inde-

UNIVERSITY OF MICHIGAN LIBRARIES

pendence by submitting a letter to me from Charles Burke of the Polish American Congress. Mr. Burke ably sets out important facts and recommendations which are all important to Poland in 1957.

POLISH AMERICAN CONGRESS, INC.,
Washington, D. C., April 19, 1957.

The Honorable RAY J. MADDEN,
House Office Building,
Washington, D. C.

MY DEAR MR. MADDEN: For many years the Congress of the United States has demonstrated the friendship of this country toward the Polish people on Poland's national day, May the 3d, which commemorates the anniversary of the enactment of one of the first European democratic and progressive constitutions (May 3, 1791).

The past year has proved to be one of the most eventful in the history of postwar Poland, and indeed in the history of the Soviet bloc as a whole. By the Poznan uprising in June, by the Polish October events and the heroic Hungarian revolution, the basis of Soviet theory and rule in the countries of central and eastern Europe has been shattered. During this past year the Polish people have taken the lead in demonstrating the total bankruptcy of Communist policy. By requesting bread, freedom, and the withdrawal of the Soviet Army from Poland on the streets of Poznan, they showed that communism has brought Poland and the other subjugated countries to a state of economic ruin. As a result of the Communist collectivization experiment, Poland, one of Europe's granaries, is unable to feed her own people. By requesting freedom, Poznan workers demonstrated how wholeheartedly they reject Soviet control of Poland and Communist dictatorship. The request that the Soviet Army be withdrawn from Polish territory proves that the Polish nation has no desire to be a member of the Soviet bloc's military machine and that Poland's policy over recent years has not been of her own making.

The most staggering fact to come to light during the Poznan riots, however, was the fact that it was the workers who dared to raise their hand against Communist tyranny, and the workers who showed the true worth of the fallacy that communism is the rule of peasants and workers.

By means of a bloodless revolution, the October events have brought a certain degree of liberalization; Poles can breathe more freely and Poland is on a more equal international footing with the Soviet Union. In October Poland took her destiny into her own hands. Gomulka, present leader of the Polish Communist Party, was placed at the head of the bloodless anti-Soviet revolt by the people. The government he created is striving to maintain its balance between three points: (1) the Polish nation's urge for greater freedom and liberalization and for absolute independence from the Soviet Government and a return to the West; (2) the country's disastrous economy, after so many years of Soviet exploitation and Communist mismanagement, desperately needs help to restore stability; (3) Soviet policy has demonstrated on many occasions that it will not tolerate too much liberalism in Poland nor the return of democracy to that country.

The past year has also been a year of ideological ferment within the whole Soviet bloc. News of this ideological ferment reaches us from Czechoslovakia, Lithuania, China, and even from the Soviet Union where students and the new technocratic intelligentsia demonstrate that they are no longer prepared to accept as gospel the fallacies of Marxism, Leninism, and Stalinism.

The liberalization of Poland has attained such a degree that the celebration of May 3, prohibited for years and replaced by July 10, the day of Poland's subjugation by the Soviet Union, is once more allowed. It has not been restored as a national day, but the Warsaw government has declared that people may commemorate it privately.

In the Polish nation's struggle to achieve more freedom by means of evolution, the eyes of her people are turned hopefully to the West, and especially to America. The approaching date, May 3, offers an opportunity for a proclamation to be made from the floor of not only friendship and sympathy for Poland, but also of an American policy which can help Poland along her hazardous but courageous path to freedom and democracy.

CHARLES BURKE,
Washington Representative.

Mr. O'HARA of Illinois. Mr. Speaker, today in the observance here in the House of Representatives of the Congress of the United States of the Polish Constitution Day it is with a heartening sense of happy portent for the future that I speak.

For long the noble and the courageous people of Poland have been under the iron rule of those who were alien to their aspirations and their ideals. In this Chamber during this long, dreary period of Polish enslavement never did we permit the anniversary of Polish independence to pass unnoticed. On such anniversary occasions I with others of my colleagues gave our pledge that we in the Congress of the United States would never desert free Poland. But while those were words of cheer and of encouragement, sincerely intended to hearten the people of Poland, they were words that could not of themselves and immediately rescue the people of Poland from the blackness of the night into which they had been plunged by the oppressor.

Today while liberation has not yet come to Poland there has come a change much for the better. This has come about because the spirit of freedom is part and parcel of the Polish character. Through the long years of her oppression this spirit has remained unquenchable. While the people of the United States, represented by us here in the Congress, will not be satisfied and will not cease in our efforts until Poland again is free and independent, nevertheless we take hope in the change for the better that has come.

In a few weeks or in a few months at the latest we will have our opportunity here in the Congress to show the quality of our friendship for the people of Poland by voting aid for them in their need and in their distress. This will be our way of showing our appreciation for what men and women in Poland and men and women of Polish blood in our own country have contributed by their courage and their devotion to the cause of freedom and of human dignity. I trust that when the matter comes onto the floor of this body that not one voice will be raised or one vote cast in opposition. Every dictate of the spirit of gratitude and of conscious commands that aid to the people of Poland in their year of need should be given unstintingly and from the heart.

I need not remind my colleagues that when our country was young, in need and in danger there came from Poland those who gave their service and who shed their blood that our country might be free.

I need not remind my colleagues that even in the early days of Jamestown those who were most numerous in the little band of heroes under Capt. John Smith were men who had come from Poland to lay the foundations on American shores of the nation that now is the greatest and most powerful of all the nations of the world. It is a long stretch of time from Jamestown to the Washington of today, the Washington that may be called the capital of the world. What Washington is now, and the position of world responsibility held by the United States, represent the dividends from the investment of sacrifices and of blood by the men and women in the early days of whom those of Polish blood were an important part.

It is a happy circumstance that in this year of international perils, greater perhaps than those in whichever we were enveloped, the chairman of the powerful Committee on Foreign Affairs of this House, the gentleman from Illinois, the Honorable THOMAS GORDON, is of Polish blood and one of the most distinguished leaders in the activities and the aspirations of our fellow citizens of Polish extraction.

It is a happy circumstance, too, that serving on the all-important Committee on Ways and Means, the committee that has the large responsibility of framing the legislation that from taxes derives the great sums of money needed for the discharge of our world responsibilities, is another distinguished leader among our fellow-Americans of Polish descent, the gentleman from Michigan, the Honorable THADDEUS MACHROWICZ, who now has the floor and who graciously has yielded time to me for these humble remarks. Also on the Foreign Affairs Committee serving with Chairman GORDON, and serving with an ability and an industry unsurpassed, is another son by descent of Poland, the distinguished gentleman from Wisconsin, the Honorable CLEMENT J. ZABLOCKI. Another of our colleagues of Polish descent, now serving his eighth term, and a member of the very important Committee on Armed Services, the distinguished gentleman from Wisconsin, is the Honorable ALVIN EDWARD O'KONSKI.

With our colleagues of Polish blood we rejoice today that this year Polish Constitution Day was again celebrated in Poland. The celebration for years was prohibited and for May 3 was substituted July 10, the day of Poland's subjugation to the Soviet Union. While the Polish Constitution Day has not yet been restored as a national day, this year the present Warsaw government did declare that the people of Poland might celebrate it to their hearts content but privately.

The past year indeed has proved to be one of the most eventful in the history of postwar Poland. By the Poznan uprising in July, by the Polish October events and by the Hungarian revolt the basis of Soviet theory and rule in the countries of central and eastern Europe were shattered. The Polish people have taken the lead in demonstrating

the total bankruptcy of Communist policy. By means of a bloodless revolution the October events brought a certain degree of liberation. What happened this past year is only the start. Free Poland soon again, in answer to the prayers of her people and the prayers of our own people, will be a great and powerful nation, independent of foreign rule and foreign influence, again a free Poland working side by side with the other free nations of the world to bring to mankind the blessings of liberty.

Soon in this Chamber we will have the opportunity by my words and by our votes to hasten the glad day of free Poland's liberation and meanwhile to give sustenance to her people. Let us not fail the call of gratitude and of conscience.

Mr. LESINSKI. Mr. Speaker, although Constitution Day of May 3 was not recognized officially and there were no public demonstrations in Poland, I am sure that the Polish people must have celebrated the day quietly with a prayer in their hearts. They have cause to rejoice because we in America have finally decided to extend economic assistance to Poland and are going to send them commodities such as cotton, wheat, and mining equipment which they need.

Poland in the past was an exporter of grains, but today she has to depend on imports to feed her people. The situation is a typical example of how the Communist operations have sabotaged the farms and productive capacity of the country. The Poles who throughout history have aided so gallantly the various nations that were oppressed and needed help are now seeking similar assistance from America. I am glad to note that our Government has decided to act.

There is one further point on which America will have to commit herself—that is the western boundary of Poland—the Oder Neisse Line. I am requesting that the State Department, prior to completion of negotiations on the unification of Germany, seek to establish that boundary so there will be no doubt in the minds of those participating as to how far we are willing to go. If this action is taken by the State Department, it will further cement the ties of, and enhance the respect for America from, those presently groping in the dark as to what their future will be.

One is willing to sacrifice if he knows what his objective is. Poles today are seeking to throw off the domination of Communist Russia. They are first seeking a peaceful way of achieving this, but they would be given further stimulus toward their ultimate goal if their western boundary—the Oder Neisse Line—were defined. Such determination would also dispel the propaganda, originating in Moscow and now being used by the Communists in Poland, that we in America are not concerned about the Polish nation.

I sincerely hope that we in America have courage enough to stand up for what is right, define our position, assist these gallant people in their efforts, and start the trend toward the breaking away of the subjugated nations that are presently in the orbit of the Soviet Union.

Mr. FRIEDEL. Mr. Speaker, today as we commemorate the anniversary of the May 3d constitution, Poland is in a state of severe economic depression. The Communist mechanism of centralized state control of the economy has led Poland down the road to economic disaster. Prices of goods are outrageously high. Wages have failed to keep step with the rising living costs. Consumer production is wholly inadequate. Housing is unsatisfactory. Unemploying is on the upswing.

The cause of Poland's present economic plight lies in the attempt to apply the Soviet experience to a nation ill-suited for the experiment. The forced rapid development of heavy industry, lagging development in agriculture, the failure of the supply of raw materials to match the productive capacity of industry, and the contrast between increase in quantity in some branches of production and the defective quality of the products are among the serious shortcomings. Moreover, the inability of the 6-year plan to improve living conditions has provoked disillusionment and indifference among the people, who have long been unwilling victims of compulsion and propaganda, adding to the general demoralization of the nation.

Communism has failed in Poland. After a decade of mismanagement, suppression, and tyranny Communist Poland reaps a harvest of bitterness, disillusionment, and despair.

The so-called October revolution which returned Wladyslaw Gomulka to power had its roots in Poland's economic stress. And if Gomulka expects to maintain uncontested authority, he must correct these economic problems, for the Polish Stalinists—the pro-Soviet opponents of Gomulka—whom he had displaced, seek an advantage in any of his failures.

Gomulka has taken some measures that might bring about improvement in Poland. Rigid control over agriculture has been relaxed and may permit a wider range of initiative among the farmers. A certain degree of free enterprise has been permitted in the economy. And to support his course of independence from Soviet Russia, Gomulka has turned to the United States for economic assistance. Poland needs loans and credits for agricultural equipment; she also needs agricultural products, especially grain to replenish her depleting reserves.

Negotiations between Poland and the United States, underway since January, have not yet been concluded, but it seems clear from reports in the press that the Government has decided to loan Poland $75 million. Future loans will be considered, it has been intimated, depending upon the degree of independence Poland achieves from the Soviet bloc.

At this juncture in Polish-American relations we do not know positively if American economic aid will serve the best interest of either the Polish people or the American people. There are many imponderables in the present state of affairs. Aid to Poland is a calculated risk. The Government seems willing to take it on the hope that aid will eventually mean a better life for the Polish people and also, that it will serve the interests of American foreign policy in eastern Europe.

On this anniversary of Poland's May 3d constitution, the Polish people are again at what appears to be a crossroads in history. We join with all friends of Poland in prayerful expectation that the Polish people will someday gain a wider range of political freedom and a broader basis of economic security. A people such as they deserve no less.

Mr. REUSS. Mr. Speaker, May 3 is a day which each year reminds us that the spirit of liberty can never be extinguished among freedom-loving people. On that day, 166 years ago, the people of Poland adopted a constitution based on the principles of self-government and dedicated to the rights of the individual citizen.

The partition of Poland a few years later brought the Polish people under 125 years of alien rule but during all that period the ideals of the May constitution remained alive. When eventually Poland regained its freedom it was only to see it soon vanish once again under the heel of Nazi and then Communist tyrants. Yet the people of Poland did not lose hope, and today, thanks to their valor, there is once more the prospect of a better day.

It is good to mark this anniversary because it recalls to us how deep are the roots of the Polish striving for liberty. The past year has been a momentous one for Polish patriots, and the Poznan revolt of last June and the bloodless revolution of last October are but new evidence that among the ordinary Polish people there is unrelenting antagonism against the foreign domination of Moscow.

Today Poland stands midway on the road to national independence and democracy. I for one believe that the United States should be prepared to offer enough economic assistance to end Polish dependence on the Soviet Union for the basic needs of her economy. By so doing, we can give tangible evidence of our admiration for the Polish determination to be free and at the same time encourage other enslaved nations to work as the Poles have worked for national liberation.

Mr. RABAUT. Mr. Speaker, May 3, 1957, was the 166th anniversary of the famous Polish Constitution of 1791, which transformed Poland from a despotic into a parliamentary monarchy, abridged the privileges of the nobility, and guaranteed the Polish citizen of that time relief from arbitrary exactions. Without disorder and without bloodshed, the Polish state in 1791 reformed its government and called a halt to the decline of Poland as a great power. Even at that time there were friendly ties between Poland and our country; some of those same Polish patriots who had fought against foreign tyranny on our soil drew encouragement from the successful struggle of free men in the New World to combat foreign tyrants who were then menacing Poland.

In spite of gallant resistance to the overwhelming force of Russia and Prussia, and later of Austria, Poland succumbed completely to the aggression of this trio in 1795; it seemed that Polish

UNIVERSITY OF MICHIGAN LIBRARIES

national life and Polish culture were permanently extinguished.

Fortunately, this was not the case; from 1809 to 1812, in 1863, and again from 1919 to 1939 Poland enjoyed brief periods of national liberation.

In 1945, Poland was once more recreated, only to exist for more than a decade as a Soviet satellite, under the domination of brutal and omnipresent Communist soldiers, spies, and administrators. More recently there have been a number of changes in the Communist leadership of the country, including the organization of a so-called "national Communist" government under Wladislaw Gomulka. Whether these developments hold any promise for the betterment of the Polish people remains to be seen. In any case, however, we in America join in our prayers for the freedom of Poland and an easier and happier life for her people.

Mr. McDONOUGH. Mr. Speaker, the history of Poland has been the history of a people's unceasing struggle for national independence and for individual liberty. It has been a long and hard fight of a courageous people of indomitable spirit who will never admit defeat, a people who have endured oppression and tyranny but have never submitted to them.

On May 3 the people of Polish ancestry throughout the world join in spirit with the people of Poland in observing the anniversary of the adoption of the Polish Constitution which occurred on May 3, 1791, just 2 years after the adoption of the Constitution of the United States.

In spite of all the efforts of Soviet communism to dominate and subjugate the people of Poland, the Communists have been unable to root out the ideals of liberty and democracy to which the people of Poland are dedicated.

On this Polish Constitution Day, all Americans join with the people of Poland and those of Polish ancestry in a prayer for the complete independence of Poland and for liberty and for personal freedom for the Polish people.

May the struggle of the Polish people against oppression be triumphant, and may their faith in the might of right and in the destiny of their nation be justified with the reestablishment of Poland as a free and independent nation.

Mr. KEOGH. Mr. Speaker, on May 3, freedom-loving Poles everywhere marked the anniversary of their constitution of 1791. It could not be other than a solemn observance. The Polish homeland still is occupied by military forces of the U. S. S. R. The Polish Government continues to be Communist, and communism and freedom are antithetical.

There are signs of hope, however, in the assertion of a spirit of liberty, renewed in vigor, which has forced relaxation of some of the Soviet strictures. To the limits of prudence, I believe all Americans will want their Government to manifest recognition of these favorable auguries by extending practical encouragement to the aspirations of Poland for an increasing measure of independence.

It is a tragedy of history that Poland, which sent us Thaddeus Kosciusko to assist in our own first battles for freedom has been buffeted by so many cruel storms of international power politics as to have its national existence placed in repeated peril through the years. It would not have been surprising if the Polish people had lost their identity, but their oppressors have not been equal to the strong national and ethnic pride of the Pole.

In the spontaneous demonstrations of last fall, we saw that pride, angry and determined, unnerve the foreign rulers who held Poland in bondage. Small morsels of appeasement were passed out. Obviously, Poland has not succeeded in throwing off the yoke, but the reinsmen no longer are arrogant in their confidence. To preserve its stolen stake in their country, the U. S. S. R. apparently has found it necessary to bargain with the Poles.

The spirit of the Constitution of 1791 is alive and stirring in Poland. Whatever our reservations may be about the present hybrid government of that land, we shall nurture that spirit by all practicable means, out of our long friendship and admiration for the Polish people.

Mr. DINGELL. Mr. Speaker, commemoration of the May 3 constitution accurs at a critical time in the postwar history of Poland. Six months ago the Polish people were on the verge of open revolt. Soviet troops closed in along the Polish borders. Troop maneuvers in Poland were interpreted as an unmistakable threat. In Warsaw, the Stalinist leadership turned over its authority to Wladyslaw Gomulka, a Polish Communist leader purged some years ago for "Titoist deviations." Gomulka proclaimed a new regime of national communism in which Polish interests, it was said, would supersede those of Russia. After tense days of negotiations between the Soviet and Polish Communist leaders, the crisis was dissolved. The Soviets acquiesced in Polish demands for the acceptance of Gomulka's regime only upon receiving assurances that Poland would remain in the Communist camp.

Since then Gomulka, like a man on a tight rope, has been leading a precarious existence. Beset by dangers from all sides, especially from the danger of Soviet intervention, he could at any moment be toppled from his pinnacle of power. Thus, the regime has tried to placate both Soviet and anti-Soviet interests. It has made some concessions to the church, to the press, to the intellectuals, and to the farmer. The taut lines of economic control have been slackened; some free enterprise does exist. But, on the other hand, pro-Soviet Stalinist elements remain in the Gomulka government, and it does not seem that at least for some time, if at all, they will be purged. In the meantime the Stalinist faction is like the understudy waiting in the wings to assume the role of the star performer upon his collapse. Moreover, the regime has asserted its firm adherence to Communist ideology and has made it abundantly clear that Soviet-Polish friendship remains unimpaired.

The great problem facing Gomulka today is an economic one: He must take effective measures to pull Poland out of its present dismal economic depression. Years of economic mismanagement and government by force and terror have at last begun to take their toll. In one sense, Gomulka is a man living on borrowed time, because if he fails to improve Polish economic conditions, he will in all probability go down in defeat before the Polish Stalinists. Thus, the experiment of Polish "national communism," which is another term for Titoism, would then come to an end.

For the past 4 months the United States, having determined that Poland had taken a step toward independence from Moscow, has been negotiating with a Polish delegation for economic assistance, apparently hoping to aid the Polish people and hasten their independence. The Poles are anxious to get funds for the purchase of agricultural commodities and farming and mining machinery. Recent reports in the press indicate that the United States is prepared to loan $75 million. It is said that this loan is only the beginning and that further aid would depend upon the evolution of Polish independence.

American officials are approaching the problem of aid to Poland with great caution. Political conditions in Poland are still in flux. Only enlightened speculation can possibly be the basis for an estimate of the degree of independence Poland enjoys today and the duration of that independence, if indeed it does exist. Furthermore, Americans do not have a full and accurate picture of Poland's economic needs. Legal barriers also exist which might hinder future aid negotiations. Finally, the threat of Soviet intervention always looms over any Polish negotiations with the West.

Proof of Polish indomitable will to be free was displayed not only in the Poznan riots but also in the freedom riots now taking place at Jaroslaw. Freemen everywhere hopefully watch the progress of the Polish people toward the freedom which they lost at the hands of Hitler in 1939.

On this anniversary of the May 3 constitution Poland is in a state of serious danger, but not without hope. Events in that much-distracted country are not beyond the control of ourselves or other nations in the free world. By engaging in negotiations with the Polish regime the United States might well be in a position to determine the future course of Polish history. In our desire to aid the Polish people, which is one of the primary reasons for negotiating the current loan, we have accepted a grave responsibility, one which we must bear with great circumspection. Perhaps, it would be well for us, and the Polish people as well, to heed the words of Cardinal Wyszynski, the primate of Poland, in his New Year's message for 1957 when he said: "I wish all to be patient."

Mr. EBERHARTER. Mr. Speaker, it gives me great pleasure to join with my colleagues in commemoration of this the anniversary of the enactment of the Polish Constitution, which came into being on May 3, 1791.

The history of Poland's struggle for freedom has been a dramatic one indeed, and continues to be even more so to the present day. In the past year we have witnessed one of the most courageous

uprisings against dictatorship in history. This further demonstrates the lengths to which the Polish people will go to achieve their goal of democracy.

The recent developments in Poland and Hungary are of course of utmost importance to the West, for they bring forcefully to light the fact that the peoples of Eastern Europe have just as much desire for freedom as they always have had, and that they do not adhere to the false doctrines of communism, nor do they wish to be dependent on the Soviet Government. For they are very much aware of the disastrous economic results, and the lack of political freedom that have been brought about by Soviet control.

The forceful rebellion of the workers against Communist dictatorship has brought about a great liberalization in Poland and a great deal more freedom, but of course not nearly enough. Poland still must travel a distance along the road toward a full degree of democracy. Toward this end we extend to her a hand of friendship and the absolute faith that she will eventually achieve this goal.

Mr. MULTER. Mr. Speaker, this year's observance of Polish Independence Day, May 3, 1957, was an occasion for considerable gratification. For the first time since the end of World War II, Poland has been able to wrest from the repressive Soviet Government a measure of autonomy. Difficult as it is for us to observe clearly through the fog of censorship still hampering free communications from behind the Soviet front, a few facts have emerged.

The Gomulka government, with a measure of support from the Polish people in the October uprising, seems firmly established. It is being treated by the Soviet Government, at least outwardly, more as an equal than any other nation among the Soviet satellites.

From the world's point of view, several other facts have become apparent. One is that the unrelenting pressure of propaganda and the constant emphasis upon military force have not produced in the Polish people the attitude of gullibility and fear that the Soviet Government expected. Another very important point to remember if we wish to understand the whole situation in the Soviet bloc is that the very people upon whom the success of the Communist philosophy depends—the working people and the peasants—are the people who are disillusioned about communism.

The granting of permission this year to celebrate the enactment of the Polish Constitution of May 3, 1791, may seem a small gesture, but it is a significant symbol of Poland's new hope. Poland's valiant and bloody struggle, over the past century and a half, for her place among the nations of Europe, the still fresh memory of the hundreds of thousands annihilated in World War II and in the postwar Soviet despotism, and the bitter economic lessons of hunger and deprivation, all these have left the Polish people more determined than ever to achieve a destiny of self-respect and self-determination.

This anniversary was not an occasion for loud and superficial merrymaking. It was, rather, a day for serious deliberation on the problems which Poland faces in her changing role. Americans congratulate the Polish people on their first steps since the Stalin era toward a better future. People of the free nations everywhere must earnestly consider Poland's pressing political and economic problems. We must decide how best to help the Polish people on the thorny road toward their place among us.

Mr. BYRNE of Pennsylvania. Mr. Speaker, at this time we join the Polish-Americans throughout the country in celebrating the 166th anniversary of Constitution Day. We look back at the brief period of freedom which the Polish people experienced under the Constitution of 1791 and we look forward to the day when they will again know individual liberty.

A limited monarchy was established in the spring of 1791 along with a biennial parliament and religious toleration. The old class distinctions that helped make life so difficult for the poorer people of the land were abolished. It looked like the dawn of a new day for Poland when she would join the growing ranks of democracies. But that same year a Russian army marched into Poland and erased all these advances. And it was not until the end of the First World War that Poland regained true independence and again began to control her own destiny. Hitler's invasion in 1939 put an end to this. The Soviet Red Army merely replaced it with another harsh rule by a foreign dictator.

Since the workers' revolt at Poznan last summer and the October uprising, the Polish people and the entire free world have regained hope that Poland may soon be free. But our optimism over the new liberties that appear to have been extended to the people and Gomulka's attempt at Polish independence should be tempered with realism. There is still strong Soviet influence over the Polish Government that has signed an agreement permitting the continued stationing of the Red army on Polish soil. Likewise, Poland remains a member of the Soviet-dominated Warsaw Pact. Besides this, the Gomulka government is a Communist government and its ability to continue to resist Soviet pressure is not at all certain. The future of Polish independence and liberty for the individual is truly perilous. The United States should, therefore, seek to strengthen the forces of freedom in Poland in every appropriate way, in order that it may move further away from Soviet Communist control.

It is my fondest hope that May 3 will soon be celebrated in Poland with the same freedom and independence as we enjoy here in the United States of America.

Mr. CELLER. Mr. Speaker, as news reaches us of increased unrest in Poland, punctuated by reports of new rioting over this past weekend, we realize how significant a link in the chain of freedom lies in Poland.

During the past year the Polish people have demonstrated to the world the failure of Communist policy to provide for the well-being of the people held in its grip; the failure of Communist policy in developing the potential of the individual; the failure of Communist policy to govern others by the use of force and terror.

May 3 was a significant day in Polish history, commemorating, as it did, the anniversary of the enactment of one of the first of European democratic and progressive constitutions brought to life on that date in 1791. This day has never been forgotten, and it is a mark—a dramatic mark—of the deathless will to freedom of the Polish people that through their own efforts they have succeeded in loosening to a degree the yoke of Soviet domination, so much so that in this year private celebrations of the significant May 3 date were permitted.

In helping Poland now, as I believe our Government must, we are understandably taking a calculated risk, but our risk is minute indeed in comparison to the risk the Polish people themselves are taking in turning to the United States. We cannot refuse to act out of a paralysis of fear. It could be that the very help we give Poland would be one of the greatest blows struck for liberty. It could be the step toward a bloodless divorce from Soviet control, and it could demonstrate that the concern of the United States for an interest in people as people is a traditional mark of our own freedom, thus puncturing Soviet propaganda that the West cares nothing for people, only for money.

Mr. DIGGS. Mr. Speaker, on May 3, 1791, the Polish people, in freedom-loving tradition, adopted one of the first European democratic constitutions.

In their heroic struggle to maintain their freedom, we in America feel a close kindredness. This bond was early established by such men as Tadeusz Kosciuszko, the Polish general and national hero who came to America in 1777 to aid the cause of American independence. Despite its own economic plight, the Polish nation—continuing its firm alliance with the cause of freedom and democracy—extended a helping hand to Hungary in her resistance to the strangling hold of Communist oppression.

On the 166th anniversary of Polish independence, we pay humble tribute to these courageous people, and we take this opportunity, also, to salute our own loyal citizens of Polish descent. For Poland's example, democracy is eternally grateful.

Mr. VANIK. Mr. Speaker, another year has passed, and while the people of Poland have again reiterated their plea for freedom during the Poznan uprisings, which occurred last year, they remain substantially in subjugation by a government which seeks to suppress their liberties. However, due to their brave resistance, the Polish people have achieved a greater degree of self-government and freedom than they have since becoming a satellite country.

So on this anniversary of Poland's Constitution, May 3, 1957, we not only commemorate the former independence of Poland, but we watch with interest the progress she has made in attaining a greater measure of freedom after so many years in which self-government was impossible.

UNIVERSITY OF MICHIGAN LIBRARIES

We must hope that during the days ahead the spirit of the Polish people will restore a complete freedom which can only be achieved through a free government.

COMMITTEE ON EDUCATION AND LABOR

Mr. BAILEY. Mr. Speaker, at the request of the gentleman from North Carolina [Mr. BARDEN], chairman of the Committee on Education and Labor, I ask unanimous consent that that committee be permitted to sit this afternoon while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CIVIL RIGHTS BILL

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. KEATING] is recognized for 30 minutes.

Mr. KEATING. Mr. Speaker, I view with dismay and deep concern charges which have been leveled against the civil rights bill by its opponents both in Congress and in the press.

The battle hymn of those attacking the bill is now a familiar tune: No trial by jury. This song has been chanted so repeatedly that even men of intelligence are beginning to believe the lyrics.

The provision for injunctions in the bill has been labeled by a distinguished Member of the other body as novel and dangerous, tyrannical, because it would abolish trial by jury. A respected editor has termed the bill itself as extremist legislation which frightens and dismays the South—and should frighten and dismay the whole country.

Mr. Speaker, charges such as these frighten and dismay me. And I hope and trust that they cause concern in the hearts of others. Concern, not for the future of this particular legislation, but for the very future of the country.

Anyone familiar with our American system of government, and its development under our great Constitution, will see the attack on this measure for what it is. Clear away the smoke and fog intended to blind the less discerning and what is revealed? Nothing more nor less than an attack on the judicial power of the courts.

I deem it a privilege, Mr. Speaker, to rise today in defense of that power. Although it is with sadness that I feel constrained to speak in defense of this great and honorable institution, it is without rancor or bitterness in any degree.

I can appreciate the sincerity with which many of my friends and colleagues from the South have opposed civil rights legislation. But I do not agree that their opposition to the proposed legislation is justification for an attack upon the integrity of the courts.

The charges that have been made deserve the careful attention of every Member of Congress. If they are well founded, our whole judicial system needs overhauling. If they are without foundation, they should be labeled as such and forgotten.

To judge this issue intelligently requires, first, an awareness of the history of civil rights legislation in this country. Secondly, it requires an understanding of the nature of the right to trial by jury as it relates to the traditional power of courts to punish for contempt.

At the outset, let us review the history of civil rights legislation in this country, which began in 1865, when thousands of persons were given American citizenship overnight. The 13th, 14th, and 15th amendments were adopted to guarantee the rights of these persons as American citizens against encroachment by the several States. Among the rights so guaranteed was the right to vote.

Since the adoption of those amendments, Congress has enacted both civil and criminal laws in an effort to protect the rights of these new citizens.

Civil rights statutes enacted to date have never, however, afforded the Federal Government the means adequately to protect the constitutional rights of all American citizens. While much progress has been made in all sections of this country to insure all citizens equal treatment, there still remain instances in which Americans who can meet the qualifications to vote are being deprived of that right by reason of their color. And other incidents have occurred, both in the North and in the South, which have amounted to a denial of equal protection of the laws.

Motivated by the belief that every American citizen is entitled to the same opportunities, to the same rights and privileges, and to the same protection of the laws, and, furthermore, that it is the duty of the Federal Government to safeguard these rights from unwarranted encroachment, President Eisenhower has recommended measures to strengthen our civil rights statutes. His proposals represent a moderate, but effective, approach to the problem. They simply authorize the Federal Government to bring civil suits to protect and insure civil rights, as distinguished from criminal prosecutions to punish violations of those rights.

The statutes on the books today authorize the Federal Government to prosecute criminally, but they do not authorize it to seek injunctive relief for injured parties. Experience has shown that criminal prosecutions, in and of themselves, are not adequate in this area, where so often the act committed is not per se a crime, but is the failure or refusal on the part of a public official to perform his duty. The stigma of criminal prosecution in such a case is both inappropriate and undesirable. Criminal prosecution, moreover, fails to accomplish the desired result, which is not so much to punish the offender, as it is to insure to the party threatened the timely exercise of his rights.

The shortcomings of the present law are particularly acute in cases where citizens have been denied the right to vote—and it is precisely this situation which the proposed civil rights legislation is designed primarily to correct.

Experience in the field of civil rights has indicated a need for a grant of power to the Federal Government to sue in behalf of those unable or afraid themselves to seek the aid of the courts. The possession of this power by the Federal Government is deemed essential to proper law enforcement in the area of civil rights today.

It is the recommendation that the Federal Government be permitted to seek injunctions in civil rights cases, which has given rise of late to charges that those haled into court for violating such injunctions will be deprived of their right to trial by jury. It is interesting to note that this point was raised only briefly in the debate of the measure during the 84th Congress. In the last few weeks, however, the clamor has reached the point where bills have been introduced in both Houses which would guarantee trial by jury to anyone accused of contempt of court for acts committed outside the actual presence of the court. One bill has gone so far as to grant a jury trial in all contempt proceedings.

Since these charges have been made, and these bills introduced, we should examine the nature of the right to trial by jury as it relates to the traditional power of the courts to punish for contempt.

To begin with, there is no constitutional right to trial by jury in contempt cases.

The Constitution provides that "the judicial power of the United States shall be vested in such inferior courts as the Congress may from time to time ordain and establish."

At the time of the adoption of the Constitution there were common law courts and courts of equity. While trial by jury was available in criminal actions and in civil actions at law, in suits in equity the judge was the trier of the facts. In cases where money damages were inadequate, a court of equity had the authority to grant relief in the form of preventative or mandatory injunctions. Violations of these injunctions were punishable as contempts of court. The accused had no right to a jury trial in these contempt proceedings.

In addition to the power of courts of equity to punish as contempts violations of their decrees, all courts had then, and they have today, the inherent power to punish as contempt of their authority any act which offends the dignity of the court or which obstructs the proper administration of justice. The existence of this power has always been deemed essential to the preservation of order in all judicial proceedings, and to the enforcement of the court's decrees.

This ancient power has always been a summary power. To require trial by jury for contempts such as these would in itself be an insult to the dignity and integrity of the court. More important, it would so fetter the judiciary as to lead to the complete breakdown of the administration of justice.

The framers of the Constitution guaranteed in the 6th and 7th amendments the right to trial by jury in all criminal cases and in common law actions where the amount involved exceeded $20. By so doing, they guaranteed the accused the right to trial by jury only in those cases in which he had traditionally possessed that right.

In its first act dealing with the judiciary, the act of 1789, Congress expressly provided that all inferior courts should have the power to punish, by fine or imprisonment, at their discretion "all contempts of authority in any cause or hearing" before them.

This was a broad grant of power. In 1831 Congress determined to limit to purely judicial matters the instances in which courts should have summary power to punish for contempt. The act of that year provided that only where it was essential to insure order and decorum in the presence of the court, or the proper performance of duty by officers of the court, or obedience to the court's lawful orders, judgments and processes, were courts empowered to punish for contempt.

It should be noted that this first step taken by Congress to define the power of courts to punish for contempt went no further than to specify the cases in which courts might inflict summary punishment for contempt. Right to trial by jury was not involved.

Not until 1912 did Congress consider the extension of jury trials to contempt proceedings.

The question arose during consideration of the Clayton Act. Because violence had occurred in labor disputes, it was anticipated that acts most likely to constitute violations of labor injunctions also would constitute criminal offenses. The argument was made that the door would thus be left open for courts, under the guise of trials for contempt, to convict persons of crimes without a right to trial by jury. Therefore, a provision was included in the bill to provide that where the act which constituted the contempt was also a crime, the accused would be entitled to trial by jury.

This provision of the bill was carefully drawn, however, so as not to apply the jury trial requirement to contempts committed in the presence of the court, or so near thereto as to obstruct the administration of justice. Nor did it apply to contempts committed in disobedience of any lawful order or decree entered in any suit or action brought or prosecuted in the name of, or on behalf of, the United States.

In spite of these limitations, the novelty of extending jury trials to contempt proceedings touched off serious debate. It is important to note that the subject of debate was not whether the accused had the right in contempt proceedings to trial by jury. It was, rather, whether Congress actually had the power to grant him that right.

The Clayton Act became law, however, and in the case of *Michaelson* v. *United States* (266 U. S. 42 (1924)), the provision for jury trials in certain contempt proceedings was declared constitutional by the Supreme Court, which held that the grant of trial by jury in these limited criminal contempt cases was not an unconstitutional encroachment upon the powers of the judiciary.

The Court viewed a criminal contempt proceeding as an action independent of the original suit in equity out of which it arose. It held that to grant the right to trial by jury in that proceeding, therefore, did not violate the settled rule that a suit in equity was to be tried without a jury.

While this legislative grant of trial by jury was aimed at criminal contempts arising out of labor disputes, the law did not expressly limit it to those cases. It applied to any proceeding for criminal contempt where the act constituting the contempt also constituted a crime. But it must be remembered that this law applied only to prosecutions for criminal contempt.

Trial by jury has never been available in cases of civil contempt, and the court in the Michaelson case intimated very strongly that trial by jury could not constitutionally be guaranteed in civil contempt cases.

Since confusion has existed as to the difference between criminal and civil contempt, a brief explanation may be in order at this point. A court sitting in equity has the unique power, at the instance of a complainant, to order the performance or nonperformance of an act. A refusal to obey constitutes contempt of court. Whether the contempt is civil or criminal depends, not upon the nature of the defendant's conduct, nor upon whether he is punished for it, but upon what the punishment is designed to accomplish. The same conduct can, in fact, constitute both civil and criminal contempt. See *United States* v. *United Mine Workers* (338 U. S. 258 (1947)).

If the purpose of punishing the defendant is to secure compliance with the court's order for the benefit of the complainant, the contempt is civil. The defendant can purge himself of the contempt simply by doing the act required of him. Civil contempt proceedings are between the original parties and are instituted and tried as a part of the original action.

If, on the other hand, the purpose of punishing the defendant is not to compel compliance, but to vindicate the dignity and authority of the court, the contempt is criminal. The defendant cannot remove the contempt. He is punished for his willful defiance of the court's order. Unlike civil contempts, criminal contempt proceedings are separate and distinct from the original action and need not be between the same parties.

The situation in the so-calleed Clinton, Tenn., case has been misconstrued due to a lack of understanding of the basic difference between civil and criminal contempt. As has been stated, a proceeding to punish for criminal contempt is separate and distinct from the original action. It can be brought by the United States to vindicate the authority of the Federal court. The title of the original action may be Brown against Smith, but the name of any criminal contempt proceeding arising out of it will normally be United States against Smith. The original action being between private litigants, the defendant can demand trial by jury, and the fact that the Government institutes the contempt proceedings cannot deprive him of that right.

In the Clinton case, now pending in the Federal courts, several Negro students sued the Board of Education of Anderson County, Tennessee, to compel the Board to desegregate the Clinton High School. The court issued an injunction requiring the Board to desegregate the school by a specified date. A number of persons subsequently committed acts in an attempt to prevent compliance by the Board. The United States Attorney petitioned the court in the name of the United States, alleging acts by certain named persons constituting contempt of the court's order. It has been charged that the United States stepped into this proceeding solely to deprive the defendants of their rights to trial by jury.

Such a charge betrays a woeful lack of knowledge of the law. The filing of the petition by the United States Attorney in the name of the United States had no effect whatever upon the defendants' right to a jury trial. Since the original action was not instituted by, or on behalf of, the United States, the defendants are entitled to trial by jury if their acts also constituted criminal offenses. But they must demand the jury trial. In the Clinton case the defendants have now demanded a jury trial, which, of course, will be granted, since they are entitled to one. This is a rather vital development, which critics of the civil rights bill have failed to point out.

The charge has been made that the vesting of power in the Federal Government to seek injunctions in civil rights cases is a novel means of depriving those who refuse to obey court orders of their right to trial by jury. But the right of the United States to bring suit in Federal courts for injunctive relief in civil cases is no innovation in the law. The Federal Government now has that very right by the provisions of at least 28 Federal statutes. These statutes have been listed in the CONGRESSIONAL RECORD within the last few weeks. Not one of these acts makes provision for trial by jury.

There is only one instance in the history of our Federal laws in which a person accused of criminal contempt has been granted the right to a jury trial in actions brought by the United States. A provision of the Norris-LaGuardia Act granted trial by jury to those cited for criminal contempts arising out of labor disputes, regardless of whether the original action had been instituted in the name of the United States.

That act granted trial by jury only in criminal contempt proceedings, and, in actual practice, resort was had almost exclusively to civil contempt in order to compel obedience rather than to punish. In these proceedings no jury trial could be demanded.

By the enactment of the Taft-Hartley law in 1947, Congress in effect returned to its policy of excepting actions brought by the United States from provisions in the law giving the right to trial by jury in certain cases. The passage of that law has resulted in the practical elimination of criminal contempt proceedings in labor disputes, resort being had almost exclusively to civil contempt proceedings. And since the provisions of the Norris-LaGuardia Act expressly do not apply to proceedings under the Taft-

UNIVERSITY OF MICHIGAN LIBRARIES

Hartley Act, the jury trial provision of the former act has lost whatever importance it might once have had. In actual practice, therefore, there is no right to a jury trial today in a contempt proceeding arising out of a labor dispute, whether the original action is brought by the United States or by a private litigant.

We may conclude from this review of the law that:

First. There is no constitutional right to trial by jury in contempt proceedings.

Second. Congress has never granted the right to trial by jury in civil contempt proceedings. Such a grant, the Supreme Court has implied, would be unconstitutional.

Third. Congress has conferred the right to trial by jury only in certain defined cases of criminal contempt.

Fourth. There are many areas of law enforcement in which the United States now has the right to resort to the injunctive power of the courts to prevent violations of the law. Contemnors under these laws have never been given the right to trial by jury.

Fifth. Only in criminal contempt proceedings arising out of labor disputes under the Norris-LaGuardia Act has the defendant ever had a right to a jury trial in actions instituted by the United States. As a practical matter, Congress, by subsequent action, has nullified that provision of the Norris-La Guardia Act.

What, then, is the real issue facing us? The issue is whether Congress will entrust the proper administration of justice in civil rights cases to the courts, or whether its opinion of the judicial branch of the Federal Government is such that it prefers to place that trust in juries.

Mr. Speaker, no one holds the right of trial by jury more fundamental to human liberty than I. It is one of those rights which the framers of the Constitution, in their infinite wisdom, saw fit to guarantee by the Bill of Rights. But it has never been a right available in all judicial proceedings. Only by Congress, acting with extreme caution, has it ever been extended to limited cases involving contempt for the authority of the courts.

There are other rights, equally important, which have been guaranteed by the Constitution. The right to vote is one of them. The right to equal protection of the laws is another. They are the cornerstones of democracy.

Unfortunately, there are American citizens today who do not enjoy all of these rights. Experience has indicated that the only way our Government can insure them the full enjoyment of their constitutional rights is through the aid of the courts in civil proceedings. Experience has also indicated that to grant trial by jury to those who violate the mandates of the court would be to render court action ineffective.

The choice, therefore, is clear: Shall we insist upon extending the right to trial by jury to cases in which it has never before been guaranteed, when to do so will preclude the enjoyment by many American citizens of rights guaranteed them by the Constitution? Or shall we place our trust in the courts, fairly and in the highest judicial tradition, to safeguard and insure the rights of our citizens?

Mr. Speaker, I encounter no difficulty in making this choice. And I am confident that my good friends and colleagues in this distinguished body, and my colleagues in the legal profession, will, upon calm appraisal, agree that, in effect, there is no choice.

Everyone of us in this chamber, and every lawyer admitted to practice before the courts, has sworn to uphold the Constitution of the United States. A vital power conferred by that instrument is the power to administer the laws of this land, which power the people of this Nation have seen fit to vest in the courts.

Every citizen of this country looks to the courts as the guardians of liberty.

Federal judges are appointed by the President, and they have been, with few exceptions, men of integrity, intelligence and compassion. It is true that wherever power is lodged it may be abused. But that has never been a valid objection to the exercise of power. If any man has reason to believe that the action of any judge has violated his constitutional rights he has the right to appeal from that action to the highest court of the land. This right of appeal is available in any proceeding.

And in those few instances in our history in which members of the judiciary have actually abused their powers, impeachment by Congress has followed swiftly. Every judge is subject to the power of Congress to impeach. It is the method by which the framers of our Constitution chose to protect the people from the possible abuse of judicial power. They did not look to juries for this protection.

Mr. Speaker, it has been proposed that we subject the exercise of judicial discretion, indeed the very power of courts to enforce their decrees, to review by juries. To do so would be to destroy the power of the judiciary and with it, the proper administration of justice in this country. I for one am confident that this can never happen in America.

It is time effectively to employ the judicial power to guarantee to American citizens freedom to exercise and enjoy their constitutional rights. I am confident that the courts, given the power to protect and enforce the rights of one citizen, will not violate those of another.

Let us treat the courts with the respect they so richly deserve, and repose our trust in their wisdom. History has proved that we need have no fear that they will betray that trust.

Mr. Speaker, under leave to revise and extend my remarks, I would like to insert in the RECORD at this point the following schedule:

STATUTES AUTHORIZING INJUNCTIVE RELIEF TO THE UNITED STATES GOVERNMENT AND AGENCIES AUTHORIZED TO SEEK THE SAME

1. Antitrust laws, restraining violations (by United States attorney under direction of Attorney General) (15 U. S. C. 4).

2. Associations engaged in catching and marketing aquatic products restrained from violating order to cease and desist monopolizing trade (by Department of Justice) (13 U. S. C. 522).

3. Association of producers of agricultural products from restraining trade (by Department of Justice) (7 U. S. C. 292).

4. Atomic Energy Act, enjoining violation of act or regulation (by Atomic Energy Commission) (42 U. S. C. 1816).

5. Atomic Energy Act, enjoining violation of act or regulation (by Attorney General) (42 U. S. C. 2280).

6. Bridges over navigable waters, injunction to enforce removal of bridge violating act as to alteration of bridges (by Attorney General) (33 U. S. C. 519).

7. Clayton Act, violation of enjoined (by United States attorney, under direction of Attorney General) (15 U. S. C. 25).

8. Electric utility companies, compliance with law enforced by injunctions (by Federal Power Commission) (16 U. S. C. 825).

9. False advertisements, dissemination enjoined (by Federal Trade Commission) (15 U. S. C. 53).

10. Freight forwarders, enforcement of laws, orders, rules, etc., by injunctions. (Interstate Commerce Commission or Attorney General) (49 U. S. C. 1017).

11. Fur Products Labeling Act, to enjoin violation (by Federal Trade Commission) (15 U. S. C. 69g).

12. Inclosure of public lands, enjoining violation (by United States attorney) (43 U. S. C. 1062).

13. Investment advisers, violations of statute, rules and regulations governing, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80b–9).

14. Gross misconduct or gross abuse of trust by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–35).

15. Use of misleading name or title by investment company, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–34).

16. Violation of statute governing, or rules, regulations, or orders of SEC by investment companies, enjoined (by Securities and Exchange Commission) (15 U. S. C. 80a–41).

17. Fair Labor Standards Act, enjoining of violations (by Administrator, Wage and Hour Division, Department of Labor, under direction of Attorney General; see 29 U. S. C. 204b) (29 U. S. C. 216 (c), 217).

18. Longshoremen's and Harbor Workers' Compensation Act, enforcement of order by injunction (by United States attorney; see 29 U. S. C. 921a) (33 U. S. C. 921).

19. Import trade, prevention of restraint by injunction (by United States attorney, under direction of Attorney General) (15 U. S. C. 9).

20. Wool products, enjoining violation of Labeling Act (by Federal Trade Commission) (15 U. S. C. 68e).

21. Securities Act, actions to restrain violations (by Securities and Exchange Commission) (15 U. S. C. 77t).

22. Securities Exchange Act, restraint of violations (by Securities and Exchange Commission) (15 U. S. C. 78u).

23. Stockyards, injunction to enforce order of Secretary of Agriculture (by Attorney General) (7 U. S. C. 216).

24. Submarine cables, to enjoin landing or operation (by the United States) (47 U. S. C. 36).

25. Sugar quota, to restrain violations (by U. S. attorney, under direction of Attorney General; see 7 U. S. C. 608 (7) (7 U. S. C. 608a (6)).

26. Water carriers in interstate and foreign commerce, injunctions for violations of orders of ICC (by ICC or Attorney General) (49 U. S. C. 916).

27. Flammable Fabrics Act, to enjoin violations (by Federal Trade Commission) (15 U. S. C. 1195).

28. National Housing Act, injunction against violation (by Attorney General) (12 U. S. C. 1731b).

Mr. SCOTT of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Pennsylvania.

Mr. SCOTT of Pennsylvania. The gentleman is making an important contribution toward clarifying a prevalent miasma of confusion regarding a sudden surge of comment which has been current on the question of the so-called right to trial by jury in contempt cases. Since Members are naturally in favor of virtue, patriotism, mother love, and trial by jury, it would seem that the inclusion of the so-called right of trial by jury in contempt cases in the discussion so far taking place would be definitely misleading, and I am glad that the gentleman is bringing that out with such clarity. I would like to ask the gentleman at this point: Is it not a fact that the kind of power intended to be vested in the Federal judiciary by H. R. 6127 includes, in fact, the right to proceed as for civil contempt rather than criminal?

Mr. KEATING. I would think in almost every case that would be so; in other words, it would be the type of contempt which the defendant could purge himself of by complying with the decree in most every instance.

Mr. SCOTT of Pennsylvania. The gentleman has made reference to United States against United Mine Workers. That was a case, as the gentleman has pointed out, where there was no trial by jury; is that correct?

Mr. KEATING. That is correct. There was no trial by jury.

Mr. SCOTT of Pennsylvania. Yet that matter was of such importance as to result in the imposition by the court below of a fine of some $3.5 million, subsequently reduced by the Supreme Court, I believe, to $700,000. Is that not a fact?

Mr. KEATING. That is approximately right.

Mr. SCOTT of Pennsylvania. Now, I have been surprised at so much discussion regarding the importance of the so-called right of trial by jury in contempt cases when, as a lawyer, I have been well aware that that power never exists except where conferred by the Congress.

Mr. KEATING. That is right. And I call the gentleman's attention to the fact that in the Taft-Hartley Act, which was supported by so many who are now urging the right of trial by jury, there was no such effort made in that case to obtain any right of trial by jury, and the provisions of that act, as I will point out later, have practically done away with the only statute which exists which gives any right of trial by jury in any contempt proceeding.

Mr. SCOTT of Pennsylvania. Even though the act the gentleman has mentioned intimately and critically affected conditions of labor of all persons who came within any form of labor-union organization.

Mr. KEATING. That is right, and I think if the gentleman would let me proceed at this point, I will go into that a little further.

Mr. SCOTT of Pennsylvania. Then, I have just one other comment, and I will be happy to be further enlightened by the gentleman, and that is this: So far as I am aware, when this legislation was before this body in the previous 84th Congress, there was no reference whatever made, either in the subcommittee or the full committee or on the floor of this House, right through to the passage of the bill, concerning the fact that the bill did not contain provisions for trial by jury and furthermore, even in this 85th Congress, there was no such reference made during the hearings of the subcommittee of the Committee on the Judiciary, although I believe some mention was offered to that effect in the full committee. Is that a correct statement?

Mr. KEATING. My recollection is—and I would like, of course, to refer to the record on it—that the matter was briefly referred to in the debate last year, but it was not the subject of any particular attack. This is all a new proposition of attacking this bill on that ground. I do want to clear this up. In the discussion of the bill in our committee an amendment was offered to insert the provision for a jury trial, which was defeated in our full committee meeting.

Mr. SCOTT of Pennsylvania. And yet a substantially similar bill, H. R. 627, was introduced in the 84th Congress, debated and passed without any such amendment as this being offered, in a body whose membership consists of approximately 50 percent lawyers; and no one on the floor, in the debate in that Congress, expressed any concern over this so-called right of trial by jury in contempt cases, which has been mentioned this year; is not that right?

Mr. KEATING. Except, as I recall, in a passing sort of way. I would want to refer to the record to be sure.

Mr. WILLIS. Mr. Speaker, would the gentleman yield for a question?

Mr. KEATING. If it is on that point.

Mr. WILLIS. It is on the colloquy between the gentleman and the gentleman from Pennsylvania.

Mr. KEATING. I should like to finish my remarks, because my time will soon be up.

Mr. WILLIS. I yielded the chair because of the colloquy between the gentleman from New York [Mr. KEATING] and the gentleman from Pennsylvania [Mr. SCOTT].

The gentleman talked about the lack of the right of a trial by jury in a contempt case. Whether that right derives from the Constitution or an act of Congress, the fact of the matter is, is it not, that since 1912, the right to trial by jury in criminal contempt cases is the rule and is guaranteed, except when the Federal Government is a party to the suit. Is that not right?

Mr. KEATING. There is an express exception where the United States is a party to the action.

Mr. WILLIS. Very well. That is the exception, as the gentleman has said, an express exception. But the rule since 1912 has been that in criminal contempt cases there is the right of trial by jury, and that right is not present only when the Federal Government is a party. Of course, the other exception is that when the contempt occurs in the immediate presence of the court. But that we are not talking about.

Mr. KEATING. If there is a criminal contempt and the United States is not a party, there is a right to trial by jury.

Mr. WILLIS. So we are in agreement.

Mr. KEATING. The United States usually would be a party, or often would be a party; probably usually would be a party in such a contempt proceeding. And if it were a criminal case, as was brought out in the Clinton, Tenn., case, even though the United States came in, it would mean that the right to trial by jury was not taken away. That was one of the misconceptions of the Clinton, Tenn., case, in some of the press accounts about it.

Mr. SCOTT of Pennsylvania. If the gentleman would permit me to ask two more questions, because I think the record should not stand as it does in view of the colloquy that has taken place.

Mr. KEATING. May I inquire of the Chair if there are other special orders following mine?

Mr. WILLIS. I will say to the gentleman that I yield the chair to the gentleman from Texas [Mr. PATMAN] who is to follow the gentleman from New York [Mr. KEATING] who has the floor.

Mr. KEATING. If the gentleman from Texas has no objection to my obtaining sufficient time to complete my statement, I should be very happy to yield.

Mr. WILLIS. Three minutes would be enough.

Mr. SCOTT of Pennsylvania. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KEATING] may proceed for 3 additional minutes.

The SPEAKER pro tempore (Mr. PATMAN). Without objection, it is so ordered.

There was no objection.

Mr. WILLIS. So the gentleman and I are in agreement that by act of Congress at least since 1912, in all criminal contempt cases right to trial by jury is guaranteed except when the Federal Government is a party. We appear to be in agreement on that.

No. 2: In the civil-rights legislation under consideration, is it not true that the only action provided, the only remedy granted, the only right accorded is not a right to individuals but the right to the Federal Government to file suit? Is that not true? In other words, the Government is given the right to apply for injunctions but individuals are not given any right of action; is that not true?

Mr. KEATING. That is the essence of the legislation, that the Attorney General is given power to bring an injunction suit to restrain the harm before it takes place, instead of to punish it after it takes place.

Mr. WILLIS. Is not than an adroit way of denying trial by jury? The bill does not grant any rights to file a lawsuit by one individual against another. It only grants causes of action by the Federal Government against groups of individuals. Since all these cases will involve the presence of the Federal Government as a party, is it not still emi-

UNIVERSITY OF MICHIGAN LIBRARIES

nently and positively correct to say that by the device of the act, the general rule of right to trial by jury in a contempt case will have been done away with?

Mr. KEATING. No; just the contrary. To grant the right to trial by jury in this instance would be something new in the law. It would not be following the ordinary law because there would be no right to trial by jury in the normal case of an injunction action where the injunction was not complied with. I will bring that out.

Mr. WILLIS. But the fact remains that, if the cause of action were given to individuals instead of to the Government, jury trial would be preserved. One more question.

Mr. KEATING. I want to deal with that right here; then if the gentleman has questions, will he ask them later?

The charge has been made that the vesting of power in the Federal Government to seek injunctions in civil-rights cases is a novel means of depriving those who refuse to obey court orders of their right to trial by jury, but the right of the United States to bring suit in Federal courts for injunctive relief in civil cases, the right that is given here, is no innovation in the law whatever. The Federal Government now has that very right by the provisions of at least 28 Federal statutes. These statutes were listed in the CONGRESSIONAL RECORD within the last few weeks. Not one of these 28 acts now on our statute books makes provision for trial by jury.

There is only one instance in the history of our Federal laws in which a person accused of criminal contempt has been granted the right to a jury trial in actions brought by the United States. A provision of the Norris-La Guardia Act granted——

Mr. WILLIS. I know, and that is another separate point, but before the gentleman gets to that point may I ask this question: Is it not a fact that if the civil-rights bill permitted civil actions for injunctions by the aggrieved individuals against other private individuals there would be the right to trial by jury in criminal contempt cases?

Mr. KEATING. In criminal contempt cases, yes; if there was a criminal contempt there would be the right to trial by jury.

Mr. WILLIS. But under the device of the bill——

Mr. KEATING. It is no device. The gentleman is completely wrong, because I pointed out that there are 28 other acts similar to this which have no provision in them for jury trial. This is no device, it is simply the same time-honored legislative custom, you might say, to provide by statute that there are certain cases where the United States may bring a suit in the nature of an injunction to prevent a threatened wrong. There is nothing novel about it. It has repeatedly been done in this Congress.

Mr. WILLIS. Before the gentleman comes to the second point, along the lines of the remarks of the gentleman from Pennsylvania, I noticed the gentleman from Pennsylvania referred to the United Mine case decided by Judge Goldsborough. That same case was also referred to before the Rules Committee the other day by the chairman of the Committee on the Judiciary, Mr. CELLER, and mention was made that in that case there was no jury trial. I call the gentleman's attention to the fact, which I believe he knows, and if he will read the Supreme Court decision he will find out that jury trial was specifically waived. Is that not correct?

Mr. KEATING. I am not familiar with that.

Mr. WILLIS. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix at a later date and to quote the language of the Supreme Court. The fact is that Mr. John L. Lewis did waive the right to an adversary jury and permitted the judge to pass on the case. The judge ruled against him. If he had availed himself of a jury trial, the result might have been different.

The SPEAKER pro tempore (Mr. PATMAN). Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. KEATING. Probably, if it were a criminal contempt, there would be a right to a jury trial, although there would not be any in a civil contempt.

WHY CONGRESS SHOULD BE CONCERNED ABOUT THE HIGH INTEREST POLICY

The SPEAKER pro tempore (Mr. WILLIS). Under the previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I asked for this time for the purpose of discussing why Congress should be concerned about the hard-money-high-interest policy that is now causing so much trouble, distress, and misery in our country. It is certainly causing distress among small business, and the small-business people are the backbone of this country. If the 4 million small businesses are forced out of business, or any high percentage of them, it will have a tremendous effect on our entire economy.

I believe it was Lenin who said one time when he was asked why America did not go communistic, that as long as America has a system wherein so many people are engaged in small business and have a stake in their economy the country will never go communistic. In other words, the greatest enemy of communism is small business and as long as we have small businesses encouraged in our country, each individual owner will have so much at stake that there is no danger of our country going communistic.

It is my belief that the blame and responsibility for the hard-money-high-interest policy that is causing so much distress should be placed on the Board of Governors of the Federal Reserve System, the Open Market Committee of the Federal Reserve System and the administration in power, particularly of the Treasury Department of the United States. Congress cannot escape blame because the Federal Reserve agencies are the agencies of Congress. We are responsible for what they do. Today it is almost impossible for a small-business man to get a loan. Big business has no trouble securing loans of any amount. The interest rate does not mean too much to big business because the interest rate is tax deductible and, regardless of the amount, the Government will pay about 52 percent of it because of the deduction for income tax purposes.

The farmers are in a depression. They have been suffering from a situation largely caused by tight money since 1951. They have suffered more the last 4 years than any other time. They can receive relief through a change in the hard-money-high-interest policy. The home builders are in distress and, more important than that, the people who want to build homes are unable to get the money with which to build these homes because of the hard-money-high-interest policy. This will eventually cause a shortage of housing units and an increase in rents. So we have these groups: Small business, farmers, and home builders who are really in distress at this time. They cannot be relieved until there is a change of the policy that has caused this distress. Congress can change it any time it desires.

During 2 weeks in the month of March there was a check made to determine how many homes were constructed or started in comparison with the number of starts a year before. The fact was brought out that there were 1,200 fewer homes per day being started, all of this because of tight money. The same study brought out that there were 1,800 fewer cars per day being sold because of tight money. All during this time there has been plenty of money to build luxurious hotels where they are not needed, race tracks, night clubs, and luxurious ocean liners and United States money for credit to be furnished to every country in the world except here in the United States.

We furnish a large part of the money for the World Bank, we furnish all the money for that billion-dollar concern, the Export-Import Bank, we furnish a large part of the money for the International Finance Corporation. These three great institutions are furnishing credit and money to all other countries of the world except to the people in the United States of America.

In this morning's paper I noticed in both the New York Times and New York Herald-Tribune a headline which read: "Austrian Steel Mill Gets $20 Million Loan in the United States of Export-Import Credit To Aid Modernization." I will insert in the RECORD the entire article. But here is a case where we have plenty of money to build steel mills in Austria, we have plenty of money to furnish for the building of steel mills in other countries of the world.

AUSTRIAN STEEL MILL GETS $20 MILLION LOAN IN UNITED STATES—EXPORT-IMPORT CREDIT TO AID MODERNIZATION

WASHINGTON, May 5.—The United States Export-Import Bank today announced a $20 million credit to an Austrian firm to finance purchases of steel rolling-mill equipment.

The firm is the Oesterreichisch-Alpine Montngesellschaft, which has plants at Donawitz, Kindberg, and Judenburg.

In announcing the credit, Export-Import Bank President Samuel C. Waugh said it will permit the company to carry out a program of modernization and replacement of obsolete facilities.

But there is no place in the United States for one to apply if he desires to build a steel mill some place here in the United States that will compete with big business. There is no agency that is capable or qualified to make such a loan to build a steel mill here in the United States. The big banks and insurance companies will not make such loans because of interlocking directorates with big steel companies.

CEMENT MILLS

These same agencies furnishing millions of dollars to build cement mills in all the countries of the world—and they are doing it with United States capital, United States dollars—will cause just as much inflation in this country as if we built them here. They have plenty of money for that purpose but no money to build a cement mill here in the United States, notwithstanding the fact that when the road-building program starts we will need a lot more cement than present capacity will provide us with.

There is raw material available for the purpose of manufacturing cement in thousands of places in the United States of America. There are comparatively few really good places where the very best stone is obtainable for the purpose of making the highest type of cement at the lowest manufacturing cost. It happens that one of those places is in the congressional district that I have the honor to represent, where they have a large supply of limestone. It has been analyzed; it has been tested every way in the world. We know the amount of this supply. It is enormous. It is almost inexhaustible. Notwithstanding the fact that it is right in the middle of a large area where a lot of cement is used and where a lot of cement will be needed, there is no place in the United States where the people of that community can go and make application to get the money to build a cement plant there. Although at some place over the line, over the Rio Grande River, in Mexico, the people there would be able to come to the Export-Import Bank and get the money just like the Austrian people got the money for a steel mill. So, money is available to build steel plants in Mexico; money is available to build steel plants just across the line in Canada; money is available to build cement plants all over the world, but there is no money available to build cement plants in the United States of America. Big banks and big insurance companies have on their boards of directors manufacturers of cement. They will not permit loans that would cause them to have competition.

That is something that is not right; it is wrong; it is certainly against the public interest and should not be permitted. When we had an RFC, the Reconstruction Finance Corporation, it was possible for people to get loans for the purpose of building cement plants, steel plants, or for any other purpose, but one of the first things that was done under this administration was to abolish the RFC, and since that time there has been no place where people could go to get the money to build steel plants, cement plants, or any other type of manufacturing that would be in competition with big business.

Now, the Small Business Administration was set up by the administration, but you will notice that they could only make a loan for $150,000 at first, and after it was amended can only make a loan for $250,000. So, money is available for little business to go in competition with little business, but where a lot of little businesses go in together and they want to build a steel plant or a cement plant that would compete with big business, there is no money available. So, when the RFC was abolished, the result was that no longer would people be able to borrow enough money to go into competition with big business, whether it be steel, cement, aluminum, or anything else. So, something should be done by this Congress in extending the Small Business Administration or creating a new agency, whichever is done, to set up an agency that has the power that the RFC had to make loans of any size that can be made to other people with United States dollars anywhere in the world. Particularly the agency should be allowed to buy school bonds, road bonds, bonds issued by colleges and other educational institutions at a low rate of interest and keep those bonds until the market will accept them and then sell them on the market. The RFC did this over a long period of time and not only did not lose any money but actually made a lot of money which it turned back into the Treasury. When it was finally liquidated, the RFC had the great achievement to its credit of having turned back to the Treasury a billion dollars of profit to the United States taxpayers. Part of it was made by buying school bonds, road bonds, bonds of States and local communities throughout the Nation; never losing anything and making loans only that local banks would not make. The RFC would never make loans where it was possible for the applicant to get a loan at reasonable rates in the area where he lived. That was a good rule. Nobody objected to it. But now, after RFC has been abolished, there is no place for a person to go to get an adequate loan for any manufacturing purpose, limited for any other purpose, and certainly too little to be in competition with big business of any type.

Mr. AVERY. Mr. Speaker, would the gentleman yield?

Mr. PATMAN. I yield.

Mr. AVERY. I thought I understood the gentleman to say that an investigation—he did not reveal the source of it—indicated that there were 1,200 less homes started per day in the month of March.

Mr. PATMAN. That was a survey, yes; 1,200 fewer homes.

Mr. AVERY. If my mathematical computation is correct, that would mean 4,200,000 less homes in a year, if the figure were projected on a year's basis.

Mr. PATMAN. I have not figured it out, but before the RECORD is published I shall get the survey and put the actual figure in.

Mr. AVERY. Does the gentleman not agree that in 1956 which was one of the years when more homes were constructed than almost any other, there were only about 1,500,000 homes built? If we were to eliminate 4 million homes, it seems to me we would be sliding backward pretty fast.

Mr. PATMAN. I am not very quick at figures, but I think the gentleman must be mistaken about the 1,200 per day being over 4 million.

Mr. AVERY. Those are the gentleman's own figures.

Mr. PATMAN. That is right. But 1,200 a day would be 7,200 a week, and there are 52 weeks in the year. That would not come to anything like 4 million.

Mr. AVERY. Of course, then you have 4 weeks in every month.

Mr. PATMAN. That is right, but this is just a rough calculation we are making. I shall put the exact figures in the RECORD: 1,200 a day. 7,200 a week or 374,400 for 52 weeks, which is really a low estimate.

Mr. AVERY. I thank the gentleman for yielding.

HIGHEST INTEREST RATES SINCE 1933

In the New York Times for Friday, May 3, 1957, page 37, there is a headline as follows: "United States Issues to Pay Top Rate Since 1933." It is further stated in the news item, "In any case, the market has tightened to the point where these Treasury issues carry the highest yield since the panic of 1933."

WHERE THE RATE WILL GO—NO ONE KNOWS

It is further said: "The 3⅝ percent note offers a yield near one-eighth of 1 percent more than going yields on comparable outstanding securities." It is also said, "The new issues each pay one-eighth of 1 percent more than the last comparable issues issued in February." Another statement in this article is also very interesting: "The officials themselves, however, would make no predictions about where the rates might go."

This is a deplorable situation. The Secretary of the Treasury assumes no responsibility and no obligation to try to keep interest rates low in the interest of the taxpayers. He has led the fight to increase interest rates since January 20, 1953. Now it is admitted that the Treasury is just like a ship without a rudder—it does not know what the rate will be in the future.

ONE-EIGHTH OF 1 PERCENT INCREASE CAN AMOUNT TO 1 BILLION A YEAR

There is no stability in the Government bond market. It is probably the first time in all history that the going rate for United States Government bonds to be issued is not known and cannot be estimated.

Let us see what one-eighth of 1 percent is equal to on all debts, public and private, aggregating about $800 billion. A 1-percent increase in interest clear across the board, and if this high interest rate continues, it will go clear across the board, would be $8 billion on all

UNIVERSITY OF MICHIGAN LIBRARIES

debts. A one-eighth of 1 percent automatic and arbitrary increase in the bonds they are now issuing will equal to $1 billion a year when the interest rates extend across the board to all debts, public and private. So the net effect of the one-eighth of 1 percent increase is a declaration by the United States Treasury that a $1 billion a year increase is approved by the United States Treasury as additional interest on existing debts.

A large part of the present $72 billion budget is caused by interest and increased interest.

Since increased interest goes into production costs, the Government as a purchaser will pay an enormous amount in the new budget just for increased interest alone.

GOVERNMENT DEPOSITS IN COMMERCIAL BANKS

I am in favor of commercial banks making good profits. I am in favor of the Government compensating the banks for any services they render. But I cannot see any good reason why the United States Treasury should keep on deposit in commercial banks from $3 to $6 billion at all times at an expense of from $90 to $180 million per year to the taxpayers.

The Treasury does not draw checks on commercial banks to pay Government bills. Checks are drawn on the Federal Reserve banks. Government deposits in commercial banks are therefore removed from Government use. Something else must be done—that is, a transfer from the commercial banks to the Federal Reserve banks—before the Government can use the funds.

More information as to how these funds are placed with the different banks, the losses to the taxpayers by reason thereof. and the unnecessary gains to the banks would be very interesting to the Members of Congress.

Every Friday, the New York Times and the New York Herald Tribune carry a clearinghouse statement of the 15 New York banks. In the May 3, 1957, edition, it is disclosed that the Treasury had on deposit May 1, in 8 New York banks, $671,972,000. The 15 New York banks had on deposit on May 1, $752,342,000; on April 10, 1957 these 15 banks had Government deposits aggregating $999,505,000. The 8 just mentioned had deposits of the Federal Government on April 10 aggregating $891 million.

ONE PROFITABLE USE OF GOVERNMENT DEPOSITS

As evidence of one use of these Government deposits, an article appearing in the New York Times, April 13, 1957, is quite interesting. It is as follows:

> Yesterday the bid for the new issue, dated February 15, and due February 14, 1958, drifted down to 99⅞. Most of the issue had been bought by commercial banks and paid for by crediting the Treasury with deposits.

We can help keep the budget down by keeping expenses down.

It is not very good business the way I see it for the United States Treasury to borrow money from the banks which it will have to pay 3 percent interest or more on and then let the banks use some of that very money to buy more Government securities paying more than 3 percent.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RODINO (at the request of Mr. MCCORMACK), for today and the balance of the week, on account of the illness of his father.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. KEATING, for 20 minutes, on Wednesday, May 15.

Mr. BAILEY, for 30 minutes, on Wednesday next.

Mr. COLLIER, for 5 minutes, today.

Mr. PATMAN, for 30 minutes, on Monday, and for 30 minutes on Thursday of next week, on each occasion to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. ALBERT and to include an address delivered by Mr. MCCORMACK.

Mr. ROOSEVELT and to include related matter.

Mr. SADLAK and to include two speeches and a resolution.

Mr. MCCORMACK in two instances and to include extraneous matter.

Mr. SCHWENGEL (at the request of Mr. MARTIN) and to include extraneous matter.

Mr. HARRIS and to include a release.

Mr. PATMAN and to include related matter.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that in the colloquy I had today with a member of the Ways and Means Committee and a member of the Judiciary Committee, I may be allowed to extend my remarks and include therein certain bills and resolutions.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. KEE (at the request of Mr. WILLIS).

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes.

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

THE LATE JOSEPH R. MCCARTHY

The SPEAKER. The Chair recognizes the gentleman from Wisconsin [Mr. WITHROW].

Mr. WITHROW. Mr. Speaker, I wish to announce the untimely death of the junior Senator from Wisconsin, JOSEPH R. MCCARTHY.

Senator MCCARTHY was a dedicated enemy of communism. He was likewise a very controversial figure. He was a hard and tenacious fighter who asked no quarter and who gave no quarter. Being that sort of individual, he made many bitter enemies and, by the same token, he made many hard and steadfast friends.

I knew Senator JOSEPH MCCARTHY for a great many years. He was a very fine individual, a very religious man, a devoted husband and father. I believe Senator MCCARTHY served a very useful purpose in public life.

To his wonderful wife, Jean, and the family, I extend my sincere sympathy.

Mr. Speaker; I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the life and character of the late Senator MCCARTHY.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BYRNE of Illinois. Mr. Speaker, I would like to insert a few remarks about Senator JOSEPH R. MCCARTHY, who passed away on Thursday, May 2.

Goodby, Joe. Babe Ruth and Lou Gehrig, too, departed at the height of their careers. You were always in there swinging and taking your cuts at the ball. Mickey Mantle tries for the fences but he strikes out, too.

You may have been a controversial figure, but no one doubted your Americanism. You cannot please them all. You alerted the world to communism and today the United States and the friendly nations are fighting the cold war against the same enemy.

There has been no perfect person since Adam and Eve. When you reach the pearly gates, I am sure your batting average will measure up and please St. Peter.

Mr. HIESTAND. Mr. Speaker, I shall always consider the late JOSEPH R. MCCARTHY, Senator from the State of Wisconsin, a great patriot.

Partially to offset some of the smearing editorials which have appeared since his untimely death, I include in the

RECORD an able and intimate comment by George E. Sokolsky, in the Washington Post and Times Herald, on May 4, 1957, headed "Joe."

JOE

(By George E. Sokolsky)

Much has been written and said about Senator JOE MCCARTHY during the past several days while he lay dying and when he finally went to his Maker.

I knew Joe intimately and favorably. No matter how men may differ about him, I always knew that JOE MCCARTHY had no interest other than the welfare of his country. He firmly believed that all Communists had to be traitors and he set out to find them. He was successful in some measure, but he also suffered from a sense of failure because he knew that agencies of Government and high officials protected men and women whom they should have despised. He sought for motives and often reached the conclusion that many men were fearful that their own mistakes would be exposed; he felt that fear and vanity rather than ideological positions played a great part in determining men's attitudes toward him and his work.

We often discussed the brutal force of the opposition to him and this he never understood, because he could not believe that some of his opponents wanted to protect Communists. He never understood the Army fight upon him because he held that it was the Army's first duty to protect this country from Communists and traitors. I was present at the notorious luncheon in New York when MCCARTHY, Secretary of the Army Robert Stevens and his counsel, John Adams, lunched and drank and cavorted throughout an afternoon. What came out at the McCarthy-Army hearings was never the whole story nor had the various versions of the Cohn-Schine episodes anything to do with the situation at all. And I can say, from firsthand knowledge, that Bob Stevens had little or nothing to do with the effort to destroy MCCARTHY.

This was a political maneuver to eliminate MCCARTHY's importance, to kill his influence as an American citizen, to make his name abhorrent and to frighten off any Senator, journalist, or radio commentator who chose to support him or his cause. So far as JOE MCCARTHY was concerned, the maneuver succeeded to a startling degree.

Those who engaged in it—and their names came out during the hearings—knew Joe's characteristics; they knew that he was gentle and aggressive; rough in the fight and forgiving immediately afterward; humble in his heart but giving the impression of cantankerousness. They also knew that while he appeared to be hale and even physically powerful, he was not a strong man, suffering physical pain, sometimes so much pain that he had to give way to it.

They knew all his weaknesses, for some of them had, since he came to the Senate, acted as though they were his close personal friends. They left him bitter, disillusioned, hurt. He was hounded to death by those who would not forget and could not forgive. He was a lonely man among his associates and he often wondered who were his friends.

He and Jeannie adopted a little girl and that brought Joe a happiness which he had not ever known before. There can be no question that he regarded the 1958 election as a problem because he realized the forces that would be pitted against him. He believed that he would ultimately win that election and he said that he did not fear his opponent, Walter Kohler, but there can be no question that he recognized that he would have to take on the entire Eisenhower administration, the modern Republicans, the Committee for an Effective Congress, the money that would be raised against him in New York by the mysterious Arthur Goldsmith, the Communists, their fellow-travelers, and dupes. It meant a fight—a terrific fight and his health was ebbing away.

It is often said that you can only really know a man if you live with him. I did not live with Joe under one roof, but there were times when we saw much of each other and when I was intimately concerned with his effort to drive the Communists from American life. As an American, as a Jew, as an anti-Communist, I can proudly say that JOE MCCARTHY was my friend and that I have never encountered an opponent of his who equaled him in patriotism and courage. God bless his soul and forgive those who sent him to his death.

Mr. VAN PELT. Mr. Speaker, the pages of history show that in periods of world crisis some men are mysteriously inspired to rise above the crowd and, often at great personal sacrifice, provide leadership needed to preserve the security and advance the welfare of their fellow men.

Such a man, in our times, was the late Senator JOSEPH R. MCCARTHY.

When he died May 2 he was in the prime of life. He had gained success and had every reason to anticipate years of happiness with his beloved wife and daughter. However, destiny decided otherwise. In many respects he was a man of genius, certainly a man of great personal courage, a man apart, one of those rare persons who seem to be on earth with a special, if dangerous, mission.

Fate sent him to the United States Senate at a time when our Nation was slipping into the sinister grip of a fearful force of evil—atheistic communism. Unforgivably, and to our shame, this false ideology was nourished, even helped to world power with American blood and American gold. In its most charitable light, the evil nature of communism and its masters must have been grievously misunderstood by those then in high office who elevated fellow travelers to places of prestige in our Government.

Patriots tried to sound an alarm but they were quickly crushed. But JOE MCCARTHY was an extraordinary man and he cherished an extraordinary love for America. He risked his life for this Nation in a terrible World War, and arriving on the Washington scene saw the danger, accepted the challenge, and fought with all his might. He refused to be crushed, even when stoned by persons from whom he had a right to expect assistance.

Finally, deserted by colleagues who in conscience should have shared his concern over this treasonable subversion, his spirit was broken. I can well imagine that JOE MCCARTHY died of a broken heart. Possibly, he did not realize it, but I believe his mission was accomplished; his special assignment completed. He aroused America from complacency and put us on guard. I sincerely hope that this courageous man from Wisconsin will not have died in vain.

Mrs. ST. GEORGE. Mr. Speaker, under leave to extend my remarks, I want to pay my tribute to Senator JOE MCCARTHY.

I have known the Senator, and his lovely and gallant wife, ever since I first came to Congress. I looked upon them as friends.

Whatever anyone may think of Senator MCCARTHY's methods, no one can deny his patriotism or his courage. In an age of chiselers and opportunists, he had preserved and he used the power of righteous indignation. He alerted many to the dangers in our midst and saved our country from many traitors who, fearing him, slunk into the dark recesses from where they safely spewed their venom and filth on him, but did not dare attack our country openly.

Perhaps, Mr. Speaker, the ancients who told us that we could die of a broken heart were not so wrong. Perhaps hatred can break a heart, and evil thoughts may kill as easily as mere physical ills.

Edmond Rostand, the French poet who wrote about Napoleon's son, makes his hero say this on his deathbed:

Too many people wanted my death, and I die by being killed in too many hearts.

JOE MCCARTHY is now before the Judge of us all. That Judge is just and He will understand.

Mr. WITHROW. Mr. Speaker, I offer a resolution.

The Clerk read the resolution (H. Res. 247) as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. JOSEPH R. MCCARTHY, a Senator of the United States from the State of Wisconsin.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased Senator.

Resolved, That a committee of 10 Members be appointed on the part of the House to join the committee appointed on the part of the Senate to attend the funeral.

The resolution was agreed to.

The SPEAKER. The Chair appoints as members of the funeral committee the following Members on the part of the House: Mr. SMITH of Wisconsin, Mr. O'KONSKI, Mr. BYRNES of Wisconsin, Mr. WITHROW, Mr. ZABLOCKI, Mr. VAN PELT, Mr. LAIRD, Mr. JOHNSON, Mr. REUSS, and Mr. TEWES.

The Clerk will report the remainder of the resolution.

The Clerk read as follows:

Resolved, That as a further mark of respect to the memory of the deceased the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 3 o'clock and 29 minutes p. m.), the House adjourned until tomorrow, Tuesday, May 7, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

819. A letter from the Secretary of the the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated October 19, 1956, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Mohawk River, N. Y., authorized by the Flood Control Act approved Au-

UNIVERSITY OF MICHIGAN LIBRARIES

gust 11, 1939 (H. Doc. 172); to the Committee on Public Works and ordered to be printed with 5 illustrations.

820. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated February 12, 1957, submitting a report, together with accompanying papers and an illustration, on a review of reports on Rock River and Green River, Ill., requested by resolutions of the Committees on Public Works, United States Senate and House of Representatives, adopted April 20, 1948 (H. Doc. No. 173); to the Committee on Public Works and ordered to be printed with 1 illustration.

821. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated March 12, 1957, submitting a report, together with accompanying papers and illustrations, on a cooperative beach erosion control study of the shoreline of the State of Connecticut, areas 8 and 11, Saugatuck River to Byram River, prepared under the provisions of section 2 of the River and Harbor Act approved on July 3, 1930, as amended and supplemented (H. Doc. No. 174); to the Committee on Public Works and ordered to be printed with 12 illustrations.

822. A letter from the Administrator, Federal Civil Defense Administration, transmitting the 25th Report on Property Acquisitions for the Quarter Ending March 31, 1957, pursuant to the Federal Civil Defense Act of 1950; to the Committee on Armed Services.

823. A letter from the Secretary of Health, Education, and Welfare, transmitting a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations for the calendar quarter, January 1, through March 31, 1957, pursuant to the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

824. A letter from the Secretary of the Air Force, transmitting a draft of proposed legislation entitled "A bill to amend section 2680 (j) of title 28 of the United States Code so as to permanently exclude claims arising out of combatant activities or warlike operations"; to the Committee on the Judiciary.

825. A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation entitled "A bill to amend the Public Buildings Act of 1949, to authorize the Administrator of General Services to name, rename, or otherwise designate any building under the custody and control of the General Services Administration"; to the Committee on Public Works.

826. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (1) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

827. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to section 244 (a) (5) of the Immigration and Nationality Act of 1952; to the Committee on the Judiciary.

828. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders suspending deportation as well as a list of the persons involved, pursuant to Public Law 863, 80th Congress; to the Committee on the Judiciary.

829. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of the orders granting the applications for permanent residence filed by the subject, pursuant to section 6 of the Refugee Relief Act of 1953; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII pursuant to the order of the House of May 2, 1957, the following bill was reported on May 3, 1957:

Mr. CANNON: Committee on Appropriations. H. R. 7221. A bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes; without amendment (Rept. No. 386). Referred to the Committee of the Whole House on the State of the Union.

[Submitted May 6, 1957]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RIVERS: Committee on Armed Services. H. R. 6952. A bill to authorize the transfer of naval vessels to friendly foreign countries; with amendment (Rept. No. 387). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 4511. A bill to declare a certain portion of Back Cove at Portland, Maine, to be nonnavigable water of the United States; without amendment (Rept. No. 388). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, pursuant to the order of the House of May 2, 1957, the following bill was introduced on May 3, 1957:

By Mr. CANNON:

H. R. 7221. A bill making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

[Introduced and referred May 6, 1957]

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING (by request):

H. R. 7222. A bill to provide funds to pay nationals of the United States who have war damage claims against Germany and Japan, without additional direct appropriations therefor, and to amend the Trading With the Enemy Act and the War Claims Act of 1948, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. BOGGS:

H. R. 7223. A bill to amend subsection (f) (1) of section 209 of the Highway Revenue Act of 1956 (70 Stat. 387); to the Committee on Ways and Means.

By Mr. BOLAND:

H. R. 7224. A bill to readjust postal classification on certain educational and cultural materials; to the Committee on Post Office and Civil Service.

By Mr. BONNER:

H. R. 7225. A bill to amend provisions of the Canal Zone Code relative to the handling of the excess funds of the Panama Canal Company, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H. R. 7226. A bill to clarify the application of navigation rules for the Great Lakes and their connecting and tributary waters, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. CURTIS of Massachusetts:

H. R. 7227. A bill to amend the Universal Military Training and Service Act, as amended; to the Committee on Armed Services.

By Mr. DAVIS of Georgia:

H. R. 7228. A bill to amend title II of the Social Security Act to eliminate the present ceiling on the total amount of benefits otherwise payable thereunder which may be received by members of the same family; to the Committee on Ways and Means.

By Mr. DOWDY:

H. R. 7229. A bill to provide that wages, salaries, and commissions for personal services will be exempt from attachment and garnishment in the District of Columbia; to the Committee on the District of Columbia.

By Mr. DOYLE:

H. R. 7230. A bill for the establishment of a National Outdoor Recreation Resources Review Commission to study the outdoor recreation resources of the public lands and other land and water areas of the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mrs. GRIFFITHS:

H. R. 7231. A bill to amend the Civil Service Retirement Act to provide for the inclusion of certain additional types of compensation within the meaning of the term "basic salary" for the purposes of such act; to the Committee on Post Office and Civil Service.

By Mr. HIESTAND:

H. R. 7232. A bill to amend the Natural Gas Act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HYDE:

H. R. 7233. A bill to authorize the payment from the employees' life insurance fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations; to the Committee on Post Office and Civil Service.

By Mr. JONES of Missouri:

H. R. 7234. A bill to fix the responsibilities of certifying officers and disbursing officer of the Library of Congress; to the Committee on House Administration.

By Mr. KEOGH:

H. R. 7235. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. LANDRUM:

H. R. 7236. A bill to amend the Labor Management Relations Act, 1947, to encourage increased employee participation in and control over collective bargaining negotiations and agreements, and for other purposes; to the Committee on Education and Labor.

By Mr. McCORMACK:

H. R. 7237. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and Means.

H. R. 7238. A bill to amend the public-assistance provisions of the Social Security Act so as to provide for a more effective distribution of Federal funds for medical and other remedial care; to the Committee on Ways and Means.

By Mr. MAGNUSON:

H. R. 7239. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

H. R. 7240. A bill to amend title 18 of the United States Code to make it unlawful to destroy, deface, or remove certain boundary markers on Indian reservations, and to trespass on Indian reservations to hunt, fish, or trap; to the Committee on the Judiciary.

By Mr. METCALF:

H. R. 7241. A bill to amend section 6 of the act of March 3, 1921 (41 Stat. 1355), entitled "An act providing for the allotment of lands within the Fort Belknap Indian Reservation, Mont., and for other purposes"; to the Committee on Interior and Insular Affairs.

By Mr. NORRELL:

H. R. 7242. A bill to entitle members of the Army, Navy, Air Force, or Marine Corps retired after 30 years' service to retired pay

equal to 75 percent of the monthly basic pay authorized for the highest enlisted, warrant, or commissioned grade in which they served satisfactorily during World War I, and for other purposes; to the Committee on Armed Services.

By Mr. PELLY:

H. R. 7243. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. POAGE:

H. R. 7244. A bill amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat promotion program; to the Committee on Agriculture.

By Mr. RABAUT:

H. R. 7245. A bill to authorize the Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force to make grants to certain educational institutions for the construction of military and naval science buildings and for other purposes; to the Committee on Armed Services.

By Mr. RHODES of Pennsylvania:

H. R. 7246. A bill to amend the public assistance provisions of the Social Security Act to eliminate certain inequities and restrictions and permit a more effective distribution of Federal funds; to the Committee on Ways and Means.

By Mr. SIMPSON of Pennsylvania:

H. R. 7247. A bill to encourage private United States investment in foreign countries by restricting the incidence of double taxation on taxpayers with gross income from sources outside the United States; to the Committee on Ways and Means.

By Mr. SMITH of Virginia:

H. R. 7248. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to provide that under certain conditions officers of the executive branch of the Federal Government appointed by the President shall be exempt from such act; to the Committee on the District of Columbia.

H. R. 7249. A bill to improve and extend, through reciprocal legislation, the enforcement of duties of support in the District of Columbia; to the Committee on the District of Columbia.

By Mr. TEAGUE of California:

H. R. 7250. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (by request):

H. R. 7251. A bill to amend the definition of the term, "State," in the Veterans' Readjustment Assistance Act and the War Orphans' Educational Assistance Act to clarify the question of whether the benefits of those acts may be afforded to persons pursuing a program of education or training in the Panama Canal Zone; to the Committee on Veterans' Affairs.

By Mr. THOMPSON of New Jersey:

H. R. 7252. A bill to provide for the transfer of the Civil Service Commission Building in the District of Columbia to the Regents of the Smithsonian Institution to house the National Collection of Fine Arts and a National Portrait Gallery; to the Committee on House Administration.

By Mr. THOMSON of Wyoming:

H. R. 7253. A bill to amend section 27 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", to increase the aggregate acreage of coal leases which may be held by one person in any one State; to the Committee on Interior and Insular Affairs.

H. R. 7254. A bill to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7255. A bill to amend the act of June 4, 1920, as amended, providing for allotment of lands of the Crow Tribe, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. VAN ZANDT:

H. R. 7256. A bill to provide that the Bureau of Yards and Docks in the Department of the Navy shall hereafter be known as the Bureau of Civil Engineering; to the Committee on Armed Services.

By Mr. WESTLAND:

H. R. 7257. A bill giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States; to the Committee on the Judiciary.

By Mr. YATES:

H. R. 7258. A bill to prohibit the introduction, or manufacture for introduction, into interstate commerce of switchblade knives, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ABBITT:

H. R. 7259. A bill relating to marketing quotas and price supports for fire-cured, dark air-cured, and Virginia sun-cured tobacco; to the Committee on Agriculture.

By Mr. CELLER:

H. R. 7260. A bill to amend title 18, United States Code, section 3651, so as to permit confinement in jail-type institutions or treatment institutions for a period not exceeding 6 months in connection with the grant of probation on a 1-count indictment; to the Committee on the Judiciary.

H. R. 7261. A bill to amend the Federal Probation Act to make it applicable to the United States District Court for the District of Columbia; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 7262. A bill to amend the Canal Zone Code to make certain changes in the fiscal obligations of the Panama Canal Company; to the Committee on Merchant Marine and Fisheries.

By Mr. POAGE:

H. R. 7263. A bill amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat-promotion program; to the Committee on Agriculture.

By Mr. RAINS:

H. R. 7264. A bill to amend the Defense Production Act of 1950 so as to require periodic reports to the Congress concerning action taken to carry out the policy of the Congress to encourage geographical dispersal of industrial facilities; to the Committee on Banking and Currency.

By Mr. SMITH of Virginia:

H. R. 7265. A bill to amend the District of Columbia Income and Franchise Tax Act of 1947, as amended, to exclude social security benefits and to provide additional exemptions for age and blindness; to the Committee on the District of Columbia.

By Mr. ZABLOCKI:

H. R. 7266. A bill to amend the act of August 24, 1954, to extend the period of time within which certain persons may make application for patents for certain lands in Wisconsin bordering inland lakes or rivers; to the Committee on Interior and Insular Affairs.

By Mr. BATES:

H. J. Res. 317. Joint resolution to authorize the Secretary of Commerce to sell certain vessels to certain citizens of the Federal Republic of Germany; to the Committee on Merchant Marine and Fisheries.

By Mr. COLLIER:

H. J. Res. 318. Joint resolution designating the second Sunday in October of each year as National Grandmother's Day; to the Committee on the Judiciary.

By Mr. REES of Kansas:

H. J. Res. 319. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. FLOOD:

H. Res. 248. Resolution expressing the sense of the House of Representatives with respect to the steps which should be taken by the United States to assist the people of Poland in their struggle for freedom; to the Committee on Foreign Affairs.

By Mr. THOMPSON of Louisiana:

H. Res. 249. Resolution providing for consideration of H. R. 2474, a bill to increase the rates of basic compensation of officers and employees in the field service of the Post Office Department; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to residence housing at State colleges; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States to provide for the construction of a highway from Winnemucca, Nev., to Viewland, Calif.; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Indiana, memorializing the President and the Congress of the United States relative to House Enrolled Concurrent Resolutions Nos. 2, 4, 7, 8, and 9, concerning amendments to the Constitution; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States requesting immediate authorization and Federal construction of the Bully Creek Dam, Reservoir, and related facilities under existing plans and repayment requirements contained in the report of the Bureau of Reclamation of the United States Department of the Interior; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Vermont, memorializing the President and the Congress of the United States requesting liberalization of restrictions relating to old-age and survivors insurance and old-age assistance; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to working for the adoption of legislation whereby the Hawaiian people may be progressively rehabilitated in their native land with financial and proper technological assistance; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States requesting enactment of legislation providing for the admission of Hawaii to statehood; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the Presi-

UNIVERSITY OF MICHIGAN LIBRARIES

dent and the Congress of the United States to transfer to the Territory of Hawaii the remaining public lands and the authority to legislate in respect thereto, as set forth in Joint Resolution 4 of the Session Laws of Hawaii, 1955; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 7267. A bill for the relief of Charles J. Jennings; to the Committee on the Judiciary.

By Mr. BARDEN:

H. R. 7268. A bill for the relief of Walid Tawfiq Nassar; to the Committee on the Judiciary.

By Mr. BELCHER:

H. R. 7269. A bill for the relief of Janet Kay Smith; to the Committee on the Judiciary.

H. R. 7270. A bill for the relief of Gerassimoula Andreou Bitzer; to the Committee on the Judiciary.

H. R. 7271. A bill for the relief of Elpiniki Litson; to the Committee on the Judiciary.

H. R. 7272. A bill for the relief of Solon Askoutsis Spence; to the Committee on the Judiciary.

H. R. 7273. A bill for the relief of Kiriaki Petros; to the Committee on the Judiciary.

H. R. 7274. A bill for the relief of Evgenia Adamopoulou Freeman; to the Committee on the Judiciary.

H. R. 7275. A bill for the relief of Thomas Michael Pritzos; to the Committee on the Judiciary.

By Mr. BRAY:

H. R. 7276. A bill for the relief of Eugen Schillo; to the Committee on the Judiciary.

By Mr. BUDGE:

H. R. 7277. A bill for the relief of Marianne Elise Gertrud Brockmann; to the Committee on the Judiciary.

By Mr. BURDICK:

H. R. 7278. A bill for the relief of Earl T. Ellis, receiver of the Quantico Co., Inc., of Petersburg, Va.; to the Committee on the Judiciary.

By Mr. COLMER:

H. R. 7279. A bill to relinquish any right, title, and interest which the United States may have in and to certain land located in Stone County, Miss., in order to clear the title to such land; to the Committee on Interior and Insular Affairs.

By Mr. ENGLE (by request):

H. R. 7280. A bill to consider residence in American Samoa by Pierrette Lataste Price as residence in the United States for naturalization purposes; to the Committee on the Judiciary.

By Mr. FLYNT:

H. R. 7281. A bill for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on the Judiciary.

By Mr. FRELINGHUYSEN:

H. R. 7282. A bill for the relief of Iwan Okopny; to the Committee on the Judiciary.

H. R. 7283. A bill for the relief of Maria Rosa Romao Pereira; to the Committee on the Judiciary.

By Mr. HEALEY:

H. R. 7284. A bill for the relief of Judith Leith Patricia Garcia; to the Committee on the Judiciary.

By Mr. HOSMER:

H. R. 7285. A bill for the relief of Petronilo D. Mupas; to the Committee on the Judiciary.

By Mr. HYDE:

H. R. 7286. A bill for the relief of Stephen Ling-Tsung Tsao and Nancy Yat-Sun Lam Tsao, his wife; to the Committee on the Judiciary.

By Mr. JARMAN:

H. R. 7287. A bill for the relief of Mrs. Christiane Heath; to the Committee on the Judiciary.

By Mr. LESINSKI:

H. R. 7288. A bill for the relief of Miodrag Kitanovich; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 7289. A bill for the relief of Salim Hanna Sabbagh; to the Committee on the Judiciary.

By Mr. PERKINS:

H. R. 7290. A bill for the relief of Rosemarie Kahlert; to the Committee on the Judiciary.

By Mr. ROONEY:

H. R. 7291. A bill for the relief of Mrs. Ernestine Felix; to the Committee on the Judiciary.

By Mr. SIEMINSKI:

H. R. 7292. A bill for the relief of Francesco DeMarco; to the Committee on the Judiciary.

By Mr. YOUNGER:

H. R. 7293. A bill for the relief of Capt. Carl F. Dykeman; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

227. By Mr. THOMPSON of New Jersey: Resolution adopted on April 17, 1957, by the members of the Township Committee of Lawrence Township, N. J., urging the adoption of legislation providing salary increases and personnel management relations for postal employees; to the Committee on Post Office and Civil Service.

228. By the SPEAKER: Petition of the secretary, Gale Grange, No. 282, Forest Grove, Oreg., petitioning consideration of their resolution with reference to requesting that they be placed on record as favoring the construction of a high dam at Hells Canyon on the Snake River; to the Committee on Interior and Insular Affairs.

229. Also, petition of the secretary, Hillsboro Grange, No. 73, Hillsboro, Oreg., petitioning consideration of their resolution with reference to requesting that they be placed on record as being in favor of the high Hells Canyon Dam on the Snake River; to the Committee on Interior and Insular Affairs.

230. Also, petition of the secretary, Dixie Grange, Huntington, Oreg., petitioning consideration of their resolution with reference to requesting adoption of a program in support of a high Hells Canyon Dam, and full comprehensive development of the Columbia River system; to the Committee on Interior and Insular Affairs.

231. Also, petition of the resolution committee, Mud Springs Grange, No. 619, Madras, Oreg., petitioning consideration of their resolution with reference to requesting that they be placed on record as being opposed to the proposed three small dams, and being in favor of only one—a high dam at Hells Canyon; to the Committee on Interior and Insular Affairs.

232. Also, petition of the president, the Methodist Federation for Social Action, Gresham, Oreg., petitioning consideration of their resolution with reference to the conduct of the House Committee on Un-American Activities; to the Committee on Rules.

EXTENSIONS OF REMARKS

A Permanent U. N. Force

EXTENSION OF REMARKS

OF

HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. SCHWENGEL. Mr. Speaker, in connection with the concurrent resolution offered by my colleagues last Thursday to create a permanent U. N. force, I ask unanimous consent to have entered in the RECORD some observations on the need of such action by a constituent of mine, John B. Rockwell, of Mount Pleasant, Iowa. Mr. Rockwell is a student of government and devotes a considerable amount of time and energy to keeping peace in the world. I respectfully direct the attention of my collegaues to Mr. Rockwell's observations which concur in principle with the concurrent resolution. Mr. Rockwell's remarks follow:

It is vital that the United States at this time inaugurate the creation of a standing army by the United Nations.

A permanent force, second to none, supported by all member nations, according to their wealth and population.

To see that the will of the majority is honored by the recalcitrant few.

To see that every people has the right of unfettered self-determination as to the form of government it wishes to pursue.

To see that the will of the majority of the United Nations is carried out in all places and by all peoples.

This army should be under a supreme commander responsible only to the United Nations. He should be of the same caliber as Gen. Douglas MacArthur or Field Marshal Montgomery. The troops should be drawn evenly at so many per 1,000 population of member countries. It would be best if these troops served a 20-year or career hitch at sufficient salary to make such a career attractive and with adequate retirement pay and 30-day rotational leave per year. This United Nations army should include all the various services of modern warfare, answerable to the supreme commander.

It should be plain to anyone that such an army supported by at least 50 nations would eventually constitute a defense force per nation at a cost much below that of 50 such individual defense forces. Worldwide bases would be readily available everywhere. Short of war, such an organization might enforce its will upon

an offending nation by complete ostracism. This would include the blockade, without an exchange of ideas or trade—legal or illegal; a complete blackout and a severance of all relations by member nations. Such nation, upon indicating a desire to rejoin, should be forced to undergo a period of probation or limited privilege.

Food for Thought

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mrs. KEE. Mr. Speaker, a young constitutent of mine wrote to me recently about a problem which is plaguing a good many adult minds today—the question of continuing United States economic aid to other countries. Because Mary's question, in varying forms, is repeated so frequently in my daily mail, I am publishing my answer to her letter, feeling that it may be of general interest and may serve to offset some of the misinformation being circulated as the House prepares to take up the President's foreign aid program. Here is what I wrote to Mary:

DEAR MARY: It is certainly nice to have a letter from you and I shall do my best to answer the question you asked me. You would like to know why it is that this wonderful country of ours helps other countries by giving them food for their poor people when we ourselves in the United States need food as much as the other countries do.

Well, Mary, I think I can guess at what has prompted you to ask this question. You are probably thinking that the United States should first take care of its own needy before caring for those of other lands. But this, my dear, is exactly what your country has done.

First, let me explain that we in the United States are blessed with an overabundance of food, more than we can ever possibly hope to consume. Across the Nation, our storehouses are fairly bursting with wheat and other grains, with butter, meat and pork products, and with a great many other food commodities that can be preserved and stored. These are what you hear referred to as our "surplus foods."

It is these surpluses—for which we have no domestic markets big enough to exhaust them—that force down the prices our farmers receive for what they raise and this creates hard times for our farm families. So then, you might ask, why don't we just sell these surpluses to the foreign countries and let them feed their own people?

The chief answer to this is that these nations do not have United States dollars to pay for the foodstuffs they might wish to buy, while our American producers are unwilling to accept other nations' currency because it has no purchasing power in this country. In other words, you could not spend this foreign money at the corner store as you would our own nickels, dimes, and quarters.

So to help our own farmers to receive better prices for their products; to have this surplus food serve a useful purpose instead of going to waste and having to be destroyed; to aid the hungry people of many lands, including our own, and to save underprivileged countries from the false promises of communism to which people are sometimes tempted to turn when they are desperate and starving; to accomplish all these good things, your Congress, a few years ago, set up what is called the surplus food-distribution program.

This program authorizes the President of the United States, at his discretion, to use our surpluses to relieve hunger wherever it exists in the world.

But your Congress did not stop here, Mary. Or perhaps it would be more correct to say that it didn't just begin here. Because Congress first provided that the wants of our own people must be met before any food is sent abroad.

That is why we have, today, a school-lunch program in every one of our 48 States—a program that provides hot, nourishing meals daily to millions of American schoolchildren throughout the school year. And it is also why our charitable institutions and State welfare agencies are able to distribute tons and tons of free food annually to our own needy.

It might surprise you to know that just in the first 9 months of this fiscal year, from July 1, 1956, to March 31, 1957, West Virginia has received 5,800,000 pounds of surplus food for its school-lunch program; 2,900,000 pounds have been consumed in our State charitable institutions; and 22,900,000 pounds have been distributed to our needy through our State public-assistance program.

What do these surplus foods consist of? Included in the list are: Wheat flour and cornmeal; dairy products such as butter, cheese, and dry milk; pork products such as canned ham, pork in gravy, and luncheon meat; dried beans, rice, and fresh prunes; cottonseed oil, lard, shortening, and some sweetpotatoes. People can manage to subsist fairly well on the menus this list will provide.

So you see, Mary, we must never jump to conclusions, nor always believe all that we read and hear discussed until we have taken the trouble, as you have in this instance, to find out the facts for ourselves.

This great Nation of ours does, indeed, hold out a helping hand to hungry people of other lands—as I am sure you are proud and happy to have your country do. But let us never forget that at the same time that we give this aid to others, we are also serving our own interests. For by stamping out want and suffering wherever we find it, we help to prevent war as we prove to the world that democracy really works for all people.

That is what I have written to Mary, a young person who will one day have to uphold the ideals and traditions of our Nation as we do today. There are, of course, many other vital factors which must be taken into account as we weigh the pluses and minuses of the costly programs of foreign aid we have carried on since the end of World War II.

These programs have by no means been devoid of self-interest. They have contributed immeasurably to our own security and economic advancement. We must surely realize by now that our two oceans no longer present impenetrable barriers against Communist aggression and attack; and that since we must have a world market for the things we produce—or face an even worse economic depression than the one we experienced in the 1930's—we would not long survive as a free nation surrounced by hostile Communist satellites.

These are the unhappy facts we must face as Congress takes up the foreign-aid program for fiscal 1958. Nonetheless, it would seem to me that a more modest-aid program, accompanied by a sound foreign policy, wisely and temperately administered, is in order. For the American taxpayer cannot indefinitely continue to support the tremendous burden of the foreign military and economic aid programs we are presently carrying.

As Mary might have put it: How long shall we continue to help the people of other countries when we need some of this help for ourselves?

Connecticut May 3 Observance

EXTENSION OF REMARKS
OF
HON. ANTONI N. SADLAK
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mr. SADLAK. Mr. Speaker, at Hartford, Conn., yesterday afternoon in the Bushnell Memorial Auditorium under the sponsorship of the Polish-American Congress, District of Connecticut, there assembled nearly 2,000 people in observance of the Polish Constitution of May 3. The diversified program was opened by Attorney Stanley Grudzinski, executive vice president, who extended greetings and made most appropriate opening remarks. This was followed by brilliant singing of our national anthem and the Polish anthem by Mr. L. J. Daum. The invocation was then intoned by Father Kukuc and then Rev. M. Karwacki, president of the Polish-American Congress addressed the large audience.

Many children, in native costumes of Poland, taught by Felician Sisters, then entranced the crowd with a stirring performance of dancing and drills. It was then my honor and privilege to address the assemblage in English and in Polish. These remarks were followed by outstanding vocal renditions by the Choir Polonia, a fine group of young ladies and young men as well as older ladies and men, all recent arrivals in the United States who, on May 19th will celebrate the fifth anniversary of their singing choir. The next action on the program was the reading of a resolution by Mr. Grudzinski, attached and made part of these remarks, which was loudly and unanimously endorsed and passed by the thousands in the hall.

For more than a half-hour movies taken in Poland during a recent visit by Mr. Joseph Alecks were shown to the appreciative audience. We were aghast at scenes of remnants of concentration camps and gas chambers where many valiant Poles were murdered. We particularly observed the obvious need of food and clothing in the pictures taken of curious crowds of youngsters and old folks who for the first time looked at an American. The primitive means of harvesting a hay crop impressed each viewer with the need of farm implements and equipment.

Mr. Speaker, during my address I stressed my opinion "that it would be the best investment of $100 million that our Government ever made if we granted economic aid to Poland to that amount

UNIVERSITY OF MICHIGAN LIBRARIES

in contrast to the billions that have been given in foreign aid since Poland was first blitzed in September 1939." The subsequent showing of the movies of which I had no previous knowledge though I know Mr. Alecks and the pictures he took at random following the Poznan uprisings were not made for any propaganda purposes, these emphasized the dire need for food, clothing, medicines and better and more effective farm equipment than scythes and sickles and old hand-rakes to make and harvest hay crops. I wish it would have been possible for all the Members of this House to have viewed these authentic movies of freedom-loving and freedom-seeking and freedom-determined Poles and I am convinced that each would join in an endorsement of the resolution adopted at the 166th anniversary of the Polish Constitution of May 3, 1791. The resolution follows:

RESOLUTION

We, the people, assembled on May 5, 1957, at the Bushnell Memorial Hall in Hartford, Conn., under the sponsorship of the Polish American Congress, District of Connecticut, observing solemnly the glorious anniversary of the Polish Constitution of the 3d of May and deeply conscious of the indelible imprint of this magnificent day upon all dedicated to the belief that life without liberty demands boundless sacrifice; now therefore,

We here assembled believing in this supreme principle bow in gratitude to the heroic people of Poznan and to the magnificent resurgence of the Polish Nation and to its courage in the face of hopeless odds; we congratulate them on this great day on their bloodless revolution; we call upon the free world and in particular the United States to further solidify the gains of liberty in Poland as follows:

1. By giving maximum economic aid to Poland and the Polish people now.

2. By insisting that the aid given must reach the Polish masses.

3. By insisting upon maximum concessions from the authorities in Poland to allow economic aid in all its forms, adequately supervised, free of burdensome duties, to reach the impoverished masses.

4. By recognizing the role of the Catholic Church in Poland and Cardinal Stefan Wyszynski in the Polish struggle for freedom.

5. By recognizing that Polish territories were ravaged and plundered through the centuries; that its rightful owners were resettled with the sword, the Nazi furnace and the concentration camps; that the lands now having reverted to its rightful owners, the world must spare the spectacle of a new resettlement by war, Nazi type furnaces and concentration camps.

6. By recognizing that the moral strength of the Polish people will be supported by guaranteeing the Polish people the undisturbed possession forever of traditional Polish territories.

Unanimously adopted at Hartford, Conn., this 5th day of May 1957.

Israel Independence Day

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mr. ROOSEVELT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement commemorating Israel Independence Day:

ISRAEL INDEPENDENCE DAY

May 6 is the ninth anniversary of Israel's independence. It is a day that symbolizes Jewish achievement. Within 9 years the ideal of Zionism has been transformed from the planning stage to actuality. To create a nation and an army within such a short space of time is a near miracle. Israel has struggled against great odds, but has proved that she could survive pressures from the Arabs on the one hand and from the Great Powers on the other. I would like to congratulate Israel on this happy anniversary.

Like America, Israel is a nation of pioneers, a nation of diverse origins, held together by a common faith and belief. Politically and strategically, too, the interests of Israel and the United States run parallel. Politically, both nations are opposed to Communist infiltration in the Middle East, while their mutual interests demand strategic cooperation.

It is now more than ever necessary for the United States to close ranks with Israel. As Britain has withdrawn from Suez, and British prestige in the Middle East has diminished, it has become clear that the United States must assume Britain's former role. And keeping the region on the side of the free world will require military and political as well as ideological and economic strength. If war comes to the Middle East, America must have allies and points of support. Under such conditions, Israel may well prove to be one of America's most important assets in the Middle East.

At Munich, Chamberlain saw only the risks associated with participating in little wars and forgot that as England abandoned strong points it was more and more exposed to the danger of a world war. America must not make the same error. America must support the outposts of the West such as Israel, whose security and integrity are essential to American strategic interests and to American strategic needs. Traditionally, the United States has been on the side of the underdog. Israel is a small, democratic nation which has opted for freedom and needs American support for survival. The United States cannot afford to abandon Israel and the values and achievements which it represents.

Legislative Oversight Subcommittee Outlines Scope of Its Work

EXTENSION OF REMARKS
OF
HON. OREN HARRIS
OF ARKANSAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mr. HARRIS. Mr. Speaker, I wish to advise, for the information of the Members of the Congress, an outline of the scope of the work by the Subcommittee on Legislative Oversight of the House Committee on Interstate and Foreign Commerce by the committee, Thursday, April 18, 1957.

Pursuant to our suggestion, Mr. Speaker, at the time the resolution authorizing the work of our Committee on Interstate and Foreign Commerce was being considered, I announced the appointment of a special subcommittee for this work on March 6, 1957. I am enclosing herewith a copy of the announcement in order that we may have a continuity of the development of this program and the appointment of the committee.

The special subcommittee has functions as outlined in section 136 of the Legislative Reorganization Act of 1946. Each standing legislative committee of the House was given the responsibility of exercising continuous watchfulness and appraising the administration of the laws of the agencies of Government within the jurisdiction of the committee. The work was referred to in that act as "legislative oversight." The term, according to Webster's, means "watchful care or supervision."

I named our colleague, the Honorable MORGAN M. MOULDER, as chairman of the special subcommittee. Mr. MOULDER was the next Member in seniority on our committee whom I had not designated as a chairman of an important subcommittee and with important work to do. I, therefore, want to make it perfectly clear, Mr. Speaker, that he as an able member of our committee and in whom I and other members have utmost confidence was the logical and appropriate selection for the chairmanship of this important work.

We selected eight other members of our committee, whose names are included in the attached statement, all outstanding, able and experienced members.

In addition, our colleague, Mr. WOLVERTON, the ranking minority member of the committee, and I, as chairman of the committee, are active members and who will assist in this important undertaking. On April 18 the committee met and thoroughly discussed this program and a desire to do a good and objective job.

I agreed to the scope of its work that we should undertake. I include a copy of this outline as announced by Mr. MOULDER, chairman of the subcommittee, at this time:

MARCH 6, 1957.

OREN HARRIS, Democrat, Arkansas, chairman, House Committee on Interstate and Foreign Commerce, today announced the appointment of a special subcommittee to review, study, and examine the execution of the laws by the administrative and independent agencies of the Government within the jurisdiction of the committee.

Section 136 of the Legislative Reorganization Act of 1946, which is included in the rules of the House of Representatives, provides that to assist the Congress in appraising the administration of the laws each standing committee of the House of Representatives shall exercise continuous watchfulness of the execution of the laws by the administrative agencies of the Government within the jurisdiction of the committee.

In addition, House Resolution 99, 85th Congress, authorizes the committee to investigate and study the administration and enforcement by departments and agencies of the Government of provisions of law relating to subjects which are within the jurisdiction of such committee.

In the consideration of the resolution by the House of Representatives on February 5, 1957, Speaker RAYBURN, former chairman of the committee, stated: "I trust that the gentleman will set up a subcommittee, and I think under the broad authority of this resolution he has that authority to go into the administration of each and every one of these laws to see whether or not the law as we intended it is being carried out or whether a great many of these laws are being repealed or revamped by those who administer them."

Chairman HARRIS and Mr. WOLVERTON will be ex officio members of the subcommittee, with voting privileges.

The membership of the subcommittee is as follows:

Special Subcommittee on Legislative Oversight: MORGAN M. MOULDER, Democrat, Missouri, chairman; JOHN BELL WILLIAMS, Democrat, Mississippi; PETER F. MACK, Democrat, Illinois; JOHN J. FLYNT, JR., Democrat, Georgia; JOHN E. MOSS, Democrat, California; JOSEPH P. O'HARA, Republican, Minnesota; ROBERT HALE, Republican, Maine; JOHN W. HESELTON, Republican, Massachusetts; JOHN B. BENNETT, Republican, Michigan.

APRIL 18, 1957.

Representative MORGAN M. MOULDER, chairman of the Subcommittee on Legislative Oversight of the House Committee on Interstate and Foreign Commerce, announced that in executive session today the subcommittee had adopted, with the approval of Committee Chairman OREN HARRIS, the following outline of the scope of the subcommittee's activities:

PURPOSES

To examine the execution of the laws by the administrative agencies, administering laws within the legislative jurisdiction of the committee, to see whether or not the law as Congress intended in its enactment has been and is being carried out or whether it has been and is being repealed or revamped by those who administer it.

DUAL APPROACH

1. Whether the law has been and is being faithfully executed by the agency in the public interest.

2. Whether the law and the statutory standards it contains have been and are being interpreted by rule, or internal procedures, to enlarge the area of regulation beyond that intended, and to administer it through procedures not intended by the Congress.

AGENCIES TO BE EXAMINED

1. Civil Aeronautics Administration, Civil Aeronautics Board, Federal Communications Commission, Federal Power Commission, Federal Trade Commission, Food and Drug Administration, Interstate Commerce Commission, Securities and Exchange Commission.

2. Bureau of Standards, National Institutes of Health, National Science Foundation, Weather Bureau.

3. Foreign Claims Settlement Commission, Office of Alien Property, Public Health Service, Railroad Retirement Board, and other agencies within legislative jurisdiction of the committee.

SUBJECTS TO BE CONSIDERED

1. Review and analysis of the law and amendments, and intent of the Congress when enacted.

2. Area of the field regulated by each law, changing circumstances and growth of the field since enactment.

3. Consideration of the legislative standards in the law to determine whether they can be drafted in more precise terms with the view of reducing administrative discretion.

4. Consideration of rules and regulations issued by the agency under the discretionary delegations, reconciliation with statutory standards and legislative intent, manner in which rules have been applied in practice.

5. Administrative interpretations and practices apart from formal rules and regulations, public notice of such interpretations and practices, extent to which in fact administration is by internal interpretations as distinct from published rules.

6. Judicial decisions on the administration of the law by the agency, the statutory standards, rules and regulations, and administrative interpretation; enlargement of area of regulation supported by the decisions.

7. Enforcement of statute, rules, and regulations.

8. Organization of agency.

(a) Independence and bipartisanship of Commission, as intended in its creation; identification of the regulators with the regulated.

(b) Personnel: Experience, relationship to agency policy, status under civil service.

(c) Workload, distribution of personnel as to statutory duties or on duties assumed through administrative interpretations, coordination with State and other regulatory agencies, trade or industry enforcement groups.

Educational Activities of Special Interest to the Armed Services

---

EXTENSION OF REMARKS

OF

HON. JOHN W. McCORMACK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 6, 1957

Mr. McCORMACK. Mr. Speaker, under leave to revise and extend my remarks I am inserting in the CONGRESSIONAL RECORD an exchange of letters between the Special Subcommittee on Donable Property of which I am chairman and the Comptroller General of the United States.

The special subcommittee has before it a number of bills which would extend the donation of surplus property to many additional groups and activities including fire-fighting organizations, community organizations, tax-supported public recreation agencies, State defense forces, publicly owned water and sewer districts, 4–H Clubs, Youth Camps, first aid crews, and so forth.

The Secretary of Defense has heretofore determined under a provision of law that a number of groups, institutions, and so forth, are "educational activities of special interest to the armed services" and has donated surplus property to them.

Since the volume of donations by the Secretary of Defense has been considerable and the possible inclusion of other donees under existing bills would greatly add to the donable program, the Special Committee on Donable Property thought it advisable to request the Comptroller General for a clarifying decision as to authority for the inclusion of existing donees and the extent to which he can include others. The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
OFFICE OF THE MAJORITY LEADER,
Washington, D. C., February 5, 1957.

Hon. JOSEPH CAMPBELL,
Comptroller General of the United States, Washington, D. C.

DEAR MR. CAMPBELL: The attention of the Special Subcommittee on Donable Property of the Committee on Government Operations, House of Representatives, has been called to interpretations of section 203 (j) (2) of the Federal Property and Administrative Services Act, Public Law 152, 81st Congress, as now in effect, with reference to which your opinion is requested.

The following questions are respectfully submitted to you by the Special Subcommittee on Donable Property for your consideration and interpretation:

1. Are the activities listed in the directive, No. 4160.10 and amendments, of the Secretary of Defense eligible donees within the intent of the statute?

2. If not, which qualify as donees within your interpretation?

3. If so, what limitations would be applicable with respect to additional donees?

However, in construing the above Public Law the subcommittee has no intention of confining you to the above questions in requesting your interpretation.

The main purpose of this request is to have a determination as to whether or not the Department of Defense has made administrative interpretations which have included organizations that are not authorized by law or are contrary to the intent of Congress.

If not, what are the limitations to the inclusion of other similar organizations, national, regional, or local, so that they will not have to resort to legislative processes?

The following language will be noted in section 203 (j) (2), as now in effect:

"In the case of surplus property under the control of the Department of Defense, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools * * *."

You will also note in the same subdivision the authority of the Secretary to make certain determinations in relation to the above.

There is herewith enclosed a copy of Department of Defense Directive dated April 27, 1953, No. 4160.10; Directive Transmittal of June 23, 1954, No. 54–69; Directive Transmittal 54–77 dated July 23, 1954; Directive Transmittal No. 55–83 dated June 22, 1955; Directives System Transmittal No. 4160.10–ch. 4, dated June 18, 1956; Directives System Transmittal No. 4160.10–ch. 5, dated June 28, 1956, and Directives System Transmittal No. 4160.10–ch. 6, dated September 13, 1956.

Your attention is particularly directed to organizations such as contained in Department of Defense Directive Transmittal of June 23, 1954, No. 54–69, and Department of Defense Directive Transmittal dated September 13, 1956, No. 4160.10–ch. 6, and similar organizations, and whether or not under Public Law 152, as amended, such action can be administratively taken by the Department of Defense.

Sincerely yours,

JOHN W. MCCORMACK,
Chairman, Special Subcommittee on Donable Property of the Committee on Government Operations.

EDUCATIONAL ACTIVITIES OF SPECIAL INTEREST TO THE DEPARTMENT OF DEFENSE

Admiral Farragut Academy, Pine Beach, N. J.

Admiral Farragut Academy, St. Petersburg, Fla.

Allen Military Academy, Bryan, Tex.

Augusta Military Academy, Fort Defiance, Va.

Bolles School, Jacksonville, Fla.

Bordentown Military Institute, Bordentown, N. J.

Brown Military Academy, San Diego, Calif.

California Maritime Academy, Vallejo, Calif.

Camp Fire Girls, Inc., 16 East 48th Street, New York 17, N. Y.

Castle Heights Military Academy, Lebanon, Tenn.

Columbia Military Academy, Columbia, Tenn.

Culver Military Academy, Culver, Ind.

Fishburne Military School, Waynesboro, Va.

Fork Union Military Academy, Fork Union, Va.

UNIVERSITY OF MICHIGAN LIBRARIES

Georgia Military Academy, College Park, Ga.
Georgia Military College, Milledgeville, Ga.
Gordon Military College, Barnesville, Ga.
Greenbrier Military School, Lewisburg, W. Va.
Howe Military School, Howe, Ind.
Kamehameha School for Boys, Honolulu, T. H.
Kemper Military School, Boonville, Mo.
Kentucky Military Institute, Lyndon, Ky.
LaSalle Military Academy, Oakdale, Long Island, N. Y.
Maine Maritime Academy, Castine, Maine.
Marion Institute, Marion, Ala.
Marmion Military Academy, Aurora, Ill.
Massachusetts Maritime Academy, State Pier, Buzzards Bay, Mass.
Massanutten Military Academy, Woodstock, Va.
Missouri Military Academy, Mexico, Mo.
Morgan Park Military Academy, Chicago, Ill.
National Headquarters, Civil Air Patrol, Inc., Bolling Air Force Base, Washington, D. C.
National Headquarters, Boy Scouts of America, New Brunswick, N. J.
National Headquarters, Girl Scouts of America, 155 East 44th Street, New York 17, N. Y.
New Mexico Military Institute, Roswell, N. Mex.
New York Military Academy, Cornwall-on-Hudson, N. Y.
New York State Maritime Academy, Fort Schuyler, Bronx, New York, N. Y.
Northwestern Military and Naval Academy, Walworth, Wis.
Oak Ridge Military Institute, Oak Ridge, N. C.
Oklahoma Military Academy, Claremore, Okla.
Pennsylvania Military Preparatory School, Chester, Pa.
Porter Military Academy, Charleston, S. C.
Riverside Military Academy, Gainesville, Ga.
Sewanee Military Academy, Sewanee, Tenn.
Shattuck School, Faribault, Minn.
Staunton Military Academy, Staunton, Va.
St. John's Military Academy, Delafield, Wis.
St. Joseph's College and Military Academy, Hays, Kans.
St. Thomas Military Academy, St. Paul, Minn.
Tabor Academy, Marion, Mass.
Tennessee Military Institute, Sweetwater, Tenn.
Texas Military Institute, San Antonio, Tex.
The Manlius School, Manlius, N. Y.
Valley Forge Military Academy, Wayne, Pa.
Wentworth Military Academy, Lexington, Mo.
Western Military Academy, Alton, Ill.
Boys' Clubs of America, Inc., 381 Fourth Avenue, New York 16, N. Y. (added September 13, 1956) (Department of Defense Directive No. 4160.10–Ch 6).

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, April 9, 1957.

Hon. JOHN W. MCCORMACK,
Chairman, Special Subcommittee
on Donable Property,
Committee on Government Operations,
House of Representatives.

DEAR MR. CHAIRMAN: This refers to your letter of February 5, 1957, and enclosures, concerning Department of Defense interpretations of section 203 (j) (2) of the Federal Property and Administrative Services Act, as amended, and requesting our opinion as to whether the administrative interpretations include as eligible donees of surplus property under control of the Department organizations that are not authorized by law or are contrary to the intent of Congress.

Subsection 203 (j) (3) of the original Federal Property and Administrative Services Act (63 Stat. 387) provided in pertinent part as follows:

"In the case of surplus property under the control of the National Military Establishment, the Secretary of Defense shall determine whether such property is usable and necessary for educational activities which are of special interest to the armed services, such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools. * * *"

This subsection was renumbered "203 (j) (2)" and the language was reenacted without change, except for the substitution of "Department of Defense" for "National Military Establishment" by the act of July 3, 1956 (70 Stat. 493). A further sentence of the section authorizes the allocation of the surplus property determined usable and necessary for such purposes for transfer by the Administrator of General Services to the appropriate State agency for distribution to such educational activities.

Designations of eligible donees are set forth in Department of Defense Directive 4160.10, a copy of which you enclosed with your letter, and our attention is directed particularly to such organizations as Camp Fire Girls, Inc., Boys' Clubs of America, Inc., and similar organizations. The similar organizations designated in the directive are national headquarters, Boy Scouts of America, and national headquarters, Girl Scouts of America. The dates of original designation of these organizations are as follows: Boy Scouts, May 12, 1951; Girl Scouts, March 6, 1952; Camp Fire Girls, June 23, 1954; and Boys' Clubs of America, September 13, 1956.

You submit the following specific questions for our consideration:

"1. Are the activities listed in the directive, No. 4160.10, and amendments, of the Secretary of Defense eligible donees within the intent of the statute?

"2. If not, which qualify as donees within your interpretation?

"3. If so, what limitations would be applicable with respect to additional donees?"

The specific illustrations enumerated in section 203 (j) (2) of the Federal Property and Administrative Services Act of 1949, as amended, gives rise to doubt as to the propriety of including, as eligible donees, organizations such as indicated above. However, the matter must now be considered in the light of the principle that a contemporaneous construction given an act of Congress, while not controlling entitled to great weight and should not be overturned except for cogent reasons. See *Brown* v. *United States* (113 U. S. 568); *Great Northern Ry. Co.* v. *United States* (315 U. S. 262). Also, it has been held that an administrative construction of a statutory provision—not required to be charged by the legislature—must be deemed to have received legislative approval by a reenactment of such provision without material change. *McCaughn* v. *Hershey Chocolate Co.* (283 U. S. 488); *Helvering* v. *Reynolds Co.* (306 U. S. 110); *National Labor Relations Board* v. *Gullett Gin Co.* (340 U. S. 361). Designations of the organizations, with the exception of the administrative designation on September 13, 1956, of Boys' Clubs of America, were a matter of record of which the Congressional committees were apprised before reenacting the legislation without material change. Thus, on pages 48 to 52 of the hearing before the Subcommittee on Reorganization of the Committee on Government Operations, United States Senate, 84th Congress on S. 3693 (S. 1527 and H. R. 7227)—the latter of which bills became the act of July 3, 1956, referred to above—the committee was advised of the designation by the Department of Defense of the Boy Scouts and Girl Scouts of America and Camp Fire Girls as eligible donees. On such pages there were incorporated into the record the listing in detail of these and other organizations designated as eligible as well as the regulations of the military departments under the involved provision of law. Also, on page 15 of Senate report 2267 on H. R. 7227, there is quoted a letter of the Department of Defense reporting that donations were being made to 46 schools and educational activities designated as being of special interest to the Department. The fact that organizations such as the Boy Scouts and Girl Scouts of America and the Camp Fire Girls were considered as eligible donees was brought to the attention of the Congress on numerous earlier occasions. See in this connection, page 16, hearing before the Committee on Government Operations, United States Senate, on H. R. 3322 and S. 1004, 84th Congress, April 21, 1955; page 321, hearings before the Special Subcommittee on Donable Property of the Committee on Government Operations, House of Representatives, on H. R. 3322, 84th Congress, February 15, 17, and 21, 1955; pages 94 and 96, of the February 1955 report to the Commission on Organization of the Executive Branch of the Government prepared by the Task Force on Use and Disposal of Federal Surplus Property; and page 224, Donable Surplus Property Program Hearings before a subcommiteee of the Committee on Government Operations, House of Representatives, 83d Congress, April 20, 21, 23, and 24, 1953. In view of the rules of statutory construction referred to above and the circumstances here involved we conclude that the designations by the Department of Defense of Boy Scouts, Girl Scouts, and Camp Fire Girls as eligible donees are within the intent of the statute as now in effect. Also, since Boys' Clubs conduct educational activities (*Boys' Club of Detroit* v. *Pakula* (69 N. W. 2d 348)), and otherwise appears to be similar in purpose to the aforementioned organizations, the designation of such organization appears proper. Accordingly, your first question is answered in the affirmative.

The second question, being based upon a negative reply to the first, does not require consideration.

Your third question concerns limitations applicable to additional donees, and the question as hereinabove quoted is restated and enlarged in your letter as "What are the limitations to the inclusion of other similar organizations, national, regional, or local, so that they will not have to resort to legislative processes?"

Inasmuch as the words of the statute "such as maritime academies or military, naval, Air Force, or Coast Guard preparatory schools" are not, for the reasons heretofore discussed, viewed as precluding noninstitutional-type organizations, the limitations to the inclusion of other similar organizations would appear to be the facts of each particular case. Thus, where the facts regarding the activities of an organization would reasonably support a conclusion that it was engaged in educational activities, and such activities are deemed by the Secretary of Defense to be of special interest to the armed services because the activities of the organization are designed to develop the minds, bodies, and character of young people in qualities that reasonably might be expected to contribute to their usefulness in the defense of the Nation, or for other reasons, an administrative designation of such organization as an eligible donee would meet the requirements of the statute. The national, regional, or local aspects of an organization, except as to administrative problems which might arise as a result thereof, would not appear to be determinative. Your third question is answered accordingly.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Small Business Needs More Than Election Campaign Promises

EXTENSION OF REMARKS
OF
HON. WRIGHT PATMAN
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mr. PATMAN. Mr. Speaker, during the political campaigns of 1956 it was recognized that small business needed help. It was recognized that small business needed tax relief. It was recognized that small business needed help in securing credit and capital for survival and growth. Therefore, promises were made that the needed help would be forthcoming.

On May 16, 1956, I addressed the House and included in my statement on that occasion an abundance of statistics dramatizing the fact that the status of small business had been rapidly deteriorating. Some of these statistics were so shocking that many persons in responsible positions expressed concern about the situation. In fact, within 2 weeks President Eisenhower manifested a concern about the situation. On May 31, 1956, he appointed a Cabinet Committee on Small Business to investigate the economic conditions of small business enterprises and the policies of the Federal Government that could relate to the establishment and growth of small businesses. In that connection the President said that this newly established committee should keep the Federal Government "fully abreast of developments that affect small businesses. Its programs and policies aimed at assisting small business should be carefully reviewed at this time with the object of strengthening them where necessary, and of making recommendations for steps that will provide such enterprises with additional constructive assistance."

On August 7, 1956, the President's Cabinet Committee on Small Business made a report. In that period of national political campaigning that report was widely publicized. It contained statements looking with favor upon and recommending consideration of proposals providing tax relief for small business. The report contained a number of other proposals for helping small business. The President announced his favorable reaction to those proposals.

In the period of August, September, and October 1956, spokesmen for the administration of the Federal Government gave assurances that ways and means for providing tax relief and other helps to small business were under consideration and would be put forward at an early date.

I believe it is time to review and compare the administration's performances with those promises. When we do that we find that those promises have not been fulfilled. Perhaps they have been encased and stored away in the museums for safekeeping to be brought forth again in 1958 and in 1960 to be polished and held out to small business as new hopes on those occasions. However, I venture to predict that the administration and its helpers on Madison Avenue will find that the Barnum philosophy will not be successful when they attempt to apply it to small business. Small business is aware of what is happening to it. It is watching this administration. In 1958 and in 1960 it will not be fooled by the dusted-off, polished-up, promises that were used in 1956. Small business will know that those promises were not fulfilled. Indeed, "small business is up in arms these days" about the failure of this administration to live up to its promises of 1956. In that connection I refer to an article by John Harriman which was published in the Boston Daily Globe Thursday, April 18, 1957. That article is entitled "Brushoff in Washington Angers Small Business." It is as follows:

BRUSHOFF IN WASHINGTON ANGERS SMALL BUSINESS

(By John Harriman)

Small business is up in arms these days.

It is bitter over the deal it has received in Washington. It is deeply concerned over its future, and worried enough about the present.

And it is more than a little sick of having to listen to political platitudes and the old malarky which, in the words of a Business Week article last summer "put small business on a pedestal along with motherhood and purity on Pennsylvania Avenue," while doing nothing to solve its problems.

PROFITS DOWN TO LESS THAN 3 PERCENT

The fears of the future of small businessmen arise from a few quite startling figures.

Last year corporations doing over $100 million in sales, showed an average net on sales of 7 percent.

Those with sales of $10 million earned 5 percent.

But companies doing less than $1 million showed only 2.7 percent, and those doing less than $250,000 earned only 2.3 percent.

It need hardly be pointed out how vulnerable these smaller companies with their low margin are to any decline. Indeed, it might be argued that the plight of these smaller concerns is a perhaps not generally recognized Achilles heel to the whole economy.

Back of this situation are several factors. The habit of big corporations in recent years of granting wage increases, and passing the cost along to the public in price boosts. Small business, selling as a rule in tight, price-competitive markets, must meet the wage increase without being able to boost its price.

The fact that smaller businesses as a rule do not have the wherewithal to put huge sums into new, laborsaving machines, which might help hold down their costs.

And because smaller businesses do not often control their own sources of raw material, and in buying raw materials must hence too often pay the big corporation piper.

HUMPHREY PLUS NAM AND CHAMBER OF COMMERCE

All during the last political campaign, small business listened to the most lovely promises. It listened, too, to a report to President Eisenhower by the Cabinet Committee on Small Business. And it read with interest the two-volume report on its problems by the Joint Economic Committee.

As a result, small business had expected that at least some of the recommendations by these various agencies would be adopted—most specifically that which would reduce the income tax rate on the first $25,000 of corporate income.

But Secretary of the Treasury Humphrey gave the coup de grace to this hope in testimony before the Senate Finance Committee last month when he asked the continuation of the present tax rate and added that the decision must be made in 10 days, leaving no time for "study" of the small business problem.

Mr. Humphrey, who works strong magic in Congress, was supported by the stand of the National Association of Manufacturers, and the United States Chamber of Commerce. These organizations took the position that they did not wish to see the rate on small business reduced until all taxes were reduced.

This, to small business, was the final straw, the most unkind cut of all. Particularly the action of the NAM. That organization has always maintained that it represented small business interests as well as that of the big corporations. But right now small-business men are saying, "maybe."

Address by Hon. John W. McCormack at the Democratic Banquet, National Guard Armory, Washington, D. C.

EXTENSION OF REMARKS
OF
HON. CARL ALBERT
OF OKLAHOMA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mr. ALBERT. Mr. Speaker, the distinguished majority leader, the gentleman from Massachusetts [Mr. McCORMACK], delivered an outstanding address at the Democratic banquet held at the National Guard Armory here in Washington last Saturday evening. In this address Mr. McCORMACK outlined forcibly and succinctly the real political issues of the day and he demonstrated by concrete examples the total lack of unity in the ranks of the Republican Party.

The full text of this fine speech follows:

We are honored and so glad to have with us this evening a great Democrat, a fighting Democrat, a man who steered our ship of state with vision, with firmness, with courage, a man who will go down in history as one of the great Americans of all times, our valued friend, former President Harry S. Truman.

Harry S. Truman assumed the grave responsibility of Chief Executive of our country, and the leader of the Free World on the death of another great American—the immortal Franklin Delano Roosevelt.

The great humanitarian, Franklin Delano Roosevelt, gave to our country the leadership of hope and confidence that rehabilitated our country economically, politically and idealistically, from the depths of despair of the greatest depression of all times.

He also gave to our country the vision that saw and thwarted the evil designs of Hitler and nazism. He gave to the country and to the world the leadership that brought about victory in World War II.

The Democratic Party can point with justifiable pride to Franklin Delano Roosevelt and his great contributions in time of peace and in time of war.

Upon his death, Harry S. Truman assumed the office of President, and was elected in his

UNIVERSITY OF MICHIGAN LIBRARIES

own right in 1948 after one of the most amazing and spectacular campaigns in the political history of America.

During his service, the world faced with the menace of atheistic communism, Harry S. Truman met and faced the problems of his period of service in stopping and containing communism, in building America internally, and with a vision and courage that marks him as one of the greatest Americans of all times.

The world knew that while he was President, Harry S. Truman made his own decisions. The Communist and non-Communist world knew that when he made a decision, Harry S. Truman meant it.

There was no shifting from day to day or week to week on his part in the foreign policy of our country. He was firm without bullying. He was definite, consistent, courageous in his leadership, and in the making of policy in our national interest and in the carrying out of that policy.

During his service as President, the one man in the world that the evil-minded men in the Kremlin respected because they feared him, was Harry S. Truman.

Like Franklin D. Roosevelt, the Democratic Party can point with justifiable pride to Harry S. Truman, the courageous President.

And Wednesday next, May 8, is his birthday anniversary.

I know I express your sentiments and those of millions of others in extending our congratulations to President Truman and in wishing him and Mrs. Truman many, many more years of continued happiness.

There are countless millions of Americans who wish we had Harry S. Truman, or one like him, in the White House today.

The 1956 campaign made political history in America. The political phenomenon was the election of a Republican President and a Democratic Congress.

Our candidate for President, Gov. Adlai Stevenson, made a great campaign, a courageous one, based on intellectual honesty. He avoided no issue. He stated his position clearly. He stuck by his position despite the political distortion of his views by the Republican campaigners. His intellectual honesty in discussing issues that others would avoid was an education to the American people of a beneficial nature. For example, his courage in stating his position on the indescribably destructive nuclear bombs, which position was distorted for votes by the opposition, was an illustration of the statesmanlike manner in which he conducted his campaign.

While he failed of election, he emerged therefrom the real victor, enjoying the respect and confidence of the American people.

For we now see his views, so courageously stated, deliberately distorted during the campaign by the Republican high command, are now being adopted by the present administration as the policy of our Government.

On a straight political level between the 2 great political parties, the results of the 1956 campaign show that the people prefer the Democratic Party over our political opposition.

We can look forward with confidence to a great Democratic victory in 1958 on the National, State, and local levels, and a complete victory in 1960 with the election of a Democratic President. There are definite signs why we can make that forecast. With a Republican President, the Democratic Congress on the national level is giving our country the visionary and constructive leadership so necessary for our national interest in the field of foreign affairs and for our best interest in the field of domestic affairs.

With Democratic Presidents of recent past—the Republican Party—even when in control of Congress, was a mere party of blind opposition.

That is not the intended and proper role of a political party under constitutional government. With a Republican President, the Democratic Party in Congress has performed its intended and proper duties—of constructively supporting when in agreement, and constructively opposing when in disagreement.

The people are aware of this leadership and approve it.

The Democratic Party is the part of progress—the party of the people. It is generally known, and growing rapidly, that big business and those who favor tight money conditions are the hidden and actual forces in control of our Government.

The economic groups and millions of Americans who are discriminated against and adversely affected by this nonelected hidden control—for example, the farmers, the small-businessmen, the homeowners, those who want our great public resources protected from selfish, private exploitation, and others—know they can only look to the Democratic Party to bring to them the consideration and the justice to which they are entitled. Before this Congress is over, under democratic leadership, legislation beneficial to them will be enacted into law.

Another sign is the evident fact that the Republican Party is sharply divided—that it is splitting into bitter groups and factions—incapable of giving the country responsible leadership so necessary in this trying period.

It is plain now that the old guard and the Republican isolationists are no longer hibernating—they are no longer underground. It is also evident that a bitter fight for control of the Republican Party machinery with a view to the next Republican National Convention is going on and that the evidenced skirmishes of today will become the bitter battles of tomorrow, and this is most unfortunate at a time when national unity is vitally important.

As the people more and more realize this fact—appreciating that with such sharp division there cannot be responsible leadership in the Republican Party—and that the Democratic Party is giving responsible leadership, they will more and more turn to the Democratic Party as the party of responsible leadership and action.

For the Democratic Party is more organically united today than it has been for years—and that organic unity will grow and grow between now and the elections of 1958 and later—the presidential election of 1960.

In connection with this we must encourage in every way possible the organization work on the precinct level, the building up of all elements of the party, and particularly the building up of the women's organization, and, of vital importance, the building up of the Young Democratic organization and the attraction to our party of the youth of America.

On the question of the split in the Republican Party and its inability to function and serve the people in a responsible manner, pertinent and powerful evidence exists in support of the same.

For the rollcall records of the House for this session to date shows that the Republican Members of Congress are not supporting the recommendations of the President of the United States, the leader of their party.

It is very evident from a number of rollcalls in the House of Representatives that on recommendations made by the President, the great majority of his party are voting against him. In other words, the President goes one way—and the majority of his party in Congress goes the other way.

On April 4, 1957, rollcall No. 38 shows $204,000 was stricken from the budget estimate of the President in relation of the Office of Solicitor in the Department of Labor. This amount was necessary to carry out organic legislation of a beneficial nature. On that vote 241 Members voted in favor of the reduction and 171 against it. A breakdown of this rollcall shows that that 88 Democrats voted for the reduction and 129 Democrats against it. On the other hand, 153 Republicans voted for the reduction and only 42 against it. A vote against the reduction was a vote to support the budget estimate of the President.

On the same day, rollcall No. 40 was a vote on reducing the President's budget estimate by $136,000 in connection with carrying out laws relating to veterans' reemployment rights. That motion to reduce was defeated by a vote of 275 to 137, but the rollcall vote is very interesting on the Republican support in the House of Representatives of the recommendation of their leader. For the rollcall vote saw that only 30 Democrats voted for the reduction and 187 against. On the other hand, 107 Republicans voted for the reduction and 88 against.

On the same day there was another rollcall vote, No. 41, involving a reduction of $442,000 from the President's budget estimate for the Bureau of Employment Security. That reduction carried by a vote of 214 to 205. The rollcall breakdown shows that 72 Democrats voted for the reduction and 150 Democrats voted against it. On the other hand, 142 Republicans voted for the reduction and against President Eisenhower's recommendation, and only 55 voted against it.

On the same day, rollcall No. 42 was an amendment to reduce grants to States for unemployment compensation by $12,186,000. That motion carried by a vote of 220 to 200. A breakdown of the voted shows that 64 Democrats voted for the reduction and 159 voted against it. There were 156 Republicans who voted for the reduction and only 41 against it.

On the same day there was rollcall No. 45 to reduce the appropriation for the Bureau of Labor Statistics by a sum of $346,000. That motion carried by a vote of 217 to 201. The breakdown shows that 83 Democrats voted for the reduction and 139 against, but 134 Republicans voted for the reduction and 62 against.

On rollcall No. 46, which was a motion to reduce by $31,000 the appropriation for the Women's Bureau in the Department of Labor, this motion was defeated by a vote of 210 to 206. Its breakdown shows 61 Democrats voted for the reduction and 161 against. The rollcall vote shows 145 Republicans voted for the reduction and only 49 against.

On the same day there was rollcall No. 47 to reduce appropriations for the Wage and Hour Division of the Department of Labor in the sum of $288,000. This is a very important activity. This motion carried by a vote of 214 to 205. The breakdown shows 72 Democrats voted for the reduction, and 150 Democrats voted against it. It shows that 142 Republicans voted for the reduction and only 55 against it.

Rollcall No. 49 was a motion to reduce in the sum of $1,482,000 appropriations for the Office of Education. If this had carried, appropriations in connection with the retarded and exceptional children of our country would have been wiped out. This motion to reduce was defeated by 1 vote, 207 to 206. The rollcall shows that 73 Democrats voted for the reduction and 146 voted against it. It also shows that 133 Republicans voted for the reduction and only 61 against it.

Rollcall No. 50 on the same day was a motion to strike out $50 million recommended by the President for grants to States in connection with the control of the pollution of our rivers and streams. This was defeated by a vote of 231 to 185. The rollcall shows that 35 Democrats voted for the reduction, but 186 Democrats voted against it. On this important rollcall 150 Republicans voted for

the reduction and against their party leader's recommendation, and only 45 Republicans voted against it.

On April 17, 1957, there was rollcall No. 64 which is a very interesting one which involves the field of foreign affairs. The bill making appropriations for the State Department was before the House. A motion was made to reduce the appropriation for contributions to international organizations in the sum of $7,039,958. That motion was defeated by a vote of 205 to 156. A breakdown of the rollcall is very interesting—showing that 68 Democrats voted for the reduction and 131 voted against it. On the other hand, 98 Republicans voted for the reduction against their party leader's recommendation, and only 74 voted against it.

These series of rollcall completely support the fact that the Republican Party is split—that the Republicans in Congress are not supporting their party leader, who is the President of the United States, and that the people cannot look to the Republican Party for responsible leadership. The evidence clearly shows that the constructive actions are on the part of the Democratic Party in Congress and that it is the party of responsibility.

We read in the papers in recent days that President Eisenhower, upon his return from his recent vacation in Georgia, was going to the country to fight for his budget recommendations. Instead of going to the country to fight for his budget recommendations, I might suggest that what the President should do, based upon actual rollcall records, is to try and gain control of his own party in Congress, and to stop members of his own cabinet from rebelling against him.

It was only a few months ago that the Republicans under the leadership of Secretary of the Treasury Humphrey, and the President remaining silent when he should have acted, that they thought they were politically smart. The trap was set for the Democrats in the President's budget but it has closed the teeth on the Republicans.

They were just too smart for their own good.

The leader of the Republican Party, as President, realizes that he must now go to the people in an effort to prevent a too sharp reduction in his budget recommendation and particularly in the field of foreign assistance. As political leader he let things drift; now as President he belatedly realizes that the situation has gotten beyond his control and he must fight to try to get back control of the situation.

But the rollcall votes in the House of Representatives clearly show that the fight is in his own party, starting with the Secretary of the Treasury, George Humphrey. It will be interesting to see how successful the President will be in having his party in the Congress follow him.

The country is witnessing a President deserted by the great majority of his own party in the Congress. The country is watching the spectacle of this desertion by his own party at the outset of the President's second term, with the rebellion in his own party started by his own Secretary of Treasury. If any member of Franklin Delano Roosevelt's or Harry S. Truman's cabinet had done that, they would not have long remained a member of their cabinets.

It is fortunate that the country has a Democratic Congress at this time.

So, with the constructive action of the Democratic Party—coupled with the fueding and the lack of unity in the Republican Party—and with the fact that despite a Republican President the people can only look to the Democratic Party for responsible leadership—the prediction can be made with confidence of a great Democratic victory in 1958—and a complete victory with the election of a Democratic President in 1960.

Customs Supervision

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 6, 1957

Mr. McCORMACK. Mr. Speaker, under permission to extend my remarks I include a memorandum in justification of the proposed bill which is designed to prevent undue relaxation of customs supervision. In my extension of remarks, I also include a copy of the bill which I have introduced. The purpose of this bill is to more effectively protect the American people against the extensive smuggling into our country that is being carried on. This has particular reference to the smuggling into our country of narcotics, with its undermining effect. The passage of the bill will also have an important effect upon increased tariffs of our Government. In other words, the purpose of this bill is (1) to prevent smuggling; and (2) to enforce the tariff laws of our country.

The memorandum follows:

MEMORANDUM IN JUSTIFICATION OF BILL I HAVE INTRODUCED TODAY WHICH PREVENTS UNDUE RELAXATION OF CUSTOMS SUPERVISION

The primary purpose of the amendment proposed is to define more clearly the scope of administrative discretion to provide customs supervision of export-import activities which are by law subject to such supervision.

The need for the amendatory definition proposed has been made apparent by the way in which the Treasury Department and the Bureau of Customs have interpreted section 22 of the Customs Simplification Act of 1953. They have assumed a discretion to curtail essential supervisory functions which the law does not give. The actions taken thus far stand as a threat to survival of traditional safeguards heretofore deemed mandatory under the law. The integrity of those safeguards must be restored.

The section in question added a new provision to the tariff laws entitled "Customs Supervision" (sec. 646 of the Tariff Act of 1930, as amended, 19 U. S. C. 1646a). It was enacted for the specific purpose of relieving the Treasury from having to change existing practice under the marking and comparable provisions of the law so as to conform to outstanding court decisions which had held such practices not in compliance with the supervision requirement.

It was made clear by both Houses that the limited purpose and intent of section 22 was to validate certain existing practices of which the Members of Congress had been informed in the course of hearings on the section. Both the House and the Senate reported the section in the same wording it contained when introduced at the instance of the Treasury Department and when subsequently enacted. The Senate Committee on Finance stated on July 6, 1953 (S. Rept. 632 on H. R. 5877, 83d Cong., at p. 16):

"Section 22 adds a new provision to the Tariff Act of 1930 to permit the Secretary of the Treasury, in his discretion, to determine the degree of supervision by customs officers over activities which are required to be carried out under customs supervision. According to Treasury experts this ratifies and confirms existing practice. In many instances it has been impossible, because of limited budget and manpower, for the Treasury to conform rigidly to the laws interpreted by the courts as requiring constant and specific supervision of certain importing processes. By allowing a more efficient distribution of manpower this provision would make possible better supervision than is presently possible."

And on July 9, 1953, the House Committee on Ways and Means reported the provision with the following statement (H. R. Rept. 760 on H. R. 5877, 83d Cong., at p. 20):

"This section ratifies and confirms existing practice. It does not authorize relaxation of any safeguards against smuggling."

It is certain therefore that the Members of Congress intended by section 22 merely to confirm and ratify by statute the existing administrative practice in providing less than continuous Customs supervision for certain types of import activities only. It is equally certain that the new provision was not intended as a partial repealer of long-standing statutory provisions requiring direct and immediate supervision and inspection by Customs of those activities most likely to involve danger of smuggling and frauds upon the revenue.

The foregoing definite statements of a legislative purpose to confirm existing practice, as disclosed by testifying "Treasury experts" to the Members of Congress, were made against a background of overt disclaimer by such experts of any thought of using the new section as authority for changes in practice with respect to customs supervision. More particularly, Treasury officials acquiesced emphatically in the stated position that section 22 was not a blanket provision to relax generally the degree of supervision required by law in connection with customs procedures. It would operate, they insisted, only to preserve such intermittent supervision as was already practiced with respect to marking and comparable activities which were directly affected by the adverse court decisions intended to be nullified by the new section. This appears most forcefully from the following colloquy on section 22 which occurred during the testimony given in 1951 hearings before the House Ways and Means Committee on the Customs Simplification Act (H. R. 1535, 82d Cong., August 8, 1951) at pages 183, 185–187:

"Mr. NICHOLS (Assistant General Counsel, Treasury Department). * * * The purpose * * * of this section is to ratify existing practice, and there is no immediate intention to effect any changes in existing practice.

* * * * *

"Mr. MILLS. Mr. Nichols, in the analysis, on page 40 you point out, 'For example, section 304 (c),' etc. I can well understand that it is not necessary or it should not be required that a man continue in supervision over the proper marking of goods after importation, but your use of the words 'For example' would lead me to believe that there are other situations where you are now required to keep a man in constant supervision of certain operations and certain acts under court decisions that you are attempting to remove here.

"Now, what are some of the other situations?

"Mr. NICHOLS. Mr. Johnson will answer that.

"Mr. JOHNSON (Assistant to the Commissioner of Customs). The only court decisions we have are these two particular ones, but the supervision situations are numerous.

"For example, there is supervision of unlading a ship, that is, the taking off of the goods. Now, we feel that the supervision of the unlading, for example, of an oil tanker is very different from the unlading of a ship carrying packaged merchandise. The tanker needs a preliminary inspection, and then occasional visits to see that the cargo is going off in the normal fashion; whereas, for a package ship a man must be there to

UNIVERSITY OF MICHIGAN LIBRARIES

inspect every sling of packages that comes off the ship.

"Mr. MILLS. That is what I was getting at. You do not intend to relax the constant supervision in such a situation as the latter?

"Mr. JOHNSON. No, sir; but we do feel that adequate supervision of marking is merely such attendance of customs officers as will assure that the goods that were imported were all actually marked.

"Mr. MILLS. I can understand that.

"Mr. JOHNSON. The segregation of commingled merchandise, which we talked about earlier, is again something that does not require the constant presence of a customs officer.

"Mr. MILLS. But this relaxation would not mean that there would not be someone constantly in supervision—let me say it as we say it in Arkansas—of the unloading of a ship, where there are many and divers packages and items involved? You would still have constant supervision there?

"Mr. JOHNSON. Yes. And may I state, sir, that this does not propose any actual relaxation at all. It merely requests confirmation of the practice that has always existed, and which has been disapproved by the court in these two cases.

* * * * *

"Mr. NICHOLS. * * * I wanted to say, to clarify the question of changing existing practices, that we have no plan in mind to change existing practice with respect to the supervision required with respect to the marking requirements, or any other requirements. Obviously, we cannot see into the future and be sure that commercial practices will always remain the same, or, for that matter, that the legal requirements that we are enforcing in connection with this supervision will always remain the same.

"Mr. MILLS. Let me ask you a question right on this point, that I have been interested in for a long time.

"When shipments come from a country that engages in the legal traffic of opium and dope, and other items that are illegal in the United States, do you very carefully scrutinize the unloading and contents of such packages as may be on the ship from those countries?

"Mr. JOHNSON. We have a little informal terminology, in which we designate certain ships as 'hot' ships, and others just go without that designation.

* * * * *

"Mr. MILLS. And this section of the bill would not mean any relaxation or any letup in close supervision in those kinds of cases?

"Mr. JOHNSON. This has absolutely no relationship to enforcement work.

"Mr. MILLS. I knew in my own mind it did not, but I wanted the record to so indicate.

"Mr. COOPER. The fact is that nobody and nothing can come into this country without complying with the law of this country.

"Mr. NICHOLS. That is correct.

* * * * *

"Mr. KING. Who has the responsibility of supervising a ship's personnel when they leave the ship?

"Mr. JOHNSON. That is customs, sir. The customs mans the border. And in a big case, of course, there may be internal connections, and the customs and narcotics will then cooperate immediately on the same case."

Once the section under discussion in the foregoing passages became law, however, the Treasury Department accepted no such limited purpose in its interpretation of the authority granted by the new provision. Instead, the Department acted forthwith to make far-reaching changes in existing regulations so as to provide for relaxation generally of customs supervisory practices. The Simplification Act, which contained section 22, was enacted on August 8, 1953, effective September 7. On September 9, the Treasury Department promulgated a new general regulation which extends to every customs procedure required by law. With respect to all such procedures, the regulation authorizes supervision by customs officers to be by occasional verification whenever a principal customs field officer should so direct. The regulation reads (T. D. 53336, 18 Federal Register 5424–5425):

"PART 23—ENFORCEMENT OF CUSTOMS AND NAVIGATION LAWS

"10. In view of the addition of the new section 646 to the Tariff Act of 1930 by section 22, Customs Simplification Act of 1953, part 23 is amended by the addition at the end thereof of a new section 23.35 to read as follows:

" 'Sec. 23.35. Customs Supervision: Except as otherwise prescribed in the regulations of this chapter or by instructions from the office of the Secretary of the Treasury or the Bureau in particular cases, whenever any action or thing is required by the regulations of this chapter or by any provision of the customs or navigation laws to be done or maintained under the supervision of customs officers, such supervision shall be direct and continuous or, if the principal customs field officer shall determine that less intensive supervision will assure proper enforcement of the law and protection of the revenue, by such occasional verification as such officer shall direct. Nothing in this section shall be deemed to warrant any failure to direct and furnish a required supervision or to excuse any failure of a party in interest to comply with the prescribed procedures for obtaining any required supervision (sec. 624, 46 Stat. 759, sec. 22, 67 Stat. 520; 19 U. S. C. 1624, 1646).' "

This blanket provision was only the beginning. The Treasury has since used it to justify relaxation of customs supervision in numerous separate areas. For example, there is no longer any customs supervision of the lading of bonded oil. Signing of the ship's log by a lading inspector has been dispensed with entirely, and the entire operation is handled upon documents prepared by the importers themselves.

Other examples of relaxation of customs supervision occur in passing free of duty hundreds of thousands of mail packages without any examination by customs, in the export of merchandise for benefit of drawback without supervision, in merely spot-checking of passengers' baggage in certain instances, in allowing certification of exports from carriers' records without having the exports supervised by customs officers, in eliminating supervision of unlading of duty-free bulk cargo even though there is dutiable or general cargo on board or being discharged from the same vessel, in requiring the assignment of a single customs officer to perform all customs functions in connection with a vessel, or even a number of vessels at the same pier—a requirement which precludes any kind of real supervision over the operations involved. Further examples could be taken from virtually every phase of customs activities.

Some of the practices in curtailing customs supervision just noted, as well as others of the same character, were actually put into effect by the Bureau of Customs before and during the period when Congress was considering section 22 for enactment. But the Members of Congress were not apprised of the facts in this respect and were not made aware that section 22, if enacted, might be construed as a blanket approval of such practices. The section has been so construed by the administrative department. It is being looked upon as "blank check" authority to relax to an alarming degree the essential function of supervision and inspection by customs.

Nothing is more fundamental than that the customs service was established to supervise the activities of importers and exporters and to inspect the merchandise which enters and leaves this country. Congress has long realized and articulated in the basic legislation the importance to enforcement of the tariff laws of direct and active supervision by customs officers. The remarks of the chairman of the House Ways and Means Committee in the 66th Congress, addressed to a drawback provision in the tariff laws, are highly pertinent (hearing on general tariff revision, p. 4199):

"* * * If you give discretionary power in the law, you may make this provision very ineffective, for you may get men in office who will disregard their duties, as is the case in many instances right now * * *. I do not want to see a law written that leaves these powers discretionary where they can be made mandatory and apply justly and equitably."

Congress has never indicated an intention to have the enforcement of the tariff laws depend entirely upon the supposed integrity of carriers, importers or exporters. Indeed, supervision and inspection of their activities have always been deemed essential. Even though customs officials temporarily stationed in a certain area have confidence in the reliability of personnel representing certain carriers, importing or exporting firms at that time, the law does not contemplate the relinquishment, on affirmation of good faith, of the historic duty to supervise. Personnel changes may come, both in the customs service and in the private companies subject to their inspection and supervision, but the overriding necessity for supervision remains. Congress did not intend section 22 to be a wholesale authorization to the administrative department to ignore its obligation to inspect and supervise. Yet the section has been construed, at the very worst, to supply the agency with a weapon to nullify or veto the tariff laws, and, at the very minimum, to provide the agency with a tailor-made alibi for laxity in enforcement of the law.

In addressing the House of Representatives on August 20, 1954, Congressman JOHN W. MCCORMACK, of Massachusetts, expressed grave concern over the trend toward lax administration of the customs laws which had, even by then, become conspicuous:

"The Customs Bureau has, in recent years, extended the calculated-risk theory in connection with the supervision of the activities of carriers, importers, travelers, and others to an extent never contemplated by Congress when it passed the Tariff Act. Congress never planned that the barrier of customs protection should be made vulnerable by administrative relaxation of safeguards to an extent entirely out of keeping with the original intent.

"Packages arriving by mail are passed with only the briefest screening, and 95 percent of them receive no examination. Upon the arrival of vessels and aircraft only a spot-check examination is made of passengers' luggage. The physical searching of vessels and aircraft and other carriers has been lessened. The once vigorous routine of customs inspection is no longer vigorous or routine."

But with section 22 unmodified in the law, the administrative department has felt no compulsion to change the trend since Congressman MCCORMACK's warning. Administrative relaxation of customs supervisory functions has continued unabated and has even accelerated in many instances.

Amendment of section 22 is imperative therefore to confine section 22 to the purposes intended by the Congress when the provision was enacted and thereby to end the dangerous policy of calculated risk now followed widely in the administration of the customs laws under color of authority granted by the section as it stands at present.

A BILL TO AMEND THE TARIFF ACT OF 1930, AS AMENDED, SO AS TO PREVENT UNDUE RELAXATION OF CUSTOMS SUPERVISION AS A SAFEGUARD AGAINST SMUGGLING AND FOR THE PROTECTION OF THE REVENUE, AND FOR OTHER PURPOSES

Be it enacted, etc., That section 646 of the Tariff Act of 1930 (U. S. C., 1956 Supp., title 19, sec. 1646a), as added by section 22 of the act of August 8, 1953 (67 Stat. 520), is amended to read as follows:

"SEC. 646. Customs supervision; restriction on administrative discretion.

"Wherever in this act any action or thing is required to be done or maintained under the supervision of customs officers, such supervision may be direct and continuous or by occasional verification as may be required by regulations of the Secretary of the Treasury, or, in the absence of such regulations for a particular case, as the principal customs officer concerned shall direct: *Provided*, That nothing contained in this section or elsewhere in this act shall be deemed to authorize regulations by the Secretary of the Treasury or directions by a principal customs officer or other administrative official which permit less than direct and continuous customs supervision of the boarding, unlading and lading of vessels, aircraft (whenever required by statute or regulation to report for customs treatment), and vehicles arriving from or departing for any foreign port or place or carrying foreign cargo; the examination of baggage and personal effects of persons (passengers and crews); the delivery of foreign cargo; the lading of in-bond oil for bunkers; and the lading, unlading and sealing of bonded stores; or which permit customs examination of fewer than 25 percent by number of the mail packages arriving in the United States from foreign ports or places; or which require any customs officer or employee to certify to the accuracy of records, reports, documents, or papers of any kind or description prepared in connection with any aspect of customs treatment of persons or goods, by entering his name and title thereon or otherwise, in any instance where his supervision of the activity subjet to customs treatment to be certified to has not been personal, direct and continuous."

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 7, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, to Thy greatness we bring our littleness, to Thy strength our weakness, and to Thy abounding grace our minds and hearts to be cleansed of all unrighteousness and to be guided in the ways of truth and goodness.

Hitherto Thou hast supported and sustained us. We beseech Thee to uphold us still. Make us trustful and triumphant. Answer our loftiest aspirations with Thy divine inspiration. Inspire us with a faith that will make us faithful.

Show us how we may meet and master the temptations and trials which beset us as we labor for a nobler social order and seek to establish upon the earth the kingdom of peace and good will.

Grant that the confusion and chaos of our times may not cause our faith to become eclipsed by the spirit of doubt and defeatism.

In the name of our blessed Lord we offer our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

LOCATION OF HIGHWAYS

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent to extent my remarks at this point and to include certain excerpts from existing laws.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. McGREGOR. Mr. Speaker, as author of one of the Federal highway laws and senior member of the majority party on the Roads Committee, I have been contacted by many of my colleagues and advised that some governors and directors of highways of some States seemingly are leaving the impression with the people that the Federal Bureau of Public Roads determines the location of Interstate Highway Systems and the intrastate highway State systems in their various States. May I quote the law?

Before any projects are approved in any State, such State, through its State highway department, shall select or designate a system of highways. (Federal Highway Act (42 Stat. 212, sec. 6.))

Further, Mr. Speaker, relative to the subject of responsibility of locations in construction, may I respectfully refer you to Regulations for the Administration of Federal Aid for Highways, effective February 21, 1957?

Page 3, paragraph 1.6, programs of proposed projects:

Each State highway department shall prepare and submit to the Administrator for approval detailed programs of proposed projects for the utilization of any apportionment of funds made to the State under the provisions of the act.

Page 3, paragraph 1.8, surveys, plans, specifications, and estimates:

(a) Surveys, plans, specifications, and estimates for all projects shall be prepared by or under the immediate direction of the State highway department and shall show in convenient form and detail the work to be performed.

Statement of Clifton W. Enfield, General Counsel, Bureau of Public Roads:

From its inception in 1916 and including the 1956 act, the philosophy of Federal-aid highway construction has remained the same. The States make the surveys, prepare the plans and specifications, acquire the right-of-way, award the contracts, supervise construction, and maintain the highways when built. The State highway departments have the primary obligations to acquire the right-of-way and the control of access that is necessary for the highway facility.

The Bureau does not propose to dictate to any State how its right-of-way division should be organized or how it should perform its land acquisition functions.

Mr. Speaker, the above references and interpretations given by the authorities of the Federal Bureau of Public Roads clearly sets forth that the initiative, the planning, and specifications and the locations of highway projects where Federal funds participate is determined by the director of highways of the various States. The Federal Bureau of Public Roads do have the veto power when it is shown to them that plans and specifications or locations are not in accordance with good engineering and of the greatest benefit to the community. When this is done the Federal Bureau of Public Roads simply refuses to accept the plans and sends them back, requesting that new plans be submitted. They do not make recommendations relative to location.

May I repeat, the Federal Bureau of Public Roads do not locate or designate the locations of the various highway projects. This is under the jurisdiction of the proper State officials.

PRIVATE CALENDAR

The SPEAKER. This is the day for the call of the Private Calendar. The Clerk will call the first bill on the calendar.

WESTERN INSTRUMENTS ASSOCIATES

The Clerk called the bill (H. R. 1700) for the relief of Western Instruments Associates.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $2,375 to Western Instruments Associates, of Denver, Colo., in full settlement of all claims against the United States. Such sum represents losses sustained on contract numbered GS-08S-5126 with General Services Administration, Federal Supply Service, D. O. Volkman, Purchase Division, Denver Federal Center, Denver, Colo.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALEXEI FRANK

The Clerk called the bill (H. R. 2720) for the relief of Alexei Frank.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS and Mr. MASON objected, and the bill under the rule was recommitted to the Committee on the Judiciary.

ESTATE OF HIGA KENSAI

The Clerk called the bill (H. R. 5220) for the relief of the estate of Higa Kensai.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the estate of Higa Kensai, deceased, of Naha Shi,

UNIVERSITY OF MICHIGAN LIBRARIES

Okinawa, the sum of $1,500, in full satisfaction of all claims against the United States for compensation for the death of Higa Kensai, sustained on March 16, 1952, as a result of a criminal assault by an enlisted man of the Army of the United States while Higa Kensai, acting in his capacity as assistant police inspector, Ryukyus Police Department, was attempting to halt a fight between that enlisted man and another member of the Army of the United States: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with such claim, any contract to the contrary notwithstanding. Any person violating any of the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A. C. ISRAEL COMMODITY CO., INC.

The Clerk called the bill (H. R. 5707) for the relief of the A. C. Israel Commodity Co., Inc.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

WAIVING CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 288) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

The SPEAKER. Is there objection to the present consideration of the resolution?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this resolution be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

DONALD F. THOMPSON

The Clerk called the bill (H. R. 2264) for the relief of Donald F. Thompson.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit the accounts of Donald F. Thompson, of Knoxville, Md., in the amount of $223.08. Such sum represents the overpayment of accrued leave after serving in the Armed Forces in Korea in 1951.

The SPEAKER. Is there objection to the present consideration of said bill?

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection?

There was no objection.

MRS. FUSAKO TAKAI AND THOMAS TAKAI

The Clerk called the bill (H. R. 1520) for the relief of Mrs. Fusako Takai and Thomas Takai.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Mrs. Fusako Takai and Thomas Takai (the widow and the natural-born child, respectively, of Tohoru Tom Takai, late a citizen of the United States and a member of the Armed Forces) shall be held and considered to be nonquota immigrants as defined in section 101 (a) (27) (A) of the Immigration and Nationality Act.

With the following committee amendment:

Page 1, line 3, strike out all after the enacting clause, and insert "That, for the purposes of the Immigration and Nationality Act, Mrs. Fusako Takai and Thomas Takai shall be held and considered to be nonquota immigrants."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

TO WAIVE CERTAIN PROVISIONS OF SECTION 212 (A) OF THE IMMIGRATION AND NATIONALITY ACT IN BEHALF OF CERTAIN ALIENS

The Clerk called the joint resolution (H. J. Res. 308) to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

There being no objection, the Clerk read the resolution as follows:

Resolved, etc., That, in the administration of the Immigration and Nationality Act, Liesbeth Lohrie, the fiance of Maj. Larry E. Cahoon, a citizen of the United States, shall be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Liesbeth Lohrie is coming to the United States with a bona fide intention of being married to the said Maj. Larry E. Cahoon and that she is found admissible under all the provisions of the Immigration and Nationality Act other than section 212 (a) (9) thereof. In the event the marriage between the above-named persons does not occur within 3 months after the entry of the said Liesbeth Lohrie, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 242 and 243 of the Immigration and Nationality Act. In the event the marriage between the above-named persons shall occur within 3 months after the entry of the said Liesbeth Lohrie, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Liesbeth Lohrie as of the date of the payment by her of the required visa fee.

SEC. 2. Notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Alphonsus Ludovicus Rosalia Van Den Berghe and Anna Czekajlo may be issued visas and admitted to the United States for permanent residence if they are found to be otherwise admissible under the provisions of that act.

SEC. 3. Notwithstanding the provisions of section 212 (a) (9), (17), and (19) of the Immigration and Nationality Act, Mrs. Bronislawa Marini may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of that act.

SEC. 4. The exemptions provided for in this act shall apply only to grounds for exclusion of which the Department of State and the Department of Justice had knowledge prior to the enactment of this act.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. ELISE T. KIRK

The Clerk called the bill (H. R. 1412) for the relief of Mrs. Elise T. Kirk.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. AVERY. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

PACIFIC CUSTOMS BROKERAGE CO.

The Clerk called the bill (H. R. 1591) for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the Pacific Customs Brokerage Co., of Detroit, Mich., the sum of $29,502.55. The payment of such sum shall be in full settlement of all claims of the said Pacific Customs Brokerage Co., of Detroit, Mich., against the United States on account of the erroneous classification of certain baler twine, which twine was entered by the said company at the port of Detroit, Mich., during the period beginning on May 5, 1950, and ending on February 16, 1951, and was covered by 50 consumption entries: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES POMPA

The Clerk called the bill (H. R. 1612) for the relief of Frances Pompa.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $500 to Frances Pompa, of 98 West Avenue, Stamford, Conn., in full settlement of all claims against the United States as reimbursement for bond posted for John (Giovanni) Pompa on December 10, 1949: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account

of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RACHEL NETHERY

The Clerk called the bill (H. R. 1648) for the relief of Rachel Nethery.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act are hereby waived in favor of Rachel Nethery, Seattle, Wash., and her claim for compensation benefits arising out of the death of her daughter, Maud L. Nethery, who was fatally injured on March 29, 1919, while employed at the United States Navy Yard, Puget Sound, Wash., shall be acted upon under the remaining provisions of such act if she files such claim with the Bureau of Employees' Compensation, Department of Labor, within the 6-month period which commences on the date of enactment of this act. No benefits shall accrue by reason of the enactment of this act for any period prior to the date of its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MRS. HERTHA L. WOHLMUTH

The Clerk called the bill (H. R. 1758) for the relief of Mrs. Hertha L. Wohlmuth.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of section 32 (a) (2) (D) of the Trading With the Enemy Act, Mrs. Hertha L. Wohlmuth of Munich, Bavaria, United States Zone, shall be held and considered to have been a United States citizen at all times since December 7, 1941, and any notice of claim filed under such act by the said Mrs. Hertha L. Wohlmuth within 6 months after the enactment of this act shall be deemed to be timely filed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BENEDICT M. KORDUS

The Clerk called the bill (H. R. 1883) for the relief of Benedict M. Kordus.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CARL A. WILLSON

The Clerk called the bill (H. R. 2083) for the relief of Carl A. Willson.

Mr. HEMPHILL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

JOHN R. HILL

The Clerk called the bill (H. R. 3588) for the relief of John R. Hill.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That sections 15 to 20, inclusive, of the Federal Employees' Compensation Act, as amended, are hereby waived in favor of John R. Hill, Canton, Miss., and his claim for compensation for disability resulting from personal injuries alleged to have been sustained on February 4, 1947, while in the performance of his duty as a fire-prevention engineer, Department of the Army, Vienna, Austria, shall be considered and acted upon under the remaining provisions of such act in the same manner as if such claim had been timely filed, if such claim is filed within 90 days after the enactment of this act.

With the following committee amendment:

At the end of bill, strike out the period and insert a colon, and insert the following: "*Provided*, That no benefits shall accrue for any period prior to the enactment of this act except such medical expenses as may be found to be reimbursable."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CORNELIA S. ROBERTS

The Clerk called the bill (H. R. 4240) for the relief of Cornelia S. Roberts.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Cornelia S. Roberts, Bowie, Md., the sum of $3,500. The payment of such sum shall be in full settlement of all claims of Cornelia S. Roberts against the United States on account of an erroneous overpayment by her with respect to her Federal income-tax liability for the year 1945: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTIN A. McGRORY

The Clerk called the bill (H. R. 4538) for the relief of Martin A. McGrory.

Mr. SHEEHAN. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ALBERT H. RUPPAR

The Clerk called the bill (H. R. 5062) for the relief of Albert H. Ruppar.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Albert H. Ruppar of Washington, D. C., the sum of $291.45. The payment of such sum shall be in full settlement of all claims of the said Albert H. Ruppar against the United States for the cost of transporting household effects from Roslyn, N. Y., to Washington, D. C., necessitated when the said Albert H. Ruppar, an employee of the Civil Aeronautics Board, was transferred from his former official station at New York, N. Y., to Washington, D. C.: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

Page 2, line 3, strike out "in excess of 10 percent thereof."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JAMES F. WALSH

The Clerk called the bill (S. 120) for the relief of James F. Walsh.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That James F. Walsh, of Washington, D. C., is hereby relieved of all liability to refund to the United States the sum of $6,472.35. Such sum represents compensation received by him as an employee of the Air Materiel Command at Wright-Patterson Air Force Base, Ohio, during the period beginning October 11, 1954, and ending October 1, 1955, in violation of the dual office restriction contained in the Act of July 31, 1894, as amended (5 U. S. C. 62). In the audit and settlement of the account of any certifying or disbursing officers of the United States, full credit shall be given for the amount for which liability is relieved by this act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said James F. Walsh, an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNIVERSITY OF MICHIGAN LIBRARIES

RELIEF OF CERTAIN ALIENS

The Clerk called the resolution (H. J. Res. 307) for the relief of certain aliens.

There being no objection, the Clerk read the resolution, as follows:

Resolved, etc., That, for the purposes of the Immigration and Nationality Act, Felix E. Dayrit, Ciro Motti, Shee-go Chin, Isaias Antoine Elias Khoury, Mary (Marie) Khoury, Maria Arocha y Delgado de Sande, and Mrs. Nur Sami de Wejbe shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to each alien as provided for in this section of this act, if such alien was classifiable as a quota immigrant at the time of the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to reduce by one the quota for the quota area to which the alien is chargeable for the first year that such quota is available.

SEC. 2. For the purposes of the Immigration and Nationality Act, Jesus Marie Ambriz and Mrs. Noberta Cueto shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees.

SEC. 3. For the purposes of the Immigration and Nationality Act, Irmgard Glancy, Renee M. Silver, Hildegard Elfriede Herpel, Maria G. Connolly, Ursula Gertrud Ilse Vest, and Louisa Der Hacobian Bost shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this act, upon payment of the required visa fees, and upon compliance with such conditions and controls which the Attorney General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That, except in the case of beneficiaries entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

SEC. 4. For the purposes of the Immigration and Nationality Act, Nemesio Ramirez Moran shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee, and upon compliance with such conditions and controls which the Attornel General, after consultation with the Surgeon General of the United States Public Health Service, Department of Health, Education, and Welfare, may deem necessary to impose: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act. Upon the granting of permanent residence to such alien as provided for in this section of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SEC. 5. For the purposes of the Immigration and Nationality Act, Miguel Angel Guzman Nunez, Maria Sofia Wejbe, and Eleni Anastasiou shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees: *Provided*, That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act.

SEC. 6. The Attorney General is authorized and directed to cancel any outstanding orders and warrants of deportation, warrants of arrest, and bonds, which may have issued in the cases of Jose Jesus Chacon-Raya (also known as Joe Chacon), Chow Liang Ting-Wei, Maria Crocitto, and Salvatore Inga. From and after the date of the enactment of tihs act, the said persons shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and orders have issued.

With the following committee amendments:

On page 2, line 7, strike out the name "Noberta" and substitute in lieu thereof the name "Norberta."

On page 3, line 13, after the word "That", insert the following: "unless he is eligible for benefits under Public Law 2 of the Seventy-third Congress and Public Law 10 of the Seventy-eighth Congress."

The committee amendments were agreed to.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMDR. HUGH BARR MILLER, UNITED STATES NAVY

The Clerk called the bill (S. 394) to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 6248 of title 10 of the United States Code, which establishes limitations of time for certain naval awards, a Medal of Honor may be awarded, at any time not later than 1 year subsequent to the date of enactment of this act, to Lt. (now commander) Hugh Barr Miller, Jr., United States Navy, for conspicuous gallantry and intrepidity in combat with the enemy at the risk of his life, above and beyond the call of duty, during World War II.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MASON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 65]

Andresen, August H.	Fallon	Scott, Pa.
Bass, Tenn.	Flood	Shelley
Beamer	Fogarty	Sieminski
Boggs	Hébert	Smith, Wis.
Bowler	Hillings	Taylor
Buckley	Holtzman	Tewes
Byrnes, Wis.	Kearney	Thompson, La.
Chiperfield	Laird	Van Pelt
Dawson, Ill.	McIntosh	Vursell
Doyle	Meader	Walter
Durham	Minshall	Withrow
Eberharter	O'Konski	Zablocki
Edmondson	Powell	
	Rodino	

The SPEAKER. Three hundred and sixty-eight Members have answered to their names. A quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD SUPPLEMENTAL APPROPRIATION ACT, 1957

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes.

Pending that I ask unanimous consent that general debate be limited to 4 hours, one-half the time to be controlled by the gentleman from New York [Mr. TABER] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Mr. Speaker, I wonder if we could not get along on a little less time for general debate.

Mr. CANNON. Mr. Speaker, in view of the request by the gentleman from New York [Mr. TABER], I ask unanimous consent that debate be limited to 3½ hours, one-half the time to be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7221, the Third Supplemental Appropriations Act, 1957, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri [Mr. CANNON] will be recognized for one-half the time, and the gentleman from New York [Mr. TABER] will be recognized for one-half the time.

The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, we submit for the consideration of the House the third supplemental bill for the fiscal year 1957.

Mr. Chairman, I seldom bring an appropriation bill to the floor these days without recalling, perforce, the parson who in announcing his text one Sunday morning said, "I shall choose as my text today the 6th verse of the 24th chapter of that Good Book, Melchizedek."

Then, as if in afterthought, he raised his hand and asked, "How many here have read the rest of that chapter?"

Most of his parishoners had read the Bible pretty thoroughly, so almost without thinking they raised their hands. "Ah," he said, "you are the very people I want to talk to. I shall talk this morning about liars. There is no book of Melchizedek in the Bible."

There are many here who on numerous and sundry occasions, and especially immediately preceding a certain day last November, pledged themselves to vote on all occasions for economy. With

some of them in mind, I choose as my text this morning the 6th verse of the 24th chapter of that Good Book Melchizedek."

While this is a supplemental bill, Mr. Chairman, it differs from the last deficiency bill we considered here in the House in that the deficiency bill carried an item of $41 million in contravention of the antideficiency law.

I am glad to say that in this bill, the third supplemental bill, there is no item in contravention of the antideficiency law; they are supplementals or regular deficiencies incurred, within the framework of the law in the routine administration of the government.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman from Missouri has been speaking of deficiency and supplemental appropriation bills. Will the gentleman tell me the difference between a supplemental appropriation bill and a deficiency appropriation bill?

Mr. CANNON. As the gentleman is doubtless aware, it is, in common usage, largely a distinction without a difference; however, generally speaking, a deficiency is one in which in the administration of the law the amount provided has, unavoidably and within the exceptions permitted, been insufficient to provide for the activities which the department was instructed to perform, resulting in spending at a rate requiring additional funds for the year. A supplemental is not necessarily a deficiency in that respect but is brought in for various reasons, such as new programs, increased work, and the like. A literal deficiency occurs whenever the amount appropriated has actually been overobligated or overexpended.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman from New York.

Mr. TABER. Are there any new items in this bill for the starting of new programs?

Mr. CANNON. Certainly. But nothing in contravention of the antideficiency law.

And I am glad to report, Mr. Chairman, and I will include a tabulation in the CONGRESSIONAL RECORD, to that effect showing that up to this time we have disposed of 8 of the regular bills for the fiscal year 1958, covering about 23 percent of the budget estimates to be considered; that there yet remains some 77 percent undisposed of.

In those 1958 bills, which the House has passed, we have made an average saving of 7.6 percent of the budget estimates they covered. Out of budget estimates aggregating $14,968,542,403, we have saved, we have cut the budget, we have reduced the estimates $1,141,175,749.

I might say in passing that there is a wide difference in the amount we have cut from the several bills.

The lowest saving was made on the Treasury-Post Office bill which we cut 2 percent. We cut the Department of Commerce bill an aggregate of 25 percent. As between those two extremes, the smallest at 2 percent and the highest at 25 percent, we cut an average of 7.6 percent. If we can maintain that rate of saving in the bills yet to be processed, we can save enough money to bring in a tax bill this session of the Congress.

The tabulation follows:

Summary of House action on fiscal 1958 appropriation budget estimates, 85th Cong., 1st sess.

Appropriation bill	Estimates	Cumulative estimates	Bill reduction	Cumulative reduction	Percent reduction	
					Bill	Cumulative
Treasury-Post Office	$3,965,291,000		$80,364,000		2.0	
Interior	515,189,700	$4,480,480,700	60,794,000	$141,158,000	11.8	3.2
General Government matters	20,921,870	4,501,402,570	4,900,500	146,058,500	23.4	3.2
Independent offices	5,923,195,000	10,424,597,570	537,993,300	684,051,800	9.0	6.5
Labor, HEW	2,981,277,581	13,405,875,151	134,446,000	818,497,800	4.5	6.1
District of Columbia (Federal payments only)	25,504,450	13,431,379,601	3,000,000	821,497,800	11.7	6.1
Commerce	871,513,000	14,302,892,601	217,827,940	1,039,325,740	25.0	7.2
State-Justice-Judiciary	665,649,802	14,968,542,403	101,850,009	1,141,175,749	15.3	7.6

Mr. MASON. Mr. Chairman, will the gentleman yield for a question?

Mr. CANNON. I am glad to yield to the gentleman from Illinois.

Mr. MASON. The gentleman says we will save enough for a tax cut. Why not specify the amount? If we continue to save as we have it will make between five and one-half and six billion dollars.

Mr. CANNON. The gentleman is eminently correct and I am glad to have his suggestion. He speaks always with authority, with wisdom and good statesmanship—and especially whenever he corroborates what I am saying.

There is continued interest throughout the country in the 1958 budget. Some say the Congress is losing control of expenditures. Some say Congress has relinquished control of the purse strings of the Nation. And there are those in our constituencies who are beginning to insist that we retrench expenditure enough to reduce taxes.

I want to read just one letter received in this morning's mail.

DEAR SIR—

He does not say "Dear friend."

DEAR SIR: I see from the papers that you and your committee are stalling on cutting the budget. What in the hell is the matter with you fellows? Are you afraid of the lobbyists, of the bureacrats? Are you afraid of the Pentagon and pressure groups?

You have an exceptionally clear mandate from the people.

Token cuts do not mean a damned thing. You have got to cut $6.5 billion at least. The * * * income tax has got to come down and come down now.

That is a fairly typical letter. It expresses in rather forceful language the trend of sentiment back home.

Mr. Chairman, it is high time for us to start on the back trail, and I trust the committee will have your approval and cooperation and support in cutting at least 7.6 percent from the rest of this budget, if not more.

Mr. TABER. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, this bill has a total involved of $79,840,785 plus $2,787,400, which is included in an agricultural item where the budget estimate was for $28 million plus, and another item for a little over $1 million for the District of Columbia.

The controversial features of the bill do not appear in the report except in the references on page 13 where it refers to the Flood Indemnity Administration. We carried something like $500,000—I have forgotten exactly—for a Flood Indemnity Insurance Administration to study the matter and work out a plan for handling that sort of thing. The folks who have charge of it have not come in with a very clear sort of a plan that could be made operative. The cost of this flood insurance would be in the neighborhood of $1 a hundred. That means $10 a thousand. You know that in any kind of a good risk, fire insurance runs something like 70 cents a thousand. That means that the insurance would be $100 on a $10,000 house, which is the limit. But it could run into very big figures on business properties. For instance, if anybody carried $250,000 flood insurance on a business property or a business operation, the premium would be $2,500.

The law provides that if this operation gets started the Federal Government will pay 40 percent of the insurance premium. That 40 percent, as I understand it, will go to the brokers and the insurance companies who manage the distribution of the insurance. I do not know exactly how that sort of thing would work out, but the Federal Government would pay all losses. I have gotten that far; I understand it to that extent. If we had accepted the $50 million figure, the program could have been placed in full operation. Just exactly how it would work out, I do not know. But I do know that it is a tremendously involved and a tremendously dangerous thing for the Federal Government to get into.

I am not unsympathetic toward the people who have suffered from flood damage, but I do not see how this could possibly work out. I do not see how there could be enough people in marginal territory, where they very seldom have anything of that kind, to make it an attractive proposition in the slightest degree.

That was one of the main items that was refused. There was one item in the military bill that I understand the committee originally expected to be able to find the $30 million requested for military pay out of the new bill. But the delay in the consideration of that bill, because of the protracted hearings, has made it necessary for the committee to come in and

UNIVERSITY OF MICHIGAN LIBRARIES

ask to have that item included. There was a budget estimate, but the committee did not consider it because they thought they could take care of it in the regular annual bill.

We have made a great number of savings in the bill as we have gone along. I do not believe there are any very substantial items that will have to be increased. I do not mean by that that they will not be increased in the other body, but I hope not. On the other hand, in the items we are going to consider from now on we are going to have enormous numbers of items in the military, in the foreign-relief picture, in the situation relating to rivers and harbors and flood control, in military construction, and in some of the agricultural items in the bills to come where those items will not be effective to draw money out of the Treasury until the following fiscal year after fiscal 1957. None of the bills we have had so far, probably with the exception of maybe $150 million, maybe less than that, will be items that will be disbursed during other than the fiscal year; in other words, the bills we have so far considered are the bills where the money goes right out in that fiscal year for which they are appropriated.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. MASON. Would the gentleman say that if the House continues at its present rate on its economy drive the economy drive is won as far as the House is concerned, and it will be won or lost in the other body?

Mr. TABER. I would say that the House has made quite satisfactory reductions in the bills that have so far gone out, with a few exceptions.

Mr. MASON. That is right.

Mr. TABER. There were several items here where the reductions did not hold that were made in the Committee of the Whole, where the Members had a chance to hear what the thing was all about. But we are approaching a situation where as to most of the bills that will come in 60 to 70 percent of the items will not be paid out of the Treasury until the following year and maybe in some cases the three following years, especially in the military, where the contracts have to run a considerable period. This means that we will not have the Treasury in shape where we could think about a tax-reduction at this time.

We are now up against this situation: I have not seen the figures for the last 2 or 3 or 4 days, but we are not in as good a position toward balancing the budget today as we were a year ago at this time. Total receipts so far are $62,600,000,000 as against $58,600,000,000 a year ago, or $4 billion better. But there are total withdrawals, and this is to the 2d of May, of $65 billion as against $59 billion a year ago. That means that we are, just as I said, approximately $2 billion worse off than we were a year ago.

Mr. MASON. That is as a cash position.

Mr. TABER. Our cash position is that much worse off than it was a year ago, and that means we are further away from a balanced budget.

Mr. MASON. Would the gentleman yield for another question?

Mr. TABER. I yield.

Mr. MASON. Would you say I have been wrong for the past 6 weeks in predicting that the economy drive is won in the House, but that everybody in the Nation should turn their guns—their economy guns—on the other body if they want the other body to hold the line that we have established?

Mr. TABER. Well, I do not know about that.

Mr. MASON. That is what I have been doing, whether I have been wrong or not.

Mr. TABER. I would not say the gentleman has been wrong because most of the regular bills outside of those 3 or 4 that I have mentioned are in the other body and that is where they are operating on the cuts that we have made. I do not think we have made very many cuts that would not bear full and complete analysis. I do not believe we should accept too many increases from the other body.

Mr. MASON. Oh, I will agree there, but I have heard that our cuts have been fatuous and one of the Members of the other body, a very distinguished Member, told me personally he thought many of our cuts were irrational. And so from that——

Mr. TABER. I have not seen any cuts that could be so described. We have failed on some cuts where rationalization would have approved those cuts and where the factual situation would have approved the cuts. But, you have to expect differences of opinion—deep differences of opinion on such things as that before we get to the point where they really understand. I would not think we could ever expect these cuts could help us too much in achieving a balanced budget and in the direction of a tax reduction—even into the middle of next year. Perhaps, after the middle of the fiscal year 1958, we will be able to see better light. But, if the tendency is going to be that we steadily maintain a position of a couple of billion dollars worse off than we were a year ago when we had a balanced budget, it is going to be very difficult to talk about tax reduction with that kind of picture staring us in the face. I do not mean that I would not enjoy a tax reduction myself. I do not know whether there is anybody in the Chamber who would not. But, we cannot go as far as to have tax reduction unless we are in a position to still have a balanced budget. That is something that we must keep in mind.

I do not think that there is anything more I care to say at the moment. I may have something to say later on when amendments are offered, and at that time I will take the floor if I have an opportunity.

The CHAIRMAN. The gentleman from New York [Mr. TABER] has consumed 19 minutes.

The gentleman from Missouri [Mr. CANNON] consumed 14 minutes in his remarks.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, I take this time to inform the House that when we reach that section of the bill, on page 5, Independent Offices, I intend to offer an amendment which will insert $14 million for the Federal Flood Indemnity Administration. We are not now arguing the question as to whether the Federal Government should go into the business of providing insurance against floods. That was settled last July overwhelmingly in this House and in the other body. Bills were filed in this body and in the other body as a result of the devastating floods of August 1955. Hearings were held all over the Nation after the floods of 1955 to get an expression of public opinion on whether or not the Federal Government should go into the flood insurance business. Committees recommended to this Congress that the Federal Government should go into this field. As a result, bills were passed in both Houses.

In the second supplemental appropriations bill for 1957, this Congress appropriated $500,000 to the Housing and Home Finance Administration, specifically to its constituent agency, the Federal Flood Indemnity Administration, to make a study of the problem and to come up at this session of the Congress with its program and plan. So, the head of the Federal Flood Indemnity Administration, in conjunction with some 10 or 12 employees, has been sitting in with the private insurance industry to come up with a feasible plan for Federal flood insurance, and this is the plan that he recommends to the Congress. The Housing and Home Finance Administrator requested the Bureau of the Budget for a sum of $50 million to run the program for fiscal 1958. It is my intention to reduce that item to $14 million. This $14 million is for the express purpose of providing the operating expenses to the private insurance companies that will write the contracts, will sell the insurance, and adjust the losses.

As I said a moment ago, it is not a question of whether or not we want Federal flood insurance. That has been resolved. The people have decided we ought to have it. The Congress overwhelmingly decided we ought to have it. Because of that fact, and since we established the program itself almost a year ago, it would seem to me we have an obligation here and now to provide the money to implement that program. What the Federal Flood Indemnity Administrator has asked, $14 million, is all that will be necessary to sustain the program for fiscal year 1958. When they reach that part of the bill I hope this House will join me in supporting the $14 million request.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. CANFIELD. As I recall, last year when this bill was passed by the House it received a two-thirds vote. It had been recommended by the President of the United States and it was supported on this floor by the leadership on both sides of the aisle.

Mr. BOLAND. The gentleman is correct. This bill was recommended by the President of the United States, and

many bills were filed in the Senate and in the House. Those were the bills that ultimately were written into law.

Mr. CANFIELD. In all fairness it had been previously recommended by President Truman in 1951 and 1952.

Mr. BOLAND. Yes; Federal flood insurance is not a new problem as far as Congress is concerned; it has been under study for a great length of time. I believe there was some reference to its being a monstrosity and that if we studied it a little longer they would come up with a better program. But the Federal Flood Indemnity Administrator has said he requires no additional time to make further study of this subject, that this is the best program he can bring to the Congress at this time.

This is the best program he can come up with at this time. Any time a better plan is devised we can adopt it.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. BONNER. I want to associate myself with the position taken by the distinguished gentleman from Massachusetts on this matter of flood insurance. This whole country is interested in it, for all parts of the Nation have experienced disasters. People have endeavored to buy this type of insurance.

It is an experiment; it is admitted that we do not know just what the outcome will be, but unless we continue this step and make an effort to give at least partial security from flood damage to the citizens of America we will have to continue to carry on the disaster relief programs, and they will amount to more in dollars than any probable deficit that may result from this program. This program gives an opportunity to the American citizen to join in paying for the disaster programs across the country so as to give security to people in every segment of the country.

I hope when the gentleman's amendment is offered that there will not be strong opposition to it. We realize that there is some opposition; and I appreciate the position that the Committee on Appropriations has taken with regard to it, but, on the other hand, it must be understood that the legislative committee spent months and months on this study and had hundreds of witnesses before it. Members of the House appeared before the legislative committee. I spent an hour before the committee. I introduced a bill on the subject, which was extensively considered by the Banking and Currency Committee.

Out of all the bills that the House offered to the Banking and Currency Committee they came up with a bill that this House overwhelmingly passed. So the House has expressed itself, as the gentleman from Massachusetts says, with respect to this insurance, that not being able to get it from private industry the Federal Government should go into this field and experiment with it and find out once, last, and for always, whether it is feasible, and if it is feasible and practicable, then turn it back to private business.

I congratulate the gentleman.

Mr. BOLAND. I appreciate the gentleman's interest and kind remarks.

Mr. BONNER. The gentleman will get much support from the membership of this House and throughout the length and breadth of this country, I believe.

Mr. BOLAND. The gentleman is absolutely right in his observations. As a matter of fact this legislation is not permanent, for the authorizing legislation provided that the Federal Flood Indemnity Administrator must come back to Congress in 1961 with recommendations as to whether we should continue the program, as to whether it is feasible and practicable. If it is not feasible and practicable that is one thing, but if it is found to be so, then it might well be that private insurance companies will get into the field. It is one, as the gentleman from North Carolina had indicated, that private insurance companies have pulled away from because of the very great potential for tremendous losses in great disasters. But experience may prove that if properly handled it will be practicable and private industry may well want to assume the burden that we think it ought to assume; but until it can I think there is a responsibility on the part of the Congress to assume this burden and continue this program as laid out in the authorizing legislation.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Connecticut.

Mr. SEELY-BROWN. I congratulate the gentleman on his announcement that he will offer an amendment. Can the gentleman advise us as to why the figure of $14 million was chosen rather than the full amount?

Mr. BOLAND. The figure of $14 million instead of the full amount of $50 million was chosen because that is all that is necessary to get the program started. The administration asked for $50 million. This $14 million will be used to reimburse private insurance companies that will write the insurance, that will enter into the contracts with those who want the insurance, that will take care of the problems of adjustments and losses and that will actually run the program, with the exception of the Federal administration of the program, which will be handled by the Federal Flood Indemnity Administration. The other $36 million is for that part of the Federal subsidy which would be paid by the Federal Government into this program. That $36 million would be set up in a reserve insurance disaster fund.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. BOLAND. Mr. Chairman, that $36 million will be set up in a reserve to pay losses, but under the authorizing act the Federal Flood Indemnity Administration has the borrowing authority to go to the Treasury and borrow $500 million to pay for any losses. So it is possible to get the program started without the 40 percent Federal subsidy being put into a reserve to pay for losses. That is the reason why we do not need the $36 million at this time.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from New Jersey.

Mr. CANFIELD. It is not the function of the House Committee on Appropriations to say that a bill enacted into law last year, approved by this body by a two-thirds vote, shall be null and void because we will not give this agency any money.

Mr. BOLAND. I think the gentleman makes a good point except, as was pointed out in the full committee, there is money left over and, actually, the program would not be killed. It would be extended to study a little bit longer to see if we can come up with a better program. I appreciate the sentiments of the Independent Offices Subcommittee. Seldom do I disagree with its chairman, our distinguished colleague from Texas, who is one of the very best and one of the greatest Members of this House, one of the best informed and I would say he is one who has very persuasive ability either on the floor or in the committee and with the Members of the Congress and agencies that come before the committee as any Member in the Congress. I do not like to disagree with him here. He establishes his point in the fact he thinks they can come up with a better program and well they might, but, as a matter of fact, the administration says this is the best they can offer at this time.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I want to associate myself with the gentleman from Massachusetts [Mr. BOLAND] and also with the remarks made by the gentleman from North Carolina [Mr. BONNER], chairman of the Committee on Merchant Marine and Fisheries. It would be a grave mistake, in my opinion, if we adopted the position taken by the majority of the full Committee on Appropriations. We must also bear in mind that people all over the country are intensely interested in this program. Nobody knows when floods are going to happen again or in what part of the country, or when a hurricane will hit any part of our country. Furthermore, for many years, we have been experimenting in farm legislation. The fact that this was more or less of an experimentation did not deter us from passing legislation to try to meet the problems of the agricultural life of America. It seems to me it would be a great mistake if we sent a message to the country that we were going to for all practical purposes default in this great program which is of such vital interest to all sections of the country.

Mr. BOLAND. Is it not true that the Federal Government has picked up the tab of persons who have suffered from these losses without their paying any of the cost at all?

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield to the gentleman from North Carolina.

Mr. BONNER. The distinguished majority leader from Massachusetts, whom we all respect, and that is true of Members on both sides of the aisle, has made

UNIVERSITY OF MICHIGAN LIBRARIES

reference to experimentation in the farm program. Let me say to those from the cities that this House has made experimentations in the housing program and they have proven to be very successful. This Congress went into the field of housing that private industry would not enter. All Members from the cities and all Members from the rural areas have supported the housing program. It has proved successful. So, therefore, it cannot be said in advance that this flood insurance program could be any more subject to failure than the other programs that we have experimented with and have been successful with.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield further.

Mr. BOLAND. I yield.

Mr. McCORMACK. I thoroughly agree with my friend Mr. BONNER. I picked out agriculture as an illustration, and that is dynamic democracy, to experiment.

Mr. BONNER. And the housing program is also dynamic democracy.

Mr. McCORMACK. Certainly.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield further?

Mr. BOLAND. I yield.

Mr. CANFIELD. It is my understanding that if the gentleman's amendment prevails, policies can be issued within 30 days by the Government agency.

Mr. BOLAND. The gentleman is correct. As a matter of fact, the administration is now entering into contracts with private insurance companies in anticipation of the program being implemented by this Congress. In the final analysis, the program is going to be run by private insurance companies, with the exception, as I say, of administrative costs to the Government.

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, it is not an easy task to disagree with so many Members of the House on a piece of legislation. But, as a member of the Independent Offices Committee, after hearing the testimony from the Housing and Home Finance Administration in favor of this appropriation which they sought of $50 million, we decided by a majority of the committee that it was best not to approve that amount but to allow the housing organization, Mr. Cole, the Administrator, and Mr. Meistrell, the Commissioner for Flood Indemnity Insurance, through continued study, to see if they could not bring up a plan that would be more universally patronized from the standpoint of the patrons' cost of the insurance and that would not threaten the Government with such a tremendous loss as might happen if we put the show on the road, so to speak, at this time, with the result that we did not approve this $50 million requested.

Now, I would like to say that it is true that Mr. Cole, the Administrator, and Mr. Meistrell, the Commissioner, and others in that organization came before our committee and told us that they contacted a great many hundred insurance organizations as a matter of planning and study and policy and that they felt that this was about the best they could do, at least up to the present time.

Now, my opposition to this does not stem in any way nor are my remarks to be a criticism in any way of the Federal Housing and Home Finance organization that would administer this legislation. On the contrary, I do not know where it could be placed in better hands. I think Mr. Cole, the Administrator, and Mr. Meistrell and his associates have proven themselves to be capable administrators. I think there is no question about the competency of the commissioner who is appointed from that organization to do the very best he can, but we are almost a year removed from late in one afternoon that we passed this bill, this flood-insurance bill. You will recall that there were a number of hurricanes, named after feminine names, in this country that had struck here and there throughout the Nation. They had brought a considerable amount of hysteria to the people of the Nation and sometimes I think that the Congress, as robust and forthright as it is, is affected by that hysteria. Maybe we catch a little of it ourselves.

So today I think we should take another look at this matter, in a calmer mood than when the bill was passed, with only a short debate, without a rollcall, in the other session of the Congress.

There has been something said about the $14 million they would like to put back into the bill. That $14 million will be used to pay the private insurance companies of the Nation to write this insurance, to put it on their books. With all of the study of rates that they have done in their conferences with the private insurance people they came up with what they thought would be a rate of about $3 per hundred. The fact is the estimates range from $1.50 to $12 and $13.50 a hundred. In fact, nobody knows what those rates should be. The other $36 million would be paid out for the premiums on the policies that people will take out to the extent of 40 percent of each policy. That is, 40 percent of the cost would be paid by the Federal Government. That would take some $36 million.

We felt that the premium costs would be almost prohibitive to those who would be interested in this kind of insurance even with the Government participating in the payment of the premium to the extent of 40 percent. Consequently we recommended that they take the $325,000 that was left, take another look at the problem, hold some more conferences, and see if they can come up with a plan that would receive the acceptance and the participation of the people and at the same time would not provide such a great threat to the Government going into the insurance business.

Most of the people in this Nation today are contacting the Congress about the budget. It may be said at the outset that if they are successful in writing $3 billion worth of insurance the first year, and the Government would be paying 40 percent of it, as I recall the testimony before our committee by representatives of the Housing and Home Finance Administration, that testimony indicated and in fact said there would be a loss of about $50 million. Now we propose to put the Government directly into the insurance business in a field to which the best insurance brains of this Nation have given thought for possibly over a century and decided because of the type of the insurance that they could not afford to take the risk.

I think everyone in this House has had some experience with insurance and I know they will agree with me when I say that here we propose to write insurance for policyholders only who are vulnerable to flood disasters or losses; and successful insurance companies, who have done such a great job for this country throughout the past century, have always been careful to select their risks. In other words, they would not take an abundance of bad risks. First, they try to write the best risks that they can get. They felt their way along because they knew and we knew that unless an insurance company scatters its risks so widely that it gets more premiums than it has to pay out in losses, the company will go broke. That will do the officers of the company no good and the people they insure no good.

We have faith that if given more time the Housing Administration can, and will, improve it in the field of policy and programing.

Mr. Frank J. Meistrell, who has been delegated by Administrator Cole as the Federal Flood Indemnity Commissioner, has had considerable experience as an insurance lawyer and in his work thus far is to be highly commended.

I believe it is well at this time, almost a year removed from the emotional atmosphere that pervaded sections of the country and the Congress as well, that the Congress now, in this calmer atmosphere, take another look at what we did less than a year ago, and consider the financial magnitude of this program.

We are now called upon to put the Government into the insurance business to the extent of from $3 billion to $5 billion, and maybe many billions more, at a time when many people say the Government is already too big, and are urging that the Government get out of business.

Most of the people of this Nation today are urging the Congress to adopt the Hoover reports, which, from beginning to end, urge the Congress to get the Government out of competition with private business, because private enterprise can nearly always do the job better and at less cost than can the Federal Government.

And this seems important to me: We are asking the Government to put up from $3 billion to $5 billion, or more, to be used in paying 40 percent of the premiums that will be charged and paying all the insurance losses that may be sustained; and, in addition, paying on insurance largely written on property in valleys and along the rivers and streams of this country, which are subject to property and business damage by floods. It is true, no insurance companies will handle this type of business because the risks are too great.

All insurance companies, and nearly every businessman knows that any insurance company that makes a success and is able to pay off its risks must spread its business coverage very wide

and be so conscious about the risks it writes that they will collect a total of premiums much greater than their total losses. They want the best risks, and they refuse to take the bad ones. That is why they are successful.

Yet, this bill puts the Government into the insurance business in a way that it knows the Government cannot win, and is bound to lose. The only risks and the only business the Government can get is by agreeing in advance to pay 40 percent of the premium, and all of the losses, if necessary. The reason is that the only property we can cover is along the rivers and streams and in the valleys for businessmen, farmers, and laborers who live in these areas that are often flooded. The man living on the hilltop and away from those along the rivers and in the valleys has no use for this insurance, and consequently the Government can write no safe business but can only write the business that no insurance company will have.

The Government will even write insurance on property along the lakes and along the ocean shores, and is directed to do so under this bill, and at times tidal waves do great destruction, especially when they are boosted along by the hurricanes, such as struck along the Atlantic coast last year.

Now, let me read from testimony before our committee by Mr. Frank J. Meistrell, the Federal Flood Indemnity Commissioner:

An appropriation of $50 million, to remain available until expended, is requested at this time for subsidy contributions authorized by statute under the direct insurance program, and for operating expenses under contract with private insurance organizations.

PROGRAM SUMMARY

Here is testimony from Mr. Meistrell, the Commissioner of Federal Flood Indemnity, and I quote:

Flood indemnity is a new and experimental undertaking by the Federal Government. Insurance of this type has never heretofore been generally available through any public or private agency. This fact, together with an almost complete lack of credible data on exposure to flood damage, essential to rate-making, has made program planning an extremely difficult and lengthy task.

The Flood Insurance Act of 1956 provides the basic legislative authority for indemnity protection. The act authorizes three programs designed to protect and aid potential flood victims, especially homeowners and small business.

The core of this program is direct Government insurance by which Federal Indemnity Administration protects up to prescribed amounts any person or corporation, including State and local governments, and their agencies, against property losses caused by flood, when such protection is not otherwise available on reasonable terms from any public or private sources.

The term "flood" includes any flood, tidal wave, wave wash, or other abnormally high tidal water, deluge, or the water component of any hurricane or other severe storm, or landslide due to excess moisture.

The testimony then follows:

The Federal Government assumes all the financial risk. However, the contracts will be sold and serviced by the private insurance industry. The Federal Flood Indemnity Administration is authorized to underwrite a total of $3 billion of insurance, which amount can be increased by an additional $2 billion with the approval of the President.

Continuing:

The act limits indemnity coverage to $250,000 per person, or corporation, and $10,000 on dwellings and their contents. Both real and personal property can be covered, subject to deductibles of not less than $100 plus 5 percent of the remainder of the loss.

Now, let us analyze the Government's responsibility under the above paragraph I have just read. If a wealthy person or a corporation takes out a flood-insurance policy of $250,000, the Government pays 40 percent of his policy premium, and to the extent he is damaged, if it be total, the Government pays less certain deductibles, the full amount. In addition, it pays the insurance company and the claim agents a fee for handling the business.

My first reaction is that this law should have never been written, and the Government should have never been put into this kind of business.

Since the beginning of this Nation, businessmen, farmers, and laboring people have located along the rivers and in the valleys because they offered special inducements; such as water for transportation, more fertile and productive land, and other advantages. They knew floods would occasionally come, but they also knew the advantages of the valleys, over the years, compared with the upland with less transportation and less productive farmland. They weighed the advantages and generally have prospered over 100 years, and never expected an insurance subsidy by the Federal Government.

Last year in California, due to the drought, hundreds of homes were destroyed by fire with the homeowners suffering losses of millions of dollars, but they paid for their own insurance—and bore their own losses.

Billions of dollars have already been spent by the Federal Government to protect businessmen, their buildings, and the buildings of homeowners located in all the valleys of the Nation for the past hundred years. Shall we penalize in their behalf further the taxpayers who do not live in a flood area?

The State of Florida, and other Gulf Coast States have been visited with tornadoes, with a deluge of rain on several occasions, over the past years, and have never yet had the advantage of this type of Government insurance, and I think any Representative from the State of Florida in this Congress today, and most of us who have watched the great growth of Florida will agree that without this insurance, Florida has become one of the richest States, in the shortest length of time, there is in the Nation.

Sometimes I wonder how the American people in the valleys have gotten along so well and prospered without the Federal Government paying a part of their flood hazards insurance for the past hundred years when they have helped to build this into one of the strongest nations in the world.

Further testimony given before the committee follows:

The rates may be subsidized up to 40 percent by Federal Flood Indemnity Administration in order to achieve marketability of the insurance.

After June 30, 1959, the subsidy contribution will be shared equally between the Federal Government and the State within which the property is located; no insurance may be issued after that date in States which do not agree to share the subsidy contribution."

This is the old "something for nothing" come-on with which the Congress is familiar.

On page 188 of the hearings recently held before our committee, Mr. Meistrell testified and I quote:

The statute provides that this is to be an experimental program, and there is a 5-year period under the statute. The attitude of the insurance industry traditionally has been that this is not the type of coverage that lends itself to private industry operations; however, there is no way of knowing whether they are right in that judgment or not.

In closing, let me say that if we approve the amendment, we, in fact, let the Government in on a great experiment. We embark upon a program to guarantee $3 billion of high-risk insurance in any one year plus $2 billion more if the President sees fit.

And in the testimony, it is admitted that if we write $3 billion of insurance that it will cost the Federal Government a minimum of $50 million a year out of pocket for subsidies. This raises the question, with the people demanding a reduction of the cost of government and the Hoover reports urging that the Government get out of business, can we afford to approve this bill as it is written and obligate the Government to carry forward the program, or had we better continue the study and try to work out a plan that would reduce what appears to be heavy losses in the future that could run into billions of dollars?

Mr. SHEPPARD. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, the latest figures from the Department of Labor with regard to housing starts shows that there were 850,000 starts in the month of March, the lowest figure in 9 years. The number of new housing starts which most authorities believe to be desirable is 2 million starts a year. I know we are going to take up the Housing bill as the next order of business. It is a good bill under the circumstances and doubtless will be of considerable help. However, I call the attention of the Committee to page 12 of the report on the pending bill. At the bottom of the page housing is mentioned, under the heading of Housing and Home Finance Agency, and there is the following statement:

The committee has denied the budget estimates for $170,000 for administrative expenses, and $800,000 for studies of housing design and construction, supply and demand, and the mortgage market. Such studies may be of value but the committee does not consider them to be essential at this time.

That may well be correct; however, in view of the very bad housing situation and the fact that there are thousands of families who want to get on the road to home ownership in this country, in view of the fact that the housing starts have

UNIVERSITY OF MICHIGAN LIBRARIES

gone down to the lowest point in 9 years, even though our population has been increasing very rapidly and there should be a substantial upward trend in housing starts, I want to ask the able gentlemen from Texas [Mr. THOMAS], to enlarge a little on why these sums were stricken out in committee.

Mr. THOMAS. I will attempt to clarify any question my distinguished friend from Oregon has in his mind. I think the gentleman is exactly right about the new housing starts with reference to this year. It looks as though they are going to be 20 percent beneath the figure for last year, which is serious; there is no question about that.

Last year we had about 1,100,000 starts; the year before that we had 1,330,000 new housing starts; so they are going down and down. We would like to see them go up because new housing construction is one of the mainsprings of our economy.

But we know why these new starts have not materialized. Every builder in this country knows the answer. There would be plenty of new starts if they could get mortgage money without too many discount points attached to it.

So we just merely denied the funds on the theory that they were not necessary at this time. As a matter of fact we have had this appropriation for 5 consecutive years. We had it way back in 1949, 1950, 1951, 1952, and 1953, to the tune of $500,000 to $1 million a year.

If we pass this housing bill today or tomorrow it is bound to help. But we all know that the real difficulty is tight money. The builders say it is tight money. FHA knows that, Fannie May and the Administrator of Housing and Home Finance, I imagine, know it too.

Mr. PORTER. I thank the gentleman. As I understand him, the time has passed for study and the time is now at hand for action.

Mr. TABER. Mr. Chairman, I yield 20 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. VURSELL. Mr. Chairman, it is a policy that once a year the great railroad organizations of this country name the outstanding railroad man of the year. They generally pick an elderly gentleman. I am proud to announce that the one chosen as the outstanding railroad man of this year happens to be a constituent of mine from my home county at Centralia, Ill. He and his good wife are in Washington and I just wanted you to know that we have this honored guest from my congressional district—Mr. Harry Adams and his wife—here today. He goes on the television and radio nationwide tonight and tomorrow.

Mr. GROSS. Mr. Chairman, I take this time to ask a few questions concerning this bill and I hope some Member of the full Committee on Appropriations or the subcommittees involved can enlighten me. I should like to turn first to the Fish and Wildlife Service, with an appropriation of $75,000 for the stated purpose "additional amount for administrative expenses not to exceed $75,000 to be derived by transfer" and so forth. I should like to ask some member of the committee how much of this money is going to implement the so-called reorganization of the Fish and Wildlife Service?

Mr. KIRWAN. When they came up here they asked for $239,000 for the rest of this year. The committee cut that down to $75,000. That is to be absorbed by the Department in the money they now have.

Mr. GROSS. They originally requested, as I understand it, $900,000 or more to put this reorganization into effect. Last year, when the bill was passed creating an Assistant Secretary in the Interior Department for the purpose of administering the Fish and Wildlife Service, and also for the establishment of a commissioner, we were told at that time it would take an increase of only 6 to 12 employees. Do I understand that we have previously appropriated $90,000 for this purpose?

Mr. KIRWAN. Not for this year. In the 1958 bill we allowed $94,000 for the new Assistant Secretary. But for the Fish and Wildlife Service we took all administrative funds out until we could review the request further. They were not sure what they needed and on the night of the markup of the bill they revised their original request. We took it all out and sent it over to the Senate. On an annual basis they asked for an increase of $904,000 and we cut it down to $300,000. That is $75,000 for the rest of this year and comes out of the Department appropriations they have this year.

Mr. GROSS. That is for the purpose of reorganizing?

Mr. KIRWAN. Yes; getting it set up. There is no new money in the $75,000. We also served notice on them that they could not maintain duplicate administrative staffs in Washington and in the regional offices for each bureau.

Mr. GROSS. I want to commend the gentleman from Ohio [Mr. KIRWAN] and his subcommittee, as well as the full Appropriations Committee which eventually passed on this, for holding these people down to size. It was never the intention of this Congress, I am sure, when it created an Assistant Secretary to give him $900,000 or any substantial part of that amount of money and I certainly compliment the committee.

Mr. KIRWAN. I thank the gentleman.

Mr. GROSS. Mr. Chairman, I should like to turn now to page 11 of the bill and ask what is meant by the language "for an additional amount for emergencies in the diplomatic and consular service, $725,000"? Is there anyone who can enlighten me as to what this three-quarters of a million dollars will be spent for?

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Illinois.

Mr. MASON. It has been suggested on the floor that it might be used for Haig & Haig, whatever that means.

Mr. GROSS. I would like to find out.

Mr. MASON. Certainly, someone on the committee ought to be able to answer that question so that we may know why three-quarters of a million dollars is being added to this item.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. HARDY. I hope when the gentleman gets an answer to that question that he will find out what "International Organizations and Conferences" means also.

Mr. GROSS. That is why I asked for 15 minutes, so that I could get the answers to some of these questions.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I will be very happy to yield to my friend from New York.

Mr. TABER. If you turn to page 20 of the report, you will find that the State Department requested $2,200,000 under the category salaries and expenses, and of this amount $1,000,800 was requested for the payment of salary increases under Public Law 828, 84th Congress, and——

Mr. GROSS. If I may interrupt the gentleman from New York. I am addressing myself now to this $725,000 for Emergencies in the Diplomatic and Consular Service, and not to the item preceding it, which is $500,400 for salaries.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield to the gentleman from New York.

Mr. ROONEY. The committee had before it a request in the amount of $2,200,000 under the title "Salaries and Expenses." Included in this amount was a request in the neighborhood of $1 million—it was exactly $1 million—for alleged American evacuation costs last fall from the scene of hostilities in the Middle East. This latter item of $1 million properly belongs under the category in which it has been carried in appropriation bills for many years, that is, under the appropriation title Emergencies in the Diplomatic and Consular Service. The action of the committee cut the amount of $2,200,000 requested under Salaries and Expenses, Department of State, to the extent of $1,699,600 but allowed $725,000 of the $1 million requested for the Middle East evacuation. In this regard the committee report reads as follows:

> A supplemental request of $2,200,000 was contained in House Document No. 115 for "Salaries and expenses," Department of State. Of this amount, $1,000,800 was requested for the payment of salary increases authorized under Public Law 828, approved July 28, 1956; $41,880 was requested for official residence allowances for deputy chiefs of mission authorized under Public Law 828; $157,320 was requested for medical benefits for dependents also authorized under Public Law 828, and $1 million for evacuation costs from the scene of hostilities in the Middle East.
>
> The committee has included in the bill $500,400 for the payment of salary increases authorized under Public Law 828. The Department is expected to absorb the additional cost of the salary increases. Funds for official residence allowances for deputy chiefs of mission and medical benefits for dependents have not been allowed.

The committee has approved $725,000, a reduction of $275,000 in the amount requested, for expenses incurred in the evacuation of Government employees, their dependents, or other American citizens from the scene of hostilities in the Middle East. The committee is recommending that this additional amount be included in the item "Emergencies in the diplomatic and consular services" rather than in the item "Salaries and expenses."

Mr. GROSS. Do I understand correctly, in the evacuation carried out in Egypt, that there were some 3,000 persons evacuated and of that number only about 233 were State Department employees?

Mr. ROONEY. That is approximately correct. There were 3,000 American citizens and foreign nationals and there were 233 Foreign Service employees, their wives and children. It is expected that at least $250,000 will be collected by the Department of State out of the $725,000, and returned to the Treasury.

Mr. GROSS. In other words, this covers the evacuation of a substantial number of people who were in nowise connected with the Government; is that correct?

Mr. ROONEY. That is correct.

Mr. GROSS. Yes.

Mr. ROONEY. There is authority in law for this in such a case as the Middle East crisis. In order to prevent international incidents happening in crises such as happened in the Middle East, the Department of State's first problem is to get our people out as soon as possible for their own safety. These people are required to pay back to the State Department the money or expenses which were advanced in their behalf.

Mr. GROSS. That we hope will be done but which we are pretty certain will not be done.

Mr. ROONEY. I do not agree with the gentleman.

Mr. GROSS. Would the gentleman say that was true for the evacuation in South Korea?

Mr. ROONEY. I do not have those figures at the moment. I am under the impression that the State Department made considerable recovery.

Mr. GROSS. Well, I will say to the gentleman that I had a hand in stopping the bill when it originally came in here to indemnify evacuees from South Korea to the tune of some $900,000. That amount was considerably reduced in the end.

Mr. ROONEY. I do not recall that.

Mr. GROSS. I never give up on this business, when I think there can be some money saved.

Mr. ROONEY. I too like to save money for the taxpayers. When we are confronted with a situation such as that which arose in the Middle East last fall, getting these people out under short notice, the Department of State is required to see that they pay back, if they are at all financially able to do so, the amount of money for evacuation expenses advanced in their behalf.

The committee unanimously thought that the alleged $750,000 expense in connection with the 233 people who were Foreign Service personnel, wives, and dependents was entirely out of line. This was the reason for the cut in this item from $1 million to $725,000.

Mr. GROSS. If we are going to embark upon this business of evacuating people, no matter who they may be, anywhere in the world, and we have our noses in every nook and corner of the world, when some brush fire starts somewhere, we are going to be spending the taxpayers' money to evacuate every Tom, Dick, and Harry. That will mean that we will have a big bill on our hands.

Mr. ROONEY. There is nothing new about this procedure.

Mr. GROSS. Yes, there is.

Mr. ROONEY. I do not agree with the gentleman. When we have American citizens and American personnel in a danger area overseas, I think it is the responsibility of this Government to use its resources to see that they are safely evacuated and returned to this country.

Mr. GROSS. Mr. Chairman, let me say this to the gentleman. The hearings do not show that all of these people were American citizens. But let me ask the gentleman this question. How much of this $725,000 is for the House Committee on Foreign Affairs, for travel purposes or for junketing purposes?

Mr. ROONEY. None of it.

Mr. GROSS. None of this $725,000?

Mr. ROONEY. That is correct.

Mr. GROSS. I thank the gentleman, Now let us go to this other item of $4,169,409 of which $3,333,000 shall be available for payment to the United Nations as a contribution for the United Nations emergency force. Let me ask the gentleman this question. How much has any other country in the world contributed to the maintenance of the United Nations police force presently in the Middle East?

Mr. ROONEY. The gentleman will find that set out in the printed hearings which he has.

Mr. GROSS. The hearings indicate that they have not contributed anything.

Mr. ROONEY. Commitments have been made. At the moment we are required to pay only one-third of $10 millions of the $16.5 millions budget. This is what the committee report says in this regard:

The committee was advised that the Secretary General of the United Nations was authorized to incur expenditures on behalf of an emergency international force, UNEF, for 1957 up to $16,500,000. Of that amount $10 million was to be met from assessments on member governments in accordance with the regular assessment scale, and the remaining $6,500,000 was to be met by voluntary contributions. The committee has allowed the sum of $3,333,000 as contained in House Document No. 115 to pay for the United States assessment of 33.33 percent of the initial $10 million expenditure for UNEF to secure and supervise the cessation of hostilities in the Middle East. Also included in House Document No. 115 was a request for $3,250,000 as a voluntary contribution to UNEF which is 50 percent of the total to be met in that manner. The Committee has not included funds in the bill for this requested voluntary contribution. Since this is not a regular contribution item, the Committee feels that such voluntary contribution should be made from funds available to the President.

The gentleman does not dispute the fact that it is a good idea to expend moneys for a United Nations emergency force so that we do not have to send American troops into that area?

Mr. GROSS. That is another assumption in which the gentleman is dealing; that is, if this so-called United Nations police force were not in that area American boys would be there getting killed. That is completely an assumption, and the gentleman knows it.

Mr. ROONEY. Does not the gentleman think this great Nation can afford its share of funds for the United Nations emergency force?

Mr. GROSS. I think they should pay their way. Let those countries help to pay for this United Nations police force if they insist on having them. Why saddle the whole expense on the American taxpayer?

Mr. Chairman, let me tell you what these hearings show, and what we know, anyway, without the hearings.

Mr. ROONEY. I have not had an opportunity to read the hearings in over a month. I shall do the best I can.

Mr. GROSS. I shall refresh the gentleman's memory, then.

Mr. ROONEY. Very good; perhaps I shall remember most of them.

Mr. GROSS. We have put out at least $5 million to clear the Suez Canal. We did not dump anything in the Suez Canal, but we have spent at least $5 million of our taxpayers' money to clear the Suez Canal. How much have the British, French, or Israelites contributed to the fund to clear the Suez Canal, or how much has any other country contributed? There is $4,500,000 worth of supplies that we have given to the U. N. police force. What has anybody else given by way of supplies to the U. N. police force? That makes $9,500,000.

Mr. ROONEY. At page 279 of the printed hearings will be found the testimony in this regard. It reads as follows:

SALVAGE OPERATIONS IN SUEZ CANAL

Mr. ROONEY. In addition to the $2,200,000 and the $3,300,000 and the $3,250,000, have we expended moneys with regard to salvage?

Mr. WILCOX. You mean with respect to the canal?

Mr. ROONEY. Yes.

Mr. WILCOX. No, sir. We contributed $5 million to the first amount requested by the Secretary General; and the other nations of the United Nations and the users of the canal contributed the balance up to some $11,500,000. The amount required to clear the canal, however, has been very considerably reduced below the original estimates, and I think there won't be much needed beyond $10 million.

Mr. ROONEY. When you say $10 million——

Mr. WILCOX. That money is to be reimbursed to the United States.

Mr. ROONEY. By whom?

Mr. WILCOX. The plan hasn't been worked out.

Mr. ROONEY. Has the $10 million already been expended?

Mr. WILCOX. Most of it has, sir.

Mr. ROONEY. You don't have a plan as yet for reimbursement to the United States?

Mr. WILCOX. No, sir, it hasn't been completely worked out, but it will be done through the United Nations.

SUPPLIES FURNISHED FOR U. N. EMERGENCY FORCE

Mr. ROONEY. In addition to these various amounts that the United States has been called upon to pay, has the United States Government given certain supplies in con-

UNIVERSITY OF MICHIGAN LIBRARIES

nection with this United Nations emergency force?

Mr. WILCOX. Yes, sir.

Mr. ROONEY. To what extent?

Mr. WILCOX. Always subject to reimbursement.

Mr. ROONEY. To what extent, first?

Mr. WILCOX. It is estimated that the value of all the supplies, services, and materials secured from the United States Government may approximate $4,500,000.

Mr. ROONEY. Is that to be repaid?

Mr. WILCOX. By whom?

Mr. ROONEY. By whom?

Mr. WILCOX. To be repaid through the United Nations from the contributions that have been made by the various states.

Mr. ROONEY. You mean out of the $10 million fund?

Mr. WILCOX. Yes, sir.

Mr. ROONEY. How much has been expended out of the $10 million fund up to now?

Mr. WILCOX. I don't know that I can give you that accurate figure, sir. I have the summary of expenses up to March 12. Up to March 12 the total of obligations incurred amounted to about $6,750,000.

Mr. ROONEY. Does that include any part of the amount of $4.5 million for supplies?

Mr. WILCOX. Yes, sir. The United States has been called upon to furnish supplies—always with reimbursement.

Mr. ROONEY. How much of the amount that you mentioned has been returned to the United States in connection with the $4.5 million for supplies?

Mr. WILCOX. I thought we were finished with this, and our expert on the subject is not here this afternoon, sir. I can't tell you precisely how much has been paid back. I don't know the exact nature of the accounting system, but I do know that the requests are very carefully screened, and arrangements are made for repayment by the United Nations to the United States Government.

(The following information was supplied later:)

"No repayments have actually been made thus far. The Department of Defense is now in the process of preparing bills for the full amount. These will be presented to the United Nations for full payment under the authorized budget of $16,500,000."

Mr. GROSS. Then there is $2,250,000 that we spent for an airlift for the United Nations police force. And yet there is $3,333,000 in this bill for the further support of the United Nations police force, when we have already spent nearly $12 million on this deal in the Middle East that is apparent in this record. Now I should be glad to yield to the gentleman.

Mr. ROONEY. There is a limitation against our contributions to the United Nations to the extent of 33⅓ percent. It is for that reason that we deleted $3,250,000 from this bill and said it should be paid out of the President's $200 million fund.

Mr. GROSS. All right; let me ask the gentleman this question: If our contribution to the United Nations is limited to 33⅓ percent, why do you have $666,600 in this bill for the capital fund of the United Nations? That is over and above your 33⅓ percent, is it not?

Mr. ROONEY. That is, in effect, a temporary advancement which will be returned to the United States as a credit.

Mr. GROSS. That is over and above it, is it not?

Mr. ROONEY. Not exactly.

Mr. GROSS. Yes, that is what your testimony shows here.

Mr. ROONEY. That is not exactly so, at all. The committee pointed out that the State Department and our leading diplomats, Secretary Dulles and Ambassador Lodge in New York, promised to pay not 33⅓ percent but 50 percent of the $6.5 million additional UNEF fund, if you please. The committee was asked to approve the additional 50 percent. Since the committee has had a limitation to the extent of 33⅓ percent, it said to Messrs. Dulles and Lodge "You get this money out of the President's fund."

Mr. GROSS. I commend the gentleman and his subcommittee for not allowing the $6,500,000. It would have been a 50-percent contribution. I commend the gentleman on that.

Mr. ROONEY. But this does not necessarily mean that I am against paying that additional money, because if by spending these dollars, whether they are $5 million or $10 million, we will save American boys' lives, I will spend the money.

Mr. GROSS. Let us quit dealing in these assumptions. It seems to be the fashion to come down here in the well of the House, wave the flags and say: "If you don't spend a billion here and a billion there, you are going to have American boys fighting some place." If that would stop a war; if we could buy the stopping of wars, we certainly have spent enough already to stop wars for the next century.

Mr. ROONEY. I would not now be under the gentleman's skin as far as I am if he had privately asked me the answers to these questions.

Mr. GROSS. The gentleman did not get under my skin.

Mr. ROONEY. The distinguished gentleman has a great habit of getting up on the floor and hitting one with skillful questions right out of the blue. I am just doing the best I know how. If I have gotten under the gentleman's skin, I apologize.

Mr. GROSS. The gentleman has not gotten under my skin, not at all. It is too tough for that.

Let me get back to this situation and point out to the Members again that we have spent $2,250,000. Certainly it is not a part of this bill, but we spent the money for an airlift for the so-called United Nations police force, and $5 million to clear the Suez Canal. Then there is $4,500,000 for supplies for the U. N. force. Still they want $3,333,000 from the American taxpayers through the provisions of this bill to support further the United Nations police force.

I say to you it is time to call a halt. Let the people that are supposed to be parties to this deal that voted in the United Nations General Assembly for a fund that all would contribute to, let them call upon these other nations to make good on their contributions. Let us take that out of this bill for the time being and see if they will not contribute as they are supposed to do. You have already spent approximately $12 million that shows on the record, and of course more money has been spent that we know nothing about, or at least it has not come to the surface as yet.

I should like to ask the gentleman to explain also about this $225,000 for international contingencies. That is a nice sugar-coated pair of words.

Mr. ROONEY. How would the gentleman like me to do it?

Mr. GROSS. I would like the gentleman to tell me what it is all about.

Mr. ROONEY. The International Contingencies item is to cover the costs of previously unscheduled international meetings and conferences. Secretary Dulles and President Eisenhower are always engaged in many meetings and we must be properly represented. We were asked for $450,000 for this purpose; and we halved it in two.

Mr. GROSS. That is good. If you had cut it all out, it would have been better. But do they have $240,000 still unexpended in this fund?

Mr. ROONEY. That was the testimony. If the money is not used for the purpose for which it is appropriated, it will lapse into the Treasury at midnight of June 30 coming.

Mr. GROSS. That does not happen very often; does it?

Mr. ROONEY. Every once in a while we have seen it happen, although not very often with this high-priced Republican administration.

Mr. GROSS. What happens, may I ask the gentleman, to all of those funds that are voted to the President for emergency purposes? What about the $200 million that was authorized to go along with the Eisenhower doctrine, which I voted against? I wonder how that is that is being expended. Could the gentleman provide any information as to what is happening to those funds?

Mr. ROONEY. Those funds are in another area. I have enough trouble trying to keep up with what is being done in the State Department and the USIA. I am sure the gentleman can easily get that information from the White House.

Mr. GROSS. I thought that perhaps you would go into that in the hearings on this bill and in view of that I asked the question.

Mr. ROONEY. That is not in this bill at all. That money has already been appropriated to the President. The gentleman is now asking me for an accounting of what has been done with it. I am not in a position to answer the gentleman at the present moment.

Mr. GROSS. I think if I had been on the committee, I would have been interested in what is being done with those funds in view of the fact that more money is being voted for the U. N. police force. I know of no reason why and, perhaps, the gentleman can tell me, why some part of the $200 million already appropriated, should not be spent for this U. N. police force.

Mr. ROONEY. That is exactly what the committee has recommended.

Mr. GROSS. No, no.

Mr. ROONEY. Oh, yes.

Mr. GROSS. No, you are asking the taxpayers to put up $3,330,000 of new money. You are not taking it out of the $200 million that is available to the President.

Mr. ROONEY. The gentleman misunderstands the situation.

Mr. GROSS. No, I do not misunderstand the situation.

Mr. ROONEY. If the gentleman will look at the figures on page 31 of the committee report, he will find that there

was requested the amount $7,464,384. The committee recommended $4,169,409, or a cut of $3,294,975. Of this latter amount $3,250,000 was for the UNEF additional fund and it was directed that this voluntary contribution to that additional fund should be made from funds now available to the President.

Mr. GROSS. I am talking about the $3,330,000 in this bill.

Mr. ROONEY. There the committee had no alternative but to allow the regular one-third United States share of a regular United Nations fund of $10 million. One-third of that is $3,333,000. The committee recognized the fact that we must pay our regular one-third United Nations share in, of all things, the cost of the UNEF soldiers in the Middle East.

Mr. GROSS. Yes, but nobody else seems to want to pay and nobody else seems to feel any moral obligation to pay. Why do we not adopt that course just once—just one time?

Mr. ROONEY. I may say to my distinguished friend from Iowa, I wish we did not have to pay at all.

Mr. GROSS. Let us do what they are doing and, perhaps, they will wake up and pay some of these costs just once. That is all I am asking—we cut it out just once and see whether they are willing to pay or not.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 8 minutes to the gentleman from North Carolina [Mr. LENNON].

Mr. LENNON. Mr. Chairman, I am grateful for the opportunity to speak briefly in behalf of the citizens and property owners of the coastal area of my congressional district in North Carolina, who, up until the passage of the Federal Flood Insurance Act of 1956, by the 84th Congress, could see no hope for the economic future of their area.

The explanation for their feeling of hopelessness and frustration is easily understood, and I am sure all the members of this committee would share that feeling if they had been subjected to the harrowing experiences packed into the lives of these people in a period of less than 11 months.

Hurricane Hazel struck the two coastal counties of my district on October 15, 1954. Over 1,200 homes were completely destroyed and more than 600 were heavily damaged in these 2 coastal counties alone. Losses ran into the millions of dollars in both public and private properties.

A small percentage of these losses in private property was covered by insurance, specifically under the extended coverage clause of insurance policies. But this point cannot be emphasized too strongly: The extended coverage clause of these insurance policies specifically denied and excluded any recovery for damages caused by rising water, floods, wavewash, or water driven by wind, and unless it could be shown conclusively that the damages incurred came from winds alone, and not from wind-driven water, there was no recovery or at best a small settlement.

In spite of the devastating and disastrous results of Hurricane Hazel during October 1954, our people in this area did not lose heart. After all, this was a new experience for them and most of them made their plans to build again in the fall of 1955 or early spring of 1956.

Such, however, was not the case. Again these two coastal counties in my district of North Carolina were struck by Hurricanes Connie, Diane, and Ione during the late summer of 1955. These three hurricanes did not do the physical damage that was caused by Hazel in 1954 in the coastal counties of my district, but the devastating effect of these hurricanes reached other counties and the Nation, as is well known to all the Members of this Congress.

However, this was it. The insurance companies on the expiration of their annual policy contracts canceled and moved out. They took with them what little protection that was afforded, even under the so-called extended coverage clause. Mr. Chairman, no Member of the Congress now believes that private insurance is available to anyone that will offer protection for flood damage, wavewash, tidal waves, rising water, or water driven by wind. Such insurance is not available today.

Your attention is directed to page 342 of the hearings before the House Committee on Banking and Currency on February 8, 1956, where this matter was considered. Mr. J. Victor Herd, president of the National Board of Fire Underwriters and also representing the American Insurance Association, flatly stated that private insurance companies had ruled out flood insurance, which included tidal wave, wavewash, or water driven by winds on fixed property. This covers real estate wherever it is found.

The tragedy is now, that these former homeowners and small-business people cannot rebuild. Construction and rebuilding stopped completely after the hurricanes of 1955. No banks, building and loan associations, or any other lending institutions or agencies will put a nickel in construction in this coastal area unless and until some type or kind of insurance is available that will give some measure of protection.

I hope, ladies and gentlemen of the committee, from this statement you will now understand what the passage of the Federal Flood Insurance Act of 1956 meant to these people. It was their first ray of hope—a promise of help from their Government—what they considered a firm commitment from their Congress.

From my reading of the testimony given at the hearings on this matter and from a study of the bill, I recognize that it is a new venture; but at the same time it was the will of the Congress that this program be started. As all the members of this committee know, the act provides for State participation in the payment of the insurance premiums after July 1959, and it also contains a requirement or condition that the Commissioner file an annual report, along with his opinion, supported with pertinent findings, as to the advisability of withdrawing, in whole, or in part, Federal financial support for this program.

Personally, I believe the agency charged under the act with the responsibility of developing and administering the program can and will do a good job. I subscribe to the policy announced by Mr. Frank J. Meistrell, the Commissioner of the Federal Flood Administration, that he does not intend to put on the Federal payroll a host, or any employees, to go over the country peddling insurance policies—that he will not employ full-time, or even part-time, Federal claim adjusters to sit around and wait for losses to occur.

He has announced his decision to use the facilities of the insurance industry in the sale of these insurance policies and to use the present existing private adjustment agencies and bureaus in the settlement of claims and losses. These groups have agreed to this arrangement—and are to be compensated only for their out-of-pocket cost—which does not include any profit, administrative overhead, or other expense incident to the normal conduct of their business.

Surely, ladies and gentlemen of the Committee, it should be our desire—and I am sure it is—to keep the cost of this program as low as possible, and it seems to me this is the way to proceed.

And this, we can be assured of: if, for whatever reason, rates or otherwise, no insurance policies are sold under this program, then there will be no payments, in any amounts, to insurance agents and brokers; if policies are sold and there be no losses or claims, no payments whatever will be made to private adjustment bureaus or agencies. And this is as it should be.

For my part, Mr. Chairman and members of the Committee, I cannot escape the conclusion that the decision as to whether or not this program should be tried is a matter for the determination of the full membership of the Congress.

For the people of the coastal area of my district and for the thousands throughout the country similarly affected, I respectfully request and urge the Members of this Committee to give the promised flood-insurance program a fair trial.

Mr. SHEPPARD. Mr. Chairman, I yield 9 minutes to the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, I should like to associate myself with the remarks just made by my distinguished friend and colleague from North Carolina, who has done yeoman service on behalf of this legislation.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield.

Mr. HARDY. I want to comment on that also and commend the gentleman from North Carolina for his very clear discussion of the need for some Federal participation in a program of flood insurance in order that we may develop some system by which people can insure themselves against such disasters. Without Federal participation there is no way in the world by which it can be worked out under present insurance practices, and unless the Federal Government can help develop the system I am afraid it is going to be hopeless.

Mr. THOMPSON of New Jersey. I agree with the gentleman and thank him for his contribution.

Mr. Chairman, I rise in support of the amendment to restore funds to the Federal Flood Indemnity Administration.

As cosponsor with Senator Lehman of the legislation which was enacted as the Federal Flood Insurance Act of 1956 I can speak with experience on the subject now before us and with deep personal conviction.

The distinguished Committee on Appropriations, in refusing to recommend any operating money at all for the Federal Flood Indemnity Administration, is attempting to undo the work of the previous Congress which acted only after a solid year of study on this subject.

It seems hardly necessary to remind the Members of the House of the origins of the Federal Flood Insurance Act. It was created after one of the most terrible natural disasters in our Nation's history. Hurricanes throughout the fall of 1955 tore up the east coast of the country and penetrated deeply into the Northeastern States.

After the hurricanes were past—there were two that my people had to weather and a third that the Carolinas had to sustain—we were left with a $1 million shambles. New Jersey $19 million damage, New York $15 million, Pennsylvania $76 million, Massachusetts $119 million, Rhode Island $18 million, Connecticut $215 million. There is no need to go further. The west coast later that same year sustained almost as heavy damages from inland water flooding.

Who sustains the costs of these disasters? The homeowner whose house is caved in or washed downstream. The businessman whose investment disappears with the receding waters. And usually both are deeply mortgaged or otherwise in debt. Senator Lehman used to say that floods wash away many a home, but never wash away the mortgage.

But that is not all. The Federal Government pays heavily. The citizen who was lucky enough to escape material damage does not avoid a new tax burden. When the Governors of the States request aid, the President declares disaster areas and suddenly the Federal Treasury is opened. Under Public Law 875, here was the disaster relief:

	Million
North Carolina, August 1955	$3.2
Massachusetts, August 1955	1
Pennsylvania, August 1955	1
California, December 1955	9.5
Oregon, December 1955	1.3

Those are just highlights of Federal expenditures to assist flood-stricken areas. House Document No. 142, the report of activity under authority of Public Law 875 from July 1, 1954 to December 31, 1956 shows direct Federal grants of more than $34 million—most of it in flood relief.

These were only payments to communities. The figures do not suggest the heavy loss to the Treasury where individuals and businesses deducted flood losses from their Federal income taxes as losses, bad debts, or decrease of taxable income. They do not reflect the heavy unemployment payments that come in the wake of floods.

I am not suggesting that people in distress be denied relief. But wouldn't it be a lot more economical for the Federal Government—and less humiliating for the victims themselves—to have people make a financial contribution toward their own protection? This money, as in all insurance plans, would form a pool to pay those who suffer losses. And the payment of loss claims would reduce the drain sustained by the Federal Treasury in disaster relief.

Of course, the flood-indemnity program at first will not collect the full cost of this insurance. It cannot for the same reason that private insurers have never been able to offer blanket flood coverage. The premiums would be too high for most people to afford.

But the Federal Government is asking the people to contribute 60 cents for each dollar of insurance they buy. That is just 60 cents more than the Treasury gets back today from areas, like Texas, for instance, which are receiving great sums of money as outright grants.

The Federal Flood Indemnity Administration requested $50 million as a supplemental appropriation to run through the balance of this fiscal year and through the next fiscal year.

Of that sum, $36 million is for subsidy payments—the 40 cents on each dollar of premium money that the Federal Government uses to ease the burden of the buyer of insurance. Does the 40 cents go to the buyer? No. It goes into the disaster-insurance fund for loss reserves to pay claims. I understand that the Federal Flood Indemnity Administration has the authority to borrow this money from the Treasury, but has requested it as an appropriation so there would not be an additional cost of interest on borrowed money.

The balance of the money requested—$14 million—is for operating expenses—money to pay the actual out-of-pocket costs for insurance companies which will sell and service these insurance policies. This $14 million has bought the services of the entire American insurance industry at cost. This same industry, which was unable to write flood insurance on its own risk and was highly skeptical of the Government working out a satisfactory method to do it on its own, is now willing to work at cost. Frank J. Meistrell, Commissioner of the Federal Flood Indemnity Administration, tells me tomorrow he will start mailing out fiduciary agreements whereby thousands of insurance companies will contract to write these policies at no profit, no overhead, not even administrative expenses.

This brings us to the report by the Committee on Appropriations, where the distinguished members justify their elimination of this request. The committee suggests that the Federal flood-indemnity program is indefinite and unworkable.

The Federal Flood Indemnity Administration is ready to offer insurance throughout the Nation as soon as it gets an appropriation from the Congress. Allowing for the time it would take to get these policies into the hands of agents, it should take the Government from 30 to 45 days after the money is appropriated to put policies at the disposal of your constituents, right in your own communities.

On the question of workability, we must call up expert opinion. The private insurance industry—mind you, the same people who testified before Members of this House last year that they did not think the Government could create a flood insurance program—are now ready to sell these policies. These are people who spend their lives in the highly intricate business of insurance and they say publicly that the Federal flood indemnity program looks good to them. And they believe that the rates are reasonable and marketable.

For the major classes of risks, the premium rates—after application of the subsidy—will range from $1 to $2.50 per $100 of insurance where the buyer purchases insurance to cover 80 percent or more of the value of his property.

These rates should be within the reach of most property owners and still provide adequate reserves over a period of years to cover the estimated loss claims. It is reasoned that on a nationwide basis, the insurance would be spread through enough areas so that the premium payments of all buyers would be sufficient to pay the losses sustained in one or more areas.

I hesitate to challenge the judgment of the distinguished members of the Committee on Appropriations. But in this instance, I feel that the American insurance industry is better equipped than they to decide the workability of an insurance program.

Mr. Chairman, I am speaking in favor of this appropriation from deep personal conviction based on careful inspection of this program from its origins to this day. It will offer the American people a method to contribute to their own protection for the first time in history. It is a technique based on sound business practices in the face of a crying need on the part of our people. I urge the adoption of the amendment.

Mr. CANNON. Mr. Chairman, debate having been concluded, I ask that the Clerk read.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply supplemental appropriations (this act may be cited as the "Third Supplemental Appropriation Act, 1957") for the fiscal year ending June 30, 1957, and for other purposes, namely.

Mrs. CHURCH. Mr. Chairman, in accordance with the statement I made on the floor some weeks ago, I am going to raise the point of order of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and three Members are present, a quorum.

The Clerk read as follows:

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary," not to exceed $23,400, to be derived by transfer from any appropriation available to the Department of Agriculture, for the fiscal year 1957, for salaries and expenses (exclusive of such appropriations which include funds for grants).

Mr. COAD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COAD: On page 3, line 3, strike out "$23,400" and insert in lieu thereof "$16,380."

Mr. COAD. Mr. Chairman, the reduction which is called for in this amendment is from $23,400 to $16,380. To assume that the $23,400 is the full amount which the Secretary of Agriculture needs to bring up his salary and expense schedule for his own office to 100 percent, the amendment calls for a cut of 30 percent. This leaves 70 percent of parity of a full salary schedule.

Mr. Benson has gone on record as favoring only 70 percent for my Iowa farmers. In fact, this last week before the Committee on Agriculture of the other body he has gone on record as being against all supports. The Iowa farmers need 100 percent of parity income and yet Mr. Benson has said many times that high price supports are detrimental to the moral fiber of our people and he has continuously asked for lower supports. Assuming that this philosophy is good for the farmer, as Mr. Benson says, then I am sure that Mr. Benson will welcome only 70 percent for his own office.

I urge the support of this amendment because of the fact that here is a place to economize and more especially because it fits in with the policy of the man who is in the office of the Secretary of Agriculture.

Mr. MARSHALL. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to the amendment. I do so with a great deal of regret because I agree so wholeheartedly most of the time with the gentleman from Iowa [Mr. COAD]. The gentleman from Iowa is as concerned about price supports and the prices of farm commodities as I am. He certainly has a worthwhile objective in attempting to acquaint the Department of Agriculture with the problem. However, this is something that is a little different from that inasmuch as this item in the bill is an item about which the Secretary of Agriculture can do very little. This item in the bill was brought about because of the salary increases which we passed in the Congress.

You will note in the language of the bill we state:

For an additional amount for "Office of the Secretary," not to exceed $23,400, to be derived by transfer from any appropriation available to the Department of Agriculture.

So that this is a matter of transfer of funds within the Department. It also means that we have written this in the form of a limitation. The $23,400 may not be required because the people from the Department told us that they believe they can make some savings within the Office of the Secretary of Agriculture.

It is a very small amount. Because it is a small amount, we believe we should proceed to allow the Secretary to transfer from other funds where there have been some savings made. We do not believe there is anything to be gained by this amendment.

I should like to point out that because of the salary increases we made, an item as small as this, $23,400, is a great deal more difficult to absorb than some larger items would be because there is a certain amount of restriction on the Secretary's Office.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. My colleague may recall that when we had Mr. Ralph Roberts, Assistant Secretary, in charge of administration, before us, he justified this quite frankly, and we felt that he had fully sustained it. We did put the limitation on this small amount of money. Certainly when we are adding more duties to the Office of the Secretary it comes with very poor taste, I think, for us to hamstring him any further.

Mr. MARSHALL. I thank my colleague on the committee.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Iowa.

Mr. COAD. I certainly believe there is a principle here that the Secretary of Agriculture has set himself. This is a small amount. I notice there is only about one smaller amount in the whole bill. But after all, this is a policy that the Secretary of Agriculture says we need only 70 percent. We need more than 70 percent. I admit they need the full amount down here in the Office, but after all, the farmers need more than 70 percent, too. I think that if it is good for the goose it is good for the gander.

Mr. MARSHALL. I wholeheartedly agree with my colleague from Iowa, who is attempting to point out the fact that the farmers in our country are in a difficult position and that something must be done to assist them. It is difficult for me to see how this particular amendment which he offers will in any way help relieve the situation he is expressing, because as far as we are concerned this is something, I must repeat, that came about because of the action of the Congress itself. It would in no way affect the Secretary as far as he himself is concerned. No one would imagine that the Secretary of Agriculture is going to turn back any part of his salary. It does affect the operation of the Office of the Secretary of Agriculture and it certainly would not be conducive to good administration to cut down upon the salaries of the people working and leave positions open in the Secretary's Office. Therefore, I urge the Members to vote against the pending amendment.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Iowa.

Mr. GROSS. As far as I am concerned, we do not have a good Secretary of Agriculture, and I want to take this opportunity to say to my friend from Iowa [Mr. COAD] that I will support his amendment and I hope he will support my amendment to provide somewhere around 100 percent of parity for the American taxpayers in their contributions to the United Nations.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

The Clerk read as follows:

INDEPENDENT OFFICE

Tariff Commission

Salaries and Expenses

For an additional amount for "Salaries and expenses," $25,000.

Mr. BAILEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 4, line 5, strike out "$25,000" and insert "$50,000. Of this amount the sum of $25,000 is to be used to make necessary investigations abroad to determine the wage levels, costs of production and working conditions on articles imported from abroad to assist the Commission in processing claims for injury by domestic producers under section 7 of the Reciprocal Trade Agreements Act."

Mr. PRESTON. Mr. Chairman, I reserve a point of order against the amendment.

Mr. BAILEY. Mr. Chairman, I find it necessary to offer this amendment. I have just come back to the floor of the House from an appearance before the Tariff Commission in support of the application pending by the Clothespin Producers Association of America making spring clothespins and round clothespins. It was necessary for me in presenting the case properly to the Tariff Commission to produce evidence attested to by the American Ambassador at Copenhagen, Denmark, that one of the two large exporting companies of clothespins from Denmark did not own a clothespin plant of their own, but they were buying clothespins made in the prisons of Denmark and exporting them into this country under the terms of the Reciprocal Trade Agreements Act. If that is happening in the case of clothespins, it could be happening with other articles being shipped into this country in competition with domestic producers. The Tariff Commission advises me they do not have the funds necessary to send expert investigators abroad to determine the facts connected with the cost of production and the wage levels and the working conditions under which these articles are being offered. When a domestic industry asks for a hearing before the Tariff Commission under section 7 of the Reciprocal Trade Agreements Act—you will recall that I happen to be the author of the escape clause provision written into the Trade Agreements Act of 1951—when an American producer applies to the Commission they force that American producer to lay all the details of their production costs and their net earnings and whether they have made a profit or whether they have suffered a loss, and they do not ask a single iota of information from the foreign country and from the American importers who are bringing these foreign products in.

The purpose of this amendment is to make available to the Tariff Commission

the sum of $25,000 to make needed investigations abroad to determine why it is necessary for some 140 to 150 of our small American industries to be driven out of business because of unrestricted imports. May I say to you that this is not the only instance. This is even worse than dumping foreign made products in this country. Shall we permit a situation to exist that allows articles made under prison labor conditions in Europe to displace the standard of living and the wage levels of the American working men in this country? I hope it will be the pleasure of the Committee of the Whole House to adopt this amendment.

Mr. PRESTON. Mr. Chairman, I insist on the point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. PRESTON. Mr. Chairman, I make a point of order against the amendment on the ground that there is no authority for the Tariff Commission to make an investigation abroad into the working conditions under which foreign commodities are produced.

The CHAIRMAN. Will the gentleman from West Virginia cite to the Chair the authority for the Commission to make an investigation?

Mr. BAILEY. Mr. Chairman, the original item of $25,000 in the proposal before us now covers not only the payment of salaries but covers the payment of expenses, and I say this would be an expense on the Tariff Commission and, therefore, it is germane to the statement in the appropriations.

The CHAIRMAN. The Chair was inquiring as to the authority of the Commission to make the investigation that the amendment contemplates.

Mr. BAILEY. They have the authority to make investigations. They have no money to make it. I was trying to give them some money.

The CHAIRMAN. Do they have authority to make investigations abroad?

Mr. BAILEY. Well, why not ?

The CHAIRMAN. The Chair is asking the question of the gentleman.

Mr. BAILEY. I could not advise the Chairman to that effect. But, I do not see why they should be limited to this country because apparently nobody else is. If somebody wants some information, they go abroad and get it. I think the Tariff Commission should be afforded the same opportunity. Members of the Congress, if you want to sit idly by and see the major part of your small American industry, which is the backbone of our country, driven out of business, you just ignore a proposition like this.

The CHAIRMAN (Mr. IKARD). In view of the fact that there is no authority cited for the Commission to make the investigations contemplated in the amendment, the chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

CHAPTER III

Department of Defense—military functions

Department of the Navy

Medical care

For an additional amount for "Medical care," $10 million, to be derived by transfer from the appropriation for "Construction of ships."

Servicewide supply and finance

For an additional amount for "Servicewide supply and finance," $8 million, of which $5 million shall be derived by transfer from the appropriation for "Reserve personnel, Navy," and $3 million shall be derived by transfer from the appropriation for "Military personnel, Marine Corps."

Mr. MAHON. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. MAHON: Page 4, line 19, after the item for "Servicewide supply and finance," insert an additional heading and item as follows:

"Department of the Air Force

"Military personnel

"For an additional amount for 'Military personnel,' $30,335,000, to be derived by transfer from the appropriation for 'Military construction,' Air Force."

Mr. MAHON. Mr. Chairman, this amendment provides for the transfer of $30,335,000 from military construction funds of the Air Force to pay and allowances of personnel. Reenlistments exceeded what had been budgeted for last year, and the Congress, after the budget for fiscal year 1957 was approved, passed additional legislation, the Doctors and Dentists Act, Public Law 497, approved July 30, 1956, which brings on the requirement for $6,505,000 additional funds. Then, further action by Congress increasing survivors' benefits in Public Law 881, makes necessary the additional sum of $23,830,000. The Air Force has already absorbed a considerable amount of the increased costs in the "Military personnel" appropriation, but we are advised it was not possible to absorb this additional $30 million and the Bureau of the Budget has sent us a request for the transfer of these funds in order to meet this obligation.

Originally we had planned to handle this request in another bill, but since the committee approved the supplemental appropriation bill under consideration it has developed that the committee preferred that it be handled in this bill and, therefore, at the suggestion of the committee, I have offered the amendment as read by the Clerk for the transfer of available funds within the agency to meet these additional military personnel requirements.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. WIGGLESWORTH. I simply wish to state, from the standpoint of the minority members of the subcommittee handling this bill, that we have no objection to the amendment presented, and unanimously approve the recommendation.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment now close.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. MAHON].

The amendment was agreed to.

The Clerk read as follows:

CHAPTER V

Independent Offices

Civil Service Commission

Annuities, Panama Canal construction employees and Lighthouse Service widows

For an additional amount for "Annuities, Panama Canal construction employees and Lighthouse Service widows," $500,000.

Mr. HYDE. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. HYDE: Page 5, after line 10, insert the following item:

"ADMINISTRATION EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

"The limitation under this head in the Independent Offices Appropriation Act, 1957, on the amount made available from the 'Employees' life insurance fund,' for reimbursement to the Civil Service Commission for administrative expenses incurred in the administration of the Federal Employees' Group Life Insurance Act, is increased from '$117,500' to '$194,000.'

"Not to exceed $23,000 of the funds in the 'Employees' life insurance fund' shall be available for reimbursement to the Civil Service Commission during the fiscal year 1958, for administrative expenses incurred by the Commission during that fiscal year in the administration of said act, and such amount shall be in addition to any amounts otherwise made available from the fund for such expenses for the fiscal year 1958."

Mr. THOMAS. Mr. Chairman, I reserve a point of order against the amendment. I have not had an opportunity to see the amendment, but because it may be subject to a point of order I reserve it.

The CHAIRMAN. The gentleman from Texas reserves a point of order against the amendment.

The gentleman from Maryland is recognized for 5 minutes in support of his amendment.

Mr. HYDE. Mr. Chairman, this amendment would have the effect of restoring the amount of $76,500 to the Civil Service Commission for the purpose of permitting it to administer the Federal Employees' Life Insurance Fund so that it might take over the insurance under the various governmental beneficial associations.

In the last session Congress passed a bill permitting the life insurance fund to take over these beneficial associations which had been operating on a private basis in the various governmental departments. Pursuant to that a number of these associations have been taken over, but because of the limitation of funds to the Civil Service Commission there are still quite a few of these associations which have not been taken over by the Federal Government Life Insurance Fund.

The effect of this will be to deprive thousands of Government employees, both now in the service and retired, of the benefit of insurance under these beneficial associations on which policies they have been paying premiums for many, many years. It will work an unconscionable hardship on these people.

The difficulty is that these beneficial associations are no longer able to stay in business because of the Federal Government Life Insurance Fund which Congress has already provided for. The

only way these associations can exist and continue as they have been is through the continual addition of new members. Obviously, when the Federal Government's life-insurance program went into effect new members stopped coming into these beneficial associations, so the thousands of Government employees who have been in these beneficial associations for years would lose the benefit of this insurance.

All this amendment does is to restore $76,500 of administrative funds so that the Civil Service Commission can administer this program which this Congress has already legislatively approved.

Mr. BROYHILL. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. BROYHILL. I wish to associate myself with the remarks of the gentleman and support his amendment. As the gentleman stated, some of these associations were put out of business as a result of this Federal employees' insurance program but some were more or less saved by previous appropriations. Is that correct?

Mr. HYDE. That is correct.

Mr. BROYHILL. Actually these associations are being put out of business as a result of an act of Congress, and we recognize that as the responsibility of the Congress we have taken care of some of them. We will discriminate against those who have not been protected because of insufficiency of appropriations.

Mr. HYDE. That is right. I think there were 25 of these associations. Sixteen have been provided for, but because the Civil Service Commission ran out of administrative funds there are still nine that have not yet been taken care of.

Mr. BROYHILL. Those employees who are already retired are unable to get any other insurance.

Mr. HYDE. The gentleman is right.

Mr. BROYHILL. So they are really the unfortunate victims of an act on the part of Congress; in fact, without providing this administrative fund Congress is reneging upon its obligation and previous commitment.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield.

Mr. DEVEREUX. I wish to associate myself with the gentleman from Maryland and his amendment.

Is it not a fact that through the action of Congress in setting up this new type of insurance we threatened the stability of these insurance associations?

Mr. HYDE. That is right.

Mr. DEVEREUX. Therefore I feel we have an obligation to take the remaining associations into the Federal Government insurance program.

Mr. HYDE. That is right, and the point is that Congress legislatively provided for taking them over. All we are here doing is to provide sufficient administrative funds that they may take them over.

Mr. DEVEREUX. And if we do not, then I think it would show bad faith on the part of the Federal Government in this particular case.

Mr. HYDE. That is exactly so.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from Virginia.

Mr. POFF. I want to associate myself with the very able gentleman from Maryland who has made a splendid presentation of the facts involved and I express the hope that the chairman of the committee will withdraw his reservation.

Mr. THOMAS. Mr. Chairman, very reluctantly I must state that the committee insists on the point of order. I notice some of my good friends from Virginia and Maryland whom I see quite a bit 4 or 5 days a week in other places than on this floor present and I am sure they will understand.

You will recall that the language, Mr. Chairman, does two things that makes the amendment subject to a point of order. It first attempts to increase the limitation, then in the next place it attempts to take part of the funds so limited and transfer them from that fund to the general administrative expense fund of the Civil Service Commission.

No. 2. This is a deficiency appropriation bill for the fiscal year 1957. The language attempts to carry the fund over and beyond and into the fiscal year 1958; therefore it is over and beyond the scope of the bill.

It is subject to a point of order on two counts.

The CHAIRMAN. Does the gentleman from Maryland wish to be heard on the point of order?

Mr. HYDE. Only to the extent of asking the very genial chairman of the committee a question. I understand that the chairman is objecting to this amendment not on its merit but on a technical basis.

Mr. THOMAS. Let us take one hurdle at a time. I am objecting now on two scores.

Mr. HYDE. Mr. Chairman, I must bow to the wisdom of the chairman. I recognize that the point of order is well taken.

The CHAIRMAN. The gentleman concedes the point of order?

Mr. HYDE. Yes.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

GENERAL SERVICES ADMINISTRATION

Operating expenses, public buildings service

For an additional amount for "Operating expenses, Public Buildings Service," $900,000.

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUBSER: On page 5, immediately after line 14, insert the following:

"NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

"For an additional amount for 'Salaries and expenses,' $575,000, for payment of increased wages to wage board employees from the date of approval of such increases in December 1956."

Mr. GUBSER. Mr. Chairman, I yield to no Member of this House in my desire to economize in Government expenditures; however, I refuse to achieve economy through broken promises or by a breach of faith on the part of the United States Government. The amendment which I offer is to prevent such a breach of faith.

It creates no new program or no new service. All it does is to allow one of our most important Government agencies, the National Advisory Committee for Aeronautics, to fulfill a contract with its employees entered into by both parties in good faith.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman from Texas.

Mr. THOMAS. May I say to my genial friend from California that he does not have to apologize for what he is doing. He is taking care of his people. He is an economizer, too. Your people will get their money. It is a debt—I think I can go that strong—that the Government will pay. There are about 375 to 425 unfilled jobs in the NACA. Certainly they should have the money to absorb this and the Bureau of the Budget told them to absorb it. I agree with the Bureau of the Budget and I commend the gentleman.

Mr. GUBSER. If the gentleman will let me proceed with my statement, I am quite sure I have an adequate answer for the point the gentleman has raised.

Mr. THOMAS. I thank the gentleman.

Mr. GUBSER. Let me describe the situation, which makes this amendment necessary. As you know, the National Advisory Committee for Aeronautics hires two types of employees, those who are subject to the Classification Act and whose salaries are determined by this Congress.

The other type of employee is the wage board employee whose salary is determined by a periodic review of wages of similar types of service in the area involved. When a person goes to work for NACA, he goes with the understanding that his salary will be constantly reviewed and revised upward or downward, if private industry pays more, or less, as the case may be, in the area involved.

On December 10, 1956, the wage board determined that a wage increase was in order. It was granted in the San Francisco Bay area alone to 30,000 Federal employees, but it was not applied to some 650 employees at the National Advisory Committee for Aeronautics' installation at Ames Laboratory. And, I might add that the same thing applies to the laboratory in Cleveland and the one in Langley Field, Va.

Now, the statement has been made, and I agree with it, that the Budget Bureau refused the NACA request for a supplemental bill on the ground that they had unfilled vacancies which would allow a diversion of funds to implement this wage board increase. But, the Budget Bureau overlooked one very, very important item, and that is that the NACA, the agency which is compiling the basic research data which keeps our planes ahead of the Russian planes, must recruit scientists every year, and their most difficult problem is the fact that they do not have scientists.

Now, to keep a good scientific organization going, you must recruit every year and keep men coming in at the bottom in order to replace those going out at the

top. Their program of recruitment for scientists is a spring program, at the time of graduation from the colleges, and if NACA would have granted this wage board increase out of the unfilled vacancies, that meant that there would have been no recruitment of scientists in the spring of this year at graduation time.

We are economy minded, but there is not a single man or woman in this House who would renege on a financial promise, made to another person, and that is just what we will do if my amendment is not passed. I urge the House to do collectively what each Member would do individually. Let us keep our word and grant this increase retroactively to December 10, 1956.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. THOMAS of Texas. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments to the paragraph close in 8 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Chairman, I find myself in a peculiar position to rise to support an amendment against my friend and colleague on the Committee on Appropriations, the gentleman from Texas [Mr. THOMAS] who has handled this matter. However, this matter has been called to my attention also because Ames Laboratory is just a few miles below my own district and I know many of the employess personally.

Here is a situation where the employees to whom the Government has promised a pay raise, 640 employees, are not getting it because of a conflict between two Government departments. The chairman of the subcommittee very sincerely says, "Well, they will get it eventually." But in the meantime their families are doing without the money to which they are entitled and to whom we, the Congress, have obligated ourselves to make payment. I think it is a rather ridiculous situation when the Bureau of the Budget says one thing and the wage survey board says another. The employees are entitled to this increase. The Ames Laboratory people, the NACA, say "We will pay it, but we have not the money." The Bureau of the Budget says "You have got to take it from what you have." I think certainly it is up to the Congress to establish the integrity of the Government of the United States and not allow employees, trained scientific employees, of whom there is a great shortage today, and for whom we are competing with private industry that offers them far more than the Government offers, to be left in this position.

I think it is up to us to give them the money now, as quickly as we can, and give it to them as of the same date the other Government employees in the blue-collar class got their pay increase in the Bay area and throughout the Nation.

Mr. GUBSER. Mr. Chairman, would the gentleman yield?

Mr. SHELLEY. I yield to my colleague.

Mr. GUBSER. I thought it might be of interest at this time to point out that as of today the National Advisory Committee has announced that this wage board increase will go into effect as of June 16 which means that the time between December 10 and June 16 is stolen from the employees.

Mr. SHELLEY. That is exactly the point. The gentleman's amendment makes it retroactive to the date of the finding, and instead of taking away that to which these employees are entitled we are only doing that which justice requires.

I wonder how we, as Members of Congress, can justify our action if we deny these people their just wages, which have been set under a system Congress itself has ordered in the Classification Act and in other legislation. As a matter of fact, if the NACA employees do not get this raise until the June 16th date now set, we will be accessories with the Bureau of the Budget and NACA in taking $525,000 right out of the pockets of the rightful owners. We will be collaborating with the administration in a typically deceitful example of the way in which they practice a false "economy"—by denying the wage earner the dollars he has earned and crying "inflation" if he demands them, and at the same time contributing to real inflation by extravagant spending elsewhere and by policies encouraging big business to reap fantastic profits through higher and higher price levels.

The 6 months' pay which my colleague from California [Mr. GUBSER] and I have pointed out is being withheld from these employees does not represent the full amount of their loss by any means. The 8 cents to 39 cents per hour wage increases ordered by the wage board in December of last year for NACA blue-collar employees would only serve to bring their wages up to the level prevailing in private industry in the area before that time. The level has gone up still further since, and these people under the law will not get their next increase until the wage board conducts another lengthy survey sometime in the distant future, and they will not even get it then unless we take action now to adopt the amendment, and by doing so make it clear that Congress meant what it said when it ordered that prevailing wages be paid. The 1956 survey was instituted in August and it was not until December that wage increases were ordered. So that the system penalized all per diem employees affected to the extent of 4 months' wages right in the beginning. My contention is that the law should be changed to spell out very clearly that blue-collar employees are to get a raise from shortly after the time a survey begins and not at some dim date when the agencies concerned get around to putting it into effect. Every day of delay is taking just that much money from the workers' earnings, and we will be capping the climax today if we refuse to give the 640 wage board employees at Ames Laboratory, as well as other NACA employees, the money that is rightfully theirs.

Mr. Chairman, I am taking so vigorous a position on this matter not because I do not respect and understand the sincerity of the distinguished gentleman from Texas [Mr. THOMAS], who is chairman of the Independent Offices Subcommittee, but because I have felt very strongly for a long time that we have here a situation that must be corrected, not only as it affects NACA people but Government blue-collar workers everywhere. In fact, it is because of my high regard for the gentleman from Texas [Mr. THOMAS] that I do not want to see him make this mistake. I have a bill before the Committee on Post Office and Civil Service now, H. R. 3090, which sets a mandatory effective date for wage increases ordered by a wage board. If my bill were enacted, we would not be faced with a situation of this kind today, and I certainly hope that this debate will do something to move the committee to act.

I have a file of letters in my hand from employees at the Ames Laboratory, including a petition signed by practically every employee, which were written back in March and which point out how strongly these people felt then at having already lost about 3 months' pay at a rate of $10 per week or more in some cases. They will be perfectly justified in venting their indignation on us if we perpetuate their losses and increase them by failing to approve the Gubser amendment. Over 30,000 of their fellow workers in similar jobs in the San Francisco Bay area got the same increases in December for which these people are still waiting and for which the committee's proposal will make them wait until June 16. Let each of us imagine how we would feel in that position before we cast our vote on the pending amendment.

In conclusion I want to quote from one of the letters from an NACA employee at Ames Laboratory. He says:

> We are proud and desirous to work for the NACA, and the caliber and devotion of employees in this essential branch of the public service is the highest and finest I have personally known. But, sir, our families must be cared for, payments for housing, car, and necessities of daily living must be made, and our wages keep falling lower and lower below the level of those in private industry. We are constantly being enticed to leave the employ of Ames by offers of higher earnings, greater fringe benefits, and so forth, to be found daily in newspaper advertisements and word-of-mouth reports. Unfortunately, many valuable employees have already been lost, and others are leaving regularly.

That, I think, states very simply the nub of this whole problem and it shows clearly that not only the self-interest of the employees is involved but the interest of the Government and the country as well. I, therefore, urge that the Committee adopt the Gubser amendment.

The CHAIRMAN. The gentleman from Texas [Mr. THOMAS] is recognized for 5 minutes to close the debate.

Mr. THOMAS. Mr. Chairman, there is no disposition, of course, on the part of the committee or any member thereof to deny to anybody any increase to which they are entitled. This matter came up in the committee, and I think the Bureau

of the Budget was correct in its determination of the matter. The Bureau of the Budget told the National Advisory Committee for Aeronautics to absorb that pay increase and, frankly, I think it can absorb it.

This committee has, in the 10 years that I have served on it, nourished the NACA and has encouraged it to grow. It now has about 8,235 appropriated jobs. There are vacancies, unfilled jobs, in the number of some three or four hundred.

The Bureau of the Budget merely told the NACA to go ahead and absorb that increase which is about five or six hundred thousand dollars. It could do that very, very easily. As a matter of fact, it has an appropriation for this year for salaries and expenses of in the neighborhood of $75 million. To absorb that slight pay increase would be a very simple thing to do.

At any time in the National Advisory Committee for Aeronautics in its three big institutions in Cleveland, Ohio, in California and in Virginia, there will be vacancies in three or four hundred jobs. I think the truth of the matter is that today they have as many as 500 unfilled jobs. So there is no disposition on the part of the committee or of the Bureau of the Budget to do anything to delay the payment of this increase. It is due under the law, and they are going to get it. The NACA certainly can absorb it.

Mr. SHELLEY. Mr. Chairman, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. SHELLEY. Will the gentleman admit that even though the employees get it, they will still be getting it 6 months short of the time at which they are entitled to it?

Mr. THOMAS. I do not think that for a minute.

Mr. GUBSER. Mr. Chairman, would the gentleman yield?

Mr. THOMAS. I yield to the gentleman from California.

Mr. GUBSER. In a conversation with the NACA this morning, as I stated previously, it was announced that this pay raise would be effective June 16, which I think proves conclusively the statement made by my colleague, the gentleman from California [Mr. SHELLEY], that they will lose 6 months' pay to which they are entitled.

Mr. THOMAS. That evidence was not presented to the committee. I do not think the Bureau of the Budget is going to permit anybody to be robbed of their just and due payments. They certainly have the money and they can absorb this amount, less than half a million dollars, out of an appropriation of some $76 million. My guess is they will pay it. It ought to be paid.

Mr. Chairman, this matter was thoroughly considered by the Bureau of the Budget. It was considered by the committee. As a matter of fact, there was not even a budget estimate submitted to the committee for this item.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The question was taken; and on a division (demanded by Mr. GUBSER) there were—ayes 19, noes 42.

So the amendment was rejected.

Mr. BOLAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BOLAND: On page 5, after line 14, insert:

"HOUSING AND HOME FINANCE AGENCY

"Federal Flood Indemnity Administration

"Payment for Flood Indemnity Operations

"For payment of compensation for services rendered by private organiaztions and persons pursuant to section 13 (a) of the Federal Flood Insurance Act of 1956 (70 Stat. 1078), for services and facilities of the Federal Reserve banks and public agencies as authorized by section 13 (b) of said act, and for payment into the disaster insurance fund in accordance with the provisions of section 7 (a) of said act, $14 million, to remain available until expended."

Mr. THOMAS. Mr. Chairman, I reserve a point of order against the amendment until I have an opportunity to look it over.

Mr. BOLAND. Mr. Chairman, the Federal Flood Indemnity Administration requested $50 million by supplemental appropriation. My amendment provides a sum of $14 million. This sum will make possible the purchase of $3 billion of insurance for the protection of property exposed to the hazards of floods.

BUDGET ITEMS

The $50 million recommended by Federal Flood Indemnity Administration comprised 2 major items: First, $36 million for the Federal portion of the subsidized premium to be paid into a loss reserve fund—disaster insurance fund—which may or may not be drawn upon to pay losses. This amount, if needed, can be borrowed from the Treasury as provided in the act. In addition to this contribution to the loss reserve, it is anticipated that $54 million representing premium income from policyholders will also be paid into the loss reserve fund.

Second, $14 million, for operating the insurance program, which amount includes commissions for agents and brokers for producing the business; expenses of the insurance carriers for issuing and servicing policies, underwriting, accounting and statistical work on behalf of the Government, and expenses to be paid loss adjusters for their services in handling settlement of claims.

My amendment preserves the $14 million.

SERVICES AND FACILITIES AT COST

The services of experienced and trained personnel in the industry and the use of their facilities have been made available to the Federal Flood Indemnity Administration on a cost basis; that is, with no element of profit, administrative overhead, or expenses normally incident to the operation of their businesses.

READY TO OPERATE

The indemnity program is ready to be put into operation and fiduciary agreements are being mailed to several thousand fire and casualty insurance companies throughout the Nation. After continuous consultation with the insurance industry various documents essential to the proper operation of the program, including the insurance application, the contract, rates, underwriting rules and regulations, loss adjustment procedures, accounting and statistical rules, and other forms have now been completed.

WORKABILITY

The indemnity program has thus been developed by the FFIA staff with the advice and assistance of the best insurance brains available in the Government and private insurance industry. All are of the opinion that the program developed is workable, urgently needed, and will make the benefits of self-protection available at reasonable rates.

Arrangements made with the insurance industry eliminate the need for the FFIA to organize a large staff, recruit, develop, and train personnel and employ a large group of claim adjusters, whose time would not be fully utilized as their services would be needed only when and if losses occur.

MARKETABLE RATES

For the major classes of risks, net rates will range from $1 to $2.50 per $100 of coverage on an 80 percent coinsurance basis. Within this range, the rates will be different in various parts of the country depending upon considerations of flood frequency and flood damage.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also, there is a minimum premium of $25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two Industry Advisory Committees and have their concurrence as to reasonableness and marketability. These rates are calculated to produce sufficient premium income to meet our budgeted requirements.

The rating system we have devised will, of course, be refined as we gain experience.

SAFEGUARDS

Certain safeguards are incorporated into the program to maintain proper balance between premium income and loss reserves.

These safeguards are as follows:

First. The amount of insurance which can be sold to any person or corporation is limited to $250,000 and $10,000 on a dwelling and its contents.

Second. Flood-indemnity contracts will contain a $500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of in-

surance in force will not be the measure of the Government's liability.

Third. A spread will be obtained by selling flood-indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply: namely, contributions of the many to pay for losses of the few.

CONCLUSION

There is considerable public demand nationwide for flood insurance, and a growing anxiety as to when it will become available. The flood-insurance program was authorized in the last session of the Congress on a bipartisan basis. The type of coverage proposed to be offered is not available in the private domestic insurance market. The Congress contemplated a 5-year experimental program in anticipation that with private insurance company participation it could be ultimately absorbed into the private market.

By means of this program, a measure of self-protection is available to the American people and, to the extent that it is used, it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation, and charity.

The administration has come up with a workable program, the program now before you. A failure to appropriate sufficient money to get the program started, of course, does not mean the death knell of this program, but it does mean this program will be delayed a considerable length of time. I hope that this amount will be voted by this House and by this Committee.

Mr. FORAND. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. FORAND. Mr. Chairman, I want to associate myself with the gentleman from Massachusetts on his amendment. I think there is merit to it. I believe it is about time we got this program off the ground. We have been working now since the hurricanes of 1955 trying to work up this flood-insurance bill. I know what we have is not perfect. I do not think anybody in this brief time can work up a perfect bill dealing with this problem. It is a very difficult problem, but I do realize, having lived through the floods as has my friend, and perhaps many other Members of the House, who have had the same experience—we have lived through it and we realize that something has to be done. If the Federal Government does not subsidize this type of program, then the Federal Government will be paying out a greater amount of money in relief to the people who are stricken.

Mr. BOLAND. The gentleman is absolutely right. I appreciate his remarks.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. EDMONDSON. Is it the feeling of the gentleman from Massachusetts that this program in any way supplants or takes the place of the reservoir program to control floods?

Mr. BOLAND. No, it does not take the place of that. I think it implements it and helps it along. I think the problem we face today is the implementation of the authorization act which we passed in the last session of the Congress. Let me disabuse your minds in relation to the insurance companies. I think the private insurance companies have done a magnificent job in cooperation with Federal Flood Indemnity Administration in bringing up a program that seems to be workable and feasible. There is no bonanza for the private insurance companies here. All of the money which will be paid to them as operating expenses will be paid on a cost-reimbursable basis. But, they think this is an opportunity to get the program started. The program itself, of course, will last only until the year 1961. There has to be a recommendation of the Federal Flood Administration by that year to indicate whether or not this program is to be continued. If it is a good program, they will continue it. If it is not, we will terminate it. If it is a good program, it might very well be that the private insurance companies will get into the program that will render at least some measure of protection to the small homeowner and to the small-business man who cannot get this insurance anywhere. Even though there may be some statements to the effect that it is available, it is not generally available. This kind of insurance is not generally available to people who live in areas that might be impacted by floods.

Mr. EDMONDSON. I can see the advantage of this program in that it would take care of flood damages in areas where reservoirs could not in any way meet the problem. I am very pleased to help the gentleman on his amendment.

Mr. BOLAND. I thank the gentleman very much.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mrs. ROGERS of Masachusetts. I am heartily in favor of the gentleman's amendment. I think it is most vital to the areas where the flood protection has not really been more than started, for example, in the Merrimack Valley where I live and where it is vital for the people to have this protection, and because of the lack of the signing of the contracts between New Hampshire and Massachusetts.

Mr. BOLAND. I appreciate the gentlewoman's observations and also her concern for the people of the Merrimack Valley.

Mrs. ROGERS of Massachusetts. The gentleman has done a very fine job, I would like to say.

The CHAIRMAN. Does the gentleman from Texas withdraw the point of order?

Mr. THOMAS. No, Mr. Chairman, we do not withdraw the point of order; but we are trying to look into it further.

The CHAIRMAN. Does the gentleman further reserve the point of order?

Mr. THOMAS. Yes; we reserve the point of order.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent that the gentleman from Rhode Island [Mr. FOGARTY] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. FOGARTY. Mr. Chairman, I rise in support of the amendment. Almost a year has elapsed since the Congress passed authorizing legislation to provide for a system of insurance against flood loss. Now just at the time when the system is to be finally put into effect we are faced with a move by the so-called economy bloc to kill the legislation by withholding funds necessary for its operation. That in a nutshell is the ultimate effect of the committee's action on this item. Once more we see the pattern, which has been so obviously apparent in several of the appropriation bills that have previously been before us, of eliminating beneficial legislation by the simple expedient of refusing to appropriate funds for effective administration of the law's provisions.

How soon we forget. How short our memories of the horrible devastation attending flood disasters—devastation which has an unfortunate habit of concentrating on the little fellow. For it is the little man who is particularly at the mercy of flood damage—the small-home owner and the small-business man. In my State of Rhode Island I know of instances where homeowners, in limited financial circumstances, have lost their property by water damage and yet are faced with paying off the mortgage which survives as a grim reminder of their personal tragedy. Again, I have had the experience of knowing small-business men whose credit became so impaired by flood loss that they were unable to resume operations again. To extend a helping hand to persons such as these, to spread a protective mantle assuring them against repetition of the crippling blow of floodwaters is, in my opinion, a charge which this representative body is morally bound to meet. It is certainly a duty which we owe to citizens in all communities throughout the country. I do not intend to be critical when I say that many times we can be so concerned over the welfare of people in other lands and with problems in areas outside our jurisdiction that we unwittingly neglect the welfare of the people of the United States.

Think back to the situation as it existed just 10 months ago. One of the finest accomplishments of the last session of Congress was the passage of this country's first flood insurance program. Because of the dire need, because of the terrible impact of flood losses on our homeowners and small-business men as graphically proved before the standing committees, both branches of Congress quickly passed the necessary legislation and it was promptly signed by the President. Our action then had the end result of offering a ray of hope—a possibility of some economic protection—to those of our citizens who live and earn their livelihood in the flood areas.

And we must remember that these people, typical of whom are the residents of my own State of Rhode Island, have never been looking for a handout. It is not the nature of people in my part of the country, nor for that matter is it the nature of Americans generally, to be content with the mere hope that in the

event of disaster the Government will furnish relief. It is rather their nature to try to sustain their economic position through insurance against loss by paying a fair and reasonable rate for insurance protection. But what can they do when such insurance is not available through private enterprise? Now that it is apparent that private insurance companies cannot underwrite either flood or natural disaster insurance, the responsibility falls on the Federal Government to meet the need of its people by embarking on a program of its own. And in carrying out this responsibility it should not be so doing with the thought of profit in mind. Rather than hoping to make a profit the Government should think solely of its obligation to promote the general welfare of its people.

The administrator of the Flood Insurance Agency, Frank J. Meistrell, has stated that the present denial of funds would effectively block the start of the insurance program. He has however indicated that should approval be given to the $14 million provided for by this amendment he would at least be able to get the program into operation. That amount is absolutely necessary, according to the administrator, in order to cover the expenses of the private insurance industry in writing policies and adjusting claims.

Such, then, is the situation. As far as I am concerned it falls simply into a matter of being either for the flood insurance program or against it. Those who vote for the pending amendment are voting to extend to the American people that assistance which private industry cannot offer but which is so vital to their economic well-being. At the risk of being repetitious I again say let each of us stand and be counted. If we sincerely believe that the Federal Government has a responsibility to promote the general welfare, if we desire to support the recommendation of the President of the United States, and if we intend to stand behind the will of both branches of the Congress as expressed in the authorizing legislation, then the way to effectively combine all three is to vote for the pending amendment.

Mr. PHILBIN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, it would be a grievous, shortsighted omission on the part of the House not to implement the flood-insurance measure adopted by the Congress last year.

The pending amendment, which seeks merely an outlay of $14 million to put this vital program into operation, will enable the agency to go forward with ready plans to make flood insurance available.

There is nothing revolutionary about this program. It aims to protect flood-stricken people against the ravages of torrential visitations of nature which periodically throughout the country leave a sorry, tragic trail of death and desolation in their wake. One day it may be New England and the eastern seaboard, as was the case just a short while ago when a succession of fierce, tropical hurricanes poured torrents of destruction and devastation, suffering, misery, and loss of life and property over broad areas. Another day it may be in the South, or the Middle West, the Mountain States, the west coast, or the great Southwest, where just recently in the great State of Texas long-continued storms ravaged the countryside with death and disaster.

It would seem hardly necessary to have to argue the responsibility of the Federal Government to intervene with relief, reconstruction, and protection against future recurrence as well as that can be accomplished following the impact of these tremendously powerful and devastating storms. Time and time again, this Congress and this Government has moved, ofttimes with great dispatch and expeditions, to aid and assist afflicted people, communities, States, and areas. It is to our credit that existing laws not only authorize, but have set up very sizable funds to combat natural disasters and to provide flood-control projects designed to prevent, or at least to minimize, the occurrence in the time to come, of the great damage and suffering caused by ravaging floodwaters that sweep with ruthless destructiveness through settled communities and farmlands and many other places spreading catastrophe and ruin.

Congress has, to be sure, left some gaps in the overall program to cope with floods and natural disasters and some additional legislation is needed that I will not detail at this time.

It will suffice for me to state that flood insurance is a vital, urgent need, an essential, integral part of any worthwhile program to deal with the effects of major floods.

The funds sought by this amendment are modest and reasonable. But they will permit a start to be made on this necessary program so important to perhaps millions of Americans who may be from time to time tragically beset by swirling torrents of water inundating their lands, destroying their homes, and leaving their communities in a shambles of ruin and destruction.

It is not economy, my friends, to save a few million dollars at the expense of the pitiable, as yet, unidentified victims of future flood disasters. On the contrary, mindful of our duty and responsibility to the people, as we always are in the House, we are constrained to provide in a true spirit of humaneness for the terrible contingencies of fate that from time to time leave so many of our fellow citizens prostrated and helpless against the fury of nature.

Let us adopt this amendment and thus round out another imperative bulwark of our overall flood-control program. I urge your favorable consideration of this fine proposal and trust it will be adopted by the House.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. SEELY-BROWN. I wish to join in the statement and associate myself with the fine remarks made by my upstream colleague.

Mr. PHILBIN. I thank the gentleman very much. He is always very helpful.

Mr. LANE. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. LANE. Mr. Chairman, I also support the amendment to add $14 million to this program, and associate myself with the gentleman who is now addressing the House, and also the gentleman who offered this amendment. Both of them have put in much time and effort on this flood control problem as far as Massachusetts is concerned. I know of no men who have put in so much work on this problem. They should be congratulated, and I join with them in support of this amendment.

Mr. PHILBIN. I thank the gentleman very much.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield.

Mr. MORANO. I wish to compliment the gentleman on the fine statement he is making on this amendment, and I am supporting the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

Mr. PHILBIN. I appreciate the gentleman's statement. He is always very helpful.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Does the gentleman from Texas still reserve the point of order?

Mr. THOMAS. Mr. Chairman, I withdraw the point of order.

Mr. MARTIN. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do not want the membership to think that this amendment is purely a New England matter just because so many New Englanders are advocating it. In 1955 the people of this country were shocked by the floods that occurred not only in New England and upper New York State, but also in Texas, Oklahoma, California, North Carolina, Florida, and many other parts of the country. As a result of these disasters the President visited personally many of these places and reached the conclusion that the country should give the people some protection against disasters of this character.

It is impossible to secure any private insurance company to undertake the task, because there is now no experience to warrant or justify their taking the risk. The President has recommended this program as a substitute for the need of large relief appropriations, and the last Congress endorsed the proposal.

This amendment is here because of the advocacy and endorsement by the President, the administration, and by the bureau that would be in charge of the administration of the legislation.

I think we should adopt this amendment and appropriate the $14 million so that we may have an opportunity of ascertaining whether it is feasible. It is hoped that this experiment will not be too expensive, and that after a few years it will be possible to write such insurance policies in the regular normal way. We should certainly aid a program that would make it possible for the people of America to protect themselves from disasters. You and I know how we felt when we saw homes washed away, business enterprises destroyed, people's life savings and futures wiped out. We were all sympathetic but that helps very little

a ruined man. I hope this amendment will be adopted; that we will appropriate the $14 million so that the insurance companies can go ahead and determine definitely whether such insurance is practical.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph be limited to 22 minutes, the last 7 to be reserved to the committee.

Mr. CANNON. Mr. Chairman, reserving the right to object, I ask to be recognized for 5 minutes right now.

Mr. THOMAS. Mr. Chairman, I amend my request to make it 27 minutes, 5 minutes to be allotted to the chairman of the committee and 7 minutes to the committee itself.

Mr. BARDEN. Mr. Chairman, reserving the right to object, I just had the State of Massachusetts throw a block at me. Am I to be allowed 5 minutes?

Mr. THOMAS. Mr. Chairman, I further amend my request to make it 32 minutes, the additional 5 minutes to be given to the gentleman from North Carolina [Mr. BARDEN].

Mr. CANFIELD. Mr. Chairman, reserving the right to object, may I ask how many are standing requesting time?

The CHAIRMAN. Fourteen.

Mr. CANFIELD. The time requested was 30 minutes?

The CHAIRMAN. Thirty-five minutes, as the Chair understood the request. Is there objection to the request of the gentleman from Texas?

Mr. CANFIELD. Mr. Chairman, further reserving the right to object, what was the request for time on the part of the committee itself?

The CHAIRMAN. The Chair was going to state that. As the Chair understands it, the gentleman from Texas asks unanimous consent that debate on this amendment and all amendments thereto be concluded in 35 minutes, the last 7 minutes to be reserved to the committee, 5 minutes of the time for the Chairman of the Committee on Appropriations and 5 minutes for the gentleman from North Carolina [Mr. BARDEN].

Mr. THOMAS. May I correct that. 5 minutes to the chairman of the full committee and 5 minutes to the gentleman from North Carolina. Mr. Chairman, I modify the request and ask unanimous consent that the time be fixed at 40 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. TABER. Mr. Chairman, reserving the right to object, that means about 2 minutes apiece?

The CHAIRMAN. Yes; with the exception of the gentleman from Texas, the gentleman from North Carolina, and the gentleman from Missouri. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I want the Members of the House to know that I am not interested in launching into a general Government-insurance program. I think this is an opportunity for us to do some very, very valuable research work. It is something which the Government is in a position to do and the private insurance people are not in a position to do. We do not have any history of the operation of this type of insurance that the insurance people feel would justify their entering into and offering to the general public insurance policies against losses which we seek to cover.

I remember the debate on this authorization bill, which many of you do. This is not a matter that affects one State or one small area. It reaches from Florida to Maine, including Massachusetts, Connecticut, and all points between. These disasters have resulted in destruction up and down the coast to an extent that it was most difficult for the people to even make a start to recover.

The policy of this Government has been to assist the people in distressed areas and certain other areas that were visited by such disasters as hurricanes. This cost the Government a tremendous amount of money—up into the hundreds of millions of dollars.

Mr. Chairman, in my opinion, it is the better part of wisdom for us to put this into operation in order to work out a practical setup so that the insurance companies will take it and go on.

Originally $50 million was proposed. I would not vote for $50 million, because I do not think at this time an appropriation of that size would be justified. I do not think I would vote for even half that much.

I do think that $14 million will permit the program to get in operation to the extent that we can then have a practical operating program to offer.

Now, this is not a new idea, the fact that the Government seeks to do research work. And, that is exactly what this is. There is no need to attempt to arouse emotions about the horrors of a hurricane. I think we all understand it. Heaven knows I do. I had to swim out of one at 12 o'clock at night, and I was not the only one swimming. Now, I know that this bill is not going to stop hurricanes, and you do, too, but I do say that where the people are willing to pay for the protection, as the American people are willing, if the program can be presented, a method for them to do so should be provided, and that is all I advocate. They are willing to pay the insurance premiums. What they are anxious for is a program whereby they can get protection.

I remember when the President went to Connecticut, and he did just as any of us would have done. That big heart of his said to the Chief of Engineers "Spend what money is necessary and take care of these people." They spent much more than this amendment covers in that particular area. I do not object to that. They needed it; they needed more than that up and down the coast. But, let us see if we cannot design and offer to the people a little bit better program than to say "Wait, and when it hits, then come to Congress" or send for the President, and let everybody guess at it. I think we should do something better than make just a broad guess of that kind.

Mr. Chairman, I hope the amendment will be accepted.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. CANFIELD].

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. BATES. Mr. Chairman, I am in support of this amendment for the reasons enunciated by the gentleman from North Carolina [Mr. BARDEN].

After the floods which New England experienced in recent years, the insurance deficiency for such purposes was dramatically called to our attention. The question of providing for such disasters was directed toward the possibility of coinsurance or reinsurance by the Federal Government. Efforts in this area finally culminated in the enactment of the Federal Flood Insurance Act of 1956.

It is readily agreed that this field of endeavor is new and necessarily experimental. There is, however, a great need, and if this amendment is adopted and a program inaugurated, we will have an opportunity to determine its feasibility and its reception.

While it might appear that this assistance by the Federal Government might be expensive, this judgment must be weighed in recognition of the fact that the Congress has repeatedly appropriated funds for disaster areas. Unquestionably, it will continue to do so. If this program is successfully implemented, the beneficiaries will make their own contributions and the Government will not be required to pay the entire bill.

There is only one way to explore this problem and that is to adopt this amendment and put the plan into effect. I urge its adoption.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. Mr. Chairman, I rise in support of the amendment.

The Federal Flood Insurance Act which the amendment implements was enacted into law last July in the light of unprecedented floods in the cities and towns of New England in 1955, and in the light of disastrous floods in California and elsewhere.

It was enacted into law because the problem is national in scope and not confined to any one State or group of States, and because insurance against flood damage with private insurance companies is practically unobtainable at this time.

It was enacted to enable the people of the country to pool their risks and to meet losses from a common fund.

It was enacted to substitute insurance for emergency relief and charity.

The Federal Flood Indemnity Administration tells us that the program before us has been developed with the advice and assistance of the best insurance ability available in the Government and in the private insurance industry.

It tells us that all concerned are of the opinion that the program is a workable

program, urgently needed, which will make the benefits of self-protection available to homeowners and small-business men.

It adds that it is prepared to enter into contracts with several thousand insurance carriers to act as fiduciary agents for the Government, and national claims adjustment organizations for the settlement of losses under indemnity contracts.

It tells us that it cannot conclude these contracts and begin operations under the act unless and until the funds carried by this amendment are made available for expenses to be incurred.

Mr. Chairman, the President of the United States is desirous of seeing the program put into effect.

The original budget request of $50 million is reduced in the pending amendment to $14 million.

To defeat the amendment is to kill or at best to defer the desired program for an indefinite period of time.

I believe the program should be given a fair trial. I hope the amendment will be adopted.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Massachusetts.

Mr. HESELTON. Mr. Chairman, I, too, support this amendment. The argument just made by the gentleman from North Carolina [Mr. BARDEN] is powerfully persuasive of the necessity of carrying out the provisions of the law adopted by a decisive vote in the House. The President's recommendations are fully justified and should be supported by all who voted for this law and who want to attack constructively the tragic problem of enormous losses suffered by those who are the victims of these disasters. Those who wish to repeal this law should try to do so directly.

Mr. Chairman, I ask unanimous consent that the balance of my time be yielded to the gentleman from New Jersey [Mr. CANFIELD].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from Connecticut.

Mr. PATTERSON. Mr. Chairman, I, too, am in favor of this amendment and for the very same reasons the gentleman from North Carolina is supporting it.

I regret that the appropriations on independent offices did not approve a supplemental appropriation request of the Federal Flood Indemnity Administration, and that that agency will be unable to issue flood insurance policies for lack of essential operating funds. Enactment of the Federal Flood Insurance Act of 1956 was one of the proudest achievements of the 84th Congress. It would be an extraordinary neglect of legislative responsibility, to say the least, if we failed to appropriate funds to make this law operative.

In the 1955 floods, the Fifth District of Connecticut suffered damages estimated in excess of $100 million. Untold suffering was caused thousands of families and the businessmen and workers of the Naugatuck Valley who were completely without protection from this form of disaster.

With many of our colleagues in the House, I introduced flood insurance legislation as early as January 3, 1956. I supported and fought for the legislation that was subsequently enacted. This law must be made operative, and the flood indemnity program must be given a thorough trial to afford our people some measure of protection against recurring floods.

In Connecticut we are exerting every effort to install flood preventive works before the next storm strikes. But the hard fact we must not forget is that no flood protective works are ever 100 percent effective, and floods can and do occur somewhere in this country every season of the year.

Flood losses this year are already in excess of the damage caused in 1956, and we await the arrival of the hurricane season with great misgivings. Few sections of the country are completely secure from flood disaster, and it would be wrong to deny so many of our people the protection afforded by the flood indemnity program.

I have personally inquired into the steps which are being taken by the Federal Flood Indemnity Administration to make this program operative. With little experience to guide them, I believe Commissioner Frank J. Meistrell and his aids have formulated a workable program which can be put into effect as soon as operating funds are made available.

Under this program, any person can buy a Government contract on his home, farm or business property, up to prescribed amounts, at rates which may be from $1 to $2.50 per $100 of coverage. The flood indemnity contracts will be sold and serviced by the private insurance industry which up to this time has been unable to make this form of protection generally available to the people.

I can think of no more economical way to operate this program than by using the personnel and facilities of the insurance industry, now in being, on an actual cost basis. This is what the industry has agreed to and it is convincing proof of their desire to make this unique experiment in insurance a real success.

If that can be demonstrated—that flood insurance can be sold on an economic basis—the whole program can be taken over by the insurance companies, and the Government will be relieved of the costs and risks involved. There is, consequently, a limit on the length of time the Congress will have to appropriate funds for this program.

The people of my district, particularly homeowners and businessmen of modest means, need and want flood insurance. Their need is shared by thousands of people who live and work along the great river systems of our country, and the exposed coastal areas of the Atlantic Ocean and the Gulf of Mexico. It is my earnest plea that the Committee of the Whole House on the State of the Union will recognize the urgency of this need and grant the appropriation for flood insurance.

Mr. CANFIELD. Mr. Chairman, there is one thing that the Boland amendment is not. The Boland amendment is not a device to provide some degree of aid for some foreign project. The Boland amendment providing for $14 million to begin this flood insurance program is for Americans; Americans who down through the years have been suffering from the ravages of floods. It is not to build dams and it is not to build power projects in nations abroad. It is for our own people in our own 48 States.

I rise this afternoon, Mr. Chairman, to take issue with the action of my committee, the House Committee on Appropriations, in reporting the bill today without 1 cent to carry out the provisions of the law approved last year. The bill was passed by this House by a two-thirds vote and passed by a voice vote in the other body, later to be signed by the President. I do not think it is fair, considering the fact that the House Committee on Banking and Currency held weeks of hearings on this bill, for our committee today to say in effect, "We have reviewed the bill, we have gone over the law, we have held hearings, and we hold that you cannot have any money to implement this program." In other words, the House Committee on Appropriations is in effect exercising a veto over a bill enacted into law by the 84th Congress.

I was a sponsor and advocate of the Federal flood insurance bill in the last Congress. My State of New Jersey had suffered from the same disastrous floods which had ravaged the eastern seaboard and I had been convinced that some better form of assistance and protection was required by our people. Flood insurance was the best answer devised by the Congress.

The insurance industry is fully supporting this program. The services of the experienced men and women of this industry and the use of its facilities have been made available to our Government on an actual cost basis. Imagine what it would cost the Government to try to duplicate these services on its own account. It just could not be done.

Mr. Chairman, we cannot provide this protection to the people of Texas and Louisiana who are now suffering from devastating floods. They must continue to depend upon public relief and the help of such fine agencies as the Red Cross. But we can make this insurance available to the people in all of the valleys of our country and along our exposed coastlines who may be the next victims of flood disasters.

Mr. Chairman, I have had prepared the following memorandum in support of this program:

The Federal Flood Indemnity Administration has requested $50 million by supplemental appropriation. This sum will make possible the purchase of $3 billion of insurance for the protection of property exposed to the hazards of floods.

BUDGET ITEMS

The $50 million comprises two major items: Thirty-six million dollars for the Federal portion of the subsidized premium to be paid into a loss reserve fund (disaster-insurance fund), which may or may not be drawn upon to pay losses. This amount, if needed, can be borrowed from the Treasury as provided in the act. In addition to this contribu-

tion to the loss reserve, it is anticipated that $54 million, representing premium income from policyholders, will also be paid into the loss reserve fund.

Approximately $14 million projected under the Boland amendment, for operating the insurance program, which amount includes commissions for agents and brokers for producing the business—expenses of the insurance carriers for issuing and servicing policies, underwriting, accounting and statistical work on behalf of the Government, and expenses to be paid loss adjusters for their services in handling settlement of claims.

SERVICES AND FACILITIES AT COST

The services of experienced and trained personnel in the industry and the use of their facilities have been made available to the Federal Flood Indemnity Administration on a cost basis—that is, with no element of profit, administrative overhead, or expenses normally incident to the operation of their businesses.

READY TO OPERATE

The indemnity program is ready to be put into operation and fiduciary agreements are being mailed to several thousand fire and casualty insurance companies throughout the Nation. After continuous consultation with the insurance industry, various documents essential to the proper operation of the program, including the insurance application, the contract, rates, underwriting rules and regulations, loss-adjustment procedures, accounting and statistical rules, and other forms, have now been completed.

WORKABILITY

The indemnity program has thus been developed by the FFIA staff with the advice and assistance of the best insurance brains available in the Government and private insurance industry. All are of the opinion that the program developed is workable, urgently needed, and will make the benefits of self-protection available at reasonable rates.

Arrangements made with the insurance industry eliminate the need for the FFIA to organize a large staff, recruit, develop, and train personnel, and employ a large group of claim adjusters, whose time would not be fully utilized, as their services would be needed only when and if losses occur.

MARKETABLE RATES

For the major classes of risks, net rates will range from $1 to $2.50 per $100 of coverage, on an 80-percent coinsurance basis. Within this range, the rates will be different in various parts of the country, depending upon considerations of flood frequency and flood damage.

From available data, a separate set of rates has been established for each major river basin in the United States, and the more highly exposed areas along the Atlantic and gulf coasts. In addition, differentials have been fixed applicable to buildings only, buildings and contents or simply contents. A differential is applied between residential and commercial property, and between frame and nonframe construction. A classification—piers, wharves, and property over water—will carry a substantially higher rate. A rate differential is fixed between contents insured above and below the grade floor. Also, there is a minimum premium of $25.

These rates reflect varying degrees of exposure, and are marketable, as required by the Federal Flood Insurance Act.

These rates have been reviewed carefully by the industry, by the two industry advisory committees and have their concurrence as to reasonableness, and marketability. These rates are calculated to produce sufficient premium income to meet our budgeted requirements.

The rating system we have devised will, of course, be refined as we gain experience.

SAFEGUARDS

Certain safeguards are incorporated into the program to maintain proper balance between premium income and loss reserves.

These safeguards are as follows:

1. The amount of insurance which can be sold to any person or corporation is limited to $250,000 and $10,000 on a dwelling and its contents.

2. Flood indemnity contracts will contain a $500 deductible, plus 5 percent of the remainder of the loss. Moreover, most losses arising under these contracts will in all probability be partial losses; therefore, the total amount of insurance in force will not be the measure of the Government's liability.

3. A spread will be obtained by selling flood indemnity contracts nationwide. Since all exposed places will not have damaging floods at the same time, the fundamental principle of insurance will apply; namely, contributions of the many to pay for losses of the few.

CONCLUSION

There is considerable public demand nationwide for flood insurance, and a growing anxiety as to when it will become available. The flood insurance program was authorized in the last session of the Congress on a bipartisan basis. The type of coverage proposed to be offered is not available in the private domestic insurance market. The Congress contemplated a 5-year experimental program in anticipation that with private insurance company participation it could be ultimately absorbed into the private market.

By means of this program, a measure of self-protection is available to the American people and, to the extent that it is used, it will tend to reduce the amount of direct Federal and State aid for relief, rehabilitation, and charity.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CURTIN].

Mr. CURTIN. Mr. Chairman, this is my first appearance in the well of the House, and I am fully appreciative of the high honor involved in addressing this august assembly.

I appear before you today in support of the amendment to include $14 million to implement the Federal flood indemnity insurance program. The committee has seen fit to delete the $50 million budget estimate from this supplemental appropriation bill on the ground that the proposal for flood indemnity that has been presented to the committee is too indefinite and costly.

However, I come from a district which over the years has suffered severely from floodwaters and which last suffered from raging waters in 1955, just as many other districts suffered from the hurricane-caused damage of that year. Our people living in the path of these floodwaters suffered tremendous and complete losses, due to their inability to protect themselves adequately by privately financed insurance. In anticipation of such damage, because floods are not unknown in my district, many of them had tried to secure insurance protection before the last flood, but gentlemen and gentlewomen, private insurance is just not now available for protection from flood damage and rising water.

I am heartily in favor of the economy actions of the House so far this session and feel strongly that we should practice all economies that can be effected without jeopardizing necessary governmental functions. However, when one has seen self-reliant and industrious citizens, who are the victims of floods, standing in line to secure food and to secure clothing and have visited their homes in which all of their belongings have been either washed away or completely ruined and the houses either washed from their foundations or torn apart, and when it is further known that these people have tried to protect themselves, but have been unable to do so, then some sort of help is essential. These people do not want charity; they merely want the opportunity to purchase insurance.

The Federal Flood Indemnity Administration is charged with the responsibility of administering the Federal Flood Insurance Act of 1956. This act provides for the establishment of three programs designed to protect people from flood losses—the first is a direct insurance program, the second a reinsurance program, and the third is a loan-contract program. As I understand it, the money here requested is for the direct insurance program.

I feel that under these circumstances our Government is under an obligation to assist people in helping themselves, to implement this direct insurance program so that they can purchase flood insurance. For this reason, I heartily support the amendment of the honorable gentleman from Massachusetts.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Moss].

Mr. MOSS. Mr. Chairman, the distinguished minority leader stated that this was not a matter of interest only to New England. I think it has been abundantly demonstrated that this is a matter of interest to every section of the United States.

I have heard no one contend that there is a lack either of need or desirability for a program of flood insurance. We have been told that we should adopt, as a so-called substitute, a program of studied procrastination, in the hope, and I think rather a vain hope, that some better program might eventually be offered.

The fact is that a good program has been offered. It will take the test of time and experience to tell us how good or how adequate it is. But be certain of this, if we fail to obtain the Boland amendment there will be no program and no progress. This is an entirely new field, one where we must test the willingness of private insurance carriers to work cooperatively with the Government to develop a program of the type which the American people demand and for which they have a crying need.

My district in the period of about 2 months, in December of 1955 and January of 1956, suffered tremendous losses from floodwaters, damage which as of this moment is not fully repaired. It is always a shocking thing to see one's property destroyed, but there is an added feeling of hopelessness when the flood victim is unable to figure a means of replenishing or rebuilding that which was destroyed.

I urge support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I am taking this time because I believe the Members of the House ought to have put before them what they are voting for.

We have before us at this time a proposal to start the ball rolling on the flood-insurance proposition. The $14 million will give life to the administrative expenses in paying the fees of the people who solicit the insurance and the companies that handle the placing of it, and the other expenses incidental to it. But that opens wide the gate. Let me say to you that the law permits the borrowing of $500 million a year and more if the President shall so direct, up to a total in 6 years of $2 billion, so that you are opening the door wide for $5 billion of expenditures in the nature of borrowings out of the Treasury.

To my mind, that is a terrific program. It is one on which we ought not to embark with no more than we have been able to get so far in the nature of a program from the administration. They were given $500,000 to work with. They have so far spent about $150,000 of that and have a little over $300,000 left. Why can we not do what the committee suggests, have them try to work out some kind of a square-toed program and submit it, with the rest of the money they have available, instead of embarking on this $5 billion program?

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. GREEN of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. GREEN of Pennsylvania. Mr. Chairman, I join with my many colleagues in support of this amendment. This is a matter that the people of Pennsylvania and particularly the Governor of the great Commonwealth George M. Leader, who has displayed great leadership in this fight.

Pennsylvania was hit hard by the recent floods. Just to mention two sections that were hardest hit, Bucks County, New Hope, Newtown where there was considerable damage, and the Pocono's, Scranton, Stroudsburg where much damage and considerable loss of life occurred.

We must never lose sight of the fact that when one suffers we all suffer.

I had the honor of being appointed on the flood-insurance committee appointed by Governor Leader and serving on that committee under its able chairman, Bradford Smith, Jr., and the very capable insurance commissioner, former Member of this body, Francis R. Smith.

I would like to read the report of our committee sent to the Governor on April 13, 1957:

APRIL 17, 1957.

Hon. GEORGE M. LEADER,
Governor of the Commonwealth of Pennsylvania, Harrisburg, Pa.

MY DEAR GOVERNOR: This is the second report of your flood committee (first report August 2, 1956). It is made following a meeting of your committee as a whole in Philadelphia, April 15, 1957. Mindful of your desire to explore the possibilities of working out a program of insurance to be underwritten by the private insurance industry, the committee first addressed itself to this possibility. However, it soon became abundantly clear that the vast majority of the private insurance companies believe that specific flood insurance, covering fixed location properties in areas subject to recurrent floods, cannot feasibly be written as a private venture. On the other hand, the private insurance industry asserted its willingness to cooperate with Government in this area on a nonprofit basis. Your committee applauds the offer of the insurance industry to serve its Government without profit and also recognizes the offer as a proffer of proof of the sincerity of its beliefs concerning the feasibility of flood insurance and as evidence of its keen desire not to be found wanting in its efforts to meet the public's needs.

Your committee next turned its attention to exploratory studies made by the Department of Forests and Waters under Secretary Maurice K. Goddard. As previously reported, these studies were limited to the Susquehanna River Basin because of the vast amount of detail involved and more importantly, because all of the necessary data was not available for the other river basins. Consideration of the data produced by these studies led the committee to believe that it showed promise of being useful as a basis for making flood insurance rates designed to reflect the measure of hazard in the several river basins, cities, towns, and even individual risks. However, the development of such a detailed system, designed to measure the hazard for each individual risk or even small groups of risks, would, we believe, become too costly to justify its use. A broader pattern of rates by zones or rather large areas seems much more feasible. We did not pursue these studies further because the enactment of the Federal Flood Insurance Act made them academic except to the extent that they may be used in assessing the cost to Pennsylvania and its citizens for the benefits of the Federal program.

Meanwhile, your committee has studied the numerous discussions and debates leading up to the enactment by the Federal legislature of its Flood Insurance Act of 1956, Public Law 1016. In so doing, it has become impressed with the seriousness of the problem and its many facets. Indeed the complications are such as to make it difficult to avoid overlooking some basic factors which may eventually be recognized as facts, although they are not provable at this juncture. For example, there is excellent reason to believe that even though a system of indemnity is available, only a few will buy, with the result that the Commonwealth will have the same social problem on its hands with nothing to alleviate it but the doubtful comfort of being able to chide the victims for not having purchased the available indemnity. Then there are such considerations as the following, which are quoted from a staff study made for the Committee on Banking and Currency of the United States Senate, and included in arguments against a Federal indemnity plan. They are:

1. Actuarial premiums are discouragingly high.

2. Without them, Federal subsidies are involved.

3. Those building in known flood-risk areas have probably paid little for the land.

4. Uniform charges would unwisely encourage use of floodable land.

5. Voluntary insurance would be plagued by adverse selection.

6. Excluding high-risk areas denies benefits where needed; including them induces a high premium or an unfairly distributed premium.

The foregoing is but a sample of the complexities of the problem. The more consideration we gave it, the more convinced we became of the importance of a statement made by Maj. Gen. E. C. Itschner, Assistant Chief of Engineers for Civil Works. It was made during his testimony before the Committee on Banking and Currency and appears on page 16 of the hearings before the committee. "Flood insurance is not a substitute for flood-remedial works. Flood control is positive, in that it preserves human life, reduces direct and indirect flood losses, abates the suffering, distress, and many tangible damages resulting from floods, makes possible flood-plain development for industrial and other uses, and contributes toward the development of multiple-purpose resource improvements—in other words, projects which not only take care of floods, but develop the resource for navigation, water supply, irrigation, power, and so on.

"Insurance on the other hand does not obviate or reduce damages done by floods, but only distributes the cost of flood damage over a larger number of people than actually suffer flood losses in a given time. Moreover, insurance would not provide compensation for the large indirect and secondary losses, such as losses of wages and profits from interruption of business in commercial enterprises. Compensation would be further reduced to the extent that limits are placed on the coverage of direct physical losses where basic deductible amounts are provided."

Thus your committee has reached these conclusions:

1. Private insurance in the sense of actuarially correct premiums to meet the losses is not feasible.

2. Pending more complete development of flood-remedial works, there is substantial reason to believe that the problem is essentially one of relief because of the probability that even a heavily subsidized program of insurance will fall far short of solving the problem of rehabilitating the victims.

3. Money spent for wise flood-remedial works will bring greater returns and greater economies than will the same money spent on insurance subsidies.

Regardless of the foregoing, your committee must also consider the position of the citizens of the Commonwealth in the light of the benefits of the Federal Flood Insurance Act, which are soon to be made available. The provisions of this act have been reviewed, together with a special report on its activation secured by your chairman in an interview with Commissioner Frank J. Meistrell of the Federal Flood Indemnity Administration. It is noted that in addition to bearing the cost of administration, which will be considerable, the Federal Government will also subsidize the actuarial cost of the program to the extent of 40 percent until June 1959, and 20 percent thereafter. It would, therefore, seem wise to make this program available to the citizens of our Commonwealth.

In order to be assured of participation in the program there are certain things to be done by the Commonwealth and by our local governments. First, the act provides that after June 30, 1958, no insurance, reinsurance, or loan contracts shall be issued in any geographical location unless an appropriate public body shall have adopted and shall keep in effect such flood zoning restrictions, if any, as may be deemed necessary by the Administrator to reduce within practical limits damages from floods in such location. As of this writing we are unable to forecast what flood zoning restrictions may be required by the Administrator, and indeed he has not as yet promulgated rules of this nature. Thus, we are not in a position to make specific zoning recommendations. Based on conversations with the Administrator, we are hopeful that this section of the act will be interpreted liberally and with consideration for those States and local governments making a sincere effort to comply. As a preliminary step, the Office of the Attorney General has informed the committee that legislation has been introduced in the

general assembly to empower all municipalities to adopt flood-zoning regulations. Moreover, your committee is pleased to note that Pennsylvania is in a position of leadership in studying the flood plain zoning problem. The following quotation is taken from a recent speech by the secretary of forests and waters:

"As a result of discussions between State and Federal officials, a cooperative agreement has been signed by the Pennsylvania Department of Forests and Waters and the United States Geological Survey for a pilot research study concerning the flood-plain zoning problem. The study will be confined to the hydrologic aspects and will not include the actual formation of zoning ordinances. Our aim is to formulate a manual of techniques which will show those agencies responsible for preparing zoning ordinances how to evaluate and use available hydrologic data. I believe our study is the first such study to be started by the Geological Survey and I am pleased that Pennsylvania has the jump on the other States in this regard."

The second requirement of the act may be difficult to comply with. Public Law 1016 provides for a subsidy of 40 percent by the Federal Government on all insurance policies issued prior to July 1, 1959. On policies issued on or after that date, the subsidy will be divided equally by the Federal Government and the participating States. Participating States will make such contributions only on insurance policies issued by the Administrator on property within their own borders. On and after July 1, 1959, insurance policies will be issued only with respect to property in those States which participate. While we are informed that there is a strong movement on foot to eliminate that part of the act requiring participation by the States, and participation by the State is not required until June 1959, your committee urges that the attorney general study the question of what legislative or constitutional action may be necessary to enable Pennsylvania to participate by putting up its half of the subsidy.

Your committee makes these two additional recommendations:

1. The appointment of a working committee to cooperate with Federal Government officials in making the benefits of the act available to the citizens of Pennsylvania. We suggest that the committee be composed of officials from each of the departments of Government whose area of interest will be affected to the end that proper and desirable coordination will be realized at the State level. Since the majority of the problems have to do with insurance, it is further suggested that the commissioner of insurance is a logical choice for chairman of this committee.

2. That the Governor call a conference of mayors and local officials in Harrisburg for a discussion of the problem and to make plans for launching the program. It is suggested that the United States Senators and Members of the House of Representatives from Pennsylvania be especially invited to attend. Commissioner Frank J. Meistrell, of the Federal Flood Indemnity Administration has said that he would appear before such a meeting to explain the program.

Respectfully submitted,

BRADFORD SMITH, Jr.
WILLIAM J. GREEN, Jr.

I would now like to read a telegram received from Gov. George M. Leader, strongly urging and supporting this measure:

HARRISBURG, PA., *May 2, 1957.*

Hon. WILLIAM J. GREEN, Jr.,
House of Representatives,
Washington, D. C.

A year ago I appointed a committee of distinguished Pennsylvanians to study the possibility of flood insurance. Recently that committee filed its second report with me.

Insurance Commissioner Francis R. Smith, a member of this committee, informs me that the House Appropriations Subcommittee recently rejected a request of the Federal Flood Indemnity Administration for $50 million with which to pay subsidies. The subcommittee voted only sufficient funds to keep the Federal flood indemnity program in being as a study group.

Since the full Appropriations Committee is slated to consider the supplemental money bill at this time, I strongly urge and recommend that the Pennsylvania delegation give this all-important matter their immediate and personal attention. This program should not be destroyed by a pennywise, pound-foolish philosophy. This, to say the least, is false economy at its worst.

GEORGE M. LEADER,
Governor of Commonwealth of Pennsylvania.

And my answer to Governor Leader:

WASHINGTON, D. C., *May 3, 1957.*

Hon. GEORGE M. LEADER,
Governor, Commonwealth of Pennsylvania, State Capitol, Harrisburg, Pa.:

The Committee on Appropriations reported out supplemental appropriation bill this morning. It carries only sufficient funds to keep Federal flood indemnity program in being as study group. Every effort will be made to amend bill to include $50 million for subsidies when the House takes up this bill on Tuesday.

WILLIAM J. GREEN, Jr.,
Member of Congress.

I hope the membership of this House will support this amendment.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. BARDEN. Mr. Chairman, I would like to make this statement. Many of us who are interested in the program conferred with the chairman of the subcommittee. I do not know when I have made a request of any chairman of a subcommittee who was more considerate. The members of the committee were most considerate. We have all approached this from the point of view of it being a very serious matter. I delight in the chairman's attitude on this floor. I like the way he transacts business. I appreciate his thoughts of economy. I do want to say this word, that this matter has been approached very cautiously and very carefully with the idea of trying to help solve this problem.

Mr. BOLAND. We all join with the gentleman in those sentiments.

Mr. DONOHUE. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. DONOHUE. Mr. Chairman, I rise in support of this amendment to provide a very reasonable amount of money to initiate the operation of the Federal flood insurance program that was authorized by this Congress in the last session.

At that time, when this body was most conscientiously concerned about the fantastic damage, not to mention the loss of life, caused by these too frequent natural disasters, we authorized the creation of a Federal flood insurance program and made practically a moral pledge to provide funds to carry out its operation.

In recognition of the terrible economic hardships that have been, are now, and will inevitably be again visited upon great numbers of American families and taxpayers, because of raging floods, and, in reliance upon the obvious intent of Congress, the President recommended an appropriation of $50 million to initiate the insurance program.

While it was admitted in previous discussions, and is admitted today, that there are indeed many difficulties in the way of creating a reasonable, workable program, these technical objections cannot sensibly justify the elimination of the program entirely.

Obviously, we will never find a commonsense and practical solution of this problem if we do not make a beginning.

It is recognized that private insurance companies cannot, at this time, undertake to assume these gigantic flood risks by themselves. However, it was reasonably expected and virtually promised that once a Government program had chartered the way, as has been done in a great many other instances of American progress, private companies would then participate in it and help to eventually work out an economically acceptable plan.

I earnestly believe that it would be an unfortunate mistake, both from the humane and economic standpoint, to let this program go by default.

It is true that all of us are determined to be as economical as we can in reducing the budget and eliminating unnecessary expenditures. Nevertheless, the fundamental basis of rigid economy is the balancing of the value received for the money spent. It seems to me, in the face of astronomical proposals for foreign assistance, that money appropriated to prevent heartsickening and soul-discouraging economic hardships from disrupting major numbers of American taxpayers and American communities by uncontrollable natural disasters is the best type of fundamentally sound economy and patriotically inspiring action.

The reduced and relatively small amount of $14 million suggested in this amendment is in keeping with our real desire to hold expenditures to a minimum and the promise of return to the American taxpayer, in spirit as well as in partial insurance reimbursement, guarantees this appropriation to be an essentially wise and sound investment. I earnestly hope this amendment will be approved as a first step in providing the American people with a reasonable and economic flood insurance program that is vitally needed.

Mr. BOLAND. Mr. Chairman, I take this time only because I recognize the fact that the final speaker on this amendment will be the very able and distinguished gentleman from Texas. And his persuasive and pleasing personality could very well sabotage and submarine this particular amendment. I do want to leave this thought with you, however. There is no danger of a $3 billion or $5 billion loss under this bill. The estimated average annual loss for the Federal Flood Indemnity Administration will be $90 million. Where do we get the $90 million? We get $36 million in direct Federal subsidy. Forty percent of the premiums that the insured pays will be paid by the Federal Government. This is no wonderment. Everybody who voted

for flood insurance last year knew of the situation.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. BOLAND. I yield.

Mr. TABER. Is it not a fact that the Federal Government has to pay all of the losses?

Mr. BOLAND. That is the fact, but the fact also is that the losses will not occur to that extent all over the United States at any one particular time. I think commonsense dictates that answer.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. BONNER].

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. BONNER. I yield.

Mr. McCORMACK. I join with all my colleagues in supporting this amendment. It is a very important matter. It seems to me that a system of disaster insurance is of vital importance to the entire country, if we are ever going to have such a system, the Government must participate therein by taking the initiative and going through the experimental stages. I recognize my friend, the gentleman from Texas, is a very able debater. He must recognize the fact that the $14 million amendment offered by the gentleman from Massachusetts represents a $36 million reduction from the budget estimate. I hope the charm and eloquence of my friend from Texas will be resisted and that the amendment offered by the gentleman from Massachusetts will be adopted.

Mr. BONNER. Mr. Chairman, now that I am going to have a little say, I am delighted that the legislative committee, which I stated this morning, approved this program. The House has approved it. The other body has approved it. It is the law of the land. Here just a few distinguished men want to nullify the act. Able men have been called in to work out a program. The brains of the insurance business of America have been called in, and they have a program. Nobody can come here and say that there is not a program. This is a program. It is a trial program. It has not been proven, but if we will give it this opportunity, we hope it will prove successful. If it is not successful, then, we will know what to do with it. If it is successful, we will turn it over to private business. I hope the amendment is adopted.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SCUDDER].

Mr. SCUDDER. Mr. Chairman, I rise in support of the Boland amendment because I believe something must be done to cope with the flood conditions that we have periodically had in this country.

On Christmas Day 1955, I left Washington with a group of engineers for the Pacific coast to investigate the devastation that had been brought about through the flood conditions. The sight we witnessed was almost unbelievable, property destruction was terrific—losses ran into millions of dollars. I discussed the possibility of flood insurance with Gov. Val Peterson, the Administrator of FCDA at that time. I believe we should have some avenue by which we could combat such a situation.

I introduced one of the bills to provide for a cooperative plan to write flood insurance, feeling we could develop a plan where insurance companies and the Government could take care of this need. I am sorry that we did not come out with a better report, because I believe we can develop insurance that will be feasible and practical. This amendment calls for $14 million to start the program. It does not mean that we are setting up a charity program. I understand the minimum premium that has been so far developed calls for a premium of $10 per thousand. This would mean there would be a large premium income to the Federal agency. The experience could result in a reserve building up to a point where it would not be a liability. The success of such a venture would largely result from the proper management and type of policy issued.

If losses were small for 2 or 3 years we might have a surplus development and no further appropriations would be necessary. Also we will develop experience as the program operates.

I appreciate very much the remarks of my friend, Mr. CURTIN, in his statement regarding the necessity of this program, because I know they have suffered great losses in Pennsylvania as well as other parts of the United States. This program is experimental in a way, but it does not take much of a flood to make one realize we have a definite problem, if we do not come up with a reasonable insurance plan, we are going to have to pay a lot more money for disaster relief.

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from New York [Mr. OSTERTAG] is recognized.

Mr. OSTERTAG. Mr. Chairman, I am sure we all recognize that a year ago we enacted a law which was experimental by its very nature and in attempting to arrive at some means by which relief could be afforded flood-stricken peoples. This law was enacted or passed without a record vote and I am sure that considerable doubt existed at the time as to whether it was a sound and practical solution. But the question arises today as to whether or not this law can be implemented and can be made to achieve its purpose. I think we ought to realize that it is not a question at this moment of whether this amendment calls for $14 million or $140 million. The point remains that the moment this money is made available, the Federal flood indemnity administration is in business, and the moment they are in business the door is automatically open for unlimited borrowing and expenditure of funds, without the use of direct appropriations on the part of Congress. The committee in its wisdom recommended a continuation of the study. I should like to call attention to the fact that the testimony before our committee proved conclusively that they have not yet arrived at any conclusion with regard to rates. Two rating systems have been advanced, but none has yet been adopted.

Secondly, we must bear in mind that these flood-stricken areas of the past are only going to be protected to the degree that they participate in the insurance itself. Rates are estimated to range from $1 to $12 per $100 although it is very doubtful that it will rest within this area. And too, the administration is authorized to underwrite $3 billion in insurance and $2 billion more if approved by the President. There are certain limitations as to coverage; however, it is important to note that those who have been studying this matter have abandoned the programs or plans for reinsurance and loan contracts.

The direct plan calls for Federal support of 40 percent of premium cost although it is a certainty that the Federal Government will be responsible for all losses.

Insurance carriers throughout the country have refused to embark on such a monstrosity and we are a long way from a solution. This could cost the taxpayers billions and billions without any idea where the program is really headed. No insurance can be issued without zoning and the areas to be covered and the law also calls for State participation. If a State fails to agree to meet its share of the subsidy contribution, then no person or property in that State can be covered after June of 1959.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT of Florida. Mr. Chairman, for a great number of years Florida has experienced problems of this type. I was very happy when I realized that substantial assistance was going to come from a broader base than we have had in the past in seeking an answer to this problem. The Congress has enacted this legislation after full debate. It came to the decision that legislation of this type should be enacted, and it seems to me it would be a backward step to turn back from this now.

The problem involves many States. No one State can solve it. Admittedly, private enterprise cannot solve it. The only question is whether private enterprise and the United States Government together can solve it. I feel the investment of Federal funds will be returned many times in the stability that will be given to home ownership and industries along the coast in places where floods of this type occur or may occur.

The CHAIRMAN. The gentleman from North Carolina [Mr. FOUNTAIN] is recognized.

Mr. FOUNTAIN. Mr. Chairman, I rise in support of the Boland amendment. I think the amendment has been pretty thoroughly discussed and I would not rise to speak at all except for the fact that I was a member of the legislative committee—the House Banking and Currency Committee—during the 2d session of the 84th Congress when the basic legislation authorizing flood disaster insurance was passed by a very substantial majority both in the committee and in the House. That committee studied this matter very carefully. It heard a number of witnesses from all over the country. Many of the witnesses were experts in the insurance field and representatives from insurance companies. All of the testimony taken showed conclusively that flood insurance against damage to real property is not now generally available

from either private or public sources. We recognized the great need for this kind of insurance protection, and yet it was not available.

As a result of our hearings, we on the House Banking and Currency Committee concluded that here was a case where the people had no opportunity to provide protection for themselves—thus presenting an opportunity for the Government to undertake a pilot program which might eventually lead to the assumption by private insurance companies of responsibility for covering the risks of damages from flood. We concluded that the only way we could find out whether or not the program would be practicable and workable was to try it. We realized that the Government would be blazing the trail, that it would be embarking upon an experimental program. However, a study of all the facts and circumstances convinced us that action of some kind needed to be taken.

Of one thing we can be certain. If the program is properly implemented with adequate funds, the Commissioner of Insurance must still make a continuous study of the feasibility of turning the entire flood-insurance program over to the private insurance industry. In his annual report for the year ending December 31, 1961, he must express his opinion as to the advisability of a continuation of this program. Apparently the Appropriations Committee does not agree with the action of the 84th Congress. It seems to me that we are presented with the simple question of whether or not we are going to support the position taken by the 84th Congress, which authorized flood disaster insurance, or the position taken by the House Appropriations Committee during this the first session of the 85th Congress in refusing to provide funds necessary to implement the proposed program.

I believe I prefer to back up the 84th Congress and the position which I took as a Member thereof when the basic legislation was passed.

If a pilot run or trial test of the program shows it unworkable or too expensive, it should then be repealed, it should not be killed in the manner proposed by the Appropriations Committee.

The CHAIRMAN. The gentleman from Louisiana [Mr. BROOKS] is recognized.

Mr. BROOKS of Louisiana. Mr. Chairman, I rise in support of this amendment. I know it is experimental, I know it is just a beginning, and I know it is not a program that will take the place of a flood-control program, but I think it is worth a trial, and this will give us the trial.

In my own State at the present time we are in the throes of a serious flood. My State today is carrying the water of other States, channeling them through our State on the way to the Gulf of Mexico. My State is carrying the waters of the States of Arkansas, Oklahoma, Texas, and Colorado, carrying them down to the sea, piling them up into the waters of the gulf; and on the way down those waters are spreading out over the landscape, inundating the farms, destroying cattle, destroying property, and creating heavy damage.

It is going to take time and effort on the part of our people to repair the damage that is now being done by the floodwaters of other States that are coming through our own State of Louisiana.

I know, Mr. Chairman, that this program of insurance will not take the place of flood-control work; we are still going to have to have flood-control levees, we are going to have to have channel improvements, we are going to have to have reservoirs for the impounding of the floodwaters of other States that come down to us, but still I think the program is worth a trial and that we should support the amendment.

The CHAIRMAN. The gentleman from Missouri [Mr. CANNON] is recognized for 5 minutes.

Mr. CANNON. Mr. Chairman, of all the unjustifiable amendments that could be offered this is the most unjustifiable.

The United States is loaded with insurance people. There are insurance companies everywhere. There are insurance underwriters and insurance agents all over the country. Their advertisements are in every newspaper and magazine. Their dodgers are in every doorway and every mail that comes in brings their circulars. They will insure you or anything you have—your house, your dog, your car, your wife, or your glass eye. They will insure you against anything you might suggest—fire, hail, tornado, or twins.

They will insure you against anything in the world, except one thing. They positively will not insure you against floods. You cannot get flood insurance anywhere or under any circumstances. That is the one single exception.

Why is it that with all the multiplicity of insurance companies, so aggressive—so eager for business—they draw the line at flood insurance?

The answer is very simple. There is no money in it. But there is in it the absolute certainty of loss—high, inevitable losses. There is no alternative.

So the insurance companies will generously turn over to Uncle Sam all the losses. Uncle Sam is the goat. He holds the bag.

But who is Uncle Sam? Why, Uncle Sam is the taxpayer. Of course. Load the losses on the taxpayers. It is an old game.

That is what this amendment means. That is what this amendment does. That is what you are voting on here. Call the roll and see who is voting to shift this outrageous billion dollar burden on the already overloaded shoulders of the taxpayers.

But this amendment goes deeper than that. It strikes at another fundamental principle with which the Members of the House are much concerned.

Every Member who has spoken here today in favor of his amendment—all who are waiting impatiently for the roll-call—have shouted themselves hoarse decrying Government in business. They are fundamental believers in private initiative, in private enterprise, in taking the Government out of competition with private business.

But suddenly, and inconsistently, they have reversed themselves and they are now hot to put the Government in business—the insurance business. Gone and forgotten is the horror and dismay they have so frequently and so vociferously expressed at the idea of the Government in a profit-making business in competition with private industry.

Much has been said here about experiment and research. It is a fine mouth-filling word—"research." But this is not research. It is not an experiment. We tried this out before the Second World War.

As a member of the Subcommittee on Agriculture I reported out a crop-insurance bill years ago and we kept it and tried it out for 4 years. The reason it failed—with huge losses to the Government—was that farmers who knew their land would be inundated 4 years out of 5 would plow a little and sow a little and then let the water take it. They made more money out of the Government insurance than they made the best crop years they had on their upland where the overflow could not reach them. Of course they never insured those crops. It was only down where inundation was certain that they applied for policies. And Uncle Sam lost plenty. Just as Uncle Sam and the taxpayer will lose plenty here.

Everybody knows when and where the flood will hit. And everyone knows what areas are safe from flood. They will insure on the flood plane and they certainly will not insure where there is no danger. The insured cannot fail to win in a game like that. And Uncle Sam and the taxpayer cannot fail to lose. No game with loaded dice and a marked deck was ever a surer shot than that.

Someone mentioned charity. This is the precise word—"charity." They say houses are swept away and women and children endangered. This bill will not save a single house or a single woman or child. We will still have the floods. The only difference is that Uncle Sam and the taxpayers will supply charity. Let us keep Uncle Sam out of the charity racket. Let us keep Uncle Sam out of the insurance business. Let us keep the Government out of competition with private business. Let us stop these crazy appropriations and lower taxes.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, let me reason with the House for 2 or 3 minutes. I am in the same boat and maybe more recently than my friends from the New England States and from the Carolinas, because my country is flooded today. But, it is not the first time. It has been flooded hundreds of times before today, and I am sure that it will be flooded many more times in the future.

I regret that I find myself in opposition to my genial and lovable friend from Massachusetts, our colleague [Mr. BOLAND]. But, if we pass the Boland amendment for $14 million, you have put the Government in business, and as far as I am concerned, we ought to go on and do what we should do, perhaps, and increase the amount to $50 million or $100 million. The Bureau of the Budget's first whack at it was $100 million for this year. Did you know that? Then they reduced it to $50 million, and now

my friend from Massachusetts wants to let the camel get its nose under the tent for $14 million. For what? He does not even include the administrative costs for the Government in that, and you will be back 30 days later for an additional appropriation.

Now, this pays the insurance companies for doing what? For the very same thing that they have said for 100 years that they decline to do, "We have declined to go into this business because it is a losing business, and we want no part of it as far as the loss is concerned, but you pay our companies a fee"—and that is what the $14 million is for, and that will not even be a starter for them—"and we will do it for you. You pay the bill. You pay it—the taxpayers."

Now, why should we, the taxpayers, embark on a program after 100 years that these insurance companies have failed and refused to do? Why? For just one good reason. We talk about private enterprise. That is private enterprise. They say it will not work. They say "We can't stop the floods by legislation." And, when we have floods, we are going to have damage.

Now, there is $325,000 available to the Housing and Home Finance Agency to try to work out a program. Let them have that $325,000 and let them keep on working and see if they can come up with something. If they do not come up with something better than this, Lord help us all.

Here we are trying to save a few dollars. Here we are trying to get the Government out of business on the one hand, and on the other hand we push them head over heels into business. Poor old Uncle. And, what is it going to cost him? What is it going to cost all of us? If you can tell from this bill, the way it is written, I frankly admit you are much better than I am, and, frankly, I will not brag too much about you on that. I have worked recently on it to find out how much it will cost.

Now, listen to me, and if you have the bill before you, please follow it. Section 7 (a) says that the commissioner shall set rates for premiums that will pay the Government all losses. Did you know that? The man who gets the benefit is going to pay for it, so the act says. Yet, you go away down below, section 15 (e) of the act, and it says that the commissioner can run over to the Secretary of the Treasury and bypass the Congress and get $500 million. Five hundred million dollars—is that all? Read the act, section 15 (e).

"Plus"—get the "plus"—"any other amount of money that the President may authorize."

So it is unlimited. But I must be frank with you. The act is very ambiguous.

One section says that the amount of insurance that can be outstanding at any one time is a small, paltry sum of $5 billion. So I presume that any good administrator would limit the amount of Treasury borrowing to a cool $5 billion. And how often? Every 12 months. Five billion dollars every 12 months. Now, think about it.

And this is no new program. This committee and the House have studied this problem several times, the last time when we had a terrible flood in the Missouri Valley, which flooded out Kansas City. The property of all of our friends was washed away and they suffered terrible damage in the millions of dollars. The distinguished gentleman from Arkansas [Mr. NORRELL], and his committee, made a fine study of that. That was back in 1951. And they made a very able report.

May I read you just a part of that report? They had all the big insurance people present. I shall not name them here, but they are named in the report. And they said, "No, gentlemen, excuse us; we have been in this business for 100 years, but we do not want any part of it. It will not work." That was 1951. I suppose it might work now in 1957. But let us read what this report said:

> In their testimony these witnesses discussed the following problems and difficulties which the committee is convinced must be resolved before any flood insurance program such as is proposed here could be carried on successfully.
>
> Property insurance of any kind is based upon the principle that the contributions of the many take care of the losses of the few. The reason why insurance companies have not been able to write insurance to protect property owners from flood damage throughout the country is that experience has indicated that flood insurance is sought only by those who are exposed to floods. Consequently, it is not possible to spread the risk sufficiently to avoid such high premiums, if the program is to be self-sustaining, that a property owner in the danger area would prefer to take his own risk.
>
> The average annual losses from flood damage in the United States have been estimated anywhere from $100 to $500 million, depending upon the definition of flood damage. The estimated property loss in the Kansas-Missouri flood is $2½ billion or about equal to the total value of the free assets of the stock insurance companies which write property insurance in this country. Losses of these proportions immediately raise the question of the adequacy of the $50 million requested—or even $500 million.

In other words, this flood cost $2½ billion. Think of that. Suppose this act had been in effect then. Suppose $2 billion was covered—well, let us suppose $1 billion was covered. Under the premiums of $3 a hundred they would have collected $150 million and you would have a deficit in the Treasury of this country of $900 million for that one flood.

Mr. Chairman, this amendment ought to be voted down. Let them spend the $325,000 that they have for further study. That is the sensible thing to do. The taxpayers of the country cannot stand this right now.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. BOLAND].

The question was taken; and on a division (demanded by Mr. BOLAND) there were—ayes 86, noes 127.

Mr. BOLAND. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. BOLAND and Mr. THOMAS.

The Committee again divided; and the tellers reported that there were—ayes 97, noes 127.

So the amendment was rejected.

The Clerk read as follows:

VETERANS' ADMINISTRATION

Inpatient care

Notwithstanding the last proviso under this head in the Independent Offices Appropriation Act, 1957, inpatient care and treatment may be furnished to an average of 140,100 beneficiaries during the current fiscal year without any proportionate reduction in expenditures.

Mr. HOLIFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the Committee of the Whole House has refused to adopt an amendment which would put the Government into the insurance business. I take this time to announce that very shortly you will have before you a bill to really put the Government into the indemnity insurance business on atomic reactors. Each one of these reactors will obligate the Federal Government to indemnify against accident to the tune of $500 million at a total premium of $18,000 or $36 per million dollars. One reactor, $500 million; 10 reactors, $5 billion; 100 reactors, $50 billion. I just take this time to call the attention of the membership to the fact that you will really get the chance to put the Government into the insurance business.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. GROSS. Are we going to have the same indemnity for these reactors that go to foreign countries?

Mr. HOLIFIELD. Yes, that will come later. That is not in the bill that I am referring to, but that will be the next request—to indemnify against any casualty or liability for human life and loss of property with reference to reactors which are built and exported. That will be the next request.

Mr. ROONEY Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. ROONEY. Can the gentleman inform the Members where these ideas originate?

Mr. HOLIFIELD. They originate in different committees and with different people. I am going to be against this particular excursion into the multi-billion-dollar insurance business, but I am going to be pretty lonely. I am going to be pretty lonely. No, no; you fellows will all get your orders and you will walk down the aisle. You will get your orders.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. HAYS of Ohio. As I understand, the private power companies will get the Government technical know-how and they will be allowed to make a profit, but if there is any damage or any loss, the Government gets the privilege of paying for the damage or the loss.

Mr. HOLIFIELD. That is when we get ready to pay $500 million in damages and the insurance companies will pay up to $50 million in damages.

For the $50 million the private insurance companies will charge $250,000 premium for a certain type of reactor, but when the Government takes the $500 million indemnity in addition to that, the insured will pay $18,000 for the $500 million.

Mr. GROSS. I hope the gentleman will also be against building reactors in foreign countries.

Mr. HOLIFIELD. That is right.

Mr. JOHANSEN. Mr. Chairman, will the gentleman yield?

Mr. HOLIFIELD. I yield.

Mr. JOHANSEN. I would like the record to show that I am not giving or taking any orders.

Mr. HOLIFIELD. I will wait and see how the gentleman votes. I am sure the gentleman is independent and will vote as he sees fit, but this will be thoroughly discussed and you will be surprised how many arguments will be raised to put the Government into the insurance business, not up to its knees but up to its eyes.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. COLE. Mr. Chairman, I move to strike out the last word.

In view of the fact that the gentleman from California [Mr. HOLIFIELD] has raised the red flag in the minds of those who are now thinking about Federal activities in the insurance business, I take this time only to assure you that what he says is not entirely correct. I will not undertake to explain the purpose or the terms of the atomic reactor indemnity bill, because this is not the time or the place for it. I only ask that you do not close your minds at this moment and be swayed by the impetuous appeal that has been made by the gentleman from California [Mr. HOLIFIELD]. I think it is not disclosure of confidential information to say, that while he did oppose the bill last year, he was the only Member who was opposed to the bill. This year he did not resist reporting out the bill, although he undoubtedly is still against it.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Contributions to international organizations

For an addition amount for contributions to international organizations, $4,169,409, of which $3,333,000 shall be available for payment to the United Nations as contributions for the United Nations Emergency Force.

Mr. GROSS. Mr. Chairman, I offer an amendment which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 11, line 24, strike out "$4,169,409" and insert "$172,809."

Mr. GROSS. Mr. Chairman, this amendment would strike out $3,333,000 as the United States contribution to the United Nations for the support of the so-called police force, plus $666,600 for the U. N. working fund, I believe it is called, of the United Nations, for a total of $3,999,600.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. GROSS. I yield to my friend from New York.

Mr. ROONEY. Was the gentleman's remaining figure $172,809?

Mr. GROSS. That would seem like the figure, yes, $172,809.

Mr. ROONEY. I think the gentleman is inaccurate in his mathematics. If he were to take away the $3,333,000 and the $666,600, the balance would be $169,809.

Mr. GROSS. That is close enough, that is closer than the United Nations ever comes to making a contribution to anything it ever starts.

Now for the benefit of those who were not here earlier——

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Not at this point.

For the benefit of those who were not here earlier this afternoon, I want to point out that we have already, as a result of this Middle East fiasco, put in approximately $12 million in supplies for the so-called police force, for air transportation, and cleaning out the Suez Canal.

I cannot find it of record anywhere that any other country has put up one thin dime, including Russia, to the support of this so-called police force. I am sure Britain and France have not if the hearings before the subcommitee are to be believed; the British, the French, and the Russians, nobody has put any money into this fund for the support of the United Nations police force in the Middle East except the United States.

As far as the working capital fund is concerned, I do not know what it is for, and the hearings are very incomplete and inadequate as to what this $666,600 would be used for. Perhaps it will be explained on the floor, but I do not find that anyone else knows how that contribution would be used.

I say to you that it is time we called a halt to this business of some foreign countries sitting in New York in the General Assembly of the United Nations or over in New Delhi, India, increasing the contributions that the taxpayers of the United States of America are called upon to pay to the United Nations and its various subsidiary organizations.

As for this police force, I am very much intrigued by the fact that a substantial number of Members of the House not so long ago turned thumbs down on a move to invite Tito to address the House of Representatives, or at least told the President they wanted no part of any invitation to Tito. But it appears to be perfectly all right to use American tax dollars to support Yugoslav troops in the United Nations police force. You know they are doing that; or do you? Why draw a bead on Tito and still equip and support his troops as though the peace and freedom of the world depended upon them?

It is time to call a halt to this, and I have offered this amendment to knock out the $3,333,000 in outright support for the United Nations police force and cut out $666,600 for the so-called working capital fund of the United Nations.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield.

Mr. HOSMER. Some money will be left. What will that be used for?

Mr. GROSS. That I do not know. It is labeled contributions to international organizations. I will give them that $169,000 or $172,000 and feel that we are getting out of this one with most of our hides if my amendment is adopted.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes, the time to be allotted to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, the pending amendment in the form in which it has been drawn appears utterly ridiculous. The amendment of the gentleman from Iowa, if adopted, would insert the following:

For an additional amount for "Contributions to international organizations," $172,809, of which $3,333,000 shall be available for payment to the United Nations as contributions to the United Nations emergency force.

You see what happens when these hastily drawn amendments are offered here on the floor in the Committee of the Whole.

With regard to the advance to the working capital fund of the U. N. of $666,600, that does not exactly represent an expenditure at all. It would result in our obtaining a credit of that amount against our future contributions to the United Nations. This is explained at page 272 of the committee hearings:

An amount of $666,600, approximately 9 percent of the total requested, is required as an advance by the United States to the United Nations working capital fund. This amount represents the United States percentage share, 33.33 percent, of an additional $2 million to raise the level of the fund from $20 million to $22 million. This increase in the working capital of the organization is deemed necessary and urgent because past experience shows that during certain months the cash position of the organization is so low as to endanger its fiscal stability.

The United States, for instance, does not pay its contribution until July, 6 months after the fiscal period of the United Nations has begun. This factor in conjunction with a higher budget level and increasing emergency expenditures necessitated the $2 million increase.

This now brings us to the $3,333,000 contribution to the UNEF, the United Nations emergency force, the U. N. military group which is now stationed in the Middle East. The money which the amendment of the gentleman from Iowa seeks to delete is the United States share of a total fund to be contributed to by 72 nations of the world. Our share of this U. N. fund amounts to $3,333,000, or one-third of $10 million.

The question is very, very simple. Are we going to expend $3,333,000 to keep our American boys and our American troops at their present locations? That is it in a nutshell.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Iowa.

Mr. GROSS. How much have the other nations contributed?

Mr. ROONEY. Probably no nation has contributed as yet.

Mr. GROSS. Of course not.

Mr. ROONEY. You will find a statement——

Mr. GROSS. I will give you the page number if you want it.

Mr. ROONEY. There is testimony at page 274 of these hearings with regard to the $6.5 million voluntary fund for UNEF in which the State Department said—and this is your State Department, your Secretary Dulles, your Secretary as well as mine—that in the United Nations subject to congressional approval it was "our intention to make such a contribution." This was with regard to the $3,250,000 which the committee recommended should be paid out of the President's fund. As to the UNEF contribution of $3,333,000 which the gentleman seeks to delete from the bill, this is a levy, a one-third contribution, to be paid by the United States of America as its share of United Nations costs.

Mr. GROSS. First of all, do not try to wrap the Secretary of State around my neck. I have disowned him long ago.

Mr. ROONEY. Excuse me.

Mr. GROSS. And in the second place, let me say to the gentleman that the $666,600 is over and above any 33½ percent.

Mr. ROONEY. Not exactly. In the future the American contribution to the U. N. will be reduced by that $666,600. That is all this amounts to.

The proposed pending amendment is an irresponsible and dangerous one. If this amendment were to be adopted here today, it would be an indication to the troops of the U. N. nations now in the Middle East that we are not interested in them or what they are doing there.

I do not see how any reasonable person could interpret the adoption of this amendment in any other wise.

I trust that the membership in its wisdom will promptly vote down the pending amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment was rejected.

The Clerk read as follows:

TRAVEL LIMITATION

The limitation on expenses for travel on official business under the Architect of the Capitol contained in the Legislative Branch Appropriation Act, 1957, is hereby increased by $4,500.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do so for the purpose of inquiring whether there is money tucked away in this bill some place for the further construction of buildings, such as the New House Office Building here on the Capitol Grounds. I wonder if someone could give me some information about that.

Mr. NORRELL. No. No part of the money in this bill is authorized for that purpose.

Mr. GROSS. Can the gentleman tell me what has been done about the remodeling of the Old House Office Building?

Mr. NORRELL. This is just salaries, and that is all.

Mr. GROSS. What about the remodeling of the two House Office Buildings? Was that under discussion at the hearings?

Mr. NORRELL. No part of the money in this bill is to be used for work done on the Capitol or any other building around here.

Mr. GROSS. I thank the gentleman. My curiosity was aroused when I saw the size of the hole now being dug to bury $65 million or at least part of that amount. I did not know what size hole it would take to bury that much money.

Mr. NORRELL. There was a small amount of money allowed for the wage board. We simply allowed that to be put in the bill, and that is all.

Mr. GROSS. I thank the gentleman.

The Clerk concluded the reading of the bill.

Mr. BAILEY. Mr. Chairman, I ask unanimous consent that we return in the bill to the item on page 4, line 5, to which I had previously offered an amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

Mr. PRESTON. Mr. Chairman, reserving the right to object, it is quite irregular to go back to a chapter we have already acted on; but in the light of the circumstances in this case, fairness impels me not to object.

The gentleman from West Virginia [Mr. BAILEY] offered an amendment earlier to this bill; without any advance notice that the amendment was to be offered, the committee had no opportunity to ascertain what the law was on the subject and the point of order was made against the amendment on the ground that the Tariff Commission did not have authority to make investigations abroad. Upon inquiry by the Chair of the gentleman from West Virginia as to what authority he could cite, the gentleman from West Virginia at the moment could not cite authority and the Chair had no alternative but to sustain the point of order on this as well as other grounds. Since that time the gentleman from West Virginia has established that the law does permit such an investigation overseas and he is now seeking to revert to that chapter in order to offer a different amendment not subject to a point of order. In view of these circumstances and in the interest of fairness, I shall not object. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Chairman, I appreciate the comments of the distinguished gentleman from Georgia [Mr. PRESTON]. I am only seeking for fair play and the opportunity to offer this amendment. Will the Chair instruct the Clerk to report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BAILEY: Page 4, line 5, strike out "$25,000" and insert "$50,000. Of this amount the sum of $25,000 is to be used to make necessary investigations abroad to determine the wage levels, costs of production and working conditions on articles imported from abroad to assist the Commission in processing claims for injury by domestic producers under section 7 of the Reciprocal Trade Agreements Act."

Mr. BAILEY. Mr. Chairman, I think I owe it to my colleagues in the House to make clear to them that the Tariff Commission does have authority to make investigations abroad and I shall take a part of the time allotted to me in support of this amendment to read section 704 of the basic Tariff Act of 1916. It reads as follows:

That the commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation rates, the volume of importations compared with domestic production and consumption, and conditions, causes, and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

So it is clearly evident that the Tariff Commission does have authority to make these investigations abroad. For the benefit of my colleagues who were not on the floor earlier at the time I offered the amendment, I will say that I reminded my colleagues who were then on the floor that I had just returned from an appearance before the Tariff Commission in support of a case now pending by the United States Association of Clothespin Producers.

Mr. OSTERTAG. Mr. Chairman, would the gentleman yield?

Mr. BAILEY. I yield to the gentleman from New York.

Mr. OSTERTAG. I just wanted to inquire whether the gentleman's amendment directs the Tariff Commission to investigate any specific commodity or product in foreign lands.

Mr. BAILEY. Is not the language broad enough?

Mr. OSTERTAG. It does not specify any particular commodity; is that correct?

Mr. BAILEY. It gives them a pretty free hand if they are in competition with American products. I thought it necessary to write into the record of the Tariff Commission a situation which I feel no Member of the Congress of the United States wants to tolerate any longer. I wrote into the record of the Tariff Commission, facts substantiated by the American Ambassador at Copenhagen to the effect that 1 of the 2 large Danish export companies exporting Danish-made clothespins into the United States did not own a clothespin factory. They were buying their clothespins that were made in the prisons of Denmark and shipping them into the United States under the provisions of the Reciprocal Trade Agreements Act. They even supplied me with the fact that the highest wage being paid in those prisons as a result of this work was 52 cents a day. I do not think a single Member of this House wants a situation like that to continue because if it is being done in the case of clothespins it can be done and is being done in the case of practically every other article that can be imported into this country.

Let me talk to the textile people of the South. Do you not think the Tariff Commission ought to know something about the 9- and 11-cent wage rates in

the textile industry in Japan and the conditions under which they are producing those textiles in competition with American products?

Mr. Chairman, I am simply pleading for justice. We do not want the wage standards and living conditions of our American workingmen competing with prison labor on products produced abroad under the reciprocal-trade agreements. Take it and do what you want with it.

Mr. PRESTON. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. PRESTON. Mr. Chairman, the gentleman from West Virginia is concerned about commodities being imported into this country made in prisons abroad. He is seeking to get $25,000 for the Tariff Commission to look into a matter that is already prohibited by law. I refer the gentleman from West Virginia to the United States Code, title XIX, section 1307, which reads as follows:

> All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision.

It is not even the function of the Tariff Commission to deal with this matter; it is the function of the Bureau of Customs to deal with it.

As far as the wages paid in Japan for the manufacture of textiles is concerned, that information is already available in the Bureau of Foreign Commerce in the Commerce Department. So he has made no case whatsoever to the House for this $25,000 to be placed in the hands of the Tariff Commission to carry on investigations abroad. I submit that the House should defeat this amendment until a better case can be made.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from West Virginia.

Mr. BAILEY. Wherein has the Tariff Act of 1916, that contains the section I have read, been amended to remove from the Tariff Commission that authority vested in it at the time the Commission was set up?

Mr. PRESTON. They have authority to investigate abroad. I have conceded that earlier. But why investigate prison-labor-made products when the law prohibits the importation of such products?

Mr. BAILEY. They were importing those clothespins made in prisons and they are still doing it. The State Department and the Commerce Department have not taken it upon themselves to stop it.

Mr. PRESTON. I suggest the gentleman from West Virginia call this to the attention of the Bureau of Customs. He is barking up the wrong tree. The possum is in another tree.

Mr. BAILEY. I still say it is the business of the Tariff Commission to make the investigation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia.

The amendment was rejected.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill and amendment thereto to final passage.

The previous question was ordered.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read a third time.

The SPEAKER. The question is on the passage of the bill.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. Yes, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. TABER moves to recommit the bill to the Committee on Appropriations.

On motion of Mr. CANNON (and by unanimous consent), the previous question was ordered on the motion to recommit.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

THE ACREAGE RESERVE PROGRAM

Mr. GATHINGS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. GATHINGS. Mr. Speaker, the acreage reserve provisions of the Soil Bank Act discourages industry and enterprise, which are the foundation stones of our American system. It inspires inactivity and idleness, since its theory is that you sit on the bank of the stream and expect prosperity to come to you. It is basically contrary to all American traditions of endeavor, industry, and getting ahead by hard work.

It is not aiding our ill agriculture, although its original sponsors had the best of intentions for its success. The results have been to aggravate the aches and pains of the farm communities. The program is a costly experiment in reducing agricultural surpluses. It is extravagant in benefit costs as well as administrative expense. Administration of the Soil Bank Act currently employs 15,420 people, and it is estimated that next year this number will be increased to 16,087. These employees are largely in the field. The figures include both acreage reserve and conservation reserve employees. More are required, I have learned, in the conservation reserve enforcement staff. The cost of the acreage reserve program in crop year 1957 is expected to reach $630 million. The results anticipated to be attained will be only a small percent reduction in production of basic crops. That is a lot of money to spend for obtaining a question mark in accomplishments. Cost to the American taxpayer last year was $247,398,000 for this program, with little actual results accruing.

But even greater than the cost of the program is the additional destruction to the American economy. Planned as a temporary method for reducing production, the 1956 act also contemplated aid to conservation, a most laudable undertaking. But the acreage reserve program has depleted the greatest asset of our rural economy—our farmers. The program has intensified the migration from the land of many of our farm families. And as the farm families leave the land the business economy of the area falters, declines, and falls apart. There is less work for the cotton gins. Sales of agricultural machinery and equipment drops off appreciably. Trucks and railroads reduce their operations. Implement dealers are caught in the squeeze, and every store on Main Street watches inventories gather dust as the one-time customer departs seeking the illusion of employment someplace else.

The small-business man is already reaping the results of this economic slowdown. A part of the problem of small business stems from the depletion of farm manpower and the customers who have been lost by the new concept of paying for not planting—financing for not farming—investing in idleness.

Mr. Speaker, these remarks have been confined to the acreage reserve provisions of the Soil Bank Act. The conservation reserve provisions of the program should be continued and not disturbed. The conservation reserve features embody a long-range program that promises great worth in lasting benefits and improvements. More time should

be granted the conservation reserve program to ascertain its true merit. The acreage reserve has brought disrepute and undeserved criticism which has been detrimental to our farmers' best interests.

It has already displayed that it is exorbitantly costly; that it has failed substantially to reduce production; that it carries within itself the seeds of general depression and slowdown of our economy; and that it should be stricken from the statutes.

That is the purpose of the legislation I am introducing today—repeal of the acreage reserve provisions of the Soil Bank Act. The bill is being introduced to become effective at the conclusion of the 1957 crop year. It is hoped that the provisions of the legislation will be incorporated in and made a part of all long-range programs for basic agricultural commodities.

The savings that would accrue by repealing this title of the 1956 act would aid greatly in the establishment and furtherance of a permanent program for farm crops that will recognize that acreage reduction is not the answer for the farm dilemma. Maintenance and expansion of markets is the only way the farmer can be assured of continuance in the business of farming. To do that competitive selling and assurances of stable productivity are essential.

We are now engaged in working on a long-range cotton program. In order to secure its passage and success, the heavy cost of the acreage reserve features of the soil bank program must be eliminated.

PROPOSALS TO MAKE BIG BUSINESS CARRY FAIR SHARE OF THE TAX BURDEN ARE NOT TO BE CONFUSED WITH TAX RELIEF

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, some of the best thinkers and the best-informed Members of this body are devoting themselves to the task of finding the waste and unnecessary expenses in the President's budget, so that the budget can be cut to reasonable levels and we can bring about tax relief.

In many of the discussions about possible tax relief however, some confusion has developed about the small-business tax proposals. These proposals for correcting the discriminatory burden on small business have, on occasion, been treated as being in conflict with proposals for general tax relief. In other words, many people have thought that the two types of proposals present alternative courses and that we must choose one alternative or the other.

For example, on March 25, my colleague, the gentleman from Texas [Mr. IKARD], delivered a monumental speech on the administration's budget muddle, on the administration's conflicting and inconsistent recommendations on small-business taxes, and on the subject of Congress' responsibilities in these matters. It was a most thoughtful and well-informed speech, and the gentleman is to be congratulated. I find myself in complete agreement with almost everything he said. But I believe I should add some thoughts on the question of small-business taxes which will throw a different light on this subject.

First, however, on the question of general tax relief, let me say that I agree with the argument that when tax relief, in any normal sense of the term, is granted, relief should go first to individual income taxpayers. As was said by my colleague, the gentleman from Texas [Mr. IKARD], the vast sums now being taken by Federal taxes "from the earnings of the American people have generated many inequities and hardships, and have built tremendous pressures for tax revisions and tax relief."

I believe, however, that the proposals for adjusting small-business taxes will be better understood and placed in their proper perspective, from the standpoint of the general public interest, if I explain the considerations which have motivated these proposals—at least those which have motivated the bills introduced by me.

These proposals have not been made for the reason that we feel small-business people are under greater hardships than the wage earner, or the professional man, or that the small-business man is entitled to any special consideration. To assume that the purpose is to grant "relief" to those most entitled to relief misses the whole point of these proposals. At least it misses the point of H. R. 7, which was introduced by me.

REASON FOR H. R. 7 IS NOT TAX RELIEF

H. R. 7 springs from a realization that the present tax structure—individual and corporate income taxes combined—is bringing about a rapid and fundamental change in the structure of business in the United States. And this is a change which affects quite directly, and radically, the welfare of all of our people. In brief, this tax structure is eliminating small business as any substantial competitive factor in the economic system, and is bringing about a rapid centralization of business into a few colossal, multi-billion-dollar combines. This result, as I have said, is going on at a rapid pace; and it is a result which affects our whole way of life. The question is then, not whether the small-business man, as an individual, is more deserving of tax relief than other individuals. But the question is whether we should continue a tax structure which is destroying our historic business system, or whether we should, in the interest of all economic groups, move promptly to correct a situation which is so vital to all of us.

Now much has been said about the fact—or the alleged fact—that H. R. 7 does not come directly to the relief of small unincorporated firms. Furthermore, it is true that the overwhelming majority of business firms are unincorporated. As my colleague, the gentleman from Texas [Mr. IKARD], pointed out in his speech, of all the business firms filing income-tax returns in 1953 which showed net incomes, only 5.8 percent were corporations. Consequently, if we began with the premise that the purpose of the bill I introduced is to provide tax relief, then the argument would be correct that we ought to provide the kind of relief which would benefit the largest number of people. But this premise is wrong. The purpose behind H. R. 7 has been to find the root causes of the rapid centralization of business, and correct those causes. In short, the purpose of H. R. 7 is to solve an acute problem where the problem exists, and the solution as I see it, is to correct the discriminatory impact of the present tax structure as between the large- and small-business units. To understand why the corporate income tax is the problem area, let me make two points.

H. R. 7 IS DESIGNED TO SOLVE A PUBLIC-INTEREST PROBLEM

First, the preponderance of business done today is done by corporations. While it is true that corporations accounted for only 5.8 percent of the business firms filing tax returns which showed net incomes in 1953, corporations accounted for about 70 percent of all the net income. Similarly, corporations accounted for 71 percent of all the business receipts. Furthermore, this is counting among the unincorporated businesses the receipts of professional offices, such as doctors, lawyers, dentists, accountants, and so forth, as well as educational service organizations. If we confined the comparison just to those firms engaged in business in the ordinary sense of the term, we would find that a much higher percentage of all the business done in the country is done by corporations. The question, then, is whether we wish this 70 to 80 percent of all the business of the country to come under the control of a few hundred colossal, multi-billion-dollar empires, or whether we think it is better to have this preponderance of the Nation's economic activity carried on by several hundred thousand corporations.

DOUBLE TAXATION AND TAX AVOIDANCE

My second point is this: It is the corporate income tax which raises peculiar problems. At one extreme, the corporate income tax it is charged amounts to a double taxation of some business owners. At the other extreme, the corporate form of organization, under the present tax structure, provides a means of tax avoidance.

To illustrate the situation where it is charged there is complete double taxation, take the very small firm doing business under highly competitive conditions. The owners need, and take out, the current profits of the firm for their current living expenses. In this situation the owners pay the corporate income tax, and in addition, pay the individual income tax on the same income—or what is left of it.

On the other hand, many of the bigger, quasi-monopolistic corporations do not actually bear the burden of the tax. They shift the tax onto others—either to consumers, to their trade customers, or to their suppliers, or to their employees, or in some combination among these groups.

An illustration which I have given before is the case of the big corporations in the public utilities fields. It is easy to see why such corporations are not expected to bear and do not actually bear the burden of the income tax. The reason is that when the income tax is imposed, or increased, the State utilities commissions promptly allow these corporations to raise rates sufficiently to absorb the tax.

H. R. 7 WOULD TEND TO ELIMINATE TAX AVOIDANCE

And so it is with most of the big corporations in other fields, except that they raise prices, or squeeze suppliers, without having to ask permission to do so.

This is no strange or disputed fact. It has been openly discussed in editorials by such publications as the Wall Street Journal; and it has been freely admitted to and discussed by both past and present officials of the big corporations. No later than December a year ago, two officials of General Motors—the president and chairman of the executive committee—discussed this matter with the Senate Antitrust Subcommittee, and they told the subcommittee that over the years General Motors has been able to take almost precisely the profit rate it wanted to take—after taxes.

Certainly, then, a corporation that can shift all, or substantially all of the tax, provides its owners with a means of tax avoidance. It provides a way for accumulating assets, without paying individual income tax on the receipt of these assets.

What these differing effects of the corporate income tax mean, in practical terms, is this: The big, quasi-monopolistic corporation can acquire almost unlimited funds, through retained earnings, with which to expand—either by building new plants or buying up and merging smaller companies. On the other hand, the smaller and more competitive corporations are drained of such earnings and, as I have said, in many instances the owners are actually taxed twice. Between these two extremes the situation varies in degree. Some of your medium-sized corporations can, and do, shift some portion of the tax, but cannot shift the tax completely.

H. R. 7 has been offered as a first step toward correcting this problem.

H. R. 7 DOES NOT REDUCE REVENUES

H. R. 7 is not intended to reduce revenues from the corporate income tax. On the contrary, it is computed to yield the same revenues as now. It is intended, however, to do two things: First, to reduce the burden of the tax where the burden now falls heaviest—on the small corporations. Second, it is intended to place a greater burden on the giant corporations where little or no burden now falls. But to accomplish this latter objective, the bill must impose a somewhat different rate upon corporations of different income sizes within that general size range which we normally think of as large. This different treatment of the giant and the supergiant within the same industrial field is necessary to make it difficult, and unlikely that any increase in the rates on the bigger corporations will be shifted. In short, one of the results of H. R. 7 would be that some of the bigger corporations would bear the actual burden, for the first time, of the taxes which they have been remitting.

I realize, of course, that one of the effects of H. R. 7 might be to cause some of the giant corporations to split up, so that their component parts would be subject to a lesser tax rate. This prospect seems to raise very frightening problems in the minds of some people. First, the point is made that H. R. 7, after a year or so, would yield less revenue, and then we would have the problem of adjusting the tax rates again. My answer to this observation is this: At no time when we pass a tax bill do we expect that we are passing a bill that will be perfect and permanent for all time. On the contrary, we know that we have to adjust the level of the rates from year to year, and we have to make other adjustments. For example, the rates in the present extension bill are proposed for only 15 months.

Second, some people seem to be completely horrified at the prospect that a tax bill might cause some of the giant combines to split up—that it might set in motion a tendency toward deconcentration of industry. These people seem greatly alarmed that the structure of business might be changed from what it is now. Well, the simple fact is that the business structure is not going to remain unchanged. It is changing now, and it is changing in the other direction. The present tax structure has, for many years, served to concentrate and centralize business. It has been, and is now, causing a centralization of business both by the acquisition of new assets and by a great wave of corporate mergers. Since we have been able to accept, in our minds, a tax system which has for so many years changed the business structure in one direction, I wonder if we could not adapt our minds to a set of taxes having a slight tendency to change the business structure in the other direction.

Certainly, a change in the other direction would be wholesome, and the results would be more in keeping with the economic and political system which we have traditionally valued.

UNINCORPORATED FIRMS MUST RECEIVE EQUAL ADVANTAGES OF THE TAX REDUCTION

H. R. 7 should, in addition, be of substantial direct benefit to many unincorporated firms. By reducing the tax rate on small corporations, we will make it possible for many firms now organized as partnerships or sole proprietorships, to incorporate and take advantage of whatever benefits the corporate form holds out to them.

Furthermore, we should certainly take immediate steps to learn what the obstacles may be to unincorporated firms making greater use of the election to be taxed as a corporation, which is provided for in section 1361 of the Internal Revenue Code. The point has been made—and a most serious point—that very few unincorporated firms have taken advantage of this election. Some of the reasons for this are already manifest. In the first place, although almost 3 years have passed since this provision was put into the code, the Commissioner of Internal Revenue has not yet issued regulations for its use. Yet such regulations are required by the code.

A second and related reason why this section has not been used by small, unincorporated firms is that the small-business people generally do not know of its existence. To give an example of how little known this section of the code is, I might point out that a few months ago the Internal Revenue Service, working with the Senate Small Business Committee, made a compilation of what was supposed to be all of the features of the tax code which are of particular interest to small business. This compilation was issued as a kind of handy guide, to acquaint small-business people with those provisions of the code which they should know about, and which might be of benefit to them. Yet this compilation, coming from the Internal Revenue Service itself, completely neglected to mention section 1361 of the code. When Mr. Barnes, Director of the Small Business Administration, was before the Banking and Currency Committee recently I asked him if he advised small concerns of their rights under this section 1361 and he admitted he had not.

As chairman of the Small Business Committee, I can assure the Members that the Small Business Committee will promptly look into this matter of section 1361 of the code to see why it is that regulations have not been issued for its use, and to try to determine also what obstacles may lie in this provision of the code itself. I hope, and I believe, that we can clarify this point rather quickly. And I hope, in any case, that the House will give serious consideration to passing H. R. 7.

MUSICIANS' PERFORMANCE TRUST FUNDS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, yesterday the distinguished chairman of a special subcommittee of the House Committee on Education and Labor, the gentleman from Georgia [Mr. LANDRUM], introduced a bill, H. R. 7236, to carry out the unanimous recommendations of the subcommittee appointed to investigate the operations of the musicians' performance trust funds of the American Federation of Musicians.

I am in general agreement with the purposes of Mr. LANDRUM'S bill, but I would not like, even by implication, to have it appear that I would support section 5. Section 5 is a repetition of the principles of section 14 (b) of the Taft-Hartley law under which individual States' so-called and misnamed right-to-work laws have been given legal status. I shall oppose the inclusion of section 5 in this prospective legislation.

It would also be appropriate to point out that in section 3 of the bill some modification will be necessary to enable

the majority will of each local union to prevail in order to make it workable and practicable.

I would like, at this time, to commend Chairman LANDRUM for the constructive manner in which he has conducted the hearings and brought the work of the committee to fruition. With the exceptions noted above, I believe it will result in improved labor-management relations, rectify injustices, and provide workable legal machinery in this important field.

ROOM FOR CORRECTION

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks in the RECORD, I insert therein a very able and provocative article from the Reader's Digest entitled "Our Foreign-Aid Program"—A Bureaucratic Nightmare" by our valued, distinguished colleague, Hon. GEORGE MEADER, of Michigan.

I think that every Member of the House should read this article, because it is very well documented, and contains specific illustrations that are most impressive on the point of our ill-advised spending in foreign lands.

The money being spent on starry-eyed foreign ventures comes in so many instances from the hard-earned dollars of American workers, farmers, and businessmen, in fact, from the pockets of every class of Americans. At the same time the Nation is rife with the baneful effects of extortionate tax rates, local, State, and Federal, which are steadily lowering our standards of living, eating up the substance of our people, threatening hardship to many families and small-business men and destroying the initiative and the spirit of free enterprise which is the bulwark of our great economic system.

There is a deadly parallel between present conditions and those which preceded the collapse of the Roman empire. It is the responsibility of Congress to put our Federal house in order, to reduce the budget, cut the taxes to provide an encouraging climate for business, to promote the employment of our citizens, and to protect our high standards of living and the value of our money.

If we do not address ourselves to these vital problems and elimination of the threatening conditions which lie behind them we will not only be failing to fulfill our plain duty, but we will be inviting further deterioration, economic, social and moral, which will propel this great Nation along the same road traveled by Rome in its mad rush for unearned benefits and easy living which no government can provide and which finally brought it into the pits of ruin.

Selective reduction of our huge Federal budget, reduction of the national debt, protection of the monetary value and purchasing power of the American dollar, tax reduction and sound efficiency in governmental affairs are most essential if we are to maintain our free way of life. The need for economy is just as urgent in foreign aid as it is in every other field. Preserve essential services we must; eliminate waste, extravagance, and lavish, ill-advised spending we should.

OUR FOREIGN-AID PROGRAM—A BUREAUCRATIC NIGHTMARE

(By GEORGE MEADER, United States Representative from Michigan)

Most of us in Congress have consistently voted for foreign aid to strengthen the underdeveloped countries so they can resist Communist aggression. We will be asked within a few weeks to appropriate additional huge sums. Investigation shows, however, that the program we are being asked to support has, in the main, degenerated into a bureaucratic nightmare, in which millions of dollars are wasted. Admittedly, some of the money spent has yielded good results. But too often we have forced projects upon countries not ready for them, with the result that we build up, not friendship, but ill will and resentment. In other instances we have scattered our money abroad with such abandon that it is hard to discern what, if any, results we have achieved.

Only a few weeks ago we 13 Republicans and 17 Democrats who make up the House Committee on Government Operations unanimously approved a 59-page report detailing the "loose, slipshod, and unbusinesslike" spending of more than a quarter billion dollars in Iran wtih so little regard for "basic requirements of prudent management * * * that it is now impossible with any accuracy to tell what became of the funds."[1]

Yet this case is typical of hundreds uncovered throughout the world, not just by our committee but also by other investigators including those of the House, Senate, and General Accounting Office. Here are some samples that have been brought to my attention.

In the name of foreign aid our Government has built a $128,000 cow barn in Lebanon to "demonstrate" to average farmers living on $100 or less a year the equipment they should provide themselves with in order to get ahead.

In Ethiopia we spend hundreds of thousands of dollars a year to found an agricultural college, conduct experiments looking to better crops, and train veterinarians, all of which may be good. But at last report everyone was too busy to put to use 2,000 plows and a store of tractors rusting away since UNRRA days.

And consider Afghanistan. The 12 million inhabitants live as they did a thousand years ago. Some are nomads, but most of them are simple farmers. Ninety-six percent cannot read or write, nor can they cope with the complexities of mechanized civilization. There are virtually no roads; the usual transport is over trails by camelback and packhorse. The Afghans need to be introduced to the age of the wheel and axle, and to simple hand tools, if they are to begin ascending the economic ladder. Missionaries years ago learned that there is no other way up than step by slow step. Instead, we are trying to short-cut years of such essential development.

To illustrate: the United States advanced $39,500,000 of loans to complete two dams in the most isolated part of Afghanistan. The idea was to produce industrial hydroelectricity and to pour out water to reclaim a million acres of desert on which to resettle the nomads. Today, 2 to 5 years after completion of these dams, there still is little power equipment installed and no electricity has been generated. The nomads have refused to settle down on the irrigated acres; the soil is so alkaline that some of it won't grow crops 2 years in succession. Nevertheless, every year we give further large sums to maintain the irrigation canal with our own technicians, while others strive feverishly to solve the soil problem.

The Afghans blame the United States, for haven't we led them on to expect great things? Therefore, from International Cooperation Administration headquarters in Washington, a demand goes out for "projects which will show immediate results and encourage the people." Courtney Kimler, an experienced engineer, was sent to find some of these.

"Help the Afghans to make better use of the good land they have," he advised. "Show them how to make a $5 weaving rack so the rugmakers can bring their work inside during the winter months in which they now sit idle. Above all, show them how to build carts in their own villages, and how to grade a system of farm-to-market wagon roads such as the United States had at the turn of the century. This can all be done for $10 million—and then Afghans can begin to get ahead, just as Americans did."

No one would listen. Instead of starting with wheel and axle, ICA gave $14,500,000 last year to start 5 airports and provide electronic equipment for a sixth which Russia is constructing.

"After all, this is the air age," says an ICA man. "We'll give the Afghans an airline and an agency like our Civil Aeronautics Administration to regulate air traffic. American technicians will have to stay there to run the show, of course; we'll have to teach the nation to read and write before it can begin to produce technicians to replace ours."

This isn't foreign aid as Congress conceived it, and it isn't doing the good that it should. This is bureaucracy bent on building a permanent empire. The ever-growing corps of technicians and experts which it would fasten onto a simple people will be resented by the underdeveloped countries as violently as the colonial overlords whom they have fought for years to shake off.

This is only one of the things wrong with foreign aid as it is administered. The present and previous administrations have depended on our professional foreign-aid planners in ICA and the State Department for guidance. Unfortunately for United States taxpayers, too many of these men, holdovers from an earlier share-the-wealth political era, measure the success of their programs not so much in terms of accomplishment as in cash spent.

India is an example. That country's best project is its community-development program. Started years ago by missionaries and later given impetus by the Ford Foundation, it sends small teams into the steaming mud villages to instruct the almost 300 million impoverished and ignorant rural people in reading and writing, sanitation and health care; to show them how to increase their crops; to start cottage industries; and to teach village leaders to carry on the process after the teams leave.

A House Foreign Affairs Subcommittee visited some of these villages recently. The inhabitants proudly showed what they had done, as a result of their training, to lift themselves; a road cut through the jungle to reach the outside world; a school built of concrete blocks; sanitary facilities; increased crops that meant the difference between hunger and hope. In these simple things, and in the villagers' rising spirit of pride and self-respect, was proof that men can and will help themselves when the goals are within their comprehension.

[1] See "How Not To Handle Foreign Aid," the Reader's Digest, February 1957. Copies of H. Rept. 10 (dated January 28, 1957) are available on application to the Committee on Government Operations, House of Representatives, Washington, D. C.

Nevertheless, ICA spent little on these community-development projects last year. Congressmen had to prod our officials to get them to show these villages.

The trouble is that our foreign-aid planners are trying to spend $80 million a year on India. A United States mission of more than 400 works hard at the task. But it is difficult to get rid of this much cash on the principle of showing people how to help themselves. So the mission concentrates on buying things that have nothing to do with point 4.

In 1954, after telling Congress that it intended to spend but $639,000 on all transportation and communications in the country, the mission made India an outright gift of $20,500,000 worth of new railroad equipment alone. India didn't need this as a gift; it could have borrowed any cash it needed for its railroads because its system, the fourth largest in the world, is one of the nation's strongest assets.

In June 1954, 2 weeks before their unexpended balances for the fiscal year would expire if not obligated, our foreign-aid officials in India decided to donate $1,539,000 worth of prefabricated steel for 52 easy-to-erect grain silos and warehouses to demonstrate what United States storage techniques could accomplish. Last fall ICA officials admitted that the bulk of the material was still sitting in Calcutta, untouched. Meanwhile, ICA approved a request from its office in India for an additional $4 million of United States taxpayers' money for 600 more warehouses—in spite of the fact that in 2 years the Indians hadn't got around to putting up the buildings we had already sent.

The fact is that India cannot assimilate aid as fast as we want to pass it out. Already a backlog of $135 million has piled up from past appropriations. Nevertheless, officials have proposed that we now increase our Indian assistance from $80 million to $100 million a year.

Every year all but a minor portion of our Indian-aid funds is spent in ways having little to do with inspiring self-help. Last year alone at least $66,500,000 was allocated to buy items which included industrial steel and iron, machinery, machine tools, and raw materials for manufacture. Nearly $4 million worth of motor vehicles was given away. Most of these gifts are not connected with any project or program but are just handed over to the Indian Government, which merges them into the state-owned enterprises of its 5-year plan. Official proposals for the future merely look to enlarging such gifts by $20 million a year.

G. Corson Ellis, vice president of the Association of Consulting Management Engineers, took a team to India under an ICA contract to set up a management-development program that would help new industries to operate more efficiently. He later told the House Foreign Affairs Committee that he was not permitted to serve private businesses—just Government undertakings; that he had to wait 7 months before the Indian Government would let him have any people to train; that his job was impossible because of resistance to criticism and to the idea of a free economy.

"We make a mistake preaching that what these countries need is capital," he says. "Their principal need is trained men. We must teach, not simply act as experts. Unless our program is predicated upon leaving something behind, we are going to be stuck there for 50 years."

These examples of waste of American personnel and resources could be multiplied. In Greece Marshall plan tractors rusted on the docks 2 years after arrival because the country couldn't absorb all the aid we insisted upon giving. Yet no lesson is learned from such waste. Recently, in Laos, a country of 1½ million inhabitants, Congressmen saw a depot crammed with enough expensive drugs, hypodermic needles and other medical supplies to care for much of southeast Asia.

Expensive pieces of electrical equipment, including electronic microscopes, were purchased for the Philippines when no power or personnel to operate them was available. Distilled water was ordered from the United States to be shipped to Manila, despite the fact that stills to produce such water on the scene had already been supplied.

Still, each year since 1948, the people who run foreign aid have come up with a conveniently timed emergency which has called for enlarging the scope of our operations. In the current fiscal year $1,749,000,000 was appropriated for nonmilitary assistance—an increase of $68 million over 1956, even though ICA ended the year with a backlog of nearly $2 billions it had been unable to spend.

By 1953 the foreign-aid bureaucracy had become so swollen and topheavy that Congress ordered a 10-percent cut in its 7,000 personnel. Yet today it has more employees than ever—more than 8,000. This bureaucracy has become so powerful, so cocksure, that it has defied Congress and done whatever it has wanted.

Under the law, requests for aid are supposed to originate with the host country. The United States mission is then supposed to try to find American cash for the worthiest point 4 proposals—if the benefiting nation will pay a substantial portion of the costs to show its interest. In practice, some of our missions start out with an allocation of funds, then try to prevail upon the host country to accept cash for projects drummed up by ICA. Sometimes the missions even find ways of getting around the stipulation that the host country put up earnest money. In one instance recently our committee found that a host country's "contribution" included the country's estimated loss of import duties on items which the United States gives to it.

Everywhere we are bestowing the accouterments of advancement upon people while giving insufficient heed to fundamental needs. Jordan, a poor, arid country with 1,500,000 population, has an overwhelming problem; a half million Arab refugees from Palestine. Our major cure has been to construct throughways for the country's fewer than 9,000 automobiles.

In Thailand a 200-mile asphalt road was undertaken as a 1-year $6½-million dramatic demonstration of United States efficiency in peaceful pursuits, but after 2½ years the estimated cost has skyrocketed to $18 million for just the first 100-mile stretch, with completion not due before 1958. Meantime, ICA has expanded this demonstration into a series of Thai highway projects which by June will have cost us $45 million, and no end in sight.

This project was tackled without sufficient advance planning. The American contractors' 150 employees have to be paid during the 6-month rainy season, when they can only sit. Congressional investigators have found that the boss of one team collects $27,750 a year; that 14 other engineers get $17,400 each; that machine operators make $700 to $800 a month, plus 15 percent for being overseas, plus $300 a month living expenses, plus overtime. None pays an income tax. And now 75 additional high-priced men are being sent to Thailand to join those already there. Such aid cannot be justified even as a means of insuring international cooperation.

Officials have admitted to our committee that some programs could well be taken over and paid for by the host countries—except that the latter don't think they're worth their own cash and would drop them. Meanwhile, Burma, 4 years ago, rejected further wholesale gifts from the United States. A Congressional investigator was told in Burma: "By being so aggressively friendly and insistent that we accept your money and superior knowledge in working out our destinies, you Americans insult us without meaning to." This reaction is spreading.

Is it not time to call a halt to this senseless, arrogant spending? Let's stop measuring the success of our aid by the amount of cash we can give away. Let's concentrate instead on helping people to help themselves with fundamental programs, meanwhile encouraging them to accept development by private enterprise so that their economies may grow and they may eventually stand alone instead of as dependents on an annual handout from the United States taxpayers.

What is needed is a clearer statement of Congressional policy and a Congressional committee equipped with funds and authority to investigate and combat waste in foreign-aid spending before, not after, the cash has gone down the drain. Such a Senate committee, of which I was chief counsel during the war, was able to save billions of dollars by keeping watch on the departments that spend our defense dollars. I know from experience that the same type of investigation can cut down waste in foreign aid and begin saving additional billions for the taxpayer right now.

Most Members of Congress know what I have set forth here. Most feel as I do. However, the bureaucracy has become so powerful that Congress will not act without knowing it has the support of the public. Until public opinion becomes so aroused that the people begin to insist on action by their Senators and Congressmen, the waste will continue, with little hope for better results than have been achieved thus far.

BRILLIANT LEADER—AL ALTMAN

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, under leave to revise and extend my remarks, I insert herein an excellent article from the celebrated Clinton (Mass.) Daily Item, of April 9, concerning my old and valued friend, Al Altman, eastern talent selector for Metro-Goldwyn-Mayer.

Mr. Altman, who is a native of my hometown of Clinton and a graduate of Clinton High School prior to higher professional training, and a close friend of mine, entered the moving picture business years ago with the famous Mr. Louis B. Mayer. Since that time, he has enjoyed steady advancement, until he now holds one of the most important posts in the M-G-M organization. Naturally, people of his hometown of Clinton point with pride to his noteworthy achievements. As an old friend and great admirer of his, I am certainly most proud of the significant contributions which he has made to the moving picture industry, and in turn, to the Nation.

It is men like Al Altman who have shaped and given impetus to one of America's most influential and important industries. It will be men animated by the same high ideals and high principles as Al Altman who will give this industry the guidance and direction it needs to continue its essential work, to broaden and expand the scope of its operations, and surge forward to ever-increasing levels of activity, progress and prosperity. Al Altman is this kind

of an inspiring leader destined for greater heights.

It is in the awareness of the public significance of the movies that Al Altman has made a vital contribution. We are fortunate to have such leaders as he in the great movie industy devoted to its interests and at the same time devoted to American principles and moral concepts of responsibility to the public. That is what makes Al Altman the great figure he is. That is why he is so valuable to the industry in these challenging days. And that is why his future service will be so vital.

The material follows:

AL ALTMAN—ONE OF MGM'S BUSIEST MEN

(By Allen M. Widem)

A New England native who once trudged along Bloomfield, Conn., roads as a book salesman now supervises the tremendously complex task of eastern talent selection for MGM.

Clinton, Mass., born Al Altman directs one of the film industry's largest unending quests from a modest booklined office high above Times Square.

Our hour's visit encompassed a continuing flow of telephone calls, and occasional consultations with staff aides.

"This is a constantly changing business," he admitted, "and in order to keep up with the rapid fluctuations I find that I easily put in something like 80 to 85 hours a week. The job just doesn't end at 5 o'clock, and any talent man who thinks he can easily forget office matters at dinnertime is woefully lacking in understanding."

Altman, son of a furniture dealer, was introduced to motion pictures 40 years ago when he went to work for the old Nathan Gordon-Louis B. Mayer Film Co. in Boston as an accounting assistant.

"Mayer was getting ready to enter film production," our interviewee recalled, "and he told me that when he started filming he wouldn't be content to function as merely another producer. He made up his mind to make his pictures stand head and shoulders above the competition, and the years have certainly been witness to his promise."

Mayer's consolidation of the MGM interests in Los Angeles in 1925 brought Altman's assignment to various New York posts. Several years later, he was delegated to talent duties, and he's fulfilled the responsibilities within 18-hour days.

Even a brief summary of Altman-introduced personalities reads like a continuing history of motion pictures.

Working closely with the late Irving Thalberg, studio production chief, and his successors—most recently Ben Thav and Marvin Schenck—Altman tested Joan Crawford, Spencer Tracy, Bob Hope, Henry Fonda, James Stewart, Alfred Lunt and Lynne Fontanne, Maurice Schwartz, Gene Kelly, Franchot Tone, Ava Gardner, and, in later years, Harry Belafonte, Richard Widmark, Marlon Brando and Rosemary Clooney.

"Talent," he said matter-of-factly, "is not to be contained in a simple definition. It means many things to many people, but, above all, we find something arresting, something appealing must register to the sensitive camera eye. This is known essentially as audience identification.

"Certainly, a talent man can make mistakes; he can sit through two or three 5-minute auditions, using contemporary play dialog (we rarely have talent run through the classics), and come away with incomplete appreciation. The player out front failed to project fully and the entire sequence was thrown off balance."

Altman and his staff (number ranges upward from three, dependent upon necessary viewing objectives) attend every major Broadway play opening, a large percentage of off-Broadway and summer threater attractions, and, equally important, occasionally travel to east coast college and little theater productions.

"We also find ourselves monitoring daily television and reading many of the Atlantic seaboard daily newspapers, and better-quality magazines, scanning face structure, in search of that elusive quality known as star material."

MGM, he reminded us, has built an industry reputation as "The studio with more stars than in the heavens."

The studio's talent department, on the basis of constant scouting and commentary from objective observers, looks forward to rewarding developments on an ever-precarious path.

GENERAL LEAVE TO EXTEND REMARKS

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the third supplemental appropriation bill for 1957.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANNIVERSARY OF THE STATE OF ISRAEL

Mr. CRETELLA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. CRETELLA. Mr. Speaker, May 6 was the ninth anniversary of the State of Israel. Israel, one of the newest and most dynamic nations in the world today, has close cultural ties with the United States. Her display of friendship and hope for peace sets a shining example for all the free nations of the world.

The people of Israel should indeed be proud of their accomplishments. After 20 centuries of being herded through the lands of Asia and Europe, they have built almost with their bare hands a homeland instilled with full political, cultural, and religious freedom, a society free from the horrors which they once experienced.

Although many words have been written and spoken on our policy in the Middle East, the policy of the United States stands for the unconditional preservation of the State of Israel. We realize, all of us, that Israel is the only democratic nation in the Middle East and one which is attempting, at great odds, to survive against bigger and more powerful neighbors who want to obliterate any trace of Israel's existence.

It has given me great pleasure, in recent years to voice my opinion, along with some of my other colleagues, to the President and Secretary of State regarding our policy toward Israel. At a time when Nasser was ordering and receiving armaments from behind the Iron Curtain for the express purpose of destroying Israel, it was my firm belief that it was our obligation to provide defensive arms to Israel as an expression of deep United States concern for the safety of this tiny country. I likewise questioned the justice of imposing U. N. sanctions on Israel while taking no such action against Russia, for example, with a long record of invasion and subjugation of once free nations.

The Eisenhower doctrine on the Middle East serves as a warning to the Communists or any nations which join with the Communists, that we have a stake in the moral, spiritual and political freedom of the people of the Mid-East countries whose freedom is challenged. This doctrine serves as one of the most forceful deterrents to Communist domination in the area. It has helped to solidify relationships with Israel which is a continual target for infiltration from Moscow.

Israel will remain an entity and one of the outstanding reasons for this is that she has great human resources from which to draw. Her people know well hardship and death and terror, and they are prepared to defend their liberty at all costs against an aggressor. So long as this spirit prevails and Israel has such patriots as Ben-Gurion, Ben-Zvi and Moshe Sharrett to lead her through perilous times, the existence of the State of Israel will never be a thing of the past.

THE PROLIFERATING PUBLIC PAYROLL

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I want to again call attention to an article which appeared in the RECORD of April 8, setting forth the Parkinson's law. A year or two ago the London Economist invented a scientific formula for figuring out future additions to govment payrolls. The mathematical rule, capriciously labeled Parkinson's law, was based on two premises: Officials want to multiply subordinates; and these subordinates make work for each other.

Applying the Parkinson's law to our present situation of Federal employees and its increase, we find that this Parkinson's law projected into the future, by the year 2069 we will all be working for the Government.

SOCIAL SECURITY AMENDMENT

Mr. SADLAK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD on a bill I introduced today.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SADLAK. Mr. Speaker, I have today introduced a bill which would amend title II of the Social Security Act to include Connecticut among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage.

Section 218 of title II of the act as amended provides for the coverage of

State and local employees who are under public retirement systems. Under present law, employees of State and local governments may be covered under OASI through voluntary agreements between the respective States and the Department of Health, Education, and Welfare. With respect to employees who are covered under State or local retirement systems, the social-security law requires that a referendum be held by secret written ballot with a majority of eligible employees voting in favor of such coverage. Present law also requires that all members of a retirement system must be treated as a single group for purposes of coverage. The requirement that all members of a retirement system be treated as a coverage group has resulted in some hardship. To eliminate this hardship my constituents in Connecticut have expressed the desire to have the social-security law amended so as to extend to the State of Connecticut an amendment to section 218 (d) so that at its option the State of Connecticut could cover under OASI only those persons now members of a retirement system who wish to be covered, provided that all new employees are covered on a compulsory basis.

PULITZER AWARD TO CHICAGO DAILY NEWS

The SPEAKER. Under the previous order of the House, the gentleman from Illinois [Mr. SHEEHAN] is recognized for 10 minutes.

Mr. SHEEHAN. Mr. Speaker, I am very happy and proud to inform my colleagues in the House of Representatives that the Chicago Daily News, from my home State of Illinois and city of Chicago, has been awarded the 1957 Pulitzer award for meritorious public service for exposing the Hodge scandal in the State of Illinois.

The trustees of Columbia University have awarded various prizes since 1917 under the will of the late Joseph Pulitzer, publisher of the St. Louis Post-Dispatch and the old New York World.

The Pulitzer prizes are awarded annually in May by the trustees of Columbia University, acting on the recommendations of an advisory board of the Graduate School of Journalism for meritorious work of the previous year. Awards are given in the following categories: Meritorious public service, local reporting, national reporting, international reporting, correspondence, editorial writing, news photography, history, biography, autobiography, poetry, music, and allied fields of endeavor.

The Chicago Daily News was founded 81 years ago. Frank Knox, Republican vice presidential candidate in 1936 and Secretary of the Navy in World War II, acquired controlling interest in 1931. Upon his death in 1944, the executors sold the controlling interest to John S. Knight, the publisher.

The Chicago Daily News has a long record of public service and rightfully classifies itself as "Chicago's home newspaper." Under the astute guidance of its editor and publisher, Mr. John S. Knight, the staff of the Chicago Daily News, consisting of Mr. Basil Walters, executive editor; Everett Norlander, managing editor; A. T. Burch, editorial writer, and Clem Lane, city news editor, directed the newsstaff in the preparation of the Orville Hodge story.

Mr. George Thiem, the reporter principally responsible for breaking the story, was directed by the Daily News staff to put forth every bit of time and effort in running down the lead supplied to the newspaper staff. This Daily News reporter worked for 42 days before he stumbled on Hodge's secret; and for nearly 2 weeks of that time, Hodge was working frantically to cover up. Tension mounted so high before it was over that two Daily News men, both seasoned campaigners, were felled by heart attacks.

The Chicago Daily News exposé, in which 21 reporters, deskmen and rewrite men participated, resulted in the indictment and conviction of State Auditor Hodge; his assistant, Edward Epping; and Edward Hintz, president of a Chicago bank (also) involved in the fraud.

In the beginning, there wasn't the slightest suspicion that Orville Hodge was defrauding the State of Illinois of millions of dollars. Hodge fooled everyone completely and it wasn't until Reporter George Thiem caught him in several small lies, in padding his payrolls a bit, and in being too free with the State of Illinois moneys in paying personal expenses—that the real story began to dawn. Even when Mr. Thiem was notified by the Chicago Daily News staff of the possible implications of the case, he thought it was "just one of these things" which frequently occur in political life. But when the final chapters have been concluded—it might be easily said that Hodge is the man who almost stole Illinois.

The Chicago Daily News is an "old hand" at winning Pulitzer prizes. In 1925, it won the local reporting prize, the test being the quality of local news stories written under pressure of edition time. The same prize was awarded Daily News Reporter George Weller in 1943. The same honor under this category was awarded the newspaper in 1950. In the field of international reporting, the Chicago Daily News again was honored in 1929, 1933, 1936, and 1951. Ace reporters were Keyes Beech, Fred Sparks, Paul Scott Mourer and Edgar Ansel Mourer.

In 1950, Reporter Thiem was a major participant in the exposé of an Illinois State payroll scandal which won a joint Pulitzer award for the Chicago Daily News and the St. Louis Post-Dispatch. He succeeded in exposing the presence of 37 Illinois newspapermen on the State payroll.

The gold medal award to the Chicago Daily News for its feat was the second recognition of its work in the Hodge case during the past month. The Headliners Club, convening in Atlantic City, awarded a silver medal to this Midwest newspaper for outstanding coverage of a domestic news story.

As the sentinel and stalwart defender of the free press, the Chicago Daily News once more has objectively sought out the truth and has printed it fearlessly and relentlessly in the belief that public trust should not be betrayed.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SHEEHAN, for 10 minutes, today.

Mrs. DWYER, for 10 minutes, on May 14.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. PORTER in two instances and to include extraneous matter.

Mr. HOLIFIELD and to include extraneous matter.

Mr. MILLER of California and to include extraneous matter.

Mr. RHODES of Pennsylvania and to include extraneous matter.

Mr. ABBITT (at the request of Mr. MARSHALL) and include extraneous matter.

Mr. CELLER.

Mr. POWELL in three instances (at the request of Mr. MARSHALL).

Mr. MARSHALL and include extraneous material.

Mr. ROONEY, the remarks he made today in Committee of the Whole and include extraneous matter.

Mr. MCCORMACK in two instances, in each to include related matter.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p. m.) the House adjourned until tomorrow, May 8, 1957, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

> "I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Member of the 85th Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend section 30 of the Revised Statutes of the United States" (U. S. C., title 2, sec. 25), approved February 18, 1948:

NEW MEXICO

JOSEPH M. MONTOYA.

EXECUTIVE COMMUNICATIONS, ETC.

830. Under clause 2 of rule XXIV, a letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports submitted by the Departments of the Army, Navy, and Air Force, and the Armed Services Petroleum Purchasing Agency, listing individual procurement actions negotiated in the period from July 1 to December 31, 1956, pursuant to the provisions of title 10, United States Code, section 2304 (e), was taken from the Speaker's table and referred to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Armed Services. H. R. 7143. A bill to amend the act of August 3, 1950, as amended, to continue in effect the provisions relating to the authorized personnel strengths of the Armed Forces; without amendment (Rept. No. 390). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 3625. A bill to amend section 214 of the Interstate Commerce Act, as amended, to prevent the use of arbitrary stock par values to evade Interstate Commerce Commission jurisdiction; with amendment (Rept. No. 391). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 5328. A bill to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission; with amendment (Rept. No. 392). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HILLINGS: Committee on the Judiciary. H. R. 1848. A bill for the relief of certain aliens, without amendment (Rept. No. 389). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. COAD:

H. R. 7294. A bill to amend the Internal Revenue Code of 1954 to change certain dates prescribed for making installment payments of estimated income tax by individuals so that such payments will be due at regular 3-month intervals; to the Committee on Ways and Means.

By Mr. GUBSER:

H. R. 7295. A bill to authorize the Secretary of the Interior to construct the San Luis unit of the Central Valley project, California, to enter into an agreement with the State of California with respect to the construction and operation of such unit, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOSMER:

H. R. 7296. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mrs. KNUTSON:

H. R. 7297. A bill to amend the Federal-Aid Highway Act of 1944 to provide for an addition to the National System of Interstate Highways; to the Committee on Public Works.

By Mr. LESINSKI:

H. R. 7298. A bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for amounts paid toward a retirement annuity or pension; to the Committee on Ways and Means.

By Mr. McINTIRE:

H. R. 7299. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be proscribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. McMILLAN:

H. R. 7300. A bill to amend section 15 of the District of Columbia Alcoholic Beverage Control Act; to the Committee on the District of Columbia.

By Mr. MACK of Illinois:

H. R. 7301. A bill to amend section 1 (6) of the Civil Aeronautics Act of 1938, so as to include flight attendants within the definition of "airman"; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTS:

H. R. 7302. A bill to amend the Internal Revenue Code of 1954 to increase the amount which a taxpayer may deduct on account of expenses paid for the care of his or her dependents; to the Committee on Ways and Means.

By Mr. ROOSEVELT:

H. R. 7303. A bill to amend the Longshoremen's and Harbor Workers' Compensation Act, so as to provide that an injured employee shall have the right to select his own physician, and for other purposes; to the Committee on Education and Labor.

By Mr. SADLAK:

H. R. 7304. A bill to amend title II of the Social Security Act to include Connecticut among the States which are permitted to divide their retirement systems into two parts so as to obtain social-security coverage, under State agreement, for only those State and local employees who desire such coverage; to the Committee on Ways and Means.

By Mr. SMITH of Mississippi:

H. R. 7305. A bill to amend the Fair Labor Standards Act of 1938, as amended, with respect to handling of agricultural commodities, and for other purposes; to the Committee on Education and Labor.

By Mr. STEED:

H. R. 7306. A bill to amend title 28 of the United States Code to provide that notice of an action with respect to real property pending before a United States district court must be recorded in certain instances in order to provide constructive notice of such action; to the Committee on the Judiciary.

By Mr. LANKFORD:

H. R. 7307. A bill to provide for the acquisition of certain real property in Prince Georges County, Md., to be used for the site of the National Air Museum of the Smithsonian Institution; to the Committee on Public Works.

By Mr. HARRIS:

H. R. 7308. A bill to amend the act entitled "An act to promote the safety of employees and travelers upon railroads by limiting the hours of service of employees thereon," approved March 4, 1907; to the Committee on Interstate and Foreign Commerce.

By Mr. LANE:

H. R. 7309. A bill to amend section 301 of the World War Veterans' Act, 1924, to provide that certain term insurance held by World War I veterans shall be considered as fully paid when the insured reaches the age of 63; to the Committee on Veterans' Affairs.

By Mr. OSMERS:

H. R. 7310. A bill to provide for a preliminary examination and survey of certain river basins in the States of New Jersey and New York for flood control, navigation, and allied purposes; to the Committee on Public Works.

By Mr. SHELLEY:

H. R. 7311. A bill to provide that unmarried children of certain former members of the Armed Forces of the United States or of the Philippine Scouts may be admitted to the United States as nonquota immigrants, during a 2-year period, without regard to their age; to the Committee on the Judiciary.

By Mr. SISK:

H. R. 7312. A bill to amend section 22 of the Agricultural Adjustment Act (of 1933), as amended; to the Committee on Agriculture.

By Mr. WILSON of California:

H. R. 7313. A bill to authorize the Comptroller General of the United States to waive the recovery of certain erroneous payments or overpayments made to members and former members of the uniformed services and their dependents; to the Committee on the Judiciary.

By Mr. BROOMFIELD:

H. R. 7314. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. KING:

H. R. 7315. A bill to repeal the 3-cents per pound processing tax on coconut oil, and for other purposes; to the Committee on Ways and Means.

By Mr. POLK:

H. R. 7316. A bill to authorize the Secretary of Health, Education, and Welfare to provide for the production of a series of motion pictures for educational purposes showing places of national historical importance in the Nation's Capital and vicinity; to the Committee on Education and Labor.

By Mr. POWELL:

H. R. 7317. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the Boards for the Correction of Military or Naval Records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. WAINWRIGHT:

H. R. 7318. A bill to amend the War Claims Act of 1948, as amended, to provide compensation for certain World War II losses; to the Committee on Interstate and Foreign Commerce.

By Mr. CELLER:

H. R. 7319. A bill to amend the Clayton and other antitrust acts to prevent monopolistic practices, and for other purposes; to the Committee on the Judiciary.

By Mr. GATHINGS:

H. R. 7320. A bill to amend the Soil Bank Act to provide that the acreage reserve program shall apply only with respect to 1956 and 1957 crops; to the Committee on Agriculture.

By Mr. GWINN:

H. R. 7321. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual in-

come taxes; to the Committee on Ways and Means.

By Mrs. BLITCH:

H. J. Res. 320. Joint resolution to provide for the issuance of a special postage stamp to commemorate the establishment of Fort Frederica on St. Simons Island, Ga., and to commemorate the battle of Bloody Marsh; to the Committee on Post Office and Civil Service.

By Mr. DORN of South Carolina:

H. J. Res. 321. Joint resolution designating the period beginning July 29, 1957, and ending August 4, 1957, as National Model Aviation Week; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the air raid warning system; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of Delaware, memorializing the President and the Congress of the United States to consider favorably a Federal program to improve Delaware waterways; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLATNIK:

H. R. 7322. A bill for the relief of Mate Vukelic; to the Committee on the Judiciary.

By Mr. DINGELL:

H. R. 7323. A bill for the relief of Dragica Unkovic; to the Committee on the Judiciary.

By Mr. HUDDLESTON:

H. R. 7324. A bill for the relief of Panagiotis and Anastasios Koikos; to the Committee on the Judiciary.

By Mr. KEAN:

H. R. 7325. A bill for the relief of Joseph T. Horni, of Newark, N. J.; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7326. A bill for the relief of William E. Ryan, also known as William A. Ryan; to the Committee on the Judiciary.

H. R. 7327. A bill for the relief of Evgenia Asimakopoulos; to the Committee on the Judiciary.

H. R. 7328. A bill for the relief of Grigorios and Stavroula Papanikolaou; to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7329. A bill for the relief of Mrs. Hannah Bloomfield; to the Committee on the Judiciary.

By Mr. MILLER of New York:

H. R. 7330. A bill for the relief of Demetrius Daskalakis; to the Committee on the Judiciary.

H. R. 7331. A bill for the relief of Carmela LaTorre Calabrese; to the Committee on the Judiciary.

By Mr. MORRISON:

H. R. 7332. A bill for the relief of Maria Mayr; to the Committee on the Judiciary.

H. R. 7333. A bill for the relief of Berta Semmler; to the Committee on the Judiciary.

By Mr. LANHAM:

H. R. 7334. A bill for the relief of Marvin R. Ray; to the Committee on the Judiciary.

By Mr. O'NEILL:

H. R. 7335. A bill for the relief of Saverio Luccisano; to the Committee on the Judiciary.

H. R. 7336. A bill for the relief of Libero Giarrusso; to the Committee on the Judiciary.

By Mr. RAY:

H. R. 7337. A bill for the relief of James McGuire; to the Committee on the Judiciary.

By Mr. SMITH of Mississippi:

H. R. 7338. A bill for the relief of Shew Shei Lan and Chow Shong Yep; to the Committee on the Judiciary.

H. R. 7339. A bill for the relief of Yee Suey Nong; to the Committee on the Judiciary.

By Mr. TALLE:

H. R. 7340. A bill for the relief of John Thomas Kintzinger and Andrea Lyn Kintzinger; to the Committee on the Judiciary.

By Mr. TOLLEFSON:

H. R. 7341. A bill for the relief of Ingrida Ozolins; to the Committee on the Judiciary.

By Mr. WILSON of California:

H. R. 7342. A bill for the relief of Nicola Perretta; to the Committee on the Judiciary.

H. R. 7343. A bill for the relief of Miguel Hernandez-Rizo; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 322. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 323. Joint resolution to facilitate the admission into the United States of certain aliens; to the Committee on the Judiciary.

H. J. Res. 324. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

233. By Mr. CANNON: Petition of C. O. Wanvig and 1,368 other citizens and employees of Globe-Union, Inc., of Milwaukee, Wis., petitioning Congress to reduce the budget; to the Committee on Appropriations.

234. By the SPEAKER: Petition of E. Richardson and others, Grand Prairie, Tex., requesting passage of H. R. 375, relating to free marketing of newly mined gold; to the Committee on Banking and Currency.

235. Also, petition of the executive committee, Vale Grange, No. 696, Vale, Oreg., petitioning consideration of their resolution with reference to requesting favorable action on the Hells Canyon Dam site, which is urgently needed and wanted by the majority of the people, industry, and farmers of the Pacific Northwest; to the Committee on Interior and Insular Affairs.

EXTENSIONS OF REMARKS

Syria Celebrates 11th Anniversary of Evacuation Day, April 17

EXTENSION OF REMARKS

OF

HON. ADAM C. POWELL, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. POWELL. Mr. Speaker, when I came back from the Asian-African Conference at Bandung, Indonesia, I announced that I would address the United States Congress each time there was an anniversary of 1 of the 29 participating nations on friendly terms with the United States. April 17, 1957, marks the 11th anniversary of Evacuation Day in Syria, and I rise to felicitate that country in observance of that event.

I would like to congratulate the people of Syria, His Excellency Shukri al-Quawwatli, President of the Republic of Syria, and His Excellency Dr. Farid Zeineddine, Ambassador of Syria, upon the celebration of Evacuation Day.

Determined to have their freedom and independence, the period in Syrian history from 1920 to 1946 was that of a desperate and bitter national struggle. Making full use of the special circumstances of the Second World War, Syria succeeded in obtaining recognition of her complete independence and in achieving the evacuation of all foreign troops from the country. The death knell of imperialism was tolled when on April 17, 1946, the United Nations approved by a large majority of votes the evacuation of all foreign troops from Syria.

Syria has ably participated in international politics. The Syrian Government in 1945 joined the Allied cause. Following this she was invited to participate in the San Francisco Conference where she signed the Charter of the United Nations as one of the first members of that body, achieving thereby the status of a free and fully sovereign state.

Syria has made notable contributions to culture and civilization. In the course of many centuries, she has produced eminent poets, men of letters, jurists, historians, scientists, and journalists who made great contributions to world culture. Syria has also transmitted to the West the philosophy and sciences of the ancient world, serving thereby as a bridge over which the cultures of the ancient Greeks, Persians, Romans, and Indians passed to Europe and America.

It is to be hoped that those forces attempting to dissuade Syria from continuing to follow the ideals of democracy will not prevail and that she will once again be a strong ally of our country.

Radioactive Fallout

EXTENSION OF REMARKS

OF

HON. CHET HOLIFIELD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. HOLIFIELD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the recent announcement regarding the forthcoming public hearings by a special subcommittee of

the Joint Committee on Atomic Energy on the question of radioactive fallout from nuclear weapons explosions and its effects on man. The hearings are scheduled for May 27–29 and June 3–7, with the possibility of going over into the week of June 10 for public witnesses.

It is my hope that these hearings will lead to a better understanding of a problem that has become the subject of serious concern to the Congress and the people of this country. Such understanding is essential, in my opinion, to the development of sound national policies and to the maintenance of good relations with our friends and allies throughout the world.

I will announce in a few days a detailed agenda describing the subject areas to be covered and a list of witnesses who have been invited to testify before the special Subcommittee on Radiation.

The announcement follows:

A special subcommittee of the Joint Committee on Atomic Energy will hold public hearings on the problem of radioactive fallout from nuclear weapons explosions beginning May 27 and extending through June 7, it was announced today. Representative CHET HOLIFIELD, Democrat, California, has been named chairman of the subcommittee.

The hearings will cover in detail the whole fallout cycle from its inception in the detonation of nuclear weapons, through its dissemination in the atmosphere and descent to the earth, and finally to its uptake and effects on human beings, animals, and vegetation. Experts from the major scientific areas involved will be invited to present testimony before the committee. The hearings will also be open to public witnesses who wish to appear or submit a statement for the record.

Among the topics of particular interest to be discussed at the hearings are the questions of how much radioactive debris is being scattered throughout the atmosphere by nuclear weapons, the genetic effects of radiation and their meaning for future generations, the relationship of strontium 90 uptake in the human body to bone cancer and leukemia, and the effects of radiation on human longevity. Discussion will include the phenomenon of radiation damage, how it is measured, and how tolerance standards are established. Following discussion of these matters, an attempt will be made to see what projections can be made of the effects of continued testing of nuclear weapons at various rates.

In commenting on the forthcoming hearings, Representative HOLIFIELD stated:

"I am hopeful that the coming hearings will serve to give us all, both Congress and the public at large, a better understanding of the fallout question and will help clear up existing confusion over the character and dimensions of the problem. The joint committee has for some months been preparing for the hearings and has been consulting with experts from the major fields affected in order to develop a useful framework for the hearings. I believe this preparation will be useful in insuring that we cover the ground thoroughly and objectively.

"One of the major problems in previous discussions," he said, "has been that the Congress and the public have been snowed under by a welter of uncoordinated information and scientific terminology without having an adequate frame of reference for their guidance. Chief purpose of the hearings," he added, "is to provide such a frame of reference through presentation of scientific information in a form which is readily understandable to the layman as well as the scientist. We also wish to determine," he said, "what research work is being done in this field by the AEC and others, and whether the present level of this research effort is adequate."

Representative HOLIFIELD concluded by stating:

"I believe the forthcoming hearings should provide a valuable basis for future discussion of associated problems involving matters of the highest national importance, including proposals for cessation or limitation of our nuclear weapon tests. The hearings should also provide excellent background information for separate hearings being planned by the joint committee on radiation injuries to workers and workmen's compensation. Once a thorough base of understanding is laid," he added, "the Congress and the public should be in a much better position to evaluate the pertinent considerations and to develop sound national policies. It is toward this objective that the hearings are directed."

Those wishing to appear before the committee or to submit a statement for the record should contact the committee staff in room F–88, the Capitol, so that the necessary arrangements may be made.

The Late Dr. Dowell J. Howard

EXTENSION OF REMARKS

OF

HON. WATKINS M. ABBITT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. ABBITT. Mr. Speaker, early this year the Commonwealth of Virginia lost an outstanding, loyal, dedicated, Christian servant.

The death of Dr. Dowell J. Howard, State superintendent of public instruction in Virginia, on February 23, is mourned not only by those with whom he was closely associated in Virginia but also by educators throughout the Nation. In his passing, education has lost a beloved and esteemed leader.

Dr. Howard's entire career was in the field of education. A native of Maryland, he received his B. S. and D. Sc. degrees from the University of Maryland and his M. S. degree from Virginia Polytechnic Institute.

He came to Virginia early in his career to serve 37 years in various educational positions, as a teacher and principal in the public schools and later in administrative positions in the State department of education.

Throughout his career, Dr. Howard never lost sight of the goal to which he aspired—to spend his life and energy in the betterment of educational opportunities for all the children of all the people—not only in Virginia but in the Nation. He was a calm, straight thinking individual with a firm belief that the people of his State to whom the schools belonged would in the end have the right judgment in the determination of school policy. In his last report as superintendent of public instruction he stated his conviction that—

It is important that we avoid diversion from the fundamental purposes and progress of a sound system of education for the children of Virginia. * * * Problems will not be solved by sudden and emotional decisions but only through the exercise of reason and intelligence. * * * Whatever the crises, whatever the challenge, whenever and however met, it will be met by the people. It is our wish that they have right judgment in all things.

He possessed the rare ability to inspire devotion and steadfast loyalty in those who worked with him. His personal relationships were marked by consideration for those around him and a deep sense of the dignity and worth of the individual.

The children of Virginia bowed their heads in sorrow at the passing of this man. Their feeling is typified in the words spoken by the young vice president of the Virginia association, Future Homemakers of America, at a memorial service for Dr. Howard:

We are joined together in sincerest feelings of humility as we honor the memory of Dr. Howard who gave the utmost of sympathy, understanding, and helpfulness during his lifetime to the present and future well-being of the boys and girls of Virginia.

New York State Democratic Delegation Protests Compliance With Saudi Arabia's Religious Discrimination

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. CELLER. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD a letter addressed to the President of the United States by 15 members of the New York State Democratic delegation, protesting compliance with Saudi Arabia's religious discrimination, and the reply from Assistant Secretary Robert C. Hill, for the Secretary of State. The texts of the letters follow:

APRIL 10, 1957.

Hon. DWIGHT D. EISENHOWER,
President of the United States,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: We, the undersigned Members of Congress, are greatly disturbed that the renewal agreement with Saudi Arabia for use of the air base at Dhahran carries with it the tacit compliance to discrimination against American citizens of varying religious faiths. For example, United States Army personnel of Jewish faith are disqualified from being stationed at the base. At the Dhahran base United States chaplains cannot wear the insignia crosses denoting their status as Christian chaplains. Such religious services as are conducted at the base are done in secrecy.

While the position could legally be defended that an alien sovereign state, as an attribute of its sovereignty, may determine when an American is persona non grata and cannot enter, is it not equally true that the United States can, if it wishes, refuse to concede to conditions which are contrary to explicit constitutional provisions, as well as contrary to its own moral standards? Our

history is replete with incidents where we, as a country, have refused to concede to intolerable conditions which other sovereigns have sought to impose upon us as a price of continued diplomatic negotiations.

In a comparable situation President Wilson argued that the price of yielding was too great. He said that "America is not a mere body of traders; it is a body of freedom" and that the greatness of America "is moral not material" and that we must "square our politics with our principles."

Again, John W. Foster, grandfather of the present Secretary of State, when American Minister to St. Petersburg, made this point unmistakably clear in writing to the acting Russian Minister of Foreign Affairs:

"The Secretary of State instructs me to state to your Excellency that in the presence of the fact that an American citizen has been ordered to leave Russia on no other ground than that he is the professor of a particular creed or the holder of certain religious views, it becomes the duty of the Government of the United States, which impartially seeks to protect all o fits citizens of whatever origin or faith * * * to protest * * * insofar as the regulations for the expulsion of foreign Jews from Russia affects America citizens, it is an unjust reflection upon American Jews as a class and a discrimination which cannot be acquiesced in by my Government."

In accepting the conditions laid down by Saudi Arabia in the name of expediency, are we not asserting that the end justifies the means and are we not placing ourselves in the position of suppliants for the favors of Saudi Arabia when we accept conditions which are contrary to American principles?

May we respectfully ask that you address yourself to this matter so that necessary diplomatic negotiations with other nations are consonant with our principles at home. We cannot in defense of our position maintain one set of principles for internal policy and another set for the conduct of our foreign policy abroad.

Sincerely yours,

EMANUEL CELLER

(FOR VICTOR L. ANFUSO, CHARLES A. BUCKLEY, JAMES J. DELANEY, ISIDORE DOLLINGER, LEONARD FARBSTEIN, JAMES C. HEALEY, LESTER HOLTZMAN, EDNA F. KELLY, EUGENE J. KEOGH, ABRAHAM J. MULTER, JOHN J. ROONEY, ALFRED E. SANTANGELO, LUDWIG TELLER, HERBERT ZELENKO).

DEPARTMENT OF STATE,
Washington, April 30, 1957.

The Honorable EMANUEL CELLER,
House of Representatives.

DEAR MR. CELLER: I am pleased to provide a further reply to your letter of April 10 to the President concerning Saudi Arabian restrictions affecting the stationing of United States personnel at the Dhahran Airfield.

The recent negotiations with Saudi Arabia were aimed at an extension of the 1951 agreement covering rights of the United States at the airfield, which are important to our worldwide defense requirements. The text of the 1951 agreement was not at issue.

The problem of the admission of persons of the Jewish faith into Saudi Arabia is one related to the visa regulations of that country. These regulations, as you mention, are an attribute of sovereignty.

The United States, of course, does not condone practices by foreign governments which discriminate among American citizens on the basis of religious faith. In previous representations and during the recent discussions with Saudi Arabian officials, we have clearly set forth our special concern over the practices of the Saudi Arabian Government to which you refer. We will continue to exert these efforts on behalf of acceptance by Saudi Arabia of American principles in matters of this nature affecting American citizens. We have not deviated, and will not deviate, from the traditional American position.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

Japan

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. POWELL. Mr. Speaker, when I came back from the Asian-African Conference at Bandung, Indonesia, I announced that I would address the United States Congress on the occasion of the celebration of an anniversary of each of the 29 participating nations on friendly terms with the United States. April 28, 1957, marks the fifth anniversary of the signing of the peace treaties between the United States and Japan. In observance of this event, I wish to extend my sincere felicitations to the people of Japan, Emperor Hirohito, and the Honorable Takeso Shimoda, chargé d'affaires ad interim of Japan.

Japan has made great strides along the road to freedom and democracy. In the years since the termination of the Second World War, she has adopted a new approach in the realm of government and accordingly has enacted a new democratic constitution based upon the principle of human rights. Political democracy has brought about many valuable changes.

Looking back over the years since the end of the war, Japan can take pride in her amazing recovery from the havoc wrought by that unhappy conflict. In coming to grips with her many problems and in realization of her goals, Japan recognized that stabilization of national life is indispensable to the attainment of real independence. Economically, Japan has set her feet soundly in the paths of progress and it is reasonable to expect that her economic advance will be accelerated. The Government of Japan although aware of the marked progress the nation has made in production and foreign trade, wisely urges the direction of further efforts toward raising living standards and expanding foreign trade by bringing about a balanced development of industrial activities and various fields of national life.

Japan's international position has been elevated and its responsibilities have increased as a result of the materialization of its entry into the United Nations. Acting Prime Minister and Foreign Minister Nobusuke Kishi in a speech on February 4, 1957, aptly described the significance of this event when he said:

It is now up to Japan to build up its material and moral strength to a level befitting such position and responsibilities.

In building up the nation's strength, the postwar inclination toward an attitude of depending on others must be eliminated and a spirit of independence and self-reliance must be developed.

The fundamental objective of Japan's foreign policy, agrees Mr. Kishi, "should be to contribute to world peace and prosperity, with the United Nations as the nucleus."

The avowed basis of Japan's foreign policy is cooperation with the democratic nations, and assures that "special attention will be given to the furtherance of mutual understanding and cooperation with the United States."

Japanese-American cooperation is the keynote of Japan's foreign policy—

States Mr. Kishi—

for there exists a community of interests and objectives in a large measure between the two countries regarding political and economic affairs as well as defense.

Again I salute the Japanese people at this time and wish for them continued peace and prosperity.

Interfaith Committee

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. McCORMACK. Mr. Speaker, I am in receipt of a letter from our friend and former colleague, Hon. Dewey Short, Assistant Secretary of the Army—Civil-Military Affairs—writing me as Government chairman of the Interfaith Committee, and in connection with making May 14, Washington, D. C.'s first Interfaith Day, a success. I am very glad to note that Assistant Secretary of the Army, Dewey Short, is the Government chairman of the Interfaith Committee this year. This activity is a great contribution toward creating and cementing understanding and unity among our people. Everyone should cooperate in every way possible toward the success of this fine activity.

In connection with the events that will take place on May 14 in relation to participation in the celebration of Interfaith Day, the day's activities will close with a professional ball game played in its honor. As Assistant Secretary Short well said in his letter, "Since baseball is a living embodiment of American democracy in action," I am pleased to note that a game will take place that evening between the Washington Senators and the White Sox; also, that this baseball game has been arranged for in honor of Interfaith Day through the cooperation of the Washington Senators.

I hope that all persons will properly celebrate Interfaith Day, which will take place May 14, and enter into its spirit; that as many persons as possible will attend the baseball game, which will take place the evening of May 14.

Publicity for the "Butcher of the Caribbean"

EXTENSION OF REMARKS
OF
HON. CHARLES O. PORTER
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following statement which I read before a press conference in Washington, D. C., this week:

Avoiding bad publicity in the United States has been the cardinal rule of Dictator Trujillo's foreign policy. I believe he deserves publicity commensurate with his activities, so I am glad to see so many distinguished journalists on hand here today and I am glad Coronet magazine published my article, The Butcher of the Caribbean, in its current issue.

I also very much appreciate the interest shown by my colleague, GEORGE LONG, of Louisiana. Although we are now far apart in our opinions about Trujillo, I feel Mr. LONG's interest may ultimately lead him to change his views once he has had an adequate opportunity to consider the facts.

In all our mail and personal interviews in connection with the Gerry Murphy case, no one has sought to excuse or defend Trujillo; no one, that is, except representatives of two anti-Communist organizations, self-proclaimed, in New York and New Orleans, and one New York editor, all of whom, we have good reason to believe, are subsidized by Trujillo.

On the other hand, it has been my experience that every expert on Trujillo, whether he is Herbert Matthews of the New York Times, a wire service reporter in Washington, or a researcher for the Library of Congress, is hotly anti-Trujillo.

Let me tell you the story of how I became involved. Gerry Murphy, 23-year-old pilot from my hometown, Eugene, Oreg., disappeared in the Dominican Republic December 3, last year. In cooperation with Senator MORSE's office we started an investigation. A State Department representative came to my office. He said, as later an FBI man said, that Gerry was mixed up in illegal activities and that an investigation was likely to cause his parents shame on top of their grief. I called his parents on the telephone and they asked me to go ahead. They had—and they have—faith in their boy and they wanted to know—and want to know—what happened to him.

After I read the Dominican explanation of Gerry's death I was convinced that it was intentionally false and that the Dominican Government itself was responsible for Gerry's disappearance. I expressed these opinions and set forth my supporting evidence in an hour's speech on the floor of the House of Representatives February 28. On March 12 I spoke along the same lines in New York. Shortly afterward the State Department sent a note to Trujillo's government stating that our investigation had proved the Dominican explanation false in three respects, the most important being that the alleged suicide note by Gerry's alleged killer was a forgery.

The current situation can be sketched under five headings:

1. Congressional investigation: Through Senator MORSE, who has been extremely helpful, I have asked the Senate Foreign Relations Committee to investigate the Gerry Murphy case and its implications for our foreign policy. I have about abandoned hope that this committee will find it possible to take on this task and within the next 2 weeks I shall make a similar request to the House Foreign Affairs Committee. If the policies which emboldened Trujillo to kidnap and probably kill Gerry Murphy are also identifying the United States with the oppressors in many South American countries, then it is high time for drastic changes.

2. Trust fund for investigation: Gerry's parents in Eugene, with whom I met during the Easter recess, are not using the $35,000 indemnity paid to them, supposedly by the De la Maza estate, but really, I am convinced, by Trujillo. They are considering whether it would help find Gerry if they devoted some of it toward the expense of a meeting of men like Ernest Gruening, Spruille Braden, Herbert Matthews, Norman Thomas, and others in Washington to consider possible courses of action to supplement the work being done by the FBI and State Department.

3. Action by the State Department: Except for their attitude at the outset, State Department officials have been cooperative and diligent in this matter. I have the highest esteem for Dick Rubottom, the Acting Assistant Secretary of State for Inter-American Affairs, whose confirmation by the Senate is expected any day. I have been pressing the State Department ever since it sent the note to follow through with action such as withdrawing our Ambassador, William T. Pheiffer, a man I believe to have been overfriendly with the dictator, and to eject Arturo Espaillat, the Consul General in New York, as persona non grata. It happens that both these gentlemen very recently announced they were leaving their posts. I applaud their departures and believe my efforts may have helped to speed them on their way. However, the circumstances are ambiguous and I believe the United States should follow up its note with action which will clearly show our opinion of a nation that, to say the least, attempts to deceive us as to the circumstances of the disappearance of one of our citizens within its borders.

I certainly protest the approval by the Department of State of this man De Moya's credentials as Ambassador to the United States from the Dominican Republic. In a vicious speech delivered before the Commonwealth Club of San Francisco on April 5 of this year, De Moya referred to what he called "Operation Galindez" and "Operation Murphy" as Communist propaganda offensives. He implied that both myself and the United States Department of State are in the position of dupes of the Communist Party in the matter of the investigation into what happened to my constituent, Gerry Murphy.

For this unwarranted attack I expect from De Moya a retraction and an apology. I have already officially notified the proper officials of the Department of State that this is in my stand.

If this speech by De Moya is an indication of his diplomatic ability, then he is not qualified to present his credentials to the President of the United States.

4. No more financial aid: Our point 4 aid to Trujillo's well-heeled country has been amounting to about $250,000 a year for the last 4 years. Our military aid last year, according to the Washington Post, was about a million dollars. The actual figures are classified, mistakenly withheld, I believe, from American citizens who would be surprised to know the monetary value we have placed on this pipsqueak dictator and his terror-ridden administration. About 2 weeks ago Adlai Stevenson said that he thinks the most effective American exports to the underdeveloped parts of the world are not our military weapons and military pacts, but our economic methods, our technology, our ideas, and our ideals. My feeling is that we should drop all military and economic aid to the Dominican Republic and see what can be done about making our ideals available for their use.

5. Visits to Latin America: The wonderful mail I have had from most Latin American countries has convinced me that the cause of peace and freedom in the world can be furthered simply by affirmation of our basic beliefs. These letters, rich in praise, would embarrass me if I did not realize that they were a tribute to the kind of country we have, not to me personally. I hope to go to Puerto Rico early in June to reaffirm our belief in government by the consent of the governed and justice according to law. At that time I will make special reference to the Murphy-Galindez case and United States policy, which I believe does not accurately reflect the opinions of the American people about dictators such as Trujillo. In time I hope to visit other Latin American countries for the same purpose. The only promise I made in the campaign last fall was that I would spend at least one-third of my time working on the problems of war and peace. Certainly these endeavors are intimately entwined with America's necessary and crucial position as the most powerful nation in the world, the Nation to whom other nations should be able to look for moral leadership, the Nation whose ideals of government by the consent of the governed and justice according to law are on the side of the oppressed, not the oppressor.

I conclude by stating the two unanswered questions at the heart of the matter under discussion:

A. Where is Gerry Murphy?

B. Where is the foreign policy of the United States with respect to dictators like Rafael Trujillo, who dares to offer us intentionally false explanations of the disappearance of one of our citizens within his borders?

Liberation Day—Ethiopia

EXTENSION OF REMARKS
OF
HON. ADAM C. POWELL, JR.
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. POWELL. Mr. Speaker, when I returned from the Bandung Conference, I announced that I would address from the floor of Congress each one of the participating countries, except the Communist ones, on friendly terms with the United States. On May 5, 1957, Ethiopia celebrated her 16th anniversary of Liberation Day. I wish to send greetings to the Ethiopian people, His Imperial Majesty Haile Selassie I, Emperor of Ethiopia, and His Excellency Yilma Deressa, Ambassador of Ethiopia, in honor of that occasion.

The sovereign state of Ethiopia has enjoyed independence from time immemorial. Ethiopia was a great power from the beginning of recorded history. The holocaust of tyranny and totalitarianism in the years preceding the Second World War forced the Government to take refuge outside its own territory. Italian control was never recognized by Ethiopia nor the United States.

Emperor Selassie was one of the few men of courage who read correctly the signs of those turbulent times. He cautioned the Free World to resist the advance of totalitarianism and pled with the world to rally its forces to stop unwarranted aggression. While the Free

World turned deaf ears to his cry, the forces of nazism and fascism pursued their deadly course.

Alone against a towering enemy, Ethiopia fought valiantly for its life, and for the first time in 3,000 years Ethiopia lost her independence.

On May 5, 1941, 5 years after occupation forces had taken over Addis Ababa, Emperor Selassie reentered his country. One of his first official acts was to call upon his people to follow Christian principles and forgo acts of revenge against the tens of thousands of Italians who had been trapped by the liberation forces.

In the years since liberation, Ethiopia has tenaciously bent her energies toward the reestablishment of the country and the continuation of forward-looking projects which had been interrupted by the invasion and occupation.

Ethiopia and the United States have passed the midcentury mark in the history of their diplomatic relations. Friendly and cooperative relations with the United States in full support of the principle of collective security are the bases of Ethiopia's foreign policy.

Ethiopia can look with pride upon its record. I salute this nation of stalwart people and pray for them continued peace and prosperity as they go forward into a new year of national life.

The Public Debt

EXTENSION OF REMARKS
OF
HON. JOHN W. McCORMACK
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. McCORMACK. Mr. Speaker, I recently wrote the Director of the Legislative Reference Service of the Library of Congress requesting information as to our gross public debt, and the interest paid thereon during the past several years.

Under date of April 22, 1957, I received a memorandum from the Legislative Reference Service in connection with the public debt interest paid and computed interest rate from 1949–57, which I herewith include in my extension of remarks.

The information follows:

Gross public debt, interest paid and computed interest rate, 1949–57

[Dollar amounts in millions]

Fiscal year ending June 30, except as indicated	Total gross debt (at end of period)	Interest on public debt (during period)	Computed annual rate of interest on marketable issues (at end of period)			
			Bills	Certificates	Notes	Treasury bonds
1949	$252,770	($5,339)	1.176	1.225	1.375	2.313
1949 (January–June)		2,922				
1950	257,357	5,750	1.187	1.163	1.344	2.322
1951	255,222	5,613	1.569	1.875	1.399	2.327
1952	259,105	5,859	1.711	1.875	1.560	2.317
1952 (as of Dec. 31)	267,391	[1] 2,966	1.915	1.897	1.755	2.320
Total, January 1949–December 1952		23,110				
1953 (as of June 30)	266,071	[2] 3,542	2.254	2.319	1.754	2.342
1954	271,260	6,382	.843	1.928	1.838	2.440
1955	274,374	6,370	1.539	1.173	1.846	2.480
1956	272,751	6,787	2.654	2.625	2.075	2.485
1957 (Mar. 31)	274,999	4,011	3.261	3.320	2.380	2.482
Total, January 1953–March 1957		27,092				

[1] July–December.
[2] January–June.

Source: U. S. Treasury Department Annual Report of the Secretary of the Treasury on the State of the Finances, 1949 and 1956; Treasury Bulletin; Daily Statement of the U. S. Treasury, Mar. 29, 1957.

The Indian's Dilemma

EXTENSION OF REMARKS
OF
HON. FRED MARSHALL
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. MARSHALL. Mr. Speaker, the so-called Indian problem is as old as the Nation and our policies have undergone many changes with the result that confusion seems to be the only consistent characteristic. The House will be interested in an article by George H. Dunne in the January 4, 1957, issue of the Commonweal, entitled "The Indian's Dilemma."

I was particularly interested in the proposals to encourage the individual initiative through Indian corporations administered by Indians to provide educational and economic opportunities for Indians. This idea parallels the provisions of H. R. 6943, my bill to provide for the establishment of a Minnesota Indian Administration for just such purposes.

Mr. Speaker, I also include a recent newsletter outlining some of the principal purposes of this bill:

THE INDIAN'S DILEMMA
(By George H. Dunne)

From time to time what is known as the "Indian problem" escapes from the prosaic and cloudy obscurity of statistical figures, Government reports, sociological analyses and impinges itself upon public consciousness with tragic and dramatic clarity in an incident like the death of Ira B. Hayes. One of the immortals of Mount Suribachi, he survived the terrors of blood-bathed Iwo Jima to die on a black night in January 1955, alone beneath the stars and desolate, on the cold desert near Phoenix, Ariz., a victim, the coroner said, of alcohol and exposure, a victim, more penetrating observers say, of the unresolved Indian problem.

After his return from war, Hayes could not find any life for himself on the reservation, any cultural pattern with which to integrate himself. There was nothing there to make life meaningful. On the other hand, he was totally unprepared to face life off the reservation. The record shows that Hayes made repeated efforts to integrate himself with the white man's off-the-reservation world and, alternately, as many efforts to discover on the reservation some form of living that had meaning. He who helped conquer Iwo Jima could not conquer frustration. Defeated, he lay down in the desert sands to die.

This is the real Indian problem which is, at the same time, a dilemma: On the one hand, the reservation does not offer a form of life with which the Indian can integrate and thus find himself; on the other hand, the Indian is almost totally unprepared to integrate himself with life off the reservation.

This is what created the problem: The white man destroyed Indian culture and failed to supply a substitute. As a result, the Indian moves in a cultural vacuum like a lost soul, condemned to wander forever in a meaningless void, at odds with the universe. Rare individuals manage to triumph over the insuperable odds which confront them; but for most it is a situation which leads to frustration and despair. It is, in point of fact, leading to the destruction of Indians on a grand scale.

What brought the Indians to this pass? All the muddled, often contradictory, policies which have characterized the Government's handling of the Indian problem over the years. First, we effectively destroyed the American Indian's way of life. Next, we isolated him on lonely reservations, making it impossible for him to integrate himself with the white man's way of life. Then, through the General Allotment Act of 1887, we authorized the division of tribal lands into individual parcels which, after a 25-year period of Government trusteeship, were patented in fee simple and made alienable. The Indian was, of course, totally unprepared for this step which by 1933 had led to the passing to white ownership of 91 million of the 138 million acres of land held by Indians in 1887. So, in 1933 we reversed our policy. Through the policies incorporated in the Indian Reorganization Act of 1934 we reinforced the reservation system, reestablished the principle of tribal ownership and sovereignty, discouraged talk of integration, and then, with a paternal smile, told the Indian he was now free to seek his own destiny. Having zagged in that direction until 1952 we are now, under the present administration, once more zigging in the opposite direction. The talk now is of withdrawal and of termination.

It is small wonder that the Indian is bewildered. Seek his own destiny where? Within the framework of his own culture which has been destroyed beyond possibility of revival? Within the framework of the paleface's culture which is not ready to accept him and which he is not prepared to accept?

The Indians once had a culture which, although primitive in character, enabled them to establish satisfactory relationships with their neighbor, with the world around them, and with the supernatural elements which, however erroneously they conceived them, they knew to be a part of the universe in which they lived. In their tribal, family, and social relations they had developed certain cultural values which enabled them satisfactorily to come to terms with their environment. The white man destroyed that environment and in the process destroyed the Indian culture related to it.

Twenty-seven years ago I heard an Indian chief describe with somber eloquence the gradual destruction of his people's culture. He was of the Coeur d'Alene tribe in Idaho. He was replying to the Catholic bishop who had just scolded the assembled members of the tribe for their failure to appreciate all that the white man's government was doing for them. His face stern as though carved in granite, his voice rich as the tones of a violincello, the chief recited the hundred years of infamous history during which extermination alternated with exploitation as a substitute for policy. With magnificent imagery he described the free way of life which had been destroyed by the white man and his government. In the end he affirmed that the only thing of value he and his people had received from the white man was his faith in the one true God, a gift brought by the Blackrobe. Now even this gift, he concluded bitterly, was being stolen out of the hearts of young Indians under the influence of the cheap bars, cheap movie houses, cheap dance halls in the white man's towns on the fringes of the reservation. When the chief had finished the bishop cleared his throat—and went home.

The other alternative proposed to the Indian, that he work out his destiny within the framework of the white man's culture, is not without its irony. Integration presupposes a readiness on the part of whites to receive the Indian into their cities, neighborhoods, schools, churches, shops, factories, laboratories. This is the key to the problem. Indians feel that whites do not want them. So again we find racial arrogance, the white man's idolatrous and degrading worship of the whiteness of his own skin at the root of another one of our pressing national problems.

On the other hand, the Indians are not themselves prepared to find a way of life within the framework of the predominant culture of the white man. A great gulf separates the ancient ways of the Indian from our culture. Some Indians have bridged that gulf, chiefly those who have had a great deal of education. But they are relatively few. It is almost impossible for the average Indian to understand the white man's attitude toward the State, society, family, taxes, property, capital, labor, work and its motivations, money, religion and other essential elements of our culture. At the moment, for example, the most popular religion on the San Carlos Apache Reservation, despite long established Catholic and Lutheran missions both boasting numerically respectable memberships, is composed of a strange and sad mixture of Catholic, Protestant, and medicine man practices and beliefs. This is symbolic of the confusion in the midst of which the Indian lives as a result of the breakdown of his own culture and our failure to give him a satisfactory substitute.

The solutions proposed for the problem vary according as their proponents are more impressed by one or the other horn of the Indian's dilemma. Some urge a policy of withdrawal in two directions. Let the Government leave the Indians strictly alone. Let the Indians, having nothing to do with the white man's government or society, turn back to their own cultural milieu and find fulfillment in the preservation of their own primitive religious values, economic order, and social organization.

But for most tribes their way of life is destroyed beyond possibility of revival. It is not a question of whether they might prefer the world of yesterday to that of today. Whether it is more delightful to shoot a buffalo or to drive a tractor is for them an academic question. The buffalo are gone. If the Indians had not sold Manhattan Island to the Dutch; if the Dutch had not been followed by the English and the English by their rebellious colonists, the Americans; if millions of white men, lured by the promise of a new world, had not left their homes across the sea; if electricity had not been discovered nor the steam and combustion engines invented; if the march of history could have been halted 200 years ago, the state of the question would be quite different. But these, and thousands of other pertinent events, did happen. These facts and the conditions of living that have resulted from them constitute the real world with which we and the Indians must cope and within which we and they must live.

It may be possible for a small tribe such as the Hopi, which has succeeded in maintaining a kind of splendid isolation from the surrounding world down through the years, to live within its past. It is not possible for the larger tribes, many of whose cultural values were to begin with less durable, to isolate themselves. Even had their own culture not been destroyed, stark economic facts would prevent isolation. The reservations are simply incapable of supporting all the members of the tribe. A Stanford research study shows, for example, that with full development of reservation resources the San Carlos Apache Reservation in Arizona would still be unable adequately to support all members of the tribe.

Another approach to the problem is that of Oliver La Farge, longtime friend of the Indians and president of the Association on American Indian Affairs. Apparently chiefly concerned with the preservation of tribal entity, he opposes any weakening of tribal sovereignty and holds in anathema any policy which appears to him to lead in the direction of Government withdrawal or termination of the reservation system. All Indians recognize La Farge's proven friendship, but not all agree with him. They say the reservation is chiefly responsible for destroying the Indian as an individual. The reservation system is one of paternalism which makes the individual utterly dependent upon the Bureau of Indian Affairs and upon the tribal council. As they function under the Indian Reorganization Act of 1934, the reservations constitute islands of state socialism in a society organized around the principle of free enterprise. The Indian owns nothing. The tribe owns everything. The habits and attitudes almost inevitably engendered by the very nature of the reservation system unfit the Indian for survival in our highly competitive society, in which, for better or for worse, the virtues of initiative, self-reliance, energy, and thrift are of paramount importance.

Those Indian leaders knew what they were doing who, like Crazy Horse, Sioux conqueror of Custer, long resisted bitterly every effort, whether of blandishment, threat, or force, to persuade them to bring their people into the shadows of the forts and surrender them to the paternal care of the Government. Before white treachery and cruelty drove the Sioux into rebellion, Crazy Horse, as a boy, had witnessed the corrosive effects upon Indian character of this mode of life. In the end he was forced by the sufferings of his harried and starving people to yield. Before he sank, an Indian Caesar, beneath the bloody knives of grinning jackals of treachery, he had already learned to regret his decision. For in the encampments assigned them outside the Army posts where Indians sat in idleness waiting Government handouts of food, clothing, tobacco, he watched the disintegration of character rapidly setting in. Crazy Horse was glad to die. Better death than decay.

If the reservation system is itself responsible for the evils which are destroying the Indian, the answer to the problem would seem obvious: abolish the reservation system. There are some who advocate such a course, among them those who would like to get their hands on mineral and land resources belonging to the tribes.

The problem is not so easily resolved. Indians, generally speaking, have over the years become so dependent upon the Indian agencies, so unaccustomed to rely upon themselves, that they cannot conceive of any other form of survival. Any suggestion of doing away with the paternalistic system fills them with terror. For much the same reason they oppose desperately any measure which seems to them to threaten tribal entity. With so much of his own culture destroyed, the Indian feels secure only to the extent that he can identify himself with his tribe. This is why he supports tribal ownership of land and all the other features of tribal sovereignty.

This is the attitude of probably the majority of Indians. They can hardly be blamed. With the buffalo gone from the plains, with hunger gnawing at their vitals, with the icy fingers of winter rattling their bones, the followers of Crazy Horse could not be blamed for begging him to give up. Surrender to paternalism had become the only means of survival. Now, however, it becomes increasingly evident that paternalism is only a more subtle form of death. It preserves the body, but destroys the soul.

An increasing number of enlightened Indian leaders realize this. They are aware that the attitude of the majority must be changed and this now deeply ingrained dependence broken down if the Indian is to solve his problem. These men are devoted to ancestral traditions and tribal ties. But they want Indians who are free to own their own homes, till their own soil on or off the reservation; and also free to move into American cities and enter fully into the business, labor, professional, and intellectual life of these communities.

Clearly this aim implies the end of the reservation system as presently constituted. The reservations must go. But they must not go until the Indians have been adequately prepared. The abandonment of paternalism must be a gradual process and must be carried out in such a way that the many legal and moral obligations which the Government has incurred, and so often violated, are scrupulously fulfilled. It is wrong to condemn out of hand every governmental policy which leads toward withdrawal, but it is right to scrutinize closely every such policy. It must be clear that the policy is not inspired by the desire to shirk responsibilities, but rather by the resolve to carry them out fully and in a way that best serves the American Indian.

If there is any one key to the problem, it is education. White communities must be educated to welcome Indians as neighbors. The Indian must be educated to the inevitability and desirability of integration. There can be no question of forcing integration upon him. He must be free to choose his own path. But persuasive efforts must be made to convince him that the present path of reservation paternalism leads but to the grave.

This educational task will not be easy. Who can blame the Indian who wants nothing to do with the paleface's culture? He has vivid memories of limitless wrongs. The scars are still livid. Can the Apache, whose people never practiced scalping, forget the bounties on Apache scalps collected by white men? Or the Sioux forget the unspeakable desecration of the bodies of their murdered wives and daughters? It will not be easy, with these memories still living, to persuade the Indian to merge with the white man's society; but, especially with the younger generation, it will not be impossible. This educational task will best be achieved by Indian leaders themselves.

Most important of all, the younger generations must be given an education that will equip them to enter fully into the mainstream of American life. They must be educated to understand and to cope with the

problems of living engendered by a society organized around the principles of political freedom, socially regulated freedom of enterprise, private property, individual initiative.

This will be the most difficult task. The difficulty does not lie in any deficiency of intelligence on the part of the Indians, but in determining what kind of education is needed. Vocational schools may equip Indians to repair automobiles, build radio sets, drive tractors. But what kind of curricula and what sort of pedagogy is required to equip the Indian to understand and to evaluate the operative principles of the dominant culture which surrounds him and to enable him to weave into the fabric of his own psychology the positive values of that culture? What type of education will enable him, while preserving whatever of positive value remains of his Indian heritage, to become an integral part of American society?

What of the reservations themselves? What should ultimately be done with them? It should be kept in mind that they belong to the Indians. More exactly, they belong to the Indian tribes. Most Indians feel that the tribal land base must be maintained, else the tribes will disappear as entities. Even those who feel that the preservation of tribal entity is less important than the preservation of the individual from decay would be slow to advocate division of the land. Indians on the whole are scarcely more prepared to assume this responsibility today than they were at the time of the Allotment Act of 1887.

A proposal that is winning constantly stronger support is that each reservation, with all of its property holdings, be incorporated, each member of the tribe becoming a shareholder. One of the most earnest advocates of this plan is Thomas Shiya. He is not himself an Indian, but he served for several years as manager of the San Carlos Apache tribal enterprises, and from this vantage point he acquired first-hand knowledge of the Indian problem. In a recent speech, Mr. Shiya described this plan:

"Let's visualize, them, a corporation, owned by Indian stockholders who elect their board of directors, who will hire qualified management to operate the corporation for the profit of the Indian. Whether the Indian continues to live on the land or moves anywhere else to live, he continues to hold his share of the corporation stock and receives his share of dividends.

"The corporation will act as any land-holding corporation in America. Its responsibilities on the land are economic. The other public responsibilities such as education, law and order, health, welfare, etc., will be delegated to Government agencies already serving the rest of the people in the country, State, and Nation. * * *

"To continue Federal responsibilities but to free Indians from Federal bureaucracy, the corporation will be responsible to three or more private citizens as trustees. These trustees, successful and experienced leaders of unimpeachable character * * * would oversee management in the operation of corporation affairs on behalf of the Indian stockholder."

In his speech Mr. Shiya outlined other details of this plan which he terms one of "trust management" and which he believes would "open the way to all the incentives, rewards, and goals that make America the leading economic nation of the world. The Indian as an individual, rather than the tribe, becomes important and foremost, the family can own its own home on its own land, public-school education can be put to use on Indian land, and, above all, Indian land becomes integrated with the Nation's economy—an asset rather than a liability."

There are many others who also believe that in this direction alone lies hope for the Indian. They admit freely that such a transformation of the reservations will involve casualties; but they argue that almost any solution of the problem would cause fewer casualties than does the reservation system itself. It is hoped that with such a transformation there will be fewer tragedies like that of Ira B. Hayes and more Indians equipped to come to terms with the world in which they live. The advocates of this trust-management idea fully realize that such a transformation will require long preparation. First must come the educational project and its implementation. This will take time. Yet, in the opinion of serious observers, there is no time to lose.

Meeting Discusses Indian Enterprises

(By Congressman Fred Marshall)

The recess of the Congress gave us an opportunity this week to hold a highly interesting and informative meeting with officials of the Bureau of Indian Affairs to discuss the problems of Minnesota's Indian citizens.

Discussion centered on the economic conditions which are largely responsible for many of the other problems encountered by our Indian population, Indian representatives. Bureau officials, and Members of Congress at the meeting agreed that steady family income must be the basic consideration in any program.

A bill which I introduced at the request of Minnesota Indian councils after a long period of study and consultation was discussed in some detail, since its provisions reflect the practical problems facing the Indians of our State.

The bill would create a Minnesota Indian Administration which would bring the Indians themselves into cooperation with the State and Federal Governments in promoting activities that would help them build a stable economy and provide family income.

The administration would undertake activities such as land-use planning, research on marketing of Indian products, establishment of commercial enterprises, encouragement of private investment in Indian enterprises, road building, educational assistance, and improved housing.

Most of these activities are authorized under existing law, and some programs are now in effect and making progress. However, the Bureau explained that the great demand for services in Indian areas throughout the country and the limited funds and personnel available have hampered any intensive activity.

It was admitted that remarkable progress has been made among the Indians of Minnesota and that the Minnesota Chippewas are probably among those best able to move forward more rapidly in taking over their own affairs. This is the goal desired by the Indians themselves, and they ought to be encouraged in every way possible to assume their rightful place as first-class citizens.

The paternalism which too often characterized the activities of our Government in dealing with Indian problems failed in many serious respects, and it is obviously time to help the Indians help themselves. Their resources in Minnesota are plentiful but pitifully underdeveloped.

Our primary purpose is to assist in sound development of these resources so that self-sustaining enterprises will provide year-round employment. Such employment would of itself help to meet education and housing needs just as it does in other communities.

Some progress has been made in reforestation efforts and the principle of sustained-yield management is being applied to the timber harvest. But this is only one important element in the Indian economy and the success achieved with limited funds and limited personnel is an indication of what might be done in other areas.

Trained technicians are needed among the Indian people themselves and an expanded program of vocational education to give them the skills needed in modern undertakings would be an important step forward. The Bureau outlined plans for such a program and we hope it will be carried out as promptly and effectively as possible.

Industries based on Indian arts, harvesting of wild fruits, and charcoal production are all possible but require technical and business training. The capital investment in most of these enterprises would be small but the steady employment provided in production and distribution would be an important supplement to the seasonal timber and fishing industries.

The improved highways to be built under the new program are expected to bring many more tourists into our north country and the Indians should be in a position to provide resort and motel facilities and other services travelers expect.

The important point is that we must help the Indians take advantage of the potential which is theirs so they themselves can build a self-sufficient economy based on ownership and productive effort.

The Gerry Murphy Case: In Defense of American Justice

EXTENSION OF REMARKS

OF

HON. CHARLES O. PORTER

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 7, 1957

Mr. PORTER. Mr. Speaker, under leave to extend my remarks in the Record, I include the following reply to the remarks of my distinguished colleague from Louisiana, Representative George S. Long, which appeared on page 5322 of the Congressional Record for April 17 of this year:

On April 17 my distinguished friend and colleague, Representative Long, of Louisiana, again saw fit to address remarks to the House concerning the Gerry Murphy case. Like Mr. Long, it was not my intention to enter into a controversy regarding the case. In fact, after the Department of State sent to the Dominican Government its biting rejection of that Government's explanation of the circumstances of Murphy's death, I did not believe there remained an issue to debate.

In unequivocal terms the Department of State branded the Dominican tale a pack of lies. It is a mystery to me why my esteemed colleague, in his lengthy remarks on the case, chose to ignore completely the damning evidence submitted by our own investigative authorities. Perhaps he, or his expert advisers, inadvertently overlooked in their research the crucial State Department note—although on April 8 I called attention to the text of the note which appears in the March 25 Congressional Record. I beg to remind him of its indisputable contents.

The State Department note states: First, that De la Maza's suicide letter was in fact not written by De la Maza; second, that information available to the United States Government, contrary to the report of the Dominican attorney general, indicates that Gerry Murphy

was well acquainted with high Dominican officials, among them Brig. Gen. Arturo R. Espaillat—who denies knowing Gerry; and, third, that Murphy's income while in the Dominican Republic must have exceeded the $350 per month salary which the Dominican attorney general states he earned as a copilot for the Dominican Aviation Co.

It was certainly the privilege of my distinguished senior colleague to doubt the contentions I held regarding the veracity of Dominican authorities when I first presented Gerry Murphy's case to the House. Assuredly the accusations I leveled at the government of a friendly nation were startling indeed. Most Americans have learned, as Mr. LONG tells us, that Communists "are not at all concerned with truth, decency, morality and justice." It comes a lot harder to accept the lamentable fact that a presumably friendly government and ally is engaging in the same contemptible un-Christian tactics we have come to associate with the Communists.

In any case, my distinguished colleague no longer need base his judgments on what he terms my intemperate remarks. He now has the expert testimony of the FBI confirming my original contention: that is, the Dominican Government fabricated, even to the point of sacrificing the life of yet another victim, the whole ridiculous story of Gerry's murder and De la Maza's suicide. The question remaining is what dark secret led the Dominican officials to resort to murder and monstrous lies in order to cover up their deeds.

Mr. LONG would have the House believe that some insidious Communist plot is behind what he calls the unprecedented smear and vilification campaign being waged against the Government of the Dominican Republic. He further suggests that I am, albeit unwittingly, serving the Communist cause. Does, then, the distinguished gentleman from Louisiana mean to imply that the FBI and the Department of State are also serving the Communist cause? I am sure he will agree that it was not in my power to persuade the FBI to declare the alleged De la Maza letter a forgery. Nor by any stretch of imagination could I have prevailed upon the Department of State to declare that evidence in its possession contradicts the Dominican attorney general's report. If we are to follow my learned colleague's reasoning to its logical conclusion, then the Department of State and the FBI are also serving the Communist cause.

We will not serve the cause of freedom by closing our eyes, in the name of anticommunism, to the treacherous machinations of the Trujillo regime. I would remind my esteemed colleague of the wisdom set forth in the Biblical admonition:

> Ye shall know the truth and the truth shall make you free.

We must not be afraid to face the truth about the Trujillo dictatorship simply because Trujillo has managed to cloak his viciousness with the respectability of anticommunism. Anticommunism, while a virtue, does not bring with it the privilege of abusing every other positive virtue which gives democracy its strength and makes it worth preserving from communism.

I come now to a particularly perturbing section of my esteemed colleague's remarks. He takes young Gerry Murphy to task for the part he appears to have played in the kidnapping of Jesus de Galindez.

> Mr. Murphy—or the memory of Mr. Murphy—

Says Mr. LONG,

> does not come to us with clean hands. We are a law-abiding people. As such we cannot be too concerned with what did or did not happen to Mr. Gerry Murphy.

This strikes me as very strange reasoning from several angles. The gentleman from Louisiana [Mr. LONG], by condemning Gerry's character in most abusive fashion, appears to accept the theory that Gerry had a part in the abduction of Jesus de Galindez. If so, the gentleman from Louisiana [Mr. LONG], must then accept the complicity of officials of the Dominican Republic in a conspiracy to kidnap a man right in the heart of New York. That being the case, my colleague's vituperative assertions about Gerry Murphy must also be meant for the Government of the Dominican Republic, which engineered the criminal conspiracy. Why does my esteemed colleague plead the Dominican case so eloquently while mercilessly condemning a young American citizen?

On the other hand, if the gentleman from Louisiana [Mr. LONG], does not accept the thesis that Trujillo's thugs engineered a kidnaping on United States soil and Gerry played a part in it, then we are left without a key to Gerry's disappearance. In which case it becomes even more difficult to understand the gentleman from Louisiana's [Mr. LONG] advice to me to forget Murphy because he was, according to my colleague, "a wanton character" for the part he played in the kidnaping. I submit that my distinguished friend cannot have it both ways.

Whether Gerald Murphy did or did not, knowingly or unknowingly, play a role in the mysterious disappearance of Galindez is not the point. I beg to remind my esteemed colleague that both the precepts of Christianity and of our system of jurisprudence do not judge a man guilty without trial. Moreover, Gerald Murphy, as a citizen of the United States, was entitled to the protection of our laws. I submit that whatever Gerry's crimes, he was entitled to a fair trial. He was entitled to something more Christian than the jungle law apparently prevailing in the Dominican Republic. I am convinced that my friend who represents the great State of Louisana would exert all his power to secure American justice for one of his constituents should a foreign government take the law into its own hands in gangster fashion.

As for the matter of the damages paid to the parents of Gerry Murphy, ostensibly by the family of De la Maza—once again I refer my colleague to the note from the United States Department of State to the Government of the Dominican Republic. De la Maza's suicide note, it states, was not written by De la Maza. Somebody forged that note to make it appear that De la Maza had murdered Gerry. Why should the family of the man sacrificed on the altar of Trujillo's egomania pay damages to the Murphy family for a murder he never committed? Where is our sense of justice? Are we to hide it under the cloak of anticommunism?

My distinguished and learned colleague concludes his remarkable address with a plea for not meddling in the affairs of a neighboring country. He says:

> What business is it of ours as to what type of government the people of the Dominican Republic have, or in which manner their government operates, so long as that government and its operations presents no danger to our own rights?

I am glad he added the qualifying phrase, "so long as that government and its operations presents no danger to our own rights." In the case of the twin disappearances of Galindez and Murphy, our investigative agencies have unearthed some startling information about Trujillo's bold and criminal operations in our country. I am certain that Mr. LONG would agree that murder of United States citizens and residents, and their kidnaping and intimidation, does constitute a danger to our rights. It is unthinkable that a foreign government carry on its brutal machinations in our peaceful country. It is equally inconceivable that we accept in a supine manner the bold-faced lies of a foreign government because it purports to be anti-Communist.

The Government of the Dominican Republic has lied to the United States Government. The Department of State has declared, and I quote:

> In view of the foregoing observations and other evidence which it has developed within its domestic jurisdiction, the Government of the United States considers the case of Gerald Lester Murphy as unsolved. The Dominican Government is urgently requested to reopen and vigorously pursue its investigation of the disappearance of this citizen of the United States.

Trujillo's answer to the note was to stick by his original trumped-up nonsense. He claims the De la Maza note to be authentic on the basis of the judgment of a Spanish authority he had brought to the Dominican Republic from Spain. Whose testimony is likely to be credible, the FBI's or a handpicked Spanish expert? Trujillo clings to the story that Murphy was not acquainted with any high Dominican officials. The FBI states otherwise. Trujillo reiterates that Murphy's salary while in the Dominican Republic was $350 per month. The FBI found Murphy's income far exceeded the amount Dominican authorities will admit.

As I stated earlier in the case, I do not propose that we go in and clean the vipers out of the Dominican Government. But we can see to it that they do not make so bold as to carry on their sordid intrigues within our territory or against our citizens.

Recently a first healthy step was taken. The Department of State on May 1 sent to the Senate the nomination of Joseph F. Farland to replace Ambassador Peiffer in the Dominican Republic. Mr. Farland, I understand, besides pos-

sessing a law degree, served as an FBI agent from 1942 to 1944. In view of the present situation, I would say his experience should serve him in good stead.

A second step to strengthen our resolve to stand for justice in our dealings with the Dominican Republic has been the nomination of Dick Rubottom as Assistant Secretary of State for Inter-American Affairs. For 8 months the position was vacant. It is a good thing that someone in the Department will now be in a position to assume responsibility for events in the vital Caribbean area.

I appreciate the interest shown by the gentleman from Louisiana. His interest, I feel sure, will lead him to reconsider his position, once he has had an opportunity to learn the facts. If more Congressmen can be informed about the Gerry Murphy case, a vital change may occur in our foreign policy in Latin America: The United States may once again assume its rightful role as the champion of the oppressed and as the Nation where government by consent of the governed and justice under law are revered and held as an example for all the world.

H. R. 6771: Assistance for Schools of Public Health

EXTENSION OF REMARKS
OF
HON. GEORGE M. RHODES
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. RHODES of Pennsylvania. Mr. Speaker, last month I introduced H. R. 6771, a bill to amend section 314 (c) of the Public Health Service Act, so as to authorize the Surgeon General to make grants-in-aid for the support of public or nonprofit educational institutions which provide training and services in the fields of public health and in the administration of State and local public health programs.

This legislation is the outgrowth of my participation in the annual meeting of the Association of Schools of Public Health in February. Congressman BILL NEAL, of West Virginia, and I attended the meeting as representatives of the Health and Science Subcommittee of the House Interstate and Foreign Commerce Committee. In the discussions of the public health educational needs at this meeting, I was impressed by the scope and importance of this program, the difficulties with which the school administrators are faced, and by their sincere devotion to the humanitarian objectives of the public health program.

Of the 11 schools of public health, 5 are publicly owned and supported—University of California, Berkeley; University of Michigan; University of Minnesota; University of North Carolina; and University of Puerto Rico. The remaining 6 schools are private nonprofit institutions—Columbia, Harvard, Johns Hopkins, Pittsburgh, Tulane, and Yale Universities. This year's combined enrollment is 1,152 graduate students and 536 undergraduate students. The largest single group of the graduate study group consists of physicians. The undergraduates are mostly public-health nurses.

The problems of obtaining adequate financial support of these schools are extremely difficult. A large percentage of the students at the individual schools are from out-of-State or from other nations, making it difficult for publicly supported schools to secure adequate operating funds from the State legislatures. Since most of the graduates of all these schools enter the public service at Federal, State or local levels, it has been almost impossible to obtain the usual degree of financial support from alumni.

In discharging its responsibilities in the field of public health, the Federal Government relies to a considerable extent on the teaching and research activities of the schools of public health. It therefore has a direct and important interest in the adequate functioning of these schools. While the grants provided for in H. R. 6771 will not completely solve the critical financial problems facing the schools of public health, they would provide much needed assistance to permit more effective operation of the public health educational program.

Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to include the text of a letter which I addressed to the deans of the schools of public health, inviting their comments on the objectives of H. R. 6771. I would also like to include the texts of letters received from the various deans, expressing their views on this important legislation, including a copy of a letter written to the subcommittee chairman, Congressman JOHN BELL WILLIAMS, of Mississippi:

APRIL 18, 1957.

DEAR SIR: As a result of our discussions for the need of schools of public health at the meeting in San Juan and subsequent negotiations with Dr. Stebbins, of Johns Hopkins University, I have introduced the enclosed bill, H. R. 6771.

The measure would provide up to $1 million to enable the Surgeon General to make grants-in-aid for the support of public or nonprofit educational institutions, providing training, specialized consultative services, and technical assistance in the fields of public health and in the administration of State and local public health programs.

H. R. 6771 has been referred to our health and science subcommittee of the House Interstate and Foreign Commerce Committee. While the subcommittee has not yet scheduled hearings on the bill, I am hopeful that it will receive prompt consideration as soon as the views of the Public Health Service are received.

We will welcome any suggestions or comments which you may wish to make on this important matter.

Sincerely yours,

GEORGE M. RHODES.

THE JOHNS HOPKINS UNIVERSITY,
SCHOOL OF
HYGIENE AND PUBLIC HEALTH,
Baltimore, Md., April 22, 1957.

The Honorable GEORGE M. RHODES,
Congress of the United States, House of Representatives, House Office Building, Washington, D. C.

DEAR CONGRESSMAN RHODES: This will acknowledge your letter of April 18 in which you state that you are introducing a bill, H. R. 6771, incorporating the basic principles of the proposal which the Association of Schools of Public Health submitted to you.

As I stated in my previous letter, we appreciate, more than we can tell you, your real and continued interest in the problems of the schools of public health. The proposal which we submitted to you, as I pointed out in my letter of March 28, does not by any means solve all of the problems of the schools of public health, but it will go a long way, if properly implemented, in solving the immediate problems of the schools. We all feel that it is imperative that the Federal Government recognize in some way, not only the present contribution of the schools of public health, but the potential contribution of these schools in the training and development of the services so urgently needed in our country.

As we pointed out to you in our meeting in Puerto Rico, at the present time the schools of public health are, in a sense, subsidizing the Federal Government in that we accept each year hundreds of students who are being trained for public service. The schools bear the major part of the financial burden of training these students. The cost of training in schools of public health is not significantly different from the cost of training students in schools of medicine, and as in the case of the schools of medicine, the tuition charged by the schools of public health is a small fraction of the total cost of training these students, all of whom, or at least a major proportion, go into public service, many of them in the Federal Government, and the rest in State and local health services.

Under present conditions, the privately endowed schools find themselves in the position of being no longer able to bear this added expense, and as you know, the State schools are constantly threatened with the reduction in appropriations because of the small proportion of students enrolled, who are from the State in which the school is located.

My colleagues in the schools of public health join with me in expressing our very deep appreciation for your interest and your energy in forwarding the movement for aid to the schools of public health. We want to assure you of our willingness to assist you in any way in supporting the legislation which you have introduced. We have had meetings with various groups of the Association of State and Territorial Health Officers, with many groups of public and private health agencies, and, insofar as we can determine, there is universal support for this type of legislation.

If, in your opinion, there is anything that the representatives of the schools of public health could possibly do to assist you in advancing this program, please let us know. I can assure you of the availability of the deans of the schools, or of other members of the faculty to assist you in any way that you might consider appropriate in the further support of these very important measures for the improvement of public health.

Very truly yours,

ERNEST L. STEBBINS, M. D.,
Director.

UNIVERSITY OF PUERTO RICO,
SCHOOL OF MEDICINE,
SCHOOL OF TROPICAL MEDICINE,
San Juan, P. R., April 22, 1957.

Mr. GEORGE M. RHODES,
House Office Building,
Washington, D. C.

DEAR MR. RHODES: Many thanks for your letter of April 18 including copy of bill H. R. 6771 introduced by you to the Congress. I am sure all the schools of public health, as our own does, appreciate your efforts to assist them in doing their job as efficiently as it can be done.

We are already admitting students for next year's class. If financial help as proposed in

your bill becomes available, many of our worries as to how we are going to operate next year and how we are going to improve and expand our program in some areas of public health will be relieved in no small part.

Sincerely,

GUILLERMO ARBONA, M. D.,
Head of the Department of Preventive Medicine and Public Health.

UNIVERSITY OF PUERTO RICO,
SCHOOL OF MEDICINE,
SCHOOL OF TROPICAL MEDICINE,
San Juan, P. R., April 24, 1957.

Congressman GEORGE M. RHODES,
Committee on Interstate and Foreign Commerce, House Office Building, Congress of the United States, Washington, D. C.

DEAR CONGRESSMAN RHODES: I hope you can appreciate how grateful we in Puerto Rico are for your broad vision in introducing H. R. 6771. It is quite apparent that you quickly grasped the special needs of schools of public health and have proposed a simple legislative amendment which will make a modest beginning toward solving the enormous economic problems of such institutions.

Our university has been relatively generous, in comparison to its many requirements, in initiating graduate programs in public health. However, had we not received the temporary support of ICA, we would never have undertaken the curriculum leading to a master in public health. At least 50 percent of our public health students come to us from outside Puerto Rico—principally from Latin America. This is not a unique characteristic of our particular school but an indication that public health in the United States has assumed world leadership.

Your bill H. R. 6771 would provide economic assurance which would help to stabilize the development of our school. While I am confident that $1 million will not meet total requirements of all the schools of public health, it will make a noble effort and give great encouragement to university presidents who have frequently had mixed feelings in apportioning their meager funds for graduate professional education.

Again let me remind you of what a great pleasure it was to have you, Congressman NEAL, and Mr. Borchardt here in Puerto Rico for an all too brief visit.

Cordially yours,

E. HAROLD HINMAN, M. D.,
Dean.

UNIVERSITY OF CALIFORNIA,
SCHOOL OF PUBLIC HEALTH,
Berkeley, Calif., April 23, 1957.

The Honorable GEORGE M. RHODES,
Fourteenth District, Pennsylvania, House Office Building, Washington, D. C.

DEAR MR. RHODES: Thank you for your letter of April 18 informing me of your farsighted and energetic steps to aid our Nation's public health. As a member of the executive committee of our Association of Schools of Public Health, may I express our deep appreciation for your introduction of H. R. 6771. This bill clearly presents the pathway for critically necessary aid to schools of public health in their national and natural setting. They are truly meeting national (and international) public health needs in training, consultation, and technical assistance as you and your fellow committeeman, Congressman NEIL, discussed in our Puerto Rico meeting.

In order that I may seek our university's full support, would it be possible for me to have 10 copies of H. R. 6771?

With kind regards.

Very sincerely,

CHARLES E. SMITH, M. D.,
Dean.

TULANE UNIVERSITY,
SCHOOL OF MEDICINE,
New Orleans, La., April 24, 1957.

Mr. GEORGE M. RHODES,
Congress of the United States, House of Representatives, Washington, D. C.

DEAR MR. RHODES: I appreciate very much your letter of April 18, 1957, with attached copy of H. R. 6771.

We enjoyed very much our meeting with you in San Juan and appreciate your deep interest in the financial needs of schools of public health in the United States.

If I may be of any service to you, please do not hesitate to call on me.

Yours sincerely,

W. L. TREUTING, M. D.

COLUMBIA UNIVERSITY,
April 29, 1957.

Representative GEORGE M. RHODES,
House Office Building, Washington, D. C.

DEAR REPRESENTATIVE RHODES: Thank you very much for your letter of April 18 and the attached bill H. R. 6771 regarding grants in aid to assist schools of public health. Speaking for myself and for the vice president of the university in charge of medical affairs I want to say that we are very grateful that you have taken this initiative. Schools of public health essentially produce people for public service and not for private practice and large income. As schools which occupy this rather unique position we nevertheless find ourselves in financially difficult positions to maintain the size of class or the quality of instruction we wish. Any assistance which can be forthcoming will be used constructively and will not replace money now being invested by the university. We thank you for your interest and hope that something will come of your efforts.

With kind regards,

Sincerely yours,

RAY E. TRUSSELL, M. D., M. P. H.,
Executive Officer, School of Public Health and Administrative Medicine of the Faculty of Medicine.

THE UNIVERSITY OF PITTSBURGH,
GRADUATE SCHOOL OF PUBLIC HEALTH,
Pittsburgh, Pa., May 1, 1957.

Hon. GEORGE M. RHODES,
House of Representatives, Washington, D. C.

DEAR MR. RHODES: Please pardon my delay in not responding earlier to your kind letter of April 18 with a copy of H. R. 6771, which you were good enough to introduce.

I shall keep in close touch with Dr. Ernest L. Stebbins and shall be most anxious to do whatever I can to promote hearings by your House Subcommittee and otherwise.

I know that as a result of your discussions with the Deans of the Schools of Public Health in San Juan in February, you are keenly aware of the precarious financial situation which faces these schools. They are unique among educational institutions, both in training for public service and in rendering specialized consultative services and technical assistance to State and local health departments. Your interest in this important matter is deeply appreciated.

With personal regards, I am,

Sincerely,

THOMAS PARRAN, M. D.,
Dean.

YALE UNIVERSITY,
DEPARTMENT OF PUBLIC HEALTH,
New Haven, Conn., May 6, 1957.

The Honorable GEORGE M. RHODES,
Congress of the United States, Washington, D. C.

DEAR CONGRESSMAN RHODES: We enjoyed your company and suggestions, and those of your associates, while we were in Puerto Rico for the annual meeting of the Schools of Public Health. Thank you for your good letter of April 18, 1957, and for the assistance of the bill H. R. 6771 which you introduced.

You have indicated by this step your recognition of the urgent needs of the schools and the importance of this great program of so much significance to so many of our people.

We will do our best with the tools at hand and we appreciate the interest and understanding of you and your committee.

Sincerely yours,

IRA V. HISCOCK,
Chairman and Past President, American Public Health Association.

HARVARD SCHOOL OF PUBLIC HEALTH,
Boston, Mass., May 8, 1957.

The Honorable JOHN BELL WILLIAMS,
The United States House of Representatives, House of Representatives Office Building, Washington, D. C.

DEAR CONGRESSMAN WILLIAMS: As dean of 1 of the 11 accredited schools of public health in the United States, I write in behalf of H. R. 6771 which has been introduced by Congressman RHODES of Pennsylvania. It is my belief that this bill deserves the most serious consideration and active support which you and your subcommittee can give to it.

You are, of course, familiar with the data submitted by the Association of Schools of Public Health documenting (1) the shortage of public health personnel in this country; (2) the fact that the graduates of the schools of public health enter the public service in many States throughout the country; (3) the fact that the schools of public health are seriously in need of funds, particularly for teaching and for general operations.

Federal aid to schools of public health is clearly justified because the schools are in no sense regional. They provide public health personnel for the Nation as a whole. For example, 9 graduates of the Harvard School of Public Health presently serve in Mississippi. Among them are 3 division heads of the Mississippi State Board of Health.

I respectfully urge you, as Chairman of the Health and Science Subcommittee, to schedule hearings on H. R. 6771 at the earliest opportunity. I hope this important measure will have your personal support. Please let me know if members of our faculty and I can help in any way.

With best wishes,

Sincerely yours,

JOHN C. SNYDER, M. D., *Dean.*

UNIVERSITY OF MINNESOTA,
COLLEGE OF MEDICAL SCIENCES,
Minneapolis, May 11, 1957.

Hon. GEORGE M. RHODES,
Congress of the United States, House of Representatives, Washington, D. C.

DEAR MR. RHODES: Thank you for your recent letter with reference to House Resolve 6771, which you have introduced. I am enclosing a copy of a letter which I have sent to the chairman of the Health and Science Subcommittee of the Interstate and Foreign Commerce Committee. I sincerely hope that your proposal will meet with success.

It was a real pleasure to meet with you in Puerto Rico and to have the opportunity of presenting to you and your colleagues some of the critical needs of the schools of public health. I know that we are all greatly indebted to you for the interest that you have taken in these problems.

Very truly yours,

GAYLORD W. ANDERSON, M. D.,
Mayo Professor and Director, School of Public Health.

Addresses Delivered by Hon. John W. McCormack, Hon. Joseph W. Martin, Jr., and Gen. Carlos P. Romulo, at Bataan-Corregidor Memorial Dinner, Washington, May 6, 1957

EXTENSION OF REMARKS
OF
HON. GEORGE P. MILLER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 7, 1957

Mr. MILLER of California. Mr. Speaker, last night we witnessed a great event when a memorial dinner was held at the Mayflower Hotel to commemorate the 15th anniversary of Bataan and Corregidor. The speeches delivered are food for thought. Two of our colleagues, the Honorable JOHN W. MCCORMACK, of Massachusetts, and the Honorable JOSEPH W. MARTIN, JR., also of Massachusetts, were conferred one of the highest decorations of the Philippine Government—the Philippine Legion of Honor in the degree of Commander. This shows that the Philippines does not forget its friends. It is an excellent attribute for any action to give recognition to those who have served it. This the Philippines has done and continues doing.

There is a message in General Romulo's speech that we should all heed. It is a message that will help us in the solution of national and international problems facing our Nation. At the same time, the speeches by Majority Floor Leader MCCORMACK and Minority Floor Leader MARTIN convey to the Filipino people our gratitude for their loyalty to democratic ideals and their unswerving determination to continue fighting for such ideals. Those who doubt America's abiding faith in democracy should have been at the Mayflower Hotel last night and should have witnessed that wonderful friendship between two nations of two different races. It was both uplifting and encouraging.

The following are the citations:

AWARD OF THE PHILIPPINE LEGION OF HONOR (COMMANDER)

By direction of the President, pursuant to paragraph 2e, section I, AFPR G 131-051, this headquarters, dated January 21, 1954, the Philippine Legion of Honor in the degree of Commander is hereby awarded to: Majority Floor Leader JOHN W. MCCORMACK, of the United States House of Representatives, for exceptional and distinguished service to the Republic of the Philippines as a legislator and statesman. Majority Floor Leader JOHN W. MCCORMACK, as one of the stanch champions of the cause of Philippine independence, voted for the legislation which granted first autonomy and subsequently the complete independence of the Philippines. He has consistently shown a sympathetic and abiding interest in Philippine affairs and supported such legislation as the Philippine War Damage Act and other important rehabilitation and trade measures for this country. A courageous and farsighted liberal, he sponsored the historic resolution that pledged the United States to support the freedom of colonial peoples. His assistance and counsels have always been available to Philippine representatives to the United States of America. By his invaluable service, Majority Floor Leader JOHN W. MCCORMACK affirmed himself as a true friend of the Filipino people.

By order of the Secretary of National Defense:

ALFONSO ARELLANO,
Lieutenant General, AFP,
Chief of Staff.

AWARD OF THE PHILIPPINE LEGION OF HONOR (COMMANDER)

By direction of the President, pursuant to paragraph 2e, section I, AFPR G 131-051, this headquarters, dated January 21, 1954, the Philippine Legion of Honor in the degree of Commander is hereby awarded to: Minority Floor Leader JOSEPH W. MARTIN, JR., of the United States House of Representatives, for distinguished service to the Republic of the Philippines as a legislator and statesman. Minority Floor Leader JOSEPH W. MARTIN, JR., has shown through the years consistent friendly interest in the Philippines, as the former Speaker, and as the incumbent minority floor leader of the United States House of Representatives. He showed sympathetic understanding of a people's love of freedom by voting for the legislation which ultimately granted complete independence to the Philippines. He is a friend and counselor to the Philippine representatives to the United States of America whose task he has made easier by his invaluable assistance and cooperation in the enactment of legislation for Philippine veterans, the Philippine War Damage Act, rehabilitation and trade measures, and other important legislation for the Philippines. Minority Floor Leader JOSEPH W. MARTIN's invaluable service is a manifestation of his continuing and lively interest in the welfare of the Filipino people.

By order of the Secretary of National Defense:

ALFONSO ARELLANO,
Lieutenant General, AFP, Chief of Staff.

Following is the speech of Minority Floor Leader MARTIN:

REMARKS OF JOSEPH W. MARTIN, JR., MINORITY LEADER, UNITED STATES HOUSE OF REPRESENTATIVES, UPON RECEIVING THE DECORATION CONFERRED ON HIM BY THE PHILIPPINE GOVERNMENT—LEGION OF HONOR WITH THE RANK OF COMMANDER—AT THE BATAAN-CORREGIDOR MEMORIAL DINNER, MAYFLOWER HOTEL, WASHINGTON, D. C., MAY 6, 1957

General Romulo, Mr. Justices, members of the Cabinet, my colleagues of the Senate and the House, ladies and gentlemen, I am grateful to your Government for this honor. I treasure it because it is a symbol of the friendship that links our two countries as allies united by a common ideology. I welcome it as a token of your pepole's appreciation of the collective wisdom of our Congress in passing such legislation as has shown to the world America's faith in the ability of the Filipino people to govern themselves. In all humility, I accept it with the expression of my profound gratitude to President Garcia and the Filipino people. In compliance with our Constitution, I will deposit this decoration with the State Department until Congress has passed a law authorizing its acceptance.

When we look back at Philippine-American relationship one central fact stands out. It is that we have faced together many problems, some of them apparently insoluble, a number of them affecting fundamentally the relations between our two countries. There were times when certain irritants seemed to make it impossible for us to come to a solution. There has not been one single instance, however, when after a mutual exchange of ideas, after negotiations had been conducted by the leaders of our two peoples, when we did not come to a satisfactory solution mutually accepted by both our countries without the impairment of the dignity and honor of either. We have lived together in good faith and good will.

I believe this is a lesson from which the world can profit. Where there is honesty and justice and mutual respect there is real friendship. This is what has united our two peoples. To this we owe that unforgettable Filipino loyalty shown in Bataan and Corregidor. I do not believe anything can destroy or undermine the friendship of our two countries. It was born out of mutual loyalty, your loyalty to us, and our loyalty to you. We may make mistakes. You may also makes mistakes. We are far from perfect. What counts, however, is not the errors but the sincere desire that is evinced by you and by us to admit those errors and to correct them.

We look with pride at the progress achieved by your people. A recent instance of this is the vitality of your democracy. When your great leader, the late lamented President Magsaysay suddenly died in an airplane crash, his unexpected disappearance from the Philippine scene as its head of state could have caused an upheaval similar to that which has happened in other countries when faced by a similar emergency. To the credit of your people no such upheaval took place. You followed the even tenor of your democratic ways. Your Vice President took over and it is a tribute to him and to your country that he is carrying on in a manner that shows your maturity as a nation imbued with democratic ideals.

To President Garcia who has announced his avowed policy to fight communism and neutralism and to strengthen the relationship between our two countries goes my best wishes for a successful administration. I know he can count on the same cooperation from America as his predecessor. To you, Mr. Ambassador, serving your people here in Washington in a manner that has won the admiration, the affection and respect of all of us, my deep appreciation for this award which, in behalf of your Government, you have so generously conferred on me tonight.

Perhaps nothing can characterize the effectiveness of your work as Philippine Ambassador more appropriately than to recall what the late Vice President Barkley once said when as Foreign Secretary of your Government you came to Washington in 1950. At a luncheon at the Capitol which he gave in your honor he quipped—"When Churchill or Romulo come to Washington we should double the guard at Fort Knox."

Mr. Barkley, of course, was indulging in a little humor, for which he was so famous. But it did illustrate the aggressiveness and the effectiveness of a great Ambassador's representation of a great country. General Romulo is one of the strongest forces for freedom in our world today. A hero in war, General Romulo has continued his outstanding service to his country in peace. May the good Lord spare him to serve his nation for many years to come.

Again thank you, Mr. Ambassador, for this award which will be one of my most cherished possessions as long as life shall last.

Following is the speech of Majority Floor Leader MCCORMACK:

ADDRESS DELIVERED BY THE HONORABLE JOHN W. MCCORMACK, MAJORITY FLOOR LEADER, UNITED STATES HOUSE OF REPRESENTATIVES, UPON RECEIVING THE DECORATION CONFERRED ON HIM BY THE PHILIPPINE GOVERNMENT—LEGION OF HONOR WITH THE RANK OF COMMANDER—AT THE BATAAN-CORREGIDOR MEMORIAL DINNER, MAYFLOWER HOTEL, MAY 6, 1957

General Romulo, Mr. Vice President, Mr. Justices, members of the Cabinet, my colleagues of the Senate and the House, ladies and gentlemen, I am deeply touched and honored by the citation and I only hope, in all humility, that I will continue to deserve

it. I receive the award conscious of the fact that the collective action of my colleagues in the House of Representatives made possible the legislation mentioned in the citation. I accept the award coming as it does from a people with whom I am happy to have been associated through the years both by political persuasions and by religious ties. I accept this award on behalf of my constituents without whose support this would never have been possible. They, too, share my admiration and affection for the Filipino people. Thank you, General Romulo, and please convey my appreciation to President Garcia and to the Filipino people for this honor that they have conferred upon me. I will deposit the decoration with the Department of State and will accept it when Congress gives me its approval. The honor and the decoration will always be one of my treasured possessions.

It is true that my relationship with the Filipino people has been a close and happy one. I hold them in high regard because of their loyalty to the ideals of freedom and democracy. I admire them also for their religious faith. With their representative here in Washington, Gen. Carlos P. Romulo, I am linked by close personal ties of friendship and esteem. Wherever there are men and women throughout the world who love liberty, General Romulo is deeply admired and respected. I respect him for his devoted service to his people. In the House, when he was our colleague as Resident Commissioner, he fought for the Philippine Rehabilitation Act and for the Philippine Trade Act, to get, through them, as much as he could, the best concessions for his people. The cause of the Filipino veterans he espoused with vigor and determination. He has come to me time and again to expound the side of the Philippines on matters before the House. In the United Nations, he has won world acclaim. He is a patriot and a statesman and the Philippines must be proud to have a spokesman of his character and ability.

I see in this award, Mr. Ambassador, a veritable symbol of the lasting friendship between the Filipino and American peoples. It is a friendship which has been tested time and again in fruitful collaboration since the beginning of the century. It was sealed in blood on the European battlefields of World War I, on the historic battlefields of World War II, in Bataan and Corregidor, and on the battlefields of Korea in the United Nations collective action against the Red Chinese and North Korean aggressors. It has been tested in the halls of the United Nations where, led by General Romulo in the Security Council, the Philippine fights for the cause of non-self-governing countries as well as for the cause of the underdeveloped areas of the world. This is a cause that it is the traditional American policy to follow. It was reiterated in a joint resolution which it was my privilege to sponsor on the floor of the House last year, and unanimously approved.

Against this background of friendship, we are gathered here tonight to commemorate the 15th anniversary of the fall of Bataan and Corregidor. Too much has been said about the fact that Bataan and Corregidor were a defeat. They were a defeat of the flesh, which could no longer endure the onslaught of superior arms and superior numbers. But they were, on the other hand, a victory of the unconquerable spirit of man. This man was of both East and West, fighting side by side for an ideal that he believed in, that he had hoped to pass on to his children with undiminished vigor. His action was the very heart of courage, as Walter Lippmann called it.

And we can pay tribute to his memory not by what we say here, but by what we do now and in the future to secure for the men, women, and children, who are his heirs the permanent blessings of a life with justice and a life free from want and poverty and conflict, a worldwide regime that not only passively respects but militantly fights for human rights.

This is the transcendental achievement we are called upon to do. The world has progressed immeasurably since the Middle Ages, indeed since the 19th century. But while there are parts of the world which live in peace and contentment, the rest of the world subsists in conditions of misery, squalor, and fear.

Asia and Africa are two vast continents seething with unrest and ferment. Their peoples are engaged in the historic struggle of man for liberty and political and economic freedom. Since the end of World War II, we have seen 19 of these countries emerge as free and independent states, jealous of their rights and responsibilities. They are engaged in the momentous struggle of nation building, and they will no longer be denied the fruits of the renaissance, however late in coming. It is for the Free World to see to it that they gain and share in the economic largesse of the earth, lest they fall for the blandishments of a godless communism.

Already, in September 1953, the United States announced its atoms-for-peace plan before the General Assembly of the United Nations. That was a momentous decision in this mid-20th century. It is calculated to bring, not the scourge of total destruction upon mankind, but the benefits of technology and science, to the less fortunate people and the underdeveloped areas of the world, so that they may begin to know the blessings of economic prosperity. Until this is done, our battle against hunger and poverty is not won, and Pataan and Corregidor would simply be a dim memory of the past.

Our friendship for your people we have shown in many tangible ways. Recently our Government decided to make the Philippines the nuclear research center in Asia. This decision was made in favor of your country despite the insistence of several other countries in Asia that they be favored with such a center. This was a decision that revealed not only our friendship for the Philippines but our faith in your ability and competence to undertake such a great project. This means that we have selected you for leadership in your section of the world on a subject of paramount importance to all humanity such as nuclear research. This, aside from the fact that we have entered into a bilateral agreement with you to provide you with an atomic reactor.

When we passed the Philippine Rehabilitation Act, it was in the full knowledge that the United States has never paid any war claims in the past even to our own fellow countrymen devastated by our civil war. But this we did for you as a small token of our gratitude for your loyalty. True, it is far from adequate, it is certainly not meant as a compensation, but considering that we have never done it in the past, you can understand that it was really a sincere recognition, no matter how insignificant, of what was done by those whose memory we honor tonight.

When you came to us, as President Magsaysay's special envoy, to ask for the extension of the Philippine Trade Act and later, when you appealed to us for the approval of the revised Philippine Trade Act, despite the pressure of other important legislation pending then in Congress, preferential attention was given your plea. The Philippine Trade Act was enacted by us in 1946 because we thought you needed it to cushion the economic effects of independence. When you came to us 10 years later to ask for modification that would benefit your people, Congress readily met your views. I can mention other instances wherein we Americans have consistently shown our interest in and friendship for the Philippines. I am citing these few examples out of others that I need not belabor here because tonight is also a night of remembrance and of recollection to recall Philippine loyalty to the United States and United States loyalty to the Philippines, friendship—real friendship and loyalty between our two countries. This is also explained by the fact that we worship the same God and we believe in the spiritual and moral values which an atheistic ideology such as communism rejects and proscribes. Indeed, our battle, ladies and gentlemen, is not merely a battle for the mundane and material things of the earth. It is far more than that. Our battle is really in the realm of the spirit. It is a struggle for men's minds and men's hearts. It is a pitting of ideas against the Communist ideology, the core of which is world domination and the enslavement of man. We have no doubt that our democratic ideals—that man is endowed with the inalienable right to life, liberty, and the pursuit of happiness—are the superior ones. We have no doubt that democracy, which extolls the dignity of man and the paramountcy of his well-being, and that Government is the servant and not the master, will triumph in the end against an ideology that will keep him forever shackled as a slave, a mere pawn. Because this is the heart of our belief, we must strive to give life to it without letup, and in an affirmative and dynamic manner.

The American people are committed to the defense of human rights and freedom. Such a dedication was epitomized by the grant of independence to the Philippines in 1946. And to pursue these ideals, the United States has forged an alliance with many countries of the Free World. This alliance is meant not for aggression, but for self-defense, and for self-preservation enabling nations and peoples, large or small, to attain their national objectives in accordance with their cultures under governments of law in a world of peace. We still give the enemy no reason to miscalculate.

The leaders of the Free World have shown the courage to stand and be counted with the forces of freedom. Such a leader was the late lamented Filipino patriot, Ramon Magsaysay. The Free World has lost a fearless leader dedicated to the democratic cause. His life was short, but it was a full life dedicated as it was to the service of the common man who loved him and whom he loved.

It is fortunate that his successor is a man as uncompromising in his determination to fight communism and neutralism, no less farsighted, and no less idealistic, and who quickly and effectively dispelled the fear that was expressed in some quarters after Magsaysay's tragic death, that the Philippines might go neutral or drift into the Communist orbit. President Carlos P. Garcia has taken over the duties of President under constitutional processes, bringing to his new office a wealth of experience in the service of his people. He pledged shortly after assuming the office of the presidency, "I can only tell you I shall carry out every item of the Magsaysay program to its full realization." The Free World can count on him, as it counted on Magsaysay. He is a stanch champion of freedom just as Magsaysay was. As the real friendship of our two countries continued and was strengthened, under the late president, so will it continue to strengthen under President Garcia. It can be said without contradiction that our relationship is more than friendship—that the family relationship of brothers exists between our countries and our peoples.

Men died on Bataan and Corregidor, but the cause for which they fought lives on. Magsaysay fought for such a cause; Garcia is fighting for it himself; and men who have known the blessings of liberty will forever

fight for it. I associate myself with the stirring words that:

"Bataan has fallen, but the spirit that made it stand—a beacon to all the world—cannot fail. * * * Our defeat is our victory."

Let us make that victory permanent and with an unfaltering trust in an Almighty, we cannot fail.

Following is General Romulo's speech:

ADDRESS DELIVERED BY GEN. CARLOS P. ROMULO AT THE BATAAN-CORREGIDOR MEMORIAL DINNER, MAYFLOWER HOTEL, MAY 6, 1957

We have lived through half a generation since the glory of Bataan and the martyrdom of Corregidor. We have survived a great war, and several lesser wars, and the overhanging threat of a future conflagration. We have survived victory, and we have even survived "this peace of mutual terror" that followed victory.

Tonight we meet once again to recall the inner meaning of the blood brotherhood between the American people and the Filipino people that was sealed on that little peninsula and on that little rock whose names are enshrined in the histories of both our countries.

The rhythm of these annual remembrances was broken this year by the tragedy that befell our people. A son of the Philippines, a warrior in the cause of human freedom and understanding, died suddenly at the very height of his career, before his work was done.

A few moments ago I asked you to rise with me and stand in silent tribute to the memory of a great man, Ramon Magsaysay. Many noble words have been uttered about President Magsaysay, and perhaps each of us repeated them in our hearts just now. But I would add to all of these another word of tribute, which President Magsaysay might have been proudest to hear—a tribute to my people, and to yours. And it is this:

Ours is a young Republic. We have enjoyed our independence hardly 11 years. Yet, when the duly elected President, the darling of the masses of his countrymen, met sudden death, in all the outpouring of grief and bewilderment there was never a moment of faltering in the orderly processes of our governmental machinery. The duly elected Vice President, Carlos P. Garcia, took office in keeping with the Constitution of the Philippines, and quietly and efficiently assumed the duties of Chief Magistrate of our Republic.

As a member of the diplomatic corps, it would hardly be proper for me to suggest to you the names of the many nations—some of them much larger than the Philippines, some of them much longer experienced in the ways of self-government—where such an orderly transition would not have occurred. Fortunately for my diplomatic standing, you can all name such countries for yourselves.

I need only tell you that I am proud of the way in which my countrymen in the Philippines demonstrated the vitality of their devotion to constitutional government, the maturity of their political philosophy, and the stability of their political understanding. In time of stress the true nature of a man or a nation shows itself. We have gone through such a time, our people have shown their wisdom, their restraint, and their solidity.

We have, in sum, met our national affliction just as, on occasion in the past, you have met yours in the United States. The reason for this is that, on top of our own cultural heritage as Filipinos, on top of the faith and culture we acquired from the Spaniards, we in the Philippines took to our hearts the democratic ideals, the respect for constitutional law, and the desire for orderly government, which are today the hallmarks of both the American and Philippine democracies. What we have learned from you, we have learned well.

Today, we can perhaps begin to repay our philosophical debt to America. There was a time, in the past, when we were the learners and you the teachers. Now, in our new world of nations rapidly arising from the somnolence and colonial subjugation of past centuries, we may be able to convey to you a message that can help you understand and sympathize with those whose understanding and sympathy you need to win.

So, on this anniversary of Bataan and Corregidor, I ask you to look ahead with me for the next 10 or 15 years, rather than back at the past we know so well.

The United States, as the leader of the Free World, now finds itself involved in the political turmoil and deep social and economic problems of peoples in places that had only recently been terra incognita for you. The Middle East is on your doorstep. Your sailors and marines spend their pay in Beirut because you choose to exercise the deterrent power of a show of force to maintain peace. Your newspapers shriek to the editorial skies because your diplomats cannot speak the languages of Laos, or Indonesia, or Ghana—for suddenly such countries have become important to you.

At the precise moment when the world has been shrunk to the size of an orange by the rapidity of transportation and communication, at the very time when a creeping contagion called communism spreads out over the face of this tiny globe, there has come the awakening of the sleeping giants all over the world—the peoples who have thrown off the shackles of alien rule and have chosen to master their own destinies.

Asia and Africa are afire with a new nationalism. This powerful force, which in a different incarnation gave Europe its bloodiest centuries and its most magnificent civilizations, can now do the same, one or the other, in the rich and vast continents peopled by human beings in the billions.

Your survival—and that of freedom itself—depends on your capacity to recognize what is happening in the world; and, having recognized the nature of the upheaval, on your ability to act with wisdom and imagination.

I do not tell you this in a critical mood. I talk to you as a true and loyal friend. I tell you this because I truly believe that the fate of every person who believes as you do, the fate of every nation committed to the cause of freedom, is bound up in the actions of the United States of America. If you should choose unwisely, if you should make a false move in the battle for men's minds and souls and bodies, if you should betray yourselves and your principles, if you should lose the cold war either on the battlefield or at the conference table, then the whole Free World will go tumbling down with you. We are all intertwined in our mutual responsibilities, and precisely because you carry the load of leadership you must take with good grace, and with deep thought, the friendly opinions of the rest of the Free World.

Your President traveled virtually from his sickbed to meet personally with the heads of 20 Latin American States. Your Vice President traipsed all over Africa shaking hands with tomorrow. Your Secretary of State has visited more than 40 countries in his search for peace and friendship. Your Senators and Congressmen also travel all over the world to get firsthand information about other countries and peoples. These are the signs of your recognition of the strange new ways in which America must show her leadership.

They are good signs, but they are essentially outward symbols. What the New World of new nations look for, even more than symbols, is evidence of American understanding, of American acceptance, of American recognition of their equality in the society of man.

And that is where the Philippines enters the picture, beyond the great tradition of intimate friendship that has been built up between our two peoples over the past half century. The fact that, in your one great adventure into colonialism, you retreated almost before you began, has been a powerful weapon in your arsenal of democracy. You came to the Philippines, you saw, but you did not conquer. Instead, you worked with us, and learned with us, and out of the relationship emerged your promise to help us achieve and assure our independence. That promise went through the purification of fire 15 years ago tonight. And in 1946 the promise came true.

That piece of history has been a tower of strength in your dealings with other colonial nations. For they recognized that America was different from the other western nations, different in that it had no need or desire to become an empire.

I believe this piece of history was one of the most important reasons why, during the past decade, the new and subtle imperialism of Communist Russia made no greater headway than it has so far. But we are familiar enough with the weaknesses of the human character to know that recollection of the past does not long survive. In the minds of the new peoples of the Eastern World, the test is not yesterday and not tomorrow, but today.

At this very moment, the nature and quality of American friendship with the Philippines is under test. The scrutiny exists among my own people, quite naturally, but it is even more acute among the billion human beings whose ultimate choice may determine the outcome of the struggle between freedom and democracy, on the one hand, and slavery, tyranny, and totalitarianism on the other.

They are asking the questions now. They are demanding the answers. And the very power of their numbers, the very strength of their strategic locations, requires that their questions be answered.

Since they are suspicious of all outsiders, injured as they have too often been by their contacts with foreigners in past generations, they do not take you on faith, as we of the Philippines have learned to do. They are waiting to see whether all the years of mutual loyalty between two friends from different worlds, the Americans and the Filipinos, can be marred by misunderstanding. They are waiting to see whether the United States will maintain an absolute respect for the national sovereignty and territorial integrity of the Philippines. This is fundamental. They are waiting to see whether the relationship between our two countries will continue to be that of equals or whether there will be an unwitting deterioration into a semblance of the master-slave relationship that exists between the Soviet Union and her so-called friends—whom we call, more accurately, her satellites or even her colonies.

For our part, I need not assure you that we wish nothing more and nothing less than equality. We wish this in our own behalf and in your behalf as well. The Philippines gladly chooses the title of friend and ally; it honors you as well as it honors us. We will never accept the title of colony or satellite; it would dishonor you and degrade us.

I do not believe the choice will ever have to be made. I repeat, I am confident, knowing you as I do, that no such choice will ever be made. That there are differences of opinion between us is natural and even healthy. That occasionally our tempers rise is normal. The unity of friendship, the comradeship of alliance, does not impose on you or on us the necessity to be silent, or to accept that with which we do not agree. It imposes on us—on each of us—the loyalty that comes with candor, with forthrightness, and with integrity. That is the kind of friendship

that has grown between our two peoples, and it is the only kind of friendship worth having.

The next decade will test that friendship. Because it is a strong friendship, the test will make it all the stronger. That is what I believe. I hope you believe it, too.

For I say to you that what is at stake is something even more precious than the land I love, the Philippines—and more precious than your own beloved country, the United States. What is at stake is the very future of the human race. Only if the East and the West can truly meet on an equal footing, only if you can show your respect for the national sovereignty, the aspirations, the needs, and the problems of the nations that have just been reborn, only if you can adjust to the revolution of the 20th century, can the human race hope to achieve the liberty, the prosperity, the happiness that is the dream of civilized man.

The men who died on Bataan and Corregidor offered that which was most precious to them—their own lives—on the altar of human freedom and human friendship. We who survive have an obligation to them that cries out to be repaid. We owe them the continuation of the battle. We owe them the never-ending pledge to carry on until all the peoples of the earth see the birth of a new freedom, a new brotherhood, and a new and lasting peace.

SENATE

WEDNESDAY, MAY 8, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, in whose merciful yet just hands are the souls of men, and whose final appraisals we who see through a glass darkly cannot discern. Help us to live and act as if each new day were the last with which we were to be entrusted, knowing that—

The busy tribes of flesh and blood
With all their cares and fears
Are carried downward by the flood
And lost in following years.

While life on this earth's stage is granted us, save us from living on a small scale in a great day, and from toying with the tiny when we ought to be lured by the titanic.

Until there comes for each of us the one clear call, above all other loyalties and fealties may the ruling passion of our hearts be to do justly, to love mercy, and to walk humbly with Thee, our God.

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 6, 1957, was approved, and its reading was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT OF OFFICE OF ALIEN PROPERTY—MESSAGE FROM THE PRESIDENT

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the annual report of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 8, 1957.*

(A similar message was sent to the House of Representatives.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, communicated to the Senate the resolutions of the House adopted as a tribute to the memory of Hon. JOSEPH R. MCCARTHY, late a Senator from the State of Wisconsin.

The message announced that the House had passed, without amendment, the following bills of the Senate:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 358. An act to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection;

H. R. 1264. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized;

H. R. 1520. An act for the relief of Mrs. Fusako Takai and Thomas Takai;

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Company of Detroit, Mich.;

H. R. 1612. An act for the relief of Frances Pompa;

H. R. 1648. An act for the relief of Rachel Nethery;

H. R. 1700. An act for the relief of Western Instruments Associates;

H. R. 1758. An act for the relief of Mrs. Hertha L. Wohlmuth;

H. R. 2486. An act to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program;

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes;

H. R. 3077. An act that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole;

H. R. 3366. An act to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes;

H. R. 3588. An act for the relief of John R. Hill;

H. R. 4193. An act to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538–540);

H. R. 4240. An act for the relief of Cornelia S. Roberts;

H. R. 5062. An act for the relief of Albert H. Ruppar;

H. R. 5220. An act for the relief of the estate of Higa Kensai;

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended;

H. R. 7221. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes;

H. J. Res. 172. Joint resolution relating to the stockpile of extra long staple cotton under the Strategic and Critical Materials Stockpiling Act;

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming;

H. J. Res. 307. Joint resolution for the relief of certain aliens; and

H. J. Res. 308. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; and

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED OR PLACED ON CALENDAR

The following bills and joint resolutions were severally read twice by their titles and referred or placed on the calendar, as indicated:

H. R. 358. An act to increase the monthly rates of pension payable to widows and former widows of deceased veterans of the Spanish-American War, including the Boxer Rebellion and the Philippine Insurrection; and

H. R. 1264. An act to provide that certain veterans suffering from active pulmonary tuberculosis shall be deemed to be permanently and totally disabled for pension purposes while they are hospitalized; to the Committee on Finance.

H. R. 1520. An act for the relief of Mrs. Fusako Takai and Thomas Takai;

H. R. 1591. An act for the relief of the Pacific Customs Brokerage Co., of Detroit, Mich.;

H. R. 1612. An act for the relief of Frances Pompa;

H. R. 1648. An act for the relief of Rachel Nethery;

H. R. 1700. An act for the relief of Western Instruments Associates;

H. R. 1758. An act for the relief of Mrs. Hertha L. Wohlmuth;

H. R. 3366. An act to validate overpayments of pay and allowances made to certain officers of the Army, Navy, Naval Reserve, and Air Force, while undergoing training at civilian hospitals, and for other purposes;

H. R. 3588. An act for the relief of John R. Hill;

H. R. 4193. An act to amend section 1716 of title 18, United States Code, so as to conform to the act of July 14, 1956 (70 Stat. 538–540);

H. R. 4240. An act for the relief of Cornelia S. Roberts;

H. R. 5062. An act for the relief of Albert H. Ruppar;

H. R. 5220. An act for the relief of the estate of Higa Kensai;

H. J. Res. 307. Joint resolution for the relief of certain aliens; and

H. J. Res. 308. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

H. R. 2486. An act to authorize Commodity Credit Corporation to grant relief with respect to claims arising out of deliveries of eligible surplus feed grains on ineligible dates in connection with purchase orders under its emergency feed program; and

H. J. Res. 172. Joint resolution relating to the stockpile of extra long staple cotton under the Strategic and Critical Materials Stockpiling Act; to the Committee on Agriculture and Forestry.

H. R. 2493. An act to authorize the Secretary of the Interior to permit the construction of a bridge and road across Chincoteague National Wildlife Refuge, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H. R. 3077. An act that the lake created by the Jim Woodruff Dam on the Apalachicola River located at the confluence of the Flint and Chattahoochee Rivers be known as Lake Seminole; to the Committee on Public Works.

H. R. 5807. An act to amend further and make permanent the Missing Persons Act, as amended; to the Committee on Armed Services.

H. R. 7221. An act making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes; to the Committee on Appropriations.

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming; placed on the calendar.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make a brief announcement for the information of the Senate; and then I shall propound a unanimous-consent request pertaining to the morning hour.

First of all, following the morning hour, the calendar will be called. When the call of the calendar is completed, the Senate will proceed to the consideration of the nominations on the executive calendar, in the order in which they appear.

From time to time I have received requests that the transaction of certain public business be postponed because of the engagements of individual Senators. I wish to accommodate every Senator whom it is possible to accommodate; but, Mr. President, we cannot have the entire Senate wait on the return of some Senator. I am trying to arrange the business of the Senate in such a manner as to accommodate the maximum number of Senators.

Our friends on the minority side are to have a conference during the luncheon hour. Senators who need to be in the Senate Chamber for the call of the calendar will be here.

At the conclusion of the call of the calendar, there will be a quorum call; and then a motion will be made that the Senate proceed to the consideration of executive business.

This afternoon, the Appropriation Committee's hearings on the State-Justice-Judiciary and related agencies appropriation bill will continue, and there will be a markup of the Treasury-Post Office appropriation bill. I am informed that the committee will hear again from Postmaster General Summerfield.

Mr. President, this will be an extremely busy month for the Senate. I had hoped it would not be necessary for the Senate to be in session except on Mondays, Wednesdays, and Thursdays, so the remaining days could be devoted to committee business. However, in view of the fact that there are so many appropriation bills to be considered, and in view of the further fact that there is a difference of opinion regarding what action the Senate should take on those bills, they will require much more time than usual.

I am hopeful that the Senate will be able to proceed to the consideration of the Hells Canyon bill, perhaps the housing bill, and perhaps an immigration bill, during this month. We shall attempt to sandwich the handling of those bills between the consideration of appropriation bills.

I expect that some half a dozen or more appropriation bills will be reported during the month of May, perhaps bringing to the calendar half of the appropriation bills on which the Senate will act this year.

Mr. President, I wish now to make a unanimous consent request.

The VICE PRESIDENT. The Senator from Texas has the floor.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business; and in that connection I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

SELECT COMMITTEE ON IMPROPER ACTIVITIES IN THE LABOR OR MANAGEMENT FIELD

The VICE PRESIDENT. The Chair appoint the Senator from Nebraska (Mr. CURTIS) to fill the vacancy on the Select Committee on Improper Activities in the Labor or Management Field, caused by the death of the late Senator from Wisconsin (Mr. MCCARTHY).

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED AMENDMENTS TO THE BUDGET (S. DOC. NO. 35)

A communication from the President of the United States, transmitting proposed amendments to the budget for the fiscal year 1958, involving a net increase in the amount of $812,400 (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

REPORTS OF SECRETARIES OF DEFENSE, ARMY, NAVY, AND AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, his report, together with reports of the Secretaries of the Army, the Navy, and the Air Force, for the period from January 1 to June 30, 1956 (with accompanying reports); to the Committee on Armed Services.

REPORT ON CERTAIN PROCUREMENT ACTIONS

A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting, pursuant to law, confidential reports submitted by the Department of the Army, Navy, and Air Force, and the Armed Services Petroleum Purchasing Agency, listing individual procurement actions, for the period July 1 to December 31, 1956 (with accompanying reports); to the Committee on Armed Services.

REPORT ON CERTAIN PROPERTY ACQUISITIONS

A letter from Administrator, Federal Civil Defense Administration, Battle Creek, Mich., reporting, pursuant to law, on certain property acquisitions by that Administration, for the quarter ended March 31, 1957; to the Committee on Armed Services.

REPORT ON PERSONAL PROPERTY MADE AVAILABLE FOR DISTRIBUTION TO CERTAIN ORGANIZATIONS

A letter from the Secretary, Department of Health, Education, and Welfare, transmitting, pursuant to law a report covering personal property made available for distribution to public health and educational institutions and civil defense organizations, for the calendar quarter, January 1 through March 31, 1957 (with an accompanying report); to the Committee on Government Operations.

AMENDMENT OF UNITED STATES CODE, RELATING TO EXCLUSION OF CERTAIN CLAIMS

A letter from the Secretary, Department of the Air Force, transmitting a draft of proposed legislation to amend section 2680 (j) of title 28 of the United States Code so as to permanently exclude claims arising out of combatant activities or war-like operations (with an accompanying paper); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Three letters from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders suspending deportation of certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspensions (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF APPLICATIONS FOR PERMANENT RESIDENCE FILED BY CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders granting the applications for permanent residence filed by certain aliens, together with a statement of the facts and pertinent provisions of law as to each alien,

and the reasons for granting such applications (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF PUBLIC BUILDINGS ACT OF 1949, RELATING TO THE NAMING OF CERTAIN PUBLIC BUILDINGS

A letter from the Administrator, General Services Administration, transmitting a draft of proposed legislation to amend the Public Buildings Act of 1949, to authorize the Administrator of General Services to name, rename, or otherwise designate any building under the custody and control of the General Services Administration (with an accompanying paper); to the Committee on Public Works.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Assembly Joint Resolution 29

"Joint resolution relative to the air raid warning system

"Whereas on May 1, 1957, the Federal Civil Defense Administration will make effective the national warning system (NAWAS); and

"Whereas under this system the Continental Air Defense Command makes known to FCDA warning centers military conditions of 'air defense emergency' and 'air defense warning;' and

"Whereas FCDA Advisory Bulletin No. 211 indicates that FCDA does not intend to assume responsibility of deciding whether an air attack is 'probable' or 'imminent' and of directing the sounding of the appropriate 'alert' or 'take cover' signal ('yellow' or 'red'), but intends to disseminate descriptive messages and impose the responsibility of determining the appropriate signal upon local authorities; and

"Whereas such determination can be made better and more promptly at the Federal level, and the proposed procedure will result in delay, lack of uniformity and confusion, and could mean that thousands of lives might be lost that would otherwise be saved; and

"Whereas a warning signal of 'yellow' or 'red,' signifying 'alert' or 'take cover' can be disseminated more rapidly throughout the country than any descriptive message with its opportunity for being garbled every time it is repeated: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California (jointly), That the President of the United States and the Federal Civil Defense Administration are respectfully urged to withold this proposed action until the problem can be further studied and given more consideration; and be it further

"Resolved, That the chief clerk of the assembly is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Federal Civil Defense Administrator, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, and to the Governor of each State in the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Senate Joint Resolution 31—Relative to Residence Housing at State Colleges

"Whereas bills now pending before Congress, and particularly H. R. 6659, would provide for an increase in the interest rate on Federal loans for college residence housing from 2⅞ percent to 3½ percent, and would make such increase apply retroactively to applications filed after March 15, 1957; and

"Whereas State colleges in this State were not eligible to apply for such loans until action was taken at the current legislative session, and an application could not be filed in their behalf until April of 1957; and

"Whereas the financing of the State college program was developed on the basis of the availability of Federal loans at a 2⅞ percent interest rate, and any increase in the interest rate on such funds would result in a substantial curtailment of an essential program for the construction of residence housing at State colleges; and

"Whereas the projected enrollment at State colleges for the near future anticipates a tremendous growth in the student population, making it essential that residence facilities be constructed immediately: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the legislature of this State respectfully memorializes Congress, if it desires to increase the interest rate on Federal loans for college residence housing, to make such increase effective on applications filed after May 1, 1957, to permit the State colleges in this State to secure the benefit of the existing lower rate; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit suitably prepared copies of this resolution to the Vice President of the United States, the Speaker of the House of Representatives and to each Senator and Representative from this State in the Federal Congress."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 26—Memorializing Congress To Provide for the Construction of a Highway From Winnemucca, Nev., to Viewland, Calif.

"Whereas the State of California, civil defense agencies and United States military authorities need an adequate highway system leading easterly from the central and northern portions of the State; and

"Where the construction of a highway from the vicinity of Viewland, Lassen County, Calif., on United States Highway 395 to a point on United States Highway 40 near Winnemucca, Nev., would alleviate this situation; and

"Whereas State Highway 36 is open the year around and is one of the lowest and most accessible passes over the Sierra Nevada Mountains; and

"Whereas in the event of a national emergency, the present highway system would be inadequate for transportation to and from the State of California, and a serious problem would confront the inhabitants of northern and central California as well as military and civil defense authorities; and

"Whereas the Sierra Ordnance Depot at Herlong, Lassen County, Calif., is a vital military installation, and most of the supplies shipped to such depot from the eastern part of the United States are transported through Salt Lake City, Utah; and

"Whereas the construction of this proposed highway would shorten the route into the Sierra Ordnance Depot from Salt Lake City thereby effecting a substantial savings in the money spent for transporting supplies, and also lessen the highway mileage between Salt Lake City and northern California and southern Oregon; and

"Whereas the development of northern Nevada, northern California, southern and western Oregon as a tourist and recreation area, would be enhanced by the construction of this proposed highway, by facilitating travel over United States Highway 395, United States Highway 299, State Highways 32, 36, 89, and 44, joint highway 14 and Federal Highway 92; and

"Whereas, headquarters, Sixth Army, Presidio of San Francisco, Calif., and Nevada and California civil defense agencies are on record as favoring the construction of this proposed highway: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States of America enact legislation and appropriate funds for the construction of a Federal highway from Winnemucca, Humboldt County, Nev., to Viewland, Lassen County, Calif., via Gerlach and Empire, Nev.; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Vermont; to the Committee on Finance:

"Joint resolution requesting Congress to liberalize restrictions relating to old-age and survivors insurance and old-age assistance

"Whereas persons under 72 receiving old-age and survivors insurance are penalized if they by working earn more than $1,200 a year; and

"Whereas such restrictions encourage idleness, low subsistence living, and favor persons having private income not beset by the need of earnings; and

"Whereas many old-age assistance recipients are destitute and because of inadequacies in existing laws, live below the minimum American subsistence level; and

"Whereas under the current matching formula of the public-assistance section of the Federal Social Security Act of 1936 those States which cannot afford adequate financial assistance to its needy aged because their per capita income is low and said formula does not recognize disparities between rich and poor States: Now, therefore, be it

"Resolved by the senate and house of representatives, That the Congress of the United States be respectfully urged to liberalize the old-age and survivors insurance restrictions and allow beneficiaries to earn up to $1,800 yearly without being penalized, and to allow old-age assistance recipients to earn monthly sums of $50 for maintaining at least a minimal American standard of living and that the secretary of state be directed to transmit duly attested copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Education and Labor, the chairman of the Senate and House Committees on Appropriations, and to our congressional delegation; and be it further

"Resolved, That the Congress of the United States be urged to devise a more equable, flexible, and realistic formula to correct the inequity and to be based on, and vary with, States' per capita incomes, thus providing more favorable financial consideration to less wealthy States.

"CHARLES H. BROWN,
"Speaker of the House of Representatives.

"ROBERT T. STAFFORD,
"President of the Senate.

"Approved May 1, 1957.

"JOSEPH B. JOHNSON,
"Governor."

A joint resolution of the legislature of the State of Oregon; to the Committee on Interior and Insular Affairs:

"Senate Joint Memorial 5

"To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in

legislative session assembled, most respectfully represent as follows:

"Whereas there is urgent need for additional irrigation water in the area served by the Vale Oregon Irrigation District; and

"Whereas it is desirable and in the best interests of the citizens of Malheur County and the State of Oregon that flood damages on Bully Creek and the Malheur River be reduced and minimized; and

"Whereas the Bureau of Reclamation of the United States Department of the Interior has investigated and filed a feasibility report on a proposed Bully Creek dam and reservoir that will serve the needs herein set forth: Now therefore, be it

Resolved by the Senate of the State of Oregon (the House of Representatives jointly concurring therein), That your memorialists earnestly petition for the immediate authorization and Federal construction of the Bully Creek Dam, Reservoir and related facilities under existing plans and repayment requirements contained in the report of the Bureau of Reclamation of the United States Department of Interior; and be it further

"Resolved, That copies of this memorial be sent to the President of the United States, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, the Secretary of the Interior and to all members of the Oregon congressional delegation.

"Adopted by senate April 3, 1957.

"ZYLPHA ZELL BURNS,
"Chief Clerk of Senate.
"BOYD R. OVERHULSE,
"President of Senate.

"Adopted by house April 9, 1957.

"PAT DOOLEY,
"Speaker of House."

A resolution of the Legislature of the State of Nebraska; to the Committee on Interior and Insular Affairs:

"Legislature of Nebraska, 68th Session,
Legislative Resolution 17

"Whereas the United States of America has become the greatest power in the history of mankind because it is a united nation of equal and sovereign States and not an empire; and

"Whereas the people of the United States devised a method and program of incorporating Territories, which method, as a first step leading to the full privileges of statehood, imposes on the people of such Territories the obligations of the citizens of the several States, while withholding from such Territorial citizens, however, the basic rights of self-government and full representation in the councils of the United States; and

"Whereas Alaska and Hawaii have been incorporated as Territories of the United States for many years, and by the very act of such incorporation as United States Territories have been promised the full privileges of statehood with first-class citizenship for the peoples of Alaska and Hawaii; and

"Whereas both political parties have recognized that every consideration of fairness demands that the people of these territories be given the full privileges of American citizenship in their platforms and other policy declarations; and

"Whereas the granting of statehood to these Territories will strengthen the United States immeasurably in human resources and in its foreign relations particularly as regards the great Pacific Basin area; and

"Whereas we in the West have a particular interest in and close ties with the people of Alaska and Hawaii: Now, therefore, be it

"Resolved by the members of the Nebraska Legislature in 68th session assembled:

"1. That Alaska and Hawaii be admitted to the Union in the year 1957.

"2. That a copy of this resolution be sent to every western Senator and Congressman and that each of them are requested to make every effort to see that bills to grant statehood to Alaska and Hawaii be promptly considered and passed.

"DWIGHT W. BURNEY,
"President of the Legislature.

"I, Hugo F. Srb, hereby certify that the above is a true and correct copy of Legislative Resolution 17, which was passed by the Legislature of Nebraska in 68th regular session on the 26th day of April 1957.

"HUGO F. SRB,
"Clerk of the Legislature."

A concurrent resolution of the Legislature of the State of Delaware; to the Committee on Public Works:

"House Concurrent Resolution 5

"Memorializing the Congress of the United States to consider favorably a Federal program to improve Delaware waterways

"Whereas an oil tanker known as the U. S. N. S. *Mission San Francisco*, and a Liberian freighter known as the steamship *Elna II*, collided in the Delaware River, near New Castle, Del., on Thursday, March 7, 1957, which resulted in a great loss of life, personal injury, and much property damage; and

"Whereas there have been many other collisions and groundings of vessels in that area in recent years which clearly necessitates an immediate Federal program of improvement of Delaware waterways for the benefit of shipping; and

"Whereas the United States Senators from Delaware have expressed their intent to urge Congress to approve legislation which would improve both the Delaware River and the Chesapeake & Delaware Canal: Now, therefore, be it

"Resolved by the House of Representatives of the State of Delaware (the Senate concurring therein), That the 119th General Assembly of the State of Delaware urges and requests the Congress of the United States to enact legislation with sufficient appropriation which would make possible the necessary steps to make the Delaware River and the Chesapeake & Delaware Canal safe passageways for all ships; and be it further

"Resolved, That the Senators and Representatives of the United States from Delaware are respectfully requested to exert every effort and utilize all facilities at their disposal to further said action; and be it further

"Resolved, That copies of this resolution shall forthwith be transmitted to the Presiding Officer of each House, and to the chairmen of the proper committees in the House and Senate of the United States and to each Senator and Representative from the State of Delaware."

Five concurrent resolutions of the Legislature of the State of Indiana; to the Committee on the Judiciary:

"House Enrolled Concurrent Resolution 2

"A concurrent resolution making application to the Congress of the United States, pursuant to article V of the Constitution of the United States, for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States in lieu of article V:

"'ARTICLE —

"'SECTION 1. The Congress, whenever two-thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution or, on the application of the legislatures of two-thirds of the several States, shall call a convention for proposing amendments; or the legislature of any State, whenever two-thirds of each house shall deem it necessary, may propose amendments to this Constitution by transmitting to the Secretary of State of the United States and to the secretary of state of each of the several States a certified copy of the resolution proposing the amendment, which shall be deemed submitted to the several States for ratification when certified copies of resolutions of the Legislature of any 12 of the several States by two-thirds of each house shall have been so transmitted concurring in the proposal of such amendment, which, in any case, shall be valid to all intents and purposes as part of this Constitution when ratified by the legislatures of three-fourths of the several States: *Provided*, That no State, without its consent, shall be deprived of its equal suffrage in the Senate.

"'SEC. 2. The act of proposal, concurrence in a proposal, or ratification of an amendment shall not be revocable.

"'SEC. 3. A proposal of an amendment by a State shall be inoperative unless it shall have been so concurred in within 7 years from the date of the proposal. A proposed amendment shall be inoperative unless it shall have been so ratified within 15 years from the date of its submission, or shorter period as may be prescribed in the resolution proposing the amendment.

"'SEC. 4. Controversies respecting the validity of an amendment shall be justifiable and shall be determined by the exercise of the judicial power of the United States.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof, and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend and the delegates to such convention are without power to act except within the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the

Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States, and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated;

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of such amendment to article V, or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat; the determination of any issue respecting the seating of delegates; adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States represented at such convention by duly constituted delegates thereat by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that, as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
Approved March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 4

"A concurrent resolution making application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

"'ARTICLE

"'SECTION 1. A provision of a treaty or other international agreement not made in pursuance of this Constitution shall have no force or effect. This section shall not apply to treaties made prior to the effective date of this Constitution.

"'SEC. 2. A treaty or other international agreement shall have legislative effect within the United States as a law thereof only through legislation, except to the extent that the Senate shall provide affirmatively, in its resolution advising and consenting to a treaty, that the treaty shall have legislative effect.

"'SEC. 3. An international agreement other than a treaty shall have legislative effect within the United States as a law thereof only through legislation valid in the absence of such an international agreement.

"'SEC. 4. On the question of advising and consenting to a treaty, the vote shall be determined by yeas and nays, and the names of the Senators voting for and against shall be entered on the Journal of the Senate.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: that the power of the sovereign States to amend the Constitutions of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10:00 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to three delegates thereat and that each of such delegates shall be entitled to one vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tem or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the two highest officers of its legislature shall be such delegates, which two delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third

delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment, or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to sixty days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 7

"A concurrent resolution making application to the Congress of the United States pursuant to Article V of the Constitution of the United States for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the senate concurring),

"SECTION 1. The General Assembly of the State of Indiana, pursuant to Article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

" 'ARTICLE —

" 'SECTION 1. Two of each State's electors of President and Vice President shall be elected by the people thereof; and each State's remaining electors shall be elected by the people in single-member districts established by the legislature thereof, such districts to be composed of contiguous and compact territory and containing as nearly as practicable the number of persons which entitles the State to one Representative in the Congress; and such districts when formed shall not be altered until another census has been taken. If the legislature of any State fails to establish such districts, the Congress may establish them upon petition of not less than one-fifth of the members of the legislature of such State. The electors in each State who elect electors of President and Vice President shall have the qualifications requisite for electors of the most numerous branch of the State legislature.

" 'SEC. 2. If no person voted for as President or Vice President has a majority of the whole number of electors chosen, then from the three persons having the highest numbers on the lists of those voted for as President and Vice President, the Senate and the House of Representatives, assembled and voting as one body, shall choose immediately from the respective lists the President, and then the Vice President, or either, as the case may be; a quorum for these purposes shall consist of three-fourths of the whole number of the Senators and Representatives, and the person receiving the greatest number of votes for President and for Vice President on the respective rollcalls, if such numbers are a majority of those present and voting, shall be the President and the Vice President. If additional rollcalls be necessary for either office the choice shall be between the two persons having the highest numbers on the first rollcalls for President and Vice President. But no person ineligible to the Office of President shall be eligible to the Office of Vice President.

" 'SEC. 3. The Congress may by law provide for the case of the death, or inability to discharge the powers and duties of said Offices, of any of the persons from whom the Senate and the House of Representatives may choose a President or a Vice President whenever the right of choice shall have devolved upon them.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's Founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case

of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the Governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitation herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under Article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under Article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved: March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 8

"A concurrent resolution making application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention proposing an amendment to the constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

"'ARTICLE —

"'SECTION 1. The sixteenth article of amendment to the Constitution of the United States is hereby repealed.

"'SEC. 2. The Congress shall have power to lay and collect taxes on incomes, from whatever source derived, without apportionment among the several States, and without regard to any census or enumeration. The maximum top rate (a term which shall mean the aggregate of all top rates) of all taxes, duties, and excises which the Congress may lay or collect on, with respect to, or measured by, income shall not exceed 25 percent: *Provided, however,* That the Congress by a vote of three-fourths of all the Members of each house may fix such a maximum top rate in excess of 25 percent, for periods, either successive or otherwise, not exceeding 1 year each, if such rate so fixed does not exceed the lowest rate (a term which shall mean the aggregate of all lowest rates) by more than 15 percentage points. Subject to the foregoing limitations, the rates of tax applicable to the incomes of individuals may be different from the rates applicable to the incomes of corporations, which term shall include also associations, joint stock companies, and insurance companies. The determination of income subject to tax shall be by uniform rules of general application which shall not vary with the size of the income.

"'SEC. 3. The Congress shall have no power to lay or collect any tax, duty, or excise with respect to the devolution or transfer of property, or any interest therein, upon or in contemplation of or intended to take effect in possession or enjoyment at or after death, or by way of gift.

"'SEC. 4. Sections 1 and 2 shall take effect at midnight on the 31st day of December following the ratification of this article. Nothing contained in this article shall affect the power of the United States after said date to collect any tax on, with respect to, or measured by, income from any period ending on or prior to said 31st day of December, laid in accordance with the terms of any law then in effect.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to three delegates thereat and that each of such delegates shall be entitled to one vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tem or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the two highest officers of its legislature shall be such delegates, which two delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled

by the governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated.

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved: March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

"House Enrolled Concurrent Resolution 9

"A concurrent resolution making application to the Congress of the United States pursuant to article V of the Constitution of the United States for a convention proposing an amendment to the Constitution of the United States

"Be it resolved by the House of Representatives of the General Assembly of the State of Indiana (the Senate concurring)—

"SECTION 1. The General Assembly of the State of Indiana, pursuant to article V of the Constitution of the United States, hereby makes application to the Congress of the United States to call a convention for proposing the following article as an amendment to the Constitution of the United States:

"'ARTICLE—

"'SECTION 1. On or before the 15th day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimates of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of receipts. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimated receipts, it shall not adjourn for more than 3 days at a time until action has been taken necessary to balance the budget for such ensuing fiscal year. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding 1 year each.

"'SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.'

"SEC. 2. The State of Indiana requests that such amendment shall be valid to all intents and purposes as part of the Constitution of the United States when ratified by the legislatures of three-fourths of the several States.

"SEC. 3. For the reason that the power of the sovereign States to propose amendments to the Constitution of the United States by convention under article V has never been exercised and no precedent exists for the calling or holding of such convention, the State of Indiana hereby declares the following basic principles with respect thereto: That the power of the sovereign States to amend the Constitution of the United States under article V is absolute; that the power of the sovereign States to propose amendments to the Constitution by convention under article V is absolute; that the power of the sovereign States extends over such convention and the scope and control thereof and that it is within their sovereign power to prescribe whether such convention shall be general or shall be limited to the proposal of a specified amendment or of amendments in a specified field; that the exercise by the sovereign States of their power to require the calling of such convention contemplates that the applications of the several States for such convention shall prescribe the scope thereof and the essential provisions for holding the same; that the scope of such convention and the provisions for holding the same are established in and by the applications therefor by the legislatures of the two-thirds majority of the several States required by article V to call the same, and that it is the duty of the Congress to call such convention in conformity therewith; that such convention is without power to transcend, and the delegates to such convention are without power to act except within, the limitations and provisions so prescribed.

"SEC. 4. The State of Indiana requests that such convention shall be called and held in conformity with the following limitations and provisions, and that the Congress, in the call for such convention, hereby is requested to and shall prescribe:

"1. That such convention shall be held in the city of Philadelphia, in the State of Pennsylvania, on the first Monday of the first December following transmission to the Senate and the House of Representatives of the Congress of the United States of applications for such convention by the legislatures of two-thirds of the several States and, in honor of the Nation's founders and for invocation, shall convene at Constitution Hall, at Independence Square, at the hour of 10 o'clock in the morning of such day, and thereupon adjourn to more commodious quarters within said city for session as the convention shall determine;

"2. That the several States shall have equal suffrage at such convention; that each of the several States shall be entitled to 3 delegates thereat and that each of such delegates shall be entitled to 1 vote; that the delegates to such convention from the several States shall be the highest officer of the senate and the highest officer of the house of representatives of their respective legislatures at the time of such convention, except that in States where the lieutenant governor is president of the senate, the president of the senate pro tempore or other highest officer from the membership of the senate shall be such delegate from the senate and in States having a unicameral legislature the 2 highest officers of its legislature shall be such delegates, which 2 delegates in each of the several States shall jointly designate a citizen of such State at large who shall be the third delegate from such State to such convention; that in case of a vacancy in the office of any delegate during such convention, not otherwise filled pursuant to law or by legislative act or as herein provided, such vacancy shall be filled by the Governor of such State from the senate or house of its legislature or the State at large, respectively, as the case may be; that during such vacancy and during the absence of a delegate from the floor of the convention the delegates present from such State shall be empowered to exercise the vote of the absent delegate or delegates from such State; that the legislature of any State may choose its delegates to such convention, other than hereinabove designated, in which case the delegates so chosen shall be certified to the convention by the secretary of state of such State and shall constitute the delegates of such State at such convention in lieu of the delegates otherwise hereinabove designated;

"3. That such convention shall be limited and restricted specifically to the consideration and proposal of this amendment or such other amendments as may be proposed by the several States of these United States; the choosing of officers and adoption of rules of procedure for the conduct of such convention and the maintenance of order

thereat, the determination of any issue respecting the seating of delegates, adjournment from day to day and to a day certain and from place to place within said city as may be convenient, and adjournment sine die; and such convention shall not be held for any other purpose nor have any other power, and the delegates thereto shall have no power other than within the limitations herein prescribed;

"4. That a permanent record shall be made of the proceedings of such convention, which shall be certified by the secretary of the convention, the original of which shall be placed in the Library of Congress and printed copies of which shall be transmitted to the Senate and the House of Representatives of the Congress, to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States;

"5. That the powers of such convention shall be exercisable by the States, represented at such convention by duly constituted delegates thereat, by majority vote of the States present and voting on such proposal, and not otherwise.

"SEC. 5. The State of Indiana requests that this application shall constitute a continuing application for such convention under article V of the Constitution of the United States until the legislatures of two-thirds of the several States shall have made like applications and such convention shall have been called and held in conformity therewith, unless the Congress itself propose such amendment within the time and the manner herein provided.

"SEC. 6. The State of Indiana requests that proposal of such amendment by the Congress and its submission for ratification to the legislatures of the several States in the form of the article hereinabove specifically set forth, at any time prior to 60 days after the legislatures of two-thirds of the several States shall have made application for such convention, shall render such convention unnecessary and the same shall not be held; otherwise such convention shall be called and held in conformity with such applications.

"SEC. 7. The State of Indiana requests that as this application under article V of the Constitution of the United States is the exercise of a fundamental power of the sovereign States under the Constitution of the United States, a receipt of this application by the Senate and the House of Representatives of the Congress of the United States be officially noted and duly entered upon their respective records, and that the full context of this resolution be published in the official publication of both the Senate and the House of Representatives of the Congress.

"SEC. 8. Certified copies of this resolution shall be transmitted forthwith to the Senate and the House of Representatives of the Congress of the United States, to each Senator and Representative in the Congress from this State, and to the Secretary of State of the United States, and to each house of the legislature and to the secretary of state of each of the several States, attesting the adoption of this resolution by the legislature of this State.

"CRAWFORD F. PARKER,
"President of Senate.
"GEORGE S. DIENER,
"Speaker of House of Representatives.
"Approved: March 12, 1957.
"HAROLD W. HANDLEY,
"Governor of the State of Indiana.
"Filed March 12, 1957.
"FRANK A. LENNING,
"Secretary of State of Indiana."

A concurrent resolution of the Legislature of the State of Florida; to the Committee on the Judiciary.

"House Concurrent Resolution 174

"A resolution to declare the United States Supreme Court decisions usurping the powers reserved to the States and relating to education, labor, criminal procedure, treason and subversion to be null, void, and of no effect; to declare that a contest of powers has arisen between the State of Florida and the Supreme Court of the United States; to invoke the doctrine of interposition; and for other purposes

"Be it resolved by the House of Representatives of the State of Florida (the Senate concurring), That the Legislature of Florida doth hereby unequivocally express a firm and determined resolution to maintain and defend the Constitution of the United States, and the constitution of this State against every attempt, whether foreign or domestic, to undermine and destroy the fundamental principles, embodied in our basic law, by which the liberty of the people and the sovereignty of the States, in their proper spheres, have been long protected and assured;

"That the Legislature of Florida doth explicitly and preemptorily declare that it views the powers of the Federal Government as resulting solely from the compact, to which the States are parties, as limited by the plain sense and intention of the instrument creating that compact;

"That the Legislature of Florida asserts that the powers of the Federal Government are valid only to the extent that these powers have been enumerated in the compact to which the various States assented originally and to which the States have assented in subsequent amendments validly adopted and ratified;

"That the very nature of this basic compact, apparent upon its face, is that the ratifying States, parties thereto, have agreed voluntarily to surrender certain of their sovereign rights, but only certain of these sovereign rights, to a Federal Government thus constituted; and that all powers not delegated to the United States by the Constitution, nor prohibited by it to the States, have been reserved to the States respectively, or to the people;

"That the State of Florida has at no time surrendered to the General Government its right to exercise its powers in the field of labor, criminal procedure, and public education, and to maintain racially separate public schools and other public facilities;

"That the State of Florida, in ratifying the 14th amendment to the Constitution, did not agree, nor did the other States ratifying the 14th amendment agree, that the power to regulate labor, criminal proceedings, public education, and to operate racially separate public schools and other facilities was to be prohibited to them thereby;

"And as evidence of such understanding as to the inherent power and authority of the States to regulate public education and the maintenance of racially separate public schools, the Legislature of Florida notes that the very Congress that submitted the 14th amendment for ratification established separate schools in the District of Columbia and that in more than one instance the same State legislatures that ratified the 14th amendment also provided for systems of racially separate public schools;

"That the Legislature of Florida denies that the Supreme Court of the United States had the right which it asserted in the school cases decided by it on May 17, 1954, the labor-union case decided on May 21, 1956, the cases relating to criminal proceedings decided on April 23, 1956, and January 16, 1956, the antisedition case decided on April 2, 1956, and the case relating to teacher requirements decided on April 9, 1956, to enlarge the language and meaning of the compact by the States in an effort to withdraw from the States powers reserved to them and as daily exercised by them for almost a century;

"That a question of contested power has arisen; the Supreme Court of the United States asserts, for its part, that the States did in fact prohibit unto themselves the power to regulate labor matters, criminal proceedings, and public education, and to maintain racially separate public institutions and the State of Florida, for its part, asserts that it and its sister States have never surrendered such rights;

"That these assertions upon the part of the Supreme Court of the United States, accompanied by threats of coercion and compulsion against the sovereign States of this Union, constitute a deliberate, palpable, and dangerous attempt by the Court to prohibit to the States certain rights and powers never surrendered by them;

"That the Legislature of Florida asserts that whenever the General Government attempts to engage in the deliberate, palpable, and dangerous exercise of powers not granted to it, the States who are parties to the compact have the right, and are in duty bound, to interpose for arresting the progress of the evil, and for maintaining, within their respective limits, the authorities, rights, and liberties appertaining to them;

"That failure on the part of this State thus to assert its clear rights would be construed as acquiescence in the surrender thereof; and that such submissive acquiescence to the seizure of one right would in the end lead to the surrender of all rights, and inevitably to the consolidation of the States into one sovereignty, contrary to the sacred compact by which this Union of States was created;

"That the question of contested power asserted in this resolution is not within the province of the Court to determine because the Court itself seeks to usurp the powers which have been reserved to the States, and, therefore, under these circumstances, the judgment of all of the parties to the compact must be sought to resolve the question. The Supreme Court is not a party to the compact, but a creature of the compact and the question of contested power should not be settled by the creature seeking to usurp the power, but by the parties to the compact who are the people of the respective States in whom ultimate sovereignty finally reposes;

"That the constitution of the State of Florida provides for full benefits to all its citizens with reference to educational facilities and under the laws of Florida enacted by the legislature through the minimum foundation program its citizens under States' rights, all are being educated under the same general law and all teachers are being employed under identical educational qualifications and all are certified by the State Board of Education alike, which enables the people, themselves, in Florida to provide an educational establishment serviceable and satisfactory and in keeping with the social structure of the State. The people of Florida do not consent to changing State precedents and their rights by having doctrines thrust upon them by naked force alone, as promulgated in the school cases of May 17, 1954, and May 31, 1955;

"That the doctrines of said decisions and other decisions denying to the States the right to have laws of their own dealing with subversion or espionage, and criminal proceedings, and denying the States the right to dismiss individuals from public employment who refuse to answer questions concerning their connections with communism by invoking the fifth amendment, and denying the States the right to provide for protective 'right to work' laws, should not be forced upon the citizens of this State for the Court was without jurisdiction, power or authority to interfere with the sovereign powers of the State in such spheres of activity.

"That the Court in its decisions relating to public education was without jurisdiction

because (1) the jurisdiction of the Court granted by the Constitution is limited to judicial cases in law and equity, and said cases were not of a judicial nature and character, nor did they involve controversies in law or equity, but, on the contrary, the great subjects of the controversy are of a legislative character, and not a judicial character, and are determinable only by the people themselves speaking through their legislative bodies; (2) the essential nature and effect of the proceedings relating exclusively to public schools operated by and under the authority of States, and pursuant to State laws and regulations, said cases were suits against the States, and the Supreme Court was without power or authority to try said cases, brought by individuals against States, because the Constitution forbids the Court to entertain suits by individuals against a State unless the State has consented to be sued;

"That if said Court had had jurisdiction and authority to try and determine said cases, it was powerless to interfere with the operation of the public schools of States, because the Constitution of the United States does not confer upon the General Government any power or authority over such schools or over the subject of education, jurisdiction over these matters being reserved to the States, nor did the States by the 14th amendment authorize any interference on the part of the judicial department or any other department of the Federal Government with the operation by the States of such public schools as they might in their discretion see fit to establish and operate;

"That by said cases the Court announces its power to adjudge State laws unconstitutional upon the basis of the Court's opinion of such laws as tested by rules of the inexact and speculative theories of psychological knowledge, which power and authority is beyond the jurisdiction of said Court;

"That if the Court is permitted to exercise the power to judge the nature and effect of a law by supposed principles of psychological theory, and to hold the statute or constitution of a State unconstitutional because of the opinions of the judges as to its suitability, the States will have been destroyed, and the indestructible union of indestructible States established by the Constitution of the United States will have ceased to exist, and in its stead the Court will have created, without jurisdiction or authority from the people, one Central Government of total power;

"That implementing its decision relating to public education of May 17, 1954, said Court on May 31, 1955, upon further consideration of said cases, said: 'All provisions of Federal, State, or local law * * * must yield' to said decision of May 17, 1954; said Court thereby presuming arrogantly to give orders to the State of Florida;

"That it is clear that said Court has deliberately resolved to disobey the Constitution of the United States, and to flout and defy the supreme law of the land;

"That the State of Florida, as is also true of the other sovereign States of the Union, has the right to enact laws relating to subversion or espionage, criminal proceedings, dismissing public employees who refuse to answer questions concerning their connections with communism and 'right to work' protection, and has the right to operate and maintain a public school system utilizing such educational methods therein as in her judgment are conducive to the welfare of those to be educated and the people of the State generally, this being a governmental responsibility which the State has assumed lawfully, and her rights in this respect have not in anywise been delegated to the Central Government, but, on the contrary, she and the other States have reserved such matters to themselves by the terms of the 10th amendment. Being possessed of this lawful right, the State of Florida is possessed of power to repel every unlawful interference therewith;

"That the duty and responsibility of protecting life, property and the priceless possessions of freedom rests upon the government of Florida as to all those within her territorial limits. The State alone has this responsibility. Laboring under this high obligation she is possessed of the means to effectuate it. It is the duty of the State in flagrant cases such as this to interpose its powers between its people and the effort of said Court to assert an unlawful dominion over them: Therefore be is further

"Resolved by the House of Representatives of the State of Florida (the Senate concurring)—

"SECTION 1. That said decisions and orders of the Supreme Court of the United States denying the individual sovereign States the power to enact laws relating to espionage or subversion, criminal proceedings, the dismissal of public employees for refusal to answer questions concerning their connections with communism, 'right to work' protection, and relating to separation of the races in the public institutions of a State are null, void, and of no force or effect.

"SEC. 2. That the elected representatives of the people of Florida do now seriously declare that it is the intent and duty of all officials, State and local, to observe, honorably, legally and constitutionally, all appropriate measures available to resist these illegal encroachments upon the sovereign powers of this State.

"SEC. 3. That we urge firm and deliberate efforts to check these and further encroachments on the part of the Federal Government, and on the part of said Court through judicial legislation, upon the reserved powers of all the States powers never surrendered by the remotest implication but expressly reserved and vitally essential to the separate and independent autonomy of the States in order that by united efforts the States may be preserved.

"SEC. 4. That a copy of this resolution be transmitted by His Excellency the Governor to the governor and legislature of each of the other States, to the President of the United States, to each of the Houses of Congress, to Florida's Representatives and Senators in the Congress, and to the Supreme Court of the United States for its information."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Agriculture and Forestry:

"Joint Resolution 2

"Requesting the Secretary of Agriculture of the United States to provide for higher prices for raw sugar

"Whereas the sugar industry of the Territory of Hawaii is one of the major industries of the Territory and is a major contributing factor to the economy of the Territory; and

"Whereas there are many small independent growers of sugarcane in the Territory whose sole livelihood depends upon the prices received for raw sugar processed from their sugarcane; and

"Whereas the consumer price index has increased substantially while the yearly average price of raw sugar in the New York market has remained at approximately the same level since the year 1947, such yearly average prices being: 1947, $124.33; 1948, $111.37; 1949, $116.12; 1950, $118.65; 1951, $121.21; 1952, $125.27; 1953, $125.76; 1954, $121.80; 1955, $119.02; and 1956, $121.76; and

"Whereas during the same period of time, the cost of labor, material, and supplies necessary in the production of sugarcane and the cost of living have greatly increased; and

"Whereas the Secretary of Agriculture of the United States has authority under the Sugar Act of 1948, as amended, to provide quotas for the marketing of raw sugar which will result in higher returns to sugarcane producers in the domestic sugar industry: Now, therefore, be it

"Enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Secretary of Agriculture of the United States is hereby respectfully requested to take such action as is authorized under the terms of the Sugar Act of 1948, as amended, as will result in substantial increases in the price of raw sugar on the New York market.

"SEC. 2. Certified copies of this joint resolution shall be sent to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of Interior, to the Secretary of Agriculture, and to the Delegate to the Congress from the Territory of Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 23d day of April 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

Two joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 1

"Requesting the Congress to enact legislation providing for the admission of Hawaii to statehood

"Whereas Hawaii was annexed to the United States by agreement between the government of the people of Hawaii, which was then an independent Republic, and the Government of the United States; and

"Whereas under said agreement Hawaii was to become, and did become, an integral part of the United States; and

"Whereas in fulfillment of the terms of the Newlands resolution of annexation the Congress enacted the Hawaiian Organic Act, which constituted Hawaii an incorporated organized Territory; and

"Whereas every incorporated organized Territory in the history of the United States, except Alaska and Hawaii, has invariably been granted statehood upon the successful completion of a reasonable period of pupilage; and

"Whereas inherent in the public acts under which Hawaii became an integral part of the United States and was created an incorporated organized Territory, was the implied promise of ultimate statehood on an equal footing with the original States, upon the fulfillment of the traditional requirements for admission as a State established and followed in the admission of every previously incorporated organized Territory; and

"Whereas this implied promise has been repeatedly acknowledged by the executive and judicial branches of the Government of the United States, and by the Congress of the United States, especially in the reports of committees of the Congress duly adopted by the Congress relating to statehood for Hawaii; and

"Whereas the people of Hawaii have demonstrated their political maturity, their ability to govern themselves in accordance with the principles of representative government laid down by the United States Constitution, and their ability to maintain themselves as a sound economic unit; and have fully unequivocably met every historic qualification for statehood; and

"Whereas Hawaii is fully qualified for statehood, as has been found repeatedly by congressional committees holding hearings thereon; and

"Whereas Hawaii has adopted a constitution formed by a convention of duly elected delegates and ratified by the people, which constitution is republican in form, in conformity with the Constitution of the United States and the principles of the Declaration of Independence, and in every other respect meets the requirements for admission of the State; and

"Whereas the people of Hawaii are ready to elect State officers, and Senators and Representatives in Congress, as shown by the adoption of suitable legislation therefore to take effect immediately upon authorization of such elections by the Congress: Now, therefore, be it

"Enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation providing for the admission of the State of Hawaii into the Union

"SEC. 2. This legislation does hereby reaffirm the desire and will of the people of Hawaii that statehood be granted them, and does hereby reassert that fulfillment of the rights of the people of Hawaii calls for enactment of statehood legislation without further delay.

"SEC. 3. Duly certified copies of this joint resolution shall be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the chairman of the Committee on Interior and Insular Affairs of the said Senate, the chairman of the Committee on Interior and Insular Affairs of said House of Representatives, the Delegate to Congress from Hawaii, and the Secretary of the Interior.

"SEC. 4. This joint resolution shall take effect upon its approval.

"Approved this 21st day of March 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 3

"Requesting the Congress of the United States of America to amend the Hawaiian Organic Act to provide for the employment and compensation of employees of the Board of Harbor Commissioners of the Territory of Hawaii in accordance with the laws of the Territory of Hawaii

"Be it enacted by the Legislature of the Territory of Hawaii—

"SECTION 1. The Congress of the United States of America is hereby respectfully requested to amend section 106 of the Hawaiian Organic Act substantially as set forth in the following form of bill:

"'A bill to amend section 105 of the Hawaiian Organic Act

"'*Be it enacted, etc.*—

"'SECTION 1. That section 106 of the Hawaiian Organic Act be amended by amending the last sentence of the first paragraph to read as follows:

"'"The board shall likewise have power to appoint and remove clerks, wharfingers and their assistants, pilots and pilot-boat crews, and all such other employees as may be necessary, and to fix their compensation, in accordance with the laws of the Territory; to make rules and regulations pursuant to this section and not inconsistent with law; and generally shall have all powers necessary fully to carry out the provisions of this section."

"'SEC. 2. That the employees of the Board of Harbor Commissioners of the Territory of Hawaii on the effective date of this act shall continue in employment, subject to suspension, demotion and dismissal as provided in the civil service laws of the Territory of Hawaii as amended from time to time.

"'SEC. 3. This act shall take effect on and after the date of its approval.'

"SEC. 2. Certified copies of this joint resolution shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 25th day of April 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on the Judiciary.

"Joint Resolution 4

"Requesting the Congress of the United States to extend the provisions of section 373 of the Judicial Code to the judges of the circuit courts of the Territory of Hawaii

"Be it enacted by the Legislature of the Territory of Hawaii—

"SECTION 1.—The Congress of the United States is hereby respectfully requested to enact a bill substantially as follows:

"'A bill amending section 373 of the Judicial Code so as to extend the application thereof to the judges of the circuit courts of the Territory of Hawaii

"'*Be it enacted, etc.*, That section 373 of the Judicial Code (28 U. S. C. 373) is hereby amended by inserting after the words "any justice of the supreme court" the following: "or judge of a circuit court."

"'SEC. 2. This act shall apply to any judge of a circuit court of the Territory of Hawaii who, after the approval of this act, resigns, fails of reappointment, or is removed by the President upon the ground of mental or physical disability. Any such judge shall be credited, in the computation of the aggregate years of judicial service, with service, whether before or after the approval of this act, in any of the courts referred to in the first paragraph of section 373 of the Judicial Code, as amended by this act.

"'Any judge of the United States District Court for the District of Hawaii and any justice of the Supreme Court of the Territory of Hawaii who, after the approval of this act, resigns, fails of reappointment, or is removed by the President upon the ground of mental or physical disability, shall be credited, in the computation of aggregate years of judicial service, with his service in a circuit court of the Territory of Hawaii, whether before or after the approval of this act, as well as service in the other courts referred to in the first paragraph of section 373 of the Judicial Code.

"'SEC. 3. This bill shall take effect upon its approval.'

"SEC. 2. Certified copies of this resolution, upon its adoption, shall be forwarded to the Secretary of the Interior, the Delegate to Congress from Hawaii, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 26th day of April 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Concurrent Resolution 7

"Concurrent resolution requesting the Congress of the United States to transfer to the Territory of Hawaii the remaining public lands and the authority to legislate in respect thereto, as set forth in Joint Resolution 4 of the Session Laws of Hawaii, 1955

"Whereas by Joint Resolution 4 of the Session Laws of Hawaii, 1955, the legislature requested the Congress of the United States to enact a bill transferring to the Territory of Hawaii the remaining public lands and the authority to legislate in respect thereto, substantially as set forth in the form of bill for the enactment of which the legislature petitioned by said Joint Resolution 4 of the 1955 session; and

"Whereas the recitals contained in said joint resolution show that the period of retention by the United States of the title to and authority over the public domain of Hawaii already has been unduly protracted; and

"Whereas the laws governing the public lands of Hawaii require amendment and revision, and it repeatedly has been necessary to resort to the Congress of the United States for legislation as to matters with which the Congress should not be burdened, and which the Legislature of Hawaii is capable of handling as demonstrated by the fact that the Congress has approved the measures submitted to it by the legislature; and

"Whereas the delays incident to the necessity of obtaining congressional legislation whenever amendment or revision of the laws relating to the public domain is required, are detrimental to the economic welfare of the people of Hawaii; Now, therefore, be it

"Resolved by the house of representatives of the 29th legislature (the senate concurring), That the Congress of the United States is hereby requested to enact legislation substantially in the form set forth in Joint Resolution 4 of the Session Laws of Hawaii, 1955, entitled 'Joint resolution requesting the Congress of the United States to transfer to the Territory of Hawaii the title to the remaining public lands and other public property in Hawaii, and to enact new provisions as to the authority of the Legislature of the Territory of Hawaii in respect of such property and other lands under the jurisdiction and control of the Territory of Hawaii; and be it further

"Resolved, That certified copies of this concurrent resolution, upon its adoption, shall be forwarded to the President of the United States, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, the chairman of the Committee on Interior and Insular Affairs of the said Senate, the chairman of the Committee on Interior and Insular Affairs of said House of Representatives, the Delegate to Congress from Hawaii, and the Secretary of the Interior."

A resolution adopted by the Associated Church Press, at Philadelphia, Pa., protesting against the appointment of an ambassador to the Vatican; to the Committee on Foreign Relations.

A resolution adopted by the Mountain-Pacific States Conference of Public Service Commissions, at Phoenix, Ariz., favoring the enactment of legislation to amend the mineral-leasing laws so as to enlarge limitation on coal lands; to the Committee on Interior and Insular Affairs.

The petition of Homer Hayes, of Ironton, Ohio, relating to legislative processes in the enactment of legislation; to the Committee on the Judiciary.

A letter in the nature of a memorial from the Toledo, Ohio, Chamber of Commerce, signed by Arthur C. Kochendorfer, executive manager, remonstrating against the enactment of House bill 1, providing Federal aid for school construction, and so forth; to the Committee on Labor and Public Welfare.

A letter in the nature of a petition from Jonas Matulionis, president, Supreme Committee for Liberation of Lithuania, New York, N. Y., expressing sympathy at the death of the late Senator Joseph R. McCarthy; ordered to lie on the table.

JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. NEUBERGER. Mr. President, the Oregon State Legislature has recently passed House Joint Memorial 13 calling for enactment of legislation to grant a Federal charter of incorporation to the Veterans of World War I of the United States of America.

My distinguished colleague, the senior Senator from Oregon [Mr. MORSE] and I have introduced Senate bill 1407 to grant a Federal charter of incorporation

to this deserving veterans organization, and we have been assured by the chairman [Mr. O'MAHONEY] of the Senate Judiciary Standing Subcommittee on Charters, Holidays and Celebrations, that hearings will be held on our bill.

Mr. President, the organization of Veterans of World War I of the United States of America is the only veterans organization whose membership is made up exclusively of World War I veterans. This rapidly growing veterans organization has 175,000 members, with members in all 48 States and Territories.

Of the patriotic Americans who served our Nation in the First World War 39 years ago, 2,995,000 were living on March 30, 1957. Their average age was 63 years. Twenty-four years separate the service of the veterans of World War I from the beginning of the Second World War. I feel that it is very appropriate that veterans of the first Great War should have their own veterans organization.

On behalf of my colleague [Mr. MORSE] and myself I ask unanimous consent to have printed in the RECORD, House Joint Memorial 13 of the Oregon Legislature, and that it be appropriately referred.

There being no objection, the joint resolution was referred to the Committee on the Judiciary, and, under the rule, ordered to be printed in the RECORD, as follows:

House Joint Memorial 13

To the Honorable Senate and the House of Representatives of the United States of America, in Congress Assembled:

We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Whereas there is at present no federally chartered veterans' organization composed exclusively of veterans of America's First World War; and

Whereas there has now been organized a veterans' organization composed exclusively of World War I veterans, known as the Veterans of World War I of the United States of America, Inc.; and

Whereas the Veterans of World War I of the United States of America, Inc., has a growing membership already numbering 175,000 nationally, with members in all the 48 States and the Territories; and

Whereas the Veterans of World War I of the United States of America, Inc., have organized barracks (posts) in 45 States; and

Whereas the Veterans of World War I of the United States of America, Inc., is the only veterans' organization of national character organized to maintain and perpetuate the memories and interests of World War I, exclusively: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the Congress of the United States be memorialized to grant to the Veterans of World War I of the United States of America, Inc., a Federal charter of incorporation; and be it further

Resolved, That copies of this memorial be sent to the President of the United States and to all members of the Oregon congressional delegation.

Adopted by senate April 23, 1957.

EDITH BYNON LOW,
Chief Clerk.

BOYD R. OVERHULSE,
President of Senate.

Adopted by house April 18, 1957.

PAT DOOLEY,
Speaker of House.

By Mr. THYE:

A resolution of the House of Representatives of the State of Minnesota; to the Committee on Labor and Public Welfare:

"House Resolution Relating to Employment Problems of Workers in the 50 to 64 Age Group

"Whereas the people of the State of Minnesota and the Minnesota Legislature are becoming increasingly aware of the problems confronting older workers in their search for employment; and

"Whereas, every recent study has shown that persons in the age group 50 to 64 are acutely affected by age restrictions in hiring policies and practices; and

"Whereas the number of persons in the total labor force in the State of Minnesota has increased 8 percent since 1950 and is expected to increase 13 percent by 1960 and 42 percent by 1975; and

"Whereas the number of persons in the age group 50 to 64 in the labor force in the State of Minnesota has increased 15 percent since 1950 and is expected to increase 20 percent by 1960 and 56 percent by 1975 and is increasing more rapidly than the total labor force thus intensifying the problems of creating job opportunities for this segment of our population; and

"Whereas, the erection of unrealistic age barriers affecting persons in the age group 50 to 64 has resulted in prolonged periods of unemployment which can create economic hardships accompanied by loss of self-respect and other serious sociological problems and maladjustments associated with inactivity of the mind and body; and

"Whereas these age barriers are inconsistent with the abilities, qualifications, significant skills, and experience of these persons, thereby creating a waste within our economy because of the failure to utilize the services of these persons and to recognize the importance of their potential contribution to our economy; and

"Whereas, recent validated studies reveal that discriminatory hiring policies often are based on erroneous beliefs concerning the abilities and physical capacities of persons within this age group to perform in an employment situation: Now, therefore, be it

"Resolved by the House of Representatives of the State of Minnesota, That the government of the State of Minnesota through its factfinding, public information facilities, and the interdepartmental committee on aging should actively promote the employment of older workers within the age group 50 to 64 through promotional and educational activities among employers throughout the State in an effort to overcome unrealistic policies and practices working against the employment of these persons; be it further

"Resolved, That both the State and Federal Governments give serious thought to the development of job opportunities through the establishment of meaningful, worthwhile projects which would utilize the skills and abilities of citizens in this age group; be it further

"Resolved, That the chief clerk of the house of representatives be directed to transmit copies of this resolution to the President of the United States, the Secretary of Labor of the United States and to the Members of Congress from the State of Minnesota.

"A. I. JOHNSON,
"Speaker of the House of Representatives.

"G. H. LEAHY,
"Chief Clerk, House of Representatives."

"Approved April 24, 1957.

CONCURRENT RESOLUTION OF DELAWARE LEGISLATURE

Mr. WILLIAMS. Mr. President, I present for appropriate reference a concurrent resolution of the Legislature of the State of Delaware, urging the Congress to consider favorably a Federal program to improve Delaware waterways.

There being no objection, the concurrent resolution was referred to the Committee on Public Works, and, under the rule, ordered to be printed in the RECORD, as follows:

House Concurrent Resolution No. 5

Memorializing the Congress of the United States to consider favorably a Federal program to improve Delaware waterways

Whereas an oil tanker known as the U. S. N. S. *Mission San Francisco* and a Liberian freighter known as the steamship *Elna II* collided in the Delaware River, near New Castle, Delaware, on Thursday, March 7, 1957, which resulted in a great loss of life, personal injury and much property damage; and

Whereas there have been many other collisions and groundings of vessels in that area in recent years which clearly necessitates an immediate Federal program of improvement of Delaware waterways for the benefit of shipping; and

Whereas the United States Senators from Delaware have expressed their intent to urge Congress to approve legislation which would improve both the Delaware River and the Chesapeake & Delaware Canal: Now, therefore, be it

Resolved by the House of Representatives of the State of Delaware (the Senate concurring therein), That the 119th General Assembly of the State of Delaware urges and requests the Congress of the United States to enact legislation with sufficient appropriation which would make possible the necessary steps to make the Delaware River and the Chesapeake & Delaware Canal safe passageways for all ships, and be it further

Resolved, That the Senators and Representatives of the United States from Delaware are respectfully requested to exert every effort and utilize all facilities at their disposal to further said action; and be it further

Resolved, That copies of this resolution shall forthwith be transmitted to the presiding officer of each House, and to the chairmen of the proper committees in the House and Senate of the United States and to each Senator and Representative from the State of Delaware.

RESOLUTIONS OF WESTERN GOVERNORS CONFERENCE

Mr. BIBLE. Mr. President, on behalf of myself and my colleague, the senior Senator from Nevada [Mr. MALONE], I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions adopted by the Western Governors Conference held in Reno, Nev., April 26 and 27, of this year.

There being no objection, the resolutions were referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY WESTERN GOVERNORS CONFERENCE HELD IN RENO, NEV., APRIL 26–27, 1957

Whereas the mining advisory council to the Western Governors Conference has devoted much time and effort to making a comprehensive presentation of problems being faced by the western minerals industry; and

Whereas the contribution of the mining advisory council has provided the governors of the Western States with a wealth of valuable data and factual information: Now, therefore, be it

Resolved, That the Western Governors Conference heartily commends the work of the mining advisory council and expresses thanks for the valuable work accomplished; and be it further

Resolved, That the governors of the Western States, while recognizing that a final decision on each specific recommendation cannot be reached at this time, pledge their continuing study of the mutual problems involved and their full support of the program to provide a comprehensive, long-range solution to the problems faced by the minerals industry, such solution to be based on sound economic principles and not on considerations of expediency.

Whereas the Western Governors Conference fully recognizes and appreciates the efforts that have been made by the Federal Government to help the minerals industry adjust to postwar conditions in a greatly changed international climate; and

Whereas the conference further recognizes the fact that many of these efforts have, of necessity, been temporary in nature and of terminal value; and

Whereas the time has now come that it is imperative that these temporary programs be replaced by sound, long-range programs that will provide a climate conducive to attaining a permanent stability in the minerals industry; and

Whereas this permanent stability can only be achieved if the industry can, with confidence, formulate and carry out long-range plans, including exploration and development and the improvement of techniques of mining, recovery and ultimate use of metals; and

Whereas a stabilized minerals industry is necessary both to a sound peacetime economy in this country and to guarantee the national security in case of war; Now, therefore, be it

Resolved, That the western governors agree that the necessary program can best be expressed in some form of protection for the domestic minerals industry against the differentials in the economic structures of various world producers of minerals; notably the differential between the wage scale in this country, which we wish to maintain, and that of many foreign areas; and that effective steps should be taken to prevent this country becoming a dumping ground for cheap foreign production, and to permit the domestic minerals industry to operate on a basis of normal supply and demand, with only the amount of protection needed to adjust the differentials previously referred to; and

Whereas the barter program was planned and implemented to reduce the surplus of domestic agricultural products through acquisition for stockpiling of free world surplus minerals and metals; and

Whereas such acquisition of surplus minerals and metals has served to stabilize the market price of minerals and metals acquired; and

Whereas the resulting price stabilization has temporarily benefited mines in the United States which produce similar products, through preventing those foreign materials from being offered as surplus in the domestic market; and

Whereas the temporary nature of the barter program makes it inadequate to provide a basis on which the domestic mining industry can justify long-range risk expenditures for exploration and development, critically related to continuity of that industry: Now, therefore, be it

Resolved, That the barter program be continued and expanded to include all minerals and metals needing such aid and suitable for stockpiling, until such time, not too long delayed, as an equitable and effective long-range minerals policy, based on reasonable and effective import control measures, can be formulated and put into effect.

Whereas the Congress of the United States, in recognition of the need for relief from such tariff reductions, made under the authority of the Trade Agreements Act, as had resulted in imports harmful to domestic industry, did, in 1951, amend the Trade Agreements Act by the addition of an escape clause; and

Whereas numerous recommendations for the relief of domestic industry from harmful foreign imports have been made under the escape clause by the United States Tariff Commission, but most of which recommendations, including a unanimous recommendation in the matter of lead-zinc, have been denied by the executive department of Government; and

Whereas the Congress is charged in the Constitution with the responsibility of regulating foreign trade and commerce: Now, therefore, be it

Resolved, That the Conference of Western Governors unanimously recommends that the legislation introduced before the 85th Congress, providing for review and action on escape-clause recommendations by the Congress rather than by the executive department of Government, be approved by the Congress; be it further

Resolved, That copies of these resolutions be forwarded to the Congress of the United States and to such branches of the executive department as may be directly concerned; be it

Resolved by the Western Governors Conference, meeting in Reno, Nev., on April 26, 1957, That, in the interest of national defense and the development of new resources within the borders of this country, the Congress of the United States is urged to grant to the oil-shale industry the same depletion allowance for Federal income-tax purposes as is now accorded oil and gas produced from wells.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, without amendment:

S. 1556. A bill granting the consent of Congress to the States of Montana, North Dakota, South Dakota, and Wyoming to negotiate and enter into a compact relating to their interest in, and the apportionment of, the waters of the Little Missouri River and its tributaries as they affect such States, and for related purposes (Rept. No. 292).

By Mr. MURRAY, from the Committee on Interior and Insular Affairs, with amendments:

S. Res. 78. Resolution to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and its effect upon the United States (Rept. No. 288).

By Mr. ANDERSON, from the Committee on Interior and Insular Affairs, without amendment:

H. R. 2146. An act to amend the Small Reclamation Projects Act of 1956 (Rept. No. 293).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, without amendment:

S. 413. A bill to provide for transfer of title to irrigation distribution systems constructed under the Federal reclamation laws upon completion of repayment of the costs thereof (Rept. No. 291); and

S. 1794. A bill to amend section 6 of the act approved July 3, 1890 (26 Stat. 215), relating to the admission into the Union of the State of Idaho by providing for the use of public lands granted therein for the purpose of construction, reconstruction, repair, renovation, furnishings, equipment, or other permanent improvements, of public buildings at the capital (Rept. No. 289).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with an amendment:

S. 864. A bill to provide for the transfer of certain lands to the State of Minnesota (Rept. No. 295).

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 999. A bill authorizing the Secretary of the Interior to convey certain land to the State of North Dakota for the use and benefit of the North Dakota State School of Science (Rept. No. 290).

By Mr. HENNINGS, from the Committee on Rules and Administration, without amendment:

S. Con. Res. 26. Concurrent resolution to print additional copies of the report entitled "The International Petroleum Cartel";

S. Res. 122. Resolution to print as a Senate document, with additional copies, certain proceedings of the Internal Security Subcommittee of the Senate Judiciary Committee containing a statement of J. Edgar Hoover relative to the Communist Party; and

S. Res. 130. Resolution authorizing the printing of additional copies of the final report of the Special Committee To Investigate Political Activities, Lobbying, and Campaign Contributions.

By Mr. HENNINGS, from the Committee on Rules and Administration, with an amendment:

S. Res. 131. Resolution authorizing the printing as a Senate document of the interim report of the Commission on Increased Industrial Use of Agricultural Products.

By Mr. HENNINGS, from the Committee on Rules and Administration, with amendments:

S. Res. 126. Resolution providing additional funds for a study of juvenile delinquency in the United States (Rept. No. 294).

LULA B. GREEN—REPORT OF A COMMITTEE

Mr. HENNINGS. Mr. President, from the Committee on Rules and Administration, I report an original resolution to pay a gratuity to Lula B. Green.

The PRESIDING OFFICER (Mr. SMATHERS in the chair). The resolution will be placed on the calendar.

The resolution (S. Res. 135) was placed on the calendar, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Lula B. Green, widow of John A. Green, an employee of the Senate at the time of his death, a sum equal to 5 months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING AS A SENATE DOCUMENT THE 59TH REPORT OF NATIONAL SOCIETY, DAUGHTERS OF THE AMERICAN REVOLUTION—REPORT OF A COMMITTEE

Mr. HENNINGS. Mr. President, from the Committee on Rules and Administration, I report an original resolution to print the 59th annual report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1956, as a Senate document.

The PRESIDING OFFICER. The resolution will be placed on the calendar.

The resolution (S. Res. 136) was placed on the calendar, as follows:

Resolved, That the 59th annual report of the National Society of the Daughters of the

American Revolution for the year ended April 1, 1956, be printed, with an illustration, as a Senate document.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSON of Texas:

S. 1991. A bill to provide that the United States may be joined as a defendant in certain suits or controversies in the Supreme Court of the United States involving the Rio Grande compact; to the Committee on the Judiciary.

By Mr. CLARK:

S. 1992. A bill to amend section 24 of the Federal Reserve Act; to the Committee on Banking and Currency.

S. 1993. A bill for the relief of Inge Gertraud Pursel; to the Committee on the Judiciary.

By Mr. CHAVEZ (for himself, Mr. MAGNUSON, and Mr. JACKSON):

S. 1994. A bill to authorize certain compensation to members and former members of the uniformed services who were confined as prisoners of war or who evaded capture for a period of 1 year or more, and for other purposes; to the Committee on Finance.

By Mr. DWORSHAK:

S. 1995. A bill to provide relief for domestic producers of cobalt, a strategic and critical metal indispensable in the construction of jet engines; to the Committee on Interior and Insular Affairs.

By Mr. BARRETT (for himself and Mr. O'MAHONEY):

S. 1996. A bill to approve the contract negotiated with the Casper-Alcova Irrigation District, to authorize its execution, to provide that the excess-land provisions of the Federal reclamation laws shall not apply to the lands of the Kendrick project, Wyoming, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. JENNER:

S. 1997. A bill for the relief of George Edward Hayes; to the Committee on the Judiciary.

By Mr. IVES:

S. 1998. A bill for the relief of Mother Teresita de San Jose; and

S. 1999. A bill for the relief of Constantinos N. Alivantistos; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 2000. A bill to amend the Servicemen's and Veterans' Survivors Benefits Act to provide that all retired members of the uniformed services who served not less than 25 years on active duty and who thereafter die shall be considered to have died service-connected deaths; to the Committee on Finance.

S. 2001. A bill for the relief of AlaLu Duncan Dillard; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2002. A bill for the relief of the heirs at law of James Allan Scarborough and Anne Elizabeth Scarborough, both deceased; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

S. 2003. A bill for the relief of Jozice Matana Koulis and Davorko Matana Koulis; to the Committee on the Judiciary.

By Mr. CASE of South Dakota:

S. 2004. A bill for the relief of George and Emma Clifford; to the Committee on the Judiciary.

By Mr. CASE of South Dakota (for himself, Mr. MARTIN of Pennsylvania, Mr. MALONE, Mr. MUNDT, Mr. BENNETT, and Mr. FLANDERS):

S. 2005. A bill to amend section 613 of the Internal Revenue Code of 1954 to change the percentage depletion allowance for gold mines; to the Committee on Finance.

By Mr. HILL:

S. 2006. A bill to relieve the Surgeons General of the Army and Navy of certain responsibilities outside the Department of Defense; to the Committee on Labor and Public Welfare.

By Mr. ELLENDER (by request):

S. 2007. A bill to amend the United States Grain Standards Act, 1916, as amended to permit the Secretary of Agriculture to charge and collect for certain services performed and to deposit such collections to the credit of the appropriation available for administration of the act, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. GOLDWATER:

S. 2008. A bill for the relief of Erdmuthe E. S. Jackman; and

S. 2009. A bill for the relief of Mrs. Jytte Starel Synodis; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2010. A bill for the relief of Michelle Patricia Hill (Patricia Adachi); to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. THYE:

S. 2011. A bill for the relief of Sarah Russell Lyons;

S. 2012. A bill for the relief of Giuliana Donadel Green; and

S. 2013. A bill for the relief of Rosemary Eggebraaten; to the Committee on the Judiciary.

By Mr. SYMINGTON (for himself and Mr. GOLDWATER):

S. 2014. A bill to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for reserve officers, and for other purposes; to the Committee on Armed Services.

(See the remarks of Mr. SYMINGTON when he introduced the above bill, which appear under a separate heading.)

By My MURRAY (for himself and Mr. MANSFIELD):

S. 2015. A bill to amend the Soil Bank Act so as to limit the amount payable to any producer in any one year for participation in the acreage-reserve program and the conservation-reserve program; to the Committee on Agriculture and Forestry.

By Mr. SCOTT:

S. 2016. A bill to increase the carryover allowance for peanuts; to the Committee on Agriculture and Forestry.

S. 2017. A bill for the relief of Ahmed Hassan Homayssi; and

S. 2018. A bill for the relief of Erika Haberl Sain; to the Committee on the Judiciary.

S. 2019. A bill to extend the benefits of the act of May 29, 1944, entitled "An act to provide for the recognition of the services of the civilian officials and employees, citizens of the United States, engaged in and about the construction of the Panama Canal," to certain additional civilian officers and employees; to the Committee on Post Office and Civil Service.

By Mr. HILL (for himself and Mr. MORSE):

S. 2020. A bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. HILL when he introduced the above bill, which appear under a separate heading.)

By Mr. CLARK (for himself, Mr. HUMPHREY, Mr. KEFAUVER, Mr. LAUSCHE, and Mr. MORSE):

S. 2021. A bill to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes; to the Committee on Banking and Currency.

(See the remarks of Mr. CLARK when he introduced the above bill, which appear under a separate heading.)

By Mr. FREAR (for himself, Mr. WILLIAMS, and Mr. BUTLER):

S. 2022. A bill to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child labor provisions of such act with respect to homeworkers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. FREAR when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE of New Jersey (for himself, Mr. IVES, Mr. JAVITS, Mr. COOPER, and Mr. SMITH of New Jersey):

S. 2023. A bill to amend the Immigration and Nationality Act so as to provide for the admission into the United States of certain escapees who, because of persecution, have fled from any Communist, Communist-dominated, Communist-occupied area, or from any other area; to the Committee on the Judiciary.

(See the remarks of Mr. CASE of New Jersey when he introduced the above bill, which appear under a separate heading.)

By Mr. CARROLL:

S. 2024. A bill for the relief of Wang Kwie Ding; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2025. A bill to amend section 13 of the act of March 4, 1915 (38 Stat. 1169), as amended (U. S. C., title 46, sec. 672 (a), and secs. 5 and 302 of the act of June 29, 1936 (49 Stat. 1935 and 1992)), as amended (U. S. C., title 46, secs. 672a and 1132); to the Committee on Interstate and Foreign Commerce.

S. 2026. A bill for the relief of Avelina Montes-Cueto;

S. 2027. A bill for the relief of Vendelin Kalenda; and

S. 2028. A bill for the relief of Sherwood Lloyd Pierce; to the Committee on the Judiciary.

S. 2029. A bill to legalize maritime hiring halls; to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (by request):

S. 2030. A bill to amend section 1 (14) (a) and section 1 (15) of the Interstate Commerce Act to provide an incentive for construction and maintenance of an adequate national supply of freight cars, and to alleviate shortages of freight cars during periods of emergency or threatened emergency, and for other purposes; and

S. 2031. A bill to amend part II of the Interstate Commerce Act to provide for filing of equipment trust agreements and other documents evidencing or relating to the lease, mortgage, conditional sale, or bailment of trucks and trailers; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK (by request):

S. 2032. A bill to improve and extend, through reciprocal legislation, the enforcement of duties of support in the District of Columbia; to the Committee on the District of Columbia.

By Mr. JOHNSTON of South Carolina (by request):

S. 2033. A bill to provide for the Board of Trustees of the Postal Savings System to consist of the Postmaster General and the Secretary of the Treasury; to the Committee on Post Office and Civil Service.

By Mr. BEALL:

S. 2034. A bill to amend the Tariff Act of 1930 to transfer a noncompetitive specialty from the dutiable to the free list; to the Committee on Finance.

S. 2035. A bill for the relief of Juan Krisillas; to the Committee on the Judiciary.

By Mr. STENNIS (for himself and Mr. EASTLAND):

S. 2036. A bill to amend section 1552 of title 10 of the United States Code to provide that every applicant for correction of his military record shall be afforded an opportunity for a hearing; to require the appearance of certain members of the Armed Forces before the boards for the correction of such records; and to provide for judicial review of the decisions of such boards; to the Committee on Armed Services.

By Mr. HAYDEN (for himself and Mr. GOLDWATER):

S. 2037. A bill to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation; to the Committee on Interior and Insular Affairs.

By Mr. McNAMARA:

S. 2038. A bill to authorize the sale of 10 merchant-type vessels to citizens of Italy for use in the intercoastal trade of Italy; to the Committee on Interstate and Foreign Commerce.

By Mr. BIBLE:

S. 2039. A bill to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor; to the Committee on Interior and Insular Affairs.

By Mr. SMATHERS:

S. 2040. A bill for the relief of Ramon Notario Boytell; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

S. 2041. A bill for the relief of Sala Weisbart; to the Committee on the Judiciary.

By Mr. JACKSON (by request):

S. 2042. A bill to authorize the conveyance of a fee simple title to certain lands in the Territory of Alaska underlying war-housing project Alaska–50083, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. GREEN (by request):

S. J. Res. 85. Joint resolution to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions and certain associated unions; to the Committee on Foreign Relations.

(See the remarks of Mr. GREEN when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. ELLENDER (for himself and Mr. AIKEN):

S. J. Res. 86. Joint resolution designating the week of November 22–28, 1957, as National Farm-City Week; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. J. Res. 87. Joint resolution to provide for the creation of a Freedom Authority; to the Committee on Foreign Relations.

(See the remarks of Mr. DOUGLAS when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. MAGNUSON:

S. J. Res. 88. Joint resolution authorizing the Commissioner of Public Roads to designate and construct a highway system to be known as the Lewis and Clark National Tourway; to the Committee on Public Works.

PRINTING OF COMPILATION OF MATERIALS RELATING TO DEVELOPMENT OF WATER RESOURCES OF THE COLUMBIA RIVER AND ITS TRIBUTARIES

Mr. MAGNUSON (for himself and Mr. JACKSON) submitted the following concurrent resolution (S. Con. Res. 28), which was referred to the Committee on Rules and Administration:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of materials relating to legislative and administrative action of the Federal and State Governments in connection with the development of the water resources of the Columbia River and its tributaries. Such compilation shall be prepared under the direction and supervision of the Senate Committee on Interior and Insular Affairs.

SEC. 2. There shall be printed 5,000 additional copies of such Senate document, of which 1,000 copies shall be bound in cloth and 4,000 copies shall be bound in paper. One-half of such additional copies shall be for the use of the Senate Committee on Interior and Insular Affairs and one-half of such additional copies shall be for the use of the House Committee on Interior and Insular Affairs.

ESTABLISHMENT OF A CONTINUING UNITED NATIONS FORCE

Mr. FLANDERS. Mr. President, in reviewing the multitude of conflicting incidents and cross currents which have composed the still continuing crisis in the Mid-East, one fact emerges which is clear and incontestable. The United Nations emergency force, to date, has been a stabilizing agency in a highly unstable situation.

While France, Britain. and Israel may plead that they were driven to desperation by the situation which confronted them, it seemed to me from the start that the desperate means by which they sought to remedy the situation were doomed to failure. It might have been prophesied that in the event of invasion the canal would be blocked and the pipelines sabotaged. We now know that the leaders of the invading nations were warned of this retaliatory action before the invasion was undertaken. Bulganin, of course, was something more than a prophet. He was an agent as well as a prophet though he was mistaken in the third of his predictions which was that the Arab world would proclaim a holy war. This was beyond the scope of his agency.

There are differences of opinion on these matters, but may we not all arrive at the conclusion that there is no sure reliance on the active use of armed force in the modern world for bringing peace to a troubled area? The existence of that force in the background is, however, an effective factor in negotiations. Its active employment under such conditions as face the world in the Mid-East is something else.

In appearance the United Nations emergency force was an armed force but it was an army with a difference. It was not large enough to engage the Egyptian Army, the Israeli Army, or the combined invasion forces of Great Britain and France. Its intervention was significantly effective but that effectiveness did not arise from its military strength, which was indeed feeble. Its effectiveness lay in being the symbol of a worldwide will for a peace based on justice and freedom. This was animating the United Nations Assembly at the time the force was authorized.

The success to date of this emergency force makes it desirable to consider at this time whether such a force may not usefully be organized as a continuing instrument of world opinion.

Any proposal to this end raises numerous puzzling questions. Among them are: Where shall such a force be based? By what means shall its missions be formulated and assigned? What are the criteria which should determine the wisdom of assigning a mission?

These are some of the difficult questions involved, but they need our earnest study at this moment in time, since the force is in being and its useful possibilities are now evident.

It is for the purpose of bringing this matter under constructive discussion that a number of us are offering a concurrent resolution which will be sent to the desk at the conclusion of my remarks. This concurrent resolution I now read:

Whereas the United Nations emergency force, created pursuant to resolutions of the United Nations General Assembly has made a contribution to international peace and a step toward the maintenance of international peace and security; and

Whereas the need for a force of this character appears likely to continue; and

Whereas we believe that such a force could be useful in other situations now, or in the future; and

Whereas a United Nations force could be an important instrument for the maintenance of international peace and security, both in the Middle East and in other areas of the world: therefore, be it

Resolved by the Senate of the United States (the House of Representatives concurring), That—

(a) a force similar in character to the U. N. emergency force should be made a continuing agency of the United Nations, that it should be expanded and given special training in observation, patrol, guard duty and arms inspection, and that its arms and equipment be confined to what is required for these specific duties;

(b) equipment and expenses of the force should be provided by the United Nations out of its regular budget.

The nature of this concurrent resolution requires that it be referred to the Foreign Relations Committee. It is the hope of its sponsors that it will receive the serious attention of that committee, and that hearings on it will be ordered and held. These hearings are of the utmost importance in that they will bring out both the difficulties and the desirabilities of implementing the resolution.

Mr. President, I submit the concurrent resolution for appropriate reference.

The PRESIDING OFFICER. The concurrent resolution will be received and appropriately referred.

The concurrent resolution (S. Con. Res. 29) favoring the creation of a force similar to the United Nations Emergency Force for the maintenance of international peace and security, submitted by Mr. FLANDERS (for himself, Mr. SPARKMAN, Mr. SMITH of New Jersey, and Mr. WILEY), was received, and referred to the Committee on Foreign Relations, and, under the rule, ordered to be printed in the RECORD, as follows:

Resolved by the Senate (the House of Representatives concurring)—

Whereas the United Nations emergency force, created pursuant to resolutions of the United Nations General Assembly has made a contribution to international peace and a step toward the maintenance of international peace and security; and

Whereas the need for a force of this character appears likely to continue; and

Whereas we believe that such a force could be useful in other situations now, or in the future; and

Whereas a United Nations force could be an important instrument for the maintenance of international peace and security, both in the Middle East and in other areas of the world: Therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(a) a force similar in character to the United Nations emergency force should be made a continuing agency of the United Nations, that it should be expanded and given special training in observation, patrol, guard duty, and arms inspection, and that its arms and equipment be confined to what is required for these specific duties;

(b) equipment and expenses of the force should be provided by the United Nations out of its regular budget.

Mr. FLANDERS. Mr. President, I ask unanimous consent that the resolution be appropriately referred, and that it may lie on the table until the end of the session tomorrow, so that any Senator who wishes to do so, may join in sponsoring it.

The PRESIDING OFFICER. Without objection, it is so ordered.

COSPONSORSHIP OF RESOLUTION TO EXPLORE CREATION OF A PERMANENT U. N. FORCE

Mr. WILEY. Mr. President, I am pleased to join in the cosponsorship of the draft concurrent resolution, looking toward the possible creation of a permanent U. N. force.

This concurrent resolution, which has been submitted today by the Senator from Vermont [Mr. FLANDERS], is, I believe, an important step forward in surveying a most important problem which we must meet head on, sooner later.

The world has noted with gratification the very important constructive contribution which has been made by the U. N. Emergency Force in patrolling the troubled Arab-Israeli border. The force there has not been a complete success but at least it has been a constructive element in the picture.

WHAT MIGHT HAVE BEEN DONE AT TIME OF HUNGARIAN REBELLION

A great many persons have thought out loud: "Would it not have been a wonderful thing if, too, there had been available at the time of the Hungarian rebellion a small constabulary-type U. N. force. It might have been quickly flown into Budapest on behalf of the U. N. It might have served there as a symbol of the conscience of the free world."

That historic opportunity has passed. But who knows when a similar opportunity may arise? Who knows when a U. N. Emergency Force may be needed again?

No one knows, too, what crises the Kremlin may hatch tomorrow.

But we do know that it would be a very fine thing if we could at least take the first review-type steps toward setting up a small internationally recruited police force.

MANY COMPLICATIONS FACE US

But now let me state that this is a subject fraught with difficulties and complications.

What, for example, would be our way of making sure that the Kremlin and its satellites would not attempt to misuse membership of any of their nationals in such a force? What would be the costs of the force and who would defray them and how? What type of weapons would be used?

These are but a few of literally dozens of other major policy problems.

Yet I think the very least we can do is to set up some means to analyze this question, so that we will not be caught napping in the event another crisis comes up and a force becomes needed.

RELIEVE UNITED STATES OF PART OF BURDEN

In my judgment, the availability of such a force could conceivably mean that the burden might be relieved somewhat from the United States.

In other words, instead of always having to rely upon United States forces being rushed into a trouble zone, it would be a fine thing if a small U. N. force were available—with the U. N.'s full prestige behind it because of its very nature.

I hope, therefore, that this draft resolution will be considered shortly by the Senate Foreign Relations Committee.

CONGRATULATIONS TO WOMEN'S FEDERATION

I congratulate the General Federation of Women's Clubs, which has been spearheading the effort toward this resolution. I commend, too, the other civic-minded groups which have been participating in the advance review of this problem.

As I indicated at the outset, it is imperative, in the evolutionary development of the United Nations and its charter, that this problem be given the most careful study.

At the same time, let us not lose sight of the fact that our own Armed Forces must ever be on the alert for a Pearl Harbor-like emergency. The responsibility of our defense rests now, as it will always rest, on our own shoulders.

I ask unanimous consent that there be printed in the RECORD an editorial entitled "Danger to the U. N. Force," published in the Janesville Daily Gazette of April 22, 1957, and an editorial published in the La Crosse Tribune on the same subject.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Janesville Daily Gazette of April 22, 1957]

DANGER TO THE U. N. FORCE

It is generally conceded today that the United Nations emergency force provided the means to save face for Britain, France, and Israel in withdrawing their troops from Egypt. It may also have prevented resumption of the fighting, for Russian volunteers, promised to Egypt, might have led to world war III. For this the world may be thankful.

The greatest potential value of the UNEF lies in its power to prevent wars rather than to extinguish them. To do this, however, it would have to be a permanent force, not an emergency force.

In the near future there is danger to the world in a possible withdrawal of troops from this emergency force. Today we see evidence that domestic, economic and political pressure may cause the 10 nations with troops in the present UNEF to bring the boys home in the next few months.

This would be tragic for the United States and every other nation, for the force already has proved its value. Many nations would like to give the U. N. the authority to set up a permanent force but this cannot be unless the United States State Department supports it.

It is likely that the United States would have to pay a substantial part of the cost, but that would be cheaper than maintaining our own forces in the danger zones.

The State Department will not support such a development unless the American people, through their Congress, show substantial support for the idea. Senator ALEXANDER WILEY, for example, is a member of the Senate Foreign Relations Committee and Representative LAWRENCE H. SMITH is a member of the House Foreign Affairs Committee, both of which are concerned with United States participation in the U. N.

What part shall the United States play in this matter? President Eisenhower made this explicit in his remarkable inaugural address, which expressed the deepest hopes of the American people.

"We recognize," he said, "and accept our own deep involvement in the destiny of men everywhere. We are accordingly pledged to honor and to strive to fortify the authority of the United Nations. For in that body rests the best hope of our age for the assertion of that law by which all nations may live in dignity * * *. There must be law, steadily invoked and respected by all nations, for without law, the world promises only such meager justice as the pity of the strong upon the weak."

Thus, the first and basic element of world peace is world law, for there is no alternative, in an era of atomic force, to peace. And the United Nations is the sole agent capable of administering and supporting justice for the nations under law.

[From the La Crosse Tribune]

WORLD NEED IS U. N. POLICE FORCE

Senator ALEXANDER WILEY long has been recognized as among the stanchest of our Congressional leaders supporting the United Nations in all its aspects.

Wisconsin's senior Senator has been a bulwark solidly behind President Eisenhower's foreign policy and the potential of the United Nations as the world's truest instrument for peace.

A supporter and defender of the United Nations, a leader who has spoken as vigorously as any for the concept it envisions, Senator WILEY is in high position to perform high service in its behalf.

And to perform it before Congress adjourns.

The time is at hand, indeed it is long since past, for establishment of a permanent United Nations police force.

We frankly suggest to Senator WILEY that he initiate it, sponsor it and level his best administrative efforts toward its ultimate achievement in this session of Congress.

The 10-nation emergency force presently on the line between Egypt and Israel is restive, under pressure of their homelands to take leave. A permanent force, initiated by the United States and, to be sure, paid for in part by this country, must be substituted for the current makeshift.

Such a permanent U. N. force would in nowise approximate the strength needed to stand up to full-scale Russian attack. Not that at all.

Rather, it would be a mobile contingent of token strength, ever alert to the trouble spots, and above all, to be a permanent force representing the free world against which Red aggressors would hesitate to move.

The deterrent to Russian attack would be the potential represented in the permanent force—the free nations of the world—not the emissary army itself, dispatched in mere token strength.

A permanent United Nations police force unquestionably would remove part-time, tentative peace seeking as new and ever-emerging crises arise, and establish in its place the machinery of a perpetual world

constabulary, commissioned for peace and determined for life to preserve it.

We believe in this procedure wholeheartedly. We commend it to Senator WILEY to undertake.

RESOLUTIONS

The following resolutions were submitted or reported and referred, or placed on the calendar, as indicated:

FREE ELECTIONS IN POLAND AND OTHER CAPTIVE NATIONS

Mr. JENNER. Mr. President, on May 3 the people of Poland celebrated their Constitution Day. I extend my greetings and good wishes to them. I think this is an appropriate time to resubmit my resolution calling for free elections in Poland and other captive nations in Eastern Europe. I therefore submit the resolution, and ask that it be appropriately referred.

The resolution (S. Res. 133) was referred to the Committee on Foreign Relations, as follows:

Whereas it has been the historic policy of the United States since the founding of the Republic to give all possible support and encouragement to nations seeking to preserve their independence; and

Whereas Poland and the other nations of Eastern Europe were freed from the tyranny of the National Socialist regime by the combined arms of the victorious powers; and

Whereas the nations engaged in fighting against the Nazi war of conquest pledged themselves in the Atlantic Charter, in the United Nations war declaration of January 1942, in the Yalta Conference, and in many other meetings, to restore these liberated nations to full sovereignty by means of prompt, universal, and secret ballot; and

Whereas Marshal Stalin, operating unilaterally contrary to his solemn commitments, refused to permit representatives of the Polish Government-in-exile, which had led the Polish people through the horrors of war and Nazi occupation, to return to Poland or take part in holding the elections; and

Whereas repeated protests were made by Prime Minister Churchill, President Roosevelt, President Truman, and Secretary Byrnes against this violation of a solemn pledge; and

Whereas the present leaders of the Soviet Union have themselves reported in full the cruel, tyrannical, murderous nature of the Stalin regime; and

Whereas the present leaders of the Soviet Union are now repeatedly stating their peace-loving policies, and their desire to enjoy peaceful coexistence with other nations; and

Whereas President Roosevelt said the American people regarded the restoration of full sovereignty through free elections as the test of American-Soviet relations, and President Truman reaffirmed that position, and President Eisenhower solemnly declared that we shall never abandon our pledge to restore to full sovereignty the nations freed by our arms: Now, therefore, be it

Resolved, That it is the sense of the Senate that the American people are still firmly committed to the vigorous use of American diplomacy to achieve fulfillment of our pledge of freedom for the liberated nations.

SEC. 2. The Senate hereby pledges its fullest support of all diplomatic measures undertaken by the executive branch promptly to bring about in the liberated European countries free elections, with universal secret ballot, held in the presence of diplomatic representatives of the victorious powers, and of members of the press of all nations.

FUNERAL EXPENSES OF THE LATE SENATOR JOSEPH R. McCARTHY, OF WISCONSIN

Mr. WILEY submitted the following resolution (S. Res. 134), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Joseph R. McCarthy, late a Senator from the State of Wisconsin, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

Mr. HENNINGS, from the Committee on Rules and Administration, reported the following resolutions, which were placed on the calendar:

S. Res. 135. Resolution to pay a gratuity to Lula B. Green; and

S. Res. 136. Resolution to print the 59th Annual Report of the National Society of the Daughters of the American Revolution for the year ended April 1, 1956, as a Senate document.

(See the above resolutions printed in full, which appear under the heading "Reports of Committees.")

MICHELLE PATRICIA HILL (PATRICIA ADACHI)

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill for the relief of Michelle Patricia Hill (Patricia Adachi). I ask unanimous consent that the bill may be printed in the RECORD at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2010) for the relief of Michelle Patricia Hill (Patricia Adachi), introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Michelle Patricia Hill (Patricia Adachi), shall be held and considered to be the natural-born alien minor child of Sgt. and Mrs. Carl L. Hill, citizens of the United States.

COMPUTATION OF BASIC PAY FOR MEMBERS OF UNIFORMED SERVICES

Mr. SYMINGTON. Mr. President, I introduce, for appropriate reference, a bill to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes.

The bill is based upon the findings of the Defense Advisory Committee on Professional and Technical Compensation, commonly known as the Cordiner committee, because the chairman is Ralph J. Cordiner, president of the General Electric Co.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2014) to change the method of computing basic pay for members of the uniformed services, to provide term retention contracts for Reserve officers, and for other purposes, introduced by Mr. SYMINGTON, was received, read twice by its title, and referred to the Committee on Armed Services.

Mr. SYMINGTON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point an able and informed article entitled "Efforts Under Way To Rescue Cordiner Report on Military Pay," written by Brig. Gen. Thomas R. Phillips, and published in the St. Louis Post-Dispatch of May 4, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EFFORTS UNDER WAY TO RESCUE CORDINER REPORT ON MILITARY PAY—BUDGET BUREAU CHANGES IN PROPOSALS ARE CONTRARY TO STUDY GROUP'S AIMS TO MODERNIZE PAY STRUCTURE.

(By Brig. Gen. Thomas R. Phillips, U. S. Army (retired))

WASHINGTON, May 3.—In an effort to rescue the Cordiner committee's Report on Manpower Management and Compensation in the Armed Forces from the Bureau of the Budget and to get it before the Congress, John P. Henebry, president of the Air Force Association, in a statement released Tuesday, declared: "It seems a shame that the Congress will not get a chance to give the Cordiner proposals the benefit of analysis."

Secretary of Defense Charles E. Wilson pointed out, Henebry said, that in his opinion the report could stand up under searching Congressional analysis.

The Cordiner committee, named after its chairman, Ralph J. Cordiner, president of General Electric Co., has spent 10 months investigating the loss of men with critical technical skills in the Armed Forces. It has recommended far-reaching changes in the system of manpower management and compensation in the Armed Forces.

CITES POSSIBLE SAVINGS

If the committee's recommendations were adopted, Cordiner said, savings in defense costs of $5 billion a year by 1962, or earlier, would be effected.

The committee warned the Secretary of Defense, Cordiner declared in a statement March 26, that to achieve such results the Defense Department "could not content itself with simply applying a few patches to the antiquated structure of military compensation which has been inflated but not substantially changed since it was originally adapted from the British Navy in 1912."

Legislation to put the Cordiner committee recommendations into effect was prepared in the Defense Department and submitted to the Bureau of the Budget with a strong endorsement from Wilson.

He declared that the need was urgent and that if the legislation were made effective January 1, 1958, the Defense Department would absorb within its present budget any immediate additional cost.

WILSON URGES APPROVAL

Wilson informed the Bureau of the Budget that the legislative proposals had been worked out carefully after discussions and communications with the President, that it had the unanimous approval of the service Secretaries and the Chiefs of Staff and that in their opinion the proposals were an essential step toward improving the balance of personnel skills and experience in the Armed Forces.

In spite of such urgent recommendations, the Budget Bureau declared the legislation to be inflationary.

This had been answered in advance by Cordiner in his statement of March 26. He said then: "We must begin somewhere to halt and reverse the inflationary trend toward ever higher cost of government, and here, for a small initial investment, is a promising place to start * * * our recommendation contemplates savings and deflationary influence."

BUDGET BUREAU ACTION

As a result of action in the Bureau of the Budget, the legislation now to be proposed will be precisely what Cordiner warned against, namely, application of a few patches to the antiquated structure of military compensation.

Because the legislation did propose increased pay for certain critical technical skills in the armed services, with the object of stopping the 90 percent loss of personnel with such skills as their enlistments expire, it is probable that the Bureau of the Budget feared this would lead to demands for a general pay increase throughout the Government.

In the Defense Department it is felt that this action kills a hopeful business approach toward instituting a modern system of manpower management and compensation in the Armed Forces. It is hard for Defense officials to understand why the administration has disowned the recommendations of its business-oriented committee and its big-business man Secretary of Defense.

The committee was established May 10, 1956, with Cordiner as chairman and Carter L. Burgess, then Assistant Secretary of Defense for Manpower and Personnel and now president of Trans-World Airlines, as vice chairman.

Other members were Dr. John A. Hannah, president of Michigan State University; Charles R. Hook, chairman of the board of Armco Steel Corp., and H. Lee White, a member of the law firm of Cadwalader, Wickersham & Taft of New York.

The Assistant Secretaries of Manpower and Personnel of the three services also were included in the committee as well as Maj. Gen. H. R. Maddux as staff director. Four retired officers, one from each service, constituted the military members.

The committee's investigations brought out the fact that 500,000 men had to be kept constantly in training to maintain a flow of skilled men to keep intact an effective combat and support force of about 2,300,000.

REASON FOR TRAINING LOAD

The enormous training load is due to the loss of skilled personnel upon completion of the first enlistment or service period. Only 10 percent of the expensive-to-train skills reenlisted. Oddly enough, the lesser skills such as cooks, truck drivers and military police, reenlisted at a rate of about 20 percent after their first enlistment.

As a test for the difference in performance between the average unit today and a unit composed almost wholly of experienced men, the Navy staffed one carrier antisubmarine squadron with experienced personnel.

"Compared with similar squadrons," Cordiner declared, "which had the normal mixture of men at various levels of training and efficiency, the fully trained squadron turned in a performance that was rated 30 percent better. The level of aircraft availability, utilization and air crew efficiency was outstanding. This squadron had no aircraft accidents during its deployment to the Mediterranean as contrasted to nine accidents resulting in complete losses suffered by other squadrons of this same type during the same period.

COST OF ACCIDENTS

The committee noted that the Navy and Air Force calculated that accidents cost them $2 million a day in materiel alone during fiscal year 1956.

"In the Strategic Air Command," Cordiner declared, "the retention of skilled manpower now being lost would increase aircraft-in-commission rates to produce an increased capability equivalent to 6½ combat-ready B-47 wings—an increase in effectiveness of 20 percent."

Gen. Curtis LeMay, commander of SAC, has said he could get along with 10 percent fewer personnel and operate at higher efficiency if the Cordiner committee recommendations were enacted into law.

Mr. GOLDWATER. Mr. President, will the Senator from Missouri yield?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Missouri yield to the Senator from Arizona?

Mr. SYMINGTON. I yield to the distinguished Senator from Arizona.

Mr. GOLDWATER. Would the Senator from Missouri mind if I joined him in sponsoring the bill he has just introduced?

Mr. SYMINGTON. I would be honored to have the able Senator from Arizona, a distinguished Reservist, join as a sponsor.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that my name be added as a cosponsor of the bill introduced by the Senator from Missouri.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT OF SOIL BANK ACT, RELATING TO LIMIT OF AMOUNT PAYABLE IN CERTAIN CASES

Mr. MURRAY. Mr. President, I introduce for appropriate reference a bill to amend the Soil Bank Act so as to limit to $5,000 the amount payable to any producer in any one year for participation in the acreage-reserve program, and to place a similar limit on payments made under the conservation reserve program. Maximum amount payable to any individual under these two programs would thus be $10,000.

Mr. President, let me explain briefly the need for this proposed legislation. At present, by regulation rather than by law, the amount payable to any producer in any 1 year for participation in the conservation-reserve program is limited to $5,000. There is no limitation, either by law or regulation, on the amount payable under the acreage-reserve program.

As a result, big farmers are receiving huge Government payments, while the little farmers are receiving small benefits from the program. Last year 11 recipients of soil-bank payments received, altogether, almost half a million dollars. The payments to them averaged $39,199. Here are the names of the 11 big operators and the amounts received:

Garvey Farms, Colby, Kans	$61,354.50
Adams Bros. & Co., Odebolt, Iowa	49,278.00
George G. Chance, route 4, Bryan, Tex	48,093.00
J. W. B. Farms, Liberal, Kans	45,817.77
Tom Moore, Navasota, Tex	40,793.40
J. E. Shepard, South Windsor, Conn	40,162.55
Dunward Harper, Alvin, Tex	30,737.22
Harry H. Moore, Navasota, Tex	30,282.00
Kupchunos Bros., Inc., Wapping, Conn	29,829.51
McCarthy & Hildebrand, 225 Sill Building, Bakersfield, Calif	29,723.53
W. T. Waggoner Trust Estate, Box 2130, Vernon, Tex	25,113.73

As one result of unlimited payments, nonfarmers are buying farms for the purpose of renting them to the Government.

As of March 15, the Department of Agriculture had executed 56,587 soil-bank contracts, and in about one-fifth of the cases—more than 11,000—all the eligible land on the farms under contract was put in the conservation reserve, the acreage reserve, or a combination of the two.

Complaints from Montana indicate that nonfarmers are buying some farms to put into the soil bank as an investment, while large farmers are buying farms to put into the reserves for a time, but ultimately to add to their agricultural operations.

As a byproduct of the soil bank, we are undermining the American pattern of owner-operated family farming. A reasonable limitation on soil-bank payments, whether conservation reserve or acreage reserve, would help to stop this trend. It may be necessary later to limit payments to actual farm operators if a constitutional way can be found to do so.

A limitation, however, is clearly a first step to halt the further drift of land away from family farmers resulting from the soil-bank scheme.

Mr. President, the distinguished junior Senator from Montana [Mr. MANSFIELD] joins me as a cosponsor of this proposed legislation. Our colleagues from Montana in the House of Representatives, Representatives LEE METCALF and LEROY ANDERSON, are introducing a companion measure in that body.

I ask unanimous consent to have printed in the RECORD, immediately following these remarks, an editorial entitled "Soil Bank Grab," which appeared in the April 15 issue of Western Farm Life.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the editorial will be printed in the RECORD.

The bill (S. 2015) to amend the Soil Bank Act so as to limit the amount payable to any producer in any one year for participation in the acreage reserve program and the conservation reserve program, introduced by Mr. MURRAY (for himself and Mr. MANSFIELD), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

The editorial presented by Mr. MURRAY is as follows:

SOIL BANK GRAB

A recent Washington, D. C., announcement reveals a Kansas enterprise received a check for $61,000 for placing 10,000 acres of Colorado wheatland in the soil bank. This was the largest payment made under the soil bank in 1956.

This transaction represents the basic fault of the Government program. We would like to see some Washington official try to explain how this $61,000 payment is aiding the so-called family-sized farm we heard so much about during election campaigns. The fact that the money was paid to a Kansas enterprise for Colorado wheatland is proof that the money did not go to a farm family in need; a family unable to make a living from the soil they till.

It is one thing to be taxed to give agricultural "charity" in the form of soil bank payments to a man who could not make enough money to feed his family. It is something quite different to give $61,000 worth of

"charity" to someone who isn't even living on the land.

We wonder just how long our city cousins will hold still for this sort of thing; how long will it be before the city clerk or office worker making $4,000 to $5,000 per year demands that his legislator stop voting for taxes which gave a "poor" wheat farmer $61,000.

Isn't it time for a limit on payments? Wouldn't this $61,000 have done a lot more good for agriculture in Colorado if 12 farmers had got $5,000 each instead of 1 farmer getting $61,000? Why should any farmer or anyone else be guaranteed more than the average family income, which is about $5,000? Some may even question the latter figure.

Payments to people who actually lived in Colorado ranged from a low of $20 to a high of $13,068 in 1956. The average payment was $669. The average number of acres placed in the reserve in Colorado was 140 acres.

It's time farmers and ranchers demand some system for placing a ceiling on farm payments. If farmers, ranchers, and their organizations don't do it themselves, their city cousins are going to wake up one of these days and do it for them. Whom do you think will give agriculture a better deal?

AMENDMENT OF RAILROAD RETIREMENT ACT OF 1937 AND RAILROAD UNEMPLOYMENT INSURANCE ACT

Mr. HILL. Mr. President, the bill which I am about to introduce on behalf of myself and the Senator from Oregon [Mr. MORSE] has been prepared by the Railroad Retirement Board. It contains technical and administrative amendments to the Railroad Retirement Act and Railroad Unemployment Insurance Act. The bill is being introduced at the request of the Association of American Railroads and the Railway Labor Executives Association. These two associations have approved the Board's proposals, and are in agreement that the bill will not add cost to the railroad retirement and unemployment insurance systems.

Mr. President, I introduce, for appropriate reference the bill to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act, and I ask unanimous consent to have printed in the RECORD a letter from G. E. Leighty, chairman of the Railway Labor Executives Association, requesting the proposed legislation, together with a general explanation of the bill.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the letter and explanation will be printed in the RECORD.

The bill (S. 2020) to amend the Railroad Retirement Act of 1937 and the Railroad Unemployment Insurance Act, introduced by Mr. HILL (for himself and Mr. MORSE), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The letter and explanation presented by Mr. HILL are as follows:

WASHINGTON, D. C., *April 26, 1957.*

The Honorable LISTER HILL
Chairman, Senate Committee on Labor and Public Welfare, Senate Office Building, Washington, D. C.

DEAR SENATOR HILL: The Railroad Retirement Board prepared the enclosed draft bill containing technical and administrative amendments to the Railroad Retirement Act and Railroad Unemployment Insurance Act and has discussed the proposed amendments with the Association of American Railroads and the Railway Labor Executives Association. These two associations have approved the Board's proposals and are in agreement that the bill would not add cost to the railroad retirement and unemployment insurance systems and that it is essential to have it enacted because it would authorize several needed improvements in the administration of both.

The enclosed statement entitled "General Explanation of the Technical Bill" describes briefly the several amendments which the bill would make in the Railroad Retirement Act and the Railroad Unemployment Insurance Act.

Since this is a noncontroversial proposal, jointly requested by railroad management and railroad labor we hope that you can arrange for its early introduction and enactment.

We are writing a similar letter to the chairman of the House Committee on Interstate and Foreign Commerce.

Sincerely yours,

G. E. LEIGHTY,
Chairman, Railway Labor Executives Association.

W. T. FARICY,
President, Association of American Railroads.

GENERAL EXPLANATION OF THE TECHNICAL BILL

The bill would provide for rounding out to the next lower multiple of a dollar the average monthly compensation and the average monthly remuneration on which annuities are based, but would round to the next higher 10 cents the amount of any annuity. This change would facilitate the construction of tables for computing annuities and would have no material effect on the amount of the annuity.

The bill would transfer from the Social Security Administration to the Railroad Retirement Board the authority to make determinations, for the purpose of applying section 3 (e) of the Railroad Retirement Act (the overall social-security minimum as to amounts payable under the Railroad Retirement Act), of "periods of disability" (within the meaning of the Social Security Act) for career railroad employees (those with 10 or more years of railroad service). This would make possible the exclusion of such periods in determining eligibility for, as well as the amount of, benefits. (At the present time the Social Security Administration makes such determinations for the Board.) This transfer of authority would facilitate administration because, among other things, no special applications for such determinations would be required (applications for disability annuities would be deemed also applications for such determinations) and the Railroad Retirement Board would be authorized to rely for such determinations on evidence obtained in establishing disability for annuity purposes, or obtained for other purposes, such as for sickness benefits.

The bill would clarify the provisions for the payment of annuities, or other amounts due under the act, which had accrued but were unpaid at the time of the annuitant's or other beneficiary's death. If payment in any such case (or in the case of any death benefit) is to be made to a widow or widower, the "living with" requirements would have to be met by such widow or widower. Further, the bill would list more specifically the persons to whom the "residual" benefit of section 5 (f) (2) would be payable, and would limit payment of the "insurance" lump sum of section 5 (f) (1) to the widow or widower of the deceased "employee" or, in the absence of such a survivor, to the person equitably entitled to reimbursement for paying the burial expenses of the deceased employee.

The bill would permit the payment of retirement and spouse annuities in a lump sum on a commuted value basis, if less than $5 a month, just as is now the case of survivor annuities.

Under the bill, the maximum monthly benefits payable to the family of a deceased employee would be calculated after, instead of before, taking into account the deductions required to be made because of the employment of a member-beneficiary of the family; and deductions now required in some cases from a survivor's benefit would no longer be made.

The bill would clarify the provisions for crediting, for survivor benefit purposes, wages covered by the Social Security Act; would simplify the calculation of the average monthly remuneration in determining the amount of survivor benefits; would consider an employee as insured for survivor benefit purposes if he would be insured under the Social Security Act were his railroad service after 1936 deemed to be social security employment; and would provide for the payment into the railroad retirement account (as is provided for the railroad unemployment insurance account in enforcing the provisions of the Railroad Unemployment Insurance Act) of fines and penalties imposed by the courts in enforcing the provisions of the Railroad Retirement Act.

The bill would also amend the Railroad Unemployment Insurance Act in several respects. Canadian railroad employees would be treated the same as American employees with regard to their rights to unemployment, sickness, and maternity benefits. Of 2 successive days of employment for which only 1 day's remuneration is paid, the bill would consider the first of such days as a day of employment. A day on which no more than $3 is earned would be treated, under certain circumstances, as a day for which no remuneration was payable and, therefore, as a compensable day of unemployment. Finally, the bill would permit the amounts in the railroad unemployment insurance administration fund to earn interest and would consider such amounts as part of the balance in the railroad unemployment insurance account for purposes of fixing contribution rates.

With respect to internal administration the bill would authorize the Board to establish a certain number of grades above GS–15; and would authorize the payment of the tuition, expenses, and salaries of employees selected by the Board to attend training courses.[1]

REDUCTION OF INTEREST RATES ON STATE AND MUNICIPAL REVENUE BONDS

Mr. CLARK. Mr. President, on behalf of myself, the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Ohio [Mr. LAUSCHE], and the Senator from Oregon [Mr. MORSE], I introduce for appropriate reference a bill to amend section 5136 of the Revised Statutes with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes.

The bill, it is hoped, will result in some reduction in the interest rates which States and municipalities are now having to pay on revenue bonds. At the present time, commercial banks may

[1] A provision which would make inapplicable to the Board, under certain circumstances, the restriction in general law on the number of employees in the Board engaged in personnel work, was eliminated from the final draft.

deal in general obligation bonds—that is, bonds which are secured by the general resources of the issuing State or locality—but are barred from dealing in bonds which are backed only by the earnings from governmental enterprises.

At the present time, a limited number of investment dealers have a monopoly on the underwriting of revenue bond issues. As a consequence, a large share of the capital market is not now being tapped. The bill would open up the field to wider competition by bringing in commercial banks, which have been very helpful in the marketing of general obligation bonds. The result would be lower interest rates, which are highly important to the success of public projects in this period of tight money.

The bill is backed by the American Municipal Association, the United States Conference of Mayors, and many State municipal organizations, including the Pennsylvania League of Cities.

Revenue bonds are an increasingly important share of the total of State and local government borrowings. They are being used to finance toll highways, bridges, tunnels, waterworks, sewage disposal systems, electric power systems, ferries, gas works, port development, and, most recently, school building authorities. In recent years, nongeneral obligation financing has amounted to about one-third of the total.

In the last 3 years alone, State and local governments have undertaken 438 issues of revenue bonds, amounting to $4.1 billion. Pennsylvania had the largest number of issues, with 71, amounting to $334 million. Only New York exceeded Pennsylvania in the total dollars involved.

Commercial banks would be limited in their underwriting operations to obligations which are of the same quality as those the banks are authorized, under existing law, to purchase for their own accounts. The present limitations on the amount which the banks may invest in such obligations would not be affected.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the amounts of State and local government revenue bonds issued in 1954, 1955, and 1956.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the table will be printed in the RECORD.

The bill (S. 2021) to assist cities and States by amending section 5136 of the Revised Statutes, as amended, with respect to the authority of national banks to underwrite and deal in securities issued by State and local governments, and for other purposes, introduced by Mr. CLARK (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

The table presented by Mr. CLARK is as follows:

State, State agency, and local government revenue bonds issued in 1954, 1955, and 1956 which are acceptable for bank investment and would have been eligible for bank underwriting under the proposed amendment of sec. 5136

[In thousands]

	1954		1955		1956		Total	
	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount
Alabama	3	$14,000	3	$18,250	6	$26,500	12	$58,750
Arizona	2	8,110					2	8,110
Arkansas					1	4,000	1	4,000
California	7	58,550	9	109,300	7	61,295	23	229,145
Colorado	1	10,000			2	9,100	3	19,100
Connecticut	1	100,000	1	1,200	2	154,000	4	255,200
Delaware					1	2,150	1	2,150
Florida	13	84,314	14	83,224	17	66,170	44	233,708
Georgia	5	47,462	9	58,093	6	30,975	20	136,530
Idaho								
Illinois	2	6,235	2	4,450	8	45,150	12	55,835
Indiana	9	47,006	7	20,730	4	8,670	20	76,406
Iowa	2	2,000					2	2,000
Kansas	2	5,000					2	5,000
Kentucky	4	15,425	7	16,690	5	9,425	16	41,540
Louisiana	6	14,850	2	13,900	6	34,425	14	63,170
Maine	1	1,300					1	1,305
Maryland	4	207,590	6	52,851	3	31,567	13	292,008
Massachusetts			2	4,000			2	4,000
Michigan	7	25,922	9	23,690	12	92,525	28	142,137
Minnesota								
Mississippi			1	5,159	1	1,200	2	6,359
Missouri	2	25,000	2	12,627	4	20,900	8	58,527
Montana					1	1,000	1	1,000
Nebraska	3	20,250	2	6,500	4	22,650	9	49,400
Nevada								
New Hampshire			1	2,100			1	2,100
New Jersey	2	49,200	5	84,050			7	133,250
New Mexico			2	9,879	1	5,000	3	14,879
New York [1]	5	745,000	4	79,600	6	71,050	15	895,650
North Carolina	2	2,235					2	2,235
North Dakota					1	2,100	1	2,100
Ohio	5	44,450	3	62,400	7	102,755	15	209,605
Oklahoma	2	9,200					2	9,200
Oregon								
Pennsylvania	12	98,430	22	90,377	37	145,428	71	334,235
Rhode Island			1	3,100			1	3,100
South Carolina	1	1,600			1	3,000	2	4,600
South Dakota								
Tennessee	4	12,200	4	7,500	4	171,745	12	191,445
Texas	10	69,322	12	29,665	14	46,953	36	145,940
Utah	2	7,800					2	7,800
Vermont								
Virginia	1	8,200	1	1,800	1	20,000	3	30,000
Washington	3	14,600	5	54,655	7	238,180	15	307,435
West Virginia	2	4,276			2	3,300	4	7,576
Wisconsin	1	1,250			2	5,450	3	6,700
Wyoming								
Puerto Rico	1	12,500			1	22,000	2	34,500
Hawaii					1	12,500	1	12,500
Total	127	1,773,277	136	855,790	175	1,471,163	438	4,100,230

[1] Includes Port of New York Authority:

	1954		1955		1956		Total	
	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount	Number of issues	Amount
Bistate, New York and New Jersey	1	$20,000	2	$46,000	2	$55,000	5	$121,000

AMENDMENT OF FAIR LABOR STANDARDS ACT, RELATING TO CERTAIN EXEMPTIONS

Mr. FREAR. Mr. President, I introduce, on behalf of myself, the senior Senator from Delaware [Mr. WILLIAMS], and the senior Senator from Maryland [Mr. BUTLER], a bill to amend section 13 of the Fair Labor Standards Act of 1938.

In conjunction with the bill, I ask that there be printed in the RECORD a significant news article and column which appeared in the Wilmington Morning News of Monday, November 26, 1956, by William P. Frank, a columnist, that explains the background for the necessity of offering this bill.

Mr. President, this proposed legislation would exempt homeworkers engaged in the making of natural holly wreaths from the provisions of the Fair Labor Standards Act.

For the information of the Senate, I desire to point out that Representative HASKELL, of Delaware, and Representative MILLER of Maryland are today introducing identical bills in the House.

Mr. President, I ask that this proposed legislation be received and appropriately referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the article and column will be printed in the RECORD.

The bill (S. 2022) to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child labor provisions of such act with respect to homeworkers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths, introduced by Mr. FREAR (for himself, Mr. WILLIAMS, and Mr. BUTLER), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

The article and column are as follows:

[From the Wilmington (Del.) Morning News of November 26, 1956]

HOLLY-WREATH WORK IN SUSSEX FEARED WRECKED BY RULING

(By William P. Frank)

Washington bureaucracy has hacked away a good chunk of the traditional natural holly wreath business in Sussex County.

And at the same time, it looks like a mighty slim Christmas for about 1,000 families in the Sussex area that have depended upon the interstate holly-wreath business for the needed extra dollars around this time of the year.

The United States Department of Labor has ruled that these folks who make holly wreaths in their homes—after they themselves have gathered the holly—are subject to the $1 an hour minimum wage from the wholesale distributors who must also keep detailed and minute records of each member of each family, just as if they were crocheting infants' wear at home and selling the clothing to interstate distributors.

Leroy B. Truitt, of Bridgeville, whose family has been in the holly-wreath business for more than half a century, says that these provisions of the Fair Labor Standards Act, as applied this year to wreath making, has put him and others out of business for two principal reasons:

1. They don't feel they can pay the required $1 an hour minimum wage for holly wreaths made at home, without pricing the product out of the market.

2. It is impossible for them to keep the necessary detailed records of the hours worked by the families—and they couldn't ever swear that children in the homes didn't help in making of the wreaths.

Mr. Truitt explains:

"We had always presumed that harvesting holly in the Sussex woodlands and making Christmas wreaths came under the category of agricultural products—and thus was exempted from the wages-and-hours provision. Now we learn to our dismay that this is not agricultural but in the same category as clothing, jewelry, dolls, and so forth, made at home and sold to distributors."

Mr. Truitt already has a fat file of letters, appeals, replies, and counterreplies—all adding up to the same answer from the United States Department of Labor:

"We are sorry, but you are governed by a court decision in a home knitting industry case."

APPEALED TO PRESIDENT

Even a direct appeal to President Eisenhower, on the part of Mr. Truitt, has failed to make a dent in the Department of Labor's attitude.

"And so we are out of business," Mr. Truitt concludes.

Beaten at every turn and baffled every time he made an appeal from one official to another in the United States Department of Labor, Mr. Truitt has sent out word to the families expecting to sell him holly wreathes, that his drivers will not be picking up the wreaths this year.

However, before he did this, Mr. Truitt went to Washington 10 days ago and made a last ditch appeal in person to Newell Brown, Administrator of the Wage and Hour Division of the United States Department of Labor. He presented Mr. Brown with every imaginable alternative that might satisfy the Government and still permit him to remain in business.

But when it was all said and discussed, Mr. Truitt says he got the same answer: "We are very sorry. This phase of the Wage and Hour section of the Fair Labor Standards Act may be inequitable as far as you are concerned but there is nothing we can do now."

About 125 families in the Bridgeville area have been making and selling natural holly wreaths to Mr. Truitt for years.

Another 300 have been delivering wreaths to a neighbor of Mr. Truitt—Layton and Owens, of Bridgeville.

Also affected are another 400 families who have been making wreaths for two dealers in the nearby town of Federalsburg, Md. They are Raymond O. Dean and John N. Wright, Jr., both of whom have been handling wreaths since the early 1920's.

And it is figured that another 175 or 200 families sprinkled through Sussex and nearby Eastern Shore areas shop around from dealer to dealer, selling their homemade wreaths.

CAN'T DO BUSINESS

With Mr. Truitt as their spokesman, none of these dealers see how they can handle these homemade wreaths—keep the necessary records, pay the $1 an hour minimum wage and still make any kind of a profit for themselves.

As for the families who had been banking on the natural holly wreath business this year, it's up to them to decide what they want to do—either find some other way of earning Christmas money or try to get their product into the Delaware retail market; however, few of them know anything about distributing such products in a highly competitive market.

It is learned that 1 or 2 of the holly wreath distributors may try to set up plants in their buildings and get members of the families to come in and make the wreaths there—and thus will be solved the question of keeping records. But even then, the $1 an hour minimum presents a problem of how to get even a small profit on the wreaths.

"Our main difficulty," Mr. Truitt said on behalf of the distributors who depended on the homemade wreaths, "is that we can't ever tell how many hours the various members of the families worked, from the time they left home to gather the holly until the time our drivers picked up the finished product."

"Nor can we ever tell if any children helped with the making of the wreaths at home.

"All that we know is that we supply the artificial berries along about this time of the year, and soon after Thanksgiving Day our drivers begin picking up the wreaths at the homes."

PAY PER WREATH

"We pay the families so much per wreath and we also pay the drivers so much for collecting the wreaths.

"In turn we take care of the costs of grading, packing, and shipping. A few years ago we shipped wreaths into 36 States of the Union plus parts of Canada and Central America. Sussex County holly wreaths have always been considered the best.

"I have now canceled buying orders for shipping cartons and some other supplies, but, unfortunately, I've been caught with a lot of artificial berries on hand. I'm also informing my customers that I've been forced out of business."

Mr. Truitt joined his father, the late William Truitt, of Bridgeville, in the natural holly wreath business in 1927. His father had already been in it since 1905.

During the depression of the 1930's it was the heavy holly growth in Sussex County that kept many a family in money around Christmas time, for no matter how bad the times were, there were always people willing to spend a few nickels for natural holly wreaths.

At first the industry in Sussex depended upon the natural berry, but in the 1920's it was found that artificial berries served the purpose better.

In the early days of the industry the wreaths were shipped in wooden boxes. But during World War II it was found that heavy paper cartons would do just as well and they have been used ever since.

FAMILY PROJECT

Along about this time of the year, in preparation for the business, hundreds of the low income rural and farm families in Sussex County would begin cutting switches in the woods for 9-inch hoops, the base of the wreath.

Then they would commence gathering in the holly and often the whole family would sit around in kitchens day and night making the wreaths, according to a standard 14-inch overall size.

Some would also make special oversized wreaths of holly and wreaths of pine and cedar and what is known as crow's foot.

Late this summer Mr. Truitt put in his stock of artificial berries and was about to get his shipping cartons when, on September 10, he met a wreath competitor at a bank.

Mr. Truitt said to him casually, "I guess it'll soon be time to get going on holly wreaths."

The competitor smiled and said, "Roy, you may not know it, but I'm afraid you're out of business."

That was news to Mr. Truitt.

Gradually it was unfolded to him. He had presumed all along that natural holly came

under the exemptions provided for agricultural products.

He was soon to learn how wrong he was. His competitor had learned about it from an inspector for the Wage and Hour Division of the Department of Labor.

Homemade holly wreaths, intended for interstate shipment come under the Fair Labor Standards Act of 1938, recently amended to carry with it a $1 an hour minimum.

SEES SENATOR WILLIAMS

Mr. Truitt began to make inquiries. Here is a sample of the answers he got:

From United States Senator JOHN J. WILLIAMS (whose son-in-law, Raymond Baker, Jr., of Millsboro, has also been in the wreath business and is now adversely affected by the Labor Department ruling):

"The Department of Labor has ruled that the makers of holly wreaths in the home, as well as the work done at the plant are all subject to the provisions of the Fair Labor Standards Act."

* * * * *

Senator WILLIAMS continued:

"I pointed out to the Department that it was not so much the question of cost involved as it was the almost impossibility of maintaining wage records of the makers in the homes and the impossibility for the buyer to be able to certify that no child under the age of 16 in the home had assisted in the making of the wreaths."

But Senator WILLIAMS got the same adamant position of the Department of Labor that was later to be given Mr. Truitt:

REVIEWED PROBLEM

"I have reviewed the entire subject of whether the people who enter into arrangements with dealers to make holly wreaths for them are doing this work as employees of the dealers under the Fair Labor Standards Act. I have secured the legal advice of the Solicitor of Labor on the matter.

"The conclusion is that this situation falls squarely within the broad scope of the decision of the Court of Appeals for the Second Circuit in the case of *Durkin* v. *Wagner*. The persons engaged in making holly wreaths for the dealers are therefore employes of the dealers and no minimum wage exemption under the act is available for this work.

"The dealers must be held responsible for compliance with the act with respect to all those with whom this type of arrangement is made.

"I recognize fully the difficulties that this entails for the holly wreath makers but can reach no other conclusion in the light of the facts and the legal situation under the ruling decision of the Court of Appeals."

United States Representative Harris B. McDowell, Jr., referred the case late in September to GRAHAM A. BARDEN, chairman of the House Committee on Education and Labor.

Mr. BARDEN made a strong appeal to Administrator Brown for an exception in the case of the holly wreath dealers and makers.

Congresseman BARDEN wrote: "Farmers have been making holly wreaths on their farms since the time of the Pilgrims. Such policies as these (of the United States Department of Labor) are contemptuous of the clear congressional intent to exempt agriculture in all its branches from this law."

But Administrator Brown was not moved. He gave the Congressman virtually the same answer he had given Mr. Truitt and his associates in Sussex County.

In the meantime, the National Chamber of Commerce has been interested in this particular case, since it involves small business and Mr. Truitt has been getting inquiries from all parts of the country, particularly from representatives of other little businesses that claim to have been hampered by a strict construction of the Fair Labor Standards Act.

There is one hope for the holly wreath business: An amendment to the law but that couldn't come until next year—if at all.

"I suspect," Mr. Truitt said, "that the lawyers for the Department of Labor will object even though they are told by everyone that the law is operating inequitably against us."

[From the Wilmington (Del.) Morning News of November 26, 1956]

FRANKLY SPEAKING

(By Bill Frank)

A Negro woman who lives on the Laurel Road near Bridgeville, is in for a shock, that is, if she hasn't already gotten the shock.

The United States Government which she, in her own way, presumes is geared to protect her, has given her a foul blow.

And the chances are she doesn't understand what it's all about, except that she's got on hand 1,000 hoops, made of switches, which she had expected to mean extra Christmas money for her.

I use the word "extra" too loosely. I should have said just plain "money."

Details of this story are to be found on page 1 of today's Morning News. It's a story about how the redtape of Washington bureaucracy is snarling up a good portion of the Sussex County holly wreath business into a terrible mess, and the redtape, believe me, is no part of the Yuletide decorations.

When I heard this story from Leroy Truitt, of Bridgeville, I couldn't believe it.

I met him in Bridgeville about a week ago and as he unrolled his yarn I kept saying to myself:

"This is the balmiest story I've heard in my life."

But if you know Leroy Truitt, you know then that he's an extremely practical man, that he's not given to handing out balmy stories, and that when he tells you something he's dead serious about it.

It wasn't until I went through the batch of correspondence he had had from Washington and the letters he has sent out—even to President Eisenhower—that I realized that this Government interference with the holly wreath business in Sussex County and on the nearby Eastern Shore is just about the craziest thing I've ever heard of—bar nothing.

Now, how does all this affect the Negro woman on the Laurel Road?

Here's the story—a sort of a footnote to this morning's page 1 story about the withered holly wreath business:

For the past month or so, this woman has been going out into the fields and cutting switches from saplings.

Then she's been going home and, through the evenings and on weekends, has been tying them into hoops, 9 inches in diameter.

She's been expecting a driver from Mr. Truitt ever since the middle of November to deliver to her a lot of artificial berries attached to green stems.

Then, she's go out into the woods and cut a heap of holly. And she'd begin to work—either by herself or with the rest of her family—on holly wreaths for the Christmas trade.

She'd turn out scores of holly wreaths—about 14 inches overall diameter, with these artificial berries sprinkled through the leaves.

Then, along about this time, Mr. Truitt's driver would come along, pick up the wreaths, and pay her so much per wreath.

She'd make money. The driver would make some extra money.

Mr. Truitt would then ship these wreaths to all parts of the United States, into Canada, and even some sections of South America where the Sussex holly wreath is admired.

So he'd make some money.

The retailers in those far away places would make money. And so the whole gamut, all along the line—from the Negro woman on the Laurel Road to the retailer in let's say, Fort Wayne, Ind., would make money.

But all this has been killed by a ruling of the Wages and Hours Division of the United States Department of Labor.

Mr. Truitt has been informed—as you perhaps have already noted in today's story—that this Negro woman comes under the protection of the minimum hours and wages section of the Fair Labor Standards Act.

She must get a minimum of $1 an hour. She herself must keep records as to the hours she's worked on these wreaths.

Mr. Truitt must keep records. Records, and more records, and more records.

It almost seems to me that the philosophy is:

"To hell with business, as long as we keep those blasted records."

And, yes; get this, even if Mr. Truitt could keep such records, even if the Negro woman on the Laurel Road could keep records, and even if Mr. Truitt could pay her a $1 an hour minimum, even then, if someone could prove that a kid below 16 years of age so much as fixed one solitary berry to a wreath, Mr. Truitt would be in a first class pickle.

So, he's out of the wreath business this year—and it's the first time the Truitts have not been in it for half a century.

As for the Negro woman on the Laurel Road—she's either got to find some other outlet for her wreaths, with or without berries, or she's got to dump those 1,000 sapling hoops in the fire.

And, of course, no money from wreaths this Christmas.

As the page 1 story notes, this governmental redtape stems from the fact that the Washington bureaucrats say that this Negro woman and the hundreds of others in Sussex who, like her, have been making wreaths at home, are in the same category as the women who have been sewing and crocheting at home.

There seems to be a United States court of appeals decision in such a home-sewing case.

But let us suppose that Mr. Truitt would like to keep records of this Negro woman's work—how in the world is he going to do it?

Let's say that it is her man who gets the holly in from the woods. All right, he starts out in the morning and says he's going to cut some holly. While out in the woods, he hopes to get a shot at a rabbit or two.

So he hunts a while, and cuts holly for a time, and loafs a while, and then cuts more holly, etc.

You try to figure out the time he spends in collecting holly and you're all set for a top desk job in one of the top bureaus of Washington.

And then try to figure out how much time the woman spends at home making the wreaths—in between cooking, making the beds, just sitting around talking, and making more wreaths.

It's just sheer nonsense—this attitude of the United States Department of Labor.

What the Government fails to realize is this: This Negro woman—and there are hundreds of others like her—is in reality a small manufacturer.

She or her man gathers the raw material from the woods, processes the material into wreaths, and sells them to whomever she pleases. She doesn't have to sell them to Mr. Truitt—even if he has supplied the artificial berries.

She's an independent operator and a free enterpriser in a very basic sense of the word.

But that great big wonderful world called Washington, D. C., is out to "protect" her rights under the Fair Labor Standards Act—even if it means no Christmas money for her.

That's right considerate of Washington, wouldn't you say?

AMENDMENT OF IMMIGRATION AND NATIONALITY ACT, RELATING TO ADMISSION INTO THE UNITED STATES OF CERTAIN ESCAPEES

Mr. CASE of New Jersey. Mr. President, on behalf of Senators IVES, JAVITS, COOPER, SMITH of New Jersey, such other Senators as may care to join as sponsors, and myself, I introduce for appropriate reference a bill which would permit the paroling of a reasonable number of Jewish refugees from Egypt into the United States. It would accomplish this by amending the President's refugee proposals, which deal only with escapees from Communist countries, in order to permit entry of not more than 5,000 escapees who fled from areas other than Communist, Communist dominated or occupied.

The Department of State has approved this proposal, and I ask unanimous consent that a letter confirming this fact written to me by Assistant Secretary of State Robert C. Hill be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE of New Jersey. Mr. President, I applaud the Department's strong endorsement of the purposes of this bill. In part, it is to me recognition of the fact that in the world there are explosive situations which are outside the Communist sphere, and that it would be in our national interest to accept refugees from certain of these areas.

The outbreak of racial or religious persecution would always be a matter of utmost concern to Americans.

The 5,000 escapees a year who could be permitted entry under our bill would come out of the approximately 68,000 escapees from behind the Iron Curtain, including Hungarians, who would be benefited by the President's proposals.

Prior to the Mid-East hostilities last fall, there were some 50,000 Jews in Egypt, many of Egyptian nationality. Reports we have received indicate that from October 1, 1956, until April 1, 1957, 15,000 Jews left Egypt. Of this number, 8,000 have gone to Israel; the rest, chiefly to England, France, and Italy.

There are reports that some 22,000 more will leave or be driven from Egypt in the next 7 or 8 months. Of these, it is believed 13,000 will find refuge in Israel, and the remaining 9,000 in Europe. The United States, it seems to us, should do its reasonable share in holding out a measure of hope for these escapees, some of whom have close relatives here. Our legislation is, of course, not confined to Jewish deportees alone.

As the President's proposals form an immigration pool for present and future victims of Communist repression, our amendment deals in a modest way with the recognition of oppression, regardless of source.

Mr. President, I ask that the bill be printed in the RECORD following the letter from Assistant Secretary Hill, to which I have referred.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2023) to amend the Immigration and Nationality Act so as to provide for the admission into the United States of certain escapees who, because of persecution, have fled from any Communist-dominated, Communist-occupied area, or from any other area, introduced by Mr. CASE of New Jersey (for himself and other Senators), was received, read twice by its title, and referred to the Committee on the Judiciary.

Mr. CASE of New Jersey. Mr. President, I ask unanimous consent that the bill remain at the desk until midnight tomorrow, in order that any other Senators, who may wish to join as cosponsors, may do so.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter and bill are as follows:

DEPARTMENT OF STATE,
Washington, May 3, 1957.

The Honorable CLIFFORD P. CASE,
United States Senate.

DEAR SENATOR CASE: Thank you so much for your letter of April 22, signed also by Senator IRVING M. IVES and Senator JACOB K. JAVITS, and the attached copies of correspondence pertaining to refugee legislation.

Although the language in the President's proposal as embodied in S. 1006 limits help to escapees from Communist or Communist-dominated countries, I am sure we all recognize the imminent problems of escapees from dictatorship of any kind. To allow the flexibility desired by the administration, I feel your suggestion to permit admission of not more than 5,000 persons from areas other than those Communist-dominated or controlled is indeed a worthy one. The Department of State supports such a recommendation.

May I also thank you for your part in supporting much needed legislation on the problem of refugees and escapees and for your continued interest in all matters pertaining to the Department of State.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary.
(For the Secretary of State).

Be it enacted, etc., That (a) paragraph (5) of subsection (d) of section 212 of the Immigration and Nationality Act, is amended (1) by inserting "(A)" after "(5)" at the beginning of such paragraph and (2) by adding at the end thereof the following subparagraphs:

"(B) Whenever the President shall find that a situation has arisen causing the creation of a class or classes of aliens who fall within the meaning of the term escapee as defined in this paragraph and that it would be in the interests of the United States to permit the prompt entry into the United States of escapees, he may by proclamation, and within the numerical limits specified in paragraph (10) of this subsection, direct the Attorney General to parole into the United States escapees selected by the Secretary of State, who are within the limits of any country which is not Communist, Communist-dominated, or Communist-occupied and who are not nationals of the area in which they reside.

"(C) (i) As used in this paragraph, the term 'escapee' means any alien who, because of persecution or fear of persecution on account of race, religion, or political opinion has fled or shall flee (1) from any Communist, Communist-dominated, or Communist-occupied area, or (2) from any other area, and who cannot return to any such area on account of race, religion, or political opinion; except that the number of escapees who may be paroled into the United States after having fled from any area other than a Communist, Communist-dominated or Communist-occupied area shall not exceed 5,000 in any fiscal year."

(b) Subsection (d) of section 212 of such act is amended by adding at the end thereof the following new paragraphs:

"(9) (A) Notwithstanding any other provisions of this act or any other law, any alien who is or has been paroled into the United States by the Attorney General under the authority of paragraph (5) of this subsection and has not otherwise acquired permanent residence status in the United States may apply to the Attorney General for adjustment of his status to that of an alien lawfully admitted for permanent residence.

"(B) If it shall appear to the satisfaction of the Attorney General that the alien has remained in the United States for at least 2 years, is a person of good moral character, and that such action would not be contrary to the national welfare, safety, or security, the Attorney General, in his discretion, may record the alien's lawful admission for permanent residence as of the date of the alien's last arrival in the United States. A complete and detailed statement of the facts and pertinent provisions of law in the case shall be reported to the Congress with the reasons for such adjustment of status. Such reports shall be submitted on the 1st and 15th day of each calendar month in which Congress is in session. If during the session of the Congress at which a case is reported, or prior to the close of the session of Congress next following the session at which a case is reported, either the Senate or the House of Representatives passes a resolution stating in substance that it does not favor the adjustment of status of such alien, the Attorney General shall thereupon require the departure of such alien in the manner provided by law. If neither the Senate nor the House of Representatives passes such a resolution within the time above specified, the alien shall be regarded as lawfully admitted to the United States for permanent residence as of the date of the alien's last arrival in the United States.

"(10) The number of aliens who may be granted the status of aliens lawfully admitted for permanent residence pursuant to paragraph (9) of this subsection, shall not, unless otherwise specified by a joint resolution of the Congress, exceed in any fiscal year the average number of aliens authorized to be admitted to the United States for permanent residence each fiscal year since June 25, 1948, by any special acts of Congress enacted on or after that date."

PERFORMANCE OF LABOR AS A CONDITION FOR HOLDING CERTAIN MINING CLAIMS

Mr. BIBLE. Mr. President, I introduce, for appropriate reference, a bill to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor, which proposes to amend title 30, United States Code, section 28.

This section of Federal mining laws has gone unchanged since May of 1872, when it was first enacted into law, and it now states that $100 in labor or improvements shall be required each year, on each mining claim, in order that the prospector or owner can hold title to the claim.

The word "labor" has been defined by various States and Federal courts through the years. However, a great deal of confusion exists when modern

methods of exploration, developed in recent years, have been used for this required work. The definition has, in most cases, failed to include developments or claim work which now are considered standard practice by larger mining companies and by many small operators.

The substance of my amendment is the recognition of geological, geochemical, or geophysical surveys, exploratory drilling, or other recognized means of determining the existence, extent of concentration, or accessibility of minerals on the claim, and making these forms of exploration and development applicable to the $100 yearly labor requirement of the original law.

The Canadian Government has had such a law in action for some time, and the great advances made recently by the Canadian mining industry may partially be attributed to this progressive law.

The big advantage is that it encourages the small miner to better explore his claims with what are now considered standard geological-geophysical methods, when ordinarily he cannot afford such services.

Surely this modern type of assessment work will result in more discoveries than the old method of deepening small prospect pits every year. Geological mapping and geophysical surveys will, even if no discoveries result, at least develop a more accurate picture of the deposits and will facilitate more efficient mining.

In late years, throughout the Western States, it has been the practice of many miners simply to move in a bulldozer and move earth on the claims, as a method of completing assessment work. These excavations are unsightly and tend to cause serious erosion of the area, while often accomplishing little in the way of actual determination of the ore body.

Some States have been more liberal in their determination of the Federal law as to methods used for holding claims; however, many States have not taken modern methods into consideration.

My amendment will not change the mining law in any respect, but will merely define and clarify the term "labor," so as to include methods of exploration developed since the law was enacted.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2039) to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor, introduced by Mr. BIBLE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

CONTRIBUTION TO INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS

Mr. GREEN. Mr. President, by request, I introduce, for appropriate reference, a joint resolution which would increase from $9,000 to $65,000 the authorization of the amount which may be appropriated to meet annual contributions of the United States to the International Council of Scientific Unions.

The PRESIDING OFFICER. The joint resolution will be received, and appropriately referred.

The joint resolution (S. J. Res. 85) to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions and certain associated unions, introduced by Mr. GREEN, by request, was received, read twice by its title, and referred to the Committee on Foreign Relations.

Mr. GREEN. Mr. President, this increase has been requested by the Secretary of State, and I am introducing the proposed legislation in order that there may be a specific joint resolution to which the public and Members of the Senate may direct their attention and comments.

I think I should reserve my right to support or oppose this joint resolution, as well as any suggested amendments to it, when the matter is considered.

I ask unanimous consent that the joint resolution may be printed at this point in the RECORD, together with the letter from the Secretary of State to the Vice President in regard to it, and a supporting statement by the Department of State.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. JOHNSON of Texas. Will the Senator repeat the statement as to the amount of money required by the proposed legislation?

Mr. GREEN. $65,000.

Mr. JOHNSON of Texas. It is an increase from $9,000 to $65,000?

Mr. GREEN. The Senator is correct.

Mr. JOHNSON of Texas. It is requested by the Secretary of State?

Mr. GREEN. The Senator is correct.

Mr. JOHNSON of Texas. Is the item in the budget?

Mr. GREEN. I do not know.

Mr. JOHNSON of Texas. I hope the Senator will find out before his committee takes any action on any such increase. While we are very anxious that the State Department have all the money necessary to carry out a wise foreign policy, we are conscious of the attitude in the country to hold spending at a level. We do wish to know whether the item is in the budget or not.

Mr. GREEN. There is a supporting statement by the Department of State, which I do not have with me.

I have here the letter from the Secretary of State to the Vice President about this matter. I would be glad to read it. I do not think I can do it within the time limit. If the time is extended I should be glad to read the letter.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the chairman of the Committee on Foreign Relations, the Senator from Rhode Island [Mr. GREEN] be permitted to include the letter in the RECORD at this point.

There being no objection, the joint resolution and letter were ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 85

Resolved, etc., That Public Law 255, 74th Congress, is hereby amended by striking out the figure $9,000 in the section dealing with the International Council of Scientific Unions and inserting in lieu thereof the figure $65,000.

DEPARTMENT OF STATE,
Washington, April 23, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I submit herewith a proposed draft amendment to Public Law 253, 74th Congress, to increase to $65,000 the authorization of the amount which may be appropriated to meet annual contributions of the United States to the International Council of Scientific Unions (ICSU) and certain associated unions. A more detailed statement in support of this request is enclosed.

Since 1950, the current statutory limit of $9,000 has been insufficient to meet the increased obligations resulting from the increased activities of the International Council of Scientific Unions and the increased number of its associated unions.

At the time of the original legislation was adopted in 1935, there were only six unions affiliated with the council. Presumably the $9,000 figure was considered adequate for a foreseeable future. It did indeed prove adequate for some 15 years which, however, included the period of World War II, when the normal growth of the unions was arrested.

The United States has been a leading member of the ICSU structure. Its delegates have been numerous and active. Their scientific and policy contributions have been of high caliber. An American scientist was elected president of ICSU in 1955 for the period to 1958. Americans have built up a prestige for this country in ICSU that commands the respect of other nations. It is, I believe, in our national interest to preserve this prestige and, in the current state of international affairs, to strengthen it.

Accordingly, it is hoped that it will be possible for the Congress to take action on this request during the current session.

A similar communication is being sent to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposal to the Congress for its consideration.

Sincerely yours,

JOHN FOSTER DULLES.

(Enclosures: 1. Joint resolution; 2. Supporting statement.)

Mr. GREEN. In addition to having the letter printed in the RECORD, I am perfectly willing to have printed the statement in support of the request to increase the statutory ceiling on United States contributions to the International Council of Scientific Unions and certain associate unions. I ask unanimous consent that the statement be printed.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT IN SUPPORT OF REQUEST TO INCREASE THE STATUTORY CEILING ON UNITED STATES CONTRIBUTIONS TO THE INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS (ICSU) AND CERTAIN ASSOCIATED UNIONS

The Department of State has reached the decision to request the Congress to enact a suitable amendment to Public Law 253 (74th Cong., 1935), concerned with the payment of United States membership dues to the International Council of Scientific Unions (ICSU) and its constituent unions, in order that the ceiling provided therein be raised to a realistic level.

The National Academy of Sciences—National Research Council, as the adhering body to ICSU and its unions on behalf of

this Government and the scientists of the Nation, urges that this proposal be given favorable consideration. The Department is supported by the Academy-Research Council in requesting this legislation as the Federal agency responsible for this aspect of our international scientific relations.

Since 1935, a maximum sum of $9,000 per year has been authorized by Congress to enable the Department to pay the annual United States share of contributions to ICSU and the unions. In recent years, the United States share has turned out to be in excess of the authorized amount. Up to the present, the National Academy, which has been the American adhering member of the ICSU since 1919, has made up the difference in these amounts by appeal to private sources. It has now informed the Department, however, that it is no longer able to shoulder this burden.

At the time that the existing legislation was adopted there were only six unions affiliated with the Council. Presumably the $9,000 figure, established during a period of economic depression, was considered adequate for a foreseeable future. It did indeed prove adequate for some 15 years which, however, included the period of World War II, when the normal growth of the unions was arrested.

Since 1950, $9,000 has been inadequate to meet current needs. Recently, ICSU has assumed new and greater responsibilities. There are today more than twice as many constituent unions as there were in 1935. The sphere of their activity has been greatly expanded to meet the evergrowing need for international collaboration. New unions in such important fields as radio, biochemistry, theoretical and applied mechanics, and the physiological sciences have been established. The creation of other new unions in the future is under consideration, thus providing the possibility of added advantages to the United States through participation.

The Department is of the opinion that, simlar to the procedure followed in 1935, the new legislation should make provision not only for the present but also for the known and calculable future needs, so that it would be unnecessary to request action by the Congress again in the immediate future. The known sum needed for 1957, some $26,000 is practically three times the present authorization. The anticipated needs for 1958 are higher yet ($33,000), as decisions already formulated take effect. Approximate needs for 1960 would be more than $40,000; $65,000 represents the best calculation available for 1965. The Department recommends that the new ceiling be established at this figure, i. e., $65,000, effective as of the fiscal year beginning July 1, 1957.

Percentagewise, the United States' average share of the present dues structure is approximately 11.5 percent. For some individual unions, the percentage is only 5 percent; in others as much as 19 percent. Prior to the recent increase from $196 annually to $7,800 in United States membership dues to ICSU itself, the percentage for the council was less than 1 percent. It now becomes approximately 16 percent. On the basis of studies made, the Department believes that subsequent to the institution of dues revisions and adjustments authorized and contemplated by ICSU and the unions, the United States' share of the total membership dues will probably be between 15 and 20 percent.

ICSU and its associated scientific unions together constitute a nongovernmental world organization of scientists, such as astronomers, mathematicians, physicists, geophysicists, and biologists. Their objectives are scientific and nonpolitical. Nevertheless, science develops within the framework of national traditions and social institutions, and inside the scope of intergovernmental relations. The administrative policies of ICSU and its associated unions must therefore be formulated within these limitations.

These limitations, however, are flexible. Scientific developments affect national traditions, social institutions, and intergovernmental relations; and changes in national attitudes and international policies affect the development of science.

The obvious reciprocal connection between science and foreign relations has been stressed by the Office of the Acting Science Adviser of the Department in the following terms: "Department support of the scientific unions is more imperative now than before. Scientific activities are more and more effecting our foreign relations and the conduct of our foreign relations is increasingly influencing scientific progress."

Because of this mutual connection between science and intergovernmental relations, the activities of a world scientific organization must be associated with those of governments. This fact of mutual influence was discerned even at the inception of ICSU for its constitution provided for national membership as well as scientific membership. That is, government interest as well as scientific interest was to be reflected in the formulation of its administrative policies.

Under the ICSU constitution, national membership may be assumed either by a government directly, or indirectly through an adhering body representing the interests of the government. The United States, as most other countries, has elected to exercise its membership in ICSU through the national Academy of Sciences (NAS). The NAS is a nongovernment, nonprofit body chartered by the United States Congress in 1863 to serve at once as a learned society and as a scientific counselor to the United States Government. In this quasi-governmental capacity, the NAS represents in ICSU and its associated unions the interests both of the United States Government and of United States scientists.

The United States Congress in 1935 authorized the United States to participate in ICSU and its associated unions. Because of the mutual connections between scientific activities and foreign relations, the Congress stipulated that membership dues to these organizations be paid by the Secretary of State. In order to effect this participation, the Department of State has appointed annually since 1935, on nomination by the NAS, the United States Official Delegates to the general assemblies (where administrative policies are determined), of ICSU and its associated unions and has paid as far as practicable the travel costs of these delegates.

The United States has been a leading member in the ICSU structure. Its delegates have been numerous and active. Their scientific and policy contributions have been of high caliber. An American scientist was elected President of ICSU in 1955 for the period to 1958. Americans have built up a prestige for this country in ICSU that commands the respect of other nations. It is in our national interest to preserve this prestige and, in the current stage of international affairs, to strengthen it.

Aside from the high reputation for the United States that our scientist-delegates have developed, this Government and its people derive a tangible benefit from participation in ICSU and its scientific unions. ICSU and its scientific unions engage in basic research. It is through this effort that order is brought into the technological aspects of such realism as international travel, communication, trade and health. Weathermen, navigators, radio engineers, merchants, health officials, and indeed all individuals could not carry out their normal everyday activities nor could the relationships of one government with other governments proceed in an orderly relation were it not for the basic work performed by ICSU scientists.

But there is another benefit more closely related to international affairs. The delegates appointed by the Department of State indeed have reflected the interest of the United States Government at the general assemblies. They have usually been briefed in the Department before attending the meetings. Position papers have typically been prepared by the Department for their guidance in discussing at ICSU meetings significant agenda items affecting foreign relations. They have accordingly helped in formulating ICSU policy on the International Geophysical Year, admission of new ICSU members, conduct of an international study on the effects of radiation, scientific activities on the Continental Shelf, to name a few instances. The Department has thus benefited directly through an alliance with scientific delegates in channeling particular ICSU activities along courses that help achieve the objectives of our foreign policy.

The Department has made a careful study of this entire matter and has consulted the opinion and advice of the National Academy of Sciences—National Research Council, which adheres to the International Council and its unions on behalf of the United States, so as to be in a position to make appropriate recommendations to the legislature. This procedure has been followed in accordance with the Congressional charter of the academy, which provides that the academy shall serve the Government in this fashion when so requested.

The Academy-Research Council has sought the advice of its Committee on International Scientific Unions, composed of the chairmen of the United States national committees for the 13 unions. The policy committee of the Academy's Office of International Relations was also consulted.

Both the Governing Board of the Academy-Research Council and the special committees whose opinion it has requested consider this matter as urgent and vital because of the importance of the ICSU and its unions to the United States and of the service that they render to this country and to its scientific institutions.

The Department concurs in the strong recommendations made by the President of the Academy that the present ceiling must be raised as proposed above at the earliest possible moment, so that the United States may shoulder its appropriate share of the responsibility which is inescapable.

The following is a list of the scientific unions associated with the International Scientific Council and the year in which the United States first adhered to these unions:

1919 International Astronomical Union (IAU).

1919 International Union of Geodesy and Geophysics (IUGG).

1919 International Union of Pure and Applied Chemistry (IUPAC).

1920 International Scientific Radio Union (ISRU).

1923 International Union of Pure and Applied Physics (IUPAP).

1928 International Geographical Union (IGU).

1935 International Union of Biological Sciences (IUBS).

1947 International Union of Crystallography (IUCr).

1947 International Union of Theoretical and Applied Mechanics (IUTAM).

1948 International Union of the History of Science (IUHS).

1951 International Mathematical Union (IMU).

1953 International Union of Physiological Sciences (IUPS).

1954 International Union of Biochemistry (IUB).

ESTABLISHMENT OF A FREEDOM AUTHORITY

Mr. DOUGLAS. Mr. President, I am about to introduce a joint resolution, and I ask unanimous consent that I may speak on it in excess of the 3 minutes allowed under the order which has been entered.

The PRESIDING OFFICER. Without objection, the Senator from Illinois may proceed.

Mr. DOUGLAS. Mr. President, last Friday, May 3, was Polish Constitution Day. This is an important day for the freedom-loving people of Poland, because they are justly proud that on May 3, 1791, Poland enacted one of the first truly democratic constitutions in Europe. It is an important day, too, for Americans who watch Poland in her present unhappy plight under a Communist regime which could not hold power for 24 hours without the threat of the Russian Army.

All Americans wish that Poland could again be free and independent of Moscow control. Since the birth of our Nation we have maintained the warmest bonds of friendship with the people of Poland. The destinies of the two countries have been forged in great struggles for freedom which mark their histories. The characters of the people of both countries have much in common. No Communist regime or any other tyrant can long keep the people of Poland apart from their traditional association and friendly interchange with the people of the United States.

For well on to 10 years, the Government of the United States has carried on a number of programs with the objective of ultimately bringing about a return of freedom to Poland and all the other nations enslaved behind the Iron Curtain. We have made it clear that the Russian Communists violated every understanding with the Western Powers when they annexed by force the once-independent nations of central and eastern Europe. We have taken the position that so long as Moscow continues to occupy those countries against the will of the people, a just and lasting peace is impossible. In doing this we have recognized the basic right of these peoples to self-determination, but we have also cared well for our enlightened self-interest. Even so the American people have made great sacrifices to make those programs to aid freedom possible.

In the year just past there were encouraging signs that our hard work over the past 10 years was beginning to bear fruit. At Poznan the workers rose in open revolt against the exploitation by the Communists. Moscow did not move against those workers in her usual despotic manner for fear of what the entire Polish nation might do.

Then there were other reports of similar acts of defiance against the Communist regimes in Georgia, Ukraine, and other regions of the U. S. S. R.

The rules in the Kremlin openly admitted that Stalin was guilty of a long list of crimes against humanity.

People became so restive within the Communist empire that the regime was forced to promise fundamental changes and improved living conditions. It became unmistakably evident that something had to give behind the Iron Curtain, and it was certain that it would not be the oppressed people. They had already been pressed beyond the point of human endurance.

The Hungarian Freedom Revolution was the answer of an exploited people who found life so intolerable that revolt was the only course open to them. That revolution was a mortal blow for the Communists. It served notice that love for freedom cannot be killed—it can only be temporarily contained and then only by maintaining the total police state which characterizes communism.

In the past few days new reports of riots and mutinies in Poland testify that the urge for freedom cannot be stilled.

All these events give us new hopes that freedom and independence can in various ways be restored to the many nations behind the Iron Curtain, and that a war—with its threat of total destruction—may be avoided. The opportunities immediately before us are great, perhaps the best we have had since the cold war began almost 10 years ago.

There can be little doubt that the Kremlin needs a breathing spell—and needs it badly. Only a few days ago, Mikoyan, when in Vienna, Austria, stated that the Communists had enough problems within their empire to keep them occupied for three generations. You and I know that their real problems are human ones, problems that arise from a police state attempting to impose a ruthless tyranny upon a people.

Our enlightened self-interest tells us that now is the time to press forward, now is the time to pluck the fruit of the many years of hard work and sacrifice on the part of many peoples, including our own, in support of the cause of human freedom. It is a fact of life that over 60 percent of our tax dollar goes for what are generally accepted as programs in the national defense. The threat of Communist aggression against all free nations has required us to establish and maintain these defense programs. If we ever expect to make any substantial cut in taxes, such cuts will only come when we can safely reduce the funds authorized for the national defense programs. We can only make those sharp reductions when the Communist threat against all free people is removed or reduced to a state of ineffectiveness.

There are some signs that we, as a people, may be growing tired of the heavy burdens we have carried during these past years. We may falter in taking advantage of the many new opportunities which are ours to bring peace and justice to our troubled world. If we falter, we will give the Communists the breathing spell they so desperately need. This would mean the hope of millions for freedom deferred, an increase in the prospects of war, and little chance in the foreseeable future for substantial tax reductions.

To help avoid this, I am today introducing a joint resolution to create a Freedom Authority, to be directly responsible to the President, and composed of Americans with special talents for keeping the spirit of freedom strong in those parts of the world where communism has seized control of affairs.

The joint resolution would establish the Freedom Authority as an independent agency for two very good reasons. To place in the State Department which must conduct relations with many of those enslaved nations a new operation aimed at undermining the tyranny there, might tend to confuse or embarrass the other on-going operations of that same Department. Or to avoid such confusion the new Freedom Authority, if placed under the State Department, might be placed under such restraints as to be ineffective.

The placing of the Authority under Central Intelligence seems equally inappropriate, since that is an information and not an operating agency. The independent status of the new Authority thus seems clearly to be preferred.

The joint resolution provides for the appointment of an Administrator with general overall authority, and 11 deputy administrators, each assigned to direct the work of a particular captive country or area.

Appropriations of $20 million a year are authorized.

Grants would be authorized after consultation with the Secretary of State and Director of Central Intelligence, and with the concurrence of a majority of the deputy administrators, to private, nonprofit organizations engaged in broadcasting, publishing, corresponding or otherwise acting to keep the spirit and hope of freedom alive in Communist-dominated countries.

It is not possible to foresee all of the ways in which such an authority would carry out its basic purposes. But the following are some that readily come to mind:

(a) The publication of timely information, both about the Free World and about developments in the captive countries, and the distribution of this material behind the Iron Curtain;

(b) The provision of mobile, short-wave, radio transmitters to facilitate broadcasts behind the Iron Curtain and avoid the systematic "jamming" of foreign broadcasts by the Communists;

(c) The importation into captive countries of increased numbers of small, inexpensive radio broadcast receivers;

(d) The presentation by radio of additional folk-programs for the peoples of each captive country to keep fresh the memory of historic, national traditions and the love of spiritual values, and to reveal the cultural freedom in the non-Communist world;

(e) The provision of special training opportunities for persons participating in exchange programs with captive countries, to enable them to observe and report more helpfully the conditions both in the Free World and behind the Iron Curtain;

(f) The timely arrangement and spreading of programs of noncooperation with the Communist regimes and economic slowdowns that may assist the drives for freedom;

(g) The publication in the free world of works of literature by refugee authors

and poets to help keep distinctive, national cultures alive and developing, despite efforts in the Iron Curtain countries to obliterate such cultures;

(h) The gathering and publication of eyewitness accounts of refugees from Iron Curtain countries exposing the conduct of Communist tyranny there, and so forth.

I, of course, exclude from the intended objectives or activities of such a freedom authority any premature incitements of revolts. This will take careful doing: to keep the hope and will to freedom active and ready, but to help it operate within limits that do not bring down upon it the crushing might of Soviet Russian arms and retaliation. Freedom must carry on the struggle for men's minds and hearts, but seek carefully not to provoke excessive acts that lead to the useless extermination of men's wills and bodies by tyranny. The selection of Deputy Administrators with special knowledge of each captive country and descended from those peoples, will help to make the administration of this program aware of the urgency of action for freedom and yet sensitive to the dangers to kin and friends behind the Iron Curtain.

This freedom authority would direct its efforts at keeping the Communist dictators on the defensive and the forces for freedom on the offensive. It would call into play talents among our people which to date have been too largely overlooked or ignored. In brief, such an authority would lead us to fruits of our efforts over the past 10 years and away from the tragic prospects of war.

I have chosen today as an appropriate time to introduce this measure because it is the first opportunity for legislative steps since Polish Constitution Day. The return of democratic, constitutional government to Poland and all the other enslaved nations is long overdue. It is in our interest and theirs to hasten that happy day. I believe the freedom authority which I propose will contribute materially to that objective.

I ask unanimous consent that the text of the joint resolution be printed in the RECORD at this point.

The PRESIDING OFFICER. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 87) to provide for the creation of a Freedom Authority, introduced by Mr. DOUGLAS, was received, read twice by its title, referred to the Committee on Foreifn Relations and ordered to be printed in the RECORD, as follows:

Resolved, etc., That (a) it is the declared policy of the Congress to resist the spread of communism. The issue between the free and the slave world is essentially whether freedom shall survive. The struggle to preserve freedom, however, is not to be won solely by further resistance to enslavement, but also by keeping alive in the hearts of enslaved people the spirit and hope of freedom. It is the purpose of this act to advance the cause of freedom by providing aid and support to those groups which are actively engaged in maintaining, inspiring, and instilling that spirit and hope.

(b) (1) There is hereby created an agency under the name "Freedom Authority" (hereinafter referred to as the "Authority"), which shall be under the general direction and supervision of the President and shall not be affiliated with or be a part of any other agency or department of the Federal Government. The principal office of the Authority shall be located in the District of Columbia, but the Authority may establish offices in such other places as may be determined by the Administrator of the Authority.

(2) The management of the Authority shall be vested in an Administrator (hereinafter referred to as the "Administrator") who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. The Administrator shall receive compensation at the rate of $17,500 per annum. There shall also be appointed to the Authority, by the President, by and with the advice and consent of the Senate, 11 deputy administrators who shall each be paid at the rate of $15,000 per annum. The Deputy Administrators shall be outstanding citizens of the United States, each with special knowledge of the problems of the country to which he is assigned, 1 of whom shall be of German descent, 1 of Polish descent, 1 of Lithuanian descent, 1 of Latvian descent, 1 of Estonian descent, 1 of Czechoslovakian descent, 1 of Ukrainian descent, 1 of Hungarian descent, 1 of Bulgarian descent, 1 of Rumanian descent, and 1 without regard to national descent to deal with the problems of the other nations within the Communist empire.

(c) The Authority shall have power to adopt, alter, and use a seal which shall be judicially noticed. The Administrator is authorized, subject to the civil-service laws and the Classification Act of 1949, to select, employ, appoint, and fix the compensation of such officers and employees as are necessary to carry out the provisions of this section. The Authority, with the consent of any department or agency of the Government, may avail itself on a reimbursable basis of the services, facilities, and personnel of any such department or agency.

(d) For the purpose of carrying out its functions under this act, the Authority—

(1) may sue and be sued;

(2) may adopt, amend, and repeal rules regulations governing the manner in which its business may be conducted and its powers exercised;

(3) may make and carry out such contracts and other arrangements as are necessary or advisable in carrying out its functions;

(4) may determine the character of and the necessity for its obligations and expenditures, and the manner in which they shall be incurred, allowed, and paid subject to the provisions of the Government Corporation Control Act, as amended; and

(5) take such other action as may be necessary to carry out the purposes of this act.

(e) (1) the Administrator is authorized to make grants for specific purposes and under specified conditions to any private or semiprivate nonprofit organization, committee, or group which is actively engaged in broadcasting, publishing, corresponding, or other activities designed to keep alive the spirit and hope of freedom, and the will to resist enslavement, in persons residing in Communist or Communist-dominated countries.

(2) In making any grant under this act, the Administrator shall advise and consult with the Secretary of State and the Director of Central Intelligence, and no such grant shall be made except with the concurrence of a majority of the deputy administrators of the Authority.

(f) (1) There shall be established in the Treasury Department a special fund which shall be available without fiscal-year limitation for financing the operation and expenses of the Authority. There is hereby authorized to be appropriated to such fund for each fiscal year, beginning with the fiscal year 1958, the sum of $20 million.

(2) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, foreign currencies or credits owed to or owned by the United States shall, with the approval of the President, be made available to the Authority for the purpose of making any grant authorized by this act.

(g) The Administrator shall submit to the President for transmission to the Congress at the beginning of each regular session of the Congress an annual report of its operations under this act.

(h) Section 101 of the Government Corporation Control Act, as amended (31 U. S. C. 846), is amended by inserting after "St. Lawrence Seaway Development Corporation"; the words "Freedom Authority;".

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, RELATING TO DEDUCTION OF CERTAIN TRANSPORTATION EXPENSES—ADDITIONAL COSPONSORS OF BILL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the names of the Senator from Alabama [Mr. SPARKMAN], and the Senator from Tennessee [Mr. KEFAUVER] be added as additional cosponsors of the bill (S. 1951) to amend the Internal Revenue Code of 1954 so as to allow a deduction for expenses incurred by certain physically handicapped individuals for transportation to and from work, and to provide an additional exemption for a taxpayer, or his spouse or dependent, who is permanently physically or mentally incapacitated, and for other purposes, introduced by the Senator from Washington [Mr. JACKSON], for himself and other Senators, on May 1, 1957.

The PRESIDING OFFICER. Without objection, it is so ordered.

REPORT OF BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY

Mr. RUSSELL. Mr. President, I ask unanimous consent that the report of the Board of Visitors to the United States Naval Academy for 1957, which was referred to the Committee on Armed Services on May 1, be printed in the RECORD. The report is unusually informative. It deals with one of the great service institutions of our country.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY, 1957

THE BOARD OF VISITORS TO THE UNITED STATES NAVAL ACADEMY, 1957—APPOINTED BY THE PRESIDENT

Mr. Peyton Anderson, publisher, Macon Telegraph and Macon News, Macon, Ga.; Rev. Theodore M. Hesburgh, C. S. C., president, University of Notre Dame, Notre Dame, Ind.; Mr. David S. H. Howard, vice president and director, Charles Millar & Sons Co., Utica, N. Y.; Dr. Deane W. Malott, president, Cornell University, Ithaca, N. Y.; Mr. William G. Saltonstall, principal, the Phillips Exeter Academy, Exeter, N. H.; and Dr. J. E. Wallace Sterling, president, Stanford University, Stanford, Calif.

APPOINTED BY THE VICE PRESIDENT

Senator THRUSTON B. MORTON, of Kentucky; Senator CHARLES E. POTTER, of Michigan; and Senator A. WILLIS ROBERTSON, of Virginia.

APPOINTED BY THE SPEAKER OF THE HOUSE

Representative RICHARD E. LANKFORD, 5th District of Maryland; Representative JOSEPH P. O'HARA, 2d District of Minnesota; Representative HAROLD C. OSTERTAG, 39th District of New York; and Representative JOHN J. RILEY, 2d District of South Carolina.

EX OFFICIO MEMBERS OF THE BOARD [1]

Senator LEVERETT SALTONSTALL,[2] of Massachusetts, and Representative CARL T. DURHAM [3] 6th District of North Carolina.

ANNAPOLIS, MD., *March 15, 1957.*

The PRESIDENT OF THE UNITED STATES:

SIR: The Board of Visitors to the United States Naval Academy convened at Annapolis on Monday, March 11, 1957, at 10:30 a. m. It was called to order by Mr. Peyton Anderson, publisher, The Macon Telegraph and Macon News, Macon, Ga., who acted as temporary chairman for the purpose of organization. The Board elected Mr. Anderson permanent chairman, and designated Comdr. R. K. Joslin, United States Navy, as secretary, and Comdr. R. N. Adrian, United States Navy, and Dr. W. S. Shields, as assistant secretaries.

Members of the Board who signed this report were present at one or more meetings of the Board.

To facilitate the work of the Board, the members organized into four committees, whose respective membership and functions were as follows:

Committee I: Representative John J. Riley, Mr. Peyton Anderson, Representative Joseph P. O'Hara. Administration; buildings, grounds, and plant maintenance, including financial features. Midshipmen's quartering, subsistence, and budget.

Committee II: Mr. David S. H. Howard, Rev. Theodore M. Hesburgh, C. S. C. Department of Seamanship and Navigation, Department of Electrical Engineering, Department of Foreign Languages, Department of Aviation, including Naval Air Facility.

Committee III: Representative Richard E. Lankford, Dr. Deane W. Malott, Dr. J. E. Wallace Sterling. Department of Ordnance and Gunnery, Department of Marine Engineering, Department of Mathematics, Department of English, History, and Government.

Committee IV: Representative Carl T. Durham, Mr. William G. Saltonstall. Morale, Discipline, Ethics, Health, Entrance Requirements. Physical Education and Athletics. Extracurricular Activities. Department of Hygiene, Department of Physical Education, Library, and Museum.

INTRODUCTION

The Board of Visitors attempted to view everything in its visitation against the background of the Naval Academy's important and difficult mission. The Naval Academy is a very complex institution with a multitude of purposes that, at first glance, seem almost impossible of achievement in one institution during the course of 4 years. The midshipman is expected to obtain a basic professional education as a future naval officer. Moreover, he is expected to become knowledgeable in many departments of science and engineering, both from the theoretical and practical point of view. The midshipman is also exposed to the humanistic subjects that are part of the education of the whole man. He is likewise expected to be proficient in a multitude of physical endeavors, and lives under a rigorous disciplinary regime that is geared to moral development. In a word, the Naval Academy is expected to impart simultaneously several different forms of education, any one of which would in itself be considered by most educators to be a substantial task for 4 years' work.

Perhaps the greatest compliment that the Board of Visitors could pay to the superintendent, the staff, faculty, and midshipmen at the Naval Academy is to remark that in large measure these many purposes are being achieved. This is undoubtedly due to the traditional devotedness and spirit of hard work that has long characterized the staff and students at the Naval Academy. The observations and recommendations of the Board in this present report are made in a spirit of facilitating the ever more difficult task at hand, and of improving the facilities, procedures, and policies that bear upon the accomplishment of the Naval Academy's mission of producing naval officers characterized by knowledge, skill, professional competence, and character.

The Board, through its various committees, visited all of the departments of the Naval Academy and inspected all of its facilities. As a result of this inspection, and the discussions that accompanied our visit, we would like to record here a few observations. As a general policy, we have attempted to limit our recommendations, in an effort to highlight what we believe to be most important.

FACULTY

The faculty of the Naval Academy includes both officers and civilians. The Departments of Ordnance and Gunnery, Seamanship and Navigation, and Aviation are staffed entirely with officers. The other departments include a substantial or preponderant complement of civilians.

With regard to civilian faculty the Board offers the following observations and suggestions:

The sound policy of granting sabbatical leave is, in practice, likely to be inoperative unless the Bureau of Naval Personnel makes provision for filling the faculty allowance at the Naval Academy well in advance of the commencement of each academic year. This will require additional naval-officer assignments if there are shortages in the civilian faculty. The current faculty allowance of 475 is considered to be an absolute minimum for effective instruction. Measured by the standards employed in most institutions of education a faculty of 527 would be required at the Naval Academy.

The difficulty of recruiting competent faculty, particularly in the engineering departments, is intensified by the fact that recruitment is becoming more competitive among academic institutions as well as between academic institutions and industry. Funds should be made available at the Academy for the purpose of paying the expenses of selected candidates to visit the Academy, or of Academy faculty members to visit appropriate civilian institutions of higher education for purposes of recruitment.

The Board considers that the Naval Academy should conform to accepted civilian practices and urges strongly that funds be budgeted to make the sabbatical leave policy operative and to enhance the opportunity for successful recruitment of faculty.

The Board also ventures the observation that a program of recruitment for civilian faculty might be more effectively administered if this responsibility were given sharper and more precise focus, for instance by placing it more squarely on the shoulders of the educational adviser to the superintendent.

The Board would also encourage continuation of attention to the supply of travel funds whereby members of the civilian faculty may be able to attend professional meetings.

While the present salaries of civilian faculty members at the Naval Academy would be adequate on a 9-month basis, it is the opinion of the Board that on the current 12-month basis these salaries would need to be increased by 25 percent to be competitive with academic salaries generally.

CURRICULUM

The Board would like to register the fundamental conviction that the curriculum could very fruitfully be subjected to an overall evaluation in the near future. Technical developments in the field of electronics, nuclear engineering, and weaponry are developing at such a rapid rate that continual additions to the ciriculum are rendering it cumbersome and unmanageable. A current overall evaluation might be based upon the total mission of the Naval Academy from an educational point of view: what it expects to produce educationally in its graduates. An evaluation might reconsider the possibility of a basic professional, humanistic and scientific education for the future naval officer, that would leave specialization for special courses after the midshipman is commissioned.

This critical evaluation of the curriculum cannot possibly be made during the few days of annual visitation by the Board of Visitors. The Board might consider such an evaluation after it has been made by competent educators, but the evaluation itself would involve months of intelligent and critical study by the faculty of the Naval Academy and outside educational experts.

ADMISSIONS

It appears that the Naval Academy is able to be increasingly selective in its admissions. We recommend that the highest physical as well as academic standards be fully met. We urge consideration of a limited number of visits to secondary schools each year by a representative from the Naval Academy in order to attract even stronger candidates and in order to familiarize public and private schools with the Naval Academy and its requirements. Further provisions may be necessary to encourage particularly able students to come to the Naval Academy without the necessity of wasteful repetition.

LIBRARY

The shelf space is now virtually all in use, but inventory and analysis may result in the elimination of some unused books and in the acquisition of needed space. Additional microfilm equipment will help on this score. Term papers put an increasing demand on facilities and staff. Branch libraries in the new wings of Bancroft Hall may reduce some pressure. The Naval Academy has an adequate rather than excellent college library. To become excellent it needs more book funds, space, and professional personnel.

HYGIENE

Dispensary and hospital equipment appears to be excellent. The staff has sufficient freedom to attend professional meetings and share its specialized experience with others. Both outpatient and inpatient loads appear appropriate for an institution of this size. The hygiene course serves a good purpose and gives this department adequate opportunity to consult with midshipmen.

PHYSICAL EDUCATION

The Government-supported program of intramural sports, which includes about 2,400 contests a year, is considered of major importance. Every midshipman, besides his

[1] The Chairman of the Committee on Armed Services of the Senate and the Chairman of the Committee on Armed Services of the House of Representatives, or their designees, are, by law, ex officio members of the Board.

[2] Senator SALTONSTALL was designated by Senator RUSSELL to serve on this year's Board.

[3] Representative DURHAM was designated by Representative VINSON to serve on this year's Board.

curricular work in physical education, participates in intramural sports at least 3 days a week between 4 and 6:30 p. m. Coaching and refereeing are done by midshipmen except in the case of football coaching. The program of varsity sports is not supported by Government funds but by the Naval Academy Athletic Association.

Completion of new athletic and drill areas—new fields and the superb field house—will provide much needed facilities. Improved lighting for outdoor athletic fields is an absolute necessity to enable the Naval Academy to carry out a comprehensive intramural sports program.

PHYSICAL PLANT

The Board was greatly impressed with the urgent need for the construction of new facilities at the Naval Academy to fulfill its present mission. In order to educate and develop midshipmen into capable junior officers of the fleet, the Board strongly recommends expediting the new construction outlined in the master development plan of the Naval Academy totalling $68,154,000. The Board noted that $11,733,000 of that total has been or is presently being expended for new construction and represents roughly 17 percent of the overall program. The Board feels that the accomplishment of this entire program should be expedited, as these facilities are required now to meet the present-day enrollment of 3,600 midshipmen.

The Board finds that grave deficiencies still exist in the housing of midshipmen and single enlisted personnel; in academic facilities; in administrative and service facilities; and in rehabilitation of utility distribution systems.

THE MOST URGENT NEED

The most important project presently included in the fiscal year 1958 and fiscal year 1959 programs is the construction of two additional wings to Bancroft Hall in order to relieve the grossly overcrowded conditions now existing. With a designed normal capacity of 2,500 midshipmen, Bancroft Hall's facilities are stressed beyond all reasonable limits to handle today's on-board enrollment of 3,600 midshipmen, 1,100 over capacity. It is noted that in the fall of 1956 approximately 3,800 midshipmen were housed in Bancroft Hall.

With the intensity of academic work required of the midshipmen, the housing of more than two to a room is considered detrimental to normal study. If the Navy is to maintain its present average enrollment of midshipmen at the Naval Academy, Bancroft Hall should be enlarged at the earliest possible time.

It was the unanimous opinion of the Board that congressional authorization for the entire project for 2 additional wings to Bancroft Hall should be requested in the fiscal year 1958 program in the total amount of $15,171,000 and that appropriations should be requested in fiscal year 1958 and fiscal year 1959 as needed.

OTHER NEEDED FACILITIES

Academic facilities at the Naval Academy are inadequate, in many respects, to handle 3,650 midshipmen. An additional academic building is required. For example, the department of mathematics is housed at the present time in converted storage buildings. Such an arrangement can be considered satisfactory only on an interim basis.

Regarding academic equipment, it should go without saying that in such departments as engineering where scientific advances proceed rapidly, expenditures for new equipment will need continual approval. Teaching aids are in general well provided and maintained. The outstanding deficiency was noted at the naval air facility. The seaplanes in use for air indoctrination of midshipmen are antiquated, obsolete, and absolutely uninspiring for prospective naval officers in the air age. Incidentally, the absence of any up-to-date air facility might at least be presently compensated by more effective use of carriers during the summer cruise.

The housing of single enlisted personnel, attached to the Naval Academy, aboard U. S. S. *Reina Mercedes* and APL–31, is considered inadequate, unsuitable and far below the standard established by the Secretary of Defense for short-type barracks. Upon completion of the fill project, it is strongly recommended that funds be provided for the construction of suitable barracks to house these personnel ashore.

Administrative and service facilities should be improved. The present Administration Building is overcrowded, poorly arranged and should be air conditioned for summer operation. The Public Works Department has no satisfactory shops or storage facilities. Similarly, the Supply Department has inadequate storage facilities, utilizing for the most part quonset huts and other temporary structures now well past their useful life. The need for permanent and well-designed facilities for these two departments is of growing importance.

The need for major rehabilitation of the utilities systems has long been overlooked because of the requirement for items of more pressing importance. The present age and state of deterioration of the utilities systems, both outside and inside buildings, have convinced the Board of the need for prompt action on this project. The entire operation of the Naval Academy is dependent on the proper operation of these utilities systems.

MAINTENANCE

The Board reviewed in detail the facilities and personnel available at the Academy for maintenance, upkeep and repair. As pointed out previously, a need exists for adequate shop and storage facilities for the Public Works Department. The Board feels that the provision of adequate facilities, consolidated in one general working area, will greatly improve efficiency of operation and may result in a decreased requirement for maintenance personnel. However, pending the construction of adequate facilities, the Board feels that the number of maintenance personnel at the Naval Academy is inadequate to maintain this institution in a condition consonant with its importance. It is noted that the number of personnel available for maintenance purposes at the Academy is actually less than that required to meet navywide standards, as established by the Navy's work-measurement program.

The Board feels strongly that the standard for the Naval Academy should be superior to that expected of the average Navy facility. As pointed out in the report of the 1956 Board of Visitors, during the past 20 years the land area at the Naval Academy has been increased from 202 acres to 478 acres; the building area to be maintained has increased from 2,308,000 square feet to 3,464,377 square feet; and the average enrollment of midshipmen has increased from 2022 to 3684. Yet, at the same time, the number of maintenance employees has decreased from 591 to 585.

This Board finds that a complement of 700 is not only desirable, but is essential in order to maintain properly the buildings and grounds of the Naval Academy. Although strong efforts have been made to obtain additional funds to permit an increase in maintenance complement, the Board finds that the present proposed Naval Academy maintenance and operating budget for fiscal year 1958 is inadequate to permit the necessary personnel additions. This matter should be of serious concern to the Navy Department, for the examples of maintenance set at the Naval Academy for midshipmen influence their ability to measure up to the standards they will be expected to maintain as officers of the fleet. In addition, the Academy is a focal point for foreign visitors of great importance to the Nation as well as for the visiting public.

ATHLETIC FACILITIES

It is noted with pleasure that funds have been provided in the fiscal year 1957 program, and are being requested under the fiscal year 1958 program, to finance the construction of an additional 60.5 acres of land for outdoor athletic purposes. This project, plus the fieldhouse, appropriated for by Congress in the fiscal year 1955 program, will alleviate one of the Academy's major deficiencies, which is lack of indoor and outdoor area for physical development of midshipmen.

The Board was advised that the Naval Academy is presently conducting a campaign to raise funds to construct a suitable stadium from private contributions on land owned by the Naval Academy Athletic Association. This effort is commended. Pending the outcome of this campaign, the Board of Visitors offers no further observation other than to emphasize the great need for the new stadium and the necessity for the early removal of the Thompson Stadium stands.

CONCLUSION

The Board of Visitors wishes to communicate to all of the responsible members of Government the urgency of the task that we have seen in progress at the Naval Academy. As a nation our interest and support have often been directed to the dramatic results of research and development of materials in the interest of national security. However, the Naval Academy is mainly concerned with the development of men who alone can use these new material weapons of defense with intelligence and courage. In the stirring history of our country it is men who have mainly mattered, above and beyond the hardware involved in defense. The Board would, therefore, strongly urge that all legislators and departments involved with appropriations consider the needs of the Naval Academy as belonging to a special category of importance for the future of America.

The Board of Visitors wishes to express its appreciation to the superintendent, Admiral Smedberg, and his associates for their courtesies and for their excellent cooperation.

The Board expresses its appreciation also to Comdr. R. K. Joslin, United States Navy, secretary to the Board, and to the assistant secretaries, Comdr. R. N. Adrian, United States Navy, and Dr. W. S. Shields for their cooperation and assistance.

Respectfully submitted.

J. E. Wallace Sterling, John J. Riley, Deane W. Malott, William G. Saltonstall, David S. H. Howard, Theodore M. Hesburgh, Carl T. Durham, Richard E. Lankford, Peyton Anderson, A. Willis Robertson, Thruston B. Morton, Charles E. Potter, Harold C. Ostertag, Joseph P. O'Hara, R. K. Joslin, commander, United States Navy, Secretary to the Board of Visitors.

As a member of the Senate Appropriations Committee and the Senate Armed Services Committee, I wish to sign this report with the following qualifications:

I strongly believe in the wisdom of improved maintenance at the Academy and the immediate construction of two wings to Bancroft Hall. These improvements are needed due to the increased Academy enrollment. The other new construction, I believe, should be phased in, in accordance with the overall needs of the Naval Establishment, with other necessary Navy construction.

I wish to call attention to the conclusion of the report. We should certainly consider all of these projects of importance to young men who select the Navy and study for a career in it. I believe these needs are among the many important categories for national security.

LEVERETT SALTONSTALL.

UNITED STATES NAVAL ACADEMY,
Annapolis, Md., March 11, 1957.

STATEMENT TO THE BOARD OF VISITORS SUBMITTED BY THE SUPERINTENDENT OF THE UNITED STATES NAVAL ACADEMY

GENTLEMEN: It is a privilege and a pleasure to welcome you to the Naval Academy. Last spring, before reporting as Superintendent, I had the opportunity to visit the Academy while the Board of Visitors was in session. At that time it was my good fortune to meet some of the members of this year's Board and to sit in on some of the Board's discussions. As a result of that experience I look forward with particular interest to the meeting of the present Board and welcome the occasion to discuss with you the Naval Academy's program and its current and future needs.

The last day of your scheduled visit this year marks for me the completion of a challenging year, as it was on March 15, 1956, that I assumed my present duties as Superintendent of the Naval Academy. My initial enthusiasm for this assignment has increased throughout these short 12 months as I have acquired a more intimate understanding of the Naval Academy's needs and have sought solutions for them.

Some of you are thoroughly familiar with the purpose and program of the Naval Academy, having served as members of previous Boards of Visitors. Others of you may not have considered quite so closely the role of the Naval Academy and the measures employed here to carry out its mission. I am sure that the older members of the Board will bear with me as I delineate briefly the philosophy underlying our program.

The Naval Academy exists for the primary purpose of preparing young men for careers in the line of the Navy. There are other programs in the Navy for the development of various special functions likewise essential to the Navy, in medicine, in supply, in law, in theology, in specialized science and engineering, and many other fields often accomplished in cooperation with civilian universities. The Naval Academy, however, is the institution devoted solely to the education and training of young men for the responsibilities of command of ships and aircraft, the function of the line. A graduate of the Naval Academy should be of immediate usefulness as a junior officer aboard ship; he is given the background in professional subjects for development as a shipboard officer, as well as instruction in the fundamentals of naval aviation. This part of our program is accomplished in the professional courses at the Academy and also through the practical experience of the summer cruises and aviation summer, and with this background the graduate enters the school of experience as a junior officer.

The ships and planes in which our officers serve are at the forefront of our country's technological development. With their complicated machinery and equipment, including such items as electronic and atomic devices, they require a broad background of scientific and engineering knowledge. Accordingly, our curriculum includes a large segment of mathematics, the physical sciences, and engineering subjects. The scope of scientific knowledge and the rapid advance of technology are of such magnitude that anything approaching complete coverage is impossible. It is our conviction, however, that a thorough grounding in the fundamentals of such studies will prepare our graduates to understand the new and ever-changing devices they encounter in the fleet, as well as provide them with the background for postgraduate study.

The demands made upon naval officers in such areas as diplomacy, Government, economics, and human relations require that education at the Naval Academy include a substantial background in the social sciences and the humanities. An officer's need for knowledge in such fields becomes increasingly important throughout his career. The Naval Academy curriculum includes, therefore, courses in the social-humanistic area throughout all 4 years of the program.

The development of character is central to our purpose. Officers who will be responsible for the safety of our country, the lives of our citizens and the custody of Federal funds and equipment must be of unimpeachable honor. We endeavor to instill in the midshipmen the highest standards of personal conduct, honesty, integrity, responsibility, and loyalty. The traditions of the Naval Service and of the Naval Academy, the organization of the brigade, the guidance of the officers in Bancroft Hall, and the emphasis on example by all those concerned with the instruction of midshipmen contribute to the accomplishment of this purpose.

Physically, too, our graduates must be prepared for a naval career. Life in the Navy is rugged by comparison with many another profession. Physical conditioning is a necessary preparation for it. The midshipmen have instruction in physical education all 4 years, participate widely in an intramural sports program, and field teams in almost every major intercollegiate sport.

Perhaps even more important than preparing the midshipmen for their duties is the necessity for motivating them for a career in the line of the Navy. This is a vitally important matter, since we do not want to spend 4 years preparing them for such a career and then have them go into something else. For the past several years we have not been able to make our maximum, and necessary, contribution to the line of the Navy because of the requirement, by law, that 25 percent of each graduating class be allowed to accept commissions in the Air Force. This situation will change, however, with the class graduating in 1959. At that time, the percentage that may go into the Air Force or the Army will be reduced to a maximum of 12½ percent. Furthermore, such transfers will be on a basis agreeable to the Secretaries concerned. Since, for almost half a century, 80 percent of the graduates of the Naval Academy commissioned in the Navy have stayed in the Navy until normal retirement, it is apparent that the Academy has been successful in preparing career officers for the naval service. It makes sense, therefore, from the point of view of economics, specific training, and devotion to career that Naval Academy graduates should not be shunted away from the naval profession. We believe that the termination of the contribution of 25 percent of our graduates to the Air Force will enable us to do a better job of motivating the midshipmen toward a career in the Navy line and that the Naval Academy will be better able to achieve its mission of providing the Navy with more career officers.

In providing an undergraduate education as well as professional preparation for a naval career, the Naval Academy must meet the educational standards of other colleges and universities. This past year the Naval Academy was reevaluated by the Middle States Association of Colleges and Secondary Schools, in accordance with that association's policy to review the accredited status of member institutions once every 10 years. It is a pleasure to inform the board that the Naval Academy's accredited status was reaffirmed by the association's commission on institutions of higher education.

CURRICULUM

The curriculum of the Naval Academy is designed to provide a broad and sound basis for the future development of its graduates. The 4-year program is undergraduate in scope. It is characterized by the breadth of its coverage rather than by specialization in any particular branch of study. It contains what we believe to be a highly desirable program of studies for all future naval officers, regardless of what specialization may come later as a result of particular experience and postgraduate study. It reflects the concept that a common basis of understanding is an important ingredient in the preparation of career naval officers. That is one of the reasons the Naval Academy curriculum is a prescribed one for all midshipmen—the only electives being a choice of 1 of 6 foreign languages, and the opportunity to join advanced sections in some departments where they can probe deeper into certain subjects.

The curriculum has a total of 156 semester hours of college work, and leads to a bachelor of science degree. This amount of course work represents about 30 semester hours more than colleges usually require for a bachelor's degree. In addition, the midshipmen have 4 summers of indoctrination and practical instruction including a summer at the Naval Academy prior to the commencement of academic studies in their Plebe (freshman) year, 2 cruises, and 1 aviation summer. All in all, the 4-year program is an exceedingly full one extending into 11 months of each year.

The 156 semester hours of the 4 academic years are devoted to 3 major areas: 50 percent of the curriculum is allotted to the sciences, mathematics, and engineering studies; 25 percent to such fields as history, government, economics, literature and languages; and the other 25 percent is devoted to professional subjects such as ordnance, aviation, and seamanship.

The curriculum is under continuing review by the faculty and administration. Each year the Academic Board reassesses the total 4-year program to determine whether it constitutes the optimum preparation for a career in the naval profession. Such evaluation takes into account the necessity for a broad education in the liberal arts, a fundamental understanding of appropriate engineering studies, and a sound preparation in professional naval subjects. New developments in technology and in the science of warfare render necessary a continual scrutiny of courses in these areas. Within the time limitations of the 4-year program, the Academic Board must compensate for any increase in emphasis in one area of study with a corresponding reduction in emphasis elsewhere in the program.

Recent changes in the curriculum that have been approved by the Academic Board include: A reduction in the time devoted to a course in air operations; shifting the course in fluid mechanics from second class year to third class year in a course titled "Fluid Mechanics and Aerodynamics," with additional time being devoted to aerodynamics; eliminating the course in basic aviation, which was essentially a course in aerodynamics; strengthening the courses in physics and electronics by assigning additional time to them; and introducing accelerated courses in the department of mathematics for the better students in order that they can cover more advanced algebra and differenial equations.

The formal curriculum is supplemented not only by a wide range of extracurricular activities, but also by concert and lecture series. Many of the extracurricular activities, such as the Mathematics Club, the Engineering Club, and the Forensic Activity, provide the midshipmen with an opportunity to satisfy their intellectual curiosity by delving much deeper than the curriculum takes them in subjects of particular interest to them.

Outstanding musicians who participate in the annual concert series contribute significantly to the cultural development of the midshipmen.

In an annual series of lectures by visiting speakers, midshipmen of the first class are privileged to hear important presentations by outstanding officers of the armed services as well as preeminent civilians.

In support of the religious program of the Naval Academy, leading clergymen representing the major denominations are guest preachers at the Naval Academy Chapel on approximately every third Sunday. The Naval Academy Christian Association and the Newman Club, which meet on alternate Sunday evenings, provide a varied program of speakers, religious concerts, and religious films.

SUMMER PROGRAM

Immediately following June week graduation activities the new first and third classes, approximately 1,800 midshipmen, will embark in 1 battleship, 3 cruisers, and 12 destroyers and proceed to Norfolk, Va. There they will be joined by 940 NROTC students, and will participate in the International Naval Review portion of the Jamestown Festival before departing on a 2-month training cruise that will include visits to ports on the east coast of South America, as well as in the Caribbean. In the final phase of their training, gunnery practice will be conducted off Guantanamo Bay, Cuba.

The second class midshipmen will be given amphibious and aviation training. During the first 2 weeks of the summer the entire class will particpate in the amphibious training exercise, TRAMID. Subsequent to this, the class will be divided into three groups. Each of these groups will be scheduled for a 10-day carrier cruise. Aviation indoctrination will be given to two of these groups at Pensacola and to the other here at Annapolis and in the Norfolk area. This indoctrination will consist of approximately 8 hours of dual flight instruction, one flight in a two-place jet airplane, a static display and fly-by of new fleet aircraft and various demonstrations designed to round out a knowledge of aviation capabilities and limitations.

The new fourth class will enter during the early part of the summer and will be given indoctrination and basic training at the Naval Academy.

BRIGADE OF MIDSHIPMEN

A sponsor program for the fourth classmen was established last fall. Each fourth classman now has an officer or a civilian professor to whom he can turn for help or advice in the friendly atmosphere of a home. It is believed that the informal relationship resulting from this program will be of value socially, educationally and psychologically, and will provide valuable guidance to the midshipmen in their first year at the Naval Academy. The program is on a trial basis this year, but the response of both the midshipmen and the sponsors, as well as the parents of the midshipmen has been generally very favorable and in all probability the program will be continued.

In an attempt to create among the midshipmen an increasing interest and pride in a higher quality of academic performance three new measures have been established. First—the superintendent's list. This corresponds in many respects to the dean's list used in many colleges, except that here the midshipmen are also required to meet certain prescribed standards in conduct and aptitude. About 15 percent of the brigade attain the superintendent's list. Secondly—academic competition has been added to the factors that determine the winner of the intra-brigade competition, the color company. The number of midshipmen that achieve the superintendent's list, and the academic average of each class group within each company form the basis for this part of the competition. Finally—standards of academic proficiency for midshipmen representing the Naval Academy on trips away from Annapolis have been established. The requirements vary with the duration and nature of the trip. If no loss in academic time is involved and the competition is not professional or academic, the midshipmen are required only to have a satisfactory current average in each subject. At the other extreme, a midshipman must have high academic grades, to substantiate his ability creditably to represent the Naval Academy, in order to qualify to make a trip in which he would participate or compete in professional or academic subjects.

As recommended by the Board of Visitors, Congress enacted legislation, effective June 25, 1956, to provide that enlistment contracts or periods of obligated service of members of the Armed Forces would not terminate by reason of appointment as a midshipman at the Naval Academy. Accordingly, any ex-enlisted midshipmen who are separated from the Naval Academy for any reason, other than medical discharge or acceptance of a commission, will revert to their previous enlisted status. The time spent at the Academy is credited toward their obligated enlisted service. Resignations from former enlisted men of the armed services have declined from 25 last year to 11 this one. It is believed that this decrease reflects, to some extent at least, the effect of the new legislation.

PUBLIC RELATIONS

During the recent Christmas season, we carried out for the second time the program called Operation Information. This is a method whereby approximately 100 selected first classmen go home on Christmas leave prepared to tell the people of their own hometown areas what their life and work is like at the Naval Academy. The midshipmen make their own arrangements and engagements to speak.

This project has been well received, many midshipmen having made appearances on radio and television, and it is anticipated that Operation Information will be carried out annually in the future.

Another program of informing the public about the Naval Academy has recently been started. This is the television series called Men of Annapolis, a series of 39 half-hour dramatic shows being presented on a nationwide basis. Filmed with the Academy as the background, the series will reach a vast audience and it is hoped that it will prove to be a most effective method of telling the Naval Academy story.

The Naval Academy continues to cooperate with secondary schools throughout the country in their college day programs. Where representatives of the Naval Academy are unable themselves to attend such programs, local naval district commandants and recruiting officers are requested to cooperate. This undertaking, too, has proved to be fruitful and the response gratifying.

ENTRANCE EXAMINATIONS

On December 21, 1956, the Navy Department approved a recommendation of the Academic Board that the Naval Academy utilize the scholastic aptitude test and certain achievement tests of the College Entrance Examination Board as its entrance examinations. These will be required in lieu of the specially prepared entrance examinations employed heretofore. The change will be effective with the class to enter in 1958 and it is in keeping with arrangements already in effect at the Military and Air Force Academies. Thus, the three major service Academies will require entrance tests that are generally recognized as the nearest approach to a national standard in the field of testing for entrance to college.

The adoption of College Entrance Examination Board examinations should prove advantageous from the points of view of:

The candidate for appointment—who could use one set of examinations for entry into any of the service Academies in the event that he had multiple appointments (as many candidates have), or for entry into a civilian college if he failed to get into a service Academy.

The Naval Academy and the Navy: Because of the advantages to the candidate outlined above and the fact that less school time would be lost in taking the examinations, there should be more candidates taking the examination and as a result greater selectivity and better students.

The general public: Which recognizes the College Entrance Examination Board tests as proven standards for college level entrance examinations.

With this change we now closely approach the recommendation made in the final report of the Military Education Panel to the Service Academy Board (Stearns-Eisenhower Board) which is quoted as follows:

"Mental examinations should be of college entrance level and should be uniform for all candidates of all academies."

FACULTY

Since the first of October the civilian faculty has been included within the provisions of the Civil Service Retirement System. This represents a considerable improvement over the separate Naval Academy retirement plan which had been in effect for the past 20 years. More flexible and more favorable retirement provisions, and greater protection for dependents are now available to the civilian faculty.

As recommended by last year's Board of Visitors, the Navy Department has granted to the Superintendent the authority to approve travel of faculty members to professional meetings. This will make possible a more expeditious handling of requests for attendance at meetings, as it eliminates the necessity of referring each individual request to the Secretary of the Navy for approval, and it will facilitate both faculty and administrative planning of such attendance throughout the academic year.

Since the meeting of last year's Board, sabbatical leaves have been approved by the Navy Department for the civilian faculty. The plan provides for sabbatical leave at half pay for a full year or at full pay for 6 months. Such leave will not be automatic for any specified period of faculty service but will be granted on the basis of projects submitted and on recomemndation of the Superintendent to the Secretary of the Navy. In its report last year, the Board of Visitors urged the establishment of a sabbatical-leave program at the Naval Academy.

As part of a reorganization of Naval Academy Standing Committees, a Committee on Civilian Faculty Affairs was created this fall. This committee, which will supplement the functions of the Committee on Pay and Promotion, will concern itself with matters relating to the prestige, dignity, morale, obligations, responsibilities, and conditions of employment of the civilian faculty, and will recommend to the Superintendent such changes as are deemed desirable in civilian faculty policies. This new committee is composed of elected representatives of departments having civilian faculty.

The Academic Council has recently completed a thorough study of the instructional and noninstructional duties of the faculty in order to determine the numbers of faculty members required for the various academic departments. The results of the council's study should prove useful in future personnel planning.

For the second consecutive year, new instructors reporting to the Academy participated in an instructor-orientation program held immediately before the opening of the fall semester. Ninety-three new instructors, almost all of them naval officers, attended this year's 2-week program, which consisted of 11 lectures and 17 hours of practice teaching under the guidance of experienced teachers. This course has been enthusiastically received and is considered to be a most worthwhile program.

In addition to the orientation program and the departmental programs for new instruc-

tors, provision has been made this year for the attendance of some 40 officers at graduate courses in direct support of their instructional duties. Such courses have been under extension arrangement or by commutation to nearby universities.

NEW PLANT FACILITIES

The comprehensive program for providing additional plant facilities at the Naval Academy to accommodate properly the present and planned enrollment of 3,650 midshipmen consists of 20 projects, totaling $58,032,000. The 2 major projects in the program, desired in the fiscal year 1959 budget, are (1) 2 additional dormitory wings for Bancroft Hall to house 1,100 midshipmen, and (2) the Naval Academy air facility. It should be noted that this entire program is based on adequately supporting 3,650 midshipmen. This is an average figure for a year. This year we commenced the academic year with 3,799 midshipmen literally stuffed into Bancroft Hall. No major increase in enrollment is expected in the immediate future.

In the fiscal year 1957 military construction program, the Academy received funds for the gain of 60 acres of land by hydraulic fill. Plans and specifications are completed and construction work will start in March 1957. Approximately 2 years will be required for completion.

In the fiscal year 1958 military construction program, now before Congress, is a project for $3,200,000 to provide funds for starting the foundation of the two wings of Bancroft Hall and necessary alterations to the powerplant. If these funds are provided in the summer of 1957, we will save about 21 months in the final completion of this essential $16,782,000 project. Advance planning has been completed, final contract plans and specifications are under preparation and the construction of two prototype rooms in the third wing of Bancroft Hall is underway.

In addition, the project for the John H. Towers Airfield, a Naval Air Station whose mission includes Naval Academy support, is contained in the fiscal year 1958 program at a cost of $4 million. The exact location of this field is still undetermined. The present request for $4 million is to support cost of preparation of plans and specifications, real estate acquisition, rights-of-way and easements.

DORMITORY FACILITIES

Bancroft Hall is designed for a maximum capacity of 2,859 midshipmen and a normal capacity of 2,500 midshipmen. There are 1,328 rooms, of which 1,149 are designed as 2-man rooms. The remainder can accommodate 1, 3, or 4 men each. With an average planned brigade strength of 3,650, it is necessary to assign additional occupants to 60 percent of the 2-, 3-, and 4-man rooms. With the addition of extra bunks, lockers, and desks, there is overcrowding with resultant interference between roommates and detrimental effect upon studies and morale.

Room assignment for academic year 1956–57 with a brigade strength of 3,754:

Type room	Total each type	Number occupied by—					
		1 man	2 men	3 men	4 men	5 men	6 men
1 man	15	5	10				
2 men	1,149		332	800	17		
3 men	115			95	20		
4 men	49				31	15	3

As stated above, the advance planning report concerning construction of the two additional wings to Bancroft Hall has been submitted and funds in the amount of $3,200,000 are being requested for fiscal year 1958 to prepare the plans, specifications, construction of foundation and modification of facilities to provide the additional utilities that will be required.

AIR FACILITY

The ability to conduct an air indoctrination program required in the education and training of career naval officers is increasingly hampered each year by the obsolescence or lack of facilities.

The principal problem is the lack of a modern airfield which can be made an integral part of the Naval Academy. Again this year the Naval Academy has requested provision of airfield facilities upon which a complete summer term and academic year aviation program can be formulated. Meanwhile, the Naval Academy is continuing a year-to-year program incorporating the use of variously available facilities during the second class summer period and the use of the N3N seaplanes during the academic year. During the summer of 1957 the support of the Naval Air Training Command facilities at Pensacola will provide a desired increase in quality and quantity of flight time and other aviation orientation projects.

The Academy has also requested replacement of the N3N aircraft with a modern propeller-type amphibian. It is understood that implementation of replacement plans will be withheld pending further information on Academy airfield plans in the fiscal year 1958 budget.

MAINTENANCE OF PLANT FACILITIES

During the past year, a major effort has been devoted to improving the maintenance, repair, and rehabilitation of structures, and utility distribution systems, most of which are over 50 years old. During the present fiscal year, work of a repair or rehabilitation nature totaling $455,000 has been accomplished. However, in spite of this major expenditure, the backlog of deferred maintenance has not been overcome because of the lack of sufficient maintenance personnel to keep abreast of day-to-day maintenance. In the utility field alone, needed major rehabilitation of distribution systems, both underground and within buildings, totals $1,768,000. The 1956 Board of Visitors recommended that the present maintenance force be increased from 585 to 664 maintenance employees, with a desirable complement of 700. Budget requests have been submitted by the Academy to the Navy Department justifying the need for 700 employees in the fiscal year 1958 budget. Navy Department approval was obtained, but the final outcome still depends on Department of Defense and Bureau of the Budget review, and action by Congress. It is very doubtful that the final action will provide for any significant improvement.

In addition to the needed increase in maintenance personnel and to the above-mentioned rehabilitation projects for the utility systems, additional rehabilitation projects totalling $1,128,000 were submitted separately as special projects in the fiscal year 1958 budget for financing under maintenance and operation funds.

STADIUM

The southwest stands of the present stadium were initially constructed in 1912 with contributions from private persons. The northeast stands were added in 1924, giving a seating capacity of about 16,000. At present, parking facilities available in the vicinity of the stadium are extremely limited and entirely unsatisfactory.

The location of Thompson Stadium is such that the front of the new gymnasium will be immediately adjacent to the rear of the southwest stands. This fact would detract considerably from the appearance of the building. In addition, the long-range development plans for the Naval Academy call for the construction of two new wings to Bancroft Hall on Farragut Field. One of these wings will be in close proximity to the northeast stands of the stadium. The retention of Thompson Stadium in its present site, in view of current and contemplated new construction, will detract immeasurably from the beauty of the Naval Academy. Further, the land is required for our intramural outdoor athletic program.

In order to alleviate the above unsatisfactory conditions, a survey for the removal of the southwest stands of Thompson Stadium has recently been initiated. In addition, the Naval Academy Athletic Association plans to start construction of a new Navy-Marine Corps Memorial Stadium this spring, financed by nonappropriated funds. The proposed stadium will seat 31,000 spectators, have parking for over 8,000 cars, and will cost approximately $3,100,000. The association has title to the site, 101 acres of land which has been rough graded with storm drains installed, and has $1 million earmarked for this construction. The remaining $2,100,000 will have to be raised from Naval Academy alumni and friends of the Navy and Marine Corps. A drive for these funds was initiated in early January of this year.

RECREATIONAL FACILITIES

The previously mentioned land reclamation, through the filling in of Santee and Dewey Basins, and the additional area to be made available through the removal of the present football stands, are urgently needed to provide athletic and drill areas. The critical shortage of outdoor space for recreational purposes has been a matter of deep concern at the Naval Academy. The overcrowding of present recreational facilities has been deplored by previous Boards of Visitors.

Funding for adequate lighting facilities for presently existing athletic fields, as well as newly acquired areas, is also a necessity for an adequate physical-education program. Last year's board pointed out the seriousness of this problem.

CONCLUSION

In concluding these remarks, I should like to underline for the members of the Board of Visitors those physical needs of the Naval Academy which I consider of utmost importance to the effective accomplishment of our mission.

First, the addition of two wings to Bancroft Hall to relieve badly overcrowded dormitory facilities.

Second, provision of adequate funds and personnel to accomplish accumulated and current maintenance.

Third, acquisition of additional land for athletics, drill, and recreation through hydraulic fill and the removal of the dilapidated Thompson Stadium.

Fourth, provision of a suitable air facility for the instruction of midshipmen.

W. R. SMEDBERG, III.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Iowa:

Address entitled "The Road Ahead for Business," delivered by him before the annual convention of the Junior Chambers of Commerce of Iowa at Waterloo, Iowa, on May 4.

By Mr. MARTIN of Pennsylvania:

Address delivered by him at the convention of the International Brotherhood of Boilermakers and Blacksmiths, Bellevue-Stratford Hotel, Philadelphia, on May 7, 1957.

By Mr. JAVITS:

Address delivered by him at dinner commemorating ninth anniversary of independence of Israel.

By Mr. HRUSKA:

Article entitled "Mrs. Abel, Ex-Senator, Named Mother of 1957," published in the Washington Evening Star of May 7, 1957.

JOSEPH R. McCARTHY—A GREAT AMERICAN

Mr. MALONE. Mr. President, Joe McCarthy was a great American. He believed, as I do, that any man refusing to take the oath of allegiance to the United States of America or any man who hid behind the fifth amendment when asked if he had ever been disloyal, did not belong on the public payroll.

Mr. President, the censure of Senator Joseph McCarthy by his colleagues in the absence of an allegation that he had ever violated any rule of the United States Senate, was a very dangerous precedent. It was the first tangible move to destroy the investigative power of this great body. It was accomplished under an emotional strain, comparable to a war hysteria.

The precedent could not have been established under normal conditions. It is a dangerous precedent, and if followed hereafter, any Member of this distinguished body can be censured when any other Member can be persuaded to submit a resolution looking to that end, provided the emotion and hysteria of the moment can be aroused to the point of securing the necessary majority vote on this floor.

Mr. President, the whole proceedings relating to the censure of Senator Joseph McCarthy should be expunged from the permanent RECORD; and to that end the senior Senator from Nevada will offer such a resolution, unless the sponsors of the movement in the first instance offer the resolution within a reasonable time.

DEBATE ON RESOLUTION OF CENSURE, NOVEMBER 16, 1954

Mr. President, I ask unanimous consent that the remarks I made on this floor on November 16, 1954, be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD of November 16, 1954]

Mr. MALONE. Mr. President, I have in my hand a copy of Senate Resolution 301, which reads as follows:

"*Resolved*, That the Senator from Wisconsin [Mr. McCarthy] failed to cooperate with the Subcommittee on Privileges and Elections of the Senate Committee on Rules and Administration in clearing up matters referred to that subcommittee which concerned his conduct as a Senator and affected the honor of the Senate and, instead, repeatedly abused the subcommittee and its members who were trying to carry out assigned duties, thereby obstructing the constitutional processes of the Senate, and that this conduct of the Senator from Wisconsin [Mr. McCarthy] in failing to cooperate with a Senate committee in clearing up matters affecting the honor of the Senate is contrary to senatorial traditions and is hereby condemned.

"SEC. 2. The Senator from Wisconsin [Mr. McCarthy] in conducting a senatorial inquiry intemperately abused, and released executive hearings in which he denounced, a witness representing the executive branch of the Government, Gen. Ralph W. Zwicker, an officer of the United States Army, for refusing to criticize his superior officers and for respecting official orders and executive directives, thereby tending to destroy the good faith which must be maintained between the executive and legislative branches in our system of government; and the Senate disavows the denunciation of General Zwicker by Senator McCarthy as chairman of a Senate subcommittee and censures him for that action."

LETTER TO THE CHAIRMAN

Mr. President, on November 15, 1954, a member of the select committee to study censure charges against the junior Senator from Wisconsin addressed a letter to the chairman of the select committee, in which he said:

"UNITED STATES SENATE,
"SELECT COMMITTEE TO STUDY CENSURE CHARGES PURSUANT TO SENATE ORDER ON SENATE RESOLUTION 301,
"November 15, 1954.

"The Honorable ARTHUR V. WATKINS,
"Chairman, Select Committee To Study Censure Charges, United States Senate.

"MY DEAR MR. CHAIRMAN: The letter which Secretary Stevens wrote late Saturday, and which you delivered to me yesterday (Sunday) afternoon responding to the questions which I asked him at the conference in your office earlier Saturday afternoon, considered with the material in the two letters which he brought to your office, together with the prior evidence in the matter, convinces me that it would be wrong to censure Senator McCarthy on the second count—the Zwicker affair.

"Therefore, I shall not vote for it."

Mr. President, I ask unanimous consent that the part of the letter to the chairman from the distinguished Sentaor from South Dakota which I have marked in the margin be printed in the RECORD at this point.

There being no objection, the portion of the letter was ordered to be printed in the RECORD, as follows:

"You recall that after reading the McCarthy letter which Secretary Stevens brought in Saturday, I asked: 'When was the letter actually received?' and 'What consideration was given to it?'

"After the conference, I reread not only the testimony before our committee on the Zwicker matter but also the original Peress testimony before Senator McCarthy in New York City. That hearing ended in New York City at noon on Saturday, January 30, on a quiet and sort of incidental question by Senator McCarthy, 'You haven't been asked to resign, have you?'

"A short exchange apparently alerted both parties and then a foot race began—by Peress on Monday, February 1, to get immediate action on his discharge, by McCarthy to get a court-martial instituted before Peress got out of the jurisdiction of the Army.

"Secretary Stevens gives the first positive evidence as far as I know that Senator McCarthy's letter of February 1, was delivered to his office by messenger that same Monday, and made known 'to the responsible Army staff.'

"Further, that it was reviewed—presumably against the information which General Zwicker relayed through his immediate superior, Chief of Staff, First Army, New York, the same Monday that Peress had asked for immediate discharge instead of the previously agreed upon date.

"Mr. Stevens' reply to my second question is that the McCarthy letter was then reviewed and that 'it was concluded that there was no additional evidence to require modification of the prior determination of the Peress case * * * and that the best interests of the United States would be served by his prompt separation.'

"So, the discharge was executed and Peress was released Tuesday afternoon, February 2. Mr. Stevens arrived in Washington on his trip back from Japan late on the afternoon of February 3.

"This proof that an Army staff at the Pentagon did decide to let Peress slip out of their grasp after the issue was directly and timely raised throws into new focus a whole set of dates and events prior to the Zwicker hearing. It goes far toward explaining Senator McCarthy's conduct on February 18, when Brigadier General Zwicker, the representative supplied by the Army under wraps was unable to pinpoint the persons responsible for giving more consideration to a request from a false-swearing Communist seeking to flee from the Army's jurisdiction than to a suggestion from the chairman of a Senate investigating committee that court-martial proceeding be immediately instituted."

PROVISION FOR CENSURE OR EXPULSION

Mr. MALONE. Mr. President, the Constitution of the United States, in article I, section 5, provides that "each House may determine the rules of its procedure, punish its Members for disorderly behavior, and with the concurrence of two thirds, expel a Member."

Mr. President, that is the only reference the Senator from Nevada is able to find in the Constitution of the United States relative to the censure or expulsion of a Member.

Mr. President, other than the charge relating to the "Zwicker affair" designated by the distinguished Senator from South Dakota [Mr. CASE], there is left only the charge of abusing the subcommittee "and its members who were trying to carry out assigned duties, thereby obstructing the constitutional processes of the Senate, and that this conduct of the Senator from Wisconsin in failing to cooperate with a Senate committee in clearing up matters affecting the honor of the Senate, is contrary to senatorial traditions and is hereby condemned."

Mr. President, I find no provision in the Constitution of the United States or in the rules of the Senate for any such procedure, granting, however, that the Senate, no doubt, by the required number of votes, can do anything it decides to do to a Member.

On November 8, 1954, at the beginning of this debate, the Senator from Nevada said in the CONGRESSIONAL RECORD, volume 100, part 12, page 15848, in a debate with the majority leader of the Senate:

"The Senator to whom the censure is directed is only a whipping boy. The objective is and has been to destroy the investigative power of the Senate."

A WHIPPING BOY

Mr. President, on November 12 the Senator from Nevada further stated in a debate with the distinguished majority leader, in the CONGRESSIONAL RECORD, volume 100, part 12, page 15983:

"The senior Senator from Nevada feels that the junior Senator from Wisconsin is merely the whipping boy in this procedure. He feels that the real objective from the very beginning has been to destroy the investigative power of this body.

"ESTABLISH THE PRINCIPLE—WHO IS NEXT

"By pinning the spotlight on a personality the public can be divided. You could not so easily divide public opinion on the principle involved.

"The present procedure or the next accusation, once the principle is established, could be the chairman of the Appropriations Committee [Mr. BRIDGES] or the chairman of the Committee on Rules and Administration [Mr. JENNER] or the distinguished majority leader."

Mr. President, if we are stepping out and beyond the Constitution of the United States and the rules of the Senate to censure conduct that does not seem proper to some Member of the Senate, it will be a very wide field, I promise the President of the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD portions of the debate between the distinguished majority leader and the senior Senator from Nevada.

There being no objection, the portions of the debate were ordered to be printed in the RECORD, as follows:

"Mr. KNOWLAND. I yield.

"Mr. MALONE. I would state at this point that we are following the procedure of legislative bodies wherever dictatorships have been established.

"We are nibbling at the investigative power of the Senate by censuring any Senator who seeks to investigate any procedure or act, asking questions distasteful to a witness.

"NO ALLEGATION OF VIOLATION OF A SENATE RULE

"If the distinguished Senator from California will further yield, I will say that I have heard no accusation made on the floor of the Senate, or at the hearings, or at the time the allegations were filed, that the Senator on trial ever violated a rule of the Senate.

"I understand that the Senate is the judge of its own Members, and can decide whom it will seat in the Senate. The Senate could expel the senior Senator from California or the senior Senator from Nevada, if it so desired, if it had the votes with which to do it, regardless of the nature of the charges.

"NO CENSURE UNLESS A SENATE RULE VIOLATED

"However, the Senate has yet—over a period of 175 years—to set a precedent of censuring a Senator unless he has violated a rule of the Senate.

"Senators have been tried and censured—and they have faced expulsion, but no Senator has ever been censured except on an allegation and conviction that he violated an established rule of the Senate.

"Therefore, if we proceed in the matter before the Senate on the theory that we will later adopt a rule which the Senator in question would have violated if it had been a rule of the Senate at the time of the commission of the alleged act, that is quite another matter.

"There will be, I may say to the distinguished majority leader, some serious debate before any such proposed rule will be adopted in any case."

OUTSIDE CONSTITUTIONAL JURISDICTION OF THE SENATE

Mr. MALONE. Mr. President, the select committee has recommended action by the Senate which, in the opinion of the senior Senator from Nevada, is clearly outside the constitutional jurisdiction of this body.

NO PUBLIC SENTIMENT IN WASHINGTON

Understand, Mr. President, that I have no feeling for or against the select committee. I believe it made a mistake, and I believe the Senate made a mistake in directing the committee by not specifying that the members of the committee should go home for a few weeks before holding hearings in Washington, because I believe, and have so stated on the Senate floor and elsewhere, that this is the most dangerous town in the United States of America to the United States of America, because there is no public opinion in Washington—there is no one here except the people who work for the Government or works for someone who works for the Government or the folks who sell something to someone who works for the Government.

So that if we are here more than three consecutive months without going home or associating with the producers of the Nation we think that what we are hearing is public sentiment.

There is no public sentiment in Washington. So that if the committee is to be censured for its action, the Senate must shoulder some of the blame for not specifying that they must go home for a few weeks and get their feet on the ground, thereby regaining their balance by association with the people who still revere and depend upon the Constitution of the United States and the Bill of Rights, and who still believe in the dignity and the integrity of the United States Senate.

Typical of the wires and mail that I am receiving from my constituents in my State of Nevada is the wire received today from Avery Stitser, publisher of the daily Humboldt Star at Winnemucca, Nev.:

"Re your letter November 13. Continue your fight for the enforcement of the cloture rule of the United States Senate. In this present debate, in my opinion, the Senate is working toward its own destruction. Am behind you in your endeavors to halt such destruction."

Mrs. Avery D. Stitser is a typical independent American editor of a newspaper in a farming, livestock, and mining area—her job is to inform the residents of Humboldt County, Nev., on local, national, and international affairs, and that she does in a very independent and thorough manner.

Avery Stitser is a typical editor of my State—she prints the news of the day, taking orders from no one.

CENSURE REPREHENSIBLE CONDUCT

The committee's conclusion in its consideration of category V, the Zwicker allegation, is that "the conduct of Senator MCCARTHY toward General Zwicker was reprehensible."

It adds that "for this conduct he should be censured by the Senate."

What kind of conduct? Why, "reprehensible conduct," and reprehensible only.

Dictatorship may punish legislators for conduct which dictators consider reprehensible, but there is no provision in the Constitution of the United States that grants anyone that power.

The Constitution of the United States is specific on what ground either House may punish a Member. Article I, section 5, states that each House may punish its Members for disorderly behavior, and that is the only constitutional ground on which they can be punished by their colleagues.

NO FINDING OF DISORDERLY BEHAVIOR

The select committee made no allegation of disorderly behavior against Senator McCarthy. It made no finding of disorderly behavior. It said, on the other hand, that in its opinion, the conduct of the junior Senator from Wisconsin in the Zwicker affair was "reprehensible" and that it was "not proper."

That is the allegation from which the distinguished Senator from South Dakota has now withdrawn his support; and I would not be surprised, if he went home for a little while, with the good people of South Dakota that he might take a different view of stifling the investigative power of the United States Senate.

I said a few days ago on this floor that even if some of us fail to express ourselves properly sometimes or fail to arrive at a proper conclusion on a national or international basis, or if we do not care to exercise our power on a particular subject, we ought to preserve that power for our successors, just as it has been handed down to us over a period of 175 years. It has never been impaired. Let us not be the first to destroy it.

Mr. President, nowhere is there any charge that the junior Senator from Wisconsin was guilty of "disorderly behavior," the only constitutional ground on which this body can punish a fellow Member.

I think I should amend that statement by saying that if we have the necessary votes we can expel any Member of the Senate, even the distinguished majority leader or the distinguished minority leader.

CANNOT BE RETROACTIVE

Conceivably, if the precedent is once set, that might even be done, because I understand there is a committee working on the rules of the Senate that would make practically every Senator the judge of a breach of a personal-conduct rule by any other Senator. If we pass such a rule, and I greatly doubt we shall, because nearly everyone will go home before we come back in January and possibly rearrange his perspective—and even if we should use the poor judgment to pass such a rule, thus further destroying the investigative power of the Senate, there is nothing in the law or in the Constitution or in the rules of the Senate that would allow any such rule to be retroactive.

Mr. President, if we should set such a precedent, we shall have gone a long way toward a new concept, a Prussian concept, a Praetorian Guard concept, a totalitarian concept, in which Senators must speak softly, obsequiously, and servilely, must bootlick, if you please, any officer of high rank from whom information is sought in performance of our legislative functions.

We shall have abdicated our legislative independence to the military. I do not believe that even the great bulk of our fine military officers want that. They do not want to be coddled, either, unless the officers in the military have changed a great deal since World War I, when the senior Senator from Nevada enlisted as a private and finally was made an officer and was given men to command. We did not ask for quarter, nor did we give much. At that time, if we violated a rule, if we violated a military concept, there was prompt retribution. There was no time to do anything about it. Those were the days when a sergeant came up from the ranks because he ought to be a sergeant, because men respected him for his power or understanding of personality, not because he had passed an examination somewhere.

The report of the select committee cites testimony that General Zwicker used the expression "You s. o. b.," with reference to Senator McCarthy—and I do not think, Mr. President, from the context, that he meant Senate Office Building.

There is other evidence in the report that General Zwicker was antagonistic to the junior Senator from Wisconsin long in advance of the hearings to which he was called. The select committee does not however, find this reprehensible. Its only criticism is against Senator McCarthy.

On the basis of the select committee's own findings, there is no constitutional warrant whatsoever for censure of the junior Senator from Wisconsin, who has violated no law or rule of the Senate, and who certainly has not been guilty or charged with being guilty of disorderly behavior.

MOVE TO TABLE

Mr. President, if an agreement can be had with the majority leader that the Senate might meet on Saturday morning next, at that time, whenever the senior Senator from Nevada can obtain the floor, he will move to table Senate Resolution 301. If it is not possible to reach an agreement to have the Senate meet on Saturday morning, then at any time on Friday when the senior Senator from Nevada can obtain the floor, he will move to table Senate Resolution 301.

EDITORIALS—THE CHARACTER AND WORK OF JOE M'CARTHY

Mr. MALONE. Mr. President, I ask unanimous consent that an editorial entitled "Valiant Warrior," which was published in the New York Journal-American of May 3, 1957, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VALIANT WARRIOR

In the death of Senator Joseph R. McCarthy the forces of freedom in the United States have lost a fierce and valiant fighter.

He was a saber-slashing warrior. Riding the steed of dedication he sounded the alarm and pressed the battle against Communists, fellow travelers, and anti-anti-Communists wherever it led.

Neither prestige nor influence deterred Joe McCarthy, neither slander nor scorn swerved him. Where he saw his duty, he did not parry; he charged.

In this era no other man was more admired or more vilified. There were times when his saber swings were misdirected. But these few occasions were inevitable in a nature so intensely committed to the anti-Communist cause, and to a man of his burning patriotism.

His enemies coined the word "McCarthyism"—straight out of the Communist propaganda machine—as a brand name of disrepute. Joe McCarthy seized it and turned it against them.

His enemies sought to pervert and disgrace his motives. The warrior from Wisconsin had only one motive and he never deviated from it.

It was to smash the Communist conspiracy.

We on this newspaper have lost a friend. His country has lost a champion of liberty.

He served it well.

Mr. MALONE. Mr. President, I ask unanimous consent that an article entitled "Senate Must Act On Joe," written by George Rothwell Brown, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATE MUST ACT ON JOE

(By George Rothwell Brown)

WASHINGTON.—The United States Senate, solemnly assembled to pay honor in death to the man it so malignantly slandered 3 short years ago, must now more calmly face the obligation to itself under which it rests of undoing the wrong it did to Joseph R. McCarthy, by expunging from its journal the resolution of condemnation it adopted in a wave of blind hysteria in 1954.

There is, in the history of the Senate itself, a shining precedent for such contrition.

The Senate may rest assured, moreover, that the friends of Joe McCarthy, the lovers of their country, and the enemies of communism, will never rest until this act of justice has been taken, this wrong has been righted.

McCarthy was "condemned"—not "censured" as had been the original intention of the Watkins committee which "tried" him—on two counts, neither of which went to the heart of the real issue in the controversy.

That issue was the Communist conspiracy against the United States, but that wasn't mentioned.

The vote of condemnation, 67 to 22, has left the Senate in an absurd position.

For here was the Senate, then as now, pouring out billions of American tax money to combat world communism everywhere on earth, while at the same time repudiating the Senator who, above all others in Congress, had done most to expose to the people the Red peril which menaced the Nation.

The methods McCarthy had used as chairman of an investigating committee had brought down upon him a storm of opprobrium from every skulking Communist in the country, from every fellow traveler, from every crackpot and nitwit, and every left-wing columnist in Washington.

But McCarthy was not fighting an honorable antagonist. He was encountering a rattlesnake, which defied the committee, defied the Congress, defied the flag. He hit the vicious reptile with everything he had.

A parade of contemptuous witnesses before the committee took the fifth amendment. Some even sunk so low they refused to say whether, in the event of war between the United States and Soviet Russia, they would fight for their own country, on the ground that their answer might tend to incriminate them.

This committee is not the only Senate committee to encounter the fifth amendment pleader. Senator MCCLELLAN, of Arkansas, who once in a huff resigned from the McCarthy committee, is now having fifth amendment troubles of his own as chairman of another investigating committee, and some of his comments to recalcitrant witnesses has been as bitter and stinging as any Joe ever made.

It is a crying pity that a majority of the Senate should have succumbed to the organized propaganda of the leftwing hatemongers who were out to get McCarthy—and who have now, to their shame, finally got him.

The precedent for expunging a Senate resolution adopted in hatred and anger is historic.

In 1833, during the memorable battle over the United States Bank, the Senate censured President Jackson for removing the Secretary of the Treasury, and appointing another in his place, as an unconstitutional act.

Four years later Senator Thomas H. Benton, of Missouri, on January 16, 1837, offered a resolution to expunge that resolution from the manuscript of the Senate's Journal, and 4 days later, after a stormy debate, it was adopted.

Solemnly the Secretary of the Senate advanced to the rostrum, took up the Journal, drew a black line around the resolution of censure, and wrote beneath it: "Expunged by order of the Senate."

The day will surely come when McCarthy's name shall be cleared in the same honorable way. It is too late to make amends to Joe. But there is time for the Senate to rehabilitate itself in its own and the public's esteem.

Mr. MALONE. Mr. President, I ask unanimous consent that an article entitled "Joe's Only Interest Was His Country," written by George E. Sokolsky, be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOE'S ONLY INTEREST WAS HIS COUNTRY

(By George E. Sokolsky)

Much has been written and said about Senator Joe McCarthy during the past several days while he lay dying and when he finally went to his Maker.

I knew Joe intimately and favorably. No matter how men may differ about him, I always knew that Joe McCarthy had no interest other than the welfare of his country. He firmly believed that all Communists had to be traitors and he set out to find them. He was successful in some measure, but he also suffered from a sense of failure because he knew that agencies of government and high officials protected men and women whom they should have despised. He sought for motives and often reached the conclusion that many men were fearful that their own mistakes would be exposed; he felt that fear and vanity rather than ideological positions played a great part in determining men's attitudes toward him and his work.

We often discussed the brutal force of the opposition to him and this he never understood, because he could not believe that some of his opponents wanted to protect Communists. He never understood the Army fight upon him because he held that it was the Army's first duty to protect this country from Communists and traitors.

FIRSTHAND KNOWLEDGE

I was present at the notorious luncheon in New York when McCarthy, Secretary of the Army Robert Stevens and his counsel, John Adams, lunched and drank and cavorted throughout an afternoon. What came out at the McCarthy-Army hearings was never the whole story nor had the various versions of the Cohn-Schine episodes anything to do with the situation at all. And I can say, from first-hand knowledge, that Bob Stevens had little or nothing to do with the effort to destroy McCarthy.

This was a political maneuver to eliminate McCarthy's importance, to kill his influence as an American citizen, to make his name abhorrent and to frighten off any Senator, journalist or radio commentator who chose to support him or his cause. So far as Joe McCarthy was concerned, the maneuver succeeded to a startling degree.

Those who engaged in it—and their names came out during the hearings—knew Joe's characteristics; they knew that he was gentle and aggressive; rough in the fight and forgiving immediately afterwards; humble in his heart but giving the impression of cantankerousness. They also knew that while he appeared to be hale and even physically powerful, he was not a strong man, suffering physical pain, sometimes so much pain that he had to give way to it.

They knew all his weaknesses, for some of them had, since he came to the Senate, acted as though they were his close personal friends. They left him bitter, disillusioned, hurt. He was hounded to death by those who would not forget and could not forgive. He was a lonely man among his associates and he often wondered who were his friends.

BELIEVED HE WOULD WIN

He and his Jeannie adopted a little girl and that brought Joe a happiness which he had not ever known before. There can be no question that he regarded the 1958 Election as a problem because he realized the forces that would be pitted against him. He believed that he would ultimately win that election and he said that he did not fear his opponent, Walter Kohler, but there can be no question that he recognized that he would have to take on the entire Eisenhower Administration, the Modern Republicans, the Committee for an Effective Congress, the money that would be raised against him in New York by the mysterious Arthur Goldsmith, the Communists, their fellow travelers and dupes. It meant a fight—a terrific fight and his health was ebbing away.

It is often said that you can only really know a man if you live with him. I did not live with Joe under one roof, but there were times when we saw much of each other and when I was intimately concerned with his effort to drive the Communists from American life. As an American, as a Jew, as an anti-Communist, I can proudly say that Joe McCarthy was my friend and that I have never encountered an opponent of his who equalled him in patriotism and courage. God bless his soul and forgive those who sent him to his death.

Mr. MALONE. Mr. President, I ask unanimous consent that an editorial entitled "Freedom's Watchman," published in the Longview (Tex.) Daily News of May 7, 1957, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FREEDOM'S WATCHMAN

The Honorable Joseph R. McCarthy, United States Senator from Wisconsin—a fearless watchman on the ramparts of freedom—has passed to his reward. In death, as in his

busy life, he was the target of attacks and slights from both private and public figures, for there are many who seek to wreck and destroy as well as the few who strive to strengthen and secure the citadel of human freedom.

Methodist clergyman and Senate chaplain Dr. Frederick Brown Harris spoke literally for the pages of history Monday when in solemn Senate services he declared: "This fallen warrier through death speaketh, calling a nation of free men to be delivered from the complacency of a false security and from regarding those who loudly sound the trumpets of vigilance and alarm as mere disturbers of the peace."

In similar eulogy at a high pontifical funeral Mass, Msgr. John J. Cartwright spoke for the records of time when he said of Senator McCarthy and his anti-Communist role: "No greater service could have been rendered to our country than was rendered by this watchman of the citadel who insisted upon a clear understanding by our people of the nature of this enemy and of its power not only to attack but to undermine our institutions of freedom."

Senator McCarthy leaves bright pages in the undying history of freemen. In the critical postwar period after he returned from service in the Pacific, he became America's No. 1 Communist-hunter and exposer of spies and pinkos in Government, in the armed services, and in defense plants. The vigor of this vital service to the Nation aroused criticism and opposition that extended into the highest circles of officialdom. One of the sorriest pages ever written into the record was his snub by the White House, for it in effect gave aid and comfort to Joe Stalin and his ilk. We were sorry to see evidence that the old palace guard such as Hoffman and company still holds sway, for the White House had only an aid among the mourners.

While Senator McCarthy stood on the ramparts of freedom, there stood with him to plug the dikes against communism such stalwart patriots as the Mundts, Malones, Martins, Dirksens, Butlers, Magnusons, and Knowlands. But while these and a few others like them stood guard at the gates, the attack was being waged behind the scenes or openly by such as the Flanders-Tydings-Eleanor Roosevelt-Anna Rosenberg-Marshall-Acheson-Truman crowd and others of their kind. There will be less record in the pages of history for most of them.

One would have only to go into the hills of Wisconsin today to find out what the people there thought of Senator McCarthy who boldly and fearlessly battled the enemies without as well as the sympathizers within. He had the ability to recognize their stripes for the rattlesnakes they were, regardless of the cloak they sported. We confidently expect Senator WILEY, who thinks it "too early" to tell what McCarthy's place in history will be, will get the word from the folks back home on his next visit.

We had the keen personal pleasure to have known and worked with Joe McCarthy. While the writer is not a Catholic (and right here may we observe that many of his enemies were old "He Ku-Kluxers" who hated him on account of his religion) but a Protestant, we were happy to fight along with him under the same flag, for Senator McCarthy's flag was the Stars and Stripes and he never grew tired of holding it aloft to encourage free men everywhere. It was no hammer and sickle for him, and no waving of the pink bunting of sympathy for the Reds or their helpers.

As for unexpressed fears of Senator MIKE MANSFIELD, of Montana, who said he hoped the difficulties which beset McCarthy on earth "will not be there to face him when he goes to meet his maker," we can reassure you, Senator MANSFIELD; the forces of communism are the forces of anti-God and they will not be inside the gates when this gallant warrior is received. And as for the Communists, their agents, their sympathizers, and the pinkos, we predict the 400-page Alger Hiss book published Monday—nor even 4,000 pages by such as Hiss, or the Julius Rosenbergs or the Martin Sobels or the David Greenglasses and their kind—will be to no avail in covering up the dirty trails they have spread across the face of America.

As it was with Gen. Robert E. Lee, Senator McCarthy can "pass over the river and rest under the shade of the trees"—for the battle for free men is now behind him and he can rest among friends. The forces of anti-God will not be around in heaven to bark and bite. Joe is now comfortably bivouacked with his good marine buddies who earlier fell in defense of their country at Iwo Jima, Peleliu, Saipan, Tinian, Okinawa, and elsewhere.

We salute in admiring memory the Joseph McCarthy whom we knew—a true mid-20th century embodiment of Patrick Henry and Paul Revere of old and as bold a patriot and stanch a fighter for freedom and country as America has ever produced. Goodbye, Joe; may your spirit rest in peace as your name will be preserved in honor.

CARL L. ESTES.

Mr. MALONE. Mr. President, I ask unanimous permission to have inserted in the RECORD at this point a column by John O'Donnell, special writer on the New York News, as a part of my remarks.

There being no objection, the column was ordered to be printed in the RECORD, as follows:

CAPITOL STUFF

(By John O'Donnell)

WASHINGTON, May 5.—"Judica me, Deus, et discerne causam meam de gente non sancta;

"Ab homine iniquo et doloso erue me."

Thus the opening invocation of the centuries-old liturgy for the dead, which will be intoned over the remains of Wisconsin's Senator Joseph R. McCarthy in St. Matthew's Cathedral by Washington's Archbishop Patrick A. O'Boyle at the beginning of the solemn requiem Mass tomorrow morning.

"Give judgment for me, O God, and decide my cause against an unholy people.

"From unjust and deceitful men deliver me."

When the mass is over and the funeral oration has been delivered, the archbishop will utter the same Latin prayer said over every Catholic buried:

"O God, whose nature is always to have mercy and to spare, we humbly beseech you for the soul of Thy servant, Joseph McCarthy * * * that Thou wouldst not deliver him into the hands of the enemy, nor forget him forever."

And so ends, so far as national politics is concerned, five furious years of the Wisconsin Senator's turbulent warfare against communism in our National Government. His followers will remain loyal; his enemies embittered; the cowards and weaklings as usual talk out of both sides of their mouths and the sanctimonious hypocrites will piously roll their eyes and murmur something about "de mortuis, nihil nisi bonum."

It will certainly be 25 years, probably a half century, before the American people will be able to get an honest count on the McCarthy Senate war against communism. Certainly, there will come out earlier the complete story of the bleeding-heart columnists at a swanky dinner party in Georgetown who gaily pledged that they would put the epithet McCarthyism in the dictionaries as a dirty word.

It will take more time to pluck out the reasons for this panicky joy—how many of these, back in the thirties were uncomfortably close to communism or were actually card-carrying members, or had relatives or persons who later became their husbands or wives who had been card-carrying Commies and now wanted to silence the mouth that might reveal all this.

How long will it take to get the full minutes of the White House conference where it was plotted to frame McCarthy on the Major Peress promotion issue? We figure years and years. And what diaries and post mortem records do we have to wait for until the American people get the details on the White House pressure (and the pressure of Commies and frightened New Deal pinkos) to put across the Senate censure resolution only 2½ years ago?

WHO PROMOTED PERESS?

Quite a number of distinguished members of the Government must die before that story can be safely released. And by the way, who promoted Peress?

And on the issue of personal relations, what addle-pated professor of protocol in the White House sent out that message of condolence an hour after McCarthy's death to his widow, forgetting that she, alone of all the Senate wives, had been deliberately snubbed by Mrs. Eisenhower a few weeks after her husband had been pointedly ignored by the President?

Both McCarthy and later his wife were dropped—and the White House made a point of announcing it—from strictly formal and utterly impersonal White House functions paid for by taxpayers.

This was bad manners in public. But to send, hard on the heels of this evidence of dislike, expressions of sympathy to a grieving widow was an example of callous boorishness not seen in the White House in living memory. It's inconceivable that the President or Mrs. Eisenhower could be guilty of such rudeness. But just the same, it happened, the most sour note in this performance.

COLLEAGUES RELIEVED BY DEATH

Commenting on a McCarthy characteristic—his uncanny ability to bring out the worst of both friend and foe—the sagacious Chicago News correspondent Edwin A. Lahey put a significant finger on one aspect of the ceremonies in the Capitol when he spoke of "the pious hypocrisy of McCarthy's senatorial colleagues who breathed a sigh of relief when the death bulletin was flashed out of Bethesda Naval Hospital."

Aside from the personal tragedy of McCarthy—death at 48 for a man who for 5 years was the national symbol of unrelenting war against Communist-tainted Americans is a real tragedy—his departure from the political scene leaves an unclear picture of the future.

There will be a special election in Wisconsin to select a new Senator. McCarthy's successor will in all probability be a Republican. What it does mean is that the anti-Eisenhower Republicans have lost a onetime powerful warrior but one who, because of failing health for at least a year, and the studied campaign of silence imposed by the propinko Capitol reporters and press, had been drained of his political power.

McCarthy belonged to the Senate group of old-line Taft Republicans, the group which still holds Senate GOP control and can defeat the so-called Eisenhower modern Republicans on any rollcall. But he was closely identified with the smaller, tough, diehard anti-White House, anti-Dulles, anti-Red, and anti-Reds disguised as New-Deal Socialists and one-worlders. This group included such Senators as JENNER of Indiana, DWORSHAK, of Idaho, MALONE, of Nevada, REVERCOMB, of West Virginia, and others whose sentiments are summed up by Idaho's former Senator Welker, who delivered the choking tribute:

"That fighting Irish marine would give the shirt off his back to anyone who needs

it—except a dirty, lying, stinking Communist. That guy he'd kill."

Mr. MALONE. Mr. President, I ask uanimous consent that an editorial entitled "The McCarthy Heritage," published on May 6, 1957, in Senator McCarthy's hometown newspaper, the Appleton Post-Crescent, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE MCCARTHY HERITAGE

It is always difficult to assess the career of a famous man when the impact of his personality still strongly influences our thinking. Twelve years after the death of Franklin D. Roosevelt, for example, attempts to evaluate his accomplishments still spark heated debate. Without question, the same will apply for many years to discussion of the career of Senator Joseph R. McCarthy.

Yet we believe there exists ground on which both those who loved Joe McCarthy, and most of those who hated him, can meet and find agreement about the real meaning of his career. In order to find this ground it is necessary to delve beyond his fascinating and distracting personality. True, it may be as difficult to do this now as it was when he was alive; it was the force of his extraordinary personality during his lifetime that caused many people to lose sight of what he was trying to do or at least thought he was trying to do, that obscured the real issues between him and his opponents, that caused otherwise intelligent people to forget the fundamental problems of the day and concentrate instead on extreme laudation or extreme vilification of McCarthy the man or McCarthy the symbol. Indeed, it often seemed that McCarthy's personality encroached so much upon current debate as to defeat the very ends McCarthy was trying to reach.

In order to truly assess the meaning of McCarthy and what undoubtedly will come to be called the McCarthy era, it is necessary to rid ourselves so far as is possible of the influence of his personality and ask some fundamental questions. Why did McCarthy suddenly become so famous? Why did his charges about Communist infiltration cause such a tremendous uproar? Why did the people, not only in this country but abroad, become so excited about these charges, develop such passion regarding them?

The answer, we believe, is to be found in the state of the American mind in that fall of 1950 when McCarthy suddenly began making his charges that Communists had infiltrated the agencies of our Government. There was nothing really so extraordinary about these charges, nor were they new. Others had made them before, often in language more extreme than that McCarthy employed. It was, rather, a matter of timing—McCarthy's accusations broke upon the American public at a time when it was just beginning to realize the true nature of the Communist conspiracy, when the complete perfidy and ruthlessness of Communists everywhere was becoming apparent to free men, when the terrible danger under which we had been living for years was beginning to dawn on the public consciousness. The fog in which we had been living during the period of tragic self-delusion regarding world communism had lifted, and while the people were by no means unanimous on what should be done, they were extremely worried, excitable, upset; they were ready to hang on the words of anyone who discussed the problem with any show of honesty and fearlessness.

The truly important thing that took place during this "McCarthy era," therefore, is that the American people finally realized the true nature of that terrible conspiracy for world conquest that is miscalled communism. There are those who will say that McCarthy brought this realization about or at least helped mightily in giving it life; others of course will insist that it was something that was happening anyway and that McCarthy actually delayed its fruition by distracting and exciting the people. But that argument is really not important; what is important is the fact that today Americans in all walks of life—Republicans and Democrats, conservatives and liberals, workers, farmers, businessmen, students, housewives, intellectuals, and all the rest—are at last fully aware of the need to fight the Red conspiracy every day, everywhere, on every level of government, in foreign policy, in domestic agencies, in our private organizations and in our daily lives.

Even if the most extreme assertions of McCarthy's enemies were to be accepted—that his methods were outrageous, that he recklessly ruined individual reputations and even endangered freedom itself with the fervency of his onslaught—the fact remains that now that he is gone communism must still be fought, and that it is the duty of the Congress of the United States to protect the Nation from the weevils that would infest our institutions and eat away at them until they are brought tumbling down from within. This newspaper is among those who believe that there are those who can do the job better than McCarthy did, that there are methods much better than his for doing it. But the fact remains that the job must still be done, and that if it is not done history might yet come to regard McCarthy as the last sentinel to shout vain warnings from the battlements of freedom.

Mr. MALONE. Mr. President, it is the personal opinion of the senior Senator from Nevada that the work of Senator McCarthy will gain greater recognition as time goes on.

Mr. President, the record is clear throughout history that the limiting and curtailment of the investigative power of the legislative body is the first move of potential dictators. This record should not be allowed to stand.

It could well be that the late junior Senator from Wisconsin will be greater in death than in life, as has been the case so many times in the history of this Nation.

Mr. President, this statement would not be complete without the mention of one of the greatest young women whom it has been my privilege to know—Jean McCarthy. She is one of the most loyal and devoted women I have ever known. She was outstanding in her devotion to her late husband and to his work.

STEADY DETERIORATION OF THE FARM PROGRAM

Mr. SYMINGTON. Mr. President, for some time many of us on the Senate Agriculture Committee have become increasingly worried about the increasing deterioration of the farm program under this administration.

Steadily more of the taxpayers' money is being expended, with steadily less results.

In this connection, Mr. President, I ask unanimous consent that there be printed in the RECORD at the conclusion of my remarks excerpts from a letter from the presiding judge of the great county of Buchanan, Missouri.

The significance of these remarks is that Judge Fred Culver, who is one of the outstanding farm leaders of our State, was a successful engineer in business before going heavily into farming, and is known throughout Missouri for his intelligence and high character.

At the beginning of Secretary Benson's regime as head of the Department of Agriculture, Judge Culver was a supporter of most of his ideas.

There being no objection, the excerpts from the letter were ordered to be printed in the RECORD, as follows:

Of course I have been following the record very closely. Believe it or not, I read also the transcript of the hearings on drought disaster relief, corn program, and agricultural situation, and farm programs. This information, together with press and radio reports have forced me to a reluctant acceptance of the fact that never before in my experience have we had a Secretary of Agriculture who did such an abysmally poor job as does the present incumbent.

What a spectacle. The man who is charged with the duty and responsibility of looking after the interests of farmers uses the publicity mediums to hammer away at two topics; first, that farmers aren't really in bad shape, they just think they are because so many of them are going broke; and second, that our Federal Government is doing far too much for them anyway, and any assistance now given them should be curtailed. In order to bolster his arguments he distorts figures and employs every device known to the bureaucratic doubletalker. I can explain it in no other way than that the policymakers in the Department picture the ordinary farmer as a tricky mendicant who should be made to go into some honest line of work.

Surely in the last 4 years at least he has had an opportunity to meet with and talk to some ordinary farmers, the kind you and I know all over Missouri. Generally speaking, they run to calloused hands, ruddy complexions, and slowness of speech. I think they are men who are caught in an economic squeeze which warrants a lot of consideration and a great deal of assistance until such time as they are getting a return on their labor which is adequate to raise a family, say two-thirds as much as ordinary labor gets. Apparently Secretary Benson and his aids regard these friends of ours as annoying anachronisms, one-third of whom should be liquidated as soon as possible. Another year on what must be the Department's 5-year plan will see this almost accomplished.

SAVINGS IN THE MILITARY SERVICES WITHOUT AFFECTING EFFICIENCY AND EFFECTIVENESS

Mr. SYMINGTON. Mr. President, all of us are interested in savings in the military services which would not reduce the efficiency and effectiveness of our national defense. In that connection, I ask unanimous consent to have printed at this point in the RECORD excerpts from a talk I made last night in Wilkes-Barre, Pa.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS BY SENATOR SYMINGTON AT WILKES-BARRE, PA.

It is clear where this administration can save billions of dollars annually in the Federal budget if it is really sincere in its desire to make these reductions.

People indirectly connected with the administration believe that even under the

present structural conditions of the Pentagon Building, billions can be saved by improvements in the manpower picture alone.

One of the Nation's great industrialists, Ralph Cordiner, president of the General Electric Co., who heads a committee appointed more than a years ago to analyze the manpower problems of the Department of Defense, has announced that there would be ultimate savings of up to $5 billion a year, plus a 15 percent improvement in combat capability, if the manpower recommendations of his Committee were adopted.

According to one of our outstanding military associations, the Air Force Association, the Bureau of the Budget has turned back as unsatisfactory the Defense Department's draft of legislation designed to put the Cordiner proposals into operation.

This action was taken, according to Mr. John P. Henebry, president of that association, in the face of assurances by Secretary Wilson that the proposed legislation would require no increase in the defense budget already submitted to Congress.

Further, the proposed legislation was rejected with the knowledge that it represented the unanimous opinion of the Secretary of Defense, the Secretaries of the three military departments, and the Joint Chiefs of Staff, as an essential contribution to the Nation's defense.

Let me emphasize that this is not a problem of the Air Force alone—but one which impacts equally upon the combat effectiveness of the Army, Navy, Air Force and Marines.

I for one am not averse to manpower management suggestions from one of the world's greatest industrial experts, designed to save $5 billion, with no decrease whatever in our military strength; and at this session I intend to introduce legislation to that end. In fact, I already have such legislation in draft status.

We owe it to ourselves and to the Nation to countenance no further delays in carrying out a program for maximum utilization of military manpower at minimum cost.

THE AMERICAN WEST

Mr. MANSFIELD. Mr. President, the article The American West: Perpetual Mirage, appearing in the June issue of Harper's magazine, has created considerable discussion throughout the West. Walter Prescott Webb's concept of the West, what it is and why it is, has brought many westerners to the defense of their heritage.

Several of my distinguished colleagues in the Senate have taken exception to many of Professor Webb's findings, and more recently one of Montana's most capable weekly newspaper editors, Dan Whetstone, of Cut Bank, Mont., has come forcefully to the defense of Montana in the editorial columns of the Cut Bank Pioneer Press.

Mr. Whetstone, a historian of the West in his own right, provides ample proof in his editorial columns that Montana should not be included among the desert States. He cites Montana's record as one of the Nation's top producers of the high quality grains, livestock, and enormous timber supplies, in addition to its vast natural resources.

I believe that Mr. Whetstone's concluding phrase is deserving of considerable thought in appraising the value of the Harper's article, Growth-of-the-Soil Statistics Disprove It, insofar as the Treasure State is concerned.

The May 4 issue of the Great Falls Tribune also takes Walter Prescott Webb to task for maligning the character and culture of the people of the 17 Western States.

Mr. President, I ask unanimous consent that an article entitled "The Professor Dogmatically Defines the Western Desert," published in the May 2, 1957, Cut Bank Pioneer Press, of Cut Bank, Mont., and an editorial entitled "Ridiculous Maligning of West," published in the Great Falls Tribune, of Great Falls, Mont., on May 4, 1957, be printed in the RECORD at the concluison of my remarks.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

[From the Cut Bank (Mont.) Pioneer Press of May 2, 1957]

THE PROFESSOR DOGMATICALLY DEFINES THE WESTERN DESERT

When, back in the early twenties, Garret Garrett wrote that long-to-be-remembered article, "The Pain in the Northwest," it pertained only to a portion of Montana, what's usually called the Triangle belt in northern Montana, roughly with Cut Bank-to-Havre as the base and Great Falls as the apex.

The story, appearing in the Saturday Evening Post, was hotly resented by civic and commercial bodies, newspapers within and without the area, but publications in the Midwest and East leaped upon it gleefully, as supporting their contentions that people who left these sections were tricked by slicky promotional publicity to come to this section to file on homesteads and make their homes here. Later Garrett somewhat modified his slashing appraisal of this section of the State.

In the May issue of Harper's magazine, Walter Prescott Webb, a professor of history at the University of Texas, authored an article titled "The American West, Perpetual Mirage." For savage sweep and unrelenting condemnation it makes the Garrett report of long years ago look puerile and puny and it embraces not one locale but a vast region of the plains and prairies West.

In a paragraph in reference to the article Harper's introduces the writer as "the West's leading historian." Well, maybe. The fact that I have never before heard of him may have little or no significance, but "Who's Who," a tome that supposedly prints the biographies of eminent Americans, does not include the Texas savant.

Righteous indignation is no substitute for fact and logic. Let us do a little dissecting of Webb's analyses and conclusions:

His report is accompanied by a map outlining the places he designates as the desert States: Montana, Idaho, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, and the rim States, like North and South Dakota, Nebraska, Kansas, Oklahoma, Texas on the east of the desert, California, Oregon, and Washington on the west.

In his dogmatic detailing of dismal landscapes, relentless drought, a struggling and losing battle to realize a secure economy in the area which he treats, there's a note of hopelessness that is unrelieved; the great American desert always was and always will be and all the plans of venturesome, reckless men to change it have ended and will end in futility and disaster. Only in oases here and there on its expansive bosom will it be possible to prosper in any degree.

In several spots, I feel, his rhetoric runs away and leaves the realities far behind: "There it (the desert) lies around us in all its terror and desolate beauty, its sands shimmering in the distance, its mirages playing tricks with our vision, its mountains edged against the sky, a crosscut saw with some teeth knocked out * * * this is the best of the desert, the worst of the West." What does he mean by that closing observation?

Further on: "The West has no long background, no depth of slow development * * * it has not yet produced a great statesman; 86 people have been voted into the Hall of Fame, but not a single westerner among them * * * in Montana Charlie Russell is better than Titian and Frederick Remington is better than Michelangelo * * * Custer, who blundered to his death, taking better men with him, found a place in every saloon."

The Mormons in Utah produced a good society, says the man, "a rejected people, a bizarre religion, with their symbol, the bees, created a hivelike industry, something admirable."

The other society, that of Nevada, took a different direction; no State has less to recommend it. It is all desert, hardly enough people to maintain State government. It solved its problem by creating an oasis of iniquity; it provided a haven in the desert to which all could come who want to gamble, divorce, and have it quick and legal; it has created the most bizarre society in the Nation.

Anyone who has made his home in dust-blown Texas in recent years might be expected to suffer from a myopia (doctor's term for a distorted vision). I think the professor must be seeing deserts in his sleep.

I only agree to be counsel for the defense so far as Montana is concerned; let the other States named take on the Texas man of the cloister, but in passing I'd designate only New Mexico, Nevada, Arizona, and Utah, the areas outside its reclamation projects, as properly to be termed desert States.

From R. A. Lightman, climatologist stationed at Helena, I have been courteously supplied with some pertinent data which seems to supply ample proof that Montana ought not to be listed among the desert States. It belies the thoughtless generalities of Professor Webb, any fair and reasoning person will concede:

In 1955 Montana ranked second in the Nation in the production of wheat (other grains in comparison that year), a total of 109,350,000 bushels. Kansas was first with a production of 128 million bushels.

But this was not the biggest wheat production year in Montana: In 1953 statistics show that Montana produced 114,232,000 bushels, with a value of approximately $250 million. Incidentally, the wheat produced on Montana's dryland areas has a high protein content and is eagerly sought by the milling industry.

We are aware that east of the Continental Divide there are adverse cycles occurring around periods of 7 years. Such adverse periods occurred from 1916 to 1937, the worst being in the early twenties. New types of mechanization, strip farming, contour cultivation on the slopes to conserve rain and snowfall now makes possible fair to good harvests, in below normal moisture years, not possible in earlier years.

A brief look at livestock production: In 1955 Montana ranked 5th in sheep and lambs, 14th in cattle numbers.

As to climatic conditions: Says Webb: "The desert States barely escape the true desert mark of 10 inches." Montana records since 1895 show an overall annual rainfall for Montana of 14.59 inches in the crop-growing months—so important to successful production.

As to commercial timberlands: "Practically all the timber of consequence grows in East Texas, Oklahoma, and the three Pacific States." Wrong, again, Professor Webb. In Flathead, Lincoln and Missoula counties in western Montana are large and commercially desirable timberlands, contributing materially to our natural resources.

"The desert shortened the grass before destroying it," allows the professor. Montana's buffalo grass, short but highly nutritious, fattens Montana cattle and the beef is of blue-chip variety.

There is a western desert but Montana isn't a part of it. Growth-of-the-soil statistics disprove it.

[From the Great Falls (Mont.) Tribune of May 4, 1957]

RIDICULOUS MALIGNING OF WEST

It would be easy for westerners of an area covering 17 States to become deeply incensed over an article appearing in the current issue of Harpers magazine. It will probably create no great furor, however, because—while deeply maligning the character and culture of the people of 17 States—it attempts to tie together an assortment of elements in which the author becomes hopelessly entangled in his own combination of statistics and erudite posturing.

The title of the article is "The American West—Perpetual Mirage." Harper's bills the author, Walter Prescott Webb, as "the West's leading historian." That, we are sure, is a gross exaggeration, though Webb is by no means unknown in the literary field. He is a history professor at the University of Texas.

The theme he follows in a tortuous manner is that the desert is the major force in the American West and that as a result the vast region has produced comparatively few important men and little interesting history.

He defines the West as "that area west of a line drawn north from the southern tip of Texas."

He divides the 17 States within that region into 8 "desert States" in the center, and 9 desert rim States. In the center, Arizona, New Mexico, Nevada, Utah, Colorado, Idaho, Montana, and Wyoming. On the eastern rim, Texas, Oklahoma, Kansas, Nebraska, South Dakota, and North Dakota; on the western rim California, Oregon, and Washington.

This area he finds a place where history is brief and bizarre. Where there are few important men—where the people have developed a talent for taking something small and blowing it up to a giant size, as a photographer blows up a photograph.

This attack is ridiculous rather than disturbing. The area he has chosen for his target is too extensive, varied, and imposing in the accomplishments of its people as well as in resources to need defense from his literary popgun.

The written history of the West, we will agree, is neither as extensive nor as fully presented as it should be.

We could do with some more good western historians, with information, ability, and appreciation of the West to properly portray it. The late Joseph Kinsley Howard was such a writer.

Webb was born in the West, now lives there, and has spent considerable time in the region about which he writes. But he has apparently isolated himself from its people and their great accomplishments.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD a thoughtful editorial from the Oregon Journal of Portland, of April 29, 1957, entitled "Conflicting Views on the West."

This editorial should serve to supplement the effective answers already voiced on the Senate floor by the junior Senator from Montana [Mr. MANSFIELD] and the junior Senator from Idaho [Mr. CHURCH], in replying to the article in the current issue of Harper's magazine by Walter Prescott Webb which belittles the prestige and influence of the American West.

I am pleased that the author of the Journal editorial has emphasized the fact that one of the greatest writers ever to contribute to Harper's magazine, the late Bernard DeVoto, told many times how the basic problems of the West were often due to the looting and exploiting of the West by absentee eastern capital and corporations.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

CONFLICTING VIEWS ON THE WEST

Harper's magazine this month publishes an article which says the American West produces comparatively few important men, has little interesting history, and, by some standards, is a depressed region.

The author, Walter Prescott Webb, described by Harper's as the West's leading historian, says this situation results from the fact that the West has been shaped historically and economically by the great desert at its heart.

And he says everyone may as well stop trying to pretend this isn't so.

Just to keep things in proper perspective, we might suggest to historian Webb and to Harper's editors that they reread an article by the late Bernard DeVoto, a gentleman who, if we recall correctly, had something to do with Harper's magazine and, though he may not have had Harper's rating as the West's leading historian, did know something of the West.

The article to which we refer is entitled "The West Against Itself" and appeared in Harper's magazine in January 1947.

Here is the last sentence of DeVoto's opening paragraph: "Economically the West has always been a province of the East and it has always been plundered."

Later he continues in similar vein: "The East has always held a mortgage on the permanent West, channeling its wealth eastward, maintaining it in a debtor status and confining its economic function to that of a mercantilist province."

DeVoto said he lacked space to describe "the system by which the East maintains the West as an economic fief," and we do too.

But we can note, as DeVoto did, the freight rates which were devised so that the East has a favorable rate for the carrying of western raw materials, but the West pays dearly in rates on manufactured goods shipped from the East.

Or of the financial control which allowed the East, in DeVoto's words, "to dictate to it (Western business) or absolutely destroy it."

The great American desert undoubtedly has been a powerful force for the West both historically and economically, but let us not forget that forces other than nature can create an economic desert and, to use Dr. Webb's words, "everybody may as well stop trying to pretend this isn't so."

As the title of DeVoto's article suggests, he lays some of the blame for the situation on what he calls the split personality of westerners themselves, and this charge has considerable merit. Still, the victim of a confidence man, although he may have some larceny in his soul, is not as culpable as the con man himself.

In Dr. Webb's article the unkindest cut is reserved for our cowboys. He says westerners have developed a talent for taking something small and blowing it up to giant size, as a photographer blows up a photograph.

Westerners write of cowboys, says Dr. Webb, "as if they were noble knights and the cowmen kings * * *." Dr. Webb comes from Texas, so perhaps we should let him speak for his State, but there is more to the West than Texas.

There are grains of truth in Dr. Webb's article, but he takes these grains and, to use his own words, blows them up to giant size. We suspect that much of his article was written with tongue in cheek—quite a feat for a Texan, incidentally—but when DeVoto wrote of the plundering of the West, which he did not once but many times, he meant every word of it.

Mr. BIBLE subsequently said: Mr. President, on April 29, the distinguished Senator from Montana [Mr. MANSFIELD] placed in the RECORD an article entitled "The American West, Perpetual Mirage," which has appeared in a national magazine. The article was written by a purported historian, Walter Prescott Webb. Several other distinguished Senators have already made appropriate comments on the article.

While I do not wish to elaborate on the article at length, I should like to extend an open invitation to Mr. Webb to visit the great State of Nevada. I feel that in his position as a professor of history in one of our great State universities, he should continue his search for true facts; and I am sure that if Mr. Webb would accept an invitation to visit Nevada and other great Western States, he would wish to correct his article, which certainly was not one of factual reporting.

I would feel remiss if I did not extend this invitation, for certainly a person who has the responsibility of molding the minds of the youth of America today, should obtain all the knowledge he possibly can, in order that he may instruct and teach with genuine and truthful perspective.

At this time I ask unanimous consent to have printed in the RECORD, three editorials from Nevada newspapers, the Ely Daily Times, the Las Vegas Review-Journal, and the Elko Free Press, all of which include appropriate comments on Mr. Webb's recent article.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Ely Daily Times of May 1, 1957]

SHOCKER

Harper's magazine is due to come out today with its May issue containing what its editors seem to feel is a real shocker, telling the truth about "The American West—Perpetual Mirage—the one overwhelming fact which 17 States have been trying to hide for the last century."

Speaking of what is close to home here, the article says that a "talent for making the most of little has produced two strange western societies, one good and one bad. The good society is that of the Mormons in Utah, a rejected people with a bizarre religion who sought peace in the desert, took the bee as their symbol, and created by their hive-like industry something admirable.

"The other society of more recent vintage sprang up in a similar desert, but took a different direction. No State has less to recommend it than Nevada. It is all desert and, once its minerals were depleted, it had little chance of prosperity and hardly enough people to maintain a State government. It

solved its problem by creating an oasis of iniquity and license in a sea of moral inhibitions. It provided a haven in the desert to which all could come who wanted to gamble, divorce, or fornicate and have it quick and legal. Then it found it could have a monopoly only on the first two, and so substituted for the third the abolition of State income tax to attract the millionaires who make good customers at the casinos. Nevada was revolutionized, its population shortly doubled, and it has the highest income per capita of any State in the Union. Nevada is what it is today because of what it did not have yesterday. In compensating for what the desert denied it, it has created the most bizarre society in the Nation."

This is not, however, the main point of the article, which is that all the 17 States of the West are either desert or desert rim dominated by desert influences and handicaps, and that the American West produces comparatively few important men, has little interesting history, by some standards is a depressed region, and, we gather between the lines, might just as well be written off as a failure. The article is by Dr. Walter Prescott Webb, University of Texas history professor.

Reason given is that the West has been shaped, historically, and economically, by the great desert at its heart. Dr. Webb says everybody may as well stop trying to pretend it isn't so—thereby accusing westerners of deceit in that they have been trying to deny the existence of the Great American Desert ever since the name was stricken from the maps when settlement began after the Civil War. "It has hardly been mentioned in polite western society since, and never by the chambers of commerce," he adds.

It is hard to tell just what motivates Dr. Webb, for he seems to advance his idea with a certain bitterness as though the West had done something to him for which he seeks revenge. Much of what he writes is the truth, and surely few westerners would deny that we suffer from shortage of moisture, but what he is driving at beyond the facts is difficult to tell. He seems to imply that the West is not worth the trouble taken with it—hence, perhaps, the Federal Government should not spend money on reclamation in the West and should give little if any consideration to western industries, and the people in the East should ignore the West even more completely than they do now, while the people of the West should probably give up the fight and move to the East. He says:

"The farmers with the help of the wind destroyed the soil, the cattle the grass, and the miners removed an irreplaceable resource. The natural wonders, in which the West abounds, have produced annually an increased crop of tourists, whose emblem is the desert water bag. They may prove the West's most dependable asset."

We, of course, agree that tourists are of great importance in the future of the West, of Nevada, of White Pine County. But we do not agree that all else is doomed, for the fact is that western industry is growing, that mineral production is increasing, and that western agriculture is certainly far from insignificant. The more we think about the situation, the more Dr. Gerald Wendt's statement to the local Knife and Fork Club a few weeks ago makes sense to us—that the West is ideally suited for industry and the homes of the people, because of its pleasant and healthful climate, and that the Nation would be well advised to leave the thick soil and ample rainfall of the East and South for agriculture, while encouraging industry to move westward, for climatically speaking the East is best suited for farms and the West for pleasant living.

We suggest the Harper's writer put this in his pipe and smoke it for a while, and see if he can't come up with an article that makes practical sense instead of spreading sectional bitterness and trying to promote frustration.

[From the Las Vegas Review-Journal of May 1, 1957]

THE AMERICAN WEST

A man named Walter Prescott Webb, who claims to be an author and seeks to prove it in an article in Harper's magazine entitled "The American West, Perpetual Mirage," tells his readers that there is nothing whatever to recommend the West in any degree.

Webb does not disguise his dislike for anything west of the Mississippi River, which he says is just desert country, beginning with the second tier of States beyond the big river. The west coast and the border States on the east are desert rim States, Webb adds.

Nevada he holds up as a horrible example.

"No State has less to recommend it," he says. "Since its materials were depleted it had little chance of prosperity and hardly enough people to maintain a State government.

"It turned to sin to solve its problems; Nevada is what it is today because of what it did not have yesterday. In compensation for what the desert denied it, it has created the most bizarre society in the Nation."

It is quite interesting that Webb, who apparently was reared in the concrete jungles of New York City and never bothered to crack a geography book, should speak so knowingly about something of which he has not the slightest information.

Webb claims that the trouble with Nevada is that it is what it is because of what it did not have yesterday. All the so-called author would have had to do was to consult history books to determine that the State of Nevada saved the Union during the Civil War, built a couple of railroads, and laid the foundation for one of the largest corporations in Webb's own New York City. Perhaps we didn't have much in the State of Nevada yesterday, but if what we had yesterday was nothing, then New York City has less now.

He spurns the West and declares that "they make the best of what little they do have."

Perhaps Webb is correct, but we wonder if he has ever seen the sunset on a western hill, or has seen the sun breaking through the clouds just after a rainstorm, or whether he has ever breathed the good, clean air of the desert. We may have little, out here on the desert, but what we do have was built by God and is not the handiwork of man, as is Webb's New York City.

Webb says that when the West is stripped of its mountains there is nothing left. So what—strip New York City of its skyscrapers and what will you have left?

He has little but criticism of the manner in which people live in this western country, declaring that "saloons become art museums," that "cowboys are described as if they were noble knights, and the cowmen kings," and that "Boot Hill becomes a shrine for pilgrims."

We would like to ask Webb just what the history books have to say about old "Commodore" Vanderbilt, the Rockefeller clan and the Carnegie crew. We certainly will stack most of our cowboys and a majority of our cattle barons up against the best the East has to offer and give them a few handicaps, such as loaded dice and marked cards.

For Webb's information, a majority of the people living in the West would not trade their freedom or their outdoor living for all of the skyscrapers, sidewalks, and subways in New York City. The people of the West get a lot closer to God than any resident of New York City and most of the rest of the East. And, after all, that compensates for a lot of "lack" we might have here in the West.

[From the Elko Free Press of Friday, May 3, 1957]

HE SPURNS THE WEST, PARTICULARLY NEVADA

Walter Prescott Webb, writing in a national magazine, spurns the West and points a finger of scorn at Nevada saying "No State has less to recommend it than Nevada."

Scornfully he continues: "It is all desert and, once its minerals were depleted, it has little chance of prosperity and hardly enough people to maintain a State government. It solved its problems by creating an oasis of iniquity and license in a sea of moral inhibitions. It proved a haven in the desert to which all could come who wanted to gamble, divorce or fornicate and have it quick and legal.

"Then it found it could have a monopoly only on the first two, and so substituted for the third the abolition of State income tax to attract the millionaires who make good customers of casinos.

"Nevada was revolutionized, its population shortly doubled, and it has the highest income per capita of any State in the Union. Nevada is what it is today because of what it did not have yesterday. In compensating for what the desert denied it, it has created the most bizarre society in the Nation."

So speaks this self-styled historian who makes no bones about his dislike for anything west of the Mississippi. But his facts are all about as reliable as this one; where he claims the rainmakers are called in with magic, dynamite, and prayer, and later with a chemical calculated to make a dry cloud give water. Even he should know the simple fact that rainmakers claim they can only coax additional moisture from a cloud which already has moisture. But if we cannot rely upon him for simple facts, how can we hold any respect for him?

We will admit that prayer is often used to allay drought. And east of the Mississippi, it is probably turned to as the only means to stop the floods.

While spurning the West he says, "They make the best of what they do have." That we do not deny, but we have more to make the best of than this man who lives in the concrete canyons of New York City will ever know.

He says if the West was stripped of its mountains nothing would be left. And may we ask: If the skyscrapers were taken from New York what would it have?

This great historian, who probably has not been west of the Mississippi River, says nothing about the silver of Nevada which saved the Union; he says nothing about the experiments in this atomic age made upon the Nevada desert for the protection of the millions who live within the great State of New York. He has never seen a Nevada sunset in all its reverent beauty.

He knows nothing of the rugged mountains of Nevada, with their awe-inspiring sights. What he needs is to get closer to God, so he can understand some of the things which he condemns.

All is criticism. Our saloons are art museums and "cowboys are described as if they were noble knights, and the cowman king."

We have been in Webb's New York City, and we'd sooner live in Elko, Nev. Shortcomings we do have, but the filth of a New York slum shelters more misery than can be found in the entire State of Nevada. Give us the freedom of the West, where a man's own eye can see as far as he can with a telescope back East. Give us Nevada, where the people are friendly, where our ranches are great, where our highways are smooth and wide, where the accomplishments of our pioneers will always be an inspiration to the adventurous. Webb can have what he holds so dear. Too bad that he could not have taken the time to come West, into the great American desert area, and see its great growth

and industry. Too bad that he has not taken the time to learn something about the great churches which have been built here, and, most of all, it is too bad that he has not come into this great country so that he could grow in character. But the skyscrapers in New York dim a man's vision, as is readily discernible in his analysis of The American West.—C.

NATIONAL RADIO WEEK

Mr. MANSFIELD. Mr. President, this week the Nation is observing National Radio Week, saluting one of our most vital means of communication.

Those of us in public life are more aware of the great services provided by radio than any other group of people since we know it as the means of communication and information between the people and its Government. Radio is constantly on the job, informing the people.

There are 3,600 AM and FM stations serving the public, and Americans own nearly 150 million radio sets. In fact there are more radios in our homes than any other modern appliance.

Radio has grown tremendously since the first commercially licensed radio station went on the air in 1920. It operates freely under our American system, bringing to the public what it wants—music, news, religion, politics, drama, sports, or entertainment. The public is its censor.

Radio is an integral part of our system of free enterprise, principally as an advertising medium, helping to move goods and services from the producers to the consuming public. The history of radio is filled with dramatic episodes—advance warnings, evacuation bulletins, emergency announcements, pleas for help, and round-the-clock broadcasting.

Since Americans are so inclined to take for granted such things as radio—National Radio Week is set aside to pay tribute to this great medium of communication.

THE BUDGET

Mr. JOHNSON of Texas. Mr. President, with each passing day it becomes increasingly apparent that Congress is placed in a very difficult position with respect to the budget. We are being requested to act on conflicting advice, and we are being told that either course we take will injure our country.

We all remember the events at the beginning of the year. Late January there was sent to Congress a budget of $71,800,000,000, the largest peacetime spending budget in the history of the Nation.

We were then invited publicly to cut that budget, and we were told by the Secretary of the Treasury that we would have a hair-curling depression if we failed to do so.

Now we witness a parade of Cabinet officers coming to the Senate Appropriations Committee and asking that the Senate restore the cuts which have already been made by the House of Representatives. And only a few minutes ago we were told that the Postmaster General is going to have to have some extra money, and that he will ask for it during the afternoon.

I have no way of knowing whether Postmaster General Summerfield's request is justified. He has yet to specify the amount or the need. But neither do I have any way of knowing which course represents the policy of the administration.

This morning, the President, I understand, after conferring with the distinguished leaders of the minority, announced he will make 2 television appearances to defend his budget. I did not say the minority budget. I said the President's budget.

At the same time the President tells us there are no differences between him and his "hair-curling" Secretary of the Treasury.

Mr. President, I cannot avoid the feeling that this is something like the old shell game—"now you see it, now you don't." We cannot cut the budget without cutting spending, and we cannot adopt one course in January and another course in May.

The Senate, of course, will have to listen to all the facts and make its decision according to the best judgment it has. But the country should know that we are not being helped at all in this enterprise by those who are cutters when it comes to the budget but spenders when it comes to appropriations.

Although the Senate Appropriations Committee is going to be delayed perhaps for a number of days in reporting appropriation bills, I want the Senate to know that, in my opinion, this delay is justified; that the committee should not recommend one thin dime which has not been justified beyond the peradventure of a doubt; and that when an appropriation bill comes to the floor of the Senate, the chairman of the subcommittee and the ranking minority member will be able to stand up and defend it.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. This morning I happened to see on the ticker a statement which I believe was issued by the distinguished senior Senator from New Jersey [Mr. SMITH], one of the Republican leaders, to the effect that the administration was considering sending to the Congress a new mutual security proposal, which will provide for $500 million less than the $4.4 billion requested earlier this year. If the administration can cut a half billion dollars off the foreign-aid bill, it would indicate that there was something wrong in their reasoning and figuring in the beginning. I am wondering why it might not perhaps be possible to bring about a consolidation of some of the numerous Government agencies, such as the USIA and the ICA, put them in the State Department, where they belong, and in that way do away with some duplication and overlapping, and bring, under this "businessman's" administration, greater efficiency and cohesion in the administration of the affairs of the Government.

Mr. JOHNSON of Texas. I appreciate the Senator's suggestion. I hope we can effect some consolidation which will result in economy. I know nothing about the administration's new proposals in the field of foreign aid. A bipartisan meeting has been called for tomorrow. I expect an announcement in the newspapers today, something that is usually done when a bipartisan conference is called.

I say to the Senator from Montana I cannot attest to the accuracy of the report that the administration has been able to save $500 million in the foreign-aid item since it sent the budget to the Congress, but I hope the report is true. I am of the opinion the Congress is not only going to save that much in foreign aid, but may increase the reduction.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. The Senator may be recognized on his own time. The Senate is operating under limited time, and I am limited in the time I have.

PROTECTION OF HUMANITY FROM ILL EFFECTS OF RADIOACTIVE FALLOUT

Mr. WILEY. Mr. President, as all of us know, the world is confronted with crucial decisions on the matter of the effect of radiation on the human race.

As yet, far too little is known of the immediate, as well as the ultimate, effects which radiation may have.

While we are thinking about sustaining or reducing the budget, we should also be thinking in terms of whether or not humanity will be obliterated. That can be done if we cut the budget to a point where the Kremlin thinks it then is time to attack us. According to information submitted by the Army, the third world war will bring about the loss of 70 million American lives.

So great are the dangers of radioactive fallout that I believe we must stimulate authoritative research into this field.

As we recall, in 1955 the United Nations created a Scientific Committee on the Effects of Atomic Radiation. This Committee met for the first time in Geneva in April 1957, and discussed the genetic effects of radiation and measurements of radioactive fallout, particularly of strontium 90. Although the committee has not yet conducted any extensive research, it is agreed that radiation is harmful to humans. The fallout danger is especially high in countries like the United States, the United Kingdom, and Sweden, where the population has already been subjected to a considerable amount of radiation through medical practices.

As we know, hearings are scheduled by a subcommittee of the Joint Committee on Atomic Energy, to begin May 27 and to extend through June 7. The hearings are expected to cover the fallout cycle from its inception in the detonation of nuclear weapons, through its dissemination in the atmosphere and descent to the earth, and finally to its uptake and effects on human beings, animals, and vegetation.

In this highly technical field, of course, we must rely heavily upon the findings of our scientists. However, we must also attempt to correlate their conclusions and then formulate protective programs

and policies in the interests of our people.

The Sunday Star published an informative article entitled "The Debate of the Scientists," on the pros and cons—in lay language—of this vital issue.

Believing we can all benefit from this simplification of factors to be considered on the atomic issue, I request unanimous consent to have this article printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DEBATE OF THE SCIENTISTS

ACTUAL RISK IS SMALL

(By Willard F. Libby, member, U. S. Atomic Energy Commission)

Ever since its nuclear testing activities began, the United States Atomic Energy Commission has been aware of the importance of investigating the possible effects of radioactive fallout and of determining how much fallout radioactivity has been produced by nuclear tests.

Particularly in recent years, a great amount of information has been amassed by the Commission's studies. Literally hundreds of thousands of dust samples, and thousands of samples of soil, plants, milk, other food products, and bones have been collected in this country and in other parts of the world, and have been analyzed for radioactivity.

As a result, good information is available on the amounts of radioactivity which have been deposited as fallout, the uptake of fallout radioactivity into plants, animals, and human beings, and the rate of descent of the radioactive particles from the stratosphere.

There is less certainty about the magnitude of the biological effects which might be expected from test fallout, and probably this cannot be stated in precise numerical terms at this time. Nevertheless, among those scientists who have studied the question, there is general agreement that fallout radiation exposures at the present rate of testing are far too small to result in observable effects among the population.

The two hazards

There are two possible hazards from fallout radioactivity. One is the genetic hazard due to radiation of the reproductive organs by penetrating gamma radiation. The other is the hazard to health due to irradiation of the bones by strontium 90 taken up in food and deposited in the skeleton. The magnitude of both these possible effects depends upon the amount of radiation exposure.

The conclusion that the actual risk from test fallout is small is based upon the following principal reasons:

1. The radiation exposures from test fallout are very small compared with the radiation exposures which living things receive, and always have received, from cosmic rays from outer space, and from the radioactive materials naturally present in the soil, air, water, plants, and animals, and even in our own bodies.

2. The radiation exposures from test fallout are far below the permissible amounts of radiation which have been recommended by the most authoritative scientific groups in this country and other countries for exposure of the public.

Natural radiation exposure is called the radiation background. Background levels differ from place to place. They are above normal in areas where uranium or thorium minerals are close to the surface. They also increase with altitude, because of an increased effect of cosmic rays. These differences in natural exposure from locality to locality range up to amounts 100 times greater than the exposures which have resulted from test fallout.

Some comparisons

To be more specific, present strontium-90 levels produce a dosage to new bone, such as that formed in children, about the same as the additional dosage which a resident at sea level would receive from cosmic rays if he moved from a beach to the top of a hill a few hundred feet high. The external dosages from fallout, that is, those which might cause genetic effects, have been about 0.7 to about 3 percent of the dosages from natural radiation.

In certain parts of the world, brick or concrete-block houses may contain enough radioactive material to expose residents to considerably more radiation than persons living in wooden houses. These additional dosages may range from 8 to 100 times the dosage due to test fallout.

What about future nuclear tests? Without going into detail, it can be demonstrated that, even if tests were to continue at the present rate for decades, the exposures from fallout still would be small in comparison with the exposures from natural radioactivity.

No scientist maintains that there is no risk at all from test fallout. What the data show is that the risk is extremely small compared with other risks which are a part of everyday life. We must weigh this risk against the risk to ourselves, our freedoms, and the safety of the whole free world should we abandon tests before achieving an effective system of safeguarded disarmament.

THE CAUTIOUS SIDE

(By John M. Fowler and Norman Goldberg, assistant professors of physics at Washington University (St. Louis) and the University of Pennsylvania)

The striking fact which emerges from an examination of scientific attitudes toward the hazards of fallout radiation is the widely divergent interpretations of the present meager experimental data.

This divergence of viewpoint is perhaps best illustrated by the recent conflicting statements of Dr. Albert Schweitzer and Dr. Libby.

The fact is, the divergence reflects an uncertainty on the part of the scientists. It is our opinion that an evaluation of the hazard, and decisions based on this evaluaiton, must recognize that it is not possible to measure precisely the dangers on the basis of present knowledge.

There are two general questions which must be asked, and the exactness with which these can be answered, should govern the certainty with which statements about the hazard are made: (1) "How much is safe?" and (2) "How much will we get?"

The first question is one to which radiologists have directed a great deal of attention. They have attempted to set a "best guess" as to a "maximum permissible whole body" dose.

If one looks at the history of this "maximum permissible whole body" dose, one finds that it has been reduced, in successive reevaluations, to one-twelfth of the value first set in 1931. New information has almost always shown important low intensity effects which had been overlooked before.

Fallout radiation gives rise to both genetic effects, which harm our offspring, and pathological effects, which harm the person receiving the radiation. The most hazardous fallout component, in regard to pathological effects, is strontium-90, a bone-seeking substance of long-lasting activity.

Uncertainty is the problem

The "maximum permissible concentration" for strontium-90 has the same sources of uncertainty that are found in other safe standards. It is based upon very meager experimental information, derived as it was largely from experience in less than 100 cases of radium poisoning, all of whom were adults. The extrapolation from radium to strontium-90 is also a source of uncertainty. Moreover, children are likely to be more sensitive to radiation than adults.

There is a strong possibility, based again on a few difficult experiments, that any amount of strontium-90 can cause serious damage—leukemia or bone tumors. Many scientists strongly suspect that any radiation which takes us appreciably above the existing natural level of radiation, which is due to cosmic rays, natural radioactivity in the soil, etc., is dangerous. We do not know what amount of damage is being done by these natural radiations and so cannot safely evaluate the effect of adding to them.

Attempts to answer the second question, "How much radiation will we get?" are also fraught with uncertainties.

Estimates are possible

From balloon sampling of the stratosphere, from soil samples, from sampling food, and actual human bones for strontium-90 content, we can make rather good estimates of the amount of strontium-90 the average child, growing up in this strontium-90 containing environment, will build into his bones. This figure is expected to be about 2 or 3 percent of the MPC established for the general population. This amounts to about a 5-percent increase over the world natural average level.

An increase of this amount may not cause detectable effects, but here again we are faced with uncertainties when we consider fluctuations from the average. We must ask how many people will be, for some biological, dietary, or environmental reason, unaverage and perhaps store 10 or 30 times the average amount in their system.

This then is the problem which faces us. We are applying a safe level, which varies from individual to individual, and which in itself contains sources of uncertainty, to a situation in which the accretion of radioactive material is widely variable.

If the fallout were only a possible menace to the testing nations, it would be proper for them to make a judgment about the relative risks of fallout versus cessation of bomb testing, and act accordingly. Since, in fact, the testing powers are subjecting the entire world to fallout radiation, the testing powers face heavy responsibility to err only on the cautious side.

EFFECT OF CREDIT POLICY UPON FARMERS OF IDAHO

Mr. CHURCH. Mr. President, most of us are aware that the farmers of the country are mercilessly squeezed between the declining prices received for the products they grow, and the increasing costs of the goods and services they must buy. One of these spiraling costs is credit, and no distortion of the facts can conceal from the farmer that the tight money policy being pursued by this administration is adding to the farmers' burden.

I ask unanimous consent to have printed in the body of the RECORD a letter addressed to me by a farmer, who is one of the outstanding citizens of Idaho, Mr. Howard Hechtner, president of the Nez Perce National Farm Loan Association, showing the consequences to the farmers of Idaho, in the increased cost of both long- and short-term credit, resulting from this administration's hard money policy.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF IDAHO,
STATE SENATE,
Boise, April 25, 1957.

Hon. FRANK CHURCH,
United States Senate,
Washington, D. C.

DEAR FRANK: You no doubt are aware of the increased interest rates which are having an undesirable effect on the farmers' economy. I am president of the Nez Perce National Farm Loan Association which makes and services Federal Land Bank loans in Lewis, Nez Perce, and Clearwater Counties in Idaho, and Asotin County in Washington.

On June 1, 1956, it became necessary for the Federal Land Bank of Spokane to increase our contract interest rate on loans from 4 percent to 4½ percent. Previously, the 4-percent rate had been effective since prior to 1940. On November 19, 1956, an increase to 5 percent became necessary. There is now talk that we may have to increase the rate to farmers to 5½ percent. These increases are a result of the larger interest rate that Federal farm loan bonds are bringing when being sold on the open market. Recent bonds sold for 4 percent and 3⅞ percent and a larger bond issue is coming up for sale this fall. These maturing bonds which now draw less than 2 percent will probably be refinanced at a cost exceeding 4 percent. The Federal Land Bank has over $100 million of mortgages outstanding at a 4 percent contract rate. This means that new loans at a higher rate will be the only source of income available to continue this service to the farmer, not only of this area but of the Nation as well.

Like 300 members of this association, I am a farmer and these increasing costs of money make it more difficult to successfully run a farm. You are aware that our income is down, and the costs of labor and farming equipment continually increase. This is a critical matter and I am bringing it to your attention with the hope that an investigation will be made. I feel that such an investigation will show that the increased cost of money is a result of the hard money policy which the banks and insurance companies have enjoyed during the past 4 years. I would be very happy to give you additional information regarding interest rates on long-term loans.

I am also a member of the Production Credit Association, and their interest rate on short-term loans is now 6½ percent. It is probable that this may be increased to 7 percent when new loans are made this fall. I know that you are interested in the conditions which now confront the farmer, and we would appreciate your assistance in this matter. A similar letter has been written to Representative GRACIE PFOST.

Sincerely,

HOWARD D. HECHTNER, *President.*

PULITZER PRIZE AWARD TO SENATOR KENNEDY

Mr. NEUBERGER. Mr. President, the Senate was honored recently when one of its members was awarded the 1957 Pulitzer prize for outstanding biography.

The award to the Senator from Massachusetts [Mr. KENNEDY] was recognition of the excellence of his book Profiles in Courage, published by Harpers & Bros., which tells the story of political independence and courage of great American political leaders.

The Pulitzer awards were started in 1917 under the will of the late Joseph Pulitzer, publisher of the New York World. They are made by the trustees of Columbia University, acting on the recommendations of an advisory board. The Pulitzer awards in the fields of letters and music are the outstanding awards to American authors for their cultural achievements.

Senator KENNEDY has distinguished himself as a Member of Congress, both in the House of Representatives and the Senate. We all are proud of this further recognition which has come to him.

Mr. President, I ask unanimous consent to have printed in the body of the RECORD the biography of Senator JOHN F. KENNEDY, which appeared in the New York Times of May 7, 1957, in connection with his Pulitzer award for distinguished biography.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

JOHN F. KENNEDY

JOHN FITZGERALD KENNEDY, a Representative at 29 years of age and a Senator at 36, became a Pulitzer prize author at 39.

Sandy-haired Senator KENNEDY picked off the prize for biography with his second book, Profiles in Courage. It was a study of political integrity as personified by selected American politicians, some well known, some obscure.

Senator KENNEDY, who will be 40 years old on May 29, already has achieved fame on a national level. He just missed being nominated for Vice President by the 1956 Democratic National Convention. The nomination went to Senator ESTES KEFAUVER, of Tennessee.

Mr. KENNEDY has represented Massachusetts since 1947 as a Representative from the Cambridge area until 1953, and in the Senate thereafter.

Known as "Jack" to his associates, he has poise, polish, education, and money. He is the son of Joseph P. Kennedy, former Wall Street banker and Ambassador to Great Britain. (A younger brother, Robert Kennedy, is counsel for the Senate Select Committee To Investigate Improper Activities in Labor-Management Relations.)

The Senator was born at Brookline, Mass., in 1917. He studied at the London School of Economics and received a bachelor of science cum laude from Harvard in 1940. He holds honorary doctor of laws degrees from Notre Dame University and Tufts College.

As a correspondent for International News Service, he covered the San Francisco United Nations Conference, the British election and the Potsdam meeting in 1945. He served with the Navy as a P. T. boat commander in the South Pacific.

His first book, While England Slept, published in 1940, was based on observations while with his father during the latter's period as Ambassador. Profiles in Courage was written during a year's convalescence from World War II injuries.

The Senator married the former Jacqueline Lee Bouvier in 1954.

THE BUDGET

Mr. NEUBERGER. Mr. President, evidently certain segments of the Republican Party have still in supply some of the same irresponsible arguments used against Presidents Roosevelt and Truman. Rather than throw away the blank forms, they are now being employed by Republicans against President Eisenhower. Perhaps these persons have forgotten that the White House changed hands in 1952.

I have before me a manifesto from the Douglas County Young Republican Club, of Omaha, Nebr., dated May 2, 1957. The manifesto advises me that the administration budget is appropriating "$196,713,698 per day to support a sprawling, expanding bureaucracy." I also am told by this Republican group that my home city of Portland, Oreg., is being assessed $489,452 a day to sustain this "sprawling, expanding bureaucracy."

Republicans in Omaha, let me add, have one thing in common with Republicans in Portland, Oreg. They are the ones attacking President Eisenhower's budget. Democrats seem to have a greater sense of responsibility. They are not willing to risk wholesale losses in social-welfare programs, in care for war veterans, in the defense of our country, in aid for schools, in natural resource development, in cancer and heart research—merely to score a political point against "a sprawling, expanding bureaucracy," even one under Republican leadership.

Mr. President, on March 29, 1957, I suggested that the President might take the case for the budget directly to the American people, in a series of television broadcasts. I understand that he is now contemplating such a course. But, as Adlai Stevenson said the other day, if he does, the Republicans will no doubt ask for equal time.

Mr. President, I have a suggestion for President Eisenhower. Until 1948 General Eisenhower was not certain to which political party he gave his allegiance. His authorized biographer, Robert J. Donovan, reports that at one time during his Presidency, Mr. Eisenhower actually considered organizing a new political party because of his frustration with rightwing Republicans.

I formally propose that Dwight Eisenhower shift his affiliation to the Democratic Party, because 90 percent of the attacks upon his budget come from Republicans and 90 percent of the defense comes from Democrats.

The President's budget is the instrument for financing the President's program. The two are inseparable. If the President's budget is to be cut, then his program also must be curtailed. There is growing evidence that the program of the President does not conform to views of members of the party which he heads. Furthermore, on rollcall votes in the House of Representatives, a majority of Republicans have voted to slash the President's budget while a majority of Democrats have voted to support the budget.

How long is our President going to remain affiliated with a political party which has originated, planned, and pushed the current effort to emasculate the President's budget and his program? Is Dwight Eisenhower the leader of the Republican Party or is he its No. 1 victim and target?

I ask unanimous consent that the copy of the letter sent by the Douglas County Young Republican Club of Omaha, Nebr.,

to the mayor of the city of Portland, a carbon copy of which was sent to me, be printed in the RECORD with my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DOUGLAS COUNTY
YOUNG REPUBLICAN CLUB,
Omaha, Nebr., May 2, 1957.

THE MAYOR,
City of Portland, Oreg.

DEAR MAYOR: The single vital organ of a Washington bureaucrat is his checkbook—one that never has to be balanced. Let's see what they are proposing to do to us this year.

A sum of $1.15 per day for every man, woman, and child in the United States is a per capita breakdown of the cost of the newly proposed Federal budget for the fiscal year beginning July 1, 1957.

The sum of $196,713,698 per day to support a sprawling, expanding bureaucracy.

In the last analysis every penny of these amounts will be paid by people—your neighbors and ours. According to the 1950 census figures, this will cost the people of your city, the home town of your United States Senator, the Honorable RICHARD LEWIS NEUBERGER, $489,452 per day for every day of the next fiscal year.

Immediately following announcement of the $71,800,000,000 budget, a shocked Nation became aroused and flooded the Washington mailbags with protests. The usual thing is now happening—the citizens' protests are drying up and the pressure groups are moving in—24 hours a day. Demands for a worldwide welfare state are overwhelming and our Senators and Congressmen need our support. Let us rekindle the fire that burned a few weeks ago, and cut out the bureaucrats' vital organ—his checkbook.

We urge you, as we are urging the mayors of the home towns of the other 95 United States Senators, to use your power and prestige to stimulate the people of your city. Urge them to become aroused and vocal on this question. Ask them—can they afford the above figure? We are sure of their answer and we will depend on you to establish a sustained letter-writing campaign on this subject.

Please do all you can, and do it now.

Sincerely,

DOUGLAS COUNTY YOUNG
REPUBLICAN CLUB.
DAN MONEN, Jr., *Chairman.*

RAPID TAX AMORTIZATION

Mr. MORSE. Mr. President, there are several items which I wish to discuss during the morning hour.

This morning's press reports the Secretary of the Treasury, George Humphrey, as saying that the fast tax writeoff program "adds to inflation, gives favored companies an unfair advantage over competitors, and by holding back revenue postpones the day of tax reduction."

I shall ask to have certain material printed in the RECORD. Before doing so, let me say that I agree with the Secretary of the Treasury that accelerated tax amortization certificates give favored companies unfair advantages over competitors. However, I regret that his own personal financial records do not seem to bear out his advice to the committee.

Thanks to the senior Senator from West Virginia [Mr. NEELY] and his initiative, I can now present to the Senate information of unusual interest in connection with tax amortization and Mr. Humphrey.

The Senator from West Virginia asked the Office of Defense Mobilization to list the rapid tax writeoff certificates granted to companies with which the Secretary's M. A. Hanna Co. is associated directly or by interlocking directorates. The period listed is from the start of the program through April 11, 1957. Mr. Humphrey was a member of the ODM board 4 of these years.

This list shows that 410 certificates totaling $1,021,813,000 were granted these companies.

As the Senate will recall, Secretary Humphrey told the Finance Committee:

> My securities, which I expect to retain, consist now and have always consisted almost entirely of common stocks of four companies with whose management I was associated. These are the M. A. Hanna Co., Hanna Coal & Iron Corp., National Steel Corp., and Pittsburgh Consolidation Coal Co. * * * The M. A. Hanna Co., in turn, owns substantial stock interests in National Steel, Pittsburgh Consolidation, Industrial Rayon Corp., Standard Oil of New Jersey, Phelps Dodge Corp., Seaboard Oil Co., Iron Ore Company of Canada, Durez Plastics & Chemicals, Inc., Hanna Coal & Ore Corp., and smaller interests in a few other companies.

A list of all the companies associated with M. A. Hanna interests has been compiled by the Library of Congress for the Senator from West Virginia, and I now present it for the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Necessity certificates issued from start of program in 1950 through April 11, 1957

[In thousands of dollars]

Number	Name of company	Estimated cost	Certified amount	Amortized amount
3	Pittsburgh Consolidation Coal Co	2,653	2,539	1,629
15	Republic Aviation Corp	13,177	12,767	8,203
14	Commercial Solvents Corp	31,361	31,167	16,827
7	Hooker Electrochemical Co	7,161	6,535	3,146
71	Union Carbide & Carbon Co	551,358	517,350	305,245
8	Hanna Coal & Ore Corp	18,722	18,484	13,779
1	North Western-Hanna Fuel Co	400	400	200
33	American Can Co	47,607	45,239	17,591
68	General Electric Co	181,863	179,395	113,458
1	National Electric Coil Co	894	864	475
3	Dravo Corp	587	579	295
32	National Steel Corp	165,383	163,869	77,856
1	Phelps Dodge Corp	2,325	2,325	1,511
3	Butler Bros	1,841	1,841	1,183
1	Douglas Mining Co	447	398	298
4	Hanna Iron Ore Co	4,277	4,277	2,769
1	Hanna Nickel Smelting Co	22,000	22,000	18,700
5	Hanna Ore Mining Co	3,318	3,076	1,839
1	Iron Ore Company of Canada	111,250	111,250	83,438
5	Mesaba-Cliffs Mining Co	1,262	1,262	793
2	Morton Ore Co	9,353	3,949	2,466
15	Continental Oil Co	43,777	43,469	29,865
2	Seaboard Oil Company of Delaware	1,120	1,033	684
17	Delaware, Lackawanna & Western RR	45,464	45,430	32,542
76	Pennsylvania RR	434,761	432,303	265,105
13	Virginian Ry Co	22,196	22,136	14,526
6	American Shipbuilding Co	1,590	1,471	956

Necessity certificates issued from start of program in 1950 through April 11, 1957—Continued

[In thousands of dollars]

Number	Name of company	Estimated cost	Certified amount	Amortized amount
1	Hansand Steamship Corp	$6,073	$5,986	$3,592
1	Industrial Rayon Corp	4,373	4,373	2,842
410	Necessity certificates issued	1,736,643	1,685,767	1,021,813

NOTE.—29 companies issued necessity certificates.

Mr. MORSE. I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a letter dated April 15, 1957, addressed by George B. Beitzel, Assistant Director of the Office of Defense Mobilization, to the Senator from West Virginia [Mr. NEELY].

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE OF
THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C. April 15, 1957.

Hon. MATTHEW M. NEELY,
United States Senate, Washington, D. C.

DEAR SENATOR NEELY: This is with further reference to your letter of March 28, 1957, requesting certain information as to Government aid to and purchases from a list of companies.

Attached is the information requested on necessity certificates issued for tax amortization through April 11, 1957. In total 410 necessity certificates were issued to 29 of the companies. None were issued the 56 remaining firms.

None of the 85 companies applied for a section 302 loan; hence, no certificates of essentiality have been issued nor such loans made by the Treasury to any on the list.

We are informed by the General Services Administration that the information you requested on Government purchases and contracts is being assembled but that it will take considerable time to complete the report. We will of course transmit the report to you immediately upon its completion.

Sincerely yours,

GEO. B. BEITZEL,
Assistant Director.

Mr. MORSE. Mr. President, in putting this material in the RECORD, I point out that two companies in which the Secretary has the greatest personal interest, Iron Ore Co. of Canada and National Steel, of which company the Secretary it is reported will become chairman of the board, have received substantial writeoffs. Iron Ore of Canada, for example received permission to amortize $83,438,000—and I point out that its operations are largely in Canada and not the United States—and National Steel $77,856,000.

It might be interesting to find out how many requests for tax amortization certificates by these companies are now pending. In other words the Secretary's companies showed no reluctance to apply for, and Secretary Humphrey apparently saw no danger in, rapid tax writeoffs in the period 1950 through April 11, 1957. Could it be that the

danger only occurred after these companies had received substantial benefits, which they did not want others to have?

Mr. President, I also ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an exhibit entitled "Interlocking Officers and Directors—Assets and Type of Business of Corporations Having Officers or Directors Who Are Also Officers or Directors of Pittsburgh Consolidation Coal Co. and the M. A. Hanna Co."

There being no objecton, the list was ordered to be printed in the RECORD, as follows:

Interlocking officers and directors, assets, and type of business of corporations having officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. and the M. A. Hanna Co.

Type of business	Company	Name of officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. (P) or the M. A. Hanna Co. (H)	Total assets as of Dec. 31, 1956, unless otherwise stated (in thousands of dollars)
Bituminous coal	Pittsburgh Consolidation Coal Co.	James F. Bisset, J. H. Bowen, S. M. Cassidy, C. W. Clayton, John Corcoran, G. R. Higinbotham, A. H. Hunt, James Hyslop, R. L. Ireland (H), A. A. Jenkins, Charles H. Jones, J. W. Kepler, J. M. Knowles, G. W. Kratz, Arthur B. Lawrence, George H. Love (H), A. R. Matthews, D. L. McElroy, Joseph W. Oliver, Ernest G. Otey, Joseph Pursglove, Jr., H. C. Rose, W. F. Schuiten, G. A. Shoemaker, H. N. Smith, G. O. Tarleton.	$340,803.
Coal, iron ore operators	M. A. Hanna Co	Warren Bicknell, Jr., Leonard C. Hanna, Jr., Gilbert W. Humphrey, R. L. Ireland (P), George H. Love (P), W. H. Marting, W. H. Moore, Ralph Perkins, William C. Pieper, James N. Sherwin, Lawrence W. Spang, Joseph H. Thompson.	$150,559.
Aircraft	Republic Aviation Corp.	William H. Moore (H)	$108,808, Dec. 31, 1955.
Banks	Bankers Trust Co. (New York)	do	$2,711,111, June 30, 1956.
	Dollar Savings Bank (Pittsburgh)	Joseph Wood Oliver (P)	$140,606, June 30, 1956.
	Farmers and Merchants National Bank of Winchester, Va.	Charles Hill Jones (P)	$15,850, June 30, 1956.
	(First National Bank Bluefield, W. Va.).	Armstrong R. Matthews (P), Ernest Glenwood Otey (P)	$31,565, June 30, 1956.
	Mellon National Bank & Trust Co. (Pittsburgh).	George Hutchinson Love (P–H)	$1,947,915, June 30, 1956.
	National City Bank of Cleveland	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	$707,744, June 30, 1956.
	Society for Savings in City of Cleveland.	Warren Bicknell, Jr. (H)	$340,549, June 30, 1956.
	Society National Bank of Cleveland.	do	$46,232, June 30, 1956.
	Union Bank of Commerce (Cleveland).	R. Livingston Ireland (P) (H)	$265,989, June 30, 1956.
	Union National Bank of Little Rock.	Jerome Holt Bowen (P)	$74,013, June 30, 1956.
Chemicals	Commercial Solvents Corp	Arthur B. Lawrence (P)	$74,580.
	Hooker Electrochemical Co	Walter A. Marting (H)	$122,870, Nov. 30, 1956.
	Union Carbide & Carbon Corp	George Hutchinson Love (P) (H)	$1,459,740.
Coal	Beaver Creek Consolidated Coal Co.	Samuel M. Cassidy	Subsidiary of National Steel Corp.
	Christopher Coal Co	Dennis Lee McElroy (P)	Subsidiary of Pittsburgh Consolidation Coal Co.
	Consolidation Coal Co	Carl W. Clayton (P), George R. Higinbotham (P)	Division of Pittsburgh Consolidation Coal Co.
	Hanna Coal Co	James Hyslop (P)	Do.
	Hanna Coal & Ore Corp	George Watts Humphrey (H), William C. Pieper (H), Joseph H. Thompson (H).	50 percent owned by M. A. Hanna Co.
	Jamison Coal & Coke Co	Dennis Lee McElroy	Subsidiary of Pittsburgh Consolidation Coal Co.
	Mathies Coal Co	George Alber Shoemaker (P)	33 percent owned by Pittsburgh Consolidation Coal Co.
	North Western	Jacob W. Kepler (P)	Subsidiary of Pittsburgh Consolidation Coal Co.
	Pocahontas Fuel Co	Charles Hill Jones (P), Arthur B. Lawrence (P), Armstrong R. Matthews (P), Ernest Glenwood Otey (P).	$70,358, Dec. 31, 1955.
	Red Jacket Coal Corp	Ernest Glenwood Otey (P)	Affiliate of W. M. Ritter Lumber Co.
	Turkey Gap Coal & Coke Co	Carl W. Clayton (P)	Not available.
Containers	American Can Co	William H. Moore (H)	$490,841.
Electrical	Consolidated Electronics Industries Corp.	Arthur B. Lawrence (P)	$15,294, Sept. 30, 1956.
	General Electric Co	George Hutchinson Love (P) (H), Gilbert Watts Humphrey (H).	$1,727,553, Dec. 31, 1955.
	National Electric Coil Co	Ernest Glenwood Otey (P)	Not available.
Food products	Hershey Creamery Co	Charles Hill Jones (P)	$3,641, Dec. 31, 1955.
Insurance	Guardian Life Insurance Company of New York, New York, N. Y.	do	$403,678, Dec. 31, 1955.
	Royal Insurance Co., Ltd. (Liverpool, England) (American branch).	William H. Moore (H)	$63,039, Dec. 31, 1955.
Investment and sales companies.	Elk Horn Coal Sales Corp	Carl W. Clayton (P), Jacob W. Kepler (P)	Subsidiary of Pittsburgh Consolidation Coal Co.
	Renton Investment Co	George Hutchinson Love (P) (H)	Subsidiary of M. A. Hanna Co.
Machinery and mine supplies.	Fairmont (W. Va.) Machinery Co.	Samuel M. Cassidy (P), George R. Higinbotham (P), James Hyslop (P), Dennis Lee McElroy (P), Joseph Wood Oliver (P), George Albert Shoemaker (P).	Subsidiary of Pittsburgh Consolidation Coal Co.
	Fairmont Supply Co	George R. Higinbotham, James Hyslop (P), Dennis Lee McElroy (P), George Albert Shoemaker (P).	Do.
	Hill Acme Co	Ralph Perkins (H)	Not available.
Metal fabricating	Dravo Corp	George Albert Shoemaker (P)	$51,683, Dec. 31, 1956.
	Hayes Industries	Arthur B. Lawrence (P)	$8,127, July 31, 1956.
	National Steel Corp	R. Livingston Ireland (P), George Hutchinson Love (P), Joseph H. Thompson (H).	$501,331, Dec. 31, 1955.
	National, U. S. Radiator Corp	Charles Hill Jones (P)	$27,771, Mar. 31, 1956.
	Phelps Dodge Corp	R. Livingston Ireland (P–H)	$457,818.
Metals and mining	Butler Bros	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	$41,343.
	Consumers Ore Co	Gilbert Watts Humphrey (H)	32.5 percent owned by Inland Steel Co.
	Douglas Mining Co	Gilbert Watts Humphrey (H)	65 percent owned by M. A. Hanna Co.
	Hanna Iron Ore Co	Gilbert Watts Humphrey (H), Joseph H. Thompson (P)	Subsidiary of National Steel Corp.
	Hanna Nickel Smelting Co	William C. Pieper (H)	Subsidiary of M. A. Hanna Co.
	Hanna Ore Mining Co	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	Subsidiary of National Steel Corp.
	Harmar Coal Co	George Albert Shoemaker (P)	75 percent owned by Wheeling Steel Corp.
	Holannah Mines, Ltd	Walter A. Marting (H)	50 percent owned by Hollinger Consolidated Gold Mines, Ltd.
	Hollinger, Hanna, Ltd	Gilbert Watts Humphrey (H), Walter A. Marting (H)	50 percent owned by Hollinger Consolidated Gold Mines, Ltd., and 50 percent owned by M. A. Hanna Co.
	Hollinger North Shore Exploration Co., Ltd.	Walter A. Marting (H)	60 percent owned by Hollinger Consolidated Gold Mines, Ltd., M. A. Hanna Co.
	Iron Ore Co. of Canada	Gilbert Watts Humphrey, Walter A. Marting (H), William C. Pieper (H), Joseph H. Thompson (H).	Affiliate of Hollinger Consolidated Gold Mines, Ltd., and other companies.

Interlocking officers and directors, assets, and type of business of corporations having officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. and the M. A. Hanna Co.—Continued

Type of business	Company	Name of officers or directors who are also officers or directors of Pittsburgh Consolidation Coal Co. (P) or the M. A. Hanna Co. (H)	Total assets as of Dec. 31, 1956, unless otherwise stated (in thousands of dollars)
Metals and mining—con.	Iron Ore Land Co	William C. Pieper (H)	Not available.
	Labrador Mining & Exploration Co.	Gilbert Watts Humphrey (H), Joseph H. Thompson (H)	51 percent owned by Hollinger Consolidated Gold Mines, Ltd.
	Mahoning Ore & Steel Co	Gilbert Watts Humphrey (H)	Affiliate of Youngstown Sheet & Tube Co.
	Maria Luisa Ore	do	50 percent owned by M. A. Hanna Co.
	Mesaba, Cliffs Mining Co	do	Affiliate of National Steel Corp.
	Norton Ore Co	do	59 percent owned by M. A. Hanna Co.
	National Potash Co	George Albert Shoemaker (P)	Affiliate of Pittsburgh Consolidation Coal Co. and Freeport Sulphur Co.
	Shattuck Denn Mining Corp	Warren Bicknell, Jr. (H)	$4,716, Dec. 31, 1955.
	Susquehanna Ore Co	Gilbert Watts Humphrey (H)	Affiliate of National Steel Corp.
Oil	Continental Oil Co	Arthur B. Lawrence (P)	$503,899, Dec. 31, 1955.
	Seaboard Oil Co	Walter A. Marting (H)	$90,746, Dec. 31, 1955.
Railroads	Delaware, Lackawanna & Western RR.	William H. Moore (H)	$316,884.
	Pennsylvania RR	Joseph H. Thompson (H)	$2,464,339, Dec. 31, 1955.
	Pullman Co	George Hutchinson Love (P) (H)	$214,668, Dec. 31, 1955.
	Quebec North Shore & Labrador Ry.	Gilbert Watts Humphrey (H)	Subsidiary of Iron Ore Company of Canada.
	Virginia Ry. Co	Ernest Glenwood Otey (P)	$187,689, Dec. 31, 1955.
Retail Trade	Champion Stores, Inc	Samuel M. Cassidy (P), George R. Higinbotham (P), James Hyslop (P), Dennis Lee McElroy (P), Joseph Wood Oliver (P), George Albert Shoemaker (P).	Subsidiary of Pittsburgh Consolidation Coal Co.
Shipping and Shipbuilding	American Shipbuilding Co	Joseph H. Thompson (H)	$13,085, June 30, 1956.
	Hansand Steamship Corp	Gilbert Watts Humphrey (H)	Affiliate of Wheeling Steel Corp.
	Iron Ore Transport Co., Ltd	Walter A. Marting (H), William C. Pieper (H)	36 percent owned by National Steel Corp.
	Ore Transport, Inc	Walter A. Marting (H), William C. Pieper (H)	Affiliate of National Steel Corp.
Telephone	General Telephone Co. of the Southeast.	Ernest Glenwood Otey (P)	Subsidiary of General Telephone Corp.
Textiles	Industrial Rayon Corp	Gilbert Watts Humphrey (H)	$84,958.
Miscellaneous	Cleveland Construction Co	Warren Bicknell, Jr. (H)	Not available.
	Columbia Corp	Jerome Holt Bowen (P)	Do.
	Pines Realty Co	do	Do.
	Ritter (W. M.) Lumber Co	Ernest Glenwood Otey (P)	Do.
	Scholastic Corp	Joseph Wood Oliver (P)	Do.
	Shuron Optical Co	Charles Hill Jones (P)	$8,429, Dec. 31, 1955.
	F. S. Smithers and Co	Arthur B. Lawrence (P)	Not available.

Sources: 1. Standard & Poor's Register of Directors and Executives, 1957. 2. Standard & Poor's Daily News Service. 3. Standard & Poor's Corporation Descriptions 4. Polk's Bank Directory, September 1956.

Mr. MORSE. As one Senator, I wish to express my deep appreciation to the Senator from West Virginia [Mr. NEELY] for the research he has caused to be done in connection with the subject of tax amortization, as it pertains to the Secretary of the Treasury. It shows that the companies in which Mr. Humphrey has holdings and interests have obtained unfair advantage over their competitors. I have always said that Mr. Humphrey was disqualified for the post of Secretary of the Treasury because of the well-known prohibition against holding a Cabinet position when there was involved a conflict of interest between his personal economic interests and the interests involved in the jurisdiction of the office to which the President appointed him.

RECORD OF THE SENATE WITH RESPECT TO THE LATE SENATOR JOSEPH R. McCARTHY

Mr. MORSE. Mr. President, I now turn to another subject in the morning hour. I shall be exceedingly brief.

Mr. GORE. Mr. President, will the Senator yield before proceeding?

Mr. MORSE. Please permit me to finish.

Mr. SMITH of New Jersey. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. SMITH of New Jersey. Is the Senate operating under the 3-minute rule during the morning hour?

The PRESIDING OFFICER. The Chair is advised that the Senate is still operating under the morning hour, with a 3-minute limitation on statements. The Chair would appreciate it if Senators would respect the 3-minute rule.

Mr. MORSE. Mr. President, in connection with the exhibits which I have introduced into the RECORD, I could have spoken for a total of 12 minutes, if I had wished to take up each one individually. I am saving the Senate a great deal of time. I can speak later at much greater length on each of these subjects if the Senate so desires.

Mr. President, am I not entitled to 3 minutes on each of the several items to which I have referred?

The PRESIDING OFFICER. The Senator is entitled to 3 minutes on each separate subject.

Mr. MORSE. Am I in order or out of order?

The PRESIDING OFFICER. The Senator is in order at this time.

Mr. MORSE. Mr. President, with a heavy heart I turn to the last subject which I wish to discuss.

Reference has been made on the floor of the Senate today to a prospective proposal to offer a resolution to expunge from the official records of the Senate the action taken by the Senate in regard to the so-called McCarthy case.

I believe that when the hand of God is placed upon the shoulder of a colleague, we should leave him before the bar of the judgment of God. I believe that a great disservice would be performed to the history of the Senate if it were proposed to expunge from the RECORD the chapter of American history involved in the McCarthy censure resolution.

I am perfectly willing to let history be the judge of the course of action taken by the Senate in this matter. As one of the participants in that course of action, let me say that in my judgment the Senate acted in no spirit of hysteria, but judiciously, upon the record, upon the facts, and rightly. Therefore, I trust that the Senate will not be thrown into a debate over this matter when the person involved is no longer here to defend himself. He is before God; and I suggest that the Senate of the United States leave him before the throne of God.

POLISH CONSTITUTION DAY

Mr. PURTELL. Mr. President, Friday, May 3, marked the 166th anniversary of the enactment of the Polish Constitution.

Events of the past year have demonstrated that the spirit which prompted that document flourishes undiminished in the hearts of the valiant people of Poland.

Poland's refusal to accept the yoke of Soviet communism, her insistence upon clinging to and observing the precepts of her ancient religious faith, have been magnificent demonstrations of a free people's determination to regain liberty.

The Poznan uprisings signaled the beginning of the end of international communism, though this may not be glaringly discernible to many. It was the workers of Poland who raised their hands against Russian tyranny. Like their fellow citizens in every walk of life, they served notice upon their oppressors that freemen can never be conquered.

Since Poland came under the Russian boot, we in America have sustained them spiritually toward that day to which the Polish people look forward and for which they pray hourly—the day when Poland once again assumes her rightful place in full dignity in the family of free nations.

Mr. President, during my trip behind the Iron Curtain in 1955, I visited Poland and I talked with the Polish people. I

was told over and over again: "We can continue to resist, we can continue to work for freedom, if only we know we are not forgotten by the people in America."

Mr. President, they have not been, they never have been, and they never will be forgotten by the people of America who owe so much to their fellow citizens of Polish descent and to the valiant Poles who came to this country to help us fight for and win our own independence.

Our continual spiritual support of these brave people has been most important and we must continue it in every way possible.

As a result of the events of last October, Poland has achieved for itself a slight degree of liberalization. That achievement is most significant. Now we must do more. We must give to Poland economic aid in the nature of loans, private or otherwise, for the purchase of mining and farming equipment and we must dispose to the Polish people some of our surplus farm commodities by barter or purchase.

Mr. President, I believe such action will have a great psychological impact, not only upon the Poles, but upon the peoples of the other countries under Russian domination. I am certain that any reasonable step we and the free world can take in reducing the dependency of the Polish people upon Russia will be a step toward their ultimate freedom.

The fear which the Polish people have instilled in the hearts of the Russian Communists has resulted in some liberalization. The observance of May 3, prohibited for many years and replaced by July 10, the day of Poland's subjugation by the Soviet Union, is once more allowed. While it has not yet been restored as a national day, the Warsaw government declared that people may commemorate it privately.

Mr. President, we, who owe so much to this great land and its valiant people; we, who were joined by the Poles in our fight for freedom; we, whose national heritage has been the recipient of so much from the sons and daughters of Polish descent, can do no less than our utmost in helping these valiant people in every way possible by lessening their dependence upon Russia.

I join with my fellow citizens of Polish descent, not only in Connecticut, but throughout the United States and the free world, in observing the 166th anniversary of the Polish Constitution. May God speed the day when this observance can be heralded once more throughout the length and breadth of a free Poland.

THE INTERNATIONAL LABOR ORGANIZATION

Mr. SMITH of New Jersey. Mr. President, in recent months there has been much discussion about the International Labor Organization and the wisdom of further United States participation in it. This has been brought about partly by criticism by the National Association of Manufacturers and the United States Chamber of Commerce, both of which, of course, represent employer groups. On the other hand, the AFL–CIO has been urging that we continue our participation and seek to correct the apparent defects in procedures, rather than withdraw entirely. This is the attitude of the Department of Labor, the Department of Commerce, and the Department of State.

As a member of the Foreign Relations Committee and also as ranking Republican on the Labor and Public Welfare Committee, I have been concerned with various aspects of the ILO. I am one of those who have studied this activity for many years, and who feel that the continuance and strengthening of the ILO is of vital importance in the development of our foreign policy, and in the furthering of human relationships so necessary for world peace.

The International Labor Organization, the ILO, was established in 1919 as a part of the Treaty of Versailles, drawing much of it inspiration from the work of an American representative at those conferences, Samuel Gompers. This country failed to assume participating membership in the ILO until 1934, although prior to that date the United States did cooperate informally with the ILO by exchanging information and sending observers to some of the conferences.

This country has now been a member of the ILO for more than 20 years. Based upon the fundamental assumption that universal peace can only be established upon a basis of social justice, the objectives of the International Labor Organization have often been the universal development of enlightened and propressive labor-management conditions such as we have long possessed in this country.

In recent years, our participation in the ILO has become complicated, as have all our international relations, by the ramifications of the ideological struggle between Russia and the United States, and by the return of Russia to active participation in the ILO in 1954. Under the Constitution of the ILO each member country sends three distinct types of representatives: government, employer, and employee. Obviously there has been much difficulty in reconciling the Communist employer and employee delegates to the ILO with our conception of the employer and employee functions as they exist in a free-enterprise system.

The seating of these delegates from the Communist countries has brought forth criticism of the ILO and led some to conclude that it remains little more than a springboard for Communist propaganda. But, Mr. President, only 9 countries, members of the ILO, are Communist dominated among the total membership of 77 nations. In addition, the contrast between the employer-employee representatives of the Communist countries and those of our own country is a contrast easily recognized by other countries throughout the world, particularly by those striving to achieve freedom, independence, and self-determination.

In May 1956, the Departments of State, Commerce, and Labor appointed a citizens advisory committee to study "the effect of the activities and functions of the International Labor Organization in terms of United States national interest, including domestic and foreign policy aspects."

Joseph Johnson, president of the Carnegie Endowment for International Peace, was appointed chairman of the study committee, and the other members were Robert Gray, of the industrial relations section of the California Institute of Technology; Frederick H. Harbison, of the industrial relations section of Princeton University; Charles Myers, of the industrial relations section of Massachusetts Institute of Technology; and Howard Petersen, the president of the Fidelity Philadelphia Trust Co.

Having completed their report, I ask unanimous consent that excerpts from that report, as published in the Labor Department's Monthly Labor Review, March 1957 issue, be printed in the body of the RECORD at the conclusion of my remarks together with a joint statement issued by the Departments of State, Commerce, and Labor of measures to be taken up by the Departments of State, Commerce, and Labor to improve United States participation in the ILO.

I feel that these evaluations of United States participation in the ILO should be available to all the Members of the Senate, and at a later time, when proposed legislation is before the Senate relating to the ILO, I will endeavor to discuss this matter further.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

UNITED STATES PARTICIPATION IN THE INTERNATIONAL LABOR ORGANIZATION

United States policy toward and participation in the International Labor Organization must be considered primarily in terms of the goals of United States foreign policy. With such a premise, our conclusions are bound to be somewhat different from those of persons whose chief concern is a narrower interest, whether it be that of labor, of management, or of the promotion of a particular economic or social philosophy. The committee's views will likewise be different from those of persons who do not share our conviction that the United States is no longer isolated and can no longer afford to be isolationist, who, in short, do not accept the foreign-policy goals of the United States as developed over the last decade on a bipartisan basis with broad public support.

Another premise, underlying the committee's conclusions and recommendations is a practical one: While it is difficult to amend any constitution, it is particularly difficult to amend the constitution of an international organization. This requires agreement by the representatives of many nations and may in turn call for an educational campaign among the citizens of those nations. The difficulty is compounded when, as is the case of the amendments to the ILO constitution that some American employers have proposed, the amendments would strike at provisions that many in the United States as well as elsewhere regard as basic.

These premises underlie the following general conclusions.

THE PURPOSES OF THE ILO

The rationale and the purposes of the International Labor Organization are set forth in the preamble to its constitution, written in 1919:

"Whereas universal and lasting peace can be established only if it is based upon social justice;

"And whereas conditions of labor exist involving such injustice, hardship, and privation to large numbers of people as to produce unrest so great that the peace and harmony of the world are imperiled; and an improvement of those conditions is urgently required: as, for example, by the regulation of the hours of work, including the establishment of a maximum working day and week, the regulation of the labor supply, the prevention of unemployment, the provision of an adequate living wage, the protection of the worker against sickness, disease, and injury arising out of his employment, the protection of children, young persons, and women, provision for old age and injury, protection of the interests of workers when employed in countries other than their own, recognition of the principle of equal remuneration for work of equal value, recognition of the principle of freedom of association, the organization of vocational and technical education and other measures;

"Whereas also the failure of any nation to adopt humane conditions of labor is an obstacle in the way of other nations which desire to improve the conditions in their own countries;

"The high contracting parties, moved by sentiments of justice and humanity as well as by the desire to secure the permanent peace of the world, and with a view to attaining the objectives set forth in this preamble, agree to the following constitution of the International Labor Organization."

The committee believes emphatically that the rationale and the purposes embodied in the preamble are consistent with and expressive of American philosophy and ideals, and that the promotion of these aims is in the national interest. The committee also considers this preamble as valid today as in 1919. No one who knows the history of the last four decades will deny that in many parts of the world, notably the United States, the older members of the British Commonwealth, and much of Western Europe, there has been a great reduction of injustice, hardship, and privation, and that there has been great improvement of the conditions of labor in many countries. But much remains to be done, especially in the underdeveloped areas. And certainly "the principle of freedom of association" is far from being accepted in the Communist world, or indeed in a number of other countries.

DISSATISFACTION WITH THE ILO

No organization is perfect, and everyone can find something to criticize in the International Labor Organization. It was only among employers, however, that we found fundamental objections to the very existence of the International Labor Organization and to continued United States participation in it.

Our inquiries among employers revealed that the dissatisfaction expressed in resolutions of the National Association of Manufacturers and the Chamber of Commerce of the United States is widespread among American employers who have had some experience with the ILO. We found, however, that the intensity of dissatisfaction varied considerably, and, most important, we learned that the dissatisfaction was not universal among employers. Employer representatives from the shipping industry, for example, have apparently found the work of the Maritime Commission generally useful, and furthermore two of the former employer delegates to the general conference are vigorous in support of the ILO and have a sophisticated understanding of the difficulties and frustrations of participations.

The first, and by far the most important, cause of dissatisfaction has been the failure of the United States Government to formulate a clear policy with respect to the Organization. The result has been that employers have not known surely what this Government's attitude toward the Organization is or how it conceives the relationship of the International Labor Organization to the advancement of American national objectives.

Until very recently governmental relations with the ILO were primarily the responsibility of the Labor Department, with the State Department showing little interest, the Department of Commerce almost none, and the White House even less. Given the relationship between the Department of Labor and organized labor, it was natural that employers should think of the Organization as being primarily concerned with the promotion of the interests of labor, and that employers should, therefore, look upon it with suspicion, a suspicion that may have been fortified by the name of the Organization, which does not accurately describe its function.

There has been a substantial change in the last year or so. Not only have there been policy statements at high levels, but there is now cooperation between the Departments of State, Labor, and Commerce, and the Department of State has upgraded its representation at the general conference.

A second, and lesser, cause of dissatisfaction has been the operation of the ILO machinery. Without going into this criticism in detail, it may be stated that it covers virtually all elements of the ILO. The annual International Labor Conference, its duration, its organization, its voting system; industrial committees; conventions and recommendations; the objectivity of the staff in the International Labor Office; all come under attack. The conditions that have been criticized by American employers existed before the reentry of the Soviet Union into the ILO. They have merely been accentuated by it.

The committee recognizes the validity of some of these criticisms, and attempts in its recommendations to suggest remedial measures. We believe, however, that the organization does not deserve the heavy charges that have been laid at its door. Some of the criticisms stem from the critics' limited experience with international organizations, and their consequent inability to put the ILO in perspective. The grounds for others can, we believe, be removed by effective action along the lines of our recommendations.

The third source of employer dissatisfaction can be briefly dealt with here and adequately taken care of by the employers themselves. It is the quick turnover in employer delegates and advisers, both to the general conferences and to industry committees. Whereas the employee delegate to the conferences and member of the governing body has served for 8 years, and succeeded one who had served for 11 years, there have been 5 employer delegates in 11 years. We believe greater continuity of delegates and advisers, with the resultant experience, would lead to greater understanding and effectiveness, provided of course that highly qualified men are chosen.

THE VALUE OF THE ILO TO THE UNITED STATES

An objective observer must in all fairness recognize that the ILO is not of great direct importance to the well-being of most American workers, or for the improvement of the conditions of labor or for the promotion of good industrial relations in domestic industries. By and large, the standards that have been attained in this country are generally higher than those proposed by the ILO.

If the ILO has no positive value internally, is it then harmful in its effect on the United States economy at home? The committee does not find that it is in any significant sense. We are satisfied that the ILO constitution and our own provide adequate safeguards against invasion by the ILO of the prerogatives of either the Federal Government or the States. The small number of ILO conventions submitted to the Senate and the few ratified (seven in all), none of which invades any American interest, are proof that the safeguards are there and are applied.

If the ILO is neither particularly beneficial nor harmful at home, it has a positive value to the United States in its foreign relations that, although not accurately measurable nor as yet fully realized, is real and recognized.

A vast differential in labor standards exists in the world today. To the extent that ILO action contributes to narrowing this differential, it improves the competitive position of American industry and serves also the interests of American labor. In the present state of our knowledge we cannot assign a rough figure to this improvement; not even in the maritime industry, where the benefits are clearest, is that possible. But neither do we believe that the ILO's contribution here is meaningless.

A more subtle, still less measurable, but in the long run more important, contribution that the ILO can make to the advancement of American interest, lies in the promotion of industrial democracy and efficiency. New trends in the ILO, notably those signified by the Cole report of 1955 and the committee of experts that considered it in 1956, can do much to reduce the pains of transition to industrialism, and thereby make it more likely that the transition will be reasonably efficient and foster the growth of democracy. The committee believes that it is in this field that the ILO has perhaps most to contribute over the longer term.

Then, there is the political value of the organization to the United States. It is a window on the United States in which we can display what we do and how we do it, what our labor-management relations are, what our free associations of employers and employees are like. It is also, and this cannot be repeated too often, an instrument in the ideological contest. It is not an excessively complicated instrument, and the committee is loath to believe that the United States lacks the skill to employ it in the interest of the freedom and dignity of all men.

To put the matter in its most negative sense, if we were to withdraw, or to participate halfheartedly or grudgingly, the damage to American interests in the larger sense, particularly to American prestige among the governments and leaders of Asia and Africa, would be severe.

SPECIFIC RECOMMENDATIONS

The committee, convinced that the International Labor Organization can play an important and useful part in furthering United States foreign policy goals, and believing that United States participation in the ILO should be viewed as an integral part of our membership in international organizations, recommends continued but more effective and vigorous participation in the ILO, and to that end makes the following specific recommendations:

"1. The committee recommends that the Department of State, as the principal agency under the President responsible for United States foreign policy, take the leadership, in collaboration with the Departments of Labor and Commerce, in a clarification and elaboration of the place of United States participation in the International Labor Organization in furthering our broad foreign policy objectives.

"2. The Committee recommends that the appropriate agencies of the Government establish formal machinery for periodic discussion and development by Government officers, employers, and labor, of policy objectives for United States participation in ILO.

"3. The Committee recommends that the United States Government take urgently specific measures to improve the organization and staff responsible for United States participation in the ILO. Three problems must be tackled.

"(a) There must be continuous high-level United States governmental representation at Geneva.

"(b) Delegations to ILO general conferences, to the Governing Body meetings, and to various committees and other ILO gatherings work under high pressure over relatively short periods of time. If United States participation in these sessions is to be effective, account must be taken of four requirements—the quality of the delegates and their advisers, continuity in representation, adequate staffing, and thorough preparation.

"(c) The third problem is that of adequate and efficient organization and staffing in Washington.

"4. The committee recommends (a) that the United States continue to work for decreased emphasis on the use of conventions and recommendations; but (b) that when, nevertheless, conventions or recommendations are under consideration by the general conference, it should be United States policy to support or oppose them on their substantive merits, and not to oppose a proposal with which the United States is in agreement on principle simply because the measure is in convention form or is thought not to be properly a subject of legislation under the American system.

"The committee recognizes the difficult problems posed for the United States Government by the forced labor convention. On the one hand, the dominant belief in our Government seems to be that this convention in its present form, if ratified by the United States, would run counter to the dictates of our Constitution. On the other hand, this country stands to suffer a major setback in terms of world public opinion if it opposes the measure on forced labor. It seems to us that the convention on forced labor differs from other conventions in its significance for the United States. For one thing, it appears to us as laymen that the 13th amendment to the United States Constitution banning involuntary servitude places the forced labor issue within the realm of Federal jurisdiction, and therefore not subject to the Federal-State disability. Also, this whole issue arose primarily as the result of action taken by the United States in the United Nations. It was we who took the lead in bringing the problem before the world, and, even though it later took the form of an ILO draft convention, we cannot without damage to our prestige ignore that fact.

"The committee believes that the United States should continue to work for redrafting of this convention so that it will not conflict with United States law. But if we are unsuccessful in this effort, we should nevertheless strongly champion it, making it clear that because of our own constitutional processes, and for that reason alone, we will be unable to ratify it.

"5. The committee recommends that the United States direct its most careful attention to the technical assistance programs, the field services, and the research and informational operations of the ILO, and that United States delegations take leadership in proposing positive suggestions for the improvement, better integration, and possible expansion of these activities.

"6. The committee recommends that the United States support maintenance of the tripartite structure of the International Labor Organization and utilize this structure to demonstrate the advantages resulting from the activities of free employers and free workers.

"The term 'tripartite,' as it is used here, refers to the unique feature of ILO whereby not only governments, but 'the employers and the workpeople of each of the members' actively participate through delegates in the Organization's meetings. The committee has studied carefully the operation and impact of the tripartite system of ILO in the light of the criticisms directed against it and the arguments advanced in its defense.

"The issue was brought to its present acute stage by American employer delegates. Some of them had already manifested a general dislike of ILO's tripartitism, stemming from experience with tripartite agencies in the United States during World War II, from frustrations caused by the need to act as representatives rather than as individuals, and from a feeling that this procedure tends to emphasize class distinctions between employers and workers. To this was now added an intense opposition to the very thought that men from Soviet Russia should be classed as employers, and particularly that Communist employers should be admitted to the councils of free employers.

"The discussion and disputes that arose from American employer attack led to the appointment by ILO of a special committee of jurists, under the chairmanship of Lord McNair, to inquire into the degrees of freedom of the nongovernmental delegates from member nations. We are encouraged by the fact that the governing body, after considering the McNair report in November 1956, decided to request the Director General to submit to its next session a report on the desirability and the practicability (a) of establishing continuing machinery which would establish the facts relating to the freedom of association in member states of the International Labor Organization and would report to the governing body and to the International Labor Conference; and (b) of improving the practical methods of working of the Conference, including the committees of the Conference.

"We hope the governing body will see fit to install this machinery and will make sure that it is allowed to function freely.

"But realistically we must recognize that this alone will not solve the problem. The preamble to the ILO constitution proclaims the need for 'recognition of the principle of freedom of association,' and article 3, section 5, provides that the representatives of employers and workers shall be 'nongovernment delegates and advisers.' Unfortunately, however, there is no specific requirement that these delegates and advisers be representative of free workers or of free employers. Furthermore, while article 4 guarantees that 'every delegate shall be entitled to vote individually,' there is no guaranty that this individual vote will be independent.

"The committee shares the view of American delegates, governmental and worker as well as employer, that the appointment of representatives of state-controlled labor associations and of state industries as nongovernmental delegates and advisers violates the spirit of the ILO constitution, but we are not convinced that the letter of the constitution is so clearly violated that these representatives can, on constitutional grounds, be denied seats.

"As a practical matter, tripartism is established in the ILO constitution and any change in this principle at the present time is unlikely. Even if this change were possible, we believe that ILO's effectiveness would be decreased by abolition of the tripartite principle.

"Since ILO seems likely, in any event, to continue to use the tripartite system, it is essential that the United States utilize this structure to the best of its ability. This cannot be accomplished by the withdrawal, as has been suggested, of American employer participation. If such a withdrawal should take place, the American worker delegate, under the ILO constitution, would be stripped of his right to vote, thus leaving the two American Government representatives as our only two voting delegates. We do not favor representation in ILO solely by governments, either for this country's delegation or as a principle to be adopted by ILO for all countries. We have stressed the need for participation by workers and employers in the solution of their problems. Of even more importance, perhaps, is our conclusion that representation only by governments would result in a loss to the United States. It does not seem likely that outstanding business or labor leaders would participate in ILO activities if they were limited to advisory roles. In addition, the United States would lose the opportunity of demonstrating before the world the fact that, under our economic and political system, it is possible for either or both the employer delegate and the worker delegate to disagree with the government, as they frequently have done in voting on ILO matters.

"One proposal which we have studied with great sympathy is to give each group in the ILO more autonomy to conduct its own affairs at the general conference. Currently, the standing orders of the ILO provide that a delegate may appeal to the conference if he is denied a seat on a conference committee. This means that, if he wins his appeal, he may be seated as a worker or employer delegate over the opposition of the majority of other workers or employers who consider him not truly representative. It has been proposed that this rule be replaced by that formerly in force, which allowed the employer and worker groups each to pass on the eligibility of its own members without appeal, as is done in the two Houses of the American Congress.

"We believe, therefore, that it should be United States policy to advocate such a change at the proper time. But the timing is of vital importance and must be determined in the light of the probable propaganda impact.

"Pending such change, the United States delegations should challenge the credentials of employer and worker delegates from Communist nations, emphasizing repeatedly that to seat such delegates violates the spirit of the ILO, and utilizing every challenge to cast in a sharp light the contrast between freedom and oppression. We believe that, even though Communist employer delegates may, despite American objections, continue to be seated in the conference and given deputy membership (without voting rights) on committees, the impact of relentless American attacks will be felt. In any case we are convinced, for reasons set forth above, that, unsatisfactory as it certainly is, this is from the viewpoint of American national interests a less deplorable state of affairs than would result from the withdrawal of the United States or the refusal of American employers to participate in the ILO.

"Tripartitism makes possible constant and eloquent testimony to the fact that freedom, as it is enjoyed in most of the Western World, is not to be found in countries controlled by Communists.

"7. The committee recommends that the United States work for a shift in the emphasis of ILO industrial committees away from deliberations leading to a vote on final action, toward an approach based on discussion and exchange of expert information; that the United States press for a policy calling for

formation of industrial committees to meet specific problems rather than the present practice of perpetuating committees.

"8. The committee recommends that the United States work to improve the International Labor Office staff and to promote the highest degree of objectivity and competence of staff work.

"9. The committee recommends that the United States Government take the leadership and enlist the cooperation of American employer and employee organizations in undertaking expeditiously to formulate and to work for the adoption of proposals designed to improve the work of the general conference and its committees.

"10. Finally, the committee recommends that the United States Government make vigorous and sustained efforts to call the attention of the American people to the purposes, objectives, and activities of the International Labor Organization, emphasizing that it is the sole specialized agency of the United Nations devoted to improving management and labor standards throughout the world."

[Joint statement by the Department of State, Department of Commerce, and Department of Labor, February 28, 1957]

MEASURES TO BE TAKEN BY THE DEPARTMENTS OF STATE, COMMERCE, AND LABOR TO IMPROVE UNITED STATES PARTICIPATION IN THE ILO

I. INTRODUCTION

As part of a general review of United States participation in the International Labor Organization, the United States Departments of State, Commerce, and Labor have studied the conclusions and recommendations of the Advisory Committee headed by Mr. Joseph E. Johnson, president of the Carnegie Endowment for International Peace. Mr. Johnson's committee was asked by three Federal departments to study the effect of activities and functions of the ILO in terms of United States national interest, including domestic and foreign policy aspects. This request was stimulated by questions raised by the United States Chamber of Commerce and the National Association of Manufacturers.

The insight and objectivity of the Advisory Committee's report reflects an exhaustive effort to gather and analyze the viewpoints of many groups. Representatives of labor, management, the Government, and the general public were interviewed in great numbers. The testimony of each group has contributed depth and scope to the final report, a thoughtful and thoroughgoing document which has added much to the Government's review of the problem.

Although the three Departments do not necessarily accept all of the Advisory Committees' conclusions and recommendations, they do consider the report a valuable source of information and thought on the question of United States participation in the ILO. It is hoped that the report will receive the widest possible circulation so that it may serve to inform the public of the activities of the ILO.

The measures which the three Departments propose to implement take cognizance of most of the recommendations of the Advisory Committee. Some are left for further study.

II. BASIC CONSIDERATIONS

Proposals for improving United States participation in the ILO are based on the following considerations:

1. Participation in the ILO contributes to friendship, cooperation, and understanding between the United States and other nations.

2. The ILO is a valuable forum in which to explain the free processes of United States political, economic, and social systems and the benefits that these systems have brought to workers and employers; and to demonstrate on a factual basis the falsity of Communist claims to represent the true interest of free workers and to encourage adherence of free workers to democratic concepts and institutions. Discussion of American methods may stimulate other nations to consider them as a possible means with which to deal with their own problems.

3. The ILO can contribute to an orderly and appropriate solution of social and economic problems in many nations where there are surging demands for alleviation of these problems.

4. In brief, the ILO is principally an important means of furthering United States foreign policy objectives, which seek—in essence—the preservation of peace.

III. SPECIFIC MEASURES TO BE TAKEN

1. The United States will continue its participation and take greater advantage of the opportunities afforded by participating in the ILO to further our foreign policy objectives.

2. The United States Government will, in consultation with employers and workers, review its existing objectives for participation in the ILO. This will include clarification and elaboration of the role of United States participation in the ILO in furthering United States foreign policy objectives.

3. The State Department will continue to exercise primary responsibility for foreign policy issues in the ILO. In determining such policy the State Department will consult with the Departments of Commerce and Labor and with other appropriate Federal agencies. (This procedure was set forth about a year ago in an outline of responsibilities agreed upon by all three Departments.)

4. The three Departments will increase and improve consultation with United States workers and employers with a view to making overall United States activity in the ILO more effective in achieving United States objectives. Two new committees, the Worker Advisory Committee and the Employer Advisory Committee, will be established to work with the three Departments on ILO problems. The National Association of Manufacturers and the United States Chamber of Commerce will be asked to designate members of the employer group and the AFL–CIO to name members of the worker group. These committees will meet jointly when appropriate.

In addition to consulting on objectives, policies, activities, and on other matters as they may arise the Government will, in consultation with the workers and employers, continue to develop materials in respect to questionnaires and for other purposes in such a manner as to reflect accurately conditions in the United States, making them understandable to workers, employers, and governments whose social and economic systems are different from ours. The Government will also consult with employers and workers concerning such matters as ILO procedures, industrial committees, etc.

5. To contribute further to the effectiveness of United States representation the United States Government will endeavor to provide for a continuity of representation at ILO meetings. Government specialists on political and technical aspects of the agenda, included in the Conference delegations, will be available to non-Government as well as Government delegates. The Government will provide an opportunity for worker, employer, and Government representatives to compare the basic elements of United States and other social, economic, and political systems, so that United States delegates may present their Nation's case most effectively.

The Government will continue to provide representation at Geneva to follow ILO developments.

6. The departments will arrange for Government and non-Government delegates and advisors to become better acquainted with the special technical and foreign policy aspects of issues before the ILO, particularly those before the Conference and the governing body, and to become informed on procedures and techniques of negotiation in international bodies.

7. The Government will propose and support actions which it believes will bring about practical improvements in working and living conditions more effectively than formal international instruments and agreements. These actions would include increased technical services and assistance by the ILO to nations which require such aid; increased research and the publication of authoritative studies on labor problems; increased emphasis on exchange of experience and discussion of authoritative materials on labor problems and related subjects; and the preparation of an adequate record of discussions which would be available to interested governments, employers, and workers.

The Government will urge also that any international instruments give maximum emphasis to voluntary actions by labor and management; and a minimum role to governments. In addition, emphasis will be placed upon programs contributing to the development of concepts and management skills which enhance the dignity and uphold the value of the individual in industrial and agricultural enterprise.

8. The United States Government will make every effort to assist and promote public understanding of the purposes, objectives, and activities of the ILO.

9. The Government will continue its efforts to encourage well qualified United States citizens to accept positions at all levels in the ILO. It will maintain an active concern with the organization, staff, and operations of the ILO and will remain alert to deficiencies in any phase of its activities.

ISRAELI INDEPENDENCE DAY

Mr. SMITH of New Jersey. Mr. President, on Monday, May 6, Israel celebrated its ninth independence day. Millions of Americans, in unison with lovers of freedom from all corners of the earth, join with me in expressing warm wishes and congratulations to this brave land. Its gallant people have labored devotedly, in the few years which have elapsed since 1948, to build a nation.

These years have been arduous and wearisome, but buoyant hope has sustained the flaming faith of a free people. Determination and courage have been triumphant against adversity.

But peace is yet only a shimmering hope in the Middle East, flickering weakly in the midst of poverty and violence.

If freedom and independence are to survive, determination must be leavened with responsibility, and strength with self-restraint and law. Only then will the barriers of misunderstanding and fear crumble, to the ultimate benefit of peace.

On this anniversary, it is the sincere hope of all Americans that the peoples of the Middle East, steadied by the principles of law and justice, will strive to develop harmonious solutions to mutual problems, and, that in the years ahead, Israel will continue proudly to proclaim its freedom and independence.

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD following these remarks a statement I have prepared in recognition of the ninth anniversary of the founding of the State of Israel, which occurred on May 6.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR IVES

On this ninth anniversary of the independence of the State of Israel, it would be well for all Americans to pause for reflection on the ideals, the principles, and the mutuality of interest which inexorably bind the United States and Israel together.

With Israel, the United States has an overriding interest in the preservation of peace in the Middle East. With Israel, the United States joins in the struggle to defeat the sinister designs of international communism in Africa and Asia. For with Israel, the United States shares an abiding faith in the dignity of man, a faith upon which both nations are firmly built.

Since the creation of the state of Israel in 1948, it has grown through storm and stress until it is now the most progressive and stabilized country in the Middle East. Its population has been more than doubled by the influx of persecuted refugees from all over the world, particularly from Arab and Moslem countries. Those of us who were privileged to play a part, however small, in the creation and strengthening of the vibrant democracy that is Israel, have never entertained the slightest doubt as to the young nation's destiny.

Israel needs and merits the support of all freedom-loving peoples. I am, therefore, proud to be a sponsor of a Senate resolution urging our Government to support effective action, both in and outside the United Nations, which would guarantee against a resumption of border raids and blockades of vital international waterways and other activities which might erupt in new hostilities in the Middle East. As we rejoice in Israel's progress, and voice our prayers for a lasting peace in the Middle East, let us as Americans never forget the strong bonds of kinship which underlie the relationship between the United States and Israel.

EMPLOYEE WELFARE AND PENSION PLANS

Mr. DOUGLAS. Mr. President, Congress is presently considering proposed legislation to require reporting and disclosure by employee welfare and pension plans. At the same time more public attention is usually given to the exceptional cases of bad or weak management of such plans, than to the well-run funds serving hosts of members and beneficiaries.

I was therefore pleased to note an article on the front page of the New York Times for May 5, 1957, on the report of the first year's financial operations of the group hospital, surgical, and medical benefits plan for the nonoperating railroad employees. The report, furnished by the Travelers Insurance Co., was made public by the able president of the Brotherhood of Railway Clerks, Mr. George M. Harrison, and was published in the May 1, 1957, issue of the Railway Clerk magazine.

In contrast to the large commissions exposed in our investigation in 1955–56, this report reveals commissions paid in the unbelievably small amount of two-hundredths of 1 percent of premiums. Administrative costs and risk charges also seem low.

I therefore wish to congratulate the New York Times for the attention given in its news columns to this report, and the unions, employers, and insurance company that share the responsibility for the operation of this welfare plan and so evidently recognize their obligation to give a public accounting for the funds to the beneficiaries. With more of this spirit, we may hope to secure aproval of the legislation which would extend the protections of full disclosure to all such beneficiaries.

For the information of Senators, Mr. President, I ask unanimous consent to have printed at this point in the RECORD the article written by Mr. A. H. Raskin, to which I have referred, and published in the New York Times of May 5, 1957.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR WELFARE FEES 0.02 PERCENT IN RAIL UNIONS, UP TO 25 PERCENT IN OTHERS

(By A. H. Raskin)

Commissions paid to insurance consultants retained by the country's railroads and unions representing a half million nonoperating employees came to only 2 cents on every $100 of premiums in the first year of a national welfare agreement.

A report made public yesterday showed that no other commissions had been paid to anyone in connection with jointly financed policies for hospital, surgical, and medical care for the members of 15 railroad unions.

The total outlay of two-hundredths of 1 percent contrasted with commissions and service fees ranging up to 25 or 30 percent in a few racket-infested welfare funds investigated in recent years by Federal and State authorities.

George M. Harrison, president of the Brotherhood of Railway Clerks and chief negotiator for the nonoperating unions, made public the detailed financial statement on the administration of $29,187,664 in insurance premiums.

NO CHANCE FOR RACKETS

The report, prepared by the Travelers Insurance Co. for the information of employer and union representatives, was distributed to union members through the medium of union publications.

Mr. Harrison is a vice president of the American Federation of Labor and Congress of Industrial Organizations and a member of its 5-man Ethical Practices Committee. He said there was no opportunity for racketeering, graft, kickbacks, or corruption in the operation of the railroad fund.

In transmitting the report, S. G. Dulaney, second vice president of the insurance company, certified that the only commissions paid had been $4,948 to consultants hired by the carriers and the brotherhoods for technical service in drawing up insurance specifications and in writing contracts.

Mr. Dulaney added that "no fee or other remuneration of any kind" had been paid, directly or indirectly, to any representative of either side in connection with the insurance policy or a special reserve account set up to supplement it.

The report covered payments in the year ended March 1, 1956. Under a national agreement signed by the unions and the railroads a year and a half earlier, each worker paid $3.40 a month into the welfare fund and his employer contributed an equal amount.

In agreements signed since that time, the railroads have undertaken to assume the full cost of the hospital, surgical and medical insurance and to extend similar protection to the workers' families.

CLAIMS TOTAL 19 MILLION

Mr. Dulaney informed the parties that the benefits paid to rail employees in the initial year, plus the estimated payments due on claims still to be settled, came to $19,625,000. This was a little more than two-thirds of the $29,187,664 in premiums collected by the railroads and turned over to the insurance company during the year.

Total expense and risk charges listed by the company amounted to $1,533,135, or 5¼ percent. Included in this list was $439,640 in taxes and $95,844 in special costs for establishing files, printing explanatory booklets for employees and other first-year outlays.

Because the total benefit and administrative cost was less than had been anticipated in the original calculations, a retroactive credit of $8,029,529 on the initial premium was made available to build up the fund's reserves.

RESERVE FUND SETUP

This money went into the special account designed to assure the workers of continued benefits if an adverse claims experience in future years made it necessary to raise the premium rate. The employers already had been paying 78.2 cents a month for each employee into this nest-egg fund.

When the retroactive credit was added to these payments, the reserve at the end of the year rose to $11,879,054. This money is earmarked for premium payments on written authorization of the union and management committees.

The railroads retained 1 percent of the original joint contribution of $6.80 a month for each employee, or 6.8 cents, to cover the direct cost to them of certifying the eligibility of workers presenting insurance claims. All the rest of the money went to Travelers Insurance Company for premiums and the special account.

MARKETING REVOLUTION IN THE AUTOMOBILE INDUSTRY

Mr. MONRONEY. Mr. President, I should like to call attention to a quiet but remarkable marketing revolution which has taken place in the gigantic automobile industry since the start of Senate committee hearings 18 months ago.

An article by Mr. Joseph M. Callahan, staff writer of the Automotive News, in the March 29 issue of that publication summarizes some 49 of the more outstanding concessions which factories have made to their dealers.

Incidentally, the Automotive News has for more than 30 years been one of the most highly respected trade publications of any industry. It is the "bible" of the automobile business, with a reputation for unerring attention to fact; and it has almost worldwide coverage and distribution.

Actually, according to reports from automobile dealers around the country, the manufacturers' concessions summarized in Mr. Callahan's article are merely the top of the iceberg. We hear that a new day of factory-dealer relations has been ushered in by voluntary

reforms in the factorys' day-to-day working attitudes toward their dealers. This is more important than any contractual change.

However, the contractual reforms are extremely gratifying to the members of my Subcommittee on Automobile Marketing Practices. Changes which no law could properly have required have been made in the franchises. We realize that all is not rosy within the industry, but I think it has made a good start toward a new day of stability and fair dealing.

Remaining dark clouds in the business are some of the "self-cannibalizing" tactics used by dealers themselves—such as bootlegging, cross-selling, false advertising and deceptive finance and insurance practices indulged in by a few dealers, to the competitive detriment of the many. We are continuing to study methods of correcting these abuses. But the first step in bringing the sale of automobiles out of the oriental bazaar and putting it back on Main Street, United States of America, was to improve the factory-dealer relationships.

The importance to our entire economy of a healthy marketing climate in this industry is evidenced by the fact that automobile dealers employ about 9.7 percent of all retail employees. Approximately 10 percent of our national income is spent for the purchase and operation of automobiles. The 42,000 locally owned, locally managed, and locally financed dealerships constitute the real backbone of our American competitive, small-business, free-enterprise system. The dealers' investment in the automobile business is approximately the same as that of the manufacturers. Only with proper relationships between automobile dealers and manufacturers can there evolve a proper relationship between automobile dealers and the public.

I ask unanimous consent that the article to which I have referred be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Automotive News of April 29, 1957]

HOW NEW FRANCHISES COMPARE

(By Joseph M. Callahan)

Which factory offers the best all-around dealer contract?

With each auto maker having offered their dealers new selling agreements since the start of Congressional hearings 18 months ago, Automotive News has just completed an analysis of the five major contracts.

Of course, to evaluate a contract fully one must also weigh the factory concessions that have been made to the dealer body since the dealer revolt began. These concessions are in conjunction with—but not separate from—the contract.

A careful study of the accompanying chart will reveal each contract's features. This chart compares the factory-dealer arrangements of each of the five corporations on 49 points—40 contracts clauses and factory concessions.

Naturally, there are numerous intangible items in a factory-dealer relationship that can affect the value of the contract, favorably or unfavorably. But they are not analyzed as franchise items as such.

Many of the 49 points are relatively unimportant to dealers, and, taken singly, have little bearing on a factory-dealer relationship. Many of these comparative points have a considerable value, but they have been offered by all the manufacturers.

To evaluate a factory-dealer relationship properly, it is necessary to compare the corporations' contracts and concessions on the basis of 15 major items—items that mean either dollars or security to the dealer.

These items are: (1) the rebate on new cars carried into a new-model year; (2) the parts obsolescence plan; (3) the 90-day parts-return plan; (4) the 30-day accessory-return plan; (5) the widow clause; (6) the latitude each factory has in terminating a dealer; the dealer termination program in regard to (7) premises.

(8) Parts, (9) accessories and (10) tools; (11) the 100-percent warranty: (12) the $100,000 life insurance offered dealers; (13) the 2-percent discount for cash payment of parts; (14) the new-car billing policy, and (15) the continuous contract.

Chrysler's contract is superior or equal to the best on 13 of these items; GM is superior or equal to the best on 12 items; Ford is superior or equal to the best on 10 items; American Motors is superior or equal to the best on 6 items, and Studebaker-Packard is superior or equal to the best on 3 items.

Ford is the only manufacturer that bills its dealers for cars when the cars arrive. Chrysler bills its dealers 2 to 5 days after shipment. All other manufacturers bill the dealers on shipment.

Chrysler and AMC widows may participate indefinitely in a dealership's operations. Wives of deceased GM dealers may participate for 5 years. Widows of Ford dealers may participate for a year. There is no provision for the participation of widows of Studebaker-Packard dealers.

Ford and Chrysler are the only manufacturers that give their dealers a 2-percent cash discount on parts. Ford offered to trade this item for the 4-percent parts obsolescence plan offered by GM, but the dealers declined.

While Chrysler does not have the 4-percent obsolescence plan, its dealers can return surplus parts periodically if the parts are on the firm's active parts list. AMC and S–P dealers are permitted to submit a list of surplus parts for possible repurchase by the factory.

Ford has no parts obsolescence plan, no 90-day parts-return plan, and no 30-day accessory-return plan.

In addition, the Ford contract is below competition on the widow clause and in the latitude the factory is given in terminating a dealer. The agreement permits termination of any dealer with a continuous contract on 120 days' notice at will.

GM, Ford, and Chrysler offer a continuous contract to their dealers, AMC offers a 1-year and a 3-year contract, with the factory having the option, depending on the caliber of dealership involved.

S–P has offered a 3-year contract, with automatic 1-year renewals. GM and Ford also give their dealers the option of a 1-year or a 5-year contract. Upward of 90 percent of these dealers have indicated they prefer the 5-year pact.

However, a careful reading of the five contracts indicate that their duration is not so important, because each agreement has a list of causes for which a dealer can be canceled immediately and a list of causes for which the dealer can be canceled on 90 days' notice.

It's also probably true that, if a factory wished to, it could cancel almost any dealer for failure to live up to the sales performance clause in each contract.

NINETY-DAY TERMINATION

The S–P contract is unique in that it permits the factory to decline to offer a dealer a new agreement if the dealer is notified of this at least 90 days before expiration of the current contract.

The American Motors arrangement with its dealers is equal to the Big Three on these five items: The 100 percent warranty, 90-day return of parts, 30-day return of accessories, the factory latitude on terminations and the factory repurchase of tools on termination.

The Studebaker-Packard arrangement is equal on the 100-percent warranty, the 5 percent rebate on new cars carried into a new-model year and the 30-day return of accessories.

In addition, S–P is almost equal to GM on its parts and accessory obsolescence plan in that dealers may exchange up to 4 percent of their purchases quarterly or annually. An S–P dealer gets other parts and a GM dealer gets cash credit.

All manufacturers have the 5 percent rebate, except American Motors which has a 4 percent rebate. A rider in the Ford and Chrysler agreement provides that the rebate will not be paid if the factory offers a cleanup bonus or rebate to its dealers.

S–P permits dealers to return any parts and accessories up to 30 days after purchase.

Many dealers feel that these parts and accessory-return plans are important, particularly in the early months of a model year when it is difficult to know what to order.

All the manufacturers have offered the 100 percent warranty. In addition, GM, Ford and Chrysler offer up to $100,000 in life insurance to their dealers at a reduced cost. AMC has offered a dealer and employee insurance policy to its dealers and their employees for a number of years.

In the matters of disposition of a terminated dealer's premises, parts, accessories and special tools, GM, Ford and Chrysler make identical provisions.

They agree to help a dealer dispose of his premises and, if necessary, will lease the premises for a year after termination. They also will repurchase all the dealer's listed parts, all accessories purchased in the previous 12 months and all special tools purchased in the previous 36 months.

American Motors will pay, if necessary, up to 75 percent of a terminated dealer's lease expense for a year, AMC will also repurchase parts bought for the current model and three previous models, all accessories bought in the previous 6 months and all special tools purchased in the previous 36 months.

BAN ON DECEPTIVE ADS

S-P has no plan for disposing of a terminated dealer's premises. The company will repurchase from a terminated dealer any parts purchased for the current and two previous model-years, any accessories purchased in the previous 6 months and any special tools purchased in the previous 12 months.

All the contracts require a dealer to agree that he will not use advertising that is misleading or deceptive.

The Chrysler contract is the only one that permits a dealer to designate what type of transportation will be used in delivering his cars, although the factory still selects the specific shipper.

Most of the other contracts say the factory will attempt to ship the cars by the type of transportation preferred by the dealer.

In summary, the new contracts and concessions reflect a remarkable advance in the status of the American auto dealer in the past 14 months.

GM led the other makers by 10 to 14 months on contract changes and concessions.

It was also GM which named the first dealer vice president and the only dealer umpire, giving dealers a direct pipeline to top management.

A comparison: Dealer contracts, factory concessions

	General Motors	Ford	Chrysler	American Motors Corp.	Studebaker-Packard
CONTRACT					
New dealer selling contract released	March 1956	April 1957	April 1957	January 1957	January 1957
Number of clauses in contract	34	34	30	34	37
1-year, 5-year or continuous contract—dealer option	X	X			
Continuous contract for all dealers			X		
1-year or 3-year contract—factory option				X	
Current contract for 3 years, automatically renewed annually thereafter					X
Rebate of 5 percent on unsold new cars carried into new-model year	X				X
Rebate of 4 percent on unsold new cars carried into new-model year				X	
Rebate of 5 percent on unsold new cars carried into new-model year, if no cleanup bonus offered		X	X		
Parts obsolescence plan, whereby 4 percent of parts may be returned annually	X				
Parts obsolescence plan, whereby listed parts may be returned periodically			X		
Obsolescence plan, whereby dealers may submit list of parts and accessories for possible repurchase by factory				X	X
Obsolescence plan, whereby 4 percent of parts and accessories may be exchanged for new parts accessories annually or quarterly					X
Permits return of parts up to 90 days after purchase	X		X	X	
Permits return of parts up to 30 days after purchase					X
Permits return of accessories up to 30 days after purchase	X		X	X	X
Permits widow of dealer to have interest in dealership indefinitely			X	X	
Permits widow of dealer to have interest in dealership for 5 years	X				
Permits widow of dealer to have interest in dealership for 1 year		X			
Improved successor clause	X	X	X	X	X
Provides for 90-day delay of termination on death or incapacity of dealer	X	X		X	X
Provides sales criteria for evaluating dealer's performance	X	X	X	X	X
Contains "opportunity to cure failure" clause		X			
Permits dealer to designate method of shipping cars to him			X		
Dealer agrees not to use any misleading or deceptive advertising	X	X	X	X	X
TERMINATION PROCEDURE					
Dealer can terminate on 30-day notice	X	X	X	X	X
Factory can terminate term contracts on 90-day notice for listed causes	X	X	X	X	X
Factory can terminate all contracts without notice for several listed causes	X	X	X	X	X
Factory can terminate continuous contracts on 120-day notice "at will"		X			
Factory can decline to offer a new contract if dealer is given a 90-day notice					X
On termination, factory will lease premises for 1 year if no other tenant found	X	X	X		
On termination, factory will pay up to 75 percent of lease charges for 1 year				X	
On termination, factory will repurchase all listed parts at wholesale price, plus 5 percent	X	X	X		
On termination, factory will repurchase at current price all parts purchased for current and 3 previous models				X	
On termination, factory will repurchase all listed parts purchased for current and 2 previous models, less 15 percent					X
On termination, factory will repurchase all accessories purchased in previous 12 months	X	X	X		
On termination, factory will repurchase all accessories purchased in previous 6 months				X	X
On termination, factory will repurchase all special tools purchased in previous 36 months	X	X	X	X	
On termination, factory will repurchase all special tools purchased in previous 12 months					X
On termination, factory will repurchase all signs at fair market value	X	X	X	X	X
FACTORY CONCESSIONS					
100 percent warranty labor charges paid by factory	X	X	X	X	X
Up to $100,000 life insurance on dealer for a nominal charge	X	X	X		
Low-cost group life and hospitalization insurance for dealer and employees				X	
2 percent discount on parts for cash payment		X	X		
Dealer-elected dealer council	X	X	X	X	X
Dealer, relations board or vice president	X	X	X		
Umpire for terminations	X				
Policy of billing dealers for cars when they arrive, rather than when shipped		X			
Policy of billing dealers for cars 2 to 5 days after shipment			X		

NOTE.—Some manufacturers cover parts and accessory programs in separate agreement.

SUPREME COURT DECISION IN THE GIRARD COLLEGE CASE

Mr. THURMOND. Mr. President, on Monday, April 29, 1957, the United States Supreme Court shifted gears again; and this time the Court threw into a mass of confusion the fairly well settled law of trusts and estates. The Court, which seems bent on its desire to strip the States and individuals of their most cherished and fundamental rights, has now taken up the hobby of rewriting wills and denying to individuals the right to dispose of their property for any purpose they may choose.

In the Girard College case, the Supreme Court, in a 1-page opinion reversed a 5 to 1 decision of the Pennsylvania Supreme Court which was backed up by a 40-page majority opinion full of legal doctrines and precedents which had been the law of the land for more than a century. The Court added a postmortem codicil to the will of Stephen Girard, who in his 1831 will, bequeathed his money for the establishment of a college for "poor white male orphans." One hundred and twenty-six years later, the Supreme Court, after twice holding the provisions of the will to be valid, has violated the expressed intent of the testator, by permitting persons excluded by the will to enter Girard College.

The Court seized upon the fact that officials of the city of Philadelphia assist as trustees in the management of Girard College. The failure of the officials to admit the persons excluded by the will was described as discrimination under the 14th amendment, which amendment was approved some 30 years after the testator's death.

A great number of prominent attorneys and newspapers have already voiced deep concern over this latest attempt by the Supreme Court to further curb the fundamental rights of the States and individuals.

I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks several editorials and comments from outstanding newspapers. One article contains a comment by the President of the American Bar Association, the Honorable David F. Maxwell, in which he said that the latest Girard College decision "hurts to the quick."

I also call attention to a splendid analysis of the decision which appeared in numerous newspapers across the country, and which has already been inserted in the RECORD of May 2, 1957. This article was writen by one of America's most outstanding columnists, Mr. David Lawrence. Another excellent editorial has also been inserted in the May 6, 1957, RECORD. It was taken from the April 30, 1957, issue of the Augusta (Ga.) Chronicle.

I urge that every Member of the Senate give most careful attention to all of these newspaper comments.

At a later date I shall have more to say about this decision.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina?

There being no objection, the editorials and news articles were ordered to be printed in the RECORD, as follows:

[From the Columbia (S. C.) State, of May 7, 1957]

THE GIRARD CASE

The Girard College decision which can only lower still further the once-high standing of the United States Supreme Court is bad on several grounds, one of which is that it has applied to a will a constitutional amendment that was approved some 30 years after the death of the maker. Even if the amendment in question, the 14th, had been legally processed, it should not be applicable to an instrument drawn before it existed.

As lawyers know this is not the first time the Girard will has been before the highest court. Twice previously, it had been declared valid in toto.

Girard was a Frenchman. He died in the early 1830's and relatives in France sought unsuccessfully, though represented by none other than Daniel Webster, to have his will set aside on two grounds: (1) that a municipal corporation could not act as a trustee, and (2) that a provision in the will forbidding any Protestant, Catholic or Jewish ecclesiastic to enter the grounds rendered the whole will void. It was contended that this prohibition barred the teaching of religion.

The Supreme Court held the will valid in what is the most famous of all opinions as to whether Christianity is a part of the common law. The Court held that though Christianity in a loose sense is a part of the common law, this fact did not override protective statute or constitutional provision. Further there is nothing in the will, the Court said, that actually forbade teaching of religion, save by duly licensed religious leaders such as pastors and rabbis. Incidentally the argument lasted 10 days.

Some years later the limits of Philadelphia were extended. The Girard will said the college was to be operated for white male orphans of the city. In the meantime the State of Pennsylvania didn't like the way the municipal corporation was conducting the trust, and so its legislature enacted a statute providing for the selection of new trustees. When this was done, Girard's heirs brought another suit on grounds that Girard had meant white male orphans in the original territory of Philadelphia, and to include a larger area was to bring under the will persons not intended to be covered. The heirs asked again that the bequest for the college be set aside but the Supreme Court again upheld the will. In other words, Girard had a right to dispose of his means as he saw fit.

In its third decision, just rendered, in which it declared Negroes must be admitted, the Supreme Court voided terms the Court had twice before declared valid. But did it give the property back to the descendants of those who originally sought to break the will? It did not. It said Girard's money should be used for persons who by no measuring stick could have been in Girard's mind as beneficiaries of his will. What are we coming to?

[From the Columbia (S. C.) State of May 3, 1957]

DISAPPEARING CONSTITUTION

By its ruling Monday in the Girard College case the United States Supreme Court has destroyed the right of American citizens to dispose of their property as they see fit.

This particular case involved two Negro youths who had applied for admission to Girard College, which for 109 years has been open to "poor white male orphans" as specified in the will of the founder.

A board of directors appointed by the city trust of Philadelphia, which administered the school, was held by the Court to be an agency of the city of Philadelphia. In this case, the Court said, the two Negro youths would have to be admitted.

In this the Supreme Court of the United States brusquely shoved aside the opinion of the Pennsylvania supreme court which said:

"It is one of our most fundamental legal principles that an individual has the right to dispose of his own property by gift or will as he sees fit," and that this right is so well protected "that a testator's direction will be enforced, even though contrary to the general views of society."

In addition, the Pennsylvania court said the trustees were not acting as public officials, but merely in a fiduciary capacity with the same limits as any private individual or trust company acting as trustee. The State court also pointed out that not one cent of tax money had been involved.

Under the direction of the United States high court, Negro students must be admitted. However, if the Negro students receive an education at Girard College, the Government will have entered the will-breaking field. Girard specifically limited the use of his money—with which he established the college—to education of people who were white and orphans. Next the court could say he had no right to specify orphans.

The Supreme Court of the United States, by extending its decision of May, 1954, which was based on sociological doctrines and not law, has now impaired the right of an individual to make a will to aid any specific group. Presumably now an orphanage established for Catholic youngsters could not exclude Protestants or Jews, or vice versa. Corporations chartered by the State—which, most orphanages seem to be—could not differentiate because of religion or race on the basis of the Court's pronouncement. The decision may be hailed in some quarters as a great victory. It is a victory—but not one for freedom. For it can just as well be used against a group as for it.

What the situation amounts to is this: The Constitution of the United States now amounts to the Supreme Court and the 14th Amendment. This further means that we now have a Government of whimsey instead of law, because no one has ever been able to figure out what the troublesome, illegally-adopted Fourteenth Amendment really means. The Supreme Court itself has reversed during the past 90 years practically every decision it ever based on this provision of the Constitution—interpreting it on the basis of election returns and current frustration fads.

The Constitution in its real meaning is fast disappearing.

[From the Charleston (S. C.) News and Courier of May 4, 1957

GIRARD COLLEGE CASE REHEARING TO BE SOUGHT

PHILADELPHIA, May 3.—The directors of the Board of City Trusts voted 12 to 1 yesterday to ask the United States Supreme Court for a rehearing of the Girard College case. The high Court on Monday handed down a decision opening the college to Negroes for the first time in its more than 101-year history.

Under the terms of Stephen Girard's will enrollment was open only to "poor male white orphans."

Industrialist Girard, founder of the school, was one of the richest men and in some ways one of the most controversial figures in the earlier days of the Republic.

The lone dissenting vote was cast by Mayor Richardson Dilworth, ex-officio member of the board which administers the college under the will.

Dilworth's administration and that of Joseph S. Clark, former mayor and now United States Senator, opposed the board's stand, and sought to win the admission of two Negro boys at the all-white school. Upon that issue the case was carried to the Nation's highest Court.

The Supreme Court found that the Board of City Trusts functions as an agency of the State, and that an agency of the State has no right to exclude nonwhites from the college.

[From the Charleston (S. C.) News and Courier of May 3, 1957]

BREAKING A WILL

Until Monday, an individual's last will and testament had some real meaning. If a man or woman were of sound mind when the will was drawn, its provisions were accepted by the heirs and the public.

This is no longer true. The United States Supreme Court has, in effect, broken a will by Stephen Girard who in 1831 left $2 million to establish a school for "poor white male orphans." The High Court ruled Monday that the school had to admit two Negroes who sought entrance.

The Court seized upon the fact that officials of the city of Philadelphia assist in the management of Girard College. The failure of the officials to admit the Negroes was described as discrimination forbidden under the 14th amendment to the Constitution.

The terms of Stephen Girard's will are perfectly clear. Nonetheless, the Supreme Court has chosen to ignore them. It has shown contempt for a basic property right—the right to pass on one's possessions to those of one's own designation.

What is to prevent the Supreme Court from breaking the will of any citizen who leaves his property to persons or causes which are not favored by political court appointees? Today, there is nothing to prevent such judicial tyranny.

One day, the people of this Nation may realize how their rights are being stolen and their property diverted. They may act to reduce the powers of the Supreme Court. We hope they will not wait until it is too late.

[From the Charleston (S. C.) News and Courier of May 6, 1957]

WARNINGS NEEDED

David F. Maxwell, president of the American Bar Association, said in Greenville Friday that the Supreme Court's Girard College decision "hurt to the quick." The decision called for the admission of Negroes to a Philadelphia school established, as specified in the founder's will, for white orphans.

Mr. Maxwell, who is from the North, holds a position of national influence.

We hope that during his tenure in office he will explain to legal circles across the Nation the injuries the Supreme Court is inflicting on the American people.

[From the Charleston (S. C.) News and Courier of May 4, 1957]

BAR ASSOCIATION TOLD GIRARD CASE "HURT TO QUICK"

GREENVILLE, May 3.—The contribution that lawyers have made in area of human liberties was praised here today by David F. Maxwell of Philadelphia, president of the American Bar Association.

Maxwell, in his luncheon address, made reference to the Supreme Court's Girard College decision, which he said "hurt to the quick." He referred to South Carolina as a place "where we are sure we are going to get comfort and understanding."

(In the decision handed down recently, the court ruled out racial segregation in Philadelphia's Girard College, which has admitted only "poor white male orphans" as specified in his will by Stephen Girard, who left part of his fortune to found the school.)

Despite their contribution they have been subjected to abuse down through the ages and have become accustomed to it, Maxwell said in speaking at a luncheon attended by South Carolina Bar Assn. members and their wives at Poinsett Hotel.

He deplored a recent "rash" of magazine articles critical of lawyers and indicated that the good done by the bar is often not mentioned. Maxwell expressed the view that lawyers of the country are the persons best qualified by training and experience to defend liberties.

The 3-day convention, 63d of the association, will be concluded tomorrow. A business session tomorrow morning will include the election of officers and reports from the executive and resolutions committees. Meetings of committees are scheduled in the afternoon. A banquet tomorrow night will be the closing event.

[From the Greenville (S. C.) News of May 2, 1957]

SUPREME COURT STARTS REWRITING WILLS

Prior to the United States Supreme Court's strange preoccupation with forcing integration of the races at all costs, most competent lawyers probably would have advised a client that he could bequeath his estate for almost any purpose he might choose.

More than one eccentric has decreed in his will that the bulk of his estate should be used to maintain an animal, say a cat, in luxury. And public officials have carried out the terms of such wills, even though they must have thought it a bit strange to have to do so when widows and orphans were in need.

But the United States Supreme Court has held in a decision in a case arising in Pennsylvania that a man cannot use the wealth he has accumulated in his lifetime to found and operate a school for "white male orphans" to the exclusion of Negroes.

The Court based its decision on grounds that administration of the will was vested in a public agency, the Philadelphia City Trust, and held that since a public body was involved the "equal protection of the law" clause of the Constitution made it unlawful to exclude Negroes.

The Court did not go into the issue of whether the will limiting the school to whites was itself lawful. But the effect is about the same. No will can be lawfully administered without some public agency, the probate court to start with, entering into it.

A will that is improperly drawn can be broken. But so long as it is properly drawn, at least we thought heretofore, one could use his money as he saw fit—to establish a school for redheads exclusively, or to teach cats not to catch mice.

But from now on a will means not what the maker of the will says, but what the Supreme Court says it means.

This is but another example of the contents of the legal Pandora's Box the Supreme Court opened on May 17, 1954, when it departed from the law and the precedents to promulgate integration as a sociological principle.

There probably is yet more to come. Private colleges and other institutions which have benefited from wills may one of these days find themselves before the courts, with a demand to open their doors to all persons regardless of race, on the same sort of far-fetched pretext.

[From the Jasper County (S. C.) News of May 3, 1957]

NINE MEN TAKE AWAY ANOTHER FREEDOM

According to our daily papers, the United States Supreme Court has gone another step in setting up a dictatorship in this country. They are placing the dictatorship in their own hands. I am speaking of their decision, which opened Girard College in Philadelphia to two Negro boys.

In 1831, Steven Girard died at the age of 80. In his will he left $2 million to establish Girard College, with the provision that the trustees would set up and operate a school for poor white male orphans. This original $2 million has grown to $98 million by 1955.

The Supreme Court of the State of Pennsylvania had upheld this will, and said, "It is one of our most fundamental legal principles that an individual has the right to dispose of his property by gift or will as he sees fit." Now the United States Supreme Court has upset this will and has ruled that the two Negro boys must be admitted.

I think that the Supreme Court has gone further in this decision than in any decision to date. This decision is not a case of racial discretion but a matter of telling a person that he cannot do what he wishes to do with his own property. This is certainly not only leading our Nation into a dictatorial pattern but a communistic pattern as well.

We have fought many wars to maintain the freedom which was supposedly left to us by our Constitution. However, we are now faced with the problem that nine old, politically ambitious persons are changing our way of life and taking away the freedoms that we have cherished and fought for over the period of almost 200 years.

I think that it is now time for the States of these United States to step up and be counted. If we are going to allow the United States Supreme Court to go this far, then the next move will probably be to take away our property before we die instead of after. I hope that South Carolina will let the Nation know that we do not intend to stand for this.

[From the Orangeburg (S. C.) Times and Democrat of May 3, 1957]

ADD SUPREME COURT

The United States Supreme Court has ruled that Girard College, which for 109 years has admitted only "poor white male orphans," as specified in the will of its founder, cannot bar Negroes.

The Supreme Court, in another unanimous decision, held that the board of directors of City Trust of Philadephia, which administers the school, is actually an agency of the State of Pennsylvania. Therefore, said the Court, the board—although acting as trustee—cannot comply with the terms of the will of the late Stephen Girard, a French-born philanthropist, whose estate in Philadelphia was largely left to various municipal and educational purposes.

There is no argument over the fact that the college is a sort of semipublic institution. However, it was set up under the terms of a will which specifies that only poor children and only males and members of the white race were to be admitted.

The Court has interpreted the board's recent action in refusing to admit two Negro boys as discrimination by the State. Therefore, it is, in effect, ordering the violating of Girard's will and intention in establishing the school. While this may be construed as legally correct, it is morally wrong, and is carrying the cause of equal rights to unexpected lengths.

[From the Philadelphia Evening Bulletin of April 30, 1957]

GIRARD'S WILL UPSET

Yesterday's decision of the United States Supreme Court declaring the will of Stephen Girard invalid insofar as it restricts admission to Girard College to "poor white male orphans" may be more far reaching than appears on the surface.

The will, probated in 1831, was responsible for much of the early legislation in this country which related to the creation of trusts. It was nullified because the Board of City Trusts administers it and is by law forbidden to practice discrimination. A private administrator could continue to carry out the provisions.

The applications of two Negro boys for admission, which were rejected, brought the will case into court. When the Pennsylvania Supreme Court passed on the issue, it decided 5 to 1 to uphold the provisions of the will. Justice Musmanno dissented.

The appeal to the Supreme Court was joined by both the city and the State. Political considerations undoubtedly motivated both.

Despite the fact that the will was written before enactment of the 14th amendment to the Constitution, the Supreme Court decision yesterday held its provisions to be in violation of that amendment and consequently invalid, at least so far as the bar against nonwhites is concerned. The effect will be to permit admission of orientals as well as Negroes.

The unanimous decision of the highest court in the land was in keeping with its finding several years ago against segregation. It may fundamentally alter the program of a Philadelphia institution which has been doing outstanding work for more than a century.

THE CALENDAR

Mr. BIBLE. Mr. President, if there be no further morning business, I suggest the absence of a quorum.

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BIBLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BIBLE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar to which there is no objection.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? The Chair hears none, and the call of the calendar will be proceeded with.

RESOLUTIONS AND BILLS PASSED OVER

The concurrent resolution (S. Con. Res. 2) to create a joint congressional committee to make a full and complete study and investigation of all matters connected with the election, succession, and duties of the President and Vice President was announced as first in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The concurrent resolution will be passed over.

The resolution (S. Res. 24) to amend rule XIV of the Standing Rules of the Senate was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The resolution will be passed over.

The bill (S. 913) to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations

and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (H. R. 4815) to provide permanent authority for the Postmaster General to establish postal stations at camps, posts, or stations of the Armed Forces, and at defense or other strategic installations, and for other purposes, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The concurrent resolution (S. Con. Res. 20) authorizing an investigation by the Federal Trade Commission into the activities and practices of companies engaged in the production, distribution, or sale of newsprint in interstate commerce, was announced as next in order.

Mr. TALMADGE. Over.

NICOLA MARCELLO

The bill (H. R. 1757) for the relief of Nicola Marcello was considered, ordered to a third reading, read the third time, and passed.

Mr. CLARK. Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point, in connection with the passage of House bill 1757 a letter addressed to me from Commissioner Swing, of the Department of Justice, Immigration and Naturalization Service, which will explain the reasons why this bill was held over a few weeks ago and why there is now no further objection.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES DEPARTMENT OF JUSTICE, IMMIGRATION AND NATURALIZATION SERVICE,
Washington, D. C., April 19, 1957.

Hon. JOSEPH S. CLARK,
United States Senate,
Washington, D. C.

DEAR SENATOR CLARK: Reference is had to Mr. Quigley's request for details concerning the offense for which Mr. Nicola Marcello, beneficiary of private bill H. R. 1757, was reportedly convicted as indicated in the last paragraph of the memorandum of information accompanying the Service report dated July 9, 1956, relative to this case.

It has been ascertained that the conviction actually occurred on January 1, 1936, and not during the 1940's, as reported. According to a police certificate from the authorities in Lanciano, Abruzzi, Italy, the beneficiary was fined 120 lire for a violation of article 669 of the Italian criminal code. This article regulates peddling and provides penalties for peddling without a license or without observing other provisions of the law.

Sincerely,

J. M. SWING, *Commissioner.*

BILLS PASSED OVER

The bill (S. 495) to authorize the acquisition of the remaining property in square 725 in the District of Columbia and the construction thereon of additional facilities for the United States Senate was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

The bill (S. 728) to authorize the acquisition of the remaining property in squares 725 and 724 in the District of Columbia for the purpose of extension of the site of the additional office building for the United States Senate was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

PRINTING OF ADDITIONAL COPIES OF INTERNAL SECURITY ANNUAL REPORT FOR 1956

The concurrent resolution (S. Con. Res. 22) to print, for the use of the Senate Committee on the Judiciary, additional copies of the Internal Security Annual Report for 1956 was considered and agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on the Judiciary 75,000 additional copies of Senate Report No. 131, 85th Congress, entitled "Internal Security Annual Report for 1956."

COL. BENJAMIN AXELROAD

The bill (S. 1008) for the relief of Col. Benjamin Axelroad was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, reserving the right to object, I wonder if we may have an explanation of the bill.

Mr. KEFAUVER. Mr. President, I shall be very happy to attempt to make an explanation.

In the latter part of the 83d Congress a bill was passed, which was approved by the Army, providing for the payment of $28,000 compensation to two persons who had been very seriously and permanently injured, and to the estate of a young lady who had been killed.

Mr. Axelroad, who was attorney for these people, had presented a claim in the House of Representatives and the United States Senate on two occasions. Unquestionably he was entitled to an attorney's fee much larger than the usual 10 percent.

In the latter part of the 83d Congress, in order to permit the passage of bills in the Senate, since objections were being made to provisions for attorneys' fees, a provision was written in the bill now pending that no part of the sum should be paid to an attorney, so Mr. Axelroad was precluded by the action of the Committee on the Judiciary from receiving any compensation. He had agreed to this action.

The committee has considered the matter. Mr. Axelroad was put to great out-of-pocket expense. In fairness to him, since he can otherwise not collect any fee, we felt he was entitled to compensation in the amount provided in the bill.

Mr. JOHNSTON of South Carolina. Mr. President, speaking on behalf of the Committee on the Judiciary, we took this matter up and looked into it thoroughly. We came to the unanimous conclusion that for the work he had done Mr. Axelroad should be paid the amount provided by the bill.

Mr. BARRETT. Mr. President, in view of the fact that the committee made a unanimous report of the bill, and in the light of the explanation of the distinguished Senator from Tennessee, I withdraw my objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (S. 1008) for the relief of Col. Benjamin Axelroad, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. Benjamin Axelroad, Tullahoma, Tenn., the sum of $2,799.50, as compensation for legal services performed and expenses incurred in assisting Chester H. Tuck, Mary Elizabeth Fisher, James Thomas Harper, and Mrs. T. W. Bennett, all of Tullahoma, Tenn., in the successful prosecution of their claims against the United States. Although the efforts of the said Col. Benjamin Axelroad contributed materially to the obtaining of evidence which led to the enactment of a private law for the relief of the above-mentioned claimants (Private Law 498, 83d Cong.), such private law prevented any payment to the said Col. Benjamin Axelroad out of sums appropriated in such private law: *Provided,* That no part of the amount appropriated in this act, shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with the claim of the said Col. Benjamin Axelroad for such compensation, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

RESOLUTION PASSED OVER

The resolution (S. Res. 124) citing Edward E. Hintz for contempt of the Senate, was announced as next in order.

Mr. BARRETT. Over.

The PRESIDING OFFICER. The resolution will be passed over.

GUIDO WILLIAM GRAMBERGS

The bill (S. 147) for the relief of Guido William Grambergs was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That for the purposes of the Immigration and Nationality Act, Guido William Grambergs shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MARIA PARISI

The bill (S. 239) for the relief of Maria Parisi, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, Maria Parisi shall be held and considered to be the minor alien child of Antonio Parisi, a citizen of the United States.

ARISTEA VITOGIANES

The bill (S. 256) for the relief of Aristea Vitogianes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child Aristea Vitogianes shall be held and considered to be the natural-born alien child of Augustus and Maria Vitogianes, citizens of the United States.

LIVIO SENNI

The bill (S. 470) for the relief of Livio Senni was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provision of section 212 (a) (9) of the Immigration and Nationality Act, Livio Senni may be issued a visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of that act: *Provided*, That this exemption shall apply only to a ground for exclusion of which the Department of State or the Department of Justice had knowledge prior to the enactment of this act.

BLANCA G. HIDALGO

The bill (S. 616) for the relief of Blanca G. Hidalgo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Blanca G. Hidalgo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GEORGINA MERCEDES LLERA

The Senate proceeded to consider the bill (S. 622) for the relief of Georgina Mercedes Llera, which had been reported from the Committee on the Judiciary with an amendment in line 7, after the word "fee," to strike out "upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available," so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Georgina Mercedes Llera shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JOHN EICHERL

The bill (S. 629) for the relief of John Eicherl was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond which may have been issued in the case of John Eicherl. From and after the date of enactment of this act, the said John Eicherl shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants or order have issued.

ISABELLA ABRAHAMS

The bill (S. 650) for the relief of Isabella Abrahams was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Isabella Abrahams shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

SUI-AN FUNG AND SHU-NUNG WU FUNG

The bill (S. 710) for the relief of Sui-an Fung and Shu-nung Wu Fung was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Sui-an Fung and Shu-nung Wu Fung shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fees. Upon the granting of permanent residence to such aliens as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct the required numbers from the appropriate quota or quotas for the first year that such quota or quotas are available.

MARIA CACCOMO

The Senate proceeded to consider the bill (S. 308) for the relief of Maria Caccomo, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 203 (a) (3) and 205 of the Immigration and Nationality Act, Maria Caccomo shall be held and considered to be the minor child of Salvatore Caccomo, a lawful permanent resident of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DONINI MAURIZIO DONATO

The Senate proceeded to consider the bill (S. 623) for the relief of Donini Maurizio Donato, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Donini Maurizio Donato, shall be held and considered to be the natural-born alien child of Dr. and Mrs. Lawrence L. Massa, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ELVIRA A. BELFORD

The Senate proceeded to consider the bill (S. 641) for the relief of Elvira A. Belford, which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "be", to insert "issued a visa and", so as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of paragraph 9 of section 212 (a) of the Immigration and Nationality Act, Elvira A. Belford may be issued a visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such act. This act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

SHIGEKO KIMURA

The Senate proceeded to consider the bill (S. 776) for the relief of Shigeko Kimura, which had been reported from the Committee on the Judiciary with an amendment.

Mr. JOHNSTON of South Carolina. On April 15, 1957, the Committee on the Judiciary reported favorably the bill, S. 776, to provide for the admission to the United States of the fiance of a United States citizen serviceman, to enable them to be married. The bill also provided for the admission of the couple's child, if such child was born prior to the adult beneficiary's departure to the United States. In behalf of the adult beneficiary, the bill provided a waiver of the excluding provision of existing law relating to those afflicted with tuberculosis.

On April 17, 1957, the House of Representatives passed H. R. 2723, a similar bill, for the relief of the same beneficiaries. That bill was referred to the Committee on the Judiciary. I ask unanimous consent that the Committee

on the Judiciary be discharged from the further consideration of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSTON of South Carolina. Inasmuch as the language of House bill 2723 is substantially the same as that of Senate bill 776, I ask unanimous consent that the Senate proceed to the consideration of H. R. 2723.

There being no objection, the Senate proceeded to consider the bill (H. R. 2723) for the relief of Shigeko Kimura and her minor child.

The bill was ordered to a third reading, read the third time, and passed.

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that Senate bill 776 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILL PASSED OVER

The bill (S. 1164) to make the evaluation of recreational benefits resulting from the construction of any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes, was announced as next in order.

Mr. BARRETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

PEDRO AMPO

The bill (S. 463) for the relief of Pedro Ampo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Pedro Ampo, shall be held and considered to be the natural-born alien child of Diosdado D. Aba, a citizen of the United States.

MARIA CONCETTA DI TURI

The bill (S. 465) for the relief of Maria Concetta Di Turi was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Maria Concetta Di Turi, shall be held and considered to be the natural-born alien child of Leonardo Di Turi, a citizen of the United States.

SHAO FONG SHA

The bill (S. 730) for the relief of Shao Fong Sha was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Shao Fong Sha shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

GIUSEPPE SCIORTINO

The bill (S. 756) for the relief of Giuseppe Sciortino was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, notwithstanding the provisions of paragraph (9) of section 212 (a) of the Immigration and Nationality Act, Giuseppe Sciortino may be admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such act: *Provided*, That this act shall apply only to grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this act.

DR. CHEUNG NUNG HUANG

The bill (S. 891) for the relief of Dr. Cheung Nung Huang was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Dr. Cheung Nung Huang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

MRS. ELSBE HERMINE VAN DAM HURST

The Senate proceeded to consider the bill (S. 653) for the relief of Mrs. Elsbe Hermine van Dam Hurst, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to insert a colon and "*Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Mrs. Elsbe Hermine van Dam Hurst shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act, upon payment of the required visa fee: *Provided*, That a suitable and proper bond or undertaking, approved by the Attorney General, be deposited as prescribed by section 213 of the said act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

CORNELIS VANDER HOEK

The Senate proceeded to consider the bill (S. 874) for the relief of Cornelis Vander Hoek, which had been reported from the Committee on the Judiciary, with an amendment, in line 7, after the word "fee", to strike out "Upon the granting of permanent residence to such alien as provided for in this act, the Secretary of State shall instruct the proper quota control officer to deduct one number from the appropriate quota for the first year that such quota is available", so as to make the bill read:

Be it enacted, etc., That, for the purposes of the Immigration and Nationality Act, Cornelis Vander Hoek shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ANTOINE VELLEMAN

The Senate proceeded to consider the bill (S. 1206) for the relief of Antoine Velleman, which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 11, after "1944", to insert a colon and "*Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Antoine Velleman, of Geneva, Switzerland, the sum of $526.06. The payment of such sum shall be in full satisfaction of all claims of the said Antoine Velleman against the United States for compensation for services rendered by him as an instructor for the United States Army internees at Adelboden, Switzerland, from August 1, 1944, to September 15, 1944: *Provided*, That no part of the amount appropriated in this act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

NOEMI MARIA VIDA WILLIAMS

The Senate proceeded to consider the bill (S. 307) for the relief of Noemi Maria Vida Williams, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 3, after the word "of", to strike out "section" and insert "sections"; at the beginning of line 4, to insert "(a) (9) and"; and, at the top of page 2, to insert:

SEC. 2. That, for the purposes of the Immigration and Nationality Act, Maria Loretta Vida shall be held and considered to have been lawfully admitted to the United States

for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

So as to make the bill read:

Be it enacted, etc., That, notwithstanding the provisions of sections 212 (a) (9) and (12) of the Immigration and Nationality Act, Noemi Maria Vida Williams may be admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act: *Provided,* That this exemption shall apply only to a ground for exclusion of which the Department of Justice or the Department of State has knowledge prior to the enactment of this act.

SEC. 2. That, for the purposes of the Immigration and Nationality Act, Maria Loretta Vida shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this act upon payment of the required visa fee.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Noemi Maria Vida Williams and Maria Loretta Vida."

CHRISTOS A. MAUROYENIS (MAVROGENIS)

The Senate proceeded to consider the bill (S. 767) for the relief of Christos A. Mauroyenis (Mavrogenis), which had been reported from the Committee on the Judiciary, with an amendment, in line 5, after the word "child", to strike out "Christos A. Mauroyenis (Mavrogenis)" and insert "Christo Pan Lycouras Mauroyenis (Maurogenis)", so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Christo Pan Lycouras Mauroyenis (Maurogenis), shall be held and considered to be the natural-born alien child of Mr. and Mrs. Anthony Mauroyenis, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Christo Pan Lycouras Mauroyenis (Maurogenis)."

GEORGE CHRISTOPOULOS, A MINOR

The Senate proceeded to consider the bill (S. 804) for the relief of George Christopoulos, a minor, which had been reported from the Committee on the Judiciary, with an amendment, at the beginning of line 5, to strike out "George Christopoulos" and insert "Georgios D. Christopoulos," so as to make the bill read:

Be it enacted, etc., That, for the purposes of sections 101 (a) (27) (A) and 205 of the Immigration and Nationality Act, the minor child, Georgios D. Christopoulos, shall be held and considered to be the natural-born alien child of Mr. and Mrs. Nick Christopoulos, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill for the relief of Georgios D. Christopoulos."

CERTAIN SPOUSES AND MINOR CHILDREN OF CITIZENS OF THE UNITED STATES

The Senate proceeded to consider the joint resolution (H. J. Res. 133) for the relief of certain spouses and minor children of citizens of the United States, which had been reported from the Committee on the Judiciary, with amendments, at the top of page 2, to strike out "That suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the said act:" and insert "That except in the cases of beneficiaries entitled to medical care under the Dependents' Medical Care Act (70 Stat. 250), suitable and proper bonds or undertakings, approved by the Attorney General, be deposited as prescribed by section 213 of the Immigration and Nationality Act: *And provided further,* That the exemption granted herein shall apply only to grounds for exclusion of which the Department of State or the Department of Justice has knowledge prior to the enactment of this act."; on page 3, at the beginning of line 13, to strike out "and"; and, in the same line, after "Wong", to insert a comma and "Salvatore Adornetto, Mrs. Anni A. Anthony, Mrs. Antonietta Polintan Averitt, Mrs. Concetta Battaglini Bosio, Angelo Capitello, Mrs. Julia W. Chang, Mrs. Yu Yuk Chun, Mrs. Fukuko Kanda Deppiesse, Mrs. Yoshiko S. Estapa, Mrs. Maria Lourdes Figueras, Mrs. Olga M. Finartijs, Mrs. Virginia Montilla Gallego, Mrs. Cheng Kam Hou, Mrs. Mafalda Marchini Iacopucci, Mrs. Hiroko Nakagawa Irish, Rev. Gottfried G. Krodel, Mrs. Agnes Moreland McCall, Mrs. Edith D. McKinnis, Mr. Milenko Mijatovich, Jung Chew Ming, Lau Chung Oi, Gaetano Patrasso, Mychajlo Pawliczko, Michele Povia, Mrs. Wah Lung Price, Vittorio Quartarone, Mrs. Liliane Thurau, Mrs. Enrichetta Troncone, Mrs. Lydia Atienza Venzon, Mrs. Mitsuyo Shinbo Watanabe, and Mrs. Siv I. M. Woods."

The amendment was agreed to.

The amendments were ordered to be engrossed and the joint resolution to be read the third time.

The joint resolution was read the third time, and passed.

BILL PASSED OVER

The bill (S. 1639) to provide for the suspension of the vesting of alien property and the liquidation of vested property, under the Trading With the Enemy Act, was announced as next in order.

Mr. CLARK. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

ADJUDICATION OF CONFLICTING CLAIMS OF NAVAHO AND HOPI INDIANS

The Senate proceeded to consider the bill (S. 692) to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes, which had been reported from the Committee on Interior and Insular Affairs, with amendments on page 1, line 5, after the word "the", to strike out "Indians who are entitled to be thereon" and insert "Hopi Indians and such other Indians as heretofore have been settled thereon by the Secretary of the Interior"; on page 2, at the beginning of line 14, to insert "pursuant to such Executive order"; in line 22, after "Sec. 2.", to strike out "Any lands" and insert "Lands, if any,"; in line 25, after the word "Reservation", to strike out "Any lands" and insert "Lands, if any,"; on page 3, at the beginning of line 5, to strike out "If the court determines that the said Navaho Tribe, Hopi Tribe, including any Hopi village or clan thereof, or individual Indians have a joint or undivided interest in any part of the lands subject to section 1 of this act, the court shall determine the reservation to which such lands shall be added as in its opinion shall be fair, just, and equitable."; at the beginning of line 18, to insert "tribal or individual"; and, in line 19, after the word "Act", to insert a comma and "or to affect the liability of the United States, if any, under litigation now pending before the Indian Claims Commission"; so as to make the bill read:

Be it enacted, etc., That the lands described in the Executive order dated December 16, 1882, are hereby declared to be held by the United States in trust for the Hopi Indians and such other Indians as heretofore have been settled thereon by the Secretary of the Interior pursuant to such Executive order. The Navaho Indian Tribe and the Hopi Indian Tribe, acting through the chairmen of their respective tribal councils for and on behalf of said tribes, including all villages and clans thereof, and on behalf of any Navaho or Hopi Indians claiming an interest in the area set aside by executive order dated December 16, 1882, and the Attorney General on behalf of the United States, are each hereby authorized to commence or defend in the United States District Court for the District of Arizona an action against each other and any other tribe or Indians claiming any interest in or to the area described in such Executive order for the purpose of determining the rights and interest of said parties in and to said lands and quieting title thereto in the tribes or Indians establishing such claims pursuant to such Executive order as may be just and fair in law and equity. The action shall be heard and determined by a district court of three judges in accordance with the provisions of title 28, United States Code, section 2284, except that no judge from the State of Arizona shall serve thereon, and any party may appeal directly to the Supreme Court from the final determination by such three-judge district court.

SEC. 2. Lands, if any, in which the Navaho Indian Tribe or individual Navaho Indians are determined by the court to have the exclusive interest shall thereafter be a part of the Navaho Indian Reservation. Lands, if any, in which the Hopi Indian Tribe, including any Hopi village or clan thereof, or individual Hopi Indians are determined by the court to have the exclusive interest shall thereafter be a reservation for the Hopi

Indian Tribe. The Navaho and Hopi Tribes, respectively, are authorized to sell, buy, or exchange any lands within their reservations with the approval of the Secretary of the Interior, and any such lands acquired by either tribe through purchase or exchange shall become a part of the reservation of such tribe.

SEC. 3. Nothing in this act shall be deemed to be a Congressional determination of the merits of the conflicting tribal or individual Indian claims to the lands that are subject to adjudication pursuant to this act, or to affect the liability of the United States, if any, under litigation now pending before the Indian Claims Commission.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ACQUISITION OF CERTAIN TRIBAL LANDS ON THE CATAWBA INDIAN RESERVATION, S. C.

The (H. R. 676) to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C., was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1574) to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes was announced as next in order.

Mr. TALMADGE. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

DELIVERY OF WATER TO CERTAIN LANDS IN THE SHOSHONE FEDERAL RECLAMATION PROJECT, WYOMING

The joint resolution (S. J. Res. 79) permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming, was announced as next in order.

Mr. BARRETT. Mr. President, the House passed a joint resolution identical with the Senate joint resolution just reached on the calendar. I move that the Senate proceed to the consideration of the House joint resolution, which is on the calendar.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (H. J. Res. 287) permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal Reclamation project, Wyoming.

The joint resolution was ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate Joint Resolution 79 is indefinitely postponed.

DEVELOPMENT OF PHOSPHATE ON THE PUBLIC DOMAIN

The Senate proceeded to consider the bill (S. 334) to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain which had been reported from the Committee on Interior and Insular Affairs with an amendment in line 5, after the word "words," to insert "or permits," so as to make the bill read:

Be it enacted, etc., That the second sentence of section 27 of the act of February 25, 1920, as amended (30 U. S. C., 184), is amended by the deletion of the words "or permits exceeding in the aggregate 5,120 acres in any one State, and."

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DESERT-LAND ENTRIES

The bill (S. 359) to permit desert-land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres was considered, ordered to be engrossed for a third read, read the third time, and passed, as follows:

Be it enacted, etc., That the first section of the act of March 3, 1877, entitled "An act to provide for the sale of desert lands in certain States and Territories," as amended (43 U. S. C. 321), is further amended by the deletion at the end of that section of the following words ": *Provided*, That no person shall be permitted to enter more than one tract of land and not to exceed 320 acres which shall be in compact form" and the addition of the following: "Except as provided in section 3 of the act of June 16, 1955 (69 Stat. 138), as amended, no person may make more than one entry under this act. However, in that entry one or more tracts may be included, and the tracts so entered need not be contiguous. The aggregate acreage of desert land which may be entered by any one person under this section shall not exceed 320 acres, and all the tracts entered by 1 person must form together a compact unit, as determined by rules and regulations to be issued by the Secretary of the Interior."

SEC. 2. Section 3 of the act of June 16, 1955 (69 Stat. 138), is amended to read as follows:

"SEC. 3. Any person who, prior to June 16, 1955, made a valid desert-land entry on lands subject to such act of June 22, 1910, or of July 17, 1914, may, if otherwise qualified, make 1 additional entry, as a personal privilege, not assignable, upon 1 or more tracts of desert land subject to the provisions of such acts, as hereby amended, and section 7 of the act entitled 'An act to stop injury to the public grazing lands by preventing overgrazing and soil deterioration, to provide for their orderly use, improvement, and development to stabilize the livestock industry dependent upon the public range, and for other purposes,' approved June 28, 1934, as amended (48 Stat. 1269, 1272; 43 U. S. C. 315f). The additional land entered by any person pursuant to this section shall not, together with his original entry, exceed 320 acres, and all the tracts included within the additional entry authorized by this section shall form together a compact unit, as determined by rules and regulations to be issued by the Secretary of the Interior. Additional entries authorized by this section shall be subject to all the requirements of the desert-land law."

CARE AND MAINTENANCE OF THE SURRENDER TREE SITE IN SANTIAGO, CUBA

The bill (S. 1063) vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the American Battle Monuments Commission is responsible for the care and maintenance of the Surrender Tree site in Santiago, Cuba. This act takes effect on the next July 1 after the date of its enactment.

REMOVAL OF RESTRICTIONS ON USE OF PORTION OF SPRINGFIELD CONFEDERATE CEMETERY, MO.

The bill (S. 1274) to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the condition contained in the first section of the act of March 3, 1911 (36 Stat. 1077), which requires that the land comprising the Confederate Cemetery at Springfield, Mo., be used only as a cemetery for the graves of men who were in the military or naval service of the Confederate States of America, is applicable only to the portion of that cemetery inside the walled enclosure where those graves are located. The portion of that cemetery outside of the walled enclosure shall be used as part of the Springfield National Cemetery.

RENOUNCEMENT OF RIGHT, TITLE, AND INTEREST IN CERTAIN LANDS IN MONTANA

The bill (S. 1319) to renounce any right, title, and interest which the United States may have in certain lands in Montana was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the United States hereby renounces any right, title, and interest to lots 5 to 12, block 25, Graves second addition, Harlowton, Wheatland County, Mont., which it may have obtained under the last will and testament of Edwin A. Patterson, of Harlowton, Mont., who died on May 12, 1954.

CONVEYANCE OF CERTAIN REAL PROPERTY TO THE FAIRVIEW CEMETERY ASSOCIATION, INC., WAHPETON, N. DAK.

The Senate proceeded to consider the bill (S. 1352) to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak., which had been reported from the Committee on Interior and Insular Affairs with amendments, on page 1, line 7, after the word "improvements", to insert

"thereon upon payment", and, in line 8, after the word "the", to strike out "sum of $4,000" and insert "fair market value of the property as determined by the Secretary of the Interior", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior shall convey to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak., all right, title, and interest of the United States in and to the real property described in section 2, together with all improvements thereon upon payment by such association to the United States of the fair market value of the property as determined by the Secretary of the Interior.

SEC. 2. The real property referred to in the first section of this act is situated in the county of Richland, State of North Dakota, and is more particularly described as follows:

North half of the southeast quarter of the southeast quarter of section 6, township 132 north, range 47 west, fifth principal meridian, comprising 20 acres.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

USE OF PUBLIC LANDS GRANTED TO THE STATE OF WYOMING

The bill (S. 1396) to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act of July 10, 1890 (26 Stat. 222, 223), providing for the admission into the Union of the State of Wyoming, is amended to read as follows:

"SEC. 6. That 50 sections of the unappropriated public lands within said State, to be selected and located in legal subdivisions as provided in section 4 of this act, shall be, and are hereby, granted to said State for the purpose of erecting public buildings at the capital of said State, including construction, reconstruction, repair, renovation, furnishing, equipment; and any other permanent improvement of such buildings, and the acquisition of necessary land for such buildings, and the payment of principal and interest on bonds issued for any of the above purposes."

SEC. 2. This act shall take effect as of July 10, 1890.

CONVEYANCE OF CERTAIN LANDS IN THE STATE OF NEVADA

The bill S. 1568 to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada, was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. BARRETT. Mr. President, reserving the right to object—and I shall not object—I rise merely to ask the distinguished Senator from Nevada if he will tell us whether the bill calls for any appropriations on the part of Congress.

Mr. BIBLE. No; quite to the contrary. The bill would enable the Secretary of the Interior to sell the land at the fair market value to the State of Nevada. It would require no appropriation whatever by the Congress.

Mr. BARRETT. The title of the bill indicates that the title to the land will go to the Colorado River Commission of Nevada. Is that an instrumentality of the State of Nevada?

Mr. BIBLE. The Colorado River Commission of Nevada is a State agency, set up and headed by the Governor of the State of Nevada.

Mr. BARRETT. As I understand, any improvements placed upon the land would be made at the expense of the State of Nevada.

Mr. BIBLE. Any improvements placed upon the land would be made at the expense of the State of Nevada.

Mr. BARRETT. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 3, line 19, after the word "valid", to strike out "claims against" and insert "rights pertaining", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Interior shall issue to the Colorado River Commission of Nevada, acting for and in behalf of the State of Nevada, upon the payment by the State of Nevada into the Treasury of the United States, not more than 5 years after the Secretary has notified the State of the purchase price, of an amount equal to the fair market value as of the date of approval of this act of the lands to be conveyed as determined by the Secretary upon the appraisal of those lands, a patent or patents to the following described lands, situated in the State of Nevada and comprising approximately 126,775 acres;

(1) All of south half, township 23 south, range 63 east, with the exception of the following areas: east half section 22; four 5-acre tracts located in section 26 and described as follows: South half southeast quarter northwest quarter northwest quarter, north half northeast quarter southwest quarter northwest quarter, north half southwest quarter northeast quarter northwest quarter and south half southwest quarter northwest quarter northwest quarter; and those portions of the northeast quarter section 23, and north half section 24, within the Lake Mead national recreation area.

(2) Fractional sections 25 and 36, township 23 south, range 63½ east.

(3) All of sections 27, 28, 29, 30, 31, 32, 33, and 34, township 23 south, range 64 east.

(4) Fractional sections 31, 32, 33, 34, and 35, township 23½ south, range 64 east.

(5) All of southeast quarter of township 24 south, range 62 east.

(6) All of township 24 south, range 63 east.

(7) All of township 24 south, range 64 east, except sections 1, 12, 13, 24, 25, and 36.

(8) All of township 25 south, range 62 east.

(9) All of township 25 south, range 63 east.

(10) All of sections 1, 2, 3, 4, 5, and 6, township 25 south, range 64 east.

(11) All of sections 1, 2, 11, 12, 13, and 14, township 26 south, range 62 east.

(12) All of northwest quarter, township 26 south, range 63 east.

All range references contained in the foregoing refer to the Mount Diablo base and meridian.

SEC. 2. The Colorado River Commission of Nevada, acting on behalf of the State of Nevada, is hereby given the option, which may be exercised at any time during the 5-year period provided in the first section of this act, of having patented to it a portion of the described area upon payment of the appraised value thereof: *Provided*, That no such purchase shall be for less than 10,000 acres.

SEC. 3. The conveyance or conveyances authorized by this act shall be made subject to any existing valid rights pertaining to the lands described in the first section of this act, and to any reservations necessary to protect continuing uses of those lands of the United States.

SEC. 4. If the State of Nevada purchases under this act any lands which are subject to a lease, permit, license, or contract issued under the Mineral Lands Leasing Act of February 25, 1920 (41 Stat. 437), as amended (39 U. S. C. 181 and the following), it shall be required to purchase all the lands subject to that lease, permit, license, or contract which are included within the boundaries of the lands described in section 1. The purchase of lands subject to a lease, permit, license, or contract shall neither affect the validity nor modify the terms of the lease, permit, license, or contract in any way, or affect any rights thereunder, except that the State shall assume the position of the United States thereunder, including any right to rentals, royalties, and other payments accruing on or after the date on which the purchase by the State becomes effective, and any right to modify terms or conditions of such leases, permits, licenses, or contracts.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

RECONVEYANCE OF CERTAIN LAND TO THE CITY OF SPEARFISH, S. DAK.—BILL PASSED OVER

The bill (H. R. 2401) to provide for the reconveyance of certain land to the city of Spearfish, S. Dak., was announced as next in order.

Mr. TALMADGE. Over.

The PRESIDING OFFICER. The bill will be passed over.

CATHEDRAL OF THE PINES AT RINDGE, N. H., AS A MEMORIAL TO AMERICAN WAR DEAD

The concurrent resolution (H. Con. Res. 91) expressing the sense of Congress with respect to the recognition of the Altar of the Nation, located in the Cathedral of Pines, Rindge, N. H., as a memorial to all American war dead was considered and agreed to.

SALE OF CERTAIN LANDS TO THE VILLAGE OF CENTRAL, N. MEX.

The Senate proceeded to consider the bill (S. 45) to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of Fort Bayard Military Reservation, N. Mex., which had been reported from the Committee on Agriculture and Forestry with amendments, on page 3, line 17, after the word "if", to strike out "it" and insert "any parcel or lot"; in line 18, after the word "such", to strike out

"property" and insert "parcel or lot"; and in line 23, after the word "reserve", to strike out "rights-of-way" and insert "easements", so as to make the bill read:

Be it enacted, etc., That, subject to section 2 of this act, the Secretary of Agriculture is authorized and directed to sell, at market value as determined by him, and to convey to the village of Central, in the State of New Mexico, for the purpose of residential and business development, the followng described lands, formerly part of the Fort Bayard Military Reservation, Grant County, N. Mex., comprising approximately fifty-eight and thirty-one one-hundredths acres situated in the north half of the south half of the southeast quarter of section 34, township 17 south, range 13 west, and in the north half of the south half of section 35, township 17 south, range 13 west, New Mexico principal meridian, more particularly described by metes and bounds as follows:

Beginning at a point located at the intersection of the south right-of-way line of United States Highway 260 and the south boundary of the Fort Bayard Military Reservation, from which the Fort Bayard Military Reservation 1-mile marker bears north 89 degrees 59 minutes east, 30.65 feet distant;

Thence along the south right-of-way line of United States Highway 260 as follows:

First, along a circular curve to the left, the radius being 1,332.5 feet and the long chord being 1,078.87 feet in length and bearing north 58 degrees 47 minutes west;

Thence along a transition curve to the left, the long chord being 287.83 feet in length and bearing north 86 degrees 48 minutes west;

Thence north 88 degrees 38 minutes west, 1,067.69 feet;

Thence along a circular curve to the left, the radius being 8,494.42 feet and the long chord being 2,364.46 feet in length and bearing south 83 degrees 18 minutes west;

Thence south 75 degrees 18 minutes west, 1,309.49 feet to a point of intersection of the south right-of-way line of United States Highway 260 and the south boundary of the Fort Bayard Military Reservation;

Thence leaving said right-of-way, along the south boundary of the Fort Bayard Military Reservation as follows:

North 89 degrees 17 minutes east, 654.26 feet to the Fort Bayard Military Reservation 2-mile marker;

Thence north 89 degrees 59 minutes east, 2,629.20 feet to the Fort Bayard Military Reservation 1½-mile marker;

Thence north 89 degrees 59 minutes east, 2,610.00 feet to the point of beginning.

SEC. 2. The conveyance authorized by this act (1) shall provide that the described land shall not be used in a manner incompatible with the proper and effective operation of the Veterans' Administration hospital at Fort Bayard, N. Mex., and if any parcel or lot shall ever be used in such manner, the title to such parcel or lot shall revert to the United States, which shall have the immediate right of reentry thereon, provided that such reversion shall terminate in the event the Veterans' Administration ceases operation of the hospital, (2) shall protect existing valid rights, (3) shall reserve easements for existing facilities such as roads, telephone lines, pipelines, electric power transmission lines, or other facilities or improvements in place, and shall reserve such easements for roads as the Secretary of Agriculture finds necessary to assure access to lands of the United States or to meet public needs, (4) shall reserve to the United States all mineral rights, including gas and oil, in the land so conveyed, and (5) may contain such additional terms, conditions, reservations, and restrictions as may be determined by the Secretary of Agriculture or the Administrator of Veterans' Affairs to be necessary to protect the interests of the United States.

Mr. SYMINGTON. Mr. President, this bill directs the Secretary of Agriculture to sell to the village of Central, N. Mex., a tract of about 58.31 acres desired by the village for town expansion. The village would be required to pay full market value. The land now serves as a watershed for the Veterans' Administration Hospital at Fort Bayard, N. Mex., but is not needed by the Government. The conveyance provided for by the bill would require the land to be used in a manner compatible with the proper operation of the hospital.

The committee amendments, which are of a technical nature, were suggested by the Department of Agriculture. They would make the Government's reversionary interest applicable to each parcel or lot, instead of to the entire tract, so that a violation of the condition of the deed by a single parcel or lot owner would not affect the rights of owners of other parcels or lots. The committee amendments also would change the phrase "rights-of-way" to "easements" in order to make the language of the bill consistent.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 1491) to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended, was announced as next in order.

Mr. CLARK. Over.

The PRESIDING OFFICER. The bill will be passed over.

PENALTIES FOR VIOLATION OF CERTAIN STATUTES

The Senate proceeded to consider the bill (S. 1492) to provide more adequate penalties for violation of certain statutes administered by the Interstate Commerce Commission, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 1, line 6, after "1893", to insert "(27 Stat. 532)"; in line 8, after the word "words", to strike out "five hundred dollars" and insert "two hundred and fifty dollars"; on page 2, line 1, after "1910", to insert "(36 Stat. 299;"; in line 3, after the word "words", to strike out "five hundred dollars" and insert "two hundred and fifty dollars"; in line 8, after the word "the", to strike out "words "not less than $100 nor more than"." and insert "amount of "$100" and substituting therefore the amount of "$200"."; at the beginning of line 11, to insert "(36 Stat. 916)"; in line 13, after the word "words", to strike out "five hundred dollars" and insert "two hundred and fifty dollars"; at the beginning of line 16, to insert "(49 Stat. 564)"; in line 22, after the word "than", to strike out "$500" and insert "$200"; in line 23, after the word "than", to strike out "$2,500" and insert "$500"; on page 3, line 3, after the word "than", to strike out "$500" and insert "$200"; at the beginning of line 4, to strike out "$2,000" and insert "$500", and in the same line, after the word "than", to strike out "$1,000" and insert "$250"; and, in line 5, after the word "than", to strike out "$5,000" and insert "$2,000", so as to make the bill read:

Be it enacted etc., That the Safety Appliance Acts, as amended (45 U. S. C. 1–16), are amended as follows:

(1) By striking in the first clause of section 6 of the act of March 2, 1893 (27 Stat. 532), as amended (45 U. S. C. 6), the words "one hundred dollars" and substituting in lieu thereof the words "two hundred and fifty dollars"; and

(2) By striking in the first clause of section 4 of the act of April 14, 1910 (36 Stat. 299; 45 U. S. C. 13), the words "one hundred dollars" and substituting in lieu thereof the words "two hundred and fifty dollars."

SEC. 2. Section 3 of the Hours of Service Act (34 Stat. 1416), as amended (45 U. S. C. 63), is amended by striking in the first clause of the first sentence thereof the amount of "$100" and substituting therefor the amount of "$200."

SEC. 3. Section 9 of the Locomotive Inspection Act (36 Stat. 916), as amended (45 U. S. C. 34) is amended by striking in the first clause thereof the words "one hundred dollars" and substituting therefor the words "two hundred and fifty dollars."

SEC. 4. Section 222 of the Interstate Commerce Act (49 Stat. 564), as amended (49 U. S. C. 322), is amended as follows:

(1) By striking in the first sentence of subsection (a) thereof the words "not more than $100 for the first offense and not more than $500 for any subsequent offense.", and substituting therefor the words "not less than $100 nor more than $500 for the first offense and not less than $200 nor more than $500 for any subsequent offense.", and

(2) By striking in subsection (c) thereof the words "not more than $500 for the first offense and not more than $2,000 for any subsequent offense." and substituting therefor the words "not less than $200 nor more than $500 for the first offense and not less than $250 nor more than $2,000 for any subsequent offense.".

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission."

AWARDS OF MEDALS OF HONOR

The Senate proceeded to consider the bill (S. 1463) to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle subject to the motor carrier safety regulations of the Interstate Commerce Commission, which had been reported from the Committee on Interstate and Foreign Commerce with amendments on page 1, line 3, after the word "Act", to strike out "(45" and insert "of February 23, 1905 (38 Stat. 743; 45"; and, in line 8, after the word "vehicle", to strike out "subject to safety regulations established by the Interstate Commerce Commission under the provision of section 204 (a) of the Interstate Commerce Act" and insert "on the public highways,

roads, or streets of the United States,", and"; so as to make the bill read:

Be it enacted, etc., That the Medals of Honor Act of February 23, 1905 (38 Stat. 743; 45 U. S. C., secs. 44–46) is amended as follows:

(1) By inserting between the word "commerce" and the colon preceding the proviso in section 1 thereof the words "or involving any motor vehicle on the public highways, roads, or streets of the United States,", and

(2) By changing section 3 thereof to read: "Appropriations for the Interstate Commerce Commission are hereby made available for carrying out the provisions of this act."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle."

OVERALL FEED PROGRAM

The Senate proceeded to consider the resolution (S. Res. 125) requesting the Secretary of Agriculture to make a study of methods of providing an overall feed program, which had been reported from the Committee on Agriculture with an amendment, to strike out all after the word *"Resolved,"* and insert "That the Secretary of Agriculture is requested to conduct a thorough study of possible methods of improving the feed grain program which can be effective, as far as possible, with the 1958 crop, and to report thereon with specific recommendations, including drafts of any legislation considered necessary to carry out such recommendations, not later than July 15, 1957."

Mr. SYMINGTON. Mr. President, this resolution requests the Secretary of Agriculture to study and report on ways to improve the feed-grain program. His report would include drafts of any proposed legislation which might be necessary to carry out his recommendations. The report would be made before July 15 of this year.

This resolution is substantially the same as section 3 of S. 1771, the corn bill, which failed to pass the Senate earlier this year. There was, however, no opposition to section 3, and the rejection of the bill resulted largely from a failure to solve the problems of other feed grains. The report called for by the pending resolution would be of assistance to Congress in working out a solution to the entire problem.

The committee amendment to the text of the resolution makes no change in the substance of the resolution.

Mr. BARRETT. Mr. President, reserving the right to object, I should like to inquire from the distinguished Senator from Missouri with reference to the report. I note from the last paragraph of the report that it is indicated that—

The committee amendment to the text of the resolution makes technical changes, to give recognition to the existence of current feed-grain programs; the fact that it may not be possible to make some of the recommendations resulting from the study effective with the 1958 crop; and the possibility that legislation may not be necessary to carry out the recommendations made.

I should like to ask the distinguished Senator whether the committee felt there was good reason that the study should be made, in view of that statement.

Mr. SYMINGTON. I will say to my good friend from Wyoming that the members of the committee from his side of the aisle did believe it to be a good idea.

Mr. BARRETT. I can see no objection to the study being made, and will therefore withdraw my objection.

Mr. SYMINGTON. I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The resolution, as amended, was agreed to.

The title was amended so as to read: "Resolution requesting the Secretary of Agriculture to make a study of methods of improving the feed grain program."

LENDING OF CERTAIN ARMED SERVICES EQUIPMENT TO BOY SCOUTS OF AMERICA

The bill (S. 1859) to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use at the Gold Rush '57 Jamboree of the Boy Scouts of America, and for other purposes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) the Secretary of Defense is hereby authorized under such regulations as he may prescribe, to lend to the Boy Scouts of America, a corporation created under the act of June 15, 1916, for the use and accommodation of the approximately 12,000 Scouts and officials who are to attend the Gold Rush '57 Jamboree of the Boy Scouts of America to be held beginning May 24, 1957, and ending May 26, 1957, at the Highland State recreation area in the State of Michigan, such tents, cots, blankets, commissary equipment, flags, refrigerators, and other equipment and services as may be necessary or useful to the extent that items are in stock and available and their issue will not jeopardize the national-defense program.

(b) Such equipment is authorized to be delivered at such time prior to the holding of such jamboree, and to be returned at such time after the close of such jamboree, as may be agreed upon by the Secretary of Defense and the National Council, Boy Scouts of America. No expense shall be incurred by the United States Government for the delivery, return, rehabilitation, or replacement of such equipment.

(c) The Secretary of Defense, before delivering such property, shall take from the Boy Scouts of America a good and sufficient bond for the safe return of such property in good order and condition, and the whole without expense to the United States.

CONVEYANCE OF CERTAIN REAL PROPERTY IN COBB COUNTY, GA.

The bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga., was considered, ordered to a third reading, read the third time, and passed.

DEVELOPMENT OF FARM INCOME DATA

The bill (S. 405) to require the Bureau of the Census to develop farm income data by economic class of farm was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CLARK. Mr. President, by request, I should like to make a brief statement with reference to the pending bill.

The bill would require the Secretary of Commerce to collect annually money and nonmoney farm-income data by economic class of farm. It is identical to S. 3145, which passed the Senate last year but failed to pass the House of Representatives. The data collected pursuant to this bill will be helpful in dealing with many of the problems of agriculture.

Passage of the bill would require the expenditure of approximately $500,000 the first year, and somewhat less thereafter.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That subchapter II of chapter 5 of title 13 of the United States Code is amended by adding at the end thereof a new section as follows:

"§147. Farm income data

"The Secretary shall collect annually money and nonmoney income data relating to per capita and family farm income by economic class of farm."

The PRESIDING OFFICER. That completes the call of the calendar.

Mr. MANSFIELD. If the call of the calendar has been concluded, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISPOSAL OF CERTAIN FEDERAL PROPERTY IN THE COULEE DAM AND GRAND COULEE AREAS, WASHINGTON

Mr. CLARK. Mr. President, I ask unanimous consent that the Senate return to the calendar and proceed to the consideration of Order No. 267, S. 1574.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1574) to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interior and Insular Affairs with amendments on page 3, line 4, after the word "southeast", to strike out "quarter," and insert "quarter"; in line 13, after the word "northeast", to strike out "one-quarter," and insert "one-quarter"; in line 21, after the word "all", to strike out "personal and real property" and insert "lands and improvements"; on page 4, line 15, after the word "the", to insert "land and"; on page 5, at the beginning of line 6, to insert "Assignments under this paragraph shall be subject to such general rules and regulations as the Secretary may prescribe, including denial, in any instance where the Secretary in his judgment finds it proper, to the assignee concerned, or his successors, assigns, or legal representatives, of any discount in or rebate of the purchase price to which such person or persons would otherwise be entitled under this act"; on page 9, line 9, after the word "Secretary", to insert "Residential property which is not sold under the preceding provisions of this subsection shall be open to bids from the general public and shall be sold to the highest responsible bidder"; in line 13, after the word "Property", to strike out "not sold under (1) and property"; in line 16, after the word "section", to insert "and land with church or hospital improvements thereon"; in line 20, after the word "is", to strike out "zoned for residential use or that to be sold under subsection (b)" and insert "covered by subsections (b), (c) (3), and (e) (1)"; on page 10, line 8, after the word "compact", to strike out "and without non-"; in line 22, after the word "exercised", to strike out "or, if no priority or preference period is provided herein, within one year following the time when such land can be first purchased hereunder"; and, on page 13, line 11, after the word "section", to insert "or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section"; so as to make the bill read:

Be it enacted, etc., That it is the purpose of this act, in connection with the Columbia Basin project, to authorize the disposal of certain Federal property in the unincorporated area in the State of Washington commonly known as the town of Coulee Dam in order that the United States may withdraw from the ownership and operation of the town and that the people of that area may enjoy self-government, to facilitate the establishment by them of a municipal corporation under the laws of the State of Washington, and to authorize the disposal of certain Federal property in and in the immediate vicinity of the city of Grand Coulee, Wash., in order to reduce restrictions on the growth thereof. The area herein referred to as the town area is situated in Douglas, Grant, and Okanogan Counties and comprises the following lands:

Douglas County: Township 29 north, range 30 east, Willamette meridian, section 36, lots 2, 3, 4, east half southwest quarter and southwest quarter southwest quarter.

Grant County: Township 28 north, range 30 east, Willamette meridian, section 1, lots 1 and 2.

Okanogan County: Township 28 north, range 31 east, Willamette meridian, section 6, lot 3.

Township 29 north, range 30 east, Willamette meridian, section 36, lots 5, 6, and 7.

Township 29 north, range 31 east, Willamette meridian, section 30, all those portions of the south 300 feet of lot 4 included within the area conveyed to the United States of America by warranty deed executed by Charles E. Hopkins, and others on September 11, 1946, and recorded in book 107 of deeds at pages 175 and 176 under Okanogan County auditor's file No. 346972 and by warranty deed executed by Charles E. Hopkins, and others on November 7, 1945, recorded in book 102 of deeds at pages 441 and 442 under Okanogan County auditor's file No. 339487.

Section 31, west half northeast quarter, southeast quarter northwest quarter, east half southwest quarter northwest quarter northwest quarter southeast quarter, and lots 1, 2, 3, and 4.

The area herein referred to as the Grand Coulee area is situated in Grant County and comprises the following lands:

Township 28 north, range 30 east, Willamette meridian, section 11, south one-half north one-half, north one-half southwest one-quarter, northeast one-quarter southeast one-quarter.

The term "the municipality," as used in this act, refers to any municipal corporation organized hereafter embracing any part of the town area described.

SEC. 2. Except for property, disposal of which is authorized under section 6 of this act, the Secretary of the Interior, hereinafter referred to as the Secretary, is authorized to sell all lands and improvements situated in the town and Grand Coulee areas which was acquired or built by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works and which is not needed for Federal purposes. Such disposals shall be made in accordance with the terms and conditions set forth in section 3 of this act, but lands to be sold in the Grand Coulee area shall be sold at public sale to the highest responsible bidder.

SEC. 3. (a) All land authorized to be sold under section 2 of this act which, when offered for sale, is occupied by improvements owned by the United States shall be sold with the improvements in place.

(b) Of the property authorized to be sold under section 2 of this act, lands in the town area occupied by dwelling units shall be sold in accordance with the following terms and conditions:

(1) First priority to purchase shall be given to the tenant of the United States in the town area who occupies the land and dwelling unit to be sold. Such dwelling unit shall be offered at the appraised value as established under section 5 less any applicable discounts under this act. This right of priority shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by him before the expiration of 60 days after the date on which the property has been offered for sale, and the right of priority shall be deemed abandoned unless within an additional 180 days the prospective purchaser shall have signed a contract to purchase the property.

Any tenant having a priority under (1) who desires to continue to rent the property occupied by him rather than to purchase it may assign his priority to a person who has entered into a valid contract to lease the property back to him. The Secretary may permit such other assignments of priorities under (1) as he finds to be fair and equitable. Assignments under this paragraph shall be subject to such general rules and regulations as the Secretary may prescribe, including denial, in any instance where the Secretary in his judgment finds it proper, to the assignee concerned, or his successors, assigns, or legal representatives, of any discount in or rebate of the purchase price to which such person or persons would otherwise be entitled under this act.

(2) Second priority to purchase shall apply to property in the town area not purchased under (1) and shall be given to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing, but spouses of such applicants shall not be entitled to apply. Sales shall be at the appraised value as established under section 5, less applicable discounts under this act. Selection of dwelling units by successful applicants, to be accompanied by a deposit of earnest money fixed as under (1), shall be concluded within limits of time established by the Secretary, and thereafter the purchase shall be concluded in the same manner as provided under (1). A purchase under (1) or (2) shall render the purchaser and any spouse of such purchaser ineligible thereafter to purchase under either (1) or (2).

(3) Property not sold under (1) or (2) shall be opened to bids from the general public and shall be sold to the highest responsible bidder.

(c) (1) Of the property authorized to be sold under section 2 of this act, land in the town area occupied by privately owned improvements shall be offered for sale to the owner of such improvements at the appraised value as established under section 5 less applicable discounts under this act. This preference right shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of 60 days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b) (1) of this section.

(2) Land not purchased by the owner of the improvements (except church or hospital improvements) thereon under (1) shall be made available for sale for a period of 30 days to those eligible for purchase under subsection (f) of this section, and thereafter shall be opened to bids from the general public and sold to the highest responsible bidder.

(3) Land with church or hospital improvements thereon which has not been purchased by the owners of the improvements under (1) may be disposed of by advertising and competitive bids, or by negotiated sale or other transfer at such prices and on such other terms and conditions as the Secretary shall determine to be fair and equitable.

(d) (1) Of the property authorized to be sold under section 2 of this act, land in the town area occupied by improvements owned by the United States other than dwelling units shall be offered to the lessee of the United States in such improvements at the appraised value as established under section 5 less applicable discounts under this act: *Provided,* That where there is more than one lessee in a given improvement and the Secretary finds it impractical to offer each lessee an interest in the property, the Secretary, pursuant to such standards as he deems appropriate, shall designate an order

of priority among such lessees for acceptance of the offer of sale of such property, which shall be sold at the appraised value as established under section 5 less applicable discounts under this act and pursuant to such other terms and conditions as the Secretary deems proper. Any preference or priority right under this paragraph shall expire unless a deposit of earnest money in an amount to be fixed by the Secretary is received by the Secretary before the expiration of 60 days after the date on which the property has been offered for sale, and thereafter the purchase shall be concluded in the same manner as provided under subsection (b) (1) of this section.

(2) Property referred to in (1) which is not under lease granted by the United States or which has not been purchased under (1) shall be made available for sale for a period of 30 days to those eligible for purchase under subsection (f) of this section and thereafter may be opened to bids from the general public and sold to the highest responsible bidder.

(e) Of the property authorized to be sold under section 2 of this act, land in the town area which has not been improved or land from which the improvements have been removed shall be sold in accordance with the following terms and conditions.

(1) Residential property in the town area shall be offered for sale to persons who are tenants of the United States in Federal housing in the town area or who would meet the requirements for eligibility to become such tenants under the most recent regulations of the Bureau of Reclamation for the assignment of persons to Federal housing in the town area. Applicants to purchase shall be placed in order of opportunity to choose pursuant to a public drawing. No application shall be accepted from the spouse of any applicant or from a person, or the spouse of such person, who owns, has owned, or has contracted to buy other residential property in the town area. Sales shall be at the appraised value as established under section 5 less applicable discounts under this act, and selection and purchase under this priority by successful applicants shall be concluded within limits of time to be established by the Secretary. Residential property which is not sold under the preceding provisions of this subsection shall be open to bids from the general public and shall be sold to the highest responsible bidder.

(2) Property which at the time of sale is zoned for other than residential use, except such as is disposed of under subsection (f) of this section and land which church or hospital improvements thereon, shall be open to bids from the general public and shall be sold to the highest responsible bidder.

(f) Of the property in the town area authorized to be sold under section 2 of this act, except that which is covered by subsections (b), (c) (3), and (e) (1) of this section, land not purchased by the holders of a priority or preference under this section shall, for 30 days following the period during which holders of a priority or preference could purchase the same, be offered for sale at the appraised value as established under section 5 less applicable discounts under this act to persons leasing property in the town area from the United States for business or commercial uses. The Secretary may, in his discretion, permit more than one lot to be included in a single purchase, but only if the property to be purchased is compact contiguous areas. If two or more applicants to purchase under this subsection desire the same property, their order of opportunity to purchase shall be determined pursuant to a public drawing. A purchase under this subsection shall render the purchaser and any spouse of such purchaser ineligible either to make an additional purchase under this subsection or to purchase the business or commercial property he is renting from the United States.

(g) Any improvement owned by the United States located on lands in the town area subject to being purchased by the holder of a priority or preference right hereunder and not purchased, after being offered for sale, within 1 year following the expiration of the period within which the priority of preference right can be exercised may be opened to bids from the general public and may be sold to the highest responsible bidder.

(h) In all public sales of property under this act to the highest responsible bidder, which shall include all sales of property to be sold in the Grand Coulee area, the Secretary shall reserve the right to reject all bids; and, in the event all bids are less than the appraised value of the property as established under section 5 or in the event no bids are received, the property shall be available for sale to the first taker from the general public at not less than aforesaid appraised value until all such property has been sold.

(i) (1) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (b) (1) or (b) (2) of this section, shall determine that financing of purchasers on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 percent of the appraised value of the property as established under section 5 less applicable discounts under this act and the remainder of the repayment obligation shall be paid on terms as to amount, repayment period, installments, and interest rate not more favorable to the purchasers than those which would be available were the purchases to be financed under mortgages eligible for insurance under subsection 223 (a) of the National Housing Act, as herein amended: *Provided*, That the Secretary may increase the interest rate by additional components equal to the premium being charged (and any periodic service charge being authorized by the Federal Housing Commissioner for property of a similar character) under subsection 223 (a) of the National Housing Act, as herein amended, at the effective date of the aforesaid contracts.

(2) Whenever the Secretary, on presentation of adequate evidence by a prospective purchaser or purchasers under subsections (c) (1), (d) (1), or (f) of this section, shall determine that financing of purchases on reasonable terms cannot be arranged from other sources, he is authorized to enter into contracts with such purchasers under which the purchaser would not be required to make a downpayment of more than 10 percent of the appraised value of the property as established under section 5, less applicable discounts under this act. The remainder of the repayment obligation shall be paid with such terms as to amount, repayment period, installments, and interest rate as the Secretary shall determine to be fair and equitable.

(3) The Secretary may assign any installment contract under this section as such times and on such terms and conditions as he deems appropriate. Any such assignment made at a discount shall be defeasible if within 60 days after receipt of notification of such assignment the original obligor of the assigned contract, or his successors, assigns, or legal representative, shall cause to be received by the Secretary a tender of the amount for which such assignment was made, in which event such tender shall be accepted as full payment of the contract.

(j) Except in the case of property sold to the highest responsible bidder under this section persons purchasing property under this section or property sold to the first taker from the general public under subsection (h) of this section or by negotiated sale under subsection (c) (3) of this section, or their successors, assigns, or legal representatives, shall be entitled to a discount in the purchase price at the time they enter into a purchase contract equal to 5 percent of its appraised value as established under section 5 and, in the event of incorporation of the municipality within 4 years from the date of this act, they shall be entitled to an additional discount in the purchase price (or rebate as appropriate) equal to 10 percent of the aforesaid appraised value.

(k) In establishing rules and regulations, governing sales of property in the town area under this section, and in determining the terms and conditions of such sales other than those prescribed in this act, the Secretary shall consult with the representatives of the Coulee Dam Community as determined by him.

SEC. 4. Paragraph (3) of subsection 223 (a) of the National Housing Act, as amended, is hereby amended by inserting after the words "Tennessee Valley Authority" the words ", or of any housing under the jurisdiction of the Department of the Interior located within the town area of Coulee Dam, Wash., acquired by the United States for the construction, operation, and maintenance of Grand Coulee Dam and its appurtenant works: *Provided*, That for the purpose of the application of this title to sales by the Secretary of the Interior pursuant to subsections 3 (b) (1) and 3 (b) (2) of the Coulee Dam Community Act of 1957, the selling price of the property involved shall be deemed to be the appraised value."

SEC. 5. The appraised values referred to in section 3 of this act shall be determined from time to time for a period of 5 years after the date of this act by the Administrator of Housing and Home Finance Agency or his designee at the request of the Secretary. Thereafter, the Secretary may make such reappraisals as he deems necessary. Appraisals or reappraisals in the town area shall be made only after representatives of the Coulee Dam community, as determined by the Secretary, and of the Columbia Basin Commission, or such corresponding organization as may succeed it, have been granted an opportunity to offer advice. All appraisals and reappraisals shall be made on the basis of the properties' fair market value in the locality. In the sale of property to a tenant under subsections 3 (b) (1) and 3 (d) (1) of this act, the value of structural improvements made at such tenant's own expense shall, to the extent the appraiser or appraisers hereunder determine that such improvements actually enhance the value of the property, be deducted from what would otherwise be the appraised value of the property to be sold; and the difference shall be deemed the appraised value for the purposes of this act.

SEC. 6. The Secretary is authorized to transfer without cost out of the properties in his custody within the town and Grand Coulee areas ownership of—

(a) any federally owned municipal-type property and facilities together with rights-of-way therefor, equipment, materials, and supplies, in or serving said areas, including but not limited to the sewer, water, fire-alarm, street-lighting, electric feeder lines, and power-distribution systems, and the highways, streets, alleys, sidewalks, parks, and parking areas to the municipality or Grand Coulee if their respective areas are substantially served by such properties. Any such transfer to the municipality, however, will not be made unless the town area or a part thereof is incorporated within 4 years from the date of this act;

(b) the school buildings and grounds, athletic fields, tennis courts, and other properties currently used for educational purposes to the appropriate school district; and

(c) highway improvements in and connecting the town and Grand Coulee areas and the bridge across the Columbia River, to-

gether with the necessary rights-of-way therefore to the State of Washington.

SEC. 7. (a) There is hereby made available out of the proceeds of sales made pursuant to section 3 of this act an amount not to exceed $130,000 for expenditure, directly or through the local units of government involved, for work in connection with the disposal of sewage in the immediate vicinity of the town of Coulee Dam and the city of Grand Coulee, including betterment work on the existing open drain along the north side of the highway through the city of Grand Coulee. Of this amount the Secretary shall pay not more than $100,000 to Grand Coulee and not more than $30,000 to the municipality. Except to the extent that any expenditures have been made directly as provided in the preceding sentence, the Secretary shall, upon application, pay to Grand Coulee the amount of $10,000 and to the municipality the amount of $3,000 for engineering surveys and drafting of specifications for proposed construction and/or improvement of sewage disposal and drainage facilities. After final drawings and specifications have been approved by the Secretary and the construction contracts have been entered into, the Secretary shall pay monthly to Grand Coulee and to the municipality additional amounts equivalent to earnings under their contracts as evidenced by construction progress reports certified by their contractors and by Grand Coulee and the municipality, but not to exceed a total of $90,000 for the former and $27,000 for the latter.

(b) Subject to the provisions of subsection 9 (a) of this act, the following amounts shall be made available, out of the proceeds of sales made pursuant to section 3 of this act, to the municipality if incorporated within 4 years from the date of this act: (1) On incorporation, $44,000; (2) at the end of 1 year after incorporation, $21,000; and (3) at the end of 2 years after incorporation, $15,000.

(c) The Secretary is hereby authorized to make available as herein provided, as power and energy reserved for the operation and maintenance of the Columbia Basin project, for users in the town area and, to other communities within 3½ miles of Grand Coulee Dam which are served by municipally owned distribution systems such amount of power and energy as, in his judgment, is needed to meet load requirements for space-heating purposes existing at the time of incorporation of the municipality. Such power and energy may be made available directly to the users or indirectly through distributing agencies, for a period of 10 years from the date of this act, and may be at such special rates as the Secretary finds to be proper but at not less than cost.

SEC. 8. Property sold under any contract deferring transfer of title pending payment of the purchase price upon recordation of such contract in the county records shall be subject to the provisions of the laws of the State of Washington relating to the assessment and collection of property taxes, and to liens for such taxes and to all proceedings for the enforcement thereof, if the same manner and to the same extent as privately owned property. The United States does not assume any obligation for the amounts so assessed or taxed; and any proceedings to enforce them shall be subject to any title then remaining in the United States and to any prior lien reserved to the United States for unpaid installments under sale contracts made hereunder.

SEC. 9. (a) All proceeds from sales of property (including the assignment of contracts) authorized under section 2 of this act are hereby appropriated for expenditure by the Secretary for (1) expenses of disposal of Federal property under this act, including rebates, where appropriate, to vendees of the United States entitled to the discount provided under section 3 of this act for attainment of early incorporation of the municipality, and (2) for purposes authorized in subsection 7 (a) and (1) of subsection 7 (b) of this act: *Provided*, That amounts referred to in (2) and (3) of subsection 7 (b) of this act shall be expended only after specific appropriation has been made by Congress therefor. So much of the aforesaid proceeds as is in excess of amounts which may be necessary for expenditures referred to in this subsection shall be covered into the reclamation fund.

(b) Transfers under this act of Federal property to non-Federal ownership shall not result in any diminution of the reimbursable costs of the Columbia Basin project except to the extent that any net proceeds from sales of property under this act are credited to said project.

SEC. 10. Transfers of Federal property under this act shall not impair rights under leases granted by the United States.

SEC. 11. (a) The Secretary is authorized to perform such acts, to make such rules and regulations, and to include in any contracts and conveyances such provisions as he deems proper for the purpose of carrying out the provisions of this act, including provisions for payment for furnishing of municipal facilities and services while such facilities and services are provided by the United States and for the establishment of liens in connection therewith. There are hereby authorized to be appropriated such sums, not otherwise appropriated, as may be required to carry out the purposes of this act. Wherever in this act functions, powers, and other duties are conferred upon the Secretary, such functions, powers, and duties may be performed, exercised, or discharged by his duly authorized representatives.

(b) The Secretary is authorized to enter into contracts with the municipality whereby either party might undertake to render to the other such services in aid of the performance of activities and functions of the municipality and of the Department of the Interior within or near Coulee Dam as will, in the Secretary's judgment, contribute substantially to the efficiency or economy of the operations of the Department of the Interior.

(c) The authority conferred by this act is in addition to any authority conferred by any other law and shall not be subject to the provisions of any law inconsistent herewith.

SEC. 12. This act may be cited as the "Coulee Dam Community Act of 1957."

The amendments were agreed to.

The bill was ordered to be engrosed for a third reading, read the third time, and passed.

Mr. JACKSON. Mr. President, the pending bill, S. 1574, was reported with the unanimous agreement of the Committee on Interior and Insular Affairs. The bill provides for the disposal of Government-owned property in the towns of Grand Coulee and Coulee Dam, which lie adjacent to the $300 million structure of Grand Coulee Dam itself.

The bill makes provision for a system of priorities on behalf of the present residents of the area in obtaining the property and, in addition, a grant totaling $210,000 is included to start the new towns on their way towards incorporation. Of this amount, $130,000 is to be set aside for sewage improvements in both towns and $80,000 is to be used for assisting Coulee Dam in financing its municipal operations for the first 3 years after incorporation.

The subject has been under discussion for a period of years and the bill conforms to legislation previously enacted by Congress in connection with the disposition of the cities of Richland, Washington, and Oak Ridge, Tenn.

It is of prime importance to the Government that these communities be allowed to function as wholesome and attractive towns suitable as residences for the personnel stationed at the dam. I further submit that the grants involved represent obligations which the Government has already assumed, regarding the sewage disposal facilities. Obviously, Government money will be saved in the long run if the management of these two towns is removed from the jurisdiction of the Bureau of Reclamation. After limited allowances, provided in S. 1574, the Government will be relieved of any further financial responsibility to these two communities.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The question is on agreeing to the committee amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REVISION OF TRANSPORTATION OF EXPLOSIVES ACT

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 280, S. 1491.

The PRESIDING OFFICER. The Secretary will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1491) to revise the Transportation of Explosive Act, chapter 39, title 18, of the United States Code, as amended.

Mr. JOHNSON of Texas. I should like to state that if the request is agreed to, it is not my purpose to ask the Senate to proceed immediately to the consideration of the bill. After a quorum call is held, I shall ask that the Senate go into executive session for the purpose of considering the Executive Calendar.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Interstate and Foreign Commerce with amendments.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, I am about to suggest the absence of a quorum. I hope that the attachés of the Senate will take notice of the suggestion when it is made, and that they will notify absent Senators, because it is my purpose to move that the Senate go into executive session for consideration of the Executive Calendar.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Fulbright	Monroney
Allott	Goldwater	Morse
Anderson	Gore	Morton
Barrett	Green	Mundt
Beall	Hayden	Murray
Bennett	Hennings	Neuberger
Bible	Hickenlooper	Pastore
Bricker	Hill	Potter
Bridges	Holland	Purtell
Bush	Hruska	Revercomb
Butler	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Javits	Saltonstall
Carlson	Jenner	Schoeppel
Carroll	Johnson, Tex.	Scott
Case, N. J.	Johnston, S. C.	Smathers
Case, S. Dak.	Kefauver	Smith, Maine
Chavez	Kennedy	Smith, N. J.
Church	Kerr	Sparkman
Clark	Knowland	Stennis
Cooper	Kuchel	Symington
Curtis	Magnuson	Talmadge
Dirksen	Malone	Thurmond
Douglas	Mansfield	Thye
Dworshak	Martin, Iowa	Wiley
Ellender	Martin, Pa.	Williams
Flanders	McClellan	Yarborough
Frear	McNamara	Young

Mr. MANSFIELD. I announce that the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON] is necessarily absent. The Senator from Utah [Mr. WATKINS] is absent on official business.

The Senator from North Dakota [Mr. LANGER], and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER. A quorum is present.

REGULATION, CONTROL, AND ERADICATION OF PLANT PESTS

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1442) to facilitate the regulation, control, and eradication of plant pests, which was to strike out all after the enacting clause and insert:

TITLE I—FEDERAL PLANT PEST ACT

SEC. 101. This title may be cited as the "Federal Plant Pest Act."

SEC. 102. As used in this act, except where the context otherwise requires:

(a) "Secretary" means the Secretary of Agriculture of the United States or any other person to whom authority may be delegated to act in his stead.

(b) "Properly identified employee of the Department of Agriculture" means an employee of that Department authorized to enforce the provisions of the Plant Quarantine Act, and wearing a suitable badge for identification, or otherwise properly identified.

(c) "Plant pest" means any living stage of: Any insects, mites, nematodes, slugs, snails, protozoa, or other invertebrate animals, bacteria, fungi, other parasitic plants or reproductive parts thereof, viruses, or any organisms similar to or allied with any of the foregoing, or any infectious substances, which can directly or indirectly injure or cause disease or damage in any plants or parts thereof, or any processed, manufactured, or other products of plants.

(d) "Living stage" includes the egg, pupal, and larval stages as well as any other living stage.

(e) "United States" means any of the States, Territories, or Districts (including possessions and the District of Columbia) of the United States.

(f) "Interstate" means from one State, Territory, or District (including possessions and the District of Columbia) of the United States into or through any other such State, Territory, or District.

(g) "Move" means ship, deposit for transmission in the mail, otherwise offer for shipment, offer for entry, import, receive for transportation, carry, or otherwise transport, or move, or allow to be moved, by mail or otherwise.

(h) "Plant Quarantine Act" means the act of August 20, 1912 (37 Stat. 315), as from time to time amended (7 U. S. C. 151 and the following).

(i) "Mexican Border Act" means the act of January 31, 1942 (56 Stat. 40), as from time to time amended (7 U. S. C. 149).

SEC. 103. (a) No person shall knowingly move any plant pest from a foreign country into or through the United States, or interstate, or knowingly accept delivery of any plant pest moving from any foreign country into or through the United States, or interstate, unless such movement is authorized under general or specific permit from the Secretary and is made in accordance with such conditions as the Secretary may prescribe in the permit and in such regulations as he may promulgate under this section to prevent the dissemination into the United States, or interstate, of plant pests.

(b) The Secretary may refuse to issue a permit for the movement of any plant pest when, in his opinion, such movement would involve a danger of dissemination of such pests. The Secretary may permit the movement of host materials otherwise barred under the Plant Quarantine Act when they must necessarily accompany the plant pest to be moved.

SEC. 104. (a) Any letter, parcel, box, or other package containing any plant pest, whether sealed as letter-rate postal matter or not, is hereby declared to be nonmailable, and will not knowingly be conveyed in the mail or delivered from any post office or by any mail carrier, except when accompanied by a copy of a permit issued under this act.

(b) Nothing in this act shall authorize any person to open any letter or other sealed matter except in accordance with the postal laws and regulations.

(c) The prohibitions of this act shall not apply to any employee of the United States in the performance of his duties in handling mail.

SEC. 105. (a) Except as provided in paragraph (c), the Secretary may, whenever he deems it necessary as an emergency measure in order to prevent the dissemination of any plant pest new to or not theretofore known to be widely prevalent or distributed within and throughout the United States, seize, quarantine, treat, apply other remedial measures to, destroy, or otherwise dispose of, in such manner as he deems appropriate, any product or article of any character whatsoever, or means of conveyance, which is moving into or through the United States, or interstate, and which he has reason to believe is infested or infected by or contains any such plant pest, or which has moved into the United States, or interstate, and which he has reason to believe was infested or infected by or contained any such plant pest at the time of such movement; and any plant pest, product, article, or means of conveyance which is moving into or through the United States, or interstate, or has moved into the United, or interstate, in violation of this act or any regulation thereunder: *Provided*, That this paragraph shall not authorize such action with respect to any product, article, means of conveyance, or plant pest subject, at the time of the proposed action, to disposal under the Plant Quarantine Act.

(b) Except as provided in paragraph (c), the Secretary may order the owner of any product, article, means of conveyance, or plant pest subject to disposal under paragraph (a), or his agent, to treat, apply other remedial measures to, destroy, or make other disposal of such product, article, means of conveyance, or plant pest, without cost to the Federal Government and in such manner as the Secretary deems appropriate. The Secretary may apply to the United States district court, or to the United States court of any Territory or possession, for the judicial district in which such person resides or transacts business or in which the product, article, means of conveyance, or plant pest is found, for enforcement of such order by injunction, mandatory or otherwise. Process in any such case may be served in any judicial district wherein the defendant resides or transacts business or may be found, and subpena for witnesses who are required to attend a court in any judicial district in such a case may run into any other judicial district.

(c) No product, article, means of conveyance, or plant pest shall be destroyed, exported, or returned to shipping point of origin, or ordered to be destroyed, exported, or so returned under this section, unless in the opinion of the Secretary there is no less drastic action which would be adequate to prevent the dissemination of plant pests new to or not theretofore known to be widely prevalent or distributed within and throughout the United States.

(d) The owner of any product, article, means of conveyance, or plant pest destroyed, or otherwise disposed of by the Secretary under this section, may bring an action against the United States in the United States District Court for the District of Columbia, within one year after such destruction or disposal, and recover just compensation for such destruction or disposal of such product, article, means of conveyance, or plant pest (not including compensation for loss due to delays incident to determining eligibility for movement into or through the United States or for interstate movement) if the owner establishes that neither this section nor the Plant Quarantine Act authorized such destruction or disposal. Any judgment rendered in favor of such owner shall be paid out of the money in the Treasury appropriated for plant disease and pest control activities of the Department of Agriculture.

SEC. 106. The Secretary may promulgate such regulations requiring inspection of products and articles of any character whatsoever and means of conveyance, specified in the regulations, as a condition of their movement into or through the United States, or interstate, and imposing other conditions upon such movement, as he deems necessary to prevent the dissemination into the United States, or interstate, of plant pests, in any situation in which such regulations are not authorized under the Plant Quarantine Act.

SEC. 107. Any properly identified employee of the Department of Agriculture shall have authority to stop and inspect, without a warrant, any persons or means of conveyance moving into the United States, and any plant pests and any products and articles of any character whatsoever carried thereby, to determine whether such persons or means of conveyance are carrying any plant pest contrary to this act and whether any such means of conveyance, products, or articles are infested or infected by or contain any plant pest or are moving in violation of any regulation under this act; to stop and inspect, without a warrant, any persons or means of

conveyance moving interstate, and any plant pests and any products and articles of any character whatsoever carried thereby, upon probable cause to believe that such means of conveyance, products, or articles are infested or infected by or contain any plant pest or are moving subject to any regulation under this act, or that such persons or means of conveyance are carrying any plant pest subject to this act; and to enter, with a warrant, any premises in the United States, other than places which may be entered under section 15 of the Plant Quarantine Act, to make any inspections and seizures necessary under this act. Any judge of the United States or of a court of record of any State, Territory or possession, or a United States commissioner, may, within his respective jurisdiction, upon proper oath or affirmation showing probable cause to believe that there are on certain premises any products, articles, means of conveyance, or plant pests regulated or subject to disposal under this act, issue warrants for the entry of such premises to make any inspections or seizures under this act. Such warrants may be executed by any authorized employee of the Department of Agriculture.

SEC. 108. Any person who violates section 103 of this act, or any regulation promulgated under this act, or who forges, counterfeits, or without authority from the Secretary uses, alters, or defaces any permit or other document provided for by this act or the regulations thereunder, shall be guilty of a misdemeanor and shall be punished by a fine not exceeding $500, or by imprisonment not exceeding one year, or both.

SEC. 109. If any provision of this act or the application thereof to any person or circumstances is held invalid, the remainder of the act and the application of such provision to other persons and circumstances shall not be affected thereby.

SEC. 110. The act entitled "An act to provide for regulating, inspecting, cleaning, and, when necessary, disinfesting railway cars, other vehicles, and other materials entering the United States from Mexico," approved January 31, 1942 (56 Stat. 40; 7 U. S. C. 149) is hereby amended by deleting the provision that "the cleaning and disinfection of vehicles or materials necessary to accomplish the purpose shall be carried out by and under the direction of authorized inspectors of the Department of Agriculture," and by substituting therefor the following: "the cleaning and disinfection of vehicles or materials necessary to accomplish the purpose shall be carried out by or under the direction of authorized inspectors of the Department of Agriculture."

SEC. 111. The authority conferred by this act shall be in addition to authority conferred by other statutes not specifically repealed hereby. Nothing in this act shall amend or repeal any of the provisions of the Plant Quarantine Act. The act entitled "An act to prohibit importation or interstate transportation of insect pests, and the use of the United States mails for that purpose," approved March 3, 1905 (33 Stat. 1269; 7 U. S. C. 141–144), and the act entitled "An act to prevent the entry of certain mollusks into the United States", approved September 22, 1951 (65 Stat. 335; 7 U. S. C. 441), are hereby repealed. However, all acts amended or repealed hereby shall be deemed to continue in full force and effect for the purpose of sustaining any action or other proceeding with respect to any right that accrued, liability that was incurred, or violation that occurred prior to the effective date of this act. Nothing contained in this act shall affect the validity of any findings, regulations, or other orders, permits ,or certificates, which were issued under any of the acts cited in this section prior to the effective date of this act and which are in effect on said date, but such findings, regulations, other orders, permits, and certificates shall remain in effect unless and until modified in accordance with this act.

TITLE II—ERADICATION AND CONTROL OF INSECT PESTS, PLANT DISEASES, AND NEMATODES

SEC. 201. Subsection (a) of section 102 of the Department of Agriculture Organic Act of 1944, as amended (7 U. S. C. 147a), is hereby further amended by adding after the phrase "or to prevent or retard the spread of" the word "insect pests, plant diseases, and nematodes, such as imported fire ant, soybean cyst nematode, witchweed, spotted alfalfa aphid."

Mr. ELLENDER. Mr. President, the Committee on Agriculture and Forestry took up this matter at its last meeting, and authorized me to move that the Senate concur in the amendment of the House of Representatives to Senate bill 1442.

I have consulted with the majority leader, the minority leader, and the ranking Republican member of the Committee on Agriculture and Forestry; and there is no objection to the action I am now proposing.

Mr. President, in that connection I ask unanimous consent that a short explanation of the amendments added by the House of Representatives be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION OF HOUSE AMENDMENT TO S. 1442

The House amendment to S. 1442 is in the nature of a substitute.

Title II of the House amendment is identical to the bill as passed by the Senate, except that the spotted alfalfa aphid has been added to the enumerated pests covered by section 102 (a) of the Department of Agriculture Organic Act of 1944. The House report states that the spotted alfalfa aphid first appeared in this country in 1954 and is extremely destructive of growing alfalfa.

No part of title I of the House amendment was contained in the Senate bill. Title I, to be cited as the Federal Plant Pest Act would prohibit the importation, interstate movement, or mailing, of plant pests, except as authorized by the Secretary of Agriculture. The importation and interstate movement of injurious insects and of plants and plant products which may carry insect pests or plant diseases, and the interstate movement of any materials which may carry insect pests or plant diseases are regulated by existing law, but this authority does not now extend to plant diseases as such, disease-bearing organisms, mites, nematodes, protozoa, bacteria, fungi, parasitic plants and viruses injurious to plants or plant products. All of these, as well as certain other organisms and substances, would be included in the definition plant pest and covered by title I.

Title I would also (1) authorize emergency measures, such as seizure and destruction of products, articles and conveyances which may disseminate new or localized plant pests, (2) provide compensation for property destroyed or disposed of under certain circumstances, and (3) authorize the issuance of regulations controlling the inspection and movement of articles and conveyances as necessary to prevent the dissemination of plant pests in situations not covered by the Plant Quarantine Act.

Mr. JOHNSON of Texas. Mr. President, I should like to ask the Senator from Louisiana whether this measure is the same as the one he discussed with the Senator from California [Mr. KNOWLAND] before he left the Chamber.

Mr. ELLENDER. Yes; it is.

Mr. JOHNSON of Texas. As I understand, the Senator from California is agreeable to the action the Senator from Louisiana now proposes.

Mr. ELLENDER. That is correct.

Mr. President, I move that the Senate concur in the amendment of the House of Representatives to Senate bill 1442.

The motion was agreed to.

VISIT TO THE SENATE BY NATO PARLIAMENTARIANS

Mr. SPARKMAN. Mr. President, there are present in the Chamber at this time some representatives of the parliamentary bodies of five different NATO countries—Belgium, Germany, Iceland, Norway, and the United Kingdom. I take pleasure in presenting to the Senate these distinguished gentlemen, as follows:

Mr. Georges J. N. Dejardin, of Liege, Belgium, a Member of the Chamber of Representatives.

Mr. Siegfried Moerchel, of Salzgitter-Lebenstedt, Germany, a Deputy Member of the Bundestag.

Mr. Petur Petursson, of Reykjavik, Iceland, a Member of Parliament.

Mr. Arnfinn S. Roald, of Vigra, Norway, a Deputy Member of the Storting.

Lt. Comd. L. C. Maydon, of Wells, England, a Member of Parliament of the United Kingdom.

Mr. Thomas Peart, of Workington, England, a Member of Parliament of the United Kingdom.

Mr. President, I desire to state that we are delighted to have these gentlemen visit our country. It is their plan to be in the United States for approximately 30 days, during which they will tour throughout the country and will observe its functioning. We are happy to have them in the Senate on this occasion.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Chair expresses the good wishes of the Senate to these distinguished visitors who are observing our parliamentary procedure.

ACTUAL LIVING STANDARDS OF MANY UNION LEADERS

Mr. NEUBERGER. Mr. President, recent headlines about lavish spending and abuse of union funds by certain labor officials have created in the public mind lurid impressions which must reflect adversely on the leaders of all labor unions. Such an adverse reflection would be an unfortunate—even if unavoidable—consequence of the disclosures concerning the management of a few unions. Yet it seems highly inaccurate and unfair, so far as the great majority of labor's leaders are concerned.

The Wall Street Journal for May 7, 1957, carried a front-page review of the compensation and expense allowances paid to a cross section of officials of major national labor organizations. The Wall Street Journal concludes that "most live conservatively." "While far from lavish livers for the most part,"

union leaders do not believe that they should put on a studied "poor front" to dramatize their representation of working men and women, the article states; and it explains that "caught in the crossfire of hostile criticism that the charges against Mr. Beck have sparked are many unions which insist on—and get—strict accounting of spending by officials, and a host of other labor leaders who have nothing but contempt for Mr. Beck's mode of living."

Mr. President, because the national headquarters of the International Woodworkers of America is located in Portland, Oreg., near the vast forests of the Pacific Northwest, where many thousands of its members work, I was particularly interested in the references in the Wall Street Journal to Mr. Albert F. Hartung, the president of that union:

When A. F. "Al" Hartung, president of the International Woodworkers of America, picks up a dinner tab for guests, for example—

Says the Wall Street Journal—

he invariably scrawls across his union voucher the names of the people he's buying for.

It may be a fair question, Mr. President, how many corporation presidents follow this practice. I should like to read the remainder of the Wall Street Journal's references to Mr. Hartung, of the Woodworkers Union:

He draws a $9,100 a year salary and $8 a day on trips "for meals, pressing my suits, and buying papers."

Says the slow-talking, soft-toned Mr. Hartung of his personal spending: "By the time we pay our rent, put one girl through college, and Uncle Sam takes his slice, I don't know whether we live above my salary or below it, but we use it up and don't squander it."

In addition to the 2-bedroom apartment he rents in Portland ("It's not a dump," observes Mr. Hartung, "but it's not elaborate."), the Woodworkers' top man has a "little old farm" of his own on about 5 acres along the Tualatin River near Portland. He says he and his wife are trying to fix it up as a summer place.

Mr. President, I have singled out, from the Wall Street Journal article, these references to Al Hartung because I know him well, personally, and because they square exactly with what I have known about him. But I am hopeful that Al Hartung's modest scale of living and his careful accounting for the union funds expended in his limited expense account represent the rule, rather than the exception, in the leadership and management of labor unions. I think it is particularly significant that confirmation for this view should come from the Wall Street Journal, which will never be accused of being a special apologist or mouthpiece for America's organized labor and its leaders. I ask unanimous consent that the entire article from the Wall Street Journal of May 7, 1957, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

LABOR LEADERS: UNLIKE BECK, MOST LIVE CONSERVATIVELY, BUT THEY SHUN POOR FRONT—STEELWORKER MCDONALD PAYS A MORTGAGE—MR. REUTHER OBJECTS TO SALARY BOOST—CADILLACS AND MIAMI HOTELS

David John McDonald, urbane, silver-haired president of the 1,250,000-member United Steelworkers of America, resides in a mortgaged $30,000 seven-room house in Mount Lebanon Township, a pleasant, nicely kept community a few miles south of Pittsburgh, Pa.

"We live quite simply," says the $50,000-a-year labor leader. "I drive a Pontiac convertible and have no chauffeur, and my wife has no servants. A cleaning lady comes in once in a while but my wife does the cooking and the housekeeping, and my own boy (Dave, Jr., 17) or guys in the neighborhood cut the grass."

There's no real austerity in Mr. McDonald's life—and he doesn't try to convey the impression that there is. "I'll guarantee you," he says, "that when I'm out of town, I'm going to live the best I can." And at home, he adds, "I am not going to live in a slum with an outside toilet."

AN ECONOMIC PAR

In many ways, Mr. McDonald's philosophy about his mode of living typifies views held by a good many other top labor leaders. While far from lavish livers for the most part, they're not willing to put up a "poor front" simply because they represent a large group of working people. Indeed, there's solid conviction among some that they should live, dress, and travel on an economic par with their corporate counterparts.

The economic fortunes of union leaders are of more than casual interest today. Disclosure by Senate investigators of the high living on union-provided funds of teamsters' boss, Dave Beck, has touched off demands by officials—and rank-and-file union members as well—for closer accounting of all union money. Yesterday, in elaborating on its corruption charges against the teamsters union, the AFL–CIO Ethical Practices Committee made Mr. Beck's conduct the target of most of its accusations. And tomorrow, Mr. Beck again will be called before the Senate's Special Investigating Committee for questioning about his alleged misuse of union funds.

Caught in the crossfire of hostile criticism that the charges against Mr. Beck have sparked are many unions which insist on—and get—strict accounting of spending by officials, and a host of other labor leaders who have nothing but contempt for Mr. Beck's mode of living.

Over the past quarter of a century, of course, the economic power of unions has grown mightily. Less clearly defined perhaps, but nonetheless significant, is the growing affluence of the men who now occupy the top labor positions.

Wall Street Journal reporters talked with more than a dozen chief executives of the Nation's large international unions, the men around these union leaders and management people who deal with them. In interviews, conducted in the offices and homes of labor leaders, the newsmen found the union chiefs willing to talk quite frankly about their salaries, their expense accounts, their way of living and their spending attitudes.

SALARIES, PLUS EXPENSES

Salaries of international union leaders interviewed range from a low of $6,750 (John Clark, president of the International Union of Mine, Mill, and Smelter Workers) to a high of $50,000 a year for Mr. McDonald and John L. Lewis, the 77-year-old, grumpy-looking chief of the United Mine Workers. Dave Beck's salary is listed as $50,000 a year, too.

These salaries, of course, are supplemented by liberal expense accounts, with most leaders—by choice or by requirement—giving detailed accounting of where the money goes. When A. F. "Al" Hartung, president of the International Woodworkers of America, picks up a dinner tab for guests, for example, he invariably scrawls across his union voucher the names of the people he's buying for.

Says Lee Minton, head of the Glass Bottle Blowers Association of the United States and Canada: "My boys tell me that they don't care what it costs—within reason, of course—for me to be able to negotiate with management as an equal. They want me to be well dressed and have money in my pocket."

Generally, the homes and offices of these labor chiefs reflect fairly closely their salaries and union's status. In some cases, the price of the place a union chief lives in is below his annual salary. L. S. "Buck" Buckmaster, president of the AFL–CIO United Rubber, Cork, Linoleum and Plastic Workers of America, for example, still lives in the neat, yellow, clapboard, brown shingled house in suburban Akron that he bought in 1924 for $6,200.

"I'll bet I've paid three times that price on that cussed house," jovially confides the 62-year-old U. R. W. chief. "I got behind in payments during the depression, made my last payment 2 years ago." The house, he figures, is now worth about $12,000. Mr. Buckmaster earns $15,000 a year as head of the 170,000-member U. R. W.

THE SOCIAL LIFE

Socially, many of these labor leaders shun country clubs and similar social organizations. Aside from the obvious reason of wanting to avoid any appearance of social climbing, many spend much of their time away from home on union business and thus form few local social ties.

"With all the traveling I do," comments Mr. Minton, "my wife figures that out of the last 18 years I've spent about 8 with her and the kids."

Perhaps the stanchest advocate of quiet, simple living among labor leaders is fiery Walter P. Reuther, president of the United Auto Workers, a unionist who almost belligerently practices what he preaches.

In typical, dramatic fashion, he successfully killed a move by UAW members 4 years ago to raise his salary from the then $11,250 a year to $50,000.

"I felt then, and still feel," he declares, "that it would be a mistake to allow too great a gap to develop between the wages of the rank-and-file members and those of the people who are expected to lead them. I don't criticize others who feel differently, but that's my attitude."

AUSTERITY ON $22,000

Mr. Reuther did accept two salary boosts since that time and now makes $22,000 a year. In view of his salary, his mode of living seems austere. The popular report that Mr. Reuther squeezes oranges in his hotel room while out of town to save on breakfast costs is not true, however. Good-naturedly, the UAW chief explains that he had a small refrigerator in his hotel room in Miami early this year when he attended a union session there with his family. He bought fruit at a nearby grocery, he says, and kept it in the refrigerator. "We didn't have a squeezer," he relates. "We just ate the oranges."

In addition to his salary, Mr. Reuther is allowed transportation expenses and $13 a day for meals and incidentals, including tips, while he's on union missions. He's permitted to have a suite in which to conduct out-of-town business, but he's been known to call a hotel manager and insist on being moved after being ushered into something he considered too ostentatious.

Mr. Reuther is almost painfully conscientious about footing the additional bills when he is accompanied on one of his family trips by his wife, May—a slender, attractive woman who shares the red hair and youthful appearance of her 49-year-old husband—or their two young daughters.

"Actually, that's where a lot of his own salary goes," confides a longtime friend. "May doesn't go with him much, compared

with all the traveling he does, but she does make quite a few trips and the costs mount."

A BODYGUARD DRIVER

There are few emoluments added to Mr. Reuther's pay when he's at home. The union does provide him with a rented, medium-priced car and a bodyguard driver, but the UAW does not reward him with a home or a downtown suit for entertainment purposes. Mr. Reuther, in fact, still pays his own union dues which went up—at his own recommendation—at the last convention to $3 a month from $2.50.

The UAW leader's home, the third he has ever owned, is a modest, two-story frame house in a Detroit suburb about 45 minutes' drive from his office at Solidarity House. Purchased originally in 1951 as a summer cottage for about $10,000, it since has been expanded and made into a substantial all-year dwelling. Except for a high, sturdy fence around the property and bullet-proof glass in the house's windows, all of the improvements have been paid for by Mr. Reuther. As befits a man who once earned his living as a toolmaker, the Auto Workers' chief has done some of the work himself.

The house stands on 4 acres of ground ("At least 1 acre is under water," laughs Mr. Reuther) in a hilly, heavily wooded area. The labor chief, who designed the house himself, describes it a combination of modern, Japanese, and Swiss chalet architecture." Across the property runs a stream perhaps 15 to 20 feet across, which almost totally surrounds the house.

The elaborate security measures that the UAW provides for Mr. Reuther are a result, of course, of the attack on him in 1948 by a still-undiscovered assailant who fired a shotgun blast through his kitchen window and shattered his right arm. His right hand and arm still are partially disabled.

A few years ago the union bought for Mr. Reuther's use a huge limousine fitted with bullet-proof glass and steel-plated body. But an official recalls, "Walter couldn't stand it, and after about 6 months he refused to ride in it." The Reuthers' family car, appropriately enough, is an "economy" model, an American Motors Corp. Rambler.

SUITS AT WHOLESALE

His own appearance is of no great concern to Mr. Reuther, but he dresses well in conservative but fashionably cut suits in the $100 range. Actually, he doesn't pay that price. Through his friend Jacob Potofsky, president of the Amalgamated Clothing Workers. Mr. Reuther buys them at wholesale prices, usually 3 or 4 at a time. His normal practice is to wear the batch until they're ready to discard, generally in 2 or 3 years.

Quite different from Mr. Reuther in his personal economic philosophy and spending habits is the Steelworkers' McDonald. Ranking among the higher-paid union leaders, Mr. McDonald maintains, nonetheless, that his pay is not making him rich.

"I own no stock options, and I have no money," says the steelworkers' boss. "I still have a mortgage and a pretty healthy one. There's no pension plan for my wife, and if I were to die tomorrow, Rosemary (his wife) would have to go to work."

Mr. McDonald hasn't been in the $50,000-a-year category for long. His salary was boosted to that from $40,000 last September. As secretary-treasurer of the union, Mr. McDonald made $15,000 a year until shortly before Philip Murray's death in 1952.

Mr. McDonald has an expense account, and although he doesn't use the word "unlimited" in describing it, the account has no stated limit on it, being governed by his own judgment of what is necessary. But expenses must be rigidly accounted for on a semi-monthly basis, he says:

The steelworkers' chief admits to a fondness for the better things in life. On out-of-town trips, he stays at the finest hotels, frequents the best restaurants, and indulges in one of his favorite pastimes—attending the theater. Unlike most other union bosses, he belongs to several clubs, including the South Hills Country Club, the Ancient Order of Hibernians, the Elks, Moose, and the Variety Club. Occasionally, in late afternoons on his way home, he drops into Pittsburgh's Sherwyn Hotel just around the corner from union headquarters for a couple of gentlemanly bourbons with water.

When the occasion demands it, Mr. McDonald dons a conservative business suit. But at more leisurely times, he favors sports cutfits, tweeds, and bow ties. Although he's seldom seen without his pipe in public appearances, he's partial at times to a cigar—a good one, to be sure.

FOR MEANY: $35,000

As president of the AFL–CIO, George Meany receives a salary of $35,000 a year, the same pay he received as head of the AFL. In addition, he's allowed $12.50 a day in expense funds for meals, but this is raised to $15 whenever he's at high expense places. "Like everyone else," says an aid, "he turns in an expense account."

Away from home, Mr. Meany lives well but his off hours are spent in far from lavish pursuits. He enjoys himself, for example, at a place like Miami Beach—and makes no apologies for it. A gin rummy fan, he spent 8 straight hours playing the game in the sun at Miami last January while other union officials were hotly debating the Teamsters' refusal to testify before Senate investigators.

Mr. Meany, who works in Washington, lives in a suburban Maryland home in about the $30,000 class, across the road from Burning Tree Country Club, President Eisenhower's home golf course.

An associate describes Mr. Meany as conservative in his personal spending. "He's not cheap," hastily adds the confidant, "but he doesn't wave the dough around."

In explaining Mr. Meany's ways, an aid tells of a day recently when the chief suddenly disappeared. It developed the former head of the plumbers union, Mr. Meany, was at his home—fixing up some plumbing.

NEEDED: A PAINT JOB

Among the higher-paid union leaders is John L. Lewis. A widower, Mr. Lewis lives alone in large white frame house in Alexandria, Va., which seems to be in need of a coat of paint.

Mr. Lewis drives himself to work in Washington and home again in a Cadillac. At his beck and call he also has a union-provided Cadillac limousine for union business. While the shaggy-haired union chief used to be something of a lion of the embassy parties, he seldom steps out for an evening now. His principal relaxation nowadays, he says, is reading and, in warm weather, "following the shade around."

On the other end of the pay scale for union leaders is John Clark, 69, president of the International Union of Mine, Mill, and Smelter Workers, headquartered in Denver. This union, booted from the CIO in 1950 on charges that the leadership followed the Communist line, has a membership variously estimated between 60,000 and 100,000.

As head of the union, Mr. Clerk earns a salary of $6,750 a year. Sitting in a swivel chair in his large but far from lavishly furnished office in the Tabor Building in Denver, Mr. Clark says he receives $14 a day for expenses while on the road and $3 daily for incidentals while in Denver.

SAVINGS AND SPECULATING

Mr. and Mrs. Clark live in a $100-a-month, 3-room apartment in Englewood, a middle-class Denver suburb. A union member since 1908, Mr. Clark does not smoke and "only very rarely" takes a cocktail. His only investments, he says, are in United States Savings Bonds. "When I have a little money ahead," he says, "I put it in bonds."

O. A. (Jack) Knight, president of the Oil, Chemical, and Atomic Workers International Union, another Denver-headquartered union, leans to more speculative investment fare; sometimes, he says, he makes "a little" and sometimes he loses on ventures with uranium stock investments or on oil leases. On a yearly salary of $13,500, plus $5 a day for incidental expenses, Mr. Knight and his wife live quietly in a $33,000 three-bedroom ranch house in Denver.

Mr. Knight concedes that his house, bought in 1949 when the union moved its headquarters to Denver, was a little over the mean for his income but explains that he had built up savings which paid for a "substantial" part of it. He says he still owes "a few thousand" on the mortgage.

A scotch-and-soda man, Mr. Knight often keeps a bottle of bourbon on hand during his out-of-town excursions for callers with bourbon tastes. But he says he never bills the union for the bottled spirits, paying for it instead out of his salary.

An Oil, Chemical, and Atomic Workers spokesman, noting that Mr. Knight receives the same expense allowance as other lower ranked officers and staff members, expresses the union philosophy thusly:

"The general Oil, Chemical, and Atomic Workers attitude is that we don't claim to have taken a vow of poverty, but we just don't want any fat-catting or any slack practices that permit expense spending to be abused."

TIGHT WITH MONEY

A union leader considered tight with his money is 59-year-old Mr. Hartung of the 130,000-member Woodworkers Union, headquartered in Portland, Oreg. He draws a $9,100 a year salary and $8 a day on trips "for meals, pressing my suits and buying papers."

Says the slow-talking soft-toned Mr. Hartung of his personal spending: "By the time we pay our rent, put one girl through college and Uncle Sam takes his slice, I don't know whether we live above my salary or below it, but we use it up and don't squander it."

In addition to the 2-bedroom apartment he rents in Portland ("It's not a dump," observes Mr. Hartung, "but it's not elaborate."), the Woodworkers' top man has "a little old farm" of his own on about 5 acres along the Tualatin River near Portland. He says he and his wife are trying to fix it up as a summer place.

Earl Heaton, president of the Allied Industrial Workers of America, in Los Angeles, describes the society in which he moves as "working class," though he earns $15,000 a year and lives in a house in the $45,000 class (with a mortgage). His next-door neighbors in Los Angeles are a lawyer and a building contractor.

Mr. Heaton says he doesn't believe in "living up" to his salary if by that is meant spending it all, or borrowing to spend, to enhance his prestige. "I believe in saving something," says he. "You never know when you might need it."

Mr. NEUBERGER. Mr. President, on April 22, 1957, I had occasion to discuss at the Portland Central Labor Council some of the issues which recently have received extensive public attention as a result of the hearings of the special committee on alleged racketeering in the labor-management field. On this occasion, I expressed my views about the fundamental integrity and idealism of most of organized labor and its leaders, and about the relative modesty of their salaries and expenditures, which are borne out by some of the May 7 conclusions of the Wall Street Journal.

I also suggested a checklist of six standards for the internal administration of union affairs, which must be assured and protected either by union constitutions and by-laws and by the vigilance of rank and file members, or, in some instances, by legislation. These standards refer to such matters as internal union democracy, the administration of different kinds of funds handled by union officials, and the assurance of nondiscriminatory membership rules which will make participation in unionized employment open to anyone who has the skills, irrespective of his race, creed, religion, or nationality.

I ask unanimous consent that excerpts from my remarks at the Portland Labor Temple, on April 22, be printed in the RECORD at the conclusion of my remarks.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM REMARKS OF SENATOR NEUBERGER TO PORTLAND CENTRAL LABOR COUNCIL, APRIL 22, 1957

The public scrutiny which organized labor is undergoing today confronts it with undeniable dangers to future effectiveness on behalf of working men and women—but also with an opportunity for self-examination and for strengthening its position with its members and with the public.

For what is being scrutinized today is labor unionism in a new role, under new conditions of industrial organization—conditions which are very different from those of a generation ago, when labor relations were last a central object of public attention and of public policy.

In the early decades of the century, from the years around the first World War through the depression years of the thirties, I believe both the public and the labor movement itself shared the image of unionism as the struggle for organization, for recognition of working men's right to confront the life-and-death economic power of management over each of them with a comparable economic power of workers bargaining collectively for decent wages, hours, and working conditions. These were the years when organization was itself the first objective of trade unions and their leaders, when the very right to organize was the principle at issue in strikes and in legislative controversies, when union membership itself endangered a man's job, or more.

Labor leadership in those years was not all good, or all bad, any more than it is today—or than business leadership has been. But at its best, it left the Nation a memory of dedicated men, who sacrificed personal gain or comfort to the cause of all working men and women—and many of whom became martyrs in that cause.

In time, the Wagner Act and other liberal legislation of the Roosevelt years gave national recognition both to the principle of labor organization and to minimum standards of wages, hours, safety and other working conditions, at least so far as interstate commerce is concerned. That still leaves much to be accomplished, as we know. But in one major industry after another, collective bargaining and union security agreements of one form or another have become fully established. And with that, the role of unions has changed. In such industries, with the coming of the union shop, of long-term contracts, of union insurance programs and pension and welfare funds, labor leadership has new responsibilities in representing its members.

You and I know that by and large, today's labor leaders have accepted these new responsibilities with just as much understanding and integrity as their counterparts in management have shown in adapting to the new era in industrial relations. But some few of these have obviously fallen short, as is inevitable in any human activity. Their shortcomings, when faced with the possession of great power and with control over great wealth, have for the first time spotlighted for the public at large the recent growth of that power and of the funds entrusted to them.

Inevitably, the revelations of reckless handling of union funds, of instances where private dealings between labor officials and management have been substituted for collective bargaining, will result in an outcry for legislative reform. "There ought to be a law" is a common American reaction to any social problem. In this instance, the outcry is likely to include a proportion of crocodile tears. The demand for protection of the rank and file against leaders unworthy of their trust may have some substance in sound policy, but it also will be joined by those whose first interest is not that of the rank and file union member. No doubt an impetus has been furnished, for example, for the drive for State "right to work" laws directed against union-security agreements.

The response of the labor movement itself to the challenge of these demands for reform may largely determine whether or not there will be legislation enacted which will hamstring the legitimate and necessary functions of unions on behalf of their members. I am glad to be able to say that the top leadership of American labor has indicated firmly and unequivocally its intention to rid its organizations of any and all corruption and abuses, that can only result in giving all unions a black eye. Some legislation may be necessary, quite apart from the current investigations—for instance, in the field of pension and welfare funds. The fate of other possible legislation more restrictive in character may depend on the actions of the unions themselves and their effectiveness in telling their own story to the public.

I would like to suggest a checklist of six standards or objectives for labor unions which either deserve legislative protection, or which must be assured and protected by action within unions themselves if legislative and governmental controls are to be avoided. They are these:

1. Internal union democracy: Local officers should be elected at least annually by secret ballot of the membership, announced sufficiently long in advance to permit the members to consider available candidates for leadership. Perhaps nominating committees might make a practice of placing more nominees before the membership than there are offices to be filled, so as to encourage some rotation.

I also believe that national officers should be chosen under similar conditions at national conventions of elected local delegates, held not less often than every 2 years, and that the election of these national officers might well be submitted to a membership referendum throughout the locals.

2. Fair procedures for members' appeals: Many large unions already have appeal boards to hear and determine a controversy between a union member and his union or one of its officials. A sense of real confidence that such disputes will be fairly heard and adjudicated, without risk of retribution against the complaining member, is an essential element in any democratic association, and unions are no exception.

Similarly, anyone who may espouse a minority point of view in a union or at a meeting must be confident of his right to do so without fear of intimidation blacklisting, job discrimination or coercion of any kind.

3. Membership open to anyone qualified by skill: This aspect of union democracy is an indivisible Siamese twin to the union shop and other union security arrangements which limit job openings to union members. Unions cannot hope to maintain their hard-earned record of idealism and dedication to democratic values, if they establish discriminatory exclusions from membership, and thus from work opportunities, on the basis of race, religion, nationality or other arbitrary factors unrelated to skill. Unions have not always refrained from racial discrimination. This must be corrected.

4. Protection of general union funds: Members must be entitled to periodic full and correct information about the disposition of their union dues and to a voice in major decisions on their expenditure. Union financial accounts should be checked by independent outside audits at least once a year, by reliable accounting firms. Many unions today follow as a matter of course these elementary practices of responsible fiscal management; but those officials which have failed to do so have created a damaging image of financial irresponsibility for all unions. Labor's leadership must nail down firmly in the public mind its recognition that it acts as trustees, not as owners, of union members' dues.

5. Protection of welfare and pension funds: I would support legislation in the Congress to provide for the registration of welfare and pension funds, and for full disclosure of all relevant information about their administration, so as to place them under protective provisions similar to those for insurance policyholders and for investors under the SEC. Such legislation has been proposed by Senator PAUL DOUGLAS of Illinois as a result of extensive hearings on welfare and pension funds held in the 84th Congress by a committee under his chairmanship. I understand that national labor leaders favor such legislation, but that employers have been reluctant to endorse it.

General dues must be available to unions to finance their operations and to give them strength for collective bargaining, but these welfare funds are wholly trust funds in nature and can be subjected to special safeguards without weakening union functions.

6. Labor political-education funds: As long as unions receive dues from all workers in a plant or an industry under union-security arrangements, dues cannot fairly be used in political campaigns with which some union members might not agree. However, the use of voluntary funds collected among union members is quite different and is entirely proper for political purposes. Let me add here that candidates supported in part by these voluntary funds are almost always outspent overwhelmingly by opponents who are backed by the owners and managers of big business and industry.

However, I believe that candidates should not enter high office obligated either to business or to labor. That is why I am sponsoring legislation to put into effect a proposal made half a century ago by President Theodore Roosevelt, to have the Government underwrite essential costs of political campaigns—in order to liberate candidates from unwise private commitments, and to assure the public access on more nearly equal terms to the views, programs, and personalities of all parties and candidates. And I have challenged those who most loudly criticize labor political action to join me in passing this reform legislation.

Finally, I would like to add to the elements of union democracy the suggestion that business agents and other union officials should be bona fide members of the union, who have worked at the craft or in the industry which the union represents. They should never be imposed on the local union by dictation from above. This applies to the whole practice of locals being in trusteeship or receivership for any length of time, and thus under the direction of national or international representatives. Basically, some of the evils now being revealed reflect the attitude that labor is a commodity to be managed and traded, rather

than the original union philosophy of human interests to be represented. As long as unions represent this true, original philosophy, they will be able to continue to claim the support of the public for their work and for their rights.

I want to see a labor movement which is law abiding, but I do not want the law used to break or shackle the labor movement. Many Americans of today may forget what occurred in our country during the 1920's, when the trade-union movement was manacled and hampered.

In this period, total labor membership fell from 5 million in 1920 to 3,400,000 in 1929. In the cotton mills of Gastonia, in 1929, grown men received $9 for a full workweek of 66 hours. Girls 14 years old stood on their feet 11 hours a day, 6 days a week, operating heavy spinning frames; they were paid $4.95 per week.

This took place in America when people were not protected by a labor movement. This took place when an illiterate immigrant laborer or some lone woman, with hungry children to support, had to bargain alone for his or her hire.

The trade-union movement ameliorated such injustice. It brought about what we now regard as the American standard of living. The trade-union movement became strong because it had martyrs within its own ranks and beyond its membership lists. It had men like Andrew Furuseth, the gaunt Norseman who fought for the men who worked on the ships and the waterfront. When they came to arrest him for violating a no-strike law, Andy looked at his captors in contempt and said:

"You can put me in jail, but you cannot give me narrower quarters than as a seaman I have always had. You cannot give me coarser food than I have always eaten. You cannot make me lonelier than I have always been."

And there were men, too, like Senator George William Norris, for whom the great anti-injunction law is named, and who defied a lynch mob waiting for him with tar and feathers because he dared to be ahead of his time. Norris said, "No man can stick his legs under the tables of the idle rich every night, and be fit the next day to sit in judgment on those who toil."

That is why those who use the labor movement for personal wealth and aggrandizement have betrayed one of our Nation's richest legacies—the legacy of long-dead heroes and heroines. The labor movement has been nurtured by the blood of men and women who did not flinch at the ultimate in personal sacrifice. Against such a heritage, there is no place for corruption, slot machines, plush tropical resorts, open expense accounts and strikes that are conducted not to win better wages for men who labor but to decide who shall control the loot from punchboards or pinball machines.

I want to offer one bit of advice. If any members or leaders of labor have been detected in conduct against the public welfare, nothing will be served by denouncing those who did the detecting—whether they be in the press or in Government. Behavior inimical to the general good cannot be countenanced. Citizens who ferret out such behavior merit approval and not condemnation. After all, many in the ranks of labor have applauded—and rightly so—when Congressional investigators like Thomas J. Walsh and George Norris apprehended malefactors in the ranks of business. Labor cannot both hold with the hounds and run with the hare on this issue. A labor leader who pilfers or embezzles the funds of his dues-payers is quite as legitimate a target for investigation as any banker or corporate head who cannot distinguish between other people's money and his own.

Some of the revelations about reckless handling of dues-payers' funds in the labor movement are disturbing. Yet there is no more reason to doubt the integrity of the labor movement as a whole because of these disclosures than there is to question the validity of free enterprise, because some executives of one of the Nation's greatest business corporations were recently shown to have hired "call girls" in an effort to push merchandise more successfully. The chairman of a powerful Congressional committee went to jail some years back, but this certainly does not impugn the honesty of all Congressmen. It is always dangerous—and unfair—to reason from the particular to the general.

On the other hand, I have heard some labor officials claim, in defense of their conduct, that they have done nothing worse than what many leaders of industry have gotten away with for years. To me, that is a poor excuse. As one American, I expect higher ideals and ethics of leaders of the labor movement than the purely financial motives of business corporations and monopolies. The dedicated founders and heroes of the history of unionism would not have approved of labor being involved in gambling rackets, or of plush "open-end" expense accounts for unlimited vacations at Las Vegas and Palm Springs.

In Oregon I have visited the homes of a good many officials of organized labor. These are modest homes. They are the homes of men who do not earn so-called "big money." Whatever may be true of labor indiscretions elsewhere in the land, it is my firm opinion that the great majority of Oregon labor officials are law-abiding, ethical, honest, and the recipients of only modest salaries. Indeed, I should like to see the Oregon State Federation of Labor sponsor an audit of the pay of every labor official in this State, and then announce the result for all the world to see. I am certain that the salaries and expense accounts of most trade-union officials would be relatively small, particularly when compared with the incomes received in Oregon by many of the great captains of business and industry—if such a comparison is at all valid.

I might add that if labor statesmanship acts swiftly and decisively to reassure the public, including its rank and file members, that it retains its idealism, its integrity, its devotion to democratic values and to the welfare of working people, it need not long remain on the defensive because of the present disclosures that all has not been perfect within every union. I have suggested that labor might challenge its critics to compare the salaries and emoluments of its leaders with those paid a representative cross-section of American business and industrial managers—not to mention their income from shareholdings. I would go further and suggest that a labor movement which could show that its own house is in order might well ask for an investigation of corporate expense accounts.

At least, when union officials enjoy palatial homes, luxurious limousines, extensive vacations at plush resorts, or make valuable presents to their friends, from union funds, it is generally recognized as an exceptional situation requiring correction. That fact alone speaks for itself. For which among these identical situations is not a commonplace in the management of corporate wealth in the Nation—in the form of expense accounts for executive travel, entertainment allowances, public relations expenditures—all of which are paid half by the stockholders, and half by the Treasury, in the form of corporate tax deductions?

No one has a right to apply double-standards of morality in a free and democratic society. All of us are to be judged by the same standards. The conduct of every man and woman must be tested with the same litmus paper, by the identical yardstick.

I doubt if that has occurred in the recent investigations and probes which have centered in Portland, and in the public discussion of these events. Let me explain what I mean.

I remember the prolonged uproar because a Sheriff of Multnomah County had given a gun permit to an official of the Teamsters Union in the State. It was said this was wrong because the teamster leader had sustained a conviction in his youth. Yet there was comparative silence over the fact that the then mayor of Portland had appointed this same leader of the Teamsters Union to be 1 of 5 citizens charged with spending over $8 million of taxpayers' money for an exposition center. Why one standard for the then sheriff and another for the then mayor?

I have read Republican speeches pointing out with horror that DICK NEUBERGER, for example, was endorsed by the Teamsters Union when he ran for the Senate. I was endorsed by the entire united labor movement, which included the teamsters, and I make no apology for that fact. I have the welfare of average people at heart and so does my wife, Maurine. We would expect to receive the endorsement of labor. But I do not understand how it can be bad in Republican speeches for DICK NEUBERGER to be endorsed by the teamsters, but something which is not mentioned in polite society that, for example, Dave Beck stood on the steps of the White House last October 18 to proclaim that he was bolting the rest of the labor movement so he could support Dwight Eisenhower enthusiastically for reelection—let alone teamster support of such stalwart local Republicans as Rudie Wilhelm, Shirley Field, and Stanley Earl.

And what of legalized dog races and the fuss over pinball machines? My wife and I have consistently opposed legalized gambling all during our public careers, because we think gambling is not only basically contrary to morals but because it drains the wage-earner's pocket, to no good purpose. It neither hews wood not draws water. It feeds no children, it clothes no people.

Morals are morals, and ethics are ethics. They are indivisible. Can the State of Oregon legitimize the vast pageantry of parimutuel racing—with all its millions of dollars in wagering—and thus successfully control pinball gambling? Perhaps it can be done. But there has been constant trouble over this double standard for many years. This city did not even allow an honest and upright mayor to continue in office, for it was charged that she had shut up the town too tight. Dorothy McCullough Lee enforced the law because she recognized that double standards were impossible, that once law and order broke down there was no end to the difficulties and trouble ahead. Yet she was ridiculed out of office as "Dotty-Do-Good," although Portland would have been better served—and better governed—had she stayed. It is my opinion that the prevailing anomaly of our approach to gambling cannot be disregarded as a factor in this whole unfortunate situation.

The basic fact remains that, under the laws of the State of Oregon, it is legal for a working mother with small children to take her whole paycheck and wager it on the dog races in the heart of the city of Portland—with floodlights on, bands playing, and policemen standing around to protect the proceedings. But if this mother stops on the way home and bets the 10 cents left in her purse on a pinball machine in a grocery store, she and the proprietor of the grocery store are violators of the law.

I have been opposed to both the races and the pinballs, but by what token is one right and the other wrong?

As members of the Oregon Legislature, both Mrs. Neuberger and I opposed continuation of parimutuel gambling. We felt

it was highly inconsistent for the State itself to license a vast betting orgy at stadiums and grandstands, while outlawing wagers of far smaller amounts on pinballs and other devices. Maurine and I joined with leaders of the Oregan Council of Churches in pointing out that parimutuels were an invitation to all kinds of illegal gambling to trek into an area and to take advantage of the gambling fever thus created.

Our efforts to eliminate the parimutuels were always defeated in the legislature, because the sponsors of the races had cleverly made all county fairs the beneficiary of a certain portion of racing receipts. This converted fair boards into virtual lobbyists for the races. But it did not change the moral and ethical basis of our argument, any more than legalized prostitution might be justified if a share of the income were diverted, for example, to hospitals.

No longer are Mrs. Neuberger and I members of the legislature, and the problem of the dog and horse races is outside our jurisdiction. Yet we still are struck by the absurdity of legalizing nearly $15 million worth of wagers on dog races in the Portland area, while ardent supporters of these races carry on a flaming antigambling crusade against pinballs and punchboards. The whole irony is worthy of Anatole France's famous satire entitled "Penguin Island," in which a flock of penguins occasionally behaves as foolishly and paradoxically as human beings.

Virgil W. Peterson, director of the Chicago Crime Commission, has pointed out that parimutuel gambling, while theoretically honest, is often an invitation to a hoodlum element. "It is virtually impossible," he has said, "to keep the professional racketeering element out of big-scale gambling operations." And what is the impact on the children and young people of a community who are told that gambling is wrong in principle, but who can see tens of thousands of their parents and elders betting large sums night after night on dog and horseraces in brightly lighted stadiums, surrounded by the panoply of uniformed policemen, brass bands and even an occasional Governor of Oregon to present blue ribbons and gold cups.

It is our opinion that the State should not legalize any gambling, and that once the bars are let down to a vast gambling project like parimutuel racing, the whole moral basis of strict enforcement has been imperiled.

PROTEST BY VIRGINIA SENATORS IN CONNECTION WITH ACCELERATED TAX-WRITEOFF PROGRAM FOR IDAHO POWER CO.

Mr. NEUBERGER. Mr. President, I ask unanimous consent to include in the body of the RECORD a fine editorial entitled "Virginia's Senators Protect Taxpayers," from the Northern Virginia Sun of May 2, 1957.

The editorial properly praises the action of the two distinguished Senators from Virginia [Mr. BYRD and Mr. ROBERTSON] in protesting the decision of the Office of Defense Mobilization to grant an accelerated tax writeoff totaling $65 million to the Idaho Power Co. for its private projects in the Hells Canyon reach of the Snake River.

The Northern Virginia Sun, published in the neighboring city of Arlington, has pointed out that one of the principal arguments put forward by the Idaho Power Co. in its claim to the great power site at Hells Canyon was that the Idaho Power Co. would pay taxes. Now, adds the Sun, that argument has been exploded by the company itself—for the company seeks a tax subsidy to help finance its powerplants along the Snake River.

Thus, the Idaho Power Co. not only gets America's finest hydroelectric site from the Government for nothing, but the Government advances an interest-free loan to help subsidize the company's projects. The two Senators from Virginia have been acting in the public interest when they protest such an indefensible arrangement. I am pleased to bring to the attention of the Senate this praise of Virginia's two Senators by an influential Virginia daily newspaper.

Furthermore, Mr. President, a cogent analysis of the operation of the accelerated tax writeoff for Idaho Power has been published in the Oregonian of Portland, Oreg., of May 6, 1957, under the byline of Herbert Lundy, editor of the editorial page of that newspaper. Mr. Lundy emphasizes the fact that the Idaho Power Co. actually can place the deferred tax funds in a special account to be used for dividends to stockholders—and then could make the later tax payments a justification for electric-rate increases to its customers.

I believe Mr. Lundy's explanation of the details of the writeoff scheme should likewise be published in the RECORD, for the information of Senators; and I ask unanimous consent that such permission be granted to me for that purpose.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Arlington (Va.) Northern Virginia Sun of May 2, 1957]

VIRGINIA'S SENATORS PROTECT TAXPAYERS

Virginia's Senators BYRD and ROBERTSON have done well, we believe, to criticize the decision of the Office of Defense Mobilization to grant to the Idaho Power Co. a "fast tax writeoff" on two of its Hells Canyon Dam facilities in the Northwest.

These fast tax writeoffs deserve some explanation. In brief, they allow a company to depreciate (or wirte off) a given investment in 5 years instead of the normal 20. This means that they can deduct 4 times as much from their profits, during the first 5 years, before computing their taxes. Hence their profits subject to taxes are much less, and their tax bills correspondingly less.

In the case of the Idaho Power Co., the fast tax writeoff on the 2 dams will mean a saving of $65 million.

It is true that after the 5 years are up, the Idaho Power Co. will pay higher than normal taxes, and if tax rates stay the same for 20 years, theoretically their taxes will be the same as if they had not received the fast writeoff. But they have gained a great advantage in having had, during the first 5 years, the use of the $65 million that they would ordinarily have had to pay in taxes.

In short, they will have enjoyed the benefits of a $65 million interest-free loan—all courtesy of the American taxpayers.

Such a subsidy may well have been justified during World War II and during the Korean emergency (when the device was put into effect) as an incentive to companies making special investments in defense-related production facilities which have little or no civilian usefulness. But now that the height of the emergency is over, the taxpayers have a right to expect less extensive use of this subsidy, particularly for facilities, like the two dams in question, that are not special defense facilities but are designed to meet normal demands for power.

Senator BYRD's criticism of this Idaho Power decision carries particular weight because of his highly influential position as chairman of the tax-writing Senate Finance Committee. In fact, he is starting hearings today on a measure to prohibit the Government from giving any more tax benefits such as it gave to Idaho Power.

There is one other aspect of this particular case that deserves comment. The entire Hells Canyon dispute has been one of the classic struggles between public versus private power—between those who believe that the Snake River's potential can be most fully developed by a Government-built dam and those who believe that it is better to have the job done by private enterprise.

In this case, private enterprise won out, and the Idaho Power Co. is to build the dams. But the first thing that private enterprise does is to come in and ask for a Government subsidy, in the form of a fast tax writeoff.

We do not believe the Idaho Power Co. should have its cake and eat it too. If the taxpayers are going to help pay for the dams, then they ought to reap the full benefits. But if private enterprise wants to relieve the taxpayers of the cost of building the dams, let them do so, and not expect to reap a private profit from the public's investment.

[From the Portland (Oreg.) Oregonian of May 6, 1957]

IDAHO POWER TAX AID RILES CONGRESS

(By Herbert Lundy)

The accelerated tax amortization certificates granted Idaho Power Co. for two of its dams on Snake River have caused such an uproar in Congress that two results are possible: (1) Repeal or drastic revision of the 1951 act allowing such deferred tax payments on defense projects; and (2) attraction of several more Senate votes for the bill to supersede Idaho Power's dams with a high Federal dam in Hells Canyon.

Besides the Hells Canyon Dam advocates, such free-enterprise Democrats as Senators BYRD and RUSSELL have assailed the tax benefits to Idaho Power. They have not, however, said they would vote for a Federal dam. The present outlook is that Hells Canyon may pick up a few more votes than when it was defeated in the Senate last session—but probably not enough.

The original, stated purpose of accelerated depreciation of plants for tax purposes has long since been lost. This device was legitimately used in World War II to help industry meet war demands for new planes and other rush jobs—expansion which would be obsolete or unneeded after the emergency had been met. It is doubtful in the extreme if the revival in 1951, under the Korean war impact, was justified insofar as the legislation applied to such long-range projects as hydroelectric dams under 50-year amortization.

Idaho Power Co.'s application was made before the Federal Power Commission granted licenses for the three dams in the Hells Canyon reach of the Snake, and before last year's freeze on new grants. The Office of Defense Mobilization evidently felt obliged to honor the application, which had been kept alive, after the United States Supreme Court refused to intervene against FPC.

ODM permitted Idaho Power to write off in 5 years, in depreciation for Federal tax purposes, 65 percent of the cost of Brownlee Dam and 60 percent of the cost of Oxbow Dam. The way this works is that the company takes larger than normal deductions for 5 years, and smaller than normal deductions for the remaining 45 years of the license.

Statisticians say this means a tax saving for Idaho Power of about $31 million in 5 years, and that if the interest-free loan from

Uncle Sam were reinvested at a rate of return of 6 percent the company could benefit to the extent of $338 million at the end of the 50th year. This would be not a bad gimmick, since the two dams would cost about $100 million. In the meantime, of course, the Government would get its money back—but not the interest.

What burns up the Government dam proponents—and may interest all taxpayers and power consumers—is this. The $6,500,000 a year withheld in taxes by the company for 5 years is collected from rate payers and put into a deferred account. Yet it can be paid to stockholders as dividends subject only to capital gains taxation, which is much lower than ordinary taxes. What happens, they ask, at the end of the accelerated depreciation period if the money has been paid to stockholders? Their answer: Probably rate increases, to pay the higher Federal tax for the next 45 years.

This tax benefit is an outright subsidy from the Treasury, an interest free loan, to private utilities qualifying under a nonexistent "defense emergency." The Government might justify it by requiring a utility to eliminate the "loan" from its rate base. But utilities need not consider it in ratemaking. And, of course if the tax saving is passed along to stockholders under the heading of capital gains, there is another tax bonanza at Government expense.

It is estimated that rapid amortization for tax purposes has deferred Federal tax revenues amounting to around $50 billion since the program started. Senator BYRD's committee should recommend repeal of the entire act.

DAVID LAWRENCE AS A PROPAGANDIST FOR THE EISENHOWER ADMINISTRATION

Mr. KERR. Mr. President, a few days ago, in colloquy on the floor of the Senate, I had occasion to refer to the columnist David Lawrence as being one of the leading propagandists for the Eisenhower administration. In that colloquy I asked a question which indicated that in my opinion Mr. Lawrence had been rather generously rewarded for his propagandizing for the Eisenhower administration.

Mr. President, in that connection I wish the Record to show that I had no purpose of casting any reflection upon the personal integrity of Mr. Lawrence. I consider him very highly in that regard. My reference to him was concerning what I conceive to be the improvement in his influence, position, and stature with the administration, by reason of his efforts in its favor, as he makes them.

MIDEAST PROBLEM NOT INSOLUBLE

Mr. FLANDERS. Mr. President, I propose to make a series of brief statements on our foreign policy, as I have done at previous sessions of the Senate. At this time, attention is invited to an analysis of the Middle East situation. This is the first of the statements.

Recent events have given us more hope for an ultimate solution of the problems raised by the seizure and nationalization by Egypt of the Suez Canal, the resulting invasion by Great Britain and France, and the simultaneous invasion of Egypt by Israel. At the height of these events, one could scarcely have imagined that any solution was possible. But the policies of our State Department and of the United Nations have been leading to a period of a temporary diminution of active conflict. The dust of that conflict has begun to settle. The primary conditions underlying possible solutions are therefore more plainly visible than they have been.

In the first place, it must be said that the United States has taken on a serious responsibility. The beginnings of that responsibility lay in our support of the Egyptian demand for the evacuation of the Canal area by British troops. We asked the British to accede to that demand. In so doing, we took on the burden of representing the interests and the conscience of the rest of the world in the operation of the Suez Canal. So far as world interests are concerned, they had been on the whole well represented by the private canal management, supported by British arms. The new responsibility we took on was that of assuring ourselves that Egyptian ownership and operation would be at least in the same degree responsive to international interests. It was not immediately apparent that we recognized that responsibility, but it has now been borne heavily in upon us by the course of events. We are faced not by theories but by facts.

Mr. President, I can find no better suggestion to make than that the whole situation be viewed as would be the case in finding solutions to conflicts between private parties. Sometimes these private conflicts come to the courts for a solution. Sometimes they are bitterly fought in appeal after appeal. This is the aspect of private conflicts as the public sees them, but it represents but a fraction of the solutions that are found by discussion, by adjustment, and by compromise, unseen by and unknown to the general public.

Unfortunately, the spirit of too much of present-day international statesmanship does not admit of adjustment and of compromise. For that reason we sometimes fail of peaceful solutions, and even of just solutions, which might have been reached had a spirit of accommodation prevailed.

In urging a recourse to this spirit of accommodation, I am not suggesting that the eternal moral principles should be disregarded or betrayed. I am suggesting that these moral principles themselves lead to peaceful and just accommodations.

In the Mid-East situation we have to seek for the solution which will have in it some advantage for all the nations concerned. Particularly must it carry with it advantages for all the peoples of the nations concerned. The people of Israel, the people of Egypt, the people of the rest of the Arab world, must find in any effective solution some benefit for themselves. The material benefits lie ultimately in provisions for food, clothing, shelter, and education. The spiritual advantages derive from the establishment of peaceful and free relations among people. These are the foundations on which a solid structure of accommodation must be raised.

Let us now turn to the consideration of one of the countries concerned.

THE SITUATION OF EGYPT

The first and most thorny problem in the Egyptian situation relates to the nationalization of the Suez Canal. This immediately struck the nations of America and Western Europe as being a high-handed and arbitrary action. It was certainly done in a high-handed and arbitrary manner; but it bears such a close resemblance to the nationalization by Great Britain of its privately owned railroads and privately owned coal mines that the parallel is embarrassing. What Nasser did was to nationalize an Egyptian company incorporated under Egyptian law, which had a concession to operate a canal running through Egyptian territory and which had been built by Egyptian labor. It will be remembered that he offered the shareholders full compensation at the price of their shares on the Paris Bourse on the day preceding the nationalization decree.

Thus far the action was parallel to that of the British private expropriation of British industry.

There are, however, some points of difference. One of them lies in the fact that the great majority of the owners of the industries seized by the British Government were themselves British. The private owners of the Suez Canal were not predominantly Egyptian. However, provided that the offer of reimbursement could have been carried out effectively, it would have answered all the requirements of substantial justice to international shareholders.

The other point of difference is more fundamental and more serious. The operation of the British railroads is primarily a matter of British interest. The operation of the British coal mines is primarily a matter of British interest. The operation of the Suez Canal, however, extends far beyond the interest of Egypt alone. It is a matter of concern to all the nations who participate in world commerce. These nations have an interest in the efficient and even-handed administration of the canal. They have a right to insist that their interest must be regarded and served.

There are also interests of the Egyptian people which must be recognized. They are among the most poverty-stricken people of the earth. Their standards of living in terms of food, clothing, shelter, and education are among the lowest of those who for generations have been in contact with the higher standards of the Western World. While Nasser's interest in the Aswan Dam doubtless had in it a political motivation, yet the motivation was one which was presumably favorable to the proper aspirations of the Egyptian people. When we suddenly, and in appearance arbitrarily, withdrew our offer of assistance in the building of the Aswan Dam, on the face of it we dealt a blow to Nasser's political power. Did we also deal a blow to the hopes of the Egyptian people for a better living? That is a question we must face.

In facing that question we may properly assume to analyze the plans for the grandiose development in terms of improvement of popular well-being. Will

this great dam and the controlled supply of water in the lower Nile result in a proportionate increase in the production of food and fiber needed by and going to the Egyptian people? On the other hand, will the benefits go exclusively to large landowners? In its present form, does the dam cost more than it is worth? Can alternative undertakings be proposed which will be more effective in terms of well-being for each million dollars spent? If we are to arrive at useful solutions to this Mid-East problem, the well-being of the people of Egypt must be taken into account as a major factor.

What is not a proper purpose is the unseating of Nasser as a prime objective in itself. We cannot hope to support in power at Cairo a nonnationalistic puppet. It will be better to negotiate with a known ruler with known abilities and interests. It is legitimate to maintain economic pressure for the sake of persuading him to accept a generally beneficial solution, but we must have the solution in mind; and we must see to it that the pressure does not fall with particular force on the undernourished people themselves.

A decision on the course to which we would urge Nasser will require that we look at the problems of Israel and of the other Arab States as well as of Egypt. This will be the subject of the next installment of these talks.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

PROTOCOL AMENDING THE INTERNATIONAL SUGAR AGREEMENT OF 1953—REMOVAL OF INJUNCTION OF SECRECY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the injunction of secrecy be removed from Executive L, 85th Congress, 1st session, a protocol amending the International Sugar Agreement of 1953, dated at London, December 1, 1956, and that the protocol, together with the President's message, be referred to the Committee on Foreign Relations, and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to accession thereto on the part of the United States, I transmit herewith a certified copy of a protocol amending the International Sugar Agreement of 1953, dated at London December 1, 1956.

The purposes of the protocol are explained in the report of the Secretary of State which is transmitted herewith for the information of the Senate.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 8, 1957.*

(Enclosures: 1. Certified copy of a protocol amending the International Sugar Agreement of 1953; 2. Report of the Secretary of State.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on the Judiciary:

Thomas James Donegan, of New York, to be a member of the Subversive Activities Control Board.

DIPLOMATIC AND FOREIGN SERVICE

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the first nomination on the Executive Calendar.

CHARLES E. BOHLEN

The legislative clerk read the nomination of Charles E. Bohlen, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

Mr. JOHNSON of Texas. Mr. President, it is my information that we may be able to get action on the nomination of Mr. Bohlen this afternoon. It may be necessary to carry over the nominations of Mr. McLeod and Mr. Taylor until tomorrow. We do not expect a late session today.

Before I propound a unanimous-consent request in connection with the nominations of Mr. McLeod and Mr. Taylor, I desire that all Senators be on notice that the Bohlen nomination is presently about to be acted upon and, too, that shortly a unanimous-consent request will be made in connection with the other nominations.

Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, it is my purpose to ask the Senate to proceed to the consideration of the Bohlen nomination, and then to consider the other nominations on the Executive Calendar, in the order in which they appear on the calendar.

I had anticipated that we could act on the Bohlen nomination today and discuss the McLeod nomination as late this evening as any Senator might desire. Then tomorrow, following the morning hour, we could continue to discuss the McLeod nomination, and avoid a session on Friday, if we are able to complete action.

Some Senators had made plans to be out of town today and will not be here until late this evening. They had requested me not to ask for a vote on the McLeod nomination until after 5:30 p.m. Some Senators have plans to make speeches outside the Senate Chamber tomorrow. Therefore I had anticipated making a unanimous consent request that at 2 o'clock tomorrow the Senate proceed to vote upon the question of advising and consenting to the nomination of Scott McLeod to be Ambassador to Ireland, the time between the conclusion of the morning business and said hour of 2 o'clock to be equally divided and to be controlled by the chairman of the Committee on Foreign Relations and the minority leader.

I am informed, Mr. President, that there would be objection to such a request. Therefore, I do not wish to go through the motions of making it and having it objected to. Therefore I announce that the Senate is now free to discuss these nominations and act upon them in the order in which they appear on the calendar, and to vote on them as early as may be desired.

The PRESIDING OFFICER. The question is, Will the Senate advise and consent to the nomination of Charles E. Bohlen to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines?

The nomination was confirmed.

SCOTT M'LEOD

The PRESIDING OFFICER. The clerk will report the next nomination on the Executive Calendar.

The legislative clerk read the nomination of Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

The PRESIDING OFFICER. The question is, will the Senate advise and consent to this nomination?

Mr. KNOWLAND. Mr. President, I rise in support of the nomination of Mr. Scott McLeod to be the United States Ambassador to Ireland.

For 4 years Scott McLeod has occupied an important and difficult position in the Department of State—a position which encompasses the direction not merely of one major area of operations, but of four such areas.

Mr. McLeod has been in charge not only of personnel security within the Department—a tremendous job in itself and one about which a storm has swirled during his first 2 years in office—but he has also had general overall responsibility for the Passport Office, the Visa Office, and still another division of which little is said but which is delicate and critical, namely the Office of Munitions Control. This latter office decides to whom we shall sell arms and munitions, when we shall sell them, and how much of them we shall sell.

Mr. McLeod is a modest man. He is not the kind to trumpet his own qualifi-

cations. His testimony before the Senate Foreign Relations Committee demonstrates his qualities of self-effacement and the humility with which he views the prospective honor which has been offered him of the post of Ambassador to Ireland.

But any fair-minded person must conclude from an appraisal of Mr. McLeod's accomplisments of the past 4 years that he has demonstrated not only exceptional administrative ability, but tact and diplomacy as well. His job as Administrator of the Bureau of Security and Consular Affairs was a new one created by Congress with the rank of Assistant Secretary of State. It brought together under one chief, Mr. McLeod, a number of important operations.

In 1951 many young Americans did not want to enter the Foreign Service, and only 693 applied. The number of applicants was almost 5,000 in the fiscal year 1956. This fact attests to the increased public standing of the Department of State to which Mr. McLeod's efforts have contributed.

So far as the morale of the service itself is concerned, a careful reading of the Foreign Service's own publication which carried this information shows that resignations from the service are at a record low. Employees resign when morale is bad.

In the matter of passports, 560,711 passports were issued more expeditiously in 1956 than were the far lesser number, 381,302, issued in 1952.

Despite the attacks on Mr. McLeod by some uninformed persons for his handling of immigration matters, the truth is that in fiscal 1956 no less than 332,499 persons were issued immigrant visas, a record since World War II. Moreover, 190,000 out of a possible 210,000 refugees were brought into this country under the Refugee Relief Act, and the only reason the full quota was not filled was the lack of applicants in Germany and Austria.

Mr. McLeod has served as the United States representative to the 26-nation Intergovernmental Committee for European Migration. He enjoyed the distinction of being unanimously elected chairman of this international organization during its sessions of 1956. This group has found new homes and jobs for more than 600,000 persons among Europe's surplus population. To accomplish this, great diplomatic talent has been required.

Mr. McLeod was in charge of the service of our two-hundred-and-fifty-odd consular establishments. An increasing workload was handled by employees better trained than ever before as a result of Mr. McLeod's efforts.

In his press conference on April 23, Secretary Dulles said with reference to Scott McLeod:

> I will say that Mr. McLeod, after 4 years of service in the State Department, has I think shown that he possesses the qualifications to be a good ambassador. He has grown in stature and understanding; his knowledge of world affairs is very considerable. And I believe that he is well qualified. Obviously such a belief rests upon my personal judgment, but my personal judgment is based upon very close contact with him during this period and with his growing understanding of problems. This leads me to believe that he will be a good ambassador.

Only this morning the President of the United States told me that he had full confidence in Mr. McLeod, and that he hoped his nomination as American Ambassador to Ireland would be promptly confirmed.

In connection with ambassadorial appointments, a peculiar responsibility rests upon the President of the United States. From the days of the monarchies and other types of government, the ambassador was the personal representative of the king or the sovereign. While, of course, to a great extent he represents the Nation as a nation, and the Government in its totality, to a considerable extent he still is the personal representative of the President of the United States. The President of the United States, who is charged with the responsibility under the Constitution for directing our foreign affairs, has sent to the Senate the nomination of Mr. McLeod, and has requested confirmation. This request is supported by the Secretary of State.

For several years I have been honored to serve as a member of the Foreign Relations Committee of the Senate. Although I have some heavy responsibilities and duties as a member of the Appropriations Committee and of the Joint Committee on Atomic Energy, both of which committees were meeting simultaneously, I left those meetings and attended the sessions of the Foreign Relations Committee, because I wanted to hear all the testimony. I wanted to hear Mr. McLeod's own testimony, and any facts which might be produced.

The record of the testimony has been before the Senate, and has been available to all Senators. It is my own belief, after listening to the testimony, that not one scintilla of evidence was produced which was detrimental in the slightest to Mr. McLeod's character, to his loyalty, to his integrity, or to his ability.

I think I am not violating any confidence of the committee when I say that even some who had had some doubts raised in their minds regarding the handling by Mr. LcLeod of the refugee cases themselves admitted, after the testimony had been produced and the record had been examined, that he had done an unusually fine job in handling the problem under the law and under the requirements laid down by the Congress of the United States when it enacted the law.

I had a discussion with the Senator from Utah [Mr. WATKINS], who is unavoidably absent. He is a member of the Judiciary Committee. He had a considerable hand in drafting and sponsoring the legislation which came before that committee. He stated that in his judgment, and on the basis of all the facts which had been presented to him, Mr. McLeod has done an outstanding job.

While I recognize that there are those who have an honest difference of opinion on this subject, I think the fact of the matter is that the opposition finally boils down to the fact that there is some criticism because this administration has made a number of so-called noncareer appointments. In this field there is certainly room for a difference of opinion. Perhaps, in the judgment of the Congress, it would be far better if the Congress were to lay down a rule that no one but a career employee should be appointed as an ambassador. I do not happen to agree with that point of view, but at least a plausible case might be made for it. Under that theory, regardless of what administration happened to be in power, it would have to name ambassadors from the career service. One might make a case for that point of view if he happened to believe that that would be in the best interests of the country. I do not agree with that point of view. I would not want to see the career service ignored; nor would I want to see a majority of appointments made from the noncareer service. Just what the percentage should be, I think, is a matter of judgment; and the judgment may vary from one administration to the next.

For those who wish to deal with this question in fairness and equity, not in a spirit of criticism, it should be remembered that some very able noncareer men have been appointed. There comes to mind the appointment of the distinguished Ambassador to Great Britain, Mr. Joseph Kennedy, a Democrat. He was a noncareer appointee. We also recall the appointment of the distinguished former Governor of Connecticut, Mr. Chester Bowles, another noncareer appointee. He was sent as our Ambassador to India, and many believe he performed fairly useful service in that appointment. He did not come from the career service.

Without going further into personalities—though I could name a great many more noncareer appointments—I should like to mention some percentages.

Under the administration of President Franklin D. Roosevelt, a total of 123 career appointments were made, and a total of 121 noncareer appointments were made, or a percentage of noncareer appointments of 49 percent.

When we come to the administration of President Truman, we find that a total of 145 career appointments were made and a total of 75 noncareer appointments, or a percentage of 34 percent of noncareer appointments.

In the Eisenhower administration to date there have been a total of 78 career appointments and 49 noncareer appointments, or a percentage of 39 percent of noncareer appointments. That is 5 percent more than under the Truman administration, and 10 percent less than under the Roosevelt administration.

I submit that is not a departure from the procedure which has been followed in the past.

Perhaps Mr. Roosevelt believed in having almost a 50–50 division between career and noncareer appointments. I was not in the Senate at the time he was President of the United States; however, if, in performing the duties of the President of the United States, he felt that, in appointing men who peculiarly represent the President in foreign countries, there should be a 50–50 division as between noncareer and career appointments, I would have supported him in those nominations, if I had been a Member of the Senate at the time.

In the case of Mr. Truman, who apparently believed that there should be a greater percentage of career appointments, and made a total of 34 percent noncareer appointments, if he felt, in discharging the responsibilities of the high office of President, charged under the Constitution with the primary direction of our foreign policy, that that procedure should be followed, he was entitled to follow that course of action, and I believe I supported him in it.

Certainly I would have supported such decisions by the President of the United States unless the Congress in its wisdom had said that not more than 10 percent of the appointments may be noncareer appointments. However, inasmuch as Congress has left the question open, it seems to me that we should support the decision of the President of the United States, unless my inadvertence or otherwise the President nominates a person who in the opinion of the Senate lacks the integrity or the character to hold that high position.

That has not been demonstrated in this case, and I submit that not one scintilla of evidence was presented before the committee which would indicate that the Senate should withhold its approval of the nomination of Mr. McLeod on any such basis.

I do not know what the policy of the administration will be in the future, but up to date only 39 percent of the diplomatic appointments which have been submitted for confirmation to the Senate are noncareer appointments, which is approximately the percentage of the Truman administration, and 10 percent less than that of the Roosevelt administration.

Mr. President, I do not wish to delay the Senate unduly, but I should like to mention some persons, appointed from the noncareer field, who may not be as well known as some of the other gentlemen I have mentioned.

I refer to Mr. Jack McFall, who was executive secretary to the House Appropriations Committee from 1928 to 1942 and from 1945 to 1946. He joined the State Department in 1947, was Assistant Secretary of State from 1949 to 1952, and Ambassador to Finland from 1952 to 1955.

Mr. Edward L. Roddan, who was administrative assistant to Senator McMahon, and was later appointed Ambassador to Uruguay, in 1951.

Francis O. Wilcox, who is well and favorably known to all of us, particularly those of us who have served on the Committee on Foreign Relations. He was chief of staff of the Committee on Foreign Relations from 1947 to 1955. He was made Assistant Secretary of State in Charge of United Nations Affairs in 1955.

Mr. Thurston V. Kalijarvi. He was consultant to the Senate Committee on Foreign Relations from 1947 to 1953, and later became Assistant Secretary of State.

There is nothing unusual in connection with the appointment of Mr. McLeod. He has had a distinguished career. He was born in the State of Iowa, and was a newspaper man there. Subsequently he went to the State of New Hampshire and became a member of the Federal Bureau of Investigation in that State. Then he came to the Senate as Administrative Assistant to the distinguished senior Senator from New Hampshire (Mr. BRIDGES), the ranking Republican Member of the Senate and the ranking minority member of the Committee on Appropriations.

Subsequently, Mr. McLeod was selected to perform the duties of his present position in the Department of State. He has held that position for 4 years.

The testimony of the Secretary of State, to which I have referred, clearly indicates that Mr. McLeod has done a good job. He has the confidence of the President, and he has the confidence of the Secretary of State.

The testimony before the committee is such that only the highest regard can be had for his character, his ability, and his integrity. I hope his nomination ~~to~~ the position of Ambassador to Ireland will be overwhelmingly confirmed.

Mr. GREEN. Mr. President, on May 2 the Committee on Foreign Relations voted 9 to 6 to report favorably to the Senate the nomination of Mr. Scott McLeod to be Ambassador to Ireland. I voted against this favorable report to the Senate, and therefore cannot speak for the majority of the Committee on Foreign Relations on this matter. However, I wish to record my individual point of view with respect to this nomination.

It may be useful to recall what the Constitution of the United States has to say about the appointment of officers of the United States. Article II, section 2, of the Constitution provides that the President "shall nominate and by and with the advice and consent of the Senate, shall appoint Ambassadors, other public Ministers and Consuls, Judges of the Supreme Court, and all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law."

The Senate has two functions to perform in connection with appointments. One function is to consent to an appointment or not to consent. The other function is to advise the President with respect to appointments.

It has not proved practical, considering the number of us in this body and the number of appointments which must be made, for the President to seek our advice in each case before he makes his nomination. The Senate, however, gives its general advice on appointments to the President in several ways.

Committees of the Senate have informal policies on nominations which are known to the executive branch. Individual Members of the Senate make speeches in connection with nominations in which they set forth their views. During hearings before Senate committees on nominations, the nature of questions asked of nominees provides additional guidance to the President. In these ways our sentiments as to the kind of nominations we expect to receive are conveyed to the executive branch.

Recently, Mr. President, as chairman of the Committee on Foreign Relations and with the concurrence of the committee, I attempted in another way to offer advice to the executive branch on the subject of the appointment of ambassadors. Some of us have been concerned for some time about the quality of ambassadorial appointments. Many of the newspapers of this country in their editorials have also been discussing this problem.

On April 2, 1957, at a regular meeting of the Committee on Foreign Relations, I raised this subject. I told the committee that I proposed to send a letter to the Secretary of State expressing my concern about the appointment of ambassadors. I read a draft of the letter to the committee and asked if the members wished to concur in it. Without any objection the committee agreed that I should send the letter to the Secretary of State, and I did so on April 3.

Since that letter sums up my views on the principles which should govern the appointment of ambassadors, I will read it now:

APRIL 3, 1957.

THE SECRETARY OF STATE,
Washington, D. C.

DEAR SECRETARY DULLES: I desire to express to you in a completely nonpartisan spirit my deep concern about ambassadorial appointments.

In view of the heavy responsibilities of the United States throughout the world and the importance to us of relations with other countries, we should have first-rate ambassadors in every post. We choose ambassadors both from the ranks of the career service and from outside the Government service, and the benefits of this practice can be readily demonstrated. We should not, however, accept the conclusion that some years of satisfactory service, either in the Foreign Service, or in some nongovernmental activity, automatically qualify a man to be a good ambassador. The test in every case should be whether a nominee for a particular post is the American who can best serve the interests of this country there.

There are special problems arising from the fact that certain posts are very expensive. I am glad to have the Department's letter of March 6, 1957, stating that a study of the matter is under way. The Committee on Foreign Relations will no doubt give sympathetic consideration to such recommendations as you may make.

It is generally known that Presidents and Secretaries of State of both political parties have been under pressure from those who feel that an ambassadorship is a reward for past service or help. In my opinion, we can no longer afford to give way to such pressure in appointment making.

The Committee on Foreign Relations has always recognized the primary responsibility of the Executive in making such appointments and has been reluctant to refuse consent to a nomination unless there is an obvious reason to do so. The committee has on occasions given the benefit of the doubt to nominees. It seems to me, however, an insufficient reason that there is no real objection to the nomination, there should also be an affirmative reason for it—namely, that the nominee has outstanding qualifications for the position. It should be obvious in each case, whether the nominee is a career man or not, that his record, his intelligence, his background, and his attitude are such that he will ably serve our country in his assignment.

I have made this letter the subject of discussion in executive session by the Committee on Foreign Relations, and it represents the consensus of the views of all the members of the committee.

Sincerely yours,

THEODORE FRANCIS GREEN,
Chairman.

This letter to the Secretary of State embodying the views of the members of

the Committee on Foreign Relations was sent on April 3. One week later, the nomination of Scott McLeod was submitted to the Senate.

One week still later on April 17 the Secretary wrote a reply to my letter, in which he began:

I have read your letter of April 3 relating to ambassadorial appointments. I agree that the responsibilities of the United States throughout the world have become so heavy and our relations with other countries so important that we must have "first rate" chiefs of mission in our diplomatic posts abroad.

Mr. President, I am not opposed to the making of political appointments to ambassadorial posts. Although the Foreign Service of the United States has many able men in it, the President of the United States should not be limited to the Foreign Service in selecting his personal representatives in other countries. He should be able to go anywhere in the United States to pick the best men he can find to be our Ambassadors. As a general rule, he should look first to the Foreign Service but, as I wrote in my letter to the Secretary of State:

The test in every case should be whether a nominee for a particular post is the American who can best serve the interests of this country there.

Is Mr. McLeod the best man in the United States available to represent this country in Ireland? That is the test. In my opinion, this appointment does not serve the interests of the United States. I do not believe his service there would promote friendship and good relations between our country and Ireland.

In this connection, I will read to the Senate a letter which I received from 21 Members of the House of Representatives on the subject of this nomination:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
May 2, 1957.

The Honorable THEODORE FRANCIS GREEN,
United States Senate,
Washington, D. C.

DEAR SENATOR GREEN: We have been deeply disturbed, as we know you have, at the mediocrity of some of our recent diplomatic appointments. Basically, of course, the administration must be allowed to make and take responsibility for its own appointments. But the proposed appointment of Mr. Scott McLeod as Ambassador to the Republic of Ireland shows such a disregard for the sensibilities of the Irish people that we regret deeply that the President did not name a more representative American for this important post.

Since 1927, when we sent our first diplomatic representative to Ireland, until today, our chiefs of mission in Dublin have been men of whom Americans could be proud. These eight diplomats include:

Frederick A. Sterling, 1927, Washington, D. C., career diplomat with more than 20 years service;

William W. McDowell, 1933, Montana, former lieutenant governor, prominent rancher and copper man;

Alvin M. Owsley, 1935, Texas, attorney and American minister to Rumania;

John Cudahy, 1937–1939, Wisconsin, industrialist, lawyer, and ambassador to Poland and Belgium;

David Gray, 1940, Buffalo, N. Y., editor;

George A. Garrett, 1947, Washington, D. C., bank and civic leader;

Francis P. Matthews, 1951, Nebraska, lawyer banker, and Secretary of the Navy;

William Howard Taft III, 1953–1957, Connecticut, teacher of Gaelic at Yale University.

Mr. McLeod's 'qualifications' for this important post, as urged by his supporters, appear to be twofold—that he has been chief security officer of the State Department, and that he is anti-Communist. His methods as security chief have drawn a protest from five distinguished former United States Ambassadors as "laying the foundations of a foreign service competent to serve a totalitarian government, rather than the Government of the United States as we have known it."

As to Mr. McLeod's second qualification, we do not believe that Mr. McLeod's anti-communism constitutes any unusual distinction. Communism is happily not popular in the United States, nor, for that matter in the Republic of Ireland. The State Department's Office of Intelligence Research reports that there are presently fewer than 150 Communists among Ireland's 3 million people.

Nor is it a valid reason for confirming Mr. McLeod's proposed appointment that the Republic of Ireland would probably refrain from declaring him persona non grata. Never before in this century has a foreign country declared persona non grata a proposed United States chief diplomatic representative. It is asking too much of Ireland to take the initiative.

We are proud of the political courage you have shown in announcing your opposition to Mr. McLeod's confirmation. We hope that the President, who stated at his April 17 press conference that he nominated Mr. McLeod on Mr. Dulles' recommendation and without personal knowledge of his qualifications or lack of them, will show similar courage and withdraw his nomination.

Respectfully.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. KNOWLAND. Is it not a fact that, in the customary procedures in the Department of State, before the nomination of an ambassador is sent to the Senate for confirmation, the Department communicates with the government of the country to which the nominee is to be accredited, and gets an agreement from that country that the person proposed as the ambassador is acceptable to it? And is it not true that that procedure was followed in this case, as it has been in all other cases, and that the Government of Ireland was consulted before the nomination of Mr. McLeod was submitted to the Senate?

Mr. GREEN. I do not know whether the Senator would call it a consultation. I think it is the custom to submit a proposed nomination to the country concerned, in order to give it an opportunity to remonstrate, if it should care to do so. But it would be very difficult for the Republic of Ireland to remonstrate to the United States of America against anyone whose nomination the President of the United States should submit. In this case, apparently the President had little or no knowledge of the name submitted.

Mr. KNOWLAND. Mr. President, will the Senator from Rhode Island yield?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Rhode Island yield to the Senator from California?

Mr. GREEN. I yield.

Mr. KNOWLAND. I submit that that statement is not a statement of fact. Today, the President of the United States told me that he had full confidence in Mr. McLeod. The nomination was handled in the way all such nominations are handled. It was undoubtedly made on the recommendation of the Secretary of State; but the President is fully familiar with Mr. McLeod's assignment to the Department of State and the work he has done in the Department of State, and the nomination came to the Senate on the appointment by the President.

Mr. GREEN. The words I read were quoted—as the Senator from California would know if he had been paying attention—from a letter addressed to me by certain Members of the House of Representatives. I have read the text of the letter, but I have not yet read the names of those who signed it.

Mr. KNOWLAND. Mr. President, not only have I been paying attention to what the Senator from Rhode Island has been saying, but I have not left the floor, although I have received several requests to do so. Instead, I have remained during the entire presentation by the Senator from Rhode Island. I know that he is reading from a letter signed by 21 of the Members of the House of Representatives out of a total membership of 435. The letter states the particular point of view of those 21 Members.

Mr. GREEN. That is quite true.

Mr. CLARK. Mr. President, will the Senator from Rhode Island yield, so that I may ask a question of the distinguished Senator from California?

Mr. GREEN. I believe I should continue with my statement, Mr. President.

Mr. BRIDGES. Mr. President, will the Senator from Rhode Island yield to me, for a question?

Mr. GREEN. I yield.

Mr. BRIDGES. Is the distinguished Senator from Rhode Island, who is chairman of the Foreign Relations Committee, now speaking as chairman of the Foreign Relations Committee; or is he speaking as a Senator from Rhode Island, with no official connection with the Foreign Relations Committee?

Mr. GREEN. At the beginning of my remarks, I took pains to state that in the committee I was in the minority, and therefore I would not speak for the committee, but would speak as an individual Senator.

Mr. BRIDGES. Then who does speak for the committee in this instance? Who made the favorable report on the nomination?

Mr. GREEN. I think the clerk sent in the report and the result of the vote.

Mr. BRIDGES. But the chairman of the committee is not speaking for the committee in this connection, is he?

Mr. GREEN. In what I am saying now, I am not speaking for the committee.

Mr. BRIDGES. Does not the Senator from Rhode Island generally speak for the committee?

Mr. GREEN. Yes, generally. However, this case is an exceptional one. It is very seldom that the vote in the committee is not in accordance with the views of a preponderance of the members of the committee. There have been very few cases in which minority views have been submitted—as the Senator

from New Hampshire knows from his own experience.

Mr. BRIDGES. I know the distinguished Senator from Rhode Island, and my knowledge of him and my friendship for him go back many years, as he knows. I know that generally when he speaks, he speaks with the authority of the committee, or at least with the authority of a majority of its members, behind him. However, at this time he is not speaking for such a group, is he?

Mr. GREEN. No; I am speaking for a minority of the committee—6 members—as opposed to 9 on the other side. I think I began my statement with a statement to that effect.

Mr. President, I have read the letter, which is signed by the following: CHARLES A. BOYLE, EUGENE J. MCCARTHY, WAYNE L. HAYS, MARTHA W. GRIFFITHS, HENRY S. REUSS, CHARLES A. VANIK, BARRATT O'HARA, LEONOR K. SULLIVAN, EDITH GREEN, MELVIN PRICE, B. F. SISK, STEWART L. UDALL, FRANK M. KARSTEN, GEORGE S. MCGOVERN, AL ULLMAN, CHARLES O. PORTER, CHET HOLIFIELD, THOMAS LUDLOW ASHLEY, THADDEUS M. MACHROWICZ, GEORGE M. RHODES, and FRANK THOMPSON, JR.

Mr. President, the list, in the letter, of former Ambassadors to Ireland is impressive. They have been some of our finest men, and I believe this tradition should be continued.

Mr. President, it is a rare thing when nominations are reported from the Committee on Foreign Relations other than unanimously. It is a rare thing to have more than 1 or 2 negative votes on a nomination.

In one recent case, when two Members opposed a nominee to an ambassadorial post, the President withdrew the nomination. In another instance, when three Members opposed an important appointment, the committee agreed to leave the nomination before the committee without prejudice, and the nomination was not reported. Those of us who have doubts about a nominee usually resolve those doubts in favor of the President. There have been several recent appointments of men whom the committee would not have chosen, but we have not objected.

It is important that Ambassadors go out from the United States with the full backing of the Government of the United States, and that should mean with virtually the unanimous support of the Committee on Foreign Relations. The name of Mr. McLeod unfortunately comes to the floor of the Senate by a vote of 9 to 6. Six members of the Committee on Foreign Relations doubt that Mr. McLeod possesses the necessary qualifications. This is the first time in my experience that a name has been reported to the Senate by the Committee on Foreign Relations with so many votes against it.

Members of the committee questioned Mr. McLeod at hearings on April 30 and May 1. The record of those hearings is before the Senate. The committee heard one witness in opposition to Mr. McLeod. In addition, it received an unusually large number of letters in relation to Mr. McLeod—some 61 letters from persons opposed to him, as compared with 2 letters from persons favoring him.

I have also received letters from two organizations. I should like to read them into the RECORD at this point.

The first is addressed to me by the Lower Manhattan Republican Club, Inc., 90 Madison Street, New York 2, N. Y., and is dated April 27, 1957. It reads as follows:

DEAR SENATOR: The executive committee of the Lower Manhattan Republican Club unanimously voted to oppose the nomination of Scott McLeod as Ambassador to Ireland based upon a canvass of 1,000 residents in the area who voted 12 to 1 against McLeod.

The canvass taken by 20 people during the period of April 10 to 19, inclusive, posed the following question: Do you approve or disapprove the nomination by President Eisenhower, upon recommendation of Secretary Dulles, of Scott McLeod, security officer of the State Department, in charge of the refugee program, as Ambassador to Ireland?

Approve	69
Disapprove	830
Don't know	101
	1,000

The community canvassed has a mixture of all races and nationalities, with a heavy core of Irish-Americans, many of whom had strong feelings on the issue—such as—"Why stick Ireland with this guy?" Another said—"I respect President Eisenhower, but can't understand why he should accept McLeod on the recommendation of Dulles, after the mess McLeod created with the refugee program." Still another said, "I see where Dulles, who did not deny he once contemplated firing McLeod, now says McLeod has grown in stature. In my opinion, if McLeod has matured at all, he should just about have qualified for appointment as sergeant of police in Oshkosh, Wis.—with apologies to the people of Oshkosh."

The strong reaction against McLeod clearly indicates widespread grassroot opposition to the promotion of a man whose administration of the refugee program has given America a black eye throughout the Free World. Unless his appointment is rejected by your committee, the people of America and our friends abroad will think of America's diplomatic service as a shoddy political haven with the full approval of the Senate of the United States.

Respectfully yours,

JOHN J. LAMULA,
Executive Member.

The second letter is addressed to me by the Ancient Order of Hibernians in America, Providence County Board, State of Rhode Island, under date of April 13, 1957. It reads as follows:

MY DEAR SENATOR GREEN: The following resolution was unanimously adopted at a meeting of the Ancient Order of Hibernians and the Ladies Auxiliary, A. O. H. of Providence County at a meeting held at the Sheraton Biltmore Hotel, Providence, April 12, 1957:

"Whereas President Eisenhower has announced the nomination of Scott McLeod, Administrator of the State Department Bureau of Security and Consular Affairs, as Ambassador to Ireland; and

"Whereas the Irish people overseas through the Irish Times have expressed the hope that the United States Senate will block the appointment of Mr. McLeod as Ambassador to Ireland; and

"Whereas the Irish Times has stated: 'It is humiliating to find the United States Embassy in Dublin regarded as a dumping ground for a man whom his political party desires either to reward for dubious services rendered or, conceivably, to get out of the way of doing further mischief: Therefore

"We, the members of Providence County, Ancient Order of Hibernians and the Ladies Auxiliary, A. O. H., go on record that when the Senate Foreign Relations Committee meets to consider the appointment of Mr. McLeod as Ambassador to Ireland that the committee reject the appointment because of the widespread disapproval expressed by the people in Ireland; and be it further

"*Resolved*, That a copy of this resolution be sent to Senator THEODORE FRANCIS GREEN, chairman of the Senate Foreign Relations Committee and to Senator John O. Pastore."

Respectfully yours,

JAMES F. MCPHILLIPS,
County President.
SUSAN LOUGHRAN
Mrs. Thomas P. Loughran,
County President, Ladies Auxiliary.

I do not argue that Mr. McLeod has a bad record. My contention is that any ambassador should have outstanding qualifications for the job. As I said in my letter to the Secretary of State:

It should be obvious in each case, whether the nominee is a career man or not, that his record, his intelligence, his background, and his attitude are such that he will ably serve our country in his assignment.

Mr. McLeod does not have, in my opinion, outstanding qualifications to be Ambassador to Ireland. He has had no special education in the field of foreign affairs. His only experience in this field has been 4 years which he has worked in the Department of State, where his responsibilities were confined to personnel security matters and to certain immigration questions. He has had no responsibilities in the formulation of foreign policy. Mr. McLeod speaks no foreign language. He knows nothing about Ireland. When he was asked by a member of the committee about current problems between the United States and Ireland, he said that he had not yet been briefed on such problems. In short, Mr. President, Mr. McLeod lacks many of the generally agreed on prerequisites to performing the duties of an ambassador.

There is another point I should like to make. It is that if the Senate should confirm Mr. McLeod in this appointment it may be approving a permanent career for him in the diplomatic service. In reply to a question about his future plans, Mr. McLeod said: "I don't expect to retire. I am relatively young. It just seems to me to be a good place to get your feet wet in the matter of diplomacy."

It is true that if Mr. McLeod is confirmed as Ambassador to Ireland he must then make application and be accepted by the Department of State before he can become a member of the career Foreign Service. Since the Secretary of State, however, has approved his nomination in this case, it is difficult to see how, if the Senate should vote to confirm him, the Board of the Foreign Service could deny to Mr. McLeod a permanent career in the Service, and he would then be subject to assignment anywhere in the world—a tragic, or rather a pathetic, outlook.

In conclusion, I wish to point out that this nomination has often been discussed as if there were only one man available for the post in Ireland, and as if the question for the Senate were whether

Mr. McLeod would do. In my opinion, there are hundreds, perhaps thousands, of men who are better qualified to be Ambassador to Ireland. In my opinion, Ireland deserves the best. I therefore urge the Senate to give the President an opportunity to nominate someone else who is better qualified.

Mr. SMITH of New Jersey. Mr. President, as in the case of the minority leader, I had heard so much discussion about Mr. McLeod that I took special interest in his nomination, and determined to attend all the hearings in connection with it in order to form an accurate a judgment as possible.

Mr. President, in rising to support the nomination of Mr. Scott McLeod to be United States Ambassador to Ireland, I must express my deep regret that the Committee on Foreign Relations was not able to bring his nomination to the floor with unanimous support. I believe that Mr. McLeod deserved such support. But, at the same time, I recognize that in decisions of this kind each member must be guided by his own best judgment.

It seems to me that the evidence received by the committee, in 2 days of hearing Mr. McLeod, supports the judgment that the Senate should confirm his nomination as Ambassador to Ireland. The Committee on Foreign Relations voted 9 to 6 in favor of his nomination, as has already been stated.

We must remember that the men who occupy the positions of United States Ambassadors are the personal representatives abroad of the President of the United States. This means that if there are doubts about the capacity of a man to serve in this type of position, the doubts should be resolved in favor of the President.

If the Senate is to refuse to confirm a Presidential nomination, it should do so only if in the judgment of the Senate the nominee is unfit to serve in such a post. It is not a sufficient objection for Senators simply to believe that they might have chosen a different nominee. It is not the Senate's function to nominate ambassadors.

Nothing which the committee heard during its executive sessions on this nomination leads me to believe that Mr. McLeod is unfit to perform the functions of this high office. Unfortunately, as the record will show, this nominee has been the victim of innuendoes, speculative stories, and even of outright slanderous statements. The statements have been made on the basis of emotion, and are not based on fact.

For example, it has been alleged that Mr. McLeod has failed as administrator of the refugee program. The refugee program is one of the subjects nearest to my heart, as a result of the study I have made of the situation abroad, and the alleged failure of Mr. McLeod as administrator of that program is completely false. As the record shows, the refugee law passed in 1953 authorized the granting of visas to some 209,000 individuals. When the program was concluded last December the Department of State, under the direction of Mr. McLeod, had issued 190,000 such visas—only some 19,000 short of the authorized figure. I might add that most of these visas were not used only because there were not sufficient applicants in the categories to which the visas had been assigned.

As the majority leader said a few minutes ago, I have also talked to the Senator from Utah [Mr. WATKINS] with whom I have been closely associated in refugee matters, and he has assured me that one of the best jobs done in this field has been done by Mr. McLeod.

Another friend of mine, who lives in the State of New Jersey, and who a year was assigned by the Government to go to Switzerland to look into the refugee problem called me on the long-distance telephone to express the sincere hope that the Senate would confirm the nomination of Mr. McLeod, because of the magnificent job he had done on the refugee problem.

In other words, Mr. President, the statement that Mr. McLeod failed as Administrator of the refugee program has no basis in fact.

It has also been alleged that Mr. McLeod's activities in the Department and his appointment to this post will have a bad effect on the morale of the United States Foreign Service. Mr. President, in this connection, I must note that the committee did not receive any testimony to this effect. No member of the Foreign Service wrote to the committee to object to the McLeod appointment. The statement that his activities in the Department injured morale is one which cannot be supported by the evidence.

The job of seeking out persons within the Department who might be dangerous to the security of the United States is always an unpopular one. Mr. McLeod did it with great courage and effectiveness.

I believe, Mr. President, that there is nothing in the record to indicate that Mr. McLeod is not fit for this important post. Indeed, there is much in the record to indicate that he will serve faithfully and well. Mr. McLeod has had some 15 years of experience as a Government employee. He has worked in the Department of Justice, in the executive branch, and he spent a number of years in close association with the chairman and ranking minority member of the Committee on Appropriations. In that capacity he had opportunity to become familiar with many problems in the field of foreign affairs which have come before the Committee on Appropriations.

I do not believe that the only people who are qualified to serve as United States Ambassadors abroad are those who have spent their lifetimes in the Foreign Service. As a matter of fact, in many instances I believe the interests of the United States are served equally well by men who have had an intimate familiarity with American politics and business life—familiarity which cannot be obtained by service in the Foreign Service of the United States.

I have talked to members of the Foreign Service, who agree with that statement. Many career officers do not feel that only members of the Foreign Service should be appointed to ambassadorial posts.

Mr. McLeod's experience as a Government employee is, I believe, of the kind to qualify him for this position.

Finally, Mr. President, I believe that an examination of the record will show that Mr. McLeod has given unusually good evidence of his judgment. Time after time during the hearings he was asked most embarrassing questions which he handled with great good judgment. I am sure that the people of Ireland will find that Mr. McLeod will be an able representative of the United States to their country.

Mr. President, I sincerely hope this nomination will be confirmed by a large vote.

Mr. CLARK. Mr. President, in considering this nomination it is important to understand the diplomatic climate in which it is made. Never before in history have the foreign relations of the United States been of greater importance to Americans. Never before in history has it been so essential that members of the Foreign Service should be highly qualified for the offices they occupy. Never before has the morale of our Foreign Service been so important. A high morale requires, among other things, an appreciation by all of us of the dedicated and skillful performance of duties characteristic of the overwhelming majority of members of the Foreign Service. It requires adequate compensation, representation allowances, and fringe benefits similar to those offered in other comparable careers where financial gain is not a primary motivation. Perhaps most important, it requires adequate opportunities for promotion in reward for meritorious service and a feeling from the lowest to the highest grade that the philosophy and standards of the service are in accord with the finest American traditions.

Yet we find a condition today where these requirements are being only inadequately met. Too many rich men with no prior training in diplomacy are being given ambassadorial appointments of importance simply because they are rich and have made political contributions. The administration has been unwilling to recommend—and the Congress has been too niggardly to force on a reluctant administration—representation allowances adequate to permit members of the Foreign Service without private means to fill not only many of the more important ambassadorships but a number of the lesser posts as well.

So long as this condition continues, no one can blame the Secretary of State for recommending, and no one can blame the President for nominating, wealthy men with inadequate qualifications for important diplomatic posts. Frankly, they have no alternative.

Mr. President, for that reason it occurs to me that the comments made by the distinguished Senator from California [Mr. KNOWLAND] a few moments ago are irrelevant and immaterial to the issue before the Senate. Of course these nominations have to be made, until the President asks for more money and the Congress gives him more money, so that poor men will be able to fill ambassadorships of importance.

But this is not such a nomination. I should like to be scrupulously fair to Mr. McLeod and I shall try to discuss his background and alleged qualifications without bias. But I have come to the reluctant conclusion that whatever his assets and virtues may be—and I am sure they are many—he is not qualified to be our Ambassador to Ireland nor, indeed, to hold any other responsible diplomatic post.

I deem it important that the Senate should think hard about its role under the Constitution in giving its advice and consent to diplomatic appointments. Rare indeed have been the cases where the nominations of the President have been rejected. It is said, and I agree, that every presumption should be in favor of an executive nomination—for within very broad limits the President is entitled to select the agents he desires to carry out his important constitutional responsibilities in the conduct of foreign policy.

For that reason, Mr. President, I shall, somewhat reluctantly—but nonetheless I shall—vote to confirm the nomination of Mr. Taylor as Ambassador to Switzerland, giving the President the benefit of what has been a very grave doubt in my mind.

Yet the requirement of Senatorial confirmation is not—and throughout history has not been treated as—a mere formality. Diplomatic nominations have been rejected from the earliest days of the Republic. Later on, Martin Van Buren was rejected as Ambassador to England through the joint efforts of three former Members of this body—Senators Clay, Calhoun, and Webster—who have just been nominated as 3 of the 5 most outstanding Members ever to serve in the Senate of the United States. Not so long ago the nomination of Edward J. Flynn to be Ambassador to Australia was withdrawn after it became apparent the Senate would not confirm him. And even more recently, strenuous efforts were made to withhold consent to the nomination of our great Ambassador to the Soviet Union—Charles E. Bohlen.

I suggest that the test which should guide the Senate in passing on executive nominations for ambassadorships is a very simple one: Will the nomination tend to bring the United States Government into disrepute with significant and important segments of opinion at home and abroad?

It is because I have reluctantly come to believe that with respect to Mr. McLeod this question must be answered in the affirmative that I am opposed to the confirmation of his nomination.

First, let us consider Mr. McLeod's personal background. He grew up in Iowa and graduated from Grinnell College, where he was a successful athlete. He worked briefly as a newspaper reporter, and then joined the Federal Bureau of Investigation, where he served 7 years. He then became administrative assistant to the distinguished senior Senator from New Hampshire [Mr. BRIDGES]. There has been not one iota of criticism with respect to Mr. McLeod's career up to this point. But I suggest his warmest friend could not contend that this experience qualifies him to be our Ambassador to Ireland, or, indeed, anywhere else.

Mr. McLeod's qualifications must, I submit, be judged by his activities during the period from March 3, 1953, to date. During these 4 years he served as Administrator of the Bureau of Security and Consular Affairs in the Department of State. In this newly created position, he had charge of the passport office; the visa office; the security office; the office of special consular services; the office of munitions control, and the office of refugees and migrants. During the first years of his service, he also had charge of the hiring, promotion, demotion, and firing of employees of the Foreign Service and the Department of State within the limits of applicable law and under the supervision of higher authorities. He has testified before the Foreign Relations Committee:

> Roughly I would say the first year I was in office, my attention was almost wholly devoted to security problems, to reorganization of the security office, the establishment of these procedures, the drafting and printing of regulations.
>
> Then to the monumental task of investigating all the personnel of the Department, which is required under the orders—

Parenthetically, it was not required under the order to investigate all personnel—"the evaluation of those investigations and the clearances"

> From that time on, I would say that I spent very little time on security, almost wholly devoting myself to two things—the Refugee Relief Act and the elevating of the position of the consular service.

Mr. McLeod takes some pride—perhaps justifiably—in his work in connection with the consular service, which he refers to as "activity of a constructive and permanent nature to which I have devoted myself for the last 2½ years." There is no testimony in the record other than Mr. McLeod's own declarations which permits us to evaluate his performance in connection with the consular service, and I raise no question as to the validity of his own appraisal of his achievements in this field.

My opposition to confirmation of Mr. McLeod's nomination is accordingly confined to five specific points.

First, his conduct of security and personnel programs within the Department of State brought the leadership of the Department into disrepute with important segments of public opinion at home and abroad, and lowered to a significant extent the morale of members of the Department of the Foreign Service.

Second, the extent to which he engaged in partisan politics while holding an office requiring political impartiality in its conduct cast grave doubts as to the maturity of his judgment.

Third, in his administration of the Refugee Relief Act he further brought himself into disrepute by clear evidence of a lack of sympathy with the legislation he was duty bound to implement. In addition, he evidenced such a lack of administrative ability that in the end the control of the program was turned over to others who eventually saved it from the disaster, toward which it was headed while Mr. McLeod remained in charge.

Fourth, his public philosophy, as well as his conduct, have brought him into disrepute with mature public opinion at home and abroad.

Fifth, and finally, his testimony before the Foreign Relations Committee raises questions of candor and veracity which cannot satisfactorily be resolved without further testimony from those whose charges Mr. McLeod—not under oath—has expressly or by implication denied.

First, I turn to his administration of security and personnel programs. Mr. McLeod was charged by Executive Order 10450 with supervising the security clearance of employees of the Department of State and the Foreign Service holding sensitive positions, existing and prospective. As all will remember, the climate in Washington in those days was hardly conducive to fair play toward employees. At that time, there had been created a widespread, though, in my judgment, quite unfounded, belief in the minds of many people that the State Department was filled with spies, Communists, and individuals of questionable moral character. It was a time for a clear head and a sound judgment in order to accomplish the objectives of the executive order without injury to the governmental service or injustice to individuals. It was a time for remembering the spirit of the constitutional safeguards of the person, which are a cornerstone of our American freedoms.

Yet, Mr. McLeod's approach to his task is well summarized in a statement he made to a reporter from Collier's magazine on July 9, 1954, after his task of screening security risks in the Department was accomplished: "Congress wanted heads to roll and I let them roll." He promptly, and quite without justification, decided that every employee in the State Department occupied a sensitive position.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks an article entitled "What Price Security," written by Charlotte Knight and published in Collier's magazine of July 9, 1954.

The article appears at pages 79 and the following of the record of hearings before the Foreign Relations Committee.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHAT PRICE SECURITY?

(By Charlotte Knight)

One of the major campaign pledges which helped sweep the present administration into power in Washington was the promise that it would clean out of Government all the spies, traitors, Communists, and fellow travelers who were said to exist there in frightening numbers—free to give away top secret and confidential documents, to formulate policies harmful to the national interest, and generally to carry out any orders of a foreign power. For a year and a half now, the Republicans have been translating that promise into action.

I have just spent 2 months in Washington in a comprehensive study of the Eisenhower security program and its effect on the Government—particularly on the State Department, which for years has been under withering Republican fire as a nest of incompetents and subversives. Aware that I was

treading on explosive political ground, I interviewed scores of officials and employees in every echelon of the State Department, Republicans and Democrats alike.

I met with the people administering the security program and with many of the people directly affected by it. Collier's reporters abroad rounded out the picture by checking at our embassies and ministries in Europe and Asia, and sending their findings to me.

The inescapable conclusion is that the new security program—intended to provide maximum protection for the Nation's secrets and for innocent Government workers as well—has been so often irresponsibly administered that it may have done more harm to the United States than to its enemies. Security has been tightened in certain respects—notably in the protection of classified documents—but only at tremendous cost.

Close observers of State for many years, including Democrats, agree that the Department needed a major overhaul, that there was a fair amount of deadweight among its personnel, and that the new administration could find plenty of employees who had been dragging their feet too long. Like every Government department, State had its inefficient and incompetent workers. More than most departments, it was beset by a hodgepodge of administrative practices that badly needed cleaning up. "There hasn't been good organization or discipline in the State Department since 1924, when Charles Evans Hughes was running it," one insider told me.

"But," he added, "the employees here are, by and large, devoted and hard working—even dedicated. Many of them have turned down well-paying business offers because they felt they could contribute more to the general welfare by staying in the Government. To a greater extent than in any other agency except the Armed Forces, they are careerists—people of both parties who have always looked forward to spending their lives in Government. Now * * *?"

Now, I found, a shocking proportion of them are completely fed up. Their morale is shot. Because of the way the security program has been administered, raw fear pervades all but the topmost levels—infecting even some of the security officials who created it. Hundreds of workers are disillusioned with Government service, dismayed at the trend toward conformity, discouraged and often downright disgusted with the practices employed in the name of security.

Worst of all, the handling of foreign affairs in the field has—in the opinion of some of our foremost diplomats and former diplomats—been greatly damaged.

One highly respected former ambassador told me: "We are witnessing today one of the most dangerous and un-American activities in our history. Suspicion has supplanted trust: 'You distrust me, I distrust you' has become the prevailing attitude."

He added earnestly: "Be sure you label this accurately, for this is something hideous and new in America."

The State Department is not the only agency affected, although the situation is probably at its worst there. "Today the morale of the Federal employee is at an alltime low." Senator OLIN D. JOHNSTON, Democrat, of South Carolina, told the Senate. "Employees so plagued with fear that they hesitate even to repeat their own names cannot be performing their work efficiently. It is almost impossible to ascertain the cost, the unnecessary waste of millions of dollars, created by this low morale."

How has this situation come about?

There are three basic causes for the lowering of morale in the Government, all of them—in the State Department, at least—inextricably intermixed. The first was the change of administration from Democratic to Republican, with major job shakeups for the first time in 20 years. The second was a 20-percent reduction in force (called RIF around Washington)—an across-the-board cut in personnel decreed for economy reasons. Between the two, Government workers got the jitters; many weren't sure from one day to the next whether their jobs were safe.

The third major cause of unrest was President Eisenhower's Executive Order 10450.

Executive Order 10450, which a visitor to Washington hears mentioned constantly, is the Eisenhower security directive, supplanting the loyalty check set up by President Truman in 1947. The new directive was intended to strengthen the machinery providing for the dismissal of security risks, and to protect those dismissed for talking too much or for other improprieties from being branded as disloyal. Under the old Truman program, it was felt, too many innocent individuals had suffered from the lack of such a precaution.

"They whole key to the new order," said Robert W. Minor, first assistant to the Deputy Attorney General, and the man credited with being 10450's chief architect, "is that a man can be a security risk without being disloyal; and 10450 provides the means to get rid of him as expeditiously as possible—consistent with his rights."

The intent was admirable. But, in practice, 10450 has intensified precisely the injustices it was meant to prevent.

In the State Department, all three job policies—the political shuffle, RIF, and the security program—were placed in the hands of one man, 40-year-old Robert Walter Scott McLeod, close friend of Senator Joseph R. McCarthy, and former administrative assistant to Senator STYLES BRIDGES, longtime State Department critic whose Appropriations Committee holds the Government's purse strings. Congress created a new State Department Bureau of Security and Consular Affairs—and, it is believed by many, Congress dictated the choice of BRIDGES' aide, McLeod, as its administrator. It was a powerful post—and its importance was further enhanced by the Department when Personnel was added to its functions.

McLeod, by his own word, was brought in to "clean up the mess." The first man in State Department history to be equipped with the twin clubs of personnel and security (and possibly the last; he has now been deprived of personnel). McLeod lost no time in swinging them in all directions.

"Congress wanted heads to roll," McLeod told me, "and I let 'em roll. Blood in the streets and all that," he added jokingly. "I asked the security office what cases they still had pending in their files. They gave me the names of 'untouchables,' people too high up or too prominent to fire. I said nonsense to all that, and we brought 'em back fast and got rid of 'em.

"I may have acted unwisely in some instances. Now that I've been here longer I don't think I'd again order an ambassador quickly recalled and demand his resignation, as I did, without first checking upstairs."

To many people, McLeod seemed to draw a thin, almost invisible line between "security" and "jobs" for Republicans." He made no secret of his desire to sweep out as many of "the old Acheson crowd" as possible, and he apparently made little distinction between the holders of top policy jobs, who were fair game, and the rest of the State Department's 11,000 employees, who had always thought they were nonpolitical workers protected by civil service. McLeod complained, in fact, that civil service regulations were hampering his efforts to find jobs for Republicans. In a speech before the American Legion, he said:

"Sometimes it is extremely difficult, because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act, to replace an individual whose viewpoint does not coincide with that of the Republican Party."

Around the Department he was heard on at least one occasion referring to those "civil-service slobs," and he applied the term of derogation, "Acheson holdover," so sweepingly that one Foreign Service officer with almost 25 years of service roared indignantly: "What does he mean, 'Acheson holdover'? Dammit, I'm a Stimson holdover."

CAREER DIPLOMAT'S REPUTATION DAMAGED

When President Eisenhower nominated career diplomat Charles E. (Chip) Bohlen to be Ambassador to the U. S. S. R., McLeod opposed the appointment so vigorously that he actually went over the heads of his State Department superiors to protest, behind the scenes, to a key White House aid. The Senate held up confirmation of Bohlen, and the word got out on Capitol Hill that there was derogatory information in Bohlen's security file. The President and Secretary of State Dulles supported Bohlen to the hilt, and the Senate finally approved him, but not before his reputation had suffered. Months later, while engaged in research for this story, I learned that security had nothing to do with McLeod's position regarding Bohlen. He had merely felt that Bohlen was so closely allied with the policies of the Truman administration that he was a "public relations hazard."

McLeod's ventures into politics reached a peak last February, when he made a series of highly partisan Lincoln Day political addresses around the country, touching off a roar of press and Congressional protest that crossed party lines and earned him, according to reports, a regular top-sergeant-style "chewing out" from Gen. Walter Bedell Smith, the Under Secretary of State. (Smith later referred wryly to that mid-February period as "McLeod Week.")

The effect of McLeod's sweeping security and personnel policies within the Department has been almost incredible, a word I do not use lightly.

For the first time on any assignment, I encountered not just a few, but literally dozens of individuals who were afraid to be seen talking to a reporter. These officials, below the top executive level, often urged me to go away and find somebody else to question. "Look," said one man, "I understand the problem, and I wish I could talk to you. I think my information would help. But I've got 10 years in the Department now, and I hope to stay in. I just don't dare take a chance."

Those who did consent to talk insisted on the safeguards of what could only be called clandestine arrangements; interviews away from the State Department, away from anyone who might be likely to report back that Mr. X was seen talking to a reporter. I discovered there was justification for such caution. One day I had lunch at my hotel with one of McLeod's severest critics. A few days later, I lunched with McLeod's confidential secretary, who said, "Oh, by the way, five different people have called to say that you have been talking to ———" and she named the man.

There seemed to be an almost pathological fear of tapped telephone wires. And although security officers will go to great lengths to tell you (even before you ask them) that telephones in State are positively not tapped, it makes little difference so long as the prevailing feeling is that they are.

The fear of wire taps extends even to State's own medical department. Just before leaving Washington, I rang a doctor to check a point in connection with one of the medical criteria in 10450. I had hoped my question could be answered by phone, but the doctor requested that I come to his office. When I arrived, he guided me to another office farther down the hall, where we were joined by one of his colleagues.

Then he explained: "It isn't safe to discuss things over the phone."

Security officers themselves sometimes become victims of their own cloak-and-dagger routine. One day I rang one such officer at his office to request a routine appointment. He was plainly irritated. "For goodness' sake," he admonished. "I thought this was a matter for some discretion. I can't possibly see you here. If you want to arrange an interview elsewhere, call me at my home. Please don't call me here."

On another occasion, I announced to one of McLeod's key aids that I would soon be returning to New York. He had been extremely cooperative, and assured me that if I needed any additional data I should feel free to ask him.

"Fine," I said. "I'll call you."

"No," he said seriously. 'Don't do that. The phones aren't safe."

"But I thought it was one of your jobs to make sure they were safe," I said.

"Long-distance is never safe. Write me a letter."

"O. K." I said, and turned to leave.

"Wait a minute," he said. "You'd better not sign your name. Let's work out something else."

So we decided on a suitable pseudonym, if and when I needed to communicate.

Most shocking, the atmosphere of fear extends even to the home. I called the wife of a State official who is now overseas and asked if I might come out and check a couple of minor facts about him for accuracy.

After I said I was writing a story, I could literally hear the fear come into her voice. I assured her that under no circumstances would I use her name, and begged again to see her for a few minutes. She reluctantly consented and I rode to her home in the suburbs outside Washington. When I arrived, I met a frightened woman. She pleaded with me to realize that her husband had been in the Department for many years, that his present position was possibly the only job a man with his experience could get, that they had several children, and wouldn't I please understand that she could not say anything to me at all?

I left at once, and started down the path. The door opened again and she suddenly ran after me. "Please," she implored, "will you please not tell anyone that you came to see me? You see, it could very well mean my husband's job."

What's everyone afraid of?

They're afraid, perhaps, that what happened to Dorsey Fisher—to cite just one example—may happen to them.

Fisher, a Foreign Service officer with 24 years' service, had been questioned and cleared in 1950 concerning allegations (some of them anonymous) involving people he had known in Mexico when he was information officer there. In March 1953, he was questioned on the same charges and—he thought—cleared. He was given a new appointment, as counselor of embassy in Jidda, Saudi Arabia, and prepared for it by taking inoculations, getting his orders, straightening out his travel tickets, and so on.

Four hours before his ship was to weigh anchor in New York, Fisher received a frantic phone call from Washington, explaining that there had been a mistake and that he hadn't been cleared after all. He was told to sit tight and await clearance.

Six nerve-wracking weeks later, Fisher was called back to Washington.

"I saw Robert Blank" (a pseudonym for one of McLeod's security officers) "for several hours. We went over the whole business again. Blank explained, and I know honestly, that cases under recent procedure are being decided very predominantly against the officers concerned, so that I could make up my mind to resign or let the case go through the full process and end in dismissal."

Fisher resigned. The quotation above is from his diary; afflicted with a long-time cardiac condition, he died of a heart attack a few months later. Today his friends are convinced that the security ordeal killed him; he had expressed fear that it would. That can never be proved one way or the other; the important fact is that people believe it, and are afraid.

They are also afraid of something else, which Fisher mentioned in a letter shortly before his death. "What took the heart out of me above all," he wrote, "was to find that everything in the way of work, devotion, and intelligence I had put into the service for 24 years, and the fact that office after office abroad had praised the job I'd done, was now regarded as completely irrelevant. They do not weigh against the most astonishing collection of rumors, allegations, and mystifications."

In addition to such disheartening personal experiences, there have been other reasons for uneasiness. The recent "numbers game" which aroused such a furor in Washington (with some Republicans claiming that all those dismissed under 10450 were subversives, when in fact only a small percentage were even remotely open to such a charge) has made it clear that the original intent of the order has been grossly distorted. The individual has received less protection from irresponsible charges than ever before. Many an employee separated from Government as a security risk simply because he has relatives behind the Iron Curtain (and could conceivably be vulnerable to Red blackmailers) has found that outside the Government the general belief is that all security risks fired from State are Communists or homosexuals, or both.

One result has been that some employees (possibly including some Democrats) who had been thinking of quitting for personal reasons have stayed on because they don't dare leave. A man with 8 years in the Department said: "I left a job with an oil company because I had a real interest in the people and customs of a certain part of Asia and I wanted to put this virtuosity at the service of my country. Now my years in State are actually held against me. Suppose I apply for a job in private industry. Resigned from the State Department? Why, they'd say, he must be a Commie, or at least a sexual deviate."

Absurd? Not at all. I heard of a man who resigned not long ago and applied for a job in a business organization. His prospective employers agreed that he was well qualified, but offered to hire him only on one condition: if the State Department would reemploy him, for just a month, to remove any onus that might be attached to his resignation.

In part, the trouble with the security program is inherent in Executive Order 10450; in part it's the result of the way the order has been administered.

Under 10450, a Government employee in a sensitive position—a term which embraces everyone in State—may be dismissed for a number of obvious security reasons with which there can be no quarrel. Originally outlined in President Truman's Executive Order 9835, the predecessor to 10450, they include such acts as sabotage, treason, espionage, Communist activity, disclosure of secret data, and so on. Where there's evidence of such activity, the investigation is handled by the FBI.

But 10450 also added a list of suitability criteria not involving subversive actions, some of them so loosely worded that almost anyone could become ensnarled in them. A man may now be fired, in the words of the order, for:

"Any behavior, activities or associations which tend to show that the individual is not reliable or trustworthy; any deliberate misrepresentations, falsifications, or omissions of material facts; any criminal, infamous, dishonest, immoral or notoriously disgraceful conduct, habitual use of intoxicants to excess, drug addiction, or sexual perversion; an adjudication of insanity, or treatment for serious mental or neurological disorder without satisfactory evidence of cure; any facts which furnish reason to believe that the individual may be subjected to coercion, influence or pressure which may cause him to act contrary to the best interests of national security."

The principle of guilt by association was thus made a part of the official standards for judging a security risk. Even the security program's loudest critics acknowledge that a lifetime of association with proved spies (or the equivalent) would be a clear indication of untrustworthiness. But, they say, the principle is carried much further than that. I heard of at least one worker whose own file was absolutely devoid of derogatory information but who had to resign anyhow—because the man who had hired him had come under suspicion.

When you ask McLeod's staff what standards they use to judge guilt by association, they have a ready answer (I heard it half a dozen times): "We don't have to prove a man is a duck. If he waddles like a duck, quacks like a duck and associates with ducks, that's enough."

MR. DULLES' DISCONCERTING DEMAND

Other areas of 10450 also are open to wide interpretation. Scott McLeod told me that, when Secretary Dulles first read 10450, he called in the security administrator and, as McLeod walked in the door, snapped: "McLeod, define 'immorality'."

"I can't, sir," said McLeod.

"Then I suggest you cut this provision out."

Since the Presidential order had already gone out to other departments, the word was permitted to remain—along with other words and phrases which all but defied definition.

"How do you decide," asked one man, "what constitutes 'excessive drinking'? At what number of drinks do you draw the line? If you forgot to list on your employment form an arrest for a minor traffic accident in 1937, who decides whether it was a 'deliberate' omission?"

In the State Department, the basic decision is made by a group of evaluators working under McLeod. They check through what Dorsey Fisher called the "rumors, allegations, and mystifications" in the individual security files and recommend suspension if the information strikes them as sufficiently damaging. Theoretically, such a recommendation is always thoroughly reviewed before being acted on—clear up to the Secretary himself. Actually, the staggering number of investigations and reinvestigations made necessary by 10450 would make it physically impossible for any one man—McLeod or Secretary Dulles or anyone else—to delve into every scrap of derogatory information read by the original evaluator. (An exception was the personal review by Dulles of the 2,000-page dossier on veteran career diplomat John Paton Davies, who has been cleared 8 times, yet has had to go through the mill again.)

Since last October, McLeod's chief security aide has been Dennis A. Flinn, a Foreign Service officer with a wide investigative and intelligence background, including 8 years as an FBI agent. Flinn assured me that evaluators' reports are carefully checked by senior evaluators and by himself, and sent back if there seems to be any question. But Flinn added a significant qualification: "If, on the other hand, it's a clear-cut case for suspension or clearance, I sign the recommendation."

Obviously, an untrained, inexperienced, overworked evaluator could easily make a clear-cut case where none actually exists. And not all Flinn's evaluators are as well trained—or as numerous—as he'd like.

One of Flinn's predecessors under McLeod, confronted with the enormous task of investigation and reinvestigation imposed by 10450, is reported to have told his staff: "If you've got any friends or acquaintances we could hire, send 'em in—even if they can just walk and talk."

"It was a bad situation," admitted one of McLeod's assistants. "How can you make a proper investigation if you've never had any training? It was the blind leading the blind—investigations and evaluations, both being made by inexperienced people."

When Flinn took over last October, he says the security office was only two-thirds staffed—and he still feels he hasn't enough qualified evaluators. He believes evaluators should have a college degree, preferably in law, and several years of investigative experience. At present, his 12 evaluators include only 7 with law degrees—plus 1 who never went to college, 2 who didn't finish, 1 who has had no previous investigative experience, and 3 who have had less than 1 year's experience in evaluation.

It was such a staff which, in the 7 months between the time 10450 went into effect and the end of last year, accounted for the separation of 193 "security risks" in State—1 of whom was a suspected, but unproved, subversive.

By all odds the most bitterly criticized aspect of the present security procedure is that it is not necessary to prove a man guilty before recommending his suspension; the Government doesn't even have to prove "reasonable doubt" exists. The entire burden of proof rests with the accused.

McLeod has defended this reversal of the time-honored tradition that under democracy any man is innocent until proved guilty. "The common error," he has said in a number of public speeches, "is to feel that there is some analogy between the security system and the judicial system." The present theory—based on statements made by several Supreme Court Justices over the years—is that "Government employment is not a right, but a privilege" and that the Government is entitled to withhold the privilege from anyone it chooses.

Very often, for economic reasons, a man cannot afford to fight for this privilege (or his reputation). There is, to be sure, an elaborate procedure designed to protect the rights of the individual. But it is so cumbersome, so time-consuming, and in the end so financially costly that very few Government workers can avail themselves of it. Consequently, the resignations are absurdly high in proportion to the number dismissed.

Take a typical example: Joe Jones suddenly finds himself suspended without pay—and without notice. If he chooses to go through the appeal routine, he is given a written statement of charges, to which he may reply within 30 days. During that month, he must try to gather enough evidence to disprove these charges—and, if he can afford it, he gets a lawyer. If he has served abroad (and many in State are Foreign Service officers), lengthy depositions must be obtained from individuals outside the United States. In one case, the cost of obtaining such depositions alone was $1,500.

If Jones' written reply doesn't satisfy security officers, he is notified that his job is to be terminated. Weeks may have elapsed since his suspension—and in the meantime Jones has had no income. But if he and his wife, after counting their savings once more, decide they can hang on a little while longer, Jones announces that he wants to appeal before the hearing board—a panel of three Government workers from other agencies, taken from civil-service rosters. Jones and his lawyer prepare their defense, which very often includes bringing character witnesses from great distances—at Jones' expense.

Months go by and Jones is still waiting for his hearing. He wants to clear his name—but finally there comes a point where this natural desire must give way before mounting necessity to earn a living. Soon Jones may reach the point where proving his innocence becomes a luxury he cannot afford.

As of the time I arrived in Washington, not one security case in State had gone through the full appeals procedure under 10450. Only in the last few weeks have any hearing boards been called; five were convened in the late spring to make recommendations to Secretary Dulles on various cases, including that of John Paton Davies.

Knowing the cards stacked against them, the long months without pay, the anxiety of prolonged waiting, the excessive costs involved where the whole burden of proof falls on the accused, most State employees charged with being security risks quietly resign at the outset.

As one Department employee after another has gone down the security chute, those who remain have become more and more frightened—and less efficient. State Department morale had already been hard hit by the security hearings held by Senator McCarthy's subcommittee just before McLeod took over (they stopped, significantly, soon afterward).

It was reported in the New York Times that during the McCarthy hearings the head of one office said his staff "was able to do only about one-half its normal output of work," and another was said to have confided to a friend, "I am engaged in an intense effort to fade into the wallpaper."

THE CASE OF THE FOREIGN SERVICE

The worst damage caused by McCarthy and the subsequent 10450 security program was done to the Foreign Service.

The Foreign Service is an independent agency within the Department. Its members are chosen under a non-civil-service set of regulations and they must meet stringent requirements—including rigorous examinations and training. The service is a small, proud, intensely fraternal corps, not unlike the Marine Corps in many respects. Its 1,285 members, diplomatic officers at the American posts and missions around the world, are jealous of their reputations; what happens to any one of them is felt throughout the entire Service, from the big European Embassies to the remotest Asian outposts.

The Bohlen incident, which occurred shortly after McLeod became Security Administrator, shocked and disheartened them. What happened next—the hasty summons from overseas posts of one Foreign Service officer after another for security interrogation in Washington, and, with rare exceptions, their subsequent failure to return—plunged those who remained into a state approaching utter despair.

"I had a long talk with the Ambassador," wrote one of Collier's correspondents from a European capital. "He said that McLeod's antics are making us look like fools to people abroad. I got the impression that a foreign diplomat talks to one of our representatives now as if he half expects him to be gone tomorrow."

Among many Foreign Service officers, the impression grew that it wasn't safe to report the truth to Washington about any foreign situation when the truth didn't jibe with the preconceived notions of the people in Washington.

"The young Foreign Service officer now is up against it," a State Department official told me. "He knows what the views are at headquarters. Suppose he comes up against information that is contrary to those views. To play it safe, he tones down what he sends in, so he can't possibly be accused of being in sympathy with the wrong side."

Another man said: "Part of our job when we go abroad is to keep in touch with the opposition party, as well as with the party in power. Sometimes, in fact, most of the time the opposition is a leftwing group. Because they are the opposition, and because it isn't wise to let local officials see you talking to them, most such meetings are handled with some secrecy, usually at night.

"Can you imagine what some inexperienced evaluator with no knowledge of foreign affairs would make of those nocturnal meetings a few years later?"

A counselor of Embassy in one overseas capital stated the situation baldly. "Some reports," he said, "are being written so as not to give an accurate picture of conditions, but rather to keep the man writing the report in the clear * * *."

The fate of Foreign Service officers who served in China jolted the rest of the Service. Almost everybody who had anything to do with China before it went Communist has now been completely discredited. Today nobody wants the same to happen to him.

One Collier's correspondent heard of a diplomat who was offered an excellent post last year in a troubled southeast Asian country. Although he was exceptionally well qualified for the job (he spoke a number of oriental languages and had spent years in the Far East, he turned it down cold. In effect, he argued this way:

"If we lose that country to the Communists, as we may, I don't want it on my record that I served there. Why should I risk my career trying to convince McLeod and McCarthy that it wasn't entirely my fault? The best I could hope for would be the fight of my life just to prove I was a loyal American, and then, oblivion. No, thanks."

When Collier's reporter was told that story, he said. "But an officer in the Army couldn't turn down a tough assignment just because victory isn't guaranteed."

"You're right," said his informant. "But that's the Army. Someone in the Foreign Service who's been connected with a losing battle against communism, whatever the odds, is lucky if he isn't charged with treason."

Even the future of the Foreign Service—whatever remedial action might be taken for present ills—seems to have been threatened. Here are two almost identical quotes from college professors: "I find it almost impossible to interest able seniors in a Foreign Service career. They prefer to go to the Central Intelligence Agency, which few considered before, because it stood up for its own people"—that is, when it was under attack by Senator McCarthy. The second quote: "It is becoming steadily more difficult to draw able men into Government service * * *. I can interest students in the CIA, which stood firm against attack, but not in the Foreign Service."

Last January 17, the sad state of the Foreign Service was suddenly exposed to light by five of its most distinguished former members, in a strongly worded letter to the New York Times. The five men—former diplomats Norman Armour, Robert Woods Bliss, Joseph C. Grew, William Phillips, and G. Howland Shaw—referred to the attacks on Foreign Service officers, then declared:

"With rare exceptions, the justification for these attacks has been so flimsy as to have no standing in a court of law or in the mind of any individual capable of differentiating repeated accusation from even a reasonable presumption of guilt. Nevertheless, these attacks have had sinister results.

"The conclusion has become inescapable, for instance, that a Foreign Service officer who reports on persons and events to the very best of his ability, and who makes recommendations which at the time he conscientiously believes to be in the best interest of the United States, may subsequently find his loyalty and integrity challenged, and may even be forced out of the service and discredited forever as a private citizen after many years of distinguished service. A premium, therefore, has been put upon reporting and upon recommendations which are

ambiguously stated or so cautiously set forth as to be deceiving. When any such tendency begins its insidious work, it is not long before accuracy and initiative have been sacrified to acceptability and conformity. The ultimate result is a threat to national security.

A QUESTION JUSTIFIED BY CIRCUMSTANCES

They added that under the circumstances it seemed fair to ask "whether we are not laying the foundations of a Foreign Service competent to serve a totalitarian government rather than the Government of the United States as we have heretofore known it."

The response to the letter came fast and hard. Letters of endorsement poured in to the five signers from Foreign Service officers (from Ambassadors down) in every corner of the world. More important, the letter to the Times— having been signed by 2 former Under Secretaries, 2 former Assistant Secretaries, and a one-time Ambassador—was read within the Department at top levels which had previously been inclined to pay little attention to reports of low morale.

Few Secretaries of State have stepped into the job at a more difficult time than John Foster Dulles did when he assumed his duties a year and a half ago. Preoccupied with a seemingly endless series of foreign problems, Dulles had little time in which either to learn about, or to be concerned with, the welfare of the people serving under him. As it was once conceded to newsmen, the very topmost officials seldom get an opportunity to talk to anyone but other top officials. As a result, many State executives seemed convinced that everything was fine at the lower levels. One consequence of this attitude was a series of public statements on morale that probably hurt morale as much as anything could.

Secretary of State Dulles has said that morale in State is high.

Gen. Walter Bedell Smith, the Under Secretary, assured me personally that morale in the Department is good.

Scott McLeod has been quoted in print as saying morale is high.

Everybody in the State Department security office, to a man, insists morale is high.

I argued the point with McLeod. How did he know morale was good? I asked.

"Well," he said, "the Secretary said it is high. What more do you want?"

Earlier, some newsmen had asked how he justified his statement about morale, in view of the letter from the five diplomats. "These guys are on the outside now," he explained. "They didn't come and ask me, or Bedell Smith, or (Under Secretary) Don Lourie about morale."

I spoke to Robert Cartwright, McLeod's very capable deputy administrator, who, like McLeod, is a former FBI agent.

"You hear a lot about fear," he said. "I have had no feeling of fear. I don't know anyone who is afraid—except possibly those who have reason to be * * * like the felon who is apprehensive about being caught. I think the whole thing is terribly overdone."

Finally, I saw George Wilson, formerly Senator WILLIAM F. KNOWLAND'S right-hand man, later McLeod's Chief of Personnel. "All this fear business is simply self-induced hysteria, in my opinion," he said. "Anyway, the farther you get away from Washington, the better morale always is."

About as far from Washington as you can get, in the remote Foreign Service outposts, career diplomats were writing letters like this to colleagues in the United States:

"We have had the distinct feeling that we were not considered worth defending, and that perhaps the work of the Foreign Service is no longer thought to be as high a calling as we imagined it to be." (Foreign Service personnel, like other State Department personnel, come under the supervision of George Wilson.)

Wrote another: "Won't you please try to catch the Secretary in one of his less busy moments and convince him that his own personal intervention on behalf of his Department is now required? * * * Without mentioning my own feelings, I must say that wherever I travel these days I find a nearly unanimous feeling that there is little hope for us because the head of the family is not fighting for us * * *."

OPINIONS DIFFERED ON MORALE

Thus, while the Secretary and his immediate subordinates were insisting that morale was fine, the people whose morale was involved (including at least 185 Foreign Service officers, by actual count of letters sent to Americans from abroad and individuals interviewed overseas by Collier's reporters) were pleading to be heard on the subject of their own fear and dismay.

Last March, Secretary Dulles acted. He separated Scott McLeod's jobs, leaving him with Security and Consular Affairs, but removing personnel from his jurisdiction. Not long afterward, Dulles announced the formation of the Secretary of State's Public Committee on Personnel (called the Wriston Committee, after its chairman, Dr. Henry M. Wriston, president of Brown University) and said that one of its tasks would be to study "requirements to increase public confidence and fortify personnel morale."

McLeod frankly smarted over what he felt was a demotion. He told me:

"I didn't know anything about it until the day after Secretary Dulles left for the Inter-American Conference in Caracas. When he returned I went directly to his office and said, 'Are you mad at me? If so, I'll go quietly.' He assured me that was not the case, but now that most of the security cases had been handled, my job could be described as a change in mission; from cleanup to checkup. At least, that's the way we planned to present it at his next press conference. But nobody asked."

"Nevertheless," McLeod said, getting back to his clipped wings, "I think they should at least have shown Congress the courtesy of discussing this with the committees concerned before just bluntly coming out with an announcement."

McLeod disclosed that he had insisted on having control over personnel policies before he would consent to run the security program. "If you're going to clean up a mess," he said, "I think personnel is the big broom in the cleanup. There's a lot of mess here that isn't due to security alone. There are people who aren't sympathetic with Eisenhower's policies, for instance. Obviously, the only way you can correct that situation is to have authority over personnel."

McLeod was bitter over the press attacks which had characterized his first year in office. He spoke of an "inspired, planned campaign to 'get' me," and added: "Don't let anybody kid you. The ADA (Americans for Democratic Action) are calling the shots on this campaign."

Certainly the State Department security picture under McLeod has not been so black as a few people have painted it. Even many of his critics will admit that the security situation in State in the years preceding the present administration was long overdue for a general tightening up, and that McLeod's staff has at least accomplished that.

It is easy for a reporter to find numerous examples of bad, or careless, security practices in the past—including a secret cable that was once found on the floor of Washington's Union Station (how it got there nobody knows to this day), confidential papers left in open desks overnight, safes frequently left unlocked—and so on.

"A potential enemy in those days didn't need a high-level spy," admitted one former State official. "By giving some charwoman 10 bucks to bring him what she could find lying around loose, an agent could have made quite a haul almost any time."

Serious though these flaws were, however, they are chalked up to general administrative laxity (for years one of State's greatest overall weaknesses), and to the inherent carelessness of the average American—who, until fairly recently, has never been very espionage-conscious—rather than to a calculated attempt on the part of anybody to allow "traitors free run" (McLeod's words) in the Department.

A major handicap of previous administrations was a scarcity of trained, experienced security personnel. Low standards, poor salaries, and lack of inspired leadership did not make it easy to attract men of talent and training.

"Many really competent security officers—and there are few good ones anywhere—left to find something better," said one departee. "Ex-FBI men who ended up in State's security office nearly went 'nuts' with the slipshod way things were run. Security became a sort of waiting room for people looking for other jobs."

Said another: "Some of the goings on in security were strictly comic-opera: serious investigations conducted by telephone, evaluations made on people's cases (and whole futures) by untrained guys, some of 'em just kids who'd worked up from clerks and had no previous investigative experience. There were no training courses, no manuals, not even proper guidance."

It is to McLeod's credit that many internal ills within the security shop are being corrected as fast as time, congressional appropriations and the recruiting of veteran security personnel will permit. Tighter administration, improved filing and index systems, training and stricter disciplinary measures for infractions have resulted in a better physical security throughout all the Department's domestic and overseas installations.

In almost every public speech, McLeod is fond of citing one case in point: "We have a Marine guard system at our overseas missions," he explains. "The Marines go around at night to make sure that everything is locked up. I was astonished when I got a report from one geographic area sometime last year that there had been 233 individual security violations in that one area in 1 month. Documents left lying on the desks. Safes left unlocked.

"I wanted to know who were the people involved, how often they were involved," he continues. "Well, there was no information on that. None whatsoever. So we started a system of security-violation forms. Now a copy is attached to the personnel file of the officer * * *. After we started having a regular report on security violations, the number went down from 223 in a month to 15."

LAUNCHING A "CRASH" PROGRAM

Prodded by the White House and the Attorney General's Office to finish the initial cleanup under 10450 by June 30 of this year, State was forced to borrow 100 investigators from the Civil Service Commission this spring and launch into a "crash" program to meet the deadline—when all investigations or reinvestigations of the 11,000 employees were supposed to be completed. I asked McLeod if he could assure the President that the job was all wrapped up. He prudently replied that it was "substantially" finished. "Security is never entirely finished," he said. "The day I say it's finished, the next day we'll find a spy."

Just how well is the Government equipped to find a spy under the present security setup?

I consulted counterespionage specialists who presumably would know. They expressed serious reservations about the ability of any security program built around Execu-

tive Order 10450 to stop a really determined and expert enemy agent. More than likely, they said, 10450 would merely alert him to the obvious pitfalls.

One of McLeod's consultants, a retired FBI inspector of 30 years' experience, told me a spy wouldn't have a chance of penetrating State now. But McLeod himself gave a somewhat contrary impression in secret testimony before a House Appropriations Subcommittee last January 25. He was asked whether the Department's present investigative procedure would have turned up Alger Hiss, sent to prison for having lied about his connections with an espionage ring. He said that it would not.

There is even a certain amount of confusion over what security risks McLeod's office has turned up.

During the big numbers-game row there was talk of 534 security risks found in State, then 590. Democrats and the press clamored for a breakdown: precisely how many had been fired as subversive and how many for less significant reasons? "I don't think the people are concerned with any breakdown," said Scott McLeod. "They don't care if they were drunks, perverts, or Communists—they just want us to get rid of them."

Nevertheless, the newspapers—including Republican journals—demanded the figures, and finally Civil Service Commissioner Philip Young supplied them to the House Civil Service Committee. For State, the figure of 590 shrank to 117 security-risk separations under 10450, of whom no less than 112 had resigned.

Shortly afterward, McLeod called in his chief of security, Dennis Flinn, and said that if they were going to play the numbers game they'd better get some figures they could stick to. Flinn and his staff reviewed their files again, and came up with the latest figures: 309 security risks separated from State for all causes in 1953 (including 148 whose files contained derogatory information concerning alleged Communist associations or activities). Of the 309, 193 have been separated since 10450 went into effect, including 1 suspected subversive.

On January 25, Under Secretary Smith testified before a House committee that "no Communists had been found in the State Department and that as far as he knew there had never been any Communists there with the exception of Alger Hiss and a minor official fired long ago.

On February 10, 2 weeks later, McLeod told a Lincoln Day rally at Worland, Wyo.: "In the 20 years from 1933 to 1953, traitors had free run in high places and in low. It is not for me to tell you why—it is up to those who permitted it to tell you why. I wish they would. I wish they would stop squalling 'smear' and stand up like men and offer an explanation if they can * * *"

One month later, McLeod was asked by House Members whether he had found fewer or more people with subversive tendencies than he had expected to find when he assumed office. He conceded: "I think I have found fewer than I expected to find."

Said one Washington newsman: "Sure, many of the adverse press stories about Scotty are inspired. He inspires 'em."

As an additional indication that not only the left-wing papers have found fault with McLeod, there is the reaction met by Morehead Patterson, a prominent businessman and member of the Wriston Committee, when he held a private conference some weeks ago with 15 Washington newsmen long familiar with the internal problems of State. Patterson explained that he'd been named head of a subcommittee to concentrate on the morale problem and that he would appreciate concrete suggestions from the reporters. All 15—including representatives of so-called right-wing papers—recommended unanimously that the very first act should be to fire McLeod.

OUSTER WOULDN'T SOLVE PROBLEM

Patterson made no commitment and it is not known whether the suggestion was seriously considered. But it is probably safe to assume that before their study was completed the members of the Wriston Committee realized that although McLeod's ouster might cause rejoicing in certain quarters, it would certainly not alone solve the problem. In the end, the Wriston Committee confined its recommendations almost exclusively to administrative matters.

"In the final analysis," one State official commented, "McLeod and Executive Order 10450 and all the other aspects of the security ruckus are manifestations of a nationwide emotional phenomenon which can't be solved by a single committee of citizens, nor by the firing of one man.

"While it lasts, all we in the Department can do is try to hang on—and hope that the evaluators succeed in picking the truth out of the stuff supplied by the informers, malcontents and the paranoids suffering from persecution complex * * *"

I might have thought his last sentence was greatly exaggerated had I not come across Mrs. Sue Clegg in the course of my research in State. From time to time I kept hearing about a woman employee who had gone to the home of Secretary Dulles one weekend, rung his doorbell, and handed him a long list of Communists who were in her office—a list which she later sent to the security office.

I decided to get the facts firsthand, if possible. I phoned Mrs. Clegg, a clerk-stenographer, and asked to see her. She came to my hotel, armed with a briefcase full of typed memoranda, correspondence and photostats concerning her case, and spent the next half day trying to convince me "they" were "out to get rid of her."

Who were "they"? Her bosses, of course—all those Communists and fellow travelers who hated her for her own efforts to fight communism, and who resented her for not taking their orders. "Typical," she said, "of the sacrosanct hierarchy of Communist officials, who can say: 'I'm your boss. You're to do as I say.'"

REASONS GIVEN FOR DISMISSAL

Mrs. Clegg produced the most recent insult: official notice from the chief of the Personnel Operations Division concerning her proposed removal (which occurred some weeks later), for reasons stated in writing. The personnel officer alleged instance after instance of Mrs. Clegg's refusal to follow proper channels, of an insolent and uncooperative attitude toward her supervisors, and of many acts of clear insubordination.

"These are simply excuses to get rid of me," said Mrs. Clegg, who then went on to relate the "ill treatment" she had received from one of her former bosses. It appears that, in accordance with the standard Washington custom, he had been in the habit of asking one of the stenographers to bring him coffee from the cafeteria. Mrs. Clegg felt this chore was too time-consuming; she announced that she would no longer bring coffee to him. There followed an argument with Mrs. Clegg making so much of a fuss that the man sent a memo to her personnel supervisor, pointing out that her continued difficulty with the staff seemed to "stem from her failure to face the fact, which apparently is unpleasant to her, that her position is only that of stenographer. * * *"

Mrs. Clegg made a copy of the memo, and then decided the time had come to take action. That day, she typed a formal letter on an official State Department letterhead to Attorney General Herbert Brownell, Jr., requesting that the FBI inquire into the background of the man with whom she'd had the dispute (Mrs. Clegg gave me a copy of the letter). Later in the day, she sent a telegram to the Attorney General advising him that the situation was urgent and that she needed help.

Mrs. Clegg didn't say what the outcome had been. I guessed that there had been none.

"Can you tell me about your visit to Secretary Dulles' home?" I asked.

"Oh, yes," she said eagerly. "That was a day I shall never forget. Before I brought him the scroll, I took a day of my annual leave; I spent the whole day in our Department library, checking through the official Biographical Registers. Then I went home that night and stayed up very late copying down on a long scroll a list of names of the people I believe to be Communists."

"But why a scroll?" I asked. "Why not just regular paper?"

"I didn't have any in the house so I had to use shelf paper," she said. "I used a strip about a yard long, and when I was through I rolled it up in scroll form. It was imperative that the Secretary get it at once."

"Why?"

"Well, the Secretary was to address one of the Congressional committees on Monday morning and I felt it important that he should be warned in advance that the material on which his testimony was to be based had been prepared by these Communists in my section."

"What evidence did you have that they were Communists?" I pressed.

"Well, I suppose you'd call it evidence through deductive reasoning."

"Could you be more explicit?"

"As I told you, I spent hours looking through the Biographical Registers. I checked off all the people in my section, what years they were in State, and so on, and then I looked up the exact period that Alger Hiss had been there. Naturally, everyone who was there with, or under, Hiss was in a position to be influenced by him, so those names went down on my scroll. Besides, most of them had favored the International Trade Organization and the lowering of United States tariffs.

"I made three copies of the scrolls—one for Secretary Dulles, one for the Chief of Security, and I kept the third," continued Mrs. Clegg. "I didn't finish it the way I wanted it until 3:30 Saturday afternoon. Then I dressed in my best black suit, for I sort of hoped that Mr. Dulles might invite me in to have tea to discuss this issue with him.

"Anyway," she said, "I grabbed the first cab I could and drove over to the Secretary's house. I rang the bell. The Dulles' car was by the door and it seems they were leaving for a reception, so I gave the scroll to the butler and told him that it was urgent and that the Secretary must have it personally. No, I wasn't asked for tea.

"Then on Monday, I took annual leave again and took a cab over to the security office, and gave the names to an official there."

DIAGNOSED AS A PARANOIAC

Later, when she received the charges against her, Mrs. Clegg typed up a 24-page reply and sent it to the personnel office. She furnished me with a copy. In it she describes with astonishing frankness several examinations by the State Department's psychiatrist, Dr. James P. Scanlon, who, it seems, had diagnosed Mrs. Clegg as a paranoiac. At one point, Mrs. Clegg writes:

"Dr. L———— (her own physician) told me that Dr. Scanlon's report on my condition as he diagnosed it had so alarmed him that he had telephoned my stepdaughter to help in finding my husband. * * * Dr. Scanlon had advised him that I was suffering from paranoia."

Mrs. Clegg was given sick leave for the purpose of getting treatment, and when the sick leave expired, she was returned to duty. When I talked with her in April she was still on active duty in the Department—a year after starting her personal campaign

against Communists in State. A few weeks later she was dismissed, as a result of the charges brought against her by the Personnel Operations Division.

How many Sue Cleggs are right now busily writing letters to the Attorney General, to the FBI or to security officers, naming fellow workers as Communist or fellow travelers, no one can tell. Nor can anyone outside the Department's own security office know for certain how many suspensions or resignations may have resulted from similar charges. But this much is certain: even a letter with as little foundation as Mrs. Clegg's finds its way into an individual's file which is thereafter tabbed as "containing derogatory information" and is placed at the mercy of an evaluator who must judge between fact and fancy. And it is a safe assumption that the accusers do not attach psychiatrists' official diagnosis of paranoia to the letters they write.

Was it possible that some of the "security risks" may have been separated from the State Department for reasons not entirely valid? I put the question to a key member of McLeod's staff.

"Grenades go off and sometimes hit a lot of people," he said, "maybe some they weren't intended to. But this is a war * * *."

Last year, outlining the administration's security plans in his first state of the Union message, President Eisenhower said:

"All these measures have two clear purposes. Their first purpose is to make certain that this Nation's security is not jeopardized by false servants. Their second purpose is to clear the atmosphere of that unreasoned suspicion that accepts rumor and gossip as substitutes for evidence."

There was no mention of war—particularly a war in which many of the casualties appear to be on our own side.

Mr. CLARK. He further stated, as reported by the New York Times on May 23, 1953, that he had ordered his aids to be completely ruthless in passing on new job applicants. On July 21, 1953, he was quoted in the New York Times as stating—note this carefully—that he saw no connection between Government employment and civil liberties.

Whether the results of his activities actually did uncover a significant number of security risks in the Department of State will probably be a matter of controversy for some time to come. Mr. McLeod was one of the principal players in the numbers game designed to persuade the American people that large numbers of disloyal and untrustworthy employees had been rooted out of the Government service by the new administration. Those who disagree with the police-court methods used are of the opinion that the results, to the extent to which they were beneficial, could have been achieved by calmer methods and more private procedures within the framework of civil liberties, the fundamentals of good administration, and sound personnel management, and that the methods used brought Government service in the State Department and elsewhere, at least temporarily, into public disrepute.

This latter contention, I submit, cannot successfully be denied.

I quote from four well-informed authors and commentators, each speaking about Mr. McLeod's activities in connection with the security checks. First, I quote from that distinguished reporter of Time magazine, Mr. John Robinson Beal, latest biographer of the Secretary of State:

> How many individuals were done injustice [by Mr. McLeod's methods] * * * is something known only to the men in charge of the personnel records.

Mr. Joseph Alsop said that he has "done more harm to the Foreign Service than any other man in recent memory."

Miss Doris Fleeson:

> The effect on Foreign Service morale was immediate, unfortunate, and lasting.

Mr. William Harlan Hale, in the Reporter magazine, August 1954:

> Today, the total price of not having done something about McLeod—and of taking him and his team in the first place—can be reckoned. Figures do not tell the story since security distorts them; the price is written down in the breakdown of the integrity of the Government's No. 1 civilian department.

Mr. William Huskey was for 12 years a trusted employee of the State Department in charge of the security of distinguished foreign guests during their visits to the United States. It was his job to protect them. In many respects his duties were not unlike those in which Mr. McLeod had theretofore been engaged.

Mr. Huskey resigned in January of 1954 telling the press that Mr. McLeod was creating "an atmosphere of fright," bullying employees under investigation, referring to Government employees as "muttonheads," going "around from office to office, looking in files and questioning people. They would get the girls crying. Employees became so frightened they would not even say hello on the elevators."

That these quotations did not reflect the idle speculations of partisan reporters and personal enemies appeared clearly from a letter published in the New York Times on January 14, 1954, signed by 5 veteran and universally respected members of the Foreign Service: Norman Armour, Robert Woods Bliss, Joseph Clark Grew, William Phillips, and G. Howland Shaw. The letter read in part——

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CLARK. I am delighted to yield to the Senator from New Hampshire.

Mr. BRIDGES. I have just heard the Senator quote someone as saying that Mr. McLeod had thrown such a scare and such fear into employees of the State Department that girls wept and did not even dare to say hello to each other on the elevator. I realize that the Senator is quoting the statement, but I should like to ask him this question: He does not really believe it is true, does he?

Mr. CLARK. I will say to my good friend from New Hampshire, that I was not in Washington in 1953 and 1954 during what I, with all deference, call the reign of terror. I observed it only from a distance. However, the statement has been widely publicized and, although so far as I am concerned it is hearsay, I do know of my own personal knowledge that friends who were in the State Department at the time said that the conditions I have described were not very far from the truth.

I quote from the letter:

> It is obvious, of course, that candidates for the Foreign Service should be carefully investigated before appointment and that their work should at all times be under the exacting scrutiny of their professional superiors. But when initial investigation attaches undue importance to such factors as even a temporary departure from conservative political and economic views, casual association with persons holding views not currently in fashion or subscription to a periodical labeled as liberal when subsequent investigation is carried to the point of delaying a promotion list for a year and routine transfers from one post to another; when investigations of individual officers must be kept up to date to within 90 days; when an easy path has been opened to even the anonymous informer; and when the results of these investigations are evaluated not by persons experienced in the Foreign Service or even acquainted at first hand with conditions abroad, but by persons of quite different experience, it is relevant to inquire whether we are not laying the foundations of a Foreign Service competent to serve a totalitarian government rather than the Government of the United States as we have heretofore known it.

This complaint from senior officers of the Foreign Service stirred Secretary Dulles to action, but only after irretrievable damage had been done. He appointed a public commission, headed by president Henry Wriston, of Brown University, to investigate and report on the management of the Foreign Service. The commission recommended in June 1954 that Mr. McLeod be stripped of his responsibilities for hiring, promotions, and inspection.

This curtailment of Mr. McLeod's duties was carried out during the following 6 months, although I must admit that the able junior Senator from Kentucky [Mr. MORTON], then Assistant Secretary of State in Charge of Congressional Liaison, is quoted as having said that Mr. McLeod's powers over personnel were not greatly reduced, although they were at a later date.

Unfortunately, Mr. McLeod's responsibilities were not curtailed until an aroused public opinion finally forced the President and the Secretary of State to repudiate his methods. But, by this time, the great damage had been done.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to the Senator from Idaho.

Mr. CHURCH. I should like to say to the distinguished Senator from Pennsylvania that I commend him for the address he is now making. It had been my own personal feeling that the nomination of Mr. McLeod ought not to be confirmed by the Senate, because it was unwise and did not serve the best interests of my country abroad.

However, I must admit that until very recently I was inclined to vote for the confirmation, even though I personally disapproved of the nomination, upon the theory that the President had the primary responsibility of conducting our foreign policy.

However, I have come to doubt the validity of that position, and I am won-

dering whether the Senator from Pennsylvania would assist me in my analysis of that position by giving me his answers to the following questions:

It is true—is it not—that the Constitution of the United States gives to the Senate the power to pass upon the President's nominations for the post of ambassador, and requires the consent of the Senate.

Mr. CLARK. The Senator is correct.

Mr. CHURCH. Does it not follow that because the Senate is a collective body, consisting of 96 Members, it can express its consent or its refusal to give consent only by the collective judgment of its Members, and that, therefore, each Member must register his personal feeling by voting either for or against confirmation?

Mr. CLARK. The Senator is correct.

Mr. CHURCH. If the Senate contents itself with merely protesting the nomination, or if each individual Senator contents himself with an expression of his personal views in the form of a protest, and then votes to confirm the nomination anyway, is not such conduct an abdication of the responsibility which has been conferred upon and the authority which has been given to the Senate under the Constitution?

Mr. CLARK. That would be my view. I will say to my friend from Idaho that there is an addition I should like to make to his statement. Ordinarily those of us, such as the Senator from Idaho and I, who have come to the Senate only recently, should be reluctant to put our judgments ahead of those of our colleagues who are more senior in service; and that the reports of committees should be given the greatest weight, and even more weight by those of us who are junior than those who are in a more senior position.

I should also like to call to the attention of my friend from Idaho the fact that the four ranking members of the Committee on Foreign Relations on this side of the aisle have voted adversely to confirming the nomination of Mr. McLeod.

I desire to make it very clear that I am not being motivated by any partisan objectives in this regard. I intend to vote for the confirmation of the nomination of Mr. Taylor. However, the views of the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Arkansas [Mr. FULBRIGHT] have carried great weight with me, because they heard the testimony of the witnesses. I believe that under those circumstances, the Senator from Idaho and I should be inclined to follow the position taken by those Senators.

Mr. CHURCH. I thank the Senator.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

Mr. BRIDGES. I notice that the Senator has referred to the position taken by the four ranking members of the Committee on Foreign Relations, and has stated that that position carries great weight with him.

Mr. CLARK. That is on the Democratic side.

Mr. BRIDGES. Yes. Had the Senator from Pennsylvania not made up his mind and expressed it publicly before those members of the committee issued their statement? Therefore their statement merely supplemented the Senator's original position. Is that not correct?

Mr. CLARK. I do not believe the Senator has quite accurately stated what I said. My recollection is that in putting into the CONGRESSIONAL RECORD some editorials adverse to the confirmation of the nomination of Mr. McLeod—and the Senator will correct me if I am misstating the fact—I said I thought the members of the Committee on Foreign Relations should give very careful consideration to the nomination before it approved it.

I am not aware of the fact that I made any final or irrevocable determination with respect to the nomination before the report of the committee was issued.

Mr. BRIDGES. I may say that only the Senator, and he alone, knows whether he had made a final determination. Certainly the impression which he gave to the public and to the Senator from New Hampshire was that he had made up his mind. However, as I say, only he could say whether he had made up his mind.

Mr. CLARK. It is a fortunate thing that we still have a little privacy in this country.

One measure of the havoc Mr. McLeod wrought is the fact that during the entire year 1953 not a single beginning grade Foreign Service officer entered the service. This is very much as though the Army, the Navy, the Air Force, and the Marine Corps did not commission a single second lieutenant or ensign during a comparable period. What such damaging action would have done to the efficiency of our armed services, Mr. McLeod's activities did actually do to the Foreign Service. It is still staggering under the blows he delivered against it in 1953 and 1954.

It is astounding, in the light of the present climate, which is so much improved, to read, as we did in the New York Times of November 8, 1954, that an American Ambassador no longer dared to report the truth because of the hysteria which then prevailed.

A few moments ago, the highely respected minority leader, the distinguished and able Senator from California [Mr. KNOWLAND] spoke of the fact that in 1956 there were almost 5,000 applicants for admission to the Foreign Service. I am happy to know that the reign of terror is over. I am happy to know that the methods which Mr. McLeod utilized in 1953 and 1954 have been rejected. I am happy indeed to know that the young men and women of our country are now prepared to apply in large numbers for the Foreign Service.

But I suggest that the test which the Senate should apply is not what the situation is now, when Mr. McLeod has been, I will not use the word repudiated, but when, let us say, a little bit of restraint has been placed upon him. That is not the test. The test is, What was the situation with respect to the morale of the Foreign Service at the time when he was in the saddle?

It is not necessary to defend in detail—and I do not intend to do so—the careers and activities of such men as John Paton Davies and Charles W. Thayer in order to support the assertion that when they were hounded out of the Service the effect on the morale of those they left behind in the Foreign Service was disastrous.

In the text of my speech as released today, I have said that they were hounded out of the Service by Mr. McLeod. I am not at all certain that I am correct about that. I am not sure that Mr. McLeod was the person responsible for forcing their resignations.

I pointed out that Mr. Davies had been cleared eight times of the charges hurled against him, and that the ninth time Mr. McLeod was in the saddle. It may be that Mr. McLeod personally had nothing whatever to do with the ninth effort to get rid of Mr. Davies, but the ninth effort was successful, and it was carried out successfully in the climate which Mr. McLeod did so much to create.

One can imagine the attitude of those over whom Mr. McLeod held sway in the light of a statement made by him about the diplomatic corps and the Foreign Service reported in the Des Moines (Iowa) Register:

> It should be remade into a mold more American and less European. United States diplomats imitate the dress, accents, mannerisms, and even the thinking of foreigners.

A writer in the Reporter magazine states that he said:

> They think they can make policy in a vacuum. They're happy when they get the next pay check.

He further quotes a statement to one of his own security lieutenants stationed in mid-Europe, who had reported that Foreign Service officers were growing restive about their delayed promotions. Mr. McLeod remarked:

> If they don't like it, they can get the hell out.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield.

Mr. BRIDGES. A moment ago the Senator from Pennsylvania quoted a statement which, I believe, Mr. McLeod was alleged to have made, in which Mr. McLeod said, referring to the diplomatic corps:

> It should be remade into a mold more American and less European. United States diplomats imitate the dress, accents, mannerisms, and even the thinking of foreigners.

I do not know whether or not Mr. McLeod said that; but, based upon my travels around the world, I wish that American diplomats were a little bit more American, a little more conscious of this country, rather than to fall into the mannerisms, the thinking, and all the other customs and practices of some of the countries to which they are accredited. That is one of the reasons why I believe American Foreign Service officers and other Americans serving overseas

should be brought back to this country and required to stay here for periods of time.

Mr. CLARK. Mr. President, I was under the impression that I had yielded to my distinguished colleague for a question. I shall be happy to yield for that purpose; but since I understand the Senator from New Hampshire intends to obtain the floor to speak at some length in his own right, I should prefer not to yield further at this time, but to yield to him when I finish my speech.

Mr. BRIDGES. Does the distinguished Senator from Pennsylvania agree with the statement attributed to Mr. McLeod, whether Mr. McLeod made it or not?

Mr. CLARK. I, too, have traveled abroad a little. I know that, as in all walks of life, there are some persons in the Foreign Service and in other branches of the State Department who do not conform to the standards of conduct which I am certain the Senator from New Hampshire and I would agree upon. I think, however, that they are in a very small minority. I believe the members of our Foreign Service, from the initial days of the Republic, have rendered valiant service in the support of their country. I am proud of them. I think any man who attempts to drag them into disrepute is not qualified to be an Ambassador.

Mr. BRIDGES. The Senator from Pennsylvania has answered my question by paying a tribute to the foreign diplomatic service in which, in general, I might join with him. But the Senator did not answer the question whether the personnel of the Foreign Service should not, in many cases, be made a little more into the mold of Americans rather than of foreigners.

Mr. CLARK. My feelings, to answer my good friend from New Hampshire, is that those who occupy positions in the Foreign Service are under considerable temptation and pressure when they are away from home. They tend to lose their contacts.

I think one of the best steps which has recently been taken by the State Department is to require that those gentlemen and their wives come home every so often to touch home base, perhaps to go to a farm in New Hampshire or Pennsylvania and have an opportunity to sit around in a country store and to see and hear what is going on. I think that is an excellent plan. I think there has been a tendency on the part of the Department some times in the past not to keep in as close touch with the personnel abroad as it should.

But I suggest to my good friend from New Hampshire that the way to remedy that situation is not by firing broadside at them with a shotgun, but by a somewhat less public method of reforming the conduct of some of those gentlemen.

Mr. BRIDGES. I am delighted to know that the Senator from Pennsylvania agrees with me and also with Mr. McLeod.

Mr. CLARK. I will make no comment on the last statement, but will, if I may, resume my remarks.

Were the effects not so serious upon the morale of the Foreign Service, the case of Mildred McAfee Horton would seem laughable. The accomplished former president of Wellesley College and the wartime commander of the Waves was recommended by Secretary Hobby, herself a distinguished young veteran of World War II, for nomination by President Eisenhower to represent the United States at sessions of the United Nations Economic and Social Council. The regulations under which Mr. McLeod was operating required him to give her security clearance. Whether deliberately or inadvertently, no one will ever know—I make no more effort to look into the mind of Mr. McLeod than does the Senator from New Hampshire, who was kind enough to say he had no intention of looking into my mind—the clearance of this patriotic American, with her splendid service in World War II, was held up by Mr. McLeod until the date of the session was so close that another person had to be appointed.

That may not be a vital matter so far as United States foreign policy is concerned; it might not be an earth-shaking thing. But I suggest that that activity on Mr. McLeod's part showed either arrogance or a lack of judgment such as would disqualify him to hold a position of high ambassadorial rank in the Foreign Service of the United States.

I, accordingly, suggest that Mr. McLeod's conduct in connection with security clearance clearly disqualifies him for the position of Ambassador to Ireland.

Second, Mr. McLeod demonstrated the lack of judgment needed in our Ambassador to Ireland when, while holding an office requiring the exercise of political impartiality, he openly engaged in political partisanship.

In February 1954, Mr. McLeod was requested by the Republican National Committee to make a series of speeches over the Lincoln Birthday weekend in support of candidates and policies of the Republican Party. A similar request was made to a substantial number of other officers and employees in the Department of State. Mr. McLeod was the only one who accepted the invitation. Before doing so, he requested the legal opinion of Mr. George M. Moore, a Republican member of the Civil Service Commission, as well as that of Herman Phleger, of the Department of State, as to whether such action on his part would violate the provisions of the Hatch Act. On January 29, 1954, in an opinion which seems most persuasive to me, as a lawyer, and which appears in the record of the hearings at pages 125 and 126, Mr. Moore advised Mr. McLeod that such activity would violate the Hatch Act. Mr. Phleger's opinion does not appear in the record. I understand it differed from that of the Civil Service Commission.

I do not raise the issue of the legality of Mr. McLeod's action or of which lawyer was right. I merely call attention to the lack of sound judgment which his conduct exhibited. Here is a man given the sober task of passing on the security of over 10,000 employees in the Foreign Service and the civil service. Here is a man given the job of inspection of the conduct of the same employees. Here is a man given substantial authority over the hiring, promotion, demotion, or dismissal of such employees. Here is a man working in a Department where bipartisanship has been the established policy for many a year. Here is a man who, alone of all his colleagues of equal rank in that Department, chose to ignore that tradition of bipartisanship, in the face of conflicting opinions regarding his right to do so.

Mr. McLeod's unseemly partisanship is further revealed in a speech he made to the American Legion Convention, at Topeka, Kans., in the summer of 1953:

> In a sense, I am a politician, in that I was appointed by the present administration to a political office.
>
> The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.
>
> Sometimes, it is extremely difficult because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act, to replace an individual whose viewpoint does not coincide with that of the Republican Party.

And, Mr. President, thank goodness that it does not. Thank goodness that those acts protect our civil service against the partisan raids which this gentleman would only have been too happy to lead.

I submit that Mr. McLeod's efforts to bring political partisanship into the State Department reflects a lack of sound judgment that disqualifies him to be Ambassador to Ireland.

Mr. BRIDGES. Mr. President, will the Senator from Pennsylvania yield to me?

The PRESIDING OFFICER (Mr. SCOTT in the chair). Does the Senator from Pennsylvania yield to the Senator from New Hampshire?

Mr. CLARK. I am happy to yield to my friend, the Senator from New Hampshire.

Mr. BRIDGES. In his speech the Senator from Pennsylvania has quoted Mr. McLeod as saying:

> The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.

I simply cannot believe that Mr. McLeod stopped there; he must have referred to Democrats about whom there was some question. I cannot believe that he mentioned Democrats in the same breath with bad risks, traitors, and homosexuals. The Senator from Pennsylvania and I are on opposite sides, politically; but certainly I have great respect for the Members of the opposing party; and I doubt that Mr. McLeod would have referred to all Democrats in the way that has been indicated. I wonder whether the Senator from Pennsylvania will state the full context, instead of stating only a part of it.

Mr. CLARK. Mr. President, let me say that the quotations included in my speech are taken almost entirely from the record made before the Foreign Relations Committee, including a number of articles which were placed in that record; and the quotation referred to comes from that record, and the quotation stops at the point I have indicated. It may well be, as the Senator from New Hampshire suggests, that the statement actually had some qualification to it. I

shall be happy to investigate the matter further; and if there is a qualification which will be helpful to Mr. McLeod, I shall only be too happy to have it inserted in the RECORD.

Mr. BRIDGES. I thank the Senator from Pennsylvania. He will agree, will he not, that the Department should be purged of traitors, homosexuals, and bad risks?

Mr. CLARK. I certainly do.

Mr. BRIDGES. Very well.

I agree with the Senator from Pennsylvania that the Department should be purged of bad risks, as such. I should like to have the entire quotation presented.

Mr. CLARK. I heartily agree with the Senator from New Hampshire, and I shall be happy to obtain the entire quotation for him.

Mr. President, third, I turn to my contention that Mr. McLeod's record in his administration of the Refugee Relief Act revealed such serious shortcomings as to disqualify him to be Ambassador to Ireland. The Refugee Relief Act, signed by the President in August 1953, was under the exclusive administrative supervision of Mr. McLeod from the time of its passage until December 1, 1954. It called for the admission of some 209,000 refugees during a period of 3 years and 8 months. While the act contained restrictions which made it very difficult indeed to administer, the consensus of informed opinion is that Mr. McLeod was not anxious to see it succeed. And certainly prior to the end of 1954, the accomplishments were minimal. By that time, only 13,000 immigrants had been admitted; and of those, only 500 could actually be classed as refugees under the act. Moreover, there was an umistakable tendency on Mr. McLeod's part to play the "numbers game" with the Refugee Act, as he had done earlier with securities investigations, to wnich I shall refer a little later, when I discuss Mr. McLeod's veracity and candor.

It is not necessary to go into the controversy between Mr. McLeod and the distinguished public servant, Edward Corsi, in order to conclude that Mr. Corsi was filled with zeal to make the Refugee Act a success; that Mr. McLeod did not share this zeal; and that after 90 days as assistant to both Secretary Dulles and Mr. McLeod in administering the Refugee Relief Act, Mr. Corsi was fired. Mr. Corsi's side of the case is well stated in an article he wrote for the Reporter magazine on May 5, 1955, which appears on page 101 of the hearings before the Foreign Relations Committee.

I submit that a fair summary of Mr. McLeod's activities as administrator of the Refugee Act would be:

1. His preoccupation with security and his lack of skill as an administrator brought the program to the verge of failure by the end of 1954.

2. Public clamor against Mr. McLeod reached such a point that Mr. Corsi was called in as an expert, to straighten out the mess.

3. For reasons irrelevant to the present issue, Mr. Corsi was discharged, after laying the foundations for remedying Mr. McLeod's mistakes.

4. In order to carry out the Corsi recommendations, without causing Mr. McLeod to lose face, he was retained in nominal charge of the program, while actual authority was turned over, in June 1955, to an experienced and devoted administrator, Mr. Pierce J. Gerety.

Mr. President, the New York Times of June 10, 1955, stated that as of that date Mr. McLeod told reporters he had delegated complete policy and operational responsibility to Mr. Gerety, and that he—Mr. McLeod—remained in charge only technically.

For that reason, Mr. President, were the Senator from New Jersey still in the Chamber, I would ask my distinguished friend whether in speaking, as he did, so favorably of Mr. McLeod's administration of the Refugee Act—which in the end was a success—he was aware of the fact that when Mr. McLeod was removed from control of the administration, the administration of the act was on the verge of collapsing, and it was only because others were put in charge that they were able to admit before the deadline the vast majority—although not all—of the refugees who were authorized to enter the United States under the provisions of that act.

I also submit that it is fair to state that:

5. Mr. McLeod now takes credit for the final success of a program he did so much to render ineffective.

I suggest that Mr. McLeod's administration of the Refugee Act shows a lack of capacity that disqualifies him to be Ambassador to Ireland.

Fourth, Mr. President, in my opinion, Mr. McLeod's confirmation will bring our Government into disrepute at home and abroad, because he has become a symbol of a philosophy and of a method of conduct which are alien to the principles on which our Government was founded and on which it has operated for over 150 years.

No one, for a moment, questions the insidious evil of international communism or the sincerity of many Americans who, in the recent past, were so immobilized by fear of the Communist threat that they, in panic, seemed ready and willing to throw away our basic American freedoms in the effort to protect them.

Fortunately, today more and more Americans recognize how truly un-American that period of our recent history really was.

Mr. McLeod was very much a part of that recent history. He was one of the leading actors, so often on stage in front and center, that he became—whether consciously or unconsciously—the symbol of the witch hunter. Americans, and Europeans, too, despise the witch hunter.

There is an Irish proverb which goes: "What he is speaks so loud that I can't hear what he's saying." Mr. President, Mr. McLeod's past has spoken too loud for us to hear him any more.

Mr. CHURCH. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my friend from Idaho.

Mr. CHURCH. Perhaps it is my own Irish blood that causes me to rise at the quotation of the old Irish proverb. I think the quotation of that proverb, "What he is speaks so loud that I can't hear what he's saying," is the capsule of the case against Scott McLeod. I do not know the man personally. I do not question his character. I do not question his motives. I say nothing personal against him. But if I may do so in preface to a question, I should like to say to the distinguished Senator from Pennsylvania that a little more than a year ago I was in Western Europe. I was in Germany and I was in France, not as a Senator but as a citizen. Perhaps there are advantages to visiting there as a citizen, because I had an opportunity to speak with a great many French and German people from all walks of life, and they asked me many questions, because they were interested in what was happening inside the United States. Their questions were of great concern to me. Many French and German people, each in his different way, asked me this kind of question: "Is it any longer possible in the United States for a citizen to express a view that is contrary to the orthodox or respectable or approved point of view on any important public issue and not be condemned for disloyalty or something even worse?"

I suggest what they were saying is that they felt, deep down inside, that something was amiss with the health of freedom in the United States, that something was wrong, something they feared, that many of them had had personal experience with in their own recent past.

I am sure the distinguished Senator from Pennsylvania will agree with me that their conception of what was going on in the United States was distorted.

Mr. CLARK. I agree.

Mr. CHURCH. I am sure he will also agree that, even though they had a distorted conception, it was caused by this period of political inquisitions, mostly politically motivated, and that the fact that they did have such a feeling toward the United States was a factor of great significance in the following of our foreign policy.

Mr. CLARK. I will say to my friend from Idaho my concern was identical with his. I had occasion, while mayor of Philadelphia, to go abroad on several trips, some on official business and some purely for fun. Whether I was in England, France, Turkey, or Italy, I found the same reaction my good friend from Idaho found. Every time the question came up I tried to correct the misconception. I said, "It is not true. We are not that kind of a government. This is a temporary period. It will come out all right."

Thank goodness, it has come out all right, but I am afraid the nominee before us has not contributed to that happy result.

Mr. CHURCH. Will the Senator agree that the success or failure of our foreign policy abroad depends to a large degree on the prestige of the United States among the free nations of the world?

Mr. CLARK. I am in complete agreement with the Senator from Idaho.

Mr. CHURCH. Will the Senator further agree that the confirmation of the

appointment of Scott McLeod as Ambassador to Ireland would give new currency to the feeling of distress and dismay abroad about the state of health of freedom in the United States?

Mr. CLARK. It is because I agree so thoroughly with my friend from Idaho that I have taken on myself the most unpleasant task, as a junior Member of this body, of arising to oppose the confirmation of this nomination.

Mr. CHURCH. It is for that reason that I must concur with the Senator from Pennsylvania, because it is my strong and abiding conviction that the appointment will be regarded as a symbol, and that the symbol can only do great damage to our prestige among the people of Western Europe and throughout the free world, and that it will work against the interests of our country in this time of ferment in the world.

Mr. CLARK. I thank the Senator from Idaho for expressing my views, which he has done far better than I could do.

Mr. President, I should like to make my fifth and final point, and that is that the testimony given by Mr. McLeod before the Foreign Relations Committee raises issues of candor and veracity—and I say this with regret—which cannot satisfactorily be resolved without further testimony from those whose charges Mr. McLeod—not under oath—has expressly or by implication denied. Let me list only a few of those questions:

1. On page 9 of the hearings before the Foreign Relations Committee, the following exchange between the Senator from Arkansas [Mr. FULBRIGHT] and Mr. McLeod is reported:

Senator FULBRIGHT. I ask you these questions to try to clear up the record. We read in the paper, I believe it is said, that you authorized the investigation of the people who read the Reporter magazine or something to that effect. Is there any truth in that?

Mr. MCLEOD. I have never been able to find out what that had reference to.

Mark that. I repeat:

I have never been able to find out what that had reference to.

I encourage people who are in positions where knowledge of whatever one's enemy is saying and thinking is useful, to acquire it wherever they can. I think that more people ought to subscribe to the Daily Worker, and so on.

Senator FULBRIGHT. You never did criticize anyone because they took the Daily Worker?

Mr. MCLEOD. No, I think if they have use for it, if they take it surreptitiously so to speak, I think it might be a factor in evaluating their security potential, but if they have use for it in their daily work, I think they ought to read it. I think all bankers ought to read the Daily Worker so they know what their enemies are saying about them.

Now, the fact of the matter, as I understand it, is that sometime late in 1953, or early in 1954, investigators from Mr. McLeod's office called, during the luncheon hour, on the secretaries of members of the policy planning staff of the State Department and inquired as to which members of that group were reading the Reporter magazine and the Daily Worker. The clear implication of the inquiry was that the reading of these magazines raised a question of security and loyalty. Members of the policy planning staff were so incensed that they protested to Mr. Robert Bowie, then and now Director of the policy planning staff. Mr. Bowie carried this protest to higher authority, and Mr. McLeod's investigators were called off.

I quote from page 141 of the latest laudatory biography of our Secretary of State, Mr. John Foster Dulles, by that able reporter from Time magazine, Mr. John R. Beal:

McLeod attacked his job with what might charitably be called an excess of zeal. His men discovered, for example, that members of the Department's policy-planning staff were receiving copies of the Communist newspaper, the Daily Worker. They questioned staff secretaries to learn what officers were represented by the initials on the list to which it was circulated. Reading Communist publications is, of course, an essential job for anyone seeking to follow the twists and flipflops of the party line, and especially so for a group charged with advising on formulation of policy to combat it. Had McLeod's men invaded the Secretary's office they would have found not only Stalin's Problems of Leninism within reach of Dulles' desk, but numerous other pertinent writings and speeches by Soviet figures. Dulles had devoted one entire chapter of his book, War or Peace, to the high importance of knowing your enemy. But Communist publications were not the only target of McLeod's underlings. When they began inquiring which members of the planning staff read the Reporter, a non-Communist liberal periodical, the staff chairman, Robert Bowie, protested to Under Secretary Walter Bedell Smith, who put a stop to it.

Mr. President, in this regard I am not speaking on the basis of hearsay, because within the past week two former members of the policy-planning staff, in whose integrity I have complete confidence, have confirmed what I have just said, and what Mr. Beal just wrote.

I believe it would be helpful if Mr. McLeod's nomination were recommitted to the Committee on Foreign Relations for further hearings, in order that Mr. Bowie, who is still in the State Department, might testify.

If the facts are as I believe them to be, I suggest that Mr. McLeod's testimony before the Committee on Foreign Relations is singularly lacking in candor.

Second. I have already referred to the extent to which Mr. McLeod engaged in the "numbers racket" with respect to both his security and refugee activities. The following are two typical examples, which I suggest indicate his lack of candor:

(a) From the Providence Journal, April 12, 1955: Corsi says less than 1,000 refugees were admitted under the act, while McLeod testified 20,000 visas issued with 14,031 persons admitted. But under pressure, McLeod admitted only 500 had been admitted as refugees with visas for 1,000 issued.

(b) In 1954, Mr. McLeod told the House Appropriations Committee that he had fired 604 "security risks and others." But under pressure in closed session, he admitted that only 11 persons had been separated under the security procedures, and 7 of these were persons against whom charges had been preferred under the prior Democratic administration. This is from the New York Herald Tribune of April 22, 1954.

I suggest that both these examples raise questions as to the candor of the nominee.

Third. On page 12 of the hearings, the questioning of Mr. McLeod by the Senator from Montana [Mr. MANSFIELD] with respect to the Bohlen nomination, is reported as follows:

Senator MANSFIELD. Mr. McLeod, there have been some allegations made. One is, did you at any time 4 years ago consider going over the head of Mr. Dulles to block the appointment of Mr. Bohlen as Ambassador to Russia?

Mr. MCLEOD. No, sir. That is a greatly misunderstood matter. I did go to the White House and talk to General Persons about this matter, but I was in the Secretary of State's office talking to him at the time General Persons called me to come over. The Secretary saw me and heard me take the call and I explained what the purpose of it was; so I don't think there was ever any question of my going over his head in the matter.

Senator MANSFIELD. You went to the White House on that occasion at the request of General Persons?

Mr. MCLEOD. I talked to him on the phone and I had a discussion with him about the matter. Then he subsequently called me to come over and talk about it, so I don't know whether it is fair to say it was at his suggestion, since I had originally called him about it. But certainly you don't go to the White House on any occasion unless somebody over there is prepared to receive you.

Yet Mr. Dulles' most recent biographer, John Beal, states that Mr. McLeod did go over the head of the Secretary of State to appeal to the White House against Mr. Bohlen's appointment.

Mr. Beal says, on page 142 of his book:

McLeod, with information which by his standards he considered derogatory to Bohlen, went over Dulles' head to the White House with his protest. He cooled off after learning from a close aide of the President's that Bohlen, who had been a golfing partner of Ike's at SHAPE headquarters in Paris, was Ike's personal selection for the job. McLeod's explanation was: "I just wanted to be sure they knew what they were doing."

McLeod's insubordination was so flagrant that Dulles spent one whole evening discussing what do about it with several advisers he called to his home. Still undecided next morning, he was skimming the papers when he ran across a story about the Bohlen case in the Washington Times Herald containing information which could only have come from McLeod. Dulles went to work feeling the proper course was to fire McLeod. The only thing that saved him was the fact that Undersecretary "Beedle" Smith dropped in to see Dulles that morning before McLeod arrived at the Department, and argued Dulles out of taking the action on the ground that it would embarrass the new administration to fire so quickly a man who in his opinion should not have been hired in the first place.

Mr. President, I suggest that before accepting the unsupported word of Mr. McLeod in this regard it would be desirable for the Committee on Foreign Relations to question the Secretary of State, to question Mr. Beal, to question General Persons, and to question the former Under Secretary of State, General Smith, as to what actually occurred, because if the allegations in that book are true this

man is not only not qualified to be Ambassador to Ireland, but he has not told the truth to the Committee on Foreign Relations.

I do not wish to pass judgment in advance, Mr. President. I reserve judgment. But on the present record, I do not feel that the Members of this honorable body have sufficient information on the basis of which adequately to pass on the nomination of this gentleman, as to his veracity and candor.

Surely we do not want to send as our Ambassador to Ireland or anywhere else an individual whose candor and veracity have been so clearly brought into question, without hearing those who have raised the questions.

Mr. President, in my judgment the very least the Senate should do is to refer this nomination back to the Committee on Foreign Relations in order to take further testimony to determine whether Mr. McLeod possesses qualities of mind and heart which qualify him for high rank in our diplomatic service.

Mr. President, it is an unpleasant thing—believe me, a sincerely unpleasant thing—to stand before this body and oppose the nomination of an individual for high office in the Foreign Service of the United States. I do so only because in my considered judgment a clear question of principle is involved in this nomination. I would be the first to concede that Mr. McLeod was an able administrative assistant to the distinguished Senior Senator from New Hampshire. I have no doubt he could serve again with credit in such a position. I am confident that Mr. McLeod conducted his work as a member of the Federal Bureau of Investigation with competence. Were he to resume his employment in that distinguished organization which has done so much to protect the lives and safety of Americans, I should applaud the employment.

But, Mr. President, we are dealing with a more important and more serious question than the future of R. W. Scott McLeod. We are dealing with the quality, the morale, and the character of the Foreign Service of the United States at a time when the responsibilities of that Service have never been so crucial. We are dealing with the question of whether a man whose public record is filled with evidence of bad judgment and lack of capacity and understanding, whose conduct in the State Department has been condemned by informed persons within and outside the Department, who has been said to have done more to lower the quality and the prestige of the Foreign Service than any other living man, and whose testimony before our own committee was apparently lacking in candor, should be rewarded with a place of honor, distinction, and responsibility in the Foreign Service of our Government.

Finally, we are dealing with a moral issue. We are dealing with a clear-cut question of whether the Senate of the United States is going to turn its back on an unsavory chapter in the recent history of the United States, or whether we are going to carry forward that chapter by confirming a man whose public activities over the past 4 years have identified him with a philosophy of government which is alien to the highest ideals of the American people.

Accordingly, Mr. President, I move that the nomination of Scott McLeod to be Ambassador to Ireland be recommitted to the Committee on Foreign Relations for the purpose of taking further testimony.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. CLARK. I am happy to yield to my distinguished friend from Oregon.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays on the motion of the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I call for the yeas and nays.

The yeas and nays were ordered.

Mr. BRIDGES. Let me say to the distinguished Senator that I wanted the yeas and nays ordered so that there would be a record vote on the motion when the time came.

Mr. CLARK. Perhaps after the quorum call we can renew the request.

Mr. BRIDGES. The yeas and nays have already been ordered.

Mr. CARROLL. Mr. President, a point of order.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. MORSE. Mr. President, if I may have the attention of the Senator from New Hampshire for a moment, I was also about to ask for the yeas and nays on the final vote on the nomination, in case the motion of the Senator from Pennsylvania should be rejected.

Mr. BRIDGES. I am glad the Senator has not too much optimism. I agree to the request for the yeas and nays.

Mr. MORSE. I am only preparing for the future.

Mr. BRIDGES. I point out to the Senator that he is out of order.

Mr. MORSE. I think the Senator is correct. I withdraw the request, but I have made my point.

Mr. President, will the Senator from Pennsylvania further yield?

Mr. CLARK. I yield.

Mr. MORSE. A second to the Senator's motion is not required, but I want him to know that in spirit I am seconding his motion.

I commend the Senator from Pennsylvania for what I think has been a very fair, judicious, and analytical consideration of the question before the Senate. The Senator's speech commends itself to me very much. I think it is deserving of the approval of the majority of Members of the Senate, by their votes against the nomination when the vote is taken.

Mr. CLARK. I thank my friend from Oregon for his kind remarks.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania [Mr. CLARK] to recommit to the Committee on Foreign Relations the nomination of R. W. Scott McLeod to be Ambassador to Ireland.

Mr. McNAMARA. Mr. President, in connection with the pending nomination the President of the United States carries a great deal of responsibility in sending ambassadors abroad to represent our country.

In theory, anyway, he should have complete and personal confidence in such individuals. I do not think it is too unreasonable to expect him to be pretty well acquainted with them and with their views before he nominates them.

In the case of Scott McLeod, however, the President stated in his press conference of April 10, as printed in the New York Times, that he is "not so well acquainted with him. He was taken on Secretary Dulles' recommendations, and I assure you again I have the utmost confidence in Secretary Dulles."

Mr. President, this would seem to damn Mr. McLeod with some very faint praise, indeed.

There is one advantage, as I see it, to Mr. McLeod's appointment as Ambassador to Ireland. It will get him out of this country.

But, Mr. President, should we do this to the Irish? I shall vote against the nomination.

Mr. BRIDGES. Mr. President, before I begin my remarks with regard to Mr. McLeod's nomination, I wish to call attention to a statement which the distinguished Senator from Pennsylvania [Mr. CLARK] made in his speech, and which bothered me. He quoted Mr. McLeod as having stated, in a speech made before the American Legion Convention at Topeka, Kans., in the summer of 1953:

> The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.

I question whether Mr. McLeod would say such a thing. Perhaps the Senator from Pennsylvania can tell us where he obtained the quotation. I do not agree with it. I agree that the Department should be purged of traitors, homosexuals, and bad risks, but I have the greatest respect for members of the opposing party.

However, I certainly do not agree with the statement quoted, and I do not believe Mr. McLeod made it. I do not believe there is any such statement in the speech of Mr. McLeod. I have asked that it be sent here by messenger. When it arrives, I will ask that it be placed in the RECORD. However, I believe that so long as the Senator from Pennsylvania has raised the question, it would be well to inquire where he obtained the quotation, because it is a pretty serious statement.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CARROLL. I am thumbing through the speech of the Senator from Pennsylvania to find the exact phrase referred to in the colloquy between the distinguished Senator from New Hampshire and the Senator from Pennsylvania, having to do with traitors and homosexuals.

Mr. BRIDGES. It is on page 8.

Mr. CARROLL. I think the distinguished Senator from New Hampshire might wish to correct the RECORD. The Senator from New Hampshire quoted, from the speech of the Senator from

Pennsylvania, a statement attributed to Mr. McLeod, as follows:

> The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats.

Was the reference to Democrats intended to identify them with the preceding categories?

Mr. BRIDGES. The Senator from New Hampshire intended to quote, and did quote, as the Senator will remember, the exact statement which bothered the Senator from New Hampshire.

Mr. CARROLL. As I understand, the Senator from New Hampshire is merely referring to the fact that all who come within the categories first mentioned should be purged, whether they be Democrats or Republicans.

Mr. BRIDGES. Certainly—whether they be Communists, Socialists, Republicans, or Democrats. If they come within the first categories, of course, they should be purged. But the mere fact that a man is a Democrat or a Republican has nothing to do with his qualifications to serve in the State Department, except as he may be in a top policy position, in which case he should be in concurrence with the policy of the administration of which he is a part. However, that does not place him in any of the other categories. Nevertheless, it involves the question of judgment of the administration upon which the responsibility for foreign policy rests.

Mr. CARROLL. I thought the Senator from New Hampshire would not permit to stand a statement which might be misconstrued.

Mr. BRIDGES. The Senator from New Hampshire never casts any reflections on members of the opposite party.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CLARK. I have now found the reference in question. I invite the attention of the Senator to page 96 of the hearings before the Foreign Relations Committee on the nomination of Mr. McLeod. I read beginning with the last paragraph on that page, if the Senator has no objection.

Mr. BRIDGES. What is this?

Mr. CLARK. I am referring to page 96 of the hearings. This is a part of an article entitled "Big Brother in Foggy Bottom," written by William Harlan Hale. The article begins on page 92 of the record.

Mr. BRIDGES. And it was published in the Reporter magazine for August 1954.

Mr. CLARK. That is correct.

Mr. BRIDGES. The Senator from New Hampshire would be very glad to have that statement read into the RECORD. The Senator from New Hampshire may have something to say later about Mr. Hale, of the Reporter magazine, as an authority, but he is glad to have the Senator from Pennsylvania read the statement into the RECORD.

Mr. CLARK. I have not the slightest doubt that the Senator from New Hampshire will make such comments.

I quote from the article:

> But what actually is the purpose of the system, as McLeod and his clan see it? "In a sense, I am a politician," he stated in his first major speech, given before the American Legion convention at Topeka a year ago, "in that I was appointed by the present administration to a political office"—which surprised those who thought he had been appointed to a security office. Then he went on to state his object clearly: The Department must be purged of traitors, homosexuals, and bad risks, certainly, but also of Democrats. "Sometimes," he lamented, "it is extremely difficult because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act to replace an individual whose viewpoint does not coincide with that of the Republican Party. * * * Until such time as we can reeducate those employees or replace them with proper personnel the progress which we make is sometimes very slow."

I do not deny for a moment that the published text of Mr. McLeod's statement before the American Legion convention does not contain the statement which appears here. However, I suggest that even the Senator from New Hampshire, mature though he is in the ways of politics, sometimes becomes a little enthusiastic and departs from his prepared text. I would suggest that this report is probably accurate.

Mr. BRIDGES. I would say to the Senator from Pennsylvania that I believe he wants to be fair.

Mr. CLARK. I do.

Mr. BRIDGES. I refer to the Senator's prepared speech on page 7 of the text, where he states:

> Mr. McLeod's unseemly partisanship is further revealed in a speech he made to the American Legion convention at Topeka, Kans., in the summer of 1953:
>
> "In a sense, I am a politician, in that I was appointed by the present administration to a political office. * * *
>
> "The Department must be purged of traitors, homosexuals and bad risks, certainly, but also of Democrats."

The Senator from Pennsylvania was not quoting Mr. McLeod. He was quoting the Reporter magazine, specifically Mr. Hale of that magazine.

Mr. CLARK. Mr. President, will the Senator yield further?

Mr. BRIDGES. I am glad to yield.

Mr. CLARK. Unhappily I cannot agree with my friend from New Hampshire. I was quoting from Mr. Hale's paraphrase of Mr. McLeod's speech.

Mr. BRIDGES. Yes. However, the Senator from Pennsylvania wants to be fair and he does not want the RECORD to stand that what he quoted was from Mr. McLeod's speech. I am sure he wants it to appear that he was quoting from Mr. Hale and the Reporter magazine as to what Mr. Hale interpreted Mr. McLeod as saying, or imagined what Mr. McLeod had said.

Mr. CLARK. If the Senator will yield to me one more time, perhaps we may come to an agreement on this point. I would be happy to have the quotation marks removed from my comment about Democrats in the text of my speech. Frankly, they were not in the first draft of the speech; they got into it in typing the second draft. I should like to have the RECORD indicate that this is what Mr. Hale says, in substance, Mr. McLeod said at the American Legion convention.

Mr. BRIDGES. It is satisfactory to me to have it appear that that is what Mr. Hale said Mr. McLeod had said, because I am sure the Senator from Pennsylvania does not want the RECORD to show that he quoted Mr. McLeod.

Mr. CLARK. I thank the Senator.

Mr. BRIDGES. I should like to make one other comment. There was some colloquy during the Senator's remarks in which he said that the opinion and the report of the four ranking Members of his own party on the Committee on Foreign Relations had had a great bearing on his making his decision in this matter.

I pointed out to the distinguished Senator from Pennsylvania that he had arrived at a position against McLeod long before those four Senators had made their report.

To substantiate my statement, I quote from the hearings on the nomination of Mr. McLeod, at page 146:

> THE "FIGHTING IRISH"—THE MCLEOD APPOINTMENT
>
> (Extension of remarks of Hon. JOSEPH S. CLARK, of Pennsylvania, in the Senate of the United States, Friday, April 12, 1957)
>
> Mr. CLARK. Mr. President, in the Washington Post and Times Herald for April 11, 1957, there appeared an editorial entitled "Fighting Irish," in which it is contended, with reference to Mr. McLeod's appointment:
>
> "To appoint such a man to a diplomatic post is an insult to the recipient nation and a degradation of diplomacy. How can the Senate, which is at frequent pains to demonstrate its friendship for Ireland, view this as a friendly act?"

Was that the Senator's opinion?

Mr. CLARK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. CLARK. I am afraid the Senator from New Hampshire is under a very severe misconception in that regard, because if he will look again on page 146 of the committee report he will see that I was not stating my own personal opinion, but was merely reading from the editorial.

On an earlier appearance in the Senate, I had taken no position at all, except to introduce some adverse editorials, and to say that I hoped the Committee on Foreign Relations would give very careful consideration to the nomination before it was approved.

Had my good friend, the chairman of the Committee on Foreign Relations, and his colleagues unanimously reported favorably the nomination of Mr. McLeod, I, as a junior Senator, would never have had the effrontery to rise in opposition to it.

Mr. BRIDGES. I thank the distinguished Senator from Pennsylvania. I am glad to learn that he is open minded. I thought when he put such a statement in the CONGRESSIONAL RECORD he concurred in the views expressed. Naturally, I concluded that he would not put into the RECORD something with which he did not have at least some semblance of agreement.

Mr. CLARK. I thank the Senator for his kindly comments, and I again assure him that I always attempt to keep an open mind until the final vote.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. KNOWLAND. Mr. President, I regret that I had to attend a meeting of the Committee on Appropriations and have only just now returned to the Chamber. I wonder whether the Senator would permit me to place in the RECORD a very brief editorial, in view of some statements which have been made in the press relative to certain alleged opposition in Ireland to the appointment of Mr. McLeod. The editorial to which I refer appeared in the Irish Independent, of Dublin, on Monday, April 15, 1957.

First, as has been pointed out previously in debate on the floor, it is customary procedure for the State Department, in suggesting appointments of ambassadors, to sound out the government to which an ambassador is to be appointed as to whether the appointment is acceptable to that government. I am informed that this course of procedure was followed in this case, and that the Irish Government, which, after all, is the only proper spokesman for the people of Ireland, and the agency to which such an inquiry would be addressed, indicated that the appointment, if made, would be acceptable.

There has been some discussion about opposition in certain newspapers abroad to the appointment. Therefore the editorial I have in my hand becomes pertinent to the subject under discussion. The editorial reads:

THE AMBASSADOR-DESIGNATE

Some controversy has arisen in the United States concerning Mr. Eisenhower's nomination of Mr. Scott McLeod as Ambassador to Ireland. An English newspaper has taken up the subject. On Saturday last it gave some prominence to a message from its Dublin correspondent to which it put the heading, "Irish Hostile to United States Envoy." It would appear that some of the American newspapers also accept the notion that there is some feeling in this country against Mr. McLeod's nomination to Dublin.

It would be well that these ideas should be dispelled. In accordance with diplomatic usages and international courtesies, we expect that a person appointed as Ambassador to Ireland should be a man against whom Irishmen could make no objection on any reasonable grounds. If no such objection appears the choice of ambassador is entirely one for the United States; it would be wholly contrary to Irish courtesy to attempt to interfere in such choice or to seek to influence it.

As far as Ireland is concerned we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been any outcry against it is, as the Irish public is well aware, quite unfounded. The statement in the English newspaper to which we refer that the Irish people are hostile to Mr. McLeod is equally baseless.

I thought the Senator from New Hampshire would not mind having the editorial included in the RECORD at this point.

Mr. BRIDGES. I thank the Senator.

Mr. CLARK. Mr. President, will the Senator from New Hampshire yield so that I may ask a question of the minority leader?

Mr. BRIDGES. Certainly.

Mr. CLARK. A short time ago the distinguished minority leader asked the chairman of the Committee on Foreign Relations, the distinguished Senator from Rhode Island [Mr. GREEN], to yield in the middle of his speech in order to make the point that, while this is a nomination recommended by the Secretary of State, it has behind it the full force of Presidential authority. I am wondering if the distinguished Senator from California is in a position to inform the Senate whether President Eisenhower has ever met Mr. McLeod; and if so, when?

Mr. KNOWLAND. Of my personal knowledge, I have no information in that regard. I mentioned of my personal knowledge that the President only this morning, when I was at the White House, spoke highly of Mr. McLeod, had knowledge of his record, knew of his service in the Department of State, and hoped that the nomination would be early confirmed by the Senate.

Mr. CLARK. But the Senator from California is not able, is he, to tell us whether the President and Mr. McLeod have ever met to discuss this appointment?

Mr. KNOWLAND. No; of my own recollection, I do not recall ever having been at the White House at a meeting in which Mr. McLeod was personally present at the time.

Mr. CLARK. I thank the Senator from California for his reply, and I thank the Senator from New Hampshire for yielding.

Mr. MORTON. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. MORTON. It so happened that I was in the State Department for a little more than 3 years. During 4 or 5 months of that time I was acting as the chief administrative officer of the Department and was Mr. McLeod's immediate superior. I also worked very closely with Mr. McLeod, implementing the refugee relief program. I can answer the question of the Senator from Pennsylvania.

I have been at the White House on many occasions with Mr. McLeod. I have been in the President's office with Mr. McLeod. I did not introduce them, because the President said, "Good morning, Scotty," or "Good afternoon, Scotty," when we walked in, so I thought they knew each other.

Mr. BRIDGES. I thank the Senator from Kentucky. I think that clears up the point raised by the Senator from Pennsylvania.

May I ask the Senator from Pennsylvania a question?

Mr. CLARK. Certainly.

Mr. BRIDGES. Does the Senator from Pennsylvania personally know Scott McLeod?

Mr. CLARK. No; I do not.

Mr. BRIDGES. Then the Senator from Pennsylvania has been acting wholly on hearsay and on the opinions of others.

Mr. CLARK. I think not. If the Senator from New Hampshire will permit me to say so, I do not think the record made before the Senate Committee on Foreign Relations is hearsay. I think the record is known pretty widely to the American people.

While I would be happy to meet Mr. McLeod—and I understand that if I did so, I would find him to be a most charming gentleman—I have not had that privilege.

Mr. BRIDGES. I thank the Senator from Pennsylvania.

Mr. President, the man whose nomination the Senate is being asked to confirm as Ambassador to Ireland was recommended by the Secretary of State and nominated by the President of the United States.

In 4 years of running one of the toughest jobs in the Federal Government, he has demonstrated rare administrative ability and a tact and diplomacy that can be claimed by few.

He is not from the ranks of the wealthy. His name will not be found among the contributors to the political campaigns.

He has earned his reputation the hard way in nearly 15 years of loyal and dedicated service to his country.

Scott McLeod was born in Iowa of hardy pioneer stock. He worked his way through Grinnell College. He became a newspaper reporter. He passed the exacting tests of the Federal Bureau of Investigation and spent 7 years as an agent of that organization. He worked for several years on Capitol Hill as my administrative assistant. I knew him in New Hampshire when he was an agent of the Federal Bureau of Investigation. He was an outstanding agent. He performed his service with the Federal Bureau of Investigation in such a manner that he came to my attention, and I employed him as my administrative assistant. In that capacity, he did a most competent job.

For the past 4 years he has conducted the biggest and most complicated operation of anyone with the rank of an Assistant Secretary of the Department of State. His job has been Administrator of the Bureau of Security and Consular Affairs—a post which I should like to remind the Senate was created by Congress in 1952 in order to bring order out of the chaos that reigned in that Department at that time.

Scott McLeod was handed a herculean task. He was placed in charge not merely of 1 beleaguered and baffling office, but of 4: Security, passport, visas, and munitions control.

On top of this, Congress, in an extraordinary show of confidence in the man, conferred on him a fifth duty, the dubious honor of directing the Refugee Relief Act of 1956, a piece of legislation that even some of its friends thought was unworkable.

Scott McLeod has earned an international renown as an anti-Communist, and thus he has won the everlasting hatred of the comrades and their assorted camp followers—the pinks, some self-styled liberals, the eggheads, and Soviet apologists, all over the world.

In recent weeks he has been the target of a vicious smear campaign of a type that has become all too familiar in this country.

But in a few hours before the Senate Committee on Foreign Relations last week, McLeod himself, with politeness but with devastating candor, destroyed every phony charge laid at his door and hurled it back in the teeth of its author.

I wish every American would read the record of that hearing; it would restore his faith in the integrity of public servants. But McLeod is a modest man. He did not tell the full story of his accomplishments.

What are some of the typically baseless accusations made against McLeod?

That he destroyed the morale of the Foreign Service.

But more young men applied for admission to the Foreign Service last year than has been the case for a decade. Practically none resigned. The Foreign Service itself supports his nomination as Ambassador to Ireland.

I hold in my hand a copy of the Foreign Service News Letter, which gives the official record of the increase in the number of persons who have applied for the Foreign Service. That does not look as if Scott McLeod has destroyed the morale of the Foreign Service.

The second charge is that he frustrated implementation of the Refugee Relief Act of 1956. But as Administrator of that most complicated of laws, Scott McLeod achieved virtually total success, admitting to this country over 190,000 of the 210,000 refugees authorized.

The third charge is that he is opposed to immigration. But in the fiscal year of 1956 the visa office which McLeod heads issued no less than 332,499 immigrant visas, a record since World War II.

The fourth charge is that he has hamstrung the passport operation. But the Passport Office has been completely overhauled and last year a record breaking 560,000 passports were issued promptly and efficiently in keeping with the tremendous upsurge in travel.

It is charged that he was ruthless and reckless in the implementation of the State Department security program. But in 4 years every State Department employee has undergone a full field investigation, many of them for the first time in their careers. Every case has been carefully and fairly evaluated, and the obvious result is that public confidence in the State Department is higher today than for many, many years.

What does all this add up to? It adds up to a remarkable 4-year record made by an unusually talented public servant. Cold facts prove that in his handling of security, passports, and visas, McLeod has achieved a new high in the State Department.

Why, before McLeod took office, was public confidence in the State Department so low?

The Alger Hiss case occurred before his time. So did the Amerasia case, the Lattimore case, and the whole sorry history of the sellout in China.

But in an interview in February 1954, McLeod told the U. S. News & World Report of an incident that occurred after he took office, which in my opinion helps explain the general apprehension in which the State Department was held at that time.

"I was astonished," McLeod said, "when I got a report from one geographic area that there had been 223 individual security violations in that area in 1 month."

Question. "What do you mean by 'security violations'?"

Answer. "Documents left lying on the desk, safes left unlocked—physical security. I wanted to know who were the people involved, how often they were involved in these violations, how serious they were. Well, there were no data on that whatsoever. So, we started the system of security-report-violation forms. Now there is a copy of that form designated to the personnel file. The astonishing result was that there were about 15 violations in that area about a month after we started the practice."

Mr. McLeod continued:

I use this as an example of what I feel was the basic difficulty in the Department, and that was bad administration. When people know that they are going to be held accountable for what they do, then they stop doing the wrong thing.

In the light of the situation that existed in the State Department when McLeod took over in 1953, I feel sure that Americans will take comfort in a remark which he made to the Foreign Relations Committee last week.

Mr. McLeod told the committee that investigations of all State Department employees had now been completed and that to the best of his knowledge there were no subversive elements now in the Department. He added, however, that vigilance in this regard must never cease.

SUPPORT FOR M'LEOD IS NATIONWIDE

It is characteristic of the group who have waged the smear campaign against McLeod to scream loudest when the charges are weakest. But in vain have they tried to give the impression of widespread public opposition to his appointment.

All across the country, newspapers and commentators and leading Americans in all walks of life have spoken out in behalf of McLeod. They recognize the great service which he has rendered his country. For the great majority of Americans, Scott McLeod is the type of individual they want to have representing them overseas, and they will not allow any scurrilous campaign against him to thwart their desires.

Curiously, one of the strongest endorsements has come from Ireland itself. And it has annihilated the completely phony charge which the anti-McLeod element had tried to promote that the Irish people resented his appointment.

The distinguished minority leader, the senior Senator from California [Mr. KNOWLAND], read an article from the April 29 issue of the Irish Independent, a leading newspaper of Dublin, which gave the following account of a speech made by the Honorable James Dillon, Minister of Agriculture in the former Irish Cabinet:

A favorite method employed by Communists was to attack on every possible occasion the character of anyone who had successfully challenged them in the past and recent instance of that was the case of Mr. Scott McLeod, said Mr. Dillon, T. D., national president, AOH (Ancient Order of Hibernians) at the golden jubilee dinner of St. Patrick's division 566 of the AOH, Dundalk.

Every Communist, every fellow traveler, every pink, and the Irish Times had combined to raise their hands in holy horror professing to regard Mr. McLeod as wholly unsuitable for the high position as American Ambassador in Ireland, he added.

The truth was that Mr. McLeod was a distinguished public servant who did his job and the Communists did not like it and they would now be very happy to assassinate his public reputation for all sorts of high-sounding reasons.

He was not the first and would not be the last victim of that conspiracy of slander and vituperation of which the Communists were past masters.

Previously, on April 15 last, the same newspaper carried an editorial which declared as follows:

As far as Ireland is concerned we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been an outcry against it is, as the Irish public is well aware, quite unfounded. The statement in the English newspaper to which we refer—that the Irish people are hostile to Mr. McLeod—is equally baseless.

On April 12, the New York Daily News editorialized as follows:

SEND MCLEOD TO IRELAND

Scott McLeod has been known for years as one of the Nation's more effective anti-Communists.

As State Department security and consular administrator, he has been a mortal enemy of Reds in government, and has done his best to weed them out. Before taking that post in 1958, he was most helpful to Senators McCarthy and BRIDGES in their war on the domestic Reds.

President Eisenhower has now nominated Mr. McLeod as Ambassador to Ireland, and all of the Nation's anti-anti-Communists, Reds, fellow travelers, and phony liberals are in full bellow to get the Senate to reject the nomination.

That, we thing, is reason enough for the Senate to confirm, unanimously.

In California, the Sacramento Union had this comment:

MCLEOD APPOINTMENT

Last week, Scott McLeod was nominated to be ambassador to Ireland, upon recommendation of President Eisenhower and Secretary of State Dulles.

The leftwing papers revived the long-dead issue of "McCarthyism," and those on the extreme right hailed the appointment as an excellent one. Said the New York Times: "No one man has represented in the public mind more than Scott McLeod all the evils of McCarthyism as applied to diplomacy. * * * It would be hard to imagine a worse blow to the diplomatic corps or a worse example of playing politics with the foreign affairs of the United States."

Said the New York Daily News about the same man and the same appointment:

Scott McLeod has been known for years as one of the Nation's more effective anti-Communists. As State Department security and consular administrator, he has been a mortal enemy of Reds in government, and has done his best to weed them out. Before taking that post in 1953, he was most helpful to Senators McCarthy and BRIDGES in their war on domestic Reds. President Eisenhower has now nominated Mr. McLeod as Ambassador to Ireland, and all of the Nation's anti-anti-Communists, Reds, fellow travelers, and phony liberals are in full bellow to get the Senate to reject the nomination. That, we think, is reason enough for the Senate to confirm, unanimously.

We hope the appointment is confirmed and that McLeod is given a chance to demonstrate his ability.

Here is another editorial from the San Francisco Examiner:

McLEOD HAS EARNED AMBASSADORSHIP

As nearly as we can gather, the opposition to the appointment of Scott McLeod as Ambassador to Ireland is that he has been tough on Communists, fellow travelers, and similar security risks. Since when has that been a mark of demerit?

When Mr. McLeod took office as security chief of the State Department he remarked he expected to be smeared. He was. He still is. The leftist press took after him chiefly because this former FBI man was scrupulously careful in screening aliens in his administration of the Refugee Relief Act.

Yet we notice that none of his detractors chose to comment on the urgency and efficiency with which Mr. McLeod moved in issuing visas to thousands of Hungarian refugees who fled to Austria from the recent Soviet butchery. Nor have his enemies acknowledge that the United States has issued more immigration visas than any other nation in the last several years.

It is unfortunate that the leftist smear treatment has rubbed off on some well-intentioned people. That is the advantage propaganda holds over fact. That fact is that Mr. McLeod was nominated by President Eisenhower on the basis of the endorsement of Secretary Dulles. Mr. McLeod should be confirmed by the Senate.

The New York Journal-American wrote, on December 10 of last year, that Scott McLeod was closing out the Refugee Relief Act in a cloud of glory.

He has managed—

This newspaper said—

to issue 6,200 American visas within 3 weeks to the heroic Hungarian refugees in Austria and is also set to take care of an expected score or more defecting Olympic Hungarian athletes as soon as they reach Manila.

Let me turn to a report from the Inter-Mountain Jewish News, of Denver, Colo., of last April 26. This newspaper quotes the distinguished jurist, Judge Charles Rosenbaum, to the effect that he found Scott McLeod a wonderful, fair-minded, capable man.

The Dublin correspondent of the Catholic newspaper, the Tablet, of Brooklyn, N. Y., wrote recently:

The sole dissenting but very vocal outburst here against Mr. McLeod's nomination and appointment has come from the Irish Times and the so-called Irish Association of Civil Liberty. Some American newspapers have erroneously interpreted this hostile action as indicative of Irish opinion generally. Such an assumption is entirely baseless.

George Sokolsky, the distinguished columnist, in an article published in the Washington Post of April 24 last, reported a conversation he had had with a so-called intellectual on the subject of McLeod. He said the intellectual complained that McLeod was responsible for having many fine men driven out of the State Department. Sokolsky added:

Who are these fine men? I asked.
Silence.

The columnist goes on to show that his interlocutor mouthed slogans, sentences, and stereotypes against McLeod, but had not actually the slightest conception of what McLeod did in the State Department or why what he did was necessary. Later I shall submit Mr. Sokolsky's column for the RECORD.

Another noted commentator, Mr. Constantine Brown, whose column appears in the Washington Star, wrote on April 16 last:

McLeod's bosses, President Eisenhower and Secretary of State Dulles, appear to have been fully satisfied with his work. Otherwise they would have fired him. He is not a "sacred cow," and there is no reason to believe that his friends in the Senate would have put up a howl if Mr. Dulles had eased him out in due course. Instead the Secretary, who has never been sympathetic to "witch hunts," recommended him for the ambassadorship. Then the Chief Executive approved this choice.

While on the subject of Secretary Dulles, I believe it particularly appropriate to quote the Secretary's own words about McLeod, given at his press conference last April 23:

I will say that Mr. McLeod, after 4 years of service in the State Department, has, I think, shown that he possesses the qualifications to be a good ambassador. He has grown in stature and understanding; his knowledge of world affairs is very considerable. And I believe that he is well qualified. Obviously such a belief rests upon my personal judgment, but my personal judgment is based upon very close contact with him during this period and with his growing understanding of problems. This leads me to believe that he will be a good ambassador.

The Secretary was asked:

Mr. Secretary, can you tell us if at any time during the past 4 years you considered firing Scott McLeod?

Secretary Dulles said, in response:

Well, there was a point at the very first days of our administration when we did not always see eye-to-eye about everything, but those days have passed; and I really think that he has done an extremely able job on important matters upon which he has been engaged—the Refugee Act, for example, and things of that sort—and I merely repeat what I said before, that I have gained very great confidence in his ability and judgment, his human understanding. I think he would be a good ambassador.

I have another article here which illustrates some of McLeod's qualities as a diplomat. An article from the New York Times of February 25, 1956, reports that he personally solicited contributions amounting to $2,400,000 from member countries of the Intergovernmental Committee on European Migration, which has enabled that organization to carry on its work in finding jobs and homes for Europe's surplus population.

It is worthy of note, in this regard, that this same organization, comprising 26 nations, unanimously chose McLeod as chairman of its council in 1956. It was recognition of the fact that 26 nations of the world, instead of having the opinion of Mr. McLeod which has been expressed by some Senators on the Senate floor, recognized his diplomatic ability. It was because of such recognition by those governments that, after 3 years of his dealing with refugee problems, McLeod was so chosen.

I have cited numerous examples of public support for McLeod from a wide variety of sources. In my opinion, however, he is his own best defender. We all know that many reckless and contrived charges have been made against him, perhaps principally in the security field.

I should like now to quote from an address he made to the American Political Association, an organization of distinguished professors and statesmen which specifically invited him to appear before them. The speech from which I quote was so popular and was accepted as being so definitive in the Government security field that 25,000 reprints were requested by the military and distributed to their security personnel. I quote:

PREMISES OF EXISTING SECURITY PROGRAM

As Administrator of the State Department's security program there are certain premises on which the program is based of which I must be cognizant.

1. There exists a clear and present danger to our society. This danger is caused by the existence of a criminal conspiracy called communism which aims to overthrow our Government and change our society by whatever means it may find available including force, violence, and subversion.

If this danger did not exist it would be difficult to justify any security program, or at least one as thorough as that which we have. That it does exist has been established by law, by Executive order and by judicial interpretation. Congressional mandates and Executive orders to combat this danger have been cited previously.

The courts have upheld this finding. In sentencing the Communist leaders convicted under the Smith Act of 1949, Judge Medina stated, "These defendants were not convicted merely for their political beliefs or ideas or for belonging to the Communist Party. I made it plain in my charge the jury could not convict for anything like that but they had to find there was specific intent to overthrow the Government by force and violence and to use words as a rule of action. * * * "

2. That Federal employment is a privilege. This premise is stated in the two whereas clauses on which the President predicated Executive Order 10450.

3. That maximum protection must be afforded the employee of the Government against unfounded accusations, rumor, gossip, and unreliable information. This premise is also stated in the whereas clause of Executive Order 10450. The two clauses embracing these two premises are as follows:

"Whereas the interests of the national security require that all persons privileged to be employed in the departments and agencies of the Government shall be reliable, trustworthy, of good conduct and character and of complete and unswerving loyalty to the United States; and

"Whereas the American tradition that all persons should receive fair, impartial and equitable treatment at the hands of the Government requires that all persons seeking the privilege of employment or privileged to be employed in the departments and agencies of the Government be adjudged by mutually consistent and no less than minimum standards and procedures among the departments and agencies governing the employment and retention in employment of persons in the Federal Service."

In recognition of these premises the State Department issued regulations, which, when they were published on July 27, 1953, had the effect of law. Our regulations were modeled in the Department of Justice. They have been tested by 2 years of use. Moreover, under the terms of Executive Order 10450 the Civil Service Commission makes a "continuing study" of the implementation of the

order and reports "deficiencies" and "tendencies" to the head of the department and the National Security Council.

Thus, unless the laws, the executive orders, or the regulations issued thereunder are changed by the duly constituted authorities they form the frame of reference for a security administrator and should not be presumed to be illegal, unreasonable, or unjust.

In the absence of change, I conclude that the security program is adequate to (1) prevent Communist penetration of our Government, and (2) protect the inherent rights of Government employees.

Yet, no one contends that this program is sacrosanct. In addition to the review provided in the order itself we find that the program is under constant scrutiny in the Congress, the courts, and the press.

As a result of this scrutiny and review many thoughtful persons have come to grips with the question of what a security program does to the rights of an individual American. It has been stated that civil rights are infringed, that legal rights are abated, that inherent rights are involved.

Every American, according to our tradition, is entitled to a square deal from his Government. I hope I can demonstrate, through discussion of our procedures, that the Government is endeavoring to insure this basic right.

It is difficult to argue that a security program, like other governmental programs based on law, does not in some instances and to some degree affect civil rights. It is evident, for example, that investigation of an individual can be to some extent an intrusion on that individual's privacy. Many of the rules of society translated into laws necessarily constrain individual tendencies or purposes which, except for the fact that people must live in close proximity to each other, would not be in themselves wrong.

Our laws and our courts have always taken cognizance of the matters of intent and degree. There is an obvious distinction between being jostled by an unruly passerby and being pushed to safety from in front of a speeding vehicle. The first act is at least bad manners and possibly disorderly conduct. The second is a normal human reaction which can be heroic.

Our Constitution and traditions are delicately balanced between the necessities of the basic responsibility of Government to achieve the greatest good for the greatest number and, at the same time, to clearly observe and respect the sovereign rights of the individual. It is this delicate position with its great potentials of dilemma that requires constant scrutiny, criticism, and evaluation of our laws, procedures, and programs, including this one under discussion today. There are three questions which, among others, must be asked. First, Is the danger real and present? Second, Do the results justify the effort? Three, Do the benefits exceed the disadvantages?

No thoughful American wants to achieve absolute security in Government at the cost of sacrificing our traditions or by adopting the very forms of totalitarian conduct which we seek to guard against.

We should discuss briefly the theory of a security program. It seeks to prevent Communist penetration of the Government. It is not designed to prosecute such penetration. It seeks to protect the public interest before and not after the commission of an overt act. Such, indeed, is one of the definitions of security.

This theory is an important consideration in assessing this problem. If a person commits an overt act of disloyalty he may be indicted, tried and convicted under our judicial procedures. Under our theory of law he is innocent until proven guilty. The burden of proof rests on the Government and the jury is instructed to resolve reasonable doubts in favor of the accused. This is a system developed through centuries to ensure fair play in establishing guilt.

A security system is not intended to establish guilt since no act against the public interest may have occurred. If such has taken place the transgressor could be prosecuted in court. The system is intended to prevent such an act. There can be no proof since future events are not susceptible of present proof. A security risk under our procedures is not necessarily guilty of any illegal act. He is a person who has been adjudged unsuitable for Federal employment.

Scott McLeod has made an outstanding record. The samplings of public opinion which I have quoted show it.

Mr. President, at this time I ask unanimous consent to have printed in the RECORD, at the conclusion of my speech, certain favorable articles with respect to Scott McLeod. I noticed that in the Foreign Relations Committee report, many unfavorable articles were used. I send these articles to the desk and ask unanimous consent to have them printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. MCNAMARA in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BRIDGES. Because it has come into question, I should like to have the speech of McLeod referred to earlier printed in the RECORD. I will say to the Senator from Pennsylvania [Mr. CLARK] that I have just had sent down from the State Department the speech which Mr. McLeod made in Topeka, Kans., to the American Legion, which has been in question. I ask to have it printed in the RECORD, at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. CLARK. Mr. President, will the Senator yield briefly?

Mr. BRIDGES. I yield.

Mr. CLARK. I thank the Senator. I believe the Senator from New Hampshire and I are in accord that the speech itself does not reveal the statement about Democrats which the Reporter article stated was made. I should like to have the RECORD also show that in my judgment, at least, there is a very good chance the statement was made during the course of the remarks. I personally am having the newspaper accounts checked to determine that, and I shall be happy at a later date to insert in the RECORD anything that may turn up.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Oregon.

Mr. MORSE. On that particular point, does the Senator know whether or not a tape recording was taken of Mr. McLeod's actual remarks?

Mr. BRIDGES. No; I do not. If there was one, I should be glad to hear it.

Mr. MORSE. I should like to have a transcript of a tape recording, if one was taken.

Mr. BRIDGES. I do not have any record of a tape recording. I do not know whether one was taken. I was referring to the speech itself.

I do not have too much faith in the authority quoted. I pay every compliment to the distinguished Senator from Pennsylvania [Mr. CLARK] for his integrity in inserting the remarks in the RECORD, but I question his judgment as to the authority from which he quoted.

Mr. CLARK. If the Senator will yield briefly, it was not I who put the remark in the RECORD. It was a record made by the Committee on Foreign Relations from which I was merely quoting.

Mr. BRIDGES. I again point out I am not questioning the integrity of the Senator from Pennsylvania or of the Committee on Foreign Relations. I merely question the source from which they quoted.

Scott McLeod has made an outstanding record. The American people are satisfied with Scott McLeod. So is Secretary Dulles, and so is the President of the United States. Scott McLeod has run not 1 but 5 difficult offices and programs. He has represented this Government in complicated international negotiations. Throughout his career in the Department of State he has worked in the glare of public scrutiny. It is amazing to me that he has been able to accomplish his various tasks with so little criticism, and that from a quarter long since exposed and discredited.

I sincerely believe the great majority of thinking people in Ireland will consider themselves fortunate to have a man of high rank and qualification, like Scott McLeod, assigned to their country.

A cablegram was received today from the editor of the Irish Independent, Dublin, Ireland. Its contents are as follows:

Opposition McLeod negligible. Unrepresentative minority. No political party, deputy, or senator opposes. Vast majority people welcome enthusiastically.

I might say in closing, Mr. President, that I have sat in the Senate for nearly 21 years. I have seen many people confirmed as ambassadors and sent to foreign nations. I hope that in the years to come the men and women who are sent to foreign nations to represent our country will have the basic integrity, basic qualifications, the interest in and the love of this country that Scott McLeod has. I think we will in that case be well represented.

EXHIBIT 1

[From the New Hampshire Sunday News of April 21, 1957]

MCLEOD VICTIM OF DIRTY HATCHET JOB BY LEFTIST CLIQUE, BUT APPROVAL OF AMBASSADORSHIP IS EXPECTED

(By Herman Lowe)

WASHINGTON, April 20.—The dirtiest hatchet job that's been done on anyone down here in a long time is being done today to Scott McLeod, of New Hampshire, administrator of the Bureau of Security and Consular Affairs for the State Department, who has been nominated to be our next Ambassador to Ireland.

(Editor's note: President Eisenhower asked at his most recent press conference why he had nominated McLeod and whether he felt the latter could do an effective job "in view of the criticism provoked by his appointment," said: "I took—I appointed Mr. McLeod on the serious and earnest recommendation of Secretary Dulles, who is held responsible by me for the successful functioning of all our embassies. And when he rec-

ommended him and he did it, not in a perfunctory way but in a very serious, direct way, which he does all those, I approved him.)

A select crew of State Department experts, veterans at the chore of secretly leaking poison to certain newspapers to be used against those whom the clique hates, have been pouring it out in the large economy size packages.

They've accused McLeod of being the cat's paw and tool of Senator Joe McCarthy whom they hate.

They've accused McLeod of being the handpicked choice of Senator STYLES BRIDGES (whom they hate) for his present job in the State Department.

They've accused McLeod of wrecking morale in the State Department Foreign Service by his control over consular and other officials.

They've accused McLeod of leaking information about Ambassador Charles Bohlen to Senator McCarthy.

They've accused McLeod of being responsible for the information leak which was followed by the recent suicide of Canadian Ambassador Norman, in Egypt.

These stories have been printed. They've been mouthed by indignant liberals.

Let's take a look at some of these charges which are as phoney as wooden nickels.

Back in January 1953, shortly after the Eisenhower administration took over, Donald B. Lourie, then executive vice president of the Quaker Oats Co., became Under Secretary of State, in charge of administration. In 1952, Congress had voted to add a new job to the State Department, that of administrator of the Bureau of Security and Consular Affairs. Congress was up in arms about the strong leftie clique in the Department. It wanted this crowd, largely concentrated in the Far Eastern division, cleaned out.

It wanted a security officer for the State Department who would be tough, conscientious, and unable to be swayed by that influential gang of Moscow apologists.

Lourie was the man assigned by Secretary of State John Foster Dulles to find the man. Through a mutual friend from Iowa, he heard about McLeod, a native of Iowa, a former FBI agent and newspaperman, and in 1953 administrative assistant to Senator BRIDGES.

Lourie checked on McLeod, then sent for him and offered him the post.

McLeod thought it over and decided to accept. Then he told his boss, BRIDGES, about it. At about the same time, he had a talk with this Union Leader and Sunday News correspondent.

He told me the above story and when I asked whether BRIDGES had suggested him for the post, McLeod said BRIDGES hadn't known anything about it. Later, I put the question to Senator BRIDGES. He admitted frankly that, while he was delighted at the opportunity for advancement for his top aide, he had nothing to do with getting McLeod the job.

So, this correspondent can state from his personal knowledge that the stories about McLeod being put into the State Department by BRIDGES as a stooge for him and McCarthy are faked and planted merely to do McLeod harm at this time.

The Norman case broke when McLeod was in Europe. The alleged leak of information from the State Department Security Office took place when McLeod was out of the United States. He had nothing whatsoever to do with it. Yet the hatchet men in the State Department have planted the story with leading liberal newspapers that have swallowed it whole and without properly checking the facts.

The other printed whispers—that the morale of Foreign Service officers is shot and that McLeod's office has provided a leak to Senator McCarthy (who is, indeed, an old friend of McLeod)—are unproven gossip.

These stories, and others like them, are a mass of generalities. There are no specific cases, no specific proof, offered. Just the phony charges.

That reputable newspapers and broadcast correspondents have swallowed them whole and repeated them is no credit to the newsgathering business.

But the following are facts:

While some Members of the Senate may try to give McLeod and his nomination to Ireland a bad time, the Granite Stater will be approved for the post.

The friends of McLeod have a very good idea of just who in the State Department is leading the hatchet bund. And it's a long road that has no turning.

ANTI-MCLEOD DRIVE SCORED—IRISH TIMES DOES NOT REPRESENT IRELAND; CALLED BIASED

(By Eugene Goulding)

DUBLIN, Ireland.—Commenting editorially on President Eisenhower's nomination of Scott McLeod to be the United States' Ambassador to Ireland, the Irish Independent (April 15) stated: "As far as Ireland is concerned we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been any outcry against it is, as the Irish public is well aware, quite unfounded."

On the contrary, Irish public opinion is acutely perplexed and disturbed to read the extracts in the Irish papers of the bitter campaign now being waged against Mr. McLeod by such newspapers as the Washington Post, the New York Times, the New York Post, the Baltimore Sun, the London Daily Telegraph, and others.

The sole dissenting but very vocal outburst here against Mr. McLeod's nomination and appointment has come from the Irish Times and the so-called Irish Association of Civil Liberty. Some American newspapers have erroneously interpreted this hostile reaction as indicative of Irish opinion generally. Such an assumption is entirely baseless.

The Irish Independent further stated: "It would appear that some of the American newspapers also accept the notion that there is some feeling in this country against Mr. McLeod's nomination to Dublin. It would be well that these ideas should be dispelled. In accordance with diplomatic usages and international courtesies, we expect that a person appointed as Ambassador to Ireland should be a man against whom Irishmen could make no objection on any reasonable grounds. If no such objection appears, the choice of Ambassador is entirely one for the United States; it would be wholly contrary to Irish courtesy to attempt to interfere in such choice or to seek to influence it."

SMALL BUT INFLUENTIAL

The Irish Times is a small but influential daily. It represents the somewhat frayed remnants of old-time West Britonism and is generally regarded as the mouthpiece of the Masonic Society in Ireland.

It conducts a veiled and subtle policy of anti-Catholicism and when the opportunity presents itself it does not hesitate to engage in a local form of Blanshardism.

In the last few years it has argued consistently in its columns for the admission of Communist China to the United Nations; and, despite the repeated protests of members of the Maynooth mission to China who have suffered at the hands of Chinese Communists, it has opened its columns to a smear campaign against the heroism of priests and nuns in Communist China.

This, then, is the Irish paper to which hostility against Mr. McLeod is confined. In today's issue (April 16) it charges Mr. McLeod's "unwholesome department" with the responsibility for the suicide of Herbert Norman, the late Canadian Ambassador in Cairo.

Accuracy has never been a strong point with the Irish Times, and though it likes to wear literary spats it very often betrays its real feelings by undignified and reprehensible expressions.

Today, for example, it had the following objectionable passage: "It is urged in favor of Mr. McLeod that he has done a good job, discharged a socially valuable service to his country—even if, in the process, a few innocent people may have had the bad luck to have suffered. So, in the view of many, does the hangman. But we do not welcome the hangman into our midst, and it is not customary to reward his services with an ambassadorship."

The grand alliance between the Irish Times and the Irish Association of Civil Liberty has been forged for several years and whenever the dictates of Liberal-Socialism demand it the alliance expresses itself as a noisy and clamorous duet. The nomination of Mr. McLeod has been no exception.

True to form the council of the association has asked the Government to reconsider their reported agreement to the proposed appointment of Mr. McLeod. Though it did not hesitate to make such a request, nevertheless it admits that it is in no position to pass judgment at this stage.

Let us glance, then, at this so-called Irish Association of Civil Liberty which has which has been reported in sections of the American press as opposing Mr. McLeod's nomination. It is a numerically small body composed or roughly 100 dues-paying members and its activities are conducted by less than a dozen members.

Its president is Sean O'Faolain.

[From the New York Times of February 25, 1956]

TWENTY-FIVE LANDS PLEDGE REFUGEE FUNDS ON BID THAT CASH MATCH PRAYERS—$2,400,000 TOTAL IS REACHED—MCLEOD POLLS DELEGATES AT GENEVA CONFERENCE

(By Michael L. Hoffman)

GENEVA, February 24.—In a session reminiscent of a prayer meeting 25 governments pledged enough extra funds yesterday and today to keep the Intergovernmental Committee for Migration From Europe in full operation at least through 1957.

Scott McLeod, of the United States, was chairman of the organization's council at its semiannual session, which ended today. As the official responsible for refugee and migration problems in the State Department, he was also the chief United States delegate.

Earlier in the session Mr. McLeod observed that he would expect those who "prayed" the longest and the loudest in favor of the committee's continued existence to reach the deepest into their cash boxes. By going around the table delegate by delegate he elicited a total of approximately $2,400,000 in new pledges.

THREE MILLIONS HAD BEEN SET

While this is not the $3 million figure that had been set, migration committee officials feel it will be ample to meet requirements when certain minor adjustments in expenditures are taken into account.

The committee aids people desiring to migrate from Europe to overseas countries. It furnishes transportation when necessary and money (through nongovernmental and religious agencies) and performs a large number of processing services in emigration and immigration. It is moving people at the rate of about 125,000 yearly at present.

The financial crisis, which now seems to have been overcome, arose from the fact that for 3 years the committee had been able to draw on accumulated "carryover" funds amounting to nearly $3 million yearly. These funds are exhausted.

Technically, the money now pledged will go into a "special fund." Some of this will consist of money that can be used anywhere in the committee's operations and some will be in the form of payments by governments within their own frontiers toward the cost of emigration or resettlement.

The principal pledges were those of Australia, $514,000; Italy, $285,000; the Netherlands, $250,000; Austria, $170,000; Chile, $155,000; West Germany, $120,000, and Switzerland, $120,000.

The United States, as was known in advance, stands ready to meet the contributions of other governments up to an amount equal to one-third of the total or $940,000, whichever is smaller.

The success of Mr. McLeod's pledge drive has delighted the United States delegation which believes this evidence of support from other governments will ease the task of persuading Congress to continue American participation in the organization.

TWENTY-FIVE THOUSAND ASSURED UNITED STATES ENTRY

FRANKFURT, Germany, February 24.—Plans have been announced here for resettling 25,000 persons in the United States under the United States Refugee Relief Act.

James J. Norris, European director of the Catholic Relief Service-National Catholic Welfare Conference, told a meeting of directors here that homes and jobs had been assured for all the emigrants as required under the Refugee Act, which expires December 31.

[From the New York Times of October 26, 1956]

M'LEOD SAYS UNITED STATES GIVES MOST VISAS—STATE DEPARTMENT AIDE CITES 968,000 ISSUED IN LAST 4 YEARS AS WORLD HIGH

The United States has issued more immigration visas than any other nation in the last 4 years, Scott McLeod said here yesterday. He is administrator for the State Department's Bureau of Security and Consular Affairs.

Apparently in answer to recent domestic criticism of United States immigration policies, Mr. McLeod said that this Nation had issued 968,109 immigration visas of all kinds in the 4 fiscal years ended last June 30.

As for the workings of the Refugee Relief Act, authorizing the entry of 209,000 refugees, he said that as of last week 155,000 visas had been granted. By the end of the year, when the act expires, he added, a total of 180,000 visas are expected to have been issued.

Mr. McLeod thus indicated that the expected deficit would be 29,000 immigrants and not 40,000, as critics of the act had said.

One of the main reasons for the nonfulfillment of the total authorized in the law, he said, is the fact that many prospective immigrants from Germany and Austria have been turning down visas at the last minute because of improved economic conditions in those two countries. The two countries have a quota of 90,000 under them act.

Ten of the fourteen special categories under which visas are being issued have been completely filled, Mr. McLeod reported. Immigration visas under the act, he added, are now being issued at the rate of 2,000 a week, with a higher number to be granted in the weeks to come.

Mr. McLeod returned aboard the American Export liner *Independence* after attending the annual conference of the Intergovernmental Committee for European Migration at Geneva, Switzerland.

He said the United States should adopt specific immigration provisions for escaped persons during the cold war period and should also try to make it possible for victims of tuberculosis among displaced persons to come to this country.

Also aboard the liner was Senator Walter F. George, Democrat, of Georgia, and chairman of the Senate Foreign Relations Committee. He returned from a European trip as personal representative of President Eisenhower and special ambassador on North Atlantic Treaty Organization development.

[From the Washington Star of April 16, 1957]

MORE ON THE MCLEOD APPOINTMENT—EDITORIALS IN BRITAIN'S NEWSPAPERS RANGE FROM MILD TO LESS THAN MODERATE

(By Constantine Brown)

Our good friends and distant cousins in Canada and Britain have added to the present world confusion by taking up a quarrel with the United States on purely internal American matters.

President Eisenhower has designated the State Department's security chief, Scott McLeod, as Ambassador to Ireland. This official became a controversial figure after he assumed office in 1953. He was entrusted with the job of removing a number of American diplomats who, under the law passed in 1952, represented a loyalty or security risk. He was then severely criticized at home and abroad for the dismissal or retirement of a number of career officers.

McLeod's bosses, President Eisenhower and Secretary of State Dulles, appear to have been fully satisfied with his work. Otherwise they would have fired him. He is not a "sacred cow" and there is no reason to believe that his friends in the Senate would have put up a howl if Mr. Dulles had eased him out in due course. Instead the Secretary, who has never been sympathetic to "witch hunts," recommended him for the ambassadorship. And the Chief Executive approved this choice. Yet British newspapers, including the so-called conservative press, went on a binge of indignation over the appointment.

The sedate London Daily Telegraph asked in an editorial "whether the fact that most American policemen are Irish is a good enough reason for the choice of a former FBI agent to be Ambassador to the Irish Republic." It added that "Mr. McLeod succeeded in spreading suspicion and fear throughout the ranks of the Foreign Service as well as making possible major injustices to individuals."

There were other less moderate editorials in the British press about an individual who had committed injustices not against any British personnel but against those of his own country.

The British, despite the pride they take in their police, seem to treat the FBI with scorn. They describe it as a police force and consider the appointment of a former cop as American Ambassador to the Irish Republic as a slur despite the acceptance of Mr. McLeod by the Dublin Government. Even the well-informed British editorial writers seem to ignore the fact that the FBI is a part of the Justice Department and is not a police force in the European sense of the world. Only a branch of the once famous Scotland Yard could possibly be vaguely compared with the FBI.

Similarly the Canadian Government and especially the Canadian press stirred up a hornet's nest when they attacked violently the Senate Internal Security Subcommittee over its disclosures of Communist incidents in the early life of Herbert Norman, Canadian Ambassador to Cairo. The Canadian diplomat, who committed suicide for reasons which have not yet been fully disclosed, was described as a victim of the American senatorial witch hunt.

The Internal Security Subcommittee was investigating alleged past Communist affiliation of John K. Emerson who was counselor of embassy at Beirut, Lebanon. Although the name of the Canadian diplomat had appeared a number of times during the investigation of the Institute of Pacific Relations in 1951 and 1952, Foreign Minister Lester Pearson became loudly indignant when Mr. Norman's name appeared incidentally at the recent questioning of Mr. Emerson.

Senator JAMES EASTLAND, chairman of the subcommittee, does not believe that our own or allied security can be helped by sweeping under the rug matters connected with foreign diplomats. It is recalled that when Klaus Fuchs—a British subject—arrived in the United States, the FBI did not investigate him since he had been cleared by all British security services. Yet his betrayal of A-bomb secrets to the U. S. S. R. is partially responsible for the mess in which the world finds itself now. Had it not been for Fuchs the Russians might be far behind the free world in developing nuclear weapons.

Similarly the American security agencies were told to keep hands off the two British diplomats, Donald MacLean and Guy Burgess. It was only after they fled to Moscow, where they are believed to be guiding lights in the present Soviet policy in the Middle East, that their true activities were partially revealed. Yet there are strong reasons to believe that the two men, by passing on to Moscow top-secret information obtained in their official capacities in Washington and London that we did not intend to bomb Manchuria, gave the Chinese Communists the news that they could intervene en masse in the Korean war without fear of effective aerial retaliation.

Under these conditions, the Internal Security Subcommittee feels that its investigations serve the real interests of America as well as of her allies.

[From the New York Journal and American of December 10, 1956]

IMMIGRATION ACT IN HIGH

(By David Sentner)

Scott McLeod, State Department security chief, is closing out the Refugee Relief Act in a cloud of glory.

He has managed to issue 6,500 American visas within 3 weeks to the heroic Hungarian refugees in Austria and is also set to take care of an expected score or more of defecting Olympic Hungarian athletes as soon as they reach Manila.

The former FBI agent got the full-scale smear treatment from the left-wing Americans for Democratic Action when he began to administer the refugee act in 1953.

The act runs out in a few weeks and I dropped in to see the square-rigged McLeod to hear how he thought it had worked out and what Congress could do about the gallant self-exiled Hungarian freedom fighters.

McLeod is worried about Soviet agents working on the Hungarian refugees after they are flown over here.

The new Congress should quickly do something to alter their status as parolees, an insecure position which Red agents will surely exploit, McLeod believes.

The Hungarian athletes can come to the United States under a provision of the Refugee Act, McLeod added.

From his security sources in Europe, McLeod reported that the naked-fist revolt of the Hungarians against the armored might of Red Russia was brought on to a major extent by the foolish use of Mongolian troops by Moscow.

The history-minded Hungarians were not only inflamed by the bestiality of the Mongolian troops but were reminded of the Asiatic hordes who laid waste their nation centuries ago, he said.

On the subject of his leftwing critics, McLeod declared he had told them that "we have to build a railroad, construct a track, and train the crews" before the Refugee Relief Act could work.

"It came about just as I said," remarked McLeod, "and it turned out to be a pretty

good railroad to take care of those 6,500 Hungarian refugees in 3 weeks."

The act called for 200,000 American visas to be issued, outside the regular immigration quota, to victims of Communist oppression.

With only a few weeks to go before the law is ended, 171,393 visas have been issued, McLeod said.

[From the Washington Post of April 27, 1957]

THE CRITICISM AIMED AT SCOTT MCLEOD

(By George E. Sokolsky)

I met a young fellow who does not like Scott McLeod. The reason: Scott McLeod, said the young fellow, is a friend of Joe McCarthy.

"Is that not guilt by association to which you and your professors object?" I asked.

"True, but McLeod is responsible for having many fine men driven out of the State Department."

"Who are these fine men?" I asked.

Silence.

One does not remember names, dates, places. It is only necessary to remember sentences, slogans, stereotypes. This is regarded as education. If the student remembers the professors' phrases, he gets a good mark. In time, he believes them.

I pursued the argument: "Do you know what Scott McLeod's job has been in the State Department?"

The answer was ambiguous.

"Well," I said, "his formal title has been Administrator, Bureau of Security and Consular Affairs. This has to do with screening personnel to avoid the employment of blabbermouths, homosexuals, and subversives. Blabbermouths are bad because, give them a drink or two, and they talk their heads off. Often they quote their superiors. Blabbermouths are beloved by newspapermen because while they may be wrong in detail they provide tips that can be followed up. There are more male than female blabbermouths. I know a blabbermouth who always says more than he ought to and then worries for weeks whether he has not wrecked his family. A fellow in the code room of an Embassy must not be a blabbermouth. If he prefers being the wise guy in a bar or at a cocktail party, he ought to apply for some other job than in the State Department. He could do less harm at the hardware counter of a department store.

"The homosexual, male or female, is always subject to blackmail. So is the married man who chases after other men's wives. This may be some kind of indoor sport but it is no good for the State Department. Such people have to be screened out. The subversive is obviously out of order.

"Somebody has to do the screening. If it is not one man, it will be another, and the job changes with the times. For instance, when this country was at war with Germany, those who were pro-German were dangerous for the State Department; when we were at war with Japan, anyone who was pro-Japanese became a menace. Now we are in a state of a cold war with Soviet Russia and therefore the pro-Russian and the pro-Communist are a menace. Somebody has to do the job of checking personnel in this sensitive agency and, I suppose, whoever does it will make a lot of personal enemies."

So again, I asked the young man where he heard that Scott McLeod, our new Ambassador to Ireland, is such a bad man. Well, it all came out in college. The word had gone forth to smear a public official because he did his duty, whatever his duty happened to be.

Bad thinking is involved in all this because whereas none of us are perfect and the probability is that if one searched hard enough, he would find much that is unsatisfactory in each one of us, here was a conclusion, held with vehemence and blushing anger but without any effort to get at a single fact to uphold a point of view.

It is the avoidance of facts to which I object; the repetition of sentences and phrases, of charges and conclusions spoken in classrooms and repeated everywhere. That certainly is not an intellectual approach to anything. While many of these young men refer to themselves as intellectuals, they reject the work that an intellectual must do to catalog facts, to screen out unrelated matter, to avoid subjective reactions and not to reach a conclusion based on nothing but hearsay. Since the 1930's American intellectuals have been willing to be led by stereotypes, by phrases which may apply to some things but which are not generalizations applicable to all human problems.

BON VOYAGE, MR. MCLEOD

Mr. Scott McLeod had been around, and he knew, in January of 1953, when Mr. Dulles offered him the post of chief security and personnel officer for the State Department, that he was being asked to become one of liberaldom's principal targets. He took the job nevertheless, and for 4 years he discharged his duties with conscience, humanity, intelligence, and dignity. For his pains he has been abused throughout the land. Herblock counts it a week lost when he does not portray him in some ignoble posture in the act of doing his best to render our society uninhabitable; the Alsops worked hard to cast McLeod as the prototype of a new species of administrative executioner; and the New York Times, of course, wept that he was ever born.

The President has now appointed Mr. McLeod Ambassador to Ireland. The appointment, needless to say, has evoked a deafening chorus of hisses from the little men who a few years ago were defending the nomination of Mr. Bohlen on the grounds, pure and simple, that the Constitution gives to the Chief Executive the power to appoint Ambassadors, period—and criticism of his choice is accordingly out of order.

Well, Mr. McLeod will soon be off to Ireland where, predictably, he will perform as faithfully as he has here. We will miss him at the State Department. It is regrettable he cannot be both places at once. Or, better still, a hundred places at once.

[From the Washington Star of April 15, 1957]

IRISH REACTION

It is beginning to look as though reports of hostile reaction in Ireland to the designation of Scott McLeod as Ambassador have been exaggerated.

The Irish Times has protested, primarily on the basis of accusations against Mr. McLeod which it says have been denied but not disproved. And the Irish Association of Civil Liberty, taking note of the outcry from reputable and presumably well informed newspapers, has asked the Dublin government to reconsider its reported agreement to accept the McLeod appointment.

There are indications, however, that the newspapers whose outcry has impressed the civil liberty group may not have been very well informed after all. At any rate, the Irish Independent, the country's largest daily newspaper, has been unable to detect the outraged Irish reaction reported in some English and American papers.

The Independent thinks that these reports were inaccurate and that they should be corrected. "As far as Ireland is concerned," the paper says, "we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been an outcry against it is, as the Irish public is well aware, quite unfounded."

For our part, we continue to believe that the selection was unfortunate to the extent that it may have been designed to ease Mr. McLeod out of his controversial place in the State Department. The fact that Mr. McLeod is disliked and distrusted by some people in this country, however, does not necessarily mean that he is unacceptable to the Irish Government or that he is not competent to serve as Ambassador. On such points as these the record should be kept straight.

[From the Intermountain Jewish News (Denver, Colo.), of April 26, 1957]

JUDGE ROSENBAUM WINS CASE AT GENEVA FOR WORLD HELP TO SAVE EGYPT JEWS

(By Robert S. Gamzey)

Judge Charles Rosenbaum won the biggest case of his life at Geneva. It was a plea for world assistance to save thousands of dispossessed Egyptian Jews.

The Inter-Governmental Committee for European Migration, meeting in Switzerland, where Rosenbaum was a United States delegate, voted to finance the transportation of 12,500 Egyptian Jewish refugees from Greece and Italy to Israel. The Jewish agency brought them from Cairo and Alexandria to Greek and Italian ports with UJA-Allied Campaign Special Rescue funds now being raised throughout the country.

The story behind this life-saving decision by the 27-nation Inter-Governmental Committee, known as ICEM, is the story of how Judge Rosenbaum won his biggest case, with the help of sympathetic and understanding American delegation colleagues, and an impassioned 11th-hour speech about a second Passover Exodus from Egypt by the Israeli representative, Erin Laor.

Judge Rosenbaum accepted the United States Government appointment to the Geneva Conference under pressure from Phillip Klutznick, B'nai B'rith president, and Rabbi Herbert A. Friedman, UJA chief, who prevailed upon the noted Denver attorney and community leader to present the case for intergovernmental aid to Egyptian Jewish refugees.

He had to overcome a major technicality. The Intergovernmental Committee for European Migration was established to relieve European countries suffering from overpopulation, and was confined to European problems. Egypt was outside its legal scope.

Rosenbaum, aboard ship en route to Switzerland, convinced his fellow delegates that Egyptian Jews became eligible for ICEM assistance when they landed at Greek and Italian ports with UJA-Allied Campaign transportation money. The allied past president cited a precedent of ICEM assistance in resettling Netherlands refugees from Indonesia after they returned to overcrowded Holland.

SOLD WALTER

In Geneva, he had breakfast 3 days in succession with Representative FRANCIS WALTER, House Immigration Committee chairman, whose powerful influence would be decisive on American congressional policy. WALTER was impressed with the American Jewish Congress Black Book on Nasser's pauperization of Egyptian Jewry. On ship, he found the American delegation chief, Scott McLeod, to be "a wonderful, fair-minded, capable man."

With the cooperation of ICEM Chairman George Warren, a distinguished and revered American, Judge Rosenbaum succeeded in placing the Egyptian issue on the Intergovernmental Committee agenda. The State Department was cabled for instructions. Three days passed without reply from Washington. United States support was all-important because our country provides 40 percent of the ICEM budget.

UNITED STATES APPROVAL WON

On the final day of the Geneva Conference, the State Department informed its delegation

that the United States approved Warren's proposal for a $950,000 budget. The stage was set for the final session of the 27-nation committee.

With delegates from all parts of the world listening through their earphones to simultaneous translations in many languages, the Israeli Erin Laor took the floor.

In a dramatic appeal, the Israeli described how Nasser stripped Egyptian Jewry of all their possessions, homes, businesses, jobs, and other means of livelihood. Laor declared, "I have just received a cable from the Red Cross that the steamer Mecca has arrived in Greece with 962 Egyptian refugees. There are 262 children on the ship. There are 38 sick and maimed. Two are paralytics.

PASSOVER APPEAL

"Today is Friday. On Monday night, the Jews of the world will sit down to their ancient Passover seder. This is what the Christian world calls the Last Supper of Jesus.

"Three thousand years ago, the Jews of Egypt were led by Moses in another Exodus. Instead of eating their Passover seder in the desert, this exodus will enjoy the hospitality of the people of Greece and other havens, who themselves are overcrowded and short of funds.

"I speak on behalf of my government offering to accept all the Egyptian Jewish refugees. I hope and pray that you will enable them in this modern exodus to come to the promised land."

OFFER HAVENS

Judge Rosenbaum said the assembly room remained silent for moments after the Israeli sat down. Then the Greek delegate arose to thank him for his kind remarks about the hospitality of Greece, and offered to take downtrodden refugees from Egypt.

Next, the Netherlands delegate offered a haven despite Holland's overpopulation.

Chairman Warren climaxed the session by announcing American support of ICEM transportation of 12,500 Egyptian Jews from Greek and Italian ports to Israel. The Inter-Government Committee of 27 nations voted approval and adjourned.

FLIES TO SEDER

Judge Rosenbaum, who had laid the foundation for this mass lifesaving action, said he was so overcome with emotion that he decided then and there to abandon plans for another 2 weeks stay in Europe, and fly home for seder. He left Friday and arrived in Denver Sunday night, presiding at his seder for 30, including GI guests, who heard this dramatic story from the man who helped achieve a modern exodus for 12,500 Jews.

Judge Rosenbaum arrived in time to greet the arrival of his new grandson, Steven, son of Mr. and Mrs. Stanton Rosenbaum.

[From the Irish Independent Daily Newspaper (Dublin, Ireland) of April 29, 1957]

ATTACK ON MR. MCLEOD DEPLORED BY MR. DILLON

A favorite method employed by Communists was to attack on every possible occasion the character of any one who had successfully challenged them in the past and a recent instance of that was the case of Mr. Scott McLeod, said Mr. Dillon, T. D., national president, A. O. H., at the golden jubilee dinner of St. Patrick's Division 566 of the A. O. H., Dundalk.

Every Communist, every fellow traveler, every "Pink" and the Irish Times had combined to raise their hands in holy horror professing to regard Mr. McLeod as wholly unsuitable for the high position as American Ambassador in Ireland, he added.

The truth was that Mr. McLeod was a distinguished public servant who did his job, and the Communists did not like it, and they would now be very happy to assassinate his public reputation for all sorts of high sounding reasons.

He was not the first, and would not be the last, victim of that conspiracy of slander and vituperation of which the Communists were pastmasters.

Mr. Dillon, continuing, said he hoped the A. O. H. would always be vigilant to see that those fighting against that deadly kind of attack would always be assured of a fair and honest judgment from its members and, if necessary, of vigorous support and defense.

TECHNIQUE OF REDS

There was never a time when the influence and work of the A. O. H. was more important, as it could provide a bulwark of defense for their young people against the zealous efforts of international communism. The technique which the Communist Party ordinarily employed in a country like this was to appear in public under all sorts of high-sounding titles implying patriotism, love of freedom, and democracy, but never describing themselves as what they were—Marxian Communists. In England, they presented themselves to young Irish people as "Connolly Clubs," and published a paper called "The Irish Democrat."

Stating that the A. O. H. was carrying on the work of conciliation begun many years ago with a view to enabling Orange and Green to live and work peaceably together in a united Ireland Mr. Dillon added that so long as partition continued, full cooperation and good will could not exist between Ireland and England. He was certain that with the disappearance of partition not only could good will be firmly established but a united Ireland could play a not insignificant role in promoting what the world now needed—a new commonwealth of nations.

COMMONWEALTH LINK

Due to the fact that their people had contributed in no small measure to the creation, and maintenance of the United States, Canada, Australia, New Zealand, and many of the British colonial possessions, Ireland could form a unique link in a new Anglo-American commonwealth, comprising the United States, Canada, Australia, New Zealand, South Africa, Great Britain with her colonies, and such other free communities as choose to adhere to such a commonwealth—with free passage for men, money and goods throughout their respective territories.

Such a commonwealth would dispose of resources, human and material, so great that no other combination in the world would dare to challenge it. It would also constitute a citadel of peace inasmuch as it would not seek aggrandisement by conquest.

Senator J. G. Lennon, Armagh, National Vice President, said that if it became necessary that arms should be taken up by anybody in this country for the abolition of partition it could only be done by an Irish Army as the instrument of the Irish people. The A. O. H. had given to the bishops their complete and wholehearted loyalty. The unity of the country could only be attained by the willing cooperation and mutual understanding of all the Irish people.

Very Rev. T. F. MacDonald, Adm., Dundalk, and Messrs. G. Coburn, T. D., F. Matthews and L. Byrne also spoke.

Five founder members were presented with medallions by Mr. Dillon. They were Messrs. Robert Watters, Thomas Matthews, John Finnegan, Henry Clinton and Peter McArdle.

[From the San Francisco Examiner of April 14, 1957]

RUGGED FIGURE ENVOY CHOICE

(By Tom White)

WASHINGTON, April 13.—Granting Congressional confirmation of his appointment, a rugged, controversial, former FBI agent is soon to become the Honorable R. W. Scott McLeod, United States Ambassador to Ireland.

President Eisenhower's naming of McLeod to succeed William Howard Taft III to the post in Dublin has revived the storm of arguments that raged when McLeod provided fast and strong action following his appointment as head of the State Department's Bureau of Security and Consular Affairs in 1953.

Already old enemies are going for his scalp, but the appointment adds up the fact that the administration is rewarding McLeod for what it believes was a job well done.

The President confirmed this at a press conference when he said that McLeod's appointment had been recommended by his boss, Secretary of State Dulles, and that he (the President) had the utmost confidence in Dulles.

A 42-year-old native of Davenport, Iowa, McLeod spent his early days as a newspaper reporter, then became an FBI agent and later administrative assistant to Senator BRIDGES, Republican, of New Hampshire.

His transfer to the State Department in the role of security chief came at a time when sensational stories were breaking about subversion and disloyalty in the Government.

It was McLeod's job not only to tighten up the Federal Government's security system for its own employees but to provide tighter checks on the political background of refugees coming to this country.

In this troubleshooting role it was natural that he would be a target for liberal and left-wing groups.

When his appointment comes up before Congress his enemies will charge that he undermined confidence in the State Department and lowered morale in the Foreign Service.

The State Department, however, will argue that as a result of McLeod's regime Foreign Service morale has increased to the extent that applications for membership have now reached an alltime high.

It also will be argued that the remarkable United States handling of Hungarian refugees last year was another result of McLeod's efficiency.

In private life, chunky, crew-haired styled McLeod is an amateur trap drum player who likes to play along with Benny Goodman records. He is an ardent sports enthusiast and still has his name in the record books for a 74-yard punt he made in a college football game. McLeod says it happened because he stepped in a gopher hole while he was kicking the ball.

His attractive wife is nicknamed "Pappy" because she is the former Edna Van Pappelendam and McLeod says he refuses to call her Edna. They have 3 children, Anne, 13; Donald Van, 11; and Daniel Benton, 10.

[From the American Weekly of June 3, 1956]

SCOTT MCLEOD—JEEP-DRIVING DIPLOMAT

(By Frances Leighton)

Every weekday morning about 8:30 o'clock, a spruce, strong-faced man drives a 1947 jeep across Pennsylvania Avenue in Washington, D. C. He maneuvers the little old car among the sleek, long limousines, parks near the new State Department Building and walks briskly inside.

You might take him for an audacious visitor, intent on beginning his sightseeing early, but this jeep driver belongs in the State Department. His name is Scott McLeod and he is the crew-cut, straight-talking Security Administrator whose job is to screen the State Department men—our national salesmen—whom we, the American people, send abroad to represent us.

He's trying his best to make sure that the State Department shall not again be under fire as a hotbed of communism and misconduct.

He's an Iowan, an FBI-trained investigator, and is married to a charming young

woman he calls "Pappy." They have three children and live in Bethesda, Md., outside of Washington, remote from the striped-trousered formalities of affairs of state.

When he took this job 3 years ago, almost anyone working for the State Department was in danger of being labeled "pink." Very few wanted to enter the Department's Foreign Service. He began a security check of all employees. Today 8,000 persons are waiting to take exams for Foreign Service posts.

From the start McLeod has been a storm center. He was branded as a "Fascist," a "smear artist" and a "character assassin." But this hasn't bothered him much. He's been straightforward and impartial.

"I knew I'd take a public shellacking," he says. "As an FBI agent I'd had a chance to investigate security problems. Here I saw an opportunity to correct some of them. This job was important because the prestige of the United States was being diminished and the reputations of fine people were being hurt.

"Only a small percentage of State Department employees were found to be security risks. Of those separated from their jobs, some were fired but most chose to resign. The Department now has an up-to-date appraisal of everyone working for it."

Anyone can take a State Department job now and not feel that he is among questionable associates. He can feel sure that State Department representatives command respect.

"I still can't get used to the pomp of Washington," says the jeep-driving diplomat. But he believes that he can serve his country well if he never buys a pair of striped trousers.

EXHIBIT 2

I was very pleased to receive the invitation to speak to the Kansas American Legion.

Most of you are probably not aware that I was born and raised in the neighboring State of Iowa, and that essentially I am a mid-westerner in my thoughts and actions.

I enjoy speaking to the American Legion because I feel that you understand the problems which I am attempting to work out, because I feel that we share the same desire to improve and perfect the processes of our Government.

In addition to the fun which comes when I leave my desk in Washington, D. C., my visit to Kansas brings back very vividly boyhood memories of my trips to the home of my grandmother in Rosedale, Kans. I shall never forget the stories which my grandmother and my father told me of the Kansas of another century.

It has always seemed to me that the people of the vast Middle West had a balanced philosophy which is genuinely American. It is refreshing to merely mingle with you people and to clear my mind which I must admit can easily get muddled in the day-to-day crises which take place in Washington, D. C.

Briefly and rather informally I would like to tell you about some of the problems which confront the new administration in Washington—particularly the task which has been entrusted to me and the manner in which I am trying to accomplish my assignment.

I was told not to make a political speech, and I am going to try to be very good and obey my instructions.

But, it is almost impossible for me to talk about the State Department, without talking about politics. In a sense, I am a politician in that I was appointed by the present administration to a political office. I suppose my job could be described as a rather obscure junior vice president in the biggest business on earth—your Government.

I personally object to the connotation that has been put on the word "politics" by some people. To me politics is the science of government. Our government is a political system. It was planned that way. The government can only be as good as the politicians who are elected to public office by the people.

Under this political system, the noblest ideas of man have been brought to fruition. The only "nonpolitical" government I know of is a dictatorship. So, it seems to me when we talk about government we have to talk about politics.

I suspect that I owe my present position to the fact that I had a rather extensive political education, when I served as the Administrative Assistant to Senator BRIDGES of New Hampshire.

While I worked in the United States, I was privileged to know rather intimately the very able and distinguished senior Senator from Kansas, ANDY SCHOEPPEL. To me he represents the best characteristics of the Middle West, and I hope all of you realize what an outstanding job he is doing for your State in the United States Senate.

It was my further pleasure to know Senator CARLSON, an equally distinguished gentleman. Unfortunately, for me, I never knew him quite so well as I did Senator SCHOEPPEL, partly because Senator CARLSON was not a member of the committees on which my boss served, and partly because Senator CARLSON had not been in Washington as long. Senator CARLSON is tremendously admired and certainly deserves honor and recognition for his efforts in the nomination and subsequent election of our new President Dwight Eisenhower. It seems to me the people of Kansas should be very proud of the Senators they have sent to Washington, D. C.

Almost a year ago the people of the United States voted for a change in Washington. Periodically I believe it is up to us in the Government to submit a program report as to how we are coming along in effecting the change in the management of your Government. My talk to you will be in the nature of such a report. Naturally it concerns the State Department and its problems, but I suspect that the problems which I have encountered are quite similar to those in other executive agencies.

Very frankly, I would say that the progress toward change has not been as rapid as many of us had hoped it would be. Many of us apparently had a sort of childlike belief that we could reverse the entire trend of the last 20 years overnight.

Instead, despite our efforts, the best that we have seemed to accomplish so far is a gradual beginning of a sweeping U-turn. When we measure accomplishment, therefore, in terms of anticipation, we are inclined to feel disappointed.

We had all hoped that the results of our efforts would be more perceptible. Sometimes we see fundamental changes which have been made, but we realize that to the general public as a whole the changes are imperceptible.

In securing the change which the American people voted for, the Eisenhower administration faced obstacles which have never before confronted a new team taking over the operation of our Government. For example: the last time an administration was changed in this country in 1933 there were less than 500,000 employees on the Federal payroll. When President Eisenhower took the oath of office on January 20, 1953, there were over 2½ million Government employees.

There is a great tendency to compare the first 100 days of President Eisenhower with the first 100 days of the Roosevelt administration. Such comparisons are inaccurate and unfair.

As a matter of fact, if all other conditions were exactly the same and of course they are not when President Eisenhower took over as they were when President Roosevelt took over, except for the number of Government employees, it would, in my judgment, take the Eisenhower administration 500 days in 1953 to accomplish the same results as were accomplished in 100 days in 1933.

But obviously, conditions are not the same. When the Democrats took over they completely dominated the Congress. President Eisenhower has a Congress which is almost equally split with the Republican control of the Senate now in jeopardy.

The Roosevelt administration solved its problem of bringing new people into government by simply imposing them on top of those who were already employed. They continually expanded the size of the Federal establishment during the last 20 years. The Eisenhower administration, being committed to sound Federal fiscal policies, must of necessity reduce the size of Federal employment.

A few Americans realize the importance of one of the first acts which President Eisenhower took. It was to issue a freeze order against placing new persons on the Federal payroll. This was an unprecedented move, and officially precluded the operation of any so-called spoils system. This action on the part of the President was necessary to reduce the swollen bureaucracy. Nevertheless it has made it extremely difficult to place Eisenhower's followers in responsible Government positions.

I don't think it is a politically partisan statement for me to point out to you that after 20 years of an administration by one political party, it is normal to find in the employ of the Government persons who are partisan in their views with respect to the policy of the old administration. Very frankly, if the Republicans were in power for 20 years I would expect to see most people in Government sympathetic to the Republican point of view.

We are now faced with the situation where most people in Government are holdovers from the two decades of Democratic administration. What this adds up to is that the crux of changing policy in Government is primarily to be found in changing the personnel in the top echelons. Let us examine my own situation in the State Department to illustrate the point.

The job which I have is that of Administrator of the Bureau of Security, Consular Affairs and Personnel. This position was established by a law passed by Congress just a year ago. I am responsible for the conduct of consular affairs which is chiefly the issuance of visas and passports, and the protection of Americans who are traveling abroad.

In the field of personnel, I have the responsibility for the recruiting, training, promotion, and transfer of departmental personnel. As far as security is concerned, it is my duty to supervise the physical and personnel security of the State Department and its farflung overseas operations. There are hundreds of employees under my direct supervision and most of them have been there for many years.

Sometimes it is not only extremely difficult but also downright impossible because of the Civil Service Act, the Veterans' Preference Act, and the Foreign Service Act to replace an individual whose viewpoint does not coincide with that of the Republican administration. In the second, third, and fourth echelon of employees the policy which originates at the top must be implemented. Until such time as we can reeducate those employees or replace them with proper personnel the progress which we make is sometimes very slow.

In a private business organization the decisions can be made and implemented by the executive. In many instances this is not true in Government. For example, the Bureau of the Budget determines how much money I can spend in my particular operation; basically the Congress solves the matter of finances; as the money is being spent

the General Accounting Office checks up to see if it is done properly in accordance with the expectations of Congress and the Bureau of the Budget; the Civil Service Commission exercises the final decision as to who may be employed or discharged.

As a result of the controls which are peculiar to Government on those in executive positions, there are times when one feels as though he might just as well take the afternoon off and go to the ball game, because actually the decisions which he would like to make have already been made by other agencies.

I develop this point so much because it is important for the American people to realize that in many instances the two major management problems of money and personnel are in many cases solved for a Government executive by persons outside his agency over whom he has absolutely no control.

The third management problem normally met in business operation consists of the housekeeping task and the acquisition of supplies. You would think that the average government executive could decide whether or not it was necessary to paint or to install air conditioning, or to buy new rugs, or to mop the halls at night, or to buy desks or typewriters, or other equipment. You in this audience who run businesses make these decisions every day. I assure you, however, that in government the General Services Agency handles all the decisions of maintenance, and the rules and regulations for the procurement of supplies are totally outside the purview of the Director of the Agency.

Sometimes the piling up and duplication of personnel over which you have no control becomes very complicated. One of the famous stories told around Washington concerns a dead mouse in the Pentagon. As the story goes, a colonel came to work one morning and observed a dead mouse on the floor of his office. He telephoned the custodian of the building, informed him that he had a mouse in his office, and asked that they send someone up to take care of the problem.

The party receiving the call stated that that came under the duties of the General Services Agency, and transferred the colonel's call.

The General Services Agency inquired whether the trouble with the mouse occurred during the daytime or at night. The officer explained that apparently it happened at night because the mouse was in his office when he came to work that morning. He was immediatey transferred to another extension where it was explained to him that he would have to contact the day representative of the night shift who, of course, had responsibility in such matters.

He got the new number and requested that someone be dispatched to remove a mouse from his office. Presently an amiable fellow strolled into his office and announced, "I'm the mouse man, boss; you got trouble with mice?"

The Colonel indicated the dead mouse lying on the floor and said, "Yes, there it is."

Whereupon his caller shook his head dolefully and said, "You got the wrong man, boss, I'se the live mouse man, you got to get a dead mouse man."

Perhaps conditions are not quite this bad, but I think eventually we have to reach the place where one man can handle both the live mice and the dead mice.

I have tried to explain to you the general nature of the problem, and now with your permission I would like to tell you of some of the things which I have attempted to do to carry out the wishes of the American people to the end that confidence in the integrity and security of the State Department and its employees be reestablished.

At the National Convention of the American Legion a year ago you took note of "failure to deal in a most forceful manner with the obvious determination of the Communists to continue their grim and bloody advances throughout the world—failure to recognize the Communist leanings of men within the Department of State." At your convention you demanded that the disloyal, the "political puppets," the weak, and the incompetent be replaced by "God-fearing Americans" of "character and integrity."

I took office on March 3d of this year and began immediately to move in the direction of the recommendations which the American Legion advocated. I found that most employees of the State Department were good, honest, loyal Americans. I found there was a minority of individuals within the Department which had blackened the reputation of the foreign policy branch of our Government.

Under the instructions of John Foster Dulles, the Secretary of State, General Bedell Smith, Under Secretary of State, and Mr. Don Lourie, Under Secretary of State for Administration, a policy of complete cooperation with congressional committees was instituted. The decision was made, and so far in my tenure of office has been upheld, that the executive branch of the Government will never utilize its power to shield or to suppress the facts from the Congress concerning any individual who has been engaged in subversive activities, and who should be brought to account for his conduct. For the first time in 20 years I can assure you that the House Committee on Un-American Activities under Chairman VELDE, the Senate Internal Security Subcommittee, under Senator JENNER, and the Special Investigating Subcommittee under Senator McCarthy have received the complete and unequivocal support of the State Department.

I have the greatest admiration and respect for J. Edgar Hoover, the Director of the Bureau. I am honored to be numbered among his friends, and I lean on him for counsel and guidance at all times.

When I took office, I found over 2,000 personnel cases in which there had been no investigation at all, and another 2,000 in which the check had been inadequate. Steps have been taken to rectify this situation. In the reasonably near future I hope to be able to report that a full field investigation has been made on all State Department employees.

We are not conducting a "witch hunt" at the State Department. But, we are attempting to eliminate from public service any person upon whom, after investigation, there is a reasonable doubt as to their security potential. In accordance with the instructions contained in President Eisenhower's security order, for the first time in the last 20 years, we are resolving doubt in the favor of the Government.

In addition to the problem of the security risk as a result of association with subversive organizations, I have attempted very frankly and honestly to face the issue of sexual perversion—the practice of sodomy—in the State Department.

This is an unpleasant subject, and my main purpose in mentioning it is to check exaggerations and false rumors, and to help to restore to the Department the good name and national respect to which it is entitled. We know that homosexuals are security risks. We realize that it is a condition which calls for psychiatric treatment. Since January 1, 1947, when statistics were first kept, there have been over 500 cases reported among State Department employees. In every instance to date where the allegation has been substantiated, these individuals have been removed from the Government service.

I wish to be completely honest in my discussion with you today. I cannot tell you there are no Communist agents employed in the State Department. I cannot assure you that there are no fellow-travelers still at work in the State Department. Neither can I say to you there are no homosexuals still on the payroll.

I can give you my assurance, however, that acting under the orders of the Secretary of State and the other top officials of the Department, we have investigated, or are in the process of investigating, every allegation that bears on any of these conditions. I can report to you without fear of contradiction that I have no knowledge of any single case in the above three categories where the person is still employed. If tomorrow information is developed, as the result of an investigation, which leads to a reasonable doubt, you have my word for it that that doubt will be resolved in the favor of the Government and of the people of the United States.

On a similar subject—on June 8, 1953, Mr. Norman Thomas, the nominal head of the American Socialist Party, wrote me in my capacity as personnel man to inquire: "What is your policy and the policy of the administration on the employment of Socialists in civil-service positions?" He made an astounding statement which corroborated the view held by many of us over the years, namely: "* * * there have been Socialists who have worked honorably and successfully in the State Department and in various lines of State Department activity abroad."

I did not beat around the bush with Mr. Thomas. On July 14, 1953, I wrote him in some detail, stating that "I would never knowingly employ a Socialist to fill * * * a policymaking position within the Department"; that "I simply feel it would be impossible for a Socialist to make or influence policy in a manner which would carry out the intentions of President Eisenhower and the Republican administration"; and that furthermore, "* * * I am equally opposed to retaining any Socialist who may presently hold such a job." I said to Mr. Thomas: "I must tell you that whenever I become aware that any person who occupies such a position is a Socialist, I shall use my best efforts to see that he is removed from that position."

This is my intention, and this is what I have done to date. My position has been backed up 100 percent by my superiors. I trust the views I express reflect the opinion of your organization.

In order to see that the security office of the State Department meets the standards to which the American people are entitled, I have succeeded in employing on a contract basis the services of Mr. James Egan. Mr. Egan is one of those little known but vitally important individuals whose contribution to the security of our Nation may never be fully appreciated. He was a principal inspector for Mr. J. Edgar Hoover in the FBI for over 30 years. When I challenged him with the proposal that he assist me to reorganize the security office in the Department of State, he responded like the splendid patriot he is, and readily agreed to undertake this tremendous task. It will be several months before he has completed his assignment, and when his job is done I shall put into effect those recommendations which he submits which seem most likely to strengthen the Security Office.

In the personnel field, which is under my jurisdiction, I found a situation which in some ways defies description. Some years ago the Hoover Commission on reorganization in the executive branch and the Rowe committee made specific recommendations for the correction of this administrative hodgepodge.

I have been fortunate enough to secure the services of Mr. George Wilson, formerly administrative assistant to Senator KNOWLAND, of California. He was a lieutenant colonel in charge of Major Knowland. He is young, able, and vigorous. He is tackling

the problem and, in my opinion, will lend invaluable assistance in straightening out the existing condition.

The most encouraging situation which I found in that sphere of operations for which I am responsible in the Department of State was in the consular area. Under the leadership of Mrs. Ruth Shipley, the veteran passport chief, these offices have been doing an excellent job. Mrs. Shipley is a remarkable woman whose career parallels in many respects that of Mr. J. Edgar Hoover, as one of America's devoted public servants. It is certainly reassuring to know that there are people like her who are anxious and willing to assist the new administration in carrying out the wishes of the American people.

I am fortunate to have as my superiors in the State Department such men as Mr. Donold Lourie, General Bedell Smith, and Secretary Dulles, who have given me their complete and sympathetic support in the undertaking to which I have been assigned. I am sincerely devoted to the fundamental principles of civil liberties which have been developed in this republic for the past 160 years. I realize that it is somewhat difficult to make the American people security conscious except in time of war. Traditionally and historically we have been a people who have had very little, if anything, to fear. In our daily lives most of us do not even lock our doors at night. A great many people unwisely leave the keys in their automobiles when they park their cars. These are trivial but significant indications of a fundamental lack of security consciousness of a people who have lived in the middle of a vast continent.

We are not by nature conspiratorial, and it is difficult to convince the public that espionage and intrigue are nothing but the plots of motion picture, radio, and TV plays.

It is fortunate that the American Legion for decades has recognized the menace of communism as a conspiratorial force dedicated to the overthrow of the Government of the United States by force and violence. There are many evidences that the fundamental truth of this conclusion is slowly being recognized by our people. The tremendous step which has been taken by the new administration toward solving the problem of infiltration of Communists in Government can be briefly stated.

Under the old Truman program, the issue was "loyalty." Before a person could be discharged from Government employment, it was necessary to prove before special hearing boards that the individual was "disloyal." Obviously, to prove that the person has been disloyal one must be able to prove that he has committed some overt act against the Government of the United States. In a word, "treason." If such was the case, we have statutes to take care of that. Government employment was treated as a right instead of a privilege, and the issue was beclouded by raising the phony cry of civil liberties.

With crystal clarity, the new security regulations promulgated on April 27 by President Eisenhower pointed out (1) that Government employment was a privilege and not a right, and (2) that loyalty was not the keystone upon which decisions were to be made. The program was put on a much sounder basis. It takes into account the various behavior patterns which may render an individual a "security risk." It matters little whether an American is a fool, a loose-mouthed drunkard, a good subject for blackmail, or outright disloyal, insofar as obtaining the secrets of our Government are concerned. Suitability for Government employment is now based on the sound concept that if an individual is to be trusted with secrets which vitally affect your welfare—right here in Kansas—he must measure up to standards which will justify placing faith in him.

The new security order, therefore, in my opinion, realistically protects the interests of the Government and, at the same time, provides against arbitrary or discriminatory action in connection with an individual. I believe that the new system will work. I believe it will provide the protection to which the American people are entitled. I believe it is very important that we cease to attach the stigma of disloyalty to any person who is discharged from the Government service under the new security order. It is perfectly possible that many of the people who will be adjudged "security risks" under this procedure will be loyal and devoted Americans who simply are not suitable for Federal employment in a sensitive position.

To the best of my ability, and with the backing of my superiors and the devoted assistance of my staff, I shall attempt to administer this new security program in the State Department in such a way as to advance the interests of all of the American people.

I know the task is not an easy one. I expect in the future as in the past there will be people who will be critical of the decisions which I feel, in good conscience, I must make. It will be much easier for me to do my job if I feel that I have the confidence, the support, and the advice of the many millions of our people who belong to this great organization, the American Legion.

The philosophers of all the ages have attempted without success to define the difference between right and wrong. I do not presume to answer this question, but I do know that each of us, inherently, can distinguish in the light of our own experience, our own training and background, the important difference between what is right and what is wrong. So in closing I give you a quotation from Mark Twain which seems a reasonable standard to live by, particularly for those of us who work in Washington: "Do always what is right. It will please many people. It will astonish the rest."

Mr. YOUNG. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. YOUNG. I should like to add a comment in favor of Scottie McLeod as Ambassador to Ireland. In many trips to various parts of the world, it has been my experience that men such as Scottie McLeod more truly represent the average American, and are better ambassadors of good will, than many career men such as "Chip" Bohlen, whose nomination the Senate confirmed earlier today. To me, he is entirely the wrong type of ambassador to any country in the world. He is a surly, cocky, unfriendly individual. To me he represents a very small minority in this country. It is that type of person who can get us into much more trouble than any other ambassador. I should like to add, however, that we have many career men who are doing fine work as ambassadors.

It is the Scottie McLeod type who will do this country a great deal of good. Unless I miss my guess, the Irish will be very fond of him once they get to know him.

Mr. BRIDGES. I thank the distinguished Senator from North Dakota. I am glad his opinion relative to Mr. McLeod is the same as mine.

I hope, Mr. President, we can reach a vote in the early future, first on the motion made by the distinguished Senator from Pennsylvania [Mr. CLARK] to recommit the nomination. When that motion fails to carry, following the suggestion of the Senator from Oregon [Mr. MORSE], who expressed his pessimism about the motion of the Senator from Pennsylvania earlier, then we shall vote on the confirmation of the nomination.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Pennsylvania [Mr. CLARK] to recommit the nomination to the Committee on Foreign Relations.

REOPENED TRANSPACIFIC CERTIFICATE RENEWAL CASE

Mr. MORSE. Mr. President, there is another matter, on an extraneous subject, which has come up, to which I must address myself for a few minutes, because I always like to clarify the record, when the record is incorrect, at the first opportunity.

This is the first opportunity I have had, in fairness to protestors, to put another point of view in the RECORD in regard to a matter I have previously discussed on the floor of the Senate.

On April 16 of this year, at pages 5758 and 5759 of the CONGRESSIONAL RECORD, I inserted in the RECORD certain information and figures and arguments with regard to the position taken by Pan American Airways, set forth in their brief to the Civil Aeronautics Board in docket 5031, reopened Trans-Pacific Certificate Renewal Case, pages 47–49.

Some of the friends of Northwest Airlines feel that the material which I inserted in the RECORD—and I made perfectly clear that I was presenting it at that time on behalf of those who held a specific point of view—did an injustice to Northwest Airlines, so in fairness I now wish to make the following statement, which I have obtained from friends of Northwest Airlines.

It is alleged that the figures which were inserted on April 18 were not developed during the hearings of the case before the Civil Aeronautics Board, but were presented by Pan American for the first time in its brief to the Civil Aeronautics Board.

It is alleged that the figures are substantially in error. Northwest Airlines filed a detailed motion with the Board on February 12, 1957, petitioning that these figures and the arguments related thereto be physically stricken from Pan American's brief in the official record. The Board has not yet ruled on this motion.

I am advised that these Pan American prepared figures were not subject to evaluation during the hearing before the CAB trial examiner. The figures are a self-serving Pan American estimate prepared by their lawyers. The figures are in conflict with the official Government records on file with the Civil Aeronautics Board.

Pan American estimated that Northwest's current international "earnings" amount to $3,577,000 annually. Actually, official CAB figures for 1956 show that Northwest's net profit after taxes was $1,342,472. Therefore, it is alleged that Pan American's self-serving arithmetic inflates Northwest's profit by more than 50 percent. Northwest's profits are indeed small when compared with

Pan America's operating profit from its Pacific division which totaled $7,955,000 in 1956, if I am correctly informed.

It is further alleged that Pan American's self-serving figures make further adjustments which that company asserts will increase Northwest's operating income to $5,600,000 annually. These include the assumption that the conversion of one weekly DC–4 flight to a DC–7C, and the assertion that the use of DC–7C's in the Trans-Pacific service will greatly reduce operating costs, and therefore will raise Northwest's actual operating profit by two and a half times over 1956. It is claimed that neither assertion is true nor justified on the basis of any facts which Pan American could produce during the official hearing before the Civil Aeronautics Board.

It is claimed that Pan American's only purpose in presenting its exaggerated and inaccurate estimate of Northwest's international earnings is to meet the direct and explicit finding of the CAB examiner that duplication of Northwest's route by Pan American would be "disastrous" and would return Northwest to subsidy.

This conclusion was based upon examiner's finding, and that of bureau counsel, that Pan American would divert revenues from Northwest ranging from $2,292,000 to $2,859,000 per year. It is clear that even on the lower figure, Northwest's entire international operating income would be wiped out.

Further, it is represented to me that Pan American also seeks to divert attention that the fact that it already is certificated on 3 Trans-Pacific routes—1 via Tokyo to Hong Kong, another via Manila to Hong Kong, and a third, which it chooses not to operate, via Midway. These routes produce for Pan American 70 percent of the United States-flag carrier revenue in the Pacific, a total of $78,539,000 in 1956, and enable Pan American to operate 13 Trans-Pacific frequencies each week, compared with 7 for Northwest. In 1956, they produced an operating income of $7,955,000—an increase of 63.8 percent over the previous year.

Northwest Airlines, meanwhile, is certificated to operate across the Pacific by a single route—the relatively thin North Pacific route—and has access to only two of the west coast terminals available to Pan American—the two which generate the least Trans-Pacific traffic. As a result, Northwest in 1956 had about 30 percent of Pacific revenue—$25,764,000.

It is further claimed that Pan American's increase in net income in 1956, over 1955, from its Pacific operations alone, actually exceeded Northwest's total net income from all of its international operations.

Yet it is said to me that Pan American still insists that it must retain its 70 percent of the Pacific revenue, and share Northwest's 30 percent, in order to compete effectively.

Actually, if any course of action with respect to Pan American is indicated, it should be a course which would tend to reduce, rather than increase, its overwhelming dominance of United States flag international air transportation. So say those who would seek to deny to Pan-American its request in this case.

It is further alleged that Pan American's very bigness, and its awesome exercise of political influence in Washington, constitute a threat to the proper development of international aviation. Moreover, opponents of Pan American position claim the evidence offered in a recent order of the CAB, indicating that Pan American has actually falsified records and improperly padded its operating expenses in order to claim subsidy to which it was not properly entitled should forfeit any claim Pan American might otherwise have had for additional route consideration.

PUBLIC INTEREST MUST BE PARAMOUNT

I am glad to have placed in the RECORD these conflicting claims of the proponents of both Pan American and Northwest Airlines. Let me say, in concluding this statement, that it seems to me sight is being lost of the real problem before us, and that is the problem of what is in the best interest of the traveling public. I wish to repeat what I said in effect on April 16, that my interest as a Senator from the State of Oregon in this question is to see to it, to the extent that I can, that the CAB gives full consideration to the interests of the traveling public of the Pacific Northwest. I do not want any favoritism for Northwest Airlines, or any favoritism for Pan-American, but I do want favoritism for the traveling public.

I wish to stress the fact that we have this conflict in our section of the country in regard to the claims of these two powerful airlines for the route in question. Whenever I find myself in that kind of contest, I seek to present to the appropriate Government agency the positions of the conflicting groups. I have sought to do so in connection with this matter.

I dismiss any further consideration of the subject, so far as my insertion in the CONGRESSIONAL RECORD is concerned, by saying that it is now up to the CAB to weigh the respective claims and proceed to a decision at an early date which will give the greatest possible protection to the best interests of the traveling public in the Pacific Northwest.

DEATH OF SENATOR JOSEPH R. McCARTHY

Mr. GOLDWATER. Mr. President, I ask that there be printed in the body of the RECORD at this point as a part of my remarks a statement which I have prepared on the passing of our late colleague, Senator Joseph R, McCarthy.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The flag above the United States Capitol is flying at half staff today.

This is not an altogether infrequent sight in Washington, but it is always a sobering one.

A Senator is dead.

It has been appropriately observed that, for every man, there is "a time to live and a time to die."

Some men, perhaps, are not really right for the age of their existence. Some, perhaps, are simply born too late or too soon, and even in death their presence is untimely.

All death, of course, even that which is rather expected for understandable causes, seems to the living to be a tragedy.

Our religious faith teaches us otherwise: that in death we pass beyond the mortal toil of this veil of tears and enter into eternal life. Some religions even accept the dogma that life is merely a preparation for death.

Certainly, to dispel the anguish of a moment of loss, this is a comforting reflection.

Joe McCarthy had his "time to live" and he lived well. Now, has come his "time to die."

The question raised by his unusual personality in life will be argued long beyond his death. Some may even not agree that he was a man well suited to meet the challenges of his day.

Yet, the fact remains that, by the very uniqueness of his career, he carved a niche in history that would never have been put there save for the courage, determination, and stamina of Joe McCarthy.

It is of no consequence whether we agree with what a man seeks to do, or how he does it. The true criterion is why a man does what he does—the convictions which motivate and inspire his efforts.

Senator McCarthy was a fervently loyal and faithful American. In that respect, he was far more to be commended than those he attacked, or even than some of his severest critics.

The foreign press calls him "vicious," "evil," and suggests that America will be a "cleaner" land now that he is gone.

It is difficult to know what such words mean. He was, first of all, a human being. Then, he was an American. Do they abuse him for that?

The foreign press also calls him an obstructionist to foreign aid. How twisted can reason and values become?

Senator McCarthy was an American. He loathed the enemies of America. He fought jealously to achieve a primary recognition for the rights of America.

In the sight of God, he will occupy a place no better—but, surely, no worse—than that which is accorded to all good men who fight for the rights they adore.

He was neither saint nor sinner, genius nor fool, martyr nor tyrant. He was an American, and a United States Senator who represented his State and the Nation as well as he knew how. If that was not good enough for some, there are certainly others to whom his service was far more desirable than that which would have been dispatched by the subversive elements whom he ferreted out of our Government.

Do not mourn Joe McCarthy. Be thankful that he lived, at the right time, and according to the talents vested in him by his Maker.

Be grateful, too, that when it came his time to die, he passed on with the full assurance that, because he lived, America is a brighter, safer, more vigilant land today.

MODERN REPUBLICANISM IS LIKE THE COWBIRD

Mr. MORSE. Mr. President, because earlier today I sent a release to the press gallery, I wish to take a moment to make a statement on another matter.

Mr. President, I do not want to appear before the Senate in the role of a prophet of gloom and doom, but there are some signs on the economic horizon which bear watching. In my own State, so dependent upon lumber for our economic well-being, we have been having a real depression. The slump in housing, brought on by the tight-money program, is one of the major contributing factors.

In March, the President, with great fanfare, announced a change in payment requirements for housing. I ask unanimous consent to insert at this point in my remarks a report from the Wall Street Journal for April 1, which says that the administration's action will not do much good.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MOST BUILDERS AND BANKERS SAY CUT IN FHA DOWNPAYMENT REQUIREMENTS WON'T SPUR BUILDING MUCH—PRESIDENT'S MOVES CALLED A STEP IN RIGHT DIRECTION—SAVINGS-LOAN RULES EASED

The Government reduced downpayment requirements on home mortgages insured by the Federal Housing Administration, but builders saw little effect from the move as long as credit stays scarce.

They noted many lending institutions currently make people put down much more cash than the minimum amount specified by the Government and lenders generally are steering away from federally insured mortgages because the allowable interest rates are below those on so-called conventional loans.

Slated for House Banking Committee action this week is a subcommittee-approved bill to lower FHA downpayment requirements still further and channel more money into the mortgage market.

President Eisenhower announced over the weekend the 2-percentage-point cut in required downpayments under the FHA program. It puts the minimums at 5 percent of the first $9,000 of appraised value and 25 percent of the amount over that figure.

In addition, the FHA announced it will redeem $22,790,850 of debentures July 1, thus providing private lenders with more funds to purchase new mortgages. The debentures were issued to lending institutions in exchange for properties or assigned mortgages when FHA mortgages were defaulted.

RELAXATION ELSEWHERE, TOO

The President also said regulations of the Federal Home Loan Bank Board will be modified immediately to let Government-insured savings and loan associations purchase a participating interest in any mortgage originated by another insured association. At least a 50 percent interest, however, must be retained by the originating institution.

The White House explained this new rule relaxes a restriction on most savings and loan associations that they invest in mortgages on homes within 50 miles of their principal offices. Mr. Eisenhower's office explained the change "should be particularly helpful in increasing the availability of home mortgage funds in rapidly growing areas where financing needs exceed local savings resources.

The President took the steps "to make credit more readily available to prospective home purchasers and to assist home building," the White House said.

The new participation program for savings and loan associations drew hearty support from Charles Wellman, executive vice president of Glendale Federal Savings & Loan Association, Glendale, Calif. "This will tend to eliminate regional differences; associations which have money but not so much demand, will have a new source of demand, namely from associations in areas like Los Angeles, where demand is high and money is tight. It's a good new source of money for us and we'll certainly make use of it," he said.

WHAT BUILDERS AND BANKERS SAY

A check of builders and bankers around the country, however, turned up the view that beyond a possible "psychological" effect—perhaps a little spur to home buyer interest through the publicity generated by the announcement—the reduction in required downpayments on FHA-insured mortgages would have little impact on their operations.

A similar view, and sharp criticism of the FHA cut, was expressed in Washington by key lawmakers who said the downpayment move would help little, if at all.

Senator SPARKMAN, Democrat, of Alabama, who heads a Senate housing subcommittee, charged the actions might do more harm than good by stimulating demand without increasing funds available for mortgages.

Senator CAPEHART of Indiana, ranking Republican member of the committee, took the same tack. Another committee member, Senator CLARK, Democrat, of Pennsylvania, termed the actions "too little and too late."

Representative RAINS, Democrat, of Alabama, chairman of a House Banking subcommittee on Housing, termed the President's action "A very minor matter that couldn't begin to solve the problem."

Bankers and builders also noted the actual reduction in a theoretical downpayment would be relatively small—for example, $240 on a $12,000 house.

"It's a step in the right direction, but it's such a mild one, it will be of no help economically," said Raymond Lapin, president of Bankers Mortgage Co., of California, in San Francisco.

"We're concerned with the lack of credit and not downpayments," sighed Morris G. Hance, first vice president of Commonwealth Investment, Inc., in Portland, Oreg.

"REALISTIC" RATES ASKED

The President's announcement "is nothing to dance in the streets about," said Walter Cowart, president of Cowart Bros., Jacksonville, Fla., builders. "It won't cause me to reshuffle my building plans," he added.

Fred Glassman, a Philadelphia builder, remarked that on GI loans there's only a 2 percent downpayment required under Veterans' Administration rules and you still can't get the (mortgage) money.

Some people, particularly in Chicago and San Francisco, however, saw the cut in downpayment requirements as a big help for builders of lower-priced homes.

Joseph R. Downs, executive vice president of the Chicago Metropolitan Home Builders Association, called the change "at least a half step in the right direction." He added: "Any program to reduce downpayments will expand the market."

A number of builders and bankers called for what they termed "realistic" interest rates on Government-backed mortgages.

"Banks generally don't want FHA loans, anyway, because their fees are frozen," said Ernest Siegler, Cleveland home builder. Interest on FHA-insured mortgages is currently limited to 5 percent, and the maximum rate on home loans made or guaranteed by the Veterans' Administration is held by law to 4½ percent. Congress has been cool to an administration request for boosting the interest ceiling on VA-backed mortgages to 5 percent.

"The mortgage money market has eased a little, but it is still tight and that is the important thing," reported an official of the Boston Federal Savings & Loan Association.

"The only change that would really stimulate home building would be an increase in the GI interest rate."

"It will definitely contribute to more business for us," remarks Wilson Brown, president of the Brown Organization, of Dallas, whose houses now under construction include 20 FHA-financed ones. "Our big market is the home from $10,000 to $15,000. Knocking $280 off the amount down for a $14,000 house will make a lot more people interested."

MONEY MARKET BETTER

Lower downpayment requirements would be just one reason, he said. The chief one, he added, is "the money market is looking better than it has been in quite a while," with lenders showing new interest.

A San Francisco builder commented: "Anything along that line would have a favorable effect. It's a step in the right direction."

The White House noted downpayment requirements were raised to 7 percent of the first $9,000 of appraised value on FHA-backed loans in July 1955, to help prevent excessive use of credit. "In view of the reduction since that time in the rate of home building and in the use of mortgage credit, the requirement is no longer needed," the announcement said.

HOUSING STARTS

Housing starts in February fell below a seasonally adjusted annual rate of 1 million units for the first time in more than 5 years.

"This action will make it easier for veterans to buy homes under the FHA program if the supply of funds for Veterans Administration-guaranteed loans should, because of the limitation on the interest rate for such loans in existing legislation, continue to decline," the White House said.

The White House statement said the latest actions "supplement" other recent measures taken by the administration to increase credit availability for home buying. It said that last December it raised to 5 percent from 4½ percent the top permissible interest rate on FHA-insured home loans. This was designed to make the loans more competitive with comparable investments, the White House said.

The statement also noted the Federal National Mortgage Association has stepped up its purchases of insured and guaranteed loans.

In addition, the White House said, it has asked Congress for several changes in housing laws designed to make more credit available for home buyers and builders.

"These administrative actions and legislative proposals," the White House statement declared, "are designed to maintain activity in the home construction field by making home mortgage credit more readily available and by broadening the market for homes."

This week, the House Banking Committee is expected to stamp speedy approval on an omnibus housing bill designed to provide substantial assistance to home builders and buyers.

As formally approved Friday by a subcommittee, the measure goes further than the Administration's housing schemes and contains several provisions vigorously opposed by Federal housing officials.

WHAT BILL WOULD DO

The bill would set up a veterans' preference program within the FHA, expand housing credit available for the Federal National Mortgage Association by $1 billion, lower minimum FHA downpayment requirements still further and channel $1 billion of the National Service Life Insurance reserve fund into purchasing GI mortgages. This last provision has brought Administration threats of a Presidential veto.

In addition, the measure provides more money for slum clearance and military housing and authorized $500,000 for a special farm housing research program.

Representative RAINS predicted Congress would pass the measure within 2 or 3 weeks.

The bill sets minimum downpayment terms for home mortgages insured by the FHA at 5 percent on the first $9,000 of appraised value and 20 percent on the value above that to $20,000, compared with the just announced rates of 5 percent on the first $9,000 and 25 percent above that.

VETERANS' MINIMUM LOWERED

However, the minimum for veterans would be only 2½ percent down on the first $9,000 of appraised value and 5 percent on the remainder. In addition, they would be exempt

from the 0.5 percent insurance premium required by the FHA.

The bill specifies that whatever downpayment terms the FHA sets for its overall program, the veteran's requirements be exactly half.

The Administration has asked Congress for standby authority to lower FHA terms to 4 percent on the first $10,000 of appraised value, 15 percent on the value between $10,000 and $16,000, and 30 percent on the value above that figure.

Subcommittee members said a less liberal downpayment schedule was approved because of the veterans' preference program. They predicted the full committee would back a move to have the new terms put into effect immediately, rather than approve standby authority.

Main reason for the veterans' preference proposal, subcommittee members said, is that Congress apparently will not approve an increase in the interest rate ceiling to 5 percent on home loans guaranteed by the Veterans' Administration.

The House Veterans' Affairs Committee is expected to take another look at this proposal tomorrow. The House in effect rejected the boost last week, but this was partly because of a technicality in that the proposal was offered as an amendment to another bill.

TERMINATION PROVIDED

The bill provides for an orderly termination of the veterans' preference program after July 1968, when the VA program for World War II veterans is scheduled to expire. After that date veterans would be eligible for the special FHA provisions for a period roughly equivalent to the years they spent in service.

FHA officials opposed the veterans' preference, contending it would be hard to operate and should be the province of the Veterans' Administration.

The bill would also require the FHA and VA to set reasonable ceilings on discounts, taking into account various regional factors.

The FNMA would get a hefty boost—to $2,600,000,000 from $1,600,000,000—in authority to conduct its regular buying and selling of Government-backed mortgages in the secondary or resale market.

The bill provides that Fannie Mae purchase at par mortgages it buys under its special assistance program for military housing and slum clearance and other programs. The agency now purchases these mortgages at 99 percent, or 1 percent below the full amount of the mortgage.

The Administration's request for $250 million additional authority for the special assistance program was adopted.

Mr. MORSE. As further proof, in the period since a golf game was interrupted for this great pronouncement there has been no real rise in the rate of home construction.

What we need—and this is the position I have maintained from the outset—is a change in the tight-money policy. High interest rates force the cost of housing up, and the benefits flow to the moneylenders. Perhaps the strong supporters of Modern Republicanism will begin to see the light as time goes on.

I also ask unanimous consent to insert in the RECORD another report from the Wall Street Journal of April 1.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BUSINESS AND FINANCE

Home building is expected to remain slow despite restoratives applied by the administration. Bankers and construction industry executives predicted the cut in downpayments on federally insured mortgages decreed by President Eisenhower over the weekend would provide little stimulus as long as credit stays scarce. Many lending institutions, they noted, make home buyers put down much more cash than the minimum specified by the Government, and lenders generally are steering away from Government-backed mortgages because allowable interest rates are below those on conventional loans.

Key Congressmen voiced similar views. The House Banking Committee is expected to give speedy approval to legislation designed to extend substantial assistance to home builders and buyers. It would lower FHA downpayment requirements still further and channel more money into the mortgage market.

Trans World Airlines disclosed it is laying off nearly 2,000 of its 19,945 employees. Carter L. Burgess, TWA's new president, recently stated a cutback in employment was necessary in the company's effort to get out of the red. Douglas Aircraft Co. announced it will drop 1,350 of its 13,000 workers at Tulsa within a month. It blamed the Air Force's cancellation of the C–132, the big turboprop transport Douglas has been working on here.

These employment cutbacks came as fresh outbreaks of layoffs hit Maytag Co., Newton, Iowa, manufacturer of washing machines, and the home appliance divisions of General Electric at Louisville and of Westinghouse Electric at Mansfield, Ohio.

Steel producers foresee a gradual decline in operations, carrying into the third quarter. But a comeback in the final 3 months of the year is counted on to keep 1957 output around the high levels of the past 2 years.

Despite the fifth consecutive weekly decline in operations last week and dimming prospects for spring improvement in automotive steel buying, steel producers generally are sticking pretty close to their turn-of-the-year optimism.

Auto makers eye current sales trends anxiously, seeking a clue to whether the traditional spring improvement will develop. General Motors' Chevrolet division is optimistic in this regard. Its dealers sold some 44,000 cars in March's second 10-day period, compared with 34,000 in the first 10 days. On a daily average basis, this was a 15 percent pickup in the sales rate.

For the industry as a whole, an indicated gain of 7 percent took place. But total sales for the first 30 days of March trailed the year-earlier pace by 9 percent, and the daily rate was even below February's. In a drive to spur demand, every auto producer except GM's Cadillac division has a sales promotion contest in the works or already operating.

Cotton fabric prices slumped to an 8-year low. The pace-setting 80-square print cloth declined to 17¾ cents a yard last week—down 1½ cents from the high reached during last autumn's buying flurry. Since then, prices have worked slowly downward. But textile merchants report signs are beginning to appear that cotton cloth inventories may be fairly well cleaned out.

Mr. MORSE. Not only is home construction down, but we are getting the collateral impact of the tight-money policy. Auto sales for March are 9 percent below last year's rate and below February's. Only Cadillac is in good shape. Steel production is off. TWA has laid off 2,000 people. Maytag, General Electric, and Westinghouse have laid people off. These things have a cumulative effect and, in my judgment, this administration is making a serious mistake in sticking to a tight-money policy.

I predict that when enough segments of big business feel the results, the Republican Party will start to hear from its major supporters. In the meantime, the Democratic Party will continue to work for the people of America. I predict that the majority leader will be able to count on more Republican votes for programs that benefit the people when the big boys find that the problems of the workers and farmers have trickled up to them and are painfully pinching profits.

One of the odd things about the trickle-down theory practiced by the tight-money boys is that when the trickle gets small enough, they thirst too. They look for ways to quench their thirst. Lo and behold, what do we find every time—the Democratic Party has a program and a policy to benefit all Americans. Then we find the Republicans working for that program and policy but with a new label.

This is Modern Republicanism in action—and it acts like a cowbird. It lays its eggs in another bird's nest, and when the cowbird chicks hatch, they try to push the other chicks out. I think the American people are coming to understand Modern Republicanism, just as they understood the old-fashioned variety.

NOMINATION OF SCOTT McLEOD

Mr. MORSE. Mr. President, I turn now to the subject matter before the Senate. I shall be very brief in my discussion of the McLeod case. I believe that each one of us has made up his mind as to how he will vote. We have studied the record, and we have had a great deal of information presented to us over the months in regard to the nomination.

However, I wish to restate the position I took as a member of the Committee on Foreign Relations. It was not so long ago that the Committee on Foreign Relations sent to the Secretary of State a letter expressing strongly our dissatisfaction with some of the appointments to diplomatic posts which we had been asked to approve. In that letter, which reflected the nonpartisan views of the entire committee, we voiced our conviction that, in the difficult international conditions which the United States faces in the world today, it is imperative for our Nation to have the very best representation abroad that it can get.

What was the reaction of the Department of State? The reply we received was a stereotyped reminder that more posts abroad are being occupied by career Foreign Service officers than ever before. The reply was anything but responsive to the issue which has disturbed this committee.

I think the appointment of Mr. McLeod is a challenge to this body. It is a typical example of what I thought we were trying to control. I think it is up to us, here and now, to show the Department of State that we were in dead earnest in what we wrote to them, or else let us stop pretending we are anxious to have qualified career men appointed to diplomatic posts. Let us simply go on confirming men for important diplomatic posts, who obviously have no qualifications for the job.

Much has been said about a presumption being in favor of a Presidential appointment to an ambassadorship. I agree with that position. However, it is

not a conclusive presumption but a rebuttable one. After having weighed Mr. McLeod's qualifications, or more accurately the stated lack of qualifications, I am satisfied that the presumption has been rebutted by Mr. McLeod himself.

Throughout my 13 years in the Senate, I have always resolved doubts in favor of a Presidential appointment unless I became satisfied that the nominee failed to measure up to at least one of the historic criteria that have been followed throughout the Senate's history in giving advice and consent to a President under the advice and consent clause of the Constitution. One of those criteria pertains to the competency and qualifications of the nominee to perform the duties of the office to which he has been appointed. It is my conclusion that Mr. McLeod does not meet this criterion and, therefore, I shall vote against him.

The record is perfectly clear that in the past I have voted to support Eisenhower nominations when I felt the four historic criteria were met, and I have done the same under Democratic administrations; likewise, I have opposed nominations of both Democratic and Republican administrations when I was satisfied that one or more of those criteria had not been fulfilled by the nominee.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MONRONEY. I should like to ask the distinguished Senator from Oregon if it is not a fact that the McLeod appointment is not what normally would be considered a political ambassadorial appointment.

As I read the testimony given at the hearings, it seems to me that confirming the nomination would not mean that Mr. McLeod would serve for a period of 4 years, perhaps, in his ambassadorial position, or until a new administration took over; but that this is a move—and it is very clearly spelled out in the hearings—to place him in the ambassadorial career service.

Mr. MORSE. He made it perfectly clear in the testimony that he is seeking this place in order to move into the career diplomatic service if two things happen in the future.

One is that he decides, after this experience, that this is what he wants to do, and what he wants his career to be. He certainly did not say that he had made up his mind irrevocably.

Second, he made it clear that there was another condition, namely, whether the Foreign Service would accept him. He want on to state—and it was a point which I had missed, and I am sure other Senators were not aware of it either—that we do have at least some sort of custom or tradition, which has developed, that places the people who seek to devote their lives to the career service in the position where they must in turn be admitted to the Service on a permanent basis.

Mr. MONRONEY. As the junior Senator from Oklahoma will recall, because of the disaster that had affected the morale of the Foreign Service, when people were not entering it, the Wriston report was made, and that report provided for the lateral transfer of career civil-service people across the line into the Foreign Service.

Mr. MORSE. That is correct.

Mr. MONRONEY. It was as a result of the disaster that had struck the State Department, with good men leaving because of dissatisfaction, or persecution—which some people felt they had been subjected to—or failure to close cases, or failure to give them a proper chance to defend themselves, that Congress had before it—and I personally held up the bill for several weeks on the call of the calendar—the plan for the lateral transfer of civil-service employees across the line to the Foreign Service. I held it up because I felt the procedure would be abused, and would mean that politics would enter the Foreign Service; also, that it would open the gates to men who, having been appointed for purely political reasons, and then acquiring civil-service status, could apply, after 3 years of probation; whereas a career Foreign Service man would have to wait 30 years or so.

Mr. MORSE. The Senator is correct.

Mr. MONRONEY. Therefore is this not going to be something far less than a blessing, and perhaps serve as a body blow to the career service? I have in mind a man who starts as a vice consul in Belem, or in some other South American city, in a hardship position, perhaps, and in a minor capacity, and struggles up through many years, step by step, on the ladder heading toward an ambassadorial post. Such a man could be forced out at the very end. The Wriston report was sold to Congress as an important way of rewarding genuine career people who possess the basic experience and the background for the Foreign Service.

Therefore, if we open the gates with the McLeod appointment, will we not strike a body blow to the whole system around the world so far as men who struggle to keep the American position foremost in diplomatic circles are concerned?

Mr. MORSE. The Senator is completely right, and what he said bears upon the objection I am raising with regard to the qualification and competency of the nominee. It buttresses my main objection to the appointment. I have said that in my 13 years in the Senate I have supported any nomination made by a President, whether Republican or Democrat, when I felt the nominee met the four criteria I have set up. Those four criteria concern themselves with character, conflict of interest, faith in our constitutional form of government, and unquestioned patriotism to that form of government.

Lastly, the nominee must have reasonable competency to perform the duties of the position involved, and that means qualifications and experience and background which would justify our believing that the nominee had the competency to perform the duties of his position.

It is on that latter criterion that I find myself unable to vote for the McLeod nomination.

I now yield to the Senator from Colorado.

Mr. CARROLL. I am very much interested in the remarks of the Senator from Oregon and in the colloquy between him and the Senator from Oklahoma. I had not really understood the full significance of this effort until I heard the exchange. For example, I did not fully comprehend the colloquy on page 5 of the hearings until I heard the matter discussed on the floor. In the hearing, the Senator from Arkansas questioned Mr. McLeod, as follows:

> Senator FULBRIGHT. What do you hope to contribute as Ambassador to Ireland, if there are no problems? Is this just a nice, easy place to retire to?
>
> Mr. MCLEOD. No, sir. I don't expect to retire. I am relatively young. It just seems to me to be a good place to get your feet wet in the matter of diplomacy.
>
> Senator FULBRIGHT. Do you expect to make the diplomatic service a career?
>
> Mr. MCLEOD. There is still a matter of whether the career service will accept me or not.
>
> Senator FULBRIGHT. What do you mean by that?
>
> Mr. MCLEOD. Under our program you have to apply for lateral entry and be accepted under the forms and procedures.

I therefore put this question, if I may, to the Senator from Oregon and the Senator from Oklahoma: Does that mean, if Mr. McLeod's appointment shall be confirmed by the Senate and he receives ambassadorial status, that later, if he should be accepted in the career diplomatic service, he will move over to the class of the Foreign Service with persons who have dedicated their lives to that service?

Mr. MORSE. In my opinion, it will put him in a position of great favoritism.

Mr. CARROLL. I think I can understand, as has been so clearly stated by the Senator from Pennsylvania [Mr. CLARK], that there have been political appointments made by Democratic Presidents and Republican Presidents, but those appointments obviously were of persons who did not seek entry into the career Foreign Service. Perhaps they were wealthy men, or perhaps there was political motivation. But in the experience of the Senator from Oregon, can he recall a case of this nature, in which a person sought to elevate himself into the diplomatic career service in this fashion?

Mr. MORSE. I think the McLeod case is a singular case, without precedent.

Mr. CARROLL. Then, considering the question raised by the Senator from Oklahoma [Mr. MONRONEY], there is all the more reason why the nomination of Mr. McLeod merits reconsideration by the Committee on Foreign Relations, so that the matter can be studied further, because to confirm the nomination of Mr. McLeod could have a serious effect upon the morale of those in the Foreign Service. If that Service is to be an establishment of the President, where the door can be opened to this sort of political maneuvering, I think it should be brought more forcefully to the attention of the Senate.

Mr. MORSE. I agree with the Senator from Colorado.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. MORTON. I think the colloquy has left the impression that if Scott

McLeod were considered for lateral entry into the Foreign Service, if he sought it, and were approved by the Board of Foreign Service, which passes on such applications, he would therefore come in as a career ambassador. That is not true at all. He may come in as a Foreign Service officer of the second class or of other classes.

The Foreign Service is nothing new. Entry into it has happened before the time of the Wriston recommendation; it has happened since.

Mr. MORSE. At this point, would the Senator from Kentucky give us an explanation? Let us assume this hypothetical: When a person seeks to enter the career Foreign Service from an ambassadorship, who determines what the classification will be when he is admitted laterally into the Foreign Service?

Mr. MORTON. A board of review, an examining board, set up in the Foreign Service, composed of high-ranking members of the Foreign Service, first passes on the qualifications. They then recommend to the Under Secretary for Administration yea or nay, and what class it shall be.

To my knowledge—and I have not been in the Department for the last year—since Congress enacted the recommendations which were contained in the Wriston report, the recommendations of that board have been carried out.

There are many career Foreign Service officers of the first class, and even of the second class, who have served in positions as ambassadors, and they have had lateral entry. That was true in the case of a very capable Ambassador who met a most unfortunate death in Thailand, whom many Members of the Senate knew and, I think, whom they respected and admired .

Mr. MORSE. Ambassador Peurifoy.

Mr. MORTON. Jack Peurifoy. Also, my predecessor as Assistant Secretary of State, Jack McFall, has served ably as Ambassador to Finland.

Mr. CARROLL. Mr. President, will the Senator from Oregon further yield?

Mr. MORSE. I yield.

Mr. CARROLL. I read further from page 5 of the hearings on the nomination of Mr. McLeod:

> Mr. McLEOD. Under our program you have to apply for lateral entry and be accepted under the forms and procedures. The rules as they are laid down require a 3-year prior employment in the Department, and I believe on that basis I am eligible to apply, but I would rather have more experience in this particular line before making application.

That is, he wants to gain experience by being Ambassador to Ireland. The next question was asked by the Senator from Arkansas:

> Senator FULBRIGHT. If you are confirmed for this position, do you not become automatically a foreign career officer?
>
> Mr. McLEOD. No, sir; I do not.
>
> Senator FULBRIGHT. What further procedure must be followed, assuming you are Ambassador to Ireland?
>
> Mr. McLEOD. Then I would have to make an application to become a member of the career service through the lateral entry program.
>
> Senator FULBRIGHT. Who approves that?
>
> Mr. McLEOD. Ultimately the Secretary on recommendation of the Board of Foreign Service.

If I correctly interpret the remarks of the Senator from Kentucky, there seems to be some doubt in his mind as to what category of the Foreign Service it would be, whether it would be the first class, the second class, or whatever classification it might be.

The question now is, If Mr. McLeod had ambassadorial status and sought to be admitted to the Foreign Service, who would determine the classification he would receive?

Mr. MORTON. As a matter of practice, since the legislation was enacted and until my resignation from the Department—I cannot speak since then—it was based on the recommendations of the Board. The Foreign Service officers who passed on one's eligibility as a Foreign Service officer made the recommendation as to his class, and that recommendation was followed.

Mr. CARROLL. If the Senator from Oregon will yield further, it seems inconceivable to me that once a person had served as an ambassador, and had later submitted his application for entry into the Foreign Service through the lateral entry procedure, the Board of Foreign Service could say to the Secretary, who had recommended ambassadorial status in the first place, that the person should be placed in the lowest category of the Foreign Service. That is beyond the realm of commonsense. Therefore, if this precedent is now to be established, we ought to examine the matter very, very carefully.

Mr. MORSE. I should like to have the attention of the Senator from Kentucky. I think we are all desirous of one thing, namely, to get the facts into the record.

I said earlier, based upon my understanding of the procedure as it was explained to us in the Committee on Foreign Relations, that this appointment would place Mr. McLeod in a position of favoritism in relation to other persons in the Foreign Service who were in the lower brackets, where they might be occupying relatively minor Foreign Service posts in relationship to ambassadorships, at least.

It is my understanding—and I wish to be corrected if I am in error—that although one may go through the procedure prescribed for lateral admission by having the so-called Advisory Board pass judgment upon the applicant, the Secretary of State has the authority to approve or reverse the action of the Advisory Board, whether it is an affirmative recommendation or a negative recommendation. I simply want to know whether I am factually correct about that, or if my interpretation of the testimony is erroneous.

Mr. MORTON. The Secretary of State has that authority, as he has had it for years, even prior to the enactment of the so-called Wriston legislation.

It is my understanding that the Secretary of State has that authority, as he has had for years, even prior to the so-called Wriston legislation. The Secretary of State has that authority to bring people laterally into the Foreign Service, in which case the nominations must be confirmed by the Senate.

Mr. MORSE. It seemed to me, as I listened to the discussion in the committee, that the Senator from Arkansas was quite correct in the opinion he expressed. It is rather difficult to believe that if the Senate confirms this nomination to be United States Ambassador to Ireland, it is not to be expected that this particular Secretary of State would turn down an application for an ambassadorship as a career position in the Foreign Service, some 2 or 3 years later.

Mr. MORTON. Mr. President, if the Senator from Oregon will yield further, let me say that I agree; I believe the Secretary of State would not turn him down as a lateral entrant into the Foreign Service. The implication I was trying to correct was that from the remarks of the Senator from Colorado, I gathered that he assumed that such a person would be in the Foreign Service as a career ambassador. I think there are only five, and certain criteria have been established; and that is also true in the case of career ministers. They are very limited.

Mr. MORSE. I am glad to have the Senator's contribution.

Mr. President, I return to my point which I believe bears on the question I have had to ask myself, namely, whether I believe the nominee has the qualifications and the competency to perform this Ambassador's job, keeping in mind—as the Senator from Oklahoma has pointed out—that the Senate also is to a certain extent helping lay the foundation, at least, for possible future promotions in the career service itself. I happen to believe that Mr. McLeod answered the question for himself, in the course of his own testimony. I believe that the record before the committee is perfectly clear in showing that I sought only to present to Mr. McLeod an opportunity to make a statement, following all the charges and criticisms which had been made against him. At the beginning of my statement I made it clear that that was what I sought to do, and I think I did so. I did not seek to adopt the role of prosecutor. I sought only to raise each point on which I thought Mr. McLeod should have an opportunity to comment. Thereafter, I wished to consider all four corners of the record made in the committee, and to judge for myself whether I believed Mr. McLeod met the criteria for appointment. After I did that, I came, regrettably, to the conclusion I am now expressing, namely, that it seems to me that, by the testimony out of his own mouth, Mr. McLeod demonstrated that he is poorly equipped for this particular appointment.

M'LEOD WANTS POST IN IRELAND AS EASY FOOTHOLD

His principal justification for seeking to be United States Ambassador to Ireland seems to be that "one must start somewhere in the Foreign Service work, and the Ambassadorship to Ireland is an easy place to begin with, because it has no problems."

Of course, Mr. President, I happen to believe that Ireland is a very important

post for an ambassador. I think we should have there one of our top men, not a neophyte. Therefore, Mr. President, I believe that, on the record, the nominee has not shown that he has either the background or the qualifications for this very important position.

I desire to point out two other things which bother me about the action of the Foreign Relations Committee in regard to this case: In recent years, the committee has withheld approval from nominees whom it felt were not worthy, from the standpoint of qualifications. The point I am raising is nothing new in the case of the actions of the Foreign Relations Committee, for in recent years a considerable number of nominees have not been approved, when it became evident that there was strong opposition in the Foreign Relations Committee.

For instance, in 1954, confirmation was withheld in the case of the nomination of Henry Byroade, to be United States Ambassador to Egypt; also in the case of the nomination of George Allen, to be Assistant Secretary of State; also in the case of the nomination of Wright F. Murrow, to be the United States representative at the United Nations General Assembly.

Furthermore, it will be recalled that at the end of 1951, confirmation was similarly withheld in the case of the nomination of a very great American, Gen. Mark Clark, to be United States Ambassador to the Vatican.

In 1951, confirmation was withheld in the case of the nomination of Philip Jessup, to be a member of the United States delegation to the United Nations General Assembly.

In 1950, confirmation was withheld in the case of the nomination of Irving Florman, to be United States Ambassador to Bolivia.

In 1953, confirmation was withheld in the case of the nomination of Willard Beaulac to be United States Ambassador to Chile; and also in the case of the nomination of Arthur Gardiner, to be United States representative at the United Nations.

I point out that the cases I have just mentioned involve nominations during the Truman administration. We also have the case of the nomination of Seymour Rubin, to be Assistant Director of the Mutual Security Administration. The nomination was made by President Truman, but was withdrawn by President Eisenhower. So this is a procedure which has been followed in various administrations.

Likewise, Mr. President, in 1948, confirmation was withheld in the case of the nomination of John J. McDonald to be United States representative on the Palestine Truce Commission.

In 1949, confirmation was withheld in the case of the nomination of Francis Biddle, to be United States representative on the Economic and Social Council of the United Nations.

I point out that the Senate has refused to act as a rubber stamp for the diplomatic selection of any administration. The committee did not vote in favor of the confirmation of either the nomination of Mr. Jessup or the nomination of Mr. Holmes, to name only two.

The question I raised in the committee, and the question which I raise here on the floor of the Senate, is this: Is Mr. McLeod better qualified to be ambassador than Prof. Philip Jessup, of the Columbia Law School, one of the outstanding international lawyers of this generation? Two years ago, the administration was compelled to withdraw the nomination of an able career officer, Brig. Gen. Julius C. Holmes, largely, I believe, because a single member of the committee disapproved of a certain business activity of Mr. Holmes at a time when he was not even in the Department of State. I question whether Mr. McLeod is better qualified than General Holmes.

Therefore, Mr. President, I believe it is up to the Senate at this time either to reassert the traditional control of the Senate in these matters, or else to recognize that the Senate has abdicated its constitutional responsibility.

NOMINEE GIVEN EVERY CHANCE TO PROVE QUALIFICATIONS

Much has been said to the effect that Mr. McLeod's testimony cleared up the charges which had been made against him. However, Mr. President, I do not think Mr. McLeod has cleared up the major charges. I desire to point out that in the committee I did not cross-examine Mr. McLeod as a prosecutor. To the contrary, in fairness to Mr. McLeod, I attempted in my questions to lay before him every criticism I had heard about him. In fairness to him, I wish to state that I believe he made a good case for himself in respect to handling the refugee problem under the restrictions which were placed upon him by the Congress itself when it passed the unfortunate Refugee Act.

However, I desire to make perfectly clear that I do not believe Mr. McLeod has in any way justified the course of conduct he followed in connection with the famous Corsi case.

In regard to other charges, Mr. President, I wish to state frankly that Mr. McLeod left me with the impression that he was an artist in the use of semantics. I found his answers evasive and anything but satisfactory clarifications of the record.

Consider, for example, his conduct in the case of the nomination of Mr. Bohlen to be United States Ambassador to Russia. From Mr. McLeod's own testimony I am satisfied that he did circumvent the Secretary of State by making representations to the White House without the knowledge of the Secretary of State. Mr. McLeod testified that a telephone call from the White House from the President's adviser, General Persons ,reached him—Mr. McLeod—while he was sitting in the Office of the Secretary of State, talking to the Secretary of State. Therefore, Mr. McLeod contended, the Secretary of State was aware of the fact that he was in communication with the White House about the Bohlen matter. Nevertheless, Mr. President, that did not justify Mr. McLeod's being in communication with the White House in regard to the Bohlen matter, when Mr. McLeod was a subordinate officer of the Secretary of State.

Further examination showed that prior to Mr. McLeod's visit to the office of the Secretary of State on that day, Mr. McLeod had had previous communications with General Persons, at the White House, regarding the Bohlen matter. In my opinion, Mr. President, the testimony shows clearly that in the Bohlen case Mr. McLeod went over the head of the Secretary of State.

Furthermore, Mr. President, I thought it was a little amusing to hear Mr. McLeod's discussion of his participation in the Bohlen case. In that connection, let me quote from the committee hearings beginning on page 40, at the bottom of the page:

Senator MORSE. That is, the comments that you raised at the White House level in regard to Ambassador Bohlen were limited to your belief that there was sufficient opposition to Bohlen on the Hill for various reasons that you thought it would be a mistake for a new administration to nominate for this post a man that would lead it into a congressional contest in the Senate over the appointment?

Mr. MCLEOD. I do not believe that is quite the context. I simply wanted to alert them to the fact that they might expect to have some opposition where there had been none previously.

My whole activity in connection with this matter, which I think has been completely distorted in newspaper discussion of it—for that reason I welcome this opportunity to set the record straight——

Senator MORSE. That is why I am giving it to you.

Mr. MCLEOD. Was because I felt I had somewhat of a unique position, having just come from the Senate, in knowing something of the sentiment up here, and I was only trying to ascertain whether or not the administration knew that there might be some difficulty in this appointment.

If they did and if they were willing to encounter the difficulty, then of course I had no objection.

Senator MORSE. But you raised no question yourself as to Ambassador Bohlen's qualifications for the post or any question as to his being or not being a security risk?

Mr. MCLEOD. Not in my own behalf.

Mr. President, note Mr. McLeod's use of the words "not in my own behalf."

I read further from the hearing:

I certainly had no basis for doing so. I did not know him. As a matter of fact, I did not even have the benefit of the information that this committee had at that time, because in reviewing the matter recently, I find that his hearing here was on March 2 and I was sworn in on March 3, so I did not even have the advantage of that much background.

Senator MORSE. In your conversations with General Persons, did you advise him that if they got into a controversy with the Hill over Ambassador Bohlen, questions as to whether or not he was a security risk would be raised by some Senators?

Mr. MCLEOD. There again I cannot be sure because, although I have tried to reconstruct this recently, I cannot tell you whether I talked to General Persons before or after the FBI report became available to the Department.

Now you may recall that the original question on this security situation arose from the fact that there never had been a full field investigation of Ambassador Bohlen even in spite of his long service. I believe the question was raised first in this committee, and the investigation had been requestd, but the results did not become available until after the hearing, the original hearing on the part of this committee, so in trying to reconstruct the before and after phase of those days, I am simply unable to tell you whether or not

I had the security material at the time I talked to General Persons.

Senator MORSE. Was the security check on Ambassador Bohlen subsequently made?

Mr. MCLEOD. This committee was informed I think, at the time the Secretary testified, that the investigation had been requested and, as I recall, it was as a result of that that this committee resolved that they would not receive any nominations thereafter unless there had been a clearance based on a full field investigation.

Then the Senator from California [Mr. KNOWLAND] helpfully made this statement for the RECORD:

Senator KNOWLAND. Senator MORSE, might I interrupt at this time to, I think, correct it. My recollection is that the committee having requested, as they have done I think in other cases as well, a full field investigation, then appointed a subcommittee which, to the best of my recollection, consisted of Senator SPARKMAN and Senator Taft to go over the complete file.

Well, there is more to read that bears out the conclusion I want to state as to my opinion about McLeod and the Bohlen case, and that is that at no time, either in the hearings or anywhere else, has McLeod given Bohlen a clean bill of health. Read the language he uses. It is a master exhibit in semantics.

I wish to say further I am satisfied, on the basis of the whole record, that McLeod was responsible for a very embarrassing situation at a time when a great public servant was before the Senate for confirmation of his nomination, and that as a result of his course of action a great injustice was done to Mr. Bohlen. I was very much disappointed that Mr. McLeod did not face this matter frankly before our committee and point out what I think is an indisputable fact—that there is no question as to the great patriotism of this great Ambassador, who has just been transferred from the Moscow, Russia, post to a position of much less importance on the world scene, but nevertheless still a very important one, to the Philippines. It is just an example of one of the reasons why Mr. McLeod did not instill in me the confidence that he had the qualifications and competency that I think we ought to have in an ambassador.

I believe if a mistake has been made, a man ought to say so unequivocally, rather than use the evasive approach to this matter that I thought he used in his answers to my question.

Then, too—and I am almost through—I found his explanation of the so-called numbers game in connection with the security investigations of alleged subversives in the State Department to be completely unsatisfactory. He was unable to point out to the Committee a single Communist that he had uncovered; but there again he said we are dealing only with security risks. He talked in terms of whether someone was weak on Communists.

It is my opinion that the procedures and tactics that he used as chief security officer were not in conformity with fair processes under acceptable standards of American democratic processes. I do not think his record as security officer qualifies him in any way for the nomination of Ambassador to Ireland.

There are many more things I could say in evaluating the record, but I think each one of us has come to his own conclusions and I am ready to vote on the nomination. I shall vote against it because after weighing the entire record of Mr. McLeod as it is known to me, I do not think he possesses that competency and those qualifications that, in my judgment, justify the Senate's approving this nomination to be Ambassador to Ireland.

Mr. President, I ask unanimous consent to have inserted as a part of my remarks certain newspaper clippings, reports, and exhibits which, in my judgment, sustain my judgment.

There being no objection, the newspaper articles, reports, and exhibits were ordered to be printed in the RECORD, as follows:

MERCER ISLAND, WASH., *April 25, 1957.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.:

Certainly I do not feel that McLeod could ever represent me ever, anywhere.

Please make every effort for peace and understanding among all peoples and nations.

EUGENIE F. JENNER.

CAMBRIDGE, MASS., *April 15, 1957.*
The Honorable WAYNE MORSE,
United States Senate,
Washington, D. C.

DEAR SENATOR MORSE: We are sure that you have seen the editorial entitled "The McLeod Appointment," in the New York Times of Thursday, April 11.

Its arguments against approval by the Senate of this appointment seem to us conclusive. In fact we would put the case more strongly. It seems to us that the appointment of Mr. McLeod as Ambassador would injure the essential interests of both the country he represented and the country to which he was accredited. A man whose name is a symbol of the ugliest sort of illiberalism in both the domestic and foreign policy ought not to represent the United States, anywhere.

We most earnestly hope that you agree and that you will vote against approving this nomination.

Sincerely yours,
L. H. BUTTERFIELD.
ELIZABETH E. BUTTERFIELD.

COHOES, N. Y., *April 14, 1957.*
Hon. WAYNE MORSE,
Senate Building,
Washington, D. C.

DEAR SENATOR MORSE: I hope that you will pardon me writing to you on the matter of Scott McLeod as Envoy to Eire. While it is true that I am not one of your constituents, nevertheless I am accustomed to look to you for leadership in the Senate.

The fact is I am exceedingly wroth at this latest example of the famed Eisenhower ignorance. I regard this nomination as an insult to the Irish people and to Americans, like myself, who have Irish blood in their veins.

I have written to the two Senators from my State but being of the Democratic persuasion, I am dubious whether or not my complaint will be heard or heeded.

Sincerely,
STANTON ABLETT.

PROVIDENCE FORGE, VA., *April 17, 1957.*
Hon. WAYNE MORSE,
United States Senate,
Washington, D. C.:

Hope sincerely you will vote against confirmation Scott McLeod, Minister to Ireland. Have been there. They do not need or want his kind. Expect write you when data is all in hand of an Indian Korean veteran named Oregon Wyndell Wynn. Take care yourself, the country needs you.

IDA HIMES.

LOS ANGELES, CALIF., *April 16, 1957.*
Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: I urge you to oppose the confirmation of Scott McLeod as Ambassador.

In my opinion McLeod is not suited by temperament to hold this position. He is not experienced in this field. He made a mess of the refugee program until a national furor and Eisenhower forced him to admit the refugees which the Congress had authorized. His handling of the refugee program evinced a predilection for McCarthyism which all sensitive Americans abhor.

I urge you to oppose this outrageous appointment.

Yours sincerely,
JOHN C. SASSER, Jr.

WOODSTOCK COUNTY SCHOOL,
South Woodstock, Vt., April 15, 1957.
Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

DEAR SENATOR MORSE: I am writing to you to express my opinion regarding the appointment of Mr. McLeod to be the United States Ambassador to Ireland.

In my opinion this appointment is very bad. It will do much to lower the dignity of the United States diplomatic corps. Mr. McLeod is a man who has acted with pettiness, and possible deceit, in his office while striving to carry out his own conception of our security and diplomatic problems. Our diplomatic corps needs men who can and will take unpopular stands on issues—this is strength of character—but these men must also be of generous impulses and have wide objective views of the problems of history.

I think only harm will come to the United States by maintaining this small man in high and honored office. I urge you to use all of your influence in the Senate to prevent Mr. McLeod from becoming Ambassador to Ireland.

Respectfully,
CHARLES B. SILLIMAN.

NEW YORK, N. Y., *April 23, 1957.*
Senator WAYNE MORSE,
United States Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: I have been shocked by the suggestion that Mr. Scott McLeod is to be sent by my country as our (yours and mine) ambassador to Ireland. In Europe his name is so interwoven, rightly or wrongly with Mr. Cohen and Mr. Schine on their destruction of the United States Foreign Services that his confirmation by the Senate is inconceivable unless they, as a body, wish to credit that disgraceful period of our life.

While I feel sure Ireland would be unhappy about the appointment, they may not be strong enough to register a direct refusal. However, some of their newspapers are rather blunt about it. They seem to want no part of him. This also was the position taken by the New York Times—when Mr. McLeod's name first came up.

Other countries of the world, who will not have to suffer Mr. McLeod's presence will no doubt register in their minds, if he is confirmed by you, who in fact is running the United States State Department.

May I please, as a citizen of this country, ask you to consider carefully the type of person it is that represents us in foreign lands—as Mr. United States.

I cannot believe that the dignity of the United States Senate would be so lowered as to allow the possible discussion in the

same breath, let alone room, of Mr. Bohlen and Mr. McLeod, that fact alone reduces our great Foreign Service to a dreadful state. It has taken years to overcome Mr. Cohn and Mr. Schine. I do hope you are not going back to what they stood for.

Respectfully yours,

PETER CUSICK.

PITTSBURGH, PA., *April 11, 1957.*

Hon. WAYNE MORSE,
United States Senate,
Senate Office Building,
Washington, D. C.:

Humbly ask your support blocking McLeod ambassador Ireland. I am World War II Pacific vet.

JOSEPH DRANGA.

[From the Washington Post of April 17, 1957]

SCOTT MCLEOD TARGET OF NEW IRISH BLAST

DUBLIN, April 16.—The Irish Times today called United States Ambassador-designate Scott McLeod "The Hangman" and urged Premier Eamon de Valera to reject him.

The conservative newspaper, one of Ireland's leading publications repeatedly has criticized McLeod's appointment. The newspaper said the suicide April 4 of Canadian Ambassador E. Herbert Norman in Cairo is a "valid reason" for the government to refuse to accept McLeod's appointment.

"There is now very little cause to disbelieve that it was his unwholesome department * * * that led the American Senate's Internal Security Subcommittee to republish the disproved charges which impelled Norman to jump to his death," the newspaper said.

"We do not welcome the hangman in our midst and it is not customary to reward his services with an ambassadorship. Mr. McLeod's appointment would be indiscreet in any circumstances. In the light of Mr. Norman's suicide, it becomes intolerable."

The newspaper asserted McLeod "has gained notoriety as a systematic inquisitor of diplomatic qualifications, after a formula more reminiscent of Russia than of a western democracy."

[In Edinburgh, the independent Scotsman, Reuters reported, said in an editorial in Wednesday morning's paper, that Prime Minister De Valera's Government "cannot be happy" about McLeod's appointment.

["The egregious demagog, Senator Joseph R. McCarthy, is now in eclipse, but the harm that he did when his inquisition was in full swing has not been forgotten. And Mr. Scott McLeod as security officer in the State Department was regarded as one of McCarthy's henchmen.]

[From the Washington Post of April 11, 1957]

FIGHTING IRISH

What has Ireland done to the United States to deserve Scott McLeod? President Eisenhower was scarcely his most persuasive yesterday in explaining his nomination of Mr. McLeod as Ambassador to Ireland and of Henry J. Taylor as Ambassador to Switzerland. Neither Dublin nor Berne comes in the category of a post to which a career appointment is ruled out by expense. It is hard to see what special qualifications either a glorified gumshoe or a somewhat credulous radio broadcaster possesses to merit this sort of reward.

The President justified Mr. Taylor's appointment on grounds of personal admiration and friendship. This is at least understandable if not commendable—although Mr. Eisenhower's assertion that Mr. Taylor's views in the foreign field coincide with his own raises the question whether he has listened to Mr. Taylor's broadcasts recently. At any rate, perhaps Mr. Taylor can entertain the Swiss with tales of flying saucers, in which he advertised himself as an expert and ardent believer a few years ago.

In the case of Mr. McLeod, who has headed the State Department's Bureau of Security and Consular Affairs, the President offered no such personal justification. He acted, he said, on the recommendation of Secretary Dulles. Yet, if we are to believe John Beal's biography of Mr. Dulles, the Secretary attempted to fire Mr. McLeod for insubordination 4 years ago. Mr. Dulles' interest in promoting Mr. McLeod out of his way is obvious, but the Irish may reasonably inquire (and the Irish press has inquired): "Why at our expense?"

This is the man who acted as a stooge for Senators McCarthy and BRIDGES; who leaked "information" to the McCarthy inquisition; who attempted to frustrate confirmation of Charles E. Bohlen as Ambassador to Russia; who conducted a reign of terror among State Department employees on security charges; whose office suspected the Department Policy Planning Staff because members were assigned as a part of their jobs to read the Daily Worker and (in a totally different category) even The Reporter; who presided over the Refugee Relief Act with such severity that it became a mockery. The fact that Mr. McLeod recently has seemed to mend his ways and to keep out of the bad news by no means makes a rose of his past malodorous record.

To appoint such a man to a diplomatic post is an insult to the recipient nation and a degradation of diplomacy. How can the Senate, which is at frequent pains to demonstrate its friendship for Ireland, view this as a friendly act?

[From the New York Times]

THE MCLEOD APPOINTMENT

Scott McLeod is the symbol in the State Department of all that has happened in the last 4 years to lower morale so drastically and to drive from the diplomatic career some of the best officers we had. He entered the State Department in the security section in 1953 as the representative of Senators BRIDGES, McCarthy, and the late Senator McCarran. No one man has represented in the public mind more than Scott McLeod all the evils of McCarthyism as applied to diplomacy. On Tuesday he was nominated as Ambassador to Ireland.

Is it any wonder that a storm of criticism has arisen throughout the country over diplomatic appointments when such things can happen? It would be unjust to make a blanket condemnation, for some fine appointments were made, but there have been bad appointments, and this one comes as a climax. It would be hard to imagine a worse blow to the diplomatic corps or a worse example of playing politics with the foreign affairs of the United States. Secretary Dulles must take the blame for Mr. McLeod's unfortunate work in the field of so-called security and the refugee problems, for he, after all, is the head of the Department, and he must take the blame for this appointment.

Ireland deserved a better fate. She has been most fortunate since 1953 in having a first-rate envoy—Ambassador William Howard Taft 3d. Dublin is a post where the work is not arduous and life is wonderfully pleasant. The man who is named to Ireland is a fortunate man. If he is a career diplomat like Mr. Taft he is a lucky man. For the noncareer man it is a reward.

And now it is Scott McLeod who is going to get this reward if his nomination is ratified. Whether he gets it or doesn't is not a personal matter. He is a well-intentioned if woefully misguided young man and no one begrudges him any happiness he can get. But the damage to the State Department and the United States diplomatic corps that will result from this appointment is public business. The Senate should block it.

[From the New York Herald Tribune of April 21, 1957]

IRISH ATTACK ON MCLEOD STEPPED UP—NOW HE'S LINKED TO NORMAN CASE

(By Don Cook)

LONDON, April 20.—If the nomination of Scott McLeod as American Ambassador to Ireland is approved by the Senate, he will arrive to take up his mission in Dublin against a background of some of the harshest public criticism heard in a foreign capital against an American appointee in a long time.

Led by the Irish Times, there has been a steady and often bitter attack on the McLeod nomination since it was first hinted at last month. The suicide in Cairo of Herber Norman, Canadian Ambassador to Egypt, following the fresh airing of "Communist" charges against him by the Senate Internal Security subcommittee, brought a new wave of criticism of the McLeod appointment.

NO ACTION BY DE VALERA

So far, however, Prime Minister Eamon de Valera's government shows no signs of withdrawing its acceptance of the appointment of Mr. McLeod, who is still the State Department's security chief pending his confirmation as envoy.

The Irish Times charged it was Mr. McLeod's "unwholesome department, whether or not Mr. McLeod was the direct party responsible" which led to the fresh publication of charges against Mr. Norman and "impelled him to jump to his death." The paper continued:

"This surely is a valid reason why Mr. de Valera should revoke his agreement (to the appointment), or, if that is impossible, why the American authorities should change their minds. Mr. McLeod's appointment would be indiscreet in any circumstances. In the light of Mr. Norman's suicide it becomes intolerable."

IT IS HUMILIATING

Earlier, the Irish Times had said that "it is humiliating to find the United States Embassy in Dublin regarded as a dumping ground for a man whose political party desires either to reward for dubious services or, more conceivably, to put out of the way of doing further mischief."

It added, "We should be sorry to believe that America thinks so little of a nation which has contributed greatly to her blood and advancement as to send it an ambassador of whom such meager good has been heard and so much ill."

Not all Irish newspapers have taken so stiff a line. The Irish Press blamed the controversy on domestic political issues in the United States and remarked that "it would be premature to judge the merits of the appointment on such grounds."

The Irish Independent has carried a favorable profile article on Mr. McLeod, describing him as a sensible young fellow who is a good storyteller and gets along with all sorts of men.

In London, the Daily Telegraph has been leading the attack on the appointment here, calling it "flat-footed diplomacy" and asking, "Just because most American policemen are Irish, is this a good enough reason for appointing an American policeman as United States Ambassador in Dublin?"

[From the Washington Star of April 10, 1957]

MCLEOD'S APPOINTMENT TO IRELAND — NEW AMBASSADOR SEEN AS BRINGING DISCORD IN FOREIGN SERVICE MORALE

(By Doris Fleeson)

The nomination of Scott McLeod to be Ambassador to Ireland is a little candle throwing its beam on the extraordinary supineness of present-day Washington. That indifference to duty and to the welfare and the needs of others afflicts the Republican

administrators and Democratic Congress alike.

There is nothing secret, rare, or difficult about the McLeod matter that a little stamina would not solve. The chances are the stamina won't be forthcoming.

McLeod is the former FBI agent, assistant to Senator BRIDGES and warm ally to Senator McCarthy, whom Secretary Dulles put in charge of security in the State Department. This was in the early Eisenhower days when McCarthy was riding high and the President's orders were to get along with him.

The effect on Foreign Service morale was immediate, unfortunate and lasting. But McLeod stayed even after he publicly tried to help McCarthy stymie the President's appointment of Charles Bohlen to be Ambassador to Russia. Dulles has explained to his latest admiring Boswell that he wanted to fire McLeod then but was restrained by his then undersecretary, Bedell Smith.

With the President in his second and final term, Dulles decided to get McLeod out of the security and immigration field where he has been a constant source of friction. But Senator BRIDGES is still the senior Republican, ranking on Appropriations and Armed Services.

Dulles offered McLeod the embassies of Honduras and New Zealand. They weren't good enough. McLeod has been paid his price to go quietly—the attractive assignment to Ireland.

In itself, the matter is relatively minor. Friends of Ireland will wish that amid its many difficulties it would have a more distinguished and effective envoy. But it is not a trouble spot for this country.

Ireland has not protested the appointment formally despite a press and parliamentary attack on the selection in Ireland by liberal forces which pointed out that McLeod's friend, McCarthy, was in eclipse here.

But the Foreign Service is bitter that he should be rewarded for what they regard as his hatchet work. He is the last straw on their heavier-than-usual cross of campaign contributors who skim the cream of overseas assignments in all administrations.

With the McLeod appointment, career men are left only in the hard spots: The Soviet Union, Yugoslavia, behind the Iron Curtain, and near the Arctic Circle. Possibly the country should be grateful for small favors.

This is the readymade case for the Democratic majority which professes to believe that foreign policy is badly executed. But controversy is discouraged by the LYNDON JOHNSON leadership; the Democratic Senator who starts one is apt to find himself charging up San Juan Hill alone.

It is beginning to appear in fact that the Democrats lost the art of controversy in their 20 years amid the political fleshpots. How they could lose on this one it is hard to see. The McLeod appointment does not divide the Democrats, they are all against him.

It does divide the Republicans and would bring the anti-Eisenhower right wing rushing from its corner—if it were made an issue.

[From the Washington Post and Times Herald of April 12, 1957]

PAPERS ABROAD ASSAIL MCLEOD

LONDON, April 11.—The Conservative Daily Telegram today denounced appointment of Scott McLeod as United States Ambassador to Ireland, calling it "flat-footed diplomacy." "Just because American policemen are Irish, is this good enough reason for appointing an American policeman as United States Ambassador to Dublin?" it asked in an editorial.

"Presumably President Eisenhower thinks it is.

"For otherwise he would surely not have named Mr. Scott McLeod, former FBI agent and State Department security officer for the post.

"Mr. McLeod came to the State Department in the early days of the administration as an acknowledged partisan of the McCarthy wing of the Republican Party.

"In the words of Mr. Dulles' latest hagiographer, his appointment as security officer 'seemed to keep (Senator Joseph) McCarthy and his allies off the Department's neck.'

(A hagiographer is a writer of lives of the saints. A new biography of Dulles by John R. Beal was published last week.)

"It does seem flat-footed diplomacy in the most literal sense to elevate to ambassadorial rank a man who failed so disastrously as State Department policeman."

The Telegraph editorial then referred to the suicide in Cairo of Canadian Ambassador Herbert Norman "after repeated but wholly unfounded accusations of Communist sympathies by a Congressional committee."

"That this latest and most tragic example of damage still being done by McCarthyism should coincide with such gratuitous honor for one of McCarthy's most energic agents will disturb most Americans quite as much as it shocks friends of the United States abroad," it said.

In Dublin, the Irish Times expressed hope that the United States Senate will block the appointment of McLeod as Ambassador to Ireland.

The independent Times, which is friendly to Prime Minister Eamon De Valera's Government, said editorially:

"If we cannot fairly blame Mr. De Valera for giving his agreement to the nomination, we can only at this stage express the hope that the American Senate will refuse its consent to the appointment.

"The Department of External Affairs could hardly have been expected to foresee the wave of disapproval which has followed his (McLeod's) nomination," said the paper. "But it must have had some inkling of his reputation—enough, anyhow, to inform the Prime Minister that his appointment was unlikely to improve Irish-American relations.

"It is humiliating to find that the United States Embassy in Dublin regarded as a dumping ground for a man whom his political party desires either to reward for dubious services rendered or, conceivably, to get out of the way of doing further mischief.

"We should be sorry she (the United States) thinks so little of a nation which has contributed greatly to her blood and advancement as to send it an ambassador of whom such meager good has been heard and so much ill."

[From the Christian Science Monitor of April 12, 1957]

ENVOY CHOICES STIR CRITICISM

(By Richard L. Strout)

WASHINGTON.—The question is being raised again here whether there isn't some better way of picking America's foreign envoys.

What was good enough for the sleepy 1890's isn't good enough for the H-bomb era, it is argued.

Mr. Eisenhower promised the best brains in his appointees but the current major shift in diplomatic posts is causing journalistic questioning.

The New York Times and the Washington Post editorially assailed the appointment of Scott McLeod, State Department security official, and protege of Senator Joseph R. McCarthy, Republican, of Wisconsin, to the Republic of Ireland. "The Senate should block it," the New York Times declares.

Swiss newspapers express concern over the appointment of Henry J. Taylor, businessman and radio commentator, named to Bern. In a 1950 broadcast Mr. Taylor announced "flying saucers do exist." He said that when the Air Force tells the story "the information will be good news—wonderful news—for Americans."

Mr. Taylor in broadcasts also took a stand against the British Labor Party as socialistic and related to communism.

PARSIMONY DEPLORED

The State Department picked Amory Houghton, on leave as board chairman of the Corning Glass Works, Ambassador to Paris. He does not speak French. It named David K. E. Bruce, Ambassador to Bonn. He does not speak German. It named William S. B. Lacy, Minister to the Philippines, without previous experience in Eastern Europe, to Warsaw. In turn, Charles E. Bohlen, Ambassador to Moscow and outstanding expert on communism, is being sent to the Philippines.

Asked about diplomatic appointments at his press conference this week, Mr. Eisenhower echoed unhappiness of most observers about the Congressional parsimony in diplomatic entertainment allowances which makes it impossible for any but rich Americans to take top European posts—London, Paris, Rome, and the like.

The President observed that times have changed, government must change, too: "I happen to believe," he said, "that in this day we cannot * * * limit ourselves to the governmental processes that were applicable in 1890."

Mr. Eisenhower follows the policy of leaving selection of envoys to others though, of course, he bears ultimate responsibility.

The caliber of present American noncareer appointees to top European posts is believed to be at least as high as it was in Truman and Roosevelt administrations, and perhaps higher. Rewarding rich political supporters with these posts is an old American tradition. But is the tradition safe, it is asked, in the H-bomb era?

OPPOSITION GATHERS

Principal immediate criticism does not center on these top jobs, however, but on appointment of Mr. McLeod and Mr. Taylor. Senate confirmation is expected though opposition is developing.

The nominations have brought criticism abroad.

The Associated Press quotes the conservative Daily Telegraph of London as denouncing the McLeod appointment. The paper says Mr. McLeod, former FBI man, brought police methods to the security office of the State Department and asks whether a "policeman" should be named United States Ambassador to Dublin.

In Dublin, the Irish Times, independent, expressed hope the Senate would reject Mr. McLeod. It quotes a "wave of disapproval which has followed his [McLeod's] appointment." It calls the appointment "humiliating" to the Republic of Ireland.

Questions have been raised in Switzerland over the appointment of Mr. Taylor.

It appears that foreign critics of the United States are attempting to use the appointment as a basis for attack.

A current sympathetic biographer of Secretary of State John Foster Dulles, Jack Beal of the Luce publications, declares that Mr. McLeod made a "shambles of morale" in the State Department, where he is chief security officer. Mr. Beal praises Mr. Dulles highly. He reports that Mr. McLeod, acting independently of his chief, through conservative Senators STYLES BRIDGES, Republican, of New Hampshire, and McCarthy, leaked information attempting to block confirmation of Mr. Bohlen to Moscow. For this, Mr. Beal reports, Mr. Dulles nearly, but not quite, fired him.

TAYLOR ENDORSED

Asked about these appointees at his April 10 press conference, Mr. Eisenhower said of Mr. McLeod that he was "not so well acquainted with him (as with Mr. Taylor).

"He was taken on Secretary Dulles' recommendation, and I assure you again I have the utmost confidence in Mr. Dulles."

Mr. Taylor, chairman of the board of the Silicone Paper Co. and other business con-

nections, describes himself as "journalist, economist." He worked for the Scripps-Howard newspapers and was sponsored over radio by General Motors.

Survey of these broadcasts shows Mr. Taylor a man of apparent strong feelings who called Communist Chinese leader Chou En-lai "a barbarian bandit, as foul a man as lives."

He declared that Mr. Chou and Indian Prime Minister Jawaharlal Nehru "cooked up" the Bandung conference "to take a solid sock at the United States." He described President Tito as "the red boss of Yugoslavia, whose own hands are as bloody as any man's in the Kremlin." He warned against the British Labor Party.

Mr. Taylor's flying-saucer broadcasts brought denials both from President Truman and the Air Force.

[From the Washington Post of April 15, 1957]

McLEOD TOPIC OF IRISH CONTROVERSY

DUBLIN, April 14.—The Irish Association of Civil Liberty asked the Government today to "reconsider its reported agreement" to accept the appointment of Scott McLeod as United States Ambassador to Ireland.

Author Sean O'Faolain is president of the Association's Council, which referred to the "outcry from reputable and presumably well informed newspapers" against the McLeod appointment as "unprecedented."

The Civil Liberty Association said "While this association is in no position to pass judgment at this stage we are conscious of a profound uneasiness over the appointment, especially as our preliminary inquiries have tended to confirm our fears."

President Eisenhower's appointment of McLeod to succeed Ambassador William Howard Taft III has been opposed by the Irish Times, which expressed hope the United States Senate would block the choice.

"It is humiliating to find the United States Embassy in Dublin regarded as a dumping ground for a man whom his political party desires either to reward for dubious services rendered or conceivably to get out of the way of doing further mischief," the Times said.

The Irish Independent, top circulation Irish daily newspaper, said tonight the "suggestion there has been an outcry here against it (the McLeod appointment) is, as the Irish public is well aware, quite unfounded."

The Independent said it would appear that some American and English newspapers "accept the notion that there is some feeling in this country against Mr. McLeod's nomination." The paper then added:

"It would be well that these ideas should be dispelled. In accordance with diplomatic usages and international courtesies, we expect that a person appointed as Ambassador to Ireland should be a man against whom Irishmen could make no objection on any reasonable grounds.

"If no such objection appears, the choice of Ambassador is entirely one for the United States. It would be wholly contrary to Irish courtesy to attempt to interfere in such choice or to seek to influence it.

As far as Ireland is concerned, we are aware of no grounds on which exception could be taken to Mr. McLeod's nomination and appointment. The suggestion that there has been any outcry against it is, as the Irish public is well aware, quite unfounded."

The Independent said a statement in a London paper that the Irish people are hostile to McLeod is equally baseless.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Senator will state it.

Mr. O'MAHONEY. May I ask what is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the junior Senator from Pennsylvania to recommit to the Foreign Relations Committee, for the purpose of taking additional testimony, the nomination of Scott McLeod to be Ambassador Extraordinary and Plenipotentiary of the United States to Ireland.

Mr. O'MAHONEY. I thank the Presiding Officer.

SPEAKING AT A DISADVANTAGE

I am speaking at a disadvantage this afternoon, because it was necessary for me to leave town, immediately after the services for the late Senator McCarthy in this Chamber on last Monday, in order to attend the funeral, in Cheyenne, of an old friend of mine, the wife of one of my dearest friends for more than 40 years. Before leaving, I addressed a letter to the chairman of the Foreign Relations Committee, the distinguished Senator from Rhode Island [Mr. GREEN], and made the request to the majority leader that there be no vote upon this nomination until I had returned and had an opportunity to examine the record.

I knew I would be back this afternoon. I flew to Cheyenne, and I flew back this afternoon from Chicago to which I went by train last night from my home city. I arrived scarcely 20 minutes ago and I came directly to the Capitol.

Now I am advised by the Presiding Officer that a vote is pending. I have not had the opportunity, as I say, to examine the record, but there have been called to my attention certain matters which I feel I should bring to the attention of the Senate before the vote is taken.

TIMES CALL FOR HIGH-CALIBER DIPLOMATS

The public press has been full of information, which has come to every member of our Government, and to every Member of the Senate, with respect to the critical nature of our foreign relations. No argument is necessary to prove that the United States should take the greatest care in selecting its ambassadors at this time. The best are none too good if we hope to make the world understand us.

I do not know what the feelings of the other Members of this body may be, but my feeling is that the divergence of policy between the United States of America and Soviet Russia has not been brought to anything resembling a solution. The cold war which is being waged by Soviet Russia against our country and the attempts the Communists make to stir up misunderstanding in the Middle East and elsewhere in the world put us on notice that we have not settled the conflict between dictatorship and free government, and that we have not in any way placed ourselves in a position diplomatically to make certain that the way is clear for us to win the cold war.

There should be no doubt, therefore, in our minds, when we vote upon the nomination of anybody to go abroad as an ambassador of the United States to any country in Europe, and particularly, may I say, to the capital of Eire, the city of Dublin, that we are choosing a representative to labor in the frontlines of foreign policies.

The President asks the Members of the Senate to advise and consent to the confirmation of this nomination. I cannot give my advice that this nomination should be made, and I cannot vote to confirm this nomination.

I CANNOT ADVISE AND CONSENT TO THIS NOMINATION

The reasons for my position are threefold.

In the first place, I have heard nobody as yet explain why William Howard Taft III has been requested to resign or vacate this post in Dublin.

I had the great good fortune in 1955, after a long and wearing session of Congress, to go to Ireland with my wife. It was my first visit to the land in which both my parents were born. I found it of tremendous interest and great instruction.

But I wish to tell the Senate that to my great satisfaction I discovered that William Howard Taft had been accepted by the people of Ireland as the great man he is. He had won their confidence and their respect, and he was extending all the help and advice and assistance that a diplomat could properly extend to aid the people of that nation. His selection to serve as our Ambassador was received as a high compliment by the people of Ireland.

I visited the ambassador at the Embassy. That was late one Saturday, as the Embassy was about to close. I had been in Dublin for 10 days at the time, and had been remiss in failing to pay my respects to the American Ambassador.

I went there, and I was delighted at the cordial reception I received at the hands of Mr. Taft, who might easily have been annoyed at the arrival of so late a visitor. The Ambassador's hospitality and good humor were exceptionally warm. He said to me, "Senator, how long have you been in Ireland?" I said, "Ten days." And he inquired, "What has brought you here and what can I do?" I said, "Well, Mr. Ambassador, I am here not by authority of the Senate or any of its committees, but I am here on a personal visit. I am not investigating the Embassy or the Ambassador. I am here visiting old Ireland, the home of my ancestors and my mission is only to let you know the high regard you have won among the Irish people."

We were invited to his home in Phoenix Park. There we had a luncheon with him and with Mrs. Taft and with their children. I shall never forget the little play that his children put on for our entertainment. These were little youngsters who, with the Ambassador and Mrs. Taft, had visited the Irish playhouses, and there had become well acquainted with the artistic element of the Irish capital. I observed the little Taft boys speaking with a brogue, giving the little show—"The Weather Clark" as it was called—clark for clerk.

I recite that here only as an indication of the position that Mr. Taft had won in the hearts of the people of Ireland by the gracious qualities of his whole family.

THE HIGH RESPECT AND AFFECTION THE IRISH ENTERTAIN FOR AMBASSADOR TAFT

A few days afterward the Irish Government gave a reception, or tea, in St. Patrick's Hall, which is in Dublin Castle. This tea was given for the visiting astronomers. All the astronomers of the world had been gathered there. It was their triennial session. We were invited. I could tell by the warmth of the attitude toward Ambassador Taft what a deep impression he had made upon the leaders of Government.

All of this information caused me to make inquiries wherever I went about the standing of the United States Ambassador. I found that there were sound reasons for the high respect and sincere affection the Irish people entertain for Mr. and Mrs. Taft. Of course, he is a Gaelic scholar. He taught Gaelic in Yale. But he is more than that. He is a statesman. He has inherited the great talents of the Taft family.

I speak as one who has served with his father, the late Senator Taft. I was the first chairman of the Joint Committee on the Economic Report. Senator Taft was the second chairman, when the control of this body changed. Then, when the control changed again, I resumed the chairmanship. I take pride in telling the Senate that there never was the slightest dispute between the late Senator Taft and me about the selection of the expert staff to carry on the work of that committee, and most of the staff are still working for the Joint Committee, because, under Senator Taft, that committee was guided along the line of honest and objective research into the economic situation of our country. I did my best to follow the same course of action.

So I saw in the son the reflection of the father. I had known the grandfather, the President and Chief Justice, after whom the ambassador was named. I remember hearing him speak when he was President; and, after he was President, when he was Chief Justice of the Supreme Court; and, before that, when he was on the faculty of the Yale Law School.

So I took pride in the fact that my Government was sending to little Ireland a great man who could sit in any cabinet and confer with any diplomat the world over to our honor and credit.

SEVERAL SENATORS. Vote! Vote!

Mr. O'MAHONEY. Mr. President, I have not quite finished.

The PRESIDING OFFICER. The Senate will be in order.

Mr. O'MAHONEY. I was making some comments upon the great influence of William Howard Taft III as an ambassador of this Government in the capital Eire, at Dublin, and my pride in the fact that our Government had sent a man of that caliber to represent us in the city of Dublin, to which go representatives from all the other countries in the world, particularly those of Europe. So I feel that some explanation should be given to the Senate why the President makes the change from William Howard Taft to Scott McLeod.

Mr. BUSH. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Connecticut?

Mr. O'MAHONEY. I yield.

Mr. BUSH. I happened to be a Senator from Connecticut when William Howard Taft was appointed to Ambassador to Ireland. I talked with him this year, when he was back here, about the prospective change. He is very well satisfied to be relieved of his duties as Ambassador to Ireland. I think he has spent 8 of the last 11 years there, in one capacity or another, the last 4 years as Ambassador. I do not believe I am violating any confidence when I say that he felt he was due for a change, so to speak. So I think I can assure the distinguished Senator that the Ambassador incumbent harbors no resentment, but, on the other hand, has welcomed the change, so far as his relief is concerned.

I agree with all the fine things the distinguished Senator has said about Ambassador Taft. He has made a fine record, and has, indeed, endeared himself to the Irish people in a very unusual way. But I assure the Senator that he does not feel that he has been slighted in the least. On the other hand, I believe he is in entire sympathy and accord with the change which has been made, so far as he is personally concerned.

Mr. O'MAHONEY. I appreciate the remarks of the Senator from Connecticut, and I have every confidence in his own accuracy. But, as I explained when I arose, I have not had an opportunity to read the RECORD. I know of no other explanation which has been offered than that which has just been offered by the Senator from Connecticut for the dropping of Mr. Taft. There may be others. I do not know. I am told by my colleagues whom I have consulted since my return this afternoon that nothing has been said on the subject. Whatever may have been said, it was not very extensive in its content. I feel that that is one of the questions which the committee itself should examine, for apparently no offer of another appointment has been made to Mr. Taft.

I pay my compliment to him not at all in a political sense, but in a personal sense, as a sincere expression of the very favorable impression which his service among the Irish people has made upon me. I cite that as an illustration of how important it is, when we have good men, against whom no criticism can be offered, that we should be reluctant to change. Such men should be chosen always to carry the title of Ambassador of the United States.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Oregon.

Mr. MORSE. I, too, am glad to have the explanation of the Senator from Connecticut. I wonder if the Senator from Connecticut, the minority leader, the Senator from New Hampshire [Mr. BRIDGES], or any other Senator on the other side of the aisle could tell us whether or not Ambassador Taft requested that he be relieved.

Mr. KNOWLAND. Mr. President, if the Senator will yield——

Mr. O'MAHONEY. May I continue my remarks?

Mr. KNOWLAND. I understood the Senator had asked a question.

Mr. O'MAHONEY. It was the Senator from Oregon who asked the question which the Senator from California now rises to answer. I prefer to proceed, and then I shall be glad to yield for any questions which may be asked.

I have set forth, I think, a sufficient portion of the story of the appointment and the activities of Ambassador Taft to explain why I feel that his record is worthy of consideration, when there is before the Senate a motion to recommit the nomination of a successor who would step into his place, and whom, I am sure, no one would praise as one having one-tenth the qualifications of Ambassador Taft for the position of Ambassador of the United States anywhere in Europe.

DIPLOMATIC POSTS ON THE AUCTION BLOCK?

I turn to the second reason why I feel that this nomination should be recommitted. From the Washington Post of March 22, 1957, I read from the column of Mr. Joseph Alsop entitled "Diplomatic Appointments Record Called Squalid":

PARIS.—The Eisenhower administration's traffic in diplomatic appointments has now reached a stage that calls for public comment. * * *

Scott McLeod is to receive the Embassy in Dublin as his just reward for having done more harm to the American Foreign Service than anyone else in recent memory. Perhaps McLeod will not do a great deal more harm in Ireland, but why on earth should he be sent there at all at the expense of the American taxpayer?

But this is a relatively minor incident in a long and squalid story. This year most of the diplomatic posts in Europe have been crudely placed on the auction block and sold for cash on the barrelhead.

By sheer accident, some of the very rich men who have thus been named to represent the United States abroad ought to make excellent ambassadors. John Hay Whitney in London, for instance, is the sort of man who ought to receive a political appointment to a major embassy quite without regard to his Republican contributions. Then, too, the administration must be credited with at least two really admirable nonpolitical appointments, those of David K. E. Bruce in Germany and Ellsworth Bunker in India.

All the same, the overall record is really pretty unappetizing. Some recent incidents suggest, on the one hand, that the price of diplomatic appointments has now reached a level that is downright scandalous.

Joseph Alsop is a reputable columnist, who enjoys the respect of the journalistic profession and the respect of all in Government who know him. When Joe Alsop says that the traffic in ambassadorships has become scandalous, I think there is an appropriate field for inquiry by the Foreign Relations Committee in examining into the subject before any action is taken.

Let me proceed with the column:

There is the case, for example, of the present Ambassador to Denmark, the experienced, ex-Foreign Service officer, Robert Coe.

Mr. President, Robert D. Coe chose Wyoming to be his place of residence. Wyoming is the site of his citizenship. He is the son of William Robertson Coe, a very wealthy industrialist who, after he

retired from business, moved to Wyoming and established himself there on a ranch. He made many philanthropic contributions to the welfare of the State in the way of building hospitals and gifts to the State University, and the like. Robert Coe is his son. He entered the Foreign Service in 1928. He was not appointed to the ambassadorship to Denmark until, as I recall, in 1953.

Let me return to the article, which is the meat of the charge that has been made. I am quoting again from Mr. Alsop:

> It is an open secret that Coe's original appointment was recognition not of his Foreign Service training but of his family's enormous contributions to the 1952 campaign fund. In the last campaign he was again approached by an old friend, who was one of the Republican Committee's money collectors, with the delicate intimation that it was once more time to cough up.
>
> "It's going to have to be a deep bronchial cough, too," added the friend.
>
> In total, Coe's cough reached the sum of $7,000—surely a respectable extra cough from a man who has always been a generous Republican contributor in his adopted State of Wyoming. But it was not enough, and Coe was summarily informed that his services would be dispensed with this spring. He is to be replaced by a professional diplomat, Miss Frances Willis, Minister to Switzerland, who is being moved to make room for a political appointment.

Whether that is the fact, I do not know. However, the Washington Post yesterday morning announced that Mrs. Agnes Wheaton, a new member to the publicity staff of the White House, when questioned as to who was to take the ambassadorial post in Denmark, from which Coe has resigned, said that she had not yet been advised. During my absence perhaps a nomination has been sent to the Senate. I do not know.

I pause for any Senator to rise who may know of a successor to Robert D. Coe, of Wyoming. I hear no response. Does not the silence call out for a committee investigation? Is the Senate asked to advise and consent to the nomination of Scott McLeod to be Ambassador to Ireland while these charges are published in the public press that a career man has been asked to resign because his contribution to the presidential campaign was not as ample as required?

Unless we take particular care to play our part in the advice and consent to these ambassadorial representatives of the United States, we share whatever blame may come from the inept handling of our foreign affairs that is certain to result.

Unless we throw the spotlight of clear and honest investigation upon all the facts, we cannot proudly walk around the Senate floor and say we are well represented abroad, when the charge is made that the Ambassador of the United States to Denmark was required to "cough up" $7,000 for the political campaign of 1956.

We know, and the record of the Senate committee teaches us, that the contributions in the Republican campaign of 1956 and the campaign of 1952 came from big business. I see the Senator from New Hampshire smiling at me as he comes across the aisle.

Mr. BRIDGES. I was wondering whether the Senator would tell us about some ambassadors who made large contributions to the Democratic campaigns of 1948 and 1944.

Mr. O'MAHONEY. I expected that sort of argument from the Senator from New Hampshire. That is not rising above the issue at all, is it?

Mr. BRIDGES. No, but——

Mr. O'MAHONEY. That is merely smearing and saying, "If you do it, we can do it. If we do it, you also did it." I never participated by my vote on the floor of the Senate in the confirmation of any ambassador who was called upon to contribute to a presidential campaign as a price for his selection.

Mr. BRIDGES. I should like to look at the record.

Mr. O'MAHONEY. The Senator will have to take my word for it, I will say to the Senator from New Hampshire. He does not have to look at the record. He knows he does not have to look at any record.

Mr. BRIDGES. The Senator from Wyoming says he has never voted during a Democratic administration for the confirmation of an ambassador who had made a substantial contribution to the Democratic Party. Is that correct?

Mr. O'MAHONEY. That is what I said; not in a single case where a charge was made in the open press that a scandalous contribution had been made. Does the Senator believe in scandalous contributions or does he not?

Mr. BRIDGES. What is that?

Mr. O'MAHONEY. Does the Senator from New Hampshire believe in scandalous contributions, or does he not?

Mr. BRIDGES. I do not believe in scandalous contributions.

Mr. O'MAHONEY. Does the Senator object to an investigation?

Mr. BRIDGES. I do not object, but the facts are known.

Mr. O'MAHONEY. Then I ask the Senator to vote to recommit the nomination to the committee.

Mr. BRIDGES. No.

Mr. O'MAHONEY. The Senator has had his say, and he has convicted himself.

Apparently a successor has not been chosen. Why shall not the Senate find out about the choice?

We are conducting a large scale investigation into the activities of the head of the Teamsters Union. I have heard enough of the testimony in that case to say that I applaud the members of the committee who are proceeding with that investigation. If appointments to postmasterships were being sold, the Civil Service Commission would investigate. When ambassadorships are in question, we should investigate.

We cannot afford to have scandalous corruption in any of the activities of the Government at this time, particularly in the Foreign Service, because we are leading the world, or think we are, in the preservation of honest, free government.

A THIRD REASON TO RECOMMIT

Therefore, Mr. President, for those two reasons I shall vote to recommit the nomination. I shall also vote for a third reason, and that is that in all the discussion which has taken place before the nomination of Mr. McLeod was made it was stated in the public press and upon the floor of the Senate, and in private conversations, that Mr. McLeod was being promoted upstairs, so to speak, to remove him from Washington.

He was being taken out of the State Department, where at one time it was said the Secretary of State wanted to have him discharged. We are told that as a member of the staff of the State Department he made open war against another presidential nominee for an ambassadorship, Mr. Bohlen.

Shall the Senate hold back now and refuse to look into a matter of this kind? Shall any Democrat who regards himself as in any way responsible for raising the standard of ethics and ability of our ambassadorial representatives now refuse to turn this nomination back to the committee, so that we may have the facts.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. In a moment.

The issue is clear. I do not know how I will vote eventually if Scott McLeod can demonstrate that he has not fought his President, who is nominating him for this position; if he can demonstrate that he has not been a stumbling block in the path of the Secretary of State, if he can show by his record the capacity to serve as an ambassador in what we know is a world crisis.

If anybody, even the Senator from New Hampshire [Mr. BRIDGES] can demonstrate that Scott McLeod is a person qualified to hold such a diplomatic post, then I might be convinced. But certainly I am not ready to say "yea" now. I will say "yea" to the motion to recommit, but not on the question of the confirmation of the nomination.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BRIDGES. Did the Senator from Wyoming, on September 18, 1950, vote for the confirmation of the nomination of William O'Dwyer to be Ambassador to Mexico?

Mr. O'MAHONEY. I do not believe I was present that day; I might have been.

Mr. BRIDGES. Then the CONGRESSIONAL RECORD is wrong, if the Senator from Wyoming was not present.

Mr. O'MAHONEY. If I was recorded as present and voting, then I'm sure I voted for the confirmation of his nomination. Mr. O'Dwyer had been the mayor of the city of New York, and there was no breath of scandal at the time with respect to the action of the ambassadorships and he was not being sent to the turbulent European area where we are advised by some in authority that we stand on the brink of war.

Mr. IVES. Mr. President, will the Senator yield on that one? [Laughter.]

Mr. O'MAHONEY. Yes, I will yield on that one. Was the Senator from New York in the Senate at that time?

Mr. IVES. The Senator from New York was definitely in the Senate that day and warned the Senate of what was coming. In the face of that warning,

Mr. O'Dwyer's nomination was confirmed.

Mr. O'MAHONEY. The confirmation of the nomination of O'Dwyer, I am ready to confess upon the floor, may have been a mistake, but one which should not be cited by our Republican friends as a reason for voting now, without an investigation, to confirm the nomination of Scott McLeod in the terrible crisis involving NATO, the Middle East, and Russian threats to the free world.

I have stated the reasons why I feel this nomination should go back to the committee. I feel that the great service which William Howard Taft III has rendered is an indication of what we should strive to do. If he now feels that he must conclude his service, that, of course, is a decision for him to make. But let us send to Ireland as a successor a person who can make some pretense of standing in Mr. Taft's shoes.

Secondly, there is the charge that ambassadorial posts have been scandalously put upon the auction block. Nothing has been heard about this. Let us investigate it.

Third, the charges and the criticisms which have been voiced against the nominee in this case have been such as to indicate that his nomination is not a reward, but is a nomination to get a troublesome factor out of the State Department in Washington.

Mr. President, I shall, therefore, vote to recommit the nomination.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on the motion to recommit?

The PRESIDING OFFICER. They have been ordered.

Mr. KNOWLAND. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FREAR in the chair). Without objection, it is so ordered.

The question is on the motion of the Senator from Pennsylvania [Mr. CLARK] to recommit the nomination. The yeas and nays having been ordered, the clerk will call the roll.

The Chief Clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Mississippi [Mr. EASTLAND], the Senator from Arizona [Mr. HAYDEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Ohio [Mr. LAUSCHE], the Senator from Louisiana [Mr. LONG], the Senator from Montana [Mr. MURRAY], and the Senator from West Virginia [Mr. NEELY] are absent on official business.

On this vote, the Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Minnesota [Mr. HUMPHREY].

If present and voting, the Senator from Mississippi would vote "nay" and the Senator from Minnesota would vote "yea."

The Senator from Tennessee [Mr. KEFAUVER] is paired with the Senator from Louisiana [Mr. LONG]. If present and voting the Senator from Tennessee would vote "yea" and the Senator from Louisiana would note "nay."

The Senator from West Virginia [Mr. NEELY] is paired with the Senator from New Hampshire [Mr. COTTON]. If present and voting the Senator from West Virginia would vote "yea" and the Senator from New Hampshire would vote "nay."

I further announce that if present and voting, the Senator from Nevada [Mr. BIBLE], the Senator from New Mexico [Mr. CHAVEZ], and the Senator from Arizona [Mr. HAYDEN] would each vote "nay."

Mr. DIRKSEN. I announce that the Senator from New Hampshire [Mr. COTTON] and the Senators from New Jersey [Mr. SMITH and Mr. CASE] are necessarily absent.

The Senator from Utah Mr. [WATKINS] is absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from North Dakota [Mr. YOUNG] is detained on official business.

If present and voting, the Senators from New Jersey [Mr. SMITH and Mr. CASE], the Senator from Maine [Mr. PAYNE], the Senator from Utah [Mr. WATKINS], and the Senator from North Dakota [Mr. YOUNG] would each vote "nay."

On this vote, the Senator from New Hampshire [Mr. COTTON] is paired with the Senator from West Virginia [Mr. NEELY]. If present and voting, the Senator from New Hampshire would vote "nay" and the Senator from West Virginia would vote "yea."

The result was announced—yeas 22, nays 54, as follows:

YEAS—22

Carroll	Hill	O'Mahoney
Church	Jackson	Pastore
Clark	Kennedy	Scott
Douglas	Magnuson	Sparkman
Ervin	McNamara	Symington
Fulbright	Monroney	Yarborough
Green	Morse	
Hennings	Neuberger	

NAYS—54

Aiken	Frear	McClellan
Allott	Goldwater	Morton
Barrett	Gore	Mundt
Beall	Hickenlooper	Potter
Bennett	Holland	Purtell
Bricker	Hruska	Revercomb
Bridges	Ives	Robertson
Bush	Javits	Russell
Butler	Jenner	Saltonstall
Capehart	Johnson, Tex.	Schoeppel
Carlson	Johnston, S. C.	Smathers
Case, S. Dak.	Kerr	Smith, Maine
Cooper	Knowland	Stennis
Curtis	Kuchel	Talmadge
Dirksen	Malone	Thurmond
Dworshak	Mansfield	Thye
Ellender	Martin, Iowa	Wiley
Flanders	Martin, Pa.	Williams

NOT VOTING—19

Anderson	Hayden	Neely
Bible	Humphrey	Payne
Byrd	Kefauver	Smith, N. J.
Case, N. J.	Langer	Watkins
Chavez	Lausche	Young
Cotton	Long	
Eastland	Murray	

So the motion to recommit was rejected.

Mr. BRIDGES. Mr. President, I move that the vote by which the motion to recommit was rejected be reconsidered.

Mr. KNOWLAND. I move to lay that motion on the table.

The PRESIDING OFFICER (Mr. FREAR in the chair). The question is on agreeing to the motion of the Senator from California to lay on the table the motion of the Senator from New Hampshire to reconsider.

The motion to lay on the table was agreed to.

REVIEW BY SENATOR MUNDT OF BOOK ENTITLED "ALGER HISS—IN THE COURT OF PUBLIC OPINION"

Mr. MUNDT. Mr. President, I have been asked by a number of my colleagues to prepare and discuss an analysis of the book entitled "Alger Hiss—in the Court of Public Opinion," which was written by Alger Hiss and was published this week.

In my opinion, the book is in the nature of a deliberate attempt to misrepresent justice.

I ask unanimous consent to have my analysis printed at this point in the RECORD, because I think it will serve the purpose of those who are interested.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

REVIEW AND ANALYSIS OF THE BOOK BY ALGER HISS ENTITLED "ALGER HISS—IN THE COURT OF PUBLIC OPINION"

(By Senator KARL E. MUNDT (Republican, South Dakota), acting chairman of House Committee on Un-American Activities during most of the Hiss hearings in 1948)

I am glad to accept the United Press invitation to review the Hiss book. As acting chairman of the House Committee on Un-American Activities during most of the Hiss hearings, I have followed every facet of the Hiss case and believe there are facts in connection with it which the public should have in evaluating the contents of this Hiss apologia.

While purporting to include new evidence, the book actually contains nothing of substance which was not presented in the two Hiss trials and in the futile petition for a new trial. In the main, the book is simply the age-old complaint voicing the views of the convict after the court has issued its verdict of "Guilty." It is largely an uninteresting rehash of well-known details of committee and court hearings involving Alger Hiss.

Like many books of this type, this volume is more noteworthy for what it does not say and for what it evades and omits rather than for what it includes. For example, it evades the basic issues of fact by failing fully or accurately to report the vital part played in the Hiss conviction by four mute but mighty "witnesses." These were the expensive rug Hiss received from Chambers; the typewriter which was identified as the Hiss machine on which the documents received by Chambers were written; the Ford car which even in his book Hiss is unable to explain away in many

monotonous pages devoted to it; and, finally, the telltale State Department notes in the handwriting of Hiss which Chambers produced for the trial.

The book improperly attributes to the House Committee on Un-American Activities a predetermination to expose and convict Hiss. As acting chairman of that committee at the time, I know that exactly the reverse was true. To a man, our committee at the outset was impressed by Hiss because of his background and appearance, and we were predisposed at the beginning to believe Hiss and to be skeptical of Chambers. As the evidence accumulated, however, and the Chambers testimony checked out with verifiable facts and documents, while the Hiss testimony grew steadily more evasive and inaccurate, we came to the conclusion that Hiss was falsifying his evidence. In a final effort to enable him to reestablish his rapidly collapsing position, we offered him an opportunity (accepted by Chambers) to take the lie-detector test which he avoided. Even so, it was the Federal grand jury and the Federal court—not our committee—which indicted and convicted Hiss of perjury on 2 counts and sentenced him to 5 years in the Federal penitentiary.

Written at times in stilted, legal phrases, the book is difficult reading. It is the attempt of a clever lawyer to build a case for himself by use of carefully selected excerpts taken out of context and by skillful omissions. It implies that Wadleigh might have been the culprit for the deeds which helped make Hiss the convict—but it offers neither evidence nor proof. In its bitter and vicious attacks upon the FBI, the American jury system, the trial judge, the prosecuting attorney, and the House committee, the book speaks in harmony with criticisms from the Communist Daily Worker, but it is as unconvincing as it is offensive and out of place. One wonders, also, at the strange solicitude Hiss shows for Harry Dexter White (pp. 80–83 and 87) whom J. Edgar Hoover referred to in a letter to the White House on February 1, 1946, "as being a valuable adjunct to an underground Soviet-espionage organization operating in Washington, D. C." However, unless one has no confidence in our jury system or in our Federal courts there is nothing in the book which changes the stern, demonstrable facts upon which the Hiss conviction was based. The book addresses itself to the credulity of Americans rather than to their conscience.

Hiss devotes much space to repeating the unsupported thesis of possible "forgery by typewriter" which his defense attorneys attempted to develop in their petition for a new trial. But he fails, entirely, to print Judge Goddard's renowned rejoinder to that petition when, in denying the new trial, the judge said, "The Hisses and their witnesses identified No. 230099 as their machine at the trial. Furthermore, this motion has not answered the handwritten documents produced by Chambers which were admittedly in Hiss' handwriting. The defense reasoning that No. 230099 was manufactured after the Hiss machine is not sustained by proof. Some of their own witnesses cannot support their theory."

When it is recalled that the Hiss defense corps spent over $7,500, and consumed more than a year in trying to duplicate the typewriter and reported they "examined thousands of Woodstocks," gathered over "2,000 pieces of type," and visited dozens of typewriter shops across the Nation in their unsuccessful attempt to fabricate a machine which could duplicate the typing of the Hiss machine only to find that their own defense experts could still identify discrepancies in their effort, the statement by Judge Goddard in denying the appeal petition takes on increased significance.

Even Hiss cannot support the necessary hypothesis that Chambers could have done all this in a few short months, without adequate funds, without technicians, and without arousing the same public attention and suspicions that Hiss admits his own efforts created. What Hiss could not do with all his aids and money in a year, it is obvious Chambers could not have done, alone, in less than 3 months.

However, since this is the thesis upon which Hiss develops his book, I wrote a letter to the FBI on May 1, this year, to inquire whether it had ever examined known specimens of typing from the Hiss typewriter. After all, it is the typing rather than the typewriter that was obtained by Chambers and which helped convict Hiss, so I wanted to doublecheck that pertinent point for this review. On May 3, J. Edgar Hoover, Director of the FBI, replied stating, "Yes, on two occasions, and FBI document-examiners concluded that the 'Baltimore documents' (typed documents produced by Chambers at the Baltimore pretrial hearing in the civil case of *Alger Hiss* v. *Whittaker Chambers*) were typed on this typewriter."

Mr. Hoover's reply continued, "The Hiss defense located the Hiss typewriter in the home of Mr. Ira Lockey, Sr., in May 1949. On May 20, 1949, the FBI laboratory concluded that the typewriter used to type the "Baltimore documents" was the same typewriter which typed an application for Federal employment dated July 26, 1947. The application was made out by the son-in-law of Lockey, Sr., and typed on the so-called Hiss typewriter." As to the second occasion, the FBI reply to me stated, "On October 21, 1949, the FBI obtained numerous typewritten specimens from the Hiss typewriter which the defense produced in the first trial; however, at no time did the FBI have possession of this typewriter and the specimens were secured while the typewriter was in the custody of the Court and in the presence of the clerk. The FBI concluded that the Hiss typewriter bearing serial No. 230099 was the typewriter used to type both the Baltimore documents and letters bearing the signature of both Mr. and Mrs. Alger Hiss. The FBI laboratory also concluded that these typed specimens were identical with the typing on the application for Federal employment typed by Lockey's son-in-law."

Efforts by Alger Hiss to explain away the typed documents which stubbornly arose to plague him were rejected by the jury; they were rejected by the Circuit Court of Appeals; and they were rejected by the United States Supreme Court, itself, two members of which appeared as character witnesses for Hiss at his first trial. After 8 of the 12 jurors voted for conviction in that trial, however, it is noteworthy that neither of these Justices of the Supreme Court appeared as witnesses for Hiss in the second and conclusive trial of Alger Hiss.

The Hiss book, finally, suggests his case now be reexamined in the court of public opinion. So be it. However, a quicker and clearer verdict could be obtained by a much more direct and courageous action by Alger Hiss. On January 9, 1953, the magazine U. S. News & World Report carried an article entitled, "I Was in a Communist Unit With Hiss," quoting verbatim the confessed Communist, Nathaniel Weyl. Weyl said he was a member with Hiss of the Communist "study group" in the Department of Agriculture disclosed earlier by Chambers. On page 24 of this interview in U. S. News & World Report, in a nonprivileged statement enjoying no immunity against court action, Weyl continues in language making him and the magazine clearly guilty of libel if his statements are untrue. On that page, Weyl is asked, "Do you know whether Hiss was a member of the Communist Party?" Weyl replied, "He was a member of the party." Later in the interview, Weyl was asked, "Could you say what phase of the Communist Party Hiss was interested in?" Weyl answered, "He was a devoted Communist therefore interested in all phases of the party work." Weyl added that he attended such Communist meetings with Hiss "perhaps 30 or 40 times."

The statements by Weyl are either true or they are cause for action in a libel suit. While they stand, the entire Hiss book falls as it entirely ignores this firsthand specific evidence from a source completely unrelated to the Chambers documents, the evidence before the court, and our committee's findings.

Recalling that it was his reluctant libel suit against Chambers in Baltimore that eventually unearthed the evidence contributing to his own conviction by the Federal court "The court of public opinion" will, I am sure, be interested to learn whether Alger Hiss, now that he is free to do so, will confirm the Weyl testimony—or whether he will start another libel suit?

After all, the Weyl report is really the only new evidence that has become available since the conviction of Hiss in Federal court. It is too bad that in a bulky volume of 424 pages, Hiss devoted only a brief footnote to Weyl and ignored entirely his magazine interview of some 4 years ago.

RECONVEYANCE OF CERTAIN LAND TO THE CITY OF SPEARFISH, S. DAK.

Mr. JOHNSON of Texas. Mr. President, by previous agreement, the Senator from South Dakota [Mr. MUNDT] desires recognition for the purpose of considering a bill which was objected to earlier in the day, but to which no objection will now be made.

If there are any Senators who care to discuss the pending nomination, it will be carried over until tomorrow. If there are none, we shall vote tonight.

First, I should like to have the Senator from South Dakota call up the bill in which he is interested, so action may be taken on it.

Mr. MUNDT. Mr. President, I ask unanimous consent that the Senate proceed to the present consideration of Calendar No. 277, House bill 2401.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 2401) to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill as in legislative session?

There being no objection, the Senate proceeded to consider the bill.

Mr. MUNDT. Mr. President, I may say that I have discussed with the Senator from Oregon [Mr. MORSE] his objection in connection with this proposed legislation. Upon hearing the explanation, he assured me that he would withdraw his objection, and that it was perfectly satisfactory to him to have the bill passed. He is present on the floor at this time.

Mr. MORSE. Mr. President, I ask unanimous consent to have printed in the RECORD my reasons for supporting the bill referred to by the Senator from South Dakota.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

H. R. 2401 would authorize the Secretary of the Interior to quitclaim to the city of Spearfish, S. Dak., a 1-acre tract

formerly used in connection with a Federal fish hatchery. The land is no longer used nor wanted by the Government.

In 1935 this tract was owned by the city of Spearfish. The city desired to assist in the enlargement of the nearby Federal fish hatchery and passed a resolution authorizing the donation of the tract, subject to a reversion for nonuse for fish-hatchery purposes.

Due to charter limitations, the land was conveyed to a third person for $1, and by him to the United States without cost, rather than by direct conveyance from the city to the Government. However, through oversight, the reversionary clause was not included in the conveyance to the United States.

Following the donation to the Government, the United States erected a small stone building on the tract which, according to the Senate report on H. R. 2401, is valued at $1,500.

The foregoing facts presented a question of the possible application on the Morse formula, and I asked that the bill go over on the call of the calendar until I had an opportunity to determine whether these facts require the payment of consideration to the United States in return for the reconveyance to the city.

Mr. President, a study of this case satisfies me that in equity and good conscience, the reconveyance, like the original conveyance to the Government, should be gratuitous. The Morse formula is inapplicable here.

The United States, speaking through the Department of the Interior, concedes that the conveyance to the United States was without consideration. The Senate report indicates that a reversionary interest was to have been retained by the city. Congress, like the courts, should do equity under those circumstances. Equity and fairness call for a recognition of the reversionary interest which the city intended to retain from the outset. The passage of H. R. 2401 will do equity.

There remains one question: Should the city reimburse the United States for the stone building constructed by the Government on the 1-acre tract? The answer is obvious. Once we concede that a reversionary interest was in fact intended by the parties, it is clear that improvements placed on land that is subject to a reversion should go to the holder of the reversionary interest—in this case, the city of Spearfish, which dealt originally through its nominal third-party grantee.

For the foregoing reasons, Mr. President, I have no objection to the passage of this bill.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill (H. R. 2401) was ordered to a third reading, read the third time, and passed.

NOMINATION OF SCOTT McLEOD

Mr. JOHNSON of Texas. Mr. President, I should like to inquire if there are any Senators who desire to discuss the McLeod nomination further.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. The Senator from Oregon.

Mr. MORSE. I have been seeking to cooperate with the leadership all afternoon with regard to this nomination. I thought the Senate would vote on the recomittal motion tonight, and vote on the nomination tomorrow. The Senator from Texas never advised me to that effect directly, but I relied on the staff associates on the floor of the Senate, who led me so to believe. Therefore, I greatly shortened my discussion of the nomination in order to cooperate with the leadership and to enable the Senate to be in a position to vote on the motion to recommit. If it is desired to proceed to a vote on the nomination tonight, I shall speak at some length. I think the nomination should go over and we should proceed on tomorrow to whatever discussion there may be. I believe that will result in a vote on this question tomorrow afternoon.

ORDER FOR ADJOURNMENT UNTIL 11 O'CLOCK A. M. TOMORROW

Mr. JOHNSON of Texas. Mr. President, if the Senator from Oregon desires to discuss the nomination further, I am prepared to ask unanimous consent that when the Senate concludes its deliberations today it stand in adjournment until 11 o'clock a. m. tomorrow.

The PRESIDING OFFICER. Does the Senator make that request as in executive session?

Mr. JOHNSON of Texas. As in executive session.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I do not know how long the Senate will take on the nomination. I do not think any Member can give assurances as to when the Senate will vote on the nomination. It is the hope of the leadership the discussion will not be too prolonged and that the Senate will come to a vote sometime tomorrow. If that can be done, there will be no session on Friday. If that is not done, we shall have to be prepared for a Friday session.

MESSAGE FROM THE HOUSE— ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

ORDER FOR ADJOURNMENT TO TOMORROW

Mr. JOHNSON of Texas. Mr. President, I have found it will inconvenience some of my colleagues, because of arrangements previously made and because of a bipartisan conference tomorrow at the White House, to meet earlier than usual tomorrow. It would be better if we met at the usual time and, if necessary, sat later in the evening.

Therefore, I ask unanimous consent that the Senate rescind its previous order, and I now request that when the Senate concludes its deliberations today it stand in adjournment, as in executive session, until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. The Chair, of course, will put that question; but before doing so the Chair would like to ask the majority leader a question.

Mr. JOHNSON of Texas. I shall be delighted to hear it.

The PRESIDING OFFICER. There is a very important meeting in the State of Delaware tomorrow evening, which a couple of Senators would like to attend. It is almost necessary that those Senators be on the 3 o'clock train tomorrow afternoon. The Chair realizes, of course, that the majority leader cannot give definite assurance to those two Senators as to what may happen tomorrow, but can the majority leader give them any encouragement at all?

Mr. HENNINGS. Mr. President, to what State does the Senator refer?

The PRESIDING OFFICER. For the information of the Senator from Missouri, the Chair will state that the two Senators are from Massachusetts and Delaware.

Mr. JOHNSON of Texas. Mr. President, I understand the problem of my friend, and I shall cooperate to the extent of my ability in endeavoring to get him away from here before his train leaves. I do not know how many speeches there will be tomorrow, nor how long they will last. I had hoped for a vote this afternoon. Obviously, there are other Senators who prefer to vote tomorrow, and we accommodate ourselves to each other. I hope the Chair will not object to the request.

The PRESIDING OFFICER. The Chair will not object.

Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

ADJOURNMENT

Mr. JOHNSON of Texas. Mr. President, I move that the Senate now stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 7 o'clock and 22 minutes p. m.) the Senate, in executive session, adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 9, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 8, 1957:

Department of the Interior

Elmer F. Bennett, of Colorado, to be solicitor for the Department of the Interior, vice J. Reuel Armstrong, resigned.

United States Marshal

John F. Barr, of West Virginia, to be United States marshal for the northern district of West Virginia for a term of 4 years, vice Irl E. Thomas, deceased.

DEPARTMENT OF THE NAVY

Rear Adm. Robert E. Dixon, United States Navy, to be Chief of the Bureau of Aeronautics in the Department of the Navy for a term of 4 years in accordance with title 10, United States Code, section 5136.

Having designated, in accordance with the provisions of title 10, United State Code, section 5231, Rear Adm. James S. Russell, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him to have the grade, rank, pay, and allowances of vice admiral while so serving.

Having designated, in accordance with the provisions of title 10, United States Code, section 5231, Rear Adm. John H. Sides, United States Navy, for commands and other duties determined by the President to be within the contemplation of said section, I nominate him to have the grade, rank, pay, and allowances of vice admiral while so serving.

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grades and corps specified, under the provisions of title 10, United States Code, section 3294, as amended by Public Law 497, 84th Congress; title 10, United States Code, section 3291, as amended by Public Law 294, 84th Congress; title 10, United States Code, section 3311; title 10, United States Code, section 3292, and Public Law 737, 84th Congress:

TO BE MAJORS

Bell, Franklin D., DC, O984151.
Dunning, Guy J., Jr., MC, O470196.
Griffin, David J., MC, O1918945.
McCurdy, Harry W., MC, O1725453.
Rush, Jack T., MC, O1941860.
Stacy, Harold G., MC, O418782.

TO BE CAPTAINS

Andrews, James L., DC, O4034174.
Armstrong, Carl L., MC, O4022721.
Baugh, Joseph H., MC, D4016516.
Baze, Wallace R., DC, O985332.
Best, Robert N., DC.
Bickley, Russell W., DC, O2051412.
Bundt, Lyle D., DC, O2104361.
Chamblin, Don W., MC.
Davis, Thomas H., DC, O1941685.
Ditmore, Harry B., Jr., MC, O4067761.
Fitzpatrick, Jack C., MC, O936702.
Glanz, Sidney, DC, O4022056.
Hagen, James R., DC, O4056066.
Hauschild, Thomas B., MC, O1787164.
Hess, Joachim L., MC, O2029548.
Hogan, Henry W., MC, O4022367.
Huycke, Edward J., MC, O4055729.
Jacoby, Philip R., MC.
Johnson, Cecil V., MC, O1887556.
Kimbrough, Edward E., III, MC, O4013285.
Mahin, Dorsey T., MC, O980760.
Maier, John G., MC, O1337977.
McClure, Jack B., MC, O1922446.
McKinley, Robert L., MC, O1919506.
Mendenhall, Max K., MC, O425291.
Miller, Claude R., Jr., DC, O1878155.
Murray, Thomas B., MC, O4022303.
Potter, Stanley E., MC.
Powers, Joseph F., MC, O4013697.
Rasmussen, Donald L., MC., O4050810.
Rockwell, Winthrop R., MC, O4016541.
Seibert, Jay S., DC, O4000947.
Smith, Daniel L., MC, AO751970.
Staats, Robert E., MC, O774798.
Townsend, Walter R., MC, O998966.
Ventimiglia, Joseph J., MC.
West, Stanley Q., Jr., MC, O1891651.
Westerfield, Frank M., MC, O1880743.
White, Arthur C., JAGC, O2204416.
Wilkinson, William H., MC.
Williams, James F., DC.

TO BE FIRST LIEUTENANTS

Abul-Haj, Suleiman K., MC.
Alderman, Kurtz E., MC.
Aldous, Richard A., MC, O2282907.
Allen, George L., MC, O1889996.
Altstatt, Leslie B., MC, O1889131.
Amos, William E., MC, O2283287.
Baker, Evaline R., ANC, N901510.
Becker, Elmore J., MC, O2282655.
Becker, Quinn H., MC, O1916454.
Benjamin, George S., MC, O2283259.
Bowers, Bruce T., MC, O2279493.
Brougher, David E., MC, O1891190.
Bryan, Paul E., MC, O1928665.
Burk, Billy D., MC, O2282913.
Burkhalter, William E., MC, O4040449.
Burkhardt, Garfield F., MC.
Collins, James R., MC.
Comer, James E., Jr., MC, O1877422.
Cooper, Everett B., MC, O4034536.
Crawford, William J., MC.
Curtis, John C., MC, O1942147.
Daine, Donn D., MC, O2277949.
Danford, Henry W., MC, O2279400.
Deffebach, Roy R., MC, O2279575.
Delano, John W., MC O1875744.
Denison, Terry R., MC, O2282911.
Driscoll, Paul J., MC, O1875721.
Edland, Robert W., MC, O2283437.
Edwards, Leon C., MC.
Ellis, Donald L., MC, O2279640.
Elton, Richard C., MC, O2282656.
Fabricant, Jerome M., MC, O2279778.
Farrelly, Robert L., MC, O2283260.
Fischer, Stanton P., MC, O2283395.
Geer, Thomas M., MC, O2283101.
Gentry, Robert P., MC, O2283401.
George Myron D., MC, O2282971.
Gillespie, James T., MC, O4013679.
Goldman, Betty R., ANC, N901964.
Goodman, Robert I., MC.
Gorczyca, Casimir A., MC.
Guevara, Santiago F., Jr., MC, O2279768.
Guiglia, Theodore N., MC, O2282892.
Harris, Thomas W., MC, O2279523.
Hopkins, Edward D., Jr., MC, O1887807.
Horan, Dennis P., MC, O2279492.
Hudson, Thomas L., MC, O4025059.
Huff, William S., JAGC.
Ikola, Roger A., MC.
Johnston, Gerald S., MC, O2279490.
Jones, Harry E., Jr., MC, O1879407.
Kendrick, Daniel L., MC, O2282851.
Ketchum, James S., MC, O2279522.
Kimmerling, Richard W., MC, O2279491.
Knochel, James P., MC, O2283399.
Kost, Harold S., MC, O2282909.
Kozak, George, MC, O2283258.
Laezman, Bernard L., MC, O2283192.
Leonard, Lawrence M., MC.
Lester, Melvin A., MC, O2282974.
Lubow, Martin, MC, O2279380.
MacMillan, Kirwan T., MC, O2283261.
MacTaggart, Lois, AMSC, M2972.
Mangus, Samuel J., MC, O2279310.
McCaleb, Morgan H., MC.
McCullough, Robert E., MC, O2279311.
McCully, John T., MC, O2282889.
McKenzie, William J., Jr., MC.
Meyer, Hobart, Jr., MC, O2279444.
Miller, Robert A., MC.
Minter, Marion L., ANC, N804243.
Mobley, Henry B., MC, O4051002.
Morton, James R., MC.
Mutz, Sterling B., MC, O2279577.
Nelson, William P., MC, O2279418.
Nussbaum, Paul S., MC.
Oakes, Francis D., MC, O2279465.
Oberlin, David W. W., MC, O2279578.
Olsson, Ray A., MC, O2279342.
Pare, Robert H., MC, O2279379.
Payne, Thomas W., MC, O2282888.
Pearce, Luther W., MC, O4069712.
Peard, William G., MC, O2279548.
Platt, Tom H., MC, O2282660.
Plunkett, Guy D., MC, O4067953.
Powers, John Y., JAGC, O2274734.
Quigley, William F., MC, O2282847.
Ray, Harold G., MC, O1942257.
Reese, Herbert E., MC, O2283404.
Rich, Richard B., MC, O2279670.
Richards, John C., MC, O2282659.
Riedel, Albert F., Jr., MC, O2282910.
Rosteing, Horace M., MC.
Sadler, Theodore R., Jr., MC, O2103497.
Sanders, Graydon C., Jr., MC, O2275426.
Sawyer, William D., MC, O4055740.
Schlegel, Robert J., MC.
Schneider, George W., Jr., MC, O2282946.
Schulz, Donald W., MC, O2283403.
Schwartz, Peter, MC, O1875469.
Searer, Wendell P., MC, O2283435.
Simsen, Donald A., MC, O2279502.
Sisk, Walter L., Jr., MC, O2279576.
Smith, John H., Jr., MC, O2282908.
Smith, Thomas J., MC, O1876035.
Smyth, Anna M., ANC, N804182.
Sodee, Donald B., MC, O1888111.
Steele, Richard A., MC.
Stockton, William J., MC, O2279290.
Tarpley, William T., MC, O1887927.
Tidwell, Owen K., MC, O2282855.
Tur-Rodriguez, Luis A., MC, O2282739.
Vittrup, John F., MC, O2277870.
Wallace, Raymond D., Jr., MC, O1651970.
Wallrich, Richard, MC, O4056233.
Wills, Theodore E., MC, O4073415.
Wright, Harold L., MC, O2279419.
Wright, Robert M., MC, O2283097.
Zalta, Edward, MC, O2279709.
Zumbo, Orazio R., MC.

TO BE SECOND LIEUTENANTS

Dubatowski, Doris T., ANC, N902625.
Knapp, Stuart E., MSC, O1928156.
Lawrence, Lucille C., AMSC, R20009.
Proctor, Jo Ann, WAC, L1010884.
Scurlock, Rose Mary T., ANC, N902528.
Shelton, Ellen J., WAC, L1010891.
Sylvester, Suzanne E., WAC, L1010900.

The following-named officers for appointment, by transfer, in the Regular Army of the United States, without specification of branch, arm, or service, in the grades specified:

TO BE CAPTAIN

Knight, Ovid L., O27601.

TO BE FIRST LIEUTENANT

Beavers, Joseph E., O70266.

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of Public Law 737, 84th Congress:

TO BE CAPTAINS

Bratton, Joseph K., O2274963.
McAlbee, Filmore W., O1294507.

TO BE FIRST LIEUTENANTS

Howard, Samuel A., O1928126.
Pringle, Edward M., O1886148.

TO BE SECOND LIEUTENANTS

Griffin, Richard E., AO3046463.
McDermott, William L., O4074300.
Morrison, Kenneth L., A4063723.
Parker, Murry E., O4063729.
Selig, Leon M.
Summers, Harry G., Jr.

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Adcock, Bobby R.
Albrecht, Frederick C.
Bowen, Carl L.
Brown, Donald R.
Cohen, Sanford
Conklin, Robert D.
Fisher, George A.
Hawkins, Sanders F.
Inlow, Neely S.
Krimmer, John A.
Lemm, Jerry L.
Merten, George D.
Mills, David H.
Mills, Freddie J.
Naylor, Donald L.
Oliger, Raymond S.
Phillips, Frederick H.
Reue, David N.
Santori, Luis A.
Simnacher, Bruce D.
Starr, Jon L.
Turner, James G.
Yeats, Christopher S.

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress:

Abraham, Richard G.
Adams, James R.
Adams, Rudolph, Jr.
Addicott, Charles W.
Ady, Aard B., O4077325
Agee, Robert E.

Ainsworth, Robert L.
Alexander, John J., Jr.
Alexander, Theodore C.
Algard, Norman U., Jr.
Alston, Pontha D.
Ambrosino, Richard R.
Anderson, Curtis, E., Jr.
Andrews, Richard P.
Anglin, Richard C.
Appeldorn, Francis R.
Aquadro, Kerry J.
Arington, Richard L.
Armstrong, Raymond L
Armstrong, Robert E., III
Bachmann, Robert R.
Baeb, David E.
Bagnaschi, Albert L., Jr.
Bailey, Edward T.
Baldwin, Richard B.
Banker, Eugene O.
Banyas, Walter
Barber, Orion M.
Barker, Harold S., Jr.
Barker, James H.
Barnes, James M.
Barone, Harry N.
Barry, Joseph A., III
Bartlett, Gerald T.
Barton, Robert B.
Bates, David W.
Batson, Joseph D.
Beal, Jackie L.
Beatty, Robert C.
Beaumont, Roger A.
Beckett, Peter E.
Beckwith, Robert B.
Bedard, Richard G.
Behm, Peter S.
Beitz, Charles A., Jr.
Bell, Frederick V.
Bell, William E.
Bennett, Ferrell R.
Bergson, Richard W.
Berner, John J.
Bernsen, Ralph J.
Bernstein, Donald
Berry, Thomas L.
Best, Darrell E.
Bethke, Gerald H.
Betke, Herman R.
Betters, Richard B., Jr.
Biscomb, Donald L.
Biscomb, Gordon L.
Bishop, Edward M.
Bisping, Jack F.
Black, Calvin D.
Black, Clinton H.
Blankenship, Dan
Boes, Richard W.
Bonta, Stanley G.
Boose, Howard R., III
Borgstrom, Richard O.
Bosse, Joseph N.
Bourland, James M.
Boyanowski, John G.
Boyle, Ernest W.
Brabson, Charles M.
Bragg, Russell J.
Braxton, Paul G.
Bredehoeft, Peter R.
Breeding, Gerald L.
Breer, William T.
Breitenberg, Edward P
Brewer, John H., Jr.
Brickhouse, Willie T., Jr.
Brigham, John C.
Brill, Ronald R.
Bristol, John M., Jr.
Brittain, Richard T.
Brock, Jeffrey D.
Brooks, Charles R.
Brothers, David L.
Brown, Beauregard, III
Brown, Dennis B.
Brown, Ellwood M.
Brown, Richard W.
Brudvig, Dale K.
Brugnoni, John J.
Brunett, Allan L.
Bruno, Marshall J.
Bruns, Lawrence D.
Bryant, Walter R.
Buchan, Alan B.
Buckley, George M.
Buddo, James S., Jr.
Budrich, Dudley J.
Bunting, Roger C.
Burke, James D.
Burke, Richard A., Jr.
Burkhalter, Edward L.
Burkhart, Robert H.
Burnam, Jerry D.
Burrow, Frederic H.
Bush, Bobby K.
Bushyhead, Edward R.
Butler, Robert W.
Bynam, Holland E.
Byrd, Doxey, Jr.
Cable, Thomas H., Jr.
Cadinha, Howard E.
Cain, William H., Jr.
Camp, Dave E.
Campbell, Donald M.
Campbell, John V.
Campbell, Richard E.
Cannefax, Robert W.
Cannella, Phillip F., Jr.
Carlin, John C.
Carrier, Billy C.
Cavanaugh, Stephen E.
Chandler, Richard, Jr.
Chaney, Arlen L.
Chapman, Paul P.
Clark, Joseph E.
Clay, Clifford D.
Coats, John I.
Cobb, Edward R., Jr.
Colbat, Bruce S.
Coleman, Ronald S.
Collins, David G.
Collins, Philip J.
Combs, Carlton E., Jr.
Conger, John T.
Conger, William K.
Conkel, Ronald P.
Connors, Donald L.
Cooper, Robert A.
Copeland, John W.
Cordell, Ralph D.
Corner, Charles R.
Cortelyou, William T.
Cotter, Joseph L.
Cotter, Paul L.
Coyle, Terence M.
Cozzolino, Joseph M.
Craddock, Nicholas J., Jr.
Craig, Donald G.
Crane, George R.
Creekmore, Robert S.
Crittenden, Robert N.
Crofford, Clifford D.
Crognale, Joachim A.
Cross, John S.
Culbertson, Jerome B.
Cullins, Robert B., III
Cunniff, Roy A.
Curbow, Gerald D.
Dacey, John C.
Dahl, John F.
Daily, Stanley J.
Dalzell, Gary W.
Damme, Richard J.
D'Angelo, Anthony P.
Davenport, Theodore G.
Davis, Billy G.
Dawson, Jon C.
Dearden, Sheldon W.
Deas, Carter L.
DeBerardino Anthony
DeHertogh, August A.
Denslow, Lathrop V.
Deshler, Robert C.
DeVoe, Stephen E.
DeWitt, Edward J.
Dick, William W. III
Dickerson, Jon R.
Dingler, Doyce M.
Dink, Louis L.
Dodge, Rodney E.
Dodson, Claude C., Jr.
Doneski, Bernard J., III
Dorough, Aaron G.
Dougal, Richard K.
Dougherty, James E.
Draney, Nolan G.
Dressel, David L.
Du Bois, Donald A.
Du Bois, Donald G.
Dugas, Raymond S.
Duke, Robert G.
Duncan, Donald R.
Duncan, Wayne M.
Dupies, Donald A.
Durbin, William B.
Durham, James A.
Eckert, Frankin A.
Edge, John S.
Enfield, Norman R.
Englander, Richard M.
Enos, Edmund F., Jr.
Espin, Howard E., Jr.
English, Don C.
Evangelides, Theodore
Faas, Ronald C.
Farrar, Kendall
Farrer, Gary R.
Farwell, William H., Jr.
Fenton, Donald F.
Fentress, Harry B.
Ferguson, Lloyd D.
Ferreira, Clarence E.
Fickett, Richard K.
Fiely, Linus H.
Fingles, Douglas O.
Fiorino, Charles J.
Fitzpatrick, Paul F.
Flanders, Norwood S.
Fong, Joseph Y. K.
Fontanella, David A.
Ford, Alvin J.
Foster, John F.
Foster, William R., Sr.
Fouratt, Enos J., Jr.
Frangos, Stephen J.
Frank, Laurence A., Jr.
Frantz, Robert A., Jr.
Frederickson, Eugene
Freeman, Carl F.
Frey, William R.
Fugitt, Billy W.
Gabor, Andrew E.
Gaffney, James J.
Gambrell, Samuel C., Jr.
Gammell, Richard A.
Gann, Charles E.
Garabedian, Aram G.
Gardner, Robert L.
Gaustad, Peter J.
Gaw, Stephen T.
Gebhardt, William A., Jr.
George, Dannie E.
Gerety, Walter P.
Ginter, Duane L.
Gleason, James E.
Goff, Homer B., Jr.
Goforth, Gary K.
Goldberg, William
Goldman, James J.
Goldner, Robert S.
Goldsmith, Stanley I.
Gordon, Robert L.
Gorrell, Stanley L., Jr.
Grabow, Richard M.
Gradillas, Henry C.
Grant, David E.
Grant, Michael E.
Green, Ralph C.
Green, Thomas E.
Greene, Dennis S.
Greer, Wilbur K.
Griffin, Clarence M.
Griffiths, Richard E.
Griswold, Edward C.
Guida, Orlando C.
Guldner, Francis J.
Gunter, Stephen Z.
Hale, Richard E.
Hall, David W.
Hallock, Donald V.
Hallren, Thomas P.
Haloburdo, Joseph J., Jr.
Hammond, Leroy D.
Hancock, James H., Jr.
Harring, Anthony U.
Harrington, John F.
Harris, Bryan D.
Harris, Donald M.
Harris, Robert E., O4077273
Harrod, Tedford E.
Hart, Jack S.
Hartke, Harry J., III
Hartman, George E., Jr.
Haskins, David E.
Hassel, Roy A.
Hatch, John F., Jr.
Hays, Paul A.
Hefford, Robert A.
Helminiak, Thaddeus E.
Henderson, Richard H.
Hernandez, Ruben M.
Herrera, Charles D.
Herring, Bernard M., Jr
Hersey, Gordon L., O5700112.
Heverly, Charles S.
Hicks, Frederick G.
Hicks, Gerald F., Jr.
Higgins, William E.
Higman, James H.
Hilburn, Charles R.
Hill, Eugene G.
Hinds, William L.
Hiotakis, Socrates A.
Hirsch, Warner.
Hoagland, Merton B.
Hoffman, Jack B.
Hoffman, Lawrence W.
Hoffman, Robert F.
Hoke, Kay H.
Holbrook, Jack H.
Holmes, Jasper F.
Holroyd, Donald E.
Hopkins, David W., Jr.
Hopkins, Richard K.
Horne, Billie D.
Houts, Ray A.
Hovorka, Francis J., Jr.
Howell, Raymond K.
Hoyt, Edward L.
Hudson, DeWitt H., Jr.
Hughes, Frank A.
Hughes, Jimmie T.
Hughey, Billy G.
Humphrey, Raymond F.
Hunt, Gordon M.
Hurst, Thomas K.
Incremona, Richard S.
Irland, David L.
Isett, Robert L., Jr.
Istel, Yves-Andre.
Jackson, Walter W.
Jageman, George W.
Jambon, Orleans A.
James, Charles F.
Jefferis, Robert J.
Jentz, Edward M.
Johnson, Chester F.
Johnson, Jackie F.
Jones, Gilbert E., Jr.
Jones, Roger H.
Joyce, Warren C.
Julian, Charles T.
Kaeo, Peter K.
Kaine, Richard L.
Karalekas, Charles J.
Kastner, George D.
Kates, Robert J., Jr.
Kavanaugh, Paul F.
Kawabata, Kazuto
Kean, James A.
Keenan, Roy V.
Keller, Steven S.
Kelley, James F.
Kellman, Frederick W., Jr.
Kelly, James J.
Kelly, Thomas K.
Kenelpp, George E., Jr.
Keogh, John J.
Kezer, Robert B.
Kimura, Kay S.
King, Donald P.
King, Randolph S., Jr.
King, William T.
Kirby, Lewis M., Jr.
Kleintop, Donald R.
Knight, James P.
Knowles, Emanuel H.
Konstans, Constantine
Kornack, Wallace R.
Kozel, Frank A.
Krantz, George E.
Kyle, Paul G.
Laabs, James A.
Lager, John A.
Lakies, Robert J.
Lane, Ralph B.
Laningham, William O.
LaRoue, William H.
Laughery, Kenneth R.
Lawton, Johnnie, Jr.
Layton, Michael L.
Leach, John H., Jr.
Leary, Gary L.
LeBlanc, Richard A.
Lednicky, Jerome J.
Lee, Daniel D., Jr.
Leech, Earl W.
Leighow, John K.
Leitzy, John D.
Lenoci, Joseph V.
Lesh, Burton A.
Lewers, Sam
Lewis, Gene P.
L'Hommedieu, Richard F.
Lillie, Charles F.
Lindsey, Jerry N.
Lindsey, Lawrence C.
Linkhart, Bennie R.
Lippincott, Philip E.
Liu, Herbert M.
Lobdell, Alban J., Jr.
Loftus, Martin R.
Lohbauer, Robert D.
Long, James S.
Loomis, Robert W.
Lorms, John L.
Lothrop, James H.
Luby, Joseph F.
Luna, Raymundo R.
Lundquist, Ronald W.
Lusk, James A.
Machen, Bobby
Mackey, Thomas A.
MacMillan, Thomas L.
Madden, Hugh A.
Maggelet, Theodore F., Jr.
Majure, Jerry A.
Malouf, Terrence G.
Manner, Eugene L.
Manning, Albert E.
Mansfield, Herbert S.
Marriott, James M.
Marsh, Philip H.
Martin, Mason E.
Martin, Robert W.
Martin, William J., Jr.
Martin, Yancey F.
Mathis, Milton H.
Maverick, Joseph L.
Mays, Carroll G.
Mazur, Robert J.
McAdams, Michael C.
McBride, Eugene R.
McCarthy, Harold J., Jr.
McCarthy, Robert A.
McClain, James H.
McConnell, Bruce D.
McCraith, William T.
McDonald, Francis W., Jr.
McDowell, Richard L.
McGee, Milton J.
McHugh, Thomas P.
McIntyre, William T.
McKenzie, Leon C.
McKinney, Avery E.
McKinstry, Thomas I.
McKnabb, Lee O.
McLam, Alan C.
McLaughlin, Alan J.
McNulty, William B.
McPherson, David C.
McWade, Albert S.
McWhirter, Julian H., Jr.
Mega, Thomas R.
Megna, Joseph J.
Mello, Earl S.
Meskunas, Edward F.
Messel, Albert K.
Metcalf, Robert H.
Meyer, Urban F., Jr.
Michel, Thomas E.
Mickel, Montie C.
Miller, Henry L., Jr.
Miller, Jacob W., Jr.
Miller, Warren N.
Mills, Charles S., Jr.
Mills, Peter K.
Mills, Robert M.
Mitchell, David D.
Moffat, George G.
Mondok, Robert R.
Monfalcone, Frank L.
Montgomery, Richard J.
Mora, Eugene J.
Morales, Steve G.
Morgan, Brendan
Morgan, Jerry D.
Morgan, Thomas A.
Morrison, Leo S., Jr.
Morrissey, John J., Jr.
Moser, William R.
Moses, Laurence G.
Mosher, Donald L., Jr.
Moulds, Donald G.
Muir, Glenn L.
Mullaly, James R.
Myers, John T.
Nader, Walter E.
Nagle, Robert F.
Nardino, Gaeton A.
Nash, Gene C.
Naumann, Ralph E.
Neal, Charles D.
Nelson, Theodore R., Jr.
Newell, Edward W.
Newman, Robert C.
Nicholas, Frank E.
Nichols, Richard E.
Niles, Gary W.
Nolte, Joseph H., II
Nord, Odell M.
Noznesky, Peter H.
Nuenke, William L., III
Nutt, John W.
O'Brien, James W.
O'Brien, Robert A., Jr.
O'Connell, William J.
Olson, Martin G.
Orlov, William S.
Overby, Rogers L.
Owens, Sammy L.
Owens, Sherril
Ownby, Robert G.
Pallo, Carl A.
Palmer, Arthur N.
Palmer, William T.
Panico, Lawrence J., Jr.
Parker, Joel R.
Parker, Robert S.
Patrick, Burton D.
Patterson, James T.

Patterson, Raydean H.
Patterson, Willard L.
Peach, James G.
Pearce, Gary S.
Pearce, Joseph R.
Peck, Norman L.
Peiper, Richard W.
Pepples, Ernest C., Jr.
Perry, Arthur L.
Peterson, Robert A.
Pickenheim, Paul J.
Pierre, Allan
Pierson, Richard W.
Pietro, Louis R.
Piskurich, Stephen F.
Plowman, James T.
Pluta, Russell F.
Podraza, James D.
Polansky, Barnard
Pope, Edwin K., Jr.
Porter, Royce L.
Potamos, Christ F.
Powell, William S.
Prewitt, Herbert F.
Price, Clifford B., Jr.
Price, Roy C.
Prince, Jimmy G.
Puett, Joseph F., Jr.
Pysz, Bernard F.
Quinn, Thomas M.
Quintard, Jerry L.
Rambadt, Donald C., O4062070
Ramos, Jose R.
Randle, Robert F.
Ratterman, Bernard W., Jr.
Real, John P.
Reifsnyder, Robert L.
Reilly, Wayne G.
Renkin, Herbert L.
Renzi, Gene C.
Reyburn, Dwight S.
Rhicard, Clinton P.
Rice, Hughes H., Jr.
Richards, Garth S.
Richey, Charles G.
Riedl, William H.
Riley, John G.
Ring, Taft C.
Ritchie, Thomas A.
Roberts, Birchard R.
Roberts, Franklin D. R.
Robertson, George M.
Rodenbaugh, Donald A.
Rodgers, Thurman D.
Rogers, William R.
Rogler, Francis E.
Ronco, Lawrence T.
Roquemore, Leroy C.
Rose, Gordon D., O4057792
Rose, James E.
Routh, Rob R.
Ruane, Douglas A.
Rubin, David B.
Russell, Herbert G., Jr.
Russell, Milton C.
Russo, Rocco L.
Salmon, William C.
Salmonsen, Peter C.
Salvador, Louis A.
Samsel, Clyde M.
Sanders, Milton D.
Sanders, Thomas C.
Sanford, Thomas H.
Sargent, David E.
Sargent, Norbert J.
Satterthwaite, George, II
Schooley, William R.
Schoppert, Richard C.
Schubert, John E., Jr.
Schwager, Robert S.
Schwartz, Jerome J.
Scott, John O.
Scott, Joseph W.
Scoville, Oscar G.
Seay, Michael
Sedgwick, Clyde N.
Seggel, Lawrence R.
Seiler, Jerry R.
Serna, Albert I., III
Serrin, Phillip A., II
Sess, Thomas N.
Settle, Joseph E.
Shaffer, William M.
Shamrock, Keith J.
Shands, Henry L.
Sharp, Charles W.
Shaver, Charles W., Jr.
Sheely, James R.
Shelton, James E.
Shepard, James C.
Shiner, Charles R., Jr.
Shoptaugh, Leland D.
Short, Kenneth R.
Shultz, Charles H.
Silnes, Sigvart R.
Simmons, Cecil K.
Simon, Ernest A.
Simonic, Donald F.
Simpson, George E.
Sims, Wesley N.
Sindoni, Samuel S.
Sjoholm, Gustav E.
Skaife, Stanley T.
Skillman, Charles S., Jr.
Slabikosky, Andrew J.
Slofer, Bernard P.
Slowinski, Donald J.
Smith, Edmund G.
Smith, Jimmy W.
Smith, Melford E.
Smith, Reidar H.
Smith, Tommy W.
Smith, Walter D.
Smolenyak, George C.
Smyth, Rome D.
Snooks, James P., III
Somerville, Paul F.
South, Jerry C., Jr.
Spann, James B.
Specht, John H.
Spencer, Wayne D.
Spodobalski, Anthony C.
Spring, Bradford H.
Spurgers, Roy K.
Staggs, Leon D.
Stapp, Richard E., Jr.
Steger, George F.
Stewart, Jessie E.
Stinson, Kenneth B.
Stipe, Aquila E.
Stocky, Peter D.
Stokes, John P., 3d
Stokes, Preston W.
Struck, Robert J.
Strunk, Gary D.
Sullivan, Garland W.
Sullivan, James K.
Sullivan, John H.
Swartz, Stanley R.
Sykes, Charles L.
Symons, Frederick E.
Takach, Michael A.
Takenaka, Harold H.
Taylor, John E.
Taylor, Joseph S.
Taylor, Warren L.
Tengan, James T.
Terry, Robert
Teso, William A.
Thomas, Richard K.
Thompson, Billy M.
Thompson, Chadwick C.
Tilleux, Gerald E.
Timmons, Robert W., Jr.
Tobiason, Allan R.
Tobiason, Robert G.
Todd, George K., Jr.
Towne, Larry B.
Traficante, Anthony J.
Trees, Lester W., Jr.
Trueheart, William H., Jr.
Tuck, John S.
Turk, Theodore M.
Turner, Neil B.
Tweddell, Johnny B.
Tynan, Robert E.
Urban, Eugene W.
Vail, Robert B.
Vaille, John D.
Van Ausdall, Rice L.
Van Buskirk, Kenneth C., Jr.
Vanden Boom, James R.
Vaughan, William A.
Vockery, William L.
Waite, Darrell M.
Walk, Charles W.
Walker, Costelle B.
Walker, Harry D.
Walker, Jack E.
Walsh, Fenwick A, Jr.
Walsh, Martin P.
Walton, LeRoy
Warren, John H.
Warvi, Martin M.
Waterman, William R.
Watson, Gerald G.
Weeks, Richard G.
Weems, Sands S., III
Werner, Leonard L.
West, James M.
West, Lionel M., II
Weston, Ray D.
Wexo, Richard O.
Whaley, Cole B., Jr.
Whigham, Thomas J.
White, James E.
White, Richard C.
White, Stanley Z.
Wiger, Leslie T.
Wilkinson, Byron R.
Williams, Forrest H., Jr.
Williams, Graybill E.
Williams, Samuel
Williamson, Duane E.
Williamson, James C.
Wilson, Albert H., III
Wilson, Gordon B.
Winter, John M., Jr.
Witbrodt, Donald J.
Wolff, Robert A.
Wood, Billy B.
Wood, Peter W.
Wood, Wade, III
Wooley, John E.
Wright, Samuel J.
Yaag, John W.
Yakovakis, James S.
Yankee, Richard A.
Young, Lloyd D.
Youngs, Philip C.
Yuhn, John T.
Zarb, Frank G.
Ziemba, Gerald P.
Zigmant, William J., Jr.

CONFIRMATION

Executive nomination confirmed by the Senate May 8, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Charles E. Bohlen, of the District of Columbia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of the Philippines.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 8, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, grant that our beloved country, dedicated and devoted to Thy glory and the blessedness of mankind, may be defended by Thy power against all evil.

Vouchsafe to purge our minds and hearts from everything that is contrary and displeasing to Thy holy will and save us from those personal and national sins which expose us most justly to Thy righteous judgments.

May our Speaker and the Members of Congress always be wise in counsel, calm in action, and sincere in motive as they cope with the various problems and events in our national and international life.

Inspire them to legislate in the fear of the Lord, courageously striving to promote and support that which they conscientiously feel will assure the safety and honor, the temporal and spiritual welfare of our Republic.

Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

IS A SECOND PEARL HARBOR POSSIBLE?

Mr. PELLY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, assuming the details of an article in this morning's paper are correct, we learn that the United States aircraft carrier *Bennington*, in Sydney, Australia, was left without a guard at the top of the gangway with only a skeleton night crew aboard. As a result, 10 university students, masquerading as pirates and carrying cardboard cutlasses and a flag with skull and crossbones, were able to row out to the side of the carrier and get aboard her and work their way unnoticed to her bridge, where they startled the sleeping officers and crew by sounding the chemical warfare alarm.

Mr. Speaker, I hope the House Armed Services Committee will investigate this incident, because the news item indicates our Navy ships are not on the alert for an attack at all times. It points up that a possible second Pearl Harbor attack might succeed.

Not long ago I urged an investigation by the committee as to our west coast defenses on account of the possibility of such a sudden attack. I have stated that it appears to me there may be an undue concentration of our Pacific Fleet combat vessels based in southern California. Time and again I have urged our officials to have certain west coast naval units based in Puget Sound and other ports such as San Francisco, and thereby disperse them against attack. It seems to me without combat units based in either Oregon, Washington, or Alaska, a defense vacuum exists. The logical home port to fill this need would seem to be in the vicinity of the Puget Sound Naval Shipyard.

Meanwhile our Navy should be on the alert at all hours of the day and night. How much in the way of secret instruments or equipment could have been stolen by an enemy agent if this incident had been by other than jokesters, I do not know. But again I say the circumstances surrounding the student boarding of the aircraft carrier *Bennington* should be fully looked into by our appropriate committee as should the dispersal of fighter units on the west coast.

ANNUAL REPORT OF THE OFFICE OF ALIEN PROPERTY, DEPARTMENT OF JUSTICE—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Interstate and Foreign Commerce.

To the Congress of the United States:

I transmit herewith, for the information of the Congress, the Annual Report

of the Office of Alien Property, Department of Justice, for the fiscal year ended June 30, 1956.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 8, 1957.*

HOUSING ACT OF 1957

Mr. MADDEN. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 246.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except 1 motion to recommit.

Mr. MADDEN. Mr. Speaker, House Resolution 246 provides for an open rule and 4 hours of general debate on the bill H. R. 6659. It was the sense of the committee that 1 hour of this time be given to the members of the Veterans' Affairs Committee to present their views on three provisions which they oppose.

Title I of the bill proposes lower downpayment requirements under the home mortgage insurance program of FHA. This would permit FHA insured loans up to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the remaining value up to a maximum mortgage of $20,000.

The second change would create a veterans' preference program under FHA. The formula proposed would mean that the veterans' minimum payment would be one-half of the downpayment required of other mortgagors.

The bill amends the sales housing program under section 203 of the National Housing Act to deny eligibility to dwellings less than a year old which have not been inspected by FHA. However, provision is made to waive this prohibition under such terms and conditions as the Commissioner of FHA may prescribe.

Title II of the bill will increase the capitalization of the Federal National Mortgage Association's regular secondary mortgage operation by $100 million. Thus, since Fannie May may borrow 10 times the amount of its stock and surplus, this would be an increase in the mortgage purchase authority of Fannie May of $1 billion, bringing the total borrowing authority to approximately $2,600,000,000. The bill would also limit the stock purchase requirements in connection with Fannie May's regular secondary mortgage operations. By regulation the present stock requirement is 2 percent of the mortgage amount. Under the bill the maximum would be 2 percent and the minimum would be 1 percent.

The bill would provide for an increase of $250 million in the authority to purchase special assistance mortgages of all categories and also authorize an additional $300 million for special assistance for the armed services' mortgage-insurance program. Further, the bill establishes as a permanent policy the principle of purchasing special assistance mortgages at not less than par.

Another provision provides authority for the Secretary of the Treasury to invest up to $1 billion of the World War II national service life insurance funds in mortgages. This is the second provision of the bill which is opposed by the Veterans' Affairs Committee.

Title III will provide for an increase of $250 million in the present $900 million capital grant contract authorization for slum clearance and urban renewal.

Title IV extends the existing program for military housing, providing a cutoff date of June 30, 1959.

Title V provides that the interest rate for college housing loans would be increased from 2⅞ percent to 3½ percent, and would increase the college housing loan authorization from $750 million to $900 million.

Another provision of this title would extend the Voluntary Home Mortgage Credit Program until July 31, 1959. A further provision of this title would establish authority for permissive discount control and require controls on the charges and fees in connection with construction financing. This is the third provision of the bill which is opposed by the Veterans' Affairs Committee.

Two studies, to be undertaken by the Housing and Home Finance Administration, are authorized—one a mortgage credit study and the other a farm-housing research study.

The committee report complies with the Ramseyer rule and I urge the House to adopt House Resolution 246 so we may proceed to the consideration of this bill for which adequate time has been provided.

I voted for the rule so the House can work its will in debate and amendments during the 5-minute period. I include with my remarks a news dispatch from Buffalo, N. Y., reflecting the opinion of the National Association of Home Builders on the present housing crisis:

NEW CRISIS IN HOUSING IS PREDICTED

BUFFALO, N. Y., May 7.—The president of the National Association of Home Builders predicted today the worst housing shortage in the country's history would develop in the 1960s if home building were not unshackled now.

Addressing the National Association of Mutual Savings Banks in convention here, George S. Goodyear said that some 1.6 million young couples married each year but fewer than 900,000 new homes to house them were being built.

"By 1965 our population will hit a new high of 193 million," he said, "and there will be no postponing of the storm."

Goodyear said it was time now for the Government, builders and bankers to get together to insure adequate housing.

"I must say bluntly that we in the homebuilding industry question the wisdom of a monetary policy that restricts nothing but the housing needs of the American people, that encourages Caribbean pleasure cruises on credit but denies a workingman the opportunity to decent housing for his family on terms he can afford," Goodyear said.

Mr. Speaker, I now yield 30 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, I do not know of any opposition to this rule, and it is my understanding that many Members are not opposed to the amendment that will be offered by the gentleman from Iowa [Mr. TALLE], H. R. 7024. I repeat, it is my understanding that there are many on both sides of the aisle that favor that amendment.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. MILLER of Nebraska. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 66]

Andresen, August H.	Chiperfield	McIntosh
Bass, Tenn.	Dawson, Ill.	Metcalf
Beamer	Eberharter	Moss
Boggs	Fogarty	Powell
Bonner	Harvey	Prouty
Bowler	Hébert	Rodino
Bray	Hillings	Smith, Miss.
Buckley	Holifield	Steed
Carrigg	Holtzman	Walter
Celler	James	Wolverton
	Laird	

THE SPEAKER. On this rollcall 397 Members have answered to their names, a quorum.

By unanimous consent further proceedings under the call were dispensed with.

PERMISSION TO SIT DURING SESSION OF THE HOUSE

Mr. BROWN of Missouri. Mr. Speaker, I ask unanimous consent that Subcommittee No. 6 of the Committee on Small Business may be permitted to sit during general debate in the House tomorrow, should there be any.

THE SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUSING ACT OF 1957

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House

on the State of the Union for the consideration of the bill (H. R. 6659) with Mr. MILLS in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

THE CHAIRMAN. Under the rule the gentleman from Kentucky [Mr. SPENCE] will be recognized for 2 hours, and the gentleman from Iowa [Mr. TALLE] will be recognized for 2 hours.

Mrs. ROGERS of Massachusetts. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentlewoman will state it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I rise to inquire how the time will be divided. I understood that the Committee on Veterans' Affairs was to be given an hour in general debate. I have not had a chance to talk with the chairman of our committee, the gentleman from Texas [Mr. TEAGUE] in reference to this matter and I would like to ask the gentleman from Kentucky [Mr. SPENCE] how we are to receive our 1 hour, and I refer to the Committee on Veterans' Affairs.

Mr. SPENCE. We are going to yield a half hour from each side to the Veterans' Affairs Committee.

Mrs. ROGERS of Massachusetts. And at what time in general debate will the time be given to the Committee on Veterans' Affairs?

Mr. SPENCE. I do not know exactly how that will be yielded, but the Committee on Veterans' Affairs will have 1 hour, half of which will be yielded by the majority side and half by the other side.

Mrs. ROGERS of Massachusetts. The gentleman does not know what time in the general debate that hour will be given?

Mr. SPENCE. I do not know at this time. I presume as the debate continues we will yield to those who want to speak. It is up to the chairman to designate who will represent that committee in the allocation of the time.

Mrs. ROGERS of Massachusetts. I thank the gentleman.

Mr. SPENCE. Mr. Chairman, I yield 20 minutes to the gentleman from Alabama [Mr. RAINS], chairman of the subcommittee that drafted this bill.

Mr. RAINS. Mr. Chairman, the bill before us today deals in the main with mortgage credit. It is a complex subject; it is a subject, however, that is vital to the home buyers and to the home-building industry of this country. It is a subject to which, I am sure, there are no total and complete answers.

The bill before us today reported by the Committee on Banking and Currency represents the best study and the best judgment of the Subcommittee on Housing which held extensive hearings and made an exhaustive study of the matter. It represents the best judgment and the best information the Committee on Banking and Currency possesses.

The bill comes before the House by a vote, as I recall it, of 18 to 3 in the Committee on Banking and Currency. In the beginning, let me say very frankly that I was surprised when any opposition arose to the bill, because the bill which the committee presents here today can be termed a middle-of-the-road bill, a bill that will give the impetus needed to the lagging housing industry of this country and, at the same time, stay within the bounds of the inflationary problems as we face them. The toughest part of this bill—and I want to make an announcement here about it—which comes from the Committee on Banking and Currency, is a section in which I believe myself and which at some time, in my opinion, will become law, referred to as the one involving use of the national service life insurance funds. I regard it as a new innovation in an effort to get back of the GI loans additional money without affecting the budget. And, while I can present a good and adequate defense of that particular section, I am realistic; I have been here long enough to know when you can win and when you cannot win. Some of the senior members in service on the Committee on Banking and Currency have advised me that it might be in some measure an infringement on the jurisdictional rights of another committee, the esteemed Committee on Veterans' Affairs. So, I announce now that so far as I personally am concerned, when we get into the 5-minute rule on the committee bill, I shall not oppose a motion to strike that section from the bill. I am not in a position to say that I will accept an amendment, because I am not in control of the bill, but I shall not oppose it.

Now, when that is done, the Committee on Banking and Currency presents to the Congress a bill that has $500 million less FNMA obligations than the substitute which will be presented.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. PATMAN. I would like to understand the gentleman a little better, if he will yield for that purpose, please. Do I understand that the gentleman will be willing for that particular section to be stricken out that relates to a billion dollars of the national service life insurance funds to be used for veterans' loans?

Mr. RAINS. I will say to the gentleman that I believe in the section, but that I am realistic and that I recognized the fact that we could not pass it in the House at this time.

Mr. PATMAN. I want to state to the gentleman that I expect to fight for it. I think it is one of the best provisions in the bill, and I hope that the gentleman does not agree to strike it out, because all the Democrats voted for it in the committee.

Mr. RAINS. I am merely making the statement as to my own personal belief in the light of the situation which presents itself with the substitute bill at this time, and I do not commit anyone else beyond that. I merely make that statement.

Mr. PATMAN. Is it not a fact that the substitute bill has never been considered by the committee at all?

Mr. RAINS. Of course the substitute bill has never been considered by the committee.

Now I would like to get on with my statement, and then I will yield to any Member who desires to ask questions.

THE SIGNIFICANCE OF THE FHA

Nearly 23 years ago the Congress of the United States authorized a major undertaking in a move to improve the housing of all the American people. That undertaking succeeded beyond the fondest expectations of its sponsors. Since its inception the FHA has insured loans on about 4.4 million homes—58 percent of them newly constructed—which were purchased by typical American families. It made possible the construction of nearly 700,000 rental units and was a basic reason for our quick recovery from the postwar shelter shortage. The FHA operates in communities all over our land and has been a major factor in the economic growth of nearly every American community of any size.

In the 23 years, FHA has insured $34 billion worth of mortgage loans. It has done this at no cost to the taxpayer. FHA actually is a highly profitably insurance agency. By pooling the mortgage risk, on a scale beyond that which any private lender or group of lenders could have undertaken, it provides a very sound method of consumer financing at low downpayments, and low monthly charges, without which the average man—no matter how sound his credit-risk rating—would have difficulty in acquiring a home.

Since 1940, FHA has operated on a pay-as-you-go basis with the costs borne by the insurance premiums on the loans. It has already paid back the entire $65.5 million borrowed from the United States Treasury to help it get going, plus $21 million in interest.

In its 23 years of operation, FHA has piled up, from insurance premiums, reserves of $526 million dollars. During that time less than one-half of 1 percent of FHA-insured mortgages have been foreclosed. FHA's combined losses on its foreclosures—homes and rentals—amounted to only $37 million, about one-tenth of 1 percent of the insurance written.

Anybody who has been acquainted with the developments in home building will attest to the fact that the most important factor in the development of the industry into a modern mass production industry has been the FHA's system of mortgage insurance. It has represented the best kind of partnership between Government and business, opening new horizons for this industry which it could not conceivably have reached by itself. FHA has been a major factor in bringing home ownership within reach of the average American family. In 1940 only 40 percent of our people owned their own homes. Today that figure is close to 60 percent.

CURRENT HOME BUILDING DECLINE REFLECTS MONEY CONDITIONS

Now, I am sorry to say, we find this great housing program in serious jeopardy. The administration's tight money policy has literally brought housing to the brink of disaster.

In 1956, housing starts were down by 200,000 from 1955. The decline has continued and intensified in the early

months of this year with March starts reaching an 8-year low point at a seasonally adjusted annual rate of 880,000. Virtually the entire decline has been in FHA and VA housing.

Even more significant than the numbers is the simple fact that the loss is in primarily the more modest priced homes suited for the average family. Data presented to our committee reflected the fact that 7 out of 10 of all the houses priced under $15,000 are either FHA or VA.

HOUSING NEED AND DEMAND STILL CONTINUES STRONG

Testimony presented to our committee in exhaustive hearings clearly indicates the strength of the underlying housing need and demand in this country.

Consider for a moment these figures. Net nonfarm household formation in recent years totaled close to a million a year. In the latest year for which data are available the rate was well over 900,000. When you add to this the housing needed to replace dwellings removed from the supply because of demolition, fire and flood, the total rises well above a million. Precise figures are not available, but it is the consensus of most experts in the field, based on Labor Department studies, that removals are at about a 300,000 rate per year.

Another source of demand for new homes stems from the mobility of our people. For one thing, population shifts from one part of the country to another create new demands even though they do not affect the total household formation figures. About 30 million Americans—9 million families—move each year. Of these 1½ million families move to another State. This is more than the total volume of new home construction.

Between 1950 and 1955, while our total population grew 9 percent, Nevada gained 41 percent; Arizona increased 31 percent; Florida, 25 percent; and California, 23 percent. In these and other States, the net immigration of families is an important factor—and in some places, the most important—in the housing demand. Our population has been growing at an enormous rate. New births last year were at the 4.2 million mark. We are now at the population level of about 170 million, a point which the experts 10 years ago predicted we would not reach until 1965. Marriages in 1956 were close to 1,600,000, up 3 percent from the year before.

Our young families are also larger families. There has been a very sharp increase in second, third, and fourth births. For example, while total births between 1940 and 1954 were up only 59 percent, the birth of second children was up 75 percent, third children was up 124 percent, fourth children was up 116 percent. This, obviously, is creating a demand for additional housing space.

RISING INCOMES SUPPORT HOUSING DEMANDS

All the available data suggest continuing rise in family income. According to the 1957 Federal Reserve Board Survey of Consumer Finance, 45 percent of the spending units reported their income up from the previous year, and about the same number expected their incomes to go up again this year. This rise in incomes is another factor of support to the housing market.

HOME BUILDING IS LAGGING BEHIND OTHER SECTORS OF THE ECONOMY

Home building is sharply down from the peak years of 1950 and 1955 in contrast to the substantial growth in other indicators such as gross national product; income; industrial production, and population. As a matter of fact, home building starts per thousand population are in early 1957 at the lowest level in the past decade as well as below the ratio in 1924, 1925, and 1926. Thus, we are faced with the paradox that while our Nation has grown much bigger, much richer, much more productive over the past 8 years, the present trend, if allowed to continue, would mean the lowest volume of new homes in that period.

QUALITY OF THE EXISTING SUPPLY

The most recent survey of our Nation housing stock took place in 1950. At that time, according to the most conservative estimates, nearly 7 million occupied nonfarm dwelling units were considered substandard in that they were either dilapidated or lacked adequate plumbing facilities. The replacement or rehabilitation of these units is a major factor in our housing situation today.

VACANCIES

A very sensitive indicator of the health of the housing market is the vacancy ratio, and here the evidence is strong that the number of vacant dwelling units in most places is relatively small. In fact, recent reports suggest that we are again moving in the direction of housing shortages. The Bureau of the Census, in its latest quarterly survey, found that only 2.5 percent of the Nation's housing inventory was vacant and available for rent or sale. This was less than in the preceding quarter when the rate had been 2.8 percent, and only moderately above the 1950 level when it had been 1.6 percent. Moreover, vacant homes for sale amounted to only 0.4 percent of the total supply as compared to 0.6 percent in the preceding quarter and 0.5 percent back in 1950.

It is abundantly clear that our housing needs are great indeed. The villain is not lack of families wanting homes. It is primarily the mortgage credit shortage fostered by the administration's tight money policy.

In a nutshell, gentlemen, the administration's tight money policy is threatening to bring depression to our vital residential construction industry. This policy is fraught with the most serious perils.

First, a sick housing industry could spread infection to the health of our overall economy.

Second, because of the greatly reduced rate of home building we are falling behind in meeting the housing needs of our people. We will never get rid of our slums or reduce our substandard stock of housing unless we maintain a high rate of housing production.

We in the Banking and Currency Committee were one of the first to see the dangers involved. Last year in the bill reported by the Banking Committee—which I am sorry to say did not prevail—we warned of impending trouble for the housing industry unless something was done to improve the mortgage credit situation.

In reporting the 1956 housing bill, we expressed apprehension over the effects upon housing construction of the combination of a rising interest rate structure and a restrictive monetary policy. We were fearful that these forces would act to curtail seriously the flow of funds into mortgage investment and that as a consequence the rate of housing construction would fall sharply. I am sorry to say that those fears have been more than realized.

This year, recognizing that the housing situation has approached a state of near-crisis, the Subcommittee on Housing immediately undertook extensive hearings with primary attention to the mortgage credit problem. Both the Subcommittee on Housing and the full Banking and Currency Committee moved with the utmost dispatch. The omnibus housing bill now before us, H. R. 6659, was reported on April 8 by the full committee.

We think this bill will provide the needed relief in the housing field. As one of its primary purposes it would provide much-needed assistance to help restore a sound home building industry by widening the market demand for homes and by improving the flow of mortgage credit into the housing field. Other important objectives which the bill seeks to achieve are better housing generally, improvement in the present programs designed to combat slums and blight, and special assistance to deserving and important housing programs such as military housing and college housing.

The first thing the bill would do would be to maintain effective demand in the housing market. Since the Congress has demonstrated reluctance to raise the interest rate on GI loans, the need is imperative to find some other means to let veteran home buyers buy with modest downpayments.

In real measure the current dilemma was created by the action of the administration last December when it increased the FHA interest rate to 5 percent. I suppose this action could be regarded as inevitable in view of the tight money policy which has been relentlessly forcing interest rates higher and higher over the past 2 years. By that action the administration gave a mortal blow to the GI loan program.

Under present and foreseeable mortgage market conditions it seems clear that GI loans will be virtually unobtainable in most areas of the country. The significance of this in terms of market demand is demonstrated by the fact that approximately 30 percent of all housing starts in 1956 were financed under the GI program.

The withdrawal of such a sizeable group of home buyers could have serious repercussions upon the housing market and upon home building activity. Clearly, unless housing construction is to continue at a depressed and declining rate, it is of vital importance to permit veterans and other home buyers to purchase homes with only a modest down payment.

The bill would help to fill the void in housing market demand created by the contraction of the GI loan program, which because of its submarket interest rate, is rapidly losing its sustaining force in housing production. The bill would do this in two ways.

First, the bill proposes lower downpayments under the section 203 home mortgage insurance program of the Federal Housing Administration. Under present law the maximum FHA loan is limited to 95 percent of the first $9,000 of appraised value, and 75 percent of the value in excess of $9,000. The bill would raise the maximum loan to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the excess value above $16,000.

The second change would be to introduce within the FHA operation a veterans' preference program which would permit qualified World War II and Korean veterans to buy with a much smaller downpayment than those required of others. Under the new veterans' preference loan proposed in section 103 of the bill, the maximum loan-to-value ratios would be raised to 98 percent of the first $10,000 of value, 90 percent of the next $6,000 of value, and 85 percent of the excess value. Stated another way, the minimum downpayment for a veterans' preference loan would be 2 percent up to $10,000 of value, 10 percent on the next $6,000 of value, and 15 percent on the remainder. Mathematically this formula would mean that the veterans' minimum downpayment would be exactly one-half of the downpayment required of other mortgagors.

Perhaps the best way to illustrate what these liberalizations mean is to take a specific case. For example, take a $12,000 house. Under present statute the minimum downpayment for such a house is $1,200. Under the bill this would be reduced to $800, and in the case of a veteran home buyer the minimum downpayment would be only $400. I think these are substantial liberalizations and they should help to maintain a strong consumer demand in the housing market.

I think the bill represents the most reasonable approach to the problem. I believe that alternative proposals which would reduce downpayments to practically nothing for everybody would be most irresponsible and inflationary in the present economic setting. H. R. 6659 it seems to me represents a more statesmanlike approach. By authorizing a moderate reduction in downpayments for nonveterans and a substantial reduction in required downpayments for veterans, we believe our proposal would take up the slack created in housing demand by the lack of money for GI loans, would sustain a healthy rate of housing construction, and yet would not overinflate the housing sector of the economy.

One thing should be emphasized. The bill does not intend to interfere in any way with the operation of the GI loan program. Although GI loans may be hard to obtain at 4½ percent interest, the fact remains that it will remain in being. Thus in some areas it may be possible for a veteran to obtain a GI 4½ percent interest rate as an alternative to the FHA veterans' preference loan proposed by H. R. 6659. Also in the event of a marked change in mortgage market conditions, it is conceivable that the GI 4½ percent rate might again become marketable generally.

We have written a number of beneficial and protective features into the veterans' preference loan which would be set up under the FHA program. For one thing the maximum interest rate which could be charged on such loans would be fixed at 5 percent per annum. Also in order to keep financing costs to the veteran to a minimum, the annual ½ of 1 percent mortgage insurance premium required on FHA-insured loans would be waived for veterans' preference loans.

In drafting the bill we recognized that whenever the downpayment required of a home buyer is very small in relation to the total sales price, there may be an understandable temptation in some cases for the builder or seller to raise the price above FHA's valuation. Such an increased price would increase the downpayment correspondingly, and we were fearful that there might be a temptation to vary the price depending upon the seller's estimate as to the downpayment which a particular buyer could muster.

To guard against this possibility of price gouging of the veteran the bill would authorize the FHA Commissioner to establish the maximum sales price. This type of a protection has been signally successful under the GI loan program in protecting veterans from paying an unfair price, and we believe the same protection should be given to veterans under the FHA program. I would like to emphasize, however, that the authority is discretionary and that the FHA Commissioner would not have to exercise his authority unless actual operation under the program clearly indicated the need for such action to protect veteran home buyers.

Another provision would give the veteran the same prepayment rights which are available under the GI loan feature. He would have the right to prepay all or part of his mortgage without penalty.

The new veterans' preference feature under FHA would not continue indefinitely. The bill provides for an orderly termination of the veterans' preference loan feature. World War II veterans would be given an additional period of eligibility beyond the July 25, 1958, expiration date of the GI loan program. The veteran would receive an additional year's eligibility for each year or fraction thereof of military service, with a maximum eligibility period of 4 years beyond the July 25, 1958, date. Disabled veterans and their widows would have the same eligibility period as that now provided under the GI loan program—until February 1, 1965.

The bill proposes one additional amendment to the FHA program which would apply to new housing both for veterans and nonveterans alike, and which deserves special mention. Basically the amendment would require inspection during construction as a condition of eligibility for FHA insurance. Under present law the possibility exists for a builder to circumvent FHA inspections since the only statutory penalty he suffers if he foregoes inspection is a slightly reduced mortgage loan. Under the bill this loophole would be closed and new homes not inspected during construction would be barred completely from eligibility for a 1-year period. There would, however, be a discretionary waiver authority to prevent hardship, particularly for houses in outlying locations remote from FHA appraisal and inspection services.

MORTGAGE CREDIT SUPPORT

To recapitulate, the bill would prop up consumer demand in the housing market by substantially lowering required downpayments. This is a great step forward, but taken alone it solves only part of the problem. The other basic problem is the question of an adequate supply of mortgage credit.

Now we believe in many areas there should be an adequate supply of mortgage capital available for FHA-insured loans at their present 5 percent interest rate. But bitter experience in the past has shown us that even during periods when mortgage credit is in good supply some areas still suffer a relative lack of mortgage money. This geographic imbalance is now an accepted fact. This means that we must provide supplemental mortgage credit sources in order to promote a healthy level of home construction and home ownership.

The bill seeks to provide this supplemental credit support in several ways. It would expand greatly the mortgage purchase authority of the regular secondary market operation of the Federal National Mortgage Association. In addition to the $500 million additional borrowing authority which Congress bestowed upon FNMA earlier in the session, the bill would provide $1 billion more in borrowing authority. This backstop should provide a strong layer of support in the mortgage market, particularly for those areas which have difficulty in attracting sufficient capital to support their home-building needs.

FNMA SPECIAL ASSISTANCE PROGRAM

The bill would also provide $250 million additional for the special assistance program of the Federal National Mortgage Association. This program accomplishes the most desirable objective of giving special support to deserving types of housing, such as urban renewal housing, disaster housing, and housing for the elderly.

The overriding needs of military housing are recognized in the bill. The special $200 million revolving fund under the FNMA special assistance program to support title VIII military housing loans would be increased to $500 million. Thus the bill would provide backstop assistance of $300 million which, together with private investment in title VIII mortgages, should be sufficient to assure the continued operation of this program which plays such a vital role in national defense.

The bill would also establish as a permanent policy the principle of purchasing special assistance mortgages at not less than par. The Housing Act of 1956 required that FNMA pay not less than

99 for such mortgages, a requirement which expires under present law on August 6, 1957.

We are concerned over the fact that many of the special assistance programs are fledgling programs greatly in need of special support to put them on their feet. We believe firmly as a matter of public policy that these mortgages should not be purchased at discounts which place an additional cost burden upon the sponsors of such programs. Accordingly, the bill would direct FNMA to pay 100 cents on the dollar for all special assistance mortgages.

SLUM CLEARANCE AND URBAN RENEWAL

The bill would provide funds to continue the slum-clearance program so indispensable to our cities in their fight on slums and blighted areas. Present funds for Federal grants for urban redevelopment and renewal projects are virtually exhausted. The bill would make an additional $250 million available for such grants.

The President's budget recommended a $250 million increase per year for 2 years in the capital-grant authorization. The Housing Administrator later recommended an increase of only $175 million. However, testimony by representatives of local communities and of organizations thoroughly familiar with urban renewal needs throughout the Nation indicates that the urban-renewal program is gaining momentum and that the $175 million increase now recommended by the administration would not be adequate to permit the program to proceed steadily and smoothly. We believe that the $250 million increase is the absolute minimum needed to keep this program rolling.

MILITARY HOUSING

In addition to providing more funds for FNMA's special assistance support program to title VIII military housing loans, the bill would extend the Armed Services Mortgage Insurance program under Title VIII of the National Housing Act. It would extend the program for 1 additional year, which would extend the cutoff date of June 30, 1958, to June 30, 1959. We believe this extension is most essential in order to permit sufficient time for selection and acquisition of sites, planning and design by the military departments, and for making financial arrangements by successful bidders.

The bill also contains an important amendment to the program Congress has set up to transfer ownership of the so-called Wherry military housing to the military. It would remove an obstacle which has made it difficult for the Government and the Wherry owner to agree upon a fair sales price. We believe the amendment will help bring the Wherry acquisition program to a successful conclusion in a manner fair to the Wherry sponsor and yet in a manner which protects the Government's interest to the maximum extent possible.

COLLEGE HOUSING

The college housing loan program, which has rendered such valuable assistance in meeting the pressing college housing needs during a period of rising enrollments, would be given additional funds under the bill. The bill would increase the college housing loan authorization by $150 million—from $750 million to $900 million.

In order to induce a larger participation by private capital in the college housing loan program, and to avoid what in effect is presently an uneconomic interest rate, the bill would make an important change to the interest rate formula which governs the interest rate charged to colleges under the program. By changing the base of the formula, the rates payable would be brought more in line with the cost of money to the Treasury and yet would provide colleges with loans on extremely favorable terms. Under present market conditions, the new formula would change the college housing loan from 2⅞ to 3½ percent.

VOLUNTARY HOME MORTGAGE CREDIT PROGRAM

The bill would give continued life to the Voluntary Home Mortgage Credit Program which under present law would expire on June 30 of this year. The VHMCP is intended for builders and home buyers in small communities and rural areas where mortgage money is scarce and for minority groups in general without regard to the size of the communities in which they live. We believe that this program merits continuance. The bill proposes a 2-year extension because that period of time appears adequate to permit participating lending institutions to make relatively long-range plans, while at the same time providing for a reexamination of the program by the Congress after a reasonable period of time.

DISCOUNT CONTROL

One very important section of the bill would attempt to come to grips with the vexing discount problem which has plagued Government-guaranteed and insured loans. We on the Banking Committee have been most seriously concerned over the excessive discounts, particularly on GI loans, which have become commonplace in many sections of the country. Over the past year discounts of 5 or 6 percent have been quoted as typical in many parts of the country. Even more disturbing are the frequent accounts of even larger discounts, as much as 10 percent or higher.

Now when discounts are prevalent in excessive amounts of this kind, lenders are actually exacting yields far in excess of the contract interest rate. For example, a 5-percent discount on an FHA 20-year loan with a 5 percent interest rate would raise the yield to the lender from 5 to 5.62 percent—or even higher if prepaid before maturity.

In the case of a 10-percent discount on a GI loan—which apparently is not uncommon—the yield to the lender is nothing short of scandalous. The yield to the lender on a 4½-percent GI loan with a 20-year maturity purchased at a price of 90—that is a discount of 10 points—furnishes a yield to the lender of 5.77 percent if held to maturity. If it is prepaid in 10 years, the yield is 6.09 percent. Remember this is the yield some lenders are obtaining on an absolutely ironclad guaranteed mortgage loan. I think that unless Congress takes some action to scotch this evil practice, we have an unconscionable scandal in the making.

There has been considerable controversy as to who bears the incidence of discounts. Some have argued that they are absorbed by the builders, but other experts believe that much of the cost is passed on through higher valuations or through a reduction in the quality of construction. When we are faced with discounts ranging up to 10 percent, we in the Congress cannot condone a situation in which a veteran or other home buyer may be forced to pay an additional $1,200 to $1,500 for his home, just so the yield to the lender can be swelled to 5½ or 6 percent.

Gentlemen, the time has come to place some form of restriction upon these discounts. The Housing Subcommittee and the Banking Committee considered a proposal which would rule out discounts entirely. We are in sympathy with such a proposal but we recognize that some measure of discounting is essential for a mortgage loan which carries a relatively low fixed contract rate. We recognize that discounts and premiums are a pricing mechanism which reflects market judgment of mortgage investments. We recognize that the price fluctuates depending upon the quality of the security, the geographic area, and other factors. We do not believe, therefore, that it would be wise to attempt to prohibit discounts completely.

Under the previous authority which existed from 1950 to 1954 to control discounts, experience has shown that an attempt to rule out discounts is just not workable. In 1953 after the GI interest rate was raised from 4 to 4½ percent, the Veterans Administration issued regulations banning discounts completely. This led to an impossible situation in which GI loans were just not obtainable in some parts of the country.

But at the same time we are convinced that action must be taken to guard against excessive discounts. We believe that the bill would achieve this objective.

Section 503 would authorize and direct the Federal Housing Commissioner and the Administrator of Veterans' Affairs to fix reasonable limits on the charges, fees, and discounts imposed by the lender upon the builder, seller, or purchaser in connection with FHA-insured and VA-guaranteed loans. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Commissioner or the Administrator deems advisable.

We believe that some leeway in setting reasonable limits on discounts is essential. Historically there have always been variances in the cost of mortgage money as between different geographic areas, and also as between loans of different characteristics within the same geographic area. The bill would provide the administering agencies with necessary discretion in this regard.

I am aware that the control of charges and discounts in connection with the complex mortgage financing process is a difficult one. I am aware also that the history of the control of fees and charges

under section 504 of the Housing Act of 1950—which section was repealed in the Housing Act of 1954—shows that the problem of enforcement is complicated by the many possible evasionary schemes and devices. At the same time I believe that, under the provisions of the bill, the administering agencies should have sufficient authority to make discount control effective. The committee urges the FHA Commissioner and the Administrator of Veterans' Affairs to formulate their controlling regulations in a manner which will discourage any violation, direct or indirect, of the permissible fees, charges and discounts. I am convinced that the existing authority to bar participation from the FHA and VA programs to lenders and builders who knowingly seek to violate FHA or VA regulations will act as a powerful force to assure compliance.

MORTGAGE CREDIT STUDY

Your Banking Committee is deeply concerned over the problem of maintaining a health home construction industry and in furthering home ownership for American families. We are concerned over the state of our housing inventory which finds millions of dwelling units in a substandard category. If the rate of production of new homes fails to continue in high gear, we are fearful that we will lose ground in our fight on slums and blight, and that an ever-increasing percentage of our housing stock will pass into a dilapidated and substandard status.

We are concerned over the effects of restrictive monetary policy upon the housing industry. Whenever credit is tightened, home building seems to be one of the first segments of our economy to suffer.

We refuse to accept the thesis that nothing can be done to solve the problems created by the tight money dilemma. We reject the thesis that vital and socially necessary forms of endeavor such as home building must be deferred infinitely. Something is fundamentally wrong if our economy cannot be permitted to meet the basic shelter needs of our people. We believe that too little thinking has been devoted to achieving some form of solution which, without encouraging inflation, will still permit vital industries such as the home building industry to grow and expand.

Accordingly, section 504 of the bill would authorize and direct the Administrator of the Housing and Home Finance Agency to conduct a study to determine, one, the extent to which the residential building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing; and two, the methods and policies by which such industry, without aggravating the overall proble of controlling inflation, may attract a greater share of available mortgage credit, manpower, and materials.

We urge that this study be conducted in a dispassionate manner free from preconceptions. Every possible attack on the problem should be explored and weighted. Findings of the study would be reported to the President and the Congress not later than January 31, 1958.

FARM HOUSING RESEARCH

Last but not least the bill would set up a constructive program of farm housing research with the basic objective of finding how to provide more attractive and more functional farmhouses at a lower cost. Many people fail to realize that slum conditions and inferior housing are by no means unique to our urban centers. They also plague our rural areas. If some way can be found to produce better farm housing more efficiently at a lower cost, we will have achieved a great step forward in our efforts to improve the farm housing in our Nation.

Under the bill the research would be conducted by land-grant colleges, and the costs involved would be financed by grants to such colleges by the Housing and Home Finance Administrator. These colleges have the experience and staff to proceed with the research program so that the fruits of the research can be brought to bear upon the farm housing problem with the least possible delay.

The total grants could not exceed $300,000 a year for the next 2 fiscal years. We believe that this is the minimum period and the minimum sum necessary to conduct a worthwhile and effective farm housing research program.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. MAHON. I should like to discuss just for a moment, with the able gentleman from Alabama, a policy problem. We have been struggling to cut the present budget as much as we safely could. We have made reductions in appropriations of $1.1 billion. In granting obligational authority above the President's budget, if we approve this bill and add to it additional increases above the budget heretofore in this session, we will have wiped out all of the reductions we have made in the President's request for new obligational authority. When the budget review statement is prepared at the end of this session, if it should be prepared after the fashion of this bill, it would show that we have not reduced the President's budget from the standpoint of obligational authority, which is the figure that will be quoted in the newspapers as compared with the budget estimates. In this bill we provide—and I do not know whether it is good or bad and I am not complaining, but I thought this very well might be explored—an increase in obligational authority of the Federal National Mortgage Association of $900 million above the request of the President. As shown in the President's budget at page 321 the amount requested was $1,700 million. In this bill, as is pointed out in your report on page 9, it is shown at $2,600 million. Last year Congress would have reduced the President's budget except for the fact that we in the Congress increased the obligational authority in areas somewhat comparable to this. We exceeded the Presidents' budget last year by about $2 billion. As a bookkeeping proposition and as a matter of protecting the economy record of the Congress, I am concerned about this problem. I would like to have a general observation, by the able gentleman from Alabama who does a wonderful job in making presentations to this House, in regard to this subject which I think will trouble all Members of the Congress.

Mr. RAINS. I will say to the gentleman from Texas first, that I am not as expert as he is on the budget and on the appropriations. But, the gentleman raises a very vital point. I would like to point out 2 or 3 things. First of all, the amount the gentleman referred to in the pending committee bill includes a $50 million authorization for FNMA which was already passed by the Congress sometime ago. I would like to say secondly, the bill which my good friend, the gentleman from Iowa, is about to offer has $250 million more—in authorizations than we have in the committee bill. I see my colleague, the gentleman from Ohio [Mr. ASHLEY], says I am speaking too fast and that it has $500 million more in view of the fact we have stated that we shall not oppose the elimination. If the gentleman will permit me, I need to go a little further. I think I made the case for housing as being necessary.

Mr. SPENCE. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. SPENCE. Is not the authorization for Fanny May the authorization of an investment rather than the authorization of an expenditure?

Mr. RAINS. The gentleman from Kentucky is absolutely right, but the gentleman from Texas was inquiring of me about the obligational authority of the Government. It is not an expenditure. This involves debentures that are sold by the Federal National Mortgage Association for the purpose of buying mortgages. That is what it amounts to. It is not a direct budgetary appropriation.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. MAHON. The gentleman is right. This money is not a direct appropriation as our Appropriations Committee bills are. But our problem is that when it is all tallied at the end of the year, it will be tallied generally in terms of obligational authority and will show us in a bad light. I think it is unfortunate that we are wiping out through this bill, and one previous bill, all savings in obligational authority which we have made below the President's budget in action on the appropriation bills. Frankly, I wish we had some answer to it. I do not have the answer, but I wanted to present the problem for the consideration of the House.

Mr. RAINS. Of course, I understand the gentleman's question referred to obligational authority and not to a direct budget appropriation. Let me make a little further explanation, if I may.

Mr. MORRIS. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. MORRIS. Is it not true according to the statement that the gentleman

has already made that the actual cost to the taxpayers would be one-half of 1 percent? According to the previous statement that the gentleman has made, is not that the fact in view of the history of the loans on FHA?

Mr. RAINS. That is true of FHA. But, that does not necessarily speak of the operation of the Federal National Mortgage Association.

Mr. PATMAN. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. PATMAN. Is it not also true that the testimony disclosed that if you fix the interest rate at 5 percent there is no assurance that there will be available money unless you use the National Life Insurance Company?

Mr. RAINS. I cannot say the testimony showed that. The mortgage brokers said there would be available credit at 5 percent. I doubt that. I do not mind telling the gentleman that credit at 4½ percent carries with it a terrific and vicious discount.

I would like to say that this is a bill projected to reach the need of the home building industry, to stay the inflationary impact; to help the veterans, and to have some modicum of control over the vicious discount racket.

Later on I hope I will have an opportunity to get more time so that I can yield for further questions.

The CHAIRMAN. The time of the gentleman from Alabama [Mr. RAINS] has expired.

Mr. TALLE. Mr. Chairman, I yield myself 30 minutes.

Mr. Chairman, I have always considered it a great privilege to serve in the House of Representatives, and I have always considered it a great privilege to work with capable chairmen.

When I was first assigned to serve on the Committee on Banking and Currency, the gentleman from Alabama, the late Henry B. Steagall, was chairman. I remember the first day I sat down at the end of the line. He came over to shake hands with me, and said, "What do you think about the Commodity Credit Corporation?" I said, "Mr. Chairman, I was born and reared on a farm, and I remember the days when crops were rushed to market just after harvest time and prices went down because of the flood of heavy marketing." I said further, "I think the Commodity Credit Corporation is a most useful device for orderly marketing, and I am for it." The chairman said, "You and I will get along all right." And we always did.

I am sorry that his life ended within that year, 1943. But following his service our present chairman, the gentleman from Kentucky [Mr. SPENCE], became the leader of the Committee on Banking and Currency, and I want to say that he is a worthy son of the great State of Kentucky.

Sometime when you have leisure for a little reading I suggest that you examine the speeches made by the gentleman from Kentucky, Mr. SPENCE. You will find that he uses excellent English.

I enjoyed my service, of course, as a subaltern when Congressman Jesse P. Wolcott was chairman during the 80th and 83d Congresses. Between us there sprang up a very dear friendship, and our relationship was always most pleasant.

And I want to say, Mr. Chairman, that it has been a genuine privilege to work with the gentleman from Alabama, Mr. ALBERT RAINS, not only on the committee as a whole but as a member of the subcommittee of which he is chairman. He is able, efficient, energetic, and agreeable to work with. There has never been any heat generated in our dealings in connection with any aspect of the work done by the Committee on Banking and Currency.

Now, Mr. Chairman, may I turn to the matter at hand.

A short time after this year's housing bill, H. R. 6659, was ordered reported by the committee, it became apparent that a rather sharp jurisdictional conflict would develop over three of the provisions included in the committee bill. The Veterans' Affairs Committee took official notice of these provisions and voted to oppose them on the ground that the subject matter invaded the jurisdiction of the Veterans' Affairs Committee. These provisions are, one, the provision creating a special veterans' housing program within the FHA; two, the provision permitting the transfer of a billion dollars of the veterans' life insurance fund from investment in Government bonds to investment in mortgages; and three, a provision establishing authority for discount control which the Veterans' Committee interpreted as introducing into the VA home loan program a mechanism for varying the effective interest return on GI home loans.

At the time the committee bill was reported, there were certain other changes which I personally felt it would be desirable to make in the bill and I contemplated doing so by amendment procedure. At about that time figures were released on housing starts for the month of March. These were rather disappointingly low indicating production at an annual rate of only 880,000 units. It seemed inevitable to me that this indicated low level of housing production would have an impact on floor action with respect to liberalization of FHA down payment requirements as well as the provision for Federal National Mortgage Association operations in home mortgages. Particularly would this be true when coupled with the prospect of the deletion from the bill of the special veterans program in FHA and the deletion of the authority to invest a part of the veterans life insurance fund in mortgages.

Housing legislation has become rather complicated legislation. As we have learned in other legislation an amendment which, standing alone, seems desirable may often have other impacts not anticipated. When there has been time to study the impact of the amendment in relation to other provisions in the housing laws, these unexpected impacts come to light. Accordingly, it seemed to me there was considerable merit in developing a carefully thought-out substitute measure which could be offered as a complete amendment rather than to proceed along the lines of a whole series of individual amendments. To accomplish this purpose, on April 18, I introduced a new housing bill, H. R. 7024, and in connection with my remarks in the RECORD of that date I supplied a short section-by-section statement of the provisions of that bill. These appear on pages 6024–6026 of the April 18 CONGRESSIONAL RECORD. I introduced this bill and inserted the explanation in the RECORD prior to the Easter recess in order that all Members of the House might have ample opportunity to study the measure and have available material which they could discuss with constituents at home should the occasion arise. What does the substitute do?

The substitute resolves the committee jurisdiction question by eliminating the three provisions to which the Veterans' Affairs Committee is taking exception. Recognizing that the deletion of these provisions very appropriately called for changes in other provisions of the bill, careful attention was given to that problem. A liberalized FHA downpayment schedule is provided which falls between the nonveteran proposals and the veteran proposals included in the committee bill. An increase is provided for the Federal National Mortgage Association secondary market-purchase authority, in view of the deletion of the use of a part of the national service life insurance fund for the purchase of mortgages.

The new substitute bill is patterned after the committee bill. It contains five titles as does the committee bill and in each case the subject headings of the titles are the same. The committee bill contains 27 sections; the substitute, 25 sections. Seventeen sections in the substitute consist of verbatim provisions in the committee bill. In two other sections of the substitute, the provisions are almost verbatim those contained in the committee bill except that in each case a very minor change has been made which is of a clarifying nature rather than in any way affecting the substance of the sections. That leaves six sections in the substitute in which there have been changes or partial changes made in the provisions of the committee bill. Rather than cover each provision of the substitute I think it might be helpful if at this point I would discuss the substitute title by title indicating the changes made and the points of similarity.

TITLE I—FHA INSURANCE PROGRAMS

LOWER DOWNPAYMENTS FOR SALES HOUSING

The principal sales type mortgage insuring section of the FHA is found in section 203 (b) of the National Housing Act. Under existing law the FHA may insure a mortgage under that section up to 95 percent of the first $9,000 of value plus 75 percent of the excess value up to a maximum loan of $20,000. The committee bill provides for a liberalization in these loan-to-value ratios so that for a nonveteran, a mortgage could be permitted up to 96 percent of the first $10,000 of value, 80 percent of the next $6,000 of value, and 70 percent of the excess up to a maximum mortgage amount of $20,000. In the case of a qualified veteran the provisions of the committee bill would permit the loan-to-value ratio

to be 98 percent of the first $10,000 of value, 90 percent of the next $6,000 and 85 percent of the excess value of a maximum mortgage up to $20,000. In consideration of the fact that the substitute treats nonveterans and veterans alike, a loan-to-value schedule is provided, which on houses above $10,000 in value, falls in between the limits provided in the committee bill.

Under the substitute the loan-to-value schedule provides ratios of 96 percent of the first $10,000 in value, 90 percent of the next $6,000 of value, and 70 percent of the excess value up to a maximum of $20,000.

The difference between the permitted percentage of loan to value and 100 percent, of course, represents the minimum downpayment required in the case where the sales price equals the FHA valuation. Stated in terms of minimum downpayment requirements, therefore, the committee proposal for nonveterans amounted to 4 percent of the first $10,000 of value, 20 percent of the next $6,000, and 30 percent for the excess. For veterans the downpayment proposal was 2 percent of the first $10,000 of value, 10 percent of the next $6,000 of value, and 15 percent of the excess. Under the substitute where veterans and nonveterans are treated alike, the downpayment proposal is 4 percent of the first $10,000 of value, 10 percent of the next $6,000 of value, and 30 percent of the excess. It will be noted, therefore, that the substitute retains the committee percentage—4 percent—up to the first $10,000 of value, then adopts the veterans' proposal that on the next $6,000 of value only a 10-percent downpayment be required, and finally drops back to the committee proposal for nonveterans that a 30-percent downpayment be required on the balance in excess of $16,000. The liberalization in the substitute occurs primarily within the $10,000 to $16,000 price range which is where the bulk of the housing production occurs today.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield to the gentleman from Connecticut.

Mr. MORANO. That will help me in my area, because there is where we cannot build a house under that price range. That is a very important provision as far as I am concerned.

Mr. TALLE. I thank the gentleman. That was the consideration that motivated me and others to make this change.

It might be of interest to give a few specific examples. On a $10,000 house under the committee proposal the minimum downpayment would be $400 in the case of nonveterans and $200 in the case of veterans. Under the substitute the downpayment would be $400 for veterans and nonveterans alike.

On a $12,000 house under the committee proposal the minimum downpayment for nonveterans would be $800 and for veterans $400. Under the substitute the requirement would be $600.

On a $14,000 house under the committee proposal the minimum downpayment for nonveterans is $1,200 and for veterans $600. Under the substitute the figure would be $800.

On a $16,000 house under the committee proposal the minimum downpayment for nonveterans is $1,600 and $800 for veterans. Under the substitute the requirement would be $1,000.

On a $20,000 house under the committee bill the minimum downpayment requirement for nonveterans is $2,800 and $1,400 for veterans. Under the substitute the requirement is $2,200.

On a $25,000 house a minimum downpayment of $5,000 is required by both veterans and nonveterans under the committee bill and a similar payment is required under the substitute.

Inasmuch as these downpayment requirements result from the application of different percentages to different brackets of value, it is helpful to have a table showing the resulting downpayment requirements. For the convenience of the Members, on May 6 (last Monday) I inserted in the RECORD a table showing the minimum downpayment requirements under existing law, under the committee bill, and under the substitute for houses valued from $6,000 to $25,000.

Mr. ALGER. Mr. Chairman, would the gentleman yield for a question?

Mr. TALLE. Briefly.

Mr. ALGER. I should like to ask with reference to rental units, would a 2-rental unit costing $23,000 require a $3,100 downpayment?

Mr. TALLE. I would appreciate it if the gentleman would turn to the table I inserted in the RECORD. I have so little time, and I should like to proceed with my statement. The table is in the RECORD of last Monday.

Reference to that table clearly shows that the downpayment requirements under the substitute fall between those required under the committee bill for nonveterans and for veterans. It has been stated by some who advocate the committee bill that the substitute proposal is too liberal. I find it hard to rationalize such a statement for the reason that up to the point where the maximum mortgage becomes the controlling factor in the downpayment, the substitute proposal is in no instance as liberal as that proposed for veterans under the committee bill. It is true that above the $10,000 value figure the new proposal is more liberal than that in the committee bill applicable to nonveterans. Before one would say which proposal is more liberal it would be necessary to know not only the price brackets within which the houses are built, but also the proportion of houses going to the veteran and nonveteran groups.

Since over the past 2 years there have been approximately 3 housing starts under the VA program for every 2 housing starts under the FHA program, I would suspect that it would work out on an overall basis that the substitute proposal would not be quite as liberal as that contained in the committee bill.

As previously noted the bulk of sales-type housing is insured under FHA section 203 (b). However, some sales-type housing is insured under other provisions of the act. Sales-type housing may be insured under section 203 (i) in outlying urban areas; under section 220 in urban renewal areas, and under section 222 for servicemen.

In view of the fact that liberalization is provided in FHA section 203 (b), the principal sales housing insurance section, it seemed desirable also to provide appropriate liberalizing changes in the insuring sections relating to other sales housing programs.

Sections 101 through 103 of the substitute bill contain these provisions. The committee bill in section 102 contained a provision under which the Commissioner could deny FHA insurance on any house less than 1 year old which did not have FHA approval prior to the beginning of construction. Existing law permits the insurance of such a house at a reduced loan-to-value ratio. The substitute retains the approach of existing law in that such a house cannot bear a loan-to-value ratio greater than 90 percent of the first $10,000 of value as contrasted with 96 percent applicable to new housing inspected by FHA.

Sections 104 through 110 of the committee bill amend miscellaneous provisions relating to FHA insurance programs. Identical sections appear in the substitute and I shall not bother to discuss them as the provisions are treated in the committee report.

Now, I turn to title II, the secondary mortgage market, the section that deals with FNMA.

Section 201 (a) of the substitute retains one of the provisions of the committee bill, namely, that a 2 percent top limit be placed upon the stock subscription which FNMA may require from a user of the secondary market facilities. The substitute deletes the other provision contained in that subsection of the committee bill which would prohibit FNMA from requiring a purchaser of an advance commitment under the secondary market operation to subscribe to one-half of 1 percent in FNMA stock. Should the holder of the commitment sell the mortgage to the secondary market, he would then be required to purchase only 1½ percent additional stock which places him on exactly the same basis as any other user selling a mortgage to FNMA under the secondary market operation.

Mr. BROOKS of Louisiana. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield.

Mr. BROOKS of Louisiana. I want to ask whether there are any changes from the committee bill in the substitute in reference to the military housing provision under FNMA, and then later on under the military housing, title IV.

Mr. TALLE. No. The provisions are identical, except for a minor change which I will explain later in my statement.

The holder of a commitment, of course, has tied up a definite amount of FNMA's purchase authority. FNMA takes the position that he is in fact a "user" of the secondary market facilities and as a user he should participate in bringing private capital into the secondary market operation. As Members know, the purpose is ultimately to make FNMA a private secondary market. Good progress has been made in that direction and progress is proceeding from day to day. I think that is a sound concept, and certainly

the requirement is a most reasonable one.

Sections 201 (b) and (c) of the committee bill relate to an increase in the borrowing operations of FNMA for secondary market purposes. These subsections provide for an increase of $100 million in the Treasury subscription to FNMA preferred stock. Since FNMA may borrow 10 times its stock and surplus the effective increase in borrowing authority for secondary market operations is 10 times this amount or a total of $1 billion. Inasmuch as the substitute does not include the proposal to use a billion dollars of the national service life insurance fund for the purchase of mortgages, it was believed it would be advisable as an alternate to further expand the mortgage purchase authority of FNMA's secondary market operation. This is accomplished in section 201 (b) and (c) of the substitute by adding an additional $50 million to the amount of the authorized subscription which the Secretary of the Treasury may make to the preferred stock of FNMA.

May I interrupt myself at this point to say that FNMA is a corporation, and it has been a matter of conversation with me and the management of FNMA that stock might be entered as authorized on their books, but a distinction should be made between stock authorized and stock actually issued. I believe that accounting procedure will be put into practice.

At the 10-to-1 borrowing ratio this, of course, means that the purchase authority of FNMA under its secondary market operation would be increased by half a billion dollars more than the amount provided in the committee bill. The $1.5 billion mortgage purchase authority for FNMA contained in the substitute, therefore, compares with the $2 billion mortgage purchase authority provided in the committee bill. I recognize, of course, what the chairman of the subcommittee has said, that as an individual he is willing to delete the NSLI section, but it is still in the committee bill. This $2 billion was made up of $1 billion increase in FNMA and $1 billion use of national service life insurance funds.

Section 202 of both the committee bill and the substitute relate to FNMA backstop authority to borrow from the Treasury. The substitute contains $½ billion more of such authority than is contained in the committee bill and, of course, is a conforming change to $½ billion additional mortgage purchase authority provided by section 201 of the substitute. It is the existence of the Treasury backstop borrowing authority which in a large part enables FNMA to sell its obligations in the private market. Other than on an accommodation basis and to gear its financing operations with Treasury operations, FNMA turns to the private market for most of the borrowings used in secondary market operations.

Section 203 of the substitute retains the same amounts provided in the committee bill for increases in FNMA special assistance operations, namely, an increase of $250 million in the general special assistance authorization and of $300 million for military housing mortgages. The substitute omits subsection (a) and subsection (b) of section 203 of the committee bill which respectively would have required permanent par purchase of special assistance mortgages and placed a maximum limit of 1 percent on the fees and charges that could be made in connection with such special assistance financing. Under existing law FNMA is required to pay not less than 99 for special assistance mortgages and has freedom to set fees and charges at reasonable levels with a view to maintaining the special assistance operations on a self-sustaining basis. Mortgages purchased under the special assistance function include those for cooperative housing, urban renewal, military housing, disaster housing and housing in the Territories and possessions. Although the committee report refers to these as fledgling programs it is of interest to know the figures demonstrate these mortgages have considerable acceptance in the private market. For instance up through January of this year FHA had issued $615 million of commitments in connection with these programs. However, the commitments which FNMA had issued in connection with these mortgages only totaled $146 million. It would appear, therefore, that the private market was willing to supply $3 of financing for every dollar which FNMA was called upon to commit for these mortgages. Restricting FNMA as to the purchase price and fees and charges in connection with these programs would only mean a shift in the financing of these projects from the private market to the Government and I can see no reason, in these times particularly, why we should be deliberately throwing the additional financing burden on the Government.

Section 204 of both the substitute and the committee bill are identical provisions relating to FNMA payments in lieu of taxes.

Section 205 of the committee bill was the provision under which a billion dollars of National Service Life Insurance funds would be shifted from investment in Government securities to investment in mortgages. Minority views beginning on page 67 of the committee report No. 313, rather fully discuss the fallacies and undesirability of this proposal.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield briefly to the gentleman.

Mr. ADAIR. Then, do I understand the gentleman to say that in the proposed substitute there is no proposal for the use of NSLI funds whatsoever?

Mr. TALLE. The gentleman from Indiana is completely correct.

Mr. ADAIR. I thank the gentleman.

Mr. TALLE. I commend these views to your attention and I believe that after you have considered them you will agree it would be most unwise ever to initiate such action setting a precedent for the investment of trust funds administered by the Government in anything other than United States Government securities. That section is omitted from the substitute and I sincerely hope it will not ever reappear in any manner, shape, or form.

TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

There are three sections in this title of the committee bill. The same identical three sections appear in the substitute. These provisions of course are fully discussed in the committee report and relate to, first, an increase in the urban renewal grant authorization of $250 million; second, urban renewal relocation payments; and third, a conforming amendment so that local grants-in-aid under the urban renewal program will be handled on the same basis for projects initiated prior to the Housing Act of 1954 as for those projects initiated after passage of the Housing Act of 1954.

TITLE IV—MILITARY HOUSING

This title of the committee bill contains four sections. Three of the sections included in the substitute are identical with those contained in the committee bill. In the other section the only change is a very minor one making floorspace criteria applicable to the planning stage, rather than to the construction stage of a project. These four sections which are discussed in the committee report relate to, first, extension of the military housing program to June 30, 1959; second, application of the average mortgage limitation per unit; third, conformity of floorspace limitations under the FHA military-housing program with those applicable for appropriated fund housing; and fourth, modification of the Wherry acquisition formula with respect to treatment of physical depreciation.

TITLE V—MISCELLANEOUS

COLLEGE HOUSING

Section 501 of the committee bill relates to college housing. The three subsections of that section provide for, first, a $150-million increase in lending authority; second, a change in the interest-rate formula for college housing loans under which the program will be put on a self-sustaining basis; and, third, provision for the changed interest-rate formula to become effective with respect to applications filed after March 15, 1957. In connection with this last item, it may be recalled the bill proposing the change was introduced on March 14, 1957, and became general knowledge when it became available on March 15. The substitute contains these same three subsections in identical language.

VOLUNTARY HOME-MORTGAGE CREDIT PROGRAM

Sections 502 of both the committee bill and the substitute extend the Voluntary Home Mortgage Credit Program to July 31, 1959.

DISCOUNT CONTROL

Section 503 of the committee bill sets forth authority for the Federal Housing Commissioner and the Administrator of Veterans' Affairs to control discounts at all levels on FHA and VA mortgages, respectively. Presently discounts are controlled with respect to the purchaser, but latitude exists with respect to other parties to the transaction. As previously noted, this is one of the provisions to which the Committee on Veterans' Affairs has objected on the basis that it would authorize a flexible interest return on GI home mortgages. For instance,

on a 30-year 4½-percent mortgage, if a discount of 5½ points is permitted, that mortgage will actually yield 5 percent if held to maturity. This provision is not included in the substitute bill.

I full well realize this subject might become a point of considerable discussion. It is a subject upon which there could be much political flag waving if, and I emphasize the if, a person is willing to close his eyes to the economic facts of life and treat political responsibility lightly.

Discounts are as old as interest. As a matter of fact discounts are interest. The discount procedure is extensively utilized both in commercial and governmental finances. As a matter of fact, approximately $80 billion of our national debt is financed on a discount basis. I refer, of course, to Treasury bills and savings bonds where there is no coupon interest payment, the interest return consisting solely of the difference between the price at which the holder purchases the security and the price at which it is ultimately redeemed by the Government. All United States savings bonds are sold on a discount basis. The purchaser of a $100 savings bond only pays $75, a discount of 25 percent. However, in order to get that redemption value of $100 the holder must wait 8 years, 9 months. In other words this discount will be amortized over this period with the result that on redemption date the holder will have received an equivalent interest return of 3.26 percent on his investment.

When we are in a period in which the fixed rate on a Government assisted mortgage is not an effective rate, lenders insist upon discounts as a means of augmenting the interest return on that investment. When the money market eases and the fixed mortgage rate again becomes effective in attracting investment funds the discounts disappear and we, of course, have been through periods when even premiums appeared on such mortgages. In early 1955 the rate was so effective that purchasers under the GI home program not alone did not have to pay any discounts; they could even finance closing costs and moving expenses out of mortgage proceeds. This was known as the no-no-no-down payment period.

The Congress has had considerable experience with this problem. Back in 1953 the VA attempted to put into effect a tight discount control provision at all levels in the transaction. This so impeded the GI home loan program that within less than a month and a half the Congress took corrective action allowing the discount mechanism to function at other than on the purchaser level.

I think we want to be very careful in anything we attempt to do on this question. To the extent that we would be successful in ruling out discounts at all stages of the transaction, in this market, we would simply be shutting off the flow of mortgage funds. Under the guise of helping home buyers, we would actually be denying prospective purchasers the opportunity to acquire a home.

We do not look askance at the use of the discount mechanism in selling our Government savings bonds. Everyone accepts the fact that the discount performs an economic function. We should not close our eyes to the fact that discounts perform an economic function in the mortgage credit field just as they do in the savings bond investment field. This section of the committee bill is not included in the substitute.

MORTGAGE CREDIT STUDY

Section 504 of the committee bill authorizes the Housing and Home Finance Administrator to conduct a mortgage credit study. An almost identical provision appears in section 503 of the substitute, the only difference being that under the committee bill the Administrator was to submit his report on the study on or before January 31, 1958, whereas the substitute provides that such study shall be submitted on or before April 30, 1958.

FARM HOUSING RESEARCH

Section 505 of the committee bill authorizes farm housing research be carried out by land-grant colleges with modest assistance from the Federal Government. An identical section is included in the substitute and appears as section 504 of the bill.

Mr. Chairman, this completes my analysis of H. R. 7024, the substitute bill, which I will offer as an amendment at the proper time.

In conclusion, it seems appropriate to say a word about the meaning of housing to each individual and to each family in our great land. One of my favorite poet-philosophers long ago supplied the words with which I will close:

"A man's chimney is the golden milestone from which he measures every distance in the great world about him."

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Oregon [Mr. PORTER].

Mr. PORTER. Mr. Chairman, I rise to comment on the obvious need for passage by this House of H. R. 6659, the omnibus housing bill which has been prepared for our consideration by the Committee on Banking and Currency. Let me say that while this bill falls short, in my thinking, of meeting the pressing needs in the housing industry, it will bolster the sagging economy of this Nation's most dynamic industry. H. R. 6659 is the least this House can offer as aid to the lumber industry and its allied fields. I can only hope that Congress in its wisdom will take a more liberal view in future sessions.

There are portions of this proposed legislation which I feel should be emphasized.

The Housing Act of 1957, as introduced by Mr. SPENCE, my honored colleague from Kentucky, takes into consideration that the housing industry has fallen nearly 20 percent behind 1956 figures and that construction is at the lowest rate in 8 years. All of you are aware of what has taken place in the field of veterans' housing. The low-interest rate has been ignored. The money lenders have climbed aboard those lending wagons where a 5-percent interest rate or higher is offered. GI housing has come to a dismal standstill.

H. R. 6659 would allow for veterans' preference under the Federal Housing Administration's home-mortgage-insurance program. Simply the veteran would pay half the sum charged a nonveteran and both the veteran and nonveteran would pay less than current FHA required amounts. Committee members have expressed belief that such an arrangement would take up the slack created in housing demand by the lack of money for GI loans. They feel this arrangement would sustain a healthy rate of housing construction and yet would not overinflate the housing sector of the economy.

This proposed legislation does not eliminate the present GI loan program. And, if a marked change in the mortgage-market conditions occurs, that vital and well-worked-out program could, indeed, have a rebirth.

What about interest rates? The veteran would pay no more than 5 percent per annum. As you know, currently the FHA Commissioner has discretionary authority to adjust maximum interest rates up to 6 percent yearly or higher. This would not apply to veterans under H. R. 6659. Nor would the veteran have to pay an insurance premium.

My position has been and continues that it is preferable to support the GI rate at 4½ percent with the aid of a Government-loan program; however, it is evident that Congress is not so inclined, and now, as veterans must use the FHA program, I feel I can be logical in supporting this major feature of the bill.

Slum clearance, the removal of those so-called homes that no human being should ever have to live in, would be pushed by this legislation. H. R. 6659 provides for $250 million for clearance. I consider that amount to be a minimum and hope this House will approve and join with the Senate's thinking that a 4-year program of slum clearance is needed. The Senate proposes $250 million each year.

Happily, college housing loan authorization would be increased by $150 million under H. R. 6659. This is $25 million more than the administration's request. I cannot agree however that the interest rate be upped from 2⅞ to 3½ percent. This can only be passed along in the form of higher rentals.

I believe the committee should be complimented for the manner in which it has brought out language under title V which recognized the obvious need for stringent discount controls. I regret that discounts cannot be outlawed entirely.

H. R. 6659 wisely recognizes the need for assistance to the industry in the secondary mortgage market area. A major objective of title 2 of the bill is to help the flow of mortgage credit into the housing field.

Funds available for the purchase of mortgages under the Federal National Mortgage Association would be increased by $1 billion. This would increase FNMA's secondary market operation obligations to $2.6 billion.

I want to commend the committee for preparing proposed legislation which would authorize the Secretary of the Treasury to invest up to $1 billion of the World War II national service life insurance funds for investment in GI home

loans. In all honesty, I must say that H. R. 6659 does not, in my belief, go far enough in meeting the housing crisis. There are, for example, no provisions for increased public housing.

As the administration apparently does not feel inclined to recognize fully the danger of the impending crash of a great industry, it is my belief this Congress must. In my State of Oregon, 80,000 workers are employed in lumber and wood products work. My State possesses nearly 26 million acres of commercial forest lands with a timber stand in excess of 396 billion board-feet.

Oregon produces 24 percent or nearly one-fourth of all lumber manufactured in the United States. Oregon has 11.71 percent of all covered workers, those who are employed by firms subject to the Oregon Unemployment Compensation Act, in this national industry; more than any other State in the Nation. Oregon shows less diversification of industry than other leading lumber and wood-producing States.

The housing boom of 1950, coupled with the wartime economy of the Korean crisis, showed Oregon employment in the field at 87,313 covered workers. Today, sadly, that figure is badly shaved. Today, fewer than 78,500 workers are counted in the field. And this information can be verified by the Oregon State Unemployment Compensation Commission, which is concerned by the tragic height of unemployment figures. I need hardly add that the major stands of timber in Oregon are found in the Fourth Congressional District which I represent and that unemployment there, as throughout Oregon, is a major problem.

My friends, the economy of Oregon is stifled by the acts of men who need be made aware of this dire economic situation which faces not only my State—but all States. The Honorable JOHN SPARKMAN of Alabama last week inserted a most cogent message from the editors of the magazine House and Home in the CONGRESSIONAL RECORD. It dealt directly with this housing dilemma. That insert of May 1 notes that the higher priced housing market, which uses conventional financing, is booming, but that while our economy in other areas expands, home building has been cut back 40 percent from an annual rate of 1,460,000 starts in December of 1955 to 880,000 in February of this year.

It states that the money crisis hit home building at the worst possible time—when the industry was making the difficult threefold, adjustment from a sellers' market to a buyers' market, from a market of first-time buyers to a market of second-time buyers, from a market whose first need was cheaper houses for young veterans with little money to a market whose first need was better housing for families whose rising income lets them afford a more expensive home.

It points out this rich Nation is now 3 million homes short in catching up on need since 1930, that it houses its people in 6 million substandard homes and frankly concludes that America had better start facing up to the fact that there are presently also 33 million homes which will be of no use in 25 years.

Gentlemen, we are not even keeping up with the slowest horse in the race. How can we expect to win?

This giant housing industry and its allied industry totters now on the perilous brink of bankruptcy. We must not push it over. God help us and this Nation, if we do.

Mr. SEELY-BROWN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. SEELY-BROWN. Mr. Chairman, I rise to discuss H. R. 6659, the Housing Act of 1957, and in doing so, I would like to say at the outset that I have two great concerns, which are in no sense incompatible. First, I would like to see every family in this country which desires to own its home be given every practicable and sound assistance which the Government and private enterprise can give to fulfill this ambition. Second, we must protect until maturity the investments which 22 million Americans made in national service life insurance, of which 5,400,000 policies now remain in force.

This proposed legislation is an omnibus bill. It is designed to meet a number of important objectives. One of its primary purposes would be to provide much-needed assistance to help restore a sound building industry by widening the market demands for home, and by improving the flow of mortgage credit into the housing field. Other objectives are equally important. This bill seeks to achieve better housing generally, to improve the present programs designed to combat slums and blight, and to provide special assistance to deserving and important specialized housing programs. I refer particularly to military housing and college housing.

Detailed discussion of the important provisions of the bill has already taken place. I wish to address myself at this time to one section of the bill to which I am particularly opposed. I refer to section 205, which would authorize the Secretary of the Treasury to invest up to $1 billion of the national service life-insurance fund in the proposed new FHA-insured veteran mortgages. I am one of the members of the committee who signed a minority report opposing this section. I sincerely hope that the House will strike out section 205 from the bill.

First, let me review a bit of legislative history. The national service life-insurance fund was created in 1940 as a result of legislative action by the Congress. This fund provided the financing mechanism for the World War II servicemen's and veterans' insurance program authorized by the 1940 act. Many of us who saw service in World War II participated in this program.

It is important to realize that this trust fund whose total assets presently amount to $5,764,000,000 will become a wasting fund. This is true because the issuance of new policies under the act was ended in 1951. Out of a total of more than 22 million policies issued under the act, only about 5.4 million now remain in force.

I would further remind you of certain basic provisions of the 1940 act. At that time Congress wisely provided that the Secretary of the Treasury, as trustee for the national service life-insurance fund should, and I quote, "Invest and reinvest such funds, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund."

That language remains unchanged. That investment authorization is specific. Every veteran holding a policy issued under the act has a right to expect that there will be no breaching of that commitment. Certainly every veteran policyholder has a right to expect his insurance fund will remain invested in the world's best security—a security upon which there has never been a default—the full faith and credit obligations of the United States Government.

As I have already stated, section 205 of the proposed bill—without amending the National Service Life Insurance Act of 1940—would authorize the Secretary of the Treasury to invest up to $1 billion of national service life-insurance funds in the new FHA-insured veteran mortgages. As I also stated earlier, this funding is a wasting fund. As a result, if these mortgages are to be purchased by the fund in any volume, the Secretary of the Treasury must sell United States Government obligations now in the fund to obtain the cash with which to purchase the mortgages—in contradiction to the terms of the 1940 act.

Another problem is also involved. I refer to the question of the price at which the Secretary of the Treasury would purchase these new type mortgages. The proposal gives the Secretary discretionary power or authority to purchase mortgages below par. He would then be in the position of deciding whether to prejudice the interests of over 5 million veteran national service life-insurance policyholders in order to help 100,000 veteran home purchasers.

The objections I have listed above are not only technical and complicated but also compelling reasons as to why this section should be deleted. There is in addition one more reason why I oppose this provision of the bill.

The use of the NSLI fund for purchase of mortgages would create a dangerous precedent. Today various governmental trust funds hold over $48 billion of United States Government securities. The largest of these funds is the Federal old-age and survivors insurance trust fund which presently holds over $22 billion in United States Government securities.

Once a start is made in diverting these funds to special loan activities, the pressure to tap other funds for so-called worthy purposes would become irresistible. These trust funds would end up financing all sorts of loan activities. All of us agree that no reservoir of untapped credit can be diverted to special loan programs without building up additional demands upon the credit market—or stoking even higher the flames of inflation which have driven up the cost of houses nearly 10 percent during

the past 2 years. Thus, I say to you, this provision of the bill will hurt the very groups this bill seeks to help.

In conclusion let me state that my objections to this proposed use of national service life insurance funds are not partisan in any sense of the word. The basic principles which I have outlined are reflected by the views of the Secretary of the Treasury under a Democratic administration as well as a Republican administration.

Mr. SPENCE. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. TEAGUE].

Mr. TEAGUE of Texas. Mr. Chairman, the remarks I shall make will deal solely with the provisions of this bill which pertain to veterans. First, I have no apology to make to anyone for the action of the Veterans' Affairs Committee as far as veterans' housing is concerned, and I have no apology to make to anyone for the action of the Veterans' Affairs Committee staff for the work they have done as it pertains to veterans' housing. Our committee has done a good job and has worked hard on veterans' housing. Probably housing has taken up more of our time in the last few years than any other phase of the veterans' program.

This bill deals with veteran housing in three ways. First, it sets up a veterans' preference program in FHA. It provides that the national service life insurance fund will be used to help in the veterans' program, and it provides a discount control section as far as the veterans' program is concerned.

As soon as it was possible after the Congress convened, the Committee on Veterans' Affairs started hearings on veterans' housing. One of the first things we considered was national service life insurance. It is my belief that when we began those hearings probably a majorty of the committee was in favor of using national service life insurance, but after we had heard everybody that we could find who should know something about financing tell us that it was wrong, the committee finally voted national service life insurance down. The Committee on Banking and Currency decided that we did not know what we were doing, that the national service life insurance funds should be used, so they put it in their bill.

Mr. Chairman, the Committee on Veterans' Affairs for 2 or 3 years has been much concerned about discounts in the veterans' program. I introduced a bill which would prohibit discounts. Some other members of our committee introduced bills which would prohibit discounts. After we began our hearings I think every person who had been in favor of a bill prohibiting discounts changed their mind and decided that you could not prohibit discounts.

If the Members will turn today to the daily RECORD, page A3396, the last paragraph of a letter from the Federal Housing Administration says this about the discount control feature:

> I would like to also point out that the administration is opposed to the attempted control of discounts on FHA insured and veterans' guaranteed loans. Our testimony beginning on page 733 of the Housing Subcommittee hearings of March 15, 1957, clearly set forth our experience with discount controls under the Housing Act of 1950 and points out our reasons for objecting to their reenactment in legislation.

On page A3399 of the daily RECORD, the National Association of Home Builders, in the last paragraph of their letter, signed by Mr. George S. Goodyear, president, says:

> On discounts, we cannot agree that they should be controlled because we do not believe there is any feasible way to control them. The Housing Subcommittee last year recognized that discounts in some degree are unavoidable. The proposal to require FHA and VA to prescribe limits will have the effect only (1) of placing impossible administrative burdens on these agencies, and (2) making adherence to the strict letter of regulations and the law extremely difficult for the average builder and lender conscientiously trying to use these financing systems.

Certainly, the Committee on Veterans' Affairs has no objection to the Committee on Banking and Currency trying to do whatever it pleases on discounts as far as the FHA is concerned. Since our committee has met, has had hearings and voted on this, we do not think the Committee on Banking and Currency should attempt to do anything about discounts as far as the veterans' program is concerned.

The third feature in this bill, as far as I am concerned, is by far the most important. The Committee on Banking and Currency has come in here and said that it is trying to do the veterans a service, it is trying to give the veterans a break under FHA.

Well, is it not an odd situation when they come in here and say they are doing the veteran a service, yet every single veterans' organization opposes this feature; in fact, all veterans' features in the bill. So, it seems to me that if there was something in this bill that was good for the veterans, some veterans' organization or someone speaking for the veterans would be in favor of this provision in the bill, but there is not a single veterans' group that does not oppose the veterans' features in the bill. Most of those have been put in the RECORD, and we sent you blue sheets which give you excerpts.

Mr. ASHLEY. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Ohio.

Mr. ASHLEY. Do you not think, as a matter of fact, that the reason the veterans' groups take that position is because they have a special kinship for the Veterans' Administration and they do not want to see the jurisdiction of the VA encroached upon or jeopardized by the FHA? Certainly it cannot be said that under the VA program at 4½ percent interest there are going to be any homes built.

Mr. TEAGUE of Texas. Will the gentleman let me ask a question there? Why does the gentleman feel that way? I have a letter from the VA which says that there were 46,000 built in January, 35,000 in February, and 31,000 in March. Of course, we know that a great majority of those were prior commitments, but this letter tells us that there will be about 300,000 houses built if this is not changed at all, and that is the most important part in this whole thing, is the fact that 300,000 houses would be built at 4½ percent. We know discounts play a part, but still all of that will not be passed on to the veterans.

Mr. ASHLEY. It certainly will not, but that is certainly a problem. We have 8 percent discount on the west coast, and there are discounts all over the country, and it is just a question of time when the builder will not pick up the tab on that, and it is the experience of our committee that he has just about reached that point. And, when the chairman of this committee says that seasonal building is about 800,000 for the country at the present time, we are talking about a crisis in home building, and that crisis comes about as much as anything else—I am sure you will agree with this—because of the unattractiveness of the 4½ percent interest rate to those who might possibly be interested in investing in long-term mortgages. Is that not true?

Mr. TEAGUE of Texas. No; I do not think that is true. Does the gentleman know how many veterans' houses were built last year?

Mr. ASHLEY. I do know this, that the VA program in the last 5 years was responsible for almost 50 percent of the nonfarm housing starts, and this year it is just a fraction of that, and during the year I am talking about, 4½ percent was a pretty fair return. But, 4½ simply is not competitive today, and that is why your investors are finding conventional loans at 6 percent and even FHA much more attractive.

Mr. TEAGUE of Texas. Does the gentleman doubt the Veterans' Administration estimate that about 300,000 houses would be built under the present program unless they believed it and their appraisal indicated that?

Mr. ASHLEY. A good amount of this was in the nature of previous commitments.

Mr. TEAGUE of Texas. Last year there were about 475,000 veterans' houses built.

Mr. ASHLEY. Here is the point I am getting at. I am not talking about direct loans. I am talking about the fact that in Toledo, Ohio, for example, it is absolutely impossible to get a veteran's loan. The only thing that is available in Toledo, which is certainly a typical midwestern city, is the FHA.

Mr. TEAGUE of Texas. Let me give you the figures from the Cleveland office for January, February, and March. In 1956 there were 3,930 guaranteed or insured loans out of the Cleveland office. For the same 3 months in 1957, 3,279. So today you cannot say that there are no houses being built, because there are.

I would like to read four reasons the Veterans of Foreign Wars give for opposing these veteran provisions in this bill:

> The Veterans of Foreign Wars is opposed to the veterans preference provisions in the above captioned bill because (1) it covers legislative objectives that primarily come under the jurisdiction of the House Committee on Veterans' Affairs; (2) poses a threat toward the ultimate transfer of veterans' housing loans from the Veterans' Administration to the Federal Housing Administration; (3) takes a long forward step toward

increasing the interest rate on veterans' housing loans from 4½ to 5 percent; and (4) it makes available a substantial amount of the premium reserves of the national service life insurance funds for the purchase of FHA veterans preference 5 percent loans rather than the current 4½ percent veterans' loans.

The Veterans of Foreign Wars, as a matter of longstanding policy and National Encampment resolutions, is opposed to transferring jurisdiction over veterans' legislation from the House Committee on Veterans' Affairs; is opposed to the dismemberment of the Veterans' Administration by transfer of VA function to other Federal agencies; is opposed to an increase in the interest rate involving veterans' home loans; and is opposed to the use of NSLI funds for the purchase of veterans' loans other than the current 4½ percent loans.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from New York.

Mr. MULTER. The gentleman has referred to letters which were received from these national veterans' organizations. I think what the gentleman means is that these letters were written by the national officers of these organizations; is not that the fact?

Mr. TEAGUE of Texas. If the gentleman will remember, the national officers of the American Legion voted to increase the interest rate to 5 percent, but when the working people came to town, about a thousand of them, they repudiated that and voted not to increase the interest rate.

Mr. MULTER. That is right. That is the point that I want to make, that the veterans, whether they are in the American Legion or the Veterans of Foreign Wars or any of these other national organizations are opposed to the action of their national officers. Certainly the men in the city of New York are opposed to the action of their national officers as indicated by these letters. They want this legislation. But the men at the top have written to the gentleman from Texas and to other Members of Congress that they do not want it. But they are not talking for the veterans who want and who need the houses.

Mr. TEAGUE of Texas. Surely every veteran does not agree with what the national officers say, but I do not believe the gentleman can produce one iota of evidence to indicate that the veterans in the country as a whole want the legislation he is talking about.

Mr. MULTER. Mr. Chairman, will the gentleman yield further?

Mr. TEAGUE of Texas. I yield further.

Mr. MULTER. The entire division of Kings County of the American Legion, which takes in seven Congressional districts has taken the position unanimously representing the membership in Kings County, which is a large borough and a large part of the city of New York, in favor of this kind of legislation, and contrary to the action indicated by the letters of the national officers. I talked to members in other organizations in the Borough of Brooklyn—the Disabled War Veterans, the Veterans of Foreign Wars, et cetera—and they are all in favor of this kind of legislation. They say that this is the only way that they are going to continue to get any housing.

Mr. PATMAN. Mr. Chairman, would the gentleman yield?

Mr. TEAGUE of Texas. I would be glad to yield to the gentleman from Texas.

Mr. PATMAN. Mr. Chairman, I would like to know how the veterans can justify their opposition to the use of the national service life insurance fund when the law specifically says that the Treasury, as trustee for the national life insurance fund, shall "invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund."

In other words, what is proposed here is a Government bond, just as good as a Government bond that is now issued in the national life insurance fund. It is guaranteed as to principal and interest. Under the bill proposed, in the event of default, payment would be made immediately, so there would be no inconvenience, there would be no trouble. I wish the gentleman could explain anyone's reasoning, the reasoning of anyone in these veterans' organizations to show that it is good to have a United States Government bond that is issued directly by the Treasury, but it is not good to use a United States Government bond that is issued by the Treasury in some other way, not directly. One is made directly to the fund and the other is made to somebody else and later transferred to the fund. But it is guaranteed as to principal and interest by the United States Government. If the gentleman could explain that, I would appreciate that.

Mr. TEAGUE of Texas. The gentleman from Texas [Mr. PATMAN] certainly should know more about the financing operations of this country than I. As I said before, when our committee met, I think it was favorable to the bill which would use the NSLI fund. But the Secretary of the Treasury of this administration opposes it; the Secretary of the Treasury of the last administration opposed it. The Federal Reserve opposes it. The American Legion says that their rehabilitation commission, at their regular spring meeting of the national executive committee, the governing body of the American Legion, at the national convention held in Indianapolis, Ind., adopted a resolution unanimously strongly opposing the use of any further NSLI fund for mortgage purposes by either the VA or the FHA. So for sure there are a lot of people who disagree with the gentleman. I do not know enough about the finances of this country to know for sure whether there is anything wrong with this or not, but I know there are a lot of people who do think there is something wrong. I would prefer to be on the safe side and let that fund alone than take a chance on being wrong.

Mr. PATMAN. Mr. Burgess, Under Secretary of the Treasury, testified that if this fund were used for that purpose it would cause unwarranted and excessive speculation and expansion of bank credit, which would open wide the gates of inflation, and there would be no alternative; but that is not correct. Any investigation by the gentleman's committee will disclose that in the event of a threat of inflation there are several ways that are alternatives that could absolutely stop it. The Under Secretary was entirely wrong. They could increase the reserve requirements of banks, they could use the open-market operations, and they could immobilize reserves. There are a number of ways you could answer his statement. But that statement went unchallenged. I think the gentleman's committee just failed to go into it enough.

But may I say this, and I will not take any more of the gentleman's time, although he said he was not going to use it all, and I appreciate his yielding to me. No veteran can say it is wrong to use the national service life insurance fund for veterans to use their own money to help them build homes for themselves. The obligation that is put in that national service life insurance fund in the place of the obligation that is taken out is guaranteed by the same Government as to principal and interest. No one can consistently and logically argue against that, if I know anything about it at all.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. The distinguished chairman of the Committee on Veterans' Affairs, I think, has made a splendid statement of the position which his committee has taken with regard to this legislation. The gentleman well knows the interest I have had for a long time, although I am no longer a member of that committee, in the matter of meeting this problem of declining housing starts through some action to put more money into the secondary mortgage market. If this House should go along with the gentleman's position and delete from this bill the provisions which would provide national service life insurance funds for the secondary mortgage market, and if the rather optimistic predictions of the Veterans' Administration regarding this year's volume of guaranteed loans should prove to be overoptimistic, and the decline continues on through the latter part of 1957, would the gentleman be willing to reopen this question of using national service life insurance funds and take the matter up in his committee and consider it once again in the early part of the next session?

Mr. TEAGUE of Texas. As I have said before, I do not pretend to know all the answers concerning this national service life insurance fund. Our committee did have very complete hearings. I know for sure I do not have a closed mind and I do not think our committee has a closed mind, but if there is any evidence that it would be best to use this fund, and if the committee should have any desire to hold hearings again or take it up again, as chairman of the committee I will certainly do so.

Mr. EDMONDSON. I thank the gentleman.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield to the gentleman from California.

Mr. SISK. I should like to ask the distinguished chairman of our Veterans' Affairs Committee if it is not his understanding that the proposal in the present bill from the Banking and Currency Committee is that the national service life insurance funds be used, to be loaned at a rate of 5 percent, whereas we in our discussion and in our consideration discussed the use of those funds through the Veterans' Administration insured loan program at 4.5 percent? Would the gentleman comment on what I feel to be a very important question there, the fact that they are proposing that those funds be made available at 5 percent in preference to what we felt should be 4½-percent loans to veterans?

Mr. TEAGUE of Texas. As I remember, in our committee hearing certainly we agreed that if you are going to take the money and use it at all you should not use it at 5 percent but should use it at 4½ percent, if you use it at all.

Mr. SISK. That was the point I wanted to make. I feel it is rather important because I think actually if there are going to be uses made of national service life insurance funds they should be made through the Veterans' Administration program at the 4½ percent rate, which is still the going rate for veterans. Does the gentleman agree with me on that?

Mr. TEAGUE of Texas. I certainly do.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. McDONOUGH. It is interesting to find any argument to the effect that the funds should be used for only 4½ percent loans. If they can get 5 percent, it is a better investment and a bigger return. But the question that arises in the use of NSLI funds by the Treasury is the question of the security of the money. The question is whether a 5-percent loan on a mortgage on a home is any more secure than a Treasury note. Of course, there is the question of the character of the individual paying on the mortgage and the assurance that the house is going to last the length of time of the loan as compared to the Treasury note. But the question of 4½ percent against 5 percent—certainly, you want to get a greater return on your money than 4½ percent, if you can get it.

Mr. DEVEREUX. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. DEVEREUX. The thing that disturbs me very much should we adopt this original bill and borrow the money from the NSLI is what would happen? Would the Government then have to go out and borrow more money because the Government has already borrowed that money from these insurance funds.

Mr. TEAGUE of Texas. That was the testimony of Mr. Burgess that the Government would have to go out and borrow more money.

Mr. DEVEREUX. And that would increase our debt and increase our expenses and so on.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas. I yield.

Mr. O'HARA of Minnesota. Would it not be true that these funds which are paid into the NSLI funds are certainly in the nature of a trust fund for repayment to the veterans for life insurance and, therefore, there is certainly imposed on these funds a somewhat different character than the usual Treasury certificate which would be issued? And would it not also be true that investing these funds in long-term mortgage loans would involve a considerably different situation, if it came to the matter of the liquidation of those loans in the event of need for that money as compared to short-term Treasury certificates which might otherwise be in the fund. Is that not true?

Mr. TEAGUE of Texas. I think it is true. Of course, the NSLI fund is a fund that is diminishing. It is not increasing.

Mr. RAINS. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of Texas.

Mr. RAINS. Was the gentleman present earlier when I was making my opening statement, when I said in the light of the opposition which has developed and in the light of the fact that I have been told by senior members of my committee that since your committee held hearings on it and that there could possibly be an infringement, I would interpose no objection to the striking of the NSLI fund?

Mr. TEAGUE of Texas. I was present and, of course, as I told the gentleman, this is by far the least important part.

Mr. RAINS. That was my next question. Would the gentleman support the committee bill if the NSLI fund was cut out?

Mr. TEAGUE of Texas. Unless the provision which sets up a veterans' preference is cut out, I intend to vote against the bill. If it is cut out, I intend to vote for the bill.

Mr. RAINS. The gentleman does not contend that the Committee on Veterans' Affairs has any jurisdiction over FHA funds; does he?

Mr. TEAGUE of Texas. Of course not.

Mr. RAINS. And the gentleman does not contend that any committee of the Congress exercising jurisdiction over subject matters that the committee is supposed to exercise jurisdiction could institute a veterans' preference; does he?

Mr. TEAGUE of Texas. Certainly, not.

Mr. RAINS. I have great admiration for the gentleman's viewpoint and I am sorry to be in disagreement with him because I know he wants to do something for the veterans. I would like to say that is exactly what I am trying to do. I believe the gentleman will agree with me—he says I am misinformed—I do not much think so—but the veterans are now eligible to obtain FHA loans; are they not?

Mr. TEAGUE of Texas. Certainly.

Mr. RAINS. They are eligible now, if they can get them?

Mr. TEAGUE of Texas. Certainly.

Mr. RAINS. But, if they can get them now, they get them just like nonveterans get them; is that not correct?

Mr. TEAGUE of Texas. That is correct.

Mr. RAINS. Since we do give the veterans a preference on so many things, what is wrong with giving the veteran a better break on FHA loans than he is now eligible to get? What is wrong with that?

Mr. TEAGUE of Texas. Does this bill provide that the veteran can get a business loan or a farm loan?

Mr. RAINS. Not at all.

Mr. TEAGUE of Texas. Does this bill provide that if a veteran gets a loan under this that he will be denied the opportunity to get a VA loan later?

Mr. RAINS. No.

Mr. TEAGUE of Texas. Does this bill provide that if the veteran gets a VA loan that he cannot get a loan under this?

Mr. RAINS. Yes, it says if he has already gotten a VA loan that is the law. He cannot get a second loan. He can still get a FHA loan without his preference.

Mr. TEAGUE of Texas. Today we have a provision in our veterans loan program if a man loses his house by condemnation, or otherwise, he will be permitted to go back and get a second loan. The truth is you are setting up a veterans preference program that will mess up our whole GI program and destroy our present program which will build 300,000 houses this year.

Mr. RAINS. It does not amend the GI bill in any way. It only amends acts under the jurisdiction of this committee. It was only done when we were told by one after another, including the representative of the American Legion, that there would be no money available at 4½ percent for GI loans. That is when we made the change in the FHA, and I hoped that we could be of benefit to veterans. The gentleman has figures from the VA Administration. Of course we have them too, in which they made certain estimates of what they had to do. I am sure the gentleman will agree that those figures are based on prior commitments. In certain instances there are 6 and 7 and 8 percent discounts. I just figured up the interest on a GI 4½ percent loan with a 10 percent discount, and it makes more than 6 percent interest. Does the gentleman think that a 5 percent FHA loan is a worse deal than a 6 percent GI loan?

Mr. TEAGUE of Texas. Of course the gentleman knows there has not been a 5 percent loan in a long time. Discount is a form of a cost of interest. You do not have 4½ percent today. You do not have 5 percent. You also know that if you increase this to 5 percent you will pay a discount.

Mr. RAINS. The gentleman showed me some figures on which they were less on 5 percent loans.

Mr. TEAGUE of Texas. Of course they would be, because 4 points discount equals ½ percent interest.

Mr. RAINS. I cannot understand how any Member can come to the conclusion that a beneficial veterans preference will harm a veteran.

Mr. TEAGUE of Texas. If the gentleman is attempting to do service to veterans, and I am sure he believes that, but is it not amusing that no member of the building industry or the veterans group will support the gentleman in what he is trying to do?

Mr. RAINS. Will the gentleman give me a little time on that? I can remember when the gentleman, for whom I have a high regard, I can remember when he stood in a place he now stands when the veterans were not favoring his stand.

Mr. TEAGUE of Texas. I do not think I have been in a place where none of them were supporting me but perhaps some of them were not.

Mr. RAINS. The gentleman who spoke for the American Legion before our committee said he favored 5 percent interest on GI loans, which your committee did not give him. When he asked for 5 percent I informed him as follows: "This committee cannot raise the interest rate. That is another committee." I said "If Congress raises the interest rate we are through with the problem for the present, but I am trying to find out whether you would be opposed to the veterans getting a better break under FHA than a nonveteran." And he said, "No."

Mr. TEAGUE of Texas. I think Mr. Collins recognizes that sooner or later this program will end, and we are going to start discharging five or six hundred thousand men a year who do not have veterans' status.

Mr. RAINS. Under the present act the VA program expires in 1958?

Mr. TEAGUE of Texas. That is right, for World War II veterans.

Mr. RAINS. Every home builder who came before our committee said that after this year, with the time lag it takes to get loans through, you could not get a VA loan through, even though the money was available, before the expiration of the loan, after August of this year.

What, then, is going to happen to the veterans' 4½ percent loan?

Mr. TEAGUE of Texas. Does the gentleman know how many veterans have entitlement to 1965?

Mr. RAINS. I am not talking about entitlement—oh, yes, the Korean veterans.

Mr. TEAGUE of Texas. How many?

Mr. RAINS. I do not know how many.

Mr. TEAGUE of Texas. There are about five or six million.

Mr. RAINS. I appreciate the gentleman's answering my question.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. TALLE. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. ADAIR].

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. One of the questions I asked the gentleman from Alabama a while ago was if it was not true that if a veteran got a loan under this provision he could not immediately go back and get a VA loan. On page 5 of the bill there is this provision:

> The Administrator of Veterans' Affairs shall not guarantee or issue any loan obtained by such individual for any of the purposes described in subsection (a).

As I understand that, it prohibits a veteran from getting a GI loan if he takes advantage of the provisions of this bill should it become law.

Mr. ADAIR. Mr. Chairman, we have heard a great deal this afternoon about the proposed use of national life-insurance funds. There are two or three observations that I think might be made in that respect.

In the first place, it is contended by some that if these funds were used it might relieve the Government of a little difficulty in borrowing funds for homebuilding purposes, if that were necessary. The fact of the matter is, as testimony before the Veterans' Affairs Committee indicates, that if these funds were to be used for the purposes provided in the committee bill the Government would then be put to the inconvenience and expense of going out and borrowing a billion dollars elsewhere to replace the NSLI funds.

Secondly, there is another point sometimes made that this NSLI fund is the property of veterans and, therefore, veterans should use that fund in building their own homes. The fact of the matter is that there is no assurance that those veterans who do have a stake in this NSLI fund would be the ones who would seek to borrow from this fund if that were permitted; it might be a completely different group of veterans.

Thirdly, and I think perhaps the most important point that ought to be made with respect to the proposed use of these funds, is that it is a trust fund. If we as a government fall into the habit of permitting trust funds to be used for purposes of this sort, I think we are setting a very bad example and one which is likely in the future to lead us far astray in our responsibility with respect to trust funds.

For those reasons and others I think the NSLI fund should by no means be used for the purpose of making veterans' loans. Since it and other features objectionable to veterans are excluded in the Talle bill, I would urge this House to support and adopt the Talle substitute.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield? And I may say that should he need more time I will be glad to yield him another minute.

Mr. ADAIR. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Of course, if any part of the insurance funds which today are invested in United States securities are invested in mortgages, it would require the Treasury to go on the open market and replace the money through borrowings in a market already strained, probably at a high rate of interest. For this reason I think the fund should not be used for this purpose.

I think if the gentleman from Alabama who is very much interested in the welfare of the veterans, would agree to take that out, and certain other provisions, the House would go along with the bill.

Mr. ADAIR. I thank the gentlewoman for her observations.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. ADAIR. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I thank the gentleman. I am disturbed about two changes which the Talle substitute makes in the bill which has been brought here by the committee. First is the provision that eliminates the requirement that is present in the Spence bill that FNMA must buy mortgages at par. There is another one also I would like to ask the gentleman about, but I request his defense of that because to me it has seemed a strange thing that the Federal National Mortgage Association would go out and buy Government guaranteed paper at a discount when it certainly should be in the interest of the Government, I would think, to see that guaranteed mortgages stay at par.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. TALLE. Mr. Chairman, I yield 30 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Because that is a question, I may say to the gentleman from Oklahoma, that pertains directly to the Committee on Banking and Currency and its policies, it seems to me that the gentleman should address his question to a member of that committee. I was addressing myself to those features of the bill which concerned primarily the views of the Committee on Veterans' Affairs with respect to this legislation.

Mr. EDMONDSON. I will direct my question to somebody else, then.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, it may be that what I propose to offer as an amendment is really so simple that it may not have the support it should have. It seems to me as though we like to complicate things and then discuss them before we decide on their merit.

The gentleman from Texas, chairman of the Committee on Veterans' Affairs—and I think you all know the high esteem in which I hold him—has made the point that the veterans' groups are against the veterans' preference, so-called in the committee bill. I cannot honestly tell you whether they are against the amendment I propose or not because I have not asked them; however, I assume in all fairness that they would not be, because it does give the veterans an opportunity to get an FHA loan at a reduced rate. It also gives a large group of our veterans who are not now covered under the VA program an opportunity to get an FHA loan at a reduced downpayment. We have at the present time thousands

of men, as you know, being discharged from the armed services, men who were drafted or who enlisted after January 1955. These men are not entitled to any GI benefits. Within another 4 months there will have been approximately 1 million men discharged from the armed services who served for 2 years. We have taken 2 years out of their lives, yet there is not one law on the books that gives them any benefits at all. Of these 1 million men who will be discharged nearly 250,000 of them will be married men with families.

With our economy as it is today, they have a job to go to. Having spent 2 years in the service, they do not have any savings, and I think we have an obligation to those men to give them an opportunity to at least get into a home with a small downpayment.

Now, one of the objections that was raised by our chairman, the gentleman from Texas [Mr. TEAGUE] was that it would disrupt the Veterans' Administration operation if we were to include a veterans' preference in the FHA. I can appreciate that that possibly could happen, and I have therefore drawn this amendment so that it will not in any way interfere with a man's right to attempt to get a GI-guaranteed loan and at the same time it will not deprive those who have used their GI-guaranteed rights from using FHA. It does not in any way touch the interest rate. The veteran would pay the identical interest; he would pay the identical insurance as the nonveteran.

Now, the simplicity of it is this: All he has to have is an honorable discharge from the Armed Forces to qualify. If he has been honorably discharged from the Armed Forces of the United States of America, he is entitled to the veterans preference under the FHA Housing Act.

Now, what does that mean to the veteran? It means that a veteran with an honorable discharge, who wants to buy a $12,000 home, could do so by paying $300 down and the closing costs. Under the Talle substitute, the nonveteran would pay $600 down. Actually, the down payment for the veteran is approximately one-half of what it is to the nonveteran. Now, I do not see how our committee and our chairman, for that matter, can object to giving the House an opportunity to give the veteran the right to buy a home at an interest rate he is willing to pay.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from California.

Mr. McDONOUGH. I recall the gentleman submitted the amendment at the time we were discussing the G I loan to increase the rate of interest from 4½ to 5 percent, which was not approved. Now I understand you are proposing an amendment to the Talle bill which would provide that a veteran with an honorable discharge from the armed services, who has obtained a G I loan as a veteran, or who has never obtained a G I loan as a veteran, who is an honorably discharged veteran from the present peacetime army, would have the opportunity of purchasing a home under FHA terms in all respects except the down payment, which would be one-half the amount of the nonveteran.

Mr. AYRES. Approximately.

Mr. McDONOUGH. That would mean that under the Talle bill, which provides $400 down payment on a $10,000 loan, the veteran would obtain it for $200.

Mr. AYRES. That is right.

Mr. McDONOUGH. That is, on the first $10,000, and the next $6,000 he would be able to obtain for $100, so that he would have an opportunity thereby to receive some return for the service he rendered his country.

Mr. AYRES. That is correct. And, I will say to the gentleman from California that this House has not had an opportunity to vote as to whether or not it wanted to give the veterans of our country the opportunity to get a loan at a realistic interest rate.

Mr. YOUNGER. Mr. Chairman, will the gentleman yield?

Mr. AYRES. I yield to the gentleman from California.

Mr. YOUNGER. The gentleman said "approximately" a while ago. He will pay a different interest rate, will he not?

Mr. AYRES. He would pay the identical rate under FHA whether he was a veteran or nonveteran.

Mr. YOUNGER. What are you going to do with the rest of the rights that go to the veteran under the GI bill?

Mr. AYRES. This has no bearing at all on the existing Servicemen's Readjustment Act. This is strictly FHA. This does not deal with VA in any way, shape, or manner.

Mr. YOUNGER. You are dealing with a veteran with a discharge and giving him a preference.

Mr. AYRES. All he has to do is to have an honorable discharge to have a preference in FHA, the same as a preference in Civil Service.

Mr. YOUNGER. Whether a Spanish-American War veteran, a First World War veteran, a veteran of any war, or a veteran of any kind?

Mr. AYRES. That is correct.

Mr. YOUNGER. In other words, the gentleman is selecting veterans under our procedure of GI rights and giving one right and denying the rest of the rights to one who does not want a home?

Mr. AYRES. We are giving the opportunity to any veteran who is in the market for a home to purchase that home under FHA with a reduced down payment.

Mr. DEVEREUX. Mr. Chairman, would the gentleman yield?

Mr. AYRES. I yield to the gentleman from Maryland.

Mr. DEVEREUX. Is it not true that under the present provisions of FHA, a person in service today, whether he had had war service or not, is entitled to certain preferences. Is the gentleman familiar with that provision?

Mr. AYRES. No, they are not, under FHA, to my knowledge, I will say to the gentleman.

Mr. DEVEREUX. I should like an answer to that, because it has always been my understanding that a man in service today did have a certain preference under FHA.

Mr. AYRES. I would rather have some gentleman from the committee answer that question, let me say to the gentleman.

Mr. KILBURN. Mr. Chairman, would the gentleman yield?

Mr. AYRES. I yield to the gentleman.

Mr. KILBURN. Is the gentleman's amendment to the Talle bill or the Rains bill?

Mr. AYRES. I expect to offer my amendment to the Talle bill. If it should be adopted and the Talle bill should fail—and I hope it will not—I have conferred with the gentleman from Alabama with reference to the possibility of his offering an amendment similar to mine to his bill; because I think it overcomes many of the objections that have been raised.

Mr. AVERY. Mr. Chairman, would the gentleman yield?

Mr. AYRES. I yield to the gentleman from Kansas.

Mr. AVERY. As a matter of simplification, the effect of the gentleman's amendment would actually be to extend the guaranteed loan program, the housing program, to those veterans who entered the service after February 1, 1955; in essence, is not that about it?

Mr. AYRES. They would be eligible. But the veteran who still has his eligibility left who cannot find 4½ percent money—and I believe, as does the gentleman from Ohio [Mr. ASHLEY], that there is not any money available in many areas of the country at 4½ percent—it gives that veteran an opportunity, if he wants a home, to use the FHA and be given the advantage of a lower downpayment.

Mr. AVERY. That is right.

Mr. McDONOUGH. Mr. Chairman, would the gentleman yield further?

Mr. AYRES. I yield.

Mr. McDONOUGH. The lower downpayment of $200 would be equal to about 4½ percent interest as compared to the $400 downpayment on a $10,000 loan at 5 percent.

Mr. AYRES. The veteran is still going to pay off his loan. But we have found through experience that the big advantage to the veteran has been the low downpayment.

Mr. McDONOUGH. That is right.

Mr. AYRES. And we are giving him that opportunity under the FHA program.

Mr. McDONOUGH. Not the interest rate, but the downpayment.

Mr. AYRES. That is right, just the downpayment.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 2 minutes.

I shall support the amendment offered by the gentleman from Iowa [Mr. TALLE], who has always taken a deep interest in veterans.

Mr. Chairman, I feel one of the worst features of this amendment of the gentleman from Alabama [Mr. RAINS] is the fact that I am absolutely positive that if it passes, veterans' preference in the FHA will merely mean increasing the interest rate of veterans' loans indirectly. It will clearly result in the GI loan program of the VA expiring before its termination date through disuse. The Committee

on Veterans' Affairs voted against increasing the interest rate to 5 percent in the hope that many veterans would continue to get GI loans at 4½ percent. If this device is used to increase the rate on veterans' loans to 5 percent, the GI loan program will grind to a complete standstill.

I think that undoubtedly is the reason the veterans' organizations are so opposed to having anything done that would kill this program in the Veterans' Administration. The committee was created to take care of the veterans and the American Legion and other organizations voted to give them an advantage.

Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, with due respect to the Committee on Banking and Currency of the House, that has brought out this bill, I have a few remarks that I should like to direct to the attention of this committee with regard to the act of 1946 which established the standing committees of the House.

In the 1946 Reorganization Act the Congress in its wisdom decided that there should be a committee of the House of Representatives to handle the affairs of veterans. The Veterans' Affairs Committee was specifically created as one of the 19 standing committees of the House. There is no comparable committee in the Senate. There have been from time to time special committees set up in the House whose aim and purpose has been to deprive the Veterans' Affairs Committee of some of its jurisdiction.

Whether you realize it or not, I believe there are forces in this country that would do away with the Veterans' Committee in the House and would do away with veterans' preference or any act which has given to the men and women who have served in the armed forces of the United States any special privilege.

I know there is a feeling in some of the committees that if they can only get a little angle of veterans' preference in a bill, it will enable them to get their bill passed.

When the distinguished chairman of our Veterans' Affairs Committee, the gentleman from Texas [Mr TEAGUE], called the Veterans' Affairs Committee together in executive session concerning this bill, the one thing that stood out in the minds of all the members of that committee was the fact that the Veterans' Affairs Committee had seriously considered what should be done with regard to veterans' housing and had turned down proposals to increase the interest rates and that another standing committee of the House had added to a housing bill, which is not basically for veterans but primarily for the banking and home-building trades, a veterans' preference provision for the purpose of making their bill more attractive and possibly getting the bill through the House.

The Veterans' Affairs Committee unanimously decided that they would oppose this bill, unless all provisions with regard to veterans were taken out of it. I may say that I would even go so far as to oppose the amendment which was offered by the gentleman from Ohio [Mr. AYRES]

Mr. Chairman, I favor the so-called Talle substitute sponsored by the gentleman from Iowa [Mr. TALLE]. I feel that the approach taken by this member of the Banking and Currency Committee is much sounder than the proposal proposed by the full committee and better for our veterans.

I take this position mainly because first, it will mean a liberalized FHA program which will give veterans of service after January 31, 1955, and who are presently ineligible for VA housing benefits the same right and chance to buy a home as any other person who has a sufficient downpayment and who meets the credit requirements. The downpayment schedule in the Talle substitute is much more realistic and, in my opinion, will be of great assistance to all home buyers, as well as providing a stimulus to the home-building industry.

Secondly, I think it is very important that the national service life-insurance trust fund be kept intact, its sanctity preserved, and that the present mode of investment be continued. The Committee on Veterans' Affairs held full and rather lengthy hearings on a number of bills which had as their main purpose the use of this trust fund for providing additional money for direct loans or providing a secondary market for guaranteed loans. The committee, after the conclusion of the hearings, met in executive session and rejected these proposals, and rightly so. Despite this fact, the Committee on Banking and Currency reported a bill with the provision therein which would permit the use of this trust fund for housing loans. This is a matter which is most important from a precedent standpoint. If $1 billion is used today for these housing loans, it will be only a short time before money is siphoned from this source, and after that some other substitute project will find it necessary to levy on the resources of the social-security fund, or the civil-service retirement fund, or some other trust fund maintained by the Federal Government. Once this dam is broken, there is no stopping place, and the Under Secretary of the Treasury is certainly correct in telling our committee and the Banking and Currency Committee that he would recommend a veto of legislation which contained such a proposal. The Talle substitute does not use national service life-insurance money, which is another reason why I am supporting it.

Tied into the matter which I have mentioned above is the matter of jurisdiction of the Committee on Veterans' Affairs. We have clear and definite authority over the loan-guaranty program of the Veterans' Administration, as well as the direct-loan operations. We also have control of the trust fund for the payment of future death payments on insurance. I would be remiss in my duties as a member of this committee if I did not resist, along with all of the other members of our committee, this invasion of our jurisdiction, and by striking from the bill as reported by the Banking and Currency Committee all reference to veterans' housing and the use of the national service life-insurance trust fund.

I have had some experience in the banking field and there has been much talk here and in the hearings about the question of discounting of mortgages. It is a practice which is universally condemned and almost universally practiced. The investigation which our committee has conducted and the experience of others in this field clearly indicates that discounting is a matter which cannot be controlled centrally here in Washington. Discounts vary greatly between areas with the highest discount activity being found on the west coast. If the Congress should enact a law prohibiting more than 2 or 3 points of discount even those loans which are not being made today subject to a discount would undoubtedly grow to the maximum discount permitted by the legislation. The mortgage money situation is improving, if we can believe the information which we read daily in economic publications. If the money market is improving there will be a lowering of the discount and in many areas a complete elimination.

The bill which the committee previously reported and which the House passed, H. R. 4602, dovetails into the proposal which I am supporting today. The bill which the House has already passed relates entirely and exclusively to direct loans granted by the Veterans' Administration in rural areas and in small towns below 30,000 in population. This is the place where the greatest need is for loans of this type, and with the liberalized Federal Housing Administration program with lower downpayments and with more money available for the operations of the Federal National Mortgage Association, the housing program as a whole will have been given a sizable boost and nearly all individuals who desire homes should be able to obtain them.

It is always pleasant to find one's self with such strong support for a position he has taken. In this instance it is gratifying to note that the Bureau of the Budget, the Federal Housing Administration, the Veterans' Administration, the four veterans' organizations, and a large section of the banking fraternity together with other lenders and home builders all oppose H. R. 6659 in the form which it was reported to the House.

The veterans' organizations have largely taken their position on the basis that the enactment of H. R. 6659 as reported would have the practical effect of destroying the sound veterans' housing program already established and being administered by the Veterans' Administration.

It is significant to note that the Bureau of the Budget, in reporting H. R. 6659, pointed out that the enactment of this bill would not be in accord with the program of the President, which is the strongest language an agency can use in reporting on a particular piece of legislation. Similar criticisms have been made by other organizations which I have indicated and I want to reiterate again that, in my opinion, the only worthwhile solution to this question is the adoption of the Talle substitute.

Before closing I would like to call to the attention of the Members the Veterans' Administration loan experience in 1957. In the month of January there were over 46,000 guaranteed loans. In the month of February, 35,706, and in the month of March more than 31,000—interest was at 4½ percent for these loans even though many of these loans represent prior commitments made before the FHA rate was raised to 5 percent. Our committee has been advised by the Veterans' Administration that the Veterans' Administration with money remaining at 4½ percent in 1957 expects to have approximate requests for 330,000 houses in 1957. Loan applications are expected to total 275,000 and I submit that while these figures do represent a decrease the fact must not be lost sight of that most World War II veterans have obtained the homes which they are going to use and that it is unlikely that there will be any large market from this single group in the future except in those instances where the families have expanded and the need for larger homes is apparent.

I do hope that the Talle substitute will be adopted.

Mrs. ROGERS of Massachusetts. Mr. Chairman, at the request of our committee chairman the gentleman from Texas [Mr. TEAGUE], I yield 5 minutes to the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman, I thank the gentlewoman from Massachusetts for this arrangement.

Mrs. ROGERS of Massachusetts. The gentleman has made a great study of the housing problem for veterans.

Mr. SISK. I thank the gentlewoman.

Mr. Chairman, at this time I want to pay a compliment to the gentleman from Alabama [Mr. RAINS]. I find myself, I think, for the first time since I have been a Member of the House in opposition to a bill which he has brought to the floor of the House. There are a number of provisions, that are included in the committee bill which I think are good. I am sure the intent of the committee was good in putting these provisions in.

One of these provisions particularly that I want to call your attention to is the discount-control provision. I realize there are Members who disagree with my position on this. I am opposed to any attempt to tie down or to make completely inflexible the discount rate because, as has been very ably explained by the ranking minority member of the committee, the gentleman from Iowa [Mr. TALLE], discounts are a definite part of our monetary and banking system. But I do feel that the approach which the committee has made with reference to discount control is good, placing in the hands of the Commissioner a responsibility to determine that the fees, charges, discounts, and so forth, be reasonable. For this reason, if and when the Talle substitute is offered, I propose to offer as an amendment to that substitute the discount-control feature of the present committee bill. Also, there is one other thing which I would like to mention, which I expect to offer as a substitute either to the committee bill or to the Talle substitute, whichever is under consideration at the time that it becomes in order to do so, and that is an amendment affecting college housing. The date of the interest rate change, which in the present bill, and I believe it is also true in the proposed substitute, is March 15, 1957. To some extent that represents to me a retroactive change in the rules without the players knowing exactly what has been happening. I propose to offer an amendment changing that effective date to May 1. I feel it is equitable and justice to many of the educational institutions and colleges throughout the United States.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from New York.

Mr. MULTER. Will the gentleman not agree that we ought not to increase the interest rate on the mortgages on college housing.

Mr. SISK. I will say to the gentleman, of course, I hesitate to see any increase in interest rates anywhere along the line. However, I will say this. In view of the fact that money at the present time is costing the Federal Government considerably above the 2.78 which I believe is now the rate for college housing that it is a little hard for us to justify a position to refuse any type of interest rate increase. But, I am particularly concerned with making the effective date either at a later time than is specified in the bill or at the date of enactment in order to be completely just and fair to colleges, as I say, throughout the country who are interested and concerned with this program.

Mr. MULTER. Will the gentleman not agree then that the better approach rather than to increase the rate at a fixed amount is, as provided in this bill, to put in a rate that would be a percentage more than the Government rates paid for its borrowing. I think we can afford to subsidize college housing to some extent.

Mr. SISK. I am not averse to the subsidization of college housing to a certain extent, because I think we all realize the need of higher education in this country; our need for engineers and scientists, and so on, which we have heard about so many times. Personally, I would support a proposal which would keep that interest rate just as low as possible within the bounds of equity for all. My particular point in presenting the amendment which I propose to offer is to make it possible for many of these colleges who have put in applications during the month of April, to qualify under the present rate of interest, 2.78 percent.

The CHAIRMAN. The time of the gentleman from California [Mr. SISK] has expired.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield such time as she may desire to the gentlewoman from New Jersey [Mrs. DWYER].

Mrs. DWYER. Mr. Chairman, I rise to speak in opposition to the provisions of H. R. 6659, the housing bill affecting the veterans of America, which has been reported by the House Banking and Currency Committee. At the same time, I wish to join with some of my fellow members of the Veterans' Affairs Committee in support of the Talle bill, H. R. 7024.

The Veterans' Affairs Committee, as its first order of business this year, held lengthy and exhaustive hearings on the critical problem of the effect of the tight-money market on the veterans' home-loan program. There is no question that this is a complex and difficult problem, for it is tied inseparably with the economy and financial structure of our Nation.

As a member of the Veterans' Affairs Committee, my primary concern in this matter is to act in the best interests of the veterans of our Nation. I have been particularly concerned with the problem of those veterans who already have initiated home purchases under the 4½-percent provision of the GI home-loan program, but would be faced with the necessity of paying a higher interest rate if there were any boosting of the rate prior to approval of their applications.

Records indicate that there presently is approximately $150 million in such VA loan applications in the processing pipeline. Indeed, there are indications that processing of these applications has been slowed in anticipation of some such increase of the interest rate.

Under the Talle bill, these veterans now in the pipeline will be protected. This, to me, is most vital. I do not believe that these veterans, who applied for home loans in good faith at the present 4½-percent rate, should be made to pay a higher rate.

I also am in favor of the Talle bill because it eliminates the objectionable provisions of the committee bill.

I believe it is important to note, in studying the committee bill, that it has been opposed by every veterans' organization in the Nation. It has been opposed by the Veterans' Affairs Committee. It has been opposed by the Veterans' Administration. It has been opposed by the Federal Housing Administration. It has been opposed by the Bureau of the Budget and numerous national trade organizations. And it has been indicated it will receive a Presidential veto if it should pass.

This opposition is based on sound reasoning.

This committee bill, which would establish a veterans' preference program under FHA at a 5 percent interest rate, would have the basic effect of destroying the sound and long-established veterans' housing program administered by the Veterans' Administration.

The committee bill also infringes upon the authority of the Veterans' Affairs Committee, and poses a threat to that committee's future Congressional jurisdiction.

Perhaps the greatest danger inherent in this committee bill is the provision to use reserve funds of the veterans' national service life insurance program to purchase FHA veterans' preference loans.

This is a most dangerous precedent, for as the minority report of the Banking and Currency Committee noted in opposing H. R. 6659, once a start is made

in diverting these funds to special purpose loan activities, the pressure would become irresistible to tap other governmental funds for so-called worthy purposes.

The veterans of America who are the policyholders have the right to expect that this insurance fund will not be tampered with; that it will continue to be invested soundly in interest-bearing obligations of the United States, or in obligations guaranteed as to principal and interest by the United States. This bill is in direct conflict with that provision of the law.

I believe it also is important to note that the proposal by this committee bill to use $1 billion of the insurance fund would, at the most, provide for the purchase of only 100,000 of the FHA veteran preference mortgages. This would take care of only a small fraction of the estimated 15 million veterans still eligible for home-loan benefits.

I have cited these points as to what I consider to be the major weaknesses of the committee bill.

On the other hand, the Talle bill recognizes a very important factor—that the World War II portion of the GI home loan program will expire next year. The Talle bill liberalizes, beyond the extent of the committee bill, the FHA schedule.

Such liberalization, as the distinguished chairman of the Veterans' Affairs Committee [Mr. TEAGUE] has noted, is needed not only by the home-building industry but by the veterans who will be buying homes after the readjustment housing program has expired. A liberalized FHA program also will be of benefit to veterans who entered the service after January 31, 1955, for these veterans have no eligibility under the existing veterans' housing program.

I wholeheartedly join with other members of the Veterans' Affairs Committee in supporting the Talle substitute bill. It is my hope that the majority of the House, acting in the best interest of the veterans of America, will follow suit.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, it is interesting to me that all departments concerned are against this proposal in the so-called Rains amendment. I have never known an instance where every department was against a proposal.

Mr. Chairman, I reserve the balance of my time, if that is agreeable to the gentleman from Iowa.

The CHAIRMAN. The gentlewoman reserves 5 minutes.

Mr. BARRETT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BARRETT. Mr. Chairman, I rise in support of H. R. 6659. I am particularly interested in the provisions of this bill relating to slum clearance and urban renewal. The bill would provide funds to continue the slum-clearance program, which is so indispensable to our cities in their fight on slums and blighted areas.

Of the $900 million authorized by the Congress for capital grants, the Urban Renewal Administration, at the end of January 1957, had reserved some $850 million. During calendar year 1956 nearly $254 million was earmarked by the Urban Renewal Administration for projects now underway in our cities. During the first 8 months of fiscal 1957, reservations for capital grants amounted to approximately $180 million. If reservations were to continue at this rate for the remainder of fiscal 1957, a total of $270 million would be necessary to carry the program forward.

The President's budget message indicated that the administration would ask the Congress for an additional $250 million a year for the next 2 years to carry this program forward. When the Housing Administrator appeared before the Banking and Currency Committee, he recommended an increase of only $175 million, and for 1 year only. This recommendation came as a distinct surprise to every member of the Banking and Currency Committee for testimony by representatives of local communities and organizations thoroughly familiar with urban renewal needs throughout the Nation, indicated that the President's recommendations this year for $250 million would only meet the bare minimum needed to maintain the momentum now developed in renewal programs. In fact, we were urged to consider whether the best interest of this long-term program would not better be served by a more substantial increase in the capital grant contract authority. Consequently the Banking and Currency Committee, in the pending bill, provided for a $250 million increase in the capital grant contract authority for 1 year.

I personally would like to see a substantial increase over the committee amount. I would also like to see the funds set up over a period of several years to give the continuity necessary for intelligent planning. Unless sufficient operational authority is approved by the Congress many cities with expanding programs will have to curtail their renewal activities. In addition cities which are now in the process of developing initial programs will be unable to secure Federal assistance to carry their first projects beyond the application stage.

This program is most important to cities like Philadelphia and other large metropolitan areas. It is also most important to smaller cities for every city is confronted with the spread of blight brought about by the enormous changes in urban life, such as the steady increase in population as a result of the farm-to-city movement, increased family formations, unprecedented loss of housing under the displacement and demolition caused by the building of expressways, the clearance for redevelopment, the enforcement of housing code provisions; conversion of older structures for family use, rapid change in the pattern of racial characteristics of cities every year; and the continuous widening of the metropolitan area as more and more suburban communities get their start.

For these reasons I urge that the Committee of the Whole accept the Banking and Currency Committee recommendations relative to the increased authority for the slum-clearance and urban-renewal program. It is the bare minimum which must be authorized if this important program is to be of service to our cities.

Mr. Chairman, the bill before this Committee while quite comprehensive in most areas of housing is deficient in one respect, in my judgment, in that it contains no provision augmenting the public-housing program. The overall national need for public housing continues unabated, particularly in the larger metropolitan cities of this country. It is an important program and plays a very vital role in the family relocation job which must be accomplished if we are to make an effective attack on slums and blight.

I do not mean to imply, of course, that this is the only vital role that this great program plays in our national life. But I use it as an example to indicate the immediate need for this Congress to give further attention to the program. As we all know, Federal law requires that families displaced by urban renewal activities be furnished with decent, safe, and sanitary housing which they can afford. This is a basic humane requirement which has the support of everyone interested in the slum clearance and urban renewal program. Family relocation is the inevitable byproduct of any large-scale successful urban renewal program. It is an inescapable conclusion that a large-scale public housing program is indispensable in any effective attack on slums and blight, since a substantial number of families displaced are in the lowest economic group which simply cannot afford decent private housing at rents or sales prices at which such housing is currently available. It has been estimated that from 40 to 50 percent of the families displaced by urban renewal activity are in the low income bracket whose need for decent, safe and sanitary housing at a rent they can afford to pay, can now only be supplied by low-rent public housing.

Another pressing housing need which I wish were treated in the bill is the problem of providing decent low-cost housing for our elderly citizens. I think this is an area of tragic neglect in which action is long overdue.

I am hopeful that the Subcommittee on Housing and the Banking and Currency Committee can fashion hard-hitting programs for the next session which will revitalize the low-rent public housing program, provide a real housing program for elderly people, and also set up a new program for middle income housing along the lines of H. R. 5726, which I introduced earlier this session.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, I rise in support of H. R. 6659, the Housing Act of 1957.

Mr. Chairman, in my judgment this is "must" legislation which will provide vitally needed relief to our great home-building industry. The home-building industry has helped vastly to improve the housing standards of the American people and has contributed to an unprecedented growth in home ownership.

But we in the Banking and Currency Committee have the unpleasant duty to report that that once-proud industry, so indispensable to a healthy economy and to meeting the housing needs of our people, is now in a completely distressed state. From a high point in 1950 when housing starts numbered approximately 1.4 million, we have seen a steady deterioration which has been greatly accentuated in the tight money setting of the past 2 years. Housing starts fell sharply in 1956 to only about 1.1 million units.

And unfortunately, in the first quarter of this year the situation has rapidly become worse.

Last year our committee was fearful that this very thing would happen. In reporting the 1956 housing bill, we expressed concern over the effects upon housing construction of the combination of a rising interest rate structure and a restrictive monetary policy.

This year our concern is even greater. We believe that action is imperative and we think that the enactment of H. R. 6659 would go far toward maintaining a high rate of housing demand and toward encouraging an adequate flow of mortgage credit into the housing field.

The bill would in great measure help to fill the void in housing market demand created by the contraction of the GI loan program which, because of its submarket interest rate, is rapidly losing its sustaining force in housing production. The bill would do this in two ways.

First, the bill would substantially liberalize the down payments required under the FHA program. It would immediately reduce the required minimum downpayment to 4 percent on the first $10,000 of value—now 5 percent, 20 percent of the next $6,000 of value—now 25 percent, and 70 percent of the excess value above $16,000.

Second, the bill would make an even more sizable reduction in the minimum downpayments required for World War II and Korean veterans. Under the FHA veterans' preference program, which the bill would set up, the required minimum down payment for veterans would be 2 percent of the first $10,000 of value, 10 percent of the next $6,000 of value, and 15 percent of the excess value. Mathematically this formula would mean that the veterans' downpayment would be exactly one-half of the downpayment required of other mortgagors.

Thus the bill, by authorizing a moderate reduction in downpayments for nonveterans and a substantial reduction in required downpayments for veterans, would take up the slack created in housing demand by the lack of money for GI loans, would sustain a healthy rate of housing construction, and yet would not overinflate the housing sector of the economy.

I am proud to have played a role in the Banking Committee's adoption of this proposed liberalization. The bill recommended by the Subcommittee on Housing, under the leadership of the distinguished gentleman from Alabama, originated the idea of a veterans' preference and proposed a formula which would have lowered downpayments moderately for nonveterans under the FHA program, with a more substantial liberalization for veterans. The subcommittee recommended bill would have maintained the present loan-to-value ratio maximum of 95 percent on the first $9,000 of value, but would have increased the present 75 percent factor on the excess of value to 80 percent. The amendment I offered the committee which was adopted increased the 95 percent factor to 96 percent of the first $10,000 of value, which correspondingly reduced the required downpayments for veterans since their downpayment is automatically one-half of that required of others.

To keep financing costs to the veteran to a minimum, no mortgage insurance premium would be required in connection with veterans' preference loans under FHA.

Thus the two chief benefits given to veterans under the FHA veterans' preference loan feature would be, first, the ability to buy with a smaller downpayment; and second, a reduction in monthly financing costs because there would be no mortgage insurance premium to pay.

In addition to restoring effective consumer demand in the housing market, the bill contains important measures designed to improve the flow of mortgage credit into the housing field. Mortgage credit is the lifeblood of home construction and home ownership, and we believe it vital that measures be adopted to increase the availability of housing mortgage credit. For one thing the bill would provide an additional $1 billion in borrowing authority for the regular secondary market operation of the Federal National Mortgage Association.

FNMA has been rendering important assistance to the private secondary market and we believe that the $1 billion additional borrowing authority—and this is of course in addition to the $500 million increase which the Congress authorized earlier in the session—will help provide a powerful backstop to home construction and to home financing, particularly in those areas of the country where the demand for mortgage capital continues to outrun the supply.

This is an omnibus housing bill which would also meet other desirable and important objectives. The bill would provide an additional $300 million the special FNMA revolving fund to keep the title VIII military housing program rolling in high gear. I hope that private capital will participate to a greater extent in this program, but if that is not possible, we believe Congress must provide the funds to the military housing program which is so essential to our national defense.

The bill would provide an additional $150 million to enable continuance of the college-housing program which has been signally successful in helping our colleges meet the grave housing problems presented by the tremendous enrollments in our institutions of higher learning.

An important provision of the bill would provide much-needed funds for farm housing research through our land grant colleges. It is too often overlooked that slum conditions and inferior housing are not a problem confined to urban centers—they also have their counterparts in our rural areas. The basic objective of the farm housing research program would be to find ways and means to provide more attractive farmhouses at a lower cost. If some way can be found to achieve this objective, the relatively small sum of money provided will have been most wisely spent.

The bill has other desirable features as well, but I think I have covered the highlights. Mr. Chairman, it is a carefully conceived bill which comes to grips with our housing problems and needs. Its enactment is vitally needed to maintain the health of our housing industry and to meet the housing needs of our people. I urge its speedy adoption by the House.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. PATMAN].

USE NSLI FUNDS TO FINANCE HOMES

Mr. PATMAN. Mr. Chairman, I only have 10 minutes and I cannot approach this subject in the way and manner I would like to because of the limited time at my disposal. I will just have to be very frank—brutally frank—in the use of words and phrases.

Mr. Chairman, this housing bill comes from the Committee on Banking and Currency. I highly respect and regard, of course, the distinguished gentleman who is chairman of the Committee on Veterans' Affairs of the House of Representatives [Mr. TEAGUE]. I doubt that there is a Member of the United States Congress who has the outstanding war record that Tiger TEAGUE has. Not only because he has a war record of outstanding prominence, of bravery in battle and everything that goes with it, he is entitled to recognition because he is a good, honest, sincere Member of the United States Congress. We all highly respect him. In taking issue with him it is not personal at all.

The only issue I have with him is that he does not want to have an amendment that will permit the use of the national service life insurance fund. I think that is the most important provision in this bill. It is the most important. What we need in housing is available capital, and this will give us available capital. It will force capital that is now being hoarded. It will keep interest rates down to 4½ percent if the bill is properly changed.

Next is prohibiting the scandalous discounts. It is terrible, these scandalous discounts. The Talle bill does not deal with the scandalous discounts at all. It, in effect, condones them; it is all right. Well, I think it is the most disgraceful conduct that the United States Government has ever permitted, these scandalous discounts in the United States Government securities. It is terrible. So the Rains bill is much better than the Talle bill there. And on the national service life insurance fund I want to direct your attention particularly.

MONEY TRUST

As I said, in view of the shortness of time I will have to use phrases that are brutally frank, and when I say to you

that there is a Money Trust in this country I mean a Money Trust. There is a Money Trust. It is right here before us. It is right in broad daylight. We see it in operation. We know it. If the Money Trust can immobilize money that is in competition with them, they can get any amount in the way of interest that they want to require the borrower to pay. That is what they have been doing. They have been encouraging the immobilizing of this money, putting it aside to where it cannot be used. Funds that are immobilized are out of competition with the Money Trust.

We will take the E-bonds, $55½ billion in E-bonds; a very fine thing; systematic saving. I am all for it. But it is a fact that by getting the people to invest in E-bonds for 8 or 9 or 10 years and it keeps that amount of money out of competition with other investors, including the banks that create most of this money on reserves. It is helpful to the banks. That is immobilizing the money that is placed in this fund. Let us consider the $135 billion worth of marketable United States Government bonds. How are they immobilized? By running the price down to 90. A person or a corporation with a bond that is selling for 90 is helpless; it is frozen in his hands. He is going to keep it until it matures to get his money back. It is immobilized; it is put out of action; it is not in competition with the Money Trust. There is $135 billion of marketable bonds, $55 billion E-bonds, and then the $11,500,000,000 of 2¾ percent nonmarketable bonds the same way, immobilized, put out of action.

The attempt here to use the national service life insurance fund is something that the Money Trust does not like. Why? Because it will be in competition with them. They would like to keep it immobilized. They do not want it brought into competition. It is the greatest threat the Money Trust has had in a generation. It is a threat to the Money Trust. That is what it is. They do not like it.

If you will notice our friends on the other side, the Republicans, have a minority report on this bill. Get their report and read it. They did not say a word about the scandalous discounts. They did not say anything about anything except the national service life insurance fund. That is the fight here, Members of Congress. That is the fight. There is where they would do anything on earth, the money trust, in order to keep from using this money in competition with them. They do not like it. They like a seller's market. They like to be in charge. They like to charge everything that the traffic will bear, break down usury laws and everything else. And, if you bring this $5 billion or $6 billion trust fund in, by using part of it, that is challenging their plans. They do not like it. They do not want it. They have spent time and money propagandizing Congress to kill this attempt to give them competition. But, it will help the veteran; it will help the country. I do not charge that.

Now, the argument has been made here that if you take bonds out of that fund, with the Secretary of the Treasury as trustee, and put some 4½ percent or 5 percent Government-guaranteed mortgages in there, that is breaking faith with the veterans' trust fund. It is absolutely idiotic according to my way of thinking. There is no other word to express it; it is absolutely idiotic in my book for a person to say that for the Secretary of the Treasury to take a $10,000 bond out of the trust fund of the National Life Insurance Fund and then put another $10,000 bond in there that is paying 4½ or 5 percent guaranteed by the same government as to principal and interest is a violation of the trust. Why, they are just talking out of their hat. They cannot be telling the truth. It is not logical, it is not reasonable. There is not any sense to it; there is no sense, common, book, or horse, to any such contention as that. It just does not exist. So that argument is no good.

Awhile ago, the gentleman made a suggestion that if these trust funds were used, the Treasury would have to go out and borrow money. That is all right. They borrow $1½ billion every week. What would a few hundred million dollars amount to in the course of a year when the Treasury is borrowing $1½ billion every week? And if they have to go out tomorrow and borrow money, they are paying today 3 percent on those trust funds and yesterday's going rate on Treasury bills was under 3 percent. So if you put it on that basis, they can go out tomorrow and borrow money at a cheaper rate than they are paying on the trust funds.

But the main thing, I insist, Mr. Chairman, is the fact that the money trust do not want you to tap this big reservoir of credit. It is in competition with them. They spent years through the use of highly paid propaganda machines cultivating sentiment among officials to get these big amounts immobilized, such as the programs on the E bonds, which are fine, as I tell you, and all right; but the money is immobilized, it is out of the way, it is not in competition. They have caused to be taken $135 billion of United States Government marketable bonds out of the competitive market by getting them forced down to 90. It took them a long time to do it. But it put these $135 billion in bonds out of competition. But to bring this National Service Life Insurance fund into competition with them would be undoing the work that they have spent years to accomplish.

This is an attack on the money trust; that is what it is. It is the most important part of this bill.

I am inserting herewith that part of the majority committee report on this bill H. R. 6659 on the use of NSLI funds. It is as follows:

INVESTMENT OF NATIONAL SERVICE LIFE INSURANCE FUND

Your committee believes that the proposed amendments to FNMA's operation should help considerably to increase the effectiveness of FNMA's support to the private mortgage market. But at the same time the committee is so greatly concerned over the vexing mortgage capital shortages and the undesirable aspects of excessive discounts, and over the possible recessionary effects of mortgage money shortages upon housing construction, that we strongly believe some additional form of Government support is vitally needed.

Your committee is hopeful that the long-term solution to the mortgage money problem can be achieved through a gradual participation in mortgage investment by the great pools of private capital now accumulating in pension and trust funds. We are encouraged over recent developments which indicate that some progress is beginning to be made along this line. Your committee is hopeful that the Subcommittee on Housing can achieve productive results by pursuing this problem further to see whether any legislation may be needed to remove present obstacles to such investment.

The widespread participation of pension funds is a hoped-for future event, however, and offers no solution to the critical and pressing problems facing the home-building and home-finance industry in the immediate present. In addition to a more effective FNMA, which we believe our recommended changes will achieve, your committee is convinced that a new program is needed to supply immediate relief, particularly to those areas hardest hit by the shortage of mortgage funds.

On several previous occasions the proposal has been advanced to use a portion of the reserves of the veterans' national service life insurance fund for investment in GI home loans. Your committee has given this proposal careful study and attention and believes that, with proper safeguards, the use of a portion of national service life insurance funds can provide immediate and direct relief to prospective veteran homeowners and, as a consequence, to the housing industry. Such a new program could well serve as a pilot project to encourage the participation of private pension funds in guaranteed and insured mortgages.

Accordingly the bill would authorize the Secretary of the Treasury to invest up to $1 billion of the World War II national service life insurance funds in commitments or purchases of section 203 (j) veterans' preference loans under the FHA program.

Your committee wishes to emphasize that the bill does not contemplate a blanket application of the funds provided on a nationwide basis. In order to ease the problem facing those areas where mortgage shortages are greatest, the bill would direct the use of such funds to geographic areas where a serious shortage for private capital for veterans' preference loans exists within the reasonable discount limits prescribed by the FHA Commissioner. A later section of the bill, section 503, would direct the Administrator of Veterans' Affairs, and the FHA Commissioner, to fix reasonable limits on discounts. This feature is treated under the discussion below of the provisions of title V of the bill.

The price to be paid for mortgages would be determined by the Secretary of the Treasury except that in no case could it exceed par. Mortgages could be purchased only from the original mortgagee. To help the fund revolve, mortgages could be sold at less than par, provided the fund would suffer no loss.

Your committee would like to emphasize that the national service life insurance reserves are not Government funds so that the proposal is not to use Government funds in a direct lending program. The funds are the property of the veteran policyholders. In this connection, your committee has exercised extra vigilance to make sure that the proposal in no way would entail any possible risk of loss to the fund.

The bill would achieve this ironclad protection to the fund by providing that in the case of an insoluble default, the Secretary of the Treasury would assign the loan to the FHA Commissioner. In return the fund would be reimbursed fully in cash. Thus

the fund would risk no loss and in the case of possible foreclosure would recover its investment in cash.

In the interest of administrative efficiency, the bill would direct the Federal National Mortgage Association to act for the Secretary of the Treasury in carrying out the mortgage purchasing and servicing functions involved. Through this means the Secretary of the Treasury would be enabled to employ the experienced personnel and existing facilities of the Federal National Mortgage Association. FNMA would also act for FHA in liquidating any defaulted loans.

Your committee would also like to point out that the net earnings of the NSLI fund would be increased by the bill. Currently the reserves of the fund are invested almost entirely in special Treasury securities yielding 3 percent. Since the mortgages to be purchased would carry an interest rate of 5 percent per annum, with an even higher net yield if the mortgages are purchased at a modest discount, the net return to the fund would be much larger than the 3 percent rate. Moreover, in order to guarantee a higher return, the bill would limit payment by the fund to the Federal National Mortgage Association for its services to three-fourths of 1 percent. This would guarantee a net return at the very minimum of 4¼ percent per annum to the national service life insurance fund. The higher earnings rate thus made possible would permit veteran policyholders to benefit either through lower premium payments or through increased dividends.

Your committee believes that the NSLI fund program will give the needed assurance that capital funds for veterans' preference loans will be generally available. Your committee is hopeful that the present FHA 5 percent interest rate is a generally acceptable market rate in most sections of the country. But we recognize that in capital-shortage areas of the country some additional support is essential to make sure that the program works. Your committee is convinced that the supplemental support of the NSLI fund will help achieve that objective.

DISCOUNTS

The committee bill—H. R. 6659—is very weak on the control of discounts. The report does set out some of the evils. The committee bill does try to more adequately deal with the evil than present law. The Talle bill does not attempt to deal with it at all. It was the Republican 83d Congress that repealed the law that was used to prohibit these scandalous discounts.

The committee report on this subject is as follows:

DISCOUNT CONTROL

Your committee is seriously concerned over the excessive discounts, particularly on GI loans, which have become commonplace in many sections of the country. Over the past year discounts of 5 or 6 percent have been quoted as typical in many parts of the country. Even more disturbing are the frequent accounts of even larger discounts, as much as 10 percent or higher.

The discount practice is a device which enables the lender to obtain an investment yield in excess of the maximum interest rate. The discounting process typically works as follows: A builder goes to a local lender seeking an advance commitment for mortgage financing. Assume he is building a house with a sales price of $15,000 to be sold with a downpayment of $1,000. The lender agrees to make the loan, but only at a 5 percent discount. The house is constructed by the builder, usually with the proceeds of a short-term construction loan which he receives from a local bank. At closing, the buyer makes his $1,000 downpayment and signs a note to the lender for $14,000. However, because of the discount, the builder receives only $13,300 from the proceeds of the loan—5 percent less than the face value of the note. The builder has thus received only $14,300 cash from the sale. On the other hand, the lender has the buyer's note for $14,000 for which he has paid only $13,300. Thus the builder in effect has paid a bonus to the lender of $700, which raises the yield to the lender substantially above the contract interest rate.

In this instance a 5 percent discount on an FHA 25-year loan with a 5 percent interest rate would raise the yield to the lender from 5 to 5.52 percent—or even higher if prepaid before maturity.

In the case of an existing home the process is substantially the same, and the seller of the existing home is required to absorb the cost of the discount.

At a time when discounts are excessive the consequences are most undesirable. If they are passed on through a higher price, their burden is borne by the home buyer. Your committee certainly cannot condone a situation in which a veteran or other home buyer is forced to pay an an additional $600 to $700 for his home.

On the other hand there is the possibility that the builder may not be able to increase his price and is consequently faced with the problem of absorbing the discount cost from his profit margin. In the case of FHA-insured loans there is no control on the selling price so the discount could be passed on to the consumer via a higher selling price. A VA-guaranteed loan, however, requires that the selling price cannot exceed the reasonable value of the property as determined by VA appraisal. Here the incidence of the discount is not always clear. Since VA appraisers are instructed not to make an allowance for discounts in arriving at reasonable value, the presumption would be that they could not be passed on by the builder. But appraising by its nature cannot be an exact science. Moreover, in a situation where discounts are heavy, builders would naturally do everything possible to justify a higher reasonable value or, failing in that, to possibly reduce quality somewhat to offset any discount which they would otherwise be required to absorb.

In any case, the consequences are bad, whoever bears the incidence of the discount. If it reflected in a higher selling price, it is the home buyer who must bear the burden. If the builder is forced to absorb excessive discounts, he may very well be forced to reduce or even abandon his plans for building additional FHA or VA projects.

Your committee believes that the time has come to place some form of restriction upon discounts charged in connection with Government-underwritten mortgage loans. Your committee considered a proposal which would rule out discounts entirely. We are in sympathy with such a proposal but we recognize that some measure of discounting is essential for a mortgage loan which carries a relatively low fixed contract rate. Your committee recognizes that discounts and premiums are a pricing mechanism which reflects market judgment of mortgage investments. We recognize that the price fluctuates depending upon the quality of the security, the geographic area, and other factors. We do not believe, therefore, that it would be wise to attempt to prohibit discounts completely.

Under the previous authority which existed from 1950 to 1954 to control discounts, experience has shown that an attempt to rule out discounts is just not workable. In 1953 after the GI interest rate was raised from 4 to 4½ percent, the Veterans' Administration issued regulations banning discounts completely. This led to an impossible situation in which GI loans were just not obtainable in some parts of the country.

But at the same time your committee is convinced that action must be taken to guard against excessive discounts. We believe that the bill would achieve this objective.

Section 503 would authorize and direct the Federal Housing Commissioner and the Administrator of Veterans' Affairs to fix reasonable limits on the charges, fees, and discounts imposed by the lender upon the builder, seller, or purchaser in connection with FHA-insured and VA-guaranteed loans. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Commissioner or the Administrator deems advisable.

Your committee believes that some leeway in setting reasonable limits on discounts is essential. Historically there have always been variances in the cost of mortgage money as between different geographic areas, and also as between loans of different characteristics within the same geographic area. The bill would provide the administering agencies with necessary discretion in this regard.

The bill would also require controls on the charges, fees, and discounts in connection with conventional construction financing where the permanent loan is FHA-insured or VA-guaranteed. Failure to provide such control would seriously impede enforcement. Otherwise the lender, while limited as to the charges he can make in connection with the permanent loan, could exact whatever discount he chose from the builder in connection with the conventional construction loan.

In order to enforce compliance the bill would require the lender to certify that he has not imposed upon the builder, seller, or purchaser any charges, fees, or discounts in excess of those permitted. In addition, your committee understands that, where appropriate to insure enforcement, the administering agencies would require certification from the builder to the effect that he had not paid to either the permanent or the construction lender fees, charges, or discounts in excess of those permitted by the schedule prescribed by the FHA Commissioner or the Administrator of Veterans' Affairs.

Your committee is aware that the control of charges and discounts in connection with the complex mortgage financing process is a difficult one. We are aware also that the history of the control of fees and charges under section 504 of the Housing Act of 1950 (which section was repealed in the Housing Act of 1954), shows that the problem of enforcement is complicated by the many possible evasionary schemes and devices. At the same time your committee believes that, under the provisions of the bill, the administering agencies should have sufficient authority to make discount control effective. The committee urges the FHA Commissioner and the Administrator of Veterans' Affairs to formulate their controlling regulations in a manner which will discourage any violation, direct or indirect, of the permissible fees, charges, and discounts. Your committee is convinced that the existing authority to bar participation from the FHA or VA programs to lenders and builders who knowingly seek to violate FHA or VA regulations will act as a powerful force to assure compliance.

In the minority views of 12 of the 13 representative members it is stated:

In enacting the National Service Life Insurance Act in 1940, the Congress wisely provided that the Secretary of the Treasury, as trustee for the national service life insurance fund "invest and reinvest such fund, or any part thereof, in interest-bearing obligations of the United States or in

obligations guaranteed as to principal and interest by the United States, and to sell such obligations for the purposes of such fund." That language remains unchanged today. That investment authorization is specific. Every veteran who holds a policy issued under that act has a right to expect there will be no breaching of that commitment. Every veteran policyholder has a right to expect his insurance fund will remain invested in the world's best security, the full faith and credit obligations of the United States Government, the security upon which there has never been a default.

The minority report does not indicate that the securities that would be used to support veterans housing loans by using national service life insurance fund would not be as good as the securities now used. They meet the test set out in the original act of 1940.

In connection with the use of national service life insurance fund and other trust funds let us consider:

First. There is $5.5 billion invested in the national service life insurance trust fund, in special Treasury issues at 3 percent.

Second. Annual receipts into the national service life insurance fund are running about $600 million.

Third. Net investment by trust accounts all in public debt securities this fiscal year 1957 is estimated at close to $3 billion—$2,921,000,000 to be exact.

Fourth. A good part of the shortage of savings for investment in home mortgages may be traceable to the diversion of small savers' funds into the Treasury. For example, there are some $40 billion in small savers' funds invested in series E and H savings bonds drawing substantially less interest than these same people must pay to borrow funds to finance a new home. Last year the Treasury drew $5 billion of such savings out of the market.

In addition the Treasury borrows about $3 billion a year from various trust funds at an average rate of less than 3 percent.

Fifth. Citizens are responding to patriotic appeals and are lending their Government money at substantially less than the going rate which the banks and other investors demand in the market when they lend to the Government and to others. The Government has helped create a scarcity of loanable funds, in part through the payroll savings plan which siphons off some $5 billion a year in savings bonds and in part through the artificial restriction of bank credit. This has enabled the lending institutions to boost the rates on mortgages and other types of borrowing. It has given them a good excuse to boost the rate.

CAUSING SHORTAGE OF MORTGAGE FUNDS

In all fairness and equity to the small-income people who are voluntarily giving their savings to the Government at low interest rates, which in part is causing the shortage of mortgage funds, the Government has some responsibility to see that they are protected against exorbitant discounts and fees and that they can get mortgage funds at reasonable rates when they want to obtain shelter for their families. One way in which the Government can help these people is by making available part of the national service life insurance fund for investment in GI mortgages at the 4½-percent rate.

CORRESPONDING WITH THE TREASURY

Another way is to use parts of the social security trust funds to stabilize the mortgage market. I have here correspondence which I received from the Treasury and the Department of Health, Education, and Welfare estimating the benefits to the fund and the future effect on the contribution schedule under the old-age and survivors insurance system if the funds of the old-age and survivors insurance program were invested in Government guaranteed and insured mortgages yielding 5 percent—the present rate on FHA insured mortgages. The gross income from interest would be increased by $537 million annually. This would be reduced somewhat if the expenses of collections, inspections, and so forth, were charged to the fund.

On the assumption that the interest earnings on the trust fund were at a net rate of 5 percent instead of the present 2½ percent the current contribution rate under old age and survivors insurance could be reduced to a combined rate—employer-employee—of 3¾ percent instead of the 4½-percent rate which is being paid.

If the Government is to persist in helping the banks and other lenders boost interest rates Congress should consider whether or not the peoples' trust funds ought not to be put to use to protect them against the tight-money policy.

CONTRIBUTIONS TO TRUST FUNDS COULD BE REDUCED

The letters and statement that are inserted herewith contains information that is very material in the consideration of this subject.

THE SECRETARY OF THE TREASURY,
Washington, March 20, 1957.

Hon. WRIGHT PATMAN,
House of Representatives,
Room 1201, House Office Building,
Washington, D. C.

MY DEAR MR. PATMAN: Receipt is acknowledged of your letter of March 11, 1957, with regard to the investment of the Federal Old-Age and Survivors Insurance Trust Fund.

There is enclosed a copy of a statement of account of the Federal Old-Age and Survivors' Insurance Trust Fund, as of January 31, 1957, and a table which shows the investment holdings of the fund as of February 28, 1957. The computed average rate of interest on the investments held by the trust fund was 2.521 percent as of February 28, 1957.

The computed average rate of interest on the fund's investments at the end of each fiscal year beginning with 1952 was as follows:

	Percent
June 30, 1952	2.301
June 30, 1953	2.299
June 30, 1954	2.295
June 30, 1955	2.294
June 30, 1956	2.518

In answer to your question as to the effect of investing the funds of the old-age and survivors' insurance program in Government guaranteed and insured mortgages yielding 5 percent, the gross income from interest would be increased by $537,275,000. However, the expenses of collecting monthly payments, making the necessary bookkeeping entries, and inspecting the property periodically, as well as the problem and cost of taking steps to protect the investment in the event of default, would materially reduce the benefit from this kind of a change in investments.

Any program of purchasing mortgages for this fund would also force the Treasury into the market to raise cash to redeem the Treasury obligations now held by the fund. Such a step would take money away from many investors making mortgage loans, and perhaps force money rates higher.

The Federal Disability Insurance Trust Fund was established effective January 1, 1957, by the social security amendments enacted by the previous session of Congress. The first investment of moneys in this fund was made as of March 1, 1957.

The last two questions in your letter, Nos. 5 and 6, deal with actuarial considerations. The Treasury does not have available in its records sufficient information to enable us to reply to these questions. Accordingly, as this sort of data is maintained by the Social Security Administration, I have referred a copy of your letter to the Secretary of the Department of Health, Education, and Welfare with a request that he supply you with such pertinent information as might be available.

Very truly yours,
W. RANDOLPH BURGESS,
Acting Secretary of the Treasury.

Federal old-age and survivors insurance trust fund investments as of Feb. 28, 1957

Special issues: 2½ percent U. S. Treasury certificates of indebtedness maturing June 30, 1957		$19,067,270,000.00
Marketable:		
U. S. Treasury Bonds:		
2⅜ percent of 1958 (July 1, 1952)	500,000.00	
2¼ percent of 1959–62 (June 1, 1945)	938,000.00	
2¼ percent of 1959–62 (Nov. 15, 1945)	3,267,000.00	
2½ percent of 1961 (Feb. 15, 1954)	4,950,000.00	
2½ percent of 1962–67	58,650,000.00	
2½ percent of 1963 (Dec. 15, 1954)	500,000.00	
2½ percent of 1963–68	116,480,000.00	
2½ percent of 1964–69 (Apr. 15, 1943)	20,752,000.00	
2½ percent of 1964–69	75,252,000.00	
2½ percent of 1965–70	456,547,500.00	
2½ percent of 1966–71	308,077,500.00	
2½ percent of 1967–72 (June 1, 1945)	2,600,000.00	
2½ percent of 1967–72 (Oct. 20, 1941)	138,193,250.00	
2½ percent of 1967–72 (Nov. 15, 1945)	9,800,000.00	
3¼ percent of 1978–83	45,100,000.00	
3 percent of 1995	68,170,000.00	
Nonmarketable:		
U. S. Treasury bonds: 2¾ percent of 1975–80 investment series B		$1,081,902,000.00
Total bonds		2,391,679,250.00
Marketable:		
U. S. Treasury notes:		
2⅛ percent maturing June 15, 1958 series A of 1958	131,000,000.00	
3½ percent maturing May 15, 1960	34,100,000.00	
Total notes		165,100,000.00
3¼ percent U. S. Treasury certificates of indebtedness series D of 1957 maturing Oct. 1, 1957		49,000,000.00
Total		21,673,049,250.00
Unamortized premium	$3,597,363.08	
Unamortized discount	−2,922,414.04	
		674,949.04
Total investments		21,673,724,199.04

Federal old-age and survivors insurance trust fund (cumulative as of Jan. 31, 1957)

Appropriations by Congress, employment taxes		$44,633,390,928.03
Deposits by States		624,958,896.78
Interest and profit on investments		4,168,621,872.99
Other (HEW)		456,996.22
Transfers from general fund		15,386,400.00
Transfers from railroad retirement account		33,805,000.00
		$49,476,620,094.02
Less:		
Administrative expenses, Bureau of OASI	613,231,109.98	
Transfers to Social Security Administration	8,881,925.00	
Reimbursement for administrative expenses per sec. 201 (g) (1) of Social Security Act, as amended	409,506,573.44	
Transfers for refunding internal revenue collections per sec. 201 (g) (2) of Social Security Act, as amended	248,690,000.00	
Disbursements from advance for construction of building	537,272.50	
Benefit payments	25,922,402,115.32	
		27,203,248,996.24
Balance to be accounted for		22,273,371,097.78

FUND ASSETS

Investments:		
U. S. Treasury bonds:		
2¾ percent of 1958 (July 1, 1952)	$500,000.00	
2¼ percent of 1959–62 (June 1, 1945)	938,000.00	
2¼ percent of 1959–62 (Nov. 15, 1945)	3,267,000.00	
2½ percent of 1961 (Feb. 15, 1954)	4,950,000.00	
2½ percent of 1962–67	58,650,000.00	
2½ percent of 1963 (Dec. 15, 1954)	500,000.00	
2½ percent of 1963–68	116,480,000.00	
2½ percent of 1964–69 (Apr. 15, 1943)	$20,752,000.00	
2½ percent of 1964–69	75,252,000.00	
2½ percent of 1965–70	456,547,500.00	
2½ percent of 1966–71	308,077,500.00	
2½ percent of 1967–72 (June 1, 1945)	2,600,000.00	
2½ percent of 1967–72 (Oct. 20, 1941)	138,193,250.00	
2½ percent of 1967–72 (Nov. 15, 1945)	9,800,000.00	
2¾ percent of 1975–80 investment series B	1,081,902,000.00	
3¼ percent of 1978–83	45,100,000.00	
3 percent of 1995 (Feb. 1, 1955)	68,170,000.00	
		$2,391,679,250.00
U. S. Treasury notes: 2⅛ percent maturing June 15, 1958, (series A)		131,000,000.00
U. S. Treasury certificates of indebtedness:		
2⅜ percent maturing Feb. 15, 1957 (series A of 1957)		34,100,000.00
3¼ percent maturing Oct. 1, 1957 (series D of 1957)		49,000,000.00
Unamortized premium on investments		675,601.52
Accrued interest purchased		247,332.52
U. S. Treasury special certificates of indebtedness: 2½ percent maturing June 30, 1957 (series of 1957)		18,080,100,000.00
Total investments		21,686,802,184.04
Undisbursed balances		
Undisbursed ledgers 20X8006	$676,825,447.13	
Advance to Bureau of OASI for salaries and expenses	9,280,739.11	
Advance to Bureau of OASI for construction	462,727.50	
		686,568,913.74
Total assets		22,273,371,090.78

THE SECRETARY OF HEALTH,
EDUCATION, AND WELFARE,
Washington, D. C., April 17, 1957.

Hon. WRIGHT PATMAN,
House of Representatives,
Washington, D. C.

DEAR MR. PATMAN: Acting Secretary of the Treasury W. Randolph Burgess has referred your letter of March 11 to me for reply to questions Nos. 5 and 6, which deal with actuarial considerations in regard to the old-age and survivors insurance system.

You inquire as to the effect on individual benefits if the interest earnings on the trust fund were at a net rate of 5 percent instead of the present rate, which is about 2½ percent. Actually, the benefits payable to individuals are not related to the amount of contributions paid by those individuals or any interest earnings that might accrue thereon. Rather, the benefits are determined, broadly speaking, from average earnings in covered employment, and the contributions (taxes) paid by the entire covered group.

On the other hand, the Congress has determined the contribution or tax schedule for the program on the basis that, considering al lactuarial factors (including the interest rate on investments of the trust fund), the contribution income should, along with interest earnings, be sufficient to finance the benefit and administrative expense disbursements over the long-range future, according to the best available intermediate actuarial cost estimate. The interest rate used in the actuarial calculations made at the time of the 1956 amendments was 2.6 percent, or slightly above the rate of 2.52 percent prevailing for the middle of 1956. If an interest rate of 5 percent had been used in the actuarial computations, there would have been a net reduction in the cost of the program amounting to about three-fourths of 1 percent of payroll on a level-premium basis.

Under such a result, the contribution schedule could have been adjusted in several ways to achieve and maintain the principle of self-support. On one basis, the present contribution schedule for the combined employer-employee tax (which is currently 4½ percent and rises ultimately to 8½ percent in 1975 and thereafter) could be uniformly reduced by three-fourths of 1 percent (or in other words, to 3¾ percent currently and 7¾ percent ultimately). Still another basis, and one which is somewhat in line with the comments in your question 6, would be to defer some of the scheduled increases in the contribution rate. Thus, for example, under the assumption of a 5 percent net interest return on the trust fund, the self-supporting principle could be maintained if the present contribution rate of 4½ percent were continued through 1964, and the subsequent increases were then inaugurated so that there would be rises every 5 years until for 1975–79 the rate would be 7½ percent, while for 1980 and thereafter, it would be 8 percent (rather than the 8½ percent presently scheduled as the ultimate rate). Still another approach would be to maintain the present contribution schedule except to have a lower ultimate rate; under the interest assumption made, it would be possible for the rate now scheduled in 1970–74 (namely, 7½ percent) to be the maximum rate required, assuming that the earlier increases took place as now scheduled.

In regard to the above discussion, you will, of course, appreciate that the figures are being presented on the actuarial assumption of a 5 percent net interest rate, and I am not attempting to go into the matter of what gross interest rate might be required to offset the additional expenses involved (as pointed out in Mr. Burgess' letter) or even more importantly the question of whether such a manner of investment would be desirable.

Sincerely yours,

JOHN A. PERKINS,
Acting Secretary.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from Ohio [Mr. BETTS].

Mr. BETTS. Mr. Chairman, there has been a great deal of discussion about the plight of housing. Sometimes it seems there has been a reaction accompanied by an abundance of intense feeling. In the interest of fairness I think it should be pointed out that this feeling has not been unanimous. Like every other matter of national interest, this question of Government assistance in home building ought to be approached in a manner of sober reflection.

We should be indebted to Mr. Everett Ashley's article in the Washington Star of Saturday, May 4, for his contribution to a sober consideration of the situation. In this article he says:

A close study of all the available data on the factors influencing housing demand provides scant basis for extended pessimism. We are, it is true, in a period of readjustment. To borrow an expression from stock market analysts, however, the home-building industry appears to be in a period of consolidating its gains rather than one in which the underlying outlook has changed from "bullish" to "bearish."

Any discussion of this bill should include a consideration not only of the best interests of builders and lenders, but also of the entire economy. Simply because this measure deals with housing and homes is no reason why we should refrain from being cautious. And it might well be a fact that any specific advantages proposed herein would result in inflationary consequences more damaging than any present effects of so-called tight money.

It seems to me that we have an obligation not only to help home building today, but also to keep our economy sound for tomorrow. The fact that this bill is inflationary was testified to by practically every witness who appeared before the subcommittee.

It might also be interesting to note in passing that the Housing Act was first passed in 1934—during the depression. Obviously its whole purpose was to assist home building in this emergency period. But the Housing Administration has been expanding as prosperity increased, until it is larger now in prosperous times than it was during the depths of the depression. I would be among the first to vote for legislation which would pump credit into the economy to resist a depression or meet an emergency. But economists generally agree that the overall picture today is one of continued prosperity which is bound to help any lagging segment in the business world.

Recently Sumner Slichter, Harvard University economist, said:

The position of the consumer is improving. Pay raises negotiated last year go into

effect this year, many of them concentrated in May, June, July, and September. Business too is strengthening itself. The surveys of new plant and investment plans indicate that expenditures will go up a little more in the second half than in the first. We have been bumping along the top for a long time now, and there is no room for much expansion.

Everyone also is in agreement, I admit, that housing is a lagging segment of the economy, but I do not subscribe to the philosophy that the Government should be eternally engaged in eliminating all the peaks and valleys. In a free-enterprise system, the process of correction should come to a certain extent from the operation of the system itself.

For these reasons I think we should proceed with caution in considering this bill. I support its principle in moderation—but I hope we may have the foresight to see that it is kept within the limits of moderation.

This is partially the reason why I think we should eliminate from the bill the provisions which would permit the use of national life insurance funds in the purchase of veterans' preference loans under the FHA program. At present these funds are invested in United States Government obligations and held in trust by the United States Treasury. In order to obtain cash to purchase veterans' mortgages, the Treasury would be obliged to borrow money to retire enough bonds for the purpose of purchasing mortgages. This would mean the same thing as the creation of new money—pumping more credit into the economy, which must always produce an inflationary impact.

In other words, the value of the veterans' dollars would be less, and would require more money to participate in the liberalized program. As a result, he would be no better off than at present.

Furthermore, it should be remembered that the money in national service life insurance is held in trust for the veterans. It is their money. And there is serious question whether the veterans themselves want their money invested in veterans' mortgages. At least it is not unanimous. The representative of the American Legion which appeared before the subcommittee testified that the advisory council of the order had disapproved of this procedure. I am informed that other veterans' organizations have now registered their opposition.

Finally, there is a legal complication. The present law requires the national service life insurance funds to be invested in Government obligations or obligations wholly guaranteed as to principal and interest. VA-insured mortgages are not guaranteed 100 percent, but 90 percent. The Undersecretary of the Treasury has submitted a letter appearing on page 114 of the hearings which outlines this legal situation. It is true that the bill attempts to meet this situation, but even so it seems to be changing the rules of the game.

The use of this fund might well have far-reaching implications. It could open up a whole new field for legislative consideration, namely whether or not all pension or trust funds held by the Government should be available for investment in securities of private individuals. Being a radical departure from the orthodox method of investing federally held money, it certainly deserves the consideration of exhaustive hearings. Presumably this would come within the jurisdiction of the Ways and Means Committee.

In my opinion this bill has many inflationary provisions. However, I realize that it might have been worse. I will support any move to eliminate the national service life insurance section, as well as that portion of the bill which seeks to regulate discounts. Like control of prices, rent, or wages, discounts should be controlled only in an emergency. With those provisions eliminated, the bill approaches a degree of moderation which I think the Members might well support.

Mr. TEAGUE of Texas. Mr. Chairman, would the gentleman from Iowa yield to me for a question?

Mr. TALLE. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. The gentleman from Georgia [Mr. BROWN] was quite critical of the veterans' groups because they did not testify against this bill. Also he was critical of the gentleman's bill because it had not had any hearings. Is it not true that hearings on over-all housing were held after this bill was written and there was no opportunity for the veterans' groups to appear against this specific bill in the Committee on Banking and Currency?

Mr. TALLE. I believe the gentleman is correct, Mr. Chairman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, it has been said that the veterans organizations had no chance to appear before the Committee on Banking and Currency. May I read to the House a memorandum that I think every member of the Committee on Veterans' Affairs was supposed to receive from the American Legion regarding the views of that organization. It is as follows:

AMERICAN LEGION NATIONAL LEGISLATIVE COMMISSION

On May 1, 1957, the House Rules Committee granted an open rule with 4 hours of debate on H. R. 6659, to extend and amend laws relating to the provision and improvement of housing, and to improve the availability of mortgage credit. The bill is scheduled for consideration by the House tomorrow, May 7, or shortly thereafter.

This bill, if enacted into law, will materially alter, change or adversely affect the veterans' housing program created by legislation enacted over the years by the House Veterans' Affairs Committee. It would create a special veterans' housing program within the FHA.

The American Legion strongly opposes the transfer of any veterans' program from the Veterans' Administration to the Federal Housing Administration.

Section 205 of H. R. 6659 would authorize the use of $1 billion out of the national service life insurance fund to purchase loans under the FHA. This proposal was carefully considered by our national rehabilitation commission and at the regular spring meeting of the national executive committee, the governing body of the American Legion, between national conventions, held in Indianapolis, Ind., May 1–2, 1957, a resolution was unanimously adopted strongly opposing the use of any part of the NSLI fund for mortgage purposes by either the VA or the FHA.

Your attention is also invited to the fact that under the provisions of H. R. 6659, if the sales price is higher than the FHA's appraisal, the required downpayment would be correspondingly increased, which means, of course, the veteran will have to pay that much more in cash at the time title is closed. This does not attain under VA mortgages.

On behalf of the national organization of the American Legion I respectfully request that you vote against H. R. 6659 when it comes up for consideration and support an amendment or a substitute bill which would omit these objectionable features so adverse to veterans.

Thanking you for your favorable consideration, and with kind regards,

Sincerely,

MILES D. KENNEDY,
Director, National Legislative Commission.

MAY 6, 1957.

I find that the other veterans' organizations are equally strong in opposition to the FHA veterans amendments.

Mr. TALLE. Mr. Chairman, will the gentlewoman yield?

Mrs. ROGERS of Massachusetts. I yield to the distinguished gentleman from Iowa.

Mr. TALLE. Confirming what the gentlewoman from Massachusetts has just said, I, too, have a communication from the American Legion. I also have a communication from the Veterans of Foreign Wars along the same line, also a communication from the Disabled American Veterans and one from the AMVETS. All of these came to me yesterday morning. They are similar in attitude, the tenor of their opinion is the same; they are all opposed to the use of the veterans' insurance fund for the purpose stated in the committee bill.

Mr. ROGERS of Massachusetts. Yes. They have a very great fear, I find, that it is the beginning of the end of the special GI benefits under the Veterans' Administration, and they would not come under the Veterans' Affairs Committee. It would mean, I fear, that various other services in the VA would be eliminated. That committee was created for the veterans, to take care of them by legislation and to carry out insofar as possible the wishes of the veterans.

It has been stated on the floor that every Government department that I know of has objected to these provisions. I would like to express my admiration to the gentleman for his interest in the veterans. The gentleman from Alabama [Mr. RAINS] was very helpful to me while I was chairman and was very helpful on problems concerning veterans' housing legislation.

Mr. TALLE. Mr. Chairman, I have no request for time at the moment.

I reserve the balance of the time on this side.

Mr. SPENCE. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, I rise in support of H. R. 6659, titled the Housing Act of 1957.

This is a broad-gaged housing bill designed to provide relief to homeowners and the home-building industry and

and to improve and expand many worthwhile housing programs. The bill is a product of hard work—our Subcommittee on Housing spent 2 weeks of intensive hearings and I am proud to have played a part in the making of the bill.

One major objective of the bill is to stimulate lagging demand in the housing field. Because lenders are reluctant to make GI loans at the maximum 4½ percent interest rate, thousands of veterans are finding it impossible to obtain mortgage financing on liberal terms for the purchase of a home.

Recognizing this problem, the Banking and Currency Committee proposes in the bill to liberalize the downpayments required under the FHA program.

Under current statute the minimum downpayment for an FHA loan is 5 percent of the first $9,000 of value and 25 percent of the excess. Under the bill the minimum downpayment factors would be changed to 4 percent of the first $10,000 of value, 80 percent of the next $6,000 and 70 percent of the remainder. On a $15,000 house for example, this would reduce the required downpayment from $1,950 to $1,400.

But the bill goes much further in giving a break to World War II and Korean veterans who wish to buy homes with FHA financing. For such veterans the bill would reduce the required downpayment by exactly one-half. In other words, on the $15,000 house which I cited, the minimum required downpayment would be only $700 for a veteran. Thus in those areas where veterans cannot obtain GI loans, we have provided a favorable alternative for them under the FHA program. Moreover, we have attempted to keep financing costs to a minimum for the veteran by providing the veteran will not have to pay the one-half of 1 percent annual mortgage insurance premium which is required on other FHA loans. In addition, we have put in other worthwhile features designed to protect the veteran who obtains mortgage financing under the FHA program.

I would like to emphasize one thing in the strongest possible terms. Our bill does not intend to interfere in any way with the existence of the GI loan program. While we recognize that few veterans' loans will be available under the GI loan program with its 4½-percent interest rate, nonetheless it would remain in being. Thus, it might be possible in a few areas for a veteran to obtain a GI 4½-percent interest rate as an alternative to the FHA veterans' preference loan proposed by H. R. 6659. Also in the event of a marked change in mortgage market conditions, it is conceivable that the GI 4½-percent rate might again become marketable generally.

The plain truth is that our bill would supplement and not supplant the GI loan program. In effect the veteran would have two windows to which he can go. If he can find a lender willing to make him a GI 4½-percent loan, so much the better. But if he cannot and if he needs housing, our bill would allow him to buy a home under the FHA program with a substantially lower downpayment than that required of others.

The bill also seeks to come to grips with the vexing shortage of mortgage credit which has been the inevitable outgrowth of the administration's tight-money policy. Credit is the lifeblood of the home-building industry which is so vital to the health of our overall economy and is so essential in meeting the housing needs of our people.

To inject further credit support into the housing market, the bill would expand and improve the operation of the Government's secondary mortgage market facilities of the Federal National Mortgage Association. FNMA has been rendering important assistance to the private secondary market, and the committee bill would increase substantially the funds available to FNMA for the purchase of FHA-insured and VA-guaranteed mortgages which cannot find outlet in the private capital market.

H. R. 6659 would increase by $1 billion the funds available for the purchase of FNMA secondary market operations. This sum—$500 million more than the administration recommends—should give the home building and home finance industry more assurance and confidence in planning future home building and home finance activities.

The bill would also provide additional funds for FNMA's special assistance program which uses Treasury funds to support especially deserving and worthwhile programs such as disaster housing, military housing, housing needed in connection with slum clearance and urban renewal, and cooperative housing.

Another section of the bill would assure the success of the vitally needed military housing program. It would provide $300 million additional in the FNMA special assistance program as a backstop to assure that the military housing program gets the financing it must and will have.

In the field of slum clearance, the bill provides for increased sums for Federal grants to help our cities continue in their fight upon slums and blighted areas. The bill would provide $250 million additional for matching Federal grants, which is substantially more than the $175 million recommended by the administration. Personally I would have preferred to see an even larger authorization for this vital program. I am apprehensive that the $250 million is the bedrock minimum needed for next year. I also believe strongly that the Congress should authorize substantial funds for slum clearance funds over a period of years so as to assure the continunity so necessary to permit intelligent planning.

Another worthwhile purpose of the bill is to provide additional funds for the college housing loan program. The bill provides $150 million additional which should permit the continuation of an active college housing program, geared to meet the urgent needs of the colleges with their ever-rising enrollments.

The bill also attempts to come to grips with the problem of excessive discounts which have plagued GI and FHA loans in many areas of the country. We recognize that some discounts are an inevitable part of the mortgage pricing system, but we do not think that Congress can continue to condone a situation in which you find discounts as high as 10 percent on GI loans in some sections of the country. The bill would seek to meet the problem by authorizing the VA and FHA not to prohibit discounts, but to fix reasonable limits with appropriate geographical differentials.

I think that the things proposed by the bill are most necessary and desirable. My only reservation concerns some of the things that I wish we had been able to include in the bill. While it is true that last year we authorized a 2-year program for low-rent public housing, I felt at that time and I still feel that the authorization was pitifully inadequate. We are never going to lick the slum problem and meet squarely the pressing housing needs of our lowest income groups unless we have a successful low-rent public housing program on a scale much greater than the one that is provided in the present law.

Also the bill does not include any provision for meeting what I regard as one of the most pressing housing needs of our country, namely the problem of supplying decent housing at a moderate cost for our elderly citizens.

In my capacity as Member of the Subcommittee on Housing and the full Banking and Currency Committee, I plan to use every effort during our hearings later this year and during next year's session, to achieve a larger and more effective public housing program and a really worthwhile program to supply housing for the elderly. And in those hearings and deliberations, I think we should intensify our search for some solution to what is called the problem of middle income housing. The FHA and VA programs have served splendidly to meet the needs of families with better than average incomes. With an effective low-rent public housing program, we can supply the housing needs of families on the lowest rung of the income ladder. But for those families in between this group, there is no decent housing being provided at sales prices and rentals which they can afford to pay. I am most hopeful that we can find a way to solve this problem.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I would like at this moment to try to clear the air. There has been much said about the invasion of the jurisdiction of the Committee on Veterans' Affairs. I think the problem before us is not the jurisdiction of any committee. No committee is sacrosanct. Each is made up of Members of this entire body. We should consider the merits of the particular piece of legislation and not whether it came from one committee or another.

Let me recall to you, in that connection, that when the Committee on Veterans' Affairs had a bill on this floor on March 25, 1957, and we discussed the question of whether or not that bill should be amended by using the NSLI funds for veterans' loans, the impression was given to this body by that committee, by the Committee on Veterans' Affairs, that the matter would be studied at length by the Housing Subcommittee

of the Committee of Banking and Currency, and that that committee would bring before you appropriate legislation. The Banking and Currency Committee has now done just that. You now have the bill before you. Let us meet these issues on their merits.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TEAGUE of Texas. I would like to quote from the rules of the House. The rules of the House say that the Committee on Veterans' Affairs shall have responsibility of life insurance issued by the Government on account of service in the Armed Forces. It seems to me that is adequate proof of jurisdiction.

Mr. MULTER. There is not any doubt that the gentleman's committee has jurisdiction. But also, there is not any doubt that this bill is in order and that every part of it is in order. If it is not, you may raise a point of order to try to strike it out. If it is in order, as a part of this bill, we should meet the issues on their merits regardless of which committee brought it before us. I say to you in all sincerity that no real argument has been offered as to why the NSLI funds should not be used in this program.

The fund belongs to the veterans. It is a trust fund which can and should be used for mortgages without impairing the fund in any way whatsoever. The fact of the matter is that if you have a life insurance policy in a mutual company or in a stock company, if you are in a pension system, whether it is private or Government, your funds are being used in large part for investment in mortgages on homes. At least 25 percent of most of those funds are placed in long-term home mortgages. There is no better investment than these long-term mortgages, especially when Government guaranteed. There is no reason why these funds, the NSLI funds, should not get a larger return than they are getting from the Government bonds in which they are now invested.

Let us not be confused that this bill in any way "messes up," as someone used the expression, the VA program. This implements the veterans' affairs program. It does not in any way impair the rights and duties of the Veterans' Administration, nor does it lessen its jurisdiction.

This supplements the right of the veteran to come in and get a mortgage and to get a mortgage on fair terms. Is there any Member of this House who will dare to stand up and say, whether you use the fancy word "discount" or the simple word "interest," or any other phrase, that when you take more than the interest rate on a mortgage from the veteral or the homeowner—a veteran or nonveteran—a sum in excess of the interest rate, that it is anything other than overreaching and overcharging and usurious?

Is there any Member of this House who will stand up and say that the Veterans' Administration should not have jurisdiction to control the discount rate and determine the reasonableness of the discounts charged to the veteran under the VA mortgage program? That is all this bill says. Yes, we also give the FHA the right to control the discount rate on FHA mortgages.

We wrote into this bill a provision that the Veterans' Administration shall also control discounts on VA mortgages. Is there any member of the Veterans' Affairs Committee who will say that his committee does not favor that kind of control but that we cannot enact such a proper provision unless the bill therefor comes to this House from his committee?

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TEAGUE of Texas. The Veterans' Affairs Committee would rather see the builder pay the discount instead of increasing the interest rates and passing it on to the veterans. We have tried to protect the veterans. The gentleman's bill increases all the cost to the veteran himself.

Mr. MULTER. Oh, no. The gentleman is wrong. The language of this bill is that the Veterans' Administration is charged with the duty of making sure that the veteran will not be charged an unreasonable discount. That is the language of this bill.

There was one other statement made that if the veteran comes in under this bill and gets a loan he cannot get one under the VA program. That is not quite accurate. All this provides is that the veteran cannot have more than one loan at a time. Does anybody think a veteran should have two loans at the same time on a home? No Member will so contend or so vote.

This bill says that while he has an outstanding certificate he cannot get another loan. He can get his loan under the Veterans' Administration if the money is available. If not, he can come in and get it under this program. He can have one at a time, just as is provided under the VA program.

May I call attention to one other thing? When the bill was voted out of our committee, the committee report was accompanied by minority views. They are set forth in the report that is before you. Those views make no mention of a substitute bill; they make no mention that the veterans' preference provisions contained within this bill were bad or should be eliminated nor was the suggestion made that putting them into this bill was an invasion of the jurisdiction of any other committee. Every housing bill that has come before this House since I have been here, and that is 1947, has always taken care of the veterans. There were one or more specific veteran preferences in every housing bill that has ever come before this House since 1947, and probably before that, too. We are following precedent in doing it again here. The mere fact that the Committee on Veterans' Affairs thinks it should bring the bill in is no reason why we should not meet this issue head on.

The minority views took issue only with the use of part of the National Life Insurance funds for mortgages. In those views we are told that that fund is expected to increase by some $96 million this year.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield.

Mr. TEAGUE of Texas. Can the discount be passed on to the purchaser under an FHA program, legally?

Mr. MULTER. Legally or illegally, it is being done, just as it is being done legally and illegally, under the Veterans' Administration program. What you are doing by this bill is to stop it being passed on to the purchaser by FHA or VA. The reason we put it in is because, whether it is a VA loan or an FHA loan—the builder includes in his appraisal and in his estimate of the cost, the discount, whether it be Veterans' Administration or FHA.

Mr. TEAGUE of Texas. Under VA or FHA?

Mr. MULTER. Both.

Mr. TEAGUE of Texas. That is not so.

Mr. MULTER. If a builder cannot get it included in his appraisal cost, then he takes it under the table in cash. But it is being paid. There is no doubt in the world that discounts are being paid in the final analysis by the home buyer, whether he is a veteran or nonveteran.

The builder is not standing that cost, nor is the banker standing that cost. The banker could not afford to operate if he did not get that money.

For example, take a mortgage of $10,000. How long do you think the bank would remain in existence if it sold that mortgage to FNMA at a 10-point discount? A $10,000 mortgage for $9,000. Neither the builder nor the banker could continue in business very long on that basis. Somebody must pay that discount, and that somebody is the homeowner, veteran and nonveteran alike.

We have heard a great deal about how the veterans' organizations are opposed to invading this NSLI fund. I have already told you that it is traditional in the mortgage lending business to use trust funds and insurance reserve funds for mortgage investments. It is one of the safest investments you can get outside of Government bonds, and when they in addition are guaranteed by your Government, as these mortgages are, they are even better than Government bonds.

The statement has been made that some of the veterans' organizations have opposed this program because it is an invasion of a veterans' trust fund; and that it would be a depletion of their insurance trust fund.

The truth of the mater is that this program will make it a better fund for the veterans. As I have already indicated to you, it will bring a greater return to the fund without affecting its safety. Where they are now getting 3 percent they will get 5 percent if this bill passes, or 4½ percent if the amendment is adopted to permit the veteran to get the benefit of the lower interest rate of 4½ percent.

When you are told that this program is an invasion of the Veterans Administration's rights and functions, you are being misled; it does no such thing. I suggest that the Talle substitute when offered be voted down and that the Rains-Spence bill be enacted.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. VANIK].

Mr. VANIK. Mr. Chairman, I urge support of the pending housing bill, H. R. 6659, as reported out by the Banking and Currency Committee.

This bill will not be a cure-all to the current slump in housing construction. It is really a not-much-housing housing bill, but it is better than no legislation at all, and it apparently represents the maximum this Congress will consider at this time on this vital and pressing problem.

In my city housing conditions are about as poor as they are anywhere in America. New construction under the GI bill is vanishing with the exhaustion of current commitments. Therefore, the substantial purchase of homes must take place from among those already built, the older homes. The application of GI loan privileges to the purchase of older homes has been practically nonexistent. FHA lending is becoming more and more uncommon as money pressures force potential home purchasers into conventional-loan practices, of which the bankers are enamored.

As a result, city slums are increasing more rapidly than our efforts to abate them. Congestion is forcing the continued doubling up of families in substandard and inadequate housing facilities. The merchants of slum housing are enojying a bonanza, and the guilt must necessarily fall upon this administration and upon this Congress.

The building of lush and luxury class homes is dominating the sluggish home-building activity in my community. While this kind of housing construction helps, luxury housing construction does not provide housing for the most needy and the inadequately housed. They can only be helped by a far-reaching wide-scale program stimulating the construction of low-cost housing.

In my community where GI and FHA loans are impossible or difficult for the purchase of older properties, it is common practice to finance such purchases with loans which call for interest rates very frequently between 6¾ percent and 8 percent with additional loan service charges of as much as $41 per year tacked on to an average loan. These are the good cases. The sordid and more cruel arrangements use land contracts under which a prospective purchaser of the property can rarely hope to attain home ownership. Current operations of home financing in my community have made a hoax of State statutes which define usury.

Under the glorious conventional loan system in which most of our bankers and money lenders revel, it is rapidly becoming the practice in my community for a lending institution to discount the lender and discount the seller of the real estate as well for the purchaser's mortgage—even though he is not a party to the loan contract. It is my suspicion that the real-estate broker also pays a discount to a lending institution in order to put through the deal.

In addition, a new device has come into being under the current tight money policy in which the seller of real estate is compelled to leave part of the proceeds of real-estate sale on deposit with the lending institution and pledged to secure a portion of the loan. In this way, a lending institution is using the current tight money condition as a means of bringing about a forced deposit of sale proceeds for a loan security. This forced deposit earns 2½ to 3½ percent, while it earns in excess of twice as much for the lending institution.

The current not-much-housing policy, coupled with the engineered tight money policy of this administration is good only for a very special group of people—those who rent the use of money in this rigged money market.

Mr. TALLE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. KLUCZYNSKI].

Mr. KLUCZYNSKI. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN (Mr. RABAUT). Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. KLUCZYNSKI. Mr. Chairman, I am happy and proud to welcome to the Nation's Capitol five outstanding high school students from my district. Four of the teens enjoying the 3-day tour of Washington are winners of a high-school essay contest sponsored by the Back of the Yards Neighborhood Council as part of its youth welfare program, in which 13,000 students participated.

Writing the best papers on the topic—"If I Were the Parent of a Teen-ager" were Phyllis Marciniak 16, of 5120 South Wood Street, a junior at St. Joseph's High School; Raymond W. Petkus 17, of 4517 South Sawyer Avenue, a senior at DeLaSalle High School; Mary McInerney 17, of 6635 South Morgan Street, a senior at Visitation High School; and Larry Petri 14, of 5403 South Sayre Avenue, a sophomore at Kelly High School. Accompanying the four top essayists is Michael White 17, of 5753 South Rockwell Street, a senior at DeLaSalle High School who was selected as one of Chicago's outstanding teen-agers by the New World, Catholic archdiocesan newspaper.

The Back of the Yards delegation also includes Joseph B. Meegan, executive secretary of the Back of the Yards Council and Captain Matthew J. Murphy, director of the Back of the Yards Council Youth Welfare Program.

The future of our Nation lies in our youth and we look with great pride and confidence in our future, when we see such outstanding representatives of new America as these teen-agers. May their stay in Washington be a pleasant one and their future be rosy.

Mr. SPENCE. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Chairman, as a member of the Committee on Banking and Currency for several years, and as a new member of the Subcommittee on Housing, I must truthfully say that I see no magic in this particular bill as a means of solving or ending the housing shortage.

We worked hard and long hours and heard many, many witnesses, and did a great deal of concentrated soul-searching in the subcommittee, and we know we are not proposing the most sensational housing bill of all time.

Actually, each one of us was acutely aware of the fact that the real root of the housing problem today does not lie in housing legislation. The root lies in the Department of the Treasury of the United States, and in the White House.

As long as interest rates remain so ruinously high—by official encouragement and you might say decree of the present administration—the housing problems are not going to be easily solved.

We argue over the interest rate on GI housing or on FHA housing, but we all know that the real argument is not over the FHA official rate but the under-the-counter, discounted rate. The financial institutions can turn up their noses at housing loans, no matter how much sweetening is done to make them attractive, because the Treasury is always putting out new issues of short term loans at fantastically high interest rates—and the housing market is ignored and forgotten.

We were urged to keep raising and re-raising the rates on housing loans, as if that were some sort of solution. It is not. The solution lies in taking some really drastic steps in bringing down interest rates, not in raising them further.

Housing loans, fully guaranteed by the United States Government, are among the best investments which could possibly be made. They are not going to be made competitive however—no matter how high you raise rates—unless and until other interest rates come back closer to a sane normal.

The biggest blunder of this administration was in setting out deliberately to raise interest rates on Government obligations, and now the chickens are coming home to roost, not only in connection with housing, which is now almost a distress industry, but in connection with the astronomical cost of financing the national debt.

I do not know how those in our Government responsible for raising interest rates so high can sleep at night. They have set loose a monster.

One further word about this whole question of housing: We have put together what we felt was the best bill under the circumstances. It provides nothing for low-cost housing, where there is a serious need in our cities. But it is more courageous on the subject of urban redevelopment than the President has since shown himself to be, after he had first recommended a significant and effective expansion of the program. Now he has backed away from it. We on the subcommittee have not backed away. We believe in this.

It is truly amazing to me that the first place—and for a while it seemed the only place—that the President and his advisers found they could cut on this $71.8 billion budget was on this little—comparatively very little—item of urban redevelopment, which means life or death for our major cities. And the item is not

even in the budget for this year—it is a future obligation.

It is truly amazing.

I might say that the President's spokesman on housing was almost enthusiastic in reporting to Congress his great success in finding a place to cut the budget—and it was on this item he supposedly had recommended to begin with and supposedly believed in.

Those of us who see and fear the spread of blight in the centers of our cities, who see and fear the deterioration of the great cities of America while our families flee to the suburbs to become strangled in a new kind of congestion and traffic chaos, know that we must revive our cities, restore the center cities, and make them attractive again. It is a tremendous job. It is a vital job. It must be done.

We know the help of the Federal Government is absolutely essential to that purpose. And yet here we see the President joining in running out on his own program and his own proposals in this field, backing away timidly.

The committee bill's provisions on urban redevelopment are urgent and should be supported.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

I do not think that the chairman of the Banking and Currency Committee should sit silent while that committee is accused of invading the jurisdiction of the Committee on Veterans' Affairs.

The Banking and Currency Committee saw fit to include in the housing bill, benefits and preferences for veterans desiring to purchase homes under FHA. FHA was created by the Banking and Currency Committee and our committee has had jurisdiction over it for more than 20 years. Having jurisdiction it had the authority to give the veteran the preferences included in the bill. These preferences have been denounced by the veterans' organizations who think it inadvisable to give the veterans a preference in mortgages for homes. However, we had no report on what the veteran himself thinks about this matter. I feel confident if we could get the sentiment of the veteran he would be enthusiastically for the reduction provision in the downpayment. There is reason why he should have this preference. Many of these young men were stationed in far-distant places from their homes and in foreign lands. Because of this fact they had no opportunities to make provisions for acquiring homes. The man who stayed at home was in a very much better position for this purpose. In addition to this, the service of the veteran to his country entitled him to special consideration and that was given him by the committee bill. In the bill there is an attempt to control discounts which is not in the substitute. While I realize that discounts may be necessary for the successful prosecution of the building program, we must see that such discounts are free from oppression and exhortation. We must do everything we can to see that these discounts are reasonable and do not result in usury. Sir Francis Bacon said, "The usurer earns his bread in the sweat of another man's brow."

I believe in committee action and in the preservation of the jurisdiction of committees of the House. It is only by that method that we can obtain well-considered legislation properly presented to the House. The committee bill comes here after great study and investigation by the subcommittee over many months. It was reported unanimously by the Subcommittee on Housing and was favorably reported by the Banking and Currency Committee by a vote of 22 to 3. No opposition was heard to it until the Veterans' Affairs Committee expressed its disapproval. I thought when it was reported it was a good bill and still think so.

There has lately been a great decrease in our home building. It has been proven through the years that favorable FHA legislation will result in an increase in home building. Homes are not only essential for the health and happiness of our people but are necessary for the general welfare and the economy of the Nation. I hope the committee bill will be passed in order to remedy the serious condition that now prevails in regard to home acquisition and home building.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from Texas [Mr. ALGER].

Mr. ALGER. Mr. Chairman, I am most concerned with the extreme liberalizing of loans under these bills. It occurs to me that it would be possible to build and finance rental property for little if any cash expended. For example, even under the Talle bill, a 2-unit apartment estimated to cost $23,000 could be built with a $19,900 loan and $3,100 down. Take from that the profit, as in the case of a man building for himself, it might be possible to have little or no cash involved.

It seems to me we are going too far in liberalizing these loans.

Mr. TALLE. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. WIDNALL].

Mr. WIDNALL. Mr. Chairman, I was a member of the Subcommittee on Housing that held all of the hearings preparatory to the passage of the Spence bill in the full Banking and Currency Committee. At that time I supported many of the features of the Spence bill but not the use of the National Service Life Insurance fund. I believe it is setting a precedent for the use of Government trust funds that would be most unwise for the future. I also believe that the use of those funds would mean additional Government borrowing and the raising of the interest rate on Government obligations. Under Secretary of the Treasury W. Randolph Burgess testified before our committee that the use of such funds would probably mean an increase of one-eighth of 1 percent in the interest rate on all Government obligations, this meaning a cost to the taxpayers of between $75 and $90 million per year.

I am pleased that the Talle bill continues the voluntary home mortgage credit program for 25 months. As sponsor of the original legislation it has been very gratifying to see the progress made in granting loans.

You will be interested to know then through April 1957 the following has occurred:

Number of loans	29,600
Percentage of FHA loans	14
Percentage of VA loans	86
Percentage of minority loans, both FHA and VA	16
Dollar amount of loans	$263,368,168

I believe the more liberal FHA terms in the proposed legislation will provide a new impetus to the whole program. Home purchasers in the sparsely populated areas and minority groups have greatly benefited to date.

I feel that the Talle substitute can do a job for house construction in America. Heaven knows we have to get more starts going. All the testimony points to that. There is opposition, and honest opposition, from the veterans' organizations to several features of the Spence bill. I believe the Talle substitute can do the job and, therefore, I will support it when it comes to the House for action.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WIDNALL. I yield to the gentleman from New York.

Mr. MULTER. Is it not a fact there is nothing in the Talle substitute for the control of discounts either by the FHA or the Veterans' Administration?

Mr. WIDNALL. That is true.

Mr. SPENCE. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. ASHLEY].

Mr. ASHLEY. Mr. Chairman, as the chairman of our Housing Subcommittee, Mr. RAINS, has pointed out, the housing bill, which we are presently considering, was reported out of the full Committee on Banking and Currency by a vote of 22 to 3. Unfortunately, however, this does not reflect the strength of the opposition which will be encountered today—opposition which is directed both to new ideas which are incorporated in H. R. 6659, and also to vitally needed programs which has been basic to our housing laws for a number of years.

One of the new provisions which will be subject to attack is the veterans' preference provision which is written into the FHA program. Under this provision, the downpayment required by veterans would be one-half of that required of nonveterans. For example, on a $10,000 home the nonveteran downpayment would be $400, and the veteran downpayment $200. On a $15,000 home, the nonveteran would pay down $1,400, the veterans $700. The interest rate on veterans' FHA loans, under this program, would be limited to 5 percent as distinguished from the 6 percent ceiling for other FHA loans.

The opposition to this veterans' preference provision comes from many quarters and for a variety of reasons, Mr. Chairman, one of which is the fear that it will scuttle the present loan-guaranty program.

A letter which I received this morning from the legislative director of the AMVETS reflects this concern. Referring to the veterans preference provision, the letter states that, "these measures would have the practical effect of rendering useless the present loan guaranty

program administered by the Veterans Administration. This is so because veterans would use the FHA program to the exclusion of the VA loan-guaranty program and once they had obtained an FHA loan, they would not be eligible under the GI-loan program."

The letter goes on to say that "not only would H. R. 6659 virtually destroy the loan guaranty program, but in addition, it would force veterans to purchase homes under the proposed veterans preference of the FHA program at the current rate of interest which is 5 percent. The veteran, therefore, would be forced to pay a higher interest rate in addition to losing the protection and the many additional benefits which exist under the VA home-loan program."

It is easy to understand why our veterans' organizations should feel a special kinship for the Veterans Administration, but it is remarkable indeed that anyone—and particularly a veterans organization—should be suffering under the misapprehension that the Veterans Administration home-loan program is a going concern. The fact of the matter is that the flow of homes purchased under this program has diminished to a mere trickle in the past 18 months. And the reason for this is equally clear. Lenders can't be induced to invest in a mortgage bearing 4½-percent return.

If there is any doubt on this point, I invite your attention to the discount rates which now prevail in every section of the country. VA mortgages are selling for discounts up to 8 points on the west coast, for example, and buyers are still hard to find. It may be true that the veteran is not stuck with this discount, but the fact remains that excessive discounts have to be paid if a VA mortgage is to return a yield competitive with other investments. It is all very well for veterans groups to stand steadfastly by the 4½-percent interest rate, but this position simply isn't realistic if builders who must absorb the discounts are unwilling to build and finance homes under the program.

And the latest figures on new nonfarm housing starts bear out this conclusion. Several years ago, at the height of new home construction, VA insured homes were responsible for nearly half of the new housing starts. Today, the situation is completely reversed. Housing starts are at a dangerously low level for the very reason that there is but a trickle of activity under the veterans program. We only need look at the increase in interest rates to bring the picture into clear focus.

I submit that veterans who today are unable to get VA financing will be better served under the veterans preference provision incorporated in H. R. 6659 despite the fact that they will pay a 5 percent interest rate on their homes. Actually, it is a question of getting a home at 5 percent or getting no home at 4½ percent.

I think it is also important to understand that the veteran will not lose the protection under the veterans preference section that he previously has enjoyed under the VA program. Under H. R. 6659, the FHA Commissioner has been given discretionary authority to establish a maximum sales price for FHA veterans housing if he deems it necessary to protect the veteran from gouging by home builders. A maximum sales price—the so-called certification of reasonable value—has been found necessary in the GI home loan program because there has been a strong temptation on the part of builders to capitalize the low downpayment into higher sales prices. The committee has become well aware of this practice and has taken precaution to safeguard the interest and the pocketbook of the veteran.

A second controversial provision in the housing bill presently being considered is section 205, which authorizes the use of $1 billion of the national service life insurance fund for the purchase of mortgages under the proposed FHA veterans preference program. The reason for this section is, I think I am safe in saying, the increasingly tight mortgage market which threatens to strangle the home-building industry. We simply have to face the fact that other segments of our economy are making larger and larger demands upon a limited supply of credit—with the result that an increasingly small share is available for the purchase of new homes. The earmarking of a billion dollars of NSLI funds for the purchase of FHA veterans preference mortgages is no more nor less than a forced diverting of a small fraction of total credit to an area of home building which needs it most. These NSLI funds, now invested in Government securities at approximately 3 percent would produce a greater return if invested in long-term mortgages and the funds would be exactly as safe as they are at the present time.

Before closing, Mr. Chairman, I would like to touch upon just one other difference between H. R. 6659 and the substitute bill which will be offered. This relates to the special-assistance program by which the Federal National Mortgage Association—Fannie May—uses special funds to support particular loan categories which are deemed to deserve special assistance, such as disaster housing, military housing, urban renewal and cooperative housing. The Housing Subcommittee has found that despite the priority consideration which these programs now receive, their activity has been disappointing. In order to promote and encourage the kind of activity which Congress intended when these programs were established, H. R. 6659 attempts to eliminate a number of obstacles which it has found to be at least part of the cause of the difficulty. The committee bill would require purchase at par by FNMA of all special assistance mortgages, and it would prohibit the special-assistance fund from charging more than 1 percent in purchase and commitment fees on mortgages which it buys. The substitute bill contains no such provisions.

Finally, Mr. Chairman, I urge adoption of H. R. 6659, rather than the substitute bill, as the measure which incorporates the results of exhaustive studies made by our Housing Subcommittee and the majority thinking of both the subcommittee and the full Committee on Banking and Currency. If there are sections of the bill which are in legitimate dispute, let these sections be attacked directly by amendment under the 5-minute rule. To attack one or two sections of H. R. 6659 by adoption of an entire substitute bill would be to render a verdict far more sweeping than the issues actually involved, and—also in large measure—the effect would be to discard many needed revisions embodied in H. R. 6659 without the fair hearing to which they are entitled. For these reasons I urge the adoption of the committee bill and the defeat of the Talle bill, which will be offered as a substitute.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield.

Mr. TEAGUE of Texas. Would the gentleman tell the committee approximately how much veterans' housing has dropped this year and how much the FHA has dropped?

Mr. ASHLEY. I can answer the first part of that for my distinguished colleagues because I have here a comparison of appraisal requests received during the first quarters of 1956 and 1957 by the Veterans' Administration. These are appraisal requests and are not, I grant you, an accurate reflection of what precise number of homes have been built under the VA program. But, I invite the attention of the chairman of the Committee on Veterans' Affairs to these figures. For the first quarter of 1956, the number of appraisal requests received during that first quarter was 103,929. For the same period this year, 1957, the figure dropped to 58,602.

Mr. TEAGUE of Texas. Now, can the gentleman give us the same figures for the FHA?

Mr. ASHLEY. No; I do not have the figures here.

Mr. TEAGUE of Texas. The point I want to make is that the VA is down and the FHA is down almost exactly the same percentage. That is the point I was trying to make to the gentleman.

Mr. ASHLEY. I think the point the gentleman is making is an interesting one for this reason. If you are saying that the FHA is also down at 5 percent, then it is perfectly clear, and this is not in complete accord with what the gentleman was saying when he had the floor, that the flow of homes under the Veterans' Administration program has for all intents and purposes come to a standstill. What you are saying now is that this is also true of FHA at 5 percent.

Mr. TEAGUE of Texas. No, I am saying that both programs have slowed down considerably. But, if you will read the report, the only thing the Committee on Banking and Currency mentions is how much the GI program is going down, but they do not tell the Congress that both have gone down almost the same percentage because of a lack of money for both programs—the VA and the FHA.

Mr. ASHLEY. The testimony that has come before our committee does not bear out what the gentleman states, but unfortunately I do not have the report before me so that I can cite from it. However, I sat in on every one of those hearings and I know that mortgage

bankers and others testified one after the other that there would be home building activity if two things took place:

(a) If the interest rate on VA loans was raised to 5 percent—and, of course, they were all for that as you know, and

(b) If the present interest rate under FHA continued at 5 percent. They did not have any particular objection or concern about that. As a matter of fact, we received very little testimony suggesting that the activity under the FHA at 5 percent was in any way serious so far as homes being built under the FHA.

Mr. TEAGUE of Texas. May I ask the gentleman one more question. Did any veterans' group have a chance to testify on this bill on the specific language that is in the bill? Or were there general hearings and then the subcommittee wrote the bill, and after the bill was written and the specific language was in the bill, nobody had the chance to testify for or against it. Is that a true statement?

Mr. ASHLEY. Well, I would have to recall that. I think in all likelihood the gentleman is correct. But since the veterans' groups have all testified against the bill, your suggestion appears to be that if they had the bill before them, they might be in favor of it. I rather sense that you are right.

Mr. TEAGUE of Texas. Having been informed that the committee conducted themselves in this way, and that the bill was written after the hearings were all over, and that nobody had a chance to come in and testify, we wrote each veteran group asking them and that is the reason we have received these replies.

It seems to me you should have given the veterans' groups a chance to testify as to the specific language.

Mr. ASHLEY. There is no question but what we pinpointed the question when the veterans' groups came in, and come in they did, with respect to the particular provisions contained in the bill.

Mr. TEAGUE of Texas. I have talked to some of the representatives of the veterans' organizations and I do not think they would agree with you on that statement.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. ASHLEY. I yield.

Mr. MULTER. I am sure the gentleman will agree there is no doubt that before this bill was acted upon in executive session in the full committee, if any veterans' group or anyone else had asked the chairman to be heard in the full committee, they would have been given an opportunity. The fact is that no request came in to be heard after the subcommittee closed the hearings.

The CHAIRMAN. The gentleman from Kentucky [Mr. SPENCE] has 10 minutes remaining.

The gentleman from Iowa [Mr. TALLE] has 38 minutes remaining.

Mr. TALLE. Mr. Chairman, I have no further requests for time.

Mr. SANTANGELO. Mr. Chairman, I am in favor of this bill, and I ask unanimous consent to extend my remarks at this point in the proceedings.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SANTANGELO. Mr. Chairman, I am in favor of H. R. 6659, which extends and amends the laws to provide for the improvement of housing and to improve the availability of mortgage credit. I favor this bill because of the salutary features of controlling discounts and because of the provisions to make available the national service insurance funds for mortgages to veterans.

During the past 3 years, I have had a great deal of experience with mortgage loans for veterans and nonveterans in connection with private housing. For the past 3 years I have seen a gradual withering of money credit to veterans and a studied attempt by the money trusts to raise the rate of interest to nonveterans and veterans. I have seen mortgage brokers squeezed by the money trusts to pay greater service charges in order to obtain mortgage commitments for builders. I have seen veterans rejected on specious reasons, on the pretext that their credit was inadequate. I have seen builders compelled to pay additional percentages in order to obtain mortgage commitments. At the end of 3 years we find that building starts are grinding to a slow halt.

Through all this, I have discerned a plot, a plan, and a conspiracy by the financial institutions to bring Congress to its knees, to permit the money institutions to charge veterans an interest in excess of the permissible 4½ percent interest. This bill is an answer to the challenge by the money trusts to raise interest rates and accelerate the inflationary spiral.

The provision in the bill making available the national service insurance funds for mortgage loans is an answer to this challenge by the money lenders. This provision will widen the bottleneck of tight money and credit, and will permit an easy flow of money to veterans and nonveterans. The use of national service funds will act as a competitive fund which will compel the banking institutions to lend money. It is a proclamation by our Government that if capital refuses to provide the funds for a veteran to obtain a mortgage upon a home, that the Government will give the veterans assistance. It will let loose a flow of credit and a flow of money and thereby reduce the inflationary spiral.

Today when the purchasing power of the dollar has decreased, we should do all in our power to give the dollar greater worth. This bill will stop the drive of increasing interest rates and will permit an easy flow of money at 5 percent interest. I trust that this House will approve H. R. 6659.

Mr. SPENCE. Mr. Chairman, I yield the remainder of the time to the gentleman from Alabama [Mr. RAINS].

Mr. RAINS. Mr. Chairman, I hope I do not wear out my welcome here. The subcommittee of which I have the honor to be chairman has spent long and arduous weeks and months working on this bill. Even though the bill is good, because of the peculiar turns that legislation sometimes takes, it is in danger. I can still tell you that this is a good bill for veterans, for the homebuyer, for the homebuilder, for the mortgage people, for everybody interested in the housing industry.

In a little while you will have the Talle substitute running right abreast with the committee bill. I want you to keep in mind that I said I faced the realistic problem of knowing we could not pass in the committee bill, as much as I personally favored it, the NSLI, and that I would not oppose an amendment to strike it. When I say that, I say to every Member here who wants to keep this bill in the middle of the road, that this is the best bill.

Let me tell you this: We faced a strange problem in the housing subcommittee. I was a little too generous, frankly. When Mr. COLE, my esteemed personal friend, came before our committee first, he did not have authority to speak as to what the administration's bill would be, except he could speak on the FHA section.

The downpayments he talked of were much higher in the administration bill than they are in our bill, and since that the Talle substitute suddenly emerges from I do not know where. Not only is that true, but he supported, because he said he must, the cut in the President's budget request from $250 million to $175 million on slum clearance.

We put back in the committee bill $250 million for 1 year. The President had $250 million for 2 years.

I make these points to you in order to try to clarify, if I can, how we suddenly find ourselves in a situation where we find from our esteemed friends—and they are esteemed friends—a bill that goes far beyond not only the President's request, not only the statement of the Administrator of Housing, but also that of the committee.

Many of my esteemed friends who now say they are for the Talle bill opposed it in the committee, they said—not many, only three—because it was too liberal on downpayments.

So you can understand why I am in a kind of confused state of mind as I stand here in the closing moments of this debate.

Now, listen to the difference between the committee bill and the Talle bill. The present law on downpayments under FHA is 95 percent on the first $9,000 and 75 percent of the excess value.

The Talle bill would pay 96 percent of the first $10,000 and 90 percent of the next $6,000, and 70 percent of the excess, and no veterans' preference.

The committee bill would pay 96 percent on the first $10,000 of value and 80 percent of the next $6,000, and 70 percent of the remainder with the veterans having a preference under FHA only to 90 percent; in other words, you can take the figure for the nonveteran under the Talle bill and divide that by two and that is the downpayment that the veteran would make under the committee bill.

The committee bill, if you struck out the NSLI—and you heard the announcement—provides a $1 billion increase in

the borrowing power of FNMA on the secondary market. The Talle bill provides $1,500,000,000. What kind of business is this?

The committee bill prohibits FNMA from requiring users of advance commitment authority on the secondary market to purchase FNMA stock. The Talle bill does not contain any such prohibition.

I am unable to understand the attitude of the homebuilders.

The committee bill requires—listen to this, all of you who are interested in special assistance funds to cooperative housing. The committee bill requires the Federal National Mortgage Association to purchase all special assistance funds at par. They are supported at par in the committee bill. The Talle bill has no such provision.

The committee bill prohibits the special assistance fund from charging more than 1 percent in purchasing commitments on mortgages. The Talle bill has no such provision.

One of the reasons there has been no mortgage money easily available has been because it has channeled into other investments which pay higher dividends. The result has been that the Federal National Mortgage Association has been compelled to pay and support the mortgage market—and I would like my esteemed friend from Texas to hear this. He complains about there being no money. The reason there is no money for mortgage loans is because it has gone into channels where the returns are higher and Fannie May did not have the purchasing authority needed.

Under the Talle bill the Federal National Mortgage Association which must furnish the major portion of buying the portfolio of mortgages.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. The gentleman from Texas has not said nearly as much about the lack of money as has the gentleman from Alabama. Throughout your report, you make the same statement. You start off by saying on page 3 of your report:

> The primary purpose of title I of the bill is to maintain effective demand in the housing market. This need is particularly compelling in view of the apparent reluctance on the part of Congress to raise the interest rate on veterans' loans guaranteed by the Veterans' Administration. In the face of the very sharp increase in the interest rate structure which has occurred over the past year or more, the GI loan at 4½ percent is not an acceptable investment to lenders in view of the much higher yields obtainable from other investments. The investment appeal of the GI loan was substantially reduced when the administration acted in December 1956 to increase the FHA interest rate to 5 percent.

Will the gentleman tell the Committee how much increase there has been in FHA since the rate was increased, and whether or not it has declined the same in connection with VA as in FHA as far as starts in houses are concerned in the first 4 months of this year?

Mr. RAINS. The exact figures are not available to the gentleman or to me.

Mr. TEAGUE of Texas. That is true.

Mr. RAINS. Neither are the figures the gentleman has been quoting on VA been accepted even by the VA as anything other than an educated guess. I cannot answer exactly except to say that the builders tell us there is more activity in FHA, how much I do not know, but that there is not enough money in either at any figure. On that we agree.

Mr. TEAGUE of Texas. The gentleman's statement is exactly true. Housing starts are down in VA and FHA. May I ask one more question. Is it not true in the FHA program you have about a $500 million trust fund that could be used to help with housing if you so chose to pass legislation on that? I wonder why the Committee on Banking and Currency did not consider going into that fund. You have about $526 million in an insurance trust fund in FHA.

Mr. RAINS. You would not expect an insurance company, and FHA is an insurance company, to use up all of its resources any more than you would expect the FDIC to use up all of its resources. It is an altogether different situation from the Federal National Mortgage Association which does not have any money at all except what we gave it.

Let me get on with the differences between the two bills. The Spence bill would authorize and direct FHA and VA to fix reasonable limits on charges, fees, and discounts, which may be imposed by the lender upon the builder, seller, or purchaser in connection with FHA-insured mortgages or VA-guaranteed loans. Such limits would vary in accordance with the terms of the mortgage involved in geographical areas.

I listened with great interest to the discussion by the gentleman from Iowa [Mr. TALLE]. He is a learned and distinguished student of finances and of the particular problem before us. I agree. I am not saying you can eliminate discounts completely. But I also tell you that somebody ought to have the authority to fix reasonable limits under reasonable conditions. If we do not, the veterans are not going to be very pleased with these discounts they will pay all over the country, neither will the FHA people.

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Chairman, I have just read in the public press of another high honor which has been conferred upon our distinguished colleague from North Carolina, Hon. CARL T. DURHAM.

The North Carolina Pharmaceutical Association at its annual convention held this week in Charlotte, N. C., has elected our distinguished friend to its hall of fame. Congressman DURHAM is one of the very few pharmacists from North Carolina to be so honored during the entire history of the organization.

The citation given to the gentleman from North Carolina [Mr. DURHAM] stated that it was for "distinguished services to the advancement of pharmacy in North Carolina."

I am sure that the knowledge of this further recognition of the value and worth of CARL DURHAM to his State and to the Nation will be happily received by all of his colleagues in the House. His distinguished career in the pharmaceutical profession in North Carolina is unequaled.

It is a happy privilege for me to be able to join with you in extending congratulations to this distinguished North Carolinian on his having attained membership in the Hall of Fame of the North Carolina Pharmaceutical Association.

The CHAIRMAN. If there are no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Housing Act of 1957."

Mr. TALLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TALLE: Strike out all after the enacting clause and insert the following: "That this act may be cited as the 'Housing Act of 1957.'

"TITLE I—FHA INSURANCE PROGRAMS

"Lower downpayments for sales housing

"SEC. 101. (a) Section 203 (b) (2) of the National Housing Act is amended to read as follows:

"'(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; and not to exceed an amount equal to the sum of (i) 96 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, (ii) 90 percent of such value in excess of $10,000 but not in excess of $16,000, and (iii) 70 percent of such value in excess of $16,000.'

"(b) Section 203 (b) of such act it further amended by adding the following paragraphs at the end thereof:

"'(8) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (2) of this subsection.

"'(9) Be executed by a mortgagor who shall have paid on account of the property at least 4 percent, or such larger amount as the Commissioner may determine, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is endorsed for insurance or with respect to a mortgage meeting the requirements of subsection (1) of this section, the mortgagor's payment required by this subsection may be paid by a

corporation or person other than the mortgagor under such terms and conditions as the Commissioner may prescribe.'

"(c) Section 203 (i) of such act is amended to read as follows:

"'(i) The Commissioner is authorized to insure under section 203 any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection, which involves a principal obligation not in excess of $6,750 and not in excess of 96 per centum of the appraised value of a property located in an area where the Commissioner finds it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in buildup urban areas, upon which there is located a dwelling designed principally for a single-family residence, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That the Commissioner finds that the property with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas or small communities.)'"

SEC. 102. (a) Section 220 (d) (3) of the National Housing Act is amended by striking out all thereof appearing before clause (B) and inserting in lieu thereof the following:

"'(3) The mortgage shall—

"'(A) (i) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally for a one- or two-family residence; or $27,500 in the case of a three-family residence; or $35,000 in the case of a four-family residence; or in the case of a dwelling designed principally for residential use for more than four families (but not exceeding such additional number of family units as the Commissioner may prescribe) $35,000 plus not to exceed $7,000 for each additional family unit in excess of four located on such property; and not to exceed an amount equal to the sum of (1) 96 per centum (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 per centum) of $10,000 of the Commissioner's estimate of replacement cost of the property, as of the date the mortgage is accepted for insurance, (2) 90 per centum of such replacement cost in excess of $10,000 but not in excess of $16,000, and (3) 70 per centum of such replacement cost in excess of $16,000: *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost;

"'(ii) in the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of subsection (i); or.'

"(b) Section 220 (d) (3) of such act is further amended by striking out the phrase 'not to exceed' at the first four places it appears in clause (B) and inserting in lieu thereof at each such place the phrase 'not exceed.'

"SEC. 103. Section 222 (b) of the National Housing Act is amended to read as follows:

"'(b) To be eligible for insurance under this section a mortgage shall—

"'1. Meet the requirements of section 203 (b) of this title except as such requirements are modified by this section;

"'2. Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $17,300;

"'3. Have a principal obligation not in excess of 96 percent of the appraised value of the property; and

"'4. Be executed by a mortgagor who at the time of application for insurance is certified as a "serviceman" and who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or in the case of the United States Coast Guard, otl.er assignment.'

"OTHER PROVISIONS RELATING TO FHA INSURANCE PROGRAMS

"SEC. 104. Section 2 of the National Housing Act is amended, effective with respect to payments made on and after January 1, 1958, by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"'(g) Any payment for loss made to an approved financial institution under this section shall be final and incontestable after 2 years from the date the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation on the part of such institution.'

"SEC. 105. Section 204 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"'(k) Notwithstanding any other provisions of this section or of section 604 or 904, with respect to any debentures issued pursuant to this section or section 604 or 904, the Commissioner may (1) include in such debentures reasonable payments made by the mortgagee, with the approval of the Commissioner, for the purpose of protecting, operating, or preserving the property, and taxes imposed upon any deed or other instrument by which the property was acquired by the mortgagee and transferred or conveyed to the Commissioner, and (2) terminate the mortgagee's obligation to pay mortgage insurance premiums upon receipt of an application for debentures filed by the mortgagee.'

"SEC. 106. (a) The second sentence of section 204 (d) of the National Housing Act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(b) The second sentence of section 207 (i) of such act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was insured, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(c) The second sentence of section 803 (f) of such act is amended by striking out 'determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"SEC. 107. The unnumbered paragraph immediately following paragraph (3) of section 207 (c) of the National Housing Act is amended (1) by striking out '$8,100 per family unit' and inserting in lieu thereof '$8,100 per family unit (or $8,400 per family unit in the case of projects to consist of elevator-type structures)', and (2) by inserting before the period at the end thereof a comma and the following: 'and may permit single elderly persons to use and occupy such units.'

"SEC. 108. Section 207 (q) of the National Housing Act is repealed.

"SEC. 109. Section 213 (e), 220 (f) (1), 221 (g) (1), and 222 (e) of the National Housing Act are each amended by striking out 'and (h) of section 204' and inserting in lieu thereof '(h), and (j) of section 204.'

SEC. 110. Section 219 of the National Housing Act is amended by striking out "or the Section 220 Housing Insurance Fund" and inserting in lieu thereof "the Section 220 Housing Insurance Fund, the Section 221 Housing Insurance Fund, or the Servicemen's Mortgage Insurance Fund."

"TITLE II—SECONDARY MORTGAGE MARKET

"SEC. 201. (a) The first sentence of section 303 (b) of the National Housing Act is amended to read as follows: 'The Association shall accumulate funds for its capital surplus account from private sources by requiring each mortgage seller to make payments of nonrefundable capital contributions, equal to not more than 2 per centum nor less than 1 per centum of the unpaid principal amount of mortgages purchased or to be purchased by the Association from such seller under section 304, as determined from time to time by the Association, taking into consideration conditions in the mortgage market and the general economy.'

"(b) The second sentence of section 303 (d) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"(c) The second sentence of section 303 (e) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"SEC. 202. Section 304 (c) of the National Housing Act is amended by striking out $1,350,000,000' and inserting in lieu thereof '$3,100,000,000.'

"SEC. 203. (a) Section 305 (c) of such act is amended to read as follows:

"'(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $450,000,000 outstanding at any one time.'

"(b) Section 305 (f) of such act is amended by striking out '$200,000,000' and inserting in lieu thereof '$500,000,000.'

"SEC. 204. Section 309 (c) of the National Housing Act is amended by adding at the end thereof the following new sentence: 'In computing such equivalent amount, there shall be deducted from the gross income of the Association, with respect to such secondary market operations, all expenses and other deductions which would be authorized by the Federal income tax laws to be deducted if the Association were not exempt from such taxes with respect to such secondary market operations and all amounts paid to the Secretary of the Treasury as a return on his investment in the securities of the Association.'

"TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

"SEC. 301. Section 103 (b) of the Housing Act of 1949 is amended by striking out '$500,000,000 which limit shall be increased by further amounts of $200,000,000 on July 1 in each of the years 1955 and 1956, respectively' and inserting in lieu thereof '$900,000,000, which limit shall be increased by $250,000,000 on July 1, 1957.'

"SEC. 302. Section 106 (f) (2) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: 'Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed $100 in any case) in lieu of their respective reasonable and necessary moving expenses.'

"SEC. 303. Section 110 (d) of the Housing Act of 1949 is amended by inserting in the second proviso after 'under this section 110 (d)' the following: 'with respect to any project covered by a Federal aid contract under this title.'

"TITLE IV—MILITARY HOUSING

"SEC. 401. Section 803 (a) of the National Housing Act is amended by striking out

'June 30, 1958' and inserting in lieu thereof 'June 30, 1959.'

"SEC. 402. Section 803 (b) (3) (B) of the National Housing Act is amended by inserting before the semicolon at the end thereof a colon and the following: '*Provided further*, That should the financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, the principal obligation of any single mortgage may exceed an average of $16,500 per family unit if the sum of the principal obligations of all mortgages for such housing does not exceed an average of $16,500 per family unit.'

"SEC. 403. Section 410 of the Housing Amendments of 1955 is amended to read as follows:

"'SEC. 410. In the construction of housing under the authority of this title and title VIII of the National Housing Act, as amended, the maximum limitations on net floor area for each unit shall be the same as the net floor area limitations prescribed by law (at the time plans and specifications for such construction are begun) for public quarters built with appropriated funds under military construction authority.'

"SEC. 404. Section 404 (a) of the Housing Amendments of 1955 is amended by striking out 'an appropriate allowance for physical depreciation' and inserting in lieu thereof 'an appropriate allowance representing the estimated cost of repairs and replacements immediately necessary to restore the property to sound physical condition.'

"TITLE V—MISCELLANEOUS

"College housing

"SEC. 501. (a) Section 401 (c) of the Housing Act of 1950 is amended to read as follows:

"'(c) A loan to an educational institution may be in an amount not exceeding the total development cost of the facility, as determined by the Administrator, and shall be secured in such manner and repaid within such period, not exceeding 50 years, as may be determined by him; and with respect to applications filed after March 15, 1957, the loans entered into during any calendar quarter shall bear interest at a rate equal to the total of one-fourth of 1 percent per annum plus the rate chargeable by the Secretary of the Treasury (with respect to notes and obligations issued during such quarter) under the second sentence of subsection (e) of this section.'"

"(b) Section 401 (d) of such act is amended by striking out '$750,000,000' and inserting in lieu thereof '$900,000,000.'

"(c) The second sentence of section 401 (e) of such act is amended to read as follows: 'Such notes or other obligations issued during any calendar quarter to obtain funds in excess of the aggregate amount required with respect to applications filed on or before March 15, 1957, shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not more than the average yield to maturity, as estimated by the Secretary of the Treasury on the basis of daily closing market bid quotations or prices during the second month preceding such quarter, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such second month, adjusted to the nearest one-eighth of 1 percent.'

"Voluntary home mortgage credit program

"SEC. 502. Section 610 (a) of the Housing Act of 1954 is amended by striking out 'June 30, 1957' and inserting in lieu thereof 'July 31, 1959.'

"Mortgage credit study

"SEC. 503. The Housing and Home Finance Administrator, in order to obtain information and data which will enable him to assist more effectively in the provision and improvement of residential housing, is authorized and directed to conduct a study to determine (1) the extent to which the residential building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing, and (2) the methods and policies by which such industry, without aggravating the overall problem of controlling inflation, may attract a greater share of available mortgage credit, manpower, and materials. The Administrator shall, on or before April 30, 1958, submit to the President and the Congress a full report on such study including his findings and such recommendations as he may deem appropriate.

"Farm housing research

"SEC. 504. (a) The Housing and Home Finance Administrator is authorized and directed to undertake and carry out a program, in the manner provided in subsection (b), for the study of farm housing in the United States. Such program shall be designed to assist in the improvement of farm housing conditions in the United States by developing data and information on—

"(1) the adequacy of existing farm housing;

"(2) the nature and extent of current and prospective needs for farm housing, including the needs for financing and improved design, utility, and comfort, and the methods by which such needs might best be satisfied;

"(3) the problems faced by farmers in purchasing, constructing, improving, altering, repairing, and replacing farm dwellings;

"(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"(5) any other matters bearing upon the provision of adequate housing for the farm population of the United States.

"(b) The research, study, and analysis required to carry out the program described in subsection (a) shall be conducted by land-grant colleges established pursuant to the act of July 2, 1862 (7 U. S. C., secs. 301–308), and such research, study, and analysis shall be financed with grants made to such colleges by the Housing and Home Finance Administrator on such terms, conditions, and standards as may be specified in regulations prescribed by him.

"(c) The authority of the Housing and Home Finance Administrator to make grants under subsection (b) shall expire June 30, 1959; and the total amount of such grants shall not exceed $300,000 during either of the fiscal years ending June 30, 1958, and June 30, 1959.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out this section."

Mr. TALLE (interrupting reading of the amendment). Mr. Chairman, inasmuch as my amendment is well known as H. R. 7024 and further that I made a thorough explanation of it in general debate, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. EDMONSON. Mr. Chairman, I object.

Mr. TALLE (interrupting the reading of the amendment). Mr. Chairman, I renew my unanimous-consent request that further reading of the amendment be dispensed with and that it be printed in full in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

Mr. EDMONDSON. Mr. Chairman, I respectfully object.

The Clerk concluded the reading of the amendment.

Mr. TALLE. Mr. Chairman, I do not think it is worth while at this time to make an extended statement on my amendment. However, I do want to point out some pertinent facts.

As I stated in general debate, the purpose of introducing this bill, which is now offered as an amendment, was to put in orderly array what otherwise might have been a series of amendments. This complete amendment has been thought out very carefully. It leaves out all of the elements of jurisdictional dispute which are involved in the committee bill with reference to the Veterans' Administration. It leaves out the dangerous and ill-conceived idea that the national service life insurance fund should be drawn upon for home mortgages. After all, it is a wasting fund—no new policies have been written under it since 1951. Therefore, inasmuch as there are more than 5 million policyholders and a billion dollars would not yield more than 100,000 houses at $10,000 apiece, how about all the other veterans who would never have any opportunity to make use of it? Naturally, once started it would not be stopped and finally all of the money would be found to be in home mortgages. At the end of the year, instead of having a billion dollars of cash in the Treasury, the Secretary would find that he had a billion dollars of home mortgages. Let us ponder this: That the Government trust funds in toto amount to something over $48 billion. Once started this dangerous proposal will reach every one of the trust funds. We know from experience that that is true. It is a very badly conceived idea. Therefore, I left it out of my substitute.

I also left out all proposals for discount controls because they are impracticable. I left out the price-control aspect in the committee bill. So what I attempted to do was to model my bill upon the committee bill but with objectionable features omitted. That was done. Many of the sections are identical in the two bills. But I left out all of the items that were unsatisfactory to the Committee on Veterans' Affairs and which were unsatisfactory to many other people for other reasons. I commend to you my substitute. It is a carefully drawn amendment and has wholehearted support from four veterans' organizations—the American Legion, the VFW, the DAV and the AMVETS. I have support from mortgage bankers, homebuilders, and real estate boards. I have support from many other organizations—including savings and loan associations—and individuals whose opinion I value. I submit, Mr. Chairman, that my amendment deserves to be approved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAINS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my distinguished colleague, the gentleman from Iowa, not being content with killing cock robin, the NSLI, keeps wanting to shoot him after he is dead. His whole speech was made about something that the committee, facing realism, are willing to take out.

Now to get down to the question of orderly procedure. I say this to my friends on the Democratic side of the aisle. It seems to me that when you examine the bill now, we come down to the basic principle of whether or not we shall kick a committee in the teeth with a substitute, instead of the ordinary amendments which are offered under the 5-minute rule, by casting aside a bill that has had months of study, much of which was given by my colleagues on my left, in favor of a substitute concocted to catch all kinds of special-interest groups.

So I am not married to every individual item in this bill. It is like any other piece of legislation, but I think, in all fairness and for orderly presentation of legislation the committee bill ought to be laid open under the 5-minute rule, subject to the usual amendments in the usual way.

It has always seemed strange to me that the parliamentary procedures were such that by a substitute you can take away from the proponent of a bill the initial presentation under the 5 minute rule. You cannot do it in a lawsuit. The State always presents its case first and closes the argument. But that is the rule here. I am not complaining. But it is anticipated that the committee in control, the party in control of the Congress, should at least have an opportunity to present its bill for the consideration of the House instead of a substitute which is a catchall of special interests. So that in fairness to the committee, in fairness to orderly procedure, the members of the Veterans' Affairs Committee ought to lay it on the line and vote against any amendment to the committee bill that they desire, but they ought to do it under the guidance of the committee which is chosen to present this legislation. I would have no objection at all if the gentleman had twenty amendments to offer, but I do object to taking away from the committee its prerogative under the rules of the House, to have its legislation considered. So that is what we are doing. I think what we should do here is to vote down the Talle substitute. Amend the bill, if you desire. The members of the committee who served with me know that I do not try to ram through legislation. I give everyone a chance to be heard.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. RAINS. I yield.

Mr. HIESTAND. The gentleman has presented a very effective case. He has shown broadmindedness in being willing to accept amendments. May I ask the gentleman whether he would agree to the elimination of the discount control clause?

Mr. RAINS. That is a good question and a very debatable one; one that has had a lot of attention by the committee and one in which I share, in some part, the gentleman's viewpoint. But I go back in my experience on this committee when we had what we called a warranty, to make the builder give the veteran a warranty on his house. The Administrator said he could not live with it. The home builders said it would not work. The mortgage bankers said we could not do it. But we put it into the law in conference between the House and Senate, and they are all proud of it today. I say you cannot completely eliminate discounts. I recognize that fact, but I do believe if you give to a good responsible authority, such as the head of the Housing and Home Finance Agency, the right to write legislation which will help control it, you can curb the excess in discounts.

Mr. HIESTAND. You insist on leaving it in there?

Mr. RAINS. I think it ought to be in, with discretionary authority for the Administrator to promulgate regulations to control unreasonable discount.

Mr. BALDWIN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. BALDWIN to the amendment offered by Mr. TALLE: On page 13, line 5, at the end of title IV, insert the following:

"SEC. 405. Section 404 of the Housing Amendments of 1955 is amended by adding at the end thereof the following:

"'(1) (1) Where housing has been acquired from any person under this section, and the title to such housing has been held by the United States continually since such acquisition, then on each date, occurring after both the date of enactment of this subsection and the date of such acquisition, on which real or personal property taxes levied by any State or local taxing authority with respect to any period become due, the Government department which has custody and control of such housing shall pay to the appropriate State and local taxing authorities an amount equal to the amount of real and personal property taxes which would have been payable by such person with respect to such housing to each such State and local taxing authority on such date if such housing had not been so acquired. Where such housing was constructed on land owned by the United States and leased to such person, no payments shall be made under this section with respect to any period after the date on which the term of such lease was scheduled to end, determined as of the date such housing was acquired.

"'(2) As used in this subsection—

"'(A) The term "State" means each of the several States and the Territories of Alaska and Hawaii;

"'(B) The term "local taxing authority" means any county or municipality, and any subdivision of any State, county, or municipality, which is authorized by law to levy and collect taxes upon real or personal property;

"'(C) The term "real or personal property taxes" includes any special assessment; and

"'(D) The term "Government department" means any department, agency, or instrumentality of the United States.

"'(3) The failure of any Government department to make, or to make timely payment of, any payment authorized by this subsection shall not subject—

"'(A) any Government department, or any person who is a subsequent purchaser of any housing from any Government department, to the payment of any penalty or penalty interest; or

"'(B) any housing or other property or property right to any lien, attachment, foreclosure, garnishment, or other legal proceeding.

"'(4) No payment shall be made under this subsection with respect to any housing which is taxable by any State or local taxing authority under any provision of law, or with respect to which any payment in lieu of taxes is payable under any other provision of law.'"

Mr. BALDWIN. Mr. Chairman, under the housing amendment of 1955, as amended by the Housing Act of last year we set up a situation where we made it compulsory for the Federal Government to acquire part ownership of any Wherry housing at any base where the Federal Government through the Defense Department determined that additional Capehart housing units should be built.

I believe everyone knows that Wherry housing units are now subject to taxation by the local taxing authorities, communities, local school districts, and other taxing districts by a decision of the Supreme Court made a few years ago.

Under the Housing Act of 1956 we are forcing the Defense Department to go out and buy these Wherry housing units wherever they are going to build additional Capehart units. That means that although the Wherry housing units will continue to be just where they are and be occupied by the same people, except they will pay rent in lieu of quarters to the Federal Government instead of to the Wherry housing owner—we are compelled to take the housing off the local tax rolls.

It seems to me that is unfair and that we should continue to recognize that the local taxing body should be able to receive an in-lieu tax payment even though we take outright title. This is not a new theory as far as Congress is concerned.

In the 84th Congress we passed a bill which became Public Law 383. It contained a provision that where property which had previously paid taxes was transferred to any other governmental department, the Government should continue to pay in-lieu taxes to the local taxing authority in the area where this property existed.

We also recognized this principle of in-lieu tax payments when we authorized some years ago in-lieu tax payments for Lanham Act housing. So it is not a new principle. It is a principle that recognizes the fact that we do have some obligations to the local taxing districts, whether we like it or not. When we have 900 or more housing units in an area, and I cite as an example Travers Air Base in California, where there are over 900 housing units and where the Defense Department proposes to build an additional 500 Capehart units, those 900 housing units do provide and put additional obligations on the local bodies, the local county, the local school districts, and others. This would simply recognize, since those Wherry housing units have been paying taxes to the county, to the school district, and to the other local districts, the fact that by the Housing Act we forced the Government to take outright title to those Wherry housing units should not cause those local taxing districts to lose the amount of revenue they are now receiving. This bill will be limited to those cases where Wherry housing is acquired in full title by the Federal Government, and that means in those cases where Wherry housing is at a base upon which the Defense Department now proposes to build additional Capehart units. The purpose

of my amendment is to protect these local taxing districts from this loss which they would otherwise suffer by change of title.

Mr. MULTER. Mr. Chairman, will the gentleman yield.

Mr. BALDWIN. I yield to the gentleman from New York.

Mr. MULTER. The purpose of the gentleman's amendment is to make sure that the local municipalities that are supplying school services and other facilities will continue to be paid for those services regardless of who owns the property?

Mr. BALDWIN. That is right.

Mr. MULTER. I think the gentleman's amendment is a good one.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Michigan.

Mr. FORD. First, let me say at the present time in federally impacted areas where you have Army, Navy, and Air Force installations under applicable laws, the school district gets certain funds to aid and assist in the carrying on of the educational programs. Under existing law they have gotten tax money from the homes that were built. Under this legislation if you make the Federal Government pay twice, which I think your proposal is aiming at, is that fair to the Federal Government?

Mr. BALDWIN. Let me answer the gentleman that we have been paid in lieu taxes for years on Lanham Act and Wherry housing. The principle is exactly the same. Let me say also that the provision of the federally impacted school district bill does not apply in any way to the county or to the other local taxing districts and, may I say further, in these Wherry housing units today taxes are being paid by the operators of these local districts. This amendment would simply provide that this change of title, which is being forced by the Congress by its action of last year, will not cause the local taxing units to suffer any loss.

Mr. FORD. It will result in this happening: First they will get taxes under the gentleman's proposal; secondly, we will continue to pay the money for the federally impacted school districts.

The CHAIRMAN. The time of the gentleman from California has expired.

(By unanimous consent (at the request of Mr. FORD) Mr. BALDWIN was allowed to proceed for 3 additional minutes.)

Mr. FORD. In the one case under existing law the people who own the facilities are paying the taxes. The Federal Government is not.

Mr. DEVEREUX. That is correct.

Mr. FORD. Under the amendment offered by the gentleman from California, the Federal Government would pay the taxes and, in addition, would make a contribution to the school district where there is a federally impacted area, therefore paying twice?

Mr. DEVEREUX. That is quite true, but not necessarily for the same services.

Mr. FORD. For a substantial part, at least, the part pertinent to the running or operation of the school.

Mr. DEVEREUX. Not at all, because you could have a Wherry housing project where you have no children whatsoever in that project.

Mr. FORD. That is unlikely.

Mr. DEVEREUX. In such cases, then, there would be no Federal money going into the district.

Mr. FORD. Is there not the likelihood that there is a possibility, in fact it is almost certain, that there would be schoolchildren residing in these housing units?

Mr. DEVEREUX. In the course of human events, I think there would be.

Mr. FORD. The records show that our Army, Navy, and Air Force are not delinquent in that regard.

Mr. DEVEREUX. With that I agree; however, there is a principle involved here and I would like to go along with the gentleman from California in this very sound amendment. It in no way changes the obligation of the Federal Government if we put up Capehart housing.

Mr. BALDWIN. It would protect the local taxing districts from any losses that might occur by this change.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. BALDWIN. I yield to the gentleman from Illinois.

Mr. PRICE. There may be something to what the gentleman is recommending, but I think it would require more time than we have to give this matter today before making a decision. Wherry housing projects, while privately operated, are private operations although they are on Government-owned property. When the Federal Government takes these projects back, it will be an entirely federally operated program. It becomes an integral part of the airbase or the Army post or the naval installation. Then, by your action here, if you adopt this amendment, you would be establishing a principle that property on which these Federal bases are operated would be subject to local taxation. I do not think you could just assess a tax for a portion of an installation. I think this is a matter that should be considered separately and not in any hurried fashion here this afternoon.

Mr. BALDWIN. May I say to the gentleman that we have recognized the principle where Federal property has previously been subject to taxation in the case of the RFC; that if title is acquired by other departments of the Government, we should continue that taxation.

Mr. PRICE. I do not think that is an analogous problem at all.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. TALLE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment offered by my good friend from California could only add confusion to one of the most complicated subjects with which we are confronted in this Congress. His amendment would seek to continue local taxation on a leasehold interest in real estate long after the Government had acquired the property located on the leasehold and paid off the outstanding debt against the property. His amendment attempts to impose local taxation on Wherry Act projects after they have been acquired by the Federal Government. Practically all of these projects are located on land owned by the Military Establishment. On many military bases the housing accommodations consist of housing constructed with appropriated funds; housing built under the Lanham Act; housing built under the Wherry Act; and now housing constructed under the Capehart Act.

There are also, of course, barracks on all Army bases. Should the gentleman's amendment prevail, the Wherry housing would be the only units in that whole group of on base housing singled out for taxation by local jurisdictions. This whole problem of what, if any, tax responsibility the Federal Government has to local jurisdictions is, of course, a tremendous one. And please note this, Mr. Chairman. Two committees of the Congress are now studying this problem. It would be unwise to take a piecemeal approach which characterizes this amendment. The amendment should be defeated.

I have here, Mr. Chairman, a letter from the Administrator of the Housing and Home Finance Agency, Mr. Albert M. Cole, which I would like to read in part:

> Payments in lieu of taxes are not authorized or made under the Lanham War Housing Act with respect to housing built on a military reservation under the exclusive jurisdiction of the United States. Section 306 of the Lanham Act providing for payments in lieu of taxes with respect to property acquired and held under that act has been interpreted as not applying to property under the exclusive jurisdiction of the United States.

I wish I might accommodate my esteemed friend from California but, in the light of the facts as they are, I am obliged to oppose the amendment.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is my understanding, and I believe I am correct in this, that Wherry Housing at the present time before it is taken over by the installation, is being taxed locally under a decision of the United States Supreme Court. The only effect of this amendment, is to continue in effect the United States Supreme Court decision which said that this property was taxable—after the United States has taken it over.

There is just one thing we have done in the meantime at the Chanute Air Force Base in Illinois. The Federal Government is now taking over Wherry housing on that base which has been subject to tax, because there was a leasehold there in a private operation even though the Government owned the land on which the Wherry housing was located. It would seem to me to be quite unjust at this time, after a local community has received taxes for this property legally under a decision of the Supreme Court, to take that tax away just because you have transferred the leasehold interest to the Federal Government; and no longer are going to allow the local government to receive taxes on this property.

Mr. BALDWIN. Mr. Chairman, would the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from California.

Mr. BALDWIN. Mr. Chairman, may I say that the gentleman has stated the situation exactly correctly. This is not a new principle. It is a principle that we recognized last year in having RFC property pay taxes when they were transferred to other departments. It is a principle that we recognized for years in regular Lanham Act housing.

Mr. FORD. Mr. Chairman, would the gentleman yield?

Mr. SPRINGER. I yield to the gentleman for a question.

Mr. FORD. Would the gentleman be willing, if this amendment prevails, to have these local school districts give back the share of the money that they have been getting under the legislation for federally impacted school areas?

Mr. SPRINGER. Schools are not the only service that they receive, by any means, may I say to the gentleman from Michigan.

Mr. FORD. If the housing accommodations are built on a Federal base, on federally owned land, I am sure the Federal Government pays for sewer and water and other public services which a township or a community would normally provide. So the major part of the service rendered by the local government has been the school service.

Mr. SPRINGER. Mr. Chairman, I say this. I gave an example of Wherry housing, but only a very small portion of the local impact caused by Wherry housing. I would say it is less than one-sixth; maybe it is only one-tenth. What I am saying is that the impact that has been caused has not been much as the result of Wherry housing. That has been an insignificant part. There are other services the community provides.

My point is that here you have had a decision of the Supreme Court, which has made these taxes valid and legal. Now, merely by transferring the leasehold you have denied to the local government those taxes which it has received under a Supreme Court decision. That would be the effect of it, as I take it.

Mr. FORD. Mr. Chairman, would the gentleman yield further?

Mr. SPRINGER. I yield.

Mr. FORD. It seems to me that if this amendment passes, you are bound to have the Federal Government paying twice for the education of the children of military personnel once in the taxes collected under this amendment, and secondly, through this legislation whereby Uncle Sam pays to the areas which are impacted because of the military installations. It is bound to be that way. I do not think that is fair to the Federal Government.

Mr. SPRINGER. In this instance the services that you have here are not the only ones that are supplied. For instance, the Federal Government does not supply streets, sewage, and so forth. Actually the project supplies them at its own cost. That is not a service rendered by the Federal Government. But I come back again and say to the gentleman from Michigan this tax has been declared by the Supreme Court of the United States to be legal. In my estimation it ought to be continued. When it was transferred to the Federal Government the tax ought to be binding. It has been going on, and the Supreme Court declared it to be legal when it made this decision.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Illinois.

Mr. PRICE. The Supreme Court decision was made on this premise. Here are Wherry housing projects on Government-owned land, but the projects are privately operated. Now the projects are being sold back to the military services and they became an actual part of the military reservation. We are asked here this afternoon to adopt a new principle making military reservations subject to local taxation. I am familiar with the Supreme Court decision the gentleman from Illinois mentions, but it is not applicable in these particular cases. These become part of the Air Force base, the naval station, or the Army fort. When the decision was made they were projects operated on Government-owned land but they were operated by private parties.

Mr. SPRINGER. I want to make this final statement. There is no difference in the operation of the Wherry housing project on any base wherever it is in this country from what it was before the transfer was made. The operation is exactly the same as far as the impact on the local community is concerned, and it was the purpose of the decision to recognize that particular thing. As far as the local community is concerned, there has not been any shift of the burden of impact whatever in that instance to the Federal Government.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield.

Mr. ROBSION of Kentucky. As I understand it, after the transfer is made the real estate belongs to the United States Government and the improvements belong to the United States Government. On what theory could it be taxed locally?

Mr. SPRINGER. On the theory that the land always belonged to the United States Government. There was a leasehold interest. That was all that was outstanding. It was taxable as a leasehold. The change to a fee does not change the local impact at all.

Mr. ROBSION of Kentucky. That makes a tremendous difference. It is the difference between private ownership and Government ownership.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from North Carolina.

Mr. JONAS. Will the gentleman tell me what the difference is in the situation the gentleman has described and the situation that would exist when the Federal Government acquires or purchases land? Would not that come off the tax rolls, too?

Mr. SPRINGER. No, it would not. This is one that has been recognized by the Supreme Court as being different for that very reason. That is why we are talking about this.

Mr. WIDNALL. Mr. Chairman, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from New Jersey.

Mr. WIDNALL. Is it not true that the Supreme Court decision applies only to a few States, to those that make possible these leaseholds?

Mr. SPRINGER. Yes.

Mr. WIDNALL. So you are putting into effect a new rule as to the other States.

Mr. SPRINGER. I think it would be recognizing those States that had State law applicable to the Supreme Court decision. That is probably the effect of it, as I see it.

Mr. RIVERS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have the great honor to head the subcommittee of the Armed Services Committee under which this comes. We are quite familiar with the Rantoul case. That case held that the housing was subject to local taxation, and while the title was vested in the Government, the title to the housing was not in the Government.

If you adopt this amendment here today, you are going into something that has never happened in the history of this country. The Supreme Court did not hold that the Federal Government could be taxed. You could tax a barracks or anything else on which the Federal Government had property and in whom vested the title to the property.

The gentleman said the operation of the Wherry housing was the same when it was taken over by the Federal Government. That was not the case. When we take over the Wherry housing, and it is taken over by direction of our committee under a law passed by this Congress, the Federal Government, the military involved, operate this housing. Not so with the Federal Government. In the Rantoul case a private party with a contract with the Federal Government had property which was subject to local taxation. The Supreme Court held that, and I do not agree with the Supreme Court and it is seldom I ever do, but this case was perfectly sound—perfectly sound. I submit that this amendment offered by the gentleman from California is not the kind of amendment to be considered here. We cannot tax the Federal Government. These Wherry projects will be part and parcel of a military organization or a military installation and will not be subject to taxation. We are going into the subject matter to be dealt with by this amendment every day in our committee. That is the place to work this thing out, if it needs to be worked out. But, we are going to buy this property and make it part of the military installation. As the gentleman from Kentucky said a while ago, you just cannot do that. It has never been done. I ask you to consider this thing. You cannot tax the Federal Government. This is going to be for military quarters bought and paid for by the military and will be part of the military installation.

The CHAIRMAN. The question is on the amendment offered by the gentle-

man from California [Mr. BALDWIN] to the amendment offered by the gentleman from Iowa [Mr. TALLE].

The amendment to the amendment was rejected.

Mr. WATTS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WATTS: In section 501 (a), page 13, line 15, strike out the words and figures "March 15, 1957," and insert in lieu thereof the words "May 10, 1957"; and in section 501 (c), page 14, line 4, strike out the words and figures "March 15, 1957" and insert in lieu thereof the words "May 10, 1957."

Mr. WATTS. Mr. Chairman, this amendment addresses itself to section 501—the college-housing program. Under the present law, the Federal Government makes direct loans for college housing on which the recipients of the loan pays the prevailing interest rate plus one-fourth of 1 percent. The committee in its wisdom has recommended some changes in this formula. Under their proposal, any loans made in the future would be made at the prevailing interest rate on Government obligations of 15 years or longer plus one-fourth of 1 percent. I recognize the fact that interest rates have gone up. While I may not be in a position to agree with the suggested increase, I am not quarreling about it, nor does my amendment direct itself to this phase of the matter.

However, there is an important angle of the proposal which I think this body should consider, and that is the effective date of the change. The bill makes the change retroactive to March 15, 1957. I recognize the reason for this retroactive feature. They want to avoid a stampede of applications on account of the nearness of the law. However, there are many fine institutions in this country that now have on file applications for loans under this provision of the law, and at the prevailing rate.

Numerous of these applications, due to their being filed after March 15, 1957, would, because of the retroactive features proposed, be ineligible for processing under the rate formula provided in existing law and that prevailing under law at the time the applications were filed. Certainly, under the circumstances, the applying institutions cannot be charged with laches in filing their applications. They could not know that changes in the law would be made, nor could they dream that, if such changes would be made, they would be made retroactive to a date prior to their filing.

In order to file an application of that kind, it takes a great deal of preparation. Yon have to have architects and you have to go into the finances of the thing. You have to see whether it is financially feasible, and so on. These applications that are now on file which were filed after March 15, 1957, would, in all probability, have to be withdrawn and restudied by the architects and completely reconsidered with respect to the financial ability of the institution to go on under the new interest rate. In many instances applications would have to be changed and the size of the buildings reduced.

It is my contention that those institutions who in good faith filed, not knowing there was going to be a change in the law, should be protected. For that reason my amendment changes the cutoff date from March 15, 1957, to May 10, 1957, which is just 2 days from now. It will not cause a rush to get in, because applications cannot be prepared, readied and filed in 2 days. At the same time, it will relieve the situation that many fine institutions find themselves in; where they have made their financial arrangements, where they have adopted their plans and filed their applications and find, if this language is permitted to remain in the bill, the applications will have to be withdrawn and reconsidered and, if they are able to go ahead, new applications will have to be filed.

Mr. ROBSION of Kentucky. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. ROBSION of Kentucky. I think the gentleman is correct, and I would like to associate myself with his remarks.

Mr. WATTS. I thank my distinguished colleague from Kentucky. I know of his great interest in the matter and appreciate his able association. I feel that this is an amendment that this body should adopt. Certainly it will not hurt anybody and it will prevent many fine institutions being caught in a dilemma that they did not know about and could not know about.

Mr. SPENCE. Mr. Chairman, will the gentleman yield.

Mr. WATTS. I yield.

Mr. SPENCE. I think the amendment is a good one.

Mr. WATTS. I respectfully thank my honored colleague—the dean of Kentucky's delegation and chairman of the great Banking and Currency Committee of the House. With his endorsement, I am encouraged—I am privileged and honored to have his support and aid.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. SISK. I join with the gentleman from Kentucky. I had originally intended to offer this amendment, although my date was May 1, but the gentleman has used May 10. I commend him for it, and I shall support his amendment.

Mr. WATTS. I appreciate very much indeed my California colleague's assistance, as well as his commendation.

Mr. MULTER. Mr. Chairman, will the gentleman yield?

Mr. WATTS. I yield.

Mr. MULTER. The amendment is consistent with what we have done in all housing legislation down through the years. We have always tried to protect those who had applications on file, and that is all it does.

Mr. WATTS. That is all it does. It does not give anybody an opportunity to stampede at this time. I am pleased that my friend from New York, as member of this Banking and Currency Committee, has pointed to the traditional treatment accorded applications of this nature throughout the legislative history of the housing program. Certainly such observation is most pertinent and ought to be definitely persuasive. Equity demands consistency, and these applicants should be accorded treatment in conformity with the precedents that have been established by the House. I thank the gentleman for his observations.

The CHAIRMAN. The time of the gentleman from Kentucky [Mr. WATTS] has expired.

Mr. TALLE. Mr. Chairman, there are reasons why at first glance one would be disposed to vote for this amendment. I might state the reason why March 15 was selected as a date. That date appears in the committee bill. It appears in the substitute, and it appears in H. R. 6047 which I introduced on the March 14, 1957. In other words, on March 14 it became known that the policy as to the rate on college loans would be changed. It was necessary to make a change in order that there might not be hidden in the law a subsidy which we could not defend. Now, let us say that we alter that date, March 15. Certainly all borrowing institutions were on notice that the cutoff date was March 15. Suppose we choose some other date. The effect would be that there would not be a penny left in the fund. I suggest that that would be true certainly in the event that we made that date, the effective date of this bill. So, while I felt disposed to go along with this idea at the outset, I find on careful thought that it would be a mistake. I am confident that no matter what date we select there will be disappointment to some people, and that altogether the Congress and our people would be better served by sticking to the date that appears in all of these bills, namely, March 15, 1957.

I therefore must oppose the amendment.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. TALLE. I yield.

Mr. COAD. May I say to my friend from Iowa that I have a letter, of which I am sure he has a copy also, from David A. Dancer, secretary of the Iowa State Board of Regents, Des Moines, Iowa, in which he states:

For some time we have had an application for a Federal loan of about $3¼ million to finance additions to the Memorial Union at the State University of Iowa. All of our planning has been done on the basis of a 2⅞ percent loan. The application has been reviewed very carefully by Housing and Home Administration, and is about ready for closing. A substantial increase in interest rates could result in the abandonment of the construction of this much-needed building.

Would the March 15th date or the changing of this date to May 10, as this amendment calls for, influence this loan?

Mr. TALLE. I may say, Mr. Chairman, that I gather from the letter the gentleman from Iowa read, that the application was filed prior to the 15th of March, in which case, of course, the 2⅞ percent rate would prevail.

I may say also that I do not have a copy of the letter to which the gentleman referred.

Mr. SISK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I suggested a moment ago when the gentleman from Kentucky yielded to me, I had proposed to offer this amendment, because I felt it was a good amendment. The reason

given by the ranking minority member of the Banking and Currency Committee for opposing this I do not believe is wholly in line with at least the statements that I heard from my home State with reference to the time that it takes to prepare these applications.

As I understand, out there the State legislature had to take certain action, and the procedure was moving along for the setting up and the preparation of plans for this college housing and the financing. The action taken by the State was predicated upon the belief that they would receive this money at 2.78 percent, and that was prior to March 15 and prior to the consideration of these bills.

But the thing is that they did not get their final applications in until sometime in April and, therefore, are going to be precluded from enjoying the type of financing on which they had theretofore worked their plans out. That is in line with the plans that they had been working on over a period of time.

I just feel that changing this date to May 10 is simply an equitable and fair way to grant to these institutions and to the States where it has to do with States, a fair and orderly way of setting up their program.

I still insist as I said a little while ago that what we are doing here is to make this retroactive, and in doing so we have upset plans that have been in preparation for months in connection with this college housing.

I certainly feel that if the Congress wishes to deal fairly with these people that we should make this date May 10, as has been proposed in the amendment. I think the gentleman from New York mentioned the fact a little while ago about whether or not I would support some subsidy with reference to this housing. So far as I am personally concerned I think that it is in line with some things that we have done here from time to time when we have given some assistance in the way of subsidies to higher education. I know there are a number of proposals with reference to assisting in the education and the training of engineers, of scientists, and of specialists in all fields; and I personally feel it might be a good proposition if we did not increase the interest rate at all, or that we grant the difference between the 2.78 and whatever the interest rate may be fixed at as a subsidy to these institutions. I think that it would be in the interest of the country and of the people, and of the boys and girls who will be educated in these schools.

But in view of the fact that most of us felt that that was not a proposition that we could get through the House at the present time I do feel in justice to these institutions that the date of May 10 is the only fair date. As I say, my own State, and I am sure this is true in other States, they have been working on these plans for a long time on the basis of 2.78 interest, and the cutoff date should not be earlier than May 10.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Iowa.

Mr. COAD. In other words, if the date is changed to May 10 this particular loan that has already been filed will get in on the 2.78-percent rate?

Mr. SISK. That is correct as I understand it. I do not know the exact date of the filings that have occurred out there, but they were worked out before they knew what the provisions of this bill would be. It is to protect long-range planning going back many months before there was any kind of a bill proposed.

Mr. COAD. The very fact they have been filed will result in the previous date taking care of them?

Mr. SISK. Yes.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from California.

Mr. McDONOUGH. Mr. Chairman, I support the pending amendment. I have a letter here, and I do not know whether the gentleman quoted from it in his remarks or not, from the Governor of the State of California which indicates that the change in date authorizing the increase in rate affecting a long-range plan for additional student facilities in the State colleges of California will amount to $2 million in added cost, that the student body would increase from 47,000 students to 76,000 students in 1967.

Mr. SISK. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Kentucky [Mr. WATTS] to the amendment offered by the gentleman from Iowa [Mr. TALLE].

The amendment to the amendment was agreed to.

Mr. EDMONDSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the first place, may I say that I made objection to the request for dispensing with the reading of this amendment before all of the language of the amendment had been read because I thought it was a matter of extreme importance inasmuch as we had heard earlier in the debate that this matter had never been before the committee and passed upon by the committee. It seemed the least we could do in considering a matter of this importance was to hear the reading of the full language of the amendment.

There are two things about the so-called Talle amendment that recommend the amendment to me in the first place. One of them is the fact it does have the effect of eliminating the jurisdictional dispute which, certainly, is a desirable objective if it is at all possible to do it and still come out with a good bill.

The second is the fact that it has slightly more liberal downpayment requirements for all classes of borrowers than are provided in H. R. 6659 as it presently stands before being read for actual amendment. So in those two particulars I think the Talle substitute definitely has an appeal.

There are, however, other aspects of it which are directly inconsistent with some of the most important recommendations which this administration has made to the Congress and to the people at large in the country. We have all been hearing a great deal, for example, from administration spokesmen about the need for economy in Government, about the need for living within the present budget which we have. Right at the outset the Talle substitute flies in the teeth of that overall administration policy. It proposes that we add another $500 million of borrowing authority on top of the $1 billion borrowing authority provided in H. R. 6659. That is in face of the fact that only on March 27 of this year we added an additional one-half billion dollars new borrowing authority to the Federal National Mortgage Association.

So, on the ground, first of all, it is inconsistent with and contradictory to the economy program which has so many champions on both sides of the aisle in this House, and rightly so, I say the Talle substitute is subject to serious objection.

The second major objection and the second great inconsistency, I believe, is this: Just in the last day or so the President made headlines all over the country with a policy statement in which he called upon the leaders of business and the leaders of labor to join hands, join together, in a united effort to try to hold down this advancing level of wages and of prices in the United States. The President said it was highly important that we hold down the price of labor in industry and in business across the country and that it was highly important that we hold down the price of goods and commodities in order to stop the upward spiral in the cost of living.

I see no reason, if we are going to have efforts on behalf of the Government to hold down the upward spiral of the cost of Government and on the cost of service, why we should not also have a concerted effort to hold the the price of a very important commodity, and that is the commodity called money.

Now, we have in this bill brought out by this committee two broad provisions which would have a significant effect in that direction. First of all is the provision that Federal National Mortgage Association purchases should be at par when they buy mortgages, which would have a stabilizing effect upon the mortgage market throughout the country. Second is the provision, and a very important provision, that there should be discretionary authority in the administrators of these loans to impose reasonable restraints upon the discounts and the charges assessed against borrowers in this country. What is there unreasonable about it to put reasonable restraints on these discounts into the hands of the administration itself? Why does the Talle substitute eliminate this provision? Why does the Talle substitute eliminate the provision which says to FNMA that you shall not have regulations which require you to pay the face value of these mortgages? The Talle amendment, as it now stands, has more shortcomings and objections than good points, and must be amended on several substantial points to be desirable to this House.

The CHAIRMAN. The time of the gentleman from Oklahoma has expired.

Mr. O'HARA of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Illinois to the amendment offered by Mr. TALLE: Amend section 302 to read as follows:

"SEC. 302. Section 106–(f2) of the Housing Act of 1949 is amended (1) by striking out $2,000 and inserting in lieu thereof $3,000; and (2) by adding at the end thereof the following sentence: Such rules and regulations may include provisions authorizing the payment to individuals, families, and business concerns of fixed amounts not to exceed $100 in the case of an individual or family, or $3,000 in the case of any business concern in lieu of the respective reasonable and necessary moving expenses."

Mr. TALLE. Mr. Chairman, I find no language such as that read in my bill.

The CHAIRMAN. Is the gentleman making a point of order against the amendment?

Mr. TALLE. That is right.

The CHAIRMAN. Will the gentleman state the grounds for his point of order?

Mr. TALLE. Mr. Chairman, the point of order I make is that the amendment proposes a change in certain figures, and those figures do not appear in the bill which the amendment seeks to amend.

Mr. O'HARA of Illinois. They appear in the law as it stands now.

The CHAIRMAN. Does the gentleman from Illinois desire to be heard on the point of order?

Mr. O'HARA of Illinois. I would ask the gentleman from Iowa [Mr. TALLE] to withhold his point of order until I have presented the argument for my amendment.

Mr. TALLE. Mr. Chairman, I reserve the point of order.

The CHAIRMAN. The gentleman from Illinois [Mr. O'HARA] is recognized.

Mr. O'HARA of Illinois. Mr. Chairman, I am certain that the distinguished gentleman from Iowa [Mr. TALLE] would agree with the intention of this amendment. It happens that in the district that I represent we have in the operation of the urban-renewal program the displacement of many long-established merchants. Some have been in the locality for 20 or more years. When they have to move to new locations, the expense is large. It is not right that these small-business tenants should be forced to assume this burden when their moving is not for their own profit or convenience, but to the contrary. They certainly are entitled to the fairest of treatment. The present law calls for moving expenses up to $2,000. In some cases that is ruinously inadequate. We are asking that the amount be increased to $3,000 to be paid only in cases where the circumstances warrant; and also that there be a change in the administrative process to apply to small-business tenants in the same manner as it is intended to effect administrative relief in the case of individual tenants. I trust the gentleman from Iowa will not insist upon his point of order, and I would certainly not expect him to oppose a proposal to do the fair and honest thing by small-business tenants who are being dislocated. The conditions in my district exist in other districts, and the number of situations like that in Hyde Park will increase in the urban communities throughout the Nation. The small relief that we authorized in our housing bill of last year, I regret to report, has not been given to these dislocated small-business tenants as we in the Congress intended, and the reason has been in the administration of the law. The delay in getting started, even in the preparation of the application forms, was beyond my power of understanding. I do know how many times I telephoned to Washington from Chicago after our adjournment and always the report was that somebody would make up his mind when he could get to it or that someone at long last actually had made up his mind, but that there were still a few other minds around the office that had to go through some kind of processing to determine whether the mind that previously had got made up should remain made up or should be undone. It pretty much ended up with an administrative office tearing into shreds a good law enacted by the Congress. The dislocated Hyde Park merchants applauded the Congress for giving some measure of relief to them in their great distress, which did not come from their own doing, but as a result of their participation in the urban-renewal program. They felt appreciative and also they began to think that maybe after all there was a place for the small-business man in our legislative thinking. But after their experience with the administration of the law they began to wonder who is kidding whom. It is high time that the Congress rescue itself from the administrative kidders. I trust that my amendment will receive the vote of every Member on both sides of the aisle. If later there should be a rollcall the small-business men of this Nation, I am sure, will wish to clip it out as a guide in the future.

The CHAIRMAN. Does the gentleman from Iowa [Mr. TALLE] renew his point of order?

Mr. TALLE. Mr. Chairman, I do.

The CHAIRMAN. Does the gentleman desire to be heard further on the point of order?

Mr. TALLE. Mr. Chairman, the amendment of the gentleman from Illinois [Mr. O'HARA] is not germane to my amendment. As I understand his amendment, although I have no copy of it, it refers to basic law. His amendment, in order to be germane, would have to be germane to my amendment which is under consideration. Therefore, I contend that the gentleman's amendment is not germane.

Mr. MULTER. Mr. Chairman, may I be heard in opposition to the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from New York.

Mr. MULTER. Mr. Chairman, I urge that the gentleman's amendment is in order. It is addressed to the very section, section 302, on page 11 of the Talle substitute. The O'Hara amendment would change the language of section 302 as found within the Talle amendment. If the Talle amendment is in order, and apparently it is, then we have the right to change any part of that amendment. All the gentleman from Illinois seeks to do is to make section 302 much more effective than it would be as it now reads in the Talle amendment.

Mr. HALLECK. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair recognizes the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, it is quite obvious that section 302 of the pending amendment applies to section 106 (f) (2) of the Housing Act of 1949. Section 302 of the pending amendment refers to certain language that is to be changed as called for in the amendment. I insist, Mr. Chairman, that in order for the amendment of the gentleman from Illinois to be germane it must be applicable to the language contained in the pending amendment. To open up that amendment to amendment of any part of the existing law would be to violate what I think are the rules of the House.

Mr. O'HARA of Illinois. Mr. Chairman, would the gentlemen from Indiana not agree with the intention of my amendment and cooperate to the extent of withdrawing any technical objection?

The CHAIRMAN (Mr. MILLS). Unless the gentleman from Illinois desires to be heard further on the point of order, the Chair is ready to rule.

Mr. O'HARA of Illinois. Mr. Chairman, I have nothing further to say.

The CHAIRMAN. The Chair is ready to rule.

The gentleman from Illinois [Mr. O'HARA] offers an amendment to the Talle amendment, on page 11, section 302.

Section 302 is an amendment of existing law contained in section 106 (f) (2) of the Housing Act of 1949. That language presumably is germane to section 106 (f) (2). That being the case, the amendment opens the entire section of the basic law, section 106 (f) (2), to amendment, which is the purpose, in part, of the amendment offered by the gentleman from Illinois [Mr. O'HARA].

Therefore, it is the opinion of the Chair that the amendment offered by the gentleman from Illinois is germane. The Chair overrules the point of order.

The question is on the amendment.

The question was taken; and on a division (demanded by Mr. O'HARA of Illinois) there were—ayes 71, noes 118.

So the amendment was rejected.

Mr. SPENCE. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, had come to no resolution thereon.

LEGISLATION TO AID THE NATION'S 6½ MILLION WORKING MOTHERS

Mr. ROBERTS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the genleman from Alabama?

There was no objection.

Mr. ROBERTS. Mr. Speaker, yesterday, I introduced legislation designed to aid the working mother. Under leave to extend my remarks, may I say that the bill which I am sponsoring would liberalize the child care expense tax deduction benefit and thus help a great many of the Nation's 6½ million working mothers.

The Internal Revenue Code states:

> There shall be allowed as a deduction all the ordinary and necessary expenses paid or incurred during the taxable year in carrying on any trade or business.

Included under this general heading is the provision granting a deduction of a reasonable allowance for salaries or other compensation for personal services actually rendered. Certainly a general reading of this provision would lead one to assume that a working mother would be allowed to deduct the cost of her child-care expenses when computing her income tax. Indeed a working mother must have someone to take care of her young children when she leaves for work. And this expense is incurred directly as a result of her working outside the home.

I know that many of my colleagues here today are familiar with the struggle that was waged several years ago to have such tax relief included in the omnibus tax revision bill of 1954. I am pleased to say that a limited tax-deduction provision was enacted. This was a step in the right direction but it was not as great a stride toward helping the needy working mother as many of us had hoped to have approved. The purpose of my legislation today is to take another and greater step in the direction of helping the working mother receive those tax benefits to which many of us think she is entitled.

First, let me state that I feel that working mothers should be allowed to deduct child-care expenses in the same manner as a businessman is permitted to deduct a business expense. Child-care expenses are a legitimate business expense incurred in the production of income. Businessmen are permitted to deduct the cost of liquor used for entertainment purposes in their business; a lawyer is permitted to deduct a portion of his membership in a country club when that club is used for entertaining clients. How different in principle then, is the cost incurred by the working mother when she must hire someone to take care of her children so that she can go to work? In my opinion there is none. This is a business expense incurred in the production of income.

However, because I know Congress is unlikely to approve child-care expense deductions with no limiting provisions, I am offering this bill today. It contains limitations which I feel are more realistic in the light of our present economy and the Nation's needs than those now on the statute books. The bill which I am introducing would permit child-care costs up to a maximum of $1,200 a year. The present limit for child-care expenses is $600. As I know many of you are aware, in most sections of the country it would be impossible to hire a full-time domestic employee for as little as $50 a month, the amount allowed under the present law. In 1954, the median income of domestic employees was $1,104. You can see then that a nationwide limit of $1,200—$100 per month, or $25 a week—is a reasonable domestic wage.

The second provision of my bill would raise the age limitation on the children from whom this deduction could be made from the present 12 years to 16 years. We are extremely concerned, nationwide, over the tremendous increase in juvenile delinquency and yet we are not easing the burden for the working mother, who must work out of necessity, to provide adult supervision for her children. It would be better for children from 12 to 16 years of age to be supervised. I think it is probable that many hard-pressed working mothers would provide supervision for their children between 12 and 16 which they might not otherwise do, if they were afforded this tax benefit.

The question has been raised as to whether or not mothers working contributes to juvenile delinquency. On this matter may I point out that the Director of the Women's Bureau of the Department of Labor, has stated: There is no substantiation of the theory that juvenile delinquency is more prevalent among children of workingwomen than those whose mothers stay home.

The third provision of my bill would provide that such child-care expenses could be deducted by couples where the combined income of both the husband and wife is $10,000 or less. I do not feel that this is an unreasonably high salary limitation considering it is the total income of both husband and wife. While most mothers who work do so out of necessity, there are homes where the mother is trained in a profession and probably would work if she could have such a tax benefit. Many trained mothers do not work because their salary combined with that of their husbands would exceed $5,000. It simply is not worth her effort to work.

Mr. Speaker, the enactment of this legislation is of concern and interest to millions of women. At the present time there are 22 million working women, of whom approximately 6½ million are working mothers. Today women comprise over one-third of the Nation's labor force. This is the highest percentage of women workers since World War II.

Industry needs working women, including working mothers. There are certain fields such as nursing and teaching where more women are desperately needed. But once these trained women become mothers, it is simply not financially rewarding for them to work—even part time—because of our tax structure. We are denying the Nation the very services it needs because of our own shortsightedness. Many of these women would be glad to work, some part time, some full time, if it were financially rewarding. We should not penalize these mothers through taxation because they have trained talent.

The Nation needs working mothers. They contribute to the national economy and we should not handicap them anymore than our tax laws attempt to handicap the businessman in running his business.

WHAT IS MODERN REPUBLICANISM?

Mr. RADWAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. In there objection to the request of the gentleman from New York?

There was no objection.

Mr. RADWAN. Mr. Speaker, one topic which has assumed national importance in today's political life is that of modern Republicanism. Many Republicans have attempted to define it, while others maintain that it is a figment of imagination and that it does not exist.

I am one who believes that there is no easy definition for the term which President Eisenhower has created. I would like to believe that the term "modern Republicanism" can only be defined by example and by the record of the Republican administration and the Republicans in Congress.

If we quickly scan the record of the Republican Party in the past 4 years, we can begin to see that modern Republicanism is a very real thing which has won the support of the vast cross-section of our people.

This record indicates that the Republican Party has met the fast-growing needs of our expanding economy without sacrificing the principles of our free enterprise system. It has proved to be sensitive to the human needs of our Nation, and, at the same time, has maintained a fiscal stability which has allowed us to assume heights of prosperity which, 30 years ago, challenged man's imagination.

Modern Republicanism has been responsive to the human needs of our people in the area of research into diseases, extension of social security, unemployment compensation, and other related programs. The agency of Health, Education, and Welfare stands as a monument to this type of action and accomplishment. It means that our standard of living has advanced to an alltime high, that people are conscious of a commonsense approach to problems that affect them most directly, and that labor had advanced to a greater position of importance in our economy and society.

At the same time that the Republican Party has been writing this record of accomplishments, the fiscal and monetary system of the United States has been maintained at an even level. This may seem strange to you at a time when so much talk is heard on the general subject of the $71.8 billion budget for fiscal 1958. However, let us analyze the budget for a moment.

In any discussion of the budget, we must remember that 60 percent is accounted for by defense and national security expenditures. If we could eliminate this huge expenditure and just consider the domestic budget, we would find that it is sustained by an all-time high in national per capita income and national gross productive output. We must never forget that our economy is

constantly expanding and that we, as a nation, are going through a period of tremendous growth. This you can see in the cars you buy, the clothes you wear, the food processing in the supermarkets of today, the improvement in farm machinery, and the advanced methods which are now employed by business and agriculture.

Even if we include the huge outlays for national defense and security, we find that the percentage of our national income going to the Federal budget is not out of proportion compared to preceding years. For example, in 1953 the Federal budget was almost 25 percent of the national income, in 1954 it was 22.7 percent, and in the following years it has been declining percentagewise until the 1957 budget represented 19 percent of the national income. The $71.8 billion budget estimate for fiscal 1958 approximates about the same percentage of a projected estimate of the national income for next year.

I would like to see this percentage of our total national income reduced if at all possible but at the same time I realize that the 19 percent of our national income is considerably less than the 52 percent and 54 percent during the war years of 1944 and 1945. In this respect, I must emphasize the tremendous economic adjustment which has been accomplished since that time without the depression which was once predicted.

Unfortunately, as long as we must engage in the cold war with Communist Russia and her satellites, we must continue to spend much of our revenue on items of defense and national security.

We know that we must never yield our place of leadership to the Communists. To do this would be to seal the fate of freedom, peace, and our democratic way of life. So, we must always ask ourselves this question: How much shall we pay to defend our liberty, our Constitution, our God-given right? I, for one, would not attempt to place a dollar value on those basic elements of our way of life.

This does not mean that we must go blindly ahead without challenging proposed expenditures. The administration and the Republican Members of Congress realize that every expenditure must be carefully weighed and considered. A conscientious effort will be made to reduce the present budget by an amount which will not place our national security in jeopardy.

In brief, modern Republicanism is successful Republicanism.

HARRY S. TRUMAN

The SPEAKER. Under previous order of the House, the gentleman from Missouri [Mr. CHRISTOPHER] is recognized for 60 minutes.

Mr. CHRISTOPHER. Mr. Speaker, I sought this time not knowing that it would be as late as it is now, but I sought the time to pay tribute to that great and distinguished Missourian who is a friend of mine, Harry S. Truman, former President of the United States, in commemoration of this, his 73d birthday. One of the reasons I want to commemorate his birth at this time is because we usually wait until a famous man has passed on to his reward before we stand up and tell the world whether or not we like him and tell about all the things that he has done. I want to pay tribute to that man today and to his great and faithful wife, Bess, and to his distinguished daughter, Margaret. A little poem comes to my mind that illustrates exactly why I want to talk about Harry Truman while he is still living. The poet said:

If with pleasure you are viewing any work a man is doing,
If you love him or you like him
Tell him now.

Don't hoard up your approbation
'Til some parson makes oration,
While he lies with snowy lilies on his brow,
'Cause no matter how you'd shout it,
He'd not care a thing about it.

He'd not know how many teardrops you might shed.
If you think there's something due him,
Now's the time, go slip it to him.
'Cause a guy can't read his tombstone
When he's dead.

Too often in this world, we save the kind things that we would like to say until it is too late for the recipient to know that we have said them. Now, Harry Truman was a farm boy born in the little town of Lamar, Mo., not very far from where I live. I have known Harry Truman and his brother, Vivian, for many years. I admire him very much. Fate gave him a difficult role to play beginning with the death of Franklin Delano Roosevelt. When that greatest of our Presidents passed away, it fell to the lot of Harry S. Truman to step into the shoes of Franklin Delano Roosevelt, and it took a big man to fill those shoes.

Franklin Delano Roosevelt had taken over the reins of government in this country when we were at the very bottom of the depression, when 15 million unemployed walked the streets and rode empty box cars, when more than 9,000 banks in the United States had failed during the preceding 12-year period. During the 12 preceding years farm foreclosures and business failures were all over the land and people by the thousands were drinking thin soup in soup kitchens and getting their other food from breadlines, and when even the Treasury of the United States was tottering.

But in 9 years Franklin Delano Roosevelt had pulled this country out of that depression; there had been an end to bank failures; there had been practically an end to mortgage foreclosures. The farm situation had been overhauled until by the end of that 9 years we had 100 percent of parity and the annual income per capita of farmers had been raised from less than $100 to more than $500.

And Harry Truman was destined by fate to step into the shoes of that President. He carried on the programs of Roosevelt and added to them and kept them and made them successful.

Then it was up to Harry Truman to decide whether or not the atomic bomb would be dropped on Japan or whether hundreds of thousands of American lives would be sacrificed in digging the Japs out of their holes and from behind their fortifications in their homeland. It was a hard decision for anyone to make, but Harry Truman, a man of courage, made it; and I think he made the right decision.

Then the Communists undertook to bluff him at Berlin, but he put in the Berlin airlift square in their faces, and he flew everything that Berlin needed into that city in spite of the transportation that was cut off by the Russians, even flying coal into that city. Again he demonstrated his courage.

Then the Communists attacked in Korea, and he had to make the decision what to do about that. I was in this Congress when he made that decision. I think he made the right decision.

At that time I failed to hear a single Republican voice raised in opposition to the course Harry Truman took. I heard not only members of his own party but members of the opposite party come to the floor of this House and commend Harry Truman for what he did in Korea.

He has always been, and still is, a man of courage.

Now, he does have a temper. Some people have felt the lash of that temper at times. However, I admire a man for having a little temper, at least enough to stand up in the face of world opposition, stand up for the things in which he believes.

But do not get the idea that Harry Truman, despite his language on occasion, is not a praying man, because I know him well enough to know that he is; and so is his good wife. Here is a direct quotation from Harry Truman himself:

I only ask to be a good and faithful servant to my Lord and to my people.

If a public servant can make a better prayer than that I have yet to hear it.

I want to speak of a few things that have happened in the last 4 years that I feel absolutely certain would not have happened had the man from Missouri still been in the White House out here on Pennsylvania Avenue. The national debt has risen $9.2 billion since January 1953. I called the Bureau of the Budget today and asked them for those figures and I got them. I am also told that it will take almost a billion dollars more of the taxpayers' money to pay interest on the national debt in 1957 than it did in 1952 and that almost a billion dollars is being taken from the people who need it worse and given to those who need it less. I do not believe that would have happened if the man from Missouri had still been in the White House. One other thing—the five Eisenhower budgets are $73,600,000,000 greater than Harry Truman's last 5 budgets not withstanding the fact that President Eisenhower was elected on an economy platform.

Another thing that I do not think would happen if Harry Truman had been in the White House the last 4 years is this: I do not think the power trust of the United States would have undertaken to put over the Dixon-Yates deal because they would have known it would have been wasted effort. If the man from Missouri was still in the White House we would not have three little low dams being built on the Snake River in Hell's Canyon instead of the high dam

that would generate so much electric current. The so-called Idaho Power Co. would not be reaching out its hands for more than $300 million in subsidies that will be taken from the Federal taxpayers to build their dams. The high Hell's Canyon dam would have been built. It might be yet, but if it is, it is going to be in the face of tremendous opposition. That high dam would pay for itself, it would not cost the taxpayers a cent, and at the end of 50 years the money would be back in the Federal Treasury and we would still have the dam and generators. They would belong to all the people of the United States.

Here is another thing that has happened in the last 4 years that would not have happened if the man from Missouri or a man like him had been in the White House. Government bonds would not have been permitted to sink below par.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Truman as President of the United States was the only President who ever asked the Federal Reserve Board to meet with him. He asked the Federal Reserve Board in January 1951, to meet with him, at which time he persuaded them to agree not to let Government bonds go below par. The whole Open Market Committee, composed of 12 members and the members of the Board, and 5 presidents of the Federal Reserve Banks promised him faithfully they would not permit the bonds to go below par.

I refer to the following letter that was written by President Truman to the Chairman of the Board of Governors, Federal Reserve System:

Hon. THOMAS B. MCCABE,
Chairman, Board of Governors, Federal Reserve System, Washington, D. C.

DEAR TOM: I want the members of the Federal Reserve Board and the members of the Federal Open Market Committee to know how deeply I appreciate their expression of full cooperation given to me yesterday in our meeting.

As I expressed to you, I am deeply concerned over the international situation and its implications upon our economic stability.

Your assurance that you would fully support the Treasury defense financing program, both as to refunding and new issues, is of vital importance to me. As I understand it, I have your assurance that the market on Government securities will be stabilized and maintained at present levels in order to assure the successful financing requirements and to establish in the minds of the people confidence concerning Government credit.

I wish you would convey to all members of your group my warm appreciation of their cooperative attitude.

Sincerely yours,

HARRY TRUMAN.

Notwithstanding that promise they broke it and permitted bonds to go below par. That has really upset our country. Since that time, not during his administration, the Federal Reserve System has declared their independence from the executive branch, in other words, has seceded from the Executive. They did not have the courage to go up against Mr. Truman as long as he was President, but when the present President came in in 1953 they caused bonds to go down to 88, a terrible situation, a disgraceful situation. If Mr. Truman were President that would not have happened.

Mr. CHRISTOPHER. I thank the gentleman, and I want to say the fact that Government bonds are selling today for less than par is a national disgrace.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I think it is also interesting to note that the national debt of our country is pretty much the same now, about seven or eight billion dollars more under the present administration.

Mr. CHRISTOPHER. Nine point two, if I may interrupt.

Mr. McCORMACK. Nine point two billion dollars more than it was when Mr. Truman ceased to be President on December 31, 1952.

But the significant thing is that the taxpayers of our country, as the result of this tight money, high interest, hard money—anything you want to call it—policy, are now paying well over $1.6 billion a year more interest than they did only a little over 4 years ago when Mr. Truman was President of the United States.

Mr. CHRISTOPHER. I thank the gentleman for his contribution.

Another thing for which I admired the gentleman from Independence—he vetoed that natural gas bill. Of course, President Eisenhower vetoed it also, but President Eisenhower made it very plain in his veto message that he did not veto the legislation; he only vetoed the scandal that attended its passage. That was all President Eisenhower vetoed. But Harry Truman vetoed it for what it was—a half billion dollar a year steal by the producers of natural gas in the United States, engineered by our major oil companies.

Now, during the last 4 years the bank debt of the American farmer has increased $3.1 billion. They have raised the mortgage debt against their land and their homes $3.8 billion, and they have suffered an inventory loss in the value of their livestock of $8.7 billion. That would not have happened had Harry Truman, or a man like him, been in the White House, because from 9 years after the election of Roosevelt until 1953 all food and fiber produced on American farms for that entire 11-year period sold at an average of more than 100 percent of parity. Now we have 80 percent on the American farmer.

Now, in addition to the losses I have given you here, in 4 Republican years the American farmer has lost $12 billion in net income. Those are things that would not have happened had Harry Truman or a man like him been in the White House.

Here are a few more things that happened in the last 4 years. Industrial stock prices went up 62 percent. Corporate profits after taxes went up 32 percent. Stockholders' dividends went up 19 percent. Nonfarm income went up 14 percent, and farm net income went down 23 percent. Those are things that would not have happened.

Now, we had a good farm program; we had it for 20 years under both Roosevelt and Truman. At the end of that 20 years, the 31st day of January 1952, the Commodity Credit Corporation had $2.4 billion worth of food and fiber under loan in Government warehouses and in farm granaries and cribs. But, what happened in the last 4 years? On the 31st day of December 1956, the Commodity Credit Corporation had $8.2 billion worth of food and fiber in Government storage and in bins and cribs on the farms. Oh, if Harry Truman had been in the White House, or a man like him, H. R. 12 would not have been vetoed, and we would have had the same farm program that dragged us out of the depression, that kept us out of it for 11 years, that gave us better than 100 percent of parity for 11 years. We would have had that farm program. We lost it when President Eisenhower vetoed H. R. 12.

And one of my colleagues sitting there, PAUL JONES, from what we refer to as the boot heel of Missouri, was on the Committee on Agriculture and helped bring out H. R. 12 and fought for it on the floor of this House. The Republicans talk about a farm program. They have not got any. They never did have any. You can go back to 1900 and look for a farm program, but you cannot find it, except what the Democrats gave the American farmer.

What has happened to the cost of living? In the last 4 years the cost of living has risen 4.6 points. And the Bureau of Labor Statistics tell me that every time the cost of living goes up 1 point it costs the American consuming public $2.5 billion more each year to live. That being the case, it will cost the American consumers in 1957 $11.5 billion more to live than it cost them to live in 1952. And that despite the fact that in 1952 the farmer was receiving 100 percent of parity for food and fiber, and now he is receiving 80 percent of parity for food and fiber. Yet the American consumer is going to be nicked for $11.5 billion more to live in 1957 than in 1952.

Those are things that ought to be advertised from one end of this land to the other. How any man or any woman that has to earn his or her living any way except by clipping coupons can vote a Republican ticket is something that I have never been able to figure out in the whole half century of my recollection.

I know the things that Harry Truman stood for. I know the things he stands for today. I know that the Republicans said that he could not win in 1948 and there were tons and tons of papers already printed announcing his defeat. In my little town there were a thousand pounds of fireworks that had been bought to celebrate the election of Thomas E. Dewey. And maybe you think there were not some red faces about 2 o'clock in the morning when they had to lock those fireworks up instead of using them to light up the sky.

Harry Truman will go down in history as one of the greatest Presidents of these United States. And I want to say that today while he is still here.

Mr. Speaker, at this time I am glad to yield to the gentlelady from Missouri [Mrs. SULLIVAN].

Mrs. SULLIVAN. Mr. Speaker, I want to congratulate our wonderful colleague

from Missouri [Mr. CHRISTOPHER] for arranging for time this afternoon in which some of us can express our love and affection and admiration for President Truman on this occasion of his 73d birthday.

The newspapers, in covering Mr. Truman's periodic visits to Washington, or his political speeches, always refer to him in terms of "peppery" or "angry," but actually, as many of us know, the man really has a soft heart for the people of this country and a sentimental outlook which does not at all go with this picture of an angry fellow.

On the other hand, I certainly think it is true that few Presidents in our history have been as intense and as dedicated and as completely wrapped up in the day-to-day work of the office of the Presidency as Harry Truman during nearly eight extremely eventful and extremely critical years in the White House.

No wonder, then, that he gets a bit "steamed up," as he puts it, over some of the developments in Washington and in the Nation since he retired as undefeated champ in 1953. Directing the operations of the Federal Government to Mr. Truman was never a part-time job or one involving passing the responsibilities on to others to let them worry over the policies we should follow. Mr. Truman never hesitated to come forward and speak for and fight for the principles he believed in and which he thought our country should follow.

It is certainly obvious that we need more of this kind of active Presidential leadership right now. It is certainly obvious that the present administration's program is in deep and serious trouble because of a lack of the kind of leadership Mr. Truman brought to the job.

On this occasion of Mr. Truman's 73d birthday, I want to express the good wishes of so many Americans to a man I think was an outstanding President. I want to extend to Mr. and Mrs. Truman, and to their lovely daughter, my heartfelt gratitude for having the great good fortune to know them as friends whom I dearly love.

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. PRICE] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PRICE. Mr. Speaker, I deem it an honor to join in birthday tribute to the gallant, bold and distinguished former President, Harry S. Truman of Missouri.

Harry Truman's stature seems likely to grow with the passing of the years as the historians place him in context. His stature is impressive now.

It was Harry Truman who set the pattern, tone and vigor of America's answer to postwar Soviet aggression.

Truman made the bold decision to compel the Soviets to honor their commitment to withdraw their troops from Iran—and they did it.

Truman answered the Soviet blockade of Berlin with the Berlin airlift—and he continued it, patiently but with full readiness to bear the risks involved, until the Soviets surrendered and lifted the blockade.

Truman answered the North Korean aggression of 1950 the only way it could have been answered—by sending in American forces and saving the free Republic of Korea. He had the courage to act—decisively and instantly. He showed his respect for the elected Americans serving in Congress by reporting promptly what he had been compelled to do, and he quite properly was given the approval of the Congress.

Truman launched the massive reorganization of our defenses made necessary by the Korean attack. He recommended the budget and the taxes necessary to remobilize our industrial strength, to lay the base for our present deterrent power of nuclear retaliation against an aggressor.

There is not a jet plane flying nor a guided missile in prospect today that did not have its inception in the work of the scientists and engineers and technicians set to work under Harry S. Truman.

Harry Truman warned the Chinese Communists to keep their hands off Formosa and he sent the 7th Fleet to warn them that we meant business. The 7th Fleet is still there.

Harry Truman exerted American leadership—not just membership—in the United Nations when he contributed to the creation of the democratic State of Israel. And Israel is still there—still a vital factor in the Middle East—despite the hostility and belligerency of Arab leaders trying to blackmail us with menaces that they may ally themselves with Moscow.

In his leadership at home, Truman was the people's President. He fought for the rights of labor, for the security of unions, for the well-being of the farmer and small-business man.

There was no indifference to slums, to overcrowded schools, to the people's health and well-being in his administration.

Year after year Mr. Truman asked the Congress for school aid, for health and hospital appropriations, for slum clearance, for revisions of the Taft-Hartley Act, that Congress has not yet seen fit to grant—but there was never any doubt where Truman stood. And there was never any doubt as to who was executing the full duties and powers of the President—whether he was in the White House or in some other place.

I offer felicitations to the former President on his birthday.

Mr. CHRISTOPHER. Mr. Speaker, at this time I yield to my colleague from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Speaker, I want to commend our colleague the gentleman from Missouri [Mr. CHRISTOPHER] for obtaining this time in which Members may pay a tribute to his most distinguished constituent and our fellow Missourian, Harry Truman, on this his 73d birthday.

I am glad to join with the gentleman from Missouri and my other colleagues in extending felicitations and best wishes to President Truman and to wish for him many more years of happiness, good fortune, and service.

It has been my good fortune to have known President Truman over a long period of years. I well remember his first visit to my hometown of Kennett, during his first campaign for the United States Senate, to which he was elected in 1934. He spent a good part of the noon hour visiting with my father at our newspaper office, and at the conclusion of that visit we were both convinced that here was a man who would devote himself to public service. From that time on he had the support of both my father and myself, as well as the newspaper which we published.

Outside of his own Jackson County, I doubt if there was any section of Missouri where Senator Truman was held in greater esteem, or where he had more close and devoted friends than in the 10th Congressional District, particularly in the extreme Bootheel section. The feeling was mutual as indicated by the fact that even after he became President, he came back to Caruthersville to attend the American Legion district fair, just as he had done each year beginning in 1934.

Harry Truman has always found time for his friends.

I have never known a man who I believed was more sincere in his desire to do those things which he believed were in the best interest of all the people. He has always taken his obligations seriously, and while I have not always concurred in his views on matters of domestic policy, I have never doubted his sincerity in attempting to implement every promise and every pledge made in the platform of the Democratic Party. For after all, Harry Truman has always been a "party" man and I believe that he felt as keenly as any individual possibly could, his obligation as the leader of the Democratic Party.

Honest, sincere, loyal, courageous, firm, direct, frank, energetic, and indefatigable, are only some of the adjectives which might be used in characterizing this man, whose name will undoubtedly go down in history as one of the great leaders of this Nation. I will always believe that Harry Truman was a man of destiny.

Many are apt to judge a man who has been active in politics solely on his political record, and I have no apologies to make on the political record which has been made by this great man who on many occasions which have been enumerated countless times, has proven himself not only an astute politician, but a statesman of the first order.

However, I think it well to go behind that record, and look into the more intimate life of the man as he has traveled along life's highway. How does he measure up as a husband and as a father? Can you recollect any man in public life who has more clearly demonstrated by his every act his concern and devotion for every member of his family, than has Harry Truman?

Throughout the years, both before, during, and after having served as President of the United States, Harry Truman

has demonstrated his reliance upon divine guidance. Church attendance has been a part of his life since childhood.

We, who are members of the Masonic fraternity appreciate his dedicated service throughout the year. Even those who are not entirely familiar with the Masonic order know that no man could have been selected by his brothers to serve as the grand master of the Grand Lodge of Missouri without having survived the closest scrutiny that is possible for man to undergo. Not only has he attained all of the honors that are conferred on Master Masons, including the coveted 33d degree, but he has served with distinction in the Masonic order since 1909.

Yes, to me, Harry Truman has measured up to every criteria that might be suggested. He is the kind of man that anyone can feel honored to call a friend in every sense of the word.

These are some of the reasons why I am most happy, for myself, and for his many other friends throughout the district which I am privileged to represent, to extend congratulations and felicitations on this day, and to wish for President Truman and his family all of God's blessings which they so richly deserve.

Mr. CHRISTOPHER. Mr. Speaker, at this time I am glad to yield to the gentleman from Missouri [Mr. CARNAHAN].

Mr. CARNAHAN. Mr. Speaker, I join the gentleman from Missouri [Mr. CHRISTOPHER], who is now former President Truman's Congressman, in expressing appreciation, admiration and every good wish to Mr. Truman on his 73d birthday.

Mr. Speaker, I want to read into the RECORD at this point a statement that I made here on the floor of this House on April 17, 1945:

Mr. Speaker, my own native State, Missouri, bows with the Nation and the world in sorrow at the loss of the late President Franklin D. Roosevelt. Missouri voted for Roosevelt four times for President and in his passing Missourians feel and fully recognize an irreplaceable loss. However, Roosevelt in death will live vividly in ideals and in spirit. America and the world are now more determined to make realities the ideals for which he lived, toiled, and died.

As we bow in the presence of divine providence and have committed a national leader to the ages, we must carry on. New hands must take up the tasks of national leadership. Missouri is honored to present to the Nation and the world the new American leader, President Harry S. Truman.

Harry Truman, born and reared on a Missouri farm, elected county judge, sent to the United States Senate, selected by President Roosevelt as a running mate, elected Vice President, and now President of the United States, is typically Missourian and typically American. What could more truly represent the American tradition and spirit than "from farm boy to President."

President Truman has made the slow ascent from humble position to eminence by merit and no eminence of station will ever cause him to forget that all of us make up America.

Mrs. Truman, Margaret, and Harry will bring to the White House another truly American family. Let us rejoice that the first family will continue to carry on and truly represent our American way.

This is the first time my beloved State, Missouri, has furnished a President. We are happy that it is Harry Truman. In sharing Truman with the Nation and the world we Missourians offer no apologies since we are convinced that apologies would not be in harmony with facts as they exist. His honesty, ability, frankness, experience, and humility fit him for the very heavy tasks which lie ahead. He is equal to the occasion. America is united for action, world order is reshaping; then let us go forward under the guidance of divine providence into the dawn of a better day.

Mr. Speaker, when history evaluates the administration of Mr. Truman, he will be recorded as one of our greatest Presidents.

Mr. CHRISTOPHER. I thank the gentleman.

Mr. RHODES of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. RHODES of Pennsylvania. Mr. Speaker, I would like to join my colleague, the gentleman from Missouri [Mr. CHRISTOPHER] and other Members of the House in paying my respects to that great American and outstanding former President of the United States, Harry S. Truman on this, his 73rd birthday.

Harry Truman is a man of principle, honor and determination. His political courage in facing up to the issues of his day won for him the respect and devotion of many millions of our people. Harry Truman's long record of service to our Nation demonstrated beyond any doubt his humanitarian concern for the needs of the people. His Fair Deal legislative program advanced policies to meet these needs and helped to bring a greater share of our Nation's abundance to our less-privileged citizens.

There has been considerable misconception over the overall degree of success which President Truman's Fair Deal program achieved in the 81st Congress, following his dramatic personal triumph against long odds in the 1948 election. A careful examination of the record of the 81st Congress shows that of 149 specific legislative recommendations to Congress, 104 were enacted into law. This was a remarkable achievement, considering the negative obstructionist tactics employed by the Republican minority in Congress.

Among the significant measures enacted under his Fair Deal were rural telephone legislation, expanded hospital construction, an increase in the minimum wage, the public housing program, important liberalizing amendments to the social security law, establishment of the National Science Foundation, establishment of NATO, implemented by the Mutual Defense Assistance Act, the historic point 4 technical assistance program, and legislation strengthening the Clayton Antitrust Act.

Under the leadership of President Truman, the Free World was mobilized to successfully resist the inroads of Communist tyranny in Europe, Southeast Asia, and the Far East. His courageous and decisive action in the Korean crisis may well be viewed by historians as the turning point in the struggle against Communist aggression, marking the beginning of the decline of Soviet imperialism and the birth of the concept of a United Nations military force to preserve peace in the world.

Harry Truman is truly a man of the people. His prominent place in the history of our Nation and the world is assured.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the distinguished gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I am so happy to send a salute to my valued friend, Harry S. Truman, on this his birthday anniversary.

It is for me a matter of great pride and honor that the friendship between Harry S. Truman and myself throws over our shoulders the cloak of history through some of the greatest world crises of our time. My pride is not predicated upon my participation as a person in these events. Rather it derives from my association with a remarkable American who, having the power of decision, added prestige, integrity, and high purpose to his story wherever it touched the United States either as a partisan Democratic leader, a Senator or as President—and today—as private citizen.

From the fateful hour in early 1945, when I stood in the little group in the White House as Harry S. Truman took the oath of office as President of the United States until this minute, I never had an instant of misgiving. Great leaders differ in their aspect, in their approach, in the chemistry of personality, but the presence to command, to accept responsibility and to act upon it, belonged as definitely to Harry S. Truman as to any President this country has ever had. What adds to the stature of this man and to his greatness is a certain humility which for centuries yet to come I know will intrigue students of history and character. Harry Truman walked with the mightiest of our time and directed the mightiest but never lost the common touch.

Of course none of us can fail to remember him as the fighting leader of his party but more, the warrior President. It is a voice and a judgment that we, who think of him as a fellow Democrat and fellow American will never cease to honor, and quite often to obey. The reason he made so great a reputation with his Truman committee to investigate the national-defense program was because it gave opportunity for that display of inner strength and resolution that led him to the White House, once by fate and the second time by choice of the American people. And few Presidents were so close to the American people and knew their problems so intimately from contact and experience as President Truman. Was ever a task so prodigious thrust upon the shoulders of any American as fell to the burden of Harry S. Truman when he took the reins from the immortal Franklin Delano Roosevelt?

The affairs of all the world, as never in the life of any leader in any age, fell right into the lap of this man from Missouri.

I remember personally courage and decision and the noblest aspects of patriotism and character on such questions as the United Nations conference in San Francisco, his magnificently firm handling of the Kremlin and Stalin, that dreadful problem of the atom bomb. At home there was unification of the Armed Forces, price controls, passage of progressive legislation, his constant fight for the people. The Truman doctrine in the Near East seems in this hour to have established a pattern for other Presidents to follow. Who more than Harry Truman deserves credit for saving Greece, Italy, perhaps France, and, through Korea, whole pieces of Far Eastern geography from falling under the domination of the Soviet Union? After persecutions that have bloodied the pages of history for 2,000 years, it was President Truman, more than any single individual in the post-war period, who created Israel as a free and independent nation.

My mind fills with a thousand historic scenes as I rise to do honor to my friend, Harry S. Truman, on his birthday anniversary. His Missouri community knows him for his kindliness and his loyalty as a husband and a father. The love of the former President and Mrs. Truman for each other, and their fine family life is an inspiration for all to follow. We who were at his side during the trying hours know him as a statesman and an outstanding American. If the former President and I live through the years to come, I know this: I shall never find myself bereft of recollections and the warmth of praise to eulogize on many forthcoming birthdays my great, good friend, Harry S. Truman, one of the foremost historic figures of this century.

Mr. PATMAN. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield to the gentleman from Texas.

Mr. PATMAN. Mr. Speaker, I do not recall that the gentleman mentioned Mr. Truman's sending troops into Korea. I just want to remind the gentleman and the Congress that that was the only time in history that a President ever sent troops into another country, which was tantamount to a declaration of war and waging aggressive warfare, by unanimous consent. No one objected to it. Everyone applauded what he did. It was only a month later after the casualty lists commenced to come in and people commenced to make politics out of it that he was ever criticized at all. It was one of the most courageous acts in all history.

Mr. Speaker, Harry S. Truman will be recorded in the history of the United States as one of the greatest Presidents in all history. Having served in Congress at the time when he was a member of the United States Senate, Vice President of United States and as President of the United States, I know something about the kind of service he has rendered. He demonstrated the fact that he is truly a man dedicated to the service of all the people. He always demonstrated great ability and outstanding courage. He was always a sincere, honest, and agressive servant of all the people and against special privileges of any kind or type.

It will not be many generations until references like we make now, of great Presidents in the past—for instance, Washington, Jefferson, Lincoln, and Wilson—until any such references of great President will include among the very few greatest ones the names of Franklin D. Roosevelt and Harry S. Truman. I congratulate this great statesman, one of our greatest Americans, and wish for him many, many more happy birthdays.

Mr. SCHWENGEL. Mr. Speaker, will the gentleman yield?

Mr. CHRISTOPHER. I yield.

Mr. SCHWENGEL. I should like to say to the gentleman from Missouri who has paid tribute to a past President of the United States that I want to pay tribute too. But, first, I want to say to you something that I feel deeply in my heart. It is this. I think it is time for those of us who serve in important positions, such as you and I serve in, to recognize some of the virtues in everybody. I was awfully sorry to hear you say to this body, in effect, that there is no virtue on this side of the aisle. I do not believe that. I do not believe the man you speak about believes that because many of them supported him in a critical hour, in our great decision, an important decision at the time, which made a difference in American history, I want to say to you I have some answers to some of the charges that you make, but I shall not do so at this time and I hope I will never be tempted to do so on this floor because I think the time has come when we need to stand up and talk about things that are important and good and to say something about the virtues of people rather than to stand here and to fan the differences that do not need to be fanned. It is time men of good will started getting together in this terrible age, this atomic age, this age which is so dangerous. It is time for us to think of the great challenge of this hour and to bring our forces together and to fight against the worst enemy that this world has ever known—communism—as the people in Russia know—the worst kind of slavery—physical slavery and mental slavery. But, as a Republican, and I think I would speak the minds of every Republican on this side, I want to join with you in what you have said about wishing Harry Truman Godspeed, good health, and happiness, and a long, long life. I thank the gentleman for yielding.

Mr. CHRISTOPHER. I want to thank the gentleman and compliment him for his remarks regarding former President Truman. I also want to say that he is interpreting my remarks as having said there is no virtue on the left hand side of the aisle. I will say to the gentleman, my remarks should not be so interpreted. So far as our President is concerned at the present time, he has my deepest sympathy because he goes to his own and when he asks for bread, they give him a stone; when he asks for fish, they give him a serpent. If it were not for the Democrats on this side of the aisle, he could not get any part of his program passed. The Bible says a man's enemies shall be they of his own household. If the President of the United States today has not realized that, then something very obvious has escaped his notice. I can prove the assertions that I have made about the things that have happened in the last 4 years. I am not blaming the President of the United States for them, but I have searched the pages of history in vain for one single piece of legislation that has been passed since 1900 which was passed by a Republican House and a Republican Senate and signed by a Republican President which was good for the men and women who have to earn their living with their hands or their brains. If the gentleman can put in the RECORD the number of the Public Law that was passed under those circumstances and which was good for the people who have to work, I would read it and study it with great interest.

Mr. Speaker, I ask unanimous consent that all Members be allowed to extend their remarks at this point in the RECORD on the birthday anniversary of former President Harry S. Truman.

The SPEAKER pro tempore (Mr. VANIK in the chair). Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BROWN of Missouri. Mr. Speaker, if there is one thing that characterizes a good Missourian, it is fighting courage; and President Harry S. Truman has been a living example of it. Few Presidents ever assumed the office in more difficult times, and few, if any, had as many controversial decisions to make. Harry Truman took the oath of the Presidency in humility and with many serious misgivings, I am sure. But every day he occupied the White House he grew in stature and in self-confidence.

He met the grave issues of the day head on, and though many contemporaries disagreed with his decisions, he at least made decisions and fought for them, often against great odds. In office as out of office, he has won battles and lost battles. But never has defeat deterred him in a cause. He just gets off the floor and comes back fighting.

You might not like where Harry Truman stands; but you always know where he stands. And in Government, courage to make a decision, right or wrong, is an often scarce and precious asset.

I join our fellow Missourians in this birthday salute to a fighting Missourian—the man from Independence, President Harry S. Truman.

FOREIGN DUMPING IN THE UNITED STATES MARKET

The SPEAKER pro tempore (Mr. VANIK in the chair). Under the previous order of the House, the gentleman from West Virginia [Mr. BAILEY], is recognized for 30 minutes.

Mr. BAILEY. Mr. Speaker, some days ago it was my pleasure to introduce H. R.

5102, an antidumping act. I was joined in this commendable act by a large number of my colleagues in the House on both sides of the center aisle.

It is a well established practice over the years to protect American producers from the practice of producers abroad to offer for sale in this country certain foreign-made or foreign-grown products at a price below the price charged for the same article in the country in which it was produced or grown.

It has, over the years, been the American policy to protect American markets from such unfair practices.

You will recall my protest against the customs simplification bill on the floor of the House and my charge that it would, if enacted, destroy, and nullify our existing antidumping laws. The Customs Simplification Act allows an export value instead of the current sale price value in the country of origin as a basis for fixing import duties.

In this connection, I wish to call attention to the practice of importers of Japanese products of building huge warehouses to store imports for sale in future years. This is going on on our west coast and as far east as Minneapolis. It is just another dumping operation.

Since everybody agrees that foreign dumping in the United States market is an unfair trade practice per se and contrary to our public policy expressed in our various domestic antitrust and unfair trade practice laws, we feel strongly that the requirement of showing injury as now contained in the Antidumping Act should be removed. It circumvents the retarding influence intended by the Act and has acted as an open invitation to foreign dumping, the practice of which has become widespread.

The countervailing duty law—designed to prevent or offset foreign subsidized sales in the United States—has no comparable requirement of showing injury. And, Congress has repeatedly refused the Treasury Department's requests that such injury requirement be inserted in the countervailing duty law, notwithstanding the contrary but unauthorized provision contained in The General Agreement on Tariffs and Trade. The Congress clearly does not consider this provision of GATT with respect to both subsidies and dumping of any force or effect. This factor taken together with frequent expressions of dissatisfaction with the ineffective manner in which the antidumping act has been administered and the fact that Congress has directed the Treasury Department to recommend strengthening amendments required to make the act more promptly effective, seems to us to constitute a directive that the Treasury Department give serious and careful consideration to recommending that the injury requirement be removed.

The Antidumping Act was intended to—and should be so amended and promptly and effectively administered, resolving all doubts against the advocates of dumping as to—act as a deterrent to the foreign practice of dumping in the United States market. It should be a preventative act and not primarily a remedial measure. We should not invite the illness and then go to the doctor for a remedy.

The result has been the exact reverse—foreign dumping has been encouraged and has become a common practice, as is clearly evidenced by the Treasury Department's own survey of 1954 imports, showing such a wide range of imported merchandise having an export value lower than the foreign value. The act, as it has been so laxly, rarely, and begrudgingly enforced—with its various complications and delays in determining a dumping price; and then the impossible requirement that domestic industry carry the burden of proof both as to dumping price and injury as likely to result from such dumping—has resulted in an open invitation to foreign producers and governments to engage in the practice of dumping. By the ineffective manner in which the act has been administered, we have given them the virtual assurance that they can usually dump in our market with immunity or at least until the purpose of their dumping has been accomplished.

The act should be so amended and promptly and effectively administered as to increase its deterrent effect, thus stopping the now widespread practice of dumping. The amendments to the act should be so written as to clearly and unequivocally put foreign producers and foreign governments on notice that they cannot expect to dump in this market and get away with it. They should be forcefully advised, if and when they do dump merchandise in this market, that we will promptly, forcefully and retroactively impose an antidumping duty equal to the extent of the "dumping price," in order to offset and cancel out any advantage that they may have hoped to obtain by such dumping. Such an amended act—along with prompt and effective administration—would stop most of the foreign dumping, as was the real intent of the Antidumping Act. The act was not intended as a revenue raising measure. If foreign producers and governments clearly understand that they cannot gain an advantage by dumping—that it will be fully and promptly offset by an equivalent dumping duty—they will discontinue the practice of dumping.

To accomplish this retarding and preventive purpose the bill, first, removes the injury requirement, with a provision that the duty will not be imposed when (within 30 days of the finding of a dumping price) the Tariff Commission finds and certifies that there is no existing or developing production of like, similar, or competitive merchandise in the United States; second, restores the full retroactivity of the dumping duty, when dumping is found, to all entries not finally liquidated by the Collector of Customs at the time suspected dumping is first brought to the attention of the Treasury Department by an interested party; third, provides for a prompt and mandatory "dumping price" investigation upon application of any interested party or upon notice of suspected dumping from any customs official; fourth, provides that "dumping price" investigations must be completed within 90 days, and that the findings thereof must be published in a report stating the evidence and considerations supporting such findings of "dumping" or "no dumping;" fifth, clarifies the definition of "fair" and "foreign market value" so that the foreign value can be readily determined on a basis of practical, competitive and commercial realities; and so that the intent of the act cannot be circumvented by artificial and meaningless restrictions in foreign sales or offers for sale, or by minor differences between articles sold abroad and those exported to the United States, which have been used in the past to justify the failure to find a foreign value on which a finding of dumping could be based; and sixth, provides for Court of Customs and Patent Appeals review of the findings in such dumping investigations.

The amendments to the act in H. R. 5102 are so written as to place the burden of proof—proof of no dumping—whenever dumping is reasonably suspected, upon the foreign producer or Government or the American importer or upon such other person or organization as may be advocating the unfair-trade practice of dumping. Since dumping is clearly an unfair-trade practice, there is ample justification for resolving all doubts in favor of the domestic producer and imposing the burden of proof upon the advocate of dumping in any suspected case. Otherwise the act loses its clearly intended purpose of retarding and preventing the unfair-trade practice of dumping. Also, the elements of proof as to foreign value and other elements of dumping proof are peculiarly in the hands of foreign producers and American importers—those who advocate dumping. Frequently, even in aggravated cases, factors of clear and positive proof are not available and cannot be obtained by domestic producers. Such proof as may be within the United States is in the hands of the Treasury Department, which says that it is confidential and cannot be given to American producers.

This placing of the burden of proof upon the advocate of dumping could result in no injury to the foreign producer or American importer. The advocate of imports, where dumping is suspected, can easily prove his case, if he is correct—and he is the only one who has all the facts readily available. The advocate of dumping cannot even be hurt, if he is correct. Even if the dumping duty is imposed, the suspected imports need not pay the duty; if, as the advocate of dumping claims, the imports do come in at—or above—the fair value. If the imports are coming in at fair value, the advocate should not be concerned by or fear a dumping duty because he will not be affected thereby.

Those opposed to dumping duties—the advocates of dumped imports—usually have engaged in, or contemplate engaging in, the admittedly unfair trade practice of dumping. If he is not and does not contemplate doing so, it should be easy for him to carry the burden of proving so in the event he should be falsely accused, even in a borderline case.

If his hands are entirely clean, he probably would not even oppose the imposition of a dumping duty because he would know that the duty could not affect his shipments. If an isolated, unintentional shipment did come in, by chance, at a dumped price, the duty would only equal the difference between the dumping price and the fair value. It would not be a penalty and would not retard or limit his normal, fair imports. It would constitute only a fair warning that he should comply with our law and avoid dumping in the future if he wants to do business in the American market.

There should be no hesitancy to promptly imposing antidumping duties because, even when imposed, they do not apply to or restrict fair imports which do come in at or above the fair foreign-market value. The dumping duty, in any event, is only imposed on each individual entry—standing on its own merits—and only when and to such extent as that entry was actually exported to the United States at a price less than the fair foreign-market value.

Because the elements of clear and positive proof are exclusively in the hands of the advocates of dumping—or suspected imports—all doubts should be resolved in favor of the domestic producer and in favor of imposing the dumping duty which would be harmless to any fair imports. To err in the direction of imposing the duty cannot injure the fair foreign producer or the fair American importer. No one but an advocate of unfair, dumped imports could have any legitimate objection thereto.

On the other hand, to err in the direction of only reluctantly making findings of dumping and of not imposing a dumping duty promptly, encourages and openly invites this unfair, foreign trade practice. It results in irreparable injury to domestic producers.

The only real opposition to an effectively amended Antidumping Act and its promptly effective enforcement, comes from those who have engaged in, or intend to engage in, the unfair trade practice of dumping.

The issue is really whether the unfair trade practice of dumping should be condoned or condemned in the import trade. The present law, as it has been administered, actually condones and encourages foreign dumping in our market by foreign competitors. The real issue now before Congress, is whether the Congress should ratify the widespread foreign practice of dumping, as invited and encouraged by the administration of the existing law, by inaction, or condemn it by effective amendments.

While they do not say so openly, those who oppose effective amendments to and administration of the act want it so ineffectively administered—as it has been in the past—as to be the practical equivalent of repeal.

We feel strongly that the issue should be met squarely and honestly. The act should be so amended by Congress, both in substantive and procedural provisions, as to make it an effective deterrent and absolute bar against the unfair, foreign practice of dumping—where there is production of comparable products in the United States. If Congress should decide against this course of action—in all honesty, the existing so-called Antidumping Act should be repealed.

To have an ineffective and unenforced act on the books, as we do now, can only cause misunderstanding and friction with foreign producers and foreign Governments. A clear, mandatory, and strongly enforced statute which is clearly understood abroad as definitely barring dumped imports will be readily accepted and will reduce friction abroad to a minimum.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SCHERER from May 13 to May 17, 1957, on account of representing the Committee on Public Works at the International Roads Conference at Havana, Cuba.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts for 5 minutes today.

Mr. COLLIER, for 15 minutes, on Wednesday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MOULDER.

Mr. HARRISON of Virginia and to include extraneous matter.

Mr. JENSEN and to include a statement.

Mr. ANDERSON of Montana and to include extraneous matter.

Mr. VANIK and to include extraneous matter.

Mr. PATMAN to revise and extend the remarks he made in Committee of the Whole today and include extraneous matter.

Mr. KRUEGER and to include extraneous matter.

Mr. BERRY in three instances and to include extraneous matter.

Mrs. BOLTON.

Mr. WHITENER (at the request of Mr. MCCORMACK) and to include extraneous matter.

Mr. ROGERS of Texas.

Mr. ROOSEVELT.

Mr. CRAMER (at the request of Mr. SCHWENGEL).

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

ADJOURNMENT

Mr. MCCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 6 o'clock and 11 minutes p. m.) the House adjourned until tomorrow, Thursday, May 9, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

831. A letter from the Secretary of the Treasury, relative to joining with the Secretary of the Department of Health, Education, and Welfare in recommending legislation as proposed in executive communication No. 809 appearing in the CONGRESSIONAL RECORD of April 29, 1957; to the Committee on Ways and Means.

832. A letter from the Secretary of Defense, transmitting the Semiannual Report of the Secretary of Defense, together with the reports of the Secretaries of the Army, the Navy, and the Air Force, for the period from January 1 to June 30, 1956, pursuant to the National Security Act of 1947, as amended; to the Committee on Armed Services.

833. A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation entitled "A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes"; to the Committee on Merchant Marine and Fisheries.

834. A letter from the Secretary of Defense, transmitting a draft of proposed legislation entitled "A bill to authorize term retention contracts for Reserve officers, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MCMILLAN: Committee on District of Columbia. H. R. 4932. A bill to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; without amendment (Rept. No. 393). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 6548. A bill to amend the Universal Military Training and Service Act, as amended, as regards persons in the medical, dental, and allied specialist categories; with amendment (Rept. No. 394). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Armed Services. H. R. 787. A bill to authorize the exchange of certain lands between the United States of America and the State of California; with amendment (Rept. No. 395). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 2515. A bill to authorize the conveyance to the State of Wyoming of about 37.75 acres of land comprising a part of Francis E. Warren Air Force Base; without

amendment (Rept. No. 396). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 5237. A bill to authorize the Secretary of the Navy to furnish supplies and services to foreign vessels and aircraft, and for other purposes; with amendment (Rept. No. 397). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 3246. A bill to authorize the exchange of lands at the United States Naval Station, San Juan, P. R., between the Commonwealth of Puerto Rico and the United States of America; without amendment (Rept. No. 398). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee on Armed Services. H. R. 6744. A bill to amend Public Law 472, 81st Congress, as amended, relative to the attendance of professional personnel of the National Advisory Committee for Aeronautics in graduate schools; without amendment (Rept. No. 399). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 7344. A bill to amend title 46, United States Code, to provide for limitation of liability for vessel owners in suits by third parties based upon the warranty of seaworthiness, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. ASHLEY (by request):

H. R. 7345. A bill to provide certain increases in annuity for retired employees under the Civil Service Retirement Act of May 29, 1930, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BENTLEY:

H. R. 7346. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. DELLAY:

H. R. 7347. A bill to amend the Internal Revenue Code of 1954 to eliminate the provisions which presently restrict the deduction for medical expenses to those exceeding 3 percent of gross income, and for other purposes; to the Committee on Ways and Means.

By Mr. HOSMER:

H. R. 7348. A bill to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States; to the Committee on Rules.

By Mr. McMILLAN:

H. R. 7349. A bill to amend the act regulating the business of executing bonds for compensation in criminal cases in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MILLER of Maryland:

H. R. 7350. A bill to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child-labor provisions of such act with respect to home workers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths; to the Committee on Education and Labor.

By Mr. SMITH of Kansas:

H. R. 7351. A bill to provide that income from the sale of certain livestock shall, at the election of the recipient, be included in net earnings from self-employment for purposes of social security benefits and the tax on self-employment income; to the Committee on Ways and Means.

By Mr. BURDICK:

H. R. 7352. A bill to create a council to determine the inability of a President or one acting as President to discharge the powers and duties of the Office of President; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7353. A bill to amend section 5 of the War Claims Act of 1948 to provide detention and other benefits thereunder to certain Guamanians killed or captured by the Japanese at Wake Island; to the Committee on Interstate and Foreign Commerce.

By Mr. DINGELL:

H. R. 7354. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. HASKELL:

H. R. 7355. A bill to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child-labor provisions of such act with respect to home workers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths; to the Committee on Education and Labor.

By Mr. METCALF:

H. R. 7356. A bill to amend the Soil Bank Act so as to limit the amount payable to any producer in any one year for participation in the acreage reserve program and the conservation reserve program; to the Committee on Agriculture.

By Mr. O'BRIEN of New York:

H. R. 7357. A bill to provide that the people of Guam and the people of the Virgin Islands shall each be represented by a Delegate in the House of Representatives of the United States; to the Committee on Interior and Insular Affairs.

H. R. 7358. A bill to amend section 4 of the War Claims Act of 1948 to provide benefits to certain contractors' employees; to the Committee on Interstate and Foreign Commerce.

H. R. 7359. A bill to amend section 5 of the War Claims Act of 1948, as amended, to provide benefits to Guamanians captured or killed at Wake Island; to the Committee on Interstate and Foreign Commerce.

H. R. 7360. A bill to amend section 207 of the Legislative Reorganization Act of 1946, to provide that the boards for the correction of military or naval records shall give consideration to satisfactory evidence relating to good character and conduct in civilian life after discharge or dismissal in determining whether or not to correct certain discharges and dismissals, and for other purposes; to the Committee on Armed Services.

By Mr. RUTHERFORD:

H. R. 7361. A bill to provide that the United States may be joined as a defendant in certain suits or controversies in the Supreme Court of the United States involving the Rio Grande compact; to the Committee on Interior and Insular Affairs.

By Mr. TRIMBLE:

H. R. 7362. A bill to amend Public Law 393, 76th Congress, to establish criteria for utilization by the Secretary of the Interior in determining the feasibility of constructing or modifying any reclamation project, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HÉBERT:

H. R. 7363. A bill to amend the Tariff Act of 1930 to reduce the import duty on eviscerated pigeons; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 7364. A bill to amend section 301 of the World War Veterans' Act, 1924, to provide that certain term insurance held by World War I veterans shall be considered as fully paid when the insured reaches the age of 65; to the Committee on Veterans' Affairs.

By Mr. MORRISON:

H. R. 7365. A bill to make the Civil Service Retirement Act Amendments of 1956 applicable to certain persons who retired under the automatic separation provisions of the Civil Service Retirement Act prior to the enactment of such amendments; to the Committee on Post Office and Civil Service.

By Mr. ANDERSON of Montana:

H. R. 7366. A bill to amend the Soil Bank Act so as to limit the amount payable to any producer in any 1 year for participation in the acreage reserve program and the conservation reserve program; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALGER:

H. R. 7367. A bill for the relief of Lee MacDonald; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 7368. A bill for the relief of Carmelo Pallizzi; to the Committee on the Judiciary.

H. R. 7369. A bill for the relief of Salomon Mermelstein; to the Committee on the Judiciary.

By Mr. BOLAND:

H. R. 7370. A bill for the relief of Sergis Cehennemoglu; to the Committee on the Judiciary.

H. R. 7371. A bill for the relief of Annemarie Gaskins; to the Committee on the Judiciary.

By Mr. COLE:

H. R. 7372. A bill for the relief of Mrs. Franziska M. Gates; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7373. A bill for the relief of Leopoldina Gomez; to the Committee on the Judiciary.

By Mr. FINO:

H. R. 7374. A bill for the relief of Angelo Sardo; to the Committee on the Judiciary.

By Mr. KNOX:

H. R. 7375. A bill for the relief of Edward J. Doyle of Manistique, Mich.; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H. R. 7376. A bill for the relief of Akemi Kazari; to the Committee on the Judiciary.

By Mr. MORANO:

H. R. 7377. A bill for the relief of Pepi Bach; to the Committee on the Judiciary.

By Mr. RHODES of Pennsylvania:

H. R. 7378. A bill for the relief of Josef Pieslak and his wife, Stepien Stanislawa Pieslak; to the Committee on the Judiciary.

By Mr. ROONEY (by request):

H. R. 7379. A bill for the relief of Charlotte Thomson; to the Committee on the Judiciary.

By Mr. TUCK:

H. R. 7380. A bill for the relief of Bok Dong Choi; to the Committee on the Judiciary.

By Mr. VAN ZANDT:

H. R. 7381. A bill for the relief of Kenneth Chung, No. A-7084922; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

236. Mrs. ST. GEORGE presented a petition of Leroy Buck, Middletown, N. Y. and 71 others regarding economy in Government; to the Committee on Appropriations.

EXTENSIONS OF REMARKS

The Road Ahead for Business

EXTENSION OF REMARKS
OF

HON. THOS. E. MARTIN
OF IOWA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. MARTIN of Iowa. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address which I delivered before the annual convention of the Junior Chambers of Commerce of Iowa at Waterloo, Iowa, on May 4, on the subject, The Road Ahead for Business."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ROAD AHEAD FOR BUSINESS

(Address by THOS. E. MARTIN, Republican, Iowa, before the annual convention of the Junior Chambers of Commerce of Iowa, Waterloo, Iowa, May 4, 1957)

Mr. Chairman and my good friends of the Junior Chambers of Commerce of Iowa, it is a great pleasure to address your convention tonight. The many communities of Iowa are no different from any firm or any organization—they need the enthusiasm, the interest and the new blood of their younger members in order to stay alive. Through the junior chambers of commerce, the towns and the cities of Iowa benefit greatly from your knowledge and your services. To say you are doing an outstanding service for the areas in which you live would be a gross understatement. You are making a significant contribution, not only through the many worthwhile projects you initiate and carry through, but also by the very fact that you care enough about your community to work for it through your organization. I sincerely congratulate you on your interest and your service.

I am going to talk to you about "the road ahead for business." Since most of you participate in the business life of your community, the future road of business is of real interest.

You and I have a common meeting place for my brief remarks tonight. You participate actively in the business world of today and I am employed as one of your servants in government. Our mutual interest concerns the blending of these two forces—business and government. In the complex world of today government and business are thrown together in a variety of ways. That association generally works to the great benefit of both. Whenever the association works to the detriment of business, it behooves all of us to do what we can to improve matters and when a business group has organized a monopoly that restricts trade and the free flow of commerce, government must step in.

There are other instances where the Government has undertaken competitive business operations that are not warranted. I have had a firsthand view of some of the abuses that have occurred. When I became a Member of the Senate, I was assigned to the Government Operations Committee. One of the subcommittees of that group is the Subcommittee on Reorganization of Government. We have been holding hearings and investigating the recommendations and findings of the second Commission on Organization of the Executive Branch of Government—the Hoover Commission—headed by a truly great native Iowan, former President Hoover.

In almost 2 years of committee hearings on the report of both the first and the second Hoover Commissions, I've seen the work of the various junior chambers of commerce, all across the country. It is my impression that in many, many areas the junior chamber was one of the first—and often the very first—organization to put its weight behind the recommendations of the Hoover Commissions. For that interest and public service, I sincerely congratulate you. In turning your efforts toward one of the great tasks facing our people today—that of reorganizing certain portions of our Government—you are fulfilling one of the public services for which the junior chamber of commerce was founded.

National defense, security, and the general public interest sometimes justify active conduct of limited business operations by the Government, but in my service on the Subcommittee To Study the Findings of the Hoover Commission, I have seen a great number of instances where Government has violated its proper role in relation to business. To emphasize this point. allow me to pass on to you some of my observations.

It is impossible to make a precise estimate of the number and type of private enterprises into which Government has extended itself in the last several years. We did discover, however, that within the Department of Defense alone, the total number of commercial and industrial-type facilities that were owned by the Government exceeded 2,500. Our subcommittee was told by the Hoover Commission that on the 31st of December 1954, there were 47 categories of this type of enterprise that the Defense Department was operating. The list is far too long to enumerate now, but let me call off a few of them for you. Each of these is an instance where the Government actually owned and operated the business: A clothing manufacturing plant, a paint factory, an ice-cream plant, an eyeglass manufacturing firm, a furniture repair shop, a cement mixing plant, a tree and garden nursery, a coffee roasting business, an airline, a steamship line and a railroad. The estimates were that the total Government capital involved probably exceeded $15 billion. I believe your conclusion is the same as mine.

It is easy to see how the Government became involved in these businesses. Because of exceptional circumstances—an economic emergency or perhaps the emergency of war—the Government became involved in areas usually reserved for private enterprise. But the continuance in business by Government long after the emergency had passed is a different matter. In 1954, a subcommittee of the House Committee on Government operations found that from 1929 to 1948 public wealth had grown 287.5 percent while private wealth had increased only 78.7 percent. In 1929 the public wealth represented only 15 percent of the total national wealth, but in 1948 the public wealth amounted to 27.3 percent of the total national wealth. These figures occasioned this comment from one of the Government leaders in Washington: This is not creeping socialism—it's galloping along at a very fast pace.

There are many reasons why this is an unfortunate trend—why this trend must be stopped. In the first place it violates the basic principles of our Government. Without any question, our Constitution places protective and regulatory functions in the Federal Government rather than the right to produce goods and services. Government is not supposed to compete with private business.

Secondly, the competition that is established between private business and Government is not only a breach of principle, but it is decidedly unfair. As you very well know, one of the items that is highly important in establishing a record in business is the ability to keep production costs at a minimum. The businessman who keeps his costs below his competitors' has a better chance to establish a lower cost for his product. When business and Government are the competitors however, Government has certain advantages on its side. For example, Government business enterprises are usually relieved of many important charges private business must pay—charges like taxes, interest, depreciation, a full payroll and fringe benefits to personnel. I'm certain if your competitor were allowed to ignore these charges you would consider the competition highly one-sided, yet when Government is doing the competing, it enters the economic battle with these built-in advantages.

There are two possible reasons why Government has continued in these business activities. I have little patience with either of them. One reason is the natural resistance to change of great size and magnitude in established operations. It certainly is easier to let things ride, but we can't afford to ignore any fundamental disregard of principles. The other reason is that the advocates of Government in business sincerely believe Government can do a better job than private enterprise. Such persons haven't read their history lessons carefully enough. They don't understand the philosophy of our Constitution, our Government or our people.

I'm proud to report to you this evening that in Washington we are doing something about this breach of principle. In the last 2 years the Defense Department alone has closed down 359 Government businesses, and action by other agencies brings the total closed down to almost 500. Each of these 500 examples is an instance wherein the Government formerly operated a business—operated it in direct competition with private business—operated it to such an extent that in some cases it gained a monopoly because private business couldn't compete and had to fold up—but in each of the 500 cases the Federal Government is now out of private business and free enterprise has gained what it should not have lost. I'm proud of the job we've done in the past 5 years. It's sheer nonsense to find the Government involved in making bread, mixing cement or repairing furniture. But a great deal remains to be done. We find special pockets of resistance whenever we start to translate a recommendation into a concrete removal of Government from a specific business field. We will continue the fight to keep Government where it should be. And we welcome the support of such fine groups as the junior chambers of commerce.

I may have given you the idea that Government should never be involved with business matters. That would be a mistaken idea. There are certain areas where Government and business can work together closely, hand in hand, to the mutual benefit of both. One such area was aptly defined by President Eisenhower in his economic report for 1956. I would like to quote a few sentences from that report because the President puts his finger squarely on one of the most important segments of our economy:

"Government can strengthen competitive markets by helping small and medium sized

businesses overcome impediments to their expansion. In our modern economy with its heavy capital requirements, high taxes and emphasis on national markets, small concerns are subject to serious handicaps in many lines of endeavor. Yet the continuance of small and medium sized businesses, and their ability to prosper and grow, are vital to the Nation's welfare. * * * When the Government helps smaller concerns to overcome some of the hindrances to their growth, it is acting in the interests of the whole economy."

It is not my role this evening to make a partisan speech to you, but I would like to cite the record of the past five years in relation to the program to help the small businesses of the country. I'm certain you remember, as I do, the many charges that flew back and forth across the country last November to the effect that the small-business man has been the forgotten man. No speech on the future of business in our country can be complete without a recitation of some of the accomplishments in this field in the last five years.

The Government agency that is tied most directly with the small businesses of the country is the Small Business Administration. This agency, created in 1953, is the first agency in our country's history that is devoted exclusively to aiding the small businesses of the country. The functions of the Small Business Administration can be summarized into four categories:

1. To provide financial assistance and counseling.

2. To provide procurement assistance to small firms.

3. To secure for small business management and technical assistance.

4. To provide disaster loans for small businesses.

The SBA is most noted for the financial loans and assistance it provides for the small-business communities of our Nation. One thing that is highly significant is the procedural pattern of the Small Business Administration in this field. True to the principles we conceive to be basic to our economy, the SBA does not compete with private banks. It is not the function of this Government agency to compete directly with private banks for loans to small business. Rather, it is an auxiliary force—one that works with banks to the eventual betterment of the business climate of the country. Two-thirds of all loans made through the SBA are accomplished in cooperation with participating banks. I am particularly proud of the record in this field made in the State of Iowa. Without encumbering you with figures, I would like to cite the record to prove that in Iowa the SBA and the private banks are working together in a model pattern of private and Government cooperation. From the time the Small Business Administration was created until the 31st of March 1957 the SBA had approved a total of 173 loans for the State of Iowa, totaling $5,301,202. Of those 173 loans, only 20 of them were direct loans, made solely by the Small Business Administration; 80 loans were made whereby the banks and the SBA participated jointly immediately and another 73 loans were made whereby the bank made the loan for the first portion of the term and the Small Business Administration will come into the loan picture for the latter portion of the loan term. These figures are doubly important when you realize that years ago under the RFC approximately one-third of the loans were participating loans and the other two-thirds were made solely by the Government agency. Under the SBA, nationwide, about 70 percent of the loans are made in cooperation with banks. But in Iowa, from the time the SBA started until the 31st of March this year, 88.4 percent of the loans were participating. That means that of all the loans made under the auspices of this Government agency, 7 out of 8 of them are made in cooperation with private banks. As I indicated before, this is the model pattern of cooperation between Government and private business. In Iowa it works the way it should work.

The second function of the Small Business Administration is to assist small businesses in gaining a fair share of Government contracts. There are two reasons for this policy. In the first place, it seems axiomatic that a thriving and successful small-business community is the common denominator to a successful American economy. Our system of free enterprise depends on both small and large business. By making certain the small businesses of the country receive their proportionate share of Government contracts we are helping to assure ourselves of a healthy economy. Secondly, in the event of a national-defense emergency, it is necessary that the small businesses of the country are ready for full mobilization. History makes it abundantly clear that in the event of such an emergency the country needs the efficiency and ingenuity of the small-business man.

The third function of the Small Business Administration is to provide management and technical assistance for the small businesses of the country. The significance of this assistance is highlighted by figures from Dun & Bradstreet indicating that 86 percent of business failures are due to poor management. I'm certain you are acutely aware of one fact: today, the businessman is competing in a highly complex business world of accounting practices, cost controls, time and motion studies, and a great variety of similar business practices and studies. The SBA's program to grant technical assistance and managerial aids to small-business men puts him on a more nearly equal footing with his big brother.

The Small Business Administration operates this program in a variety of ways. Booklets and pamphlets are made available, courses are offered in conjunction with colleges and universities and a new products program is conducted by the SBA.

Of course, the effectiveness of Government in this program is decidedly limited. The Small Business Administration, and the top officials of the executive branch of Government, realize that such a program must be entirely voluntary in nature. Certainly you do not want the Government to step in and tell you how to run your business. But the SBA makes this information available if you desire it. This area is one in which the junior chambers of commerce might make a significant contribution to their business communities.

The fourth function of the SBA is one that fortunately we haven't needed to a great extent in Iowa. This is the function of providing disaster loans to small businesses. Since its inception in 1953, the small business administration has made a total of 9 disaster loans in Iowa, totaling slightly over $125,000. Of course, we are fortunate that we haven't had to request a large number of such loans—like the 1 year total of $5 million for Connecticut, but it is good to known this service exists if we do need it.

I have spent some time discussing the SBA with you. I feel this agency of government is entirely worthy of praise and consideration. I'm proud of the job it is doing. For that reason, I am one of the cosponsors of legislation currently before the Senate which would make the SBA a permanent organization. I believe that certain definite advantages would result if we could make this arm of Government permanent. For example, I believe the agency would be able to attract more competent personnel if it were permanent. Furthermore, I believe the private banks around the country would be more willing to participate with the SBA if they knew it was permanent. This confidence would spread to businessmen also. In short, the Small Business Administration is doing a splendid job and I want to see it continue its program of aiding and assisting the small businesses of the country.

The small businesses of the country, and particularly those of Iowa, are making a great contribution to the economy of the country. They have shared the burdens that accompany economic or international crises. And they have contributed significantly to the strength of the peacetime economy of our country. Small business asks no special favors from this or any administration. It asks only to be allowed to grow in an atmosphere of free economy and fair competition. With all the power at my command I shall continue to work toward this goal.

Ninth Anniversary of Independence of Israel

EXTENSION OF REMARKS

OF

HON. JACOB K. JAVITS

OF NEW YORK

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. JAVITS. Mr. President, on the occasion of the ninth anniversary of the independence of Israel, there was a commemorative dinner held in Washington by the women's division, American Jewish Congress. The gathering was addressed by the Ambassador of France to the United States, Hervi Alphand; by the Ambassador from Israel to the United States, Abba Eban, and by myself.

The occasion of the dinner of the American-Jewish Congress demonstrated three points which are so vital on this anniversary: first, that Israel has performed its mission of being a haven for oppressed Jews from everywhere, its doors being wide open to persecuted Jews from wherever they may come; second, Israel's able and heroic efforts to secure its national integrity and make the country viable; and, third, that Israel is a firm ally of the United States in the struggle of the free peoples of the world.

I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the speech which I made upon that occasion.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

ADDRESS DELIVERED BEFORE THE WOMEN'S DIVISION, AMERICAN JEWISH CONGRESS, NATIONAL CONVENTION, SHOREHAM HOTEL, WASHINGTON, D. C., MAY 6

The vital question for us as a government is United States-Israel relations and their effect on the maintenance of peace and security in the Mideast. On this, the ninth anniversary of the establishment of Israel, we note that Israel has met every fundamental challenge which has been extended to her.

It preserved its existence against the aggression of the neighboring Arab States—1948–49.

It met the initial challenge of absorbing the harassed and persecuted Jews from many areas of the world—from the D. P. camps, Iraq, Yemen, North Africa, Europe, even from

behind the Iron Curtain—and is still meeting that challenge today. Israel's security and integrity had to be preserved so that never again, as happened in the dreadful time of Hitler's barbarism, should Jews find that they have no place to go, suffering death and extermination because they had no refuge. There is now a refuge, and this refuge is proving equal to its mission; help is, of course, needed but the structure is there of hope, not hopelessness, as before.

United States-Israel relations are much improved. Economic aid for the fiscal year ending June 30, 1957, not yet allocated to Israel, has been under negotiation since Israel's forces evacuated Gaza and Sinai. This will, I am confident, within the next few months, result in Israel's receiving the same amount of economic aid it received in the fiscal year 1956. United States technical assistance is being restored to the level it had before the October 1956 hostilities and will continue. The program of supplying agricultural commodities under Public Law 480 is also going forward and I understand the Export-Import Bank loan mission under Lynn Stambaugh will go out in July. Finally, Representative Richards and his mission have just been in Israel on the Eisenhower doctrine but neither Israel nor our Government has as yet announced a policy.

The value of Israel's contribution to the peace and security of the free world can be seen from its policy in the recent Jordan crisis. Israel's sensible, hands-off action contributed greatly to the solution of what might have been the start of world war III. Israel made no threats and took no action to deepen the crisis. Yet the mere fact of Israel's presence on Jordan's border—and its strength—appears to have been an important factor in restraining Egypt and Syria from aggressive action there which would inevitably have involved others and put in jeopardy the survival of Jordan itself as a country.

Now, as to Israel's security and integrity—its security and integrity depend upon two factors. First, is it economically practical? And second, will it be submerged by some form of forceful attack from the outside? Now as to its economic viability, it is making great strides ahead. It still has a very serious imbalance in its foreign exchange position, but this is attributable primarily to the blockade, boycott, and other unfriendly economic actions by the Arab States which surround it and which are its natural market. It might well be pointed out that the Arab States are passing up the chance for tremendous economic boons, for Israel is a great manufacturer of inexpensive goods which could contribute greatly to enhancing their own standards of living. Some peaceful understanding with Israel—which Israel has consistently proposed—and an end to Arab intransigence would solve the Palestine-Arab refugee problem, make the Jordan River waters available for irrigation to Israel and its neighbors, relieve both of heavy military expenditures, and make available priceless technical and economic assistance for a reflowering of the Middle East.

As to military security, I think Israel has shown its capability for meeting challenges in the action which took place in the Sinai desert, and I am speaking now only of the military phases of it. I think the chances are now excellent that transit of Israeli shipping through the Gulf of Aqaba will be secured by international means and, indeed, with the support of the United States which I believe to be indispensable in that regard—and which should be forthcoming.

I think in the Suez Canal there is going to be a real struggle. But there the whole Western World has a struggle. I strongly advocate the fact that the free world take vigorous and effective measures to seek and to back our friends in seeking alternate routes for moving Mideast oil to Europe and bypassing the Suez Canal, because I think the Suez Canal is the Achilles' heel of Colonel Nasser, who represents, in my opinion, practically a stalking horse for everything that the Communists want to accomplish in the Middle East.

As for the Gaza Strip, I think the U. N. emergency forces are serving a real purpose there. Now what happened there in admitting the Egyptians to civilian control and of the joining of certain Arab police on the Gaza Strip border with Israel is not to the liking of many of us, including myself. But I think the important thing is that the UNEF is there and remains there and our determination must be to keep it there, because it does seem to be doing a fairly practical job of restraining infiltration raids across the border into Israel.

In short, I think Israel will live, survive, be successful and do its job; and I have tried to outline some of the things that we need to do in commemoration of this great anniversary in helping Israel. Beyond everything else, let us not forget that our support both financial—which includes the United States Government and individual Americans—and moral must continue to be forthcoming for considerable time to insure what we aspired to for Israel—its security and independence; its ability to perform its mission for harassed and persecuted Jews everywhere, and its continued cooperation as a strong ally of the free world.

Mrs. Hazel Abel, Former Senator From Nebraska, Named Mother of 1957

EXTENSION OF REMARKS
OF
HON. ROMAN L. HRUSKA
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Wednesday, May 8, 1957

Mr. HRUSKA. Mr. President, a great honor has come not only to this body, but, likewise, to the State of Nebraska, in the naming, as American Mother of 1957, of Mrs. Hazel Abel, who served in the Senate in 1954.

I ask unanimous consent that an article from the Washington Evening Star of May 7, 1957, may be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MRS. ABEL, EX-SENATOR, NAMED MOTHER OF 1957

NEW YORK, May 7.—Mrs. Hazel Abel of Lincoln, Nebr., 68-year-old former United States Senator and construction company president, was named American mother of 1957 today.

The announcement was made by Mrs. Daniel A. Poling, president of the American Mothers Committee, Inc., at the opening of the group's annual mothers conference.

Mrs. Abel is a widow with five children—four daughters and one son. She had six grandsons.

Mothers of the year from every State, the District of Columbia and Puerto Rico competed for the national title. A committee jury chose the winner.

"Hazel Abel's work embraces many fields—church and religious organizations, education, civic and welfare groups, and above them all stands out her work with youth," the announcement said.

"She has been awakening thousands everywhere to all the known causes of juvenile delinquency, and has been stimulating communities to study and put into effect modern ways of prevention. In her own State she is responsible for new interests in a statewide juvenile probation system, improved courts for children and recodification of Nebraska's children's laws."

Mrs. Abel was born in Plattsmouth, Nebr., and has lived in that State all her life. She met her late husband, George Abel, when the two were students at the University of Nebraska.

After graduation he started a construction company with $100 in savings. The business grew to a large firm.

When Mr. Abel died in 1937, his wife took over as company president. She ran the business for 15 years. Then she turned it over to her only son.

Mrs. Abel was elected to a short term in the United States Senate after the death of Senator Dwight Griswold in 1954 and served from November 1954, to January 1955.

Next Friday she will be honored as the American Mother of 1957 at the annual awards luncheon of the mothers committee at the Waldorf-Astoria Hotel.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield to my colleague.

Mr. CURTIS. Mr. President, I share in the expression of pride and appreciation that this honor has come to the State of Nebraska. Mrs. Hazel Abel was a distinguished Member of this body. She has been named American Mother of the Year. I wish to congratulate her and to express my feeling of pride that this honor has come to her and to our State.

Mr. MUNDT. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield to the Senator from South Dakota.

Mr. MUNDT. I should like to associate myself, Mr. President, with the felicitations extended by the two Senators from Nebraska. Mrs. Hazel Abel is a neighbor of ours, in South Dakota. I have known her for a long time. She served with distinction as a Member of the Senate.

I was visiting with the South Dakota Mother of the Year, Mrs. Hans Sorenson, of South Dakota, in my office this week. She expressed her high regard for this outstanding American lady.

I join in congratulating our neighbors in Nebraska.

Mr. HRUSKA. I should like to thank the Senator from South Dakota.

The National Cowboy Hall of Fame

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. BERRY. Mr. Speaker, plans are well under way for construction of a National Cowboy Hall of Fame in Oklahoma City, Okla.

Young and old alike thrill with the excitement and romance of the early West. The American cowboy is not only a colorful part of American history, but he was an essential figure in the development of the frontier that has now become the heartland of this great Nation.

Rugged individualism, personal determination and initiative were qualities which, combined with good old-fashioned hard work, enabled men of vision to build the West.

The National Cowboy Hall of Fame will honor the great cattlemen and other outstanding pioneers who worked for the progress and created the tradition of the West. Honorees will include working cowboys, cattlemen, pioneers, rodeo cowboys, trailblazers, and others deemed worthy by the trustees of the national organization.

The standards established by the trustees are: Honorees must be outstanding Americans, prominent in the development of the West, or in perpetuating the traditions of the western country. They may be nominated by historical, livestock and rodeo associations and other groups, or by individuals, and must be recommended to the National Cowboy Hall of Fame and elected by its trustees.

The first five men chosen fulfill all these qualifications. They are:

Theodore Roosevelt—rancher in the Dakotas and later United States President.

Will Rogers—a man who never let the world forget that he was a cowboy.

Charles Russell—Montana artist known for his paintings of the frontier West.

Charles Goodnight—a real pioneer of Texas' range cattle industry and foremost traildriver.

Jake McClure—working cowboy of New Mexico, rodeo champion and judge.

The National Cowboy Hall of Fame has been chartered as a nonprofit corporation. National trustees have been appointed in each of the 17 Western States, including the governors as ex-officio trustees.

The site of the Hall of Fame and Museum is a triangular piece of land which combines prairie flatness and wooded hills. It is located along United States Highways 66 and 77 and is within easy reach of all traveling Americans.

A million dollars has already been subscribed so that construction of the project is assured. However, five times that amount is the goal of the trustees. The memorial must be properly symbolic of an era which has made our Nation great and provided our heritage of courage and freedom.

The inspiration of the early West must be preserved and perpetuated to coming generations of American youth. The Cowboy Hall of Fame and Museum has this very worthwhile objective. The prayer of Dr. G. Raymond Campbell, pastor, Westminster Presbyterian Church, Oklahoma City, Okla., at the site dedication on November 11, 1955, reflects the great value of this project. The prayer reads as follows:

Oh, Thou God of the open plains, who never made a man You didn't love, we pray that You will hallow this place in the memory of men of the saddle, that the best of the past can be carried into the future.

If, sometimes, someone should imagine, up here on this hill, that he has caught just a whiff of the smell of bacon frying over an open fire, or the bubble of coffee boiling over onto coals of the fire, or the creak of a tired saddle, and the evening lowing of cattle off in the distance, we'll thank You, Lord.

And if some still night when the moon is full, someone should think that he hears again the soft breath of a harmonica, or the sound of a man quietly humming to himself, then we'll believe, like those men who were riding herd 2,000 years ago, that the angels have come mighty close to earth again.

It is in the memory of the men who built this West, we ask You to dedicate this place. And, Lord, up there on the high range where the grass is always green and a man's horse never gets tired, we pray that the boys are happy with what we are doing here. Amen.

Office of Defense Mobilization

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. VANIK. Mr. Speaker, three times within the last 2 weeks we have observed the Office of Defense Mobilization engage in activities and practices unrelated to the national security and contrary to the public interest. Just yesterday the Secretary of the Treasury, George M. Humphrey, criticized the fast tax writeoff program which has been made possible only through the action of the Office of Defense Mobilization. The specific grant of authority just last week to the Idaho Power Commission to enjoy quick amortization of its investment on the low-level dams to be built in Hell's Canyon was as gross an abuse of authority as has been conducted by the present administration since its inception. It also appears that the ODM and the Treasury Department—separated only by the White House grounds—fail to communicate with each other.

This independent office, apparently independent of good judgment and elementary thinking, recently declared that oil imports to the United States should be curtailed in the interest of the national security, when just exactly the opposite is true. The American national security is imperiled by the dissipation of its domestic oil reserves when abundant supplies are available in other parts of the world for delivery to the United States. As a matter of fact, the Office of Defense Mobilization has established itself as an oil tariff commission, protecting the high prices of domestic producers of oil at the cost of the American consuming public.

The latest activity of the Office of Defense Mobilization took place when that Office purportedly for the administration threw its support behind the natural gas bill to "protect the consumers against unreasonable price increases" when the proposed legislation seeks to do just exactly the opposite. The proposed legislation would limit and freeze authority of the inert Federal Power Commission to a total inertia. The only purpose of the pending legislation is to seek complete pricing freedom to raise natural-gas prices at the expense of millions of consumers, principally in northern cities.

On these three counts alone, it is quite evident that the Office of Defense Mobilization has been selected to do this administration's "dirty work." It has stretched the once sacred term of "national security" to do the bidding of the steel, private power, and the oil and gas industries. The Office should be abolished, and its functions should be placed in the Defense Department on a "standby" basis.

H. M. Baggarly, Editor and Publisher of the Tulia, Tex., Herald, Named Nation's Top Columnist

EXTENSION OF REMARKS
OF
HON. WALTER ROGERS
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. ROGERS of Texas. Mr. Speaker, one of the outstanding weekly newspapers in our great country is published in Tulia, Swisher County, Tex., which is located in the 18th Congressional District of Texas that I have the honor to represent.

The editor and publisher of the Tulia Herald is Mr. H. M. Baggarly who has been named the Nation's top columnist in the 1957 Better Newspaper Contest. He will receive the award at the fifth annual session of the National Editorial Association in San Francisco in early June. This fine newspaper has, for 5 successive years, been recognized for editorial, column and news writing by the journalism department of Texas Technological College at Lubbock, Tex. The selection this year of Mr. Baggarly's "Town Topics" column, as the Nation's best from 1,900 entries, is distinct and warranted recognition of his journalistic ability and integrity. In every instance he approaches fearlessly and honestly the great issues of the day which confront Swisher County, the State of Texas and the United States. He further invokes his readers to the same consideration.

Mr. Baggarly is a native of Swisher County and his late parents were among the earliest Panhandle settlers. They built the first home in the community of Happy, Tex., and were instrumental in the establishment of that city. Mr. Baggarly is a gentleman of broad and varied talents and of strong character and judgment. He is a graduate of the University of Missouri and of West Texas State College in Canyon, Tex. He is an accomplished musician, a brilliant and understanding teacher, and he served with distinction as a Naval officer in World War II. His progressive outlook has been apparent in all of his undertakings and the reputation of his newspaper is firmly established as a sentinel for, and a protector of, the principles which are our democratic heritage. I take occasion to add my own congratulations to Mr. Baggarly and the Tulia Herald for this merited award, and I

commend this son of Texas to this body as an example of real Americanism in its finest sense.

Inequity Rules the Soil Bank

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. HARRISON of Virginia. Mr. Speaker, the periodic reports of the Department of Agriculture on participation in the soil bank make startling reading. For example, a study of the figures for 1957 acreage reserve signups through April 5, 1957, and conservation reserve signups through March 15, 1957, reveals that one State, Kansas, with a population of 2,060,000, stands to receive more money for this crop year than 25 other States, having a population of over 70 million people.

Based on signups through the dates mentioned, the figure for maximum benefits for Kansas is $86,798,281. Here are the maximum payment and population figures for 25 other States:

	Payments	Population
Rhode Island		845,000
New Hampshire	$4,145	557,000
Vermont	35,302	378,000
Nevada	76,037	225,000
Maine	191,719	905,000
West Virginia	273,775	2,002,000
Wyoming	843,891	306,000
Delaware	934,728	387,000
Massachusetts	967,923	5,016,000
New Jersey	1,432,993	5,420,000
Connecticut	1,619,442	2,241,000
Maryland	2,349,825	2,669,000
Florida	2,403,230	3,452,000
Utah	2,803,074	781,000
Virginia	3,330,904	3,579,000
Oregon	3,478,832	1,669,000
Pennsylvania	4,043,307	11,159,000
New York	4,352,217	16,124,000
Idaho	5,236,647	699,000
Arizona	6,256,266	890,000
Washington	6,485,135	2,570,000
Montana	9,362,452	633,000
Wisconsin	9,489,356	3,694,000
New Mexico	9,296,043	795,000
Tennessee	9,869,508	3,417,000
Total	85,136,751	70,408,000

Using the same reports, we find the following to be the 16 highest States in monetary benefits available for this crop year:

Kansas	$86,798,281
Texas	80,366,125
Nebraska	45,001,702
Iowa	34,687,663
Missouri	25,943,538
North Dakota	25,806,897
Oklahoma	25,283,976
Colorado	25,161,337
Georgia	22,351,640
South Dakota	22,043,141
Ohio	19,448,200
Illinois	19,242,740
Indiana	18,860,806
Mississippi	18,586,157
North Carolina	18,423,353
Alabama	17,642,587
Subtotal	505,648,143

As the total for the entire United States is $686,465,646, it will be seen that one-third of the States stand to receive 74 percent of the money.

Let us add eight more States:

Minnesota	$16,576,387
California	15,227,083
South Carolina	15,225,822
Arkansas	14,673,712
Michigan	12,962,615
Louisiana	11,040,579
Kentucky	9,974,554
Tennessee	9,869,508
Grand total	611,198,403

Thus, it is shown that one-half of the States are eligible for 89 percent of the benefits.

Ballistic Missiles

EXTENSION OF REMARKS
OF
HON. LeROY H. ANDERSON
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. ANDERSON of Montana. Mr. Speaker, last night's paper quotes the President as being opposed to the Army development of intermediate range ballistic missiles because the Army would "have to request observation of the enemy situation" and "the only way the Army could find out is from the Air Force. This puts the Army squarely into the Air Force's business."

If you don't stop to think about it, this may seem plausible. If you do stop to think, you will realize that it doesn't make sense. I am sure the President realizes that our armed services integrate their efforts in many ways and that one of these has always been in the matter of intelligence and observation. Certainly, the President must know that the Air Force has responsibility for major air reconnaissance for the Army. The Air Force provides the air photos and reconnaissance for long-range artillery fire. Yet I have never seen where this has caused the Air Force to stake out any claim to develop, control, and operate the artillery. Reconnaissance and air photos of enemy front lines and bunkers are obtained for the Army by the Air Force, but I have never seen any of their personnel operating our mortars or putting a satchel or pole charge in a bunker embrasure. The Air Force is not automatically the monarch of all it surveys.

The Army has done a splendid job in the development of the missile, Jupiter, and should not be hamstrung in their efforts to continue its development and use. I think the Congress should go into the matter very thoroughly, checking on the charge that this is a move to turn the missile development over to General Motors as was done with tanks when Chrysler contracts were canceled and General Motors given the breaks. The Congress needs to determine whether the Air Force is seeking to take advantage of the fact that it has many of its spokesmen in high places in the administration. The Congress should determine whether or not a little competition between the services and a little more free enterprise might not be a good thing in developing the best missiles that can be had, at a time when the degree of success may determine the survival of our way of life.

This is too big a question to cover in this brief discussion, as there are many questions and the right answers are needed to insure survival of our country. I am asking that you reserve your decision until the facts can be brought out. Do not be swayed by a superficial off-the-cuff statement which begs the fundamental issues.

Effect of Appropriations Cut on International Educational Exchange Activities

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mrs. BOLTON. Mr. Speaker, some of us who are particularly interested in the Near East and Africa have analyzed the effect of the appropriations cut on the international educational exchange activities in that area. Into this picture has come a letter from two American surgeons who volunteer to go out to a section of Africa, where there are no surgeons available, for 4 months a year, if transportation and living expenses can be arranged. This is but one instance of which there are many.

It seems a tragedy that this infinitely valuable program of international exchange must be curtailed just when the needs of the Near East and Africa for professionals of all kinds are so great. Not only will the department be unable to expand its exchanges as planned, but it will be forced by the appropriations cut to reduce its present program in this vital area by some 26 percent.

Dollar programs in the Near East and Africa will be at 67 percent below the requested level and 26 percent below the current level. Programs in 27 of the 32 countries in this area are operated solely with dollar funds since foreign currencies are available in only 5 countries of this area. Most of the remaining 27 countries are on the African Continent. In spite of plans to double the program with Africa, where an increase is badly needed, the program will have to be cut below the current level.

Funds were requested to bring 590 influential leaders and specialists to the United States from this area. This number will have to be reduced to 222. No leaders can be brought from Uganda, Tanganyika, Somalia, Liberia, the Belgian Congo, or the African Trust Territories. Reductions in many critical countries will also be necessary. Exchanges with Ghana will be reduced from 25 to 10, the Sudan from 14 to 5, Tunisia from 23 to 6, Morocco from 23 to 9. Only 3 leaders from Israel, 5 from Jordan, 4 from Libya, and 4 from Lebanon can be financed.

As to the exchange of students, 212 fewer grants than planned can be

awarded for study in the United States. No students would be brought from Ghana, Iraq, Jordan, Lebanon, Liberia, Libya, Nigeria, Saudi Arabia, Tanganyika, Uganda, or Yemen. Only 8 can be brought from Iran, 5 from Morocco, 3 from the Sudan, 8 from Syria, and 6 from Tunisia.

One hundred and four fewer teachers and professors can be exchanged than were planned. The Department's program to assist Ghana and other newly independent countries in their educational programs must be curtailed. Leader and specialist exchanges will be similarly reduced.

Communist Effort to Discredit Dr. Schweitzer

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. ROOSEVELT. Mr. Speaker, I have today received a letter from Mr. Norman Cousins, editor of the Saturday Review, which, together with my reply, I would like to call to the attention of my colleagues and clear-thinking friends.

The kind of tactics disclosed in Mr. Cousin's letter need to be the subject of constant alertness on the part of all those of liberal and progressive thought.

It is equally important that fair-minded critics should not be deluded into false accusations, as has too often happened in the past.

The letter follows:

THE SATURDAY REVIEW,
New York, N. Y., May 6, 1957.

The Honorable JAMES ROOSEVELT,
House of Representatives,
Washington, D. C.

DEAR MR. ROOSEVELT: Friends of Dr. Albert Schweitzer in this country are deeply distressed at the way the Communist Daily Worker has exploited his statement about nuclear testing in an obvious effort to serve its own cause. I was shocked to learn, for example, that the Daily Worker published excerpts from the Schweitzer statement on its front page, and has sent copies of that issue to all Members of Congress.

What the Daily Worker neglected to say is that Dr. Schweitzer considers communism the greatest danger faced by the world's peoples today. It has neglected to say that he believes communism to be an unscrupulous attempt to dominate the world's peoples. And in calling upon people to send protests to President Eisenhower and Members of Congress against nuclear testing, the Daily Worker said nothing to Members of the Communist Party about writing or wiring to the Kremlin. In fact, there is not a single reference to the fact of hydrogen bomb testing by Soviet Russia, or to the fact that the Soviet leaders have resisted for themsleves the same unilateral measures which the Communists have been urging on the United States.

What is even more significant is that the Daily Worker omitted that part of the text from Dr. Schweitzer's declaration which recognizes the need for enforceable provisions if any ban on nuclear testing is to work. Dr. Schweitzer wrote that "there must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him."

So that you may see the difference between the two versions, I am taking the liberty of sending in a few days the full text of Dr. Schweitzer's statement as it will appear in the Saturday Review for May 18.

I trust you will not allow the merit of Dr. Schweitzer's statement to be diminished by the exploitation of his name by the Daily Worker. What he has to say is based on a lifetime devoted to the moral community of men.

Sincerely,

NORMAN COUSINS.

MAY 8, 1957.

Mr. NORMAN COUSINS,
Editor, the Saturday Review,
New York, N. Y.

DEAR MR. COUSINS: Thank you very much for your letter of May 6. I join with you in your dismay at the unwarranted and shameful use of Dr. Albert Schweitzer's words on the important topic of nuclear testing.

Unfortunately, this is an old Communist trick which people perhaps have forgotten. You do a great service in calling it to the public attention.

The Communists have all too frequently attempted to attach themselves to honest and liberal points of view, hoping, I suppose, to get some emotional credit from those whose idealism outruns their analytic perspective.

It is a misfortune that in many cases, otherwise wholly worth while purposes have been fatally damaged by unsolicited and unwanted Communist support. One may wonder at times whether this in itself is perhaps not done deliberately.

Very sincerely yours,

JAMES ROOSEVELT.

Much Credit Is Due Arthur Summerfield

EXTENSION OF REMARKS
OF
HON. BEN F. JENSEN
OF IOWA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. JENSEN. Mr. Speaker, now that your mail deliveries are back to normal, like all good Americans you like to have the facts. I believe that right now is a good time to make public the following facts and figures.

There is one outstanding fact which must be considered above all, which is that the Postmaster General has only 4.3 percent of the appropriated funds over which he has full control, the other 95.7 percent must be expended in accordance with specific directives in laws which Congress has previously passed.

Now let us ponder over these following facts and figures.

How much does the Post Office Department spend in a year? About $3,250,000,000; 78.4 percent for postal employees' salaries and fringe benefits set by Congress; 15.5 percent for transportation of mail set by Government agencies; 1.8 percent for rents, utilities, and communications set by FCC; only 4.3 percent left for controllable items over which the Department really exercises any control—use money to print stamps, buy trucks, pens for 38,000 post offices, and hundreds of other items needed to operate post offices.

Why did the Post Office Department need additional funds? To give accustomed service; none of this money to pay past bills. Three reason why it is costing more to give the American people the mail service they deserve, expect, and pay for: First, more mail than estimated by about a billion pieces. And this increased volume of mail does not provide funds to operate the Post Office Department since all revenues go directly to the Treasury Department; second, increased mail service to 1.3 million new homes; and, third, higher wages to employees by law.

All three of these reasons beyond control of the Department.

Has the Post Office Department ever asked for more money before? Yes; but only once in past 4 years. In 1956 needed and got $166 million more, of which $150 million was for pay increases under Public Law 68, effective March 1, 1955; the remaining $16 million is the only supplemental appropriation the Department has received in 4 years for additional operating expenses. However, in 2 other years spent less: In 1954 turned back $105 million; in 1955 turned back almost $50 million.

Post Office Department

Fiscal year	Supplemental appropriation for operating funds	Surplus funds returned to Treasury
1947	$93,000,000	
1948	172,700,000	
1949	140,800,000	
1950	71,400,000	
1951	2[illegible],400,000	
1952	250,000	
1953		$83,574,247
1954		108,724,572
1955		42,993,628
1956	16,000,000	
1957	41,000,000	

Are you cutting costs in the Post Office Department? Yes; now carrying 20 percent more mail with fewer employees than 6 years ago.

How many postal employees are there? In 1952, 523,757; 1955, 511,613; 1956, 508,587.

How is mail volume increasing? In 1952, 49.9 billion pieces; 1956, 56.4 billion pieces; 1957, estimated, 58.8 billion pieces; 1958, estimated, 59.7 billion pieces.

Is the Post Office Department satisfied with mail service today? Of course not; better than it was but still not good enough.

What is the Post Office Department doing to improve service? Spending over $4 million this year alone on research; set up first Office of Research and Engineering in history; working with 9 engineering firms and Bureau of Standards; developing mechanical and electronic devices to speed mail through post offices; over 1,500 obsolete post offices replaced in past 4 years with new ones built by private capital. Objective: Next day delivery of mail anywhere in the United States.

The Rural Electrification Administration

EXTENSION OF REMARKS
OF
HON. E. Y. BERRY
OF SOUTH DAKOTA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. BERRY. Mr. Speaker, I wish to call the attention of the House to the fact that today is the 21st birthday of the Rural Electrification Administration. The act was signed into law by the President 21 years ago.

REA has truly become of age. Loans to borrowing cooperatives now exceed $3¼ billion of which borrows have actually drawn over $2.75 billion. Repayments by borrowers have exceeded $621.2 million of which $377.8 million is principal and $243.4 million interest. A total of 761 borrowers have made advanced payments of $95,870,361.

REA Administrator David A. Hamil reports that 94.2 percent of the Nation's farms are now electrified. Nine hundred and eighty energized system have been financed by REA operating over 1½ million miles of rural line and serving over 4¼ million customers.

Based on an average family of 4 people, this means that approximately 15 million people are benefiting from the Rural Electrification Administration program.

Congress passes the laws and establishes programs like REA. The successful operation of these electric cooperatives is dependent on devoted and capable leadership among the local communities in the Nation.

In South Dakota many of our leading citizens serve on boards of directors and in other similar capacities. Our REA managers put in long days to meet the problems which arise in connection with operation of an REA cooperative.

Our South Dakota situation must be exemplary of the national picture for electric cooperatives have flourished to the point where the net worth of debt-free ownership nationally is now $404.7 million.

The State of South Dakota has shared in the benefits of the REA program. Total REA loans in our State amounted to $92,524,862 to 34 different cooperatives. This total amount represents 212 separate loans, and it provided service to 75,540 consumers.

We are justifiably proud that South Dakota REA's are meeting their repayment obligations and meeting them in time. No South Dakota loans are in arrears. In fact, of the $10,846,629 which have been repaid on the principal, $3,175,182 have been paid in advance of the due date. Interest payments to date are $5,566,733.

I was interested in receiving information from the REA Administrator the other day that in 1945, just before the Rural Electrification Administration was established, only 10.9 percent of the farms in the United States were electrified and in South Dakota only 3.5 percent enjoyed the benefits of electrical service. A moment ago I mentioned that 94.2 percent of the Nation's farms are now electrified, and in South Dakota the figure is 86.7 percent. South Dakota has made a tremendous percentage increase during this 21-year period, going from 3.5 percent to 86.7 percent. It is well to note that private power companies have counted for some of this increase and have worked jointly with cooperative in making power available and otherwise assisting with the phenomenal development.

In South Dakota, as in every State, REA development has not only been of great benefit to the farmer and rancher, but has also provided great economic value for the mainstreet businessman. The consumer of REA power finds that he can increase his production or work more efficiently, which provides him with additional purchasing power. This results in an economic boost that is felt throughout the community. The REA consumer purchases appliances, plumbing, wiring, electric motors, and many other items which benefit both the farmer and the businessman.

A listing of the REA electrification loans in western South Dakota alone during recent years is an indication of how the rural electrification program is continuing to move forward. I am attaching a table listing the recent REA loans in the Second Congressional District.

West River Electric Association, Inc., Wall	$274,000
Butte Electric Cooperative, Inc., Newell	390,000
Lacreek Electric Association, Inc., Martin	750,000
Moreau-Grand Electric Cooperative, Inc., Timber Lake	390,000
Grand Electric Cooperative, Inc., Bison	975,000
Cherry-Todd Electric Cooperative, Inc., Valentine, Nebr	540,000
West Central Electric Cooperative, Inc., Murdo	340,000
Rushmore G. & T. Electric Cooperative, Inc., Rapid City	3,500,000

Peaceful Applications of Atomic Energy

EXTENSION OF REMARKS
OF
HON. BASIL L. WHITENER
OF NORTH CAROLINA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. WHITENER. Mr. Speaker, on Monday, May 6, 1957, our colleague, Hon. CARL T. DURHAM, chairman of the Joint Committee on Atomic Energy, delivered an address to the North Carolina Pharmaceutical Association at its annual convention in Charlotte, N. C. His address was entitled "Peaceful Applications of Atomic Energy."

We are all familiar with the valuable public service of our distinguished colleague in the field of developing an atomic-energy program. It occurs to me, therefore, that the Members of this body, as well as the public generally, will find the address of Mr. DURHAM to be of great interest and value.

The address follows:

PEACEFUL APPLICATIONS OF ATOMIC ENERGY

(Remarks by the Honorable CARL T. DURHAM, chairman, Joint Committee on Atomic Energy, before the North Carolina Pharmaceutical Association, Charlotte, N. C., May 6, 1957)

It's good to be back here again with you today. I remember my last visit with great pleasure, and I am honored that you have asked me to join you once again. As an old-time pharmacist myself I might say that I couldn't feel more at home than in the present company.

There was a time when a speaker could get up and talk for a few minutes about the peaceful applications of atomic energy and sit down again with confidence that he had said all there was to say. Today this same subject has become so vast in scope that a speaker is tempted to ask himself: "Where do I begin?"

The advances which have been made in peaceful applications of atomic energy in the last few years have been nothing short of extraordinary. I think most people who aren't familiar with the atomic-energy business would be amazed at the large number and variety of ways in which the atom is being put to use to better the lives of all of us and to promote the economic well-being of this country.

This large-scale development of the peacetime atom has not happened by accident. It has been the result of much hard work and effort by thousands of scientists, engineers, and technicians working under a program of cooperation between industry and Government. I think this cooperative arrangement between Government and industry has in general worked very well in the past, and I am confident that continued cooperation of this sort will yield increasingly large dividends in the years to come.

Among the various areas of peacetime atomic development, I suppose the greatest attention in recent years has been focused on the field of atomic power and of nuclear propulsion for naval vessels. This is only natural and appropriate in view of their importance to our future economy and our relations with other countries abroad. But while the public spotlight has been directed primarily on these areas, there has been a quiet revolution going on with regard to development of other peaceful uses of atomic energy which may in the long run prove equally important. It is to these other areas of peacetime atomic development that I would like to direct a few remarks today. I would like to mention especially the growing uses of radioisotopes, the so-called byproducts of our atomic reactors.

Isotopes have been called the wonder tool of the atomic age, and well they might be. In the past several years there has been a dramatic upsurge in the number and variety of things for which they are being used. Existing applications include everything from clinical examination to oil drilling, from agricultural experiments to spot-checking welds, and the surface has just been scratched.

The annual savings to American industry through the use of isotopes is already estimated at something like a third of a billion dollars, and increased savings are confidently predicted in future years as more and more uses are developed. It is entirely possible that over the long run these savings and benefits from the use of isotopes will more than repay the huge investment we have made in our atomic-energy program.

I thought you might be interested today in hearing about a few of the things which are being done with isotopes in the field of medicine and in the pharmaceutical field. It would be hard to describe in dollars and cents just how much benefit we are getting out of our experiments in this area. You

can't very well measure in material terms the essentially priceless knowledge we are gaining on how the body functions, on earlier and better diagnosis of human ailments, and on more effective treatment of these ailments. The only certainty is that the benefits are very large in terms of relieving human suffering and of adding to the productive life of thousands of individuals. As a measure of the number of people being affected by these new techniques, it has recently been estimated by the Atomic Energy Commission that between 800,000 and 1 million persons are being diagnosed or treated with radioisotopes each year by some 1,500 hospitals and private physicians.

As pharmacists, you are, of course, particularly concerned with new procedures which are being employed in the medical and pharmaceutical fields. Many of you are probably already aware that considerable research activity is going on at the present time with drugs which have been tagged with radioactive compounds. Much of the current experimentation is of a preliminary nature and is aimed at finding out more about the distribution of the body's metabolism and its special characteristics. Of necessity, most of the experiments are being done on animals, but in some areas, at least, advances in research have made it possible to begin experiments with human volunteers. Such is the case with radioactive iodine, which is administered to thyroid patients to measure iodine uptake in the thyroid gland and to arrest excessive thyroid activity in some cases. Scientists at the Abbott Laboratory and at the Hanford atomic facility have been doing interesting research work in this area, which has resulted in a number of fundamental discoveries about thyroid metabolism. It is interesting to note in this connection that 10 years ago only one thyroid hormone was known to medical science, whereas today as a result of these experiments several additional types of hormones have been discovered.

Similar experiments are being conducted with radioactive iodine on older people whose hearts have become overburdened through overactive thyroid conditions. While study in this area is still in a preliminary phase, there is hope that through utilization of such techniques life may be prolonged for older persons who would ordinarily succumb to heart attacks occasioned by strains placed on the heart by thyroid conditions. Incidentally, such treatment is not recommended for younger persons or for young women of childbearing age in view of possible deleterious results.

Speaking about older people, interesting experiments utilizing atomic tracing techniques are being carried on with regard to the aging process or what makes people grow old. These studies are carried on in a field called geriatrics, which I find from my Webster's dictionary means old age and its diseases. It doesn't take much imagination to visualize the importance to individuals and to the Nation at large, if through these studies of the body's functions and the aging process, we can gain some clue as to how to extend the effective life of man and slow down the inevitable process of deterioration of the body which comes with old age. Of course, I always have believed in the quotation from the Bible which says "Honor thy father and thy mother that thy days may be long upon the land." But it wouldn't hurt if we knew a little more about the physical processes of the body as well.

Some firms are currently experimenting with a radioactive-labeled tranquilizer with a view to finding out more about the actions of such tranquilizers and their effect on the human system. Work is also being carried out on tagged T. B. drugs. Most of these experiments have been carried out on animals, but some experimentation is now being tried out on human beings.

At the Argonne National Laboratory outside Chicago, scientists have set up what they call an "isotope farm," which is devoted to a study of the life process of plants through means of irradiation. No attempt is being made at Argonne to develop genetic mutations in plants through successive generations. Primary emphasis is on finding how plants synthesize drugs through a study of the alkaloids which are produced as a result of plant irradiation. It is hoped that these studies may someday give us a lead on how chemical reactions in drug-producing plants come about. Once we learn this, we may be on the track of how to produce some of these drugs synthetically, which cannot be done under conventional techniques.

You are all undoubtedly familiar with the problem of sterilizing drugs for public consumption, but you may be interested to know that new techniques involving sterilization by irradiation are now being studied by several drug firms. As you know, certain drugs are most difficult to sterilize by the conventional heat process, and there is always the packaging problem to contend with. Now, using atomic accelerators, laboratories will be able to sterilize these drugs right in their containers through high-level irradiation. Although accelerators are most commonly used for this type of treatment, there is no reason why smaller, less bulky, irradiation sources developed as byproducts of our atomic reactors cannot, in some instances, be used for the same purpose.

Finally, just a word about progress which is being made on the dread disease of leukemia through utilization of atomic techniques. No one pretends that medical science has yet found the complete answer to this terrible scourge. But some success has been achieved in preliminary experiments in which patients have been given radioactive phosphorus orally. While this process has not achieved a permanent arrestation of the disease in any of the cases so far treated, it has, in some instances, resulted in temporary alleviation and the extension of the victim's life span by several years. A chief advantage of this technique is that it is much easier to administer the X-ray treatments and is a good deal cheaper as well.

It is sometimes hard to realize that just a scant few years ago only select members of the scientific community and a few outsiders were much concerned with the peacetime uses of isotopes, and then only in an abstract sort of way. Today, with the rapid advancement of atomic techniques and particularly the mass production of isotopes, people by the thousands are becoming acquainted with this area of knowledge. A typical example is our pharmaceutical laboratories where the use of isotopes is becoming almost routine and commonplace. As more private firms come into the business and as more and more uses are developed for these new techniques, we can expect to see a rapid expansion of activity. Perhaps some of you have already felt the impact of the new technology in your businesses. I think it behooves all of us to keep up with the developments in this field and to lend encouragement to an effort which holds much promise for the future of mankind.

Thank you, once again, for asking me to join you today. It has been a pleasure to be with you.

Tampa Harbor Project

EXTENSION OF REMARKS
OF
HON. WILLIAM C. CRAMER
OF FLORIDA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 8, 1957

Mr. CRAMER. Mr. Speaker, it was my privilege today to represent the people of the First District and the State of Florida before the Subcommittee on Public Works of the House Appropriations Committee. Continuation of the great Tampa Harbor development project was the purpose of this appearance. I was happy to be joined by two representatives of the Hillsborough County Port Authority, Mr. Norman S. Brown, attorney, and Mr. J. B. Colbert, member of the board. It was my contention that, above all, this project had demonstrated the wise action of the committee and the Congress in first appropriations for the project. This has been ably demonstrated through growth of the harbor traffic upon beginning of the development; greatly increased local participation and investment of private capital; development by the port authority beyond commitments to this committee and a greatly increased ratio of benefit to cost over the last year. I would include my full remarks at this time for the information of the Members to be used when action is taken on the project.

The remarks follow:

REMARKS OF HON. WILLIAM C. CRAMER BEFORE THE SUBCOMMITTEE ON PUBLIC WORKS, APPROPRIATIONS COMMITTEE, HOUSE OF REPRESENTATIVES, WASHINGTON, D. C., MAY 8, 1957

Mr. Chairman, it is a pleasure to come before this committee again and represent the people of the First District of Florida. Together with Representatives of the area it is my pleasure to both report on the progress made in the development of the Tampa Harbor project and to request your continued interest in this valuable improvement and approval of the appropriation for work during fiscal 1958.

This harbor project serves a very substantial portion of the entire State of Florida. The port of Tampa is a port of increasing commercial importance. This committee evidenced its awareness of this fact last year when it appropriated in the 1957 budget $4 million for the continuation of work on this project. This amount was $1½ million more than that recommended by the President.

When I appeared with representatives of the Tampa Port Authority before the Bureau of the Budget in the fall of 1956 we requested $3½ million to be included in the 1958 budget for the continuance of work on this project. That request was founded upon advice from the Office of the Chief of Engineers, Department of the Army, that this sum could be economically utilized in fiscal year 1958 to continue work on the project at the same rate of completion as was being done in fiscal 1957. From a total economic viewpoint there would be sound reasons for continuing this plea to your committee in that amount. This sum, if included in fiscal 1958, would permit the completion of a usable segment of the project and would provide the necessary deep water for well over half of the volume of tonnage entering the port of Tampa. The Tampa Port Authority has estimated that if this sum were appropriated the direct annual savings which would become reality in the latter part of fiscal 1958 would exceed $1½ million per year. Estimates of the engineers do not vary substantially from this estimate of the port authority. However, local interests share with me the belief that requests for funds this year should be moderate in amount to the end that all of the pressing appropriation problems confronting this committee may be better solved. I, for one, have insisted every reasonable economy should be exercised in consideration of all budget items, from the national viewpoint. For that reason I am requesting this committee to include in fiscal 1958 appropriations only the sum of $2¼ million. This will permit completion dur-

ing fiscal 1958 of a usable segment of the channel up to the Hooker's Point Terminal in Tampa and substantial economic benefits will be immediately realized. I am informed by the Chief of Engineers work can continue on the project without interruption during the entire fiscal year and be performed in the most economic manner.

I particularly invite the attention of the committee to the schedule of completion of the various segments of the entire project. The sum of $2,225,000 which has been requested will permit work to continue so that Hillsboro Bay channels will be completed at a total estimated cost of $1,670,000 and Egmont Bar and Mullet Key channels will be completed at a total estimated cost of $340,000. Contracts have been let and could be broken only at financial loss on this segment. Present scheduling of the Government Hopper Dredge also calls for this time schedule. Work will be commenced in the latter part of fiscal 1958 on Ybor and Sparkman channels. These latter two channels are the channels serving the upper part of the city of Tampa proper.

The development of Tampa harbor and benefits to the community are entirely dependent upon the growth of trade and the growth of the community itself. In both cases the figures of activity over the past few years have far exceeded the conservative estimates presented to you and earlier to the Bureau of the Budget. It is a matter of pride to point out the successful growth resultant, in great part, from the interest and appropriation granted by your committee and the Congress.

The port of Tampa is showing a continual steady increase in port tonnage. All previous estimates of this increase have been shown to be too conservative to accurately show the future use of the port. In 1954, the port of Tampa had a total tonnage of 9,813,000 tons. In 1955, this tonnage had increased to 10,656,000 tons. In 1956, it will be evidenced that the port tonnage has increased over 13 percent over 1955 to approximately 12,250,000 tons (exact figures have not yet been compiled). These increases are considerably in excess of the 7.6 percent annual increase upon which port tonnage was projected by the Port Authority and is far in excess of the Army Engineers' estimate made in 1948. The increase 1955 over 1954, is in excess of 8½ percent; and the increase, 1956 over 1955, is in excess of 13 percent. Using 8½ percent, although already known to be too conservative, as the annual rate of increase, the estimated port tonnage in 1959 will be 15 million tons solely from normal growth of the State of Florida and the 5 Congressional districts served by Tampa harbor.

However, at the beginning of 1956 it was known that within the next 3 years, that is, 1956–1959, there would be additional port tonnage from new industries of a total of approximately 3,500,000 tons. This would consist of approximately 2,500,000 tons of petroleum products; coal of 750,000 tons for a new electric generating plant using coal for fuel; and other products of 250,000 tons. The 1956 figures have already begun to reflect a small part of these new industries as is apparent in the increase to 13 percent over 1955. It is therefore not at all speculative to revise upward the old figures and estimate that port tonnage in 1959 may well reach 18 million to 19 million tons.

All this is indicative of the fact that the phenomenal growth of the port of Tampa shows that what at one time may have been considered unrealistic is in fact becoming a reality. Even a cursory consideration of evidence this growth is steadily increasing and that new and important industries are moving into the area served by the port of Tampa show that the estimated port tonnage in 1959 is still most conservative.

Each year the facts are substantiating this anticipated and expected growth. For example, the port of Tampa is the fifth-ranking port in the United States in coastal car unloadings (based on information compiled and furnished by the port division of the American Association of Railroads). In 1956, car unloading totaled 62,614. This was a 22-percent increase over 1955 or 11,148 cars. It is significant that this is a greater increase than the four ports having more car unloadings. Not only is the port of Tampa increasing nationally, the total car unloadings for Tampa totaled more than the combined total for Mobile, Pensacola, Miami, Port Everglades, Jacksonville, Savannah and Charleston.

The continual and steady growth of the port of Tampa is an anticipated certainty. Since the start of the harbor project in January 1955 over $9 million in new and improved port facilities, including piers, wharves, bulkheads, privately dredged channels and turning basins, bulk cargo loading, unloading and storage facilities for oil and other petroleum products, phosphate and chemical products, grain and other commodities have been developed. And, since January 1955 over $95 million in new deep water industrial construction has been started or definitely committed.

Specific industries that have taken advantage of the many growing trade and facilities features offered by port development includes:

Schlitz Brewing Co., Export Brewery under construction with a capacity of 1 million barrels per year.

Southland Petroleum Co., 30,000-barrel gasoline refinery.

Tampa Electric Co., 125,000-kilowatt generating plant.

Florida Power Corp., 125,000-kilowatt generating plant.

American Cable Co., a $5 million plant completed in 1956 now announcing a 60-percent expansion program.

New terminal facilities of the Texas Co., Pure Oil Co., Ingram Oil Co., Tampa Terminals, Inc., Illinois Grain Corp., and the Tampa Molasses Co.

Petroleum tonnage has been increasing at approximately 10 percent each year and in 1955 totaled 4,945,000 tons. Since 1950 the phosphate tonnage (and over 75 percent of phosphate produced in the world is produced within the radius of 80 miles of this port) that passed through the Port of Tampa has increased 38 percent and in 1955 totaled 3,339,000 tons. Already it has been shown that the Tampa Port tonnage for 1955 increased over 8½ percent over 1954 and the 1956 tonnage increased over 13 percent over 1955. Coupled with the increasing industrial growth and demand for products is the steadily increasing population served by the Port of Tampa.

The usage of the Port of Tampa by coastwise trade is also increasing rapidly. In the 5-year period, 1949–1954, the average annual increase in tonnage was 9.1 percent. Projecting a growth of 5 percent per year over the 1954 tonnage of 5,477,000 tons shows that there would be coastwise trade in 1959 of over 7 million tons. This again is an entirely reasonable projection of growth, and as a matter of fact, it is obviously conservative when the factors of new industry and growing population alone are taken into account. I wish to call the committee's attention again to the estimated annual port tonnage in 1959 of at least 15 million tons. The phenomenal growth of this area makes this estimate really a near certainty. Using this basis of annual tonnage of 15 million, the direct economic benefits and annual savings resulting from completion of this harbor project will be approximately $2,880,000. Using the criteria used by the Corps of Engineers in their determination of benefit-cost ratio would give the project an unusually high benefit-cost ratio of 6 to 1. This is not a bold estimate. For example, the Army Engineers in 1954 estimated the benefit-cost ratio to be 2.25 to 1—in October 1956 this was increased by the Corps of Engineers to 3.2 to 1.

The Port of Tampa is one serving 25 counties in Florida and 5 Congressional districts. The benefits of this service in this large area extend to a population estimated in excess of 1,520,000 as of July 11, 1956, an increase of 13 percent over the estimated population of July 1, 1954. The estimated population of the Tampa-St. Petersburg metropolitan area is in excess of 578,000.

At the time of authorization of this project and in previous appearances before this committee it has been pointed out that Tampa Harbor is the only sizable port between Norfolk, Va., and New Orleans, La., having a channel less than 32 feet in depth. This handicap has existed and serves to bring out the vitally important fact that at the same time the port of Tampa has more tonnage than any harbor from Norfolk to Mobile.

I respectfully submit these facts to the committee and urge that you approve the budgetary request of $2,250,000. By this appropriation, which I again point out is the least amount that can economically be utilized for orderly programing of the work now under way, continued growth of a rapidly expanding area of our country will be assured. Through the high cost-benefit ratio of the project the national interest will be served in providing a channel of project depth and width to the city of Tampa and the State of Florida.

The Sheep and Wool Industry

EXTENSION OF REMARKS

OF

HON. E. Y. BERRY

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. BERRY. Mr. Speaker, I wish to call to the attention of the House a few recent developments affecting the sheep and wool industry.

This week the United States Department of Agriculture announced that the Commodity Credit Corporation has negotiated a barter contract involving the exchange of $10 million worth of CCC-owned wool and other farm commodities for the strategic materials, principally chrome.

Approximately half of the barter agreement is devoted to the export of wool. This is being accomplished under the 1955 agreement between the Republic of Turkey and the United States Government. Department officials estimate that 10 million pounds of wool will be taken from CCC stocks to consummate the exchange. The total quantity of wool to be taken will depend upon the particular lots selected.

I wish to point out that the CCC inventory of wool 2 years ago was 150 million pounds. This recent barter transaction reduces these total stocks to around 22 million pounds, and with expected sales in the domestic market it is estimated CCC holdings will be down to 20 million pounds by the end of this month.

Department officials have advised me the export of 10 million pounds to Turkey places the CCC in a position where it will be possible to entirely dispose of its wool inventory by early fall.

The successful operation of the wool export program by the Department of Agriculture is of tremendous value to domestic wool producers. This excellent record of export ties in very well with the successful operation of the wool incentive program.

The incentive program which has been of so much value to the economic life of the country, particularly the wool producing regions, has assisted in rebuilding an industry that was destroyed between 1939 and 1952 by extensive importation of foreign wools at a fraction of the cost of such production domestically. That regrettable policy dropped the sheep number in the United States from about 49 million in 1939 to about 27 million in 1952.

Because of the incentive program and the domestic protective policy, the sheep and wool industry has started to climb back to recovery.

There were two principal reasons for the establishment of the incentive wool program. First, to bolster our national economy, and secondly, to build back an industry vital to national defense. There is no substitute for wool in the manufacture of wearing apparel. Should the United States again be forced to engage in a world war, it would probably be fought in a cold climate.

Wool is an absolute necessity for national defense. There must be a domestic supply of wool rather than hazard the shipment of this vital commodity 5,000 to 8,000 miles in time of war.

Sheep and wool producers throughout the Nation will be pleased to know that section 626 of H. R. 7665, the Defense appropriation bill, which was reported to the House last Tuesday, contains the so-called Berry wool amendment which requires exclusive use by the Defense Department of domestic wool in all clothing and other materials containing wool procured by any branch of the armed services.

This original amendment which has now become an established part of the Defense appropriation bill has meant millions of dollars to the domestic wool producer. It has been a great benefit both to the national economy and to national defense.

Address by Hon. Edward Martin of Pennsylvania to Convention of International Brotherhood of Boilermakers and Blacksmiths

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 8, 1957

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD an address I delivered in Philadelphia yesterday afternoon to the convention of the International Brotherhood of Boilermakers and Blacksmiths.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE CONVENTION OF THE INTERNATIONAL BROTHERHOOD OF BOILERMAKERS AND BLACKSMITHS IN THE BELLEVUE-STRATFORD HOTEL, PHILADELPHIA, MAY 7, 1957

It is an honor to greet this great organization of free Americans, meeting in the city of Philadelphia, the birthplace of our liberty and independence.

Here was established a government based upon the dignity and freedom of the individual. It is the first government in world history which derives its just power from the consent of the governed.

How long that concept of government will continue depends upon the interest we take in our Government. Eternal vigilance has been described as the price of liberty. No group in America has a greater interest in the size of government, the cost of government, and the overall fiscal problems of our Nation than those seated here in this room.

Let us look at some facts. It is well known that the great burden of taxes in our country is borne by those in the low income brackets. This includes the skilled craftsman, the tradesman, the small-business man, the professional man, and the farmer.

The fact is that out of every hundred dollars you earn you turn back to Federal, State, and local government more than $30 in taxes. Three-fourths of every Federal income tax dollar is paid by men earning less than $6,000 per year. If we took every dollar from those with income taxes of more than $50,000 per year, it would only be enough to operate the Federal Government for less than a month. That shows how much economy in government means to you and to your family.

Why has government become so expensive? Why has the cost of government, Federal, State, and local combined, jumped from $13.5 billion a year 25 years ago to the present figure of $109.5 billion, an increase of more than 700 percent? Take Federal spending alone. In 1932 the cost of operating the Federal Government was $5,125 million. The current budget calls for the expenditure of nearly $72 billion.

One reason for this great increase is that the Federal and State governments are financing a great variety of activities that formerly were the responsibility of local government, and depended upon the self-reliance and initiative of the people in their home communities.

As an example let me cite the big increase in so-called grants-in-aid from Washington to the States. In the early twenties $100 million dollars a year in Federal funds were paid in grants to the States. This has now increased to $4 billion. With each grant there goes a measure of Federal control—chipping away at the powers and functions of State and local government, and increasing centralization of authority in the Washington bureaucracy.

There are now employed by the local, State and Federal Government more than eight million people. This does not include the armed services. The number of Federal jobholders has jumped from 600,000 to about 2,400,000 in 25 years, or about 4 times. The Federal payroll is $1 billion per month. It is now greater than the combined payrolls of all our steel mills or railroads in the United States.

Here is another fact. One American out of five, men, women and children, gets a check at regular intervals from Uncle Sam.

When we established Social Security in the United States the proponents said it would entirely do away with relief rolls. What is the result? We are now in the peak of great prosperity and what do we find? Five and one-half million Americans are on relief and last year it cost over $3 billion.

Another great reason for the alarming rise in the cost of government is the constant demand from organized pressure groups for appropriations for their pet projects, for new and expanded functions of government, for sectional advantage and for every conceivable form of spending.

That same sort of pressure must now be exerted in support of economy. If we are to achieve government at lower cost we must develop a demand for economy, so strong and so insistent, that no one in the executive or legislative branches of Government will dare to ignore or oppose it.

There is no doubt in my mind that the drive for economy in government can succeed if it is supported by the power and strength of organizations like this. You men are interested in keeping our economy strong. You are interested in maintaining the American standard of living—and you know that excessive spending by Government means burdensome taxes and reduced take-home pay.

The American living standard is the highest in the world because our workers and our industry have brought productivity to the highest level in the world. In our free enterprise system, which is the pride of free men everywhere, it takes a capital investment of $12,500 in order to provide a job for an American workman. Government never created any wealth or a job for anyone—and never can. Invested capital must be put to work in productive enterprise to make jobs, and capital for investment comes from our savings.

We must be continuously mindful of increasing our national productivity in order to enjoy the fruits of our labors under our great American free enterprise system. Increased production is the strength of our Nation and the key to prosperity. We are all mindful of the fact that during the past 20 years we have increased our national productivity over 35 percent per man-hour. This has been accomplished under the free enterprise system by more efficient methods for our workers, better tools in the hands of our craftsmen, and greater know-how by management. These accomplishments require a capital investment of dollars in the hands of individuals, and not in the coffers of Government.

It has been estimated that in the next 20 years it will be necessary to provide 20 million new jobs to care for the needs of our growing population. Government cannot do this. It will have to be done by courageous and resourceful individuals, willing to risk their savings in new and expanded enterprises. That is the only way we can create increased opportunities for gainful employment.

Let us watch the dangers confronting us. One of the greatest of these dangers is inflation or the loss of the purchasing power of the dollar. The greatest causes of inflation are taxes and burdensome debt, both private and governmental. Inflation, high taxes, deficit governmental finances, big government debt, and big centralized government have destroyed more nations than invading armies. They will destroy more countries than the most horrible bomb that could be invented.

Let us bear this in mind. No nation, regardless of how rich it may be in natural resources, can live if it must pay taxes which destroy initiative and the private-enterprise plan of economy. Let us never forget that the free-enterprise economy plan has done more to advance our living standards and our cultural and spiritual attainments than all our vast natural resources.

There are many systems of government that advocate some form of socialism. Let us look at some of the results. After 40 years, the Soviet type of communism has produced a living standard only one-tenth as high as that of the United States. The so-called Swedish welfare state has produced

a living standard only one-third as high as the United States. In England, where nationalization of basic industries has continued for 12 years, the living standard is about one-half what it is in the United States.

We can have a strong and prosperous America if we work for three important objectives:

1. Labor must be gainfully employed at wage scales adequate to maintain the American standard of living.

2. The farmer must have a profitable market for his product.

3. The investor in industry must have a fair return on his investment.

If these objectives are achieved, and if they are strengthened by efficiency and economy in government, I have no fear for the future of the United States. Above all, we must approach our problems in the American way, with courage, determination, and patriotism.

Address by Secretary Benson at Minot, N. Dak., May 7, 1957

EXTENSION OF REMARKS

OF

HON. OTTO KRUEGER

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 8, 1957

Mr. KRUEGER. Mr. Speaker, in no State of the Nation are the problems of agriculture of more concern than in North Dakota. None has an economy which is so dependent on the condition of its farmers. Today these farmers, and in particular the wheat farmer, face a real crisis. While the answer to their problems has not yet been advanced, the nature of them has been clearly stated. Secretary of Agriculture Ezra Taft Benson, in a speech delivered last night in Minot, N. Dak., before a gathering of the Greater North Dakota Association, summed up the problems, particularly those of the wheat farmer. Because this is something of concern to all the Members, herewith is the text of Secretary Benson's address:

ADDRESS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE GREATER NORTH DAKOTA ASSOCIATION OF NORTH DAKOTA CHAMBER OF COMMERCE, MINOT, N. DAK., MAY 7, 1957

This opportunity to meet with you of the Greater North Dakota Association is not only a privilege. It is a challenge—and I welcome it.

I like the aims of your organization. You speak of North Dakota as a land of new frontiers. Your eyes and your hopes are fixed on the future.

It is about the future prosperity of your agriculture that I want to talk with you tonight. Of all the States, none depends more on agriculture as the source of its wealth than does North Dakota. You lead the Nation in the production of hard red spring wheat, durum wheat, barley, flaxseed, and rye. The plain fact is that North Dakota can be prosperous only when its farmers are prosperous.

With increased income from wheat, potatoes, dairy products, and other sources your realized net income per farm in 1956 was 12 percent higher than in 1955—and 41 percent higher than in 1954.

You are not out of the woods but things are looking up.

I hope in my address tonight first to impress upon you that we in the Department of Agriculture—deeply—sincerely—earnestly—want to serve you and all the farm people of this land, and secondly to share with you some thoughts about how all of us, working together, can help to develop the expanding, prosperous, and free agriculture we all seek.

We must not hesitate to talk facts frankly and honestly.

I am aware that Government actions in Washington—no matter how sound, well-intentioned, and calmly reasoned they appear to us—sometimes increase blood pressures out here in the Middle West and elsewhere.

Permit me to report a few vital facts.

Prices received by farmers have turned upward and today are 3 percent above a year ago. The high prices of the war and postwar periods were due to war and the insatiable demands of war. They were not due to price support at 90 percent of parity. Much of the time prices were above the support level.

Farm real-estate values in North Dakota are now at an alltime peak, 11 percent above the level which prevailed when the present administration came into office. Evidently a good many North Dakota farmers feel confident of the future.

Sixty percent of the much-advertised decline in the parity ratio took place before the present administration took office. Ninety percent of the decline took place while high rigid wartime price supports were in effect.

The much-publicized decline in net farm income began 10 years ago. Incomes have declined every year since then but two. One was the wartime year, 1951; the other year of peace, 1956. Last year net farm income rose 4 percent. A further modest increase is expected this year, 1957.

The peak of net farm income was reached in 1947. Gross cash farm income from marketings is higher today than it was 10 years ago. The reduction in net income is a result of higher costs, not lower gross income.

I know that farm people are in a price-cost squeeze, and I do not minimize its difficulties. I farmed myself out in Idaho during the period after World War I and I know from personal experience what it means to be squeezed by rising costs.

Some things farmers need always to remember. A Government warehouse is not a market. Once a commodity gets into a Government warehouse there are only three things you can do with it—force it into the domestic market, which lowers the price structure; get rid of it abroad, which may upset delicate international relationships; or let it spoil, which the American people will not condone.

Tonight I want to talk about the road ahead for agriculture, and primarily about wheat, which brings in 40 percent of North Dakota's farm income.

To use a well-understood phrase, "Let's get down to cases."

About 2 weeks ago, the Department of Agriculture announced the minimum national average support price for 1958-crop wheat in the 36-State commercial area at $1.78 per bushel, if quotas are approved.

Though the wheat carryover is being reduced this year by more than 100 million bushels, it is still tremendous. The wheat supply for the 1958–59 wheat-marketing year is now estimated at 41.8 percent above the normal supply. Under the law, if the total supply is more than 30 percent above the normal supply, a support level of 75 percent of parity is indicated. This figures out to be the minimum national average support of $1.78 per bushel.

Some people have asked, Why not continue price support on wheat at the $2 level applied to the 1956 and 1957 crops?

Price supports for wheat at levels which have prevailed in the past have had a trial. They have not produced conditions satisfactory to many farmers.

Support levels of the past have stimulated unneeded production. Last year, 1 out of every 3 wheat farmers in the United States considered it profitable to plant more than his wheat allotment, and did so. More than 100 million bushels of wheat were produced on farms which exceeded their allotments. In most cases this occurred on farms with small allotments, which are permitted to grow up to 15 acres without penalty. Many of these farms were in areas not naturally well adapted to wheat, where added wheat production should not be encouraged. In some cases, large producers found the price sufficiently attractive so that they deliberately overplanted their allotments and paid a penalty of $1.12 per bushel. The overplanting of allotments weakens the effectiveness of controls. Overplanting diverts wheat production to uneconomic areas. Specialized, adapted areas like North Dakota lose out. During the past quarter century, North Dakota's share of the Nation's wheat acreage has fallen from 15.3 to 12.4 percent.

Support levels of the past have encouraged continued wheat production in areas, such as parts of the western Great Plains, which normally should be in grass. These lands were plowed and seeded to wheat with the high prices and abundant moisture of the war and postwar years. High price supports have kept these areas in wheat. This has often worked to the disadvantage of the farmers themselves in these areas. Certainly it has worked to the disadvantage of wheat producers in efficient areas like North Dakota.

The level of price support has been a major incentive for overplanting allotments, for planting merely to protect existing allotments and for excessive stimulation of yields.

Support at recent levels has been very costly. Presently we are subsidizing wheat at a rate of about 80 cents a bushel in order to reach the world market. Speaking in terms of programs for supporting prices and raising farm incomes, those for wheat have been the most expensive the Department has had. The net realized cost of the wheat programs this past year were the highest in history, $530 million. This can be compared with gross receipts from wheat marketings last year of $1,742,000.

These costs undoubtedly would be accepted willingly if they were solving the problem.

For all commodities legally subject to formula pricing, supports are being set at the level indicated by the formula in the basic legislation. Wheat is not being singled out either for favorable or unfavorable treatment.

During this past year there have been times when wheat sold well above the loan. This is now true for some grades and classes in North Dakota. It may well be true again; the administration views price supports as a floor above which prices may be expected to rise, not as a ceiling which holds them down.

We set the support level at $1.78 because it was indicated by the law and because it is in the best longtime interest of wheat farmers.

North Dakota wheat farmers may be interested in prices received by their Canadian neighbors just across the border. There are several interesting comparisons. One is that the United States price runs more than half a dollar above the Canadian price. Another is that the United States wheat grower already knows the support price for the crop to be grown in 1958 while the Canadian wheat farmer does not yet know what he finally will receive for the crop he grew in 1955.

I know how well actions of the Department of Agriculture are publicized in this area when these actions are considered unfavorable to wheat farmers. Just for the

record, let me enumerate some of the actions the Department has taken with respect to wheat, beyond any requirements of law, which have been helpful to wheat farmers.

We cooperate with the North Dakota Agricultural Experiment Station in developing Langdon, Yuma, Ramsey, Towner, and Sentry, the new rust-resisting or rust-tolerant varieties of durum wheat now seeded in this area.

We liberalize the grade specifications for supporting wheat, permitting loans on wheat which would not ordinarily have qualified for the loan. This meant added dollars in the pockets of wheat farmers.

We purchased bins to make storage space available to wheat farmers, and provided low-cost credit for farmers to build their own storage. Thus more wheat farmers were given an opportunity to take advantage of the loan.

We have in operation a subsidy program for wheat exports which, for liberality, is not approached for any other commodity. This year we are exporting approximately 475 million bushels of wheat, the third highest level in history. Wheat exports are subsidized by the United States Government, a subsidy not required by law under present conditions but put into operation administratively by the Department of Agriculture.

We recommended, and the Congress enacted, Public Law 480, to dispose of surpluses. Under this law we have programed the export movement of more than 600 million bushels of wheat.

We put into effect a wheat-export program which utilizes the facilities of the private trade and has had the effect of boosting the domestic price of wheat.

We recommended and the Congress enacted a soil bank program. The acreage reserve part of the soil bank is a temporary, emergency program that was made necessary by the shortcomings of production controls. In effect, it pays wheat farmers for acreage reductions which, it was originally contemplated, would be made without compensation under the acreage allotment and price support program. The 1956 wheat acreage reserve program resulted in payments to North Dakota wheat farmers which totaled about $13 million. This year's wheat acreage reserve payments in North Dakota are expected to total about $21 million.

We permitted wheat farmers in drought areas to graze their wheat acreage reserve land, thus enabling them to maintain basic breeding herds.

If you do not hear enough about actions of the Department of Agriculture which are favorable to wheat farmers, it is not because these actions are nonexistent. It is because in the Northern Great Plains you are subjected to a barrage of carefully prepared propaganda. You hear most of what is bad and little of what is good. I grant everyone a full right to his own opinion. I ask only that the people study all the facts, not just one side of the story, before they form their opinions.

I shall lay before you as clearly as I can the economic and legislative situation as it pertains to wheat.

But first let me say that farm policy with respect to wheat is confronted with a new dimension. The new dimension is a revolution of farm technology. Since the beginning of World War II the man-hours needed to produce 100 bushels of wheat dropped from 67 to only 26. Yields per acre have increased around 25 percent. The onrush of technology has outmoded earlier ideas about production control and price policy. Effective restrictions on production are now virtually impossible with the type of controls acceptable in a democratic society.

The basic ideas in governing farm legislation were laid down before World War II before the technological revolution had reached anything like its present magnitude. The Agricultural Act of 1954 eliminated price support at 90 percent of parity as a mandatory requirement, but retained it as an objective. It retained all the machinery of acreage allotments and marketing quotas, with the intention of reducing the supply so as to achieve price supports at 90 percent of parity. The Agricultural Act of 1954 was a forward step, but not a very long step, toward a program that would relax restrictions on wheat farmers and regain market opportunities.

The Agricultural Act of 1956 defended the changes made in 1954 and added the soil bank. But the main ideas embodied in basic farm legislation are still the ones hammered out a quarter of a century ago to meet the problems of a general depression before the technological revolution had fully developed.

Let us see how this legislation works out for wheat in today's world.

First, what are the chances for increased wheat allotments? If 90 percent of parity remains the price-support goal, as it is at present, with rigid formulas as in the old law, it is impossible to foresee the time when total acreage allotments will exceed the 1957 level. This is the prospect in spite of the soil bank and in spite of surplus disposal programs.

A high price is not a satisfactory single objective for farm program. Farmers are interested in income which takes account of volume as well as price. It is income, not price, that farmers spend.

The prospective carryover of wheat at the end of the present marketing year is 906 million bushels. If we were not to harvest a single bushel of wheat in 1957, there would still be nearly enough for a full year's needs. The supply is so great that if it were not for the minimum national allotment the 1958 acreage would be forced down by the formula in the law to 23 million instead of 55 million acres.

When the 55-million-acre minimum allotment was originally enacted, it was expected that this would produce our domestic requirements. But, with acreage limited and price supports at an inducement level, farmers chose their best land and used modern technology to increase yields per acre. The 55-million-acre minimum now produces enough wheat for both our domestic and export needs, allowing very little opportunity to reduce surpluses.

Foreign nations, thinking about bread for their teeming millions, look at our high price and restrictions on production. They then expand wheat production even on rocky hillsides, while wheat production on our fertile prairies is prohibited. From 1925–29 to 1954–56, United States wheat production increased 18 percent, while production in the rest of the world increased 42 percent. And much of the United States production during 1954–56 went into storage or was exported with the assistance of Government programs.

Back in 1925–29, before the control program, wheat brought in 7.5 percent of cash farm receipts in the United States. After nearly a quarter century of controls and supports, this percentage had fallen to 6.1 percent.

Many wheat farms have too small an allotment to be efficient or to earn a satisfactory income. Advancing technology makes it possible—indeed, almost imperative—for small wheat farmers to increase their acreage. But this will be practically impossible so long as we restrict production in an effort to achieve a high level of price support.

And what are the chances of price supports being increased under governing legislation?

With modern methods, the 55-million-acre minimum national allotment can be expected to produce so much wheat, despite the soil bank and the surplus-disposal program, as to keep the support level far below 90 percent of parity for as far ahead as we can see.

That all this poses a serious problem for wheatgrowers, I am well aware. Wheat farmers are being subjected to the forces generated by the technological revolution. Their markets are burdened by surpluses which result at least in part from past wartime programs continued in peacetime. They produce a commodity which is declining in per capita consumption. They are sharply restricted in the acres of wheat they can grow. The prices they pay have gone up and the prices they receive have come down. Other countries have captured most of the growth in the world wheat market.

Farmers have the established right, in cooperation with Government, to undertake programs which increase the price of their products if they wish to do so. As much as any other group, they have the moral right to influence supply and price in what they deem to be their own interest. They are entitled to the sympathetic help of their Government in meeting their economic problems, the same as any other group. These rights have been fought for and have been won. I applaud and defend the victory.

My question is this: Is it wise to use their hard-won rights in behalf of a program which imposes irksome controls in an effort to reach what seems to be an unobtainable price objective? Particularly is this question appropriate with respect to a program which has lost markets and stimulated production in many countries abroad and in areas not well adapted to wheat at home.

In our present difficulties, all kinds of remedies will be put forward. Some of these remedies would make what are called production payments to wheat farmers from the Federal Treasury. Others would divide the domestic market from the world market.

Still others would move—to the degree that it can be accomplished—toward more freedom to produce and toward prices that are more competitive. Such a price would shift out of wheat production some of those areas which have other and better opportunities. It would open outlets for feed wheat. It would broaden markets generally. It would curb uneconomic expansion of wheat production abroad by indicating to foreign nations that we intend to produce wheat, and to sell it.

Together with revisions of the price-support and production-control machinery, we must continue and strengthen program to aid wheat exports, to bring about needed changes in land use, to provide needed credit, and to reduce the costs of production. Thus we can help lift the problems of the farmers who produce the staff of life.

Wheat farmers should ask themselves earnestly and honestly whether a program of restriction and scarcity can possibly mean as much to them in the long run as a program involving more freedom to plant and more freedom for market growth.

I have given you no slogans. I have promised no cure-all, no secret weapon. I have chartered no easy solution to the problems of wheat producers. There is none. Some paths are merely less difficult than others.

My counsel is this: As wheat farmers choose the path they propose to follow, they should take account of where the path leads as well as how pleasant they may find the first step.

Another chapter of the continuing debate on farm policy lies ahead of us. Debates on farm policy, like the old kerosene lamp, sometimes generate about as much heat as they do light. It is my hope that we can have a little more light and a little less heat.

Farm people are the salt of the earth. They have sound judgment. They can be trusted with the facts. The job is to see that they get them. It is of utmost importance that they do. May God speed the day when decision is based on sound judgment and sound judgment is based on fact.

SENATE

THURSDAY, MAY 9, 1957

The Senate met in executive session.

Rabbi Arthur Schneier, M. A., Congregation B'nai Jacob, Brooklyn, N. Y., offered the following prayer:

"This is the day that God has made, I will rejoice thereon."

Heavenly Father, on the 10th anniversary of my arrival on these blessed shores, after years of Nazi and Communist persecution, I lead Thy children in prayer for our country, these United States of America, the land dedicated to the sanctity of man, the invigorating spring of liberty where the oppressed may quench their thirst, the beacon of hope and faith of the enslaved in the world.

O Lord, bestow Thy blessings upon our President and Vice President and their families. May they guide our ship of state to safety through the perilous waters of the world. O God, bless the men of this sanctuary of deliberations who, by virtue of their integrity, zeal, and devotion, have been chosen as guardians of our American heritage. Imbue them with Thy spirit, so that they may labor unceasingly for the day when all Thy children will appreciate "how good and how pleasant it is when brethren dwell together in peace and unity." Let us say amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

Paul E. Burhorst, and sundry other persons, for appointment in the United States Coast Guard.

By Mr. BYRD, from the Committee on Finance:

William E. Dowling, of Michigan, to be a member of the United States Tariff Commission;

Russell E. Train, of the District of Columbia, to be judge of the Tax Court of the United States, vice Clarence P. LeMire, retired;

Bruce M. Forrester, of Missouri, to be judge of the Tax Court of the United States, vice Luther A. Johnson, retired; and

Elie M. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, with headquarters at New York, N. Y., vice Aleer J. Couri, resigned.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Public Lands Subcommittee of the Committee on Interior and Insular Affairs was authorized to meet during the session of the Senate today.

TRANSACTION OF ROUTINE BUSINESS—ORDER FOR RECESS

Mr. JOHNSON of Texas. Mr. President, as in legislative session, I ask unanimous consent that there be the usual morning hour, for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes, until 12:15; and that at 12:15 the Senate take a recess, subject to the call of the Chair.

The VICE PRESIDENT. Without objection, it is so ordered.

As in legislative session, the following routine business was transacted:

HOTEL ACCOMMODATIONS IN LONDON DURING MONTHS OF JULY AND AUGUST

The VICE PRESIDENT laid before the Senate the following letter from the Assistant Secretary of State, which was ordered to lie on the table and to be printed in the RECORD:

DEPARTMENT OF STATE,
Washington, May 2, 1957.

The Honorable RICHARD M. NIXON,
President of the Senate.

DEAR MR. VICE PRESIDENT: I should appreciate it if you would kindly bring to the attention of the Members of the Senate who may be contemplating travel to Europe this summer the fact that there will be a critical hotel shortage in London during the months of July and August. The principal reason for this shortage is the scheduling of the American Bar Association's annual meeting from July 23 to July 30, and the reservation by the ABA of practically every first-class accommodation for that week as well as the preceding one. The meeting will attract a substantial number of visitors over and above the ABA members and their families, and concentrate other visitors in the weeks just before and after the meeting. Needless to say the London tourist season is at its height during the months of July and August.

The American Embassy at London is cooperating closely with the American Bar Association and with the travel agencies in an effort to secure the best assignment of accommodations to American visitors to London. However, the Embassy will definitely not be able to obtain any further first-class hotel accommodation for the last 2 weeks in July. It is accordingly suggested that Senators desiring hotel accommodations in London during this particular period address their requests directly to the American Bar Association at 1155 East 60th Street, Chicago 37, Illinois.

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communication and letters, which were referred as indicated:

PROPOSED PROVISIONS PERTAINING TO EXISTING APPROPRIATIONS, FISCAL YEAR 1957, AND REVISION OF A PROPOSED SUPPLEMENTAL AUTHORIZATION (S. DOC. NO. 36)

A communication from the President of the United States, transmitting proposed provisions pertaining to existing appropriations for the fiscal year 1957 and a revision of a proposed supplemental authorization (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON COOPERATION WITH MEXICO IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE

A letter from the Assistance Secretary of Agriculture, reporting, pursuant to law, that there have been no significant developments during the month of April relating to the cooperative program of the United States with Mexico for the control and eradication of foot-and-mouth disease; to the Committee on Agriculture and Forestry.

PROPOSED TERM RETENTION CONTRACTS FOR CERTAIN RESERVE OFFICERS

A letter from the Secretary of Defense, transmitting a draft of proposed legislation to authorize term retention contracts for Reserve officers and for other purposes (with an accompanying paper); to the Committee on Armed Services.

CONSTRUCTION PROGRAM OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS—PROPOSED AMENDMENTS TO H. R. 3377

A letter from the Director, National Advisory Committee for Aeronautics, Washington, D. C., transmitting proposed amendments to the bill, H. R. 3377, authorizing the NACA's construction program for the fiscal year 1958 (with an accompanying paper); to the Committee on Armed Services.

AMENDMENT OF PUBLIC LAW 565, RELATING TO PER DIEM ALLOWANCES FOR MEMBERS OF UNITED STATES NATIONAL COMMISSION FOR UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

A letter from the Acting Secretary of State, transmitting a draft of proposed legislation to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes (with accompanying papers); to the Committee on Foreign Relations.

MESSAGE FROM PRESIDENT OF NATIONAL ASSEMBLY OF VIETNAM

A letter from the Assistant Secretary of State, transmitting a message received from the President of the National Assembly of Vietnam; to the Committee on Foreign Relations.

PROPOSED REQUIREMENT OF PILOTS ON CERTAIN VESSELS NAVIGATING WATERS OF THE GREAT LAKES

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes

(with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Public Works:

"House Concurrent Resolution 47

"Concurrent resolution requesting the Congress of the United States of America to enact legislation creating the Hawaii Defense Highway System

"Whereas the Federal Aid Highway Act of 1956 has imposed on the motorists of the Territory of Hawaii new and higher taxes estimated at $2 million a year; and

"Whereas most of such new and higher taxes in the form of national highway revenues will go into the Interstate Highway System, and the various States will participate in and be eligible for such Federal highway benefits at the rate of 9 Federal dollars for every 1 local dollar; and

"Whereas the Territory, as an offshore area, has not been allotted mileage on this national network of strategic highways; and

"Whereas the Territory has no "interstate" highways as such, but it is nevertheless an important military base with highways vital to the proper defense of the United States; and

"Whereas military leaders stationed in the Territory have endorsed special Federal aid to the Territory's strategic highways; and

"Whereas a measure was introduced in the 84th Congress designed to create a Hawaii Defense Highway System, eligible for Federal aid on the same 9-to-1 matching basis; and

"Whereas the Federal Aid Highway Act of 1956 did not receive passage until the last days of the session, and the 84th Congress adjourned unfortunately without enacting the measure introduced providing for the Territory; and

"Whereas work is now in progress for the expansion and development of the Kawaihae harbor in the county of Hawaii for both military and civilian uses; and

"Whereas the highway leading from Kawaihae Harbor in west Hawaii to Hilo Harbor in east Hawaii, by way of the Saddle Road, in the county of Hawaii is a strategic defense highway in every sense of the term; and

"Whereas to secure equal and fair treatment for the Territory under the Nation's multi-million-dollar highways-for-defense program is today the Territory's biggest highway legislative problem: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature of the Territory of Hawaii (the Senate concurring), That the Congress of the United States of America be and it hereby is respectfully requested to enact legislation which will create a Hawaii Defense Highway System elegible for Federal aid on a 9-to-1 matching basis and to include as part of the Hawaii Defense Highway System, the construction of a defense highway from Kawaihae Harbor to Hilo Harbor, by way of the Saddle Road, in the county of Hawaii of the Territory; and be it further

"Resolved, That certified copies of this concurrent resolution, upon its adoption, be forwarded forthwith to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Department of Interior, to the Secretary of the Department of Defense, and to the Delegate of the Territory to the Congress."

A joint resolution of the Legislature of the State of Illinois; to the Committee on Public Works:

"Senate Joint Resolution 33

"Whereas the use of the Illinois-Mississippi Canal and Lake Sinnissippi has been abandoned as a commercial waterway by the Federal Government for more than 6 years and during that time the canal has been allowed to deteriorate so that it presently is a menace to surrounding farmland; and

"Whereas the Department of Conservation of the State of Illinois was authorized by the 69th general assembly to accept title from the Federal Goveernment to the area comprising the Illinois-Mississippi Canal and Lake Sinnissippi for the purpose of maintaining and operating the area as a State park, such authorization being created in 'An act in relation to the acquisition of the Illinois and Mississippi Canal and the use and administration thereof as a State park'; and

"Whereas proposed Federal legislation enabling the United States Corps of Engineers to rehabilitate the area and authorizing the transfer of title to the area after such rehabilitation to the State of Illinois is now included as one of several items in the so-called public works omnibus bill (S. 497); and

"Whereas several aspects of the public works omnibus bill not relating to the Illinois-Mississippi Canal and Lake Sinnissippi project are opposed by the national administration; and

"Whereas the result of opposition by the administration may be a veto of the public works omnibus bill which will cause the loss of the area to the State of Illinois; and

"Whereas several Members of Congress from Illinois have introduced bills which provide for the rehabilitation of the Illinois-Mississippi Canal and Lake Sinnissippi and the conveyance thereof to the State of Illinois independent from other projects, some of which independent bills are S. 134, H. R. 87, and H. R. 784, and there is likelihood of such an independent bill receiving approval from Congress and the administration; and

"Whereas if the area is not rehabilitated by the United States Corps of Engineers and then conveyed to this State for maintenance and operation as a State park, there will be an immeasurable loss of recreational facilities to the people of this State: Therefore be it

"Resolved by the Senate of the 70th General Assembly of the State of Illinois (the House of Representatives concurring herein), That Congress is respectfully requested to pass a bill dealing solely with the Illinois-Mississippi Canal and Lake Sinnissippi project, such bill to include the following: (1) An appropriation of $2 million for the rehabilitation of the area as outlined in conversion plan 2 of the Rock Island District of the United States Army Corps of Engineers; (2) transfer of title to the area to the Department of Conservation of the State of Illinois; and be it further

"Resolved, That a suitable copy of this resolution be forwarded by the secretary of state to the following: The President of the United States Senate; the Speaker of the United States House of Representatives; Hon. Fred Seaton, Secretary of the Interior; and each Member of Congress from the State of Illinois.

"Adopted by the senate April 23, 1957.

"JOHN WM. CHAPMAN,
"President of the Senate.
"EDWARD E. FERNANDES,
"Secretary of the Senate.

"Concurred in by the house of representatives, April 25, 1957.

"WARREN L. WARD,
"Speaker of House of Representatives.
"FRED W. RUEGG,
"Clerk of House of Representatives."

A letter in the nature of a petition from Rudolf F. Kahn, of Newton Center, Mass., relating to the late Senator Joseph R. McCarthy; ordered to lie on the table.

JOINT RESOLUTION OF DELAWARE LEGISLATURE

Mr. FREAR. Mr. President, by request, I present for appropriate reference, Senate Joint Resolution 4, adopted by the 119th General Assembly of the State of Delaware, urging the Congress to repeal excise taxes presently levied on the transportation of persons and property.

There being no objection, the joint resolution was referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 4

Resolution urging Congress to repeal excise taxes on transportation

Whereas for the purpose of meeting wartime emergency necessity, the Congress of the United States enacted as excise taxes a levy upon the transportation of persons and property; and

Whereas one of the principal purposes of levying such tax upon the transportation of persons was to discourage unnecessary wartime travel; and

Whereas today 11 years after the cessation of hostilities there continues a 10 percent levy on the transportation of persons and a 3 percent levy on the transportation of property; and

Whereas it is the opinion of the General Assembly of the State of Delaware that excise taxes should not impose an unfair burden on the long-distance shipper and the long-distance traveler as does the present tax on the transportation of property and persons; and

Whereas it should be a principle of Federal taxation to levy taxes in such a manner as to prevent them from falling as an unequal burden on citizens residing in different areas of the country; and

Whereas the State of Delaware is particularly interested in protecting and developing its vacation and tourist travel on an equal basis with other vacation travel areas; and

Whereas the transportation of both persons and property plays such a vital role in the economic life of this country to the extent that the costs of transportation should always be kept at the lowest possible level; and

Whereas transportation is in no sense a luxury but is a vital necessity and there is, therefore, sound reason for distinguishing between the transportation taxes and other excise taxes that are imposed upon luxury items; and

Whereas it is the opinion of the General Assembly of the State of Delaware that the best interest of the country would be served by a repeal of the transportation taxes; and

Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

Resolved by the General Assembly of the State of Delaware, That it shall be the manifest expression of this body that the discriminatory and burdensome Federal excise taxes upon the transportation of persons and property should be repealed.

By Mr. CASE of New Jersey:

A concurrent resolution of the Legislature of the State of New Jersey; to the Committee on Finance:

"Senate Concurrent Resolution 27

"A concurrent resolution memorializing the Congress of the United States to amend the Internal Revenue Code so as to extend the 'conduit theory' to regulated investment companies that hold their assets in State and local securities

"Whereas the New Jersey Legislature created pursuant to Senate Concurrent Resolution No. 2, a 6-member bipartisan legislative commission, known as the School Bond Interest Rate Study Commission, for the purpose of making recommendations as to what, if anything, can be done to assist New Jersey school districts in obtaining lower interest rates on their new issues of school construction bonds; and

"Whereas President Eisenhower in his economic report of January 23, 1957, to the Congress stated:

" 'The expenditures of State and local governments are now about half those of the Federal Government, and their recent rate of increase has been considerably higher. * * * Financial considerations * * * may require some rescheduling of proposed projects, since State and local governments with large borrowing requirements have already encountered heavy competing demands in the capital markets. Some improvement in the ability of these governmental units to finance their projects would result from an amendment of the Internal Revenue Code to extend the "conduit principle" to regulated investment companies that hold their assets in State and local securities. The amendment, which would involve no loss of revenue, would permit regulated investment companies of this type to pass through to their stockholders the tax-exempt status of the income received on State and local securities. The Congress is requested to enact legislation to accomplish this result'; and

"Whereas the aforementioned New Jersey School Bond Interest Rate Study Commission has concluded that an amendment to the Internal Revenue Code in the manner recommended by the President, would increase the demand for bonds of New Jersey school districts and then tend to reduce interest rates; and

"Whereas Congressional action in this regard is already being, or is about to be, sponsored by Members of Congress; Now, therefore, be it

"Resolved by the Senate of the State of New Jersey (the General Assembly concurring), That—

"1. The Congress of the United States is hereby memorialized to amend the Internal Revenue Code so as to permit regulated investment companies to pass through to their stockholders the tax-exempt status of the income received on State and local securities.

"2. The president of the senate is hereby directed to transmit immediately following the passage of this concurrent resolution a copy thereof, properly authenticated, to the respective Presiding Officers of the United States Senate and the House of Representatives and to each of the Senators and to all of the Representatives of the State of New Jersey in the Congress.

"I hereby certify that the above is a true and correct copy of a resolution adopted by the senate and conurred in by the general assembly.

"HENRY H. PATTERSON,
"Secretary of the Senate."

RESOLUTIONS OF IZAAK WALTON LEAGUE

Mr. WILEY. Mr. President, I have been pleased to receive from that great organization, the Izaak Walton League of America, defenders of our soil, water, woods, and wildlife, a series of resolutions which had been adopted by the league in its annual convention last month.

These resolutions bear on such vital issues as surveying our recreation resources, perpetuating our magnificent wilderness resource, battling against the pollution of air and water—an issue which I have discussed on many occasions on the Senate floor—protecting Indian land, coordinating wet-dry land uses, and improving the Water Development Coordination Act.

I know these resolutions will be of interest to my colleagues, and I hope they will result in action at the appropriate time.

I present the resolutions and ask unanimous consent that they be printed in the RECORD and appropriately referred.

There being no objection, the resolutions were received and appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on Agriculture and Forestry:

RESOLUTION 11, COORDINATION OF WET-DRY LAND ISSUES

Whereas the Federal Government:

1. Is with one hand encouraging wet-land drainage and with the other hand encouraging wet-land restoration, both by Federal subsidy,

2. And is with one hand encouraging withdrawal of land from agricultural production and with the other hand encouraging development of new agricultural acreage, both by Federal subsidy: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957 in Washington, D. C., That the Congress of the United States be urged to bring coordination to these opposite programs; and more specifically be urged to desist from encouraging wet-land drainage and from encouraging increase in agricultural acreage.

To the Committee on Interior and Insular Affairs:

RESOLUTION 2, RECREATION RESOURCES SURVEY

Whereas outdoor recreation is a vital and integral part of our civilization and an essential component of the American way of life; and

Whereas the base upon which all outdoor recreation depends is threatened by increased pressures of population, urbanization, industrialization, and increasingly intensified development of all resources; and

Whereas sound planning for the development and perpetuation of outdoor recreational resources and opportunities requires (1) a complete and scientific inventory and evaluation of what outdoor recreation resources remain, and (2) what resources will be required to meet the recreation opportunity needs of a vastly increased population in the future; and

Whereas a distinguished and bipartisan group in the Congress of the United States has sponsored legislation initiated by the Izaak Walton League of America, Inc., to accomplish these objectives: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That we commend the sponsors of this legislation, who are Senators CLINTON P. ANDERSON, JAMES E. MURRAY, ARTHUR V. WATKINS, JOHN A. CARROLL, FRANK A. BARRETT, THOMAS H. KUCHEL, GORDON ALLOTT, RICHARD L. NEUBERGER, and KARL E. MUNDT, and Representatives WAYNE N. ASPINALL, JOHN P. SAYLOR, LEE METCALF, CLAIR ENGLE, JOHN J. RHODES, GRACIE PFOST, and CHARLES O. PORTER; and be it further

Resolved, That the Izaak Walton League of America, Inc., respectfully requests the favorable consideration of this legislation by the President of the United States, by the Congress, and by the executive departments, in order that prompt action may be taken to get the outdoor recreation resources review underway; and be it finally

Resolved, That the national president of the Izaak Walton League of America, Inc., appoint, within 30 days after the close of this convention, a committee to take all practical steps necessary to implement this resolution and to bring it to the attention of all persons and groups important to affirmative action upon its provisions, said committee to report at the 1958 national convention of the Izaak Walton League of America, Inc., or before, as required.

RESOLUTION 3, WILDERNESS PERPETUATION

Whereas the protection and perpetuation of wilderness was a major resource conservation principle upon which the Izaak Walton League of America, Inc., was founded; and

Whereas the Izaak Walton League, from its earliest days, has steadfastly supported programs at national, State, and local levels for the protection and perpetuation of wilderness; and

Whereas the wilderness system developed within our national forests, national parks, wildlife refuges, Indian reservations, and public domain has demonstrated its broad public value in the land management programs of the Federal Government; and

Whereas pressures are multiplied on the remaining wilderness by spiraling population, expanding urbanization, industrialization, and increasingly intensive development of all resources for commercial benefit, which inevitably will encroach upon it to its permanent detriment and loss unless wilderness preservation is adopted as an important and beneficial component of sound land management policy and programs: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That the Congress of the United States of America respectfully be urged to enact legislation which shall adopt as a national policy, in the interests of all people of this and succeeding generations, the protection and perpetuation of our remaining areas of wilderness as a part of the total land-management programs of executive departments administering the Federal public lands.

RESOLUTION 6, EXPLOITATION OF INDIAN LANDS

Whereas the Congress of the United States, in the exercise of its plenary powers over Indians and Indian property, has enacted legislation to terminate Federal control and responsibility over a number of Indian tribes and their property; and

Whereas this legislation was enacted without due consideration to conservation values involved and to the economic and social effects; and

Whereas such important areas of forest and recreational lands as now exist in the Menominee Indian Reservation in Wisconsin and the Klamath Indian Reservation in Oregon, and others, are now threatened with imminent exploitation which would destroy not only their value to the tribes concerned but to the surrounding communities and also the national welfare: Therefore, be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That the President of the United States and the Congress respectfully be urged to grant sufficient time for adequate surveys and carefully considered solutions for the various economic, social, and conservation problems involved, and that H. R. 6322, deferring for a period of 2 years the effective date of termination of Federal control over the Menominee Indians be enacted, and that S. 469, deferring the sale of Klamath tribal property until the end of the next session of the Congress, as favorably reported by the Subcommittee on Indian Affairs of the House Committee on Interior and Insular Affairs, be enacted; and be it further

Resolved, That copies of this resolution be sent to the President of the United States, to the Secretary of Interior, and to the chairmen of all appropriate committees of the Congress.

To the Committee on Interstate and Foreign Commerce:

RESOLUTION 14, AMENDMENT OF WATER DEVELOPMENT COORDINATION ACT

Whereas Public Law 732, also known as the Coordination Act of August 1946, is a law which provides for protection of fish and wildlife values affected by federally licensed water-development projects; and

Whereas this law has defects which long have caused concern to the Izaak Walton League and informed conservation-minded persons; and

Whereas the Secretary of the Interior, after conferences with the Izaak Walton League, with other conservation organizations, and with various State game and fish departments, has proposed amendments to Public Law 732 which would:

1. Make provisions of the law retroactive to projects authorized prior to August 1946 when the act became effective;

2. Provide for land acquisition for recreational purposes adjacent to such projects;

3. Provide for inclusion of measures to enhance fish and wildlife potentials as well as to prevent fish and wildlife losses;

4. Provide for inclusion of plans and appropriations for fish and wildlife purposes in original project proposals, and require submission of such plans as integral features of reports to the Congress on such projects;

5. Extend coverage of the act to projects receiving Federal technical services; and

Whereas all of these aims are in accord with established policies of the Izaak Walton League: Therefore be it

Resolved, That the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., do support and endorse amendment of Public Law 732 as set forth in accordance with the explanation set forth above.

To the Committee on Public Works:

RESOLUTION 5, ATMOSPHERIC POLLUTION

Whereas air is a natural resource necessary to human existence; and

Whereas it is being demonstrated that this element is subject to pollution from such general sources as industrial, residential, and commercial gaseous wastes, and is further subject to pollution from such specific sources as chemical sprays and dusts used as pesticides and as weed and shrub inhibitors; and

Whereas such atmospheric pollution can be inimical to every form of desirable life, including human life: Therefore be it

Resolved by the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., That the governing policy of the Izaak Walton League of America, Inc., be broadened to include opposition to any and all forms of harmful atmospheric pollution.

RESOLUTION 8, POLLUTION CONTROL FUNDS

Whereas the Izaak Walton League of America, Inc., has, throughout its history, consistently supported and promoted sound anti-pollution programs and legislation at all levels of government; and

Whereas our rapidly increasing population, as well as expansion of industry and all other human activity, is aggravating the pollution problem at alarming rate, requiring accelerated rather than diminished pollution abatement efforts, and on nationwide scope; and

Whereas the Izaak Walton League of America, Inc., strongly supported the pollution control program adopted by the United States Congress in 1956 as Public Law 660; therefore be it

Resolved, That the Izaak Walton League of America, Inc., in 35th annual convention assembled this 6th day of April 1957, in Washington, D. C., strongly recommends to the Congress of the United States of America the continuance, both in function and intent, of the provisions of Public Law 660, and the provision of adequate funds to accomplish this purpose.

RESOLUTIONS OF KANSAS BAR ASSOCIATION

Mr. CARLSON. Mr. President, the Kansas Bar Association at its recent meeting in Wichita adopted the following resolutions:

First, they went on record favoring the creation of a third judgeship of the United States District Court for the State of Kansas.

Those of us who are familiar with the Federal court docket in Kansas appreciate the need for this, and I trust the Senate will soon have an opportunity to vote on a bill creating a new court.

The second resolution requests that a Kansan be considered for appointment to fill the vacancy, as a result of the resignation of the Honorable Walter A. Huxman, on the United States Court of Appeals for the 10th Circuit.

Third, the bar association of the State went on record recommending passage of the Jenkins-Keogh bill, which is now under consideration in the House Ways and Means Committee.

I ask unanimous consent that these resolutions be printed in the RECORD, and referred to the proper committees.

There being no objection, the resolutions were received, appropriately referred, and ordered to be printed in the RECORD, as follows:

To the Committee on the Judiciary:

Whereas there is now pending before Congress an act to establish a third judgeship of the United States District Court for Kansas; and

Whereas since the pendency of such legislation the work of said United States District Court has continued to increase despite the untiring work and long hours and efforts of our present two district judges: Now, therefore

The Bar Association of the State of Kansas strongly urges the immediate enactment of such legislation to the end that a third Federal judgeship will be created for the State of Kansas.

In witness whereof, I have hereunto set my hand. Done in Wichita, Kans., this 27th day of April 1957.

O. B. EDSON,
President, the Bar Association of the State of Kansas.

Attest:

JOHN W. SHUART,
Executive Secretary.

Whereas a vacancy exists on the United States Circuit Court of Appeals for the 10th circuit by reason of the retirement of the Honorable Walter A. Huxman: and

Whereas the State of Kansas contributes substantially to the business of said court: Now, therefore

The Bar Association of the State of Kansas requests and petitions the Honorable ANDREW F. SCHOEPPEL and the Honorable FRANK C. CARLSON, the United States Senators from Kansas, to use their good offices to the end that the vacancy now existing be filled or given to a resident lawyer from the State of Kansas.

In witness whereof, I have hereunto set my hand. Done in Wichita, Kans., this 27th day of April 1957.

O. B. EDSON,
President, the Bar Association of the State of Kansas.

Attest:

JOHN W. SHUART,
Executive Secretary.

To the Committee on Finance:

Be it resolved by the Bar Association of the State of Kansas, That this association recommend passage of the Jenkins-Keogh bill currently under consideration, and that appropriate notice of this resolution by the association be communicated to the Senators and Congressmen from Kansas and to the members of the Congressional committees who have the matter under consideration.

In witness whereof, I have hereunto set my hand. Done in Wichita, Kans., this 27th day of April 1957.

O. B. EDSON,
President, the Bar Association of the State of Kansas.

Attest:

JOHN W. SHUART,
Executive Secretary.

PRESERVATION OF OLD HURON CEMETERY, KANSAS CITY, KANS., AS A NATIONAL MONUMENT—RESOLUTION

Mr. CARLSON. Mr. President, I have received a copy of a resolution adopted by the United States Daughters of 1812 in their State council meeting, urging that the old Huron Cemetery in Kansas City be made a national monument.

Early in this session I introduced a bill providing that this outstanding historic site be preserved for future generations, as it is one of the old historic cemeteries in the State of Kansas.

It is important for the preservation of this cemetery that action be taken at an early date, and it is my hope that the Committee on Interior and Insular Affairs will report the bill in the very near future.

I present the resolution and ask unanimous consent that it be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on

Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

NATIONAL SOCIETY UNITED STATES DAUGHTERS OF 1812,
Wichita, Kans., April 30, 1957.

Senator FRANK CARLSON,
Washington, D. C.

DEAR SIR: The United States Daughters of 1812 in State council at Newton, Kans., March 30, 1957, adopted the following resolution:

"Whereas the United States Daughters of 1812, Kansas Society, is a patriotic organization, one of whose purposes is the preservation of the graves of the soldiers of the War of 1812; and

"Whereas it has been proposed that the old Huron Cemetery in Kansas City be made a national monument; and

"Whereas there is a grave of a soldier of the War of 1812 in this cemetery: Therefore be it

"Resolved by the Kansas Society of the Daughters of 1812 in State council assembled at Newton, Kans., March 30, 1957, That the Kansas representatives in Congress be requested to support the bill, and that a copy of this resolution be sent to the representatives."

Respectfully yours,

MARY M. MEARS,
(Mrs. R. B.)
State Corresponding Secretary.

AMENDMENT OF ATOMIC ENERGY ACT OF 1954, AS AMENDED—REPORT OF A COMMITTEE

Mr. ANDERSON. Mr. President, from the Joint Committee on Atomic Energy, I report an original bill, to amend the Atomic Energy Act of 1954, as amended, and for other purposes, and I submit a report (No. 296) thereon.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar.

The bill (S. 2051) to amend the Atomic Energy Act of 1954, as amended, and for other purposes, was read twice by its title, and placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GREEN:

S. 2043. A bill for the relief of Genoveffa Migliozzi; to the Committee on the Judiciary.

S. 2044. A bill to amend the Civil Service Retirement Act to increase to 2½ percent the multiplication factor for determining annuities for certain Federal employees engaged in hazardous duties; to the Committee on Post Office and Civil Service.

By Mr. WILLIAMS:

S. 2045. A bill for the relief of Filomena Ciabattoni, Francesco Ciabattoni, and Corradina Ciabattoni; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania:

S. 2046. A bill for the relief of Gisela S. Hopkins; to the Committee on the Judiciary.

By Mr. NEUBERGER (for himself and Mr. MORSE):

S. 2047. A bill to provide for the acquisition by the United States of all tribal lands of the Klamath Tribe of Indians; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. NEUBERGER when he introduced the above bill, which appear under a separate heading.)

By Mr. BYRD:

S. 2048. A bill for the relief of Rosanna Nannipieri Harper; to the Committee on the Judiciary.

By Mr. SMITH of New Jersey:

S. 2049. A bill for the relief of Gina Knezevic, also known as Gina Knezevic Slodojevic; to the Committee on the Judiciary.

By Mr. PURTELL:

S. 2050. A bill to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions; to the Committee on Post Office and Civil Service.

(See the remarks of Mr. PURTELL when he introduced the above bill, which appear under a separate heading.)

By Mr. ANDERSON:

S. 2051. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; placed on the calendar.

(See the remarks of Mr. ANDERSON when he reported the above bill, which appear under a separate heading.)

By Mr. KERR:

S. 2052. A bill for the relief of Heinz Farmer; to the Committee on the Judiciary.

By Mr. KERR (for himself and Mr. MONRONEY):

S. 2053. A bill to authorize the construction, operation, and maintenance of the Canton project, Oklahoma, by the Secretary of the Interior; to the Committee on Interior and Insular Affairs.

By Mr. COOPER:

S. 2054. A bill for the relief of Glen R. Bryant; to the Committee on the Judiciary.

By Mr. JOHNSON of Texas:

S. J. Res. 89. Joint resolution to authorize and request the President to proclaim 1 week each year as National Junior Achievement Week; to the Committee on the Judiciary.

By Mr. SMATHERS (for himself and Mr. COTTON):

S. J. Res. 90. Joint resolution to authorize the Secretary of Commerce to sell certain coal-burning vessels to certain citizens of the Federal Republic of Germany; to the Committee on Interstate and Foreign Commerce.

By Mr. COOPER:

S. J. Res. 91. Joint resolution placing certain individuals who served in the Armed Forces of the United States in the Moro Province, including Mindanao, and in the islands of Leyte, Luzon and Samar, after July 4, 1902, and their survivors, in the same status as those who served in the Armed Forces during the Philippine Insurrection and their survivors; to the Committee on Finance.

ACQUISITION OF TRIBAL LANDS OF THE KLAMATH TRIBE OF INDIANS

Mr. NEUBERGER. Mr. President, Public Law 587, 83d Congress, approved August 13, 1954, provided for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof. Section 5 of the law authorized the Secretary of the Interior to select and contract with qualified management specialists to perform the following duties:

First. Cause an appraisal to be made of all tribal property showing its fair market value by practical logging or other appropriate economic units.

Second. Give each adult member of the tribe an opportunity to withdraw from the tribe and have his interest in tribal property converted into money and paid to him, or to remain in the tribe and participate in a management plan.

Third. Determine and select the portion of the tribal property which, if sold at the appraised value, would provide sufficient funds to pay the members who elect to have their interests converted into money, arrange for the sale of such property, and distribute the proceeds of sale among the members entitled thereto.

Fourth. Cause a plan to be prepared in form and content satisfactory to the tribe and to the Secretary for the management of tribal property retained by those persons who remain in the tribe. This management plan would be carried on under a trustee, or by the tribe operating as a corporation or other legal entity.

The foregoing actions must be completed by March 31, 1958.

At the time the termination bill was passed, I expressed grave and serious doubts over the basic policy involved—although I was then a writer and a member of the Oregon State Senate, rather than a Member of this body. I felt that the termination legislation was too precipitate, that it had been hastily conceived, and that it gave scant forethought to the fate not only of the Indians, but of the natural resources on the reservation.

NATURAL RESOURCES MUST BE SAVED FROM DESTRUCTION

But the 83d Congress enacted the bill and President Eisenhower signed it. The bill became the law of the land. It is still the law of the land. Our task now is to try to make the best of a bad bargain, and to do what we can for the welfare of the Indians, for the economy of the Klamath Basin, and for the permanent and enduring preservation of priceless resource values. As Chairman of the Indian Affairs Subcommittee, I pledge myself and my utmost efforts to those goals.

The forests of the Klamath Reservation contain approximately 3,800 million board feet of tribally owned ponderosa and sugar pine timber growing on 590,000 acres classed as commercial timberland. This tribal forest, which has been operated under sustained-yield management for many years, represents approximately 90 percent of the assets of the Klamath Indians.

The Committee on Interior and Insular Affairs and its Subcommittee on Indian Affairs held hearings on May 21 and October 18, 1956, both in Washington, D. C., and Klamath Falls, Oreg., on the subject of the Klamath Termination Act. Testimony received from members of the Klamath Tribe, from the management specialists, from representatives of the Department of the Interior, and from interested citizens reflected great concern about the workability of the termination program. Of particular interest to the committee were the results of the studies conducted by and under the direction of the management specialists which indicate that 70 percent of the

Klamath Indians will elect to withdraw from tribal membership. In order to satisfy the claims of the withdrawees, it is estimated that the provisions of section 5 of Public Law 587 may require the sale of almost 2.7 billion board feet of sawtimber during a period of less than 1 year. These sales would undoubtedly glut the timber market in the Klamath Basin, bring greatly reduced stumpage prices to the Indians, and virtually destroy a sustained-yield forest capable of furnishing millions of board feet of timber annually.

BILL HAS PASSED SENATE TO DEFER LIQUIDATION

The damage to the watershed, to wildlife and waterfowl and to lasting forest management under such circumstances would be unthinkable.

It was obvious to the committee that an amendment to extend the final termination date was necessary and, in addition, that other corrective measures were desirable in order to carry out the termination in a manner which will safeguard the interests of the Indians and the community in which they live.

In January of this year I introduced, on behalf of my colleague, the senior Senator from Oregon [Mr. MORSE], and myself, Senate bill 469, which provided, among other things, that the sales of tribal property would be delayed until the end of the 2d session of the 85th Congress. Senate bill 469 has passed the Senate and I trust will shortly be acted upon by the House, although some House amendments to it are disturbing and inadvisable, as I see it.

By postponing the sales of Klamath timberlands, Congress will afford itself an opportunity to consider alternative means of protecting the economy and preserving good conservation practices in the Klamath River Basin. One alternative which has been suggested by the management specialists, and by many interested groups in Oregon, is that the Federal Government purchase all of the Klamath tribal property, and provide for continued sustained-yield management of the tribal forest. I may say that I, too, believe this procedure to be in the best interests of all parties concerned. Therefore, I am today introducing proposed legislation on behalf of my colleague, the senior Senator from Oregon [Mr. MORSE] and myself, designed to accomplish the following purposes:

First. Provide for purchase by the Secretary of the Interior of all Klamath tribal lands at the fair market value thereof.

Second. Establish a 3-man appraisal board to determine the fair market value of the tribal lands and report to the Interior Committees of each Chamber during the 85th Congress its findings.

Third. Transfer the timberlands, upon acquisition, to the Forest Service of the Department of Agriculture for consolidation and management by that agency, as national-forest lands.

Fourth. Provide that lands, other than timberlands, shall be sold on a competitive-bid basis with a priority right for the members of the tribe to purchase such lands.

Fifth. Provide for the administration of the 70,000-acre Klamath marsh by the Fish and Wildlife Service of the Department of the Interior, for waterfowl sanctuary and nesting purposes.

Sixth. Authorize necessary appropriations to carry out the terms of the act and provide for payment to the individual Indians, within 1 year after Federal acquisition, their pro rata share of the purchase price of the tribal property.

In view of the relatively short time remaining in the Klamath terminal program, I believe it is essential this legislation be introduced, and that the views of the administration, the Indians, and conservation groups be obtained through early hearings, so that Congress may enact a bill which will conserve the very substantial pine forests on the reservation for future generations, and, at the same time, provide fair payment to the Indians for their assets.

FAIR TREATMENT FOR INDIANS MUST BE A MAJOR GOAL

As a conservationist and as a lifelong resident of the State of Oregon, I feel that this proposed legislation is urgently necessary. To cut adrift the great Ponderosa pine forest, to say nothing of abandoning the irreplaceable marshlands, would be to default on all our obligations to future generations of people not only in Oregon, but throughout the Nation. We are merely the temporary custodians of resources such as this. They are not ours to surrender for utter destruction and exploitation. I believe the solution posed in our proposed bill will secure the maximum possible price for the Indians of the Klamath Tribe, without sacrificing to cut-out-and-get-out methods of logging these vast solitudes of pine timber. Surely, the Congress of the United States and the President of the United States cannot fail to join with us in such an objective.

Furthermore, I want to express here my full confidence that, once the Indian stumpage is added to contiguous national forests, it will be managed with ability and with faithfulness to sound conservation and marketing principles by the dedicated officials and personnel of the United States Forest Service.

Mr. President, I introduce a bill to provide for the acquisition by the United States of all tribal lands of the Klamath Tribe of Indians, with the request that the bill be printed in the RECORD following my remarks, and that it be appropriately referred.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2047) to provide for the acquisition by the United States of all tribal lands of the Klamath Tribe of Indians, introduced by Mr. NEUBERGER (for himself and Mr. MORSE), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) section 2 of the act entitled "An act to provide for the termination of Federal supervision over the property of the Klamath Tribe of Indians located in the State of Oregon and the individual members thereof, and for other purposes", approved August 13, 1954 (68 Stat. 718), is amended by striking out paragraphs (d) and (e) of such section and inserting in lieu thereof the following:

"(d) 'Tribal property' means any personal property, or any interest in personal property, that belongs to the tribe and either is held by the United States in trust for the tribe or is subject to a restriction against alienation imposed by the United States.

"(e) 'Adult' means a person who is an adult according to the law of the place of his residence.

"(f) 'Tribal lands' mean any real property, interests therein, or improvements thereon, including timber and water rights, which belong to the tribe and either is held by the United States in trust for the tribe or is subject to a restriction against alienation imposed by the United States."

(b) The first paragraph of subsection (a) of section 5 of such act is amended by striking out "by practicable logging or other appropriate economic units."

(c) Section 12 of such act is amended by striking out "transfer of title to tribal property to a trustee, corporation, or other legal entity pursuant to section 6 of this act" and inserting in lieu thereof "acquisition by the Secretary of the tribal lands referred to in this act."

(d) Such act is amended by adding at the end thereof the following new sections:

"SEC. 27. Notwithstanding any other provision of this act, the Secretary shall purchase from the Klamath Indian Tribe all tribal lands of such tribe at the fair market value thereof as determined in accordance with the provisions of section 28 of this act.

"SEC. 28. (a) There is hereby established an appraisal board to be composed of three qualified appraisers who have had wide experience in the valuation of timberlands, agricultural lands, and grazing lands, one of whom shall be appointed by the Secretary of the Interior and one of whom shall be appointed by the Secretary of Agriculture. The third member of the board shall be elected by the Klamath Tribe by popular vote of the enrolled adult members of the Klamath Tribe taken by secret ballot.

"(b) It shall be the duty of the appraisal board to determine the fair market value of all tribal lands of the Klamath Tribe, and to report to the Committee on Interior and Insular Affairs of each House of the Congress during the 85th Congress the results of such determination. Such report shall be submitted to both committees on the same day. In the event of disagreement among members of the appraisal board as to the fair market value, such value shall be determined by a majority of the board.

"(c) The appraisal provided for under this section shall become effective upon the expiration of a period of 60 calendar days of continuous session of the Congress following the date on which the appraisal board reports to such committees the results of its determination in accordance with the provisions of this section. For the purposes of this section—

"(1) continuity of session shall be considered as broken only by an adjournment of the Congress sine die; but

"(2) in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain.

"SEC. 29. (a) Any part of the tract of tribal lands acquired pursuant to section 27 of this act which consists of timberlands under sustained-yield management shall be transferred to and administered by the Forest Service of the Department of Agriculture as national forest lands. Such lands shall be administered in the same manner and to the same extent as are other national forest lands, and shall be subject to the same laws applicable to other national forest lands.

"(b) The Secretary of Agriculture is authorized and empowered, under general regulations established by him, to permit the use of rights-of-way through lands referred to in this section for beneficial purposes.

"SEC. 30. (a) Any remaining tribal lands acquired pursuant to section 27 of this act, other than lands referred to in subsection (b) of this section, shall be sold on a competitive bid basis, except that, any member enrolled under section 3 of this act who wishes to purchase any of the agricultural or grazing lands comprising such remaining tribal lands shall have a priority right to purchase any part of such lands for not less than the highest offer received by competitive bid, and to apply toward the purchase price all or any part of the sum payable to such member pursuant to section 31 of this act.

"(b) That portion of the tract of tribal lands acquired pursuant to section 27 of this act comprising approximately 70,000 acres of Klamath marshlands shall be administered by the Fish and Wildlife Service of the Department of the Interior.

"SEC. 31. Notwithstanding any other provision of this act, the Secretary shall pay, at the earliest practicable time but in no event later than 1 year after the acquisition by the United States of the tribal lands referred to in this act, to each member of the Klamath Tribe enrolled pursuant to section 3 of this act, or to his heirs, his pro rata share of the purchase price of such tribal lands.

"SEC. 32. There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated such sums as may be necessary to carry out the provisions of this act."

Mr. MORSE. Mr. President, will the Senator yield?

Mr. NEUBERGER. I yield.

Mr MORSE. I congratulate my colleague for the introduction of the bill, so that early hearings can be held. We are not married to any provision of it, if the hearings can show it needs to be modified in any way; but it is a sound bill in the main, and I think the junior Senator from Oregon should be congratulated on the statesmanship he has exercised in regard to this highly controversial issue in the State of Oregon.

PROMOTION BY MERIT OF CERTAIN POSTAL EMPLOYEES

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions.

This bill is substantially the same as the measure I introduced in the 83d Congress, known as S. 2244, and in the 84th Congress, known as S. 155.

This proposal, if enacted, would provide promotion by merit for regular clerks and carriers in grade 7 and above, in first- and second-class post offices. In order to qualify for promotion, each candidate must pass a regular examination designed to measure the ability of the candidate to perform the duties of the position, including the ability to lead and direct the work of others. Credit would also be given for prior service as a classified employee of the postal service.

The adoption of this proposed legislation will assure to all regular clerks and carriers in grade 7 and above the opportunity for promotion solely on the basis of demonstrated ability and length of service.

I believe the passage of this measure will do much to build morale, to stimulate and encourage clerks and carriers to advance in the service. Merit promotion, with consideration given to length of service for all qualified by examination, is only fair and just.

This measure, if enacted, will provide incentive to present and future employees to prepare for advancement with the assurance that, when otherwise qualified, length of service will be a factor in promotion.

This measure calls for a procedure that is fair and just. It provides an equitable way for advancement through the ranks of the postal service.

I am pleased to report that this is the same measure to which the Senate Post Office and Civil Service Committee gave a unanimous favorable report upon its first introduction in the 83d Congress. I trust it will be speedily considered by the committee to which it is referred.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2050) to provide for promotion by merit of employees in the postal service and to establish uniform procedures for examination and appointment of candidates for promotion to supervisory positions, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Post Office and Civil Service.

AMENDMENT OF FAIR LABOR STANDARDS ACT, RELATING TO CERTAIN EXEMPTIONS—ADDITIONAL COSPONSOR OF BILL

Mr. FREAR. Mr. President, the next time it is printed, I ask unanimous consent that the name of the junior Senator from Maryland [Mr. BEALL] may be added as a cosponsor of the bill (S. 2022) to amend section 13 of the Fair Labor Standards Act of 1938, as amended, to provide an exemption from the minimum wages, maximum hours, and child labor provisions of such act with respect to homeworkers engaged in the making of natural holly, pine, cedar, or other evergreen wreaths, introduced by me, for myself, my colleague, the senior Senator from Delaware [Mr. WILLIAMS], and the senior Senator from Maryland [Mr. BUTLER] on May 8, 1957.

The VICE PRESIDENT. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. JENNER:

Address delivered by him before the Daughters of the American Revolution, April 16, 1957.

Statement prepared by him regarding the tours of Dizzy Gillespie and his jazz band.

Article entitled "How You Can Stop Big Spending," written by him, and published in Human Events for March 16, 1957.

NOTICE OF HEARINGS ON SMALL BUSINESS LEGISLATION

Mr. CLARK. Mr. President, on behalf of the Subcommittee on Small Business of the Committee on Banking and Currency, I desire to give notice that open hearings will be held on S. 55, S. 244, S. 246, S. 300, S. 545, S. 719, S. 720, S. 1762, S. 1789, S. 1992, and any other bills which may be referred subsequently to the subcommittee. These hearings will begin at 10 a. m. on Monday, June 3, 1957, in room 301, Senate Office Building, and will continue for several days thereafter.

All persons who desire to appear and testify at the hearings are requested to notify Mr. J. H. Yingling, chief clerk, Committee on Banking and Currency, room 303, Senate Office Building, telephone National 8-3120, extension 836, not later than Friday, May 24, 1957.

NOTICE OF HEARINGS ON SECURITIES MATTERS

Mr. LAUSCHE. Mr. President, the Securities Subcommittee of the Committee on Banking and Currency will begin public hearings on May 20 on the following subject matters:

First. Proxy solicitations, including S. 594—CAPEHART—and S. 1601—CAPEHART.

Second. Increase in the exemptive limit for registration of securities, including S. 810—THYE—and S. 843—SPARKMAN.

Extending SEC jurisdiction to certain securities traded over the counter, including S. 1168—FULBRIGHT.

Anyone interested in testifying before the subcommittee on any of these topics should so indicate in writing to Mr. J. H. Yingling, chief clerk, Senate Committee on Banking and Currency, 303 Senate Office Building, Washington, D. C., as soon as possible, and no later than Friday, May 24, 1957.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. McCLELLAN. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Maurice Augustus Crews, of Pennsylvania, to be an Assistant Commissioner of Patents, vice Arthur W. Crocker, elevated.

Lloyd H. Burke, of California, to be United States attorney for the northern district of California for a term of 4 years—reappointment.

Frederick W. Kaess, of Michigan, to be United States attorney for the eastern district of Michigan for a term of 4 years—reappointment.

William B. Somers, of North Carolina, to be United States marshal for the middle district of North Carolina for a term of 4 years—reappointment.

Albert W. Saegert, of Texas, to be United States marshal for the western district of Texas for a term of 4 years—reappointment.

George W. Beach, of New Mexico, to be United States marshal for the district

of New Mexico for a term of 4 years—reappointment.

Noah W. Riley of Wyoming, to be United States marshal for the district of Wyoming for a term of 4 years—reappointment.

William E. Smith, of New York, to be United States marshal for the eastern district of New York for a term of 4 years—reappointment.

William Budd Parsons, of Washington, to be United States marshal for the western district of Washington for a term of 4 years—reappointment.

Saul Hale Clark, of Idaho, to be United States marshal for the district of Idaho for a term of 4 years—reappointment.

John O. Henderson, of New York, to be United States attorney for the western district of New York for a term of 4 years—reappointment.

On behalf of the Committee on the Judiciary notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Friday, May 17, 1957, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

CONTINUANCE OF SCHOOL-LUNCH PAYMENTS FOR NEEDY INDIAN CHILDREN

Mr. MURRAY. Mr. President, considerable interest has been expressed in my bill, S. 1787, to amend Public Law 874, 81st Congress, in order to revise the provisions with respect to certain payments for the education of Indian children. I have prepared a brief statement explaining the purpose of this bill, which is before the Labor and Public Welfare Committee. I ask unanimous consent to have the statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE PURPOSE OF S. 1787

S. 1787 amends Public Law 874, the Federal impact school bill, to provide for continuance of school-lunch payments for needy Indian children under the Indian Education Act (Johnson-O'Malley Act—48 Stat. 596), even though the school district is reimbursed from Public Law 874 funds.

At present, by interpretation of the Indian Bureau, if a school district receives funds for the education of Indian children under Public Law 874, it cannot receive funds for school lunches for needy Indian children under the Johnson-O'Malley Act.

S. 1787 further eliminates the clause (sec. 10) in Public Law 874 which provides that the governor of any State must decide whether all districts concerned in his State shall be under Public Law 874, or all under Johnson-O'Malley for education of Indian children.

Some districts in certain States prefer one method, some prefer the other. The governor should not have to decide to the advantage of some, against the advantage of the others. This decision should be left to the local school boards concerned.

Mr. JOHNSON of Texas. Mr. President, if no other Senator desires to address the Senate at this time, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

RECESS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Under the previous order, the Senate is to take a recess, subject to the call of the Chair, and is then to proceed to the Hall of the House of Representatives.

At 12 o'clock and 15 minutes p. m., pursuant to the order previously entered, the Senate took a recess, subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES—ADDRESS BY PRESIDENT OF VIETNAM

Thereupon, the Senate, preceded by the Secretary (Felton M. Johnston), the Sergeant at Arms (Joseph C. Duke), the Vice President, and the President pro tempore, proceeded to the Hall of the House of Representatives for the purpose of attending the joint meeting to hear the address to be delivered by His Excellency Ngo Dinh Diem, President of Vietnam.

(For the address delivered by the President of Vietnam, see pp. 6699–6700 of the House proceedings in today's CONGRESSIONAL RECORD.)

The Senate returned to its Chamber at 1 o'clock and 4 minutes p. m., and reassembled in executive session when called to order by SPESSARD L. HOLLAND, a Senator from the State of Florida.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
Washington, D. C., May 9, 1957.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. SPESSARD L. HOLLAND, a Senator from the State of Florida, to perform the duties of the Chair during my absence.

CARL HAYDEN,
President pro tempore.

Mr. HOLLAND thereupon took the chair as Acting President pro tempore.

DIPLOMATIC AND FOREIGN SERVICE

The ACTING PRESIDENT pro tempore. The Senate is in executive session, and has before it the nomination of Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland. The question is, Will the Senate advise and consent to this nomination?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from California will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on this question?

The ACTING PRESIDENT pro tempore. The yeas and nays have not been ordered.

Mr. KNOWLAND. Mr. President, I ask that the yeas and nays be ordered on this question.

The ACTING PRESIDENT pro tempore. Is there a sufficient second?

The yeas and nays were ordered.

RESIGNATION OF CHIEF OF POLICE JOHN W. POLCYN, OF MILWAUKEE

Mr. WILEY. Mr. President, as in legislative session, I wish to take a few minutes of the time of the Senate to speak about a very humble but outstanding citizen of my State.

Last Sunday's newspapers in Milwaukee carried the news of the resignation, because of ill health, of the man who has been well described as "the foremost police chief in the country." He is Chief John W. Polcyn, who, for 11 years and 9 months, has served as the No. 1 law-enforcement officer of Wisconsin's largest city.

John W. Polcyn gave Milwaukee a police department which rightly excited the admiration of the Nation. It has won 18 awards from civic, fraternal, religious, and military organizations.

Chief Polcyn received deserved tributes from America's top investigative officer, the Honorable J. Edgar Hoover, Director of the Federal Bureau of Investigation, as well as from our United States Senate Crime Committee back in 1951.

Chief Polcyn came to Milwaukee in 1909. He joined the Marine Corps a year later, serving from July 1910 to mid-1914. His Marine Corps training helped him to develop the qualities of leadership characteristic of that great arm, as well as of the Milwaukee police force—absolute devotion to duty, a body and a soul trained for efficiency, personal courage, and a desire to accomplish tasks in the best, fastest, and cleanest possible way.

In drawing attention to Chief Polcyn, I should like to say, simultaneously, a good word for other law-enforcement officers, perhaps less well known, but who, Chief Polcyn would be the very first to agree, likewise deserve our commendation and that of public officials and citizens alike.

Mr. President, I must say that when criminals went to Milwaukee they did not remain there very long. Their prompt departure was due to the men in humble offices who have dedicated themselves to the service of their community.

In the towns and cities of my State and of the other 47 States of the Union are police chiefs, sheriffs, district attorneys, judges, and other individuals engaged in the law enforcement process who all too rarely receive the public recognition they deserve. Not only do they get little praise, but usually they receive very small salaries, as well, and participate in retirement programs which are modest, to say the least.

We know that, with 2½ million crimes committed each year this country

certainly must improve its record in the case of adult crime and juvenile crime. But we shall not succeed in doing so until, among other steps, we have accorded to our law-enforcement agents up and down the line, including the patrolmen on the beat or in the prowl car, the deputy sheriff and others, the honor and respect which each and every one deserves.

Every American youngster should hold in esteem the men who wear a badge to protect him and his family, the men who are willing to lay down their lives, if necessary, to protect public safety.

There are few finer models for our youngsters to follow than Chief John W. Polcyn.

NOMINATION OF HENRY J. TAYLOR, OF VIRGINIA, TO BE AMBASSADOR TO SWITZERLAND

Mr. BRICKER. Mr. President, following the vote on the nomination of Mr. Scott McLeod to be Ambassador to Ireland, there will come before the Senate the nomination of Henry J. Taylor to be Ambassador of the United States to Switzerland. I have before me a number of resolutions and articles, published in various newspapers—particularly an article from the Columbus, Ohio, Dispatch—in regard to Mr. Taylor. I ask unanimous consent that the editorials and articles be printed at this point in the RECORD.

There being no objection, the editorial and articles were ordered to be printed in the RECORD, as follows:

[From the Columbus (Ohio) Dispatch of April 21, 1957]

NEW ENVOY KNOWN IN COLUMBUS

Henry J. Taylor, United States Ambassador-elect to Switzerland, spent many boyhood days in Columbus and has frequently visited and lectured here.

Although a native Chicagoan, Taylor is the grandson of the late Edward L. Taylor, who formerly lived at 331 East Town Street, and maintained a Columbus law office with his brother, Henry C. Taylor. His uncle was Edward L. Taylor, Jr., former congressman from this district.

Livingston L. Taylor, 1400 East Broad Street, son of Henry C. Taylor, recalled that the new Ambassador-elect often visited at his grandfather's home here and has referred to Columbia fondly, if not quite accurately, as his "hometown."

Taylor's appointment to diplomatic service for the United States is a new role not unrelated to his other achievements as newsman, author, radio commentator, banker, and industrialist.

He is probably best known to the public for his wartime service as correspondent in a score of countries and for his longtime stint, from 1945 until just recently, on the General Motors radio program, Your Land and Mine.

Taylor is a member of the advisory board of the Chemical Bank & Trust Co., New York City, trustee of Manhattan Savings Bank, director of the Clinchfield Coal Co., and board chairman of the Silicone Paper Company of America.

He is a lifetime trustee of the development fund of his alma mater, the University of Virginia; trustee of New York Medical College and the Flower and Fifth Avenue Hospitals; a director of the Thomas Jefferson Memorial Association and American War Correspondents Association, and member of the board of directors of the Navy League.

Taylor has been awarded the Alfred I. Dupont radio award, a War Department citation for conspicuous service in combat theaters, and the Gold Medal of the Freedom Foundation.

His literary output includes five books, articles for many national magazines and contributions to economic journals in the United States, England, Switzerland, and Sweden.

[From the Cleveland (Ohio) Plain Dealer of April 7, 1957]

BREAKS THE ROUTINE

With the appointment of Henry J. Taylor, writer and radio commentator, as Ambassador to Switzerland, comes a welcome change from the routine type of recent assignment of party contributors to key posts abroad.

The post at Bern is an important one. Switzerland is no great power, but it has the distinction of maintaining a stable currency through the ups and downs of this century, being centrally located on the Continent and a center of international business.

Taylor will qualify, for besides being a political writer—he was also a war correspondent—he has written extensively on economic topics and is prominent in American banking and industrial life. He is a trustee for the Manhattan Savings Bank and chairman of the Silicone Paper Company of America.

[From the New York Daily News]

BETTER CONFIRM TAYLOR

State Attorney General Louis J. Lefkowitz uncovers a plot by Iron Curtain interests to buy voting control of various United States corporations producing materials vital to our national defense.

The deal was to be engineered through two Swiss banks alleged to be using funds from behind the curtain. Some important details are as yet undisclosed.

This is one more reason, we think, why the Senate should confirm President Eisenhower's nomination of Henry J. Taylor as our next Ambassador to Switzerland.

Switzerland, besides being one of Europe's best observation posts, is a center of worldwide banking operations, some of them shady.

Mr. Taylor is a successful businessman and a deep student of economics, has been a shrewd war correspondent and radio commentator, and has innumerable contacts throughout the world. He looks like a natural for the sensitive and highly important Swiss ambassadorship.

[From the New York Journal-American of April 16, 1957]

HENRY J. TAYLOR

President Eisenhower's appointment of Henry J. Taylor as Ambassador to Switzerland brings into our diplomatic service a man of extraordinary attainment.

In the newspaper business we know Mr. Taylor chiefly for his outstanding record as a foreign and war correspondent. He was not only a good reporter, he was—and is—a talented writer.

With these qualities it is not strange that Mr. Taylor became a lively radio commentator and the author of a number of provocative books. What is unusual in this day of specialization is that his interests and abilities led him to become a respected economist and successful businessman.

The President recently said Mr. Taylor was a man for whom he had held "considerable admiration for a long time." We have, too. We hope the Senate speedily confirms the appointment.

[From the Richmond (Va.) Times-Dispatch of April 15, 1957]

AN ABLE VIRGINIAN APPOINTED

Nomination of Henry J. Taylor as Ambassador to Switzerland brings into the diplomatic service a citizen of Virginia who is well-qualified for the post to which he has been named. Mr. Taylor is actually an authority on Switzerland and the Swiss—a too rare quality in an Ambassador. He made three separate studies of the Swiss economy over a period of some 15 years, and is highly regarded there.

A graduate of the University of Virginia who made a conspicuous success in journalism and radio, as well as in the business world, "Harry" Taylor is also a well-known writer of books. He has been a foreign correspondent in every part of the world, and he brings to the diplomatic post to which he has been named a wide knowledge of international affairs and a tough-minded regard for the interests of the United States.

Unless Mr. Taylor has changed his views of late, he is more conservative than President Eisenhower in his attitude toward the spending of American dollars for foreign aid. In his broadcasts and newspaper and magazine articles over a long period he deplored the lavish expenditure of Federal funds overseas. Since Switzerland is just about the only country in the world that isn't seeking American largesse, and never has sought it, as far as we are aware, the post at Berne is a fitting one for a man having Mr. Taylor's views.

The nominee for the Swiss ambassadorship is not a native of Virginia but he has become a citizen of the State. He has a home outside Charlottesville.

He is a Republican, not only by conviction but by inheritance. One of his grandfathers signed the petition for Abraham Lincoln to run for President in 1860 and another was a law partner of Rutherford B. Hayes.

Their grandson brings to his new task in Europe a razor sharp mind, an attractive personality, and a broad knowledge of world affairs, plus a special acquaintance with the economic, social, and political problems of the country to which he will be accredited. Mr. Eisenhower chose wisely when he gave Henry Taylor the portfolio at Berne.

[From the Kansas City Star of April 22, 1957]

TO A KEY POST IN EUROPE

For Ambassador to Switzerland, the listening post of Europe, the President made a unique selection. Henry J. Taylor is a consummate listener, a reporter, columnist, and commentator. And of special interest to Kansas Citians, this was his home through his impressionable teen-age years. He still refers to himself as a Kansas Citian.

The appointment departs from the normal procedure of appointing either State Department career men or the fat cats of the political party in power. Taylor was born to a family of industrialists and he has very substantial business interests of his own. But his life interest has been in the drama of world and national events. Ahead of World War II he was an experienced interpreter of international intrigue and gained a reputation of prophecy. He predicted not only the Nazi war intentions but the plan of battle on land and sea.

He covered the war for the North American Newspaper Alliance and had his experiences with spies, including an attack by Gestapo agents when he was in a Turkish hospital. General Eisenhower became well acquainted with his abilities when Taylor covered the Allied headquarters. He is at home anywhere.

Whatever information is going around the Swiss international listening post will be well known to the American Ambassador. Of

that we are confident. We are also confident that he will be an excellent representative of the United States in every way.

[From the Birmingham (Ala.) Post-Herald of April 15, 1957]

HENRY J. TAYLOR

The President is under fire for some of his recent political appointments to diplomatic posts. Certainly anything which weakens our diplomatic career service is to be deplored, especially when the United States has assumed such gigantic responsibilities abroad.

The test, however, is capability rather than mere membership in the State Department's professional foreign service. Though the career man usually is far better fitted for the job than the typical political appointee, who is being rewarded for party service or because the President happens to like him, there are exceptions.

Henry J. Taylor, of New York, the President's choice for Ambassador to Switzerland, is one.

Mr. Taylor has special qualifications which most political appointees—and some career diplomats, indeed—lack. He is a veteran foreign correspondent for press and radio of world experience. He is an economist and author of international standing. He is an industrialist.

The Bern post is unique. Its importance greatly exceeds the size and political power of Switzerland, because that country is a world banker, the seat of international economic organizations, and a general "listening post" of Europe.

Mr. Taylor may be inexperienced in some of the unimportant protocol aspects of diplomacy, but the Swiss will find him very much of a professional in their special fields. He will represent the United States ably.

THESE DAYS

(By George E. Sokolsky)

AMBASSADORS AND PRESS AGENTS

When the President presses for all that money for USIA, he is extolling the work of press agents who have not established their value in international relations. Had they done as well as the President seems to feel, the United States would have had more friends abroad and Soviet Russia would be buried beneath a pyre of words and pictures. Think of what would be done for Marilyn Monroe or Jayne Mansfield or any other personality by a press agent seeking friends. Uncle Sam spends the money and gets the short end of the stick.

The best jobs of representation have been done by some of our ambassadors, particularly when the President appoints one trained in newspaper work, as Mrs. Clare Luce has been. Someone may jog my memory to say that the beautiful Clare produced her best writing for the theater, but I can recall her as handling copy on the magazine "Vanity Fair," and it took considerable journalistic ingenuity to turn out that type of magazine. At any rate, her concepts of public relations paid off when as American Ambassador to Rome, she set out to give the Communists a defeat.

Now President Eisenhower is sending Henry J. Taylor, another reporter for newpapers, radio, and the magazines, to Switzerland as Ambassador. Henry Taylor possesses special gifts because he can read a balance sheet, which few career diplomats can do, and he understands the movements of money and goods. He is an economist as well as a reporter and the advantage of sending him to the world's center for lending money offers the hope, at any rate, that someone in Washington is ambitious to know something about money. Up to now our Government has only specialized in spending it. There are, of course, other purposes for money.

The relations between the United States and Switzerland have generally been good. Switzerland has three principal exports to this country: watches, chocolate, and money. Whatever questions arise over watches and chocolate can be easily settled by negotiators with good will.

But the Swiss money problem is likely to be a very serious one during the next few years. The Swiss accept anonymity as a normal process of banking. A depositor may put his money in a Swiss bank with the assurance that no one, not even the Swiss government, will be told of the account. This anonymous device, often identified only by a number, originated in the time of the Napoleonic wars when those who possessed money needed to hide it and found a haven in Switzerland. Some Swiss banks will undertake the management of such funds.

With so much raiding going on in American industry and so many phony stocks coming on the American market to swindle the American people, two committees of the Senate are looking into the problem and the SEC is defending itself and its law. Some explanation is required to know why the SEC did not use the powers it possesses to protect American interests. The testimony of SEC officials before the Lausche and Eastland committees is contradictory and on the whole, does not represent a profound study of the subject. The SEC needs not so much lawyers to head it but men familiar with money and its peculiarities in the market. But that is another subject.

Whereas to Switzerland, the anonymous ownership of money is important as a business activity, to the United States, the disclosure of the ownership of American industries is equally important. When a raid is made on a well-established industry by anonymous owners of stock who may be legitimate or not, who may be Americans enjoying a tax haven or enemies of this country, it is important for the ownership of the shares of the industry to be disclosed and known. Secrecy is intolerable in our economy.

It is not to the interest of the United States that Switzerland and our country should develop a quarrel over this question and as these investigations proceed, it will be valuable for the United States to have as its Ambassador a man who understands the economics of both countries and the forces that motivate men. Henry J. Taylor is such a man. He has been in banking, an industrialist and a journalist. Now he enters the field of diplomacy, where his particular talents will be tested under conditions more difficult than he now envisages.

ON THE LINE: A REPORTER DIPLOMAT

(By Bob Considine)

President Eisenhower's nomination of Henry J. Taylor for United States Ambassador to Switzerland is a happy choice. It seems to have occasioned surprise here and there editorially. But the only surprise in this particular breast is why Presidents so seldom get around to sending trained reporters on essentially factfinding and listening-post diplomatic jobs.

Presidents past and present have had some real lulus forced upon them as ambassadors and ministers on the ground that good old Hugo not only gave the party all that money during the campaign, but his old lady insists on it. So off goes Hugo and the old gal, in striped pants and concealed lorgnette, respectively, and they live it up in the embassy or ministry abroad until there's a change of administration or Hugo boots one too many easy rollers. It is unfair to generalize, but more often than not the real work is done by the pros in the outer office—the career people who couldn't afford to foot the extra expenses involved in such a job—and Hugo and mamma come back home with scarcely one more bit of knowledge than they took over in the first place, and that was less than legal.

WELL KNOWN TO ECONOMISTS

When Taylor is confirmed, we will send a first-rate American gentleman to a fine country we tend to ignore because it wants nothing from us. Mrs. Taylor, Henry's wife for nearly 30 years and mother of their fine reporter son, is the prototype of the perfect hostess and willing worker for charity.

Switzerland is a bank set in the midst of tension on the north, east, south, and west. Taylor is as well known to economists as he is to working reporters and radio people. He is a member of the advisory board of the Chemical Corn Exchange, National Committee for Sound Fiscal Policy, and the author of countless tracts and books in that field, including Germany's Economy of Coercion.

As a reporter, he covered probably more of World War II for NANA, for Scripps, Reader's Digest, Saturday Evening Post, Life, the Saturday Review, and other periodicals than any other war correspondent. In peace, he has covered every major conference, including the talks "at the summit," and each national political convention since 1928. In the semicold war he was nearly killed covering Algerian riots not long ago. Taylor is a man who likes to get close, the better to report.

HER ENEMIES HAILED HER

The last time Ike took a chance on a reporter, the chosen ambassador did a job that even her enemies hailed as outstanding. We mean Clare Luce. The Kremlin applauded the choice secretly, sent Alexander Bogomolov in against her—to preside over the transition of Italy to a Communist state. During their 3-year contest, the Italian Communist Party, largest in Europe, was cut in half. Bogomolov was recalled in February.

The situation is not the same in Switzerland, of course. But from here it appears that the President has come up with a man who'll do another first class job.

Through the years, it seems to me, the Nation has lost the services of many people who could have filled diplomatic jobs admirably. They were overlooked for reasons as untenable as their allegiance to another political party within this country, and for reasons even less tolerable. I think Anne O'Hare McCormick, the late great New York Times woman, would have made a fine ambassador. So would have, or would, H. V. Kaltenborn. Grantland Rice was another. So was George R. Holmes.

But it is as warped to confine this statement to newsmen as it has been, in the past, to pass them up when such jobs were available. Each field has produced good but neglected timber. I've had a sure feeling through the years that nobody, but nobody, could represent us better in a glowering contest in Moscow than John L. Lewis.

USE OF FRIENDSHIP INTERNATIONAL AIRPORT BY PAN AMERICAN WORLD AIRWAYS FLIGHTS BETWEEN NEW YORK, WASHINGTON, AND MEXICO CITY

Mr. BUTLER. Mr. President, it begins to appear that many years of perseverance on the part of Maryland and the city of Baltimore are about to pay off. You know, Mr. President, that those of us charged with the responsibility of keeping commerce of the city of Baltimore moving at a constantly accelerated pace have argued long and patiently that Friendship International Airport deserves to have equal status with the already overcrowded Washington National Airport.

Recently, Mr. President, an examiner for the Civil Aeronautics Board recom-

mended in strong and unmistakable language that Pan American World Airways be certificated to fly nonstop between New York and Mexico City and between Washington and Mexico City. This is a most interesting recommendation, Mr. President, because Pan American, if given this certificate, which it so rightly deserves, will use Friendship International Airport as its Washington-Baltimore terminal.

The examiner's keen analysis of the trade potentials of this new service coincides exactly with the philosophy which we who have been urging the use of Friendship International Airport have constantly espoused. The examiner does not content himself with a turnabout service between Baltimore and Mexico City. Rather, he is concerned with the great importance of Pan American's ability, should the Civil Aeronautics Board grant the certificate, to provide one-carrier service between Mexico City and Europe. Peculiarly, the only such service now being provided comes from Air France, a government-owned, heavily subsidized foreign airline. Putting Pan American into the competitive field with Air France will also mean that Baltimore will be on the international routes to Europe, to the Middle East, to the Orient, and to the Pacific. This exciting new service, Mr. President, would also mean that Pan American would connect Baltimore, through Mexico City, with Central America and all of South America.

Generally, Baltimore and Friendship International Airport together have been rather rudely treated by our civil air transport authorities as unwanted stepchildren. We have been "soft-talked" too long by air carriers which promised everything, but delivered nothing. Last year, when the highly controversial New York-Florida proceedings were before the Civil Aeronautics Board, Pan American officials publicly testified that, if given the service, it would use Friendship International Airport as its local terminal. Our hopes were high, and we campaigned vigorously to help Pan American in its struggle to get that coveted certificate. The Board voted for Northeast Airlines, however; and the impact of that decision is still being heard in the halls of the Senate, where the distinguished junior Senator from Washington [Mr. JACKSON], has been conducting remarkably productive hearings on "leaks" within the Civil Aeronautics Board.

The political elements alined against Pan American Airways in the Mexico City case are once again powerful and numerous.

For some strange reason, certain of these powerful elements seem to feel that service to Mexico City from New Orleans is tied up in the New York-Baltimore-Mexico City case. Nothing could be farther from the facts. These are two separate cases. Eastern Airlines is planning on starting service between New Orleans and Mexico City on June 5. Inasmuch as Eastern already has a New York-Washington-New Orleans operation, Eastern is still giving what amounts to one-carrier service between New York and Mexico City. Keep in mind, Mr. President, that Eastern's service terminates in New York and in Mexico City, and would not have the desired effect of providing effective competition for Air France.

Mr. President, the excellent New Orleans newspaper, the Times-Picayune, on May 3 carried a most illuminating editorial entitled "Mexico City Air Situation—A Clarification." Since the editorial strikes so strongly at the case for Baltimore and Pan American, I ask unanimous consent to include it with my remarks at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MEXICO CITY AIR SITUATION—A CLARIFICATION

The status of the proposed New Orleans to Mexico City airline, it seems to us, deserves explanation in the light of several recent developments.

First of these developments was the filing by Mayor deLesseps S. Morrison of a brief with the Civil Aeronautics Board favoring Eastern Airlines over Pan American World Airways as operator of a proposed nonstop service between New York and Mexico City.

The mayor's action followed announcements from Washington that arrangements had been made with the Mexican Government under which Eastern Airlines can begin the New Orleans-Mexico City service for which it received a CAB certificate more than 11 years ago.

Following the mayor's action, an examiner for the CAB recommended that Pan American, rather than Eastern, fly the New York to Mexico City nonstop service. This, the examiner explained, would permit Pan American to compete with Air France, which already flies from Paris to New York to Mexico City.

Shortly after the examiner's report was issued, the chamber of commerce of the New Orleans area made public a telegram in which it called to the examiner's attention that it has taken no position in regard to what airline should fly the New York-Mexico City route. The examiner's report had referred to the chamber as having filed a statement in the case.

Then, on Wednesday, Senator ALLEN J. ELLENDER issued a statement protesting the proposed award to Pan American of the New York to Mexico City permit. The Senator's statement, it seems to us, contained several inaccuracies which may confuse the issue in some minds.

Among other things, Senator ELLENDER said that Eastern was authorized by the CAB to establish direct service between New York, New Orleans, and Mexico City in 1946. As we understand the situation, the certificate issued by the CAB to Eastern in 1946 named New Orleans and Mexico City as the terminal points. There was no provision in this certificate for nonstop service between New York and Mexico City.

The Senator's statement said further that "Now, the CAB wants to reward the major offender (on the argument that Pan American rather than failure to reach agreement with the Mexican Government caused delay in opening of the New Orleans to Mexico City service) with a new 2000-mile air service that would overfly 11 or 12 States the original air route was designed to serve."

This, it seems to us, may cause confusion in the minds of some residents of these 11 States. When the New Orleans to Mexico City service is started—as Eastern Air Lines has said it will be started on June 5—these 11 States will receive the service which was planned for them back in 1946.

Whether or not Pan American or Eastern flies the nonstop route from New York to Mexico City, service already is being given nonstop on that route by Air France, whose planes already are overflying the 11 or 12 States the original air route, from New Orleans to Mexico City, was designed to serve.

If Senator ELLENDER has evidence that Pan American or any other airline has been primarily instrumental in blocking air service between the United States and other countries, we believe that this evidence should be made public.

In the meantime, it seems to us that the chamber of commerce of the New Orleans area acted wisely in not taking a position as to what airline should fly from New York to Mexico City.

This attitude is in line with the consistent policy of the chamber to urge services but not to attempt to say who should be selected by the CAB to provide those services. This policy has been maintained in the present case, although several members of the chamber's aviation committee believe that advantages may accrue to New Orleans if Pan American, rather than Eastern, is finally granted the New York-Mexico City nonstop certificate.

At this point in history, it does not seem to us that New Orleans should be too concerned about how the New York to Mexico City service is awarded to an American flag carrier—considering that the route already is being flown by a foreign flag carrier.

This city should be, and is, concerned about how and when direct service between New Orleans and Mexico City will be performed.

Eastern Air Lines expects that this long-needed service will be started on June 5.

That should be a happy day.

Mr. BUTLER. Mr. President, I should like to quote briefly from the examiner's report on this important case:

Pan American has had operating facilities in Mexico City for many years. Its Houston-Mexico City sector accounts for an investment cost of approximately $350,000. Its proposed New York-Mexico nonstop service would require an estimated total additional investment of approximately $8,229,000.

Each of the applicants has advertised and actively promoted air travel between the United States and Mexico. A number of foreign flag transatlantic carriers seeking the Europe-Mexico business have been aggressively advertising and promoting Europe-Mexico travel. Pan American, as the only applicant with sales offices in principal European cities, would be in a better position to advertise and promote the Europe-Mexico market than Eastern.

The record shows that Eastern and Pan American should be able to operate the proposed nonstop service between New York-Washington-Mexico City at about the same overall cost. Eastern's costs might possibly be a little lower due to somewhat lower estimated costs in passenger service and a possibly higher equipment utilization. However, Eastern's lower quality of service afforded to passengers on its planes may adversely affect its ability to compete with the de luxe service offered by Air France and the somewhat higher equipment utilization proposed by Eastern may be attended by some inconvenience of schedules.

Mr. President, I hold no particular brief for Pan American, as opposed to Eastern Airlines. Eastern has acquired an enviable record in its many years of existence under the dynamic leadership of Capt. Eddie Rickenbacker. As a matter of fact, Eastern provides, into Friendship International Airport, service which we need and which we appreciate. But we in Baltimore are concerned with the importance of getting Baltimore on to the trade routes of the world, and it seems to me that this can best be accomplished by allowing Pan American

to serve Mexico City on a New York and Baltimore nonstop basis.

Senators have long been justifiably worried over airline subsidies. Substantial reductions in subsidies have been realized, and there is every indication that greater reductions are coming. I invite attention to the Examiner's comments on the subsidy matter:

Accordingly, it is estimated that Pan American's proposal in this proceeding would result in direct savings in subsidy costs of approximately one-half million dollars since it would be the only United States flag carrier authorized for the New York-Mexico City nonstop service. This estimate appears reasonable.

I spoke earlier of Air France's monopoly on direct service between Mexico City and New York and thence to all Europe and the whole world. The examiner had some pertinent observations on this, too; and I should like again to quote from his recommendations:

The record leaves no doubt that the public convenience and necessity require authorization of nonstop air service between New York-Washington and Mexico City. The authorization is not only needed to permit improvement in the existing American-flag service made possible by the longer-range aircraft in use in recent years, it is imperative that such service be authorized for an American-flag carrier to meet the competition of Air France between New York and Mexico City. Consideration of necessary improvements in American-flag carrier services between New York and Mexico City has been too long delayed. That delay has resulted in the incredible situation where a European carrier has in the past year won a preferential position in a market pioneered by our own industry and in a stream of traffic in which a United States flag carrier should be second to none.

Keep in mind, Mr. President, that Pan American proposes one round-trip operation a day between Baltimore and Mexico City. This is a minimum service. As soon as traffic warrants it Pan American will increase its round-trip service between Baltimore and Mexico City; and it is not unreasonable to assume that we can be optimistic enough to anticipate an increase in service once the flights become established. The examiner has left no doubt of his choice to provide this service. Again I quote from the examiner's recommendations:

Pan American is the only applicant which can effectively participate in the Europe-Mexico City market and its selection as the carrier needed for the proposed nonstop service is necessary to strengthen United States flag aviation over the North Atlantic. The selection of Pan American will contribute to a considerable reduction of mail-pay subsidy. This carrier alone has experience as an overseas competitor with the foreign-flag operator now entrenched in the New York-Mexico City market. Pan American can also effectively serve the Mexico traffic that does not proceed east of New York because it is in a position to provide high-quality service for the local New York-Mexico City travelers; it has the capacity for promoting large-scale tourist travel to Mexico; and it can provide one-carrier service to points beyond Mexico City, thus integrating tourism in the general Latin-American area with its service to Mexico City. Of the two applicants, Pan American is in the far better position eventually to exploit and promote the potentially large vacation and tourist market of Mexico City, because, in addition to the local New York-Mexico City vacation market, it will be able to exploit the Europe-Mexico tourist trade. Other countries regard a proper participation by their flag carriers in the movement of traffic between third countries as an important and legitimate goal of national policy. It is no less so for the United States.

In sum, the congressional policy is expressed in section 2 of the act as applied to the facts of record in this case requires the nonstop authorizations for Pan American. This carrier, as the only applicant able to provide all the types of public service required by the route and afford one-carrier services beyond each end of the route, can provide the most effective United States-flag competition in an area of travel now dominated by a foreign-flag operator. Pan American's certification will save the Government money in mail-pay costs and insure the proper development of a potentially strong foreign market. These vital considerations of our national interest outweigh any preference for Eastern's proposal stemming from greater optimism, initial plans for all-coach flights, route integration with domestic service, probable diversion of Eastern's revenues, and any color of right Eastern may have on the ground that its 1946 award for Mexican service failed of implementation. In other words, if the needs of the traveling public are best to be promoted and served, if full American-flag participation in the two large markets herein involved is to be recaptured and held, if we are to take advantage of integrating and solidifying our own flag services between Europe and Latin America, if a rare opportunity for reducing air-carrier subsidy is to be taken—in short, if the public interest in an economically sound, financially strong and subsidy-free air transport is paramount—the choice of carrier in this proceeding is crystal clear. The choice is Pan American.

Pan American is a long-established carrier holding certificates of public convenience and necessity and air-operating certificates. Pan American's history of successful operations and its showing on this record, leave no doubt that it is fit, willing, and able to perform the services herein found required by the public convenience and necessity.

Finally, Mr. President, the examiner concludes with this recommendation:

In view of the foregoing and all facts and contentions of record, it is concluded that the public convenience and necessity require a nonstop authorization for Pan American between New York, Washington, and Mexico City and that the public convenience and necessity require denial of the proposal of Eastern for nonstop operations on that route.

Mr. President, Baltimore's concern in this proposed service is not predicated on a liking for one carrier and an antipathy for another. Baltimore's interest is economic and impersonal. We believe that the interest of Baltimore on international trade routes would best be served by the prompt certification of Pan American Airways on the New York-Baltimore-Mexico City route. For the general good such certification will accomplish for the city of Baltimore and the State of Maryland, we accept the examiner's report.

SECOND ANNUAL AMERICANISM AWARD TO SENATOR PURTELL

Mr. BUSH. Mr. President, I desire to bring to the attention of the Senate a signal honor which has been conferred upon my distinguished colleague from Connecticut, Senator WILLIAM A. PURTELL.

Senator PURTELL has been designated to receive the second annual Americanism award of the Connecticut Department of the American Legion. This award is given annually to a citizen of Connecticut who has made outstanding contributions to the promotion of Americanism. The Honorable Raymond E. Baldwin, former United States Senator from Connecticut, now a justice of the Connecticut Supreme Court of Errors, was the recipient of the first annual award, in 1956. Nominations are made to the 9-member State Americanism Commission by the 171 American Legion posts in the department of Connecticut.

Mr. President, this award is fitting recognition of the many contributions which Senator PURTELL has made to his community, State, and Nation.

During the course of an active and successful business life, BILL PURTELL found time for much public service. He is a past director of the Greater Hartford Community Chest; the Hartford chapter of the American Red Cross; and Hillyer College, in Hartford.

He is a former member of the Connecticut Inter-Racial Commission, a former director of the Connecticut State prison, and a former member of the board of parole. He is the recipient of the most distinguished citizen award from the Hartford Jewish War Veterans Post, and has received a citation from the National Conference of Christians and Jews.

For many years, he has been active in the American Legion. He is a member of Rau-Locke Post 8, of Hartford, and is a former chaplain of the Connecticut Depart of the Legion. Mrs. Purtell, an Army nurse in World War I, is a member of the American Legion, and is a past commander of post 7, Hartford.

I know I speak for all my colleagues in the Senate in congratulating Senator PURTELL, and in congratulating the Connecticut department of the American Legion in selecting for this award a man whose career is a fine example of Americanism in action.

RUMANIAN INDEPENDENCE DAY

Mr. SMITH of New Jersey. Mr. President, although the Senate is in executive session, I ask unanimous consent that, as in legislative session, I may make a brief statement regarding Rumanian Independence Day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. SMITH of New Jersey. Mr. President, Friday, May 10, is the day which Rumanians all over the world celebrate as the anniversary of the independence of their country. In every free nation the anniversary of independence is proudly honored, and lovers of freedom take joy in saluting these moments of special significance to their fellow men. But when a nation is suffering under the weight of foreign tyranny, even deeper meaning becomes attached to the remembrance of its independence day.

For the Rumanian people, who were tragically enslaved, first by the Nazis,

and then by Communist Russia, despite grandiose promises by the latter of liberty, at the end of World War II, the goal of freedom has remained only a cherished hope for far too many years. But tyranny, as all despots know, cannot survive the inevitable urge for freedom. Eastern Europe is now beginning to stir and become restive. More and more, its Communist rulers are becoming anxious and fearful, as they watch brutality reap the inevitable bitter fruits of repression.

We in America are happy to join with all freedom-loving Rumanians in honoring their former independence; and we pledge our peaceful efforts to help them in their determined yearning for freedom, independence, and real self-determination. The people of the United States will not forget their friends in Rumania, and we look forward to that day when America and Rumania will once again meet in friendship on the common ground of liberty.

Mr. McNAMARA. Mr. President, Friday, May 10, is a day which the people of Rumania, as well as our own citizens of Rumanian descent, commemorate with special pride. May 10 is the Rumanian Independence Day.

On May 10, 1866, Prince Carol was chosen to occupy the throne of Rumania, and a constitution of liberal principles was adopted. Eleven years later, on May 10, 1877, Rumania declared its independence from the Ottoman Empire; and on May 10, 1881, Rumania was recognized as a sovereign state.

These 3 days in the history of a proud people mark the beginnings of a new flowering of an ancient culture, the rebuilding of liberty amidst the turbulent currents of East European politics.

Unfortunately, the Rumanian people were not to cherish their new-found liberty for long. Following the Second World War their country was engulfed by the totalitarian forces of communism. But while the might of Soviet armor may silence the proud voice of an ancient and brave people, it will never be able to put out the flame of patriotism, of freedom, and of democracy that must burn in the heart of every Rumanian.

On this independence day of our Rumanian friends the least we can do is to pledge our friendship and support to the people of Rumania, and to express our sincere conviction that the day of their liberation from the Communist yoke is not far off.

Mr. JENNER. Mr. President, I am happy to pay honor to the Independence Day of Rumania.

No matter how far our history may unroll, or how great a responsibility our Nation may be given, on the world stage, the American people will never forget their own struggle for independence nor the importance to other nations of their freedom.

I have just introduced a resolution quoting the repeated demands by American presidents for the freeing, by Soviet Russia, of the nations liberated by the fighting men of all the allies.

This is no formal request, but a most solemn demand for Soviet adherence to the promises made by their leader when he needed the help of our arms.

I have said again and again that the Soviet system for enslavement of satellites was no mere brutal conquest, but a clever and most effective method of supporting their war machine with the food, machinery, and labor which the Socialist system was not efficient enough to produce for itself.

We know the Soviet war machine is today directed primarily at our country.

The most important single step in American defense policy is to cut the Soviet Union off from the military supplies it takes from its conquered neighbors. That policy has the same military significance to us today that cutting off American food, supplies, and munitions from the British had for the Germans in World War II, or the cutting off of Germany from its continental supplies had to the allies.

It is absurd for Americans to maintain a vast and costly Defense Establishment, while making no effort to reduce the extra military power its opponents possess through occupation and enslavement of our former allies.

To us the Rumanian nation is the people of Rumania. As Thomas Jefferson said, in the Declaration of Independence, when the legislative power of a nation is prevented from operating, by tyrants, it cannot die but returns to the people.

The sovereign power of Rumania and the other satellites remains unimpaired. It rests in the people. The American people will never forget that dismantling of the Soviet war machine of conquest is the first essential of world peace, and the restoration of freedom to nations which love their liberty is the first essential of justice.

The American people extend the hand of friendship to the Rumanian people on this anniversary of their victorious struggle for freedom.

NOMINATION OF SCOTT McLEOD TO BE AMBASSADOR TO IRELAND

Mr. JAVITS. Mr. President, the senior Senator from New York [Mr. IVES] and I will have the honor to entertain the Lord Mayor of Dublin today at luncheon, so I should like at this time to make a brief statement on the McLeod nomination, upon which the Senate will vote later, perhaps before I would have an opportunity to make a statement later.

I met Mr. McLeod in connection with the early administration of the Refugee Relief Act, following my statement on the floor of the House of Representatives, of which I was then a Member, that the early administration of the act was outrageous. I used the word very strongly. I have tried to recall the exact word I used, and I think that is the one. Subsequently, the administration of the act considerably improved, and, considering the terms of the law, which was almost unadministerable, admissions of refugees under it finally were reasonably satisfactory.

In the early days of the administration of the act I felt that Mr. McLeod had such an undue concern with security, without enough regard to other factors, as to interfere with carrying out the intent of Congress as expressed in the Refugee Relief Act, which already contained very tight security safeguards. However, I believe, from my experience with later administration of the act, and as a result of contacts thereafter with the man whose nomination we are considering, that, in his own words, he learned a great deal. He said that in the hearings.

According to the precedents, like those cited in Oppenheim on International Law and Hackworth's classic Digest of International Law, "Ambassadors are considered to be personal representatives of the heads of their states."

Mr. De Valera, Prime Minister of Ireland, says Mr. McLeod is acceptable to his Government. I would, therefore, consider a vote against confirmation, in the absence of new facts, to be a vote of no confidence in the President of the United States, whose appointee Mr. McLeod is. Upon an analysis of the whole record, I do not feel justified in casting such a vote.

Mr. MORSE. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. MORSE. Have the yeas and nays been ordered on the McLeod nomination?

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered on the question of confirming the McLeod nomination.

Mr. MORSE. Is that nomination the pending order of business?

The ACTING PRESIDENT pro tempore. Without objection, the Senate will proceed in executive session, and resume the consideration of the nomination of Scott McLeod to be Ambassador to Ireland.

The question is, Will the Senate advise and consent to this nomination?

Mr. MORSE. Mr. President, I shall be exceedingly brief in my remarks. I am perfectly willing to rest my objections to Mr. McLeod on the printed hearings, in which are reported the rather lengthy examination on my part of Mr. McLeod, on my own behalf and on behalf of the Senator from Minnesota [Mr. HUMPHREY], who submitted to me a list of questions which he wished to have me ask Mr. McLeod, and which I did ask.

I wish only to repeat, Mr. President, as I said yesterday, that I have decided to vote against confirming the nomination, because I think Mr. McLeod does not possess the qualifications and the competency necessary to serve as Ambassador to Ireland.

One part of Mr. McLeod's testimony is a little humorous. Senators will find it on page 42 of the hearings. When I was examining Mr. McLeod as to his position in the Bohlen case, he said, in effect, that the reason for his course of action in regard to the Bohlen case was that he thought the administration should know that if Mr. Bohlen were nominated there would be a considerable amount of opposition to him on the Hill. I think that is a very interesting position for Mr. McLeod to have taken in the Bohlen case, in view of the opposition to his own nomination. Of course, if that were a sound reason for not submitting a nomination to the Senate, it should apply

even more to the McLeod case, because I submit there is much more opposition to the McLeod nomination than there was to the Bohlen nomination.

This becomes a matter of subjective judgment. I am satisfied Mr. McLeod did not tell us the truth at all about the Bohlen case. In my opinion, having had an opportunity to observe him as a witness and to study the record of the Bohlen case, we never got the truth from Mr. McLeod about the case. I am satisfied he opposed the nomination of Mr. Bohlen on the basis of the allegations that were floating around at that time, and I am satisfied they were smear allegations, to the effect that Mr. Bohlen was a security risk.

I think it is interesting to note that in the examination of Mr. McLeod before our committee, when I finally put to him what I consider to be the key question in this matter, he gave a very interesting answer. I read from the record of the hearings, page 42, beginning with my question:

> Are you satisfied, Mr. Secretary, that following the confirmation of Mr. Bohlen to the post in Russia, that he has made a record as Ambassador to the Soviet Union that would remove any doubt in your opinion as to both his qualifications, his security and his ability?
>
> Mr. McLEOD. I have had no doubts as to this security subsequent to the Secretary's findings. If I take exception to the Secretary's position on anything, I have of course the choice to resign. I have not done that, so I think it goes without saying that I accept his security evaluation without any equivocation.

Mr. President, it is very interesting to note how this man uses the English language. The fact is the record contains no statement from him as to what his position was when Mr. Bohlen was first nominated to be Ambassador to Russia. As his own testimony shows, he carried on White House conversations with General Persons. We know there were conversations with General Persons, and there may have been conversations with others as well.

We know, of course, that some of those conversations were carried on in his capacity as Assistant Secretary prior to the time the Secretary of State became aware of the fact that one of his own subordinates was intervening with regard to a nomination at the White House level.

That action does not recommend Mr. McLeod to me. As I said yesterday, there is nothing in the record, Mr. President, that recommends him to me in respect to his participation in the so-called numbers game.

I wish to say that, in my opinion, he sought, and deliberately sought, to leave the impression with the American people that the Department of State, when this administration took over, was honeycombed with Communists. Yet he was unable to produce a single Communist—not one, Mr. President. When we sought to get a direct answer from him, by asking that question explicitly—in effect, we asked over and over again, "Did you find any Communists?"—his answer, of course, was they were investigating security risks, not Communists. The best understanding we could get, Mr. President, on the position he took with respect to whether or not they found any Communists was that when the files showed someone was weak on communism that person was considered to be a security risk.

It is a sad thing, Mr. President, that we are sending to Ireland a man who it is said—and I am satisfied the statement is true—engaged in administrative procedures in the Department of State which, in my opinion, did great wrong to many fellow Americans.

I cannot vote to confirm the nomination of such a man, because I think he has neither the competency nor the qualifications to serve in an ambassadorship.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum is suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered?

The ACTING PRESIDENT pro tempore. The yeas and nays have been ordered.

The matter before the Senate is the nomination of Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

The question is, Will the Senate advise and consent to this nomination?

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Nevada [Mr. BIBLE], the Senator from Pennsylvania [Mr. CLARK], the Senator from Mississippi [Mr. EASTLAND], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from North Carolina [Mr. SCOTT], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Nevada [Mr. BIBLE] is paired with the Senator from Tennessee [Mr. KEFAUVER]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Tennessee would vote "nay."

The Senator from Pennsylvania [Mr. CLARK] is paired with the Senator from Utah [Mr. WATKINS]. If present and voting, the Senator from Pennsylvania would vote "nay" and the Senator from Utah would vote "yea."

The Senator from Mississippi [Mr. EASTLAND] is paired with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Mississippi would vote "yea" and the Senator from Minnesota would vote "nay."

The Senator from Missouri [Mr. SYMINGTON] is paired with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Missouri would vote "nay" and the Senator from Kansas would vote "yea."

The Senator from North Carolina [Mr. SCOTT] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from North Carolina would vote "nay" and the Senator from Maine would vote "yea."

I further announce that if present and voting, the Senator from West Virginia [Mr. NEELY] would vote "nay."

Mr. DIRKSEN. I announce that the Senator from Utah [Mr. WATKINS] is absent on official business.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Kansas [Mr. SCHOEPPEL] is necessarily absent.

On this vote, the Senator from Kansas [Mr. SCHOEPPEL] is paired with the Senator from Missouri [Mr. SYMINGTON]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Missouri would vote "nay."

On this vote, the Senator from Utah [Mr. WATKINS] is paired with the Senator from Pennsylvania [Mr. CLARK]. If present and voting, the Senator from Utah would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Maine [Mr. PAYNE] is paired with the Senator from North Carolina [Mr. SCOTT]. If present and voting, the Senator from Maine would vote "yea" and the Senator from North Carolina would vote "nay."

The result was announced—yeas 60, nays 20, as follows:

YEAS—60

Aiken	Ellender	Martin, Pa.
Allott	Flanders	McClellan
Barrett	Frear	Morton
Beall	Goldwater	Mundt
Bennett	Hayden	Potter
Bricker	Hickenlooper	Purtell
Bridges	Holland	Revercomb
Bush	Hruska	Robertson
Butler	Ives	Russell
Byrd	Javits	Saltonstall
Capehart	Jenner	Smathers
Carlson	Johnson, Tex.	Smith, Maine
Case, N. J.	Johnston, S. C.	Smith, N. J.
Case, S. Dak.	Kerr	Stennis
Chavez	Knowland	Talmadge
Cooper	Kuchel	Thurmond
Cotton	Long	Thye
Curtis	Malone	Wiley
Dirksen	Mansfield	Williams
Dworshak	Martin, Iowa	Young

NAYS—20

Carroll	Hill	Morse
Church	Jackson	Neuberger
Douglas	Kennedy	O'Mahoney
Ervin	Lausche	Pastore
Fulbright	Magnuson	Sparkman
Green	McNamara	Yarborough
Hennings	Monroney	

NOT VOTING—15

Anderson	Humphrey	Payne
Bible	Kefauver	Schoeppel
Clark	Langer	Scott
Eastland	Murray	Symington
Gore	Neely	Watkins

So the nomination of Scott McLeod to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland was confirmed.

Mr. BRIDGES. Mr. President, I move that the Senate reconsider the vote by which the nomination was confirmed.

Mr. KNOWLAND. Mr. President, I move to lay on the table the motion to reconsider.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

DIPLOMATIC AND FOREIGN SERVICE

HENRY J. TAYLOR

The ACTING PRESIDENT pro tempore. The clerk will state the remaining nominations on the Executive Calendar.

The legislative clerk read the nomination of Henry J. Taylor, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

IN THE ARMY

The legislative clerk proceeded to read sundry nominations in the Army.

The ACTING PRESIDENT pro tempore. Without objection, the nominations in the Army are considered and agreed to en bloc.

SUBVERSIVE ACTIVITIES CONTROL BOARD

The legislative clerk read the nomination of Thomas James Donegan to be a member of the Board.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is confirmed.

SUNDRY NOMINATIONS IN THE ARMED SERVICES

The ACTING PRESIDENT pro tempore. Without objection, the nominations for appointment in the Air Force, the Navy, and the Marine Corps, heretofore placed on the Vice President's desk, referred to at the bottom of the Executive Calendar, are considered and agreed to en bloc.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be notified of all nominations confirmed today and of the confirmation of the nomination of Ambassador Bohlen yesterday.

The PRESIDING OFFICER. Without objection, the President will be so notified.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. I move that the Senate proceed to the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Wednesday, May 8, 1957, was approved, and its reading was dispensed with.

REVISION OF TRANSPORTATION OF EXPLOSIVES ACT

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator from Texas will state it.

Mr. JOHNSON of Texas. Is S. 1491 the pending business before the Senate at this time?

The ACTING PRESIDENT pro tempore. The Presiding Officer is informed by the Parliamentarian that that bill will not, under the rule, become the pending business before the Senate until 2 o'clock p. m. It may, however, be laid before the Senate prior to that hour, either on motion, or by unanimous consent.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Chair lay before the Senate the unfinished business.

The ACTING PRESIDENT pro tempore. Without objection, the Chair lays before the Senate the unfinished business, which the clerk will state by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 1491) to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended.

CORRECTION OF THE RECORD—RAPID TAX AMORTIZATION

Mr. MORSE. Mr. President, I wish to correct an error that appeared in yesterday's CONGRESSIONAL RECORD in my remarks on rapid tax amortization.

On page 6511 of the RECORD for May 8, 1957, in the second column, I described a list of companies in which Treasury Secretary Humphrey has either a direct or indirect interest, that have received rapid tax writeoff certificates. The total amount amortized as a result of the 410 certificates granted to various corporate holdings of the M. A. Hanna Co. in which the Secretary owns an interest, should read "$1,021,813,000." The figure appeared in the RECORD as "$1,021,813" rather than "$1,021,813,000," probably because the chart from which the total was taken and which is reproduced below this statement was in thousands of dollars, with the 3 final zeros eliminated.

In other words, the companies in which the Secretary of the Treasury has either a direct or indirect interest received much more by way of tax amortization benefits than the Senator from Oregon is reported in the CONGRESSIONAL RECORD as having alleged.

The total amortized amount as it appeared in yesterday's RECORD is only one-thousandth of the true total on which the Treasury Secretary's corporate interests have enjoyed rapid depreciation. I want it made perfectly clear that the 410 certificates for rapid tax amortization granted to companies held directly or through interlocking directorates by the M. A. Hanna Co., with whose management Mr. Humphrey was associated, total well over a billion dollars.

Mr. President, as one Member of the Senate I appreciate very much the work the 2 Senators from Virginia are doing with regard to this issue.

It is a very important issue. The American people are entitled to have it settled in their favor. The time is long past due when we should put a stop to this type of subsidy to the great corporate businesses of the country. As I have said before, the subsidy paid to the American farmers is nothing but peanuts when compared with the indirect and hidden subsidies, which American big business has been getting from the present administration.

I was rather amused to read newspaper accounts of the President's press conference, in which he was reported as having said, in effect, that he thought something ought to be done to bring to a close the accelerated tax amortization program. However, when pressed for an answer with regard to his position on the Idaho Power Company's handout, he indicated that, of course, it was within the law. No one has said it is not within the law. That is one of the things that makes it even more politically immoral. That is the trouble with this administration; it commits its acts of political immorality within the law.

I used to teach my students that I wanted them to remember that the law is not limited to the written letter; that, after all, the law is to be found in the moral principles behind the written letter of the law.

Whenever anyone uses the written letter of the law to justify an act of political immorality, his act is just as wrong as though he acted outside the written letter of the law.

Mr. President, I charge this administration with acting immorally time and time again within the law. That is exactly what the administration is doing with respect to the accelerated tax amorization program. It is a shocking thing. In my judgment it is taking out of the pockets of American taxpayers billions of dollars and giving them to American big business.

We ought to stop this giveaway.

I therefore commend the 2 Senators from Virginia for the leadership they are taking on this issue. I am very proud to be associated with them in this cause, which seeks to protect the taxpayers of the United States from the kind of political thievery the Eisenhower administration is guilty of within the law, in giving handouts to the big business forces which dominate the administration.

The ACTING PRESIDENT pro tempore. The correction of the RECORD will be made.

THE CONDITION OF ISRAEL

Mr. FLANDERS. Mr. President, in considering the problems surrounding Israel, the first thing which all nations must do is to recognize that it exists as

a nation. We may raise such questions as: Was Israel formed by immigration or invasion? Was the new nation justified in opposing United Nations judgments for the internationalization of Jerusalem? Who was responsible for the continued raids from each side of the border and the violations of the truce arranged by the United Nations? These questions are interesting. They are important. But they must not be raised in an endeavor to justify the destruction of Israel. That country remains a fact to be reckoned with.

Counterbalancing facts are the vital interests of the Arab world as a whole, which must be served. One thing of which the Arab world needs to be assured is that limits will be set on immigration into Israel. Present policies of unlimited immigration—practically speaking, of invited immigration which may be beyond the natural resources of the region—must be abandoned. There can be no peaceful relations in the Middle East so long as Israel is prepared to flood its area with a population which will inevitably exceed existing living room. A peaceful Middle East requires that by word or action this policy is seen to be abandoned.

However, a word of warning needs to be said at this point. If any adjacent country, such as Egypt, for instance, makes conditions impossible for the continued existence of long-established Jews within her borders, can that country insist that no room for them be allowed to Israel? To put the matter bluntly, if Jews are driven from Cairo, would not a request be justified for the Gaza Strip as territory to receive the population increase?

An open-ended policy of immigration is, however, the visible evidence of a more deepseated problem for the Arab world. They would like to know whether or not they can deal with the nation Israel. Are they dealing with a nation like other nations of the Mid-East, or are they dealing with some broadspread movement such as goes under the name of Zionism with its material support, and likewise its ideals and purposes, spread throughout world Judaism? For a peaceful settlement in the Mid-East the Arab nations must be convinced that they are dealing with a nation like themselves and not with some massive supernational organization.

On the other hand, the inhabitants of Israel themselves need assurance and the recognition of rights which they do not at present possess. They need the mutual assurance of a cessation of border raids whether from outward-inward or from inward-outward, as regards the surrounding Arab States. They have a right to expect friendly passage through the Suez Canal. We can properly support them in the World Court if necessary, in the privilege of friendly passage into the Gulf of Aqaba. They have reason to expect the willingness of Jordan and Syria to join in a mutually profitable development of the Jordan Valley.

Israel has a great constructive function in the Mid-East. She is showing that great region what can be done with its natural resources. These are meager as measured by our abundance. But hard work, intelligence, and capital have fulfilled the prophecy of Isaiah when he said:

> The wilderness and the solitary place shall be glad for them; and the desert shall rejoice and blossom as the rose.

Israel is indeed the great experiment station of the Middle East. What she can do with land and water, rock and soil, plants and flocks, is applicable to hundreds of thousands of square miles of undeveloped areas of the Arab world.

This Arab world faces a rebirth, for no longer is it destitute of capital. The floods of oil which flow from the lands bordering on the Persian Gulf are turned into floods of money which flow into the treasuries of their rulers. With Israel a tranquilized nation, living at peace with her Arab neighbors, she can show the means through which Arab wealth can be made profitably to flow over Arab lands, to the blessing of the inhabitants thereof.

PROBLEMS OF THE ARAB WORLD

The Arab world in what we used to call the Near East, but which the State Department now calls the Middle East, is faced with serious problems. The most important of them are Communist infiltration, Zionistic expansion of Israel, displaced refugees, low living standards, and deficient education. Let us examine each of these problems in turn and see what remedies may be found for them.

Communist infiltration is not a theory but a fact. It took the form of dangling before Nasser's eyes the hope of financing the Aswan Dam, but this prospect faded as soon as we announced that we were not prepared to outbid the Soviets in support of the project. This was the Soviet-invented trap of a bidding race designed to beggar our national resources, concerning which I have spoken before on the floor. Military assistance in the way of planes and other war materials did arrive in Egypt from Soviet sources in very large quantities, and formed an important part of the military strength Egypt has been able to develop. However, we cannot forget that the Soviet bloc also provided Israel initially with arms. In Syria the political penetration has been most serious, and is in fact the present dominating influence in the Syrian Government. It led to the almost instant sabotage of the pipelines when the Suez Canal area was invaded by the French and British forces. It supplied a certain amount of armament for the Syrian armies. It provided a strong ideological base from which furtive penetrations were made into the army and into the civilian population of Jordan.

This infiltration, if not arrested, will ultimately destroy the freedom of these Arab peoples, will tie them to the program of world conquest, which is the purpose of the Soviet Government, and will lead to the same blockade in the road toward higher living standards that has been experienced by all the western nations which have come under Soviet control. It is, therefore, a matter of the utmost importance to the Arab nations that this threat to Arab social and political institutions should be arrested.

As a defense against this Soviet invasion the Middle East has two resources. One of them is the Middle East doctrine, which promises military aid to any nation desiring assistance against military aggression occurring under Soviet sponsorship. This aid was not requested by the brave young King of Jordan in his surmounting of the recent crisis in his country. It nevertheless was available and the fact of its existence played a large part in supporting the King's intelligent and courageous action.

However, the really dangerous factor in Soviet aggression is the ideological one. That is the attack against which we must plan our heaviest defenses. Those defenses will come from the adoption and operation of an overall program which is suggested by the consideration of all the elements which are being studied in this series of brief addresses. These will be summed up in the next and last of the series.

The Zionistic expansion of Israel is the other active threat of aggression. The Arab world and the rest of the world must be assured that Israel is a nation in the sense that the rest of the free countries of the world are nations. Most unfortunately there appear overtones and undertones of Zionistic concept in the minds of the leaders of Israel, but more particularly in the written and spoken words of the leaders of the Zionist movement the world over. This Zionist ideology is as threatening to the Israeli and Arab worlds as is the communistic ideology.

But the threat is more than that of an ideology. Unrestricted immigration is invited into Israel. So long as that immigration is continuously invited and is unrestricted, it will in time result in a population too large to be supported naturally in the present boundaries and present resources of Israel. That it should continue a dependence on the resources of its peculiar international ties is no solution. A subsidized economy is a dangerous one. Overpopulation will in turn lead logically and practically toward an endeavor to take over more territory for additional living space for the teeming Jewish multitudes.

Unrestricted immigration must therefore be labeled as a menace to the Arab world. Except to care for Jews driven from Arab territory, any expansion of the present limits of Israel must be treated in the eyes of the United Nations and of the nations individually as an act of aggression. It must be so treated by our own Government. Only when this is done can the Arab nations feel any security against this menace.

The Arab refugees, and the Christian refugees, as well, displaced from Palestine when the Jews took over, constitute a continuing irritant. I am not at this time raising the question as to whether these refugees could have been permitted to remain on their lands, or would have been paid reasonable sums for their lands, had they been willing to remain and bargain; or whether, on the other hand, they were driven out by terroristic proceedings. To go into the past on this matter solves no problems. The present situation is what concerns us.

There have been suspicions that the Arab nations are not too anxious to resettle these refugees or otherwise to mitigate their sufferings. By leaving them where they are, they constitute an active, effective, political indictment, whether true or false, of the nation of Israel. Let us hope that this charge is not true. It can best be disproved by actively carrying out the total program which will make living room and living opportunities available to the whole Arab population and particularly to the refugees from Israel.

Living standards are low throughout the Arab world—lowest of all, perhaps, in Egypt. For remedy, there is not merely the hope for improvement from the Aswan Dam, or similar constructions, but there is also hope for more effective use, throughout the whole area of the Middle East, of the natural resources and human labor available.

I have already suggested that here lies the opportunity for a constructive contribution by Israel to the well-being of the area. With Israel as an experiment station, and with the wealth flowing into the Arab world from the development of its oil resources, it should be possible to do all that skill, experience, and capital can do to raise the standard of living of the citizens of whole nations.

We have a part to play in the solution of the Arab problem, particularly with reference to education. The number of schools must be greatly increased; the number of teachers must be multiplied still more. The greatest single opportunity for economic assistance lies in the field of providing schools and teachers to prepare these great populations for the social, economic, and political advance which leads them toward a future of greater well-being. The foreign assistance of our country might well be directed toward this project. Why should we not duplicate, in this age, the achievement of mass education which did so much for the people of the Philippines?

The stage is set. We have but to coordinate various elements of a great drama of human advance, for which the materials are now at hand in this area of ancient, vanished civilizations. The time has come to build up a new and happier one.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until Monday next at noon.

The PRESIDING OFFICER (Mr. THURMOND in the chair). Without objection, it is so ordered.

ORDER DISPENSING WITH CALL OF THE CALENDAR ON MONDAY

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the call of the calendar under rule VIII be dispensed with on next Monday.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVISION OF TRANSPORTATION OF EXPLOSIVES ACT

The Senate resumed the consideration of the bill (S. 1491) to revise the Transportation of Explosives Act, chapter 39, title 18, of the United States Code, as amended, which had been reported from the Committee on Interstate and Foreign Commerce with amendments, on page 1, in the first line after line 5, after the word "and", to strike out "Combustibles" and insert "Other Dangerous Articles"; in the 4th line, after line 5, after the word "of", to strike out "dynamite, powder, and fuzes; liquid nitroglycerin, and other similarly dangerous"; in the 5th line, after line 5, after the word "explosives,", to strike out "and"; and, in the same line after the word "radioactive", to strike out "materials and" and insert "materials"; in the 6th line, after line 5, after the word "agents", to insert a comma and "and other dangerous articles"; on page 3, line 3, after the word "in", to strike out "naval or"; in line 4, after the word "the", to strike out "high explosive" and insert "explosive"; in line 6, after the word "the", to strike out "high explosive" and insert "explosive"; after line 7, to strike out:

" 'Primers' means devices used in igniting the propelling powder charges of ammunition."

After line 13, to insert:

" 'Radioactive materials' means any materials or combination of materials that spontaneously emit ionizing radiation.

After line 16, to insert:

" 'Etiologic agents' means the causative agent of the following diseases and such others as may be prescribed from time to time by the Surgeon General of the Public Health Service: Anthrax, botulism, brucellosis, cholera, Colorado tick fever, Coxsackie diseases, diphtheria, encephalitis (arthropod-borne), glanders, leptospirosis, lymphocytic choriomeningitis, melioidosis, meningococcal meningitis, paratyphoid fever, plague, poliomyelitis, Q fever, rabies, relapsing fever, rickettsialpox, Rift Valley fever, Rocky Mountain spotted fever, schistosomiasis, scrub typhus, smallpox, tetanus, tuberculosis, tularemia, typhoid fever, typhus fever, and yellow fever.

On page 4, line 4, after the word "of", to strike out "dynamite, powder, and fuzes; liquid nitroglycerin and other similarly dangerous explosives; and" and insert "explosives"; in line 6, after the word "radioactive", to strike out "materials and" and insert "materials"; in line 7, after the word "agents", to insert a comma and "and other dangerous articles"; in line 10, after the word "any", to strike out "high" and insert "dangerous"; in line 23, after the word "the", to insert "Interstate Commerce"; on page 5, line 14, after the word "military", to strike out "or naval"; on page 6, line 3, after the word "explosives", to insert "radioactive materials, or etiologic agents"; in line 15, after the word "who", to strike out the comma and "for hire or otherwise"; in line 22, after the word "such", to strike out "for hire"; on page 7, line 18, after the word "any", to strike out "for hire"; on page 8, line 11, after the word "associations", to strike out "including the Bureau for the Safe Transportation of Explosives and Other Dangerous Articles"; in line 18, after the word "who", to insert "being aware that the Interstate Commerce Commission has formulated regulations for the safe transportation of explosives and other dangerous articles"; on page 9, line 10, after the word "and", to strike out "investigation" and insert "conduct such investigations"; on page 10, line 2, after the word "Commission", to strike out "and its authorized representatives"; in line 3, after the word "it", to strike out "and them"; at the beginning of line 7, to insert "explosives and other"; and, in line 10, after the word "of", to insert "explosives and other"; so as to make the bill read:

Be it enacted, etc., That title 18 of the United States Code, chapter 39, sections 831–835 inclusive, entitled, "Explosives and Combustibles," as amended, is hereby amended to read as follows:

"CHAPTER 39—EXPLOSIVES AND OTHER DANGEROUS ARTICLES

"Sec.
831. Definitions.
832. Transportation of explosives, radioactive materials, etiologic agents, and other dangerous articles.
833. Marking packages containing explosives.
834. Regulations by Interstate Commerce Commission.
835. Administration.

"Sec. 831. Definitions

"As used in this chapter—

" 'Carrier' means any person engaged in the transportation of passengers or property, by land, other than pipelines, including common, contract, and private carriers and freight forwarders, and officers, agents, and employees of such carriers.

" 'Person' means any individual, firm, copartnership, corporation, company, association, or joint-stock association, and includes any trustee, receiver, assignee, or personal representative thereof.

" 'For-hire carrier' includes common and contract carriers.

" 'Shipper' shall be construed to include officers, agents, and employees of shippers.

" 'Interstate and foreign commerce' means commerce between a point in one State and a point in another State, between points in the same State through another State or through a foreign country, between points in a foreign country or countries through the United States, and commerce between a point in the United States and a point in a foreign country or in a Territorial possession of the United States, but only insofar as such commerce takes place in the United States. The term 'United States' as used herein means the 48 States and the District of Columbia. For the purpose of this act, the District of Columbia shall be deemed to be a State.

" 'Detonating fuses' means fuses used in military service to detonate the explosive charges of military projectiles, mines, bombs, or torpedoes.

" 'Fuses' means devices used in igniting the explosive charges of projectiles.

" 'Fuses' means the slow-burning fuses used commercially to convey fire to an explosive combustible mass.

" 'Fusees' means the fusees ordinarily used on steamboats, railroads, and motor carriers as night signals.

" 'Radioactive materials' means any materials or combination of materials that spontaneously emit ionizing radiation.

" 'Etiologic agents' means the causative agent of the following diseases and such others as may be prescribed from time to time by the Surgeon General of the Public Health Service: Anthrax, botulism, brucellosis, cholera, Colorado tick fever, Coxsackie

diseases, diphtheria, encephalitis (arthropod-borne), glanders, leptospirosis, lymphocytic choriomeningitis, melioidosis, meningococcal meningitis, paratyphoid fever, plague, poliomyelitis, Q fever, rabies, relapsing fever, rickettsialpox, Rift Valley fever, Rocky Mountain spotted fever, schistosomiasis, scrub typhus, smallpox, tetanus, tuberculosis, tularemia, typhoid fever, typhus fever, and yellow fever.

"Sec. 832. Transportation of explosives, radioactive materials, etiologic agents, and other dangerous articles

"(a) Any person who knowingly transports, carries, or conveys within the United States, any dangerous explosives, such as and including, dynamite, blasting caps, detonating fuses, black powder, gunpowder, or other like explosive, or any radioactive materials, or etiologic agents, on or in any car or vehicle of any description operated in the transportation of passengers by any for-hire carrier engaged in interstate or foreign commerce, by land, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and, if the death or bodily injury of any person results from a violation of this section, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both: *Provided, however,* That such explosives, radioactive materials, or etiologic agents may be transported on or in such car or vehicle whenever the Interstate Commerce Commission finds that an emergency requires an expedited movement, in which case such emergency movements shall be made subject to such regulations as the Commission may deem necessary or desirable in the public interest in each instance: *Provided, further,* That under this section it shall be lawful to transport on or in any such car or vehicle, small quantities of explosives, radioactive materials, or other dangerous commodities of the kinds, in such amounts, and under such conditions as may be determined by the Interstate Commerce Commission to involve no appreciable danger to persons or property: *And provided further,* That it shall be lawful to transport on or in any such car or vehicle such fusees, torpedoes, rockets, or other signal devices as may be essential to promote safety in the operation of any such car or vehicle on or in which transported. This section shall not prevent the transportation of military forces with their accompanying munitions of war on passenger-equipment cars or vehicles.

"(b) No person shall knowingly transport, carry, or convey in interstate or foreign commerce, by land, within the United States, liquid nitroglycerin, fulminate in bulk in dry condition, or other similarly dangerous explosives, or radioactive materials, or etiologic agents, except under such rules and regulations as the Commission shall specifically prescribe with respect to the safe transportation of such commodities. The Commission shall from time to time determine and prescribe what explosives are "other similarly dangerous explosives," and may prescribe the route or routes over which such explosives, radioactive materials, or etiologic agents shall be transported. Any person who violates this provision, or any regulation prescribed thereunder by the Interstate Commerce Commission, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and, if the death or bodily injury of any person results from a violation of this section, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"Sec. 833. Marking packages containing explosives

"Any person who knowingly delivers to any carrier engaged in interstate or foreign commerce by land or water, and any person who knowingly carries upon any car or vehicle operated in interstate or foreign commerce by land any explosive, or other dangerous article, specified in or designated by the Interstate Commerce Commission pursuant to section 834 of this title, under any false or deceptive marking, description, invoice, shipping order, or other declaration, or any person who so delivers any such article without informing such carrier in writing of the true character thereof, at the time such delivery is made, or without plainly marking on the outside of every package containing explosives or other dangerous articles the contents thereof, if such marking is required by regulations prescribed by the Interstate Commerce Commission, shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and, if the death or bodily injury of any persons results from a violation of this section, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"Sec. 834. Regulations by Interstate Commerce Commission

"(a) The Interstate Commerce Commission shall formulate regulations for the safe transportation within the United States of explosives and other dangerous articles, including radioactive materials, etiologic agents, flammable liquids, flammable solids, oxidizing materials, corrosive liquids, compressed gases, and poisonous substances, which shall be binding upon all carriers engaged in interstate or foreign commerce which transport explosives or other dangerous articles by land, and upon all shippers making shipments of explosives or other dangerous articles via any carrier engaged in interstate or foreign commerce by land or water.

"(b) The Commission, of its own motion, or upon application made by any interested party, may make changes or modifications in such regulations, made desirable by new information or altered conditions.

"(c) Such regulations shall be in accord with the best-known practicable means for securing safety in transit, covering the packing, marking, loading, handling while in transit, and the precautions necessary to determine whether the material when offered is in proper condition to transport.

"(d) Such regulations, as well as all changes or modifications thereof, shall, unless a shorter time is specified by the Commission, take effect 90 days after their formulation and publication by the Commission and shall be in effect until reversed, set aside, or modified.

"(e) In the execution of sections 831–835 of this title the Commission may utilize the services of carrier and shipper associations, and may avail itself of the advice and assistance of any department, commission, or board of the Federal Government, and of State and local governments, but no official or employee of the United States shall receive any additional compensation for such service except as now permitted by law.

"(f) Any person who, being aware that the Interstate Commerce Commission has formulated regulations for the safe transportation of explosives and other dangerous articles, violates any such regulation shall be fined not more than $1,000 or imprisoned not more than 1 year, or both; and if the death or bodily injury of any person results from such violation, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both.

"Sec. 835. Administration

"(a) The Interstate Commerce Commission is authorized and directed to administer, execute, and enforce all provisions of this chapter, to make all necessary orders in connection therewith, and to prescribe rules, regulations, and procedure for such administration, and to employ such officers and employees as may be necessary to carry out these functions;

"(b) The Commission is authorized to make such studies and conduct such investigations, obtain such information, and hold such hearings as it may deem necessary or proper to assist it in exercising any authority provided in this chapter. For such purposes the Commission is authorized to administer oaths and affirmations, and by subpena to require any person to appear and testify, or to appear and produce documents, or both, at any designated place. No person shall be excused from complying with any requirement under this paragraph because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893 (49 U. S. C. 46), shall apply with respect to any individual who specifically claims such privilege. Witnesses subpenaed under this subsection shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

"(c) In administering and enforcing the provisions of this chapter and the regulations prescribed thereunder the Commission shall have and exercise all the powers conferred upon it by the Interstate Commerce Act, including procedural, and investigative, powers and the power to examine and inspect records and properties of carriers engaged in transporting explosives and other dangerous articles in interstate or foreign commerce and the records and properties of shippers to the extent that such records and properties pertain to the packing and shipping of explosives and other dangerous articles and the nature of such commodities."

Mr. SMATHERS. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. REVERCOMB. Mr. President, let me ask what the number of the bill is.

Mr. SMATHERS. It is Senate bill 1491, to revise the Transportation of Explosives Act; it is the unfinished business.

Mr. REVERCOMB. What is the calendar number of the bill?

Mr. SMATHERS. It is Calendar No. 280.

The PRESIDING OFFICER. The question is on agreeing to the amendments of the committee, which are being considered en bloc.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 1491) was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended, so as to read: "A bill to revise title 18, chapter 39, of the United States Code, entitled 'Explosives and Combustibles'."

Mr. SMATHERS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement in explanation of Senate bill 1491, as made by me.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR SMATHERS ON SENATE BILL 1491

The purpose of this bill is to revise and bring up to date the provisions of the Transportation of Explosives Act. Public hearings were held by the Surface Transportation Subcommittee and all desiring to testify were heard.

The Transportation of Explosives Act was adopted nearly 50 years ago and while it has served its purpose well, it now needs revision in many respects. There has been a tremendous increase in the transportation of dangerous articles following the increase in the production of radioactive materials and etiologic agents. This act in its present form does not provide for regulations for the transportation of etiologic agents; neither does the act specifically cover radioactive materials. The Interstate Commerce Commission has prescribed regulations for such materials by classifying them as poisons. Etiologic agents such as live viruses, bacteria, and the like are not poisons, so there is some question as to whether the Commission has the authority to prescribe regulations on such commodities. This bill would correct the situation and would place the transportation of these articles squarely within the jurisdiction of the Commission.

In its present form the Transportation of Explosives Act applies to common carriers only and violations of its provisions are subject to maximum penalties of $10,000 or 10 years' imprisonment or both. On the other hand, the very same violations when committed by private or contract carriers are prosecuted under section 222 (a) of the Interstate Commerce Act which carries a maximum penalty of only $100. The bill would therefore remove this anomaly and would extend the provisions of the Explosives Act to include contract and private carriers.

The bill would amend present provisions of the act relating to the marking of packages to include the tendering of such articles to any carrier by land or water and to any person carrying such articles upon any interstate carrier by land, including private as well as common and contract carriers.

Prosecution for violations of the Commission's transportation of explosives regulations has been extremely difficult because of the requirement in section 835 of the act that violators must have knowledge that they violated the Commission's regulations. While the committee believes that every reasonable precaution should be taken to provide for punishing those violating a statute whose purpose is to promote safety, the creation of an absolute liability might be too stringent. These violations often do not arise from any affirmative intent but result more from neglect when the law requires care, or from inaction or indifference when the law imposes a duty to act (*Boyce Motor Lines* v. *U. S.* (342 U. S. 337 (1952)).

The committee, therefore, rather than establishing absolute liability by striking "knowingly" from section 834 (f), prefers to somewhat limit the liability by amending section 834 (f) of the bill so as to provide that any person "being aware that the Interstate Commerce Commission has formulated regulations for the safe transportation of explosives and other dangerous articles," who violates such regulations shall be subject to the penalties of fine or imprisonment as provided in the act. Thus, those who are in a position to be on notice that Interstate Commerce Commission regulations should be observed for the handling of explosives and other dangerous articles are made subject to penalties for failure to observe such regulations.

This bill would include in the definition of "person" a partnership, thus bringing a partnership within the provisions of the Commission's explosives regulations. This change is considered necessary because the Supreme Court has sustained a lower court's holding that a partnership is not a legal entity for the purpose of criminal liability under regulations of the Interstate Commerce Commission (*U. S.* v. *American Freightways Co., U. S.*, decided March 4, 1957).

VISIT TO THE SENATE BY MEMBERS OF THE SENIOR CLASS OF THE METAIRIE PARK COUNTRY DAY SCHOOL, OF NEW ORLEANS

Mr. LONG. Mr. President, we are pleased to have in the gallery of the Senate today the senior class of Metairie Park Country Day School, of New Orleans, La. I wish to welcome them to the Senate. They are studying the National Government, and are learning something about their Nation's history and traditions. I ask unanimous consent to have printed in the RECORD a list of the members of the class who are making the trip, together with the names of their escorts.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

Members of senior trip Metairie Park Country Day School, New Orleans:

Mr. Roland Nelson, headmaster; Mrs. T. D. Wilson, chaperone; Sue Bayon; Barabara Breckinridge; Stella Farwell; Judy Wells; Wendy Coleman; Caroline French; Jean Lampton; Judy Sharp; David Dike; Volker Seifert; Manuel Trelles; Lonnie Watson; Keith Hammett; Craig Nelson; James Parker; Peter Thompson; Bruce Baillif.

VISIT TO THE SENATE BY THE RIGHT HONORABLE ROBERT BRISCOE, LORD MAYOR OF DUBLIN

Mr. GREEN. Mr. President, I should like to present to the Senate the Right Honorable Robert Briscoe, lord mayor of the city of Dublin, Ireland.

[Applause, Senators rising.]

The PRESIDING OFFICER (Mr. CLARK in the chair). Without objection, the Senate will stand in recess briefly, so that Members of the Senate may greet the lord mayor.

Thereupon (at 2 o'clock and 44 minutes p. m.) the Senate took a recess until 2:45 p. m.

During the recess, the lord mayor of Dublin was greeted by Members of the Senate, who were presented by Mr. GREEN.

On the expiration of the recess, the Senate reassembled, and was called to order by the Presiding Officer.

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Acting President pro tempore:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal Reclamation project, Wyoming.

THE PREVIOUS QUESTION IN THE SENATE

Mr. DOUGLAS. Mr. President, from time to time during the debate over whether the Senate should proceed to adopt new rules, it was said by the eminent Senator from Georgia [Mr. RUSSELL] that, contrary to published reports, the previous question motion, which was a part of the Senate Rules from 1789 to 1806, did not have the effect of closing or limiting debate; and that in the practice of the Senate in those years, there had been no effective rule to limit debate which could be invoked by a simple majority.

It has also been said by the Senator from Georgia and others that in those early days of the Senate, the "previous question" rule was not one whose usage was like the present usage of the "previous question" in almost every parliamentary body, the effect of which is to cut off debate, but that it was used then to postpone a matter, the effect of which was said to be to follow the usage of the British Parliament and the Continental Congress.

Mr. President, this may seem to be a highly academic matter to discuss, but since the Senate places so much emphasis upon precedents, and since the question of a substitute for unlimited debate involves the use of the previous question, and since, if we move to adopt new rules in the coming Congress, debate will take place under general parliamentary law, which includes the previous question, it is very important that we know what the precedents, so far as the use of the previous question is concerned, have been in both the United States Senate and the British Parliament, and also, let me say, in the Continental Congress.

I have had my office notify the office of the Senator from Georgia that I intended to discuss this subject this afternoon. So I have tried to comply with the usages and practices of the Senate.

My main purpose in speaking today is to examine the records and the documents and to show that, first, in the early Senate, the moving of the previous question could be used as a motion to end debate; in fact, it was moved with the intention of stopping debate; on two occasions its effect was to stop debate, and it was carried by a majority vote; and, second, while the previous question could also have the effect of postponement, that point is only half the story, for in both the British Parliament and the Continental Congress the motion was also used to stop debate.

I shall develop these points as I go along.

SAME POINTS MADE IN 1953

When the Anderson motion, that the Senate proceed to adopt its rules, was before the Senate in 1953, the same contention was made, namely, that the "previous question" had first only been

a motion to postpone consideration rather than a motion to end debate and bring a measure to a vote. In particular, the brief placed in the RECORD on behalf of those who opposed the Anderson motion to proceed to adopt the rules of the Senate, contained such statements.

That brief was printed as a Senate document, Senate Document No. 4, 83d Congress, 1st session, and the statement is on page 11 of that publication.

That brief was placed in the RECORD again this year. Various sources were quoted in that brief as saying that the motion, the previous question, which was a part of the rules of the Senate from 1789 to 1806, could not be used to end debate and bring a vote—as in fact it was used—but was a motion to postpone consideration of a bill before the Senate and that it was debatable. In particular, the brief quotes from an article written by Henry Cabot Lodge in the North American Review of November 1893, entitled "Obstruction in the Senate." This is what he wrote:

> There never has been in the Senate any rule which enabled the majority to close debate or compel a vote. The previous question, which existed in the earliest years, was abandoned in 1806, was the previous question of England and not that with which everyone is familiar today in our House of Representatives. It was not in practice a of cloture and it is therefore correct to say that the power of closing debate in the modern sense has never exised in the Senate (p. 11).

This passage from what Senator Lodge wrote has been extensively used, and, as I shall later show, it is almost completely wrong.

While quoting from that brief during the 1953 debate, the late Senator Robert Taft also quoted from an article in the Congressional Digest of November 1926. That article said in part:

> The previous question was provided for in the first Senate Rules found in the Annals of the First Congress from 1789 to 1791. Rules VIII, IX, and XI, related to the previous question but were rarely used. Like the precedents for the rule in the British Parliament and the Continental Congress when it was used in the early days of the Senate it did not limit debate but avoided a vote on a given subject. The previous question was debatable * * * but not on amendments. (CONGRESSIONAL RECORD, vol. 99, pt. 1, Jan. 6, 1953, p. 112.)

I shall show today, Mr. President, that both of those statements, the statement of Senator Lodge and the article in the Congressional Digest, are not accurate, and that they have misled a great many eminent students of parliamentary law and Members of the Senate.

On the opening day of this session of Congress, January 3, 1957, I received permission to place in the body of the RECORD a number of papers bearing on the power of the Senate to change its rules, and the necessity of doing so. Among these was an article written for the Washington Post and Times Herald by Irving Brant, the biographer of President Madison. It was published under the heading "Absurdities and Conflicts in Senate Rules Are Outlined," and appeared on January 2, 1957.

Ordinarily an article in a newspaper, on the subject of senatorial powers and privileges does not unduly attract the attention of any of my colleagues. This one, however, attracted the attention of one of our most distinguished members, the senior Senator from Georgia, and on January 4 he addressed himself to it in debate. His particular objection to the article was to the following sentence in a thumbnail chronology of Senate rules on debate:

> From 1789 to 1806, debate on a bill could be ended instantly by a majority of Senators present, through adoption of an undebatable motion for the previous question.

This, my distinguished colleague declared, was completely incorrect.

If—

Said he—

> Mr. Brant had been as zealous in his research, and in seeking and producing the facts as he was in being an advocate in this matter, he would have found that there was absolutely no relationship, except in name, between the previous-question rule which applied in the Senate in those days.

And, I presume, he meant the previous-question rule as it is employed in other bodies to put an end to debate. Concerning the early Senate rule he asserted:

> That was the previous-question rule from the British Parliament, which applied in that body for many years. A motion for the previous question was in the nature of a motion to postpone consideration of a bill before the Senate. It was open to debate. It could be debated without let or hindrance of any kind. It was merely a method of disposing of a measure before the Senate without taking action on it at that time.

Further, Mr. Walter Lippmann, who repeated Mr. Brant's point in an article of his own on rule XXII, was also said by my eminent colleague to have been in error concerning the early practice of the Senate.

Late last December, before the debate on rule XXII, I asked the Library of Congress to go into this matter and to see what actually had happened in the Senate under the previous question rule in effect from 1789 to 1806. I asked them to go to the original sources—the Senate Journals and the Annals of Congress—and to send me abstracts of the proceedings as given in those historic journals. At the very time Mr. Brant's statement was being called into question the floor of the Senate, and while his academic qualifications were being rather roughly treated, I actually held in my hand the abstracts from the original Journal of the Senate, the Executive Journal, and the Annals of Congress, which showed that Mr. Brant was substantially correct. In fact at that point in the debate I asked the distinguished Senator who was speaking to yield to me. I made that request so that I might throw some light on the statements concerning the use of the previous question motion in the Senate from 1789 to 1806. My attempted interruption will be found on page 153 of the CONGRESSIONAL RECORD for January 4, 1957, which I hold in my hand.

It will be noted that because we were under very strict time limitations—which was something of a paradox, for we were debating the issue of unlimited debate in the Senate of the United States—my request to the distinguished Senator to yield was refused.

Further, Mr. President, on that very day I had a member of my staff deliver a copy of the abstracts from those early Senate debates to the Parliamentarian of the Senate.

Now, Mr. President, I desire to take up four general matters.

First, I feel obligated to discuss the qualifications of Mr. Brant and to defend what is, indeed, described as an excellent reputation for historical and scholarly work—a reputation which is in no way diminished by the article he wrote for the Washington Post.

Second, I wish to take up, one by one, the occasions on which the previous question was moved in the Senate of the United States in the years 1789–1806.

Third, I desire to discuss the issue of whether or not the motion for the previous question was, in fact, debatable "without let or hindrance."

Finally, I wish to say a few words about the historical evolution of the use and meaning of the previous question motion in the United States and in the British House of Commons.

I

Before speaking about Mr. Brant's qualifications, I wish to state that he has written to me on the subject of his article in the Washington Post and the previous question motion. He apparently welcomed the suggestion that he should devote himself with zeal to seeking and producing facts. He has done so. At the end of my remarks I shall place in the RECORD a memorandum which he has prepared on the development of cloture and the previous question in American and British practice. It includes a penetrating study of the Senate's use of the previous question, probing the motives and purposes of the Senators who invoked it and of those who opposed it. I think that the way in which he has performed this task will impress even those who might be inclined to be critical.

Along with this memorandum, Mr. Brant has written me a letter which does not take up the highly involved Senate cases, as does his memorandum, but summarizes the results of his research into the debatability of the motion for the previous question in the Senate, and the part that motion has played in the development of cloture both in the United States and England. As this letter goes briefly and directly to the main points at issue, I desire to read it to the Senate.

WASHINGTON, D. C., *January 24, 1957.*

Senator PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DOUGLAS: The article I wrote for the Washington Post and Times-Herald on the right of the present Senate to change its rules without being thwarted by a past Senate appears to have become a matter of controversy since you placed it in the CONGRESSIONAL RECORD. The senior Senator from Georgia said on the floor that I was completely in error in stating that from 1789 to 1806, "debate on a bill could be ended instantly by a majority of Senators present, through adoption of an undebatable motion calling for the previous question."

There was, said the Senator, "absolutely no relationship, except in name, to the previous-question rule which applied in the Senate in those days." The Senate rule from 1789 to 1806, he contended, "was the previous-question rule from the British Parliament, which applied in that body for many years. Such a motion, he said, "could be debated without let or hindrance. It was merely a method of disposing of a measure without taking action on it at that time."

My reference to the motion for the previous question as undebatable needed a qualification which was not given in that chronological summary of Senate practice. Under rule XVI, then in force, a filibustering debate on the motion for the previous question could be stopped at any moment by the Presiding Officer. The rule provided that "every question of order shall be decided by the President without debate." It was not until February 14, 1828, that rule XVI was amended to allow an appeal from the decision of the Chair. Instead of being debatable "without let or hindrance," the motion for the previous question was protected by so sweeping a control by the Vice President that the mere existence of the power made obstructive tactics futile.

In his reference to British and American parliamentary practice, the Georgia Senator took no account of the fact that adoption of the motion for the previous question closed debate instantly and completely, regardless of the motive for invoking it, and brought the main question to an immediate final vote. He also overlooked the interrelated development of the previous question and cloture in the two countries, and the deliberate use of the previous question in the United States to accomplish what the British achieved through cloture.

In the American Continental Congress, the motion for the previous question was so worded as to indicate the purpose of avoiding a vote, even though the effect might be to force one. The same wording is used in the House of Commons. Until recently, I shared the supposition that this early American form was based on British precedent. The truth is that in the 1880's, scores of years after the motion for the previous question had become a universal instrument of cloture in the United States, the House of Commons reached the same end by placing the label of "closure" on the familiar wording (exactly the same except for the irrelevant word "the") in which the motion for the previous question was phrased. The House of Commons then reworded the motion for the previous question by adopting the form used in our Continental Congress—a wording, wrote Clerk of the House Sir Thomas Erskine May, "which appears to be a superior form to that used in this country." Thus, England split the system in two while we use 1 motion for 2 purposes.

Where does this leave our defenders of the right to filibuster? They are compelled to appeal to the English practice of the 17th century in order to deny the propriety of an American practice which England took over from America in the 19th century.

Although the constitutional power of the Senate to make its own rules is not governed by the way that power has been exercised in the past, it is well worth while to examine the use of the previous-question rule during the period it existed in the Senate. In doing so, it is not my purpose to draft a brief but to describe each use of the motion with absolute impartiality, not merely in terms of its technical effect, but by seeking out the source, motives, and legislative consequences of the invocation. The factual material ought to be useful to both sides in the current conflict, even though the conclusions which I reach from the record may be displeasing to one group.

Enclosed is a Memorandum on the Development of Cloture and the Motion for the Previous Question in America and British Practices.

Yours sincerely,

IRVING BRANT.

I shall later ask to have the memorandum which Mr. Brant submitted printed in the RECORD.

Mr. President, since the qualifications of Mr. Brant were called into question, and since some ridicule was heaped upon him, I think it is only proper to speak about the prominence of Mr. Brant as an historian.

I have in my hand five volumes which Mr. Brant has completed on the life of James Madison, which tell the story of Madison from birth through his first term as President, to the outbreak of the War of 1812. I have read all of these volumes. I have read 2 or 3 of them several times. I can say that they rank, in the field of biography, with Dumas Malone's Life of Jefferson and with Carl Sandburg's Life of Lincoln. I have read reviews of these books in the historical journals of this country and have noted with pleasure the high praise which the eminent historians who are specialists in this field have heaped upon the work of Mr. Brant.

It so happens that Mr. Brant has specialized in the very period which is under discussion today, the period from 1789 to 1806, and then the later period in which the President of the Senate had power to close debate on his own action, that is until 1828.

Mr. Brant does not accept secondary sources. He goes back to primary sources in every case. He takes no one's word for what happens. He goes to the original documents and to the records of the Senate and the House, and of the Constitutional Convention, as well as letters of contemporaries and contemporary diaries. His work is a magnificent piece of American scholarship, and students of American history know that he really needs no defense.

I wish to make the prophecy that when his final volumes appear, it is quite probable that he will be awarded the Pulitzer Prize, although, of course, I have no power to bestow that prize on him. In any event, I think there can be no doubt about the qualifications of Mr. Brant. I am sure that when the eminent Senator from Georgia, with his characteristic sense of fairness, reviews the evidence, he will not wish to stand on the criticisms which he made of Mr. Brant's scholarship.

Mr. President, I wish to read an excerpt from a letter from one of the most eminent American historians, Henry Steele Commager, professor of history at Columbia and at Amherst College, who is one of the best known and authoritative of historians. This letter concerns Mr. Brant. I wrote him asking for his judgment as to how Mr. Brant stood in the profession. I should like to read the salient portion of the letter, which was sent to me under date of April 13, 1957:

Brant's Madison, which has now reached 5 volumes, is by universal agreement of American historians, one of the most impressive achievements of American historical writing of our generation. Thorough, critical, judicious, comprehensive, well written, it has the quality that so few biographies have, of doing the job so completely and so well that it does not have to be done over. What is perhaps most impressive about Brant's work is that it is based entirely on original research, that it takes nothing for granted but goes to the sources, that it maintains the very highest standards of rigid scholarship. Whatever may be said of Brant's interpretations—and there will always be differences of interpretation—this can be said with confidence, that Brant's historical scholarship is impeccable and unimpeachable.

II. THE PREVIOUS QUESTION MOTION AS USED IN THE SENATE OF THE UNITED STATES, 1789–1806

I now come to the subject of the previous question as it was 4 times employed in the United States Senate from 1789 to 1806.

I wish to say, as a matter of clarity, that the "previous question" in the Senate in those years was put in 2 different forms, although the rules provided that it could only be put in the affirmative.

Those 2 forms were the affirmative form and the negative form. The affirmative form, as provided in the rules, was "Shall the main question be now put"? The negative form, which was not provided for in the rules, was worded, "That the main question be not now put."

Depending upon the form and the vote, 1 of 2 results could flow from either of these motions. The result could be, first, to end debate and bring a vote on the main issue; or second, to postpone.

When the motion was put affirmatively, namely, "Shall the main question be now put?" a majority of the Senators voting "yea" could close debate and the original motion could be brought to an immediate vote. Later I shall deal with the question of whether it could be debated without let or hindrance.

When the previous question motion was put in the negative, namely, "That the main question be not now put," a majority of the Senators voting "nay" could close debate and a vote could be brought immediately on the main question.

In other words, a negative vote on the negative form meant that all the debate was shut off, and the main question was put. There was no hiatus, no interregnum.

On the other hand, when the majority voted "nay" when the motion was put in the affirmative, this had the effect of postponing consideration. Also when the majority voted "yea" when the motion was put in the negative, this had the effect of postponing consideration.

Therefore, I wish to draw the first main point. That is that every form of the previous question—affirmative or negative—could bring the main question to a vote depending upon the will or sense of the Senate. That is to say that the previous question when put affirmatively ended debate when passed in the affirmative, and when put negatively, it ended debate when passed in the negative and brought the main question to an immediate vote, without further debate.

To put it in a slightly different way, when the vote on the previous question motion corresponds directly with the form of the question, debate is closed and a vote is taken on the main issue. That is to say a "nay" vote to the negative form of the question results in closing debate and bringing the main question to a vote, and an affirmative vote on the affirmative form of the question results in closing debate and brings the main question to a vote.

Now I wish to turn to the four cases when the motion was used in the Senate. I shall not discuss them at length at this time for that should wait until Senators have had an opportunity to read the facts about them which are presented in Mr. Brant's memorandum. However, I shall give a brief summary of those cases as well as the abstracts of them from the Senate's records, and, of course, they are found in the Executive Journal of the United States Senate, and the annals of the Eighth Congress, first session, as well as the Journal of the first session of the Senate of the United States, which is still in the rare-book room in the Library of Congress.

In August of 1789, the Senate had before it a bill entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes." On August 17 and 18, 1789, the previous question was moved on each day and put in the form provided in the rules: Shall the main question be now put? On both occasions, which I am here using as a single case, the motion was defeated. The effect was to postpone the main question and it appears that this was the purpose of moving the motion. It is also clear that had the motion passed in the affirmative, the effect would have been to bring the matter to an immediate vote.

I ask unanimous consent that at this point in the RECORD there be printed the abstracts from the debates on August 7, 13, 14, 17, 18, 19, and 20, 1789, which are found in the Journal of the first session of the Senate of the United States.

There being no objection, the abstracts were ordered to be printed in the RECORD, as follows:

[Journal of the first session of the Senate of the United States]

ABSTRACT 1

(Friday, August 7, 1789)

A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES, BY GENERAL KNOX

Gentlemen of the Senate, the business which has hitherto been under the consideration of Congress, has been of so much importance, that I was unwilling to draw their attention from it to any other subject. But the disputes which exist between some of the United States and several powerful tribes of Indians within the limits of the Union, and the hostilities which have in several instances been committed on the frontiers seem to require the immediate interposition of the general Government.

I have, therefore, directed the several statements and papers which have been submitted to me on this subject, by General Knox, to be laid before you for your information.

While the measures of Government ought to be calculated to protect its citizens from all injury and violence, a due regard should be extended to those Indian tribes, whose happiness, in the course of events so materially depends on the national justice and humanity of the United States.

If it should be the judgment of Congress that it would be most expedient to terminate all differences in the southern district, and to lay the foundation for future confidence by an amicable treaty with the Indian tribes in that quarter. I think proper to suggest the consideration of the expediency of instituting a temporary commission for that purpose, to consist of three persons, whose authority should expire with the occasion. How far such a measure, unassisted by posts, would be competent to the establishment and preservation of peace and tranquillity on the frontiers, is also a matter which merits your serious consideration.

Along with this object I am induced to suggest another, with the national importance and necessity of which I am deeply impressed; I mean some uniform and effective system for the militia of the United States. It is unnecessary to offer arguments in recommendation of a measure, on which the honor, safety, and well-being of our country so evidently and so essentially depend; but it may not be amiss to observe, that I am particularly anxious it should receive as early attention as circumstances will admit; because it is now in our power to avail ourselves of the military knowledge disseminated throughout the several States by means of the many well-instructed officers and soldiers of the late Army; a resource which is daily diminishing by death and other causes. To suffer this peculiar advantage to pass away unimproved, would be to neglect an opportunity which will never again occur, unless, unfortunately, we should again be involved in a long and arduous war.

GEO. WASHINGTON.

NEW YORK, *August 7, 1789* (pp. 89–90).

(Thursday, August 13, 1789)

A MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. Beckley, their Clerk, brought up a bill, entitled, "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," together with the papers referred to in the President's message of the 7th of August—and he withdrew.

The bill entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," was read a first time, ordered, that tomorrow be assigned for a second reading. (Pp. 95–96.)

(Friday, August 14, 1789)

Proceeded to a second reading of the bill entitled, "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," ordered, that the bill be committed to Mr. Few, Mr. Ellsworth, Mr. King, Mr. Lee, and Mr. Butler (p. 96).

(Monday, August 17, 1789)

The committee appointed to take into consideration the bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of Commissioners for managing the same," reported that it be

"*Resolved*, That there be allowed and paid to a Superintendent of Indian Affairs in the southern department, that may be nominated by the President, and appointed by, and with the advice and consent of the Senate, the sum of ——— per day, including his expenses, for the time he may be employed in attending a treaty, proposed to be held by the Commissioners of the United States and the Creek Indians, at the Rock-Landing, in the State of Georgia, on the 15th day of September next;

"That in case the proposed treaty should fail in the desired object, of establishing peace between the citizens of the United States and the Creek Indians, Congress will make such grants of money, and pursue such other measures, as will be necessary for the protection and safety of the inhabitants of the southern frontiers, and best secure the peace of the United States":

And on motion to accept the report.

It passed in the negative.

On motion, that it be

"*Resolved*, That the President of the United States be requested to nominate a fit person for Superintendent of Indian Affairs in the southern department, in order that he may be sent forward as soon as may be, to act with the Commissioners of Indian Affairs in the southern department, appointed pursuant to a resolution of Congress, passed on the —— day of —— and aid them in carrying into effect a treaty that is proposed to be held with the Creek Nation, on the 15th day of September next, in the State of Georgia, at the Rock-Landing;

"That the sum of ——— dollars be delivered to the said Superintendent, to be appropriated for the immediate purpose of the said treaty, for which sum he shall be accountable;

"That the President of the United States be requested to instruct the said Superintendent and Commissioners, to hear and fully investigate all the complaints and grievances of the said Creek Indians, and to use all the means in their power to quiet their minds and do them ample justice, agreeably to the aforesaid resolution of Congress, and instructions heretofore given for the purpose: That if the said Indians should prove refractory, or refuse to treat and establish peace on just and reasonable terms, then and in that case, the said Superintendent and Commissioners be directed to make immediate report thereof to the President of the United States, and Congress will make such grants of money, and pursue such other measures, as will be necessary for the safety and protection of the inhabitants of the southern frontiers, and best secure the peace of the United States."

It passed in the negative.

On motion, that it be

"*Resolved*, That the President of the United States be authorized and empowered, and he is hereby authorized and empowered, should the Creek Indians decline to make peace with the State of Georgia, to take effectual measures for covering the State of Georgia from the incursions of the Indians, either by ordering some of the troops now at Fort Harmar to march to the frontiers of Georgia, or by embodying such a number of the militia as he shall think sufficient to insure to the citizens of Georgia protection, and the cultivation of their lands in peace and security, and that he be empowered to draw on the Treasury for defraying the expenses of the same."

And on motion for the previous question, to wit: "Shall the main question be now put?"

It passed in the negative.

The Senate adjourned to 11 o'clock tomorrow (pp. 96–98).

(Tuesday, August 18, 1789)

And proceeded in a second reading of the bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of Commissioners for managing the same."

On motion, to strike out "Eight Dollars," from the clause providing for the compensation to the Commissioner, and insert "$5," in line 8.

It passed in the negative.

On motion, to insert after "Eight dollars per day", "at the discretion of the President."

It passed in the negative.

On motion, upon the compensation to the commissioners, to strike out "eight dollars," and insert "six dollars."

It passed in the negative.

Ordered, That the rules of the House be so far dispensed with, as that the said bill shall have a third reading at this time.

On motion to strike out in line 3, "forty," and insert "twenty," in order thereby to limit the sum to be expended in negotiating a treaty with the Indian tribes, to $20,000 instead of $40,000.

The yeas and nays being required by one-fifth of the Senators present:

Mr. Butler, nay; Mr. Carroll, yea; Mr. Dalton, yea; Mr. Ellsworth, yea; Mr. Elmer, yea; Mr. Few, nay; Mr. Gunn, nay; Mr. Henry, yea; Mr. Johnson, yea; Mr. Izard, nay; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, nay; Mr. Maclay, nay; Mr. Morris, nay; Mr. Read, yea; Mr. Schuyler, yea; Mr. Strong, yea; Mr. Wingate, yea. Yeas, 12; nays, 7.

So it passed in the affirmative.

On motion, that it be

Resolved, That Congress will make provision for the discharging of any expenses that may be incurred by such military arrangements, as the President of the United States may think proper to make, for the purpose of protecting the citizens of Georgia from the depredations of the Creek Indians, should peace not take place with them, or should they, having agreed to a peace, violate the same.

And on motion for the previous question, to wit: "Shall the main question be now put?"

It passed in the negative.

And on the question upon the bill, it was

Resolved, To concur therein with the amendment:

Ordered, That the Secretary carry the said bill to the House of Representatives for their concurrence in the amendment (pp. 98–99).

(Wednesday, August 19, 1789)

A MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. Beckley, their Clerk, informed the Senate, that the House had concurred in their amendments proposed to the bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same."

And he withdrew (p. 100).

(Thursday, August 20, 1789)

A MESSAGE FROM THE HOUSE OF REPRESENTATIVES

Mr. Beckley, their Clerk, brought up the enrolled bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same," examined by the committee of enrollment, and signed by the Speaker.

And he withdrew.

Whereupon the bill was signed by the Vice President, and by the committee of enrollment laid before the President of the United States for his approbation.

Mr. Beckley, their Clerk, informed the Senate, that the President of the United States had affixed his signature to a bill, entitled "An act providing for the expenses which may attend negotiations or treaties with the Indian tribes, and the appointment of commissioners for managing the same." And had returned it to the House of Representatives (pp. 100–101).

Mr. DOUGLAS. The second occasion on which the previous question motion was used on January 12 and 16, 1792. The Senate had before it the consideration of various Presidential nominations of United States Ministers at foreign courts, and specifically the nomination of William Short, of Virginia, to be Minister resident at the Hague. The Senate disregarded its rules and put the previous question in the negative: "That the main question be not now put." I may say that the rules provided only for the motion being put in the affirmative form. Nevertheless, it was put in the negative form.

The motion carried and this resulted in postponement. The intention to postpone is evident in the negative form of the question. There appears to be the additional purpose of preventing a debate which would have jeopardized a presidential nomination. I ask unanimous consent that there be printed at this point in the RECORD the abstract from this debate of January 12 and January 16, 1792, which appears on pages 96–98, volume I, of the Executive Journal of the Senate.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

ABSTRACT 2

The Senate had under consideration various presidential nominations of United States Ministers at foreign courts.

(Thursday, January 12, 1792)

The Senate resumed the consideration of the message of the President of the United States, of the 22d December last, nominating Ministers Plenipotentiary at foreign courts; and

On the question to advise and consent to the appointment of Gouverneur Morris, of New York, to be Minister Plenipotentiary for the United States at Paris, the yeas and nays were required by one-fifth of the Senators present:

Mr. Bassett, yea; Mr. Bradley, yea; Mr. Burr, nay; Mr. Butler, yea; Mr. Cabot, nay; Mr. Carroll, yea; Mr. Dickinson, yea; Mr. Ellsworth, yea; Mr. Few, nay; Mr. Foster, yea; Mr. Gunn, nay; Mr. Hawkins, yea; Mr. Henry, yea; Mr. Izard, yea; Mr. Johnston, yea; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, nay; Mr. Monroe, nay; Mr. Morris, yea; Mr. Read, yea; Mr. Robinson, nay; Mr. Rutherford, yea; Mr. Sherman, nay; Mr. Stanton, nay; Mr. Strong, nay; Mr. Wingate, nay. Yeas, 16, nays 11.

So it was

Resolved, That the Senate advise and consent to the appointment of Gouverneur Morris, of New York, to be Minister Plenipotentiary for the United States, at Paris, conformably to the nomination in the message last mentioned.

Resolved, That the Senate advise and consent to the appointment of Thomas Pinckney, of South Carolina, to be Minister Plenipotentiary for the United States, at London, conformably to the nomination in the message last mentioned.

On the nomination of William Short, of Virginia, to be Minister resident for the United States, at the Hague; the Committee having reported the information obtained from the Secretary of State on this subject,

A motion was made that it be

Resolved, That there is not, in the opinion of the Senate, any present occasion that a Minister should be sent to the Hague.

On this motion, the previous question was moved for, to wit: "That the main question be not now put;" and

On motion, it was agreed, that the nomination last mentioned, and the subsequent motion thereon, be postponed to Monday next.

The Senate proceeded to consider the message of the President of the United States, of the 11th of January, nominating William Carmichael and William Short, Commissioners Plenipotentiary, for negotiating and concluding a treaty concerning the navigation of the Mississippi, by the citizens of the United States; and agreed that the consideration thereof be postponed until Monday next.

A message from the President of the United States, was, by Mr. Lear, his secretary, communicated to the Vice President, and he withdrew.

UNITED STATES, *January 12, 1792.*

GENTLEMEN OF THE SENATE: I nominate Richard Peters to be district judge of the Pennsylvania district, vice William Lewis, who has resigned his appointment.

GEO. WASHINGTON.

The message was read, and ordered to lie for consideration.

(Journal of the executive proceedings of the Senate of the United States, vol. I, Washington, 1828, pp. 96–97.)

(Monday, January 16, 1792)

The Senate proceeded to the consideration of the message of the President of the United States, of the 22d of December last, and the nomination of William Short, of Virginia, now Chargé des Affaires of the United States, at Paris, to be Minister resident for the United States, at The Hague, together with the motion made thereon, to wit:

"That there is not, in the opinion of the Senate, any present occasion that a Minister should be sent to The Hague, together with the motion for the previous question, to wit: "That the main question be not now put."

And the yeas and nays being required by one-fifth of the Senators present, on the previous question:

Mr. Bassett, yea; Mr. Bradley, nay; Mr. Burr, nay; Mr. Butler, yea; Mr. Cabot, yea; Mr. Carroll, yea; Mr. Dickinson, yea; Mr. Ellsworth, yea; Mr. Few, nay; Mr. Foster, nay; Mr. Hawkins, yea; Mr. Henry, yea; Mr. Johnston, yea; Mr. Izard, nay; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, nay; Mr. Monroe, nay; Mr. Morris, yea; Mr. Read, yea; Mr. Robinson, nay; Mr. Rutherford, nay; Mr. Stanton, nay; Mr. Sherman, nay; Mr. Strong, nay; Mr. Wingate, nay. Yeas, 13; nays, 13.

The numbers being equal, the previous question was by the Vice President determinated in the affirmative.

On the question to advise and consent to the appointment of William Short, of Virginia, now Chargé des Affaires of the United States, at Paris, to be Minister resident for the United States at The Hague, as nomiated in the message of December 22;

The yeas and nays were required by one-fifth of the Senators present.

Mr. Bassett, yea; Mr. Bradley, nay; Mr. Burr, nay; Mr. Butler, yea; Mr. Cabot, yea; Mr. Carroll, yea; Mr. Dickinson, yea; Mr. Ellsworth, nay; Mr. Few, nay; Mr. Foster, nay; Mr. Hawkins, yea; Mr. Henry, yea; Mr. Johnston, yea; Mr. Izard, yea; Mr. King, yea; Mr. Langdon, yea; Mr. Lee, yea; Mr. Monroe, yea; Mr. Morris, yea; Mr. Read, yea; Mr. Robinson, nay; Mr. Rutherford, nay; Mr. Stanton, nay; Mr. Sherman, nay; Mr. Strong, nay; Mr. Wingate, nay. Yeas, 15; nays, 11.

So it was

Resolved, That the Senate do advise and consent to the appointment of William Short, of Virginia, now Chargé des Affaires of the United States, at Paris, to be Minister resident for the United States at The Hague.

Ordered, That the Secretary communicate this resolution to the President of the United States.

The Senate proceeded to consider the message from the President of the United States, of the 11th instant, nominating William Carmichael and William Short, Commissioners Plenipotentiary, for negotiating and concluding a treaty concerning the navigation of the Mississippi River, by the citizens of the United States; and agreed that the further consideration thereof be postponed. (Journal of the executive proceedings of the Senate of the United States, vol. I, Washington, 1823, pp. 97–98.)

Mr. DOUGLAS. Mr. President, on the third occasion when the previous question was moved, it was moved in the form prescribed by the rules. That was on February 26, 1799. The Senate had before it the nomination of the President of William Vans Murray, to be Minister of the United States to France, a message which was superseded by another message nominating several Envoys to France. The previous question motion was moved in the words "Shall the main question be now put?" On this vote the "yeas" prevailed. Debate was then stopped and the main question was put to an immediate vote.

This is a clear case of the use of the previous question in the affirmative form to stop debate.

The purpose of this motion was also to secure an immediate vote and not to postpone the subject, although in the absence of further evidence the underlying motive for the move is left open to conjecture.

I ask unanimous consent that there be printed in the RECORD at this point an abstract from this debate which is from page 318 of volume I of the Executive Journal of the Senate.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

ABSTRACT 3

The Senate resumed consideration of the nomination by the President of William Vans Murray to be Minister of the United States to France.

(Tuesday, February 26, 1799)

The Senate resumed the consideration of the message of the President of the United States, of the 18th instant, and the nomination contained therein, of William Vans Murray to be Minister Plenipotentiary of the United States to the French Republic.

On motion, That it be

Resolved, That by the message of the President of yesterday, nominating Oliver Ellsworth, Patrick Henry, and William Vans Murray Envoys Extraordinary to the French Republic, his message of the 18th of the present month, nominating William Vans Murray as Minister Plenipotentiary to the same Republic, is superseded.

A motion was made for the previous question, to wit: Shall the main question be now put? and it was determined in the affirmative.

And, on motion to agree to the main question, it was determined in the affirmative.

The Senate proceeded to consider the message of the President of the United States, of the 25th instant, and the nominations contained therein, of Oliver Ellsworth and others to office.

Ordered, That the further consideration thereof be postponed until tomorrow. (Journal of the Executive Proceedings of the Senate of the United States, vol. I, Washington, 1828, p. 318.)

Mr. DOUGLAS. Mr. President, on March 10, 1804, while sitting as a Court of Impeachment in the trial of Judge Pickering, the previous question was moved for the last time. Here the question was worded as the rules required: "Shall the main question be now put?" And here we find written evidence in the accusing diaries of minority Senators that the majority's purpose was cloture—to cut off a tempestuous debate and force the main question to an immediate vote.

Mr. Brant goes into this matter in his memorandum in some detail and has also prepared some excerpts from the diaries of interested Senators. I shall place all of this in the RECORD at a later point but I now ask unanimous consent that there appear in the RECORD at this point an abstract of that part of the debate over Judge Pickering at the place where the previous question was moved. This abstract is from the original which appears on pages 362–363 of the Annals of Congress, 8th Congress, 1st session.

There being no objection, the abstract was ordered to be printed in the RECORD, as follows:

ABSTRACT 4

The Senate was sitting as a court of impeachment in the trial of Judge Pickering.

(Saturday, March 10, 1804)

Mr. Franklin was chosen President pro tempore.

Upon the opening of the court, Mr. White submitted the following resolution:

"*Resolved*, That this court is not at present prepared to give their final decision upon the articles of impeachment preferred by the House of Representatives against John Pickering, district judge of the district of New Hampshire, for high crimes and misdemeanors, the said John Pickering not having appeared, or been heard by himself or by counsel; and it having been suggested by the court by Jacob S. Pickering, son of the said John Pickering, that the said John Pickering, at the time of the conduct charged against him in the said articles of impeachment, as high crimes and misdemeanors, was, and yet is, insane, which suggestion has been supported by the testimony of two members of the court, and by the affidavits of sundry persons, whose integrity is unimpeached; and it being further suggested in the said petition, that at such future day as the court may appoint, the body of the said Pickering shall be produced in court, and further testimony in his behalf, which will enable the court to judge for themselves as to the insanity of the said John Pickering, and to act more understandingly in the premises; but that the said John Pickering, owing to bodily infirmity, could not be brought to court at present, at so great a distance, and at this inclement season of the year, without imminent hazard of his life."

Mr. Nicholas, Mr. Wright, and other gentlemen, objected to the resolution as not being in order.

Mr. Anderson asked if it would be in order to move an amendment to it?

Mr. Adams said, he would object to any amendment to it, as, by the rule of the court, a gentleman had a right to a vote upon any specific proposition he might please to submit, connected with the trial.

Mr. White called for the reading of the rule.

Mr. Anderson then moved that the resolution, submitted by the gentleman from Virginia yesterday, be taken up as being entitled to be acted upon first.

The President pro tempore declared that the resolution of the gentleman from Delaware was fairly before the court, and must be disposed of in some way before anything else could be taken up.

A motion for postponing the further consideration of it was then made and withdrawn.

Mr. Nichols hoped it would not be permitted to go upon the journals of the court.

Mr. Jackson moved the previous question, viz: "Shall the main question be now put?"

Mr. White hoped that whatever question should be taken on the subject, should be by yeas and nays; that his resolution, and the manner in which it might be got rid of, should be seen and understood.

Mr. Anderson then moved to amend the resolution, by striking out the word "not having been heard by himself or counsel;" and all after the words "was and yet is insane," to the end of the resolution.

On motion of Mr. Dayton, the galleries were cleared and the doors closed.

At 3 o'clock the doors were opened, and the question was taken upon the resolution as at first submitted—yeas 9, nays 19, as follows:

Yeas: Messrs. Adams, Dayton, Hillhouse, Olcott, Pickering, Plumer, Tracy, Wells, and White.

Nays: Messrs. Aderson, Armstrong, Baldwin, Breckenridge, Cocke, Ellery, Franklin, Jackson, Logan, Maclay, Nicholas, Potter, Israel Smith, John Smith of Ohio, Sam'l Smith, Sumter, Venable, Worthington, and Wright.

So it passed in the negative.

On motion of Mr. Nicholson, the resolution he had submitted the day before for notifying the House of Representatives that the court would be prepared to pronounce judgment on Monday next, was taken up and passed—yeas 20, nays 9. Those who voted in the affirmative last above, here voted in the negative, and so vice versa, except Mr. John Smith, of New York, who was not then present, and who voted here in the negative.

The court then adjourned.

(Annals of Congress, Eighth Cong., first sess., Washington, 1852, pp. 362–363.)

Mr. DOUGLAS. Mr. President, I shall come back to this Pickering case in a moment, but let me point out here that these four cases present a virtual microcosm of the development of the previous question in American practice. At the outset, in 1789, the Senate started with the positive form of the motion and on one occasion it achieved postponement. From that it went forward (though this was in violation of Senate rules) to the use of the negative form of the motion to produce negative results—a motion not to vote on the main question. In the third and fourth cases (one-half of the total) the Senate employed the affirmative form of the motion for an affirmative purpose—to cut off debate and bring the main question to an immediate vote.

If one looks at the record of the Pickering trial as published in the Annals of Congress, it has the appearance of being defective. It is recorded there that the previous question was moved by Senator Jackson of Georgia, who was one of the anti-Pickering majority. But nothing is said about the putting of the motion. Mr. Brant's memorandum reveals the reason for the omission—a most remarkable one.

The Senate was operating as a court of impeachment, with supplementary rules. All motions had to be voted on by yeas and nays in open session. But debate on motions was forbidden except in closed session. The Senate was in closed session, debating a resolution offered by Senator White of Delaware, when Jackson moved the previous question. To vote on it, it was necessary to open the doors. But opening the doors stopped the debate, and that was the purpose of moving the previous question. With the doors open, nothing remained except to take the yeas and nays

on the controversial resolution, which was thereupon defeated by the same Senators who had cut off the debate.

To eliminate all doubt concerning the intentions of the Senate majority on March 10, 1804, when the previous question was moved for the last time, I need but read a single sentence from that day's entry in the diary of John Quincy Adams, one of the defeated Senators:

The next struggle was to prevent all debate upon the resolution.

To reproduce the emotional pitch of that debate, just before it was cut off by the majority, I need but read the words set down in the diary of Senator William Plumer:

Mr. Nicholas—

That was Senator William Cary Nicholas, leader of the majority and spokesman for President Jefferson—a man so close to Jefferson that he is buried in the Jefferson family burial ground at Monticello—

Mr. Nicholas vociferated, order, order, order—I will not submit to hear our proceedings called by the degrading name of a mock trial.

To which, says the Plumer diary, Senator White replied that he would not retract his words. If this offended Mr. Nicholas, said he:

I am willing and ready to give him satisfaction at any time and place he will please to name.

In other words, they could fight a duel. The Senate has happily graduated from such juvenile delinquencies. But we have yet to realize that the Senate 150 years ago in its ability to limit debate was a more effective body than it is today. Ample power existed, both in the motion for the previous question and the unappealable authority of the Vice President, to cut off debate and bring the business of the Senate to a decision. That power was used, and used effectively, under circumstances far less provocative than a filibuster, which in that day was unknown in the Senate. It was used to suppress a 1-day debate which was merely obnoxious to the majority.

I am not arguing the merits of that action by the Senate in 1804. But the fact that it used the power is enough to prove that the power existed.

Here in parallel columns are the complete entries in the official record of the trial of Judge Pickering, and the principal and all revelant entries in the diaries of Senators Adams and Plumer. The protests against curtailment of debate, the references to closing and opening the doors of the Senate, the references to moving the previous question have been italicized; also the remarks of Nicholas about keeping the resolution out of the journals, because these are closely connected with the motion for the previous question.

From the sequence it is perfectly plain that the doors were closed much earlier than is indicated in the official account. Plumer apparently tried to correct the sequence. He copied various portions of the official account into his diary, shifting the position of them to fit his recollection, but apparently was stumped by some of the inconsistencies regarding the time of Anderson's attempt to amend the resolution.

Most of the Plumer entries are employed in this chart to emphasize the enormous omissions from the official record, and they could have been far longer.

I ask unanimous consent that the entries in the official record of the trial and of the relevant diaries be printed at this point in the RECORD.

There being no objection the entries were ordered to be printed in the RECORD as follows:

ANNALS OF CONGRESS, XIII, 362–363

Upon the opening of the Court, Mr. White submitted the following resolution: "Resolved, That this Court is not prepared to give their final decision * * *"

Mr. Nicholas, Mr. Wright, and other gentlemen, objected to the resolution as not being in order.

Mr. Adams asked if it would be in order to move an amendment to it.

Mr. Adams said, he would object to any amendment, as by the rule of the Court, a gentleman had a right to a vote upon any specific proposition he might be pleased to submit, connected with the trial.

Mr. White called for the reading of the rule.

Mr. Anderson then moved that the resolution submitted by the gentleman from Virginia yesterday [to pronounce judgment on Monday next] be taken up as being entitled to be acted upon first.

The President pro tempore [Franklin, of North Carolina] declared that the resolution was fairly before the court, and must be disposed of in some way before anything else could be taken up.

A motion for postponing the further consideration of it was made and withdrawn.

Mr. Nicholas hoped it would not be permitted to go upon the journals of the court.

Mr. Jackson moved the previous question, viz: "Shall the main question be now put?"

Mr. White hoped that whatever question should be taken on the subject should be by yeas and nays; that his resolution and the manner in which it might be got rid of, should be seen and understood.

Mr. Anderson then moved to amend the resolution, by striking out the words, "not

DIARY OF JOHN QUINCY ADAMS, MEMOIRS, I. 302–303

Mr. White, in Senate, moved this morning a resolution declaring the Court not prepared to give judgment * * *

On this resolution it was not without the utmost difficulty that any discussion whatsoever could be obtained.

(Not mentioned in Adams Diary, presumably because it was covered in the official record.)

Mr. Nicholas, to give it the slip, insisted upon having his resolution, offered yesterday, first taken up. On which I rose and said that if Mr. White's motion was not considered I should offer a resolution previous in its nature to that of Mr. Nicholas. I was called to order as entering into debate. I answered that I was not debating, but merely stating the purport of a resolution I should offer if that of Mr. White was not considered, and that in thus stating it I should speak until my mouth was stopped by force.

I was again called to order, but the president determined that Mr. White's resolution should be taken up before that of Mr. Nicholas.

The next struggle was to prevent all debate upon the resolution. By our rules there can be no debate on any motion in open court. A motion to close the doors for the purpose of discussing the resolution was rejected, nine members voting for it. But although we are allowed no debate, yet motions to strike out parts of a resolution proposed were admitted by the majority; and Mr. Anderson moved to strike out a great part of Mr. White's resolution, so as to get

WILLIAM PLUMER, MEMORANDUM OF PROCEEDINGS IN THE UNITED STATES SENATE, 1803–07 PP. 173–177

Mr. White then submitted the following resolution:

(Copies official record.)

(Copies official record, adding a word.)

Mr. White called for the reading of the rule—Read.

A motion was made that the galleries be closed—but the motion was lost.

(Copies official record.)

(Copies official record.)

A motion for postponing the further consideration of this was then made but withdrawn.

On motion of Mr. Dayton the galleries were cleared and the doors closed.

Mr. WHITE. There has been no trial—no appearance, no plea—no defense whatever on the part of the accused. Our proceedings scarcely deserve the name of a mock trial.

Mr. Nicholas vociferated, order, order, order—I will not submit to hear our proceedings called by the degrading name of a mock trial.

ANNALS OF CONGRESS, XIII, 362–363—Con.

having been heard by himself or counsel," and all after the words "was and yet is insane," to the end of the resolution.

On motion of Mr. Dayton, the galleries were cleared and the doors closed.

At 3 o'clock the doors were opened, and the question was taken upon the resolution as at first submitted—yeas 9, nays 19.

DIARY OF JOHN QUINCY ADAMS, MEMOIRS, I. 302–303—Continued

rid of all the reasons alleged in it. I objected against any motion to strike out part of an offered resolution, because such motion was itself debate, and contrary to the rule. At length Mr. John Smith, of Ohio, wanted to put a question as to the meaning of a part of Mr. White's resolution. And in order to make that inquiry, a second motion was made to clear the galleries. Smith, now voting for it, gave the casting turn, the necessary number of one-third. The galleries were cleared, and a short discussion of the resolution was had.

The extreme injustice of judging an insane man as a guilty one; of sentencing, unheard, a man who could not be present at this time without imminent hazard of his life; of precipitating decision without necessity, was urged; Mr. Anderson, and most of the members in the majority, manifesting the most extreme impatience to open the doors and stop all further debate.

At length, rather than continue the discussion, he (Anderson) waived his motion to strike out part of Mr. White's resolution, and said he was ready to meet it. But Mr. Nicholas said he should move that it might not be entered on the records.

Although the rule is that all motions shall be decided by yeas and nays in open court, Mr. Nicholas was for having the yeas and nays, without the motion upon which they were taken.

The doors were opened. The yeas and nays were taken on Mr. White's resolution—yeas 9, nays 19.

WILLIAM PLUMER, MEMORANDUM OF PROCEEDINGS IN THE UNITED STATES SENATE, 1803–07 PP. 173–177—Continued

Mr. WHITE. Mr. President, I am in order, sir—and while I have a seat in this body I will act and speak my opinion with freedom * * * I assure the gentleman from Virginia, Mr. Nicholas, I wish not to offend him * * * but * * * I shall not retract * * *. If in this I have offended him, I am willing and ready to give him satisfaction at any time and place he will please to name.

(Plumer followed with an extensive summary of an exchange of remarks between himself and Senator Smith, of Ohio, on the subject of Judge Pickering's intoxication.)

Mr. ADAMS. If proceedings like ours were had in a court of law, I have no hesitation in saying, it would be considered as a mere mock trial.

Mr. NICHOLAS. I hope this resolution will not be permitted to be entered even on our minutes—that it will never see the public light. It is not correct—it does not contain all the facts.

(Plumer records the remarks of Senators Venable, Wright, and Logan, then enters:)

Mr. NICHOLAS. If this resolution is not passed, I shall object to its being recorded.

Mr. Jackson moved the previous question, viz: "Shall the main question be now put."

Mr. WHITE. Whatever question is taken on this subject, I hope it will be yeas and nays; and that the resolution and the manner in which it is disposed of may be seen and understood.

Mr. Anderson then moved to amend the resolution by striking out, etc (picking up the whole entry from the official report, but adding:)

"But this motion for amendment was not seconded."

At 3 o'clock the doors were opened—and Mr Anderson moved that the resolution should lie on the table. On this question the yeas and nays were required—but the motion of Mr. Anderson was withdrawn.

The question was then taken by yeas and nays upon the resolution as at first submitted—yeas 9, nays 19—so it was negatived.

Mr. DOUGLAS. Mr. President, it therefore appears from the records of the Senate itself, that in the period 1789 to 1806, the Senate, on 4 occasions, used the previous question motion. On 2 occasions its purpose was to postpone. On 2 other occasions, its purpose was to end debate and bring a vote. Further, it will be clear from the nature of the motion that had the Senate voted differently on the first 2 occasions, the effect of that vote, in view of the British practice, could have been to limit debate and bring a vote on the main question, if that had been the will of the Senate.

COULD THE PREVIOUS QUESTION BE DEBATED WITHOUT LET OR HINDRANCE?

Now, Mr. President, I turn from what actually happened in the Senate on the 4 specific occasions when the previous question was moved to the following general questions:

First. Is it a fact that the motion for the previous question could be debated "without let or hindrance" under the rules of the Senate up to 1806? and

Second. Can it be debated without let or hindrance today, for the purposes of obstruction under general parliamentary practice. These are key questions.

With the present Vice President expressing the opinion that section 3 of the present rule XXII of the Senate is unconstitutional, the matters at issue are liable at some stage to be affected by rulings based on parliamentary procedures in general. In that event, the hope of the defenders of the filibuster is to secure a ruling that parliamentary precedents, especially in the United States Senate and in the English House of Commons, admit of no limitation of debate upon the motion to put the previous question.

It was, I suspect, these important aspects of the subject that caused my distinguished colleague to make some comments which brought into question the academic qualifications of Mr. Brant to discuss the subject—remarks which I am sure he would not have made under less controversial circumstances.

It is the importance of this matter which largely prompts my discussion of the subject today, so as to lay the basis for a future ruling by the Presiding Officer of the Senate.

Let me first point out that the Vice President, from 1789 until 1828, had the power to decide questions of order without an appeal being taken from his decision by the Senate as a whole. That power was found in rule XVI before the rules were amended by the general revision of February 14, 1828. Rule XVI read as follows:

When a Member shall be called to order, he shall sit down until the President shall have determined whether he is in order or not; but every question of order shall be decided by the President without debate: but if there be a doubt in his mind, he may call for the sense of the Senate.

In other words, there was no obligation upon him to call for the sense of the Senate, and the Vice President was to be the judge of whether he would call for the sense of the Senate.

This was a general rule, covering the disposal of all questions of order. The next rule, No. XVII, made an additional provision for personal calls to order. I quote it:

> If a member be called to order for words spoken, the exceptionable words shall be immediately taken down in writing, that the President may be better enabled to judge of the matter. (The Journal of the first session of the Senate of the United States, pp. 14–15.)

These two rules were the only ones on the subject of order. Thus, both in matters of personal conduct and parliamentary procedure, the decision of the Vice President or President of the Senate was absolute and final during all the years in which the Senate had a rule for the previous question. The power of the presiding officer remained absolute until 1828, when rule XVI was amended to read: "every question of order shall be decided by the President without debate, subject to an appeal to the Senate."

It may be asked, what if the Vice President, in that day when he possessed unappealable authority, refused to rule that a filibustering debate was out of order? Well, what we are discussing is whether the power existed at that time, not whether the possessor of it was willing or unwilling to use it. But I will say that if any Vice President of the period we are talking about—John Adams, Thomas Jefferson, or Aaron Burr, whose busts are placed over the press gallery—had declined to uphold a point of order against a filibustering debate on the motion for the previous question, he would have done so in disregard of section 17 of Jefferson's Manual of parliamentary practice. I quote the relevant part of section 17:

> No one is to speak impertinently or beside the question, superfluously, or tediously.

That was a rule of parliamentary practice which Thomas Jefferson laid down as a result of listening to the debates in the Senate.

I do not suppose anybody will contend that in a day when the Vice President had the power and the parliamentary duty to halt a speech that was merely tedious, he lacked either the power or the obligation to halt one that was tedious, dilatory, and deliberately obstructive. Certainly it cannot be argued that Vice President Thomas Jefferson would have refused to uphold the views which he expressed in his own manual. I expect to hear somebody argue that as soon as the Vice President lost this power, by the allowance of an appeal to the Senate, the power vanished completely.

That would be a remarkable argument, indeed, and one completely untenable. To maintain it would mean that if the Presiding Officer alone could do it, then certainly the Presiding Officer and the Senate together could do it. It would mean that the Vice President and Senate combined are incapable of enforcing a point of order which formerly could be enforced by the Presiding Officer alone.

If the Presiding Officer alone could do it, then certainly the Presiding Officer and the Senate together could do it.

It therefore appears clear that, first, from the nature and use of the previous question in the first 17 years of the history of the Senate; and second, the power of the Vice President to decide points of order without appeal, that the Senate had the power and used the power to end debate and bring matters to a vote in that early period.

I may say that the RECORD in the four cases I have read discloses, so far as I can ascertain, that there was no debate on the putting of the previous question; and once the question was put, there was no further debate on the main question itself.

That power did exist and it would still exist at the beginning of a new session of Congress if there were an attempt to filibuster a motion to proceed to the adoption of new rules of the Senate and the previous question motion.

When decisions of the Vice President were made appealable in 1828, the power to decide did not vanish. It was given a broader base in the will of the majority. If there be an appeal from that to general parliamentary practice, it must be to that parliamentary practice which makes any obstructive debate a contempt of the body.

Now I wish to devote a few minutes to the development of the American and British systems of curbing excessive debate.

HISTORICAL DEVELOPMENT OF THE PREVIOUS QUESTION IN THE UNITED STATES AND GREAT BRITAIN—THE CONTINENTAL CONGRESS

In 1778, the Continental Congress adopted the previous question in the negative form, that is, "That the main question be not now put." Its ostensible purpose was to postpone. At that time, there was no need for a cloture motion for the filibuster, and obstructive debate was unknown. The reason, of course, was that the votes of 9 of the 13 States were needed for passage of a measure, and the problem was in getting the representatives of that many States together at any one time in order to vote. Therefore, if obstruction or delay was the purpose of any group, this could have been accomplished by absences rather than by prolonged debate. In other words, the affirmative requirements of more than two-thirds majority of the States prevented the filibuster.

It should be remembered, however, that even this negative motion could and did close debate and bring a vote, for when the "nays" prevailed in 1778 the Congress adopted an interpretive ruling that they must proceed to a vote.

The matter, interestingly enough, dealt with the question whether any person holding office under the United States could promote, encourage, or attend plays. The act provided that if they did, they should be deemed unworthy to hold such office and, accordingly, should be dismissed.

On this occasion—the only one recorded in the index—the previous question motion, worded in the negative carried in the negative. A motion was made to postpone action on the substantive matter until the next day. A question was then raised if the Congress were not required to proceed to a vote when the previous question was negatived. The question was put before the Congress itself and by a 7–3 vote it decided that when the negative form of the previous question was passed in the negative, they were required to proceed to a vote on the substantive issue before them. In other words, two negatives made an affirmative.

THE SENATE FROM 1789 TO 1806

From 1789 to 1806, as we have already seen, the Senate had the affirmative form of the previous question as a part of its rules.

It also used the negative. On the 4 occasions when the previous question was used, the motion in the affirmative form was used 3 times, and the purpose of the motion on the last 2 occasions was to close debate. In other words, it evolved in purpose from a motion to postpone to a motion to stop debate, although its effect could have been to end debate on all four occasions.

HOUSE OF REPRESENTATIVES

The House of Representatives has always had the previous question motion. From 1789 to 1880, it was in the same form as that provided by the early rules of the Senate, namely, "Shall the main question be now put?" In 1880, it was decided that the Speaker, on motion, should ask for the "yeas" and "nays" on "ordering the previous question."

In the American House of Representatives, the filibuster was used as an effort to prevent a vote as early as 1811. When an obstructive crisis reached its peak, it was effectively dealt with in February of 1811, when the motion for the previous question was used 6 times in 1 night to force a crucial question to a vote.

The event which occasioned its use as a cloture motion was a bitter contest over foreign policy which preceded the War of 1812. The filibuster was being used to defeat the nonintercourse bill.

Therefore, the House followed the Senate precedents at this very early time and used the affirmative form of the previous question to obtain cloture. That is still its use—although the form has been modified—in the House of Representatives and that is its use in other parliamentary bodies—with the exception of the Senate—today.

Mr. JAVITS. Mr. President, would the Senator from Illinois mind an interruption at this point, or would he prefer that it be postponed?

The PRESIDING OFFICER (Mr. CLARK in the chair). Does the Senator from Illinois yield to the Senator from New York?

Mr. DOUGLAS. I am glad to yield.

Mr. JAVITS. Mr. President, I should like to inform the Senator from Illinois, who has given so much time and devotion to the question of the Senate rule which permits a filibuster—a rule which has been used primarily in connection with civil rights bills—that in the Committee on Rules and Administration we are having quite a struggle with respect to the resolution of the Senator from Illinois and also the resolution sponsored by both the majority leader and the minority leader.

I should like to congratulate the Senator from Illinois for perceiving the critical importance of this issue and of the entire civil-rights issue, of which it

is a very essential corollary, if any action is to be had; and I also wish to congratulate him upon his leadership on this subject.

I urge the Senator from Illinois—and I am confident the Senator from Illinois knows me well enough to be sure that I say this with no gleam in my eye—to use his own great influence in his own party—as I am attempting to do in my own, for I believe the civil-rights issue will get nowhere unless Members of both parties who feel strongly on the subject combine their efforts—to have the Senate take action on the civil-rights issue. So I urge the Senator from Illinois to use his own very great influence in his party, and I shall do my utmost in mine, and other Members of the Senate who have been here much longer than I have will do the same, to try at one and the same time we are seeking to have the Senate act on the civil-rights bill also to seek to have the Senate act on the two resolutions.

The present situation is as follows: Upon my motion, the Committee on Rules and Administration has designated an ad hoc subcommittee for the purpose of considering this question. The subcommittee was designated about April 1.

I have done my utmost to get the subcommittee to report one of the resolutions. I have not been successful. Right now, hearings have been ordered, with an unlimited amount of time available at the hearings, insofar as Members of Congress are concerned; and with a limitation of one-half an hour in the case of each organization. How long that will extend the matter, I have not the remotest notion. But I should like to inform the Senator from Illinois that at the next meeting of the Committee on Rules and Administration, which is to occur approximately 2 weeks hence, I will again raise the issue; and I have served notice that I will raise it then.

I repeat that, without any gleam in my eye or without any idea that this situation casts reflection upon either one party or the other—for after all, both parties have their troubles—I desire to point out that the question of the Senate rule which permits a filibuster is a corollary of the civil-rights issue, and should be pressed with the same vigor.

I am delighted that the Senator from Illinois has taken the leadership in this matter. I have the honor to be a cosponsor of his resolution—and I emphasize that it is his resolution. The Senator from Illinois has taken the leadship on this issue in his own party, as I have in mine.

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair desires to associate himself with the remarks of the Senator from New York.

Mr. DOUGLAS. Mr. President, I wish to thank both Senators for their comments.

A number of Senators on this side of the aisle have tried to have action taken on the civil-rights bills and on the proposal to change rule XXII, rather than to permit the Senate to be interminably tied up with debate. I am delighted that the Senator from New York is pushing along those lines, on his side of the aisle, and I appreciate very much that in the Rules Committee he moved the adoption of my resolution to change rule XXII, of which resolution he is a cosponsor.

In times past and, as all of us know, even up to the present, Senate Members opposed to civil rights have worked, on both sides of the aisle; and there has been an alliance between sections of my party and sections of the party of the Senator from New York, both to defeat civil-rights measures and to prevent any change in the Senate rule. Some groups do it openly; others do it subtly.

I remember the poem entitled "A Modern Decalogue," by Arthur Hugh Clough, in which the commandment "Thou shalt not kill" is rendered by him in cynical form, as "Thou shalt not kill, but needst not strive officiously to keep alive."

There are many who, although they themselves will not stab civil rights to death, will furnish the dagger or other instrument or the interminable debate with which others can do the job. That has been going on for many years; and it is about time that those of us who believe in a vigorous civil-rights program and in the right of the Senate, after due debate, to proceed to vote, should work from both sides of the aisle.

So I say to the Senator from New York that there is room for all of us, and we can press on together; and the more converts we make, the better.

Mr. JAVITS. Mr. President, will the Senator from Illinois yield again to me?

Mr. DOUGLAS. Yes, indeed.

Mr. JAVITS. Mr. President, I think the Senator from Illinois has put his finger on a critical point. I should like to emphasize it, if I may—although I repeat that he is the one who made the point. It is this: In my view, there is no difference between being in favor of civil-rights measures and being in favor of a change in the rule which permits civil-rights measures to be killed in this Chamber.

Therefore I believe—and I believe it deeply—that the people of the country should hold to account every Member, on both counts equally. I believe there is some dichotomy in the thinking of some Members of this body who, for one reason or another, believe a Member can feel differently about the cloture issue than he does about the civil-rights issue. To the contrary, Mr. President, I sincerely believe that Members cannot do so. I believe there is a real majority of the Senate in favor of the enactment of civil-rights measures; and I believe that there should be, and there must be—and, if the people demand it, there will be—a real majority of the Members of this body who will be in favor of changing the cloture rule.

I thank the Senator from Illinois for yielding to me.

Mr. DOUGLAS. Mr. President, I thank the Senator from New York. Let me say that his help has been and will continue to be of great assistance; and those of us on our side of the aisle will work vigorously; and I am sure he will also work vigorously, on his side.

THE BRITISH HOUSE OF COMMONS

Mr. President, now let us turn to the development of the previous question in the House of Commons. Let us recall the quotation, from the 1953 brief against the Anderson motion, of the words of Henry Cabot Lodge that:

> The previous question which existed in the earliest years, and was abandoned in 1806, was the previous question of England and not that with which everyone is familiar today in our House of Representatives. It was not in practice a form of cloture and it is therefore correct to say that the power of closing debate in the modern sense has never existed in the Senate. (p. 11.)

That, as we have seen, is totally in error.

We recall also the quotation from the Congressional Digest of November 1926 which the proponents of the filibuster placed in the RECORD in 1953:

> Like the precedents for the (previous question) rule in the British Parliament and the Continental Congress when it was used in the early days of the Senate and it did not limit debate but avoided a vote on a given subject.

We now have seen that this statement is not correct with respect to usage in both the Continental Congress and the early Senate. The Continental Congress actually ruled that the motion closed debate on one occasion; and in the Senate, the previous question was used on two occasions to limit debate. Furthermore, the motion could always have had that effect if that had been the sense of the Senate on the other occasion when it was used.

It is also clear that the statement is not accurate concerning British precedents. Today, the House of Commons has two motions which can bring debate to a close and can bring on a vote. One is called "cloture," and the other is called the "previous question." Both are in addition to the modern guillotine.

The cloture motion is worded affirmatively, that is, "That the question be now put." If the "yeas" prevail, debate is stopped, and the main question is put to a vote. If the "nays" prevail, debate continues.

The previous question motion is now worded in the negative, that is, "That the question be not now put. If the "yeas" prevail, debate is postponed. If the "nays" prevail, debate is closed.

For something more than two centuries before the House of Commons adopted the cloture motion in 1882, it had other methods of preventing obstruction; and the motion for the previous question also could, and did produce that effect.

I wish to introduce at this point in the RECORD, a second letter from Mr. Brant. It traces the use and history of the previous question motion in the House of Commons. Mr. President, I ask unanimous consent that the letter be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEBRUARY 6, 1957.

Senator PAUL H. DOUGLAS,
Senate Office Building,
Washington, D. C.

DEAR SENATOR DOUGLAS: Since writing my memorandum on the previous question and cloture I have found time to examine the Journals of the English House of Commons

from 1604 to 1789—that is, from the birth-year of the motion for the previous question to the year in which it was incorporated in the rules of the United States Senate. The result is a mountain of evidence that, measured by its effects, the previous question was infinitely more important in the early period as a producer of cloture than as a method of postponing a question.

Hatsell's Precedents, published in 1781, furnished most of the early history of the previous question drawn upon in May's Law and Usage of Parliament and Jefferson's Manual. Hatsell gives the impression, perhaps without intending to, that the motion for the previous question was a rare device in the 17th century. After remarking that "On the 25th of May, 1604, is the first instance I have found of putting the previous question," he refers to only four other instances of it before 1700. May cites 1 or 2 others.

Hatsell gives the usual explanation of the British practice: a member desiring to postpone the main question moves "That this question be now put" and votes against his own motion. He also makes it clear that when the previous question is moved and carried, "the Speaker must put the main question immediately." But Hatsell gives no citations of affirmative results and the reader is left to infer that such a mischance seldom occurred.

The truth is that between A. D. 1604 and 1700, the previous question was moved 736 times in the House of Commons. It resulted in cloture 491 times, in postponement 245 times.

These figures can easily be checked for accuracy. The index to the House Journals divides the record into "Questions, previous, affirmative" and "Questions, previous, negative." Affirmative equates with cloture, negative with postponement.

This period was one of revolutionary struggle and wide swings in British Government. It embraced 37 years of Stuart supremacy over Parliament, nearly 20 years of the Puritan Revolution, close to 30 years of the Stuart Restoration and a final period of tranquility after the "glorious revolution" of 1688. For clearer understanding, the record of the previous question needs to be broken down into epochs corresponding to the political changes. Following is a tabulation of 17th century motions for the previous question and the results of the motions:

1604 to 1640, the period of Stuart supremacy: Motions, 3. Results, cloture 3.

1640 to 1658, the Puritan Revolution, embracing the Long Parliament, the Commonwealth and the Cromwellian Protectorate: Motions, 523. Results, cloture 351, postponement 172.

1658 to 1660, period of chaos, Stuart Restoration, and retribution: Motions, 97. Results, cloture 74, postponement 23.

1661 to 1688, reign of Charles II: Motions, 81. Results, cloture 47, postponement 34.

1688 to 1700, reign of William and Mary: Motions, 32. Results, cloture 16, postponement 16.

Totals: Motions, 736. Results, cloture 491, postponement 245.

Following the Revolution of 1688, it will be observed, postponement caught up with cloture. The change grew more pronounced. Between 1700 and 1790, the previous question was moved on 163 occasions, resulting in cloture 48 times, in postponement 115 times. From 1790 until November 11, 1882, when the House of Commons adopted the modern cloture rule, the motion for the previous question was put 361 times, resulting in cloture 67 times, in postponement 294. Since 1882 it has been put only four times and not once since 1910.

So, although it cannot be found in any parliamentary treatise, this contrast comes into view:

In the 17th century of parliamentary tension, the previous question was moved far oftener than in all later centuries combined, and resulted in cloture in two-thirds of the cases.

In the 18th century of parliamentary tranquility, the previous question tapered off and resulted in postponement two-thirds of the time.

Finally, when parliamentary obstruction developed in the 19th century, the previous question was transmuted into the virtually identical cloture motion, while the motion for the previous question continued a separate existence but withered away completely. In all periods, the practice of the House of Commons was molded by the temper of the times and the necessities of legislative business.

The parliamentary records of the 17th century do not identify the movers of the previous question. One can only speculate on whether it was moved part of the time for the avowed purpose of securing a final vote, rather than moved for one purpose and seized on for another. Even if every one of the 736 motions had the ostensible purpose of postponement, the overwhelming fact is that 491 of them produced cloture, and both the affirmative wording of the motion and the rule as to its application were admirably suited to produce that effect. It likewise seems significant that the affirmative wording became more positive at the height of this positive use of the motion, shifting from "whether it be put" to "that it be put." By all the rules of logic, such a change denotes intent.

Even in later times the previous-question rule has had a tendency to produce cloture when a strong parliamentary majority was dealing with controversial issues. To illustrate the use of the motion in British practice, Sir Thomas Erskine May cited (but did not describe) three 19th-century examples from the House of Lords. Two of these motions represented the clear purpose of postponement, although in one of these the motion was offered by an advocate of immediate passage of the main question. Unable to win Prime Minister Disraeli's approval of a warning to Russia not to attack Constantinople, Lord Dorchester made the motion in order to avoid the consequences of a more direct refusal to take this action (Lords' Journal, v. 110, p. 22, Parliamentary Debates, Jan. 28, 1878). In another instance, 10 motions against the income tax were disposed of by offering and defeating 10 motions for the previous question (Lords' Journal, v. 74, p. 87.) The third example was by far the most controversial.

On August 6, 1839, Lord Brougham moved to resolve that witnesses who refused to testify in Irish sedition trials should be sent to prison. "After long debate," the Lords' Journal records, the previous question was moved and resolved in the affirmative. The motion apparently came from the opposition, which was protesting against a vote, but leading up to it in the record of the debate are such entries as these:

"[Loud cries of 'Question, question.'] * * *

"[Cries of 'Divide' and 'Question'.] * * *

"[Continued cries of 'Question' and 'divide.']"

It was under the stress of such cries, and after a warning by Lord Brougham about "the waning night and the waning patience of the House," that the previous question was moved and carried by 86 to 52. The main question then carried without a division (Mirror of Parliament, VI, 4775–4777, 4784).

In this case, cited as typical by England's foremost parliamentary authority, the motion for the previous question was in effect a surrender to the demand for an end of debate and led directly to passage of the resolution. It was a duplication by the House of Lords of the dominant aspect of the previous question in the 17th century.

The House of Commons three centuries ago had other effective ways of dealing with excessive debate and kindred obstructive devices. On April 17, 1604 (1 month before the first use of the previous question), the following entry was made in the House Journal:

"Agreed for a general rule, if any superfluous motion, or tedious speech, be offered in the House, the party is to be directed and ordered by Mr. Speaker."

Anybody who questions the force of that rule might observe how it was indexed at the time: "Speaker to stop superfluous motions, and tedious or impertinent speeches." (Com. J. General Index, I–VII, 861.)

The moment the rule was approved, the Speaker proceeded to read a letter he had just received from "one John Tey," a member who was also "the King's Aulnager [wool inspector] for London." Tey complained that on his drawing up a motion which represented the King's pleasure and express commandment, it pleased the Speaker "to distaste my motion, and * * * to clip me off." He intended to inform the King of this. On the Speaker's initiative, the House adjudged Mr. Tey's conduct "to be an error in the party, and he ordered to acknowledge his error publicly; which he presently was content to do; and so was pardoned by the House." The custom in that day was to send nonapologizing members to the Tower.

That 1604 prohibition of any tedious speech came down through Hatzell into Jefferson's Manual, written to guide procedure in the United States Senate. Jefferson as Vice President had power to enforce it, which meant power to stop a filibuster. Together with the prohibition of any superfluous motion and kindred 1604 rulings, it furnished the legal basis for the declaration of the Speaker of the House of Commons on July 25, 1877, that willful and persistent obstruction of legislation is contempt of the House. Added to that is the direct link between the British previous question, whose main effect in early days was cloture, and the British closure motion of the present day—both of these having the same wording, "That the motion be now put," and the same effect when carried.

I have said that in the House of Commons the previous question was transmuted into cloture. That is definitely revealed in the 1881 records, together with the inherent power of the House to control an obstructive minority. Faced with a prolonged filibuster against the protection of person and property (Ireland) bill, the Gladstone ministry kept the House in continuous session from 4 p. m. on Monday, January 31, until 9 a. m. Wednesday, February 2. At that hour the Speaker said that, in spite of a 5-day debate and 41 hours of continuous sitting, an important measure, declared to be urgent, was "being arrested by the action of an inconsiderable minority, the Members of which have resorted to those modes of 'obstruction,' which have been recognized by the House as a Parliamentary offense." With the legislative powers of the House thus paralyzed:

"A new and exceptional course is imperatively demanded; and I am satisfied that I shall best carry out the will of the House, and may rely upon its support, if I decline to call any more Members to speak, and at once proceed to put the question from the chair."

He proceeded to put the question and it carried, 164 to 19. Prime Minister Gladstone then arose and offered the 1881 "Urgency Rule," by which, on a 3-to-1 vote of the House that a measure was urgent, "the powers of the House for the regulation of its business" were vested completely in the Speaker. He could do whatever the House had power to do. What followed is revealed in Hansard's Parliamentary Debates for February 25, at a later stage of the person and property filibuster:

"Mr. O'Donnell: I wish to say—and I will delay the House only a very few minutes—

"Mr. Speaker: It appears to me to be the general sense of the House that the question should be now put.

"The Marquess of Hartington [a Secretary of State]: I beg to move, sir, that the question be now put."

"Motion made, and question put, 'That the question be now put.' "

The motion carried, 282 to 32, and the House then voted 281 to 36 "That this bill do pass."

This took place nearly 2 years before the word "closure" or the "closure rule" came into the House of Commons rules. What actually happened was that on the Speaker's initiative, and in fulfillment of the mandate given him to stop filibusters, the wording of the previous question was employed, deliberately and knowingly, for the specific purpose of ending debate and forcing a vote on the bill. The same thing happened 4 days later on another bill, and in each case the action was indexed in the Journal of the House of Commons as a motion for the previous question. Here are the two entries in the index to the 1881 Journal:

"Question, previous; put and agreed to, it appearing to Mr. Speaker to be the general sense of the House, That the question be now put [page] 96. Mr. Speaker having stated that he collected from the last division, that it was the general sense of the House, that the question be now put, 100."

Thus we find that after closing debate 491 times in the 17th century, through the motion for the previous question, the House of Commons deliberately resorted to the same instrument in 1881, for the purpose of ending filibusters. Back of all this is the demonstrated fact that the House of Commons, like any parliamentary body, has power to insure the orderly transaction of business according to the will of the majority, and that this power was effectually exercised by the Speaker, with the unspoken assent of the House, before he was formally clothed with this authority.

Apply these long lines of precedent to the current controversy over the senatorial filibuster, in which the previous question is likely to be invoked during the process of changing the rules. It is clearly revealed, not only that cloture was the most familiar result of moving the previous question during the first century of its use, leading logically to the American use of it for that purpose, but that British practice took the same direction when the need arose in the 1880's. And it is evident that any attempt to filibuster the putting of the motion for the previous question is contempt of the House under parliamentary practices running back to 1604.

If British precedents are to be invoked today, to curb the right of the United States Senate to change its rules through the freely expressed will of the majority, it will have to be done in defiance of English history as well as of the United States Constitution.

Yours sincerely,

IRVING BRANT.

Mr. DOUGLAS. Mr. President, Mr. Brant's findings are summarized in the following sentence of his letter:

> The result is a mountain of evidence that, measured by its effect, the previous question was infinitely more important in the early period as a producer of cloture than as a method of postponing a question.

The proof of this assertion is found in the figures Mr. Brant cites on the use of the previous question motion in the British House of Commons. First, however, recall that the proponents of the filibuster have claimed that the previous question motion in the early Senate was like the rule in the British Parliament in that—they say—it did not limit debate but avoided a vote on a subject. And my distinguished colleague, the senior Senator from Georgia, referred to the previous question motion in the early Senate:

> That was the previous question rule from the British Parliament, which applied in that body for many years. A motion for the previous question was in the nature of a motion to postpone consideration of a bill before the Senate.

Mr. Brant made an extraordinary study of the many occasions on which this motion was used, and has tabulated the results. It is a tremendous feat of research, and is extremely important in the study of this question.

Well, what was that motion in the British Parliament, and what effect did it have?

In the 17th century—that is, from 1604, when it was first adopted, to 1700—12 years after William and Mary ascended the throne of England—the previous question was moved on 736 occasions. Its effect was to close debate 491 times and to postpone only 245 times.

From 1700 to 1790—that is until the time when the first Senate of the United States adopted the previous question rule—the previous question was moved in the House of Commons 163 times. Its effect was to close debate 48 times, and to postpone 115 times.

Thus, in the almost 2 centuries of usage of the previous question rule in the British Parliament before it was adopted in the first Senate, we find that it was moved on 899 occasions. Its effect was to limit or close debate 539 times, and to postpone on 360 occasions.

So if the previous question motion in the early Senate was, as the proponents of the filibuster claim it was, the rule from the British Parliament, it is quite clear that it was a rule whose effect was to limit debate 60 percent of the times it was used prior to its adoption by the first Senate. Thus, its principal use was to close debate, and Mr. Brant is not in error when he states that there "is a mountain of evidence that, measured by its effect, the previous question was infinitely more important in the early period as a producer of cloture than as a method of postponing a question."

From 1790 to 1882—when the House of Commons adopted a specific cloture rule—the previous question motion actually limited debate on no less than 67 occasions. In this latter period the motion resulted in postponement on something like 294 occasions.

The form of the previous question motion in the British House of Commons evolved over the years, and the motion before 1882 was put "that that question be now put." If the "yeas" prevailed, debate was stopped and the main question voted on. When the "nays" prevailed, the main question to which it referred was postponed.

It should be noted that this motion was in the affirmative form, and the negative form of the previous question only came into use in the House of Commons in 1888.

In 1877, when the House was faced with obstructive debate over the South African bill, the Speaker ruled that—as was the tradition of the House—a Member who was willfully persistent in obstructive debate was guilty of contempt of the House. It should be emphasized that he was not announcing a new principle, but said at that time that everyone knew that obstruction was in contempt.

The House of Commons then had no cloture rule as such. The previous question had often had the effect of closing debate. The rules of Parliament, wrote Sir Thomas Erskine May (the Clerk of the House), in describing the situation, were designed to afford every legitimate opportunity of discussion. In the observance of these rules he said, "Freedom of debate has been respected with rare patience and self-denial." He then continued, and the citation is May's Law and Usage of Parliament, ninth edition, 1883, page 380:

> But of late, these salutary rules have been strained and perverted, in the House of Commons, for purposes of obstruction.

It became clear that such a course, if persisted in, would frustrate the power and authority of Parliament and secure the domination of a small minority, condemned by the deliberate judgment of the House and the country. That it was unparliamentary and opposed to the principles of orderly government was manifest, and on the 25th of July, 1877, it was declared by the Speaker:

> That any member willfully and persistently obstructing public business, without just and reasonable cause, is guilty of a contempt of the House, and would be liable to such punishment, whether by censure, by suspension from the service of the House, or by commitment, as the House may adjudge. (Sir T. Erskine May's Law and Usage of Parliament, 1883 edition, pp. 380–381.)

So, instead of converting the motion for the previous question into a means of cloture at that time, the Speaker asserted the power of the House, under general parliamentary practice, to stop a filibuster by suspending the participants or committing them. I ask those of my colleagues who appeal to British Parliamentary practice as a guide to decision of points of order in the United States Senate, whether they are willing to be governed by this particular Parliamentary power? Which would they prefer, to let debate be closed by moving the previous question—as is done in all other American legislative bodies—or would they rather be dealt with by a citation and punishment for contempt, which is an alternative if the general parliamentary practice of the British House of Commons is invoked.

In 1878, a select committee of the House of Commons was appointed to study the problem of obstructive debate and to make a report on that problem.

It will be recalled that the Irish leader, Isaac Butt, died in 1879 and Charles Stewart Parnell took over the leadership of the home-rule movement. As the eminent Oxford historian, Keith Feiling, put it, Parnell "set to work on two fronts: at Westminster, to make Parliament unbearable by obstruction until Ireland's claims were heard, and to bid one British party up against the other"—Keith Feiling, A History of England, London, Macmillan, 1950, page 978.

So it happened that the question of how to deal with obstructive debate came inescapably before the British House of Commons soon after the Speaker made his 1877 ruling.

The next move was the adoption of a standing order in 1880, under which any Member who was cited by the Speaker for willfully obstructing debate was suspended. Several Members were suspended, but the obstruction increased.

In February of 1881 the situation became so intolerable that I wish to quote the following from Hansard's Parliamentary Debates, third series, volume 257, column 2032, during the debate over the protection of person and property—Ireland—bill:

(9 a. m. Wednesday, February 2 [1881])

At this time Mr. Speaker returned to the House and resumed the chair; and the honorable Member for Cavan at once resumed his seat.

Mr. Speaker thereupon addressed the House as follows:

"The motion for leave to bring in the protection of person and property (Ireland) bill has now been under discussion for above 5 days. The present sitting, having commenced on Monday last at 4 o'clock, has continued until this Wednesday morning, a period of 41 hours, the House having been frequently occupied with discussions upon repeated dilatory motions for adjournment. However prolonged and tedious these discussions, the motions have been supported by small minorities, in opposition to the general sense of the House.

"A crisis has thus arisen which demands the prompt intervention of the Chair, and of the House. The usual rules have proved powerless to insure orderly and effective debate. An important measure, recommended in Her Majesty's speech nearly a month since and declared to be urgent in the interests of the State by a decisive majority, is being arrested by the action of an inconsiderable minority, the Members of which have resorted to those modes of 'obstruction' which have been recognized by the House as a parliamentary offense.

"The dignity, the credit, and the authority of this House are seriously threatened, and it is necessary that they should be vindicated. Under the operation of the accustomed rules and methods of procedure, the legislative powers of the House are paralyzed. A new and exceptional course is imperatively demanded; and I am satisfied that I shall best carry out the will of the House, and may rely upon its support, if I decline to call any more Members to speak, and at once proceed to put the question from the chair. I feel assured that the House will be prepared to exercise all its powers in giving effect to these proceedings.

"Future measures for insuring orderly debate I must leave to the judgment of the House. But I may add that it will be necessary either for the House itself to assume more effectual control over its debates or to entrust greater authority to the Chair."

Question put, "That the words proposed to be left out stand part of the question."

The House divided—ayes 164, noes 19. Majority, 145.

The Speaker then proceeded to put the main question, which was agreed to without a division.

[These proceedings cause great excitement among the Members present; and those who had voted in the minority withdrew from the House, crying, "Privilege! Privilege!"]

* * * * *

Mr. GLADSTONE. I propose to move tomorrow the following resolutions:

1. If upon notice given a motion be made that the state of public business is urgent, and if on the call of the Speaker 40 Members shall support it by rising in their places, the Speaker shall forthwith put the question [that the public business is urgent], no debate, amendment, or adjournment being allowed * * * and if the question be resolved in the affirmative by a majority of not less than three to one, the powers of the House for the regulation of its business upon the several stages of bills, and motions, and all other matters, shall be and remain with the Speaker, until the Speaker shall declare that the state of public business is no longer urgent.

This was adopted February 3, 1881, and the bill was voted to be urgent. The effect of this proposal was to affirm that the House had full authority to regulate its proceedings and to delegate this power to the Speaker to exercise at his discretion.

A few weeks later, there were two further incidents which show how effective the power of the Speaker to limit debate really was. I quote again from Hansard's Parliamentary Debates, third series, volume 258, column 1832, during the Debate over the Protection of Person and Property—Ireland—bill on February 25, 1881:

Mr. O'DONNELL. I wish to say—and I will delay the House only a very few minutes——

Mr. SPEAKER. It appears to me to be the general sense of the House that the question be now put.

In other words, he was shutting off debate.

The MARQUESS OF HARTINGTON. I beg to move, sir, that the question be now put.

[Hartington was described as "one of Her Majesty's principal Secretaries of State."]

Motion made, and question put, "That the question be now put."

[Ayes 282, noes 32. Question put, "That this bill do pass." Ayes 281, noes 36.]

And this action led to the following entry in the Index:

Question, previous; put, and agreed to, it appearing to Mr. Speaker to be the general sense of the House, that the question be now put, 96.

The second incident is found in Hansard, same volume, column 2017, March 1, 1881, on the debate over the Peace Preservation—Ireland—bill:

[Motion before the House that debate be adjourned.]

The MARQUESS OF HARTINGTON. I hope the House will not assent to this motion, but that it will determine to conclude this debate tonight. If we may judge from the tone and character of most of the speeches recently delivered, it appears to me that there is not material for another discussion.

(Journal of the House of Commons, p. 100, March 1, 1881)

[Motion to adjourn debate defeated, after midnight, 202 to 21.]

And, Mr. Speaker, having stated that he collected from the last division that it was the general sense of the House that the question be now put:

A motion was made, and the question being put, that the question be now put.

The House divided.

The yeas to the right.

The noes to the left.

[Tellers named.]

Yeas 200, noes 22.

[Main question carried by same vote, authorizing the bringing in of a bill to amend the law relative to possession of firearms in Ireland.]

And this action also led to the following entry in the Index for March 1, 1881:

Question, previous, put, and agreed to * * * Mr. Speaker having stated that he collected from the last division, that it was the general sense of the House, that question be now put, 100.

These incidents show how the Speaker exercised the power to regulate proceedings and that the official index to the debates show the incidents as examples of the previous question which, on these occasions, closed debate and was used for that specific purpose.

Following these events it was decided that a formal system of closing debate would be more effective—as certainly it would be less irritating—than punishment for contempt. Thus, in 1882, the House adopted a cloture rule. The form of the motion was "That the question be now put." As a result, the House of Commons had two motions—the previous question and a cloture motion. They were both worded in the affirmative and they differed in form only between a "that" and a "the", that is.

Previous question: "That that question be now put."

Cloture: "That the question be now put."

There was another difference between these two motions apart from the difference between a "that" and a "the." Both ended debate and brought a vote if the "yeas" prevailed, but there was a difference between them when the "nays" prevailed. If the "nays" prevailed when the previous question was put, the effect was to postpone the matter. If the "nays" prevailed when cloture was put, debate continued.

Because these differences were so subtle and because the forms of the motion were so much alike, the Speaker, in 1888, proposed a change. He proposed that the form of the "previous question" be changed to the negative form, namely, "That the question be not now put." He did this for two obvious reasons. First, because when both motions were in the affirmative, it was easy to confuse one with the other. Second, as the "previous question" was ordinarily put for the purpose of postponement, but had the effect of cloture if the "yeas" prevailed and of postponement if the "nays" prevailed, the Member moving the previous question motion for the purpose of postponement had to vote against his own motion—or "nay"—if he wished his purpose to be fulfilled.

So, what happened was that the House of Commons actually followed two American precedents. In effect, it adopted the American system of using the previous question as a means of stopping debate, but changed the name of it from the previous question to cloture. It then preserved the motion for the previous question and held it to its original purpose of postponing a vote, by adopting the wording which we in the United States employed to achieve that end during the period of our confederation. It should be recalled, however, that the effect of its use in the Continental Congress was to end debate. Do not get the impression that this was a mere coincidence. I quote the words in which Sir

Thomas Erskine May, the Clerk of the House of Commons, suggested the change. It is to be found on page 304 of the 1883 edition of his Law and Usage of Parliament:

> In 1778, the Congress of the Confederation adopted the "previous question" in a negative form, i. e., "that the main question be not now put," which appears to be a superior form to that used in this country and is still followed, though with different objects, in America.

Sir Thomas explained the difference in a footnote on the same page:

> In America, the effect of the previous question is immediately to suppress all further discussion of the main question.

So there we have it.

In the United States, direct progression from original use of the previous question as a means of postponement, to universal use of the same motion as a means of forcing a vote.

In England a similar direct progression from one purpose to the other, but with the old form of the previous question given the new name of cloture, and the old purpose of the previous question preserved by giving the motion a new form.

Yet even in the House of Commons today, where the negative form of the previous question continues to be employed, the defeat of that motion will produce the full effect of cloture just as surely as will the carrying of the affirmative motion. In other words, two negatives make an affirmative. That is made perfectly clear in the latest edition—published in 1950—of May's treatise on parliamentary practice. I quote from page 389:

> If the previous question be resolved in the negative, the original on which it was moved must be put forthwith, no amendment, debate, or motion for adjournment being allowed, because, as the House has negatived the proposal, "That that question be not now put," the question must be put at once to the vote.

It is, therefore, clear that in both the United States and England, all of the legislative bodies that have been confronted with filibusters—all of them that have been so confronted except the United States Senate—have done what was necessary to rescue the legislative process from the obstructive tactics of a small minority. Majority rule has prevailed, with the rights of the minority respected.

Now let me discuss this development to curb excessive debate. It is perfectly clear from what I have already said, that in England, the principal effect of the motion for the previous question in early years was to close debate. In later years, its principal effect was to postpone a question on which the maker of the motion did not desire an immediate vote although its effect was still to limit debate on numerous occasions. It is not less true that in England even today, the effect of putting the motion for the previous question—in case the House does not wish for a postponement—is to bring the main question to an immediate vote, without debate or amendment.

Finally, it is an unchallengeable fact that in parliamentary bodies in the United States, for about a century and a half, the previous question has been moved for the primary and explicit purpose of cutting off debate and forcing the main question to a vote.

How has this American development come about? Some will say it has come about by a perversion of the original rule. They simply complain that parliamentary bodies in the United States have converted the original British rule to postpone to a motion to limit debate.

But the truth is as we have seen that at the time the early Senate used the previous question as cloture, the British had, in fact, ended debate hundreds of times by that same method.

Others will explain this American development by saying that the motion for the previous question was the nearest instrument at hand to do what the Members of the Congress regarded as necessary to be done a hundred and fifty years ago.

I will go further and say—as must be clear from the exposition of the development of the previous question in the House of Commons—that the motion for the previous question was not merely the instrument nearest at hand, but that it was and still is far better adapted to the purpose of cloture than to the postponement of a subject. Of all the clumsy, backsided, crablike methods of securing a temporary postponement, the motion for the previous question is about the worst, when employed and worded as it was in the British House of Commons while that body was creating the alleged precedents—and I emphasize "alleged"—which are supposed to hogtie the American Senate today.

The reason is that prior to 1888, a Member of the House of Commons who did not want a question voted on made a motion that it should be voted on, now. He then voted against his own motion. If a majority did likewise—that is, if the motion was defeated—the subject was postponed to a future day. But if the motion carried, that was a vote to put the main question now, and it was put instantly, without debate and without amendment.

What was needed to convert the motion for the previous question from a method of postponement into a method of cloture? Nothing whatever was needed except that the Member who made the motion should wish it to carry, instead of wishing it to be defeated. All that was needed to make the motion effective for the purpose of cloture was that a majority should vote for it.

That is the sum total, the absolute total, of this supposed American subversion of a sacred English institution. How sacred was it? We have seen that the British in the House of Commons in the 17th century voted on the previous question 736 times. The result was "cloture" 491 times and "postponement" 245 times. Using only the logic of words, the House of Commons perverted its own rule more than two-thirds of the time. But, judging the matter both by the logic of words and the logic of results, it seems more natural to conclude that the British did not pervert their rule at all. Quite to the contrary. The utterly absurd and illogical system by which a man voted against his own motion has all the appearance of a reversal of the original process. Certainly, in the early days of America, our lawmakers merely decided that a motion to vote on a question now was a motion to vote on it now. That seemed more natural to them than to move to vote on it now in order to defeat the motion and prevent a vote on it now. I call that supposed perversion of the rule a natural, logical, and commonsense development, thoroughly typical of our countrymen at the beginning of the 19th century. Right at that time a young diplomat—secretary of a foreign legation in Washington—wrote home as follows:

> [In Congress] there are about five persons who look like gentlemen. All the rest • • • are well, indeed, if they look like farmers, but most seem apothecaries and lawyers." (Augustus Foster to his mother, Lady Elizabeth Foster. Foster papers, Library of Congress.)

I do not know about the lawyers, but it is my opinion that the farmers and apothecaries believed in putting motions that produced their desired effect by being passed, not by compelling a legislator to vote against his own motion.

V. CONCLUSION

In summary, it is clear that the United States Senate from 1789 to 1806 had a motion for the previous question. This motion was put in both affirmative and negative forms. Depending upon the will of the Senate, a vote on the motion could either postpone or it could end debate and bring the main question to an immediate vote. As it happened, on two occasions the purpose and effect of the motion was to postpone. On two other occasions the motion was moved for the purpose of closing debate and bringing a vote. On one of those two occasions that actually happened and on the other occasion the motion—though not voted on—achieved the same result.

Further, it is clear that the Senate, through the Vice President, had the power to limit or stop obstructive debate. On the one hand, the Vice President had the power to decide points of order without an appeal to the Senate. On the other, Jefferson's Manual provided that "No one is to speak impertinently or beside the question, superfluously or tediously." From the history of the Senate in those days, it appears that Senators did not use the filibuster and, therefore, it was probably not necessary to invoke this power. However, the latter point is only conjecture, because we do not know the full details of events in the Senate owing to the lack of complete reporting of debates.

Finally, it has been clearly shown that for almost 200 years in the House of Commons, the motion for the previous question served principally to close debate. Later—in the 19th century—it became an instrument of postponement, and then, in the 1880's, the words of the motion were given a new heading—the title of cloture—while the motion for the previous question was given a negative wording which coincided with the purpose of postponement. In the early days of the United States Senate, the previous question was used for the purpose of cloture. It has been so used in

the House of Representatives since 1811, and the same is true of all general parliamentary practice in this country. The evolutionary process in both the United States and England, except for the Senate of the United States, has been the same—toward the orderly use of parliamentary authority to prevent the obstruction of public business.

Broader and deeper than the form, purpose, and effect of the previous question motion in the early Senate and the power of the Vice President to preserve order is the power set forth in the Constitution—the power of the Senate to "determine the rules of its proceedings." The power to determine includes the power to change. That power cannot be taken away by law, by preexistent rules, or by precedent. It most certainly cannot be taken away by invoking the fictional tradition of a past that never was. Whenever a majority of a quorum in this body decides to cut loose from the tentacles of the filibuster, it will have the power to do so without "let or hindrance" from those who believe that democratic self-government is fulfilled in the paralysis of the legislative process.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the Memorandum on the Development of Cloture and the Previous Question in American and British Practice, by Irving Brant.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM ON THE DEVELOPMENT OF CLOTURE AND THE PREVIOUS QUESTION IN AMERICAN AND BRITISH PRACTICE

(By Irving Brant)

The motion for the previous question originated in the British Parliament at the beginning of the 17th century. It was used in the American Continental Congress late in the 18th century and appeared in the first rules of both Houses of the United States Congress in 1789, but was dropped by the Senate in 1806.

"The previous question," it is stated in Sir Thomas Erskine May's Law and Usage of Parliament, "is an ingenious method of avoiding a vote, upon any question that has been proposed." But if the majority does not wish to avoid a vote, the effect of putting the previous question is to cut off debate and force the main question to a decision at once. Thus the rule can, with equal ease, be made a method of postponement or an instrument of cloture, regardless of variations in the form of the motion or the original purpose of it.

FORMS OF PREVIOUS QUESTIONS

In the British House of Lords, the Lord Speaker puts the question, "Whether the original question be now put."

In the House of Commons the words of the motion are negative, "That that question be not now put."

In our Continental Congress, it was moved "That the main question be not now put."

In the United States Senate, from 1789 to 1806, the prescribed wording was, "Shall the main question be now put?"

In our House of Representatives, the wording duplicated the Senate version from 1789 until 1880, when it was decided that the Speaker, on motion, should ask for the yeas and nays on ordering the previous question.

One would suppose, from the origin of the previous question and the present wording in the House of Commons, that the negative form originated in the Commons and was transplanted to America. That is not the case. Until 1888 the House of Commons used the affirmative form, and the circumstances of the change throw a striking light upon the present difference between American and British practice.

ENGLAND FOLLOWS CONTINENTAL CONGRESS

In the ninth edition (1883) of May's Law and Usage of Parliament, the author (who was clerk of the House of Commons) called attention to the awkward wording of the previous-question motion then in use: "That that question be now put. To use that motion in order to postpone or get rid of the subject, May pointed out, the mover had to vote against his own motion. He then suggested a change in wording based on American precedent:

"In 1778, the Congress of the Confederation adopted the previous question in a negative form; i. e., 'that the main question be not now put,' which appears to be a superior form to that used in this country, and is still followed, though with different objects, in America" (p. 304).

AMERICAN PURPOSE IS CLOTURE

This transatlantic difference was explained in a footnote:

"In America, the effect of the previous question is immediately to suppress all further discussion of the main question. Cushing, Law and Practice of Parliamentary Assemblies, 1855, pages 553, 554."

May's statement, made at a time when the United States Senate had no previous-question rule, referred to the general American practice. That is described as follows in Hughes' American Parliamentary Guide.

"The previous question in American assemblies is used exclusively to close debate and prevent amendments.* * * [It] may not be debated. May not be amended. * * * May not be postponed." (Pp. 159, 569, 1924 edition.)

CLOTURE AND PREVIOUS QUESTION IN ENGLAND

Now, observe what was happening in England when May wrote about the differing purposes of the previous-question rule in the two countries. The year before, in 1882, the House of Commons had adopted a permanent closure rule which required an immediate vote on a motion "That the question be now put." This motion enabled a majority of members present to force an immediate vote on the main question. The closure rule was used at once, and freely, but 6 years passed before a member moved the previous question. The Speaker thereupon said (March 20, 1888):

"If I were to propose that question in the customary form, the terms of the motion would be 'That that question be now put,' words which are almost identical with the words of the motion for the closure of a debate."

They were indeed almost identical. The motion for the previous question differed from a motion for closure only by the difference between a "that" and a "the."

Previous question: "That that question be now put."

Closure: "That the question be now put."

"That" and "the" both referred to the same question. If the first was defeated, the subject was set aside but could be resumed on a future day. If the second was defeated, debate was resumed at once. But if either motion received an affirmative majority, the main question had to be put to an immediate vote, without debate or amendment.

The Speaker then proposed and the House agreed to adopt the negative form "That the question be not now put,"—the form used in the American Continental Congress.

"PREVIOUS QUESTION" ALWAYS STOPS DEBATE

Thus it came about that in the House of Commons today the closure motion is worded affirmatively, the motion for the previous question is worded negatively. If the affirmative motion is defeated, the debate goes on. If the negative motion receives an affirmative majority, the subject is set aside till another day. But all debate is cut off and the main question is put to an immediate vote if the majority votes affirmatively on the motion with the affirmative wording, and the same is true if the majority votes negatively on the motion with the negative wording. This latter effect is clearly stated in the 10th (1893) edition of May's Law and Usage of Parliament:

"If the previous question be resolved in the negative, the original question must be put forthwith, no amendment, nor debate, nor motion for adjournment being allowed, because, as the House have negatived the proposal, 'That that question be not now put,' the question must accordingly be put at once to the vote."

When one considers the microscopic difference between cloture and the previous question in the original form of these British motions, and considers also that every form of the previous question establishes cloture when the majority votes that way, it becomes easy to see why the motion for the previous question has become the prevailing instrument of cloture in the United States.

USE OF MOTION IN HOUSE OF REPRESENTATIVES

In the use of this motion it is far easier to trace the course of events in the House of Representatives than in the Senate. The halting of debate in the House, through the motion for the previous question, became fully established in the bitter contest over foreign policy preceding the War of 1812. On February 27, 1811, with sine die adjournment compulsory on March 3, the climax was reached in a long filibuster which threatened defeat of the nonintercourse bill. The Democratic majority held the House in session all night. Between 2:30 in the morning and 5 o'clock, the previous question was moved and carried 6 times. Here are the entries in the Annals which describe the decisive use of the motion to force a final vote:

"Mr. P. B. Porter then said that, for the purpose of coming to a decision on the bill, and putting an end to a scene which was, to say the least of it, disreputable to the House, he moved for the previous question on engrossing the bill."

The motion carried and the bill was engrossed, and then, say the Annals, "The previous question was required on its passage, and carried in the affirmative."

SENATE WAS ONCE A FAST-ACTING BODY

Philip Morier, British chargé d'affaires, relayed to London the slanderous report he received from Federalist Congressmen, that the bill "was passed amidst the drunken shouts of the majority" at 5 o'clock in the morning. Instead of recording statistically what happened in the Senate, when that controversial bill arrived 3 days before the demise of Congress, allow me to quote what I wrote about it in James Madison, the President:

"The sober Senate, in which filibusters were unknown, passed it in 2 days' time, and the President signed it almost before the ink was dry." (P. 263.)

This contrast in speed between House and Senate was fairly typical. The most controversial treaty in American history, prior to the struggle over the League of Nations, was the one negotiated by John Jay with England in 1794. The Senate rejected 1 article and called for renegotiation of others, yet ratified the treaty in 2 weeks. The House made a 4 months' fight against the implementation of it. New England Senators violently hated the 1803 Louisiana Purchase, and could have nullified it by 2 weeks' delay in the exchange of ratifications. Yet the treaty of cession was ratified in 2 days.

EARLY SENATE RULE ON PREVIOUS QUESTION

In appraising the powers and actions of the Senate before 1806, in regard to limitation of debate, it is necessary to hold three things in mind:

1. The absence of the filibuster during that early period.

2. The purpose and effect of the limitations actually placed on debate—whether they represented a primary purpose or an incidental effect.

3. The power of the Senate to curtail debate as a primary purpose, regardless of whether the actual curtailments were primary or incidental.

The first and third of these chiefly affect the conclusions to be drawn; the second directly involves the circumstances of the actions. Those circumstances are not easy to ascertain, because the Senate in early years held all its meetings behind closed doors. The Annals of Congress, which are mostly a compilation of unofficial stenographic reports and summaries published in newspapers, contain no record whatever of Senate debates before 1800, and the Senate Journals and Executive Journals are of course empty of them.

Senate rule VIII, adopted in 1789, made the motion for the previous question a privileged motion, and rule IX prescribed its wording and the manner of its use:

"The previous question being moved and seconded, the question from the chair shall be: 'Shall the main question be now put?' And if the nays prevail, the main question shall not then be put."

FIRST USE OF PREVIOUS QUESTION IN SENATE

This was first resorted to on August 17, 1789, when the Senate had before it a House bill authorizing an appropriation of $40,000 to pay the expenses of treaty negotiation with the hostile Creek Indians. A Senate committee reported this bill favorably, but advised a pledge in addition that if the treaty should fail to establish peace, "Congress will make such grants of money" as might be necessary to protect the frontier.

The report was rejected, whereupon its backers offered a motion empowering the President to "draw on the Treasury for defraying the expenses" of troop movements that might be made necessary by failure of the treaty. The Senate Journal next records:

"And on the motion for the previous question, to wit: 'Shall the main question be now put?' It passed in the negative. The Senate adjourned to 11 o'clock tomorrow."

On the following day, by a vote of 12 to 7, the Senate struck "$40,000" out of the House bill and inserted "$20,000." A new resolution was then offered to give the President discretionary spending power. Like its predecessor, this resolution encountered a motion for the previous question and the result was the same. "It passed in the negative," records the Senate Journal. "And on the question upon the bill, it was resolved, to concur therein with the amendment."

Since the movers of the previous question are unidentified and the yeas and nays were not taken, there is no tangible record to show whether these two motions were intended to force a vote on the two resolutions or to get them out of the way. The latter seems more probable because such a maneuver would enable the economy bloc, which enjoyed a 12-to-7 majority, to avoid an indefinite grant of spending power to the President and yet escape the odium of a vote against the defense of the frontier.

NEGATIVE FORM USED FOR POSTPONEMENT

The previous question was next moved on January 12, 1792, when the Senate was considering the nomination of William Short, then chargé d'affaires at Paris, to be Minister at The Hague. President Washington, on December 22, had submitted Short's name for the Holland post along with those of Thomas Pinckney and Gouverneur Morris for London and Paris. All three legations had been without a minister for some years.

On December 29—the fourth day of debate—a motion was offered "that, in the opinion of the Senate, it will not be for the interest of the United States to appoint ministers plenipotentiary to reside permanently at foreign courts." This was amended next day to read "that the Senate do not possess sufficient evidence to convince them that it will be for the interest," etc., and was referred to a committee to report generally thereon.

The committee reported on January 6 that from the facts communicated to them, they are of opinion that there is now a special occasion for appointing a Minister to the Court of London. Pinckney was thereupon confirmed without a rollcall. A fight was made against the report that there was a special occasion for appointing a minister to France, but it carried 19 to 7 and on the following day Morris was confirmed, 16 to 11.

PART OF AN ISOLATIONIST FIGHT

On the nomination of William Short, the committee reported the information obtained from the Secretary of State on this subject. The information unquestionably was favorable, for Secretary of State Thomas Jefferson had unbounded admiration and affection for Short, his former Secretary of Legation at Paris. The report, however, was followed by a motion "that there is not, in the opinion of the Senate, any present occasion that a Minister should be sent to The Hague." The Executive Journal continues:

"On this motion, the previous question was moved for, to wit: 'That the main question be not now put.'"

On motion, the nomination and motion of disapproval were put over till Monday, the 16th. On that day, the previous question was put to a vote which came out 13 to 13. The Executive Journal then records:

"The numbers being equal, the previous question was by the Vice President determined in the affirmative."

Since the motion was worded in the negative, this was a decision that the question be not now put. The Senate thereupon confirmed Short, 15 to 11.

DANGEROUS DEBATE IS AVOIDED

In this instance, it will be noted, the Senate disregarded the form of previous-question motion prescribed in rule IX and went back to the negative form used in the Congress of the Confederation. The reason for that is evident in the nature of the conflict. Besides wanting to get rid of all foreign legations, the Senate isolationists were rubbed raw by the fact that in Holland the United States owned an expensive, long-empty hotel which had been bought by Minister John Adams during the Revolution to impress money-lending Hollanders with the soundness of American securities. If that issue were debated in the Senate, Short would be in trouble.

Of the 13 Senators who voted for the motion not to put the motion, 12 voted immediately afterward to confirm Short. By moving the previous question, they not only got rid of a dangerous resolution, but limited the debate on confirmation to the issue of Short's fitness for the place—an issue on which he was impregnable. If any Senator undertook to speak against the mission itself, he would be subject to a ruling by Vice President John Adams that he was violating the decision on the previous question. The purpose and effect were made unmistakable by the resort to the negative wording of the motion, which conflicted with the rules of the Senate. As it was, the tie vote broken by the Vice President was taken as an omen of ultimate defeat. Secretary of State Jefferson sent orders to Holland that the legation building be sold at once and advised Short to apply for a transfer to some other post. Congress, he wrote, was likely to close the one at The Hague by refusing an appropriation for it.

SENATE FORCES VOTE BY "PREVIOUS QUESTION"

The previous question was moved on a third occasion on February 26, 1799, during a lull in the excitement which resulted from the XYZ disclosures. Following a conciliatory overture by Talleyrand to William Vans Murray, who had succeeded William Short as Minister at The Hague, President John Adams on February 18 nominated Murray to be the American Minister at Paris. Faced with a senatorial revolt, he shifted on the 25th to the nomination of Chief Justice Ellsworth, Patrick Henry and Murray as envoys extraordinary to France, with treaty-making powers. The next day a motion was offered, declaring that the new message superseded the prior nomination of Murray alone. The previous question was moved in the form prescribed in the rules: "Shall the main question be now put?" Both it and the main question, the Executive Journal reveals, were "determined in the affirmative." One can only speculate as to the circumstances which produced this motion for the previous question. It involved no hostility to Murray, who was the only one of the three special envoys to receive unanimous confirmation. The motion could have been made to prevent or cut off a politically dangerous debate—for the sending of this peace mission wrecked the Adams Cabinet and split the Federalist Party asunder. It could have been an impatient way of preventing a waste of time discussing a question that required no discussion. If nobody wanted to talk there was no reason to make the motion. The one certainty is that the previous question was moved to bring the main question to an immediate vote, not to postpone it. Thus it disproves the contention, made on the Senate floor on January 4, 1957, that the Senate before 1806 governed its practice solely by "the previous-question rule from the British Parliament, which * * * was merely a method of disposing of a measure, without taking action on it at that time."

"PREVIOUS QUESTION" IN IMPEACHMENT TRIAL

The last senatorial motion for the previous question was made on March 10, 1804, when the Senate was sitting as a court in the impeachment of Judge John Pickering. Climaxing a 3-day debate behind closed doors, Senator White, of Delaware, offered a resolution—regarded by the majority as an accusation of ex parte prosecution—"That this court is not at present prepared to give their final decision" upon the articles of impeachment. The reason: no inquiry had been made into the suggestion that the judge had failed to appear because he "was and yet is insane." The official record recounts a series of objections and out-of-order motions leading up to the following:

"Mr. Nicholas hoped it would not be permitted to go upon the journals of the court.

"Mr. Jackson moved the previous question, viz: 'Shall the main question be now put?'"

Senator White wanted the yeas and nays on whatever was done to dispose of his resolution. Then:

"On motion of Mr. Dayton, the galleries were cleared and the doors closed.

"At 3 o'clock the doors were opened, and the question was taken upon the resolution as at first submitted, yeas 9, nays 19" (Annals of Congress, Eighth Cong., first sess., pp. 362–363).

This record reveals the alinement, Jackson being a lieutenant of Nicholas, who was President Jefferson's right hand man. In other respects it's far from clear. However, the diaries of Senators John Quincy Adams and William Plumer make it evident that the Official Reporter transplanted the motion to close the doors, to the point at which they were reopened. The galleries were actually cleared (though not at the first attempt) a short time after the resolution was intro-

duced; the previous question was moved just before the reopening. The remark by Nicholas, which preceded the motion, was made in the middle of a debate which would have been out of order in open session. Both this fact and the nature of the struggle are made clear in the diary of Senator Adams, a Pickering supporter.

MAJORITY WANTED TO PREVENT DEBATE

"On this resolution (wrote Adams) it was not without the utmost difficulty that any discussion whatsoever could be obtained."

He described an opening maneuver by Senator Nicholas, the majority leader, and then wrote:

"The next struggle was to prevent all debate upon the resolution. By our rules there can be no debate on any motion in open court. A motion to close the doors for the purpose of discussing the resolution was rejected."

Senator Smith, of Ohio, asked the meaning of part of White's resolution. The answer could not be given in public, so he reversed his position and furnished the additional vote needed to go into conclave. Thereupon, wrote Adams:

"The galleries were cleared, and a short discussion of the resolution was held * * * Mr. Anderson [of Tennessee] and most of the Members of the majority all the time manifesting the most extreme impatience to open the doors and stop all further debate."

The nature of the discussion is indicated by Senator Plumer's record of the remarks of the majority leader:

"Mr. Nicholas vociferated, order, order, order—I will not submit to hear our proceedings called by the degrading name of a mock trial."

To which White replied that he did not mean to offend the Virginia Senator, but he would not retract his words:

"If in this I have offended him, I am willing and ready to give him satisfaction at any time and place he will please to name."

It was in this atmosphere, after this offer to fight a duel, that Senator Jackson moved the previous question and White demanded the yeas and nays. That forced the issue, but at this point the special impeachment rules took over.

OPENING SENATE DOORS HAD EFFECT OF CLOTURE

Under the rules, all motions had to be voted on by yeas and nays in open court. It was necessary to open the doors in order to vote on Jackson's motion. But opening the doors would produce the precise effect desired from the motion for the previous question. It would stop all debate, because debate was forbidden in open session. It would lead at once to a final vote, because the President pro tempore had ruled that the White resolution was fairly before the court and must be disposed of before other business was taken up, while procedural objections by Adams had balked all attempts at amendment. The effect of the majority maneuver was cloture, and Adams bitterly recorded the result:

"The doors were opened. The yeas and nays were taken on Mr. White's resolution—yeas 9, nays 19." (White had walked out.) (Memoirs of John Quincy Adams, I, 302. William Plumer, Memorandum of Proceedings in the U. S. Senate, 1803–07, pp. 173–177.)

I shall now offer some observations on the factual record.

SENATE DID NOT FOLLOW EARLY BRITISH USAGE

Had the Senate been governed by the British practice of using the motion for the previous question to postpone a subject, that would have been the object in all four of the cases in which the Senate resorted to it. Instead, both in 1799 and 1804, the purpose and effect were to bring the main question to a vote, and in the 1804 instance the first objective was to halt a debate which was obnoxious to the majority.

There is no possibility that Senator Jackson moved the previous question in order to postpone the White resolution. Had that been the intention, it would have been necessary for the anti-Pickering forces to put the motion for the previous question to a vote and defeat it, thus deciding not to put the main question. Instead, they cut off debate by opening the doors, put the main question, and defeated it. They halted the debate just 2 hours after the question at issue was formally placed before the Senate.

This action was a little less ruthless than it seems, because the subject of Pickering's alleged insanity had been debated at large, behind closed doors, for the better part of 3 days. A motion to postpone a decision was beaten on March 9, 10 to 20. The repetition of it next day, with accusatory language in the resolution, did not put the majority in a mood to tolerate prolonged and uninhibited debate.

SENATE SET PRECEDENT FOR HOUSE OF REPRESENTATIVES

Observe the similarity of language employed in the debate leading up to this final moving of the previous question in the Senate, and the first use of it in the House of Representatives to stop a filibuster. "Order, order, order," shouted Senator Nicholas. "I will not submit to the degrading [accusations]." And in the House of Representatives, 7 years later, the same rule was invoked to end a debate described as "disreputable to the House." That body, instead of inventing a new form of cloture, was actually following the precedent set in the Senate.

In the sequence of motions for the previous question in the Senate there is a remarkable resemblance to the evolution of the previous question and closure in the British House of Commons. When the supporters of William Short used the "previous question" to avoid a debate and a vote that would imperil his confirmation, they emphasized their purpose by ignoring Senate rules and offering the negative form of the motion, "That the main question be not now put." But when the majority wanted to silence the Senators who were calling the Pickering procedure a mock trial, they adhered to the Senate rules and employed the words, "Shall the main question be now put?"

AMERICAN AND BRITISH PARALLELS IN CLOTURE

That shift in the resort to the two forms is analogous to what took place in the House of Commons in the 1880's, when the form of the previous question was "That that question be now put." Instead of utilizing this for closure without changing the name, the House of Commons reworded the previous question to the negative form which was used by the United States Senate in the case of William Short. The old affirmative British form of the previous question, analogous to the one used by the Senate in the Pickering case, was given the name of "closure." Under that title it is employed today in England for the precise ends which every American legislative assembly, except the United States Senate since 1806, achieves by means of the previous question. In the Senate before 1806, in the House of Representatives since 1789, and in the House of Commons since 1887 (when the original closure rule was strengthened) those three bodies demonstrated their ability to cope with every problem of obstructive procedure which they faced.

VICE PRESIDENT'S RULINGS WERE UNAPPEALABLE

Ability to halt debate in the Senate before 1806 depended on one point alone—whether Senators could talk indefinitely, without let or hindrance, on the motion to invoke the previous question. The answer to that is "No," because in that day there was no appeal from the decision of the Vice President on points of order.

This very point was raised in the Senate during a debate on filibusters in 1891, and the earlier plenary power of the presiding officer was admitted by one of the leading champions of the filibuster in his day—Senator Carlisle, of Kentucky, whose congressional career included three terms as Speaker of the House of Representatives. Carlisle had asserted that "the motion for the previous question was debatable in the English House of Commons from the time it was first established in 1604 or 1605 until the present hour." It was used there, he said, not to suppress debate but to suppress the subject itself without a direct vote on it, "and for that purpose it prevailed in this Senate until perhaps about the beginning of the present century."

Carlisle's assertion about the use of it in the Senate was erroneous though no doubt sincere. What attracted attention, however, was his seeming implication that the motion to invoke the previous question was equally debatable in the House of Commons and in the United States Senate. The following colloquy ensued:

"Mr. ALDRICH. Will the Senator allow me to interrupt him?

"Mr. CARLISLE. Certainly.

"Mr. ALDRICH. Is the Senator aware that in the Senate until 1828 the presiding officer, the Vice President, decided all questions of order without appeal and without debate?

"Mr. CARLISLE. Certainly. * * * The proposition I make is that as soon as you gave the Senate the right to pass upon an appeal, as soon as you provided by your rule that the question should come before the Senate for its decision, then it came there as every other question must come before a legislative assembly, subject to debate unless you provided to the contrary in the rules" (CONGRESSIONAL RECORD, Jan. 21, 1891, vol. 116, p. 1606).

Although he conceded that the Vice President originally possessed power to prevent a filibuster, Senator Carlisle contended that after 1828, when appeals from the decisions of the chair were sanctioned, the Senate became subject to the general parliamentary practice concerning the previous question, which, he said, had been debatable in the English House of Commons "from the time it was first established in 1604 or 1605 until the present hour." On this reasoning, a Senate minority could prolong debate forever, on the changing of a rule, by talking forever against the motion to put the previous question. That has become, in truth, the solitary parliamentary point on which today's Senate minority relies to preserve its power to paralyze the business of Congress.

DEBATE FOR OBSTRUCTION HELD TO BE CONTEMPT

But Senator Carlisle overlooked one fact. If any member of the House of Commons undertook to debate any motion for the willful and persistent purpose of obstructing legislation, he was guilty of contempt and could be suspended or sent to jail. The cloture rule was adopted in 1882, not to create a power to control debate, but to cut it off by a simple vote of the House instead of through the use of its police power. This is made crystal clear in the 1883 edition of May's Law and Usage of Parliament (p. 380):

"The rules of Parliament are designed to afford every legitimate opportunity of discussion, to ensure reasonable delays in the passing of important measures, and to guard the rights of minorities. In the observance of these rules, both houses have displayed a generous regard for the liberty of individual members, and of political parties. Freedom of debate has been respected with rare patience and self-denial. * * * But, of late, these salutary rules have been strained and

perverted, in the House of Commons, for purposes of obstruction. It became clear that such a course, if persisted in, would frustrate the power and authority of Parliament, and secure the domination of a small minority, condemned by the deliberate judgment of the house and the country. That it was unparliamentary and opposed to the principles of orderly government was manifest; and on July 25, 1877, it was declared by the Speaker, 'that any member willfully and persistently obstructing public business, without just and reasonable cause, is guilty of a contempt of the house, and would be liable to such punishment, whether by censure, by suspension from the service of the house, or by commitment, as the house may adjudge.'"

The Speaker was not setting forth a new principle but reasserting an ancient one. The quoted sentence opened with the words, "Now, the house is perfectly well aware" that any member thus obstructing public business is guilty of contempt. The antiquity of that principle can be sensed in the declaration in Jefferson's Manual that no person "is to speak impertinently, or beside the question, superfluously, or tediously." Jefferson based that statement—which clearly outlaws the filibuster—on Hatsell's Precedents, and Hatsell cited a string of prohibitions proclaimed in the spring of 1604. (2 Hatsell, 230–238, 1818 edition.)

In 1880, 3 years after the Speaker of the House of Commons invoked the rule of contempt, this was implemented by a standing order for the suspension of any member named by the Speaker "as disregarding the authority of the chair, or abusing the rules of the house by persistently and willfully obstructing the business of the house, or otherwise." Suspensions followed, says May, but obstruction continued. The house then shifted to a closure rule which controlled the filibusters without resorting to the punishment of individuals.

AMPLE POWER IN SENATE TODAY

From the whole record three things seem clear:

1. The British Parliament, on whose precedents the defenders of the filibuster chiefly rely, has always possessed power, independently of its modern closure rule, to prevent the obstruction of public business through misuse of debate.

2. The United States Senate, from 1789 to 1806, had ample power under its rules to cut off debate and bring any question to an immediate vote, by the action of a majority of Senators present, supported by an unappealable ruling of the Vice President against obstructive tactics. It used its power to this end in 1804.

3. The use of the motion for the previous question to close debate, now virtually universal in American parliamentary practice, is not a perversion of the original rule, but an evolutionary development growing out of the problems of democratic selfgovernment.

Against this arry of facts the defenders of the filibuster have no defense except the erroneous claim that under general parliamentary practice—meaning British practice—the motion to put the previous question may be debated to death. Nowhere in the world is that true and it never has been true. The motion to put the previous question is totally undebatable in the United States House of Representatives and in American State assemblies, which use it expressly for cloture. In the Senate before 1806, any attempt to turn normal discussion of that motion into a filibuster—i. e., to talk endlessly on the question whether the debate had been long enough—could be quelled instantly by the Vice President. In the British House of Commons, ancient usage and modern practice combine to make any debate, on any motion, a contempt of the House when it represents a willful and persistent attempt to obstruct public business. That covers the field.

To put an end to filibusters in the Senate today it is only necessary for a majority of Members present to uphold the Vice President in two rulings. One of these Vice President NIXON has already offered as an informal but officially recorded opinion: That a Senate rule which hampers the power of the Senate to change its rules is unconstitutional.

The other is: That if, in the process of changing the rules, the previous question is invoked under general parliamentary practice, the procedure adopted shall follow either the American rule of no debate on that motion, or the British rule of no obstructive debate on any motion. If the filibusterers wish to jump from the frying pan into the fire, they can appeal to the practice of the United States Senate before 1806, when the British rule of no obstructive debate, reinforced by the unappealable power of the Vice President, enabled the Senate to take the lead in making the previous question an effective instrument of cloture.

Mr. DOUGLAS. Mr. President, because of the widespread public interest in the effort to change the Senate rules to make possible some limitation of debate after reasonable opportunity for discussion, editorials in many leading newspapers expressed support for the move which a group of Senators made in January and for future efforts to curb the filibuster and open the road to the passage of meaningful civil rights legislation. For the information of Members of Congress, I ask unanimous consent to have printed at this point in the RECORD a series of such editorials from leading papers which have recently come to my attention.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch of January 7, 1957]

THE FILIBUSTER UPHELD

There is only one way to describe what the Senate did Friday in preserving the filibuster rule. By this vote of 55 to 38 the minority southern Democrats once more maintained their power to obstruct civil-rights legislation by essentially physical means. And they maintained it through the active cooperation of a majority of the Republican Members, in whose hands lay the ultimate decision.

The filibuster rule was defended by some Senators on the ground that the Senate is a continuous body, and so much operate under the rules of previous sessions. This is one of those intricate, legalistic rationalizations which Senators delight in when they wish to conceal their real motives. The Senate spent its opening day Thursday electing new officers, setting up a new party organization, and receiving new bills and new resolutions—all on the assumption that this was a new 85th Senate, discontinuous from the 84th. How could it suddenly become a continuous body on Friday, solely for the purpose of adopting rules?

The filibuster rule was defended by some Senators as a sacred refuge of minority rights. This is one of those curious inversions that also find special favor on Capitol Hill. The fact is that the whole purpose and intent of the filibuster is to deny legislative protection for minority rights. It is the means by which a southern white majority withholds equality before the law from the southern Negro minority. Nationally, the southern white majority is a minority. But it imposes its will on the national majority through the filibuster rule.

If the Negro minority in the South enjoyed as much unreasonable power as the southern Democrats enjoy as a minority of the Senate, the South would be aflame with angry protest.

Again the filibuster rule has been defended as the guardian of the precious right of democratic debate. This also is so much nonsense. Senators engaged in a filibuster do not debate. They do not discuss issues. They do not explore the merits and demerits of legislation. Instead, they use speech as a means of obstructing truly democratic consideration and decision. They use speech as a method of imposing physical barriers to the transaction of Senate business until the Senate accepts their view of what legislation should be allowed to come to a vote.

For all these reasons, the filibuster rule is doomed to die in time. It might have been beaten this year if President Eisenhower had exerted his power as Republican Party leader. Because he chose to stand aside from the battle, a majority of the Republicans found it easy to vote with the southern Democrats. And, of course, the southern Democrats will be expected to return the favor by supporting the GOP on legislation in the future.

Even so, the move to curb the filibuster got 38 votes plus the support of 2 absentees—a total of 40 votes as compared with only 21 4 years ago. The Democrats increased their antifilibuster vote over 1953 from 15 to 21, and the Republicans from 5 to 17.

Though the filibuster is preserved for another session, this need not mean the end of progress on civil rights. The situation remains what it has been for years. Great strides are possible through strong and effective action of the executive branch and through courageous judicial defense of our constitutional guaranties of equal rights. There is still plenty to do in both these fields while the Nation waits for Congress to join the fight with legislation.

Someday the Senate, too, must step into the 20th century.

[From the New York Herald Tribune of January 6, 1957]

THE SURVIVAL OF THE FILIBUSTER

If the defeat of the attempt to end unlimited filibustering in the Senate was foreseen, it is no less disappointing. Yet progress has unquestionably been made, and the fight is far from over. For one thing, the antifilibuster forces have doubled in strength since the last vote was taken on this issue in 1953. For another, new attempts will be made—Senator KNOWLAND has announced he will introduce an amendment to the Senate rules designed to curb filibusters—although it must be admitted that the chief opportunity for action in this Congress has been lost. And the bold and statesmanlike opinion of Vice President NIXON, which held that the last part of rule 22 forbidding limitation of debate on the rules themselves is unconstitutional, is bound to influence the Senate's attitude, as it has the public at large.

The whole question has been unfortunately confused. There did not seem to be enough distinction made between the fight against the filibuster as a minority veto and the question of changing the rules in general. The Senate is wary of adopting new parliamentary procedures at the opening of each Congress. It justifiably regards itself as a continuing body, and one can agree with Senator LYNDON JOHNSON'S argument that legislative turmoil would result if new rules were adopted wholesale to suit the temper or fashion of the moment. But the point is that in this case it was the filibuster, and only the filibuster, which was the object of attack. The question of new rules was brought up because that was the only way of rooting it out into the open where it could be amended.

Behind this struggle over rules, of course, lies the logjam of civil-rights legislation blocked by the threat of southern filibusters. But even so, advocates of this legislation

are hopeful that some of it, at least, will pass during this session. Public opinion is behind it, and the diehards may well decide to bow to the inevitable. And although the filibuster is still with us, its days may well be numbered.

[From the New York Times of January 5, 1957]

THE RULES REMAIN

As prearranged by the leadership of both parties, the Senate of the United States yesterday turned down the one and only opportunity it will have at this session to make a serious fight against the rules that give to the threat of filibuster its potency.

The parliamentary situation under which the brief debate was held and the foreordained vote taken may perhaps have been another example of Majority Leader JOHNSON's famed tactical skill in getting what he wants. But to avoid unpleasant obstacles is not to make them disappear, and to smooth away real issues is not to solve them.

The Senate vote yesterday leaves the basic problem of the filibuster just where it was; and to both Democrats and Republicans goes the discredit of helping make that result possible. Minority Leader KNOWLAND happily joined Mr. JOHNSON in the scheme to insure that there would be only a formal fight over the issue of whether or not the Senate was to go on under the same old rules that permit the filibuster to throttle democratic procedure. When the appointed time came to vote, the powerful coalition of conservative southern Democrats and right-wing Midwestern Republicans won its expected victory. But at least there is something encouraging in the fact that more than one-third of the total membership of the Senate—21 Democrats and 17 Republicans—voted against killing the Anderson motion that would have been the first step in overcoming the menance of the filbuster.

The filibuster threat ought to be removed by the Senate so that it can regain its own freedom of debate. That is reason enough; but, as everyone knows, the further purpose in fighting the filibuster is to clear the way for civil-rights legislation, which has traditionally been blocked by the threat of this antidemocratic device. However, even though the Senate rules remain unchanged and the filibuster still is potentially as strong as it ever was, there is a growing hope that some moderate civil-rights bills may actually be enacted by this Congress. Both the liberal Democrats and the administration itself have been behind such proposals. Though the more conservative element in the Senate won their victory yesterday through continuation of the outworn rules, that victory should not be consolidated by subsequent rejection of the sensible and highly desirable civil-rights proposals that will be coming up at this session.

[From the Hartford Times of January 7, 1957]

DESERVED TO PASS

The Senate rule that has permitted unlimited debate has long ago completely outlived its usefulness but once again reform has been defeated. Even a bipartisan move could not bury it. By a vote of 55 to 38, the Senate, in its first formal acts of this new session, decided to retain the outdated right to filibuster a bill to death.

Behind this struggle at this time is the civil rights issue which lined up all the Southern Senators against any change in the Senate rules. Other Senators had other reasons. Senators BUSH and PURTELL were both on the side of needed reform. Mr. BUSH has labored long and vigorously against the filibuster practice.

The challenge of the power of Senate minorities to block action on legislation by the filibuster—the tactic of dilatory debate to prevent a vote—was doomed to failure at the start.

Now that the rules fight has ended, according to word quietly passed in the cloakrooms, the leaders will start negotiations to bring forward civil rights bills that should satisfy liberal elements of the party without bringing on an unbreakable filibuster.

But for the time being, at least, advocates of a change in the filibuster rule settled for an opportunity, through a round of speeches, to stage an orderly demonstration against what they called "minority rule." In so doing, they redeemed a plank in the 1956 Democratic platform that pledged the party to make an effort to modify the filibuster rule.

The current effort stems from the fact that all past attempts to get advanced civil rights bills through the Senate have been blocked by filibustering Southerners. All moves to invoke cloture, or limitation of debate, also have failed when such legislation was at stake.

Under the present rule, 64 Senators, or two-thirds of the entire membership, must approve a cloture motion if debate is to be limited. Some Senators seeking a change favor cloture by a simple majority of those voting. Others are willing to settle for either a majority of the entire Senate—49—or a two-thirds majority of those voting.

This issue will continue to assert itself until it is settled right. There must come an end to minority dictatorship.

[From the Denver Post of January 8, 1957]

THE FIGHT GOES ON

The significance of last week's vote on the Senate filibuster can be understood only when it is compared with two other votes on the same issue in recent years.

In 1949, the filibuster rule as it now stands was approved in the Senate by a vote of 63 to 23. In 1953, the vote to table a proposed change in the rule was 70 to 21.

Last Friday, the vote to table a proposal for a rule change was 55 to 38. In other words, opposition to the filibuster which could count only 23 adherents 8 years ago and only 21 adherents 4 years ago now has 38 supporters and after Senator-elect JAVITS of New York takes his seat the count probably will be 39.

In 1953 there were 15 opponents of the filibuster rule on the Democratic side of the Senate and only 5 on the Republican side. This year there were 21 Democrats who favor a more liberal rule and 17 Republicans.

Friday's rollcall showed 12 Senators voting in opposition to the position they took in 1953. Of the 12, one was a Democrat, Senator GREEN of Rhode Island. Four years ago he voted to consider a filibuster rule change. This time he voted to table consideration of any change.

Eleven Republicans who voted in favor of the filibuster in 1953 voted this time in favor of considering a rule change. The switch of those Republican Members was largely responsible for the better showing the antifilibuster forces were able to make this time.

The 11 Republicans who have adopted a new and more liberal view on Senate rules are BUSH and PURTELL of Connecticut, COOPER of Kentucky, PAYNE and SMITH of Maine, BEALL of Maryland, POTTER of Michigan, THYE of Minnesota, SMITH of New Jersey, and AIKEN and FLANDERS of Vermont.

It is interesting to note that 19 Members of the Senate had not previously had the opportunity to vote on the filibuster question. Ten of them voted to consider a change and 9 voted to table the motion which might have led to a change. Thus, among new Senators sentiment is slightly in favor of new rules.

Friday's vote will encourage antifilibuster foes to make new assaults on phases of the complicated Senate rules. The first attack is expected to take the form of a resolution declaring that a present rule, which permits unlimited debate on a proposal to change any rule, violates the part of the Constitution which says "each House (of Congress) may determine the rules of its proceedings."

Vice President NIXON has already expressed the opinion that unlimited debate would be unconstitutional if it prevented the Senate from voting to determine its rules. Foes of the filibuster believe if they can knock out unlimited debate on rule changes they will have won an important step toward more effective limitations on the debate on bills.

In any event, they aren't giving up and even see a good chance to win.

[From the St. Louis Post-Dispatch of Jan. 8, 1957]

HOW THE STATES STOOD

Not often is a rollcall vote more in need of study than that by which the Senate tabled the resolution of 31 Senators for revising the rules so as to bring filibusters under reasonable control. For not often is analysis of performance in the Senate so illuminating.

The vote for tabling was 55 to 38 and counting in the 2 absentees favoring the change the actual division of the Senate was 55 to 40. Thus the only Senate seat not accounted for was that of Senator-elect JAVITS who is still Attorney General of New York. Had he been sworn in he undoubtedly would have raised to 41 the total in favor of restricting filibusterers.

As the vote was so much closer than the 70-to-21 division for changing the rule 4 years ago, it is important to know which States blocked progress this time. Here is how the States stood in the division last Friday:

BOTH SENATORS FOR TABLING

Southern States

Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, Texas, South Carolina, and Virginia.

Northern and other States

Arizona, Delaware, Indiana, Kansas, Nebraska, Nevada, New Hampshire, North Dakota, South Dakota, and Utah.

BOTH SENATORS AGAINST TABLING

Colorado, Connecticut, Kentucky, Maine, Michigan, Minnesota, Missouri, Montana, New Jersey, New Mexico, Oregon, Vermont, and Washington.

SENATORS SPLIT ON TABLING

California, Idaho, Illinois, Iowa, Maryland, Massachusetts, Ohio, Pennsylvania, Rhode Island, Tennessee, West Virginia, Wisconsin, and Wyoming.

This breakdown by States makes it very clear that the filibuster rule would have been thrown in the ashcan had it not been for the many Republican votes that supported the Southerners. The vote of the Democratic Senators from Georgia, Mississippi, South Carolina, and Virginia, for example, is explainable if not defensible. What about the two votes cast by each of the pairs of the Republican Senators from Indiana, Kansas, Nebraska, New Hampshire, North and South Dakota, and Utah? Why should these 14 GOP votes have been cast on the side of the filibusterers?

A breakdown by parties is as instructive as the breakdown by States. Twenty-eight Republicans were for tabling and 18 were against tabling. The Democrats were more evenly divided—27 for tabling to 22 against it. Again the record shows that the rule change lacked on the GOP side the support it needed to pass.

Are these Republicans one with the Dixiecrats? Or do they not believe what many GOP leaders have been saying about civil rights? Or are they willing to deprive thousands of American citizens of equal rights in

order to embarrass the Democratic Party in Congress?

Whatever the answer, the people of Missouri can be grateful that the full force of this State spoke in the Senate, through the votes of Senators HENNINGS and SYMINGTON, on the side of reason. The Illinois delegation was one of those that divided. Senator DOUGLAS was a leader in the fight for the change. Senator DIRKSEN, who rode President Eisenhower's coattails last November, voted with the southern filibusterers.

We hope the facts behind this rollcall are told to newspaper readers all over the country.

[From the Des Moines Register of January 7, 1957]

THE FILIBUSTER SURVIVES

The attempt to liberalize the Senate's filibuster rule, through adoption of new rules at the start of the session, has failed. But it was a glorious failure which points up the great gains that have been made by those who want legislation to guarantee equal rights to the 17 million American Negroes.

The vote on the question of adopting new rules was 55 to 38. The 38 Senators who favored adopting new rules want civil-rights legislation. But not all the 55 Senators who voted against adopting new rules are in favor of segregation of Negroes or of discrimination against them. They voted as they did for a variety of reasons.

Unquestionably a majority of the Senators would vote, if a straight-out test came, for civil-rights legislation. But they won't get the chance to do this. Southern Senators won't let such legislation come to a vote. They can block a vote by filibustering—by talk, talk, talk. The Senate could limit this talk, by invoking its present cloture rule. But under this rule, it takes the vote of two-thirds of the Senators—64 out of 96 Members—to limit debate and end a filibuster. So 33 Senators can block action on civil-rights legislation.

The effort was made to change this cloture rule at the start of the session because it's almost impossible to do so later. The cloture rule cannot be invoked in any debate on changing the rules. So only a handful of Senators can filibuster to death an attempt to change the cloture rule.

Friday's vote was on whether the Senate could change its rules at the beginning of the session. If the vote had been favorable, then the Senate could have eased the cloture rule and civil-rights legislation could have been enacted. The great gain which has been made by those who feel that it is imperative to change the cloture rule is shown by comparing Friday's vote, 55 to 38, with the 70 to 21 vote on the same question in 1953. A switch of nine votes would have changed the outcome this year. We predict there will be many more switches than that in the next 2 years.

Some Senators who voted against changing the rules Friday did so because of: (1) their concept of the Senate as a continuing body for which the rules hold over from session to session; (2) their respect for tradition; or (3) a desire to support their party leaders (both Republican Leader KNOWLAND and Democrat Leader JOHNSON opposed changing the rules).

We regret that Senator BOURKE B. HICKENLOOPER, of Iowa, was one of those voting against changing the rules but recognize that this doesn't indicate any anti-civil-rights viewpoint. He voted that same way in 1953 and so did Senator Guy Gillette.

Senator TOM MARTIN of Iowa deserves praise for his vote in favor of changing the rules. We believe his vote reflects the sentiment of most Iowans.

The opinion which Vice President RICHARD NIXON gave with respect to Senate rules set a precedent which may speed victory for those advocating civil-rights legislation. His opinion seems to us to have been an enlightened and sensible one.

He held that the Senate is a continuing body under the Constitution. He also held that rules of the previous Congress remain in effect unless the new Congress decides otherwise. But he believes that the Constitution gives the Senate the right to decide otherwise—to adopt new rules or change rules at the beginning of a session.

"The Senate should not be bound by a provision in those previous rules which denies the membership of the Senate the power to exercise its constitutional right to make its own rules," said NIXON's opinion.

The Senate didn't go along with NIXON. But it was a narrow escape for the South. The handwriting is on the wall. It won't be possible much longer for a small minority, through rules and technicalities, to thwart the will of a vast majority of the people.

[From the Washington Post of January 5, 1957]

MR. NIXON'S RULING

Vice President NIXON has presented a very interesting opinion on the highly controversial rule 22 that may ultimately break the logjam over the filibuster in the Senate. Insofar as rule 22 denies a majority in the Senate the right to adopt the rules under which it desires to proceed, the Vice President concluded, it is unconstitutional. This opinion will lend powerful support to the drive to upset the existing practice of unlimited debate on any rules change, even though the liberals trying to upset rule 22 lost their fight yesterday.

Mr. NIXON's ruling stems from the fact that the Constitution gives the Senate the unqualified right to change its rules. The Vice President contends, with convincing logic, that this is a continuing right. It cannot be denied to the Senate of 1957 because the Senate of 1884 adopted standing rules which have remained in effect since that date, with various amendments. Section 3 of the amendment adopted in 1949 says that the very restrained cloture procedure set up to limit debate on legislation shall not apply to any proposal to change the standing rules of the Senate.

The effect of this, the Vice President says, is to deny a majority of the Senate the right to make new rules. It is at this point that sharp controversy arises. To be sure, the existence of rule 22 makes it impossible for a majority to adopt new rules unless they wear out a filibuster. Perhaps that makes it unconstitutional, but it is interesting to note that the situation is the same as it would be if the Senate were meeting for the first time without any rules.

A more important point is that, if rule 22 is unconstitutional, only the Senate can remove this unconstitutionality. Mr. NIXON says that the old rules will remain in effect until the Senate changes them, "with the exception that the Senate shall not be bound by any provision of those previous rules which denies the membership * * * the power to exercise its constitutional right to make its own rules." But the Senate itself has to be the judge of whether this right to make its own rules has been infringed, and if it should so decide the Senate would have to apply its own remedy. It is not to be supposed that any court will tell the Senate that it is acting unconstitutionally in an area which the Constitution leaves so completely to senatorial control.

As a practical matter, then, the Senate will soon or late have to face the issue and break a filibuster on rules unless an amicable agreement can be reached. The Vice President has not resolved the controversy; he has merely added an additional argument against rule 22—that one part of it is unconstitutional. It remains for the Senate to agree upon a reasonable amendment of the rule—such as limitation of debate on all business before the Senate (including amendment of the rules) by a two-thirds vote of those present, as this newspaper has previously suggested. The alternative would be a prolonged fight which again might prove inconclusive.

[From the St. Louis Globe Democrat of January 7, 1957]

THE FILIBUSTER: ITS DAYS NUMBERED

The filibuster rule in the Senate is still hale and hearty, but it came much closer to getting the ax than anyone expected. Before the issue came to a vote, foes of the filibuster estimated they could count on the support of only 32 Senators—at most.

But when the ballots were counted, 38 Senators voted with them. Two other Senators who were absent announced they too would have voted against the filibuster if they had been on the floor of the Senate.

This time, the antifilibuster forces went down to defeat by a vote of 55 to 38. Four years ago, a similar proposal was defeated by a vote of 70 to 21.

This shows a marked change in the Senate's attitude toward the filibuster rule. The big shift has come on the part of GOP Senators.

In 1953, under the leadership of Senator Taft, only five Republican Senators supported the move to kill the filibuster. Forty-one, including Senator Taft, voted to keep it alive. This time, 17 GOP Senators voted against the filibuster.

This big GOP switch in favor of less restrictive Senate rules undoubtedly was influenced by the stand Vice President NIXON took. By virtue of his office, NIXON presides over the Senate.

At the start of the debate, he stated that, in his opinion, the foes of the filibuster were perfectly correct in arguing that the Senate can adopt new rules at any time—by a simple majority vote. And that could include a rule making it easy to choke off unlimited debate—the filibuster.

This is the same line of reasoning that the leaders of the antifilibuster move, like Senator CLINTON ANDERSON, New Mexico Democrat, have followed. Vice President NIXON took a clear-cut stand with them.

In Missouri, both Senator HENNINGS and Senator SYMINGTON voted with the anti-filibuster forces. The Illinois delegation, was split, with Senator DOUGLAS, Democrat, against the filibuster. Senator DIRKSEN, Republican, voted in favor of tabling Senator ANDERSON'S motion to proceed with the consideration of new rules.

Although the filibuster rule still stays on the Senate's book, this latest vote on the issue indicates that its days are numbered.

[From the Hartford Times of January 8, 1957]

WORTH ANOTHER TEST

The effort in the Senate to curb filibustering has met one rebuff but another effort will be made to change the rules which have given a minority dictatorial power. Advocates of a change, among whom Senator BUSH has been a steadfast leader, lately joined by Senator PURTELL, see an opening for a second test of strength in this session.

The recent vote was 55 to 38 against changing the rules. Senators DOUGLAS, HUMPHREY, and KNOWLAND have each introduced a compromise motion of like import. They propose that a two-thirds majority vote of 64 be required to end debate during the first 3 weeks that a bill is under discussion but that, thereafter, a simple majority of 49 could impose closure.

The new plan was also expected to include an attempt to have Vice President

NIXON declare a section of the present Senate debate rules unconstitutional. Mr. NIXON ruled on Friday that each Senate has the constitutional right to draft its own rules. Opponents of the change, however, argued successfully that the Senate is a continuing body whose rules carry over from session to session and can be changed only by a two-thirds vote.

At issue is a section of Senate rule XXII that prohibits the limitation of debate when the Senate is debating a motion to take up a bill. The rule further provides that once a bill has been taken up, a vote of 64 of the 96 Senators is necessary to impose the limitation.

This fight on the rules issue will determine whether civil-rights legislation has a chance in this session. Heretofore, Southern Senators have been able to talk legislation to death by taking so much time that the Senate had to drop the bills and take up other matters. If a compromise or other tactic can remove this dictatorial power of a minority, the effort should be made.

[From the Des Moines Register of January 8, 1957]

THE FILIBUSTER AND MAJORITY RULE

The second round of the filibuster fight is getting under way with a proposal by Republican Minority Leader WILLIAM KNOWLAND to make it easier to limit debate in the Senate.

KNOWLAND'S proposal is to require a vote of two-thirds of the Senators present and voting in order to cut off debate. The present rule requires agreement of two-thirds of the entire Senate, or 64 Members, before debate can be limited.

A Wall Street Journal editorial reprinted on this page today, which defends the present rule, notes that a two-thirds vote is commonly required in legislative proceedings. However, the two-thirds votes needed to override a veto, to impeach an officer, to propose a constitutional amendment, or to ratify a treaty are all two-thirds of those present and voting. The present two-thirds rule on limiting debate imposes a far tougher requirement.

The Knowland rule is essentially the same one that was in effect in the Senate from 1917 to 1949. There were 19 attempts to cut off debate during that time. Only 4 of the 19 attempts were successful. The Knowland rule obviously would still give the filibusterers a good deal of leeway.

Another possible approach is one backed by Senators PAUL DOUGLAS, Democrat, of Illinois, and WAYNE MORSE, Democrat, of Oregon. It would enable debate to be cut off by simple majority vote of the Senate, but only after a waiting period of 15 days, excluding Sundays and holidays, to assure full debate.

The Wall Street Journal sees a danger in majority rule, pointing out there are times when a minority speaks with greater wisdom. There is danger in majority rule, to be sure. It is present every time an election is held or a legislature meets.

But there are greater dangers in minority rule. Democracy assumes that by and large majorities will make the right decisions, or be capable of correcting the wrong decisions. The House of Representatives does not permit a willful minority to prevent majority sentiment from being expressed, nor does the British Parliament, which has effective means of dealing with filibusters.

Proponents of a meaningful antifilibuster rule do not want to prevent minority views from being expressed, nor to enforce silence. Some, like Senators MORSE and DOUGLAS, have themselves taken part in prolonged debate in which they represented the minority view. The issue is not whether the minority should be heard, but whether after it is heard, there should be opportunity for the ayes and nays to be counted.

[From the Pittsburgh Post Gazette of January 8, 1957]

FIGHTING THE FILIBUSTER

By a parliamentary end run the Senate has voted to retain the filibuster for another session, though there may still be some effort made to weaken it a little. However, the dispute between those who would stop the filibuster—which is an effort to prevent lawmaking by talk and other tactics of delay—and those who would continue it did produce a valuable opinion from the Chief Officer of the Senate, Vice President NIXON. The opinion establishes a favorable precedent for those who want to forbid a minority to defeat legislation desired by a majority.

The villain of the filibuster piece is Senate rule XXII, which sets almost impossible conditions for bringing debate to a close. Under this rule a determined filibuster cannot be shut off without the votes of 64 Senators. This means, for practical purposes, that civil-rights legislation can never get through the Senate because 22 Southern Senators plus 11 other Senators allied with them can frustrate the majority. And, it should be noted, a Senator who is absent, by design or debility, automatically strengthens the minority by 1 vote.

The archvillain of the filibuster piece is section 3 of rule XXII. This says that no limit of any kind can be imposed on debate when the Senate is considering a change in its rules. Thus, rule XXII, adopted in 1949, could not be revised so long as a handful of Senators—say, half a dozen—resolved to block the revision. If rule XXII puts civil-rights legislation in the coffin, section 3 nails, rivets, and welds the coffin shut.

It was on section 3 that Vice President NIXON was requested to give an opinion in the course of debate last week. He opined that the section is contrary to the Constitution, which states that each House of Congress "may determine the rules of its proceedings." Said the Vice President: "This constitutional right is lodged in the membership of the Senate and it may be exercised by a majority of the Senate at any time * * * the Senate should not be bound * * * by any rule which denies the membership of the Senate the power to exercise its constitutional right to make its own rules."

The Senate as a whole is the ultimate judge of the constitutionality at issue. Mr. NIXON'S opinion, however, has encouraged opponents of the filibuster and lends hope that one day, by a decided attack on section 3, the campaign against the filibuster may drive on to victory.

[From the New York Times of January 8, 1957]

FIGHTING THE FILIBUSTER

New life to the movement to restore democracy with a small "d" to the Senate of the United States has been given by two unexpected developments in the fight against the filibuster. It now appears that there may actually be a chance to curb this weapon, the very threat of which has paralyzed senatorial freedom of action for so many years.

One hopeful factor is the astonishing size of the vote last week against killing a proposal to consider changes in the Senate rules. No fewer than 38 Senators—18 more than in 1953, when a similar motion was defeated—opposed the move of the Democratic and Republican leadership to continue with the same old rules under which it is almost impossible to shut off a filibuster. If 2 absenteees and Senator-elect JAVITS had been present, the opposition to the leadership would have numbered 41—22 Democrats and 19 Republicans. In other words, a switch of only 7 or 8 votes would have done the trick. This is too close a margin for the comfort of the reactionary southern Democratic, midwestern Republican coalition that has held sway in the Senate for so long. It spells the end of the rules protecting and nourishing the filibuster—if not at this session, then surely in the relatively near future.

The other new and encouraging factor is the opinion that Vice President NIXON gave from his chair as presiding officer of the Senate. In answer to a parliamentary inquiry, the Vice President held in a precedent-setting opinion that under the Constitution a majority of the Senate has the right to adopt new rules at any time. As we suggested on this page last month, the language of article I, section 5—"Each House may determine the rules of its proceedings"—plainly means that each Senate has the right to adopt new rules or revise the old ones if it wants to.

If this is so, then what we called the built-in filibuster machine of rule XXII, forbidding any curtailment whatsoever of debate on a motion to consider changes in the rules, is invalid. That is the way the Vice President sees it, and we think he is right. Under the special arrangements cooked up by the majority leader last week, a test of this issue did not directly arise; but it surely will when the question is debated again. The Vice President's opinion, while not necessarily binding, is of great importance in opening the way to a change in the rules, which can only mean a weakening of the heretofore unassailable bulwark of the filibuster.

[From the Minneapolis Morning Tribune of January 7, 1957]

NIXON VERSUS FILIBUSTER

Vice President NIXON has greatly improved his standing among the liberals as a result of last week's unsuccessful fight to change the Senate rules.

The fight, in essence, was a fight against the filibuster and for civil-rights legislation. Its immediate target was rule XXII, which requires a two-third vote of the entire Senate to end debate. This rule has not only effectively blocked civil-rights legislation, it has been self-perpetuating in the sense that there is no way to shut off debate on any proposed change.

Last Friday NIXON, as Presiding Officer of the upper House, admitted that the Senate was a continuing body, since two-thirds of its Members hold over from one session to another. But he expressed the opinion that "the majority of the new existing membership, under the Constitution, have the power to determine the rules under which the Senate will proceed."

This opinion did not move the Senate to adopt new rules. But it gave new strength and heart to the move to curb the filibuster power. NIXON had dealt a heavy blow at the absurd notion that the Senate, because it was a continuing body, was not entitled to revise its own rules by majority vote. He had put the weight of his influence and prestige on the side of civil-rights legislation. By doing so, he inevitably gained stature among Negro voters, many of whom had already deserted their traditional Democratic allegiance to vote Republican last November.

It is no secret that some of NIXON'S enemies would have liked to see him emerge from Friday's test as an archconservative who had offended large groups of voters interested in civil rights. Instead, the Vice President entered the civil-rights arena more nearly resembling a knight in shining armor. This was not quite the case with Senator KNOWLAND, Republican minority leader, who voted against the rules-changing motion. But even KNOWLAND has promised that he will propose, and seek support for, a plan for relaxing rule XXII.

The tide of Senate opinion against this oppressive rule is rising fast, and it is a bipartisan tide. Both Senators HUMPHREY and

THYE voted for a revision of the rules Friday and NIXON's opinion is likely to have far-reaching repercussions. The Senate will someday rise up and strike off the self-imposed shackles of the filibuster. That happy day, in fact, may be just around the corner.

[From the Hartford (Conn.) Courant of November 27, 1956]

ANOTHER ASSAULT ON THE FILIBUSTER

A parliamentary body must operate under rules to achieve orderly and continuing progress in the making of laws. But rules are not always used to guide progress. They are often invoked as obstacles in the path of proposed legislation. A determined minority can find ways to avoid and obstruct the will of the majority where it is convinced the majority's purpose is undesirable. This is true the world over, whether it is demonstrated by Communists in the French Assembly or by radicals elsewhere.

One of the more aggravating examples is, of course, the filibuster in the United States Senate. Frequent attempts to strengthen civil-rights legislation in this country have run up against the last-ditch opposition of southern Senators. This has been true despite a majority plainly willing to guarantee individual rights. Some years back, in 1949, one of the almost successful assaults on this bastion was under way. The southerners received added support at the last moment when the rules were interpreted in such a way as to allow them to fight twice. This was the so-called Vandenberg ruling, upheld 46 to 41, which permitted the opposition to filibuster against taking up the measure they would normally filibuster.

A group of six northern Democrats has now proposed to attack this ruling. They will move to revise Senate rules to permit a simple majority to limit debate. This proposal is subject to unlimited debate itself. Messrs. HUBERT HUMPHREY, WAYNE MORSE, RICHARD NEUBERGER, PAUL DOUGLAS, PAT MCNAMARA, and JAMES E. MURRAY are men of strong constitutions and stamina. Mr. MORSE, in particular, has always been prone to unlimited debate, so long as he himself was talking. But they will need substantial support if they are to overturn this rule. They are appealing for such help, but are not likely to find much of it.

It is their own party that houses the most vigorous opponents of civil rights for Negroes. The Republicans, who have shown some signs in recent years of wanting to get action in this field, may be reluctant to break what they conceive as the tradition of the Senate. And all will be under strong compulsion to avoid getting involved in a fight and a filibuster lasting weeks at a time, when critical legislation may come without warning as a matter of urgency. The six men have a laudable aim, but dubious chances of success.

Yet it is a sign once again of the imperfections of parliamentary government that the Government cannot act to pass legislation to make sure that all men who are created equal are treated equally. If the issue were to be faced squarely, there is no doubt which way the vote would go. But it is concealed and mixed up in a vote on rules that confuses the general public, and allows one segment of the country willfully to block the intent of the Constitution.

[From the Christian Science Monitor of January 5, 1957]

SENATE CLOTURE WORKS ONE WAY

It is not quite accurate to say that the United States Senate has no effective way of closing debate. That it can even place rather narrow limits on discussion of certain subjects was illustrated in its disposal of the antifilibuster maneuver of civil-rights advocates.

This was a motion sponsored by northern and western Senators of both parties to provide that the Senate take up consideration of adoption of rules for itself in the 85th Congress. Had the motion been carried, the Senate might have considered revision of the cloture rule (Rule 22), which requires a two-thirds majority not merely of those present but of the Senate membership in order to limit debate.

The theory has been that the Senate is "a continuing body" since two-thirds of its Members hold over from one session to another; hence that its parliamentary rules carry over without needing to be readopted. The effect of this theory, plus the fact that Rule 22 does not apply to debate on a change of rules, is to require in practice almost unanimous consent, since any Member may undertake to talk a proposed revision to death.

On the other hand, the proponents of the revision had to work hard to obtain one afternoon of debate on their proposition. The Senate majority leader filed a motion to table it, which in most parliamentary bodies must be voted upon immediately, but an agreement was reached which allowed some 6 hours of discussion, after which came the rollcall—more favorable to their cause than 2 years ago.

Thus the Senate succeeded in applying to an important question of procedure very strict limits of debate which it in effect refuses to apply to substantive questions, such as legislation on civil rights. If the Senate persists in its theory of almost unamendable rules as a "continuing body" it may someday find itself in a very tight box.

[From the Denver Post of January 9, 1957]

THE FILIBUSTER IS HARD TO DEFEND

To hear David Lawrence tell it the Senate filibuster is an important bulwark for the defense of the Constitution and States rights against a Supreme Court which disregards law and is influenced by psychological theories instead.

The purpose of the filibuster, of course, is to stymie Senate passage by a simple majority of laws to insure that Negroes receive equal treatment with other citizens. The Constitution has always been interpreted to provide for the use of a simple majority vote in the Senate except in a few specific instances.

Unless it had been intended to have the Senate governed by majority rule in ordinary procedures there would have been no point in putting into the Constitution the provision that the Vice President shall have no vote unless the Senators are equally divided.

The Constitution specifies instances in which majority rule is not to apply: for example, a two-thirds vote to ratify treaties, two-thirds to convict in an impeachment case, two-thirds to expel a member, one-fifth to require a yea and nay tally of votes, two-thirds to pass a bill over a Presidential veto.

To this list the advocates of the filibuster would add an extraconstitutional requirement for a two-thirds vote to get any civil rights legislation before the Senate. The concern for the Constitution which they profess sounds empty and hollow when it turns out to be no more than a desire to sabotage the constitutional authority to enact legislation by majority rule.

No legitimate States rights issue exists in connection with civil rights legislation unless we are willing to assume that the 14th amendment, adopted after the Civil War, really doesn't mean anything and really didn't change anything.

Before the amendment was adopted there was some question regarding the right of the Federal Government to interfere if State laws said some people could be held in slavery, deprived of the right to vote, etc.

The 14th amendment took jurisdiction over the privileges and immunities of citizens of the United States away from the States and made the Federal Government the protector of the legal equality of all persons, white or black.

When it is argued that the filibuster is necessary to keep Congress from interfering with States rights to discriminate between blacks and whites, the 14th amendment stands in complete rebuttal.

Segregationists are, of course, particularly unhappy with the Supreme Court. Hence the attempts to drag the Court into the argument over the filibuster power in the Senate.

We are told an arbitrary majority of the Court has taken away States rights. Actually, key decisions of the Court on segregation questions have been unanimous. The majority was 9; the minority 0.

It is becoming popular to accuse the Court of arriving at its decisions on the basis of psychology. The argument runs this way: The Supreme Court decided, back in 1896, that Negroes would have equal rights in transportation with whites if they were furnished with separate but equal accommodations on trains.

That decision, so revered by segregationists, was based on a certain psychology—a belief that a Negro's privileges would be protected if he were given a place in which to ride even though his separate status would be a constant reminder to him that he must consider himself inferior and unworthy to associate with whites.

In 1954 the Supreme Court held the theory that separate facilities for Negroes providing equal treatment under law was in error; that experience had shown feelings of inferiority resulting from segregation affected the hearts and minds of Negroes in a way unlikely ever to be undone.

Because the Court upset the earlier decision, segregationists accuse it of disregarding law and precedent, although, under our system of law, courts are constantly reversing themselves when the errors of old decisions become obvious.

They also accuse it of making the new decision on the basis of psychology but they conveniently forget that a certain psychology was implicit in the 1896 decision, also.

There may be a good defense for the use of the filibuster. If so, Mr. Lawrence does not make it, in our opinion, and we can't imagine what it would be.

[From the New York Times of January 10, 1957]

CURBING THE FILIBUSTER

Joint sponsorship by Democratic Leader LYNDON B. JOHNSON and Republican Leader WILLIAM F. KNOWLAND of a resolution that would make it a little easier to curb filibusters is an indication of some progress. It is enough to show that the southern Democratic-Republican coalition protecting filibusters is on the defensive, and that there may be a real prospect of dealing a mortal blow to this evil, antidemocratic institution of forcible minority rule. But resolutions like this one have failed before.

What the majority and minority leaders are proposing to do is in effect to restore the situation to something better than its pre-1949 status. For 32 years prior to that the Senate had operated under a regulation providing that two-thirds of the Senators present and voting could shut off debate. It is this 1917 rule to which Senators JOHNSON and KNOWLAND would now return, while expressly eliminating the present prohibition on limitation of debate on a motion to change the rules.

Two-thirds of those present and voting is an attainable figure on an antifilibuster vote, while two-thirds of the membership—or 64 Senators—is not. Even so, in the 32 years that the more moderate 1917 rule was in operation it was successfully invoked only 4 times. Senator KNOWLAND himself in days past has supported a very much more dras-

tic proposal—namely, the imposition of closure by a majority. Even such an ardent advocate of limiting debate as Senator PAUL H. DOUGLAS, of Illinois, intellectual leader of the current battle, is not now suggesting simple majority closure without strings. Senator DOUGLAS' proposal is that debate may be shut off by majority vote only after 15 days.

While in any democratic parliamentary body, the minority has to have the fullest protection and must be given every opportunity to make itself heard, there is no sensible reason why it should be allowed permanently to block legislation desired by the majority. Sometimes, in the closing days of a session, the blocking is done by a minority of one. A good statement on the subject was made some years ago: "It seems to me that * * * this power * * * to completely block the legislative processes of government is too much power for any responsible person to want and far too much power for any irresponsible person to have." The speaker was Senator WILLIAM F. KNOWLAND.

[From the Denver Post of January 13, 1957]

TIDE RISING AGAINST FILIBUSTERING

(By Barnet Nover)

WASHINGTON.—In politics as in boxing it is the wise man who knows when and how to roll with the punch.

On the eve of the reconvening of Congress many anticipated a knock-down, drag-out fight in the Senate between northern liberals and southern conservatives on the question of altering Senate rules to permit the curbing of filibusters. Only in that way, it was anticipated, could the existing barrier to civil rights legislation be removed.

The fight, it was predicted, would last for days and possibly weeks, split the Democratic party right down the middle, while embarrassing the GOP members of the Senate as well, and leave scars that might take years to heal.

These predictions proved to be wide of the mark.

In the first place, the debate on the Anderson motion turned out, on the whole, to be an unimpassioned and gentlemanly affair and by unanimous agreement was limited to six hours.

The final vote—55 to 38—showed the majority were unwilling to go along all the way with the contention that the Senate is not a continuing body and, like the House of Representatives, had to adopt rules of procedure each time a new Congress convened.

The vote was, in part, very deceptive.

Among the 55 who took a position in opposition to the Anderson motion were such men as Senators KNOWLAND of California, BARRETT of Wyoming and MUNDT of South Dakota who, while unwilling to go along with the contention the Senate had to adopt rules every other year, also favored (as they explained in the course of the debate or later) some limitation on filibusters.

On the other hand, some of those who subscribed to the Anderson motion—Senator ALLOTT of Colorado among them—indicated they did so in part because they felt the present system of unlimited debate needed curbing.

In view of this attitude Senate leaders on both sides of the aisle were wise not to let the matter rest with the vote on the Anderson motion. First Minority Leader KNOWLAND and subsequently Majority Leader JOHNSON made it clear they favored having rule 22 liberalized, at least to the extent of making cloture possible by a vote of two-thirds of the Senators present rather than by two-thirds of the entire Senate.

The proposal, JOHNSON said, "appeals to me as being based upon the middle ground which is the strongest to stand upon. It would permit an orderly change of the rules but would recognize that the rules are continuing and not subject to change merely because of a temporary gust of political wind."

Then demonstrating anew that he is a political realist, JOHNSON said: "Unless the Senate takes advantage of the orderly procedures that are available, disorderly procedures will eventually prevail to the harm of the Nation and the different sections of the Nation."

His stand will not appeal to those who want a deathblow given to filibusters. Nor will it appeal to those who for special reasons of their own favor unrestricted and unlimited debate whenever it is to their interests to have such a debate in order to kill legislation they lack the votes to defeat. But it will appeal to the great majority of the Senate.

This majority includes both Eisenhower Republicans and northern Democrats. The issue involved in the effort to curb filibusters is one that transcends party lines and as the fact that the vote for a change of the rules doubled since 1953 makes clear, the tide is rising. A shift of only 8 votes would have meant victory for the Anderson motion.

What proved to be impossible in 1957 may be possible in 1959 and 1961. LYNDON JOHNSON was wise in deciding an attitude of stiff-necked hostility to any change in Senate rules was in the long run bound to prove self-defeating. He was wise in rolling with the punch.

[From the Sioux Falls Argus-Leader of November 30, 1956]

UNITED STATES SENATE MUST STOP FILIBUSTERS

If the United States Senate does not do something about filibustering, that august body will not justify the responsibility it shoulders.

Filibustering is an example of a worthwhile principle that is misused.

The thought behind it is that a Senator should have the right to say all that he might want to say about any subject under discussion. It is the privilege of unlimited discussion. The purpose of its establishment was to avoid situations where Senators could be muzzled by majorities who didn't want to hear them or were opposed to their viewpoints.

But this right has been grossly abused. Some Senators from time to time have employed it not as a means of expressing their viewpoint but of creating a delay to prevent a vote. They have gone on for hours and hours and for days and days.

Obviously no such amount of time is required for the full exposition of a Senator's viewpoint.

Certainly the United States Senate is smart enough to develop rules that would permit the full expression of viewpoints and eliminate what is termed the filibuster.

There have been tragic occurrences in the past—incidents where vital legislation was delayed and the business of the Senate virtually stymied because one Member held the floor.

[From the Sunday Denver Post of January 6, 1957]

PATIENCE WILL WIN SOONER OR LATER

The fight over the Senate filibuster rule has contained a lot of hairsplitting talk about whether the Senate is a continuing body or whether a new Senate comes into being every 2 years.

Behind this gobbledegook, which can hardly interest those of us who are not parliamentarians, is an all-important issue: Is Congress impotent to pass laws to protect civil rights, including Negro civil rights?

Obviously, present laws are inadequate to deal with those who want to keep Negroes in segregated schools, in segregated buses, in segregated housing, and those who use intimidation to keep Negroes from exercising the right to vote and the right to take their grievances to court.

What kind of laws are needed? Well, opinions differ, but the Eisenhower administration spelled out a definite program of new legislation at the last Congress and may be expected to come up with similar proposals for the 85th Congress.

For one thing, the Attorney General needs authority to seek civil injunctions to stop interference with the rights of Negroes or any other persons. Under certain conditions a person who interferes with civil rights may now be tried under criminal procedures, but getting a conviction of a white defendant by a southern jury is often hopeless.

If he were armed with civil injunction procedures, the Attorney General could go before a judge and get an order restraining interference by a defendant with civil rights. No jury would be required.

The Eisenhower program would also:

Create a bipartisan commission to study civil-rights problems.

Focus attention on civil rights by setting up a civil-rights division in the justice department.

Permit Federal prosecution for intimidating voters in elections for Federal office.

Permit aggrieved persons to go into Federal rather than State courts with their civil rights complaints.

Allow the Attorney General to file civil suits to break up conspiracies to deprive citizens of their rights.

The filibuster fight, shorn of its technical terms, is a maneuver in the main battle to pass legislation of this kind. Actually, filibuster or no filibuster, there seems to be enough civil-rights sentiment in the United States Senate to pass at least part of this program.

The cause of civil rights is not a forlorn hope, as some would have us believe. No one can talk forever. Every filibuster must end eventually.

Mr. DOUGLAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

IMPORTATION OF CRUDE OIL

Mr. O'MAHONEY. Mr. President, there has been pending before the Office of Defense Mobilization, in the Executive Office of the President, a question involving the gravity of imports of crude oil from foreign sources into the United States.

The Trade Agreements Extension Act of 1955 contains, in section 7, a proviso that if the President finds importations to be made in such quantities as to threaten to impair the national security he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security.

On April 23, 1957, Mr. Gordon Gray, the Director of the Office of Defense Mobilization, sent a memorandum to the President, in which he stated that he had reason to believe the imports were now in such quantity as to threaten the national security.

I ask unanimous consent that the memorandum of the Director, Mr. Gray, be printed in the CONGRESSIONAL RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C., April 23, 1957.

MEMORANDUM FOR THE PRESIDENT

Section 7 of the Trade Agreements Extension Act of 1955 requires the Director of the Office of Defense Mobilization to advise the President whenever he has reason to believe that any article is being imported into the United States in such quantities as to threaten to impair the national security.

Under authority of this law and under authority of your assigning to a committee of Cabinet members consideration of energy supplies and resources policy, quite extensive investigation has been made of the effect upon national security of crude oil imports into the United States. The investigation clearly established that the rate of imports could reach a point at which the incentive for exploration and development in this country would be so reduced as to make us dependent upon overseas oil supplies to meet our national energy requirement. Further, the investigation gave substantial support to a finding that a significant increase in imports over the level of imports in 1954, unless accompanied by a similar increase in domestic production, would threaten this impairment in our national security. Your committee reaffirmed this finding on October 17, 1956, and my own investigation during the past month supports it.

Upon the basis of present imports and their trend over the last several years, together with forecasts of their trend in the next few months, I do hereby advise you, pursuant to section 7 of the Trade Agreements Extension Act of 1955, that I have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security.

GORDON GRAY, *Director.*

Mr. O'MAHONEY. Following that, on April 25, 1957, a memorandum, signed by the President of the United States, was sent to the Director of the Office of Defense Mobilization from the White House. In the memorandum the President directed the Office of Defense Mobilization to make some investigation to determine whether or not oil imports might effectively be limited by individual, voluntary action of the important companies.

I ask that the memorandum of the President be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
April 25, 1957.

MEMORANDUM FOR THE DIRECTOR, OFFICE OF DEFENSE MOBILIZATION

I have your memorandum dated April 23, 1957, advising that you have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security.

The problem of oil imports is one with which I am already generally familiar. As you know, my Advisory Committee on Energy Supplies and Resources Policy has reported to me on the matter from time to time.

On the basis of presently available information I agree that there is reason for the belief that crude oil is being imported in such quantities as to threaten to impair the national security. I shall, therefore, cause an investigation to be made to determine the facts as required by section 7 of the Trade Agreements Extension Act of 1955.

While this investigation is going on I request that you carefully examine into the possibility that oil imports might effectively be limited by individual voluntary action of the importing companies. It seems to me that there would be advantages in adjusting imports in that fashion if it is practicable to do so. If the finding and recommendations resulting from the investigation which I shall cause to be made result in my determining that an impairment of the national security is in fact threatened, it will be important for me to know whether an adjustment of the imports can be accomplished voluntarily, or whether other measures may be necessary.

DWIGHT D. EISENHOWER.

Mr. O'MAHONEY. Mr. President, I received a letter from Mr. Gordon Gray, in response to a letter of April 18, 1957, which I had addressed to him. I ask unanimous consent that my letter of April 18, 1957, together with a copy of the letter of Mr. Gordon Gray to me, dated April 30, 1957, be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

APRIL 18, 1957.

Hon. GORDON GRAY,
Director, Office of Defense Mobilization, Washington, D. C.

MY DEAR MR. GRAY: It was a matter of regret that I had to excuse myself from the conference in Senator CARLSON'S office last week between yourself and Senators from oil-producing States, before you had an opportunity fully to explain your position. I felt justified, however, in drawing the inference from what was said that you may be considering the possibility of allowing imports of oil to be restricted on a voluntary basis by importing companies rather than by action the President may take under section 7 of the Trade Agreements Extension Act of 1955, which authorizes "such action as he deems necessary to adjust the imports" of this commodity.

As you know, the Subcommittee on Antitrust and Monopoly has been conducting an extensive study of the worldwide oil industry. During the course of this investigation it was learned that certain major oil firms operating both in this country and in the Middle East are able to take advantage of the tax laws to such an extent that little or no taxes are paid to the United States Government on foreign operations. At the same time, these firms import crude oil and products into this country in competition with domestic producers and to the detriment of the revenue position of certain public land States.

Your predecessor, Mr. Flemming, informed the subcommittee that the Office of Defense Mobilization had already held hearings on oil imports, and that, but for Suez, he would have recommended to the President that the latter invoke section 7 of the Trade Agreements Extension Act of 1955, to limit the importation of crude oil into the United States. Apparently the only action Mr. Flemming contemplated was the imposition of quantitative restrictions on the importation of crude oil from certain areas. I want to call your attention to the fact that section 7 of the above act provides that the President, if he finds the importations to be made in such quantities "as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the imports of such article to a level that will not threaten to impair the national security."

What means the President will take to effect such reduction are not mentioned in the law. There is no limitation upon his action, but it is clearly provided that he "shall" take any appropriate steps satisfactory to himself if imports threaten to impair the national security.

The situation revealed at our public hearings shows not only that foreign oil may be produced at a cost far less than in the case of domestic oil, but that under the arrangements many of the producers have made, they are making no direct contribution to the revenue of the United States through income taxes on the high profits of their operations abroad. They expect the support of our Government, and they are the beneficiaries of the vast appropriations we are obliged to make for the military defense and economic rehabilitation in the areas in which they operate, but they contribute little to carrying the burden the people of the United States must bear for these expenditures.

I would appreciate your early opinion as to whether the language of section 7 quoted above is sufficiently broad to include the imposition of a suitable tariff as a device for regulating imports which threaten national security. Such a tariff need not be prohibitive but should be such as to allow a reasonable level of imports to be maintained consistent with national security requirements.

This appears to me as a perfectly appropriate method which would not only be a safeguard to domestic producers who are suffering from excessive imports, but would be a source of new revenue to our Government, and to that extent provide a remedy for the threat to our national security proceeding from the loss of tax revenue.

Moreover, at a time when the entire Government in the legislative and executive branch is doing its best to avoid a third world war, there can be no greater threat to our national security than the impairment of the production of the domestic sources of petroleum within the continental limits of the United States.

Under the pricing system historically followed by the oil industry, cheaply produced foreign oil enters the United States market at the same price as if it were produced in the United States, giving a monopoly profit to the few "majors" with foreign production and no benefit in the form of lower prices to the consumer. The pricing system for international oil as outlined before the subcommittee in the recent hearings indicates that a tariff would be absorbed by the producer. It would not increase domestic prices for oil any more than would a quantitative restriction either imposed by the President or resulting from voluntary action by the companies. Moreover, quantitative restrictions utilizing any given base period may give "the majors" with foreign oil holdings monopolistic positions and profits on the oil they will be allowed to import. Again, it must not be overlooked that quantitative restrictions may become another method of denying independent refiners inexpensive foreign oil with which to meet price competition of the majors. A tariff would place the foreign and domestic producer on a more equal footing insofar as costs of production are concerned.

I would appreciate your views on this matter as soon as possible.

Sincerely,

JOSEPH C. O'MAHONEY.

EXECUTIVE OFFICE OF THE PRESIDENT,
OFFICE OF DEFENSE MOBILIZATION,
Washington, D. C. April 30, 1957.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Antitrust and Monopoly Subcommittee, Senate Committee on the Judiciary, Washington, D. C.

DEAR SENATOR O'MAHONEY: Thank you for your letter of April 18 discussing the prob-

lem of oil imports and my responsibilities under section 7 of the Trade Agreements Extension Act of 1955.

As the President announced Thursday, I have advised him, pursuant to the statute, that I have reason to believe that crude oil is being imported into the United States in such quantities as to threaten to impair the national security. You know, of course, that my statutory responsibility does not extend to determining the action which may be taken if the President finds that such a threat in fact exists. At the same time I appreciate your suggestions for dealing with the problem because it is a matter of extraordinary difficulty calling for the most careful consideration.

Your suggestion that quantitative restrictions upon the import of foreign oil be avoided and that any threat to national security arising from excessive imports be limited by the imposition of a suitable tariff has obvious attractions and advantages. I anticipate that there will be opportunity for careful examination of alternative solutions in connection with and following the investigation which the President is expected to authorize. In that connection I can assure you that your suggestions and comments will be given careful consideration.

Sincerely yours,

GORDON GRAY, *Director.*

Mr. O'MAHONEY. Mr. President, on receipt of that letter, I addressed another letter to Mr. Gray, dated May 6, 1957, in which I pointed out that in my opinion an invitation by the Government, through the President or otherwise, to the international oil companies, which are importing oil, would amount to an invitation to them to try to come to some agreement, and might easily require a grant of immunity from the antitrust laws. In this letter to Mr. Gray, the Director of the Office of Defense Mobilization, I suggested that it seemed to me to be most important that the President himself should fix the amount of imports and should not delegate the power of so fixing them to oil companies which have a pecuniary interest in the amount of oil that is imported.

I ask that the letter be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,
Washington, D. C., May 6, 1957.

Hon. GORDON GRAY,
Director, Office of Defense Mobilization, Washington, D. C.

MY DEAR MR. GRAY: Your letter of April 30 in response to mine of April 18 shows that I apparently failed to make myself clear. I did not state "that quantitative restrictions upon the import of foreign oil be avoided," and that recourse be made only to the imposition of tariff rates. I merely suggested that in addition to the former you give consideration to the possibility of adopting the latter procedure because it would be productive of revenue which the Government does not now receive from the production of foreign oil the importing companies bring into the United States.

The publication of the President's announcement of last Thursday, directing you to investigate the possibility of obtaining a voluntary agreement upon the part of companies importing oil into the United States, makes necessary a complete public understanding of this problem, which you are justified in calling one of "extraordinary difficulty." I think the President's call for a voluntary agreement amounts to nothing more than an invitation to the importing oil companies, which constitute only a portion of the American oil industry, to determine the policy of the United States Government.

This determination of policy must be made by the Government under the Constitution and the laws. If section 7 of the Trade Agreements Extension Act of 1955 does not give the President the power to prevent a threatened impairment of the national security by placing an effective limitation upon the amount of crude oil that is being imported into the United States, you have only one recourse; namely, to ask Congress for sufficient legislation. Nowhere in the Constitution do I find any authority to the President to delegate to a portion of a great industry the formulation of Government policy with respect to the whole of that industry.

As I stated to you in my letter of April 18, section 7 of the Trade Agreements Extension Act of 1955 places no limitation upon the action of the President. It provides that if he, that is to say the President, finds the importations to be made in such quantities "as to threaten to impair the national security, he shall take such action as he deems necessary to adjust the importation of such article to a level that will not threaten to impair the national security." By this law, Congress gave to the President the power and the duty "to adjust the imports." This is a personal power which he cannot delegate away. It is a power that deals with national security, and if anyone should suggest that the importing oil companies may perform this function of the Chief Executive of the United States by their very own voluntary action, I do not hesitate to say that nothing in the law, in the hearings thereon, or in the congressional debates will support such a distorted construction.

My interpretation of the law is borne out by your own letter. You write me, "You know, of course, that my statutory responsibility does not extend to determining the action which may be taken if the President finds that such a threat in fact exists." Your statutory authority does, indeed, not extend to determining what the action may be. That is the exclusive prerogative of the President, as you have indicated.

Ever since the Trade Agreements Extensions Act of 1955 was enacted, the Office of Defense Mobilization and the President have been attempting to secure some voluntary agreement among the importing companies. This attempt has been a complete failure. There is no reason to believe that it will be any less a failure now, even if it were lawful. These companies are represented to be in competition with one another. If they are to unite in an agreed upon course of action they certainly must be granted immunity from the antitrust laws. An examination of the amendments to the Defense Production Act of 1955 dealing with the granting of such immunity from the antitrust laws indicates, in my opinion, that there is now no authority of law for the Attorney General to grant such immunity in a case of this character.

I call to your specific attention the fact that only last week the Attorney General filed a motion in the Federal District Court at Alexandria, Va., asking the presiding judge to forbid the major United States oil companies from destroying records needed by the Department of Justice in the Grand Jury investigation it is now carrying on into price fixing in this oil industry. Surely, it must be obvious that companies against whom the Department of Justice has found itself compelled to secure such an order are not to be trusted to make their own rules in this problem of imports.

That the national security is threatened by the failure of the companies to limit importations and the failure of the Government to exercise promptly the authority of section 7 of the Trade Agreements Act of 1955 is amply proven by the following facts:

Petroleum is a vital fuel for the defense of the United States. The Air Force, the Army, the Navy, and the Marine Corps could not operate without it.

During World War II German submarines were successful in sinking tanker after tanker en route to the United States refineries with foreign oil. Soviet Russia has a submarine fleet now far more efficient than that employed by Hitler. We cannot afford, therefore, to allow the importation of oil to displace the domestic crude-oil producing industry.

Crude oil within the continental boundaries of the United States is far more costly to obtain than foreign oil. Inflation has raised the costs of all the materials the wildcatter and the independent producer must buy. Drilling now must be carried on to such unusual depths that another factor of increased cost is added. If the oil which is imported from abroad by major integrated companies operating in the field of interstate and foreign commerce is not limited, independent producers may be driven from business, our reserves will be seriously impaired, and the income of the United States royalty holders, including thousands of citizens, as well as many States and public bodies which use their royalty income for the support of their schools, as well as the building of roads, may be seriously reduced.

It is essential in the interest of national defense to take immediate steps now to make certain that our domestic supply of crude oil shall not be impaired while international tensions remain as difficult as they are at the present time.

Sincerely yours,

JOSEPH C. O'MAHONEY.

FUNERAL EXPENSES OF THE LATE SENATOR McCARTHY

Mr. MORTON. Mr. President, I ask unanimous consent that the Senate Committee on Rules and Administration be discharged from the further consideration of Senate Resolution 134, which is a resolution providing for the funeral expenses of our late colleague from Wisconsin, Senator McCarthy.

Mr. HOLLAND. Mr. President, I may state, for the majority leader, that the proposals to discharge the committee and to have immediate action on the resolution have been agreed upon.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the Committee on Rules and Administration be discharged from further consideration of Senate Resolution 134? The Chair hears none, and it is so ordered.

Mr. MORTON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the resolution.

The PRESIDING OFFICER. Is there objection?

There being no objection, the resolution (S. Res. 134) was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate is hereby authorized and directed to pay from the contingent fund of the Senate the actual and necessary expenses incurred by the committee appointed to arrange for and attend the funeral of the Honorable Joseph R. McCarthy, late a Senator from the State of Wisconsin, on vouchers to be approved by the chairman of the Committee on Rules and Administration.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORTS DURING RECESS OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Committee on Appropriations have leave to file reports during the recess of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROBABLE CONSIDERATION OF APPROPRIATION BILLS NEXT WEEK

Mr. JOHNSON of Texas. Mr. President, I should like to announce—and this may be only a hope—that the Committee on Appropriations is presently meeting and considering taking action on the Treasury and Post Office Departments appropriation bill.

In the event that bill is reported today, it could be taken up by the Senate on Monday next.

The subcommittee is concluding its hearings very shortly on the State, Justice, and related agencies appropriation bill. I do not know exactly when that appropriation bill will be acted upon, but I want that bill to come before the Senate at the earliest possible date.

I should like all interested Senators to be on notice, so they may obtain copies of the hearings and reports as soon as they are available and be prepared for action when those bills come before the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

Mr. JOHNSON of Texas. Mr. President, I now desire to make a motion.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 288, Senate Resolution 78.

I do not contemplate that the Senate will act on the resolution today, but there should be some pending business before the Senate.

The PRESIDING OFFICER. The Secretary will state the resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and its effect upon the United States.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Interior and Insular Affairs with an amendment.

NOTICE OF SUSPENSION OF RULE ON APPROPRIATION BILLS

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order previously entered be modified so as to include the filing of notices to suspend the rule in the consideration of appropriation bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONSIDERATION NEXT WEEK OF PROTOCOL TO INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES

Mr. JOHNSON of Texas. Mr. President, I should like to announce, for the information of the Senate, that it is my plan to ask the Senate to consider early next week, possibly on Monday, Executive F, a protocol to the International Convention for the Northwest Atlantic Fisheries. We shall have a yea and nay vote on it, in accordance with the policy of the majority leadership with respect to all treaties and conventions.

I should like all Senators to be on notice that we expect to have a yea and nay vote on this protocol, and I ask the Senate attachés to see to it that all Senators are so advised.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, May 9, 1957, he presented to the President of the United States the following enrolled bills:

S. 120. An act for the relief of James F. Walsh;

S. 394. An act to waive the limitation on the time within which a Medal of Honor may be awarded to Comdr. Hugh Barr Miller, Jr., United States Navy; and

S. 998. An act to amend the act of June 4, 1953 (67 Stat. 41), and for other purposes.

PROGRAM FOR SESSIONS OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, it is the intention of the leadership to have the Senate meet on Monday, Wednesday, and Thursday, and to reserve Tuesday, Friday, and Saturday for committee sessions. All Senators have been on notice for some time with respect to that policy. I hope we may be able to follow it. Of course, if we have appropriation bills on the calendar, it may be necessary to meet on some of the days that have been scheduled for committee hearings. However, we have no such plan at the moment, and I shall make an announcement in the event we change the schedule.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BENNETT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AWARD OF PULITZER PRIZE FOR LOCAL REPORTING TO SALT LAKE TRIBUNE

Mr. BENNETT. Mr. President, I call the attention of the Senate to the award of the Pulitzer prize for local reporting to the Salt Lake Tribune, of Salt Lake City, Utah.

The award was made for the newspaper's outstanding coverage of the world's worst commercial air disaster last summer near Grand Canyon, Ariz. The cash occurred in one of the most inaccessible places in the Nation, presenting tremendous difficulties to the news media that were covering it.

The recognition of the Tribune is well deserved. Those who live in the West have for many years recognized the Salt Lake Tribune as a great newspaper. In past years it has been the recipient of a number of top national awards, and this latest recognition—the highest award in journalism—is an indication that our esteem for this newspaper is truly justified.

The citation stressed that the performance was a "team job that surmounted great difficulties in distance, time, and terrain." I believe, however, that particular recognition should be given Tribune reporters, Frank Jensen, Robert F. Alkire, Robert C. Blair, and Richard O. Pitner, who played key roles in writing and handling the stories of the crash. The Salt Lake Tribune and its staff are to be congratulated on the winning of this great national honor.

ADJOURNMENT TO MONDAY

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The business of today's session having been concluded, the Senate, under the order previously entered, will now stand adjourned until Monday next at 12 o'clock noon.

Thereupon (at 3 o'clock and 56 minutes p. m.) the Senate adjourned, the adjournment being under the order previously entered, until Monday, May 13, 1957, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate May 9, 1957:

UNITED NATIONS

Harold M. Randall, of Iowa, a Foreign Service officer of class 1, to be the representative of the United States of America to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

DEPARTMENT OF THE INTERIOR

Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior, vice Olin Hatfield Chilson, elevated.

TERRITORY OF ALASKA

Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska, vice B. Frank Heintzleman, resigned.

IN THE ARMY

The following-named officers under the provisions of title 10, United States Code, section 3066 to be assigned to positions of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Maj. Gen. William Stevens Lawton, O14924, United States Army, in the rank of lieutenant general.

Maj. Gen. Paul Donal Harkins, O17625, United States Army, in the rank of lieutenant general.

The following-named officer for appointment in the Regular Army of the United States to the grade indicated, under the

provisions of title 10, United States Code, sections 3284 and 3307:

To be major general

Maj. Gen. Aubrey Strode Newman, O16099, Army of the United States (brigadier general, U. S. Army).

The following named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

To be brigadier generals

Col. James Hedges Forsee, O18265, Medical Corps, United States Army.

Col. Robert Hall McCaw, O38722, Judge Advocate General's Corps, United States Army.

The following-named cadets, United States Military Academy, for appointment in the Regular Army of the United States, effective June 4, 1957, upon their graduation, in the grade of second lieutenant, under the provisions of Public Law 737, 84th Congress, subject to physical examination required by law:

Jack Emerson Adams
Thomas Garth Adcock
Anthony Francis Albright
Robert Carothers Allen
Dwight Carl Aller
Robert Henry Alsheimer
Jack Alfonso Apperson
James Sutton Armstrong, Jr.
Robert Warren Arnold
George William Bailey 3d
Thomas Symington Bainbridge
John Harry Barbazette
Louis Barisano
Donald James Barlow
Bernard William Basse
Donald Blair Baughman
Benjamin Bowes Beasley
Joseph Anthony Beben
Robert Eugene Beckwith
Allan Arthur Bell
Raymond Earle Bell, Jr.
Lester Edsel Bennett
David Pemberton Beurket
Leon Delbert Bieri
Joseph Adrian Bishop
William McKinley Bishop
John Edgar Blanck
John Rusling Block
John Edmund Bloomfield
Robert Edgar Bodenhamer
Arcade George Bolvin 2d
Jon Edward Bokovoy
Aubra Nelson Bone
Donald Johnston Bowes, Jr.
Donald Campbell Bowman
Albert Sidney Britt 3d
James Henrion Britton
Champlin Fletcher Buck III
Donald Alvin Buckner
Anthony Lawrence Bullotta
Carl Ferdinand Burgdorf II
William Myrlin Burke, Jr.
John Charles Burt
Richard Graham Caldwell
Peter Duryea Calyer
William Willson Campion
William Finch Carroll
Martin Banks Carson
Harold Morris Carter
Stanley Dale Cass
Edward Lee Chase
Gerald Warren Chase
James Arlen Chernault
Peter Jay Chittick
Eric Murray Christensen
Willard Merion Christenson
Bobby Gene Christy
Louis Joseph Circeo, Jr.
Daniel Clancy, Jr.
Donald Herbert Cline
Charles Hunter Coates, Jr.
Robert Francis Comeau
Hawkins Meador Conrad
Charles Horne Cooper
Jack Burr Cooper
James Joseph Cortez
John Frederick Crater
Freeman Grant Cross, Jr.
Roger Melvin Currier IV
Edward Joseph Cutler
Joseph Cygler
Robert Alfred Dagle
Richard Ballard Daluga
William Allen Davies
Robert Burrow Davis
Herman Eugene Day, Jr.
Daniel Joseph DeLany
Frank Paul DeSimone, Jr.
Calvin DeWitt III
Richard Calvin Dean
John Paul Dodson
Robert Leonard Drudik
John Burnham Dubbelde
Malcolm Matthew Duffek
William Austin Duncan, Jr.
James Ward Dunn
Jon Eckstorm Dunning
Harold Blair Dyson
John Leonard Easterwood, Jr.
William Echevarria
James Shepard Voorhees Edgar
Richard Iverson Edwards
John Fletcher Elder 3d
William Roderick Ellis
Richard Fredrick Emery
Allyn Bourke Ensign
Daniel Joseph Enxing
Charles Don Erb
Darrold John Erickson
Milton Donald Ewanus
Richard Anthony Fadel
Robert Wesley Faulkender
Noel Ingebrigt Fedje
Theodore Dotzler Felber
Donald Kieth Fitzpatrick
Samuel Walter Focer, Jr.
John Nathan Follansbee
Andrew Robert Foster, Jr.
Barry Perrin Fox
William Nathaniel Friend
Edward Wendell Gale
Gerald Edward Galloway, Jr.
Thomas Philip Garigan
Glaudis Pierre Gaspard, Jr.
Kermit Hoyt Gates, Jr.
George William Bruce Glen
Stephen Arthur Glick
William Lawrence Golden
Ronald Schuyler Gooding
Harry Clifford Goodson III
Walter Camp Gordon
Franklyn Wayne Gross
Thomas Steventon Gruhn
Clarence Earl Hall, Jr.
Francis Whitney Hall, Jr.
William Bryant Hall
Kenneth Edward Halloway, Jr.
James Robert Hamilton
Richard Scott Hamner
Len Martin Hanawald
Francis Lawrence Hanigan
Kendrick Harmon
Henry James Hatch
Gerald Samuel Hawley
Brian Franklin Head
James Foster Henthorne
Edward Ignatius Hickey
Thomas Reichley Hicklin
Michael Scarth Higgins
Edward Ernest Hildreth, Jr.
John Lewis Hill, Jr.
John Robert Hocker
Joseph Wayne House
George Michael Houser
Houston Parks Houser III
Richard Horton Howes
William Thomas Huckabee III
Charles Marshall Hug
Samuel Leonard Hylbert
Michael John Ilsemann
George Dudley Iverson V
Jesse Harlon James
James John Jameson, Jr.
Donald Stanley Jenis
James Roy Jenkins
Robert Newton Johns
Andrew Chase Johnson
Arthur Dale Johnson
Stanley Theodore Johnson, Jr.
Homer Johnstone, Jr.
Howell Hopson Jordan, Jr.
James Burr Kaiser
Raymond Thomas Karsian
John Leo Keefe, Jr.
Thomas Wright Keeley
Thomas Prentis Kehoe
Brian Thomas Kennedy
Ronald Dean Kennedy
Walter Hoyt Kennett, Jr.
Richard Duane Kenyon
Raymond Elliott Backley Ketchum II
Wesley Edward Kidd II
Edward Christian Kielkopf, Jr.
George Thomas Kilishek
John Cornelius Kilpatrick, Jr.
Charles Bowler King, Jr.
William Thomas King
Albert Converse Kline
William Wendell Koch II
Herman Frederick Koehler
Carter Marion Kolb, Jr.
Maxim Icaak Kovel
Albert Henry Krapf II
Robert Frederick Krueger
Robert Adam Kyasky
Charles Kenneth Kyne, Jr.
George Desire Landry, Jr.
Robert Alfred Langworthy
Justin Green La Porte
Charles E. Lea
Robert Emil Leard
Johnny Coleman Ledbetter
Peter Michael Leighton
Donald Richard Ley
William George Liakos
Tom Leo Lindholm
John Arthur Little
John Charles Loberg
Carl William Lohmann
Vincent Jerry Longo
Jacob Erwin Lustig
Ralph Allen Luther
James Fulton MacGill
Arthur Lawrence MacKusick, Jr.
Arlyn Reese Madsen
Walter Richard Magadieu
James Edward Maloney III
Richard Royer Manahan
Robin Mangum
Leonard Sebastian Marrella
Robert Francis Martin
Howard Marcus Martinez, Jr.
Franklin Delano Mastro
Church Myall Matthews, Jr.
Morris Ralph McBride
Gerald Thomas McCall
Fox McCarthy
John Michael McCarthy
Rodney David McConnell
Robert Lawrence McCoy
Thomas Dan McCrary
Cornell McCullom, Jr.
Jackson Lee McDaniel
John Martin McDonald
Thomas Benton McDonald III
Bruce Berry McDonough
Leo Dennis McEvoy
George William McGovern, Jr.
John Osborne McLaughlin
Dana George Mead
Warne David Mead
John James Patrick Meehan, Jr.
William Louis Melton
Charles Dewey Meng II
Robert Leighton Merrick
Anthony Richard Miklinski
Ralph Edward Miles
Austin Eugene Miller
Nicholas Monaco, Jr.
Marshall Lee Moore
Gordon Ryon Moreland
Phineas Kimball Morrill, Jr.
Richard Henry Morton
Charles Custis Moses
John Taynton Murchison, Jr.
John Andrew Murphy

John Eugene Murphy
William Edward Murphy III
Richard Charles Murtland
Carman Duane Negaard
Bruno John Neukamm, Jr.
Erman Milford Newman, Jr.
Joe Bob Newman
Samuel James Newsom, Jr.
Wayne Brackett Nicoll
Marvin Howard Nilsen
Jonathan David Nottingham
James Robert O'Connor
George Losere O'Grady, Jr.
Gordon Michael O'Neal
Leigh Madison Ogden
Edward Charles Olivares
Thomas Allen Olsen
Edwin Stanhope Olsmith, Jr.
Hardin Leonard Olson, Jr.
Thomas Edward Olson
Guy Joseph Palmieri
Kenneth Anthony Parker
Richard Michael Pastore
Rudolph Nicholas, Pataro, Jr.
Jerry Kranz Patterson
Theodore John Pearson, Jr.
John Howard Peckham
Newton Bernard Penrose
David Perry Perrine
John Lloyd Person, Jr.
Earl Wendell Pettibone
Richard William Pfeiffer
James Arthur Pocock
John Nicholas Politis
Donald Raymond Pope
Stanley Clarke Pore, Jr.
James Dorrance Powell
Donald Emil Press
Walter Leo Pritchard, Jr.
John Weber Purdy
Louis Stephen Quatannens
Charles Matthew Radler
John Joseph Ramsden
Russell Wilcox Ramsey
Robert Edward Rawls
James William Ray
Charles Leonard Raymond
Gene Ray Reget
Robert Martin Reynolds
Glen Lee Rhoades
George Lee Richardson
John Phillip Ritchey
Nicholas John Robinson
Thomas Wayne Roebuck
George Vaughn Rogers
Gordon Byrom Rogers, Jr.
Robin John Roller
Barnes Warland Rose, Jr.
Buel Trenton Rose
Theodore Manly Rosenberg
Morton Franklyn Roth
Jesse Holland Ruder, Jr.
Glenmore John Runnion
Thomas Earl Runyan
Joseph Stephen Russo
Clyde Donald Sadler
James Donald Salzman
John Darwin Sankey
John Edward Schaefer
Donald Ray Schafer
Richard Adrian Scholtes
David Edward Schorr
Henry Jerold Schumacher
Jerry Claude Scott
Charles Prentiss Scudder III
William Bentley Seely
Donald Eugene Seitz
Richard Walter Seward
Carroll Wade Shaddock, Jr.
E. Joe Shimek II
Thomas Kilby Shuff III
James Lawrence Siegel
Kenneth Richard Simila
David Lawrence Smith
James Donald Smith
John Franklin Smith 3d
William Lawrence Smith
John Edmund Sobraske
Anthony Maurice Solberg
Jack Manuel Solomon
William Risque Sowers, Jr.
Harry Edward Soyster
Joseph Howard Spector
Charles Robert Sprague
Donald Richard Stackhouse
Michael Kay Stein
Philip Allen Stein
Gary Alan Stemley
Richard Earl Stephenson
Francis Robert Stevens, Jr.
John Harrison Stokes III
Charles Bertody Stone IV
Bruce Finley Stout
Barry Bruce Sturgis
Wallen Michael Summers
James Arnold Swenson
Murray Glenn Swindler
Edward Szvetecz
Lester Bradshaw Tate
James Van Pelt Taylor
Willis Edward Teale, Jr.
Joseph Raymond Tedeschi
Robert Kinley Tener
David Neal Thomas
Thomas George Thompson
William Ross Thompson
Robert Charles Tilton
Kenneth Douglas Tobin
Ricardo Delfino Tonda
Jay Charles Toole
James Louis Trainor
Donald Sanborn Tribe
Bernard John Tullington, Jr.
Robert Bruce Turnbull
Alexander Aristotle Vardamis, Jr.
Veloy Jerold Varner
Norman Milton Vaughn, Jr.
Robert Vernon Vermillion
John Henry Vickers
Theodore Bassett Voorhees
Carl Edward Vuono
Carl Henry Waldenmaier
Guy Edward Wallace
Clifford Augustus Walton, Jr.
John Leonard Waters
Andrew Michael Weber, Jr.
Howard Elwyn Webster, Jr.
Donald George Wells
Robert Callan Westerfeldt
Donald Peyton Whalen
Charles William Wheatley
Lofton Hugh White
Edmund Anthony Wilhelm
John Curtis Wilkinson
Frank Wilson Willett
Charles Louis Williams, 3d
Nicholas Brown Wilson
Donald Lee Winters
Robert Edward Winters
Leonard Plumer Wishart III
John Michael Witherow
John Algerton Witmer
Clarence Edward Wittman
James Gerald Wood, Jr.
James Porter Woolnough
Stuart Ernest Wright
William Kinley Wright
William Earl Yates
Cedric Jerris Zabriskie
Durl Dale Zachgo

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Roy J. Banks, Pell City, Ala., in place of N. R. Shockley, resigned.

ALASKA

William Newman, Holy Cross, Alaska, in place of W. T. McIntyre, resigned.

ARIZONA

Ramona V. McPherson, Payson, Ariz., in place of W. D. Boardman, retired.

ARKANSAS

Alex J. Howard, Morrilton, Ark., in place of C. M. Parish, resigned.

Robert L. Nailling, Osceola, Ark., in place of L. J. Shreick, removed.

CALIFORNIA

George A. Floyd, Acampo, Calif., in place of E. R. Costello, retired.

Calvin E. Tremper, Clearlake Highlands, Calif., in place of E. E. Carpenter, retired.

Marguerite M. Brown, San Luis Rey, Calif., in place of M. E. Sager, deceased.

Naomi G. Ledbetter, Sloughhouse, Calif., in place of Gilbert Cobarubia, retired.

Boyden J. Hammond, Vista, Calif., in place of W. H. Skinner, removed.

COLORADO

Francis M. Connett, Littleton, Colo., in place of E. K. Downing, resigned.

CONNECTICUT

Alden E. Bailey, Manchester, Conn., in place of H. O. Grant, deceased.

DELAWARE

Elwood H. Webb, Ellendale, Del., in place of J. B. Derrickson, retired.

August Frederick Walz, Wilmington, Del., in place of William Berl, Jr., retired.

FLORIDA

Grace M. Davis, Alturas, Fla., in place of E. L. Grass, deceased.

GEORGIA

Doris B. Lawrence, Molena, Ga., in place of K. Q. Ward, removed.

Virginia G. Callaway, Stockbridge, Ga., in place of F. G. Owen, transferred.

Robert Green Holley, Stone Mountain, Ga., in place of M. G. White, retired.

ILLINOIS

Lawrence H. Carr, Jr., Blue Mound, Ill., in place of V. G. Huffman, retired.

Kenneth W. Tyner, Elkville, Ill., in place of W. P. Lipe, deceased.

Floyd T. Huddleston, Hurst, Ill., in place of I. M. Pratt, transferred.

Chestley E. Miller, Ludlow, Ill., in place of W. J. Thurman, resigned.

Theodore W. Fadler, Prairie du Rocher, Ill., in place of L. C. Franklin, removed.

Clarence R. Bonnell, Sidney, Ill., in place of H. M. Wolf, retired.

INDIANA

Rex F. Harris, Farmersburg, Ind., in place of Ray Dills, deceased.

S. Maurice Souder, Woodburn, Ind., in place of G. G. Souder, deceased.

IOWA

Melvin C. Boose, Elk Horn, Iowa, in place of C. E. N. Jensen, deceased.

Henry Junior Stoffer, Sheffield, Iowa, in place of C. H. Bokmeyer, retired.

KANSAS

Herbert G. Ham, Atchison, Kans., in place of F. J. Donovan, retired.

Rosalind Metzler, Carbondale, Kans., in place of B. M. Warner, retired.

Billy C. Kaltenbach, Mullinville, Kans., in place of William Campbell, deceased.

Virgil L. Smith, Pawnee Rock, Kans., in place of M. K. Converse, retired.

Glenn M. Carter, St. Paul, Kans., in place of E. J. Schoenhofer, resigned.

Eugene A. Hoppe, Syracuse, Kans., in place of Grover Miller, deceased.

KENTUCKY

Buron R. Elrod, Bowling Green, Ky., in place of B. G. Leichardt, removed.

Robert E. Latta, Clinton, Ky., in place of G. F. Hilliard, retired.

Bernice M. Combs, Lothair, Ky., in place of B. G. Combs, resigned.

Charles F. Williams, Middletown, Ky., in place of Edward Schindler, retired.

Sister Mary Kevin Egan, Nazareth, Ky., in place of Sister James Haldeman, retired.

LOUISIANA

John W. Lewis, Jr., Alexandria, La., in place of J. L. Treadway, retired.

Louise M. Gibbs, Longstreet, La., in place of Audrey Rowe, retired.

Marie T. Taliancich, Triumph, La., in place of Lena Evasovich, retired.

Robert P. Kennedy, Zachary, La., in place of M. A. McHugh, resigned.

MAINE

Donald H. Miller, Kennebunkport, Maine, in place of H. M. Martin, retired.

MARYLAND

Franklin B. Spriggs, Arnold, Md., in place of E. B. Gardner, retired.

MASSACHUSETTS

Susan G. Rowe, Bolton, Mass., in place of A. A. Hawks, retired.

Marion J. Wilson, Hathorne, Mass., in place of J. R. McLaughlin, retired.

Arthur H. Despard, Millbury, Mass., in place of W. C. Young, retired.

MICHIGAN

Albert V. Morgan, Croswell, Mich., in place of W. D. McCaughey, removed.

Ivan M. Vernon, Flushing, Mich., in place of Agnes McKerring, retired.

Loraine W. Gardner, Hartland, Mich., in place of W. W. Gardner, retired.

Donald M. Plain, Mayville, Mich., in place of E. M. Lynch, retired.

George P. Liebeck, Munith, Mich., in place of M. J. Hoffman, resigned.

Phyllis E. Simpson, North Street, Mich., in place of H. W. Sweet, resigned.

Ivan L. Groner, Sand Lake, Mich., in place of F. J. Otterbacher, retired.

MINNESOTA

Leonard W. Endreson, Montrose, Minn., in place of C. H. Ferrell, removed.

Chester L. LesSard, Rush City, Minn., in place of H. L. Sherman, deceased.

MISSISSIPPI

Philip M. Catchings, Jackson, Miss., in place of A. C. Griffin, retired.

Cecil R. Dubuisson, Long Beach, Miss., in place of M. B. Dubuisson, retired.

MISSOURI

Theodore R. Shell, De Soto, Mo., in place of H. W. Ames, transferred.

MONTANA

Howard A. Robinson, Hamilton, Mont., in place of of C. A. Smithey, retired.

Elizabeth L. Calvert, Lima, Mont., in place of O. M. Cantrell, resigned.

NEBRASKA

Norman W. Steinacher, Milligan, Nebr., in place of M. E. Krisl, retired.

LeRoy T. Sumner, Rogers, Nebr., in place of John Zimola, retired.

NEW HAMPSHIRE

George J. Martin, Andover, N. H., in place of C. S. Stone, deceased.

NEW JERSEY

Lynwood A. Harby, Bloomingdale, N. J., in place of C. J. Hansen, resigned.

William Schmidt, Jr., Cologne, N. J., in place of William Schmidt, retired.

Charles R. Allaire, Jr., Middletown, N. J., in place of Agnes Despreaux, retired.

Claude M. Larned, Sr., Pleasantville, N. J., in place of M. T. O'Brien, retired.

NEW YORK

Sherman G. Peterson, Falconer, N. Y., in place of H. E. Dickinson, resigned.

Kenneth A. Muehleck, Fort Plain, N. Y., in place of D. J. Sullivan, deceased.

Elsie C. Nolin, Ocean Beach, N. Y., in place of M. J. O'Connell, retired.

Genevieve Watkins, Richford, N. Y., in place of A. M. Smith, deceased.

Rudolph A. Sangiacomo, Savannah, N. Y., in place of Edward Fennell, retired.

Robert W. Collins, Spring Brook, N. Y., in place of F. A. Donohue, retired.

NORTH CAROLINA

Earl W. Miller, Jr., Council, N. C., in place of E. E. Meshaw, retired.

James J. Lee, Jr., Mebane, N. C., in place of W. S. Harris, retired.

Worth T. Hendricks, Mocksville, N. C., in place of Daisy Holthouser, transferred.

Marion H. Boyles, Pinnacle, N. C., in place of W. B. Lane, resigned.

OHIO

Ralph T. Stearns, Bluffton, Ohio, in place of E. R. Reichenbach, retired.

William W. Boyd, Sherrodsville, Ohio, in place of C. A. Belknap, transferred.

Walter M. Guthrie, Stryker, Ohio, in place of A. M. Goll, retired.

OKLAHOMA

Mabel C. Heidenreich, Duke, Okla., in place of H. M. Foreman, removed.

Wayne Coffman, Pauls Valley, Okla., in place of Earl Witten, deceased.

PENNSYLVANIA

Michael D. Eddy, Jr., Brave, Pa., in place of Gail Wood, retired.

John J. Lynch, Cheltenham, Pa., in place of P. T. Keenan, resigned.

Wilmer E. Hinish, Curryville, Pa., in place of L. D. Ritchey, resigned.

Altheda B. Ferdinand, Drifton, Pa., in place of N. E. Breslin, retired.

William C. Wademan, Factoryville, Pa., in place of C. E. Capwell, retired.

Thomas P. Janosky, Grassflat, Pa., in place of J. W. Conway, resigned.

Howard R. Byham, Guys Mills, Pa., in place of K. A. Bird, retired.

Alexander F. Schafhirt, Mechanicsburg, Pa., in place of G. C. Dietz, transferred.

Kenneth R. Myers, Millerstown, Pa., in place of R. E. Wagner, deceased.

Edward M. Crawford, Milton, Pa., in place of E. H. Follmer, retired.

Wilbur Ray Kline, Shadygrove, Pa., in place of H. A. Grove, retired.

Lawrence A. Moro, Smithton, Pa., in place of H. C. Johnston, removed.

Virjean C. Stuckey, Summerdale, Pa., in place of S. L. Simpson, resigned.

John S. Carrier, Summerville, Pa., in place of H. F. Eshelman, deceased.

PUERTO RICO

Eduardo Melendez Santiago, Salinas, P. R., in place of Jose Monserrate, retired.

SOUTH DAKOTA

Bernard M. Montagne, Jefferson, S. Dak., in place of H. A. Beavers, retired.

TENNESSEE

Daniel E. Porter, Adams, Tenn., in place of Lizzie Norman, retired.

Dale L. Marion, Blountville, Tenn., in place of W. D. Dulaney, transferred.

Billie J. Ross, McEwen, Tenn., in place of Fred Gentry, transferred.

Evelyn E. Roach, New Market, Tenn., in place of A. M. Daniel, transferred.

TEXAS

George D. FitzSimmons, Jr., Alice, Tex., in place of M. A. Mullen, removed.

Dodd D. Weatherly, Carrollton, Tex., in place of G. F. Isom, removed.

Willie C. Anthis, El Campo, Tex., in place of W. W. Harriss, deceased.

Jewel A. Atkinson, Goldsmith, Tex., in place of R. O. McFarland, removed.

J. Printous Smith II, Humble, Tex., in place of I. M. Horton, declined.

Neil O. Clute, Jewett, Tex., in place of A. W. Dotson, retired.

Horace W. McAdams, Muleshoe, Tex., in place of A. J. Gardner, transferred.

Kyle C. Elam, Port Arthur, Tex., in place of F. C. Toups, deceased.

Olen C. Thomas, Ralls, Tex., in place of M. G. Prewitt, retired.

John L. Pevey, Woodson, Tex., in place of O. T. Little, retired.

VERMONT

Clifford L. Greene, Pawlet, Vt., in place of G. E. Lee, retired.

VIRGINIA

Willard L. Jones, Keller, Va., in place of C. W. Bradford, deceased.

Warren P. Harris, Midlothian, Va., in place of B. L. Morrisette, retired.

Thelma E. Addington, Nickelsville, Va., in place of R. L. McConnell, retired.

WASHINGTON

Richard H. Vaughn, Mountlake Terrace, Wash. Office established July 1, 1955.

WEST VIRGINIA

Elizabeth R. Wyant, Alloy, W. Va., in place of Edwin Caperton, retired.

Michael Hando, Cassville, W. Va., in place of A. E. Adams, retired.

Martha W. Burdette, Glen Ferris, W. Va., in place of J. S. Knight, retired.

Gordon W. Spessard, Glen Jean, W. Va., in place of C. B. Smith, removed.

Conrad A. Graham, Hinton, W. Va., in place of Carl Hinton, retired.

Lacy A. Meadows, Rhodell, W. Va., in place of N. W. Meadows, resigned.

John C. Kennedy, Sr., Rupert, W. Va., in place of E. Y. Graves, removed.

Harold G. Whitt, Switzer, W. Va., in place of B. J. Osborne, removed.

WISCONSIN

Joseph A. Battalio, Clinton, Wis., in place of F. A. Hollister, resigned.

Stanley I. Andersen, Loretta, Wis., in place of Jennie Ruid, retired.

Roy H. Andrews, Sharon, Wis., in place of G. A. Peterson, transferred.

WYOMING

Rex V. Nelson, Moorcroft, Wyo., in place of F. E. Wilson, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 9, 1957:

DIPLOMATIC AND FOREIGN SERVICE

Scott McLeod, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ireland.

Henry J. Taylor, of Virginia, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Switzerland.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Thomas James Donegan, of New York, to be a member of the Subversive Activities Control Board for the term expiring April 9, 1962.

IN THE ARMY

The following-named officers to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

Lt. Gen. Thomas Wade Herren O7430, Army of the United States (major general, U. S. Army), to be lieutenant general.

Lt. Gen. Alonzo Patrick Fox O8434, Army of the United States (major general, U. S. Army), to be lieutenant general.

Lt. Gen. Laurin Lyman Williams O8425, Army of the United States (major general, U. S. Army), to be lieutenant general.

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title 10, United States Code, secs. 3284, 3306, and 3307:

Maj. Gen. Paul Irwin Robinson O17802, Army of the United States (brigadier general, Medical Corps, U. S. Army), to be major general, Medical Corps.

Brig. Gen. John Frederick Bohlender O17814, Army of the United States (colonel, Medical Corps, U. S. Army), to be brigadier general, Medical Corps.

Brig. Gen. Jack William Schwartz O17823, Army of the United States (colonel, Medical

Corps, U. S. Army), to be brigadier general, Medical Corps.

Brig. Gen. Clarence Price Canby O17904, Army of the United States (colonel, Dental Corps, U. S. Army), to be brigadier general, Dental Corps.

Maj. Gen. John Francis Regis Seitz O17734, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Ralph Copeland Cooper, O17741, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. David Haytor Buchanan O17746, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Herbert John Vander Heide O17754, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Normando Antonio Costello O17764, Army of the United States (colonel, U. S. Army), to be brigadier general.

Brig. Gen. Lloyd Roosevelt Moses O29362, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Eugene Fodrea Cardwell O38662, Army of the United States (colonel, U. S. Army), to be brigadier general.

Brig. Gen. Briard Poland Johnson O29393, Army of the United States (colonel, U. S. Army), to be brigadier general.

Maj. Gen. Robert William Porter, Jr., O18048, Army of the United States (colonel, U. S. Army), to be brigadier general.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of title 10, United States Code, sections 3442 and 3447:

Brig. Gen. Stuart Gross Smith, O16369, Medical Corps, United States Army, to be major general.

Brig. Gen. David William Traub O17110, Army of the United States (colonel, U. S. Army), to be major general.

Col. John William Cave O18388, United States Army, to be brigadier general.

Col. Alden Kingsland Sibley O18964, United States Army, to be brigadier general.

The officers named herein for promotion as Reserve commissioned officers of the Army under the provisions of the Reserve Officer Personnel Act of 1954, Public Law 773, 83d Congress:

Col. Walter Duryee Lamon, Jr., O403168, Artillery, National Guard of the United States, to be brigadier general.

Col. James Haydon Weyhenmeyer, Jr., O415260, Armor, National Guard of the United States, to be brigadier general.

Maj. Gen. Andrew Thomas McNamara O17324, Army of the United States (colonel, U. S. Army), appointment as the Quartermaster General, United States Army, and as major general in the Regular Army of the United States.

Brig. Gen. Thomas North O11879, United States Army, temporary appointment as major general in the Army of the United States.

IN THE AIR FORCE

The nominations of Quincy E. Fortier, and 1,782 other officers for appointment in the Regular Air Force, which were confirmed today, were received by the Senate on April 12, 1957, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Quency E. Fortier, which is shown on page 5627, and ending with the name of Robert E. Witte, which is shown on page 5634.

IN THE NAVY AND IN THE MARINE CORPS

The nominations of William A. Abbott, and 2,970 other officers, which were confirmed today, were received by the Senate on April 15, 1957, and may be found in full in the Senate proceedings of the CONGRESSIONAL RECORD, for that date, under the caption "Nominations," beginning with the name of William A. Abbott, which is shown on page 5654, and ending with the name of Dwayne E. T. Wilson, which is shown on page 5660.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 9, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art the sovereign ruler of the universe, grant that during these days of anxiety and distress, Thy divine spirit may be our counselor and companion, our joy and strength.

May all our hopes and aspirations, our deliberations and decisions, our energies and labors be directed to redound to Thy glory and honor and the welfare of humanity.

Give us the courage that shows itself in faithfulness, the wisdom that manifests itself in simplicity, the power that reveals itself in humility, and the greatness that devotes itself in service.

We implore Thee that the manifold resources of our Nation may be used mightily and generously in defending and safeguarding our freedoms and in ministering to the poor and needy, the afflicted and oppressed.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment bills, a joint resolution, and a concurrent resolution of the House of the following titles:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child;

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming; and

H. Con. Res. 91. Concurrent resolution expressing the sense of the Congress with respect to the recognition of the Altar of the Nation, located in the Cathedral of the Pines, Rindge, N. H., as a memorial to all American war dead.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 133. Joint resolution for the relief of certain spouses and minor children of citizens of the United States.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 45. An act to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex.;

S. 147. An act for the relief of Guido William Grambergs;

S. 239. An act for the relief of Maria Parisi;

S. 256. An act for the relief of Aristea Vitogianes;

S. 307. An act for the relief of Noemi Maria Vida Williams and Maris Loretta Vida;

S. 308. An act for the relief of Maria Caccomo;

S. 334. An act to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C. 184), in order to promote the development of phosphate on the public domain;

S. 359. An act to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres;

S. 405. An act to require the Bureau of the Census to develop farm income data by economic class of farm;

S. 463. An act for the relief of Pedro Ampo;

S. 465. An act for the relief of Maria Concetta Di Turi;

S. 470. An act for the relief of Livio Senni;

S. 616. An act for the relief of Bianca G. Hidalgo;

S. 622. An act for the relief of Georgina Mercedes Llera;

S. 623. An act for the relief of Donini Maurizio Donato;

S. 629. An act for the relief of John Eicher;

S. 641. An act for the relief of Elvira A. Belford;

S. 650. An act for the relief of Isabella Abrahams;

S. 653. An act for the relief of Mrs. Elsbe Hermine van Dam Hurst;

S. 692. An act to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in the Executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes;

S. 710. An act for the relief of Sui-an Fung and Shu-nung Wu Fung;

S. 730. An act for the relief of Shao Fong Sha;

S. 756. An act for the relief of Giuseppe Sciortino;

S. 767. An act for the relief of Christo Pan Lycouras Mauroyenis (Maurogenis);

S. 804. An act for the relief of Georgios D. Christopoulos;

S. 874. An act for the relief of Cornelis Vander Hoek;

S. 891. An act for the relief of Dr. Cheung Nung Huang;

S. 1008. An act for the relief of Col. Benjamin Axelroad;

S. 1063. An act vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba;

S. 1206. An act for the relief of Antonio Velleman;

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes;

S. 1319. An act to renounce any right, title, and interest which the United States may have in certain lands in Montana;

S. 1352. An act to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak.;

S. 1396. An act to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of

the State of Wyoming by providing for the use of public lands granted to said State for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State;

S. 1463. An act to amend the Medals of Honor Act to authorize awards for acts of heroism involving any motor vehicle;

S. 1492. An act increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission;

S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada;

S. 1574. An act to provide for the diposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes;

S. 1859. An act to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain service to the Boy Scouts of America for use at the Gold Rush 1957 Jamboree of the Boy Scouts of America, and for other purposes; and

S. Con. Res. 22. Concurrent resolution to print for the use of the Senate Committee on the Judiciary additional copies of the Internal Security Annual Report for 1956.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1442. An act to facilitate the regulation, control, and eradication of plant pests.

ANNOUNCEMENT

The SPEAKER. The Chair thinks we will proceed as we have formerly and not have any program before our distinguished guest arrives, except the Chair desires to have read a letter from the State Department quote a message from the President of the National Assembly of Vietnam.

The Clerk read as follows:

MAY 8, 1957.

The Honorable SAM RAYBURN,
Speaker, House of Representatives.

DEAR MR. SPEAKER: At the request of the Embassy of Vietnam, I have pleasure in forwarding the following message which was received from the President of the National Assembly of Vietnam.

"On the occasion of the visit of the President of our Republic which marks a memorable date in the relations between our two countries, I am particularly happy to send you in the name of our National Assembly our fraternal greetings asking you to transmit them to the Members of your assemblies and to the American people. All the Vietnamese people are behind their president in affirming their deep friendship for the great American democracy. They are more than ever determined to fight for peace, liberty, and human dignity in complete unity of ideals and in the most confident cooperation with your nation."

Sincerely yours,

ROBERT C. HILL.

RECESS

The SPEAKER. The Chair declares a recess, subject to call.

Accordingly (at 12 o'clock and 4 minutes p. m.), the House stood in recess, subject to the call of the Chair.

JOINT MEETING OF THE TWO HOUSES OF CONGRESS TO HEAR AN ADDRESS BY HIS EXCELLENCY THE PRESIDENT OF THE REPUBLIC OF VIETNAM

The SPEAKER of the House of Representatives presided.

At 12 o'clock and 20 minutes p. m. the Doorkeeper announced the Vice President and Members of the United States Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. On the part of the House the Chair appoints as members of the committee to escort His Excellency the President of the Republic of Vietnam into the Chamber the gentleman from Massachusetts, Mr. MCCORMACK, the gentleman from Massachusetts, Mr. MARTIN, the gentleman from Illinois, Mr. GORDON, and the gentleman from Illinois, Mr. CHIPERFIELD.

The VICE PRESIDENT. On the part of the Senate the Chair appoints as members of the committee of escort the Senator from Texas, Mr. JOHNSON, the Senator from Montana, Mr. MANSFIELD, the Senator from California, Mr. KNOWLAND, and the Senator from Illinois, Mr. DIRKSEN.

The Doorkeeper announced the following guests, who entered the Hall of the House of Representatives and took the seats reserved for them:

The Ambassadors, Ministers, and Chargés d'Affaires of foreign governments.

The members of the President's Cabinet.

At 12 o'clock and 30 minutes p. m. the Doorkeeper announced His Excellency the President of the Republic of Vietnam.

His Excellency the President of Vietnam, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives and stood at the Clerk's desk. [Applause, the Members rising.]

The SPEAKER. Members of the Congress, I deem it a great honor and a high privilege to be able to present to you the leader of a great, a proud, a free people, and a friendly people, the President of the Republic of Vietnam. [Applause, the Members rising.]

ADDRESS OF HIS EXCELLENCY NGO DINH DIEM, PRESIDENT OF THE REPUBLIC OF VIETNAM

The PRESIDENT of the Republic of Vietnam. Mr. President, Mr. Speaker, distinguished Members of the Congress of the United States, it is a rare privilege for me to have this opportunity to address you today.

To address you in the Halls of this Congress—where there has been forged the destiny of one of the great countries of the world.

I am proud to bring to the distinguished representatives of the noble Republic of the United States—the fraternal best wishes of the Vietnamese people. I bring as well the expression of their profound gratitude for the moral and material aid given by the people of the United States. My people appreciate both its great import and its profound significance.

Since the end of the last war, when Asia broke her chains, the conscience of the world has at last awakened to a profound and inevitable development, the birth of Asian independence. This realization has brought about a condemnation in the most concrete terms of the old system of exploitation which governed, in the past, the relations between East and West. In its place firm efforts are being made to establish a new formula of international cooperation, more adapted to the real needs of the world and to the new Asian philosophy. It is the battle for independence, the growing awareness of the colonial peoples that the origin of their poverty has been the systematic withholding of technical development, coupled with the growing nationalist and social sentiment, that have combined to bring about a profound transformation in the Asian state of mind and given to its masses an irresistible dynamism.

The Asian people—long humiliated in their national aspirations, their human dignity injured—are no longer, as in the past, resigned and passive. They are impatient. They are eager to reduce their immense technical backwardness. They clamor for a rapid and immediate economic development, the only sound base for democratic political independence.

The leaders of Asia—whatever their ideologies—are all faced with the tragic urgency of the economic and social problems of their countries. Under the strong pressure of their peoples, they are compelled to adopt economic planning. Such planning is bound to cause serious political repercussions. It is for this reason that the main theme of domestic political debates in Asian countries centers around the extent of planning needed, the indispensable method required to bring urgent practical results. Should everything be planned? Or should planning be restricted to essential sectors? Should democratic or should ruthless totalitarian methods be adopted?

It is in this debate—unfortunately influenced in many countries by the false but seductive promises of fascism and communism—that the efforts being made to safeguard liberal democracy through aid given by the industrial countries of the West, play a vital role. For the honor of humanity, the United States has made the most important contribution to this end.

These, gentlemen of the Congress, in outline and general summary, are some of the problems facing the countries of Asia. These are the goals to be realized and the methods proposed. These are also the internal pressures and temptations facing Asian leaders.

In the great Asian land mass, Vietnam finds itself in the most sensitive area. Although Vietnam faces the same general problems of other Asian countries, because of her sensitive geopolitical position her problems are greatly intensified.

Placed at one of the strategic points of access for the important raw materials

of Southeast Asia, the possession of which is decisive in the world, held back in her development by 100 years of foreign domination, exhausted by 15 years of war and destruction, the northern half of her territory given to the Communists, free Vietnam is in a more menaced and critical position than other Asian countries.

At great human sacrifice—and thanks to the aid given by the generous American people—free Vietnam has succeeded, in record time, to overcome the chaos brought about by war and the Geneva accords. The national rehabilitation and stability which have been achieved, have permitted the integration of over 860,000 refugees into the economy of the other 11 million people in free Vietnam, and have permitted the adoption of important economic and political reforms.

Nevertheless, at the time all Asia is passing from one civilization to another, at the moment when all the important problems come up at once to the leaders and seem to call for immediate solution, at a time when all must be done in a climate of increasing revolutionary tension, it has become necessary for Vietnam, more than for other countries, to adopt a certain number of principles, guide lines for action, not only to protect her from the totalitarian temptations but, above all, to assist her to attain independence instead of anarchy—to safeguard peace without sacrificing independence—to attain economic progress without sacrificing essential human liberties.

It was for these reasons—basing myself on fundamental sources of Asiatic culture, and within our own Vietnamese democratic tradition—that I had the honor to define this doctrine in the message of April 17, 1956, delivered to the National Constituent Assembly of Vietnam. I take the liberty of citing from it the most significant passages, for they constitute the basis of our constitution. I quote:

> In the face of the massive forces of material and political oppression which constantly menace us, we feel, more than other people—the essential need to base our political life on a solid foundation and—rigorously to hasten the successive steps of our actions along lines which, without hesitation, will bring about the largest measure of democratic progress.
>
> [Applause.]
>
> This can only be spiritualist—that line followed by human beings in their intimate reality as in their community life—in their vocation as in the free pursuit of intellectual, moral and spiritual perfection.
>
> We affirm, therefore, our faith in the absolute value of the human being—whose dignity antedates society and whose destiny is greater than time.
>
> [Applause.]
>
> We affirm that the sole legitimate object of the state is to protect the fundamental rights of human beings to existence—to the free development of their intellectual, moral, and spiritual life.
>
> We affirm that democracy is neither material happiness nor the supremacy of numbers. Democracy is essentially a permanent effort to find the right political means in order to assure to all citizens the right of free development and of maximum initiative, responsibility, and spiritual life.
>
> [Applause.]

We are convinced that with these guiding principles as the central theme for the development of our political institutions, Vietnam will be able to make its political and economic regime—not a closed one—but an open system, broader with each passing day until it reaches the broad dimensions of man.

Mr. President, Mr. Speaker, gentlemen of the Congress, the Republic of Vietnam, the youngest Republic in Asia, soon will be 2 years old. Our Republic was born among great suffering. She is courageously facing up to economic competition with the Communists, despite heavy and difficult conditions, which become daily more complex. Vietnam nevertheless has good reason for confidence and hope. Her people are intelligent, have imagination and courage. They also draw strength from the moral and material aid they receive from the free world, particularly that given by the American people.

In the face of increased international tension and Communist pressure in southeast Asia, I could not repeat too often how much the Vietnamese people are grateful for American aid, and how much they are conscious of its importance, profound significance, and amount.

In actual fact, at any other moment of history, the conflicts between peoples have never been posed in such immediate terms of civilization as they are today. It is by having made timely contributions in sufficient quantities for the rehabilitation of our economic and technical life, which permitted a higher standard of living, that the free world, under the leadership of the United States, is assuring the success of the new system of international cooperation. This action has contributed to the defense of southeast Asia and prevented the raw materials of this area from falling into Communist hands.

Although our economy has suffered greatly from war, destruction and colonialism, the people of Vietnam are now increasing their contribution to their country. A few months ago the National Assembly voted new and higher taxes to bring in needed revenues for the national budget. A national conscription ordinance was recently promulgated, and a comprehensive declaration of policy was issued 2 months ago for the purpose of encouraging foreign private investment.

It is on this high moral plane that we pay tribute to the generous and unselfish assistance we have received from the people of the United States. It is on the same plane that the interests of Vietnam are identical with the interests of the people of the free world. [Applause.] It is on this plane that your and our fight is one and the same. We too will continue to fight communism. [Applause.]

It is in this conviction and in the ardent and always present remembrance of the strong sympathetic comprehension with which the American people and Government have followed our efforts, that I close, thanking you once again, Mr. President, Mr. Speaker, and gentlemen of the Congress, for the honor you have bestowed on me and for your kind attention. [Applause, the Members rising.]

At 12 o'clock and 50 minutes p. m., His Excellency the President of the Republic of Vietnam, accompanied by the committee of escort, retired from the Chamber.

The Doorkeeper escorted the invited guests from the Chamber in the following order:

The members of the President's Cabinet.

The Ambassadors, Ministers, Chargés d'Affaires of foreign governments.

JOINT MEETING DISSOLVED

The SPEAKER. The purposes of the joint meeting having been completed, the Chair declares the joint meeting of the two Houses now dissolved.

Thereupon (at 12 o'clock and 52 minutes p. m.) the joint meeting of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

AFTER RECESS

The recess having expired at 1 o'clock and 30 minutes p. m., the House was called to order by the Speaker.

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the proceedings had during the recess of the House be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COMMITTEE ON APPROPRIATIONS—AGRICULTURAL APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow night to file a report on the agricultural appropriation bill for 1958.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. VURSELL reserved all points of order on the bill.

FEDERAL HAZARDOUS SUBSTANCES LABELING

Mr. CURTIS of Missouri. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS of Missouri. Mr. Speaker, I have today introduced a bill to regulate the interstate distribution and sale of packages of hazardous substances intended for household use. The act may be cited as the Federal Hazardous Substances Labeling Act.

The need for legislation of this nature stems from the fact that serious difficulty has been encountered on many occasions in attempting to treat cases of accidental poisoning from household chemicals which bear no label indicating their identity or composition. Also prompting my introduction of this bill is my con-

cern over the increasing number of reported accidents from the use of household products and the fact that many products are marketed without the informative labeling which would prevent and avoid these serious accidents.

For most household chemicals there is no Federal law requiring manufacturers to list the ingredients contained therein, though the Federal Food, Drug, and Cosmetic Act does require that the labels of foods list the ingredients, and the labels of drugs are required to show the active ingredients as well as the appropriate warnings against misuse. Also in effect is the Federal Insecticide, Fungicide, and Rodenticide Act, which requires informative labeling on certain economic poisons.

There is State legislation presently pending on this subject in Kansas, Texas, and Connecticut. There are regulations now in existence covering this type of legislation in New Jersey, New York, Oregon, and Illinois, and some limited regulations throughout the States covering the labeling of some specific chemicals.

In view of the State activity and the serious nature of this matter, I deem it necessary to have a Federal law to cover the interstate uniform requirements, which will be beneficial to physicians, users of household chemicals, and industry.

My bill, Mr. Speaker, would also repeal the Federal Caustic Poison Act, requiring informative labeling on a few caustic and corrosive substances, because my bill, by its provisions, embraces the subject matter dealt with in the Federal Caustic Poison Act.

CALL OF THE HOUSE

Mr. KILBURN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. BOYLE. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 67]

Alger	Evins	Martin
Allen, Ill.	Farbstein	Powell
Anderson, Mont.	Fogarty	Prouty
Andresen, August H.	Garmatz	Rodino
Bass, Tenn.	Green, Pa.	Saund
Beamer	Gwinn	Sheehan
Blatnik	Halleck	Shelley
Boggs	Harvey	Simpson, Pa.
Bowler	Haskell	Smith, Miss.
Buckley	Hays, Ohio	Smith, Va.
Chudoff	Hébert	Steed
Coffin	Holtzman	Taylor
Cole	James	Utt
Dawson, Ill.	Kearney	Walter
Denton	Kelley, Pa.	Willis
Eberharter	Kirwan	Wilson, Calif.
	Laird	Wolverton
	McIntosh	

The SPEAKER. On this rollcall 380 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

HOUSING ACT OF 1957

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that I may incorporate in the RECORD a letter and a telegram from the chairman of the housing committee of the AFL–CIO supporting the bill H. R. 6659.

The SPEAKER. Without objection it is so ordered.

(The matter referred to is as follows:)

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, D. C., May 3, 1957.

Hon. BRENT SPENCE,
Chairman, House Banking and Currency Committee, House Office Building, Washington, D. C.

DEAR CONGRESSMAN SPENCE: I am enclosing a copy of a telegram I have sent to Speaker SAM RAYBURN, Majority Leader JOHN MCCORMACK, Minority Leader JOSEPH MARTIN, and Congressman CHARLES A. HALLECK urging them to support H. R. 6659, the housing bill recommended by the House Banking and Currency Committee and to defeat the thoroughly inadequate so-called "compromise" H. R. 7024, introduced by Congressman TALLE.

I want to take this opportunity to express to you again our appreciation for your fine efforts against great odds to obtain adequate housing legislation in this session of Congress.

Sincerely yours,

HARRY C. BATES,
Chairman, Housing Committee, AFL–CIO.

AFL–CIO urges you to support Spence bill (H. R. 6659) when House considers housing legislation next week. While H. R. 6659, approved by House Banking and Currency Committee, does not contain all features AFL–CIO regards as necessary for adequate housing bill, it would expand the sagging new home market and increase the opportunity for home buyers, particularly veterans, to obtain moderate-priced housing. It would also improve and render more effective the operations of the Federal National Mortgage Association, particularly in its special assistance program for types of housing especially needed. The so-called "compromise" Talle bill (H. R. 7024), proposed as a substitute for H. R. 6659, lacks the most effective features of H. R. 6659 and would therefore completely fail to assist the much-needed revival of the critically depressed housing market. We ask you to do everything possible to defeat H. R. 7024 and to obtain a favorable vote for H. R. 6659.

HARRY C. BATES,
Chairman, Housing Committee of the AFL–CIO.

HOUSING ACT OF 1957

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 6659, with Mr. MILLS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday there was pending an amendment offered by the gentleman from Iowa [Mr. TALLE].

Mr. HIESTAND. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HIESTAND. Mr. Chairman, there are three very important major defects in the committee bill that are corrected in the Talle amendment, which we are now considering. They are the major reasons why the administration approves the amendment introduced by the distinguished gentleman from Iowa, Dr. TALLE.

They all have to do with inflation, perhaps the most serious problem this Nation now faces.

Section 205 of the committee bill provides for the investment of $1 billion worth of national service life insurance funds to support the secondary mortgage market. Now, what is this fund? It is nothing more nor less than an account down at the United States Treasury. The money has been put into the account, and, like all other deposits in the Treasury, it has been spent. In its place are Government bonds which are, of course, simply notes or I O U's.

Now if we take a billion dollars out of that fund, we are simply taking a billion dollars cash out of the Treasury to support the secondary-mortgage market and when the Treasury needs more money, it must either replace this billion dollars with other bonds, certificates, or bills, by borrowing the money from banks, or in the open market. The only other way the money can be replaced is by increased taxation. That, I am sure our distinguished Chairman and no Member of this House will even contemplate.

The billion dollars, drawn directly from the Treasury, is highly inflationary. It expands the money supply to that degree, whereas, the provision in the Talle bill, simply expanding the present borrowing authority of FNMA by a half a billion, in effect, simply uses a half a billion of private funds, to support the secondary market. These funds already exist in investment funds, foundations, and trusts and this procedure is not inflationary, because all of the FNMA debentures are now being bought up by private investors.

Yesterday it was asserted that this extra half billion dollars of FNMA authorization was spending, and with the Congress in an economy mood, it should not be done. The facts are exactly the opposite from those he stated—that extra half billion dollars for FNMA is simply authorization of presently existing private funds, instead of National Service Life fund drawing on the Treasury for a billion dollars new money.

There are other serious precedents established in reinvesting some of our present Treasury earmarked funds. If we start this precedent, what is to prevent our authorizing that highly inflationary measure of reinvesting all of the other funds? In other words, doubling up the money supply with already spent

social-security money, or railroad pension money. What difference does it make? It all comes out of the same pot. It is all your money—taxpayers money, and if we print twice as much of it, we will simply be further debauching the value of the dollar by 50 percent. I urge that we very carefully consider the highly inflationary aspects of that section 205 of the committee bill. I would not blame the President for vetoing any bill with such a frightful measure in it. The Talle amendment simply authorizes enough more funds to support the secondary mortgage market and we have been assured by the experts appearing before the committee that that added authorization will provide adequate revolving fund to supply the necessary money for the home building market, so desperately needed at present.

The second highly inflationary measure in the committee bill is section 203, which would peg the price paid by FNMA special consistence at the face value of the mortgage. Any measure of price fixing tends to defeat the very object for which it was designed, whether it be price controls, wage controls, or any controls. They can hold the price temporarily, but eventually they foster and breed inflation.

Fixing the price at which FNMA must pay for these mortgages takes away the market operation and guarantees that FNMA will lose money and not be self-supporting, hence becoming frozen instead of revolving. Now, there's nothing more fundamentally sound and anti-inflationary than the open-market operation. If FNMA can pay a shade less for some mortgages because they are worth a little less than others, and can sell them for whatever the market offers, it can continue to be a revolving fund. On the other hand, if FNMA must pay par, it must continue to go directly to the Treasury for added funds and FNMA, a corporation, is paying $5½ million taxes per year. Presently these mortgages, or debentures, not Government guaranteed, are sold to private investors—insurance companies, trust funds and foundations. Again, if FNMA must go to the Treasury for direct draft, it is highly inflationary. Artifically pegging the purchase price for these mortgages is thus inflationary. This price-pegging measure is not in the Talle amendment, and is another reason for our supporting the amendment.

A third inflationary measure of the committee bill is section 503, which would provide for discount control. Again, this is definitely a price-fixing measure, and I suggest that all price-fixing measures tend to be inflationary, in that they force direct borrowing from the Treasury, rather than utilizing of private funds.

Now, none of us like the discount situations of the last 12 months, but may I direct the attention of the membership to the fact that these discounts were the effects rather than the causes. They are the result of a tight-money market produced by tremendous prosperity, tremendous building, tremendous demand for funds. If the Federal Reserve had loosened up on credit, it would have simply increased the amount of dollars to chase around the existing supply of goods and services, bidding up the price and increasing the inflation. I believe the Federal Reserve was very wise in simply refraining from further expansion of the money supply until production could increase enough to catch up with demand, and that is exactly what is happening. The tight-money situation is correcting itself in a natural, rather than an artificial way. Discounts on FHA mortgages are now down to small margins. They are simply reflecting the law of supply and demand, and I am advised that discounts on VA mortgages are now much less than they were.

Furthermore, authorizing a Federal bureau to fix prices has many dangerous complications. The price of money in New York is very different from that in Amarillo, Tex., or Spokane, Wash. An arbitrary price-fixing range, as is suggested, arbitrarily fixes the top price. And who is wise enough to set a fixed price on the variable supply of money and credit in 900 areas of the United States at any given day of the 365 days of any year? The open market, Mr. Chairman, is the only sound and sure method of pricing. A pegged market stops investment instead of helping it.

Again, fixing prices simply drives the demand for mortgage money right into the United States Treasury, the taxpayers' money, instead of private investors' money.

This discount measure was tried, and tried fairly you may recall, in 1950, was discarded as a failure. It simply will not work. Adjusting interest rates to realistic figures enabled the law of supply and demand to operate and thus avoids inflation. Fixing prices is as dangerous as fixing prices on Government bonds—a highly inflationary measure.

This inflationary paragraph is not in the Talle amendment.

Mr. Chairman, if we are to fight off the inflation and endeavor to hold our cost of living even, avoiding lending the taxpayers money directly at subsidized costs, we must approve the Talle amendment, the administration amendment—and I hope this House will do so decisively. Thank you.

Mr. EDMONDSON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDMONDSON as a substitute for the amendment offered by Mr. TALLE: Strike out all after the enacting clause and insert in lieu thereof the following: "That this act may be cited as the 'Housing Act of 1957.'

"TITLE I—FHA INSURANCE PROGRAMS

"Lower downpayments for sales housing

"SEC. 101. (a) Section 203 (b) (2) of the National Housing Act is amended to read as follows:

"'(2) Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally (whether or not it may be intended to be rented temporarily for school purposes) for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; and not to exceed an amount equal to the sum of (i) 97 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of $10,000 of the appraised value of the property, as of the date the mortgage is accepted for insurance, (ii) 85 percent of such value in excess of $10,000 but not in excess of $16,000, and (iii) 70 percent of such value in excess of $16,000.'

"(b) Section 203 (b) of such act is further amended by adding the following paragraphs at the end thereof:

"'(8) In the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of paragraph (2) of this subsection.

"'(9) Be executed by a mortgagor who shall have paid on account of the property at least 3 percent, or such larger amount as the Commissioner may determine, of the Commissioner's estimate of the cost of acquisition in cash or its equivalent: *Provided*, That with respect to a mortgage executed by a mortgagor who is 60 years of age or older as of the date the mortgage is endorsed for insurance or with respect to a mortgage meeting the requirements of subsection (i) of this section, the mortgagor's payment required by this subsection may be paid by a corporation or person other than the mortgagor under such terms and conditions as the Commisisoner may prescribe.'

"(c) Section 203 (i) of such act is amended to read as follows:

"'(i) The Commissioner is authorized to insure under section 203 any mortgage meeting the requirements of subsection (b) of this section, except as modified by this subsection, which involves a principal obligation not in excess of $6,750 and not in excess of 96 percent of the appraised value of a property located in an area where the Commissioner finds it is not practicable to obtain conformity with many of the requirements essential to the insurance of mortgages on housing in built-up urban areas, upon which there is located a dwelling designed principally for a single-family residence, and which is approved for mortgage insurance prior to the beginning of construction: *Provided*, That the Commissioner finds that the property with respect to which the mortgage is executed is an acceptable risk, giving consideration to the need for providing adequate housing for families of low and moderate income particularly in suburban and outlying areas or small communities.'

"SEC. 102. (a) Section 220 (d) (3) of the National Housing Act is amended by striking out all thereof appearing before clause (B) and inserting in lieu thereof the following:

"'(3) The mortgage shall—

"'(A) (i) involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $20,000 in the case of property upon which there is located a dwelling designed principally for a 1- or 2-family residence; or $27,500 in the case of a 3-family residence; or $35,000 in the case of a 4-family residence; or in the case of a dwelling designed principally for residential use for more than 4 families (but not exceeding such additional number of family units as the Commissioner may prescribe) $35,000 plus not to exceed $7,000 for each additional family unit in excess of 4 located on such property; and not to exceed an amount equal to the sum of (1) 97 percent (but, in any case where the dwelling is not approved for mortgage insurance prior to the beginning of construction, unless the construction of the dwelling was completed more than 1 year prior to the application for mortgage insurance, 90 percent) of

$10,000 of the Commissioner's estimate of replacement cost of the property, as of the date the mortgage is accepted for insurance, (2) 85 percent of such replacement cost in excess of $10,000 but not in excess of $16,000, and (3) 70 percent of such replacement cost in excess of $16,000: *Provided*, That in the case of properties other than new construction, the foregoing limitations upon the amount of the mortgage shall be based upon appraised value rather than upon the Commissioner's estimate of the replacement cost;

"'(ii) in the case of a mortgagor who is not the occupant of the property, have a principal obligation not in excess of an amount equal to 85 percent of the amount computed under the provisions of subsection (i); or.'

"(b) Section 220 (d) (3) of such act is further amended by striking out the phrase 'not to exceed' at the first four places it appears in clause (B) and inserting in lieu thereof at each such place the phrase 'not exceed.'

"SEC. 103. Section 222 (b) of the National Housing Act is amended to read as follows:

"'(b) To be eligible for insurance under this section a mortgage shall—

"'1. Meet the requirements of section 203 (b) of this title except as such requirements are modified by this section;

"'2. Involve a principal obligation (including such initial service charges, appraisal, inspection, and other fees as the Commissioner shall approve) in an amount not to exceed $17,300;

"'3. Have a principal obligation not in excess of 97 percent of the appraised value of the property; and

"'4. Be executed by a mortgagor who at the time of application for insurance is certified as a "serviceman" and who at the time of insurance is the owner of the property and either occupies the property or certifies that his failure to do so is the result of his military assignment, or in the case of the United States Coast Guard, other assignment.'

"Other provisions relating to FHA insurance programs

"SEC. 104. Section 2 of the National Housing Act is amended, effective with respect to payments made on and after January 1, 1958, by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"'(g) Any payment for loss made to an approved financial institution under this section shall be final and incontestable after 2 years from the date the claim was certified for payment by the Commissioner, in the absence of fraud or misrepresentation on the part of such institution.'

"SEC. 105. Section 204 of the National Housing Act is amended by adding at the end thereof the following new subsection:

"'(k) Notwithstanding any other provisions of this section of section 604 or 904, with respect to any debentures issued pursuant to this section or section 604 or 904, the Commissioner may (1) include in such debentures reasonable payments made by the mortgagee, with the approval of the Commissioner, for the purpose of protecting, operating, or preserving the property, and taxes imposed upon any deed or other instrument by which the property was acquired by the mortgagee and transferred or conveyed to the Commissioner, and (2) terminate the mortgagee's obligation to pay mortgage insurance premiums upon receipt of an application for debentures filed by the mortgagee.'

"SEC. 106. (a) The second sentence of section 204 (d) of the National Housing Act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was offered for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(b) The second sentence of section 207 (i) of such act is amended by striking out 'determined by the Commissioner, with the approval of the Secretary of the Treasury, at the time the mortgage was insured, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"(c) The second sentence of section 803 (f) of such act is amended by striking out 'determined by the Commissioner with the approval of the Secretary of the Treasury, at the time the mortgage was accepted for insurance, but not to exceed 3 per centum per annum' and by inserting in lieu thereof 'established by the Commissioner pursuant to section 224.'

"SEC. 107. The unnumbered paragraph immediately following paragraph (3) of section 207 (c) of the National Housing Act is amended (1) by striking out '$8,100 per family unit' and inserting in lieu thereof '$8,100 per family unit (or $8,400 per family unit in the case of projects to consist of elevator-type structures)', and (2) by inserting before the period at the end thereof a comma and the following: 'and may permit single elderly persons to use and occupy such units.'

"SEC. 108. Section 207 (q) of the National Housing Act is repealed.

"SEC. 109. Section 213 (e), 220 (f) (1), 221 (g) (1), and 222 (e) of the National Housing Act are each amended by striking out 'and (h) of section 204' and inserting in lieu thereof '(h), and (j) of section 204.'

"SEC. 110. Section 219 of the National Housing Act is amended by striking out 'or the Section 220 Housing Insurance Fund' and inserting in lieu thereof 'the Section 220 Housing Insurance Fund, the Section 221 Housing Insurance Fund, or the Servicemen's Mortgage Insurance Fund.'

"TITLE II—SECONDARY MORTGAGE MARKET

"SEC. 201. (a) The first sentence of section 303 (b) of the National Housing Act is amended to read as follows: 'The Association shall accumulate funds for its capital surplus account from private sources by requiring each mortgage seller to make payments of nonrefundable capital contributions, equal to not more than 2 per centum nor less than 1 per centum of the unpaid principal amount of mortgages purchased or to be purchased by the Association from such seller under section 304, as determined from time to time by the Association, taking into consideration conditions in the mortgage market and the general economy.'

"(b) The second sentence of section 303 (d) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"(c) The second sentence of section 303 (e) of such act is amended by striking out '$50,000,000' and inserting in lieu thereof '$200,000,000.'

"SEC. 202. Section 304 (c) of the National Housing Act is amended by striking out '$1,350,000,000' and inserting in lieu thereof '$2,850,000,000.'

"SEC. 203. (a) Section 305 (c) of such act is amended to read as follows:

"'(c) The total amount of purchases and commitments authorized by the President pursuant to subsection (a) of this section shall not exceed $450,000,000 outstanding at any one time.'

"(b) Section 305 (f) of such act is amended by striking out '$200,000,000' and inserting in lieu thereof '$500,000,000.'

"SEC. 204. Section 309 (c) of the National Housing Act is amended by adding at the end thereof the following new sentence: 'In computing such equivalent amount, there shall be deducted from the gross income of the Association, with respect to such secondary market operations, all expenses and other deductions which would be authorized by the Federal income tax laws to be deducted if the Association were not exempt from such taxes with respect to such secondary market operations and all amounts paid to the Secretary of the Treasury as a return on his investment in the securities of the Association.'

"SEC. 205. The second sentence of section 305 (b) of the National Housing Act is amended to read as follows: 'Notwithstanding any other provision of this section the price to be paid by the Association for mortgages purchased in its operations under this section shall be not less than the unpaid principal amount thereof at the time of purchase, with adjustments for interest and any comparable items.'

"TITLE III—SLUM CLEARANCE AND URBAN RENEWAL

"SEC. 301. Section 103 (b) of the Housing Act of 1949 is amended by striking out '$500,000,000 which limit shall be increased by further amounts of $200,000,000 on July 1 in each of the years 1955 and 1956, respectively' and inserting in lieu thereof '$900,000,000, which limit shall be increased by $250,000,000 on July 1, 1957.'"

"SEC. 302. Section 106 (f) (2) of the Housing Act of 1949 is amended by adding at the end thereof the following new sentence: 'Such rules and regulations may include provisions authorizing payment to individuals and families of fixed amounts (not to exceed $100 in any case) in lieu of their respective reasonable and necessary moving expenses.'

"SEC. 303. Section 110 (d) of the Housing Act of 1949 is amended by inserting in the second proviso after 'under this section 110 (d)' the following: 'with respect to any project covered by a Federal aid contract under this title.'

"TITLE IV—MILITARY HOUSING

"SEC. 401. Section 803 (a) of the National Housing Act is amended by striking out 'June 30, 1958' and inserting in lieu thereof 'June 30, 1959.'

"SEC. 402. Section 803 (b) (3) (B) of the National Housing Act is amended by inserting before the semicolon at the end thereof a colon and the following: '*Provided further*, That should the financing of housing to be constructed pursuant to a single invitation for bids be accomplished by two or more mortgages, the principal obligation of any single mortgage may exceed an average of $16,500 per family unit if the sum of the principal obligations of all mortgages for such housing does not exceed an average of $16,500 per family unit.'

"SEC. 403. Section 410 of the Housing Amendments of 1955 is amended to read as follows:

"'SEC. 410. In the construction of housing under the authority of this title and title VIII of the National Housing Act, as amended, the maximum limitations on net floor area for each unit shall be the same as the net floor area limitations prescribed by law (at the time plans and specifications for such construction are begun) for public quarters built with appropriated funds under military construction authority.'

"SEC. 404. Section 404 (a) of the Housing Amendments of 1955 is amended by striking out 'an appropriate allowance for physical depreciation' and inserting in lieu thereof 'an appropriate allowance representing the estimated cost of repairs and replacements immediately necessary to restore the property to sound physical condition.'

"TITLE V—MISCELLANEOUS

"College housing

"SEC. 501. (a) Section 401 (c) of the Housing Act of 1950 is amended to read as follows:

"'(c) A loan to an educational institution may be in an amount not exceeding the total development cost of the facility, as determined by the Administrator, and shall be

secured in such manner and repaid within such period, not exceeding 50 years, as may be determined by him; and with respect to applications filed after May 10, 1957, the loans entered into during any calendar quarter shall bear interest at a rate equal to the total of one-fourth of 1 percent per annum plus the rate chargeable by the Secretary of the Treasury (with respect to notes and obligations issued during such quarter) under the second sentence of subsection (e) of this section.'

"(b) Section 401 (d) of such act is amended by striking out '$750,000,000' and inserting in lieu thereof '$900,000,000.'

"(c) The second sentence of section 401 (e) of such act is amended to read as follows: 'Such notes or other obligations issued during any calendar quarter to obtain funds in excess of the aggregate amount required with respect to applications filed on or before May 10, 1957, shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not more than the average yield to maturity, as estimated by the Secretary of the Treasury on the basis of daily closing market bid quotations or prices during the second month preceding such quarter, on all outstanding marketable obligations of the United States having a maturity date of 15 or more years from the first day of such second month, adjusted to the nearest one-eighth of 1 percent.'

"Voluntary home mortgage credit program

"SEC. 502. Section 610 (a) of the Housing Act of 1954 is amended by striking out 'June 30, 1957,' and inserting in lieu thereof 'July 31, 1959.'

"Mortgage credit study

"SEC. 503. The Housing and Home Finance Administrator, in order to obtain information and data which will enable him to assist more effectively in the provision and improvement of residential housing, is authorized and directed to conduct a study to determine (1) the extent to which the residential building industry is able to secure the mortgage credit, manpower, and materials required for the construction of residential housing of the types and in the quantities needed to satisfy the demand for such housing, and (2) the methods and policies by which such industry, without aggravating the overall problem of controlling inflation, may attract a greater share of available mortgage credit, manpower, and materials. The Administrator shall, on or before April 30, 1958, submit to the President and the Congress a full report on such study including his findings and such recommendations as he may deem appropriate.

"On completion of the study, the Housing and Home Finance Administrator, after consultation with the Federal Housing Commissioner, shall fix reasonable limits on the charges, fees, and discounts imposed upon the builder, seller, or purchaser in connection with the financing of the construction or sale of any housing covered by a mortgage insured under the National Housing Act, whether or not such charges, fees, and discounts are imposed in connection with the financing under such mortgage. Such limits may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Administrator deems advisable. As a condition of eligibility for such insurance, the lender shall certify that no charge, fee, or discount has been imposed by it in excess of the limits fixed pursuant to this section.

"Farm housing research

"SEC. 504. (a) The Housing and Home Finance Administrator is authorized and directed to undertake and carry out a program, in the manner provided in subsection (b), for the study of farm housing in the United States. Such program shall be designed to assist in the improvement of farm housing conditions in the United States by developing data and information on—

"(1) the adequacy of existing farm housing;

"(2) the nature and extent of current and prospective needs for farm housing, including the needs for financing and improved design, utility, and comfort and the methods by which such needs might best be satisfied;

"(3) the problems faced by farmers in purchasing, constructing, improving, altering, repairing, and replacing farm dwellings;

"(4) the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and

"(5) any other matters bearing upon the provision of adequate housing for the farm population of the United States.

"(b) The research, study, and analysis required to carry out the program described in subsection (a) shall be conducted by land-grant colleges established pursuant to the act of July 2, 1862 (7 U. S. C., secs. 301–308), and such research, study, and analysis shall be financed with grants made to such colleges by the Housing and Home Finance Administrator on such terms, conditions, and standards as may be specified in regulations prescribed by him.

"(c) The authority of the Housing and Home Finance Administrator to make grants under subsection (b) shall expire June 30, 1959; and the total amount of such grants shall not exceed $300,000 during either of the fiscal years ending June 30, 1958, and June 30, 1959.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out this section."

Mr. EDMONDSON. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Chairman, this substitute which is offered for the so-called Talle amendment is a substitute designed to meet the basic objections on the question of jurisdiction that has been advanced against the committee bill and to preserve in the Talle bill the other substantive portions of the committee bill which are deemed to be of major importance to a successful housing program.

I might say that during the 4 years I spent as a member of the Housing Subcommittee of the House Committee on Veterans' Affairs I saw some very successful years and I saw some years in which housing was not so successful. It became very obvious that unless certain things were done by the Government to back up the laws that were on the books with regard to housing many of the benefits which we seek to confer upon home builders in this country would be wiped out through failure of the Government properly to administer its program and to finance it.

This substitute contains a series of amendments that I will outline. I may say these amendments have been discussed in detail with the chairman of the Committee on Veterans' Affairs of the House of Representatives and with the chairman of the Housing Subcommittee of the Committee on Banking and Currency.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. It is my understanding that the three veteran propositions the Committee on Veterans' Affairs objected to are not in this substitute.

Mr. TALLE. Mr. Chairman, may I ask if the section on discount controls is in the proposition the gentleman offers?

Mr. EDMONDSON. The section on discount controls in part is in it and will be explained in just a moment.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. As I understand the gentleman's statement, the provision which sets up veterans preference, the provision which provides for the use of NSLI funds, and the provision with reference to veterans so far as discounts are concerned is not in the substitute.

Mr. EDMONDSON. The veteran is not treated as a separate class in any portion of the substitute as it is now being offered.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Iowa.

Mr. TALLE. How can the gentleman make that contention unless the section on discounts is completely out of his bill?

Mr. EDMONDSON. The section on discounts has been amended, and I will discuss it in just a moment. It was a little bit different from the way it was presented in the committee bill.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Illinois.

Mr. ARENDS. I do not question the sincerity of the gentleman or his purpose in bringing in this substitute, but the question comes to my mind, not being a member of the Committee on Banking and Currency, I wonder why the gentleman now comes out with a complete new substitute which none of us know anything about and which was not even presented to the Committee on Banking and Currency. It is something entirely new that no one has had an opportunity to study or digest.

Mr. EDMONDSON. May I say to the gentleman that this substitute which is offered is 24 hours younger than the substitute that was offered to the House yesterday by the gentleman from Iowa, Mr. TALLE.

Mr. ARENDS. Let me say to the gentleman from Oklahoma that the Talle bill has long been introduced and was available for study by every Member of the House in bill form.

Mr. EDMONDSON. May I say in answer to the gentleman on that score that a great portion of the Talle bill is preserved in this substitute; in fact, nearly 90 percent in the language which is used, but the other provisions that are offered, almost without exception, are provisions that have been before the House even longer than the Talle bill, inasmuch as they are presented in the committee bill in substantial part.

Now, there are one or two deviations which, if I may proceed without inter-

ruption, I will cover in a discussion of these amendments.

The first amendment deals with the downpayment provision. Yesterday I said in discussing the Talle bill that I thought it had the virtue not only of avoiding the jurisdictional question but also of having slightly more liberal downpayment provisions. The substitute adopts in part the downpayment provisions of the Talle substitute and in part the downpayment provisions of the committee bill. It has this additional provision, that on the first $10,000 of loan the downpayment is lowered to 3 percent, which is a more liberal figure than the downpayment provision in the Talle bill, where it is 4 percent. On the next $6,000 the downpayment provision is 15 percent, which splits the difference between the Talle bill and the committee bill. And, on the final portion of the loan, the amount above $16,000, the downpayment would be required to be at 30 percent, which is the way it stands in the Talle bill.

The next amendment, and an amendment on which I think there can be unanimity on this floor if all of us who are fighting so hard for economy in Government may unite our forces on this point, has the effect of taking the Talle substitute and its increase in borrowing authority for FNMA of $1.5 billion and reducing that by a quarter of a billion dollars to $1,250 million, which reduces the new obligational authority of this governmental agency by a quarter of a billion dollars and gives all of us in supporting this substitute an opportunity to go on record for economy as opposed to the $1.5 billion offered in the Talle substitute.

I might also say in that connection that it also has this added virtue, since the gentleman from California mentioned the inflation aspects, that this will be a quarter of a billion dollars less inflationary than the Talle bill insofar as the overall effect of the bill is concerned.

The next amendment is one which we feel is of very great significance to the committee and one which we feel should be preserved in the Talle substitute, and that is the provison which requires that the Federal National Mortgage Association in its special assistance housing programs shall purchase mortgages at their face value or at par, and in that way operate to help support the mortgage market and help to maintain and sustain the value of Government mortgages, in which today Uncle Sam has an investment of many billions. Today we have the spectacle of Fannie May going out and discounting its mortgage purchases by 8 to 10 percent, deliberately by its own procedures depreciating and depressing the value of the mortgages which the Government itself holds and in which it has an interest. This reverses the procedure on that and says that in these purchases in the future Fannie May shall pay not less than the face value of the principal amount due plus the interest on these particular obligations.

The next amendment is one which already has been adopted by the Committee of the Whole yesterday, having to do with college housing applications. It advances the date on them to the date of May 10, 1957. That already has been decided by the Committee of the Whole, so in this respect we stay with the decision of the Committee yesterday.

The final amendment I am sure is the one about which there will be more controversy than any other. That is one which also has importance and also has value in this fight against inflation about which my good friend, the gentleman from California [Mr. HIESTAND], spoke a few moments ago. It provides authority that the Housing and Home Finance Administrator, on the completion of the mortgage credit study which is authorized in the Talle substitute, after consultation with the Federal Housing Commissioner, shall fix reasonable limits on the charges, fees, and discounts imposed upon the builder, seller, or purchaser in connection with the financing or construction or sale on that housing covered by a mortgage insured under the National Housing Act whether or not such charges, fees, and discounts are imposed in connection with the financing under such mortgage. Such limitation may vary in accordance with the terms of the mortgage involved, the geographical area in which the housing is located, and such other pertinent factors as the Administrator deems advisable. And it provides that the lender is required to certify that no charge, fee, or discount has been imposed in excess of the limits fixed pursuant to this section.

That more or less covers the ground of this substitute. It preserves the important principles which were outlined in the committee bill with regard for the necessity for some action to put some reasonable restraint upon these excessive discounts. And yet I am sure that the gentlemen on the left here can have no great objection to the vesting of this authority in the Housing and Home Finance Administrator, who is appointed by the President himself and who presumably would be answerable to the President for any unreasonable discount limitations which he imposed.

Mr. TALLE. Mr. Chairman, I rise in opposition to the substitute.

Mr. Chairman, it was pointed out yesterday that the housing field is an extremely difficult field in which to legislate. It certainly is a field in which careful work is required. Even at best, it is possible to make mistakes no matter how careful a person may be in his procedure.

Now let us look at the situation which prevails at the present time. On the 18th of April I introduced my bill, H. R. 7024. Great care was employed in the writing of that bill. I had served as a member of the Subcommittee on Housing during the many months of the hearings. I have had a good many years of service as a member of the Committee on Banking and Currency and have dealt with housing legislation year after year.

As stated my bill was dropped into the hopper on the 18th of April. On that day I aasked for time to state to the House that I had done so and, in addition, I filed for the RECORD a brief section-by-section analysis of the bill. I pointed out to the Members that they might like to have a copy of the bill and a copy of the analysis for discussion with their constituents during the Easter recess.

Then upon reconvening following the recess, on Monday of this week, I filed with the House for insertion in the CONGRESSIONAL RECORD a table setting forth the downpayments in the various proposals which had been made, the current downpayments, the payments proposed in the committee bill, and the payments proposed in my bill. I also addressed the House and called the attention of Members to that table. Therefore, the greatest of care was employed in preparing that bill and in making its contents known to Members. On yesterday I made a section by section explanation of the bill to the House. Even so, it was murmured on the majority side that the procedure was inadequate.

Let us look at the current situation. It reminds me very much of an incident that occurred in the middle of the past century. Prof. Amasa Walker was one of the first professors of economics to teach that subject in our country. One day he was asked, "What do you teach, Professor Walker?" He said, "I teach economics." The fellow said, "Do you have to know anything about economics in order to teach it?" Professor Walker replied, "No; but it will help you if you do."

That is the situation here. Why, of course, we can pass any sort of bill, but it will help us and it will help the American people if we know something about the bills we pass.

I have regard for the gentleman from Oklahoma. But after all, he is serving, as I see here in this printed list of assignments on the Committee on Interior and Insular Affairs and the Committee on Public Works. He is not a member of the Committee on Banking and Currency. He has in no sense participated in our hearings or in writing the committee bill, or in writing my bill. It is not unfair to say that he is scarcely in position to propose a bill that the House of Representatives should look on with favor. So I say to my colleagues, Mr. Chairman, that this is a rather sorry situation. After all the deliberations, after all the thinking, after all the work that has been done to prepare good legislation for our consideration, then along comes a proposal from a colleague who is not even a member of the committee that has jurisdiction in the housing field. I do not have a copy of his bill, nor do I know of anyone else who has a copy.

Mr. Chairman, is that the way to legislate in the House of Representatives of the United States?

SUBSTITUTE APPROVED

Mr. PATMAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from Oklahoma is to be commended for preparing this substitute. He consulted members of the committee in its preparation. I know of several Members who were consulted who were working on the housing bill. He conferred with the gentleman from Alabama [Mr. RAINS], and the members of his committee, that

is, the Members of the majority party, and the substitute was prepared with the aid and assistance of the staff of the majority Members. When he discussed it with me yesterday afternoon I did not believe he had a chance, although I favored his proposal over the Talle amendment. Now it is realized the amendment of the gentleman from Oklahoma has a real good chance of adoption.

Mr. TALLE. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Iowa.

Mr. TALLE. May I ask the gentleman if there are printed copies of the bill available, hearings and reports, the customary documents that Members require for legislating intelligently?

Mr. PATMAN. If that is the requirement to deal intelligently with legislation, to have printed bills, printed hearings, and printed reports then the gentleman has only one-third of that requirement because the gentleman has a printed bill, but he does not have printed hearings, and he does not have a printed report.

Mr. TALLE. My bill was explained section by section in the RECORD on two occasions and copies of my bill have been available since April 18.

Mr. PATMAN. May I discuss that just briefly. In the report of the committee on this bill, the Housing Act of 1957, and I wish the Members would get it if they do not have it at hand, if they will turn to page 67, you will find the commencement of the minority views of 12 of the 13 minority members. It is several pages. In those minority views, there is only one subject mentioned. It is against using the national service life insurance fund, and they spent all their time arguing against the use of that fund. They do not say anything about anything else. That was the only issue. That was on April 8. Evidently, upon reexamination of the bill, it was discovered there was a provision which would stop these discount practices that are scandalous, and the minority members are against trying to stop these discounts. They want to get something that they would not have to go on record—probably, I am just surmising now—at least, that is what I would do if I were in their position and I did not want to go on record against scandalous discounts, and yet I wanted to vote against the amendment that would stop discounts—I would have a substitute that would do both jobs in one—to eliminate the national service life insurance fund and also the provision that would stop the discounts.

That is what the so-called Talle bill really does. It does both jobs in one. Anyone voting for that amendment will vote for it with the knowledge that one of the main provisions is that it eliminates the prohibition against these discounts. It is not a direct vote on it, but it is an indirect vote on it. It is one of the main things in the amendment. This amendment offered by the gentleman from Oklahoma [Mr. EDMONDSON] is a good amendment. It is a substitute for the Talle amendment. I think it should be adopted. It has been carefully prepared and well thought out. The same intelligent thought that was given to it that was given to the majority bill, and the same intelligent thought that was given to Dr. TALLE's bill. I know Dr. TALLE and the Members who are supporting him are sincere in their position. I do not impugn their motives, but there is a difference of opinion here. I personally believe that the national service life insurance fund should be used. We should tap that reservoir of credit. I think it is ridiculous for veterans' organizations to wire in and say that to use the national service life insurance fund for this purpose would be a violation of the trust. In other words, they are saying that the bonds that are now being used in that trust fund are printed in a size 12 inches by 12 inches, and that if the bonds to take their place are printed bonds 8 inches by 8 inches in size, that would be a violation of the trust. That is just how ridiculous it is. So it is absolutely ridiculous.

It often happens that a good thing that you want to have considered by the House is finally brought in. Of course, a point of order is made and it is claimed it is unconstitutional. Then it is claimed it is illegal and that there is no authorization in law for it. In this case, there is conflict between the 2 committees. To throw out something that is good for the country and good for the veterans because of this conflict is something that I do not see at all. The truth is that you cannot reconcile the differences between these 2 committees unless you take the one or the other. When Mr. Burgess was before the Committee on Veterans' Affairs and the committee was seriously considering putting in the national service life-insurance fund amendment, Mr. Burgess said it is inflationary. Of course, that caused the Committee on Veterans' Affairs to say, "Well, we do not want it." But, the Committee on Banking and Currency that handles matters relating to inflation, and relating to our economy as affected by inflation, were not impressed by that argument at all. They threw that argument out on the ground that it was not valid. Therefore, one committee that does not deal with inflation says, "We will knock it out." And the other committee that deals with inflation says, "It is not a valid argument." Therefore, since there are disputes like that, you will never get a bill in here to allow us to use or tap that great reservoir of credit or bring the interest rate down to 4½ percent.

They are Government mortgages. They are Government-guaranteed mortgages. They are just as good as Government bonds. Certainly they should be worth 4½ percent.

Mr. YOUNGER. Do I understand the gentleman is proposing to force FNMA to buy at par the many hundreds of millions of dollars of mortgages that have been made at these scandalous discounts?

Mr. PATMAN. That is for special assistance only. It does not include all of them.

Mr. YOUNGER. There are plenty of them that have been made.

Mr. PATMAN. It does not include the past ones. It includes from now on, and for special assistance purposes. Does not the gentleman believe the Government bonds should sell at par? Does the gentleman not believe we should get 100 cents on the dollar for Government bonds?

Mr. YOUNGER. Not necessarily.

Mr. PATMAN. Does the gentleman believe in selling bonds at 89 or 88?

Mr. YOUNGER. That is beside the question. I am talking about mortgages. Is the gentleman proposing to force FNMA to buy mortgages, that were made at these scandalous discounts, at par?

Mr. PATMAN. No. Let us not confuse the issue.

Mr. YOUNGER. That is the issue you have set up.

Mr. PATMAN. No, no. The issue is that they will buy those in the future at par under the special assistance provision only.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. MORANO. Is the gentleman opposed to the bill proposed by the committee?

Mr. PATMAN. Well, this would be a substitute for the Talle bill.

Mr. MORANO. Does the gentleman oppose the committee bill now?

Mr. PATMAN. I will cross one bridge at a time. This is one bridge. I am certainly in favor of the committee bill and will support it in preference to the Talle amendment.

The CHAIRMAN. The time of the gentleman from Texas [Mr. PATMAN] has expired.

Mr. FISHER. Mr. Chairman, I offer an amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. FISHER to the substitute offered by Mr. EDMONDSON: Page 11, in line 12 insert "(a)" after "sec. 302." and after line 18 insert the following:

"(b) Section 106 of such act is further amended by adding at the end thereof the following new subsection:

"'(g) No new contract, agreement, or other arrangement regarding low-rent housing provided for under section 305 of the Housing Act of 1949 shall be entered into, after the date of the enactment of the Housing Act of 1957 except with respect to low-rent housing projects to be undertaken in a community in which the local governing body certifies that such low-rent housing project is needed for the relocation of families to be displaced as a result of Federal, State, or local governmental action in such community: *And provided further*, That no such new contracts, agreements, or other arrangements shall be entered into, after the date of the enactment of the Housing Act of 1957, for additional dwelling units in excess of the total number of such units which the Housing and Home Finance Administrator determines to be needed for the relocation of families to be displaced as a result of Federal, State, or local governmental action in the communities where such units are to be located.'"

Mr. MULTER. Mr. Chairman, I make a point of order against the amendment, that it is not germane to the amendment before the House or the bill before the House or any part of the bill or the pending amendment.

The CHAIRMAN. Will the gentleman specify to the Chair in what manner the amendment is not germane?

Mr. MULTER. The amendment deals with public housing. There is no public

housing in any part of this bill or in any part of the amendment to the bill.

The CHAIRMAN. The Chair understands that this amendment is to section 106 of the Housing Act of 1949.

The Chair ruled yesterday, the gentleman will recall, that an amendment to a particular section may perhaps make in order another amendment to the section.

Mr. MULTER. Yes, that is quite right; except that the section to which the amendment refers is section 106 of the act. The one that we had before us yesterday was section 103, and that section was in the bill, in the act, and in the amendment to the amendment.

The CHAIRMAN (Mr. MILLS). The Chair will agree that the amendment to the amendment yesterday was offered to section 106, not 103.

The ruling of the Chair on yesterday would apply in this instance. The Chair therefore overrules the point of order.

The gentleman from Texas is recognized for 5 minutes in support of his amendment.

Mr. FISHER. Mr. Chairman, it would seem to me that this amendment would be acceptable to both the opponents of public housing and the proponents of public housing. It does not reduce the number of units the Congress authorized the Public Housing Authority to contract for; it does not affect the existing 35,000 increment that is now in the law; it does not reduce by even one unit the 35,000 increment which begins on the first of next July.

What it does—and it speaks for itself, of course—is that it makes new public housing projects in the future, that is, after July 1, comply with the formula which has always been used by proponents as a basic justification for these projects, that is, since the very beginning of public housing, as you will find by reading the debates in the past.

It has been maintained that the Congress is justified in taxing the American people to provide places for people to live who have been dislocated from their homes as a result of slum clearance, urban renewal, and other governmental programs over which these tenants have no control. It would seem, therefore, that this amendment, since it conforms with the argument that has always been advanced by proponents of public housing as a justification for their position, should meet with the approval not only of opponents of public housing but likewise of proponents.

This amendment, I remind the Committee, has a history. It will be recalled that in 1954 section 401 of the Housing Act which we approved that year included the identical language, word for word, which is contained in my amendment offered now.

The debate on that issue in 1954 took place in this Chamber on April 2 of that year; and the language contained in my amendment now before us was proposed by the gentleman from New Jersey [Mr. WIDNALL]. It was overwhelmingly approved by the committee.

I have just read the record of the proceedings that occurred on that occasion and find that particular proposal was then represented as being in conformity with the President's program with regard to Federal public housing. The gentleman from Illinois [Mr. YATES] sitting here will, I am sure, recall that that was the case, that it was represented as the President's program at that time.

Therefore, Mr. Chairman, my amendment which is now being considered simply reinstates the law as it was, and makes it conform to the basis upon which proponents of public housing have always undertaken to justify the policy of public housing: that is, to provide a place for dislocated people who were displaced through causes beyond their control such as slum clearance, urban renewal, urban redevelopment and condemnation of lands for streets or roads, or for any other reason over which they have no control.

This amendment does that and, therefore, conforms with the basic philosophy behind this whole concept of public housing.

It will be recalled that last year Congress authorized 70,000 new public housing units in two increments of 35,000 each. The first increment was authorized for the current fiscal year. I understand, however, that only a portion of that authorization has been used. I understand that out of 35,000 authorized, there have been commitments on only 40. They say from 7 to 9 thousand tentative applications but actually only 40 out of 35,000 have gone through the contracting stage.

Of course, by a peculiar provision in there, a special proviso we will say, they have 2 years in which to make the commitment, not the 1 year that has been the case in the past. The same will apply to the 35,000 coming up next year. They have 2 years instead of the 1 year which has ordinarily been the case in the past.

Mr. Chairman, the need is more pressing right now than ever before for a clarification of the law such as is provided in this amendment. It has been reported that there are thousands of public housing units now vacant all over the country. Expensive advertising is being undertaken in many place in an attempt to get tenants to fill these vacancies that are occurring everywhere.

I hold in my hand a full-page advertisement which not long ago appeared in the St. Louis Post-Dispatch.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FISHER. I ask unanimous consent that I be allowed to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FISHER. Mr. Chairman, this advertisement contains large pictures of these various public housing units in St. Louis, pleading with people to please come and apply for admission to these projects to fill the vacancies that have occurred there.

Here in the District of Columbia, to illustrate and to show that we are overdoing the thing, they put out a four-color placard advertisement trying to get people to come and apply for admission to these housing projects to fill the vacancies in the public-housing units in the District of Columbia. This is a very expensive proposition, four colors, a work of art, that is all at the taxpayers' expense. I think that is some evidence of the fact that we are kind of going too fast on this thing, and that it should be trimmed to the proper pattern so that it will conform with the basic philosophy behind public housing which is the filling of actual needs that result from these dislocations that occur from time to time.

As further evidence of the lack of need for so many of the projects, there is a widespread tendency at this time on the part of local public-housing projects and their directors all over the country to attract more prosperous people as tenants. That fact was noted by the Appropriations Committee in its report on the independent offices appropriation bill, a copy of which I hold in my hand. I want to read one sentence from that report:

> Abuses have come to the attention of the committee by certain local authorities where families with excessive incomes are permitted to enjoy subsidized housing.

No proponent of public housing can for a moment condone prosperous people, so-called, living in these places with their rents subsidized by the taxpayers of the country. These people should be treated like all the other people and should be forced to seek other places in which to live as everyone else is required to do who helps pay the tax bill.

Then, in addition to that, Mr. Chairman, my attention has been called to another situation, and I give this as one example which could be multiplied many times over. I have a clipping here from a newspaper in Pittsburgh which shows that 80 percent of the occupants of a public housing unit there are employed in the steel industry, the highest paid industrial workers in that area, according to the Bureau of Labor Statistics. They get $2.40 an hour and up. I cannot see that they should have their rentals subsidized by the taxpayers. Public housing is not intended to take care of people like that. Those steelworkers are still living in that public housing project. They did not move. They were not ordered to move, as has been represented by some. They are there now and presumably will be there from now on. In fact, the Allegheny County Housing Authority met after the steelworkers got a raise in 1955 and raised the ceiling on the income they could receive and still live in the subsidized housing units. That is the record.

All of this leads to the obvious necessity for some limitation to be written into the law, such as is included in the amendment now pending before the committee. So, Mr. Chairman, I urge that the amendment be adopted. As a result, we will get along better with this public housing problem from now on. And do not forget that every time we prevent one of these public housing from being built we have saved the American taxpayers more than $20,000. Those of you who talk about economy have an opportunity to do something about it right here. This amendment alone, if adopted and kept in the law, will save the taxpayers ten of millions of dollars, and

make no mistake about that. I know what it will do.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the Edmondson amendment and all amendments thereto conclude at 3:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. YATES. Mr. Chairman, I object.

Mr. SPENCE. Mr. Chairman, I move that all debate on the Edmondson substitute and all amendments thereto conclude at 3:40.

The motion was agreed to.

Mr. YATES. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. I want to speak in opposition to the amendment offered by the gentleman from Texas, and in addition to that I have an amendment of my own which I want to offer. Must I do both in the 3 minutes accorded to me?

The CHAIRMAN. Without objection, the Chair will recognize the gentleman for a minute and a half in opposition, if that is what he wants to do, on this amendment, and then a minute and a half later on his amendment.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, it is impossible, obviously, to attempt to reply in the brief time allotted to me, to the unfortunate amendment offered by the gentleman from Texas [Mr. FISHER]. This bill, described as a compromise by the able author of the bill, the gentleman from Alabama [Mr. RAINES], is not adequate to take care of the housing needs of those who live in the large urban communities. It is designed to give life to a flagging home-building industry and most of its benefits go toward construction of small homes. In that respect, it may offer some advantages to those who live in the suburbs, but not to city dwellers. The only feature which is attractive and offers some semblance of hope is that which grants funds to FNMA for special assistance projects and requires that agency to purchase them at par.

There are no additional units of public housing authorized, the necessity for slum clearance and urban renewal is recognized only to a minimum degree, and the needs of veritable living in communities such as Chicago are almost passed over.

It had been hoped that the question of public housing would be taken up in another body where it might receive a more hospitable reception. Now, to add insult to injury, the gentleman from Texas [Mr. FISHER], who is perhaps the most dedicated opponent of public housing, suddenly offers an amendment which reaches into the meager supply of public housing units already authorized and establishes additional roadblocks to fulfillment of the program. The gentleman has made many statements, most of which are founded on opinion rather than fact. The examples of flagrant abuse of the public housing program which he cites, namely, the full-page advertising, the excess income tenants, the many colored advertising cards, are distinguished by being exceptions rather than the rule. Is it not a paltry thing when the gentleman comes forward and offers such examples as being representative of the operation of the public housing program, when they are not representative at all?

I am a member of the Independent Offices Subcommittee of the Appropriations Committee which first considered the very material which the gentleman from Texas now waves before the House. The newspaper advertisement taken out by the St. Louis Public Housing Authority is an isolated example. The gentleman called attention to this fact before when the independent offices appropriations bill was on the floor some months ago. In the interim he has not been able to find another example of any such abuse. The Public Housing Authority has already been cautioned against such expenditures.

The gentleman from Texas calls attention to the abuses existing by excess-income tenants as though this were a common fault throughout the country. It is true that many public housing tenants enjoy a significant increase in income during their tenure in projects after having qualified when they moved in. With their income rise they are required to find other housing and for many tenants, particularly those who belong to the minority races, housing is not immediately found for the asking. There is still a tremendous shortage of housing at prices people can afford to pay and pending a reasonable opportunity to find a place to move for themselves, the Public Housing Administration requires excess-income tenants to pay a graduated scale of increases, depending upon their income. This point was made very clear in the debates that took place when the independent offices bill was on the floor. Yet the matter is presented as though it were a significant discovery offered now to the House for the first time.

The gentleman speaks of only 40 units having been constructed from the 35,000 units which have been authorized. I do not know whether this is true, but I would not doubt it in view of the many roadblocks that have been placed in the way of operating the public housing program by its opponents. Restriction has followed restriction. Limitation has followed limitation. Each year a program which has survived one set of obstacles is compelled to reverse itself or to operate in slow gear until it can work through the new restrictions that are attached to the legislation. Is it any wonder that such slow progress is being made in completion of this necessary program, when its opponents reach back to trip it up?

Section 2 of the Public Housing Act of 1949 stating the national housing policy, declares:

> The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities and to the advancement of the growth, wealth, and security of the Nation.

This looks to the provision of housing for all Americans. It contemplates giving to the people of urban communities, destined because of their income to raise their children in dilapidated, unhealthy, un-American slums, the opportunity to bring their children into the sunshine—of giving every American family the right to decent living conditions in a good neighborhood. The amendment offered by the gentleman from Texas would destroy that objective. It guarantees the provision of housing only to those who can afford to pay. It takes away from those who cannot afford to pay for housing at today's prices, the only opportunity they have for decent living conditions.

Private industry will not suffer by this program because private industry cannot build houses at prices within the grasp of those qualified to live in public housing projects. This was long ago set forth by the late Senator Taft in his rationale for filing a bill containing a public-housing program. Nevertheless, the attacks still persist.

Mr. Chairman, this is a bad amendment. I urge the House to vote it down.

The CHAIRMAN. The question is on the Fisher amendment to the Edmondson substitute.

The question was taken; and on a division (demanded by Mr. FISHER) there were—ayes 81, noes 59.

Mr. SPENCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. FISHER and Mr. MULTER.

The Committee again divided, and the tellers reported that there were—ayes 144, noes 78.

So the amendment to the substitute was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. MORRIS].

Mr. MORRIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. MORRIS to the substitute amendment offered by Mr. EDMONDSON: On page 9, after line 9, insert the following:
>
> "SEC. 111. Title 11 of the National Housing Act, as amended, is amended by adding at the end thereof a new section, as follows:
>
> " 'SEC. 229. (a) Notwithstanding any other provision of this title, and in addition to mortgages insured under section 203 or 207, the Commissioner may insure and make commitments to insure any mortgage under this section which meets, except as hereinafter provided, the eligibility requirements set forth in such sections: *Provided*, That no mortgage shall be insured under this section unless the Secretary of Defense or his designee shall have certified to the Commissioner that the housing with respect to which the mortgage is issued is necessary in the interest of national defense. Such certification shall be evidence to the Commissioner of the need for such housing and that such project or property is an acceptable risk in place of any other requirement in this act that the project or property meet a requirement of

economic soundness: *Provided*, That the Secretary or his designee with the approval of the Commissioner shall have determined that adequate housing is not available for personnel of the armed services at reasonable rentals within reasonable commuting distance of the installation and that the mortgaged property will not so far as can reasonably be foreseen substantially curtail occupancy in existing housing covered by mortgages insured under this act.

"'(b) Except as otherwise provided herein, the provisions of this title relating to mortgages insured under section 203 or 207, respectively, shall be applicable to mortgages insured under this section which meet the eligibility requirements of such sections.

"'(c) In the case of any mortgage insured under this section meeting the eligibility requirements of section 207, the principal obligation of such mortgage shall, notwithstanding the provisions of section 207 (c) (2), not exceed 90 percent of the estimated value of the property or project when the proposed improvements are completed.

"'(d) The Commissioner shall require that each dwelling covered by a mortgage insured under this section shall be held for rental for a period of not less than 4 years after the dwelling is made available for initial occupancy or until advised by the Secretary of Defense or his designee that the housing may be released from such rental conditions. Priority in sale or rental of dwellings covered by mortgage insured under this section shall be required and given to essential military and permanent personnel of the armed services as evidenced by certification issued by the Secretary of Defense or his designee.'"

Mr. MORRIS. Mr. Chairman, I do not see why anyone should be opposed to this amendment. The amendment is applicable to the Edmondson substitute for the Talle amendment or the Talle amendment or to the bill itself. It does not in any way affect the general tenor of the bill. It does not provide for any new funds whatsoever. It very definitely has to do with our national-defense needs. It simply provides in substance that in these isolated military installations or where they are surrounded by small towns, that if the Secretary of Defense and the Commissioner, getting together, find that our defense needs require our boys, servicemen and those working in the Army camps and so on to have more decent homes in which to live, that such homes can be built. They are for rental purposes, and for not less than 4 years. They cannot build them unless they agree to rent them for at least 4 years.

Mr. RAINS. Mr. Chairman, will the gentleman yield?

Mr. MORRIS. I yield.

Mr. RAINS. Would the gentleman inform us whether his amendment, as he now offers it, is an amendment to the Edmondson amendment?

Mr. MORRIS. Yes. It is an amendment to the Edmondson substitute. Of course, I do not know what is going to happen to these amendments so I am going to offer my amendment to every one of them as they come along, if I can do so. My amendment will not change anybody's bill, but it will give us good legislation.

Mr. RAINS. Does the gentleman have any objection to changing the wording of his amendment down near the bottom, just before the word *"Provided,"* where it says, "Such certification shall be evidenced by the Commissioner of the need for such housing," to read "That on such certification, the Commissioner may consider the economic feasibility of the housing"? What you are really doing is directing the FHA not to have anything to do with this.

Mr. MORRIS. If I agree to that, would the gentleman agree to go along with my amendment?

Mr. RAINS. I have no objection to that part of it, but I think that language ought to be changed.

Mr. MORRIS. Mr. Chairman, I hardly have had time to explain my amendment to the committee. The amendment is a good one, and I do not see any reason why it should not be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oklahoma [Mr. MORRIS] to the amendment offered by the gentleman from Oklahoma [Mr. EDMONDSON].

The question was taken; and on a division (demanded by Mr. MORRIS) there were—ayes 40, noes 81.

So the amendment to the amendment was rejected.

The CHAIRMAN. The gentleman from Texas [Mr. MAHON] is recognized.

Mr. MAHON. Mr. Chairman, I wish to again raise the question which I raised yesterday. The original housing bill and these substitutes involve very heavily the battle of the budget. Thus far the House has reduced the President's appropriation budget by $1,140,000,000. We have increased the obligational authority in another bill already passed by $200 million. The committee bill would increase the President's obligational budget by $900 million. The Talle substitute would increase it by about $1.4 billion and the Edmondson substitute would increase it by about $1.25 billion. The adoption of any spending version of the housing bill would blot out all the savings in the President's obligational budget which have been thus far made this year by the House of Representatives.

I want to make myself clear. I am not saying that this would represent an increase in appropriations. In the original committee bill we have provided obligational authority above the President's budget in the sum of $900 million.

There are several ways to create obligational authority. Direct appropriation can be used. Loans like loans through the REA or other type loans or grants or guaranties can be used to create obligational authority. All new obligational authority does not necessarily mean an eventual expenditure or loss by the Government, but there must be a possibility of such loss or expenditure.

It is perfectly clear that when the fiscal year is over and in August, when the President issues his midyear budget statement, as he did last year, on the tally sheet with Congress, he will include these many obligations of the Government which Congress approves and the statement would show as of this date that we made no reductions in the President's budget with respect to obligational authority. That point cannot be challenged, in my judgment, and it is worthy of sober consideration. Of course, Congress has much work yet to do and we cannot predict the final results that will appear in August.

May I refer Members of the House to page 9 of the committee report which shows the Federal National Mortgage Association figure of $2,600,000,000. The comparable figure in the President's budget is $1,700,000,000. I refer to the language in the report as to the nature of the obligation involved. I refer to page 321 of the President's budget which has further reference to this problem. I refer to page 7 of the 1957 Federal Budget Midyear Review which was published on August 28, 1956, by the Bureau of the Budget. It will be noted on page 7 that for the fiscal year 1957 Congress last year exceeded the President's budget in new obligational authority in the sum of approximately $2 billion.

To put this whole matter in better focus, I should like to point out that last year we cut the President's appropriations budget in the sum of one-quarter billion dollars, but through obligational authority otherwise we exceeded the President's budget by a very considerable sum, making the final tally sheet look bad from the standpoint of Congress.

We have worked so hard to achieve a reduction in the President's budget this year, I regret to see us sustain such a terrific loss in the passage of this housing bill. I realize that from the standpoint of actual losses to the taxpayer there may be little as a result of our proposed action today; but from the standpoint of the table showing Congressional action with respect to new obligational authority of the Government the loss will be clear. When a summation is made at the end of this Congress of actions taken, the tally sheet will show that we have exceeded the budget in this action today by hundreds of millions of dollars, and the American people will not be supplied with the detailed explanation of all the items in the tally sheet.

I am not arguing against the housing bill. I am by no means expert in this field, and I assume that it is necessary to provide this additional obligational authority above the President's budget. However, I feel it my duty, in order to keep the record straight, to make these observations to the House of Representatives.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I offer an amendment, which is at the desk, to the amendment.

The Clerk read as follows:

Amendment offered by Mr. VURSELL to the substitute offered by Mr. EDMONDSON: On page 11, line 11, delete "$250,000,000" and substitute in lieu thereof "$175,000,000."

Mr. VURSELL. Mr. Chairman, I am offering this amendment for the reason that if the Talle amendment, or substitute to the committee bill, is approved, this amendment could not then be offered. I am offering it to improve the Talle substitute now before us.

I am offering it because in the recent hearings before the Independent Offices Committee, the Housing and Home Finance Agency gave pages of testimony

before our committee in seeking funds to implement all phases of the Federal housing program, and offered pages of testimony in the interest of urban redevelopment and slum clearance, which is one of the most expansive and expensive Federal programs.

I am offering this amendment because the people generally, the chambers of commerce, and business organizations have been putting pressure upon the Congress, as never before, to achieve economy by reducing authorizations and appropriations.

Mr. Chairman, may I repeat, the purpose of my amendment is to reduce the obligational authority of the Housing and Home Finance Agency for urban renewal capital grants from $250 million for the next fiscal year to $175 million.

Mr. Chairman, now listen to this breakdown: Since 1949, the Congress has authorized $900 million in urban renewal capital grants. As of March 1, 1957, some $853,800,000 of this $900 million has been reserved for 441 local renewal projects, and 18 demonstration projects. However, of this $854 million only about $261,555 has actually been expended on completed projects. There is enough money appropriated now to last 4 years. Does this indicate that we need to authorize in this bill another $250 million today? Listen to this: Only $261,555 has been expended on completed projects, $253,264,820 has been authorized for projects in the execution stage, and $138,163,191 for projects in the final planning stage. In other words, only $391,689,566 of this $900 million has been rather firmly committed, with the balance of $461,744,385 reserved, but not committed. A good portion of this $462 million will very probably be recaptured, as projects fail, of completion, or are withdrawn for various reasons.

We, therefore, have this situation: About $462 million not firmly committed plus $47 million remaining of the $900 million authorizaiton, and an additional $100 million available to the President to use at his discretion for this same purpose. This gives you a pipeline uncommitted of grants to be handed out to the cities and municipalities of $609 million.

If the Congress were to reject the entire $250 million in the bill, the Housing Administration would still have about $607 million including the President's fund of $100 million for free grants to cities and municipalities.

Mr. Chairman, now my amendment reduces their requests for new authorization by only $75 million of the $250 million requested in this bill, which would still allow them $175 million in new obligational authority.

I want to emphasize, the Appropriations Committee has no control over this obligational authority. Once the contracts are executed, there is a contractual obligation to spend the money. This means for several years in the future the Congress will have to appropriate this $900 million which has been authorized during the past 8 years.

This program is essentially an urban program and this $854 million already reserved has been available almost without exception to every metropolitan area in the country and many smaller communities.

Now, let's keep the picture in focus. The Housing Administration now has authorized obligational authority to use $900 million plus the $100 million fund at the President's discretion—making a total of $1 billion. They use this money to pay two-thirds of the cost of urban renewal and slum clearance, and the Government will never get any of it back. These funds are grants—handouts from the Federal Treasury.

Now, if we give them the $250 million requested in the Talle substitute, and the committee bill, they will have at their disposal $1,250,000,000.

I am asking the Congress to put up a red-light warning by reducing this vast amount only $75 million.

Mr. Chairman, now I want to quote from the testimony of the Housing and Home Finance Agency Administrator, Albert Cole.

On March 15, in testifying before the Housing Subcommittee of the House Banking and Currency Committee, Mr. Cole was questioned as to why the administration had reduced its estimate for the next fiscal year from $250 million to $175 million. Mr. Cole replied as follows—page 765 of the hearings on the Housing Act of 1957 before the Housing Subcommittee of the House Committee on Banking and Currency:

Mr. COLE. You ask why, when we submitted the budget, we asked for $250 million, and then some weeks later we now ask for $175 million. This is because we have reexamined the budget in the light of the economic situation, right or wrong. We think the pressures on the economy of our country have grown materially since the Middle East situation arose, and since the need for greater military and foreign aid became apparent.

We think that it is important that we sustain a high military budget, and a budget for foreign aid, and therefore we have felt in the Housing Agency, and I think I can say on the part of the administration, although I don't speak now for the rest of the administration, just as I said a moment ago, I speak for housing, we feel that we can, and I say this to you, I can, as Administrator, conscientiously support this budget of $175 million for new obligational authorities. This we think will cause us quite frankly to reexamine some of the new applications which may come before us. We may have to decide that perhaps we cannot approve projects of the size and extent that perhaps might have been presented to us under a larger program.

On the other hand, we do believe that with $175 million in new obligational authority we can go ahead with a progressive and strong program of slum clearance and redevelopment.

Mr. Chairman, some weeks ago the House of Representatives adopted a resolution calling upon the President to advise the Congress as to where the budget might be cut. This is one item which the administration has reviewed and has concluded that the taxpayers could be spared $75 million in new obligational authority.

With almost $900 million in the pipeline and very little of this actually expended, the Congress should not feel it necessary to pump money into the program at the same rate as it has done so generously during the past years. It might be well for the Congress to hold up new authorizations until the more than 440 urban renewal projects in more than 265 communities actually get under way. For one thing, the Congress will not be able to appraise the worth of this urban renewal program until a substantial number of the projects have been completed and a substantial portion of the $900 million already authorized is actually expended.

Recently several mayors of large cities appeared before the Committees on Banking and Currency of the two Houses in opposition to the reduction of $250 million to $175 million for urban renewal capital grants.

The absent element in the pleas of these mayors was the amount of money already available to their cities which would not be affected by this reduction. Here they are:

	Million
Chicago, Ill	76
Boston, Mass	9
Philadelphia, Pa	41
Nashville, Tenn	17
New York City, N. Y	92
New Haven, Conn	17
Baltimore, Md	14
Wilmington, Del	2

We ought to heed the recommendations of the administration for this $75 million reduction in these capital grant authorizations and support my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. VURSELL] to the amendment.

The question was taken; and on a division (demanded by Mr. VURSELL) there were—ayes 48, noes 76.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES to the substitute offered by Mr. EDMONDSON: Page 15, line 7, after the word "materials", insert: "Such study shall be designed and made to cover the residential housing needs of all segments of the population, including those segments which are unable to obtain adequate or sufficient housing under established home financing programs."

Mr. YATES. Mr. Chairman, this is an amendment to that part of the bill which provides for a mortgage-credit study. The provision is contained in the Edmondson substitute, in the Talle bill, and in the original Rains bill. One would think that there was no need for such an amendment—that any studies and analyses made of mortgage credit would cover the housing needs of our entire population—but, unfortunately, this has not been true. There is a tremendous paucity of information regarding credit facilities offered for the consideration of minority housing. That is the purpose of my amendment—to insist that the study cover the housing needs of all segments of our population, including members of minority races.

It is as necessary in the South as it is in the North. Studies made of families displaced by slum-clearance projects in-

dicate that approximately only one-third qualify for residence in public housing projects. The remaining two-thirds having incomes in excess of qualifying amounts must find private housing. Unfortunately for many of these people, such housing is not available, not only because of the high costs today but because of other restrictions placed in their way.

It is hoped that this study will lay the foundation for the increase of additional insurance for members of minority races by FHA. To date progress has been slow—much too slow. A tremendous need exists for FHA assistance to members of minority races, which, unfortunately, is not being adequately considered. This amendment could be the first step in making more credit available to members of minority races.

I urge passage of my amendment.

Mr. RAINS. And it does not cost any extra money.

Mr. YATES. It does not cost any extra money. It is in the Talle bill, in the original bill, and in the Edmondson amendment.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. EDMONDSON. I think the amendment will help the bill. I will support the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois to the Edmondson substitute.

The amendment to the substitute was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. VANIK] for 3 minutes or less.

Mr. VANIK. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

Mr. SISK. Mr. Chairman——

Mr. SHUFORD. Mr. Chairman, will the gentleman yield?

Mr. SISK. I shall be very happy to yield to my colleague from North Carolina.

Mr. SHUFORD. I appreciate very much this opportunity to speak to the House in connection with the Edmondson amendment. As chairman of the Housing Subcommittee of the Veterans' Affairs Committee I think this amendment meets the objections that we had to the original bill and to the so-called Talle amendment, and I want to associate myself with the gentleman in supporting this amendment. I thank the gentleman.

Mr. SISK. I thank my colleague from North Carolina. I took this time simply to say that very thing, that I am here to completely endorse the Edmondson amendment that has been offered. I think it does the thing all of have been most desirous of doing. It also eliminates some of the conflicts and controversies that exist over the original bill. I hope that the Edmondson amendment will be adopted.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Illinois.

Mr. YATES. I want the gentleman to know I agree with him completely. The hope of those who come from the big cities for adequate housing is included in the Edmondson amendment and is not in the Talle substitute.

Mr. SISK. I thank the gentleman. Some are concerned about the amendment that was adopted a little while ago, the amendment offered by the gentleman from Texas. I would like to ask that you do not oppose the Edmondson substitute because of that amendment. I have heard some comments to that effect. I know this is something that you experience from time to time. I would rather have had it voted down, but the other body is going to operate on this bill and maybe it can take us off the spot so far as that particular amendment is concerned.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Illinois to the substitute offered by Mr. EDMONDSON: Amend section 302 to read as follows:

"SEC. 302. Section 106 (f2) of the Housing Act of 1949 is amended (1) by striking out $2,000 and inserting in lieu thereof $3,000; and (2) by adding at the end thereof the following sentence: Such rules and regulations may include provisions authorizing the payment to individuals, families, and business concerns of fixed amounts not to exceed $100 in the case of an individual or family, or $3,000 in the case of any business concern in lieu of the respective reasonable and necessary moving expenses."

Mr. O'HARA of Illinois. Mr. Chairman, if I were able adequately to explain this amendment I do not believe a single vote would be cast against it. Briefly, all it does is to raise from $2,000 to $3,000 the permissible amount that may be paid in proper cases to a dislocated small-business tenant and to correct existing administrative inequities by providing that whenever justified by the circumstances, lump-sum payments may be made in lieu of moving expenses, exactly as we are doing in the case of individual residential tenants.

These small-business men are being dislocated, not for their own profit or convenience but to the contrary. It is part of the rebuilding of our cities that is going on. Many of them have businesses that have been established for 20 or more years. In some cases the $2,000 allowance for moving expenses is ruinously inadequate. This amendment merely provides a remedy in those cases where it is warranted. I trust that there is not a Member on either side of the aisle who would wish to do an injustice to these small-business tenants that are being dislocated. When yesterday I presented the same amendment as an amendment to the Talle amendment, I noticed that the vote was largely on party lines. I trust such will not be the case today. This is a matter of doing the decent and honest thing, and I cannot see any place for a dividing line in the area of decency and honesty.

I trust the amendment will be accepted by the author of the pending amendment and by all members of the committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. O'HARA] to the amendment offered by the gentleman from Oklahoma [Mr. EDMONDSON].

The question was taken; and on a division (demanded by Mr. O'HARA of Illinois) there were—ayes 52, noes 92.

So the amendment to the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. BROOKS].

Mr. BROOKS of Louisiana. Mr. Chairman, if I may do so in a parliamentary manner, I would like to yield to my colleague, the gentleman from Louisiana [Mr. LONG].

The CHAIRMAN. The gentleman may do so.

Mr. LONG. Mr. Chairman, I rise in support of the Edmondson substitute. I have had some experience with housing legislation in this Congress, and I think this is the best thing that has been offered.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, without in any way retracting any of the many things I said in support of the original Spence-Rains bill as reported by the committee, and against the Talle substitute, I now urge that the Edmondson substitute for the Talle amendment be adopted as the best compromise we can get under the circumstances.

May I indicate to the membership that the only objection that came from the Committee on Banking and Currency when the bill was reported was against that feature of the bill which dealt with use of the National Service Life Insurance funds. That is now out of the Edmondson substitute. As much as I would like to see it there, or even a stronger provision, it is not in the Edmondson substitute.

The Edmondson substitute omits many other good features of the committee bill, which, however, were objected to on the floor. It contains 1 or 2 items which could better be omitted.

Nevertheless, it is far superior to the Talle amendment. That being the best that can be done under the circumstances, the Edmondson substitute should prevail.

May I also indicate that I do not agree with my distinguished colleague on the other side of the aisle who serves on the Committee on Banking and Currency with us, that all of the know-how on housing legislation is vested in the members of the Committee on Banking and Currency. I believe that gentlemen, like the distinguished Representative from Oklahoma [Mr. EDMONDSON], can bring just as good thought and wisdom to bear on the subject as we can. Sometimes I think those not quite as wrapped up in the subject as we are, can do even better. I am sure that is the case, when judged by these two amendments.

I urge adoption of the Edmondson substitute.

The CHAIRMAN. The Chair recognizes the gentleman from Oklahoma [Mr. EDMONDSON].

Mr. EDMONDSON. Mr. Chairman, I would like to say at the outset that despite the kind words from the gentleman from Iowa, I have no great pride of authorship in this substitute. I am deeply indebted to the members of the Committee on Banking and Currency, to the staff of the Committee on Banking and Currency, and to the members of the House Committee on Veterans' Affairs for contributions to this legislation. I am also indebted to the gentleman from Iowa [Mr. TALLE] for a large portion of the language in it.

If you believe in small downpayments on low-cost housing for the lower income families, if you believe in some restraint authority in law over excessive discounts, and if you believe it is a good time to save a quarter of a billion dollars by reducing the Talle figure by $250 million, then I hope you will vote for this substitute.

Mr. TEAGUE of Texas. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. Mr. Chairman, I would like to express my appreciation to the gentleman from Oklahoma for the work he has done and I hope that his substitute will be adopted.

Mr. EDMONDSON. I thank the gentleman.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. I would like to say as a member of the Committee on Veterans' Affairs that I am endorsing the substitute offered by the gentleman from Oklahoma and I hope it prevails.

Mr. SANTANGELO. Mr. Chairman, will the gentleman yield?

Mr. EDMONDSON. I yield to the gentleman from New York.

Mr. SANTANGELO. I wish to tell the gentleman from Oklahoma that I think his bill is an intelligent approach to a problem which is besetting all the veterans and other people who are trying to build a home, and I shall favor his amendment with enthusiasm.

Mr. EDMONDSON. I thank the gentleman.

Let me say one further thing. This substitute is not perfection by any means, but I believe it is the best thing that we can achieve on the floor today.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I am very anxious to see some satisfactory housing legislation passed. Legislation is often the result of compromise, conciliation, and concession. The Edmondson amendment is the result of such action. It contains many of the desirable provisions of the committee bill. It has the provision with respect to control of discounts. It contains the special assistance provisions of the committee bill and the requirement that such mortgages shall be purchased at par. It reduces the amount available for FNMA and reduces the downpayments on FHA mortgages.

I think this is a satisfactory compromise. I favor the Edmondson amendment and hope and trust that it will be agreed to.

Mr. VANIK. Mr. Chairman, although this legislation has many shortcomings, it seems to represent the maximum that this Congress will consider at this time on the important problem of housing.

I cannot overemphasize the need for housing facilities in the large urban communities like my city of Cleveland. There is a tremendous market for low-cost private dwelling places and low rent private and public apartments. The vacancy rate in my community is perhaps among the lowest in the Nation. At our current rate of growth and population increase we face a severe housing dilemma.

I regret that I must vigorously oppose the amendment submitted by the gentleman from Texas, Hon. O. C. FISHER, to limit the use of new public housing facilities to only those persons necessarily relocated by action of the State, Federal, or local governments. This restricted use of public housing would deny new public housing to the tremendous numbers of family units supported entirely or in part by public and private welfare agencies. It would deny new housing accommodations to the golden age couples and the tremendous number of low-income families who have no other possibility of adequate housing. This amendment would multiply the critical housing problem with which my community is faced. It would be cruel; it would be inhumane.

If the Fisher amendment is retained in this legislation, it will make this measure unacceptable for the reason that it would create more housing problems than it would solve.

The CHAIRMAN. All time has expired.

The question is on the substitute offered by the gentleman from Oklahoma [Mr. EDMONDSON], as amended, for the amendment offered by the gentleman from Iowa [Mr. TALLE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. TALLE. Mr. Chairman, I ask for a division.

Mr. MARTIN. Mr. Chairman, I demand tellers.

Tellers were ordered and the Chairman appointed as tellers Mr. TALLE and Mr. EDMONDSON.

The Committee divided, and the tellers reported that there were—ayes 172, noes 142.

So the substitute for the Talle amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. TALLE], as amended by the substitute.

The amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose, and the Speaker having resumed the Chair, Mr. MILLS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, pursuant to House Resolution 246, he reported the bill back to the House with an amendment adopted in the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, I take this time to congratulate my colleague, the gentleman from Oklahoma, upon the excellent job he did in working out a very fine compromise housing bill. I am proud that my colleague will have the distinction and honor of having this bill bear his name. He has done a splendid job and deserve the commendation of the House and of the people of this country.

Mr. SHELLEY. Mr. Speaker, aside from the national importance of legislation to stimulate the home-building industry, which has been discussed at great length during the debate on H. R. 6659, I want to stress the critical situation the construction industry faces in the San Francisco Bay area right at this moment as a result of the tight-money market and the inability to obtain investment money at reasonable interest rates. I am sure that the San Francisco crisis is multiplied many times over throughout the Nation, but I want to cite the experience in my own area on which I have some depressing figures.

A recent San Francisco newspaper article gives a graphic picture of the situation in its opening paragraph, using a figure of speech particularly appropriate to the local area. The article says and I quote: "Bay area home building, a mainstay of the big boom, has begun to look like a tract house hit by an earthquake." I have been watching the local home building decline from month to month for some time now, and it begins to look to me as if the recent California earthquake would have been a blessing if it had hit Washington instead and shaken the administration loose from its complacent attachment to the disastrous

tight money, high interest policy which it deliberately set in motion and which is directly responsible for the predicament home builders and buyers are now in.

March in California normally signals the beginning of a spring construction boom, even in a bad year. But this year bay area contractors started construction of fewer houses than in any March in the past decade, and this is in the face of an increasing demand for reasonably priced housing caused by our heavy population increase. According to the Department of Labor, "the normal spring upturn in the bay area was almost completely absent." As a matter of fact March 1957 building permits were 45 percent under those issued in the same month in 1956, and barely exceeded the February total which is a slow winter month.

The result of this is not only to deny new homes to people who are crying for a decent place to live, and to place contractors, particularly the smaller operators with small resources, into a very bad position financially, but to cause heavy unemployment among construction workers at a time when they normally expect to find steady work after the winter layoffs. As an example, of approximately 4,200 carpenters in the San Francisco Bay area, almost 25 percent are out of work. Unemployment insurance claims in the area for March rose 11 percent over the February total due almost entirely to the lack of home building. If we translate that from the cold figures into terms of what it means to individuals and to their families it is not a pretty story. What it amounts to is that the administration's tight money policy forces a tighten-the-belt policy on the man who cannot find work at his trade and on his wife and children. The bankers and investment interests do not complain, but then they are getting fat on high interest rates for every type of investment and don't have to depend on a weekly pay envelope for food and clothing.

I certainly favor the provisions of this proposed legislation which will liberalize down-payment requirements on FHA loans as a means of stimulating home building. I am also in favor of the provisions of the bill which will attempt to limit the outrageous discounts and service charges lenders are now demanding in order to boost their interest return far above the 5 percent permitted by the law. I am not certain, however, that H. R. 6659 as it now stands will loosen the money market sufficiently to provide the stimulation the home construction industry needs to bring the annual rate of new home building up to the 2 million per year level needed. The present rate of less than 900,000 per year is far from enough, and is directly traceable to the unwillingness of the money lenders to invest until they can force interest rates even higher than they now are. They are indulging in a form of blackmail and I strongly believe that Congress should be prepared to take action to break up the conspiracy. It seems to me that we should consider giving to the Federal Housing Authority and the Veterans' Administration increased authority to conduct a direct loan program in any area where private investment money is not made available in adequate amounts at the present legal interest rates and without excessive discounts, fees and charges. I do not believe it would be necessary to actually use this authority to any great extent, since the mere fact that it was there would, I am convinced, prove to the big banking and investment interests that we mean business. It would be accepted as evidence that the Congress does not condone nor intend to put up with the present administration's high interest tight money policies.

Mr. Speaker, such a proposal would bring back to the FHA and VA money markets the funds that are now being withheld by forcing prospective home buyers to borrow in the so-called free market where they must pay from 6 to 7 percent. It would serve effective notice on the money lenders and their policy-making friends in the administration that, although they may be in the saddle in the White House and the Treasury, we will not allow their profiteering to be saddled on the people of this country.

Under unanimous consent, I insert the article from the San Francisco Daily News of April 22, to which I have referred, in the RECORD following these remarks and submit it for that purpose:

BAY AREA'S BOOM IN HOME BUILDING NEARING COLLAPSE

(By Stephen Warshaw)

Bay area home building, a mainstay of the big boom, has begun to look like a tract house hit by an earthquake.

The housing industry has the highest unemployment and is suffering the sharpest declines of any major industry here or across the Nation.

Primary reason is shortage of mortgage money; but the bankers and other lenders blamed for tight money have begun to snap back: "It's not our fault. The market for new housing is crippled anyway. Demand is down."

Whatever the cause, the question is whether any economic force is able to put Humpty Dumpty together again. The effects of the shattered boom in housing have begun to slow up business generally:

Of the 4,200 bay area carpenters, almost 25 percent are unemployed, according to union officials.

Their contention is supported by the California Department of Employment. Bay area unemployment-insurance claims increased by 11 percent from February to March, rising to 30,300. The cause of the increase, in a month when employment normally rises, is the failing housing industry, said H. W. Stewart, department director.

Bay area contractors started fewer houses in March than in any other March of the past decade.

The number of building permits slumped to 2,261. That was 45 percent less than in 1956, and barely 3 percent higher than in February, although construction normally rises sharply when spring arrives.

"The normal spring upturn (in the bay area), said the United States Department of Labor, "was almost completely absent."

While some builders find themselves unable to build or finance houses at a rate high enough to stay in business, they're also finding it necessary to choke off a large portion of the present market; construction costs continue to rise.

The bay area council demonstrates this through a set of plans it sends out periodically for bidding. The plans are for a conventional rustic redwood house of 1,020 square feet. It has three bedrooms and one bath.

In 1951 the house could be built for $8.96 a square foot. By 1954 the price had risen to $9.27 a square foot and last year it was $9.99. Today the price has taken another big jump; it is $10.54 a square foot.

"We're not building for poorer people, without much money to put down on housing," said a top official of the District Council of Carpenters. "There isn't one tract going now. You can't get a house for less than $14,000."

At the same time, there is no end of rising production costs in sight. More than 35,000 northern California construction workers will find $7.20 more in their paychecks this week. The rise was won in a 5-year contract signed last week by the District Council of Laborers and the Associated General Contractors.

Then, too, the carpenters, among the most skilled and best-paid construction workers, will receive another increase in June. It'll come under a 3-year contract signed in 1956 and, with fringe benefits, will increase their payroll by about 10 percent.

"Not many of us are going bankrupt, if any at all," said a spokesman for the contractors.

"We just aren't building. We saved ourselves only because we all decided to lay low, beginning last fall."

The contractors say the bankers must release more mortgage money at lower interest rates, or the economy will begin its feared decline. The bankers say they are not holding enough deposits to increase mortgages, that the free market has forced interest rates higher.

It is now almost impossible to get a GI loan, although Congress has refused to raise the 4½ percent interest rate. Most conventional loans are going for from 6 to 7 percent. In addition, as the News pointed out last winter, hidden discounts in mortgages raise the price of money far higher.

Nationally, the median price of a house has climbed relentlessly from $12,300 in 1954 to $13,700 in 1955 to a probable $15,500 in 1957, say the analysts.

The entire cutback has been in the middle to low income section of the market, largely supplied by the big builder who is dependent on FHA and VA financing.

By contrast, the market for conventionally financed housing has held steady. The proportion of starts for houses over $15,000 has climbed from 27 percent in 1954 to almost 60 percent this year.

Moreover, this State's struggle with its Cal-Vet loans—which go for a low 3 percent interest to California veterans only—proves that demand continues to ride high.

In February 16,000 veterans were waiting for the loans. Now 24,000, more than 11,000 of them in the bay area, are jamming Cal-Vet offices in the search for financing.

LEGISLATIVE PROGRAM

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I have taken this time to ask the majority leader, the gentleman from Massachusetts, for information as to the legislative program.

Mr. McCORMACK. Mr. Speaker, the House will meet tomorrow, but there will be no legislative business. The reason for that is the desire on the part of some Members that the House meet so that there will be a legislative day in connection with a discharge petition.

Mr. MARTIN. What is the discharge petition?

Mr. McCORMACK. I think that is the postal pay raise bill. There is a desire on the part of some Members that a legislative day transpire in connection with that. But, as I said, there will be no business. Members, therefore, can govern themselves accordingly with the knowledge that there will be no legislative business tomorrow.

Monday is District Day. There are three bills from the District Committee.

There is H. R. 1937, authorization for the construction of a stadium.

H. R. 6454, amending the schoolteachers' retirement bill.

H. R. 4932, a bill increasing the rate of compensation for the director of the Metropolitan Police Force Band.

Following the District Day business, there is the bill (H. R. 52) increasing the rates of compensation for service-connected disabilities. That bill was on the program this week, but it is now being scheduled for Monday.

For Tuesday and the balance of the week, the program is as follows:

On Tuesday, the Agriculture Department appropriation bill for 1958.

Thereafter, the bill (H. R. 72) relating to guardians' gratuities with reference to veterans.

If a rule is reported out, the bill, H. R. 3658, will be taken up. That is the bill dealing with widow eligibility for Veterans' Administration benefits.

There is the usual reservation, of course, that any further program will be announced later.

Conference reports may be brought up at any time.

Mr. MARTIN. I thank the gentleman.

SERVICE-CONNECTED DISABILITY COMPENSATION

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, we sometimes overlook the fact that a disabled veteran lives out the rest of his life under an economic as well as a physical handicap. He thus has two strikes against him.

Excluding Government employment—where he is given preference—he is at a disadvantage when competing with able-bodied veterans and nonveterans for jobs in private industry.

As soon as the factory physician—with an eye on the insurance rates paid by his employer—discovers that the veteran applying for a job is disabled, he decides that the veteran is not employable. Although, by every practical standard, the veteran could easily do the work that he seeks, the company will not chance it.

This is a powerful reason, on the other hand, why the United States Government, in whose defense the veteran incurred his disability, should compensate him for those disabilities that curtail his opportunities to get a job or to earn his living.

Compensation rates have been frozen for several years, while the cost of living has been edging steadily higher, month after month.

These rates were tight to begin with, but they have constricted considerably since then, due to the shrinkage in the purchasing power of the dollar.

One hundred and eighty-one dollars a month is currently paid for total disability. This is the equivalent of less than $45 a week for a man who can do no work.

Granted that there are not many veterans who are totally disabled, what about those with 60 or 40 or 20-percent disability? Oftentimes, the compensation they receive is the thin margin by which they manage to live.

Therefore, a reasonable increase in service-connected compensation is in order, if we are to fulfill our obligations to them.

As any prospects for a decline in the cost of living seem remote, at best, it is incumbent upon us to raise disability compensation rates to a realistic level to compensate for the depreciated rates and the depreciated dependency allowances.

The plain truth of the matter is that present rates of disability compensation are inadequate, and this bill represents a modest effort to correct the deficiency.

I think it would help our perspective to check back through newspaper files and back issues of the CONGRESSIONAL RECORD, to 1944 or 1952, for example.

What we said and did then to express our gratitude to the veterans, and to implement it by legislation to pay them in part for the disabilities they suffered in defending our freedoms, applies with equal if not greater force today because their disabilities become more burdensome with the passage of time.

It is also well for us to bear in mind the hundreds of thousands of young men who are becoming veterans each year.

They, too, are concerned with our attitude toward veterans' problems in general.

Service-connected disability is not a condition that fades away with public apathy or is cured by legislative neglect.

It is a fact that must be dealt with in a forthright and honorable manner.

The Veterans' Affairs Committee, after lengthy and conscientious study of the increases in service-connected disability compensation proposed by H. R. 52, has favorably reported this bill to the House.

As one among many, I shall vote to make these increases become effective and as soon as possible.

UNITED STATES TREASURY IN A TRAP

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am inserting herewith an article by Sylvia Porter, who writes a daily column entitled "Your Money's Worth." This particular article that I am inserting is entitled, "Treasury in a Trap." It appeared in daily newspapers throughout the country on yesterday.

It is pointed out in this article that the Treasury is not receiving the vital support of the Federal Reserve System. This is unfortunate. Our Government needs the Federal Reserve System more today than ever before in history. The Treasury is facing a fiscal crisis. At the very time the Government needs the Federal Reserve the most, it is the least cooperative.

The Federal Reserve Board declared itself independent of the executive branch of the Government on March 4, 1951. It in effect declared it would no longer provide helpful participation in the Treasury's financing of the public debt. This was unfortunate.

The Board had been on the alert since the end of the war trying to decide when the time was opportune to declare itself independent of the executive in order to break the interest rate on the war debt. The time never seemed to be ripe until just before March 4, 1951, when President Truman's difficulties arising from the conduct of Korean hostilities had been seized on by an unfriendly press to undermine his popular support. At that time it was decided the time was ripe to declare the Board's independence. It was believed President Truman would not be strong enough to resist it. It was also well known he was going out of office, and naturally carried less prestige and standing as a President by reason of that fact alone.

President Truman entered a protest against the proposed action, and after meeting with the Open Market Committee, which included the 7 members of the Federal Reserve Board and 5 Presidents of the Federal Reserve Banks, he was given positive and definite assurance on January 31, 1951, that the Federal Reserve System would not let him down and would not let the Government down. They promised to continue to support Government bonds at par.

Mr. Thomas B. McCabe of Philadelphia, a member of the Republican Party, was serving as Chairman of the Board at that time when the promise was made. When the Board went ahead nevertheless and carried out its original intention of seceding from the Executive, Chairman Thomas B. McCabe naturally resigned. There is no evidence, in fact, there is not the least sign, that Chairman McCabe tried to keep the Board from violating its promise to the Chief Executive of the Nation.

All of our monetary and high interest problems and today's fiscal crisis go back to that particular action of the Federal Reserve Open Market Committee and Federal Reserve Board. That action gave notice to the world that Government bonds would go down and interest rates would go up and that the Treasury henceforth would be at the mercy of the private bankers in control of the money market.

President Truman appointed the present chairman, Mr. William McChesney Martin, Jr., who was at that time serving

in the United States Treasury under Secretary of the Treasury John Snyder. The President naturally had a right to expect Chairman Martin to carry out his known, expressed, and insistent views to hold the line on Government bonds, keep them at par, and keep the wholesale rate of money, the going interest rates on Government bonds, low, but Mr. Martin, appointed by President Truman in this climate and atmosphere, soon took up with and became a part of the group that was determined to start the hard money, high interest policy in our country. Since that time, Chairman Martin has been one of its most insistent, most aggressive, and most vigorous friends and supporters.

It is interesting to note that in the campaign of 1956, President Eisenhower, when asked about the hard money, high interest controversy, replied that it was the responsibility of the Federal Reserve and that the Federal Reserve Board was an independent body. However, yesterday at a press conference, when he was asked about the possible resignation of Secretary of the Treasury Humphrey, he was also asked about the possibility that this would mean a change in monetary policies, to be specific, the high interest policy. The President quickly replied to the effect that the Federal Reserve policy of hard money and high interest was his policy and that no one under him would be allowed to change it.

Miss Porter's article is as follows:

YOUR MONEY'S WORTH

TREASURY IN A TRAP

(By Sylvia Porter)

In late September 1954, the Treasury borrowed $4.1 billion from the Nation's banks and big corporations. Secretary Humphrey promised to pay 1⅝ percent interest on the loan and to repay the note on May 15, 1957.

Today, 1 week before the note runs out, the Treasury is in no position to pay off any loan of any size, much less one of $4 billion. On the contrary, the Treasury is in a grinding, relentless money squeeze—the worst since 1953.

So, Mr. Humphrey is appealing to those banks and corporations to extend the I. O. U.

He is offering to pay 3½ percent interest to any holders of the maturing notes if they'll extend the I. O. U. for only 11 months.

He is offering to pay 3⅝ percent interest to any who will extend the I. O. U. for 4¾ years.

Step-up in interest

These rates represent a step-up in interest of far more than 100 percent in just these 31 months.

And mind you, these rates are being offered by the highest credit risk in the world; they are on short-term loans on which default is, of course, unthinkable; they are well above the new rates that Congress has just reluctantly authorized the Treasury to pay on savings bonds.

Nevertheless, when the offer expires at midnight tonight and Mr. Humphrey's assistants begin to count the returns, it's a certainty they'll find a large number of holders of the maturing notes have said, in effect:

"Sorry, Uncle Sam, but you can't have our cash even at these rates and even for only 11 months. We want that money for other purposes."

It's a certainty, therefore, that the Treasury will be called upon to pay out many hundreds of millions of dollars in cash on May 15 to those who have said "No." And it's a certainty that it won't have enough money in the cashbox to meet this drain.

Not in a quarter-century has the Treasury been in so rough a spot. In recent years, as the demand for money has skyrocketed and interest rates have mounted, the Treasury has been compelled to take its place in the line and compete for what it needs.

The Federal Reserve System no longer is protecting the Treasury from the competition of the market.

It would be bad enough if all the Treasury had to do was extend loans as they came due. But it's much tougher than that. For while Congress argues about next year's budget, it is ignoring what is happening to spending in this current year.

Money is pouring out much faster than original Government estimates. Defense spending already is way over what it was scheduled to be on this date and that's a direct drain on the Treasury.

Holders of savings bonds are continuing to cash them in on a heavy scale. Every month more money is demanded to redeem bonds than is taken in via new sales of bonds and that's a direct drain on the Treasury, too. And as the big periodic loans come due—such as this May 15 I O U.'s—under investors also are asking to be paid off.

At this season of the year the Treasury is supposed to be rolling in greenbacks. You and I have just handed over billions in income taxes. Corporations handed over their billions March 15.

Instead, the Treasury has been in a money trap most of the time this year. And every time it has had to borrow at today's historically high rates, the Treasury itself has helped swell the budget because these borrowings add tens of millions to the already staggering annual cost of carrying the national debt.

Being Treasury Secretary today is no picnic. And relief is not yet in sight.

RUMANIAN INDEPENDENCE DAY

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. FEIGHAN] is recognized for 30 minutes.

Mr. FEIGHAN. Mr. Speaker, May 10 is Rumanian Independence Day. Many Members of Congress have, on this occasion, expressed their hopes for the early liberation of the Rumanian nation from the yoke of Russian communism. Through the years Members of Congress have made clear their hopes that Rumania will soon be free to celebrate its historic independence day not only here in the United States, but more important even in the homeland.

Rumanian national independence was destroyed by Moscow. During and following World War II the Russian Communists occupied the Rumanian nation. Large numbers of political agents and economic exploiters were sent from Russia into Rumania for the purpose of establishing an alien form of government. The true Rumanian leaders were either exiled or imprisoned and in their stead the Russians raised up some insignificant personalities to positions of control over the Rumanian people. The only qualifications possessed by these insignificant people were that they had been trained in the intrigues of communism and were willing to carry out the orders of their Russian masters.

It is now some 13 years since the Rumanian people were robbed of their national independence by the Russian Communists. During those years of darkness, the Russians have attempted to destroy the national and political life of the Rumanian nation—a life made rich by centuries of tradition. Every conceivable outrage has been practiced upon the Rumanians by their Communist occupiers, but the efforts of the Kremlin and its many helpers have been a failure because they, the Rumanian people, only await the opportunity to overthrow the alien regime which now controls their affairs, and to rid their country of the Russian troops placed there to prop up the alien regime.

Originally the Russians claimed they needed Red army occupation in Rumania to protect their communication lines and lines of supply to Austria. Accordingly, the so-called treaty signed in Paris in 1947 contained a specific provision authorizing Russian troops to be in Rumania for that purpose and that purpose alone. Now that Austria has been relieved of all occupation troops and the Red army has been withdrawn completely from Austria, the justification no longer exists for the quartering of Russian troops in Rumania.

This raises the question as to what has been done and can be done by our Government to bring about compliance with that treaty because we, among others, were signers of that treaty. No valid claim can possibly be made for retaining Red army troops in Rumania. Steps should be taken to force their removal. The United Nations should be used as a forum to draw attention to this situation. Consideration should be given to the sponsorship of an appropriate resolution in the General Assembly of the United Nations calling for the removal of all Red army troops from Rumania.

There is no doubt in my mind that if the Red army troops can be gotten out of Rumania it will not be long before the Rumanian people will be once again in control of their internal affairs. The Hungarian people demonstrated that an entire nation, when it rises up against the Russian occupier, is capable of throwing the Communist regime out of office even when the Red army occupies their country. The Rumanian people would not wait long to exercise their will after the Red army departs from their territory.

The United States, by supporting such action, would be making a positive contribution to peace. The continued occupation of Rumania by the Red army troops constitutes an ever-ready threat to world peace. It is therefore in our best national interests, that we work toward such a goal.

The Rumanian people can be confident that the day is not far off when the Russian Communist empire will collapse and the Russians, as in the days of Genghis Khan, will be forced to retreat to the borders of ethnic Russia if they are to survive as a race. That is what the future surely holds for the modern-day Russian Empire. Let us all hope that day will come without delay.

Mr. MACHROWICZ. Mr. Speaker, will the gentleman yield?

Mr. FEIGHAN. I yield.

Mr. MACHROWICZ. The gentleman from Ohio now speaking in the well has,

I know, made a very profound study of the very tense struggle of the people behind the Iron Curtain for liberation, and has made a very great contribution here in Congress through his work in connection with various special committees. May I say that I join with him in his sentiment completely and sincerely trust that the people of Rumania will soon be able to get their full freedom.

PERMISSION TO FILE SEPARATE VIEWS

Mr. PRICE. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from California [Mr. HOLIFIELD], may have until midnight tonight to file separate views to accompany the committee report on the bill H. R. 7383, the atomic indemnity bill.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

SURVIVORS BENEFITS ACT OF 1956

Mr. WILSON of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WILSON of California. Mr. Speaker, when the Survivors Benefits Act of 1956 was passed by the Congress, provision was made for the extension of social-security credits to members of the armed services. Two periods of time were designated for this service, that period between September 16, 1940, to July 24, 1947, and the second period between July 25, 1947, to December 31, 1950. Any period of time served within these time periods was susceptible to credit under the Social Security Act, with the exception of those people who used any portion of the period for retirement purposes.

The maximum number of years creditable for retirement purposes is 30 years. Thus, an individual who completed 30 years on, say September 17, 1940, was deprived of the social-security credits he might have accumulated during the balance of the period that he served during World War II.

I have today introduced a measure which will correct this injustice and which will give a social security wage credit for such years served during this period that are not otherwise utilized for retirement purposes.

GENERAL SUMMARY OF TRINITY JOINT DEVELOPMENT ADVANTAGES

Mr. UTT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. UTT. Mr. Speaker, I have this day introduced a bill to provide for the joint development of the waterpower resources of the Trinity River division, Central Valley project, California, by the United States and the Pacific Gas & Electric Co., and herewith submit a general summary of Trinity joint development advantages.

The Trinity River project was authorized for construction by the Secretary of the Interior by an act of Congress approved August 12, 1955. The act contains the following provision:

Provided, That the Secretary is authorized and directed to continue to a conclusion the engineering studies and negotiations with any non-Federal agency with respect to proposals to purchase falling water and, not later than 18 months from the date of enactment of this act, report the results of such negotiations, including the terms of a proposed agreement, if any, that may be reached, together with his recommendations thereon, which agreement, if any, shall not become effective until approved by Congress.

In strict adherence to this provision, the Secretary, through the United States Bureau of Reclamation, concluded the studies and negotiated an agreement with the Pacific Gas & Electric Co. which provides that the company will build and pay for the project's powerplants and related transmission facilities and pay the Federal Government an average of $4,600,000 a year for the use of falling water developed by the project.

On February 12 this year Secretary Seaton reported this proposed agreement to the Congress and recommended that it be approved according to the provisions of the act.

Secretary Seaton and others have marked plainly the benefits to the Federal Government and to the taxpayers which are to be derived from joint development of the Trinity River project. These benefits include the following:

First. Joint development will save $56 million of Federal funds in capital outlay for construction. It will reduce the Federal expenditure for the project by a full 25 percent. The importance of this cannot be overemphasized at this time when the Federal budget must be reduced by all reasonable and prudent means. Here the Congress is presented an opportunity to save $56 million without curtailing services to citizens in any way whatsoever. Indeed, it will be shown that the greatest good for the greatest number is best accomplished by joint development.

Second. The agreement recommended by the Secretary of the Interior will bring to the Federal Treasury $165 million more net revenue from payments received for temporary use of the falling water than will be realized from all-Federal development. The payments of Pacific Gas & Electric Co. for this water will average about $5.35 per acre-foot throughout the 50-year life of the contract. That $5.35 per acre-foot compares with $3.50 an acre-foot which San Joaquin Valley farmers pay for Central Valley project water.

Secretary Seaton stated in his report to the Congress that "Substantially more funds for irrigation and multipurpose development" will be derived from joint development of the Trinity. The evidence to support this conclusion cannot be challenged. Joint development offers a net gain in project revenues of $165 million from falling water payments alone. All-Federal Trinity development can contribute nothing to the financing of additional irrigation projects. Actually, the Secretary found that an all-Federal Trinity development would require a subsidy from the Central Valley project.

Third. Joint development will cause $145 million in taxes to be paid to Federal, State and local governments during the 50-year project repayment period. The Federal Treasury alone would receive $83 million, almost 1⅔ millions every year; another 1¼ millions would go annually to State and county governments for schools, roads and other local welfare expenditures.

Summarizing these 3 factors, it becomes apparent that the financial advantages of joint development are a saving in capital outlay of $56 million and a net gain in public benefits of $310 million.

It has been claimed that all-Federal development is essential to serve preference power customers residing in central and northern California. These customers constitute only 7 percent of the power users in this region. Only 7 percent of the populace—which now totals about 6 million—would derive any benefit whatever from the power that would be generated at Federal Trinity River powerhouses. And all the rest of the taxpayers in the area—and throughout the Nation—would pay more in taxes so that this favored few could pay less for taxfree power.

All the people of this vast region would benefit from the power generated by these facilities built and operated by the Pacific Gas & Electric Co. The power will be marketed with optimum economy through an interconnected power grid which is supported by a generating system of 4½ million kilowatt capacity. It will be sold at rates established by the competent regulatory authority of the State of California. Indeed, electric power rates charged by the regulated utilities of California are fair and reasonable and they compare very favorably with those charged in other areas of the Nation.

Thus, joint development of the Trinity benefits the vast majority, with a Federal budgetary saving of $56 million and public benefits totaling $310 million. All the taxpayers of the Nation would benefit. The net gains can be used to help finance other needed water developments, or reduce the cost of project water, or reduce taxes, or all three.

Partnership on the Trinity is clearly in the public interest. Just as clearly, all-Federal development is not.

COURAGE, DETERMINATION, AND PATRIOTISM

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include several newspaper articles and other material.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN. Mr. Speaker, all these in surpassing degree former Senator Joseph R. McCarthy had.

Just as charity was said to be the greatest of three cardinal virtues, patriotism was the Senator's ruling characteristic.

Memory recalls no instance when even the Senator's worst enemy—and they were neither few nor charitable—questioned his devotion to country. Criticism from high places never lessened his pursuit of those he deemed to be enemies of his country.

None of his colleagues, while doing their utmost to silence him, had the temerity during the long debate to even suggest that he lacked loyalty to his country.

Nor did they "censure" him. That word was stricken from the resolution adopted by 67 of his colleagues. The resolution stated that his conduct was "contrary to senatorial traditions and is hereby condemned." A most unusual disapproval of one's associates when the CONGRESSIONAL RECORD is read.

Reading the final debate, which came on December 2, 1954—CONGRESSIONAL RECORD, volume 100, part 12, 83d Congress, 2d session, pages 16349 to 16393—one is somewhat puzzled by the apparently frantic efforts to find words which would express disapproval of the Senator's criticism of those who opposed him.

Since that fateful day the Presiding Officer of the Senate has decided[1] that that body is not a continuing one. It follows that, upon a final adjournment, those serving in one session have no further legal authority to praise or condemn Members of a previous session.

So the resolution adopted on December 2, 1954, under the subsequent rulings of the Vice President, are nothing more, from an official standpoint, than the personal opinions of those who cast their votes for its adoption; it was but an idle gesture by a body which had no legal right to adopt it.

Joe McCarthy was clear sighted. He saw the danger inherent in communism. His experience in Washington and his familiarity with the Government's activities gave him to know that there were Communists in the policymaking and executive departments of his Government who threatened its very existence; Communists in Washington who not only held top official positions in the legislative and the executive departments, but who were welcomed and were entertained in the so-called highest social circles of the city.

His deep sincerity and his frankness, coupled with his determination to combat and destroy that destructive influence, would not permit him to step aside from his course to placate those blind to the danger, complacently accepting its existence.

Hence it was that, having one clear purpose and objective—the disclosure and banishment of communism from his loved country—he ignored those things and individuals which to him delayed or hindered his purpose, to banish communism, remove its advocates from official position in our Government.

Just as many another great patriot was vilified, sought to be crucified at the bar of public opinion, he was assailed.

Many of his critics, those who criticized him when alive; those who still continue their vilifications, are completely lacking in that virtue which they assert he did not possess—charity.

They cannot overlook, they cannot forgive, the force with which he sought to show them the light. Many resented his impatience with their inactivity to a danger to the Republic which he considered imminent.

Events occurring here in Washington after his death; the multitude of people who sought to honor him when dead—not only here but in the Wisconsin city near which he was born and grew to manhood, have already demonstrated that he, not those who criticized him, will long be remembered.

To me, the one tactical error which Joe committed was in forgetting that and armed services, that is, those in high command in those services, when occupying positions of trust and honor in civilian life, just cannot forget that they do not have absolute authority, exclusive absolute knowledge; cannot realize that they can be mistaken; that some in the service can be guilty of wrongdoing.

Joe called upon the Army and upon the Commander in Chief to stand up and submit to, and be measured by, standards which governed civilians, elected officials. True, the action of which information was sought was military. But it involved the principles which governed civilian life.

The Commander in Chief, the military, as upon rare occasions does the Congress, clammed up. It refused to give the Senator information as to whether the alleged Communist activities and affiliation of an individual who had been promoted actually existed.

Taking advantage of that situation, the Communists, the leftwingers, and those who disliked the Senator for personal or other reasons, turned upon him and sought to destroy him.

Undoubtedly, the pressure brought to bear seriously affected his health, hastened his death at 48.

That his true worth was appreciated; that the service which he rendered to his country will be remembered long after the names of his traducers have been forgotten is indicated by the letters and editorials which follow, and which are fair samples of the high regard in which the people hold him.

Permit me to read:

[From the News-Palladium, Benton Harbor, Mich., of May 4, 1957]

A PATRIOT DIES

The death of Wisconsin's Senator Joseph R. McCarthy at the age of 47 years has removed from the American political scene one of the most controversial figures of the Nation's history.

---

[1] The Vice President stated (CONGRESSIONAL RECORD, Jan. 4, 1957, p. 178):

"Although there is a great volume of written comment and opinion to the effect that the Senate is a continuing body with continuing rules, as well as some opinion to the contrary, the Presiding Officer of the Senate has never ruled directly on this question. Since there are no binding precedents, we must first turn to the Constitution for guidance.

"The constitutional provision under which only one-third of the Senate membership is changed by election in each Congress can only be construed to indicate the intent of the framers that the Senate should be a continuing parliamentary body for at least some purposes. By practice for 167 years the rules of the Senate have been continued from one Congress to another.

"The Constitution also provides that 'each House may determine the rules of its proceedings.' This constitutional right is lodged in the membership of the Senate and it may be exercised by a majority of the Senate at any time. When the membership of the Senate changes, as it does upon the election of each Congress, it is the Chair's opinion that there can be no question that the majority of the new existing membership of the Senate, under the Constitution, have the power to determine the rules under which the Senate will proceed.

"The question, therefore, is, 'How can these two constitutional mandates be reconciled?'

"It is the opinion of the Chair that while the rules of the Senate have been continued from one Congress to another, the right of a current majority of the Senate at the beginning of a new Congress to adopt its own rules, stemming as it does from the Constitution itself, cannot be restricted or limited by rules adopted by a majority of the Senate in a previous Congress.

"Any provision of Senate rules adopted in a previous Congress which has the expressed or practical effect of denying the majority of the Senate in a new Congress the right to adopt the rules under which it desires to proceed is, in the opinion of the Chair, unconstitutional. It is also the opinion of the Chair that section 3 of rule 22 in practice has such an effect.

"The Chair emphasizes that this is only his own opinion, because under Senate precedents, a question of constitutionality can only be decided by the Senate itself, and not by the Chair.

"At the beginning of a session in a newly elected Congress, the Senate can indicate its will in regard to its rules in one of three ways:

"First. It can proceed to conduct its business under the Senate rules which were in effect in the previous Congress and thereby indicate by acquiescence that those rules continue in effect. This has been the practice in the past.

"Second. It can vote negatively when a motion is made to adopt new rules and by such action indicate approval of the previous rules.

"Third. It can vote affirmatively to proceed with the adoption of new rules.

"Turning to the parliamentary situation in which the Senate now find itself, if the motion to table should prevail, a majority of the Senate by such action would have indicated its approval of the previous rules of the Senate, and those rules would be binding on the Senate for the remainder of this Congress unless subsequently changed under those rules.

"If, on the other hand, the motion to lay on the table shall fail, the Senate can proceed with the adoption of rules under whatever procedures the majority of the Senate approves.

"In summary, until the Senate at the initiation of a new Congress expresses its will otherwise, the rules in effect in the previous Congress in the opinion of the Chair remain in effect, with the exception that the Senate should not be bound by any provision in those previous rules which denies the membership of the Senate to exercise its constitutional right to make its own rules."

Although Senator McCarthy is dead, the debate over the man himself goes on and will continue until history allots to him his niche.

We feel that Senator McCarthy will ultimately rank in history as a great American who, though not without error or fault, proved himself a patriot in time of national crisis. He was a man of character who was bound to be controversial because he was fearless and never sought the middle of the road when principles were at stake.

Senator McCarthy was an implacable foe of communism, in or out of the United States. He crusaded against infiltration of high places by Communists and Communist sympathizers. He exposed their intrigue mercilessly. He drove them out of key positions, to which they had arrived through conspiracy or gullibility.

To the left-wingers and to well-meaning, patriotic critics, Senator McCarthy represented an untamed force for true Americanism. He was either admired or hated. He was vilified by his enemies. His death was glad news in Moscow—and elsewhere in Europe.

Nobody ever fought harder against Communist evil than Senator McCarthy. His critics cried that while his goal may have been good, his methods were crude and unfair.

"Unfair" is a strange complaint to come from Communists and Communist sympathizers. Who has ever heard of Communist tactics that weren't immoral and loathesome?

The Senate voted a resolution of censure over Senator McCarthy's tactics in his investigations as he dug the Reds out from the bushes in Government agencies. But without his energetic—and even ruthless pursuit of these termites, the American people would never know to what extent the Communists had penetrated American Government.

Senator McCarthy, despite what his detractors have said, say now and will say, was a fearless champion of American liberty and security. It was unfortunate that he broke with the White House, but he was a man who did not know compromise with what he believed a wrong principle.

It has been said Senator McCarthy's death may have been hastened by a spirit finally broken on the rack of hostility and ridicule. If this is so, his detractors will live to rue their actions.

[From the St. Joseph Herald-Press, St. Joseph, Mich., of May 4, 1957]

SENATORIAL STORM ABATES

Death, unexpectedly and early, has stilled one of the most controversial figures in American politics.

Senator Joseph McCarthy of Wisconsin is now referred to in the past tense.

To his friends, McCarthy was the symbol in America's fight against communism.

The kindest comment from his enemies labeled him as a character assassin.

We don't profess to know the full, inside story, as the saying goes, but will venture the opinion that as in most cases the truth lies somewhere between those extremes.

McCarthy defied the customary Congressional rule of thumb that newcomers should be seen but not heard for a decent period of time.

Shortly after his election to the Senate, he was pitching into the State Department. He unearthed sufficient evidence and rumors to put the Department, its Secretary, Dean Acheson, and the whole Truman administration under the stigma of being soft on communism.

It was this spadework, along with the RFC's mink coat and deepfreeze loans and the Internal Revenue's shakedowns, that paid handsome dividends for the GOP in the 1952 elections.

Following those elections, McCarthy switched his fire to the Army, charging that Reds had infiltrated into many of its high level administrative functions.

Neither side emerged with a surplus of campaign ribbons from that skirmish.

McCarthy's diggings demonstrated, as have other Congressional hearings, how creaky and inefficient the executive departments have grown. In turn the Army showed that the Senator's methods were indicating pathological twists and turns.

By a 3-to-1 margin in 1955, his colleagues censured McCarthy. Censure is a formal disapproval of the methods used by a Member of the legislature in carrying out the functions of his office. It is a step below impeachment which put a legislator's motives on trial.

Shorn of his committee privileges and standings, McCarthy declined swiftly in influence and the word "McCarthyism," fell into less frequent usage.

Death in reality, locked a door that was almost shut.

Even though his trail blazing wound up in a swamp, McCarthy alerted the Nation to the danger of Commie infiltration and to another disease that is equally bad. It is the tendency of all administrators, regardless of party label, to sweep the dust under the rug. It's human to conceal mistakes whenever possible, but in as large an operation as the Federal Government, permitting human nature to go unchecked could be disastrous.

McCarthy made the country aware of that danger. His methods, however poor, should be judged sceondarily to the principal objective.

[From the Washington Post, Washington, D. C., of May 9, 1957]

Your editorial on May 4 entitled "Joseph R. McCarthy" is undoubtedly the most viciously smug article I had ever read anywhere.

The technique used by your writer is all too familiar; the man fought evil and sought the truth. Therefore accuse him of greater evil and of the big lie, so that he might be destroyed because he stepped on too many vulnerable toes.

In this respect your paper has done a thorough job. The man is hounded to his grave, yet he must not be permitted to sleep. The true facts must be kept from the public which forgets so easily—the true offenders must be protected. What a sorry picture, indeed, for an allegedly independent paper in our free America.

The facts are written large for those who want to read. Look at the record or ask J. Edgar Hoover and ask yourselves. The only real applause you get or ever will get are from the uninformed and from the very enemies who seek to destroy us.

Aren't you aware that the socialistic state that you apparently favor and plug for constantly is not a palatable dish for any thinking American?

Apparently you value correct Emily Post conduct in a committee hearing above the effort to fight and expose the forces that seek to destroy our Nation. You value a socially correct Hiss, or a glib Oppenheimer, or a slick Silvermaster to an honest, hard-hitting Senator who gave his life so that you and I might not fall into the easy habit of avoiding the unpleasantries that the real Communist menace and conspiracy present.

Is it too much to hope that you will now pause a moment, give yourselves a bath of intellectual honesty, and return to the true, fearless journalism that we have a right to expect from the leading morning newspaper of our great Nation's Capital?

J. R. SMITH.

ALEXANDRIA, VA.

Your very excellent McCarthy editorial ignores your own culpability. You shouted his name from the roof tops. You gossiped his lies in the streets. You carried his plague to our doors.

You, too, sought an easy answer. You smelled news. You did not reason why or why not to print.

McCarthy is dead, and still sadomasochism lingers incipient in all of us.

DOUGLAS SAGER.

BETHESDA.

Your editorial had one true statement in it and that was that God will be the final judge.

I am in the Navy and 22 years old and maybe I don't know much about politics, but I think I have a right to express my opinions.

For one thing when it comes to be judged, I would much rather be in the shoes of Senator McCarthy than some of the other men we have representing this country.

Although 10 million people signed petitions against the censure of Joseph McCarthy, the big wheels went ahead with the plot because they knew he was getting too close to the rotten apple in the barrel.

Only history will tell the true story and I feel sure that when it does, Joseph McCarthy will be remembered along with Patrick Henry, Abraham Lincoln, and other great patriots who had the courage to fight the good fight.

JAMES P. CURRAN.

ANNAPOLIS, MD.

Your tribute to the late Senator McCarthy is read and appreciated. There are, however, one or two small items you forgot to mention, consistent, no doubt, with your well-known journalistic policy of never printing anything you don't think your readers ought to know.

You forgot to mention that, as a result of the Senator's work, at least a few people now know that your glorious academic freedom really means freedom to teach only the swash from a couple of distinguished brainwashers to which you give three columns on the same page with your tribute to the Senator, and to absolutely censor out anything to the opposite effect, however distinguished its sources may be.

Take a look around, today and tomorrow, for evidence to show that, as Senator McCarthy never danced to your pipe, most of the ordinary people of the country aren't dancing to it either.

You hope, no doubt, to correct this deplorable ignorance, with the assistance of distinguished brainwashers at Haverford, Harvard, Columbia, and other centers where the glorious beauties of Marx and Marxism are so thoroughly appreciated.

You consistently forget to mention, by the way, that anybody who subscribes to these noble theories, Communist or not, must be pari passu an advocate for the overthrow of the system of American constitutional democracy, which cannot live in the same dimension with Marx's powerful analytic achievement.

EDMUND A. GIBSON.

WASHINGTON.

Ordinarily I am in direct opposition to the opinions expressed in George E. Sokolsky's column. But I have just finished reading with pleasure his beautiful tribute on May 4 to Senator McCarthy.

I think many people feel as I do—approving of what Senator McCarthy was trying to do, but not the way he chose to do it.

It pleases me to read such a sincere and touching tribute to a man who had so many cruel and unjust statements and actions levied upon him. He was so truthful and undiplomatic that his fellow workers found him uncomfortable and embarrassing to have around.

Were his blunders this despicable? If only men could see the results of their actions before—instead of after they are performed.

Thank you, Mr. Sokolsky, for honoring this unfortunate victim of the unescapable will of the strong and the mighty.

M. E. POTTER.

WASHINGTON.

I trust that you listened to Fulton Lewis' eulogy of Senator McCarthy. He expressed for millions of Senator McCarthy's admirers what is in our hearts—that he was indeed "murdered" by slander.

Do you suppose the bleeding hearts will feel as indignant as they did over the "murder" of Mr. Norman?

MARIE M. GRANT.

PHILADELPHIA.

I did not especially like your editorial on the late Senator Joseph McCarthy in Saturday's issue. It rehearsed all of the old charges against the man, but it failed to mention his outstanding characteristic.

Joe McCarthy was, in my opinion, an honest man, strong in conviction, strong in his love of America and A.nerican institutions, strong in his fight against all enemies of America within our country.

He was a man of Irish descent, and a Roman Catholic, who had been trained from his earliest days to fight for what he thought was good, according to his training. His church had exercised a strong discipline over him all of his life. That he was rough in his anger and his fight to preserve America is evident. I believe he should have complete credit for his honesty.

As I turned to the next page, I read the piece by George Sokolsky, and what I read I liked much. It took some of the taste of the editorial away.

CHARLES COULTER.

WASHINGTON.

I have been a subscriber of the Washington Post and Times Herald, daily and Sunday, for the better part of 10 years.

Nothing that you can say can excuse you for printing the Drew Pearson column of May 6, Walking Alone Killed McCarthy.

I am not nor have I been a McCarthy backer but there is a limit, I think, to what people have to take and you should be ashamed.

T. H. MULLEN.

ALEXANDRIA, VA.

[From the Washington Evening Star, Washington, D. C., of May 6, 1957]

(By David Lawrence)

A LEGACY FROM MCCARTHY—SENATOR LEFT CONTROVERSIAL ISSUES IT MAY REQUIRE YEARS TO RESOLVE

Senator Joseph R. McCarthy is gone, but he has left behind a legacy of controversial issues that it may take years to resolve.

The Wisconsin Senator was a relentless fighter for what he believed to be right. He might have won the censure battle in the Senate in 1954 if, while under severe strain during the proceedings, he had not tactlessly antagonized many Senators who were disposed to be objective about the issue.

For the Senate was dealing with a delicate question, the right of free speech in Congress uninhibited by threats of punishment. Never in the history of the Senate had any Member been censured for expressing his opinions, no matter how distasteful or unpopular they were. The Senate finally abandoned the word censure, with its historical connotation of punishment and substituted the milder word condemn. Even so, the Senate resolution set a bad precedent of interference with free speech. For to condemn a man because of the opinions he expresses is what has been called "McCarthyism at its worst."

If ever a man was hounded to death because of his beliefs, it was Senator McCarthy. His health was impaired by the strain and tension arising out of the tactics and methods of his enemies. They ganged up on him from the days when they saw he was making headway with his crusade against communism in Government. The Communist newspaper, the Daily Worker, in New York, was the first to give persistent publicity to the word "McCarthyism."

There was no limit to the innuendoes, baseless charges and whispering campaigns directed against Senator McCarthy in an effort to discredit him. For it was assumed by many of his opponents that, if McCarthy, the man, were discredited, the whole drive against Communists in the Government would collapse.

Some strange chapters remain yet to be fully explained. One is the vicious spread of rumors that Senator McCarthy had cheated on his Federal income-tax returns, though it turned out in the end that the Treasury Department owed him money and sent him a refund check for overpayment of his taxes. Yet before the Internal Revenue Bureau could complete its investigation, the campaign to maneuver McCarthy into a public hearing in which his enemies would have a chance to impugn his honesty was participated in by a Senate subcommittee consisting mostly of his opponents. Although McCarthy was reelected Senator by the people of Wisconsin in November 1952 after his refusal to testify before that same committee, his opponents in 1954 nevertheless used that refusal, which had occurred in a previous term of office, as a basis for the start of censure proceedings.

Another episode, still unexplained, is the case of Paul H. Hughes, who posed as a member of McCarthy's staff and over a period of several months, collected big sums of money from various sources high up among the so-called liberals with the promise of revelations derogatory to McCarthy personally. At any moment during that long period, the fact that Hughes was not an employee of any Congressional committee could have been established through the careful inquiries of an alert newspaperman. But the record in the perjury case that followed in the courts reveals a paradoxical example of McCarthyism in reverse. So is the current persecution of Scott McLeod, once a close friend of McCarthy and a stalwart fighter against communism in the Government, who has been nominated by President Eisenhower to be Ambassador to Ireland. Vice President Nixon has also been a victim of the same kind of tactics by the so-called liberals, who in 1952 spread false accusations about him.

Senator McCarthy made many errors in judgment, sometimes lost his temper, and at times ignored the counsel of his best friends. He didn't, however, mind fair criticism. This correspondent in his dispatches at the time expressed strong disapproval of the Wisconsin Senator's attacks on General Marshall and of the ill-mannered treatment given General Zwicker at a committee hearing, and denounced McCarthy's break with President Eisenhower as a grave blunder. Looking back at all aspects of the tragic controversy, however, this writer remains convinced that it was most important to the cause of true liberalism in America to defend the right of a Senator to express himself freely rather than to see him deprived of that privilege by the coercive action of those who disagreed with his views. Principle is too often disregarded under the stress of emotion, inside as well as outside of legislative bodies.

Senator McCarthy's great contribution, of course, was to dramatize the necessity for a vigorous battle against Communist infiltration. The record shows a sad neglect by the State Department in the 1940's of the intrigue carried on there. This was repeatedly called to the Department's attention in confidential communications from Senate committees and in FBI reports long before the Wisconsin Senator in 1950 brought the fight out into the open.

Incidentally, even after death, they still vilify McCarthy in Great Britain. Yet, had there been in the British Parliament only a fraction of the alertness which was generated by the Wisconsin Senator's crusade here, the treason of Burgess and MacLean and the transmission of atomic secrets to the Soviets by Klaus Fuchs—who had been cleared for work in an American laboratory by British officials—might never have occurred. Indeed, the whole history of the cold war, with its costly budgets, might then have been different.

Time, of course, changes many things. It sometimes makes martyrs out of men who were pilloried during their lifetime. The elder Robert La Follette, Senator from Wisconsin, also refused to testify before a Senate committee. He was being investigated because of public speeches—regarded by many people as traitorous—which he made while America was engaged in World War I. The two houses of the Wisconsin Legislature—controlled by his own party—formally called on the United States Senate to expel him. But the Senate took no action. Only last week, the elder La Follete was selected by a Senate committee to be 1 of the 5 in the Senate's Hall of Fame. The lapse of time seems to furnish a different perspective on the record of Wisconsin Senators and maybe, many years hence, history will repeat itself.

Radio Moscow's tribute to Senator McCarthy is to denounce him as responsible for the preparation of new military ventures by the United States. To have helped alert America to the menace of communism is to have earned Moscow's hatred—which is the most eloquent epitaph that could be written for Joe McCarthy.

POLITICAL MANEUVER

(By George Sokolsky)

Much has been written and said about Senator Joe McCarthy during the last several days while he lay dying and when he finally went to his Maker.

I knew Joe intimately and favorably. No matter how men may differ about him, I always knew that Joe McCarthy had no interest other than the welfare of his country. He believed that all Communists had to be traitors and he set out to find them. He was successful in some measure, but he also suffered from a sense of failure because he knew that agencies of government and high officials protected men and women whom they should have despised.

He sought for motives and often reached the conclusion that many men were fearful that their own mistakes would be exposed; he felt that fear and vanity rather than ideological positions played a great part in determining men's attitudes toward him and his work.

We often discussed the brutal force of the opposition to him and this he never understood, because he could not believe that some of his opponents wanted to protect Communists. He never understood the Army fight upon him because he held that it was the Army's first duty to protect this country from Communists and traitors. I was present at the luncheon in New York when McCarthy, Secretary of the Army Stevens and his counsel, John Adams, lunched and cavorted throughout an afternoon.

What came out at the McCarthy-Army hearings was never the whole story nor had the various versions of the Cohn-Schine episodes anything to do with the situation at all. And I can say, from first-hand knowledge, that Bob Stevens had little or nothing to do with the effort to destroy McCarthy.

This was a political maneuver to eliminate McCarthy's importance, to kill his influence as an American citizen, to make his name abhorrent, and to frighten off any Senator,

journalist, or radio commentator who chose to support him or his cause. So far as Joe McCarthy was concerned, the maneuver succeeded to a startling degree.

Those who engaged in it—and their names came out during the hearings—knew Joe's characteristics; they knew he was gentle and aggressive; rough in the fight and forgiving immediately afterward; humble in his heart but giving the impression of cantankerousness. They also knew that while he appeared to be hale and even physically powerful, he was not a strong man, suffering physical pain, sometimes so much pain that he had to give way to it.

They knew all his weaknesses, for some of them had, since he came to the Senate, acted as though they were his close personal friends. They left him bitter, disillusioned, hurt. He was hounded to death by those who would not forget and could not forgive. He was a lonely man among his associates and he often wondered who were his friends.

He and his Jeannie adopted a little girl and that brought Joe a happiness which he had not ever known before. There can be no question that he regarded the 1958 election as a problem because he realized the forces that would be pitted against him. He believed he would win that election and he said that he did not fear his opponent, Walter Kohler. He recognized though he would have to take on the entire Eisenhower administration, the modern Republicans, the Committee for an Effective Congress, the money that would be raised against him in New York by the mysterious Arthur Goldsmith, the Communists, their fellow travelers, and dupes. It meant a fight—a terrific fight and his health was ebbing.

It is said that you can only really know a man if you live with him. I did not live with Joe under one roof, but there were times when we saw much of each other and when I was intimately concerned with his effort to drive the Communists from American life.

As an American, as a Jew, as an anti-Communist, I can proudly say that Joe McCarthy was my friend and that I have never encountered an opponent of his who equaled him in patriotism and courage. God bless his soul and forgive those who sent him to his death.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

Mr. ANDERSON of Montana, for May 14 to 18, inclusive, on account of Reserve military duty under orders.

Mr. FALLON (at the request of Mr. ALBERT), for 5 days, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. HARRISON of Virginia, for 45 minutes, on Monday next.

Mr. FEIGHAN, for 30 minutes today, and to revise and extend his remarks.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. PATMAN, on tomorrow, for 30 minutes, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. HARRISON of Virginia in two instances and to include extraneous matter.

Mr. PATTERSON and to include extraneous matter.

Mr. SMITH of Wisconsin and to include extraneous matter.

Mr. MORANO and to include an editorial and an article.

Mr. DIXON in two instances and to include extraneous matter.

Mr. LANHAM.

Mr. ZABLOCKI.

Mr. YATES, the remarks he made in Committee of the Whole, and include extraneous matter.

Mr. TOLLEFSON and include extraneous matter.

Mr. CHAMBERLAIN and include the results of a questionnaire circulated in his district.

Mr. DOYLE.

Mr. HAYS of Ohio.

Mr. HOSMER and include extraneous matter.

Mr. FLOOD (at the request of Mr. ALBERT) and include extraneous matter.

Mr. BYRD and include a speech made by his colleague, Mr. BAILEY, of West Virginia.

SENATE BILLS AND CONCURRENT RESOLUTIONS REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 45. An act to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, New Mexico; to the Committee on Agriculture.

S. 147. An act for the relief of Guido William Grambergs; to the Committee on the Judiciary.

S. 239. An act for the relief of Maria Parisi; to the Committee on the Judiciary.

S. 256. An act for the relief of Aristea Vitogaines; to the Committee on the Judiciary.

S. 307. An act for the relief of Noemi Maria Vida Williams and Maris Loretta Vida; to the Committee on the Judiciary.

S. 308. An act for the relief of Maria Caccomo; to the Committee on the Judiciary.

S. 334. An act to amend sction 27 of the Mineral Leasing Act of February 25, 1920, as amended (30 U. S. C., 184), in order to promote the development of phosphate on the public domain; to the Committee on Interior and Insular Affairs.

S. 359. An act to permit desert land entries on disconnected tracts of lands which, in the case of any one entryman, form a compact unit and do not exceed in the aggregate 320 acres; to the Committee on Interior and Insular Affairs.

S. 405. An act to require the Bureau of the Census to develop farm-income data by economic class of farm; to the Committee on Post Office and Civil Service.

S. 463. An act for the relief of Pedro Ampo; to the Committee on the Judiciary.

S. 465. An act for the relief of Maria Concetta Di Turi; to the Committee on the Judiciary.

S. 470. An act for the relief of Livio Senni; to the Committee on the Judiciary.

S. 616. An act for the relief of Blanca G. Hadalgo; to the Committee on the Judiciary.

S. 622. An act for the relief of Georgina Mercedes Llera; to the Committee on the Judiciary.

S. 623. An act for the relief of Donini Maurizio Donato; to the Committee on the Judiciary.

S. 629. An act for the relief of John Eicherl; to the Committee on the Judiciary.

S. 641. An act for the relief of Elvira A. Eicherl; to the Committee on the Judiciary.

S. 650. An act for the relief of Isabella Abrahams; to the Committee on the Judiciary.

S. 653. An act for the relief of Mrs. Elsbe Hermine van Dam Hurst; to the Committee on the Judiciary.

S. 692. An act to provide that the United States hold in trust for the Indians entitled to the use thereof the lands described in the executive order of December 16, 1882, and for adjudicating the conflicting claims thereto of the Navaho and Hopi Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

S. 710. An act for the relief of Sui-an Fung and Shu-nung Wu Fung; to the Committee on the Judiciary.

S. 730. An act for the relief of Shao Fong Sha; to the Committee on the Judiciary.

S. 756. An act for the relief of Giuseppe Sciortino; to the Committee on the Judiciary.

S. 767. An act for the relief of Christo Pan Lycouras Mauroyenis (Maurogenis); to the Committee on the Judiciary.

S. 804. An act for the relief of Georgios D. Christopoulos; to the Committee on the Judiciary.

S. 874. An act for the relief of Cornelis Vander Hoek; to the Committee on the Judiciary.

S. 891. An act for the relief of Dr. Cheung Nung Huang; to the Committee on the Judiciary.

S. 1008. An act for the relief of Colonel Benjamin Axelroad; to the Committee on the Judiciary.

S. 1063. An act vesting in the American Battle Monuments Commission the care and maintenance of the Surrender Tree site in Santiago, Cuba; to the Committee on Foreign Affairs.

S. 1206. An act for the relief of Antoine Velleman; to the Committee on the Judiciary.

S. 1274. An act to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes; to the Committee on Interior and Insular Affairs.

S. 1319. An act to renounce any right, title, and interest which the United States may have in certain lands in Montana; to the Committee on Interior and Insular Affairs.

S. 1352. An act to provide for the conveyance of certain real property of the United States to the Fairview Cemetery Association, Inc., Wahpeton, N. Dak.; to the Committee on Interior and Insular Affairs.

S. 1396. An act to amend section 6 of the act approved July 10, 1890 (26 Stat. 222), relating to the admission into the Union of the State of Wyoming by providing for the use of public lands granted to said State for for the purpose of construction, reconstruction, repair, renovation, furnishing, equipment, or other permanent improvement of public buildings at the capital of said State; to the Committee on Interior and Insular Affairs.

S. 1492. An act increasing penalties for violation of certain safety and other statutes administered by the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

S. 1568. An act to direct the Secretary of the Interior to convey certain public lands in the State of Nevada to the Colorado River Commission of Nevada acting for the State of Nevada; to the Committee on Interior and Insular Affairs.

S. 1574. An act to provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes; to the Committee on Interior and Insular Affairs.

S. Con. Res. 22. Concurrent resolution to print for the use of the Senate Committee on the Judiciary additional copies of the "Internal Security Annual Report for 1956"; to the Committee on House Administration.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1442. An act to facilitate the regulation, control, and eradication of plant pests.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 4803. An act to permit articles imported from foreign countries for the purpose of exhibition at the Chicagoland Commerce and Industry Exposition, to be held at Chicago, Ill., to be admitted without payment of tariff, and for other purposes; and

H. R. 6304. An act to extend for a period of 2 years the privilege of free importation of gifts from members of the Armed Forces of the United States on duty abroad.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 6 minutes p. m.), the House adjourned until tomorrow, Friday, May 10, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

835. A letter from the Assistant Secretary of Agriculture, transmitting a report for the month of April relating to the cooperative program of the United States with Mexico for the control and the eradication of foot-and-mouth disease, pursuant to Public Law 8, 80th Congress; to the Committee on Agriculture.

836. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco"; to the Committee on Armed Services.

837. A letter from the Acting Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the act providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization to provide for uniform per diem allowances, and for other purposes"; to the Committee on Foreign Affairs.

838. A letter from the Director, the American Legion, transmitting the final financial statement of the American Legion up to and including the period ending December 31, 1956, pursuant to Public Law 47, 66th Congress; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. House Joint Resolution 185. Joint resolution to implement the convention between the United States of America and Norway which entered into force on November 9, 1948, for disposition of the claim against the Government of the United States of America asserted by the Government of Norway on behalf of Christoffer Hannevig; without amendment (Rept. No. 400). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURDICK: Committee on the Judiciary. H. R. 2224. A bill providing for payment to the State of Washington by the United States for the cost of replacing and relocating a portion of secondary highway of such State which was condemned and taken by the United States; without amendment (Rept. No. 401). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 7244. A bill amending the Packers and Stockyards Act, 1921, to permit deductions for a self-help meat promotion program; without amendment (Rept. No. 431). Referred to the Committee of the Whole House on the State of the Union.

Mr. COOLEY: Committee on Agriculture. H. R. 6974. A bill to extend the Agricultural Trade Development and Assistance Act of 1954, and for other purposes; without amendment (Rept. No. 432). Referred to the Committee of the Whole House on the State of the Union.

Mrs. ST. GEORGE: Committee on Armed Services. H. R. 1987. A bill to provide for an additional payment of $165,000 to the village of Highland Falls, N. Y., toward the cost of the water filtration plant constructed by such village; with amendment (Rept. No. 433). Referred to the Committee of the Whole House on the State of the Union.

Mr. LANE: Committee on the Judiciary. H. R. 7168. A bill to prescribe policy and procedure in connection with construction contracts made by executive agencies, and for other purposes; without amendment (Rept. No. 434). Referred to the Committee of the Whole House on the State of the Union.

Mr. PRICE: Joint Committee on Atomic Energy. H. R. 7383. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; without amendment (Rept. No. 435). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. S. 51. An act for the relief of Mary Barme and her two minor children Steran Barme and Dinah Barme; without amendment (Rept. No. 402). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 94. An act for the relief of Lee Chong Taik; without amendment (Rept. No. 403). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 124. An act for the relief of Josephine Suydam; without amendment (Rept. No. 404). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 162. An act for the relief of Jew Gim Gee; without amendment (Rept. No. 405). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. S. 184. An act for the relief of Mary C. Frederick; without amendment (Rept. No. 406). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. S. 189. An act for the relief of Peter V. Bosch; without amendment (Rept. No. 407). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 271. An act for the relief of Johannes Sukevainen; without amendment (Rept. No. 408). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 461. An act for the relief of Paul Yen-Hsiung Feng and his wife, Mary Stella Pao-Ching Feng, and their minor child, Joseph Shao-Ying Feng; with amendment (Rept. No. 409). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 754. An act for the relief of John (Ioannis) Legatos; without amendment (Rept. No. 410). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 799. An act for the relief of Eldur Eha; without amendment (Rept. No. 411). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1376. A bill for the relief of Bernard L. Phipps; without amendment (Rept. No. 412). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1501. A bill for the relief of Beulah I. Reich; with amendment (Rept. No. 413). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1552. A bill for the relief of William H. Barney; without amendment (Rept. No. 414). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1682. A bill for the relief of Edward J. Moskot; with amendment (Rept. No. 415). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 1885. A bill for the relief of Edwin

Matusiak; with amendment (Rept. No. 416). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2070. A bill for the relief of Mrs. Rhea Silvers; with amendment (Rept. No. 417). Referred to the Committee of the Whole House.

Mr. BURDICK: Committee on the Judiciary. H. R. 2075. A bill for the relief of Albert A. Heinze; without amendment (Rept. No. 418). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2340. A bill for the relief of William R. and Alice M. Reardon; without amendment (Rept. No. 419). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4154. A bill for the relief of the legal guardian of Thomas Brainard, a minor; with amendment (Rept. No. 420). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 4851. A bill for the relief of Mrs. M. E. Shelton Pruitt, with amendment (Rept. No. 421). Referred to the Committee of the Whole House.

Mr. FORRESTER: Committee on the Judiciary. H. R. 6282. A bill for the relief of the former shareholders and debenture note holders of the Goshen Veneer Co., an Indiana corporation; with amendment (Rept. No. 422). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1417. A bill for the relief of Lien-fu Lo, also known as Luke Lo; without amendment (Rept. No. 423). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 1754. A bill for the relief of Eleanor French Caldwell; without amendment (Rept. No. 424). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. H. R. 4342. A bill for the relief of Mrs. Thomas L. Davidson; with amendment (Rept. No. 425). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 316. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 426). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. House Joint Resolution 322. Joint resolution for the relief of certain aliens; without amendment (Rept. No. 427). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 323. Joint resolution to facilitate the admission into the United States of certain aliens; without amendment (Rept. No. 428). Referred to the Committee of the Whole House.

Mr. HYDE: Committee on the Judiciary. House Joint Resolution 324. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; without amendment (Rept. No. 429). Referred to the Committee of the Whole House.

Mr. HILLINGS: Committee on the Judiciary. House Concurrent Resolution 171. Concurrent resolution favoring the granting of the status of permanent residence to certain aliens; without amendment (Rept. No. 430). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mrs. KNUTSON:

H. R. 7382. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. PRICE:

H. R. 7383. A bill to amend the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. ANDERSON of Montana:

H. R. 7384. A bill for the relief of the town of Medicine Lake, Mont.; to the Committee on the Judiciary.

By Mr. ANFUSO:

H. R. 7385. A bill to provide that certain Government officers and employees shall have sufficient time to vote in elections; to the Committee on Post Office and Civil Service.

By Mr. CANNON:

H. R. 7386. A bill to authorize the payment of claims resulting from sonic blasts; to the Committee on the Judiciary.

By Mr. BURLESON:

H. R. 7387. A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex.; to the Committee on Public Works.

By Mr. CURTIS of Missouri:

H. R. 7388. A bill to regulate the interstate distribution and sale of packages of hazardous substances intended for household use; to the Committee on Interstate and Foreign Commerce.

By Mr. DORN of New York:

H. R. 7389. A bill to provide for the issuance of a special postage stamp in commemoration of the 175th anniversary of the birth of Capt. Samuel Chester Reid; to the Committee on Post Office and Civil Service.

By Mr. FASCELL:

H. R. 7390. A bill to amend the Administrative Expenses Act of 1946, and for other purposes; to the Committee on Government Operations.

By Mrs. GRANAHAN:

H. R. 7391. A bill to amend sections 412 and 613 of the Reserve Officer Personnel Act of 1954 to provide that Naval, Marine Corps, and Coast Guard Reserve officers initially appointed before September 2, 1945, may be retained in an active status until the 20th anniversary of their initial appointment if such anniversary will occur before their 65th birthday; to the Committee on Armed Services.

By Mrs. GREEN of Oregon:

H. R. 7392. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. HERLONG:

H. R. 7393. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. HOLMES:

H. R. 7394. A bill to amend the Atomic Energy Community Act of 1955, as amended, to avoid inequities in the sale of Government-owned housing to priority purchasers at different times; to the Joint Committee on Atomic Energy.

By Mrs. KEE:

H. R. 7395. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. LANKFORD:

H. R. 7396. A bill to amend the District of Columbia Hospital Center Act in order to extend the time and increase the authorization for appropriations for the purposes of such act, and to provide that grants under such act may be made to certain organizations organized to construct and operate hospital facilities in the District of Columbia; to the Committee on the District of Columbia.

By Mr. McCARTHY:

H.R. 7397. A bill to amend section 218 of the Social Security Act with respect to the provision of social-security coverage for certain employees of the State of Minnesota; to the Committee on Ways and Means.

By Mr. McGOVERN:

H. R. 7398. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes; to the Committee on Agriculture.

By Mr. METCALF:

H. R. 7399. A bill to authorize assumption by the various States of civil or criminal jurisdiction over cases arising on Indian reservations with the consent of the tribe involved; to permit gradual transfer of such jurisdiction to the States; and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. PATTERSON:

H. R. 7400. A bill to regulate the foreign commerce of the United States by establishing import quotas based on specified 5-year averages; to the Committee on Ways and Means.

By Mrs. ROGERS of Massachusetts:

H. R. 7401. A bill to provide for a more effective utilization of the Veterans Memorial Hospital at Manila, to strengthen the program of medical care and treatment for certain Filipino veterans who served with the Army of the United States during World War II, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. SANTANGELO:

H. R. 7402. A bill to amend the Travel Expense Act of 1949 to provide mileage allowances in certain additional cases to United States marshals and their deputies for use of their privately owned automobiles in connection with their official duties; to the Committee on Government Operations.

By Mr. SCOTT of Pennsylvania:

H. R. 7403. A bill to authorize the Secretary of the Interior to acquire certain land for the Deshler-Morris House, Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. THOMSON of Wyoming:

H. R. 7404. A bill to amend the Internal Revenue Code of 1954 to reduce and eventually repeal the taxes on the transportation of property; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 7405. A bill to provide that for the purpose of disapproval by the President each provision of an appropriation bill shall be considered a separate bill; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7406. A bill to provide basic salary increases of 15 percent per annum for employees in the postal field service; to the Committee on Post Office and Civil Service.

H. R. 7407. A bill to provide for the joint development of the water power resources of the Trinity River division, Central Valley project, California, by the United States and Pacific Gas & Electric Co., to reduce expenditures of the United States, to increase revenues of the United States, to encourage the most widespread use of the power generated at the lowest possible rates to consumers consistent with sound business principles, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. WILSON of California:

H. R. 7408. A bill to amend section 217 of the Social Security Act to provide that certain military or naval service not now creditable toward benefits under title II of such act may be counted toward such benefits if such service is not used in determining entitlement to, or the amount of, military retired pay; to the Committee on Ways and Means.

By Mr. GRIFFIN:

H. J. Res. 325. Joint resolution to designate the 4th day of May as Teachers Day; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. PRICE:

Memorial of the 70th General Assembly of the State of Illinois that Congress pass a bill dealing solely with the Illinois-Mississippi Canal and Lake Sinnissippi project, such bill to include the following: (1) an appropriation of $2 million for the rehabilitation of the area outlined in conversion plan No. 2 of the Rock Island District of the United States Army Corps of Engineers; (2) transfer of title to the area to the department of conservation of the State of Illinois; to the Committee on Public Works.

By the SPEAKER: Memorial of the Legislature of the State of Florida, memorializing the President and the Congress of the United States to declare the United States Supreme Court decisions usurping the powers reserved to the States and relating to education, labor, criminal procedure, treason, and subversion to be null, void and of no effect, etc.; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Illinois, memorializing the President and the Congress of the United States requesting passage of a bill dealing solely with the Illinois-Mississippi Canal and Lake Sinnissippi project, etc.; to the Committee on Public Works.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation creating the Hawaii defense highway system; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ABERNETHY (by request):

H. R. 7409. A bill to provide for the conveyance of certain real property in the District of Columbia to the Association of the Oldest Inhabitants of the District of Columbia; to the Committee on the District of Columbia.

By Mr. BERRY:

H. R. 7410. A bill for the relief of Lowe Clinic and Hospital; to the Committee on the Judiciary.

H. R. 7411. A bill for the relief of Kadoka Memorial Hospital; to the Committee on the Judiciary.

H. R. 7412. A bill for the relief of McLaughlin Community Hospital; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 7413. A bill for the relief of Chih-Chen Jen; to the Committee on the Judiciary.

By Mr. FASCELL (by request):

H. R. 7414. A bill for the relief of Fernando Fuentes Coba; to the Committee on the Judiciary.

By Mr. FOGARTY:

H. R. 7415. A bill for the relief of Armand Alphonse Touissaint and Leontine Touissaint; to the Committee on the Judiciary.

By Mr. HIESTAND:

H. R. 7416. A bill for the relief of Helene Brand; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7417. A bill for the relief of Col. John T. Malloy; to the Committee on the Judiciary.

By Mr. MULTER:

H. R. 7418. A bill for the relief of Mrs. Camille Salama; to the Committee on the Judiciary.

By Mr. MUMMA:

H. R. 7419. A bill for the relief of Robert F. Gross; to the Committee on the Judiciary.

By Mr. ROBSION of Kentucky:

H. R. 7420. A bill for the relief of Mrs. Magdelena (Lena) Goerres and her daughter, Elizabeth Goerres; to the Committee on the Judiciary.

H. R. 7421. A bill for the relief of Mrs. Frank O. Taafel; to the Committee on the Judiciary.

By Mr. TAYLOR:

H. R. 7422. A bill for the relief of Tse Kwan Tsung; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7423. A bill to authorize the appointment of Sidney F. Mashbir, colonel, Army of the United States, to the permanent grade of colonel in the Regular Army, on the retired list; to the Committee on Armed Services.

By Mr. WILSON of California:

H. R. 7424. A bill for the relief of Jesus Torres Jaramillo; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

237. By Mr. FOGARTY: Petition of the Woman's Christian Temperance Union of Rhode Island, Inc., submitted by Mrs. Henry Eldridge, director of legislation, urging legislation to eliminate the advertising of alcoholic beverages; to the Committee on Interstate and Foreign Commerce.

238. By Mr. HORAN: Petition of Mrs. Dollie Hogseth and 21 citizens of Spokane, Wash., urging the Congress to pass legislation prohibiting alcoholic beverage advertising on television broadcasts; to the Committee on Interstate and Foreign Commerce.

EXTENSIONS OF REMARKS

Tours of Dizzie Gillespie and His Jazz Band

EXTENSION OF REMARKS
OF
HON. WILLIAM E. JENNER
OF INDIANA
IN THE SENATE OF THE UNITED STATES
Thursday, May 9, 1957

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement prepared by me, which was in reply to an open letter from the editor of the Progress-Examiner of Orleans, Ind., in regard to the tours of Dizzie Gillespie and his jazz band, who were sent abroad as part of our Government's program to represent American culture.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

FROM THE OFFICE OF SENATOR WILLIAM E. JENNER

Senator JENNER published some additional details of the world tour of Dizzie Gillespie and his jazz band under the American State Department for the improvement of international cultural relations. The Senator's statement was in reply to an open letter from the editor of the Progress-Examiner of Orleans, Ind., who asked Senator JENNER "why our tax money should be spent to pay a band leader more money than we pay our President to take his boys on a world tour."

Senator JENNER's letter follows:

APRIL 18, 1957.

The EDITOR, PROGRESS EXAMINER,
Orleans, Ind.

DEAR SIR: It is a great pleasure for me to give you and your readers fuller information about the tours of Dizzie Gillespie and his jazz band as part of our Government's program for the cultural enlightenment of foreign nations.

Your figure of $84,381 is not the full story of the cost. Mr. Gillespie and his band were sent on two world tours, one to the Near East and Africa, the other to Latin America. The $84,381 is the net cost of the Near East-African tour, but the tour also collected $16,400 from the sale of tickets. This income did not, like other Government receipts, go into the general fund of the Treasury to be spent only through new appropriations of Congress. It was paid directly to the project, which cost $100,838.55 for the Near East alone.

Let me give you a few of the items paid for by our Government on the Near East and African tour. We paid $511.90 for inoculations. That is $25 apiece. We paid $727.15 for passports and $887 for insurance. The booking agent was paid $5,000. We also sent with the band a lecturer, who was paid

$1,905.13. His job was to lecture to the people who had come to hear jazz bands, about jazz as an art, but he spoke only English.

Mr. Gillespie's tour to Latin Amercian cost another $40,500 net. I do not know how much should be added for receipts from ticket sales, which went to the project instead of the Treasury. Altogether the tour gave away $35,000 worth of free tickets, plus other thousands for lunches and receptions.

In Argentina, on this trip to improve cultural relations with foreign countries, Mr. Gillespie dressed as a gaucho, and rode a horse through the streets of Buenos Aires. The State Department representative did not think that behavior interfered at all with Mr. Gillespie's contribution to cultural understanding with Latin America.

Instead, the State Department representative explained, Mr. Gillespie was extremely generous with young musicians, especially in Turkey, and gave a trumpet to a leading Turkish artist.

The Middle East and African tour naturally included Yugoslavia in this program of cultural exchange.

Some of the figures are a little confusing, but the program paid $19,000 a year for a general manager.

We are getting close to the total, but we still have to add the cost of overhead in USIA, and the State Department, and the time of our Embassy staff in the countries the jazz players visited.

This money comes from what is called the President's special international program, but the State Department is in charge of its operation, through the Assistant Secretary for Public Affairs.

The fund has had $9,704,300 so far, all of which is committed. The State Department is asking for $3,100,000 for 1958. This is an increase of $795,700 so they can send cultural programs to Poland and Hungary.

Much of the entertainment sent abroad by our State Department has been jazz bands. Wilbur de Paris and his Dixieland jazz band were sent to the independence celebration at Ghana. First the Department gave the cost of his tour as $26,600, but they later changed the figure to $65,000.

Of the 4 bands sent to Latin America, 3 were Negro.

A number of American Indians were also sent abroad to represent American culture.

Among the touring theatrical companies was one giving Porgy and Bess. This did have an all-Negro cast, it is true, but I doubt if it represented American Negro culture. The play, made from a very fine book, changed the emphasis to adultery, criminality, and slums. Many Negroes were very offended, and the papers carried stories of the anger of Moscow audiences at the choice of play.

It came out that some of these Negro performers were sent abroad to offset the effect of pamphlets published by USIA commenting on the poverty and slum conditions of Negroes in America.

So far as I know, nothing has been said to suggest the large number of hard-working, prosperous, successful Negro businessmen, professional men, and wage workers in the United States.

This program for cultural exchange is an outgrowth of the Geneva Summit Conference. At the time I said I thought the Geneva Conference was a catastrophic setback to American military power. I did not know we planned to send jazz musicians in place of military aid for national independence.

We could not find any way to use the majestic power of America to give a little help to the Hungarians when they were fighting for their freedom, but now that their struggles are over, we are going to send them Dizzie Gillespie or another jazz band.

Sincerely yours,

WILLIAM E. JENNER.

Seven Hundred and Thirty-six Dollars and Forty-seven Cents for a Kansas Farm—One Dollar and Thirty-seven Cents for a New Hampshire Farm

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. HARRISON of Virginia. Mr. Speaker, the more one studies the Department of Agriculture reports of participation in the soil bank the more one is forced to the conclusion that it is being proved an unfair and unworkable experiment.

For the information of the House, I have consolidated available data on acreage reserve and conservation reserve signups for this year. The following table is based on the Department of Agriculture report of acreage reserve contracts signed through April 5, 1957, and the May 7, 1957, report of conservation reserve contracts signed through April 15, 1957:

State	Acreage reserve maximum payments	Conservation reserve maximum payments	Total
Alabama	$16,943,347	$1,227,000	$18,170,347
Arizona	6,209,976	162,000	6,371,976
Arkansas	14,027,678	1,263,000	15,290,678
California	14,834,556	525,000	15,359,556
Colorado	22,196,696	5,097,000	27,293,696
Connecticut	1,618,688	3,000	1,621,688
Delaware	917,074	35,000	952,074
Florida	1,565,691	968,000	2,533,691
Georgia	19,225,091	4,186,000	23,411,091
Idaho	4,916,880	608,000	5,524,880
Illinois	19,058,244	439,000	19,497,244
Indiana	18,661,043	634,000	19,295,043
Iowa	34,246,487	1,168,000	35,414,487
Kansas	84,811,159	3,689,000	88,500,159
Kentucky	9,622,338	698,000	10,320,338
Louisiana	10,906,870	235,000	11,141,870
Maine		677,000	677,000
Maryland	2,168,335	307,000	2,475,335
Massachusetts	964,847	15,000	979,847
Michigan	12,214,339	1,866,000	14,080,339
Minnesota	11,947,455	8,513,000	20,460,455
Mississippi	17,992,392	1,100,000	19,092,392
Missouri	24,297,921	3,637,000	27,934,921
Montana	8,775,620	1,179,000	9,954,620
Nebraska	44,583,257	1,668,000	46,251,257
Nevada	76,037		76,037
New Hampshire	279	14,000	14,279
New Jersey	1,375,441	136,000	1,511,441
New Mexico	2,610,900	7,335,000	9,945,900
New York	3,417,454	2,223,000	5,640,454
North Carolina	17,842,584	779,000	18,621,584
North Dakota	21,333,021	7,460,000	28,793,021
Ohio	19,250,801	699,000	19,949,801
Oklahoma	22,360,361	5,645,000	28,005,361
Oregon	3,157,523	1,069,000	4,226,523
Pennsylvania	3,862,702	626,000	4,488,702
Rhode Island			
South Carolina	13,726,068	1,892,000	15,618,068
South Dakota	15,972,521	6,947,000	22,919,521
Tennessee	8,774,959	1,502,000	10,276,959
Texas	54,924,190	27,277,000	82,201,190
Utah	1,873,328	1,208,000	3,081,328
Vermont	2,099	51,000	53,099
Virginia	3,262,171	144,000	3,406,171
Washington	6,364,748	352,000	6,716,748
West Virginia	266,110	18,000	284,110
Wisconsin	7,619,951	2,670,000	10,289,951
Wyoming	689,857	371,000	1,060,857
Total	611,469,089	108,317,000	719,786,089

How much does this mean to the average farmer? By all accounts, millions of average farmers have found nothing of interest or profit in the soil bank, and have passed it by. If we allocate arbitrarily the 1957 soil bank benefit payments among all the farms of the Nation, irrespective of actual participation in the soil bank, however, we find the following sharp variations in indicated benefits:

State	Number of farms [1]	Average
Alabama	176,956	$102.68
Arizona	9,321	683.61
Arkansas	145,076	105.39
California	123,075	124.79
Colorado	40,749	669.80
Connecticut	12,753	127.16
Delaware	6,297	151.19
Florida	57,543	44.03
Georgia	165,523	141.43
Idaho	38,740	142.61
Illinois	175,543	111.06
Indiana	153,593	125.62
Iowa	192,933	183.55
Kansas	120,167	736.47
Kentucky	193,487	53.33
Louisiana	111,127	100.26
Maine	23,368	28.97
Maryland	32,500	76.16
Massachusetts	17,361	56.43
Michigan	138,922	101.35
Minnesota	165,225	123.83
Mississippi	215,915	88.42
Missouri	201,614	138.55
Montana	33,061	361.09
Nebraska	100,846	458.63
Nevada	2,857	26.61
New Hampshire	10,411	1.37
New Jersey	22,686	66.62
New Mexico	21,070	472.04
New York	105,714	53.35
North Carolina	267,906	69.50
North Dakota	61,943	464.83
Ohio	177,074	112.66
Oklahoma	118,979	235.38
Oregon	54,441	77.63
Pennsylvania	128,876	34.82
Rhode Island	2,004	
South Carolina	124,203	125.74
South Dakota	62,520	366.59
Tennessee	203,149	50.58
Texas	292,947	280.60
Utah	22,826	134.99
Vermont	15,981	3.32
Virginia	136,416	24.96
Washington	65,175	103.05
West Virginia	68,583	4.14
Wisconsin	153,558	67.01
Wyoming	11,402	93.04

[1] 1954 agriculture census.

On this basis, we might ponder the relative worth of the labors of the Kansas farmer, $736.47, and the New Hampshire farmer, $1.37.

Passing of An Artist

EXTENSION OF REMARKS
OF
HON. ALBERT P. MORANO
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. MORANO. Mr. Speaker, one of the greatest bassos of all time passed away last night. The death of my friend, Ezio Pinza, of Stanford, Conn., is not only a great personal loss to me, it is a loss to the world of culture, to the millions he made happy by his thrilling voice, to the thousands who knew him and admired him, and most of all, a grievous loss to the devoted family who loved him.

Ezio Pinza was born an Italian. He was born with the sparkle and the fervor, the love of life and the penchant for song that so characterizes this nationality. In his singing it was easy to detect the strong character of the man. For it was not only God's gift of song that made Pinza great. Through his singing the man's whole being was expressed, his pride in his family and his adopted Na-

tion; his strength of character and his love for humanity, especially the poor and the underprivileged.

Pinza gloried for many years as the Metropolitan Opera's leading basso. His voice and performance was never paralleled. In later years, although his voice declined with age, it never lost its resonant quality and he was soon to adapt to a new art form, and his characterization of Emile D'Beque in South Pacific transformed him into the idol of millions.

Ezio Pinza is gone. But as long as music lives, he will be remembered.

Questionnaire Results From Michigan's Sixth District

EXTENSION OF REMARKS
OF
HON. CHARLES E. CHAMBERLAIN
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. CHAMBERLAIN. Mr. Speaker, under leave to extend my remarks I would like to include the results of a questionnaire sent to more than 12,000 families in Michigan's Sixth Congressional District. A return of slightly more than 20 percent indicates, I believe, the intense interest of these citizens in their Government.

I further believe, Mr. Speaker, that Members will be interested in the response to these questions. While I recognize that this method of measuring public opinion is subject to some limitation, nevertheless, I would point out that agreement on six of the questions exceeded 70 percent.

Great interest in many of these questions was further indicated by a tremendous number of accompanying letters and comments. One of the most frequently mentioned items concerned postal rates. As the tabulation indicates, people support a general increase, but they are emphatic in their demand that third-class mail pay its proper share of postal expenses. In the area of foreign aid, though the vote is favorable to its continuance, people want intelligent and effective use of their money. Also, it was interesting to me to note the strong opposition to a tax cut that would unbalance the budget.

The general conclusion seems clear that people of Michigan's Sixth District continue to have great confidence in President Eisenhower and his administration's policies.

The results of the questionnaire are as follows:

Do you favor:

1. Reduction of the budget even if it means curtailing or eliminating worthy Federal services and projects? Yes, 58 percent; no, 38 percent; no opinion, 4 percent.
2. Reduced taxes for:
   (a) Small business. Yes, 32 percent.
   (b) Individuals. Yes, 31 percent.
   (c) Everyone across the board. Yes, 14 percent.
   (d) No one at this time. Yes, 41 percent.
3. Reduction of taxes even though it would unbalance the budget? Yes, 16 percent; no, 81 percent; no opinion, 3 percent.
4. Lowering the eligibility age for social-security benefits? Yes, 38 percent; no, 57 percent; no opinion, 5 percent.
5. Eligibility for social-security benefits regardless of income? Yes, 43 percent; no, 49 percent; no opinion, 8 percent.
6. Legislation to safeguard union welfare funds? Yes, 92 percent; no, 4 percent; no opinion, 4 percent.
7. Increasing postal rates for all classes of mail to reduce the postal deficit (now approximately $464 million annually)? Yes, 81 percent; no, 17 percent; no opinion, 2 percent.
8. Federal aid for school construction? Yes, 45 percent; no, 51 percent; no opinion, 4 percent.
9. Enactment of the President's proposed civil-rights legislation? Yes, 55 percent; no, 19 percent; no opinion, 25 percent.
10. The administration's farm policies in general? Yes, 52 percent; no, 15 percent; no opinion, 33 percent.
11. Liberalizing immigration laws? Yes, 21 percent; no, 66 percent; no opinion, 13 percent.
12. Conferences by the President with heads of unfriendly nations? Yes, 67 percent; no, 22 percent; no opinion, 11 percent.
13. Continued reliance on the U. N. in the Middle East crisis? Yes, 82 percent; no, 12 percent; no opinion, 6 percent.
14. Continuing foreign aid as a means of resisting communism? Yes, 58 percent; no, 35 percent; no opinion, 7 percent.
15. Do you approve of the manner in which the President has been handling our foreign affairs? Yes, 77 percent; no, 17 percent; no opinion, 6 percent.
16. Do you approve, in general, the domestic policies of President Eisenhower? Yes, 83 percent; no, 13 percent; no opinion, 4 percent.

President Ngo Dinh Diem, of Vietnam

EXTENSION OF REMARKS
OF
HON. CLEMENT J. ZABLOCKI
OF WISCONSIN
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. ZABLOCKI. Mr. Speaker, I want to express my personal pleasure over the visit to our Nation's Capital by President Ngo Dinh Diem, of Vietnam, and to join with my colleagues in paying tribute to the achievements of this outstanding democratic leader of southeast Asia.

In 1953 and again in 1955, I had the opportunity to study the situation in Vietnam as a member of special study missions to that country. I vividly recall the black outlook and the almost insurmountable problems which faced President Diem when he took his office.

Because I well realize the gravity of the crisis which he has weathered, I am particularly impressed by the remarkable progress achieved by Vietnam under his leadership.

Whereas just 3 years ago apathy, disorder, and depression prevailed in that land, today Vietnam is playing a vigorous and a vital role in stemming the tide of communism in southeast Asia. Inspired by the courageous leadership of President Diem, the people of Vietnam—with the constructive aid of their loyal friends in the United States—have not only managed to solve many of their pressing internal problems but they have in addition offered a brilliant example to the other peoples of Asia.

In recognizing the vital role which President Diem has played in these impressive developments, I also want to express my deep respect for President Diem whose modesty, stanch belief in the victory of the cause of truth and freedom, undaunted courage and tremendous effort have helped to write a new and a bright page in the history of his people and of his country.

Secretary Benson Praised for Surplus Disposal Abroad

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. DIXON. Mr. Speaker, 2 years ago, I heard on the floor of the House accusations against officials of the Department of Agriculture for not having disposed of more of our surpluses abroad. In the light of evidence now available, nothing but praise should be given to Secretary Benson and his Department for the monumental surplus-disposal program they have carried out abroad.

This fiscal year our farm exports will be about $4½ billion—the highest year in history. This is almost $1 billion more than last year, representing the fourth successive year of increasing farm exports.

Yesterday, at the exhibit on moving surpluses and expanding foreign markets in the patio of the Department of Agriculture, Secretary Benson made the following comments which summarize some of these surplus-disposal accomplishments:

REMARKS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON AT EXHIBIT ON MOVING SURPLUSES AND EXPANDING FOREIGN MARKETS, IN PATIO, DEPARTMENT OF AGRICULTURE, MAY 9, 1957

It gives me great pleasure to welcome our distinguished guests and all of you to the opening of this exhibit. We are especially honored to have with us Members of the Congress and friends from the diplomatic corps of other countries.

We have an interesting and gratifying story to tell. I am sure that if you were to hear of an overstocked merchant in private business who, in an oversupplied market, nevertheless succeeded in reducing his inventory without crippling his business or jeopardizing the price structure—I am sure you would say this was an accomplishment of note. What the Department of Agriculture has done in its surplus disposal operations over the past few years is equally noteworthy.

Before we tell that story, however, I want to take this opportunity to pay a warm and sincere tribute to the devoted men and women and organizations who have helped make the story possible—who have helped us distribute our excess abundance at home and abroad. To each and every one I express

the appreciation of agriculture, of Government, and of a multitude of people—especially our farmers. I feel sure you have God's blessing in this noble work.

I think it is a noteworthy fact that we have moved out of storage and into use nearly $9 billion worth of farm surpluses through special programs in the past 4 years.

It is noteworthy that we have been able to hang up the "sold out" sign for a sizable list of commodities, including cottonseed oil, cottonseed meal, hay and pasture seeds, soybeans, linseed oil, and tung oil.

It is noteworthy that stocks of grain sorghums, rice, barley, butter, dried milk, and wool have been reduced to low levels.

It is noteworthy that United States farm exports have risen to the highest level in history. In this present fiscal year the total value of our farm exports will be about $4½ billion—almost $1 billion more than in 1955–56. This is the fourth successive year of increasing farm exports.

We have "swapped" a billion dollars worth of farm surpluses for strategic foreign materials and other defense needs.

We have sold agricultural exports for foreign currencies to 31 friendly nations—because they were short of dollars. New markets have thereby been opened. Many of these should later develop into dollar sales outlets because we have created a desire for our products abroad.

We are tooled up today to promote American agricultural exports much better than ever before. We have our agricultural attachés working in principal countries of the world. We have marketing specialists going out on special foreign assignments. We have special export programs. We have our export prices down to where they are competitive. World consumers are becoming increasingly prosperous and represent a better market—and we are making our farm products known to them through trade fairs and other promotions.

Yes, all this is indeed worthy of note.

In February 1956, the Commodity Credit Corporation had an investment in farm products of about $8.9 billion. By June 30, the CCC investment is expected to be down to about $7.5 billion. But this tells only part of the story. Without our successful disposal programs, the CCC investment might now be more than twice its present total.

This reduction in CCC surplus stocks is unique in that it is being accomplished in a world buyer's market. Twice before CCC inventories were greatly reduced—during World War II and during the Korean emergency—both wartime "seller's markets." In both these periods our surplus food and fiber were an important war resource. In both periods prices were rising and markets were expanding.

Today we are liquidating our stocks when there is no such emergency demand. Though it is true that Europe has been temporarily caught with short supplies of wheat and oil crops and the stoppage of traffic in the Suez has caused some shifts in import patterns, on the whole, this has been and remains a "buyer's market."

We increased CCC disposals of all kind from $520 million in fiscal 1953 to $2,723 million in fiscal 1956. In the current fiscal year disposals will reach the staggering total of nearly $4 billion—almost 8 times as much as in fiscal 1953.

How is the job being done? We have developed special distribution programs, such as the sales for foreign currencies and barter transactions I have mentioned. But, above all, we are emphasizing more and more exports for dollars. Our dollar sales now account for approximately two-thirds of all CCC disposals. Furthermore, the Corporation is recovering about 71 cents on the dollar from its dollar sales.

We are selling nearly all of our commodities on a competitive-bid basis. We have timed our programs so they will not interfere with agricultural seasons. We have coordinated the sales policy and operations of eight Commodity Stabilization Service offices throughout the country.

The result—and I am proud of it—is this: We are moving our inventory in an orderly manner and without adverse effect on domestic or world market prices.

This, obviously, is the best way to dispose of our surpluses. But where we are not able to sell or barter we feel strongly our responsibility to make constructive use of the abundance with which we have been blessed. Food is produced to go into stomachs, not into wasteful storage. So we have given away some of our surplus—donated foods to persons both in this country and abroad who don't get these foods, or who do not get enough of them. In the past year we've found good use in this way for nearly 3 billion pounds of our surplus foods.

We've initiated a special milk program to help reduce the surplus by making more milk available to our children.

I could bring you glowing accounts from teachers about what the milk program has meant. They have told us in some cases that the health of the children has improved, absenteeism has been cut down, and classroom accomplishment has been increased. More children are learning that milk tastes good. Today's program is helping to build tomorrow's market.

This is the same sound concept on which our national school-lunch program is so firmly founded. Every day nearly 11 million children take part in this program. It has become an important aid to their health and well-being. Every year it makes a market for nearly $500 million worth of farm products—a market which will continue into the future, continuing to grow.

I repeat, we in the Department and all of us interested in agriculture owe our thanks to those who have helped make such a fine record for all these programs, the school-lunch supervisors and managers in this country, and the United States voluntary relief agencies for their magnificent work in distributing food to the needy abroad.

And surely I would be remiss if I did not pay a sincere tribute to the excellent performance of American industry in helping to expand markets for our agricultural abundance. The men and women of industry are the professional marketers of farm products. We in the Department of Agriculture have been happy to cooperate with industry. We have been glad to play the minor rather than the major role, to be the junior partner so to speak. We applaud American industry for what it has done. We say frankly that the improvement in the surplus situation is due largely to industry's accomplishments, and that the national economy is more secure because of the aggressive helpfulness with which industry has tackled its part of the job.

Finally, let me pay my sincere respects to the Members of Congress. They have provided legislation—the tools, you might say—for carrying out the great distribution job we are doing today. The surplus disposal legislation, the return of the agricultural attachés to this Department, the new opportunities being created for building bigger markets—these and the continuing programs that we administer represent the well-considered desires of Congress and the people

By means of imaginative, bold market promotion, the foundation has been laid for larger outlets for United States farm products abroad and at home. We still have far to go. But I believe we have passed the peak of our surplus difficulties.

We look forward with hope—and with the knowledge that people in a large part of the world know better the products of our land.

Address by Hon. Stuart Symington, of Missouri, at Wilkes-Barre, Pa.

EXTENSION OF REMARKS
OF
HON. DANIEL J. FLOOD
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address presented by the Honorable STUART SYMINGTON at the annual Greater Wilkes-Barre Chamber of Commerce dinner held in Wilkes-Barre on Tuesday evening, May 7, 1957:

It is clear where this administration can save billions of dollars annually in the Federal budget if it is really sincere in its desire to make these reductions.

In a talk on the floor of the House, last Thursday, the distinguished majority leader, the Honorable JOHN MCCORMACK, of Massachusetts, stated: "An analysis of the various stock fund statements in the 1958 budget (Department of Defense) shows great duplication and triplication and even quadruplication in the stock items covered by the funds."

Any true unification of the services would result in at least partial elimination of some of this triplication. It would, as Dr. Henry Kissinger wrote recently, reduce the claim of each service to have "capability for total war."

Let me repeat again that the amount of money this service rivalry is costing the taxpayer is almost unbelievable.

People indirectly connected with the administration believe that even under the present structural conditions of the Pentagon Building, billions can be saved by improvements in the manpower picture alone.

One of the Nation's great industrialists, Ralph Cordiner, president of the General Electric Co., who heads a Committee appointed more than a year ago to analyze the manpower problems of the Department of Defense, has announced that there would be ultimate savings of up to $5 billion a year, plus a 15 percent improvement in combat capability, if the manpower recommendations of his Committee were adopted.

Only recently those of us who believe great savings can be made in the Federal Budget received powerful support. Sunday before last, Chairman GEORGE MAHON, of the Military Affairs Subcommittee of the House Appropriations Committee, urged that President Eisenhower initiate a drive for real unification of the Armed Forces.

Representative MAHON said service rivalry "has now gotten out of hand. It's very unwholesome and very wasteful and I think something has got to be done about it."

MAHON added that legislation probably would be required and that President Eisenhower could provide the impetus, if he could find the time to take a personal interest in the problem.

I say "Amen" to this opinion from one of the most experienced and informed Members of Congress with respect to the military budget. Congressman MAHON has been on this Military Subcommittee for over 17 years.

First, on January 16, the President said, "this is a carefully balanced budget—well adapted to the needs of the present and the future."

On January 17, however, his own Secretary of the Treasury said, "There are a lot of places in this budget that can be cut."

On January 24, the President then shifted. He said: "Congress has the duty to cut the budget."

But later, on April 3, the President said there was no chance for a substantial cut such as $2 billion.

But the very same day, Assistant Secretary Burgess of the Treasury Department stated he believed the budget should be cut 2 to 3 billion dollars.

Later, the President was reported as saying the budget was right and he intended to fight for it.

But only this morning, on the radio, it was stated that a compromise was to be made; and that the administration would be willing to cut $500 million out of the foreign aid program.

Now I ask you: What is a Member of Congress to think?

Obviously the Congress is at sea as to where, and to just what extent, the President believes a particular department should be reduced.

But we do have some guidance from some of our Members. Based on Representative McCORMACK's remarks, Congressman MAHON's position, and statements made on a telecast last night by Chairman RUSSELL, of the Senate Armed Services Committee, and above all, the conclusions of the administration's own Cordiner Manpower Committee, it is clear a tremendous amount can be saved for the American taxpayer annually if the administration will go through with those savings that can be made without any sacrifice whatever to national security.

According to one of our outstanding military associations, however, the Air Force Association, the Bureau of the Budget has turned back as unsatisfactory the Defense Departments' draft of legislation designed to put the Cordiner proposals into operation.

This action was taken, according to Mr. John P. Henebry, president of that association, in the face of assurances by Secretary Wilson that the proposed legislation would require no increase in the defense budget already submitted to Congress.

Further, the proposed legislation was rejected with the knowledge that it represented the unanimous opinion of the Secretary of Defense, the Secretaries of the three military departments, and the Joint Chiefs of Staff, as an essential contribution to the Nation's defense.

Let me emphasize that this is not a problem of the Air Force alone—but one which impacts equally upon the combat effectiveness of the Army, Navy, Air Force, and Marines.

I, for one, am not averse to manpower management suggestions from one of the world's greatest industrial experts, designed to save $5 billion, with no decrease whatever in our military strength; and at this session I intend to introduce legislation to that end. In fact, I already have such legislation in draft status.

We owe it to ourselves and to the Nation to countenance no further delays in carrying out a program for maximum utilization of military manpower at minimum cost.

More Soil-Bank Inequity

EXTENSION OF REMARKS
OF
HON. BURR P. HARRISON
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. HARRISON of Virginia. Mr. Speaker, the report of the Department of Agriculture, dated May 7, 1957, summarizing contract commitments for the conservation reserve of the soil bank, estimates that the 1957 obligations of the Federal Government for annual and practice payments in the conservation reserve will total $108,317,000.

When we study the figures for individual States, we find that Texas, with a population of 7,700,000 in the 1950 census, stands to receive $27,277,000—more than the estimated payments to be due 37 other States having a total population of 121 million.

Texas is understandably proud of its right, acquired on admission to the Union, to divide itself into up to five separate States, at its discretion. On this basis, it might be that Texas would expect to receive as much in cash benefits as five other States. Can it be said, though that a program is economically sound and equitable when one State acquires claim to a greater payment than the combined amounts expected to be due 37 other States?

Here are the Department of Agriculture figures for the 37 States and for Texas:

Rhode Island	
Nevada	Less than $500
Connecticut	3,000
New Hampshire	14,000
Massachusetts	15,000
West Virginia	18,000
Delaware	35,000
Vermont	51,000
New Jersey	136,000
Virginia	144,000
Arizona	162,000
Louisiana	235,000
Maryland	307,000
Washington	352,000
Wyoming	371,000
Illinois	439,000
California	525,000
Idaho	608,000
Pennsylvania	626,000
Indiana	634,000
Maine	677,000
Kentucky	698,000
Ohio	699,000
North Carolina	779,000
Florida	968,000
Oregon	1,069,000
Mississippi	1,100,000
Iowa	1,168,000
Montana	1,179,000
Utah	1,208,000
Alabama	1,227,000
Arkansas	1,263,000
Tennessee	1,502,000
Nebraska	1,668,000
Michigan	1,866,000
South Carolina	1,892,000
New York	2,223,000
Total	25,861,000
Texas	27,277,000

A Bill to Amend Title XI of the Merchant Marine Act of 1936

EXTENSION OF REMARKS
OF
HON. THOR C. TOLLEFSON
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. TOLLEFSON. Mr. Speaker, under unanimous consent, I include in the CONGRESSIONAL RECORD a brief statement on the purpose of legislation which I introduced today.

The purpose of this legislation is to further clarify the authority of the Maritime Administration to insure mortgages on eligible ships under title XI of the Merchant Marine Act of 1936. Approval of this bill will enable the Maritime Administration to insure a ship mortgage, where the mortgage, instead of being executed at the time the vessel is completed, is executed sometime later and the proceeds therefrom are used to finance the building of additional ships.

Adoption of this bill will make it possible for shipowners with heavy replacement obligations to fulfill these obligations at a minimum cost to both the Government and the operators by allowing owners to take advantage of the economies of long-range and sound financial planning. With the deferred mortgage commitment the shipowner can avoid present high interest rates by using funds in his capital reserve fund to pay in full for new ships, and then when interest rates become lower he could mortgage the existing wholly owned ship to provide funds for the building of additional new vessels.

There is substantial opinion indicating that Congress intended this policy of deferred mortgage commitments but this legislation will lay at rest any questions potential lenders might have concerning this application of the mortgage insurance provisions of title XI of the Merchant Marine Act.

How To Cut the Cost of the Trinity River Project

EXTENSION OF REMARKS
OF
HON. CRAIG HOSMER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. HOSMER. Mr. Speaker, our colleague, Representative JAMES B. UTT, of California, recently reported in cogent words to his constituents just why the United States taxpayers would be better off by partnership in the Trinity River project. His words are of such force that I believe their benefit should be shared with all our colleagues by inclusion in this RECORD. His report follows:

WASHINGTON REPORT

(By Congressman JAMES B. UTT)

Last year Congress authorized the Trinity River project in California at a cost of $225 million. This project provided for the transmountain diversion of some 865,000 acre-feet from the Trinity River to the Sacramento River below the Shasta Dam. There is a total water drop of 1,500 feet. This would provide water power sufficient to generate 385,000 kilowatt-hours.

The act directed the Secretary of the Interior to proceed with negotiations for the sale of the falling water to a private utility and report the result of these negotiations with his recommendations. The negotiations could not come effective until approved by Congress. The Pacific Gas & Electric Co. was the only company which offered to negotiate such an agreement. They offered to construct the powerplants and operate them for a period of 50 years subject to renewal or recapture of the powerplants

by the Government. They agreed to make an average annual payment to the United States of $4,617,000 for the privilege of having the water pass through their turbines without any consumptive use of the water.

This payment is equal to $5.33 per acre-foot, which figure is considerably higher than the farmer will pay per acre-foot for the full consumptive use thereof. They agreed to integrate their system with that of the Central Valley project. They further agreed to provide energy on an exchange basis from the company's system to operate project pumps including those in the proposed Feather River project in order to make more commercial power available for sale by the Government to its preferred customers. This would also allow the Federal Government to use the company's transmission facilities to serve Federal and preference customers for 50 years at a charge less than the cost to the Government if it owned the facilities required for this service.

On February 12, the Secretary of the Interior transmitted the proposed agreements to the Congress and recommended joint development of Trinity water resources. If his recommendations are accepted by Congress, it would save the Federal Government a capital outlay of $55½ million for the power plants, and provide in the 50-year period total additional revenue to the Federal, State, and local governments of $310 million or $85 million more than the proposed cost of the whole Trinity River project, and the Federal Government would still have $150 million worth of water to sell to the farmers over that same period of time.

If the Federal Government generates this power, it would first have to invest an additional $55½ million in generating equipment, plus the cost of a power distributing system and would then sell the power below its true market value under the preference clause to less than 5 percent of the people of California, or less than one-third of 1 percent of the people of the United States who actually would be financing the project.

This very small group of individuals, as a class, who receive this benefit, perform no special service whatever for the Government. The advocates of public power are always saying that these great natural resources belong to all of the people and yet come up with the inconsistent demand that a very few people in the immediate area should reap all of the benefits at the expense of the rest of the country. I feel that the American taxpayer who financed this project is entitled to recover the full return of his investment and to apply any profit therefrom to additional conservation projects.

If Congress does not approve this proposed contract and decides to generate and sell the power, I shall propose an amendment that the rates to be charged shall be sufficiently high to permit the Government to pay an amount equal to what the company would have paid to State and local governments for the support of schools, churches, roads and other necessary services supplied the State of California and other local governments. This in itself would amount to over a million dollars a year.

Federal Spending

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, May 9, 1957

Mr. JENNER. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an article published in Human Events, of Washington, D. C., for March 16, 1957.

My purpose in writing the article was to point out that the spending oligarchy in Government uses foreign aid, as WPA used relief funds, to make a political machine or superparty, which operates in our Congressional districts above both parties, to elect or defeat candidates for Congress in accordance with their support of Government spending, and in complete disregard of whether they truly represent their constituents.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW YOU CAN STOP BIG SPENDING—CONGRESSIONAL DISTRICT THE BASTION OF LIMITED GOVERNMENT

(By Senator WILLIAM E. JENNER, Republican, of Indiana)

The American Government served the interests of the people when it was limited government, operating within restraints set by the Constitution. But the American Government does not now need to serve the national interest. It is today an unrestrained oligarchy whose ability to ignore Congress and the Constitution comes from spending your money.

Our great mistake is our naive assumption that we have the same Government today that we had from 1789 to 1932. We do not have the same Government or anything remotely like it. The American Government of today bears almost no relationship to the one we knew from 1789 to 1932.

This new American Government has one objective—to keep itself in power by spending. Its objective is the same today as it was in the days of Harry Hopkins—tax and tax, spend and spend, elect and elect.

We cannot understand the political crisis of today unless we understand how completely our Government has been transformed. The three-part Federal Government of the Constitution is still there, but something new has been added. A vast engine of political and police power has been built up, in and around and above the old Federal executive branch. The names of the old-line agencies are the familiar trusted facade behind which this new Leviathan can operate, almost invisible to Congress and the press.

The strength of this new governing machine can be measured by its resources. It controls at least one quarter of our entire national wealth. It converts at least one quarter of our earnings into political and police power over you and me. The primary aim of this monstrous growth is to secure its stream of tribute, and to keep the voters from protesting effectively.

We have wasted a great deal of precious time, denouncing Franklin Roosevelt, Harry Truman, and Dwight Eisenhower, for the growth of this Frankenstein's monster. We are not going to put an end to a political tidal wave, which has swept over five continents, merely by denouncing individuals. The trend to strong central government is worldwide, and it springs from two world wars and the lure of Socialist big government. I believe American political leaders could have resisted that trend and helped the rest of the world to erect bulkheads against the erosion of liberty. But it is not too late.

Let us now forget the reasons for bitterness and put our minds on the important question—how can Americans use their magnificent heritage of good government, and their long experience with liberty, to put their own house in order, and to offer once again a model to which the rest of the world will turn in hope?

We must start with our foreign policy.

Foreign policy has been, since the war, the most appealing way to continue big spending and to render the opposition helpless to resist the machine for which spending provides the fuel. Foreign policy is the postwar WPA of the Socialist planners, except that postwar spending is geared to the high levels we were conditioned to accept by the war propaganda.

Our foreign policy today is a series of outlets, sometimes called "ratholes," carefully planned to help the spenders keep on spending. The Republicans saw this clearly 13 years ago.

In June 1943, the State Department published the proposed text of the first gigantic postwar spending program—that for UNRRA. Senator Vandenberg read the proposal and found it was planned as an executive agreement, to bypass the Senate. He wrote to Senator McNary as follows:

"It seems to me that this draft agreement involves the broadest possible commitments for the future * * * and leaves us (as usual) to pay the bills without any adequate control over what the bills ought to be. I think this is clearly a preview of the method by which the President and the State Department intend to bypass Congress in general, and the Senate in particular, in settling every possible international war and postwar issue by the use of mere executive agreements."

A few days later Vandenberg wrote: "As it was originally drawn, this draft agreement pledged our total resources to whatever illimitable scheme for relief and rehabilitation all around the world our New Deal crystal gazers might desire to pursue * * *. The draft * * * clearly intended that there should be no interference with this worldwide prospectus as it might be conceived by Roosevelt, Lehman, Hopkins & Co., until that long last moment when Congress would be presented with a fait accompli. At that late hour it would be next to impossible for Congress to do anything except acquiesce."

Why did the spending continue if the design was so clear, nearly 14 years ago? It is all so simple. Every time one spending program became a little spotted and frayed at the edges it was closed out, and a glittering new spending program was brought forward.

These new models for waste of American money are not trotted out to impress Congress. They are trotted out to be put on the propaganda conveyor belts, leading out into every State, to the women's clubs, the churches, the colleges, the unions, the press and radio. This "show" is managed by experts in what is called "the engineering of consent," who know how to keep the viewers happy, and how to make taxpaying almost painless.

Obviously Members of Congress know their districts are being saturation-bombed by these flying squadrons. But they have no money or staff or patronage to counterattack.

The spenders in the executive branch know the Congressmen will be either converted or defeated by their mass propaganda. So why worry?

Now this adds up to one simple fact. We shall never rid ourselves of big spending or big Government by arguments that the money is wasted. The money is not wasted. Every dollar the spenders can get is spent to very good purpose from their point of view. Like WPA money, it buys political support for big spending. It builds up vested interests and the vested interests carry on the campaigns for more spending. What could be more logical than that?

Now, you will say that "foreign aid" cannot affect domestic elections. But that is where words fool you. Most of the foreign aid money is spent to buy products which are important politically—wheat, coal, radio, engineering, shipping and many others.

I have pointed out many times, that our hidden absolute Government operates inde-

pendent of the legislative, executive or judicial branches set up in the Constitution.

To understand what we have to fight—we must add one more diagram showing the change in our political system.

Our two-party system has not been abolished. It has simply been enveloped by something much more powerful. The spending oligarchy in Government operates as a political superparty, by its ability to direct this constant stream of invisible propaganda into our political districts. The political parties try to operate as in the past, by vigorous local organization, all unaware of the hidden forces which pull down the constitutionalists, and push upward the men who have sold their birthright.

The only political power in the Nation stronger than this colossus on the Potomac with its $70 billion a year is the congressional district. The voters can end its power in their own congressional district any time they take the trouble.

The spenders will not cut spending of their own free will. It is your problem to organize so that no man can be nominated in your congressional district unless he has pledged himself to cut spending where it hurts—where the vested interests will punish him for taking away their easy money. But he must have protection against their wrath. Only you can give it to him.

Such an uprising will succeed if our angry people combine by congressional districts and State party organizations, to make sure party nominations go only to men who are truly devoted to the Constitution, and who are ready to fight spending in all the forms the spenders love to devise.

Members of Congress either have no power, or they have the greatest political power in the Nation. Senators and Representatives have no power of their own. Their only power is what they get from their active constituents.

When his constituents have been brainwashed by the spenders into believing foreign aid is an elixir guaranteed to cure all illnesses, a Senator or Congressman has no power and no influence. He is like an ambassador, all dressed up in uniform and gold braid, whose country has been taken over by subversion. He must go over to the enemy, or resign.

Congress is powerless, or very powerful. It will be very powerful only if the men sent to Washington as representatives are the front line of an angry, determined, well-organized, and devoted band of patriots, working together to make each district into a fortress fighting to the bitter end in defense of American liberty.

Recent Decision in the United States District Court for the District of Columbia Again Rules Congress Has Power To Investigate Communist Party and Those Who Are Members Thereof

EXTENSION OF REMARKS

OF

HON. CLYDE DOYLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. DOYLE. Mr. Speaker, by reason of unanimous consent heretofore granted me so to do, I am pleased to place the full text of rulings of the court in the recently decided case of United States of America against Alden Whitman.

I believe that the distinguished judge of the United States District Court for the District of Columbia, Washington, D. C., makes some interesting and indicative comments in his rulings which I am sure will be of immediate interest to every Member of this great legislative body.

As a member of the House Un-American Activities Committee, I am pleased to be able to present the full text of this recent court decision to you and all my other colleagues:

MAY 3, 1957.

Hon. EDWARD M. CURRAN,
United States District Court,
Washington, D. C.

MY DEAR JUDGE CURRAN: I would very much appreciate receiving a copy of the decision, if possible, in the case wherein Alden Whitman was convicted of contempt of Congress.

If there is any charge, please advise me.

Thank you very much.

Sincerely yours,

CLYDE DOYLE,
Member of Congress.

UNITED STATES DISTRICT COURT,
FOR THE DISTRICT OF COLUMBIA,
Washington, May 8, 1957.

Hon. CLYDE DOYLE,
United States House of Representatives,
Washington, D. C.

MY DEAR MR. CONGRESSMAN: Pursuant to the request in your letter of May 3, 1957, there is transmitted herewith copy of the court's ruling in the case of *United States* v. *Alden Whitman.*

With kindest regards and best wishes, I am,

Sincerely,

EDWARD M. CURRAN,
Judge.

IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA—UNITED STATES OF AMERICA *v.* ALDEN WHITMAN, DEFENDANT—CRIMINAL ACTION NO. 1213-56

WASHINGTON, D. C., *April 9, 1957.*

The above-entitled cause came on for further trial before the Honorable Edward M. Curran, District court judge, at 10 a. m.

Appearance: William Hitz, Esq., assistant United States attorney, for the Government; Thurman Arnold, Esq. and Gerhard P. Van Arkel, Esq., for the defendant.

RULING OF THE COURT

The COURT. I am ready to rule now.

The resolution, Senate Resolution 366 of the 81st Congress, 2d session, provided that the Committee on the Judiciary, or any duly authorized subcommittee thereof, was authorized and directed to make a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950; (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States, and (3) the extent, nature, and effect of subversive activities in the United States, its Territories and possessions, including but not limited to espionage, sabotage, and infiltration, by persons who are or who may be under the domination of the foreign government or organizations controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence.

The Congress of the United States has the power to investigate the history of the Communist Party, and in this connection it has the power to determine who are members of the Communist Party. The committee has the power to investigate the growth or the decline of the Communist Party and its numerical strength at various times as part of an inquiry into the extent of the activities of the Communist Party and the legislative means that might be appropriate for dealing with such activities.

Inquiry as to the number of persons who are Communists and who they were between 1935 and 1948 was pertinent to such investigation. If the committee of the Senate is denied the opportunity of ascertaining the present and past membership of the Communist Party, it might well be stymied in making the proper recommendations to the Congress of the United States. This court, therefore, holds that the resolution authorized the committee to ask the questions asked the defendant in the particular context in which the committee propounded them and the questions were pertinent to a valid legislative purpose. I, therefore, find the defendant guilty. The case will be referred to the probation officer for a report, but I will defer the imposition of sentence until the Watkins case is decided.

Mr. HITZ. Would Your Honor indicate how you rule on each count?

The COURT. Guilty on all counts.

(Whereupon, at 3 p. m., the matter was concluded.)

OTC and the United Nations

EXTENSION OF REMARKS

OF

HON. HENDERSON LANHAM

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. LANHAM. Mr. Speaker, since the State Department signed the Articles of Agreement on the OTC—Organization for Trade Cooperation—in Geneva in 1955 and the subsequent submission of the OTC to Congress for approval, a sharp controversy has developed over the position that would be occupied by the OTC should it actually be set up. The signature of the Articles of Agreement was simply a formality and United States membership in the OTC was made subject to congressional approval.

The last Congress failed to act on the OTC but hearings were held before the House Committee on Ways and Means. The opposition contended that approval of OTC membership would in fact place great powers into the hands of the Organization—OTC—sitting in Geneva at the expense of the authority of our own Congress to regulate the foreign commerce of the United States. The United States, it was pointed out, would have only one vote. Should all present GATT members join the OTC, this country would have only 1 vote out of a total of 35.

The supporters of the OTC, on the other hand, claimed that the OTC would have no supranational powers; that in fact it would have no powers that are not now being exercised under GATT—General Agreement on Tariffs and Trade—and that OTC would merely provide GATT with an administrative arm.

On its part the opposition cited article 11 of the OTC articles of agreement as showing the real intent and direction of our proposed participation in the OTC. Article 11 provides that the OTC may be brought into relationship with the United Nations as a specialized agency. This could not be done so far as the

United States is concerned without our own consent; and the Ways and Means Committee last year amended the bill that proposed OTC membership by providing that only Congress could give the consent of the United States.

However, the position of the United States would not be the ruling consideration. The OTC could bring itself under the U. N. "by an agreement approved by the assembly"—article 11 (b) OTC articles of agreement.

What does this mean? How would the OTC make an agreement with the U. N. to become a specialized agency thereof? The answer is to be found in article 5 of the articles of agreement—that is, a clue to the answer is to be found there, not a definitive answer.

Article 5 says:

> The assembly (of OTC) shall establish its own rules of procedure.

Therefore the OTC could make an agreement with the U. N. by a procedure not yet known or established and such agreement could be approved by the OTC under procedures not yet known or established.

Thus it is obvious that the OTC could become a specialized agency of the U. N. without the consent of the United States unless procedures not yet adopted and the character of which must remain unknown until they are adopted, would make this impossible. This is most unlikely.

It could, of course, be said that the United States would not be obligated to recognize the subsidiary relationship of the OTC to the U. N.; but it is not difficult to foresee the position into which this would place us.

The outcome of such issues is often determined by the atmosphere under which particular steps are taken. With the other members favorable to the U. N. link and with our own State Department strongly inclined in that direction, the leverage on Congress would be very powerful.

As a sample of the climate in this matter nothing could be more revealing than a resolution recently adopted by the United Nations. There is no indication that the American representative to the U. N. either abstained or voted against the resolution. I call attention to the third numbered paragraph. It says the General Assembly of the U. N. "looks forward to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation."

This affords a fair idea of the real intent with respect to the OTC and the real trend toward bringing the regulation of international commerce under the sway of the United Nations.

It will take more than executive denials in the United States to overcome the impression already created and thus confirmed by this U. N. resolution as to the underlying intent of the OTC. It is one thing for the Secretary of State to come before a committee of Congress and deny what appear to be clear implications of the intent of the OTC. It is something quite different to get the unguarded revelation of what is really in the minds of the moving forces behind the OTC.

In view of the great interest in the question of what would be the real status of the OTC if it were set up, I include the U. N. resolution referred to, as follows:

UNITED NATIONS ASSEMBLY RESOLUTION ON THE DEVELOPMENT OF INTERNATIONAL ECONOMIC COOPERATION AND EXPANSION OF INTERNATIONAL TRADE

On February 20, 1957, the United Nations General Assembly adopted a resolution (55 in favor, 7 against, and 4 abstentions). The substantive part of the resolution reads as follows:

"1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular:

(a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade, and to continue to avail themselves of services offered in the field of trade by these organizations;

"(b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance-of-payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries;

"(c) To conduct their trade policies with due regard to their possible harmful effects on the economies of other countries, especially countries which are dependent on exports of relatively few commodities;

"(d) To follow internal economic, monetary and fiscal policies which promote high levels of production, employment and investment, keeping in mind the relationship between such internal policies and the possibilities of expanding world trade;

"2. Endorses Economic and Social Council Resolution 614 (XXII) of August 9, 1956, and requests the council to continue to give particular attention to developments in the field of international trade;

"3. Looks forward with interest to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation."

Source: United Nations press release GA/1450, February 20, 1957.

Edgar F. Kaiser

EXTENSION OF REMARKS
OF
HON. ROBERT C. BYRD
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. BYRD. Mr. Speaker, I am pleased to call attention to the address of my colleague, the gentleman from West Virginia, the Honorable CLEVELAND M. BAILEY, on the occasion of his presentation of a plaque to Mr. Edgar F. Kaiser, the adopted son of West Virginia. The presentation was made on May 4, 1957, at the Son and Daughter Banquet of the West Virginia Society of the District of Columbia, which was held in the Sheraton Park Hotel, Washington, D. C. Representative BAILEY's address follows:

ADDRESS OF THE HONORABLE CLEVELAND M. BAILEY, VICE PRESIDENT OF THE WEST VIRGINIA SOCIETY OF THE DISTRICT OF COLUMBIA ON PRESENTATION OF A PLAQUE TO EDGAR F. KAISER, ADOPTED SON OF WEST VIRGINIA, ON MAY 4, 1957

Mr. President, my colleagues in the Congress, other honored guests, officers and members of the West Virginia Society of the District of Columbia, fellow West Virginians:

The task assigned me tonight is a distinct pleasure. Knowing, as I do, the vast potentials of my State in the way of natural and human resources and of its susceptibility to industrial development, I speak for every West Virginian when I say, "We welcome with open arms" the presence in our State of the world-wide Kaiser affiliated companies.

The decision of this great concern, with its farflung network of industries to locate one of their major operations at Ravenswood, W. Va., was indeed a godsend to the lagging economy of my State which at the time was staggering under the loss of markets for its vast production of bituminous coal. Others of its industries were menaced by foreign imports. The situation in 1954 was one of gloom and despair.

Today our major industry, coal, has picked up some export business and is getting back to normal. A smile has replaced the look of despair in the face of our industrial leaders. I attribute this to the realization on the part of giant industrial concerns like this one that there are great possibilities in West Virginia. Now that the Kaiser industries has, so to speak, "broken the ice", we may well expect others to take advantage of our great resources and available labor supply.

The Kaiser aluminum organization is investing in Ravenswood, W. Va., $200 million for the construction of facilities which will include a fully integrated reduction plant, a sheet mill, and a foil rolling mill.

During the first phase of construction, they are employing 800 West Virginians. These three plants will be completed in 1958.

When the project is completed, they expect to have 6,000 West Virginia employees to operate the facility.

As of today, the total number of employees in the Kaiser aluminum is 18,000. When the 6,000 West Virginians are added next year, the total will be 24,000 persons. A fourth of their entire organization will be composed of West Virginia residents.

In 1947, when Kaiser first entered the aluminum field, their net sales were $45 million; their net earnings were $5 million. In 1956, their net sales were $300 million, with net earnings of $38 million.

When completed, this facility will burn 1,660,000 tons of West Virginia bituminous coal annually. This will greatly stabilize our coal industry, give us added purchasing power, and stimulate business generally.

The man our society seeks to honor tonight is Edgar F. Kaiser. The name, Henry J. Kaiser, is a household name throughout the Nation. Our honored guest is, as we quite often say in West Virginia, "a chip off the old block." He is one of the Nation's youngest major industrialists, possesses all of the business acumen, energy, and devotion to accomplishment that has characterized his famous father, Henry J. Kaiser.

At 48, he is responsible for the overall day-to-day operations of a billion-dollar industrial organization—the worldwide Kaiser affiliated companies.

Responsibility came to Edgar Kaiser at an early age. He was one of the "kids" of whom an Army engineer referred when he said, "Kaiser won at Bonneville because his kids were too green to know when they were licked."

The Kaiser organization, fresh from participation in the building of Hoover Dam, was warned that the raging waters of the Columbia were a different story. The native Indians had a legend that no man would ever walk across the Columbia. Government engineers were doubtful that a dam could be built. However, the "kids" plowed ahead. Twenty-five-year-old Edgar Kaiser was project manager for the construction of the main spillway. The river was diverted into half its channel in order that the dam could be built one-half at a time. Bonneville was completed in 4 years, 1 year ahead of schedule.

Edgar Kaiser's next giant step, at 34, was shipbuilding, through which the Kaiser organization gained further international renown by producing more vessels than any other shipbuilder in history—faster and cheaper than they had ever been built before. The Kaiser shipyards constructed 1,490 ships during World War II—approximately one-third of the entire United States merchant shipping—turning them out in as short a time as 4½ days from keel laying to launching. In the building of 819 Liberty ships alone, Kaiser saved more than one-third of the average time required by other Liberty shipbuilders.

The three Pacific Northwest yards in the Portland area, under the general managership of Edgar Kaiser, had the additional job of producing 50 small aircraft carriers to take the offensive against submarines and also carry the war to the Japanese-held islands in the Pacific. The carriers were launched at the phenomenal rate of one a week. Admiral Howard Vickery of the United States Maritime Commission called the Portland yard not only the finest in the United States, but in the entire world. Britain's Winston Churchill declared that the baby flattops were the most effective instrument in destroying the submarine menace.

When the Kaiser organization went into the automotive business in 1945, Edgar Kaiser, then 37, became general manager of the company's giant plant at Willow Run, Mich. He later assumed the presidency of the firm to become one of the youngest chief executives in the Nation's automobile industry.

The infant motorcar company found it virtually impossible to buy steel and other necessities on the open market and literally scoured the world for materials with which to make the 18,000 parts, which comprised their first passenger car, Mr. Kaiser recalls, and I quote:

"We pioneered the first extensive use of bartering in the auto business. For instance, a radiator firm could not obtain enough copper to supply us regularly; the copper producer was unable to increase output because he needed additional natural gas; the gas company could not deliver because it was unable to obtain steel pipe; and steel companies lacked pig iron to make the pipe because their blast furnaces were short on coke. So, we began a series of bartering transactions, first finding a supply of coke for the steel producers, then trading our way up the line, and eventually getting the radiators we needed."

In June 1955 Edgar Kaiser appeared before a Senate judiciary subcommittee investigating the vast share of the automobile industry held by General Motors, Ford, and Chrysler. Although a major producer of commercial vehicles and sole manufacturer of the world-famous Jeep, Kaiser-Willys had produced only a small percentage of the passenger cars sold in 1954. Despite this, Mr. Kaiser said, "So long as you have the competition that exists today, there is no need to limit the size of automobile manufacturing companies."

An editorial in the Times, of Toledo, Ohio, hometown of Willys Motors, commented: "* * * Mr. Kaiser was the industrial statesman, standing firmly on the American free-enterprise system, and did not cry for governmental restrictions on his competitors to give him a bigger place in the market."

Egdar Kaiser, the eldest of Henry Kaiser's 2 sons, was born July 29, 1908, at Spokane, Wash., 2 years after his father had come west. His first part-time job in the Kaiser organization, while he still was in high school at Oakland, Calif., was issuing material slips to trucks delivering sand and gravel on a paving project.

In July 1955 he returned to the sand and gravel plant at Radum, Calif., during its 25th anniversary. The local newspapers said editorially: "If the Kaiser organization needed an emissary to win friends, he was present in Edgar Kaiser. * * * His manner of speaking was earnest, sincere, with a naturalness, a magnetic power, which instantly won him acclaim, made people who had never seen him before feel they were lifelong friends. * * * It was the simplicity of his presentation which made his message so personal, so deeply convincing."

Edgar Kaiser attended the University of California, majoring in economics, but left college in 1930 just one-half year short of obtaining his degree in order to accept a position as superintendent for a natural-gas pipeline project linking Kansas to the Southwest oil fields, which was followed by a similar job on a pipeline from Cut Bank to Butte, Mont. When the Kaiser organization joined the Six Companies, Inc., in the mammoth joint venture of its time—Hoover Dam—he cut his teeth in dam building as boss of an excavation crew.

Today, among his major offices, he is president and director of Kaiser Industries Corp., Henry J. Kaiser Co. and its operating divisions—Kaiser Engineers and Sand & Gravel, Henry J. Kaiser Construction Co., Kaiser Engineers International, Inc., Henry J. Kaiser Co. (Canada), Ltd., and Willys Motors, Inc.; a vice president and director of Kaiser Aluminum & Chemical Corp. and Kaiser Steel Corp.; a vice president of Permanente Cement Co., Kaiser Gypsum Co., Inc., Glacier Sand & Gravel Co., Permanente Steamship Corp., and Kaiser Community Homes; vice chairman of the board of Kaiser Center, Inc.; a director of Industrias Kaiser Argentina, S. A., and Kaiser Aircraft & Electronics Corp.; and a trustee and president of Kaiser Foundation.

He is a director of the Automobile Manufacturers Association of Detroit, a life member of the Automobile Old Timers, New York, and the Washtenau Historical Society, Ann Arbor, Mich.; a trustee of the A. M. A. Automotive Safety Foundation, and the San Francisco Bay Area Council; the Toledo, Ohio, Museum of Art, and a member of the following clubs and associations: Arlington Club, Portland, Oreg.; American Society of Civil Engineers, New York; Big C. Society, University of California; Claremont Country Club, Oakland, Calif.; Chi Psi Fraternity; Commonwealth Club of California, San Francisco; Detroit Club, Detroit; the Recess Club, New York; the Newcomen Society of England, American branch, Automotive Engineers, New York; Society of Naval Architects and Marine Engineers, New York; and the Toledo, Ohio, Chamber of Commerce.

Mr. Kaiser was married to the former Sue Mead in Washington, D. C., in August 1932. They are the parents of six children: Carlyn (Mrs. Raymond D. Wehle, of Honolulu, T. H.); Becky Ann, a student at Stanford University, Palo Alto, Calif.; and Gretchen Fosburgh, Edgar F., Jr., Henry Mead, and Kim John, who reside at the Kaiser home at Lafayette, Calif.

The West Virginia Society of the District of Columbia wishes at this time to add just one more honor to the score or more you have already acquired in your eventful career. We wish to make you one of us. It is with this thought in mind that our society has asked me to welcome you as an adopted son of West Virginia by presenting you this plaque in appreciation of your personal achievements, and the accomplishments of the vast industrial empire you so ably administer.

May I assure you of our deep appreciation. Our thoughts and best wishes will always be for our adopted son.

American Labor and Industry Must Be Protected

EXTENSION OF REMARKS

OF

HON. JAMES T. PATTERSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. PATTERSON. Mr. Speaker and my other distinguished colleagues, today I introduced in the Congress a revised import-quota bill based upon an entirely new formula that is designed to provide our domestic industries, at long last, with protection from low-priced, foreign-made products that undersell our own wares and hence inflict injury upon American labor and free enterprise. This bill, which I refer to as a self-liberalizing quota bill, is the result of months and months, and even years, of intensive study, and I believe that if this body enacts the measure into law it will provide a long-sought solution for our domestic industries and the great American labor force that constantly face injury from imports.

Mr. Speaker, this self-liberalizing quota idea is unique in certain respects, and I believe that a comprehensive explanation should be made of the measure here at the outset. Therefore, I have prepared the following justification statement:

JUSTIFICATION FOR A SELF-LIBERALIZING QUOTA BILL

As opposed to free trade there are various restrictive practices which are used to curtail imports especially if excessive imports of a special type tend to injure a domestic industry producing a like commodity.

Under the trade liberalization movement initiated by the United States in cutting tariffs under the various reciprocal trade agreements acts as well as by the progressive reduction of 15 percent of tariffs as of January 1, 1955, there are certain specific safeguards in the tariff law to protect American producers of commodities imported in excess or in quantities injurious to domestic producers of similar or competitive products. These consist of the escape and injury clauses as well as the newer appeal procedure to the Office of Defense Mobilization under section 7 of the Trade Agreements Act on the grounds of defense essentiality.

Opposition to excessive imports of various commodities has been crystallized in

various proposed bills dealing with restrictions of imports. Generally these bills are of various types:

First. All products or a selected list of products are placed on an absolute quota of imports.

Second. An import is established as a percentage of United States consumption. This percentage changes according to the commodity.

Third. A variable quota is allowed, based on the relative productive cost in areas of so-called cheap labor. In other words, a quota or added tariff is added to offset the low labor cost of imports.

Fourth. Our current tariff law, with a few quota exceptions for agricultural commodities, allows for an additional tariff levy to be assessed if it can be proved that excessive imports tend to injure a domestic producer of a like or competitive product.

In general, these quota proposals go contrary to the concept of the progressive and expanding economy of the United States with its ever-increasing needs for imports. The growing gross national product here at home and abroad takes cognizance of the fact that increasing consumption and industrial expansion cause an increasing and progressive expansion of international trade. Certainly if we wish to export, and no one can gainsay that fact, we must also be prepared to import.

It is not in the area of raw materials but primarily in the field of manufactured items which we import, that injury results wherever imports of certain commodities in excess of our consuming needs tend to displace domestically produced goods of a similar or competitive nature.

In general, our import system has worked very well during the postwar years. Under the provisions of our tariff law certain specific procedures have been originated by which domestic producers can have a restriction put on imports by an increase in tariffs. Of the various appeals against injury, or applications for relief by the addition of increased tariffs, the Tariff Commission and the Office of Defense Mobilization have actually granted an increase in tariffs in a few notable cases—namely bicycles and Swiss watches. In many other cases these applications for relief have been disallowed after finding has been made, subsequent to hearings held on the subject, that imports have been such as not to injure domestic producers of like products.

The problems of excessive imports in some fields are gaining in intensity and many domestic producers are becoming alarmed at the continued tendency of imports increasing due to the progressive lowering of tariffs. Currently, quite a few of our industries are beginning to complain that excessive imports continue to injure their domestic industries. If the trend continues, the net result may be a permanent cessation of domestic production of such commodities. The continuing deleterious results are already very evident in those areas of our country producing textiles, fabricated rubber products, bicycle, woodscrews, ball bearings, firearms, watches, pins, needles, copper and brass mill products as well as wire mill products, and plywoods.

Singly, our industries are told that they are not being injured as badly as they imagine; that they should diversify or retrain their workers for other occupations. Most of this is wishful thinking. The mere fact that many qualified and trained workers leave one industry and find employment in another does not guarantee the survival of the industry driven to the wall by excessive imports. The time has come when relief must not be given when it is too late or when the factory has been closed, the workers dispersed, and the resultant blight has settled on a community. The time to give collective relief against excessive imports is when the applications for relief pour into the Tariff Commission so as to offset the continuing injury or to safeguard industry's future.

American businessmen can sense a trend long before the actual reality materializes. Our Government should be alive to these trends and actively assist our businessmen in keeping their businesses progressive and profitable by prohibiting excessive imports that could seriously dislocate domestic industry.

It seems to me that the time has come to reappraise the import situation and readjust imports not by cutting or raising tariffs, but by a realistic and positive approach, namely by studying the quantity and volume of imports over a period of years and then deciding on a definite procedure to be followed. This procedure should be one not merely to protect affected industries at present, but rather should it be a positive one that will also foresee possible injury in other areas and hence will eliminate injury or difficulties before they actually arise.

It has been proved time and again that raising tariffs is not the best method of curtailing imports. Foreign traders merely find ways of exporting either cheaper products or others on which profits can be made. The direct result is that there is a continuous round of United States industries being injured in some fashion or other by excessive imports. The trend seems to be toward a progressive increase in imports year by year with a resultant injury to an increasing list of our industries which cannot compete with commodities from so-called "low cost" areas.

In trade there is one concept which makes for stability, namely the ability to know beforehand what quantity can be imported or exported aside from considering the various imponderables of exchange difficulties, changeable tastes in commodities, labor costs and so forth. Stability is created when producers in our country can know definitely what percentage of their market can be assigned to imports. Whether this percentage of our market is large or small assist the foreign trader to lay his plans accordingly and at the same time allow the domestic producer enough time either to add new lines or to retrain workers who might be displaced by imports.

It is this aspect which is central to my bill concerning self-liberalizing quotas.

In this bill the pattern of imports is placed on the traditional basis; that is, an average is computed on a 5-year basis; this average takes into consideration the fluctuations inherent during such a period.

The recommendation of the bill is that the average for calendar years 1950, 1951, 1952, 1953, and 1954 shall be the import total for calendar year 1958; average for 1951, 1952, 1953, 1954, and 1955 shall be the import total for 1959; average for 1952, 1953, 1954, 1955, and 1956 shall be the import total for 1960. Since most imports have gradually increased over the years the import total for the new calendar year cannot be as small as the initial year or as large as the final year for which statistics are available—namely, 1956. Each year the import total rises.

Yet in every instance where a domestic producer has asked for relief from the Tariff Commission or the Office of Defense Mobilization by means of an increase in the tariff rate, so as to curtail imports, the result is achieved much more easily, because the yearly import average is now less than the total imports causing distress in our domestic production of that commodity.

Forward planning can take place because the published import figures can be used to figure import totals several years in advance. At the same time these totals show a small upward trend so that foreign trades can look forward to a slow expansion of trade.

The bill provides a method of relief in cases where shortages or sudden demand in case of a preparedness emergency create a need for additional imports or where domestic production is insufficient to take care of the increased needs.

The proof for stating that shortages actually exist is undoubtedly much easier to obtain for under this radical new procedure whenever there is an apparent need and hearings are called it will be much easier to establish whether unused productive capacity exists in this country or not. In other words, whenever an apparent need arises our businessmen will automatically be alerted or if such productive capacity does not exist either to take steps to expand or to import. Importations may be equally difficult to obtain, but certainly a much greater opportunity will be given to establish American subsidiaries or complementary industries in foreign countries.

Allow me to give a position or concrete example of the reason for this self-liberalizing quota bill, the procedural working out of its provisions and the possible end results.

Let us take a group of commodities such as brass-mill products in which categories there is currently an importation much to the detriment of American industry and out of all proportion to our needs.

In fact imports are creating havoc in many of our smaller fabricating plants, especially in seamless tubing. In this latter instance imports rose from 321,000 pounds of unalloyed tubing in 1950 to 21,374,000 pounds in 1956. In alloyed tubing the increase was from 1,629,000 pounds in 1950 to 23,884,000 pounds in 1956.

The position as it obtains for brass mill products since 1950 in 1,000 pounds is as follows:

Year	United States brass mill shipment	Imports	Percent
1950	2,553,500	30,680	1.20
1951	2,460,100	29,035	1.18
1952	2,552,197	56,099	2.19
1953	2,627,936	46,032	1.75
1954	2,067,754	50,633	2.44
1955	2,532,074	72,067	2.84
1956	2,219,860	86,513	3.89

No wonder there is alarm amongst brass mill fabricators when imports within a period of 6 years are more than 3 times the 1950 importation rate.

The ratio of imports to United States mill shipments should be carried further for the 2 major types—unalloyed and alloyed—in 1,000 pounds.

Total brass mill products—Unalloyed copper

[Copper content]

Year	United States mill shipments	Imports	Percent
1950	890,200	18,246	2.049
1951	782,100	14,946	1.911
1952	735,380	22,161	3.013
1953	719,986	12,213	1.696
1954	726,421	17,538	2.414
1955	888,309	32,840	3.696
1956	826,794	39,176	4.738

Total brass mill products—Alloyed copper

[Metal weight]

Year	United States mill shipments	Imports	Percent
1950	1,663,300	12,434	0.747
1951	1,678,000	14,089	.839
1952	1,816,817	33,938	1.867
1953	1,907,950	33,819	1.772
1954	1,341,333	33,095	2.467
1955	1,643,765	39,227	2.386
1956	1,393,066	47,337	3.398

Ordinarily, it might be said that when the overall consumption picture of copper products in the United States is considered that domestic producers of brass mill products are not hurt by imports of similar or competitive products since imports constitute rather a small percentage of United States consumption totals.

It is when the breakdown of imports concerns the manufacturers of small fabricators that the trend or pattern of injury is very apparent.

Consider seamless tubing made of unalloyed copper—copper content. In a 6-year period imports increased by 73 times. An enormous increase of this nature is bound to have repercussions in the brass-fabricating industry.

Total seamless tubing—Unalloyed copper

[Copper content in thousands of pounds]

Year	United States mill shipments	Imports	Percent
1950	466,531	321	0.068
1951	361,698	921	.254
1952	319,761	5,122	1.601
1953	340,806	1,126	.330
1954	386,068	5,097	1.32
1955	461,489	10,315	2.235
1956	429,910	21,374	4.971

Consider the comparison to United States mill shipment of seamless tubing made of alloyed copper. During the 6-year period imports have increased 15-fold with the greatest increase in the last 3 years.

Total seamless tubing—Alloyed copper

[Metal weight in thousands of pounds]

Year	United States mill shipments	Imports	Percent
1950	175,100	1,629	0.930
1951	173,500	1,883	1,085
1952	196,260	881	.448
1953	210,371	7,277	3.460
1954	144,841	15,156	10.463
1955	168,110	20,707	12.317
1956	163,479	23,884	14.609

In copper wire mill products the picture is slightly different—imports have increased only threefold over the same period of time yet the increase is within the last 2 years. It may be that the trend is toward increased importations in this category of import commodities with the resultant detriment to United States fabricators of the same product.

Copper wire mill products

[Copper content in thousands of pounds]

Year	United States mill shipments	Imports	Percent
1950	1,426,600	6,066	0.425
1951	1,371,000	4,599	.335
1952	1,370,077	5,565	.406
1953	1,394,631	1,709	.122
1954	1,275,201	3,450	.270
1955	1,555,579	10,284	.661
1956	1,620,519	19,373	1.195

It seems evident that if the trend of importations of alloyed and unalloyed brass mill products is upward in such a substantial fashion, that it may be axiomatic to assume that imports of wire will also increase with injurious results to our domestic wire mills.

Furthermore, it has been evident in the many applications filed with the Tariff Commission or with the Office of Defense Mobilization for relief from excessive imports that when foreign exporters discover that their actions may have possible injurious repercussions on some segment of American industry that before relief has been granted to the injured domestic industry the trade emphasis has been rapidly shifted to some other industry where profits can be made rapidly. It may be stated categorically that foreign exporting industries have been able to shift production in profitable categories much more readily than have their counterparts in American productive industries. This capacity for shifting production should be assessed dispassionately because it can do irreparable harm to many unsuspecting segments of our industries.

It is this competitive shifting factor that will be obviated in my self-liberalizing quota bill. The injury caused by shifting from one profitable category to another cannot take place because obvious limits to excessive imports are automatically set by law.

The method of assessing the self-liberalizing quota for each commodity will work in the following fashion. Let us take the example of the commodity in which imports tend to injure a domestic industry—namely the two types of seamless tubing in brass mill products—alloyed and unalloyed, mentioned before.

Seamless tubing—Unalloyed—Copper content

[Thousands of pounds]

Imports were:	
1950	321
1951	921
1952	5,122
1953	1,126
1954	5,097
Total	12,587

Average yearly imports for the 5-year period amount to 2,517,400 pounds. The annual import quota for calendar 1958 should be 2,517,400 pounds—this compares with the import total of 21,374,000 pounds in 1956 or 11.77 percent.

The same method of computation is used to arrive at the 1959 quota:

Imports were:	
1951	921
1952	5,122
1953	1,126
1954	5,097
1955	10,315
Total	22,581

Average yearly imports for the 5-year period amount to 4,516,200 pounds. The annual import quota for calendar 1959 should be 4,516,200 pounds—this compares with the import total of 21,376,000 pounds in 1956 or 21.12 percent—the quota increases automatically.

Similarly the 1960 quota is as follows:

Imports were:	
1952	5,122
1953	1,126
1954	5,097
1955	10,315
1956	21,374
Total	43,034

Average annual imports for the 5-year period amount to 8,606,800 pounds.

Thus the annual import quota for calendar 1960 should be 8,606,800 pounds—this compares with the import total of 21,374,000 pounds in 1956 or 40.26 percent—again a sizable increase, but one that is foreseen and planned for.

Similarly the quotas for 1961 onward can be computed with a sliding or self-liberalizing scale coming into being. The percentage rises slowly but it is a planned increase and American industry has 3 years to plan ahead. It cannot be proved conclusively, but the percentage increase might just be enough to allow our imports of any commodity to comprise a fair share of our growing needs of our expanding economy.

In the alloyed type of seamless tubing of brass mill products—metal weight—the quotas will be:

1958: 5,365,200 pounds or 22.46 percent of 1956 imports of 23,884,000 pounds.

1959: 9,180,800 pounds or 38.43 percent of 1956 imports.

1960: 13,581,000 pounds or 56.86 percent of 1956 imports.

The percentage increases year by year yet relief is granted within the next 3 years so as to help our domestic industry to adjust itself without the deleterious effects so evident in uncontrolled

imports resulting from our current free-trade concept.

Now before this revolutionary idea of a self-liberalizing quota is accepted there is bound to be a spate of opposition as to the impracticability of accounting procedures. the enormous addition of staff, the impossibility of assessing penalties against those countries deliberately exceeding their fair quota share, the tampering with American foreign economic policy set by the State Department, possible repercussion from foreign governments resulting in quotas against our exports, international difficulties created in the international balance of payments due to the inability of foreign governments to earn sufficient dollar exchange by exports to the United States, the vociferous battle cry that our present tariff system is the best in the world and works the most good for the greater majority of our people and so forth. One could take the opposing ideas 1 by 1 and disprove them but that is unnecessary since we are now establishing a more positive approach to imports. Hitherto we have had the negative accent by which injury has to be proved before our ponderous tariff administrative machinery can give relief to affected industries. Now the positive aspect will be stressed. Whenever a need for certain commodities shows that existing supplies in the United States are insufficient to satisfy demands, our domestic industry can either take care of that by adding productive capacity or a relaxation of the import quota can be announced. Administratively it is far easier to relax quotas than to make them more stringent by increasing tariffs.

As to international repercussions—most foreign countries exercise some sort of export control and could immediately enforce their own export share on their nationals without adding the burden to our Customs Bureau.

In any event the controls exercised by our Commerce Department can be worked out: they are not administratively infeasible. Surely our Tariff Commission should be able to come up with lists of import commodities that are directly competitive with domestically produced items so that the impact of this new idea and its relative effect on the economies of other nations can be assessed?

Remarks of Hon. Sam Rayburn, of Texas, at the Jefferson-Jackson Dinner in Salem, Ohio, on May 4, 1957

EXTENSION OF REMARKS

OF

HON. WAYNE L. HAYS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. HAYS of Ohio. Mr. Speaker, it was my very great honor to have you, the Speaker, in my district to speak to my constituents on Saturday night, May 4. I am proud and privileged to put the remarks you made at that time in the RECORD:

REMARKS OF HON. SAM RAYBURN AT JEFFERSON-JACKSON DINNER IN SALEM, OHIO, ON MAY 4, 1957

I am happy to be in the great State of Ohio again. It has been my privilege to visit Ohio many times, and I have found its people sane, sound, patriotic people. Many of the great names in our history have come out of Ohio. It is a State rich, not only in people, but in soil and industry.

I am immensely pleased that it is my privilege to be in the district represented by your very able and energetic Congressman, WAYNE HAYS. He has character, he has ability, he has industry. If the people of this district will reelect him many times in the future, he will not only be an honor to the district, but he will make such an outstanding record in the Congress that not only this district, but all of Ohio, will be proud of this son.

I am happy that you people are giving this dinner in honor of your Congressman, WAYNE HAYS. It is a testimonial richly deserved. I appointed him as a member of the United States Commission to NATO, and there he was honored by being made chairman of the conference. By word of mouth and by letter I received word of the great job he did as chairman of that most important conference. It is an honor that comes to few men, and to know that he did such a wonderful job makes me, along with you, happy to help do him this splendid honor.

We Democrats demonstrated for 20 years that we could have a program, and we knew how to put it into effect. In 20 years, under Roosevelt and Truman, we made a record of legislative accomplishments unequaled by any 20 years in American history. We demonstrated to the people of America that we were their friend and had their interests at heart.

As my friend, and the great Democratic leader in the House of Representatives, JOHN W. MCCORMACK, has so eloquently said, "The Democratic Party is the party with a heart." The Republican Party has not changed in 100 years; yea, it has not changed since Thomas Jefferson, the founder of the Democratic Party, and Alexander Hamilton, the founder of the Republican Party, struggled in the Cabinet of the great Washington.

The Jeffersonian theory was, and the Democratic theory and practice now is, that the way to make the country prosperous is to make the man at the base, the man who works with his brain and his brawn, in the stores, factories, on the farms and the marts of trade, more prosperous. If these people are reasonably prosperous and have a buying power, that prosperity goes from the bottom to the top.

We are witnessing an administration now that is true to their ancient faith. It is the day when bigness is promoted. It is the day of merger and consolidation, encouraged by everyone in the present Republican administration, from the President down.

I said that the Democratic Party is the party with a heart. To prove this, all you have to do is to look at what we have done for the aged and the poor. Social security was a Democratic product. Old-age assistance was a Democratic product. Under the expansions we have made in these laws, thousands upon thousands of American citizens are living in decency when they could not have had the bread of life if it had not been for the Democratic Party.

Let's look backward for a moment. In 1932, the last year of the Hoover administration, the total net income of all the farmers of the United States was $1,800,000,000. Under our laws, and our administrations, we raised the farm income to more than $15 billion. It has taken the Republicans 4 years to reduce the income of the farmers of the United States more than $4½ billion.

A great many Republicans want to make Ezra Taft Benson the scapegoat and not blame the head of the administration. Mr. Eisenhower appointed Mr. Benson as Secretary of Agriculture and has kept him in that place all this time, and the acts of this administration that have brought disaster, poverty, and bankruptcy to many of our farm families must be laid at the door of President Eisenhower.

During the campaign of 1952, Candidate Eisenhower pledged the American farmers 100 percent of parity in the market place, but after he became President he endorsed, advocated and pleaded for a flexible price support from 75 percent to 90 percent.

Millions were unemployed when we came into power in 1933, and before our administration closed 62½ million men and women were gainfully employed at reasonable wages and decent working conditions.

After 12 years under Harding, Coolidge and Hoover, the national income of the United States had sunk to $39 billion. We were accused of spending the country into bankruptcy, but in the 20 years we were in power, the national income rose to more than $280 billion.

Talk about spending, President Eisenhower has just presented the biggest budget ever presented in peacetime in the history of our country. There is too much fat in this budget, and I pledge you that the Democratic Congress is going to remove from it, in my opinion, somewhere from 3 to 5 billion dollars. We are not going to cut recklessly, but in a sane, sound way without hurting our country, and we are going to select carefully those parts of the budget which can be cut, and when we cut the budget these billions of dollars, we are not only going to take that load off the taxpayers of the country, but we are going to give that savings back to the people of the country in the form of tax reduction.

The Republicans went over the land railing at the foreign policy of the United States. They indicated they were going to rip the Truman-Acheson policy up by the roots and bring in a great imaginative foreign policy. They have conducted the foreign affairs of this Government in such a fashion that today, I am sad to say, I believe we have fewer friends in the world than we ever had before.

The world wanted us to be its leader. I fear that they believe now we have faltered and failed.

We cannot lay the failures of this foreign policy at the door of Mr. Dulles alone. The President of the United States, under the Constitution, is head of our foreign affairs, and any failure in this must be laid at the door of President Eisenhower.

We Democrats believe that those in places of responsibility should be able enough, and bold enough, to assume the responsibility for the acts of the Administration.

They said our program of 20 years was leading the country into socialism. They indicated they were going to rip our laws up by the roots and have a new dynamic program of their own. I have said this a great many times, and I am going to repeat it tonight. I challenge them to show where anybody in this Administration, from the President down, has advocated the repeal of a single law we passed in the 20 years we were in power. If the Democratic Party was socialistic in putting these laws on the statute books, then the Republican Administration is equally socialistic for letting them remain.

Mr. Eisenhower said that one of the reasons he was a candidate again was because the Republican Party needed rebuilding so badly. That is one statement that he had made in which, we, as Democrats, and a vast majority of the American people, are in accord.

The great phase has been coined by Mr. Eisenhower, and that is "Modern Republicanism." Modern Republicanism is such a phrase that it would sound like somebody was going to make modern antiques.

Rebuilding this Republican Party, and making it a party of the people will be a bigger undertaking than building the Aswan Dam. It will be a bigger project than damming all the streams and building the upper Colorado, Fryingpan, and Hells Canyon Dams all piled into one.

The Republican Party boasts of the prosperity of the country. When and where was the foundation laid? It was laid under a Democratic administration.

Let me repeat, we took this country in 1933, when it had a national income of $39 billion, and raised it to more than $280 billion. That is the foundation well laid by Democratic administrations, and the force and power that we gave it has carried the country on to even greater heights.

The Republican Party cannot claim the credit, therefore, for the prosperity that exists today.

So, I come back as I began. The Democratic Party is, has been, and will be, the party of the people and for all the people.

The Republican Party will remain what it is, and has been, the party of preferred privilege.

The American people are entitled to a leader in the White House who leads, and they do not want a Government administered by a staff that directs the President.

Republicans say they are the party of the future—well, if the Republican Party is to have a future they must in some way have the American people forget their past.

The Democratic Party fulfills its promises and carries out its pledges. The Republican Party makes promises and pledges and forgets them after elections.

Mr. Eisenhower carried the country by the biggest majority that any presidential candidate had ever carried it by, yet the Republican Party itself was so unpopular that they were defeated at the Congressional elections, and the Democrats now control the Senate and the House of Representatives. I predict that, with the bungling and the ineptness being shown by this administration, the 1958 Congressional elections will return a bigger majority for the Democrats in the Senate and in the House of Representatives than we have at this time.

Who Partitioned Korea?

EXTENSION OF REMARKS

OF

HON. LAWRENCE H. SMITH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 9, 1957

Mr. SMITH of Wisconsin. Mr. Speaker, under leave to extend my remarks I am including an article which I prepared for the June issue of the National Republic on a topic which has been quite controversial since Korea was partitioned.

The article follows:

WHO PARTITIONED KOREA?

(By Hon. LAWRENCE H. SMITH, United States Representative from Wisconsin)

Who partitioned Korea at the 38th parallel, and why? Thus far we do not know who made the decision, or exactly when. But history does reveal clearly that the partition led ultimately to the Korean war, in which the United States suffered 154,000 battle casualties between June 1950 and July 1953.

New light on the epochal partition decision comes to us in a recent book by Elizabeth Churchill Brown, a well-known New York journalist and wife of Constantine Brown, foreign editor of the Washington Star. The book is styled the Enemy at His Back.

The foreword by Senator WILLIAM F. KNOWLAND, of California, presents the theme of the work in these challenging words: "We must recognize that in dealing with the Kremlin, the road to appeasement is not the road to peace. It is only surrender on the installment plan."

Mrs. Brown's book is rich in new historical documentation on Yalta, Potsdam, Warm Springs, Los Alamos, and Hiroshima.

The partition of Korea was not, so far as we know at this point, a part of the Yalta agreement. On the other hand, Mrs. Brown explains that the partition at the historic 38th parallel came about in this way (p. xvii):

"Shortly after V–J Day a round-robin telephone conversation took place between the War Department and the White House. One of the participants in this unusual conference told me that those in the Pentagon did not know to whom they were talking in the White House—and that it was the White House parties who ordered the partition of Korea at the now infamous 38th parallel."

This shocking vignette of raw history suggests the quality and fiber of many of our pivotal postwar decisions in Washington, touching foreign relations, under President Truman and Secretary of State James F. Byrnes.

"After a study of the map of China it is easy to realize that, without Russian control of the areas demanded and obtained in the Yalta agreement, China would not have been lost to the Reds. And without Red control of China and the partition of Korea, the Korean war would never have happened."

In 1954 the Senate Internal Security Subcommittee, under the direction of Chairman WILLIAM E. JENNER, of Indiana, held extended hearings on the Korean war. In those hearings Gen. James A. Van Fleet and Gen. Mark Clark, among others, voiced the conclusion that unknown and unidentified men in our State Department forbade a decisive military victory in Korea north of the 38th parallel. Later in his book, From the Danube to the Yalu, General Clark wrote: "I could not help wondering and worrying whether we were faced with open enemies across the conference table and hidden enemies who sat with us in our most secret councils."

Woman's intuition guided Mrs. Brown to her scholarly labors in historical reconstruction, sometime after the death of President Roosevelt, on April 12, 1945.

"I determined to discover what influences in high places had perhaps inspired the decisions made by our leaders, and also to check our policies with those of the Communists, as set forth in their own publications. The similarity of these policies and the Communist aims was startling."

Through the Senate and House hearings on Communist subversion and infiltration, Mrs. Brown learned of the Kremlin's plans and program for Europe and Asia after the war.

"So it was that I learned how Soviet Russia had placed her agents in high places in our Government—agents who not only stole top secrets, but, most important of all, influenced the policymakers of this Nation. Agents, in key Government posts, I learned, also worked hand in hand with agents whose job it was to influence and condition the public mind in order that public opinion would accept the policies as they were made."

From President Roosevelt's Yalta Conference, in February 1945, to President Truman's Potsdam Conference, in July 1945, Washington was mostly free-wheeling. Between March 1 and Mr. Roosevelt's death on April 12, nobody was really tending the store. President Truman took over his new post without having experienced any continuing contact with the great issues of world affairs.

"During the time he was Vice President," Mrs. Brown notes, "he had never been invited to go to an international conference, nor even to the important conferences in Washington. He was completely uneducated in high-powered international politics."

White House Secretary Jonathan Daniels records that at Potsdam, "from the beginning Truman liked Stalin."

In a quiet moment President Truman had remarked: "Stalin is as near like Tom Pendergast as any man I know" (p. 146).

General Dwight Eisenhower, Supreme Allied Commander in Europe, journeyed to Amsterdam early in July 1945 to confer with President Truman, then en route to Potsdam. General Eisenhower emphatically warned Mr. Truman against soliciting Russian participation in the war against Japan. He urged that the war in the Pacific be ended before Russia could get in. But at Amsterdam, General Eisenhower did not know that at Yalta (in February) Roosevelt had accepted Stalin's pledge to put Russia into the Pacific war 3 months after VE-day. This made Russia's entry into the war on August 8 a certainty. However, President Truman did not know at Amsterdam that Russia already was pledged to enter the Pacific war.

On July 28, near the end of the Potsdam Conference (and 2 full weeks after the first test explosion of the atomic bomb at Alamogordo on July 16) Secretary Forrestal noted in his diaries that Secretary Byrnes said he was "anxious to get the Japanese affair over before the Russians got in" (p. 143).

At the end of the Potsdam Conference on August 1, General Eisenhower again remarked to President Truman that he hoped he had not made any concessions to get the Russians in. At the same time, Secretary Forrestal noted in his diary that "50 divisions could not have kept them out."

Secretary Byrnes paid glowing tribute to his personal advisers at Potsdam, Ben Cohen, who had been a guiding influence in State Department decisions since the early days of the Roosevelt administration in 1933; H. Freeman Matthews, and Charles E. Bohlen, of the State Department's Policy Planning Staff.

"A new Secretary of State could not have asked for a finer trio of advisers," Byrnes noted late in his book.

Admirals King, Leahy, and Nimitz assured Mr. Truman before Potsdam that Japan was crushed, as Eisenhower insisted later at Amsterdam. But the Foreign Economic Administration and the Office of War Information, where Owen Lattimore was in charge of the Far Eastern Branch, insisted Russia must come into the Pacific war. Gen. George Marshall agreed, arguing that Russia's declaration of war against Japan at the proper time "would save millions of American lives" (p. 148).

Russia's determination to get into the Pacific war was dictated by the Kremlin's demand for continued lend-lease shipments after VE-day, in May. Stalin estimated he needed 3 million tons more of lend-lease to supply his armies for the war against Japan. "By the time of Potsdam, the Russians were sufficiently equipped and stockpiled to be a major power in the Pacific—and they still weren't in the Pacific war," Mrs. Brown notes.

General MacArthur told in the Senate hearings (1951) of orders from Washington in May 1945 withdrawing 100 of his transport ships from the Luzon battle to transport Russian lend-lease supplies to Vladivostok. He protested bitterly that withdrawal of these ships would jeopardize the entire Philippine campaign. But Washington's orders stood. The ships were withdrawn from MacArthur's supply lines to carry lend-lease

to Russia—the very supplies and equipment which later enabled Russia to take over China and North Korea (p. 156).

Japan had been suing for peace since October 1944, and had announced to Stalin on July 18, 1945, that Prince Konoye would visit Moscow for conversations looking to peace arrangements. This information was not conveyed to President Truman by Stalin until near the end of the Potsdam Conference. On July 28, Stalin remarked casually to Truman that he had received a request from Japan to mediate. On that very day, he added (the 28th of July), he had received a second proposal from Tokyo—too vague to permit of an affirmative answer. But between July 18, the day of the first formal Japanese peace advance to Moscow, and July 28, the date Truman was informed of the peace feelers, the Potsdam Conference had decided to drop the first atomic bomb on Hiroshima early in August (p. 159).

The bomb was dropped August 6. Russia declared war on Japan August 8. The second bomb fell on Nagasaki August 9. And on August 10 Japan sued for peace on the Potsdam terms.

Russia, in the war for 2 whole days, now was a major factor in all the Pacific settlements. All the rich territorial awards to Russia, as initialed at Yalta in February 1945, now were due for payment.

Jonathan Daniels recorded some time later that President Truman had observed at Potsdam: "I got the impression that Stalin would stand by his agreements. * * *"

When the Japanese armistice did come, Russia was assigned the task of receiving the surrender in all of northern China and all North Korea, above the 38th parallel, the partition line drawn by an unnamed somebody in the White House in May.

Mrs. Brown concludes this amazing jigsaw with the arresting observation: "But at Yalta and again at Potsdam someone was calling the plays and giving the signals, and it is tempting to guess it was Stalin himself. Who on our team was interpreting the signals and putting them into effect?"

If woman's intuition is the vast power for good that so many claim, perhaps we should all dig around a bit for the answer to the lady's question.

New Data Needed To Help Small Farmers

EXTENSION OF REMARKS
OF
HON. HENRY ALDOUS DIXON
OF UTAH
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 9, 1957

Mr. DIXON. Mr. Speaker, whenever agricultural legislation is seriously discussed, there is talk about the plight of the small farmer. Many of our farm laws have assisted the large commercial farmers while doing little for the marginal farmers who are in desperate need of rehabilitation. This is like the case of the Swiss cheese having all the ventilation while the Limberger desperately needs it.

A major reason that the small farmer doesn't get the help we would like to see him receive is that we lack the statistical data which would identify his situation and the impact of various farm programs upon it. The real plight of the small farmer is swallowed up by "average" figures which are of little help in diagnosing specific ailments and considering remedies. Therefore, I urge support in the House of Representatives for my bill, H. R. 3828, which would require the Bureau of the Census to develop both money and nonmoney farm income data by economic class of farm.

This bill has already passed the Senate in the form of S. 405 introduced by Senator ARTHUR V. WATKINS. Senator WATKINS recently made an excellent statement on this bill to the House Post Office and Civil Service Committee. I wish to insert his statement at this point.

The statement follows:

Mr. Chairman, S. 405 and the House companion bill before you, H. R. 3828, introduced by Congressman DIXON, would require the Department of Commerce to collect annually money and nonmoney income data by economic class of farm. These bills are identical to S. 3145 which I introduced in the last Congress, and which passed the Senate in June 1956.

On that occasion, I called the Senate's attention to the fact that: "income statistics which lump all classes of farms together are not adequate guides for the formulation of public agricultural policies. * * *

"The Congress must have at its disposal more meaningful, reliable and current agricultural income data than it now has, if it is to develop programs which effectively meet the problems of different economic classes of farms."

Agricultural economists have long recognized this problem. Consider the following observation by Ernest W. Grove in an article appearing in the April 1956 issue of Economics Research published by the United States Department of Agriculture:

"As the bulk of the farm income, both gross and net, goes to those farms that are classified commercial, the published totals are sometimes used as representative of commercial farms. * * *

"The published averages of income per farm and income per person on farms are for all farms taken together, and they cannot be assumed to represent either the commercial or the noncommercial groups of farms. On many small farms, the farmer and his family are primarily dependent for a livelihood on income from nonagricultural sources rather than on farm income. Most commercial operators, however, not only have larger total incomes but receive the bulk of their income from farming operations. Thus, the overall averages of per farm and per capita income are actually combinations of income averages for more homogeneous subgroups of farms, among which both the absolute size and the relative importance of farm and nonfarm sources of income show wide variations.

"For these reasons, a breakdown by economic class of the overall totals and averages of farm income is badly needed" (p. 51).

Although the farm price and income situation apparently improved somewhat during 1956, agriculture as a whole did not share equally in the unprecedented prosperity which produced a $412 billion gross national product and high incomes in the nonfarm sectors of the economy.

Perhaps one reason for this situation is that we have tried to apply the same farm program to different types of farm enterprises, with the hope that in some miraculous way all farmers would benefit equally. For example, many people have assumed that price-support programs benefit all farmers.

A little reflection, however, I believe will make it clear that there are certain fundamental problems in agriculture relating to size and type of farm, location, etc., which require different solutions and perhaps different types of public assistance than those generally assumed to be beneficial to agriculture as a whole.

The Census Bureau defines a farm as 3 acres or more of land if the value of the products raised on that land amounts to $150 or more; or if it comprises less than 3 acres and the value of the products sold amounts to $150. On the basis of this definition, the 1950 census of agriculture classified farms into (1) six classes of commercial farms, depending upon the market value of produce sold; and (2) several classes of other farms, including part-time and residential.

Based upon the classification of commercial farms, we had in 1949 according to the 1950 agricultural census:

1. 103,231 farms in class I. These are farms which sold produce valued at $25,000 or more.

2. 381,151 class II farms which sold between $10,000 and $24,999 worth of agricultural commodities.

3. 721,211 farms in class III selling produce valued at between $5,000 and $9,999.

4. Class IV farms numbered 882,302 and sold between $2,500 and $4,999 worth of farm and ranch products.

5. Class V farms totaled 901,316 and their owners and operators sold crops, etc., valued at between $1,200 and $2,499.

6. 717,201 farms constituted class VI and sold produce valued at between $250 and $1,199.

It is evident from this breakdown, that two-thirds of our farms contribute very little to total money net income. However, these figures tend to indicate with respect to the owners and operators of farms, especially in classes IV through VI that their total income picture is worse than is really the case. Why? Because this type of data does not include nonmoney income such as farm produce consumed on the farm as well as that from nonfarm sources. Such nonmoney income when added to money income earned from the sale of produce and from nonfarm sources results in a more favorable comparison for the operators of these farms in classes IV through VI with (1) incomes of farmers operating class I, II, and III commercial farms (which have a very small nonfarm sources component by comparison) and (2) nonfarm incomes, than does only money income comparisons.

So that I might make such comparisons in my supplemental views on the Joint Economic Committee's report 2 years ago, I asked the Department of Commerce to provide me a table showing by economic classes of farm total net farm income on a family and per capita basis. I had naturally assumed that as part of the 1950 census of agriculture, that the Department would be able to supply such data, including money and nonmoney income. To my surprise, I was told that such data did not, in fact, exist. So, I then requested the Department of Commerce to prepare me a table based upon the 1950 census which would show these data on a per capita and family basis. After much negotiating, the Department was able to give me the requested data which actually were a composite of (1) money income based upon the 1950 agricultural census, and (2) nonmoney income or value of farm products used by farm households based upon the 1945 census of agriculture (because such data were not collected as part of the 1950 census). I ask, Mr. Chairman, that this table he printed in the hearing record at this point in my remarks.

Analysis of these data by economic class of farm indicate that:

1. One million two hundred thousand of the then existing 3.7 million commercial farms, mostly family type, comprising the first 3 economic clases of such farms, and containing 209.1 million acres of harvested cropland, produced farm products sold for $5,000 or more. Expressed another way, 22

percent of the total number of farms produced 74 percent of the total value of all farm products sold, utilizing 60.5 percent of the total harvested cropland.

The average family income, including both money and nonmoney income, of the 5 million persons living on these 1.2 million farms was $5,143. By comparison, the average family income of all farm families on farms that same year was only $2,650.

The average per capita income, including both money and nonmoney income, was $1,229, nearly twice that of all people on farms, which was only $651.

2. The other 2.5 million farms in the last 3 economic classes of commercial farms, containing 118.8 million acres of harvested cropland, produced crops sold for $4,999 or less. Expressed another way, 47 percent of the total number of farms produced only 24 percent of the total value of all farm products sold, utilizing 34.5 percent of the total harvested cropland.

The average family income including both money and nonmoney income, of the 10.3 million persons living on these 2.5 million commercial family-type farms was only $1,741—$3,352 less than the average of those families operating farms in the first 3 economic classes of farms and $859 less than the average family income of all farm families.

The average per capita income, including both money and nonmoney income, was only $430—$799 less than the average per capita income of persons living on farms in the first 3 economic classes of farms—and $221 less than that of all people living on farms, which was $651.

3. In addition, there were 1.6 million part-time and residential farms. These farms, representing 31 percent of the total number of farms, produced only 2 percent of the total value of all farm products sold.

This analysis clearly indicates, I believe, that income data in agriculture by economic class of farm are essential in evaluating the effectiveness of farm programs as applied to different size and type farms. For example, in evaluating the extent to which price support programs aid farmers by raising prices and, therefore, incomes, the foregoing data make it quite obvious that two-thirds of our family-type farms produce so very little for sale that they cannot materially benefit from such programs regardless of the level of price supports be it 75, 90, or 100 percent of parity.

No wonder then that average per capita money farm income is but one-half that of nonfarm per capita income, although on the farm side this figure is somewhat lower than the total farm income on a per capita basis, since, as I have suggested, nonmoney income is not included in current published comparisons such as those found in the Economic Indicator prepared by the Council of Economic Advisers.

On the other hand, this analysis makes it evident that within agriculture there exist great ranges of income disparity as measured by economic class of farm, and that average and per capita farm income figures, derived by dividing the number of farms and farm people into a net-income figure, are of questionable value for policy determination.

In December 1956, I again asked the Department of Commerce to furnish me a similar table based upon the more recent 1954 census of agriculture. However, again to my surprise I was informed by letter of January 10, 1957, from the Director, Bureau of the Census, that "other information like that furnished you for the 1950 census is not available." Why? Director Burgess explained by saying that "figures on net income of farm operators or on the number of persons in farm operators' households were not collected in connection with the 1954 census of agriculture," and that "we do not have any data more recent than those for 1944 regarding the value of farm products consumed by families of farm operators."

It was concern over the need for finding workable solutions to the diverse problems which confront the owners and operators of different size farms and because of the lack of this type of much-needed farm income data for policy determinations which prompted me to introduce S. 3145 in the 84th Congress and S. 405 in this the 1st session of the 85th Congress. If such data, as that enactment of S. 405 would provide, were available, Congress would be in a better position, in my opinion, depending upon the annual shift in the number of farms in each class, to develop more effective and remedial agricultural programs.

With respect to the owners of the one-third of our commercial farms, 90 percent of which are family owned and operated producing over 85 percent of our annual crop value, data would help the Congress, depending upon the supply of various crops compared to their demand, to decide whether (1) more or less emphasis ought to be put on higher or lower price supports; (2) more or less marketing and production research was needed; and whether (3) more or less conservation assistance should be forthcoming. Concerning the operators of two-thirds of our farms which produce less than 15 percent of our crop value, such data should enable the Congress to better develop for most of the people living on small rural farms a noncommercial family-type farmer's program.

The present rural-development program, although in its embryonic stage, has already made plain that the economic and social solutions to the problems of the low-income farmer require different approaches or combinations of approaches for solution. The following were some which I suggested in my minority views to the 1956 report of the Joint Economic Committee:

"Many owners and operators of fifth- and sixth-class commercial family-type farms in particular can benefit from more liberal long-term credit policies coupled with intensive assistance along technical farming lines from the Federal and State extension services and other Federal and State agencies.

"More easily attainable credit would enable many such farmers to expand their farms to a size which could return to them and their families a decent level of living. For a great many other farms, lack of opportunity to acquire adjoining farmland, rather than lack of capital to purchase such lands, constitutes the 'size of farm' problem. For others the need is for credit on liberal long-time terms to be used for the purchase of equipment, buildings, livestock, and so forth. * * *

"Others will find the solution to their economic problems through a combination of part-time farming and nonfarm employment, as many have done in increasing numbers during the past few years, even if the latter provides most of their income. Evidence of this is found in the fact that the number of part-time farmers increased by 32,008 during the past 5 years, as disclosed by a comparison of the 1950 and 1954 agricultural censuses.

"Whereas in 1940, only $2.7 billion of farm income from all sources was derived from nonfarm sources, $6.1 billion was derived in 1955. In 1946, our first postwar year, 20.5 percent of farm income from all sources was derived from nonfarm sources; by 1955 this had increased to 32.2 percent.

"We have witnessed, as far as this problem is concerned at least, growing industrialization in the Southern States, where 6 of our 9 major low-income farm areas are located. Other things being equal, the South undoubtedly will continue its industrial advancement, since one of the area's most attractive features is the existence of considerable manpower which is now underemployed on small-sized and unproductive farms.

"Still other people will derive better incomes only by leaving agriculture entirely. This voluntary exodus from agriculture will attract many younger people, who because of the lack of adequate capital required to begin a successful farming operation, must look elsewhere for their livelihood. For these, 4–H Club and other educational programs provided by State extension services and other agencies for rural youth need to stress vocational training which can lead to gainful nonfarm employment.

"Older people living on marginal farms will not want to leave, in spite of the low level of living such farms provide them. Here an extension of rural social services may materially contribute to a better level of living for these people.

"And we must not lose sight of the fact that others would rather go on living the kind of lives they are, than trade them for any other, not because they are disturbed by lack of material goods and services—larger incomes, if you please—but because they like their lives as they now are. This, they too should be free to do; 'man is that he might have joy' " (pp. 73–76).

We are indeed making progress in this policy area; it has been slow, but the future for many of these people will be made much brighter the sooner we can develop a real noncommercial family-type farmers' program. However, from what I have said, I believe it is evident that for the purpose of developing public agricultural programs there is a vital need for timely money and nonmoney income data by economic class of farm. Agricultural policies and programs based upon income averages of such diverse economic groupings of farmers as constitute American agriculture will continue to provide some farmers unnecessary financial assistance at the taxpayers' expense; and will provide little or none to those which taxpayers would be more inclined to provide public assistance.

At present, there are no continuing programs in either the Department of Agriculture or the Department of Commerce's Bureau of the Census which produce current estimates of money or nonmoney income by economic class of farm. Over the past several years, some limited attempts have been made to produce this type of information, but always in connection with other programs.

During fiscal 1956, for example, the USDA and the Department of Commerce in conjunction with a survey of farm income and expenditures, undertaken to improve overall estimates and modernize parity indexes, did obtain some national income aggregates and per-farm averages of off-farm income in 1955 for some 8 economic classes of farms. About $30,000 of the $285,000 total cost of this money might be said to have been for work on income estimates by economic class of farm. A study is now being made to determine, as originally required by S. 3145 which I introduced in the 84th Congress, whether it is feasible to collect information on farm income as part of the Bureau of the Census annual current population survey. The expenditures in connection with this project will be also in the neighborhood of $30,000.

Considering the importance of the policy implications I have previously discussed, it is to be regretted that so little attention has been given to this statistical program area, although the Congress has given continued attention to the improvement of much needed statistical data in connection with other aspects of vital agricultural as well as nonagricultural programs. This is evidenced by a comparison of (1) direct obligations for principal current Federal

statistical programs, which in fiscal 1956 amounted to $27.1 million, and which in fiscal 1957 are estimated at $30.2 million, with (2) the expenditure of $60,000 in the "income by economic class of farm" data area during the same period.

In its report upon S. 405, the USDA indicated that such data as the bill would require the Bureau of the Census to obtain "is definitely needed. At present, information on a regular basis is available only for all farmers as a group ranging from low-production farmers to those with large-scale operations. The impact of developments in agriculture has varying effects on these farmers, and it is important to know on a regular basis the trends in income for the several groups."

The Department of Commerce in its report on S. 405 confirmed the need for such data which was expressed in the USDA report. It stated in part:

"While the Department of Commerce is not directly responsible for the determination of agricultural policy, it recognizes that information about farm income is clearly important in such determination. Since the incomes of commercial and noncommercial farmers and on large and small farms may differ substantially, information about income by economic class of farm would be desirable."

Neither of these executive departments gave adverse reports upon S. 3145 a year ago. However, in its report on S. 405, the USDA indicated that "we are not in a position to make a specific recommendation regarding the bill in view of the current budgetary situation." The Department of Commerce stated likewise that "in view of the overriding budgetary considerations obtaining at this time, the Department is unable to recommend enactment of this legislation, which would make mandatory the collection of such data."

In a subsequent letter to me under date of April 29, 1957, Secretary Weeks, in response to an earlier inquiry of mine stated:

"I gather from your letter you conclude our opposition to the bill is based on a weighing of the estimated cost against the benefits anticipated to be derived from the legislation. We wish to assure you such is not the case. In our letter of May 27 to Senator ELLENDER we stated the reason for our opposition was 'overriding budgetary considerations obtaining at the time.' By this we mean that we are not now in a position to recommend adoption of this new legislation which would have the effect of increasing the immediate budget regardless of any estimated long term savings that might be anticipated therefrom. * * * We wish to make it clear that our objection to the passage of this legislation is based solely on budgetary considerations and that it does not run to the merits of the bill."

Mr. Chairman, I would suggest to the committee that there can be no doubt but that the budgetary concern expressed by the Department of Commerce was given ample consideration by the Senate Committee on Agriculture and Forestry and the Senate itself. It seems evident that the Senate and its Agriculture Committee clearly visualized long-run program savings from the immediate enactment of S. 405, which outweigh the modest costs involved even in light of the budgetary situation.

This I say for these reasons: (1) In the 84th Congress, the Senate Agriculture Committee reported S. 3145 without holding hearings. S. 3145, which is identical to S. 405, passed the Senate by unanimous consent with the membership clearly appraised of the fact that the initial cost would be in the neighborhood of $500,000 with a lesser amount required in subsequent years; (2) shortly after its introduction in this session of the 85th Congress, S. 405 was favorably reported to the Senate without hearings, and again the Senate passed it by unanimous consent, the Members again being clearly appraised of the probable but moderate costs involved.

In my judgment, passage of S. 405 will materially aid the development of more effective and beneficial farm programs at a more moderate cost to the taxpayer than is the case with respect to many of our present programs.

The Tower of Babel

EXTENSION OF REMARKS

OF

HON. WILLIAM E. JENNER

OF INDIANA

IN THE SENATE OF THE UNITED STATES

Thursday, May 9, 1957

Mr. JENNER. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address delivered by me before the Daughters of the American Revolution on April 16, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE TOWER OF BABEL

SUMMARY

The American people have erected a government within a government which bears no resemblance to that established in the Constitution.

The success of the English people in compelling their ruler to operate under law came from their insistence on imposing restraints on his spending through the Parliament which represented them.

We must do honor to these early Members of Parliament. It was not easy to tell the Kings they could not collect taxes, and spend money, as they liked, but must take only such taxes, only for such purposes, as Parliament decreed. They knew the rack, the screw, and the executioner's block were the penalty of failure.

Parliamentary resistance to the Stuart kings ended in clear establishment of two principles: Legislative control of the purse and legislative control of the sword. The Constitutional Convention made these principles the foundation of our Constitution. Congress alone was given power to set taxes, and to decide by statute for what purposes the money must be spent. Congress alone had power to raise and support armed forces, and to decide when and if they should be used in war.

Twenty-five years ago the American people and their Congress surrendered the power of the purse, to the ancient bait of an emergency. When Congress gave the executive branch money for emergencies, it in effect let the executive branch spend as it wished. All limits were off. But to abandon limits on spending, through statutory restraints, is to surrender the power of the purse. Unlimited government is here.

The growth in the national budget from $7 billion in fiscal 1934 to $72 billion for the coming year measures the growth of our Tower of Babel.

Today we face a greater danger. In the Middle East resolution, Congress gave the President a virtual blank check for use of American Armed Forces. This is surrender of the other crucial element in government by law, the power of the sword.

In addition, the President has the power, by the foreign-aid legislation, and the precedent of the Korean war, to assign American fighting men to the command of international agencies.

Will any fighting forces be left to guard America if we wish to go our own way, regardless of the majority in the United Nations?

"I am willing to devote the rest of my life to demolishing any and every attempt to destroy American sovereignty by putting American fighting men under any military command other than the United States," said Senator JENNER.

Congress and the American people working together can demolish our Tower of Babel, and make sure that government shall never again, on our soil, grow higher than the law.

TEXT

It is always a pleasure for me to speak before the Daughters of the American Revolution both here in Washington and in Indiana.

We are concerned over the same dangers to our country.

Americans love their country.

Our patriotism has, so far, been free of that cynicism which corrodes love of country when government has, for too long, been an instrument to exploit the people.

I know you were pleased, as I was, to read recently how the greatest traffic jam in the history of Washington was caused by the presence, at Haines Point, of three little sailing ships, replicas of the ships which sailed the stormy Atlantic, 350 years ago.

On the Saturday morning on which the *Susan Constant* was first open to the public, an official of the bus company called the police department and said, "You don't know what you're in for."

It seems as if everyone in Washington had started out to see these three gallant ships on which the little band of intrepid voyagers landed on the shores of Virginia to plant the seeds of the American Republic.

Americans also love their Constitution.

You would have to travel far to find a document more difficult to understand. Even the most brilliant lawyers have disputed over its meaning. The Constitution relies on no drama, emotion, rhetoric, slogans, or any attempt to win the mind by arts noble or vulgar.

It is as free from ornamentation as a Greek temple. Yet, the American people understand their Constitution, with the insight that love intuitively brings.

Last January we, in Congress, were asked to vote the President a new grant of powers called the Middle East resolution. Most of the supporting arguments dealt with talk of communism, the Arabs, oil.

But the people who wrote me were not bothered by side issues. Their letters said this measure would take control of the Armed Forces from Congress, and they were against it. They wanted Congress, and Congress alone, to make the decision on whether or not their sons were to be sent to war. A vivid awareness of the architectural form of government established in our Constitution, is deep in the minds and hearts of our people.

BUILDING OUR TOWER OF BABEL

How, then, can we explain the fact that, in the last 25 years, we have erected, on American soil, a new government—within a government, which bears no relation, whatever, to the Republic laid down in the Constitution.

The answer is simple.

A handful of people saw, in the great depression, a chance to carry out in secret their revolutionary plans to change our governmental system from American liberty to the strong, centralized executive of Continental Europe.

Under cover of relief and welfare, they built up our monstrous executive establishment. The people were too stunned to resist. Just when their hold might have been weakened by public disillusionment, the war gave the planners vast new opportunities to extend their rule. With the end of the war they turned to global welfare, as the best method of perpetuating reckless spending.

They built their power even higher on a global basis.

Like the descendants of Noah, in Genesis, they said, "Go to, let us build us a city, and a tower whose top may reach unto heaven, and let us make us a name, lest we be scattered abroad upon the face of the whole earth.

"And the Lord came down to see the city and the tower which the children of men builded.

"And the Lord said, behold the people is one and they have all one language * * * and now nothing will be restrained from them, which they have imagined to do.

"Go to, let us go down, and there confound their language, that they may not understand one another's speech.

"So the Lord scattered them abroad from thence upon the face of all the earth, and they left off to build the city.

"Therefore is the name of it called Babel, because the Lord did there confound the language of all the earth, and from thence did the Lord scatter them abroad upon the face of all the earth."

Here is the perfect model of the centralized control tower, which all ambitious self-seekers set out to erect, whenever the bonds of society are loosed. Our Tower of Babel operates behind a curtain of almost complete secrecy, but our people know well that its builders are trying to build a tower whose top may reach unto heaven.

Our people know nothing will be restrained from them which they have imagined to do, unless this Tower of Babel, like the other one, is cut down to the ground and its builders scattered abroad upon the face of the earth.

The Lord finally destroyed the earlier Tower of Babel, and confounded the language of the builders. The Bible tells us none of the details, but I am sure the Tower was not demolished until brave men appeared ready to do the work of the Lord, though the timid said, "It is too late to destroy the Tower of Babel.

"Its top has reached to heaven.

"Nothing can restrain its rulers from that which they have imagined to do."

WHAT DOES THE CONSTITUTION MEAN TO OUR TIME?

A handful of men built our present-day Tower of Babel, and a handful of men can destroy it. But we cannot destroy the Tower of Babel if we do nothing. We must gird our wills to destroy this monument to men's arrogance. We must laugh in disdain at their claims that they are "the wave of the future," that bigness is "here to stay" and so we might as well get in on the ground floor.

Those are only the incantations chanted by their medicine men, to make us afraid to use the strength with which we could destroy them.

We must have courage. But we must also have wisdom, if we are to destroy this tower in our midst. On what ground can we take our stand to dismantle our Tower of Babel? You will say, "We must take our stand on the Constitution." With that, of course, I wholly agree, but I must ask another question, "What does the Constitution mean to us today?"

It is not enough for us to chant incantations to the good old days. The Constitution comes out of the political struggles of the 17th and 18th centuries. We have been taught to understand it, in terms of Charles the First, George the Third, George Washington, and Thomas Jefferson.

But do we understand the meaning of the Constitution for the 20th century? Of course, we do not believe the nonsense that our Constitution is now outmoded, because people used to travel in stagecoaches and sailing ships, and now they travel in jet planes.

The Constitution is concerned with eternal principles. It was made for the ages. It is almost completely free from restrictions which bind it to the problems of the day. But let us not forget the law of life. Human beings are not permitted to lean on the wisdom of the past, to meet a crisis of their time. They must be willing to work as hard, to preserve that wisdom, as their forefathers worked to distill it from their own painful experience.

Americans of our generation are not going to save our Constitution and hand it on, unimpaired, to succeeding generations, unless they achieve the devotion of the men who signed the Declaration of Independence, and dedicated to their country their lives, their fortunes, and their sacred honor.

We are not going to preserve our Constitution, through the world political crisis, unless we also reach the high level of intelligence which our revolutionary leaders needed, to create out of English experience, an even more perfect instrument for liberty under law.

THE SEPARATION OF POWERS TODAY

The grand design of our Constitution rests on the principle of the separation of powers.

What does that mean today?

In civics class we learn the Federal Government is divided into three branches, legislative, executive, and judicial, and each is independent of, and coequal to, the others. Logically that is true, but logic gives us nothing of the political wisdom in that principle we call the separation of powers.

Only history can tell us why the idea is so important, how much it cost our forefathers to establish it, and in what way it is important to us today.

The executive must be stronger than any individual in the city, State, or the Nation. Only the English-speaking people found the way to bring executive power under restraint. They knew the chief executive could not be deprived of police power. So it must be deprived of some equally important power. They chose the power to tax. The English took the power to tax away from the men who controlled the armies, and set up a body, representative of the people, to study the country's needs and decide when the head of state could collect tax funds and how much. Obviously, they soon had to decide what he could and could not spend the money for.

Parliamentary control of the purse, defining, by statute, the purposes for which tax funds may be spent, established that political miracle, government under law.

THE HEROIC RESISTANCE OF PARLIAMENT

Let us never forget what we owe to those early Members of Parliament. They had to tell their King he was not going to spend money for what he wanted, but only for what the Parliament told him he could spend it for.

Henry VIII was not a docile man. Those members of Parliament who told Henry VIII, Queen Elizabeth, James I, and Charles I they were not going to do as they liked knew the rack, the screw, and the executioner's block awaited them if they failed. When the Members of the Continental Congress dedicated their lives to winning independence for the Colonies, they were not using literary phrases.

The hangman's noose was the price of failure.

Our Constitution embodied the two heroic victories of the English Parliament over their power-seeking Kings in provisions that the Congress should lay all taxes and make the laws governing how they were spent, and also that the Congress should have complete control of the money for the Armed Forces, and of the decision whether to send our men into war.

In 1795 James Madison wrote—and I quote:

"Of all the enemies to public liberty, war is, perhaps, the most to be dreaded, because it comprises and develops the germ of every other. * * *

"War is the parent of armies; from these proceed debts and taxes; and armies, debts, and taxes are the known instruments for bringing the many under the domination of the few. * * *

"The Constitution expressly and exclusively vests in the Legislature the power of declaring a state of war, * * * the power of raising armies, * * * the power of creating offices. * * *

"A delegation of such powers (to the President) would have struck not only at the fabric of our Constitution but at the foundation of all well-organized and well-checked governments.

"The separation of the power of declaring war from that of conducting it is wisely contrived to exclude the danger of its being declared for the sake of its being conducted.

"The separation of the power of raising armies from the power of commanding them is intended to prevent the raising of armies for the sake of commanding them.

"The separation of the power of creating offices from that of filling them is an essential guard against the temptation to create offices for the sake of gratifying favorites or multiplying dependence."

These are the tables of the law of American liberty.

WE THE PEOPLE SURRENDERED POWER OVER THE PURSE

From 1789 to the mid-20th century, American Presidents adhered to the letter and the spirit of our two great political safeguards—Congressional control of the purse, and Congressional control of the sword. We should stop blaming our President for the loss of our liberty. It is time to point the finger where it belongs. We, the people, through our representatives in Congress, had full power to stop it. Our power to preserve our institutions was given us in trust, in the Constitution.

We had no moral right to surrender that responsibility. But we did. What did we do? We fell victims to a simple trick. We were asked to vote large sums of money to the President for an emergency, and we swallowed the bait.

By voting emergency spending laws, Congress said to the executive branch:

"We have just voted to free you entirely from the restrictions of government under law.

"We have made the law so elastic, so shapeless and formless, that it has no limits.

"Go as far as you like."

President Roosevelt's budget for his first year, in the aftermath of the great depression, was for not quite $7 billion. Our proposed budget for fiscal 1958 is $72 billion. Every step in the growth of Government spending, from not quite $7 billion to $72 billion, is the result of that 1933 decision to surrender to the executive branch the hardwon power of the people, through their Congress, to lay down the law to their Government.

Every brick and stone in our Tower of Babel was put there with our help. We gave the builders the right to use our money as they wished, in spite of the painful efforts made by the English-speaking people over the centuries, to keep governments from spending as they liked.

Our Tower of Babel rose until its top reached the sky. It builders won the vast invisible powers that come from unlimited spending money.

DID WE SURRENDER THE POWER OF THE SWORD?

But, today, we face a new and greater danger.

Let me come back to the Middle East resolution. The resolution was called, frankly,

an undated declaration of war. It was, in my opinion, an admission by the Congress that the President's authority over our military forces is no longer limited to the executive duty to carry out policy. It is now expanded to include the most precious of all legislative responsibilities—the right to decide whether or not our country should go to war.

Now let us be honest. This means unlimited government is here.

In 1933, the executive branch was freed from legislative restraints on spending. In 1957, the executive branch was freed from legislative restrains on the use of military force.

Congress, which first surrendered the power of the purse, has now surrendered the power of the sword.

The surrender of the power to decide on war was surrender of the great achievement of the supporters of Parliament in 1688, the keystone of limited government. This achievement was embodied in our Constitution, by agreement so universal that it is hardly mentioned at all.

Still the story is not complete.

Congress, also, added to the Middle East resolution, an amendment authorizing the President of the United States to give men and money to the United Nations emergency forces. Now what does this mean in terms of the law?

It is not the business of Congress to decide a President is, or is not, trustworthy. The legislature's duty is to define limits on power which apply to all.

The law does not vary for persons.

WHAT LIMITS REMAIN ON THE POWER OF THE SWORD?

What are the limits in the expression "United Nations emergency force?"

The answer is, that there are no limits—except those which, some day, may be set by the United Nations Security Council, including—you remember—the Soviet Union.

But that is not all.

The Mutual Aid Authorization Act gives the President power to transfer members of our Armed Forces, as well as civilian officials, to serve any international agency, as he decides.

What has been going on under this provision? We do not know.

You will remember how hard your society worked to find out how the President had transferred American soil at Norfolk to NATO.

Of course, the law says the assignment of American fighting men is only for peacetime, but the fighting in Korea was not war. It was a police action, that is peace.

All the killing of our men serving under United Nations military action, will be called peace.

UNDER WHAT AUTHORITY DOES THE PRESIDENT NOW ACT?

One more point.

You remember that in 1950, the President of the United States agreed to act for the United Nations in command of the United Nations forces fighting in Korea. He then proceeded to incorporate our fighting men into the United Nations forces.

Everything about this series of actions suggests careful advance preparation. We have never had a debate in Congress over the constitutional questions involved in this series of moves.

Does the President have authority, under the Constitution, to put our fighting men into a United Nations force? What constitutional protections go with them, when they are so transferred? When the President of the United States serves as an agent of the United Nations, or, as they say, when he changes to a United Nations hat, is he still bound by the limits set by the Constitution? Or does he acquire strange new powers without any limits in law? Now, I am certain our Presidents have had no slightest intention of violating the Constitution.

But we have had some able, ruthless Machiavellian men high up in the American Government who do not always tell our Presidents where they are going, by their apparently simple moves.

For better or worse, the Korean precedent still stands.

As I read this combination of moves, the American President can now direct our Armed Forces to any end, without any constitutional limitations and, furthermore, can direct them as an agent of the United Nations where he, himself, is not bound by the Constitution.

AMERICA'S THIRD CRUSADE

Is there hidden, somewhere, in the Middle East resolution and its counterparts, a plan for America's third crusade? Are we to send American youth to serve in multinational military units all over the earth, prepared to fight, at a moment's notice, any people who resist the peace the United Nations elects for them?

We speak with indignation of the children's crusade of the Middle Ages in which the boys and girls of Europe set out for the Holy Land, to fight the infidel, but were waylaid and robbed, beaten and enslaved by greedy men, before they could reach their destination. Where are the fighting men who will bear the brunt of this third crusade under the United Nations? Today they are in our high schools, studying algebra, practicing football, cramming for examinations in current events, getting together a little money to buy records, or take their girls to a dance.

If America is embarking on another crusade, to make the world safe for the United Nations, it will be a children's crusade.

I hope the American people will insist that Congress cut Government spending to the bone, and chain it once again with the chains of the law.

WHO WILL DEFEND OUR COUNTRY?

But our security as a Nation is more precious than our prosperity. Our children are infinitely more precious than our wealth.

If an American President can order American fighting men to serve in the United Nations fighting units, where will our national defense be 10 years from now? Who will protect the United States?

Will we have fighting forces to defend us, if we choose American answers which go against the decisions of the United Nations, including Soviet Russia and its satellites?

The builders of the Tower of Babel have taken from us more wealth than was dreamed of by any conqueror of the past. But if they take our right to defend ourselves, that will be infinitely more terrible. If they take our children, and put them into United Nations forces, under a United Nations command, above our Congress and the Constitution, that will be the end.

I am willing to devote the rest of my life to demolishing any and every attempt to destroy American sovereignty by putting American fighting men under any military command other than that of the United States.

THE ISSUE IS THE SOVEREIGN POWER

Control of armed forces is the sovereign power. Our Constitution put this power in the hands of Congress, as trustees of the American people. Not one of us can rest until that power is returned. Our Tower of Babel must be razed to the ground, if we are to live again by the laws of our forefathers. If Congress and the people work together, they can restore our fundamental law.

Congress can put our Federal Government under limits again, when Members of Congress are the spokesmen for an angry and tireless people, determined to save America. They will cut down our Tower of Babel and make sure government shall never again, on our soil, grow higher than the law.

This uprising of the American people can save our earnings and accumulated wealth from being scattered to the four winds, in the name of global welfare.

But infinitely more important, Daughters of the American Revolution, it can save our sons from being left to die on some distant field of battle, in the service of ruthless power, under a United Nations flag, in the name of a so-called United Nations peace.

HOUSE OF REPRESENTATIVES

FRIDAY, MAY 10, 1957

The House met at 12 o'clock noon.

The Reverend Alan Kenneth Magner, First Presbyterian Church, Rumson, N. J., offered the following prayer:

Almighty God, our Father in heaven, who has placed us one and all in the common bundle of life, we pray for Thy presence.

Especially today we pray in our national life for Thy help to the hard pressed—we remember those States this day in the Northeast ravished by forest fire and the State in the South threatened by flood.

In our personal living guide us that what we do may draw men together and not divide them, that what we say may cement our relationships and not separate us one from the other.

Bless those who are leaders of our land, and the multitudes of private citizens in the great cities and quiet country places that in all things we may seek Thy will to know it and knowing it have the courage to do it, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McBride, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 1491. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles."

ADJOURNMENT OVER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that it may be in order that Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

HOUSING ACT OF 1957

Mr. RAINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Speaker, yesterday in adopting the Edmondson amendment the House voted to increase the borrowing authority of FNMA for secondary market operation by $1.25 billion. However, a technical error was made in drafting the provisions, and the change was made in the Treasury backstop authority but not in the corresponding provisions on Treasury stock. The changes which I now request are conforming changes to make sure the bill carries out the intent of the House.

Mr. Speaker, I ask unanimous consent that the Clerk be directed to reengross the bill H. R. 6659 and make the following changes and corrections:

Page 9, line 24, strike out "$200,000,000" and insert in lieu thereof "$175,000,000."

Page 10, line 3, strike out "$200,000,000" and insert in lieu thereof "$175,000,000."

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

Mr. MARTIN. Mr. Speaker, reserving the right to object, and I am not going to object, because the gentleman from Iowa [Mr. TALLE] has sent word to me that this is perfectly agreeable with him. I withdraw my reservation of objection.

Mr. EDMONDSON. Mr. Speaker, further reserving the right to object, I want to take this opportunity to commend the gentleman from Alabama for the realistic statesmanship which he displayed in connection with this bill and for the actual authorship of its most substantial provisions.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

SPECIAL ELECTION IN JEFFERSON COUNTY, ALA., EXPLODES REPUBLICAN MYTH

Mr. HUDDLESTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HUDDLESTON. Mr. Speaker, as you know, my Congressional district, the Ninth of Alabama, comprises the city of Birmingham and Jefferson County. This is an industrial area and one of considerable economic activity.

Ever since the presidential election last November, the Republican Party in Jefferson County has been asserting that the results of that election showed that the party was on the ascendancy and was becoming a political factor to be contended with in the future. Predictions have even been made that they would, before long, carry many of our local elections.

These assertions were based on the fact that in the November election President Eisenhower carried the county by a vote of approximately 43,000 to 38,000, with independent electors receiving an additional 5,000.

On Tuesday, May 7, a special election was held in Jefferson County to fill a seat in the Alabama State Legislature which had become vacant through resignation of Hon. J. Paul Meeks, who had accepted the position of probate judge of the county. Candidates representing the Democratic and Republican Parties sought to fill the vacancy. The issue was properly joined since this was the only countywide office to be filled and the electorate thus had an excellent opportunity to make a studied choice between the candidates, both of whom waged intensive and aggressive campaigns.

The results of the election will be of particular interest to the Members of the House since, it appears, they indicate, first, whether, in fact, the Republican propaganda is true or false, and, second, whether, indeed, large numbers of citizens in Jefferson County have embraced Republicanism in the past few years.

The Democratic nominee, Hon. James G. Adams, Jr., an able attorney, handily defeated Republican Gordon Beene, an attractive and hardworking candidate with a well-organized group of supporters. With a light vote being cast, the margin of victory for Mr. Adams was better than 3 to 1. With only 9 boxes out of 178 unreported, unofficial returns reflect that the Democratic candidate received 21,044 votes to a total of 6,707 for his opponent, constituting a Democratic vote of 76 percent of the total.

The results of the election were conclusive. We Democrats in Jefferson County hope that our local Republicans will take stock of the situation. It is clearly evident that the people of Jefferson County, Ala., have no intention of deserting their party. Our people are not ready to swallow Republicanism. It will be a safe guess to say that Jefferson County will remain Democratic for many, many years to come.

I am sure that my Democratic colleagues rejoice with me in this indication of the strength of our party in my district.

THE 10TH OF MAY, ANNIVERSARY OF RUMANIAN INDEPENDENCE

Mr. MACHROWICZ. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MACHROWICZ. Mr. Speaker, the independence of Rumania, crushed 12 years ago by the Soviet-Communist seizure of the country, has deep roots in the history of Europe and Christendom. The Roman colonists established by Emperior Trajan in the Rumanian lands, in the second century of our era, have succeeded by their spirit of resistance and Christian faith to survive long centuries of ruthless invasions from the East. At the moment of the crusades this Latin outpost on the eastern borders of Europe made a steady contribution to the fight against the pagans. It was this role in the defense of Europe which was eventually recognized, in the full reestablishment of Rumania's independence, by the Treaty of Paris in 1856 and that of Berlin in 1878. But the existence of a free Rumania has always meant a serious obstacle in the way of the Russian imperialist drive to the West.

The Soviet Union is now trying to destroy the very thing that during centuries resisted the barbaric invasions, that is, the national and Christian spirit of the people. They are not going to succeed but given time and inaction on our part they could obscure in the minds of a new generation these spiritual values. We know that political indecision, embodied in the containment and coexistence concepts, nibbles away even at the foundations of the free world. There is no greater help for the advancement of communism than a climate of dilatory compromise and empty propaganda never substantiated by any action. As I stated at a reunion of the League of Free Romanians: "I, having been born in Poland, understand more deeply perhaps than others, the reactions of the people of Eastern Europe. The worst thing we can do is continuing to deceive them and exploit their faith in us through hypocritically playing upon words."

The only thing which today gives encouragement and hope to the enslaved millions is not the rhetoric of electoral liberation or the spreading of vague theories but a real and precise decision on the part of the United States to support through concrete action those who until now have been the objects of bargaining, in their struggle to regain the freedom they lost at the end of the war. Such a course is more indispensable than ever now, after the lamentable failure of the champions of liberation to take advantage of the exceptional opportunity offered by the gallant fight of the entire Hungarian people, in order to restore liberty and democracy in a country freed from Moscow. It is high time that we should recognize honestly our obligations toward the enslaved people and commence to redress their wrongs through positive and constructive measures.

I could not, on this day commemorating the independence of Rumania, make a better wish than that through the efforts of patriotic and courageous men the issue between freedom and Communist slavery will be decided here, at last, for the cause of freedom.

RUMANIAN INDEPENDENCE

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, the 10th of May is the anniversary of national independence for Rumania. Rumania is one of the early Christian nations in world history. She has been fighting for liberty and independence over the

centuries. Historians have pointed out that the development of western civilization has been made possible through the heroism and sacrifices of the eastern European nations. Rumania is one of those nations that bore the brunt of the invasions of such tyrants as Genghis Khan, the Turks, and other aggressors over the generations past. Back in 1821, the Rumanian people, through perseverance and patriotism, inaugurated the beginning of a national revival, which although over the intervening years was difficult, it eventually led to Rumanian independence. In the First World War, Rumania fought on the side of America, France, and England which eventually brought about freedom and unity of all Rumanians. In the period from World War I to the beginning of World War II, Rumania was a member of the League of Nations and played an important part as an independent nation in eastern European development. In 1939 this valiant country was again the victim of powerful forces headed by the Nazis and Communist tyrants. The history of this period is too recent to recall because all Rumanians are familiar with the impossible odds which confronted these freedom-loving people.

I was a member of the Select Committee Investigating Communist Aggression in the 83d Congress which recorded testimony not only in this country, but in Europe, exposing the trickery, infiltration, and duplicity of the Soviet tyrants in overcoming and subjecting Rumania to the control of Russian communism. The Russian tyrants, through the unspeakable and vicious tyrant Vishinsky, in February 1945, arrogantly and through force of military power, upset the free Government of Rumania. This deplorable story was related by Rumanian leaders in testimony before our committee and revealed the horrors of this period. One of the witnesses was Princess Ileana of Rumania who testified that the Rumanian people were almost 100 percent in opposition to the takeover by the Communist tyrants. The Rumanian national life from then to the present day has been subjected to a pattern of a subjugated Soviet domination and control.

The spirit and love of the Rumanian people for freedom and self-government shines as strong today as it did back through the centuries and will continue until the Communist oppressors are driven from their homeland. Americans of Rumanian descent, as well as all other freedom-loving people in the United States, will cooperate and aid this valiant country to reattain the independence which was lost in 1945 and someday will be reestablished in Rumania.

THOMAS E. MURRAY

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, on March 21, a letter signed by 11 members of the Joint Congressional Committee on Atomic Energy was sent to the President of the United States. These 11 members, in their letter, recommended the reappointment of Mr. Thomas E. Murray to the Atomic Energy Commission.

Acknowledgment of the letter was received by the gentleman from North Carolina, Representative CARL T. DURHAM, by a letter of April 16, 1957, signed by Sherman Adams. There has been no word from the President as the time for reappointment or replacement draws near.

Evidently Mr. Murray has been weighed in the balance used by the administration and found wanting.

In what measure could he be found wanting?

Not in diligence and dedication to the work of the Commission on which he has served. His contributions to nuclear defense have been significant.

The letter of the 11 Members of Congress states that in 1951 Thomas Murray, with great foresight, undertook the advocacy of a greatly enlarged program of uranium-ore production and that he was the prime mover in establishing the second weapons laboratory at Livermore, from which came the impetus that resulted in the success in 1952 of the thermonuclear program.

His initiative, taken in the face of great opposition, has been acknowledged by his major associates in this effort.

Mr. Murray is credited with having played a major role in reopening the Pacific testing grounds in 1951 and in establishing the Nevada test site in the same year. He is credited also with insistent advocacy of small-weapons development, of more rapid production of nuclear material in the interests of a balanced stockpile which would give both military strength and flexibility.

He is credited by the members of the Joint Committee on Atomic Energy with initiative in the shipping port reactor project and with vigorous and farseeing efforts to keep this country in the forefront of developments in the field of industrial nuclear power.

He has supported the atoms-for-peace program and encouraged broadening the participation of private interest in the nuclear-energy program.

Has he been found wanting in personal character or qualification?

No one has so declared. On the contrary, he has been credited by church leaders of various denominations with bringing a sense of moral responsibility to the exercise of his official duties. He more than any other member of the Atomic Energy Commission has sought answers to the moral issues involved in the nuclear armament program. And he has raised these issues and discussed them in public forum and in public print.

Has he been found wanting in partisan conformity to the position of the administration?

It would seem not. His reappointment to the Commission was recommended by at least one Republican member of the Congressional Joint Committee on Atomic Energy. The committee letter credited Mr. Murray with having conducted himself so as to avoid partisanship. The administration has filed no complaint against him politically.

One can find no evidence that Mr. Murray has been found wanting in any of the important and properly applicable standards upon which the question of his reappointment or of his replacement should be decided.

One can only conclude that he has been found wanting by the President and his advisers on other grounds.

Has he been found wanting because he has sometimes opposed the position of Admiral Strauss on both policy and procedural questions?

Has he been found wanting because he stood against the proposition that the whole Commission be made subordinate to the will of its Chairman?

Has he been found wanting because he would not defend the Dixon-Yates intrusion into the field of atomic energy?

Has he been found wanting because his advocacy of small weapons, at least by implication, contradicts the massive retaliation threats once made by the administration?

Has he been found wanting because his advocacy of peacetime use of nuclear energy stands as a criticism of the administration's failure to act effectively in this field?

Has he been found wanting because he has raised the difficult moral questions relating to the development and use of thermonuclear weapons and has attempted to reach answers, while the administration has remained behind its defenses of indecision, evasion, and moral platitudes?

These are the questions which the President should be called to answer publicly if he refuses to reappoint this able, deserving, and courageous servant of the public good.

Mr. MARTIN. Mr. Speaker, would the gentleman yield?

Mr. McCARTHY. I yield to the gentleman from Massachusetts.

Mr. MARTIN. The gentleman said that the time within which the President may act has not yet expired. Does not the gentleman think that we had better wait until that time has expired before we snipe at the President?

Mr. McCARTHY. I am not sniping at the President. I am asking him to speak up on this question. The time has nearly run out.

Mr. MARTIN. Does not the gentleman think the President should be allowed the usual time?

Mr. McCARTHY. I think the members of the joint committee, the majority of them, deserve more than a letter on this important question from Mr. Sherman Adams.

ANNIVERSARY OF RUMANIAN INDEPENDENCE DAY

Mr. BENTLEY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include a letter on the subject of Rumanian Independence Day.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BENTLEY. Mr. Speaker, today, May 10, marks another anniversary of freedom for a nation whose people today live under conditions from which all freedoms are totally absent. I refer to the nation and people of Rumania, one of the first eastern European countries to feel the postwar Communist aggression and enslavement. At this point in my remarks, Mr. Speaker, I would like to insert the text of a letter dated May 9 from Mihail Farcasanu, president of the League of Free Romanians. The text is as follows:

THE LEAGUE OF FREE ROMANIANS,
New York, N. Y. May 9, 1957.

The Honorable ALVIN M. BENTLEY,
United States Representative From Michigan.

DEAR MR. BENTLEY: We would be deeply grateful to you if you can say a few words on the anniversary of Rumania's Independence Day this 10th of May. This anniversary is now forbidden by the Communists in our homeland, where now is celebrated on the 9th of May the "day" of the "liberating" Red army. As you so well know, Rumania, like the other countries behind the Iron Curtain, has been politically forsaken by the free world. I could not better express the situation than by quoting what you yourself said at a 10th of May dinner given by the League of Free Romanians:

"There is another thing which I feel should be mentioned: We Americans make a point of honor not to recognize Red China under the consideration that its government is nonrepresentative. But we forget that our administrations have recognized and entertain diplomatic relations with the Communist stooge governments forcibly imposed by Moscow in eastern Europe. These totalitarian governments are as nonrepresentative as the Chinese Red government, they are agents of the Kremlin and criminal oppressors of former free nations. With these imposters we signed so-called peace treaties, thus presenting them to the free world as legitimate representatives of the people, whom they were oppressing and enslaving. I have studied the problem of the so-called peace treaty with Rumania. That treaty is not worth a scrap of paper. The worst tyranny is crushing the Rumanian people under cover of this treaty which we signed and still recognize. I, therefore, believe that if we really want to be faithful to our traditions and at the same time preserve the friendship and confidence of the subjugated peoples behind the Iron Curtain we must cease this dishonorable recognition and dealing with their torturers and exploiters."

Unfortunately, no official reversal of the Yalta policy of appeasement has been achieved or even contemplated. The tragic crushing of the Hungarian revolt, in the absence of any constructive action on the part of the West, has brought a new and terrible blow to the hopes of all the subjugated peoples. Instead of a decision in support of the enslaved, a new policy of amity toward the Communists appears to be in the making The President's suggestions for the bettering of relations between the free world and the Soviet slave empire through increased trade, travel, and cultural relations with the Communists, has no connection whatsoever with the restoration of the rights, liberties, and independence of the subjugated peoples. It is painfully obvious that so-called cultural relations with totalitarian despotism would not change the structure of that regime nor its purposes. The only foreseeable result of such policies would evidently be to consolidate Communist tyranny by advertising our cooperation with them, thereby destroying the last hopes entertained by our allies, the enslaved peoples.

It is perhaps pertinent to recall at this point a situation which is so easily glossed over, namely, that besides the moral and strategic interest we have in the subjugated area, we have also clear international obligations which we have freely assumed in respect to them. The Atlantic Charter and the ensuing American declarations of general import, fixed the United States responsibilities regarding the establishment in the liberated countries, by means of free elections, of governments responsive to the will of the people. This responsibility has been reaffirmed through direct agreements with the countries concerned. By virtue of this we have formal juridical obligations toward the nations which have been occupied by the Soviets through aggression and fraud.

It is, therefore, as well our duty as our interest, to uphold the rights of the subjugated eastern European people.

Anything you can say on this 10th of May in support of the legitimate aspirations of freedom and human rights of a nation that has been free and independent and is now enslaved will be deeply appreciated by Rumanians all over the world, both here and behind the Iron Curtain.

Please accept our warm thanks.

I remain,

Yours respectfully,

MIHAIL FARCASANU,
President.

For the past several weeks, Mr. Speaker, the Subcommittee on Europe of the House Committee on Foreign Affairs, of which I am a member, has been studying the overall question of United States policy toward the satellite governments, particularly in the light of recent events. It is our hope to issue our first report by the end of next week. I am sure that all Members will agree that our present policy in this respect calls for a thorough review and reappraisal if it is to be realistic and at the same time effective.

I would like to take this opportunity to assure the people of Rumania that their present plight is not forgotten by the people of the United States and that we firmly believe the day will come when they will be able to celebrate this anniversary again within their own country and again to enjoy the blessings of freedom and independence which are inherently the right of mankind everywhere.

MOTHER'S DAY

Mr. COLLIER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. COLLIER. Mr. Speaker, on Sunday, May 12, the people of the entire Nation will observe Mother's Day and pay tribute to motherhood in every hamlet, village, and city throughout the United States. This day and its solemn significance is a tribute to that which has remained dearest and most sacred in the national life of our country.

Mother's Day goes much deeper than simply a day to pay tribute to millions of mothers, for it embraces, too, the American home, the foundation of all that represents the love and respect of man for his fellow man, the rock upon which communities are built to form a great nation.

On Sunday next the clergy of America will pay tribute to the deeds and sacrifices of the Nation's mothers who are the very essence of the life of the Nation. On this day, too, there will be many revered memories of mothers who have fulfilled their earthly tasks and since were called to final rest.

In a world torn by two major wars since the turn of the century, there is no measure for the sacrifice of motherhood in our times, nor is there any responsibility of even the leaders of nations greater than that of the mothers of this Nation. For the love, devotion to family, and for the great contribution which American motherhood has made to the home and community in providing all that is good and fine in human resources and the progress of this Nation, we are thankful.

Let us never forget as a nation the simple tribute once paid by Abraham Lincoln who said, "All that I am or hope to be, I owe to my angel mother."

STATEMENTS CONTRARY TO FACTS

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MASON. Mr. Speaker, the advisory council of the Democratic National Committee in its recent attack upon the Eisenhower administration made three accusations that are untrue and ridiculous.

The first was, "The rich are getting richer and the poor are getting poorer under this administration." Government statistics do not bear out this ridiculous statement.

Sixty-nine percent of the national income in 1956 went for wages and salaries; only 9.8 percent went to those who derive their income from dividends, rent, and interest.

The man in the top tax bracket, the man with the large income, has to pay Uncle Sam 91 cents out of every $1 of income he has. How can he become richer when he has only 9 cents out of every dollar he takes in after Uncle Sam gets his cut?

In 1952 when the Eisenhower administration took over, the average hourly wage in American factories was $1.67. Today the average hourly wage in American factories is $2.05. The average weekly earnings in 1952 were $67.97. Today the average weekly earnings are $82—21 percent higher than in 1952.

Mr. Speaker, the second ridiculous and untrue accusation made was, "Under the Eisenhower administration our Federal fiscal affairs are approaching a crisis." Of course, this statement standing alone is utterly false, it must be qualified.

The Federal budget is balanced, has been balanced the past 2 years, and the prospects are for a balanced budget next year. Would our fiscal affairs be in better shape if we returned to the Truman program of unbalanced budgets, cheap money, and tax relief for only one group

of taxpayers, the group in the lowest tax bracket?

Mr. Speaker, the third assertion was that the cost of living has reached new heights under Eisenhower. When this assertion is analyzed it is also ridiculous.

True, consumer prices have gone up since 1952 by 4 points. But since 1946 consumer prices have gone up by 41 points, 37 of those points under President Truman and only 4 under President Eisenhower. In 7 years under President Truman the cost of living rose 47.5 percent. During the 4½ years under Eisenhower the cost of living has risen only 3½ percent. We should not overlook these facts when talking about the cost of living. Also, this administration has already given—in 1954—the biggest tax reduction in all history and is now planning for another tax reduction next year.

The Eisenhower administration—in the opinion of the writer—has made mistakes; it has not carried out all of its promises; it has proposed a colossal budget for next year, at least six billion more than necessary. It can and should be criticized upon its record, but it should not be attacked and criticized for things it has not done, nor for things for which it is not responsible. False accusations and innuendoes by the Democratic advisory committee must not be allowed to go unchallenged.

ALIEN PROPERTY IN THE HANDS OF THE UNITED STATES

Mr. WAINWRIGHT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WAINWRIGHT. Mr. Speaker, certain astonishing information has come to my attention. Enormous and vastly powerful corporations and combines in Germany and Japan are seeking to acquire from the American Government assets now rightfully belonging to the United States. The I. G. Farben interests, for example, spent somewhere in the neighborhood of a million dollars in legal fees alone over the past 3 years to have the cartel's property returned to Germany.

While we in America believe that no person shall be deprived of life, liberty, or property without due process of law, I do not feel that this principle can be applied with equal logic to the property of aliens whose sole attempt was to destroy the United States of America. I. G. Farben was one of Hitler's mainstays and supplied him with the sinews of war.

The United States, instead of charging the Germans and the Japanese with ridiculous reparations, agreed to keep the property acquired by the Alien Property Custodian. Both former enemy nations agreed to this. In addition, we entered into a solemn pact with 18 Allied Nations to handle reparations in this fashion. Out of this agreement came the War Claims Act of 1948.

To carry out the intent of the act, to carry out American policy, and to protect and preserve the rights of those people who suffered and were deprived of their property rights by a devastating enemy, I have introduced H. R. 7318.

The liquidated assets in the hands of the United States Treasury presently exceed $100 million, and with the sale of the stock of General Aniline Co. and other similar assets of this fund could approximate $225 million. The war with Germany has been concluded for nearly 12 years and no one has considered compensating American nationals who had property abroad which was damaged or taken as a consequence of Nazi aggression. Justice delayed is justice denied. I believe charity commences at home somewhere along the line, and I am for some means of paying damages to Americans before this source of funds is depleted.

This program would be administered by the Foreign Claims Settlement Commission of the United States and would not cost the taxpayers one cent of appropriated tax funds. Here is a painless program for American citizens—the forgotten man in postwar rehabilitation.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RODINO (at the request of Mr. ALBERT), indefinitely, on account of death in the family.

SPECIAL ORDER GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. POWELL (at the request of Mr. ALBERT), for 1 hour, on Thursday, May 16.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. RAINS and to include an address by P. O. Davis.

Mr. NATCHER and to include an editorial.

Mr. HUDDLESTON in two instances and to include extraneous matter.

Mr. MOULDER and to include a news release.

Mr. MCCARTHY and to include an article.

Mr. REECE of Tennessee and to include extraneous matter, notwithstanding it will exceed 2 pages of the RECORD and is estimated by the Public Printer to cost $327.25.

Mr. TEAGUE of California and to include an article by Edgar Bissantz, of Carmel, Calif., in the Freeman.

Mr. LOSER and to include extraneous matter.

Mr. METCALF in three instances and to include extraneous matter.

Mr .VANIK and to include extraneous matter.

Mrs. BOLTON (at the request of Mr. MARTIN).

Mr. REUSS (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. DINGELL (at the request of Mr. ALBERT) and to include extraneous matter.

Mr. FLOOD.

Mr. KEATING.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 1491. An act to revise title 18, chapter 39, of the United States Code, entitled "Explosives and Combustibles"; to the Committee on Interstate and Foreign Commerce.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on May 9, 1957, present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 676. An act to authorize the city of Rock Hill, S. C., to acquire certain tribal lands on the Catawba Indian Reservation, S. C.;

H. R. 1544. An act to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga.;

H. R. 1757. An act for the relief of Nicola Marcello;

H. R. 2401. An act to provide for the reconveyance of certain land to the city of Spearfish, S. Dak.;

H. R. 2723. An act for the relief of Shigeko Kimura and her minor child; and

H. J. Res. 287. Joint resolution permitting the Secretary of the Interior to continue to deliver water to lands in the Heart Mountain division, Shoshone Federal reclamation project, Wyoming.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 13 minutes p. m.), under its previous order, the House adjourned until Monday, May 13, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

839. A letter from the Under Secretary of the Interior, transmitting one copy each of certain laws enacted by the Third Guam Legislature, 1956, pursuant to section 19 of the Organic Act of Guam; to the Committee on Interior and Insular Affairs.

840. A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation entitled "A bill to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies, and for other purposes"; to the Committee on Post Office and Civil Service.

841. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases of certain aliens who have been found admissible into the United States, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

842. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases where the authority contained in section 212 (d) (3) of the Immigration and Nationality Act was exercised in behalf of such aliens, pursuant to the Immigration and Nationality Act; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5687. A bill to amend the act of March 3, 1911 (36 Stat. 1077), to remove restrictions on the use of a portion of the Springfield Confederate Cemetery, Springfield, Mo., and for other purposes; without amendment (Rept. No. 437). Referred to the Committee of the Whole House on the State of the Union.

Mr. WHITTEN: Committee on Appropriations: H. R. 7441. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes; without amendment (Rept. No. 438). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 5341. A bill for the relief of John J. Farrelly; without amendment (Rept. No. 436). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BASS of New Hampshire:

H. R. 7425. A bill to facilitate the transfer of storage facilities between the military departments; to the Committee on Armed Services.

H. R. 7426. A bill to establish a Federal policy concerning the termination, limitation, or establishment of business-type operations of the Government which may be conducted in competition with private enterprise, and for other purposes; to the Committee on Government Operations.

H. R. 7427. A bill to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations; to the Committee on Government Operations.

H. R. 7428. A bill to amend section 602 of the Federal Property and Administrative Services Act of 1949 with respect to the utilization and disposal of excess and surplus property under the control of executive agencies; to the Committee on Government Operations.

H. R. 7429. A bill to create a Supply and Service Administration as a department in the Department of Defense, and for other purposes; to the Committee on Armed Services.

By Mr. BURDICK:

H. R. 7430. A bill to recognize the National Cowboy Hall of Fame and Museum as a national shrine; to the Committee on Interior and Insular Affairs.

By Mr. BURNS of Hawaii:

H. R. 7431. A bill making an appropriation to the National Science Foundation to construct and equip a geophysical institute in the Territory of Hawaii; to the Committee on Appropriations.

By Mr. CANNON:

H. R. 7432. A bill authorizing issuance of a postage stamp commemorating the 50th anniversary of the first school of journalism in the world; to the Committee on Post Office and Civil Service.

By Mr. RAINS:

H. R. 7433. A bill to amend the Internal Revenue Code of 1954 to provide for the nonrecognition of taxable gain where property is involuntarily converted into other income-producing property, whether or not the new property is similar to the property so converted; to the Committee on Ways and Means.

By Mr. SIMPSON of Illinois:

H. R. 7434. A bill to provide for the construction of a waterfront channel along the east bank of the Mississippi River at Nauvoo, Ill.; to the Committee on Public Works.

By Mr. WHITTEN:

H. R. 7441. A bill making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

By Mr. HYDE:

H. Con. Res. 172. Concurrent resolution to establish a joint congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area; to the Committee on Rules.

By Mr. PELLY:

H. J. Res. 326. Joint resolution to amend section 139 (d) of title I (relating to changes in the rules of the Senate and House of Representatives) of the Legislative Reorganization Act of 1946, to provide for an additional study to be made by the Committees on Appropriations of both Houses of the Congress; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. MOULDER: Resolution 97 by the Senate of the General Assembly of the State of Missouri recommending immediate consideration by Congress of substantial tax and expenditure reductions; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma memorializing the President and the Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURNS of Hawaii:

H. R. 7435. A bill for the relief of Mrs. Tsuji Miyakawa; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 7436. A bill for the relief of Hu Ken Chuan, Yang Chiek Min, also known as Hu Yang Chiek Min, Hu Pei Nu, also known as Lois Wu, Hu Kuang Hua, and Hu Ying Ying; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7437. A bill for the relief of Katalin Martz (Maerz); to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 7438. A bill for the relief of Hrepsime Shekilian (Chikhalian); to the Committee on the Judiciary.

By Mr. LIPSCOMB:

H. R. 7439. A bill for the relief of Mrs. Chi-Wen Liu (nee Hsu Dzoh-Tsung); to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7440. A bill for the relief of Etsuko Hori; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

A Tribute to Rumanians

EXTENSION OF REMARKS
OF
HON. JOHN D. DINGELL
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Friday, May 10, 1957

Mr. DINGELL. Mr. Speaker, for Rumanians May 10 is a great national holiday. On this day in the year 1866 Prince Charles arrived in Bucharest where he took the oath to the Constitution. Eleven years later on the same day Rumania proclaimed her complete independence from Turkey, and a short time thereafter heroically won that independence on the battlefield. And then, on the same date at the close of World War I, Bessarabia, Transylvania, and Bukovina were finally united with Rumania.

Americans of Rumanian origin have good reason, therefore, to commemorate the anniversary of these great landmarks in history. Unfortunately, not all Rumanians can celebrate this national holiday in freedom, for as you all know this once happy and prosperous people are now ruthlessly suppressed beneath the boot of the Communist tyrant. During this past decade, however, the Rumanians have had to adjust to this tyranny and live their lives as best they could under unnatural conditions. Recent reports from Bucharest indicate that the hardships visited upon Rumania by the Communists have been great, but nonetheless the people persist in survival.

Politically, Rumania continues to be dominated by the Soviet-imposed dictatorship of the Communist Party. Elections in February, staged in the Soviet manner, demonstrated the totality of Communist control. Dissent was impossible for the 10,800,000 voters who went to the polls.

Nor has Rumania's economy been spared the disastrous consequences of Soviet control. Fertile and oil-rich Rumania is being exhausted by her Communist masters. Savings by the people

have been repeatedly wiped out by currency devaluations. Mounting inflation has put the cost of consumer goods beyond the reach of the workers. Food costs are high, and currency is evaluated at an unrealistic rate of exchange so that the meager earnings of the worker have no sensible relationship to actual purchasing power.

And yet, despite this continuing state of general depression, Rumanians have not succumbed to despair. A recent report from Bucharest by a skilled American correspondent related that the Rumanian capital was a joy after living in Moscow. Neither Communist trappings nor thinly concealed poverty could rob Bucharest, he said, of its cosmopolitan air. Resources of personal attire are shoddy and few, he wrote, but Rumanian women dress in taste and style unknown in Moscow. He reported also that residents of Bucharest, despite their present despondency, show an animation rarely seen in the stolid faces of Moscovites.

It is a hopeful sign that Rumanians are weathering the storm of Communist oppression. They are a hardy people, long used to oppression under the Turks. Our hopes and prayers go out to them that their national spirit shall never be broken. So long as they hold fast to this spirit, the soul of the nation will live. And so long as the nation lives, there is always hope for freedom and independence.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. HENRY S. REUSS

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. REUSS. Mr. Speaker, fourscore years ago today—on May 10, 1877—Rumania became a fully independent state.

I draw this anniversary to the attention of this House because as Americans we cannot but feel a common bond with all peoples who are struggling to attain national freedom. The Rumanian people today are once again under the subjection of an alien power, yet the spirit of liberty burns as brightly in their hearts as it ever did.

The United States has a responsibility to work unceasingly for the liberation of Rumania and its neighbors behind the Iron Curtain. For too long we have either mouthed slogans or uttered threats. It is time for us to put forward a positive program.

The withdrawal of Soviet troops would be the best possible step toward restoration of Rumania's freedom and independence. I believe that the United States should offer to draw back its troops to the Rhine on condition that Russia withdraw its forces to its own borders and with the understanding that the entire area between the Rhine and the Soviet Union would be demilitarized. It seems to me that we have nothing to lose by such a proposal and everything to gain.

I hope, Mr. Speaker, that before another May 10 comes around, the people of Rumania will have renewed assurance that in their determination to be free they have the unwavering support of the United States.

Rumanian National Day

EXTENSION OF REMARKS

OF

HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. FLOOD. Mr. Speaker, under leave to extend my remarks in the RECORD, I include a statement made by me on the occasion of Rumanian National Day, which is being observed today, May 10:

RUMANIAN NATIONAL DAY

(Statement by the Honorable DANIEL J. FLOOD, of Pennsylvania)

Today, May 10, is an important day in Rumanian history, and the anniversary of Rumanian independence. It is a pleasure to record this anniversary of Rumanian independence and to hope for the speedy liberation of the Rumanian people from Soviet enslavement.

Rumanian history is a gloomy chronicle of oppression, lightened by short periods of freedom and progress. Unfortunately, Rumania is now passing through one of its darkest periods; the ordinary Rumanian citizen of the present time is suffering from as vicious tyranny as any which exploited his ancestors. One of the most oppressive and farreaching Soviet policies is that of high-speed industrialization.

Rumania has been transformed into a captive Soviet industrial colony. What this means is that individual citizens have been deprived of their capital—much of it saved with great effort over many years—by planned inflation and heavy taxation for reinvestment in industry—all for the benefit of the U. S. S. R. Such systematic tactics of pillaging one sector of the Rumanian economy have drawn off huge sums to be misused and wasted in others. The unemployment and underemployment of prewar days have been converted—with the aid of all the totalitarian techniques, and trapping—secret police, concentration camps, forced labor, daily production norms—into a specious full employment, where many work with a pistol at their heads to fulfill quotas, or attain production goals of demented 5-year plans which only result in economic dislocation or counterfeit industrial diversification. Any advantage which might be gained by employing huge numbers of serf laborers and technicians is canceled by the financial demands of a huge party bureaucracy, with its press and propaganda apparatus, and its military and police auxiliaries with their disregard for human values and, indeed, human lives. Rumanian consumers find difficulty in purchasing the simplest needs of human existence—sufficient foodstuffs, warm clothing, and adequate shelter—all because the production of Rumanian industry is constantly diverted to the Soviet Union and because faulty and dogmatic Communist economic planning insists on determining in advance—in minute detail—the allocations and uses of thousands of products, a superhuman task which results in breakdowns, bottlenecks, and every sort of economic confusion. Poor planning, reliance on outmoded and disproved economic theory, is compounded by reparations payments to the U. S. S. R., forced adherence to Soviet trade agreements which drain off consumer goods, and bestow high salaries on useless and overpaid Russian "advisers." While Soviet soldiers hold the Rumanian sheep still, Soviet technicians and administrators fleece the unfortunate animal of all it has.

Americans everywhere hope for the rebirth of Rumanian freedom and happier days in the future for Rumanian workers, craftsmen, and businessmen. We hope for a more wholesome and better life for the Rumanian people.

Rumanian Independence Day

EXTENSION OF REMARKS

OF

HON. KENNETH B. KEATING

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, May 10, 1957

Mr. KEATING. Mr. Speaker, it is with pleasure and pride, touched with sadness, that I join in paying tribute to Rumanian Independence Day.

I join in this occasion with pleasure because it affords me the opportunity to express my admiration and esteem for the Rumanians who have contributed so much to the making of our world today, and those who remain firm in their love for freedom though imprisoned behind the Iron Curtain.

I join in this occasion with pride based on contacts in my home city of Rochester, N. Y., with many fine American citizens of Rumanian descent. They have contributed much to the progress of this city, as they have done in many cities across the country, enriching our national life with the particular traits and attributes which mark those of Rumanian extraction.

I join in this occasion with sadness because the people of Rumania, though steadfastly clinging to their belief in liberty, are now denied any measure of that freedom which is the inherent right of every man. Yet, my confidence in the will of these people to be free is unbounded. The overlords of the international Communist conspiracy are learning this lesson well.

It is fitting, on the occasion of Rumanian Independence Day this year, that we in America look back on the many accomplishments of this Nation. But more than that, we in America are concerned with the present and future of these fine people.

To those behind the Iron Curtain we send our greetings and our fervent prayers for a brighter future. May the day be not too distant when these noble people will once more join with the United States and her friends in the family of free nations.

The 10th of May: Rumania's Independence Day

EXTENSION OF REMARKS
OF
HON. FRANCES P. BOLTON
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, May 10, 1957

Mrs. BOLTON. Mr. Speaker, today, May 10, is the national holiday of the Rumanian people. It is fitting that again this year we remember the three great events which are celebrated on that date, and pay tribute to the fortitude and courage of Rumanians everywhere.

After more than a thousand years of strife and sacrifice, national unity was attained, and freedom and independence secured. May 10 stands for that achievement, and is the day chosen for celebrating their national holiday. Today Rumanians at home are forcibly prevented from outward celebration, but their will remains unbroken.

During their long history Rumanians have always stood up against invaders and they have battled against hordes of barbarians pouring into Europe from the east. They have also fought against the forces of the Ottoman Empire.

Some 500 years ago the Turks succeeded in overcoming by their superior numbers the defenders of freedom. The same thing happened a few years ago when the dark forces of communism swallowed up the people of Rumania.

But the will of the Rumanian nation was not broken. In recognition of the people's drive for freedom, the Rumanian principalities received a special status—as autonomous states—in which the Turks could not interfere. Mircea the Elder, Vlad the Impaler, Stephen the Great, Michael the Brave, John the Fierce are names of brave Rumanian rulers who have fought in the past for independence and unity.

On May 10, 1866, the Rumanian dynasty was founded with the proclamation of Charles, Prince of Hohenzollern-Signaringen, as Prince of Rumania. This event marked the successful outcome of the nation's long struggle to acquire the right of electing as sovereign a member of one of the western non-neighboring reigning families, thus ending rivalries among native candidates to the throne. It was the beginning of a prosperous and glorious reign for Charles the First.

May 10, 1877, just 11 years later, the principality of Rumania proclaimed her independence by severing the outdated bonds which lined her with the Ottoman Empire. This independence had to be fought out on the battlefields south of the Danube, where the young Rumanian Army, as an ally of Russia, played a noteworthy part in the defeat of the Turkish forces. The Congress of Berlin of 1878 confirmed Rumania's independence and conferred Europe's official recognition, a bright page in the country's dreary history, though marred unfortunately by the loss of Bessarabia, cynically wrenched by Czar Alexander II and his Government from the ally who had helped them obtain the victory over the Turks.

And May 10, 1881, Charles I was crowned King of Rumania by the will of his people. Thus opened a prosperous era lasting over six decades for the Rumanian nation. Its apex was attained when national unity within the historical boundaries was reached after World War I. Rumania had now become a factor of peace and equilibrium in southeast Europe.

During these many years, Rumanians have cherished the 10th of May as their national holiday. This date remains the symbol of Rumanian permanence and perseverance through years of hardship to reach the end of freedom and well-being.

The consciousness of the Rumanian people, concerning their unity and independence, is the result of centuries of sacrifices. Today this consciousness remains intact. It cannot be destroyed by either brutality, lies, or oppression.

The Communist regime has attempted to tear this sacred day from Rumania's proud history. Today, in Rumania, any demonstration of independence is banned. Rumanians no longer can sing their national anthem, nor can they raise the flag on their independence day.

In order to try and alter the significance of this day, celebrations were shifted from the 10th to the 9th of May, the anniversary of a Soviet victory. Although flags are now raised on May 9, Rumanians celebrate in their hearts the following day, patiently awaiting the day when freedom is restored to them.

Through these dark years of Communist domination, the Rumanian people have kept alive their courage and their faith. They know that freedom cannot be destroyed.

The United States does not accept as permanent enslavement of eastern European peoples but looks forward with them to the day when they will again live in freedom and independence. On this historic day we join with Rumanians everywhere as we raise our hearts in prayer to Almighty God that He may hasten the day when the flag of freedom may once more fly over Rumania.

Rumanian National Independence Day

EXTENSION OF REMARKS
OF
HON. CHARLES A. VANIK
OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Friday, May 10, 1957

Mr. VANIK. Mr. Speaker, today Americans everywhere join with Americans of Rumanian descent in celebrating a significant date in the annals of the history of the Rumanian people. In 3 separate years May 10 was the date on which major steps were taken to obtain greater measures of liberty for the Rumanian people. On May 10, 1866, a liberal constitution was adopted. On May 10, 1877, a convention was signed with Russia which recognized Rumania's desire for a greater degree of freedom and self-rule. On May 10, 1881, the complete sovereignty of the Rumanian people was finally established.

On this May 10, while American Rumanians may look back with justifiable pride at the freedom which their brothers in Rumania once fought for and won, they can only look ahead in the hope that freedom once attained may return to the Rumanian people now suffering oppression.

At this time it serves us well to reevaluate the plight of a people who yearn for liberty but who suffer the shackles of tyranny and to reexamine our resolve that the integrity and freedom of the Rumanian people will be returned.

SENATE

MONDAY, MAY 13, 1957

Rev. Father John Pavel, Association of Romanian Catholics of America, Canton, Ohio, offered the following prayer:

Almighty God, our Heavenly Father, we beg that our prayers may be graciously heard today. We pray not to present our petitions alone, but also to show our faith and trust in Thy holy will.

Be mindful, O God, of our country, our leaders, and particularly our Senators, who hold in their hands the destinies of multitudes of people; of all those who beyond the sinister Iron and Bamboo Curtains gave their lives for the liberation of the peoples from under the Russian Asiatic yoke.

O merciful Lord, touch the hearts of the responsible parties, so that finally injustice will end; every violence will be calmed; and all nations reconciled with each other, will find the right order, in an atmosphere of serene tranquillity; and for the same reason, remember all those who love us, those who hate us, and those who have requested our prayers.

Be Thou merciful to all men, Thou who knowest each one, his prayers, possessions, and needs.

Illuminate the minds of the leaders of this great Nation to see the light and the true path, through the spirit of Christian reconciliation and meekness. Grant them, O Lord, the power to overcome the malevolence and injuries of men. May the blessings of Heaven remain upon the Senate. Being joined together through love, may the Members of the Senate ever walk the path of the Golden Rule, and bring peace to the hearts of men everywhere, through a sense of brotherhood, justice, and love. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Thursday, May 9, 1957, was approved, and its reading was dispensed with.

REPORT OF COMMITTEE ON APPROPRIATIONS SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 9, 1957,

Mr. ROBERTSON, from the Committee on Appropriations, to which was referred the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, reported it favorably, with an amendment, on May 9, 1957, and submitted a report (No. 297) thereon.

TREASURY-POST OFFICE APPROPRIATION BILL, 1958—NOTICE OF MOTION TO SUSPEND THE RULE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 9, 1957,

Mr. ROBERTSON, on May 11, 1957, submitted the following notice in writing:

In accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 9, after line 7, insert a new paragraph, as follows:

"GENERAL PROVISIONS—TREASURY DEPARTMENT

"SEC. 102. Not to exceed 5 percent of any appropriation herein made to the Treasury Department for the current fiscal year, except for the appropriations made to the United States Coast Guard, may be transferred with the approval of the Bureau of the Budget, to any other appropriation of the Treasury Department, but no appropriation shall be increased by more than 5 percent by any such transfers, and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Mr. ROBERTSON also submitted an amendment intended to be proposed by him to House bill 4897, making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

REPORT ON OPERATION OF UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the Second Annual Report of the Operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 13, 1957.*

(Note: A similar message was transmitted to the House of Representatives.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed a bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1442) to facilitate the regulation, control, and eradication of plant pests, and it was signed by the President pro tempore.

HOUSE BILL REFERRED

The bill (H. R. 6659) to extend and amend laws relating to the provision and improvement of housing, to improve the availability of mortgage credit, and for other purposes, was read twice by its title and referred to the Committee on Banking and Currency.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet today during the session of the Senate:

The Permanent Investigations Subcommittee of the Committee on Government Operations.

The Indian Affairs Subcommittee of the Committee on Interior and Insular Affairs.

ORDER FOR CONSIDERATION OF THE STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL ON WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, in the event that the hearings, report, and bill are available on Wednesday, I ask unanimous consent that it be in order for the Senate to consider on that day the State, Justice, and Judiciary appropriation bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AUTHORIZATION FOR APPROPRIATIONS COMMITTEE TO FILE REPORTS AND NOTICES OF MOTIONS DURING RECESS OR ADJOURNMENT OF THE SENATE

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Appropriations Committee be authorized to file reports and notices of motions to suspend the rule, during the recess or adjournment of the Senate following the completion of the business of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, inasmuch as today's session follows an adjournment under the rule, there will be the usual morning hour for the introduction of bills and other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I desire to make a brief announcement: This week, several appropriation bills are being marked up in the Appropriations Committee. We are hopeful that it will be possible for the Senate to adhere to the scheduled meetings, as previously announced, namely, on Monday, Wednesday, and Thursday. It may be necessary to have a meeting of the Senate on Friday, if action has not been completed by then on the scheduled appropriation bills. Of course, as all Senators know, the appropriation bills take the highest priority.

We are hopeful that it will be possible for the Senate to complete action on the Treasury-Post Office appropriation bill early today. If the Senate is not able to do so, I should like to inform Senators that we expect to have the Senate remain in session until a rather late hour this evening, in an attempt to complete action on that appropriation bill. If it proves impossible to complete action on that bill today, I shall desire to confer with the minority leader, and perhaps to arrange for a session of the Senate on Tuesday.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

PROPOSED EMPLOYMENT OF A CERTAIN RETIRED NAVAL OFFICER

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco (with an accompanying paper); to the Committee on Armed Services.

REPORT ON ORGANIZATIONS WHOSE PROPERTIES WERE EXEMPTED BY SPECIAL ACTS OF CONGRESS

A letter from the President, Board of Commissioners, District of Columbia, transmit-

ting, pursuant to law, a list of the institutions or organizations whose properties were specifically exempted by special acts of Congress prior to the passage of the act of December 24, 1942, showing the purposes for which such properties were used during the calendar year 1955 (with an accompanying report); to the Committee on the District of Columbia.

REPORTS OF CERTAIN ORGANIZATIONS OWNING PROPERTY EXEMPTED FROM TAXATION BY LAW

A letter from the President, Board of Commissioners, District of Columbia, transmitting, pursuant to law, reports of every institution, organization, corporation, or association owning property exempt under provisions of section 3, Public Law 846, 77th Congress (with accompanying reports); to the Committee on the District of Columbia.

FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the director, the American Legion, Washington, D. C., transmitting, pursuant to law, the final financial statement of that organization, up to and including the period ended December 31, 1956 (with an accompanying statement); to the Committee on Finance.

AMENDMENT OF FOREIGN SERVICE BUILDINGS ACT OF 1926

A letter from the Secretary of State, transmitting a draft of proposed legislation to amend the Foreign Service Buildings Act of 1926 (with accompanying papers); to the Committee on Foreign Relations.

LAWS ENACTED BY THIRD GUAM LEGISLATURE

A letter from the Under Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Third Guam Legislature, 1956 (with accompanying papers); to the Committee on Interior and Insular Affairs.

CONSTRUCTION AND IMPROVEMENT OF CERTAIN BUILDINGS BY SECRETARY OF COMMERCE

A letter from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

PROPOSED CONTINUATION OF PROVISIONS OF TITLE II OF FIRST WAR POWERS ACT, 1941

A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941 (with an accompanying paper); to the Committee on the Judiciary.

GRANTING ADMISSION INTO THE UNITED STATES OF CERTAIN DEFECTOR ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting admission into the United States of certain defector aliens (with accompanying papers); to the Committee on the Judiciary.

TEMPORARY ADMISSION INTO THE UNITED STATES OF CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, copies of orders entered granting temporary admission into the United States of certain aliens (with accompanying papers); to the Committee on the Judiciary.

AUDIT REPORT OF THE AMERICAN SOCIETY OF INTERNATIONAL LAW

A letter from the executive secretary, the American Society of International Law, Washington, D. C., transmitting, pursuant to law, the annual audit by a certified public accountant of the financial transactions of that society, for the year ended December 31, 1956 (with an accompanying report); to the Committee on the Judiciary.

AMENDMENT OF LAW RELATING TO CERTAIN EXPENSES INCURRED BY POST OFFICE DEPARTMENT

A letter from the Deputy Postmaster General, transmitting a draft of proposed legislation to amend certain provisions of law in order to provide for the reimbursement of the Post Office Department for expenses incurred in performing certain services for other agencies, and for other purposes (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred, as indicated:

By the PRESIDENT pro tempore:

A resolution of the Senate of the State of Missouri; to the Committee on Finance:

"Senate Resolution 97

"Whereas we, the elected representatives of the people of Missouri, have carefully observed the effect of high Federal tax rates on individuals and business and we are deeply concerned over the obvious effects thereof; and

"Whereas highly progressive income-tax rates have made the accumulation of personal venture capital virtually impossible and have destroyed the incentive for individuals to invest in new and untried business ventures; and

"Whereas high Federal taxes are the basic cause of many mergers which are slowly but surely absorbing the middle-sized company with its independent management, and concentrating business and economic power in the hands of large corporations; and

"Whereas small corporations and small, individual business men and women are finding it impossible to retain sufficient profits after payment of taxes, to permit reasonable and healthy growth; and

"Whereas the Federal Government is dominating almost every field of taxation, and taking more and more away from our citizens and leaving State and local government in a most difficult financial condition; and

"Whereas the highly progressive income tax with rates ranging up to 91 percent is, in fact, confiscation of income and through high estate and gift taxes we have confiscation of property as well, which philosophy is repugnant to Americans, with the result that the equitable collection of taxes is impossible; and

"Whereas to make available venture capital, to restore the incentive to engage in new job-creating enterprises, to give small business the opportunity to prosper and grow, to stop the trend toward concentration of industry, to restore the personal right to dispose of property by gift or at death without penalty, to enable the States to assume the responsibilities which are rightfully theirs is of utmost importance to all Americans: Now, therefore, be it

"Resolved by the Senate of the General Assembly of the State of Missouri, That

"SECTION 1. We respectfully recommend for immediate consideration by Congress the following:

"1. Substantial reduction of the combined normal and surtax rates on personal income.

"2. Tax relief for small corporations to permit normal and healthy growth.

"3. Reduction of Federal estate and gift taxes.

"4. Reduction in the expenditures being made by the Federal Government.

"SEC. 2. The secretary of the senate is hereby directed to forward copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives of the Congress of the United States, and to all the Members of Congress from the State of Missouri.

"I, Joseph A. Bauer, secretary of the senate, do hereby certify the above and foregoing to be a full, true, and complete copy of Senate Resolution 97, offered into and adopted by the senate on May 2, 1957, as fully as the same appears of record in my office.

"In testimony whereof, I have hereunto set my hand and affixed the seal of the Senate of the State of Missouri this 2d day of May 1957.

"JOSEPH A. BAUER,
"Secretary of the Senate, 69th General Assembly."

A joint resolution of the Legislature of the State of California; to the Committee on Public Works:

"Senate Joint Resolution 26

"Joint resolution memoralizing Congress to provide for the construction of a highway from Winnemucca, Nev., to Viewland, Calif.

"Whereas the State of California, civil defense agencies and United States military authorities need an adequate highway system leading easterly from the central and northern portions of the State; and

"Whereas the construction of a highway from the vicinity of Viewland, Lassen County, Calif., on United States Highway 395 to a point on United States Highway 40 near Winnemucca, Nev., would alleviate this situation; and

"Whereas State Highway 36 is open the year around and is one of the lowest and most accessible passes over the Sierra Nevada Mountains and

"Whereas in the event of a national emergency, the present highway system would be inadequate for transportation to and from the State of California, and a serious problem would confront the inhabitants of northern and central California as well as military and civil defense authorities; and

"Whereas the Sierra Ordnance Depot at Herlong, Lassen County, Calif., is a vital military installation, and most of the supplies shipped to such depot from the eastern part of the United States are transported through Salt Lake City, Utah; and

"Whereas the construction of this proposed highway would shorten the route into the Sierra Ordnance Depot from Salt Lake City thereby effecting a substantial savings in the money spent for transporting supplies, and also lessen the highway mileage between Salt Lake City and norther California and southern Oregon; and

"Whereas the development of northern Nevada, northern California, southern and western Oregon as a tourist and recreation area, would be enhanced by the construction of this proposed highway, by facilitating travel over United States Highway 395, United States Highway 299, State Highways 32, 36, 89, and 44, Joint Highway 14 and Federal Highway 92; and

"Whereas Headquarters, Sixth Army, Presidio of San Francisco, Calif., and Nevada and California civil-defense agencies are on record as favoring the construction of this proposed highway: Now, therefore, be it

"Resolved by the Senate and the Assembly of the State of California, jointly, That the Congress of the United States of America enact legislation and appropriate funds for the construction of a Federal highway from Winnemucca, Humboldt County, Nev., to

Viewland, Lassen County, Calif., via Gerlach and Empire, Nev.; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of Oregon; to the Committee on the Judiciary:

"House Joint Memorial 16

"To the Honorable Senate and House of Representatives of the United States of America, in Congress Assembled, and to the Oregon Members of These Legislative Bodies:

"We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

"Whereas the collection of taxes lawfully imposed in one State may be brought in a Federal district court sitting in another State only if first reduced to judgment; and

"Whereas the collection of taxes although lawfully imposed is often limited or made impossible when the person taxed has left the State and is residing in a State which does not have statutes granting reciprocal recognition of tax liability; and

"Whereas it is in the best interest of public policy and good government that State taxes lawfully imposed should be collectible and not defeated by imperfect jurisdiction: Now, therefore, be it

"Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the Congress of the United States hereby is urged to provide legislation extending the jurisdiction of Federal district courts to entertain actions brought by a State to enforce taxes lawfully imposed on a person or property removed from the State; be it further

"Resolved, That the Oregon Members of the United States Senate and House of Representatives be urged to promote and support such legislation; and be it further

"Resolved, That copies of this memorial be sent to the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and to all Members of the Oregon congressional delegation.

"Adopted by house April 17, 1957.

"Readopted by house May 2, 1957.

"EDITH BEYNON LOW,
"Chief Clerk.

"PAT DOOLEY,
"Speaker of House.

"Adopted by senate April 30, 1957.

"BOYD R. OVERHULSE,
"President of the Senate."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Enrolled Senate Concurrent Resolution 23

"A concurrent resolution memorializing the President and Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc

"Whereas imports of glass, lead, and zinc have caused a drastic reduction in market prices of these products; and

"Whereas imports of glass, lead, and zinc have resulted in serious injury to domestic mining operations in that such operations have been forced to be curtailed to an alarming extent due to the economic laws of supply and demand; and

"Whereas while the market prices of such products have steadfastly remained at a low level and at the same time labor costs have risen sharply, with the result that mining operations are not reasonably profitable, and especially is this true in the State of Oklahoma; and

"Whereas this injury to the mining industry is not limited to the owners and operators of the mines, but causes thousands of workers to be out of employment or, at best, to be employed on a part-time basis; and

"Whereas the injury to the industry causes great economic losses to management, labor, the railroad industry, and to communities wherein mines and smelters are situated, and to the economy of the Nation as a whole, including an impairment of the Nation's defense program; and

"Whereas the consequences of the present import program are not only being reflected in economic conditions in the State of Oklahoma, but are being felt in all areas of the Nation wherein these products are produced, and this is both a local and a national problem: Now, therefore be it

"Resolved by the Senate of the 26th Legislature of the State of Oklahoma (the House of Representatives concurring therein), 1. That legislation be enacted curtailing imports of glass, lead, and zinc to such a point that domestic markets will recover to a healthy and normal condition; and/or

"2. That legislation be enacted increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"3. That a directive be issued increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945, and/or

"4. That action be taken either pursuant to the May 21, 1954, report of the tariff commission, or under section 7 of the Trade Agreements Extension Act of 1955, or under any other existing authority which will result in relieving this threat to the national security and this crisis of nonproduction and unemployment in mines, smelters, and glass manufacturing plants.

"5. It is ordered that copies of this resolution be sent to the President of the United States, the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, and to each of Oklahoma's Representatives and Senators in the Congress of the United States.

"Adopted by the senate the 25th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 25th day of April 1957.

"B. E. HARKEY,
Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Enrolled Senate Concurrent Resolution 21

"A concurrent resolution memorializing the President and the Congress of the United States to grant immediate statehood to the Territories of Alaska and Hawaii

"Whereas the Territories of Alaska and Hawaii are vital to the defense of the United States; and

"Whereas said Territories have greatly contributed to the economic and cultural life of the United States; and

"Whereas the people of said Territories have demonstrated their maturity, responsibility, and willingness to accept in full, and ability to discharge, the responsibilities that accompany citizenship in one of the States of the United States; and

"Whereas not only principles of fairness, but also considerations of mutual benefit to said Territories and the States of the United States demand that said Territories be granted immediate statehood: Now, therefore, be it

"Resolved by the Senate of the 26th Oklahoma Legislature (the house of representatives concurring therein), That the President of the United States and the Congress of the United States are hereby memorialized to grant immediate statehood to the Territories of Alaska and Hawaii; and

"That the President of the Senate is directed to cause copies of this resolution to be sent to the President of the United States, the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, and to the Governors of Alaska and Hawaii.

"Adopted by the senate the 4th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 30th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives.

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Agriculture and Forestry:

"Joint Resolution 11

"Joint resolution requesting the Congress of the United States to amend the Bankhead-Jones Farm Tenant Act (as amended) to allow the making of real estate mortgage loans on long-term leased lands, including Hawaiian home lands and the public lands of the Territory of Hawaii

"Whereas the applicants for and lessees of the Hawaiian home lands are in dire need of loans for the construction of homes and improvements of homesteads in the furtherance of the purposes of the Hawaiian Homes Commission Act of 1920 (as amended); and

"Whereas long-term agricultural lessees, of the public lands of the Territory of Hawaii, who are coffee growers in Kona in the county of Hawaii, are likewise in great need of loans for the construction of housing accommodations for their seasonal migratory coffee pickers and for other agricultural purposes; and

"Whereas such leases do not qualify for loans under the said Bankhead-Jones Farm Tenant Act because they are not, and often cannot be, fee simple owners of the land involved; and

"Whereas the security of loans under the said Bankhead-Jones Farm Tenant Act made to such lessees will not be impaired, the legal title to Hawaiian home lands being already in the United States and the title to public lands being in the Territory of Hawaii, and the leases being for a long term: Now, therefore, be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to amend the pertinent provisions of the Bankhead-Jones Farm Tenant Act (as amended) to allow the making of real estate mortgage loans on long-term leased lands in the Territory of Hawaii, including Hawaiian home lands under the Hawaiian Homes Commission Act of 1920 (as amended) and public lands of the Territory of Hawaii.

"SEC. 2. Certified copies of this joint resolution shall be sent to the President of the Senate and Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the United States Department of Interior, to the Administrator of the United States Department of Agriculture (Farm Home Administration) and to the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 3d day of May A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A joint resolution of the Legislature of the Territory of Hawaii; to the Committee on Foreign Relations:

"Joint Resolution 13

"Joint Resolution requesting the Congress of the United States to establish an operating branch and complete facilities of the Voice of America in the Territory of Hawaii

"Whereas the Government of the United States through the operation of the Department of State did establish and is operating two 100-kilowatt shortwave transmitters on the island of Oahu in the Territory of Hawaii for transmitting Voice of America programs to the far eastern part of the world; and

"Whereas this installation and all of its facilities can be operated fully so as to permit live broadcasts to originate from the Territory of Hawaii; and

"Whereas the economic, racial, cultural, and historical backgrounds of the various peoples of the Territory are such that among them can be selected persons of outstanding achievements who can relate their records of success and self-betterment under our democratic way of life; and

"Whereas the growing number of visitors, including government and public officials from countries and nations of the Far East, have never failed to comment on the remarkable harmony and cooperation with which all the people of the various racial backgrounds live and work in this showcase of democracy in the Pacific; and

"Whereas there are adequate facilities presently available for live broadcasts to be originated from the Territory of Hawaii, such as the radio facilities presently under the command of the commander in chief, Pacific, presently used for hometown recordings and broadcasts; and

"Whereas the full utilization of existing facilities and the talents and abilities of the people of Hawaii can vastly increase the overall effectiveness of the Voice of America: Now, therefore, be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to seek the cooperation of the Department of State to initiate live local broadcasts of the Voice of America to originate from the Territory of Hawaii to the end that the Secretary of State shall use all efforts to utilize all existing facilities to accomplish the objectives of this resolution.

"SEC. 2. That certified copies of this joint resolution be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of State of the United States, the Secretary of the Interior, the Delegate to Congress from Hawaii, Director of the United States Information Service, and the commander in chief, Pacific.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 3d day of May A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

Six joint resolutions of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Joint Resolution 5

"Joint resolution requesting the Congress of the United States to enact legislation giving the University of Hawaii title to its lands

"Whereas under the Hawaiian Organic Act public lands in the Territory are properties of the United States but are placed under the jurisdiction of the Territory for purposes of administration and disposal only as provided therein; and

"Whereas since the board of regents of the University of Hawaii does not have title to public land devoted to the use of the university, the university has been unable to take advantage of Federal benefits provided for universities and other schools of higher learning or to otherwise secure funds for university purposes: Now, therefore be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation amending the Hawaiian Organic Act in such manner that title to all university real property shall be vested in the board of regents of the University of Hawaii for the use and benefit of the university.

"SEC. 2. Duly certified copies of this joint resolution shall be forwarded to the President of the United States, the President of the Senate, and the Speaker of the House of Representatives of the Congress of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 30th day of April, A. D., 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 6

"Joint resolution requesting the Congress of the United States to enact legislation, amending the Hawaiian Organic Act and approving amendments of the Hawaiian land laws with respect to leases and other disposition of land

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact a bill substantially as follows:

"'A bill amending the Hawaiian Organic Act and approving amendments of the Hawaiian land laws, with respect to leases and other dispositions of land

"'*Be it enacted, etc.*—

"'SECTION 1. Section 73 (d) of the Hawaiian Organic Act (48 U. S. C. 665) is hereby amended as follows:

"'(a) By deleting therefrom the words "fifteen years" and inserting in lieu thereof the words "sixty-five years."

"'(b) By amending the proviso, which appears at the end of the subsection, so that the same shall read as follows: *"Provided*, That the Commissioner may, with the approval of the Governor and at least two-thirds of the members of the Land Board, omit such withdrawal provision from, or limit the same in, the lease of any lands whenever he deems it advantageous to the Territory of Hawaii.' Land so leased shall not be subject to such right of withdrawal, or shall be subject only to a right of withdrawal as limited in the lease."

"'SEC. 2. Section 73 (1) of the Hawaiian Organic Act (48 U. S. C. 673) is hereby amended as follows:

"'"(a) By inserting a sentence, to follow the first sentence and to read as follows: 'Leases may be made by the Commissioner of Public Lands, with the approval of two-thirds of the members of the Board of Public Lands, for the occupation of lands for general purposes, or for certain special purposes, for terms up to but not in excess of sixty-five years.'

"'"(b) By deleting from the present second sentence, now the third sentence, the words 'No lease of agricultural lands exceeding 40 acres in area, or of pastoral or waste lands exceeding 200 acres in area, shall be made without the approval of two-thirds of the Board of Public Lands, which is hereby constituted,' and inserting in lieu thereof the following: 'There shall be a Board of Public Lands.'"

"'SEC. 3. Section 91 of the Hawaiian Organic Act (48 U. S. C. 511) is hereby amended by adding thereto a new paragraph to read as follows: "The provisions of this section shall not vitiate any right vested by any lease or other disposition of property made under this act, or under the land laws of Hawaii approved by the Congress, or otherwise authorized by the Congress. If property, the title to which remains in the United States, is taken under the authority of this section for the uses and purposes of the United States, the taking nevertheless shall be subject to vested rights, or else just compensation shall be made as provided by law for the taking of those rights. Nothing in this section shall be deemed to authorize the withdrawal of property for public purposes without just compensation to the lessee or other party affected, or to require inclusion in the terms of the governing instrument of a provision for such withdrawal."

"'SEC. 4. The amendment of section 99–53 of the Revised Laws of Hawaii 1955, made by the 29th legislature, is hereby approved.

"'SEC. 5. This act shall take effect upon its approval.'"

"SEC. 2. (a) Section 99–53 of the Revised Laws of Hawaii 1955 is amended by deleting therefrom the word 'twenty-one' and inserting in lieu thereof 'sixty-five.'

"(b) This section shall take effect upon the approval by the Congress of the United States of the amendment made by this section. The Congress of the United States is hereby respectfully requested to approve the amendment.

"SEC. 3. Certified copies of this resolution, upon its adoption, shall be forwarded to the Secretary of the Interior, the Delegate to Congress from Hawaii, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

"SEC. 4. This joint resolution shall take effect upon its approval.

"Approved this 1st day of May A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 8

"Joint resolution requesting the Congress of the United States to enact legislation relating to lands beneath tidal waters in the Territory of Hawaii, and filled in, made or reclaimed lands in said Territory; and amending section 112–1 of the Revised Laws of Hawaii 1955 to conform to such congressional legislation effective upon the enactment thereof

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact a bill substantially as follows:

"'A bill relating to lands beneath tidal waters in the Territory of Hawaii, and filled in, made or reclaimed lands in said Territory

"'*Be it enacted, etc.*—

"'SEC. 1. Insofar as the President has transferred, or hereafter shall transfer, to the Territory of Hawaii the title to lands beneath tidal waters which are suitable for reclamation, or the title to reclaimed lands which formerly were lands beneath tidal waters, the same shall be deemed to be public lands of the Territory of Hawaii and the United States shall retain only such rights therein as would exist if the Territory of Hawaii were a State. Section 106 of the Hawaiian Organic Act (48 U. S. C. 545) shall not apply to the lands which by this act are given the status of public lands unless the same are set aside under the jurisdiction of the board of harbor commissioners; provided, that no work shall

be done on lands beneath tidal waters without the consent of the board of harbor commissioners and the secretary of the military department concerned.

" 'SEC. 2. In addition to the power conferred upon the President by section 91 of the Hawaiian Organic Act (48 U. S. C. 511), the President may transfer to the Territory of Hawaii the title to (a) any lands beneath tidal waters suitable for reclamation, and (b) any reclaimed lands which formerly were lands beneath tidal waters.

" 'SEC. 3. Whenever, in connection with reclaimed lands or reclamation of lands beneath tidal waters, the commissioner of public lands deems it advantageous to the Territory of Hawaii in order to settle the rights (littoral or otherwise), if any, of an abutting owner, or to consolidate the holdings of public lands in the vicinity or provide public ways or access to the public lands, he may with the approval of the Governor and two-thirds of the members of the board of public lands sell, lease, or transfer by way of an exchange, to such abutting owner, or an owner whose land is needed for such consolidation of public holdings, access or ways, without public auction and without regard to any limitation of the Hawaiian Organic Act or the land laws of Hawaii in respect of the area and value of lands that may be conveyed by way of exchange, lands having the status of public lands.

" 'SEC. 4. Nothing in this act shall be deemed to alter the control of the Congress over the laws of Hawaii relating to public lands, including the lands which by this act are given the status of public lands.

" 'SEC. 5. As used in this act:

" 'The term "lands beneath tidal waters" means all lands permanently or periodically covered by tidal waters up to but not above the line of mean high tide and seaward to a line three geographical miles distant from the coast line of each of the islands comprising the Territory of Hawaii.

" 'The term "reclaimed lands" refers to filled in or made lands which formerly were lands beneath tidal waters, and the term "reclamation" refers to the filling in or making of land by any means.

" 'SEC. 6. This act shall take effect upon its approval.'

"SEC. 2. Effective upon the enactment by Congress of legislation relating to the application of section 106 of the Hawaiian Organic Act, in respect to lands given the status of public lands, section 112-1 of the Revised Laws of Hawaii 1955 is amended to conform thereto.

"SEC. 3. Certified copies of this Joint Resolution, upon its adoption, shall be forwarded to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the United States, the Secretary of the Interior, and the Delegate to Congress from Hawaii.

"SEC. 4. This joint resolution shall take effect upon its approval.

"Approved this 2d day of May, A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 9

"Joint resolution requesting the Congress of the United States to amend the Hawaiian Homes Commission Act 1920 to permit the establishment of a post office on Hawaiian home lands

"Whereas the provisions of the Hawaiian Homes Commission Act 1920, as amended, permit the establishment of certain public services and facilities on Hawaiian home lands, but do not make reference to the operation of a post office of the United States, and it appears that the Commission cannot allow the operation of a post office on Hawaiian home lands: Now, therefore—

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation to amend section 207 (c) (1) (A) of the Hawaiian Homes Commission Act 1920, as amended, to read as follows:

" '(A) churches, hospitals, public schools, post offices.'

"SEC. 2. Certified copies of this joint resolution shall be forwarded to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior and to the Delegate to the Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 2d day of May 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 10

"Joint resolution requesting the Congress of the United States to enact legislation providing funds to pay for a second bore to Wilson Tunnel, island of Oahu, T. H.

"Whereas the Wilson Tunnel on the island of Oahu, T. H., as authorized and now under construction, consists of a single bore; and

"Whereas, the tunnel is of great value to the Department of Defense of the United States in that it provides a short, low-grade highway between installations on the leeward side of the Koolau Range (such as Pearl Harbor Navy Yard, Barbers Point Naval Air Station, Fort Shafter, and Schofield Barracks) and installations on the windward side of the Koolau Range (such as Kaneohe Marine Corps Air Station); and

"Whereas a second tunnel bore would increase considerably value of the tunnel for defense purposes; and

"Whereas a second tunnel bore would also aid the Territory of Hawaii in many ways, among them that it would provide employment in an area which, although it may soon be classified group IV (substantial labor surplus) by the United States Department of Labor, is not able to receive the assistance (such as placement of defense contracts, and receipt of accelerated tax amortization by defense plants) which the United States now seeks to give to such an area; Now, therefore—

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States is hereby respectfully requested to enact legislation providing funds to be used by the Territory of Hawaii to survey, plan and construct a second bore in connection with the Wilson Tunnel.

"SEC. 2. A certified copy of this joint resolution be sent to each of the following officers of the United States: The President of the United States, the President of the Senate, the Speaker of the House of Representatives, the Secretary of Defense, the Secretary of the Interior, and the Delegate to the Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 2d day of May, A. D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

"Joint Resolution 12

"Joint resolution requesting the Congress of the United States to amend section 60 of the Hawaiian Organic Act to lower the voting age

"Whereas the people of Hawaii are desirous of extending to its youth a privilege of voting for their elected officials; and

"Whereas the people of Hawaii are confident that their fellow citizens who have attained the age of 20 years are fully qualified and responsible; and

"Whereas the legal voting age in many mainland jurisdictions is set at 20 years; and

"Whereas the constitution of the proposed State of Hawaii provides that any citizen of the Territory otherwise qualified who shall have attained the age of 20 years shall be entitled to vote; and

"Whereas the people of Hawaii believe that the lowering of the voting age as suggested herein is a true expression of democracy in practice: Now, therefore

"Be it enacted by the Legislature of the Territory of Hawaii:

"SECTION 1. The Congress of the United States of America is hereby requested to amend section 60 of the Organic Act to read substantially as follows:

" 'A bill amending section 60 of the Hawaiian Organic Act and lowering the voting age of the citizens of the Territory of Hawaii

" 'Be it enacted, etc—

" 'SECTION 1. That section 60 of the Hawaiian Organic Act is hereby amended to read as follows:

" ' "SEC. 60. Qualifications of voters for representatives. That in order to be qualified to vote for representatives, a person shall—

" ' "First. Be a citizen of the United States.

" ' "Second. Have resided in the Territory not less than 1 year preceding and in the representative district in which he offers to register not less than 3 months immediately preceding the time at which he offers to register.

" ' "Third. Have attained the age of 20 years.

" ' "Fourth. Prior to each regular election, during the time prescribed by law for registration, have caused his name to be entered on the register of voters for representatives for his district.

" ' "Fifth. Be able to speak, read, and write the English or Hawaiian language.

" ' "SEC. 2. This bill shall take effect upon its approval." '

"SEC. 2. Upon its approval, certified copies of this joint resolution shall be forwarded to the President of the United States, the Secretary of the Interior, the President of the Senate of the United States, the Speaker of the House of Representatives of the United States, and the Delegate to Congress from Hawaii.

"SEC. 3. This joint resolution shall take effect upon its approval.

"Approved this 3d day of May A.D. 1957.

"SAMUEL WILDER KING,
"Governor of the Territory of Hawaii."

A resolution of the House of Representatives of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"House Resolution 125

"Resolution requesting the Congress of the United States to enact legislation to empower the Governor to grant pardons for Federal offenses

"Whereas persons who have been convicted of certain offenses are thereby deprived of certain rights and privileges accorded to citizens in the Territory of Hawaii, among these being the right to vote, the right to hold elective or appointive positions in the territorial or county governments; and

"Whereas the Governor may grant pardons for offenses against the laws of the Territory and thereby restore to citizens the right and privilege to vote in the Territory or to hold public office; and

"Whereas such territorial rights and privileges cannot be restored by a gubernatorial pardon where an offense was committed against the laws of the United States: Now, therefore, be it

"Resolved by the House of Representatives of the 29th Legislature of the Territory of Hawaii, That the Congress of the United States is hereby respectfully requested to enact legislation amending section 66 of the Hawaiian Organic Act to empower the Governor of the Territory to grant a pardon for Federal offenses for the purpose of restoring

rights and privileges of citizens of the Territory to a citizen of the Territory; and be it further

"*Resolved*, That a certified copy of this resolution be transmitted to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior and to the Delegate to the Congress from Hawaii."

A resolution adopted by the Michigan Chapter of the American Institute of Planners, of Detroit, Mich., relating to urban renewal in Michigan; to the Committee on Appropriations.

A resolution adopted by the Michigan Chapter of the American Institute of Planners, Detroit, Mich., favoring the enactment of the bill (S. 1230) to authorize the Administrator of the Housing and Home Finance Agency to provide fellowships in public or private nonprofit institutions of higher education for the graduate training of qualified persons in the field of urban planning; to the Committee on Banking and Currency.

A resolution adopted by the Michigan Chapter of the American Institute of Planners, Detroit, Mich., relating to Federal regulation of billboards on the new interstate highway system; to the Committee on Public Works.

A resolution adopted by Mariemont American Legion Post 146, Mariemont, Ohio, relating to a modification of the NATO Status of Forces Treaty; to the Committee on Foreign Relations.

A resolution adopted at the annual convention of the California Federation of Women's Clubs, at Coronado, Calif., relating to a proposed contract for sale of falling water from Trinity River Dam; to the Committee on Interior and Insular Affairs.

A resolution adopted by the Los Angeles, Calif., County Council of the American Legion, expressing regret at the death of the late Senator from Wisconsin [Mr. McCarthy]; ordered to lie on the table.

JOINT RESOLUTIONS OF VERMONT LEGISLATURE

Mr. FLANDERS. Mr. President, at the appropriate place in the RECORD I wish to have printed two joint resolutions from the Vermont Legislature, signed by the secretary of state of Vermont.

One of them relates to Vermont industries, and the effect of foreign importations on them. The difficulties which the foreign importations have caused are not confined to the State of Vermont, so I feel that this resolution is of more than local interest.

The second joint resolution requests Congress to liberalize the restrictions relating to old age and survivors insurance, and old age assistance.

There being no objection, the joint resolutions were referred to the Committee on Finance, and, under the rule, ordered to be printed in the RECORD, as follows:

Joint Resolution 46

Joint resolution relating to Vermont industries

Whereas a number of Vermont industries, including hardwood plywood, textiles, spring clothespins, and manufactured wood products, are in serious financial difficulties due to the competition of low priced foreign merchandise which is being imported in increased quantities as a result of concessions in import duties granted under the Trade Agreement Act of June 12, 1934, as amended; and

Whereas the continued operation of these industries, which is highly important to the welfare of the people of the State of Vermont, is dependent upon import quotas or other regulations either under the escape clause procedure contained in the Trade Agreements Act of 1951, as amended, or by direct action of the Congress of the United States; and

Whereas the past administration of the trade agreement program, and in particular the escape clause procedure, has not given adequate consideration to the needs of domestic industries in competition with merchandise produced at a lower rate of pay by foreign labor: Now, therefore, be it

Resolved by the senate and house of representatives, That in the best interest of industry, labor, and the general prosperity of the State of Vermont, the representatives of the State of Vermont in the Senate and House of Representatives of the United States are hereby urged to support in every possible way, the efforts of Vermont industries, and in particular, hardwood plywood, textiles, spring clothespins, and manufactured wood products, to secure such import quotas or other regulations as are needed to remedy the serious situation caused by low-priced imports, either through the escape clause procedure or through act of Congress; and be it further

Resolved, That a copy of this resolution be forwarded by the secretary of state to the Representatives of the State of Vermont in the Senate and House of Representatives of the United States, and to the Chairman of the United States Tariff Commission.

Approved April 26, 1957.

Joint Resolution 49

Joint resolution requesting Congress to liberalize restrictions relating to old-age and survivors insurance and old-age assistance

Whereas persons under 72 receiving old-age and survivors insurance are penalized if they by working earn more than $1,200 a year; and

Whereas such restrictions encourage idleness, low subsistence living and favor persons having private income not beset by the need of earnings; and

Whereas many old-age assistance recipients are destitute and because of inadequacies in existing laws, live below the minimum American subsistence level; and

Whereas under the current matching formula of the public assistance section of the Federal Social Security Act of 1936 those States which cannot afford adequate financial assistance to its needy aged because their per capita income is low and said formula does not recognize disparities between rich and poor State: Now, therefore, be it

Resolved by the senate and house of representatives, That the Congress of the United States be respectfully urged to liberalize the old-age and survivors insurance restrictions and allow beneficiaries to earn up to $1,800 yearly without being penalized, and to allow old-age assistance recipients to earn monthly sums of $50 for maintaining at least a minimal American standard of living and that the Secretary of State be directed to transmit duly attested copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, the chairman of the Senate Committee on Labor and Public Welfare, the chairman of the House Committee on Education and Labor, the chairman of the Senate and House Committees on Appropriations, and to our Congressional delegation; and be it further

Resolved, That the Congress of the United States be urged to devise a more equable, flexible, and realistic formula to correct the inequity and to be based on, and vary with, States' per capita incomes, thus providing more favorable financial consideration to less wealthy States.

CHARLES H. BROWN,
Speaker of the House of Representatives.

ROBERT T. STAFFORD,
President of the Senate.

Approved May 1, 1957.

JOSEPH B. JOHNSON,
Governor.

REPEAL OF CERTAIN EXCISE TAXES—JOINT RESOLUTION OF OREGON LEGISLATURE

Mr. MORSE. Mr. President, I have received a copy of a joint resolution from the Oregon State Legislature, House Joint Memorial No. 4, calling for the repeal of the excise taxes on the transportation of persons and of freight. In the joint resolution, the legislature points out that this was an emergency wartime tax, adopted during World War II, and that it is heavily weighted against a State like Oregon which ships large quantities of bulk products to markets hundreds and even thousands of miles away.

Senate bill 1591, introduced by my colleague, the junior Senator from Oregon [Mr. NEUBERGER], and me, would do just what is called for in House Joint Resolution No. 4. I ask unanimous consent that the joint resolution, together with the text of Senate bill 1591, be printed in the RECORD at this point.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution and bill will be printed in the RECORD.

The joint resolution was referred to the Committee on Finance, as follows:

House Joint Memorial 4

To the Honorable Senate and the House of Representatives of the United States of America in Congress Assembled:

We, your memorialists, the 49th Legislative Assembly of the State of Oregon, in legislative session assembled, most respectfully represent as follows:

Where as for the purpose of meeting wartime emergency necessity, the Congress of the United States enacted as excise taxes a levy upon the transportation of persons and property; and

Whereas one of the principal purposes of levying such tax upon the transportation of persons was to discourage unnecessary wartime travel; and

Whereas today, 11 years after the cessation of hostilities, there continues a 10 percent levy on the transportation of persons and a 3-percent levy on the transportation of property; and

Whereas it is the opinion of the Legislative Assembly of the State of Oregon that excise taxes should not impose an unfair burden on the long-distance shipper and the long-distance traveler as does the present tax on the transportation of property and persons; and

Whereas it should be a principle of Federal taxation to levy taxes in such a manner as to prevent them from falling as an unequal burden on citizens residing in different areas of the country; and

Whereas the distances to, from and within the West impose an unfair burden on the western traveler and shipper; and

Whereas the present transportation tax on property is unfairly burdensome upon the State of Oregon as it adds what is in effect an additional tariff on the goods shipped from Oregon to the eastern markets, with

the result that those goods are not able to compete freely with the goods originating in more closely adjacent southern areas; and

Whereas the State of Oregon is particularly interested in preserving the eastern market as an open market in which the agricultural and forest products of Oregon, in particular, may compete freely with southern produce without the hindrance of artificial barriers such as the present transportation tax; and

Whereas the State of Oregon is particularly interested in protecting and developing its vacation and tourist travel on an equal basis with other vacation travel areas; and

Whereas the transportation of both persons and property plays such a vital role in the economic life of this country to the extent that the costs of transportation should always be kept at the lowest possible level; and

Whereas transportation is in no sense a luxury but is a vital necessity and there is, therefore, sound reason for distinguishing between the transportation taxes and other excise taxes that are imposed upon luxury items; and

Whereas it is the opinion of the Legislative Assembly of the State of Oregon that the best interest of the country and particularly the western States, who are now discriminated against by the present transportation taxes, would be served by a repeal of those taxes; and

Whereas there is presently pending before the Congress of the United States legislation which would repeal the tax on transportation of property and which would repeal the tax on transportation of persons: Now, therefore, be it

Resolved by the House of Representatives of the State of Oregon (the Senate jointly concurring therein), That the Legislative Assembly of the State of Oregon respectfully memorializes the Congress of the United States to enact legislation repealing the excise tax upon the transportation of persons and property; and be it further

Resolved, That copies of this memorial be sent by the Secretary of State to the President and Vice President of the United States and to all members of the Oregon congressional delegation.

Adopted by house February 15, 1957.
Readopted by house March 11, 1957.

EDITH BYNON LOW,
Chief Clerk.

PAT DOOLEY,
Speaker of House.

Adopted by senate March 7, 1957.

BOYD R. OVERHULSE,
President of Senate.

Senate bill 1591 is as follows:

Be it enacted, etc., That (a) parts I and II of subchapter C of chapter 33 of the Internal Revenue Code of 1954 (relating to the tax on the transportation of persons and the tax on the transportaton of property) are hereby repealed.

(b) The table of parts for such subchapter C is amended by striking out the following:

"Part I. Persons.
"Part II. Property."

SEC. 2. (a) Section 4291 of the Internal Revenue Code of 1954 (relating to cases where persons receiving payment must collect tax) is amended by striking out "Except as provided in section 4264 (a), every" and inserting in lieu thereof "Every."

(b) Section 4292 of such code (relating to State and local governmental exemption) is amended to read as follows:

"SEC. 4292. State and local governmental exemption

"Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed under section 4251 on any payment received for services or facilities furnished to the government of any State, Territory of the United States, or any political subdivision of the foregoing, or the District of Columbia."

(c) Section 6415 of such code (relating to credits or refunds to persons who collected certain taxes) is amended by striking out "4261, 4271," each place it appears therein.

(d) Section 6416 (b) (2) (L) of such code (relating to credits or refunds in the case of certain taxes on sales and services) is amended—

(1) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commutation fare revenue"; and

(2) by striking out "(not including the tax imposed by section 4261, relating to the tax on transportation of persons)."

(e) Section 6421 (b) of such code (relating to gasoline used for certain nonhighway purposes or by local transit systems) is amended—

(1) by striking out "not including the tax imposed by section 4261, relating to the tax on transportation of persons)" each place it appears therein, and

(2) by striking out "tax-exempt passenger fare revenue" and inserting in lieu thereof "commutation fare revenue" each place it appears therein.

(f) Section 6421 (d) (2) of such code (defining tax-exempt passenger fare revenue) is amended to read as follows:

"(2) Commutation fare revenue: The term 'commutation fare revenue' means revenue attributable to the transportation of persons and attributable to—

"(A) amounts paid for transportation which do not exceed 60 cents,

"(B) amounts paid for commutation or season tickets for single trips of less than 30 miles, or

"(C) amounts paid for commutation tickets for 1 month or less."

(g) Section 7012 of such code (relating to cross references) is amended by striking out subsection (i) and by redesignating subsection (j) as subsection (i).

(h) Section 7272 (b) of such code (relating to penalty for failure to register) is amended by striking out "4272."

SEC. 3. The amendments made by this act shall apply only with respect to amounts paid, on or after the 1st day of the 1st month which begins more than 10 days after the date of the enactment of this act, for transportation which begins on or after such first day.

JOINT AND CONCURRENT RESOLUTIONS OF MINNESOTA LEGISLATURE

Mr. THYE. Mr. President, I have received from Hon. Joseph A. Donovan, secretary of state of Minnesota, a letter transmitting resolutions passed by the Minnesota Legislature. I ask unanimous consent that the resolutions be printed in the body of the RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

Joint Resolution 12

Joint resolution memorializing the Congress of the United States to repeal excise taxes levied on the transportation of persons and property by common and contract carriers

Whereas certain excise taxes imposed during World War II are still in effect; and

Whereas the reason given for imposing said taxes was to discourage use by civilians of common and contract carriers of persons and property when an extraordinary demand was placed on transportation by the large increase in traffic due to World War II; and

Whereas these taxes have caused, and continue to cause, substantial diversion of traffic to private carriers, thus causing higher rates to be charged especially on the transportation of property which places a heavy burden on the farmer, the small-business man, and the small manufacturer because they do not have sufficient value to engage in the transportation of their own property and must depend on common and contract carriers for their transportation needs; and

Whereas these excise taxes are discriminatory to Minnesota products as illustrated by the fact that a shipment of Minnesota products from Minneapolis, Minn., to Northfield, Minn., wherein the cost of transportation was $10 would pay a tax of 30 cents and whereas the transportation of the same product to Chicago, Ill., for example, might have a transportation charge of $50 and the tax would be $1.50; and

Whereas the repeal of these excise taxes will result in a direct reduction in transportation costs and eliminate the tax discrimination against shippers who live a long distance from the market for commodities produced and sold, or supplies and equipment manufactured at distant locations; and

Whereas the same discriminatory situation exists where persons use common carrier passenger service; and

Whereas repeal of these excise taxes will not result in any substantial or effective diminution of tax revenue to the Federal Government since these taxes are now paid by shippers for a business purpose and are deductible as ordinary and necessary expenses and elimination of these taxes would in effect produce a greater net income taxable to the benefit of the Federal Government from said shippers and businesses who now deduct these excise taxes from their taxable revenue: Now, therefore, be it

Resolved by the Legislature of the State of Minnesota, That we respectfully memorialize the Members of the United States Senate and House of Representatives from the State of Minnesota to introduce and support legislation to repeal the excise tax of 10 percent on the transportation of persons and 3 percent on the transportation of property by rail, motor, and water common carriers; be it further

Resolved, That the secretary of state transmit copies of this resolution to United States Senator EDWARD J. THYE, United States Senator HUBERT H. HUMPHREY, Representative AUGUST H. ANDRESEN, Representative JOSEPH P. O'HARA, Representative ROY W. WIER, Representative EUGENE J. MCCARTHY, Representative WALTER H. JUDD, Representative FRED MARSHALL, Representative H. CARL ANDERSEN, Representative JOHN A. BLATNIK, Representative COYA KNUTSON, Vice President RICHARD NIXON, and Speaker SAMUEL RAYBURN.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 11th day of March 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 9th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Approved April 13, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 13, 1957.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

Resolution 10

Concurrent resolution memorializing the President, the Secretary of Agriculture, and the Congress of the United States to establish a minimum corn soil-bank program

Whereas corn is the major field crop produced in Minnesota; and

Whereas the market price of corn influences the production and price of livestock, dairy products, and feed grains; and

Whereas it is essential to hold corn production in line and, at the same time, maintain a fair level of farm income; and

Whereas under the present corn soil-bank program the acreage cut to 37 million acres is so drastic that the majority of corn farmers are unable to participate in the program: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the President of the United States, the United States Secretary of Agriculture, and the Congress of the United States be requested to enact a minimum corn soil-bank program establishing:

1. A minimum corn acreage base in the commercial area of 51 million acres;

2. A support price on corn of $1.36 for 1957; and

3. A production requirement that each producer put 15 percent of his corn acreage allotment in the acreage reserve or the conservation reserve of the soil bank as a condition of eligibility for price supports; be it further

Resolved, That the members of the Minnesota congressional delegation be commended who voted for the above minimum corn soil-bank program; be it further

Resolved, That the secretary of state be instructed to transmit copies of this resolution to the President of the United States, the Secretary of Agriculture, and to each Member of Congress from the State of Minnesota.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 9th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 8th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Approved April 12, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 12, 1957.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

Senate Resolution 14

An act memorializing the Congress of the United States to support measures amending farm disaster-emergency credit laws to permit governors of the several States to declare and designate disaster areas

Whereas under present Federal laws, a disaster area can be proclaimed only by the Secretary of Agriculture or the President of the United States, for the purposes of Federal emergency farm credit; and

Whereas the tendency has been that disaster areas have been proclaimed only when they have been relatively widespread, perhaps covering an entire State or major portion of a State; and

Whereas the opportunity to obtain loans at 3 percent interest for feed, seed, and other purposes, is important to farmers who have been hit by some natural disaster such as drought, hail, wind, or flood damage, in enabling them to reestablish their operations; and

Whereas the affected farmers do not seek charity, but rather an opportunity to help themselves back on their feet; and

Whereas in 1956 in this State there were several examples of severe hail or flood damage in limited areas of perhaps several townships or one or two counties; and

Whereas for the individual farmer who is affected, the natural disaster is just as real whether it strikes the whole State, a county, or a few townships: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That the Congress be requested to amend disaster emergency credit laws to authorize the governors of the several States to initiate a request for the designation of disaster areas for the purpose of enabling farmers to avail themselves of needed emergency credit; and be it further

Resolved, That the secretary of state of the State of Minnesota be instructed to transmit copies of this resolution to each Member of Congress from the State of Minnesota, and to each member of the Agricultural Committees of the Senate and House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

A. I. JOHNSON,
Speaker of the House of Representatives.

Passed the Senate the 8th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Passed the House of Representatives the 17th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Approved April 24, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 24, 1957.

JOSEPH L. DONOVAN,
Secretary of State.

Resolution 15

Concurrent resolution memorializing the President and the Congress of the United States to support measures authorizing the issuance of a special series of postage stamps to be known as wilderness preservation stamps

Whereas the Congress of the United States is considering a bill to provide for the issuance of a special series of postage stamps to be known as wilderness preservation stamps; and

Whereas the purpose of the bill is to acquaint the people of the United States with the beauty and unique qualities of the wilderness areas of the United States: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the President of the United States and the Congress of the United States be memorialized to enact legislation authorizing the issuance of a special series of postage stamps to be known as wilderness preservation stamps; be it further

Resolved, That the secretary of state be instructed to transmit copies of this resolution to the President of the United States and to each Member of Congress from the State of Minnesota.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 10th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 20th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

Approved April 24, 1957.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

Filed April 24, 1957.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

Resolution 13

Concurrent resolution memorializing the President and the Congress of the United States to support measures for a fair and equitable return in lieu of taxes to three counties in the Superior National Forest

Whereas the Superior National Forest includes over 2 million acres of Federal land in St. Louis, Lake, and Cook Counties which reduces the taxable property and employment opportunities in these counties; and

Whereas the payments in lieu of taxes made by the Superior National Forest to the counties is very inadequate and because of the small shrunken tax base requires that the counties get special aid from the State; and

Whereas the Superior National Forest contains the last important area of wilderness, lake and canoe country; contains the land of the voyageurs; is a heritage as precious as the finest national parks; offers an opportunity for wild and primitive experience; preserves a canoe country, not only for this generation but for generations to come; is a great rare and unusual region that belongs to the Nation and is within easy access of 50 million people; and

Whereas this great recreation area is so valuable to so many that it deserves maintenance and support by all of the people and in fairness should not be continued and expanded at the expense of the local citizens and communities; and

Whereas the State of Minnesota has enacted legislation providing that the State pay 15 cents per acre in lieu of taxes to the counties on game refuges, public shooting grounds and certain other conservation lands and has recognized the necessity and propriety of such payments: Now therefore, be it

Resolved by the house of representatives (the senate concurring), That the President of the United States and the Congress, urge the immediate enactment of legislation providing that Congress appropriate money to be earmarked to the Superior National Forest to provide not less than 15 cents per acre per year in lieu of taxes, proportionately to Cook, Lake, and St. Louis Counties, this amount to be computed on the basis of Government acreage in each county: Be it further

Resolved, That the secretary of state of Minnesota be instructed to transmit copies of this concurrent resolution to the President of the United States and to each Member of Congress from the State of Minnesota.

A. I. JOHNSON,
Speaker of the House of Representatives.

KARL F. ROLVAAG,
President of the Senate.

Passed the house of representatives the 8th day of April 1957.

G. H. LEAHY,
Chief Clerk, House of Representatives.

Passed the senate the 15th day of April 1957.

H. Y. TORREY,
Secretary of the Senate.

ORVILLE L. FREEMAN,
Governor of the State of Minnesota.

JOSEPH L. DONOVAN,
Secretary of the State of Minnesota.

RESOLUTION OF AMERICAN SOCIOLOGICAL SOCIETY, NEW YORK UNIVERSITY

Mr. JAVITS. Mr. President, I present, for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the American Sociological Society of New York University, which is my alma mater, relating to the National Science Foundation and its program of research support and graduate fellowships.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

THE AMERICAN SOCIOLOGICAL SOCIETY,
NEW YORK UNIVERSITY,
Washington Square, New York.

The following resolution was passed by the American Sociological Society at its annual meeting in Detroit last September:

"The American Sociological Society notes with satisfaction the extension of the program of the National Science Foundation to include research support and graduate fellowships in selected social-science areas, such as anthropology, demography, experimental

social psychology, sociology of science, human ecology, and related disciplines: Be it therefore

"*Resolved*, That the American Sociological Society hereby express its appreciation of the recognition and assistance extended to the social sciences, and that the Foundation be further commended for its emphasis on basic research in our field; be it further

"*Resolved*, That the American Sociological Society express its hope that the National Science Foundation's program be further broadened in the immediate future to include the social sciences proper in addition to the areas of convergence with the natural sciences."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 534. A bill to amend section 702 of the Merchant Marine Act, 1936, in order to authorize the construction, reconditioning, or remodeling of vessels under the provisions of such section in shipyards in the continental United States (Rept. No. 298); and

S. 886. A bill to provide transportation on Canadian vessels between ports in southeastern Alaska, and between Hyder, Alaska, and other points in southeastern Alaska or the continental United States, either directly or via a foreign port, or for any part of the transportation (Rept. No. 299).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with an amendment:

S. 1446. A bill to amend title 14, United States Code, so as to provide for retirement of certain former members of the Coast Guard Reserve (Rept. No. 301).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, with amendments:

S. 1806. A bill to amend the Sockeye Salmon Fishery Act of 1947 (Rept. No. 302).

REPORT ENTITLED "FOREIGN AID" BY SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM (S. REPT. NO. 300)

Mr. GREEN. Mr. President, I herewith submit to the Senate the report of the Special Committee To Study the Foreign Aid Program. This committee was established pursuant to Senate Resolution 285, 84th Congress, and Senate Resolution 35, 85th Congress.

It is with a deep sense of pride that I present this report. It represents the fruition of many months of intensive inquiry by this committee, of which I have had the privilege of serving as chairman during the 85th Congress.

I want to take this occasion to express to the previous chairman of the committee, the distinguished Senator George, my high appreciation of the preliminary work done under his leadership. I also want to express my gratitude to the members of the special committee for their fine efforts in this endeavor. My colleagues included all members of the Committee on Foreign Relations, as well as the chairmen and ranking minority members of the Committee on Appropriations and of the Committee on Armed Services.

I believe this committee has done what the Senate directed it to do. It has studied the question of foreign aid with great thoroughness. It has isolated the faults in this program and it has made far-reaching recommendations to the Senate which, if put into practice, ought to correct those faults. May I add that in all my years in the Senate I do not recall ever having seen such an extraordinary degree of unanimity on any matter so complex as foreign aid.

I commend this report to the attention of the Senate. Members of this body ought to find it highly useful in considering the legislation on foreign aid, which will come before us in the near future.

I ask that the report be printed.

The PRESIDENT pro tempore. The report will be received and printed.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. MANSFIELD. I wish to take this occasion to join in the statement of the distinguished chairman of the Foreign Relations Committee and to concur wholeheartedly in what he had to say. There was unanimity. There was a meeting of the minds. It was not an easy problem for which the members of the committee had to devise a solution. I think the chairman of the committee will join me in saying we were extremely fortunate in having such a competent staff, and to say the time they spent on the problem and the work they did helped bring about this accomplishment.

Mr. GREEN. I certainly agree with the Senator from Montana, and thank him for the tribute he has paid to the committee and the staff.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BARRETT:

S. 2055. A bill to amend the Internal Revenue Code of 1954 to repeal the taxes on transportation; to the Committee on Finance.

By Mr. JOHNSON of Texas:

S. 2056. A bill to authorize purchase of a portion of the bonds issued by the Brazos River Authority, an agency of the State of Texas, to finance the early development by it of the water resources of the Brazos River Basin, Tex.; to the Committee on Public Works.

By Mr. BUTLER:

S. 2057. A bill for the relief of Diana Elain Greig; and

S. 2058. A bill to incorporate National Service Star Legion; to the Committee on the Judiciary.

By Mr. CAPEHART:

S. 2059. A bill for the relief of Chahine H. Azar; to the Committee on the Judiciary.

By Mr. EASTLAND:

S. 2060. A bill for the relief of Elizabeth Biro;

S. 2061. A bill for the relief of Katherine Lisetti;

S. 2062. A bill for the relief of Yasna Trevizan; and

S. 2063. A bill for the relief of Guy H. Davant; to the Committee on the Judiciary.

By Mr. DOUGLAS:

S. 2064. A bill for the relief of Marie Ethel Pavlovitch and her daughter, Dolly Hester Pavlovitch; and

S. 2065. A bill for the relief of Orlene Vincent Simmons; to the Committee on the Judiciary.

By Mr. MORSE:

S. 2066. A bill for the relief of Sally Ann Hobson; to the Committee on the Judiciary.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

By Mr. YOUNG:

S. 2067. A bill for the relief of Einar Lahaug; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2068. A bill to amend the Vocational Rehabilitation Act with respect to the pilot demonstration rehabilitation center in the Washington area; to the Committee on Labor and Public Welfare.

By Mr. O'MAHONEY (for himself and Mr. BARRETT):

S. 2069. A bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain; and

S. 2070. A bill to authorize the Secretary of the Navy to take possession of the naval oil shale reserves and to experiment in the extraction of synthetic liquid fuels from oil shale in the interest of national security; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. O'MAHONEY when he introduced the above bills, which appear under separate headings.)

By Mr. CASE of South Dakota:

S. 2071. A bill for the relief of Bennett Memorial Hospital; to the Committee on the Judiciary.

By Mr. CASE of South Dakota (by request):

S. 2072. A bill to establish a Chiropractic Section in the Medical Service Corps of the Army; to the Committee on Armed Services.

By Mr. ALLOTT:

S. J. Res. 92. Joint resolution relative to depletion allowances on certain oil shale, coal, and other natural deposits; to the Committee on Finance.

(See the remarks of Mr. ALLOTT when he introduced the above joint resolution, which appear under a separate heading.)

By Mr. POTTER:

S. J. Res. 93. Joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. POTTER when he introduced the above joint resolution, which appear under a separate heading.)

PRINTING AS A SENATE DOCUMENT COMPILATION OF STUDIES AND REPORTS ON THE FOREIGN AID PROGRAM

Mr. GREEN. Mr. President, I submit a concurrent resolution authorizing the printing of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program. The Committee on Foreign Relations on May 9 authorized the printing of additional copies of these studies and reports. I ask that the concurrent resolution be referred to the Committee on Rules and Administration.

The concurrent resolution (S. Con. Res. 30) was referred to the Committee on Rules and Administration, as follows:

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document a compilation of studies and reports prepared under the direction of the Special Committee To Study the Foreign Aid Program, created by Senate Resolution 285, agreed to July 1, 1956, as amended by Senate Resolution 35, agreed to January 30, 1957.

SEC. 2. There shall be printed 8,000 additional copies of such Senate document. Such additional copies shall be for the use of the Special Committee To Study the Foreign Aid Program.

SALLY ANN HOBSON

Mr. MORSE. I introduce, for appropriate reference, a bill for the relief of Sally Ann Hobson. I ask unanimous consent that the bill may be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2066) for the relief of Sally Ann Hobson, introduced by Mr. MORSE, was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any funds in the Treasury not otherwise appropriated, to Sally Ann Hobson of Salem, Oregon, the sum of $15,000. The payment of such sum shall be in full satisfaction of all claims of the said Sally Ann Hobson resulting from the death of her late husband, Roger D. Probert, who was killed on March 4, 1954, when a United States military aircraft on which he was being transported as an employee of the General Electric Company crashed near Saint Etinne, France: *Provided,* That no part of the amount appropriated in this Act in excess of 10 percentum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

AMENDMENT OF MINERAL LEASING ACT, RELATING TO DEVELOPMENT OF COAL ON THE PUBLIC DOMAIN

Mr. O'MAHONEY. Mr. President, on behalf of myself, and my colleague, the senior Senator from Wyoming [Mr. BARRETT], I introduce, for appropriate reference, a bill to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain.

I may say, Mr. President, that the development of coal in the United States has been seriously retarded during recent years. Other fuels are taking its place. We have not yet found all the possibilities of using coal for the development of chemical products of various kinds. The purpose of the bill is to provide an incentive for the introduction of new enterprises to promote, by research and by practice, the use of larger amounts of coal. The United States possesses more known coal lands than any other similar area in the world.

The bill, I assume, will be referred to the Committee on Interior and Insular Affairs, where an opportunity will be granted for comments on the possibility of greater uses for coal.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2069) to amend section 27 of the Mineral Leasing Act of February 25, 1920, as amended, in order to promote the development of coal on the public domain, introduced by Mr. O'MAHONEY (for himself and Mr. BARRETT), was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

POSSESSION OF NAVAL OIL SHALE RESERVES

Mr. O'MAHONEY. Mr. President, on behalf of myself, and my colleague, the distinguished senior Senator from Wyoming [Mr. BARRETT], I introduce for appropriate reference a bill to authorize the Secretary of the Navy to take possession of naval oil shale reserves, and to experiment in the extraction of the synthetic liquid fuels from oil shale in the interest of national security.

I give notice now that as soon as I can obtain the floor at the next session of the Senate, on Wednesday, I shall discuss the meaning of the proposed legislation.

I ask unanimous consent that the bill be printed in the RECORD, at this point.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the bill will be printed in the RECORD.

The bill (S. 2070) to authorize the Secretary of the Navy to take possession of the naval oil shale reserves and to experiment in the extraction of synthetic liquid fuels from oil shale in the interest of national security, introduced by Mr. O'MAHONEY (for himself and Mr. BARRETT), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That this act may be cited as the "Naval Oil Shale Reserve Act of 1957."

DECLARATION OF POLICY

SEC. 2. It is recognized by the Congress that the increasing dependence of the United States on foreign sources of supply for petroleum and petroleum products during periods of threatening world conflict and political instability within the nations controlling the sources of supply of such materials greatly endangers the present and future security of the United States. It is, therefore, declared to be the policy of the Congress that a process for extraction of shale oil from the vast resources of oil shale in the United States should be completed as rapidly as possible in order to supplement domestic petroleum supplies and to make this Nation self-sufficient in liquid fuels.

SEC. 3. Part IV of subtitle C of title 10, United States Code, is amended by inserting the following new chapter after chapter 641 thereof:

"CHAPTER 642. NAVAL OIL SHALE RESERVES

"7451. Jurisdiction and control.
"7452. Extraction of synthetic liquid fuels from oil shale.
"7453. Powers of Bureau of Mines.
"7454. Income from the oil shale reserves.
"7455. Requirements as to consultation and approval.
"7456. Annual report of operations.
"7457. Regulations.
"7458. Expenditures; appropriations chargeable.
"7459. Delegation of additional functions to Bureau of Mines.

"SEC. 7451. Jurisdiction and control

"The Secretary of the Navy shall take possession and control of all properties and improvements of every kind and character inside the naval oil shale reserves, together with all rights owned by the United States on other lands that are necessary to the operation of the experimental demonstration plant near Rifle, Colorado, and shall maintain and protect such reserves, properties, and improvements.

"Sec. 7452. Development of synthetic liquid fuels from oil shale

"The Bureau of Mines of the Department of the Interior shall conduct experimental work in the extraction of synthetic liquid fuels from oil shale: *Provided,* That the authority in this chapter to conduct experimental work shall not be considered as authorizing commercial development or operation of the naval oil-shale reserves by the Government in competition with private interests.

"Sec. 7453. Powers of Bureau of Mines

"In order to carry out its functions under this chapter, the Bureau of Mines of the Department of the Interior may—

"(1) operate and, if necessary, redesign and reconstruct the oil-shale mine, demonstration plant and auxiliary facilities located on naval oil-shale reserves numbered 1 and 3 near Rifle, Colo., which were constructed and operated by the Department of the Interior under the act of April 5, 1944 (58 Stat. 190), as amended;

"(2) conduct laboratory experimental and development work, and make careful engineering studies in order to determine the best demonstration plant designs and conditions of operation;

"(3) acquire secret processes, technical data, inventions, patent applications, patents, irrevocable nonexclusive licenses, and any other rights and licenses under patents granted by the United States or any other nation;

"(4) engage, by contract or otherwise, any persons, firms, corporations, or educational institutions which it considers necessary to carry out the purposes of this chapter; and

"(5) cooperate with any other Federal or State department, agency, or instrumentality, and with any person, firm, corporation or educational institution.

"Sec. 7454. Income from the oil-shale reserves

"All money that may accrue to the United States under this chapter from lands within the naval oil-shale reserves shall be covered into the Treasury.

"Sec. 7455. Requirements as to consultation and approval

"The Committees on Armed Services of the Senate and the House of Representatives must be consulted and the President's approval must be obtained before any of the following transactions authorized by this chapter may be effective:

"(1) Contracts with persons, firms, corporations, and private educational institutions relating to the performance of experimental work for the Government in connection with the extraction of synthetic liquid fuels from oil shale.

"(2) Acquisition of any patent or patent rights.

"(3) A contract to alienate from the United States the use, control, or possession of any part of the naval oil shale reserves (except that consultation and Presidential approval are not necessary in connection with the issuance of permits, licenses, easements, grazing and agricultural leases, and rights-of-way pertaining to the use of the surface area of the naval oil shale reserves).

"Sec. 7456. Annual report of operation

"The Secretary of the Navy shall submit annually to the Congress a report of all operations under this chapter.

"Sec. 7457. Regulations

"The Secretary of the Navy, subject to approval by the President, may prescribe regulations and take any proper action to accomplish the purposes of this chapter.

"Sec. 7458. Expenditures: appropriations chargeable

"Expenses incurred in developing synthetic liquid fuels from oil shale shall be paid from appropriations made available for that purpose.

"Sec. 7459. Delegation of additional functions to Bureau of Mines

"In addition to the functions expressly conferred upon the Bureau of Mines under this chapter, the Secretary of the Navy is authorized to delegate to the Bureau of Mines any other functions under this chapter which he determines can be more efficiently or economically performed by personnel of such Bureau."

SEC. 4. There is authorized to be appropriated to carry out the purposes of this chapter the sum of $13,500,000, which sum may be expended in such amounts as the Secretary of the Navy may deem appropriate during a period of 6 years commencing July 1, 1957, and ending July 1, 1963.

DEPLETION ALLOWANCES ON CERTAIN OIL SHALE, COAL, AND OTHER NATURAL DEPOSITS

Mr. ALLOTT. Mr. President, I introduce, for appropriate reference, a joint resolution which I ask to have printed in the RECORD, following my remarks.

The joint resolution recognizes that the consumption of petroleum and petroleum products in the United States has more than doubled in the past 15 years, and is still on the increase.

Mr. President, I recognize that since prior to the First World War, prophets of doom have been saying that the United States is running out of oil. Although it is fortunate that they have been proved wrong by an aggressive industry working under the United States system of free, competitive enterprise, yet it is evident that with our population increasing and with the consumption of petroleum and petroleum products climbing, coupled with the fact that each new well drilled today is generally deeper, costs more, and is the result of more dry holes per discovery, any further delay in the development of our oil shale and coal reserves would be foolhardy.

Let me cite an example: During the 85 years from 1860 to 1945, the total production of oil in the United States was 31.5 billion barrels. From 1945 through 1955, the United States produced 21.1 billion barrels, which is nearly two-thirds of the amount produced during the previous 85 years. The American Petroleum Institute estimates that on January 1, 1956, the proved crude oil reserves of the United States amounted to 30 billion barrels.

All the available figures indicate that the petroleum industry has done a good job in keeping ahead of the demand. However, when the average cost of a well in Colorado, for example, is more than $50,000, and when, on the average, 10 dry wildcat wells are drilled for each producing well, it seems that there is a good argument, in the interest of national safety and the consumer's pocketbook, in favor of getting on with the job of the development of oil shale.

Mr. President, the joint resolution I am introducing will result in clarification of the tax picture, will encourage private industry to redouble its efforts, and will put the development of oil shale on a par with the development of crude oil in the United States. Therefore, I believe that enactment of this joint resolution is a necessary development for the future of the United States and its sound economic development and welfare.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred; and, without objection, the joint resolution will be printed in the RECORD.

The joint resolution (S. J. Res. 92) relative to depletion allowances on certain oil shale, coal, and other natural deposits, introduced by Mr. ALLOTT, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

Whereas oil is approaching a production crisis in the United States; and

Whereas the domestic petroleum industry should reach its maximum production within the next decade or two and thereafter decline, resulting in the United States becoming increasingly dependent upon foreign imports to meet its rapidly growing oil requirements; and

Whereas in the United States the consumption of petroleum has doubled in the last 15 years with indications for the future of steadily increasing consumption; and

Whereas consumers and processors of petroleum products are gravely concerned by the fact that discoveries of new domestic oilfields of significant size are dwindling while at the same time the percentage of dry holes drilled, the average depth of new wells, and the cost of completing wells are increasing at an alarming rate; and

Whereas the United States and all other industrial nations today are utterly dependent upon petroleum for the energy to drive their industrial machines and to furnish light, heat, transportation, and many of the other necessities and comforts of modern living; and

Whereas the United States now imports approximately 1½ million barrels of petroleum per day to meet consumptive demand; and

Whereas recent events have demonstrated the United States and the free world must have an adequate and independent reserve of oil readily available to give them freedom from economic coercion; and

Whereas the petroleum consumers of the free world are dependent for their day-to-day needs upon areas which drive hard bargains; and

Whereas the security, economy, and welfare of the United States and the free world are intricately dependent upon the free flow of petroleum in adequate supply; and

Whereas in time of war or international emergency, oil imports would of necessity be transported through areas within the sovereignty of foreign nations, or on the open seas subject to hostile action which could halt them entirely; and

Whereas a dependable ready-to-use supply of petroleum within the United States would stabilize petroleum marketing conditions, protect friendly nations from exploitation, and become a most potent factor for world peace; and

Whereas the nation or nations having the greatest ready supply of petroleum will have a distinct advantage should war come; and

Whereas an adequate reserve of petroleum in usable form, quantity, and quality in the interior of the United States would insure our citizens military security plus sufficient fuel and energy to meet the requirements of an ever-expanding free economy and higher and still higher standards of living, at a price level based neither on governmental controls nor short supply; and

Whereas since 1944 the Federal Bureau of Mines under the direction of Congress has conducted an extensive research program in the field of producing synthetic oil from coal and oil shale and with very satisfactory results; and

Whereas currently private industry is producing experimentally a limited quantity of synthetic oil from shale equal in quality to the best crude oil obtained from the Nation's oil and gas wells; and

Whereas oil-shale beds of varying thickness and oil content are known to occur in more than half of the States, and coal beds occur in 31 States; and

Whereas in the public land States of Utah, Wyoming, and Colorado there are vast and well-defined deposits of oil shale which contain more than a trillion barrels of oil—the Federal Government being the sole owner of more than half of this enormous deposit and reserve; and

Whereas the national coal reserves are approximately 2 trillion tons, a large portion of which is located in public land States and owned by the Federal Government; and

Whereas when oil is extracted from oil shale substantial amounts of byproducts, such as coke, sulfur, liquid ammonia, and waste gas suitable for the production of power, are also produced; and

Whereas the establishment by private capital of a synthetic-fuels industry developing these deposits of oil shale and coal would lead directly to the production of huge revenues for the United States through the leasing, sale, or development of its vast holdings on the public lands; and

Whereas the Congress of the United States has undertaken the development of the upper Colorado River Basin at a substantial investment that will be returned to the Treasury manyfold as the five States immediately concerned, Wyoming, Utah, Colorado, New Mexico, and Arizona, develop their huge natural resources including oil shale and coal; and

Whereas the establishment of industries to produce oil from shale and coal would create new resources, new wealth, and new tax revenues for local, State, and Federal governments; and

Whereas the development of industries to produce oil from shale and coal will require many years for the installation of huge mining, retorting, refining, transportation, and service facilities which, in the event of a sudden national emergency, could not be made available; and

Whereas in order to extract oil and gas from oil shale and coal it is necessary to process the ore by means of retorting or other similar procedures; and

Whereas the creation by private industry of a synthetic liquid fuel from oil shale and coal requires a capital investment of hundreds of millions of dollars, to provide the necessary mining, crushing, retorting, and refining facilities; and

Whereas the ability of free enterprise to procure the necessary investment capital to produce synthetic petroleum fuel from oil shale and coal of competitive quality, rests squarely upon these prospective industries being granted identical Federal tax treatment to that accorded crude oil produced from gas and oil wells; and

Whereas the States most immediately concerned with the development of an oil-shale industry have long recognized the desirability of granting tax treatment at least as favorable as that granted producers of oil and gas from wells; and

Whereas with constructive tax treatment by Congress such an industry will commence the recovery of oil from America's huge oil-shale and coal reserves; and

Whereas strengthening the national defense, providing orderly industrial growth, and assuring adequate supplies of petroleum for our expanding national economy and for future emergencies are the avowed aims of our Government; and

Whereas converting this Nation's mountains of oil shale and its vast beds of coal into liquid energy is a challenge of the first magnitude that demands constructive action by Congress now: Now, therefore, be it

Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled, That, for the purpose of establishing allowances for depletion in computing net income taxable by the United States of America, the percentages accorded deposits of oil shale, coal, and other natural deposits, when any of them are processed for the extraction of synthetic liquid fuel shall be identical to that allowed to oil and gas wells; and be it further

Resolved, That, in the case of such deposits processed for the extraction of synthetic liquid fuel, for the purpose of computing gross income, gross income from mining shall, as in other cases, include ordinary treatment processes, including mining, crushing, retorting, and other extraction procedures.

SALE OF CERTAIN WAR-BUILT VESSELS FOR PRIMARY UTILIZATION ON THE GREAT LAKES

Mr. POTTER. Mr. President, I introduce, for proper reference, a joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes. Specifically, the measure would, if enacted, authorize the Secretary of Commerce to sell up to 12 C–4 type vessels, to the highest responsible bidders who are citizens of the United States, for primary employment either on the Great Lakes, including the St. Lawrence River and Gulf and their connecting waterways, or on any voyages originating or terminating at a port on the Great Lakes. No vessel shall be sold under the provisions of this joint resolution for a price which is less than the sale price of such vessel computed under the Merchant Ship Sales Act of 1946, as of January 15, 1951, depreciated on a straight-line basis for the period from January 15, 1951, to the date of execution of the contract of sale, on the basis of the portion of a 20-year useful life of such vessel remaining after January 15, 1951.

It is without question in the best interests of our Government, from the standpoints of both economy and national defense, for these vessels to be taken out of mothballs. These vessels depreciate and deteriorate less in operation than they do in reserve. In time of war, if the Government desired to call them back into service, they could be returned to war service more rapidly and cheaply than if they had to be taken out of mothballs.

When the St. Lawrence Seaway opens there will be a tremendous need for general cargo carriers, in addition to bulk carriers. The C–4 type vessel is very adaptable and it can be converted into a container ship or used for roll-on-roll-off operations. The economy of our Nation will be enhanced when these vessels are put into operation as a part of the seaway traffic. Other nations are already building ships for the seaway traffic, and it well behooves the United States to be ready to obtain its fair share of the traffic. Making these C–4 vessels available will be a positive step in this direction.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S. J. Res. 93) to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes, introduced by Mr. Potter, was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

ESTABLISHMENT OF A CONTINUING UNITED NATIONS FORCE—ADDITIONAL COSPONSORS OF CONCURRENT RESOLUTION

Under authority of the order of the Senate of May 8, 1957,

The name of Mr. KENNEDY was added as an additional cosponsor of the concurrent resolution (S. Con. Res. 29) favoring the creation of a force similar to the United Nations emergency force for the maintenance of international peace and security, submitted by Mr. FLANDERS (for himself, Mr. SPARKMAN, Mr. SMITH of New Jersey, and Mr. WILEY) on May 8, 1957.

Mr. FLANDERS. Mr. President, I ask unanimous consent that the name of the Senator from New Jersey [Mr. CASE] may be added to Senate Concurrent Resolution 29, which I submitted last Wednesday. His name was left off by inadvertence.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. KNOWLAND:

Address delivered by him at American Legion Founders Day luncheon, St. Louis, Mo., May 11, 1957.

By Mr. BUTLER:

Statement prepared by him on the subject of Rumania's Independence Day.

By Mr. WILEY:

Article entitled "Students Today—Statesmen Tomorrow," written by him, and published in the United States National Student Association Student Government Bulletin.

By Mr. EASTLAND:

Address delivered by the Secretary of Agriculture before the American Cotton Shippers Association, New Orleans, La., April 26, 1957.

Mr. MARTIN of Pennsylvania:

Statement by Representative WILLARD S. CURTIN before House Appropriations Committee on May 9, 1957.

By Mr. HRUSKA:

Address delivered by him before Conference of Czechoslovak National Council, Washington, D. C., May 6, 1957.

NOTICE OF CONSIDERATION OF A NOMINATION BY THE COMMITTEE ON FOREIGN RELATIONS

Mr. GREEN. Mr. President, as chairman of the Committee on Foreign Relations, I desire to announce that the Senate received on May 9 the nomination of Harold M. Randall, of Iowa, a Foreign Service officer of class 1, to be the representative of the United States to the seventh session of the Economic Commission for Latin America of the Economic and Social Council of the United Nations.

Notice is given that this nomination will be eligible for consideration by the Committee on Foreign Relations at the expiration of 6 days, in accordance with the committee rule.

TRIBUTE TO NGO DINH DIEM, PRESIDENT OF FREE VIETNAM

Mr. MANSFIELD. Mr. President, the city of Washington and our country have been fortunate in having as a visitor during the past several days the Honorable Ngo Dinh Diem, the President of the Republic of free Vietnam. President Diem is not only the savior of his own country, but in my opinion he is the savior of all Southeast Asia. There is no doubt that United States' financial assistance, in the form of economic and military aid, has benefited his country greatly. There is no doubt that our State Department has consistently upheld the stand of President Diem, and has proved to be a bulwark in support of his efforts. But I think the chief credit for holding back the Communist aggression not only in Vietnam, but, because of that, in Southeast Asia, as well, lies in the determination, the courage, the incorruptibility, and the integrity of President Diem, who has shown such great ability and has accomplished so much against tremendous odds. He is indeed a man of the people; a man whom the Vietnamese admire and trust; and a man in whom the United States has unbounded confidence and great faith. The American Congress and the American people wish for the President of Vietnam and the people of that country continued success in the difficult years ahead. They have earned it.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD, together with my remarks, a number of newspaper statements and comments regarding President Diem and his visit to the United States.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 12, 1957]

TEXT OF EISENHOWER-DIEM STATEMENT

WASHINGTON, May 11.—Following is the text of a joint statement issued today by President Eisenhower and President Ngo Dinh Diem of South Vietnam at the conclusion of their talks:

"His Excellency Ngo Dinh Diem, President of the Republic of Vietnam, and President Eisenhower have held discussions during President Ngo Dinh Diem's state visit as the guest of President Eisenhower during May 8–10.

"Their discussions have been supplemented by meetings between President Ngo

Dinh Diem and his advisers and Secretary of State Dulles and other American officials. These meetings afforded the occasion for reaffirming close mutual friendship and support between the Republic of Vietnam and the United States. The two Presidents exchanged views on the promotion of peace and stability and the development and consolidation of freedom in Vietnam and in the Far East as a whole.

"President Eisenhower complimented President Ngo Dinh Diem on the remarkable achievements of the Republic of Vietnam under the leadership of President Ngo Dinh Diem since he took office in July 1954. It was noted that in less than 3 years a chaotic situation resulting from years of war had been changed into one of progress and stability.

"Nearly 1 million refugees who had fled from Communist tyranny in North Vietnam had been cared for and resettled in free Vietnam.

"Internal security had been effectively established.

"A constitution had been promulgated and a national assembly elected.

"Plans for agrarian reform have been launched, and a constructive program developed to meet long-range economic and social problems to promote higher living standards for the Vietnamese people.

"President Ngo Dinh Diem reviewed with President Eisenhower the efforts and means of the Vietnamese Government to promote political stability and economic welfare in the Republic of Vietnam. President Eisenhower assured President Ngo Dinh Diem of the willingness of the United States to continue to offer effective assistance within the constitutional processes of the United States to meet these objectives.

"President Eisenhower and President Ngo Dinh Diem looked forward to an end of the unhappy division of the Vietnamese people and confirmed the determination of the two governments to work together to seek suitable means to bring about the peaceful unification of Vietnam in freedom in accordance with the purposes and principles of the United Nations Charter. It was noted with pleasure that the General Assembly of the United Nations by a large majority had found the Republic of Vietnam qualified for membership in the United Nations, which has been prevented by Soviet opposition.

"President Eisenhower and President Ngo Dinh Diem noted in contrast the large buildup of Vietnamese Communist military forces in North Vietnam during the past 2½ years, the harsh suppression of the revolts of the people of North Vietnam in seeking liberty, and their increasing hardships.

"While noting the apparent domination during the last 3 years of Communist-inspired hostilities in Southeast Asia except in the Kingdom of Laos. President Eisenhower and President Ngo Dinh Diem expressed concern over continuing Communist subversive capabilities in this area and elsewhere. In particular, they agreed that the continued military buildup of the Chinese Communists, their refusal to renounce the use of force, and their unwillingness to subscribe to standards of conduct of civilized nations constitute a continuing threat to the safety of all free nations in Asia. To counter this threat, President Ngo Dinh Diem indicated his strong desire and his efforts to seek closer cooperation with the free countries of Asia.

"Noting that the Republic of Vietnam is covered by article IV of the Southeast Asia Collective Defense Treaty, President Eisenhower and President Ngo Dinh Diem agreed that aggression or subversion threatening the political independence of the Republic of Vietnam would be considered as endangering peace and stability. The just settlement of problems of the area by peaceful and legitimate means within the framework of the United Nations Charter will continue to be the mutual concern of both Governments. Finally, President Eisenhower and President Ngo Dinh Diem expressed the desire and determination of the two Governments to cooperate closely together for freedom and independence in the world."

[From the Washington Post of May 13, 1957]

VIETNAM AND UNITED STATES

No major agreement came out of the visit of President Ngo Dinh Diem, of Vietnam, to Washington, but the joint communique issued at the conclusion of his talks with President Eisenhower makes it evident that the ties between the two countries have been drawn a little tighter. Mr. Diem doubtless has a better understanding of the President's problem of continuing foreign aid on a large scale, and Mr. Eisenhower is said to have a much more intimate picture of how American aid is being administered in Vietnam. The visitor's diplomatic protests as to the paternalism of the International Cooperation Administration in selecting and carrying out United States-financed projects in Vietnam should lead to an early reemphasis of this country's basic objectives in helping friendly peoples.

Though the two Presidents hope for an end to the unhappy division of the Vietnamese people and assert their purpose of working together for a unified and free Vietnam, there is no threat in their statement. They emphasize their reliance on peaceful means. Both are deeply concerned over Communist China's continued military buildup and subversive capabilities in Southeast Asia. They agree that aggression or subversion threatening the political independence of the Republic of Vietnam would endanger peace and stability. Presumably an outbreak of that sort would bring the Southeast Asia Collective Defense Treaty into effect.

The real significance of President Diem's visit, however, is that today the emphasis can be placed on the positive side. Under his skillful guidance and with substantial aid from the United States, Vietnam has attained a stability that discourages adventuring. The first interest of all the peoples of Southeast Asia is to continue this progress in an atmosphere of peace and increasing freedom.

[From the New York Herald Tribune of May 13, 1957]

COURAGE AGAINST COMMUNISM

Today New York City will welcome Ngo Dinh Diem, the courageous and devoted President of South Vietnam. In the 3 days President Diem has been in Washington for conferences with President Eisenhower and other American officials, he has brought home convincingly to the American public the heartening and sometimes overlooked fact that important sections of the Far East are determined to resist both communism and neutralism—that the United States may have more friends in that part of the world than is generally realized.

In many Western minds, Vietnam was pretty well written off as a loss after the French tragedy at Dienbienphu. The country was partitioned, and the southern, anti-Communist section was regarded as weak and likely to go under. But that was without reckoning with a man like President Diem. He himself fully realized the magnitude of his task. When he took over in 1954, as he recalled the other day in an address at the National Press Club in Washington, his country "seemed past saving." But by acting with vigor and determination, and by putting to good use the material support of the United States under the partnership program, he was able to give full play to the anti-Communist feelings of the mass of his people. "Communism isn't neutral, therefore we can't be neutral," President Diem has said, in refreshing contrast to the nervous and dangerous tightrope posturing of certain other Far Eastern leaders.

This philosophy, which reflects the thinking of millions of people in both the West and the East, has been incorporated convincingly in the joint statement just issued in Washington by President Diem and President Eisenhower. They agree that "aggression or subversion threatening the political independence of the Republic of Vietnam would be considered as endangering peace and stability." They call for the admission of Vietnam to the United Nations—a long-overdue step which continues to be blocked by the Soviet Union. They regard Communist activity in the area as a continuing threat to the safety of all free nations in Asia. And they will seek all suitable means to bring about the reunification of Vietnam peacefully.

For the people of Vietnam, the Washington declaration means a rededication to the principles that have brought about a renascence of their war-torn country. For Americans it means that, in the same spirit which motivated the Eisenhower doctrine in the Middle East, this country has warned the Soviet Union against attempting aggression against a free and independent people. For the world at large, it means that an important Far Eastern country has boldly and publicly proclaimed its distaste for the doctrines of repression and aggression represented by Soviet Russia and Red China. And for some individuals in Congress, the success of President Diem's resistance to communism should provide convincing proof of the need for the continuance and expansion of the foreign aid program—particularly in its economic aspects.

As one of the Far East's foremost spokesmen in this struggle, President Diem will be welcomed warmly in New York today. He comes here not only as a leader of a free people and a statesman, but as a friend. And New York takes its friends to its heart.

[From the Christian Science Monitor of May 11, 1957]

SOUTH VIETNAM VITAL TO ASIAN SECURITY

President Diem, of South Vietnam, who 4 years ago could hardly get to see a desk man at the State Department (while exiled here and pleading Vietnamese independence), this week received the red carpet treatment.

President Eisenhower sent his personal plane to fly President Diem to Washington; he went out to the airport to greet President Diem (something he had done only once before in more than 4 years in the White House); President Diem was put up at the President's guest house; he addressed the American Congress.

All of which means that the United States is putting a great many of its Southeast Asian eggs in the Vietnamese basket, that it is backing President Diem and South Vietnam to the hilt.

[From the Christian Science Monitor of May 10, 1957]

MR. DIEM IN WASHINGTON

Ngo Dinh Diem is the symbol of the Vietnamese people's determination to be free—not merely free of French colonial but of Communist domination.

It is little short of miraculous that the Vietnamese do have such a symbol today. For many years their only symbol in their struggle for national independence was a Communist one—the ascetic, wispy-bearded figure of "Uncle" Ho Chi Minh.

Mr. Diem was hardly known outside a small circle of passionately devoted friends and followers when he returned to Vietnam from 4 years of exile in 1954.

The Geneva settlement gave North Vietnam to the Communists, and it was expected that South Vienam would fall to them without a fight within 2 years.

Mr. Diem tackled the French and got them to withdraw their troops by June 1956. He crushed the private armies of the feudal religious sects. He threw out ex-Emperor Bao Dai in a referendum and proclaimed South Vietnam a republic. He resettled 800,000 refugees from the north and initiated a land reform program.

In all this he had strong support from the United States, which has funneled three-quarters of a billion dollars' worth of economic aid to South Vietnam during the past 2 years.

President Diem has his critics. They accuse him of reliance on close relatives and of unwillingness to delegate power. But few would question that the President's accomplishments in the face of tremendous obstacles outweigh his shortcomings and that South Vietnam today is freer than the Communist North.

Washington's warm welcome to President Diem underscores its affection for a stalwart champion of freedom and its conviction that, in the case of South Vietnam, American dollars have been well spent.

[From the New York Times of May 13, 1957]

DIEM ON DEMOCRACY

In recent years there has been much confusion and controversy on definitions of democracy. There has been the tragic lie in the naming of so-called peoples' democracies. There has been a suggestion of the need for a "guided" democracy. There has been, often, the argument that democratic forms and democratic processes are not necessarily well adapted to some societies, especially the "underdeveloped."

Because a substantial part of these arguments has pertained to various countries in Asia it is a valuable thing to get some plain talk on democracy from an Asian leader. We have just had it in the address of Vietnamese President Diem to the United States Congress. This is not the first strong statement on democracy to come out of Asia. There is, for example, the ringing declaration in the Philippine Constitution: "Sovereignty resides in the people and all authority emanates from them." But President Diem has added a strongly spiritual, rather than political, note in his definition.

This could have ben expected from a man of deep religious bent. It is also not surprising that a firm concept of human rights should come from a man of erudition fully steeped in the French and American applications of this concept. But President Diem says, also, that he bases himself on fundamental sources of Asiatic culture and is within his own Vietnamese democratic tradition. Then he says:

"We affirm that the sole legitimate object of the state is to protect the fundamental rights of human beings to existence, to the free development of intellectual, moral, and spiritual life. We affirm that democracy is neither material happiness nor the supremacy of numbers. Democracy is essentially a permanent effort to find the right political means in order to assure to all citizens the right of free development and of maximum initiative, responsibility and spiritual life."

With such a declaration, we believe, Thomas Jefferson would have no quarrel. It is strongly reminiscent of his thesis that governments were instituted to make secure the unalienable rights of individuals to life, liberty, and the pursuit of happiness.

Later, to another audience, President Diem made it plain that this was no passive concept. He condemned the idea of "neutralism" in Asia's ideological struggles and stated that it would not be possible to meet Asia's problems in an atmosphere of leisure and tranquility. "Since communism is not neutral," he said, "we cannot be neutral."

This is straight talk from a courageous man. It is welcome here and it should be heard in some other quarters. There is no "neutralism" on human rights, and this is the basis for President Diem's stand.

[From the New York Times of May 12, 1957]

DIEM'S VISIT POINTS UP HARD UNITED STATES PROBLEMS IN ASIA

(By Russell Baker)

WASHINGTON, May 11.—President Ngo Dinh Diem, of Vietnam, leader of about one-tenth of the 140 million free Asians occupying the exotic peninsulas and archipelagos between India and the Philippines, was the guest of the United States last week. He was proudly introduced around town as the savior of a land that no one had thought salvageable.

President Diem, whose toughness of mind seemed exceeded only by his modesty, disclaimed the glory for himself. All, he said, was due to the courage of his people, fortified by $500 million from Washington in economic aid and an equal amount of military help. Whoever the hero, the happy fact was that Vietnam had in the last 30 months been transformed from a chaotic territory ripe for the Communist plucking into a going independent country with strong sympathies for the West.

FEW ASIAN VICTORIES

It is quite a story, or at least quite an opening chapter, and it explains the warmth with which President Diem was welcomed here. Since V-J Day in 1945 United States triumphs in Asia have been few.

In President Diem's area it has been confronted with a stubborn neutrality that has vitiated its attempts to erect a collective security defense against Chinese imperialism. Its attempts to isolate China as the pariah of the Asian world are being gradually frustrated by its allies' insistence that the economics of China cannot be ignored.

Except for Thailand, all the nations of southeast Asia have gained their independence from colonial rule since World War II. The central facts of their brief existence have been:

1. Geographical vulnerability to Chinese Communist expansionism, and hatred of war.

2. Detestation of colonialism and intense national pride.

These factors interlock to make difficulties for United States policy in the area. For example, fear of offending China make them wary of military alinement with the West.

QUESTION OF COLONIALISM

United States ties to the old European colonial powers reniforce the argument for nonalinement by invoking memories of a bitter past, which now attach to Washington by a sort of guilt by association.

In this extremely difficult situation United States policy has not been overly ambitious nor do the officials who administer it feel unduly pessimistic. The policy is simply to help the independent nations maintain their independence. It is conceded at the State Department that the last 5 years have produced no sign that the neutralists are moving toward alinement with the West. On the other hand, it is argued, the events of these past 5 years have strengthened their neutrality to the point where the Communists no longer enjoy special favor in most of the area.

Moreover, the march of communism that was proceeding through the area in 1950 has been halted. Internal fighting has stopped everywhere but on the northern borders of Laos. Compared to 1950, a measure of economic and political stability prevails, though admittedly uneasily.

Communist China, moreover, has abandoned for the time being her threatening warlike attitude.

In addition, Thailand has alined itself militarily with the West in the Manila Pact of 1954 and Vietnam has been brought forth as a militantly anti-Communist state. Both these events, however, are counterbalanced by the apparent failure of parliamentary democracy in Indonesia and President Sukarno's newly acquired admiration for the ways of communism.

Neither Vietnam's nor Thailand's pro-Western stand has swayed the prevailing neutralism of the area. Of much greater impact, at least in short-run terms, was the Communist peace that the Soviet Union imposed on Hungary and China's subsequent attempts to rationalize it as the correct Communist behavior.

This drew the first significantly loud protests from the neutralists, not only because the hyprocrisy was too much for reason to bear, but perhaps because the harsher realities seemed conceivable in Asia, too.

UNITED STATES SUEZ POLICY

A second event of great importance was United States opposition to Britain and France in the Suez Canal crisis, which gave Asians the first evidence in years that the United States, at least occasionally, pays more than lip service to anticolonialism.

The question of how the United States shall help the new nations keep their independence is under great debate here. The efficacy of economic aid is being sharply questioned. One report made to the Senate Foreign Relations Committee suggests, for example, that aid in the area be cut by half.

Whatever the outcome, no one here is under the illusion that President Diem's initial successes in Vietnam mean that the United States is out of the woods in Southeast Asia—or even that there are not great headaches still ahead.

[From the New York Times of May 13, 1957]

DIEM, HERE FOR VISIT, RELIVES HIS EXILE AT MARYKNOLL

(By Robert Alden)

Ngo Dinh Diem, President of a far-off land of Southeast Asia, came to New York yesterday to pay a visit. His country, Vietnam, has been cut in two by the Communists. The President made clear yesterday his hatred of communism. He also made it clear that he is a deeply religious man. Although his country is predominantly Buddhist, President Diem is a Roman Catholic. The first thing he did after his arrival from Washington was to attend high mass at St. Patrick's Cathedral. But the highlight of the day came when the President had a joyful reunion on the pleasant rolling campus of Maryknoll Seminary outside Ossining, N. Y. Mr. Diem had lived at the seminary and at Maryknoll Junior Seminary at Lakewood, N. J., when he was in self-imposed exile during the years 1951 to 1953. When he returned there yesterday for the first time the students, dressed identically in their black cassocks, gave him a rousing welcome. First they applauded as he stepped from his car and then they gave him a lusty threefold "Hip Hip Hurrah" that echoed in the sunlit hills.

President Diem, normally a somber man, was deeply moved. He looked really happy for the first time in what had been a long day of handshaking.

Mr. Diem greeted students and priests who had helped him with his English and with his first clumsy golf swings. When one resident at the seminary was asked about what Mr. Diem had done during his first stay there, he replied: "Oh, he cleaned dishes like the rest of us."

RECALLS MARYKNOLL DAYS

But the President told the students at Maryknoll: "It was in this house that I had a clear vision of my plans to bring freedom to my people. It was here that I formulated the principles that were to become the constitution of the Republic of Vietnam."

He told how much he had profited from the counsel and guidance he had received at Maryknoll and how much that counsel had helped in the struggle for my people.

In a nostalgic mood Mr. Diem once walked again through the colonnades and gothic arches of the school so far away from his own country that played such an important part in the shaping of the young Republic.

President Diem arrived for his New York visit at La Guardia Airport at 9:49 a. m. A chill mist cloaked the field and caused the Air Force plane that brought the President to miss the runway the first time.

The 56-year-old President, who stands 5 feet, 4 inches and weighs just over 140 pounds, stepped from the plane to be met by Richard C. Patterson, Jr., Commissioner of the Department of Commerce and Public Events.

Mr. Diem, wearing a gray suit and gray tie, his black hair immaculately in place, faced the cameras and microphones and said:

"I am happy to be again in New York where I had come 6 years ago in search of peace and liberty."

Then the motorcycle escort formed and President Diem sped toward St. Patrick's. The High Mass scheduled for 10 a. m. was delayed until the President arrived at 10:30.

Accompanied by the Most Reverend Joseph F. Flannelly, auxiliary bishop of New York, Mr. Diem was led down the center aisle to a place of honor in the sanctuary. Bishop Flannelly mounted the pulpit and said:

"We are delighted and we are proud to see in the sanctuary of our cathedral of New York, the President of the Republic of Vietnam, his Excellency Ngo Dinh Diem.

"The entire world acclaimed him when this God-fearing, anti-Communist and courageous statesman saved Vietnam."

ROCKEFELLER LUNCHEON GUEST

After the Mass, Mr. Diem stopped briefly at the Waldorf-Astoria Hotel, where he and his party are staying. Then, with motorcycle escort, he was driven to Tarrytown, N. Y., where a private luncheon party was given for him by John D. Rockefeller 3d.

After his stop at Maryknoll, President Diem went to South Orange, N. J., where he received an honorary degree of doctor of laws from Seton Hall University.

In its citation, the university said of Mr. Diem:

"He, more than anyone else, stopped the Communists in their hour of partial conquest of Vietnam. Had all Vietnam fallen to them, as seemed inevitable in July of 1954, the Communistic empire would have harvested huge economic, strategic and political advantages."

In accepting the degree, Mr. Diem said: "Never before in the history of the world have conflicts among people been presented more directly in terms of civilizations than at the present time.

"Formerly enemies fought on physical, material grounds. Those of today violate even the soul. Nowadays the Communists make a clean sweep wherever they go."

Today President Diem will be honored with a noontime parade up Broadway to city hall, a luncheon at the Waldorf-Astoria, a reception at 5:15 p. m. at the Council of Foreign Relations, 58 East 68th Street, and a dinner by the Friends of Vietnam and the International Rescue Committee at the Ambassador Hotel.

[From the Christian Science Monitor of May 8, 1957]

FULL HONORS FOR PRESIDENT DIEM

(By Neal Stanford)

The United States is currently host to President Ngo Dinh Diem, of Vietnam; and Washington is giving him the de luxe treatment. President Eisenhower sent his personal plane, the Columbine II, to fly him over; and when he arrives here from San Francisco the President is going out to the National Airport to greet him personally. He did that not too long ago for King Saud of Saudi Arabia—but he doesn't do it often. In one particular King Saud and President Diem might be compared: each in his own particular geographic area is America's anti-Communist hope.

Speaking relatively, President Diem's accomplishments in Vietnam in these last 3 years have been little short of sensational. He took a truncated nation, bankrupt, bled white by French and Communist warfare, overwhelmed by 800,000 refugees, and has laid the foundations of a more or less stable regime.

He received a lot of assistance, of course, from the United States; and President Diem is the first to acknowledge his nation's gratitude to the United States. In the last 2 years the United States has spent over half a billion dollars in Vietnam—mostly for paying the armed forces and helping to train and advise the military.

Resettling the eight-hundred-thousand-odd refugees who fled from the Communist areas when Indochina was partitioned was, however, the most spectacular United States operation. At a cost of $93 million, and some 200 million pounds of rice and other surplus United States agricultural commodities, the United States underwrote and engineered a mass escapee problem to a successful conclusion. Incidentally, the Gaza Strip refugees that are so confounding Arab-Israeli and all Middle East relations do not number more than were involved in this impressive exhibition of humanitarianism and political expediency.

President Diem has had a really tough time bringing some kind of order out of Vietnamese chaos. He has had the Communists to the north, led by the venerable Red leader Ho Chi Minh, who are working night and day to subvert his insecure regime. Certain jealous religious sects with private armies and adherents have done their best to destroy him. Some of the French, former masters in Indochina, have openly connived against him at times. And there have been political differences among the Vietnamese. An assassin took a shot at him not many months ago but got one of his Cabinet members instead.

President Diem is a short, stocky man with thick black hair. He is a Roman Catholic in a country where 90 percent of the people are Buddhists, his clan having been converted to Catholicism in the 17th century. Six years ago, with the French and Communists fighting to control Indochina, he went abroad, spending 2 years at the Maryknoll Junior Seminary in Lakewood, N. J. From there he went to a monastery in Belgium, and, after Dienbienphu, moved to a garret in Paris, before heading back to his homeland to become first Premier and then President.

It was, and is, no lush job that he took over. Vietnam, like Korea and Germany, are divided states. President Diem, who is something of an autocrat, runs a country of 12 million—whose per capita income is $133, and whose people are 80 percent illiterate. He is short on competent administrative help—and reluctant to delegate authority.

He has had some unusually able and earnest American advisers and technicians—ex-Army Chief of Staff Gen. J. Lawton Collins and Col. Edward Lansdale, who previously had worked so closely with that other Asian leader, Ramon Magsaysay of the Philippines.

Just recently as part of America's foreign aid program, Clement Johnston, then chairman of the board of the United States Chamber of Commerce, visited Vietnam and other Asian countries and had this to say about President Diem and Vietnam:

"I was favorably impressed by Diem's earnestness, his determination, his stubborn adherence to his aims, and his apparent dedication to the free world program. Vietnam's young government has many obvious weaknesses. But inescapable are the facts that Vietnam is the key to United States interests in southeast Asia, and that she is heavily dependent upon United States aid, support, and encouragement."

The United States is giving President Diem the full honors of a visiting chief of state. There is no man in southeast Asia on whom Washington pins such high hopes; and Diem's visit to the United States is intended to cement even closer the ties between Washington and Saigon.

[From the New York Herald Tribune of May 9, 1957]

MIRACLE MAKER FROM ASIA—DIEM OF SOUTH VIETNAM

(By Walter Briggs)

HONG KONG.—The salvaging of South Vietnam has been a miracle, and an ascetic named Ngo Dinh Diem has been the miracle maker. At the time of the Geneva conference on Indochina—July 1954—that partitioned Vietnam, few observers held out much hope for the south. Ho Chi Minh's Communist Vietminh, gloating over their massacre of the colonial French at Dienbienphu, glowered down from north of the 17th parallel.

This reporter well remembers a conversation then with a Western diplomat here who had just come up from Saigon, South Vietnam's capital. "Do you give them a 10 percent chance to pull through?" the diplomat was asked of Vietnam's non-Communist nationalists. "Well, 15 percent at best," he replied ruefully.

But out of the murk emerged a man who had become Premier only a few weeks earlier. Through the steel will of Ngo Dinh Diem, now President, South Vietnam has achieved political stability and a considerable measure of military security. Today North Vietnam, rent by peasant and other disaffections, seems far less menacing.

"The Communists are caught in a vicious circle," President Diem said in an interview a few weeks ago in the huge pink palace that once housed the French governors-general. "They must feed a large army to dominate the population. To do this, they have to levy heavy taxes by terrorism. We must continue to be firm—and internal disturbances will see to it that the regime will disintegrate."

How has Mr. Diem achieved this national recovery? First he won over the army's wavering loyalty and then proceeded to mop up big pockets of the Vietminh, to quell armed dissidents of the Hoa Hao and Cao Dai religious sects in the countryside, and to smash the gangster Binh Xuyen's military apparatus in Saigon. He deposed absent Emporer Bao Dai by an overwhelming vote in a referendum and later got himself elected President.

Meanwhile he accomplished the mammoth task of resettling more than 800,000 refugees unloaded from the north on the south's population of about 12 million. Gradually he negotiated a dissolution of the French high command and repatriation of roughly 150,000 French troops. And with extensive United States aid, he managed to bring the tottering economy under control.

In foreign relations, Mr. Diem has hauled South Vietnam up from nothing to its present recognition by or some form of rela-

tions with 44 countries—far outdoing the Communist north.

Mr. Diem's government has often been authoritarian in such matters as jailing political suspects and shackling the press, Vietmanese detractors say. Mr. Diem practices neopotism by giving such choice jobs as the control of his "inner council" and control of Central Vietnam to his several brothers, they charge. Corruption and inefficiency characterize his bureaucracy, they declare.

Most Vietnamese will grant some shortcomings but believe they can be excused when balanced against Diem's achievements—and they are diminishing.

Ngo is actually Mr. Diem's family name; to refer to him as Diem—his given name—is to follow Vietnamese usage. Fifty-six years old, Mr. Diem has been a lifelong nationalist. But he has always stood for constitutional government against "democratic dictatorship" of Communists.

The Vietminh threw Mr. Diem into jail at the end of World War II. They shot one of his brothers but released him after a few months—an uncommunist act of clemency that now surely must haunt them. As far as observers can determine, Mr. Diem is ambitious only for his country. A bachelor, his avowed personal aim as a Roman Catholic intellectual is to retire to scholasticism in a monastery. A short, stocky man, Mr. Diem chain-smoked through stubby fingers during 2½ hours of conversation—which seems to be a catharsis for him—with this reporter.

One of Vietnam's most immediate problems is largely of Mr. Diem's own making. This is the restiveness of the country's Chinese over decrees to force citizenship on all born there and otherwise to Vietnamize them. Numbering about one-tenth of the population, these Chinese handle at least two-thirds of Vietnam's trade. "If we had enough personnel to levy taxes on all their illegal profits," Mr. Diem said feelingly, "Vietnam would be rich."

Mr. Diem is immensely grateful for American aid but hopes henceforth it will be granted in terms of a 3-to-5-year economic plan. Mr. Diem foresees that American aid—which amounts to $290 million this year—can be "reduced progressively." Though Vietnam presently exports only about one-fifth as much as it imports, "we should become self-sufficient in 5 to 10 years," he said.

[From the New York Times magazine of May 5, 1957]

MAN FROM VIETNAM

(By Foster Hailey)

TOKYO.—The stocky man in the long black gown and flat black cap bent anxiously for a moment over his secretary of state for agrarian reform, who lay on a gravel walk in the fairgrounds at Banmethuot in south-central Vietnam clutching a bleeding side and left arm.

"They have shot me," murmured Do Van Cung.

There could be no doubt in the mind of President Ngo Dinh Diem last February 22 for whom the bullet had been intended. Had the assailant's automatic pistol not jammed after that one wild shot, the United States probably would not this week be greeting its distinguished Asian guest.

It was the first time since Mr. Diem became President of the Republic of Vietnam a year ago last October that an attempt had been made to assassinate him. But there was no hint in his manner that he was perturbed. He stood for a moment, reported Le Journal d'Extrême-Orient of Saigon, "watching the crowd around him with his sharp and heavy look in an attitude of the most striking impassibility." Five minutes later, in a firm voice, he began his prepared talk. "Dear compatriots * * *."

All through the remainder of the hot morning he walked through dusty compounds and buildings of the fair with no added escort, chain-smoking cigarettes and chatting amiably with booth attendants and members of his entourage.

It was not the first time Mr. Diem had shown that high degree of courage that Ernest Hemingway once defined as "grace under pressure." And not just physical courage, but spiritual and moral courage as well. When he believes a course is right for himself and for his country he will defy the world—and has.

When he was under heavy compulsion from the western powers 2 years ago to agree to implementation of the Geneva accord for elections in all of Vietnam he told a representative of his main foreign supporter—the United States Government—that he would not even go through the motions of discussing the matter with the Communists.

Washington was afraid that meant a renewal of war with the Communist North and let it be known publicly that it was displeased with his attitude. He still said "No."

Had an election been held in 1955, there is little doubt the Communists would have won. Ho Chi Minh, the Communist leader in Hanoi, was then—as he had been since 1945—the one great symbol of independence for the larger part of the people of Vietnam. Today President Diem is that symbol, the undisputed leader of one of the most promising old-young countries of southeast Asia.

President Diem has achieved that position in less than 3 years. It was only on June 26, 1954, that he returned from Paris to Vietnam after 4 years' voluntary exile—and 21 years out of public life—with a delegation from Chief of State Bao Dai of full military and civilian power.

There were few who gave Mr. Diem a chance of saving anything from the wreckage of his country. Dienbienphu had just been overrun by the Communists. The French were in full retreat. Ho Chi Minh was the national hero.

Mr. Diem had an army of 200,000 men, but it was poorly armed, only half-trained, and French-led. Saigon and the Medong River Delta were under the control of the Binh Xuyen, a gang of river bandits who controlled the opium trade and prostitution in the Vietnamese capital.

Several times during the next few months he took the field with loyal troops against the Binh Xuyen. And by May 1955 he was able to announce his victory and tell of his hopes and plans for his country. The principal one was full independence.

With the military struggle behind him, Mr. Diem proceeded to consolidate his leadership by keeping his promises to his people. He promised land reform—and instituted it. He promised to eliminate every vestige of French rule—and did.

Events have proved that what the Vietnamese needed and wanted was a leader who pledged no allegiance to anyone except themselves, one in whom they could put their trust and on whose honesty and integrity they could rely. They had followed Ho Chi Minh because, until Mr. Diem came along, they had been offered no other choice.

Almost as important, perhaps, is the fact that the President is an indefatigable traveler who has visited every part of the Republic since his assumption of office, shaking hands, mingling with the people, and speaking eloquently but simply to the crowds that turn out everywhere to greet him. Practically all of Vietnam's 12 million inhabitants must feel that they know him personally.

Mr. Diem's life would indicate that almost from the time he was old enough to think coherently leadership of an independent Vietnam had been his dream. He was born at Hue, capital of the then empire of Annam, January 3, 1901. He was the third son of Ngo Dinh Kha, Minister and counselor to Emperor Than Thai, father of Bao Dai. Annam was a protectorate in the complex of protectorates, princely states and colonies that made up French Indochina.

He entered the mandarinate (a corps of high civil servants) on graduation from the School of Administration at Hue, and at 32 was named Minister of Interior in the Annam Government. When the French blocked his attempts at reform he resigned.

Although he was out of office, his abilities were so well recognized that he received several invitations during the war and the immediate postwar years to join various governments. Bao Dai twice offered him posts, once in a puppet government under the Japanese and later under the French. Ngo Dinh Diem would have no part of either.

Ho Chi Minh—whom Mr. Diem says he has known, disliked and distrusted since 1929, also offered him a place in the government he set up after the war, after first holding Mr. Diem under arrest for 6 months. Mr. Diem spurned that offer, too.

Seeing no hope at home, with Ho Chi Minh's Vietminh ruling the countryside and Bao Dai dividing his time between big-game hunting in the highlands and bathing on the French Riviera, Ngo Dinh Diem left Vietnam in 1950 to plead his country's cause in the world's capitals.

He visited Japan and the Philippines and then went to the United States, where he lived for several months, with his headquarters at Maryknoll Seminary in Lakewood, N. J. He went on to Belgium in 1953, and then to France. When Bao Dai called him to his Riviera villa in June 1954, he was ready to accept the forlorn chance offered.

President Diem is unusual among Asian leaders. He is, first, a devout Roman Catholic. He also is a celibate. When still in his teens he considered becoming a priest, and took a vow of chastity which he renews daily by laying a spray of flowers on the shrine of the Virgin in the private chapel of Din Doch Lap (Independence Palace), where he lives.

He is also one of the hardest working government officials in the East or West, putting in a normal working day of 16 hours. He still finds time to study government, economics, and history, and to pursue his hobbies of hunting, photography, horseback riding, and rose culture.

Finally, he is one of the most western-minded of Asian leaders. Some of this trait probably is attributable to his two close American friends and advisers. One is Wolf Ladejinsky, the controversial Russian-born economist and land-reform expert, whom President Diem hired as his personal adviser when Mr. Ladejinsky finally was forced to resign from United States Government service in 1955. Many of the reforms President Diem has sponsored in the last 2 years undoubtedly had their genesis in the breakfast conferences he holds with Mr. Ladejinsky 2 or 3 times a week.

The other American closest to him is Dr. Wesley R. Fishel, a young Michigan State College professor who heads a Michigan State advisory group to Vietnam. The group is helping the Government set up a modern taxation system and institute other reforms.

Another close friend and admirer is Lt. Gen. John H. O'Daniel, former head of the United States Military Assistance Advisory Group in Vietnam. General O'Daniel was almost alone among United States officials in retaining faith through the dark days of 1954 and 1955 that President Diem could bring order out of chaos and establish a stable government.

The President is not without critics. One complaint heard frequently from his countrymen is that he relies too much on his family for advice. One of his four living brothers is gazetted as his political adviser. Another is Ambassador to London. A third is Roman Catholic Bishop of the Province of Vinh Long. An elder brother, who was a Provincial Governor under the French, was killed by guerrillas in 1945.

Other criticisms heard are that President Diem insists on handling too many affairs himself, thus delaying important decisions, and that he has not moved rapidly enough in extending democratic elections. All Provincial Governors, for instance, still are appointed as in colonial days.

But Mr. Diem is in only the second year of a 6-year term as President. His goal is a prosperous and united Vietnam by the time his term is over. He feels that the Chinese-supported Communist regime in northern Vietnam cannot survive. All information from there is that the people are restive. They know that in the south their fellows are freer and far better off. Diem has the patience to wait until the people of the north find intolerable the way of life that communism offers them.

Meanwhile he is striving with the help of about $200 million a year in United States aid and his own untiring efforts to raise the educational level of his people and give them land and a life of peace. A happy man on his own land is a poor prospect for communism, he says.

PRESIDENT DIEM AND THE FOREIGN-AID PROGRAM

Mr. JAVITS. Mr. President, I should like to join my colleague, the Senator from Montana [Mr. MANSFIELD], in his remarks about President Diem of Vietnam, who is now in the United States and who is one of the real heroes of the free world.

Mr. President, an article in the New York Herald Tribune of today, by Marguerite Higgins, points this out, and I quote from her article, as follows:

DIEM AND MEAT-AX CUTS IN FOREIGN AID

A small Asian leader of great moral stature played out a particularly pertinent drama in Washington last week. It was not just that South Vietnam's Ngo Dinh Diem forcefully broke the pattern set by recent Asian visitors and categorically brushed aside the possibility of being neutral against communism. "Communism isn't neutral, therefore we can't be neutral," he said. It was rather his public reminder that the vastly important region of Vietnam, the largest of the Indochina states, had been saved "when it seemed past saving" only by the assistance of the United States.

Diem's reminder had particular drama because it came at a time when there runs a strong undercurrent of fear both here and abroad that America may be preparing to abdicate gradually its position as a shield against communism in important parts of the world.

Those who propose to meat-ax such things as the foreign aid budget—and thereby make it impossible to give effective assistance to such countries as Vietnam—would deny ferociously that any such abdication was intended.

Isolationism is still a dirty word around Washington. The abdication of America as defender of the Free World would be done in the name of budget cutting, economy, lower taxes and the real consequences of such a pullback would be camouflaged.

But the visit here of President Diem temporarily tore away the camouflage—much of which has already been erected—and spelled out the potential disasters of any serious American retrenchment. What would have happened, asked Diem, had so-called foreign aid not been available to Vietnam at its critical hour? It would have failed.

But this is not the only country which was saved when it seemed past saving. Those who would meat-ax American assistance programs—for which, as President Eisenhower pointed out, there is no American political lobby—should plainly answer such questions as "What would have happened to Korea if America had not intervened?"

What would have happened to Formosa if America had not changed its mind and decided that it was not, after all, to be allowed to fall to the Communists?

What would have happened to Germany if Russia's attempt to conquer piecemeal had not been repelled at the first instance in Berlin by countering the Communist blockade of that city with the American airlift?

What would have happened only a few weeks ago to the turbulent Kingdom of Jordan had the United States not been prepared to extend help against Communist aggression if such help had become necessary?

Most important of all is this question: Which country stands in the long run to lose the most if Vietnam and South Korea fall and communism dominates the Far East, if Jordan, Syria, Egypt, etc., go behind the Iron Curtain, if Soviet pressure overwhelms Germany and then, inevitably, Europe?

* * * * * *

The only way the great power struggle between Russia and the United States can become less expensive is for some kind of modus vivendi between America and the Communist bloc. And the truth is that despite President Eisenhower's best efforts such a modus vivendi is not yet in sight.

What then are the choices before the American people? A vital point is to demolish the myth that this country can somehow decide unilaterally to bow out of being the first team in the cold war without shattering consequences. The only way we could casually pull out of this dangerous game would be if the other side were willing to stop, too. But the Russians have proclaimed that they are in this for the duration—until the decision between communism and freedom has been decided worldwide. In the cold war, as in a hot war, if just one side stops fighting it paves the way for the other's unopposed advance.

It must also be made clear that there is no way for America to tap some other country for captain of the team. So mammoth are the costs and industrial requirements of modern war, that no one else has the capacity or the power.

In Vietnam, for instance, it is not only the Vietnamese soldiers that prevent a Communist invasion, though they are an important on-the-ground deterrent. It is the knowledge that a Communist attack would invoke American retaliation. It is not NATO alone that saves Europe—after all, Russia has the hydrogen weapons and Europe hasn't—but the shield of American power. And so on in most key areas where communism threatens free nations.

Back in World War II there was a slogan, "Help America by Aiding the Allies." It is still valid but should be extended to the entire concept of so-called foreign aid, which in effect is an arm of this country's great struggle with the Soviet bloc—a struggle designed to help ourselves.

More important, if false hopes are not to be raised and disillusion periodically to set in, President Eisenhower ought to make it plain that so long as the cold war continues the bills in support of freedom are going to get steeper and steeper. At the same time the people ought to be told of the great risks they are being asked to face in the name of meat-ax economy. The isolationists must not out of political politeness be allowed to camouflage the consequences of even a minor retreat to fortress America. The citizens of this country may dislike paying the price of the cold war. But the other way has a double indemnity. The high cost of defeat and retreat involves not just money but morale. And Americans still think of themselves as winners.

The article points out that the fate of the free world in Korea, Formosa, Berlin, and very recently—just a few days ago—in the Kingdom of Jordan hung upon the fact that the United States provided foreign aid and that foreign aid was available through the efforts of the President to be used as a weapon in the cold war, which is a very real war in terms of survival of the free world.

President Diem epitomizes the victory of freedom over communism, because we afforded his country the sinews with which to do the job, which was foreign aid.

RUMANIAN INDEPENDENCE DAY

Mr. IVES. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, following these remarks, a statement which I have prepared in commemoration of Rumanian Independence Day, which was celebrated on May 10.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MESSAGE OF SENATOR IVES ON THE OCCASION OF RUMANIAN INDEPENDENCE DAY, MAY 10, 1957

It is indeed a privilege to join with my fellow citizens of Rumanian descent in commemoration of the anniversary of Rumanian Independence Day.

The American people look with sorrow upon the ruthless Soviet domination of Rumania. The tragic subjugation of this gallant land continues to be of deep and abiding concern.

The proclamation of Rumanian independence from Turkey in 1877 is today a symbol of that brave country's determination to resist the Communist tyranny. On this anniversary as Rumania continues her brave resistance, let us once again pledge our support in this struggle. We hope and pray that the day of liberation is near.

THE SENATE SHOULD MODERNIZE ITSELF

Mr. WILEY. Mr. President, I wish to call the attention of the Senate to an idea I have been considering for some time. Before the Senate had its most recent remodeling, I had suggested that two improvements be made:

First, I suggested that the Senate be provided with an electric voting system, such as is used in the legislature of my State, and such as has long been recommended by efficiency experts, in the interest of saving time.

Second, I recommended that Senators have available at their desks microphones so they could be sure to hear each other speak, and so the galleries as well could hear what Members of the Senate were saying.

I must say, for example, that although I sit very close to the distinguished majority leader—practically across the aisle from him—very often I cannot hear what he is saying. I know that it is not

the fault of my hearing, but, rather, because our able friend from Texas has a soft, modulated voice. And when he speaks to the Presiding Officer, he speaks in such soft, calm tones that, unfortunately, a good many of us have real difficulty in hearing him. When he wants to be heard, of course, by all of us, the fact is that we do not hear all he is saying.

I know that historically the Senate has refused to accept either of these efficiency suggestions.

The electric voting resolutions, which I and other Senators have submitted, have always piled up in the Senate Committee on Rules and Administration without any action.

I hope, however, that, at the very least, we may have a loudspeaker system installed. This is the greatest deliberative Chamber in the world. It seems very inconsistent, therefore, that the vast numbers of American citizens who come to see the Senate in action find that they literally cannot hear a major proportion of what is being said. The taxpayers come, they see, but many do not hear. And so they complain.

In our own self-interest, therefore, in the interest of the moral esteem with which we are held in the eyes of our people, we ought to see that a loudspeaker system is installed.

Each microphone at the desk could have a switch, so that if a Senator preferred, for reasons of his own, not to have the microphone on, he could simply switch it off.

Of course, in a rapid debate between Senators, it would be expected that they would have the microphones adjusted so that there would be a consistent volume.

I am hoping that before we return for the second session of the 85th Congress my colleagues will have decided to adopt at least this recommendation.

I have given a great deal of consideration to the statement which I have just made. The public is entitled to know what is going on in the Senate. More than that, however, I feel that we in the Senate are entitled to know what is going on. Many Senators speak from the back row, with soft voices, such as the majority leader has. We do not know what is going on. How can we be attentive to the business of the Senate if we do not hear what is being said, or have to wait until the next day to read in the RECORD what has happened?

Mr. JAVITS. Mr. President, first I should like to support my colleague, the Senator from Wisconsin [Mr. WILEY] in his suggestion that we ought to have a loudspeaker in this Chamber. I served in the other body across the Capitol, where loudspeakers were used, and we found the system very satisfactory.

I believe some great speeches are made here. I should like to hear them. So would others.

As a member of the Committee on Rules and Administration, I shall make inquiry into the subject, to see if perhaps we can make progress in that regard.

Much as I appreciate the devotion of this body to precedent, I think loudspeakers are now so old in use that they themselves constitute a precedent.

MAJ. CHARLES M. STEDMAN

Mr. SCOTT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD an article from the Raleigh, N. C., News and Observer of March 4, 1957.

The article pertains to the late Maj. Charles Manley Stedman, a North Carolinian, who was the last veteran of the Civil War to serve in either House of Congress.

Major Stedman was on the personal staff of Gen. Robert E. Lee at the time of Appomattox. He came to Congress, as a Member of the House of Representatives, in 1911, and remained until his death in 1930, at the age of 89.

I think it particularly fitting that we call attention to the man and his career on this day, our first session since the recess on Friday, which was Confederate Memorial Day.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNDER THE DOME

WASHINGTON, March 3.—Monday, March 4, marks the 46th anniversary of the day a North Carolinian, who attained the greatest age of any man ever serving in Congress, first took his seat in the House of Representatives.

The longevity record-holding Tar Heel was the late Charles Manley Stedman, who represented the 11 counties then comprising the Fifth District from March 4, 1911, until his death September 23, 1930. Born in Pittsboro on January 29, 1841, Stedman was 70 years old when he first came to the Capitol, and 89 years 7 months 25 days of age at the time of his death.

The runner-up for the record set by the North Carolinian was a contemporary of Stedman, Representative Isaac R. Sherwood, Republican, of Ohio. Sherwood retired from the House on March 3, 1925, at the age of 89 years 7 months 21 days.

Stedman and Sherwood also had in common the fact that both were veterans of the War Between the States, though on opposite sides in that bitter conflict. Sherwood was a general in the Union Army, while Stedman, a major, served in the cause of the Confederacy. He was a member of Gen. Robert E. Lee's personal staff at the time of his surrender at Appomattox Courthouse.

Experiences: The fires of bitterness had been fanned thin by the time the two members of opposing forces met on common ground in Congress, and it was not an unusual occurrence to come upon them together in the Capitol's rotunda discussing their wartime experiences.

Stedman outlived Sherwood by 5 years, to achieve the added distinction of being the last Civil War veteran to serve in either House of Congress. Having volunteered the day before he was to receive his degree from the University of North Carolina, the North Carolinian served under General Lee throughout the war and was wounded three times in battle.

Veteran newsmen who covered the Capitol during the 1920's recall that Stedman, tall, broad shouldered, and erect, resembled Lee. He undoubtedly was a striking figure, with a white beard similar to General Lee's and frequently attired in Confederate gray, with the coat cut full and long.

At the end of the Civil War, Stedman read law and obtained a license to practice. He began his practice in Wilmington, N. C., where in 1886 he married Miss Catherine de Rossett Wright, daughter of Joshua G. Wright, of that city.

Stedman was chosen as a delegate to the Democratic National Convention in 1880, and 4 years later he was elected lieutenant governor. In 1888, however, he was defeated in his bid for the governorship by a very small margin.

Toward the turn of the century Stedman moved to Greensboro where he continued his law practice until his election to Congress. He at one time served as president of the North Carolina Bar Association.

THEODORE ROOSEVELT AND AMERICAN AGRICULTURE

Mr. MUNDT. Mr. President, as a member of the Theodore Roosevelt Centennial Commission, I ask unanimous consent to have printed at this point in the RECORD a study prepared at the request of the Commission by the Library of Congress, entitled "Theodore Roosevelt and American Agriculture."

There being no objection, the study was ordered to be printed in the RECORD, as follows:

THEODORE ROOSEVELT AND AMERICAN AGRICULTURE—IMPORTANT EVENTS THAT OCCURRED DURING HIS ADMINISTRATION AND STATEMENTS MADE BY HIM ON AGRICULTURE, FARMERS, FARMING AND FARM ORGANIZATIONS

SELECTED INFORMATION

Events

1902: The American Society of Equity, a farmers' organization devoted largely to improving marketing practices, was formed.

1902: The Farmers Union was formed.

1902: The Reclamation Act of 1902 was approved.

May 9, 1902: The Adulterated and Renovated Butter Act was passed. This act regulated the manufacture of these products, provided for the inspection of establishments manufacturing such products, and authorized the Secretary of Agriculture to promulgate any regulations that may have been required.

June 3, 1902: An act of Congress provided that the Divisions of Soils, Forestry, and Chemistry were to be bureaus. Other divisions were combined to form the Bureau of Plant Industry.

1903: A serum for hog cholera was developed.

February 1, 1905: The national forests were placed under the jurisdiction of the Secretary of Agriculture.

1905: The California Fruit Growers Exchange was formed.

March 3, 1905: Animal Quarantine Act was approved. This law sought to prevent the spread of the diseases of livestock by regulating their interstate movement from areas affected with contagious diseases.

March 3, 1905: The Insect Pest Act, as amended, was approved.

June 29, 1906: The 28-hour law was approved. This law provided for the care of animals in transit, regulated interstate transportation of animals, confinement, water, and feeding.

June 30, 1906: The Food and Drugs Act of 1906 was passed. This act was to be administered by the United States Department of Agriculture.

March 4, 1907: The Meat Inspection Act was approved. This act was to be administered by the United States Department of Agriculture.

1908: President Roosevelt organized the Country Life Commission.

May 23, 1908: The Dairy Products Exports Act was approved. This law promoted commerce with foreign countries by preventing the exportation of dairy products unless the same have been inspected and certified.

May 23, 1908: An act which provided that 25 percent of all moneys received by the national forests shall be paid to the States or Territories for the benefit of public schools

and public roads of the counties in which the national forests are situated, was approved.

Statements

Farmer and Laborer

The true welfare of the Nation is indissolubly bound up with the welfare of the farmer and the wage worker—of the man who tills the soil, and of the mechanic, the handicraftsman, the laborer. If we can insure the prosperity of these two classes we need not trouble ourselves about the prosperity of the rest, for that will follow as a matter of course. (Address, Pan-American Exposition, Buffalo, N. Y., May 20, 1901.)

Department of Agriculture

The Department of Agriculture during the past 15 years has steadily broadened its work on economic lines, and has accomplished results of real value in upbuilding domestic and foreign trade. It has gone into new fields until it is now in touch with all sections of our country and with two of the island groups that have lately come under our jurisdiction, whose people must look to agriculture as a livelihood. It is searching the world for grains, grasses, fruits, and vegetables specially fitted for introduction into localities in the several States and Territories where they may add materially to our resources. By scientific attention to soil survey and possible new crops, to breeding of new varieties of plants, to experimental shipments, to animal industry and applied chemistry, very practical aid has been given our farming and stock-growing interests. The products of the farm have taken an unprecedented place in our export trade during the year that has just closed. (First Annual Message, December 3, 1901.)

Farmer and rural free delivery routes

On November 1, 1902, 11,650 rural free delivery routes had been established and were in operation, covering about one-third of the territory of the United States available for rural delivery service. There are now awaiting the action of the Department petitions and applications for the establishment of 10,748 additional routes. This shows conclusively the want which the establishment of the service has met and the need of further extending it as rapidly as possible. It is justified both by the financial results and by the practical benefits to our rural population; it brings the men who live on the soil into close relations with the active business world; it keeps the farmer in daily touch with the markets; it is a potential educational force; it enhances the value of farm property, makes farm life far pleasanter and less isolated, and will do much to check the undesirable current from country to city.

It is to be hoped that the Congress will make liberal appropriations for the continuance of the service already established and for its further extension. (Second annual message, December 2, 1902.)

Scientific aid to farmers

In no department of governmental work in recent years has there been greater success than in that of giving scientific aid to the farming population, thereby showing them how most efficiently to help themselves. There is no need of insisting upon its importance, for the welfare of the farmer is fundamentally necessary to the welfare of the Republic as a whole. In addition to such work as quarantine against animal and vegetable plagues and warring against them when here introduced, much efficient help has been rendered to the farmer by the introduction of new plants specially fitted for cultivation under the peculiar conditions existing in different portions of the country. New cereals have been established in the semiarid West. For instance, the practicability of producing the best types of macaroni wheats in regions of an annual rainfall of only 10 inches or thereabouts has been conclusively demonstrated. Through the introduction of new rices in Louisiana and Texas, the production of rice in this country has been made to about equal the home demand. In the Southwest the possibility of regrassing overstocked rangelands has been demonstrated; in the North many new forage crops have been introduced; while in the East it has been shown that some of our choicest fruits can be stored and shipped in such a way as to find a profitable market abroad. (Second annual message, December 2, 1902.)

Department of Agriculture

The Department of Agriculture devotes its whole energy to working for the welfare of farmers and stock growers. In every section of our country it aids them in their constantly increasing search for a better agricultural education. It helps not only them, but all the Nation, in seeing that our exports of meats have clean bills of health, and that there is rigid inspection of all meats that enter into interstate commerce.

The Department of Agriculture has been helping our fruitmen to establish markets abroad by studying methods of fruit preservation through refrigeration and through methods of handling and packing.

Moreover, the Department has taken the lead in the effort to prevent the deforestation of the country. Where there are forests we seek to preserve them, and on the once treeless plains and the prairies we are doing our best to foster the habit of tree planting among our people. (Address, Sioux Falls, S. Dak., April 6, 1903.)

Improvement of farm life

Rural free delivery, taken in connection with the telephone, the bicycle, and the trolley, accomplishes much toward lessening the isolation of farm life and making it brighter and more attractive. In the immediate past the lack of just such facilities as these has driven many of the more active and restless young men and women from the farms to the cities, for they rebelled at loneliness and lack of mental companionship. It is unhealthy and undesirable for the cities to grow at the expense of the country, and rural free delivery is not only a good thing in itself, but is good because it is one of the causes which check this unwholesome tendency toward the urban concentration of our population at the expense of the country districts. It is for the same reason that we sympathize with and approve of the policy of building good roads. The movement for good roads is one fraught with the greatest benefit to the country districts. (Third annual message to the Congress, December 7, 1903.)

Agriculture and the tariff

Agriculture is now, as it always has been, the basis of civilization. The 6 million farms of the United States, operated by men who, as a class, are steadfast, single minded, and industrious, form the basis of all the other achievements of the American people, and are more fruitful than all their other resources. The men on those 6 million farms receive from the protective tariff what they most need, and that is the best of all possible markets. All other classes depend upon the farmer, but the farmer in turn depends upon the market they furnish him for his produce. * * * American farmers have prospered because the growth of their market has kept pace with the growth of their farms. The additional market continually furnished for agricultural products by domestic manufacturers has been far in excess of the outlet to other lands. An export trade in farm products is necessary to dispose of our surplus, and the export trade of our farmers, both in animal products and in plant products, has very largely increased. Without the enlarged home market to keep this surplus down, we should have to reduce production or else feed the world at less than the cost of production. (Letter accepting Republican nomination for President, September 12, 1904.)

The Department of Agriculture

The Department of Agriculture has grown into an educational institution with a faculty 2,000 specialists making research into all the sciences of production. The Congress appropriates, directly and indirectly, $6 million annually to carry on this work. It reaches every State and Territory in the Union and the islands of the sea lately come under our flag. Cooperation is had with the State experiment stations, and with many other institutions and individuals. The world is carefully searched for new varieties of grains, fruits, grasses, vegetables, trees, and shrubs, suitable to various localities in our country; and marked benefit to our producers has resulted.

The activities of our age in lines of research have reached the tillers of the soil and inspired them with ambition to know more of the principles that govern the forces of nature with which they have to deal. Nearly half of the people of this country devote their energies to growing things from the soil. Until a recent date little has been done to prepare these millions for their life work. In most lines of human activity college-trained men are the leaders. The farmer had no opportunity for special training until the Congress made provision for it 40 years ago. During these years progress has been made and teachers have been prepared. Over 5,000 students are in attendance at our State argricultural colleges. The Federal Government expends $10 million annually toward this education and for research in Washington and in the several States and Territories. The Department of Agriculture has given facilities for postgraduate work to 500 young men during the last 7 years, preparing them for advance lines of work in the Department and in the State institutions. * * * (Fourth Annual Message, December 6, 1904.

Farmers associations

Organization has become necessary in the business world; and it has accomplished much for good in the world of labor. It is no less necessary for farmers. Such a movement as the grange movement is good in itself and is capable of a well-nigh infinite further extension for good so long as it is kept to its own legitimate business. The benefits to be derived by the association of farmers for mutual advantage are partly economic and partly sociological. (Sixth Annual Message, December 3, 1906.)

Importance of the farmer

The only other persons whose welfare is as vital to the welfare of the whole country as is the welfare of the wageworkers are the tillers of the soil, the farmers. It is a mere truism to say that no growth of cities, no growth of wealth, no industrial development can atone for any falling off in the character and standing of the farming population. During the last few decades this fact has been recognized with ever-increasing clearness. There is no longer any failure to realize that farming, at least in certain branches, must become a technical and scientific profession. This means that there must be open to farmers the chance for technical and scientific training, not theoretical merely but of the most severely practical type. The farmer represents a peculiarly high type of American citizenship, and he must have the same chance to rise and develop as other American citizens have. * * * (Sixth Annual Message, December 3, 1906).

Farm population

If there is one lesson taught by history it is that the permanent greatness of any State must ultimately depend more upon the character of its country population than upon anything else. No growth of cities, no

growth of wealth can make up for a loss in either the number or the character of the farming population. In the United States more than in almost any other country we should realize this and should prize our country population. When this Nation began its independent existence it was a Nation of farmers. The towns were small and were for the most part mere seacoast trading and fishing ports. The chief industry of the country was agriculture, and the ordinary citizen was in someway connected with it. In every great crisis of the past a peculiar dependence has had to be placed upon the farming population; and this dependence was hitherto been justified. But it cannot be justified in the future if agriculture is permitted to sink in the scale as compared with other employments. We cannot afford to lose that pre-eminently typical American, the farmer who owns his own farm. (Address, Semicentennial Celebration, founding of Agricultural College, Lansing, Mich., May 31, 1907.)

New tasks for farm agencies

Hitherto agricultural research, instruction, and agitation have been directed almost exclusively toward the production of wealth from the soil. It is time to adopt in addition a new point of view. Hereafter another great task before the National Department of Agriculture and the similar agencies of the various States must be to foster agriculture for its social results, or, in other words, to assist in bringing about the best kind of life on the farm for the sake of producing the best kind of men. The Government must recognize the far-reaching importance of the study and treatment of the problem of farm life alike from the social and the economic standpoints; and the Federal and State Departments of Agriculture should cooperate, at every point. (Address, Semicentennial Celebration, founding of agricultural colleges, Lansing, Mich., May 31, 1907).

Scientific agriculture

Nothing in the way of scientific work can ever take the place of business management on a farm. We ought all of us to teach ourselves as much as possible; but we can also all of us learn from others; and the farmer can best learn how to manage his farm even better than he now does by practice, under intelligent supervision, on his own soil in such way as to increase his income.

But much has been accomplished by the growth of what is broadly designated as agricultural science * * *. Much more can be accomplished in the future * * *. It is probably one of our faults as a Nation that we are too impatient to wait a sufficient length of time to accomplish the best results; and in agriculture effective research often, although not always, involves slow and long-continued effort if the results are to be trustworthy. While applied science in agriculture as elsewhere must be judged largely from the standpoint of its actual return in dollars, yet the farmers, no more than anyone else, can afford to ignore the large results that can be enjoyed because of broader knowledge. The farmer must prepare for using the knowledge that can be obtained through agricultural colleges by insisting upon a constantly more practical curriculum in the schools in which his children are taught. He must not lose his independence, his initiative, his rugged self-sufficiency; and yet he must learn to work in the heartiest cooperation with his fellows. (Address, Semicentennial Celebration, founding of agricultural colleges, Lansing, Mich., May 31, 1907).

Farmer and laborer

It should be one of our prime objects to put both the farmer and the mechanic on a higher plane of efficiency and reward, so as to increase their effectiveness in the economic world, and therefore the dignity, the remuneration, and the power of their positions in the social world. (Seventh Annual Message to the Congress, December 3, 1907.)

Department of Agriculture

When the Department of Agriculture was founded there was much sneering as to its usefulness. No Department of the Government, however, has more emphatically vindicated its usefulness, and none save the Post Office Department comes so continually and intimately into touch with the people. (Seventh Annual Message, December 3, 1907.)

National grain inspection system

The grain producing industry of the country, one of the most important in the United States, deserves special consideration at the hands of the Congress. Our grain is sold almost exclusively by grades. To secure satisfactory results in our home markets and to facilitate our trade abroad, these grades should approximate the highest degree of uniformity and certainty. The present diverse methods of inspection and grading throughout of country under different laws and boards, result in confusion and lack of uniformity, destroying that confidence which is necessary for healthful trade. Complaints against the present methods have continued for years and they are growing in volume and intensity, not only in this country but abroad. I therefore suggest to the Congress the advisability of a national system of inspection and grading of grain entering into interstate and foreign commerce as a remedy for the present evils. (Seventh Annual Message, December 3, 1907.)

Broader problems of agriculture

Our attention has been concentrated almost exclusively on getting better farming. In the beginning this was unquestionably the right thing to do. The farmer must first of all grow good crops in order to support himself and his family. But when this has been secured, the effort for better farming should cease to stand alone, and should be accompanied by the effort for better business and better living on the farm. It is at least as important that the farmer should get the largest possible return in money, comfort, and social advantages from the crops he grows, as that he should get the largest possible return in crops from land he farms. Agriculture is not the whole of country life. The great rural interests are human interests, and good crops are of little value to the farmer unless they open the door to a good kind of life on the farm. (Letter of appointment to Country Life Commission, August, 1908.)

Improvement of farm life

We have to grapple with one fact which has made both the strength and the weakness of the American farmer, and that is, his isolation. This isolation implies a lack both of the pleasure and of the inspiration which come from closer contact between people, and from a well-developed organization for social pleasures, for religious life, for education. On the other hand, it is to this isolation more than to anything else that we owe the strength of character so typical of the American farmer, who lives under a peculiarly individualistic system in the management alike of the farm and of the farm home.

The successfully managed family farm gives to the father, the mother, and the children better opportunities for useful work and for a happy life than any other occupation. Our object must be, so far as practicable, to do away with the disadvantages which are due to the isolation of the family farm, while conserving its many and great advantages. We wish to keep at its highest point the peculiarly American quality of individual efficiency, while at the same time bringing about that cooperation which indicates capacity in the mass. Both qualities can be used to increase the industrial and ethical proficiency of our people, for there is much the individual only can do for himself, and there is much also which must be done by all combined because the individual cannot do it. Our aim must be to supplement individualism on the farm and in the home with an associated effort in those country matters that require organized working together. (Letter to Herbert Myrick, November 12, 1908.)

Importance of agriculture

To improve our system of agriculture seems to me the most urgent of the tasks which lie before us. But it cannot, in my judgment, be effected by measures which touch only the material and technical side of the subject; the whole business and life of the farmer must also be taken into account.

I warn my countrymen that the great recent progress made in city life is not a full measure of our civilization; for our civilization rests at bottom on the wholesomeness, the attractiveness, and the completeness, as well as the prosperity, of life in the country. The men and women on the farms stand for what is fundamentally best and most needed in our ability, by methods of farming requiring the highest intelligence, to continue to feed and clothe the hungry nations; to supply the city with fresh blood, clean bodies, and clear brains that can endure the terrific strain of modern life; we need the development of men in the open country, who will be in the future, as in the past, the stay and strength of the Nation in time of war, and its guiding and controlling spirit in time of peace. (Special message to Congress transmitting the report of the Country Life Commission, February 9, 1909.)

Improvement of farm life

One of the chief difficulties is the failure of country life, as it exists at present, to satisfy the higher social and intellectual aspirations of country people. Whether the constant draining away of so much of the best elements in the rural population into the towns is due chiefly to this cause or to the superior business opportunities of city life may be open to question. But no one at all familiar with farm life throughout the United States can fail to recognize the necessity for building up the life of the farm upon its social as well as upon its productive side.* * * (Special message to the Congress transmitting the report of the Country Life Commission, February 9, 1909.)

Improvement of country life

The Commission (Commission on Country Life) has tried to help the farmers to see clearly their own problem and to see it as a whole; to distinguish clearly between what the Government can do and what the farmers must do for themselves; and it wishes to bring not only the farmers but the Nation as a whole to realize that the growing of crops, though an essential part, is only a part of country life. Crop growing is the essential foundation; but it is no less essential that the farmer shall get an adequate return for what he grows; and it is no less essential—indeed it is literally vital—that he and his wife and his children shall lead the right kind of life.

For this reason, it is of the first importance that the United States Department of Agriculture, through which as prime agent the ideas the commission stands for must reach the people, should become without delay in fact a Department of Country Life, fitted to deal not only with crops, but also with all the larger aspects of life in the open country.

From all that has been done and learned three great general and immediate needs of country life stand out:

First, effective cooperation among farmers, to put them on a level with the organized interests with which they do business.

Second, a new kind of school in the country, which shall teach the children as much

outdoors as indoors and perhaps more, so that they will prepare for country life, and not, as at present, mainly for life in town.

Third, better means of communication, including good roads and a parcel post, which the country people are everywhere, and rightly, unanimous in demanding.

To these may well be added better sanitation; for easily preventable diseases hold several million country people in the slavery of continuous ill health.

The Commission points out, and I concur in the conclusion, that the most important help that the Government, whether National or State, can give is to show the people how to go about these tasks of organization, education and communication with the best and quickest results. * * * (Special message to the Congress, transmitting the report of the Commission on Country Life, February 9, 1909.)

Soil conservation

In any great country the prime physical asset—the physical asset more valuable than any other—is the fertility of the soil. All our industrial and commercial welfare, all our material development of every kind, depends in the last resort upon our preserving and increasing the fertility of the soil. This, of course, means the conservation of the soil as the great natural resource; and equally, of course, it furthermore implies the development of country life, for there cannot be a permanent improvement of the soil if the life of those who live on it, and make their living out of it, is suffered to starve and languish, to become stunted and weazened and inferior to the type of life lived elsewhere. (Article, Outlook, Aug. 27, 1910.)

Government aid to agriculture

I am glad to say that in many sections of our country there has been extraordinary revival of recent years in intelligent interest in and work for those who live in the open country. In this movement the lead must be taken by the farmers themselves; but our people as a whole, through their governmental agencies should back the farmers.

The Government must cooperate with the farmer to make the farm more productive. There must be no skinning of the soil. The farm should be left to the farmer's son in better, and not worse, condition because of its cultivation. Moreover, every invention and improvement, every discovery and economy, should be at the service of the farmer in the work of production. (Address, Progressive National Convention, Chicago, Ill., August 6, 1912.)

Needs of agriculture

The elimination of the middleman by agricultural exchanges and by the use of improved business methods generally, the development of good roads, the reclamation of arid lands and swamplands, the improvement in the productivity of farms, the encouragement of all agencies which tend to bring people back to the soil and to make country life more interesting as well as more profitable—all these movements will help not only the farmer but the man who consumes the farmer's products. (Address, Progressive National Convention, Chicago, Ill., August 6, 1912.)

Farmer and consumer

The farmer, the producer of the necessities of life, can himself live only if he raises these necessities for a profit. On the other hand, the consumer who must have that farmer's product in order to live, must be allowed to purchase it at the lowest cost that can give the farmer his profit, and everything possible must be done to eliminate any middleman whose function does not tend to increase the cheapness of distribution of the product; and, moreover, everything must be done to stop all speculating, all gambling with the breadbasket which has even the slightest deleterious effect upon the producer and consumer. There must be legislation which will bring about a closer business relationship between the farmer and the consumer. (Address, Progressive National Convention, Chicago, Ill., August 6, 1912.)

Aid to farmers

I know what the work and what the loneliness of a farmer's life too often are. I do not want to help the farmer or to help his wife in ways that will soften either, but I do want to join with both, and try to help them and help myself and help all of us, not by doing away with the need of work, but by trying to create a situation in which work will be more fruitful, and in which the work shall produce and go hand in hand with opportunities for self-development. (Outlook, Oct. 12, 1912.)

Problems of farm life

There is no problem whose successful solution is fraught with greater returns, in the line of citizenship, as well as in material results, than the problems of rural life. These include better farm methods, better rural schools, better roads, better farm financing, more economical methods of marketing, and better farm life conditions for the men, women, and children on whose welfare and success the progress and prosperity of the Nation depends. In these problems and those of social and industrial justice is also embodied no small part of the problem of the cost of living, although this will also be in part helped by our treatment of the trusts. (Address, Chicago, Ill., December 10, 1912.)

Tenant farmers

The number of tenants is rapidly growing. This is not good. Provision should be made to aid and increase the number of farm homeowners for these make for a better agriculture and a stronger Nation. (Address, Chicago, Ill., December 10, 1912.)

Government aid to farmers

We do not believe in confining governmental activity to the city. We believe that the problem of life in the open country is well nigh the gravest problem before this Nation. The eyes and thoughts of those working for social and industrial reform have been turned almost exclusively toward the great cities, and toward the solution of the questions presented by their teeming myriads of people and by the immense complexity of their life. Yet nothing is more certain than that there can be no permanent prosperity unless the men and women who live in the open country prosper. The problems of the farm, of the village, of the country church, and the country school, the problems of getting most value out of and keeping most value in the soil, and of securing healthy and happy and well-rounded lives for those who live upon it, are fundamental to our national welfare. (Century magazine, October 1913.)

Taxation of farmland

To break up the big estates it might be best to try the graduated land tax, or else to equalize taxes as between used and unused agricultural land, which would prevent farmland being held for speculative purposes. There can without question be criticism of either proposal. If any better proposal can be made and tried we can cheerfully support it and be guided in our theories by the way it turns out. But we ought to insist on something being done—not merely talked about. Everyone is agreed that we ought to get more people back to the land; but talk on the subject is utterly useless unless we put it in concrete shape and secure a service test, even although it costs some money to furnish the means for doing what we say must be done. (1917.)

Importance of agriculture

We cannot permanently shape our course right on any international issue unless we are sound on the domestic issues; and this farm movement is the fundamental social issue—the one issue which is even more basic than the relations of capitalist and workingman. The farm industry cannot stop; the world is never more than a year from starvation; this great war has immensely increased the cost of living without commensurately improving the condition of the men who produce the things on which we live. (The Farmer: The Cornerstone of Civilization. (1917.) Original publication not traced. It was probably a newspaper article.)

Tenant farmers

In 1880, 1 farmer in 4 was a tenant; and at that time the tenant was still generally a young man to whom the position of tenant was merely an intermediate step between that of farm laborer and that of a farmowner. In 1910, over 1 farmer in 3 had become a tenant; and nowadays it becomes steadily more difficult to pass from the tenant to the owner stage. If the process continues unchecked, half a century hence we shall have deliberately permitted ourselves to plunge into the situation which brought chaos in Ireland, and which in England resulted in the complete elimination of the old yeomanry, so that nearly nine-tenths of English farmers today are tenants and the consequent class division is most ominous for the future. * * *

The most important thing to do is to make the tenant farmer a farmowner. He must be financed so that he can acquire title to the land. In New Zealand the Government buys land and sells it to small holders at the price paid with a low rate of interest. Perhaps our Government could try this plan, or else could outright advance the money, charging 3½ percent interest. Default in payments—which should, of course, be on easy terms—would mean that the land reverted to the Government. (1917.)

Government loans to farmers

As regards furnishing capital to the farmer, the first need is that we shall understand that this is essential, and is recognized to be essential in most civilized lands outside of Russia and the United States, but especially in Denmark, France, and Germany. Our farmers must have working capital. The present laws for providing farm loans do not meet the most important case of all, that of the tenant farmer, and do not adequately provide for the land-owning farmer. An immense amount of new capital—an amount to be reckoned in billions of dollars is needed for the proper development of farms of the United States, in order that our farmers may pass from the position of underproduction per acre, may improve and fertilize their lands, and so stock them as both to secure satisfactory returns upon the money invested and also enormously to increase the amount of food produced, while permanently enhancing the value of the land. Lack of capital on the part of the farmer inevitably means soil exhaustion and therefore diminished production. The farmer who is to prosper must have capital; only the prosperous can really meet the needs of the consumer; and in this, as in every other kind of honest business, the only proper basis of success is benefit to both buyer and seller, producer and consumer. (1917.)

Farmer cooperatives

Whenever farmers themselves have the intelligence and energy to work through cooperative societies this is far better than having the State undertake the work. Community self-help is normally preferable to using the machinery of government for tasks to which it is unaccustomed. This applies to the ownership of granaries, slaughterhouses, and the like. There are

in Europe cooperative farmers' associations which own and run at a profit many such institutions; and when this is shown to be the case, the other owners of such agencies face the accomplished fact; and it often becomes possible for the farmers then to deal with them on a satisfactory basis. * * *

A single farmer today is no match for the corporations, railroads, and business enterprises with which he must deal. Organized into cooperative associations, however, the farmers' power would be enormously increased. The principle upon which such cooperative groups are formed is very simple. The profits are divided partly in the shape of a rebate that is paid in proportion to the volume of business done for each member. The control, however, of the association does not depend upon the number of shares that a member may own but rests upon the democratic basis of one man, one vote. (1917).

Solution of the farm problem

Our object must be (1) to make the tenant-farmer a landowner; (2) to eliminate as far as possible the conditions which produce the shifting, seasonal, tramp type of labor, and to give the farm laborer a permanent status, a career as a farmer, for which his school education shall fit him, and which shall open to him the chance of in the end earning the ownership in fee of his own farm; (3) to secure cooperation among the small landowners, so that their energies shall produce the best possible results; (4) by progressive taxation or in other fashion to break up and prevent the formation of great landed estates, especially insofar as they consist of unused agricultural land; (5) to make capital available for the farmers, and thereby put them more on an equality with other men engaged in business; (6) to care for the woman on the farm as much as for the man, and to eliminate the conditions which now so often tend to make her life one of gray and sterile drudgery; (7) to do this primarily through the farmer himself, but also, when necessary, by the use of the entire collective power of the people of the country; for the welfare of the farmer is the concern of all of us. (1917).

Farmer cooperation

The welfare of the farmer stands as the bedrock welfare of the entire Commonwealth. Hitherto he has not received the full share of industrial reward and benefit to which he is entitled. He can receive it only as the result of organization and cooperation. Along certain lines the Government must itself cooperate with him; but normally most can be accomplished by cooperation among the farmers themselves, in marketing their products, in buying certain things which they particularly need, and in joint action along many lines. The States can wisely supplement such work of cooperation, but most of such work it cannot with wisdom itself undertake. (Address, Republican State Convention, Saratoga Springs, New York, July 18, 1918).

Sources: Chew, Arthur P. The Response of Government to Agriculture. United States Department of Agriculture. Washington: United States Government Printing Office, November 1937, pages 103–107.

Hart, Albert B. and Herbert R. Ferleger, editors, Theodore Roosevelt Cyclopedia, New York City: Roosevelt Memorial Association, 1941. 674 pages.

Richardson, James D., editor. A compilation of the messages and papers of the Presidents. New York: Bureau of National Literature, Inc., 1917. Vols. 13–15.

United States Department of Agriculture. Office of Information. Abridged list of Federal laws applicable to agriculture. Washington: United States Department of Agriculture, March 1, 1953. 27 pages.

United States Department of Agriculture. Farmers in a changing world, the yearbook of agriculture, 1940. Washington: United States Government Printing Office, 1940. Page 1193.

AMERICAN AID POLICIES

Mr. MARTIN of Iowa. Mr. President, the Special Committee To Study the Foreign Aid Program has performed a great service for the Senate and for the country in printing the studies which have been prepared by scholars and experts with differing points of view on the many aspects of this problem.

I have been particularly concerned with proposals suggesting that the United States participate in the proposed Special United Nations Fund for Economic Development, popularly known as SUNFED. It is my conviction that the establishment of such a fund would not be the best means of advancing the economic development of other countries, nor would it be in the best interests of our own citizens.

I realize that the committee was confronted with a most difficult problem in choosing the experts to prepare its studies. There are many able, qualified individuals who could contribute a great deal to our understanding of this problem, but who were not specifically appointed to assist the committee. This was necessarily the case, as available funds made it necessary to attempt to cover all viewpoints without exceeding the resources we authorized for the committee's work.

One of the outstanding research groups in this field which did not participate directly is the Foreign Policy Research Institute of the University of Pennsylvania. Its director, Dr. Robert Strausz-Hupé, came to this country from Austria in 1923. Following a very successful career in the investment banking business, he became editor of Current History in 1939. He received his doctor of philosophy degree from the University of Pennsylvania in 1944, and has been associated with its faculty since 1946.

Dr. Strausz-Hupé presented a statement to the special committee on April 12. I had an opportunity to read it and found it of such great interest that I ask unanimous consent that it be printed in the body of the CONGRESSIONAL RECORD for the benefit of my colleagues.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN AID POLICIES—A STATEMENT SUBMITTED TO THE SPECIAL COMMITTEE TO STUDY THE FOREIGN-AID PROGRAM, UNITED STATES SENATE, BY ROBERT STRAUSZ-HUPÉ, DIRECTOR, FOREIGN POLICY RESEARCH INSTITUTE, UNIVERSITY OF PENNSYLVANIA

(This statement does not necessarily reflect the views of the associates of the Foreign Policy Research Institute. It has been prepared by the staff of the institute: Alvin J. Cottrell, Keith Wheelock, James E. Dougherty, project director, Robert Strausz-Hupé, director, Foreign Policy Research Institute.)

The United States, for several years to come, will find it necessary to provide economic assistance in one form or another to a number of countries, especially in the weaker and underdeveloped areas of the world. At present, American assistance programs assume many forms: direct military assistance, technical assistance, the agricultural surplus disposal program, aid given through the international banking and currency stabilization institutions, and outright economic aid grants or loans on a government-to-government basis.

The crucial policy question confronting us is: Which types of assistance are most desirable and which least desirable from the viewpoint of the political objectives of the United States and the Free World, the economic capacity of our country, the requirements of world economic health and growth, and the interests of the nations receiving the aid?

It is the question of grant aid, of course, which constitutes the most controversial issue. This paper contains some comments on the general problem of government-to-government aid and attempts to evaluate that aid in comparison to certain other types. The paper is organized under the following headings: American Assumptions Concerning Economic Aid; the Relation of Economic Aid to Foreign Policy; the Value of Military Assistance; the Obstacles to Economic Development; the Role of Private Investment; Aid Grants Versus Technical Assistance; Possible Improvements of the United States Aid Program; and Conclusions.

AMERICAN ASSUMPTIONS CONCERNING ECONOMIC AID

Thus far, the Marshall plan represents the only total, coherent experience which we have had in the realm of foreign aid, and even this experience is not easy to assess. One reason why it is so difficult to evaluate its success is that we have not sufficiently understood the noneconomic assumptions which underlay our European recovery program. In 1947 we assumed that Europe, if left to her own devices, would inevitably fall under Communist domination. We next assumed that the only way to preserve Europe's political freedom was to grant economic aid. We took it for granted that the masses were prime carriers of the Communist idea, which they would accept or reject depending on their standard of living, and that the Communist intellectuals could be politically reoriented through the improvement of economic conditions. After we granted aid, Europe recovered. We were therefore inclined to conclude that our aid was the cause of the recovery; that it was the improved economic situation which strengthened the democratic forces in the recipient countries and enabled Western Europe to remain free; that without the Marshall plan the Communists would have won bigger electoral percentages than they actually did. Now these assumptions and conclusions may very well be correct. They deserve careful probing, however. It is just possible that Europe recovered not so much because of the Marshall plan as because of indigenous regenerative forces. Moreover, in view of the fact that the plan constituted a tempting target for Communist propaganda—infringement of the national sovereignty, American capitalistic domination, and so forth—one might just as easily conclude that in the absence of the Marshall plan the Communist vote would have been slightly smaller. We ought not to underestimate the force of other reasons, political, cultural, and spiritual, which prompted Western Europe to choose the free way over the Communist way.

Regardless of what conclusions we arrive at concerning the economic and political effectiveness of aid to Europe, it is a serious mistake to try to apply them uncritically, as the American public may be tempted to do, to the underdeveloped continents. The ERP was directed toward mature industrial economies. The European nations are characterized by relatively large numbers of skilled technicians, by the existence of a system of private property and competitive enterprise, and, in most cases, by governments which are still fundamentally committed to the

market mechanism and private initiative for the development of new economic enterprises—if not always for the regulation of the older or unprofitable ones. But the new plans of aid for Asia, Africa, and Latin America are directed toward backward agricultural societies. These societies are characterized by the lack of technical skills, often by the existence of feudal land systems and, in many cases, by governments which are committed, for utilitarian if not for ideological reasons, to the Socialist concept of a government-planned and government-directed economy.

The American public in recent years has been educated to several idealist schemes for making deserts bloom like gardens, for building up the economy of a free India so that it will compare favorably with the economy of Communist China, for substantially raising the standard of living for two-thirds of the world's population, and so forth. These, without question, are worthy goals. But we are quite right when we exercise caution. We should be careful not to be swept along by our own idealistic urges without a clear understanding of the inherent complexities of the problem. Americans, who are prone to think in big terms and to brush aside the difficulties, can easily picture themselves dispensing global aid and building huge hydroelectric dams here and there, thus permitting the underdeveloped nations to undertake irrigation and industrialization projects. We ourselves did an excellent job in the Tennessee Valley. Many Americans are now confident that this country, if it so desires, can in time develop every important river valley in the non-Communist world through a program of economic aid. The peoples of the underdeveloped countries are likewise persuaded of our economic wealth and our technological prowess. So successful have we been in our efforts to sell them on the superiority of our system that there is now a danger that the United States will be increasingly looked upon as a bottomless well from which all may draw. The primary economic problem confronting the world is the problem of regional economic growth, not American governmental aid. For two-thirds of the world, the process of economic growth is just getting started. It is essential in the early phases of this process of economic growth that the most powerful economic power on earth exercise prudence in the formulation of its philosophy of foreign aid. If it commits itself to unwise policies, the eventual adverse effects upon the international economy may prove incalculable. At this juncture, the United States should carefully assess the obstacles to economic development, the magnitude of the task, the criteria for determining who should receive what kind of aid, the conditions under which the assistance should be given, the methods of administering aid, and the long-range implications and consequences of assistance programs.

THE RELATION OF ECONOMIC AID TO FOREIGN POLICY

It should be frankly recognized that foreign economic aid programs cannot be carried out in a vacuum, separated from political considerations. True enough, in view of all the complaints uttered in certain circles about aid with political strings attached, we might be tempted to think that such a separation can and must be made. But in fact this is neither feasible nor desirable. It is possible, albeit sometimes difficult, to separate private foreign investment from foreign-policy considerations. It is patently impossible, however, to draw any firm line between a government aid program and international politics. When the United States gives massive aid to an uncommitted country, for example, the latter may be so well insulated from politics that no external influence over policy is introduced inside the receiving country. Yet at the same time, United States aid may give rise to a delicate political problem outside the receiving country by causng some of the allies of the United States to wonder whether, so far as the American bounty is concerned, it is better to be committed or to be neutral.

There are no doubt dozens of countries which would like to have an American-donated dam or steel mill immediately. Within a given appropriations year, only a very limited number of large-scale projects can be approved. Some nations are bound to feel slighted. It should not be at all surprising if countries such as Pakistan and Iraq, which were allied to the West, resented the fact that neutral Egypt was selected for a larger slice of aid for a single development project (Aswan Dam) than they had ever received. Sometimes too, we find that economic aid for a certain type of project in one country has complex regional implications. For example, it may be pointed out that Ethiopia was seriously offended when we anounced the original Aswan Dam offer to Egypt without having consulted Ethiopia in regard to her interests in the Nile Valley. Instances like these, whether we like it or not, involve political questions which have eluded not a few experts on economic aid.

The governments of some underdeveloped countries, expressing a fear of political strings, urge us to channel our aid through the United Nations, particularly through the Special United Nations Fund for Economic Development (SUNFED), instead of putting it on a government-to-government basis. This proposal gives rise to some interesting questions in connection with political strings. Precisely what political strings has the United States attached to its economic aid grants in the past? Have we asked any foreign government to fulfill conditions which contravened its own interests as the trustee of a free people? We may extend economic aid with the vague hope, mistaken or not, that it will strengthen a country and help it to remain part of the free world. Is this tantamount to attaching intolerable political conditions to our largesse? There does not seem to be much evidence that we tie our aid to specific political objectives within the receiving countries. If there were such evidence, the Arabs of north Africa would not be quite as eager as they seem to be to substitute direct aid from the United States for the aid which they now receive from the French Government. Perhaps we are really a much softer touch than we realize. In our scrupulous concern for the political freedom of States, we may be too sensitive to criticism on the score of political strings. Several years ago Paul Reynaud gently chided the United States for failing to exploit the full potential of the Marshall plan as a device for persuading Western Europe to form a genuine political union. He did not allow for the fact that the United States, as the world's oldest and most thriving anticolonial power, still labors under certain compulsive feelings which sometimes distort its political judgment and prevent it from achieving legitimate objectives.

We may ask at this point whether we are unconsciously inclined to adjudge all political conditions linked to economic aid as being evil in themselves. It certainly does not seem unreasonable to expect the government of a country which receives our aid to accord us an equitable amount of political credit for it. We should not be so naive, of course, as to think that economic aid can buy a nation's political friendship. But we cannot afford the luxury of bestowing benefits upon professedly neutral countries which persistently use the United States as a whipping boy on whom they can exercise their nationalist muscles, while blinking the defects of the Sino-Soviet system. If we give large-scale development assistance to a neutral country, we have a perfect right to expect the leaders of the government in that country to refrain from carrying on a running propaganda attack upon American military bases, American-sponsored military pacts, and similar arrangments for the strategic security of the United States and the free world. There is something fundamentally fallacious about a foreign policy which attempts on the one hand to forge an effective international security system and which on the other hand lends economic strength to governments which are bent upon dissolving that security system.

It is further questionable that the United States should channel a sizable portion of its aid through an organization like SUNFED, largely to placate certain uncommitted countries, which want to see American aid insulated from politics. A nation's total economic capacity is one of the major elements of its power. In an age when we are sorely tempted to renounce the use of force as an instrument of foreign policy, we will not be choosing the wiser course if we also forfeit our economic power as an arm of our diplomacy.

THE VALUE OF THE MILITARY ASSISTANCE

The argument is often heard that we should confine our military assistance to the more advanced countries, such as those of Europe where it can do some good, because this kind of aid does not serve a useful purpose in the less economically developed areas. If this point is well taken, it means that the United States and its NATO allies must shoulder the burden of providing security for the entire non-Communist world. But the point is not at all well taken. Many types of local Communist aggression, infiltration, and guerrilla campaigns can be effectively deterred or contained within the so-called gray areas by security forces which are composed largely of local, indigenous units, supplied by the United States or its allies. The armies of South Korea, Taiwan, Vietnam, and Pakistan, for example, are among the largest and best trained in Asia. Up until now in the protracted cold war, the Communists have not overtly attacked any country which was well prepared to meet aggression, and they have been compelled sooner or later to cease hostilities or taper off their guerrilla activities in countries which were furnished with sufficient military assistance.

Our military assistance program helps to bring security to countries which are willing to cooperate with us for defense purposes. It is important to remember that this security, which is a prerequisite to economic stability, would be much harder to achieve without military assistance to the "rimland" nations. If the armies and constabularies of South Korea, the Philippines, Free China, South Vietnam, Pakistan, Thailand, Malaya, and Iraq were not equipped to stand guard against the Communists, then it would devolve upon the Western Powers, especially the United States, to furnish the necessary forces for on-the-spot protection of those far-flung sectors. American strategic power may deter a general global war, but it still takes locally deployed soldiers and home guard units to guarantee local security and stability. But, in the long run, it is considerably more expensive to rely on American soldiers for this task. It is not merely a question of training, equipping and paying the GI, and earmaking veteran's benefits for him. But it is also a question of abstracting a healthy young man from the American economy, where he is a producer and a taxpayer, and putting him in the military service, where he is a consumer so far as our domestic economy is concerned.

From the point of view of economic development, it is fortunate that the military groups in the underdeveloped countries form one of the most stabilizing and progressive elements within their national economies. The

army usually has an honorable tradition which, when combined with the relatively good living conditions, makes it an attractive prospect for a young man seeking employment. In several countries, the army is without any doubt the best available vehicle for imparting technical skills to large numbers of young men. Hence the military service is by no means economically unprofitable. Over the years thousands of persons become proficient in the methods of organization and administration, or in the use and maintenance of equipment. English, which is now the world's most advanced technological language, is taught under our military assistance programs. Military personnel from the underdeveloped countries are brought to the United States to study electronics and similar subjects. Thus they are fitted, upon completion of their tour of duty, to make a tangible individual contribution toward the development of their country's economy. Soldiers are given a certain discipline of mind and an orderliness of living habits which are indispensable for a custom-encrusted nation which desires to build industry.

We ourselves were the first to convert our Armed Forces into an instrument of mass technical training in peacetime. Now our military assistance program is transferring this unique concept to the underdeveloped areas, where military aid often represents the only practical form which assistance can take at the present time. A well-conceived military program, therefore, can be an extremely valuable complement to a program of technical assistance. In many of these countries, it is actually the Army which provides the social services and builds the utilities (the infrastructure) which are indispensable for economic development. Hence we would obtain a much more realistic picture of the impact of our economic-aid program if constructive functions such as these could be evaluated and prorated to economic aid, instead of being hidden under military-aid figures.

THE OBSTACLES TO ECONOMIC DEVELOPMENT

The main problem of economic development involves raising the national income through increased per capita output within the underdeveloped country. Now in fact, we know very little about the amount of capital it takes to produce an increase of output within the underdeveloped countries. The information on specific sectors of the Asian and African national economies is scant enough; it is virtually nonexistent with respect to those national economies as wholes. Here is an example: there is before the Senate Special Committee To Study the Foreign Aid program a survey which bases a proposal for the developement of underdeveloped countries upon the estimate that it would require three units of capital to produce an increase of 1 unit per year in output or a marginal capital coefficient of 0.33. This, by the way, is exactly the same assumption made by the Planning Commission of India for the first 5-year plan.[1] It happens that this estimate assumes a marginal capital-output ratio, that is, 3 to 1, that is almost identical with that found, on the basis of ample statistical material, for the United States over the period 1919–28.[2] It would seem that there is no basis for (1) generalizing an estimate for India for the economies of all underdeveloped countries, and (2) for accepting the validity of the Indian estimate since the Indian economy most certainly has not yet attained the productive level of the United States over the period 1919–28. To compound the confusion, we may cite a United Nations report on the capital needs of the underdeveloped countries which assumes a capital-output ratio of 8 to 1 or a capital coefficient of 0.125.[3] It should be clear from the foregoing that the experts appear to be divided by wide disagreements and that far more exploratory work has to be done before we can approximate the real capital needs and absorptive capacity of the underdeveloped countries.

One of the chief obstacles to formulating intelligent development programs is the dearth of accurate statistical data in the underdeveloped countries. Even for the period following the Second World War the governments of those countries can sometimes furnish no more than thoughtful guesses in lieu of accurate figures.[4] However sincere the government of the underdeveloped country may be, it often lacks the apparatus necessary to make a proper statistical analysis. Without such analysis, it is impossible to devise rational development programs. In order to arrive at estimates that can serve as reliable guides for foreign development projects, the United States needs country-by-country surveys prepared by experts on the basis of careful on-the-spot studies. In this country surveys in preparation of any major development projects, public or private, are based upon investigations requiring several years. It would be surprising if a period of, let us say, 2 or 3 years should prove excessive for the preparation of a meaningful country survey. Since the underdeveloped countries lack the qualified personnel, the United States could procure for them the services of American consulting engineers, cultural anthropologists, and area specialists who could be teamed in the making of such surveys. Perhaps one of the greatest single contributions which the Government of the United States could make to the development of the underdeveloped countries is to contract with qualified private consultants to prepare these country-by-country studies, including such items as market surveys and the optimum location of new industries.

A country may resent the allegation that it lacks competent specialists to make the surveys. The desire, however, to qualify more readily at a later date for American aid will probably prevail over any such resentment.

The other obstacles to development are almost too well known, and certainly too complex, to warrant more than the most cursory mention here. Perhaps most of them can be combined under the heading of "relatively low absorptive capacity." It can hardly be emphasized too much that the problem essentially is one of growth, not aid. An economy is, after all, an organism whose growth cannot be speeded up too much, but may on the contrary actually be stunted by the application of an excess of stimulants. In order to build a hydroelectric dam, one must lay a railroad to the site; but in order to build the railroad one first must build a steel mill to turn out the rails, and so forth. What the technical West took more than a century to accomplish, the backward countries would like to achieve within 1 or 2 decades. Many of them have not yet conquered the problems of contagious disease and basic education to the point where they can rely upon a stable working force or a sizable number of natives who can comprehend the simplest technical instructions, let alone display technical proficiency or managerial talent. Some of them are still burdened with the vestiges of a rigid caste structure and a land system which is hardly conducive to the social changes which technological innovation usually demands. Practically none of them have acquired domestic savings and investment habits. In the early phases of development, output gains are frequently offset by parallel population increases. Moreover, the importation of capital for large-scale projects which employ large numbers of workers is generally accompanied by a rise in the national propensity to consume and to import luxury goods. This dissipates the so-called multiplier effect of the imported capital and may even generate foreign-exchange imbalances.

Mention should also be made of two other indirect obstacles to the growth of the international economy, or what might be called the feedback effect of certain types of industrialization programs in the underdeveloped countries. The first is the adverse effect upon the world economy of attempting to substitute too rapidly the principle of national industrial diversification for the principle of international specialization. This is basically a problem of the relative distribution of the factors of production. A country where capital is dear and labor is abundant should begin development by stressing projects which require little capital and a large amount of manpower. Very often the optimum increase in output can best be achieved by exploiting more intensively the existing resources, facilities and specialized crafts, not by undertaking an abortive alteration of the Nation's basic economic structure.

The second feedback effect relates to the impact of a certain type of aid program on the American economy. If we wish, for example, to build hydroelectric powerplants in the underdeveloped countries, we must expect to see a rapidly rising world demand, induced by ourselves, for steel, aluminum, copper and other metals used in such construction. As the demand for industrialization rises, so will the world price. Once a long-range program for global aid really gets rolling, we may find ourselves under pressure to create another international materials board, comparable to the one which was set up during the Korean war, to fix world prices and allocate the available supply of scarce metals. The United States should certainly encourage world economic growth. But if the growth is artificially stimulated and speeded up in certain sectors through Government grants (essentially an uneconomic forceps), we can expect strains, stresses, and imbalances which will not be good for the international economy as a whole.

THE ROLE OF PRIVATE INVESTMENT

Private capital has always been more reluctant to run the risks of going to underdeveloped countries than to stay at home and enjoy the security of investment in a mature economy. Nevertheless, when the demand for capital became strong enough in the underdeveloped nations, capital has never failed to flow from the older to the younger economies. An agricultural American society imported capital from industrial England to build railroads and factories; agricultural Russia imported capital from industrial France for the same purpose. Dissimilarities as regards, religion, political institutions, and social structures did not effectively hinder the international operation

[1] First 5-year plan, A summary, Planning Commission, New Delhi, 1952, p. 4.

[2] William Fellner, the Capital-Output Ratio in Dynamic Economies, in Money Trade and Economic Growth, essays in honor of John Henry Williams, New York: Macmillan, 1951.

[3] Measures for the Ecomic Development of Underdeveloped Countries, United Nations, New York, 1951.

[4] As recently as 1956, for example, the leading Egyptian economics periodical voiced this complaint: "The statistics available in Egypt do not permit an exact assessment of the yearly accumulation of capital and its division into sectors showing the various directions into which this capital has been diverted (machinery, construction, finished or semifinished goods, transport, etc.)" Capital Formation in Egypt, in the Egyptian Economic and Political Review, special budget issue, June–July 1956, p. 35.

of the economic forces of supply and demand. Nor did the capital-importing countries feel that they were being victimized. The United States, after throwing off the colonial yoke of Great Britain, was not afraid that borrowing from British investors would lead to the restoration of imperial control. The international economy was free; above all, it was free from ideological preconceptions.

Since the end of the Second World War, the international economic situation has changed radically. Just at the time when the underdeveloped countries, many of them enjoying newly won independence, were beginning to experience the need for development capital, American economic aid policy began to make them think that there is a better way to industrialize than by attracting private foreign capital. There can be little doubt that the emphasis in our economic policy upon outright grants and low-interest Government loans has been a major factor in creating an unfavorable climate for private investment in the underdeveloped areas of the world. This is by no means to suggest that American policy has been the most important factor in transforming the assumptions of international economics. The nationalist-Socialist inclinations of the political leaders in several underdeveloped countries have been a significant factor in introducing ideological preconceptions into the international economy. Not a few of these leaders may have reasoned as follows: Private capital investment from abroad is the most expensive and the most obnoxious means of meeting our capital needs; outright economic grants without political strings attached are the cheapest and hence the most desirable capital imports; governmental loans hold a middle position, insofar as they require repayment but are cheaper to service and may allow the borrowing government to default with impunity; finally, it is preferable to induce a foreign government to channel loans and grants through an international fund, so as to preclude foreign political intervention. Admittedly, from the viewpoint of the underdeveloped countries, such an attitude is a sensible one indeed.

From the point of view of the United States, however, long-range programs of grant aid are fraught with grave disadvantages. First of all, they substitute the taxpayer's "reluctant dollar" for the investor's "willing dollar" and eventually cause venture capital to dry up. It does not help to argue that foreign aid grants will help to pave the way for a more favorable climate for private investment 10 years hence. Ten years hence, the recipient countries will expect the continuation of grant aid as a matter of course. American aid grants during the last decade, by making it less urgent for the underdeveloped countries to attract private capital, have helped to smooth the way for the nationalization of foreign assets in these countries. If the nationalization trend becomes widespread, the last threads of international economic probity binding the western nations to the underdeveloped countries will be broken; no venture capital will go out to the latter. Then the American taxpayer will be expected to sustain the process of economic growth in the underdeveloped areas of the world, or else the United States will incur the people's wrath by diminishing the aid before their economies can generate their own growth.

Furthermore, every underdeveloped country in the world can make out a valid case to demonstrate its need for a dam or a steel mill. The United States, notwithstanding its abundance is limited in its ability to meet all the demands which might be made upon it. In the prewar international economy, the forces of supply and demand determined which nations would obtain development capital. But under a long-range program of global aid, this decision is left to governmental officials, who perforce make the decision not purely on the basis of economic criteria, since they cannot escape the influence of political considerations and even personal preferences. Under this arrangement, there is no way of knowing whether we are underwriting the least efficient economies and depriving the most efficient ones of our capital resources.

AIDS GRANTS VERSUS TECHNICAL ASSISTANCE

There is in the mind of the public a somewhat confused notion as to the relationship of economic aid and technical assistance. Not infrequently, these two forms of aid are spoken of as if they were one and the same; yet, basically, they are opposites. The primary purpose of technical assistance is to elicit an economic response from a country's own resources, whereas grant aid simply seeks to fill an economic gap. Technical assistance is the most direct and the most demonstrable way of wedding American skill to the economic potentialities of the receiving country. This idea was expressed eloquently by President Eisenhower in his inaugural address last January. He said: "We must use our skills and knowledge and, at times, our substance, to help others rise from misery, however far the scene of suffering may be from our shores."

Last but not least, technical assistance is people. There is no better way for cementing cordial relationships between this country and the peoples of the underdeveloped lands than through the working partnership of American technicians and those eager natives to whom they impart their skill. In the nature of things, this relationship is a personal one, whereas Government programs are cloaked in anonymity. Compared with other types of economic aid, technical assistance is the least costly and has perhaps the greatest "multiplier effect" in the fostering of good will. It is therefore advisable that the United States not only maintain but moderately increase its allocations both to its own technical assistance program and to that of the United Nations, provided that the expansion of the latter allows for the appropriate increase of the quota of American personnel.

What, then, of the place of grant aid in a scheme of American policy? What are the sometimes when we must use our substance? Admittedly, there will be occasions when it will be desirable to extend grant aid for specific projects in the underdeveloped countries. But we should not regard grant aid as a normal form of continuing assistance, elevated to the rank of long-range programs. In our domestic practice, we recognize the need for stringent criteria governing the grant of Federal aid. Thus, for example, a small businessman in the United States who seeks Government assistance must show that he has already exhausted the possibility of obtaining funds from private lenders. This practice might have a useful international application. Evidently, requests for foreign-development aid that meet the test of sound banking practices, redound—because of economic as well as psychological reasons—to the mutual interest of borrower and lender. If such a test is not met, then both the lending and the borrowing country will still be free to enter upon the transaction. They will do so, however, without misapprehensions as regards the true nature of the arrangement.

One type of aid program, namely, agricultural trade development and assistance, merits particular attention in connection with these remarks on grant aid. Given our domestic farm-support policy, this program is a useful means of transferring our agricultural surpluses to countries which are in need of food. Under Public Law 480 as amended, transactions totalling $4 billion worth of food will have been negotiated by June 1958. These commodity sales are paid for in the currency of the recipient country. The United States may spend these foreign currencies for the purpose of meeting various expenses: for marketing studies, trade-fair exhibits, exchange visits of industrial representatives, military base construction, operation of embassies and information agencies, assistance to American-sponsored schools and libraries, and the translation, publication, and distribution of American books abroad. Almost 60 percent of the foreign-currency payments, however, is earmarked for economic development loans to the recipient governments, precisely because those local currencies are inconvertible into hard currencies. This practice, since it is tantamount to grant aid, should be discontinued or, at least, so modified as to reveal the true nature of the transaction.

POSSIBLE IMPROVEMENTS OF THE UNITED STATES AID PROGRAM

1. We should place greater emphasis on projects which filter down" to the people and less emphasis on either invisible forms of aid or long-range, large scale programs which have no apparent impact on the local population. In this connection it is obvious that technical assistance programs will pay greater dividends than economic grants for spectacular projects which are frequently designed for the purpose of enhancing the domestic popularity of the government in power. Technical assistance programs allow us to deal directly with junior civil servants and even with the people in the towns and villages, whereas under economic aid programs the contracts of the United States with the recipient country are confined to the highest levels of government. There may be times, of course, when outright economic grants are desirable. But we should be wary of huge projects which have to be carried out over a period of years. Very often such projects are oversold to the local population by the receiving government. If it then takes 3 or 4 years to complete the project and even longer for the beneficial results of the completed project to become apparent, the United States may find itself the object of impatient resentment. Meanwhile, all of the economic pinches felt in the vicinity of the construction project are also likely to be blamed upon the United States.

2. We should devise projects which are suited to the technical level and the cultural pattern of the country. If this is done, the execution of the projects will not depend upon bringing in large numbers of American engineers and other specialists. By tailoring the projects to the ability of the young native technicians, these latter can be given a stake in the development program. If we insist upon planning highly advanced industrial projects in which local technicians can participate only at the lower job levels, we may find that our economic aid programs serve not to win the good will of this important class within the society but rather to alienate it. Such an approach, by the way, will minimize the exodus of engineers from our own national economy, where they are not in abundant supply. When American technicians go abroad, it should be primarily for imparting skills to the underdeveloped countries. It is both more efficient and, in the long run, makes for better human relations, to send American scientists and engineers out for this purpose rather than to place them in competition with the native talent in the underdeveloped countries.

3. We should work constantly to improve the liaison between our information agencies and the governmental personnel in the foreign countries receiving the aid. Frequently, the latter fail to keep abreast of the development programs in progress outside of the national capital. If they were better informed, they might be more inclined to publicize the value of American assistance programs.

4. Our information agencies should devise a campaign to counter the Communist notion that the United States is compelled to send

its surplus economic goods overseas simply to avoid domestic unemployment and depression, or to solve the problem of its surplus capital. So long as we find it advisable to grant foreign economic aid, we should try to make certain that our policy will not be widely interpreted as a proof of the Marxist-Leninist theory of imperialism.

5. We should use our economic-aid policy to promote a form of regional economic development under which resources can be utilized more rationally than is possible under a pattern of economic nationalism. India, for example, possesses iron deposits which Japan could put to good use, and Japan has capital and technical skills which the countries of South and Southeast Asia need. For the Middle East, it may be advisable to establish a regional-aid program whereby assistance to the area would be funneled through an organization for middle eastern economic development. Emphasis should be placed on the coordination of interstate development projects, such as the Jordan River Valley project along the lines suggested by the Johnston plan. Industrial, social, educational, and agricultural proposals should be treated in a regional context prior to the formulation of local plans.

6. We should select certain countries of the world for development as regional show windows for the purpose of bringing American technological know-how more effectively to bear upon the population of the region. In the Far East, perhaps the time has come to stop looking upon Taiwan merely as a temporary haven for Chiang's forces or as an American-sponsored fortress poised against the mainland. The island is endowed with sufficient economic resources to allow it to be converted into a show window for Asia. The future of Formosa will have a bearing on the long-run influence of the United States in Asia, since all the key civilian officials of the country are American trained. If technically developed, Formosa would have a good chance to assume the leadership of the overseas Chinese communities which are scattered throughout Southeast Asia. It could also appeal to the governments in that region by making available to them technically trained Chinese educators, doctors, and engineers who could go abroad as emissaries of the center of free Chinese culture. In the Arab world, Libya is admirably suited for a similar experiment. It has a small population. The government is friendly to the United States. We have treaty rights in that country for the next 15 years, especially as regards the vital Wheelus Air base. Finally, Libya is situated just next door to Egypt, the political and cultural center of the Arab world. Taiwan and Libya represent only two examples of small, friendly countries where a relatively modest investment could bring considerable foreign policy dividends.

CONCLUSIONS AND RECOMMENDATIONS

1. Economic aid programs cannot be separated from the political objectives of foreign policy.

2. Military assistance, since it complements technical assistance, serves a useful economic purpose as well as a strategic one. Those military programs which contribute to the economic progress of underdeveloped countries should be prorated to economic aid, rather than hidden in military aid figures.

3. Technical assistance is the most desirable form of economic development aid. Technical assistance achieves a maximum effect at relatively low cost. It also enables the United States to reach beyond government-to-government relationships and to establish direct contacts with the peoples of the underdeveloped countries.

4. The United States should assist the underdeveloped countries to amass the necessary statistical data for rational development projects. It can best do this by contracting with private firms for the services of specialists who would undertake competent country-by-country surveys.

5. The United States should not commit itself to a long-range program of economic aid grants as a normal means of development assistance. Since aid grants are economically artificial props, they are the most costly and probably the least efficient form of aid. Since the term "grant aid" should be reserved to the financing of projects that do not satisfy sound banking criteria, such aid should be confined to special cases as political and other considerations may dictate.

6. The United States should propose an increase in the capitalization of the International Bank for Reconstruction and Development, so that economic development can be promoted and expanded in accordance with sound banking practice.

7. The United States should limit its economic assistance to specific development projects which:

(a) will strengthen and raise the standard of living of free, friendly countries;

(b) will promote the more intensive exploitation of existing resources and facilities within the underdeveloped countries;

(c) will be adapted to the technical level and cultural pattern of the local population; and

(d) will promote the more rational utilization of regional resources and market patterns.

8. The United States should help to restore a favorable climate for private international investment by devising programs which will supplement, rather than unfairly compete with, the operations of private capital in the world economy.

9. The United States should initiate studies on the problem of the eventual orderly deinvolvement of this country from various underdeveloped national economies which are now largely dependent upon American assistance.

OMISSION OF SENATOR GEORGE W. NORRIS, OF NEBRASKA, FROM LIST OF GREATEST SENATORS OF ALL TIME

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD an article from the Rocky Mountain News, of Denver, Colo., of March 23, 1957, entitled "List of Greatest Senators," by Henry N. Taylor of the Scripps-Howard staff.

I particularly desire that the article appear in the CONGRESSIONAL RECORD, for the information of the Members of the Senate, because it lists the two greatest United States Senators of all time as George W. Norris, of Nebraska, and Henry Clay, of Kentucky, according to a poll of more than 100 college professors in the United States. It continues to be a source of regret to me and to many others throughout the Nation that Senator George W. Norris was not included in the list of the five illustrious Senators whose portraits soon will be dedicated in the anteroom of the Senate Chamber.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Rocky Mountain News, Denver, Colo., March 23, 1957]

LIST OF GREATEST SENATORS

(By Henry N. Taylor)

WASHINGTON, March 22.—Nebraska's George Norris and Henry Clay of Kentucky were the two greatest United States Senators of all time, according to a poll of more than 100 top university professors run by a Senate committee.

Robert A. Taft, of Ohio, and Arthur Vandenberg, of Michigan, who ranked in the top five in a similar poll of Scripps-Howard newspaper readers last year, finished way down the line in the estimation of historians and political scientists.

Norris and Clay tied for first place in the scholars' poll, with 58 votes each. Daniel Webster, the wizard orator from Massachusetts, came third, with 55, followed by John C. Calhoun, of South Carolina, 40, and Robert M. La Follete, Sr., fiery Wisconsin progressive, 30.

The panel of experts named these five at the invitation of the present-day Senate, which found itself with five empty niches on its reception-room wall and decided to honor its five greatest past members by hanging their portraits there.

Senator JOHN KENNEDY, Democrat, Massachusetts, heads a subcommittee which will make the final choice. He has asked all present Senators to contribute their choices, along with the scholars and newspaper readers who have written in.

With results almost complete, the scholars list the following as runner-up choice after the top five: Stephen A. Douglas, Lincoln's rival from Illinois (23); Vandenberg (20); Thomas Hart Benton, 19th-century Missouri Democrat (15); Taft (15); and Robert F. Wagner, father of New York's present mayor (12).

Scattered votes went to more than a dozen other men, including Robert Taft's father, William Howard Taft, who served in the White House, the Supreme Court, and many other places, but not in the Senate.

Criteria for the contest state that Senators must be dead, must be "distinguished for acts of statesmanship, transcending party or State lines," and must have contributed leadership in national affairs, constitutional interpretation of legislation.

Senator JOHN BRICKER, Republican, Ohio, a member of the selection committee, expressed "great surprise" at the ranking the university men gave Senator Norris, who spent most of his 30 years in the Senate fighting as a "loner" against a conservative majority.

"Don't forget Bob Taft was a conservative at a very liberal time," said BRICKER. "He should get full credit too for his legislative record."

ANALYSIS BY SENATOR KENNEDY OF THE BOOK CITADEL

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a thoughtful book review from the New Leader of May 13, 1957, in which the junior Senator from Massachusetts [Mr. KENNEDY] has analyzed the celebrated book Citadel, by William S. White, of the New York Times staff.

Title of the review is "Inside the Upper House." Senator KENNEDY, himself the author of a best-selling volume which has recently won the Pulitzer prize for outstanding biography, sums up Mr. White's book in this fashion:

Mr. White may not love all Senators, but he loves the Senate, and this affectionate regard shines through his work.

Because of the great amount of national discussion not only of Citadel but also of Senator Kennedy's Profiles in Courage, I believe that the latter's review of Citadel should be printed in the RECORD for the information of Members of the Senate.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

INSIDE THE UPPER HOUSE

(Reviewed by JOHN F. KENNEDY, United States Senator from Massachusetts)

William S. White has, in his characteristically articulate and perceptive fashion, presented to the interested a remarkably vivid description of the United States Senate. Written from Mr. White's vantage point as chief congressional correspondent for the New York Times, Citadel quickly and deftly establishes the Senate in its position in the total framework of government as the catalytic agent giving continuity, restraint, creativity, and frequently shape and direction to the operations of the two active branches of Government, the legislative and executive. Then, painstakingly, the intimate details of the Senate's operations are supplied and suddenly the skeleton has taken on flesh and becomes a living reality. It is a book to be read by those anxious to understand the frequently ununderstandable Senate as well as by present and future historians and political scientists.

Mr. White has reached several conclusions, which he documents well but which might nevertheless be open to question. For example, there is the inner club concept, namely, that the Senate is given form and direction by a group of Senators—predominantly southern—whose "decisions are in no way overtly or formally reached; it is simply that one day the perceptive onlooker will discover a kind of aura from the inner club that informs him of what the Senate is later going to do about such and such."

Undeniably, each of the 96 Senators does not have the same degree of effectiveness in formulating the decisions made by the Senate as a whole. The mechanics of Senate operation are such that committee chairmen have considerable influence over the course of action taken by their particular committees, and, of course, the majority leader exercises considerable control over the scheduling of issues for consideration. Similarly, in any group of 100 people, some—through experience, personality, or innate ability—will be looked to by others for guidance. Surely this is as true of the Senate as of any other body, but this hardly supports the idea of a mysterious, mystical inner club.

The concept of a true Senate type recurring in the book may also be overdrawn. Any group develops an organizational personality, and perhaps those individuals who most nearly approach the group characteristics can be said to be representative of the group or to be true group types. But of greater significance is the wide diversity of personalities which combine to make the whole. The southern flavor of the Senate referred to frequently by the author is due perhaps not so much to the fact that the Senate was an invention of the South in the creation of our Constitution, as suggested in the book, as to the rather practical fact that most Southern States are one-party States affording their representatives in the Senate the opportunity to acquire seniority which in any body, and in the Senate particularly, brings valuable experience, prestige, and influence in the operation of the organization.

Especially good was Mr. White's treatment of the committees of the Senate—labeled by him as the "kernel of the power." Here he has faithfully and accurately described the arena in which the great bulk of the Senate's work is performed. Here is where the facts are acquired, the majority and minority are afforded an opportunity to develop the policies generally adopted by the Senate, and where Members can specialize, bringing their experience and concentrated attention to bear on a relatively narrow field of activity with maximum results. The seniority system of selecting chairmen has been roundly blasted, but, as pointed out so effectively by Mr. White, the virtues outweigh the defects in most cases and, more important, no plausible alternative has ever been proposed.

The attention and thought Mr. White has given the Senate investigations have been fruitful; his analysis is well worth reading. He suggests—and wisely so—a distinction between inquiry to supervise and even to attempt to force policy change upon the Executive and inquiry for the connected purposes of punishing individuals and promoting senatorial publicity. The Senate may have wandered off the reservation upon occasion, and directing attention to this particular area should prove to be helpful.

One of the most difficult tasks is to know one's self and to realize how he appears to others, and yet it is advantageous to have this information. Mr. White has performed a valuable service in undertaking to describe the Senate as he sees it. Although his picture does not have the detachment of a photograph, it is so much the better for being a painting with the interpretation and flavoring that a talented and sensitive artist can bring to such work. Mr. White may not love all Senators, but he loves the Senate, and this affectionate regard shines through his work.

TIMBER SALE PLAN FOR SNOQUALMIE NATIONAL FOREST, WASH.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD the proposed timber sales plan for the Snoqualmie National Forest in the State of Washington. Nineteen major sales, which will put 225 million board-feet on the market, are planned. Seven of these sales total 184 million board-feet, or 82 percent of the timber which will be offered. Three sales alone account for 58 percent of the volume to be offered.

In testimony before the Committee on Appropriations, Assistant Secretary of Agriculture Ervin L. Peterson has been forced to admit that the Forest Service budget does not contain adequate funds for access roads. This causes a tremendous concentration of sales among three parties. The budget does not reveal that the Forest Service will secure road construction in the amount of more than $45 million by a procedure which is outside the control of Congress. This will be done by making allowances to the timber-sale purchasers in setting the price of the timber for them to construct the roads. That is the reason for the 3 big sales of 40 million, 45 million, and 46 million feet, which are listed. The big sales are often sold at the appraised price, with but a single bidder being able to bid. The Government loses money, because the road estimate is generally too liberal, and there is no competition for the sale.

By its heavy reliance on timber purchaser access-road construction, the administration is reducing income which is needed to help balance the budget. It is also strangling small and medium firms in the lumber industry by not scheduling enough sales of a size on which they can bid.

In my State of Washington, I may add, the so-called gypo loggers, who are the small-business logging men of the Pacific Northwest, are gradually being forced out of business by this type of procedure.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

[From the Timber Operator of April 27, 1957]

SNOQUALMIE PLANNED TIMBER SALES ANNOUNCED FOR APPROACHING SEASON

SEATTLE.—In order to assist in company planning for proposed national forest timber sales on the Snoqualmie National Forest, listed tracts of timber to be offered for sale during 1957 are shown:

Number and name of sale	Ranger district	Location	Approximate volume M board-feet
1. Maloney Mountain	Skykomish	Secs. 1, 2, 11, and 12, T. 25 N., R. 11 E., and secs. 6, 7, and 18, T. 25 N., R. 12 E.	40,000
2. Sultan Basin	do	Sec. 24, T. 29 N., R. 9 E.	14,700
3. Deer Creek	do	Secs. 4, 8, and 9, T. 27 N., R. 10 E.	16,500
4. Evergreen Creek	do	Secs. 5 and 6, T. 27 N., R. 12 E., and secs. 31 and 32, T. 28 N., R. 12 E.	6,000
5. Jacks Pass	do	Sec. 31, T. 28 N., R. 12 E.	1,500
6. Flapjack	do	Sec. 29, T. 27 N., R. 12 E.	7,300
7. Olney No. 1	do	Sec. 31, T. 29 N., R. 9 E.	540
8. Olney No. 2	do	Sec. 31, T. 29 N., R. 9 E.	1,900
9. Camp Joy	North Bend	Secs. 9 and 10, T. 21 N., R. 10 E.	4,800
10. West Fork No. 5	White River	Sec. 8, T. 18 N., R. 9 E.	970
11. West Fork Fire Salvage	do	Secs. 18 and 19, T. 18 N., R. 9 E.	1,560
12. Flip-a-way	do	Secs. 6 and 7, T. 18 N., R. 9 E and secs. 1, 2, 11, and 12, T. 18 N., R. 8 E.	46,000
13. Oliver Creek	do	Secs. 11, 14, and 15, T. 18 N., R. 9 E.	10,000
14. Secs. 28 and 29, T. 17 N., R. 7 E.	do	Secs. 28 and 29, T. 17 N., R. 7 E.	5,000
15. Improvement Cut No. 5	Mineral	Secs. 15, 16, 21, 22, and 23, T. 14 N., R. 8 E.	600
16. Teeley Creek	do	Secs. 8, 9, 10, 15, 16, and 17, T. 18 N., R. 7 E.	12,000
17. Clear Creek	Tieton	Secs. 1, 2, 3, 4, and 5, T. 14 N., R. 13 E., and secs. 33, 34 and 35, T. 14 N., R. 14 E.	5,000
18. Case Creek	Naches	Secs. 11 and 12, T. 15 N., R. 13 E.	6,000
19. Milk Creek	do	Secs. 1, 2, 3, 10, 11 and 12, T. 17 N., R. 14 E., and sec. 36, T. 18 N., R. 14 E., and sec. 6, T. 17 N., R. 15 E.	45,000
20. Miscellaneous salvage and small sales, forestwide.			10,000+

These sales will be advertised as rapidly as sale preparation work can be completed and snow conditions will permit examination of the areas, it is stated.

FEDERAL EMPLOYEES APPRECIATION WEEK

Mr. HOLLAND. Mr. President, appropriate recognition of the efforts of Federal employees to serve the public efficiently will be given in Miami, Fla., during the week of July 7 to 13, in the second annual Federal Employee Appreciation Week.

The week-long celebration, which it is hoped by the sponsors will include a 1-day open house by Government agencies in the Miami area so that taxpayers and businessmen may visit them and learn what they do and how their activities affect the community, will culminate in the presentation of the Governor's Cup to the Federal employee whose suggestion has saved the Government the most money during the current fiscal year. The Federal agencies are also being invited to present service pins and other commendatory awards at that time.

The event is being sponsored by the United States Employees Benevolent Association, a nonprofit employee welfare organization whose president, Mr. Fred Loudis, reports that Florida is the first State in the Union to stage such a celebration pointing up the merits of the Federal employee.

Speaking for all members of the Florida congressional delegation, I commend the sponsors of this event for their efforts to show that Federal employees, who are also taxpayers, are vitally interested in efficient and economical operation of our Government.

TWO PHASES WHERE CONGRESS CAN BE PENNY-WISE AND POUND-FOOLISH: THE FOREIGN SERVICE INSTITUTE FOR LANGUAGE TRAINING AND THE EDUCATIONAL EXCHANGE SERVICE

Mr. WILEY. Mr. President, there are many places of the State Department's budget where, in my judgment, Congress may find that a drastic and arbitrary funds reduction would represent utterly misplaced economy.

In trying to save relatively small sums, Congress may later find to its regret that it has been proven penny-wise and pound-foolish.

Two of the Department's programs which can ill afford a negative decision by the Congress are: The Foreign Service Institute—especially in its language-training work—and the program for educational exchange.

Both are relatively small items out of all the many programs in the Department budget. But both are exceedingly important.

I have looked very carefully into the results which would follow in the event that the Foreign Service Institute and the exchange programs were impaired.

Accordingly, I have prepared a statement covering each of these issues. Since time is short, I shall not read the statements to my colleagues now, but I ask unanimous consent that they be printed at this point in the body of the RECORD, where I trust they may be consulted by my colleagues on the Senate Appropriations Committee.

In singling out these two particular items, which I happen to have followed closely in the past, I have not chosen them as the most important of all the vast number of Department programs; for obviously they are not.

But they are significant. They are very worthwhile. They deserve support, not rebuke. They must not be lost in the shuffle.

I ask unanimous consent that a statement prepared by me and an editorial be printed in the RECORD.

There being no objection, the statement and editorial were ordered to be printed in the RECORD, as follows:

NEED FOR LANGUAGE-TRAINING FUNDS FOR FOREIGN SERVICE INSTITUTE

As past issues of the CONGRESSIONAL RECORD will confirm, one of the challenges which I have stressed on several occasions goes to the very heart of how successful we as a nation may be in our foreign policy.

We can "sell" our foreign policy to the world, especially to uncommitted peoples, only if we can break through the mental and other barriers which separate us.

One such barrier is the language barrier. It is a crucial barrier.

SERIOUS HANDICAP IN LACK OF LANGUAGE

All things being equal, a United States Ambassador will tend to be far more successful in his work abroad if he is able to speak the language of the country to which he is accredited.

The same holds true for Foreign Service officers generally, for employees of the United States Information Agency, the International Cooperation Administration, and military advisory groups and other officials working overseas.

And so, for years, I have, very frankly, been prodding some of the Federal agencies and, yes, the committees of the Congress to try to increase the reservoir of United States language specialists, available for working abroad.

UNFORTUNATE HOUSE CUT

I was regretfully surprised, therefore, to note the other day, that, instead of moving toward this goal, our colleagues in the House of Representatives, by an ill-considered action, chose to move in exactly the opposite direction.

The House had been rightly asked to increase the budget of the Foreign Service Institute from $3.7 million to $5.1 million. The request was unfortunately denied.

It is my earnest hope that now, our associates on the Senate Appropriations Subcommittee who are considering this issue will reverse the decision of the House and will grant the full budget request.

The total amount which has been asked for is $5,183,840. Lest this sum be regarded as too sizable, I should point out that only $1,852,202 is for operating expenses. The other $3,331,638 is for the purpose of covering the salaries of trainees and related expenses.

SERIOUS LANGUAGE DEFICIENCY

Are these sums needed? Well, two facts should be borne in mind:

1. Over 65 percent of FSO–8's coming into the service do not have a useful control of any foreign language.

2. Approximately 50 percent of the remaining members of the Foreign Service, according to their own self-evaluation, do not have a useful control of either French, German, or Spanish.

SMALL SUMS COMPARED TO UNITED STATES BUDGET

From the standpoint of the overall United States budget, the sums of which I am speaking are comparatively small.

And yet, from the standpoint of the significance of these sums, they have tremendous meaning.

So far as I am concerned, I want not only Foreign Service people to be able to speak the foreign languages, but I want other key officials of the United States Government working abroad to be able to do likewise.

HUGE SOVIET LANGUAGE TRAINING PROGRAM

It may be recalled that I had previously pointed out on the Senate floor, that the Soviet Union conducts a massive language training program for its diplomats, engineers, other specialists and technicians. The Red program makes the United States language program look like the proverbial "peanuts."

It is, therefore, misplaced economy for us to send our officials abroad, and yet deny them the opportunity to overcome their language deficiency.

Conscientious Foreign Service and other United States officers do want to remedy this deficiency. They recognize full well that they must break through the language barrier in order to be successful in their missions. They recognize that they must apply themselves diligently for this purpose.

Why, then, should we deny them this chance to serve their Government and their country still more effectively?

MEAGER FUNDS TO WAGE THE PEACE

Let us not be penny-wise and pound-foolish.

Let me point out that the Foreign Service Institute's funds represent but 2½ percent of the United States State Department's budget.

And to put the latter's budget, in turn, in proper perspective, let me point out that all the State Department funds constitute but three-tenths of 1 percent of the total Federal budget.

President Eisenhower has called such funds the money needed for waging the peace.

We cannot wage the peace with mere nickels. We do not want to waste a single nickel or a dime, but neither do we want to lose the world in the process of saving a dime, so to speak.

OTHER AGENCIES NOW UTILIZING FSI

For a long time, speaking very frankly, some of the folks in various departments of the executive branch had not prepared themselves to meet this problem of language training head-on.

Yet, back in 1946, when the Congress wrote the Foreign Service Act, it authorized the Foreign Services Institute to make available its language training services to other departments of the Government, so as to avoid duplication of effort and facilities.

I understand that 6 departments or agencies are now taking advantage of this opportunity—the Central Intelligence Agency, the United States Information Agency, the International Cooperation Administration, the Department of the Army, the Department of the Navy, and the National Security Agency—and all this only within the last 2 years.

PROBLEM OF TRAINING FOREIGN MILITARY OFFICERS

Do we need more language skills also, say, in the Armed Forces? We certainly do.

Down in Fort Benning, Ga., right today, there are 506 foreign military officers being trained at the Army's fine infantry training school. Communicating with just this one single group represents a host of problems—for no less than 32 countries' nationals are involved. Obviously, the Army which is now

expanding its language training can use a lot of help.

But, turning back to the Foreign Service Institute, itself, 21 languages are being taught here and in 4 branch schools abroad.

I have referred thus far only to the FSI's language training program. But I would not conclude without referring, as well, to the other key role of the Institute—its inservice training. This phase provides career training for the many technical jobs which must be performed by the Foreign Service officer.

LET US HELP, NOT HURT, FOREIGN SERVICE

Mr. President, the Foreign Service officer is the man or woman in the frontlines of the fight for peace. No army headquarters would deny a frontline soldier whatever he needs to succeed in his mission.

As former Ambassador Clare Boothe Luce recently eloquently stated, let us give the Foreign Service our sympathetic support, our understanding help. Let there not be unwarranted abuse from any quarter, no unjustified criticism; rather, let us give it frankly—the benefit of the very best that we have within us.

Now, let me make it clear that I recognize full well that the Senate and House Appropriations committees apply themselves to their tasks with tremendous devotion to duty. They work long and hard, and often with little thanks. The fact that in this instance, as in some other instances, I happen to disagree with one of the committee conclusions, does not, in the slightest, lessen my respect for them or my appreciation of the fact that the House Members made this cut in good faith.

BALTIMORE SUN EDITORIAL URGES FUNDS

I append now a brief excerpt from an editorial entitled "Money for Diplomacy." It was carried on one of the famed editorial pages of this Nation's newspapers—that of the Baltimore Sun.

[From the Baltimore Sun of May 1, 1957]

"MONEY FOR DIPLOMACY

* * * * *

"To look at just one example of the harm that cheapness can do:

"In its budget proposals, the State Department asked for $5.1 million to finance the Foreign Service Institute in the next fiscal year. The House cut the request to $3.7 million. This is the poorest kind of economy. The Foreign Service Institute has the job of training young officers in that Service; and the need of trained young Foreign Service career officers is one of this country's great needs. It is a need, further, that grows almost daily as we assume new responsibilities throughout the world.

"As an example within an example: One job the Foreign Service Institute does is to teach foreign languages. A bad spot in our diplomatic work lies in the scarcity of diplomats who can speak the languages of the countries to which they are assigned. Right now we have a battalion of new Ambassadors who can't do it. At least they should have under them career men who can.

"This single case is enough to emphasize the need for care in approaching the State Department budget. This is one place where the budget cutters, though not to be called off entirely, should not be thoughtlessly cheered on."

THE VITAL IMPORTANCE OF THE EDUCATIONAL EXCHANGE SERVICE

Still another of the important programs which merits the support of the Congress and the American people is the International Educational Exchange Service.

My hope is that the Senate will restore the unwise cuts which were made in the 1958 budget of this service.

There follows now a statement which I have prepared on this subject:

What would be the effect of the House's slash, if it is sustained by the Senate?

The reduction would, unfortunately, represent a 44-percent cut below the 1958 request for the Smith-Mundt program. And exchanges under the Smith-Mundt program would be cut roughly one-fourth below the 1957 level.

What alarms me by the House action is the negation of two obvious needs in our own self-interest and in the interest of a better world.

1. First, the two-way flow of students, teachers, and influential leaders from other lands can rectify the misconceptions and misunderstandings, currently "icing" our relations with other nations. The cut would ignore this fact.

2. Secondly, if we can provide training and learning for foreign visitors, we can promote profreedom, pro-United States leadership, rather than simply letting Russia continue indoctrinating antifreedom, anti-United States leaders. Similarly, the cut would ignore this fact.

And just how would the House cut in the IEEC program affect these aims? A look at the revised programing gives a pretty dismal picture. Let us see what would happen to our operations in the Near East and Africa, where it is imperative we expand our diplomatic and cultural contacts.

NEAR EAST-AFRICAN PROGRAM SLASHED MORE THAN HALF

The Department of State requested funds to bring 590 influential leaders and specialists to the United States from the 32 countries and dependent territories in the Near East and Africa, where we have exchange programs. The amount allowed by the House slashes this total number to only 222—less than one-half.

No leaders at all will be brought from Uganda, Tanganyika, Somalia, Saudi Arabia, Liberia, the Belgian Congo, or the African Trust Territories. How can we rationalize this self-imposed isolation from a continent which is becoming one of the great forces in the world today? How can we account for this barrier to cultural contact, when we in the United States must come to know, to understand, and find common ground with the peoples of this continent—that is if we are to win the battle for men's minds?

Further, reductions in programs for many other critical areas will also be necessary.

For instance, instead of the 18 Syrian leaders the Department had planned on bringing to the United States, only 4 could be financed. I ask, however: Is Syria unimportant in the Congress' eyes? Are we not interested in having leading Syrians see us for what we really are, and not as Soviet agents inside Syria picture us to be? Has not the news from the Mid-East in the last few weeks confirmed a thousandfold how important it is that Syria have far greater and more constructive contact with the West than she now has?

Cutbacks would also take place in the newly independent states of Ghana, the Sudan, Tunisia, and Morocco.

Educational improvement and professional training are the two basic needs of the peoples in these countries. Not only will the reduction in the leader and specialist program retard progress toward these ends; cuts in other types of exchanges—of students, teachers, and professors—will have an equally serious effect.

REDUCED STUDY IN THIS COUNTRY

By the House allowance, grants for study in this country would be available to 212 less young people from the Near East-African areas than originally planned. No students at all would be brought from Afghanistan, Ghana, Iraq, Jordan, Lebanon, Liberia, Libya, Nigeria, Saudi Arabia, Tanganyika, Uganda, or Yemen.

One hundred and four fewer teachers and professors would be exchanged than originally planned. This will curtail our program to help Ghana with its educational programs, as well as Tunisia, Morocco, the Sudan, Nigeria, Jordan, Lebanon, and Liberia.

In five countries of this area where foreign currencies under the Fulbright Act are available, it will be possible to continue planned programs. However, the leader and specialist programs in theses countries will suffer the same severe reductions as in other countries of this area since they must be financed from dollars rather than foreign currencies.

I APPEAL FOR REVERSAL OF HOUSE DECISION

In view of these stark cutbacks in our exchange projects with the Mideast and Africa, I appeal to my colleagues on the Senate Appropriations Committtee to think twice as they analyze the validity of the House action.

I say: We would only be undermining our own national interest to have the State Department's request for the Exchange Program cut so deeply.

LETTERS FROM AMBASSADORS UNIFORMLY PRAISED PROGRAM

I say that the underdeveloped peoples are looking to us more than ever before for technical training and for interchange of ideas.

I recall to my colleagues the recent series of informative letters from many Embassies which I printed in the CONGRESSIONAL RECORD. I point out how every single one of the Embassies said in effect: "The exchange-cultural programs are urgently needed and should be urgently expanded."

Yes, even—or perhaps, especially, the nations which are strongest in their stand for neutralism gladly affirmed that in their judgment, the exchange programs are invaluable for improved bilateral and multilateral relations.

So, this issue is bigger than the issue of combatting communism, as big as that issue is. Rather it is part and parcel of helping to create a better, more peaceful, more prosperous world for all—through more competent local leadership.

Teaching builds tomorrow's leaders. Let us not deprive the Free World of the chance to expand that great asset—a larger pool of able leaders.

POSITION OF THE UNITED STATES IN INTERNATIONAL LABOR ORGANIZATION ON SLAVE LABOR BAN

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may be permitted to proceed during the morning hour for more than the allotted period of time.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Is there objection? The Chair hears none, and the Senator from Illinois may proceed.

Mr. DOUGLAS. I was greatly pleased to note in this morning's New York Times the announcement that the administration had apparently changed its mind so far as the slave labor ban in the International Labor Organization is concerned.

It will be remembered that in years past this administration has opposed any ban on slave labor before the International Labor Organization. This has placed the United States Government and the American people in a very embarrassing position before the other peoples of the world, in that our failure to support this ban has been treated as an endorsement of present improper practices and opposition to any measures taken to check them.

In protest against this attitude of the State Department the junior Senator from Minnesota [Mr. HUMPHREY] submitted last year a resolution directing the State Department to reverse its position and favor a ban on slave and forced labor. I conducted hearings upon that resolution.

Despite what seemed to us to be the overwhelming weight of the evidence and of the argument, the State Department and the administration stubbornly refused to change their position, so that when our delegation went to Geneva last summer we once again were in opposition to the movement to ban slave labor.

Now, if we can believe this morning's New York Times, the administration has changed its position, and has announced that it will support the ban. If this should prove to be true, the Senator from Minnesota is entitled to a great deal of credit for the persistent work which he has done in connection with his resolution.

I think quite probably the hearings before the committee which I conducted also had a share in marshaling public opinion and indignation against the attitude of the administration. However, the greatest credit goes to the American Federation of Labor and the Congress of Industrial Organizations and their representative, Mr. George P. Delaney, who has been the American labor representative at the conferences of the ILO.

Mr. Delaney has fought in season and out against the attitude of the administration, and has demanded that the American Government take a positive stand to outlaw slave labor and forced labor. While Mr. Delaney has been in Geneva he has observed the diplomatic amenities and has not broken loose from the American delegation to denounce or to oppose the action of our Government. He has performed as a thorough and consistent American, but he has thrown his influence and his energy in the direction of having the United States line up with all the other civilized countries of the world in opposing slave labor and in trying to obtain international action to make that policy effective.

I have said that apparently the American Government has now changed its position. Last year about this same time the Secretary of Labor made an announcement to the effect that we were going to change our position, and I rose on the floor of the Senate and congratulated the administration for at last getting in line with the feelings of humanity.

In a few days, however, I discovered that there was a catch in the statement of the Secretary of Labor. The administration was not proposing to join in supporting an ILO convention to ban slave labor but merely proposing to ban international trade in the products of slave labor. This suggestion was later put forward by our Government's representatives of the 1956 ILO conference. It was a pale, unenforcible and ineffective substitute for the proposed ban on slave and forced labor.

I felt very much humiliated for having congratulated the administration for a more basic change of policy which did not occur. It is still possible that we may find, when the ILO convention meets, that there has not been a real change of attitude. However, the announcement seems to be a little more definite than that of last year, because, whereas the announcement last year came only from the Secretary of Labor, and was almost immediately nullified by the barriers which he and the Secretary of State threw around the announcement, this year the announcement comes, I am told, not only from the Labor Department, but from a meeting in which representatives of the State Department took part.

I am informed that a conference was held last Friday, at which Assistant Secretary of State Wilcox was present, and that he did not demur to the instructions given to the delegates or to the announcement which was made.

Therefore the State Department would seem at least to be committed to this proposal, so far as silence or failure to object is concerned.

I hope that this year the administration will go through with its announced purpose, because it has been a disgrace, year after year, to find the administration opposing constructive efforts to outlaw slave labor and forced labor, and protecting slavery in Saudi Arabia and forced labor in countries behind the Iron Curtain. I very much hope that the statement in this morning's New York Times is correct.

I ask unanimous consent that the article from the New York Times be printed in the RECORD at this point as a part of my remarks, together with certain other documents which I shall introduce to indicate the historical opposition of the administration to all efforts to curb forced labor.

There being no objection, the article and other documents were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 13, 1957]

UNITED STATES TO SUPPORT SLAVE-LABOR BAN—ILO CONFERENCE DELEGATES TOLD GOVERNMENT WILL VOTE FOR CONVENTION

WASHINGTON, May 12.—The administration definitely has decided to support the proposed convention on forced labor at the annual conference of the International Labor Organization in Geneva next month.

At meetings held here this week preparatory to the conference, delegates representing United States employers and labor were informed of the administration's decision.

Each of the 77 member nations is represented at the annual conference by 2 Government delegates and 1 delegate each from labor and industry. The meeting this year begins June 5.

The United States labor delegate, chosen by the American Federation of Labor-Congress of Industrial Organizations, will be George P. Delaney. The employer delegate, chosen by the United States Chamber of Commerce and the National Association of Manufacturers, will be Cola G. Parker, chairman of the association.

RATIFICATION BINDS STATES

Francis O. Wilcox, Assistant Secretary of State for International Organization Affairs, will be the chief United States Government representative.

A convention is a draft treaty. After adoption 1 year, it is placed on the following year's agenda for final action. If approved by two-thirds of the delegates, member governments are required to submit it to their legislatures for ratification.

Once a nation ratifies a convention, it becomes a binding international treaty on that nation.

In Geneva last year, United States Government delegates and the industry delegate opposed the adoption of the convention forbidding member nations to use forced labor for political or economic purposes. The United States labor member voted for it.

This convention has put the Eisenhower administration in an embarrassing dilemma. It has had to make a choice between two principles, one constitutional and the other moral.

There has been a feeling in the United States that the ILO convention system involved a grant of legislative power in treaty-making that should be reserved to national legislatures. It also has been felt that the convention often involves matters reserved to the States under the United States system.

Last January, a special committee appointed by the Secretaries of State, Commerce, and Labor, said that ILO conventions were no more than recommendatory resolutions when they were not properly within the Federal jurisdiction. It added that if the United States Government delegates made clear the action the United States would take there should be no difficulty about voting for a convention if it embodied principles the Government endorsed.

OFFICIAL REPLY OF STATE DEPARTMENT IN OPPOSITION TO SENATE JOINT RESOLUTION 117, CALLING UPON THE GOVERNMENT TO EXERCISE LEADERSHIP IN DEVELOPING AND ADOPTING AN INTERNATIONAL CONVENTION WHICH WILL EFFECTIVELY OUTLAW FORCED LABOR FOR POLITICAL AND ECONOMIC PURPOSES

APRIL 11, 1956.

HON. LISTER HILL,
Chairman, Committee on Labor and Public Welfare, United States Senate.

DEAR SENATOR HILL: This is in reply to your letter of January 16, 1956, which enclosed a copy of Senate Joint Resolution 117, and the receipt of which was acknowledged by the Department's letter of January 17, 1956. The joint resolution is directed toward general United States cooperation with other nations through the International Labor Organization to abolish forced labor. Specifically, this bill would call upon the Government to "exercise leadership in the International Labor Organization to develop and adopt an international convention which will effectively outlaw forced labor for political and economic purposes."

The question of the abolition of forced labor is one to which this Department has devoted a great deal of time and thought. Needless to say, the United States Government has always done and will continue to do everything possible to encourage and promote human rights and fundamental freedoms. The abolition of forced labor is clearly one such endeavor. As you may recall, the United States has taken the leadership, both in the United Nations and in the International Labor Organization, in promoting action to expose and eliminate the practice of forced labor wherever it may exist. The United States was a prime mover in the establishment of the joint United Nations-International Labor Organization Ad Hoc Committee on Forced Labor whose report in 1953 drew special attention to the existence in Communist countries of systems of forced labor as a means of political coercion and for economic purposes and called for the total abolition of such systems. The United States also gave strong support to the recent action by the International Labor Organization in establishing an independent Ad Hoc Committee on Forced Labor to analyze the material received by the ILO dealing with the use and extent of forced labor throughout the world.

There are, however, certain difficult problems relating to the proper and effective methods of combating forced labor and the form of action the International Labor Organization should take in this field which have been raised by Senate Joint Resolution 117.

In testimony before a subcommittee of the Judiciary Committee in 1953 and again in 1955, Secretary Dulles said: "I do not believe that treaties should, or lawfully can, be used as a device to circumvent the constitutional procedures established in relation to what are essentially matters of domestic concern and hence not to be within the traditional scope of United States treaties."

Furthermore, it is the view of this Department that a convention on forced labor would, from a practical standpoint, not be the most effective way of achieving the desired results. Experience in matters of this type indicates that in the absence of adequate enforcement machinery, good faith and sincerity of purpose will determine the extent to which countries accepting a commitment to abolish forced labor will take steps in that direction. It is interesting to note in this connection that the U. S. S. R. has embraced the idea of a convention and has called upon the International Labor Organization to "adopt as broad and radical an instrument as possible." Endorsement of the convention form by the U. S. S. R. is indicative of what might be expected from the adoption of this form of action.

The most effective method of stamping out forced labor is through exposing and publicizing such vicious practices and marshalling public and world opinion to demand their elimination. The mobilization of a worldwide body of opinion alerted to the various guises which forced labor may take could be accomplished even more dramatically through other form of action as a declaration which would strongly condemn the practice of forced labor and would pledge governments to undertake its elimination. Such a declaration would serve as a standard and rallying point for all nations devoted to the principle of freedom and would offer as much practical promise as a convention for remedial action.

The Department of State is in complete accord with the objective of Senate Joint Resolution 117 for United States leadership in the efforts to promote the abolition of forced labor wherever it is practiced. Since the resolution specifically calls for the adoption of an international convention, however, the Department does not favor passage in its present form for the reason indicated above.

The Department has been informed by the Bureau of the Budget that there is no objection to the submission of this report.

Sincerely yours,

ROBERT C. HILL,
Assistant Secretary
(For the Secretary of State).

LABOR RACKETEERING—BROADCAST BY SENATOR MORSE

Mr. MORSE. Mr. President, the reactionary press in my State continues to write highly critical editorials about my alleged silence in regard to the disclosures of the McClellan committee. As usual, the smear tactics of the press are without foundation of fact.

I ask unanimous consent to have published in the body of the RECORD, as a part of my remarks, one of my early statements with respect to alleged abuses, in the form of a radio broadcast which I gave in the State of Oregon on March 14, 1957.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WAYNE MORSE, MARCH 14, 1957

Fellow Oregonians, on this broadcast I've proposed to discuss some phases of the McClellan committee investigation of alleged racketeering and vice conditions in the State of Oregon.

If you were a Senator these days from Oregon, you would find that you're being asked a great many questions, not only by your colleagues, but a great many questions by your constituents back home, as they call me all times of the day and night on long distance to find out what, if anything, can be done in regard to the record that is being made by the McClellan committee.

On Tuesday, March 12, I made a very brief speech on the floor of the Senate, and I think for the purposes of this broadcast I will read some of the excerpts from that speech. And at the close of that reading I will summarize some of the problems that I think confront us in the State, in regard to this matter.

On March 12 I said on the floor of the Senate: "Mr. President, in regard to the problem of racketeering investigations in Oregon, I wish to say that in recent days I've been very much concerned about testimony and information based upon allegations concerning certain persons in my State, which have been made a part of the record before the McClellan committee.

"At the conclusion of the hearings held by the committee, so far as the so-called Oregon features of the hearing are concerned, I propose to make remarks on the floor of the Senate on the basis of what I think the record then warrants."

But, Mr. President, today I desire to assure my colleagues in the Senate, and, though speaking from my desk, I wish to assure the people of the United States, that the great City of Roses, Portland, Oreg., is not the mire filled, filthy city that one might be led to believe from the reading of the trial by press in the Oregon newspapers and across the Nation in regard to conditions allegedly existing in Portland.

I wish to say to the law enforcement officials of my State, that if there's any ground for criminal prosecutions based on allegations made before the McClellan committee, it is the clear duty of such officials to proceed forthwith with such prosecutions.

Mr. President, as one who for many years taught criminal procedure, I wish to say that in determining the guilt or innocence of fellow Americans there is no substitute for the judicial courtroom, where the laws of procedure which prevail will protect the innocent and will give the guilty a fair trial.

I wish to make very clear, Mr. President, that I make no criticism of the McClellan committee. It is following the established practices and customs of the Senate in conducting its investigation. However, again I raise my voice in the Senate of the United States, as I have done on more than one occasion in the past 12 years, to insist that the procedure in connection with Senate investigations needs much revision. So that when the question of the guilt or innocence of a fellow American is before a Senate committee, the precious safeguards of procedure, which are so essential to a fair trial in our country will be preserved and guaranteed in the interests of justice.

Basic among these procedural protections is the bill of particulars. In many speeches I have made during the past 12 years on behalf of reform of procedures in congressional investigations, I have stressed the importance of submitting in advance to anyone brought before a committee, a bill of particulars, setting forth the specific charges upon which he is to be investigated.

This is not asking too much, for a witness' reputation or freedom are at stake, at least indirectly.

Another recommendation which I deem of great importance, and which I repeat today, is that anyone charged of any wrongdoing involving alleged criminality shall be confronted by his accusers in open hearing, where the searchlight of full public disclosure can be brought to bear upon all the facts set forth.

By the same token, one who is accused in this fashion before a Congressional committee, should have the right to cross-examine his accusers, through counsel. This is a precious procedural right if the essence of fair trial is to be maintained in our Senate committees.

Oh, yes; I know, it is said that a Senate investigation is not a trial. However, this is but a technical distinction, because we all know that in the past several days we have read in the papers about the investigation of alleged labor racketeering in my State. There has been trial at least by the press, of various people who have been called before the committee.

Another basic procedural right we should insure is the right of the accused, with the assistance of counsel, to pursue his own defense in orderly fashion subject, of course, to the right of the committee, and of those involved in his testimony to cross-examine him upon his testimony.

Likewise I have urged and wish to stress in these remarks today, the importance of the procedural requirement that probative evidence be brought forth in support of allegations made. Whispers, rumors, hearsay and possible frameups have no standing, as we all know, in our criminal courts. The unreliability of such sources of information has been recognized from the founding of our Republic. And the safeguards against such dangers to the reputation and character of men and women should be impeccably followed in Congressional investigations.

My faith in the procedural guaranties of a fair trial in America is so abiding that I am convinced that any phase of alleged labor or employer racketeering, of labor or employer participation in vice conditions, or of labor and employer participation in any form of political corruption, can be proven or disproven beyond a question of a doubt on the record of any investigation or courtroom proceeding without resort to the use of any procedural shortcuts that deny the procedural guaranties to which I have referred.

Mr. President, I hold no brief for the people who have been called before the committee. But I do insist, as one who taught criminal law and criminal procedure for years, that the judgment of guilt or innocence should be determined by a jury of one's peers, within the provisional and procedural safeguards of an American courtroom.

That is why I have just said that I call upon the law-enforcement officials of my State to carry out their public duty, if they find that there is any basis in fact for any criminal charges against anyone involved in these hearings.

It is through such criminal prosecutions in the courtrooms of my State that the important question of guilt or innocence should be determined, and not in a Senate hearing.

I am making these remarks today as the senior Senator from Oregon, because in that capacity I have been barraged by questions from colleagues in the Senate, and from many people outside the Senate, who want to know if conditions in my State are as bad as the press paints them on the basis of this hearing.

Mr. President, no other Member of the Senate is more anxious than I am to have

cleaned up any criminality which may have woven its way either into the labor movement or into the employer movement or within the officialdom of my State. But, Mr. President, I know the great difference which exists between accusations and proof. I know that testimony by persons of questionable veracity, such as alleged prostitutes, procurers, ex-convicts or gamblers, before any legislative committee, where the precious safeguards of procedure so essential in determining the proof of guilt or innocence should prevail, may appear to be quite different when the same testimony is given by such witnesses in courtrooms on cross-examination under the procedures of a fair trial.

Therefore, Mr. President, in defense of my great State, not of individuals against whom allegations have been made, because I hold no brief for anyone who has been accused, or against whom allegations have been made, before the Senate committee, but in defense of my State I wish to say to my colleagues: reserve judgment, until in the judicial atmosphere of a fair courtroom, where these procedural guaranties are always available to those accused, judgment is finally rendered by a jury of one's peers.

Fellow Oregonians, that is what I said in essence on March 12. I will not read the rest of the speech because it was pretty much a reiteration of some of the points already made.

Well, now, I think you will be interested, in fact somewhat amused along with myself, when I tell you of some of the experiences I've had since these hearings have been conducted by the McClellan committee.

CBS and NBC called me the other day for a radio interview. And it was very interesting the questions that they asked me, and I think that I should tell you what the questions were and my answers to them.

The first question was: "Senator, were you supported in the 1956 campaign by the teamsters union of Oregon?" and I said "Yes," I was, and I was proud of it. I was supported by the union's members of the Oregon State Central Labor Council, of which the teamsters are members. I was supported by them in 1944, I was supported by them in 1950 when I was a Republican and the Republican Party was proud of it then as I'm sure the Democratic Party in this last campaign was proud of the fact that I brought to the party strong labor support.

The next question was, "Did you accept any money from the teamsters in your campaign," and I said that I hoped that the teamsters made some contributions to my campaign, because I sure needed the money. But I said as far as I knew any contributions came through the so-called Buck-for-MORSE drive, where over 18,000 individual workers in my State and elsewhere in the country made small contributions of a dollar or a few dollars to my campaign. And I said that I hoped that a good many thousand of those Buck-for-MORSE contributions came from the fine men who drive the trucks in the over-road trucking transportation industry of this country. Because, I said, when we talk about teamsters, let's talk about the men who do the work on the trucks and in the plants that are organized by the teamsters.

And it's so easy, you see, to sort of transfer to a few leaders, that may have followed a course of action that this committee will show is subject to severe criticism; it's easy to transfer to the rank and file the responsibility for the acts of those leaders.

And I said on this broadcast I was very proud that it was the rank and filers that contributed to my campaign.

And then I was asked if I spoke to the Teamsters Western Conference last spring in British Columbia, and I said, "Yes," I did, and I'd be very glad to speak to them next week if they invited me again. I said that, in fact, I'd have quite a speech to give to them if they invited me to speak to them again.

Now I said, would you like to hear what I said before the Teamsters Western Conference last spring in British Columbia? And it became perfectly clear that the interviewers didn't want that; that wasn't what they were seeking. They were seeking, of course, to see if they couldn't raise some embarrassing question, but when they discovered that the facts didn't warrant any embarrassment, they were rather pleased with the broadcast that I gave them.

Then, finally, they said, "What is your position, Mr. Senator, in regard to the investigation?" And I said it's now what it's always been. I want the fullest possible investigation of any labor racketeering, any connection on the part of labor leaders with activities that do great injustice to the cause of labor and to the cause of industry. But, I said, when it comes to a matter of charges of criminality, I want those charges taken to the courts of my State, and I want to make very clear that the courts of Oregon are open for any prosecutions where the evidence shows that people in labor or in industry or any other walk of life are guilty of criminal conduct.

I wanted to say these things on this broadcast today because I think this broadcast will help answer some of the mail I'm receiving that adds up to the question: What are you doing about the investigations of the McClellan committee?

Until next week this time, I bid you goodby.

Mr. JOHNSON of Texas. Mr. President, has morning business been concluded?

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Is there further morning business? If not, morning business is concluded.

ORDER OF BUSINESS

Mr. JOHNSON of Texas. Mr. President, several Members have expressed the desire to be present when the Senate votes on the treaty which it is about to consider. It has been announced that a yea-and-nay vote would be had on it. I therefore ask the cooperation of all Members of the Senate. I shall suggest the absence of a quorum. When a quorum has been established, I shall ask that the Senate go into executive session to consider the treaty. Then we shall have a yea-and-nay vote on it, as announced.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORT OF COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. MURRAY. Mr. President, from the Committee on Interior and Insular Affairs, I report, favorably, the nomination of Elmer F. Bennett, of Colorado, to be Solicitor for the Department of the Interior. I ask, Mr. President, that a letter from the junior Senator from Oregon [Mr. NEUBERGER] dealing with this nomination, be printed at this point in the RECORD.

The PRESIDENT pro tempore. The nomination will be placed on the Executive Calendar; and, without objection, the letter will be printed in the RECORD.

The letter presented by Mr. MURRAY is as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR
AND INSULAR AFFAIRS,
May 9, 1957.

HON. JAMES E. MURRAY,
Chairman, Committee on Interior and Insular Affairs, United States Senate, Washington, D. C.

DEAR MR. CHAIRMAN: I desire to be recorded against confirming the nomination of Mr. Elmer F. Bennett, of Colorado, to be Solicitor of the Department of the Interior.

This has nothing to do with Mr. Bennett personally, but because he is a symbol of present Interior Department policy which is pouring millions of dollars for costly Federal developments into the basin of the Colorado River, while not 1 penny is recommended for new Federal starts or authorizations in the Columbia River Valley.

The folly of such a policy is demonstrated by the fact that the Colorado River carries only about 17 million acre-feet of water to the sea, while the Columbia carries 180 million acre-feet of water to the ocean.

Mr. Bennett is one of the supporters of the so-called partnership power program. Under this program, the upper Colorado project has been the beneficiary of complete and even enthusiastic support from the Interior Department. This entire project will cost at least $800 million in Federal funds—perhaps far more. Already the largest single dam-construction contract in history has just been signed by the Department of the Interior for beginning the erection of Glen Canyon Dam, a sum of about $107 million. Glen Canyon is only one unit of the upper Colorado project.

By contrast, the Department has not backed a single penny in funds for commencing construction of John Day Dam on the Columbia River, a greater and more economical project which is fully planned and ready for development. In addition, the Department actually has opposed authorization of the great Hells Canyon project on the Snake River, major tributary of the Columbia. Furthermore, the Department has favored surrendering the valuable power facilities of such dam sites as John Day and Cougar to the private utility companies.

A policy of unlimited Federal benefactions for the Colorado Basin—as opposed to neglect of the Columbia Basin—can no longer be tolerated by representatives of the Columbia River Valley in Congress who are worthy of their paychecks. This policy is rank discrimination. It also is outright subservience to the private utilities, because the Colorado River sites are considered impractical for profit by the utilities whereas the far superior sites in the Columbia Basin are coveted by these utilities.

As a Senator from Oregon, I have voted for the last time to confirm appointees to the Interior Department who will work against Federal developments in the State which I help to represent—while at the same time these men strive to thrust a funnel into the Federal Treasury for vast benefactions to finance high-cost Federal developments in the basin of the Colorado.

Only this past week the Secretary of the Interior reaffirmed his faith in the partnership power policy. This is the program

which adds up to virtually unlimited bounty for the Colorado Basin but no new starts for the Columbia Basin. Indeed, Secretary Seaton, in that statement, repeated his support of the upper Colorado project, which he described as one too big for private enterprise to undertake. Evidently, the Secretary is undisturbed by the fact that private enterprise is failing to match the scope of the Federal dam at Hells Canyon which the Army engineers proposed in their 308 report. This is one more example of the double standard with which the Interior Department views the Colorado Basin as contrasted with the Columbia Basin. There are two separate sets of litmus paper for these two regions.

Mr. Bennett is not the Secretary of the Interior, but he is a close adviser of the Secretary—and he will be a still closer one if his appointment is confirmed. Furthermore, I confess that my attitude on the appointment of Secretary Seaton himself might have been vastly different had I known that he would dedicate himself to promoting nearly a billion dollars of Federal projects in a river basin with 17 million acre-feet of water, while opposing practically all new Federal projects in a river basin with more than 10 times this volume of water.

I must admit, in all candor, that the existing policy of starving the Columbia and catering to the Colorado has been encouraged by certain ill-starred, ill-advised, unrepresentative political leaders from Oregon. But I am not one of these people, and I refuse to encourage any such policy with my voice or vote.

As one of the supporters of the partnership power policy, Mr. Bennett undoubtedly will use his influential position in the Interior Department to continue what has existed for the past 5 years—namely, a policy of outright discrimination against the Pacific Northwest, where exists about 35 percent of all the potential waterpower in the whole United States.

Such a policy is against the best interests of my State, my region, and my country. I cannot vote to confirm for a high post in the Interior Department anyone who will advance or perpetuate that policy. Thus I desire to be recorded in committee against confirmation of the appointment of Mr. Bennett, and I shall seek a similar privilege on the floor of the Senate.

Let me again repeat that this involves a matter of public policy and nothing against Mr. Elmer F. Bennett personally. I want to stress the point that my objections, as voiced here, pertain solely in the field of public policy and programs and have no reference at all to the character and personal honesty of Mr. Bennett.

With high esteem, I am.

Respectfully,

RICHARD L. NEUBERGER,
United States Senator.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). If there are no further reports of committees, the clerk will state the nominations on the Executive Calendar.

UNITED STATES TARIFF COMMISSION

The legislative clerk read the nomination of William E. Dowling, of Michigan, to be a member of the United States Tariff Commission.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

TAX COURT OF THE UNITED STATES

The legislative clerk read the nomination of Russell E. Train, of the District of Columbia, to be a judge of the Tax Court of the United States for the remainder of the unexpired term of 12 years from June 2, 1946.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Bruce M. Forrester, of Missouri, to be a judge of the Tax Court of the United States for the remainder of the unexpired term of 12 years.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

APPRAISER OF MERCHANDISE

The legislative clerk read the nomination of Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, headquarters at New York, N. Y.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES COAST GUARD

The legislative clerk proceeded to read sundry nominations in the United States Coast Guard.

Mr. JOHNSON of Texas. Mr. President, I ask that the nominations in the Coast Guard be considered and confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations in the Coast Guard will be considered en bloc, and without objection, they are confirmed.

Mr. JOHNSON of Texas. Mr. President, I ask that the President be notified of the nominations this day confirmed.

The PRESIDING OFFICER. The President will be notified forthwith.

PROTOCOL TO THE INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES, SIGNED AT WASHINGTON UNDER DATE OF FEBRUARY 8, 1949

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Executive F, 85th Congress, first session, a protocol to the International Convention for the Northwest Atlantic Fisheries.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the protocol Executive F (85th Cong., 1st sess.), a protocol to the International Convention for the Northwest Atlantic Fisheries, signed at Washington under date of February 8, 1949, which protocol was signed at Washington under date of June 25, 1956, for the United States of America and nine other governments, which was read the second time, as follows:

PROTOCOL TO THE INTERNATIONAL CONVENTION FOR THE NORTHWEST ATLANTIC FISHERIES, SIGNED AT WASHINGTON UNDER DATE OF FEBRUARY 8, 1949

The Governments parties to the International Convention for the Northwest Atlantic Fisheries signed at Washington under date of February 8, 1949, which convention is hereinafter referred to as the 1949 Convention, desiring to provide for the holding of annual meetings of the Commission outside North America, agree as follows:

ARTICLE I

Paragraph 5 of article II of the 1949 Convention is amended to read as follows:

"5. The Commission shall hold a regular annual meeting at its seat or at such other place in North America or elsewhere as may be agreed upon by the Commission."

ARTICLE II

1. This protocol shall be open for signature and ratification or for adherence on behalf of any Government party to the 1949 Convention.

2. This protocol shall enter into force on the date upon which instruments of ratification have been deposited with, or written notifications of adherence have been received by, the Government of the United States of America, on behalf of all the governments parties to the 1949 Convention.

3. The Government of the United States of America shall inform all Governments signatory or adhering to the 1949 Convention of all ratifications deposited and adherences received and of the date this protocol enters into force.

ARTICLE III

1. The original of this protocol shall be deposited with the Government of the United States of America, which Government shall communicate certified copies thereof to all the governments signatory or adhering to the 1949 Convention.

2. This protocol shall bear the date on which it is opened for signature and shall remain open for signature for a period of 14 days thereafter, following which period it shall be open for adherence.

In witness whereof the undersigned, having deposited their respective full powers, have signed this protocol.

Done in Washington this 25th day of June 1956, in the English language.

Mr. GREEN. Mr. President, the purpose of the pending protocol is to amend the 1949 convention on the Northwest Atlantic Fisheries, so as to permit the Commission established by that convention to hold its annual meetings outside North America, if the parties so desire.

The following countries have ratified the 1949 convention, and are also signatories of the pending protocol: Canada, Denmark, France, Iceland, Italy, Norway, Portugal, Spain, United Kingdom, and the United States. Six of these had already deposited their ratifications for this protocol by May 11, 1957.

At the present time, article II, paragraph 5 of the convention restricts the place of meeting to North America. But, inasmuch as eight other parties to the convention are not North American countries, attendance at the regular annual meeting of the Commission has proposed a disproportionate burden and expense upon them. Their shortage of dollar exchange has aggravated the hardship.

The pending protocol would correct this inequity by amending paragraph 5 of article II so as to permit the annual meeting to be held wherever the parties might determine.

As pointed out in the report of the Commitee on Foreign Relations, the effect of the protocol will be to increase the cost of United States participation by approximately $12,000 to $14,000, whenever meetings are held outside North America. On the other hand, it is an-

ticipated that there will be a certain amount of rotation of the conference sites, as between the North American and other countries.

The protocol will correct what is clearly an inequitable feature of the 1949 convention, and contribute to a more harmonious relationship between the parties. I therefore commend it to the Senate.

Mr. JOHNSON of Texas. Mr. President, in accordance with the procedure as to yea and nay votes previously agreed upon by the leadership in connection with treaties, I ask that the yeas and nays be ordered on the resolution of ratification.

The yeas and nays were ordered.

The PRESIDING OFFICER. The protocol is open to amendment. If there be no amendment to be proposed, the protocol will be reported to the Senate without amendment.

The protocol was reported to the Senate without amendment.

The PRESIDING OFFICER. The resolution of ratification will be read.

The legislative clerk read the resolution of ratification, as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of Executive F, 85th Congress, 1st session, a protocol to the International Convention for the Northwest Atlantic Fisheries, signed at Washington under date of February 8, 1949, which protocol was signed at Washington under date of June 25, 1956, for the United States of America and nine other organizations.

The PRESIDING OFFICER. The question is on agreeing to the resolution of ratification. On this question the yeas and nays have been ordered.

Mr. JOHNSON of Texas. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KENNEDY in the chair). Without objection, it is so ordered.

The question is, Will the Senate advise and consent to the resolution of ratification of Executive F, 85th Congress, 1st session, being a protocol to the International Convention for the Northwest Atlantic Fisheries.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Virginia [Mr. BYRD], the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from Tennessee [Mr. GORE], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

The Senator from Rhode Island [Mr. PASTORE] is absent on official business attending the Inter-American Symposium on Peaceful Uses of Atomic Energy, at Brookhaven, Long Island, N. Y.

I further announce that if present and voting, the Senator from Colorado [Mr. CARROLL], the Senator from Idaho [Mr. CHURCH], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Rhode Island [Mr. PASTORE], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON], would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from Connecticut [Mr. BUSH] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

If present and voting the Senator from Connecticut [Mr. BUSH] and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The yeas and nays resulted—yeas 82, nays 0, as follows:

YEAS—82

Aiken	Goldwater	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Barrett	Hennings	Murray
Beall	Hickenlooper	Neuberger
Bennett	Hill	O'Mahoney
Bible	Holland	Potter
Bricker	Hruska	Purtell
Bridges	Ives	Revercomb
Butler	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Case, N. J.	Johnston, S. C.	Schoeppel
Case, S. Dak.	Kefauver	Scott
Chavez	Kennedy	Smathers
Clark	Kerr	Smith, Maine
Cooper	Knowland	Smith, N. J.
Cotton	Kuchel	Stennis
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Flanders	McClellan	Young
Frear	McNamara	
Fulbright	Monroney	

NOT VOTING—13

Bush	Humphrey	Payne
Byrd	Jenner	Sparkman
Carroll	Langer	Symington
Church	Neely	
Gore	Pastore	

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has agreed to the resolution of ratification.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. JOHNSON of Texas. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

The message also announced that the House had agreed to a concurrent resolution (H. Con. Res. 173) requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purposes of reenrollment, in which it requested the concurrence of the Senate.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Order No. 303, H. R. 4897, the Treasury and Post Office Department appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes, which had been reported from the Committee on Appropriations with an amendment.

THE PRESIDENT'S BUDGET

Mr. JOHNSON of Texas. Mr. President, anyone who followed the newspapers over the weekend could not fail to develop a great deal of sympathy for our President.

Tomorrow night he has scheduled an address to the entire Nation. It has been billed as a defense of his budget and his position that no substantial cuts can be made.

We are all looking forward to his statement with a great deal of anticipation. But apparently no one is looking forward with more anticipation than those members of his administration who have been assigned the task of making the administration's "economy" record.

They seem to have decided to get their final licks before that part of the administration which makes the "spending" record takes over.

The first development was a statement by a respected and honored Member of the House who has the responsibility of electing Republicans to Congress. He chided Democrats for not trying as hard as Republicans to cut the Republican President's budget.

Representative RICHARD M. SIMPSON, of Pennsylvania, chairman of the House Republican campaign committee, told a meeting in Wisconsin that Republicans were trying to cut the President's budget a lot harder than Democrats.

Then he said:

> It is absolutely essential to the American people that the control of Congress be returned to the responsible leadership of the Republican Party in 1958.

The second development was a speech by the wife of the Under Secretary of the Treasury, Randolph W. Burgess—a speech which was "entirely gone over by him." She produced a formula for cutting the budget.

Do not, she said, touch Foreign Aid or the United States Information Agency. Instead, take the cuts out of farmers, veterans, college students, and slum

dwellers. Then increase postal rates—in other words, increase one of the taxes upon our people.

Finally came a statement from the official whom many would regard as the most authoritative of all—the President's chief of staff, Sherman Adams, of the State of New Hampshire. Mr. Adams—who probably has closer contact with the individual components of our Government than any other man—told us yesterday over the radio the budget could be cut. He said it could be slashed to the tune of a billion and a half to two billion dollars.

And this could be done, he said, without impairing the "quality of the services" performed by our Government.

I would like to congratulate the President's distinguished chief of staff, Sherman Adams, for his statement.

Mr. Adams followed his customary course of speaking bluntly and to the point. Despite all the furor that has been created over the President's budget, he tells us that it can be cut up to $2 billion without impairing Government services.

Mr. President, it is a pleasure to have Mr. Adams identify himself with the economy wing of this administration. It may well be that he is forecasting the shape of the President's speech tomorrow night.

It may well be that the President will call and raise. It has been only a little over a month, however, that the President said there was no chance for a substantial cut such as $2 billion.

If Mr. Adams can find $2 billion, as he did on Sunday, possibly the President can find a little more by tomorrow night.

Mr. Adams spoke with equal bluntness—but apparently with less information—on the question of the legislative program. He seems to feel that there is some sort of lag.

It is evident that he is unaware of the fact that the Senate has already passed several hundred bills and is moving into a period of even more rapid activity. It is anticipated the Appropriations Committee alone will present us with four bills this week.

Steps have also been taken to bring such measures as those involving Hells Canyon, immigration and housing, to the floor this month. We will have a full program—and it was in the works before Mr. Adams thought it necessary to step in.

About the only contribution Mr. Adams and his administration have made to the legislative procedure is to send us—with apologies—a budget that has had to be completely revised.

Possibly we will now have to make another revision to accommodate his $2 billion cut.

Mr. President, on this point I think the confusion has now been completely compounded. A review of the revolving-door philosophy of budget making indicates clearly why the American people have been so completely bewildered by the developments.

It is understandable why even the members of the President's official family are somewhat confused. After all, it was not so very long ago—the fall of 1952—that this administration promised to cut the budget "to something like $60 billion within 4 years."

This is the fifth budget that has been submitted and we are still far from that $60 billion goal.

This budget—$71,800,000,000—came to us in January. At the time, the President told us that it was a "carefully balanced budget—well adapted to the needs of the present and the future."

The next day, the President's chief fiscal officer—Secretary of the Treasury Humphrey—said there are "a lot of places in this budget that can be cut." He inferred that we would have a hair-curling depression if we did not cut it.

On January 24, the President told us that Congress "has the duty to cut the budget." But by April 3 he said there was "no chance for a substantial cut such as $2 billion." That was the same day that Assistant Secretary of the Treasury Burgess said the budget should be cut "$2 billion to $3 billion."

The President has said since then that the budget is about right and that he intends to fight for it. But he himself has recommended cuts—including $500 million in foreign aid—despite the fact that our distinguished Presiding Officer, the Vice President, has said that "not one dollar" was approved for foreign aid unless it was "in the interests of American security."

Mr. President, I am not going to criticize an administration because it missed by nearly $12 billion a goal that was set 4 years ago. I recognize that times change and customs change.

But, Mr. President, in considering the budget we are supposed to be considering administration recommendations. Just what are they?

Are we to avoid a depression with the distinguished Secretary of the Treasury? Are we to cut farmers, veterans, college students, and slum dwellers with the distinguished Assistant Secretary of the Treasury?

Are we to help Republicans elect Republicans by fighting the Republican President's budget with the chairman of the House Republican campaign committee? Or are we to stand firm on the President's budget with our distinguished Presiding Officer, the Vice President?

Mr. President, as I said at the beginning, I have a great deal of sympathy for the President of the United States. He apparently must convince not only the country but the members of his own official family. Are we to cut $500 million from the foreign-aid budget, as suggested by the President of the United States, or are we to follow the distinguished Vice President and not take a dollar from it?

It is possible to convince some of the people all of the time that this administration has an economy and a spending record. It is possible to convince all the people some of the time that this administration has an economy and a spending record. But it is not possible to convince all the people all of the time that an administration can both economize and spend at the same time. In that sense, tomorrow night may well be a night of decision.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield with pleasure to my friend from California.

Mr. KNOWLAND. In his remarks the distinguished Senator from Texas devoted a considerable amount of attention to the budget, which is an important issue, upon which people may honestly differ. In this body there are those who believe that some cuts can and should be made; and I believe they will be made in due course of the legislative consideration of the bill, since under the Constitution no funds can be voted from the Public Treasury without the approval of the Congress.

In his listing of the other bills for consideration I notice—perhaps by inadvertence—that my distinguished friend, the majority leader, had not mentioned the proposed civil-rights legislation, which is now before the Judiciary Committee. I think we are both mindful of the fact that this is a bill which is important, and with respect to which there are strong feelings. I think it should have due consideration.

We are now in the month of May. I was very hopeful that the distinguished majority leader might throw some light on the question as to when we could expect that proposed legislation on the floor. If the bill is pushed over into June or July, I am concerned because the bill may be seriously jeopardized, if the possibility of passage will not be lost entirely. I was hopeful that in the list of bills which were mentioned, the distinguished majority leader might indicate an order of priority for the civil-rights measure.

Mr. JOHNSON of Texas. Mr. President, my friend from California has asked me a question. I am not sure that he is really soliciting information, but for the record I wish to give him what information I have.

First, in my discussions with members of the Judiciary Committee within the hour, I was informed that a substantial number of members of that committee believe that some action will be taken before the end of the month.

Second, as I have informed the distinguished minority leader both privately and publicly on previous occasions—perhaps that fact slipped his memory because of the discussion relating to the budget—the House is considering the civil-rights legislation proposed by this administration, and is apparently making more progress with it than the Senator from California did in the entire 2 years of the 83d Congress, when he was majority leader, succeeding the late Senator Taft.

Third, while I was in Texas during the Easter holidays, I noted in the press a story to the effect that the distinguished minority leader was laying down ultimatums, which are rare exhibitions on his part. The story was to the effect that the minority leader had issued an ultimatum that if action were not taken by the end of the month he would make a motion to discharge the committee.

It is the view of the majority leader that the Supreme Court, in its decision, has gone further than any Member of Congress has ever dared to go in the field of civil rights, even in the introduction of a bill, much less its passage.

It is the view of the Senator from Texas that the Supreme Court has acted in connection with the education and transportation problem, and that all over the land the American people are doing their best to adjust themselves to the situation created by the Court's decision, and are attempting to evolve a workable solution in the light of that decision.

Nevertheless, the majority leader, although he does not agree with all the proposals made—and, indeed, does not agree with many of them—realizes that a substantial number of Members of both the House and the Senate wish to vote on some so-called civil-rights legislation, because to fail to do so would permit those who have no hesitancy in exploiting this political issue to continue to do so in the months ahead.

The majority leader has told the distinguished minority leader that he expects a vote this session, and that he would take no offense if the distinguished Senator from Missouri [Mr. HENNINGS], who has been very active in this field——

Mr. HENNINGS. Mr. President, I hope the Senator will yield to me at some point.

Mr. JOHNSON of Texas. I will yield as soon as I complete this statement.

As I have stated, the majority leader has told the distinguished minority leader that he would take no offense if the distinguished Senator from Missouri or the distinguished minority leader, after the committee had acted or failed to act, should make a motion to proceed to the consideration of this proposed legislation.

There is no reason why we must leave here by June 1 or even June 30. The Senator from California has indicated that he is prepared to make a motion to discharge the committee. My friend from Missouri has urged prompt action throughout the past several months——

Mr. HENNINGS. Several years.

Mr. JOHNSON of Texas. I believe this question will be acted upon.

Mr. HENNINGS. Mr. President, will the Senator yield for a correction?

Mr. JOHNSON of Texas. I yield.

Mr. HENNINGS. I have urged prompt action for several years, during the Republican 83d Congress, and during the last Congress, the 84th.

Mr. JOHNSON of Texas. I thank the Senator.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. Of course, we had 20 years of the New Deal during which promises of civil rights legislation were made and top-heavy Democratic majorities existed in the Congress, but there was no progress.

Mr. JOHNSON of Texas. Does the Senator want a question answered?

Mr. KNOWLAND. I am merely replying to my friend from Missouri.

Mr. HENNINGS. I shall comment upon that point when I reach it.

Mr. JOHNSON of Texas. There is no doubt that the Senator from Missouri, the Senator from California, or other Senators who feel that this program is very vital, and a "must" program, will see that some action is taken in this field. The Senator from Texas expects that some action will come by the early part of next month.

The Senator from Texas believes what he read in the press with respect to what the minority leader stated, namely, that the Senator from California is prepared to make a motion to discharge the committee.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. The Senator from Texas has assured the minority leader that he understood his position.

I now yield to the minority leader.

Mr. KNOWLAND. In the first place, the minority leader neither laid down nor made declaration of an ultimatum. He read the story to which reference was made. In reply to an inquiry—and the reply was in no sense an ultimatum—as to what the legislative procedure would be in the event no bill was reported from the committee, I stated that among the possible legislative procedures an amendment might be attached to some bill, or it might be possible to move to discharge the committee. A number of legislative procedures could be used. I hope that none of them will have to be used, because normally both the majority leader and the minority leader agree that the closer we can adhere to our customary legislative procedures the better the overall due process will be.

The gentleman whose story was published indicated to me that he had informed the staff on the majority side of the Hill that the article as published was not a correct interpretation of the minority leader's remarks.

Mr. JOHNSON of Texas. I think I understand the position of the minority leader. If the House acts, as it expects to do, in a very short time, and if the Senate committee does not take action after a reasonable time for deliberation, either the Senator from Missouri, the Senator from California, or some other Senator will proceed to make a motion which will result in some action. I have discussed that subject with the minority leader, and I understand his position.

I now yield to the Senator from Missouri, if he wishes to make a statement.

Mr. HENNINGS. I do not particularly care to have the Senator yield.

Mr. JOHNSON of Texas. I do not insist that the Senator make a statement.

Mr. HENNINGS. I thank the Senator for yielding. I find it devolves upon me to say something, and I propose to say it.

It is very gratifying indeed to find so many enthusiastic supporters of civil rights—or constitutional rights, as I prefer to call them. I am glad to find so many in support of such legislation during the past few weeks. I am glad to note that some gentlemen have at long last taken an interest in this subject, one which has been characterized as having been subjected to many failures during New Deal days.

The distinguished minority leader may or may not be right in that respect. However, I believe an examination of the RECORD might enlighten him and enable him to find that he is not entirely correct in that regard. I happened to be a Member of the House of Representatives during those days. I do not remember that the Senator from California was a Member of the Senate at that time. I refer to the days before the Second World War.

The Committee on the Judiciary met this morning. I am the chairman of the Subcommittee on Constitutional Rights. I have talked to the staff a number of times, and I will say to the distinguished Senator from California that I have never been advised by the counsel of the subcommittee or anyone on the staff that the Senator from California had decided to play the stellar role in this field he has now indicated he intends to play. I had not heard about it, and I am sure the Senator from Illinois will bear me out in that respect.

After considerable difficulty, and with the assistance of other Senators, following the holding of hearings on the subject, a bill was reported by the Subcommittee on Constitutional Rights. I repeat that was done with considerable difficulty and only after full and complete hearings had been held on the subject. I do not believe the Senator from California attended any of those hearings, and I do not recall especially that many other Senators appeared before the subcommittee to testify, in order to enlighten us on this very difficult and complex subject.

Mr. Brownell did mount guard and agreed to appear before us. We were delighted to have him. We found this year he was also a champion of civil rights, whereas last year when we examined him before the committee—and the cross-examination appears in the RECORD of the last day of the session—he stated that, in his opinion, action upon many matters relating to civil rights were not within the purview of the Department of Justice, or he refused to answer the subcommittee's correspondence altogether. This is a matter of record, and it happened on numerous occasions.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HENNINGS. I shall not yield at this time.

I also assume that the President of the United States expresses himself through the Attorney General. Therefore it is fair to say that no interest was taken in this matter until April of last year by the administration, although the subcommittee, of which I was chairman, had reported four constitutional rights bills, upon which the Attorney General had refused to give us any opinion whatever. It was then that the distinguished Attorney General, very late in the session, indeed, appeared before the committee.

I am very glad indeed that the distinguished Senator from California is now consulting, comforting, and aiding us. Perhaps I should say that he is giving us comfort, if not aid, in this matter.

I shall not be invidious. The Senator from Illinois will bear me out that this morning, when I moved that a time limit be set upon the discussions, and that action be taken by Thursday to vote up or vote down the proposed legislation, and to report it either favorably or unfavorably, with all substitutes and amendments in the nature of a substitute included, three Members from the Republican side were present and all

Members on the Democratic side were present.

Mr. DIRKSEN. There were five Republicans present.

Mr. HENNINGS. They may have come in and then departed. I am sure the Senator will recall that I asked, "Where are the Republicans?" The Senator from Illinois replied, "Some will be here later, and some will be here if we want them." However, I do not believe that more than three were present, including the distinguished Senator from Illinois. He will also recall that all the Democrats were present.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Mr. President, who has the floor.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. DIRKSEN. Mr. President, will the Senator from Texas yield for an observation?

Mr. JOHNSON of Texas. Mr. President, will the Senator from Missouri permit me to yield to the Senator from Illinois for an observation?

Mr. HENNINGS. Certainly.

Mr. DIRKSEN. There were five Republican Members present. When it became quite certain that we were going to be entertained and enlightened by copious reading from that celebrated case, Ex Parte Milligan, and that it would settle down into its traces, I respectfully suggested that everybody stay until 12 o'clock, because we all knew that the point of order would be made. Precisely on the stroke of 12 it was made.

Mr. HENNINGS. I should like to ask the Senator who made the motion, who conducted most of the discussion, and who asked the questions relating to reporting the bill?

Mr. DIRKSEN. The Senator from Missouri certainly did his very best to get expeditious action.

Mr. HENNINGS. I did not ask the question of the Senator because I wanted any laurels or any glory. After all, this subject—so-called civil rights legislation—is not especially popular with some people in my State. I asked it only to indicate that some of us, including the distinguished Senator from Illinois, had to listen to Ex Parte Milligan, although some of us had read it many times, and even though some of us had even heard of men like Ben Wade and Thad Stevens, and——

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. JOHNSON of Texas. Will the Senator from Missouri yield so that I may yield to the Senator from California?

Mr. HENNINGS. I wish to say a little more, and I shall be very brief, as I said before, we all understand that this subject has been a political football. For many years the Republicans have charged the Democrats with not doing anything about civil rights, and the Democrats have charged the Republicans with not doing anything about them. The fact remains that nobody does anything about them. The agitation for civil rights legislation has been going on ever since I became a Member of the House of Representatives in 1935. There has been the same old hocus-pocus, and the same old claptrap, and the same old backing and filling.

I should like to say a word about the House acting first on this proposed legislation. I believe that the Committee on the Judiciary of the Senate should not abdicate its functions as a standing committee of the Senate. As a member of that committee for the past 6 years I do not for a moment concede that the House of Representatives is more capable of reporting a satisfactory and constitutional and workable and fair bill, which will not be punitive to the citizens who live in the Southland, and which will not visit reprisals upon the South. I have Confederate ancestry on both sides of my family and all of them fought in the war.

Mr. JOHNSON of Texas. Mr. President——

Mr. HENNINGS. Does the Senator of Texas wish me to go on?

Mr. JOHNSON of Texas. I merely wish to state that I do not contend that the House is any more able or that the House can do any better job than the Senate. I simply believe that the House is more likely to take action on a civil rights bill first, and that is what I have said in response to inquiries.

I do not mean to say by that that the Senate is not perfectly capable of carrying on its deliberations. The situation is similar to that in connection with other bills, when the House acts first. In view of the progress which has been made in the House, I rather suspect that my prediction will be borne out that action will be taken by the House of Representatives before the Senate finally concludes consideration of the subject. It is believed by some that the House may eliminate some of the more controversial sections of the bill and thus lighten the burdens and expedite rather than retard the work of the Senate.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I am glad to yield to the Senator from California. However, I do not want to lose sight of the budget discussion. The Senator from California is a very able and astute former member of the newspaper profession, and I know he would like to take the bloom off the budget rose by causing us to become involved in a civil rights debate.

Mr. KNOWLAND. No, I do not want to take the bloom off the budget rose. On the contrary I want to see some substantial reductions made in the budget—in the neighborhood of $3 billion, I hope.

Merely to make the RECORD clear, I may say that the Committee on the Judiciary consists of 7 Republican members and 8 Democrats. Of the 7 Republican members, 2 are in the hospital. The distinguished senior Senator from North Dakota [Mr. LANGER] has been in the hospital for some time, as I am certain all Members of the Senate know. The distinguished junior Senator from Indiana [Mr. JENNER] also is in the hospital and will be there for a short period of time. Thus, as the distinguished Senator from Illinois has reported, 5 of the 7 Republican members of the committee were present. I merely state the fact to show that the Republicans were available, as the Democrats apparently were. I did not want the RECORD to show otherwise.

Mr. JOHNSON of Texas. I do not intend to discuss who attended committee sessions and who did not; I merely wish to ask the Senator from California this question: How long did the Senator from California serve as the majority leader of the Senate?

Mr. KNOWLAND. I held the nominal position of majority leader for approximately a year. I served for a part of one session and also for one full session because I came to the office at the close of the first session of the Congress to which I was elected to the position of majority leader.

I became the first majority leader in history who did not have a majority because with the defection of the distinguished Senator from Oregon [Mr. MORSE] and the death of the able and beloved Senator Taft, of Ohio, I became charged with the responsibility of the majority leader acting in a minority position in the Senate.

Mr. JOHNSON of Texas. Would the Senator from California care to recount to the Senate and to the country what he and his illustrious predecessor did to get action from the Committee on the Judiciary?

Mr. KNOWLAND. I know that the Senator from Ohio, Mr. Taft, was concerned with the problem. I quite agree with the Senator from Missouri [Mr. HENNINGS] that unfortunately, during periods of time when the respective parties have been in control of either the executive branch of the Government or of Congress, because of circumstances which it is not necessary to relate, or as to which it is not necessary to go into detail here, there was difficulty in getting the proposed legislation reported to the Senate; and when it was reported to the Senate, it became the subject of prolonged educational discussion in the Senate.

I am certain the Senator from Missouri and the Senator from Texas, and other Senators, realize that we are now trying to have a bill reported early enough so that there can be at least an opportunity on the part of the Senate to vote it up or down or to vote on amendments. I agree that every Senator has the right to express himself. There will be different points of view as to the wisdom of certain amendments.

I say again too my friend from Missouri that I will do everything that can possibly be done on this side of the aisle to assist him in having the bill reported to the Senate and, I hope, scheduled for early action in the Senate.

I hope the record under the present distinguished majority leader will greatly better the record of either the prior Republican or the prior Democratic leaders of this body, because the record has not been too successful to date.

Mr. JOHNSON of Texas. Mr. President, I yield now to the Senator from Missouri.

Mr. HENNINGS. I thank the Senator from Texas.

If the distinguished minority leader will give me a few minutes of his time, I shall be glad to tell him how he can

assist in the civil rights matter. Issuing statements to the press is all very well, but some of us have been bearing the burden of the battle. So I think I might undertake to suggest to the Senator from California what he might do to help in the fight, if he will be so gracious as to discuss the matter with me. I shall certainly be available to him for the purpose of such a discussion at any time which will suit his convenience.

Mr. JOHNSON of Texas. I now yield to the Senator from North Carolina.

Mr. ERVIN. Mr. President, as one who represents some of the people who are sought to be made guinea pigs under the civil rights bill, I wish to make a few observations.

The civil rights bill contains many controversial provisions. I have no idea that the Senate will act on the bill until after the House has acted on its bill. It seems to me that the sensible thing for the Senate Committee on the Judiciary to do would be to postpone action on the bill until the House has passed its bill. Then the Senate committee could sit down and mark up the bill in an orderly fashion. I would have no objection to that course of procedure.

Mr. EASTLAND. Mr. President, will the Senator from Texas yield, so that I might ask a question of the Senator from North Carolina?

Mr. JOHNSON of Texas. I yield for that purpose.

Mr. EASTLAND. Did not the Senator from North Carolina make that proposal in the Committee on the Judiciary?

Mr. ERVIN. I made the proposal this morning.

Mr. EASTLAND. Who turned it down?

Mr. ERVIN. The Senators from the other side of the aisle, who had a majority.

This is a serious bill. As the distinguished minority leader has said, people have been working on this matter for a long time. They started in 1867, and they have been trying to reconstruct us since that time.

As one whose ancestors spent 7 years fighting so that this country might have freedom under a written Constitution guaranteeing the rights of States as well as the rights of individuals, I feel that I was justified in standing up for an hour and a half this morning to tell the Judiciary Committee what is in the bill.

There have been many efforts to reconstruct us in devious and peculiar ways. But this is undoubtedly the worst bill that has ever been brought before Congress to effect that purpose. It ought to be entitled: "A bill to deprive Southern States and local officials of the right to invoke for their protection, in courts of justice, the basic constitutional and legal safeguards erected by the Founding Fathers and by Congress to protect all Americans from governmental tyranny."

That is what the bill seeks to do. It proposes to take away from Southern States and local officials a right which all of us, including the proponents of the bill, wish to preserve for everyone else, including persons who may be charged in the courts with being parties to the Communist conspiracy to overthrow the Government of the United States by force.

I do not apologize and I will never apologize for standing up and opposing proposed legislation which seeks to take from the people of my State basic rights which it is proposed that Communists shall keep.

Furthermore, the bill is designed not only to rob southern State and local officials of the right to trial by jury by circumventing and evading constitutional and statutory rights; but it also undertakes to delegate to one Federal official, namely, the Attorney General of the United States—whoever he may be—the power to nullify acts passed by State legislatures in the undoubted exercise of the power reserved to the States by the 10th amendment.

This is the most damnable bill, the most indefensible bill, that has ever been laid before a legislative body in America. It proposes to reduce the States, in this field, to meaningless zeroes on the Nation's map. It proposes to rob Americans of the right to trial by jury and of other constitutional rights.

The bill proposes to confer upon the Attorney General of the United States powers which befit the office of a commissar of justice in a totalitarian state, but which are incompatible with the office of the chief law officer of a republic which enjoys a government by laws rather than a government by men.

I have been working hard in the committee. I have had to stop everything else. I have been working "under a gun," in a sense, ever since the committee started to work on the bill. It seems to me that in view of the fact that our reconstruction has already been postponed for 89 years, it might be postponed a few days beyond the first of June until the House acts on the bill. It may be that the House will lighten the Senate's work by eliminating some of the highly controversial features of the bill. Then the Senate Judiciary Committee could sit down and mark up the bill in an orderly manner.

REQUEST FOR RETURN BY THE PRESIDENT OF HOUSE BILL 1544

Mr. JOHNSON of Texas. Mr. President, I ask the Chair to lay before the Senate, House Concurrent Resolution 173.

The PRESIDING OFFICER. The Chair lays before the Senate, House Concurrent Resolution 173, requesting the return by the President to the House of Representatives of the enrolled bill H. R. 1544 for the purpose of reenrollment, which will be read for the information of the Senate.

The concurrent resolution (H. Con. Res. 173) was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the enrollment of said bill, to make the following correction: On page 2, line 13, strike out the figure "9990.0" and insert in lieu thereof the figure "990.0."

Mr. JOHNSON of Texas. I ask unanimous consent for the present consideration of the concurrent resolution.

There being no objection, the concurrent resolution was considered and agreed to.

STUDY OF CRITICAL RAW MATERIAL AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate resume the consideration of the Treasury and Post Office appropriation bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, if the distinguished Senator from North Carolina [Mr. ERVIN] has concluded his remarks, I should like to yield the floor, so that any other Members who may desire to address themselves to the Treasury-Post Office appropriation bill or to any other subject may do so.

First, I wish to call attention to the fact that this is the first of the regular departmental appropriation bills to come before the Senate this year.

The distinguished chairman of the subcommittee, the very able Senator from Virginia [Mr. ROBERTSON], has worked long and hard on the bill, which covers two of the great agencies of the Government.

The action the Senate will take today on this appropriation bill will have great significance in connection with the entire budget controversy.

I hope all Members of the Senate will attend the session this afternoon and will hear the distinguished Senator from Virginia give his explanation of the deliberations of his subcommittee.

Mr. ROBERTSON obtained the floor.

Mr. FLANDERS. Mr. President, will the Senator from Virginia yield to me?

Several Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Virginia yield; and if so, to whom?

Mr. ROBERTSON. For what purpose does the Senator from Vermont request that I yield?

Mr. FLANDERS. I received from the leadership some assurance that I would be the next Member to be recognized, following the morning hour.

Mr. ROBERTSON. Mr. President, I am very sorry that I am unable to yield at this time to the Senator from Vermont. I myself have foregone making a very important trip to Jamestown, in connection with the great anniversary celebration of the settlement and founding of Virginia, to which reference has been made earlier today in the Senate. I have been waiting patiently to obtain the floor. So I am very sorry that I cannot yield for speeches, following the morning hour.

After I have presented my remarks on the appropriation bill, I shall yield the floor.

Mr. FLANDERS. Mr. President, will the Senator from Virginia yield for a moment to me?

Mr. ROBERTSON. For what purpose does the Senator from Vermont request that I yield to him?

Mr. FLANDERS. I wish to say that I misunderstood the arrangement which had been made. I cheerfully shall wait until the presentation of the appropriation bill has been made.

Mr. ROBERTSON. I thank the Senator very much. I promise to be very brief in presenting the bill.

Mr. President, as I was about to say, I have been waiting, on the assumption, from what I have read in the press and otherwise, that the subject of cutting the budget and then cutting taxes is the burning issue before the American people. But, Mr. President, apparently I am greatly mistaken. Evidently the burning issue is the bill being sponsored by the NAACP, which the distinguished Senator from North Carolina [Mr. ERVIN] says has not been properly named.

Mr. President, on this day, 350 years ago, Capt. John Smith and a little band of English settlers landed at Jamestown Island.

When speaking at the dedication of the Bunker Hill Monument, Daniel Webster said that so long as the Atlantic washes Plymouth Rock and so long as the James flows by Jamestown Island, "no vigor of youth, no maturity of manhood will lead the Nation to forget the spots, where its infancy was cradled and defended."

Mr. President, it is anticipated that this year 6 million persons will go to Jamestown to prove how correct Daniel Webster was.

Of course, Mr. President, no one in the South needs to prove that Webster was correct in his statement that the settlement of Plymouth, Mass., would not be forgotten, because the settlers in that section of the country always took a somewhat "holier than thou" attitude, and soon they were called Fathers. They were not called settlers, as in the case of those who established the colony in Virginia. Instead, the settlers at Plymouth Rock were called—or called themselves—Fathers. Furthermore, the settlers in New England got a head start with public-school education and got Harvard College started at Boston before William and Mary College was started in Virginia. Likewise, the New England settlers succeeded in having great attention called to the importance of Plymouth Rock.

However, Mr. President, all those matters boil down to this: The first settlements were started in the early part of the 17th century—that at Jamestown, Va., in 1607 and the one in Massachusetts in 1620.

Those who visit Jamestown will be able to see there 1 of the 3 original copies of the Magna Carta, which was enrolled into law by the British Parliament and in it one can read the guaranty of a trial by jury by one's peers.

Mr. President, I was going to discuss the budget, but I would as soon talk about civil rights. I can begin at Jamestown, and by the time I reach a discussion of Appomattox, the remainder of today and all of the several days following will have elapsed. [Laughter.]

Mr. President, much is involved in this discussion. For instance, next Wednesday will be the 111th anniversary of the birth of Gen. John Salling, of Scott County, Va., 1 of the last 3 survivors of the War Between the States. Think what he has seen happen. Think of the sacrifices he and the others on the Confederate side made in behalf of a principle of government—States rights. Where did it start, Mr. President? It started with the first little settlement at Jamestown.

I hope to go to Jamestown. The distinguished Vice President has gone there today, to make a speech. The British Ambassador will make a speech there today. Thousands of persons will be there, today, to celebrate, on May 13, 350 years of an experiment unique in all the world.

What is the essence of that experiment, Mr. President? It is the greatest measure of personal freedom under a written instrument, which divides the rights of the Central Government from those of the States and those of the people. State and local rights are specifically reserved in the 10th amendment to that instrument.

Mr. President, when we come here, we should give thanks that we have inherited a form of government under which we can raise as much as $71,800,000,000 of taxes, or whatever will be the amount of taxes which will be raised in the United States of America this year. No other nation has ever done that. The system we have inherited is a very great one. It is a system of the rights of State sovereignty. But, Mr. President, over and above all else, it is the system which guarantees the right of trial by jury; the system which guarantees "the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures"; the system which guarantees that one cannot be brought to trial without an indictment, and cannot be thrown into jail without having had a trial, and cannot be convicted in a kangaroo court.

Mr. President, I like to think of what the great General Bee said at the first Battle of Manassas. In fact, Mr. President, there are two things about the early part of the War Between the States that I often reflect upon. One of them I am sure the Presiding Officer, the junior Senator from Georgia [Mr. TALMADGE], has often read. It is the tribute to a Georgia volunteer who died at the Battle of McDowell, just west of Lexington, Va., where I live. The other is the statement by General Bee, at the first Battle of Manassas, when his troops were beginning to waver. Pointing to Thomas Jackson, General Bee cried, "Look at Jackson, standing like a stone wall. Rally behind the Virginians."

Mr. President, I cannot pay too high tribute to the flower of the youth of North Carolina who, in that conflict, since the battleground was chiefly in the Old Dominion, rallied around the Virginians, but received very little credit for the blood they spilled in defense of a principle of government.

I am thankful to say that so long as any breath is left to me, I shall ask the Virginians to rally around the North Carolinians, and, in particular, the senior Senator from North Carolina [Mr. ERVIN], in the fight about civil rights. Mr. President, if Senators desire to discuss civil rights, instead of the budget, I will join with the Senator from North Carolina, when the civil rights issue is brought before the Senate, to discuss it for as long as anyone wishes to have it discussed.

However, Mr. President, the majority leader asks us please to discuss the appropriation bill today. So I shall reserve the remainder of this speech—one which I had not planned to make.

Mr. HENNINGS. Mr. President——

Mr. ROBERTSON. I yield to my friend, the Senator from Missouri, for a question.

Mr. HENNINGS. I should like to ask an historical question.

I, of course, am always most interested in what the Senator from Virginia has to say about matters relating to the Confederacy, since I myself am descended from Confederates—Virginians, Georgians, and North Carolinians. In paying tribute and recalling that General Bee said, "There stands Jackson like a stone wall; rally behind the Virginians," I think it is most unfortunate that it was North Carolinian troops who committed the fatal error of shooting General Jackson as he was outside Chancellorsville, reconnoitering with his staff. To me, that was one of the great tragedies of the War Between the States.

Mr. ROBERTSON. The Senator from Virginia admits that the wounding of General Jackson was a tragedy——

Mr. HENNINGS. However, it was an accident.

Mr. ROBERTSON. But the Senator from Virginia, insists that if it was men from North Carolina who did it, they were only carrying out the order given by the general. He said, "If anyone comes here and does not halt when you say 'halt,' fire"; and they fired in the dark. No one was more distressed than were these troops when they found out they had fired at their beloved general.

As has been stated, the Senator from Virginia will have ample time later to

express his views about the iniquities of the civil rights bills, which would take away the rights we have claimed from the time of the Magna Carta and the Declaration of Independence down to the present hour. The Senator from Virginia will address himself to a rather unique situation in an appropriation bill. Ordinarily this appropriation bill is a simple bill. This is not a simple bill. It has become a frustrating and irritating bill in a number of ways.

In the first place, the Senate last year proposed a little more money for the Post Office Department than the House had allowed. On a compromise, the appropriation was $15 million less than the President had recommended.

Senators, think of a budget of more than $3 billion. There is not in the world a private enterprise, one of whose units spends $3 billion a year. Take the American Telephone & Telegraph Co., a $15 billion company. That company is broken down into units and agencies. Its efficiency goes down to a much lower unit. Take General Motors, United States Steel, or any other large industry. Not one of them, in one of its operations, handles $3 billion. One would think that if an agency got within $15 million of $3 billion, it could make both ends meet.

I like the Postmaster General. Far be it from me to speak of him as a Virginia Member of the Congress spoke of a bureaucrat in 1825. Times have changed. I refer to John Randolph, of Roanoke, who said of a bureaucrat he did not like.

His mind is like the Susquehanna flats, naturally poor, made less fertile by cultivation. Never has ability so far below mediocrity been so richly rewarded since Caligula's horse was named consul.

I am not speaking of anyone in that manner, especially a man I have known; but it does upset the junior Senator from Virginia when our Postmaster General comes before the committee on the 17th of April and says, "Volume is going to be increased 1.57 percent and I need so much more," and in less than 3 weeks comes before the committee and says, "No. The volume is going to be increased more than 4 percent." How can he be right both times? How can he be right in the middle of April, when he says volume is going to increase a little more than 1½ percent, and be right on the 8th of May, when he says volume is going to be increased more than 4 percent?

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. SALTONSTALL. Is it not true—and I am speaking as a member of the full committee, and not as a member of the subcommittee—that what happened is that the committee voted for the same amount allowed by the House, without any of the $58 million the Postmaster General requested in addition, for a very practical reason? The Postmaster General requested $58 million on the information he received after the time the Senator said he appeared before the committee and stated he would need substantially more than $58 million to run the Post Office for the next fiscal year, because of the increased volume of mail. We allowed him the same amount as the House did, and left it up to the Postmaster General, the Budget Director, and the President to determine whether the Post Office Department would need all the money the Postmaster General has said he would need to run the Post Office Department and give the same service in 1958 that he is now giving. Is that not true?

Mr. ROBERTSON. I will give my distinguished colleague my wife's reaction to the situation. I told her Saturday evening the Postmaster General informed the committee he not only would have to have the $58 million which had been disallowed by the House, but another $17 or $18 million on top of that, because of the great increase in the volume of mail. She said, "Of course, there has been an increase in the volume of mail, because of protests against the President's budget. When the budget is settled, the volume of mail will drop again. I would not give him the money."

In reply to the question of the Senator from Massachusetts, I may say that we voted as we did because we did not know exactly what the increase would be. If we gave the Postmaster General all he asked for, he would probably still need $17 or 18 million. The committee decided to go along with the amount the House provided, and let requests be presented in a supplemental appropriation bill. Then we would go into the question of whether any economies could be authorized, whether Saturday deliveries could be halted, how much money was needed, and settle the question finally on the last supplemental bill.

Mr. SALTONSTALL. If the Senator will yield further, was not the committee in accord with the statements made that the amount which was finally given the Postmaster General for fiscal year 1958 would be used by him on an annual basis—in other words, budgeted on an annual basis—so he would not have to come back to Congress next April and so there would not happen again what occurred this April because he ran out of funds?

Mr. ROBERTSON. There is no doubt about that. The Postmaster General testified before the committee that he would absolutely live within the budget, whatever it was, and he would announce on July 1st what it would be, and he would stay within the amount appropriated. If we did not appropriate the money, he would announce curtailments in service.

In the meantime, the junior Senator from Virginia wrote a letter to the Comptroller General, inquiring about the Antideficiency Act and what the situation was with respect to the Post Office Department when the Postmaster General exceeded his appropriation for each quarter and then said, "I now have to have $27 million in order to complete the work or I am going to have to curtail service here, there, and yonder."

The Comptroller General informed me that the Department violated the Antideficiency Act.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD the letter which the Comptroller General wrote to me.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, May 9, 1957.

Hon. A. WILLIS ROBERTSON,
United States Senate.

DEAR SENATOR ROBERTSON: Your letter of April 17, 1957, acknowledged April 18, enclosed an editorial from the Richmond Times-Dispatch which predicts that the action of Congress in voting a $41 million supplemental bill for the Post Office Department may set an embarrassing precedent concerning the violations of our antideficiency law. You request a letter stating just what the law is, how it is supposed to be enforced, and whether or not we think any additional legislation on the subject is needed.

The act, commonly referred to as the Antideficiency Act, is section 3679, Revised Statutes, as amended, 31 U. S. C. 665. The entire act was reenacted by an amendment contained in section 1211 of the General Appropriation Act, 1951, approved September 6, 1950, 64 Stat. 765. The primary reason for rewriting the act at that time was (1) to prevent the incurring of obligations at a rate which will lead to deficiency or supplemental appropriations or the curtailment of necessary activities if such appropriations are not made; and (2) to fix responsibility on those officers of the Government who incur deficiencies or obligate appropriations without proper authorization or at an excessive rate. The act prohibits:

(1) The making or authorization of an expenditure from or the creation or authorization of an obligation under any appropriation or fund in excess of the amount available therefor (subsec. (a));

(2) The involving of the Government in a contract or other obligation for the payment of money for any purpose in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law (subsec. (b));

(3) The acceptance of voluntary service for the United States or the employment of personal services in excess of that authorized by law, except in cases of emergency involving the safety of human life or the protection of property (subsec. (b)); and

(4) The authorization or creation of an obligation or the making of an expenditure in excess of either (a) an apportionment or reapportionment or (b) the amount permitted by regulations prescribed by the agency and approved by the Director of the Bureau of the Budget (subsec. (h)).

Any officer or employee of the United States who violates subsections (a), (b), or (h), referred to above in items (1) through (4), is subject to administrative discipline and, if knowingly and willfully done, he is subject, upon conviction, to a fine not more than $5,000 or imprisonment for not more than 2 years, or both (subsec. (i) (1)).

The Antideficiency Act also provides that all appropriations or funds, with certain exceptions, shall be apportioned by the Director of the Bureau of the Budget so as to prevent obligation or expenditure thereof in a manner which would indicate a necessity for deficiency or supplemental appropriations (subsections (c) (1) and (d) (2)). The apportionments or reapportionments may be divided and subdivided administratively, and the head of each agency, subject to the approval of the Director of the Bureau of the Budget, is required to prescribe, by regulation, a system of administrative control "which shall be designed to (A) restrict

obligations or expenditures against each appropriation to the amount of apportionments or reapportionments made for each such appropriation, and (B) enable such officer or agency head to fix responsibility for the creation of any obligation or the making of any expenditure in excess of an apportionment or reapportionment [subsec. (g)]."

In order to carry out the foregoing provisions of the act, regulations have been issued by the Bureau of the Budget and the Treasury Department, and concurred in by the General Accounting Office, as sections 11 through 15 of the Budget-Treasury Regulation No. 1. These regulations, among other things, require periodic (usually monthly) detailed reports to be submitted to the Bureau of the Budget on the status of each appropriation account. Also, each agency has prescribed regulations for the administrative control of the funds under its control which have been approved by the Director of the Bureau of the Budget. In addition to these regulations and reports are the regular budgetary review and internal control processes of each agency, including in many cases internal audits, which aid in the enforcement of the act.

Moreover, our audits made at the site of agency operations include a review of the procedures, practices, form of organization and system of reporting, review, and inspection as well as other elements of internal control to determine, among other things, whether they assure reasonable compliance with the requirements of all applicable laws, regulations, and decisions. Any violation of the Antideficiency Act noted during our regular auditing processes that has not been reported to the Congress through the mechanism provided by that act is brought to the attention of the Congress through our audit reports. Also, the annual reports of all agencies on the obligations incurred under each appropriation or fund under their control, required by section 1311 (b) of the Supplemental Appropriation Act, 1955, 68 Stat. 800, 830, are reviewed by the General Accounting Office. While our audits and reviews generally would reveal any violation of the act, we want to emphasize that such audits and reviews are made only on an after-the-facts basis and would rarely, if ever, disclose an excessive rate of incurring obligations prior to the creation of a need for a deficiency or supplemental appropriation or the curtailment of activities.

It thus is clear that the Antideficiency Act prohibits the obligation and expenditure of appropriations or funds made available for a definite period of time in such a manner as to create a need for a deficiency or supplemental appropriation for such period, as existed in the Post Office Department this fiscal year (B–131361, April 12, 1957, 36 Comp. Gen. —). We do not believe that the deficiency in the appropriation for operations of the Post Office Department resulted from a weakness in the Antideficiency Act but rather from noncompliance with subdivision (c) (1) of the act.

The effectiveness and enforcement of the Antideficiency Act was studied by a temporary subcommittee of the House Committee on Appropriations during the 1st session of the 84th Congress, which issued an interim report to the committee on June 30, 1955. The subcommittee concluded that, with certain exceptions, the basic objectives of the Antideficiency Act were being achieved. One of the exceptions, however, related to the activities of the Post Office Department. We reviewed the effectiveness of the act at that time and advised the chairman of the Temporary Subcommittee To Investigate Effectiveness and Enforcement of the Antideficiency Act and Other Federal Fiscal Legislation by letter of June 26, 1956, B–123914, that we did not believe that amendment of the Antideficiency Act was required at that time.

This one instance where a deficiency appropriation was required for the Post Office Department does not, in our opinion, warrant any change in the law. Neither do we believe that this instance will set a dangerous precedent which will encourage the Post Office Department or other Government agencies to create deficiencies and thereby attempt to force the Congress to appropriate additional funds. In fact, the Post Office Department is in a unique position in that the curtailment of any of its activities affects such a large portion of the public. However, in cases of violations of the Antideficiency Act, such as that involved in the Post Office Department, it is our belief that public opinion, alone, is a more effective deterrent than any legislative changes which we could suggest.

We therefore have no suggestions for additional legislation on the subject at this time.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

Mr. ROBERTSON. The Postmaster General testified before our committee, and in that hearing we had printed the letter from the Comptroller General. It was said positively that next year there would not be any overspending in any quarter.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. SALTONSTALL. So the committee was perfectly clear that it would first consider a supplemental budget, if one were presented. If one were not presented, then the committee had to determine if Congress should provide additional money on its own responsibility. If it did not so determine, then the question was whether the Postmaster General should curtail postal services so that he could live within the amount appropriated to July 1.

Mr. ROBERTSON. The Senator is correct. The subcommittee felt it was acting under something in the nature of a mandate from the Congress.

Just before he went into the last quarter, the Postmaster General announced the Department was not going to handle any third-class mail, that there would be no mail delivery on Saturday, and that the money-order service and other services would be curtailed.

Congress quickly went to work on the supplemental bill. The Congress did not grant him $47 million, but they did grant him $41 million. That $41 million bill, so far as the junior Senator from Virginia knows, passed this body without a single vote against it, which would seem to indicate that at that time Congress wished to have delivery of mail on Saturday.

We should all bear in mind that since some time in the 1860's, there have been two mail deliveries a day in the residential areas of our towns and cities. During World War II that service had to be cut back, at the instance of certain postmasters, to one delivery. Now that is permanent; there is only one mail delivery a day.

Mr. DOUGLAS. Mr. President, will the Senator yield for a correction?

Mr. ROBERTSON. I have yielded to my colleague, the Senator from Massachusetts. I shall yield to other Senators in a moment.

Mr. SALTONSTALL. Were we not told that the present volume of mail was approximately 58 billion pieces, and that the research effort brought out a new estimated total of 61 billion pieces for the next fiscal year?

Mr. ROBERTSON. We were told that, but, as the Senator from Virginia has indicated, just 3 weeks before we had been given a very much smaller figure than we were furnished in May. It is quite disturbing to find that all of a sudden the postal authorities discover they have made a serious error in the estimate as to what the volume is and how many pieces of mail there will be.

It is true beyond any question that if the volume of mail goes up between 4 and 5 percent, as the Postmaster General now anticipates, he will not be able to handle that such a volume of mail with the amount of money which is provided in the pending bill, because so much of the money in this bill is for fixed allowances, such as salaries, payments to railroads, airplane companies, and truck operators for transportation, money for pensions, and items like that.

Mr. SALTONSTALL. And the Postmaster General could not conduct the Post Office Department as it should be conducted, even if we should give him the $58 million.

Mr. ROBERTSON. He said he could not do it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the Senator from Illinois.

Mr. DOUGLAS. Mr. President, the Senator from Virginia made the statement that when the Postmaster General was given $41 million for the current fiscal year in the deficiency appropriation there was no objection. I am sure the Senator from Virginia believed that was an accurate statement, but since I was in the Chamber at the time the action was taken I think I should say that on the voice vote I voted against the appropriation of the $41 million, and I shall vote against any other attempt by the Postmaster General to present a loaded pistol at the head of the Congress of the United States to compel us to do his bidding.

Mr. ROBERTSON. The Senator from Virginia, of course, stands corrected. I am sure the distinguished Senator from Illinois would not hold the Senator from Virginia responsible for not hearing every voice vote and not knowing how every Senator voted on every vote that is not recorded.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to the chairman of the Committee on Post Office and Civil Service. I am going to quote the Senator later on some items.

Mr. JOHNSTON of South Carolina. Is it not true that in January 1956, the Postmaster General came before the committee and said that the service would handle 58.3 billion pieces of mail, but that he found, in January of this year, it was not going to handle that much mail? Is it not true he found himself some 300 million pieces of mail short of handling the 58.3 billion pieces; yet still at that time he came and asked

the Congress for an additional $41 million? In fact, he asked for $47 million.

Mr. MORSE. Mr. President, will the Senator from Virginia yield?

Mr. ROBERTSON. I yield to the Senator from Oregon.

Mr. MORSE. Let me say to the Senator from Virginia that I congratulate him on the fight he is putting up on this appropriation bill. I am proud to stand with him.

I share completely the views just expressed by the Senator from Illinois [Mr. DOUGLAS]. I do not intend to respond to a so-called threatening demand from the Postmaster General. I certainly think we ought to give him our response by supporting the Senator from Virginia in this matter.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. I wish to ask the able Senator from Virginia a question about the appropriation bill. I am not a member of the Appropriations Committee. If I were a member of that committee I am sure I would know the answer to the question I am about to ask.

Regardless of who is to blame for the post office situation, if the Department is not given sufficient money who is going to suffer? Will the employees of the Post Office Department suffer, or will the mail delivery suffer? Who is going to suffer? Whose responsibility is it going to be then; the responsibility of the Postmaster General or of the Congress of the United States?

Mr. ROBERTSON. The distinguished Senator has asked me a rather broad question.

Mr. CAPEHART. Does the Senator not think it is pertinent to the issue?

Mr. ROBERTSON. In the first place let me answer as to who has the responsibility.

Mr. CAPEHART. I asked, regardless of who is responsible, who will suffer?

Mr. ROBERTSON. Since 1953 the Congress of the United States has increased salaries of post-office workers by $1,350,000,000, and during that period of time the post-office revenues have not been increased by any significant amount. We still have a 3-cent first-class postage rate, which we have had for many years, and there have been only nominal increases in the rates on the other classes of mail matter. In answer to the Senator's question as to who would suffer, the bill before us, without another dollar, will, in the opinion of the chairman of the subcommittee, enable the Department to pay all of the regular workers their regular salaries. However, it is rather significant to note that during the course of the hearings I asked the Postmaster General this question:

House Report 1741 of the Committee on Post Office and Civil Service on page 16 says:

"Under the new reorganization on July 1, 1955, there were 1,530 officers and employees in the Department and 4,162 in the regional and district offices, a total of 5,692 people. This is an increase of 1,446 as of July 1, 1955, as compared to 4,246 people in 1953 under the old plan."

Now, Senator MAGNUSON and others are going to complain that your efficiency has been greatly lowered by this decentralization, but here we are talking now about the increased cost of it and the increased personnel. That is in the House Report 1741.

Mr. SUMMERFIELD. Can I just make this comment: In 1952 there were 523,757 persons on the post-office payroll. In 1956, Mr. Chairman, there was 508,587. I think the record speaks for itself.

This is a part of the record which was not introduced, and therefore does not speak for itself: There are two columns relating to personnel. One is headed "Positions at the Close of the Year." In 1952 there were 523,779; in 1956, 508,000.

Then there is the right-hand column, headed "Man-Years." That is what we pay for. That figure represents the amount of work being done.

How many man-years were there in 1952? There were 489,992. How many man-years of average jobs were there in 1956? There were 517,612. How many man-years is the Postmaster General asking for fiscal year 1958? He is asking for 536,509, an increase of 46,517 over the time when he took over this job.

There are two ways of computing the costs involved. However, the payroll must be measured in terms of man-years. I believe that what we are providing in the bill would be enough for the scheduled personnel, but not enough for the man-years involved. The Postmaster General would have to cut the number of man-years. He could not put substitutes on the roll at Christmas. He could not expand facilities in rapidly developing areas, and so forth.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. Do the man-years take into consideration overtime?

Mr. ROBERTSON. Yes.

Mr. CAPEHART. Those figures include both regular and overtime?

Mr. ROBERTSON. They include regular time, overtime, Christmas jams, extensions, and all that.

Mr. CAPEHART. I am not a member of the Appropriations Committee. The point is this: What will the Postmaster General have to do if he does not get this money? Will he lay off employees? Will he reduce overtime? Where will he cut, and who will suffer?

Mr. ROBERTSON. He will lay off temporary employees; he will reduce overtime; he will cut here, there, and yonder, or else go to jail; and he told us that he did not propose to go to jail. He will curtail the services.

The Senator asks who will suffer. Of course the American people will suffer in the end. Some of the temporary jobs will be affected. Some of the overtime will not be paid. The regular postmasters will receive their salaries. Rural carriers who do not go over their routes on Saturday will not receive equipment allowances for the mileage they do not travel. That will reduce their compensation. The salaried employees will be cut, because the $58 million below the budget estimate represents a cut of 1.78 percent. That is not enough to prevent the payment of regular employees. However, the Department will not be able to paint mail boxes red, white, and blue. There will be no new lighting systems installed in post offices. There will be no quick sorting machines installed. There will be no Saturday delivery. Money orders might be eliminated, which would effect a saving of $8 million a year. Many items will be reduced. How can we tell what items will be reduced? There are 450 men in the Budget Bureau studying these figures. I said, "Give me a breakdown showing how much the Postmaster General overspent in 3 quarters." The answer was, "The figure is so vast that we could not begin to tell how the money was spent." We brought witnesses before the committee and they said, "We cannot tell." So there we are.

Mr. CAPEHART. Mr. President, will the Senator further yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. Will Congress have to take the responsibility for reduced service, and for laying off certain employees, or will the Postmaster General accept it?

Mr. ROBERTSON. Let me read some suggestions from the Committee on Post Office and Civil Service, bearing on the question of whether or not Congress must assume the responsibility. This is what the committee says:

First, take a look at the activities of regional and district offices which are reputed to have increased postal costs by over $15 million a year.

I do not know whether that has been done or not. The committee says, "Take a look at the activities." If the increased cost is $15 million a year, going back to the old system would account for $15 million of the $18 million.

Total cumulative cost of operation of regional and district offices from November 24, 1953, to November 16, 1956, was $51.6 million.

Mr. JOHNSTON of South Carolina. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. JOHNSTON of South Carolina. I invite the attention of Senators to the fact that the Postmaster General came before the Committees on Post Office and Civil Service of the House and Senate, and asked that legislation be enacted giving him permission to establish district offices. The committees and the Congress refused to give the Postmaster General this permission. Later he went ahead and established the system anyway, regardless of the action of Congress.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield to my distinguished colleague. He served on the subcommittee with us. He knows our problem.

Mr. DIRKSEN. We pursued the subject of regional costs before the subcommittee. I believe that the table on page 82 of the printed hearings is quite expressive and enlightening. It shows that after compensating for employees reduced at the departmental and other levels, there was a saving of nearly $172 million by reason of the creation of district and regional offices. That is the record. Anyone who cares to examine the record can look at the figures.

Mr. ROBERTSON. That was the testimony before our committee; but also

in that connection the chairman called attention to the other table, which was later submitted to us, showing the number of man-years, which means average positions. The request is for an estimated 536,509 man-years for 1958. That is the workload.

The chairman of the Committee on Post Office and Civil Service also had this to say:

> For 1958 the Department requested $33,166,000, an increase of $2,775,000 over 1957, for salaries, travel and related expenses of the 15 regional organizations. On page 81 of the Senate hearings Mr. Stans said they were studying the question of the whole regional structure and may reduce to some extent the number of district offices that they have under the regions.

That is one thing the Committee on Post Office and Civil Service said it would look into, before we can reach any final conclusion as to how much the Department needs, and what it can get in the year to come, as well as the question of who will take the responsibility for what is not done. We have no way of answering the question at this time.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. CAPEHART. I am sure that the question of an increase in postal rates comes under the jurisdiction of the Committee on Post Office and Civil Service.

Mr. ROBERTSON. We looked into that question. The President took credit for $560 million in his budget. There was involved an increase in airmail rates, as well as other increases. The proposed 4-cent rate for first-class mail would produce $450 million.

Mr. CAPEHART. Mr. President, will the Senator yield, in order that I may ask the chairman of the Committee on Post Office and Civil Service if there is any likelihood that his committee will report favorably a bill to increase postal rates? Is there that possibility?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Virginia ask unanimous consent to yield for that purpose?

Mr. ROBERTSON. I ask unanimous consent to yield in order that the Senator from Indiana may ask this collateral, but pertinent, question of the chairman of the Committee on Post Office and Civil Service, which has under consideration the legislation referred to.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. CAPEHART. My question is this: Is there a possibility that the Committee on Post Office and Civil Service will report favorably to the Senate this year a bill providing for an increase in postal rates, in time for the bill to be passed by the Congress and signed by the President?

Mr. JOHNSTON of South Carolina. We have taken the position in committee, both when the Republicans were in charge of the committee and when the Democrats were in charge of the committee, that this is a revenue matter, and that when the House acts on the subject the Senate committee will immediately act on it thereafter.

Mr. CAPEHART. The answer is that the Senate committee will take no action until the House acts; is that correct?

Mr. JOHNSTON of South Carolina. We will take up the bill for consideration after the House has acted.

Mr. CAPEHART. But the Senate committee will take no initiative to report a bill to the floor of the Senate until the House acts first?

Mr. JOHNSTON of South Carolina. That is the position of the committee, and that has been its position heretofore.

Mr. CAPEHART. I do not know whether the Senator can answer this question. However, is it the Senator's best judgement that the House will report a bill at this session to increase the postal rates?

Mr. JOHNSTON of South Carolina. For the information of the Senator from Indiana, I should like to say that the House is progressing at the present time along that line. Its committee has already passed on certain sections of the bill, as I understand.

Mr. ROBERTSON. That is correct.

Mr. JOHNSTON of South Carolina. It looks as if the committee will report a bill to the House within the next few days.

Mr. CAPEHART. If the House committee does not report a bill favorably to the House, and the House fails to pass a bill, the Senate committee will not consider any increase in postal rates. Is that correct? In other words, does that mean that if we pass the pending appropriation bill in its present form, and no deficiency bill is passed later, it will be necessary to curtail postal services and to lay off some people in the Post Office Department?

Mr. JOHNSTON of South Carolina. I should like to have the Senator from Indiana understand that laying off employees does not depend entirely on the revenue of the Department. All the postal receipts go into the Treasury, of course.

Mr. CAPEHART. Yes; I understand that. In fairness to the chairman of the Committee on Post Office and Civil Service, I should say that he is correct in that regard. My point is that if an increase in the postal rates were provided, we might then be able to maintain the present postal services.

Mr. JOHNSTON of South Carolina. That would not affect this matter at all, for the simple reason that the additional amounts thus obtained would go only to cut down the deficit in the Post Office Department.

Mr. ROBERTSON. As I understand, the chairman of the Committee on Post Office and Civil Service has stated that since the House committee has already acted on the most controversial part of the postal rate increase bill, namely, that relating to the 4-cent first class postage, there is very good reason to believe that the Senate will pass a postal rate increase bill also. However, as he has pointed out, that will not amount to more than $450 million, and the deficit without any increase in the postal rate, is estimated to be $650 million.

If the $58 million is restored, and if the $7 million is restored, the deficit, without any increase in postage rates, will be in excess of $700 million.

The pending bill carries $166,660,000 more than was provided for the current year. That is not a small sum. It will take care of a great many functions. As the Senator from South Carolina has stated, we do not know whether it will be sufficient to provide full Saturday deliveries, or everything that is needed for Christmas deliveries, or to take care of the rapid expansion in urban areas, where, as soon as an additional 3,000 homes have been built and streets provided, everyone wants immediate mail delivery.

The committee takes the position that we will ask the Post Office Department to look into every phase of economy that can be developed.

I am sure Postmaster General Summerfield wants to cooperate with us. I do not think he wants to be nasty and mean and say, "Oh, well, no matter what you do about it, you must give me more money, or I will curtail postal services where it will hurt the most."

I think he will look into all ways of economizing.

Even if we were to put back into the bill all the money the House has stricken from it, he says it still will not be enough.

Since we must have a supplemental bill anyway, why not let us consider it all at one time? Therefore, we should go ahead and pass the pending bill for both the Treasury and Post Office Departments, exactly as the bill came from the House; then we can look further into the matter if, as, and when the President sends to the House—because the House must act first—a supplemental estimate, which will be in the neighborhood of $132 million, I believe.

Mr. CAPEHART. Are we to understand, then, from the able Senator that if we pass the pending bill as is and it can be proven later that the Post Office Department needs additional money, it will be provided in a deficiency appropriation bill?

Mr. ROBERTSON. The decision will then be made. If the Department will then need more money to give the kind of service it is giving now, we will have an opportunity to vote for that service or vote to curtail it and take the responsibility, if we do so.

Mr. CAPEHART. I should like to ask one further question.

Mr. ROBERTSON. The Senator does not have to vote for more money.

Mr. CAPEHART. The Congress will then be faced with the decision of appropriating, in a deficiency appropriation bill, more money, or saying that we want postal services to be curtailed.

Mr. ROBERTSON. That is according to the testimony, of course. We will ask the Postmaster General if more economies cannot be effected.

I appreciate the courtesy and patience of my two distinguished colleagues, the Senator from New Jersey [Mr. SMITH] and the Senator from Vermont [Mr. FLANDERS]. I have spoken much longer than I had intended to.

At this time I ask unanimous consent to have printed in the RECORD at this

point some suggestions that have come to me from the distinguished chairman of the Commitee on Post Office and Civil Service.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON OF SOUTH CAROLINA

First, Post Office should take a look at the activities of regional and district offices which are reputed to have increased postal costs by over $15 million a year. On page 81 of Senate hearings Mr. Stans said they were studying the question of the whole regional structure and may reduce to some extent the number of district offices that they have under the regions.

Second, Post Office Department should examine transportation methods to find out just how many empty or half-empty cars are carrying the mails at other than peak periods.

Third, it should go over its transportation costs and negotiate new contracts.

Fourth, reduce or abolish "public relations" activities unconnected with keeping the public informed on mail services.

Fifth, eliminate the "red, white, and blue" paint program.

Sixth, eliminate "public opinion" polls to find out reaction to rate increases.

Seventh, check over postal inspectors to find out how many are merely looking for ways to create vacancies to be filled by apostles of the great crusade.

Eighth, reschedule the workloads to permit handling deferred types of mail during slack periods and eliminate much overtime and substitute employment.

(Of the $2,385,212,465 requested for 1958 for total personal services, $1,714,656,985 is for basic salaries for regular employees. $555,691,903 is for basic salaries for substitute employees and $42,094,164 for overtime, $36,916,223 for nightwork differential.)

Mr. ROBERTSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a summary of the pending bill.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE BILL

Titles I, II, and III of the accompanying bill contain a total of $3,884,927,000 for regular annual appropriation items. This is the same amount recommended by the House, an increase of $209,652,150 over the 1957 appropriations and $80,364,000 under the estimates for 1958. Approximately $191.1 million of the increase results from statutory requirements, principally the contribution to the retirement-fund requirement which totals to approximately $154.6 million. This is required by Public Law 854, 84th Congress. This item does not represent a new item insofar as the total expenditures of the Federal Government are concerned, since an appropriation covering the aggregate contribution for Federal employees was included in 1957 in the Independent Offices Appropriations Act.

For the Treasury Department, the committee recommends concurrence in the action of the House and the bill recommends an appropriation of $691,467,000, a decrease of $22,364,000 under the budget estimates for 1958 of $713,831,000 and an increase of $42,897,150 over the 1957 appropriation. Of the increase approximately $23 million are required for contribution to the retirement fund.

For the Post Office Department, the bill recommends an appropriation of $3,192 million, the same amount as recommended by the House and a decrease of $58 million under the budget estimates for 1958 of $3,250,000,000. The amount recommended is $166,660,000 over the appropriation for 1957. Approximately $131,482,059 are required for contribution to retirement fund.

For the Tax Court of the United States, the bill recommends an appropriation of $1,460,000, the budget estimate for 1958, and the amount recommended by the House. The increase of $95,000 over the 1957 appropriation is primarily to cover the contribution to retirement fund.

Mr. ROBERTSON. Mr. President, I yield the floor.

Mr. MANSFIELD. Mr. President——

The PRESIDING OFFICER. The Senator from Vermont has sought recognition for some time. The Chair recognizes the Senator from Vermont.

Mr. MANSFIELD. I have an amendment to offer to the pending bill.

Mr. FLANDERS. If the Senator from Montana wishes to make a speech on his amendment, I would appreciate it if he would wait until I have finished my very brief talk. I wish to express my gratitude to the Senator from Virginia [Mr. ROBERTSON] for yielding the floor when he did.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

A MIDDLE EAST PROGRAM

Mr. FLANDERS. Mr. President, I have adopted the title of "Middle East" program to head the manuscript of this talk. I have used this title so as to conform to the terminology of the "Middle East" doctrine, but this has been done in some bewilderment. What has become of the old and familiar geographical area known so long as the "Near East"? Has this territory sunk without trace? Where does the Middle East begin? Where does it end? What are the limits of the Far East? It is clear that we live in a period of rapid and confusing change.

But after all, these questions are unimportant. What is important is that confusion and conflict is rife in an area comprising Egypt, Israel and the Arab world, no matter by what name we choose to call this area. We have given this area a doctrine. It needs more than this. It needs a program. A program requires that the area, its governments, and its people be looked at as a whole. That we have not been doing. We have been looking at crisis after crisis, and have sought limited solutions for each crisis as it has arisen. Is it not far better to examine the lesions which produce the crises? If we can mitigate and control the lesions perhaps the crises will diminish.

The elements of a suggested program have already been set forth in the two preceding talks. It will be remembered that they are based on the long-range self-interest of governments, races, and particularly of the peoples of the area. Only on the basis of such long-range self-interest is there any hope of constructive solutions.

For Egypt and its people there are proposed the following benefits:

First. Recognition of the fact that the Nasser government is the government of Egypt.

Second. World acceptance of the nationalization of the Suez Canal, based on a recognition by Egypt of the commercial world's stake in its efficient and evenhanded administration.

Third. Assurance of a steady income from operation of the canal, on terms acceptable to the commercial world and therefore promoting maximum use.

Fourth. A reopening of the Aswan Dam project or consideration of an alternative project to find the most efficient means of increasing the agricultural production of the Nile Valley, such project to have our support.

Fifth. Use of our influence to assure the flow of an enlarged agricultural production to the increasing of the living standards of the people of Egypt.

Sixth. Offer of our hearty support of the expansion of education as part of a general program for the Arab world.

Seventh. Promotion of peaceful relations with Israel so that the attention of the Egyptian government may be focused on raising the well-being of its citizens.

For Israel and the Israelis there are proposed the following benefits:

First. Recognition of Israel as a sovereign nation, dwelling within fixed and known boundaries.

Second. Support for Israel in negotiating for the Gaza Strip as new area required for settling Jews newly displaced from adjoining territory.

Third. Stabilization which will end raids and counterraids over established borders.

Fourth. Opening the Suez Canal to the passage of Israeli shipping.

Fifth. Support of the United States for internationalization of the Gulf of Aqaba and its approaches.

Sixth. Improved prospects for the joint development of the Jordan Valley.

Seventh. A recognized place for Israel among the nations of the Middle East, by virtue of its technical leadership in the development of Middle East natural resources.

For the whole Arab world there are proposed the following benefits:

First. Assurance that the recognized boundaries of Israel are established and that population increase in the future will be supported by technical improvements in the use of natural resources.

Second. The status of Israel made clear as a nation among nations, not motivated by ideologies unacceptable to mankind in general.

Third. A general release of tensions permitting successful negotiations for the development of the Jordan Valley to the benefit of Jordan and Syria.

Fourth. The pioneer technology in the Israeli use of Middle East resources made available throughout the area.

Fifth. Encouragement for the regional use of the great capital resources flowing from the oil wells, so that the Middle East may become economically independent.

Sixth. An expanded economy resulting from the application of new technology and new capital, furnishing opportunities for the profitable resettlement of present refugees.

Seventh. Our assistance in supporting education to benefit the whole population.

Eighth. All the preceding elements, combined, definitely to check Communist infiltration which, if it were successful, could only result in a stagnation in production and the destruction of desirable social and political institutions.

To the whole family of nations the following advantages would accrue:

First. The world interest in the Suez Canal would be recognized, and established. Unrestricted transit would be assured.

Second. Compensation for nationalization would be reinstituted.

Third. Negotiations for adding the Gulf of Aqaba and its approaches to the list of international waterways, as an alternative route between the Red Sea and the Mediterranean.

Fourth. Stabilizing of a large and threatening area of conflict.

Fifth. Specifically for Great Britain the status of the Suez Canal, assured by international agreement with Egypt, makes the maintenance of Cyprus as an armed camp no longer necessary. She can be relieved of the great expense and the political problems with which she has hitherto been burdened.

Mr. President, this is a program. It is not a loose assemblage of separate projects. While some specific elements of the total program might successfully be negotiated, the usefulness of such a partial procedure is very limited.

Therefore this program, or some similarly inclusive one, should be announced by the United States. It should be supported officially by the United Nations. Negotiations should then proceed vigorously as to details on all fronts, with all elements viewed in the light of the whole undertaking.

Mr. SMITH of New Jersey. Mr. President, I commend the distinguished Senator from Vermont for his very interesting presentation concerning the situation in the Middle East.

Mr. FLANDERS. I thank the Senator from New Jersey.

THE BUDGET

Mr. SMITH of New Jersey. Mr. President, I shall try to restore some of the bloom of the "budget rose," which is so dear to the heart of the majority leader; in other words, for a few minutes I wish to discuss the budget.

During the past few weeks, there has been a rather insistent clamor from all over the country for a reduction in Federal expenditures and an appeal from many quarters for a lowering of taxes. This public demand has arisen primarily from statements by some that the administration has submitted the "largest peacetime budget in history," and from rumors that there are differences within the administration as to whether or not the budget can be cut—differences primarily between the President and the Secretary of the Treasury.

The size of the administration's budget has concerned us all, and the administration has been subject to sharp and critical attacks by the Democratic majority and suggestions from both sides of the Senate aisle for drastic appropriations cuts. Cuts which have been imposed upon appropriations by the House have received understanding consideration by the Senate Appropriations Committee.

On the other hand, a few days ago the Senator from New York [Mr. JAVITS], the Senator from Connecticut [Mr. BUSH], the Senator from Kentucky [Mr. COOPER], and various other Senators came to the defense of the Administration and the budget submitted this year. I commend my colleagues for their fine presentation of the issues and shall add a word of explanation of this fiscal situation as I visualize it.

As a part of his remarks, the Senator from Connecticut [Mr. BUSH] incorporated in the CONGRESSIONAL RECORD, on page 6283, the text of the letter sent by President Eisenhower to Mr. SAM RAYBURN, the Speaker of the House. It is not my purpose to quote this letter in full, but I do wish to reemphasize its content.

PRESIDENT EISENHOWER'S LETTER TO SPEAKER RAYBURN

In his letter to Speaker RAYBURN, the President divided the estimated expenditures for the coming fiscal year into three categories. The first consists of legally prescribed expenditures which total $17.6 billion, or 24 percent of the total expenditures. The second and largest portion of the estimated expenditures for the coming year is in direct support of our national defense, some $45 billion, or 63 percent of the total. The remainder constitutes only 13 percent of the budget and only $9 billion.

Mr. President, legally prescribed expenditures, such as interest on the debt, public assistance, veterans' pensions, and similar items, must be paid unless Congress decides to repeal the laws requiring those payments. Failure to appropriate adequate funds for these obligations now will merely necessitate supplemental appropriations at a later date.

As to that large portion of the budget which is devoted to our national defense and security, President Eisenhower in his letter warned that "a cut of any appreciable consequence in current expenditures for national security and related programs would endanger our country and the peace of the world." It is the President's judgment that there is no foreseeable "early lessening of international tensions and dangers as would justify a significant downward revision in our defense and related programs."

Thus with legally fixed costs and national defense expenditures totaling 87 percent of the proposed budget, any large-scale reduction in the 1958 budget must be made at the expense of the $9 billion which provides for all the other activities of the Government. The activities in this area of the budget, as described by the President, are "such activities as public health, the various housing programs, all operations of most executive departments, the civil functions of the Corps of Engineers, the nationwide functions of the General Services Administration, the worldwide functions of the Department of State," and others. As the President stated, "a multibillion-dollar reduction would destroy or cripple many essential programs if concentrated in this limited area of the budget."

The President concluded, concerning the expenditures for fiscal 1958:

> It is clear that a "substantial reduction" in Federal expenditures next fiscal year • • • whether in any one or a combination of these major segments of the budget, would weaken the Nation's defenses, or cut back or eliminate programs now required by law or proposed in the public interest, or both. That forces the conclusion that a multibillion-dollar reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

In the same letter, however, the President did propose a number of items of new spending authority which he felt Congress could reduce. He recommended that a total of $1.8 billion of new spending authorizations could be eliminated or postponed without serious detrimental effect. Included in the President's proposals were reductions of $500 million in the military assistance program of the mutual security program, $200 million in military public works, and a $516 million possible reduction in Army procurement and production.

I should emphasize that these reductions proposed by the President are in future spending authority. They will not all reflect reductions in actual expenditures during fiscal 1958. Yet they will materially assist in alleviating budgetary expenditures in future years.

SECRETARY HUMPHREY SUPPORTS THE PRESIDENT

Mr. President, there has been some discussion about a difference between President Eisenhower and Secretary Humphrey. The Secretary of the Treasury, Mr. Humphrey, is in complete accord with President Eisenhower's approach to this budget.

On the same day when President Eisenhower sent his letter to Speaker RAYBURN, Secretary Humphrey addressed the National Industrial Conference Board in New York, and stated:

> The President's letter of this morning puts into proper perspective the problems about the budget which have been the subject of discussion since the budget was sent to the Congress in January.

While confirming the proposed reductions which the President proposed in future spending authority, Secretary Humphrey continued:

> The President • • • stated that actual spending in the coming fiscal year cannot be cut by multi-billion-dollar amounts without danger to the national safety or interest, or the modification of some of the existing programs now authorized or required by law.

Then said Secretary Humphrey—and I emphasize these words:

> I urge every citizen to earnestly consider and support the President's direct and simple analysis of the principles involved in our budget problems. The President's position not only guards the Nation against ill-considered or dangerous slashing of the budget, but it also points the way to well-considered

steps toward holding future Federal spending down. Controlling the upward march of total Government spending is of greatest importance to us all.

Mr. President, in that connection I may say that I have talked personally with Secretary Humphrey about this matter, and I can state that he is glad to have me emphasize this point. What he is driving at is future spending and the enactment of programs which require ever-increasing appropriations.

Mr. DOUGLAS. Mr. President, will the Senator from New Jersey yield?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from New Jersey yield to the Senator from Illinois?

Mr. SMITH of New Jersey. I am glad to yield.

Mr. DOUGLAS. Then do I correctly understand that Secretary Humphrey is opposed to any significant economies in the President's budget?

Mr. SMITH of New Jersey. No. I shall come to that point later in my remarks.

Mr. DOUGLAS. Is the Secretary of the Treasury opposed to any significant economies, or is he in favor of them?

Mr. SMITH of New Jersey. The Secretary of the Treasury is supporting the President's position.

Mr. DOUGLAS. And what is the President's position?

Mr. SMITH of New Jersey. Mr. President, I would rather not yield further and get into an involved discussion. I wish to make my presentation with continuity. I am sorry, but I must defer the Senator's question for the present.

Mr. President, I fail to see any difference of opinion between the President and Secretary Humphrey over the present budget.

As a further illustration of the misunderstanding throughout the country of Secretary Humphrey's position and what he actually said with regard to the budget, I ask unanimous consent to have printed at this time in the RECORD, as a part of my remarks, an article entitled "The Distorted Hair Curling Issue." The article was written by David Lawrence, and was published in the Washington Evening Star last Friday, May 10. The article explains clearly what Secretary Humphrey meant by his now famous "hair curling" remarks.

The PRESIDING OFFICER (Mr. THURMOND in the chair). Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE DISTORTED HAIR CURLING ISSUE—RECORD QUOTED TO SHOW THAT HUMPHREY DID NOT USE PHRASE ON 1958 BUDGET

Secretary of the Treasury George Humphrey has been bearing the brunt of a good deal of criticism lately throughout the country. Some accuse him of attacking the President's budget. Others say he predicted a depression that will curl your hair unless the 1958 budget recommended by the President is cut by many billions of dollars. Partisans on Capitol Hill have been twitting the administration and seeking to exploit the alleged contradictions.

But, if ever a man in public life was misquoted or quoted out of context, misunderstood and misrepresented, it is the present Secretary of the Treasury in relation to his comments at a press conference of January 16 last.

Fortunately, a stenographic record was kept and was issued to the press that same day.

This correspondent has just completed a study of what was distributed by the various wire services and what was printed in most of the newspapers immediately after the press conference of January 16. The only conclusion that can be reached is that the text of what the Secretary really said and the impression conveyed by some of the wire services is considerably different. Here is the exact text of the question that drew the response about hair curling:

"Mr. Secretary, isn't nearly all the talk here today about cutting spending and cutting taxes largely academic, as long as the world situation remains what it is? Looking at this budget, I find that the lion's share of the increased expenditures is for mutual security and defense. Is there any hope anywhere in the world situation that you can do any cutting in defense spending in the next few years?"

It is to be noted that the questioner inquired about "any hope anywhere in the world situation" and referred specifically to the "increased expenditures for mutual security and defense." Here is the exact text of Humphrey's answer:

"I think there is—yes, I do . I think there is some hope you can reduce expenditures all along the line, I would certainly deplore the day that we thought we couldn't ever reduce expenditures of this terrific amount, the terrific tax take we are taking out of this country. If we don't over a long period of time, I will predict that you will have a depression that will curl your hair, because we are just taking too much money out of this economy that we need to make the jobs that you have to have as time goes on."

Humphrey spoke not of this year's budget but of what has to be done over a long period of time. He was talking directly about reducing expenses for armament. So are Prime Minister Macmillan and Premier Mollet and Chancellor Adenauer. All over the world statesmen are talking of the back-breaking burdens of armament.

None of the dispatches written on January 16 that this correspondent saw emphasized sufficiently the difference between Humphrey's comments on the long-range prospects due to the armament burden arising out of the world situation and the particular budget submitted that week by the President.

The public didn't get the impression at all that Humphrey was really supporting the existing budget, but that he was differing with the President. Yet in the text of the transcript occurs the following comment by the Secretary:

"I think this budget as now drawn has been prepared with the very greatest care, and I think it is the best that we can possibly do right now. Now, my whole point is this: That it is 18 months before we get through living under this budget, and I think there are a lot of economies and a lot of savings that we ought to be able to make if we pay strict attention to our business and work at them hard enough during the next 18 months. I don't think there is anything in sight at the moment that can be done better than is now proposed in this budget, but I think we ought to improve it as time goes on."

Asked whether the Secretary and the President differed about the budget, Humphrey said in that same press conference:

"There is no division or difficulty in the administration at all on this subject. This is a thing that we all are in accord on. This budget was made up, as I say, with the very greatest care and a great deal of time spent on it, and this is apparently the best we can do at the present time. But I just believe that over 18 months we ought to keep doing better."

The improvement process has already been begun. The agitation has, therefore, in some respects been salutary, but some of the talk and criticism is going to extremes and could harm the effectiveness of America's international influence in a critical period in history if appropriations for necessary programs are curtailed or abandoned through mistaken acts of Congress.

Partisans have been able to distort and twist what Humphrey did say. A complicated subject, such as the budget really is, has been made a football of politics. Unless corrected by an informed public opinion, the momentum of the entire economy can be slowed down and a recession precipitated.

PUBLIC CONCERN OVER THE BUDGET

Mr. SMITH of New Jersey. Yet, Mr. President, there exists, and it is gratifying to me, a widespread public concern over the expenditures of Government; and I share the feelings of those who desire to see the budget reduced. It is confusing, however, to discover the degree of public misunderstanding which surrounds the budget and the belief that it can be painlessly reduced by many billions of dollars.

The budget should be of vital concern to all of us who have a deep interest in the level of governmental services provided for the people, the cost of such services, and the ability of the economy to progress, as well as to support the necessary expenditures of Government. However, we must never lose sight of the vital fact that the budget is not merely a sum of money to be extracted from the taxpayers and devoured by the Federal Government. To view only the total number of dollars contained in the budget is to overlook the vital consideration that these dollars represent the implementation of programs and policies.

INFLATION SINCE 1939

An alarmed emphasis has been placed upon the total of estimated expenditures under the fiscal year 1958 budget—$71.8 billion. It has erroneously and unfavorably been compared with the highest prewar budget of $9 billion in 1939, as evidence of the outlandish extravagance included in the President's proposals. But such comparisons are misleading at best. Such comparisons fail to take into consideration the effect of inflation, the rapid expansion of our economy, with a resultant rapid advancement in our gross national product and our national income, and the vastly different situation of the United States in relation to that of the rest of the world.

All of us are aware of what inflation has done to our cost of living. The same is true of the Government's cost of operation. To compare the budgets of 1939 and 1958, it is necessary to attribute over $41 billion of the present budget to the subtle operation of intervening inflation. This means that in terms of 1939 dollars, the budget of the fiscal year 1958 would total $30.6 billion, and not the $71.8 billion we have been discussing.

GROSS NATIONAL PRODUCT AND NATIONAL INCOME

We should also realize that the proposed budget does not represent any increase in the proportion of our gross national product or national income which is devoted to Federal expenditures. In fact, the $71.8 billion expenditures included in the budget represent only about 16.2 percent of our gross national product, as compared with 16.5 percent expended during fiscal year 1956, and 16.3 percent estimated to be expended during fiscal year 1957. In relation to the national income, the 1958 budget represents only 19.8 percent of our total national income, as compared with 24.7 percent expended during the fiscal year 1953, 22.7 percent in the fiscal year 1954, and 20.9 percent in the fiscal year 1955. With the advancing level of prosperity and expansion in this country, the Federal budget represents a smaller burden upon the Nation's wealth than those of recent years. The creation of wealth within this country is advancing at such a fast rate that a stable level of taxation returns more than sufficient revenues to meet our national expenditures.

BALANCED BUDGET AND SURPLUSES

Mr. President, this is the third consecutive budget President Eisenhower has presented to the Congress and the people which is based on an estimated surplus of income over outgo. For the first time in 25 years, the country is in the financially sound position of managing governmental expenditures on a balanced budget for 3 years in a row. In spite of the fact that during the Eisenhower administration there has been the largest general reduction of taxation in the country's history, an anticipated surplus of $5 billion has been predicted as a result of the budgets for the fiscal years 1956, 1957, and 1958. None of the burden of the present budget will be placed upon the shoulders of our children, for future payment. The Government is paying its way as it goes. At the same time, the national debt is being reduced.

DUTY OF CONGRESS TO REDUCE BUDGET

Mr. President, as I stated earlier, I am in favor of reducing the budget, where possible. Congress has the responsibility to eliminate waste, inefficiency, duplication, and fat of any kind, wherever it is found. However, such paring of the budget must be done carefully, responsibly, and without panic. We must not lose sight of the fact that this is a cold-war budget, not a so-called peacetime budget. We must not endanger our national security or the peace of the world for the sake of a temporary financial benefit. If it were not necessary for this country to maintain its present Military Establishment against the Communist threat to our independence, the budget could be drastically reduced. However, the persistent threat of Communist aggression is a fact, and we cannot ignore it.

As to the nonmilitary, or nonsecurity, portion of the budget, we must recognize that we in the Congress have saddled future budgets with expenditures which we are committed to pay. We have written into law provisions which require that certain financial benefits be paid to various groups of our people. The expansion of our public-assistance programs necessarily means higher future expenditures of our national Government. The various agricultural-support programs necessarily mean substantial expenditures for our farm community. Expansions of medical service and care benefits for our veterans necessarily mean that the costs of our veterans programs will be increased in future years. We must face the fact that we cannot consistently expand benefits and programs when legislation is before us, and then balk at paying the price of the programs. The Secretary of the Treasury has been emphasizing this point when he has stated that the Congress must reduce, eliminate, or halt expansion of governmentally financed programs before it can expect the future trend of Government expenditures to turn downward.

Secretary Humphrey has been taking that position right along.

We must reconsider policy determinations which require many of these benefits if we wish to make substantial reductions in the total budget, particularly since the absolute necessity of defense preparedness and technological advance requires enormous, continuing expenditures for our own national security.

Mr. President, the Congress is now considering the appropriations bills, and will be proceeding with them during the coming months. I urge my colleagues to achieve whatever reductions can be prudently accomplished and I shall join them in it—but I also urge them to realize the limitations which are inherent in dealing with appropriations as a means of altering policies established by law. I urge them to consider President Eisenhower's letter to Speaker RAYBURN and the fact that substantial cuts can only be applied to 13 percent of the total budget, when legally prescribed expenditures and national security items are excluded. To take a meat ax to that $9 billion portion of the budget will have disastrous effects.

MUTUAL SECURITY PROGRAM

Some members of this body have suggested that there are substantial reductions which can be made in the mutual security program. I am particularly interested in that program.

The President has already revised his authorization request downward, from $4.4 billion to $3.9 billion. I sincerely hope that my colleagues will not seize upon the mutual security program and make it the "whipping boy" in a relentless drive for budgetary reductions. We cannot afford drastically to undercut these relatively small expenditures upon which we rely for the long range peaceful development of the world. While maintaining our military national defense, we cannot afford to eliminate those programs, which are working for the benefit of this country, and other countries throughout the world, for a peaceful international situation.

Mr. President, in this connection, I ask unanimous consent to have printed in the RECORD an editorial by David Lawrence in the April 26 edition of the U. S. News & World Report. This thoughtful editorial is entitled "Penny Wise and Pound Foolish."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the U. S. News & World Report of April 26, 1957]

PENNY WISE AND POUND FOOLISH

(By David Lawrence)

For centuries, back to the days when we still used the English pound instead of the dollar, the expression quoted in the headline above has been used to warn against economizing unwisely.

From one end of the country to the other in recent weeks there has arisen a proper demand that government spending be curtailed lest it get out of hand in future years. This demand is in itself a warning against the dangers of a loss of public confidence in the dollar—a possible forerunner of an inflation panic.

But the other extreme can be equally dangerous. We must not ruin the effectiveness of the dollar we are spending by slashing the budget recklessly. It has often been said that any building can be toppled over if one is permitted to select and tear out just 10 percent of the bricks anywhere in the structure.

Many citizens, eager to see their taxes reduced, are joining a chorus which, in effect, says, "Let's cut the budget, irrespective of the consequences."

Other citizens, urged on by well-intentioned associations and organizations seeking early tax reduction, denounce as wasteful certain categories of expenditure, such as "foreign aid," or blandly classify as "boondoggling" many an item with whose purpose they are unfamiliar. There are also those who, without examining all the facts, just call the whole spending program a reversion to "new dealism."

There must soon be a turn to common sense and realism. The agitation for a reduced budget is, of course, salutary. It is one of the healthiest symptoms of public interest in a complex subject that has been manifested in a long time. But we must nevertheless proceed on the basis of facts and not just wishful thinking.

How many newspapers will give the necessary space to print the full text of the letter on this subject just written by President Eisenhower to Speaker RAYBURN of the House of Representatives?

Without a knowledge of the viewpoint and the facts contained in that letter, no citizen can argue intelligently about the cuts that ought to be made in the Federal budget. The readers of this magazine will find the letter on pages 91–94.

The President wants to cut the budget. But it cannot be done with a hatchet, as Congress is doing. For this will prove far more costly in the long run than the sums allegedly saved now.

Take, for instance, the unwise cut made by the House of Representatives last week in the $144 million requested by the President for the use of the United States Information Agency. The amount was reduced to $106 million. That's a reduction of almost one-third. Isn't it obvious that what the House really did was to disapprove a policy?

The projects recommended originally were the result of months of study of how America might combat Communist propaganda in different parts of the world. Men expert in the field of transmitting ideas to peoples in various countries worked out the plan but, in a few hours, a majority of the Members of the House, who could not possibly be familiar with the specific conditions abroad in which America is fighting the spread of international communism, slashed the program with a meat ax. An information agency of the Government which seeks to prevent war by reaching the hearts and

minds of other peoples was frustrated. Yet its cost represents only one-third of 1 percent of what we have to spend for armament.

If we do not win the cold war we will find ourselves in the midst of a hot war. And who will have to fight that war, and what will it cost? Not only will our sons be drafted and the lives of many of them sacrificed, but in a nuclear war the civilian population will be decimated—and the budget will skyrocket.

The American people cannot afford meat-ax cutting of the budget. Federal spending, as the President says in his letter to the Speaker of the House, can be reduced and he points the way. But, with $45 billion for armament and national protection and $17.6 billion for fixed items like veterans' pensions and interest on the public debt, only $9 billion remains for all the other activities of the Government. Hence, the President says, "a multibillion-dollar reduction as evidently envisaged by the House resolution would destroy or cripple many essential programs if concentrated in this limited area of the budget." He declares that a substantial reduction in 1958 expenditures can be accomplished only at the expense of the national safety and interest.

The President is right. His letter is supported in its entirety by Secretary of the Treasury Humphrey. Certain cuts in spending authority for future years are recommended by Mr. Eisenhower, together with a sensible procedure to achieve a system of economical spending.

This is not a time to play politics. It is a time for commonsense. We must not be penny wise and pound foolish.

CONCLUSION

Mr. SMITH of New Jersey. Mr. President, in our legitimate desire to see that the expenditures of the Government are reduced insofar as is possible, we must not let our eyes be clouded to the extent that we neglect the inescapable facts of our world situation. If we could forget the threat of international communism to our freedom and independence; if we could ignore the necessity of developing and maintaining close understanding relationships with the other free countries of the world, and especially with those additional peoples who are yearning for freedom, independence, and self-determination; if we could ignore these aspects of developing peace in the world, I would be in the vanguard of those who would, and could, reasonably achieve gigantic reductions in Federal expenditures. However, Mr. President, we lose sight of these facts only at the peril of our freedom and independence. We cannot risk the sacrifice of our priceless heritage for the sake of meat-ax economy.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. CASE of New Jersey. I wish to commend my senior colleague from New Jersey for the splendid address which he has just delivered to the Senate. It is a real contribution toward clarification of a situation which many persons, for partisan and unworthy purposes, have attempted to cloud. It is directly in line with the President's straightforward and clear exposition in his letter to the Speaker of the House. I am confident it will be directly in line with what the President will say when he addresses the country on the subject, as he expects to do tomorrow night, I think, and again next week.

I desire to associate myself completely with my senior colleague from New Jersey. I know he represents the views of the people of our State in regard both to their desire not to have any unnecessary expenditures, and to provide all the expenditures that are necessary in regard to defense, in regard to our foreign policy, and in regard to our domestic programs.

I join with the Senator, and wish again to commend him for the splendid statement he has made.

Mr. SMITH of New Jersey. I thank my colleague.

Mr. BUTLER. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. BUTLER. With the exception of the foreign-aid program, has the administration made any definite recommendation as to where cuts can be made?

Mr. SMITH of New Jersey. I should have to look at the President's letter for the details. In that letter mention was made of a cut in foreign aid of $500 million. The total reduction came to a total of approximately $1,800,000,000.

Mr. BUTLER. This morning's Times quotes Presidential Assistant Sherman Adams as saying the budget could be cut as much as $2 billion without interfering with the quality of the services by the Government. Have recommendations to that extent been made?

Mr. SMITH of New Jersey. That is the figure I arrived at.

Mr. BUTLER. In other words, there is a spending budget of $71.8 billion and a proposed budget of new programs amounting to $73 billion plus. Is it in the latter area in which the cuts would be made by the President?

Mr. SMITH of New Jersey. I am hoping the President, in his message to the country tomorrow night, will cover those details again, because they have been the subject of considerable discussion.

Mr. BUTLER. The reason I call this to the Senator's attention is that confusion has arisen in reference to this matter. I am confused. One Cabinet officer says one thing, and another says another thing.

Mr. CASE of New Jersey. Mr. President, will the senior Senator from New Jersey yield to me so that I may reply to the Senator from Maryland?

Mr. SMITH of New Jersey. I yield.

Mr. CASE of New Jersey. In the letter which the President wrote to Speaker RAYBURN, the President suggested a total of $1.8 billion might be eliminated from the present budget, or postponed. I think the Senator has the same thought in his mind. That is practically the same as what the assistant to the President mentioned in his television remarks over the weekend. There is no inconsistency at all about it. They seem to me completely in line with each other.

Mr. BUTLER. Mr. President, will the Senator yield further for a question?

Mr. SMITH of New Jersey. I yield.

Mr. BUTLER. In other words, the administration is prepared at this time to forego any new spending and cut back the foreign-aid program to the extent of $500 million. Is that correct?

Mr. SMITH of New Jersey. I think that is correct. When the Senator says "any new items," I do not know what he means.

Mr. BUTLER. The difference between the spending budget and the requested budget.

Mr. SMITH of New Jersey. The cut for foreign aid would amount to $500 million.

Mr. BUTLER. But the administration would forgo at this time any additional expenditures on programs in which we have not spent money before.

Mr. CASE of New Jersey. If the Senator will yield so I may answer, I think that is not quite correct. The budget totalling $71.8 billion includes certain programs recommended, but not yet adopted. It includes funds for the proposed school-construction bill. The President does not, in his letter to the Speaker, suggest eliminating that item from his program. Items included in the $1.8 billion cut include approximately $500 million in so-called foreign aid, but I point out that is in the military-assistance item and not the economic-assistance item. There is another figure of $200 million for military construction. There is another figure of about $500 million from the defense budget. The others are rather small items.

Mr. SMITH of New Jersey. I will say to the Senator from Maryland that what I have been trying to do is analyze this matter and to reduce the existing confusion. There is much misunderstanding in the popular mind.

Mr. BUTLER. I do not know whether my mind is of the popular variety or not, but I have been confused by the seemingly different statements of administration officials.

Mr. SMITH of New Jersey. The Senator's mind is just the same as my mind. I have been trying to analyze this problem in order to reduce confusion and misunderstanding. I hope what I have said will be helpful.

Mr. President, I yield the floor.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 4397) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. The committee amendment will be stated.

The amendment of the Committee on Appropriations was, under the heading "Title I—Treasury Department," on page 9, after line 7, to insert:

GENERAL PROVISIONS—TREASURY DEPARTMENT

SEC. 102. Not to exceed 5 percent of any appropriation herein made to the Treasury Department for the current fiscal year, except for the appropriations made to the United States Coast Guard, may be transferred with the approval of the Bureau of the Budget, to any other appropriation of the Treasury Department, but no appropriation shall be increased by more than 5 percent by any such transfers, and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives.

Mr. ROBERTSON. Mr. President, I ask concurrence in the committee amendment. It will facilitate the action of the Treasury Department in adjusting itself to some of the cuts proposed in this bill.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. I wish to compliment the Senator from Virginia for his work on this bill. I should like to ask the Senator from Virginia whether it is true that some $3 billion which the Treasury has on deposit with the banks of the country draws no interest?

Mr. ROBERTSON. The Senator is correct.

Mr. DOUGLAS. That is, no interest is paid by the banks upon the deposits which the Federal Government has with them, most of them being classified as demand deposits.

Mr. ROBERTSON. Of course, under the law, national banks cannot pay interest on those accounts.

Mr. DOUGLAS. I understand.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I feel like a lonely man this afternoon, because it is difficult to offer to an economy minded Congress an amendment which seeks to raise the appropriation reported by the Appropriations Committee. However, while I approve of the feeling of the Congress, I consider it is my duty at this time to invite the attention of the Senate to a situation which exists in the State of Montana relative to the customs buildings on the American side of the Canadian-American frontier.

Mr. President, the Treasury and Post Office Departments appropriations bill the Senate is considering today is substantially the same as that passed by the House. Considering the economy mood which now prevails, I feel that the funds contained in this bill are generally adequate. However, I wish to take exception on one item.

The bill does not provide construction funds under the Treasury Department appropriation for the construction of 16 new customs-immigration stations along the Mexican and Canadian borders. The budget request of $450,000 has been disallowed by both the House and the Senate Appropriations Committees. The funds would have allowed the Customs Bureau to pay its share of the cost of construction of these small stations, in cooperation with the Justice Department. Among those stations scheduled to be constructed were four Montana stations—Del Bonito, Opheim, Turner, and Morgan.

Normally I might say that this work could be postponed until next year, but the conditions at these stations in Montana are deplorable. The Bureau and the Immigration Service have inspected the stations, and have recognized the need for extensive buildings to replace antiquated structures and to provide enlarged facilities at places where there has been a considerable increase in vehicular and passenger traffic. As we all know, the amount of travel and commerce between northern States and our Canadian neighbors is ever-increasing.

At the Turner station two trailers are being installed as a temporary expedient. Budgetary economies are understandable but not to the point that necessary facilities such as these customs stations are ignored.

Mr. President, I hold in my hand a newspaper clipping from the Glasgow Courier, Glasgow, Mont., showing photographs of the Canadian and American Customs Buildings at Turner, Mont. The American station consists of two trailers equipped to be used on the Mexican border. Drinking water must be brought in and there are no modern sanitary facilities.

As a matter of fact, the picture I hold in my hand shows the trailer, as well as the outside toilet, on the American side, used by the American Customs Service, whereas on the Canadian side is shown the luxurious building which will be used by the Canadian customs officers. There are 14,000 crossings made annually at this border station.

In contrast, the Canadian customs office represents an investment of around $100,000. It is designed for 24-hour service, and is complete with all modern conveniences.

It has come to my attention that the House granted over $2 million in construction funds for 5 border stations to house customs and immigration facilities in California; Texas, 2; Maine; and New York. Yet, we refuse to grant $900,000 for 16 smaller border stations, including those in Montana. Four hundred and fifty thousand dollars of these funds was originally requested by Treasury in the budget requests considered in this bill.

I am sure there is great need for the larger units, but I am distressed at the prospect of denying funds for the smaller units, all in the name of economy.

Mr. President, I ask that a letter dated May 8, 1957, which I have written to the Administrator of the General Services Administration be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

See exhibit 1.

Mr. MANSFIELD. The other customs stations which are included in the $900,000 program are located in the States of North Dakota, 5; New Hampshire; Minnesota, 3; California; Arizona; and Idaho.

I am sure that the conditions at these stations are no better than at those in Montana.

EXHIBIT 1

MAY 8, 1957.

Mr. FRANKLIN G. FLOETE,
Administrator, General Services Administration, General Services Building, Washington, D. C.

DEAR MR. FLOETE: It has come to my attention that GSA has been granted construction funds by the House in the independent offices appropriation bill, which would provide five border stations to house customs and immigration facilities in California, Texas (2), Maine and New York. Your budget request was reduced by $375,000 and is now pending before the Senate Appropriations Committee.

I am very interested in the improvement and construction of customs facilities throughout the country but as you may know the $900,000 request for 16 smaller border stations was rejected by the House—several of these in my State of Montana. As you can understand I am very desirous of having these smaller stations constructed, especially in view of the extremely poor conditions that now exist on the American side of the Canadian border.

My purpose in writing to you is to ask for a statement explaining why GSA does not have the jurisdiction over the construction of the smaller customs stations, as well as the larger units.

Thanking you for your courtesy, and with best personal wishes, I am

Sincerely yours,

MIKE MANSFIELD.

Mr. MANSFIELD. Mr. President, I have sent to the desk an amendment to H. R. 4897, which will restore $450,000 to the appropriation for the Treasury Department. I ask that it be read.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, line 10, it is proposed to strike out "$48 million" and insert in lieu thereof "$48,450,000."

Mr. ROBERTSON. Mr. President, the subcommittee and the full committee are sympathetic to the request for the 16 additional immigration customs stations. Fourteen of them, as the Senator from Montana said, are requested for the Canadian border, and two are requested for the Mexican border. Of the latter two, one would be in Arizona and one would be in California.

The Treasury Department recommended these stations, and the Bureau of the Budget recommended them to the House. However, when the Secretary of the Treasury came before us, after these items had been stricken out, he said, "I am asking for no restoration."

The committee was very sympathetic, because there is merit in this proposition, but the committee felt that if we opened up this bill for this item, we would have to consider an item of $8,205,000 for more airplanes, an item for shrimp boats, and a number of other requests. The committee said, "We will have an austere program. We will have to defer some of these items."

I hope very much our distinguished colleague will realize the situation in which the committee was placed, and in which the Senate is now placed, and take my assurance that next year, if there is any chance for a reconsideration of this matter, the project for the customs stations in Montana, will be very fully considered.

Mr. MANSFIELD. Mr. President, I am very happy to have the assurance of the distinguished chairman of the subcommittee, the junior Senator from Virginia. I hope that there is a possibility it can be considered next year. I know if it is, it will be consdered sympathetically, because the chairman and his subcommittee have been generous in both their time and understanding. I express the hope that if there comes before the Congress this year a supple-

mental appropriation bill, in connection with which there is a possibility that these border stations may be considered, appropriate consideration will be given at that time.

Mr. President, on the basis of the assurances given by the distinguished Senator from Virginia, I will withdraw my amendment. I should like, at the same time, to ask that the article to which I have referred, from the Glasgow Courier, be printed as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CANADIAN, AMERICAN CUSTOMS BUILDINGS PROVIDE CONTRAST

View shows the American customs and immigration office 12 miles north of Opheim in the top photo. The two trailers were placed in position in November 1956. The offices had been in Opheim since 1925.

In contrast are the modern Canadian facilities at the border, shown in the lower photo. Funds are being sought for new American buildings, but fate of the appropriation in Congress is uncertain.

The American location is on a 60-foot public reserve paralleling the international boundary. Negotiations are under way to acquire land next to the new State road being built from Opheim to the border.

The trailers are equipped with 1-ton electric air conditioners and were intended for use on the Mexican border. Oversize propane heating equipment has been installed to make the trailers comfortable. Drinking water must be brought in. There are no modern sanitary facilities, but there is a reasonable facsimile of the two-hole WPA buildings of the 1930's.

Hours are 9 a. m. to 6 p. m. daily, including Sunday. Men who staff the offices live in Opheim. Unofficial sources estimate that 14,000 crossings of the border are made annually.

The American flag being flown is a nylon test. Ordinarily flags are blown to shreds in about 30 days in the prevailing northwest wind.

The Canadian West Poplar River customs office was established in 1916. The plant represents an outlay of around $100,000. It is one of the best along the 750-mile Montana border and is designed for 24-hour service.

Nearest is the administration building, about 24 by 36 feet, with full basement and living quarters above the offices. The other two buildings are residences for the staff. All have modern plumbing and heating equipment. There is an ample supply of good well water. Hours are the same as the American offices. There are also two substantial garages.

Electricity is furnished by the Northern Electric Cooperative at Opheim to plants of both countries and telephone service is provided by the Rural Telephone Cooperative of the United States.

Canada's No. 2 highway leads from Prince Albert National Park through Watrous, Moosejaw, and Rock Glen, Saskatchewan, to West Poplar port of entry. The northern terminus is near a primitive area in the Lac LaRonge district, a popular fishing resort. Canadian road officials are pleased to see the Americans improving roads at the southern terminals of their important and most popular routes.

Mr. MANSFIELD. I am only sorry that the pictures portrayed here, which show the disparity between the trailers and outside toilets on the American side and the facilities on the Canadian side, cannot be printed, so that the contrast with what are, in comparison, luxurious Canadian customs and immigration buildings could be depicted.

I thank the Senator from Virginia.

Mr. ROBERTSON obtained the floor.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield, with pleasure.

Mr. HOLLAND. Mr. President, I wish to say to the distinguished Senator from Virginia that I compliment and congratulate him upon the manner in which he has approached this bill. I think his approach is highly realistic and I think it is highly responsible. I noticed in one of the newspapers over the weekend a rather perfervid editorial suggesting that the approach was irresponsible. I call attention to a few figures which, at least in my judgment, show conclusively that the approach is reasonable, responsible, and cautious, and should be highly commended.

Speaking of the Post Office Department only, the appropriation for fiscal year 1957, the year which is about to end, was $3,025,000,000 plus, and that includes the $41 million of extra appropriations made only a few weeks ago in the deficiency bill. That $3,025,000,000 plus, the total of the appropriations for 1957, when compared with the amount of the bill reported and now under debate, namely, $3,192,000,000, shows an increase of $166 million plus, according to the committee report, which represents a 5½ percent increase over the entire budget for the current year 1957. I call attention to the fact that that is not only a very substantial increase, but that it is a greater increase than the percentage of increase in the amount of mail to be handled, according to the Postmaster General.

Let us look at another part of the picture. The budget request was for $58 million more than the committee report and recommendation. In addition, the Postmaster General has stated publicly that he will require an additional amount, in the nature of a supplement, of somewhere between $70 million and $90 million. That amount, added to the $58 million, which would be denied under this action, would bring the total request for an increase to about 10 percent, or a little more, as contrasted with the 1957 budget.

I think the Senator from Virginia is to be congratulated, first, for his courage in coming forth with a request for a reasonable increase. Everyone knows that the volume of mail has increased.

Second, he is to be commended most for his refusal to allow the Senate to be drawn at this time into a discussion of the request for an additional $58 million, plus the additional $70 million to $90 million, with respect to which we are placed on notice that in a few days we shall be confronted with it.

I think the Senator from Virginia displayed excellent judgment in insisting that the question of the additional $58 million, plus the additional $70 million to $90 million, should be discussed at one time, in connection with a single supplemental bill, so that we may know, first, what the definite amount is—and it has not been definitized yet.

Second, there is the question of what decrease in services, if any, would be involved by reason of our failure to grant the additional amount requested.

In closing, I invite attention to the fact that the bill, as reported, with an increase of 5½ percent, or $166 million plus, will allow for each quarter of 1958 more than $41 million over and above the average per quarter for this year, even after including the increased amount which we granted for the fourth quarter.

I think the Senator from Virginia has exhibited great responsibility, great reason, and every possible generosity. I commend him for his insistence that we shall know what we are considering in the way of a total increase, and know just how the public will be affected by it before we allow this question to become the subject of a great debate either on the floor of the Senate, the floor of the House, or in conference, or in all three of those places.

The Senator from Virginia has done a fine piece of work, for which I commend him warmly.

Mr. ROBERTSON. Mr. President, I very much appreciate the complimentary remarks of my distinguished colleague from Florida. As he has stated, our subcommittee thought that we should add enough to the House bill to enable the Department, on the basis of an estimated increase of 1½ percent in volume, to continue the same type of service we are now receiving.

I told the Postmaster General, 2 days before we marked up the bill, just what I would recommend. On the day we were marking up the bill he asked for the opportunity to come before us to give us some "after-discovered evidence," as we lawyers call it, to the effect that there would be an increase in volume not of 1½ percent, but nearer 5 percent, and that he would still need from $70 million to $90 million more.

As the distinguished Senator from Florida has said, the logical thing for us to do is to go along with the House bill, and consider requests for additional funds in connection with a supplemental bill, assuming that the Budget Bureau will approve them. The Budget Bureau has 450 men to look into the subject. Our committee has no such staff. The President will send the request to us, and the great debate will begin in the other House. After the House has completed action, we will take another look at the subject.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. POTTER. I wish to commend the distinguished Senator from Virginia for his leadership in bringing to the floor, for the first time in my memory, an appropriation bill with respect to which the Senate committee did not restore at least a portion of the reductions made by the House of Representatives. This is the first appropriation bill reported to the Senate at this session. It is one in which restorations have not been made. I hope it will serve as a warning to our colleagues on the other side of the Capitol that when they make drastic cuts in

the budget they cannot expect the Senate to make restoration of the cuts made by the House. I think it is a healthy sign, and I hope the same principle will be followed in connection with other appropriation bills.

First, I wish to commend the Secretary of the Treasury, after reductions were made in the House in the appropriations for his Department, for coming before our committee and stating that he would not ask for any restoration of the funds. There was a polite reference by the Treasury Department relative to a proposed increase of about $8 million plus for airplanes for the Coast Guard, but the request was not formally presented to the committee. Knowing the temper of the committee, the Secretary did not stress the request.

I sincerely hope that the Secretary of the Treasury will not come forward with a supplemental request for $8 million for airplanes for the Coast Guard, or any other item which was not recommended in connection with the regular appropriation bill.

So far as the Post Office Department is concerned, the Postmaster General has done a businesslike job with a greatly expanding Department. I am sure the chairman of our subcommittee feels as I do. It is difficult for any member of the subcommittee, on the basis of the evidence presented, to place his finger at any point and say, "You can cut here," or "You can cut there."

As the Senator has stated, this is the largest Department in the Government. It is the largest agency of its kind in the world. Our committee—and probably the same is true of the corresponding committee on the other side of the Capitol—spends a few days reviewing the appropriations with representatives of the Department, in an effort to determine where cuts can be made.

When reductions are made, if they are to be effective, they require a dedicated effort on the part of the administrator in charge to bring about economies in Government. We can do all the cutting we wish, but what is required is dedication on the part of the administrator in charge in order to place economies into full effect.

I sincerely hope that all concerned will recognize the temper of the Congress and the temper of the country, and see that substantial reductions are made in the budget.

I commend the distinguished Senator from Virginia for a job well done.

Mr. ROBERTSON. The Senator from Virginia appreciates very much the kind remarks of the Senator from Michigan. It is only fair for him to say that on this bill, as in true of all other bills at this session of Congress, when it comes to cutting the budget, it will be necessary to draw very liberally on our friends for glass eyes, and that if any sympathy shows up, it will be coming out of those glass eyes. [Laughter.]

Mr. CARLSON. Mr. President, I shall speak on another subject, but first I wish to say that I commend the chairman of the Subcommittee on Appropriations which handled the appropriation bill dealing with the Treasury and Post Office Departments.

Under the Reorganization Act, the chairman and the ranking minority member of the Committee on Post Office and Civil Service have an opportunity to sit on the Committee on Appropriations when it considers this bill. In this instance such an opportunity was afforded, and so, as ranking minority member, I sat with the committee. I know some of the problems involved in recommending this appropriation. The distinguished chairman, the Senator from Virginia [Mr. ROBERTSON], has handled the bill very well.

There is no question in my mind that it will be necessary to pass a deficiency appropriation bill for the Post Office Department. When that bill comes before the Senate the committee will again have an opportunity to determine how much money is needed, and we ourselves will have an opportunity to determine how much service we want. When those questions are taken care of, I am sure we will reach an agreement under which the work of the Department will continue and the funds it needs will be provided.

I repeat that the Senator from Virginia has done a splendid job in connection with this bill.

Mr. ROBERTSON. The chairman of the subcommittee wishes to express his appreciation and to say that the distinguished Senator from Kansas was very helpful in the work of the subcommittee.

ERROR IN TRINITY PROPOSAL

Mr. KUCHEL. Mr. President, earlier this year the Secretary of the Interior recommended legislation amending the Trinity project law so as to permit the Pacific Gas & Electric Co., for the next 50 years, to produce and market the electricity to be generated by that project. Last week, the Secretary announced that there was error in his Department's data upon which he made his recommendation. Accordingly, he has asked Congress to delay all consideration of his proposal until he has had an opportunity to rectify the error and restudy his position in the matter.

A portion of the error in the Secretary's recommendation is disclosed by a Congressional staff study which I requested. This study shows that the Department substantially underestimated the increased costs which Federal and other public agencies would be compelled to pay for their power from the company during the recommended half-century proposal. Instead of an estimated $86 million additional cost, the staff study indicates that this figure should be revised upward to more than double this amount, or to an additional cost in excess of $200 million.

Exclusive of power used by the Central Valley project for pumping water through its system, Federal agencies—military bases and atomic energy and missile installations—presently purchase more than one-third of CVP power used by public agencies. On this ratio, a third or more of increased power costs would be borne by the Federal Treasury during the period of the proposed partnership contract. This would amount to increased annual Congressional appropriations to these Federal agencies of considerably more than $55 million; indeed, the increased costs for their power could well exceed $70 million. One of the allegations made by the Secretary in his original recommendation is that a $55 million saving to the Government would be obtained if the company were to install the generating equipment. This saving is thus illusory. What the Government would allegedly save in one pocket it would certainly pay—and more—from another pocket. And at the end of the contract period, the Government, to obtain the generating equipment, would be compelled to appropriate money to buy it from the company, at whatever value would then be placed on it.

This situation is demonstrated now in the request to Congress for additional appropriations for the Ames Laboratory of the National Advisory Committee for Aeronautics in California. This agency deals in research for guided missiles. Testimony demonstrated that this laboratory has previously received all its electric power from the Central Valley project at about 5 mills per kilowatt-hour. Expansion of the Ames Laboratory defense research requires additional electric power that cannot now be supplied by the project and will have to be secured from the Pacific Gas & Electric Co. at about 13 mills. In the case of this one installation, company service will cost the Federal Treasury about $1,720,000 more per year than equivalent service from CVP, of which Trinity, under present law, would be an integrated part. Congress this year will add that amount to the budget for this one agency for the next fiscal year. Other Federal defense agencies will be faced with exactly the same problem.

Why should Congress turn over to a private company the hydroelectric capacity of a publicly built Trinity Dam and then appropriate millions of additional dollars to California defense bases to pay for resulting increased power bills? Why should the Congress authorize a private utility to generate power on a publicly developed public reservoir only to purchase at a premium electricity its own agencies require?

RECIPROCITY IN FOREIGN TRADE

Mr. CARLSON. Mr. President, last year when the Senate was considering a bill to amend and extend the Sugar Act of 1948, I discussed the importance of the principle of reciprocity in connection with such legislation. I said then, and I repeat it today, "If reciprocity is to have a real meaning in our foreign trade, it must be a two-way proposition."

There are few, if any, of my distinguished colleagues here today who would not agree with that statement, I am sure. It seems so basic and almost elementary that it is hard to realize it does not appear to be accepted so generally as we might expect.

The reason why I mentioned this matter last year and am bringing it up again today is to make the record quite clear

and to sound a note of warning for those foreign countries who are interested in the United States as a market for their products, especially agricultural, such as sugar. All sovereign countries, of course, are quite free to take any domestic action they might wish to take in the interest of their national welfare. If action is taken, however, which is directed at United States imports, particularly of basic agricultural commodities, or which hurts such trade, especially in those commodities which have had a long background of trade in the country and in trade agreements developed on a reciprocal basis, then I believe Congress should make corresponding adjustments in United States import quotas or should adopt other measures to reduce access of such countries to the United States market.

Let me give a specific example of what I have in mind. Cuba, our good neighbor to the south, has been a traditional supplier of sugar to the United States. In turn, Cuba has been a major market for wheat flour from the United States. Both commodities have been included in the preferential trade treaties negotiated between the two countries over a long period of time, and they provide the type of reciprocity in trade which I have already mentioned. Each commodity represents an industry which is basic to the country and for which it has many natural advantages for production and export.

Our sugar legislation has clearly recognized that there are certain limits which should be placed upon the uneconomic production of sugar in the United States, even though technically we might be able to become a self-sufficient producer of sugar, especially with our island territories. Accordingly, we have developed a carefully balanced supply situation involving a limited share of domestic production, with the balance of United States requirements being imported under special quotas assigned to foreign suppliers. The system has worked quite well, and it has provided a guaranteed market for most of the countries exporting to the United States—something quite unusual in these days of a buyer's market for most commodities.

Apparently some businessmen in Cuba now believe that they can have their cake and also eat it at the same time. They are proposing to build a big flour mill in Santiago, Cuba, under special concessions and protection which they hope to receive from the Cuban Government. Another group, not to be outdone, are proposing a mill at Cienfuegos. If approval and special assistance shall be granted for these flour mills by the Cuban Government, United States flour exports to that country, as we have known them in the past will come to an end. This will mean a permanent loss of much of the Cuban market for United States wheat as well as flour, because the record clearly shows that when a flour mill is built in a foreign country, imports of United States flour are not automatically replaced with United States wheat.

So then what happens? We all know the story well. United States farmers are asked to reduce their acreage of wheat a little more, and we provide soil banks, special disposal legislation, and so forth, costing hundreds of millions or even billions of dollars. In my great State of Kansas in 1952, for example, the farmers harvested 14.6 million acres of wheat with a crop out turn of over 307 million bushels. This acreage and production even exceeded that of most foreign countries, including such well-known exporters as Australia and Argentina, and was almost equal to the average out turn in Canada. In 1956 only 9.2 million acres of wheat were harvested, with a crop of 143 million bushels, and further reductions in acreage and production are in prospect for this year.

Why have millions of United States farmers been forced to curtail their production of wheat, and why have flour millers had to close their mills in recent years after being called upon three times in my generation to go all out to save the world with food? It is primarily because as soon as the emergency is over, the countries that called so loudly for United States supplies of wheat and flour to meet their bread rations, raise import barriers, and try to produce wheat or flour themselves. At the same time, of course, they want to continue to send their products to the United States.

I say there should be a limit to how far the United States will continue to grant access to its large and expanding market for a commodity, like sugar, to countries which in turn impose quota limitations and other restrictions on imports of a United States basic commodity, such as wheat flour. I know of no case in which local mills have been built or wheat production has been encouraged so that the consumers of that country have received any benefits in the form of lower bread prices or better quality products. On the contrary, every report that has come to my attention shows that it is the large mass of consumers who pay the bill with higher prices or taxes to offset the concessions granted, and usually with poorer quality products.

I was quite impressed during the sugar hearings last year with the number of foreign countries which wanted to participate in the United States sugar market. The list seems to grow steadily. Most of these countries are also markets for products which the United States produces in surplus, notably basic food items such as wheat and flour, for which we have unusual natural advantages and which our farmers and millers want to supply.

When the Sugar act or other similar legislation comes before our committee and the Congress again for renewal and amendment or other action, I propose to find out how each foreign supplying country has been treating United States exports, and what sort of reciprocity of trade we are actually getting. If more countries realize that access to the United States market also means some obligations on their part not to adopt measures that will hurt or restrict the market for United States commodities, especially those which have been included in trade agreement negotiations, we will be making some progress, I believe, toward a real reciprocity of trade.

AUTHORIZATION TO SIGN BILLS, ETC.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Vice President or the President pro tempore be authorized to sign, during the adjournment of the Senate, bills and joint resolutions examined and found to be truly enrolled.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, it is so ordered.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

Mr. DOUGLAS. Mr. President, I wish to discuss the Treasury and Post Office appropriation bill, which is now under consideration.

I think the House and Senate committees have done well by cutting the combined budget for the two departments of the Treasury and the Post Office by a little more than $80 million, or by a little more than 2 percent, but I believe the Senate can do still better, because the appropriations which are here presented to us are still $250 million, or almost 7 percent more than the amount which was appropriated last year.

As the discussion this afternoon has shown, $58 million of the $80 million reduction is being made in the Post Office Department appropriation. It has developed that the Postmaster General has already stated that not only will he demand a restoration of this amount in a few days, when he submits a supplementary appropriation request, but that he will probably ask for from $70 million to $90 million more. So we shall be confronted in a few days with a requested appropriation of from $128 million to $148 million.

The Postmaster General got away with such tactics a few weeks ago, when his appropriation had been cut by $47 million. By threatening to curtail postal services, he clubbed the House and Senate into restoring $41 million of this amount.

We can be certain that—having tasted blood once—he is out for more. Unless we stiffen our resistance to the big spenders in this administration, we shall wake up to find that either we have made only nominal reductions in the Treasury budget, or that we will have actually appropriated more for the two departments than the administration originally requested. That is the situation which faces us today.

Mr. President, I think we should do better than that. In a series of amendments which I shall offer—and I hope that at that time there will be a larger attendance of Members than is here at the moment—I shall propose further cuts of approximately $162 million—$12 million from the Treasury and $150 million from the Post Office. I shall develop

these points as I go along by a series of amendments.

Suffice it to say that, in the main, these changes would be effected by a reduction in the amounts paid out by the Treasury and Post Office Departments in huge hidden subsidies. They could be carried out without the slightest decrease in services; and they would be of great benefit to the taxpayers.

Added to the cuts already made, and which should be held, they would permit total savings of approximately $242 million—or a reduction of a little over 6 percent from the budget as submitted by the Eisenhower administration.

Mr. President, I send to the desk the first of these amendments and ask that it be stated.

The PRESIDING OFFICER. The amendment of the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 2, in line 9, it is proposed to strike out "$3,088,000" and to insert in lieu thereof "$2,988,000."

Mr. DOUGLAS. Mr. President, this is a proposal to cut the appropriation for the Office of the Secretary of the Treasury by an additional $100,000.

Mr. President, much has been made of the fact that the House of Representatives voted to cut the appropriation for the Office of the Secretary of the Treasury by $36,000, as compared to the original amount requested for that Office, and that the Secretary of the Treasury did not ask for the reinstatement of the larger sum. Mr. President, this would seem at first sight to be very generous, until we review the past appropriations for that Office, and then we see how large is the increase the Secretary of the Treasury requested, in terms of the past record, and how great an increase the approved amount would still be.

Let us use the appropriation for that Office for the year 1955 as a base. In that year, the appropriation for that Office for expenditure for salaries was $2,648,463. For the fiscal year 1958, the Secretary of the Treasury requested, for the same Office, $3,124,000, which is approximately $475,000 more than the appropriation for 1955, or approximately 19 percent more than the appropriation for 1955, and 7 percent above the amount allowed last year, which was $2,900,000.

Mr. President, the well-known statement of the Secretary of the Treasury has been quoted many times; I refer to the statement made by him at his press conference on Tuesday, January 15, 1957, which he held to announce the fiscal year 1958 budget. Secretary Humphrey said that "governmental expenditures and the number of Government employees are now increasing. This trend should promptly be stopped."

Later, he complained that expenditures have "been creeping up ever since," the budget of 3 years ago. "It just kept creeping up on us" was his plaintive cry. He finally stated that, "If we don't"—cut expenditures—"I will predict that you will have a depression that will curl your hair."

My purpose in rising today is to help keep Secretary Humphrey's hair from curling. And there is no better place to do that than right in his own office—the Office of the Secretary of the Treasury.

Personally, I shall be very happy to help Mr. Humphrey "stop this trend." I want to keep it from "creeping up."

Perhaps, Mr. President, I should offer an amendment to cut back to the 1957 figure of $2,900,000. However, I wish to be fair and to be generous.

My amendment would allow him $88,000 more than the amount allowed for this purpose last year, or approximately 2 percent more.

I am aware of the fact that in regard to the proposed increase, there is advanced the justification that $157,000 will be required for the added benefits under the Civil Service Retirement Benefit Fund, as required by Public Law 854 of the 84th Congress. I also realize that included is an additional $10,000 for the 261st working day in 1958, and also an additional $12,000 for the increased cost of steam heat which the General Services Administration is expected to charge the Treasury Department. Furthermore, I realize that $8,800 additional is included for a program of the replacement of office equipment.

I am proposing that some of that total amount be allowed, but not all of it.

In the first place, as salaries have increased and as efficiencies have gone into effect, there should have been some general gain in productivity in the Secretary's Office. Unless people work more efficiently as time goes on and produce more, there is no real economic justification for higher salaries and wages. It is interesting to note that with 71 fewer people in the Secretary's Office since 1955, the cost of salaries and expenses has increased from $2.64 million to $3.08 million, or by almost $440,000, or by over 16 percent, or over 5 percent per year. Surely, at least 3 percent of this yearly 5-percent increase could be absorbed by the Office in increased productivity. Three percent of last year's appropriation is approximately $87,000, and that amount should be assumed and absorbed by the Department in increased productivity of its higher salaried employees.

The same is true, Mr. President, of the 261st working day. Should not this item of $10,000—which is equal to less than four-tenths of 1 percent of the expenses involved in the entire year for salaries and other expenses because of the extra working day—be absorbed by an efficient and competent office under the jurisdiction of a man who is determined to stop this trend of increasing Government expenditures? These efficiencies, when added to the $87,000, should save a total of $97,000.

Furthermore, Mr. President, during the hearings in both House and Senate, much was made of the fact that the Treasury Department had made big savings owing to carrying out certain recommendations, following a survey of this office. The savings were said to have amounted to $8 million initially, and $6 million on an annual basis which will continue.

Mr. President, the total Treasury budget is $691.4 million. The Secretary's office is receiving $3,088,000, or approximately one-half of 1 percent of the total. One-half of 1 percent of the $6 million savings, which the Secretary of the Treasury has said he has made would be $30,000, which, if applied equally, should be the amount the Secretary's office should save under these departmental efficiencies. That, added to the 3-percent productivity increase, plus the absorption of another four-tenths of 1 percent in the figure for an extra working day, would bring to $127,000 the total savings which would be made by a person as able and as determined to save money as the Secretary is alleged to be.

My amendment calls for a reduction in the Secretary's budget for his office of only $100,000, which leaves ample room for any miscalculations. That would still give his office nearly $90,000 more than the amount allowed last year.

Surely he should be prepared to take such a small cut under existing circumstances, and it would seem to be a very small contribution which the Secretary could make to the general cause of efficiency and economy.

Mr. ROBERTSON. Mr. President, I wish very much that I were in a position to agree with the views of the distinguished Senator from Illinois, because the junior Senator from Virginia is just as much dedicated to economy as is the Senator from Illinois, and would welcome a chance to reduce appropriations, if they appeared to be larger than necessary.

However, Mr. President, the actual fact is that in this particular office, six jobs have already been eliminated. The actual fact is that when the House of Representatives cut this particular item $36,000, it did not leave one penny for any increase in pay. The actual fact is that although $188,000 more than was allowed last year will be allowed this year, all of it—except for a very nominal sum for office equipment—will be required for mandatory increases which the Secretary of the Treasury cannot avoid. One is the retirement fund. That is $157,200. The next one is the $10,000 cost for the 261st working day in fiscal year 1958.

Another item is $12,000 for more steam. I do not know why they are running out of steam, but General Services Administration says it will need $12,000 for more steam. How can we say they do not need more steam or that it is going to cost less than $12,000?

These are mandatory increases, and if the Senate adopts an amendment to cut $100,000 from an item of $188,000, all mandatory, the Department cannot absorb what it does not have. That is the unfortunate situation about this amendment.

If there were involved an item of $6,000 or $7,000 for furniture, the suggestion could be made to use the same tables and chairs they now have, and that no new furniture should be bought; that they should patch up their old sofas, or whatever other furniture is in need of repair. We might go along with such a suggestion, but the proposal is to cut the heart out of increases over which the Secretary of the Treasury has no control.

Therefore, I hope the amendment will not be adopted.

Mr. DOUGLAS. Mr. President, I am quite well aware of the mandatory provisions which were passed by the Congress in the last year and specifically referred to them. But what I was trying to say was that the Secretary of the Treasury, if he would only increase the efficiency of the operations of his office, could economize and absorb the major portion of the mandated increases. We are merely asking that the Secretary of the Treasury should practice some of the efficiencies which he is forever demanding others to practice. Thus, he could keep down the cost of his office to the American taxpayers. That is all we are proposing.

If we believe that George M. Humphrey is not capable of achieving what the average working man of this country has achieved, namely, increase productivity by 3 percent a year, then we should vote for the requested amount, and vote down my amendment; but I have greater confidence in him than that. I think his abilities are at least up to those of the average working man, and that he can absorb a 3-percent reduction. It would mean that he would have to effect a 3 percent a year increase in productivity, and hence there could be a reduction in the budget which he has submitted amounting to that much. So I think we should give to Mr. Humphrey an opportunity to exercise what he preaches, instead of having him criticize others all the time, and we should give him the chance to save money on the operations of his own office.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I send another amendment to the desk, and ask to have it stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. It is proposed, on page 6, line 10, to strike out the numeral "$7,795,000" and insert in lieu thereof the numeral "$5,795,000."

Mr. DOUGLAS. Mr. President, this is a proposal to reduce the appropriation for the Coast Guard, under the heading "Acquisition, construction, and improvements," by $2 million.

Although it appears that great savings have been made by reducing the Coast Guard estimates by $8.2 million, it also appears that Congress will probably replace some or all of this money in a future supplemental appropriation, when the Coast Guard submits its study of its aircraft situation. At least, this appears to be so from the language in the House report.

The figures in the report of this year, however, do not tell the whole story as to what the Coast Guard is expected to spend in 1958. We must look at the detailed tables in the House hearings to find the true picture. From the figures introduced there, it appears that, although we may appropriate only $7.79 million, the Coast Guard is expecting to spend over $15 million—or almost double the amount of the appropriation. This is due to the backlog and carryover from previous years to be spent in fiscal 1958, which amounts to $10,653,684. On the other hand, of course, all the money that is obligated under this appropriation will not be spent in fiscal year 1958. From the figures in the House hearings, at page 301, it would appear that only $4,991,000 of the $7,795,000 which we shall obligate this year will be spent in fiscal 1958.

Therefore, the figures in the appropriations bill and the figures given to us in the budget do not reflect what actual spending will be. The spending will be in the order of $15 million—or the costs to be incurred from previous authorizations, $10.6 million, plus that portion of this appropriation which is to be spent in fiscal 1958, $4,991,000, or a total of $15.6 million.

I ask unanimous consent that two tables which I have prepared analyzing the Coast Guard appropriations for equipment be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—*Carryover from previous years to be spent in 1958*

Item:	*Amount*
Vessels	$465,756
Aviation facilities	9,236,595
Shore stations and navigational aids	938,875
Repair and supply facilities	12,458
Total carryover (to be spent in fiscal year 1958)	10,653,684

TABLE II.—*1958 obligations which will not be spent in fiscal year 1958*

Item	1958 obligation not to be entirely spent	Amount to be spent in 1958	Not to be spent
Construction of 10 95-foot boats to replace 83-foot overaged boats	$4,000,000	$1,500,000	$2,500,000
Miscellaneous aids to navigation	500,000	280,000	200,000
Selected aids to navigation projects	623,000	594,000	29,000
Replace portion of bulkhead depot, St. Petersburg, Fla.	133,000	78,000	55,000
Total	5,256,000	2,452,000	2,804,000

Source: House hearings, p. 301.

Mr. DOUGLAS. Mr. President, it is said that this is a time of inflation. Certainly that is true in selected parts of our economy. The administration continues to claim that we are in the greatest prosperity we have ever known.

Surely, we can all agree that in times of great prosperity we should have a balanced budget and a surplus, and that we should either lower our public debt or grant tax reductions, or a combination of both. We should save our public works construction for times of recession. In times of great prosperity and at the peak of the business cycle we should cut back on public works.

If we do not save money in times of peak prosperity and apply some of those savings to the public debt, when will we ever do so? If we believe in so-called "compensatory fiscal policies," we must be willing to have a surplus in times of peak prosperity. The policy should not work only one way—to spend for public works in times of recession—and then spend again for public works in times of great prosperity.

Mr. President, I believe that of the $8 billion in both military and civilian public works in the budget this year—and there is yet another $12 billion for direct military needs such as planes, tanks, guns, and military hardware—we should cut back by at least one-quarter, or a total of $2 billion. I am not proposing to cut back on vital military equipment, but I am proposing that military public works, not directly affecting our military supplies—such as navigation aids, bulkhead depots, warehouses and so forth—should be among the items to be postponed or cut this year.

The Coast Guard in fiscal 1958 will spend—even though the item for procurement of aircraft has been knocked out of this appropriation—approximately $15.6 million this year. That will be the actual spending.

The appropriation for fiscal 1958 in this bill is $7.79 million for acquisition, construction, and improvement of Coast Guard facilities. I believe we should cut that back and postpone some of these items, and I therefore am moving to cut this item by $2 million or by approximately one-quarter.

In asking that $2 million be cut from this year's appropriation, I believe I am being overly generous. As I have pointed out, $15.6 million is the amount to be spent by the Coast Guard. Of the $7.79 million we are actually appropriating, some $2.8 million will not actually be spent in fiscal 1958, but will be carried over. Therefore, I think we should cut the appropriation by $2 million, with the understanding that the Coast Guard cut their actual spending by a like amount, and have another look at these items next year when inflationary pressures may not be so great.

Mr. President, we cannot have and should not expect to have everything we want at the same time. Even if the Congress cuts the President's budget by a considerable amount, almost every Department will actually be spending more money than last year.

Even though we have held the amounts to be spent in this bill to that appropriated by the House, we are still appropriating some $250 million more than in fiscal 1957, of which the Treasury gets an increase of $42.9 million, the Post Office an increase of $207.6 million, and the Tax Court an increase of $95,000.

As the Secretary of the Treasury, Mr. Humphrey, has said, these items just keep creeping up on us, year by year. My amendment would cut back on those items, relating to public works, which are most inflationary, and some of which should be postponed.

Even if this should be done, we would not be hurting or cutting the Coast Guard or any other agency to the bone, for they would still be spending more than they spent last year, and more than should be spent if we are to make a sizable dent in the huge Federal budget.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I am happy to yield.

Mr. LAUSCHE. Is the Senator from Illinois declaring the principle that in order to fight the inflationary spiral it is incumbent upon us, in dealing with the projects he is discussing, to begin dispensing with those public works projects which are not absolutely essential for the day; and that that is the theory under which the amendment is offered?

Mr. DOUGLAS. The Senator is correct. The inflation which has occurred has been primarily in the field of capital goods, particularly in those commodities which enter into the building program, such as lumber, cement, steel, electrical equipment, and so on. It has been because of the rush of investment into those fields that the prices have been driven up.

The most effective way of dampening down the inflation which has occurred is to reduce the rate of spending on public works, and to hold ourselves ready, if a recession should come—which we hope will not occur—to accelerate construction during that period.

I think this reduction should be carried out not only in this small item now before the Senate, but in the big items, such as highways, military public works, rivers and harbors projects, and so on. In this way we can effect a reduction of at least $2 billion in the budget without hurting anybody.

It is perhaps unfortunate that we have such an unattractive item as this on which to first lay down the principle of a 25-percent cut, but it is the first item that comes before us.

Mr. LAUSCHE. Will the Senator yield further, for a statement?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. I should like to point out that while I was mayor of the city of Cleveland there was established the Cleveland Postwar Planning Council. That council had its origin in the fear that following the war there might be large-scale unemployment. We called in economists to advise us what to do. Practically everyone who appeared before the council advised that in the period of scarcity of labor and material plans and specifications ought to be prepared for public works to be constructed when the scarcity of labor and material disappeared. That policy was adopted generally by the council.

Regrettably, however, the advice which was given was completely disregarded in the period of prosperity. I think that has been generally true throughout the Nation.

As a Senator from Ohio, I wish to subscribe to the principle enunciated by the junior Senator from Illinois. What we have here is a principle. The fact that the Senator's recommendation involves a saving of only $2 million is inconsequential. I wish to declare today that I shall subscribe to this principle, as we proceed with the consideration of the various appropriation bills which will come before the Senate.

Mr. DOUGLAS. I thank the Senator from Ohio. I wish to say that when he was mayor of Cleveland, five times a governor of Ohio, he gave a distinguished administration. He was noted for being extremely careful with the people's money, and he did not spend money in periods of prosperity if such expenditure could be deferred to a period of recession.

I believe in spending more money in a period of recession. I believe public-works projects should be speeded up in a period of recession. But the corollary of this is that such projects should be slowed down in a period of prosperity. They should not be speeded up at both times. If we are to use public works as a balance and a compensatory policy, we have to accept a slowdown in a period of prosperity as well as a speedup in a period of recession. That is the principle behind the amendment which I offer.

I thank the Senator from Ohio for what he has said. We have fought side by side thus far in this session. I look forward with great pleasure to continuing to fight side by side with him.

Mr. ROBERTSON. Mr. President, I concede the truth of the theory of my distinguished friend from Ohio that $2 million is a small item, but that a reduction of $2 million involves an important principle. I agree with that.

I agree with my friend from Illinois that from the standpoint of those who live in the Great Plains the Coast Guard is inconsequential, but for those who have to travel up and down the Atlantic coast it is a very essential agency of our Government. I agree with that.

I am sure a man starting from here to Chicago could reach Chicago without the help of the Coast Guard; but if he went by boat from Baltimore to Norfolk, and the Coast Guard did not restore the light on the lighthouse station, which recently burned down, on the coast of Virginia, he might not get back to Baltimore.

Considering all the cuts which were made, amounting to $22 million, $12 million of them were taken from this small agency. Let us consider what was cut. Operating expenses were cut $3 million. Acquisition and control funds were cut $8,205,000. Reserve training funds were cut $1 million. That is $12,205,000 from the funds for this small agency.

The Senator from Illinois referred to what they may spend. We have no control over what they may spend next year. There have been appropriated and accumulated $70 billion-plus which are available for expenditure if the President wishes to turn them loose. We cannot control that.

We can control, however, what is considered to be necessary for a continuing program of the very necessary service of the Coast Guard. That budget was carefully prepared. When it came to us, it had been very severely cut. As I said, of the $22 million, $12,205,000, far more than half, was taken out of this one little agency.

I never did find out why that was done. This agency ought to be in the Navy, I assume. Anyway, it is under the Treasury Department because it helps enforce the laws against smuggling and rum running and other illegal activities. The Coast Guard is also engaged in protecting those at sea. They have boats and they have some airplanes. They have boats, as my friend from Florida [Mr. HOLLAND] knows, to protect American fishermen on the Gulf of Mexico engaged in shrimp fishing.

We on the coast of Virginia know how valuable the Coast Guard is. Everybody who lives on the coast of the United States knows how valuable it is.

Several Members of the House told us, "We think we have a good bill, which we have sent over to you, but we may have cut the Coast Guard too much."

Then, again, when they heard that the Treasury Department had asked that we permit the Department to take from and add to the accounts as much as 5 percent, they told me, "If you come back into conference with a permission for the Treasury Department to cut the Coast Guard as much as 5 percent, we will never agree to it."

That is the reason we exempted the Coast Guard from the 5 percent provision, because the House had told us they would never agree to it.

What else happened? Much praise has gone to the Secretary of the Treasury for saying he did not ask for restoration of the funds, but he did ask for restoration. He wrote me a letter and said that he asked very earnestly that we restore $8,205,000 for an airplane replacement program which he thought was very vital and necessary.

Our committee took the position that, as we had not taken any testimony on this report, which was later available, the proper thing to do would be to tell the distinguished Secretary of the Treasury to ask for a supplemental appropriation and request hearings on the House side on the report, showing that the Coast Guard absolutely needed $8,205,000 as a start on an airplane replacement program.

So, while I am imbued with the theory of economy, and wish to make reductions wherever it is practicable, I think it would be utterly impracticable to cut the Coast Guard appropriation, unless I were to move out to Illinois, or some other Great Plains State, and then it would not make so much difference.

I hope the amendment will be defeated.

Mr. DOUGLAS. Mr. President, the distinguished Senator from Virginia was very gentlemanly in not making the direct charge that it was the desire of the Senator from Illinois to cut the Coast Guard appropriations by $2 million, because the fact that the Coast Guard does not operate on routes between Washington and Chicago.

There are Coast Guard stations on the Great Lakes. I frequently took walks in the shadow of the Coast Guard station on the shores of Lake Michigan. I frequently wondered if there was any real purpose in its being there.

When appropriations for public works come up for my State of Illinois, I shall be perfectly willing to have the same standard applied to them that I am now seeking to apply to the Coast Guard appropriations. I ask for no special

treatment nor have I every asked for any such treatment.

It so happens that the immediate item is the Coast Guard appropriation. That happens to be the one that is before us when it is sought to establish a precedent. Whenever any appropriation for highways through the Midwest, or through my State, or other forms of public construction which affect my State, is under consideration, I shall be perfectly willing to have the same cut applied as I am now seeking.

So my good friend from Virginia can make his remarks as strong as he wishes.

Let the galled jade wince,
Our withers are unwrung.

Mr. ROBERTSON. Mr. President, I wish to point out to my distinguished friend that so far as concerns the Virginia Coast Guard station which burned down, it is being rebuilt with current funds. If it were not rebuilt, there would be left unprotected 25 miles along the Atlantic Coast We shall get our Coast Guard station restored from existing money. We should like to see others who need the same facilities get them.

The amount proposed is far below what the Bureau of the Budget recommended. It is below what the Treasury Department recommended, and said should be done.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. Let me say to my good friend from Virginia that even with the $2 million cut there would still be $5.9 million appropriated, so that in all probability, if the need for that lighthouse is as great as has been stated, it would still be included. I also take the liberty of reminding him of something which I am sure he knows quite well, namely, that it was the intention of the Coast Guard and the Treasury Department to use only some $4.9 million of this appropriation during the coming year, and not use $2.8 million of the appropriation. So I am merely reducing the backlog by $2 million, which would not have the effect of cutting down the amounts actually spent by the Treasury.

Mr. ROBERTSON. Mr. President, I ask for a vote on the pending amendment.

Mr. POTTER. Mr. President, does the distinguished Senator from Virginia agree with me that one thing of which we cannot accuse the Coast Guard is the extravagant use of appropriations? I have cited an example in the State of Michigan, namely, the Coast Guard barracks at Sault Ste. Marie. Many of the Coast Guard men refuse to remain in the service because their parents see the conditions under which those men live in the barracks, and they will not allow them to remain in the service.

I will go along with the distinguished Senator from Illinois in opposing an air wing for the Coast Guard. Every branch of the service seems to want an air wing. I will support the Senator from Illinois in opposing the Coast Guard's modernizing its air fleet. I think the evidence will show that long-distance off-shore sea rescues are practically nil.

But when it comes to public works, I know that there have been many projects in connection with which representatives of the Army or the Navy have camped at the doors of Congress. The Coast Guard has never done that. If there is one place in our Government where we could spend some money wisely, not only for morale, but as a matter of decent treatment of the men we ask to serve, it is in connection with housing facilities for members of the Coast Guard. I regret to say that if the amendment of the distinguished Senator from Illinois should prevail, it would further intensify the present situation.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Illinois will be stated.

The LEGISLATIVE CLERK. On page 14, following line 22, and preceding the words "passed the House of Representatives February 20, 1957,", it is proposed to insert a new title IV, as follows:

TITLE IV

INTEREST ON GOVERNMENT DEPOSITS

The total amounts of the remaining indefinite appropriations of the Treasury Department for fiscal year 1958 are hereby reduced by the amount collected by the Treasury Department for interest on deposits of Federal moneys in the commercial banks throughout the United States, not to be less than $10 million.

Mr. DOUGLAS. Mr. President, this is one of the most important issues which can be discussed in conjunction with the pending bill. The amendment which I have offered would reduce, and lay the basis for the ultimate elimination of, a hidden subsidy which the Treasury now pays to banks by making huge deposits of public funds without receiving any interest payment in return. These are, in effect, interest-free loans made to the banks of the country.

The amounts of the funds which are thus deposited by the Treasury in the banks of the country are, indeed, huge. During the past 4 years they have constituted very large sums. I should like to read the amounts.

In December 1953 public-demand deposits with all the insured commercial banks amounted to $4,116,000,000; in June 1954, $5,562,000,000; in December 1954, $4,154,000,000; in June 1955, $5,064,000,000; in December 1955, $3,697,000,000; in June 1956, $5,221,000,000; in December 1956, $3,292,000,000.

I am informed that the most recent report, for the week of March 27, 1957, indicated total Treasury deposits of $3,469,000,000, although the latter figure includes some time deposits, which usually represent only about 7 percent of the total.

I ask unanimous consent that a table on this matter be included at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

United States Government demand deposits (total for all insured commercial banks)

Date	Millions of dollars
December 1953	[1] $4,116
June 1954	[1] 5,562
December 1954	[2] 4,154
June 1955	[2] 5,064
December 1955	[2] 3,697
June 1956	[2] 5,221
December 1956	[3] 3,292

Source:

[1] Federal Reserve Bulletin, December 1955, p. 1343.

[2] Federal Reserve Bulletin, December 1956, p. 1331.

[3] Member bank call report No. 142, p. 12.

Most recent call (Mar. 27, 1957) indicated total Treasury deposits of $3,469,000,000 (including time and demand).

Mr. DOUGLAS. It was established in hearings before the Joint Economic Committee some years ago, and by discussion on the floor of the Senate, notably led by the senior Senator from Virginia [Mr. BYRD], that no interest is paid on such deposits. The able junior Senator from Virginia [Mr. ROBERTSON] stated at the outset of the debate on the pending bill that this is still the case.

Yet there is no doubt that banks make large sums of money from the deposit of these public funds. They can lend the major portion on short-time notes to private commercial interests and they can also buy short-time Treasury notes and bills which yield a good return.

I hold in my hand a Wall Street Journal for this morning. I quote from page 19, column 3, of that issue, on money rates, as follows:

MONEY RATES

NEW YORK.—Banker acceptance rates on 30–90-day bills were quoted at 3⅜ percent to 3¼ percent, 120-day bills are 3½ percent to 3⅜ percent and 180-day bills 3⅝ percent at 3½ percent.

Federal funds bid at 3 percent.

Call money lent dealers on bills and Treasurys was quoted at 3½ percent to 3¾ percent.

Call money on stock-exchange collateral was 4¼ percent to 4½ percent.

Commercial paper sold through dealers 4 to 6 months' maturity was 3⅝ percent to 4 percent.

Commercial paper placed directly by the major finance companies 1 to 9 months' maturity was 3¼ percent to 3¾ percent.

In effect, this means that the Treasury is furnishing enormous sums of money to the private bankers, which the private bankers can then invest in short-time securities. They do not have to keep this money in cash. They can keep a small portion of the money in cash, but they can invest the remainder in short-time securities, upon which they can get a good return.

It seems to me that, at the most conservative figure, banks are able to increase their earnings at a minimum of approximately $100 million a year by these interest-free deposits, and that in years past they have made net earnings of approximately $150 million a year.

I have been collecting figures on these deposits for some time. It should be

noted that the overall figures for the country as a whole are contained in the quarterly member bank call reports published by the Federal Reserve System, and in the Federal Reserve Bulletin, and in the material which I am inserting in the RECORD.

Furthermore, the New York Times publishes every Thursday a clearing-house statement which, in addition to giving the total demand deposits for all the main New York banks, also gives the United States demand deposits. Some of those figures for individual banks are quite striking.

I ask unanimous consent that tables which I have prepared for years in the past, from January 1, 1953, to the present time, by weeks, be inserted in the RECORD at the conclusion of my remarks on this amendment.

There being no objection, the tables were ordered to be printed in the RECORD.

Mr. DOUGLAS. Mr. President, in order that it may be clear that I am not intending to pillory any individual bank, instead of giving the actual names of the banks I shall do the same thing I did in conjunction with the tax avoidance policies of the oil companies, and shall designate the banks by letters, beginning with "A."

Let us take one New York City bank, which we will call "C."

On April 3d the Government had on deposit with that bank $234,991,000. On May 8—that is last week—it had on deposit $152,854,000.

Let us take bank "B." Last September 5 the Government had deposits with that bank of $251,077,000. On May 8, 1957, it had deposits with that bank "B" of $155,988,000.

Let us take bank "E." On April 3, 1957, the Treasury had deposits with this bank of $173,612,000. On May 8 it had deposits of $104,648,000.

Let us take bank "D." In the week ending September 5, 1956, it had Federal deposits of $134,116,000. On April 3 of this year it had deposits of $175,339,000. On May 8, 1957, it had Federal deposits of $95,376,000.

To indicate the huge sums into which these deposits run, let me take the latest figures of some other banks in New York. Here is a bank which on May 8 had Government deposits of $8,023,000. Bank "D" had Federal deposits of $95,376,000. Bank "F" had Government deposits of $59,776,000.

Another bank had Government deposits of $66,949,000.

Another bank had Federal deposits of $58,503,000.

Still another bank had Federal deposits of $81,111,000.

Another bank had deposits of $14,894,000.

Another had $30,132,000.

Then we come to a famous firm of private bankers, whose name I shall not give, because it might be recognized if I were to give the name, that had Federal deposits of $35,688,000. A small bank had only $267,000.

Another bank had $2,745,000. Still another bank had deposits of $3,613,000.

The total deposits in the New York banks—and limited to a small number of banks at that—for last Wednesday were $870,622,000 interest free.

Compared with this, the interest free loans we have heard so much about in committee meetings recently are small potatoes indeed.

Let me point out that these demand deposits credited to the Government are very different from the demand deposits credited to individuals and to corporations. In the case of demand deposits credited to the account of individuals and corporations, we find that in the vast majority of instances they arise from previous loans made by the bank.

What happens is that the banks and the banking system create credit. They make the loan in the form of a deposit, which they set up to the account of the individual or the corporate borrower. In other words, such loans and the demand deposits which flow from them are not made out of savings; they are made out of borrowings. Bank credit created by the bank and by the banking system is borrowed.

The demand deposits credited to the account of the Government are a very different thing. They are amounts collected in taxes from individuals and corporations, thereby diminishing the income of the taxpayers, and in that way cutting down their capacity to buy, and then deposited by telegraph on order of the Treasury in the particular banks.

In the case of demand deposits placed in the banks by the Treasury, the withholding taxes on income and on the forced savings of individuals and corportations come first and create the deposit. In the case of private demand deposits and corporate demand deposits, the loan of the created bank credit comes first and creates the deposit.

Those of us who know anything about State and local governments—and I think that would include virtually every Senator in the Chamber—also know of the enormous sums of money which are deposited by municipal, county, and State governments in the banks; and about the fact that although the subject is unexplored, and indeed almost never mentioned, a very large proportion of such funds are interest free.

We have had some experience with that situation in my own State of Illinois in the last year. There have been some very unpleasant revelations, but they have thrown a shaft of light upon a practice which is not confined to my State. Anyone who has been mayor of a city, governor of a State, member of a county board of supervisors, or treasurer of a city, a State, or a county, knows how widespread the practice is.

The banks make large amounts of money on the interest-free deposits. I do not know how much the local and State governments deposit, but certainly the amount runs into the billions of dollars. We have seen Federal figures of more than $3 billion in demand deposits, and at times in past years more than $5 billion.

We know also that this practice offers the opportunity for political abuse. We know that upon occasion the local and State politicians who have the power to sway the deposit of these funds will shake down the bankers, either politely or directly. We know also that upon occasion some of the banks which are anxious to have deposits will contribute directly or indirectly to the campaign funds of the politicians or the parties which the politicians represent. This is one of the cesspools of politics into which the prying mind is not supposed to peek, but which is a common source of contamination.

Let me make it clear that I make no such charges in connection with the deposit of Federal funds. As of the present moment, I know of no evidence to support any such charge. But I do say that the deposit of huge amounts of Federal funds, interest free, in gigantic sums to individual banks and in lesser sums to smaller banks, offers the possibility of abuse, and it is a waste of public funds which needs to be checked.

I shall not go into the question whether public funds should be deposited in private banks at all, or whether they should be kept in the Federal Reserve banks, checks upon which are already issued for the payment of Government obligations. There has been a long, historic debate on that question from the time of Andrew Jackson, but I shall not go into it. That would stir up too many hornets' nests.

Believing myself to be a mild-mannered man, and wishing to take one step at a time, I shall not for the moment question whether these funds should be deposited in private banks, although I would be less than frank if I did not say that I have a serious doubt in my mind as to the extent to which these deposits should be made in such banks.

Admittedly, this practice was carried on during the war and during the period after the war. That is true. During the war there were two excuses offered for it which I think had a good deal of validity. The first was that the banks were performing a large volume of unpaid services to the Treasury in connection with the sale of war bonds. Many other people were performing unpaid services for the Government. The banks did very well. They created tens of billions of monetary purchasing points. This was profitable for them. It might be argued in addition that it would be a sort of rough justice; that if the banks did a certain amount of unpaid service for the Government, the Government would give them this privilege in return. But I should prefer that a balance be struck, and that the costs which the banks were not willing to assume be charged to the Government, and the interest rate be paid to the Government.

It was also said that the interest rate was very low; that short-term Government bonds were yielding no more than 1½ percent interest. In some cases, I believe, the effective interest rate went down to less than 1 percent on short-term Government notes and bills and therefore the sums realized did not amount to very much. But with the great decrease in the unpaid services

performed by the banks, and the fact that the big issues of long-time securities are diminishing and that only refunding operations remain in which the banks, in general, seem to be only too willing to participate, this excuse no longer operates to anywhere near the same extent as before.

Furthermore, the interest rate has risen well above 3 percent on short-time Governments, so that the earnings which the banks are able to make are much greater than they would have been when the interest rate was only seven-eighths of 1 percent on short-time Governments, or even 1½ percent.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. LAUSCHE. How did the discussion arise in which excuses were given for the nonpayment of interest on Government deposits? Were those discussions in connection with a bill which was introduced? Would the Senator mind discussing that question?

Mr. DOUGLAS. I came to the Senate only in 1949, so I am not able to give at first hand the discussion prior to that time. I think it was in 1954 that Representative PATMAN raised this question in the course of an examination of the Secretary of the Treasury, Mr. Humphrey, before the Joint Committee on the Economic Report, and he stressed this point. I then took up the subject and asked further questions. Then the senior Senator from Virginia [Mr. BYRD] discussed the matter in a very able speech on the floor of the Senate.

It was said, I think, during the course of the discussion that this practice had been in effect for some time, and that these had been the excuses offered for it in the past.

What I am trying to say at this moment in my speech is that these excuses may have been partially valid 15 years ago, when the Nation was in the midst of a great war, but they do not seem to me to be valid now, when the unpaid services of the banks to the Treasury are not great, and when the earnings which the banks can make from the investment of these funds in short-term borrowings either by the Government or by private borrowers are so much higher than they were then.

There is a very ironical feature connected with this fact. Suppose the Treasury deposits in a given bank $100 million, interest free. The bank, in effect, knows that the Treasury will not call for the cash, and that the checks deposited in the bank by persons who have claims against the Government will not exhaust the cash balance. So the bank invests $90 million in short-term Governments and draws 3¼ percent. This is a really ridiculous situation. The Government lends to the bank money which the bank then gives back to the Government, and gets 3¼ percent for giving the Government its own money. That is the ironical feature of the whole transaction. It may seem funny but I think it is tragic.

Let me make it clear that I am not indicting the banks. This is a system which simply developed; but the banks receive what amounts to a hidden subsidy. Now, when we are being forced by the pressure of events to economize, this is a good place to begin—a very good place indeed.

Personally, if I wished to be rigid in my position about the matter, I could insist that virtually all this money be deposited on time, and that the time rate of interest be paid to the Government. I believe that at present this is approxmately 2½ percent.

However, Mr. President, I wish to be very mild in my suggestions; I try to be as mild and as gentle as possible. I have studied the recent statements of the New York banks, and I have found that the smallest amount deposited by the Government in the New York banks during any period in the past 4 years—the very smallest amount, the bedrock minimum, in the case of the New York banks—when added together has been approximately $134 million. Such deposits in the New York banks tend to be approximately 27 percent of all such deposits in banks throughout the country as a whole. So I am proposing that at least $500 million of this amount shall be switched from demand deposits to time deposits; and that the Government shall receive 2 percent a year upon that amount. This would net the Government $10 million a year. This is a bedrock minimum. Personally, I think probably the Government should be paid a larger amount. But this will be a beginning. After we do this, then, on the basis of the figures collected and the evidence which develops, in later years we can feel our way to a more just settlement, if there be one.

In any event, Mr. President, if we begin on the economy game, we should move without fear or favor. I do not believe in cutting the attempts to meet vital human needs. I believe that such human needs are not postponable, although I believe that material needs are postponable. I believe that subsidies, particularly those to the wealthy, should be discontinued, or at the very least should be reduced.

This item represents a tremendous hidden subsidy, amounting to a minimum of $100 million a year, and in some years it may possibly amount to $150 million to groups which are already doing very well indeed. I am proposing that the Government get back merely $10 million.

Mr. President, as Warren Hastings once remarked in another connection, I am astonished at my own moderation.

Weekly statistics on United States deposits in selected New York banks, January 1953 to August 1955

[In thousands]

Date	A	B	C	D	E	F	G	H	I	J	K
1953											
Jan. 7	$17,260	$29,493	$149,462	$77,732	$112,322	$58,239	$63,318	$16,229	$39,341	$61,773	$149,028
14	14,186	23,891	102,605	61,697	69,924	47,604	36,205	14,376	23,851	45,512	95,849
21	12,384	21,775	94,839	53,588	61,126	49,241	34,485	13,723	20,376	39,692	83,029
28	12,344	21,745	94,861	52,292	59,619	53,095	34,659	14,116	20,681	38,806	83,562
Feb. 4	12,621	23,971	97,201	59,198	73,121	57,231	36,678	15,674	26,648	43,455	101,239
11	12,881	25,328	97,321	61,631	77,695	60,223	37,989	16,914	27,999	45,866	109,775
18	13,826	33,592	109,788	68,952	97,165	71,053	45,102	21,615	32,293	51,309	130,649
25	13,098	35,113	110,037	67,135	95,443	73,069	49,635	22,412	31,071	49,671	130,096
Mar. 4	11,038	31,569	100,088	59,562	82,609	72,574	43,584	20,940	26,599	43,488	115,522
11	7,960	23,762	81,252	43,781	58,113	58,498	31,101	16,649	18,268	32,061	84,674
18	7,072	23,937	108,007	47,056	67,243	53,397	42,849	17,144	21,228	35,184	98,719
25	11,260	32,788	243,598	89,650	139,206	81,981	111,981	22,150	47,772	65,506	216,051
Apr. 1	9,876	35,715	220,306	96,616	123,705	79,645	94,679	21,395	45,049	58,350	205,363
8	7,994	30,271	150,410	76,727	85,745	65,569	64,141	18,704	31,292	42,307	153,982
15	6,010	24,177	104,271	49,373	56,133	53,859	40,008	18,250	18,859	29,813	105,019
22	4,625	18,437	79,900	30,855	37,641	51,589	31,179	16,684	11,454	21,106	71,693
29	3,106	12,458	59,283	20,748	25,561	38,138	21,914	11,256	8,477	14,309	52,517
May 6	15,322	18,149	94,982	53,761	83,335	40,528	30,484	11,681	25,992	22,377	107,177
13	15,439	17,026	90,563	49,392	79,401	34,405	24,315	10,014	22,672	19,691	98,975
20	9,336	20,078	80,118	42,167	65,338	42,023	24,143	12,234	27,429	20,718	107,477
27	6,373	18,526	69,560	36,381	49,510	39,997	25,151	11,804	26,651	17,535	94,313
June 3	6,649	11,275	60,795	23,155	25,179	33,135	14,311	8,047	18,704	10,576	61,592
10	18,610	----------	90,852	14,100	13,159	43,416	8,579	5,595	27,032	6,012	64,692
17	9,418	15,832	79,977	26,657	24,077	33,190	15,302	8,352	20,819	12,749	87,487
24	7,326	24,857	134,057	50,231	70,847	50,987	46,002	13,009	44,927	29,962	115,736
July 1	8,919	27,122	155,528	63,912	99,763	62,871	68,854	13,525	41,605	38,409	143,778
8	5,853	22,998	110,753	49,666	58,105	49,451	40,460	12,045	23,138	25,871	91,993
15	11,360	29,546	139,296	48,040	79,450	52,349	39,828	13,206	69,311	39,558	117,476
22	40,049	83,654	378,434	109,783	267,421	128,578	126,972	25,991	214,199	137,657	357,741
29	35,845	75,225	342,872	98,942	239,434	117,459	114,869	23,977	193,471	124,200	327,733
Aug. 5	32,402	71,109	316,553	98,041	229,371	110,037	107,376	22,833	179,116	117,213	317,460
12	28,035	63,163	277,951	92,720	207,298	100,269	94,604	21,970	154,903	103,153	283,885
19	24,763	61,554	261,248	98,048	206,560	107,028	92,537	24,155	137,490	96,965	281,882
26	23,445	61,170	252,694	104,736	206,428	106,377	95,648	24,942	128,853	100,425	281,479

Weekly statistics on United States deposits in selected New York banks, January 1953 to August 1955—Continued

[In thousands]

Date	A	B	C	D	E	F	G	H	I	J	K
1953											
Sept. 2	$20,875	$56,193	$252,548	$111,138	$201,503	$99,887	$90,993	$24,019	$118,167	$103,559	$268,603
9	16,208	44,485	228,800	102,645	185,336	82,646	76,415	19,950	103,502	88,737	235,711
16	13,378	39,687	205,277	91,709	164,004	74,778	64,984	19,821	97,121	77,635	208,619
23	12,065	40,126	201,967	92,112	173,162	81,341	86,930	21,067	85,114	75,001	222,088
30	12,157	43,860	336,274	107,048	239,637	82,627	93,047	23,181	83,767	74,689	253,937
Oct. 7	10,268	40,638	314,541	105,624	213,770	76,868	82,318	24,030	81,117	68,3a0	230,032
14	7,710	31,008	245,181	82,069	159,787	59,774	60,714	19,566	59,702	51,485	204,392
21	6,424	25,651	203,425	67,983	149,816	46,031	52,967	16,084	53,981	37,736	192,506
28	7,377	20,779	161,861	68,358	126,377	41,734	48,285	12,924	45,699	29,672	162,657
Nov. 4	6,771	19,496	151,439	77,384	126,666	40,603	46,239	12,609	48,138	31,716	155,440
10	19,735	34,393	168,788	87,737	146,610	54,355	58,746	15,054	63,429	45,672	191,289
18	28,486	54,750	207,475	103,270	175,034	77,039	74,850	21,218	81,330	64,237	244,679
24	25,694	53,655	195,267	96,411	159,912	79,380	73,217	21,945	73,472	60,700	223,978
Dec. 2[1]											
9	13,579	32,512	145,541	65,228	96,944	62,245	52,488	16,051	43,501	37,650	144,057
16	8,582	24,478	115,253	48,988	67,400	55,492	37,555	14,159	29,888	29,117	104,411
23	8,056	27,472	115,650	50,726	65,784	59,963	42,664	16,242	29,732	31,344	104,793
30	8,263	27,888	120,833	51,610	65,833	61,596	44,208	17,814	29,414	32,198	107,070
1954											
Jan. 6	7,438	24,662	125,234	50,800	63,544	55,947	41,821	16,295	26,303	37,456	100,899
13	4,784	16,829	96,953	35,066	42,456	39,438	29,251	11,858	16,597	27,872	68,557
20	4,642	16,865	95,798	34,842	42,228	44,053	30,042	12,513	16,363	27,915	67,442
27	4,570	17,081	95,904	34,748	41,688	45,680	31,999	13,037	17,067	27,821	68,806
Feb. 3	5,184	18,628	103,658	46,383	54,134	46,825	32,969	13,121	22,898	35,035	88,858
10	5,648	18,273	97,176	46,596	55,124	44,284	32,030	12,981	24,377	34,685	88,226
17	6,561	23,945	107,186	55,307	62,940	55,311	38,189	16,546	28,745	40,645	107,015
24	7,364	26,878	112,382	57,124	69,023	63,781	44,712	18,320	29,979	42,032	112,667
Mar. 3	6,196	24,330	117,011	60,457	68,789	63,870	43,214	21,296	28,224	38,506	104,876
10	4,170	17,218	93,644	46,364	49,372	49,344	33,492	17,870	19,096	27,191	74,749
17	5,430	21,751	100,678	54,545	60,423	56,419	36,894	19,243	21,183	32,227	88,199
24	8,962	34,110	157,923	78,193	108,627	76,455	92,040	25,132	36,812	53,399	171,701
31	10,445	38,727	167,856	87,942	114,205	74,962	96,362	24,952	35,974	55,521	187,053
Apr. 7	9,903	39,778	173,073	91,855	110,382	78,972	86,210	24,718	34,545	50,985	178,727
14	6,874	28,274	119,824	66,481	69,072	65,113	47,068	19,712	21,586	31,592	108,866
21	5,779	22,850	101,841	53,995	51,961	56,592	38,812	16,503	16,153	24,694	83,886
28	8,941	19,180	92,532	76,581	43,569	51,111	35,145	14,570	42,986	22,732	77,307
May 5	12,695	14,932	94,780	112,394	52,943	41,784	33,091	16,129	86,725	26,584	85,719
12	8,112	9,416	79,827	73,713	40,384	25,571	24,224	13,153	58,731	20,116	59,377
19	20,388	29,837	128,502	92,754	98,454	52,474	42,302	20,823	66,085	45,664	96,167
26	28,014	41,385	156,283	99,306	128,537	72,633	54,892	23,477	69,556	58,827	175,581
June 2	23,637	37,000	158,625	89,875	119,719	71,509	51,878	21,140	59,840	58,138	160,712
9	15,889	26,931	132,202	67,215	88,872	56,467	39,390	16,352	41,931	45,348	118,863
16	9,469	20,356	106,683	47,917	58,805	42,405	26,163	13,040	26,720	33,340	83,028
23	7,087	23,643	123,619	51,381	74,057	47,447	57,874	12,940	34,131	32,949	111,683
30	9,121	33,434	196,364	86,029	137,242	71,699	90,924	17,318	47,831	50,454	197,077
July 7	10,277	35,721	216,451	94,891	145,540	75,855	93,826	20,365	50,885	54,998	208,387
14	8,516	30,050	170,060	72,274	99,550	63,985	64,853	19,073	37,022	43,333	145,476
21	6,903	24,776	133,547	54,477	67,049	52,346	48,358	17,222	26,742	34,490	100,495
28	5,588	20,148	115,647	44,562	51,914	44,296	41,293	14,516	22,894	28,274	82,211
Aug. 4	10,545	29,650	166,454	74,805	124,695	58,588	53,950	15,991	47,150	51,425	167,507
11	13,594	34,157	196,174	86,731	165,388	68,488	59,949	15,368	58,080	61,878	212,691
18	14,084	37,627	197,377	88,853	167,660	73,269	61,507	19,435	56,478	64,008	210,760
25	13,106	37,858	182,044	83,442	154,341	72,839	62,160	21,082	51,647	59,456	193,582
Sept. 1	11,260	34,674	168,168	76,815	137,208	76,859	58,342	20,458	45,402	55,982	172,016
8	9,233	29,905	154,499	68,340	117,988	70,740	54,173	18,124	38,477	52,214	147,853
15	6,900	23,342	128,282	52,542	85,403	56,059	38,959	15,417	28,572	40,683	110,108
22	7,946	25,877	128,537	58,759	79,842	61,161	43,559	17,691	29,964	40,806	110,906
29	7,978	26,729	132,760	58,816	78,474	63,665	44,705	19,027	29,405	41,103	113,679
Oct. 6	22,221	61,350	247,408	119,322	186,475	90,239	78,985	26,042	73,781	72,145	210,449
13	30,470	79,668	288,163	142,039	239,115	96,290	92,144	27,957	95,683	83,847	248,021
20	27,986	70,731	261,580	148,638	207,535	86,838	82,851	82,779	72,413	216,573	167,805
27	24,807	62,277	236,888	131,237	179,767	77,618	75,193	72,468	63,467	192,697	146,580
Nov. 3	21,822	58,113	225,601	131,311	172,277	72,845	69,381	[2]	72,242	60,785	186,970
9	20,275	55,444	212,470	128,723	166,133	70,731	67,269	----------	70,659	58,711	181,675
17	27,343	58,773	238,404	134,442	179,174	79,132	66,310	----------	82,679	68,252	191,395
23	29,124	57,096	229,230	126,883	165,048	78,959	64,992	----------	78,806	66,417	181,258
Dec. 1	26,232	52,768	214,208	122,009	150,051	77,010	62,165	----------	71,038	64,725	173,183
8	21,673	45,844	193,649	110,386	129,575	71,743	55,618	----------	60,363	61,142	155,629
15	17,078	38,490	166,450	94,881	105,013	63,248	44,765	----------	48,310	51,830	130,561
22	13,970	36,151	146,209	88,008	88,441	59,450	45,317	----------	40,560	46,456	118,187
29	11,812	31,969	136,125	77,907	74,339	54,433	41,807	----------	33,800	40,774	104,039
1955											
Jan. 5	9,028	26,721	132,091	75,524	67,806	49,926	42,345	----------	27,841	34,638	91,042
12	6,096	18,037	103,070	54,395	47,134	36,896	30,446	----------	18,197	23,419	63,005
19	4,960	13,703	86,393	39,083	33,025	29,369	23,848	----------	12,189	16,865	48,336
26	8,789	14,458	95,012	42,336	60,264	34,839	27,112	----------	22,991	26,594	61,476
Feb. 2	8,693	17,790	111,819	52,018	78,985	37,709	32,539	----------	29,688	32,214	82,284
9	7,992	18,221	115,839	55,905	82,863	38,571	35,006	----------	31,404	33,160	89,634
16	8,130	21,863	123,174	62,436	83,311	44,296	35,663	----------	32,848	35,680	97,590
23	8,497	25,590	126,184	71,690	80,277	49,024	42,657	----------	30,713	37,548	103,073
Mar. 2	7,368	24,515	128,696	72,329	78,672	51,456	42,679	----------	29,349	40,056	103,323
9	5,365	19,597	119,467	66,878	64,272	47,990	35,159	----------	24,700	35,614	86,491
16	4,491	19,200	114,501	61,249	56,318	46,697	29,674	----------	22,714	34,743	84,231
23	6,640	31,053	157,674	80,332	74,676	58,346	43,945	----------	30,013	46,313	126,127
30	5,282	27,330	154,059	69,931	63,387	48,921	42,986	----------	39,563	113,268	43,633
Apr. 6	12,551	[3]	325,107	142,665	199,439	84,811	88,630	----------	88,690	138,610	302,162
13	12,380	----------	314,838	130,551	197,743	77,635	82,866	----------	85,089	153,024	277,837
20	10,378	----------	261,624	105,838	157,660	64,184	70,339	----------	[4]	68,420	224,795
27	9,850	----------	246,127	101,066	144,631	61,490	69,330	----------	----------	64,154	212,675
May 4	11,361	----------	262,786	113,952	163,623	67,215	79,975	----------	----------	71,542	233,159
11	10,840	----------	248,825	109,458	155,929	65,446	78,783	----------	----------	67,867	223,117
18	13,329	----------	252,058	104,096	155,909	68,370	75,628	----------	----------	57,667	202,523
25	17,536	----------	213,807	100,432	158,875	67,114	67,700	----------	----------	44,264	321,250
June 1	15,098	----------	198,317	95,465	139,040	66,360	60,005	----------	----------	44,765	288,617
8	10,924	----------	174,017	80,779	106,941	59,156	56,618	----------	----------	41,418	222,741
15	6,276	----------	134,855	60,639	67,051	45,752	34,594	----------	----------	31,682	142,099
22	5,953	----------	151,084	72,421	75,998	51,999	41,177	----------	----------	35,583	148,147
29	7,867	----------	198,804	82,571	104,514	38,202	61,321	----------	----------	45,407	200,633
July 6	8,040	----------	223,660	98,840	116,158	66,685	65,574	----------	----------	55,602	203,707
13	5,393	----------	160,504	76,765	78,125	53,207	43,156	----------	----------	39,563	136,504
20	8,317	----------	227,773	86,736	122,415	63,233	50,866	----------	----------	49,180	209,956
27	14,032	----------	293,095	105,874	164,017	70,787	101,910	----------	----------	58,593	333,922
Aug. 3	11,871	----------	268,798	107,108	155,373	58,202	90,545	----------	----------	54,512	299,612
10	8,852	----------	222,503	93,070	130,289	52,887	75,629	----------	----------	45,404	241,911

[1] No listing was made for the week due to newspaper strike.
[2] Merged with bank D.
[3] Merged with bank K.
[4] Merged with bank C.

Source: New York Times.

Weekly statistics on United States deposits in selected New York banks, Aug. 17, 1955, through Sept. 5, 1956

[In thousands]

Date	A	C	D	E	F	G	J	K	L	M	N	O	P	Q	R	Total
1955																
Aug. 17	$8,798	$203,322	$92,222	$120,242	$56,574	$66,581	$45,623	$225,177	$102,999	$17,532	$35,614	$71,227	$4,858	$5,303	$3,834	$1,059,906
24	8,558	186,584	90,008	107,297	57,869	63,165	43,486	210,197	96,291	16,877	36,056	57,540	3,789	4,606	2,982	985,305
31	8,259	180,910	88,792	103,127	59,415	61,659	44,538	202,180	92,907	17,670	34,283	54,370	3,568	4,389	2,957	959,024
Sept. 7	6,937	174,489	81,805	94,554	57,687	59,210	47,390	180,015	80,966	16,329	28,117	50,797	2,814	3,488	2,508	887,106
14	4,876	133,452	59,281	64,419	44,829	40,916	36,180	126,677	56,188	12,455	18,614	35,003	1,788	2,679	1,652	639,009
21	4,053	112,026	55,068	51,507	41,264	33,742	30,717	101,521	48,439	12,273	17,629	17,462	1,213	2,375	872	530,161
28	4,393	130,042	67,164	64,247	50,994	45,061	37,649	130,477	60,271	12,583	21,609	22,562	1,202	2,445	855	651,554
Oct. 5	4,286	152,699	84,558	72,129	57,386	53,116	40,144	146,469	66,500	13,213	22,135	29,469	1,105	2,253	857	746,319
11	7,663	167,616	83,017	80,770	54,106	57,656	38,372	146,602	74,855	14,179	24,878	45,014	3,569	3,396	2,571	804,264
18	13,414	259,348	114,781	147,542	71,213	94,733	55,765	230,475	134,715	25,114	49,962	100,758	11,469	8,227	8,128	1,325,644
26	11,562	222,682	96,152	124,284	59,312	81,289	46,785	195,284	113,534	21,607	45,675	85,322	9,863	7,094	6,989	1,127,434
Nov. 2	9,927	209,751	92,667	121,685	57,457	72,136	46,834	183,520	107,908	19,634	41,321	77,358	7,998	5,859	5,664	1,059,710
9	7,866	185,882	84,205	109,276	50,340	60,415	41,180	159,267	94,769	16,046	33,669	64,424	5,771	4,454	4,063	921,627
16	7,441	184,428	83,515	104,829	55,466	53,869	41,945	161,943	92,373	16,547	33,531	58,206	4,467	4,359	3,243	906,162
22	8,582	186,954	88,261	104,466	60,797	58,853	44,229	168,074	94,125	17,326	34,613	54,675	4,103	4,271	2,838	932,167
30	7,785	172,306	81,844	92,227	58,044	54,419	42,007	153,840	84,251	16,005	30,745	47,109	3,540	3,873	2,407	850,402
Dec. 7	5,521	152,818	75,259	69,058	51,950	45,127	39,674	129,783	63,156	12,022	24,505	35,511	2,234	3,164	1,480	711,282
14	3,410	114,882	54,352	40,756	39,721	26,904	27,666	85,493	37,869	7,767	15,591	19,528	1,049	2,309	635	477,932
21	33,199	159,411	52,586	165,833	42,922	22,221	36,881	86,106	31,518	23,766	15,858	50,786	995	4,466	3,268	729,816
28	31,050	150,806	53,679	154,894	43,304	25,400	36,005	87,355	33,073	22,113	15,767	46,870	888	4,168	2,948	708,320
1956																
Jan. 4	22,713	156,116	63,427	147,143	44,315	31,363	36,859	95,915	38,532	16,988	14,956	45,579	650	3,205	2,141	719,882
11	12,231	113,659	46,389	75,378	28,447	23,792	21,414	64,236	26,662	9,695	7,200	26,815	410	1,787	1,133	459,248
18	3,278	78,923	28,538	32,361	20,417	17,290	12,104	42,908	17,606	3,550	3,534	12,998	169	505	238	274,419
25	1,941	62,845	23,620	21,444	17,580	17,040	9,715	36,538	13,210	2,679	2,637	8,194	119	295	96	217,953
Feb. 1	2,597	73,719	35,088	33,212	21,668	21,562	15,273	57,427	22,249	4,073	4,316	13,526	544	586	172	306,012
8	2,952	86,439	42,874	46,178	25,268	24,386	19,370	70,301	30,122	5,165	6,906	19,941	1,209	1,078	257	382,446
15	2,523	81,090	40,756	40,343	29,159	17,911	17,524	68,994	32,237	6,165	9,641	15,706	1,026	1,807	180	365,062
21	3,996	101,344	60,582	52,659	45,374	31,807	27,555	101,817	50,530	9,122	17,808	18,338	687	2,341	110	524,070
29	3,881	114,949	67,791	57,948	51,078	36,617	32,153	112,292	54,870	9,082	19,696	21,643	598	2,193	400	585,191
Mar. 7	2,985	123,295	69,290	57,572	51,392	35,316	37,616	108,150	56,124	8,209	18,928	24,741	461	1,840	536	596,455
14	3,783	90,022	45,731	32,554	38,751	19,375	26,278	69,477	36,337	6,088	12,000	14,798	229	1,755	283	397,461
21	8,602	89,768	88,949	89,560	68,009	58,676	58,358	165,168	96,013	14,869	34,201	34,273	446	3,037	232	910,161
28	10,692	275,236	121,762	138,917	85,977	92,685	85,868	264,696	152,383	19,521	50,884	58,135	632	3,460	201	1,361,049
Apr. 4	9,433	263,848	116,514	126,492	87,572	73,064	74,827	250,689	134,173	19,035	44,909	61,484	560	3,753	321	1,266,674
11	6,289	194,415	83,839	87,030	50,458	61,861	50,938	170,926	89,379	12,983	28,528	45,510	414	2,652	285	885,507
18	5,585	168,113	71,910	72,117	43,764	53,007	44,080	142,220	74,516	11,135	22,647	37,997	345	2,159	239	749,834
25	6,050	166,357	73,316	73,551	44,996	57,600	43,772	144,415	73,938	11,591	22,728	37,155	346	2,572	239	758,626
May 2	7,204	211,848	99,153	109,888	56,640	75,034	59,772	194,246	96,953	16,435	30,489	54,011	356	3,285	252	1,015,566
9	7,146	211,294	100,860	114,211	56,933	75,763	60,125	197,276	97,787	17,894	30,318	57,162	337	3,285	209	1,030,600
16	37,490	203,094	104,211	113,642	64,015	71,099	59,523	204,163	97,997	19,455	32,770	51,815	319	3,948	184	1,033,725
23	8,570	206,321	115,909	120,624	73,041	78,471	62,511	218,948	105,442	20,706	37,624	48,409	298	4,306	167	1,101,347
29	7,995	207,349	116,518	119,627	74,607	78,833	62,041	220,463	107,361	19,208	37,375	47,498	268	3,966	149	1,103,258
June 6	8,168	180,388	98,781	93,456	63,606	59,686	54,076	175,610	85,480	18,210	27,286	40,844	248	3,364	121	909,324
13	6,770	128,071	66,861	58,886	46,169	36,536	36,560	113,646	56,826	13,756	16,676	26,065	227	2,673	75	609,797
20	6,889	120,607	68,744	58,130	47,740	42,372	36,403	116,417	57,941	14,617	19,159	18,455	533	3,062	55	611,124
27	7,917	201,316	92,350	105,265	61,007	97,284	62,777	200,326	93,750	15,582	33,893	32,506	1,369	2,947	38	1,008,327
July 3	10,724	236,989	106,906	122,041	69,568	102,008	73,534	221,850	108,566	16,692	37,240	44,514	2,003	2,807	34	1,155,476
11	8,602	190,865	87,071	96,338	55,033	72,908	56,337	170,335	82,876	12,099	28,095	42,349	1,717	1,981	23	906,629
18	7,588	155,342	69,361	75,901	46,559	58,942	43,649	135,209	63,850	10,358	21,402	32,464	1,440	1,576	17	723,658
25	6,362	128,259	55,291	58,298	37,344	49,361	34,150	105,930	52,393	8,736	16,446	24,235	1,129	1,278	14	579,226
Aug. 1	6,139	123,232	58,441	55,526	34,432	42,643	33,023	101,723	48,334	8,544	16,516	24,369	1,313	1,314	70	555,629
8	5,829	111,421	58,435	55,994	30,603	33,260	29,513	95,259	41,481	8,005	14,758	24,692	1,610	1,425	130	512,415
15	7,910	146,816	75,563	73,641	47,076	35,070	36,944	136,484	57,851	11,391	22,624	33,481	3,825	3,325	547	692,548
22	23,209	286,716	161,845	166,797	103,963	83,405	74,835	319,142	140,098	27,101	57,460	83,025	13,485	8,649	2,371	1,552,101
29	21,243	258,593	145,795	147,887	94,845	75,470	66,202	285,691	125,029	25,035	51,314	72,892	12,074	7,813	2,127	1,392,010
Sept. 5	17,583	233,303	134,116	134,137	86,956	70,473	66,503	251,077	110,894	24,266	44,172	65,811	9,771	6,376	1,720	1,257,158

Source: New York Times.

Weekly statistics on United States deposits in selected New York banks, Sept. 5, 1956, through May 1, 1957

[In thousands]

Date	A	K	C	D	E	F	G	H	L	M	N	O	P	Q	R	Total
1956																
Sept. 5	$17,583	$251,077	$233,303	$134,116	$134,137	$86,956	$70,473	$66,503	$110,894	$24,266	$44,172	$65,811	$9,771	$6,376	$1,720	$1,257,158
12	10,494	167,275	166,614	90,939	90,306	62,514	49,424	50,753	73,242	16,624	27,913	43,891	5,724	4,240	999	860,952
19	8,912	145,134	145,577	79,411	72,308	61,607	41,172	45,354	63,555	16,684	27,087	28,639	3,789	4,425	662	744,316
26	9,389	171,917	163,659	95,262	85,486	70,869	51,837	52,467	74,927	17,710	32,357	31,261	3,536	4,828	639	866,144
Oct. 3	8,950	195,223	185,042	112,628	95,375	76,783	62,621	57,947	83,977	17,728	36,123	37,802	3,329	4,569	601	978,698
10	6,305	144,241	144,966	83,838	70,093	56,816	49,460	42,854	62,700	13,255	25,298	29,687	2,284	3,136	407	735,340
17	9,027	100,986	108,924	86,923	47,820	41,206	46,378	65,925	42,603	10,922	26,489	26,834	6,581	2,209	282	623,109
24	22,866	65,772	76,436	114,149	30,558	27,965	62,899	148,071	27,877	9,539	43,649	36,729	30,104	1,473	186	[1] 718,273
31	17,348	64,800	78,323	127,772	32,871	26,967	55,123	126,396	28,336	7,815	37,706	31,815	14,568	1,628	115	651,583
Nov. 7	13,825	72,999	90,622	105,594	47,007	27,412	44,252	95,333	38,354	9,944	31,170	31,001	9,894	2,935	76	620,418
14	9,813	63,705	82,526	74,102	38,417	26,594	29,230	61,309	35,685	9,988	21,851	22,015	6,209	3,118	47	484,609
20	15,774	97,500	96,338	130,629	50,098	56,961	38,441	163,387	114,531	36,487	62,419	60,925	4,058	3,612	30	931,190
28	15,698	90,360	83,124	134,367	42,528	58,872	39,434	176,308	125,315	40,224	66,383	66,168	2,580	2,958	20	944,339
Dec. 5	10,695	93,481	88,098	111,579	43,007	51,199	37,005	128,504	92,092	27,944	49,340	48,648	1,511	2,098	12	785,213
12	4,437	64,106	69,614	63,735	25,911	32,285	22,186	55,141	41,387	11,200	21,186	20,821	564	1,082	15	433,670
19	30,064	71,339	149,027	47,366	88,771	34,271	18,814	25,146	30,327	18,757	57,715	7,473	122	1,574	13	580,779
26	48,826	86,695	214,364	52,544	142,235	39,361	24,796	23,754	35,940	25,494	94,706	6,992	68	1,842	12	797,629
1957																
Jan. 2	39,308	79,388	186,778	53,908	116,322	36,740	23,748	24,736	37,187	21,962	74,466	10,668	69	1,742	10	707,032
9	19,626	53,038	124,568	42,778	63,442	24,834	16,401	17,118	27,009	11,694	33,900	12,321	65	1,079	7	447,880
16	3,448	30,071	68,842	24,851	21,649	14,652	8,801	8,801	14,358	2,757	6,700	8,278	99	381	2	213,690
23	1,211	20,691	51,203	12,371	11,600	10,718	9,828	5,241	8,838	1,916	5,362	3,689	102	378	1	143,149
30	1,175	25,813	50,063	14,522	10,690	12,764	8,387	6,396	7,319	1,919	6,335	3,031	130	813	1	149,358
Feb. 6	2,079	54,868	76,771	34,011	37,488	19,030	15,984	27,723	23,353	6,262	10,494	17,067	2,629	1,793	1	329,553
13	2,102	27,721	55,125	18,775	16,306	14,287	6,702	13,200	13,633	6,465	4,271	7,239	2,401	1,442	1	189,670
20	3,239	62,620	71,223	41,732	32,033	31,671	15,403	21,288	32,439	8,799	15,038	6,955	2,574	2,613	1	347,628
27	3,423	69,243	71,048	45,458	35,745	33,364	21,840	21,223	37,039	8,021	15,894	6,898	2,291	2,307	1	373,795
Mar. 6	3,422	76,454	89,808	51,376	41,408	32,491	27,715	30,754	36,689	6,375	11,546	15,921	1,346	1,403	1	426,709
13	2,522	49,127	68,570	32,396	23,957	23,384	15,862	20,433	20,599	3,382	5,178	11,335	325	632	1	277,703
20	5,756	122,477	123,738	75,383	62,898	45,878	59,427	46,281	52,908	11,604	24,938	13,859	518	3,625	1	649,291
27	7,356	163,181	162,671	93,678	89,572	50,371	92,798	63,876	69,871	13,540	34,038	23,007	607	4,445	81	869,092
Apr. 3	18,224	233,124	234,991	175,339	173,612	102,708	129,647	95,515	146,259	21,776	58,939	43,298	628	5,564	8,050	1,447,674
10	12,983	151,269	168,363	119,280	122,887	76,071	84,287	65,235	103,795	14,059	38,256	31,875	441	3,692	7,012	999,505
17	9,428	111,486	131,587	86,671	88,951	58,144	62,678	47,611	74,040	10,515	26,974	23,214	365	2,606	5,172	739,442
24	8,091	104,275	117,119	76,012	75,779	51,968	59,068	40,790	64,389	9,426	23,253	19,586	328	2,208	4,402	656,694
May 1	8,010	127,492	135,143	85,200	87,725	55,466	60,739	49,273	70,934	11,477	27,205	26,323	327	2,599	4,429	752,342

[1] As reported in source. Detail does not add to total.

Source: New York Times.

Mr. ROBERTSON. Mr. President, the distinguished Senator from Illinois has been discussing a subject in which I am very much interested. However, I would have enjoyed his presentation more if I had not had to wait until the end of his remarks, in order to have the Senate complete its action on the pending appropriation bill.

Mr. President, I am sure the Senate Finance Committee will take note of the presentation the Senator from Illinois has made; and unquestionably it will look into the ideas which have so cogently been advanced by the Senator from Illinois, who has stated that there should be a law requiring the banks to pay as much as 2 percent or some other percentage on the deposits of Federal Government funds.

I know the Secretary of the Treasury is embarrassed by the necessity of refunding a large amount of the Government loans in what is called the tight money market. However, that situation is not a new one. The other day I was preparing a speech to be made last Friday before bankers in North Carolina. I found that in 1861, when Lincoln called for volunteers, he also called for additional funds; he wanted the Federal Government to borrow $10 million. He asked the banks to make bids in that connection. I wonder whether the distinguished Senator from Illinois would hazard a guess as to the lowest interest rates the banks would offer. It was 12 percent, and the bids went from that percentage up to 35 percent, for 9 months net. The Government took all the 12 percent money it could obtain from the banks, but was able to sell only $3 million of the $10 million desired.

Then President Lincoln had to have Congress pass a bill authorizing the issuance of greenbacks. By the time the War Between the States had ended, the greenbacks had fallen in value 45 cents on the dollar. There was great agitation to have them redeemed. Later, Bryan called for the use of silver at a ratio of 16 to 1; and in 1896, Bob Ingersoll said "I want every greenback to be able to stand on end and say, 'I know that my redeemer liveth.'"

Although today the Government is supposed to have a gold fund as a basis for the currency of the United States, that is a fiction; the Government is still using greenbacks.

Mr. President, these are matters to be considered by the Finance Committee, if we are to deal with these policy questions.

Therefore, I make the point of order that the amendment of the Senator from Illinois is out of order, first, because it is legislation on an appropriation bill; and, second, because it proposes that a reduction of $10 million be made in the appropriation on the contingency that the Senate passes the bill and that the deposits referred to are made, and that 2 percent be paid on the deposits. So the amendment is legislation subject to a contingency, and such an amendment is prohibited by the rules of the Senate.

Mr. DOUGLAS. Mr. President, will the Senator from Virginia yield to me?

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Does the Senator from Virginia yield to the Senator from Illinois?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. If my amendment is out of order as an amendment to this appropriation bill, in connection with what appropriation bill would the amendment be in order?

Mr. ROBERTSON. The amendment would not be in order as an amendment to any appropriation bill. The amendment would have to be offered to a bill reported by the Finance Committee, a bill requiring the Treasury Department to deposit some of the money of the Federal Government in the form of time deposits, rather than as demand deposits, deposits subject to a checking account. In that connection, the banks in which the funds were to be deposited could be specified.

Let me point out that the North Carolina law requires that the treasury of North Carolina receive from the State banks in North Carolina, in the case of North Carolina funds deposited therein, the equivalent of the interest rate on short-term notes. When the interest on short-term notes went higher than the 3 percent the State banks were authorized to pay, the treasurer of North Carolina took $93 million of State funds out of the State banks and put them into short-term notes. Then there was passed in North Carolina a law requiring the treasurer of the State to leave the funds in the State banks, unless the interest on short-term notes exceeded 9¾ percent.

Mr. DOUGLAS. Mr. President, will the Senator from Virginia yield for a further question?

Mr. ROBERTSON. I yield.

Mr. DOUGLAS. On page 16 of the House committee report, there is a table which gives a comparative statement of the appropriations for 1957 and the estimates for 1958. The heading is "Permanent Indefinite Appropriations"; and at that point there is listed the interest on the public debt; and the estimate for 1958 is $7,300,000,000. The total of other items brings all of these permanent indefinite appropriations to $8,085,923,970. Is it the contention of the Senator from Virginia that these items are beyond the control of Congress?

The corresponding figures appear in the Senate committee report on page 8.

Mr. ROBERTSON. I do not contend that they are beyond the control of Congress. But they are not covered by this appropriation bill.

Mr. DOUGLAS. By what appropriation bill would they be covered, if not by the pending appropriation bill?

Mr. ROBERTSON. On page 3 of the report accompanying House bill 4897, the Senate committee states:

> Permanent indefinite appropriations are not carried in the bill. The 1958 estimates of the Treasury Department in this category are $8,085,923,970. This is an increase of $88,635,452 from the 1957 estimate of $7,997,288,518.

Most of that is interest on the national debt, but that is not included in the bill. The law fixes the debt limit, and the Treasury issues the necessary bonds. The bonds are purchased by the people, and the bonds pay a certain rate of interest. At the present time, the interest on the national debt amounts to almost twice the total annual expeditures of the Government in 1932, when the junior Senator from Virginia was elected to Congress. The interest alone on the national debt amounts to nearly $8 billion.

Mr. DOUGLAS. That is correct.

Mr. ROBERTSON. But what can we do about it?

Mr. DOUGLAS. I propose that the Government obtain a return on the money the Government deposits in private banks, in view of the fact that at the present time such deposits are interest free. My amendment would save the Government $10 million. I hope the Senator from Virginia will not persist in his point of order.

Mr. ROBERTSON. I am bound to operate under the rules of the Senate. I do not challenge the statement of the Senator from Illinois that perhaps it would be a good thing to require that the banks in which such funds are deposited pay interest to the Government. I do not challenge the statement of the Senator from Illinois that it might be a good thing to have legislation requiring the Treasury to deposit some of the Government's money as long-term deposits.

I only say that the distinguished Senator from Illinois should introduce such a bill, and should have it referred to the appropriate committee, and hearings should be held on the bill, and the matter should be handled in the orderly way.

On the spur of the moment we cannot bring up fiscal legislation of this kind and call it an appropriation. The amendment of the Senator from Illinois is legislation on an appropriation bill, and such an amendment is contrary to the Senate rule. It is legislation on an appropriation bill. It is against the rule of the Senate, and the distinguished Senator from Illinois knows that as well as does anybody else. He made a fine speech, and the Senator from Virginia withheld his objection—although he was becoming very impatient to complete action on the bill—until the Senator from Illinois had concluded his remarks. Now he must insist on his objection.

Mr. DOUGLAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOUGLAS. Is it permissible for the Senator from Illinois to request that his amendment be read, before a ruling is given, and is it permissible for the Senator from Illinois to discuss the question prior to the ruling by the Chair?

The PRESIDING OFFICER. Without objection, the amendment will be read. The Chair will hear the Senator briefly on the point of order.

Mr. ROBERTSON. I am glad the Chair made that statement, because I would have objected to any monetary speeches.

The LEGISLATIVE CLERK. It is proposed, on page 14, following line 22 and preceding the words "Passed the House

of Representatives February 20, 1957," to insert a new title IV, as follows:

TITLE IV

INTEREST ON GOVERNMENT DEPOSITS

The total amounts of the permanent indefinite appropriations of the Treasury Department for fiscal year 1958 are hereby reduced by the amount collected by the Treasury for interest on deposits of Federal moneys in the commercial banks throughout the United States, not to be less than $10 million.

Mr. DOUGLAS. Mr. President, I shall speak briefly on this question. The amendment which the Senator from Illinois is proposing is an amendment to an appropriation bill which diminishes the total amount appropriated by $10 million. It does not give to the Secretary of the Treasury a mandate to shift any stated proportion of the demand deposits to time deposits, but it may be frankly said that by requiring him to get $10 million from interest, it does put fiscal pressure upon him to do that, within his discretion; but it does it by amendment to an appropriation bill rather than through a direct legal mandate to the Secretary of the Treasury.

The PRESIDING OFFICER. The Chair desires to ask a question of the Senator from Virginia, for information, before ruling. Is there any authority of law for collecting interest on Federal moneys deposited in commercial banks at this time, or would this proposed amendment change the law?

Mr. ROBERTSON. There is no law of which the Senator from Virginia knows that requires commercial banks, or even permits commercial banks, to pay interest on demand deposits. There is a law—and we discussed it when my bill to codify the banking laws was under consideration—about which there was a difference of opinion between the FDIC and the Federal Reserve System as to what constituted payment of interest on a checking account. The question was thoroughly discussed, and the Senator from Illinois, as a member of the Committee on Banking and Currency, knows this as well as I do. There was not any proposal to change the law that prohibits national banks and members of the Federal Reserve System from paying interest on checking accounts. The funds deposited by the Secretary of the Treasury in a bank are in a checking account. The banks are prohibited by law from paying interest on them. Therefore, the Senator from Virginia made the point that the amendment represented legislation.

There is another objection. The amendment contemplates a contingency, and the Treasury Department would never know, until another law was enacted, how much money it would have at the end of the year, even though the year was divided into quarters. We are prohibited from making appropriations which are subject to contingency in the future.

Mr. DOUGLAS. Mr. President——

The PRESIDING OFFICER. For what purpose does the Senator from Illinois address the Chair?

Mr. DOUGLAS. I rise briefly to discuss the parliamentary ruling.

My good friend from Virginia did not observe the same restraint concerning the brevity of the discussion which both he and the Chair enjoined upon the Senator from Illinois; but again I reiterate, this is not new legislation. It is an amendment to an appropriation bill which can be effected by a change in the deposit policies of the Treasury Department in shifting deposits from demand to time deposits, but without requiring any specific amount to be so shifted. Further, although there may be no law requiring the Treasury to receive interest on its demand deposits, I know of no law preventing it from doing so.

The PRESIDING OFFICER. The Chair sustains the point of order made by the Senator from Virginia.

The bill is open to further amendment.

Mr. ROBERTSON. Mr. President, if there are no more amendments——

Mr. DOUGLAS. Mr. President, I have another amendment, which I send to the desk. I may have two more amendments and I ask to have this one stated.

The PRESIDING OFFICER. The amendment proposed by the Senator from Illinois will be stated.

The CHIEF CLERK. It is proposed, on page 12, in line 12, to strike out "$648,000,000" and insert in lieu thereof "$548,000,000."

Mr. DOUGLAS. Mr. President, this is an amendment to reduce the funds for transportation of the mails by $100 million.

I should like to point out that the Postmaster General has always said that he was unable to effect economy because, as he said, the pay scales are fixed by Congress and the transportation rates are fixed by the Interstate Commerce Commission. "Therefore," he has said, in effect, "I am helpless, and if you do not give me the money that I ask I will cut down on service," knowing full well that if services should be reduced patrons of the post office would come to Members of the House of Representatives and the Senate and demand that the appropriation be restored.

Mr. President, that has worked once. It will be attempted again. But what the Postmaster General ignores is the fact that he can effect operating economies, and he can also, as I shall show, take steps, within the letter of the law, to reduce the amounts given to the railways for transporting the mails, both fourth class, on the one hand, and first, second, and third class, on the other.

Mr. President, the Postmaster General ignores the operating economies which he could make without any added legislation. I do not like to point too much attention to economies which I have suggested in the past, but I hope I may be permitted to point these out briefly for the RECORD. In past years I have urged motorization of letter carrier routes with motor scooters, so that letter carriers could take larger loads, and hence the Department could reduce the number of letter carriers. This could be done by not replacing some of those who die or retire. It would permit heavier mail loads and larger routes, covered in a shorter time, with less stress and strain upon the carriers themselves.

I have read in the newspapers recently that the Department is experimenting with motor scooters. It should have been an accomplished fact by now.

For years I have urged the use of mail-sorting machines. An employee of the Chicago Post Office, Mr. Sestak, developed one of the most efficient mail-sorting machines I have ever seen, which enormously reduces the amount of work in the big metropolitan offices, and yet does the work accurately.

The Department is still experimenting with this.

For years I have urged the consolidation of rural routes laid out in the horse and buggy days. Mr. President, the rural free delivery was established, I believe, in the administration of Grover Cleveland. That was a horse and buggy period, and the roads were muddy and the mail routes were short.

Two things have happened. The automobile has come in and roads have become hard roads. So now a rural mail carrier, in one-quarter or one-half of the time, can cover the same route that was covered in 1890.

There have been some consolidations of routes, I know, but not anywhere near as much as could be done. I know mail carriers who finish work in 2 to 2½ hours, and then act either as farmers or businessmen or insurance agents. One of them I know has become one of the most cultivated, able men in the State of Illinois. He knows all the great books. He has done his studying in the 6 to 7 hours a day that he does not have to use to cover the rural mail route. All this could be done by not filling all the vacancies.

The Department is still dragging its feet on the consolidation of these rural routes. The Post Office also uses trucks with different truck bed heights, although obviously they should be standardized with the height of the loading platforms. Thus does the Post Office continue to lag behind the entire Nation, as our private enterprises develop increased efficiency and productivity. It will never get on its toes so long as we in Congress sit by supinely permitting the Postmaster General to trample over us as he pleases and resist internal economies. Let us cut his budget, and hold to it.

All the information I can get is that the service under the Post Office is now extremely inefficient. Business and professional men in Chicago have told me that it takes longer for them to send an airmail letter to New York and have it delivered than it takes to send an airmail letter to Paris and have it delivered. And an airmail letter to Paris will be delivered at its destination before an airmail letter from Washington to Chicago. These men are reputable men, and I do not think they would make loose or wild statements.

Mr. President, the amendment which I propose, is, as I have said, to reduce the Post Office appropriation for the transportation of mails by $100 million. I am offering this amendment because such savings can easily be made, and they are not now made because of the failure of the Post Office Department

and the Interstate Commerce Commission to carry out the clear intent of the law as provided in title 39, United States Code, section 557. That section provides:

The Postmaster General shall, from time to time, request information from the Interstate Commerce Commission as to the revenue received by railroad companies from express companies for services rendered in the transportation of express matter, and may—

Now, note these words—

may, in his discretion, arrange for the transportation of mail matter other than of the first class at rates not exceeding those so ascertained and reported to him, and it shall be the duty of the railroad companies to carry such mail matter at such rates fixed by the Postmaster General.

Mr. President, this clear and unquestioned provision of law has remained unenforced. There is an abundanec of evidence that if it were enforced, it would result in a saving of at least $100 million a year in transportation costs. In fact, that is a reasonable estimate of the amount of money which the Federal Government pays to the railroads for parcel post in excess of the amount of revenues the railroads charge themselves for the exactly comparable service of the Railway Express Agency.

I shall cite a few supporting sources of this estimate of $100 million in a few moments, although that figure and the failure to apply the law are not in contention.

The effect of this, Mr. President, is a direct, although hidden, subsidy to the railroads, which was not only not intended, but in fact expressly forbidden by law. There is no justification for this unwarranted subsidy, and Mr. Summerfield and the Post Office Department, if my amendment is passed, would be required to act to stop it in fiscal 1958. In view of Mr. Summerfield's numerous complaints about the lack of money, his failure to act in this field at this time makes his protestations of lack of funds appear feeble indeed.

Mr. President, although this failure to enforce the law, as well as the amount of subsidy involved, are not in contention, I nonetheless wish to present some facts about these two aspects before getting to the heart of the argument.

First of all, Mr. President, the law has never been repealed and is still on the books. It is still a basic part of the Railway Mail Pay Act of 1916, and to my knowledge no one denies that. The basic principle involved is that the Government should not be required to pay more for a particular kind or class of service than was charged to a private firm or individual for the same or comparable class of service.

Second, Mr. President, the Post Office Department itself does not deny that it is paying more to the railroads for parcel post than the railroads charge themselves for comparable service of the Railway Express. This is not denied to my knowledge, and is emphasized by the fact that in an ancillary proceeding to the Railway Mail Pay, 1951, page 283, ICC 503, which began in 1947, the Postmaster General requested the information from the ICC, which section 557 imposes a duty on the ICC to furnish.

Now, Mr. President, a bit of historical comment is needed here. This action was instituted in 1949 when Robert Hannegan was Postmaster General. Mr. Hannegan has been attacked on many grounds, and I am not here to defend every act of his during his life. I do wish to say in this instance Mr. Hannegan was extremely brave in pushing the case before the Interstate Commerce Commission. A great deal of credit is due to him, and also to the Solicitor of the Post Office Department at that time and for some years thereafter, Mr. Frank J. Delany, who devoted himself with great efficiency, energy, and courage—and it required courage—to pushing this case.

The Postmaster General requested this information from the ICC, which section 557 imposes on the ICC a duty to furnish. Failing to get it, the Postmaster General requested the information again in October 1948. At that time I believed Mr. Hannegan was still Postmaster General.

The present Postmaster General requested the information again in 1954; and again in the Railway Mail case, 1956. ICC Docket 9200, which is still pending before the Commission.

Thus there is no question that the Postmaster General believes he is entitled to the information which the ICC is required to furnish under section 557, 39th United States Code. Thus the Post Office Department itself, by its many actions, sustains the view that this section is not now being enforced.

Third, the amount involved is estimated to be at least $100 million a year. On page 36 of the Report of the Citizens' Advisory Council of the Committee on Post Office and Civil Service, which our very esteemed colleague, the Senator from South Carolina [Mr. JOHNSTON] set up as chairman of the Senate Committee on Post Office and Civil Service, the Council estimates the "subsidy" at $100 million a year.

In a statement by Roy C. Frank, former Associate Solicitor of the Post Office Department, before the Postal Policy Subcommittee of the Senate Committee on Post Office and Civil Service, a figure of $100 million was submitted as the estimate of the subsidy because of the failure to enforce section 557.

Further proof is given in the original transcript of the proceedings before the Senate Committee on Post Office and Civil Service, by the testimony of the Deputy Postmaster General of the United States, Maurice H. Stans, which appears on pages 60 and 61 of the transcript, which I hold in my hand and from which I now read. Mr. Stans was being questioned by Mr. Brawley, the very efficient Executive Director of the Committee over which the Senator from South Carolina so ably presides. Mr. Brawley asked:

Do you believe after working at this thing for 4 years that there is any substance of facts in this statement that they—

And "they" means the railways—

probably are overcharging the Post Office Department if you compare it to the charges they make to the railway express agencies?

Mr. STANS. I would like to answer in this way, that they are obviously getting more from us for carrying the mails.

I may point out here that this shows that section 557 is not being enforced, for under section 557 the Postmaster General is to arrange for the carrying of parcel post "at rates not exceeding those" charged to the express companies.

The questioning continued. I ask Senators to listen to this colloquy:

Mr. BRAWLEY. If the Interstate Commerce Commission would grant petition how much do you think it would save the Post Office Department currently?

Mr. STANS. It would be considerable. I would have to make some computations, but it would be a very considerable amount of money.

Mr. BRAWLEY. Apparently close to the hundred million?

Mr. STANS. I would not be surprised (p. 61).

Thus, Mr. President, there is no doubt that section 557 remains unenforced. This is proven by the numerous requests of the Post Office Department to the ICC for the information by which section 557 could be enforced, as well as the testimony of those who are close to this matter.

Further, there is little question that the amount is in the neighborhood of $100 million, that according to the Citizen's Advisory Committee the Post Office pays the railroads approximately 60 percent more for this service than the railroads charge to comparable customers—in violation of law—and that this is a pure subsidy to the railroads which is unreasonable and unconscionable, and expressly forbidden by law.

Finally, the Post Office Department's Cost Ascertainment Report of 1955—page 97, table 70, account 321—shows that the Post Office Department paid the railroads $242,083,899 in that fiscal year for carrying non-first-class mail. It appears that in that year, without making adjustments for slight differences in service, the Post Office Department overpaid the railroads by some $121,041,950. If adjustments are made for variations in service, and so forth, it would appear from the facts that the estimate of $100 million made by the Citizen's Advisory Council and substantially concurred in by the Deputy Postmaster General, is as reasonably accurate and correct as can be estimated without specific figures from the ICC.

Thus, Mr. President, there is no question that section 557 is not being carried out and that the cost to the Government in terms of a subsidy to the railroads—a subsidy not provided by law and apparently expressly forbidden by law—is approximately $100 million per year.

Now, Mr. President, no one, I believe, will deny the facts which I have presented thus far. I now wish to deal with two questions: First, why has section 557 not been enforced, and second, what can be done to see that it is enforced?

Basically, there are two reasons why section 557 has not been enforced. The first is the absolute unwillingness of the ICC to furnish the required information under section 557. Further, their refusal appears to be based on the flimsiest

of reasoning and is unwarranted in the light of section 557's clear language. Perhaps behind this basic reason is the fact, as we all know only too well, that the Commissions which we have set up from time to time to regulate a particular industry have come more and more to disregard the public interest and to actively and aggressively represent the very interests of those they were designed to regulate. This has been done in particular by packing the regulatory commissions with individuals from the industries they are supposed to regulate. It has also been done by a variety of other means, some of which are unethical and others of which come very close, to if they do not violate, the law. Among these are private representations to the Members of the Commissions by groups with cases before them; social activities by the industries for and on behalf of Commission members, and the temptation to highly placed or key employees of the commissions of lucrative positions with the regulated industries. Mr. President, I merely state this for the RECORD. I know of numerous instances in which such events have occurred, but as my main objective today is to argue the facts, I shall not dwell on these related matters.

Nonetheless, the first reason why section 557 has not been enforced is the abject refusal of the ICC to provide information. When compared with the statute, their reasoning is as flimsy as any could possibly be and, in my opinion, could not stand the test of judicial review.

Let me be specific.

The basic refusal of the ICC to give the Postmaster General the information required by title 39, United States Code, section 557, was given in "Railroad Rates on Express Matter, 1949 (274 ICC 683, 687)." This was a ruling which grew out of the 1947 petition of the Postmaster General and which was finally completed in 1951. In that petition the Postmaster General requested the ICC to furnish information as to the revenues received by the railroads from the express companies. This was to be stated in units of service common to the carriage of express and mail matter—excluding first class—and the information was to be given with adjustments to reflect the differences in services which were performed.

The ICC denied this request. It wrongfully and mistakenly claimed that section 557 did not impose any duty on the Commission to make an investigation and study of the operation of the railroads and the Railway Express Agency in connection with the transportation of express matters, and the revenues received therefrom, for the purpose of formulating rates, when the law, which I have read, specifically so provides. The Commission claimed, secondly, that since express matter is not performed under rates or a system of rates, any investigation of and determination made by the Commission would be for a given period of time in the past and would have no prospective effect or application.

Mr. President, how absurd can one get? What the Commission said was that since the railroads get their express revenues from the Railway Express Agency under operating agreements based on the variable net earnings of the express agency, rather than on a formal system of rates, the ICC will not provide information as to the revenue received by railroad companies for services rendered in the transportation of express matter—section 557.

In other words, the law prescribes that the ICC furnish information as to the revenues received so that the Postmaster General can arrange for the transportation of parcel post "at rates not exceeding those so ascertained and reported to him."

The ICC, in denying the information, says:

First. The law does not impose any duty on us to make a study and investigation.

Second. They then beg the point by stating that it does not impose the duty in connection with the transportation of express matter, and the revenues received therefrom, for the purpose of formulating rates; and

Third. They say that because the railroads do not perform their service for Railway Express by a system of rates, but rather by a system under which the railroads receive their revenues under operating agreements based on "variable net earnings," the ICC will not provide the revenue information or the comparable rates.

That, Mr. President, is a clear refusal of the ICC to grant information and it gives the law a meaning it does not have on any clear reading of it. On the face of it it is absurd. At best it shows an inability of the Commission to read; at worst it shows the Commission as a willing servant of the railroad industry.

In fact, under this interpretation, if the railroads had been receiving revenues from the railway express under a rate structure, all they would have needed to do to avoid the clear provisions of section 557 and to gain a substantial subsidy would have been to shift from a rate structure to a charge based on railway express net earnings.

I wish to repeat, Mr. President, that the refusal of the Commission would not stand the test in a court of law.

Now let me turn to the second reason why section 557 has not been enforced. This flows from the fact that the Post Office Department, in the face of the absurd ruling of the ICC, has been willing to roll over and play dead. The Postmaster General has merely accepted this ruling. He has done nothing to test its legality. He has accepted it and has used it as an excuse to perpetuate this unwarranted and unconscionable subsidy to the railroads in violation of the law.

In testifying before the Senate committee on March 21, Mr. Stans of the Post Office Department criticized the contention of the Citizens' Advisory Committee that $100 million in subsidies was being paid the railroads because section 557 was not being enforced on the following grounds; and I quote Mr. Stans' brief:

> Here the council, apparently confused regarding the contractual agreement between the railroads and the Railway Express Agency, believes that the Department is subsidizing the railroads by $100 million by paying rates that are double those paid by that agency. The council intimates that it is the Department's fault that United States Code 39, section 557, passed in 1916, has never been enforced.

Mr. Stans then continues by citing the various petitions of the Postmaster General to the ICC and the ICC rulings, and concludes:

> Under the law the ICC prescribes the rates of compensation to be paid the railroads. It has ruled twice that the contention adopted by the council on page 36 is not valid.

Mr. President, there is proof again that the Post Office Department merely rolls over and plays dead in light of the ICC ruling. Of course, it is the Department's fault as well as the fault of the ICC for the Department has failed to take legal action.

Of course, the ICC prescribes rates to be paid the railroads. What is wanted in this instance are the revenues which the railroads receive from the Railway Express Agency and the comparable equivalent rates which the ICC and the ICC alone is able to determine.

Here is another example of how the Post Office passes the buck to the ICC. There is no question that the ICC has refused to provide information which, by law, it is required to give. There is no question, further, that, notwithstanding its reasons, the ICC is quite capable of determining the revenues the railroads receive and what the equivalent rates would be for parcel post. As Mr. Frank, the former associate solicitor of the Post Office Department, pointed out:

> Despite the fact that the railroads do not charge the Railway Express Agency a fixed rate for the transportation of express matter, revenues attributable to the different units of comparable service of mail and express matter can be determined by the Commission's apportionment technique which it exercises regularly.

The method by which this can be done was stated very simply in the brief in support of the 1949 petition by the Solicitor of the Post Office Department. This is what it said—Railroad Rates on Express, 1949, 274 ICC 68, pages 21–22:

> The result will be a determination of (1) the service furnished to express which is also furnished mail:

That, Mr. President, should be quite simple for the ICC, with its staff and experience, to do, and—

> (2) The revenues received by the carriers for such service.

That, Mr. President, is equally simple and some, if not all, of that information is available in published sources. The statement continues:

> These two determinations, placed together, will constitute a ratio of revenue to service, i. e., a rate for service. It will be a rate capable of application to non-first-class mail, being in terms of a unit of service common to both.

Mr. President, the more I look at the ICC refusal to give the information which the Department has requested, and which section 557 imposes on the

ICC, a duty to give, the more I believe the ICC is saying something like this:

Sir, the information you request would require two simple calculations. We have not made those calculations. Therefore, we will not give you the information.

Of course, the ICC has to do some work to establish a comparable rate. They do this day in and day out. How else do they establish initial rates except to take the kind of service which is performed and fix a rate based on that service?

But what seems even more absurd than the ICC refusal is the willingness of the Post Office Department to accept this refusal and their rulings without a fight. I believe they are remiss in that and I shall now propose what can be done and what should have been done several years ago.

The Post Office Department should renew its petition immediately. As there is a rate case pending and as the information was requested there, it may be that the request does not have to be renewed—1956, ICC Docket No. 9200, Railway Mail Pay.

But if it does have to be renewed, the Post Office could act within a matter of hours. Their previous briefs have been adequate and have stated the case. They must do so again, and it could be done quickly—this week if they really wish to do so.

Then, Mr. President, as we all know the Supreme Court has decided that rulings and decisions on petitions before the ICC are retroactive to the date of their filing. Thus, if successful, the savings of $100 million could be made retroactive to the 1956 filing or the filing which could occur in a few days.

In the meantime, Mr. President, the Postmaster General should withhold from the railroads the $100 million subsidy which his own deputy agrees is paid to the railroads. That would give a basis for a test in the Court of Claims.

The Post Office Department has had, in the past, exactly the same problem with the CAB over airline mail subsidies as it is now having with the ICC over railroad subsidies. The Post Office, failing to breach the industry-dominated CAB, has gone to court. They have claimed savings of literally millions of dollars by court action. From time to time they take credit for the airmail savings brought about by court action. Yet, Mr. President, when faced with an absurd ruling of the ICC, instead of going to court, as they should have gone years ago, and as in all probability they would have done had Bob Hannegan remained as Postmaster General, or instead of seeking the active aid of the Comptroller General, they throw up their hands and say nothing can be done.

The ICC and the Postmaster General have both said, in effect, that title 39, United States Code, section 557, is without meaning or effect. Now, who is the ICC to say that? Are they a court of law? Are they not required to carry out the statutes as passed by the Congress?

And who is the Postmaster General or his deputy to say that when the clear meaning of the law is not enforced by an independent agency, that the post office is required to sit back, roll over, play dead, and just take it?

Mr. President, I believe we should pass my amendment to cut out this subsidy for a variety of reasons.

In the first place, it would bring action by the post office in the courts, action which is far too long overdue. This would be done by withholding the $100 million subsidy from the railroads.

Second. It would show both of these agencies that laws of the Congress are meant to be enforced and carried out. And since there is no question either about the intent or the meaning of the law, this should not take long to bring about.

Third. As we have seen on numerous other occasions, some quasijudicial, administrative, or independent agency, such as the CAB, has overpaid carriers in violation of the law. When this has happened, millions have been recaptured in the public interest by court cases.

Fourth. The present situation gives a windfall profit, expressly forbidden by law, to the railroads. This is against the public interest, in violation of the law, and is special-interest administration at its very worst.

Fifth. The $100 million which my amendment would cut out is not needed now and if, by some stretch of the imagination or because the post office failed to prepare its case adequately in the courts, a test case was lost, the Congress could then make up these sums, if necessary, at a later date.

Mr. President, when one views these outright abuses of the law on the part of independent agencies and departments of the Government, one is often moved to cynicism. This is a test of whether power and wealth are going to remain in the saddle, or whether Government activity is to be carried on in the interest of the public at large who now pay these absurd and illegal overcharges through excessive mail rates or through taxes.

Mr. ROBERTSON. Mr. President, the amendment offered by the Senator from Illinois [Mr. DOUGLAS], although technically different from the previous amendment, is actually the same. The amendment would cut $100 million from the overall amount for transportation. What is transportation? That is what we pay the railroads, the airlines, the trucks, and the rural carriers. It is assumed by the distinguished Senator from Illinois that we can make the railroads carry their part of the burden for $100 million less. Suppose they refuse to do it? I hope the Senator from Illinois will be fair enough to pull down all the rural routes in Illinois before he pulls them down in Virginia.

What are the facts? We are giving the Post Office Department for this transportation item $2 million less than it is actually spending this year. We are giving them $9,737,000, which is less than they said would be necessary, and irrespective of the latest testimony that, instead of there being a 1½-percent increase in volume, there will be an increase of between 4 and 5 percent.

The greater the volume, the heavier the weight, and the more the railroads and the airlines and the other carriers will charge.

The Senator has a fine theory that someone can tell the ICC, "Quit being the tool of the railroads. We don't like it." That is a fine theory to be able to say to the ICC, "Come on, now; give us an enforcement of this section, and we will save $100 million that the railroads are overcharging us."

What are the facts? The facts, testified to by the Department, are that pending right now are applications from the eastern and southern railroads for a rate increase of approximately 63 percent. It would amount to $103 million more than is being paid now. That fact is not taken into consideration at all in any of the figures contained in the bill. We are giving the Department for this item, which it may not be able to control at all, $2 million less than it is spending this year.

We are giving the Department $9,737,000, without considering any further increase in volume. Yet the amendment proposes to say, "Let's cut them $100 million."

In order to save the rural routes in Illinois and in Virginia, I ask that the amendment be defeated.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DOUGLAS].

Mr. O'MAHONEY. Mr. President, before the amendment is acted upon, I wish to ask the chairman of the subcommittee a question, which may have nothing to do with the pending amendment. I do not believe it has anything to do with it, but I wish to get this question into the RECORD.

I have been watching some of the activities of the Post Office Department, and I am not at all adverse to the request of the Postmaster General that there should be an increase in postal rates. I know that some reforms which are needed are not being carried out.

However, I became aware that the Post Office Department has undertaken the policy of transshipping by air 3-cent mail in large quantities. In other words, mail for the transportation of which the letter writer has paid 3 cents was placed upon airplanes and carried by the airplanes, thus giving it a preference over the mail for which the writers had purchased 6-cent stamps. This amounted to a preference right for the airplanes over the railroads for the transportation of this type of mail, and a defeat of the promise which the 6-cent airmail stamp makes to the person who buys it for the purpose of securing more rapid transportation.

I noticed on page 55 of the House hearings on the Treasury-Post Office Department appropriation bill for 1958 that Mr. GARY, the chairman, when Mr. Stans was testifying, asked this question:

What is the current status of the carrying of 3-cent mail by air?

Mr. STANS. Mr. Siedle?

Apparently Mr. Siedle is one of the Post Office employees.

Mr. ROBERTSON. He is the transportation man.

Mr. O'MAHONEY.——

It is the same, Mr. Chairman, as it was last year. We have not extended the operation. We continue to just about break even on it from a cost standpoint, when compared with the previous method of moving it by surface transportation.

That is all I find on this subject in the hearings in the House. I do not know whether anything was developed in the Senate hearings or not.

Mr. ROBERTSON. Nothing was brought out on that subject in the Senate hearings. We understood that such movement was an experiment and was in connection with a recommendation of the Post Office Department that the first class mail rate be set at 5 cents, and that such mail then would be carried either by plane or by train, whichever was quicker.

But the Department abandoned the proposal for 5 cents and went back to 4 cents for first class mail, and proposed to set the air mail rate at 7 cents.

This was to be a limited experiment, to determine whether it would be very much more expensive, and to ascertain whether or not a great volume of mail would be carried at 5 cents.

In Great Britain and in Canada such mail is carried for 5 cents, and it is sent by the quickest means of transportation.

Mr. O'MAHONEY. Does the Senator from Virginia know what charge is made by the airlines for transporting 3-cent mail by plane?

Mr. ROBERTSON. As I recall, that figure is not broken down. The Government subsidizes the airlines. The chairman of the subcommittee, in his statement today, which was placed in the RECORD, included one of the things which he asked the Department to look into, namely, the charge which was made by the Committee on Post Office and Civil Service that the post office hires mail cars, dispatches them only half full, or a third full, or sometimes not filled at all, but pays the full rate on them, and in that way pays the railroads far more than the railroads are entitled to receive. We want the Post Office Department to investigate that matter. We cannot guess at what is happening. We cannot simply cut the budget by $100 million and say, "You are getting $100 million too much."

Mr. O'MAHONEY. The question I should like to have the Department answer is how much the Department is paying the airlines, in subsidies or otherwise, for the transportation of 3-cent mail by airplane, while on the same plane there are being transported hundreds of pounds of mail bearing the 6-cent airmail stamps, as against the ordinary 3-cent first-class postage stamps.

Mr. ROBERTSON. The first time I met my distinguished colleague he was an Assistant Postmaster General, and was doing a good job.

Mr. O'MAHONEY. The Senator from Virginia is very kind.

Mr. ROBERTSON. Someone said to me the other day, "I cannot recall when we had as good a Postmaster General as Jim Farley." The Senator from Wyoming worked with Mr. Farley, I believe.

Mr. O'MAHONEY. I did.

Mr. ROBERTSON. Mr. Farley had excellent morale in his Department, but he did not have some of the present-day problems. The pay of postal employees has increased, and the volume of mail has increased. Many other things have occurred.

If the distinguished Senator from Wyoming will submit his request in the form of a letter, the chairman of the subcommittee will do all he can to get the information and will place it in the RECORD.

Mr. O'MAHONEY. I shall be glad to comply with the Senator's request, and I hope we shall get an answer from the Department.

Mr. ROBERTSON. I hope so, too, but I cannot guarantee that we will.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

PUBLIC HEARING ON OIL INVESTIGATION REPORT

Mr. O'MAHONEY. Mr. President, the press has been asking me in various way for some indication as to when a report will be available concerning the oil study which was made while I was the acting chairman of the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary.

The subcommittee held 18 days of hearings upon that matter. A great volume of testimony was taken. There is available much more information which perhaps we should get, but it is important that a report should be prepared and submitted to Congress and the country. I have taken up this matter with the subcommittee, by whose authorization I made this statement this morning:

An open, public hearing on the preparation of the report on the oil investigation recently held by the Senate Judiciary Subcommittee on Antitrust and Monopoly will be called before the end of this month.

I am deferring the fixing of the date until it can be determined what is the most convenient time for the members of the staff, who are engaged in the preparation of their presentation. I have called upon certain members of the staff who handled the study to prepare summaries of the factual information which was gathered. My hope is to have a factual, constructive report made by the staff members, who will present to the members of the subcommittee the facts which were obtained in the 18 days of hearings. This will be done in an open, public session.

I shall take pleasure in inviting to attend the session the representatives of the various oil companies that carried on the European oil lift and that cooperated with the committee in answering the questions which we propounded. I shall ask the representatives of the Government agencies to attend, and I shall notify also all witnesses who appeared before the committee that they will be welcome to be present while the facts are being presented to the subcommittee and the full committee by the staff. This will be done because with the great welter of information which comes to all the different committees of Congress, Members of the Senate frequently have very little time available to read the reports which are afterward written. The method I am proposing will, I think, result in giving greater publicity not only to the facts which were presented in the open public hearings which were held, but also to the answers which were submitted to the inquiries which the committee made by sending staff members to visit certain companies, and by getting certain information and answers to questionnaires from certain companies.

The subject matter revealed at the hearings, and secured from Government sources and from the oil companies concerned, constitutes, in my opinion, one of the most important subjects before the country today. As long ago as February 5, in opening this matter, I stated that the oil problem is as close to the people of the United States as the nearest filling station; as close as the nearest draft board; because the oil problem deals with matters which are at the basis of the international controversies which are now disturbing the whole world.

It is of the utmost importance, therefore, not only that the report upon these hearings shall be factual and constructive, but that the facts be made speedily and broadly available to Congress and the country.

I know of no better way to handle public business than to handle it in public, and not behind closed doors.

I thank the Senator from Illinois for yielding to me at this point.

TREASURY AND POST OFFICE APPROPRIATIONS, 1958

The Senate resumed the consideration of the bill (H. R. 4897) making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

Mr. DOUGLAS. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 12, in line 12, it is proposed to strike out "$648,000,000" and to insert in lieu thereof "$593,000,000."

Mr. DOUGLAS. Mr. President, this amendment is directed to the same clause of the appropriation bill as the preceding amendment, but is based on a different set of economies. It proposes to effect some of the economies by shifting transportation from rail to trucks in a larger percentage of the cases.

We just had a discussion indicating that, at least in part, the Post Office Department has been shifting the transportation of mail from railroads to the airlines. To the degree that that has occurred, of course a higher rate has been involved, and hence there has been a greater cost to the Post Office Department. There is very clear evidence of which I shall shortly produce, the fact

that at the present time the Department is carrying by rail a very large volume of mail which could better be carried by truck, and therefore at lower cost. So apparently the slogan of the Post Office Department is "Use the method of transportation which is most costly to the Government."

The Citizens' Advisory Council, to which I have previously referred, and which was appointed by the distinguished Chairman of the Senate Committee on Post Office and Civil Service, whom I see on the floor at the present time, and which had as its staff director the clerk and expert for the Senate committee, Mr. Brawley, estimates that a yearly saving of $85 million could be made by diverting to trucks much of the mail moving within a 300-mile radius and now carried by rail. The council estimates that at the present time approximately 90 percent of the mail is still moved by rail, and only 10 percent thereof is moved by truck. Figures which have been presented show that the ordinary commercial business uses trucks for approximately 25 percent of its transportation operations. This means that the Post Office Department has been reluctant to shift from a system set up before trucks became a major factor in our economy, and has continued to use the railroads because its system was originally established around the railroads, and has continued on that basis.

Mr. President, I know that this claim has been disputed by the Deputy Postmaster General. He states that only 75 percent of the mail is moved by rail, and that 25 percent moves by truck or by other methods. I am not quite certain what the statistical basis for that statement is. On the whole, I prefer the analysis made by the Citizens' Advisory Council. Nevertheless, I am more than willing to give some effect to Mr. Stans' testimony before the Post Office and Civil Service Committee. I suggest that we call for a saving of half of the $85 million estimated by the Citizens' Advisory Council as a fair one. That will mean a saving of $42,500,000 in the case of that item alone.

ROUND-TRIP PROVISIONS

Mr. President, there are a number of other transportation practices of the Post Office Department in regard to which the Department could make definite savings, if it had any real desire to reduce the transportation costs. One of them would be in the complete elimination of the round-trip provisions. I thought we had done away with the scandalous situation whereby the Post Office Department was paying many millions of dollars for unused space. I have before me a print of the Senate committee report on this subject, issued in 1950. It includes the report of the General Accounting Office and the Comptroller General. We thought this practice had virtually been done away with. We know how scandalous it was, for in a study made by the House Post Office Committee in 1948—Report No. 1242—it was shown that in April 1946 a little less than 20 percent of the deadhead movements on railway cars was unoccupied. Thus, the total cost of unoccupied space in that month was in excess of $1.5 million, and for both the initial movement and deadhead movement, approximately 22.82 percent of the space paid for was not actually used.

While it is true that the worst of these practices have probably been diminished, yet they still exist to some extent, because of the laxness of the Interstate Commerce Commission, in the absence of more positive action by the Post Office Department. That situation has been clearly demonstrated. For example, in Railway Mail Pay Docket 9200, which was decided on December 4, 1950, and is the prevailing situation, the Commission states, on the one hand, that "in the proposed rate structure all provisions with respect to payment for service in storage cars and lesser storage units on a round-trip basis will be eliminated;" but then it continues, on the other hand, by stating, "The rates will apply only for loaded movements, and include compensation for empty return movements." In other words, the Government was not charged directly for the empty return movements. However, the loaded-car movements were to have applied to them an additional rate loading for the empty return movements. So the Government paid for them just the same. Thus, what the Commission took away with one hand it largely gave back with the other hand.

So, Mr. President, although as a result of the ruling of the Interstate Commerce Commission, some of the worst practices in this respect have been done away with, many of them still prevail; and, of course, this situation increases costs and is against the public interest.

FEATHERBEDDING PRACTICES

Mr. President, at this point I wish to refer to numerous practices in the Post Office Department which can only be called featherbedding. They increase by many millions of dollars the amounts paid by the Post Office Department to the railroads.

Let me be specific. First, there is the same unit rule. This rule is still in effect at least in the eastern and southern divisions, and may, in fact, be incorporated in the rate for the western division, even though it is not included in the agreements with these railroads.

Stated simply, it is a "peak load rule." It requires that the same unit of closed pouch and storage space be authorized every day of the week in which any one unit is required. Thus, if on a regular run from Washington, D. C., to New York City, 15 feet of space is authorized on 1 day of the week, the same amount is authorized on all other days of the week, even though as little as 3 feet may be used on some other day, or on all other days of the week.

As the Comptroller General has said:

> The peak day of the week determines the service. Except in closed-pouch service, these rules apply to the (authorized) returned empty space as well as the going loaded movements and necessarily increase the payments for deadhead service.

Thus, if service is used only one way, and if it is based on the peak day of the week, resulting in excessive authorized initial service, the extra space authorized, but not used on the initial service, is paid for, as well as the deadhead space based on this excessive authorization, which is returned.

Let us take an example from personal life. Let us suppose that a man and his wife and their five children take a trip by rail from Washington to New York. Even though he and his wife and the five children make the trip to New York, and only the man and wife return from New York, he is obligated to buy space to and from New York for his entire family.

Then, if he were to make the trip every day of the week, but if he left his family at home on all but one day of the week, he would be required to pay for 7 tickets to New York and 7 tickets back from New York on the days when he traveled alone and left his family at home. That is what this "peak load" authorization system means.

Second, Mr. President, there is the "more than 50 percent rule." Under this rule, the Postmaster General authorizes and pays for, in the current month, the quantity of space—whether needed or not—which was inherited from the previous month.

The quantity of space inherited from the previous month is based on the 50 percent rule. That means that in estimating the next month's needs, the Department figures as an average unit of space what will accommodate the mail authorized on the high 50 percent of the days in the preceding month.

Inasmuch as the amount authorized in any month is based on the "same unit" or "peak load" rule—which, of course, "beefs" up the space paid for, even though unused—and inasmuch as the next month's needs must be based on the mail "authorized" on the high 50 percent of the days in the previous month, there is a pyramiding of unused space which is paid for.

In other words, the "peak load" system means that the authorized space for a week is the largest amount of space used in any one day. Then the figure for the month is based on the highest 15 days—or, really, the highest 2 weeks. So, on the basis of 2 days' high peaks, which establish the rule for the 2 weeks, the authorized space for those highest 2 days could become the authorized space for the next month.

Thus, if our family of man and wife and five children are charged in excess for 1 week—because he must pay for in every day of the week what he actually uses on only 1 or 2 days of the week—and if he then finds that in the next month he must pay for the amount based on the high 15 days of the preceding month, we can get some idea of the "featherbedding" involved.

Not only that, Mr. President, but if by chance the Post Office authorizes too little space for the next month—under the more than 50 percent rule—it must pay for the extra space used. But if the Department authorizes too much space, then it gets no rebate or return from the excess space not used.

Thus, the system pyramids on itself, and the Post Office is charged excessive amounts for its transportation by rail.

Mr. President, this situation need not continue. It continues because the ICC has allowed it to continue, and by the assertion of its jurisdiction takes into account these items when fixing the rates at which mail is paid for.

The Post Office has acted as though its hands were tied on this subject and that it had no recourse except to accept the ICC decision or to try again before the ICC to have it changed.

This is not true. The Postmaster General, in this case as in the section 557 situation should make the economies and if they are upset by the ICC he should take this matter to the courts.

He has a very strong case as well, for he has the Comptroller General behind him on this situation.

For in a Comptroller General's report of April 28, 1950, the General Accounting Office had this to say about the relative jurisdictions of the Postmaster General and the ICC. I hold that report in my hand and I shall read from pages 17 and 18.

I may say that was when a great American, Mr. Lindsay Warren, the distinguished statesman from North Carolina, was Comptroller General. He was one of the most honorable men in the Government, and one of the greatest fighters for the public interest. He served both in the House of Representatives and as Comptroller General.

Listen to what Mr. Lindsay Warren had to say on this point:

> Congress has established two necessary standards for the payment of railway mail service:
>
> 1. The service must be prescribed by the Postmaster General (39 U. S. C. 545).
>
> 2. The service is to be increased, reduced, or discontinued (necessarily by the Postmaster General) with pro rata reductions as the needs of the postal service required (39 U. S. C. 564.)

Then the Comptroller General discusses several items—the "round trip" provisions, the more than 50-percent rule, and the same unit rule, and he states, as follows:

> These rules cause service to be rendered and paid for, not as actually needed by the postal service but in excess of the actual needs of the Department.

On the one hand the Comptroller General has said that the service is to be prescribed by the Postmaster General based on the needs of the postal service. On the other hand he has said that these practices cause service to be paid for which is not needed. What could be clearer.

Therefore, it is no excuse, under this opinion, for the Post Office to say that the ICC ties its hands. The ICC sets rate, but it is clear that the Postmaster General has full authority to determine the particular service he requires, or the needs of his office, without interference from the ICC.

I wish to emphasize again that this matter has not been taken to the courts. Given the law, the Comptroller General's opinion, and the outrageous practices for which the Post Office pays for services not actually rendered—which private business does not pay—there is little question that he could win in the courts.

To help him do this, I believe we should cut this appropriation by this amount, so that the Postmaster General can get busy and make an effort to support the public interest.

Mr. ROBERTSON. Mr. President, when the Appropriations Committee reported the bill to the Senate, the committee decided to allow for transportation, because of an anticipated increase in mail in fiscal 1958, $2 million more than had heretofore been provided. The committee went on record as stating that if economies could be effected, that should be done. The testimony of officials of the Post Office Department was that they could not economize that much. The testimony was that even on the basis of a 1½-percent increase in volume, transportation costs would be increased by $10 million. But the committee was desirous of bringing about some economy and stated, "Let us see if we cannot squeeze here and there. Let us see if we cannot handle mail in 1958 for a little less than it cost in 1957. Let us try $2 million."

The pending amendment in effect states that $2 million is not enough, and that it should be made $52 million. It proposes to add $50 million to the cut. On the basis of any known facts, that is not a realistic approach.

I must ask that the amendment be voted down.

The PRESIDING OFFICER (Mr. CLARK in the chair). The question is on agreeing to the amendment of the Senator from Illinois [Mr. DOUGLAS].

The amendment was rejected.

The PRESIDING OFFICER. If there is no further amendment to be proposed, the question is on the engrossment of the amendment and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The question is on the final passage of the bill.

Mr. DIRKSEN. Mr. President, I am mindful of the admonition in Scripture, "Let your communication be Yea, yea; Nay, nay: for whatsoever is more than these cometh of evil." I shall speak very briefly in behalf of the Postmaster General. I think he is the fairest, the most vigilant, and the most efficient businessman we have had as Postmaster General in a long time.

I believe his record speaks for itself. I note that in the 5 years he has been Postmaster General, 5 million homes have been built in America and have been serviced by the mail carriers. In the 5 years Arthur Summerfield has been Postmaster General there has been an 18-percent increase in the mail volume. In the 5 years he has been Postmaster General the number of personnel in the Post Office Department has remained what it was in 1952. So notwithstanding the mail increase and the serving of 5 million additional homes, the same number of personnel has given that service. I think that is a record of efficiency in the Post Office Department that has been unequaled by any of his predecessors.

I might say further that the deficit in the Post Office Department was actually brought down to $363 million. For fiscal 1958 it is estimated it will be $651 million; and if the southern and eastern rail carriers secure rate increases from the ICC, the deficit for the Post Office Department in fiscal 1958 will be, in round figures, three-quarters of a billion dollars.

That is pretty difficult to swallow. Yet that is the kind of problem with which the Postmaster General has wrestled. In my judgment, he has done a phenomenally good job. Congress has not helped him in the revenue situation. The postal pay increases have made his job a little more difficult. The pay increases since he has been Postmaster General aggregate nearly $1,200,000,000, either in actual pay increases or fringe benefits.

I rise in defense of the Postmaster General and to assert his cause, because I think he is right, and I think too often Congress has been wrong.

I did not go along in the subcommittee with the cut of $58 million. The reason I did not go along with it is that I know what is going to happen on the day this fiscal year is over, or when Congress reconvenes in January.

I am willing to lay all the cards on the table. This is a service institution, employing in excess of a half million persons, who service nearly every home and business establishment in the United States. When the Postmaster General needs funds in order to carry on that operation, I am willing to put them in a package which the whole world can see, and not take refuge in a supplemental or deficiency appropriation when the heat is off and the publicity is no longer operating.

I concurred with the distinguished chairman in restoring $32 million, but the full Appropriations Committee had other ideas. Frankly, I do not quarrel about that, because the additional funds will have to be added, in my judgment, to a supplemental appropriation that must be considered before this Congress leaves Washington, if we are going to maintain the kind of service we have at the present time.

On the fiscal 1957 bill, the distinguished chairman of the subcommittee will bear me out. He and I fought with the House conferees. We told them, in effect, when they cut the bill, that they were inviting a deficiency, that they were inviting the necessity for a supplemental appropriation bill. That is precisely what happened. Early in the year there came from the Bureau of the Budget a supplemental request for $47 million for the Post Office Department.

It was said that the Postmaster General first tasted blood and that probably it made him rather heady. I know of no more gracious person, I know of no more humble person, and I know of no person high in the councils of Government who tries harder to avoid disagreeable and distasteful things which sometimes happen because of the little frictions between the executive and legislative branches.

But in that case he was absolutely right, and the Congress was, in my judgment, absolutely wrong. I think the

time has come for the Congress to embrace fully its responsibility.

The Congress created the Post Office Department and made provision for the Postmaster General; indeed this whole sprawling service into every section of the country is the creature of Congress. If we do not give the Postmaster General the money to maintain the service, all we have to do is tell him to "cut your service." But we should accept the responsibility for it, so he can say to the country, "Go to Capitol Hill. The Congress took away the money I thought I ought to have, so lay your protest and lodge your complaint at the door of Congress where it properly belongs."

That is the issue here today, it seems to me. We have under consideration a $58 million cut by the House, and we in the Senate committee have concurred, although I did not concur. I presume now this action will be approved, but I wish to remind the Senate that there will have to be a supplemental appropriation bill, or otherwise, in all honesty, in all fairness, in all decency and in all courage we simply must say to the Postmaster General, "This is all you will get. Do the best kind of job you can with it."

When that time comes, let us not throw any dead cats and hatchets at him. If he has to put numerous post offices out of business, if he has to close up post offices in little towns or do something about rural free delivery, or cut service in one class or another, there will be plenty of complaint and protest from the country when the time comes.

The real problem confronting the Post Office Department is a problem of volume, and we have not appreciated it. From 1952 to 1953 there was an increase of 1 billion pieces of mail. From 1953 to 1954 the increase was 1.3 billion pieces. That increase alone is equal to the whole mail volume of the Republic of France for a period of 7 months. From 1954 to 1955 the increase was 3 billion pieces of mail. From 1955 to 1956 there was an increase of 1.2 billion pieces. From 1956 to 1957 the increase is 2.4 billion pieces of mail. From 1957 to 1958 it is anticipated that the increase will be 2.3 billion pieces of mail.

So since 1952 the volume of mail has gone from 49.9 billion pieces of mail per annum to 61.1 billion pieces. How is it going to be delivered? We cannot let it lie in railroad stations and airports. We cannot throw it in the Senate Post Office or elsewhere and leave it there. There would be a rebellion in the country if we did that, because this is a service that is utilized by all the people. Either we must mechanize, or we must give the Postmaster General the personnel. We must do those things that are necessary.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. HOLLAND. The Senator will note, by looking at page 2 of the report, that the amount allowed in the bill as reported is $166,660,000 more than the entire appropriation for 1957, including the deficiency appropriation, which represents an increase of 5½ percent. Does the Senator not believe that is a substantial increase, and one which is greater than the increase in the reported volume of mail?

Mr. DIRKSEN. Yes, Mr. President, but we must consider what is involved. All the increasses under the Classification Act, and the mandatory increases under Public Law 68 have not been straightened out. There is a question of uniforms, for which they must be reimbursed. There is a question of supplies, a question of facilities, and a question of extensions. In addition to that, there is $163 million in this appropriation for the retirement fund, under the new program in which every Department takes care of its own contribution to the retirement fund.

I simply point out that the Post Office Department is a growth institution and there is no way of stopping it. Our population increases at the net rate of four million a year.

Houses go up at the rate of one million a year. They must be served.

Either we must give the Postmaster General the money which is necessary or we must say to him in language he can understand, "Here is the limit beyond which Congress will not go so far as appropriations are concerned; do the best you can with it."

When he has done his best, let us not shunt the responsibility onto him. Let us accept our full share, because in all truth it is "our baby."

There is one other thing I wish to say, and then, since the hour is getting late, I shall bring my remarks to an end.

The Postmaster General has done an efficient job. The mail handling cost was 5.14 cents per mail piece back in 1952. That has been reduced, up to last year, to 4.66 cents per mail piece. The amount of mail that is handled by the handlers and the clerks has increased from 238,000 pieces a year to 279,000 pieces a year. I think they have done a good job.

But they need no particular defense from me. I simply say, "Let us lay all the cards upon the table so that we do not have to go through this thing again." If the mail increase meets the expectations of the Post Office Department—and the last 4 weeks indicate that the mail increase is now running at the rate of 4.9 percent—then there can be no question that a supplemental appropriation will be required if we are going to keep the mail service at the level which now pertains.

If we wish to let the mail service drop, and if service is to be curtailed, well and good; then let us say so. Let us embrace the responsibility. Let us say to the Postmaster General, "It is your baby; you do the best you can." And I am confident he will do so.

But as I look back on the operations of the Department during the last 4 years-plus, I think in all fairness it must be said that Art Summerfield has assembled an excellent business staff. He has done a perfectly superb, honorable job, and I think he deserves a pat on the back not only for the job he has done but for his intense desire not to incur a deficiency, and, secondly, to operate the Post Office Department within the guidelines established by the Congress.

Mr. JOHNSON of Texas. Mr. President, this is the first of the departmental appropriation bills that the Senate has considered this year. Therefore, our decision on its merits has considerable significance in terms of the whole budget.

This measure covers two of the great agencies of our Government—the Post Office and the Treasury. There are no other agencies which have such a direct impact upon the daily lives of our citizens.

The Appropriations Committee considered this measure very carefully. After due deliberation, it was decided to go along with the figures approved by the House.

I was author of the motion in the full committee to reduce the subcommittee bill to the House figure. I am perfectly willing to give the Postmaster General a pat on the back. But I want the pat to come after he has carefully considered the recommendations of the Committee on Post Office and Civil Service and the Committee on Appropriations, and after he has reviewed some possible ways of effecting savings.

First, I should like to pat the Postmaster General on the back after he takes a look at the activities of his regional and district offices which are reputed to have increased postal costs by over $15 million a year.

In other words, under this efficient management, and under the so-called regionalization, the cost to the taxpayers allegedly has been increased approximately $15 million a year.

Second, I should like to have the Postmaster General examine transportation methods to find out just how many empty or half-empty cars are carrying the mails at other than peak periods.

I hope it will not be necessary for individual Members of the Senate to come to the Senate Chamber, as the Senator from Illinois [Mr. DOUGLAS] attempted to do today, and try to write in amendments to get the Postmaster General to do his duty.

Third, I should like to see the Postmaster General go over his transportation costs and negotiate new contracts to effect possible savings in the taxpayer's dollar.

Fourth, I should like to see him reduce or abolish "public relations" activities unconnected with keeping the public informed on mail services.

Fifth, I should like to see him eliminate the "red-white-and-blue" paint program.

Sixth, he could eliminate "public opinion" polls to find out reaction to rate increases.

Seventh, he could check over his postal inspectors to find out how many are merely looking for ways to create vacancies to be filled by this administration.

Eighth, he could reschedule the workloads to permit handling of deferred types of mail during slack periods and eliminate much overtime and substitute employment.

The distinguished senior Senator from Georgia [Mr. RUSSELL] made a suggestion in the committee the other day which I think may be worth pursuing.

He suggested that the Postmaster General give consideration to opening post offices, particularly in certain areas, 15 or 30 minutes later in the morning, and closing them 15 or 30 minutes earlier in the afternoon, in the hope that something could be saved in connection with the substitute payroll, and that economies could be effected in the operation of the building, utility bills, and so forth.

Mr. President, the reductions made in the bill are a relatively modest step in the direction of economy. The principal controversy involves an economy of 1.8 percent of the total Post Office budget.

It is difficult to believe that a competent, efficient businessman's administration cannot absorb a cut of that size in its budget. The task should be made easier by the fact that the House figures represent a 5.5 percent increase over the amount of the Post Office budget for the current year.

There are many areas that could be examined by the Postmaster General before he makes any decision to curtail services. These areas have been outlined by the junior Senator from Virginia.

Mr. President, I would concede that the economies outlined by the junior Senator from Virginia might be impossible if this Government were run by impractical dreamers or visionaries. But we have been assured time and time again that this is not the case.

We all recall how in Birmingham, Ala., in September 1952, we were promised—

> The best kind of business management that the business brains of this community, this Nation, can produce.

We all recall how a few weeks later, in St. Louis, Mo., were were told that—

> The people who pay the taxes will know where we are going. They will know that we are on our way toward a balanced budget, toward reduction in the national debt, toward lower taxes.

The men who head the agencies involved in this bill are the outcome of the promises made in Birmingham and in St. Louis in 1952. They assuredly must represent "the best kind of business management," as the distinguished Senator from Illinois [Mr. DIRKSEN] has just testified in behalf of the Postmaster General. They are the original members of the "businessman's team." I believe we can entrust to them the task of finding ways and means of absorbing reductions in a businesslike manner by achieving greater efficiency without curtailing adequate services and by achieving economies that will result in a 1.8 percent saving.

We can help in the march toward economy and efficiency by giving these businessmen the incentive to do the job. I hope the Senator will stand by the figures of the House and the figures of its committee. I think the only difference will be a minor amendment which will allow a 5-percent adjustment from one appropriation to the other. I am extremely hopeful that this will be one of the few occasions in history when it will not be necessary even to send this appropriation bill to conference.

I remind my colleagues that the Postmaster General has already made it clear that he intends to ask for extra appropriations at a later date. I hope that before he appeals either to the Budget Bureau or the House of Representatives, he will have made a careful review of the suggestions which came from the committee headed by the able Senator from South Carolina [Mr. JOHNSTON] and the subcommittee headed by the able Senator from Virginia [Mr. ROBERTSON].

For many years the junior Senator from Virginia has been bringing to the floor early in the session a thoroughly thought out, well-prepared bill, with prudent recommendations. I congratulate him on the outstanding job he has done again this year. We have been a little later than usual, because of the great confusion which has existed. But I am hopeful that when we pass the bill the House can accept the minor amendment to it, that it can then go to the President, and that we can expect that example to be followed in connection with other appropriation bills.

Mr. President, it is our hope that on Wednesday we can have another appropriation bill ready for consideration by the Senate, and possibly another on Thursday.

If there are no further speeches to be made, I hope the Senate can take action on the bill, after which I shall be prepared to ask that the Senate adjourn until Wednesday.

Mr. DIRKSEN. Mr. President, I should like to make a final observation. When we speak of a cut of 1.8 percent in a bill of this magnitude, that seems like a very small amount of money. Offhand, I suppose anyone would feel that in a budget of more than $3 billion, such a reduction could be easily absorbed. But when we analyze the Post Office Department budget, the case is entirely different. In the first place, the items of personnel services, including salaries, travel, post office clerks, retirement, insurance, and contributions to social security, add up to 78.4 percent of the budget. That percentage is uncontrollable. It is mandatory. It is established in the law. The Postmaster General has not an iota of control over 78.4 percent of his own budget, because it was the Congress which wrote it into law and made it mandatory. All he can do is to administer the law.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. JOHNSON of Texas. There is nothing in the law which makes it mandatory that he employ all the substitutes he has working. There is nothing in the law to prevent him from effecting efficiencies which would result in a reduction of personnel.

Mr. DIRKSEN. We are talking about the pay of those who work in the Post Office Department.

Mr. JOHNSON of Texas. Yes; and if they do not work they are not paid.

Mr. DIRKSEN. He has reduced the payroll in the Post Office Department by 14,000 employees.

Mr. JOHNSON of Texas. He has done such a good job that we want him to reduce a little further, and absorb a reduction of 1.8 percent.

Mr. DIRKSEN. As I pointed out, in that time there was an 18 percent increase in mail volume. There comes a point when the two sides come together, and there are no further opportunities for economies.

With respect to rents, utilities, and communications, they represent 1.8 percent of this budget. The Postmaster General has no control over such items. They include leases, contracts with the Western Union, and with telephone companies, and all that sort of thing.

With respect to transportation, rates are fixed by the Interstate Commerce Commission.

Included, of course, are rural carriers, the special-delivery allowance, and the contract vehicle hire. That takes up to 15½ percent of his budget.

What is left for the Postmaster General? How much of his budget is under his control? One hundred and thirty-nine and nine-tenths million dollars. That is 4.3 percent. If we take out $58 million, he has, roughly, about $80 million under his control, for expenditure for supplies, and so forth.

We speak about 1.8 percent. It is a big item, indeed, when there is only a little more than 4 percent that the Postmaster General can spend and which he can direct as a controllable item. Therefore, in cold print, 1.8 percent in a budget of $3 billion does not look very great. However, when we put aside all the mandatory items, and consider what the Postmaster General has control over, then it becomes as big as the moon that comes up over Rockaway Beach.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I am glad to yield.

Mr. LAUSCHE. This morning figures were given which showed that there was a reduction in the number of men working in the Post Office Department, accompanied with the statement that that is not a correct reflection of the number of man-years for which the Post Office Department had to pay compensation.

The junior Senator from Virginia pointed out that the man-years worked have gone up enormously, while the number of employees has gone down. For purposes of information, is it not a fact that while the number of workers is less, the number of man-years worked is tremendous?

Mr. DIRKSEN. It could be. There are lapses, and not all the positions are always filled. Sometimes they are not annualized. Therefore, how to harmonize a huge Department like this becomes a real responsibility.

There is one other point I should like to make. My distinguished and agreeable friend, the majority leader, mentioned the regionalization of the Post Office Department, and what it costs. Sometimes I have a little difficulty reading with my bifocals, but on page 82 of the hearings there is inserted a table which shows what the cost of regionalization was, and the accumulated savings that resulted. Instead of a lack of economy, it shows an economy of $17.4 million. It will take something more than the purchase of red, white, and blue paint in order to balance this budget in the Post Office Department and get it on good solid ground.

Mr. JOHNSON of Texas. Mr. President, I agree with the Senator in that respect. It will require a desire and determination on the part of the Postmaster General to attempt to absorb this very small reduction. The distinguished Senator from Illinois is always very prudent in his recommendation to the Senate, and he has associated with him some very able men under the leadership on his side of the aisle.

I wish to be helpful to them in their obtaining their objective to reduce the budget by some 4 or 5 percent under what the President has recommended. I believe the distinguished minority leader has recommended that the budget be cut by at least $3 billion. I know that the distinguished chairman of the minority policy committee has recommended a reduction of some $3,300 million.

If we attain that goal we will have to apply an average cut of approximately 4 percent to the entire budget. Of course, there will be some items which will be cut more and some which will be cut less. I know that we cannot cut the interest on the public debt under present policies. The interest is going up every day. However, if we can effect a 1.8 percent reduction in the Post Office Department budget, it may be that we can effect a 6 or 7 percent cut somewhere else.

I appeal to the Postmaster General and to his able advocate, the distinguished and delightful Senator from Illinois [Mr. DIRKSEN], to provide the incentive in trying to come within the bounds of the appropriations that Congress provides.

The House heard the Postmaster General's case. The House gave thorough consideration to his case. The House has acted. The Senate committee has held its hearings, and the committee has acted. The full committee, by unanimous vote, recommended that the bill be reported to the Senate in its present form. That was done in the hope that some of the suggestions made by our Appropriations Committee would be brought to the attention of the Postmaster General, and in the hope that it would encourage, not discourage, him to absorb the relatively small amount he is being asked to absorb.

Mr. DIRKSEN. Mr. President, I concur in the sentiments expressed by the majority leader. I am simply trying to make the point that it is so easy to throw a lot of hammer handles and dead cats at an administrative officer in the executive department of the Government, and to get the RECORD all clobbered up with misinformation.

There was a colloquy on the floor of the Senate this afternoon on the question of sending first-class mail by plane. The fact of the matter is that that mail went by plane only on a space-available basis. In most cases the cost was below the contract cost.

It is such things that can cause this whole situation to become confused. I say for the Postmaster General, let Congress give him guidelines. We have set up the agency, but we make it difficult for him at times. We should give him a little encouragement, and say, "This is what you get. You make it do." Then let us not squawk when complaints come to us from the people because there has been a curtailment in postal service.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on the passage of the bill.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I ask for a division on the final passage of the bill.

On a division, the bill (H. R. 4897) was passed.

Mr. DOUGLAS. Mr. President, I should like the RECORD to show that I voted against the final passage of the Treasury and Post Office appropriation bill. I did so because I thought that further economies should be made. I am very glad that the Committee on Appropriations stood fast and did not increase the House appropriations. I think the committee deserves a high degree of appreciation for its efforts.

But, as I showed in the amendments which I offered, it would have been possible to effect further economies of at least $12 million in the operations of the Treasury Department and of at least $150 million in the transportation items of the Post Office Department. All this could have been done without affecting the service, and, in the main, by reducing the huge hidden subsidies which are now paid by those Departments to the banks and the railroads, respectively.

I believe, although I am not quite certain, that I was the only Member of the Senate to vote against the passage of the bill. I make no reflection on my colleagues. I merely say that I am not despondent or ashamed of the fact that I was in opposition. I hope to renew the fight on another occasion.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. CLARK in the chair). The Chair lays before the Senate the unfinished business, which will be stated.

The CHIEF CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, March 13, 1957, he presented to the President of the United States the enrolled bill (S. 1442) to facilitate the regulation, control, and eradication of plant pests.

ADJOURNMENT TO WEDNESDAY

Mr. JOHNSON of Texas. Mr. President, I move that the Senate stand adjourned until Wednesday next at 12 o'clock noon.

I should like the RECORD to show that the State, Justice, Judiciary, and related agencies appropriation bill are to be before the Senate for consideration on Wednesday.

The motion was agreed to; and (at 6 o'clock and 57 minutes p. m.) the Senate adjourned until Wednesday, May 15, 1957, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 13, 1957:

UNITED STATES TARIFF COMMISSION

William E. Dowling, of Michigan, to be a member of the United States Tariff Commission; term expiring June 16, 1963.

TAX COURT OF THE UNITED STATES

The following-named persons to be judges for the remainder of the unexpired term of 12 years, from June 2, 1946.

Russell E. Train, of the District of Columbia.

Bruce M. Forrester, of Missouri.

APPRAISER OF MERCHANDISE

Elie N. Khouri, of New York, to be appraiser of merchandise in customs collection district No. 10, headquarters at New York, N. Y.

IN THE COAST GUARD

The following-named persons to be commanders in the United States Coast Guard:

Paul E. Burhorst
Walter R. Lewis

The following-named person to be a lieutenant commander in the United States Coast Guard:

Robert P. Chirnside

The following-named persons to be lieutenants in the United States Coast Guard:

William R. Jenkins
Philip R. Sherman

The following-named persons to be lieutenants (junior grade) in the United States Coast Guard:

William P. Kozlovsky	William F. Boucher
Mark J. Millea, Jr.	James L. Howard
Arthur J. St. John	Francis H. Molin
Edwin L. Parker	Kenneth A. Long
Paul E. Schroeder	Richard B. Wise
Ralph W. Judd	Alfred F. Bridgman, Jr.
Richard V. Elms, Jr.	George T. Seaman
Francis C. Lottridge	John R. Kirkland
Raymond J. Boyd, Jr.	Henry Lohmann
William T. Sheppard	Milton Y. Suzich
John G. Schaefer, Jr.	Carlton W. Swickley
Edward A. McGee	Arthur E. Ladley, Jr.
James C. Morrow	Jack E. Coulter
William M. Sillers, Jr.	Richard T. Brower
James I. Doughty	Raymond J. Copin
Roger A. Eastman	Guy W. Mizell
Robert C. Chanaud	Clyde "E" Robbins
Crook Stewart, Jr.	Verne E. Cox
Earl W. Clark, Jr.	Robert B. Bacon
Ernest J. Mayer, Jr.	Philip J. Danahy
Richard G. Kerr	Terry "F" Blair
James F. Culbertson	Joseph A. McDonough, Jr.
John M. Wilkinson	
Robert R. Houvener	William C. Nolan
William J. Tillo	Clyde T. Lusk, Jr.
George W. Dick, Jr.	George H. Wagner
Gerald J. Budridge	Billy E. Richardson
Dwight T. Ramsay	Thomas R. Tyler
Paul A. Trimmer	Albert C. Tingley, Jr.
Walter E. Mason, Jr.	James A. Wilson
Charles L. Clark	Wayne C. Stansill

Norman G. Cubberly
Arthur H. Edmunds
Charles F. Hahn
John E. Moseley
Donald L. Stivender
William A. Publicover
Albert E. Reif, Jr.
Addison S. Jennings
Rex R. Morgan
Lawrence D. Levine
Victor R. Robillard
Arnold M. Danielsen
John F. Comes
Donald K. Dorini
Donald M. Thomson, Jr.
Richard C. Groepler
Michael T. Brock
John P. Skillings
Robert C. Benson
James L. Fear
John W. Reece
Robert L. Guibord
Paul Totten
James M. Fournier
Henry J. Roehner, Jr.
Robert T. Getman
Louis H. Mense
Eugene P. Baumann

The following-named persons to be ensigns in the United States Coast Guard:

Matthew Joseph Ahearn
William Robert Babineau
Ernest Jacob Bader
Arnold Bruce Beran
Russell Charles Bishop, Jr.
Louis King Bragaw, Jr.
James Elro Brown, Jr.
Frederick Clemmons Bruner
Richard Buell
Robert Jean Cardinal
John Michael Cece
Richard Joseph Collins
Thomas DeWitt Combs, Jr.
Carol Eugene Conry
Everett Larry Crowell
Donald Bower Davis
Ralph Zachary DelGiorno
Robert Lawrence DeMichiell
John Richards Erickson
Harold Edward Fallon, Jr.
Thomas Wallace Finnegan
John Patrick Flaherty, Jr.
Terrill Morgan Gloege
Richard John Green
Harlan Denis Hanson
Henry John Harris, Jr.
Robert Arthur Johnson
Paul Theodor Kaufmann
John William Kime
John Brownell Lynn
Ronald George Malone
John Ignatius Maloney, Jr.
Richard Joseph Marcott
David Ross Markey
Thomas Tracy Matteson
Ronald Allen McClellan
David Joseph Meskell, Jr.
Richard Walter Michaels
John Roger Mitchell
Donald McGregor Morrison, Jr.
Charles Solomon Niederman
Thomas Patrick Nolan
James Clifford Osborn
William Carlus Parish
George Donald Passmore
Ralph Nicholas Pennacchini
Harry Jack Reckitt
Keith Doyle Ripley
Andrew Raymond Rippel
Peter Joseph Rots
Albert Donald Super
Richard D. Thompson
Douglas Barnes Thurnher
George Paul Vance
John Carl Wirtz
Tommy Gene Woodworth

The following-named persons to be chief warrant officers, W–2, in the United States Coast Guard:

Merrill W. Allison
Edward H. Baird
Donald H. Bangs
Thomas O. Cameron, Jr.
Edmond S. Cinq-Mars
Frederick D. DuBrucq
Osborne Estelle
Earl R. Gard
Herman H. Korf
Henry N. Marsh
Peter J. Monk
Buford A. Morris
Harry W. Near
Kenneth T. Outten
Santiago P. Quinones, Jr.
Paul M. Seiler
Kenneth A. Snow
James D. Walters
Norman M. Zeick

HOUSE OF REPRESENTATIVES

MONDAY, MAY 13, 1957

The House met at 12 o'clock noon.

Rev. Thomas B. Ogden, Downingtown Methodist Church, Downingtown, Pa., offered the following prayer:

O God, our Heavenly Father, we give humble thanks for the privilege of prayer in this Nation's House of Representatives.

Cleanse, we pray Thee, the minds, the hearts, and the very souls of these who are now assembled, that they may dedicate themselves anew to the high calling and duty which this country and its people have with honor bestowed upon them. Cause them to be true to their convictions and to those whom they represent, and yet unfailing in their willingness to be led by Thy spirit into action that points out Thy will for all men as revealed in Jesus Christ. We ask this for our country and for our world: That Thy purpose in Thy Son, Jesus Christ, as Saviour and Lord for all men, will be brought one step nearer to that day when Thou shalt see fit to send Him again to establish His kingdom of perfect peace. In His name do we pray it. Amen.

The Journal of the proceedings of Friday, May 10, 1957, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Tribbe, one of his secretaries.

CONVEYANCE OF REAL PROPERTY OF THE UNITED STATES IN COBB COUNTY, GA.

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the concurrent resolution (H. Con. Res. 173) requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purpose of reenrollment.

The Clerk read the concurrent resolution, as follows:

Resolved by the House of Representatives (the Senate concurring), That the President of the United States is requested to return to the House of Representatives the enrolled bill (H. R. 1544) to provide for the conveyance of certain real property of the United States situated in Cobb County, Ga., to the trustees of the Methodist Church, Acworth, Ga. If and when said bill is returned by the President, the action of the Presiding Officers of the two Houses in signing said bill shall be deemed rescinded; and the Clerk of the House is authorized and directed, in the reenrollment of said bill, to make the following correction: On page 2, line 13, strike out the figure "9990.0" and insert in lieu thereof the figure "990.0".

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

MACARTHUR MINING CO., INC.

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House:

MAY 13, 1957.

The honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith bill for the relief of the MacArthur Mining Co., Inc., in receivership, received on Friday, May 10, 1957, from the Court of Claims of the United States in obedience to House Resolution 241 of the 85th Congress, adopted by the House of Representatives on April 30, 1957.

Respectfully yours,
RALPH R. ROBERTS,
Clerk, United States House of Representatives.

The communication and accompanying papers were referred to the Committee on the Judiciary.

A STUDY OF ELIMINATING FEDERAL GRANTS-IN-AID

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I take this means of calling my colleagues' attention to House Joint Resolution 326, which I introduced last Friday, May 10, 1957.

This resolution would amend section 139 (d) of title 1—relating to changes in the rules of the Senate and House of Representatives—of the Legislative Reorganization Act of 1946. Its purpose is to authorize and direct the Appropriations Committees of both Houses to study the possibility of the Federal Government relinquishing to each of the several States of the United States the power to levy and collect taxes now levied and collected by the Federal Government to the extent that the respective States can assume complete responsibility for financing and managing projects and programs receiving Federal grants-in-aid which properly should be the responsibility of State and local governments.

Mr. Speaker, as House Joint Resolution 326 sets forth, the Federal Government over an extended period of years and during eras of world crisis and war and in the interest of peace and national defense, has become increasingly dominant in the field of taxation and the collection of revenue from the American taxpayer.

As a result of this trend, the States have become dependent upon Federal aid to finance projects which under the Constitution and historically were local responsibilities. The mounting billions annually of these Federal grants carry with them management and a degree of standards and control which are costly

and likewise emasculate the functions and importance of political subdivisions and government closest to the people.

I trust, therefore, Mr. Speaker, that the Rules Committee will schedule an early hearing on House Joint Resolution 326. Federal grants-in-aid in the fiscal 1958 budget amount to $5.5 billion, which is $1 billion over the previous year. Since it costs approximately one quarter of the amount returned to the States to federally collect and administer the program, it is obvious that great economy can be effected if the States could collect the funds themselves and manage their own projects. House Joint Resolution 326 will not reduce this year's budget, but if the Congress is going to cut Federal spending and reduce taxes in the future, the policies which directly influence the size of future budgets must be established now. The fact that this year's budget for fiscal 1958 is so huge is because previous Congresses failed to allow emergency legislation to lapse, but rather from year to year have encouraged the aid programs both as to their number and amount of money.

Mr. Speaker, I know of no greater achievement the 85th Congress could accomplish than to enact a measure looking toward reversal of the trend away from concentration of financial and bureaucratic control on the national level.

AMERICANS IN THE UNITED STATES

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a newspaper article from the Boston Globe.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, Lord Mayor Briscoe, of Ireland, is reported to have been amazed at how few Americans there are in the United States. He has been pretty much all over the country since his arrival here. He said he had found that there were "Irishmen, Germans, Jews, Poles, Franchmen, and so forth, but very few Americans. In Ireland everybody is Irish." He said it in passing jest, but it gives us food for thought. People of almost every national strain have had a great deal to do in making up America. They have made great contributions to this country.

We are shortly going to consider a veterans' compensation bill. When war is at stake they are all Americans. Men and women of every national strain fought and died for this country and were wounded and badly disabled.

We will show our deep gratitude to these brave veterans by voting for the bill unanimously.

The editorial is as follows:

Lord Mayor Briscoe is reported to be amazed at how few Americans there are in the United States. He has been pretty much all over the country since his arrival here. The other day he flew into New York in the morning from Miami, Fla., and took off in a plane early that afternoon for Texas. The lord mayor is quoted as having said that he has met ever so many Irishmen, Germans, Jews, Italians, Poles, Frenchmen, etc., but very few Americans. In Ireland, he added, everyone is Irish.

Bob Considine, nationally known sportswriter and famous war correspondent, said at the Catholic, Protestant, and Jewish dinner, where he received one of the awards, that he was an Irish Catholic who was educated at a masonic college and once narrowly escaped being shot as a Jew.

"If that isn't brotherhood," he added, "I'll eat it."

THE VALUABLE CONSEQUENCES OF DEEPENING OF GOWANUS CREEK CHANNEL

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, the United States Army Engineer Division, North Atlantic, has recently prepared a report concerning the water-resources development activities of the Army Corps of Engineers in the State of New York.

Of particular interest not only to the people of Brooklyn but to the people of the country should be the Gowanus Creek Channel project which has been completed.

Gowanus Creek is a tidal waterway on the east side of upper New York Bay, in the Borough of Brooklyn, in the Congressional District I have the honor to represent, about 4 miles by water southeast of the Battery, New York City. It extends 1.8 miles northeasterly from the north end of Bay Ridge Channel in Gowanus Bay and includes the 1-mile upper portion known as Gowanus Canal.

This highly important project was authorized by Public Law 551 of the 82d Congress following the passage of a bill bearing my name which was enacted into law through the cooperation of my distinguished colleague from New York, Representative CHARLES A. BUCKLEY, present chairman of the House Public Works Committee. Congressman BUCKLEY was chairman at the time this legislation was approved by his committee and passed by the House and Senate and approved by former President Truman.

As a member of the House Appropriations Committee, I introduced an amendment from the floor of the House in the 83d Congress to obtain the necessary funds for deepening this channel after the Subcommittee and the full House Committee on Appropriations had refused to approve the requested expenditure. The argument was that President Eisenhower had not submitted a budget estimate. But with the cooperation and support of the Members of Congress from the Borough of Brooklyn the amendment was adopted.

Gowanus Creek Channel had been a vital artery in Brooklyn's commercial and industrial life for many years. But prior to the approval of the legislation and appropriation for the project it was a bottleneck for modern shipping. The Army engineers' deepening of the waterway remedied a situation which restricted waterborne commerce along this waterway.

It should be interesting to now note that the average annual amount of commerce transported over this 1.8-mile waterway during the 10-year period prior to this improvement amounted to 4,342,800 tons. Following the improvement and during calendar year 1955, the transported tonnage amounted to 5,596,300 tons. This represents a tremendous increase, highly important to the longshoremen, the steamship companies, the teamsters, the maritime employees, and the economic life of Brooklyn. It is a genuine satisfaction to have had the opportunity to play a part in securing this long-needed improvement. Gowanus Creek Channel is not only important to Brooklyn, but also to the whole port of New York, as well as to our national defense. I express the thanks of the citizenry of Brooklyn to all those Members who voted for this improvement.

UNIFORMED SERVICES CONTINGENCY OPTION ACT OF 1953—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Armed Services:

To the Congress of the United States:

Pursuant to the provisions of section 8 of the Uniformed Services Contingency Option Act of 1953 (Public Law 239, 83d Cong.), I transmit herewith for the information of the Congress the second annual report of the operation of the Uniformed Services Contingency Option Act of 1953.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *May 13, 1957.*

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. ALBERT. Mr. Speaker, at the request of Mr. HARRIS, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may sit during debate the balance of this week.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. This is District Day.

CALL OF THE HOUSE

Mr. DAVIS of Georgia. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 68]

Anderson, Mont.	Barrett	Broyhill
Anfuso	Bass, N. H.	Buckley
Ashley	Beamer	Chudoff
Ayres	Boland	Coffin
Barden	Bow	Cole
	Bowler	Cooley

Corbett	Hays, Ohio	Murray
Coudert	Healey	Nimtz
Curtis, Mass.	Hébert	O'Brien, N. Y.
Dawson, Ill.	Holland	Patterson
Dempsey	Holt	Philbin
Derounian	Holtzman	Powell
Diggs	Horan	Prouty
Dingell	James	Rivers
Dollinger	Kearney	Rodino
Donohue	Kelley, Pa.	Roosevelt
Durham	Kelly, N. Y.	Sadlak
Eberharter	Keogh	Santangelo
Elliott	Kilburn	St. George
Evins	King	Scherer
Fallon	Kluczynski	Selden
Farbstein	Landrum	Sheppard
Fino	Lane	Sieminski
Fogarty	Lennon	Stauffer
Frelinghuysen	Lesinski	Teague, Tex.
Fulton	McConnell	Tuck
Garmatz	McCormack	Utt
Gary	Magnuson	Watts
Granahan	May	Wharton
Green, Pa.	Michel	Williams, Miss.
Griffin	Morano	Wilson, Calif.
Gubser	Morgan	Wolverton
Gwinn	Morrison	Yates
Harden	Multer	Zelenko
Harris	Mumma	

The SPEAKER. On this rollcall 330 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

RETIREMENT OF PUBLIC SCHOOL TEACHERS IN THE DISTRICT OF COLUMBIA

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H. R. 6454) to amend the act for the retirement of public-school teachers in the District of Columbia, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An Act for the retirement of public school teachers in the District of Columbia," approved August 7, 1946 (60 Stat. 875, ch. 779), as amended, is amended as follows:

Section 1, as amended, is amended by striking the first sentence thereof and inserting in lieu thereof "Beginning on the first day of the second month following the enactment of this Act, there shall be deducted and withheld from the annual salary of each teacher in the public schools of the District of Columbia an amount equal to 6½ percent of the teacher's annual salary."

Section 3, as amended, is amended by striking from subsection (a) thereof the word "fifteen" and inserting in lieu thereof the word "five"; by striking from subsection (b) thereof the word "one-fourth" and inserting in lieu thereof the word "one-twelfth"; by striking from the last sentence of subsection (c) thereof the word "ten" and inserting in lieu thereof the word "five"; by adding at the end of the section, the following paragraph:

"(d) Any teacher who completes 25 years of service or who attains the age of 50 years and completes 20 years of service shall upon involuntary separation from the service, not by removal for cause on charges of misconduct or delinquency, be paid a reduced annuity computed as provided in section 5 (a) of this Act reduced by one-twelfth of 1 percent for each full month not in excess of 60 and by one-sixth of 1 percent for each full month in excess of 60 such teacher is under the age of 60 years at date of separation."

Section 4, as amended, is amended by striking from the first sentence thereof the word "ten" and inserting in lieu thereof the word "five."

Section 5, as amended, is amended by striking the first sentence of subsection (a) thereof and inserting in lieu thereof, "Except as otherwise provided in this Act, every teacher who shall be retired under the provisions of section 3 or section 4 of this Act shall receive an annuity composed of (1) the larger of (A) 1½ percent of the average salary as defined in section 13 of this act, multiplied by so much of the total service as does not exceed 5 years, or (B) 1 percent of the average salary, plus $25, multiplied by so much of the total service as does not exceed 5 years, plus (2) the larger of (A) 1¾ percent of the average salary multiplied by so much of the total service as exceeds 5 years but does not exceed 10 years, or (B) 1 percent of the average salary, plus $25, multiplied by so much of the total service as exceeds 5 years but does not exceed 10 years, plus (3) the larger of (A) 2 percent of the average salary multiplied by so much of the total service as exceeds 10 years, or (B) 1 percent of the average salary, plus $25, multiplied by so much of the total service as exceeds 10 years"; by striking the second sentence of paragraph (1) of subsection (b) thereof and inserting in lieu thereof, "The life annuity of the teacher making such election, excluding any increase because of retirement under section 4 of this Act, shall be reduced by 21 percent of so much thereof as does not exceed $2,400 and by 10 percent of so much thereof as exceeds $2,400."

Section 6, as amended, is amended to read as follows: "The annuity of a teacher retiring under section 4 shall be at least (1) 40 percent of the average salary of (2) the sum obtained under section 5 after increasing his total service by the period elapsing between the date of separation and the date he attains the age of 60 years, whichever is the lesser."

Section 8, as amended, is amended by striking item (d) from the second sentence thereof and inserting in lieu thereof, "(d) periods of honorable active service in the Army, Navy, Air Force, Marine Corps, or Coast Guard of the United States (but not the National Guard except when ordered to active duty in the service of the United States) prior to the date of the separation upon which title to annuity is based; except that, if a teacher is awarded retired pay on account of military service, his military service shall not be included, unless such retired pay is awarded on account of a service-connected disability (1) incurred in combat with an enemy of the United States or (2) caused by an instrumentality of war and incurred in line of duty during an enlistment or employment as provided in Veterans Regulation No. 1 (a), part 1, paragraph 1, or is awarded under title III of Public Law 810, 80th Congress."; by striking from the fourth proviso thereof the words "in time of war"; by adding at the end of section 8 the following paragraphs:

"A teacher who during the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, has left or leaves his position to enter the military service, as defined in this section, shall not be considered, for the purposes of this Act, as separated from his teaching position by reason of such military service, unless he shall apply for and receive a lump-sum benefit under this Act, except that such teacher shall not be considered as retaining his teaching position beyond 6 months after the date of the approval of this Act or the expiration of 5 years of such military service, whichever is later.

"Nothing in this Act shall affect the right of a teacher to retired pay, pension, or compensation in addition to the annuity herein provided."

Section 9, as amended, is amended by striking from the first sentence of subsection (a) the word "ten" and inserting in lieu thereof the word "five"; by inserting after the word "widow" wherever it appears in subsection (b) paragraphs (1) and (2), the words "or dependent widower"; by striking from the first sentence of subsection (b), paragraph (1) thereof the phrase "or following the widow's attainment of age 50, whichever is the latter" and adding at the end of such subsection the phrase "or upon the widower's becoming capable to self-support."; by striking the last 2 sentences of subsection (b), paragraph (2) thereof; by striking paragraphs (3) and (4) of subsection (b) thereof and inserting in lieu thereof the following paragraph:

"(3) If any teacher to whom this Act applies shall die after completing 5 years of service in the public schools of the District of Columbia or after having retired under the provisions of section 3 or section 4 of this Act and is survived by a wife or husband, each surviving child who received more than one-half of his support from the teacher shall be paid an annuity equal to the smallest of (a) 40 percent of the teacher's average salary divided by the number of children, (b) $600, or (c) $1,800 divided by the number of children. If such teacher is not survived by a wife or husband, each surviving child shall be paid an annuity equal to the smallest of (a) 50 percent of the teacher's average salary divided by the number of children, (b) $720, or (c) $2,160 divided by the number of children. The child's annuity shall begin on the first day of the month after the teacher dies and such annuity or any right thereto shall terminate upon (a) his attaining age 18 unless incapable of self-support after age 18, (b) his becoming capable of self-support after age 18, (c) his marriage, or (d) his death. Upon the death of the surviving wife or husband or termination of the annuity of the child, the annuity of any other child or children shall be recomputed and paid as though such wife, husband, or child had not survived the teacher.";

Section 9 is further amended by changing the number of paragraph (5) of subsection (b) thereof to (4), striking from such paragraph the phrase "by a widow, widow and children, or children" and inserting in lieu thereof the phrase "by a widow, a dependent widower, and or children."; and by changing the number of paragraph (5) of subsection (c) thereof to (6) and inserting the following new paragraph:

"(5) The term 'widower' means the surviving husband of a teacher who was married to such teacher for at least 2 years immediately preceding her death or is the father of issue by such marriage. The term 'dependent widower' means a 'widower' who is incapable of self-support by reason of mental or physical disability, and who received more than one-half of his support from such teacher."

Section 13 is amended by adding at the end of the section "The term 'average salary' shall mean the largest annual rate resulting from averaging, over any period of 5 consecutive years of creditable service in the public schools of the District of Columbia, a teacher's rates of annual salary in effect during such period, with each rate weighted by the time it was in effect."

The effective date of this act shall be October 1, 1956.

With the following committee amendments:

Page 2, line 2, immediately before the period, insert the following: "and by inserting the following immediately before the period at the end of the second sentence: ': *Provided,* That such interest shall not be credited after December 31, 1956, except that in the case of a teacher separated before

he has completed five years of teaching service interest shall be credited to the date of separation'."

Page 3, line 23, strike the figures "21" and insert in lieu thereof "2½."

Page 4, line 3, strike the word "of" and insert in lieu thereof "or."

Page 4, line 24, immediately before the word "by" insert the following: "by inserting the words 'Air Force' after the word 'Navy' in item (e) of the second sentence of section 8, and."

Page 5, line 22, strike the word "latter" and insert in lieu thereof "later."

Page 7, strike line 25 and insert in lieu thereof the following:

"SEC. 2. The amendments made by this Act shall not apply in the case of teachers retired or otherwise separated prior to its effective date, and the rights of such persons and their survivors shall continue in the same manner and to the same extent as if this act had not been enacted.

"SEC. 3. No person retiring subsequent to the effective date of this act and pursuant to its provisions shall be entitled to any benefits accruing by reason of the provisions of Public Law 648, 84th Congress, approved July 2, 1956 (70 Stat. 487).

"SEC. 4. The effective date of this act shall be October 1, 1956."

The committee amendments were agreed to.

Mr. McMILLAN. Mr. Speaker, the purpose of the bill is to give to teachers and supervisory personnel under the Board of Education of the District of Columbia substantially the same benefits to which employees of the Federal and District Governments are entitled under the Civil Service Retirement Act, as amended by Public Law 854, 84th Congress, approved July 31, 1956.

The bill increases annuities for school employees and for widows of such employees on the average approximately 25 percent and for surviving children approximately 150 percent.

PRINCIPAL PROVISIONS OF THE BILL

(a) The rate of contribution by employees is increased from 6 to 6½ percent.

(b) Optional retirement is permitted at age 62 after 5 years of service instead of after 15 years.

(c) The reduction factor for retirement before reaching age 60 is changed from 3 percent to 1 percent for each year the retiring employee is under age 60 and 2 percent for each year he is under age 55.

(d) The present requirement that an employee have at least 10 years of service to be eligible to retire for disability or for other reasons is changed to 5 years of service.

(e) An immediate annuity is granted upon involuntary separation from the service after attaining the age of 50 years with 20 years of service, or upon involuntary separation after 25 years of service, regardless of age.

(f) Under present law annuities are based upon 1½ percent of the highest average annual salary over a period of 5 consecutive years times the total years of service or 1 percent plus $25 whichever is greater. The bill changes the formula so that the annuity will be based upon 1½ percent for the first 5 years of service, 1¾ percent for the next 5 years of service, and 2 percent for the remainder, multiplied by the years of service—or 1 percent plus $25 in each case, whichever gives the greater annuity.

The annuity of an employee electing a survivor's annuity would be reduced by 2½ percent of the first $2,400 and 10 percent of the balance. At present the reduction is 5 percent of the first $1,500 and 10 percent of the balance.

(g) Disability benefits are liberalized by providing a minimum of 40 percent of the average salary or the annuity computed under the general formula after adding the years elapsing between the date of separation and attainment of age 60, whichever is the larger. An annuity larger than the minimum is payable if earned by the retiring employee.

(h) Present law credits honorable military service in time of actual war only. The bill allows credit for all honorable active military service if the employee is not receiving retirement pay based on such service. The bill also allows credit for military service if the employee is receiving retirement pay for military service if such retired pay is first, based on a service-connected disability incurred in combat with an enemy or caused by an instrument of war, or, second, awarded under title III of Public Law 810, 80th Congress.

(i) Under existing law, if an employee, after rendering 5 years of service, dies, an automatic annuity, equal to 50 percent of the employee's earned annuity is payable to the widow. The bill extends similar benefits to dependent widowers.

(j) The bill increases benefits for children of deceased employees as follows:

First. If a wife or husband survives, each child's benefit would be the smallest of, first, 40 percent of the employee's average salary divided by the number of children; second, $600; or, third, $1,800 divided by the number of children.

Second. If no wife or husband survives, each child would receive the smallest of, first, 50 percent of the employee's average salary divided by the number of children; second, $720; or, third, $2,160 divided by the number of children.

Under present law, if a widow survives, each child receives the smallest of, first, one-fourth of the employee's earned annuity; second, $900 divided by the number of children; or third, $360.

Under present law, if no widow survives, each child receives the smaller of, first, one-half of the employee's earned annuity; second, $1,200 divided by the number of children; or, third, $480.

EFFECTIVE DATE

The benefit provisions take effect October 1, 1956. The provision for increasing contributions by the employees would be effective on the first day of the second month following the enactment of the bill.

COST

The additional cost to the District government for the first few years would be negligible. However, section 6 of the present Teachers Retirement Act requires that a level financial reserve be maintained through adequate annual appropriations—in addition to the employees' contribution. The benefits provided by this bill would require an additional annual appropriation of $867,200 to provide such a level reserve. This additional amount would have to be appropriated annually beginning with the fiscal year 1959. This amount would have to be appropriated in addition to the present cost to the District which, for the fiscal year 1957, is $2,655,000.

AMENDMENTS

Amendment (a), designed to provide a cutoff date for the granting of interest on deposits of employees, is inserted to make the Teachers Retirement Act consistent in this respect with the Civil Service Retirement Act.

Amendment (f), inserting the new section 2 in the bill, is designed to make clear that the bill does not affect employees retired prior to the effective date of the bill.

The insertion of new section 3 is designed to prevent the possibility that employees retiring after the effective date of the bill—October 1, 1956—and before December 31, 1957, from becoming entitled to an increase in their annuities over and above the annuity to which the employees would be entitled under the bill. Such a possibility might otherwise exist by reason of the operation of Public Law 648, 84th Congress, which granted certain increases in annuities for the period ending December 31, 1957.

Mr. McMILLAN. Mr. Speaker, I ask uannimous consent to insert in the RECORD during the consideration of each bill from the Committee on the District of Columbia today a statement explaining that bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The bill was ordered to be engrossed and read the third time, was read the third time and passed.

The title was amended so as to read: "A bill to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes."

A motion to reconsider was laid on the table.

METROPOLITAN POLICE FORCE BAND

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 4932) to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid, and ask unanimous consent that the bill be considered in the House as in the Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the last sentence of the first section of the act entitled "An act to authorize the establishment of a band in the Metropolitan Police force," approved July 11, 1947 (D. C. Code 4–182), is amended by striking out "lieutenant" and inserting in lieu thereof "captain."

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

The purpose of this bill is to increase the compensation of the present director of the band of the Metropolitan Police Department from a salary of a lieutenant in the Metropolitan Police Department to that of captain in the Department.

The salary of a lieutenant is $6,460 and that of a captain is $7,085. The present director of the Metropolitan Police band retired from the United States Navy in January 1942 as director of the Navy Band. He organized the band of the Metropolitan Police Department in May of 1943 and served without compensation from 1943 until the latter part of 1947. In July of 1947 the Congress authorized the establishment of a Metropolitan Police Department band and authorized the Commissioners of the District of Columbia to employ, without reference to the civil-service laws, a director of such band to receive compensation to which a lieutenant in the Metropolitan Police Department was entitled. The present director has served in this capacity since this time.

This legislation has the approval of the chief of the Metropolitan Police Department and the Board of Commissioners for the District of Columbia.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DISTRICT OF COLUMBIA STADIUM

Mr. McMILLAN. Mr. Speaker, I call up the bill (H. R. 1937) to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "District of Columbia Stadium Act of 1957."

SEC. 2. In order to provide the people of the District of Columbia with a stadium suitable for holding athletic events and other activities and events of a nature requiring such a facility, the Armory Board (hereinafter referred to as the "Board"), created by section 2 of the Act entitled "An Act to establish a District of Columbia Armory Board, and for other purposes," approved June 4, 1948 (D. C. Code, sec. 2–1702), is hereby authorized to construct, maintain, and operate a stadium (including necessary motor vehicle parking areas) with a seating capacity of not to exceed 50,000, on a site in the District of Columbia determined in accordance with provisions of section 3 of this act. The cost of constructing such stadium shall not exceed $6 million, and such amount shall be deemed to include interest during the construction of the stadium and for 12 months thereafter and all engineering, legal, financial, architectural, and other expenses incident to the construction of the stadium.

SEC. 3. The Secretary of the Interior is authorized and directed to acquire by gift, purchase, condemnation, or otherwise, all real property within the boundaries of the East Capitol Street site, as established in the first paragraph under the heading "(2) East Capitol Street Site" contained in the National Capital Planning Commission report entitled "Preliminary Report on Sites for National Memorial Stadium" dated November 8, 1956, and thereafter upon the request of the Board, the Secretary of the Interior shall transfer to the Board, all right, title, and interest of the United States in and to all real property within the boundaries of such East Capitol Street site.

SEC. 4. (a) The Board is hereby authorized to provide for the payment of the cost of such stadium by an issue or issues of negotiable bonds of the Board, bearing interest, payable semiannually, at the rate of not more than 6 percent per annum, the principal and interest of such bonds shall be payable solely from the funds provided in accordance with this act, and such payments may be further secured by mortgage of the stadium. All such bonds may be registered as to principal alone or both principal and interest, shall be payable as to principal within not to exceed 30 years from the date thereof, shall be in such denominations, shall be executed in such manner, and shall be payable in such medium and at such place or places as the Board may determine, and the face amount thereof shall be so calculated as to produce, at the price of their sale, the cost of the stadium constructed pursuant to this act, but such cost shall not exceed $6 million. The Board may reserve the right to redeem any or all of the bonds before maturity in such manner and at such price or prices not exceeding 105 percent of the face value and accrued interest as may be fixed by the Board prior to the issuance of the bonds. The Board when it deems advisable may issue refunding bonds to refinance any outstanding bonds at maturity or before maturity when called for redemption, except that such refunding bonds shall mature within not to exceed 30 years from the date thereof, or not to exceed 50 years from the date of enactment of this act, whichever shall first occur, and shall not exceed in principal amount the principal amount of outstanding bonds replaced by such refunding bonds. The Board may enter into an agreement with any bank or trust company in the United States as trustee having the power to make such agreement, setting forth the duties of the Board with respect to acquisition, construction, maintenance, operation, repair, and insurance of the stadium, the conservation and application of all funds, the security for the payment of the bonds, safeguarding of money on hand or on deposit, and the rights and remedies of such trustee and the holders of the bonds, restricting the individual right of action on the bondholders as is customary in trust agreements respecting bonds of corporations. Such trust agreement may contain such provisions for protecting and enforcing the rights and remedies of the trustee and the bondholders as may be reasonable and proper.

(b) The bonds may be sold at not less than par. If the proceeds of the bonds shall exceed the cost, the excess shall be placed in the fund created by section 6 for the payment of the principal and interest of such bonds. Prior to the preparation of definitive bonds the Board may, under like restrictions, issue temporary bonds, or may, under like restrictions, issue temporary bonds or interim certificates without coupons, of any denomination whatsoever, exchangeable for definitive bonds when such bonds that have been executed are available for delivery.

(c) All bonds, or other obligations, issued by the Board under authority of this act, shall be exempt both as to principal and interest, from all taxation (except estate and inheritance taxes) now or hereafter imposed by the United States, or by the District of Columbia.

SEC. 5. In order to carry out the purposes of this act, the Board is hereby authorized, without regard to any other provision of law—

(1) to determine all questions concerning the use of the stadium for the purposes of this act;

(2) to enter into contracts and agreements with the District of Columbia and the Federal departments, bureaus, establishments, and offices, and the act of March 4, 1915, as amended (31 U. S. C. 686), is hereby made applicable to such contracts;

(3) to acquire by purchase or lease, equipment, appliances, facilities, and property of any kind necessary or desirable to carry out the purposes of this Act, and to sell or dispose of any such property so acquired when in its judgment it shall be advantageous to do so, except that no contract for more than $3,000 shall be entered into for the purpose of this paragraph without competitive bidding;

(4) to make such structural and other changes in the stadium as it may deem necessary or desirable for carrying out the purposes of this Act;

(5) to prepare, maintain, light, and operate motor-vehicle parking lots on such land as is provided for that purpose by the Secretary of the Interior under section 3 of this Act;

(6) to operate or contract for the operation of such concessions, including the checking of clothing and the sale of nonalcoholic beverages and food as the Board may deem appropriate to the purposes for which the stadium may be rented or leased;

(7) to furnish such services to renters, lessees, and other occupants of the stadium as in its judgment are necessary or suitable for carrying out the purposes of this Act;

(8) to rent or lease from time to time for any of the purposes of this Act, all or any part or parts of the stadium including any or all structures, equipment, or facilities of the stadium, at such rental values and for such periods of time as the Board shall determine;

(9) to carry public-liability insurance protecting the Board, and the members, officers, and employees thereof engaged in operating and maintaining the stadium; and to require tenants or lessees of the stadium to carry public-liability insurance protecting the interests of such tenants or lessees;

(10) to accept the gratuitous services of such persons as may volunteer to aid in the conduct of its activities.

SEC. 6. (a) The Board shall place into a fund all receipts derived from the exercise by the Board of the powers granted by this Act. This fund shall be used for operating, maintaining, and repairing the stadium and to pay the principal and interest of bonds issued under authority of section 4 of this act as they fall due and the redemption or repurchase price of all or any thereof redeemed or repurchased before maturity as provided in section 4 of this Act. All revenues and receipts from the rental or lease of the stadium are hereby pledged to such uses and to the application thereof as hereinafter in this section required. After payment or provision for payment therefrom of all cost of maintenance, repair, and operation and the reservation of an amount of money estimated to be sufficient for the same purpose during the ensuing period of not more than 6 months, the remainder of receipts received from rental or lease of the stadium shall be placed in a fund to be used to pay the principal and interest of the bonds. An accurate record of the cost of the stadium, the expenditure for maintaining and operating it, and of rentals and lease receipts shall be kept and shall be available for the information of all interested persons.

(b) Within a reasonable time after the construction of the stadium, the Board shall file with Congress and the Board of Commissioners of the District of Columbia a sworn itemized statement showing the cost

of constructing the stadium, and the amount of bonds, debentures, or other evidences of indebtedness issued in connection with the construction of such stadium.

SEC. 7. After payment of the bonds and interest or after a sinking fund sufficient for such purpose shall have been provided and shall be held solely for that purpose, but in any event not later than 50 years from the date of enactment of this Act, the Board shall deliver deeds or other suitable instruments of conveyance of the interest of the Board in and to the stadium to the Board of Commissioners of the District of Columbia, for the District of Columbia and the stadium shall thereafter be properly operated, maintained, and repaired by the District of Columbia.

SEC. 8. (a) The Board is authorized to employ and fix compensation of such personnel as may be necessary to carry out the purposes of this Act, without regard to the provisions of the civil-service laws and the Classification Act of 1949, as amended.

(b) Under the direction of the Board and with the written authorization signed by the members thereof, an employee of the Board may exercise such of the powers vested in the Board by section 5 of this Act as the Board shall determine.

SEC. 9. Nothing contained in this act shall be construed to authorize or permit the Board or any member thereof to create any obligation or incur any liability other than such obligations and liabilities as are dischargeable solely from funds contemplated to be provided by this Act. No obligation created or liability incurred pursuant to this Act shall be a personal obligation or liability of any member or members of the Board but shall be chargeable solely to the funds contemplated to be provided by this Act. No indebtedness created pursuant to this Act shall be an indebtedness of the District of Columbia or the United States.

SEC. 10. The Board shall file with the Congress in January of each year a financial statement certified as to the accuracy by the auditor of the District of Columbia, a report of the activities and business at the stadium during the preceding fiscal year and recommendations to Congress as to future control and use of the stadium.

Mr. McMILLAN. Mr. Speaker, I move to strike out the last word for the purpose of explaining the bill.

The purpose of this legislation is to authorize the District of Columbia Armory Board to construct, maintain, and operate a 50,000-seat stadium, including parking facilities, in the District of Columbia suitable for holding athletic and other events. The overall cost including interest, engineering, legal, architectural, and other incidental expenses shall not exceed $6 million. The bill directs the Secretary of the Department of Interior to acquire and transfer to the Board all the real property within the boundary of the East Capital Street site contained in the National Capital Planning Commission report entitled "Preliminary Report on National Memorial Stadium," dated November 8, 1956.

The National Capital Planning Commission was requested to comment on 4 available sites within the District of Columbia and of the 4 the site recommended in the bill, H. R. 1937, is one of the two which received favorable consideration in this report.

The bill authorizes the Board to issue 6-percent, 30-year bonds secured by a mortgage on the stadium on conditions determined by the Board calculated to produce the cost of the stadium, that is, $6 million. Such bonds may be redeemed before maturity at not to exceed 105 percent of face value and accrued interest or may be refinanced by the issue of refunding bonds limited to 30 years but in no case more than 50 years from date of enactment of this act. The bill authorizes the Board to enter into a trust agreement with any bank or trust company covering the financial arrangements for constructing, maintaining, and operating the stadium with the usual types of provisions protecting the rights and remedies of bondholders.

The bill also provides that bonds are to be sold at not less than par. If the proceeds realized exceed the cost, the excess shall be placed in a fund created by section 6 hereof for payment of the principal and interest on such bonds. The bill authorizes the issuance of temporary bonds and interim certificates exchangeable for definitive bonds when such bonds are executed and available.

The bill provides that all such bonds and other obligations shall be exempt from all taxation now or hereafter imposed by the United States or the District of Columbia.

The bill authorizes the Board, without regard to any other provision of law—

First, to determine all questions concerning use of the stadium;

Second, to enter into contract with the District of Columbia and the Federal departments, bureaus, and so forth, under title 31, United States Code, section 686, which regulates the purchase or manufacture of stores or material or the performance of services by one Federal bureau or department for another bureau or department;

Third, to purchase or lease the necessary equipment and facilities and to sell the same but negotiated contracts regarding the same shall be limited to $3,000 or less;

Fourth, to make structural and other changes when deemed necessary for the purposes of this act;

Fifth, to prepare, maintain, and operate parking lots on the land provided by the Secretary;

Sixth, to operate or contract for the operation of concessions deemed appropriate;

Seventh, to furnish suitable services to renters, lessees and other occupants of the stadium;

Eighth, to rent or lease from time to time all or part of the stadium for such rentals and for such periods as shall be determined by the Board;

Ninth, to carry public-liability insurance on the stadium and to require tenants and lessees to do the same; and

Tenth, to accept gratuitous services from volunteers to aid in the conduct of its activities.

This legislation requires the Board to place all receipts from its activities under this act in a fund to be used for operating, maintaining, and repairing the stadium and the payment of the principal and interest on the bonds issued under section 4 hereof. The costs of maintenance, repair, and operation and the establishment of a 6 months' reserve shall be paid out of the fund first. The remainder of the fund shall be used to pay the principal and interest on the bonds.

The bill requires that within a reasonable time after construction the Board shall file with the Congress and the District of Columbia Commissioners a sworn statement of the cost of construction and the amount of bonds issued.

The bill requires that after payment of the bonds or establishment of a sinking fund for that sole purpose, but in any event not later than 50 years from date of enactment of this act the Board shall convey the stadium to the District of Columbia Commissioners and the stadium shall thereafter be operated, maintained, and repaired by the District of Columbia.

The Board is authorized by this legislation to employ the necessary personnel without regard to the civil-service laws and the Classification Act of 1949, as amended.

The bill provides that under the direction of the Board and with a written authorization signed by its members, an employee of the Board may exercise the powers vested in the Board by section 5 of this act.

The bill provides that the liabilities created by the Board and its members shall be restricted to those chargeable solely to the funds contemplated by this act. No indebtedness created pursuant to this act shall be an indebtedness of the District of Columbia or of the United States.

The bill further provides that in January of each year the Board shall file with the Congress, a financial statement certified by the District of Columbia Auditor, a report of activities and business at the stadium for the preceding fiscal year, and recommendations respecting future control and use of the stadium.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. SIMPSON of Illinois. Mr. Speaker, the gentleman from Arkansas [Mr. HARRIS] has put in a great deal of time and much hard work on this Stadium Commission bill, and is entitled to the support of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. GROSS. Can the gentleman tell me what the provision on page 2, section 3, means? Let me read the language of that section to the gentleman:

SEC. 3. The Secretary of the Interior is authorized and directed to acquire by gift, purchase, condemnation, or otherwise all real property within the boundaries of the East Capitol Street site, as established in the first paragraph under the heading "(2) East Capitol Street Site" contained in the National Capital Planning Commission report entitled "Preliminary Report on Sites for National Memorial Stadium," dated November 8, 1956, and thereafter, upon the request of the Board, the Secretary of the Interior shall transfer to the Board all right, title, and interest of the United States in and to all real property within the boundaries of such East Capitol Street site.

May I ask the gentleman this question? Is the Government now about to

buy land to provide a site for this stadium?

Mr. McMILLAN. They have approximately 192 acres of park land which is proposed to be used in connection with the armory. This stadium is supposed to use the same parking space that the Army has at the present time. If any additional land is required, I imagine it is supposed to come out of this $6 million issue of bonds.

Mr. GROSS. But the bill does not provide that.

Mr. McMILLAN. It provides $1 million here for the purpose of purchasing 4 acres of land. That is all.

Mr. GROSS. Let me ask this. Is the Government to be reimbursed for the land that will become the site for the stadium?

Mr. McMILLAN. I do not see any place in the bill where there is any reimbursement.

Mr. SIMPSON of Illinois. They are to issue bonds for a period of 50 years. The Government can be repaid out of the earnings from the stadium during that time.

Mr. GROSS. If they are never paid for, what would be the answer?

Mr. SIMPSON of Illinois. I cannot answer 50 years from now.

Mr. McMILLAN. Would the gentleman from Iowa like to offer an amendment?

Mr. GROSS. I have an amendment prepared. I am trying to find out whether the Government is to be reimbursed.

Mr. McMILLAN. I do not know where it is to be recompensed unless it is from these bonds.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. KEARNS. The gentleman understands the Washington Baseball Club and the Redskin Football Club will pay rent for the use of this facility, and we hope to get it much sooner than 50 years. Now the National Capital will have a stadium that will be a compliment to the Nation's Capital.

Mr. LANKFORD. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. LANKFORD. This stadium will be placed on land which is now occupied by temporary Government buildings which are slated to be torn down. This is a part of the overall plan that has been created for the East Capitol Street site. It is true there are some few—I do not know the exact number—dwellings in this block that have to be purchased. Otherwise the land is there, occupied presently by temporary buildings which are slated for demolition, and there is no other use slated for this land.

Mr. MARTIN. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. MARTIN. Just how valuable is this land that the United States Government is going to give?

Mr. McMILLAN. I do not know the value in dollars.

Mr. KEARNS. The armory site is there at present.

Mr. MARTIN. Following up the question of the gentleman from Iowa [Mr. GROSS], it looks to me like a good idea, but where does the United States Government get in? Is there any chance to get any compensation for this land that we donate?

Mr. KEARNS. I think the revenue from the stadium will compensate the Federal Government for their privilege to build a stadium there in the overall picture.

Mr. MARTIN. We do not get any taxes.

Mr. KEARNS. No.

Mr. MARTIN. Where will we get it?

Mr. KEARNS. The land is not producing any revenue at the present time.

Mr. MARTIN. It is not doing any harm because we do not pay taxes on it.

Mr. McMILLAN. This land was purchased for a stadium site under the late Bilbo provision several years ago. The late Senator Bilbo was very active during the time he was chairman of the Senate Stadium Committee and District of Columbia Committee.

Mr. MARTIN. We bought it for that purpose?

Mr. McMILLAN. That is the information I have.

Mr. MARTIN. How much did we pay for it?

Mr. McMILLAN. I do not know.

Mr. KEARNS. I think about $25,000.

Mr. CELLER. Will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. CELLER. Do I understand that in this stadium professional baseball and football will be played?

Mr. McMILLAN. Yes. They propose to rent the stadium for that purpose.

Mr. CELLER. For instance, the Washington American League Senators will play there?

Mr. McMILLAN. That is correct.

Mr. CELLER. Do I understand that the bonds to be issued are tax exempt?

Mr. McMILLAN. That is correct.

Mr. CELLER. Do I understand further that the interest on the bonds is at 6 percent?

Mr. McMILLAN. That is what the bill proposes.

Mr. CELLER. In other words, we have the Commission issuing tax-exempt bonds bearing interest at 6 percent.

Mr. McMILLAN. For the purpose of paying for this stadium.

Mr. CELLER. Has that ever been done before; namely, Congress approving the issuance of tax-exempt bonds bearing 6 percent interest?

Mr. McMILLAN. I do not know.

Mr. CELLER. I doubt very much whether we have ever done that before. That is a very high rate of interest, a high yield on a tax-exempt bond.

At what rate are these bonds redeemable?

Mr. McMILLAN. 105 is par.

Mr. CELLER. In addition to bearing 6 percent, in addition to being tax exempt, they are redeemable at 105.

Mr. McMILLAN. Yes, sir.

Mr. CELLER. That also is an advantage which I doubt very much we have ever granted to the holder of any bonds issued by the Government or with the Government's approval.

Mr. McMILLAN. I do not know, but I would say to the gentleman that almost every day we grant the District some privilege that we do not grant to any of the States.

Mr. CELLER. But we do not grant power to issue bonds that are tax exempt bearing that rate of interest and redeemable at 105. I doubt that very much. And then think of the great advantage I am sure brokerage houses will take of this matter; they will make a very nice killing on this. I do not object to having brokerage houses make commissions, but here it strikes me we are going very far on this matter in order to get a stadium.

Mr. McMILLAN. I realize that we will have to go pretty far and grant many concessions in order to get a stadium here.

Mr. SIMPSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. SIMPSON of Illinois. I will say to the gentleman from New York that there have been no contracts entered into with any Washington ball club or football club, but authority will be granted the Commission to make these contracts, if this legislation is passed.

Mr. CELLER. It is undoubtedly within the realm of probability that the Senators will play in this stadium as well as the teams of the American League.

Mr. SIMPSON of Illinois. But the contracts have yet to be let.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield.

Mr. COLMER. I am interested in pursuing the line of questioning started by the distinguished gentleman from Massachusetts [Mr. MARTIN]. Where does the Federal Government come into this? Does this bill merely authorize the transfer of this land to the Stadium Commission?

Mr. McMILLAN. To the Armory Board.

Mr. COLMER. I am not sure I understand.

Mr. McMILLAN. The District Armory Board controls the District Armory. This proposed stadium is to be operated in connection with the District Armory by the same Board.

Mr. COLMER. How many acres of land are involved?

Mr. McMILLAN. I think the land purchased by the late Senator Bilbo Stadium Commission was 192 acres.

Mr. COLMER. Do I understand that the Federal Government purchased land for this purpose?

Mr. McMILLAN. This is part of the parks system at this time. However, I understand it was originally purchased for a stadium site.

Mr. COLMER. Then the so-called Bilbo Commission was not set up for the purpose of starting the stadium?

Mr. McMILLAN. Senator Bilbo was chairman of the commission to select a site for a stadium.

Mr. COLMER. If it was purchased for this purpose why do you need legislation?

Mr. McMILLAN. This is legislation to give the Armory Board authority to get the stadium started.

Mr. COLMER. As to these bonds that will probably be issued, as brought out by the gentleman from New York [Mr. CELLER] does the Federal Government have any liability in connection with them?

Mr. McMILLAN. No, it does not.

Mr. COLMER. In other words, the bonds are not underwritten by the Federal Government.

Mr. McMILLAN. That is correct.

Mr. COLMER. And the cost to the taxpayers of this country would be the 192 acres of land?

Mr. McMILLAN. The Armory is using that land at the present time or the part that is not covered with old tempo buildings, you know. The baseball park patrons would use the same parking space that the Armory is using in addition to the idle land there at the present time.

Mr. COLMER. The Armory uses it now?

Mr. McMILLAN. Yes.

Mr. COLMER. Will the Armory continue to use it?

Mr. McMILLAN. Absolutely, when they need it.

Mr. COLMER. When they need it.

Is that safeguarded in the legislation?

Mr. McMILLAN. The Armory Board is administering both, so I suppose they would certainly take care of the Armory.

Mr. COLMER. Do I understand from that the Armory Board would have authority to displace the Armory if it so decided to expand this stadium?

Mr. McMILLAN. I do not think the site selected by the Stadium Commission would reach over into adjoining territory to interfere with the functions of the Armory.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from New York.

Mr. CELLER. What is the Armory Board, what constitutes the Armory Board?

Mr. McMILLAN. They have 3 members on the Armory Board. They are not paid members. They are appointed, one by the President, one by the Commissioners and one by the Congress of the United States.

Mr. CELLER. In answer to a question propounded by the gentleman from Mississippi, I believe the gentleman said there was no obligation on the part of the Federal Government with reference to the issuance of these bonds?

Mr. McMILLAN. That is my information.

Mr. CELLER. So that the primary obligator is the Armory Board?

Mr. McMILLAN. Yes, sir.

Mr. CELLER. No Federal agency has any obligation with reference to liquidation or payment of interest or principle on these bonds?

Mr. McMILLAN. No, sir.

Mr. CELLER. Does the gentleman feel that the bonds need to be tax exempt to enable them to be sold since they yield a rate of 6 percent?

Mr. McMILLAN. The Commission who wrote this bill seemed to think so. I did not write the bill.

Mr. CELLER. I do not want to press the gentleman, but I think we are entitled to have some information as to whether or not it is necessary in order to induce the sale of these bonds to make the bonds tax exempt.

Mr. KEARNS. Mr. Speaker, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Pennsylvania.

Mr. KEARNS. The gentleman from Texas [Mr. TEAGUE] is a member of the Commission; so am I. We feel it would work like the stadium in Cleveland where the Cleveland Indians use the stadium. It is used by football and baseball. The Nation's Capital does not have a stadium today, and I think we have to have some incentive to build it. We have Government free land here that was bought at a nominal fee, at an almost negligible amount so far as dollars and cents are concerned. We have the highways leading to the Armory where we can bring in the avenues of traffic there. It is an ideal situation so far as site and everything else is concerned. The Commission only brings its findings to the Congress with its recommendation as to evaluation of the whole Armory project. The gentleman brings up the 6-percent bond matter which is a very fine issue because we could build schoolhouses in America with 6-percent bonds tax free and we would not have to have any school-construction bill. We are going to let private industry do it.

Mr. CELLER. I welcome the idea that private industry shall do it, but I question whether or not it is essential to offer all of these inducements in order to get these bonds sold. If we pass a bill such as this, in many of the cities that have baseball parks, they are going to make a track to the door of Congress or some other Federal agency and say: "Look here, the Armory Board was authorized by the Congress to issue bonds which are tax exempt and are to be redeemed at 105, and bearing 6 percent interest. We want to have the same privilege. We do not want you to make fish of one and fowl of the other."

I assure you that within 30 days after we pass a bill of this character you are going to have all kinds of agitation to have this type of bond issue by some sort of authority in these various cities so that they can have new baseball parks and so forth. I am for a new baseball park; I am not opposed to that. I believe that in many cities, like the city of Brooklyn from whence I come, the baseball parks are inadequate. There may be other cities in a similar situation. But I wonder whether we are on the right road when we allow some entity, public or private, quasi public or private, to issue these bonds and we say that they shall be tax exempt. That is a very serious thing, and I think we should think twice before we leap at this matter.

The SPEAKER. The time of the gentleman from South Carolina has expired.

Mr. KEARNS. Mr. Speaker, I rise in opposition to the pro forma amendment.

Mr. Speaker, we are not trying to bring in anything new here. We are trying to build a stadium. You can very well imagine if you were serving on this Commission, you would be groping for many angles on the stadium, with the many sites presented and so forth. The Senator from Missouri, Hon. Mr. STENNIS, chairman of the Commission, of which I happen to be secretary, and I have asked the Congress to go along with this proposal so that we can go to the conferees and consider it intelligently. I do not say we will insist on 6-percent bonds, but let us build the stadium. Then, I think, if we can rent out the stadium to the Redskins and to the Senators and give them the privilege of playing there, that we are going to reduce those bonds quickly. And, the site is eventually returned to the Federal Government. They own the land now.

Mr. CELLER. Mr. Speaker, if the gentleman will yield further, your report on the first page says that the bill authorizes the board to issue 6 percent, 30-year bonds secured by a mortgage on the stadium on conditions determined by the board calculated to produce the cost of the stadium; that is, $6 million. Now, if you have an authorization like that, that is intended to establish that you are going to sell these bonds bearing 6-percent interest. There is no question about that. They will never be less.

Mr. KEARNS. We have a Commission and we have the District Committees of the Senate and the House, and we are trying to work out a problem. I think the bonds are a good investment.

Mr. CELLER. Why do you not have your bill read that it shall be in accordance with some sort of an agreement worked out between the two groups?

Mr. KEARNS. Would the gentleman agree to try to work it out in conference, sir?

Mr. CELLER. I did not hear the last.

Mr. KEARNS. I know the chairman of the District Committee will agree that we will try to work out those questions in conference before we bring it back.

Mr. CELLER. Oh, I think we have a right to act here for ourselves independently of the other body. If we feel it is improper to do it this way, we should say so and not leave it to the conferees.

Mr. CHELF. Mr. Speaker, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Kentucky.

Mr. CHELF. What I would like to ask, is there not some way that you can offer an amendment, a slight perfecting amendment, and say "not to exceed 6 percent." At least, set some ceiling wherein and whereby the Congress shall set the prevailing rate. I would like to go on record now, so far as one Member of the House, and say that this shall not in anywise be considered as a precedent for any other town or hamlet throughout the country. I feel that the committee is trying its best to confine this to the Nation's capital, as I understand it.

Mr. KEARNS. Would the gentleman from New York agree to that?

Mr. MULTER. I have just presented to the desk an amendment which will strike out the words "not more than 6 percent" and insert in lieu thereof "to be approved by the Secretary of the Treasury."

Mr. CHELF. In other words, the then going interest rate.

Mr. MULTER. I am sure whoever the Secretary will be he will not approve a rate higher than the going rate.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. KEARNS. I yield to the gentleman from Maryland.

Mr. HYDE. These bonds are not going to be guaranteed in any way, shape, or form by the Federal Government. The Federal Government will not be in it at all. So why should the Secretary of the Treasury be in it?

Mr. MULTER. There is no doubt that any time we authorize the issuance of bonds, to be guaranteed by the Government or otherwise, particularly where they are tax free or tax exempt, as these bonds will be, they have an impact upon the entire monetary policy of the Government and certainly have an impact upon the rate that the Government will have to pay on any Government obligations. Certainly the Secretary of the Treasury should be consulted on a problem so important as this.

Mr. KEARNS. Would the gentleman be willing to leave that to the jurisdiction of our counsel and also the conferees of the Senate and the House, sir? I think we will do a very fine job.

Mr. McMILLAN. I will take the responsibility for accepting the amendment.

The SPEAKER. Is the gentleman from New York offering his amendment now?

Mr. MULTER. I offer an amendment, Mr. Speaker.

The Clerk read as follows:

Amendment offered by Mr. MULTER: On page 3, lines 3 and 4, strike out "6 per centum per annum" and insert "to be approved by the Secretary of the Treasury."

Mr. KEARNS. Mr. Speaker, may I speak to the amendment, please?

The SPEAKER. Does the gentleman rise in opposition to the amendment?

Mr. KEARNS. No. Would you be willing to amend your amendment to read "at the acceptance of the Secretary of the Treasury to consider this."

Mr. MULTER. Mr. Speaker, will the gentleman yield to me?

Mr. KEARNS. I yield to the gentleman.

Mr. MULTER. Mr. Speaker, I cannot understand the distinction the gentleman draws between the suggestion that this be acceptable to the Secretary of the Treasury and the language I have offered, that he approve the rate. I think we are talking about the same thing.

Mr. KEARNS. Mr. Speaker, for our side, we accept the amendment and hope to iron it out in conference.

The SPEAKER. The question is on the amendment offered by the gentleman from New York [Mr. MULTER].

The amendment was agreed to.

Mr. GROSS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On page 3, line 1, after the word "stadium", insert a comma and the following "including the land upon which said stadium is located."

Mr. GROSS. Mr. Speaker, I am very much interested in the land features of this proposal. I have not had a good answer to my question as to the amount of the land, and the value of the land that is to be turned over to the Board. According to the language in the bill on page 2, lines 20 through 24, the Federal Government apparently surrenders all right, title, and interest in a substantial amount of land and with no reimbursement to the Government.

My amendment provides for payment for the land presently owned or which may be acquired by the Government as a site for this stadium.

Mr. McMILLAN. Mr. Speaker, the committee agrees to the gentleman's amendment.

Mr. GROSS. I thank the gentleman.

The SPEAKER. The question is on the amendment offered by the gentleman from Iowa.

The amendment was agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

NATIONAL DEFENSE TRANSPORTATION

Mr. FRAZIER. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Joint Resolution 22.

The Clerk read as follows:

Whereas the United States of America has the greatest transportation system ever developed and maintained anywhere in the world, and it is of the greatest importance that it be so recognized and maintained; and

Whereas the growth and development of all of the areas of the United States, the expansion of our commerce, trade, and cultural relations among the various sections of our country and with the nations of the world, are directly attributable to and their continuance dependent upon the transportation mobility of our people and the products of our farms and factories, serving adequately and effectively all our people; and

Whereas this great transportation system, by land, by sea, and in the air, has been so expansive and comprehensive as to become somewhat commonplace in its acceptability, and the true importance and significance of this great transportation system in the community life and security of all our people, and as a bulwark in support of the Armed Forces in a national emergency or preparedness in the defense of our country, is not given the full recognition to which this national development is entitled; and

Whereas without effective transportation, all logistic effort collapses, and without effective logistics, all defense collapses: Now, therefore, be it

Resolved, etc., That the President of the United States is authorized and requested annually to issue a proclamation designating the third Friday of May of each year as National Defense Transportation Day, and urging the people of the United States, including labor, management, users, and investors, in all communities served by any of the various forms of transportation by land, by sea, and by air, to observe this occasion by appropriate ceremonies which will give full recognition to the importance to each and every community and the people thereof of our transportation system and the maintenance of its facilities in the most modern state of adequacy to serve our needs in times of peace and in national defense.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

Mr. KEATING. Mr. Speaker, reserving the right to object, may I ask the gentleman from Tennessee if it is not a fact that this joint resolution was unanimously approved by the Committee on the Judiciary?

Mr. FRAZIER. That is correct; and it was passed unanimously by the Senate.

Mr. KEATING. As I understand it, it is approved by the armed services as being desirable?

Mr. FRAZIER. I understand that all transportation people, representing the railroads, the airlines, and the steamship companies, as well as the Department of Defense, approve the resolution.

Mr. KEATING. Mr. Speaker, I think it is a desirable resolution.

I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The joint resolution was read a third time and passed, and a motion to reconsider was laid on the table.

INCREASING RATES OF COMPENSATION FOR SERVICE-CONNECTED DISABILITIES

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 244 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 52) to provide increases in service-connected disability compensation and to increase dependency allowances. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Veterans' Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

CALL OF THE HOUSE

Mr. DIES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. DELANEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 69]

Anderson, Mont.	Fogarty	Morano
Anfuso	Fountain	Morgan
Ashley	Frelinghuysen	Morrison
Ayres	Fulton	Mumma
Bass, N. H.	Garmatz	Murray
Beamer	Gary	Nimtz
Boland	Granahan	O'Brien, N. Y.
Bow	Green, Pa.	Patterson
Bowler	Griffin	Philbin
Broyhill	Gubser	Powell
Buckley	Gwinn	Prouty
Carnahan	Harden	Reed
Chudoff	Harris	Rivers
Cole	Hays, Ohio	Robeson, Va.
Corbett	Healey	Rodino
Coudert	Holland	Roosevelt
Cunningham, Nebr.	Holtzman	Sadlak
Curtis, Mass.	James	Santangelo
Dawson, Ill.	Kearney	St. George
Derounian	Kelley, Pa.	Scherer
Diggs	Keogh	Selden
Dollinger	Kilburn	Sieminski
Donohue	Kluczynski	Stauffer
Dooley	Landrum	Teller
Durham	Lane	Tuck
Eberharter	Lennon	Utt
Elliott	Lesinski	Vursell
Engle	McCarthy	Watts
Evins	McConnell	Wharton
Fallon	McCormack	Whitten
Farbstein	Magnuson	Williams, Miss.
Fascell	May	Wilson, Calif.
Fino	Michel	Wolverton
	Miller, Nebr.	Yates
	Montoya	Zelenko

The SPEAKER. On this rollcall 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

INCREASING RATES OF COMPENSATION FOR SERVICE-CONNECTED DISABILITIES

Mr. DELANEY. Mr. Speaker, I yield one-half of my time to the gentleman from Massachusetts [Mr. MARTIN], and at this time yield myself such time as I may use.

Mr. Speaker, House Resolution 244 makes in order consideration of the bill, H. R. 52, which was unanimously reported by the Committee on Veterans' Affairs. An identical bill passed the House in the 84th Congress but died in the Senate.

This Resolution 244 provides for an open rule and 1 hour of general debate. I understand that last year the bill passed without a single vote being cast against it.

Mr. Speaker, there is no further time requested on the rule.

Mr. MARTIN. Mr. Speaker, there are no requests for time on this side of the aisle. We are in favor of the rule.

Mr. DELANEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. TEAGUE of Texas. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 52) to provide increases in service-connected disability compensation and to increased dependency allowances.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H. R. 52, with Mr. MACK of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. TEAGUE of Texas. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, the bill which we are considering today relates entirely and exclusively to compensation for service-connected disabled veterans. It is identical to the bill (H. R. 12038) which was approved by the House on July 12, 1956, by a record vote of 391 to 0, 1 Member voting present.

The bill, last year, unfortunately was not passed by the other body for reasons not necessary to discuss at this time.

The bill generally increases all rates of compensation below 100 percent by 10 percent, rounded to the nearest dollar. For example, the present 10 percent disability is paid at the rate of $17 per month. The bill would increase this to $19.

In the case of a man totally disabled, the rate is increased from $181 to $225. This was done because the President's Commission—the Bradley Commission—found that the men totally disabled constituted the one group which was not receiving as much compensation as they should be receiving based on the amount other veterans, suffering from service-connected disabilities, were receiving. The bill also increases the rates for the more severely disabled by $30 in each different category to make the ceiling on all disability compensation $450 a month rather than $420 as exists today.

The so-called statutory award rate of $47, which are in addition to the rates of percentage disability, are not increased, nor is the minimum rate for arrested tuberculosis of $67. All those veterans receiving a percentage disability payment today would receive an increase under this bill.

Section 2 of the bill applies this same sort of increase to World War I veterans who are rated on the 1925 schedule for rating disability and involve so-called protected award cases. This is a limited group of veterans who are unable to meet the criteria set forth in the 1945 rating schedule.

Section 3 increases the rates provided in Public Law 877 of the 80th Congress, which authorized additional compensation for veterans 50 percent or more disabled and who have dependents. For example, a veteran today rated 100 percent or more disabled receives $181 monthly. If he has a wife, she would receive $21 additional. Under this bill that amount would be increased by 10 percent to make it $23. If the veteran is rated 50 percent disabled, for example, he would receive 50 percent of $23. This provision does not apply to those rated less than 50 percent disabled.

The first year's cost of this bill is estimated to be $169,707,000 and would decrease slightly in the fifth year to $164,586,000. Unlike the pension estimates, compensation cost generally will decrease as the years advance.

	Law [1]	H. R. 52
(a) 10 percent disability	$17.00	$19.00
(b) 20 percent disability	33.00	36.00
(c) 30 percent disability	50.00	55.00
(d) 40 percent disability	66.00	73.00
(e) 50 percent disability	91.00	100.00
(f) 60 percent disability	109.00	120.00
(g) 70 percent disability	127.00	140.00
(h) 80 percent disability	145.00	160.00
(i) 90 percent disability	163.00	179.00
(j) Total disability	181.00	225.00
(k) Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, rates (a) to (j) increased monthly by	47.00	47.00
Anatomical loss, or loss of use of a creative organ, or 1 foot, or 1 hand, or blindness of 1 eye, having only light perception, in addition to requirement for any of rates in (l) to (n), rate increased monthly for each loss or loss of use by	47.00	[2] 47.00
(l) Anatomical loss, or loss of use of both hands, or both feet, or 1 hand and 1 foot, or blind, both eyes, with 5/200 visual acuity or less, or is permanently bedridden or so helpless as to be in need of regular aid and attendance, monthly compensation	279.00	309.00
(m) Anatomical loss, or loss of use of 2 extremities at a level, or with complications, preventing natural elbow or knee action with prosthesis in place, or suffered blindness in both eyes, rendering him so helpless as to be in need of regular aid and attendance, monthly compensation	329.00	359.00
(n) Anatomical loss of 2 extremities so near shoulder or hip as to prevent use of prosthetic appliance, or suffered anatomical loss of both eyes, monthly compensation	371.00	401.00
(o) Suffered disability under conditions which would entitle him to 2 or more rates in (l) to (n), no condition being considered twice, or suffered total deafness in combination with total blindness with 5/200 visual acuity or less, monthly compensation	420.00	450.00
(p) In event disabled person's service-incurred disabilities exceed requirements for any of rates prescribed, Administrator, in his discretion, may allow next higher rate, or intermediate rate, but in no event in excess of	420.00	450.00
(q) Minimum rate for arrested tuberculosis	67.00	67.00

[1] Peacetime rates are 80 percent of wartime rates.
[2] But in no event to exceed $450.

Additional disability compensation because of dependents [1]

	Wife, no child	Wife, 1 child	Wife, 2 children	Wife, 3 or more children	No wife, 1 child	No wife, 2 children	No wife, 3 or more children	Dependent parent or parents
Service on or after June 27, 1950 World War II World War I Spanish-American War, Philippine Insurrection, Boxer Rebellion Civil War Indian wars Peacetime service (under combat or extrahazardous conditions)	$21.00 *23.00*	$35.00 *39.00*	$45.50 *60.00*	$56.00 *62.00*	$14.00 *15.00*	$24.50 *27.00*	$35.00 *39.00*	$17.50 (1) *19.00* [illegible] (2) *58.00*
Regular peacetime service	16.80 *18.00*	28.00 *31.00*	36.40 *40.00*	44.80 *50.00*	11.20 *12.00*	19.60 *22.00*	26.00 *31.00*	14.00 (1) *15.00* 23.00 (2) *30.00*

[1] Above rates are for 100-percent disability. If and while rated partially disabled, but not less than 50 percent, additional compensation is authorized in an amount having the same ratio to the amount specified in the applicable table, above, as the degree of disability bears to the total disability; e. g., war service-connected disability of 50 percent, compensation rate, $100. If veteran has a wife, his compensation is increased as follows: $100+$11.55=$111.55.

NOTE.—Rates in italics as in H. R. 52.

Mr. GRAY. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAY. Mr. Chairman, I want to take this opportunity to congratulate the distinguished chairman of the Veterans Affairs Committee, the gentleman from Texas, [Mr. TEAGUE] and the members of his committee for reporting out H. R. 52.

Out of the hundreds of letters I receive weekly, a score of them are from sick and disabled veterans and their families who are experiencing undue hardships. A 10 percent increase in service-connected disability compensation will not mean a considerable amount of money. However, I can assure you that it is genuinely appreciated and sorely needed in most instances. I could not help but notice the Veterans' Administration request to defer action on this bill until the President's report had been submitted to Congress. In my opinion this is just another stall and I for one appreciate the committee going ahead and doing its duty in behalf of the needy veterans and their families.

The report accompanying this bill estimates the cost for the first year at $169,707,000 with each succeeding year seeing a reduction. Mr. Chairman, if we would stop our foreign aid give-away program this expenditure could be made to our veterans and scarcely be missed. I am hopeful that the other body will take prompt and favorable action on this bill so that some of the human suffering can be alleviated by those who have given so much.

Again, I want to congratulate the chairman and the committee on their efforts in reporting out H. R. 52.

Mrs. ROGERS of Massachusetts. Mr. Chairman, I have no requests for time. This bill passed the House unanimously in the last session of the Congress, but the other body did not act upon it. The sooner we get it through, the better off the disabled veterans will be. I think the Members would be interested to know that this is in part the recommendation of the Bradley Commission. I am delighted because I have long felt some of the ratings were too low. I still believe some should be raised. For instance the single amputees.

H. R. 52 would increase, by 10 percent in most cases, the rates of compensation payable to veterans for service-connected disabilities and the rates of additional allowances for dependents which are payable to veterans whose disabilities are rated 50 percent or more. The bill would provide a greater percentage increase in the basic rate payable for totally disabled cases. Such rate would be increased from $181 to $225 monthly. This greater increase is consistent with one of the findings of the Bradley Commission which indicated that there is a greater inadequacy in the present rate for total disability than in the other basic rates. The bill would also increase the so-called statutory awards for certain specific disabilities, with the maximum rate payable for combinations of the most severe disabilities increased from $420 to $450 per month. The specific amounts that I have mentioned are those payable in wartime cases. Peacetime disability cases are paid 80 percent of the wartime rates, and the bill would similarly increase the former rates.

As previously mentioned, the bill provides a 10-percent increase in the additional allowances for dependents. The original law on this subject required a disability rating in the case of 60 percent or more. This requirement was reduced to 50 percent in 1949 by Public Law 339, 81st Congress. However, the latter law was not a direct amendment of the original law. The amendment proposed by section 3 (c) of H. R. 52 is, therefore, merely a technical one and would have no substantive effect.

The Congress has long recognized that our primary obligation in the field of veterans' benefits is with respect to those with disabilities that were incurred in or aggravated by military, naval, or air service, and this obligation has been recognized in the form of a monetary benefit called compensation. The rates of such compensation have not been increased since 1954. In August of that year the Congress granted a 5-percent increase by Public Law 695, 83d Congress. The rates of additional allowances for dependents have not been increased since they were originally established in 1948. There can be no question but that the rates of compensation authorized to meet our obligation to the service-disabled veterans must be reasonably adequate. I believe the increases proposed by H. R. 52 are fully justified and strongly urge its approval by the House.

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That (a) all monthly wartime rates of compensation payable under public laws administered by the Veterans' Administration for disability less than total (not including special awards and allowances, dependency allowances, or subsistence allowances), are hereby increased by 10 percent.

(b) All rates of compensation increased by subsection (a) shall be further adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar.

(c) In adjusting the rates of peacetime disability compensation under part II of Veterans Regulation No. 1 (a) because of the increases provided in subsection (a) and the adjustments provided in subsection (b), such rates shall be further adjusted upward or downward to the nearest dollar, counting 50 cents and over as a whole dollar.

(d) Paragraph II (j) of part I of Veterans Regulation No. 1 (a) is amended to read as follows:

"(j) If and while the disability is rated as total the monthly compensation shall be $225."

(e) The maximum rates of compensation set forth in paragraph II (k), II (o), and II (p) of such part I are increased to $450 per month.

(f) The rate of compensation payable under paragraph II (l) of such part I is increased to $309.

(g) The rate of compensation payable under paragraph II (m) of such part I is increased to $359.

(h) The rate of compensation payable under paragraph II (n) of such part I is increased to $401.

SEC. 2. (a) The basic rate of compensation provided by section 202 of the World War Veterans' Act, 1924, as amended, for any disability rated as total is hereby increased to $225 per month.

(b) The rate of compensation payable under section 202 (3) of the World War Veterans' Act, 1924, as amended, for the loss of the use of both eyes is hereby increased to $309; the rate payable under that section for the loss of use of both eyes and one or more limbs is hereby increased to $401; the rate payable under that section for double total permanent disability is hereby increased to $401: *Provided*, That in no event shall the rate of compensation received hereunder plus the amounts payable under any other provision of the World War Veterans' Act, 1924, as amended, exced $450 per month in any case.

SEC. 3. (a) Paragraph (1) of the first section of the act entitled "An act to provide increases of compensation for certain veterans with service-connected disabilities who have dependents," approved July 2, 1948 (38 U. S. C., sec. 740), is amended to read as follows:

"(1) If and while rated totally disabled and—

"(A) has a wife but no child living, $23;

"(B) has a wife and one child living, $39;

"(C) has a wife and two children living, $50;

"(D) has a wife and three or more children living, $62;

"(E) has no wife but one child living, $15;

"(F) has no wife but two children living, $27;

"(G) has no wife but three or more children living, $39;

"(H) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, $19 for each parent so dependent."

(b) Paragraph (1) of section 2 of such act (38 U. S. C., sec. 741), is amended to read as follows:

"(1) If and while rated totally disabled and—

"(A) has a wife but no child living, $18;

"(B) has a wife and one child living, $31;

"(C) has a wife and two children living, $40;

"(D) has a wife and three or more children living, $50;

"(E) has no wife but one child living, $12;

"(F) has no wife but two children living, $22;

"(G) has no wife but three or more children living, $31;

"(H) has a mother or father, either or both dependent upon him for support, then, in addition to the above amounts, $15 for each parent so dependent."

(c) Such act is further amended by striking out "60 percent" wherever it occurs and inserting "50 percent."

SEC. 4. This act shall take effect on the first day of the second calendar month which begins after the date of its enactment.

The CHAIRMAN. Are there any amendments? If not, under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COOPER] having assumed the chair, the gentleman from Illinois [Mr. MACK], Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 52) to provide increases in service-connected disability compensation and to increased dependency allowances, pursuant to House Resolution 244, he reported the bill back to the House.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days to extend their remarks in the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and that all other Members may extend their remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. SHUFORD. Mr. Speaker, I am very much in favor of the provisions of H. R. 52, which was the first bill reported by the Committee on Veterans' Affairs during the first session of the 85th Congress. It is indeed appropriate, in my opinion, that this should be the first action of our committee because it deals entirely and exclusively with service-connected compensation.

The bill before us today provides, generally, a 10-percent increase in the basic rate of compensation for our veterans who have received disabilities in the service of our country. The only higher rate is the one applicable for those who have become totally disabled, and in line with the findings of the President's Commission, the so-called Bradley Commission, we have increased this group to $225 monthly, or a 24-percent increase over the existing rate.

It is encouraging to know that this bill is supported by all our veterans organizations, and in view of the action of the House in the 84th Congress in approving this legislation unanimously on a record vote, I hope that we will have no difficulty in speedily enacting this legislation into law.

Mr. FASCELL. Mr. Speaker, I would like to take this opportunity to emphasize my wholehearted and enthusiastic approval of the bill just approved by the membership to increase service-connected disability compensation and dependency allowances. I was proud to cosponsor this proposal last year and again this year. Approval of this increase is long overdue and I hope the measure will receive the prompt and favorable action of the other body.

Mr. EDMONDSON. Mr. Speaker, I am very pleased to see House action on this much-needed legislation at this early point in the session of the 85th Congress.

This increase in compensation for our disabled veterans and their dependents has been urgently needed for many months, and each increase in the cost of living has increased the urgency of the problem confronting many deserving American families dependent upon these payments for their daily bread.

Mr. Speaker, I hope the House will soon follow the precedent set by this bill to make appropriate adjustments in other fields, where the impact of the cost of living rise is being felt just as painfully by deserving citizens.

Mr. WHITENER. Mr. Speaker, I commend the distinguished chairman of the Veterans' Affairs Committee for the leadership which he has given in both the 84th and 85th Congresses in the consideration of legislation to provide increases in service-connected disability compensation and in increasing dependency allowances for dependents of service-connected disabled veterans.

I strongly urge the passage of H. R. 52 which we now have before us. An identical act was passed by the House on July 12, 1956, under the designation H. R. 12038. Unfortunately, the other body did not act upon H. R. 12038 during the 84th Congress.

H. R. 52 deals entirely and exclusively with the subject of compensation for service-connected disabled veterans. Generally, it increases all rates of compensation below 100 percent by 10 percent, rounded to the nearest dollar. The increase for those totally disabled amounts to a 24 percent increase.

The need for a revision and increase of compensation rates for these partially and totally disabled veterans and their dependents is indicated by the commonly recognized increase in cost of living. The modest increases provided in H. R. 52 will not, in my opinion, be commensurate with the accelerated expenses of existence which confront our disabled veterans, but at least it will show to them that the people of this Nation are still aware of the great sacrifice which these disabled men made for their country in time of international crisis.

I want to impress upon the Members of the House that this bill is a very conservative piece of legislation. It has been thoroughly considered by our Veterans' Affairs Committee. It is worthy of the support of every Member of this body.

EXEMPTION FOR DEPENDENTS

Mr. CHELF. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CHELF. Mr. Speaker, on January 18, 1954, I introduced a bill to increase the yearly income tax exemptions of a dependent from $600 to $1,200. Later on, or about March 20, 1955, I introduced H. R. 2569, which changed this exemption from $1,200 to $1,000. On January 3, 1957, I introduced H. R. 590, which again sought to allow at least a $1,000 tax credit to our hard-pressed taxpayers. Today, Mr. Speaker, I am introducing legislation to change the $1,000 to $900. Here is why I have been so persistent in my fight to reduce Federal taxes. A person earning less than $1,200 a year, or $100 a month, has absolutely no business whatsoever of paying any income tax, either to the Federal Government, State government, or the District of Columbia. A person just simply cannot live on $1,200 a year, especially since inflation has cut the dollar to 50 percent of its former purchasing power. Then why have I offered legislation today to give the taxpayers a $900 exemption instead of the $1,200 that I sought for them under my first bill? I am realistic enough to know that in order to secure any help at all at this session for the taxpayer,

especially the little taxpayer, I will just simply have to accept that which can be actually obtained. In other words, I had hoped to get an exemption of $1,200. That having failed, I introduced legislation seeking a $1,000 exemption. When I became convinced that the $1,000 exemption request was getting nowhere, I decided to introduce this bill authorizing an exemption of $900 instead of the $600 income tax exemption allowed to dependents under existing law. In my previous bills I also sought an $1,800 a year tax exemption for each dependent child under 21 years of age who was attending any recognized college, university, or other legitimate institution of learning. Upon realizing that this amount was likewise making no headway, I have changed it to $1,200 exemption. Since I cannot get a whole loaf for the taxpayer, I am willing to accept a half, or even a quarter loaf, which is far better than nothing at all.

I am sure there are those who will argue that it is impossible to cut taxes in view of the $72 billion budget the President has submitted to the Congress. Frankly, if no reduction were made in the budget, this would make good sense. However, the House of Representatives has already, this year, cut the first seven appropriation bills for the coming fiscal year by more than $1 billion, or 7.3 percent of the amount requested by the President. Now even the President agrees we can safely cut the budget by nearly $2 billion. I shall vote to cut wherever it is possible without impairing our national defenses. I have vigorously supported most of the reductions already made and I have every reason to believe that when the final cuts in the budget by the 85th Congress have been totaled, a sufficient amount will have been reduced so as to allow a reasonable income tax reduction. One of the most comforting signs that this 85th Congress will reduce the budget, and thereby cut taxes, is the action taken on May 9, 1957, by a Senate committee in supporting previous House cuts. This is most heartening. It is indeed a good omen. If we keep on trimming the President's all-time high peacetime budget—not by the meat-ax approach but in an orderly manner—it can and will be cut without danger to our defenses and a reasonable tax cut voted for our people. I repeat, we must act carefully and prudently in this matter. We must be wise budgeteers and not foolish bludgeoneers.

It is my sincere belief that if we can wisely cut the budget, and we can, the savings passed on to our people in the form of tax reduction would strengthen our entire economic structure. It will enable the little fellow, the laboring man, to pay his debts and to spend more, all of which would put more money in circulation, create more buying power, more jobs, give a shot in the arm to little business, help our farmers who are hanging on the ropes financially, and actually return more money into the Treasury through the medium of excise taxes in lieu of income taxes. This would help us to cut the national debt and help us to reduce our vast stocks of surplus food and other commodities as well. A tax reduction would also restore incentive and act as an inducement to all business and industry—even to private individuals.

To make a long, sad story short, if we will only reduce the budget and with it the Federal spending, we can reduce not only the income tax but most of these wartime taxes that are still on the books. This would greatly help to balance the budget of the average taxpayer. Once he is balanced on his feet and not on his head, the Federal budget can be balanced with far more ease, and payments made on the national debt.

FARM POLICIES

Mr. HILL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HILL. Mr. Speaker, I have noted with increasing interest the remarks of my colleague across the aisle, the gentleman from Iowa [Mr. COAD], who seems to be taking a belated interest in the farm situation by attacking the Secretary of Agriculture every other day or so.

Last Monday, for example, the gentleman from Iowa [Mr. COAD] attacked the administration's farm policies and called for the resignation of Secretary Benson. Mr. COAD took issue mainly with Mr. Benson's proposal to overhaul the Nation's basic farm laws which the Secretary believes are obsolete and unworkable. More specifically, Mr. COAD disagreed with the Secretary's request for greater discretion in fixing price supports than is presently provided by law.

Mr. Speaker, when a Secretary of Agriculture, who incidentally has been a farmer most of his life, calls some 25 years and nearly $12 billion worth of Federal farm programs a flop, I believe it is time for the Congress to sit up and listen. Mr. Benson said, in effect, that these vast expenditures have made "little or no contribution to the problem of the low-income farmers" and he served notice that unless Congress begins to take a more realistic attitude toward agriculture, the problems will get bigger rather than smaller.

Although his views on farm policies are considerably misguided, I am nonetheless happy to see that the gentleman from Iowa is finally waking up to the fact that something must be done for the farmers. He offers no solution other than firing Secretary Benson. If Mr. COAD had awakened early in this session to the farm problem, perhaps he would not have opposed, and helped to defeat the Republican sponsored emergency corn legislation which was designed to assist the farmers in the corn producing areas of his district. That legislation would have increased corn acreages this year from 37.3 million acres to 51 million acres and enabled corn farmers to place acreages equal to 15 percent of their allotment in the soil bank.

In my judgment, the gentleman voted against the best interests of his farmers by supporting the so-called Cooley bill. A bill which would have opened the soil bank to growers of basic crops as well as feed grains, cost $1 billion a year and would have destroyed the soil-bank program. He knew that President Eisenhower would veto the Cooley bill even if the Congress passed it. In short, the gentleman from Iowa talks a lot about helping the farmers of his district but votes against them.

AN ACCELERATED DOMESTIC ATOMIC POWER PROGRAM

Mr. VAN ZANDT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. VAN ZANDT. Mr. Speaker, the Joint Committee on Atomic Energy has recently concluded hearings required by section 202 of the Atomic Energy Act of 1954, and also on bills calling for Federal indemnification for atomic energy users. We have listened with a great deal of interest to honest and sincere persons from the Atomic Energy Commission, industry, labor, universities, and many others, giving us their opinions concerning the development and state of the atomic art and possible ways to encourage greater utilization of this vast new energy for the betterment of all our fellowmen.

Throughout these hearings, there were many suggestions that we should further accelerate the development of atomic power demonstration facilities in the United States. Let us look briefly at these suggestions; but, while doing so we must keep the picture in proper focus and not lose perspective of the economics involved in reactor development. It must be emphasized and reemphasized that the United States, at the present time, is not in critical need of additional electric generating capacity.

There is no immediate shortage of conventional fuels to supply steam for electric generating equipment. This I know because I have the privilege of representing an important coal-producing area of the country. The situation could conceivably change in decades to come. It is possible that the chemical properties of fossil fuels may be so valuable that it will be relatively uneconomic to continue burning them up simply as a source of heat.

In spite of the fact our electric energy requirements have been doubling each decade for almost half a century, our Nation's electric companies have had no substantial difficulty in meeting this need. I might say, by way of parenthesis, it is interesting to note the only areas in this country where there has been a recurring shortage of power are those served primarily by a couple of well-known Federal power programs.

Atomic electric power is not yet competitive on an economic basis with conventional power in this country. In various other parts of the world, however, atomic power is already competitive, or very close to it because of the high cost of conventional fuels. One of my colleagues

on the joint committee, the gentleman from New York [Mr. COLE], recently introduced H. R. 5694, part of which would encourage construction of reactors by American firms in these foreign areas. Such foreign construction would supply valuable information as to improvements in reactor concept and design that would more quickly lead to economically competitive atomic powerplants in this country.

As beneficial as this section of H. R. 5694 would be, there may be a need for reactors to be constructed in the United States. Domestic reactors would serve as large-scale laboratories to supply information as to our own particular technical requirements. They would also serve as training grounds for the future scientists and engineers which we so desperately need.

There should be little doubt that the atomic power demonstration program now being undertaken by the Atomic Energy Commission and the various private development activities will lead to our desired goal of economic atomic power on a time scale dictated by normal industrial needs.

On the other hand, for noneconomic reasons of national prestige in the eyes of the world there is a need for us to maintain and extend our world leadership in atomic affairs. Such leadership would not be particularly meaningful, though, if measured solely in terms of installed kilowatts. The leadership of this Nation should be measured in terms of broad and varied technological development and application. To use the kilowatt measurement would be like saying that, if Russia produced more model T Ford's today than the United States produces 1957 models, then America is falling behind in the automotive race.

We must not be stampeded into a crash program of Federal reactor construction to meet the grandiose claims of other nations. Rather, let us approach this question with the same foresight and considered determination which has proved so helpful in meeting other production problems in the past. The economic history of this country as compared with other countries of the world should be proof enough that the American system of free enterprise is the best method of getting the job done.

Let me site a graphic example of how another facet of the atomic business has benefited by the Government's encouragement of private enterprise. The exploration, discovery and mining of uranium ore has been accomplished by private enterprise with only minimum interference, but maximum encouragement by the Government. This progressive policy has resulted in a uranium mining and processing industry which is second to none in the world today. We can rightfully expect a similar program of encouraging the development of civilian atomic power reactors by private enterprise to produce the same beneficial results.

Mr. Speaker, for this reason, I introduced a bill designed to further encourage the development of civilian atomic power reactors by industrial firms, electric companies, and local agencies. This proposal will in no way conflict with H. R. 5694. I sincerely believe the gentleman from New York and I are in agreement on the methods which we feel should be utilized to meet the challenge which atomic energy represents. The challenge which is also stated in section 1 of the Atomic Energy Act of 1954 that the development, use and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise.

Last year the House considered a bill—H. R. 12061, 84th Congress—to accelerate the atomic-power program, and, after debate, and after certain amendments had been adopted, I introduced a motion to recommit the bill to committee, which carried. I stated then that I was not satisfied with the bill in its form at that time, and that I believed it needed further study.

Since then I have listened to considerable testimony on this subject, and have given the matter considerable thought and study. Today I introduced a bill which I believe provides the proper basis for authorizing an accelerated civilian atomic-power program.

I have prepared a digest of this bill which I would like to have printed in the RECORD at this point:

Section 1 states that the act may be cited as the "Accelerated Civilian Atomic Power Act of 1957."

Section 2 adds a new definition to the Atomic Energy Act of 1954. It defines the term "incremental cost" as the difference between the estimated capital cost of the construction of an electric-power-generating plant using fossil fuels and the estimated capital cost of one using atomic fuels of the same thermal capacity in the same locality.

Section 3 (a) amends the Atomic Energy Act by inserting a new chapter 19 entitled "Accelerated Civilian Atomic Power Program," which contains sections 241, 242, and 243, with appropriate redesignations of certain chapter and section numbers.

Section 241 states the purpose and policy of the chapter.

Subsection 242 (a) provides for research and development assistance to the civilian power-reactor program. This subsection gives additional statutory authorization for the Commission to enter into contracts with persons for the conduct of research and development activities required in the construction of prototype power-reactor facilities and is intended to accelerate Commission efforts and assistance under the AEC power demonstration reactor program. The bill provides for private ownership of such facilities, unless the expenditure of funds by the Commission for research and development activities on the facility exceeds the expenditure made by the contracting person.

Subsection 242 (b) provides that the expenditure of Commission funds for assistance to projects initiated under subsection (a) shall not exceed the incremental cost of the facility, as defined in section 2 of this bill.

Subsection 242 (c) authorizes the Commission to proceed with an advanced design and development program for construction of reactor facilities to be capable of producing not more than 50,000 kilowatts of electricity. The facilities authorized by this subsection shall be constructed at AEC production sites, and the electric energy generated shall be used by the Commission. The bill authorizes to be appropriated $100 million to carry out the provisions and purposes of this subsection.

Subsection 242 (d) authorizes the Commission to construct any supporting facilities, such as reprocessing facilities, necessary for the program.

Subsection 242 (e) provides that information as to the amount of financial assistance provided by the Commission for research and development activities under this program shall be disclosed and made public.

Section 243 (a) provides that this chapter shall not operate to impair or interfere with the atomic weapons production program or the AEC reactor demonstration program.

Section 243 (b) provides that the facilities authorized under section 242 (c) shall be sold to the highest responsible bidder after they have been in operation for a period of 15 years.

Section 3 (b) amends the table of contents to the Atomic Energy Act to reflect the amendments of section 3 (a) of the bill.

Section 4 amends the Internal Revenue Code to include atomic power reactor demonstration facilities constructed under section 104 or under this chapter in the definition of "emergency facilities" and thus eligible for possible tax amortization deductions. The Atomic Energy Commission is designated as the certifying authority, and the adjusted basis is limited to the amount certified by the Commission as being necessary to achieve the purposes and policies of this bill.

I would also like to add a few words about the philosophy and the purpose behind my bill.

This bill is intended to provide for a civilian atomic power acceleration program in a manner which will not discourage private enterprise and initiative in this field. The bill does not provide authorization for construction of large-scale power reactors, because I believe that this is the proper province for private enterprise. But the bill does provide for research and development assistance to the civilian power reactor program. This is intended to reinforce the Commission's authority to continue and accelerate its efforts under the AEC power demonstration program.

The bill also authorizes the Commission to proceed with an advanced reactor design and development program by constructing comparatively small-scale reactors capable of producing not more than 50,000 kilowatts of electricity, to be constructed at AEC production sites. The bill authorizes an appropriation of $100 million for this purpose.

Therefore, my bill is somewhat similar to the bill considered by the Congress during the last session—H. R. 12061, 84th Congress—providing for a civilian atomic power acceleration program with the following significant differences:

First. It authorizes construction only of advanced design and development facilities, and not large-scale facilities.

Second. It authorizes and encourages the Commission to continue and redouble its efforts under the power reactor demonstration program to assist private industry in the development of both small- and large-scale atomic power reactor facilities.

Third. It authorizes the appropriation of $100 million rather than $400 million. It is contemplated that the appropriations would be spread over a 5-year period, or at the average rate of $20 million per year.

Fourth. It contains certain protective amendments adopted by the House of Representatives during the debate on the

bill last year. However, it does not require that the AEC obtain proposals from private industry before undertaking construction of advanced design and development facilities, because it is not contemplated that the Government-sponsored advanced design small-scale construction program will conflict with the private industry program, but rather will assist it by exploring new fields.

In addition, the bill provides for an amendment to the Internal Revenue Code to include atomic power reactor demonstration facilities in the definition of "emergency facilities" and thus eligible for possible tax amortization deductions. This amendment to the Internal Revenue Code is of a limited nature and applies only to the facilities qualifying under this program. Since the evidence before our committee has demonstrated conclusively that construction of atomic power reactors is unprofitable and uneconomical at this stage, and since the national interest requires accelerated effort in this field, it seems clear to me that this limited tax relief is justifiable and in the public interest.

In conclusion, I would like to emphasize again that my bill is intended to provide for acceleration of the atomic-power program without, at the same time, discouraging efforts by private enterprise in this field. It provides for increased assistance to private enterprise, and authorizes Government construction of reactor facilities of advanced design and their development.

The bill which I have introduced today meets, I believe, the objections to last year's bill and will, I hope, provide the basis for sound compromise in this field. It does not authorize a "crash" program involving expensive large-scale governmental construction which is not necessary in this country at this time, but it does provide for a more long-range program with a definite part to play by both private industry and Government. My bill is intended, as I stated earlier, to supplement the bill introduced by my colleague from New York [Mr. COLE], H. R. 5694, which provides assistance for construction of reactors for installation abroad. My bill provides for similar assistance and encouragement to an accelerated domestic atomic power program.

I hope that this bill will provide a basis for compromise and agreement among the many different views of the many distinguished Members of the Congress who have given thought and study to these problems. I believe it sufficiently protects the interests of the coal industry, the private and public utility groups, that it should aid the private reactor manufacturers, and that it is clearly in the national interest by authorizing a balanced, long-range program for the development of atomic power, with resulting benefits to all our citizens and the peoples of the free world.

THE JENKINS-KEOGH BILL

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JENKINS. Mr. Speaker, I am sure that practically all Members have been receiving messages of some kind with reference to the Jenkins-Keogh bill. I want to say that in spite of the name the Jenkins-Keogh bill is a very good bill, and personally I hope Members will give it their best attention.

As proof that it is a good bill, on yesterday I received 300 telegrams in favor of the bill, so it seems to be very popular. These telegrams were signed by doctors, lawyers, and influential businessmen.

I have received hundreds of letters and telegrams. I am advised that the membership of the House and Senate have received thousands of messages. Most of the messages come from business and professional men and women.

These bills are identical in language and seek to bring social security to employers.

The present social-security law brings security to the employees of the country and the Jenkins-Keogh bills seek to bring security to the self-employers.

The following is an analysis of H. R. 9 and 10, and I shall insert this in the RECORD as a part of my remarks:

ANALYSIS OF H. R. 9 AND 10, THE SO-CALLED JENKINS-KEOGH BILL

GENERAL STATEMENT

The purpose of the bill is to encourage the establishment of voluntary pension plans by self-employed individuals. This would be accomplished by affording such individuals a tax deferment on a limited portion of their income set aside for their retirement. Under existing law such tax deferment is afforded to employed persons whose employers have established so-called employee pension plans meeting certain statutory requirements. However, since self-employed individuals cannot be their own employees, they cannot qualify under existing legislation.

It will be recalled that the Social Security Act, which sets up a compulsory system of old-age pensions, originally only applied to employed persons, but was later extended to most self-employed persons. H. R. 9 and 10 would give self-employed persons a measure of equality with employed persons so far as supplemental private pensions are concerned.

SUMMARY OF BILL

Generally speaking, the bill would allow self-employed persons a deduction for Federal income-tax purposes for amounts set aside for their retirement, with a proviso that the annual deduction could not exceed the lesser of 10 percent of self-employment income or $5,000. However, a special rule would be provided in the case of persons now 50 years of age or over who would have only a few years in which to build up a retirement fund. In their case the allowable deduction would be increased one-tenth for each year of age over 50 and not over 70. To the extent that allowable deductions were not used in any year they would serve to increase the allowable deduction during the following 5 years until exhausted, except that a maximum annual ceiling of $5,000 would still apply. A self-employed individual could not deduct over his lifetime more than 20 times the maximum annual contribution under the general rule.

The definition of a self-employed individual is the same as under the self-employment provisions of the Social Security Act, except that it also includes those not presently covered under such provisions, such as physicians, ministers, etc. Self-employed persons who also are employed during the year are not disqualified unless they are currently a member of, or are receiving payments under, a governmental or private pension or profit-sharing plan, or have received a distribution of their interest in such a pension or profit-sharing plan.

The allowable deduction is in terms of amounts paid as so-called retirement deposits, which are defined as amounts paid into a restricted retirement fund or as premiums under a restricted retirement policy.

A restricted retirement fund is defined as a trust or custodian account established under a retirement plan for self-employed individuals. Funds held in a restricted retirement fund could be invested only in Federal, State, and municipal securities, corporate stock or securities listed on a recognized exchange (other than stock or securities in a corporation in which a member of the plan owns more than 10 pe rcent of voting stock), and stock in a so-called regulated investment company meeting the requirements of section 851 of the Internal Revenue Code. Earnings realized by a restricted retirement fund would not be taxable until distributed to the participants.

"Restricted retirement policies" would include life insurance or annuity contracts except term insurance, but in the case of life-insurance policies no deduction would be allowed for the portion of the premium attributable to the cost of life-insurance protection. Restricted retirement policies would include both newly issued annuity, endowment, and life-insurance contracts and existing policies, except that in order to use existing policies as a funding medium the insurance company would first have to be notified of the taxpayer's intention and make the necessary endorsement on the policy.

The bill contemplates generally that retirement funds will not be payable until age 65. They would be subject to income tax in the hands of the participants at the time distributed. Lump-sum distributions after age 65 would be taxed under a special formula to avoid having the retirement funds largely dissipated by being taxed in 1 year under the higher surtax brackets. In lieu of the rates otherwise applicable, the lump-sum distribution would be assessed at five times the rate applicable to one-fifth of the amount. The same treatment would be given payments on the death of the participant.

Withdrawal of the retirement fund prior to age 65 is permitted, subject to the payment of a penalty. In such case, it is provided that the tax shall be 110 percent of the amount which would have been payable had the distribution been included in the individual's gross income ratably over the taxable year and the 4 taxable years immediately preceding (or such lesser number of immediately preceding taxable years in which retirement deposits were made).

The foregoing tax provisions would apply equally to distributions from a restricted retirement fund and under a restricted retirement policy.

STATE RIGHTS AND THE CONSTITUTION VERSUS CIVIL RIGHTS AND THE SUPREME COURT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. MASON] is recognized for 45 minutes.

Mr. LONG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently no quorum is present.

Mr. WILLIS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 70]

Anderson, Mont.	Gary	Norrell
Anfuso	Granahan	Patterson
Avery	Green, Pa.	Philbin
Ayres	Griffin	Powell
Barden	Gubser	Prouty
Barrett	Gwinn	Reed
Bass, N. H.	Harden	Rivers
Beamer	Harris	Robeson, Va.
Boland	Hays, Ohio	Rodino
Bow	Healey	Roosevelt
Bowler	Holland	Sadlak
Broyhill	Holtzman	Santangelo
Buckley	James	St. George
Carnahan	Kearney	Scherer
Chudoff	Kelley, Pa.	Selden
Cole	Keogh	Shelley
Corbett	Kilburn	Sieminski
Coudert	Kluczynski	Simpson, Pa.
Curtis, Mass.	Landrum	Stauffer
Dawson, Ill.	Lane	Steed
Derounian	Lennon	Teller
Diggs	Lesinski	Thomson, Wyo.
Dollinger	McCarthy	Tuck
Donohue	McConnell	Utt
Durham	McCormack	Vursell
Eberharter	McFall	Wainwright
Elliott	Magnuson	Watts
Evins	May	Wharton
Fallon	Michel	Wigglesworth
Farbstein	Morano	Williams, Miss.
Fascell	Morgan	Wilson, Calif.
Fino	Morrison	Wolverton
Fogarty	Moss	Yates
Fulton	Mumma	Zelenko
Garmatz	Murray	
	Nimtz	

The SPEAKER pro tempore. On this rollcall 326 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. MASON] is recognized.

Mr. MASON. Mr. Speaker, for over 150 years the American people lived with and under the Federal Constitution and its provisions—as drafted by the Founding Fathers. During that time they were a happy, contented, and a prosperous people. Both the Government and the people prospered and developed as no other government or people has prospered or developed since civilization began.

Then came our New Dealers, our Fair Dealers, and our Modern Republicans with ideas and proposals to change our constitutional form of government into a welfare state, a centralized Socialist-Labor government, with our sovereign States relegated to a subservient position, exercising only those powers and duties that might be assigned them by an all-powerful, arrogant, dictatorial, centralized Federal Government—divorced from those powers, duties, and privileges guaranteed to the State by our Federal Constitution.

Mr. Speaker, in order to bring about this government transformation, it became necessary to first take away from the States all the rights, powers, and privileges that were guaranteed them by the Constitution. And in order that this first step might be taken we had to have a Supreme Court that would be sympathetic to the proposed government changeover.

President Franklin D. Roosevelt actually proposed setting up just such a court early in 1937 when he tried to pack the Supreme Court with Justices that would be socially, economically, and politically minded instead of being legally experienced and judicially inclined. Roosevelt made no secret of the fact that he wanted to implement his own social and economic objectives regardless of the constitutionality of those objectives. Failing in his attempt to pack the Court, he proceeded to begin the process of stacking the Court by appointing to every vacancy that occurred persons who had social, political, and economic beliefs similar to his own—liberal ideologists with little or no experience in either legal or constitutional problems.

President Roosevelt's example was followed by President Truman and also by President Eisenhower, especially when he appointed Earl Warren as Chief Justice. So today a majority of the Supreme Court Justices are men that are socially, economically, and politically minded rather than men legally experienced and judicially inclined. Therefore, most of the recent Supreme Court decisions are based upon the social, economic, and political convictions or predilections of the Justices rather than upon legal precedents or constitutional grounds. Because this situation exists today within the Supreme Court, we have such decisions as the following:

First. The Pennsylvania sedition case: Where Steve Nelson, a Communist convicted and sentenced under the sedition law of Pennsylvania, was—so the Court held—illegally convicted because the Smith Sedition Act passed by Congress preempted the field of sedition and deprived the States of all jurisdiction in that field. This decision affected 32 States, nullifying their laws on sedition.

Second. The New York Slochower case: Where the Supreme Court ruled that Dr. Harry Slochower had been fired from his teaching position illegally by the Brooklyn City College board because the due process of law had not been followed in his case.

Third. The Michigan "dirty book" case: Where the Supreme Court declared invalid a Michigan State law forbidding the sale of books, magazines, or publications "tending to incite minors to violent, depraved, or immoral acts." According to this ruling a State may use its police powers to protect a minor from physical harm but it cannot use those same police powers to protect a minor from mental or moral harm.

Fourth. The bus segregation case: Where the Court ruled that no State or city has the right to require segregation on local buses. Yet the Constitution clearly shows that the jurisdiction over intrastate transportation—transportation entirely within the State—is left absolutely to the States.

Fifth. The school segregation case: Where the present Supreme Court ignored a Supreme Court's decision of 60 years' standing, overthrew a century of custom and practice, and required integration in the public schools, causing chaos and confusion in at least 12 States as a result.

Sixth. The Girard College case: The most recent Supreme Court action was the issuance of an order in the Girard College case in which the Court ruled that a trust set up in 1831 in Philadelphia under the will of Stephen Girard setting aside a sum of money in trust "for the erection, maintenance, and operation of a college for as many poor white male orphans as the said income shall be adequate to maintain," violates the 14th amendment to the Constitution because the present trustees are officials of the city of Philadelphia and the State of Pennsylvania. Therefore their action in refusing admittance to two colored orphan boys was "an act of discrimination by the State of Pennsylvania."

The real question, of course, is, "If a trustee happens to be an official of a city or a State, when he acts as a trustee is he acting as the agent of the maker of the trust or is he acting as the agent of the State?" When one considers that no public funds were involved in the Girard College case, but the entire $100 million now in the fund are private funds, the result of the Stephen Girard will, the answer to the question should be obvious—even to our present Supreme Court Justices.

According to this recent order of the Court any trust set up under a will that meets all the legal and constitutional requirements at the time it is established can be overturned, invalidated, declared null and void with the changing times and the changing Court decisions.

Nothing is sacred nor permanent under the present uncontrolled Supreme Court. Century-old customs and previous Court rulings may now be overturned by a capricious Supreme Court, a majority of whose Justices have sociological predilections that influence or dominate their opinions.

Mr. Speaker, Thomas Marshall, of Corpus Christi, Tex., an authority on constitutional law and a worthy namesake of a former clebrated Chief Justice, says:

> An uncontrolled Supreme Court is the road to tyranny.

I say that under the present Supreme Court we have been traveling on the road to tyranny for 20 years, and we are rapidly approaching a situation that properly can be called a centralized Federal tyranny.

The Founding Fathers and the makers of the Constitution agreed that an uncontrolled Supreme Court meant despotism, and must be guarded against. We now have such a Court. Under it the loss of our constitutional rights and privileges is a constant menace. This menace should haunt the thoughts of every citizen who believes in constitutional government. Congress must establish some form of control over the Supreme Court so that our guaranteed personal rights and privileges cannot be usurped by an uncontrolled, capricious Supreme Court. That is the task Congress must face up to and must accomplish before it is too late.

Now, Mr. Speaker, what about H. R. 6127, the so-called civil-rights bill?

We have all heard the saying, "The remedy is worse than the disease." That

saying certainly applies to H. R. 6127. In that bill we are asked to exchange our God-given human rights and our guaranteed States rights for a civil rights program; to exchange real blessings we now enjoy for the fictitious blessings claimed as a part of the mirage known as civil rights.

Mr. Speaker, habits, customs, and obligations are much more effective than any civil rights program implemented by Federal laws. Custom is much more effective than any law because it polices itself. Laws are not particularly efficient. A law has little chance of being enforced if it does not have the approval and support of the majority of the people affected.

Prohibition was once the law of the land; it was a part of our written Constitution. However, because it did not reflect the conscience of the majority of our people, it was not enforcible from a practical standpoint; and it had to be repealed.

Today the 85th Congress under President Eisenhower is facing practically the same civil rights proposal that the 81st Congress faced under President Truman. At that time President Truman gave the following as his civil rights objectives:

1. We believe that all men are created equal under law and that they have the right to equal justice under law.
2. We believe that all men have the right to freedom of thought and of expression and the right to worship as they please.
3. We believe that all men are entitled to equal opportunities for jobs, for homes, for good health, and for education.
4. We believe that all men should have a voice in their government and that government should protect, not usurp, the rights of the people.

President Truman further stated:

These are the basic civil rights which are the source and the support of our democracy.

I say these are all worthy objectives. No decent, law-abiding citizens would question these objectives nor oppose them. But—President Truman's program for bringing about these objectives was questioned. His methods were opposed. Today President Eisenhower wants the 85th Congress to enact through legislation about the same civil rights program that President Truman wanted the 81st Congress to enact.

Mr. Speaker, I want to call your attention and the attention of the Nation to the fact that each and every one of these objectives is a State function, a State responsibility, a State obligation. They come within the police powers of the various States, and were definitely left to the States by the Constitution. Why then should the Federal Government violate States rights by assuming functions that belong to the States? That would be going contrary to the Constitution.

In 1952, speaking at Des Moines as a candidate for the Presidency, General Eisenhower said:

The Federal Government did not create the States of this Republic. The States created the Federal Government. The creation should not supersede the creator. For if the States lose their meaning our entire system of government loses its meaning and the next step is the rise of the centralized national state in which the seeds of autocracy can take root and grow.

At the Conference of Governors in Seattle early in 1953 President Eisenhower declared:

I am here because of my indestructible conviction that unless we preserve in this country the place of State government with the power of authority, the responsibilities, and the revenues necessary to discharge those responsibilities, then we are not going to have America as we have known it. We will have some other form of government.

In the words of President Eisenhower himself, therefore, the destruction of constitutional States rights will sow the "seeds of autocracy," bring about in America "some other form of government," and force us to establish a "dictatorship."

Yet in the face of his own words the President proceeded to ask Congress to create a new Cabinet office to supervise the Nation's health, education, and welfare—and Congress was foolish enough to do so. Under the 10th article of the Bill of Rights, protection of the people's health, education, and welfare is reserved to the respective States of the Union. Therefore, the President's actions in that instance did not coincide with his words.

And if that is not enough to convince anyone that the President's actions do not always conform to his words, take the report of the Commission on Intergovernmental Relations on Federal Aid for Schools. A 15-man study committee on education submitted a 200-page report on that subject which stated:

We have been unable to find a single State that cannot afford to make more money available to its schools or that is economically unable to support an adequate school system.

Yet the former Secretary of the new Cabinet post, Mrs. Oveta Culp Hobby—who was also a member of the Commission on Intergovernmental Relations—and President Eisenhower both ignored that report and presented to the 84th Congress a Federal school aid program that would cost $2 billion. Again I ask, do the President's actions coincide with his own words? His present recommendations for Federal school aid are the exact opposite to the recommendations of his own Commission on Intergovernmental Relations.

Mr. Speaker, I had the good fortune to serve on the Commission on Intergovernmental Relations under the chairmanship of Dean Manion, one of the greatest constitutional lawyers in America. The one great principle he emphasized was that the purpose of the American Government is to preserve and protect our God-given rights; that the American Government is simply a mechanism for the protection of human rights; that civil rights are rights provided by law that definitely come under the jurisdiction of the States, not under the jurisdiction of the Federal Government; and that whenever the Federal Government undertakes to establish or set up a program of civil rights, it must of necessity encroach upon States rights and upon God-given human rights. I subscribe to that principle enunciated by Dean Manion 100 percent.

Mr. Speaker, there are many reasons why the Federal Government should not enter the field of civil rights legislation but rather should leave that field entirely to the States where it properly belongs under our Constitution. I have already cited our disastrous experience under the Volstead Act. We had just such a disastrous experience with Federal civil rights legislation following the Civil War. That era became known as the carpetbag era. It was an experience that neither North nor South can look back upon with satisfaction. Military occupation, martial law, suspension of the writ of habeas corpus, summary judgments, suspension of the rules of evidence and the right of trial by jury, unspeakable corruption on every side—these were the order of the day during the carpetbag era, all in the name of civil rights, all to protect and insure civil rights.

So much for civil rights in general. Now, Mr. Speaker, let us be specific about the pending civil rights bill, H. R. 6127.

This bill denies certain fundamental rights guaranteed by the Constitution to both majority and minority groups—the right to own, manage, and enjoy property; the right of trial by jury; the right to be presumed innocent until proven guilty; the right of appeal; and the rights reserved to the States or the people thereof under the 9th and 10th amendments.

Heretofore in America a defendant came to the bar of justice as an innocent man accused of a crime. Under H. R. 6127 he will come to the bar presumed guilty under a prima facie finding, and he will remain guilty unless and until he can prove himself innocent.

In substance, Mr. Speaker, the provisions of H. R. 6127 constitute nothing more nor less than government by Federal injunction. How organized labor or so-called management can support Government by injunction is more than I can understand. Yet I am told that some labor leaders and some management representatives do support the so-called civil rights bill. I wonder if those labor leaders who support H. R. 6127 ever read the testimony of the grand old man of organized labor, Sam Gompers, before a Senate Labor Committee when he said:

If ever the time shall come—and let us hope and work that it never shall come—when government by dynamite shall be attempted, it will have as its main cause the theory and policy upon which is based government by injunction—a personal government foisted upon our people instead of a government by law.

Those words were historic words, prophetic words. Now, at this late date comes a modern Republican administration proposing government by injunction under the guise of civil rights.

Mr. Speaker, the present tendency of the Supreme Court to encroach upon States rights; the present proposal to substitute a so-called civil rights program for our God-given human rights and our constitutional States rights; the present attempt by our New Deal liberals to bypass our Constitution and set up a welfare Socialist-Labor government,

do not constitute problems for the South, for the North, for the East, or for the West. They constitute problems for our entire Nation. They are problems that affect every State in the Union and every individual within each State—laborer, employer, taxpayer, citizen, and property owner alike. We are all in the same boat, and we must all sink or swim together.

That being so, our first and primary responsibility as Members of Congress—whether we call ourselves Democrats or Republicans—is to protect and preserve our Federal Constitution; to insist upon States rights; to do all we can to curb and control our uncontrolled Supreme Court; and to pass on to our children the constitutional form of government that we inherited from our farseeing Founding Fathers. Our oath of office pledges us to do just that. Let us live up to that oath.

Mr. DAVIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. Mr. Speaker, I have learned that when the gentleman from Illinois [Mr. MASON] obtains a special order to address the House, usually it will be upon a subject to which he has devoted thought and study, and which really concerns the welfare of the United States and its people. I am glad that I knew he was to speak to the House today and that I have been here to listen to his address. I want to say to the gentleman from Illinois that he has sounded a warning which it would be well for every good American to heed. He has called our attention to a state of facts which threaten the permanence of our free institutions, constitutional government, and States rights. I concur in what the gentleman has said. I commend him for his statesmanship in preparing and delivering this address.

Mr. MASON. I thank the gentleman from Georgia.

Mrs. BLITCH. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentlewoman from Georgia.

Mrs. BLITCH. I want to highly commend the gentleman for his splendid address. I want to say further that I think the dangers he has pointed out to the permanence of our Constitution are a great deal more serious than the dangers from without the country. We have made expenditures of billions and billions of dollars and thousands and thousands of lives in casualties to preserve this country from outside danger. But the gentleman has struck at the very core of the real danger that threatens our country today, and I cannot commend the gentleman too highly for the service he has performed in this respect.

Would the gentleman permit me to ask a question

Mr. MASON. Yes, indeed.

Mrs. BLITCH. I am very much impressed with what the gentleman has to say about the responsibility of Congress to exercise some control over the Supreme Court. That is the question that has been worrying me a great deal. It does seem to me that there should be some method by which the Supreme Court should be investigated, that we could find out what are the motivations of the Court, what agents of the Court besides the Justices themselves, for instance, are propounding this theory of centralized government through bootleg decisions by the Court, that can eventually lead to nothing but dictatorship.

I wonder if the gentleman could give me some idea as to what procedure the Congress might follow, whether it should conduct an investigation or if there is some other method he would endorse.

Mr. MASON. I would say that under our Constitution each of the three departments of government are absolutely separate and distinct, and independent of each other. But the Congress has the power, at least one branch of the Congress, to approve the various Justices as they have been recommended to them for approval, and that branch of government has certainly failed in its duty to screen these appointees on the basis of their judicial experience, their judicial qualifications, and they have approved men they knew did not have the proper qualifications but men who had simply the predilections, sociological predilections that would definitely influence them in their decisions. That type of man should never have gotten on the Court, and it is the responsibility of the Senate to see to it that they do not.

Mrs. BLITCH. I agree with the gentleman heartily, but we are faced now with the situation of a Supreme Court that is already there, and decisions contrary to the Constitution keep coming from it. What is there that we as the House of Representatives or the Congress as a whole can do?

Mr. MASON. That, I may say to my colleague, is something I would like to be able to answer, but when the President, President Roosevelt, found he was facing a condition, a situation that was not to his liking because he could not implement his own economic and sociological ideas with that type of Court, he started in to pack that Court, and he was finally successful.

All we can do, as I see it now, is to start to see to it that the future appointments to the Court will be of the right type and will be guided by the Constitution and its provisions.

Mrs. BLITCH. Would the gentleman say yes or no? Or would he rather not take a stand on that? The question perhaps is one that cannot be answered yes or no at this time: Whether or not the Congress could investigate some of the decisions of the Court or the Supreme Court itself, or its personnel?

Mr. MASON. There is nothing to stop the Congress from bringing an impeachment resolution. Should an impeachment resolution be adopted it would bring about a thoroughgoing investigation.

Mrs. BLITCH. But without an impeachment the gentleman doubts that we could.

Mr. MASON. I doubt that we would have the authority to do it.

Mrs. BLITCH. I thank the gentleman.

Mr. DORN of South Carolina. Mr. Speaker, will the gentleman yield?

Mr. MASON. I yield to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to add my commendation to that of the others here for the distinguished and able thought-provoking address the gentleman has delivered to us today.

STATES RIGHTS

The SPEAKER. Under previous order of the House, the gentleman from Texas [Mr. PATMAN] is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, I sought and obtained this time for a different purpose, but I want to congratulate and commend the gentleman from Illinois [Mr. MASON] for some very fine statements he made concerning States rights and other of his statements. I would like to comment briefly on some of them.

For instance, let us take this selection of judges of the United States Supreme Court. I want to commend President Eisenhower for the precedent he set recently in selecting lower court judges to be on the Supreme Court of the United States. The last two appointments he made he selected from the lower courts. I think that is a fine way to select judges. If President Eisenhower will continue that policy and it becomes a real precedent and if other Presidents who succeed him will also continue that policy, we will always have a good United States Supreme Court. I am not criticizing the appointment of any judge on the Court now who was not selected in this way. I am not saying that this method will get better judges than we have on the Court now who were not selected that way. I just like the method used.

Mr. ANDREWS. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from Alabama.

Mr. ANDREWS. At least he is putting lawyers on the bench.

Mr. PATMAN. He is putting lawyers on the bench who are tried and proven. Although, I repeat, it is not the only way to get tried and proven judges. It is one way and I approve it.

Mr. ANDREWS. I have been disturbed about the Supreme Court for many years. For instance, it spoiled our school system in many parts of the country. The members of that Court have also destroyed States rights. But one of the worst decisions they have rendered was the one that they announced last Monday—as a matter of fact, there were two of them—in which the Supreme Court of the United States denied to the bar associations of the States of New Mexico and California and to the courts of the States of New Mexico and California the right to say who can and who cannot practice law in those States. They have destroyed the integrity of the bar association and the legal profession of America. There are enough Members in this House who are lawyers with great professional ability who will become concerned about those decisions. In some way there should be some kind of an investigation to find out what influences are being brought to

bear on that Court. The gentleman is familiar with those cases.

One of them concerned a man who had applied for a license to practice law in New Mexico. He was examined by the board of examiners for the bar association. He was asked the question if he was a member of the Communist Party and he refused to answer. The bar association of New Mexico then denied him the right to stand examination to practice law. That holding was upheld by the Supreme Court of New Mexico. Yet in the light of that testimony, this Court in Washington said to the State of New Mexico: You must let this man practice law.

Mr. PATMAN. I will say to the gentleman that I am not familiar with the cases sufficiently to comment on them except to say that I do not want Communists practicing law in the courts of the United States. I do not want them practicing law here and I do not think we should allow it.

GOVERNMENT BY INJUNCTION

The distinguished gentleman from Illinois [Mr. MASON] brought out another point about Government by injunction. I do not care how strong anyone feels about civil rights, I do not see how a person can be in favor of enforcing a law by injunction. That is tyranny in my book. It is bad any time you permit any one of the United States judges to say to a person: "You are in contempt of this court and by reason of that I am going to put you in jail," and he can keep on putting him in jail. He can put him in jail for life. That is giving a judge the right to impose a life sentence on a citizen without a trial by jury. I do not think that was ever intended and I do not think the Congress will ever permit a law to be enforced solely by injunction.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield to the gentleman from West Virginia.

Mr. BAILEY. There is a provision in the so-called Taft-Hartley law that permits that very thing.

Mr. PATMAN. It should be stricken. I do not care where it is it should not be allowed. It is not the American way. The American way is trial by jury. I do not think this Congress will ever pass a law that will destroy the right of trial by jury.

The gentleman suggested ways of reaching the Supreme Court which I would like to comment on briefly. In 1937 we were celebrating the sesquicentennial of the United States, and the Chief Justice of the United States, Mr. Hughes, was making a speech here in this Chamber to a joint session of the United States Congress. In that speech I well remember that Chief Justice Hughes told the Congress that any time the Supreme Court was doing anything that the Congress did not like, the Congress had control over the purse strings.

We have separation of powers, and we should continue to have separation of powers. It is not right for one to infringe upon the other. At the same time, the legislative branch of the Government is closest to the people. It is first in the Constitution, incidentally, too, what the Congress shall do and in the legislative provisions the Congress shall make appropriations. Only Congress can make appropriations, and our Founding Fathers wanted to make doubly sure that the people would not be forsaken for long. So, they wrote into the Constitution that bills to raise revenue and to make appropriations in particular must originate in the House of Representatives only. They cannot originate in the other body. Why? Because this body is close to the people, and every 2 years every Member of this body must be reelected. It is a new House of Representatives every 2 years. That is the way it should be. We should never have a 4-year term. We should never have it any other way except 2 years. Let the people pass upon this Congress every 2 years by passing upon the House of Representatives, so, the body that is so close to the people has charge of the purse strings. And, if we, the Congress, the House of Representatives, want to look into the Supreme Court, we are privileged to do so. The Supreme Court, the judiciary, must seek and obtain the money that it receives for carrying on its work from the United States Congress. Any power to make appropriations carries with it the power to investigate and determine how the money will be spent or how it has been spent in the past. So, we have the power not only of passing upon these appointees through the other body through confirmation, but we have the power every year to determine how every dollar, the money that the judicial system is asking for, is going to be spent and to tie strings to it and say it shall not be spent in any other way. So, we have tremendous power here in the legislative branch.

We have the same power over the executive. Every dollar that the executive branch of our Government seeks and obtains to run its part of the Government, that separate branch, it must receive it through this body, the House of Representatives, and any investigation this body wants to make of how that money has been spent in the past or how it is expected to be spent in future, it will be perfectly all right for this body to make it. So, we do have the power over the purse, as the Chief Justice of the United States, Hughes, told us here in 1937.

Now, on this question of packing the Supreme Court, sometimes the charges have been made that the Court has been packed and the effort is made to unpack it. Other people say an effort is made to pack the Supreme Court. Why, it is just a question of how you look at it. But, we have a chance now, if this policy of President Eisenhower's is carried out, to select judges in a way that there will never be any criticism, those who are tried and proven by their selection from one of the lower courts.

Mr. Speaker, I will now discuss what I really reserved the time to discuss.

THE TREASURY FACES A FISCAL CRISIS

On Friday, May 10, 1957, the Treasury reported that the rate of cash payout on its $4,155,000,000 refinancing operation was 28 percent, the highest rate since the end of the war.

Despite the fact that the Treasury had offered the highest interest rates paid on a short-term note since 1923, 3⅝ percent, and 3½ percent on an 8-month certificate, holders of the maturing securities preferred to hold out for higher rates and took cash to the extent of $1,167,000,000. There is no case in the postwar period where the Treasury has experienced a failure of this magnitude on a refinancing.

The implications of this financing failure are far reaching. About $1.5 billion of series F- and G-bonds are due to mature soon. What is the Treasury going to do about refinancing this sum? Is it going to offer a long-term bond? If so, what will it have to pay? Four and one-half percent? Five? Who knows? The Treasury doesn't know. The fact is that since the Federal Reserve seceded from the Government, there has been no market for United States Government securities. The Government market is like a ship without a rudder. The Treasury is at the mercy of a tight little banker monopoly.

The report issued by the Treasury last Friday revealing a record rate of attrition on its short-term refinancing in the face of the highest rates offered since the 1920's means in effect that the United States Treasury has been priced out of the short-term financing market. And this has occurred at a time when the Treasury has the highest floating debt in recent years.

The inescapable conclusion is that an administration which took office with a pledge to improve the management of the public debt has instead so mismanaged that debt as to create a serious fiscal crisis.

This is not due to any accident. This crisis could have been foreseen. When there is a public debt amounting to $275 billion, as we have, that debt must be managed. And if the Treasury and the monetary authorities abdicate their responsibility to manage that debt in the public interest, then it should come as no surprise that private interests are dictating the terms on which the Government of the United States shall do its financing. Mr. Speaker, the crisis that confronts us is not confined to debt management alone. It is evident in the fiscal affairs of Government, too. The Treasury is now engaged in all sorts of fiscal legerdemain, operating programs outside of the public debt in order to conserve a fast-diminishing budget surplus. A prime example is Treasury's order to the Federal National Mortgage Corporation to borrow needed funds to support the secondary mortgage market directly, instead of borrowing from the Treasury whose borrowing costs would have been cheaper. This has "saved" the Government $700 million for the current fiscal year, or so the Treasury would have us believe. However, it has sharply raised costs to Fannie May and in turn caused scandalous discounts to be demanded in purchasing home mortgages under the VA or FHA programs. Fannie May has

bought over $1 billion worth of mortgages this year, and borrowed substantial amounts on its own notes, but the budget will show that Fannie May operations resulted in a net receipt of funds to the Treasury of $100 million. That is the kind of budget bookkeeping that the fiscal crisis has brought this administration to.

That is just one example. The tight-money policy has caused original Treasury estimates of profits and income to be too high and consequently tax receipts are running lower than expected. On the other hand, defense expenditures previously cut dangerously close to the peril point are now running much higher than originally estimated. Result—probably no surplus where one was confidently predicted for this year. And what of next fiscal year? If the present tight-money policies continue, revenue for fiscal 1958 will fall far short of what has been estimated. Fiscal 1958 estimates have been based on a forecast of personal income of $340 billion and corporate profits of $44 billion, in calendar 1957. But projections of income and profits for calendar 1957 based on expected money supply and interest rates under the tight-money policy suggest that personal income may be overstated by 3 percent and profits 10 percent. In other words, we may be short some $12 billion in personal income and corporate profits in 1957 compared to what the Treasury is basing its receipts estimates on. Such a shortfall may cause tax receipts to be about $2 billion to $3 billion lower than the Treasury has estimated and will convert an expected surplus to a deficit.

These are some of the consequences of the administration's so-called sound money policy. But these are not all the consequences. The financing difficulties that the Treasury is now encountering may be expected to increase as the Federal Reserve stands aside. As the Treasury goes to the market to borrow, it will find each time that the lenders will become more and more demanding. The ultimate consequence could be that the lenders may tell the Treasury that it must alter its expenditure policy. In other words, the day may arrive when programs authorized by the Congress of the United States may be vetoed by a handful of private bankers, who, by reason of the abdication of the Federal Reserve, will be in a position to dictate public policy. When that day arrives, the bankers will have accomplished what they set out to do when they forced the 1951 "accord" on the Government in a time of grave emergency.

THE SOIL BANK

The SPEAKER pro tempore (Mr. HAYS of Arkansas). Under previous order of the House, the gentleman from Virginia [Mr. HARRISON] is recognized for 45 minutes.

Mr. HARRISON of Virginia. Mr. Speaker, I have taken this time to ask the indulgence of the House to talk about the soil bank, with the view of considering whether or not in the appropriation bill that we shall have before us beginning tomorrow this experiment should be continued. I might say that in preparing the remarks I shall make today I did not have the benefit of a report that I saw today for the first time, issued by the Whitten subcommittee, known as part 6 of the hearings before the subcommittee of the Committee on Appropriations of the House of Representatives which discusses and analyses the soil bank with great objectivity and is a devastating report which I earnestly commend to the consideration of the House.

The Committee on Appropriations has recognized the extravagance, the abuses and the inequities of the soil bank. It has reduced the acreage reserve for fiscal year 1958 by approximately $101 million, and it has placed a limitation of $500 million on next year's acreage reserve and $250,0000,000 on the conservation reserve program. This would represent a step in the right direction, but hardly a long enough step. The record of non-performance of the soil bank indicates strongly the need for a rapid termination of this program. This should be done by providing funds sufficient only to discharge the obligations of the Government to farmers who have signed contracts prior to the enactment of the appropriation bill.

In 1953 the net cash income of the American farmer was $14.3 billion and the cost of farm programs to the United States Treasury was $2.9 billion. This situation was considered disgraceful and one which the taxpayer would no longer stand for and which the farmer could no longer stand.

Today, 4 years later, the net cash income of farmers has dropped from $14.3 billion to $11.8 billion and the cost of the farm programs to the Treasury has risen from $2.9 billion to $5 billion. Based on an average value of $20,000 a farm, Assistant Secretary of Agriculture Butz has estimated the cost of the agriculture program to the taxpayer at $1,000 a farm. Thus, the farmer whose land and buildings are worth $20,000 on the average is receiving from the Government $1,000 a year. If his farm is worth $40,000, he is receiving $2,000 a year. For every 1 dollar that a farmer makes, the Government is paying 42 cents.

The farmers in my Virginia district are not getting their share. The farmers in my Virginia district and the taxpayers there are getting it in the neck as a result of the Government's farm policies.

The Government this year has allocated $108 million under the conservation reserve of the soil bank in order to get land out of production which is now in production. The Government this year will spend approximately $250 million on projects involving desert reclamation and irrigation in the West in order to get land into production which now is out of production. The Government this year wants to spend about $1 billion in the soil bank to encourage farmers not to produce surplus crops and, at the same time, the Government this year will spend $2.5 billion in parity payments to encourage farmers to produce surplus crops.

All of these enormous expenditures are for the benefit of the basic crops: corn, cotton, wheat, rice, peanuts and tobacco, and none of these programs inures in any way to the benefit of the great army of farmers engaged in production of livestock, such as cattle and poultry, or the production of fruits and vegetables. The basic crops, the sole beneficiaries of this huge Government largesse, amount to but 23 percent of the cash receipts of farmers. The other farmers who account for 77 percent of the industry are not only not helped by any of these programs but actually are injured by all of them. The poultry farmers who alone accounts for one-third of the income to American agriculture, not only receives nothing from these programs but is injured by the increased price of feed grains which he must buy and by diversion of the activities of basic crop farmers who transfer their production into other lines.

Last year the Congress enacted the soil bank. To emphasize that this venture was being launched on an experimental basis, its operation was restricted to 4 years.

At the end of 1 year it has become obvious that the soil-bank experiment is a failure; that it has fallen down in accomplishing its purposes; that in practice, it has proved to be an expensive, boondoggling adventure of enormous cost to the taxpayer operating with great injustice to the farmer and resulting in many instances in windfall profits to persons not entitled thereto.

First, the soil bank was intended as a substitute for high-price supports. It has not been such. We now have both. It is only necessary to read Secretary Benson's letter last week to Senator ELLENDER to see clearly that the problem in the wake of the price-support problem will never be solved by the soil bank.

The soil bank was designed to curtail the production of surplus basic crops. It has failed to do so. In his letter to Senator ELLENDER, Secretary Benson developed very fully that over-all production under the price-support program cannot be controlled by curtailed productivity per acre. As the Secretary pointed out, by the selection of poorest acres for curtailed production and by intensified cultivation of the remaining acres, a farmer is able to obtain as large a production on less acres. If this is true under the price-support program, it must of a certainty be true under the soil-bank program. A recent article in Nation's Business quotes a spokesman of the National Grange as expressing the opinion that the soil bank will not reduce production. Hence, the American taxpayer under the soil bank is paying $1 billion a year to curtail production but probably will see as large a production as ever.

Although the soil bank is not decreasing surplus in basic crops, it is increasing surplus in other farm activities. Barley plantings, for example, are substantially up in the spring of 1957.

An example of how the soil bank not only is failing to solve the problems it was created to solve but is breeding new problems can be found in the reports of increasing interest in the poultry busi-

ness on the part of farmers who have deposited land in the soil bank. The poultry industry has been having a rough time, as is well known. It has been struggling to keep its head above water without recourse to the doubtful life preserver of price supports. It has seen one administrative decision after another in the Department of Agriculture ignore poultry problems in favor of the difficulties of the price-supported crops, as in the apparent present intention to abandon the encouraging poultry market-development program for West Germany under Public Law 480.

Is the harried poultry industry to find in the soil bank only the threat of a sudden and disastrous increase in production as soil-bank depositors take fliers in poultry?

Even in communities in which the soil bank has been accepted and is in full operation, we hear many grumblings of dissatisfaction. Sharecroppers are losing their places on farms. Community businessmen report stagnation in community activity. Recently, I read the remarks of Mr. J. Kirby McDonough, president of the Murry Co. of Texas. He pointed out that 3.1 million acres of cotton had been put out of production by the soil bank by the payment of $51 per acre and he said:

> This should reduce 1957 production by 2.5 million bales * * * a gross direct loss of cotton production alone of $379.5 million, or, subtracting the soil bank payments, a direct net loss of $224.1 million that would have come to the economy of this country by the production of cotton. * * *
>
> Commonsense and experience tells us that these methods will not solve the cotton problem.
>
> World consumption of cotton is increasing at the rate of 1 million bales per year. The United States continues to reduce production and we continue to show reduced consumption. In other words, we pay to decrease our own production of cotton, and on the other hand, by outright gift of money, equipment, and technical advice, substantially aid in increasing production of cotton abroad.

Inequity and favoritism rule the distribution of soil-bank money. Based on the Department of Agriculture figures released on April 5 and March 15, 1957, we find that one State—Kansas—with a population of 2 million people has received allocations of more money for this year's crops than the farmers of 25 other States having a population of over 79 million people. Kansas' allocations amount to over $700 a farm as against allocations to New Hampshire of $1.37 a farm. The farmers of my State of Virginia will receive $25 a farm. Latest Department figures show that in the conservation reserve portion of the soil-bank program, the allocations to the State of Texas are greater than those to 37 other States combined. I recognize that Texas is good, but I deny that it is that good, particularly in view of the fact that my State of Virginia is allocated $144,000, while the farmers of Texas, for the conservation reserve, are to receive over $27 million.

Under the soil bank, one-third of the States receive 74 percent of the allocations, and one-half of the States receive 89 percent. An examination of these allocations by States show that the soil bank is working cruel injustice to the farmers of the Middle Atlantic States, New England, and the Far West.

Even amongst the single crop areas which are reaping such a harvest from this windfall, there is great injustice. The allocations to the corn and wheat farmers are running 5 and 6 times as large as those to the cotton and tobacco farmers.

Documented stories of abuse of the program are being reported on every hand. Time forbids a full review of the report of the Whitten subcommittee which has developed the admitted fact that payments are being made to farmers for not producing crops which they had already been paid not to produce. The huge payments in Kansas are explained by the information that there would have been little wheat planted in Kansas anyway on account of the drought and much of the huge $86 million expended in that State is in payment for not producing crops which would not have been produced anyway. No wonder it has been said that Kansas farmers describe the soil bank as a gift from Uncle when the cupboard was bare. It used to be in this country that we assembled on Sunday in church and gave thanks to Providence when nature and industry had combined to produce a bountiful crop. Apparently, now we give thanks that God in His mercy has sent a drought and the farmers can collect from the soil bank.

Authenticated stories from all over the country give rise to the suspicion that there are angles which can be manipulated for profit by a clever fellow. There is a story of the farmer with 160 acres. He put 45 acres into the acreage reserve and the other 115 in the conservation reserve and went to work for an oil company. We hear of real-estate operators prompting the sale of scrub farmland to city people, encouraging them to buy rundown, eroded land for $25 or $30 an acre to plant it in pine with 80 percent of the cost paid by the Government. The investment of $30 an acre will produce from the Government $6 or $7 a year and at the end of 10 years, the investor will have received twice his investment; will have the land improved by a stand of pine without the necessity of ever having left Wall Street.

It has been found, too, that the Federal Government will help the nonfarmer buy a country place, where he can relax over weekends from the tensions of his city occupation. Having no interest in serious farming, he has found it to his advantage to buy an old farm with a sound house on the place, deposit the entire farm in the soil bank, and use the soil-bank payments to help maintain his country retreat.

Well has it been said that the soil bank is all overdrafts and no assets and that it is a public grab bag; that single-crop farmers are giving up farming their land to farm the Government.

It has been developed sufficiently for us to see, and to see clearly, that this program is an expensive colossal failure. This Congress has dedicated itself to the task of reducing expenditures in Government so that we may give some relief to our people from the crushing burden of taxation. Here is a golden opportunity for us to recoup a billion dollars a year that is being expended in a worthless and extravagant program which is bad for the farmer as a whole, bad even for the community in which the money is being spent, and completely bad for the country as a whole.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. HARRISON of Virginia. I yield.

Mr. BAILEY. I would just like to tell the distinguished gentleman from Virginia that the State of West Virginia cares little, if not less, about the farm-bank program.

Mr. HARRISON of Virginia. I know that the gentleman from West Virginia can be very keen and sharp when he wants to be, but I wonder if that could be strictly correct.

DANGER IN THE SKIES

The SPEAKER. Under previous order of the House, the gentleman from Delaware [Mr. HASKELL] is recognized for 15 minutes.

Mr. HASKELL. Mr. Speaker, this time to speak has been requested to bring to the attention of the Congress and the people specific evidence, heretofore not made public, on the extremely serious air-traffic situation which exists today over the United States, particularly over large centers of population.

All of us are aware of the accidents which have happened in the past. The Grand Canyon crash last year caused a terrible public shock. In the past 10 years, there have been 131 midair collisions in this country between civil aircraft, of which 17 have involved commercial transports. And, yet, it is my conviction that these tragic incidents have been too soon forgotten.

These accidents constitute only one measure of the air-traffic problem we face. We have also been told that there were 452 near collisions reported to the Civil Aeronautics Board in the last 4 months of 1956, which means they occurred at the rate of about 4 every day. But even these shocking figures are impersonal and so far removed from our daily thoughts that I believe we have not the slightest idea of what is going on in the skies above us.

The plain truth is that near collisions in midair, of disastrous proportions, are being narrowly averted every day only by the emergency action of skilled pilots or by providence. I am convinced that the Civil Aeronautics Administration, the private and commercial aviation industry, and the military are doing the best possible job of providing air safety with the outmoded and inadequate equipment and techniques they have to use. The trouble is that we are trying to operate a jet-age, air-travel program with this inadequate control system, and if we want to solve the problem, it is about time to get down to brass tacks and let the people know what is going on.

I have with me a handful of previously withheld reports from the Civil Aeronautics Administration which document in vivid detail a series of near-collisions, typical of the ones occurring every day.

I have deleted the names of the owners of the planes and the pilots because it would serve no useful purpose to disclose them.

This information has not been made public apparently for fear that it might cause some sort of public hysteria. To me this is nonsense. The public will take this situation in stride and will be willing to support a program, a real "safe skies" program, to solve this national problem.

This air traffic problem is, of course, a primary concern for the people who fly in commercial airliners or private aircraft.

We must not forget either the impact on national defense. This is due to the inability to afford proper protection, and thus permit the accomplishment of military training missions.

It is also of equally great concern for the millions of persons who live in crowded residential areas over which all types of aircraft are flying every hour of the day.

A mid-air collision could bring disaster to people on the ground. The crash of two planes over California last fall, narrowly missing a large school, points up the danger to people in residential areas. Unfortunately, as I have said, the momentary shock from these disasters soon passes, and necessary action has progressed too slowly to keep up with the onrush of greater air travel and the highspeed jet age.

The Eisenhower administration has for the first time made a serious frontal attack on the problem. The intensive study carried out by Edward P. Curtis at the President's direction is now at a point where recommendations will soon be made to improve the situation. On April 15, 1957, I introduced legislation to carry out the first of these recommendations—a bill to establish an Airways Modernization Board. I am ready and anxious to introduce any additional legislation which may be needed to carry out further recommendations from the President.

If we are to secure the necessary public support for this legislation and the resulting necessary appropriations, we better come down out of the clouds and spell out the problem and the need in unmistakable terms. Then we can immediately take the necessary action.

Late last year, I initiated a study to determine the situation with respect to near-collisions in the air which are unseen and unheard by the general public. We have stepped up and broadened our study as we began to find more alarming information. The specific information which I wish to present today has just recently been discovered. Time permits me to give you only a small part of what our study has turned up, and I will make public other equally serious information in the next few days.

The Civil Aeronautics Board has just informed me that they have been able to pinpoint on ground locations 369 of the 452 near-collisions reported to it last fall. Here is one startling fact:

A total of 101 of these near disasters occurred over the Nation's 11 largest metropolitan areas in which 41 million people live. Twenty-two near collisions occurred over Los Angeles; 21 over Washington, D. C.; 14 over San Francisco and Oakland; 13 over New York; 9 each over Detroit and Chicago; 6 over St. Louis; 3 over Boston; 2 over Philadelphia; and 1 each over Pittsburgh and Cleveland. And remember that these 101 near disasters occurred in just 4 months, an average of 1 a day.

An additional 155 incidents out of the 369 were located over other principal cities and I should like to include in my remarks tabulations showing the location of each one. These total figures mean that about two near collisions a day happen over densely populated areas. One hundred thirteen of the three hundred sixty-nine incidents apparently occurred over unpopulated areas. But there reports collected by the CAB tell only part of the near-collision story.

Our investigation uncovered the fact that many more near collisions, possibly running into the hundreds, are reported to the Civil Aeronautics Administration and have not as yet been made public. We believe there are additional incidents, wholly within the military jurisdiction, which also have been occurring over population centers, and we have been looking into this aspect of the problem. This is the information I believe the public is entitled to have.

Generally speaking, near collisions happen in two ways. First, there is the situation where one plane is moving along on a normal course and another plane seemingly pops out of nowhere on a collision course and the two aircraft narrowly miss each other.

Here is an official report of such an incident which occurred over Philadelphia on August 21, 1956. A commercial airliner, a super Constellation, left Philadelphia International Airport at 10:38 p. m. The pilot of this plane was informed of the presence of a commercial cargo plane in the area, but 2 minutes later the airline pilot reported he narrowly missed the cargo plane. How did it happen. No one knows, but it did happen.

I have here another actual report from the Civil Aeronautics Administration. On October 13, 1956, a commercial airliner, a Convair, was passing over Philadelphia at 10:50 in the morning in a sky with scattered clouds. At 10:51, the pilot called the tower and reported that a jet just missed him doing a slow roll at the same altitude and went off into the clouds. To this day no one knows where the jet come from.

In another incident found in the files of the CAA, a commercial airliner took off at 11:24 a. m. from Baltimore on February 8, 1957, in ground fog and haze. Approximately 1 mile from the end of the runway, the airliner made an abrupt left turn to avoid a helicopter which suddenly appeared. Almost immediately, three more helicopters appeared out of the fog. No radio contact could be established with the helicopters and no one had been aware that they were in the area.

The second way these near collisions happen is when two aircraft arrive by mistake over the same check point, at the same altitude at about the same time. Civil Aeronautics Administration regulations call for 10 minutes separation between planes at the same altitude.

Here is an actual report of a hair-raising incident of this type. I think it is especially fitting to call this one to the attention of the Members of Congress because it happened over the Riverdale checkpoint near Washington. On April 7, 1956, two commercial airliners left Newark within a few minutes of each other for Washington. I will read the recorded conversation of the two pilots which describes the incident far better than I could.

At 7: 19 p. m., one of the pilots asked the Washington traffic control center "Is there anybody below us at Riverdale?" The center replied, "Not on this estimate." There was a pause, then the center said, "Apparently there is." The pilot of the other airplane radioed the center and reported he was also over Riverdale at the same altitude. The center called, "There is one flight on top of the other."

One of the pilots said, "It's a close one. We've been feeling some prop wash and have been looking around. Apparently we're right behind you all the way." The other pilot called the center and said, "All right, center, let's quit playing around and get some separation and get somebody down out of here." Except for sheer, blind luck, or providence, there was another Grand Canyon crash in the making.

Here is another equally dangerous near-miss caused by the simultaneous presence of two commercial airliners at the same spot. Two northbound planes left Florida on January 15, 1957, bound for the north at 17,000 feet. They were scheduled to have 14 minutes separation. At 7: 55 p. m. both planes reported over Norfolk, Va. at 17,000 feet. The Norfolk center was unaware that one of the planes had arrived in the area about 14 minutes ahead of schedule, thus putting both planes in the air over Norfolk at the same time, with neither knowing the other was there.

I have in my possession excerpts from the official reports of these incidents and I will include them in the RECORD at the close of my remarks.

These are the problems we must deal with if we are to avoid a series of air disasters in the future, and the problems will be compounded many times when the new high-speed jet transports go into service next year. Air travel will and must increase to serve the American people. Progress must be made in air safety now.

I believe there are five steps which should be taken immediately by the Congress, by the State and local governments, and by the aviation industry:

First, the Civil Aeronautics Administration needs more and better radar, and especially better radar pictures, in the air traffic control systems. Some of the radar being used is surplus military equipment from World War II.

Second, the CAA controllers need electronic flight posting equipment to help them keep track of flights as they move along the airways. This will replace the cumbersome and hard-to-use paper strips that are now used.

Third, the CAA needs more personnel to handle the volume of air traffic that is growing every day. I am told it takes 18 months to 3 years to train a competent air traffic controller.

Fourth, we need substantial improvements at our airports to provide more landing facilities, high-speed taxi lanes, and more gate space so that planes do not become stacked up over our large cities waiting their turns to land. This is primarily a responsibility of State and local governments.

Fifth, we need some sort of anticollision warning devices in the planes to let pilots know of other aircraft approaching them. This is a job which should be undertaken with all possible speed by the aviation industry and perhaps by some of our leading private research organizations.

This problem of air traffic is at the very heart of our national progress. Our national defense depends on air power, and our business and commerce is becoming more dependent every day on the high speed travel of modern aircraft.

Our air traffic problems at the moment are extremely serious and immediate. These problems can be solved with thorough public understanding and support for positive action.

EXHIBIT 1

Location by States of 369 [1] midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956

Alabama	3
Arizona	5
Arkansas	3
California	66
Colorado	4
Connecticut	8
Delaware	2
Florida	17
Georgia	3
Idaho	0
Illinois	12
Indiana	4
Iowa	7
Kansas	11
Kentucky	2
Louisiana	6
Maine	2
Maryland	11
Massachusetts	7
Michigan	13
Minnesota	1
Mississippi	1
Missouri	8
Montana	2
Nebraska	1
Nevada	2
New Hampshire	0
New Jersey	12
New Mexico	3
New York	16
North Carolina	7
North Dakota	0
Ohio	16
Oklahoma	6
Oregon	2
Pennsylvania	12
Rhode Island	4
South Carolina	4
South Dakota	0
Tennessee	4
Texas	32
Utah	5
Vermont	0

[1] These 369 midair near collisions are part of the 452 incidents reported by the Civil Aeronautics Board. The CAB was unable to locate 83 of the incidents with respect to ground locations.

EXHIBIT 1—Continued

Location by States of 369 midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956—Continued

Virginia and District of Columbia	33
Washington	9
West Virginia	0
Wisconsin	2
Wyoming	1
Total	369

EXHIBIT 2

Location by cities of 369 midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956

Albany, N. Y.	3
Albuquerque, N. Mex.	1
Atlanta, Ga.	2
Bakersfield, Calif.	3
Baltimore, Md.	9
Beaumont, Tex.	1
Boston, Mass.	3
Charleston, S. C.	2
Charlotte, N. C.	1
Cheyenne, Wyo.	1
Chicago, Ill.	9
Cincinnati, Ohio	1
Cleveland, Ohio	1
Columbus, Ohio	1
Dallas, Tex.	2
Dayton, Ohio	7
Des Moines, Iowa	1
Denver, Colo.	3
Detroit, Mich.	9
Duluth, Minn.	1
District of Columbia	21
El Paso, Tex.	6
Fresno, Calif.	2
Galveston, Tex.	2
Hartford, Conn.	1
Indianapolis, Ind.	3
Jacksonville, Fla.	2
Kalamazoo, Mich.	1
Kansas City, Mo.	1
Knoxville, Tenn.	1
Las Vegas, Nev.	2
Lincoln, Nebr.	1
Little Rock, Ark.	2
Los Angeles, Calif.	22
Louisville, Ky.	1
Memphis, Tenn.	2
Miami, Fla.	5
Milwaukee, Wis.	2
Mobile, Ala.	2
Nashville, Tenn.	1
Newark, N. J.	5
Newport, Va.	6
New York, N. Y.	8
Norfolk, Va.	3
Oklahoma City, Okla.	2
Ogden, Utah	1
Philadelphia, Pa.	1
Phoenix, Ariz.	2
Pittsburgh, Pa.	1
Portland, Oreg.	1
Roanoke, Va.	2
Sacramento, Calif.	1
St. Louis, Mo.	6
Salt Lake City, Utah	2
San Antonio, Tex.	3
San Diego, Calif.	8
San Francisco, Calif.	14
Seattle, Wash.	6
Shreveport, La.	2
Springfield, Mass.	1
Springfield, Mo.	1
Tampa, Fla.	1
Tucson, Ariz.	1
Tulsa, Okla.	3
Wichita, Kans.	6
Total	228

NOTE.—According to the CAB, there were 113 midair near collisions which did not occur over cities.

EXHIBIT 3

Location by major metropolitan areas of 369 midair near collisions reported to the Civil Aeronautics Board, September 1956–December 1956

1. Boston	3
2. Chicago	9
3. Cleveland	1
4. Detroit	9
5. Los Angeles	22
6. New York-northeastern New Jersey	13
7. Philadelphia	2
8. Pittsburgh	1
9. San Francisco-Oakland	14
10. St. Louis	6
11. Washington	21
Total	101

NOTE.—Locations of all midair near collisions reported by the CAB is shown on exhibit 2.

EXHIBIT 4

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Airport Traffic Control Tower, International Airport, Philadelphia, Pa.
Date: August 21, 1956.
Time: Night.
Incident number: 1-PHL-APT-361.
Type of aircraft: Four-engine commercial airliner and twin-engine air-cargo plane.

2238E: Four-engine commercial airliner departed runway 9, IFR cleared to New Brunswick maintain 2,000 feet. Traffic was exchanged by the tower to both airliners.

2239E: Four-engine airliner contacted radar departure control and traffic was again exchanged at 10 o'clock range 4 miles. Traffic was acknowledged.

2240E: Four-engine airliner reported he just missed twin-engine plane and wanted to know why he wasn't vectored around him. An explanation of the Vectoring procedure was explained to the four-engine airliner, namely that the request for the vector must come from the cockpit. The pilot then vigorously objected to this procedure.

EXHIBIT 5

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Airport Traffic Control Tower, Philadelphia International Airport, Philadelphia, Pa.
Date: October 13, 1956.
Time: Day.
Incident number: 1-PHL-APT-370.
Type of aircraft: Two-engine plane and unidentified jet.

1050E: Two-engine plane (IFR)) inbound from Marshall intersection at 3,000 feet, not yet in radar contact, advised a jet just missed him doing a slow roll at the same altitude in the vicinity of duPont intersection. Two-engine plane further advised that the jet went into the clouds, the base of the clouds being just above 3,000 feet.

1051E: Two-engine plane in radar contact passing the 160 degree radial of West Chester VOR, on the Philadelphia localizer course. A target believed to be the jet was last seen on radar 5 miles west of New Castle, southwest bound.

EXHIBIT 6

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Airport Traffic Control Tower, Friendship International Airport, Maryland.
Date: February 8, 1957.
Time: Day.
Incident number: BAL TWR-106.
Type of aircraft: Four-engine plane and four unknown military helicopters.

1124E: Four-engine plane departed runway 4 with an IFR clearance to maintain

2,000 until past Ellicott City. Approximately 1 mile from the end of the runway, four-engine plane was observed taking evasive action by making an abrupt left turn. At this time an helicopter was observed proceeding from northwest to southeast directly across the take-off path of four-engine plane. Two more helicopters were sighted and four-engine plane was advised of their position and instructed to change immediately to radar frequency for further traffic advisories. It was felt that due to restricted visibility the tower might not see all the helicopters. At this time a fourth helicopter was sighted on the same course and approximately 1 mile from the end of the runway, and at a low altitude.

Attempts were made on all available frequencies to establish radio contact with the helicopters but they were unsuccessful. The helicopters were observed to turn on a southerly heading and disappeared.

Weather observations:

1125E Scattered clouds, 2,000; ceiling, 10,000, overcast; visibility, 2½ miles, ground fog haze.

EXHIBIT 7

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Air Route Traffic Control Center, Washington National Airport, Washington, D. C.
Date: April 7, 1956.
Time: Night.
Incident number: DCA ARTC No. 1107.
Type of aircraft: Twin-engine airliner and a four-engine airliner.

A twin-engine airliner departed Newark en route to Washington National via Victor Airway 3 to Lisbon, direct Riverdale Amber Airway 7 to Washington at an assigned altitude of 6,000; estimated Morrisville at 1819 eastern standard time.

A four-engine airliner departed Newark en route to Washington National via Victor Airway 3, Lisbon, direct Riverdale Amber 7 to Washington at an assigned altitude of 8,000; estimated Morrisville at 1832 eastern standard time.

The following is a verbatim transcription of all radio contacts between the two aircrafts mentioned above and Washington center on 120.3 MC.:

1919E: Center (twin-engine plane): "Go ahead."

Twin engine: "Is there anybody below us at Riverdale?"

Center: "Not on this estimate, apparently there is."

Four engine (announces his presence).

Center (twin-engine plane) on top of (four-engine plane).

Center (twin-engine plane): "You were cleared at six thousand to descend to and maintain six."

Twin engine: "We didn't read your conversation there, sir, we feel very sorry. *It's a close one.*"

Four engine: "We've been holding Riverdale at seven thousand, that's radial 225 and 110."

Twin engine: "We've been very concerned about that. We've been feeling some prop wash and have been looking around, apparently we're right behind you all the way."

Twin engine: "All right, center, let's quit playing and get some separation and get somebody down out of here.

EXHIBIT 8

EXCERPTS FROM OFFICIAL INCIDENT REPORTS OF THE CIVIL AERONAUTICS ADMINISTRATION

From: Air Route Traffic Control, Washington National Airport, Washington, D. C.
Date: January 15, 1957.
Time: Night.
Incident number: DCA ARTC No. 1151.
Type of aircraft: Two 4-engine planes.

FLIGHT INFORMATION

First 4-engine plane, Miami direct West Palm Beach direct Wilmington, Victor 1 Coyle, Victor 16 Boston, estimated by the Jacksonville center over Azalea at 1851 eastern standard time, by Washington center over Wilmington at 1917 eastern standard time, ground speed estimated 280 knots, assigned altitude 17,000 feet.

A second 4-engine plane, Jacksonville, direct Charleston direct Norfolk, Victor 1 Idlewild, estimated by Jacksonville center 15 miles west of Myrtle Beach at 1914 eastern standard time, and by Washington center 15 west of Wilmington at 1929 eastern standard time, ground speed estimated 250 knots, assigned altitude 17,000 feet.

SUMMARY OF INCIDENT

At 1955 eastern standard time, first 4-engine plane reported over Norfolk and advised that there was another aircraft at his altitude. The Norfolk center advised the flight that only known traffic was second 4-engine plane, estimated over Norfolk at 2010 eastern standard time. At 1955 eastern standard time, second 4-engine plane reported over Norfolk and was climbed immediately to 19,000 feet. Both aircraft were queried as to the time they actually past (sic) LaGrange. Second 4-engine plane passed LaGrange at 1930 eastern standard time, and first 4-engine plane passed LaGrange at 1932 eastern standard time.

REMARKS

Due to the fact that flights proceeding along the route of the second 4-engine plane do not pass a compulsory reporting point in the Washington area, a hazardous situation is created. This flight was in the Washington control area for approximately 2 minutes when crossing Victor 1 in the vicinity of LaGrange. No progress reports are received by the Washington center after the flight has reported over Charleston. The ability of the Washington center to accurately estimate these flights is greatly reduced. The establishment of the LaGrange intersection as a compulsory reporting point has been recommended to flight safety.

SOCIAL SECURITY AND COST OF LIVING

Mr. BAILEY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. DINGELL. Mr. Speaker, today I am introducing a bill which offers some immediate relief to those men and women on the social security rolls who find it necessary to work because their benefits are inadequate to cope with present living costs. Under present law, a person who receives over $1,200 a year in outside earnings will suffer a reduction in his social security benefits. This means that a retired worker who draws the average benefit—which at the end of last year was about $63 a month, or $758 a year—is going to be held to less than $2,000 a year in combined payments and earnings. This, I maintain, is a situation which does not reflect wise governmental policy. My bill would increase to $1,800 a year the amount which recipients are allowed to earn, and still receive their full social security benefit.

I do not think we can overestimate the effect of rising costs on our older citizens. For 7 straight months, now, the consumer price index has been at an alltime record high. A trip to the store, these days, for a person dependent on social security benefits is a discouraging and disturbing experience. He buys the same groceries, but his bill seems to grow and grow. And groceries are not his only problem. For instance, older people require more medical care than most of us, because of the illnesses of age. The most recent study by the Health Information Foundation showed that the average annual cost for private medical care for persons 65 and over in July 1953, was $102, as compared to $65 a year for individuals in all other age groups. Statistics also show that the increase in the cost of medical care has risen more sharply than other items on the budget. Since the foundation's study—and since the social security income limitation was raised to $1,200 in 1954—the costs of medical care have risen by 10 percent.

As every day passes it becomes increasingly clear that there must be an overall adjustment in benefits if the people on the social-security rolls are not to be reduced to destitution by rising price levels. The bill I have introduced today offers some help for elderly people caught in the price squeeze. It is not a substitute for a general increase in social-security payments, but is designed to afford some immediate relief to those who try to supplement their benefits with outside earnings.

Moreover, this provision would lessen a discriminatory feature of the act which penalizes an individual who is working to supplement his social-security benefit. The well-to-do, who have income from rents, dividends, and so forth, can receive their benefits without deduction, regardless of the amount of this unearned income. But the average worker must surrender benefits if his wages exceed the $1,200 income limitation.

The increase of the ceiling to $1,800 could be made at a cost of only 0.33 percent of payroll on a level premium basis. The effect on the old-age and survivors insurance trust fund of such a change is so moderate that it would not necessarily call for any increase in the tax rate. The alleviation of hardship in thousands of homes which this liberalization will bring about is well worth the relatively slight cost. I urge the Congress to adopt my amendment as a first step toward alining the whole social-security structure with the facts of our present economic life.

THE SMALL BUSINESS ACT OF 1957

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MULTER. Mr. Speaker, tomorrow, May 14, 1957, the House Banking and Currency Committee starts its hearings on extending the Small Business Act, which, under existing law, expires shortly.

As a result of hearings conducted by Subcommittee No. 2 of the House Select Committee To Study the Problems of Small Business, a new bill was introduced today, cosponsored by 10 members of the full committee. The num-

bers assigned are H. R. 7474 to H. R. 7483, inclusive.

The Members who joined with me in introducing the bill are Messrs. EVINS, STEED, ROOSEVELT, HILL, RIEHLMAN, SEELY-BROWN, JR., MCCULLOCH, SHEEHAN, and HOSMER.

We believe the enactment of that bill will go a long way toward making the Small Business Administration a more useful and a more effective agency. It should implement the Congressional intent to give real aid and not mere lipservice to the small business segment of our economy. It will help strengthen our free-enterprise system.

The major changes sought to be accomplished by this bill are:

First. Permanancy of the agency.

Second. True independence from other Government agencies by eliminating the Loan Policy Board, which now includes the Secretary of the Treasury and the Secretary of Commerce. In its place, it establishes a policy board of small-business men.

Third. The definition of "small business" is clarified.

Fourth. The authorization for lending purposes is realistically increased, while the authorization for procurement purposes is reduced by $75 million.

Fifth. The maximum interest rate chargeable by the agency is fixed at 5 percent per annum.

Sixth. The general lending authority is clarified so as to eliminate some of the restrictions read into the law by the Loan Policy Board contrary to the congressional intent.

Seventh. The disaster loan provisions are clarified as to "drought" loans.

Eighth. The joint determination program for procurement is strengthened by permitting appeals to the Secretary of Defense.

Ninth. The provision against duplication of activities of Government agencies is strengthened by transferring to the Small Business Administration all small business activities of the Department of Commerce.

The bill, as introduced today, reads as follows:

THE SMALL BUSINESS ACT OF 1957 AS APPROVED BY SUBCOMMITTEE NO. 2 OF THE HOUSE SMALL BUSINESS COMMITTEE

(Created pursuant to H. Res. 56, 85th Cong.)

(ABRAHAM J. MULTER, New York, chairman; SIDNEY R. YATES, Illinois; TOM STEED, Oklahoma; R. WALTER RIEHLMAN, New York; HORACE SEELY-BROWN, JR., Connecticut. Subcommittee No. 2 has jurisdiction over matters affecting the Small Business Administration and problems related to Government Procurement, Loans and Disposal Activities.)

(NOTE.—The language in brackets is new or materially changed from the present Small Business Act. Any change of language not involving substantive matter but which merely is revised for the purpose of clarity has not been bracketed.)

A bill to further amend the Small Business Act of 1953, as amended

Be it enacted, etc., That this Act shall be cited as the "Small Business Act of 1957."

SEC. 2. The Small Business Act of 1953, as amended, is amended to read as follows:

"SEC. 101. (a) The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect insofar as is possible the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts for property and services for the Government [(including but not limited to contracts for maintenance, repair, and construction)] be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation.

"(b) Further, it is the declared policy of the Congress that the Government should aid and assist victims of flood and other catastrophes.

"SEC. 102. For the purposes of this Act, a small-business concern shall be deemed to be one which is independently owned and operated and which is not dominant in its field of operation. In addition to the foregoing criteria the Administration, in making a detailed definition, may use these criteria, among others: Number of employees and dollar volume of business: [*Provided, however,* That no definition promulgated by the Administrator for any purpose whatsoever shall be based solely on the number of employees: *And provided further,* That without undue delay the Administrator shall establish a definition of small business which definition shall be consistent with the intent of Congress. The definition presently in use by the Administrator for financial assistance is hereby continued as the definition for all purposes until the Administrator adopts a new definition based on the criteria stated herein.]

"SEC. 103. (a) In order to carry out the policies of this Act there is hereby created an agency under the name 'Small Business Administration' (herein referred to as the Administration), which Administration shall be under the general direction and supervision of the President and shall not be affiliated with or be within any other agency or department of the Federal Government. The principal office of the Administration shall be located in the District of Columbia, but the Administration may establish such branch and regional offices in other places in the United States as may be determined by the Administrator of the Administration. As used in this Act, the term 'United States' includes the several States, the Territories and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia.

"(b) The management of the Administration shall be vested in an Administrator who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who shall be a person of outstanding qualifications known to be familiar and sympathetic with small-business needs and problems. The Administrator shall not engage in any other business, vocation, or employment than that of serving as Administrator. The Administrator is authorized to appoint three deputy administrators to assist in the execution of the functions vested in the Administration. [The Administrator and the deputy administrators shall receive compensation at the rates provided in the Federal Executive Pay Act of 1956, or any amendments thereof.]

"(c) The Administration is authorized to obtain money from the Treasury of the United States for use in the performance of the powers and duties granted to or imposed upon it by law, not to exceed a total of [$700,000,000] outstanding at any one time. For this purpose appropriations not to exceed [$700,000,000] are hereby authorized to be made to a revolving fund in the Treasury. Advances shall be made to the Administration from the revolving fund when requested by the Administration. This revolving fund shall be used for the purposes enumerated subsequently in section 106 (a), (b), and section 107 (a). Not to exceed an aggregate of [$500,000,000] shall be outstanding at any one time for the purposes enumerated in section 106 (a). Not to exceed an aggregate of [$175,000,000] shall be outstanding at any one time for the purposes enumerated in section 106 (b). Not to exceed an aggregate of [$25,000,000] shall be outstanding at any one time for the purposes enumerated in section 107 (a). The Administration shall pay into miscellaneous receipts of the Treasury at the close of each fiscal year, interest on the net amount of the cash disbursements from such advances at a rate determined by the Secretary of the Treasury, taking into consideration the current average rate on outstanding interest-bearing marketable public-debt obligations of the United States of comparable maturities.

"(d) (1) [There is hereby created a Policy Board of the Small Business Administration consisting of three members, the Administrator as Chairman, and two other members truly representative of small business and small banking.]

"(2) [The Policy Board shall meet at least monthly and at such other times as the Board may determine or on the call of the Administrator to determine administrative programs and policies relating to loans, procurement, disposal and general assistance to small business. Members of the Policy Board other than the Administrator shall be paid a per diem allowance of $100 for each day spent away from their home or regular place of business for the purpose of attendance at meetings of the Policy Board and the necessary travel; and while so engaged, they may be paid actual travel expenses and not to exceed $25 per diem in lieu of subsistence and other expenses. The maximum time spent for such attendance is not to exceed 50 days in any one calendar year.]

"(3) [The Policy Board shall establish general policies with respect to the financial assistance, procurement, disposal, and general assistance to small-business programs of the administration.]

"(4) [The members of the Policy Board representatives of small banks and small-business concerns shall be appointed from civilian life by the President by and with the advice and consent of the Senate, and they shall be persons of outstanding qualifications in their respective fields of operation known to be familiar and sympathetic with the needs and problems of small business. The members of the Policy Board other than the Administrator shall be actively engaged as full-time operating officials of (1) a small bank and (2) a small-business concern which shall be small business as defined in section 102 of this act.]

"(e) The Administrator [shall] establish regional offices of the Administration in the Territories of Alaska and Hawaii and in the Commonwealth of Puerto Rico.

"SEC. 104. (a) The Administration shall have power to adopt, alter, and use a seal, which shall be judicially noticed. The Administrator is authorized, subject to the civil-service and classification laws, to select, employ, appoint, and fix the compensation of such officers, employees, attorneys, and agents as shall be necessary to carry out the provisions of this act; to define their authority and duties, to provide bonds for them in such amounts as the Administrator shall determine, and to pay the costs of qualification of certain of them as notaries public. The Administration, with the consent of any board, commission, independent

establishment, or executive department of the Government, may avail itself on a reimbursable [or nonreimbursable] basis of the use of information, services, facilities, including any field service thereof, officers, and employees thereof, in carrying out the provisions of this act. Subject to the standards and procedures under section 505 of the Classification Act of 1949, as amended, not to exceed 15 positions in the Small Business Administration may be placed in grades 16, 17, and 18 of the General Schedule established by that Act, and any such poistions shall be additional to the number authorized by such section.

"(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act the Administrator may—

"(1) sue and be sued in any court of record of a State having general jurisdiction, or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy: *Provided,* That no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued again the Administrator or his property;

"(2) under regulations prescribed by him, assign or sell at public or private sale, or otherwise dispose of for cash or credit, in his discretion and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with the payment of loans granted under this Act, and to collect or compromise all obligations assigned to or held by him and all legal or equitable rights accruing to him in connection with the payment of such loans until such time as such obligations may be referred to the Attorney General for suit or collection;

"(3) deal with, complete, renovate, improve, modernize, insure, or rent or sell for cash or credit upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of loans granted under this Act;

"(4) pursue to final collection, by way of compromise or otherwise, all claims against third parties assigned to the Administrator in connection with loans made by him. This shall include authority to obtain deficiency judgments or otherwise in the case of mortgages assigned to the Administrator. Section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Administrator as a result of loans made under this Act if the premium therefor or the amount thereof does not exceed $1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein acquired by the Administrator pursuant to the provisions of this Act may be exercised by the Administrator or by any officer or agent appointed by him without the execution of any express delegation of power or power of attorney. Nothing in this section shall be construed to prevent the Administrator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint;

"(5) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), whenever deemed necessary or appropriate to the conduct of the activities authorized in sections 105 and 106 (a) of this Act;

"(6) make such rules and regulations as he deems necessary to carry out the authority vested in him by or pursuant to this Act;

"(7) in addition to any powers, functions, privileges, and immunities otherwise vested in him, take any and all actions, including the procurement of the services of attorneys by contract, determined by him to be necessary or desirable in making, servicing, compromising, modifying, liquidating, or otherwise dealing with or realizing on loans made under the provisions of this Act: *Provided,* That no attorneys' services shall be procured by contract in any office where an attorney or attorneys are or can be economically employed full time to render such services; and

"(8) [Pay the transportation expenses and per diem in lieu of subsistence expenses, in accordance with the Travel Expense Act of 1949, for travel of any person employed by the administration to render temporary services not in excess of 6 months in connection with any disaster referred to in section 106 (b) of this act, from place of appointment to, and while at, the disaster area and any other temporary posts of duty and return upon completion of the assignment;]

"(9) [to accept the services and facilities of Federal, State, and local agencies and groups, both public and private, and utilize such gratuitous services and facilities as may, from time to time, be necessary to further] the objectives of this section;

"(c) To such extent as he finds necessary to carry out the provisions of this act, the Administrator is hereby authorized to procure the temporary (not in excess of 6 months) services of experts or consultants or organizations thereof, including stenographic reporting services, by contract or appointment, and in such cases such service shall be without regard to the civil-service and classification laws, and, except in the case of stenographic reporting services by organizations, without regard to section 3709, Revised Statutes, as amended (41 U. S. C. 5). Any individual so employed may be compensated at a rate not in excess of $50 per diem, and, while such individual is away from his home or regular place of business, he may be allowed transportation and not to exceed $15 per diem in lieu of subsistence and other expenses.

"SEC. 105. (a) All moneys of the Administration not otherwise employed may be deposited with the Treasurer of the United States subject to check by authority of the Administration. The Federal Reserve banks are authorized and directed to act as depositaries, custodians, and fiscal agents for the Administration in the general performance of its powers conferred by this Act. Any banks insured by the Federal Deposit Insurance Corporation, when designated by the Secretary of the Treasury, shall act as custodians and financial agents for the Administration. Each Federal Reserve bank, when designated by the Administrator as fiscal agent for the Administration, shall be entitled to be reimbursed for all expenses incurred as such fiscal agent.

"(b) The Administrator shall contribute to the civil-service retirement and disability fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the civil service retirement system applicable to the employees engaged in carrying out the functions of this Act [or the beneficiaries of such employees]. The Administrator shall also contribute to the employees' compensation fund, on the basis of annual billings as determined by the Secretary of Labor, for the benefit payments made from such funds on account of employees engaged in carrying out the functions financed by such revolving fund. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Administrator into the Treasury as miscellaneous receipts.

"SEC. 106. (a) The Administration is empowered to make loans (1) to enable small-business concerns to finance plant construction, conversion, or expansion, including the acquisition of land; or (ii) to finance the acquisition of equipment, facilities, machinery, supplies, or materials; or (iii) to supply such concerns with working capital to be used in the manufacture of articles, equipment, supplies, or materials for war, defense, or civilian production; or (iv) as may be necessary to insure a well-balanced national economy; and such loans may be made or effected either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis: *Provided, however,* That the foregoing powers shall be subject to the following restrictions and limitations:

"(1) No financial assistance shall be extended pursuant to this subsection unless the financial assistance applied for is not otherwise available on reasonable terms.

"(2) No immediate participation may be purchased unless it is shown that a deferred participation is not available; and no loan may be made unless it is shown that a participation is not available.

"(3) In agreements to participate in loans on a deferred basis under this subsection or under subsection (b) of this section, such participation by the Administration shall not be in excess of 90 percent of the balance of the loan outstanding at the time of disbursement.

"(4) No loan shall be extended if the total amount outstanding and committed (by participation or otherwise) to the borrower from the revolving fund established by this title would exceed $250,000. [The maximum rate of interest for the Small Business Administration's share of participating or direct business loans shall be no more than 5 percent of the prevailing rate if lower than 5 percent. The standard for the determination for prevailing rates shall mean the prevailing rate within the respective Federal Reserve districts where the money loaned is to be used.] The foregoing limitation of $250,000 shall not apply to any loan extended to any corporation formed and capitalized by a group of small-business concerns with resources provided by them for the purpose of [obtaining for the use of such concern raw materials, equipment, inventories, or supplies, or for establishing facilities for such purpose]. For any such corporation the limit of any loan extended or made as provided for in this section shall be $250,000 multiplied by the number of separate small businesses which have formed and capitalized a corporation as hereinbefore provided.

"(5) [The Administrator of the Small Business Administration is authorized to consult with representatives of small-business concerns with a view to encouraging the formation by such concerns of the corporations referred to in paragraph (4) of this section]. No act, or omission to act, if requested by the Administrator pursuant to this paragraph, and if found and approved by the Small Business Administration as contributing to the needs of small business, shall be construed to be within the provisions of the antitrust laws or Federal Trade Commission Act of the United States. A copy of the statement of any such finding and approval intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register. The authority granted in this paragraph shall be exercised only (A) by the Administrator, (B) upon the condition that the Administrator consult with the Attorney General and with the Chairman of the Federal Trade Commission, and (C)

upon the condition that the Administrator obtain the approval of the Attorney General before exercising such authority. Upon withdrawal of any request or finding hereunder or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program upon which the request or finding is based, the provisions of this paragraph shall not apply to any subsequent act or omission to act by reason of such finding or request.

"(6) No loan, including renewals or extensions thereof, may be made for a period or periods exceeding 10 years, except that (A) any loan made for the purpose of constructing facilities may have a maturity of 10 years plus such additional period as is estimated may be required to complete such construction, and (B) any loan extended to corporations formed and capitalized by a group of small-business concerns for the purpose of constructing facilities may have a maturity of 20 years plus such additional time as is required to complete such construction and at an interest rate not less than 3 nor more than 5 percent per annum.

"(7) All loans made shall [in the judgment of the Administrator offer reasonable assurance of repayment].

"(b) The Administration also is empowered—

"(1) to make such loan (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate because of floods or other catastrophes;

"(2) to make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administration may determine to be necessary or appropriate to any small business concern located in an area [affected by a drought], if the Administration determines that the small business concern has suffered a substantial economic injury as a result of such drought and the President has determined under the Act entitled 'An Act to authorize Federal assistance to States and local governments in major disasters, and for other purposes,' approved September 30, 1950, as amended (42 U. S. C., secs. 1855–1855g) that such drought is a major disaster, or the Secretary of Agriculture has found under the Act entitled 'An Act to abolish the Regional Agricultural Credit Corporation of Washington, District of Columbia, and transfer its functions to the Secretary of Agriculture, to authorize the Secretary of Agriculture to make disaster loans, and for other purposes,' approved April 6, 1949, as amended (12 U. S. C., sec. 1148a–1–1148a–3), that such drought constitutes a production or economic disaster in such area.

"(3) [No loans, including renewals and extensions thereof, made pursuant to this subsection may be made for a period or periods exceeding 20 years];

"(4) The interest rate on the Administration's share of loans made pursuant to his subsection shall not exceed 3 percent per annum.

"(c) The Administration may further extend the maturity of or renew any loan made pursuant to this section beyond the periods stated therein, or any loan transferred to the Administration pursuant to Reorganization Plan No. 2 of 1954, for additional periods not to exceed 10 years, if such extension or renewal will aid in the orderly liquidation of such loan.

"SEC. 107. It shall be the duty of the Administration and it is hereby empowered, whenever it determines such action is necessary—

"(a) (1) to enter into contracts with United States Government and any department, agency, or officer thereof having procurement powers obligating the Administration to furnish articles, equipment, supplies, or materials to the Government. In any case in which the Administration certifies to any officer of the Government having procurement powers that the Administration is competent to perform any specific Government procurement contract to be let by any such officer, such officer shall be authorized in his discretion to let such procurement contract to the Administration upon such terms and conditions as may be agreed upon between the Administration and the procurement officer;

"(2) to arrange for the performance of such contracts by negotiating or otherwise letting subcontracts to small-business concerns or others for the manufacture, supply, or assembly of such articles, equipment, supplies, or materials, or parts thereof, or servicing or processing in connection therewith, or such management services as may be necessary to enable the Administration to perform such contracts;

"(b) to provide technical and managerial aids to small-business concerns, by advising and counseling on matters in connection with Government procurement and on policies, principles, and practices of good management, including but not limited to cost accounting, methods of financing, business insurance, accident control, wage incentives, and methods engineering, by cooperating and advising with voluntary business, professional, educational, and other nonprofit organizations, associations, and institutions and with other Federal and State agencies, by maintaining a clearinghouse for information concerning the managing, financing, and operation of small-business enterprises, by disseminating such information, and by such other activities as are deemed appropriate by the Administration;

"(c) to make a complete inventory of all productive facilities of small-business concerns which can be used for war, defense or [civilian] production, or to arrange for such inventory to be made by any other governmental agency which has the facilities. In making any such inventory, the appropriate agencies in the several States may be requested to furnish an inventory of the productive facilities of small-business concerns in each respective State if such an inventory is available or in prospect;

"(d) to coordinate and to ascertain the means by which the productive capacity of small-business concerns can be most effectively utilized for war, defense or [civilian] production;

"(e) to consult and cooperate with officers of the Government having procurement powers, in order to utilize the potential productive capacity of plants operated by small-business concerns;

"(f) to obtain information as to methods and practices which Government prime contractors utilize in letting subcontracts and to take action to encourage the letting of subcontracts by prime contractors to small-business concerns at prices and on conditions and terms which are fair and equitable;

"(g) to determine within any industry the concerns, firms, persons, corporations, partnerships, cooperatives, or other business enterprises, which are to be designated 'small-business concerns' for the purpose of effectuating the provisions of this Act. To carry out this purpose the Administrator, when requested to do so, shall issue in response to each such request an appropriate certificate certifying an individual concern as a 'small-business concern' in accordance with the criteria expressed in this act. Any such certificate shall be subject to revocation when the concern covered thereby ceases to be a 'small-business concern.' Offices of the Government having procurement or lending powers, or engaging in the disposal of Federal property or allocating materials or supplies, or promulgating regulations affecting the distribution of materials or supplies shall accept as conclusive the Administration's determination as to which enterprises are to be designated 'small-business concerns,' as authorized and directed under this paragraph;

"(h) to certify to Government procurement officers with respect to the competency, as to capacity and credit, of any small-business concern or group of such concerns to perform a specific Government procurement contract. In any case in which a small-business concern or group of such concerns has been certified by or under the authority of the administration to be a competent Government contractor with respect to capacity and credit as to a specific Government procurement contract, the officers of the Government having procurement powers are directed to accept such certification as conclusive, and are authorized to let such Government procurement contract to such concern or group of concerns without requiring it to meet any other requirement with respect to capacity and credit;

"(i) to obtain from any Federal department, establishment, or agency engaged in procurement or in the financing of procurement or production such reports concerning the letting of contracts and subcontracts and making of loans to business concerns as it may deem pertinent in carrying out its functions under this Act;

"(j) to obtain from suppliers of materials information pertaining to the method of filling orders and the bases for allocating their supply, whenever it appears that any small business is unable to obtain materials from its normal sources.

"(k) to make studies and recommendations to the appropriate Federal agencies to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, to insure that a fair proportion of Government contracts for research and development be placed with small-business concerns, and to insure a fair and equitable share of materials, supplies, and equipment to small-business concerns.

"(l) to consult and cooperate with all Government agencies for the purpose of insuring that small-business concerns shall receive fair and reasonable treatment from said agencies;

"(m) to establish such small-business advisory boards and committees [truly representative of small business] as may be necessary to achieve the purposes of this Act;

"(n) [to make studies of matters materially affecting the competitive strength of small business, or the effect on small business of Federal programs or regulations; to make recommendations to the appropriate Federal agency for the adjustment of such programs or regulations to the needs of small business].

"SEC. 108. (a) The Administration shall make a report every 6 months of operations under this Act to the President, the President of the Senate, and the Speaker of the House of Representatives. Such report shall include the names of the business concerns to whom contracts are let and for whom financing is arranged by the Administration, together with the amounts involved, and such report shall include such other information and such comments and recommendations as the Administration may deem appropriate.

"(b) The Administration shall make a report to the President, the President of the Senate, and the Speaker of the House of Representatives, to the Senate Select Committee on Small Business and to the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business on June 30 and December 31 of each year, showing as accurately as possible for each such period the amount of funds appropriated to it that it has expended in the

conduct of each of its principal activities such as lending, procurement, contracting, and providing technical and managerial aids.

"(c) The Attorney General is directed to make, or request the Federal Trade Commission to make for him, surveys for the purpose of determining any factors which may tend to eliminate competition, create or strengthen monopolies, injure small business, or otherwise promote undue concentration of economic power in the course of the administration of this act. The Attorney General shall submit to the Congress and the President within 90 days after approval of this act, and at such times thereafter as he deems desirable, reports setting forth the results of such surveys and including such recommendations as he may deem desirable.

"(d) For the purposes of aiding in carrying out the national policy to insure that a fair proportion of the total purchases and contracts for supplies and services for the Government be placed with small-business enterprises, and to maintain and strengthen the overall economy of the Nation, the Department of Defense shall make a monthly report to the President, the President of the Senate, and the Speaker of the House of Representatives not less than 45 days after the close of the month, showing the amount of funds appropriated to the Department of Defense which have been expended, obligated, or contracted to be spent with small-business concerns and the amount of such funds expended, obligated, or contracted to be spent with firms other than small business in the same fields of operation; and such monthly reports shall show separately the funds expended, obligated, or contracted to be spent for basic and applied scientific research and development.

"(e) The Administration shall retain all correspondence, records of inquiries, memorandums, reports books, and records, including memorandums as to all investigations conducted by or for the Administration, for a period of at least 1 year from the date of each thereof, and shall at all times keep the same available for inspection and examination by the Senate Select Committee on Small Business, and the House Select Committee To Conduct a Study and Investigation of the Problems of Small Business, or their duly authorized representatives.

"(f) It shall be the duty of the Administration to consult and cooperate with governmental departments and agencies in the issuance of all orders or in the formulation of policy or policies in any way affecting small-business concerns. All such governmental departments or agencies are required, before issuing such orders or announcing such policy or policies, to consult and cooperate with the Administration in order that the interests of small-business enterprises may be recognized, protected, and preserved.

"SEC. 109. (a) The President is authorized to consult with representatives of small-business concerns with a view to encouraging the making by such persons with the approval of the President of voluntary agreements and programs to further the objectives of this Act.

"(b) No act or omission to act pursuant to this Act which occurs while this Act is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) of this section and found by the President to be in the public interest as contributing to the national defense, shall be construed to be within the prohibition of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.

"(c) The authority granted in subsection (b) of this section shall be delegated only (1) to an official who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, and (2) upon the condition that such official consult with the Attorney General and the chairman of the Federal Trade Commission not less than 10 days before making any request or finding thereunder, and (3) upon the condition that such official obtain the approval of the Attorney General to any request thereunder before making the request.

"(d) Upon withdrawal of any request or finding hereunder, or upon withdrawal by the Attorney General of his approval of the voluntary agreement or program on which the request or finding is based, the provisions of this section shall not apply to any subsequent act, or omission to act, by reason of such finding or request.

"SEC. 110. The President may transfer to the administration any functions, powers, and duties of any department or agency which relate primarily to small-business problems. In connection with any such transfer, the President may provide for appropriate transfers of records, property, necessary personnel, and unexpended balances of appropriations and other funds available to the department or agency from which the transfer is made.

"SEC. 111. No loan shall be made or equipment, facilities or services furnished by the administration under this act to any business enterprise unless the owners, partners, or officers of such business enterprise (1) certify to the administration the names of any attorneys, agents, or other persons engaged by or on behalf of such business enterprise for the purpose of expediting applications made to the administration for assistance of any sort, and the fees paid or to be paid to any such persons; (2) execute an agreement binding any such business enterprise for a period of 2 years after any assistance is rendered by the administration to such business enterprise, to refrain from employing, tendering any office or employment to, or retaining for professional services, any person who, on the date such assistance or any part thereof was rendered, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee of the administration occupying a position or engaging in activities which the administration shall have determined involve discretion with respect to the granting of assistance under this Act; and (3) furnish the names of lending institutions to which such business enterprise has applied for loans together with dates, amounts, terms, and proof of refusal.

"SEC. 112. To the fullest extent the administration deems practicable, it shall make a fair charge for the use of Government-owned property and make and let contracts on a basis that will result in a recovery of the direct costs incurred by the administration.

"SEC. 113. To effectuate the purposes of this Act, small-business concerns within the meaning of this Act shall receive any award or contract or any part thereof as to which it is determined by the Administration and the contracting procurement agency (1) to be in the interest of maintaining or mobilizing the Nation's full productive capacity, or (2) to be in the interest of war or national defense programs. [Whenever the administration and the contracting procurement agency fail to agree, the matter shall be submitted for determination to the Secretary or the head of the appropriate department or agency by the Administrator of the Small Business Administration.]

"SEC. 114. (a) Whoever makes any statement knowing it to be false, or whoever willfully overvalues any security for the purpose of obtaining for himself or for any applicant any loan, or extension thereof by renewal, deferment of action, or otherwise, or the acceptance, release, or substitution of security therefor, or for the purpose of influencing in any way the action of the administration, or for the purpose of obtaining money, property, or anything of value, under this Act, shall be punished by a fine of not more than $5,000 or by imprisonment for not more than 2 years, or both.

"(b) Whoever, being connected in any capacity with the administration (1) embezzles, abstracts, purloins, or willfully misapplies any moneys, funds, securities, or other things of value, whether belonging to it or pledged or otherwise entrusted to it, or (2) with intent to defraud the Administration or any other body politic or corporate, or any individual, or to deceive any officer, auditor, or examiner of the administration, makes any false entry in any book, report, or statement of or to the administration, or, without being duly authorized, draws any order or issues, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof, or (3) with intent to defraud participates, shares, receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, commission, contract, or an other act of the administration, or (4) gives any unauthorized information concerning any future action or plan of the administration which might affect the value of securities, or, having such knowledge, invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans or other assistance from the Administration shall be punished by a fine of not more than $10,000 or by imprisonment for not more than 5 years, or both.

"SEC. 115. (a) The Administration shall not duplicate the work or activity of any other department or agency of the Federal Government and nothing contained in this Act shall be construed to authorize any such duplication unless such work or activity is expressly provided for in this act.

["(b) All small-business functions not heretofore transferred to the Small Business Administration by the Department of Commerce are hereby transferred upon the effective date of this Act.]

"SEC. 116. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

"SEC. 117. There are hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the provisions and purposes of this Act.

"SEC. 118. All laws and parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SCHERER (at the request of Mr. MARTIN), for 1 week, on account of official business.

To Mr. STAUFFER (at the request of Mr. MARTIN), for 1 week, on account of official business.

To Mr. GROSS, for 4 days, on account of death in his family.

Mr. TELLER, from May 13 to May 18, on account of official business.

Mr. KELLEY of Pennsylvania, from May 13 to May 18, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. VANIK, for 15 minutes, tomorrow.

Mr. HASKELL, for 15 minutes, today.

Mrs. ROGERS of Massachusetts, for 5 minutes, today.

Mr. BAILEY, on Thursday, for 45 minutes.

Mr. LAIRD, on Wednesday next, for 15 minutes.

Mr. REECE of Tennessee, for 1 hour, on Friday next, or, if the House is not in session on that day, on Thursday next.

Mrs. KELLY of New York (at the request of Mr. BAILEY), for 90 minutes, on Thursday next.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mrs. KEE.

Mr. HEMPHILL and to include extraneous matter.

Mr. KILDAY and include an address delivered by him.

Mr. MARTIN.

Mr. ROBERTS and include an editorial.

Mr. ROOSEVELT (at the request of Mr. ALBERT).

Mr. ANFUSO (at the request of Mr. EDMONDSON) in two instances and to include extraneous matter.

Mr. FEIGHAN.

Mr. MCDONOUGH in two instances and to include extraneous matter.

Mr. HILLINGS in two instances and to include extraneous matter.

Mr. COFFIN (at the request of Mr. BAILEY) and to include extraneous matter.

ADJOURNMENT

Mr. BAILEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 16 minutes p. m.), the House adjourned until tomorrow, Tuesday, May 14, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

843. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill to amend the Foreign Service Buildings Act of 1926"; to the Committee on Foreign Affairs.

844. A letter from the Clerk, United States House of Representatives, transmitting a bill for the relief of the MacArthur Mining Co., Inc., in receivership, received May 10, 1957, from the Court of Claims of the United States, pursuant to House Resolution 241, 85th Congress; to the Committee on the Judiciary.

845. A letter from the Acting Secretary of the Navy, transmitting a draft of proposed legislation entitled "A bill to amend the Act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941"; to the Committee on the Judiciary.

846. A letter from the executive secretary, the American Society of International Law, transmitting the annual audit by a certified public accountant of the financial transactions of the society and of the corporate books and records pertinent thereto, covering the year ended December 31, 1956, pursuant to the act of September 20, 1950 (64 Stat. 869); to the Committee on the Judiciary.

847. A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting the 17th Semiannual Report on the Educational Exchange Activities from July 1 through December 31, 1956, pursuant to Public Law 402, 80th Congress (H. Doc. No. 176); to the Committee on Foreign Affairs and ordered to be printed

848. A letter from the Comptroller General of the United States, transmitting a report on the audit of Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Lending, Treasury Department, for the fiscal year ended June 30, 1956, pursuant to the Government Corporation Control Act (31 U. S. C. 841) (H. Doc. No. 177); to the Committee on Government Operations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FRAZIER: Committee on the Judiciary. H. R. 3370. A bill to amend section 1871 of title 28, United States Code, to increase the mileage and subsistence allowances of grand and petit jurors; without amendment (Rept. No. 439). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on Interstate and Foreign Commerce. H. R. 3775. A bill to amend section 20b of the Interstate Commerce Act in order to require the Interstate Commerce Commission to consider, in stock modification plans, the assents of controlled or controlling stockholders, and for other purposes; with amendment (Rept. No. 440). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. H. R. 5811. A bill to amend subdivision b of section 14—Discharges, when granted—of the Bankruptcy Act, as amended, and subdivision b of section 58—Notices—the Bankruptcy Act, as amended; without amendment (Rept. No. 441). Referred to the Committee of the Whole House on the State of the Union.

Mr. FRAZIER: Committee on the Judiciary. Senate Joint Resolution 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day; without amendment (Rept. No. 442). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY:

H. R. 7442. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and income to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. BECKWORTH:

H. R. 7443. A bill to amend section 8 of title 13 of the United States Code to except certain persons from the requirement of paying fees for certain census data; to the Committee on Post Office and Civil Service.

H. R. 7444. A bill to amend the Veterans' Readjustment Assistance Act of 1952 to make the educational benefits provided for therein available to all veterans whether or not they served during a period of war or of armed hostilities; to the Committee on Veterans' Affairs.

By Mr. CHELF:

H. R. 7445. A bill to increase from $600 to $900 the income tax exemption allowed each taxpayer, each dependent, and $1,200 for a dependent child (until said child reaches 21 years of age) while attending any accredited business school, college, or university; to the Committee on Ways and Means.

By Mr. COFFIN:

H. R. 7446. A bill to assist the United States cotton textile industry in regaining its equitable share of the world market; to the Committee on Agriculture.

By Mr. CRAMER:

H. R. 7447. A bill to amend the Internal Revenue Code to provide that annuities received under the Civil Service Retirement Act shall be exempt from income tax; to the Committee on Ways and Means.

H. R. 7448. A bill to provide increases of compensation for certain disabled female veterans who have dependent husbands; to the Committee on Veterans' Affairs.

H. R. 7449. A bill authorizing a preliminary examination and survey of streams at and in the vicinity of Gulfport, Fla., for present and prospective commerce, and for other purposes; to the Committee on Public Works.

By Mr. DAVIS of Georgia:

H. R. 7450. A bill to amend section 4 of the act entitled "Policemen and Firemen's Retirement and Disability Act Amendments of 1957"; to the Committee on the District of Columbia.

H. R. 7451. A bill to make the act approved March 3, 1899 (30 Stat. 1045, 1057, ch. 422), providing for the appointment of special policemen by the Commissioners of the District of Columbia applicable to Government departments and agencies; to the Committee on the District of Columbia.

H. R. 7452. A bill to provide for the designation of holidays for the officers and employees of the government of the District of Columbia for pay and leave purposes, and for other purposes; to the Committee on the District of Columbia.

By Mr. DINGELL:

H: R. 7453. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted without deductions from benefits thereunder; to the Committee on Ways and Means.

By Mr. EBERHARTER:

H. R. 7454. A bill to amend the Tariff Act of 1930 to provide for the free importation by colleges and universities of sound recordings and film to be used by them in certain nonprofit radio and television broadcasts; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 7455. A bill to amend the Soil Bank Act, and for other purposes; to the Committee on Agriculture.

By Mr. HUDDLESTON:

H. R. 7456. A bill to amend the Dependents' Medical Care Act to provide that periods of active duty for training shall be

taken into account in determining whether or not a retired member of a uniformed service has 8 years of service so as to qualify for benefits thereunder; to the Committee on Armed Services.

By Mr. JENKINS:

H. R. 7457. A bill to amend section 1341 of the Internal Revenue Code of 1954, and for other purposes; to the Committee on Ways and Means.

By Mr. LANDRUM:

H. R. 7458. A bill to amend the Fair Labor Standards Act of 1938, as amended, to restrict its application in certain overseas areas, and for other purposes; to the Committee on Education and Labor.

By Mr. LANKFORD:

H. R. 7459. A bill to provide for the licensing of bicycles operated in the District of Columbia; to the Committee on the District of Columbia.

H. R. 7460. A bill to provide for the conveyance of certain real property of the United States to the State of Maryland; to the Committee on Interior and Insular Affairs.

By Mr. MILLER of California:

H. R. 7461. A bill to amend the Tariff Act of 1930, as amended, so as to prevent undue relaxation of customs supervision as a safeguard against smuggling and for the protection of the revenue, and for other purposes; to the Committee on Ways and means.

By Mr. RABAUT:

H. R. 7462. A bill to establish an effective program to alleviate conditions of substantial and persistent unemployment and underemployment in certain economically depressed areas; to the Committee on Banking and Currency.

By Mr. REECE of Tennessee:

H. R. 7463. A bill authorizing the transfer of certain property of the Holston Ordnance Works (at Kingsport, Tenn.) to the State of Tennessee; to the Committee on Armed Services.

By Mr. SAUND:

H. R. 7464. A bill to amend section 22 of the Agricultural Adjustment Act of 1933, as amended; to the Committee on Agriculture.

By Mr. SMITH of Mississippi:

H. R. 7465. A bill to make the evaluation of recreational benefits, and fish and wildlife conservation, resulting from any flood control, navigation, or reclamation project an integral part of project planning, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7466. A bill to provide for the establishment of the Fort Pemberton National Monument; to the Committee on Interior and Insular Affairs.

By Mr. SMITH of Virginia (by request):

H. R. 7467. A bill to amend the act of March 3, 1901, with respect to the citizenship and residence qualifications of the directors or trustees of certain companies in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SPENCE:

H. R. 7468. A bill to amend section 24 of the Federal Reserve Act so as to remove certain restrictions against banks participating with the Small Business Administration in making residential disaster loans; to the Committee on Banking and Currency.

By Mr. THOMSON of Wyoming:

H. R. 7469. A bill to repeal the tax on transportation of oil by pipelines; to the Committee on Ways and Means.

H. R. 7470. A bill to repeal the tax on transportation of persons; to the Committee on Ways and Means.

H. R. 7471. A bill to repeal the transportation tax on property; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 7472. A bill to amend the Atomic Energy Act of 1954 to provide for the establishment of an accelerated civilian atomic power program, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. VINSON:

H. R. 7473. A bill to authorize term retention contracts for Reserve officers, and for other purposes; to the Committee on Armed Services.

By Mr. MULTER:

H. R. 7474. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. RIEHLMAN:

H. R. 7475. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. STEED:

H. R. 7476. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. SEELY-BROWN:

H. R. 7477. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. HILL:

H. R. 7478. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. EVINS:

H. R. 7479. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. ROOSEVELT:

H. R. 7480. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. McCULLOCH:

H. R. 7481. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. SHEEHAN:

H. R. 7482. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. HOSMER:

H. R. 7483. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BOGGS:

H. R. 7484. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. BOYKIN:

H. R. 7485. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. BROOKS of Louisiana:

H. R. 7486. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. COFFIN:

H. R. 7487. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. COLMER:

H. R. 7488. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. HÉBERT:

H. R. 7489. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. LONG:

H. R. 7490. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. MORRISON:

H. R. 7491. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. PASSMAN:

H. R. 7492. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. SIKES:

H. R. 7493. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. THOMPSON of Louisiana:

H. R. 7494. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. WILLIS:

H. R. 7495. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers," approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. EDMONDSON:

H. R. 7496. A bill to increase the limitation on the aggregate acreage of coal leases which may be held by one person in any one State under the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Interior and Insular Affairs.

By Mr. ALBERT:

H. R. 7497. A bill to increase the limitation on the aggregate acreage of coal leases which may be held by one person in any one State under the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Interior and Insular Affairs.

By Mr. PATMAN:

H. R. 7498. A bill to increase the limitation on the aggregate acreage of coal leases which may be held by one person in any one State under the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain"; to the Committee on Interior and Insular Affairs.

By Mr. ASPINALL:

H. J. Res. 327. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. DIXON:

H. J. Res. 328. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. ROGERS of Colorado:

H. J. Res. 329. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. MAHON:

H. Con. Res. 174. Concurrent resolution authorizing the printing of additional copies of part 1 of the hearings on the Department of Defense appropriations for 1958; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. THORNBERRY: Resolution by the House of Representatives of the State of Texas, urging the President of the United States to limit imports of foreign oil to the percentage set by his Cabinet Fuels Policy Committee as the maximum possible without endangering the security of the United States; to the Committee on Ways and Means.

By the SPEAKER: Memorial of the Legislature of the State of Oklahoma, memorializing the President and the Congress of the United States to grant statehood to the Territories of Alaska and Hawaii; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Oregon, memorializing the President and the Congress of the United States requesting legislation that would extend the jurisdiction of Federal district courts to entertain actions brought by a State to enforce taxes lawfully imposed on a person or property removed from the State; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Texas, memorializing the President and the Congress of the United States urging a limitation on imports of foreign oil to the percentage set by the President's Cabinet Fuels Policy Committee as the maximum possible without endangering the security of the United States; to the Committee on Ways and Means.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States to enact legislation to empower the Governor of the Territory of Hawaii to grant pardons for Federal offenses; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, memorializing the President and the Congress of the United States relative to transmitting certified copies of certain resolutions enacted by the Legislature of the Territory of Hawaii in its regular session of 1957; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BETTS:

H. R. 7499. A bill for the relief of the Cooper Tire & Rubber Co.; to the Committee on the Judiciary.

By Mr. COUDERT:

H. R. 7500. A bill for the relief of Jack Barouk; to the Committee on the Judiciary.

By Mr. CRAMER:

H. R. 7501. A bill for the relief of Ewald Fritz; to the Committee on the Judiciary.

By Mr. CURTIS of Missouri:

H. R. 7502. A bill for the relief of Elizabeth Weber; to the Committee on the Judiciary.

By Mr. FASCELL:

H. R. 7503. A bill for the relief of Marina Cecilia Shepherd; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7504. A bill for the relief of George Walter Rason; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 7505. A bill to permit a retired officer of the Navy to be employed in a command status at Port Lyautey, Morocco; to the Committee on Armed Services.

By Mr. McCORMACK:

H. R. 7506. A bill for the relief of Mariano Pellegrini; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 7507. A bill for the relief of Antoni Stanislaw Blicharski; to the Committee on the Judiciary.

By Mr. SHEEHAN:

H. R. 7508. A bill for the relief of Harry J. Madenberg; to the Committee on the Judiciary.

By Mr. WITHROW:

H. R. 7509. A bill for the relief of Stephen James Meier; to the Committee on the Judiciary.

H. R. 7510. A bill for the relief of Jon Frederick Cordes; to the Committee on the Judiciary.

H. R. 7511. A bill for the relief of Todd Gene Biedermann; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

239. By Mr. SMITH of Wisconsin: Resolution passed unanimously by the International Supreme Council session of the United Travelers of America held recently in Columbus, Ohio, calling upon the Government to continue its efforts to expose and prosecute people in civil or military service who resort to any special privilege to avoid a test of his or her loyalty; and praising those elements of our Government that are using every means in their power to expose Communists and condemning all forces and groups which seek to delay or prevent such exposures or prosecutions and further declare that loyalty to our country shall be above partisanship, that we will work for a united people and ask all fraternal and civic organizations to help support those who work to save our freedom and liberties from foreign aggression and the forces of communism; to the Committee on the Judiciary.

240. By the SPEAKER: Petition of the executive manager, Toledo Chamber of Commerce, Toledo, Ohio, petitioning consideration of their resolution with reference to disapproval of passage of H. R. 1 and H. R. 3986, etc.; to the Committee on Education and Labor.

241. Also, petition of the executive secretary, California Federation of Women's Clubs, Fresno, Calif., petitioning consideration of their resolution with reference to adopting the recommendation of the Secretary of the Interior and approving the joint partnership proposal to be entered into with the Pacific Gas & Electric Co., etc.; to the Committee on Interior and Insular Affairs.

242. Also, petition of the secretary, Kittitas County Pomona Grange No. 58, Cle Elum, Wash., petitioning consideration of their resolution with reference to commending the Army engineers, the Bureau of Reclamation and all others interested in the comprehensive development of our water resources for so diligently carrying forward the battle for the construction of Hells Canyon Dam, and urging passage of Senate bill 555; to the Committee on Interior and Insular Affairs.

243. Also, petition of the secretary, American Institute of Planners, Michigan Chapter, Detroit, Mich., petitioning consideration of their resolution with reference to requesting passage of Senate bill 1230, which is vitally needed if the task of building and rebuilding our urban areas is to be successful; to the Committee on Public Works.

244. Also, petition of the secretary, Tulare County Bar Association, Visalia, Calif., petitioning consideration of their resolution with reference to earnestly urging passage of the Jenkins-Keogh bill at an early date; to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Highway Traffic Safety Award

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. McDONOUGH. Mr. Speaker, the national highway and traffic death toll has reached such appalling totals as to constitute a major and almost insoluble problem.

Continued study and analysis by traffic and safety engineers, and revision and amendments of existing laws has failed to check the upward swing of this grim chart, and far too few citizens, apart from these authorities, actually concern themselves with this tragic traffic safety situation.

I think it is pertinent that I bring before this body a brief reference to the sustained and fruitful efforts of an outstanding California businessmen, Mr. Robert E. Petersen, whose contributions, direct and indirect, to the general traffic safety of the Nation are important and demonstrable.

When Bob Petersen first became interested in the problems of the motorist and of safety back in 1948, he was convinced that the most fertile area in which to work for traffic safety was among the more youthful drivers across the country. Not that youth is the only

offender against safety measures, but because the habit of careful driving is easier to initiate among the young.

To meet this issue head on, Petersen began a crusade of preaching safe driving to the thousands of so-called hot-rod enthusiasts in the United States. He correctly believed that the most constructive way was not to scold, preach, or carp, but to help organize a sport and to form a national organization to provide pride of membership and to establish aims and goals designed to eliminate irresponsibility and to stress highway courtesy and safety. Petersen was a dominant factor in the formation of the National Hot Rod Association, whose slogan is "Dedicated to Safety."

Through the outlet of the Petersen Publications, Petersen has constantly preached safety in all its phases. This includes a continuing crusade among the more than 1 million motorist-readers for more careful driving. In addition, Petersen constantly examines the new models and cars and reports objectively on their safety factors, or lack of them. Many of the safety features which he has fought for over the years have been adapted into today's cars. He also has made many practical suggestions for safety improvements in the highways themselves.

It is significant that the California Safety Council selected Mr. Petersen this year as the recipient of its first annual distinguished service award in recognition of his great and beneficial influence among youthful drivers, and his other valuable contributions toward greater highway safety.

Petersen also has been cited by the Los Angeles County Board of Supervisors for his safety work and for his remarkable accomplishments as the founder and head of one of California's biggest and fastest-growing publishing industries.

The fine citizenship manifest by Mr. Petersen and the cooperation and results he has achieved in the field of traffic safety are deserving of our sincerest commendation as well as the appreciation of the people of the United States.

Third Anniversary of the Supreme Court Decision Outlawing Segregation in the Public Schools

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. HILLINGS. Mr. Speaker, this third anniversary of the Supreme Court decision outlawing segregation in public schools is an appropriate time to survey our progress in the field of civil rights and to renew our efforts toward achieving the goal of equality in practice, rather than merely paying lip service to this great principle upon which our Nation was founded. At a time when we are trying so diligently to make friends with the peoples of Africa, Asia, and the Middle East, we cannot afford to do anything to impede the elimination of racial prejudice in our own country. We must set a true example of tolerance and respect for the integrity and dignity of all individuals here at home before we can convince other nations that we truly want them as equal partners in the battle to achieve a peaceful world based upon democratic principles.

President Eisenhower and Vice President NIXON have helped to show the way for all Americans by their forthright stand in support of the action of the Supreme Court in striking down segregation in our public schools. It is now my hope that Congress will act during this session on civil rights legislation similar to that which I introduced early this year. There is absolutely no place in our country today for laws which would prevent any citizen from voting because of racial or religious prejudice. The time to act is now.

Government Employees' Right to Vote Bill

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ANFUSO. Mr. Speaker, I have introduced a bill which I call the "Government employees' right-to-vote bill."

This bill, H. R. 7385, provides that Federal Government employees should be given the opportunity to vote in person in national, State, and local elections. In order to enable them to do so, each such employee is to be excused from duty, without loss of pay or deduction from his annual leave, for a period of not less than 2 hours, but not to exceed 4 hours.

The bill further provides that Government employees, who maintain voting residence in another State or area beyond the commuting distance from their place of employment, shall be excused for a maximum of 1 day for the purpose of voting, unless they are able to vote by absentee ballot.

The purpose of my bill is to encourage as many of our citizens as possible to exercise their rights of citizenship on election days and to utilize these rights by voting as free citizens according to the dictates of their conscience. It is both deplorable and very disturbing that far too many of our citizens fail to perform their citizenship duties on election day. In the last few presidential elections only about 50 to 60 percent of those entitled to vote in the United States actually went to the polls, and even fewer than that have voted in the off-year Congressional elections.

Voting is a privilege as well as a right which we should not ignore. The greater the participation of our citizenship on election day, the more we shall be able to maintain this country as a true citadel of democracy. When millions stay away from the polls, it shows a lack of interest in the problems and welfare of our Nation. If this trend continues, it may prove dangerous to our form of government and our way of life.

The people of this country should be encouraged to cast their ballots, and the Government should be the first to do so by enabling its employees to vote in person. The Federal Government has a moral obligation to encourage good citizenship by affording its employees sufficient time off to cast their ballots on election day. Unfortunately, during the presidential election last November no allowances were made for voting on the part of Government agencies and many of their employees failed to exercise this right because of a lack of time. In the Brooklyn Navy Yard, located in my Congressional district, there were numerous complaints and many of the shipyard workers were incensed over the situation. The same, I understand, was true in other Government establishments in various parts of the country.

Mr. Speaker, I feel it is of utmost importance that Government employees be given sufficient time off to exercise their sacred duties as American citizens. Give them the opportunity to lead the parade to the polls on election day. It is for the good of our Nation and its future.

The text of my bill is as follows:

A bill to provide that certain Government officers and employees shall have sufficient time to vote in elections

Be it enacted, etc., That, in order to enable officers and employees in the executive branch of the Government to vote in person in National, State, and local elections, each such officer or employee shall be excused from duty, without loss of pay or deduction from his annual leave, for a period not less than 2 hours, but not to exceed 4 hours.

SEC. 2. Employees holding voting residence beyond commuting distance from their duty stations shall be excused not to exceed 1 day for the purpose of voting, unless voting by absentee ballot is permitted.

Rumania's Independence Day

EXTENSION OF REMARKS

OF

HON. JOHN MARSHALL BUTLER

OF MARYLAND

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a statement commemorating the anniversary of Rumanian Independence Day.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

RUMANIA'S INDEPENDENCE DAY

On this 10th of May, Rumania's national unity and Independence Day, I should like to pay a warm tribute to the heroic and unfortunate Rumanian people, who for 12 years now have been bearing the criminal yoke of Soviet slavery.

After a long period in history during which the Rumanians, descendents of Roman colonists established by Emperor Trajan in the second century of our era, at the eastern gates of Europe, have performed a noble task as guardians of European freedom and Christi-

anity, they achieved their political organization as independent principalities in the 13th century. Through their spirit of resistance and Christian faith they managed to survive long centuries of ruthless invasions from the east. At the moment of the Crusades this Latin outpost on the eastern borders of Europe made a steady contribution to the fight against the barbarians. This resistance of the Rumanian principalities against the advance of the Turks after the fall of Constantinople, succeeded in preserving to a certain extent their independence. Although forced to pay tribute to the Ottoman Empire, they were not occupied by the Turks and continued to be ruled by their own national Christian dynasties.

It was this role in the defense of Europe which was eventually recognized, in the full reestablishment of Rumania's independence, by the Treaties of Paris in 1856 and that of Berlin in 1878.

But the existence of a free Rumania has always meant a serious obstacle in the way of the Russian imperialist drive to the west. Indeed, since the 18th century, when Russia reached the borders of Europe, the greatest danger for the Rumanian national existence has been Russian aggression and invasion under changing guises, even under that of friendship. One should not forget that Rumania has been invaded 13 times by the Russians, who annexed the eastern part of the country, now constituting the Moldavian Soviet Republic. Today the entire nation of 20 million suffers under the Soviet imposed Communist tyranny. The ordeal of the Rumanian people under the ruthless foreign occupation of Soviet communism, their economic exploitation and deprivation of elemental human rights and liberties, are now a matter of record. On the other hand, through the Soviet political-military pressure Rumania has been transformed against the will of its people into a satellite base for the aggressive schemes of Moscow.

We cannot rest indifferent in the face of injustice and tyranny. We must proclaim our sympathy with the enslaved Rumanians and think of the best ways for helping them recover their liberty. It is both the honor and the enlightened interest of this nation which command us to follow such a course. We should not forget that destruction of freedom in other lands means ultimately a direct threat to our own freedom and security.

A Tribute to Rumanians on Their National Holiday

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 13, 1957

Mr. ROOSEVELT. Mr. Speaker, the 10th of May is a day of national dedication for Rumanians. It symbolizes the fulfillment of the aspirations of all Rumanians for nationhood and independence.

Today Rumania has been deprived of her national independence. The oppressive hand of communism has imposed uniformity throughout the entire state. Dissent is not tolerated in the political life of the nation. The economy has been drained of its vitality in the service of Moscow. And Rumania's colorful cultural life has been reduced to the lowest norm of Marxist-Leninist ideology. All creative writing in Rumania has been compelled to conform to the narrow limits prescribed by the Communist leaders.

Scientia House is the instrument of Communist literary tyranny in Rumania and the ideological fountainhead of Rumanian communism. It is the headquarters of the Ministry of Education and culture and the leading Rumanian Communist newspaper, Scientia. It is also the state publishing house for political literature. Head of the 6,500 shock troops on this ideological front employed at Scientia House is Miron Constantinescu, the Minister of Education and Culture and the acknowledged chief theoretician of Rumanian communism.

The production of propaganda by Scientia House is considerable. It is estimated that every day 2 million copies of newspapers are published. Scientia alone has a circulation of 1 million. Scientia House also publishes 170,000 pamphlets, booklets, and periodicals in an average working day. Everything is published in strict conformity with the line laid down by the leaders of the Rumanian Communist Party.

One cannot help wondering whether the Rumanians can maintain their cultural identity under this avalanche of Communist propaganda. Indeed, the great challenge for Rumanians in the future lies in this cultural area; for once the sense of cultural uniqueness has been destroyed and supplanted by the alien concepts of communism the way is then prepared for the broader attack on the idea of nationality and nationhood.

But Rumanians have known subjugation and national suppression by a foreign power before. They survived that tyranny, and they shall survive the present one.

On this anniversary of Rumanian independence let us, therefore, join with freemen everywhere in solemn resolution to oppose Communist imperialism with all the strength within us. Let us also join with all friends of Rumania in an expression of regard for the Rumanian people that their hopes and aspirations for freedom shall one day be fulfilled.

The Changing Concept of Soviet Imperialism

EXTENSION OF REMARKS
OF
HON. ROMAN L. HRUSKA
OF NEBRASKA
IN THE SENATE OF THE UNITED STATES
Monday, May 13, 1957

Mr. HRUSKA. Mr. President, on May 6, 1957, the Czechoslovak National Council held a conference in the city of Washington. Its sessions were presided over by my good and valued friend, Col. Joseph Triner, of Chicago, who is president of the organization.

In response to an invitation from him, I addressed the luncheon meeting of the conference.

I ask unanimous consent that the remarks I made on that occasion be printed in the CONGRESSIONAL RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHANGING CONCEPT OF SOVIET IMPERIALISM

(Address by Senator ROMAN L. HRUSKA, of Nebraska)

In speaking about Soviet imperialism one should always be mindful of the old French proverb, roughly translated, which means: "The more it changes, the more it remains the same." Soviet imperialism for the last few years has been trying to assume the mask of a sheep, but you don't have to look far to see its fangs, its talons, and its pointed tongue.

Let me review with you some of the things that have taken place in the last 10 years. By means of imperialism, the Soviet Empire has expanded from what it was at the end of World War II, a relatively small country, smaller than the Russia of the Czars, with 160 million people, to what it is today—a formidable dominion reaching from the Adriatic Sea, across the heartland of Europe to the China Sea and imprisoning therein 900 million human beings. The growth of this imperialistic colossus has been gradual, unremitting, and incessant. It continued despite its profession for peaceful coexistence during 1955 and 1956. Let me read to you from the significant address of Nikita Khrushchev, addressing the 20th congress of the Communist Party of the Soviet Union on February 17, 1956:

"There is no doubt that in a number of capitalist countries the violent overthrow of the dictatorship of the bourgeoisie and the sharp aggravation of class struggle connected with this are inevitable. But the forms of social revolution vary. It is not true that we regard violence and civil war as the only way to remake society."

And then again he said: "Leninism teaches us that the ruling classes will not surrender their power voluntarily. And the greater or lesser degree of intensity which the struggle may assume, the use or the nonuse of violence in the transition to socialism, depends on the resistance of the exploiters, on whether the exploiting class itself resorts to violence, rather than on the proletariat."

It is obvious that when Khrushchev says this he means that if we submit weakly we won't be destroyed but that if we resist sovietization, violence awaits us. Let me quote further from Mr. Khrushchev:

"The historical situation has undergone radical changes which make possible a new approach to the question. The forces of socialism and democracy (his term for the Soviet Union) have grown immeasurably throughout the world, and capitalism has become much weaker. The mighty camp of socialism, with its population of over 900 million, is growing and gaining in strength."

Does this sound like the language of a man who is foregoing further conquests? In fact, he took the mask off completely later on when he said that communism will conquer the world and it will complete its conquest before the 20th century has run its course.

This is sort of a Mein Kampf. All the future plans of the Soviet Union are constantly laid before us. They are all there if we will but look at them. But the distressing thing is that either we don't look at them or if we do we see something that just isn't there. I am a member of the Senate Internal Security Subcommittee of the Senate Judiciary Committee. During the 6 years of its existence it has uncovered an abundance of evidence that indicates that there are people in the United States—people who look and act in every way like Americans but who are at heart dedicated Soviet agents. It is their job to keep us from recognizing the hard, cold facts about the Soviet Union

and its imperialism about which we talk here.

There are many people who would have us believe that peaceful coexistence is possible; that we should accept the formal and diplomatic utterances of Soviet representatives at their face value. There are people who will tell us that Red China should be admitted to the United Nations and gain recognition by the United States Government because if we do that it will then behave and that it will be possible for us to effect what they call a general overall Far East settlement. Don't they realize that if we recognize Red China and allow it into the United Nations that whatever resistance there is to Soviet imperialism on the mainland of China, on the island of Formosa, on the other offshore islands and throughout Southeast Asia will crumble and Red China will be able to move on to new and further conquests? Here in the United States, the Chinese Delegation to the United Nations, the Chinese Embassy and its various consulates throughout the country will be staffed not by friendly Chinese, as they are now, but by hundreds of Chinese Communists disseminating their propaganda and doing everything possible to undermine the existence of our wonderful country. And yet there are people who would have us overlook these things, who would blatantly tell us that if we recognize Red China, then in some kind of a mysterious way we can then be able to achieve what they call an overall peace in Asia. These are pious wishes without foundation and in fact voiced by people who do not know the significance of what they are saying. At the same time Mr. Khrushchev, in addressing the Communist delegation assembled in Moscow, proclaims that the Communist goal is the dictatorship of the proletariat and the establishment of a worldwide Communist society. He goes on to say that this will be effectuated by means which can be adapted to the degree of assistance encountered in the free world and that these means include violence when that is necessary.

Let us be mindful of this when we engage in our discussions about the changing concept of Soviet imperialism. The changes are changes in tactics alone. The goal remains the same, and never let us fool ourselves on this elemental fact.

A Bill To Assist the Cotton Textile Industry

EXTENSION OF REMARKS
OF
HON. FRANK M. COFFIN
OF MAINE
IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. COFFIN. Mr. Speaker, today I am introducing a bill designed to assist the hard-pressed cotton textile industry in its present crisis. This bill, originally introduced by the senior Senator from Maine, seeks to make cotton available to the textile industry at prices which would allow it to regain the level of cotton exports maintained from 1947 to 1952. The provisions of the bill apply to cotton textiles for export only.

For some time, it has been apparent that the textile industry, not only in Maine and New England, but, indeed, along the entire Eastern seaboard, was in the throes of a downward economic spiral brought on not merely by the ordinary forces of competition, but by the fact that our mills were losing their market at home and abroad to exports from other countries who had the double advantage of unbelievably low labor rates and a much more favorable price for raw cotton.

I have made strenuous efforts to urge sensible administrative solutions to both the immediate crisis and the long-range problem through the executive branch. On April 15, I wrote to the White House as follows:

President DWIGHT D. EISENHOWER,
White House,
Washington, D. C.

DEAR MR. PRESIDENT: In recent weeks Maine has achieved the dubious distinction of becoming one of the foremost centers of industrial crisis in the country.

There are probably other areas where more people are unemployed and where more firms have closed shop. But there is none where the shutdowns will have a greater effect on the economy of the region. The closing of the Androscoggin division in Lewiston, the York division in Saco, the rumors concerning closing of the Hill division in Lewiston and the Edwards division in Augusta, all of the Bates Manufacturing Co., the temporary shutdown of the Sample Shipyard in Boothbay Harbor, and the unnoticed closing of many small grocery stores and other small businesses add up to the paradox of crisis in a time of record high spending, high cost of living, and general prosperity.

This is the first time in our history where the economy of an entire area is thrown into jeopardy by continued positive governmental stimulation of competing countries through making cotton available to those countries at lower prices than prices at which our manufacturers can buy. Hence there is a governmental responsibility to take remedial action. But the great question of specific remedy has not been solved. Until it is solved, Maine officials in Augusta and Washington, the Federal Government, and the Congress lack any clear idea as to what we should do.

Until a solution is agreed upon, there will be no chance of timely remedial action. Everyone will be marching off in different directions. It is my suggestion that manufacturers, labor leaders, congressional delegations from textile areas, and specialists from the Departments of State, Commerce, and Agriculture meet to discuss the following questions:

1. What is the best "crash program" that can be devised to prevent the human suffering resulting from unemployment now and in the immediate future?

(a) Can and should import quotas be imposed?

(b) Can defense and other governmental contracts be routed to textile firms which are in trouble?

(c) Can and should the Government stockpile standard items to keep the industry alive until a more permanent solution is achieved?

(d) Can and should the escape-clause provision be used to increase tariffs?

(e) Is there any possibility of using Public Law 480, relating to disposal of surplus commodities, to help?

(f) Is there any possibility of a short-range subsidy program for manufacturers?

2. What is the soundest long range program to remove unreasonable competitive disadvantages from the textile industry?

(a) Should the domestic manufacturers be enabled to buy cotton at the world market price and thus be placed, as far as cost of materials is concerned, on the same basis as their foreign competitors? If so, what kind of program would be the most workable?

(b) Should such treatment be confined to cotton bought by domestic manufacturers for export purposes only?

(c) Should intensive efforts be made to develop markets for textile products in countries which have not hitherto been able or inclined to become large users?

(d) Should our foreign economic aid program place more stress on clothing and fabrics than it has heretofore?

To my knowledge there has not been a concerted effort on the part of the industry, labor, committees of Congress, and the Executive department to find answers to these problems. In such thinking lies the solution to both the immediate emergency and the long range problems. Such action should be taken immediately.

I realize the heavy burdens of your office. However, this is a problem of such immediate and grave concern to thousands of families that I hope you will provide the necessary leadership by initiating such a conference.

Respectfully,

FRANK M. COFFIN,
Member of Congress.

The reply I received from Jack Z. Anderson, Administrative Assistant to the President, indicated that although the administration was aware of the textile problem, it felt that the self-imposed limitation on imports by Japan, together with certain other routine efforts to assist local organizations and agencies, were all that could be accomplished at the present time. He concluded by saying:

In view of these efforts, there seems little to be gained at this time by a meeting such as you suggest. I can assure you, however, that your proposal will be kept in mind should such a meeting be desirable at a future date.

Subsequently, I was advised by Mr. Anderson to confer with the Secretary of Commerce regarding this critical problem. This I intend to do.

The sands of time to avoid great hardship posed by the immediate crisis are running out. I am, therefore, introducing this bill with the profound hope that it, together with all other similar proposals, will be studied by the appropriate committee with the utmost seriousness and that it will serve as a catalyst for focusing Congressional attention on this problem which began as a sectional problem and can now truly be said to be a national problem. This is a field in which we need to do a great deal of creative thinking and reexamine some of our past approaches. It is my hope that Members of this House may pool their thoughts in this matter and enable us to pursue a course of action that will put an end to the increasing number of mills which are closing, as well as place the entire industry on a more stable and firm long range basis.

Italian Opera Star Sings United States Anthem at Democratic Party Dinner

EXTENSION OF REMARKS
OF
HON. VICTOR L. ANFUSO
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ANFUSO. Mr. Speaker, we often hear it said that truth is stranger than

fiction. This was demonstrated once again recently at the Democratic Party's $100-a-plate fund-raising dinner held at the National Guard Armory in Washington.

At this dinner were assembled several thousand Democratic Party leaders and members from various parts of the country, headed by former President Harry S. Truman, Adlai E. Stevenson, and literally dozens of Democratic governors, Senators, Congressmen, and other party leaders. The person who opened this event with the singing of the Star-Spangled Banner was an Italian-born basso, Italo Tajo, who is still studying to become an American citizen.

Tajo, who is a well-known international opera star, was elated that a foreign-born singer was asked to sing the national anthem to the assembled leadership of the Democratic Party. When informed that he was chosen for this honor, he observed:

> It is truly an honor for a man who is still working toward h[illegible] citizenship papers to have the privilege of singing for so many leaders of this great country.

While the huge audience at the armory heard Tajo's booming voice singing our national anthem, he did not have the opportunity to hear the speeches of the Democratic leaders. Tajo was appearing that evening with the road company of Fanny at a downtown Washington theater, and had to be rushed from the armory to the theater by police escort to make his curtain time for the show. He and his wife are seeing America on the nationwide tour of the musical comedy.

Address by Secretary of Agriculture Benson Before American Cotton Shippers Association

---

EXTENSION OF REMARKS

OF

HON. JAMES O. EASTLAND

OF MISSISSIPPI

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. EASTLAND. Mr. President, I ask unanimous consent to have printed in the Appendix of the RECORD a most outstanding and able address delivered by Hon. Ezra Taft Benson, Secretary of Agriculture, before the American Cotton Shippers Association in New Orleans, La., April 26, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SECRETARY OF AGRICULTURE EZRA TAFT BENSON BEFORE THE AMERICAN COTTON SHIPPERS ASSOCIATION, NEW ORLEANS, LA., APRIL 26, 1957

I am delighted to take part in this meeting. As one who has learned to love the South, I have a deep personal interest in the welfare of cotton producers and in the agriculture of this great region.

Recent developments in cotton have led to a degree of optimism regarding the future of your industry. Certainly there are readily visible signs of improvement. Exports this year may total 7 million bales or more, in contrast with last year's 2.2 million. The cotton carryover is expected to total around 12 million bales at the end of this season, down 2.5 million bales from a year ago. The soil bank is expected to reduce supplies further during the years ahead, and move us toward a more reasonable level of carryover.

I wish these developments were indicative of genuine long-range improved prospects for the cotton industry. I do not believe this to be the case so long as governing basic legislation is retained. The improvements we have seen are the results of costly, temporary programs such as surplus disposal and the acreage reserve part of the soil bank. First-aid programs are necessary. But the cotton program may require more than first aid; it may require surgery as well.

The basic intent of present cotton legislation is to provide price support at 90 percent of parity when supply is in reasonable balance with demand. Under present laws 90 percent of parity price support is not a mandatory requirement but is retained as a goal. The only reason that price supports for cotton are now less than 90 percent of parity is the heavy supply situation.

The special programs of surplus removal and the soil bank will, with the existing formulas in the law, have the effect of boosting the price of cotton back to 90 percent of parity as soon as surpluses are moved. Controls will continue in an effort to keep supports at that level. Evidence is that the high price supports will lose markets and that controls will be less than properly effective.

Is the cotton program, therefore, because of the price-support requirement in the basic law, committed to continuous production controls, loss of markets for cotton, and continuous surplus disposal operations? If this be true, would it not be well to reexamine the price-support objective? This is the question I wish to lay before you.

We are in the midst of great scientific changes. A technological explosion is occurring on American farms. Production per worker has doubled in the last 15 years. Cotton production per acre has increased 65 percent. This creates a new dimension in farm policy and makes it virtually impossible to curtail agricultural output with the type of controls acceptable in our society.

The agricultural revolution is the blind spot in present farm price-support policy.

Cotton farmers are being subjected to the forces generated by this technological revolution. They are adjusting from wartime to peacetime demands. Their markets are burdened by surpluses which result at least in part from past legislation. Obviously, cotton farmers must be protected from the harsh price effects which would result from their exposed economic position, their weak bargaining power and their abundant capacity to produce. This is a proper function of government. But our efforts should be such as to help our farmers rather than hinder them.

With the reduction of surpluses, cotton farmers will feel that acreage allotments should be increased, and will present that view with considerable logic and with increasing vigor. Under present law, however, increased allotments for cotton are unlikely despite surplus reduction. If the governing legislation is retained, even assuming no advance from present levels of technology, it is difficult to foresee the time when total acreage allotments for cotton will exceed the 1957 level. As you know, Congress has established minimum acreage allotments for cotton of 17.6 million acres for each of the years 1957 and 1958. Based on the present law, the 1959 acreage allotment could be in the neighborhood of 14 million acres. Hence, under present law, disappointment awaits many farm families.

Farmers have the established legal right to undertake programs which increase the price of cotton if they wish to do so. As much as any other group, they have the moral right to influence supply and price in what they deem to be their own interest. They are entitled to the sympathetic help of their Government in meeting their economic problems, the same as any other group. These rights have been fought for and have been won. I applaud and defend the victory.

My question is this: Is it wise to use these hard-won rights in behalf of a program which has the long-run effect of losing markets, restricting farmers' rights to make their own decisions, and reducing the income of cotton farmers?

Consider these stubborn facts:

Twenty-five years ago, before the acreage control program, cotton grew on more than 40 million acres of United States farmland. This year the allotment is 17.6 million acres. Three million acres of that allotment have gone into the soil bank. The actual acres of cotton produced this year seem likely to be about one-third as many as before the control program began.

Twenty-five years ago, before American cotton growers began to hold the price umbrella for foreign cotton producers, cotton production abroad totaled 11 million bales. This past year foreign cotton production was twice as great, 25 million bales.

World production of synthetic fibers has increased during the past 25 years from an insignificant quantity to an equivalent of more than 14 million bales, an amount larger than the 1956 United States cotton crop. Most of the growth in the world market, resulting from increased population and increased per capita consumption, has gone to foreign cotton and to manmade fibers. This growth has been marked. The worldwide per capita increase in consumption of all fibers during the past 20 years was from 8.2 pounds to 9.6 pounds. And the world population during this period increased by approximately 500 million persons.

Undoubtedly production of manmade fibers would have increased and foreign cotton production would have risen during the past 25 years even if there had been no program to restrict supplies and raise prices in the United States. But it is equally certain that the cotton program served to encourage our competition and speed its expansion.

For years it was claimed that cotton producers would accept the adjustment principle, and would keep supplies in line in order to receive the specified level of price support. Yet production has not been held in line. On an acreage calculated, in accordance with law, to produce 10 million bales, cotton production the last 2 years totaled 14.7 and 13.3 million bales, respectively. Carryover reached an all-time high, approximately a full year's needs.

For years it was claimed that the cotton program cost the Government nothing, since supplies were held in line with markets. But the Commodity Credit Corporation is now selling cotton for export at 6 to 7 cents below the domestic price. Net cost to the Corporation is greater than that because of storage costs and the fact that the cotton was acquired at higher than present prices. On 9,297,339 bales thus sold during the last 15 months, the Corporation experienced a net realized loss of $535 million, or close to $60 a bale. This coming year we shall have to charge against the cotton program not only the coming year's loss on exports but the cotton acreage reserve program which will cost approximately $150 million.

Costs are showing up now because we report realized losses when the cotton is disposed of, not when it was acquired. Much of the cotton we are now moving was acquired years ago. Costs are high because cotton

production was much stimulated by a prolonged series of incentive prices—incentives supplied first by the market place and then by law. They are high because cotton has been priced out of the market and because production continues heavy despite controls. Costs are high because we have been spared the wars which cut the cost of earlier liquidations.

The American people will gladly undertake costs of great magnitude in order to solve a problem, but not merely to carry it indefinitely. With formulas in governing legislation, costs seem likely to continue high with little progress toward a permanent solution.

While the growth in their markets has largely been captured by the competition, cotton farmers have been restricted in their decisions as to management of their farms.

Controls breed controls. Cotton production has been restrained from moving to the most efficient farms. Allotments to individual farms, whether based on history or on tillable cropland, depart to a considerable degree from considerations of equity. All these matters are irksome to farmers.

It is extremely difficult to fit nearly a million diverse cotton operations into a pattern based on a legal formula.

Cotton producers and agriculture in general should not sacrifice the efficient use of agricultural resources on the altar of price support. To do so would discredit price supports, which are a useful stabilizing stabilizing tool. As matters now stand, cotton growers are operating on a part capacity basis. Some producers have continued planting marginal acres to cotton for the main purpose of maintaining their historical acreage base.

With acreage controlled, producers have simply fed the land more fertilizer, used more insecticides, and used other devices to produce almost as much cotton as before on far fewer acres.

Not only have we kept marginal land in cotton, we have kept marginal producers in cotton, hurting both themselves and cotton-growers in general. The result is to push up the national average unit cost of production of cotton to a level which handicaps American cotton in competing effectively against foreign cotton and synthetics.

Some marginal producers, of course, have withdrawn from cotton production. Some took jobs in the expanding industries of the South. Others went into the production of meat animals, dairy products, poultry, eggs, and other commodities. By and large, those who got out of marginal cotton production have improved their situation.

The decline of cotton has had many secondary effects. Small towns and trade centers which once serviced 40 million acres of cotton now service 15 million. Some of our transportation facilities are no longer needed. Employment opportunities for local labor in the cotton industry have been reduced. The cottonseed industry has suffered.

Tradesmen have seen Government, in possession of practically the entire cotton carryover, forced to take over more and more of the marketing functions. We are deeply concerned about the effects of the present program on the cotton marketing system. One of our objectives is to avoid disrupting normal operations any more than absolutely necessary. I assure you that we will keep the entire situation under continuing review during the 1957–58 marketing year. Any long-range cotton program must be based on keeping the merchandising of cotton in the hands of the people who best know how to do that job—the private trade.

What has been the cause of the difficulties experienced by farmers, rural tradesmen, and the cotton trade generally?

The major cause is that for many years, agricultural legislation has focused on a single objective, a high level of price support.

The legislative goal of a high support price based on the so-called parity, a weak measuring rod, ignores the fact that cotton farmers are interested in net income, not just price per pound. And it is income that farmers spend, not price. Net income is the result of price times production minus costs.

Present legislation seeks to maintain the support price per pound through drastic restrictions on the right to produce and market. Inevitably this raises production costs per pound. The long-run result of reduced volume and higher unit costs of production is to reduce net income.

Back in 1929, before we embraced the single objective of high price supports, cotton lint brought in 13.4 percent of our farm income. Last year cotton brought in only 7.5 percent of our farm income.

Twice the cotton program has been rescued by war. Were it not for that fact, its shortcomings would have been highlighted long before now. Carryover built up to 13 million bales before World War II, and was substantially reduced following the end of the war. Carryover built up again prior to the Korean war, and the demands of war pulled down our stocks. From 1952 to 1956 we experienced the greatest inventory buildup of all time. This buildup is now being liquidated at tremendous cost, in a time of peace and abundance instead of a time of war and scarcity.

With the passage of time, the original concepts of the cotton program have been eroded away.

The original cotton program was developed in the depths of the depression. Heroic measures were needed in those days; I am not finding fault with the emergency programs developed to meet what was indeed a desperate situation. The Agricultural Adjustment Act of 1938 provided price support at 52 to 75 percent of parity. The adjustment principle, that is the idea that production should be held in line as a condition of receiving price support, was widely accepted by cotton producers.

But let us see what has happened since that time. The price support level was raised from 52 to 75 to 85 to 90 to 92.5 percent of parity. Now, under present law, as soon as sufficient stocks are moved, supports must be at 90 percent of parity, an incentive price which has lost us much of our historic and potential market and if retained would lose still more.

Not only has the law been written with a high price support requirement; special provisions have been enacted that result in overshooting the price target, with attendant stimulation of production and loss of markets. Here are some of cotton's fringe benefits which have proved to be disadvantageous rather than beneficial; I shall mention them only briefly:

The provision, restricted to cotton and peanuts, that the price support cannot be reduced below 90 percent of parity until supplies exceed 108 percent of normal. For other basic commodities the price drops below 90 percent of parity when supplies exceed 102 percent of normal.

The requirement that price support and parity be based on seven-eighths inch Middling grade, which results in support prices about 5 percent higher than would otherwise be the case if it were based on the average quality of the crop.

Set asides, which force higher supports than in the absence of such provisions.

Dual parity, which has in the past required the use of old or modernized parity, whichever was higher.

The provision that support prices must be announced before planting time and must be raised before harvest if parity and supply conditions warrant, but cannot be reduced even though parity might fall or the supply increase.

The effect of all these special provisions is to raise the support price for cotton. In the immediate short run, other things being equal, such increases would be expected to increase the incomes of cotton farmers. But other things are not equal. When a program has continued for as many years as the cotton program, then we are dealing with long-run, not short-run relationships.

We have all heard the argument that the price of raw cotton is so small a part of the finished product that the price of cotton could be increased sharply without reducing consumer purchases. One trouble with this argument is that often it is the spinner rather than the ultimate consumer who chooses the fiber going into a given product, and the spinner will shift to the most economical source of supply with a relatively small differential. For many products, the competition between cotton and man-made fibers is definitely on the basis of price.

The argument has been offered that cotton consumption bears no relationship to price. The refutation of this argument lies not in theory, not in highly refined statistical analysis, but in this simple hard fact: Over a period of years, operating with a high support requirement, we have lost markets and our competitors, by underbidding us, have gained them.

Laws now on the books were enacted with the intent of helping cotton farmers. My comments are aimed not at the intent but at the result.

I have mentioned how the provisions regarding cotton price supports have been sprung in the direction of higher price support requirements. Now let me enumerate the provisions by which the controls have been sprung in the direction of reduced effectiveness:

Minimum national allotments. For 1957 the cotton acreage allotment which would be required, by formula in the way, to adjust supplies to normal, is 3.9 million acres. Yet the law provides a minimum allotment of 17.6 million acres, 4½ times the level actually needed.

Minimum individual allotments. The law provides that 100,000 acres must be added to the national allotment for this purpose.

Checking compliance on the basis of harvested instead of planted acres.

Use of an out-of-date 5-year average, with no adjustment for trends, in determining yields for computing the acreage needed to produce a normal supply.

Permission to grow any other crop on acres diverted out of cotton, which shifts the burden to producers of other crops.

While these provisions give cotton farmers some immediate relief from the tight restrictions which would otherwise be necessary, they postpone the day when farmers can look for the surplus burden to be lifted.

We have all heard the argument that a reduction in the level of price support will result in increased cotton production by causing farmers to plant more acres as they strive to maintain income. I know of no competent research which supports this view. And I am impressed with the fact that when the Congress really wanted increased production, as during the war, supports were raised, not lowered. When reduced production really was wanted, as for potatoes some years ago, supports were reduced and then eliminated, not raised.

What the relaxation of production controls really means is this: Farmers will not accept, the Congress will not enact, and from a practical standpoint, the executive branch cannot enforce the kind of production controls which would be necessary to balance supply with demand at the price objective specified in law.

We have tried to legislate scarcity, and have found that this is extremely difficult to do. Might it not be well, then, to learn how to live with the blessings of abundance?

In the early years, the cotton program was an emergency measure, developed to meet a severe depression. This measure has gradually been replaced by a program with a high price objective and weak controls. The original vehicle was gradually overhauled and given a more powerful motor but weaker brakes. No wonder it is hard to keep on the road!

Upland cotton, with a high support requirement, has experienced declining acreage. Extra long staple cotton, meanwhile, has adopted a low price objective and has been experiencing increased acreage. Growers of extra long staple cotton advocated legislation, which the Congress enacted, setting the level of price support at 75 percent of parity. Allotments for 1957 are about twice as great as in 1956.

There is a growing realization that the program for upland cotton is in deep trouble. There is much casting about for alternative remedies.

A two-price plan is sometimes suggested. Under such a plan domestic cotton would sell at a high price and cotton for export would sell at a lower price.

Technicians and authorities who study such plans raise a number of troublesome problems, among them this one: If domestic cotton continues high in price, manmade fibers are further encouraged in our big market—the market here at home.

Another proposed remedy is a production payment plan, with cotton selling at or near a competitive level and with a payment to cotton farmers, from the Treasury, making up the difference between the market price and the price objective. Authorities also raise a number of difficult problems about such proposals. Do cotton farmers want to be dependent upon the Congress, annually, for highly visible appropriations which might equal half or more of their net income? It would be well to recall some basic arithmetic. Farmers now total only 13 percent of the population and only 1 farmer out of 5 produces cotton.

Responsibility for enacting legislation lies with the Congress. The Department of Agriculture, as an agency of the executive branch, has responsibility to point out difficulties in administering the law, and to counsel with the Congress regarding their solution.

Certainly, when alternatives are considered, we should consider the possibility of permitting our cotton farmers more freedom to farm. Certainly we should consider the desirability of moving in the direction of being more competitive price-wise.

Cotton must be priced right if it is going to sell.

We might liken the cotton industry to a stool which needs three legs to stand upright—quality, merchandising and realistic pricing. It cannot stand permanently on just two legs no matter how strong they are built.

It won't be easy to win back our markets. Markets lost over a period of 25 years are not regained overnight. A quarter century of sheltered existence is poor conditioning for the rough-and-tumble of market competition.

But the markets are there if we go after them.

Our present per capita consumption of cotton here in the United States is about 26 pounds per year. In the free foreign world per capita consumption is only about 6 pounds. If foreign consumption could be increased by only 2 pounds—the equivalent of one bed sheet, or one pair of overalls—it would create a new market for about 7 million bales annually.

Rather than being lulled into complacency by the favorable developments of recent months—increased exports and reduced carryover—we should use this time to reexamine the basic law. We must not wait until, having disposed of surplus number one, we have built up surplus number two. We must not wait with making changes until they are forced upon us. We should make use of the next few years, while we have the soil bank and the surplus disposal programs, to make a transition to a program which is more in the interest of our cotton farmers.

The Agricultural Act of 1954 was a necessary forward step. It established a beachhead of rationality in setting of price support levels. No one ever maintained that it was an answer to all our farm problems. The Agricultural Act of 1956 successfully defended the ground gained in 1954 and in addition provided weapons for dealing directly with our heavy stocks.

We should now reexamine basic legislation regarding cotton and other basic crops. I applaud the wide review of this subject now being made throughout the South by the American Farm Bureau Federation in cooperation with the State Farm Bureaus.

My first speech on cotton after becoming Secretary of Agriculture was given at Cleveland, Miss., on May 21, 1953, before the Delta Council. At that time I had this to say:

"I have been rather critical of some of our present farm programs. But this is not because I think present programs give the farmer too much. No; my concern is that they give the farmer too little.

"They give the farmer too little because they do not build markets to put products into use at fair prices.

"They give the farmer too little because they do not permit desirable adjustments to take place in our farm economy which will place the farmer on a sounder footing.

"They give the farmer too little because they fail to provide adequate incentive for self-initiative and self-help upon the part of the grower, the handler, the processor, and the end distributors.

"They give the farmer too little because at times they price such commodities as wheat and cotton out of world markets.

"They give the farmer too little because they tend to hold a price umbrella over synthetic and substitute products which in turn take over our farm markets."

That was 4 years ago. I have said these things, many, many times. I reaffirm them before you today.

My purpose is to add to cotton markets, increase the net income of cotton farmers, liberalize their opportunity to make their own decisions and protect their hard-won rights for equality of bargaining power. I do not want to take anything away from cotton farmers; I merely want cotton farmers to ask themselves earnestly and honestly whether a program of restriction and scarcity can possibly mean as much to them in the long run as a program involving more freedom to plant and more freedom for market growth.

The future of the cotton industry depends on how that question is answered.

Address by Hon. William F. Knowland, of California, at American Legion Founders Day Luncheon

EXTENSION OF REMARKS

OF

HON. WILLIAM F. KNOWLAND

OF CALIFORNIA

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD the speech I delivered on last Saturday, in St. Louis, Mo., at the American Legion Founders Day luncheon, commemorating the founding of the American Legion.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR WILLIAM F. KNOWLAND, AMERICAN LEGION FOUNDERS DAY LUNCHEON, ST. LOUIS, MO., MAY 11, 1957

Comrade Commander, today we commemorate the founding of American Legion in this city in 1919.

This organization of 3 million has made notable contributions to our Nation in both war and peace.

As Americans it is important that we take sufficient time to review the past, examine the present, and try to plan for the future.

It was Lincoln, in his house divided speech, who said:

"If we but knew where we are and whither we are tending we could better judge what to do and how to do it."

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

We must not take our constitutional form of government or our free enterprise system for granted. Neither fall into the category of something that can be locked in a safe deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population, and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of freemen. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems, or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which has made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal, and economic freedom.

We must never dilute our constitutional guaranties whereby human freedom would be compromised with totalitarian tyranny in any form of world government.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law-abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies, we may endanger the safety of this Republic and freemen everywhere.

For many decades the men in the Kremlin have preached the doctrine that the free world contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience, how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past several weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective. The destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British redcoats crushed the first American rebellion in a week and captured the leaders (as happened in Budapest), there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the free world be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers: If based on the first United Nations resolution the friends of freedom abroad had sent the freedom fighters bazookas and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

I believe we are at one of the great crucial turning points of history.

International communism which 40 years ago imposed its will upon the people of Russia has in the meantime, by conquest, subversion, and international blackmail, extended its power to where over 900 million people are enslaved behind the Iron Curtain.

Probably not as much as 10 percent of that number can be considered hard-core Communist Party members.

Never before in history have so few imposed their ruthless totalitarian will upon so many human beings.

Since the fall of Dienbienphu in 1953 international communism has added no territory and no people to its monolithic structure.

Since 1953, within the Communist Empire cracks have beeen showing up which are of great significance.

1. The riots in East Germany and East Berlin.

2. Restlessness in Poland leading to the Poznan outbreak and the temporary attempt to placate the liberty-loving Poles with a "respectable Communist regime," as if in fact there could be such an unlikely monstrosity.

3. The Hungarian revolt with its lesson that unarmed people can rise up, seize arms, drive out a secret police control and can only be destroyed when divisions of a foreign power are used to crush a victory the Hungarian freedom fighters had already won.

4. The strains and stresses, economic and otherwise, within Communist China, some of which were reported last Sunday morning.

5. The repudiation of $65 billion worth of Soviet Union bonds which is not only indicative of fiscal problems within the U. S. S. R. but a reemphasis, if any is needed, that Soviet commitments are not worth the paper upon which they are written.

6. The failure of the established agricultural and industrial programs in the Soviet Union and in most of the captive states.

Responsible men and women, in and out of government, must ask themselves these questions:

Would the world be a better place in which to live if the godless international Communist tyranny should disintegrate? Can communism's political system endure if its economic base collapses? Can even a ruthless police state hold its people in subjugation if their economy cannot produce the minimum requirements of food, clothing, housing, and a modest number of consumer goods?

At such a time it does not make sense to me that the United States and our free allies would embark upon a program to rescue the Communist world from its own evil shortcomings.

While the communist world is reaching a crisis in its economic and political life it is now proposed:

1. That our allies open wider the doors of trade in both strategic and nonstrategic materials to Communist nations.

2. We assume the burden of supplying agricultural supplies to the Polish Communist regime so they can better concentrate on supplying strategic coal and uranium to the Soviet Union as well as other production which will strengthen the Soviet economy, and hence its totalitarian government.

It is proposed that we take $100 million of American assets and make them available to the Communist government of Gomulka while the government is making loans available to the Communist North Vietnamese of Ho Chi Minh and the Chinese Communist of Mao Tse-tung.

We have already contributed over $1,200,000,000 to sustain Tito-type communism in Yugoslavia. It is now about to be announced that we will send more jet fighting planes to Communist Yugoslavia.

We have many good and stout allies (Free China on Formosa, Korea, Turkey, Pakistan, Vietnam, Thailand, and the Philippine Republic) that need more jet planes. All of them should have a priority over Tito's Yugoslavia.

I do not favor taxing the American people to support Communist economic or political systems abroad.

It was Lincoln who said: "Fellow citizens, we cannot escape history * * * the fiery trial through which we pass will light us down to the latest generation. We, yes, even we here, have the power and bear the responsibility * * * in giving freedom to the slave we assure freedom to the free * * * we shall nobly save or meanly lose this last best hope on earth."

Tenth Anniversary of the National Student Association

EXTENSION OF REMARKS

OF

HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. WILEY. Mr. President, this year marks the 10th anniversary of the United States National Student Association, one of our most dynamic youth organizations. A brief look at the 10-year record of USNSA is proof enough of its expanded program of education and service to our educational community.

It was a great pleasure for me to contribute a special article to the association's student government bulletin, in its anniversary issue. My theme, Students Today—Statesmen Tomorrow, is particularly significant at a time when, more than ever before, student government is looked to for the molding of tomorrow's statesmen.

I ask unanimous consent that the article be printed in the Appendix of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STUDENTS TODAY—STATESMEN TOMORROW

(By Hon. ALEXANDER WILEY, senior United States Senator from Wisconsin)

This, the 10th anniversary of the United States National Student Association, is a highly significant juncture in American life. It is a time when we see our student movement taking on new meanings and challenges.

We find ourselves in a constant state of flux here at home and abroad. We are witnessing and we welcome unparalleled advancements for the benefit of mankind.

Yet, we see in the dark background a brutal, hostile ideology dedicated to world domination. Against this backdrop, in an era of progress and development otherwise, we are striving to hold secure the previous values of our democratic society, and at the same time help other freedom-loving countries preserve these principles.

The future is, of course, uncertain. News breaks daily from the four corners of the world, news which in one way or another ultimately affects our Nation. Yet, in pondering what lies ahead for America, I am encouraged by a great faith in America. Part of that faith is the deep confidence that our rising young leaders will meet the test of

shouldering tomorrow's burdens. I know that my great expectations for the younger generation will not be disappointed.

USNSA SETS THE PACE—ITS MANIFOLD CONTRIBUTION TO OUR NATIONAL WELFARE

The performance of our United States National Student Association helps sustain my faith in youth. The record of the association over the past decade speaks for itself, and is proof enough of the fine caliber of our young adults. Intellectually and spiritually, USNSA members deserve recognition as general spokesmen for American youth.

On the homefront, USNSA has spearheaded basic improvements in all aspects of campus life, promoting the cultural, social, and physical welfare of students. Member student bodies have joined together to tackle mutual problems and to stimulate democratic student government. Most important, USNSA brings us a dynamic, articulate student voice in national affairs. It exhibits a collective alertness to "what's going on" generally, as well as to the new horizons of American education. What better way of supplementing student civic responsibility and offering vast educational opportunities?

MEETING THE PROBLEMS OF EDUCATION

As we are all aware, the problems of American education itself are not becoming any simpler. These problems pose a real challenge to student leadership and to the USNSA.

The numbers of college eligibles are growing by leaps and bounds. How will we cope with the expected 4,500,000 college entrants of 1965? Furthermore, our more complex society requires an increase in the amount of knowledge. And this in turn demands a great expansion of our educational programs.

Student government, therefore, with USNSA carrying the ball, will have to take a new look at policy and programs. Such issues as student economic welfare, antidiscrimination, maintenance of high educational standards, academic freedom, balancing of liberal and specialized training—these are but a few of the areas demanding thoughtful reappraisal.

WORTHY WORLDWIDE ACTIVITIES

Internationally, USNSA has further proved invaluable in closing the ties among young peoples throughout the world—the ties that will help bind the confidence and good will of future foreign leaders. USNSA relations with other national student agencies offer one of the best organized means we have to promote youth fellowship and to foster a true understanding of other modes of life.

The free exchange of ideas and a spirit of "working together" on mutual youth problems are the ideals of international cooperation. USNSA work with the World University, the Foreign Student Leadership Project, International Student Relations Seminars, and student travel programs, all deserve the widest support toward this goal.

DEVELOPMENT OF THE STUDENT LEADER

I would like to underscore one function of USNSA, which in my mind warrants top priority at this time—development of youth leadership.

As a United States Senator, I have learned the so-called ingredients of a public servant. And speaking from experience, may I emphasize the tremendous importance of a taste of university leadership for anyone aspiring to a career in government or politics.

It has often occurred to me how fortunate our college folks, my prospective colleagues of the 90th or 100th Congress, are in the limitless opportunities to partake of student government. But are enough taking advantage of them?

In this day and age, when a year seems to pass like a minute, it is not a long hop from student government to its counterpart at the local, State or national level. And there are certain principles guiding the student body president, USNSA worker, Senator, and Congressman which remain relatively fixed.

What are such yardsticks? The power of factual expression, a give-and-take spirit in solving controversial questions, sound reasoning and constructive thinking, continuity of worthy purpose, underlined by strict adherence to democratic principles of self-government and by genuine dedication to what is best for the largest number, these all add up to the making of a statesman. To become a part of public life also requires a knowledge of the democratic philosophy and group process.

The extent to which our aspirant can fulfill this recipe and can achieve his or her fullest potential for effective leadership in adult life, may depend on his or her start up the Government rung during college.

VITAL ROLE OF USNSA

And this is where USNSA comes in, to serve as one of our best catalysts for responsible student leadership. Stimulating an awareness among youth as to their obligations in student government, and urging followup participation, these are challenging goals for USNSA.

Student government is a facet of American college life, which is probably relatively unique in contrast to most foreign counterparts. In few, if any, other countries has so much freedom been given to students by school administrators, in handling their own affairs. And our young people have certainly lived up to the responsibilities given them.

But more remains to be accomplished. In the face of increasing enrollments, heightened scholastic competition, and struggle to make the top of the class, there may be a serious tendency to play down constructive extracurricular activity, or may I say cocurricular work (a much better reference for an important endeavor).

Scholastic pursuits are understandably intensified in an age when technical and scientific skills are constantly being improved upon and when technical achievement has become essential to our national security.

NEED FOR EXPERIENCE IN STUDENT GOVERNMENT

Yet, in trying to prepare students for society and shape the total young man or woman, we must be on guard against allowing extreme specialization to encroach on other basic educational needs. And student government is such a need—every bit related to the heart of the education process. All college life is a laboratory in individual development. Leadership responsibilities are as integral to forming the well-rounded person as success in his or her curriculum.

How effective is the engineer, physicist, or nuclear scientist, who cannot adequately express his theories, or who is not open to the ideas and suggestions of others?

Not only might society lose out here, but the individual might be cheated in reaching his or her optimum capacity. Higher education actually fails if it does not sufficiently train young people for the mature adult role in all phases of community life.

EXPERIMENTING IN HUMAN RELATIONS

Thus, the prestige and place of student government require a new emphasis. Earlier, I mentioned the development of statesmanlike qualities, associated with early experience in government. May I add that work on behalf of the campus and campus community is an experiment in practical human relations. Participation in student affairs can help deepen spiritual insight, sharpen perception, and strengthen habits of moral action. These qualities together with other teachings of the group process mark the finer-type American citizen.

Without encouragement of a new philosophy toward student government and campus affairs, student leadership can take on a wheels-for-wheels sake stigma. And this kind of attitude could easily breed apathy and disdain for all activities. This, coupled with an exclusive back-to-the-books movement, could seriously undermine the whole concept of democratic student government for which the Nation has long stood.

AVOIDING STALE, STATIC APPROACHES

I am sure that USNSA officers are also concerned about preventing the status quo germ from hitting local student body programs. In many instances, apathy for cocurricular affairs is due to a dire lack of new ideas and lack of some imagination in implementing programs. Simply going through the motions of static-type government is no fun, no matter what level it is on.

Every student group should evolve in purpose, policy, and program. There is something wrong if it drifts along in the same way, year after year. We in Congress likewise require new ways of approaching and solving the comparable problems that may come before us each year. Consequently, we must continually reappraise our policies.

KEY QUESTIONS TO ASK

Thus, student body cabinet officers and USNSA leaders should ask themselves these questions frequently: Are the real student problems being tackled? Is the leadership doing as much as it can on behalf of student welfare?

Such brainstorming sessions can be extremely helpful. And I can attest to the validity of experience in this technique by the Wisconsin Student Association, of the University of Wisconsin in my own State.

CONCLUSION

USNSA's capacity for democratic responsibility appears to be an almost limitless one. And the scope of its work and interest is helping to meet the demands on every front of American life.

I have here devoted some attention basically to only one aspect of the student movement—student government and the crucial need for leadership training. Yet, perhaps these factors constitute one of the cores of real student citizenship. And success in them will certainly help set the quality of tomorrow's American statesmen.

Hats off to USNSA as it looks ahead to the new challenges for young America.

The New School of Aviation Medicine, Brooks Air Force Base, San Antonio, Tex.

EXTENSION OF REMARKS

OF

HON. PAUL J. KILDAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. KILDAY. Mr. Speaker, formal ground breaking ceremonies at the new School of Aviation Medicine, Brooks Air Force Base, San Antonio, Tex., were held on May 10, 1957.

A distinguished group of specialists in aviation medicine was present, as well as high-ranking officers of the Air Force.

This was a most significant occasion for aviation medicine and for the Air Force. Provision of adequate physical facilities for research and instruction in the effects of flight upon the human who operates aircraft, is recognition that, even in this modern time, men are of primary importance.

Under leave to extend my remarks, I include an address made by me on that occasion:

The breaking of ground for the new facilities of the School of Aviation Medicine is a significant occasion. It is an occasion long delayed; and, in my opinion, unnecessarily delayed.

Since the Congress authorized these new facilities there have been a number of projects for research and development involving much larger sums of money which have been authorized, begun, and completed, and the facility placed in operation long ago.

Practically everyone concerned with national defense is conscious of the fact that there has been a tendency, in the past, complacently to accept a national-defense policy based upon the concepts of the last preceding war.

But since the close of World War II there has been a sincere desire to create a national-defense policy and maintain our armed services not subjected to that very serious deficiency. Therefore, emphasis has been placed upon research and development. The Congress has been most generous in providing authorization and appropriations for research and development. However, emphasis has been placed upon the development and production of machines. But all activity, including military activity, must be based upon the fact that even in these modern times things are done by men as well as by machines.

Perhaps it is not unusual that the emphasis has gone to machines rather than to men.

In our time, we are witnessing the second industrial revolution. The first industrial revolution occurred in the latter half of the 18th century in England. A series of important inventions turned England into a modern manufacturing nation. Some of those inventions were brought to our country at the close of the 18th century. The War of 1812 cut off the importation of manufactured products from abroad and stimulated manufacturing in this country.

However, another war in our own country was required before the full effect of the industrial revolution reached the United States. Our own Civil War created a demand by the Army for machines, clothing, blankets, and the munitions of war. The agrarian America of 1860 found it necessary to industrialize in order to meet the demand for those commodities now regarded as relatively simple. Before 1860, there were no great American cities; by 1900, 33 percent of our people were living in cities of 8,000 or more.

It is significant that the impact of the first industrial revolution was felt in the United States as a result of the Civil War, the most destructive war known to history until that time.

The second industrial revolution has come about because of the Second World War, the most destructive in the history of modern civilization. That war demanded the production not only of the basic commodities common to the Civil War, but required them in much larger quantities and of a far more complicated nature. The necessities of the situation produced the invention of tools and machines for the more rapid production of everything needed for the prosecution of war. Except in the field of medicine little attention, in retrospect, was devoted to the most important element of a war machine—the man behind the weapon.

It is not strange therefore that we now find industry and the minds of men intrigued by machines and gadgets. Technology, electroncis, and automation absorb the thoughts and the efforts of all.

The first industrial revolution was based upon the invention of machines which permitted production through the use of fewer men. No doubt, fear existed then that men would not be required for production and unemployment would ensue. At the beginning of the new second industrial revolution stark fear of mass unemployment was again expressed because of the development and use of modern machines and automation. It is now apparent that automation will not result in the elimination of men any more than did the invention of machines at an earlier time.

The American people, by wishful thinking, have in the past, and undoubtedly will continue in the future to look forward to a push-button war. Their thoughts are consumed with the ideas of guided and unmanned missiles, electronic brains, univacs, automatic computers, and mechanical fox-hole diggers. They understandably would like to live in a fool's paradise of a war which will be bloodless for ourselves but most destructive to the enemy.

Should that day ever come, war would be abandoned as a means of settling disputes or acquiring advantage since the nation with that power would automatically exercise world domination. It would be nice to think that that day might come and come quickly, so long as we held that position. But profiting by the lessons of history, we cannot be so sanguine as to believe that the time has arrived when men of ill will will permit the abolition of war.

In order to eliminate certain tasks heretofore performed by men, these new inventions in the field of war have enhanced rather than eliminated the need for men—but men of great technical skill. These weapons and inventions have brought with them new problems which demand solution. Man's capacity to cope with supersonic speeds of aircraft, greater altitudes, flight in the stratosphere, to name but a few, present new problems for solution. The effect of these speeds and altitudes upon the human body will be studied here in this School of Aviation Medicine. These new buildings, providing more space and greater facilities, will permit the men of science who labor here to keep abreast of the human factor in all of these new problems and complications.

No doubt in the not too distant future, aircraft will be propelled by nuclear energy, bringing even additional problems of the effect upon the human who operates them. All of these matters will be studied here. Not only will they be studied here, but the knowledge acquired will be passed on to the student body which assembles here.

Hundreds of millions of dollars have been spent since World War II in providing laboratories, wind tunnels, and all of the most modern facilities for testing the machines of flight. During that time, the School of Aviation Medicine has been restricted to physical properties built for it in 1928, crowded into quarters totally inadequate for its needs, and preventing any thought of expansion.

Notwithstanding these physical handicaps, the staff, faculty, and student body of the School of Aviation Medicine have carried on, and in a remarkable manner, kept abreast in this most important field. All of us here today congratulate them upon their outstanding achievements under such inadequate conditions.

Here we see the beginning of new physical properties for the School of Aviation Medicine which will eliminate those handicaps. Here we see the beginning of a new era in the development of the second industrial revolution—the importance of man and the effects of environment upon man.

The man in the air will have the confidence and knowledge that his welfare, his safety, and his ability to perform his assigned mission, will have received the most thorough study and research that modern science is capable of providing.

This is a happy occasion for Gen. Dan C. Ogle, Surgeon General of the Air Force; Gen. Harry G. Armstrong, his predecessor; Gen. Otis O. Benson, commander, School of Aviation Medicine; and all of those who have worked with them through the years in seeking quarters which will be adequate for their most important assignments. I congratulate them and all others who have had a part in making this occasion possible.

And may I say to the Air Force, as the Member of Congress from this district, that we rejoice with you on this happy occasion—we bid you welcome, we pledge to you our support and assistance at all times, and in all things which may be helpful to you.

Importance of Delaware River

EXTENSION OF REMARKS
OF
HON. EDWARD MARTIN
OF PENNSYLVANIA
IN THE SENATE OF THE UNITED STATES

Monday, May 13, 1957

Mr. MARTIN of Pennsylvania. Mr. President, last week, on May 9, a fellow Member of Congress, the Honorable WILLARD S. CURTIN, who represents the Eighth Pennsylvania District, Bucks and Lehigh Counties, delivered a statement before the House Appropriations Committee with reference to the importance of the Delaware River in the economy of our Nation.

Representative CURTIN presented such a splendid statement that I should like to bring it to the attention of all of my colleagues in the Senate, and therefore ask unanimous consent that it be printed in the Appendix of the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. Chairman and gentlemen of the committee, I appear before you today in reference to the appropriation to proceed with the deepening of the Delaware River channel between Philadelphia, Pa., and Trenton, N. J.

The amount requested for this work for the fiscal year 1958 was $16,500,000 but in the proposed budget estimate, this amount has been reduced by the Budget Director to $9 million.

I feel that this is a subject on which I am qualified to speak, since my Congressional District consists of Bucks and Lehigh Counties in Pennsylvania and I live in Morrisville, Pa., which is a borough directly across the Delaware River from Trenton, N. J. I, therefore, feel that I have some knowledge on this particular problem which may be of some benefit to the committee, since navigation on the Delaware River between Trenton and Philadelphia is on the portion of the said river which is on the boundary of Bucks County and is a subject in which I have been vitally interested for many years.

I have been very much in sympathy with the economy actions of your Appropriations Committee and have voted in favor of all of the appropriation bills wherein the appropriations have been reduced from the amounts requested by the Budget Director. My record will also show that I have voted in favor of many of the further cuts as proposed on the floor of the House, since I firmly believe that this Government should practice all economies which can be effected

without jeopardizing fundamental governmental functions.

However, I do not think that my present appearance before you, with the request that the appropriation for the deepening of the Delaware River channel be restored to the original request of $16,500,000, rather than the $9 million as proposed by the Budget Director, is inconsistent with my position as to economy. This deepening of the Delaware River is a capital outlay for which the Government will get a return on its money, which is far different, in my opinion, from many of the other expenditures which have been authorized.

The Delaware is one of the world's great estuarial harbors. Already, it is the leading port of the United States in the handling of import tonnage, and it stands second only to New York in total waterborne commerce.

As a harbor, the Delaware reaches from the open sea from Cape May, N. J., Cape Henlopen Del., north to Morrisville, Pa., and Trenton, N. J.—a distance of 132 protected miles. But, as a first-class international seaport—capable of handling all types of cargo vessels—the harbor's vast potential has been only partly realized, because its 40-foot channel ends abruptly at the southern end of Philadedphia. This leaves 37 miles at the upper end of the harbor in urgent need of modernization and improvement.

During the fiscal year of 1956, the Federal Government collected approximately $75.1 billion in tax receipts. Of this amount the States of Pennsylvania, New Jersey, and Delaware—the States that surround the Delaware Port area—contributed $8.5 billion, or better than 11.3 percent of the total budget.

The tidal Delaware flows past more than 8,600 different manufacturing plants, most of which are located in the highly industrialized cities of Wilmington, Del., Camden and Trenton, N. J., and Philadelphia and Chester, Pa. Deep water all the way to Trenwill make accessible for industrialization 58 miles of shoreline now available for industrialization along the upper Delaware, where a lack of deep-water access has prevented the maximum industrialization of this area.

The Congress of the United States in August 1954, recognized the urgency of this matter when it passed legislation authorizing the deepening of the upper Delaware, with a 40-foot channel.

Private industry has already invested its resources in an unprecedented expansion of the region on the strength of this authorization, and there is substantial evidence that the expansion is only in its initial stage. Several large industries have already located on the upper reaches of the Delaware, and more are in process of construction, or are planned. A multi-million-dollar plant of the National Gypsum Co. at Burlington, N. J., designed to handle 350,000 tons of raw materials annually, the Fairless Works of the United States Steel Co. at Morrisville, Pa., with its vast potential output possibility, and the Meenan Oil Co. at Levittown, Pa., making use of the Delaware River in the distribution of several million gallons of product annually, are all new industries will contribute to the economic welfare of the area. In addition thereto, Phoenix Iron & Steel Co. has acquired 1,000 acres of ground in the Burlington area, and the Wood Conversion Co. recently announced plans for the construction of a multi-million-dollar shoreside manufacturing plant in the same area. Many other industries are also canvassing the possibilities of the area, but their final decisions are awaiting the opening of the area to the full benefits of low-cost ocean transportation.

This area between Philadelphia and Trenton is attractive to industry, not only because of its location on a waterway, but also because of its availability to the markets in the area, the accessibility to railway lines, the abundance of skilled labor, and the availability of land. However, the development of this land and the improvement of the economy of the area, with its consequent increase in taxes to the Federal Treasury, is being held up because of the difficulty of navigation between Philadelphia and Trenton. Ships now bringing raw products to the plants are, in many cases, compelled to either partially unload in Philadelphia or to not initially load the vessel with maximum cargo. Because of the present depth of the channel, fully laden, large freighters cannot use the channel until it is made deeper and more safe. One of the dangers of navigation is located at the Delair Bridge, at Delair, N. J., which is an old-fashioned bridge having a span of but 110 feet, and, in addition thereto, the channel turns within the area of the said span. Some of the largest of the cargo ships presently using this channel have a 90-foot beam, and others are somewhat smaller. Consequently, the ships of this size going through this narrow span and having to make a turn in the process find it an extremely hazardous undertaking, and the shipowners will not permit their ships to use this channel of the upper Delaware at all after dark and, during daylight hours, only at such times as they can buck the tide in each direction. As a consequence, the use of the channel is materially restricted. A 40-foot channel with a modern bridge having a wider span at this point will eliminate this restriction.

In addition to the above, the size of cargo ships is increasing, so that a 40-foot channel is essential if such ships can use the channel, and such ships must use the channel if the industries located along the shoreline are to get economical rates. A survey by the National Federation of American Shipping shows that the trend is for larger and deeper draft vessels for economic reasons. Maj. Gen. Emerson C. Itschner, Chief of the Corps of Army Engineers, has said, "The move toward deeper draft, larger deep-sea supertankers and ore carriers, and the outlook for increased transportation of the commodities they carry, has created a pressing demand for correspondingly deeper and improved channels in major seaports."

Below Philadelphia, where a 40-foot-channel project has existed for many years, industries of all types and sizes have located at the water's edge, and the ratio of such industry above and below Philadelphia is convincing proof of the need for the same.

All of the above should indicate the need for the rapid completion of this work. The project is estimated to cost approximately $110 million and the hoped for construction period was 5 years. The monetary benefits after completion are estimated at $8,450,000 annually, as compared to annual charges of $4,000,370. The resultant benefit-to-cost ratio is 1.93 to 1, which certainly shows that the prompt completion of this project is just good business. The Philadelphia district engineer has stated that for the fiscal year of 1958, $16,500,000 could be economically utilized with the equipment on the site; the Bureau of the Budget has recommended an appropriation of $9 million, following an initial appropriation of $6 million authorized for expenditure during 1957. If the annual average appropriation for the first 2 years of construction will prevail, it will take 14 years to complete the project, rather than 5 years, and this slow rate of construction will correspondingly slow up the rate to which the revenue—the taxes from industries located and to be located along this stretch of the Delaware—can be realized. Of the money planned for expenditure from the 1958 fiscal year appropriation is the sum of $1,950,000 toward the improving of the Delair Bridge, which would leave $7,050,000 for other deepening expenses. (The entire cost for the work at this bridge will be $11 million.) The equipment is now in the river and available for use, and if appropriations are such that this equipment can be utilized to its upmost, the job will be finished in a less period and the return to the Government in the form of taxes will be sooner realized.

The channel to be dredged should be dredged to the full depth of 40 feet as the work is done. There is now some argument that an initial 35-foot channel be dredged to Trenton, to be followed by a 40-foot channel as commerce increases. This is not sound reasoning. There is much rock to be cut out of this channel, and cutting rock under water to a certain depth and then going back and cutting a few more feet from the same rock at a later date is just not economical.

With the modern trend in ship construction, a 40-foot channel is vitally necessary if this waterway is to be used to its full and best advantage. The two-step procedure only adds to the cost by postponing just that much longer the adequate and complete use of the channel.

Also, in terms of our national defense in this age of nuclear warfare, when every day brings forth a new international crisis, the Delaware River port area, because of its diversified industrial power and geographical location, is the keystone in the Nation's arsenal for defense.

In addition to the foregoing, the deeper channel would be beneficial in many supplemental respects.

1. It would decrease the pollution of the stream by causing a faster flow of more water;

2. It would be a factor in flood control by permitting faster runoff of high water;

3. The dredge material will help build up the shoreline.

In view of the foregoing, I would respectfully urge the committee to increase this appropriation for the fiscal year 1958 to $16,500,000.

Rivers Bridge Confederate Memorial Association

EXTENSION OF REMARKS

OF

HON. ROBERT W. HEMPHILL

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. HEMPHILL. Mr. Speaker, I would like to have included in the CONGRESSIONAL RECORD a speech the Honorable W. J. BRYAN DORN, a Representative in Congress from South Carolina, made at the 81st annual celebration of Rivers Bridge Confederate Memorial Association in South Carolina on May 10, 1957.

This speech was made on Confederate Memorial Day and the Battle of Rivers Bridge occurred at the end of the Civil War when a handful of southern soldiers held off more than three divisions of Union troops.

The speech follows:

ADDRESS BY WILLIAM JENNINGS BRYAN DORN, MEMBER OF CONGRESS, 81ST ANNUAL CELEBRATION OF RIVERS BRIDGE CONFEDERATE MEMORIAL ASSOCIATION, MAY 10, 1957

It is fitting and proper that you, now and forever, honor the brave and gallant men who fought here at Rivers Bridge for a cause they believed to be right and just. The Confederate soldier faced overwhelming odds for 4 years because he believed in the principle of States rights and local self-government. While finally losing on the

battlefield, his efforts were crowned with success in staving off for nearly 100 years the autocratic Federal dictatorship now looming menacingly on the horizon. The men at Rivers Bridge were dedicated men. They were courageous, independent, self-reliant. They sacrificed everything—their homes, their lives, their fortunes in an all-out effort against unconstitutional usurpation. We, the grandsons and granddaughters of these brave men, will do no less today in upholding the principles and ideals for which they fought and died.

In a sense, the War Between the States was a renewal of the Revolutionary War. In the Revolution, the American patriots were fighting against the autocratic power of King George III. The South, in the Confederate War, was fighting against what they believed to be usurpation of States rights and individual liberty by an autocratic, powerful Federal Government. It was a continuation of the long struggle for local government against autocracy. This is a never-ending struggle. Liberty is something that has to be won, defended, and fought for over and over again. Basic and fundamental principles of government and political philosophy never change. They are the same "yesterday, today, and forever."

In America today, we see a renewal, on a large scale, of the fight against centralization and federalism. The stakes today are higher than in 1861. The same fundamental issues are involved. The revolution today will be peaceful but no less determined. It will be fought out in the State legislatures and the halls of Congress, before the Supreme Court, and by television, radio, the press, and in the hearts and minds of individual citizens. It is not a sectional fight today between the North and South, but it is a battle between those, on one hand, who believe in a strong nationalist, socialist state, and those, on the other hand, who believe in States rights and a maximum of individual liberty. At stake today is trial by jury, freedom of speech, freedom of worship, freedom of the press, and the time-honored principles and ideals so paramount in previous revolutions and struggles for freedom. We must fight today, by peaceful means, just as our forefathers fought in the Revolution and as our grandfathers fought in the cause of the Confederacy. The fate of the entire free world rests on the outcome of our efforts. Federal encroachment, for a while, was a creeping encroachment. It was often intangible and little noticed by the average citizen, but today it is open and is moving at a fantastic pace.

We have, in 20 years, seen the Federal budget go from $6,150,000,000 to a proposed budget of 72 billion for the fiscal year 1958. We have seen those on the Federal payroll increase from 876,600 in 1937 to 2,407,491 today. There has been no such increase in the national income nor in the increase of our population. In 1937 the population of the United States was 128 million. Today our population is estimated at 168 million—an increase of only 33 percent. The Federal budget, on the other hand, has increased by 1,050 percent over 20 years ago. The interest on the national debt today is greater than the entire Federal budget 20 years ago. We, the taxpayers, are paying the colossal sum of over $7 billion on the money that we owe during this fiscal year.

The departments and agencies of the Federal Government are writing 90 percent of the legislation today or are making rules and regulations with the full force and intent of law. The direct representatives of the people are being bypassed and subjected to propaganda by these ever-growing agencies of the Federal Government. The taxpayer's money is being spent to propagandize him of the glories of the welfare state. The American citizen is being subjected to a barrage of propaganda extolling the virtues of the Federal autocracy. The people are being led into a socialistic pit of no return. The moral character of our people is being undermined by excessive taxation to support this Federal army of national and international spenders—professional spenders who have done nothing in 20 years but spend the money of the once-sovereign American citizen. In the name of fighting communism, the Federal Government is adopting socialistic and communistic methods. This centralized authority is pretending to stop a disease by spreading more of that same disease—the plague of international socialism. While wasting billions of dollars abroad in a futile effort to stop advancing communism, we are adopting Marxist doctrines through the back door here at home and subjecting our people to unprecedented regimentation.

Almost every Federal department and many of the committee reports of Congress justify their actions in the name of opposing communism. It seems that all Russia has to do to get this Federal bureaucracy to adopt many of its methods is to criticize our Constitution and our way of life. Already, Government is extracting from the American people, on the average, nearly 35 cents on every dollar that they earn. We are, therefore, one-third of the way to national socialism or communism because we are forced to work one-third of the time to support the Federal hierocracy. The danger point will be reached in a few years when the Federal Government starts extracting from our people 50 percent of their income. The French people rose in revolution against Louis XVI when his autocratic dictatorship took from the people 50 percent of their earnings.

The present civil-rights bill before the Congress is aimed at the rights of the States and our individual liberties. I do believe our forefathers, in their heroic struggle of 1861–65, postponed the day of Federal encroachment until recent times. The advocates of centralization are today making another all-out effort. Today the South is again opposing this centralization. We are being aided by patriotic Americans in every State of the American Union. Our numbers are daily increasing, and I am optimistic of some measure of success. The present civil-rights bill is another attempt to circumvent our Constitution and our legal processes to please the Communist and Socialist propagandists. This bill proposes to deny trial by jury in civil-rights cases and substitute trial by commissions or by Federal judges. It proposes to harass our people and our local and State law-enforcement agencies. It would create a Federal gestapo within the Attorney General's office to intimidate our people.

I want to remind the descendants of those brave men who fought here at Rivers Bridge and my fellow South Carolinians whose forebears followed Wade Hampton that the civil-rights bill now before your Congress would create a Federal commission appointed by the President to investigate unwritten charges of discrimination, a Federal commission empowered to subpena citizens to appear hundreds of miles away in a strange city to answer vague and unfounded charges. These charges could be brought against you by word of mouth without the identity of the accuser becoming known. The bill plainly states that anyone about to engage in an attempt to discriminate can be brought before the Commission or into the Federal courts. This bill would create another Assistant Attorney General with a staff of assistants charged solely with investigating charges of discrimination and tampering with the election laws of certain sovereign American States. This type of legislation is being strongly advocated by pseudoliberals who claim to champion the cause of minority groups and the underprivileged. I believe we in the South and in other sections of our country of a like mind are the real, true liberals. We believe in the principles and ideals of Thomas Jefferson. We believe, with him, that the least governed are the best governed. We share his fears about the power of the Supreme Court and a centralized Federal Government. As true liberals, we are fighting to preserve the liberties of our people, the sovereignty of our States, and local self-government.

The so-called liberal of today is advocating more Federal authority and is supporting every decision of the Supreme Court. He is a phony liberal who seeks to take away from the people and add to the already bloated Federal autocracy. In all the history of the world, when power was placed in the hands of a few men, it was at the expense of the power of the people and, I might add, it was principally at the expense of the underprivileged and the minority races. When excessive taxation is wrung from the people and the money placed in the hands of dictators, the people lose their freedom. Likewise, in all history no liquidation or persecution of peoples could take place until first the machinery of persecution was placed in the hands of one or a few men.

This civil rights bill before Congress today, if enacted, could create the very means through which, someday, the minorities in America could be persecuted or even liquidated. No minority or religious sect in America can be persecuted or liquidated as long as we have a maximum of local authority and States rights. No mass persecution or widespread race discrimination has taken place in world history where there was local self-government and States rights. It has only taken place through dictators, centralized authority, and in the name of the "divine right of kings." Yes, we in the South are the true liberals who are fighting today to save minority races and minority religious groups and minority sections from the dictatorial machinery of a Federal Himmler. History will prove that where the machinery for a federal dictatorship was set up, the iron-fisted dictator would soon follow as night follows the day. The Spanish Inquisition in Spain, St. Bartholomew's massacre in France, the persecutions of the Church of England and Rome could never have taken place unless there was a strong federal authority.

This should be a warning today to many of our church leaders who are supporting a Socialist state, the Supreme Court, Federal aid to education, and this civil rights legislation. Make no mistake about it. If this civil rights bill passes, if the Supreme Court usurps more power, if Federal aid to education comes, the man, too, will come and will persecute the minorities in America who are advocating this type of legislation. Hitler posed as a friend of labor and of the people, but when the machinery was placed in his hands alone, he destroyed labor and wrecked the German Republic. Right here let me make it crystal clear that there was no persecution of the various Christian faiths in Germany until Hitler abolished the states in Germany and made the German Reichstag a rubberstamp congress. Many church leaders in his early rise supported Hitler and his wild dreams of Socialist plenty—only to find themselves later in concentration camps for attempting religious freedom. The same can happen in America to our church leaders, to our minority races, if local government and the sovereignty of the States is seized by the Federal Government. Once firmly entrenched in power with a ruthless gestapo at his bidding, Hitler turned the power of his federalized state against a minority race of people. Without local government and state government, they were liquidated in the most horrible and inhumane way.

Joseph Stalin spent years consolidating the power of his federal state and then

ruthlessly liquidated millions of southern Russians and herded minority peoples into the slave-labor camps of Siberia. Mussolini followed the same course when wielding absolute power from his headquarters in Rome. With individual liberty, local government and States rights, these millions would have been alive today. If we are successful in our fight to keep local government and States rights, we will be saving our people from religious persecution and our minority races from the fate of their brothers in foreign lands.

We must exert every effort today, before it is too late, for our constitutional processes, for the proper balance in our form of government between the Federal Government and the States, between the Congress and the executive, and between the people and the Supreme Court. The Supreme Court is interpreting into the Constitution and reading into the law things that were never intended by the Congress or the people. Americans everywhere are becoming alarmed at the usurpation of power by the Supreme Court. The Pennsylvania sedition case, the New York City school case, and, the other day, the Philadelphia private school case are enough to shock Americans in every State and in every section. The people are looking to their duly elected representatives to curb the power of the Supreme Court, executive branch of the Government, and this new international monster—the Charter of the United Nations. I hasten to assure you that your South Carolina delegation in the Congress is fighting night and day, long and hard, to curb and to forestall this sinister Federal authority. We of the South represent only 100 votes in the United States House of Representatives. If we are to be successful, we must gain support in other sections. I believe with our united efforts, support is forthcoming.

Federal aid to education, though supported by some well-meaning people, is an octopus in disguise. With Federal aid, eventually will come Federal control of education and the youth of our land. This is a familiar road followed by Hitler, Goebbels, Mussolini, and Stalin. Every dictator since the beginning of time saw the absolute necessity of controlling education to further his dictatorial ambitions. They were as afraid of locally controlled education as they were the plague. If we are to remain a free Nation, we must preserve local control of our schools.

Every American State in this Union today is in better financial condition than the Federal Government. If the great State of South Carolina, one of the poorest in the Union, can build this magnificent school system that we see around us, surely Ohio, Pennsylvania, Indiana, and Illinois can build their own schools. Any community that builds its own schools and solves its own education problems will grow morally and spiritually. Local government will be strengthened, our people will have more pride in themselves, and confidence in their ability to solve their own problems. This, in turn, will strengthen the Republic. Federal aid to education would strike the final blow to the America as we have known it. America is great today because of its different sections, of its different people, and because of its difference of opinion, and even diverse political philosophy. If America ever begins to look and act in a single pattern, America will cease to be a great Nation. The American body politic will become a rubberstamp without willpower or courage—to be used by the Washington autocracy, to further their own ambitions. My admonition to you today, my fellow countrymen, is to oppose with united effort this civil-rights legislation, Federal aid to education, this stupendous budget and Federal encroachment, just as those heroes so valiantly fought here at Rivers Bridge.

Our struggle today is greater, more far-reaching, and more important than theirs. If we lose America and the free world, we will be plunged backward 1,000 years into medieval darkness. We should zealously guard freedom of speech, trial by jury, freedom of choice, freedom of the press, and religious liberty. To preserve these basic freedoms guaranteed to us in the Bill of Rights, we must save our Constitution given to us by the Founding Fathers of this Republic. To save this great document, we must first preserve the integrity and sovereignty of the several States. We in the South have been plagued for generations by a negative psychology. I see signs of our beloved South going today from the negative to the positive. We are on the offensive. We know that the freedom of our sons and daughters depends upon the outcome of our battle today. The destiny of America itself hangs in the balance. The southern people fought for the South in the War Between the States. The southern people today are fighting for America.

We in the South are in the forefront in this desperate struggle today to preserve not just the southern way of life but to preserve the principles enunciated in the Declaration of Independence, the Constitution, the Bill of Rights and the American way of life, not just for the South but for every single one of the 48 American States that have flourished under that same Constitution. Yes, this fight goes beyond the borders of the South, the Middle West, or the Union, but it extends and beckons to the whole free world. Our fight is the battle of free peoples everywhere—Europe, Asia, the Philippines and beyond the Seven Seas of the world. Totalitarianism, dictatorship and centralization is on the march. This is no time for appeasement or compromise or for adopting just a little regimentation or a little centralization. We must draw the line. The die is cast. We must save all of our freedom or lose all of our freedom.

I am proud that I was born a South Carolinian. I am proud that my great-great-grandfather was a captain in the Revolutionary War. I am proud that my grandfather volunteered in the war for southern independence, fought in the first battle at Manassas and was surrendered at Appomattox Court House. I am glad that you have permitted me a humble part in this, the greatest fight of all—to protect and pass on this palladium of liberty—the America of today. I solemnly promise you today to tell the glorious South Carolina story. We in South Carolina and in the South do have a different philosophy. It is the philosophy needed to bolster the sagging courage of freemen. This is an age of public relations, advertising, and salesmanship. Let us advertise our political philosophy. In this offensive we are now waging, let us all be ambassadors of good will, ambassadors of the American way of life, and ambassadors of constitutional government. Let us resell to the Nation and the world individual liberty and local self-government.

The South played a leading role in the War of the Revolution. A southerner, Thomas Jefferson, wrote the Declaration of Independence. A southerner, George Washington, led the American armies to victory. Again, it was a southern leadership that prevailed in the Constitutional Convention under its president, George Washington, ably assisted by Madison and Monroe. George Mason of Virginia was the author of our sacred Bill of Rights. In the formative years of our Republic, great southern justices molded the Supreme Court into an instrumentality of justice and protector of States rights and the people's liberty. Edward Rutledge of South Carolina as Chief Justice and John Marshall of Virginia won the admiration of the true exponents of freedom. In the early history of the Republic during its most trying years, steady southern heads guided the Ship of State—Washington, Jefferson, Madison, Calhoun, Clay, Andrew Jackson, Monroe, James K. Polk and many others. We southerners are proud of the early American patriots. We are just as proud of Robert E. Lee, Stonewall Jackson, Wade Hampton and the courageous men who followed the cause of the Confederacy. With their blood in our veins, with our great heritage, with these traditions and with the spirit of the men who fought here at Rivers Bridge, and the fidelity of those who are here today preserving the memory of this event, the South can and will be successful.

Loss of Jury Trial and States Rights Inherent in H. R. 6127

EXTENSION OF REMARKS

OF

HON. KENNETH A. ROBERTS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. ROBERTS. Mr. Speaker, today I appeared before the Rules Committee in opposition to H. R. 6127, an evil bill that is stirring alarm in the South and in other parts of the Nation.

Under leave to extend my remarks, I would like to insert the following statement into the RECORD:

STATEMENT OF HON. KENNETH A. ROBERTS, MEMBER OF CONGRESS, FOURTH DISTRICT, ALABAMA, BEFORE THE HOUSE-RULES COMMITTEE MAY 13, 1957

Mr. Chairman, on many another occasion, I have taken an unwavering stand in opposition to the various bills collectively referred to as proposed civil rights bills. Before this committee, however, I will confine my remarks to the single piece of legislation now pending before you. That measure is H. R. 6127 and I strongly urge rejection of it by this committee.

This bill, if reported favorably by this committee and enacted into law, would tend to abrogate certain precious rights of the citizens of this country while it would provide for no benefit above what our citizens now possess. Among the privileges bound to suffer should this measure ever reach passage are the right to trial by jury and the right of the States to govern themselves insofar as possible. To take away these, Mr. Chairman, would be to annul something of value. And what would be left in the stead of these valuable rights? This bill would pave the way for disgruntled persons or organizations to pour allegations of civil rights complaints into a special commission. And this bill makes sure these complaints would be legion in number. It allows an open-end appropriation for providing for those making allegations. When subpenaed as witnesses, they would receive generous expense accounts. In effect, a sort of left-wing secret service corps, snooping into all parts of the country, would be hired at taxpayers' expense. Most of the allegations would be without basis of fact, as a perusal of recent history will indicate. Out of 13,000 civil rights complaints received in 1947, for instance, only 4 convictions were obtained. In another year—1940—prosecutions were recommended in only 12 out of 8,000 civil rights complaints. The allegations in the great majority of cases were not bona fide, but they were numerous. This bill would spawn an even greater deluge of complaints.

And while the persons or organizations making the allegations of civil rights complaints are well provided for, what of the intended victim of the allegations? This bill gives little thought to the accused. He must move quickly, without regard to family or business, to the site of the hearing to face his accusers. He must pay the way of any witnesses he himself might need in defense, and the expense thereunto could conceivably reach large proportions.

The Attorney General, under this proposed legislation, would become the powerful monarch of a teeming kingdom of an admittedly inestimable number of assistants and clerical workers. When an amendment was offered in the Committee on the Judiciary that the proposed Commission on Civil Rights not spend more than $300,000 during the 2 years of operation provided for in the bill, the amendment was defeated. As those who made the thoughtful minority report on this bill point out, the premise for the defeat of this amendment must have been that this Commission in 2 years would cost the American taxpayers far in excess of $300,000. And it is fallacy to believe that the Commission would be allowed to slide into oblivion at the end of the 2 years specified; the professional liberals and minority pressure groups who have pushed this bill will never allow it.

Mr. Chairman, this bill would allow the Attorney General czarlike powers of law through injunction. Proceedings would be initiated against boards of education, election officials, and law-enforcement agencies throughout the States, counties, cities, and towns of our Nation. The usurpation of States rights would be more perilously near complete than ever before. Citizens, it is understating to say, will not abide the abolishment of their rights, including the safeguard of their right to trial by jury.

I submit that the right of jury trial even now is in jeopardy, without the added perils inherent in H. R. 6127. As evidence of this, let us consider the Clinton, Tenn., situation. In February of this year, the Department of Justice quietly moved to substitute the words "the United States" for the names of members of the local school board as party to a suit in Federal Court. By this action the 17 defendants arrested for allegedly hindering the Federal injunction at Clinton could have been deprived of a jury trial and put in jail as unfairly as if they were living in some totalitarian country. That is the way of the Federal injunction; it has unlimited implications. But according to press reports, the United States District Judge in the Clinton case now has yielded to the wave of public indignation through the country. He has ruled that the 16 men, charged with criminal contempt of the most sweeping, most outrageous court injunction in history, may have a jury trial. This case shows what can happen—what would have happened had not the people risen in anger—when the jury trial right is threatened.

The people of this country are quick to stand up for the right of trial by jury. Likewise, they will speak quickly for the rights of their own States to supervise law-enforcement agencies, to keep the law and order, and to maintain elections in accordance with State laws and in harmony with the United States Constitution.

The bill before this committee brings to my mind the historic address made before the Senate of the United States a half-century ago by one of Alabama's illustrious sons, the Honorable John T. Morgan. A resolution came before the Senate aimed at giving Congress jurisdiction to determine whether certain persons, especially Negroes, were being denied the right to vote. During discussion that such a resolution might become an enactment, Senator Morgan rose to speak. His words echo down time's corridor with resounding relevance. "It is too plain for argument," he said, "that such a measure would abolish the State as to all its rightful sovereign powers, and would remand it to the condition of our organized Territories, all of whose laws may be replaced by Congress and all of whose officials may be placed under the power of appointment and removal by the President." That is my argument against the bill before you today.

The individual States rights to handle their own local problems would be wrested from them by the ever more powerful Federal Government.

This is an ill-conceived bill, it brashly impinges on time-honored individual rights, while adding nothing to existing rights. It opens the taxpayers' purse to pour out an undetermined sum of money, while giving no promise of evident returns. It is simply another attempt by northern liberals to gain support of certain minority groups, using the South as their scapegoat.

As a forceful statement in objection to the far-reaching dictatorial legislation this committee is now considering, I submit the following editorial which appeared in the Montgomery, Ala., Advertiser on May 6, 1957:

THE CLINTON JUDGE COMES DOWN OFF IT

United States District Judge Robert L. Taylor's ruling that the 17 persons accused of stirring up integration trouble in Clinton, Tenn., may have jury trials, is clearly in retreat.

After the Clinton High School was ordered integrated, Judge Taylor issued a blanket injunction which was widely denounced as judicial tyranny; he enjoined anyone, anywhere from doing anything contrary to his decree against the school board.

So broad was the injunction, it embraced, at least according to Judge Taylor, all criticism, however peaceful, all objections that the law was wrong and should be reversed. This left Clinton under an imperial law with one man as prosecutor, judge, and jury.

The 17 arrested were charged with criminal contempt of court, on grounds they violated Taylor's permanent injunction. Protests were heard from all sides of the race question, including the following questions asked by a Washington attorney in the Washington Evening Star:

"Where is the statute, constitutionally passed by Congress, which defines the crime of which they stand accused?

"Where is the statute, constitutionally passed by Congress, which gives any court jurisdiction over anyone and everyone who he thinks might disagree with his decrees?

"Where is the presentment or indictment by a grand jury accusing these men of violating what law?

"What are the limits of this power. If a judge, without a law, can sentence a man to 30 days in jail, can he also hang him?

"By what authority of law does he enforce the 14th amendment against private parties who are not parties to the suit before his court?

"If the courts can create such jurisdiction and powers for themselves, what other powers may they assume?"

Others joined in, including the New York Times' respected constitutional authority, Arthur Krock. They pointed to the evolution of barriers against judicial tyranny, the Bloody Assizes under James II in England, the Magna Carta, down to our own Bill of Rights and Constitution.

Under such fire, Judge Taylor has relented and agreed to a jury trial, which is simply a way of confessing that his injunction was invalid, and passing the buck.

All this illustrates the danger of increasing the powers of the judiciary under the proposed civil rights legislation. Good men may not abuse the powers, but as the Washington lawyer noted, there is always the danger of judges who "confuse themselves with the gods."

Address of Vice President Richard Nixon at De Pauw University

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. HILLINGS. Mr. Speaker, the Vice President of the United States delivered a most interesting address last Saturday at De Pauw University. The university bestowed an honorary degree upon him for his outstanding service on behalf of our country.

I agree with the Vice President's statement that consideration should be given toward the allowance of tax deductions for tuitions and fees paid to institutions of higher learning. Early in this session, I introduced H. R. 231 to provide for such deductions which would particularly benefit our private universities and colleges who are having difficulties at the present time.

I urge my colleagues to read the Vice President's remarks with the hope that some action may be taken soon to meet the problem he has discussed.

The address follows:

REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES AT THE BUSINESS AND INDUSTRY DAY LUNCHEON, DE PAUW UNIVERSITY, GREENCASTLE, IND., MAY 11, 1957

The United States is facing a major crisis in the field of higher education. It is essential for our national survival that we continue to maintain the military and industrial superiority which we presently have over the Communist bloc nations. We cannot do this unless our colleges and universities produce both the skilled technicians and the enlightened leaders the Nation needs.

The Soviet Union has recognized this fact by embarking on a program of mass higher education which is frightening both in its basic philosophy and its size. As evidence of the extent of their efforts, it is estimated that 60 percent of the Soviet college graduates each year are in the natural and physical science fields, as compared with approximately 13 percent in the United States. In actual numbers, 53,000 scientific and technical students were graduated in the Soviet Union in 1956, while there were only 38,000 in the United States.

It is estimated that our college population will be twice as large 10 years from now as it is today. To meet this problem, we will need new physical facilities and more teachers.

The task of obtaining and keeping good teachers in our colleges and universities is becoming increasingly more difficult. A dedicated teacher does not expect to earn as much in his chosen profession as he would in another field requiring similar qualifications. But he must have, and is entitled to, compensation which will enable him to maintain the standards which his position requires.

At the present time the average salary of all teachers in private colleges and universities in the United States is only $4,700 per year. We can see how inadequate this is

when we compare it with the $5,500 which is the average pay for all industrial workers in the city of Flint, Mich. Unless steps are taken to remedy this situation, we can only expect that both the quality and number of those who choose teaching as a profession will deteriorate.

The answer to the overall problem is not simply in expanding tax-supported colleges and universities. Since 42 percent of all college graduates come from private schools, it is obvious that we need both types of institutions to meet the need. It would be a tragedy of the first magnitude if tax-supported State institutions were to gradually drive the private colleges and universities out of existence.

I am particularly concerned about the future of the smaller private colleges and universities of which DePauw is such an outstanding example. I am prejudiced in their favor because I attended one. But, in addition, I believe that they occupy a vitally important role in our National educational system.

Both the larger State institutions and the smaller colleges have their strong points. In considering the advantages offered by the smaller college, perhaps the outstanding one is that the student can have intimate and personal contact with the teacher. In the larger institutions, classes, particularly in the first 2 years, are so large that virtually no class discussion is possible and there is practically no personal relationship between teacher and student. In the smaller institution, instruction is essentially individual and personal. The student has the opportunity to discuss problems directly with his professor. And the teacher has more opportunity to liberate and stimulate the student's mind so that he will be able to rise to the pinnacle of his creative ability. The teacher can encourage an attitude of mind and a desire to think which better prepares the student to enter society with a desire to be of service. The small college also offers a religious emphasis which is usually lacking in the larger State institutions.

And as long as we have strong privately supported colleges and universities as well as State institutions, we will not run the risk of Government domination and control which might develop if higher education was completely dependent upon the State and Federal Governments.

Providing the necessary support for private colleges and universities is becoming increasingly difficult. The answer will not be found by enrolling more students who can pay tuitions. On the average, tuitions provide only one-half of the total cost of a college education.

Nor is the answer to be found is raising tuitions. They are already so high that too many qualified students are unable to get a higher education. One recent survey disclosed that 40 percent of the students in the top 5 percent of their high school classes did not go on to college. The United States cannot continue to afford this tragic waste of talent and ability.

Direct Federal aid to private colleges and universities is both unlikely and in many respects undesirable. There is always the risk that such aid could impair the independent integrity which is so essential for a private institution to maintain.

Contributions from individuals are increasingly difficult to obtain because of high income tax rates. I believe that when the fiscal situation of the Federal Government is such that we can afford a reduction in taxes we should give the most serious consideration to provisions which would encourage such contributions, as well as to various plans which have been suggested for allowing tuitions and fees of both public and private institutions to be treated as tax deductions.

A major new source of endowment income for private institutions must come from corporations and other business enterprises who are competing today for the graduates the colleges are producing. Such contributions should be considered just as important an item of business expense as an investment in basic research.

Today our Nation is faced with an adversary intent on controlling the minds of men. This challenge cannot be met solely with technological developments or weapons or sheer good will. But it must be met with ideas. The smaller college can help to give us the potential leaders who have the character and desire for service, and who have the purpose, direction, and ideals with a moral and spiritual basis. Smaller colleges have produced many of our great leaders in the past and they merit the support of all Americans so that they may continue in their important and vital mission.

Cut the Budget and Reduce Taxes

EXTENSION OF REMARKS
OF
HON. MICHAEL A. FEIGHAN
OF OHIO
IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. FEIGHAN. Mr. Speaker, under leave granted, I wish to insert in the RECORD an address I delivered over WHK radio station, Cleveland, on April 20, titled "Cut the Budget and Reduce Taxes":

The real news in Washington is the budget proposed by the President and the reaction of Congress. Immediate reaction of Congress to the largest peacetime budget in our history was unfavorable. Secretary of the Treasury Humphrey appeared to be in agreement with the consensus in Congress because he made a public statement to the effect that the President's budget was too high. Another feature is that vested interests have been busily at work trying to make sure that their pet projects will not be cut by Congress.

The end result is that Congress is more economy-minded this year than usual. This is good news for the overburdened taxpayer. The drive for economy and efficiency in Government is long overdue.

After a most careful study of the proposed budget and taking part in debates in the House, I conclude that the present methods being used to cut the budget will not produce the substantial results the people are looking for. An examination of the budget will show that 63 percent of the tax dollar goes for what are generally called national-defense purposes

In the world in which we live, our national defense can no longer be predicated on the belief that we are separated from most of the world by the Atlantic and Pacific Oceans. Today our national defense takes on global dimensions because we cannot escape the hard, cold fact that the Atlantic and Pacific Oceans are no longer effective barriers for possible invaders or aggressors.

The global dimensions which have been added to our national defense policy have been imposed by the worldwide threat of Russian communism.

The experts responsible for the defense of our country tell us that the possibilities of war in the future demand that we be fully prepared to meet the enemy anywhere in the world. Added is the realization that freedom's cause cannot be defended by the United States alone and that all nations of the world that believe in freedom must do their part in defense of it. That is the real reason why we initiated programs of foreign, economic, and military aid.

I believe that the tremendous sacrifices which the American people have made over the past 10 years in support of our peacetime national defense program are now beginning to bear fruit. There is no doubt that the Communists are in a weaker position today than they have been in many years. Many countries of the free world are becoming more able to defend themselves. Many of the countries enslaved within the Russian empire are showing a determination to throw off their chains of slavery and to oust the Russian Communists who occupy their soil. There are also signs of uncertainty and confusion within the Kremlin itself. The Russian overlords are faced with tremendous internal problems which they cannot solve except by the application of the most ruthless tyranny and despotism over the people. But the Russian Communists have not abandoned their goal of world conquest.

Since 63 percent of our national budget is spent for purposes of defending our own free way of life, the question before the Eisenhower administration is whether it feels we can coexist in safety with the Russian Communists or whether we must continue on with programs calculated to defeat the conspiracy of communism.

This decision must be made before we can realistically and honestly expect a reduction in the national budget and thereby a substantial reduction in taxes. Any substantial reduction in taxes can only be done by a substantial reduction in the funds now being expended for our national defense program.

The administration has not yet made up its mind on this basic question. On the one hand, the Department of State is engaging in activities which afford the Russians the breathing spell they so badly need.

I refer to a story which appeared in the Washington Evening Star last November to the effect that the Department of State had sent a message to the Kremlin assuring it that the Government of the United States did not favor governments unfriendly to communism on the borders of the Soviet Union. According to this newspaper, this message was sent right at the peak of the Hungarian freedom revolution—a revolution of all the Hungarian people which was anti-Communist in nature and sought a free democratic government of the Hungarian people. Shortly after this message the Kremlin sent Red Army reinforcements into Hungary to destroy the great victory won by the Hungarian patriots. Such activities as this, and I presume the Washington Evening Star is accurately reporting the facts, does not weaken communism, but gives it the breathing spell that it so badly needs.

There is increasing talk in Washington that the so-called summit meeting at Geneva ended up in a secret understanding between the Russians and the United States that a status quo would be acceptable to both. Such a status quo would allow the Communists to keep the many nations and millions of people which it now holds in bondage. Such a commitment, if given, would prevent the United States from taking any steps whatever to help the patriotic forces behind the Iron Curtain. These rumors are gaining increasing credence because of the failure of our Government to do anything effective by way of the United Nations or on its own to help the heroic people of Hungary in their fight for freedom.

I remind you again that about $42 billion are included in the budget sent to Congress by President Eisenhower to cover his estimated cost for our national defense program. I repeat our national defense program is calculated to defend our free way of life against

the conspiracy of communism and to help all other nations who are willing to fight for their freedom and independence. To put it bluntly it would appear that the Department of State wants to make a deal with the Russians and the Department of Defense understands the threat of communism to our free way of life and insists upon an everready defense force to meet any possible Communist aggression. Before Congress can make any substantial cut in our national budget, I believe we must have a national policy on communism.

At the moment Congress does not have a clear idea of what our national policy is in this respect. You have a right to expect consistency from the administration in Washington. You are asked to put up $42 billion next year to defend our free way of life against communism, then you have a right to demand a clear and sharp national policy which prohibits any deals with the Communists and excludes any programs or actions whatever which would tend to give the Communists a breathing spell.

If it is our national policy to work toward the elimination of communism as a threat to world peace, then I would ask whether or not our Defense Establishment has been modernized to conform with latest scientific advances. I have in mind the intercontinental guided missiles which are capable of carrying atomic warheads, aircraft that exceed the speed of sound, and electronic devices unheard of 10 years ago.

Modernization of our Defense Establishment cannot take place overnight. We must maintain at all times the capability to completely defeat any enemy who would make the foolish mistake of attempting aggression against the United States. This means that we must have in being a military force with the capability to win and win quickly. Modernization must bring economies with increased defense efficiency.

It is important that all of us bear in mind that 63 percent of our tax dollar goes for our national defense program. To make any deals with the Russian Communists is to deny the need for 63 percent of our national budget. Unless we have a clear national policy on communism, the American taxpayer will be burdened for years to come.

The Nation's Older Citizens

EXTENSION OF REMARKS
OF
HON. ELIZABETH KEE
OF WEST VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Monday, May 13, 1957

Mrs. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I would like to call the attention of our colleagues in the House to a series of studies recently issued by the Committee on Labor and Public Welfare of the Senate, which deals with a problem of growing concern to the whole Nation.

People are living longer today and while we all rejoice that this is so, it is nevertheless creating problems to which we as a Nation must face up sooner or later. Both Congress and our State governments are giving increased and continuing attention to these problems as the plight of growing numbers of our older citizens taxes to the utmost the social and economic resources of almost every community.

In West Virginia, individuals 65 years of age and older represented 7.6 percent of the State's total population in 1954. This was one percentage point under the national average, according to figures contained in a series of Studies of the Aged and Aging, compiled by the Senate Committee on Labor and Public Welfare, released this past December.

In 1900, according to this same source, the average life expectance of boy babies at birth was 46 years; by 1954, they could expect to live 67 years. Girls born in 1900 could look forward to reaching the ripe old age of 48; by 1954, this had increased to 73 years.

By the same token, out of a total population of 76 million Americans in 1900, only 3.1 million, or 4.1 percent, were 65 years of age or older. By 1955, with the total population swelled to 165.2 million, this older age group had increased to 14.1 million, or 8.6 percent; and by 1975 it is estimated that some 20.7 million, or 9.3 percent of the total population will have reached or passed their 65th birthdays. If West Virginia continues to follow the national trend, in 20 years from now at least 8.3 percent of the State's population will be in this older age group.

What this could mean in terms of West Virginia's present and future economy, and the Nation's, can best be explained by some of the further facts set forth in the Senate committee's studies.

Most importantly to be noted, it seems to me, is the fact that the increased years of life granted us will be spent in enforced and unproductive retirement if current hiring trends are continued. Age restrictions now bar many older workers from substantial gainful employment. Recent Department of Labor surveys reveal that in 5 of 7 large cities checked, more than half the job openings listed with the employment offices in the month of April had upper age restrictions—starting in a significant number of instances at age 35.

In June 1956, a period of comparatively high employment, the Labor Department's monthly survey showed that nearly 40 percent of the unemployment insurance claimants in the United States were 45 years of age or over. Census data for the full year 1955 reveals that the average monthly unemployment rates were higher for older workers than they were for the younger age groups; that these older workers had more spells of unemployment; and that the jobless periods were of longer duration for them than for their younger competitors.

It follows, of course, that as their earning capacity diminishes, the purchasing power of these older citizens proportionately declines. This not only tends to have a restrictive effect upon business conditions, but it also taxes the resources of the local community to meet the greatly intensified special needs—for housing, sustenance, medical care, hospital services and recreational opportunities of the older individual.

Old-age and survivors insurance under title II of the Social Security Act is already helping to lift some of the burden of their care from the back of the local community. It is helping many to meet their own needs, in part at least, and thus to enjoy the independence, the dignity and the self-respect which are the rightful properties of those in their sunset years.

But for too many more, with no other sources of income, the low minimum benefit of $30 or $40 a month now being paid under the OASI program is insufficient to provide the bare necessities of even a substandard existence when the recipient is in good health. When illness strikes—as it is so likely to do among older people—the situation becomes hopeless. No recourse is left save to ask for public assistance. And with due credit and great admiration for those who administer our present public-assistance programs, I am nevertheless compelled to protest the humiliations, indignities and often the injustices forced upon the hapless recipients of public aid by the restrictive laws imposed in a majority of our States.

Senator HUBERT HUMPHREY exactly expressed my sentiments in one of his recent vibrant speeches on the Senate floor when he said:

> To me, the practice of forcing an older person to sign over his little home that he has spent most of his life acquiring (and if this is not thrift, what is?) as a condition of receiving aid in time of need is an abomination.

In West Virginia, the public-assistance program has recently had to be cut back because of the demands upon its resources of the growing numbers of the needy aged, the blind, the physically handicapped and the dependent children who must have help to survive.

The extent of the problem and its growing proportions, it would seem to me, can only be solved by Congressional action which would merge the resources of this richest of all nations so that those in the less prosperous areas of the country may have help equal to that available in the wealthier communities. Surely what we are trying to do for the underprivileged peoples of other lands, is worth trying to do for our own at home.

In subsequent issues of Keenotes, I shall tell you about what Congress is planning upon doing, and about the bills which I and many of my colleagues are introducing to meet this serious and continuing challenge to the Nation—the problems of our older citizens.

The Sight Conservation and Blind Work of Lions International

EXTENSION OF REMARKS
OF
HON. JOSEPH W. MARTIN, JR.
OF MASSACHUSETTS
IN THE HOUSE OF REPRESENTATIVES
Monday, May 13, 1957

Mr. MARTIN. Mr. Speaker, the International Association of Lions Clubs—more familiarly known as Lions International—this year celebrates the 40th anniversary of its founding. Through its 563,000 members, who belong to 13,000 clubs in the United States and 80 other countries across the face of the globe, this great service club organization has made Lionism synonymous with grass-

roots neighborliness and kindly helpfulness in every corner of the free world.

It is not my purpose here to list the many activities which Lions Clubs have adopted in their program of community and personal service. They now sponsor more Boy and Girl Scout troops than any other civic or service organization. They finance and encourage hundreds of Little League baseball teams; they provide athletic and recreational equipment for thousands of schools and orphanages, camps and playgrounds. In county fairs, agricultural exhibits, livestock tours, land-conservation projects, and rural health programs, the emblem and hand of the Lions is increasingly prominent. Last year alone this great fraternity of civic-minded men sponsored 170,230 activities dealing directly with the health, improvement, betterment, education, and welfare of the towns and cities in which they live.

Great as this contribution to their communities, their nations, and the wide world may be, I believe that the greatest single service to humanity by the men of Lions International is in the field of sight.

Ever since its founding in 1917, the association has made the conservation of sight and rehabilitation of the blind a major project. Every one of the 13,000 clubs in Lionism has a sight conservation and work for the blind committee, constantly alert to help those living in the world of perpetual darkness. In thousands of communities here and abroad Lions have provided sight-testing equipment for schools and free clinics, instituted better school lighting, purchased countless eyeglasses for needy children and adults, established blind persons in business, promoted the sale of blind-made merchandise and in a thousand and one ways have made life more normal and livable for those afflicted with the threat or tragedy of blindness.

Permit me to spotlight a few of the major projects which this great association of kindly men has fostered.

At Little Rock, in the State of Arkansas, the Lions Clubs of that region operate a rehabilitation center which teaches newly blind persons to live with their handicap. The housewife learns to keep house and care for her family, children learn good health and personal habits, the aged are given courses in weaving, woodwork and other handicrafts. Through this agency, and Lions-promoted State cooperation, Arkansas has become a leader in its work for the sightless.

The Lions of Massachusetts have established the Massachusetts Lions Eye Research Fund and have raised sufficient funds in the past few years to provide financial assistance in the form of grants or fellowships to doctors working in the field of research to discover the causes and cures of blindness.

In Iowa, the Iowa Lions Sight Conservation Foundation operates the Lions Eye Bank at the State University Hospital and has restored sight to scores of persons through surgery, treatment and corneal transplants.

The Lions of Ohio, through the Ohio Lions Eye Research Board, have provided funds for laboratory research into the causes and cures of blindness. Plans are under way for an ophthalmic institute where diagnosis, therapy, and surgical rehabilitation will be available to the needy.

In California, Lions coordinate the work of all agencies in the State which serve the blind. The San Diego Lions Club developed the banks braille writer—a pocket-sized machine which is the braille typewriter for students and professionals. Hundreds of Lions Clubs throughout the world have purchased these machines for blind persons in their communities. The Monterrey Park Lions Club created the miniature white cane, used by Lions as a lapel pin in their fund-raising activities for blind aid.

In Florida, where many clubs are leaders in blind work, the Winter Haven club recently designed a series of tests for school students which promises to revolutionize testing of eyes in the lower grades.

The Lions of New York State have been pioneers in the eye bank and corneal transplant movement. The Buffalo Eye Bank and Research Society, sponsored and financed by Lions, operates in the field of research, surgery, and corrective treatments. The Sight Conservation Society of Northeastern New York is carrying on an intensive program in the treatment of glaucoma and other blinding diseases.

In Illinois the Hadley School for the Blind, financed and directed largely by the Lions of Illinois, distributes free correspondence courses in braille, together with braille texts, magazines, and books, to blind people in all 48 States and many foreign countries.

Michigan is famous for Leader Dogs for the Blind at Rochester, a training school for guide dogs which is partly supported by contributions to the Michigan Lions.

The list is endless; every State has some phase of blind work or sight conservation which it supports, and it was to this unselfish humanitarian service that President Eisenhower referred when he wired the Lions of Washington, D. C., recently:

> Congratulations to you upon the dedication of your Eye Bank and Research Foundation. This is another practical expression of your concept of broad service to the Nation and to your fellowmen around the world.

ORIGIN OF THE WHITE CANE

A blind man crossing a street in Peoria, Ill., more than 25 years ago gave birth to the idea of the Lions white cane—a symbol of blindness and a protection for the blind, in every civilized country of the world. Caught in a swirl of traffic, the blind man desperately tapped his black cane on the pavement, appealing for the consideration that busy drivers did not know he needed.

George A. Bonham, then president of the Peoria Lions Club, saw the incident. There must be, he said, some way in which this blind man and scores of other Peorians in his predicament could warn motorists of their blindness. Suddenly the idea came; why not paint the cane white, with a red band, and let the blind man hold it out when he crossed a street. The Peoria Lions approved the idea, white canes were made and distributed, and the Peoria City Council adopted an ordinance giving the bearers the right-of-way at crossings.

Furnishing white canes without expense to the blind promptly became an international activity of the Lions. Ninety percent of the 190,000 sightless adults in the United States have received canes from their local Lions clubs; every State in the Union has adopted legislation making the Lions' white canes an official protective symbol for the blind. Last year 19,555 white canes were distributed as new equipment or replacements, and thousands of blind persons owe their safety and their lives to the respect which this Lions-conceived symbol of blindness commands.

WHITE CANE WEEK

Man's love for his fellow man, translated into the rich flood of kindness and helpfulness pouring from the hearts and hands of over half a million Lions, is a manifestation of human desire to aid the halt, the sick and, above all, the blind. To memorialize that great contribution in the field of blind work and sight conservation, Lions International White Cane Week has been established in the United States to be observed each year, during the month of September. Its celebration will serve as a lasting tribute to the continuing contribution that Lions clubs are making to this important phase of our national health and welfare.

Security and Independence for Our Senior Citizens

EXTENSION OF REMARKS

OF

HON. GORDON L. McDONOUGH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, May 13, 1957

Mr. McDONOUGH. Mr. Speaker, the American people cherish independence—independence as a nation and independence as individuals—as a vital element of their national heritage.

Today it is as important to an American to maintain his self-respect and independence as a free citizen as it was to the American pioneers of a hundred years ago. He wants the opportunity to choose his own profession, to make his own decisions as they regard his own welfare and that of his family. He wants the right to prove his ability and to test his own judgment, and he is willing to accept his destiny in the acknowledgment of his mistakes as well as the acclaim for his successes.

But an American today faces a major problem in his efforts to maintain the personal independence he so cherishes. He lives at a time when our Nation is expanding in an era of progress unprecedented in world history. He lives in an age of prosperity such as the pioneer of a hundred years ago could but dimly envision in his most fantastic prophesy.

But today's American also lives in an age of soaring living costs, and the highest living standard any people on earth have ever known. And with this fabulous prosperity has come an age of astronomical government spending, unbelievable government debt, declining buying power of each dollar earned, and accompanying high taxes on Federal, State, and local level which shrink earning power and diminish the ability of an American to save part of his earnings during his years of high productivity so that he can meet the costs of raising and educating his family, and also accumulate enough in savings to assure an adequate income for his years of retirement when he is no longer able to maintain employment.

Social security has offered a partial solution to the problem faced by the American senior citizen. But it has fallen far short of its goal of providing independence and security for our elder people.

Our senior citizens who find themselves faced with existence on the small pension provided by present social security are in many instances unable to afford even the bare necessities of life. It is difficult for them to find shelter at low enough cost so that any part of their small allowance will be left to provide a minimum of the food necessary to maintain life. There is little left over for any small luxury, and no provision for adequate medical attention. Hospitalization or nursing care for the most part can be obtained only as a charity patient where such facilities might be available to the impoverished.

Unless the senior citizen has managed to save enough to augment his paltry social security income or receives assistance from relatives, he faces declining years of extended impoverishment haunted by the fear of losing all self-respect and personal independence as a charge of public charity, if inflation decreases his limited buying power or illness threatens.

We have improved social security it is true, but not enough. We have raised payments to a small extent, but not sufficient to provide security. We have extended social-security coverage, but we have not provided adequate protection for all our citizens so that every American can accept the challenge of the age in which he lives, devote the productive years of his life to the security and welfare of the United States and to the care of his own family, and face the years of retirement with the secure knowledge that an adequate pension will be available to allow him to maintain his independence and self-respect as an American and to enjoy his later years assured of an income sufficient to provide him with a decent living and necessary medical care.

It is high time we took the necessary steps to improve social security until it actually does the job for which it was intended—the job of assuring security to our senior citizens. We must not create a new forgotten man in America—the man of elder years. We must not reduce any American to a state of abject dependence on charity for the necessities of life and for his very existence.

We must act now to revise and improve our social security system until we have devised a retirement program which will achieve its goal of providing an adequate retirement pension for every American upon reaching the age of senior citizen.

HOUSE OF REPRESENTATIVES

TUESDAY, MAY 14, 1957

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art our gracious and generous benefactor and our refuge and strength in every generation, may we be a God-fearing and a God-loving people.

Grant that all our feelings of self-gratification and self-aggrandizement may be submerged and supplanted by larger and more magnanimous sentiments of public good.

Help us to appreciate more fully the blessings of liberty with which we have been entrusted and charged to defend and share with all mankind.

May we seek to hasten the dawning of that day when the good blessings of democracy shall be enjoyed by men and nations everywhere.

To Thy name, through Jesus Christ, our Lord, we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McBride, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 173. Concurrent resolution requesting the return of the enrollment of H. R. 1544 by the President to the House of Representatives for the purposes of reenrollment.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 4897. An act making appropriations for the Treasury and Post Office Departments and the Tax Court of the United States for the fiscal year ending June 30, 1958, and for other purposes.

CALL OF THE HOUSE

Mr. CEDERBERG. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 71]

Allen, Ill.	Fogarty	O'Neill
Anderson, Mont.	Griffin	Patterson
Ashley	Gross	Porter
Ayres	Gubser	Powell
Barden	Gwinn	Prouty
Beamer	Hagen	Rabaut
Boland	Hays, Ohio	Rivers
Bowler	Holifield	Rodino
Breeding	Holt	Sadlak
Brooks, La.	Holtzman	Scherer
Buckley	James	Schwengel
Coffin	Kearney	Sieminski
Cole	Kearns	Stauffer
Dawson, Ill.	Kelley, Pa.	Taylor
Dempsey	McCormack	Teague, Calif.
Durham	Magnuson	Teller
Eberharter	May	Utt
Evins	Morano	Vursell
Fallon	Morrison	Wilson, Calif.
Farbstein	Murray	Wolverton
Fascell	Norrell	Zelenko

The SPEAKER. On this rollcall 362 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to the bill and the time limited not to exceed 4 hours, one-half to be divided and controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, if the gentleman from Mississippi will permit, it seems to me that we should continue with the debate all afternoon and read the first paragraph without any amendments being offered today. Would that be agreeable to the gentleman? I want to say to the gentleman that I have had so many requests on this side for time that I do not see how I can possibly deal with a 2-hour limitation.

Mr. WHITTEN. Of course, my request is a unanimous-consent request. I, in turn, would have to object to reading one paragraph, so I could not agree to the gentleman's request. But, of course, the gentleman can object to the 4-hour limitation of debate.

Mr. H. CARL ANDERSEN. Well, I object to that.

The SPEAKER. Well, what is the difference?

Mr. H. CARL ANDERSEN. Very little.

Mr. WHITTEN. Mr. Speaker, if we agree to debate until we finish and then read one paragraph, it might last 30 minutes, and then we would waste a full day.

Mr. H. CARL ANDERSEN. I assure the gentleman that debate on this side will take at least 3 hours.

Mr. WHITTEN. And if we have 4 hours, that will insure adequate time for debate. I would rather wait until that time to agree. I object to the suggestion of the gentleman, and I renew my request.

Mr. H. CARL ANDERSEN. I will have to object, Mr. Speaker.

The SPEAKER. Does the gentleman suggest control of time?

Mr. WHITTEN. I suggest that one-half of the time be controlled by the gentleman from Minnesota [Mr. H. CARL ANDERSEN] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER. The question is on the motion.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I would like first to present to the membership a résumé of our action on significant items in this bill and our reasons therefor, after which I shall be glad to yield for questions.

The bill provides direct annual appropriations of $1,610,024,848 for the regular activities of the Department, including $19,399,515 for retirement fund contributions. The sum appropriated is $403,378,260 less than the $2,013,403,108 available for expenditure in the present fiscal year. It is $272,556,860 less than the $1,882,581,708 recommended in the 1958 budget, a reduction of 14.5 percent for these activities. Except for activities connected with the soil bank and soil and water conservation programs, the committee has, in effect, cut the President's budget for regular activities back to the 1957 level.

Also included in the bill is the sum of $1,239,788,671 to restore capital impairment of the Commodity Credit Corporation through June 30, 1956, under its price support activities. It should be noted that about half of this amount is for storage, handling, transportation, administrative and interest costs. The balance represents price support losses on commodities sold by the Corporation, some of which were held as long as 8 years, during which time the Department failed to offer them competitively in world trade for dollars, as authorized by law, though repeatedly urged so to do. If sales programs started last year at the urging of this committee are continued, the amount of deterioration should decrease and interest, storage, and handling charges should be greatly reduced. This should lead to a leveling off of these costs in future years.

The bill further provides $843,076,238 to reimburse the Commodity Credit Corporation for money expended in fiscal year 1956 for various nonprice support programs under special legislative directives. Of this amount, $637 million represents sales for foreign currencies under Public Law 480, 83d Congress.

The bill includes loan authorizations for the Rural Electrification Administration and the Farmers' Home Administration of $448,500,000, which compares with $1,173,500,000 available for the current fiscal year. These amounts are merely authorizations for loans which are eventually repaid to the Treasury with interest. Repayments of prior year loans are increasing each year and soon will equal the amount of new loan authorization made available annually.

Recognizing the need for economy, the committee has held the appropriations for the regular programs of the Department at the 1957 level. For these activities it has approved 1957 appropriations, plus funds to meet the mandatory retirement contributions, less nonrecurring project costs. The committee has not eliminated or denied any of the new programs requested in the 1958 budget. It recognizes that most of them have merit and feels that such programs can be met by shifting personnel from present projects to new work of more value. With a total of over 83,000 employees in the Department, the Secretary should be able to meet new needs as they arise without adding employees requiring increased appropriations. While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees.

THE PRESENT FARM PICTURE

Conditions in American agriculture at the present time are not good. Four years experience has shown that reduced acreage, reduced prices, and rising costs lead only to reducing farm income to a disaster level. The last 4 years have clearly proven, based on records within the Department, that we cannot reduce production by reducing prices. Further, they show that we cannot reduce world production by merely reducing United States production, and we cannot control United States production by reducing United States acreage.

The records of the past 4 years prove that as we reduce price we increase production, and as we decrease acreage in basic commodities we increase production per acre and release more acres for nonbasic commodities, thereby increasing total United States agricultural production. The record shows that, if the farmer cuts production to the point of obtaining parity of price at the market place, he will have to create a scarcity which will further reduce his income and will be dangerous for the consuming public.

While changes in the law must come from the legislative committee, and changes in policy must come from Department officials, members of this committee feel that we should point out the increasingly bad situation which exists and should report to the Congress some of the causes, as we see them, of present farm conditions and changes which might be made, both in policy and in the law. Although not related directly to funds in the 1958 appropriation bill, these factors are important to the future welfare of American agriculture, and are significant in terms of appropriations required for future years.

THE RECORD

Four years ago net farm income was $14.3 billion, or about 5 percent of the national income of $281.8 billion. Four years ago the farmer received 47 cents of the consumer's food dollar. At that time the farmer received an average of 82½ cents per hour for his labor. Conditions then were considered to be serious for the farmer and it was generally agreed that something had to be done to improve his economic position.

For 4 years now the Department of Agriculture has been trying to improve that situation. During this period the Department has insisted that the primary cure for the farmer's plight is to, first, reduce support prices; second, reduce acreage; third, increase funds for research and extension; and fourth, undertake a rural development program. Then last year, after almost 4 years of following the Department's policies, as the American people approached an election with farm income down, the Department recommended and the Congress passed the soil bank to put up to $1.2 billion from the Treasury in the farmers' hands.

During the last 4 years the Department has tried to cary out its policies.

It has reduced price supports an average of 20 percent.

It has reduced acreage for cotton by 38 percent, for rice by 22 percent, for wheat and tobacco by 23 percent.

Funds for research by State experiment stations have been increased 133 percent; funds for other research in the Department and the Extension Service have been increased 56 percent.

In 1957 the Department will spend more than $2 million in 57 counties in what it called rural development for low income families, an average cost of more than $36,000 per county. Nearly every agency in the Department is involved in this program.

In 1956 and 1957 the Department will give away with few strings attached, under the acreage reserve provisions of the soil bank, hundreds of millions of dollars, money which the Department counts as part of farm income.

THE RESULT

In 1956, after 4 years, farm income was down to $11.8 billion, which includes direct-relief payments from soil-bank funds. This is a drop of $2.5 billion, or 17.5 percent, since 1952. Comparatively, the personal income of other segments of the American economy increased from $271.8 billion in 1952 to $306 billion in 1956, an increase of 12.5 percent. During this period the farmer's share of the consumer's dollar decreased from 47 cents to 40 cents, a drop of 15 percent, while the share for

the group between the farmer and the consumer increased correspondingly. Since 1952, the hourly return to the farmer for his labor has dropped from 82½ cents per hour to 70 cents per hour, while earnings of nearly every other economic group have increased substantially.

In the same 4-year period, farm costs have increased about 10 percent, reflecting increases in income to practically every group between the farmer and the consumer. Further, the farmer's required capital investment and his overall farm debt have increased significantly. The average capital investment required per farm has increased from $22,836 in 1952 to $26,327 in 1956, an increase of over 15 percent. Total farm debt in 1952 was $14.8 billion. This had increased to $18 billion in 1956, an increase of 21.6 percent.

In spite of the great optimism of officials of the Department of Agriculture, the past 4 years have not brought parity of income to the farmer from the market place, nor from any other place for that matter. Today finds the farmer receiving much less from the market place than 4 years ago and depending more and more on direct payments from the Treasury. In the 1958 budget, $1 billion is requested for direct payments to farmers under the guise of the soil bank. In the opinion of a majority of the committee, the only sound basis for the acreage reserve section is to help offset loss of income at the market place.

Since 1952, according to records of the Department, price supports on the major crops have been reduced as follows: Corn, 20 percent; cotton, 12 percent; cottonseed, 33 percent; barley and grain sorghums, 26 percent; oats and flaxseed, 25 percent; rye and soybeans, 21 percent; and milk and butterfat, 18 percent. As prices to the farmer have been decreased an average of 20 percent, his part of the national income has decreased in almost the same proportion, about 20 percent.

During this period of reduced price supports, there have been severe reductions in acreage allotments for basic commodities each year. As pointed out earlier, acreage planted to cotton has been reduced approximately 38 percent since 1952. Acreage for rice has been reduced around 22 percent; wheat and tobacco acreage have been reduced approximately 23 percent.

Contrary to the expectations of agricultural officials, who have maintained that reduced price supports and acreage reductions would reduce production, production increased steadily during this period. Not only did the farmer increase his per-acre production of basic commodities, but acreage reductions for basic commodities made available more acres for nonbasic commodities, increasing total production.

The Secretary now sees that reduced price supports and reduced acreage, which he has offered as the cure to so-called overproduction, has not worked. In his February 28, 1957, appearance before the committee he admitted that controlling production is not the answer. In his appearance on April 16 of this year he told the committee:

> Farmers last year turned in a remarkable performance. They achieved total crop production equalling the previous record from the smallest total harvested acreage in 20 years. Average yields per harvested acre set new overall record levels with few crops falling below average. It should be noted that the large total outturn was attained despite a late, cold spring and severe drought in the southern Great Plains and the western Corn Belt, and other high-producing areas.

Notwithstanding the Secretary's present use of his authority to sell Commodity Credit Corporation inventories competitively in world trade, leading to the greatest export volume in years in 1956, CCC holdings increased from $2.5 billion on January 1, 1953, to $8.2 billion on January 1, 1957. This is largely due to increased production generated by reduced price supports and reduced acreage.

Certainly these results prove the Department's present policies and programs to be inadequate to meet the problem. The facts recited above should lead all interested persons to study the causes and seek the remedies for the present situation, since this country cannot long continue to prosper with one segment of its economic structure seriously ill.

ACREAGE CONTROLS INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

According to USDA reports, per acre yields for corn increased from the 1945–54 average of 37.1 bushels to 40.6 bushels in 1955 and 45.4 bushels in 1956. For wheat, the 1945–54 average of 17.1 bushels per acre increased to 19.8 bushels in 1955 and 20 bushels in 1956. The yield per acre for cotton increased from the 1945–54 average of 283 pounds to 408 pounds in 1956. The same increase has been true for many other crops.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of other farm crops. Further, current programs are encouraging the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

ERRONEOUS PRICE-SUPPORT POLICIES

The belief of the present Secretary of Agriculture that lower price supports would reduce farm production and increase domestic consumption has not been borne out, as shown by the records of his own Department. As the farmer's price has gone down, he has increased his production to protect his level of income as far as possible. Despite price support reductions of 20 percent for corn, production in 1956 was 159 million bushels more than in 1952. Likewise, price support reductions for such commodities as barley, flaxseed, rye, sorghums, soybeans, butterfat, and milk resulted in greater production in 1956 than in 1952.

At the same time, domestic consumption on a number of crops has decreased despite price reductions. Domestic consumption of cotton decreased 461,000 bales in 1956 as compared to 1952, although price supports were lowered 12 percent by the Department as a means encouraging increased consumption. Despite reductions in price support levels during the past 4 years for cottonseed and oats, domestic consumption of these commodities also decreased. It is significant to note that the percentage of consumer income spent for food decreased from 34.4 percent in 1952 to 32.1 percent in 1956.

Further, the record indicates that reductions in prices to the farmer have not been passed on to the consumer. Instead, such reductions have merely increased the take of the so-called middlemen. Since 1952 the spread between the farmer and the consumer has increased from 53 percent to 60 percent. On the basis of the Nation's 1956 food bill of $53 billion, an additional $3.7 billion went to these middlemen in 1956 as a result of this increased margin. If only half of this amount taken from the farmer and made available to the middleman had gone to the farmer, it would have provided him much more money than he can hope to get from the soil bank. If as much as two-thirds of the middleman's added take had remained with the farmer, he would have been able to maintain his 1952 level of farm income, and his plight today would be much less serious.

FAULTY EXPORT SALES POLICY

Another part of the trouble lies with the erroneous export sales policies followed by the Department until about 18 months ago. While the United States was paying 738 United States foreign aid technicians to help improve foreign agriculture, the Secretary of Agriculture was refusing to offer United States commodities for sale abroad at competitive prices, as authorized by law.

The Secretary continues to talk of the United States price support program holding an umbrella over world agricultural production. Yet he readily admits to the committee that he has had authority to sell in world trade on a competitive basis all along. There is no way to avoid the fact that this price umbrella is due to a decision not to use such authority until late 1955 and early 1956,

rather than to the price support program.

The committee would point out again that the Department has always had authority to sell in world trade for what the commodities would bring The Secretary admits to such authority and is now using it successfully. In 1956 more agricultural commodities were exported than in any time in 20 years. If the Department had fully used this authority in recent years, the farmers and the Commodity Credit Corporation would be much better off financially than they now are.

NEW FARM PROGRAM NEEDED

With economic protections built into the law of the Nation for nearly every segment of our economy, the farmer will always be at a competitive disadvantage unless he also has some degree of legislative protection. Constantly increasing costs of transportation, processing, and distribution will continue to force his prices down, since at the opposite end of the economic ladder consumer resistance to price pushes the increased take of the middlemen on to the farmer. Further, as the cost of production increases, and the use of more fertilizer, equipment, and insecticides is required to meet the pressure for increased yields, the cost-price squeeze will become even more acute.

Based on years of study of agriculture, and the familiarity which has come from the annual review of the financial requirements of all of the programs of the Department, it is the opinion of the majority of the members of the committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country—if he is to own an automobile, send his children to school, enjoy a reasonable standard of living, and save and protect the Nation's natural resources.

It is to be remembered that during the long period prior to the 1930's when the farmer had no such protection in law, we wore out 40 percent of our fertile soil and used up 80 percent of our virgin timber. It must be remembered that such a drop in farm income as we have had since 1952 has always led to a depression.

We have had 14 freight-rate increases since World War II. We have minimum wages and bargaining rights provided by law. We have had increasing profit guaranties. All these things lead to the fact that the farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

SUGGESTIONS FOR NEW FARM PROGRAM

Numerous suggestions have been made as to how the farm program might be changed to give the farmer the opportunity to earn a fair income. One method, which was offered originally as the Brannan plan and was adopted later by Secretary Benson for wool, is to make up from the Federal Treasury the difference between what the farmer gets at the market place and a fair price. While this approach may have some merit, it has one significant defect. It would make the farmer dependent for part of his cost and all of his profit on annual appropriations from Congress.

Since Members of Congress represent all of the American people, 87 percent of whom are not farmers, the farmer would be placed in the position of not being able to rely on this support each year. The level of his income would then be subject to the strong economic and political pressure which develop from year to year.

The second approach is to make it to the advantage of the domestic purchaser to pay a fair price at the market place for agricultural products. Such a plan would place the cost of a fair return to the farmer on the purchaser or user of such commodities. This would put the farmer on a basis somewhat comparable to that of labor, utilities, business, and other segments of the population. Under present laws all of these groups are able to pass on to the user the cost of a fair return for their labor and capital.

This second alternative is believed to offer some real possibilities for the basic commodities, and a number of others. This plan could be carried out by issuing to the farmer certificates for his share of the domestic market figured in terms of bushels, bales, or pounds. Such a plan would provide price support for the farmer's certified share of the domestic market at parity levels, thus requiring the purchaser to pay a fair price. Such a program should then impose a penalty or special tax on processors and other purchasers of commodities purchased for domestic use which were not certified as the farmer's share of the domestic market. This would make it to the advantage of the processors to buy certificated commodities.

Under this approach, restrictions on production would be removed, and that part of the United States production not certified for domestic markets would be available for world trade at competitive prices, or for domestic use if the tax were paid. On this basis, there should be little if any cost attached to a price support program. Any cost would be offset by taxes or penalties collected on the domestic use of noncertificated commodities. Such a program would transfer the cost of the farm program from the taxpayer to the purchaser or user.

This type of program would enable us to get away from our present system of acreage controls, and the incentive to increase production inherent in such controls. It would let the farmer farm. In actual practice, much of its cost would come from the group between the farmer and the consumer which, according to the record, has absorbed most of the reductions in farm prices as they have been made.

Many other solutions to the farm problem have been offered and should be considered. However, any new program which is finally adopted should let the farmer farm, should provide protection as to price for his share of the domestic market, and should be paid for by the purchaser at the market place. Under all circumstances, we must keep the right to sell in world markets at competitive prices, authority for which has always existed. We must see that the Secretary continues such a sales program.

RESEARCH AND EXTENSION

One of the Secretary's answers to the farm problem has been increased emphasis on agricultural research and extension activities. While members of the committee have always been strong supporters of these programs and have introduced legislation making increased appropriations possible, they have not agreed with the Secretary that additional employees are a substitute for legislation which will make possible a satisfactory farm income.

The committee has gone along in recent years with sizable increases for research and extension, so as to give the Secretary the opportunity to carry out his proposals. Since 1952, annual appropriations for the State experiment stations have increased from $12,670,308 to $29,503,708, an increase of 133 percent. During this same period, appropriations for the Extension Service have increased 56 percent from $32,100,789 in 1952 to $49,865,000 in 1957.

The increased demand for research and extension work during the past 4 years appears to be the direct result of the reduction in farm income. Demands by farmers for better seed, improved cultivation practices, and better fertilizers and insecticides, to offset price and acreage reductions, have undoubtedly increased the pressure upon the Department for this service. The increase in yields per acre each year appears to be the result of these demands.

With farm income continuing to fall, however, it is apparent that increased appropriations for these activities is not the answer to the farm problem. It is apparent that research personnel and county agents are limited in what they can do to improve the farmer's lot in a period of falling prices, reduced acreage and increasing costs.

In the bill for 1958 the committee is recommending the same appropriation for the research and extension programs as was provided for fiscal year 1957. To continue rapid intensification of agricultural production, with added depletion of the soil of the Nation, seems to the committee to be at cross purposes with other policies. In view of the fact that Congress is asked to appropriate large sums under the soil bank to reduce production, the committee feels that further increases in these fields might well be delayed, especially in view of the large increases of the last few years.

SOIL BANK

The soil-bank program was offered last year as another answer to the farm problem. It is based on the philosophy that the way to help American agiculture is to reduce American production. It was offered as a temporary stopgap measure, in view of the fact that the present program of reduced price supports, acreage reductions, increased research, and education, and other measures advanced by the Secretary, had failed and the farmer's plight had gotten worse and worse. In fact, a careful reading of the law clearly shows that one of the principal

purposes of the program was to get some money into the farmer's hands last fall.

While there may be some value to the conservation reserve portion of the program, findings developed by a special investigation conducted by the committee, and information received from various sources throughout the country, raise serious questions concerning the acreage reserve program. Despite the signup of some 12 million acres at an estimated cost of $260 million under the 1956 acreage reserve program, production for most crops was higher in 1956 than in previous years. Most farmers who placed a portion of their land in the acreage reserve stepped up production on the balance of their land. Further, much of the land placed in the acreage reserve was drought land which would not have produced a good crop in any event.

Officials of the Department feel that the 1957 acreage reserve program will show better results. However, only 75 percent of the participation expected has materialized to date, and if conditions improve in the drought areas participation will be even less than now indicated.

In view of this experience, the committee has reduced the 1958 appropriation for payments under the acreage reserve program from the $750 million authorized for 1957, and the $701,173,340 requested for 1958, to a total of $600 million. Further, based on the record and serious doubts as to the advisability of continuing this program beyond the next year, it has limited the amount of commitments which may be made under the 1958 program to $500 million. Reasons for these decisions appear later in this report.

SOIL AND WATER CONSERVATION

For several years now the committee has felt the need for closer coordination among the various programs of the Soil Conservation Service and the agricultural conservation program. With two new programs of a similar type coming into the picture—the conservation reserve of the soil bank and the Great Plains program—this need has become even greater. For this reason, and due to the difficulty of clearly distinguishing between the activities under each program, the committee has included a consolidated appropriation for all soil and water conservation activities in the 1958 bill.

This new appropriation item includes the funds for soil conservation operations, watershed protection, flood prevention, water conservation and utilization projects, agricultural conservation payments, the conservation reserve, and the Great Plains program. It is believed that such consolidation will make it possible to save money in the overall program, while giving increased attention to phases of the program where vital needs exist. It should also make it possible to make economies by bringing together for the first time the administrative costs for soil and water conservation.

The combined appropriation should provide more flexibility in handling these programs to make certain that the funds are utilized effectively. For instance, under this approach, it is hoped that it may be possible to speed up the various watershed and flood prevention projects, since that appears to be the most effective way to carry out soil and water conservation. Further, the new appropriation will make it possible to use the funds to service new soil conservation districts where this becomes necessary to further the conservation program.

Also, this plan should enable the Congress to provide adequate funds for soil and water conservation research to implement the large overall soil conservation programs authorized each year. There is considerable evidence that soil bank funds and other conservation money could be more effectively used if more conservation research and investigation were done in advance. Proper attention to the soil and water research problems in the various parts of the country where the large sums are being spent under these programs should pay real dividends under this arrangement. In some areas the Department does not now have adequate research information to permit them to recommend conservation practices to be adopted under these conservation programs.

RURAL DEVELOPMENT PROGRAM

The rural development program, which was offered several years ago to help the low income farmers of the country, is another program adopted by the Secretary as a substitute for adequate farm income. Nine offices of the Department of Agriculture receive large sums for this program, and six other agencies of the Federal Government are involved in this effort. It is doubtful if any program could work effectively with this multitude of agencies and agents.

The Department of Agriculture is spending $2,061,645 in fiscal year 1957 for this purpose and has requested $3,955,720 for fiscal year 1958. At the present time, the program is being carried on in only 57 counties, which are designated as pilot counties. This work may be helpful to those counties now receiving this special attention at a cost of more than $36,000 each. However, to expand the program to the 3,000 counties of the Nation, the ultimate cost would run well over $100 million per year, which is far beyond what the taxpayer can afford to spend for this purpose. Even the Department suggests that such program be held to a pilot plan basis. This the committee has done by holding the program to the present fiscal year basis.

It is the belief of a majority of the committee that the funds available within the 1957 base for this work could better be used to strengthen the regular activities of the various agencies involved. Such action would be of more general benefit to the entire country. Since the basic purpose of the regular activities of these agencies is to help all farmers, including low income farmers, the committee cannot see the justification for separate funds and separate personnel for a program which is of necessity limited to a handful of counties. In the opinion of a majority of the committee it would be better to help the price small farmers receive and let them farm. Such a course would be of more benefit to everyone.

CONTRADICTIONS IN PRESENT POLICIES

Inherent contradictions in the present farm policies of the Department are extremely costly to the farmers and the taxpayers of the country. On the one hand, the Department recommends spending $1 billion next year under the two phases of the soil bank to remove cropland from production for the purpose of reducing production. At the same time it proposes to expand the research and educational activities of the Department to further increase yields and expand production. Further, as it advocates reduced production, it then provides the two greatest incentives for increasing production, reduced acreage and reduced prices.

As pointed out earlier, on April 16 of this year, the Secretary reported to the committee that farmers turned in a remarkable performance in 1956, achieving record crop production. At the same time, he reported that, under the soil bank, he was doing everything possible to curtail production.

It seems to the committee that the Secretary and the Congress must review present programs. Figures from the Department's own records indicate that as of now the policymakers of the Department of Agriculture have mounted a horse and are attempting to ride off in all directions at once. If it is sound to expand production through increases for the various programs of the Department, it is highly questionable whether the Congress should appropriate large sums for the acreage reserve under the soil bank. If it is sound to reduce production, as the Secretary proposes, he should be required to stop reducing price supports and cutting acreage, when his own records show that increased production has been the result of these actions during the past few years.

RESEARCH ADVISORY COMMITTEES

Recognizing the value of bringing to the Department the advice of outside organizations dealing with agriculture, members of the committee have strongly supported the 25 research advisory committees established 10 years ago. The committee has felt that such a system would help to keep the research program of the Department on a sound and practical basis and has relied on such groups to provide the principal review of the many individual projects proposed in the budget each year.

The committee has been disappointed in the work of these groups in recent years. Instead of making a thorough and continuing review of existing research projects which might be improved or eliminated to make personnel available to meet new problems, the large increases proposed each year indicate that the time of these committees is taken up largely with the review and approval of new projects of special interest for which additional funds are always asked. This has resulted in such large increases for research that substantial sums were not needed during the current year and have been diverted to other uses.

The committee urges that these advisory groups review their basic purpose and consider how to undertake new and important research projects without

continually requesting additional appropriations. In view of the necessity of holding the research funds of the Department for the coming year at the 1957 level, such action becomes absolutely essential.

In this connection, the committee has noted the interim report recently released by the Commission on the Increased Industrial Use of Agricultural Products. The committee is disappointed to note that the recommendations contained therein call for an increased level of Federal expenditures of "not less than three times the amounts currently available." This is another example of proposing increases in Federal appropriations in lieu of redirecting effort to meet new demands within existing amounts of funds and personnel. Most of the concrete proposals in this report, which appear as new, are really for expansion of existing work. Little, if any attention appears to have been given to what is already being done in these fields.

AGRICULTURAL RESEARCH SERVICE

The committee recommends $48,994,890 for 1958, a decrease of $11,880,110 in the budget estimate. Apparent reductions below 1957 come from nonrecurring and transferred items. The amount provided includes funds for all research formerly carried under this heading, plus funds previously carried separately for foot-and-mouth research at Plum Island and research on strategic and critical agricultural materials.

The amount recommended provides for the continuation of these programs at the 1957 level of operation. It includes an additional $2,385,000 for mandatory retirement fund contributions, offset by reductions for nonrecurring construction projects authorized in 1957 and the transfer of conservation research funds to the new soil and water conservation appropriation.

As pointed out earlier, the action of the committee is not intended to deny or eliminate any of the increases proposed in the 1958 budget. In view of the urgent need for economy, however, the committee believes that it should hold this appropriation, together with all others in the bill, at the 1957 level. It is pointed out that funds for research have been increased 56 percent since 1952. Perhaps a year of settling down could well add to overall research effectiveness. Good administration should make it possible to undertake many of the new programs proposed in the coming year through the elimination or slowing down of less worthwhile projects now being carried on. Even with the 1957 appropriation level for next year, there is some latitude to undertake new projects, since a portion of the research money for the present fiscal year will not be used.

A number of worthwhile projects were brought to the committee's attention during the hearings by various Members of Congress, and others, including additional research on dried beans and bulb production and studies relative to the contamination of agricultural products from phosphate plants and similar industrial establishments. Here again the committee calls on the Secretary and the research advisory committees to give these projects careful consideration and make every effort to undertake them through the discontinuance of less productive work now being performed.

An appropriation of $29,503,708 is recommended for payments to States, Hawaii, Alaska, and Puerto Rico. Also, $250,000 is provided for penalty mail costs. The amounts recommended are the same as those provided for 1957 and are $4,500,000 less than proposed in the 1958 budget.

Since 1952, appropriations for this purpose have increased 133 percent. This has largely been due to the Secretary's belief that additional research is one of the principal means of offsetting declining farm income and the increasing demands of the farmers of the country for better seed, fertilizers, insecticides, and cultivation practices to increase per acre production to offset falling prices and reduced acreage allotments.

As pointed out earlier in this report, the committee has gone along with these large increases in prior years in order to give the Secretary the opportunity to try out his policies. The committee members believe research to be highly important, but would point out that expanding research designed to increase agricultural production is at complete cross purposes with the Department's program of spending hundreds of millions of dollars through the soil-bank programs—along with price and acreage reductions—in an effort to curtail production. It has held these funds for next year to the 1957 level with the belief that a year of leveling off is desirable.

EXTENSION SERVICE

The sum of $49,101,000 is included in the bill for the coming fiscal year, the same amount as available for 1957. While it does not provide the increase of $5,264,000 included in the 1958 budget, such sum is 56 percent higher than appropriations for this purpose in 1952. The committee has held to the present year's figure in line with the general policy followed throughout the bill.

Much of the increase authorized for this program during the past few years has been used by the State extension services to employ administrative people and specialists at the State level and to carry out the experimental rural-development program in 57 counties. It appears that, despite these large increases each year, the salaries of county and home demonstration agents in many areas have not kept pace with those in other activities of the Department. According to testimony presented to the committee, this has created a bad situation in this service. Witnesses have pointed out to the committee that the United States is paying county agents assigned to foreign countries under the foreign-aid program considerably higher salaries than the extension service of the various States pays local agents.

In considering this matter, it should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system. However, the salaries are determined by the State extension services, and it is beyond the power of the Appropriations Committee to correct this salary deficiency. At the same time, the committee recognizes the value of this activity, and feels that it has been a mistake for the State extension services not to keep their salary levels comparable to those of other Federal employees working in the same localities.

The committee strongly urges, therefore, that Federal, State, and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases. In the opinion of a majority of the members of the committee, the funds being used for the rural-development program could better be used to meet these salary needs, than to maintain a separate unit with separate personnel to work with low-income farmers in only 57 pilot counties in the Nation at a cost of more than $36,000 per county. Since the regular county agents are authorized to work with all types of farmers, including low-income farmers, the committee urges that funds now being used for the rural-development program and other special programs at the State level be diverted to help provide needed salary increases for the county and home demonstration agents.

SCHOOL LUNCH PROGRAM

The committee recommends an appropriation of $100 million for the coming fiscal year, a continuation of the program authorized for fiscal year 1957.

Testimony presented to the committee indicates continued increases in the number of schoolchildren affected by this program and the number of meals served each year. During fiscal year 1956 some 10½ million schoolchildren participated in this program and over 1.7 billion meals were served. During that same fiscal year total Federal contributions, including section 32 donations, amounted to $228.2 million, while State and local contributions, including payments by schoolchildren, totaled $519 million. Comparable estimates for the 1957 program are that total Federal contributions will be $284.1 million and State and local contributions will be $562 million.

COMBINED CONSERVATION APPROPRIATION

As explained earlier, the committee has consolidated the funds for all of these programs into a single appropriation for the coming fiscal year. It is expected that this action will result in closer coordination among the soil and water conservation activities of the Department and will provide sufficient flexibility to make certain that the more valuable portions of the program are properly financed, or even expanded where new districts and projects are involved and local people are ready to meet their share of the cost. This should insure maximum advancement and effectiveness of the soil and water conservation efforts of the Department and should result in economies of operation. It should also result in the integration of these programs to the point where basic legislation can be simplified.

The amount recommended for the coming year for the combined appropriation is $535 million, a decrease of $133,441,660 in the budget estimates for 1958 for these programs. The amount proposed is $210,268,000 above 1957 appropriations actually made to date for these programs. However, when the $450 million authorized spending from CCC for the 1957 conservation reserve program of the soil bank is taken into consideration, the amount recommended is $239,732,000 below the rate of expenditures authorized for these purposes during 1957.

In addition, the bill includes an advance authorization of $250 million for the 1958 agricultural conservation program, which is the same amount as was authorized for the 1955, 1956, and 1957 programs. The bill also includes language limiting the size of future conservation reserve programs to $250 million in any calendar year.

The committee expects that increased emphasis will be given to watershed protection and flood prevention projects in carrying out the soil conservation program under the consolidated appropriation. In developing the long-range conservation programs, it is imperative that the maximum use be made of water resources. The committee suggests that all watershed plans inaugurated under Public Law 566 provide for maximum water conservation on an economically feasible basis.

To spend hundreds of millions of dollars for the various phases of the soil bank, and to invest less than $30 million a year in the permanent type of conservation which the watershed protection and flood prevention projects provide, is extremely shortsighted. Some of these projects have been under construction since 1944 and, at the present rate of progress, many will require another 30 to 40 years to complete. It is estimated that a total of $70 million will have been expended on the 11 major watershed projects as of next June 30. During the past few years, the Department has spent more than this amount for emergency feed assistance and other types of disaster programs in the drought areas. Had this amount been spent to speed up the watershed and flood prevention projects, it is safe to assume that a great deal of the damage could have been prevented and most emergency appropriations could have been avoided. Also, the amount spent would have become a permanent investment in long-term soil and water conservation, rather than temporary relief of no permanent value.

The budget included $5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which landowners have signed up and the fact that in many areas adequate supplies are available at reasonable prices from nurserymen, the committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

The appropriation under this heading includes $7,200,000 for soil and water conservation research for the coming fiscal year. This fund has been transferred from the Agricultural Research Service to this appropriation in order that it may be considered in connection with the overall soil and water conservation programs with which such research is identified. As pointed out earlier, the need for this research becomes increasingly important as the conservation programs expand. In some areas of the country little or no conservation research has been done to serve as a basis for establishing practices and regulations for the conduct of these programs. In other areas the conservation research program is poorly organized and is conducted in borrowed buildings and with borrowed facilities. Therefore, the Department is urged to review its activities on the basis of the new combined soil and water conservation program of the Department and to establish proper research programs in each major area of the country.

ACREAGE RESERVE PROGRAM

As pointed out earlier, the acreage reserve program was established under dire necessity to get some funds in the hands of the farmer last year. It was created to compensate producers for reducing their acreages below farm acreage allotments or base acreages, a course which the Secretary now recognizes will not control production. Commodities affected are wheat, corn, cotton, rice, most types of tobacco and peanuts. Producers are compensated through the issuance of negotiable certificates which CCC redeems in cash or, with respect to grains, in grains at a price which will not materially impair the market price for such grain and will encourage acceptance of grains in lieu of cash. It is now apparent that, if this program were to be pushed, it would have a damaging effect on local business.

The Soil Bank Act authorized an annual acreage reserve program of $750 million, to be financed from Commodity Credit Corporation capital funds on a reimburseable basis for the first year. The basic act provided further that, beginning with the 1958 fiscal year, the program should be financed through regular annual appropriations. The appropriation included in the bill for 1958, which is the first one considered by Congress for this purpose, is $600 million This is a decrease of $101,173,340 in the budget estimate, and a decrease of $150 million below the program authorized for 1957.

As discussed earlier in this report, the majority of the members of the committee have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did. Department of Agriculture statistics on the 1956 program indicate that production was higher for most crops in 1956 than for earlier years, due to increased yields on acreage continued in production and the retirement of unproductive and drought-stricken land. While it is still too early to have firm figures for the 1957 program, present indications are that total production will not be reduced materially—despite the expenditure of large sums under this program in 1957.

The committee made a full field investigation of this problem early this year. The findings of that investigation, which are printed in complete detail in part 6 of the hearings on the 1958 budget, reveal many undesirable aspects of this program and many instances of abuses which will have a very detrimental effect on agriculture in the future. Instances are cited and others have later appeared where the amount of rental paid to remove land from production exceeds the total value of the land. Instances are also reported where land removed from production from one crop, for which Federal payment is made, has been put into other crops, thereby creating double income on such land. Numerous instances have also been reported where nonfarm people have invested in land with the expectation that acreage reserve payments from the Government will more than repay their full investment in a few years. Also, some cases have been cited where individuals have leased land from the Federal Government and have placed it in the acreage reserve program at rates higher than those paid under the original lease.

Some members of the committee feel that the program should be discontinued immediately, on the basis that it is pointed in the wrong direction. Others feel that it should be eliminated gradually in the next few years. Since it is felt that complete elimination is a major policy decision which should be handled through regular legislative channels, the committee has moved in the direction of gradual elimination of the program by reducing the appropriation for 1958 to $600 million and by reducing the size of the next year's program to $500 million.

There are two reasons why the acreage reserve program has failed to curtail production by any significant amount. One is that the farmer has rented the poorer part of his land to the Government and, thereby, has not taken out of production land with average production. The other is that the farmer has increased his per-acre yields on the land not placed in the acreage reserve, to offset the loss of production on the land taken out of use. If it is desirable to reduce production through a program of this type, and if large sums are to be expended for this purpose, the committee feels that regulations must be adopted which will make certain that land with average productivity is placed in the acreage reserve. It might be advisable to require that, to be eligible for acreage reserve payments, the farmer should reduce his production by the percentage that the rented acres have to the total acreage on the farm.

In any event, this program will always be considered by the 87 percent of nonfarmers as a means of giving the farmer something for nothing. In the opinion of a majority of the committee it should be curtailed for that reason, if for no

other. As stated earlier, the principal justification for this program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

COMMODITY CREDIT CORPORATION

A total of $1,239,788,671 is included in the bill for restoration of capital impairment of the Corporation through June 30, 1956. A breakdown of this amount is as follows:

	(Thousands)
Price support program:	
Basic commodities	$305,986
Mandatory nonbasic commodities	457,340
Other nonbasic comodities	211,607
Total price support program	974,933
Commodity export program	69,576
Interest, administrative, and other (net)	195,280
Total realized losses	1,239,789

It is interesting to note that only 25 percent of this amount represents price-support losses on basic commodities. Most of the balance is involved in nonbasics.

A further breakdown of this amount is as follows:

	(Thousands)
Loss on commodity transactions	$611,854
Storage and handling charges	281,173
Transportation and related costs	151,801
Administrative and related expenses	36,585
Interest expense	158,376
Total realized losses	1,239,789

These figures show that only half of the amount is due to commodity losses. The remaining half is involved in storage and handling, transportation, administrative and interest costs.

If competitive sales had been the policy for the last 4 years, a large portion of the interest, storage, and handling charges of over $1 billion could have been saved. Further, had the United States stayed in world market on a competitive basis during this period, the rapid accumulation of CCC stocks could have been averted and the large reduction in acreage allotments could have been avoided. Also, it is entirely possible that the need for the soil bank program would not have developed. This would have saved several billions of dollars additional to the taxpayer.

At the continued urging of this committee, and after the establishment of an effective sales organization for the Corporation in the 1956 Appropriation Act, the Department has been selling United States agricultural commodities in foreign trade for dollars on a satisfactory basis. Since the Department started to sell commodities competitively, dollars sales have totaled $1.8 billion. Last year approximately 7 million bales of cotton were sold, and the stocks of many other commodities were reduced substantially.

In connection with the sales of cotton, large sums were rebated to the purchasers based on Government reclassing of the cotton after it had been sold. Information furnished the committee indicates that some $46 million was paid out in this manner, better than half of which went to six of the largest international cotton traders. This situation results either from poor initial classing or substantial deterioration during the period the cotton was held off world markets. It is hard for the committee to understand, however, how either of these factors could develop to such an extent. There appears to be no evidence of collusion, though in some cases the same persons performed both classing operations—when it was taken over by Commodity Credit Corporation and when it was sold to the private purchaser. It would appear that the same judgment would be applied on both occasions. Further, reports reaching the committee indicate that much of this cotton was sold in world trade at the original or a higher grade comparatively, even though these large rebates were paid presumably for deterioration of the cotton while in storage. In view of these findings, the committee recommends that Department officials adopt a regulation which would deny reclassification unless there was a certification from the purchaser that the cotton had been or would be offered in world trade at the same or equivalent grade and class as that at which it was reclassed by the Commodity Credit Corporation. In the absence of such action, the cotton should be sampled on request in advance of sale without reclassing rights.

Mr. Chairman, it is not an easy time for the American farmer, as the Congress comes to consider the appropriation bill for the next fiscal year. As most of the Members know, I have been a member of the committee dealing with agricultural appropriations for many years. Other members of our committee likewise have been members of that committee for a long time.

Times are serious enough with the American farmer, and I think it is time that we set aside many of our personal animosities, if we have had any, and try to look at this matter objectively. Last fall's election is over. Now we are living in a new year with the same problems. It is time that we put our heads together to recognize the serious situation that we have, to study that situation and determine if we can what are the causes, and to go further and determine what we can do as a Congress to improve that situation.

Our committee has devoted much of its time and effort to develop the facts of the situation. We have spent many hours trying to determine how it got that way and we have spent more time trying to determine the best way to bring about an improvement.

Four years ago conditions facing agriculture were believed serious. It was an issue in the political campaign of 1952 and properly so. I could not condemn the Secretary of Agriculture for his feeling that conditions were not good. Then, when he became Secretary of Agriculture, as was his right, he offered his solutions. I shall briefly enumerate them to you, as we do in the report.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman did not put them in the report, but does he have any figures as to what the situation was 8 years ago?

Mr. WHITTEN. I could obtain those, but I think it would make the picture a little bit worse for my friend from Indiana. I thought I was going as far as I justifiably could and not get charged with partisanship.

Mr. HALLECK. I would not want to inject any partisanship this early in the debate because the gentleman is able and always nonpartisan, but his constant reference to 4 years seems to me to smack just a little of partisanship.

Mr. WHITTEN. I should like to show that this is not partisan for this reason: This report refers to what has happened while we followed Mr. Benson's views. I should not saddle Mr. Benson with conditions that happened before he came in. We have followed the Secretary's views for 4 years. In trying to point out what those views were, what he recommended that we do, and what we did to carry out his recommendations, I respectfully submit in fairness I should limit it to the time he has been in office. He should not be responsible for the time he was not secretary. My friend would agree with that, I am sure.

Mr. HALLECK. The first 2 years of that 4 years he was still operating under the program that had been written before that time.

Mr. WHITTEN. That is true, and he had a Republican Congress and he could not get them to change the law until after 2 years had passed. The first 2 years he could not get a Republican Congress to change the law. I am sure that by now some of my friends on the left wish he had never been able to get the law changed.

Mr. HALLECK. If the gentleman will yield for one further observation, the second 2 years of the 4 years he had a Democratic Congress and under that Congress he was operating in conjunction with the Democratic Congress.

Mr. WHITTEN. Yes. I will say for that Democratic Congress that I have to take part of the responsibility. I was chairman of this Subcommittee on Agricultural Appropriations for that last 2 years, and against my best judgment I decided to give the man his chance. I went along with his request for appropriations to strengthen the things that he said would cure what I had every reason to believe it would not. But I thought it well to give him his opportunity. I trust that the legislative committee was just as fair in trying to give every man his right to a trial run. We did pass the law. I regret it, myself, except that it may lead to a serious study of where the real defect lies.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. Does the gentleman mean to leave the impression with the House that we have ever really given the soil-bank plan an opportunity to function? The gentleman knows we have not, and so do I.

Mr. WHITTEN. No; I do not think it has had time, except when you investigate it you find out that it pays

people not to plant ground that would not germinate seed. When you investigate the operations in two-thirds of a year you find that farmers are paid more money not to plant the land than the land is worth. When you investigate it you find in certain areas the Government rents lands to individuals, Government lands, and then those individuals turn around and rent the land to Mr. Benson for more money than the Government was charging in rent, and pick up the difference. When you find the many other things that our investigators' report shows, there are just some things that you do not need 3 years to find out it is an unsound approach.

I say that to my friend advisedly. Further, I would say that the records in the Department show that, as you curtail acreage and reduce acreage, production increases per acre, and the total production increases. But, as you limit the farmer's acreage, he increases fertilizer and irrigation, he buys the best seed, and uses everything to increase his production per acre. Then as the production per acre is increased, he reduces acreage under the basic law, and it is curtailed next year. That, in turn, leaves still more acreage for nonbasic crops and that increases the total American production. The acreage reserve part of the soil-bank program would go down the same road of paying the farmer to take out acres and leave him where he could take the money the Government paid him and buy irrigation equipment or buy more fertilizer and increase his production from the acres that he had remaining. No, my friends, the only justification for the acreage reserve, in my humble judgment, was to get some money in the hands of the farmers just before the election last fall to make up what the farmer had lost in farm income. Now, we may differ as to why the farmer lost his income, but if you will read the debate and the RECORD, and if you will see how the money was handled by the Department under the law, the only remaining basis for the acreage reserve part of it, in my humble opinion, was a case of trying to get some money in the hands of the farmer just before he voted in November 1956. And, I stand on that statement.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Now that the gentleman has made what he considers to be a completely nonpolitical statement, let us get along to the soil-bank plan and the possibilities involved therein. In March of this year, this House refused, and completely in error in my opinion, the opportunity to permit to go into effect the soil-bank plan for corn for 1957 under an increased base-acreage plan. You cannot tell me—and I think I know something about the corn situation—that had the soil-bank plan been effective for the crop year 1957 where the farmer preparatory to going into the field under this corn-acreage program would have substantially, very substantially, reduced his corn acreage, which would have ultimately brought about the very condition that we want—at least as far as the commodity of corn is concerned wherein we would have begun to solve the problem.

Mr. WHITTEN. Let me say this: If the corn bill sponsored by the gentleman from Illinois had become law it definitely would help the farmers in the corn area for 1 year. What it did was to give the farmers in the commercial corn area about 7½ million acres of corn at a high support level. In addition, it would have given the same farmers $225 million in cash. We, who represent the farm areas, should wake up and realize that we are ruining the farmers by giving them money for nothing and making them dependent upon the type of corn bill that the gentleman is in favor of. It would have helped him for 1 year, because he would get 7½ million acres or more at a high support level. But, in addition, the Congress would have given him $225 million in cash. It is unsound, and it is unsound for the corn farmer or any other farmer.

I stand for farm programs that are sound. I want farm programs to help the farmers to help themselves down through the years and I am not in favor of a farm program that will be a handout to the farmer in an election year, an off year, or any other year. Every time we have left the farmers dependent upon an annual handout by the Congress, we have hurt his standing with the rest of the American people and we have not solved his problem. I will say this to my friend, if you had gotten your corn bill, I would have been opposed to the same thing for the cotton farmer in my area or for beef or for any other kind of program of having any restriction on the production of other feed grains. The total production of feed in this country would have been greatly increased. That is one of the fallacies, as I see it, in the Secretary's program.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. TABER. I am wondering what the gentleman would propose that we do about farm legislation. It seems to me that this idea of trying to fasten the blame on somebody is a sort of fishing excursion, but it does not get us anywhere. I wonder what the gentleman would suggest that we ought to do.

Mr. WHITTEN. The gentleman should read my report. I do not plan to be led off of my individual answers to it.

I yield to the gentleman from North Carolina.

Mr. COOLEY. I would like to say to the gentleman from Illinois [Mr. ARENDS] that he seems to be unaware of the fact that the soil bank for corn has been and is now in operation, and under the program now in operation more than 4½ million acres of corn has gone into the soil bank. The bill that the gentleman complains about having been defeated was nothing more nor less than a bill to increase the acreage of corn from 37½ million to 51 million acres, and it did not even contemplate an overall reduction in the production of corn. Last year we paid $179 million to the growers in the commercial area and ended up with an increase in the overall production of corn. What we complained about was that the Secretary of Agriculture was unwilling to deal with corn on a nationwide basis, and disregard the commercial area and permit the law to function in the noncommercial area.

Mr. ARENDS. Mr. Chairman, would the gentleman care to yield to me now or later?

Mr. WHITTEN. I think I had better proceed at this time.

Mr. ARENDS. I have a good answer for the gentleman from North Carolina [Mr. COOLEY], but I will put it in the RECORD a little later.

Mr. WHITTEN. I think it is time we began to make some changes, as I see it. I believe it is time we quit blindly being opposed to present policies because your Secretary happens to be there. On the other hand, it is time that those on my left quit blindly supporting bills without looking at the facts.

I would say to my friends on the left, you have mimeographed copies of a letter that the Secretary sent down to me this morning, taking exception to some parts of the report. Read it and you will find he is agreeing with a lot of the other parts of it.

Do not defend him beyond the point where he would defend himself. If you will read my report, he has said that he has learned that controlling production is not the answer; and yet, the soil bank is offered on the basis that controlling production is the answer.

Then he points out that after 4 years of price and acreage control, after great increases in research and extension, the farmers had their greatest production from the smallest acreage in 20 years.

Not only that, he says further that we need some changes made. If he has gotten around to that point, I would certainly deplore to see my friends on my left stick to their guns in view of the record which the Department has made.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. DIXON. With regard to the statement with regard to research being one of the permanent solutions of our problem, the gentleman is aware, I am sure, that we have two kinds of research: We have production research which possibly has brought about much of our surpluses; then we also have utilization and marketing research which definitely is one of the answers to disposing of more agricultural commodities.

The gentleman is aware, is he not, that the President's Commission on Utilization Research has made recommendations? We need to stress that.

Mr. WHITTEN. I have lived with this thing for about 12 years. I will say that perhaps there are things that need more research, but certainly research has resulted in greater production from less acreage.

I would like to direct the gentleman's attention to our report on the Advisory Committee on Research. For 10 years now these advisory committees have devoted their efforts toward proposing and selling new research with new people, and none of their time has been spent reviewing how the hundred or so million

dollars that we have been spending was being used.

May I say to the gentleman that much of what is suggested in the recent report of the Commission is already being done by the Department, and the report does not even show any awareness that they knew it was being done.

In the matter of farm income we ought to have some new approaches. I say to you the trouble 4 years ago was that farm income was down. The trouble today is that farm income is down worse.

The farmer's income is volume times price less cost. You can have all the research in the world, all the county agents in the world, all the Secretaries of Agriculture, and all the Congressmen, and if the farmer's volume times his price less his cost does not leave him any money, he is going to be against your sending him some more agricultural representatives to call on him and tell him what he ought to do.

Mr. DIXON. Mr. Chairman, will the gentleman yield further?

Mr. WHITTEN. I yield.

Mr. DIXON. The gentleman would not oppose research which would result in making rubber out of wheat and thereby consume great quantities of an agricultural commodity. The gentleman would not oppose the research that is now going on in Philadelphia where they have used animal fats. Does the gentleman know that the animal fats market has been stolen by the detergents and stolen through other ways? Now research is needed in the matter of use of animal fats and establishing a much greater market for them.

The gentleman would not object to the commercial development of penicillin. It was done in our laboratories there, and it is worth more than all the money we have spent on research in the history of the United States. I can go on and point out 110 other items where this research definitely shows one way out of our agricultural problem, and a permanent way, not a stopgap method like our support prices.

Mr. WHITTEN. May I say to the gentleman that I have been here 14 years as a member of this subcommittee and I have supported funds to do each of the things the gentleman was talking about for many years. The committee went along with the Secretary to increase funds for experimental stations since 1952 by 133 percent and we have increased education 56 percent. That is a record of support of these things.

Let me say that research is sound in its own right, extension is sound in its own right. But, Mr. Chairman, they are not any substitute for farm income.

Let me point out another solution that was offered. I refer to the rural development program to help the low-income farmers. But let me describe who your low-income farmer is in the South, and this is true all over the country. He is the farmer that 4 years ago had 38 percent more cotton acreage than he has now. The Department cut that acreage down. In the South that low-income farmer is the farmer that 4 years ago received $15 more per bale for his cotton than he is receiving after 4 years under the present administration. His income is low, and anybody should realize that a 38-percent cut in his acreage and a $15 cut per bale of cotton might have made him an uneconomic farmer. It might have made his income low. If you want to help that man, help his income.

What did the Department do? What did we do? The Department recommends, with a lot of fanfare that was abroad all over the country, rural development. We are going to throw all the king's horses and all the king's men behind him to help this low-income farmer.

Now, we had the following facts reduced to print from the Department records. You have 9 agencies of the Department of Agriculture getting hundreds of thousands of dollars to help that poor farmer. You have 6 other Department agencies in there and, listen to this: We spent over $2 billion in 57 counties, over $36,000 per county, expanding rural development to help the low-income farmer. If you had 15 agricultural agents come by your house, after they had cut your acreage from 10 to 6 and cut the price of your cotton $15 a bale, you would get so sick and tired of seeing agricultural agents that you would write your Congressman, and I have been getting some of those letters.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. VURSELL. When I heard the gentleman talk about rural development I thought he said urban redevelopment. I would like to call his attention to the fact that while we talk about spending a little money for rural redevelopment, this House last week passed a bill providing for urban redevelopment $150 million more than Mr. Cole testified they wanted, which boasted the urban development or renewal of development up to $2,350,000,000. So if we should spend a few dollars, one hundred and ten or one hundred and fifteen million dollars or a few million dollars extra for rural redevelopment, it would be a pittance compared with the waste of money that this Congress has put into the urban renewal development program.

Take the big cities, take the mayors all over the country, they all came up and asked the Congress and everybody to surrender so that they could get their hands in the grabbag for hundreds of millions of dollars more, added to the hundreds of millions of dollars that they already have. I thank the gentleman.

Mr. WHITTEN. I thank the gentleman. I do not want to get led off on what might be wrong or good in other areas. In my judgment there is enough wrong in the area that is my primary responsibility that I am talking of this afternoon. But, it was not the total cost. It was the fact that this cost is not directed toward meeting the objective. And, I say advisedly that of that many people, the $36,000 worth, it has done us some good. Some of these farmers may have attractive daughters; some of these agents may be single men; it may lead to romance; it may lead to a lot of things. But, that $36,000 per county in 57 counties is not going to put money in the farmers' pockets in the average county nor in that county to any great extent, because the farm income is down, and that is the point I am addressing myself to now.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Missouri.

Mr. BROWN of Missouri. I notice in the report where in 1957 there would be approximately 9,300 more employees in the Department of Agriculture than there were in 1956 and that the 1958 estimates want 4,656 more. Now, does the gentleman think that additional employees in the Department of Agriculture will make up that declining farm income?

Mr. WHITTEN. Well, I would direct the gentleman's attention to page 2 of our report in which we point that out, and it is hard to determine exactly the number of employees in the Department, because some of them are seasonal. We have lots of acreage measurements in the summer and other activities in the fall and still others in the spring, so it is variable. But, to the best our staff was able to determine, on an average the Department has about 83,000 employees. And, we make this significant statement: "While there is a real need to improve farm conditions, it does not appear that the need can be met by adding more employees."

And, I should go ahead and point out that there are some other problems. If you are going to continue the acreage reserve and the soil bank operations with this hundreds of millions of dollars in it, somebody is going to have to ride herd on it. Certainly somebody should have been riding herd on it last fall when this occurrence happened that I have just described to you. Not only that, but we have increased the number of soil conservation districts. We have certain other activities. So I say there are other problems.

But I am leading up to this: That by rule of thumb what your committee did was to say that the situation is serious. "We have had 4 years of following your views, Mr. Benson. It is time that you and us got together on these things. It is time you recognized the result of your own policy that we were good enough to give you a trial run on." Then we said—and I believe it is sound in these times and circumstances—"Knowing that your problems are great, having 83,000 employees, we think, if we give you next year the same amount of money that you had this year, you ought to feel pretty good." By rule of thumb, we have eliminated the increased amounts in the budget. Then when it comes to the soil bank, we have tried to go along with every dollar that the Secretary thought he could use in the coming fiscal year.

Now, you doubtless will be told that they have commitments, and some of you may get messages from the Department to this extent, that they have $615 million signed up in acreage reserve. It is our information that they will not have that much due in the next fiscal year, and therefore the $600 million which we have is enough to carry out all contracts, in our judgment. I would say, as laxly

as this program was handled last year, under a lax law by the administration, under pressure just before the November election, they could have had a little bit of a tiedown and holdback last year, and it might have resulted to the best interests of the taxpayer, the Government, the Department, and the farmer.

This thing of paying a man more than his land is worth not to farm that land, not to grow anything; this thing of paying a farmer soil-bank payments for land that he in turn was renting from the Government and letting him pick up the difference—certainly we have had enough of these things and this program of how much money to give somebody in that kind of a program. We have tried to squeeze that out.

Of course, I would say this: That as to any contract the Government has entered into we have got to pay that. The figures in this bill represent our idea of the acreage. As to the increasing needs that you have in watersheds and things of that sort, with the floods we have had, we have felt that by grouping all of the soil-conservation activities we could meet those increased needs as spelled out in the budget. But by putting the administrative people together we could do the same job better and do it cheaper than we could if we had 3 or 4 crowds of people handling virtually the same things in pretty much the same areas.

Mr. ARENDS. Mr. Chairman, would the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. ARENDS. We are pretty much talking about water over the dam. What I should like the gentleman to do before his time expires is to tell us what he thinks we should do for the future with respect to an agricultural program. What can we do as to a long-range plan, starting with our legislative committee to solve some of these problems? What should we do? I hope the gentleman will discuss that some before he leaves the floor.

Mr. WHITTEN. Mr. Chairman, I hope the gentleman will read my report.

Mr. ARENDS. I have.

Mr. WHITTEN. Because I do address myself in the report to that subject. I speak as an individual.

But let me say that there is no easy solution to a problem. At least, I have never found one. Let us remember that there have been 14 freight rate increases since World War II. There has been an increase in wages to a dollar an hour, by law. There is the matter of bargaining rights of labor unions. There is the matter of the Federal Government increasing purchasing by spending $80 billions with 50 corporations for military expenditures in the last 5 years alone. Those are things that we have done by law that increase cost to the farmer. With all those things I do not know that there is any easy solution.

But the records show that if you want to produce income, you have got to give attention to three basic things. Income, again, is the volume that the farmer produces times the price he gets, less his cost. I would hope in some way to hold costs down. I am sure many of the Members feel the same way. It is my observation, after 15 years of experience with this, that if you held costs steady, you would have to be lucky. If you are able to hold costs on an even keel, you will be fortunate. But let us say we are fortunate and we hold costs on an even keel. You want to help farm income. That leaves two things to work on, his volume and his price. That is just as simple as crossroads store costs.

Therefore, personally, I would quit trying to control world production by cutting down the American farmer, because the record shows that every time you cut down his production, that production just moves overseas.

I would quit trying to control American production by acreage, because as you cut a man's number of acres, he buys irrigation machinery, he buys the finest fertilizer he can get, he demands that Congress increase research so he can get better seed, so that he can defeat the acreage limitation.

The records prove what I am telling you is so. So I would quit that. In other words, I would feel that I had to give the farmer protection in price. I would limit what quantity the Government would protect him on in that price. Then I would leave him free to produce on his farm anything on which he did not get support from his Government, which would be available for world commerce. That is my personal belief.

I have given a great deal of thought to this. I am sure Members from the farm areas have done so, too. It is the domestic allotment plan. It offers the best solution that I can conceive. But believe me, this is serious enough so I would welcome anybody else's views. Where you say I am just talking about what is wrong, and I am, I am showing that we have tried out the solutions offered by the Secretary, and the income is down $2.5 billion. The thing is getting worse and worse and worse. So I say I am willing to take the views of the gentleman from Illinois, if he has any, or anybody. I would buy a pig in a poke if it is something that has not proven to be bad.

Mr. HALLECK. When did we have in our agricultural legislation the first legislation that undertook to reduce acreage allotments?

Mr. WHITTEN. It is my recollection it was 1933 or 1934, and I pay respect to that provision in this bill.

Mr. HALLECK. First of all, I commend the gentleman for recognizing that there is trouble in agriculture. Those of us who come from agricultural areas know that to be true. I commend the gentleman for saying that we ought to find the answer, but having regard again to the constant repetition of the 4-year business, I got here first in 1935 and I think almost every year since I have been voting for farm legislation and obviously my party was not in control. I had never heard of Ezra Benson at that time. The basic act under which we now operate is the 1938 act. So do not put the blame on Secretary Benson for these acreage controls, because they were written into the law of the land by Democrat Congresses year after year after year, and he has had to live with them.

Mr. WHITTEN. The gentleman says he congratulates me for recognizing the farm situation is bad. I do not think I deserve any credit for recognizing that. Then the gentleman says he commends me for recognizing we need to do something about it. I do not think I really deserve any credit about that, because that is so apparent. What the gentleman objects to is my offering you my solution to it.

Mr. HALLECK. Oh, no.

Mr. WHITTEN. And the evidence that I have as to the fact that present policies are not working. Let me read the gentleman my report.

Mr. HALLECK. I have read it very carefully, and the gentleman has outlined his program.

Mr. WHITTEN. I just question whether the gentleman read it carefully. Let me point out why. On page 5 I say acreage controls are ineffective, so the gentleman was not surprised just then when I said that acreage controls had proven ineffective.

I want to read my report. I wish the gentleman's time was not taken up with so many things that he could not read it closely, because if he will read it he will find our belief expressed the acreage controls are ineffective.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield for clarification? Is the gentleman referring to the committee report?

Mr. WHITTEN. I wrote the report and every member of the subcommittee read it. It is significant that not a Republican on it filed any minority views. I think that is significant. The Secretary sent down his personal minority report today, but it is significant that not a Republican on the committee filed minority views against it.

I do want to say to my friend from Indiana that in my report I did attempt to be fair and discuss all of this problem. On page 5 we said:

ACREAGE CONTROL INEFFECTIVE

Part of the trouble lies with the agricultural laws passed in 1933, which except as to price support levels, largely govern present farm programs. At that time the United States produced such a large share of the world's supply of basic commercial crops that it was felt that regulation of United States production would regulate world production. At that time it was believed that cutting United States acreage would control United States production. Provisions for such actions were included in that law. Time and experience have shown that these provisions have not been effective since, as United States acreage has been reduced, world acreage has increased. Further, as United States acreage has been reduced each year, the American farmer has increased his yield per acre through more intensive cultivation and increased use of machinery, fertilizer, and insecticides.

One of the more serious aspects of the reduction in acreage each year is that, as the farmer has increased his production per acre, he has made further cuts in his acreage for the next year under the formula contained in the present law, freeing more acreage for production of other farm crops. Further, current programs are encouraging the farmer to exploit his land, which runs counter to the long-range soil conservation objectives of the Federal Government.

The report is available to all of you. I have honestly tried to point out that the situation was bad 4 years ago. For the past 4 years we have tried solutions and the situation gets worse. I have given you what I think the records and time prove are false policies followed by the Department. In addition, I tried to show you the defects in the law which time has proven to exist, in my judgment.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. HALLECK. I would just like to observe for my colleagues here that the gentleman has departed from his normal fair attitude when he said that I had not read the report. I will say this to the gentleman. I have read the report and I can quote a lot of it verbatim. The reason I asked the question about acreage——

Mr. WHITTEN. May I interrupt the gentleman to say that if the gentleman will read my remarks, he will see where I said I regretted he had not read the report carefully.

Mr. HALLECK. Well, you finally amended it to that degree. You do not have to know what you are talking about when you get up here, but it helps once in a while. I read the report enough to be able to quote a lot of it, as I said.

Mr. WHITTEN. The gentleman said he knew from experience that it helped when we got up to talk to have learned your subject, and that it is better that way.

Mr. HALLECK. That is right.

Well, now, may I say that I read this report. I resent the suggestion that I had not read it because when I get up on the floor of the House, generally I know something about what is before us, and when you recite the record, you used the words "for 4 years" time after time after time. I just want the record to be clear that many of these problems that you are talking about and the things that you say are wrong have been in the law for years and years and years. So, I insist, as I have insisted all along that Secretary Benson and the administration inherited the major part of this program and all of your talk here is not about the money appropriated in your bill, and referring to the amounts appropriated therein, but is undertaking to somehow or other try to shift the blame for the situation in which agriculture now finds itself.

Mr. WHITTEN. May I repeat, and I have to say this because I hold my friend from Indiana in the highest regard—I did say that I was sorry he had not had the time to read the report carefully. The gentleman, I am sure, has to say grace over so many things.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. WINSTEAD. I would like to say this in behalf of my colleague, the gentleman from Mississippi. The gentleman has been fighting these battles for a number of years. If the gentleman from Indiana will read the RECORD, he will see where the gentleman from Mississippi was critical of Secretary of Agriculture Brannon under the Democratic administration. Further, the gentleman from Mississippi did not go for Mr. Henry Wallace.

Mr. WHITTEN. I thank my colleague from Mississippi, who has always supported sound farm legislation. I must say to my friend, the gentleman from Indiana, in view of his statement and I must say that I do not believe he has listened to me closely either because I would like to repeat what I said, which is considerably different from the way he took it and understood it. The situation in agriculture was serious 4 years ago. The campaign was run on the basis that it was serious in 1952. I know that a lot of folks would like to forget that Mr. Benson has been Secretary of Agriculture for the last 4 years. But he has been Secretary of Agriculture for the past 4 years. He has offered certain solutions. I have enumerated and set forth these solutions—1, 2, 3, 4 that he has offered. We as a Democratic Congress, did go along with him so far as voting for the money to implement his proposed solutions are concerned. What I am saying is that after 4 years of offering these solutions, the situation is worse. Now trying to be fair, I pointed out that it is not all his policy. I said the situation was bad when he came in. I say that some of the defects come from the original law and that time has proven that those defects exist. But, whoever the man is and whatever party he belongs to—you won the election last year and that is over with—but if a man has had his day and if his proposed solutions do not work, then I say it is the better part of wisdom and of valor for you folks to find it out and make corrections in the law because the farmers know what the situation is so far as their income is concerned. More county agents, with all due deference to the wonderful job they do, is not a substitute for dollars at the market place. I would like to point out one other thing. I am trying to tell you what I honestly think is wrong.

This administration and the Secretary have said that what the farmer needed was price at the market place. That was the justification for reducing price supports. Let the farmer get his price at the market place. The farmer can get his price at the market place. All he has to do is to cut production down to the point of creating a scarcity, and he could get 150 percent price at the market place. But if he cut production down to the point of creating scarcity and getting 150 percent of parity, it would certainly injure every consumer in the United States. Not only that, but the farmer's volume would be cut to the point that the low volume multiplied by 150 percent of parity would leave the farmer's income worse than ever.

May I say again, my solution would be—and I speak for myself only—my solution would be to support the farmer at parity on his share of the domestic market, so that he could produce and sell in the world market for whatever his product would bring. The Secretary has always had that right. It took us 3 years of urging to get him to do it, and now he is very proud of it.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BELCHER. I have read your suggestion for a new farm program, and it seems to me that it coincides completely with the two-price system for wheat that a great many of us have been trying to get through for a long time.

Mr. WHITTEN. The object is the same.

Mr. BELCHER. In other words, it is the same system?

Mr. WHITTEN. The same thing. I do not believe the farmers of this Nation can continue to pay constantly increasing costs brought about by other laws, without a degree of protection in the law itself. That protection should be on his share of the domestic market. Do not put it on acres, because you defeat yourselves right at the start.

I do not criticize the people who wrote the law in 1933. I want to address myself to one other statement. I have spent a lot of time discussing conditions in agriculture. Why? Because what you do in agriculture will show up in appropriations. How well you handle it will show up in appropriations. Because United States production was held off of world markets by the Department of Agriculture for as long as 8 years, in which time it deteriorated, and we paid storage on it, there are $500 million in this bill. Yet the law permitted such sales but the authority was not used. Because price supports were reduced the farmer increased the volume to make it up, and you have got money in here to restore the impairment of the capital of the Commodity Credit Corporation. Because the Secretary thought that the rural development in 57 counties was a partial answer to the farmer's problem, there is $2 million in this bill. Because the Secretary thought that research was the answer, there is 133 percent more money for research at experiment stations than 4 years ago. Because the Secretary thought more extension workers was the answer, there is 56 percent more in this bill for extension than 4 years ago. This is true though the bill is held down to the present year's operation. We cannot say, with 4 years' experience, that we could go along with constantly increasing these things which have not proven to be the answer in 4 years. In this bill we have held the Department to this year's level, by and large.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. TABER. I have been asked a great many times by many Members to find out what was in this report with reference to Soil Conservation Service; the Great Plains program, the agricultural conservation program, and the conservation reserve soil bank. They appear on page 35. I think the membership should be told what is done for them at that point.

Mr. WHITTEN. The committee consolidated those various items. We did it for two reasons: The work administratively to a large degree is the same; that

is not true of the Soil Conservation Service, but in the other activities it is practically the same. We had 40 new soil conservation districts; we had this Great Plains program, and we had thousands of people, particularly in the Texas area where these disastrous floods have been happening in the last few days and weeks where the local people were ready to start with their share of money to expand work on watershed protection and flood prevention.

The committee felt that by consolidating the conservation reserve program with these other programs—and the report so expressed it—that by reason of giving them this large amount of money now that the Department would be able from the total funds to carry out the budgeted amounts for these programs where there was an increasing need. As I tried to say earlier, that is the one place and the only place where we have varied from sticking to this year's level; and in that instance by grouping all of these together, counting on the Department from the total fund to carry out this increasing need and meet the needs of this new program, at least to budget levels, we were able, as the gentleman from New York will recall, to cut the total some $133 million.

At the same time we expressed the hope that by proper handling in some of those areas where the needs are most acute, where the threat of flood is greatest, and where the local people had waited the longest and had their money ready, that the Department might step up that work from the total amount available even beyond the budget. In a way that is the course the committee followed.

Mr. TABER. There is no definite figure set.

Mr. WHITTEN. The report says that from the total amount the Department should be able to carry out the budgeted amount. We did not line item each of these programs but set out in our report directives as to the course to be followed.

Mr. TABER. Not for each one of the items, of course.

Mr. WHITTEN. They should be able to.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. ARENDS. Does the gentleman contemplate going to the legislative Committee on Agriculture of the House and attempt to convince them of the idea that something should be done?

Mr. WHITTEN. This report, as the gentleman will notice—may I say I have never written legislation on an appropriation bill yet that I did not clear with the leadership of the Agriculture Committee; and not only that but they advised me to do it. Not only that but I have also maintained in this committee that we were making a mistake in this acreage reserve.

But as we work with this thing on the Appropriations Committee year in and year out we see things that we think the membership both of the House and of the legislative committee at least should know about, at least that they should know what we think about them, and that is what we have done here.

May I say to the gentleman that I am working now on the fourth draft of a bill which I plan to introduce which will go to the legislative committee for whatever it is worth.

Mr. BROWN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I am sorry; I should have yielded to the gentleman earlier. Certainly I yield.

Mr. BROWN of Missouri. May I say to the gentleman from Mississippi that he has contributed a great deal of constructive thinking to legislative matters pertaining to agriculture particularly.

The only thing I disapprove of in connection with this appropriation we are being called upon to deal with today is the allusion by the gentleman from Indiana and other Members on the floor that the expansion of the soil bank is basically the same agricultural program that Mr. Benson inherited from the previous administration. It is a statistical fact that there are fewer farmers in the United States today than there were 4 years ago or even 3 years ago, or even 2 years ago; in my section of Missouri people have been driven from the farm in droves because they could not make a living. If that is true I ask why it takes 10,000 more employees to administer the same program with fewer farmers participating than it did? Here we are increasing the payroll. It cannot be explained by just saying that the soil bank and new activities explain it, because I would call attention to the committee's hearings and report in which they state that there are some 2,200 people involved in administering the soil-bank program.

Mr. WHITTEN. Will the gentleman permit me to interrupt him. It could be that the worst the situation gets the more people it takes to explain it.

Mr. BROWN of Missouri. To explain it but not to correct it.

Mr. WHITTEN. That is what we say.

Mr. BROWN of Missouri. Of the 4,656 new employees requested by the Department, only 600 of them will be working in the soil bank and the new activities of the Department. So it means 4,000 additional employees for old activities administered to fewer farmers in the United States.

Mr. WHITTEN. May I say that our general policy has been, and I repeat it again, with the exception of consolidating the soil activities so as to meet the increased needs with regard to soil, and I say this frankly, we have stuck to this year's level. We felt that was fair to the Secretary, we felt that was fair to the Department, we felt that was fair to the taxpayer. As a result we have a reduction of $272 million in this bill from the budget.

The CHAIRMAN. The gentleman from Mississippi has consumed 1 hour.

(By unanimous consent (at the request of Mr. WHITTEN) he was allowed to proceed for 5 additional minutes.)

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. COAD. Could it be that the answer to the question asked by the gentleman from Missouri is that it takes more employees, or at least there are more being requested by the Department of Agriculture, and inasmuch as it has been stated that the farmers ought to leave the farm and go to the city for employment, they are showing up at Mr. Benson's doorstep?

Mr. WHITTEN. There are many answers. It is a problem.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Illinois.

Mr. SPRINGER. I have listened to the gentleman for all of the hour he has been speaking and I want to be sure I understand what he believes the basic philosophy ought to be to improve the farm program. As I get it, it is that we ought to guarantee prices and restrict acreage. Is that the general philosophy of the gentleman's argument?

Mr. WHITTEN. No; it is the opposite of that. I feel that of necessity since so many costs to the farmer are built into law you must give the farmer protection in price on his share of the domestic market. I think time has proven that we should not try to regulate his production by acreage.

Mr. SPRINGER. There should be no limitation on acreage?

Mr. WHITTEN. On acreage. We should limit how much of his production we support.

Mr. SPRINGER. Does the gentleman believe there ought to be a price support?

Mr. WHITTEN. I do, and may I repeat that again.

Mr. SPRINGER. How much should that be?

Mr. WHITTEN. I think he ought to have full parity on his share of the domestic market.

Mr. SPRINGER. Will the gentleman explain clearly what he means by his share of the domestic market?

Mr. WHITTEN. In the heat of discussion I may not have said there are some commodities where it would be difficult to do. I will offer the gentleman one suggestion. If I can point out the fallacies in the present policy and in the present law, I think I will have succeeded. If the gentleman offers a better answer I will buy his in a minute. But, in a nutshell, here is my point of view: You should issue to the farmers certificates for their share of the domestic market. You should see to it that the processor or the buyer should have certificates for whatever volume goes through his hands. If he bought from the farmer at the support price, he would thereby get a certificate for the farmer's share of the domestic market. If he bought beyond that he in turn might have to buy certificates from the Commodity Credit Corporation which means you would have in the nature of a processing tax to insure the farmer his fair return on his share of the domestic market. That would doubtless require a support program. But if a processor had to pay for the certificates or stamps that he bought beyond the domestic market amount he, in turn, would be compelled to pay the farmer a fair price.

In other words, the farmer should be guaranteed, by whatever mechanics you can work out, a fair return on that part of his production which is sold for domestic use, and he should be turned loose to produce for the world market whatever he might wish to. I do not see any other solution. In a nutshell, it is the domestic allotment plan. Now, this is my view. Other Members may have different views. Let us not get away from the fact that present policies have failed according to the record and according to the admission from the Secretary in our hearings.

Mr. SPRINGER. This is the gentleman's solution, what he said here in the last few minutes?

Mr. WHITTEN. That is the best I can conceive of, and I will meet with the gentleman as soon as debate is over and if he can offer me a better one, I will buy it. And, I know when the present one will not work, I could almost buy a pig in a poke, instead of leading down the same road we are following which shows a drop in the farmers' income of $2.5 billion in the last 4 years.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Kansas.

Mr. AVERY. I want to make sure I understand the gentleman's explanation to the gentleman from Illinois on these soil and water items. As I understand, you have put those all into one general heading.

Mr. WHITTEN. That is right.

Mr. AVERY. And you have not made line items of any program except the acreage reserve?

Mr. WHITTEN. We have not, except that in our report we point out that from the total amount of money that is allotted, ample funds are provided to carry out these increased needs for those programs and we say they should have priority.

Mr. AVERY. Then will it be the prerogative of the Secretary to allocate funds among the various programs to the extent that he deems in the best public interest?

Mr. WHITTEN. No; only in line with the report which says that from the funds he should be able to meet these increasing needs spelled out in the budget.

Mr. AVERY. Is he expected now, as soon as the 1958 fiscal year begins, to allocate those funds among the various programs? I do not quite see how this is going to work unless we have some firm basis to start from. How are you going to allocate money among the various programs? Take the ACP, for instance.

Mr. WHITTEN. That is separate. There is $250 million for ACP, and we think it is sufficient.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WHITTEN. Now, we have provided for the gentleman's problem. Now, it could be that the House may change it.

Mr. AVERY. I am trying to understand it. I am not debating it.

Mr. WHITTEN. We have provided to meet this increasing need, and we did it the way we thought best.

Mr. AVERY. The gentleman referred back to this increasing need, and he referred to Texas, which we all understand. I presume you are referring to the whole upstream Flood Control Act. Is that correct?

Mr. WHITTEN. I repeat again that the committee report is a directive to the Department to carry out these programs, and I think if the Department listens to the committee, it will be done.

Mr. AVERY. It is a directive, but there is still some flexibility left within the Department, is that not correct?

Mr. WHITTEN. Not unless they wish to ignore the directive of the committee.

Mr. AVERY. I am confused, and I am further confused than when I asked the question. But, I will not use further time of the House.

Mr. WHITTEN. I regret that the gentleman ends up in that position.

Mr. AVERY. That is all right.

Mr. WHITTEN. But again I repeat, these programs have increasing and new needs, and the committee recognized that. We held everything else down to this year's level. By putting those programs, watershed protection, flood prevention, soil conservation, the Great Plains program, together with the conservation reserve, we were able to cut down the total amount of money for all of them, but we did say that with the money we provided that there were ample funds to carry out these programs to the amount which the budget requested. And, the Department cannot misunderstand that directive; I mean, I do not see how the Department could.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from North Carolina.

Mr. BONNER. I merely want to congratulate the gentleman from Mississippi on leading this splendid debate. This is the finest discussion I have ever heard on the agricultural problems in many, many years. I compliment the gentleman on his vast knowledge. It was of interest to all of us.

Mr. WHITTEN. I especially appreciate the kind remarks of my friend from North Carolina for he has always been interested in and worked for sound farm programs.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Iowa.

Mr. JENSEN. I just want to make sure that I understand a few things in the bill. Now, out of the $535 million for conservation operations, do we understand that $73,149,500 is for soil-conservation service?

Mr. WHITTEN. Does the gentleman wish that amount reduced?

Mr. JENSEN. That is, for the distract programs.

Mr. WHITTEN. May I repeat what I just said. Is the gentleman interested in this program? And, I know he is.

Mr. JENSEN. I certainly am.

Mr. WHITTEN. I just said that we have provided for that in our report.

Mr. JENSEN. I did not hear the gentleman. I am sorry.

Mr. WHITTEN. I just said that to my friend from Kansas.

Mr. JENSEN. Do we understand there is $25.5 million for watershed protection?

Mr. WHITTEN. I would repeat again what I just said, that the committee felt there were increasing needs in these fields, as evidenced by the budget. In regard to other items in the bill, we cut them down to this year's level. In an effort in these cases to let them expand to meet their needs, we pooled them into a total amount and said that from that fund the department shall do these things. If the gentleman wants to offer amendments to cut that down, he may do so. But we have tried to meet the problem.

Mr. JENSEN. I am certainly not going to offer amendments to cut down these important functions which I think are very necessary. I think this is the best money we spend in the whole agricultural program.

Mr. WHITTEN. I know my friend believes that, and I am in agreement that it is one of the most vital things in the bill. But everything in this bill is vital to some area. May I repeat that the committee has provided funds and said in the report that from the funds available, the committee felt it was possible to carry out the budget recommendations in these particular fields. I do not know how you can make it any plainer than that.

Mr. JENSEN. Is it a fact, then, that there is $73,149,500 in this bill for the Soil Conservation Service?

Mr. WHITTEN. We did not provide a line item on that in the bill. We did say that with the total amount that they had there were funds available for doing these things. That is all I can say.

Mr. JENSEN. Then the gentleman cannot say definitely that there is $25,000,000 in the bill for watershed protection?

Mr. WHITTEN. May I say to the gentleman that that is what we did say.

Mr. JENSEN. And $13,200,000 for flood prevention?

Mr. WHITTEN. From the total funds made available for the total program.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired.

Mr. JENSEN. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed for 5 minutes additional.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. JENSEN. If the gentleman will yield further, on page 24 of the report,

in reference to funds for the expansion of State-operated tree nurseries, the committee reports that the amount for this purpose during the coming year will be small.

How much of this appropriation that is included in this bill is for the expansion of State-operated tree nurseries?

Mr. WHITTEN. We did not put any monetary limitation on it. If the gentleman will read further in the report, he will see what we said. I do not find the place at the moment. We had a great deal of objection to the fact that the Government was going out and trying to give money to various States to produce seedlings where it was said plenty existed. We had many objections based on the fact that in many areas of the country the local nurseries had ample seedlings which they could sell at fair prices. We felt, in view of that showing, that the Department should survey the whole seedling production program and limit themselves to providing seedlings only in those areas where seedlings were not available by private enterprise at fair prices. That is as far as we could go. The gentleman will find that in the report. I wrote the paragraph in the report, and I know it is there.

Mr. JENSEN. Just one more question, if the gentleman will yield further. How much money has the committee allowed for transfer to States to cover their cost of production of tree seedlings?

Mr. WHITTEN. I have just stated that we have not set any amount. We have put that provision in the report, which the gentleman will find if he will read the full report. The gentleman understands we do not line item everything in the Department. We never have and there is no line item on it. We just say that the need does not exist to this large extent that they first thought it would. Therefore, in view of the fact that the showings to the committee were to the effect that in many areas of the country there were ample seedlings to meet the need available at fair prices, we directed the Department before carrying this on to survey the problem, limiting Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at fair prices.

Mr. JENSEN. As I understand the report, there is $4.5 million to advance to the States certain costs that the States could not meet. How much of this item did the committee allow?

Mr. WHITTEN. We did not act on it as a separate item.

Mr. JENSEN. I am greatly concerned about these items because I do not want anybody in the Department to go playing around with soil-conservation funds, which we all know are very important, and transfer them possibly to some other department. Would it be possible for them to do that?

Mr. WHITTEN. What we did here, if I may say to the gentleman, was to help the cause that he espouses, and certainly not hurt it. I think they are much better off under what we did than they would have been had we done it any other way. The gentleman will just have to rely on what I have told him. I told him why we did it, what we meant, and what they can do about it.

Let me read from the report about this nursery issue:

> The budget included $5 million for transfer to the Forest Service for the expansion of State operated tree nurseries. In view of the reduction in the funds for the overall soil and water conservation activities, the amount for this purpose during the coming year will be small. The committee believes that adequate seedlings should be available for the conservation reserve program. However, in view of the slow rate at which landowners have signed up and the fact that in many areas adequate supplies are available at reasonable prices from nurserymen, the committee directs that the Department make a new survey of the need for such nurseries and limit Government support for growth of seedlings to those areas where local nurserymen cannot meet the need at reasonable prices.

I just do not know any more the committee could do.

Mr. BROWN of Georgia. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I yield.

Mr. BROWN of Georgia. I want to congratulate the gentleman on the splendid statement he has made. I know of no one in this House who has done more and who has tried to do more for the farmer than the gentleman from Mississippi. I understand everybody on both sides of the aisle knows the plight of the farmer, and I believe everyone wants to help the farmer. I do not think this is a partisan question.

I have always been against the two-price system, but I think now it is the only solution we can have for the farmer. I believe the two-price system now would be the best thing we can find as an approach to help the farmer.

Mr. WHITTEN. I thank my friend from Georgia who has himself contributed so much to agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield myself such time as I may consume and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. H. CARL ANDERSEN. Mr. Chairman, from the observations that I have made during my 19 years in this great body I have discovered one thing: Both sides of this House are vitally interested in the welfare of agriculture. Neither side has a monopoly on the feeling that we should have as prosperous an agriculture as possible. The only dividing line between the half dozen different segments in this House is how to reach our common objective which is a prosperous agriculture. It is from that viewpoint that I approach personally the problems dealing with agriculture.

I should like to spend a few minutes in my opening remarks today in appealing to the urban Members, the big-city Members of the House, in an attempt to show them where their interest lies relative to this appropriation bill.

If I achieve that purpose in any small degree, I will be well repaid for my efforts. I do hope that we can consider this particular appropriation for agriculture upon its merits and upon its merits alone and try to hold down the controversy as much as possible. Let us try to do that. I believe by following such a course of action, we will get what we need in this great body—a final majority of opinion as to what is best for agriculture. It was a disappointment to me personally last spring to see nothing done in behalf of the million corn farmers in our great Nation. Sectional differences unfortunately arose in the debate. That points up the fact that it is only by doing the very best that we know how that we can arrive at a satisfactory, and, as I said, a majority opinion that will help us solve the problems relating to the greatest of our industries which to me is agriculture.

Mr. Chairman, we are presenting for consideration of the House the agriculture appropriation bill.

There are only a few of us in the Congress who are actually farmers ourselves, and the farm population has shrunk to the point that only about 1 out of 9 of our people live on farms today. We are a minority about whom few nonfarm people are seriously concerned. We are an abused minority accused of receiving many special privileges which we not only do not receive but which, if we did, would still leave us on the low rungs of the national economic ladder. We are a minority widely scattered throughout the land. If we were concentrated in a few States, I am sure there would be great clamor to improve our economic status, just as we have heard our neighbors from New England speak at length about the difficulties of the watch and textile industries. As it is, we see a low-income farmer living virtually next door to a high-income factory worker and we hear more complaint about the "high cost of food" than we do about the low income of that farmer.

Today, our situation is compounded. We are faced with an economy wave in the Congress, which in my personal opinion is long overdue, and we are also confronted with a greater lack of public understanding of the agricultural situation than I can recall in my almost 19 years in the Congress.

An editorial in the May 4 issue of the Wallace's Farmer, a Midwest farm publication, points up our problem. Let me read part of it to you:

> Ever since last January, when the new budget was unveiled, there has been an increasing outcry against farmers and farm programs. This outcry should have been answered, promptly and sharply, by Secretary Benson, but it wasn't.
>
> One day the Wall Street Journal suggested that the new budget would be used to "keep the price of food and fiber high." Yet 9 days before, a House Agriculture Subcommittee had shown that while retail food costs were up 16 percent since 10 years ago, prices paid to farmers had dropped 14 percent.

I am going to take a few minutes to explain the true relationships between this bill and our farm people.

The Midland Cooperator in an editorial dated May 6 aptly described the agriculture budget in the following terms:

> It covers everything from money which is loaned out—and repaid by farmers with in-

terest—to grants from the Federal Government to help local schools and to feed hot lunches to children. There is little relationship between supports for farmers' income and many of the items in the budget—though each item has broad public benefits involved and benefits farmers as much as any other citizen.

USDA BUDGET INCLUDES NONFARM PROGRAMS

Let us run quickly through this bill and see how much of the proposed budget is primarily for the benefit of nonfarm people.

Take first the Agricultural Research Service for which the committee recommends $121,016,598. A major portion of that money will be devoted to research of great value to the general public. Look at the statement by the Administrator on page 380 of our hearings. He points out that insecticides and weed-killers developed by the Department are now used by most homeowners. Penicillin and streptomycin, wonder drugs which have saved countless lives, came from agricultural research. The program to eradicate brucellosis in dairy cattle protects the public from undulant fever. Development of mosquito and fly control measures protects the public from these pests.

Look at the item of $16,586,000 for meat inspection. There is not a dime's worth of subsidy to farmers in that program; it is for the sole benefit of consumers. If you look around, you can find meat without that USDA stamp on it, but you as a consumer want to see it on your steak or your roast for your own protection. This is another consumer program charged to the farm budget.

Then look at the $29,753,708 item for State experiment stations. This includes a wide range of home-economics research of value to every housewife in America. You will find the results of this research being followed in home-economics classes in every State in the Union, as well as in hospitals, public institutions, restaurants, etc.

EXTENSION SERVES GENERAL PUBLIC

There is an item of $58,621,540 for the Extension Service, and I would not be surprised if most of our colleagues thought: "Now there is a purely farm program for the exclusive benefit of farm people." Nothing could be further from the truth. Why, I understand that even the city of Baltimore has a home demonstration agent under this program and that she is one of the busiest women in Maryland working with city housewives on their homemaking problems. I have not seen any national statistics on the subject, but I have seen reports showing that in many, many areas the home demonstration agents actually devote a majority of their time to nonfarm women and the attendance of farm women at home demonstration meetings is definitely in the minority. Valuable publications on housekeeping, cooking, food processing, dressmaking, and a host of other subjects released by the Extension Service are much in demand in nonfarm households. Urban residents all over the Nation look to county agents for information on lawn care, gardening, and a variety of services. In many county offices of the Extension Service you will see every day more city dwellers coming in for advice and publications than you will ever see of farm people.

The extension service is rendering a monumental service to farm people, but it is also rendering a very large measure of service to nonfarm people and you should keep that in mind in the consideration of this item in our bill.

Appropriation of $129,476,600 is proposed for the Agricultural Marketing Service. From that designation you might assume that here was another purely farm item, but look closely at that figure. A round $100 million of that is for the school-lunch program, one of the most popular programs ever devised for the young people of this Nation. The whole purpose of that $100 million item is to help provide substantial, well-balanced school lunches for our children who represent the future of this Nation. Farmers benefit to the extent that their children participate, but in the main this is another purely nonfarm program.

Look at the balance of that overall item—does anyone think that is all for the sole benefit of farmers? It includes inspection of food to assure clean, sound, and wholesome products for human consumption. Do you think the USDA grading or inspection label on a can of tomatoes or sack of potatoes sells more farm output? Not at all, but that label is there for the protection of the consumer and it is there for his benefit. When you go into a grocery store and you see a store layout which is a marvel of efficiency, you see fresh fruits and vegetables in farm-fresh condition, and you see dairy products displayed under refrigeration, do you ever stop to think that most of this was accomplished by the Agricultural Marketing Service of the United States Department of Agriculture? Important research, costing millions of dollars, is going on right now in that Service and the results will be for the benefit of food processors, retail establishments, and consumers.

CONSERVATION BENEFITS EVERYBODY

Then there is a fairly large item of $535 million for conservation. I have made a number of speeches on this subject and I hope by now that every one of our colleagues realizes the critical importance of conserving our most valuable natural resources—soil and water. Let me give you just one simple illustration. In my Congressional district we have a hundred and fifty progressive villages and cities. Practically every one of them either has a water problem now or sees one coming.

Down in Nobles County we have the city of Worthington—the turkey capital of the world. It is a beautiful city with great processing plants for the finest turkeys and other poultry in the Nation. It is a modern city of forward-looking people, and it is growing so fast that I note great change every time I go home. But their one big problem is water. There is a beautiful lake within the city limits, but silt deposits are coming into the lake faster than a tremendous dredge working 24 hours a day can pump them out. Do you know where that silt is coming from? It is coming from the farms in that little watershed, and it is depriving the city of Worthington of a priceless source of water for domestic and industrial use. Soil Conservation Service technicians verify that application of good conservation practices on the surrounding farmland can solve this problem for the city.

There is not a city in the Nation which does not have a present or potential water problem. The source of supply is limited. It falls first upon the farm, range, and woodlands of the Nation and there it either seeps into the ground to form our underground supplies or it runs off into the streams, lakes, and rivers from which we draw water to meet our residential and industrial needs. There is not a living thing which does not depend upon water for life, and every citizen of this Nation has a vital interest in the soil and water conservation work going forward in the rural areas of our land.

FOOD BEST FOREIGN AID

The remaining large items in the bill are this $843,076,238 to reimburse CCC for various non-price-support programs, and the $1,239,788,671 to restore the capital impairment of the Commodity Credit Corporation. If anyone thinks I have at last come to a purely agricultural item, let me quickly disabuse your mind of that. Six hundred and thirty-seven million dollars of the eight hundred and forty-three million dollars represents shipments of agricultural commodities to other nations under the Public Law 480 program. We are wisely, in my judgment, making our surpluses available to hungry people in other lands. In so doing, I believe we are making more lasting friendships for the United States than with all the so-called foreign aid we could devise. However, this vast shipment of food to our friends abroad is for the advantage of all our people and the costs should not be properly charged to the farm program.

Time does not permit a detailed discussion of this question, Mr. Chairman, nor the citing of countless examples of programs for the primary benefit of nonfarm people in this agriculture appropriation bill. But let me once again remind my colleagues from the urban centers of this Nation that much of this expenditure is in behalf of their constituents.

To summarize, there is a $100 million for a public school lunch program. There is a $16,586,000 item for meat inspection for the consuming public. At least two-thirds of the money we are devoting to research is for the public good, and at least one-third of that for conservation. Add to that almost one-third of the money for CCC and you will surely see that this bill carries funds just as vital to nonfarm as to farm people.

The headline writers of the great newspapers of our Nation refer to this as the farm appropriation bill, but I would suggest that a more accurate designation would be to call it a bill to finance essential programs and services for the producers, processors, handlers, and consumers of agricultural commodities. In addition to that, we have the services and facilities for the manufacturers and distributors of equipment

and supplies necessary for farm operation.

Let us look at this bill in its true light, Mr. Chairman. Let us weigh the costs of these agricultural programs in the proper perspective of their actual value to all the American people. If we do that, then I am sure there will be no sectional attacks made on this bill by our colleagues from urban districts. This bill is important to every citizen in our land, and it is deserving of objective consideration.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Ohio.

Mr. VORYS. I want to congratulate the gentleman for explaining to those of us who represent predominantly urban districts the many details in which this bill is for the benefit of city folks as well as farmers. I want to say that I have a predominantly urban district, but I think I use for my constituents as many copies of Family Fare, the Agricultural Department's cookbook, as any Member here and I think I probably distribute my share of the so-called agricultural bulletins, which are of interest and of benefit to those in the cities as well as in rural areas.

Mr. H. CARL ANDERSEN. I thank the gentleman and may I say that through the years I have observed that the gentleman from Ohio has always been very broadminded in his outlook upon this particular type of legislation.

Mr. VORYS. There is one more comment I would like to make. While this so-called Agricultural Department bill carries benefits for everybody in the Republic, and not merely for the so-called farm bloc, yet there are other pieces of legislation that benefit agriculture although they have other purposes. The gentleman mentioned foreign aid. I want to remind the gentleman and our friends from the farm areas that the biggest farm surplus removal program in our history has been the $16 billion of surplus agricultural products distributed abroad through the foreign-aid program. It has had its benefit in aid to our security and in carrying out the other purposes of our mutual-security legislation. It has also been of enormous help to the American farmer.

Mr. H. CARL ANDERSEN. I thank the gentleman for his comments.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. I want to compliment the gentleman for a very nice statement. I have never heard a better one.

Mr. H. CARL ANDERSEN. I appreciate that.

Mr. CHRISTOPHER. I wish the gentleman would emphasize a little more before he leaves the floor the fact that when dried milk or any other commodity is withdrawn from the Commodity Credit Corporation to be used abroad or to be used in our school-lunch program or for our indigent people all over the United States, the Commodity Credit Corporation receives no credit for that withdrawal. It shows up as a loss and it is charged up in the newspapers and in the press of the country as a loss to supporting farm prices.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct. I do hope that the newspapers of this Nation will do their utmost in fairness to the farmers of America in putting the picture before the people of America as it really is. We of the farming areas are, of course, very glad to have the opportunity to be able to provide food which goes abroad to help us maintain friendships throughout the world. I reiterate that in my opinion, from what I have observed in the Near East, we can make more lasting friendships throughout the world by providing food for hungry stomachs, especially for the children of the people out there in the Near East. All through that region where they can utilize great quantities of food we can make for the people of America far more friends by doing that than by a good many of these programs which we have undertaken under the guise of foreign aid.

Mr. MATTHEWS. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Florida.

Mr. MATTHEWS. Mr. Chairman, I would like to thank the distinguished gentleman for the splendid statement he has made. I have not been a Member of Congress for so many years, but I want to say to the distinguished gentleman that I have always found him to be a very wise man in his understanding of the problems of agriculture. I would like to join my colleagues on both sides of the aisle in saying to him "Thank you for this very excellent statement."

Mr. H. CARL ANDERSEN. I thank the gentleman sincerely.

I would like to conclude, Mr. Chairman, by simply expressing the hope again that we can consider this bill today and tomorrow with a minimum of partisanship and make every possible effort to arrive at the proper solution. We all want to do what is best not only for agriculture but for the balance of the Nation.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Utah.

Mr. DIXON. I appreciate what the gentleman has said, especially in the interest of the farmers. We hear so much about the inefficiency of the farmer and that if he were efficient, he would not be in this situation. I just happened to run upon the facts that the distributors and the marketers of our farm commodities have increased their personnel costs 33 percent since 1940, and yet we have one-fourth less farmers than in 1940 and we are producing far more than we did at that time. In other words, does it not appear to the gentleman that the farmer really deserves a great amount of credit for his productivity and that his productivity and diligence are more than outstripping the productivity and diligence in some other fields?

Mr. H. CARL ANDERSEN. I agree entirely with the gentleman. The unfortunate part of the whole thing is that there is a price-cost squeeze now upon the farmer who produces the food for the Nation. The farmer is steadily—and the facts show it—receiving less and less for what he produces. On the other hand, he is paying more and more for everything that he buys; labor, machinery, and everything else, for the production of that same food. The farmer is now receiving only 40 cents out of every dollar spent for food in this Nation, whereas not too long ago he received 53 cents, and that spread, Doctor, is disturbing to me, because I do feel that it is upsetting the balance which we must maintain in this country between all segments of our economy. Farmers are getting shortchanged and it is a national responsibility for us to correct that inequitable condition.

Mr. DIXON. I thank the gentleman.

Mr. NEAL. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from West Virginia.

Mr. NEAL. I certainly appreciate the gentleman's remarks, inasmuch as they give us an idea of the many avenues through which the farm program is reaching the people throughout the whole United States for their general good. I fully recognize that appropriations that tend to do this very thing, all of the appropriations that have been mentioned here, are thoroughly justified, but I understand from listening to the remarks of our friend from Mississippi, in the colloquy between the gentleman from Mississippi and the gentleman from Indiana, there was a very general admission that there is something wrong in the Department of Agriculture. Now, I wonder what that is. Is it appropriations, lack of appropriations, or what?

Mr. H. CARL ANDERSEN. Doctor, might I say, if you will permit, that I have urged as little controversy upon this particular bill as possible, and I leave to the gentleman from Indiana and the gentleman from Mississippi their respective opinions. I am just expressing my own. If the gentleman would like to ask me about my particular opinion on any part of this bill, I will be glad to give it to him.

Mr. NEAL. Then, let me ask the gentleman this question. We all feel very much inclined to do something for the little fellow; do we not?

Mr. H. CARL ANDERSEN. Absolutely.

Mr. NEAL. Both sides of the House.

Mr. H. CARL ANDERSEN. Yes.

Mr. NEAL. And we have heard that from time to time. The way that program is reacting now, from the standpoint of price supports, which evidently has a great deal to do with the problem that exists now in agriculture, we know that a large part of the productive farm problem—that is, supports—goes to about six major articles of farm production, and we know that those products are produced by perhaps 7 million of the 165 million or 170 million people in this country.

I wonder how we can justify subsidizing big farm producing agencies, whether individuals or corporate institutions, by supplying them with windfall

price supports and great profits at the expense of the taxpayer who has to pay to store that product in the storage places of the Nation and also at the expense, if you please, of the people who have to buy the product eventually.

Mr. H. CARL ANDERSEN. I think the gentleman has asked a question he would like me to answer and I shall answer it in this way. In the first place, price supports, if properly administered, are not a subsidy program. As I stated earlier in my address, there are probably 12 or more opinions in this House as to the best thing that should be done for agriculture. The gentleman has mentioned the little man. I commend him for that expression of concern. I have proposed in a bill on which I testified before the Committee on Agriculture this spring, a program which I consider to be in the best interest of agriculture with particular emphasis on the small producer. Personally I am not nearly as concerned with what happens to the very large producer as I am with what happens to the average, family-type farmer. I do think Congress through price supports—and I do not mean any 70 percent or 75 percent price supports, but 90 percent price supports—should take care of the average family-size farm production. That is my stand. I reiterate, my concern is for the family-type farmer. The big commercial operations are a different proposition, but I do think for the good of America and for the basic welfare of agriculture that we in the Congress should consider what is best for the average family-sized farmer and the farm programs should be written and administered in his behalf.

To accomplish that I have asked the Congress through the Committee on Agriculture to consider something along this line; that we guarantee 90 percent price supports on 4,000 bushels of corn; or to a producer of cotton on 25 bales of cotton; or to a producer of wheat on 3,000 bushels of wheat. I have suggested, and it is a matter of record, that as the urgently needed first step to restore agriculture to its proper economic position. That is my concept of what Congress should do.

Let us see what good effects would flow from protecting the family-size farm. We come again to the big producer in whom I have said I have less interest. I have a certain degree of interest in him. My primary interest is in the small fellow. But by putting an umbrella of 90-percent protection—I mean a good, solid umbrella so that it does not go below 90 percent of parity—we protect our agricultural economy. After all, parity is a fair figure. I am not asking for 100 percent of parity, as the gentleman from Mississippi [Mr. WHITTEN] has suggested. I am inclined to agree with him, but I think a realistic figure, a more workable figure so that the products are not sold to the Government in their entirety on this family-sized farm, would be 90 percent of parity. But let us come back again to the question as to what good this would do the average man, or the other farmer, including myself, who produces perhaps more than 4,000 bushels of corn. The fact that half a billion bushels of that corn produced in a crop of 3,400,000,000 bushels in this Nation is protected by a minimum of 90 percent support would mean that the corn that I produce above that 4,000 bushels on my farm would come up to perhaps 15 cents a bushel beneath that umbrella. We only have to protect a minor portion of the total crop to afford an important measure of protection to the whole farm economy. It would help the entire agricultural economy. I claim that the same will be true of the cotton situation, the tobacco situation, and the wheat situation. That, in a few words, is my conception of what we should try to do in the Congress of the United States, not only for the farmers of America, but for the good of our entire economy.

Mr. NEAL. Inasmuch as a large portion of the excess that is produced in this country is derived from the production of the big commercial farmers, and inasmuch as that production is stored away and there is so much excess, may that not be one of the prime factors that cause many of the people on the smaller farms to fail to remain on their farms and produce as they should? Does the gentleman not feel that after all this high price support system is doing the little farmer more harm than it is doing him good? Does not the record of the last several years since this program has been in operation show that increasingly year after year the small farmers are leaving their places of production and going to the urban areas for employment?

Mr. H. CARL ANDERSEN. I cannot agree that a moderate support, of 90 percent of parity, which we had for years on our basic farm commodities, did anything but good. I am at variance entirely with the Secretary of Agriculture because I conceive that the 90 percent of parity price support is not what has caused the trouble with agriculture. I cannot accept his dogma on that subject. I might answer the gentleman's question this way. I agree with Secretary Benson in his wish that agriculture be left as much freedom as is humanly possible from any governmental regulation. I certainly would not want to be party to saying to any group of our farmers, "You cannot have any protection whatsoever." I believe that all segments of agriculture would receive some benefit from the program I have in mind.

Mr. NEAL. The point I make is that our surpluses are due to high price supports.

That high commodity price supports determine the relative high costs to the consumer.

That stored surpluses produced by corporation farmers disarrange the family size farmer from attempting to compete with commercial farmers and therefore tends to leave the farm for urban employment leaving formerly prosperous rural communities thinly populated.

It is unreal to think rural communities can improve their lot when larger commercial farm product producers oversupply the market and pass the greater part of their products to the Federal Commodity Credit Corporation.

This entire program of high supports simply prospers a very small minority of the American population at the expense of a large majority who are compelled to pay the cost in their taxes and the prices they pay for farm commodities.

Mr. H. CARL ANDERSEN. May I suggest to the gentleman, and any others who have been led to believe that so-called high commodity price supports determine the high costs to the consumers, that closer study be made of the statistics of our agricultural economy. In the last 5 or 6 years, for example, farm income has dropped almost one-third. In that same period, the farm parity index has dropped from 113 percent of parity to 80 percent. Now, look at consumer prices. Did they go down proportionately? Not at all. They went up.

Today, while farm commodity prices are near their modern-time low, consumer food prices are near their high for the same period. These statistics are very revealing, and they reveal the fact that farm commodity prices do not at all control consumer prices. It is shocking, but true, that as producer prices were forced down the food industries between producers and consumers simply absorbed the difference.

One of the great regrets of all the arguments over farm programs is the fact that far too many conscientious people have been led to believe that so-called high farm prices mean higher consumer prices. If lower farm prices have not meant lower consumer prices, how can anyone say with certainty that the reverse would be true?

Finally, the index of consumer prices shows that food is still about the biggest bargain in the family budget. Last February, the food index was 113.6; the rent index was 134.2; transportation was 134.4; and other goods and services stood at 124. Consumers are getting a bargain in food, relatively speaking, with the consumer food index standing more than five points below the average for all items in the cost-of-living price index.

Mr. AVERY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Kansas.

Mr. AVERY. I want to compliment the gentleman on his expression of views on farm legislation. They are similar, at least, to a graduated parity bill I have had pending before the Congress ever since I have been a Member.

Mr. H. CARL ANDERSEN. I know the gentleman has had that bill pending.

Mr. AVERY. I cannot understand why the gentleman cannot get consideration for that type of legislation for the small farmer. You hear a lot of talk about it, but when you try to get action you cannot get a hearing before the committee.

To get to more tangible things, the gentleman pointed out things that were directed to the benefit of groups other than farm groups, specifically the home demonstration agencies and the county agents. Would the gentleman have any idea how much this bill could be reduced

if those amounts were assessed to the proper other Government agencies, such as Health, Education, and Welfare?

Mr. H. CARL ANDERSEN. I would not care to give the gentleman such an estimate for the simple reason that I would oppose any such reduction. I would not want to take away from the urban people any of the benefits which we on the farms obtain from those valuable programs.

Mr. AVERY. I would not want to take it away, but I just hate to see the Agriculture Department charged up with all these items that go to the benefit of other groups.

Mr. H. CARL ANDERSEN. The gentleman perhaps did not hear me previously, but I did state that there is at least $1 billion in this bill which redounds almost entirely to the benefit of urbanites.

Mr. AVERY. No; I did not hear that figure. That is the one I wanted to get pointed out.

Mr. H. CARL ANDERSEN. I thank the gentleman.

Mr. COAD. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Iowa.

Mr. COAD. First I should like to associate myself with the stand of courage that my friend from Minnesota has taken in opposition to that which has been the philosophy of Secretary of Agriculture Benson. I appreciate the gentleman's stand for the family farmer.

Mr. H. CARL ANDERSEN. Let me correct the gentleman just to a certain extent. I have always said as far as the Secretary of Agriculture is concerned that he is a man of the highest integrity, that he is a good administrator, that he has many splendid ideas in the field of agriculture such as extension, watershed protection, research, marketing, and soil conservation. My only point of real cleavage with him is on his ideas as to price supports. That is where I differ definitely with the Secretary of Agriculture.

Mr. COAD. I compliment the gentleman on his stand of courage.

May I refer to an Associated Press dispatch that was on the wire just a short time ago:

> Assistant Secretary of Agriculture Marvin L. McLain said today the administration-sponored flexible price support system was "oversold" because its weaknesses were not clearly foreseen.
>
> The basic philosophy of the system is a wrong philosophy.

I am sure the gentleman recognizes the fact that I have spent over half of my life on the farm. When it comes to farm situations, I will stand with anyone in trying to do that which is best for the farmer, and more especially the family farmer. I appreciate the gentleman's very fine remarks.

Mr. BREEDING. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield.

Mr. BREFDING. I would like to join with the gentleman and say that the gentleman from Minnesota [Mr. H. CARL ANDERSEN] has made a wonderful speech here today. I am from Kansas and I am heartily in agreement with what the gentleman has said.

Mr. WHITTEN. Mr. Chairman, I yield 15 minutes to the distinguished gentleman from Missouri, chairman of the Committee on Appropriations [Mr. CANNON].

Mr. CANNON. Mr. Chairman, one of the most persistent and most misleading propaganda campaigns ever waged is the effort to pressure the Congress into enacting the second Hoover Commission recommendations. I doubt whether there has been a day in the last 2 years in which the mail has not brought letters urging adoption of the Hoover recommendations. And since the receipt of the $72 billion budget, the total number received runs into the thousands.

Practically every metropolitan paper in the United States has carried editorials and syndicated columns giving the Commission reports and the extravagant claims made for them the widest circulation. There is a very active Citizens Committee for the Hoover Report, with affiliates in every State, which engages in all sorts of activity designed to stir the people to demand action. The people have been led to believe that literally billions of dollars can be saved annually and taxes reduced if only the recommendations were adopted.

The record of the Hoover Commission recommendations is interesting and affords some basis for assessing the validity of some of the highly advertised economy claims made for them and the immediate economies to be effected through their application.

THE FIRST HOOVER COMMISSION

Created by Congress in July 1947, the first Commission submitted its final report in May 1949. This first Commission concerned itself chiefly with the reorganization of departments and agencies and their relations with each other. Its proposals are described by the Commission as having been directed to "removing the roadblocks to more effective organization and to the reduction of expenditures."

Economy and efficiency was the overriding theme of the body of recommendations submitted and a number of the proposals were adopted, but with no significant savings or retrenchment. As the Director of the Budget stated in the hearings before the Committee on Appropriations of the House on January 24, 1957, when the effect of the Hoover Commission recommendations was under discussion in connection with the 1958 budget:

> It is absolutely impossible to prove a saving.

It might be said in this connection that numerous plans and systems are proposed at every session of Congress guaranteed by their proponents to save the Government fabulous sums. All of them are given a hearing and frequently one that seems to have some merit is given a tryout. I do not recall at this time any which have justified economy expectations. All too frequently they cost more than they save. The present Hoover Commission recommendations appear to be no exception to that rule. At least they have brought about no appreciable saving.

Instead of retrenchment and simplification, Federal spending trends have consistently increased since their approval, without apparent effect or influence resulting from adoption and application of the recommendations. It is difficult to imagine savings of the billions promised which could not be demonstrated.

Federal budgetary spending since the first Commission reported follows:

	Billions
1950	$39.6
1951 (war year)	44.1
1952 (war year)	65.4
1953 (war year)	74.3
1954	67.8
1955	64.6
1956	66.5
1957 estimate ($70.1, including highways)	68.9
1958 estimate ($73.6, including highways)	71.8

THE SECOND HOOVER COMMISSION

The second Commission was created by Congress in July 1953 and submitted its final report in June 1955. It was an expensive agency. It spent $2,848,534 and it employed as many as 525 personnel at one time.

The first Commission had been limited to reorganization suggestions but the second Commission, among other activities, was directed to include studies of policies of the Government and elimination of duplication and nonessential activities.

Quoting from the final report of the second commission—page 19:

> The primary purpose of the Commission was to recommend methods by which savings could be made in the expenditures of the agencies of the executive branch without injury to the security or welfare of the country.

In view of this primary purpose, as stated by the Commission itself, it has been somewhat surprising that the Commission carefully avoided enumeration of specific estimates of savings that might flow from its recommendations. That is the very thing it should have done. It was created to find ways to save tax money. That was its job; its duty. The Congress expected it to put a specific price tag on its recommendations. Why make a lot of recommendations unsupported by a showing of the savings to be had if they were adopted?

No, the Commission failed to do that.

But it did not hesitate to prominently list, under the heading "Possible Savings in Federal Expenditures," the savings estimated by its numerous task forces, running into billions of dollars, although it hastened to add that any total of such savings would be an overestimate. There would be some overlap in the several task force estimates, it said. Incidentally, the sum total of all the task force dollar estimates of savings is $8,565,100,000. But the Commission concluded on this note:

> In any event, with all such discounts, there are enough possible savings left to enable the balancing of the budget and reduction of taxes.

This is a sweeping statement of opinion, wholly unsupported by any data submitted by the Commission in any of its reports. The impressive savings suggested by the task forces and subsequently advertised have elicited widespread and continuing interest, with result that the public generally has accepted the figures as Commission estimates—even though the Commission pointedly failed to corroborate the figures. A comprehensive report issued recently by the Senate Committee on Government Operations—Report No. 95 of the 85th Congress, "Action by the 84th Congress on the Second Hoover Commission Reports"—includes this statement:

> While these documents prepared by the various study groups form the main basis for the Commission reports to the Congress, the Commission did not in all instances agree with the recommendations of its task forces, subcommittees, and study groups. Many of its recommendations are based upon the experience of the members of the Commission plus independent research by the Commission staff.
>
> Nor were the 12 members of the Commission themselves in complete agreement upon all 20 of the Commission reports. Most of the reports contain dissents, separate statements, or reservations by one or more of the Commissioners. These were directed usually not to a Commission report as a whole, but to specific recommendations therein.

So, contrary to widespread popular belief, the Commission was far from agreement as to the wisdom of some of these suggestions. And, of course, the Commission did not make any specific estimates of savings. But that has not deterred the dissemination of the wholly unsupported propaganda. The latest claim of savings having general circulation throughout the country is the sum of about $5.5 billion supposed to be obtainable if Congress adopts the remaining recommendations.

The extravagant economy claims and the propaganda promoting them are strikingly similar to those surrounding the recommendations of the first Hoover Commission. The situation became so confused and ridiculous at that time that the Senate Committee on Government Operations found it necessary to set the record straight. That is what I am undertaking to do as regards the second Hoover Commission claims to savings. The committee had this to say (p. 4, S. Rept. No. 4, 83d Cong., Jan. 9, 1953):

> Another aspect of the Hoover Commission reports, which has caused considerable confusion in the public mind because of its wide dissemination, involves the extravagant claims of tremendous monetary savings which would result from the full implementation of these reports. These estimates have varied from an ultraconservative figure of a few million to as much as $10 billion in annual savings. This committee has been unable to find any sound basis for the unsubstantiated estimates of savings claimed by some of the proponents. Even if all the Hoover Commission's recommendations had been found to be of practical application, these estimates are not based on facts, and are grossly unfair to the Congress. The American people have every right to expect the proponents of these reforms to be completely fair and reliable in their estimates. At the same time they have an equal right to expect their representatives in Congress to act with sound judgment regardless of the pressure brought to bear upon them by those who do not have full information as to their impact on the national welfare.

The second Hoover Commission and proponents of its recommendations have made equally extravagant and wholly unsupported claims. They are misleading, and the people have been misled.

ALLEGED $4 BILLION SAVINGS

Probably the most vociferous demands that the Congress take action have to do with changing the appropriations procedure to what the professionals call the accrued expenditure basis. This bookkeeping bonanza is the key feature of a series of suggestions originally carrying a $4 billion expenditure reduction tag—or about half of the combined total of all the specific savings listed by all the Commission task forces. As recently as February 4 of this year, former President Hoover, in urging adoption of this procedure, said:

> * * * there are savings estimated at over $3 billion to be had.

But when you disregard the unsupported conclusions and read the fine print of the Hoover Commission's final report, you will not find a single specific saving claimed by the Commission.

The Hoover Commission quoted from its task force as follows:

> The benefits which would result from improved financial management cannot be calculated with any degree of precision but we believe the resultant dollar savings could reasonably be expected to amount to $4 billion, which is approximately 8½ percent of the controllable budget expenditures.

Mr. Chairman, this is the gist of the matter. This is the genesis of all the public enthusiasm engendered by this fantastic claim. But it is as phony as a 3-dollar bill. It admits the savings "cannot be calculated with any degree of precision"; it merely professes a belief that savings could reasonably be expected to amount to $4 billion annually.

The Commission advanced a number of budget and accounting reform ideas. The Congress adopted some of these last year, but it rightly refused to adopt the key provision because it is the most impracticable and expensive of the lot. Perhaps no one, either in or out of Government, is today better qualified to pass judgment on the validity of this $4 billion claim than the present Director of the Budget, Mr. Brundage. His entire background has concerned accounting and budget matters. He occupies a key position in putting the Federal budget together—he is chief architect of the spending side of the budget, and he has endorsed the Commission recommendations. But what is Mr. Brundage's opinion as to the validity of claimed savings? Here is his opinion—and it is devastating. Here are quotes from hearings of the Committee on Appropriations on June 18, 1956:

> Mr. CANNON. I would be glad if the Director would tell us how they propose by this change in the budgetary system to make a saving of $4 billion annually.
>
> Mr. BRUNDAGE. The chairman of the task force, Mr. CANNON, said that he had estimated the $4 billion by taking 8½ percent of all the controllable expenditures per year and quite frankly I would rather not express an opinion on either the computation or how they got it.
>
> Mr. CANNON. That is what we are anxious to have you do. You know a saving of $4 billion annually is a very impressive objective. * * * I would like to know how you propose to save $4 billion by this change in the system.
>
> Mr. BRUNDAGE. I would not say we would save $4 billion in this way. I think it will save some money and give better control but I have never been willing to estimate what any savings would amount to. It is too intangible.
>
> Mr. CANNON. This idea has been sold to the country. I am getting letters asking "Why do you not adopt this plan and save $4 billion every year?"
>
> Mr. BRUNDAGE. I avoid mentioning any savings in any testimony or correspondence I have on the subject.
>
> Mr. CANNON. I am not differing with you. I am not objecting. I merely want more information on the subject.
>
> Mr. BRUNDAGE. I feel satisfied that we will save several million dollars.
>
> Mr. CANNON. Several million?
>
> Mr. BRUNDAGE. Yes.
>
> Mr. CANNON. There is a great difference between several million and the $4 billion advertised. The fact that you are satisfied does not necessarily satisfy us.

This testimony from an ardent supporter of the Hoover Commission report ought effectively to lay to rest the wholly absurd claim of savings of $4 billion. The Budget Director says he never has been willing to estimate any savings—it is too intangible. But even more persuasive is the view of the gentleman from New York [Mr. TABER] who, from long experience on the Committee on Appropriations, had no trouble in quickly and accurately sizing up the fallacious and preposterous dimensions of this proposition. He has unequivocably opposed the suggested change, perhaps not so much on account of the absurd claim of expenditure reduction but more because it would mean an automatic return to the use of contract authority, a procedure abandoned generally some years ago. The Congress found from hard experience that contract authority costs the taxpayers more money in the long run. In this respect, the present system is much to be preferred.

EXECUTIVE BRANCH ACCEPTANCE

From the constant deluge of mail coming to the Capitol each day, it apparently is not generally known that many of the Hoover Commission recommendations have been adopted by the executive branch and by the Congress. The President more than once has enthusiastically praised and endorsed the Commission's work. There is apparently an intensive and continuous program in the executive branch to accept and put into effect and to propose legislation where necessary on the great bulk of the proposals. In a progress report released by the White House October 15, 1956, the accompanying executive staff memorandum to the President contains this statement:

> It is already evident that the Hoover Commission has made a great contribution to

economy and efficiency in Government and that many of the recommendations contained in the report will, over a period, produce substantial savings.

Significantly, the memorandum points out that the Commission itself did not attempt to estimate savings. It does not supply any specific evidence to support the statement that economy and efficiency have resulted. Bearing in mind the primary purpose of the Commission, namely, "to recommend methods by which savings could be made in the expenditures of the agencies of the executive branch without injury to the security or welfare of the country," the ever-increasing budget spending trend leaves room for serious doubt as to the efficacy of many of the recommendations adopted and affords grounds for challenging the contention that economy and efficiency is already evident.

The October 15 report referred to above statistically shows the status of acceptance and implementation in the executive branch. Following is a condensed summary taken from that report.

Acceptance and implementation in executive branch

	Number	Percent
1. Status of acceptance:		
(a) Accepted entirely or with minor modification	189	39.4
(b) Accepted partially or as to basic objective	124	25.9
See 2 (below) on this total accepted	313	65.3
(c) Not accepted	57	11.9
Decided to date	370	77.2
(d) Not decided:		
(1) Decision contingent on future study or developments	33	6.9
(2) Still under review in White House	76	15.9
Grand total	479	100.0
2. Status of implementation of those accepted:		
(a) Implemented	70	22.4
(b) In process of implementation	123	39.3
(c) Implementation not yet started	91	29.1
(d) Legislative action still required	[1] 29	9.2
Total	313	100.0

[1] Executive branch has proposed and supported legislation on 22 of these.

Mr. Chairman, this is a revealing tabulation. The executive branch has implemented 22.4 percent of those it accepts; has in process of implementation 39.3 percent; and has accepted in substance but not started 29.1 percent. At that date, 57 recommendations had been rejected by the White House. Economy claims to the contrary notwithstanding, the President's budget for 1958, the highest in peacetime history, proposes to spend $3 billion more than in 1957; between five and six billion dollars more than 1956; and between seven and eight billion dollars more than 1955. Where are the claims of Hoover Commission "economies" adopted by the executive branch reflected in budget totals?

CONGRESSIONAL ACCEPTANCE

The 84th Congress enacted 36 laws, 2 House resolutions, and 1 Senate resolution which put into effect about 55, or about 33 percent, of the 167 recommendations identified by the Hoover Commission as requiring action by the Congress in order to be made effective. Here is a tabulation:

Bills implementing Commission reports which were enacted into law

SENATE BILLS

Bill No.	Public law	Title of bill	Commission report	Recommendation No.
S. 654	88	Extends program of direct loans to veterans for housing until July 25, 1957	Lending Agencies	9.
S. 890	660	Vests primary responsibility for water pollution projects in States	Water Resources and Power	1 (c) (in part).
S. 941	55	Facilitates liquidation of Federal Farm Mortgage Corporation	Lending Agencies	28 (in part).
S. 1871	705	Simplifies computing of fees charged executive agencies for use of the United States mail.	Paperwork Management, pt. I	1 (task force 16).
S. 2061	68	To increase the basic compensation of officers and employees in the field service of the Post Office Department.	Personnel and Civil Service	8 (b).
S. 2126	345	To extend and clarify laws relating to the provision and improvement of housing, the elimination and prevention of slums, the conservation and development of urban communities, the financing of vitally needed public works, and for other purposes. (Sec. 109 makes the Home Loan Bank Board an independent agency.)	Lending Agencies	2.
S. 2127	268	To amend the Small Business Act of 1953. (Sec. 13 extends the Small Business Administration for 2 years.)	do	39 (b).
S. 2286	538	To amend the Merchant Marine Act of 1936 so as to provide for the utilization of privately owned shipping services in connection with transportation of privately owned vehicles.	Transportation	7 (a) (b), 10.
S. 3430	941	To promote the progress of medicine and to advance the national health and welfare by creating a National Library of Medicine (in the Public Health Service).	Federal Medical Services	23 (in part).
S. 3481	828	To amend the Foreign Service Act of 1946, as amended, and for other purposes	Personnel and Civil Service	Task Force 3 (task force report, p. 137).
S. 3768	852	Includes the Department of Health, Education, and Welfare in sec. 158 of the Revised Statutes.	Legal Services and Procedure	31 and 32 (in part).
S. 3897	863	To improve governmental budgeting and accounting methods and procedures, and for other purposes.	Budget and Accounting	2, 4-7, 13, 14.
S. 3958	911	To improve the health of the people by assisting in increasing the number of adequately trained professional and practical nurses and professional public health personnel, and for other purposes.	Federal Medical Services	25 (b), 27; task force report, p. 75.
S. J. Res. 199	882	To authorize an additional position of Assistant Director in the Bureau of the Budget.	Budget and Accounting	10.
S. Res. 285		Provided for a study of the foreign aid program by the Senate Committee on Foreign Relations.	Overseas Economic Operations	1.

HOUSE BILLS

H. R. 2576	16	To further amend the Reorganization Act of 1949, as amended, so that such act will apply to reorganization plans transmitted to the Congress at any time before Apr. 1, 1958. (Amended to read "June 1, 1957.")	Progress Report	No specific number. (See p. 22 of Progress Report.)
H. R. 3322	61	To amend the Federal Property and Administrative Services Act of 1949 so as to improve the administration of the program for the utilization of surplus property for educational and public health purposes.	Surplus Property	8 (a) (d), 9.
H. R. 3338	232	Authorizes President to lease the Alaska Railroad to private interests for 55 years	Business Enterprises	13 (b).
H. R. 4941	22	To amend the Foreign Service Act of 1946, as amended, and for other purposes. (Task force recommended passage of "certain pending proposals to strengthen the Foreign Service.")	Personnel and Civil Service	Task Force 3 (task force report, p. 137).
H. R. 5100	83	Limits veterans' dental care to service-connected disabilities or conditions	Federal Medical Services	7.
H. R. 5168	347	Increases rate of retirement of Government capital in certain institutions operating under supervision of Federal Farm Credit System.	Lending agencies	22.
H. R. 6277	245	To amend subsec. 303 (c) of the Career Compensation Act of 1949 relating to transportation and storage of household goods of military personnel on permanent change of station.	Transportation Depot Utilization	2. Task force legal recommendation (b).
H. R. 6829	161	Authorizes headquarters for the Central Intelligence Agency	Intelligence Activities	1.
H. R. 7034	365	To provide permanent authority for the relief of certain disbursing officers, and for other purposes.	Budget and Accounting	19 (in part).
H. R. 7035	334	To amend sec. 1 of the act entitled "An Act to authorize relief of accountable officers of the Government, and for other purposes," approved Aug. 1, 1947 (61 Stat. 720).	do	19 (in part).
H. R. 7227	655	Authorizes donation of Government-owned surplus property for civil defense purposes.	Surplus Property	9.
H. R. 7619	854	To adjust the rates of compensation of the heads of the executive departments and of certain other officials of the Federal Government, and for other purposes.	Personnel and Civil Service; Business Organization, Department of Defense. Research and Development	4. 12. 1.
H. R. 7855	971	Extended authority to negotiate the disposal of surplus property	Surplus Property	17.

Bills implementing Commission reports which were enacted into law—Continued

HOUSE BILLS—Continued

Bill No.	Public law	Title of bill	Commission report	Recommendation No.
H. R. 9428	497	To provide for procurement of medical and dental officers of the Army, Navy, Air Force, and Public Health Service, and for other purposes.	Federal Medical Services	4 (in spirit).
H. R. 9429	569	To provide medical care for dependents of members of the uniformed services, and for other purposes.	do	21.
H. R. 9593	798	To simplify accounting, facilitate the payment of obligations, and for other purposes.	Budget and Accounting	17, 18.
H. R. 10285	809	To merge production-credit corporations in Federal intermediate credit banks; to provide for retirement of Government capital in Federal intermediate credit banks; and for other purposes.	Lending Agencies	24, 25.
H. R. 10368	801	To amend the Civil Service Act of Jan. 16, 1883, so as to require that certain reports of the executive branch to Congress contain information pertaining to the number of civilian officers and employees required to carry out additional or expanded functions, and for other purposes.	Personnel and Civil Service	Task force report, p. 106.
H. R. 12138	814	Supplemental Appropriation Act, 1957. (Gives Bureau of Budget additional funds for salaries.)	Budget and Accounting	1.
H. J. Res. 157	304	Establishes the Commission on Government Security	Personnel and Civil Service	Task force report, p. 121.
H. J. Res. 256	182	Authorizes Federal grants for program of research on mental illness	Federal Medical Services	27 (in part).
H. J. Res. 607	608	Provides for the disposal of the Texas City tin smelter	Business Enterprises	17.
H. Res. 118		Authorizes the House Committee on Merchant Marine and Fisheries to investigate the necessity for continuing the Panama Railroad.	Transportation	18.
H. Res. 262		Resolution that the Committee on House Administration or any subcommittee thereof is authorized to conduct a full investigation and study of federally operated printing presses.	Paperwork Management, pt. I	General objectives.

Mr. Chairman, these bills have been enacted through bipartisan action. No politics is involved. But the unvarnished truth is that while these recommendations have been adopted—and perhaps some of them have merit—budget expenditures continue to climb. Up to this point, all Hoover Commission recommendations adopted have, so far as can be definitely ascertained, been without significant effect in reduction of the budget. And the much advertised $4 billion annual saving is, of course, an absurdity, a pure fabrication.

On October 15, 1956, the President stated:

A number of the most important recommendations require Congressional action. With bipartisan support, a modest start was made at the last session of the Congress. I propose to transmit further specific legislative proposals to the next session of the Congress, and I am hopeful that these will receive the wholehearted bipartisan support which they merit.

As with all legislation, any Presidential proposals along these lines will be subject to recommendation by the legislative committees having jurisdiction. As to these, perhaps this paragraph from the statement of general dissent by one of the Commissioners sums up the situation:

With their sensitivity to public issues, their varied experience in legislation, their party obligations and their public responsibilities as elected officials, the Members of Congress are better qualified to make policy judgments and to legislate for the national welfare than any 12-man commission.

Mr. HORAN. Mr. Chairman, I yield 20 minutes to the gentleman from Colorado [Mr. HILL].

Mr. CURTIS of Missouri. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Forty-eight Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 72]

Allen, Ill.	Ashley	Barrett
Anderson, Mont.	Ayres	Beamer
	Barden	Belcher
Bowler	Holt	Powell
Boykin	Holtzman	Rains
Buckley	James	Rivers
Cole	Kearney	Rodino
Dawson, Ill.	Kelley, Pa.	Sadlak
Dellay	Kilburn	Scherer
Eberharter	McCormack	Smith, Va.
Evins	Mack, Wash.	Spence
Fallon	Madden	Stauffer
Farbstein	Magnuson	Taylor
Fogarty	May	Teague, Tex.
Griffin	Metcalf	Teller
Gross	Morano	Utt
Gubser	Morrison	Wharton
Gwinn	Murray	Wilson, Calif.
Hays, Ohio	O'Neill	Wolverton
Henderson	Passman	Zelenko
Hillings	Patterson	
Holifield	Pillion	

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 7441, and finding itself without a quorum, he had directed the roll to be called when 354 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Colorado [Mr. HILL] is recognized.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HILL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to announce to the Committee that, so far as this side is concerned, it is our intention to proceed with the debate, at the conclusion of which the bill will be read to the point where the first amendment to the bill is in order; at which time we will move that the Committee rise.

Mr. HILL. Mr. Chairman, this afternoon we have heard mentioned in general debate a letter from the Secretary of Agriculture, the Honorable Ezra Taft Benson. I thought it would be a good thing, and I am sure it is, if we all could get an accurate idea of what was in that letter, and I am going to take this time to read it.

Following is the text of the letter from Secretary of Agriculture Ezra Taft Benson to the Honorable JAMIE L. WHITTEN, chairman, Agriculture Subcommittee, House Committee on Appropriations, regarding a report on the 1958 agricultural appropriations bill:

DEAR CONGRESSMAN WHITTEN: I have read with interest and disappointment the report issued by you on May 10 in behalf of the Committee on Appropriations of the House of Representatives regarding the 1958 appropriation for the Department of Agriculture and the Farm Credit Administration.

I am sorry to see that what might be expected to be a factual document contains so much argumentative and sometimes misleading material. It is both disturbing and confusing also to observe the amalgamation of the appropriative and legislative processes within the report of the Appropriations Committee. The establishment of limitations on the soil bank in future years is an attempt to legislate on farm policy before the program has been given a fair opportunity to succeed.

With two of the statements in the committee report I fully agree.

First, I am glad to note that the committee states that changes in the farm program are needed. My letter of May 2 and the accompanying document which was submitted to Senator ELLENDER provide a detailed analysis and discussion of the inadequacies of the old basic features of present legislation which has acreage restrictions as one of its foundation stones.

Second, I agree that acreage allotments have not controlled production.

It is true that acreage controls can, to a degree, restrict the output of a particular crop. But controls have had little effect on total farm production.

Last year, we had acreage controls in operation on all the basic crops. Yet total output reached an alltime record. Generally, when a farmer is restricted on acreage, he picks his best land, fertilizes heavily, uses modern methods, and increases the yield per acre. And he uses the acres taken out of one crop for the production of other crops.

With modern technology, acres are no longer an effective limit on agricultural production. The technological revolution is the new dimension in farm policy. This process is irreversible. A hundred years ago, one farm worker in the United States fed himself and three others. Today he feeds himself and 20 others. The upward pressure of productivity has been going on for a long time but the revolutionary effects become explosive during World War II and have continued ever since.

It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such

controls and the Congress will not enact them.

Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Even if controls worked properly for the allotment crops, which they do not, these allotment crops bring in only one-fourth of our farm income. Obviously we cannot control total production by controlling one-fourth of our output. This is particularly true since the law allows resources which are shifted out of the controlled crops to be used for the production of other crops.

I am glad to see in the report such fundamentally true statements as:

"The farmer, too, must have a fair return for his investment and his labor. However, he should have such a return from the market place instead of the Treasury.

"An entirely new legislative approach must be developed if the present conditions are to be corrected.

"Any new program which is finally adopted should let the farmer farm."

I was grateful also for the kind words of approval for the efforts of the Department in several fields.

There are a number of points in the committee report, however, with which I strongly disagree.

First, I cannot agree with the report when it attempts to attribute the lack of effectiveness of the 1956 soil bank to an inherent weakness of the program. It should be noted that the Secretary of Agriculture is required to administer laws as they are passed by the Congress. The Secretary of Agriculture does not write the legislation. Therefore, when this report states that there were very little results from the expenditures for the 1956 program, it must be borne in mind that the implementation of the soil bank program for 1956 was contrary to my expressed wishes. I pointed out in correspondence available to your committee that the passage of the Agricultural Act of 1956 was too late to result in any real accomplishments in 1956. It was at the insistence of the House conferees that provisions were inserted in the Agricultural Act of 1956 requiring that the Secretary operate to the best of his ability a soil bank program for 1956. The conferees' report recognized that very little in the way of results was expected for 1956. Any criticism of the operation of the Soil Bank Act for the 1956 year should be considered in the light of available history. The record on this matter is so clear that the failure of the Committee on Appropriations to recognize these facts is difficult to understand.

Second, the committee implies that farmers increased production as farm prices have fallen. This is directly contrary to the best economic thinking and to an analysis by the Congress, as reflected in the Agricultural Act of 1938, as amended. Under the legislative findings covering peanuts in section 357 of the above act, the following statements appear:

"As the quantity of peanuts marketed in the channels of interstate and foreign commerce increases above the quantity of peanuts needed for cleaning and shelling, the prices at which all peanuts are marketed are depressed to low levels. These low prices tend to cause the quantity of peanuts available for marketing in later years to be less than normal, which in turn tends to cause relatively high prices."

Available statistical evidence does not support the concept that if prices fall, farmers generally will increase their production. While we can agree that production has increased in recent years, we have every reason to believe that it would have increased even more if supports had been higher. In fact, increasing efficiency resulting in large part from advancing technology would have been further stimulated by higher prices.

It has been demonstrated that individual commodities respond more readily to the stimulus of price than does aggregate agricultural production. Certainly, during the war, higher price supports were designed to induce greater production. We know of no country in the world which has ever adopted a policy of reduced price support levels in order to stimulate production.

Third, the soil bank acreage reserve was recommended to the Congress as a temporary measure designed to reduce extremely burdensome carryover stocks of basic commodities. These tremendous carryovers had been developed through the operation of acreage allotments and previous rigid price support programs.

The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did." This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway. The Department cannot agree with this position. The soil bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program. The law makes a soil bank commitment to farmers through 1959. This commitment should be carried out.

In the second paragraph on page 26, the committee report says, "Since it is felt that complete elimination 'of the soil bank program' is a major policy decision which should be handled through regular legislative channels, the committee has moved in the direction of a gradual elimination of the program by reducing the appropriation for 1958 to $600 million and by reducing the size of the next year's program to $500 million." We believe this approach to be inconsistent.

The Department originally recommended an acreage reserve program for but 3 years, since we were cognizant of the impact on the whole agricultural community as well as on the actual farm operator.

If the soil bank were to be eliminated or severely restricted in its effectiveness, this should be done legislatively after appropriate consideration by the legislative committee rather than by a limitation put in an appropriation bill while retaining all the goals and objectives set forth in the basic legislation.

The statement in the report that the farmer has rented the poor part of his land to the Government is very likely true. However, the payment on that land has been in proportion to its productive capacity; i. e., 10 acres of 20-bushel land would cost the same and result in the same reduction in production as 20 acres of 10-bushel land. We pay for what we get in the way of reduction for the basic crop involved.

Fourth, I take exception to the statement on page 5 which refers to the rise in CCC holdings from $2.5 billion on January 1, 1953, to $8.2 billion on January 1, 1957. The report charges that "this is largely due to increased production generated by reduced price supports and reduced acreage."

This statement is not supported by fact. The records show that most of this backlog was acquired from December 31, 1952, to December 31, 1954, while the farmers were operating under the high rigid price supports then in the law. During that period total investments in price support commodities jumped from $2.5 billion to $7.2 billion—a figure only $1 billion below the $8.2 billion holdings on January 1, 1957, misleadingly referred to by the committee as "largely due" to reduced price supports.

Fifth, the statement on farm debt is misleading. It is true that total farm debt increased from $14.8 billion in 1952 to $18 billion in 1956, but it is also true that farm equities have gone up even more rapidly. Farmers' equities have, in fact, increased 41 percent during the past decade.

Land values are at an alltime high. Mortgage foreclosures are near the alltime low. Nearly 7 of every 10 farmers have no mortgage debt at all. Such facts are not reflected in the committee's statement.

I am calling these matters to your attention in the hope that you will make the necessary changes so that the permanent report will present a picture that is more nearly accurate and fair.

If you do not feel that you can make these changes, I urge you to make this letter a part of the record in connection with the proceedings regarding the Department's budget.

I shall comment separately on the implications of the committee's actions regarding budgetary provisions for the soil bank and other items in the Department's budget.

Sincerely yours,

EZRA TAFT BENSON,
Secretary.

The report of the Appropriations Committee that accompanies this bill, H. R. 7441, making appropriations for the Department of Agriculture for fiscal 1958, is a strange document. The action of the committee in reducing the appropriations for the Agriculture Department is a proper function of that committee and it is not my purpose to argue the merits or demerits of that action, although there are areas in which the committee has, in my opinion, made false economies.

I am disturbed by those portions of the report that deal with things other than direct budget items. Nearly half of this report purports to tell us what is wrong with our agricultural economy and by inference blames all the farmers' troubles on the Eisenhower administration and the present Secretary of Agriculture.

That the farmer is in difficulty no one denies. That something is wrong with our farm legislation no one denies. In fact, the report goes so far as to say that "Part of the trouble lies with the agricultural laws passed in 1933 which, except as to price-support levels, largely govern present farm programs." I would go further and say that all of our troubles stem from the agriculture laws passed in 1933 and 1938.

Paragraph after paragraph of the report points out that cutting United States acreage as a means of regulating United States production, and perhaps world production, will not work. Yet it was the legislation of the depression years of the 1930's that put such a program in effect. The idea of price supports as a means of controlling or increasing farmer income was written into the law in 1938. Since that time there have been few changes in the methods devised by the Congress in the 1930's to meet what was then an admitted emergency. We have compounded the errors of the thirties by attempting through patchwork legislation to make a go of programs that were never designed as long-range agricultural solutions. Our

troubles stem from legislation based on a horse-and-buggy era. Yet this report repeatedly refers to the past 4 years as though the present administration was completely to blame for all our troubles in agriculture.

While one may quarrel with some of Mr. Benson's administrative decisions, let us not forget that he must work within the legislative framework of programs passed by Congresses controlled by the party of the gentleman who wrote this report.

In its efforts to disassociate its authors from the results of past errors, the report labors mightily, but unconvincingly, to cast upon the present Secretary of Agriculture full blame for the current problems. The report fails to emphasize that the present situation flows from many years of erroneous farm policy. It fails to point out that the present surpluses were acquired under the program voted by preceding Congresses. It fails to point out that present costs of carrying and disposing of such surpluses are the inevitable consequence of the farm policies that Congress has changed in only minor respect since their enactment.

The report uses 1952 as a year for comparison. 1952 was a war year. We were asking, yes even demanding, that our farmers increase production. For example, we tossed out wheat acreage allotments and requested stepped-up production. These actions were not comparable to a peacetime period such as we have enjoyed since then. Why does the report not use 1939 or 1940 as a year of comparison?

The report suggests a new farm program. But the program they suggest appears to me to be suspiciously similar to the old domestic allotment plan that the legislative Committee on Agriculture has kicked around for the past 15 years. It would substitute for one failing program a new program that would involve even more comprehensive regulation and Government control than we now have and in my judgment have less chance of success.

Mr. WHITTEN. Mr. Chairman, I yield myself such time as I may require to read to the Committee of the Whole a telegram which I sent in response to this letter which I received this morning. May I say to the membership that this letter to me was mimeographed and released to the press and distributed at the time I received the original draft. At that time I dispatched the following telegram to the Secretary:

MAY 14, 1957.

Hon. EZRA T. BENSON,
Secretary of Agriculture,
Washington, D. C.:

Your lengthy letter dated May 14 making comments on report by the Appropriations Committee on agricultural appropriation, which comes up today, has just been delivered to me by special messenger. The press advises you have released this letter to them.

I am pleased to have your agreement on much of the report and your comments differing with other matters in the committee report. You mention you are surprised at some statements in the report. Certainly after our questions and your answers of February 26, 1957, plus the records of the Department, I cannot see that you should be surprised. May I say the fact that you differ with some of the findings of the appropriations committee is not surprising to me. It is obvious that had you been in agreement with the views of the appropriations committee you would have no doubt changed the policies of the Department long since. You will recall that for 3 years we tried to get you to use your authority to sell competitively in world markets. When you finally did, it worked out surprisingly well, as you graciously said in our hearings of February 26. Then and later on April 16, when we pointed out to you what had happened to production and CCC investment during the period which you have been Secretary of Agriculture, we were pleased to see you recognize that time and developments have proven the unsoundness of many views which had been held by you and other departmental policymakers. I was glad to see that you later passed on to Senator ELLENDER and the Senate Appropriations Committee these acknowledgments which you made to our committee in our hearings on those dates. This gave me the most hope for an objective study of the farm situation I have had in a long time. I sincerely believe further study by yourself and others of the records within the Department will lead you to an awareness that we cannot regulate world production by merely cutting domestic production and, further, that the chief incentives to increased United States production are limitation on acreage and reduction in price. I know of no instance where the farmer loses income by reason of reduction in price that he does not try to make up the loss by increased production either in the acreage controlled commodity or some other.

As you well know, the Appropriations Committee has authority, which incidentally we did not use, to prohibit the use of any money for the acreage reserve part of the soil bank beyond present contracts, dependent of course, upon the approval of the Congress.

I regret that we cannot modify those places in our report where you differ with the findings of the Committee on Appropriations. I think it is significant that no minority report was filed by any member of the Appropriations Committee, either Republican or Democrat. I trust that on further study you will come around to seeing the soundness of the findings of our committee, which I assure you are based upon the records of your own Department. The committee report agrees that you inherited a bad situation so far as farm income is concerned. The point, however, is that after 4 years the farm situation is much worse.

I have tried in the report and in this telegram to hold this controversial issue as to the causes of the increasingly serious farm situation away from personalities. We give you full credit for sincerity and honesty of purpose and desire. As you said in the hearings, you and I will probably always argue the farm problem. I close with the hope that you will give more study to our report and the facts which support it.

Cordially,

JAMIE L. WHITTEN,
Chairman, Subcommittee on Agricultural Appropriations.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to address myself briefly to two points in the committee report with which I strongly disagree. Before doing this, however, I would like to compliment the committee upon many other aspects of the report with which I strongly concur.

I think the report on the operation of the soil bank, for instance, makes the fallacies of this program very clear. If we continue to make the basis of the farm program a plan for paying farmers not to farm, many more wasteful scandals will result.

The domestic allotment program proposed by the committee, under the heading, "Suggestions for a New Farm Program," on page 7, may have some advantages for rather limited crops. I think it would be dangerous, however, if the domestic allotment program were adopted for some of our major commodities. This is particularly true in the case of cotton, the crop in which I am most interested.

Cotton farmers today seek more acres on which to produce their crops. Their markets are limited primarily because of the competition of synthetic fibers. Until the price of cotton becomes competitive domestically with synthetic fibers, farmers will have to contend with more and more cotton acreage reductions. With domestic production regularly reduced, cotton would soon become almost solely an export crop. It is not likely that the export market would be in any way stable or firm.

The proposal to restrict production in terms of bales or pounds instead of acreage would also strike directly at the heart of our traditional incentive system and would penalize energy and initiative and any type of progress toward greater productivity of labor. The overall plan would result in far more regimentation of the farmer than we have yet experienced.

The disadvantages of the domestic allotment program for the cotton farmer are apparent enough without dwelling upon the problem from the viewpoint of our cotton spinners. The plan presented by the committee would have a system of American mills buying in an artificially priced market to compete against American cotton sold abroad at perhaps incredibly low levels.

Any new type of program for cotton must have as a first objective the reduction in price in order to meet the competition of other fibers. If this price reduction must be accompanied by any type of Government subsidy, the subsidy should be in the direction of the consumer, and, consequently, benefit all segments of our economy.

I was very much surprised at the committee's comment on page 12 in regard to the Commission on the Increased Industrial Use of Agricultural Products. If there is anything that the American farmer needs today in order to increase his income, it is greater consumption of the products of his farm. An alarmingly small amount of farm products are today used in industry. If there is any one field of Government research of benefit to the farmer that should be expanded today, it is that of industrial usage for farm products.

Mr. WHITTEN. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. ROONEY].

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to speak out of order.

The CHAIRMAN. Is there objection?

There was no objection.

PROPOSED DENIAL OF VA HOSPITAL FACILITIES TO NON-SERVICE-CONNECTED VETERANS

Mr. ROONEY. Mr. Chairman, I have been trying to get this time on the floor of the House today since high noon to bring to your attention another budgetary hassle which concerns the war veterans of Brooklyn and veterans throughout the United States.

On yesterday I entitled my remarks at page A3649 of the daily RECORD with regard to President Eisenhower's budgetary difficulties "That Mess in Washington." Now we have another one. Last night, here in Washington, I received a telephone call from the county commander of Brooklyn—Kings County Council of the Veterans of Foreign Wars—advising that an order emanated last week from the Washington office of the United States Veterans' Administration directing that from here on until the 1st of July no non-service-connected war veteran patients should be admitted to the Fort Hamilton Veterans' Administration Hospital. This caused utter consternation in veterans' ranks. If such a policy were to be pursued for any period of time this would mean that we would not have very many patients in our VA hospitals, because everyone knows that the preponderant number of the patients are non-service-connected war veterans.

The Veterans' Administration came up here on April 2 in connection with the third supplemental appropriation bill which passed the House a week ago today. They asked for $3 million by way of transfers and proposed to absorb $2,333,000 to cover certain wage-board increases which have to be paid. This House, without objection on the part of anyone, directed that the VA absorb $3 million and provided language at page 5 of the bill which in effect permitted use of $2,333,000 for this purpose. This means that they were asked to absorb 45 hundredths of 1 percent of the in-patient care money in their hands, the present total appropriation for in-patient care in these veterans' hospitals being $662,900,000. Whereupon, like the Postmaster General Summerfield fiasco with regard to the postal service to which the public is entitled, the Veterans' Administration, with this appropriation bill still waiting to be acted upon in the other body, sent out a dispatch under date of May 9, 1957, in which they directed that as a result of their version of the appropriations situation the managers of their various VA hospitals should, "(1) defer all equipment issues until after July 1"; "(2) defer all maintenance and repair work, including cancellation of contracts where this action will not result in a liability to the Government"; and "(3) not filling position vacancies created by attrition for the remainder of the fiscal year, 52 days." But "(4)", and I quote, "restricting admissions to priority groups 1–4 and emergent cases to the extent that this may be necessary to assure adequate patient care," was the one that caused my blood pressure to rise.

Priority groups 1 to 4—I shall read the details with regard to these four groups—consist entirely of service-connected patients.

These four priorities are as follows:

First. Service-connected disability for wartime veterans.

Second. Service-connected disability for peacetime veterans.

Third. Observation and examination in connection with disability compensation or pension.

Fourth. Service-connected veterans being treated in other than Veterans' Administration hospitals requesting transfer to Veterans' Administration hospitals.

At this point I shall read the directive issued by Dr. William S. Middleton, Chief Medical Director, from his office here in Washington under date of May 9, 1957:

Managers, All VA Hospitals, Centers (Except Denver), All VA Domiciliaries, and All Area Medical Directors:

Priority/medical increases granted wage board employees for fiscal year 1957 amount to $5½ million. Supplemental appropriations presently not available for payment of these wage board increases. Costs of wage board increases approved for payment through September 23, 1956, must be absorbed within current appropriations. Payment of wage board increases approved during period September 23, 1956, through July 1, 1957, must be deferred pending an overall appraisal of the methods of absorbing this additional cost within current appropriations. In view of this situation it is necessary to assess against current allocations for all activities supported from the inpatient care appropriation, such amounts as are necessary to provide funds for the payment of wage board increases. Accordingly, your fourth quarter 84–8500.001 01–13 allotment is decreased by 1 percent. Appropriate withdrawal documents will be issued. It is recognized that this is a serious problem which will require most stringent measures to assure continued operation of your station within the funds remaining since there are only 52 calendar days remaining in the fiscal year. It is within your discretion to determine what course of action will best solve this problem with the least harmful effect. However, to the extent necessary to accomplish this reduction, the following course of action is suggested: (1) Deferral of all the equipment issues until after July 1 by retaining delivered equipment in the warehouse and recording in general ledger temporary holding account 471462 and by cancellation of obligations for equipment established in accordance with paragraph 3B.04b of VA Manual MP–4, Part IV; (2) deferral of all maintenance and repair work including cancellation of contracts where this action will not result in a liability to the Government; (3) not filling position vacancies created by attrition for the remainder of the fiscal year; and (4) restricting admissions to priority groups 1–4 and emergent cases to the extent that this may be necessary to assure adequate patient care. It is essential that a deficiency situation does not exist at your station on June 30. Since $1,300,000 in addition to this assessment must be saved to cover the wage board increases approved for the period September 23, 1956, through July 1, 1957, your cooperation is requested in making such savings as are possible in addition to this assessment and reporting these savings to central office. Biweekly, each station will report the status of its progress in developing additional savings (142).

Signed and dispatched May 9, 1957.

WILLIAM S. MIDDLETON,
Chief Medical Director.

Then, after having pulled this boner and gotten all the war veterans and veterans' organizations in Brooklyn, N. Y.—and it is the largest community in the United States of war veterans—all excited about this, they sent out this wire on the following day:

Managers, All VA Hospitals, Centers (Except Denver), All VA Domiciliaries, and All Area Medical Directors:

Priority/Medical Remytel May 9 concerning budgetary adjustments, it is intended that the application of the suggested course of action will be in the priority as listed. Should the restriction of admissions, item (4) be required in order to meet the reduction in funds, you will advise this office prior to applying the restrictions (142).

Signed and dispatched May 10, 1957.

WILLIAM S. MIDDLETON,
Chief Medical Director.

My question is whether this is another example of an attempt to pressure the Congress with regard to appropriations such as Mr. Postmaster General Summerfield tried.

Is it possible that 45 hundredths of 1 percent of a $662,900,000 appropriation cannot be absorbed?

There is only one answer to it.

The war veteran is entitled to the hospital care that the law says he is entitled to, and if the Veterans' Administration and President Eisenhower's administration cannot furnish this care in the same manner in which it has been furnished heretofore, the public ought to know about it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield 25 minutes to the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, before proceeding with my talk with reference to the farm problem I might suggest that since the gentleman who just spoke has a very solid Democratic majority it would seem they ought to be able to take care of the matter of which he complains.

Now, Mr. Chairman, I shall not go into much detail with reference to the various items in this bill, because they have been very thoroughly explored by former speakers. May I say that we did reduce the bill for the regular activities about $1,610,000,000, and we did appropriate or authorize for REA and all those other organizations that pay their money back, and we did take care of the school-lunch fund, and we did try to cut the regular activities back to about the 1947 level, yet at the same time we met certain other needs including the retirement fund of something over $19 million.

Mr. BECKER. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from New York.

Mr. BECKER. A statement was just made on the floor of the House by the gentleman from New York [Mr. ROONEY] with reference to a directive of the Veterans' Administration affecting veterans' facilities in Brooklyn and others elsewhere.

I took occasion when the gentleman finished to call Director Kruger. The statement the gentleman from New York gave was not completely accurate. I think perhaps he ought to get a copy of the directive or order and he will find it different. Perhaps tomorrow a copy

of the order that was issued should be placed in the RECORD.

Mr. ROONEY. Mr. Chairman, will the gentleman from Illinois yield at this point so that I may briefly answer the gentleman from New York [Mr. BECKER]?

Mr. VURSELL. I will yield very briefly.

Mr. ROONEY. I say to my distinguished friend from New York that I have already inserted in the RECORD a copy of both directives, the one that went out on the 9th of May and the one following that on the 10th of May.

Mr. BECKER. Dr. Kruger informs me that the directive is not being enforced because they were not ordered to refuse nondisabled veterans.

Mr. VURSELL. Mr. Chairman, we are discussing a very serious department of this Government, so far as its funds and policies are concerned. What we do in the future, I hope, will be better than what we have done in the past. We have seen so much gloom spread on the floor of this House today about the deplorable condition of the farmers and of agriculture generally that probably a statement of fresh, stern facts might be in order at this time. That is my purpose in giving some facts today to the House.

I feel that our committee went about as far as we could, or should, go in reducing the annual appropriations for the bill before us to $1,610,024,848 for the regular activities of the Department, which include $19,399,515 for retirement-fund contributions.

Actually, the sum appropriated is $403,738,260 less than the $2,013,403,108 available for expenditure in the present fiscal year. It is, in fact, $272,556,860 less than was recommended in the budget, and is a reduction of 14½ percent for these activities; in fact, outside of the soil bank and the soil- and water-conservation programs, we have just about reduced the budget request for these activities to the 1957 level.

We have included in the bill an appropriation in the sum of $1,239,788,671 to restore capital impairment of the CCC through June 30, 1956, under its price-support activities. A large part of this amount is for storage, handling, transportation, administrative and interest costs, and the balance represents price-support losses on commodities sold by the Corporation.

The bill also provides $843,076,238 to reimburse the CCC for money expended in the fiscal year 1956 for various non-price-support programs under special legislative directives. Were these items added, the bill carries a total, appropriationwise, of $3,692,889,757. Of course, authorizations are carried in the bill for Rural Electrification Administration and Farmers' Home Administration. These amounts are merely authorized for loans which are eventually paid to the Treasury with interest.

Although holding back the appropriations to the 1957 level plus funds to meet the mandatory retirement contributions, the committee has not eliminated, or denied, any part of the new program requested in the 1958 budget.

Mr. Chairman, we have heard so much today about the dire conditions of agriculture that it might be a good idea to have a few facts.

While we all admit that agriculture has had a rather difficult time over the past several years, with the transition from war to peace, I think the facts will show that agriculture has come through its most difficult time.

We all know that after World War II was over, the price of farm products started down in 1948 and fell rapidly—reaching an alltime low in December 1955.

Since that time, farm prices have slowly but steadily advanced, and as of March 1956 were up 4 percent, and the further increase in farmers' net income in 1957 over 1956 is expected to be 4 percent, or better, which will reach an increase of 8 percent or better, for 1957.

There is every reason to believe that farm income will continue to rise in the years ahead. I say this because demand for farm products is running stronger than last year, with over 60 million people employed and business expanding, consumer income is still gaining—promising stronger demand for meats, dairy, poultry, and other farm products.

Reduced plantings, mainly because of the soil bank, are likely to cut crop output this year. The placing of over 21 million acres in the soil-bank acreage reserve will play a significant part in cutback of production. Crop acreage planted this year may be the lowest in 40 years. This estimate is based on a March 1 survey of farmers' planting plans for 16 crops.

STATUS OF COMMODITY CREDIT CORPORATION

Secretary Benson, who appeared recently before our committee, testified as follows:

During the fiscal year, the Commodity Credit Corporation has made price-support loans totaling $2¼ billion through February 28, 1957, compared with $2.8 billion through the same dates last year—a comparative reduction in support loans of $550 million. That is a move in the right direction toward lower surpluses.

INVENTORY

It is important to note, that the upward rise of the inventory of the surplus commodities in the CCC has been halted through aggressive sales and other disposals of surplus commodities.

During the first 8 months of this fiscal year the value of inventories moved out of the CCC reached $2.7 billion. Secretary Benson testified before our committee that by June 30, the end of the current fiscal year, it is estimated CCC will own surplus commodities valued at $5½ billion, a reduction of over $400 million from the beginning of the fiscal year. He says we expect this trend to continue until next year—with further reduction in the Corporation's holdings.

Testimony before our committee showed that CCC managed to raise its sales and other disposals in fiscal year 1956 to an all-time peacetime high of $2,723,000,000, and they expect that 1957 figures will reach a still higher total of $3,976,000,000.

It is important to note that sales on the world market and other disposals, even on so large a scale as this have been accomplished in peacetime without risrupting market prices at home or abroad.

It is also important to note that from July 1, 1953, to February 28, 1957, 61 percent of CCC stock sales have been made for dollars. Another 12 percent was in the form of donations; 11 percent in barter; 7 percent in other transfers and section 32 sales; and 9 percent in sales for foreign currency.

Since January 1, 1956, in sales of cotton for export, handled on a competitive bid basis, CCC disposed of 9,297,339 bales up to April 2. Eighty percent of these transactions were for dollars.

EXPORTS

Farmers have a right to be encouraged by the fact that agriculture exports as a whole have been setting new value and quantity records. During the first 8 months of fiscal 1957, farm exports increased 48 percent in value and 53 percent in quantity over the same period a year earlier. At this rate, total value of farm exports for all of 1956–57 should reach the all-time high of almost $4.5 billion, or an increase of about $1 billion over last fiscal year. Chief gains this year have been cotton—up 355 percent; grains and feed up 46 percent; vegetables, oils, and oilseed up 29 percent; fruits and vegetables up 20 percent.

Our export trade, now the highest in 30 years, will continue to increase because of the awakening of the people worldwide, who are demanding a higher standard of living.

This is no time to falter, or turn back from the sound policies we have adopted, after we have weathered the worst of the economic farm-price squeeze, and for over a year have been slowly but surely on the upgrade to a long and sustained prosperity for the farmers.

We tried high-price supports, which failed utterly, after both World War II and the Korean war, to hold prices up and protect the farmer, with the result that the mountain of surpluses and the billions of dollars spent in that losing fight continued to force farm prices downward from 1948 to 1955.

There are three factors in the policy we are now following that offer the greatest hope for the permanent solution of our farm troubles.

The key policy is the application of the soil bank, that this year will take over 21 million acres of productive land out of production in the acreage-reserve program.

The second factor that has done so much to continue a strong market for the grains and basic commodities is our widening of export markets, which will continue to increase in volume.

The third factor, since 90 percent of our farm products are consumed in the domestic market, is our continued prosperity, which guarantees greater demand and greater consumption of farm products.

These three factors added to our population increase of some 3 million people a year, are sound policies that give the farmer the greatest guaranty of increasing and sustaining his prosperity.

I would like to quote some statements from the May 1957 Farm Journal, which publication, I am sure, comes to every Congressman's desk: "Cash in on the hog prices just ahead. Look for hog prices to look up in June. Hogs are real moneymakers at present corn prices. Top out cattle and ship to market. Cattle prices have done well for this time of year. There are quite a few fed cattle yet to be sold. Summer prices will go up again. Busy market for stock cattle is not likely to ease off soon. Soybean prices may rise in May." May I say that all farmers know that this billion-dollar soybean crop the past 2 years has sold at prices that were most profitable.

Continuing to quote from the Farm Journal:

> Corn prices may not be as low as expected this fall. The soil bank has taken up more than 4.5 million acres, and farmers intend to plant 5 percent less than last year.

And as proof that the farmers are doing pretty well, I quote again from the Farm Journal, and this is strong evidence:

> Land prices show no signs of slackening off. Latest report shows values went up 2 percent in only 4 months' time. Farmers are competing for land to increase the size of their farms.

Now let me give you some facts on the great agricultural State of Illinois, whose gross value of farm products last year was $2,092,000,000. From the newspapers of Illinois Tuesday, May 9, 1957, here are the headlines: "Illinois Farms Average $31 Per Acre Net" and "Illinois Farmers Net During 1956 Highest Since 1951."

That was the year when the Korean war was at its height under the Truman administration, when we had a war inflation of 14 percent in prices. Today we have the following story taken from an Illinois newspaper:

> A farm record summary just completed by the University of Illinois, Department of Agricultural Economics, shows that Illinois farmers' 1956 earnings were the highest since 1951. Mr. A. G. Mueller, in charge of summarizing farm records, explains that record high corn, soybeans, and wheat yields and improved cattle and hog prices were largely responsible for this increase.

This same condition prevails in many States throughout the commercial corn area.

I venture the assertion that very few Congressmen are receiving letters today from the farmers complaining of their economic conditions. They are getting letters from farmers urging them to reduce governmental expense and to reduce taxes.

I do not mean to infer that the farmer is yet getting his full share of prosperity; however, I do believe that a great majority of the farmers have confidence in the Secretary of Agriculture, Mr. Benson, and his administration in the support of the soil bank, and his success in reducing farm surpluses—which surpluses the farmers know have been depressing farm prices—and with our policy of increasing exports which will help to increase the general prosperity of the farm people.

Now, Mr. Chairman, I understand an amendment may be offered to exclude the soil bank appropriation for $500 million in this bill for acreage reserve for the 1958 farm crop.

I know of no move that could be taken that would be more detrimental to the entire structure of agriculture if such an amendment should be approved. It would show irresponsibility on the part of the Congress. It would add confusion to and discourage the hope of the farmers that has been built up, and tend to depress farm prices, and might greatly slow down the recovery of farm prices which have been continuing upward for the second year.

The Agricultural Legislative Act has authorized $750 million for the acreage reserve for 1958. A majority of the committee went too far in cutting back the budget request for $750 million for 1958 to $500 million. Ample appropriations should be made so that the farmers will know far enough ahead so that they may plant the amount of acreage they desire to put in acreage reserve for the 1958 crop.

I have been in touch this morning with the policy official here in Washington, speaking for the great American Farm Bureau Federation, with a membership of 1,600,000 farmers who authorized me to state that they were adamantly opposed to any amendment that would reduce or strike out of the budget the soil bank funds for 1958 crops that were authorized in the basic legislative act—in fact, they told me they felt that the billion dollars authorized in the act for 1958 should be approved, which covers both acreage reserve and conservation reserve, leaving it largely to the Secretary of Agriculture the allocation of the funds between acreage reserve and conservation reserve—both provided for in the Soil Bank Act.

Mr. Chairman, while I have great respect and esteem for our chairman [Mr. WHITTEN], I confess that I cannot agree with the general tenor of the committee report he edited, the verbiage of which, in several instances, goes too far in trying to prove that the policies of the Secretary of Agriculture over the past 4 years have failed. I am disappointed as well in his criticism of the initiating of the soil bank.

Now, Mr. Chairman, since Mr. WHITTEN in his report goes to great length to make out a case that the policies of this administration and Secretary Benson, with reference to the farm policy, has failed, let us look at the record of his party in the past, where we will find the real cause that plunged the farmers into the price squeeze inherited by this administration in January 1953.

He and his party then, and many of its members up to the present time favored crop controls, and a rigid 90 percent of parity, and, in fact, kept that policy on the statute books up to the farm crop of 1955, when we finally succeeded, over his and their opposition, by adopting flexible price supports from 82½ percent to 90 percent.

They refused to lower the 90 percent wartime parity support price that was passed, in order to increase production of food to win the war. When the war was over, they continued this same incentive for greater production.

Surpluses piled up, and farm prices began to drop in 1948 from a parity index as of January 1948 of 118 to 96 percent in 1952. Farm prices declined 22 percent under the last 4 years of the Truman administration. They continued to decline under the Eisenhower administration to 80 percent of parity in 1955. They have started up, and are now a little over 81 percent.

These figures show that there was a 22 percent drop in farm prices during the 4 years of the Truman administration, and during the 5 years of the Eisenhower administration, with parity now at 81 percent, they have dropped 14 points under the present administration.

Mr. Chairman, let me point this out: The farmers not only got into this depression under the 4 years of the Truman administration, but, in addition, the farmers and all of the people were penalized by an inflationary rise in the cost of living of 14 percent. Under the Truman administration, farm prices dropped 22 percent, and the cost of the things the farmers and all people had to buy went up 14 percent.

By comparison, under the 4 years of the Eisenhower administration, inflation has only increased 4 percent, and we have stopped the decline in farm prices, and farm prices have risen 4 percent in 1956, and will have risen 8 percent by the end of this year.

AND THAT'S NOT ALL

Under the Truman administration, or should I say the Truman-CIO-Walter Reuther administration, the farmers were hit a staggering blow, which I shall relate as follows:

The CIO used its power to increase prices throughout the industries manufacturing farm implements, with threats of one strike after another until they increased the wages of those in the industries manufacturing farm machinery by 37½ percent, from 1948 to 1952, while the farmers' income at the same time was dropping 22 percent, and because of their domineering political equity in the Democrat Party, and because of the cooperation of President Truman, the CIO pulled the big steel strike, with Reuther having the understanding with President Truman that he would not invoke the Taft-Hartley Act, which gave them the green light in the steel strike with the result that Truman did not invoke the Taft-Hartley Act to prevent the strike, but unlawfully seized the steel industry of the Nation, and held it until the Supreme Court made him turn it back.

This was the severe blow which struck the farmers, and every citizen of the Nation, because with the cooperation of the President, they won the strike which resulted in an increase in steel for which the farmers, and all of us, are still paying today.

Let me quote a table of figures taken from the records of the Bureau of Labor Statistics that will prove that under the Truman Administration very largely because of his collusion with the CIO that

a cost of $4 billion a year was added to the farmers of America:

[In billions]

	Gross farm income	Net farm income	Farm production expense
1948	$34.6	$15.9	$18.7
1949	31.6	13.7	17.9
1950	32.1	12.9	19.2
1951	37.1	14.8	22.3
1952	36.9	14.1	22.8
1956	34.0	11.8	22.2

You will note from the above table that it cost $22.8 billion for the farmers to put in and harvest their crops in 1952 as against $18.7 billion in 1948, or an increase of $4.1 billion.

Farmers will remember that by the end of 1952 farm machinery had risen over 33⅓ percent, while wages in the factories making farm machinery had risen 37½ percent, and while farm prices had dropped 22 percent and net income had dropped accordingly.

This is only a part of the past Democrat record that penalized the farmers of the Nation, and the citizens generally, and fastened billions of dollars of extra cost upon them which, through inflation and otherwise, had driven the purchasing power of the dollar down to about 52 cents.

Mr. Chairman, I am glad this question has been raised, so that the facts can, by comparison of the records, be brought out.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Mississippi.

Mr. WHITTEN. If the gentleman feels it is all right for him to point out that all this was caused by the Democrats, is it improper for me to point out that the past 4 years have not brought any improvement?

Mr. VURSELL. We will see about that. It was not all caused by the Democrats. No; that is right.

Mr. WHITTEN. Mr. Chairman, I yield 10 minutes to the gentleman from Kentucky [Mr. NATCHER].

Mr. NATCHER. Mr. Chairman, the Subcommittee on Agriculture of the Appropriations Committee once again brings to the floor of the House for your approval the annual appropriation bill for the Department of Agriculture.

It is an honor to be a member of the Subcommittee on Agricultural Appropriations. Our chairman, the distinguished gentleman from Mississippi [Mr. WHITTEN] is one of the great Members of the House. It has been a pleasure serving on this subcommittee with such outstanding Members as the distinguished gentleman from Minnesota [Mr. MARSHALL], the distinguished gentleman from Minnesota [Mr. H. CARL ANDERSEN], the distinguished gentleman from Washington [Mr. HORAN], and the distinguished gentleman from Illinois [Mr. VURSELL].

We are fortunate to have as our executive secretary, Ross P. Pope.

NINETEEN HUNDRED AND FIFTY-EIGHT BUDGET

Shortly after the President's budget message was presented to Congress, I began receiving hundreds of letters and telegrams demanding that this record peacetime budget of $71,800,000,000 be reduced. Since I have been a member of the Committee on Appropriations I have never received as many letters from my home State and the other States of our Union. In order to reduce taxes we must cut expenditures. A reduction of at least $3 billion must be accomplished before a tax cut is feasible. A sensible reduction of this budget is our only logical recourse. I advocate an item by item analysis so that, when cuts are made, national defense and national welfare will be left unimpaired. Our move for economy is encumbered by many obligations authorized by preceding Congresses. Permanent reductions are difficult to make because the service has been previously ordered. There are three basic causes which may be attributed to the increase in Government expenditures. First, the value of the dollar has decreased 20 percent in the last 10 years. Next, the annual appropriation for national defense has practically tripled since 1949. Finally, the costs of domestic services rendered by the Government to promote national welfare have been augmented considerably. In 1949 we expended $11,500,000,000 for military purposes—today we are called upon to appropriate $33 billion. Appropriations for atomic energy have gone from $600 million to $2,300,000,000. The interest rate on the national debt has been increased from $5,400,000,000 in 1949 to a proposed $7,400,000,000 in 1958. Our national debt now amounts to $275 billion which is equal to the assessed value of all tangible property in the United States, and is greater than the combined national debt of all the rest of the countries of the world. This budget must be reduced, and in considering the requests for 1958 for agricultural appropriations, our committee attempted to make reductions where possible. The regular activities of the Department were reduced $272,556,860—a reduction of 14.5 percent. We have cut the President's budget for regular activities back to the 1957 level.

PRESENT FARM SITUATION

It is a recognized fact that agriculture must prosper if the Nation is to prosper, and the American farmer has the right to demand a standard of living in keeping with the contribution he makes to the national economy. We must permit our farmer to farm if he is to be successful. We are a prosperous people, and it is almost an impossibility to attempt to legislate scarcity of any kind. If we have an abundance of farm products then it is imperative that we build our markets in such a way that this abundance can be used. Reduction of prices received by the farmer will not reduce production. Our farmer is still confronted with a cost-price squeeze, and conditions in American agriculture at the present time are certainly not good.

The number of farms in this country has decreased from 5,927,000 in 1946 to 4,800,000 in 1956. The average gross income per farm in 1946 was $4,947, and in 1956 it was $6,934. During the same period of time the farmer's production expenses amounted to $2,416, and in 1956 he was confronted with expenses totaling $4,519. Our farmers' net income per farm for 1946 was $2,531, and for 1956 amounted to $2,415. The total farm net income for 1956 was $11,800,000,000. This is only a small portion of our national income of some $306 billion. No State is more affected than my home State of Kentucky. Kentucky is an agricultural State with 193,487 farms with total acreage of 18,034,000 of which 10,455,000 acres are in production.

REGULAR ACTIVITIES

This bill provides an annual appropriation of $1,610,024,848 for regular activities of the Department of Agriculture. This is $272,556,860 less than the $1,882,581,708 recommended in the 1958 budget. This reduction amounts to 14.5 percent. We recommend $843,076,238 for special activities; $1,239,788,671 for corporations; and loan authorizations of $448,500,000. Our committee has not eliminated or denied any of the new programs requested in the 1958 budget. We recommend an appropriation of $48,994,890 for research; $25,682,000 for plant and animal disease and pest control; $16,586,000 for meat inspection. We recommend appropriations for State experiment stations totaling $29,753,708. This is the same amount appropriated for 1957. For marketing research and agriculture estimates, we recommend an appropriation of $14,041,700. This is $604,700 more than the amount appropriated for 1957 for this agency. For the school-lunch program we recommended $100 million, which is the same amount appropriated for 1957. We recommend that $535 million be appropriated for soil and water conservation.

RURAL ELECTRIFICATION ADMINISTRATION

Twenty years of REA has caused revolutionary changes in American farm life, and unless you have actually watched that momentous change take place, you do not have any deep realization of what it has meant to millions of American farmers. With constantly increasing consumption of electricity, life on farms throughout our land has become more pleasant as electricity takes over chores which were once drudgery. Farm isolation has been defeated by farm telephones, radio, and television. Every county of the Second Congressional District of Kentucky is served by REA, and the first REA loan in Kentucky was made to the Henderson-Union Rural Electric Cooperative Corp. which is located in my district. The sure way to destroy REA is to increase the interest rate and to make loans more difficult to secure. It is estimated that electric loans will amount to $179 million for the fiscal year of 1958. A number of these loans will be for extension of central station electric service, and a portion of the loans will be used to increase the capacity of borrowers existing systems so that they will be able to meet the constantly increasing power loads. Our farm family today uses more than 264 kilowatt-hours of power per month. Telephone loans are estimated to amount to some $60 million in fiscal year 1958, the approximate amount of the current fiscal year.

This bill for 1958 includes the budget estimates of $179 million for electrification loans and $60 million for telephone loans. This is $275 million less than funds authorized for fiscal year 1957, and the reduction is due to the additional $200 million loan authorization contained in the Second Urgency Deficiency Appropriations Act of 1957.

The net income from lending operations for REA from its inception in 1935 to June 30, 1956 amounts to $47,504,355.

COMMODITY CREDIT CORPORATION

We recommend a total of $1,239,788,671 in this bill for restoration of capital impairment of the Commodity Credit Corporation through June 30, 1956. Approximately half of this amount represents commodity losses, and the remaining half is involved in storage, handling, transporting, administrative and interest costs. The total amount recommended is $297,501,493 more than the 1957 appropriation.

At the beginning of the fiscal year 1957, the Commodity Credit Corporation controlled a price-support inventory valued at $6 billion, and during 1957 loans are estimated to total some $2,900,000,000. It is anticipated that the fiscal year 1958 will see a price-support inventory valued at $5,500,000,000. It is expected that loans will be made on commodities valued at $2,500,000,000 during 1958, and acquisitions will total $3 billion with dispositions amounting to $3,400,000,000, leaving an inventory at the close of the fiscal year 1958 valued at approximately $5,200,000,000.

SOIL BANK

For 1958 we recommend an appropriation of $600 million for payments under the acreage reserve program with the number of commitments which may be made during the 1958 program limited to $500 million. This is $101,173,340 less than the estimate for 1958. For conservation reserve this bill carries approximately $210 million.

The soil bank has failed where tobacco is concerned. With seven types of tobacco grown in the United States on a total acreage amounting to 1,364,475 acres, we had participation of only 2.38 percent in the soil bank for 1956. For 1956 we had 20,093 agreements placing approximately 32,500 acres in the bank. This participation, of course, was not effective. So far during the year 1957 only $17,298,761 is obligated for tobacco under the soil bank. For fiscal year 1957 the sum of $45 million was authorized for tobacco. Only $7,696,520 was expended, and the balance reverted to the Treasury. The provisions concerning compliance with the Soil Bank Act should be so changed that, before any funds revert to the Treasury, the different kinds of tobacco suffering from supply and demand trouble would be assisted. At the close of the application date the Department should immediately determine the kinds of tobacco in trouble and number of applications pending which were not accepted due to the fact that the allocated amounts for the particular county or section were inadequate, and take the necessary action to use remaining funds, bringing into the bank all acreage possible. For instance, if dark tobacco is in trouble with more applications pending than funds allocated, and burley selling at $64 per hundred is not going into the bank at $18 per hundred, then, in order to carry out the intent of the soil-bank legislation, the remaining funds allocated for this commodity should be used to take the dark tobacco out of production.

SALARIES OF COUNTY AND HOME DEMONSTRATION AGENTS

Our county and home demonstration agents are the men and women who are responsible for carrying sound information directly to our farm people. The salaries of our extension workers have never been high, and some are now entirely too low.

Since I have been a member of this committee, I have attempted to stress the importance of increasing the salaries of our extension workers, and in our report accompanying this bill will be found the following instruction to the Department of Agriculture:

> The committee strongly urges, therefore, that Federal, State, and county officials get together on this problem. It believes that funds can be found within the amount provided for the coming fiscal year to meet the Federal share of reasonable salary increases.

In addition to regular living costs, the county and home demonstration agents hold a responsible position in society due to the fact that they are properly recognized as leaders in agriculture in their respective counties, and they must live and associate with people accordingly. Our Extension Service is a cooperative undertaking by the Federal, State, and local governments, and is more fully provided for under the Smith-Lever Act, passed by Congress in the year 1914. This program of extension work is conducted in over 3,000 counties in our country. In order to be successful our farm families must organize, manage, finance, and operate their farms on a sound and efficient basis with counsel and advice furnished at all times by our extension workers.

County agents in Kentucky are not adequately paid. Our county agents are listed 40th in the 48 States in so far as salaries are concerned. The average county agent's salary in Kentucky is $5,497. Most of our county agents in Kentucky have children in either high school or college. The associate agent's average salary in Kentucky is $4,836, and the assistant agent's average salary is $4,200. The average salary in Kentucky for home demonstration agents is $4,518. The associate home demonstration agent's average salary is $4,000, and the assistant home demonstration agent's average salary is $3,523.

The national average salary for county agents is $6,118; for associate agents $5,276, and the assistant agent's average salary is $4,625. The average home demonstration agent's salary in this country is $4,923, and the average for associate home demonstration agent is $4,321. Average salary for assistant home demonstration agent is $3,876.

All of these people are required as a minimum in educational training to have a bachelor's degree in either agriculture or home economics before they are employed even as assistant agents.

It is imperative that the Department of Agriculture, our State and local authorities in Kentucky, and the other States, immediately take action to increase the salaries of our county agents and home demonstration agents and their assistants and associates, thereby placing these people in a position where they can live, educate their children, and meet their obligations to society in their respective communities.

FOREIGN AGRICULTURAL SERVICE

Foreign Agricultural Service, pursuant to legislation of 1954, is operating under the Department of Agriculture where it should have been all along. Today we have agricultural attachés representing United States agriculture at 56 foreign posts. The Foreign Agricultural Service can render great service to American agriculture by developing foreign markets for our agricultural commodities. The main objective is to open the way for sales through private trade channels for dollars, and if this is impossible, sales for foreign currencies can be made. We recommend an appropriation of $3,902,300 for Foreign Agricultural Service.

CONCLUSION

Big business should be eager to have a prospering agriculture. When our farmer is prospering, tractors, trucks, automobiles, combines, milking machines, and mechanical devices of every description are moving from the factory to the farm.

We must not price ourselves out of the world market, and the interest of our family-size farmer must be fully protected. Modern farm problems are tremendously complex, and there is no easy answer. Changing conditions in agriculture demand constant experimentation with policies and programs.

We must permit our farmer to farm if he is to be successful.

Our committee recommends this bill to the Members of the House.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. NATCHER. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I wish to take this opportunity to compliment my colleague, the gentleman from Kentucky [Mr. NATCHER], for his outstanding contribution on this appropriation bill and to associate myself with his remarks.

Mr. NATCHER. I thank the gentleman.

Mr. HORAN. Mr. Chairman, I yield 12 minutes to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, I hope I will not be accused of trying to bring prosperity to the country when it is not here. I hope I am not going to be accused of pinning my hopes on the Republican Party, and I certainly would not pin my hopes on the Democratic Party.

This is not a question of politics at all. The question we are confronted with today is the question of the survival of our country. If a farm home cannot exist in America, and by that I mean a family-type farm, the definition of which is a

farm that can be handled and managed by the family that lives on it, then this country is, indeed, in danger.

When we had price supports on agriculture of 90 percent, that did not mean very much because the basis upon which that 90 percent was figured has outgrown the situation. One hundred percent of parity today based upon that old foundation would not make a farmer's dollar equal to the business dollar. I can remember when the law was passed. When I entered the Congress there were 35 States in the Union that were in distress. There were 15 million people walking the streets looking for something to eat. There were soup lines all over the country. I cannot think of the present situation without remembering the past. Women went through the Capitol here, visiting the offices of Congressmen, with their children tagging along behind them looking for something to eat and there were soup lines in every big city of the country. They had them in Boston, in New York, and in other cities.

What was the reason? The reason was that the buying power of the whole Farm Belt had disappeared.

I can remember when wheat was 26 cents a bushel, and farmers set fire to the field and burned it up because it was cheaper than to try to thresh it and sell it. I saw a sign down in South Dakota which said "Wheat, 26 cents a bushel, and oats 28 cents less." So, they were not worth anything. They burned it up. Cattle were bringing 2 cents a pound. You could not give any hogs away to your neighbors, because there would be some graduate from Columbia or Harvard there to report you to the Government. And, you put those limitations on the family-type farm.

Now, what about the soil bank? Up where I live, in the arid West, a farmer with two quarters of land, 320 acres, is allowed by the Department of Agriculture, on an average, to put in 41 bushels of wheat. Now, did you ever know a farmer smart enough to maintain his family on 41 acres, no matter what the price was? If that applied to the big ones, the fellows that are producing the surplus, it might have worked, but these family-type farms do not produce a surplus; especially in North Dakota, nobody raises a surplus. Yet, we are penalized. You cannot make flour without hard spring wheat, and you cannot make macaroni unless you add durum wheat, and those are the only two kinds of wheat we raise in North Dakota. And, there has never been a surplus. There is no doubt you are driving us out of business with this 41 acres of land that we can put in, and just figure, if we get 30 bushels to the acre, which is a stretch of the imagination, 30 bushels to the acre at $2 a bushel on that amount of land, I defy anybody to raise a family of 5.

And, the soil bank came along. That was going to save everybody, myself along with the rest of them. And, do you know where they took that deduction, where they went to get it? They went into this little bunch of land that we had set aside to crop and they took 20 percent out of that, so we did not have 41 acres left; we only had 33 left. Instead of helping us, it started to put us out of business.

The only thing I care about is this country. I do not care what kind of political parties we have. I mean to protect this country, and you cannot protect it if you are going to destroy all the family-type farms in America, and that is just what you are doing now. For 4 years now I have been telling Benson and the public that the acreage program would not work, but as long as I was not on the Committee on Agriculture, I did not get very far with my ideas about agriculture. You have to be on that committee, you know. You might have been a druggist before you came here, but after you get on that committee, you are a farmer. Well, I never got on there. I tried to, but they put me down trying lawsuits. I preached that acreage limitations would not do any good. I am limited to 40 acres, but just as soon as I know I am limited to 40 acres I send for experts, and they come tumbling in from every university in this country, experts on soil, and they will show you how to raise more grain on 40 acres than you could on 80, and the Government is behind it. They cut you down on one side and then send the experts in to raise more wheat. The bushel program should be adopted and applied to farms, except the family-type farms. Leave them alone. Leave them raise what they want to raise with the support price, but anything bigger than that, limit them by bushels. But if it is anything larger than that, they limit them by bushels. Let us take the gentleman from Minnesota [Mr. H. CARL ANDERSEN], a big farmer in Minnesota. Suppose his quota of wheat is 8,000 bushels. But he raises 12,000 bushels. Well, he can sell only 8,000 bushels, so he will have to put the other 4,000 in storage, or he can give it away, he can feed it, or he can ship it across the ocean. He can do anything with it he wants.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

Mr. BURDICK. I yield to the gentleman.

Mr. H. CARL ANDERSEN. I would not want the RECORD to show that I produce anything like that, because I do not produce a bushel of wheat on that particular farm. If the gentleman is talking of corn, that is another matter.

Mr. BURDICK. I did not want to refer to corn, because you did not pass that bill, and I thought you wanted it passed. I was trying to help you rather than score you.

Then, you see, this extra wheat that he raised would be put in a granary and kept there, and could be used next year. You can see that that would work. And if a man were raising too much, like Campbell, of Montana, who farms a whole Indian reservation, with a field 60 miles long, he would not be raising 200,000 bushels of wheat, because he would only be supported on probably 20,000. It would automatically take care of itself.

But this Committee on Agriculture is afraid of that bushel program as the devil is of holy water. They just will not consider it.

I have only one friend here in the Capital, and that is Secretary Benson. He says now that the acreage program will not work. And I am glad to have some support. I had been scoring him right along, and I am very sorry I did, because he is the only support I have. He says the acreage program will not work. Everybody knows it did not work.

When you come along with the soil bank and reduce the amount of acreage the farmers can put in, then you have got him down to where he must do something else. You Republicans and you high-class Democrats from the South, you do not like to have labor running your business, do you? You are against labor organizations doing too much in politics. But that is what you are going to have if you keep up this program. You are going to have nothing but a labor government, because when you drive the people off the farm, they have got to live, and many of them were tradesmen when they went there. They just bet the Government $16 that they could prove up on that land. But they had a trade of their own, and they are going right back to the ranks of labor.

The ranks of labor are increasing every day, and the farm population—living on the family-type farm—is disappearing. I can drive you through northern Minnesota, North Dakota, and Montana and by the hour show you abandoned schoolhouses, consolidated schools, because the people have gone. Their homes are abandoned.

If that is what you want to practice, and if you want to believe that the support price given to farmers is the cause of high-priced living, you have got something to think about again.

I have talked to a lot of people here on the eastern seaboard. I want to find out what is going on. They tell me high-price food is due to these support prices. They say the farmers are wallowing in wealth, and they say, "Here we have to pay 26 cents a loaf for bread." And they believe it, when, as a matter of fact, if wheat were 75 cents a bushel, price of bread would be just the same. There is so little flour in a loaf of bread that it does not count. But the East believes that. The East believes that there is still support on beef. Well, there is not. I am raising beef. That is the only business I have outside of fooling my time away in Congress. We are mighty lucky to get 16 cents a pound for a steer; but when he gets down here with all the gyrations you go through to get him here, it is 85 cents a pound; and these consumers think the support prices are causing it. As long as——

[Here the gavel fell.]

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. HORAN].

Mr. HORAN. Mr. Chairman, I take this time to call the attention of my colleagues to a service in the Department of Agriculture that is doing a fine job for our American farmers.

I refer to the reorganized Foreign Agriculture Service, which my colleague the gentleman from Kentucky [Mr. NATCHER] also mentioned.

I am proud to have had a part in effecting that reorganization in the 83d Congress.

It is building a mighty proud record.

We are all expecting a modest increase in farm income this year. I think it is fair to say that much of this prospective increase can be credited to the magnificent showing in prospect for exports of farm products.

In 1956, the estimated gross income of farmers was slightly less than $33 billion. Farm exports were valued at just under $3.5 billion. We are now hoping that in 1957, gross farm income will increase 1 to 2 percent. Farm exports are expected to exceed $4.5 billion, for an increase of 30 percent.

I believe that we are all not sufficiently aware of how important exports and changes in the export market are to farm income. Some more figures may help. Currently, the produce of about 1 out of each 7 acres of cropland is harvested for export. The comparison by individual commodities is even more revealing. Of the acreage harvested in 1956, preliminary estimates show that 47 percent of the wheat was exported; 44 percent of the rice; 36 percent of the cotton; 29 percent of the tobacco; 20 percent of the fruit; and 16 percent of the soybeans. These figures show the importance of the export market to American agriculture.

While some increases in farm production are continuously necessary to meet our improving levels of living and our increasing population, the foreign market continues to offer a great potential market for the pent-up production capacity of United States farmers.

Over the past 4 years, we have been steadily improving export outlets for United States farm products. The export value in 1952–53 was slightly over $2.8 billion, compared with the $4.5 billion, an alltime record, we expect in 1957. This is an important achievement, for which there are a number of reasons. One of these reasons, to which I am addressing myself today, has been the notable contribution of the Foreign Agricultural Service, whose major responsibility is to maintain and expand foreign markets for farm products.

The job of the Foreign Agricultural Service is to help American farmers and American traders export United States farm products. This job is always important, but it is doubly important when farmers are reserving their land, their capital, and their labor, because surpluses block their outlets. This is the reason that the House Committee on Agriculture has supported strengthening of the Service and the reason why we recommended legislation 3 years ago which resulted in the return of the agricultural attachés to the Department of Agriculture.

Of course, other factors share the credit for this heartening improvement in the level of agricultural exports. A vigorous and aggressive dollar sales program which has had the combined support of the Congress, the administration, and the public has helped. I think current developments have indicated that the Congress was wise in providing surplus disposal legislation. But I have been impressed by the energy and foresight the Foreign Agricultural Service has displayed in seeking and obtaining reductions in trade barriers which other nations have erected against our agricultural exports, and in improving and enlarging their timely reports on the competition we face from other agricultural exporting countries, and on the marketing opportunities that are opening up in other countries. I think they have done an excellent job in staffing the enlarged agricultural attaché service and in carrying out their responsibilities for the administration of the foreign currency sales program. Their marketing specialists are continually searching the four corners of the world for ways to expand current marketings and to build markets for the future. Finally, the foreign market development program carried on cooperatively with the United States private trade groups is proving to be a valuable tool in building markets abroad.

Title I, Public Law 480, also has been important to American agriculture. Programed agricultural surpluses represent an investment of nearly $3 billion, of which well over half has already moved abroad. Sales have been made to 31 countries, largely in areas where sales of our farm products are prevented by shortage of foreign exchange. The title I program is making a substantial contribution to the recordbreaking year in prospect.

FAS is working closely with United States farm organizations and private trade groups to develop and expand export markets for our farm products. Their reports and commodity analyses tell of marketing possibilities abroad, helping keep the United States trade fully informed. Specialists travel extensively to keep foreign buyers, Government officials and trade groups up to date on the merits of United States farm products and to pick up information on export possibilities. In cooperation with the private trade and using foreign currencies obtained from sales of surpluses, FAS has started over 70 projects in 22 countries to help expand markets for wheat, cotton, dairy products, tobacco and other leading United States crops. One example is the project to encourage the Japanese to use more wheat products in their diet, carried on in cooperation with the Oregon Wheat Growers League and the Japanese Nutrition Association. The projects are varied. They include not only education and exchange visits but market surveys, demonstrations, and publications. One distinct kind of activity is participation in International Trade Fairs such as in Barcelona, Spain and Tokyo, Japan which gives foreign buyers a chance to see, feel, and taste our products.

To gain access to foreign markets we must know the factors that affect the competitive position of United States farm products in those markets. This means a lot of basic groundwork, fact-finding, and analysis. Many people in FAS, Washington, and overseas are active in this kind of work.

When we know in which areas of the world our products are, or can be made competitive, the FAS can concentrate its efforts more effectively on helping remove the obstacles to trade and gain further access to markets abroad. This background information helps FAS in its job of reducing or removing quantitative restrictions and other impediments to trade imposed by other countries.

Although progress has been made since 1953 in obtaining relaxation of restrictions against United States agricultural exports, there is urgent need for assuring still freer access of our agricultural exports in many foreign markets.

In this battle for freer trade, one of the more fruitful approaches is through strengthening our trade agreements program. Much of this is done through GATT, the General Agreement on Tariffs and Trade.

The United States has trade agreements with 33 member countries of GATT and separate bilateral agreements with 8 non-GATT countries. In calendar 1955, United States exports of farm products to these 41 countries was $2,451 million, or 77 percent of the total United States agricultural exports. Comparable data for 1956 are $3,216 million of farm exports, or again 77 percent of total United States farm exports.

A portion of the work in FAS analyzes the foreign competition our exports must meet and helps farmers find ways to meet it. Country and commodity specialists are systematically compiling, analyzing, and reporting on foreign production, trade, and governmental programs and policies. Foreign production of many items is increasing. Exports of other countries are being pushed and trade patterns are being influenced by a variety of governmental measures. We must know everything we can about all these developments, so we can use our foreign market development forces like a rifle instead of a shotgun. We need this information to keep domestic production and sales programs in tune with the foreign situation. This goes for cotton, wheat, rice, corn, tobacco, soybeans, and every other major farm commodity.

I have been trying to cover the highlights of FAS work and its importance to United States agriculture. One last result of their effort and the total effort to help farmers in this field are the encouraging changes in CCC inventories. In part, because of these boosts in agricultural exports, we are experiencing this year, for the first time in many years, a reduction in the Commodity Credit Corporation investment in price-support stocks. The peak of almost $9 billion was reached in February of 1956. Twelve months later it was reduced by about $600 million, and by next June 30 it should be approximately $800 million less than a year earlier. The CCC investment in cotton is expected to be down about 3 million bales, rice about 10 million bags, wheat about 150 million bushels. The export totals which are making these reductions possible are wheat, 475 million bushels compared to 344 million last year; cotton, 7.5 million bales compared with 2.3 million bales last year; and rice, 25 million bags compared with 11 million bags last year.

I do not claim that the Service is solely responsible for these accomplishments. Certainly a magnificent contribution has been made by many othere concerned

with the welfare of our farmers. However, these people have done a truly remarkable job and the contribution they are making will have lasting benefit.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I rise to express my sincere regrets and apologies to the conscientious, diligent people of the Department of Agriculture for the baseless attack made upon them by the majority of the Committee on Appropriations in the May 10 report on the Department of Agriculture and Farm Credit Administration appropriation bill of 1958. This report is full of half-truths and innuendoes. Let us look at the facts and set the record straight.

The first point on which I wish to set the record straight is the attack on the soil-bank program. An attempt is made here to attribute the lack of effectiveness of the 1956 soil-bank program to an inherent weakness.

Many times during the period of discussion of the Agricultural Act of 1956 the President and the Secretary of Agriculture pointed out the critical time elements involved in the implementation of the soil-bank program for 1956.

In his discussion before the Senate committee on February 6, 1956, Under Secretary Morse submitted a summary which contained this statement:

> If legislative action is not taken prior to April 15 it will be extremely difficult to get a program this year except for wheat seeded in the fall of 1945.

In his April 16, 1956, message regarding his action on H. R. 12, the President said:

> The long delay in getting this bill makes it too late for most farmers to participate in the soil bank on this year's crops.

In a letter to Senator AIKEN dated May 22, 1956, the Secretary said:

> It will take all the time available to prepare properly for a program on crops planted in the fall of 1956. Farmers would be helped far more, in my opinion, by a constructive program beginning on fall crops than by a hasty, ineffective program on 1956 spring crops.
>
> In view of the impracticability of getting a program into operation this year for both spring seeded and fall seeding crops, it is recommended that this bill be amended so that the soil-bank program will commence with the crops planted in the fall of 1956.

The President in signing the bill included a statement as follows:

> The delay in the bill's enactment, however, makes it virtually impossible to put the soil bank properly into effect in 1956.

However, in Report No. 2197 on the Agricultural Act of 1956 issued May 22, the managers on the part of the House of Representatives included the following statement:

> A major provision, dealing with the start of the soil-bank program, was resolved in favor of the House bill. The House bill directed that the soil bank be started with 1956 crops. The Senate bill directed only that the Secretary start the program with the 1956 crop "to the extent he deems practicable." This language, together with the known position of the Secretary of Agriculture on this matter, led to the general assumption that under the Senate provision there would be no serious effort to get the soil bank program underway for 1956 crops.
>
> The conferees accepted the House language with respect to this matter, agreeing to make the soil bank effective immediately, as provided in the House bill. It was recognized, however, that the larger part of this year's plantings have already taken place and it is not expected that any large part of the crop planted will be plowed up or otherwise removed from production as authorized by section 103. The committee recognizes that the Secretary cannot be expected to accomplish the impracticable or to secure any large part of the beneficial results hoped for the soil bank in 1956, but it also recognizes that certain farmers have heretofore planned to participate this year and it is felt that they should be assured of the opportunity to do so.

In accordance with the direction of the Congress, the Department of Agriculture immediately moved to implement the program so as to provide a program for 1956. The requirements of the law were scrupulously adhered to. It was on the basis of the requirements of the law that the 1956 program was developed. This scrupulous observance of the legal requirements was put into effect.

The light of history should be focused on these facts and the program should be analyzed in this light.

The second point on which I would like to set the record straight assigns to the Department of Agriculture the responsibility for reducing acreage of the basic commodities by various percentages.

Every Member of this House knows good and well that the Department of Agriculture was acting in accordance with the requirements of law when it reduced the acreages of the various basic commodities.

Every Member of this House should recognize that each of the various basic commodities has its own rigid formula for the determination of acreage allotments.

Every Member of this House should recognize that the Secretary of Agriculture acted in scrupulous adherence to the requirements of the basic legislation.

There are no ifs, ands, and buts in this matter. If the Secretary had failed to carry out the requirements of the law there would have been cries of astonishment and quick criticism. If the Congress feels that the acreage-allotment provisions of the Agricultural Adjustment Act of 1938, as amended, are wrong, let us change the legislation and not try to pass the buck to the Department of Agriculture. It should be noted that on March 13, when we had an opportunity to increase the acreage limitation for corn, many members of the Committee on Appropriations turned their back on the corn producer. The record shows that the chairman of the subcommittee, who today directs this appropriation bill, voted against increasing the acreage base for corn producers. Why all this doubletalk?

The third point on which I want to set the record straight is the phony calculations first presented during the recent election campaign regarding CCC inventory. In this comparison, comparison is made between stocks on January 1, 1953, and stocks 4 years later.

When the present administration took office in January 1953 the CCC inventories and commitments under the 1952 and prior year price supports approximated $3 billion. However, the previous administration had announced that unlimited production for corn, wheat, and cotton would be permitted for the crop year 1953. This decision is difficult to justify since all of the statistical and economic information available indicates that limitations on acreage and marketing of these crops were necessary. This meant that the administration could take no action on production controls until the end of the 1953 marketing season, at which time the CCC investment in price support operations had doubled to $6.4 billion.

This was the inheritance—a surplus, primarily in corn, wheat, and cotton. These are the very crops for which the previous administration did not impose controls in 1953. To add further to the problems left by the previous administration, rigid mandatory 90 percent price supports—intended as a production incentive—were required by law to be in force on the 1954 crops in line with legislation passed in 1952. This meant that the present administration could do little to affect the rate of CCC inventory accumulation until the harvest of the 1955 crops.

A really honest comparison to reflect the changing in inventories and other price support commitments would be a comparison between June 30, 1955, and June 30, 1957. The CCC commitments on those two dates are $7.1 billion and $7.5 billion respectively.

The administration is doing a spectacular job in its sales and other disposals of CCC stocks.

Let us review some of the basic statistics. Let us look at the facts in the case.

Twice in its history of liquidating surplus stocks the Commodity Credit Corporation was in a wartime "seller's market"; that is to say, conditions were favorable for disposals at a minimum of loss. During the World War II period and again during and after the Korean emergency, prices were rising. There was an expansion of demand for commodities.

Liquidation at the present time is being undertaken at a time when there is no emergency demand for commodities, though Europe has been temporarily caught with short supplies of wheat and oil crops. Europe has also been replenishing its cotton stocks, and stoppage of traffic in the Suez caused some shifts in import patterns. But, on the whole, it has been a peacetime "buyer's market."

But even in the absence of emergency demands abroad, CCC managed to raise its sales and other disposals in fiscal year 1956 to an alltime peacetime high of $2,723,000,000. It is estimated that 1957 figures will reach a still higher total of $3,976,000,000.

A noteworthy fact is that sales and other disposals, even on so large a scale

as this, have been accomplished without disrupting market prices at home or abroad.

I am sure that all concerned are encouraged by the fact that agricultural exports as a whole have been setting new value and quantity records. During the first 8 months of fiscal 1957—July to February—they gained 48 percent in value and 53 percent in quantity over the same period of a year earlier. At this rate, total value of farm exports for all of 1956–57 should reach the alltime high of almost $4.5 billion, or about $1 billion more than in 1955–56. Chief gains this year have been cotton, up 355 percent; grains and feeds, up 46 percent; vegetable oils and oilseeds, up 29 percent; and fruits and vegetables, up 20 percent. About three-fifths of total agricultural exports have sold for dollars.

Commodities covered by title I, Public Law 480 agreements with 31 countries total about $1.8 billion at export market value, which cost the CCC $2.9 billion, not counting ocean transportation costs financed by CCC. Well over $1 billion worth has already been exported. Shipments during the current fiscal year have been averaging about $60 million a month, or about 16 percent of total agricultural exports.

More than 430 million bushels of wheat and wheat flour have been programed—including the 1958 and 1959 fiscal year portions of the India and Brazil agreements—of which over half has already been exported. Title I programing also includes about 2.5 million bales of cotton, of which more than 1.5 million bales have been exported; 22 million bags of rice, of which about 15 million have been shipped; 145 million pounds of tobacco, of which more than 110 million pounds have been shipped; 1.2 billion pounds of cottonseed oil and soybean oil of which more than 900 million pounds have been shipped; 75 million bushels of feed grains of which more than 55 million bushels have been shipped; and about 150 million pounds of meat and more than 200 million pounds of lard, of which more than half have been shipped.

The title I program to date will result in shipment of more than 16 million metric tons, of which over 9 million have already moved. Shipments for this fiscal year—July to March—total more than 4.5 million tons.

So far as the soil bank is concerned it seems to me that the program was approved with bipartisan support. 1957 was the first year of full operation under this program. I am sure that when all the data are in that the results will show a great achievement. Certainly its not a perfect program. Certainly it can stand improvements, but the improvements cannot come by crippling the administration by withdrawing necessary funds. If it is the desire of Congress to do away with the soil bank program let us be honest and do it in a forthright manner through the House Agriculture Committee, and not by slowly withdrawing its lifeblood. I, for one, believe that the soil bank can in great part do what it was designed to accomplish. Let us give it a chance.

Mr. H. CARL ANDERSEN. Mr. Chairman, I yield such time as he may desire to the gentleman from Washington [Mr. PELLY].

Mr. PELLY. Mr. Chairman, according to my information Agriculture Department officials are in agreement that the soil bank program was a failure last year as far as reducing surplus crops was concerned. It is generally agreed, I am informed, that most of the payments made under this program, which amounted to approximately a quarter of a billion dollars, which were paid to farmers was for rental of land which because of drought or some other reason would not have produced much anyway. It most cases the soil bank takes poor, nonproductive acres out of production, and entails, on the other hand, growing more of the same crops on other acres. I have read that this year's soil bank program will cost $1 billion and still will not be effective in obtaining the desired reduction in production of certain so-called basic commodities. Mr. Chairman, I see that Secretary of Agriculture Benson says our agricultural program is unworkable. He says it simply shifts surpluses from the five soil bank crops—cotton, wheat, rice, tobacco, and peanuts—to new surpluses of crops such as soybeans, oats, barley, flaxseed, dry beans, and the like.

The printed report on the Agriculture and Farm Credit Administration appropriation bill, H. R. 7441, points up the ridiculous contradiction of spending $1 billion to remove cropland from production to cut down on the surpluses, and then at the same time of spending millions of dollars to provide research and educational activities to teach farmers to increase yields and expand their production. The latter programs in H. R. 7441 I notice include $48,994,890 for research in 1958, $29,503,708 for State experimental stations, and $49,101,000 for extension service to take the research results and other agricultural information to the farmers.

Another contradiction which is not mentioned in the report as such, but rather is free from comment, is the $250 million in this bill for 1958 agricultural conservation programs. Conservation is a "sacred cow," I know, but purchase of fertilizers and lime, in my judgment, are not properly conservation. Planting of seeds and trees and soil-terracing services, on the other hand, properly can be called conservation.

Actually there is very little benefit to the individual in the lime program because payments to individual farmers are small. I recall it was testified 1 year that one-third of the payments were less than $60 per farmer. But my main objection to these limestone and fertilizer expenditures is that they are not genuine soil conservation. If I am successful in being recognized for the purpose I will put in an amendment to cut out the words "fertilizer, lime," on line 21, page 18 of the bill, and likewise to reduce the $250 million appropriation by $69.7 million to $180 million, thus reducing the total in the amount of these 2 giveaway programs. On lime we spend about $31.9 million, and on fertilizer about $37.7 million.

Likewise I wish it were possible for me to effect another saving; namely, to eliminate peanuts as a basic commodity. I cannot see any justification for considering this commodity, grown only in five States, as basic. It has cost taxpayers of America $133 million to support the price of peanuts. The results have been the price per pound is so high the housewife cannot afford to buy them, and the candy-bar manufacturer cannot afford to use peanuts in a candy bar.

When it comes time to vote on amendments, as we read this bill, I shall be on hand. I shall listen as I have already today as in past years to eloquent recitals of what we owe the farmer because of his contribution to the war effort more than a decade ago. I shall listen to the appealing dissertations as to what is wrong with the Republican program and the administration of various programs. All the woes of the farmer will be explained and the broken promises of my political party and Secretary Benson exposed for posterity.

But, Mr. Chairman, no one will arise and frankly say that the farmer gets special treatment on his income tax, that he gets exemption from gasoline taxes, that his products can be transported in unregulated trucks, that his cost of food often is small compared with the city dweller. No one will recite all the special treatment and benefits or the cost of such treatment and benefits to the city dweller—and the added living cost to the city wage earner and consumer as a result of such matters, as well as increase in his Federal taxes.

All I can say is, the farmer is important, but only in exactly the same ratio as any other population group based on its production and buying power in the scheme of living in America and its living standard.

I think actually we are hurting the farmer with overindulgence. I support education and research for agriculture and all groups and individuals in America, but thereafter I say we are on the wrong track.

The $5 billion Federal cost of the farm subsidy and assistance program might be better credited to the farmers' income tax or given them in cash. This would eliminate administrative expense and other Government costs which are not direct benefits. At least that would cut down the size of Government and indirectly help all taxpayers. I fear, Mr. Chairman, it is a case where the farmer can save himself from his enemies better than he can save himself from his friends and Representatives in Congress.

As for myself, Mr. Chairman, I am inclined to vote against H. R. 7441. In all conscience I cannot find it in my heart to vote for a measure to finance agricultural programs which it is admitted are failures. The least we could do with this bill would be to cut out items to expand production—like fertilizer and lime—since the idea is to reduce overproduction. But, in the overall desire to cut the budget here is one Department where I would use a meat ax.

Mr. H. CARL ANDERSEN. Mr. Chairman, I have no further requests for time.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from Minnesota [Mr. MARSHALL].

Mr. MARSHALL. Mr. Chairman, it has been a pleasure for me to serve on the Subcommittee on Agricultural Appropriations. The able chairman of our committee, Mr. WHITTEN, a tireless, hard-working Member of this body, has been more than considerate of me and that has made my work enjoyable. Mr. NATCHER, our able Member from Kentucky, can always be depended upon for constructive, courteous advice. He is every inch a gentleman. My colleague from Minnesota, H. CARL ANDERSEN, leaves no doubt that he is consistently on the side of the farmer. WALTER HORAN, from the State of Washington, brings to the committee the frankness and friendly attitude of cooperation noticeable in people from the Western States. It is a pleasure to serve with Congressman VURSELL, from Illinois. He is practical in his approach and has a philosophy of life that is at all times enjoyable.

I have the friendliest feeling for all members of the subcommittee. While we have our differences of opinion there is no ill feeling or rancor among us. All of us, regardless of party, have the welfare of the people of the United States at heart. All of us have long been associated with farm problems and each in our way try to be constructive in solving these problems.

All of us are concerned about the farm problem and each of us would like to see a solution put forth. Each of us deplores the waste of funds and the ineffective use that has been made of them. We want the farm people of our country to have equality with other economic groups in the country. We want the farm people to have a return on their investment and their labor that will establish for them a standard of living in the American tradition.

We want the farm homes to be prosperous. We want the children of farm families to have the same educational advantages as urban families. We desire that the health needs of rural people be met. This can only be done by wise action on the part of Congress coupled with the proper philosophy and administrative action by the Department of Agriculture which administers the laws.

During the time General Eisenhower has been in the White House I have found myself in disagreement with the farm philosophy and farm policy of his administration. Today after a little more than 4 years of that administration we find:

Net farm income has gone down $2.5 billion, or 17.5 percent.

The farmer's share of the consumer's dollar has dropped from 47 cents to 40 cents—down 15 percent.

The return to the farmer for an hour of labor he puts in has dropped 12½ cents—from 82½ in 1952 to 70 cents last year.

Capital investment per farm has increased over 15 percent.

The farm debt has gone up more than a fifth—from $14.8 billion in 1952 to $18 billion in 1956.

During the same 4-year period costs per farm have increased about 10 percent, reflecting increases to nearly every other group.

Price supports have been lowered 18 percent on milk and butterfat; they are down a fifth or more on corn, rye, and soybeans; they have been dropped a fourth on flaxseed, oats, barley, and grain sorghums.

During this period of deliberately lowered price supports, the general level of farm prices has declined in about the same proportion as income.

Do these facts portray the policy? I think they do. The speculation of what might have been or who is to blame is stirring the ashes of the past. The Eisenhower administration is in charge of the executive branch of the Government. It is their responsibility to lead us into the future and to propose those things that are needed for the benefit of our national welfare, of which agriculture ought not to be a forgotten part. I and other members of our committee prefer to be a part of a constructive crew, not a wrecking gang. We propose to move forward, to keep in progress with the time and to build future American strength and American ideals.

That is why your committee is interested in soil conservation. That is why we have repeatedly tried to protect funds for soil and water conservation from indiscriminate budget cutting. We, as a committee, have withstood assaults from the administration to do what we feel would weaken these activities. Your committee would like to expend more of the public funds constructively and economically to save our soil and water resources for coming generations. We feel that such action is necessary for the future of a secure America. We are concerned because the administration has seen fit to create more agencies to add more personnel and to spread the direction of this program through all of the agencies to such an extent that we feel our bureaus have been overburdened with conferences and redtape. The suggestions that come from farmers through the farmer committees of all the agencies have been largely ignored. These farmer activities are a vital and essential part of soil and water conservation work, as well as all phases of agriculture.

The committee feels that soil and water conservation must take place on the land and that funds should not be dissipated around the conference table. Let us do these things now before it is too late. In order that conservation programs in the Department may be brought together, your committee has combined these activities in one place in our committee report.

Time does not permit as much discussion of conservation resources one would like to spend on it. There is no question concerning the importance of this problem, which has long been recognized as a responsibility of the Federal Government, working with rural people.

After conserving resources, the next item that follows naturally is the proper development of these resources. The demand on the United States to feed and clothe not only our own citizens in these turbulent times, but also many of the people of the world has brought about a dislocation and has created incentives that the administration finds so troublesome.

There are those who place the blame on price supports. These folks overlook the reasons for them and ignore history. The experience of the early twenties are still vivid in my memory. During World War I the slogan "Wheat Will Win the War" was shouted from the roof tops. Acre after acre was brought into production. The wheat was produced. Then after the war, prices collapsed. This happened not only in wheat but other farm products.

In the last World War the farmer was asked for all-out production again—and again the farmer delivered what was asked of him. No soldier was denied a decent ration because the farmer failed to produce for his every need. There was food in plenty at home, and enough held over so that after the war enough could be exported to our allies to help them through their immediate postwar difficulties.

The second time, price-support legislation was enacted by the Congress to give the farmer some of the kind of protection industry always has obtained in cost-plus contracts and reconversion payments. The protection was provided. The cost compared with payments of all types to industry has been relatively small. The protection given would be cheap at double the cost, if the administration could learn to use price supports wisely to avoid a farm depression instead of bringing it about.

The weakening of price supports has, in my estimation, been the glaring weakness of the Eisenhower administration. In this regard I challenge anyone to show where we have lost one penny's worth of world trade because of our price-support program. In our hearings, time after time, the Department of Agriculture admitted to our chairman that they had the legal power to sell agricultural commodities at a competitive price in world trade as provided in the charter of the Commodity Credit Corporation. This was written so clearly in the charter that it could not be denied. It is clear that our price-support program has not had any effect upon our world trade whatsoever. The neglect of this administration to use the legal power it possesses is a most important factor, however. The next item then must be our domestic trade. There the facts are revealing, for while our farm prices have dropped, the consumer prices have remained practically constant.

The Department of Agriculture has a series of cost figures running back through the years on what it calls the farm market basket. This is a fixed volume of farm products sold at retail and adjusted from time to time to reflect marketing trends.

During the last 4 years the cost of the market basket to the housewife has increased by $5,100,000,000. The amount the farmer received for these same products went down by $6,300,000,000 during

the same period. The cost of marketing these products went up $11,400,000,000. It is pretty much the same old story of the farmer getting less; the consumer paying more, and the processor getting rich.

What if farm prices had gone up as much as other prices during the time they were going down? A Department of Agriculture witness testified before our subcommittee that this would have raised the cost-of-living index from 3 to 4 percent, or 3½ to nearly 5 points. A rise of only 1 point in the consumer price level would cost consumers $2,500,000,000, according to the testimony of the Governor of the Federal Reserve Board before the Joint Economic Committee of Congress.

We are pleased the Committee on Agriculture has set up a subcommittee under the chairmanship of the able gentleman from New York [Mr. ANFUSO] to go into this problem. We are hopeful that much light can be shed on this matter. I fear it will disclose that the administration has been guilty of assisting those who traditionally make it a practice to farm the farmer. I might add that our committee for several years has pointed out what we felt to be alarming trends in this direction. If domestic consumption is to be increased by price reduction it means that handlers of agricultural commodities must decrease their profits in line with farm price reductions imposed upon the farmers by the Eisenhower administration. I must hasten to add that this negative farm policy is one that I entirely disagree with. Any open-minded person, after studying the record, will come to the same conclusion.

I have an abiding faith in farm people and the future of American agriculture. The American farmer exists today in a complex regulated society. Industry and labor enjoy protection and safeguards to their welfare that have been built up over the years by a benevolent Government. Can agriculture, on a free-market basis, successfully compete with these other protected groups in our economy? Should not American farmers receive the same consideration from their Government in solving their problems?

The majority of farm families accept this philosophy, and on every occasion, when given the opportunity in a referendum, they have expressed their desire to work out their problems through group action and cooperation with the Government. They realize that they cannot be exponents of free enterprise on an island removed from the rest of our protected, regulated, and at times, pampered society.

The majority of farmers understand this. The majority of Congress has plainly understood it in the past. The Eisenhower administration refuses to recognize this and goes blindly on belittling farm programs and making them ineffective. For how long must this blight upon the prosperity of American farm homes remain?

Many economists in the country are pointing out that there are too many people on the land. They seem to feel that fewer people on the land will in some way work us out of our production problems. There is no greater fallacy than this. Experience proves that fewer people and more machines on the farms have the effect of increasing our overall production. Look at the recent records of American Agriculture. Fewer and fewer people on the land have been producing more and more. We have not approached the point where farmers leaving the land will have the effect of decreasing production. Our policy should not be to replace farm people with farm machines. It should be to make it possible for more people to make a living on the land. Assistance must be given to American agriculture through research, marketing, and management to bring this about. Farm people traditionally have been a stable and strong influence in all powerful countries, and the United States is no exception.

Farming is a way of life, and that way of life can be a happy one. Farm homes today enjoy many benefits brought to them by programs developed during the Roosevelt administration. REA has lighted their homes, for example. Insured bank deposits have given security to their investments. Over and beyond these, other programs have given farmers a greater confidence and capability to manage and conduct programs for their security and the welfare of the Nation.

My firm conviction is that they will not permit these things, of which they are constantly reminded, to be taken from them. It is hard for the farmers to understand why the Eisenhower administration does not understand them or their problems, and that the neglect of these problems is leading them to economic disaster.

Mr. WHITTEN. Mr. Chairman, I yield such time as he may require to the gentleman from North Carolina [Mr. FOUNTAIN].

Mr. FOUNTAIN. Mr. Chairman, I should like to call the attention of the Members to the very successful polio-vaccination program conducted on Capitol Hill on Tuesday, Wednesday, and Thursday of last week. More than 1,600 persons received polio shots during the 3 days paying $1 per person. The actual cost of the vaccine used was 63 cents per person. The Congressional Secretaries' Club, which sponsored and organized the program, paid all other necessary costs out of the club treasury, and 37 cents of each dollar paid by the person vaccinated will be donated to the National Foundation for Infantile Paralysis. I understand the first contribution to the foundation will amount to about $600. I am told that similar contributions will be made at the conclusion of the second and third shots in the recommended series of three.

All the individuals who participated in the organization and carrying out of this fine program deserve to be commended. Particular credit is due to Miss Marie Warme, of the office of the gentleman from Nebraska, Congressman MILLER. Miss Warme is chairman of the polio-vaccination committee of the Congressional Secretaries' Club. The program could not have been accomplished without the invaluable assistance of Dr. Grace L. Stone, who has charge of the polio program for the District of Columbia public schools. Dr. Stone arranged for use of syringes and other equipment needed for the program as well as very generously offering advice and cooperation in its organization.

Among the others who deserve commendation for this very notable accomplishment are:

Miss Grace Matthews, registered nurse, head nurse for the District of Columbia Health Department, and Mrs. Ruth Woods, of the District of Columbia Chapter of the American Red Cross, who assisted in obtaining nurses and nurses' aids for the program.

Lt. George Kleinfeld, Medical Corps, USNR, who generously volunteered to supervise administration of the shots.

Dr. George W. Calver, attending physician to the Congress, who assisted in obtaining a physician to supervise the program and also administered shots to a number of Hill employees.

Polio shots were very skillfully administered by Mrs. Evelyn Houser, R. N.; Mrs. Cecilia Dana, R. N.; and Hospital Mate Second Class Winnie L. Ulrich, a Navy nurse who volunteered her services. I am informed by some of those who received shots that the procedure was fast, efficient and so painless that the needle could hardly be felt.

I will not attempt to mention them by name, but I think that all of the officers and members of the Congressional Secretaries' Club who participated in organizing and conducting this program deserve our commendation. Our commendation is due particularly to all of the charming young ladies who graciously assisted in performing clerical duties connected with the program. Our thanks are due also to our own nurses in the House and Senate, Mrs. Hazel Goff, Mrs. Ruby Fipps, and Mrs. Clara Ruckman.

Mr. Chairman, the polio-vaccination program conducted by the Congressional Secretaries' Club is an outstanding example of what can and should be done to protect the health of our Federal employees. In March I wrote to the head of each of the larger Federal Departments and agencies urging the establishment of appropriate programs for Federal employees. The Intergovernmental Relations Subcommittee of the Committee on Government Operations, of which I have the honor to be chairman, recommended unanimously on March 28 that the Department of Health, Education, and Welfare, through the Public Health Service, take prompt steps to encourage polio-vaccination programs for Federal employees at their places of work. The subcommittee's recommendation did not involve expenditure of Federal funds, since we specifically suggested that the programs be paid for by the employees themselves, just as is being done by employees on Capitol Hill. It was made because our study had convinced us that thousands upon thousands of persons who otherwise would never get this protection would take advantage of polio shots available at their places of work. We were surprised to find, for example, that nearly 2 years after the vaccine be-

came available in the age group between 20 and 40 only 1 person in 42 had received the full 3-shot series, and only 1 out of 6 had received any vaccine at all.

On March 28 the subcommittee unanimously asked President Eisenhower to publicly endorse on-the-job polio vaccination programs. Although it is my understanding that polio shots were arranged for the White House staff, I regret that the President has not yet seen fit to endorse appropriate polio-vaccination programs for other Federal employees—especially where they work together in great numbers in large metropolitan areas. I regret also that the Public Health Service has not yet given effective leadership in bringing the protection of the Salk vaccine to Government workers, even though many private corporations have demonstrated that employee vaccination programs can and will reach many persons who would not otherwise be vaccinated. No Federal funds would be needed for these programs, since the employees themselves would and should be more than willing to pay the cost.

I realize that the supply of vaccine may not be presently adequate to conduct immediate vaccination programs for all Federal employees. However, there is little evidence that any planning has been done for that day in the near future when vaccine is plentiful. With very few exceptions, "on-the-job" polio vaccination programs have not been carried out or even planned.

The Congressional Secretaries' Club has shown what can be done, especially in areas of mass employment. I hope their example will be followed.

Mr. WHITTEN. Mr. Chairman, we have no further requests for time on this side.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, namely.

Mr. MARTIN. Mr. Chairman, I make the point of order that a quorum is not present.

Mr. WHITTEN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year 1958 had come to no resolution thereon.

SPECIAL ORDER VACATED

Mr. BOYLE. Mr. Speaker, I ask unanimous consent that the special order granted the gentleman from Ohio [Mr. VANIK] today may be vacated and that he may be granted the same privilege under the same conditions tomorrow.

The SPEAKER. Is there objection?

There was no objection.

POLISH CONSTITUTION DAY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I would like to insert in the RECORD an outstanding and most impressive guest editorial from the celebrated Journal-Register, of Palmer, Mass., written by Mr. Bogulaus S. Grzywna, delegate to the United Polish-American Organization Council and president of Polish National Alliance in his area.

It is most appropriate that Mr. Grzywna's eloquent remarks on Polish Independence Day should stress the need for liberation and assistance for the oppressed people of Poland.

This is an objective to which all true Americans are pledged. It is an objective for which I have worked unceasingly for several years past, and I propose to continue my efforts until, God willing, final victory has been won.

I compliment Mr. Grzywna for his memorable and forceful editorial, which is, in my judgment, a real contribution to the contemporary discussion of the great human question of liberation and relief for the Polish nation and its gallant people.

POLISH CONSTITUTION DAY

(Guest editorial by Bogulaus S. Grzywna, delegate to the United Polish-American Organizations Council, township of Palmer, and president of Polish National Alliance, group 2170, Three Rivers, Mass.)

May 3 marks the anniversary of one of the great human documents of the age of democracy, the Polish Constitution of 1791—a document including guaranties of religious toleration and freedom of thought that compare favorably with the guaranties in our own Constitution.

The Polish people have been victimized beyond the experience of most European peoples by conquest, partition, invasion, oppression across centuries. They are held today as the creatures of a government satellite to the Soviet Union and maintained in power only by the Red army.

But under the successive oppressions of the past the Polish people never lost their sense of nationalism and never lost their dedication to the principles of freedom. These emotions were so strong within them that after nearly a century and a half of foreign occupation Poland rose again. Poland will rise yet once more as an independent nation, capable of asserting her right to self-government.

Neither the Polish people nor we in America can ever accept the present condition of Poland's existence. A nation enslaved calls for our help. We continue to look to total freedom as the goal for the Polish nation. The American people will never cease to work for this goal. We know that the tyrant will be thrown off.

In their long history the Polish people have had little opportunity to enjoy freedom, yet they have constantly and valiantly struggled to attain it. Despite the suffering of invasions, partitions and occupations, Polish patriotism has never faltered.

Poland sent her finest spirits, General Pulaski and General Kosciusko, to fight with the armies of George Washington and to help the infant States of America win their freedom.

Since the days of the American Revolution Polish blood has been shed for the preservation of American liberty. Such patriots as Thaddeus Kosciusko and Casimir Pulaski and almost a thousand other Polish patriots fought for the Continental Army. During the Mexican, Civil, and Spanish-American Wars Americans of Polish descent died for the preservation of American freedom. More recently, during World War I 300,000 Polish-Americans served in defense of their adopted country, and in World War II more than 900,000 served.

As Polish patriotism contributed to the security of our country, their stability aided in its development. The Polish immigrants come to America endowed with a capacity for perseverance and a love of God. The Poles are not afraid of work. They cultivated our soil; constructed our railroads; developed our coal, iron, and copper mines; and as they gained proficiency, contributed to the expansion of our industry. Their religious faith has also made them peaceful, loyal, and law-abiding citizens.

Our Polish-Americans have helped in building American civilization and culture. The cultural achievements of Poland have become a part of the varied culture of America. The Poles have also contributed to the spiritual and religious growth of our country.

Today, the anniversary of Polish Constitution Day, is an appropriate occasion for all Americans to express their appreciation to all Polish-Americans for their contributions in the defense and development of our great country. It is also an opportune time to assure Americans of Polish descent that we will join in their prayers for the enslaved relatives and friends in their native land.

The reestablishment of Poland as a truly sovereign nation, free to guide her own destinies, is an objective that we must never allow too far from our thoughts and memories. When the day comes again that Poland is free, the celebration of her great Constitution Day will be a celebration in which all of aspiring mankind can share.

It is my fervent hope on this anniversary of the Polish Constitution Day of May 3 that the courageous Polish people will be shortly rewarded for their faith in the noble principles embodied in that great document and for their perseverance in pursuing their ideals.

THE PLIGHT OF THE LEAD-ZINC INDUSTRY

Mr. DIXON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include certain extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. DIXON. Mr. Speaker, the attention of this House should be called to the plight of our domestic lead-zinc mining industry.

That industry today is confronted with the following disastrous problems:

First. Price of lead-zinc has dropped to 11½ cents in the past 10 days.

Second. The Department of Agriculture has temporarily suspended buying of free-market world lead-zinc under the barter program.

Third. The industry is faced with widespread mine shutdowns and layoffs.

We cannot afford to rely solely upon foreign sources for these strategic metals. If we do, in time of war it could be a fatal mistake.

There is one bright spot in the picture. I learned from the Office of the Secretary

of the Interior this morning that he will soon submit to the Congress a long-range mining-policy proposal.

The specter of mine closures and unemployment today is a haunting one, but an even more frightening episode may someday occur when our own mines have closed, our reliance on foreign imports for strategic metals is nearly complete, and we find ourselves in a war for survival.

Gentlemen, it is a relatively easy task to close a mine. In most instances it can be done in a few days. When a mine has been neglected through disuse for long periods of time and fills with water, and the mining families have moved away, it sometimes takes months and even years to reopen a mine. This is an undesirable situation in times of peace, and it could be a mortally bad mistake in a time of war.

The price of zinc has fallen to 11½ cents per pound. It is impossible for the great majority of our domestic mines to operate at anything near a profit at this price. What is the problem and reason for the steady declines in price? It is simply this: Our mines and miners are in competition with foreign sources of supply and cheap foreign labor. Mine operators cannot pay the wages which American miners deserve as a just share of our prosperity and still compete with foreign operators and laborers.

Our domestic lead-zinc industry is being made an unwilling sacrificial goat on the altar of a program whereby we are placing our mines and miners in competition with foreign wages with which they cannot successfully compete.

This Government has imposed rigid export controls over such items as domestic scrap iron to help eliminate shortages. If this is desirable, why should we not then impose controls to help eliminate domestic surpluses through import controls?

The barter program has been a noteworthy and beneficial help to our mining industry. This program allows the Secretary of Agriculture to barter our agricultural surpluses for the products of foreign countries. Included on the list of barter commodities which we receive has been lead-zinc. By buying up for stockpiling and supplemental stockpiling programs, much of the lead-zinc on the free-world market through the barter program, we have stabilized the price of our domestic metals. Nevertheless, this barter program in its present form has its limitations, one of them being that it is administered unilaterally by the Agricultural Department, and there should be some legally established form of machinery for cooperation with the Department of the Interior which is primarily concerned with our mining industry. The Agricultural Department suspended its bartering program for lead-zinc about 2 weeks, and since that time the price has dropped 2 cents per pound.

The barter program has been for the mining industry what price supports have been for agriculture. As Secretary Benson remarked, they are like aspirin which deadens the pain but does not cure the patient.

What we really need is a long-range program that will protect our mines by regulation of imports from cheap foreign sources.

Last year Secretary of the Interior Seaton was charged with the responsibility of formulating and submitting to the Congress a long-range mining policy. In conversations this morning with his assistants, I am happy to report that the Secretary has been working diligently on this policy proposal and that it should be ready for us within 2 or 3 weeks.

The following is a quotation from an editorial appearing in the Salt Lake Tribune for Thursday morning, May 9, 1957. It further points up the plight and importance of the domestic mining industry and underscores the fact that the solution to the problem is protection:

PROTECTION KEY TO MINING INDUSTRY'S PLIGHT

When the zinc price fell to 12 cents a pound, it emphasized—if emphasis was needed—the serious plight of the western nonferrous mining industry.

The plight of the industry is nothing new. The administration in Washington has been frequently warned of the situation. More than 2 years ago the United States Tariff Commission recommended an increase in the duties on lead and zinc as a protection for the domestic industry. But President Eisenhower, apparently acting on the advice of the State Department, rejected the recommendation and announced plans for stimulating lead-zinc production through stockpile purchases.

Stockpiling, however, is not the answer. It is at best a temporary expedient—and strong industries are not built on temporary expedients. Moreover, stockpiling has stimulated imports of foreign metals, especially when combined with the program of bartering surplus agricultural commodities abroad.

Western governors, meeting in Reno, Nev., last month, declared that the time had come to replace temporary programs with a sound, long-range program that will help bring permanent stability to the metals industry. According to the governors, this can best be done by providing "some form of protection * * * against the differentials in the economic structures of various world producers of minerals; notably the differential between wage scales * * * to prevent this country from becoming a dumping ground for cheap foreign production."

The governors' resolution clearly recognizes the difficulties of the western mining industry. Otto Herres, chairman of the National Lead and Zinc Committee, puts it this way: "How are we to compete with foreign production that does not carry the higher wages, living standards, and social benefits enjoyed by our workers?"

The obvious answer is that competition under such handicaps is impossible.

And as long as competition remains impossible, the western mining industry will continue to wither away.

This would seriously damage the western economy.

From a national standpoint, the results could be even worse. For, unless domestic mines continue in operation, the United States will become more and more dependent upon foreign sources of supply. Such a situation is most undesirable in time of peace. It would be dangerous in the extreme if war should come, since these metals are absolutely vital to the national defense. A mine can be shut down rapidly. It can be reopened only after long, costly effort, no matter how pressing the national emergency.

Mining companies, like all others, must make a profit to stay in business. "Rising costs, high wages, and free trade competition," Mr. Herres said in a recent address, "are forcing large mining companies to move to other countries with richer ore deposits and lower wages for survival, and many smaller companies to close their operations. American companies endeavoring to continue mining lead and zinc at home are afforded even less protection against excessive imports than automobile manufacturing, considered the most efficient of the mass production industries and perhaps the leading industry exponent of fair trade."

The key to the western mining problem is protection against excessive imports.

This may be difficult in view of the Eisenhower administration's fair trade policies. However, the administration has promised a long-range mining program and its disclosure later this week is awaited with interest.

Certainly the recent Western Governors Conference, at which Gov. George D. Clyde of Utah played a leading role, has demonstrated unanimity of regional views on the subject.

Furthermore, I received this telegram from eight Utah mining companies:

Hon. HENRY ALDOUS DIXON,
House of Representatives,
Washington, D. C.:

Utah lead-zinc mine operators wish to advise you again of their position regarding relationship of barter program and stockpiling program to the promised long-range minerals policy. This advisable because of critical condition in zinc-lead mining industry created by recent suspension of purchases of surplus free world lead-zinc under barter program, threatened end of stockpiling program, mounting surplus supplies due to excessive imports and attendant drop in domestic price of 1½ cents per pound for zinc. Price reduction seriously threatens almost immediate mine closures and unemployment in Utah mines, which have been operating at loss even with metal prices as were maintained with barter and stockpile aid.

The industry originally appraised these programs as temporary and of terminal value. The western governors recently adopted resolution recognizing the temporary price stabilizing benefits of barter program and its inadequacy as long-range solution for relief of domestic mining and urging its continuation "until such time, not too long delayed, as an equitable and effective long-range minerals policy, based on reasonable and effective import control measures, can be formulated and put into effect."

Suspension of barter and threatened termination of stockpiling preceding presentation of long-range minerals policy to Congress leaves mining industry in distressed status and runs counter to expressions of concern or the health and continuity of the industry by Government officials, chief among which are found in President Eisenhower's letters of August 1954 to Senator MILLIKEN and to Representative REED. After denying recommended tariff increases the President said: "However I am taking affirmative steps at this time to strengthen and protect our domestic mobilization base for lead and zinc." Thereafter he outlined directives to the ODM for long-term stockpiling program, to Secretary of Agriculture for barter program and to Secretary of State to seek voluntary cooperation of foreign countries in matter of excessive imports of lead-zinc. The President concludes: "If the course of action above outlined has not accomplished the objectives we seek, I will be prepared early next year to consider even more far-reaching measures, and to make appropriate recommendations to the Congress."

Since report of the President's Cabinet Committee on Minerals Policy, November 1954, interest in and need for long-range minerals policy has grown. Secretary of In-

terior was charged last year with responsibility to prepare such a policy and present to Congress. Mining industry and Members of Congress from mining States have anxiously awaited its presentation. In awaiting that presentation ability of industry to continue has been protected only by temporary measures provided in 1954.

The Utah lead-zinc operators therefore urge that the long-range minerals program be presented to the Congress without further delay; that the long-range stockpiling by ODM be expanded in the interim and the barter program be reactivated.

Any long-range minerals program to be sound must create an equitable price differential between domestic and foreign producers combined metals reduction companies.

New Park Mining Co.; United States Smelting, Refining & Mining Co.; United Park City Mines Co.; International Smelting & Refining Co.; Darwin Mines Co.; Chief Consolidated Mining Co.; Hullinger & McFarland; Tintic Standard Mining Co.

THE GOVERNMENT PRINTING OFFICE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a letter.

Mr. SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this is a letter from Mr. E. Morton Grosser, of Watertown, Mass. He is praising the services of the Government Printing Office. He says, in part:

Its service is thorough, inexpensive, astonishingly prompt, and worthy of the most dedicated commercial organization, let alone a Government agency, and most of the other people of our acquaintance who have used it have commented on the same qualities.

Mr. Speaker, I would like to add my commendation to this very fine department.

The letter referred to is as follows:

WATERTOWN, MASS., *May 13, 1957.*

EDITH NOURSE ROGERS,
Congresswoman,
Washington, D. C.

DEAR CONGRESSWOMAN ROGERS: We have not in the past corresponded with our Representatives, but since we are planning to leave Watertown in the near future we would like to take the time to do something that we have been meaning to do for quite a while. One frequently hears these days—and I imagine in other times as well—strong criticism of departments and agencies of the Government. We would, however, if such a thing is possible, like to have some official commendation given, either by reading such into the CONGRESSIONAL RECORD, or by some other equally effective means, of the Government Printing Office. We, along with many other constituents of yours, have used this agency continuously for the past 7 years, and have nothing but praise for it. Its service is thorough, inexpensive, astonishingly prompt, and worthy of the most dedicated commercial organization, let alone a Government agency, and most of the other people of our acquaintance who have used it have commented on the same qualities.

In view of this, we would be pleased if you would pass along our feelings, and, if possible, implement some more public recognition of the excellent performance of this Office.

Thank you.

Sincerely yours,

E. MORTON GROSSER.

LATEST INFORMATION FROM CHINA SHOWS RED REGIME IS IN DEEP TROUBLE

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes, to revise and extend my remarks, and to include an article.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, perhaps the biggest story to come out of Communist China recently is the revelation that the American newspapermen who defied their Government in order to go into Red China to get the true story missed the main facts entirely and brought back a grossly inaccurate and misleading picture.

For example, only a few weeks ago Mr. Edmund Steven of Look magazine, concluded from what he had been allowed to see behind the Bamboo Curtain:

The Communist regime is firmly in the saddle and is there to stay.

China is not a Soviet satellite—the regime has a far broader basis of popular support than any other Communist Government, including the Soviet Union.

The opposition has been liquidated or won over.

Living standards are rising.

Almost simultaneously with publication of these observations by Mr. Steven, they are being proved, point by point, to be wrong. Evidence accumulates daily. The latest is two stories in the Washington Star of May 12—an AP dispatch from Hong Kong and an Indian story from New Delhi which describes as "the most significant report to come out of China recently" the findings of two Indian experts who were sent officially to China to study agricultural cooperatives. It will be recalled that only a decade ago many American reporters were waxing lyrical about how the peasants of China were allegedly flocking to the Communist agrarian reformers and their agricultural cooperatives were extolled as a democratic revolution in China. It was never true. The so-called agrarian reform always in reality was agricultural vandalism; but those who said so were dismissed as reactionaries. Now the Indian experts find the farm cooperatives in Red China are "neither voluntary nor democratic."

These 2 latest reports, along with many others, make clear that, in fact, in Communist China:

Living standards are not rising, they are declining. Foodstuffs and cloth are short; raw materials, metals, and coal are short; inflation is growing. Obviously communism and the bureaucratic coercion inherent in it are failing to meet the needs of the people in China as everywhere else.

While 25 million of the opposition have been liquidated, plenty of the 575 million Chinese remaining have not been won over. Peasants, intellectuals, newsmen, students, science, and engineering graduates—the masses—are restless, showing individualistic tendencies and demanding changes.

Just where is the regime's alleged broad basis of popular support?

How firmly in the saddle is a dictatorship that has to urge children to spy on their elders? Why should a supposedly happy and grateful people in a Communist utopia be engaging in anti-Communist activities of which the security police is so afraid?

Mr. Speaker, the Communist tyranny in China is in deep trouble. Surely it is elementary good sense not to help it out of its self-induced difficulties.

To be sure, there are still some who urge the free world to commit the incredible folly of rescuing the Reds by resuming trade with them and giving them official recognition. I am confident that having steadfastly resisted Communist China's aggressions to the point where internal pressures there are now growing in intensity and the hopes of the Chinese people for freedom are mounting, the free world will not falter or turn back just when success begins to become attainable. Now is the time for patient, firm adherence to the course we have been following and which is bringing victory into sight.

The two articles follow:

FAMINE, JOB SHORTAGE, UNREST BESET RED CHINA

HONG KONG, May 11.—Red China has lifted its Bamboo Curtain and revealed a nation beset by unemployment, food shortages; conflicts among the masses and paralyzing bureaucracy.

In a series of frank disclosures in the official press and over Peiping Radio in recent days, the Peiping regime has admitted that the threat of famine hangs over much of the country in the wake of last year's floods, drought and the disastrous Typhoon Wanda.

Foodstuffs, particularly pork, are short. For the first time in many months some foreign ships calling at Chinese ports have left with empty holds because there was nothing to export.

Much of the unemployment is a by-product of last year's calamities. Thousands of peasants, unable to eke out a living, have swarmed to the cities in search of jobs. Bad personnel planning for industry has contributed to the growing ranks of the jobless, an official announcement says.

In addition to these difficulties, the Communist leadership is grappling with two problems which strike at the very heart of its control of the country.

The first is widespread unwillingness of former capitalists and intellectuals to accept socialism as a doctrine. The other is the friction between the masses and bureaucratic-minded Communists.

An example: Red China's newsmen held a forum in Shanghai, Peiping Radio reported today, and demanded more freedom to report "actual situations." They asked government officials to hold news conferences and permit themselves to be questioned, and protested against official intimidation of reporters.

Apparently there is no present danger of revolution in Red China. This is because Chairman Mao Tse-tung is demonstrating again he is able to roll with the punch. Instead of following the unyielding policy of the Hungarian party, he has reverted to typical Chinese-Marxist methods.

He has decreed a program of restraint mixed with firmness and persuasion rather than compulsion. At the same time, he is

maintaining his country's rigid posture against what he considers threats from the West, particularly from the United States.

Mao has called on peasants in the ravaged areas to tighten their belts, trust in communism and work hard to produce a bumper crop this year. As an encouragement, he has ordered party members to work in the fields side by side with the farmers. Urgent relief measures intended to ward off starvation during the lean period before harvest have been set in motion.

Unless there is a bumper crop this year, many here believe China's ambitious industrialization program will be in serious trouble. It already has been reported that China has insufficient grain to pay Russia for industrial machinery and tools under their 1956 trade agreement.

INDIA HEARS REPORTS THAT RED CHINA HAS ECONOMIC AND POLITICAL TROUBLES

(By Naranjan Singh Uppal)

NEW DELHI.—Despite her cordial relationship with Communist China, India is under no illusions as to the nature of the Red regime there or the stability of its economy.

Reports being received directly from China and from members of Indian delegations which have visited that country all confirm that the Peiping Government is having serious troubles.

These reports have it that not only has economic planning faltered, but the political indoctrination of the Chinese people has failed to make its mark. New Delhi hears that revolts in various parts of China have been brutally crushed, "diversionists" are being warned to end their activities, and youngsters are being urged to spy on their elders.

The most significant report to come out of China recently has been made by 2 members of the 7-man delegation which went there on behalf of the Indian Planning Commission to study Chinese agricultural cooperatives. They are F. N. Rana, Bombay State's registrar of cooperatives, and B. J. Patel, general secretary of the All-India Cooperatives Union.

Mr. Rana and Mr. Patel stress that the Chinese agricultural cooperatives are "neither voluntary nor democratic." Chinese agricultural policy, they say, emanates from a "dogmatic political philosophy which can only be carried out by an undemocratic political apparatus."

FEAR IS THE WEAPON

The two delegates quote the Communist Chinese Agriculture Minister Liao as having told them that, as a class, rich peasants could not be converted by "persuasion" and that having seen the "elimination" of the landlords, the rich peasants were afraid of meeting a similar fate.

They recall a statement by former Peiping Finance Minister Po Yi-po that 2 million "bandits" were liquidated during 1949–52. In China, their report says, it is usual to group bandits and landlords.

This failure of agricultural policy has been confirmed by the Communist Chinese themselves. Peiping radio recently admitted that Muslims in the Khotan area of the Sinkiang-Uighur autonomous region rose in revolt to wreck the collectivization movement. Peiping's Land Reclamation Board has revealed that of 200 state-owned farms surveyed last year, 71 showed a deficit.

The Communist Chinese economy is under heavy strain. Officials here have noted that this was admitted by Vice Premier Chen Yun a few weeks ago. The main troubles which have befallen the Peiping planners are the shortage of raw materials and growing inflation.

The shortage of metals is so acute that the new motor industry would receive this year only half the amount of steel which it planned to use. Coal deficiency is having a paralyzing effect on industry. And coal production cannot be easily expanded because of the shortage of timber needed for pit props. The timber shortage affects all other departments of construction.

The New China News Agency has now complained that district and county administrative officers are aimlessly plunging into the development of industrial construction and failing to consider the question of material resources for production.

BACK-TO-LAND DRIVE

Communist China seems to be suffering from a certain disillusionment about industrialization and at the same time acutely concerned to insure a bumper harvest. New Delhi has found interesting an article in the People's Daily, official organ of the Peiping regime, which urged teachers, pupils, and parents several weeks ago to cooperate in the back-to-the-land movement. It also asked science and engineering graduates to avoid undue individualistic tendencies and not to refuse inconvenient assignments.

Consumer goods are becoming scarce. The latest hit is the States Council's decision to cut the cloth ration by at least 16 percent because of poor harvests and overconsumption. At present, each person gets only 24½ feet of cloth a year. Fearing restlessness, People's Daily has warned that those who complain about this cut would not be taking the right attitude of cooperation.

For the common man life in Communist China is not easy. About 2 months ago, an article in People's Daily complained about the inhuman punishments being given by party officials to peasants unable to pay the government grain tax.

Indians are also talking about the fact that Chinese children are being asked to report all supposedly anti-Communist activities by their elders to the security police. This directive is given by the China Youth, official organ of the Communist Youth League. The youth belonging to the former landowner class, it said, must be constantly wary of "being contaminated by counterrevolutionary ideas from close family associations."

TIBET STILL RESISTS

Political indoctrination also is not achieving the desired results. Even after 6 years of military occupation, Communist Chinese are having difficulties in carrying out reforms in Tibet. Gen. Chang Kuo-hua, Peiping's representative in Lhasa, announced last week that communization of Tibet would be postponed for another 6 years, as the mass of people do not have the urge for Communist changes. The prerequisites for reforms, he confessed, were not sufficiently evident in Tibet.

In eastern Tibet, the rebel monks and Mimang insurgents of Kham Province have breached at innumerable points the newly built Lhasa-China road by cutting ditches and felling trees. The Communist Chinese are now looking for an alternative way to avoid Kham. This explains why General Chang urged constant vigilance against traitors and diversionists and warned against rumor, slander, sabotage, and the sowing of discord among the Tibetan people.

ASSETS OF THE KLAMATH TRIBE OF INDIANS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentlewoman from Oregon [Mrs. GREEN] may extend her remarks at this point in the RECORD and include therein certain tabulations.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, I am today introducing a bill to insure that whatever assets are eventually distributed to the members of the Klamath Tribe of Indians in Oregon under the Klamath Termination Act will not—at least in the case of minors and incompetents—be dissipated by high and unconscionable guardian and attorney fees.

That, Mr. Speaker, is my sole objective.

I have not pride of authorship in the provisions of this bill. I seek no patent upon the method I advance to attain this objective. Rather, Mr. Speaker, I would welcome any constructive suggestions as to how the objectives of this bill can be better attained.

I would not want my action today to be interpreted as indicating any change in my attitude toward the Klamath Indian Termination Act.

My record on that point speaks for itself. I am pleased to note the bill reported by the House Committee on Interior Affairs is now on the calendar and I do hope that we shall soon be given the opportunity of voting on that measure.

But history, unfortunately, has made it abundantly clear that the protections with which this bill seeks to clothe the minors and incompetents of the Klamath Tribe must be attained before—well before—the distribution is made to the members of this tribe.

There will be no turning the clock back once this distribution is made and the assets vested in the individual. The Indian minor who loses a goodly portion of his estate through excessive fees and charges will have lost such portion for good and all.

Let us seek to learn the lessons of history. Almost 50 years ago, by the act of May 27, 1908, the Congress conferred certain jurisdiction on the courts of the State of Oklahoma over the persons and property of minors and incompetent adult allottees of the Five Civilized Tribes. Precautions such as I am proposing in this bill were not taken. The resulting scandal gave rise to the opprobrious catch phrase: "The Red Slaves of Oklahoma."

The Congress at that time did not see fit to give to the members of the Five Civilized Tribes protection and the results were disastrous—disastrous to many of the tribal members—and all too lucrative to those few who lined their own pockets unscrupulously at the Indians' expense.

Permit me to read from a memorandum prepared in 1935, in connection with legislation then pending before the Congress, to lock the barn door after the horse had been stolen—to try to rectify the scandalous situation which had developed with respect to the mulcting of the members of the Five Civilized Tribes in Oklahoma:

Administration of their (the Indians') affairs has been more expensive to them, necessitating the payment of court costs, guardianship fees, attorney fees, etc., the latter of which in some cases at least have not always been reasonable. Having no effective control over this situation, abuses have crept in which under existing law, it is practically impossible to prevent. This is especially true as regards wealthy Indians or

those having substantial income, guardians being appointed in many instances for adult Indians where virtually no need exists therefor, the principal object being the collection of the usual fees, frequently made just as large as the courts will allow. Cases have come to our attention where adult Indians have purposely fled the jurisdiction of the State in order to evade threatened guardianship. Again, the funds of these Indians in the hands of local guardians have frequently been invested in questionable security, usually in local real estate at inflated valuation, greatly to the financial detriment of the Indians involved. It would seem that the best interests of these Indians is not being served under existing conditions.

This memorandum, Mr. Speaker, shows great restraint in depicting the true state of affairs. For the memorandum contains examples of some of the cases involved—cases so shocking in callousness as to be almost unbelievable.

Let me give you but a few of the examples cited, showing the amounts of the estate and the administration costs:

	Total estate collected	Administration costs	Percent
Case A	$119,346.07	$30,746.50	25.76
Case B	1,690.89	915.50	54.15
Case C	5,924.81	2,072.50	34.98
Case D	1,394.47	696.33	49.93
Case E	4,500.00	2,692.25	59.82
Case F	144,197.07	18,331.20	12.71
Case G	57,454.92	15,008.27	26.12

These are but a few of the many examples of how the estates of the Indians of the Five Civilized Tribes in Oklahoma were in large measure dissipated through unconscionably high fees.

Is it any wonder that these Indians became known as the red slaves of Oklahoma, slaves to the greed and cupidity of venal men?

Mr. Speaker, I do not want my remarks to be misinterpreted. I hold the legal profession and those who act as fiduciaries in the highest esteem. I yield to no one in my appreciation for the great and lasting contribution which the all too often little-appreciated members of the legal profession have made to the preservation and growth of the fundamental rights and freedoms which individuals living in the free world are today privileged to enjoy. The service which fiduciaries—the vast majority of them—perform are likewise highly useful contributions to the growth and stability of our economy.

But human nature being what it is, every profession, every occupation, unfortunately finds itself burdened with members who do not always have the same high ethical standards as the vast majority of their brethren. There are some—there always will be some—who will be weak and yield to avarice and cupidity.

It is against these few that we must seek to give the members of the Klamath Tribe the protections which I propose in my bill.

The potentialities exist today for a similar occurrence with respect to the Klamath Indians in Oregon. Let us not rely upon Congressional investigations 10 years hence to bring out facts proving that by our lack of foresight today we have permitted the emergency of a new class of slaves—the "red slaves of Oregon." That the vast majority of the people of Oregon and of the United States do not want.

I include, immediately following my remarks, some examples worked out in an informational release issued under the Klamath information program of how the fee schedule of the Klamath County Bar Association would work out. In examining these fee schedules, it is important to note that the fees established are minimum fees—more may be charged.

But even under these minimum fees, it is my opinion that excessive amounts of the estates of Klamath Indian minors and incompetents will be dissipated.

For example, if the estate of the minor is $50,000, the cost of the first year to establish the guardianship estate under the fee schedule of the Klamath County Bar Association will run as high as $4,064 where an individual guardian is used. Assuming no withdrawals of capital and a normal return, annual attorney and guardianship fees will consume $1,000 of the estate, so that at the end of 15 years the estate, through guardianship and attorney's fees alone, will have been decreased by $18,064. The minor, out of an estate of $50,000 would have left about $31,000.

And this example is based on the assumption that only the minimum fees will be charged.

It has been estimated that about 1,000 members of the Klamath Tribe are minors. If we assume that the estate of each will be $50,000, the total sum involved for all these minors will be $50 million. Under the Klamath County Bar Association's minimum fee schedule, if individual guardians are appointed, $4,064,000 of the estates of these Indian minors will be expended the first year in fees and charges merely to establish guardianship for these children.

This, Mr. Speaker, I submit, is beyond good conscience to bear.

It will not be solved under the language of the bill, S. 469, reported by the House Committee on Interior and Insular Affairs. For, under the Klamath County Bar Association minimum fee schedule, even if a bank acts as guardian, $2,386,000 would be used up in fees and charges, if each child's estate is $50,000, in the first year merely establishing these 1,000 guardianships. Merely placing the funds in trust will not obviate the necessity of the appointment of a guardian of the estate of the ward.

Therefore, I have submitted my bill in an attempt to keep these fees and charges within the bounds of reason and good conscience. That is my sole objective. The device I have adopted is simple—I would merely limit these charges to the maximum which can be charged under State law to persons under guardianship receiving benefits from the Veterans' Administration.

As I have said at the beginning of my remarks, I have no pride of authorship. My objective is solely to protect the estates of those minors and incompetents of the Klamath Tribe, for whom guardianship under State laws must be obtained, from depredation and dissipation.

If there be any who have a better solution to offer, the time to offer it is now. Let it not be said, in the years to come, that we had it in our power to protect these children and incompetents, yet failed to act. Such inaction, I do not want on my conscience. I shall accordingly, Mr. Speaker, press for early consideration of this bill.

EXAMPLE 1.—*Total estate, $22,000*

	Guardian		
	Parent	Individual	Bank
Filing fee	$6	$6	$6
Bond $5/1,000	120	120	
Attorney fee:			
7 percent to $1,000	70		
4 percent $1,000 to $10,000	360		
3 percent $10,000 to $22,000	360		
Total attorney fee	790	790	790
Guardian fee:			
Individual		790	
Bank ½ of 1 percent per year			110
Attorneys annual fee	220	220	220
Total costs for 1st year	1,136	1,926	1,126

EXAMPLE 2.—*Total estate, $52,000*

	Guardian		
	Parent	Individual	Bank
Filing fee	$6	$6	$6
Bond	258	258	
Attorney fee:			
7 percent to $1,000	70		
4 percent, $1,000 to $10,000	360		
3 percent, $10,000 to $50,000	1,200		
2 percent over $50,000	40		
Total attorney fee	1,670	1,670	1,670
Guardian fee:			
Individual		1,670	
Bank ½ of 1 percent			260
Attorneys annual fee	520	520	520
Total costs for 1st year	2,454	4,124	2,456

COMMITTEE ON RULES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PROPOSED DENIAL OF VA HOSPITAL FACILITIES TO NON-SERVICE-CONNECTED VETERANS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Speaker, I have sought the gentleman from New York [Mr. BECKER] to inform him of what I am going to say, but he is not on the floor of the House or in the Republican cloakroom so I shall accordingly temper my remarks.

Earlier this afternoon and during the course of the proceedings in the Committee of the Whole I called attention to a further mess in Washington and with

regard to the inpatient care appropriation of the Veterans Administration. Subsequent to my remarks the gentleman from New York [Mr. BECKER] made the statement here on the floor that following my remarks he telephoned Dr. Kruger, the manager of the Fort Hamilton Veterans' Administration Hospital in Brooklyn and reported that my remarks as to certain dispatches were not accurate.

I thereupon called Dr. Kruger myself and Dr. Kruger informed me that in his conversation of some ten or fifteen minutes before, the gentleman from New York, [Mr. BECKER] did not mention my name. According to Dr. Kruger, he stated that he had complaints from veterans organizations with regard to the closing of non-service-connected hospital care for veterans and inquired if this was the fact.

Dr. Kruger stated that he informed the gentleman from New York that that was not so, that they were still accepting non-service-connected patients and would continue to do so until he received further orders from Washington in accordance with the dispatches of May 9 and 10 which are already in today's RECORD.

I inquired whether or not during the course of the conversation the gentleman mentioned my remarks upon the floor of the House of Representatives. Dr. Kruger's answer was "No."

The statement of Dr. Kruger that they were still accepting non-service-connected patients and would continue to do so until he received further orders from Washington was entirely consonant with my remarks during the course of debate in the Committee of the Whole, for I pointed out that they got out this silly directive on the 9th of May and then followed it up with a countermanding order on the following day.

Incidentally, Dr. Alexander W. Kruger, the manager of the Fort Hamilton Veterans' Administration Hospital in Brooklyn, is a highly capable administrator and is well thought of by all the veterans' organizations, the veterans, and the Brooklyn congressional delegation. He is doing and has always done a fine job at Fort Hamilton VA Hospital.

While I have this opportunity of the floor I should say that I do hope that information which has come to me that effective August 1, 1957, the finance office of the Brooklyn regional office of the Veterans' Administration will be transferred to the New York regional office in Manhattan, is not correct. A few months ago the Veterans' Administration separated its operation of the regional office and the medical clinic in Brooklyn. Then about a month ago the supply department of the regional office and clinic was transferred to the Fort Hamilton Veterans' Administration Hospital.

This latest development, if it is true, looks to me like it might be the forerunner of other departments being transferred to the New York regional office and would indicate a gradual closing of the activities of the Brooklyn regional office. The Veterans' Administration changed plans to close this office a few years ago following vigorous protests on the part of the Members of Congress from Brooklyn, all the veterans' organizations and the public. Should my present information be unfortunately true with regard to the closing of the regional finance office in Brooklyn, I hereby protest such a move.

A ROSE BY ANOTHER NAME

Mrs. GREEN of Oregon. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include an editorial.

The SPEAKER. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Speaker, when the proponents of the three inadequate dams as a substitute for the Federal high dam at Hells Canyon were arguing their case, they were loud in their protestations that these dams would be built at no cost to the United States. The recent fast tax writeoff granted to the Idaho Power Co. on two of these dams by the Office of Defense Mobilization demonstrates fully the insincerity of those arguments. As the Washington Post points out in its editorial this morning, this is a Federal loan—an interest-free loan of the taxpayers money to this private utility company so that it can inadequately develop one of this Nation's greatest natural resources. The saying goes that a rose by any other name would smell as sweet. This situation proves that the reverse of that saying is just as true. Let us call this interest-free loan to the Idaho Power Co. by its true name—a Government loan. Another example of this administration's big, big deal—for the big, big private utility companies. I am glad to see the Washington Post recognize that fact, and I include the editorial printed in that paper on Tuesday, May 14, in the CONGRESSIONAL RECORD at the conclusion of my remarks.

PAYING FOR DAMS

One of the principal arguments made on behalf of private development of the water resources of Hells Canyon has now been thoroughly exploded. In granting licenses to the Idaho Power Co. to build small dams on the Snake River, precluding the construction of a major multi-purpose high dam at Hells Canyon, the Federal Power Commission asserted that the private construction would be accomplished at no cost to the United States. The private dams are admittedly less efficient and would realize only a fraction of the public purposes attainable by a high dam project, Federal or otherwise. It has become clear, moreover, that through the fast tax writeoffs approved by the Office of Defense Mobilization for the Idaho Power Co., these dams would cost American taxpayers a very substantial sum indeed.

The certificates for accelerated amortization apply to 65 percent of the cost of two of the power company's proposed dams and would amount to about $65 million. They would enable the company to depreciate this sum at the rate of 20 percent a year for 5 years and to deduct corresponding amounts from its taxable income; over the 5-year period, the deductions would come to nearly $59 million, and would reduce the company's taxes by a bit more than $30 million. The tax saving amounts to an interest-free loan by the United States. It would be paid back, of course, in small annual installments over a 45-year period after the fifth year. In the meantime, however, the Government, which is to say, the taxpayers, would have to meet the cost of borrowing the money to be loaned without interest to the power company.

At a cost of 2 percent compounded annually, the cumulative costs of the interest-free loan to the power company would be about $29 million, a tidy sum. But in point of fact recent interest rates on long-term Government borrowing are in excess of 3 percent; and if the compound interest is computed at this rate, it would amount to something like $97 million. It seems altogether clear, in short, that, contrary to the Federal Power Commission's easy assumption, the cost to the United States of private dam construction on the Snake River would be considerable. The cost of a high dam at Hells Canyon (as a Federal, joint State or combined private utility project) would, it is true, be still greater. But it would have the virtue of accomplishing full development of the resources of what has been called the choicest power site on the North American Continent. And at least under several possible formulas it would leave the completed dam belonging to the people who paid for it.

NAME THE FIVE GREATEST REPRESENTATIVES

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. LANE. Mr. Speaker, who were they?

What quality made their stewardship outstanding?

How can we best honor, and perpetuate their fame, for the benefit of the Nation?

As example is the most inspiring teacher, we should select from the thousands of men and women who have served their constituents and their country so well as Members of the United States House of Representatives, the "famous five" who are most worthy of emulation.

So that the youth of this country, upon whom we depend for future leadership, will set their sights by the brilliant and dedicated public service of those who were preeminent: Presidents, educators, generals, authors, scientists, clergymen, athletes, professional people, entertainers.

In all areas of our society, including the United States Senate, a few outstanding members are chosen for special honors.

This is a praiseworthy custom.

It enriches our traditions and elevates the standards of our people.

That being the case, I believe we should not overlook the great men who have served in the House of Representatives. Their intelligence, integrity, and devotion to the public good vindicates the people's faith in our way of life.

Therefore, matching the precedent created by the Senate, I propose that we authorize the Speaker of the House to appoint a five-member committee to select "five outstanding persons from among all persons, but not a living person, who have served as Members of the House of Representatives since the formation of the Government of the United States." Paintings portraying them shall occupy a special place of honor within the Reception Room of the House.

The committee shall be authorized to seek advice and recommendations from such historians and other sources, including the general public, as it deems advisable.

For the purpose of this resolution, the committee shall be authorized to employ such assistants and to make such expenditures as it deems advisable.

Due to the hundreds of potential candidates for this honor, from the long and illustrious history of the House of Representatives, a fund of $15,000 is needed to defray the expenses of the committee. This shall be paid from the contingent fund of the House upon vouchers approved by the chairman of the special committee to be chosen for this purpose.

This amount, less than the salary of one Member for one term, is a modest request to fittingly recognize the outstanding public servants produced by this legislative assembly.

The criteria that shall serve as a guide to select the five greatest Representatives shall be consistent with the standards adopted by the Senate committee on a similar occasion. These qualifications are: First, that the Representatives should be chosen without regard for their services in other offices; second, that they should be distinguished for acts of statesmanship transcending party and State lines; and third, that the definition of "statesmanship" may well include leadership in national thought and constitutional interpretation as well as in legislation.

The purpose of this resolution is timely and necessary.

Let us show to ourselves and to the world the highest type of man produced by our representative form of government.

To inspire, by this proof, and this tribute, a renewed dedication to the cause of freedom.

DO WE STAND ON OUR PLATFORM?

The SPEAKER. Under the previous order of the House, the gentlewoman from New Jersey [Mrs. DWYER] is recognized for 10 minutes.

Mrs. DWYER. Mr. Speaker, for more than 4 months now I have been sitting in this Chamber, watching and listening to and taking part in the proceedings of the greatest legislative body in the world.

I have listened with interest and admiration to eloquent words which stirred the mind and touched the heart. I have watched with fascination the legislative processes that are so much a part of the honored traditions of the House of Representatives.

Now, I rise to speak on my impressions of the events of these past months; to put into words certain thoughts as a freshman Member viewing the Congress and its actions. I speak not in disrespect nor in brashness, but as a lawmaker, and as a loyal Republican, sorely troubled by much that I have seen and heard.

One year ago, we of the Republican Party—liberals, middle-of-the-roaders, and conservatives, alike—acclaimed President Eisenhower as the indispensable man.

We drafted him to lead our party for another 4 years—and he accepted the burdens of the Presidency which we thrust upon him.

I do not believe—nor could I ever be convinced—that Dwight D. Eisenhower sought another 4 years in the Presidency because of any desire for power or personal glory. I believe he was motivated only by a conviction that our expressions of faith in his leadership were sincere; by a belief in our words that our party, our Nation, and the free world needed him.

Yes, President Eisenhower accepted our bidding. He turned from thoughts of retirement to the awesome responsibilities of leadership in a troubled, tension-torn world.

Just last August, President Eisenhower journeyed to San Francisco to accept the Republican Party's highest honor. He was greeted with a tumultous ovation as he accepted the nomination and pledged his support to the platform forged by his party.

The President campaigned on that platform—a platform based on programs for the welfare of our people, the security our beloved land, and the peace of the world.

Last November, the people of America gave our President and our platform an overwhelming vote of confidence. It was a vote that surged across party lines and spread through all stratas of our society. It was the voice of the people, expressing a powerful faith in a man and in the things for which he stood. It was an endorsement of which there could be no questioning, no doubt. But that was 6 months ago.

Today, as President Eisenhower prepares to talk to the people of America on his budget—a budget with which we in the Congress have been so fully occupied in recent months—the cheers and the protestations of faith are strangely silent; and the promises of our platform—indeed, the promises of both parties' platforms—seemingly have been put into mothballs to await 1958 and 1960.

With this session of Congress well past the halfway post, I believe it would be well for all of us, of both political faiths, to ask:

Do we stand firm on the platforms which we took to the people last fall?

Are the platforms of our parties a sincere expression of the principles we believe in, or are they merely the flimsy product of political expediency, to be conveniently scrapped after the polls close on election day?

To date, this Congress has made little progress toward implementing the planks of our parties' platforms.

We need look no further than civil rights for an example.

Republicans and Democrats, alike, pledged in their platforms enactment of a civil-rights program as a first order of business.

Both parties agreed, in their platforms, that there must be an end to second-class citizenship; that all of our people, regardless of race, color, or creed, must be assured under law of equality and the God-given right of human dignity.

Yet, today, just as in years past, civil rights again is stalled against the wall of intolerance.

I ask you: Have we kept faith with the principles to which we gave such eloquent lipservice in the campaign platforms of our parties?

Now, to turn to another matter, I do not believe there is any disputing that this Congress is economy minded.

Such a businesslike attitude is healthy—so long as we do not impair essential services or endanger our national security. There is no disputing the need for economy in government; for tax relief for our people. Indeed, I believe we in the Congress have an obligation to make known to the President the views of our people on economy.

However, I might point out that less than 40 percent of the second Hoover Commission's recommendations have been enacted by Congress.

President Eisenhower has asked for action on the Hoover recommendations. Our platform pledged action on the Hoover recommendations. And yet this legislation, including the important economy provision for changing our expenditure system to a yearly pay-as-you-go plan, is languishing in committee.

Isn't it about time, if we really are sincere about effecting savings, that we act on this sound legislation?

I also believe we might take the time to view objectively our own changing attitude toward the President.

A year ago, we hailed the President as our indispensable leader—and the people of America reflected, by their vote, that faith.

Has that faith of the people diminished in these few brief months?

I do not believe it has.

We have peace; we have a prosperous economy. Why, then, are we Republicans questioning the leadership we clamored for last year? Why, then, is our faith wavering? In reverting to the role of Doubting Thomas, are we not doing a disservice, both to our party and to the people of America?

I, for one, am glad the President is taking the budget question to the people tonight.

There has been too much confusion, too much misunderstanding and too much misinformation on this subject. I am confident the President will bring a clearer perspective to bear on this question.

Certainly, President Eisenhower has given ample evidence he is aware of the need for sound economies.

In his state of the Union message last January, he emphasized the need for the departments and agencies of government to search out additional ways to save money and manpower. And he urged the Congress to be equally vigilant.

Vigilance is fine—but indiscriminate budget slashing can be as dangerous, in many ways, as governmental extravagance.

There is no questioning the need to eliminate extravagance and waste. But I believe we are fooling ourselves, and the people, by cutting appropriations which must be restored if our various departments, in carrying out programs and obligations prescribed by law, run short of funds during the year.

I believe we are avoiding our own responsibility if we seek to blame the President for the size of the budget.

Certainly, the budget can be cut. It can be cut any time we in Congress are willing to risk unpopularity back home by curtailing or eliminating many costly governmental programs and turn the responsibility for such programs back to the State and local governments where it properly belongs.

Certainly, the budget can be cut. It can be cut any time we in Congress start employing a more cautious attitude toward enacting Federal programs; when we in Congress start viewing legislative programs—not on the basis of voter appeal, but on a sound basis of what will such a program cost and is it necessary; when we in Congress are willing to enact the Hoover recommendations.

Certainly, the budget can be cut. It can be cut any time the folks back home are willing to give up programs and services in which they are personally interested.

But, until we in the Congress and the folks back home are willing to face up to these facts, I say there can be no effective cutting of the budget.

Until that time, I say—stop shifting all the blame to the President.

The President's leadership has not failed or weakened. If there is any failure, let us ask ourselves: Are we responsible?

JEROME K. KUYKENDALL

The SPEAKER. Under previous order of the House, the gentleman from Oregon [Mr. ULLMAN] is recognized for 30 minutes.

Mr. ULLMAN. Mr. Speaker, the President has recently submitted to the Senate for confirmation the name of Jerome K. Kuykendall to serve for another term as Chairman of the Federal Power Commission. The submission of this nomination raises a great many issues, as well as some pertinent questions regarding Mr. Kuykendall's conduct as Chairman of the FPC during the last 4 years.

I think it important to keep in mind during our consideration of Mr. Kuykendall's renomination the fact that the Federal Power Commission has been created by Congress to protect the public interest against abuses by gas and electric utilities subject to its jurisdiction. Actions of the Commission and Mr. Kuykendall must be judged by that standard.

On March 4, 1957, I received a letter from Mr. Kuykendall, which was written in response to a telegram I had sent to him in which I requested certain information regarding the washout of the Brownlee Dam being constructed by the Idaho Power Co. on the Snake River. In this letter, Mr. Kuykendall stated:

> No faulty construction techniques or design or safety standards were involved. Operations to handle such high flows were carried on in accordance with predetermined plans.

On may 6 I received another letter from Mr. Kuykendall with further reference to this matter. The reason for writing this letter, according to Mr. Kuykendall, was because he had received "additional information regarding the construction operations of the Brownlee development."

In his May 6 letter, Mr. Kuykendall advises me that whereas the plans and specifications for the Brownlee project called for a diversion tunnel capacity of 60,000 cubic feet per second, this design apparently was not complied with, and "in contemplation of relocating the permanent flood-control sluiceway under the spillway section, the licensee constructed the diversion tunnel only with the capacity required during the construction period." Mr. Kuykendall does not state what that capacity is, but Mr. Gordon Fernald, chief, Planning Branch, North Pacific Division, Corps of Engineers, Portland, Oreg., stated in hearings held by the House Interior Subcommittee on Irrigation and Reclamation, on March 4 and 5, that capacity "was 25,000 cubic feet per second."

Mr. Speaker, there is a considerable degree of difference between a tunnel capacity of 25,000 cubic feet per second and 60,000 cubic feet per second. We have here a major change of design—a change that insofar as we know was not authorized or approved, a change about which the power company is only now "preparing revised exhibits showing the changes contemplated."

Yet, in his letter of March 4, Chairman Kuykendall informs me that "operations to handle such high flows were carried on in accordance with predetermined plans."

It is also interesting to note that in his March 4 letter Chairman Kuykendall said:

> Damage to the Brownlee Dam and project works was nominal * * * no delay of any consequence is anticipated because construction is being carried on for other parts of the project.

Yet, even now, 2½ months later, the cofferdams are still overrun with water and the full flow of the Snake River is passing down its old channel. I am told that it will be many weeks yet before the river bed can be unwatered and normal construction continued.

Additional enlightenment on Mr. Kuykendall's reference to predetermined plans can be found in a story which appeared in the Portland Oregonian. The March 5, 1956, issue of that paper recounts an interview between Mr. E. A. Woodhead of the Idaho Power Co. and Glen C. Johnson of the construction firm. The following significant quotation is contained:

> Before the floods of 1957, the dam builders expect the third cofferdam to be high enough and strong enough to hold back the Snake.

On March 1, 1956, a full year before the 1957 flood, the Baker, Oreg., Democrat-Herald quoted Bob Hall, assistant to the President of the Idaho Power Co., as saying:

> The tunnel will carry the flow of the water after the spring flow passes. Following this, two cofferdams will be built. * * * The water will enter the tunnel under pressure and the construction would be more than adequate to carry the flows of the Snake River for diversion purposes.

Mr. Speaker, I stated at the beginning of my remarks that the nomination of Jerome K. Kuykendall raises a number of questions. I believe that before the Senate acts on his renomination, Mr. Kuykendall should answer the following questions with regard to construction on the Snake River by the Idaho Power Co.:

First. Why was the diversion tunnel not built as planned?

Second. Did the Federal Power Commission grant any kind of official approval to the change in design and to the underconstruction of tunnel capacity by more than half?

Third. With a major change in design standards, now admitted by the Chairman of the Federal Power Commission, why has there not yet been presented the revised exhibits showing the changes contemplated?

Fourth. Did the Commission fail to inspect the construction of the tunnel?

Fifth. Was the Commission caught in its own failure by the flood?

Sixth. Is the company trying to cover up this washout by revising its plans after the damage is done, and is the Commission a party to this collusion?

Mr. Speaker, these are important questions and I hope we will receive answers to them. However, they are prompted by only one in a series of highly questionable maneuvers on the part of Chairman Kuykendall with respect to the Hells Canyon case. The decision licensing Idaho Power Co. was, itself, contrary to the recommendations of the hearing examiner who held the year-long hearings on the power company application. The examiner admitted the superiority of the high-dam project in almost every respect but, despite the admitted inferiority of low dams, recommended that one be constructed as a matter of expediency. The Commission, ignoring its responsibilities to fully develop the river, granted licenses to all three projects in a scheme that utilizes only half the potential of the river.

I would also like to draw attention to Chairman Kuykendall's contention that private construction of the low dams on the Snake "will be realized without expense to the United States to the extent that the projects are constructed by a non-Federal entity."

This line of reasoning is in accordance with a statement made during the license hearings by Mr. R. P. Parry, company counsel for the Idaho Power Co., contending that the "applicant is here before you asking the privilege of constructing solely with its own money and without 1 cent of cost to the taxpayers of the United States."

Yet, today, Idaho Power Co. stands as the recipient of certificates for rapid tax amortization which were recently issued by the Office of Defense Mobilization. Mr. Kuykendall knew of the power company's application for these certificates. He knew that the granting of such certificates would cost the United States a great deal of money. He had joined in a previous decision on December 3, 1953, which stated that a tax amortization certificate "has the precise effect of a grant by our Government to a certifi-

cate holder of an interest-free loan"—FPC Opinion No. 264, page 3.

The tax certificates issued to the Idaho Power Co. on April 17, 1957, will permit the company to reduce income-tax payments over a 5-year period by $30,500,000. The Treasury must borrow money or tax the people of the United States additionally in order to make up this deficiency.

It is also significant that Mr. Kuykendall and the Federal Power Commission withheld the granting of financing privileges to the power company until the day after the rapid tax-amortization certificates were issued. Was this a matter of pure coincidence? Or was financial feasibility questionable without this multi-million-dollar gift on the part of the taxpayers. If one analyzes not just the cost to the taxpayers but the benefits to the power company from this kind of an interest-free bonanza, he arrives at the fantastic figure of $329 million benefits to the power company over a 50-year period in the life of the project. Why should not they be able to pay for a hundred-million-dollar dam with that kind of a bonanza on the part of the taxpayers? Apparently, all of this is with the full advice, knowledge, and consent of Mr. Kuykendall, Chairman of the Federal Power Commission.

Mr. Speaker, the saga of Mr. Kuykendall's favoritism toward public utilities has yet other aspects. While considering these aspects, let us remember that Mr. Kuykendall's original appointment was made at the request of Gov. Arthur Langlie of the State of Washington, who was the foremost opponent of the Hells Canyon Dam project and who was, incidentally, thoroughly repudiated at the polls in 1956. Let us also remember that Mr. Kuykendall was Governor Langlie's power assistant on the Washington State Public Service Commission, and that prior to his assuming public office was an attorney with a firm handling private utility company accounts.

The original decision in favor of the Idaho Power Co. in the Hells Canyon case was announced by Mr. Kuykendall on August 4, 1955—a matter of hours after Congress had adjourned. As a matter of fact, the case had been decided as far back as July 27, and the announcement withheld until the adjournment of Congress.

Even more shocking, however, is the testimony of Mr. Kuykendall before the House Subcommittee on Small Business. On July 28, 1955, the day after the Commission had made its official decision on Hells Canyon, Mr. Kuykendall stated before the subcommittee that he did not think it proper to divulge "what the Commission is doing anymore than a court should divulge these things." He stated that the case was then under consideration, knowing full well that the decision had already been made.

Mr. Speaker, Mr. Kuykendall's favoritism in the Hells Canyon case is similar to his actions in the Dixon-Yates case. Appearing before the Joint Committee on Atomic Energy in November of 1954, Mr. Kuykendall was asked whether the Federal Power Commission's Bureau of Law had given opinions on the Dixon-Yates contract. Kuykendall answered, "Our lawyers were not called into this." He then explained that other bureaus of the Commission had worked on the contract but that the Commission wrote the Atomic Energy Commission that "Our attorneys had not passed on it." This testimony appears in the hearings before the Joint Committee on Atomic Energy on the Dixon-Yates contract, November 1954, pages 187 to 211.

Mr. Kuykendall seems to have forgotten that two assistant general counsels of the Federal Power Commission, in August of 1954, had submitted memorandums to the FPC on the Dixon-Yates contract. Mr. Kuykendall certainly must have read these two opinions, which were both very critical. I would like to quote partially from one of these opinions:

> I have never reviewed a power contract wherein each and every provision is written in such fashion that one party has an absolute veto right wherever any adjustment or change is indicated and no provision is made for the resolving of a dispute. The contract gives the impression that the generating company dictates the terms and conditions of the contract, and either AEC was inept or without any right or opportunity to insist on relative provisions.

Opinion of the other counsel stated that serious questions were involved that raised grave apprehension.

Hearings of Subcommittee No. 1 of the House Select Committee on Small Business disclosed Mr. Kuykendall's failure to mention these significant facts. The same subcommittee also disclosed that Mr. Kuykendall had put in the record an opinion of a nonlegal member of the Commission staff to the effect "that the contract is fair and reasonable to the Government and to the power company." This opinion was dated August 24, 1954, and was written at the same time that the two assistant general counsels of the Commission prepared memorandums critical of the Dixon-Yates contract.

Mr. Speaker, disclosure of these significant facts by Mr. Kuykendall could very well have meant that the committee would have stopped the Dixon-Yates contract at that time.

Mr. Kuykendall's interest in Dixon-Yates also brings to mind this interesting fact. The Dixon-Yates case involved a private consulting firm, Ebasco Services, Inc., a firm which was responsible for the engineering work connected with the proposed generating plant. This is the same concern which is the consulting engineering firm to the Idaho Power Co.—the power company to which Mr. Kuykendall and the FPC have given the Hells Canyon stretch of the Snake River. The plot thickens when we remember that Ebasco Services is also the consulting firm for the Pacific Northwest Power Co., which has applications pending today before the FPC for further underdevelopment of the Snake River below the Hells Canyon site.

Mr. Kuykendall's disregard of the position of public trust which he now holds, and for which he has been renominated, is also disclosed by his failure to comply with Secretary of Interior Seaton's request that the FPC decision on the Mountain Sheep-Pleasant Valley license applications be held up until the Interior Department could restudy the Pleasant Valley site. Mr. Kuykendall stated that this request does not have any legal effect and that the Commission did not intend to alter in any way its usual procedure for handling the license applications for the Mountain Sheep and Pleasant Valley projects.

Mr. Speaker, why is Mr. Kuykendall unwilling to delay this proceeding so that the Interior Department can make the much needed study of the Pleasant Valley site? Under section 10a of the Federal Power Act, a license can only be granted if the Commission finds the project best adapted to a comprehensive plan. If the higher Pleasant Valley dam is better, one would think that the Chairman of the Federal Power Commission would welcome the opportunity to serve the public interest and to carry out the purposes of the act by considering the best possible project.

Mr. Speaker, Mr. Kuykendall's performance in the Dixon-Yates and Hells Canyon cases do not disclose any fervent desire to serve the public interest in his position as Chairman of the FPC. There are glaring examples of misrepresentation and deception. There is evidence that the FPC has not acted in the best interests of the public, but solely in the best interests of the Idaho Power Co.

Mr. Speaker, I have today written to Senator ESTES KEFAUVER, chairman of the Senate Judiciary Subcommittee on Antitrust and Monopoly and also to Mr. MORGAN MOULDER, chairman of the House Subcommittee on Legislative Oversight, requesting that they investigate the serious breaches of public trust and public responsibility which have been committed by the Federal Power Commission. The Congress and the people of the United States deserve to know the full details concerning the Chairman of a Commission which has been so seriously involved in the flagrant desecration of our natural resources.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. ULLMAN, for 30 minutes, today, and to revise and extend his remarks.

Mr. MCVEY, for 30 minutes on May 20.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. KILDAY and to include a bill.

Mr. RAY.

Mr. HUDDLESTON.

Mr. WALTER and to include an address by Senator BIBLE.

Mr. LESINSKI in two instances.

Mr. JENNINGS.

Mr. GUBSER (at the request of Mr. HORAN) in two instances and include extraneous matter.

Mr. TUCK (at the request of Mr. ALBERT) and include a speech.

Mr. SAYLOR.

Mr. ROOSEVELT and to include an address by Hon. GEORGE S. MCGOVERN.

ENGROSSED SENATE JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 22. Joint resolution requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.), the House adjourned until tomorrow, Wednesday, May 15, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

849. A letter from the Attorney General, transmitting a report which presents a study of the competitive consequences of defense expansion in the titanium metal industry, as well as a continuing review of the current status of the outstanding voluntary agreements and programs established under section 708 (b) of the Defense Production Act of 1950, pursuant to section 708 (e) of the Defense Production Act of 1950, as amended; to the Committee on Banking and Currency.

850. A letter from the Secretary of Commerce, transmitting a draft of proposed legislation entitled "A bill to amend the act of March 3, 1901 (31 Stat. 1449), as amended, to incorporate in the Organic Act of the National Bureau of Standards the authority to acquire land for field sites, to undertake construction and improvement of buildings, and for other activities"; to the Committee on Interstate and Foreign Commerce.

851. A letter from the Secretary of State, transmitting a draft of proposed legislation entitled "A bill for the relief of Anton N. Nyerges"; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of Virginia: Committee on Rules. House Concurrent Resolution 172. Concurrent resolution to establish a joint congressional committee to investigate matters pertaining to the growth and expansion of the District of Columbia and its metropolitan area; without amendment (Rept. No. 447). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 250. Resolution for consideration of H. R. 6952, a bill to authorize the transfer of naval vessels to friendly foreign countries; without amendment (Rept. No. 448). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LANE: Committee on the Judiciary. H. R. 3281. A bill for the relief of Howard S. Gay; without amendment (Rept. No. 443). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H. R. 4045. A bill for the relief of Mrs. Leonard O. Erickson; without amendment (Rept. No. 444). Referred to the Committee of the Whole House.

Mr. LANE: Committee on the Judiciary. H. R. 2964. A bill to confer jurisdiction on the United States District Court for the Eastern District of Texas, Jefferson Division, to hear, determine, and render judgment on certain claims of George W. Edwards, Jr., against the United States; with amendment (Rept. No. 445). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 247. An act for the relief of Max Mazak Terian and his wife, Maria Terian; with amendment (Rept. No. 446). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H. R. 7512. A bill to amend the Civil Service Retirement Act Amendments of 1956 applicable to certain persons who retired under the automatic separation provisions of the Civil Service Retirement Act prior to the enactment of such amendments; to the Committee on Post Office and Civil Service.

By Mr. BECKWORTH:

H. R. 7513. A bill to amend title II of the Social Security Act to permit policemen and firemen in positions covered by retirement systems to obtain social security coverage on the same basis as other State and local employees; to the Committee on Ways and Means.

H. R. 7514. A bill to provide that the former owners of land acquired by the United States shall, in certain cases, have the right to reacquire the mineral rights in such land when it is sold by the United States; to the Committee on Interior and Insular Affairs.

By Mr. BONNER:

H. R. 7515. A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BURDICK:

H. R. 7516. A bill to amend the Tariff Act of 1930 so as to permit the importation free of duty of religious vestments and regalia presented without charge to a church or to certain religious, educational, or charitable organizations; to the Committee on Ways and Means.

By Mr. BYRNE of Pennsylvania:

H. R. 7517. A bill to amend the act of June 28, 1949 (62 Stat. 1061), as amended, providing for the establishment of Independence National Historical Park, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7518. A bill to authorize the Secretary of the Interior to acquire certain additional property to be included within the Independence National Historical Park; to the Committee on Interior and Insular Affairs.

By Mr. CELLER:

H. R. 7519. A bill to amend section 2680 (j) of title 28 of the United States Code so as to permanently exclude claims arising out of combatant activities or warlike operations; to the Committee on the Judiciary.

By Mr. DEMPSEY:

H. R. 7520. A bill to authorize the Secretary of Agriculture to sell to the village of Central, State of New Mexico, certain lands administered by him formerly part of the Fort Bayard Military Reservation, N. Mex.; to the Committee on Agriculture.

By Mr. DIXON:

H. R. 7521. A bill to amend the Trade Agreements Extension Act of 1951 with respect to escape-clause procedure, and for other purposes; to the Committee on Ways and Means.

By Mr. ENGLE:

H. R. 7522. A bill to authorize the extension of certain rights to remove timber from lands acquired by the United States; to the Committee on Interior and Insular Affairs.

By Mr. GATHINGS:

H. R. 7523. A bill to amend section 2 of the act of June 28, 1879, providing for the appointment of a Mississippi River Commission for the improvement of said river from the head of the passes near its mouth to its headwaters; to the Committee on Public Works.

By Mrs. GREEN of Oregon:

H. R. 7524. A bill to provide for proper guardianship of minors and incompetents of the Klamath Tribe of Indians, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. KILDAY:

H. R. 7525. A bill to amend title 10, United States Code, concerning the sale or disposal of uniforms; to the Committee on Armed Services.

By Mr. KITCHIN:

H. R. 7526. A bill to amend the Internal Revenue Code of 1954 to require certain financial reports as a prerequisite for exemption from the tax on corporations; to the Committee on Ways and Means.

By Mr. LANE:

H. R. 7527. A bill to regulate the foreign commerce of the United States by establishing import quotas under specified conditions, and for other purposes; to the Committee on Ways and Means.

By Mr. MACK of Illinois.

H. R. 7528. A bill to provide a method whereby wartime service can be established in the case of veterans of the Spanish-American War whose records cannot be found; to the Committee on Veterans' Affairs.

By Mr. MULTER:

H. R. 7529. A bill to alleviate conditions of excessive unemployment and underemployment in depressed industrial and rural areas; to the Committee on Banking and Currency.

H. R. 7530. A bill to establish a board (outside of the Department of Defense) to review and correct discharges and dismissals of former members of the Armed Forces; to the Committee on Armed Services.

By Mr. RADWAN:

H. R. 7531. A bill to amend title II of the Social Security Act to include New York among the States which may obtain social-security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. RAINS:

H. R. 7532. A bill to create a Department of Urban Affairs, and for other purposes; to the Committee on Government Operations.

By Mr. TEAGUE of Texas (by request):

H. R. 7533. A bill to amend title XV of the Social Security Act to provide for payments of unemployment compensation thereunder to veterans discharged after 1957, to the same extent as such payments are made to civilian employees of the United States; to the Committee on Ways and Means.

By Mr. UDALL:

H. R. 7534. A bill to amend the act of June 28, 1946, authorizing the performance of necessary protection work between the Yuma project and Boulder Dam by the Bureau of Reclamation; to the Committee on Public Works.

By Mr. VAN ZANDT:

H. R. 7535. A bill to amend Public Law 293, 84th Congress, relating to the Corregidor-Bataan Memorial Commission, and for other purposes; to the Committee on Foreign Affairs.

By Mr. CELLER:

H. R. 7536. A bill to amend the act of January 12, 1951, as amended, to continue in effect the provisions of title II of the First War Powers Act, 1941; to the Committee on the Judiciary.

By Mr. CRETELLA:

H. R. 7537. A bill to provide for a determination by the Board of Engineers for Rivers and Harbors of the advisability of modifying the existing project at New Haven, Conn., in view of changed shipping and economic conditions; to the Committee on Public Works.

By Mr. JOHNSON:

H. R. 7538. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and income to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources; and for other purposes; to the Committee on Agriculture.

By Mr. McCARTHY:

H. R. 7539. A bill to transfer to the Postmaster General the duties and functions currently vested in the Administrator of General Services for the care, maintenance, operation, and upkeep of those buildings occupied in whole or in part by the Post Office Department; to the Committee on Government Operations.

By Mr. METCALF:

H. R. 7540. A bill to amend Public Law 815, 81st Congress, relating to school construction in federally affected areas, to make its provisions applicable to Wake Island; to the Committee on Education and Labor.

By Mr. SAYLOR:

H. R. 7541. A bill to amend the Natural Gas Act so as to provide standards for determining the effect of the proposed exportation or importation of natural gas on the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H. R. 7542. A bill to authorize the Secretary of the Navy to take possession of the naval oil shale reserves and to experiment in the extraction of synthetic liquid fuels from oil shale in the interest of national security; to the Committee on Armed Services.

By Mr. YATES:

H. R. 7543. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BLATNIK:

H. J. Res. 330. Joint resolution to authorize the Secretary of Commerce to sell certain war-built vessels for primary utilization in servicing ports on the Great Lakes; to the Committee on Merchant Marine and Fisheries.

By Mr. CHENOWETH:

H. J. Res. 331. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

By Mr. HILL:

H. J. Res. 332. Joint resolution to amend the Internal Revenue Code of 1954 so as to establish an equitable depletion rate for oil shale with those depletion rates now allowed for oil and gas wells; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H. R. 7544. A bill to amend the act entitled "An act to recognize the high public service rendered by Maj. Walter Reed and those associated with him in the discovery of the cause and means of transmission of yellow fever," approved February 28, 1929, by including therein the name of Roger P. Ames; to the Committee on Armed Services.

By Mr. BOSCH:

H. R. 7545. A bill for the relief of Lemuel A. Wynne; to the Committee on the Judiciary.

By Mr. BOYLE:

H. R. 7546. A bill for the relief of Marie Elena Vega de Alcala; to the Committee on the Judiciary.

H. R. 7547. A bill for the relief of Antonio De Risi et al.; to the Committee on the Judiciary.

By Mr. BROYHILL (by request):

H. R. 7548. A bill for the relief of Mamie A. Crounse; to the Committee on the Judiciary.

By Mr. CURTIS of Massachusetts:

H. R. 7549. A bill for the relief of Thomas McRankin; to the Committee on the Judiciary.

By Mr. DELANEY:

H. R. 7550. A bill for the relief of Ohannes Vartanyan and Mrs. Agavni Vartanyan; to the Committee on the Judiciary.

H. R. 7551. A bill for the relief of Mrs. Wilhelmina Markovics; to the Committee on the Judiciary.

By Mr. DEROUNIAN:

H. R. 7552. A bill for the relief of Bruno Lagomarsino; to the Committee on the Judiciary.

By Mr. MACDONALD:

H. R. 7553. A bill for the relief of John V. Fourlis; to the Committee on the Judiciary.

By Mr. MACK of Illinois:

H. R. 7554. A bill for the relief of Edward Neal Fisher; to the Committee on the Judiciary.

By Mr. PELLY:

H. R. 7555. A bill for the relief of Itsumi Kasahara; to the Committee on the Judiciary.

By Mr. TELLER:

H. R. 7556. A bill for the relief of Mrs. Anna Yvonne Renee Houarner; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 7557. A bill for the relief of certain Polish escapees; to the Committee on the Judiciary.

By Mr. ZELENKO:

H. R. 7558. A bill for the relief of Mrs. Anne Morgan; to the Committee on the Judiciary.

By Mr. REUSS:

H. J. Res. 333. Joint resolution authorizing the President to issue posthumously to the late Col. William Mitchell a commission as a major general, United States Army, and for other purposes; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

245. By the SPEAKER: Petition of the secretary, National Association of Boards of Pharmacy, Chicago, Ill., petitioning consideration of their resolution with reference to endorsing H. R. 6801, intended to establish the ranks of major general and brigadier general for pharmacists in the Medical Service Corps; to the Committee on Armed Services.

246. Also, petition of the commander, Mariemont American Legion Post, No. 146, Mariemont, Ohio, petitioning consideration of their resolution with reference to requesting enactment of legislation which will secure a modification or denunciation of the provisions of the NATO Status of Forces Treaty and all other agreements which surrender to foreign nations criminal jurisdiction over our servicemen; to the Committee on Foreign Affairs.

EXTENSIONS OF REMARKS

Sorting Mail With the Transorma

EXTENSION OF REMARKS

OF

HON. CHARLES S. GUBSER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. GUBSER. Mr. Speaker, Mr. Paul Nagle, president of the National Postal Transport Association, in a recent appearance before a committee of the Senate has made one of the most ridiculous statements I have ever heard.

Mr. Nagle has condemned an experiment which the Post Office Department is conducting at Silver Spring, Md., with a Dutch mailsorting machine called the Transorma. He alleged before the committee that the machine has failed and is not resulting in savings of manpower and money.

I have seen the Transorma in Holland. I have also watched the Silver Spring operation and believe someone should expose the ridiculous nature of Mr. Nagle's charges and reveal his true motives.

In a little over 1 month each of the 5 operators have learned to sort 46 letters per minute into as many as 300 different slots. This gives the machine a capacity of 13,800 letters per hour. Eventual capacity, with practice, will be 16,800 per hour. Contrast this with hand sorting where one man, operating 30 percent slower than his companion on the Transorma can only reach 35 different bins making it necessary to resort the same mail at least once more to equal the 300 sortings on the machine.

Mr. Nagle's statement that it requires 6 men to service the 5 Transorma operators shows how far he has stretched the truth to condemn the new system. These 6 men are used in what is called the facing operation. Had he been fair he would have pointed out that the same 6 men would be required for hand sorting.

Of course, the Transorma is not perfect. Putting a modern machine in the midst of an obsolete system for handling mail is bound to require the development of new techniques. Mr. Nagle would not expect a modern automatic transmission to work in a model T Ford.

He would have to build a new car around it.

If Mr. Nagle's attitude had prevailed since the first days of American history women would still wash their clothes in the nearest creek and we would still be driving horses and buggies. Modern appliances have made our lives better and furthermore they haven't put people out of work. As a representative of postal employees he has the right to do all that he can for the betterment of working conditions for his membership, but he does not have the right to hold up progress and insist on continuing the United States Post Office as the most ridiculous and obsolete system in the world.

In promoting a bill during the last session which urged the Post Office Department to conduct experiments like the one at Silver Spring I dealt extensively with Mr. Nagle. During those negotiations it became very apparent to me that his prime motive was to prevent mechanization and the replacement of employees who might otherwise be contributing members to his own organization. Self-preservation is a natural instinct but it has to take a back seat to the interests of an entire nation. I sincerely hope the American public will enthusiastically endorse Postmaster General Summerfield's experiment and urge that it be continued.

Rumanian Independence Day

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. LESINSKI. Mr. Speaker, on May 10, 1877, Rumania proclaimed herself a fully independent state, the event occurring about a hundred yars after America issued its Declaration of Independence. We in the United States are fortunate because on the Fourth of July we can celebrate with parades, fireworks, oratory, and other public demonstrations by which we express our joy and thankfulness that we are free people, governing ourselves through officials of our own choosing. Rumanians, and the other once independent nations now enslaved by Soviet Russia, cannot mark their national holidays by such celebrations. But these people do, I am sure, commemorate the event quietly with a hope that in the future they will be able to celebrate not only the historical date of their independence but also the day they are liberated from the tyranny of Russian rule.

Throughout history Rumania has withstood the onslaught of alien aggressors, but through the strong Christian faith and patriotic spirit of its people, won independence. These same qualities will lead them to triumph over their present oppression. But it will take more than just the spirit of the people; aid must come from other directions. We have established an excellent example recently by our offer to extend economic aid to Poland; if the program succeeds there, the Rumanians and other enslaved nations will take heart and might follow the same route to freedom. We in America must stand ready to support the Rumanian people in the determination to regain their independence.

A Bill To Preserve the Distinctive Character of Military Uniforms

EXTENSION OF REMARKS
OF
HON. PAUL J. KILDAY
OF TEXAS
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. KILDAY. Mr. Speaker, military men should be proud of the uniform they wear. It is a symbol to all that the individual follows the honored profession of arms in our country's defense.

Since the close of World War II, it has not always been possible for the men in uniform to feel that pride. This has come about because surplus or excess stores of uniforms have been sold upon the open market. Instead of being the pride of his honored profession the military man has seen his uniform used as work clothing or worn by those engaged in menial tasks. This has been particularly true of the Army uniform.

Rather recently the Air Force has adopted its blue uniform. None of those uniforms have thus far been disposed of on the open market. The Army is in the process of converting to its new green uniforms. The Marines are currently planning uniform changes.

This is the proper time to take steps to preserve the distinctive character of all the uniforms of our armed services.

I have today offered a bill, the purpose of which is to prevent the disposal of military uniforms to persons not authorized to wear the same until all distinctive markings and insignia have been removed and the distinctive character thereof termined by dying such uniforms black.

I believe that my bill will promote the morale and pride of the armed services by preventing the misuse of their distinctive uniforms. It will minimize the desire for the change in uniform shades and material which comes about from the use of the uniform by others than members of our armed services.

My bill reads as follows:

A bill to amend title 10, United States Code, concerning the sale or disposal of uniforms

Be it enacted, etc., That section 771 of title 10, United States Code is amended—

(1) By inserting the designation "(a)" before the words "Except as otherwise provided by law"; and

(2) By adding the following new subsection:

"(b) Prior to the disposal by sale or otherwise, except to persons authorized to wear the uniform or distinctive parts of the uniform of the Army, Navy, Air Force, or Marine Corps, the Secretary of the military department concerned, under regulations prescribed by the Secretary of Defense, shall cause to be removed from such uniforms, or parts thereof, including blouses, shirts, jackets, overcoats, hats, caps, or any other type of clothing worn as an outer garment, distinctive insignia, including buttons, chevrons, unit designations, and all other insignia or distinctive marks; and in addition, all such uniforms or parts thereof, shall be dyed black."

Salute to Bill Streit

EXTENSION OF REMARKS
OF
HON. GEORGE HUDDLESTON, JR.
OF ALABAMA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. HUDDLESTON. Mr. Speaker, today at this very hour the Birmingham, Ala., Kiwanis Club is honoring Bill Streit, at a surprise luncheon in Birmingham. This luncheon is in recognition of his splendid contribution to sports in the United States and throughout the world for the past 53 years. In view of Bill Streit's lifetime of activity in athletics, first as an outstanding participant in his youth, and later on as an actively interested coach, referee, and promoter, I believe it is entirely fitting, as his Congressman, to tell you something of this good man, and to ask the Members of the House to join with the Birmingham Kiwanis Club, as well as his friends and admirers throughout Alabama and the United States, in paying tribute to this fine American.

In the years 1904–05, Bill Streit first distinguished himself as a track star and as a tackle on the football team while a student at Alabama Polytechnic Institute, Auburn, Ala. Later, while attending Washington and Lee University in Lexington, Va., Mr. Streit was chosen by his teammates as captain of both the track and the football teams.

In 1924, as well as in the next two succeeding Olympics in 1928 and 1932, Bill Streit served with distinction as the manager of the United States wrestling team during the international Olympic games. He was the first American to be accorded the honor of selection as vice president of the international wrestling commission.

Having continued his active contribution to the international Olympics during the intervening years, he was wisely chosen as a member of the executive committee of the international Olympics for the games in 1948 and 1952. Only last year, he attended the 1956 Olympics in Australia as an unusually interested onlooker.

In addition, Bill Streit has made a significant contribution, locally and nationally, to the cause of sports over these years. This is amply evidenced by his able service from 1933 to the present time as the chairman and referee of the annual southeastern conference college track meet held in Birmingham. He has also for many years been president of the southeastern amateur athletic union.

While subtracting nothing from these richly deserved honors, I believe they serve more to point up and emphasize the

even greater contributions Bill Streit has made in the betterment of our international relationships with foreign nations through the promotion of sports and athletic contests, and the significant influence he has had on the health and wholesome living of young Americans everywhere.

While all our citizens of Birmingham, which is Bill Streit's hometown, are genuinely proud to call him our own, his dedicated service and leadership rightfully make him a citizen of the Nation and of the world.

I therefore am privileged to pay my deepest respects to Mr. Streit, along with the members of the Kiwanis Club, and some 30 to 40 of his other sports-loving friends throughout the United States who, without Mr. Streit's knowledge, are in Birmingham to honor their friend today and to pay tribute for the rich contribution he has made toward a better America and a better world.

A Young General

EXTENSION OF REMARKS
OF
HON. W. PAT JENNINGS
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. JENNINGS. Mr. Speaker, I wish to call the attention of the Members to a special celebration that is taking place tomorrow in Scott County, Va., in the Ninth Congressional District.

Wednesday, May 15, is the 111th birthday of Virginia's only surviving veteran of the Confederate Army, Gen. John Salling. An appropriate observance of this occasion is planned for him at his home, Slant, Va., and I know that you, Mr. Speaker, and every Member of the Congress, join me in wishing the general a happy birthday and many more years of health and happiness.

The birthday celebration is being sponsored this year by the Civitan Club of Gate City with Mr. C. G. Quillen in charge of arrangements. The Gate City High School Band will furnish appropriate music; an address is scheduled by the Honorable E. T. Carter, judge of the circuit court, who is also representing the Governor of Virginia; and the area director of War Veterans' Claims, Col. George Blankenbeckler will also speak. Naturally, a huge birthday cake is to be provided for the general.

At my invitation in behalf of the Gate City Civitan Club, each branch of our military forces will send a representative to the celebration. It is, indeed, fitting that the Army, Air Force, and Navy join in observing General Salling's 111th birthday and thus pay tribute to all those Americans who served their cause in the War Between the States.

May I add, too, that this birthday celebration during Armed Forces Week, May 13–19, is a unique addition to this annual observance of the role our military forces play in our daily lives in providing national security. I commend the Army, Air Force, and Navy for honoring General Salling, a living symbol of America, with their representatives.

Mr. Speaker, the 84th Congress authorized the striking of a special medal of honor of the surviving veterans of the War Between the States. It was a pleasure last fall to join in the presentation of the medal to General Salling in a ceremony at his home, and I wish to report to you that General Salling was obviously pleased by this special recognition of the Congress.

General Salling is 1 of the 3 surviving Confederate Army veterans. He has been privileged in his life span to watch this Nation grow from the despair of an internal conflict to a position as the most powerful on earth. In the observance tomorrow of his 111th birthday, we find opportunity to recall the events that have taken place since the War Between the States and to resolve that our Nation, now strong and united, shall continue its growth and progress.

The Bristol Herald-Courier, of Bristol, Va., published a brief editorial last year on the occasion of General Salling's 110th birthday. Its sentiments are appropriate today:

A YOUNG GENERAL

Gen. John Salling might be classed as an old man, but the simple fact that he's 110 today seems to have done little to dim his spirit, his sense of humor or his love of life.

His greatest concern, so he told a reporter, is to find some help for his farming enterprise. Of course, General Salling isn't able to be up and around himself, but he still maintains an interest in his holdings.

In addition, he's looking forward to greeting a great many friends today. And he'll receive a shirt to go with other effects and provide him with a complete uniform.

All this indicates that years, alone, do not make age. Before we label a man or woman as old, we must consider how they, themselves, consider such a classification.

As long as the spirit is young and the mind alert, youth remains.

With that, we'll simply wish General Salling a happy birthday. He's lived 110 years, but he's not old yet. In fact, we doubt if he'll ever be so described.

Statement on Proposed Amendment to H. R. 6127

EXTENSION OF REMARKS
OF
HON. JOHN H. RAY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. RAY. Mr. Speaker, under leave to extend my remarks, I place in the RECORD a statement I presented to the Rules Committee this morning, May 14, with respect to an amendment I propose to offer to H. R. 6127 when it comes to the floor:

STATEMENT BEFORE THE RULES COMMITTEE BY HON. JOHN H. RAY OF NEW YORK

Mr. Chairman and members of the committee, I appreciate very much the opportunity to present a proposed amendment to H. R. 6127.

The portions of that bill which I would amend are in parts III and IV which authorize the Attorney General to sue in the Federal courts for injunctive relief. The amendment I propose would not let him proceed in the Federal court if a plain, adequate and speedy remedy is available in the State court.

To accomplish that purpose, I suggest striking out the words "or other" in line 12 on page 10 and the same words in lines 12 and 13 on page 12. Then I would add at the end of line 12 on page 10 and at the end of line 13 on page 12 the following sentence:

"The district courts shall not exercise jurisdiction in proceedings authorized by this section if a plain, speedy, and efficient remedy may be had in the courts of the State or Territory in which the party aggrieved resided at the time the cause of action arose."

It will be noted that my amendment does not affect the Attorney General's authority to disregard administrative remedies. Cutting out the words "or other" would, however, make it clear that he cannot disregard judicial remedies, and the new sentence expressly prevents his proceeding in the Federal court if State laws provide a plain, speedy, and adequate remedy.

The idea for the proposed amendment came from section 1342 of title 28 of the United States Code which forbids the Federal courts to grant injunctions in certain cases otherwise within their jurisdiction "if a plain, speedy, and efficient remedy may be had in the State courts. It has been on the books for about 30 years and it has worked well. Prior law had permitted many utilities to go into the Federal courts for injunctive relief when they thought their property was being confiscated by an order of a State regulatory commission. In those cases the basic issue arose under the 14th amendment and companies had almost made it a habit to move immediately into Federal courts. This procedure aroused much controversy and finally Congress enacted the language above quoted. Now the companies merely proceed directly in the State court, or, if they start in the Federal court, must show that the remedy available in the court does not meet the specifications above stated.

I think the clarification and simplification of the definitions and the remedies for violation of civil rights are matters of first importance. They are long overdue. I think the Supreme Court, in the Virginia school decisions was particularly wise in recognizing that the segregation problem must be left largely in the hands of the States, and that they must proceed with deliberate speed.

The amendment I propose is consistent with those decisions. It recognizes the sovereignty of the States and preserves the right of the States to declare and enforce rights of their citizens. It provides a remedy in the Federal court where the States do not make such provision.

Beyond the fact that the amendment provides a practical procedure which will greatly improve H. R. 6127, I think it has broader and perhaps more important merits.

In my home State, New York, we have comprehensive and adequate remedies for any interferences with registration and voting. Many other States have corresponding statutes. As the bill now stands, there is a serious question as to whether or not its passage would enable an Attorney General to bypass those statutes.

The question as to whether or not Congress, if it were to enact H. R. 6127, would preempt the field, has been presented fully to this committee and I need only to say here that I, too, see the danger and that I believe the amendment I propose would avoid that danger.

In the next place, if the Congress finds it necessary to enact legislation to clarify and provide remedies for violation of civil rights in other fields, the legislation adopted can,

and I hope it will, protect the sovereignty of States by including a provision such as I am proposing here today. The clarification and definition of civil rights and the provision of remedies for violation of those rights is one of the most important questions ahead of us and it has many facets.

If Congress is now to enact legislation in the field covered by H. R. 6127, it will be setting a precedent for that series which lies ahead and I believe that the amendment I propose, or its equivalent, should be a part of any such legislation.

It is my purpose to offer the amendment on the floor and my reason for bringing it to the attention of this committee is to add another reason, if one is needed, for reporting H. R. 6127 under an open rule.

Statement of Representative George McGovern, of South Dakota, Before the Consumer Study Subcommittee of the House Committee on Agriculture

EXTENSION OF REMARKS
OF
HON. JAMES ROOSEVELT
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. ROOSEVELT. Mr. Speaker, the following statement made by Hon. GEORGE MCGOVERN, of South Dakota, before the Consumer Study Subcommittee of the House Committee on Agriculture seems to me to have particular interest to Representatives from every variety of district.

Congressman MCGOVERN has so clearly highlighted the problem and put it in such a straightforward and simple fashion that I feel sure many of my colleagues will not only enjoy it but want to use it in preparing their own thinking and in giving full encouragement to the Consumer Study Subcommittee under the able leadership of Chairman ANFUSO.

The full text of the statement follows:

Mr. Chairman and members of this committee, before submitting my brief statement for your consideration, allow me to say that I personally consider the formation of this Consumer Study Subcommittee as one of the most constructive actions yet to take place during this session of Congress. I deem it a personal privilege to appear before you.

My first official legislative act as a new Member of the United States House of Representatives was to propose an investigation into the cost of living, with particular attention to the spread between farm prices and consumer prices. The cost of living has increased for the seventh consecutive month in April, and may I add that each successive increase represented a new record high.

After many talks with persons from all walks of life in and out of my State, I came to Washington believing that Congress could perform a sorely needed service to the American people if it would appoint a distinguished group of Congressmen such as this subcommittee to look into the ever-rising cost of living. Specifically, people of my area want to learn why there has been an ever-widening spread between retail prices and prices farmers receive. Why haven't food prices come down along with farm prices?

The fact that this subcommittee is already at work on this subject is not only gratifying to me, but to the people of my State. And I am sure that what is true in my State, in this respect, is true in others, as well. The American people, as you know, are pretty much of a like mind on money, economy, and values. They want their money's worth, whether it's in Government programs or a purchase at the grocery store. And they have the right to expect it.

Americans are an inherently honest, fair-minded people. They can be depended upon to make the right decision when the facts are laid before them.

I regret to say that the facts on food costs have not been given to the American people in recent years; instead, this Nation has witnessed a deliberate campaign to turn the urban consuming public against the farmers who produce the food and fiber that have made this country the best fed and best clothed in the world.

I am grateful to note, therefore, Mr. Chairman, that in your introduction to this subcommittee's recent report on Food Cost Trends, the first objective of this group, as stated, is a study of "The cost of living and, with respect to agricultural products, the share which the farmer gets of the consumer dollar and how it compares with other costs, i. e., wages for labor, profits for middleman, retailer, etc."

May I say in all sincerity that in my opinion, this group will have made a great and lasting contribution to public knowledge if it dispels the myth that leads the urban consumer to believe that farm prices have caused high food prices. Even in the face of drastically falling farm prices, this falsehood has been perpetuated. Why?

It seems highly probable that at least part of the answer can be found in the balance sheets and profit statements of our biggest food processing and distributing chains.

Back in 1947, as you may recall, hard spring wheat was bringing as much as $3 per bushel. Bread was selling at 14 cents a pound. In 1955, wheat sold for $2 a bushel and a pound loaf of bread carried a 21-cent price tag.

Surely, no one in good conscience can blame the farmer for one-third of an increase in bread prices, while the farmer is taking a price cut himself amounting to one-third for the wheat he produces. Yet, this has been done.

I want to make one thing clear. I am not against business profits. I believe, as all of you do, in the profit system. But I do object when an industry showing a rapidly rising profit structure permits the blame for rising prices to be shifted to farmers who have not been sharing in the prosperity boon of recent years.

In the 1957 Agricultural Outlook Chartbook, published by the United States Department of Agriculture, the following report was made:

[Percent]

Net profits, as percentage of sales	1952	1955	Change
46 food-processing companies	1.6	2.2	[1] 37
5 wholesale food distributors	.7	.9	29
8 retail food chains	.8	1.0	25

[1] Up.

This same publication also reported that profits of the food corporations after taxes rose an average of 33 percent in the 1952 to 1955 period.

On the other hand, the President's Council of Economic Advisers reported that during the 1952–56 period, the wholesale price index of farm commodities fell 18 percent and net farm income dropped 23 percent.

Looking at the April 1957 edition of Economic Indicators, published by the President's Council of Economic Advisers, I note that in the period from 1951 to 1957, farm operators' net income fell 27 percent, while during the same period of time, the retail price of food paid by consumers rose 1 percent.

May I also point out that the farmer's share of the consumer food dollar has suffered a tremendous drop in the last 10 years. Looking back to 1947, the farmer's average yearly share of the consumer's food dollar was 51 cents; in 1952, it was 47 cents; in 1955, 41 cents; and last year it dropped to an average of 40 cents.

Again citing the 1957 Agricultural Outlook Chartbook, may I report the following:

	1952	1956	Change
			Percent
Marketing charges, index	114	121	[1] 6
Farm value, index	103	83	[2] 19
Farmer's share of consumer dollar (cents)	47	40	[2] 15

[1] Up.
[2] Down.

We have egg receipts in our files, Mr. Chairman, showing that our South Dakota farmers have been receiving anywhere from 21 cents to 26 cents a dozen for their eggs. I don't have to remind you gentlemen that in Washington and other large urban centers, eggs are selling at retail at a figure three times this amount.

May I quote to you now a letter from one of my constituents who tells a story, not of eggs, but of wheat and flour. This letter is dated May 6, 1957. It reads:

"DEAR CONGRESSMAN: I am a grocery merchant. And I see that Benson pegged the wheat price at $1.78 a bushel. We have been buying flour at $3.60 to $3.90 a 50-pound sack. Now they ask us $4.50 for the same flour and freight from Sioux City, Iowa."

This letter has been quoted in full. The merchant is located at Dante, S. Dak.

Mr. Chairman, I have the deepest confidence in this committee. I am looking forward to the reports that this group will make in the coming months, knowing that through diligent work, you will set the record straight on food price costs. I believe that in so doing, you will earn the everlasting gratitude of farmers and the American consuming public.

An Agricultural Program

EXTENSION OF REMARKS
OF
HON. JOHN LESINSKI
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. LESINSKI. Mr. Speaker, recognizing the need for some kind of a farm program, I think it is about time we took steps to eliminate subsidies and put the farmers back to managing their own farms and allowing them to make a livelihood through a farm program based along the following lines.

I have introduced a bill, H. R. 6157, which would impose limitations on agricultural products rather than on farm acreage. I believe that the solution to the farm problem lies in the control of actual production of a commodity, not in the acreage under cultivation. Acreage control, it is true, does cut down the amount of land upon which crops can be grown, but it does not limit the total production because with improved fertilizers a farmer can produce more on less land.

The bill I have introduced provides that the Secretary of Agriculture shall

establish yearly marketing quotas for corn, cotton, peanuts, rice, tobacco, and wheat—the basic agricultural commodities—and the quotas shall be apportioned among the several States on the basis of production of a commodity during a given period of time. The bill does not support any group or size of farm but sets a floor on the sale of commodities which is low enough so that the demand will regulate the supply and cost. My intent is to put the farmer back into competition.

Under the program a farmer will be guaranteed an annual income which will increase his purchasing power and contribute to the economy of our Nation.

At this time when we are considering appropriations for the Department of Agriculture, and looking for means to cut the Federal budget, I believe it is appropriate to give serious consideration to my proposal.

Proposals To Import Natural Gas Threaten Domestic Fuel Markets

EXTENSION OF REMARKS
OF
HON. JOHN P. SAYLOR
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. SAYLOR. Mr. Speaker, in defense of America's fuel industries, I addressed the House on April 11 to point out the dangers inherent in the threat to import natural gas into the United States. In the intervening weeks I have discussed the problem with a number of my colleagues and am happy to note that there is a widespread sympathy for the coal miner, the railroad worker, and other segments of our populace who would suffer the direct economic impact if this gas were to invade our fuel markets.

I was particularly pleased that the gentleman from West Virginia [Mr. BAILEY] took the floor on April 17 to express his concern over the applications of the international pipeline groups that are now before the Federal Power Commission. As one of the leading authorities in Congress on international trade, Congressman BAILEY very eloquently pointed out the perilous implications contained in these applications; at the same time he testified against any philosophy that would permit sacrifice of American jobs for the sake of quick profits for foreign investors.

Today hearings on the several applications to import Canadian gas will be resumed before the Federal Power Commission. While it is expected that the Commission will exercise its clear public duty and give consideration to all of the ramifications of this highly complex issue, Congress must be reminded that the Commission lacks explicit authority with which to act decisively on behalf of the American public at large on such problems. The only standard contained in the act is a provision in section 3 requiring that the Commission authorize importation of natural gas unless it find that such proposals "will not be consistent with the public interest." This directive is entirely too vague and indefinite. I am convinced that the Commission needs a legislative mandate from the Congress to consider such other factors as the potential damage to the economy of the United States, including losses to the coal and railroad industries, unemployment, and overall effect on the national defense.

While I am hopeful that these matters will be taken into consideration by the FPC in the present case, I nevertheless feel that Congress should not delay in amending the Natural Gas Act so as to require consideration of these necessary factors in the public interest. I am therefore today introducing a bill which would amend section 3 of the act in this manner:

That section 3 of the Natural Gas Act is amended by inserting between the second and third sentences thereof a new sentence as follows: "It shall not be deemed to be consistent with the public interest to authorize the exportation or importation of natural gas in any case where the Commission finds that such exportation or importation will result in economic dislocation, unemployment, or injury to competing fuel industries of the United States."

I also call attention to an excerpt from the opinion of the Federal Power Commission in the basic Northwest gas cases defining policies on importation of natural gas June 16, 1954. It follows:

The Pacific Northwest is the one remaining large area of this country with a great need for natural gas but which is still without this highly desirable fuel and raw material. It is a section where great industrial expansion has occurred and is still in progress, and one which has played and continues to occupy a very important role in the national defense. The record amply demonstrates that it has a real desire and need for natural gas.

The Natural Gas Act imposes upon this Commission the duty to protect the American public in all possible respects through the regulation and control of the transmission and wholesale sale of natural gas. It is most essential that the domestic consumers and much of the industry in any area into which natural gas is introduced be reasonably assured of a firm supply, so far as is possible through such regulation and control. We would fail in our duty if we did not jealously retain and exercise our full legal powers to this end. Therefore, in granting an application under section 3 of the act for the importation of natural gas, the Commission must not fail to give the fullest possible protection to all the prospective consumers.

Such protection would not be afforded to any segment of the American people if its sole source of essential natural gas were through importation from a foreign country without some intergovernmental agreement assuring the continued adequacy of its supply. Otherwise, all control over the production, allocation, and transportation to our border of such natural gas would be in the hands of agencies of foreign governments, whose primary interest would of necessity always be in the needs and advantages of their own people, and whose judgments and actions would be essentially dependent upon public opinion within that country, rather than upon the interests of American consumers. Regardless of any long and cherished friendly relations with any neighbor nation able to supply such area with natural gas, it would not be in the public interest to permit the importation of its gas as the sole source for the consumers in need of an uninterruptible supply at a reasonable price, which should always be assured by this Commission to the full extent of its powers.

That quotation, Mr. Speaker, is inserted in the RECORD at this time as a reminder to the Commission, to Members of Congress, to potential customers of the proposed pipelines, and to the American public. The quotation is official warning from the Federal Power Commission that to permit United States consumers to become dependent upon a foreign source of fuel supply would be irrational and hazardous. My amendment to section 3 of the Natural Gas Act removes the possibility of any misinterpretation of that philosophy expressed by the Commission in June 1954. I trust that the amendment will be quickly adopted in order that the Commission will have this precept as a positive guide for its decision on the applications now before it.

Trinity Joint Development Will Aid San Luis Project

EXTENSION OF REMARKS
OF
HON. CHARLES S. GUBSER
OF CALIFORNIA
IN THE HOUSE OF REPRESENTATIVES
Tuesday, May 14, 1957

Mr. GUBSER. Mr. Speaker, in February of this year Interior Secretary Fred A. Seaton recommended that Congress accept a contract for joint development of the Trinity River division of California's Central Valley project. This contract had been negotiated between the Bureau of Reclamation and the Pacific Gas & Electric Co.

The Trinity power facilities, if built by the United States—

Seaton said—

would require substantial assistance from other project revenues in order to meet repayment requirements. Joint development * * * would convert Trinity falling water into a substantial net asset of the project.

It appears clear—

Seaton concluded—

that joint development would provide substantially more funds for potential irrigation and multipurpose development in the Central Valley project area.

That statement is of tremendous interest to the people of my district and to the San Joaquin Valley because of the need for the San Luis project. The maximum possible contribution to construction of San Luis will be made by the cooperation of Pacific Gas & Electric Co. with the Federal Government in joint development of Trinity.

It has been claimed that joint development would result in insufficient low-cost power for the San Luis pumps. The truth is exactly the opposite. It will not diminish the energy available from existing Central Valley project plants. Project pumps have first call, as they should in a water project, on the power of these plants. Existing plants can supply about 2½ billion kilowatt-hours annually; Central Valley project pumps

at ultimate operation will require about 400 million kilowatt-hours annually, leaving nearly three times the energy required by San Luis pumps under full operation.

Regardless of whether P. G. & E. participates in the Trinity River project or the Federal Government builds it entirely, the company has offered advantageous arrangements which will facilitate construction of the San Luis project.

As you may know, power generated as a by-product on multipurpose projects designed for flood control, irrigation, and water supply is not always produced at the time nor in the quantity required to fit the needs of the power consumer, because water releases for these other purposes have priority over the generation of power. When this power is incorporated into P. G. & E.'s large, regional electric system, however, it gains value from the great diversity of demands of the many customers they serve and the many generating sources they have to serve them. The company is able to use water project power when it is available, and at other times the company can provide the project with exchange power from its many other generating plants to supply project pumps and other purposes. This integration makes project power more useful and enables it to be sold at maximum price, providing the greatest revenue for project water development.

One advantageous arrangement the company has offered for the San Luis project is to provide off-peak power to the San Luis pumps in even exchange for project power. When no project power is available for pumping the company will provide power at times when demands on its system are not at their peak. In exchange the company will take an equivalent amount of project power when it becomes available.

The Central Valley project produces large amounts of energy in the summer months when large water releases must be made for irrigation. Except in wet years, the CVP produces only small amounts of energy during the winter months when water is being conserved in project reservoirs. The months of low project energy production are the very months when San Luis pumping requirements are high because that is the time when waste water in the Sacramento-San Joaquin River Delta must be diverted and pumped to storage in the San Luis Reservoir.

It is readily apparent that P. G. & E.'s offer of a seasonal power exchange will be of tremendous benefit to the San Luis project.

The company also has offered to make its transmission facilities available for transmission of power from the Tracy switchyard of CVP to the San Luis pumps and has guaranteed that the cost to the Government will be less than the cost of Federal construction of transmission lines for the purpose. Not only will the San Luis transmission costs be reduced, but also the Federal Government will save a capital outlay of at least $7 million. An amendment to the existing wheeling contract which would accomplish this result has been submitted to the Government and is contained in part 2 of House Document 94, 85th Congress, 1st session.

A direct beneficial effect of Trinity joint development on San Luis will be the amount of additional net revenue available from P. G. & E.'s Trinity falling water payments for other California water projects. The Bureau of Reclamation estimates there would be $124 million more net revenue to CVP from joint development, with the construction of San Luis. That money could be used to help pay for San Luis or to reduce the cost of San Luis water. All-Federal construction can make no financial contribution to San Luis. Instead, under CVP power rates, an all-Federal Trinity must have financial help from other project revenues. Simply that means that Federal Trinity powerplants would reduce the financial aid available for irrigation in the central valley.

Trinity power developed by the company as an asset to the project will make San Luis water cheaper. Trinity power developed by the Bureau as a project liability will make San Luis water more expensive—either in water cost or taxation. People with concern for the future of the San Joaquin Valley must recognize the merit of Trinity joint development.

I include herewith an editorial from the Coalinga (Calif.) Record which lends weight to the above-mentioned views:

[From the Coalinga (Calif.) Record of April 18, 1957]

HELP FOR SAN LUIS PROJECT

Coalingans and others on the west side ordinarily would have little direct interest in a water project so far to the north as the Trinity River. Ordinarily there would be nothing in it for us except cost. As Federal taxpayers we of course help foot the bill whenever Uncle Sam spends the public's money.

The Trinity project is being built with Federal tax funds for one reason—to make more water available in the Central Valley. Public interest requires that the project be built as economically as possible and that the water itself cost as little as possible.

Electric power can be developed on the Trinity as a byproduct of the water project. If the power can be developed economically—i. e. at a profit to the Government—it will be an asset to the project. As an assets it will help reduce the cost of the project and reduce the cost farmers must pay for Trinity water. Or the profit can be used to help finance other water developments in California, like the San Luis project.

If Trinity power is not developed economically it will be a liability to the Central Valley project instead of an asset. That would mean that power would cause a project loss and that taxpayers and water users would have to bear the burden of subsidizing an uneconomic operation.

The P. G. & E. partnership plan is the sound way to develop Trinity power. It will make the power an asset worth $310 million in public benefits. It also will save the taxpayers $56 million in capital outlay. Even the Bureau of Reclamation, which never could be accused of selling out to a private utility company, shows that the P. G. & E. plan is the better way to develop the power.

If the Government built and operated the powerplants, the $310 million asset and $56 million saving would be thrown out the window. The Bureau itself admits that the Central Valley project would have to subsidize the Trinity project if the Government developed the power. That financial burden on the CVP would mean less CVP help for San Luis.

The McClatchy Bees and other Government-ownership advocates want the Government to develop the Trinity power. They want to advance political encroachment on the utility industry. They don't care how much it costs the public. They try to hoodwink the public into seeing evil in the economic and thoroughly beneficial partnership plan. They ignore the economic facts of water development and concentrate on their power scheme. They have the tail wagging the dog, with ulterior motive.

The west side needs the San Luis project. We need water in Coalinga—but we need it at the lowest price possible. We can't afford to be confused by the Bee and its sacred cow power policy, or by the folly of a few politicians whom the Bee frightens into advocating that electric power be a liability instead of an asset to water development.

It's high time that the west side take an active interest in the Trinity River project. The partnership plan is plain, good commonsense. The only opposition to it is hogwash from those who so ardently want Government in business that they are willing to saddle water projects with uneconomic power.

Address by Hon. Alan Bible Before Jacksonian Democratic Club, Easton, Pa., May 8, 1957

EXTENSION OF REMARKS
OF
HON. FRANCIS E. WALTER
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following address:

SPEECH BY HON. ALAN BIBLE, OF NEVADA, AT THE 61ST ANNUAL BANQUET, JACKSONIAN DEMOCRATIC CLUB, EASTON, PA., MAY 8, 1957

Mr. Chairman and fellow Democrats, it's a pleasure to be here tonight. Democrats all over the Nation have been joining the past few weeks in Jefferson-Jackson Day dinners, and it always gives me a great deal of pleasure to delve into the historical past of our party and pause to reexamine the basic concepts of our Democracy as created by Jefferson and Jackson.

I want to compliment you of the 15th Congressional District here in Pennsylvania for recognizing that in this great Democratic Party of ours we need honest, capable leadership. You have demonstrated this by electing my good friend, FRANCIS E. WALTER, to the United States Congress for 13 consecutive terms.

Your Congressman is a great Democrat, one who recognizes the many troublesome problems facing our Nation today. You should also take pride that your Congressman, along with my illustrious predecessor, the late Senator Pat McCarran, of Nevada, like some of our great political forefathers, had the courage and foresight to go forward with a complete codification of our complex immigration laws, resulting in what we now know as the Walter-McCarran Act.

In this regard you might be interested in knowing that Senator McCarran always laughingly said that when anyone praised the immigration law it was called the Walter-McCarran Act; but when they cussed it out, which was the more usual attitude, it was referred to as the McCarran-Walter Act.

Whatever one may call it—it stands as the product of the fortitude of two strong men—strong in that they stood up against violent pressures and antagonisms from all sides.

Few people understood what these two men were trying to do, or what they did—namely, to bring order out of chaos by putting together the many hundreds of amendments, all affecting our immigration laws, so that our system might operate as it was intended to do—which was to protect this great country from conquest by immigration—the inevitable result had our doors been thrown wide open to all of those who sought to come here.

Through all of our history, we have welcomed immigrants who came to make America their home and become a part of all it means. They came because they believed in our form of government. They did not come here to destroy it, as was the intention of many individuals and certainly of some other countries, anxious to bend us to their will.

It was good that some recognized the possibility of the internal destruction of this great democracy, if the Communist design of patient planting of their agents here among us could have been carried to the ultimate.

Thank God for farsighted men who will bear the scorn and pressures, rather than take one chance on sacrificing the freedom this country has enjoyed since Thomas Jefferson and his kind molded this fine Government some one hundred and eighty years ago.

It is imperative that we, as Democrats, support men for election who have such constructive ideas, those who can examine present-day policies—and offer the leadership and intelligence that will stand through the years.

Men, such as Thomas Jefferson, the founder of our democracy; and Andrew Jackson, soldier, lawyer, and statesman—were men of action.

It has been said: Few men write their own epitaphs, but it was like Thomas Jefferson to do so—and from the long inventory of his honors and achievements, he selected three items by which he wished to be judged by his Maker and fellowman. He discarded all the honors that had been conferred upon him, ignored all the offices he had filled, and simply inscribed upon his tomb, the fact that he had written the Declaration of Independence and the Virginia Statute for Religious Liberty, and had founded the University of Virginia.

In making this selection, Jefferson showed remarkable insight into his own character and estimated with remarkable accuracy the verdict of posterity upon his public services.

It has been said of Andrew Jackson, that he taught the people to rule. Jackson believed "It is better in the long run that the people should rule themselves badly, than that another should rule them well." Here he expressed true democracy.

In Jackson's era, the people had still not learned to rule. They made many grievous mistakes, but they made a great step upward when they wrested the powers of government from the hands of the few and placed them where they belonged in a democracy—in the hands of many.

Jackson, in winning the Presidency, admonished the people that it was not the prerequisite of any favored class or condition of society, but that the humblest might aspire to it and achieve it by merit alone.

Jackson was the incarnation of a popular hope, the realization of a popular ambition. He was, to the people, a demonstration. The people had learned to rule.

We have a solid foundation for all America, in Jefferson's Declaration of Independence; and we have now, and have always had, men in the Democratic Party, willing to give this type of advanced leadership.

I have great faith in the American people. We all make mistakes, and most of us properly acknowledge them. I am also firm in my belief that the mistake made by the voters in electing a Republican President in 1956 is now being recognized and will be rectified in 1960. In the meantime, we need to strengthen our Congress with men who will not kowtow and acquiesce to a vacillating leadership.

One only needs to read the headlines in the daily papers to recognize the type of leadership the Republican Party is offering America today. Often, the confusing and conflicting remarks of the Republican leaders offer more laughs than the comic strips.

Over the past weekend, while the President was teeing off on 3 different golf courses in 3 different States—on 3 different days—Congressional leaders of his own party, the Republican Party, were teeing off on their own party's Republican platform and legislative program as advanced by their own Republican President.

Senator BARRY GOLDWATER, Republican of Arizona, was the first to tee off—and he did this on the all-time high, peacetime budget, advanced by his party's leader, President Eisenhower. Republican GOLDWATER said he was against this topheavy budget and would oppose unnecessary expenditures. He went a little further, in an essay on modern Republicanism, in one of the Nation's leading magazines. He stated therein that in 1953, Republican Party philosophy was referred to as "dynamic Republicanism." That was followed by "progressive conservatism," which was followed by "middle of the road," and now is known as "modern Republicanism." He referred to these Madison Avenue catch phrases as "meaningless platitudes," and continued that it was impossible for a political party to remain vigorous and strong if it is constantly plagued by shadings and changes in its philosophy and purpose.

Senator WILLIAM KNOWLAND, Republican minority leader in the Senate, was not to be outdone. Sparked by this beautiful mashie shot of GOLDWATER'S, he immediately picked up his club and teed off on President Eisenhower's Federal aid-to-education program, declaring it was not needed now, even though he, along with other Republicans, were espousing the great need for this national program when they sought the voters' support at the last election.

Meade Alcorn, recently named chairman of the Republican National Committee, and the President's personal choice for the post—was teeing off at a western conference of Republican leaders in Salt Lake City. He stated that it was high time the Republicans in Congress and in the Nation joined together and sold the Eisenhower farm policy to the farmers of America. Apparently Mr. Alcorn did not realize that Republican Secretary of Agriculture, Ezra Taft Benson, had teed off a few days earlier and stated he was not satisfied with the way and manner the agriculture policy was working. Well, I don't know many farmers that are satisfied either.

I want to tell you here tonight, the Madison Avenue advertising boys did the greatest selling job in their careers when they sold a Republican platform—now one of unfilled promises—and a Republican President to the people of this Nation.

Of course, all the boys in the advertising game were after was that 15 and 2 percent commission.

The American people are now seeing what can happen when they bite on an advertising gimmick that favors a form of government offering coupon clipping and giveaways to only the favored business interests of our Nation.

We Democrats have in the past and now stand for a program of giving equal opportunities to all—and I believe the majority of voters are sick and tired of receiving Republican packages of void and unredeemable promises.

I think we owe a vote of thanks to the President's brother Edgar, who while recently visiting the Nation's Capital and his brother, enlightened the American voters further on the White House palace guard and the extravagant budget. In fact I'm told on reliable authority—that "I Like Edgar" buttons are now more popular than "I Like Ike" buttons.

Gov. Orville Freeman, of Minnesota, stated the President was going on the radio to defend his alltime high budget—and the Republicans in Congress had made a request of the networks for equal time.

Personally, I'm looking forward to this radio talk. If the President can give a fresh and vigorous viewpoint for the need of this budget—one without contradiction—I'm certain we all will welcome the explanation.

As you remember, when our great Democratic Congressman and House Speaker, SAM RAYBURN, received the President's budget, he was told, as were other Congressmen, that Members should examine the budget and make cuts if they could find unnecessary expenditures.

Republican Secretary Humphrey stated that if it wasn't cut we'd have a depression that would curl our hair. The House of Representatives, in all seriousness, and realizing the American taxpayer was in no mood for foolish expenditures—after much study, called on the President, to make recommendations in cutting his proposed expenditures.

Following several days and many news articles, the President was quoted as saying at his regular press conference, and I quote, "I tell you it is futile to talk about the United States keeping up the position it must keep up in the world, and measurably sticking to the programs that have already been adopted in the United States, or have been agreed to be necessary, and cut the budget severely."

Now, less than 2 weeks later, the President notified the Congress that the budget could be cut approximately a billion and a half dollars.

I sincerely hope the people of the Nation are following these quotes—this on and off again policy of modern Republicanism. I would welcome a third explanation—although I feel it hardly necessary—for this 85th Democratic Congress, that is now charged with holding the pursestrings, has already and will continue to make sizable cuts.

This Democratic Congress recognizes where the money is going—and where it comes from; and, in spite of the pleas from the Republican executive branch of the Government, they intend to tighten the pursestrings.

We Democrats recognize good American citizens have never refused a just budget, particularly if they thought the money was being spent wisely and on worthy projects for building a greater Nation.

We need to tell our people that the Republican Party leaders who told us they would economize, who would end growing bureaucracy, who couldn't fathom large Government budgets—have at long last caught on—and are expanding in a wreckless and disastrous fashion.

A very eminent and distinguished gentleman, speaking up in Paterson, N. J., a few years back, had this to say: "I don't know what the amount of taxes represents when we talk of $70 billion. Is that this room full of bills, or is it three truck loads? I don't know. But I do know this—we can't afford what we're spending and stay strong enough to lead the world to peace."

Yes, that was Candidate Eisenhower speaking in 1952. Well, it is apparent to Congress that he still doesn't realize how much money this is—for he is now asking for more—and this, mind you, in peacetime.

We need to tell the voters of America that this party, so concerned with growing

bureaucracy, is now employing more people than ever, with 2½ million on Government payrolls, exclusive of the military—just a slight increase of 46,000 employees over the last calendar year.

In January of 1957 the Government had the biggest payroll ever, a monthly payroll of $1 billion. It also had an increase for the month of nearly 3,500 employees. It is no wonder the President finds it necessary to defend his budget—for I can tell you that few Democratic Members of Congress will come to his defense.

It was interesting for me to learn that the first general tax laid down by the United States in 1798, a tax calling for payment of a special levy on houses and windows—led to the Fries rebellion—known then as the liberty insurrection, and that this rebellion was actually opposed by residents of your fine city of Easton. These residents did not go along with the views of the leaders of the rebellion, who thought the tax was being collected to finance a war with France.

I hope you all remember these famous remarks which were made 4 years ago, and I quote: "Certainly I know that we must find a substitute for the purely temporary business of bolstering the free nations through annual handouts, that get neither permanent nor real friends"—that was Candidate Eisenhower speaking—however, now we are led to believe by this administration that we should finance practically every nation on the face of the globe.

Four long years have elapsed since this classic statement was made and we're still in the same boat. Only now we have added some 19 nations to our coattails who formerly were not receiving foreign-aid assistance.

The Republican Party, despite President Eisenhower's victory in November, remains a sectional party. It does not have the nationwide responsibilities or accountability to the voters as a whole. A sectional party can promise the voters the moon with a fence around it, as long as it doesn't offend the voters of its own particular region. It can say anything that is expedient, with a blithe disregard for the consequences.

The Democratic Party does not and will not have that advantage. We cannot compete with the Republicans on the basis of promises. But, we can outperform the Republicans—and as long as we do this, the promises that we do make will ring in the ears of the voter with conviction.

The 84th Congress, under the leadership of LYNDON JOHNSON and SAM RAYBURN, was a Congress of performance. I sometimes feel that one of our major errors last fall was a failure to exploit the record of the 84th Congress and drive it home to the American people.

It was the Congress that passed the dollar minimum wage.

It was the Congress that lowered the retirement age for women.

It was the Congress that provided disability payments to our workingmen at age of 50.

It was the Congress that increased Federal payments for assistance to the aged, blind, and dependent children.

It was the Congress that enacted the highway bill—after deleting Republican efforts designed to provide a windfall for the favored few.

It was the Congress that kept public housing alive despite the best efforts of the Republicans to kill it.

These were only a few of the achievements. But they serve as the basis for my confidence that the 85th Congress—still in Democratic hands—will go on to even greater performance.

A political party must always face up to the problems of the present and the future. But its proposals will always have greater appeal when the American people realize and know that it has performed in the past.

We've been moving rather cautiously so far in this session of Congress, but we've found out many things that will give us the energy and ammuntion for exposing the unstable policies offered by our opponents.

Yes, we've been untangling the maze of figures and policies, and we're ready for action.

I predict as I stand here tonight that the 85th Democratic Congress will not let the American public down.

We have exercised patience—awaiting sane leadership from the executive branch of Government—without success.

We shall now tee off on our own, and continue to formulate legislation that will guide America onward.

Speech by Hon. Harry F. Byrd, of Virginia, at the Banquet of the Hampton Roads Maritime Association, Norfolk, Va., May 9, 1957

EXTENSION OF REMARKS

OF

HON. WILLIAM M. TUCK

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 14, 1957

Mr. TUCK. Mr. Speaker, the senior Senator from the Commonwealth of Virginia, Hon. HARRY F. BYRD, on May 9, 1957, delivered a memorable address before the Hampton Roads Maritime Association in Norfolk, Va. Under leave to extend my remarks, I include the following complete text of his address.

I commend Senator BYRD in the highest terms upon the forthright and courageous manner in which he pointed out the dangers and evils of the iniquitous so-called civil rights bills now pending:

ADDRESS OF SENATOR BYRD

Now I am going to speak about civil rights, and especially about civil rights bills pending in Congress. This is a matter of tremendous consequence to all of us.

There are 15 or 20 of these civil rights bills, and while I regret to say so, this is punitive legislation to punish the South. That's all it is. Their purpose is to punish us because we will not submit to the Federal Government in Washington—or may I say the Supreme Court—when we believe what we are doing is eminently constitutional, and to follow their bidding would destroy our public-school system.

One of these bills is especially offensive, and I shall submit my discussion to that one. It would establish in Washington a special bureau which would send its agents into the South and originate suits against southerners. They could go anywhere, of course. They could go to the North, the East, and the West. There have been riots and hangings outside the South. But this is an anti-South bureau.

When its agents originate cases against southern people they would be tried in Federal courts without jury, subjected to contempt of court proceedings, and so forth.

I often think of those great Virginians who established our form of government—Jefferson, Madison, and Mason—on the basis that States were sovereign, and that the Federal Government should have no power except that delegated to it by the States, and it could be withdrawn by constitutional amendment.

I wonder what those great men would think of a Federal bureau established to go into Southern States originating suits against their citizens as punishment for conforming with State constitutions and laws.

What have we done to deserve this treatment? We have fought for constitutional democracy. We fought for it in 1860. We fought to the last ditch with the most conspicuous bravery in human history. Finally, in defeat by sheer numbers, we won everlasting world esteem.

We took our defeat with fortitude as we went through the terrible days of reconstruction. As I watch us handing out billions to defeated nations of World War II, I think of the kind of Marshall plan the carpetbaggers brought into the South to aid our reconstruction.

Since the War Between the States, as before, no section of the country has contributed more, in any respect, to the defense of the United States than the South. Yet we are to be punished because we disagree with Federal decree singularly designed to destroy the oldest way of life in the Nation.

Let me be frank, we southerners are fighting this thing with our backs to the wall, but what we lack in numbers we make up in our determination and will to protect our Southern States and the welfare of our people. We know that our form of government cannot exist over the years if States are to be mere provinces of a central government.

I never expected to see the day when the Attorney General of the United States appeared before Congress and requested the right to abolish in civil rights cases the inherent privilege that Anglo-Saxons have enjoyed for centuries—trial by a jury of our peers.

I joined with the senior Senator from Mississippi [Mr. EASTLAND] and the junior Senator from South Carolina [Mr. THURMOND] in introducing S. 1735, a bill to amend title 18, United States Code.

This bill simply guarantees the right of trial by jury in criminal contempt cases except, of course, when the contempt is committed in the presence of the court or so near thereto as to interfere directly with the administration of justice. It gives to all the same right to jury trial in criminal contempts as is presently granted by the code in labor disputes.

Our bill has been castigated by the Department of Justice as an attempt "to emasculate" the President's "program" by "deceptive appeals for the protection of the right to jury trial."

Regardless of the intentions of Senator EASTLAND, Senator THURMOND, and myself, it is charged—and I might add the innuendo is that our intention is subtle, devious, and evil—"this is a dangerously deceptive proposal." It is said to be "a clever device to nullify the proposed civil rights legislation."

On April 5 last, Mr. Warren Olney III, Assistant Attorney General of the United States, addressed the ninth annual conference of the National Civil Liberties Clearing House, the subject of which, it seems, was mainly a criticism of our bill and the reasons why he did not want or like jury trials.

His opening sentence stated that enactment of the President's program would give to the Government, for the first time, the authority necessary for effectual enforcement of federally guaranteed civil rights.

Mr. Olney believes that the existing legal tools available do not permit the Department effective action. He wants to abolish jury trial for speed and remove any uncertainty of conviction. Time and again the Department's attention has been called to the numerous existing civil rights statutes on the books, both civil and criminal, the existence of which the Department is well aware. Yet, these extraordinary remedies are demanded, without the safeguards in the Bill of Rights. The truth of the matter is this: As to the criminal statutes, the Department will have none of them because they are placed under the burden of proving their cases in conformance with proper

criminal processes. Proof is too hard, they claim. The Department wants quick convictions through Federal judges—not juries which have always and historically stood between the prosecutor and the defendant.

Speed is the order of the day with no accountability.

Mr. Olney complains that juries do not convict, and that there are too many acquittals. What has happend to our great maxims of innocent until proved guilty?

The advocates of these civil-rights measures say that the injunction provides a quick, "tailormade" remedy in this area. It is true that constitutional safeguards provided in jury trials make the punishment of an act as a crime a slower process.

Constitutional guaranties do render action in the democratic process slower, more cumbersome than actions by totalitarian states. Yet, should any constitutional guaranty be surrendered for the sake of quickness and ease?

We should remember that the Founding Fathers established constitutional guaranties because they loathed bureaucratic and judicial tyranny.

The proponents of these measures also say that the injunctive remedy will be free of prejudice and bias, sometimes shown by local juries. But, they fail to take into account the situation and possible prejudice of the judge.

In plain words, the Attorney General and his aids are not willing to trust their so-called civil rights to jury trial and say that juries may be too prejudiced to render decisions in accordance with the oaths they take. They want to make Federal judges, appointed by recommendation of the Federal Attorney General, the judge and the prosecutor from whose decisions there can be no appeal in contempt proceedings.

I am reliably informed that a Federal judge stated from the bench before hearing evidence or arguments on an integration case that he was inclined "to throw the whole case out of the window." This he did by reading a decision prepared before the hearing.

This judge further said from the bench, "The integration problem will never be resolved in Virginia until we have a different political leadership." This remark evidently had reference to the coming campaign when the effort will be made to elect a Republican Governor of Virginia.

Had Judge Hoffman rendered his decision in an orderly and judicial fashion, I would have no word of criticism, but to decide before hearing arguments and make bombastic and political statements from the bench is not the way to conduct judicial procedure.

We vest great power in our judges and expect decisions to be rendered after due hearings and without prejudice or predetermination.

Judge Hoffman must have known that he was dealing with a very explosive subject and that such a display of arrogance and prejudice from the bench could not fail to cause bitter resentment and inflame public opinion.

This is the greatest democracy in the history of the world. It has grown to this position in the brief span of 160 years, and with only 6 percent of the world's population. This could not have been achieved without the form of government bequeathed us as a sacred heritage by our forefathers.

Strike down the power of States to control their own affairs, and concentrate all power in Washington, and you strike at the heart of what makes this Nation great.

To me the decision of the Supreme Court abolishing segregation and compelling integration in States and local public school systems was a vicious and destructive invasion of States rights.

It set aside all previous decisions by the Supreme Court on the subject, including the 1928 decision by Chief Justice Taft, a great and learned man and a former President of the United States, who held segregation was constitutional if separate equal facilities were provided. I don't want to say anything personal about the present Supreme Court, which repealed the Taft decision, but if I must choose between a decision rendered by the late Chief Justice Taft or by Chief Justice Warren, it doesn't take me long to make the decision.

Again, in 1896, the Supreme Court rendered a decision approving equal but separate public schools. So, we have over 100 years of approval of various Supreme Courts then existing of segregated schools. Has this present Supreme Court all the ability that our great Justices through the long years have lacked?

This vicious recent decision did violence to State constitutions and laws, and even to Federal laws which provided segregation in the District of Columbia schools. It influenced 101 Members of the United States Congress to take the unprecedented action of signing a solemn manifesto holding that the decision was an illegal usurpation of power.

It would strike down a way of life in the United States which has been developed over a period of 160 years and, if enforced, it will destroy our great public school system.

I have had the great privilege of representing Virginians in various capacities for 40 years. I think I know something about conditions in Virginia. In my judgment, integration cannot be enforced in a majority of Virginia communities, I do not believe it is favored in any of them. How can we operate a public school system in Virginia when a majority of the communities have withdrawn? A little deeper in the South no communities will participate in an integrated system.

Let's be sure we understand the situation. Virginia has been selected by the NAACP and the Federal Government for their first onslaught. There are several reasons for this choice. In Virginia we have some communities where integration offers little problem. They believe if Virginia can be forced to surrender, it would have great effect on the fighting spirit in the rest of the South. No Federal suits have been started in South Carolina, Georgia, Mississippi, Alabama, and other Southern States.

As in the War Between the States, Virginia will be the first battleground. It should be noted that these school suits have already been started in Virginia. They have chosen to wage war on Virginia because they think our communities are divided. I think they will learn their mistake.

But there is an ordeal ahead. In my judgment, we have the courage and the fortitude to meet the challenge. We are already fighting, and we shall continue to fight to preserve our public school system, and that is precisely the objective of the laws recently passed by the Virginia General Assembly.

We are fighting, too, to preserve States rights which the vicious Supreme Court decision would destroy. We are facing a situation which is not only more serious than anything we have known in our day, but more serious than anything since the War Between the States. Our cause is right, and I pray we will meet our great responsibilities with calm but strong determination—but we must not let one act of personal violence mar our record for law and order.

I wish to make another observation. We hear it said that a Supreme Court decision, illegal and vicious or not, should be obeyed without question. To those who say we must, without protest, obey this Supreme Court decision, let me name just a few great Americans of the past who commented on this same subject:

Lincoln said at Chicago, July 10, 1858, speaking of the Supreme Court decision in the Dred-Scott case:

"Somebody has to reverse that decision, since it is made, and we mean to reverse it, and we mean to do it peaceably."

Thomas Jefferson said in a letter to Spencer Roane, 1824:

"The great object of my fear is the Federal Judiciary. That body, like gravity, ever acting, with noiseless foot, and unalarming advance, gaining ground step by step, and holding what it gains, is engulfing insidiously the special governments into the jaws of that which feeds them."

Remark attributed to Andrew Jackson, July 10, 1832:

(After the Supreme Court had rendered a decision relative to missionaries and the Cherokee Indians whom they had incited to resist the policy of the State of Georgia, difficulty was encountered in enforcing the decision.) President Jackson commented, "Well, John Marshall (who had pronounced the decision) has made his decision: Now let him enforce it."

Remark attributed to President Grant:

He was asked the question: "President Grant, they have struck down the Legal Tender Act giving character to the greenbacks with which you won the war. Do you acquiesce?" "Acquiesce? Never. I will reconstitute that Court." And he did.

President Franklin D. Roosevelt, in a radio fireside chat March 9, 1937, said:

"The Court, in addition to the proper use of its judicial functions, has improperly set itself up as a third House of the Congress—a superlegislature, as one of the Justices has called it—reading into the Constitution words and implications which are not there, and which were never intended to be there. We have reached the point as a nation where we must take action to save the Constitution from the Court and the Court from itself. We must find a way to take an appeal from the Supreme Court to the Constitution itself. We want a Supreme Court which will do justice under the Constitution, not over it. In our courts we want a government of laws, and not of men."

We are not demanding that the Justices be thrown out and the Court packed, as Mr. Roosevelt did. We are simply asking the Court to consider the damage it has done, reverse itself, and go back to the Taft decision of 1928.

Meanwhile, we reserve the right to criticize the Supreme Court, just as we do the President of the United States and Members of Congress. In fact, we reserve the right to defy the Supreme Court, so long as we do so without violence or attempt to overthrow the Government. That is inherent in our Constitution.

The Taft decision was as much of a Supreme Court decision as the Warren decision. I choose to follow the Taft decision. The Court has reversed itself before. I trust that, in view of the massive resistance throughout the South where its decision does most injury, this Court may see the error of its ways and reverse itself again. This would be in keeping with the freedoms of our great constitutional democracy.

Following the pattern of the May 1954 public-school decision, the Supreme Court has just rendered a startling and shocking decision.

A man by the name of Girard died in Philadelphia and left a large sum for the establishment of a school for "poor male white orphans."

The Girard College operated for 125 years as the donor directed. In 1954 two Negro boys asked for admittance. The Supreme Court of Pennsylvania denied the petition, stating that Girard "had the undoubted right to dispose of his property by will." Not one dollar of public funds was used in the operation of this school. Yet the Supreme Court of the United States has just reversed the decision of Pennsylvania's Supreme Court and ordered the admission of Negro students in contradiction of the will of Girard, who gave all the money for the

school's operation. How far will the Supreme Court go? To deny the right of a citizen to will his property to be used for a specific purpose makes one wonder what will come next.

A Norfolk newspaper, the Journal and Guide, on March 30, said I had made an appeal to race hatred. I feel I cannot permit this unfair statement to go unchallenged. The editor of this Norfolk paper was not fair enough to say that as Governor of Virginia I recommended, and the general assembly enacted, the strongest antilynching bill of any State. This was in 1926. In the 31 years intervening not a single lynching has occurred in Virginia.

As Governor, I attempted to serve the Negro citizens of Virginia with the same courtesy and consideration as I did the white. I recall that as Governor, taking a particular interest in the Virginia State College, a Negro institution at Petersburg, as I was convinced this institution was being neglected in appropriations. A Negro president named a building there after me. I have always believed that the Negro had an honorable and most useful position in our Nation. In fact, in my own business operations I employ more Negroes than whites and pay them exactly the same.

We are faced with three Federal actions which, if successful, would destroy the last remnants of local self-government:

First, the Supreme Court decision providing for enforced integration in our local schools.

Second, a companion measure to take away the right of trial by jury in civil-rights litigation and vest tyrannical power in the hands of Federal judges appointed upon the recommendation of the Attorney General of the United States.

Third, a vast Federal-aid local school-construction program which will give still further control to the Federal Government of our local schools.

The South is faced with great decisions and ominous difficulties in meeting these trials. I pray that we will have the same courage and fortitude that lived in the hearts of our forefathers whose sacrifices made possible the freedoms of this, the greatest form of free government ever conceived in the mind of man.

SENATE

WEDNESDAY, MAY 15, 1957

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, God, who—amidst the shifting sands of time—standeth sure, like men who turn from dusty toil to crystal streams, so we lift our soiled faces to Thee, from the perplexities and the imperfections which crowd our days and drain our powers of endurance. In conscience, in quiet moments, when above earth's strident voices the still, small voice speaks to our inmost self, in soaring thoughts that will not stay on the ground, in deep needs that drive us to Thee, in the sacrament of human love, in the beauty of nature, and in the spiritual heritage of our race, in seers and prophets, and in Christ, overall, Thou dost stand at the door, and knock. Give us, we pray Thee, the grace of hospitality to the highest and the best. Because there is no solution of the world's ills, save as it springs from the hearts of men, we pray for ourselves: Cleanse Thou our hearts by Thy grace, feed our minds with Thy truth, guide our feet in the paths of righteousness, for Thy name's sake. Amen.

THE JOURNAL

On request of Mr. JOHNSON of Texas, and by unanimous consent, the Journal of the proceedings of Monday, May 13, 1957, was approved, and its reading was dispensed with.

REPORTS OF A COMMITTEE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957,

The following reports of a committee were submitted:

By Mr. JOHNSON of Texas, from the Committee on Appropriations, with amendments:

H. R. 6871. An act making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 303).

By Mr. HOLLAND, from the Committee on Appropriations, with amendments:

H. R. 6700. An act making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes; (Rept. No. 304).

AMENDMENTS TO DEPARTMENTS OF STATE AND JUSTICE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL—NOTICES OF MOTIONS TO SUSPEND THE RULE SUBMITTED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957, the following notices of motions to suspend the rule were submitted on May 14, 1957, by Mr. JOHNSON of Texas:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 35, line 11, insert the following: ": *Provided further*, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

Mr. JOHNSON of Texas also submitted an amendment intended to be proposed by him to House bill 6871, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6871) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: On page 24, after line 11, insert the following:

"SEC. 207. Not to exceed 5 percent of the appropriations in this title for legal activities and general administration shall be available interchangeably with the approval of the Bureau of the Budget, but no appropriation shall thereby be increased by more than 5 percent and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Mr. JOHNSON of Texas also submitted an amendment intended to be proposed by him to House bill 6871, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies, for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

AMENDMENT TO DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL

Mr. HOLLAND, on May 14, 1957, submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely, on page 21, after line 21, to insert the following:

"The Secretary of Commerce hereafter is authorized, subject to the procedures prescribed in section 505 of the Classification Act of 1949, as amended, but with regard to the numerical limitations contained therein, to place 1 position in grade GS–18, 3 positions in grade GS–17, and 10 positions in grade GS–16, in the General Schedule established by the Classification Act of 1949, as amended, and such positions shall not be in lieu of any positions in the Department previously allocated under section 505."

Mr. HOLLAND also submitted an amendment intended to be proposed by him to House bill 6700, making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

(For text of amendment referred to, see the foregoing notice.)

ENROLLED JOINT RESOLUTION SIGNED DURING ADJOURNMENT

Under authority of the order of the Senate of May 13, 1957,

The PRESIDENT pro tempore, on May 14, 1957, signed the enrolled joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day, which had previously been signed by the Speaker of the House of Representatives.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on May 14, 1957, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 22) requesting the President to designate the third Friday of May of each year as National Defense Transportation Day.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances.

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes;

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; and

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes.

HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H. R. 52. An act to provide increases in service-connected disability compensation and to increase dependency allowances; to the Committee on Finance.

H. R. 1937. An act to authorize the construction, maintenance, and operation by the Armory Board of the District of Columbia of a stadium in the District of Columbia, and for other purposes; and

H. R. 4932. An act to amend the act of July 11, 1947, to increase the maximum rate of compensation which the director of the Metropolitan Police force band may be paid; to the Committee on the District of Columbia.

H. R. 6454. An act to amend the act for the retirement of public-school teachers in the District of Columbia, and for other purposes; placed on the calendar.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. JOHNSON of Texas, and by unanimous consent, the following subcommittees were authorized to meet during the session of the Senate today:

The Public Roads Subcommittee of the Committee on Public Works.

The Public Lands Subcommittee of the Committee on Interior and Insular Affairs.

The Minerals, Materials, and Fuels Subcommittee of the Committee on Interior and Insular Affairs.

The Permanent Subcommittee on Investigations, of the Committee on Government Operations.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to make an announcement, for the information of the Senate. It is the intention of the leadership to have the Senate consider today the State, Justice, Judiciary, and related agencies appropriation bill. There will be a quorum call before the Senate proceeds to the consideration of that bill.

Several bills and other measures have been cleared on both sides of the aisle and will very likely be taken up for consideration either today or tomorrow, unless objection is raised by the leadership on one side or the other. These measures are as follows:

Calendar No. 283, Senate bill 1794, amending the act relating to the admission into the Union of the State of Idaho.

Calendar No. 290, Senate bill 999, relating to the conveyance of certain land to the State of North Dakota.

Calendar No. 291, Senate bill 413, relating to the transfer of title to irrigation distribution systems.

Calendar No. 292, Senate bill 1556, granting the consent of Congress to an interstate compact.

Calendar No. 294, Senate Resolution 136, a printing resolution, and also Calendar No. 296, Senate Resolution 122; Calendar No. 297, Senate Resolution 130; Calendar No. 298, Senate Concurrent Resolution 26; and Calendar No. 299, Senate Resolution 131. All of these are printing resolutions.

Calendar No. 301, Senate bill 864, providing for the transfer of certain lands to the State of Minnesota.

Senators are also aware that House bill 6700, the appropriation bill for the Department of Commerce and related agencies, has been reported. It is Calendar No. 309. The bill itself and the report on it are now available and when the hearings on the bill are available I shall confer with the distinguished minority leader and with Members on my side of the aisle, and I shall ask him to confer with Members on his side, and we shall attempt to set a firm time for the consideration of that bill, so adequate notice can be given to Senators before the bill is taken up by the Senate.

I was not in the Appropriations Committee this morning. Let me inquire whether the supplemental appropriation bill has been reported by the committee.

Mr. RUSSELL. Yes.

Mr. JOHNSON of Texas. I should like to give notice that when the report and hearings on that bill are available, of course, the bill will have the highest priority.

Mr. President——

The VICE PRESIDENT. The Senator from Texas.

TRANSACTION OF ROUTINE BUSINESS

Mr. JOHNSON of Texas. Mr. President, under the rule, there will be the usual morning hour for the introduction of bills and the transaction of other routine business. In that connection, I ask unanimous consent that statements be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

PROPOSED PROVISION PERTAINING TO AN EXISTING APPROPRIATION, DEPARTMENT OF THE INTERIOR (S. DOC. NO. 37)

A communication from the President of the United States, transmitting a proposed provision pertaining to an existing appropriation for the fiscal year 1957 for the Department of the Interior (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION FOR PAYMENT OF CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS (S. DOC. NO 38)

A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, in the amount of $1,709,157, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay claims in foreign currency (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

REPORT ON STUDY OF COMPETITIVE CONSEQUENCES OF DEFENSE EXPANSION IN TITANIUM METAL INDUSTRY

A letter from the Attorney General, transmitting pursuant to law, his report relating to a study of the competitive consequences of defense expansion in the titanium metal industry (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF UNITED STATES ADVISORY COMMISSION ON EDUCATIONAL EXCHANGE

A letter from the Chairman, United States Advisory Commission on Educational Exchange, transmitting, pursuant to law, a report of that Commission on the educational exchange activities conducted under the United States Information and Educational Exchange Act of 1948, from July 1 through December 31, 1956 (with an accompanying report); to the Committee on Foreign Relations.

AUDIT REPORT ON RECONSTRUCTION FINANCE CORPORATION (IN LIQUIDATION) AND DEFENSE LENDING DIVISION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on Reconstruction Finance Corporation (in liquidation) and Defense Lending Division, Office of Production and Defense Lending, Treasury Department, for the fiscal year ended June 30, 1956 (with an accompanying report); to the Committee on Government Operations.

REPORT ON SETTLEMENT OF CLAIM OF YUCHI (EUCHEE) TRIBE OF INDIANS *v.* THE UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, Washington, D. C., reporting, pursuant to law that proceedings in the case of the *Yuchi (Euchee) Tribe of Indians* v. *The United States of America*, have been finally concluded (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON BACKLOG OF PENDING APPLICATIONS AND HEARING CASES, FEDERAL COMMUNICATIONS COMMISSION

A letter from the Chairman, Federal Communications Commission, Washington, D. C., transmitting, pursuant to law, a report on backlog of pending applications and hearing cases in that Commission, as of March 31, 1957 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

ANTON N. NYERGES

A letter from the Secretary of State, transmitting a draft of proposed legislation for the relief of Anton N. Nyerges (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Representatives of the State of Delaware; ordered to lie on the table:

"House Resolution 77

"Resolution relative to the death of United States Senator Joseph R. McCarthy

"Whereas the house of representatives has learned with regret of the passing of United States Senator Joseph R. McCarthy of the State of Wisconsin; and

"Whereas Senator Joseph R. McCarthy served his native State of Wisconsin and his country faithfully and diligently as a United States Senator; and

"Whereas Senator McCarthy became known internationally for his strong interest in the security of this country and his expression of patriotism; and

"Whereas the members of the house desire to express in this public manner their own feelings and sense of loss which is felt throughout the entire country: Now, therefore, be it

"Resolved by the House of Representatives of the 119th General Assembly of the State of Delaware, That the members wish to give expression to the regret they experienced at the passing of United States Senator Joseph R. McCarthy; and be it further

"Resolved, That the family of the deceased has the full sympathy of the members of the House of Representatives of the 119th General Assembly of the State of Delaware which is extended by sending a copy of this resolution to the members of his immediate family; and be it further

"Resolved, That the text of this resolution be made a part of the journal of the proceedings of the House of Representatives of the 119th General Assembly of the State of Delaware, and that a copy of this resolution be sent to the Presiding Officer of the Senate of the United States."

A resolution adopted by the Breakfast Optimist Club, of Topeka, Kans., relating to flood-control works for the protection of the city of Topeka; to the Committee on Appropriations.

A resolution adopted by the City Council of the City of St. Paul, Minn., protesting against the enactment of House bill 6790, to regulate the control and production of natural gas; to the Committee on Interstate and Foreign Commerce.

By Mr. KERR:

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Finance:

"Senate Concurrent Resolution 23

"Concurrent resolution memorializing the President and Congress of the United States relating to legislation and policy designed to limit imports of glass, lead, and zinc

"Whereas imports of glass, lead, and zinc have caused a drastic reduction in market prices of these products; and

"Whereas imports of glass, lead, and zinc have resulted in serious injury to domestic mining operations in that such operations have been forced to be curtailed to an alarming extent due to the economic laws of supply and demand; and

"Whereas while the market prices of such products have steadfastly remained at a low level and at the same time labor costs have risen sharply, with the result that mining operations are not reasonably profitable, and especially is this true in the State of Oklahoma; and

"Whereas this injury to the mining industry is not limited to the owners and operators of the mines, but causes thousands of workers to be out of employment or, at best, to be employed on a part-time basis; and

"Whereas the injury to the industry causes great economic losses to management, labor, the railroad industry, and to communities wherein mines and smelters are situated, and to the economy of the Nation as a whole, including an impairment of the Nation's defense program; and

"Whereas the consequences of the present import program are not only being reflected in economic conditions in the State of Oklahoma, but are being felt in all areas of the Nation wherein these products are produced, and this is both a local and a national problem: Now, therefore, be it

"Resolved by the Senate of the 26th Legislature of the State of Oklahoma (the House of Representatives concurring therein):

"1. That legislation be enacted curtailing imports of glass, lead, and zinc to such a point that domestic markets will recover to a healthy and normal condition; and/or

"2. That legislation be enacted increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"3. That a directive be issued increasing the import tariff on glass, lead, and zinc to a point 50 percent above the level of January 1, 1945; and/or

"4. That action be taken either pursuant to the May 21, 1954, report of the tariff commission, or under section 7 of the Trade Agreements Extension Act of 1955, or under any other existing authority which will result in relieving this threat to the national security and this crisis of nonproduction and unemployment in mines, smelters, and glass manufacturing plants.

"5. It is ordered that copies of this resolution be sent to the President of the United States, the Speaker of the House of Representatives and the President of the Senate of the Congress of the United States, and to each of Oklahoma's Representatives and Senators in the Congress of the United States.

"Adopted by the senate the 25th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 25th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the State of Oklahoma; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 21

"Concurrent resolution memorializing the President and the Congress of the United States to grant immediate statehood to the Territories of Alaska and Hawaii

"Whereas the Territories of Alaska and Hawaii are vital to the defense of the United States; and

"Whereas said Territories have greatly contributed to the economic and cultural life of the United States; and

"Whereas the people of said Territories have demonstrated their maturity, responsibility, and willingness to accept in full, and ability to discharge, the responsibilities that accompany citizenship in one of the States of the United States; and

"Whereas not only principles of fairness, but also considerations of mutual benefit to said Territories and the States of the United States demand that said Territories be granted immediate statehood: Now, therefore, be it

"Resolved by the Senate of the 26th Oklahoma Legislature (the House of Representatives concurring therein):

"That the President of the United States and the Congress of the United States are hereby memorialized to grant immediate statehood to the Territories of Alaska and Hawaii.

"That the president of the senate is directed to cause copies of this resolution to be sent to the President of the United States, the Speaker of the House of Representatives of the United States, the President of the Senate of the United States, and to the Governors of Alaska and Hawaii.

"Adopted by the senate the 4th day of April 1957.

"KEITH CARTWRIGHT,
"Acting President of the Senate.

"Adopted by the house of representatives the 30th day of April 1957.

"B. E. HARKEY,
"Speaker of the House of Representatives."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RUSSELL, from the Committee on Armed Services, without amendment:

H. R. 2797. A bill to amend title 10, United States Code, to authorize the Secretary of a military department to furnish stevedoring and terminal services and facilities to commercial steamship companies, and for other purposes (Rept. No. 306).

By Mr. STENNIS, from the Committee on Armed Services, without amendment:

H. R. 5832. A bill to increase the retired annuities of the civilian members of the teaching staffs of the United States Naval Academy and the United States Naval Postgraduate School (Rept. No. 305).

By Mr. JACKSON, from the Committee on Armed Services, without amendment:

S. 358. A bill to authorize the conveyance to the State of Wyoming of about 37 75/100 acres of land comprising a part of Francis E. Warren Air Force Base (Rept. No. 307);

H. R. 2781. A bill to amend the act entitled "An act to authorize the Secretary of the Navy to enlarge existing water-supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area," approved October 11, 1951 (Rept. No. 308); and

H. R. 4285. A bill to authorize the sale of degaussing equipment by the Department of the Navy to the owners or operators of privately owned merchant ships of United States registry (Rept. No. 309).

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service, without amendment:

S. 916. A bill to provide for the issuance of checks and continuation of accounts when there is a vacancy in the office of disbursing officer for the Post Office Department, and for other purposes (Rept. No. 311);

S. 1169. A bill for the relief of Herbert C. Heller (Rept. No. 312);

S. 1740. A bill to authorize the payment from the Employees' Life Insurance Fund of expenses incurred by the Civil Service Commission in assuming and maintaining the assets and liabilities of certain beneficial associations (Rept. No. 313); and

S. 1884. A bill to amend section 505 of the Classification Act of 1949, as amended (Rept. No. 314).

By Mr. BIBLE, from the Committee on the District of Columbia, without amendment:

S. 105. A bill to exempt from taxation certain property of the National Association of Colored Women's Clubs, Inc., in the District of Columbia (Rept. No. 315);

S. 768. A bill to designate the east 14th Street highway bridge over the Potomac Riv-

er at 14th Street in the District of Columbia as the Rochambeau Memorial Bridge (Rept. No. 316);

S. 1576. A bill to exempt the sale of materials for certain war memorials in the District of Columbia from the District of Columbia Sales Tax Act (Rept. No. 317);

S. 1586. A bill to eliminate the financial limitation on real and personal estate holdings of the American Historical Association and to exempt from taxation certain property of such association in the District of Columbia (Rept. No. 318); and

H. R. 2018. A bill to permit any State of the United States or any political subdivision of any such State to purchase from the District of Columbia Reformatory at Lorton, Va., gun mountings and carriages for guns for use at historic sites and for museum display purposes (Rept. No. 319).

By Mr. BIBLE, from the Committee on the District of Columbia, with an amendment:

H. R. 6258. A bill to amend the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes," approved August 17, 1937, as amended (Rept. No. 320).

By Mr. BIBLE, from the Committee on the District of Columbia, with amendments:

S. 923. A bill to amend the act for the retirement of public school teachers in the District of Columbia (Rept. No. 321);

S. 1264. A bill to exempt from taxation certain property of the National Trust for Historic Preservation in the United States in the District of Columbia (Rept. No. 322); and

S. 1770. A bill to provide for the retirement of officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, the United States Park Police force, the White House Police force, and of certain officers and members of the United States Secret Service, and for other purposes (Rept. No. 323).

THIRD SUPPLEMENTAL APPROPRIATION BILL, 1957

Mr. HAYDEN. Mr. President, from the Committee on Appropriations, I report favorably, with amendments, the bill (H. R. 7221) making supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, and I submit a report (No. 310) thereon. I ask that the bill be placed on the calendar. I shall consult with the leadership and see when the bill can be brought up for consideration by the Senate.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the calendar.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF FRYINGPAN-ARKANSAS PROJECT, COLORADO

Mr. CARROLL. Mr. President, from the Committee on Interior and Insular Affairs, I report favorably, with amendments, the bill (S. 60) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Fryingpan-Arkansas project, Colorado, and I submit a report (No. 325) thereon. I ask unanimous consent that the minority views of the Senator from California [Mr. KUCHEL] be printed with the committee report.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and the report will be printed, as requested by the Senator from Colorado.

CONSTRUCTION, OPERATION, AND MAINTENANCE OF HELLS CANYON DAM ON THE SNAKE RIVER, IDAHO AND OREGON

Mr. CARROLL. Mr. President, on behalf of the Senator from Montana [Mr. MURRAY], from the Committee on Interior and Insular Affairs, I report favorably, without amendment, the bill (S. 555) to authorize the construction, operation, and maintenance of the Hells Canyon Dam on the Snake River between Idaho and Oregon, and for related purposes, and I submit a report (No. 324) thereon.

I ask unanimous consent that the individual views of the Senator from Oregon [Mr. NEUBERGER] and the minority views of the Senator from Utah [Mr. WATKINS], and other Senators, be printed with the committee report.

The VICE PRESIDENT. The report will be received and the bill will be placed on the calendar; and the report will be printed, as requested by the Senator from Colorado.

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF COMMITTEES

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

Two hundred and thirty-five postmaster nominations.

By Mr. CASE of South Dakota, from the Committee on Armed Services:

Vice Adm. Maurice E. Curts, United States Navy, for commands and other duties designated by the President, in the grade, rank, pay, and allowances of admiral while so serving; and

Clarence Fong, and sundry other persons, for appointment in the United States Navy.

By Mr. MURRAY, from the Committee on Interior and Insular Affairs:

Roger Charles Ernst, of Arizona, to be Assistant Secretary of the Interior, vice Olin Hatfield Chilson, elevated; and

Michael A. Stepovich, of Alaska, to be Governor of the Territory of Alaska, vice B. Frank Heintzleman, resigned.

By Mr. BIBLE (for Mr. NEELY), from the Committee on the District of Columbia:

Andrew Parker, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1962.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HILL:

S. 2073. A bill to authorize an extension of letters patent to Price Chrenleigh McLemore; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 2074. A bill for the relief of Anita Agnew; to the Committee on the Judiciary.

By Mr. MUNDT:

S. 2075. A bill to amend the act of August 20, 1954, establishing a Commission for the Celebration of the 200th Anniversary of the Birth of Alexander Hamilton; to the Committee on the Judiciary.

By Mr. MARTIN of Pennsylvania (by request):

S. 2076. A bill to extend and improve the unemployment-compensation program; to the Committee on Finance.

By Mr. TALMADGE (for himself, Mr. RUSSELL, Mr. THURMOND, Mr. JOHNSTON of South Carolina, Mr. SPARKMAN, Mr. HILL, Mr. KEFAUVER, Mr. ERVIN, and Mr. SCOTT):

S. 2077. A bill to direct the Secretary of the Department of the Interior to undertake a survey in order to assist in promoting the production of concentrated iron ore and steel in the southern Appalachian area; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. TALMADGE when he introduced the above bill, which appear under a separate heading.)

By Mr. TALMADGE (for himself and Mr. RUSSELL):

S. 2078. A bill for the relief of the Collier Manufacturing Co., of Barnesville, Ga.; to the Committee on the Judiciary.

By Mr. ROBERTSON:

S. 2079. A bill for the relief of Edward W. Mundie; to the Committee on the Judiciary.

By Mr. LONG:

S. 2080. A bill relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases; to the Committee on Finance.

(See the remarks of Mr. LONG when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS (for himself and Mr. CLARK):

S. 2081. A bill to establish the United States Arts Foundation; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. ALLOTT (for himself, Mr. EASTLAND, Mr. IVES, Mr. CHAVEZ, Mr. BRICKER, Mr. BEALL, and Mr. BIBLE):

S. 2082. A bill to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to making loans to farmers and stockmen, and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. ALLOTT when he introduced the above bill, which appear under a separate heading.)

By Mr. KEFAUVER:

S. 2083. A bill to amend the Pay Readjustment Act of 1942, as amended; to the Committee on Armed Services.

S. 2084. A bill to amend sections 2311, 2312, and 2313 of title 18, United States Code, so as to extend the punishment for the transportation of stolen motor vehicles in interstate or foreign commerce to tractors, commercial truck trailers, and truck semitrailers, and for other purposes; and

S. 2085. A bill for the relief of the estate of Gerald A. Orken; to the Committee on the Judiciary.

By Mr. ANDERSON:

S. 2086. A bill to amend the act of June 20, 1910, relating to the admission of New Mexico into the Union, to permit the State of New Mexico to achieve greater diversity in the prudent investment of moneys from lands held in trust; to the Committee on Interior and Insular Affairs.

By Mr. DIRKSEN (by request):

S. 2087. A bill for the relief of Eva Lichtfuss; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2088. A bill to amend section 4233 of the Internal Revenue Code of 1954 so as to exempt from the cabaret tax certain amounts paid for admission, refreshment, etc., by or for the benefit of certain tax-exempt organizations and institutions; to the Committee on Finance.

By Mr. CHURCH:

S. 2089. A bill to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHURCH when he introduced the above bill, which appear under a separate heading.)

By Mr. DOUGLAS:

S. 2090. A bill for the relief of Marie Elena Vega de Alcala;

S. 2091. A bill for the relief of Theodore Michael Lewis;

S. 2092. A bill for the relief of Chao-Ling Wang; and

S. 2093. A bill for the relief of Tam Ying Yee; to the Committee on the Judiciary.

By Mr. WILEY:

S. 2094. A bill to permit Cheddar cheese imported from foreign countries for the purpose of exhibition at the International Cheddar Cheese Scoring Contest, to be held at Fond du Lac, Wis., to be admitted without payment of tariff, or subject to quota limitations, and for other purposes; to the Committee on Finance.

S. 2095. A bill for the relief of certain aliens; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2096. A bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

(See the remarks of Mr. MAGNUSON when he introduced the above bill, which appears under a separate heading.)

FULFILLMENT OF PROGRAM RECOMMENDED BY NATIONAL HISTORICAL PUBLICATIONS COMMISSION FOR PUBLICATION OF CERTAIN DOCUMENTS

Mr. BENNETT submitted the following concurrent resolution, which was referred to the Committee on Rules and Administration:

Senate Concurrent Resolution 31

Whereas the National Historical Publications Commission is charged by the Congress with responsibility for cooperating with and encouraging "Federal, State, and local agencies and nongovernmental institutions, societies, and individuals" in collecting, preserving, and publishing documents that are important for understanding the history of the United States; and

Whereas the said Commission in the discharge of these responsibilities has recommended a national program to encourage the publication of the basic source materials of American history through the cooperative efforts of both public and private organizations; and

Whereas the President of the United States has approved the national program for the publication of historical documents, as set forth in the Commission's published report to him (and summarized in the Appendix of the CONGRESSIONAL RECORD for July 22, 1955); and

Whereas it is important that the people of the United States understand the history of their country and of its relationship to the rest of the world; and

Whereas the publication of such source materials as letters, diaries, journals, sermons, speeches, reports, and other documents—the firsthand evidence of the initiative, courage, and spiritual qualities of the men and women who have helped to shape our country's destiny—would contribute to a better understanding of the history of the United States in all of its manifold aspects, and would thereby strengthen the defense of our country against its enemies: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the fulfillment of the program recommended by the National Historical Publications Commission in its report entitled "A National Program for the Publication of Historical Documents" would be of lasting benefit to the Government and citizens of the United States; and be it further

Resolved, That the Congress of the United States respectfully urges the governors and legislatures of the several States and the State historical commissions and archival agencies, as well as appropriate libraries, historical societies, colleges and universities, business corporations, foundations, civic and other nonprofit organizations, and individuals to cooperate with the National Historical Publications Commission in the fulfillment of the said program.

SURVEY TO ASSIST IN PROMOTION OF PRODUCTION OF CONCENTRATED IRON ORE AND STEEL

Mr. TALMADGE. Mr. President, a continuously plentiful supply of steel is essential not only to the defense but also to the sustained economic growth of this Nation.

For some years now our economists, industrialists and defense planners have been concerned about the rapid depletion of the country's traditional sources of iron ore. Already many users have been forced to turn to other sources of supply, notably those in South America.

As a matter of prudence and preparedness, this situation should behoove us as a Nation to search out all sources of ore here at home. This should be done as insurance against any unhappy circumstances which in the future might deny us our foreign supplies, as well as to assure readily available reserves which might be tapped immediately in any emergency.

It is well known among geologists that there is an abundance of iron ore in the Southern Appalachians, particularly in the area known as the Clinton sedimentary beds occurring in the States of Georgia, Alabama, Tennessee, and the Carolinas. Dr. Merle C. Prunty, head of the department of geography and geology at the University of Georgia, and one of the Nation's most knowledgeable geologists, is convinced that these deposits—while not so rich as those of the Mesabi Range—are of commercial value. This is borne out by extensive studies made by the Georgia State Department of Geology.

This value is enhanced by the facts that adjacent to these iron ore deposits are extensive deposits of bituminous fuels essential to the production of steel and that abundant transportation facilities are afforded by the Tennessee River Waterway, the Coosa-Warrior River Waterway, the Alabama-Tombigbee River Waterway, the Apalachicola-Chattahoochee-Flint River Waterway, the Savannah River Waterway, and the contiguous railways of the area.

In order that these ore deposits might be effectively utilized when needed, I introduce, for appropriate reference, a bill to direct the Department of the Interior to undertake a survey to determine their extent and the means through which they can be effectively utilized for the production of steel. The measure provides for a report of findings within 180 days of its enactment.

In this survey the full resources of the Georgia State Department of Geology and the Department of Geography and Geology at the University of Georgia will be available to the Interior Department. Capt. Garland Peyton and Dr. A. S. Furcron, of the State Geology Department, and Dr. Prunty, of the university, have graciously volunteered their services and access to their files if they are desired.

In preparing this bill, I have sought the advice of my colleagues from the States affected, and all of them concur in its objectives. I am pleased that the Senator from Georgia [Mr. RUSSELL], the Senators from Alabama [Mr. HILL and Mr. SPARKMAN], the Senator from Tennessee [Mr. KEFAUVER], the Senators from North Carolina [Mr. SCOTT and Mr. ERVIN], and the Senators from South Carolina [Mr. JOHNSTON and Mr. THURMOND] have agreed to join me as cosponsors.

Mr. President, I hope, in the interest of the national welfare, that this measure will be given speedy approval. I ask unanimous consent that the bill be printed in the RECORD as a part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2077) to direct the Secretary of the Department of the Interior to undertake a survey in order to assist in promoting the production of concentrated iron ore and steel in the southern Appalachians area, introduced by Mr. TALMADGE (for himself and other Senators), was received, read twice by its title, referred to the Committee on Interior and Insular Affairs, and ordered to be printed in the RECORD, as follows:

Whereas the production of steel and related products are, and will be, essential to the defense and the economy of our Nation; and

Whereas there is an abundance of iron ore in the southern Appalachians, particularly in the beds known as the Clinton sedimentary iron-ore beds occurring in the States of Georgia, Alabama, Tennessee, North Carolina, and South Carolina and in associated deposits; and

Whereas there are extensive deposits of bituminous fuels in the States of Georgia, Alabama, Tennessee, North Carolina, and South Carolina adjacent to the Clinton beds, which are essential not only to the future recovery and concentration of low-grade steel in such States, and possibly elsewhere, but also for other purposes related to the defense and economy of the Nation; and

Whereas the transportation facilities afforded by the Tennessee River waterway, the Coosa-Warrior River waterway, the Alabama-Tombigbee River waterway, the Apalachicola-Chattahoochee-Flint River waterway, the Savannah River waterway, and the

contiguous railways of the area will promote a tremendous expansion for industries aiding the economy and national defense of this Nation; and

Whereas the coordination of production and transportation facilities must be generated by effective surveys and studies tending to develop groupings of various industries in the coordination of their common problems: Now, therefore,

Be it enacted, etc., That the Secretary of the Department of the Interior is authorized and directed to conduct a survey, having national significance in the defense and economy of our country, for the purpose of determining ways and means of affirmatively encouraging the production of concentrated iron ore for steel, and its related products, from the sources of ore and fuel in and contiguous to the southern Appalachians area. The Secretary shall report the results of such survey to the Congress, and shall make such reports public, not later than 180 days after the date of enactment of this act.

COMPUTATION OF ANNUAL INCOME FOR THE PAYMENT OF CERTAIN PENSIONS

Mr. LONG. Mr. President, I introduce, for appropriate reference, a bill relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases.

As a result of action by the Louisiana legislature, the State of Louisiana is planning to pay a bonus to veterans of the Spanish-American War and World War I and certain of their survivors. A veteran or the widow of a veteran who is in receipt of a non-service-connected disability or death pension from the Veterans' Administration is limited as to the amount of income which can be received from other sources. The limit is $1,400 a year for a recipient alone or $2,700 a year if there are dependents. The Veterans' Administration has ruled that the State bonus will be counted as income for pension purposes.

The Veterans' Administration has made this ruling under the provisions of Veterans' Administration regulation 1228. The State of Louisiana has contended that the intent of this regulation was to count as bonuses those things received from private employers for work performed, and to supplement salaries or commissioners paid and not State bonuses paid veterans for service to the Federal Government.

The Internal Revenue Service has ruled that State bonuses are not considered as income. I believe it to be unquestionably true that the State legislators who have voted these veteran bonuses have never considered them anything other than gratuities in the same sense as they have been regarded for Federal income-tax purposes by the Internal Revenue Service.

If a State wishes to assist and supplement the pension being paid to a veteran, it should not be penalized and discouraged from doing so by having the payment of a bonus cause the veteran to be ineligible for his pension. I do not believe that Congress intended to discourage the States from helping their own disabled veterans.

The bill which I am introducing today would provide that State bonuses to a veteran or his survivors based on his military service shall not be construed as income in determining eligibility for a non-service-connected disability or death pension from the Veterans' Administration. It would simply require that the Veterans' Administration exclude State bonuses in determining income for pension purposes in the same manner that the Internal Revenue Service excludes States bonuses in determining income for income-tax purposes.

I ask unanimous consent that a letter addressed by me to the Administrator of Veterans' Affairs and his answer thereto relating to this subject, may be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letters will be printed in the RECORD.

The bill (S. 2080) relating to the computation of annual income for the purpose of payment of pension for non-service-connected disability or death in certain cases, introduced by Mr. LONG, was received, read twice by its title, and referred to the Committee on Finance.

The letters presented by Mr. LONG are as follows:

MARCH 15, 1957.

Hon. H. V. HIGLEY,
Administrator of Veterans' Affairs,
Veterans' Administration,
Washington, D. C.

DEAR MR. HIGLEY: Recently I had discussed with your General Counsel, Mr. Guy H. Birdsall, his interpretation that State bonuses to veterans must be considered as income for the purpose of part II pensions.

This interpretation is contrary to the interpretation by the Internal Revenue Service, which I believe has justifiable claim to being highly qualified to rule on matters of this kind. It seems to me that the interpretation of your General Counsel should be reviewed to give some consideration to the spirit as well as the letter of the law as it relates to this matter. I believe that it is unquestionably true that the State legislators who have voted these veterans bonuses have never considered them anything other than gratuities in the same sense as they have been regarded for Federal income tax purposes by the Internal Revenue Service.

Even if the letter of the law, as interpreted by your General Counsel, is to be adhered to, I think you would agree with me that it is manifestly an inequity of the law which should be corrected. Accordingly, if after reviewing the matter personally you feel it necessary to continue the present interpretation of the law as it relates to this problem, it would appear appropriate for you to indicate your willingness to support an amendment which would correct the inequity involved.

Your early personal attention to this matter would be appreciated. Copies of correspondence which has been furnished to me by the Louisiana Veterans' Affairs Department are enclosed for your information.

Sincerely yours,

RUSSELL B. LONG.

APRIL 1, 1957.

The Honorable RUSSELL LONG,
United States Senate,
Washington, D. C.

DEAR SENATOR LONG: I am in receipt of your letter dated March 15, 1957, with enclosures, concerning the position of the General Counsel of this Administration that money received by a veteran as a State bonus must be considered as income for the purpose of part III, Veterans Regulation No. 1 (a) (38 U. S. C. A., ch. 12A). VA Regulation 1228 (C) provides in effect that in determining annual income, payments and benefits received from certain enumerated sources will be considered. One of these is as follows:

"(1) Total income from sources such as wages, salaries, bonuses (except World War adjusted compensation), earnings, emoluments, investments or rents from whatever source derived, or income from a business or profession."

As indicated by one of the enclosures received with your communication, the General Counsel under date of November 26, 1956 advised the Chief of Claims, National Rehabilitation Service, VFW of the United States, that under the above quoted regulation the only exception insofar as bonuses are concerned is the bonus commonly referred to as world war adjusted compensation, and that therefore a veteran who receives a State bonus must include the same in the computation of annual income.

You refer to the fact that the Bureau of Internal Revenue has ruled that money received by a veteran as a State bonus is not required to be reported as income for Federal income tax purposes. Informal contact with that Bureau reveals that such ruling was predicated upon the theory that a State bonus is a gift and that section 102 of the Internal Revenue Code 1954 expressly provides that gross income does not include the value of property acquired by gift, bequest, devise, or inheritance. There is no comparable provision contained in the statute or regulations administered by the Veterans' Administration and the test to be applied as to what shall constitute income for the payment of pension to veterans under part III, Veterans' Regulation No. 1 (a), supra, or to widows of veterans under Public Law 484, 73d Congress, as amended (38 U. S. C. A. 503) is not necessarily the same test as that which is applicable for the payment of Federal income tax. As a matter of fact VA Regulation 1228 (C) (8) is to the effect that gifts will be considered as income for the purposes of said veterans regulation and statute.

I am in accord with the position taken by the General Counsel and do not believe that a different interpetation is justified. With letter dated February 15, 1957 the General Counsel forwarded to you a draft of a bill which if enacted would exclude from computation as annual income for certain pension purposes any payment of veterans' bonuses by a State, Territory, possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico to persons who served in our Armed Forces and their widows and children. It was stated in that letter that the same did not constitute an expression of views by the Veterans' Administration as to the merits of the proposal and that if the bill is introduced and the committee to which it is referred requests a report, this Administration will of course comply as promptly as possible after ascertaining from the Bureau of the Budget the relationship of the proposal to the program of the President.

Pertinent to the proposed amendment, you will recall that pension was one of the subjects in the field of veterans' nonmedical benefits which was given extensive study and consideration by the President's Commission on Veterans' Pensions. The recommendations of that Commission are currently being analyzed and reviewed in the executive branch and the President has advised in his recent budget message that he will transmit to the Congress a special message outlining legislative proposals in the field of veterans' programs. Under the circumstances, you will appreciate that I would not be in a position to express an opinion at this time on the suggested amendment.

Sincerely yours,

H. V. HIGLEY,
Administrator.

PROPOSED UNITED STATES ARTS FOUNDATION

Mr. JAVITS. Mr. President, on behalf of myself and the distinguished Senator from Pennsylvania [Mr. CLARK], I introduce, for appropriate reference, a bill to establish a United States Arts Foundation as an independent agency in the executive branch of the Federal Government.

The proposed legislation provides for the Foundation to be directed by a 12-man board of trustees, to be appointed by the President, by and with the advice and consent of the Senate. The Foundation is authorized and directed to stimulate and encourage throughout the United States the study and advancement of the performing arts, and the public interest in them.

The bill is completely consistent with the administration's program for a Federal Advisory Council on Arts, of which I am also a sponsor.

The bill, if enacted, would develop a practical application of the Federal concern with the arts at a time when action is so urgently needed in the performing arts field, if we are not to sacrifice great resources in that field. In short, this is a plan which, while profiting greatly from the advisory activities, should not be held up to await them.

Yesterday I appeared at a meeting in New York, sponsored by the Actors Equity Association and attended by some of the leading performers and directors in the theater. There is a grave emergency existing now in conserving the cultural resources of our country. The bill is an effort to join in and help with that conservation. I am very proud and honored to have the Senator from Pennsylvania [Mr. CLARK] join me in the introduction of the bill.

Now a word about economy. Economy, which is being emphasized now, also implies wisdom in making expenditures.

In the proposed establishment of the United States Arts Foundation, we are in an area of comparatively small expenditure—from $3 million to $5 million—but one which will give great impetus to private activities worth many times the amount involved, and will afford pleasure to vast areas of the country, making it possible for people to see the performing arts, which is an opportunity now denied them.

We have done without such an advantage for too long, considering that other peoples, not nearly so wealthy as we, have had comparable organizations for years. We have only ourselves to blame if we do not take advantage of our own cultural opportunity.

I point out that the British Arts Council has been functioning with great success since 1943, under a form of government very much like our own. Only last year Canada established the Canadian Arts Council.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JAVITS. I am glad to yield to the cosponsor of the bill, the distinguished Senator from Pennsylvania.

Mr. CLARK. I desire to associate myself with the views expressed by the junior Senator from New York, and I express the hope that the bill will receive favorable consideration.

Mr. JAVITS. I thank the Senator from Pennsylvania.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2081) to establish the United States Arts Foundation, introduced by Mr. JAVITS (for himself and Mr. CLARK), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc.—

ESTABLISHMENT OF FOUNDATION

SECTION 1. There is hereby established in the executive branch of the Government an independent agency to be known as the United States Arts Foundation (hereinafter referred to as the "Foundation").

DECLARATION OF POLICY

SEC. 2. The Congress finds that a large and progressively increasing proportion of the people of the United States are deprived of the opportunity to view and enjoy living theatrical performances, musical concerts, opera, dance and ballet recitals, and the performing arts generally; that the general welfare will be promoted by providing national recognition of the status of the theater and other performing arts as a cherished and valued part of the Nation's cultural resources since colonial days, and as a valued means for the building of morale among the civilian components engaged in defense production and among the Armed Forces, and for the promotion of education, national culture, recreation, skill in the arts and beneficial utilization of leisure time; that it is desirable to establish a United States Arts Foundation to provide such recognition and also to consider how the presentation to and appreciation by the people of theatrical and other performing arts and productions may best be stimulated in civic and educational groups as well as professional companies, and throughout the Nation and regions thereof (including ships, airfields, posts, camps, and stations of the Armed Forces and mines, plants, and offices of the civilian component production forces) and to take steps appropriate to stimulate such increased and more widespread presentations.

TRUSTEES OF FOUNDATION

SEC. 3. (a) The Foundation shall be subject to the general supervision and policy direction of a board of trustees which shall consist of 12 members to be appointed by the President, by and with the advice and consent of the Senate. The President shall endeavor to provide representation to the several performing arts, to both civic, educational, and professional groups concerned with and engaged in productions of the performing arts, to the trade unions and trade associations concerned with the performing arts, and to the attending public. The President is requested, in the making of nominations, to give due consideration to recommendations for nomination which may be submitted to him by the representative associations of the foregoing and of organizations and associations concerned with the encouragement and development of the performing arts.

(b) The term of office of each trustee of the Foundation shall be 6 years in duration, expiring on April 30, except that the terms of the trustees first taking office after the enactment of this act shall expire, as designated by the President at the time of appointment, 4 at the end of 2 years, 4 at the end of 4 years, and 4 at the end of 6 years, subsequent to the April 30 following the enactment of this act. A vacancy shall be filled only for the unexpired portion of the term. Any person who has been a trustee of the Foundation for 12 consecutive years shall be ineligible for appointment during the following 2-year period.

(c) The President shall call the first meeting of the trustees of the Foundation, at which the first order of business shall be the election of a Chairman and Vice Chairman.

PRINCIPAL POWERS AND DUTIES OF THE FOUNDATION

SEC. 4. (a) The Foundation is authorized and directed to—

(1) stimulate and encourage throughout the United States the study of and the advancement of the performing arts and public interest therein;

(2) stimulate and encourage within such reasonable limitations as it shall determine the presentation throughout the United States, and to the widest practicable audiences, of productions of the performing arts, of both new works and works drawn from the existing literature of those arts, which have substantial artistic or historic significance, giving preference to stimulating and encouraging the works of citizens and residents of the United States and of the Americas;

(3) foster and encourage professional and civic and nonprofit, private, public, educational, institutional, or governmental groups which are engaged in or directly concerned with the performing arts and productions;

(4) foster and encourage maintenance of registers, as may be deemed advisable, of theaters, personnel, or otherwise; and make such surveys and analyses as may be deemed advisable in the interests of the performing arts throughout the country; and

(5) provide through direct grant or otherwise financial assistance and support from the funds appropriated to the Foundation or otherwise obtained pursuant to this act or other acts, to professional groups, and groups meeting professional standards, and educational groups, engaged in or concerned with the performing arts and productions, for the purpose of enabling such groups to provide productions of such type or in such regions as would not otherwise be available to the prospective audience, or to provide instruction in the performing arts, but such groups shall be eligible for financial assistance only if no part of the net earnings of such groups inures to the benefit of any private stockholder or stockholders, or individual or individuals, and if such groups satisfy the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954 so as to authorize deductions from gross income of donations to such groups. The Foundation shall wherever practicable develop the principle of watching funds with interested agencies public or private.

(b) The Foundation shall not produce or present any production.

(c) The trustees of the Foundation shall meet four times each year, beginning on the first Monday in February, May, August, and November, and at such other times as the Chairman may determine. The Chairman shall also call a meeting whenever one-third of the trustees so request in writing. A majority of the trustees of the Foundation shall constitute a quorum. Each trustee shall be given notice, by registered mail mailed to his last-known address of record not less than 15 days prior to any meeting, of the call of such meeting.

(d) The first Chairman and Vice Chairman of the Foundation shall be elected by the Foundation to serve until the first Monday in May next succeeding the date of election at which time a Chairman and Vice Chairman shall be elected for a term of 2 years. Thereafter such election shall take place at the annual meeting occurring at the end of each such term. The Vice Chair-

man shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Foundation shall elect a trustee to fill such vacancy.

(e) The Foundation shall render an annual report to the President for submission on or before the 15th day of January to the Congress, summarizing the activities of the Foundation and making such recommendations as it may deem appropriate.

DIRECTOR OF FOUNDATION

SEC. 5. There shall be a Director of the Foundation (hereinafter referred to as the Director), who shall be appointed by the President, by and with the advice and consent of the Senate. In the appointment of the Director of the Foundation, the President is requested to give due consideration to the recommendations for such an appointment which may be submitted to him by the Board of Trustees, and the Board of Trustees in making such recommendations shall give due consideration to the recommendations which may be submitted to them by the representative associations referred to in section 3 (a) of this act. The Director shall serve as an ex officio trustee of the Foundation. In addition, he shall be the chief executive officer of the Foundation. The Director shall receive compensation at the rate of $25,000 per annum and shall serve for a term of 6 years unless sooner removed by the President; provided that at any time a majority of the Board of Trustees may recommend such removal to the President.

ADMINISTRATION AND ENABLING AUTHORITY

SEC. 6. (a) The Foundation may appoint committees or councils or panels concerned with particular regions of the country or with particular aspects of the performing arts, or both, and composed of persons who need not be trustees of the Foundation, or of organizations. The Foundation shall maintain an office in the District of Columbia, and in such other places through the country as it may deem appropriate.

(b) The Director shall have general authority to carry out and execute the programs of the Foundation on a full time, continuous basis, to recommend programs to the Foundation and to discharge such other functions as the Foundation may delegate to him, including functions vested in the Foundation by this act. Except as specifically approved by the Foundation, the Director shall not hold any office in, or act in any capacity for, any group or institution with which the Foundation makes any contract, or to which it gives any award or assistance.

(c) The Foundation is specifically authorized to—

(1) prescribe such rules and adopt such bylaws as it deems necessary governing the manner of its operation and its organization and personnel;

(2) make expenditures, and enter into contracts or other arrangements, as may be necessary for administering the provisions of this act, without regard to the provisions of section 3709 of the Revised Statutes (41 U. S. C., sec. 5);

(3) make advance, progress, and other payments which relate to research in the performing arts without regard to the provisions of section 3648 of the Revised Statutes (31 U. S. C. sec. 529);

(4) acquire by purchase, lease, loan, or gift, and to hold and/or dispose of by sale, lease, or loan, real and personal property, to receive and use funds or property donated by others, and such donations shall be classified as contributions deductible from gross income within the meaning of section 170 of the Internal Revenue Code of 1954;

(5) publish or arrange for the publication of information relating to the performing arts and productions, or personnel engaged therein, without regard to the provisions of section 11 of the Act of March 1, 1919 (44 U. S. C., sec. 111);

(6) accept and utilize the services of voluntary and uncompensated personnel;

(7) pay fees for and to enter into contracts with persons for the performance of services required by the Foundation; and

(8) pay to employees of the Foundation, and to all other persons rendering service to the Foundation, whether on an uncompensated basis or on a fee or contract basis, actual and necessary traveling and subsistence expenses (including, in lieu of subsistence, per diem allowances at a rate not in excess of $15) when engaged away from home, in business of the Foundation.

(d) (1) The Foundation is authorized to make loans to any professional group, or any group meeting professional standards or any educational group meeting standards prescribed by the Foundation engaged in or connected with the performing arts and productions or in instruction therein. Such loans may provide for payment to the Foundation of a percentage of the net profits of the production or productions, or of interest, or both, as may be determined by the Foundation.

(2) A group shall not be eligible for assistance under subparagraph (1) unless (A) such group satisfies the standards of subsection (c) of section 170 of the Internal Revenue Code of 1954, so as to authorize deductions of donations to such group from the gross income of the donor, and (B) no part of the net earnings of such group inures to the benefit of any private stockholder or individual.

INTERNATIONAL COOPERATION

SEC. 7. (a) The Foundation is authorized, with the approval of the President and to the extent specified by such approval, and in consultation with the Department of State, to cooperate in, assist, and sponsor international activities relating to the performing arts, including the assistance to or sponsorship of performances in other countries.

(b) The Director, with the approval of the Foundation, and subject to consultation with the Secretary of State, may defray the expenses of trustees or employees of the Foundation, and members of councils or committees of the Foundation, in attending meetings, congresses, and performances in other countries relating to the performing arts, whenever he deems it necessary in the promotion of the objectives of this Act.

APPROPRIATIONS

SEC. 8. (a) There is authorized to be appropriated to the Foundation for each fiscal year such sums as shall be necessary to carry out the provisions of this act. The moneys appropriated to the Foundation shall remain available for expenditure for 2 years following the expiration of the fiscal year for which appropriated.

(b) Moneys received by the Foundation pursuant to paragraph (4) or (5) of section 6 (c), or pursuant to section 6 (d), of this act, shall not be covered into the Treasury as miscellaneous receipts, but shall be kept in a special account, maintained by the Treasury Department, or may be kept by the Foundation in commercial banking institutions, or invested in securities eligible for trust funds in the District of Columbia.

GENERAL PROVISIONS

SEC. 9. (a) The Director shall, in accordance with such policies as the Foundation shall from time to time prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this act. Such appointments shall be made and such compensation shall be fixed in accordance with the provisions of the civil-service laws and regulations and the Classification Act of 1949, as amended, except that the Director may, in accordance with such policies as the Foundation shall from time to time prescribe, employ such technical and professional personnel or personnel with experience in or relating to any of the performing arts, and fix their compensation, without regard to such laws, as he may deem necessary for the discharge of the responsibilities of the Foundation under this act. The Deputy Director hereinafter provided for, and the members of the councils or committees, shall be appointed, without regard to the civil-service laws or regulations. Except with the approval of the Foundation, neither the Director nor the Deputy Director shall engage in any other business, vocation, or employment than that of serving as such Director or Deputy Director, or hold any office in, or act in any capacity for, any organizations, agency, or institution with which the Foundation makes any contract or other arrangement under this act.

(b) The Director may appoint, with the approval of the Foundation, a Deputy Director, who shall perform such functions as the Director, with the approval of the Foundation, may prescribe and shall be acting Director during the absence or disability of the Director or in the event of a vacancy in the Office of the Director, and who shall receive compensation at a rate not to exceed $20,000 per annum.

(c) The trustees of the Foundation, and the members of the council and committees, shall receive compensation at the rate of $50 for each day engaged in the business of the Foundation pursuant to authorization of the Foundation, and shall be allowed actual and necessary traveling and subsistence expenses (including, in lieu of subsistence, per diem allowance at a rate not in excess of $15) when engaged away from home, in the duties of their offices.

(d) Persons holding other offices in the executive branch of the Federal Government may serve as members of the committees or councils, but they shall not receive remuneration for their services as such members during any period for which they receive compensation for their services in such other offices.

(e) Service of an individual as a trustee or employee of the Foundation, of a committee or council, shall not be considered as service bringing him within the provisions of section 281 or section 283 of title 18 of the United States Code unless the act of such individuals, which by such section is made unlawful when performed by an individual referred to in such section, is with respect to any particular matter which directly involved the Foundation or in which the Foundation is directly interested.

(f) Agencies of the United States Government are authorized to render assistance to the Foundation by the donation or loan of employee services and by the donation or loan of supplies, office or building space, or other property, either on a reimbursable or nonreimbursable basis.

(b) The Foundation shall provide a reasonable system for control and accountability of all funds of the Foundation, and shall consult with and consider the suggestions of the Comptroller General with regard thereto.

DEFINITION AND TITLE

SEC. 10. As used in this act—

(a) The term "performing arts" means the arts related to performances of theatrical plays, dance and ballet performances, and performances of musical works (instrumental, voice, and/or operatic); and includes the arts of playwriting, acting, directing, staging, scenic and costume design, and composition and performance of music, opera, and dance and ballet.

(b) The term "productions" means plays (with or without music), ballets, readings, concerts, recitals, operas, and any other performances before members of the public involving the execution or rendition of any of the performing arts and meeting such standards as may be established by the Foundation.

(c) The term "group" includes any society, institution, organization, or association, whether or not incorporated.

SHORT TITLE

SEC. 11. This act may be cited as the "United States Arts Foundation Act."

CONSOLIDATED FARMERS' HOME ADMINISTRATION ACT OF 1957

Mr. ALLOTT. Mr. President, from time to time during the past 3 years I have called the attention of my colleagues to the farm credit situation in the United States. As has repeatedly been pointed out, the fact is that Congress has appropriated a great deal of money to provide farm credit for farmers, stockmen, and ranchers who cannot obtain credit from banks, production associations, cooperative associations, or similar credit institutions. During these 3 years I have introduced on this subject three bills which have become known as the Allott bills. They are designed to help make farm credit in the United States workable.

Mr. President, my office constantly receives a great deal of mail—which comes not only from my own State, but also from most of the other States, particularly those in the South, the Midwest, and the West—which convinces me that the farmers, stockmen, and ranchers of the United States want an FHA program which will work. In the past few weeks, since the introduction of my last bill, it has become apparent that some very obvious improvements could be made in the drafting and organization of the bill. Therefore, Mr. President, I desire to introduce at this time, for appropriate reference, a bill—cosponsored by the Senator from Mississippi [Mr. EASTLAND], the Senator from New York [Mr. IVES], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Ohio [Mr. BRICKER], the Senator from Maryland [Mr. BEALL], and the Senator from Nevada [Mr. BIBLE]—to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to the making of loans to farmers and stockmen, and for other purposes.

Mr. President, those of us who serve in the Congress can no longer afford to have on the statute books a law which costs the people of the country money, but which is so complicated in its operations that no ordinary person can be expected to interpret correctly the thousand pages of regulations, not to mention the conflicting acts which constitute that measure.

Mr. President, I ask unanimous consent that the bill which I am introducing at this time be printed in the RECORD at the conclusion of my remarks, and that there also be printed in the RECORD an analysis of the bill and an explanation of its provisions.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill and analysis will be printed in the RECORD.

The bill (S. 2082) to simplify, consolidate, and improve the authority of the Secretary of Agriculture with respect to making loans to farmers and stockmen, and for other purposes, introduced by Mr. ALLOTT, for himself and other Senators, was received, read twice by its title, referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That (a) this act may be cited as the Consolidated Farmers Home Administration Act of 1957.

(b) The Congress finds that the statutory authority of the Secretary of Agriculture for making and insuring loans to farmers and stockmen who are unable to obtain the necessary credit they need elsewhere on reasonable terms and conditions should be revised and consolidated in order to avoid multiplicity of loan types and in order to provide for a more effective administration of such loans.

TITLE I—REAL ESTATE LOANS

SEC. 2. The Secretary is authorized to make and insure loans in the United States, Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to persons eligible for such loans, as provided in this title, for the following purposes:

(a) To provide for the purchase of that land or interests therein only which can be used effectively in the operation of a family-type farm in the area, or land which is necessary in connection with the establishment or improvement of an association-type facility.

(b) To provide essential farm buildings on not larger than family-type farms.

(c) To provide for the improvement of farmland by facilities for the development, storage, and utilization of water and appurtenances thereto; soil and water conserving irrigation and drainage facilities, structures, or practices; improvement of soil fertility; the establishment or improvement of permanent pastures; fencing; forestation and other erosion preventatives; and other means of developing and improving farmland as may be determined from time to time by the Secretary.

(d) To liquidate or refinance existing farm indebtedness or any portion thereof of eligible applicants; provided that loans primarily for refinancing existing indebtedness shall not be made after June 30, 1959.

SEC. 3. (a) Individuals shall be eligible for loans under this title who are:

(1) Citizens of the United States of America.

(2) Bona fide farmers with farming experience or training which the Secretary determines is sufficient to expect reasonable success in the proposed operation.

(3) Except as provided in subparagraph (4) and (5) immediately following, the owner-operators of family-type farms in the area as determined by the Secretary.

(4) Owners of farms including larger than family-type farms in the area but whose only credit needs under this title are for the purpose of soil and water conservation, development, use, and drainage facilities, structures, or practices.

(5) owner-operators of less than family-size farms and who are bona fide farmers, have historically resided on farms, and depended on farm income for their livelihood, and are conducting substantial farming operations.

(b) Associations, including corporations not operated for profit, and public or quasi public agencies, which will provide farmers and ranchers with such facilities for soil and water conservation, development, use and drainage, as the Secretary may specify from time to time, shall be eligible for loans under this title.

SEC. 4. With respect to loans made or insured under this title, the Secretary shall:

(a) Make no loan, the period for repayment of which exceeds 40 years.

(b) Make no loan to any individual which would cause the total unpaid principal indebtedness against the farm or farms offered as security to exceed the fair and reasonable value, determined as prescribed by the Secretary and recommended by the county committee established under section 32.

(c) Establish from time to time the interest rate or rates at which loans for various purposes will be made, but no such rate shall exceed 5 percent per annum, plus such fees, delinquency or amortization charges as the Secretary may require, taking into consideration:

(1) the prevailing private and cooperative interest rates for loans for similar terms and purposes;

(2) the need for such credit in the maintenance of a sound agricultural economy;

(3) the credit risk involved; and

(4) the rate of interest paid by the Secretary in obtaining funds from which such loans are made.

(d) Make or insure no loan to any individual or loans to all individuals operating a single farming enterprise which will cause such person's total outstanding principal indebtedness incurred under this title, title I of the Bankhead-Jones Farm Tenant Act, title V of the Housing Act of 1949, and under the Water Facilities Act, as amended, plus the total unpaid principal indebtedness secured by any prior lien not refinanced in connection with the loan hereunder to exceed $50,000 at any one time.

(e) Shall make no loan to any association which would cause such association's principal indebtedness for loans under this title and the Water Facilities Act, as amended, to exceed $250,000 at any one time.

(f) Except as specifically provided herein, determine from time to time the terms and conditions upon which such loans shall be made or insured.

SEC. 5. (a) Loans which could be made by the Secretary under this title may be insured by the Secretary whenever funds are advanced or a loan is purchased by a lender other than the United States: *Provided*, That no loan to an individual shall be insured so long as the unpaid balance of the indebtedness on the loan, plus the unpaid balance of any prior lien indebtedness exceeds 90 percent of the fair and reasonable value of the farm as certified by the county committee.

(b) In connection with the insurance of loans, the Secretary of Agriculture:

(1) is authorized to include in insurance contracts agreements with respect to the servicing of loans insured hereunder and to purchase such loans which are not in default on such terms and conditions as he may prescribe; and

(2) is authorized to require the payment to the Secretary annually of such charges as the Secretary may determine at the time the loan is insured.

Any contract of insurance executed by the Secretary under this title shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder has actual knowledge.

SEC. 6. (a) The fund established pursuant to section 11 (a) of the Bankhead-Jones Farm Tenant Act, as amended, shall hereafter be called the Agricultural Credit Insurance Fund and is hereinafter in this title referred to as the "fund." The fund shall remain available as a revolving fund for the discharge of the obligations of the Secretary under agreements insuring loans under this title and loans and mortgages under this title to prior authority.

(b) Moneys in the fund not needed for current operations shall be deposited with the Treasurer of the United States to the credit of the fund. The Secretary may purchase with money in the fund and notes issued by the Secretary to the Secretary of the Treasury for the purpose of obtaining money for the fund.

(c) The Secretary is authorized to make and issue notes to the Secretary of the Treasury for the purpose of obtaining funds necessary for authorized expenditures out of

the fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes shall bear interest at a rate determined by the Secretary of the Treasury, taking into account the average rate of outstanding interest bearing marketable public debt obligations of the United States. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose, the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which such securities may be issued under the act, as amended, are extended to include the purchase of notes issued by the Secretary. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States.

(d) Notes and security acquired by the Secretary in connection with loans insured under this title shall become a part of the fund. Notes may be held in the fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof. All net proceeds from such collections, including sales of notes or property, shall be deposited in and become a part of the fund.

(e) The Secretary is authorized to deposit in the fund such portion of the annual charge in connection with the insurance of loans as he determines to be an appropriate insurance charge and the remainder of such annual charge shall be available for administrative expenses of the Farmers' Home Administration to be transferred annually and become merged with any appropriation for any administrative expense.

(f) The Secretary may utilize the fund:

(1) to pay to the holder of the notes any defaulted installment or if the balance due on the note is accelerated, the entire balance due on the loan;

(2) to purchase notes in accordance with agreements previously entered into; and

(3) to pay taxes, insurance, prior liens and other expenses in connection with the protection or the acquisition of the security taken in connection with insured loans.

SEC. 7. The Secretary may take as security for the obligations entered into in connection with loans first and second mortgages on farms with respect to which such loans are made and such other security the Secretary may require, and such mortgages shall constitute liens running to the United States notwithstanding the fact that the note may be held by a lender other than the United States.

TITLE II—OPERATING LOANS

SEC. 11. The Secretary is authorized to make loans for the operation of farms in the United States, the Territories of Alaska and Hawaii and in Puerto Rico and the Virgin Islands, to persons eligible for such loans as provided in this title for the following purposes:

(a) The cost of reorganizing the farming enterprise to accomplish more diversification or more profitable farming operations;

(b) The purchase of livestock, poultry and farm equipment;

(c) The purchase of seed, feed, fertilizer, and farm supplies;

(d) To finance soil and water conservation, development, use and drainage equipment and practices;

(e) To refinance existing indebtedness; and

(f) Other farm needs including family subsistence.

SEC. 12. Only individuals shall be eligible for loans under this title who are—

(a) Citizens of the United States of America;

(b) Except as provided in item (c), immediately following, the operators of family-type farms in the area who have farming experience or training which the Secretary determines is sufficient to expect reasonable success in the proposed operation; and

(c) The operators of less than family-type farms in the area who are bona fide farmers, have historically resided on farms and depended on farm income for their livelihood and are conducting substantial farming operations.

SEC. 13. In connection with loans under this title, the Secretary shall—

(a) Make no loan to any one borrower which would cause the total principal balance outstanding for loans made under this title and under section 21 of the Bankhead-Jones Farm Tenant Act, as amended, to exceed $20,000: *Provided, however,* That not more than 10 percent of the sums made available by any annual appropriation for loans under this section may be used for making loans which would cause such indebtedness under said acts to exceed $10,000;

(b) To make no loan under this section for terms of longer than 7 years from the date the original loan was made under this section or under section 21 of the Bankhead-Jones Farm Tenant Act, as amended. Nor to any person who has failed to liquidate his indebtedness under said sections of said acts for 7 consecutive years: *Provided, however,* That in justifiable cases where the Secretary finds that the inability of the borrower to pay such indebtedness within 7 years is due to causes beyond the control of the borrower. The Secretary may extend or renew such loans to be repayable in not to exceed 10 years from the date the original loan was made and during such extended period may make additional loans to such persons if necessary;

(c) Make no loan under this title for the purchasing or leasing of land other than for an annual cash rent, payable in advance, nor for carrying on of any land leasing or land purchasing program; and

(d) Make all loans under this section at the rate of 5 percent per annum, upon the full personal liability of the borrower and upon such security and subject to such terms and conditions not otherwise specified herein as the Secretary may prescribe.

TITLE III—EMERGENCY LOANS

SEC. 21. (a) The Secretary of Agriculture (hereinafter in this act referred to as the "Secretary") is authorized, in any area designated as an emergency area pursuant to the provisions of subsection (b) of this section, to make loans to bona fide farmers, ranchers, and stockmen for any agricultural purposes, including but not limited to, the purchase of livestock, seed, feed, fertilizer, farm equipment, supplies, other farm needs, and for family subsistence.

(b) The Secretary may designate any area as an emergency area if he finds—

(1) that there exists in such area a general need for agricultural credit which cannot be met for temporary periods of time by private, cooperative, or other responsible sources (including loans the Secretary is authorized to make or insure under any other act of Congress) at reasonable rates, and on terms and conditions which farmers, ranchers, and stockmen could be expected to meet under the circumstances; and

(2) that the need for such credit in such area is the result of natural disaster or severe production losses.

SEC. 22. (a) Loans made by the Secretary under the provisions of this title shall—

(1) be made to farmers, ranchers, and stockmen (including private corporations and associations engaged primarily in farming) (A) who have a reasonable prospect for successful operation with the assistance of such loan, and (B) who cannot secure the credit they need from other sources on reasonable terms and conditions;

(2) be made at a rate of interest not to exceed 5 percent per annum; and

(3) be secured (A) in the case of any individual farmer or stockman, by the personal obligation and available security of the farmer, rancher, or stockman, and (B) in the case of corporations or associations, by the personal obligation and security of the corporation and of each person holding as much as 10 percent of the stock or other interest in the corporation or association.

(b) Such loans shall be subject to an agreement that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private source, at reasonable rates and terms for loans for similar purposes and periods of time prevailing in the area, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary and to pay for any stock necessary to be purchased in the cooperative lending agency in connection with such loan. No loan shall be made which would cause the borrower's unpaid principal indebtedness under sections 21 and 22 of this title to exceed $50,000.

(c) Such loans shall be subject to such other terms and conditions as the Secretary may prescribe.

SEC. 23. In areas designated by the Secretary, where the production of livestock and livestock products constitutes a substantial part of the farm economy of the area and livestock operations in the area have been adversely affected by drought continuing over at least 2 years or other natural disaster particularly affecting livestock production, loans may be made to established producers and feeders of cattle, sheep, and goats (not including the operators of commercial feed lots) who have good records of operations, but are unable temporarily to get the credit they need for continuing sound operations from recognized lenders, and who have a reasonable chance of working out of their difficulties with supplementary financing. No such loan shall be made after June 30, 1960, except that supplementary advances to producers indebted for loans made under this subsection may be made as authorized by the Secretary. Loans hereunder may be made on such security as the borrower has available and for such period as the Secretary may prescribe. The creditors of the applicant will not be asked to subordinate their indebtedness but must be willing to work with the borrower to the extent of executing agreements (including standby agreements), that are reasonably necessary to give the borrower a chance to improve his situation. Loans shall bear interest at the rate of 5 percent per annum and shall be made upon such other terms and conditions as the Secretary shall prescribe.

SEC. 24. (a) The Secretary is authorized, in any area designated by the President pursuant to Public Law 875, 81st Congress (42 U. S. C. 1855), as a major disaster area, to furnish feed for livestock to established bona fide farmers, ranchers, and stockmen whose financial condition requires assistance hereunder in order to maintain their basic herds of livestock and continue limited livestock operations.

(b) The Secretary shall furnish such feed for such period or periods of time and under such terms and conditions as he may determine to be required by the nature and effect of the emergency in any such designated area. Assistance may be provided by payments to farmers, ranchers, and stockmen or by grants to local or State governments.

(c) Assistance to farmers, ranchers or stockmen in major disaster areas, whether

through financial contribution to States or local governments or otherwise, under this section or section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), shall be made available only where the State governments provide funds for at least 20 percent of that part of the cost of such assistance which is not paid for by farmers, ranchers or stockmen, except that feed for livestock temporarily deprived of their normal feed sources by sudden and extreme emergency conditions may be furnished by the Secretary without State participation in the cost of such feed. The Secretary shall provide by regulation for participation in the planning and assumption of responsibility for local administration by the State or its agencies, but may postpone the effective date of the requirement of this subsection for State participation with respect to any State, the attorney general of which certifies that it does not have authority or funds to so participate, until after the next regular session or any earlier special session of the legislature of the State.

(d) The Secretary may utilize the personnel, facilities, property, and funds of the Commodity Credit Corporation for carrying out the purposes of this section and, except as provided in section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), shall reimburse such Corporation for the value of any commodities furnished which are not paid for by the farmers, ranchers, or stockmen, and for costs and administrative expenses necessary in performing such functions.

SEC. 25. The Secretary is authorized to utilize the revolving fund created by section 84 of the Farm Credit Act of 1933, as amended (12 U. S. C. 1148a) (hereinafter in this title referred to as the "fund"), for carrying out the purposes of this title.

SEC. 26. (a) All sums received by the Secretary from the liquidation of loans made under the provisions of this title or under the act of April 6, 1949, as amended (63 Stat. 43), or the act entitled "An act to provide emergency credit," approved August 31, 1954 (68 Stat. 999), and from the liquidation of any other assets acquired with money from the fund shall be added to and become a part of the fund.

(b) There are authorized to be appropriated to the fund such additional sums as the Congress shall from time to time determine to be necessary.

SEC. 27. The act of April 6, 1949, as amended (63 Stat. 43), and the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended (68 Stat. 999), are hereby repealed effective June 30, 1958, or such earlier date as the provisions of this act are made effective by the Secretary's regulations.

SEC. 28. The repeal of any provision of law made by section 7 of this title shall not—

(1) invalidate any action taken, or affect the validity of any obligation incurred, under any such provision; or

(2) prejudice the application of any farmer, rancher, or stockman with respect to receiving assistance under the foregoing provisions of this title, solely because any such person is obligated for assistance received under any such repealed provision.

SEC. 29. The Secretary is authorized to make such rules and regulations and such delegations of authority as he deems necessary to carry out this title.

TITLE IV—ADMINISTRATIVE PROVISIONS

SEC. 31. For the purposes of this act and the administration of assets under the jurisdiction of the Secretary of Agriculture pursuant to the Farmers Home Administration Act of 1946, as amended, the Bankhead-Jones Farm Tenant Act, as amended, the act of August 28, 1937, as amended, title V of the Housing Act of 1949, as amended, the act of April 6, 1949, as amended, the act entitled "An act to provide emergency credit," approved August 31, 1954, as amended, and the powers and duties of the Secretary under any other act authorizing agricultural credit which the Secretary may assign to the Farmers Home Administration, the Secretary or his delegates shall have the power to—

(a) appoint without regard to the civil-service laws or the Classification Act of 1949, as amended, such experts as may be necessary in carrying out the provisions of this act: *Provided, however,* That the Administrator of the Farmers Home Administration shall be appointed by the President by and with the consent of the Senate and shall receive basic compensation at the rate fixed by law.

(b) administer his powers and duties through such area finance, State, or local offices in the United States and the Territories and possessions as he determines to be necessary. The Secretary may authorize an office to serve the area composed of two or more States if he determines that the volume of business in the area is not subject to justify separate State officers.

(c) accept and utilize voluntary and uncompensated services, and with the consent of the agency concerned, utilize the officers, employees, equipment, and information of any agency of the Federal Government, or of any State, Territory, or political subdivision.

(d) within the limits of appropriations made therefor, make necessary expenditures for rent at the seat of Government and elsewhere; for purchase and exchange of supplies and equipment; purchase or hire of passenger vehicles; printing and binding without regard to the act of January 12, 1895, as amended (44 U. S. C. 111); and for such other facilities and services as he may from time to time find necessary for the proper administration of this act.

(e) acquire land and interest therein without regard to section 355 of the Revised Statutes, as amended.

(f) compromise, adjust, or reduce claims and adjust and modify the terms of mortgages, leases, contracts, and agreements entered into or administered by the Farmers Home Administration under any of its programs, as circumstances may require: *Provided, however,* That—

(1) compromise, adjustment, or reduction of claims of $15,000 or more must be effected by reference to the Secretary of the Treasury or to the Attorney General pursuant to the provisions of section 3469 of the Revised Statutes (31 U. S. C. 194);

(2) compromise, adjustment, or reduction of claims shall be based on a reasonable determination by the Secretary of the debtor's ability to pay and the value of the security and with or without the payment of any consideration at the time of such adjustment or reduction;

(3) releases from personal liability may also be made with or without the payment of any consideration at the time of adjustment of claims against—

(A) borrowers who have transferred the security property to other approved applicants under agreements assuming the outstanding secured indebtedness; and

(B) borrowers who have transferred their farms to other approved applicants under agreements assuming that portion of their outstanding indebtedness against the farm which is equal to the value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the county committees certify and the Secretary determines that the borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;

(4) no compromise, adjustment, or reduction of claims shall be made upon terms more favorable than recommended by the appropriate county committee utilized pursuant to section 31 of this act; and

(5) any claim which has been due and payable for 5 years or more, and where the debtor has no assets from which the claim could be collected and has no apparent future debt payment ability, or is deceased and has left no estate, or has been absent from his last known address for a period of at least 5 years, has no known assets, and his whereabouts cannot be ascertained without undue expense, may be charged off or released by the Secretary upon a report and favorable recommendation of the employee of the Administration having charge of the claim, and any claims involving a principal balance of $150 or less may be charged off or released whenever it appears to the Secretary that further collection efforts would be ineffectual or likely to prove uneconomical.

(g) collect all claims and obligations arising or administered by this act, or under any mortgage, lease, contract, or agreement entered into or administered pursuant to this act and, if in his judgment necessary and advisable, pursue the same to final collection in any court having jurisdiction. All legal work arising out of such claims and obligations, including, but not limited to, the prosecution and defense of all litigation, is authorized to be performed, as determined by the General Counsel of the Department of Agriculture, through the Department of Justice, by attorneys of the Office of the General Counsel of the Department of Agriculture, or by local counsel approved by the General Counsel of the Department of Agriculture, whose fees, upon approval by the General Counsel, shall be paid by the Secretary; and

(h) make such rules and regulations and such delegations of authority as he deems necessary to carry out this act.

SEC. 32. (a) The Secretary may utilize existing committees appointed pursuant to section 42 of the Bankhead-Jones Farm Tenant Act, as amended, and is authorized and directed to appoint in each county in which activities are carried on under this act, a county committee composed of 3 individuals residing in the county, at least 2 of whom at the time of appointment shall be farmers residing on farms and deriving the principal part of their income from farming. "County" as used in this section may include an area less than a county or parts of adjacent counties which because of distance, topography, type of agriculture, or means of communication can be better served as a part of a single unit. Committee appointments shall be for a term of 3 years except that the first appointments for any new committee shall be for 1-, 2-, and 3-year periods, respectively, so as to provide continuity for committee membership. The Secretary may appoint an alternate for each committee member. The members of the committee and their alternates shall be removable for cause by the Secretary.

(b) The rates of compensation, the number of days per month each member may be paid, and the amount to be allowed for necessary travel and subsistence expenses, shall be determined and paid by the Secretary.

(c) The committee shall meet on the call of the chairman elected by the committee or on the call of such other person as the Secretary may designate.

(d) The committee shall, with the assistance of appraisals by competent employees of the Secretary, under rules established by the Secretary, recommend the fair and reasonable value of farms based on the normal value and when required, the value of other security property. The committee shall perform such additional duties as the Secretary may require.

SEC. 33. In connection with loans made under this act, the Secretary shall require in connection with each such loan that:

(a) The applicant certify in writing and the county committee certify that the applicant's credit needs for authorized purposes cannot be met by commercial banks, cooperative lending agencies, or from any other responsible source at reasonable rates and terms for loans of similar size and purposes prevailing in the community in or near which the applicant resides.

(b) The county committee certify in writing that the applicant has the character, industry, ability, and experience necessary and will, in the opinion of the committee, honestly endeavor to carry out the undertakings and obligations required of the applicant under a loan which may be made to him.

(c) An agreement by the borrower that if at any time it shall appear to the Secretary that the borrower may be able to obtain a loan from a production credit association, a Federal land bank, or other responsible cooperative or private credit source, at reasonable rates and terms for loans for similar purposes and periods of time prevailing in the area, the borrower will, upon request by the Secretary, apply for and accept such loan in sufficient amount to repay the Secretary or the insured lender, or both, and to pay for any stock necessary to be purchased in a cooperative lending agency in connection with such loan.

(d) Such provision for supervision of the borrower's operations as the Secretary shall deem necessary to protect the interests of the United States.

SEC. 34. All property subject to a lien held by the Secretary or the title to which is acquired by the Secretary under this act, shall, notwithstanding that legal title is vested in the Secretary, be subject to taxation by State, Territory, District, and local political subdivisions in the same manner and to the same extent as other property is taxed, except that no tax, the rate of which is based on the ad valorem value of any notes or mortgages or other lien instruments held by or transferred to the Secretary, on any notes or lien instruments administered under this act which are made, assigned, or held by a person otherwise liable for such tax, or on the ad valorem value of any property conveyed or transferred to the Secretary, whether as a tax on the instrument, the privilege of conveying or transferring or the recordation thereof, shall be imposed or collected on or with respect to such instrument. Nor shall the failure to pay or collect such tax be a ground for refusal to record or file such instruments, failure to impart notice or prevent the enforcement of its provisions in any State or Federal court.

SEC. 35. (a) The Secretary is authorized and empowered to make advances to preserve and protect the security for or the lien or priority of the lien securing any loan or other indebtedness owing to, insured by, or acquired by the Secretary under this act or any other programs administered by the Farmers' Home Administration; to bid for and purchase at any execution, foreclosure or other sale or otherwise to acquire property upon which the United States has a lien by reason of a judgment or execution arising from or which is pledged, mortgaged, conveyed, attached, or levied upon to secure the payment of any such indebtedness; to accept title to any property so purchased or acquired; and to sell, manage, or otherwise dispose of such property as hereinafter provided.

(b) Real property acquired under the provisions of this section may be operated by the Secretary for a period not in excess of 1 year from the date of acquisition or may be leased for such period or periods as the Secretary may deem necessary to protect the Government's investment therein.

(c) The Secretary shall determine whether real property acquired under this section is suitable for disposition to persons eligible for assistance under this act. Any property the Secretary determines to be suitable for such purposes shall, whenever practicable, be sold by the Secretary as expeditiously as possible to individuals eligible to receive the benefits of title II of this act and in a manner consistent with the provisions thereof. Real property which is not suitable for sale to persons eligible for assistance under this act or which has not been purchased by such persons within a period of 3 years from the date of acquisition shall be sold by the Secretary at public or private sale at the best price obtainable after public notice for cash or on secured credit without regard to the laws governing the disposition of excess or surplus property of the United States. The terms of such sale shall require an initial downpayment of at least 20 percent, with the remainder payable in not more than five annual installments with interest on unpaid balances at 5 percent per annum.

(d) With respect to any real property acquired under this section, the Secretary is authorized to grant or sell easements or rights-of-way for roads, utilities, and other appurtenances not inconsistent with the public interest. With respect to any rights-of-way overland on which the United States has a lien administered under this act, the Secretary may release said lien upon payment to the United States of adequate consideration, and the interest of the United States arising under any such lien may be acquired for highway purposes by any State or county in condemnation proceedings under State law by service by certified mail upon the United States attorney for the district, State director of the Farmers' Home Administration for the State in which the farm is located, and upon the Attorney General of the United States: *Provided, however,* That the United States shall not be required to appear, answer, or respond to any notice or writ sooner than 90 days from the time such notice or writ is returnable or purports to be effective, and the taking or vesting of title to the interest of the United States shall not become final under any order or decree until adequate compensation and damages have been finally determined and paid to the United States or into the registry of the court.

SEC. 36. No officer, attorney, or other employee of the Secretary shall, directly or indirectly, be the beneficiary of or receive any fee, commission, gift, or other consideration for or in connection with any transaction or business under this act other than such salary, fee, or other compensation as he may receive as such officer, attorney, or employee. No member of a county committee shall knowingly make or join in making any certification with respect to any land in which he or any person related to him within the third degree of consanguinity has or may acquire any interest. Any person violating any provision of this section shall, upon conviction thereof, be punished by a fine of not more than $2,000 or imprisonment for not more than 2 years, or both.

SEC. 37. The Secretary may assist in the voluntary adjustment of indebtedness between farmers and their creditors and may cooperate with State, Territorial, and local agencies and committees engaged in such debt adjustment. Services furnished by the Secretary under this section may be without charge to the debtor or creditor.

SEC. 38. (a) There is authorized to be appropriated to the Secretary such sums as the Congress may from time to time determine to be necessary to enable the Secretary to carry out the purposes of this act and for the administration of assets transferred to the Farmers' Home Administration. Funds and authorizations for funds heretofore appropriated under any act repealed hereby shall remain available for the purposes for which appropriated and are hereby made available for the purposes of this act.

(b) Such amounts as the Congress may approve from time to time for making direct loans shall be borrowed from the Secretary of the Treasury in accordance with the provisions set forth in the first proviso of the second paragraph under the heading "Farmers Home Administration" of the Department of Agriculture Appropriation Act, 1952.

SEC. 39. The Secretary is authorized to make such rules and regulations and such delegations of authority as he deems necessary to carry out this act.

SEC. 40. (a) References to any provisions of the Bankhead-Jones Farm Tenant Act, as amended, which are title V of the Housing Act of 1949, as amended, or the act of August 28, 1937, known as the Water Facilities Act, as amended), superseded by any provision of this act shall be construed as referring to the appropriate provision of this act. Titles I, II, and IV of the Bankhead-Jones Farm Tenant Act, as amended, except the applicable provisions of title IV in relation to the functions of the Secretary until title III of such act, and the act of August 28, 1937, as amended, and title V of the Housing Act of 1949, as amended, are hereby repealed effective June 30, 1958, or such earlier date as the provisions of this act are made effective by the Secretary's regulations: *Provided, however,* That such repeal shall in nowise affect the validity of any action taken or obligation entered into pursuant to the authority of said act: *And provided further,* That the repeal of such acts shall not prejudice the application of any person with respect to receiving assistance under the provisions of this title solely because such person is obligated to the Secretary under authorization contained in any such repealed provision.

(b) If any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of the act and the application of such provision to other persons or circumstances shall not be affected thereby.

The analysis presented by Mr. ALLOTT is as follows:

ANALYSIS OF THE BILL—CONSOLIDATED FARMERS' HOME ADMINISTRATION ACT OF 1957

Title I contains all of the policy provisions applicable to agricultural loans secured by real estate. It would replace existing authority for tenant-purchase loans, farm-enlargement loans, farm-development loans, small-farm loans for development and improvement, disabled veterans' loans, and refinancing loans under title I of the Bankhead-Jones Farm Tenant Act, farm housing and other farm-building loans under title V of the Housing Act of 1949, soil and water-conservation loans under the Water Facilities Act of August 28, 1937.

Section 2 lists specifically, but in broad terms, the purposes for which such loans could be made. They include the purchase of land for the agricultural uses, and all types of farm building, of soil and water conservation irrigation and drainage facilities, structures and practices. Loan purposes would also include refinancing of existing debts of farmers and for all reasonably necessary operation costs.

Only individual citizens of the United States operating farms not larger than family-type farms in the area, who are found by the county committee to have the character, industry, ability, and experience necessary to meet their obligations will be eligible for such loans. However, loans may be made under the authority of section 3 (a) (4) to the owners of larger than family-type farms for soil- and water-conservation purposes and under the authority of section 3 (b) to associations, other than land-leasing and land-purchasing associations, which

would provide farmers and ranchers with facilities necessary for their farming operations. This authority is particularly applicable to the association type facility for irrigation, domestic water, drainage, and similar farms needs.

Section 4 (a) limits real-estate loans to a 40-year term. Section 4 (b) (including section 32, which is incorporated by reference therein) substitutes as a basis for determining fair and reasonable value of farms, the normal value for earning capacity value.

Section 4 (c) provides that the interest return for these loans would not exceed 5 percent plus such fees and other charges as the Secretary might impose. In determining the interest rate and fees, the Secretary would be directed to consider prevailing interest rates for similar loans, the need for the sound agricultural economy for the community, the credit risk involved in the type of loan, and the rate of interest paid by the Secretary on funds borrowed from the Secretary of the Treasury for making such loans.

Section 4 (d) contains a $50,000 maximum limit at any one time on real-estate indebtedness under exising authority and under title II of this bill. Under section 4 (c) association-type loans and loans under the Water Facilities Act could not increase the association's indebtedness in excess of $250,000 to any one at any time.

Section 5 contains specific authorization to insure the types of loans to persons who would be eligible under this title for direct loans except that no loan to an individual would be insured in excess of 90 percent of the value of the farm.

Under section 6, the farm tenant mortgage insurance fund established by section 11 (a) of the Bankhead-Jones Farm Tenant Act, would be redesignated as the "agricultural credit insurance fund" and would be utilized for the insurance of loans under this title. The Secretary is authorized to deposit in the insurance fund such portion of the annual charges as he deems to be an appropriate insurance change. The remainder of the annual charge is to be available for administrative expenses. As under existing law, the Secretary would be authorized to service the insured loans and a means to purchase them as a secondary market. The notes of borrowers and the security taken in connection with loans insured under this title and collections therefrom will be a part of the fund under section 6 (d).

Title II authorizes loans for farm operating purposes. These purposes are listed broadly in section 11 and include loans for the purposes of purchasing livestock, poultry, and farm equipment; purchasing seed, feed, fertilizer, and farm supplies; financing soil and water conservation; refinancing existing indebtedness; and for other farm needs including family subsistence.

Under section 12, the only individuals authorized to receive loans are citizens who have sufficient farming experience and training to conduct successfully the proposed operation of a family type farm or the operation of a less than family size farm by individuals who are conducting substantial farming operations and have historically resided on farms and are depdent on farm income for their livelihood.

Section 13 provides that operating loan indebtedness is limited to $20,000, but only 10 percent of the amount annually appropriated for such loans may be used for making loans which would increase indebtedness above $10,000. Operating loans would be limited to a repayment term of 7 years with the same authority to extend such loans for an additional 3 years where necessary because of circumstances beyond the borrowers control. All these limitations are contained in existing law.

Title III contains appropriate provisions relating to emergency loans and furnishing feed and seed assistance and would replace existing authority for production emergency loans, economic emergency loans, special emergency loans, fur loans, and special livestock loans, each of which are now available only upon the determination of areas affected by special types of emergencies.

Section 21 (a) authorizes the making of loans to bona fide farmers and stockmen for any agricultural purposes, including refinancing and family subsistence. Under section 21 (b) (1) such loans would be limited to areas where the Secretary finds a general need for agricultural credit which cannot be met for temporary periods from other sources, including regular loan programs of the Secretary of Agriculture at reasonable rates and on terms and conditions which farmers and stockmen can repay in view of emergency circumstances. Section 21 (b) (2) provides that the need for credit must be found to have resulted from a natural disaster or severe production losses.

Under section 22 only farmers and stockmen (including corporations primarily engaged in farming) who have a reasonable prospect of successful operation with the assistance of such a loan and who are unable to secure the necessary credit from other sources would be eligible for emergency loans. The loans would be at the rate of 3 percent per annum and would be evidenced by the personal obligation and available security for individual farmers and stockmen, and, in the case of corporations, by the personal obligation and available security of each holder as much as 10 percent of the stock. All emergency loans would contain an agreement by the borrower to refinance the balance of the indebtedness when private or cooperative credit can be secured.

Section 22 (b) inserts a new requirement that the total indebtedness under the emergency loan authority (sections 21 and 22) the total principal indebtedness shall not exceed $50,000.

Under section 22 (c) the Secretary is authorized to fix the terms and conditions of emergency loans other than the terms described above. This provision would permit the tailoring of loans to the needs arising out of the various types of emergency and the pattern of agriculture in the area.

Section 23 is a revision of section 2 (c) of the act of April 6, 1949, as amended, which authorizes special livestock loans for a temporary period. A new limitation is included that the area must be one in which the production of livestock and livestock products constitutes a substantial portion of the economy. Existing authority for these loans expires July 14, 1959. Section 23 would extend this authority to June 30, 1960. Existing authority limits terms of these loans to a period of 3 years. Section 23 leaves the terms of these loans to the discretion of the Secretary.

Section 24 (a) and (b) contains provisions similar to the provisions now found in section 2 (d) of Public Law 38 (12 U. S. C. 1148a), 2 (d) authorizing the Secretary of Agriculture to furnish feed for livestock and seeds for planting to bona fide farmers in areas designated as major disaster areas under Public Law 875 of the 81st Congress.

Section 24 (c) contains the additional provision that such assistance either directly to farmers or through State or local governments may be conditioned upon participation by the State or local governments in planning administration and cost of such assistance. The provisions of existing law, section 407 of the Agricultural Adjustment Act of 1949, as amended (7 U. S. C. 1427), relating to the use of surplus stocks owned or controlled by the Commodity Credit Corporation to assist in relieving from the effects of a major disaster under Public Law 875 are recognized and retained in section 24 (c) of the bill.

This title requires no immediate appropriation since under section 25 the existing disaster-loan revolving fund is made available for loans under this title. Collections and liquidations of loans made under prior emergency authorities would be deposited in that fund under section 26 (a). Additional appropriations to the fund are authorized by section 26 (b).

Since this title would constitute the sole authority for emergency loans by the Secretary of Agriculture, all existing authority for such credit would be repealed by section 27. However, under section 7, the repeal would not affect any existing obligations, nor prejudice any present borrower from receiving further emergency assistance.

Section 29 authorizes the issuance of regulations by the Secretary to carry out the purposes of the title.

Title IV contains administrative servicing provisions similar to those now contained in title IV of the Bankhead-Jones Farm Tenant Act. While the powers under this act are vested in the Secretary, it is contemplated that administration of its provisions will be through the Farmers' Home Administration.

Section 31 (f) is identical with section 41 (g) of the Bankhead-Jones Farm Tenant Act, as amended by Public Law 878, 84th Congress. It deals with compromise, adjustment, and debt settlement of claims against borrowers arising out of this and prior loan authorities.

Section 32 (a) contains slight modifications of the present authority for county committees under section 42 of the Bankhead-Jones Farm Tenant Act. The changes made by this section give more latitude in the area served by a county committee, in determining the compensation for committees, and their functions in connection with the making of loans.

Section 33 (a) contains a provision similar to the existing requirement that credit under this act should be available only to persons who cannot secure the necessary credit from private sources at reasonable rates and terms in the community. Eliminated from existing law is the provision that a person who cannot secure credit from private sources at 5 percent or less shall be eligible. At the present time, there is practically no farm operating credit available at 5 percent except through the Secretary of Agriculture. This means that practically all farmers meet this eligibility test.

Section 33 (c) requires that all loans made under this authority would contain an agreement by the borrower to refinance with private or cooperative credit when possible. Additional terms and conditions for loans are within the authority of the Secretary under section 24 (e).

Section 34 relates to the payment of taxes on property serving as security for loans. Under section 50 of the Bankhead-Jones Farm Tenant Act real property utilized for the purposes of title I is subject to State and local taxes, the same as if the land were in the hands of a private party. Section 34 of this bill would extend the principle to all real estate and chattel security, except that notes, mortgages, and other intangible personal property held by the Secretary or by an insured lender would not be subject to State or local taxes.

Section 35 contains provisions similar to those found in section 51 of the Bankhead-Jones Farm Tenant Act, as amended. The Secretary's authority with respect to the sale of the property would be broadened under section 35. In section 35 (c), specific provision is included dealing with such disposition. It may be compared with the applicable provisions of section 43 of the Bankhead-Jones Farm Tenant Act, as amended.

Under section 35 (d), specific authority is granted for the treatment of easements and rights-of-way. The consent of the United States is given, in this subsection, to actions in condemnation by State and county governments for highway purposes of the mortgage or lien interest of the United States.

This consent is conditioned upon payment of adequate compensation and procedural requirements designed to protect the interests of the United States.

Section 36 makes it a crime for any employee to receive any consideration in connection with any business under this act other than his regular salary. Certifications by a county committeeman with respect to land in which he or his close relatives are interested in also is made a crime.

Section 37 is the same provision as found in section 22 of the Bankhead-Jones Farm Tenant Act.

Section 38 contains authorizations for appropriations and for the Secretary of Agriculture to secure funds to be loaned by borrowing from the Secretary of the Treasury in a manner heretofore employed under the Department of Agriculture Appropriation Act, 1952.

Section 39 gives the Secretary general rulemaking power.

Section 40 (a) preserves cross references to the Bankhead-Jones Farm Tenant Act found in State and Federal statutes and directs that such reference shall be construed to the applicable provisions of this act. The provisions of title IV of the Bankhand-Jones Farm Tenant Act, as amended, are preserved with respect to the functions of the Secretary under title II of the Bankhand-Jones Farm Tenant Act, dealing with the submarginal-land program. Title III of the act is also preserved. Titles I, II, and, except as provided above, title IV of the Bankhead-Jones Farm Tenant Act, the act of August 28, 1937 (Water Facilities Act), and the Housing Act of 1949 (farm housing and other farm buildings), are repealed effective on June 30, 1958, or on such earlier date as consolidated regulations are issued by the Secretary under this new authority.

Section 40 (a) also contains a savings clause with respect to obligations incurred under prior authority and provides that such obligation shall not prejudice an applicant's right for assistance under this act.

Section 40 (a) further provides that this act would become effective only after the existing regulations have been consolidated under this single authority for agricultural loans. A final effective date of June 30, 1958, would provide ample time for the conversion to the new authority.

Section 40 (b) contains the usual severability clause.

CONSTRUCTION OF REREGULATING RESERVOIR AT BURNS CREEK SITE, UPPER SNAKE RIVER VALLEY, IDAHO

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to authorize the construction of a reregulating dam for the Burns Creek project in the State of Idaho. This is a measure similar to one introduced by my colleague, S. 145, but containing certain provisions requested by the water users of my State. I have examined carefully into these requests, and am confident that the Senate will desire to act in accord with these requests in the enactment of any legislation on this subject.

In brief, this bill, in addition to the authorizations, empowers the Secretary of the Interior to amend contracts with the water users whereby they assumed an obligation for winter power replacement based on the winter water savings program at the Minidoka powerplant. These amendments would relieve contractors of one-third of their annual obligation, and the bill would provide that the cost of the reduction of the annual obligations would be included in the cost to be absorbed by the power operations of the Palisades project.

Another additional provision would withhold the construction of the facilities until at least 80 percent of the conservation capacity in Burns Creek Reservoir was under subscription and the contract amendments referred to were completed.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 2089) to authorize the Secretary of the Interior to construct, operate, and maintain a reregulating reservoir and other works at the Burns Creek site in the upper Snake River Valley, Idaho, and for other purposes, introduced by Mr. CHURCH, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

REQUIREMENT FOR PILOTS ON CERTAIN VESSELS NAVIGATING THE GREAT LAKES

Mr. MAGNUSON. Mr. President, by request, I introduce, for appropriate reference, a bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes. I ask unanimous consent that a letter from the Acting Secretary of the Treasury, requesting the proposed legislation, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the letter will be printed in the RECORD.

The bill (S. 2096) to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes, introduced by Mr. MAGNUSON (by request), was received, read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The letter presented by Mr. MAGNUSON is as follows:

TREASURY DEPARTMENT,
Washington, May 7, 1957.

The PRESIDENT OF THE SENATE.

SIR: There is enclosed a draft of a proposed bill to require pilots on certain vessels navigating United States waters of the Great Lakes, and for other purposes.

The purpose of the draft bill is to provide that no merchant vessel of 300 gross tons or over shall navigate in United States waters of the Great Lakes, their connecting and tributary waters, and the St. Lawrence River as far east as St. Regis, unless there is in the service of such vessel a pilot or other officer qualified for navigation on such United States waters and licensed either by the head of the department in which the Coast Guard is operating under regulations issued by him, or by the appropriate agency of Canada. The pilot or other qualified officer would be required, subject to the customary authority of the master, to direct the navigation of the vessel (a) on such of the United States waters of the Great Lakes as may in the interest of marine safety be designated in regulations issued by the head of the department in which the Coast Guard is operating, and (b) on other waters in the discretion of the master. The bill would provide that the privilege extended to pilots or other qualified officers of Canada to serve on vessels in United States waters shall be in effect only so long as Canada extends a reciprocal privilege to pilots and other officers licensed by the United States. A penalty would be provided for violation of the provisions of the bill. Enactment of the bill would not affect any statutory requirement for licensed pilots or officers on vessels of less than 300 gross tons.

There is at present no statutory requirement for pilots on United States registered or foreign vessels navigating United States waters of the Great Lakes. The number of foreign vessels navigating the Great Lakes is increasing. Collisions have occurred involving foreign vessels. When the St. Lawrence Seaway is completed there will be a substantial increase in the number of foreign and United States registered vessels navigating the Great Lakes. Therefore, it is imperative in the interest of marine safety that qualified pilots on such vessels be required by law. The need for and nature of this proposal is set forth in detail in the attached memorandum.

It is respectfully requested that you lay the proposed bill before the Senate. A similar proposed bill has been transmitted to the Speaker of the House of Representatives.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this proposed legislation to the Congress.

Very truly yours,

DAVID W. KENDALL,
Acting Secretary of the Treasury.

AMENDMENT OF INTERSTATE COMMERCE ACT, RELATING TO THE FILING OF CERTAIN BRIEF STATEMENTS—AMENDMENTS

Mr. THURMOND (for himself, Mr. YARBOROUGH, Mr. LAUSCHE, Mr. POTTER, Mr. SCHOEPPEL, and Mr. MONRONEY), submitted amendments, intended to be proposed by them, jointly, to the bill (S. 1490) to amend part II of the Interstate Commerce Act to require the filing of brief statements by motor carriers subject only to the safety and hours of service regulations of the Interstate Commerce Commission, which were referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES APPROPRIATION BILL, NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. HOLLAND submitted the following notices in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: Page 9, line 1, strike out "$100 million" and insert the following: "$35 million, and in addition, $65 million to be derived by transfer from the appropriation 'War Shipping Administration Liquidation, Treasury Department.'"

Mr. HOLLAND also submitted an amendment, intended to be proposed by him to House bill 6700 making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for

other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 6700) making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, the following amendment, namely: page 12, line 4, immediately following "1946," insert the following: ": *Provided*, That the unexpended balance of such appropriation to the Secretary of the Treasury less the amount of $10 million continued available and less the amount of $65 million transferred to the appropriation 'Operating-differential subsidies.' by this act, is hereby rescinded, the amount of such unexpended balance to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act."

Mr. HOLLAND also submitted an amendment, intended to be proposed by him, to House bill 6700 making appropriations for the Department of Commerce and related agencies for the fiscal year ending June 30, 1958, and for other purposes, which was ordered to lie on the table and to be printed.

(For the text of amendment referred to, see the foregoing notice.)

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO THIRD SUPPLEMENTAL APPROPRIATION BILL

Mr. HAYDEN submitted the following notice in writing:

In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 7221) making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, the following amendment, namely: page —, after line —, insert the following:

"CIVIL SERVICE RETIREMENT ACT

"For the purpose of determining the beginning date of the annuity under the Civil Service Retirement Act of any survivor of a Member of Congress who dies subsequent to April 1, 1956, and prior to the effective date of the Civil Service Retirement Act Amendments of 1956, such amendments shall be deemed to have taken effect on April 1, 1956, but no such annuity shall commence by reason of the enactment of this section prior to the date of such enactment."

Mr. HAYDEN also submitted an amendment, intended to be proposed by him, to House bill 7221, making appropriations to supply certain supplemental appropriations for the fiscal year ending June 30, 1957, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. MARTIN of Pennsylvania:

Address delivered by him to the annual Congressional dinner of the Pennsylvania State Chamber of Commerce, in Washington, D. C., April 30, 1957.

By Mr. POTTER:

Address delivered by Senator KNOWLAND at Grand Rapids, Mich., on May 6, 1957.

By Mr. ERVIN:

Address delivered by Senator ROBERTSON at the 61st annual convention of the North Carolina Bankers Association at Pinehurst, N. C., May 10, 1957.

By Mr. GREEN:

Address delivered by Senator PASTORE at annual brotherhood banquet of the National Conference of Christians and Jews, in Providence, R. I., May 13, 1957.

ANNOUNCEMENT OF COMMITTEE HEARINGS ON RAPID TAX AMORTIZATION CERTIFICATES

Mr. KEFAUVER. Mr. President, the Subcommittee on Antitrust and Monopoly, of the Senate Judiciary Committee, will hold a series of hearings, beginning Friday, May 17, 1957, at 10 a. m., in a room to be announced, in the Senate Office Building, to look into the question of whether rapid tax writeoffs are being used as a Government subsidy to create monopoly control and undue concentration in industries which have a guaranteed income, and also the question of whether the position of small competitive business is being prejudiced by the rapid amortization program.

At the hearing on Friday, the subcommittee will hear representatives of cooperative associations, the American Public Power Association, the National Farmers' Union, and the Northwest Public Power Association. It is anticipated that next week the subcommittee will request the appearances of the Director of the Office of Defense Mobilization, the Secretary of the Interior, and the Chairman of the Federal Power Commission, together with other pertinent officials of these agencies.

The subcommittee consists of the Senator from Missouri [Mr. HENNINGS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from West Virginia [Mr. NEELY], the Senator from North Dakota [Mr. LANGER], the Senator from Illinois [Mr. DIRKSEN], the Senator from Wisconsin [Mr. WILEY], and myself, as chairman.

BUDGET ADDRESS BY PRESIDENT EISENHOWER TO THE AMERICAN PEOPLE

Mr. KNOWLAND. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, the text of the address on the budget, delivered last night to the American people by the President of the United States.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

TEXT OF THE REPORT BY THE PRESIDENT TO THE AMERICAN PEOPLE ON THE COST OF THEIR GOVERNMENT, DELIVERED FROM THE PRESIDENT'S OFFICE AT THE WHITE HOUSE, TUESDAY EVENING, MAY 14, 1957

I should like to talk facts with you tonight—about what happens to the tax dollars that you send to Washington.

I am speaking from the presidential office here in the White House. In outward respects, this is quite an ordinary room. The furniture, the books, the telephones, even the paintings on the wall, are in no sense unusual.

But in one respect this room is unusual.

To this office—to the President, whoever he may be, there comes every day from all parts of the land and from all parts of the world a steady flow of dispatches, reports, and visitors. They tell of the needs, the successes and the disappointments of our people in their efforts to help achieve peace with justice in the world. They tell, too, of the progress and difficulties in building a sturdy, prosperous and just society here at home.

On the basis of this information, decisions, affecting all of us, have to be made every day. Because your President, aside from the Vice President, is the only government official chosen by a vote of all the people, he must make his decisions on the basis of what he thinks is best for all the people. He cannot consider only a district, State, or region in developing solutions to problems. He must always use the yardstick of the national interest.

It is from this overall viewpoint that I want to talk with you tonight about the cost of running your Government.

The budget now before Congress is huge; even though it represents a sharply smaller part of our national production than the first budget I submitted to the Congress 4 years ago. Since then we have sought unceasingly to make the taxpayer's dollar go further.

We have, for example, cut the government payroll by nearly 250,000 positions.

Taxes were cut in 1954 with savings so far of some $25 billion to the American taxpayer.

The proposed budget is balanced—the third in a row.

We have, with a view to economies, worked wholeheartedly with the Congress.

The budget now under discussion represents carefully studied estimates of the cost of all the things the Government is required by law to do or by what we believe necessary.

All of these things I have discussed with you many times before. Indeed most of these national programs have been on the book for some years. There are no surprise proposals in this budget. It was made up under my personal direction by men and women who believe deeply in economy and efficiency in Government. In the process some $13 billion in departmental requests were eliminated.

When budget is sent to Congress, it contains estimates of costs reaching 18 months into the future. So, as I have frequently pointed out, these estimates cannot be exact to the very last dollar. That is why they are kept under constant examination in all executive departments—both before and after the budget goes to the Congress. Many of these estimates are based upon formulas in laws passed by the Congress. They are as accurate as can be made based on our experience in administering these laws. So, if the Congress should cut the estimates in this budget for things that are fixed by law, like veterans' compensation and pensions, it should be clear that such cuts would not save money, because the actual costs, whatever they turn out to be, must, by law, be paid.

I have often been asked how big our Federal budget ought to be. That question calls to mind a story about Abraham Lincoln. He was asked one day how long he thought a man's legs ought to be. He looked down quizzically at his long lanky legs and replied, "Well, they certainly ought to reach to the ground."

Now that's not a very exact formula, but it has its point here. A budget, too, ought to reach the ground. The ground, in this case,

is the essential national interest—and no more. That is the purpose of this budget.

No great reductions in it are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country.

In this troubled world, our foremost national need is, of course, our own security. The cost is great, indeed—over $45 billion in the budget now before the Congress. This is mainly what makes the budget so large—the costs of our present security and our quest for a just and lasting peace. There is no cut-rate price for security.

But before considering this heavy expenditure, let us look at the smaller, nonsecurity costs we also have to pay. Including certain new activities important to America, this $26 billion part of the budget meets the costs fixed by law, the routine jobs of Government, and the domestic programs of service which our people have decided through the Congress to adopt.

In this part of the budget, there are, first, the compulsory expenditures. We must pay the more than $7 billion interest on the national debt, incurred largely to meet the costs of previous wars. Ours is not like the Soviet Government which recently told its people that it would no longer pay the interest on its government savings bonds.

Other programs are established by law, and the bulk of the expenditures under these laws is mandatory.

The largest among them provides $5 billion for veterans' pensions, compensation, education, medical care, and other benefits.

Another large item of about $5 billion is for agricultural programs: For price supports, the soil bank, land conservation, rural electrification, and other services of benefit to farmers.

The costs of these two great programs have tended to grow rather than to shrink over recent years.

In addition, about $3½ billion is provided, as grants and loans to the States, to share the costs of such activities as administering unemployment compensation and the employment service; assisting the States in helping needy aged, the blind, the totally disabled and dependent children; promoting public health, sanitation, and the control of disease, as well as speeding slum clearance and urban renewal—an item which a committee of mayors recently urged me to support vigorously.

All these are programs long ago enacted by Congress.

This part of the budget also provides funds for a new project which I have urged for 2 years to help overcome the acute shortage of schoolrooms in our country. The plan calls for a 4-year emergency program of schoolroom construction at a cost of $325 million a year.

Permit me a further word about this item. I deeply believe, as I am sure you do, that education is clearly a responsibility of State and local governments—and should remain so. But another truth is just as clear: During the depression, World War II, and the Korean conflict, our States and localities did not have the means and opportunity to build enough classrooms to keep up with the increasing number of youngsters. This means that we need an emergency program to help States and localities build the schools our children must have.

We limit this aid to building; thus it will not result in Federal control of education. It is limited in scope to make sure that Federal help will go where it is needed most. Limited in time, it guarantees that Federal help will be temporary.

I have heard people say that no Federal program can be temporary—that any activity begun in Washington will go on forever.

I reject that kind of reasoning.

I believe that Americans are responsible enough to do exactly what they want to do and then stop.

I support this program wholeheartedly because it is a get-in-and-get-out emergency plan solely to overcome a schoolroom deficit created by depression and wars. We must not continue to penalize our children and, thereby, the future of our Nation.

After meeting the costs of interest on the national debt, agriculture, veterans, and grants to the States, there remains in this nonsecurity part of the budget about $5 billion. This pays for everything else our Government expects to do next year.

It includes direct Federal expenditures related to labor and welfare, and for things like medical research. It includes the cost of conserving and developing our natural resources, improving the national parks, building dams and reservoirs, and protecting fish and wildlife.

It includes the Weather Bureau, the census, and subsidies for civil aviation, and our merchant fleet.

It includes costs of the Congress and the courts, of law enforcement, and of tax collection.

Finally, it includes funds to cover the postal deficit, which will be more than half a billion dollars, unless the Congress raises postal rates, as I have repeatedly urged. If the Congress acts, this cost will be borne by the users of the mails, thereby relieving the taxpayer of this burden.

In executing these programs we constantly stress economy and seek to avoid waste and duplication. In this endeavor we have had the benefit of the recommendations of two Hoover Commissions, the great portion of which has already been accepted and is in the process of being put into effect. Moreover, we postpone programs when we can. When we find it possible to revise cost estimates, we inform the Congress. In my letter of April 18 to the Speaker of the House of Representatives, I pointed out that we had been able to revise estimates of new spending authority downward by a possible $1.8 billion, assuming congressional cooperation.

While we shall insist on carrying out the Federal Government's proper role in meeting the needs of our growing economy and population, we shall not start any program that we do not believe necessary. We are determined to search out ways to save money and manpower so that Government does not further add to the inflationary pressure on the economy.

If our people join us in this determination, we can look forward to sufficient excess of income over expenses to justify future tax reduction as we continue paying down on the public debt.

In all this we need the cooperation of the Congress and we need the help and understanding of every one of you. Almost every proposal for Government aid or service has a number of citizens organized behind it. Usually each group wants the Government to spend for its pet project, but to economize everywhere else. This is a good time to examine again the demands that each of us, our communities and States, make upon the Federal Government. It is time to limit those demands to what is necessary—and no more.

Turn with me now to the largest item in the budget—the defense of our country. There is where most of your tax dollars go.

As we survey the world in which we live, the first great concern of all of us is to make sure of the defense of our homes, our country, and our way of life. The Communists have again and again announced their purpose of promoting revolution and of communizing the world by whatever means. It is important, and surely prudent, for us to understand the military strength the Communists maintain to help them achieve their purposes.

What is that strength today?

Without counting the Chinese Communists, the Soviets have the world's largest army. They have many times the number of submarines that Germany had when World War II began. They have atomic weapons and rockets and missiles. They have a large and growing air strength. They are competent in military technology and research. And all this is directed by a despotism which is fully capable of the supreme folly—that of unleashing these powerful forces if it should ever believe that it could—without destroying itself—succeed in destroying the Free World.

One important purpose of our military arrangements is to convince others that if they start a general conflict they cannot escape their own destruction.

As I have said, the national-defense item is by far the largest in our budget, but let us see just how large it is. The estimate just for our own military forces and our atomic development, together with a small amount for stockpiling critical and strategic materials, is almost $41 billion. This does not, by any means, equal the full amount first recommended by our uniformed services. They wanted some $10 billion more.

But I earnestly believe that this defense budget represents, in today's world, the proper dividing line between national danger on the one hand and excessive expenditures on the other. If it is materially cut, I believe the country would be taking a fearful gamble. For myself, I have seen unwise military cuts before. I have seen their terrible consequences. I am determined to do all I can to see that we do not follow that foolhardy road again.

Even after what World War II should have taught us about unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter. The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens.

Good defense is not cheap defense.

The B–36 bomber, even though built after World War II, is already outmoded. Each one cost us about $3½ million. Today's B–52 jet bomber costs $8 million each.

Seven years ago, a fighter plane cost $300,000. Today, one costs $1½ million.

A submarine now costs twice as much as it did 7 years ago.

Atomic energy costs four times as much as it did in 1950. Daily, munitions grow more complex, more powerful, and more costly.

It is clear that unless we make some progress in our persistent efforts to secure an effective agreement to limit armaments, defense costs will tend to go up year by year, if we are to keep Communist forces from outstripping us.

Consequently, though our first responsibility is to maintain defenses adequate to keep the Nation secure, we do not want, because of this cost, more military force than is necessary.

Judgments on the defense budget must reflect the stern fact that real military power can rest only on a sound economy. Only with a strong and thriving economy can we have the strength to protect our freedom. But since we maintain military forces as a matter of self-preservation, we must not recklessly reduce their power.

This dilemma presents hard decisions. But they are decisions that must be made by the President, as he presents his recommendations to the Congress. To this kind of

problem I have devoted most of my life. I repeat my earnest belief that the estimate in the budget for our military forces, atomic energy, and stockpiling, amounting to about $41 billion, represents a defense program which is as nearly accurate, in present circumstances, as is humanly possible to make it.

To this defense total should properly be added—and will so be in the future—that part of our mutual-security program which supplies arms and defense support to friendly countries in order to strengthen the military power of the Free World. Expenditures for this purpose will amount next year to something over $3 billion.

The costs in many of these friendly countries are low compared to ours, so this type of aid, even though moderate in amount, supplements their own efforts very effectively. This aid helps arm and maintain overseas: Some five times as many active ground forces as the United States supports; about twice as many naval combat ships; and about an equal number of planes.

This aid is a key factor in maintaining many of our vital military, naval, and air bases abroad.

Without the military strength that this aid helps sustain overseas, we should have to add many more billions to our own defense spending, and have less security for our total effort.

Defense expenditures, for our own forces and our military assistance overseas, together with the domestic expenditures I have discussed, account for almost all—98 percent—of the budget.

As we look at the whole range of the budget, there is only one hope of making the really great savings that we all want so much. That is to achieve an effective disarmament agreement with an easing of world tensions, so that the enormous sums we have to spend for our defense can be drastically reduced.

The savings we can hope to make in domestic programs are, at best, small by comparison. Of course, we could save material amounts if, by law, we abandoned or drastically cut back some of the larger programs. But in a world knowing real peace, we could save at least 10 times as much in defense spending.

It is to hasten that day, as well as to enhance our security today, that the budget provides a moderate sum for waging peace.

This is a mission that military formations cannot, of themselves, accomplish. The entire Free World military force merely puts a policeman on the corner to keep the robber out of our house and our neighborhood. It preserves from destruction what we already have.

But our Communist antagonists are resourceful and cunning. Their aggression is not limited to the use of force or to the threat of its use. They are doing their best to take advantage of poverty and need in the developing nations, and so turn them against the Free World. Success would enable them to win their long-sought goal of Communist encirclement of our country.

To meet the total threat, we first of all, as I have pointed out, must sustain our defense preparations.

But we must do more.

We must wage peace aggressively through diplomatic efforts, through the economic and technical assistance part of the mutual-security program, and through worldwide information activities to help bind the Free World more firmly together. These efforts will cost about $1 billion next year.

We wage peace on the diplomatic front through the efforts of the Department of State to establish close ties with every other nation that values its independence and that recognizes the dignity of man.

We wage peace through the efforts of the United States Information Service to counteract the false propaganda spread by the Communists. We tell the truth about freedom and the rights of man and seek to win adherents to these concepts.

We wage peace through the mutual-security program in another way. We help some nations in developing their own economies, so their people can be stronger partners in the defense of the free world against communism.

Economic development is, of course, not a product for export from the United States or anywhere else. It is a homespun product, the product of a people's own work. Our opportunity is simply this: To help the people of these developing lands help themselves. This we can do through sound technical assistance and, where necessary and unavailable from other sources, through loans and, at times, other kinds of financial aid. Within prudent limits, this practice is in their and our own best interests.

On this subject I hope to talk with you again next week, but I assure you now that this billion-dollar item is one of the most important to all of us in the entire budget.

I know that in these efforts to wage peace, all does not always go well. Weaknesses there are bound to be—troubles and disappointments as well.

But I never ordered a cease-fire in a battle because some of the ammunition misfired or went bad, or some commander made a mistake.

We must always do better, but we must never stop in our battle for peace. We must keep everlastingly at this job—today the most important job in the world.

Our defense expenditures are to assure us the opportunity to wage peace; our expenditures for diplomatic work, economic and technical assistance and information services give us the means to wage peace. Together they cost over $45 billion—all but about a billion dollars for defense forces.

The rising costs of defense items account for more than 80 percent of the increase in next year's budget. These facts simply reflect the kind of world in which we are living.

The plain truth is that the price of peace is high.

That explains why taxes are high and why their further reduction has been delayed. It explains also why really big cuts in Government spending depend on success in our efforts to wage peace.

The sacrifices demanded of each of us are great; but they are sacrifices of dollars for a peaceful world, not the sacrifice of our sons, our families, our homes, and our cities to our own shortsightedness.

I believe you are more secure in your homes tonight because of the effort and money our Nation has put into these defense and related security programs. It is almost 4 years since an American fighting man has been killed in battle anywhere in the world. Crises, great and small, we have had and will continue to have. Despite them, there has been an overall improvement in the prospects for keeping an honorable peace.

But I must say this to you: I can see no immediate relaxation of international tensions to provide the basis now for substantial reductions in these programs for preserving and waging peace. In fact, the gains we have already made impel us to press forward with no letup.

If we do press forward—if we courageously bear these burdens of waging peace—I have every hope, in God's good time success will crown our efforts. Then we shall know an easier and better peace whose fruits will include a lightening of the spiritual and the material burdens we now must bear to gain it.

Mr. SMITH of New Jersey. Mr. President, President Eisenhower has placed the budgetary facts of life before the people in bold relief. He has summed up concisely and precisely the alternatives which face us in attempting to make substantial reductions in his budget. The President stated:

> No great reductions in it are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country.

These are the choices available to us. Certainly no responsible person would advocate that we "gamble with the safety of our country." As I stated to the Senate the other day, "the persistent threat of Communist aggression is a fact, and we cannot ignore it." With $45 billion of the budget directly related to our national security and the development of a peaceful world, we cannot make substantial reductions in the total expenditures for the coming year without placing our future security in jeopardy. As the President said, "there is no cut-rate price for security."

The President's frank, sincere analysis of our fiscal problems was inspiring and convincing. It is now our responsibility carefully to study the cold war budget and to unite behind the President's challenging message in defense of the budget and his recommendations with regard to intelligent reductions. We must put an end to the voices of division and confusion. A united, strong America under the leadership of our great President is the best hope for peace in the world.

REPRESENTATIVE FRANCES P. BOLTON, OF OHIO, AND THE BOOK A LONG WAY FORWARD

Mrs. SMITH of Maine. Mr. President, a book has been written about my best friend in the United States Congress—FRANCES P. BOLTON, of Ohio—a woman whom I seek to emulate in my own service in Congress. It is one of the best biographies I have ever read. It has objectivity, but it has warmth. It is factual, but it is very human in its personal treatment. It historically records the deeds and feats of Representative BOLTON, the outstanding Congresswoman, but it also picturesquely portrays FRANCES PAYNE BOLTON, the girl, the woman, the wife, and the mother.

As a close friend of FRANCES BOLTON for more than 20 years, I make these observations about the book A Long Way Forward, and I commend it to the Members of the Senate for informative and fascinating reading. Like Frances, I came to Washington as the wife of a Congressman. But Frances preceded me in that role some 8 years. Like Frances, I was elected to fill the vacancy created by the death of my husband. But Frances preceded me in that role some 3 months.

She has always led, and I have always enthusiastically followed. She has given me guidance and strength at most crucial times. In 1948, she was among the handful of supporters and contributors to my campaign for the Senate.

We have served together in Congress for nearly 17 years, and during all that time I have gone repeatedly to FRANCES BOLTON for advice and counsel—unerring advice and wise counsel.

I am grateful for this book about the life of FRANCES BOLTON, for through it I have learned for the first time many fascinating things about her. I have confidently felt that I knew her quite deeply. This book has reaffirmed that feeling, for I am impressed with the remarkable manner in which the author, David Loth, has so accurately captured the character and personality of FRANCES BOLTON in the years that I have known her so well.

But this book has given me the feeling of knowing her even better. Through it, I have learned of the influential little and large incidents in her life before I met her that explain in revealing depth the many sterling qualities she possesses, and give even greater meaning to the cause and effect of the admirable traits which she has in such great abundance.

In short, I say with all sincerity that A Long Way Forward is must reading for all Members of Congress, especially for those who have served many years with FRANCES BOLTON. It is recommended reading for all Americans, whether they know her or not, for it is the story of a great American woman dedicated to her country and fulfilling that dedication with a public service of understanding and intelligence that is so rarely found.

THE BATTLE OF GETTYSBURG AND THE BATTLE OF THE BULGE

Mr. JOHNSTON of South Carolina. Mr. President, I have before me an editorial from the May 9 issue of the Washington Daily News which I should like to read to the Senate at this time. This editorial is most appropriate regarding the ridiculous suggestions made by General Montgomery and President Eisenhower that they would have "sacked" Generals Lee and Meade, and even themselves, if they had done what Lee and Meade did at the Battle of Gettysburg:

ON ANOTHER FIELD

It was a rather wet, foggy morning last Sunday in the Ardennes Forest of France, as well as at Gettysburg.

No one noticed the gray-clad shade of Gen. Robert E. Lee and the blue-faded wraith of Gen. George C. Meade jeeping leisurely over the historic battleground in amiable conversation.

"And this," said General Meade to General Lee, "is where Von Rundstedt massed the cream of the Germany Army for a last-ditch counterattack that Christmas of 1944."

"Yes," said General Lee. "He had alined his forces to the south there along the 50 miles from Monschau Forest to Trier. This was his desperate, final attempt to change the whole course of the war."

"What about General Eisenhower's intelligence?" asked General Meade.

"It was completely in the dark," said General Lee, "when the Germans' Sixth Armored Army rushed in. The Allied defense was thin and the Germans hit in two columns. On the north they carved out a salient 10 miles wide and 6 miles deep. Their southern column, executing a pincers movement over that way, penetrated 5 miles. That was the opening of what they called the Battle of the Bulge."

"Where was General Montgomery?" asked General Meade.

"He was tidying up the battle area and massing to protect Antwerp—to the rear."

"So the Germans broke through," said General Meade, shaking his head.

"They did, indeed," said General Lee.

"An absolutely monstrous thing," said General Meade.

"I would have sacked them both," said General Lee.

"You're so right, Bob," said General Meade. And the two shades—old soldiers once bitter rivals—solemnly shook hands in agreement at last.

Mr. President, it is easy for anyone to stand on a battlefield nearly 100 years later and criticize the tactics of warfare conducted by those in command at that time.

No doubt, as has been implied in this editorial, someone, if not the ghosts of Lee and Meade themselves, will 100 years from now stand on the beaches of Normandy and Italy and at the scene of the Battle of the Bulge and say, "If you had done like Eisenhower and Montgomery and their subordinates I would have sacked you."

Certainly the Normandy invasion involved a disastrous cost in lives to this country, and we all know of the unwarranted and murderous slaughter that occurred at Anzio. But I shall be kinder to General Eisenhower than he has been to Lee and Meade, and not criticize him as he criticized them, for Eisenhower, unlike Lee and Meade, was not on the battlefields of Normandy and Anzio, and was merely a passer of orders from higher authorities.

I do, however, rise to the defense of Gen. Robert E. Lee. General Eisenhower may say what he pleases regarding generals in the Union Army, but it is offensive to my people to listen to a general who had at his disposal in his day the most wealth, men, materials of war, and the largest army, navy, and air force in history, and hear him criticize a great Confederate general who, despite poverty, starvation, a ragged army, and practically no navy or munitions, managed to hold off and even invade the territory of the industrialized, wealthy, well-fed Yankees. Lee is, has been, and always will be considered by responsible people in and out of the military as one of the greatest military strategists in our Nation's history, despite what some currently popular critics may say.

Needless to say, had those today who say they would have sacked Lee been living then, it would be interesting to see just what place in history, if any, they would have secured for themselves.

LEE AT GETTYSBURG

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, an editorial entitled "Lee at Gettysburg," published in the Washington Evening Star of May 14, 1957.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LEE AT GETTYSBURG

It is a bit difficult to comprehend the strategy of a Commander in Chief who sets out on a Friday to woo the South with sweet talk about the virtues of modern Republicanism and winds up on Sunday saying that General Lee bungled the battle of Gettysburg and should have been sacked. Of course, General Ike's Friday appeal to the South to enlist under the Republican Party banner may have been a lost cause from the start. But if it ever had a chance, it surely was lost in Sunday's verbal engagement on the field of Gettysburg. Talk about bungled battles. General Eisenhower could hardly have done a more thorough job of bungling his own political campaign if he had come forth with a denunciation of motherhood and magnolia blossoms.

General Lee would have known better. For whatever his blunders at Gettysburg—and he did blunder—he was not given to second guessing. He did not sack anybody at Gettysburg in 1863 (although he tendered his own resignation) and he would not have sacked anybody had he been there in 1957. He understood the hazards of the careless word.

It was not that Lee lacked alibis had he wanted to use them. Two months before the battle he lost his "strong right arm" when Stonewall Jackson was killed at Chancellorsville. And Jackson's magnificent Second Corps, under a new commander, did not perform well at Gettysburg. Jeb Stuart, roaming the countryside on some adventure of his own, left Lee without information as to the strength and dispositions of the Federal troops. Longstreet, opposed to the plan of battle, sulked throughout the second day and dragged his feet on the third. If Jackson had been there, if Stuart had done his job, if Longstreet had pushed the fight, or if any one of half a dozen lesser "ifs" had turned out right, the battle might well have been won.

But it was not won, and no word of blame fell on any subordinate. General Lee set about the task of rallying his shattered army for the heartbreaking retreat back across the Potomac—the retreat that was to lead to the eventual surrender at Appomattox. Lee—"that guy" as Monty and Ike called him—rode over to Longstreet's bivouac. There were no reproaches, no recriminations. Lee said simply, "It's all my fault."

In this remark, there certainly was no rebuke to Longstreet. If there is a quality about it which rebukes the secondguessers, that is their fault—not Lee's.

Mr. BYRD. Mr. President, Lee needs no defense, and I make none. His glorious record, his noble character, and his moral leadership give him a place in world history that no one can impair.

UNITED STATES INFORMATION AGENCY

Mr. BUSH. Mr. President, over the period of recent years the United States has been successful in turning the main Soviet threat away from the military and into the area of propaganda, subversion, and infiltration. Yet, in this very area, we are now hamstringing our own forces. The Senate Appropriations Committee figure of $90,200,000 is $22.8 million below the current level of $113 million.

As David Lawrence said in his column yesterday:

The Soviet Government is spending billions for propaganda throughout the world, whereas Congress is still arguing about a few million that the United States Information Agency wants. Meanwhile the Soviets are winning important propaganda victories. Their nuclear-test propaganda, for instance, is taking hold.

The plain fact is that we simply cannot meet the sharply stepped up Communist propaganda campaign worldwide on a budget of $90,200,000.

The United States Information Agency would have to cut back its programs drastically, and discharge several hundred employees—which would have a devastating effect on morale—at a time when the Government's overseas propaganda work should be increased.

In addition, such a cut would be actually wasteful. Uncompleted contracts and projects and administrative cost of personnel terminations would cost the Government several million dollars.

This Agency has carefully and effectively been rebuilt under the President's personal guidance over the past 3½ years. If the Senate chops its heart out now, it will have done a disservice to the American people.

The Soviet Union has increased its radio propaganda output 10 percent in the past year to almost twice that of the Voice of America. Russia has 2,097 broadcast hours a week; the United States of America 1,139 broadcast hours a week. On documentary films and newsreels alone in 1957 the Soviet Union is spending $125 million.

Last year Russia published 613 new book titles in Free-World languages, a total of 27½ million copies, representing a vast increase.

During 1956, the Soviet news agency TASS expanded in New Delhi, Karachi, Baghdad, Djarkarta, Beirut, Cairo, Copenhagen, Kabul, Phnom Penh, and Helsinki. TASS in India doubled the circulation of its fortnightly magazine Soviet Land.

The Communists spent $38 million for exhibits at international trade fairs in 1955. In 1956 they spent $100 million.

The number of governmental, cultural, and sports delegations traveling to and from the Communist orbit jumped from 1,317 to 1,810 during the past year, with particular emphasis—a 100-percent increase—in travel to and from the uncommitted countries in the Near East, south Asia, and Africa.

Mr. President, I express the very fervent hope that the Senate will give the President what he has asked for in this particular section of his budget.

THE REPUBLICAN PLATFORM OF 1956

Mr. GOLDWATER. Mr. President, several of my highly esteemed colleagues on this side of the aisle have taken me to task in recent days for what they term my disregard for the Republican platform. They have done this because in their minds my calling for cuts in the largest peacetime budget in history disregards the planks in the Republican platform of 1956. I should like to invite the attention of these colleagues, and indeed of all my colleagues in the Senate, to what the Republican platform of 1956 says about the subject to which I addressed myself:

We have balanced the budget. We believe and will continue to prove that thrift, prudence, and a sensible respect for living within income applies as surely to the management of our Government's budget as it does to the family budget.

Mr. President, that statement is found in the part of the platform entitled, "Declaration of Faith."

Now let me call the attention of my colleagues to another section of our platform dealing with taxes and fiscal policy. It reads as follows:

The Republican Party takes pride in calling attention to the outstanding fiscal achievements of the Eisenhower administration, several of which are mentioned in the foreword to these resolutions.

In order to progress further in correcting the unfortunate results of unwise financial management during 20 years of Democrat administrations, we pledge to pursue the following objectives:

Further reductions in Government spending as recommended in the Hoover Commission report, without weakening the support of a superior defense program or depreciating the quality of essential services of government to our people.

Continued balancing of the budget, to assure the financial strength of the country which is so vital to the struggle of the Free World in its battle against communism; and to maintain the purchasing power of a sound dollar, and the value of savings, pensions, and insurance.

Gradual reduction of the national debt.

Then, insofar as consistent with a balanced budget, we pledge to work toward these additional objectives:

Further reductions in taxes with particular consideration for low and middle income families.

Initiation of a sound policy of tax reductions which will encourage small independent businesses to modernize and progress.

Continual study of additional ways to correct inequities in the effect of various taxes.

Those statements are taken from the Republican platform of 1956.

Mr. President, the purpose of my making this short statement this morning is merely to remind my Republican colleagues who have been critical of my stand on the budget that the platform of 1956 contains some very forceful language that backs up my position, and I suggest if we are going to be true to one part of a platform we should be true to the whole.

STATEMENT BY SENATOR MORTON ON REPORT OF THE SPECIAL COMMITTEE TO STUDY THE FOREIGN AID PROGRAM

Mr. MORTON. Mr. President, I have read with interest the report of the special committee which was established to study the foreign aid program. The report was issued on May 13, and is entitled "Foreign Aid." I ask unanimous consent to have printed in the body of the RECORD my remarks and comments on this subject.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MORTON

I read with interest the report of the special committee which was set up to study the foreign aid program. This report was issued on May 13 and is entitled "Foreign Aid." The committee was set up pursuant to Senate Resolution 285 of the 84th Congress. The distinguished senior Senator from Rhode Island, the chairman of the Foreign Relations Committee, served as chairman of the special committee. The membership of the committee included all of the members of the Committee on Foreign Relations, as well as Senators HAYDEN and BRIDGES from the Appropriations Committee, and Senators RUSSELL and SALTONSTALL from the Armed Services Committee.

The special committee was instructed by the Senate to "make exhaustive studies of the extent to which foreign assistance by the United States Government serves, can be made to serve, or does not serve the national interest, to the end that such studies and recommendations based thereon may be available to the Senate in considering foreign-aid policies for the future."

I would like to commend the committee for a very penetrating and excellent report. I would like also to commed Mr. Carl Marcy, who acted as chief of staff for the committee. The report reflects the excellent staff work which Mr. Marcy has always performed in his distinguished service to the Senate and its Foreign Relations Committee.

Section IV of the report is entitled "The Shortcomings of the Foreign Aid Programs." The very first subject handled under this section is concerned with basic misconceptions of foreign aid. It seems to me that if we as a nation are to properly discharge our responsibility as the leader of the Free World, these basic misconceptions must be corrected.

Permit me to quote what the committee has to say on this important matter. "Foreign aid has come to be regarded as a single device of policy capable of achieving a multiplicity of objectives. Many people in the United States have been led to this view largely by the ambiguous justifications for foreign aid in the past and because foreign aid frequently has been treated both in legislation and in administration as though it were a single device of policy. The fact is that the mutual security program contains many separate undertakings whose purposes may be, but are not necessarily, closely related."

"Foreign aid has been justified at one and the same time as the answer to the prevention of further Communist expansion; as a key to national defense; as a lid to cap explosive political situations like that in the Middle East; as a vehicle for the expression of our friendship and our humanitarianism; as a means of keeping or winning the less developed nations to freedom; as a principal bulwark of world peace; as a stimulator of trade, investment, and free enterprise throughout the world; as the answer to the problem of agricultural surpluses and other lesser economic dislocations in this country.

"Foreign aid, in one form or another, has been a factor in dealing with all of these questions. With respect to many of them, however, it is at best only a minor factor.

"In the committee's view, the ambiguity concerning the purposes of foreign aid and the misconception of it as a single device of policy for carrying a multiplicity of programs have impaired its usefulness. An aid program to build military strength against aggression in Western Europe cannot be expected, except incidentally, to fulfill other purposes. An aid program like technical assistance will have served the interests of the United States if in the process of helping others to help themselves, it promotes friendly contact and technical exchange between ourselves and others. If aid is primarily for support of a country unable to carry the burden of a large military establishment to resist Communist aggression, as is the case, for example, in Korea, that aid cannot be expected necessarily to assist economic development. If aid is supposed to promote economic development abroad, to encourage the growth of free political institutions and to expand opportunities for trade, those purposes are more likely to be realized if they are not confused with defense against the threat of Communist aggression, however valid the latter objective is in its own right.

"Foreign aid, in short, is not an all-powerful device to be aimed at all things, in all nations at the same time. The misconception of it as such was bound to produce, as it has produced, criticism and even hostility abroad regarding the motives of our aid. This misconception was bound to result, as it has resulted, in distortions as to the purposes, cost, and potentialities of particular types of aid. This misconception was bound to lead, as it has led, to increasing disillusionment and hostility toward foreign aid in this country."

It is my opinion that the misconceptions in connection with foreign aid can only be corrected by a more realistic and definite format for the presentation of the program to the Congress. It is a well-known fact that not only the people but many Members of Congress are confused in their own minds as to both the purposes and the scope of the various programs of what is generally termed "foreign aid."

For a little more than 3 years, between my service in the House of Representatives and my election to the Senate, I served as Assistant Secretary of State for Congressional Relations. In that capacity, I had substantial responsibilities in the presentation to the Congress of the foreign aid program for fiscal years 1954, 1955, and 1956. I came to the conclusion then that this program, so vital to the implementation of our foreign policy and our own national security, would encounter increasingly rough going in the Congress unless it could be presented in such a way as to be more clearly understood by the American people.

We all know that it is constantly referred to in the Congress, in the press, and in our daily mail as the giveaway program. It is often condemned in much stronger language. In the minds of many Americans, this country is engaged in a worthless, inefficient, starry-eyed, giveaway program amounting to $4 or $5 billion annually. A well-educated and intelligent constituent of mine recently told me, "certainly we can cut economic aid to Britain and France out of the program." He was undoubtedly referring to the old Marshall plan, which has long since been terminated. His remark indicated clearly to me the great need that exists for putting the foreign aid program in proper perspective.

In order to accomplish this, I think that the military elements of foreign aid must be entirely separated from economic development and technical assistance. I don't think it is sufficient to merely place the separate programs and objectives in separate titles of one bill, as is presently done. This complete separation which I strongly recommend may well lead to a situation in which the Armed Services Committees of the Senate and House would handle the authorization for much of the mutual security program. In the Appropriations Committees, there would likewise be a realinement of responsibility. In my judgment, not only would such a plan help to enlighten the Congress, the press, and the public, but it would lead to greater efficiency in administration and the development of more effective policies.

We all have some knowledge of how budgets are developed. There are always substantial reductions applied before amounts requested by the operating bureaus, agencies or departments are actually transmitted by the President to the Congress. In the case of the foreign-aid program, we have lumped jet planes for NATO in the same package with technical assistance for Cambodia. This procedure just doesn't make sense.

The military elements of our foreign-aid program should be considered in the light of our overall national security and measured against our overall defense budget. The amount of military hardware and defense support that we grant to Turkey, for example, should not be cut to fit a total figure that includes economic development for Southeast Asia or technical assistance for Central America. Our degree of military support in Turkey, Formosa, Korea, NATO, or elsewhere should fit into a pattern shaped to the composition and disposition of the components of our own armed services.

I realize that there are many problems in connection with such a radical departure in the planning and presentation of the so-called foreign-aid program. Any foreign-military assistance carries with it important foreign-policy considerations. There will have to be very close liaison between the Department of State and the Department of Defense. Such liaison exists today and there is no reason why foreign-military aid should not be presented to the Congress and administered by the Department of Defense as a part of the vital security of the United States. The National Security Council, of which the Secretary of State is a member, and the Operations Coordinating Board, of which the Under Secretary of State is Chairman, surely guarantee foreign-policy control by the Secretary of State over any foreign military-aid programs.

The President's message on the mutual-security program for the coming fiscal year will be sent to the Congress shortly. I understand that in it he will attempt the delineate between the different facets of the program. I realize that it will be impossible in the short time available to follow such a suggestion as I have made in the presentation for fiscal 1958. I do hope that the matter will be given careful consideration by the Administration and the interested committees of Congress prior to the presentation of the program for fiscal 1959.

Throughout our history the American people have shown a tremendous capacity for meeting any challenge effectively and unselfishly. Today the American people face the challenge of the responsibility of Free World leadership. The American people did not seek, nor desire, this position of world leadership. Most of our forebears came to this country to escape the wars and the political intrigues of the Old World, as well as to seek new opportunities and broader horizons. However, in seven short generations, the events of history have literally shoved us into this position of leadership. Many of us would like to forget the troubles of the world, but we can't. The scientific developments of the last half century have nullified the protection which 2 great oceans afforded us during the first 140 years of our Republic.

The American people will always respond to the challenge, but the challenge must be known and understood. The American people will always unselfishly support programs vital to our freedom and security, but such programs likewise must be known and understood. Our representative system of government depends upon an enlightened and informed electorate. Many of the programs which are today lumped together under the misunderstood foreign-aid umbrella are vital to the national interest and the defense of our country. The administration, the Congress, and all engaged in informing the public share in the responsibility for correcting basic misconceptions of foreign aid.

In the first paragraph of its concluding comments the report has this to say: "The committee recognizes that the recommendations it has proposed involve far-reaching changes in the concept and the operation of the foreign-aid programs. It recognizes that these changes cannot be brought about in a moment. Nevertheless, it believes they can and should be brought about promptly if the foreign-aid programs are to continue to serve the national interests."

I add only this: Unless the basic misconceptions are eliminated, there will be no program authorized and no funds appropriated in the not too distant future. In the interest of our own national security let us set about the task before us.

DECLARATION OF CONSCIENCE BY DR. ALBERT SCHWEITZER REGARDING FUTURE TESTS OF HYDROGEN BOMB

Mr. NEUBERGER. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD the complete text of the Declaration of Conscience, with respect to future tests of the hydrogen bomb, as issued by the illustrious Dr. Albert Schweitzer, of Lambarene, French Equatorial Africa. I also ask unanimous consent that an analysis entitled "The Schweitzer Declaration," as published in the Saturday Review of May 18, 1957, appear along with the statement by Dr. Schweitzer, himself.

I am particularly anxious that the full text of Dr. Schweitzer's historic declaration should appear in the RECORD, because Communist groups have already distorted and made misleading use of selective and fragmentary excerpts from the statement by Dr. Schweitzer for their own ulterior purposes. Such distortion by the Communists can easily be refuted and dispelled by the reading of the full text of what Dr. Schweitzer has said.

As a Member of the United States Senate from the Pacific Northwest, I have a particular and special interest in the eloquent statement by this great humanitarian, because of his references to the radioactivity detected in the reaches of the Columbia River as a result of waste material from the Hanford Atomic Works, near Richland, Wash.

It is my opinion that any Member of the Senate who takes the time and trouble to study, thoroughly, the moving appeal by Dr. Albert Schweitzer will come to the conclusion that the civilized world should attempt to halt further hydrogen-bomb detonations.

I ask unanimous consent that the Declaration by Dr. Schweitzer and the accompanying material written by Norman Cousins, editor of the Saturday Review, appear in the body of the RECORD.

There being no objection, the declaration and accompanying article were ordered to be printed in the RECORD, as follows:

A DECLARATION OF CONSCIENCE

(By Albert Schweitzer)

Since March 1, 1954, hydrogen bombs have been tested by the United States at the Pacific island of Bikini in the Marshall group and by Soviet Russia in Siberia. We know that testing of atomic weapons is something quite different from testing of nonatomic ones. Earlier, when a new type of giant gun had been tested, the matter ended with the detonation. After the explosion of a hydrogen bomb that is not the case. Something remains in the air, namely, an incalculable number of radioactive particles emitting radioactive rays. This was also the case with the uranium bombs dropped on Nagasaki and Hiroshima and those which were subsequently tested. However, because these bombs were of smaller size and less effectiveness compared with the hydrogen bombs, not much attention was given to this fact.

Since radioactive rays of sufficient amount and strength have harmful effects on the

human body, it must be considered whether the radiation resulting from the hydrogen explosions that have already taken place represents a danger which would increase with new explosions.

In the course of the 3½ years that have passed since then (the test explosions of the early hydrogen bombs) representatives of the physical and medical sciences have been studying the problem. Observations on the distribution, origin, and nature of radiation have been made. The processes through which the human body is harmfully affected have been analyzed. The material collected, although far from complete, allows us to draw the conclusion that radiation resulting from the explosions which have already taken place represents a danger to the human race—a danger not to be underrated—and that further explosions of atomic bombs will increase this danger to an alarming extent.

This conclusion has repeatedly been expressed, especially during the last few months. However, it has not, strange to say, influenced public opinion to the extent that one might have expected. Individuals and peoples have not been aroused to give to this danger the attention which it unfortunately deserves. It must be demonstrated and made clear to them.

I raise my voice, together with those of others who have lately felt it their duty to act, through speaking and writing, in warning of the danger. My age and the generous understanding so many people have shown of my work permit me to hope that my appeal may contribute to the preparing of the way for the insights so urgently needed.

My thanks go to the radio station in Oslo, the city of the Nobel Peace Prize, for making it possible for that which I feel I have to say to reach far-off places.

What is radioactivity?

Radioactivity consists of rays differing from those of light in being invisible and in being able to pass not only through glass but also through thin metal discs and through layers of cell tissue in the human and animal bodies. Rays of this kind were first discovered in 1895 by the physicist Wilhelm Roentgen of Munich, and were named after him.

In 1896 the French physicist Henry Becquerel demonstrated that rays of this kind occur in nature. They are emitted from uranium, an element known since 1786.

In 1898 Pierre Curie and his wife discovered in the mineral pitchblende, a uranium ore, the strongly radioactive element radium.

The joy caused by the fact that such rays were at the disposal of humanity was at first unmixed. It appeared that they influence the relatively rapidly growing and relatively rapidly decaying cells of malignant tumors and sarcomas. If exposed to these rays repeatedly for a longer period, some of the terrible neoplasms can be destroyed.

After a time it was found, however, that the destruction of cancer cells does not always mean the cure of cancer and also, that the normal cells of the body may be seriously damaged if long exposed to radioactivity.

When Madame Curie, after having handled uranium ore for 4 years, finally held the first gram of radium in her hand there appeared abrasions in the skin which no treatment could cure. With the years she grew steadily sicker from a disease caused by radioactive rays which damaged her bone marrow and through this her blood. In 1934 death put an end to her suffering.

Even so, for many years we were not aware of the grave risks involved in X-rays to those constantly exposed to them. Through operating X-ray apparatus thousands of doctors and nurses have incurred incurable diseases.

Radioactive rays are material things. Through them the radioactive element constantly and forcefully emits tiny particles of itself. There are three kinds. They are named after the three first letters of the Greek alphabet, alpha, beta, gamma. The gamma rays are the hardest ones and have the strongest effect.

The reason why elements emit radioactive rays is that they are in a continuous state of decaying. The radioactivity is the energy liberated little by little. There are other elements besides uranium and radium which are radioactive. To the radiation from the elements in the earth is added some radiation from space. Fortunately, the air mass 400 kilometers high that surrounds our earth protects us against this radiation. Only a very small fraction of it reaches us.

We are, then, constantly being exposed to radioactive radiation coming from the earth and from space. It is so weak, however, that it does not hurt us. Stronger sources of radiation, as for instance X-ray machines and exposed radium, have, as we know, harmful effects if one is exposed to them for some time.

The radioactive rays are, as I said, invisible. How can we tell that they are there and how strong they are?

Thanks to the German physicist Hans Geiger, who died in 1945 as a victim to X-rays, we have an instrument which makes that possible. This instrument is called the Geiger counter; it consists of a metal tube containing rarefied air. In it are two metal electrodes between which there is a high potential. Radioactive rays from the outside affect the tube and release a discharge between the two electrodes. The stronger the radiation the quicker the discharges follow one another. A small device connected to the tube makes the discharge audible. The Geiger counter performs a veritable drumroll when the discharges are strong.

There are two kinds of atom bomb—uranium bombs and hydrogen bombs. The effect of a uranium bomb is due to a process which liberates energy through the fission of uranium. In the hydrogen bomb the liberation of energy is the result of the transformation of hydrogen into helium.

It is interesting to note that this latter process is similar to that which takes place in the center of the sun, supplying it with the self-renewing energy which it emits in the form of light and heat.

In principle, the effect of both bombs is the same. But according to various estimates the effect of one of the latest hydrogen bombs is 2,000 times stronger than the one which was dropped on Hiroshima.

To these two bombs has recently been added the cobalt bomb, a kind of super-atom-bomb. It is a hydrogen bomb surrounded by a layer of cobalt. The effect of this bomb is estimated to be many times stronger than that of hydrogen bombs that have been made so far.

The explosion of an atom bomb creates an unconceivably large number of exceedingly small particles of radioactive elements which decay like uranium or radium. Some of these particles decay very quickly, others more slowly, and some of them extraordinarily slowly. The strongest of these elements cease to exist only 10 seconds after the detonation of the bomb. But in this short time they may have killed a great number of people in a circumference of several miles.

What remains are the less powerful elements. In our time it is with these we have to contend. It is of the danger arising from the radioactive rays emitted by these elements that we must be aware.

Of these elements some exist for hours, some for weeks, or months, or years, or millions of years, undergoing continuous decay. They float in the higher strata of air as clouds of radioactive dust. The heavy particles fall down first. The lighter ones will stay in the air for a longer time or come down with rain or snow. How long it will take before everything carried up in the air by the explosions which have taken place till now has disappeared no one can say with any certainty. According to some estimates, this will be the case not earlier than 30 or 40 years from now.

When I was a boy I witnessed how dust hurled into the air from the explosion in 1883 of the island Krakatoa in the Sunda group was noticeable for 2 years afterward to such an extent that the sunsets were given extraordinary splendor by it.

What we can state with certainty, however, is that the radioactive cloud will constantly be carried by the winds around the globe and that some of the dust, by its own weight, or by being brought down by rain, snow, mist, and dew, little by little, will fall down on the hard surface of the earth, into the rivers, and into the oceans.

Of what nature are these radioactive elements, particles of which were carried up in the air by the explosion of atom bombs and which are now falling down again?

They are strange variants of the usual nonradiocative elements. They have the same chemical properties, but a different atomic weight. Their names are always accompanied by their atomic weights. The same element can occur in several radioactive variants. Besides iodine 131, which lives for 16 days only, we have iodine 129, which lives for 200 million years.

Dangerous elements of this kind are: Phosphorus 32, calcium 45, iodine 131, iron 55, bismuth 210, plutonium 239, cerium 144, strontium 89, cesium 137. If the hydrogen bomb is covered by cobalt, cobalt 60 must be added to the list.

Particularly dangerous are the elements combining long life with a relatively strong, efficient radiation. Among them strontium 90 takes the first place. It is present in very large amounts in the radioactive dust. Cobalt 60 must also be mentioned as particularly dangerous.

The radioactivity in the air, increased through these elements, will not harm us from the outside, not being strong enough to penetrate the skin. It is another matter with respiratory tracts through which radioactive elements can enter our bodies. But the danger which has to be stressed above all the others is the one which arises from our drinking radioactive water and our eating radioactive food as a consequence of the increased radioactivity in the air.

Following the explosions of Bikini and Siberia rain falling over Japan has, from time to time, been so radioactive that the water from it cannot be drunk. Not only that: Reports of radioactive rainfall are coming from all parts of the world where analyses have recently been made. In several places the water has proved to be so radioactive that it was unfit for drinking.

Well water becomes radioactive to any considerable extent only after longer periods of heavy rainfall.

Wherever radioactive rainwater is found the soil is also radioactive—and in a higher degree. The soil is made radioactive not only by the downpour, but also from radioactive dust falling on it. And with the soil the vegetation will also have become radioactive. The radioactive elements deposited in the soil pass into the plants, where they are stored. This is of importance, for as a result of this process it may be the case that we are threatened by a considerable amount of radioactive elements.

The radioactive elements in grass, when eaten by animals whose meat is used for food, will be absorbed and stored in our bodies.

In the case of cows grazing on contaminated soil, the absorption is effected when we drink their milk. In that way small children run an especially dangerous risk of absorbing radioactive elements.

When we eat contaminated cheese and fruits the radioactive elements stored in them are transferred to us.

What this storing of radioactive material implies is clearly demonstrated by the observations made when, on one occasion, the radioactivity of the Columbia River in North America was analyzed. The radioactivity was caused by the atomic plants at Hanford, which produce plutonium for atomic bombs and which empty their waste water into the river. The radioactivity of the river water was insignificant. But the radioactivity of the river plankton was 2,000 times higher, that of the ducks eating plankton 40,000 times higher, that of the fish 15,000 times higher. In young swallows fed on insects caught by their parents in the river the radioactivity was 500,000 times higher, and in the egg yolks of water birds more than 1 million times higher.

From official and unofficial sources we have been assured, time and time again, that the increase in radioactivity of the air does not exceed the amount which the human body can tolerate without any harmful effects. This is just evading the issue. Even if we are not directly affected by the radioactive material in the air, we are indirectly affected through that which has fallen down, is falling down, and will fall down. We are absorbing this through radioactive drinking water and through animal and vegetable foodstuffs, to the same extent as radioactive elements are stored in the vegetation of the region in which we live. Unfortunately for us, nature hoards what is falling down from the air.

None of the radioactivity of the air, created by the explosion of atom bombs, is so unimportant that it may not, in the long run, become a danger to us through increasing the amount of radioactivity stored in our bodies.

What we absorb of radioactivity is not spread evenly in all cellular tissue. It is deposited in certain parts of our body, particularly in the bone tissue and also in the spleen and in the liver. From those sources the organs which are especially sensitive to it are exposed to radiation. What the radiation lacks in strength is compensated for by time. It works day and night without interruption.

How does radiation affect the cells of an organ?

Through being ionized, that is to say, electrically charged. This change means that the chemical processes which make it possible for the cells to do their job in our body no longer function as they should. They are no longer able to perform the tasks which are of vital importance to us. We must also bear in mind that a great number of the cells of an organ may degenerate or die as a result of radiation.

What are the diseases caused by internal radiation? The same diseases that are known to be caused by external radiation.

They are mainly serious blood diseases. The cells of the red bone marrow, where the red and the white blood corpuscles are formed, are very sensitive to radioactive rays. It is these corpuscles, found in great numbers in the blood, which make it possible for it to play such an important part. If the cells in the bone marrow are damaged by radiation they will produce too few or abnormal, degenerating blood corpuscles. Both cases lead to blood diseases and, frequently, to death. These were the diseases that killed the victims of X-rays and radium rays.

It was one of these diseases that attacked the Japanese fishermen who were surprised in their vessel by radioactive ashes falling down 240 miles from Bikini after the explosion of a hydrogen bomb. With one exception, they were all saved, being strong and relatively mildly affected, through continuous blood transfusions.

In the cases cited the radiation came from the outside. It is unfortunately very probable that internal radiation affecting the bone marrow and lasting for years will have the same effect particularly since the radiation goes from the bone tissue to the bone marrow. As I have said, the radioactive elements are by preference stored in the bone tissue.

Not our own health only is threatened by internal radiation, but also that of our descendants. The fact is that the cells of the reproductive organs are particularly vulnerable to radiation which in this case attacks the nucleus to such an extent that it can be seen in the microscope.

To the profound damage of these cells corresponds a profound damage to our descendants.

It consists in stillbirths and in the births of babies with mental or physical defects.

In this context also, we can point to the effects of radiation coming from the outside.

It is a fact—even if the statistical material being published in the press needs checking—that in Nagasaki, during the years following the dropping of the atom bomb, an exceptionally high occurrence of stillbirths and of deformed children was observed.

In order to establish the effect of radioactive radiation on posterity, comparative studies have been made between the descendants of doctors who have been using X-ray apparatus over a period of years and descendants of doctors who have not. The material of this study comprises about 3,000 doctors in each group. A noticeable difference was found. Among the descendants of radiologists a percentage of stillbirths of 1.403 was found, while the percentage among the nonradiologists were 1.222.

In the first group 6.01 percent of the children had congenital defects, while only 4.82 percent in the second.

The number of healthy children in the first group was 80.42 percent; the number in the other was significantly higher, viz., 83.23 percent.

It must be remembered that even the weakest of internal radiation can have harmful effects on our descendants.

The total effect of the damage done to descendants of ancestors who have been exposed to radioactive rays will not, in accordance with the laws of genetics, be apparent in the generations coming immediately after us. The full effects will appear only 100 or 200 years later.

As the matter stands we cannot at present cite cases of serious damage done by internal radiation. To the extent that such radiation exists it is not sufficiently strong and has not lasted long enough to have caused the damage in question. We can only conclude from the harmful effects known to be caused by external radiation to those we must expect in the future from internal radiation.

If the effect of the latter is not as strong as that of the former, it may become so, through working little by little and without interruption. The final result will be the same in both cases.

Their effects add up.

We must also remember that internal radiation does not have to, in contrast to that coming from the outside, penetrate layers of skin, tissues, and muscles to hit the organs. It works at close range and without any weakening of its force.

When we realize under what conditions the internal radiation is working, we cease to underrate it. Even if it is true that, when speaking of the dangers of internal radiation, we can point to no actual case, only express our fear, that fear is so solidly founded on facts that it attains the weight of reality in determining our attitude. We are forced to regard every increase in the existing danger through further creation of radioactive elements by atom-bomb explosions as a catastrophe for the human race, a catastrophe that must be prevented.

There can be no question of doing anything else, if only for the reason that we cannot take the responsibility for the consequences it might have for our descendants. They are threatened by the greatest and most terrible danger.

That radioactive elements created by us are found in nature is an astounding event in the history of the earth and of the human race. To fail to consider its importance and its consequences would be a folly for which humanity would have to pay a terrible price. We are committing a folly in thoughtlessness. It must not happen that we do not pull ourselves together before it is too late. We must muster the insight, the seriousness, and the courage to leave folly and to face reality.

This is at bottom what the statesmen of the nations producing atomic bombs are thinking, too. Through the reports they are receiving they are sufficiently informed to form their own judgments, and we must also assume that they are alive to their responsibility.

At any rate, America and Soviet Russia and Britain are telling one another again and again that they want nothing more than to reach an agreement to end the testing of atomic weapons. At the same time, however, they declare that they cannot stop the tests as long as there is no such agreement.

Why do they not come to an agreement? The real reason is that in their own countries there is no public opinion asking for it. Nor is there any such public opinion in other countries, with the exception of Japan. This opinion has been forced upon the Japanese people because, little by little, they will be hit in a most terrible way by the evil consequences of all the tests.

An agreement of this kind presupposes reliability and trust. There must be guaranties preventing the agreement from being signed by anyone intending to win important tactical advantages foreseen only by him.

Public opinion in all nations concerned must inspire and accept the agreement.

When public opinion has been created in the countries concerned and among all nations, an opinion informed of the dangers involved in going on with the tests and led by the reason which this information imposes, then the statesmen may reach an agreement to stop the experiments.

A public opinion of this kind stands in no need of plebiscites or of forming of committees to express itself. It works through just being there.

The end of further experiments with atom bombs would be like the early sunrays of hope which suffering humanity is longing for.

[From the Saturday Review of May 18, 1957]

THE SCHWEITZER DECLARATION—INTRODUCTION

The Saturday Review has the honor of being the only American magazine or newspaper to publish in full the complete text of the Declaration of Conscience, by Dr. Albert Schweitzer, This statement was issued on April 24 under the auspices of the Nobel Prize Committee in Oslo, Norway, for the consideration of the world's peoples.

Dr. Schweitzer's declaration was concerned with the implications of nuclear warfare and experimentation. Judging by reports received from abroad, the statement has produced a powerful response throughout the world. In the United States, the statement gave new emphasis to a controversy which has involved a number of the Nation's leading atomic scientists. In particular, Dr. Willard F. Libby, of the Atomic Energy Commission, wrote a public letter of reassurance to the doctor at his jungle hospital in Africa. The text of Dr. Libby's letter will appear in ful. in the next issue of the Saturday Review. The next issue will also contain a commentary on the Schweitzer and Libby statements by Dr. Harrison Brown, professor of geochemistry at the California Institute of

Technology, who was associated with the atomic bomb project at Oak Ridge during the war and who is the author of several books concerned with the significance of nuclear energy.

Press comment in the United States about Dr. Schweitzer's declaration has raised a number of questions: Where did Dr. Schweitzer obtain his data? Why did he issue his appeal to the world's peoples instead of to governments? What caused him to decide to inject himself into this particular debate?

It is abusurd for anyone to attempt to speak for Dr. Schweitzer. I can, however, report on a discussion with Dr. Schweitzer relating to those questions. Three months ago I visited Dr. Schweitzer at his hospital in Lambarene, French Equatorial Africa. One of the purposes of my visit was to discuss with him the general problem of world tensions in the context of an age which has available to itself the means of unlimited destruction.

I found the doctor in excellent health. He was just entering his 83d year but he maintained a daily schedule of work, at his desk, in the hospital, and in physical labor around the place, that would have been beyond the capacity of most men half his age. His mind has lost none of the suppleness or range that have given him distinction in so many fields. There was high purpose in everything he said. There was also a constant vein of wit and good spirits in his manner.

For the first 4 days of my visit to the hospital I spent little time with the doctor. I was appalled at his daily workload, especially his correspondence, and I was severely reluctant to make any demands on his energy or his time. But he sent for me the afternoon of the fourth day and put me at my ease. For the next week we spent at least 2 hours each day in discussions relating to a wide variety of subjects, his unfinished literary labors, history, philosophy, music, and the human situation in the world today.

The discussions were conducted in the German language through an interpreter, Mrs. Ciara Urquhart, who has been a frequent visitor to the hospital for many years and who enjoys the complete confidence of the doctor. She is also the author of a recent book "With Dr. Schweitzer in Lambarene," published in London.

It was in connection with the discussion relating to the condition of man in today's world that the subject of nuclear energy came up. It became clear that Dr. Schweitzer had been following this subject with profound interest and concern ever since the explosion at Hiroshima. I had brought with me a number of important papers relating to this matter and proceeded to discuss them with the doctor.

One of these papers was a report, of which Dr. Willard F. Libby was a coauthor, prepared for the United States Atomic Energy Commission in August 1954. Dr. Libby was reporting on the effect of radioactive fallout on milk resulting from the uranium and plutonium nuclear explosions that had taken place up to that time. Samples of milk taken from various places showed evidence of some contamination. The quantities of this radioactive strontium were found at the time to be well under dangerous levels. Even so, Dr. Libby's report showed evidence of growing apprehension, especially in his recommendation that the Federal Government undertake estimates on the cost of decontaminating milk. The decontamination would be effected by removing the calcium from the milk. Calcium has an affinity for radioactive strontium.

Three things were significant about that report. The first was that most of the radioactive fallout resulting from previous nuclear explosions had yet to come to earth at the time the survey was made. The second was that the biggest nuclear explosions were to occur after the report was published in August 1954. The third was that no precise data are available on the tolerance limits of human beings to radioactive strontium.

In other forms of radiation, it is definitely known that there is far less safety than had earlier been supposed. Only 10 or 15 years ago, for example, the public was being assured that it had nothing to fear from regular X-ray examinations. In the last year, however, it was disclosed that the tolerances were astoundingly lower than once had been so confidently claimed. Scientists have yet to perform the same kind of exhaustive researches into the tolerance limits of radioactive strontium that have been made on X-ray radiation. If, through additional research, it develops that the effects of radioactive strontium have been underestimated, as in the case of X-rays, then colossal damage to all living creatures will have been done. And this is the kind of damage that cannot be undone.

Another matter discussed with Dr. Schweitzer concerned the power of the new bombs. One way of visualizing this new power would be to imagine a procession of 1 million trucks, each of which contained 10 tons of TNT. The total tonnage would form a manmade mountain of dynamite several times the height of the Empire State Building. If this mountain were to be detonated it would represent the approximate power in a single 20-megaton hydrogen bomb that can be carried by a single plane.

Nothing to me was more striking than Dr. Schweitzer's face as he contemplated and spoke about the situation that confronted people in the world today. There seemed to be an infinity of detail in that face; it seemed as though every event in human history were clearly recorded there. Most of the time he sat forward in his straight chair, his eyes seemingly fixed on a distant object.

He said that over the years he had been collecting materials on the question of nuclear energy, military and nonmilitary. When he visited Europe some months earlier, his concern had been considerably increased as a result of a meeting of Nobel prize winners in Lindau (Austria). Many of the scientists there spoke with the utmost sense of urgency and gravity about the growing problem. Alongside such a problem, he said, everything else seemed small.

Only a few years ago, he added, the statement that this planet could be made unfit for life seemed absurdly melodramatic. But there was no longer any question that such power now existed. And even without a war, the atmosphere could become dangerously contaminated.

"After our talk yesterday," he said, "I reflected that danger of this magnitude is not easily grasped by the human mind. As day after day passes, and as the sun continues to rise and set, the sheer regularity of nature seems to rule out such terrible thoughts. But what we seem to forget is that, yes, the sun will continue to rise and set and the moon will continue to move across the skies, but mankind can create a situation in which the sun and moon can look down upon an earth that has been stripped of all life.

"We must find some way of bringing about an increased awareness of the danger," he continued. "It is a serious thing that the governments have supplied so little information to their peoples on this subject. There is no reason why people should not know exactly where they stand. Every once in awhile, the governments will reassure the people but this only comes after there has been a serious alarm. What is needed is genuine information. Nothing that a government knows about the nature of this new force is improper for its people to know."

I asked Dr. Schweitzer if he did not think that it was important for him to say publicly what he had just said to Clara Urquhart and me.

His eyes turned from a distant object and he looked at me directly.

"All my life," he said, "I have carefully stayed away from making pronouncements on public matters. Groups would come to me for statements or I would be asked to sign joint letters or the press would ask for my views on certain political questions. And always I would feel forced to say no.

"It was not because I had no interest in world affairs or politics. My interest and my concerns in these things are great. It was just that I felt that my connection with the outside world should grow out of my work or thought in the fields of theology or philosophy or music. I have tried to relate myself to the problems of all humankind rather than to become involved in disputes between this or that group. I wanted to be one man speaking to another man about the lasting problems inside men and between them."

I asked whether the doctor felt that the matter we had been discussing was as much moral as it was scientific or political. I told them I believed there was no living person whose voice on such an issue would be more widely heard or respected.

Dr. Schweitzer thanked me for the compliment but said that this was a problem for scientists. He believed that it would be too easy to attempt to discredit any nonscientist who spoke out on these matters.

I told him that I thought it inconceivable that this would be true in his case. Moreover, this was not solely a laboratory question. If nuclear power could have the effect of damaging the genes of human beings, then the nature of man himself was involved. Sovereign nations were now in a position to make decisions that were not properly theirs to make.

In saying this, I told him I recognized that the problem could not be considered apart from the larger uncertainty in the world today. Deep apprehension existed in the United States States and Western Europe about the basic aims and purposes of the Communist world. The totalitarian record of Stalin, to which the Communist leaders had themselves attested, and recent events of which Hungary was a grave example, made it difficult for the Western World to feel confident in the expressed desire of the Soviet leaders for peace. In short, nuclear experimentation did not exist in an otherwise placid world. This, of course, added to the peril of mankind. For what we had most to fear was not merely the tests themselves, hazardous though they might be, but a saturation of tensions resulting in all-out nuclear war.

Dr. Schweitzer agreed, saying that anything that would be done against nuclear experimentation should not have the effect of putting the West at a disadvantage with respect to Soviet Russia.

He said, however, that the very real challenge of world communism should not be used as the reason for withholding vital information from the human race concerning the dangers of unlimited nuclear testing. It was possible that an informed and determined world public opinion could serve as a powerful force in bringing about enforceable agreements with respect to arms control and in leading to other long-range measures for peace.

In view of all this, I asked the doctor whether he felt justified in putting aside his reticence about making a public statement.

He said that he would continue to give careful thought to the matter. He was still troubled, he said, about the form a constructive statement might take. How would it be issued? How would one go about drafting a statement that would be outside the context of the ideological struggle in the world today? He reemphasized that he didn't want people to think that he was admonishing the United

States or trying to intrude into domestic concerns. He wanted more time to think about these things.

When we resumed our discussion the next day he said he was still uncertain about the form of a statement or the method of its release.

Meanwhile, he was eager to consider an aspect of the problem that was highly significant. This was the fact that nations which were setting off nuclear explosions in the pursuit of their own security were possibly jeopardizing the health of other peoples.

On the basis of recent visits to Japan, I could report to Dr. Schweitzer that the Japanese Government was confronted with a profound dilemma. It did not wish to oppose the American Government, nor did it see any way of condemning Soviet Russia at the United Nations without including the United States. But Japan had increasing evidence of soil contamination as the result of the Russian tests, and fish contamination as the result of the American tests. Autopsies had indicated the presence of radioactive strontium in a number of corpses. The American hydrogen bomb explosion called "Operation Castle" had not been under complete control. Japanese fishermen were outside the prohibited area yet had been hit by radioactive ashes. The Japanese Government had just issued instructions to its people about precautionary measures in the preparation of leafy vegetables and fish. But decontamination of food was a complicated laboratory process; it was doubtful that even the most careful washing and boiling would be adequate.

As a result, Japanese public opinion was sensitive on the subject and was now becoming articulate and potent. Meanwhile, Communists were exploiting the issue of testing against the United States, making it appear that America was responsible for the failure to arrive at cessation agreements, and saying little about the fact of Soviet nuclear testing.

As we discussed the role of the bystanders with respect to nuclear testing, I could see that Dr. Schweitzer felt that this was a vital issue. As a citizen of a democratic nation, I did not feel that we had any right to take measures that were of possible danger to others without their consent. Indeed, the principal argument against Nazism and more recently against communism was that they were scornful of the rights of others and did harm to innocent people in their pursuit of military advantage. Is it any less immoral for a democratic nation to jeopardize the health and safety of other peoples through air dispersal of radioactive poisons? If other peoples are involved, then they have a right to participate in the basic decisions involved in testing. There is no more basic tenet in democratic government than that people who are affected by the acts of government have a right to participate in the affairs of that government.

If it is wrong to impose a tax on a man without giving him a voice in government, is it any less wrong to deprive his soil or water of their purity without giving him a chance to be represented and heard?

At the time I left Lambarene, Dr. Schweitzer was still struggling with the questions he had posed about the proper way in which a public statement might be made. A few weeks later I received a letter from the doctor saying that he had resolved these question in his own mind. He would prepare a declaration and then turn it over to the Nobel Prize Committee. Earlier he had been invited by the Nobel committee to speak out on the subject of world peace. In doing so now, he would write a declaration of conscience addressed to no single nation but the world's peoples. In it he would call for the right to know; he would try to make clear that before anything constructive could be done people had to have full information on the basis of which a moral climate of opinion could be created. He also said in his letter that he would get the fullest information from and check his facts with scientists of worldwide repute.

This is the way the matter was handled. Dr. Schweitzer's statement was read in full over Radio Oslo under the auspices of the Nobel prize committee. Copies were sent all over the world for simultaneous release. So far as can be ascertained, the United States, Soviet Union, and Communist China were the only major nations which did not broadcast the full text. In checking with American networks, I learned that there had apparently been some confusion about the statement. Indeed, two of the networks claimed that they had not even heard of the statement prior to the news flash about it from the wire services. In any event, the statement has now been released and millions of people know of its message. This is the statement that appears in full starting on page 17.

So far as the American people are concerned, it is unfortunate that the subject of nuclear experimentation became a political issue in the last campaign. The result has been that many people have taken fixed positions based on party affiliation. But the question has nothing to do with politics. It has to do with facts of vital concern to our health and the health of the world's peoples. It also has to do with information.

The American people have not been fully informed—under either administration these past 12 years—about the essential facts related to nuclear energy. Part of this is justifiable on military grounds. But it is also true that much of it has nothing to do with military security; what little the Government has released virtually had to be dredged out of it. It was only when a disaster occurred, as in the Pacific tests involving the fishermen, that the public had any inkling of the extent of danger from radioactivity.

Dr. Libby's letter is written with obvious good will, but it is not reassuring. He does not emphasize the special problem represented by internal radiation. He says nothing about the lower tolerances of children to radioactive strontium. He says nothing about the extent of contamination of milk. He makes no reference to his earlier report. He did not tell Dr. Schweitzer that the United States Public Health Service is just now setting up five stations at various points across the United States for the express purpose of testing milk and other foodstuffs for radioactive contamination. He does not make clear that neither this Government nor any other government can guarantee its people or other people that there may not be untoward effects which additional research may make known. He does not say what will happen when smaller nations, as will inevitably happen, begin their own nuclear programs. He cannot predict what the future fate of fallout will be, nor where it will take place. Nor does he remind people that X-rays, at a stage of development comparable with present nuclear testing, were considered far less harmful than they turned out to be. Finally, he talks about permissible limits of radioactive strontium in human beings. What he overlooks is that the proper amount of strontium in a human being is no strontium.

The editors do not question the good faith of our Government. We realize that there are circumstances under which men in Government may feel justified in withholding vital information. It may be feared that the American people will respond in panic. But this will be as nothing compared to the panic that will occur later if it should be discovered that the tolerance limits have been passed, and that there is no known method of washing the sky clean of the radioactive poisons that are yet to fall. The American Constitution makers had only to review history to be convinced that it is the natural and inevitable tendency of men in authority to withhold information if it is likely to produce an unwanted result. Because of this, the Constitution makers contended that the people must be informed about everything that concerns them—not as a matter of privilege, but as a matter of natural right.

It is this natural right that concerns Dr. Schweitzer.

DANGER OF RADIOACTIVE FALLOUT AND NEED FOR NATIONAL INSTITUTE OF RADIATION WITHIN NATIONAL INSTITUTES OF HEALTH

Mr. NEUBERGER. Mr. President, I ask unanimous consent that I may exceed the 3-minute limitation on statements during the morning hour.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. NEUBERGER. Mr. President, within recent months increased public attention has been focused on the subject of radiation exposure and its effect upon the human body. Evidence of this phenomenon may be observed in the frequent articles on this topic which have appeared in major United States publications, the many public discussions of radiation held by national medical and scientific organizations, and the numerous published studies seeking to determine more exactly the extent to which radiation is a factor in our lives.

This consideration of the problems inherent in radiation exposure is a reflection of the rising concern on the part of both scientists and laymen. For although these public expressions do not agree as to exact degree of danger involved in radiation exposure, they do agree that active or at least potential danger does exist and that further steps must be taken to determine the seriousness of the problem and to implement basic programs for the protection of our citizens.

As a sponsor of S. 1228, a bill to establish a National Institute of Radiation Health, which I introduced February 14, 1957, I have been particularly interested in public response to this issue. This proposal for establishment of a Government program which will provide at least elementary protection for our citizens has also been introduced in the House of Representatives by Congressman CHARLES O. PORTER of Oregon's Fourth District.

Briefly, S. 1228 would create a National Radiation Health Institute, similar to the existing institutes of national health. The Institute would have extensive research capabilities enabling it to study all phases of the impact of radiation on human health, thus making it a central source of information in this area plus a force for the coordination and stimulation of research activities elsewhere.

S. 1228 would also initiate a program of development and dissemination of permanent personal record forms on which an individual may, voluntarily, maintain a life-time record of radiation exposure. This provision, which has been recommended by the National Academy of Sciences and numerous other scientific groups and individual authorities, has gained even greater importance during the last several months

with the public pronouncements by respected scientists that the radiation dose received by an individual should be severely restricted in the light of new findings.

In February of this year, Dr. Lauriston S. Taylor, Chief of the Atomic and Radiation Physics Division of the Natural Bureau of Standards, told a symposium in New York City the National Committee on Radiation Protection has found that the maximum permissible dose of radiation to which a person can be exposed without serious likelihood of harm is one-third of the previously accepted figure. And the symposium was further informed by James F. Crow, Professor of Genetics at the University of Wisconsin, that "there is no 'safe' dose" of radiation. "Each dose, however small, causes a risk of genetic harm proportional to the dose," Dr. Crow said.

These warnings, similar to those voiced by the National Academy of Sciences last June, were echoed again last month at the academy's spring meeting. Dr. W. L. Russell, Chief Geneticist in the Biology Division of the Atomic Energy Commission's Oak Ridge National Laboratory, reported that recent tests suggest the possibility that radiation may tend to shorten not only the lifespan of persons receiving it but also of children of exposed individuals, thus reinforcing a theory previously advanced by other scientists.

On May 7, Dr. Arnold B. Kurlander, assistant to the Surgeon General of the United States, announced that traces of radioactive strontium 90 and cesium 137 have been found in milk supplies during recent tests. Both of these elements are potentially dangerous to man. Their appearance in milk has been noted only since the testing of nuclear weapons began. Mr. President, I ask unanimous consent that a story headed "Rise in Radioactivity Noted in Milk Tests" which appeared in the Washington Post and Times Herald of May 8, 1957, be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post of May 8, 1957]

RISE IN RADIOACTIVITY NOTED IN MILK TESTS

LOUISVILLE, KY., May 7.—Dr. Arnold B. Kurlander, an assistant to the Surgeon General of the United States, said today new traces of potentially dangerous radioactivity have been found in milk since the testing of nuclear weapons began.

He told the national conference of the Association of Food and Drug Officials that milk normally contains traces of radioactive potassium, but, the recent tests have disclosed traces of strontium 90 and cesium 137, both radioactive and potentially dangerous to man.

While the radioactivity is only one-one hundredth that of potassium, "its cumulative effect represents a problem that must be considered," Dr. Kurlander asserted.

He said these radioactive elements might also be eaten in vegetables exposed to fallout, just as cows that give the milk take in such elements while grazing.

Dr. Kurlander said the Public Health Service is now conducting a survey of milk samples from various cities. The survey will be correlated with other surveys in air and water pollution from atomic fallout.

Mr. NEUBERGER. The peril of radiation has, perhaps, been most graphically demonstrated in recent months, by the report of the Atomic Scientists Association, a group of British scientists who organized in 1946 for the purpose of keeping Britain informed about atomic developments. This report, issued April 16, estimated that a hydrogen bomb exploded in the upper atmosphere might produce bone cancer in 1,000 individuals for each explosive unit in the bomb equivalent to a million tons of TNT.

I ask unanimous consent to have printed in the RECORD at this point in my remarks, a story from the New York Times of April 17, 1957, entitled "Bone Cancer Link to H-Bomb Feared" and describing this report.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times of April 17, 1957]

BONE CANCER LINK TO H-BOMB FEARED—BRITISH SCIENTISTS SEE PERIL IN HIGH ALTITUDE TESTS

LONDON, April 16.—British scientists estimated tonight that a hydrogen bomb exploded high in the atmosphere might eventually produce bone cancer in 1,000 persons for each explosive unit in the bomb equivalent to a million tons of TNT.

The scientists added that their estimate was conditional on the acceptance of a theory that the incidence of bone cancer in a body was proportional to the amount of radioactive material in the body.

Their report said it had been stated that the bombs hitherto exploded were "equivalent in aggregate to 50 million tons of TNT insofar as their strontium 90 fallout is concerned."

Strontium 90 is a radioactive byproduct of a hydrogen bomb explosion.

The report was written by a committee appointed by the Atomic Scientists Association, a private body set up in 1946 to keep the Nation informed about atomic developments.

The committee studied the whole question of radiation hazards from an independent viewpoint and followed up a report last year by Britain's Medical Research Council.

Discussing the estimate of the possible incidence of bone cancer from strontium 90, the report said: "These thousand casualties would be spread all over the world and occur in the course of several decades.

"A somewhat larger number of people might suffer other bone changes, possibly without manifesting any clinical symptoms

"There is also the possibility of a number of cases of leukemia (blood cancer) resulting but we have not enough data to estimate this number.

"At the same time, it should be pointed out that these casualties, although large in absolute number, represent only a fraction of those due to the natural level on radioactivity; there would be no way of distinguishing one from the other.

"If other types of nuclear weapons were exploded, the number of casualties would vary in direct relation to the amount of fission products released into the upper atmosphere."

MUCH ROOM FOR ERROR

The scientists stressed in their report the possible "considerable margin of error due to lack of adequate data," and the fact that it was based on the "as yet unproved hypothesis of a proportional relationship applying to very small doses."

The report referred to forthcoming British tests in the summer at Christmas Island in the Pacific and said that, because of the reported conditions planned for the explosions, there is very grave danger of injury to people, or of substantial contamination of the oceans."

Declaring that medical research shows damage to reproductive organs—which may cause damage to future generations—is estimated as slight if hydrogen bomb tests continue at the present rate, the report adds:

"Of greater import, however, is the damage which may result to the present generation mainly from one radioactive substance: strontium 90.

"This substance enters into our food, chiefly in vegetables and dairy products, and it accumulates in the human body in the bones where it remains for a long time.

"Depending on the assumptions made about the distribution of strontium in bone, we calculate that by the year 1970 the radiation dose to bone from all the tests carried out up to the autumn of 1956 will range from 9 to 45 percent of the dose received from all natural sources, including the radium which is normally present in bone."

The report said strontium 90 causing bone cancer had been demonstrated in animals and the same effect seen in human beings through radium radiation.

"In all these cases the amounts of radioactivity present in the bone were far greater than those that are likely to accrue from H-bomb tests," the report said.

"The question then arises how to apply these findings to very small doses. There is here a fundamental difficulty in that the relationship between the damage produced and the amount of radiation is not known.

"If this relationship is such that there exists a threshold dose below which cancer cannot be induced, then it can reasonably be inferred that the same amount of strontium 90 which will accumulate in bone from the current H-bomb tests would not result in any harm.

"If, however, the number of additional bone tumors resulting from radiation is directly proportional to the dose, then even a very small dose will give rise to a small but definite probability of bone cancer.

"This means that in a very large population a certain number of people would contract this disease as the result of their having a small amount of strontium 90 in their bones.

"The evidence is as yet inconclusive."

Mr. NEUBERGER. Although the advent of the atomic and hydrogen bombs has spotlighted radiation exposure and its attendant dangers, mankind has always been exposed to radiation from a variety of sources. Natural sources include cosmic radiation, naturally occurring amounts of radium, thorium and potassium in the earth's crust, and the content of natural radioactive elements in living tissues. Within the last two centuries X-rays and fluoroscopic examinations have supplied an additional source. Now fallout, industrial and military reactors, and therapeutic devices employed in medicine have increased our chances of exposure.

While we are largely helpless to control exposure to radiation from natural sources, this is not the case in connection with manmade radiation.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the conclusion of my remarks, an article by Dr. H. J. Muller, of Indiana University, titled "Race Poisoning by Radiation" which appeared in the Saturday Review of June 9, 1956, plus excerpts from the report of a study group of the World Health Organization on the effect

of radiation on human heredity published December 5, 1956.

The VICE PRESIDENT. Without objection, it is so ordered.

(See exhibit 1.)

Mr. NEUBERGER. Dr. Muller, an internationally known biologist and winner of the Nobel prize for physiology and medicine in 1946, discusses the effects of radiation and the procedures which we might adopt to protect ourselves and our children.

The WHO study group report outlines steps which must be taken to prevent genetic casualties among the world's population. It is interesting to note that the report strongly recommends the adoption of a system of recording the radiation dosages received by individuals, through diagnostic and therapeutic use of X-rays, a provision also suggested by the National Academy of Sciences and included in my bill, S. 1228.

In connection with this later point, Dr. Robert W. Miller, an associate of the Committee on Atomic Casualties, speaking before the American Academy of Pediatrics meeting in Washington last month, declared that "we should reevaluate X-ray use and see if we can step down the output of radiologic equipment." Dr. Miller, who is also a member of the National Research Council, told the pediatricians that even the smallest exposure can produce injury. "While the diagnostic use of the X-ray is unlikely to precipitate disease, exposure may erase part of the margin of safety," he said. "It is conceivable that the clinical use of radiologic procedure may contribute to the development of disease later in life, perhaps after a latent period of several decades."

Dr. H. Bentley Glass of Johns Hopkins University reported to the Academy of Sciences last month that, in the light of new developments, it may be possible to reduce all radiation for medical and dental diagnostic purposes to less than one-tenth of current levels. Dr. Glass also stressed the need for personal records on which all radiation exposures would be noted.

Because of these and similar findings made by men who are considered experts in this field, I believe that it is urgent that Congress recognize the seriousness of the problems connected with radiation exposure and consider legislation which will provide elementary precautions. S. 1228 represents an attempt to create such a protective program.

Mr. President, on February 18, 1957, the staff of the Senate Committee on Labor and Public Welfare referred S. 1228 to the Department of Health, Education, and Welfare and the Bureau of the Budget for comment. At the request of Dr. Taylor of the Bureau of Standards, the bill was also referred to the Department of Commerce on April 3. No report has been received from any of these agencies.

I trust that these comments will be forthcoming within the near future. Scientists and doctors have established that there are valid reasons for concern in connection with radiation exposure. I believe that the bill which I have introduced in the Senate would create an effective framework for coordinating research in this field and also institute minimum safeguards for defense of our citizens from the acknowledged dangers of radiation.

Representative CHET HOLIFIELD, chairman of a special Subcommittee on Radiation of the Joint Committee on Atomic Energy, has announced that hearings on the nature of radioactive fallout and its effects on man will be held over a 3-week period beginning May 27.

I wish to compliment the subcommittee for its action in scheduling these hearings. I believe that reports such as I have presented today indicate the crucial nature of the problem of radiation exposure, and I welcome the efforts of Representative HOLIFIELD's subcommittee to study and coordinate information on this topic.

Because the provisions of S. 1228 are so inexorably entwined with the questions which the subcommittee will discuss, I have requested that I be permitted to testify at these hearings to explain my proposal. Recommendations which the subcommittee might make regarding radiation exposure and human health will be of great help in initiating a program of positive protection.

I am confident that the broad foundation of scientific information gathered by the Holifield subcommittee will be utilized by the Senate Committee on Labor and Public Welfare to prepare for early hearings on S. 1228, thus permitting the Senate to take action on this proposal or similar legislation during the 1st session of the 85th Congress. By delay we are cheating only ourselves.

EXHIBIT 1

[From the Saturday Review of June 9, 1956]

RACE POISONING BY RADIATION

(EDITOR'S NOTE.—Certainly the most frightening effects of a nuclear reaction are the terrible burns and growths inflicted on living victims of a bombing. But there are subtler and more sinister injuries. Madame Curie died from years of slow radium poisoning. Technicians have been sterilized by improper X-ray procedures. Experiments show how radiation disturbs the genetic material of plants and animals. Below, Dr. Muller notes his evidence that even "harmless" radiation shortens the lifespan. All this would be more or less academic were it not for the rapidly increasing volume of fission processes in the modern world: America, Britain, and Russia now possess great stockpiles of A- and H-bombs, and in 10 years every nation will be building reactors—for peacetime as well as military uses—all over their countrysides. In case of a war, as Dr. Ralph Lapp, the nuclear physicist, pointed out to Congress on March 20, the "fallout" from a bombing will be far more of a disaster to the surviving population than any Civilian Defense scheme is yet prepared for. But even the present rate of radiation production has overtaken scientific knowledge of its significance for the human body. The world-famous biologist, Hermann J. Muller of the University of Indiana, who won the Nobel prize for physiology and medicine in 1946, has been warning us for many months about the dangers of walking blind into the Nuclear Age; this present discussion has been developed by him from remarks before the recent Military-Industrial Conference in Chicago. Dr. Muller is now serving on a commission for the study of this problem as the basis for a public report.)

(By H. J. Muller)

In the atomic bombing of Japan many more people were killed by impact, fire, and heat rays than by high-energy radiation. (We may, however, note that this analysis ignores the considerable shortening of life induced by all the radiation.) By contrast, a present-day hydrogen bomb emits radioactive fallout products, derived from its added uranium, that are lethal over an area of thousands of square miles, more than 100 times that ravaged by the blast itself.

It is obvious that to enable these H-bombs to do maximum damage the attempt will be made to space them over populous regions so as to have their wide marginal areas of fallout overlap. By means of this "pattern bombing," even the margins are brought above the radiation level for lethality and the range of effective fallout is expanded. Moreover, most of the survivors caught far within the group of conjoined fallout areas are compelled to wait much longer underground until the radiation has sufficiently subsided to allow them to take the long journey out. This journey would be necessary, because it would for years be dangerous to live in bombed regions.

It would be surprising if the surviving population of a country that was systematically bombed in this way did not accumulate in the course of time an average of 100 to several hundred roentgen units of radiation, even though they had been well disciplined for such an attack, and well provided with shelters, radiation counters, facilities for decontamination, essential supplies, battery-powered radios, and so forth. At least, it has been estimated that people remaining all the time in the basements of suburban-type houses, well sealed off from the dust of the outer air, in positions 100 miles downwind from an explosion of the type set off on March 1, 1954, would receive some 100 roentgens of gamma radiation from outside during the first week alone. Moreover, exposure outdoors in that region on the 8th day if rain or artificial decontamination had not occurred might deliver 80 roentgens more of whole-body radiation to them in 24 hours. This would not be enough to give many of them serious radiation sickness if they did not get the dust on their skins or into their bodies. If, however, the population were not well prepared and instructed, the survivors might in the course of the first week or two receive an average dose of well over 1,000 roentgens. This is a dose several times that which would have killed them if it had been received all at once, and when received in this somewhat more diffuse form it would still be enough to give most of them pronounced radiation sickness. We shall not attempt to estimate here what proportion of the people in the entire fallout area would, because of less protection or shorter distance from the explosion than this, have had such severe radiation sickness as to kill them. For this proportion would largely depend upon how well the people had been disciplined in advance, provided with shelters, and otherwise equipped.

EARLIER EFFECTS OF RADIATION

Many of the well-known symptoms of the group of disturbances known as radiation sickness appear to stem from reduction in the number and efficiency of blood-system cells and of their products, such as the blood platelets that insure clotting. The minute perforations caused by destruction of blood-vessel cells and of intestinal cells lead to internal bleeding and to the entrance of bacteria, while the decimation of the white blood cells reduces the body's ability to overcome bacteria.

This reduction in cell numbers and effectiveness is found primarily in the case of cells that multiply frequently. Included here are not only the diverse blood-system cells mentioned, but also skin and hair cells, the effects on which cause temporary loss of skin color and of hair, and the cells of the reproductive organs, that may be enough affected to enter

a period of sterility. Part of the effect, in all these cases, must be a consequence of the temporary checking of cell multiplication that radiation is known to cause. But much of it must be a consequence of the damaging, probably by breakage, of the chromosomes within the cells. These are the minute threads containing the cell's hereditary equipment, its thousands of different, highly specialized genes. It is only when cells divide and therewith transmit their precious cargo of genes to their two daughter cells that a break in a chromosome, previously produced, may result in a cell that lacks a chromosome fragment, and that is killed or permanently impaired by the absence of certain of its genes. In other words, there is reason to infer that much of the malady known as radiation sickness is really an expression of damage to the hereditary material of many of the body's cells, lying scattered throughout certain strategic tissues that normally are renewing themselves actively.

On this interpretation it is not surprising that if the damage has not been too severe there will be some normal cells remaining, by the multiplication of which the depleted tissues will become in considerable measure restored. The restoration will be incomplete, however, and diverse parts of the body will thereby be left in a somewhat weakened or less effectively operating condition. Since this damage is greater the more rapidly multiplying the cells in the given tissue were, it is evident that the younger the individual is when irradiated the more he will be affected. This will express itself, among other things, in a checking of growth from which he will never fully recover. Moreover, those parts of him that were in a faster growing, more formative state at the time of exposure will be especially retarded and deranged. That is why even doses of 50 to 100 roentgens, if delivered to the young fetus, can give rise to permanent abnormalities such as the condition of small head or microcephaly, resulting in defective intelligence, that was found in some of the children born at Hiroshima several months after the bombing.

DELAYED EFFECTS

One of the kinds of damage to body cells that is sometimes brought about by radiation is the conversion of a normal cell, probably by some kind of mutation in a gene, into a cell with the potentiality of later producing, when the conditions are appropriate for it, a malignant growth, either of blood cells, as in leukemia, or of some other type. These symptoms sometimes become evident only decades after the irradiation. Fortunately, they are induced in only a small minority of people, except in cases in which only a small part of the body has been irradiated with a dose far higher than the whole body could have tolerated. More frequent among the late effects of irradiation of the whole body are the development of minute spots of opacity in the lenses of the eyes. These cataracts, seldom large enough to impair vision seriously, show where individual cells have been permanently damaged, very likely by breaks in their chromosomes. It is only because the lens is a transparent tissue that we can directly detect these points of injury in it, but it may be infererd that the same kind of thing happens in all parts in which there are cells that can divide. This would explain what is by far the most serious of the long-term effects of radiation on the exposed person himself: The shortening of his span of life.

It is remarkable how few people, even among physicians, are yet aware of this effect and of the exact rules it follows. These rules were discovered some 10 or more years ago by Dr. R. D. Boche (then at the University of Rochester, but shortly afterward at the University of Chicago) on going over data obtained by a number of investigators during the war, under the Manhattan District project, on the time of death of irradiated mammals of several different species. The principles were further developed by G. A. Sacher and A. M. Brues. The results have been so consistent that there is no reasonable doubt of the application of the same rules to man, especially in view of some confirmatory evidence. They lead to the conclusion that for each roentgen unit of radiation received by the whole body at a given age, if delivered at a rate of not more than a few roentgens per day, there is on the average a loss of something like 5 days of life, perhaps as much as 2 weeks, depending on the age. There is still some uncertainty about the exact quantity, but not about the principle. No one particular ailment is thereby induced in the exposed group; they are simply made a trifle more susceptible to all causes of death, much as if they had been aged by several days.

Since the effect is proportional to the amount of radiation, if the rate of radiation per day is low a dose of 200 roentgens, received in a dispersed manner over a considerable period, would cause a pseudoaging of something like 1,000 days. That is, death would on the average occur nearly 3 years earlier than if there had been no exposure. This proportionality of the effect to dose at low rates of delivery of the radiation is understandable if it has its basis in chromosome changes, for at low-dose rates these chromosome effects also follow this rule, unlike most biological effects. If, however, the rate of delivery of the radiation is raised considerably, so that the 200 roentgens here in question are received in a period of hours, the frequency of permanent chromosome changes becomes disproportionately greater, and, corresponding with this, there will be a more extreme curtailment of the life span.

In view of all this it is rather surprising to read such a statement as that which appeared in the November 1955 issue of the Office of Naval Research's magazine Research Reviews in the article featured on the cover as Fallout True Story. This article ends with the following statement, referring to the 64 natives of Rongelap in the Marshall Islands who had received an estimated 175 roentgens of gamma radiation and additional radiation of a beta type, and who had shown some symptoms of radiation sickness: "Yet, after 18 months all 64 of these natives are still alive, and none suffers any lasting after-effects as the result of their experience with radioactive dust." Do we not officially admit the long-known shortening of life, and the fact that any exposure, no matter how small, exerts some permanent damage?

As for larger doses, it can be calculated that people of, say, 30 years of age who have somehow managed to survive 1,000 roentgens, the first third of it received in the first day or two and the rest by the accumulation of decreasing amounts over a period of weeks or months, will probably succumb within something like a decade.

EFFECTS ON THE DESCENDANTS

It is fortunate that such large doses as this usually cause sterility, for the sum total of hereditary damage done to later generations by a given amount of irradiation of persons who later reproduce, if expressed in terms of years of life lost, is very much greater, perhaps more than ten times as great, as the damage done to the directly exposed individuals. This total damage is spread out over so many generations, however, that even in the most affected generation, that of the immediate children, it would be very difficult to demonstrate it even after a dose of one to a few hundred roentgens. Yet it is nonetheless very real, and hits humanity at its innermost and most precious core.

This damage to later generations, unlike that causing the trouble in the tissues of the exposed individual's own body, does not have its basis mainly in breaks of the chromosomes. It consists mainly of permanent chemical alterations, called mutations, that are produced by the radiation in a haphazard way in one or another of the genes, the hereditary particles, lying within the chromosomes of the reproductive cells. Each of the thousands of different genes in a reproducaive cell will have its specialized role to play in the development and maintenance of the offspring that that cell, after fertilization, will produce, and in the intricate system of operations whereby that offspring will live and in its own turn reproduce. Any alteration of a given gene's composition, brought about by some minute collision that was induced blindly by a bolt of radiation, will in the vast majority of cases cause some impairment in the functioning of the body derived from the affected germ cell.

It is an old wives' tale that these mutations frequently take the form of monstrosities. It should be recognized that the impairment will usually be slight, or even unrecognizable, consisting of such traits as a slightly greater than average tendency to rheumatism or gastric ulcer, or high blood pressure, often not evident until the later years of life, or a higher requirement for some vitamin, or a slightly lowered I. Q. One reason for this lack of marked effects is that an offspring containing a mutant gene will almost always inherit from its other parent an undamaged gene of the original kind in question, and this normal gene will usually exert a much stronger effect than the mutant gene, being as we say "dominant." Yet, for all that, the mutant gene and the slight impairment caused by it will be inherited by a succession of generations, and it will hamper them to some small degree at least, even in the presence of the normal gene, until in the end some descendant finds himself in circumstances where just that disability happens to become the deciding factor in causing his death before maturity, or his failure to reproduce. Thus, the mutant gene will at long last be eliminated from the population, but only at the cost of the demise or frustration of some descendant, usually a remote one, and the hampering, in some degree, of descendants belonging to the intermediate generations.

In its impact on the population as a whole this kind of effect on later generations is in some ways curiously analogous to the shortening of life produced in the directly exposed generation. For the impairments are pretty much hidden, yet they may take a considerable toll. In doing so they simply cause a somewhat higher frequency of maladies and infirmities that would be found anyway, and we can never be sure that a given death was caused by the radiation.

It is even better established for mutations inherited by the offspring than for the shortening of the life span of the exposed individuals themselves that the abundance of the effects is directly proportional to the dose received, no matter how large or small the dose. There is no dose so small that it fails to entail its proportionate risk of causing a mutation. In the case of the mutations of genes, however, unlike the life-span effects, the rate at which the radiation is received makes no difference. A given total dose is just as effective in producing mutations if its delivery was dispersed over a period of 30 years as if it was concentrated into 2 seconds. Thus, the total number of mutations produced by radiation in one generation depends on the total dose of radiation accumulated between the conceptions that gave rise to that generation and the conceptions that gave rise to the following generation.

How many mutations are produced in man by a given dose is a matter of considerable uncertainty but, in the light of data from other animals, the most probable value is

that each roentgen unit received by 1 parent results in 1 induced mutation among about 400 of his germ cells. This means, for example, that if a parent had received 100 roentgens any child of his conceived after that time would have 1 chance in 4 of receiving an induced mutation from him; that is, there would be one such mutation among every 4 of his children, in addition of course to the several or many mutations of natural origin that they would also be inheriting, mostly from the remote past, and that had not yet been eliminated. If both parents had received 200 roentgens, each child, on the average, would inherit one induced mutation.

It is readily seen that even though each person of the next generation contained, on the average, one mutation induced by the radiation this would still be far from enough seriously to threaten the continuance of the population as a whole. Mankind would not be wiped out by this means, though of course nuclear war could wipe it out more directly. Nevertheless, any such tampering with our birthright is not to be viewed with equanimity, especially in view of the fact that the conditions of living which in the past led to the elimination of those lines of descent that were more heavily burdened with impairments are no longer exerting a strong enough influence of this kind to prevent the population from deteriorating in important respects. Whatever genetic damage was done by the radiation would tend to persist for many centuries and some of it even to increase. For these reasons, although the genetic damage entailed by nuclear warfare, if not repeated in future generations, would by no means be insupportable, yet our descendants would blame us if we did not limit it as much as possible.

MEASURES FOR DEFENDING OUR GENETIC HERITAGE

There are some indications, especially from Dr. Hollaender's group at Oak Ridge, that methods of therapy or prophylaxis may eventually be developed which, if applied shortly before or even immediately after exposure, will reduce radiation damage, perhaps by as much as 50 percent. At least this can be done in bacteria even in the case of the mutation-producing effect. There is little indication, however, that harmless, practicable methods of this kind can be made available for man in the near future, especially for radiation occurring at an unpredictable time or over an extended period, nor do we yet know whether they would work against the production of mutations in man.

One of the measures, then, if war seems imminent is to evacuate to the country, to regions hundreds of miles downwind (with respect especially to winds of the upper air) from major cities and strategic points, as many of the children and young people as possible, and also of the pregnant mothers and those with infants. This is a procedure similar to that which was successfully carried out on a large scale in England during World War II in order to avoid the blast effects of chemical bombs. This very cumbersome procedure, however, even if executed satisfactorily will not save the genes of the young men or of many of the young women.

The other major measure for defending our genetic heritage is to take into account in our plans for civil defense the very particular need to protect from exposure the reproductive cells of our youth. Let people under 30 and all who are likely later to reproduce be the last to be accepted for use after a bombing has occurred in such essential services as rescue work, decontamination, bringing in supplies, transportation, and everything else that requires activities that are carried on in relatively unsheltered situations. In this way the older men may be better assured that, whatever else has happened, their descendants will not be subjected to a lasting biological incubus imposed by negligence of which they, the forebears, had been guilty.

REMOTE FALLOUT DAMAGE

In the foregoing account I have confined myself to the effects on the human hereditary constitution exerted in the region of an actual nuclear attack, or at least in the region of the local fallout from such an attack. Some of the fallout, traveling high in the stratosphere, would be dispersed throughout the world and be precipitated for years. However, it can be calculated that even if the equivalent of 700 15-megaton bombs, each of the type and order of strength of that at Bikini on March 1, 1954, were released the fallout in remote regions would raise the amount of radiation received by the population in the world at large outside of the local fallout areas by only one to a few times the amount they ordinarily receive from natural causes. This damage if not repeated could not seriously impair the genetic composition of the population as a whole, even though it would be harmful to many widely scattered, untraceable individuals. Much more radiation would, however, be received if large amounts of cobalt or certain other substances had been purposely added to the bombs or had happened to be in range of the fireball, or if materials (e. g., fish) derived from the areas of heavy fallout were used as food.

PROTECTION IN PEACETIME USE OF NUCLEAR ENERGY

When we turn from these military effects to the peacetime utilization of nuclear energy we find a curious situation. At Oak Ridge and presumably at some of the other Government-sponsored atomic installations the officially recognized permissible dose of 0.3 roentgen per week is set. In actuality, however, relatively few workers receive more than a fifth of this amount. In the course of 5 years, a good average of the time the employees usually stay at such a plant, the more exposed workers might thereby receive about 15 roentgens. This would not result in their children conceived during or after that time receiving an alarming number of mutations caused by the radiation. Moreover, it would result in an average shortening of the worker's own life span by only a few months.

Since, however, the official permissible dose is higher than that here received, and it is expensive to provide remote control mechanisms, waste disposal, and shielding for further reducing that dose per worker, we can hardly expect industrial plants now planning their installations and procedures to keep down the dose much below that which is called permissible, 0.3 roentgens per week. Moreover, it is to be expected that as conditions of employment in such plants become stabilized, the workers will remain longer and that, since many of them are highly trained, the plants will attempt to keep them. Consider now what an exposure of only 0.3 roentgens per week will amount to in the 40 years from age 20 to 60. It will come to 600 roentgens—more than that of most exposed survivors in the nuclear war—and in the first 10 years, perhaps prior to reproduction, it will be 150 roentgens. This amount before reproduction on the part of just 1 member of each married couple, presumably the father, will probably cause at least 1 in every 2 or 3 children, on the average, to receive 1 mutation induced by the radiation, a frequency several times as high as the new mutations that would arise in 1 generation from all natural causes, and this mutation would tend to go on down to hamper a long line of descendants until at last it extinguished that line.

Because mutations are usually unspectacular and unidentifiable it is not likely that this visiting of the parents' sins on mostly remote descendants would, human nature and its present attitudes being what they are, cause much compunction on the part of the exposed individuals. Not so, however, when they come to consider the effect of the 600 roentgens accumulated throughout life on their own well-being, for the effect amounts to a shortening of life that may be estimated at something between 4 and 8 years. That is, the worker's life is shortened by 1 or 2 years for every 10 years that he works at such a plant. Since this secret is at last creeping out of the technical publications it will not be long before the worker knows this. If industry would lower it so-called "permissible dose" by nine-tenths to an average of .03 roentgen per week or 1.5 roentgens per year—an expensive but perfectly feasible undertaking—all but a small part of this damage would be avoided and, more important in the long run, future generations would be spared even more damage than the present one.

The cost of the necessary arrangements has been estimated at some $100 per man per year, or $4,000 for each man for 40 years. However, even if this hastily made and sketchy estimate turns out to be several times too low, as it well may, the expense would not be as great as paying damages for the loss of 4 to 8 years of each worker's life, or for the higher wages they would demand in place of damages. Moreover, such arrangements if once attempted always undergo considerable reduction in cost in the course of experience and invention. Let us not wait for several decades until the untimely deaths begin to become conspicuous. The designing and setting up of atomic equipment and procedures which is now taking place should be guided by the most advanced knowledge we now have. Otherwise we shall be confronted with the far more expensive process of reconstructing our installations and economies later.

Only by frankly facing and adequately coping with the hazards of radiation can we satisfactorily maintain and enhance the morale of our workers and win their wholehearted support for a vast program of nuclear development. And growth of the utilization of nuclear energy on an enormous scale and along salutary lines is a vital necessity if our country is to enter upon that unparalleled period of industrial expansion which will show the way for the bringing of well-being to all the world.

We may justly be proud that it was our own country which at Geneva last summer took the lead in opening up a realistic course of action which may finally lead civilization out of the critical situation now threatening its existence. But we must see to it that this good beginning is vigorously and wisely followed up. For it will not be many years before the power to commit disastrous acts of nuclear aggression has become distributed among many relatively undeveloped or small countries, the governments of some of which may be insufficiently responsible. It will then be a cardinal necessity for people everywhere to come to understand that their conditions of life may be radically improved through the peaceful application of nuclear energy and that, on the other hand, its destructive application constitutes an invitation to universal catastrophe. The appreciation of this twofold truth can be attained, however, only if the peaceful development is being conducted soundly. This means that its operations must be carried on with such rigorous safeguards that those working on the projects will feel no fear for themselves or their descendants.

At the same time, the population in general must be sufficiently protected from genetic damage by the enforcement of a low enough ceiling of radiation from all artificial sources combined. This means effective supervision over medical as well as over industrial and military uses of radiation, and over the disposal of atomic

wastes. In setting this ceiling it must be borne in mind that only 1 roentgen delivered to each of 100 million people will do 100 times as much damage to posterity, via the production of mutations, as 100 roentgens delivered to each of 10,000 people. Moreover, this genetic damage accumulates from generation to generation if the exposures are repeated in succeeding generations, as the peacetime exposures are expected to be. This is another reason why the overall ceiling should be low. It will not profit us to gain the world if we thereby lose ourselves.

WORLD HEALTH ORGANIZATION—EFFECT OF RADIATION ON HUMAN HEREDITY—REPORT OF A STUDY GROUP, COPENHAGEN, AUGUST 7–11, 1956

1. INTRODUCTION

Man's most unique and precious possession is his heredity material which must determine the health and orderly development of future generations. The group is of the opinion that the well-being of descendants of the present generation is threatened by developments in the use of nuclear energy and of sources of radiation. Both of these developments are inevitable and they should contribute much to man's social and cultural development. It would seem therefore that some risk must be accepted, but if the dangers are to be minimized every possible step must be taken to reduce the exposure of man and to understand the effects of exposure. Only in the light of more knowledge can decisions be taken to define more accurately the maximum amount of exposure which may be accepted by individuals and populations without risk of serious harm.

Radiation has been demonstrated to be one of the agents which produces mutation in a wide range of organisms from bacteria to mammals. The group is agreed that additional mutation produced in man will be harmful to individuals and to their descendants. While there may be inherent and environmental mechanisms which modify the impact of these mutations over periods of many generations, the effectiveness of such mechanisms in man is not known. In essence then, all man-made radiation must be regarded as harmful to man from the genetic point of view.

In recent years, considerable quantitative knowledge has been accumulated on the basic mechanisms of genetics. There are strong grounds for believing that most genetic effects are very closely additive so that a small amount of radiation received by each of a large number of individuals can do an appreciable amount of damage to the population as a whole. There are, however, many gaps in knowledge particularly concerning these effects in man. These gaps will only be closed after a great expansion of general and ad hoc research in genetics and other fields of biology.

* * * * *

3. IMPORTANCE OF RECORDING RADIATION EXPOSURE IN INDIVIDUALS AND POPULATIONS

From a genetic point of view the total accumulated dose is the important one and for this reason the measurement of exposure to ionizing radiations is an essential preliminary to attempts to relate dosage received to effects in man. For such measurements to be useful, the information must be recorded systematically. Unless the information is available in the form of the dose received by individuals, records of exposure would be unsuitable for many purposes and therefore some system of registration is essential. The effect of recording would almost certainly be to cut down the exposures given in medical diagnosis and treatment, since it would impress radiologists and technicians with the magnitude of such exposures. In one hospital where such recording was started there has been a 30-percent reduction in the total exposure of the staff. Doubtless a similar system of recording in diagnostic practice would reduce the exposure to the patients. This in itself would be a sufficient justification for introducing the procedure.

* * * * *

The group is conscious that the adoption of any system of recording dosage will give rise to difficulties because it will increase the burden of work of radiologists and their staffs. Nevertheless, it feels that the importance of these procedures is such, and is so well recognized by radiologists that both those in charge of radiological departments and other physicians who use X-rays will be cooperative.

Whatever system adopted should take into account three desirable requirements:

1. That the individual will not, through lack of information, accumulate excessive exposure.

2. That information becomes available as to how much exposure to the gonads is received at each age in individuals and on an average per head of population.

3. That it should be possible to recognize the amount of exposure received by the parents of a given child. (Eventually, the information would be available for several generations.) This information is particularly valuable for purposes of genetic analysis.

The group suspects that exposures in some industries and in scientific work are unnecessarily high. Exposures from these sources should be recorded in such a way that the dosage received can be related in individuals and populations to that received from other sources.

* * * * *

Whatever procedures of recording and registration are adopted will entail a large expenditure of money and effort. The need, however, is urgent. Further, the present is the appropriate time to initiate such procedures, since the introduction of atomic energy for industrial use and the extension of the use of radiation tools in biology and medicine make it possible to start with such procedures at an early stage of a period of rapid development.

4. RESEARCH—GENERAL

Additions to the understanding of the effects of radiation in man come from a very wide field of research. It is impossible to forecast what work in biology or genetics will contribute information relative to the problems. Accordingly, the group is strongly of the opinion not only that as much experimental work as possible should be done on radiation effects on suitable organisms and such controlled observation studies as offer in man, but that there should be an intensification of all human and experimental genetic research. The group feels that there should be the closest possible collaboration between those working in the experimental and human fields: their work is complementary. Each should be stimulating the other's research projects. This need for intensification of research in man and in other organisms raises problems of finance and of shortages of trained research workers. Both these difficulties are likely to be intensified if new areas of work, such as that on tissue cultures, chemical mutagenesis, serology, biochemical genetics, and epidemiological problems of genetic disease are to develop as rapidly as is desirable. The problem of manpower shortages, in regard to both biologists and physicians, tends to be perpetuated by lack of career opportunity for those working on genetics. There is also an insufficient number of institutions where an adequate training in genetics, particularly in human genetics, can be given.

It is possible that the results of much effort in these fields will prove disappointing. Nevertheless, research workers and those supporting their work must have the courage to face the possibilities of such disappointments and still go forward.

The developments of nuclear energy would never have been made unless enormous risks of failure had been accepted. These innovations have extremely important implications among which the possible effects on man's genetic composition are outstanding. If there is to be a climate of public opinion favorable to the development of nuclear energy the peoples must be assured that investigations essential for their future health and welfare and that of their children will be undertaken on an adequate scale. This will require recognition by governments that very substantial financial provision must be made for genetic and other biological investigations essential to an understanding of the effects of radiation on man. Biological research in the past has suffered severely from lack of funds.

* * * * *

5. SOME CONCLUSIONS

(a) The group is of the opinion that there are too few institutions or large university departments devoted to general genetics and even fewer concerned with human genetics. It recommends the establishment of such institutions and departments and suggests that there could be no one ideal pattern. One of the benefits of such institutions would be to accustom people of different scientific disciplines having implications for genetics to work together. Physicians, general biologists, geneticists, biochemists, cytologists, serologists, and statisticians are examples of the kind of workers who may be needed. When such institutions are concerned with human genetics their location should have regard to the adequacy of existing medical services, to the kind and size of human populations available for field studies, and to the adequacy of background vital statistics and general demographic information of the population concerned. For many purposes a population of about 2 million is optimal particularly for intensive epidemiological investigations. Such institutions, in addition to their research functions, could eventually serve as centers of elementary and advanced training in genetics.

(b) Such research departments and institutions should contribute much to teaching in general and human genetics. Medical undergraduates should all receive training in genetics and the teaching should be coordinated with that in radiology and in the use of radioactive substances in medicine, so that the genetic hazards of diagnostic and therapeutic procedures are thoroughly understood. Medical men training as radiologists should have specific, more advanced instruction in genetics. Health physicists, radiological physicists, and radiological technicians should also receive instruction in genetics as part of their technical training.

It seems essential that instruction in genetics should be given to all scientists, particularly those whose work is likely to involve the use of radiation and radioactive materials in research. The principles of human genetics could with advantage be conveyed to those training in the social sciences by means of formal instruction. Finally, the group is of the opinion that public education in genetics should be more common and adequate than it is at present.

(c) In the future it will be necessary from the point of view of preventive medicine and genetic hygiene to register serious hereditary diseases and defects in various populations or countries in the same way as, for instance, epidemic diseases. For that purpose, genetic hygienic ascertainment or registration will be an indispensable and necessary step. The recording of hereditary diseases and defects in various countries and regions is to be highly recommended.

(d) In many countries there are very few biologists or physicians properly trained in

genetics. This situation will only be solved by producing more career opportunities in genetics, but may be alleviated by granting fellowships or subsidizing training at approved institutions in countries which can offer training facilities. It is possible, also, that advice and technical assistance could be given in connection with research projects in countries with insufficient resources in trained manpower to carry them out.

(e) It might be possible for a United Nations agency to assist on request in administration or supervision of studies of specific populations over a period of years or by strengthening a research team or by giving advice on organization.

(f) In the past, United Nations agencies have done useful service in contributing to the collection and standardization of vital and health statistics. It is recommended that such agencies continue their efforts and stimulate the efforts of others in the collection and publication of specific data such as fertility, consanguineous marriages and parental ages, which are so essential as background information in many studies in human biology.

(g) The group wishes to call attention to the evidence that damage to body tissues produced by radiation after relatively small doses is, at least in part, mediated through effects on genes and chromosomes. There is also some evidence that the life span may be reduced in mammals even by relatively small doses. Ad hoc investigations are urgently needed.

(h) The group is particularly impressed with the genetic hazards of man-made radiation from sources used in medicine, industry, commerce and experimental science, etc. Both as an approach to control and as providing basic background information for relating quantitatively radiation exposure and effects on man, it is essential that methods be found of recording exposures to individuals and populations, however difficult this may prove.

There is reason to believe that radiation exposure can be much reduced, therefore, those in charge of sources of ionizing radiation should always insure that there is adequate justification for exposing individuals to doses however small. On account of the danger of offspring resulting from irradiation of the gonads by X-rays, consideration should be given to determining that efficient means of shielding the gonads could be devised and brought into general use. In addition, in every exposure the X-ray beam ought as far as practicable to be directed so that a minimum of radiation reaches the gonads.

ONE HUNDRED AND ELEVENTH ANNIVERSARY OF GEN. JOHN SALLING, LAST SURVIVING CONFEDERATE VETERAN

Mr. ROBERTSON. Mr. President, this is the 111th birthday anniversary of Virginia's last surviving Confederate veteran. He is 111 years old today. I ask unanimous consent to have printed in the RECORD at this point a copy of the letter which I wrote to him on May 10.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 10, 1957.

Gen. JOHN SALLING,
Fort Blackmore, Va.

DEAR GENERAL SALLING: Fifty years after the Battle of Bunker Hill when Daniel Webster made the address at the laying of the cornerstone of the monument commemorating that event he saw a number of veterans in the audience and in his opening sentence said: "Venerable men, you come down to us from a former generation."

In a similar spirit of respect for all those Virginians who sheathed their swords 92 years ago, "defeated, yet without a stain," I greet you, as their sole surviving representative and send my congratulations and best wishes on the occasion of your 111th birthday.

The scars of the unfortunate fratricidal war in which you were engaged have finally healed and this year I am joining with Senators from the North and the South in sponsoring a Senate resolution to set up a national commission to plan an appropriate observance of the 100th anniversary of the War Between the States. The primary purpose of this observance will be to recognize the courage and sincerity which animated both sides—one believing that the Union must be preserved at any cost and the other convinced that preservation of constitutional liberty required acceptance of the principle of States rights.

We can say today, as Webster said at Bunker Hill: "Let us thank God that we live in an age when something has influence besides the bayonet and when the sternest authority does not venture to encounter the scorching power of public reproach." But it is incumbent on all of us to see that the power of public reproach is interposed whenever abuse of authority is attempted and at no time since the war of 1861–65 have the Southern States faced as great a threat as they do today from forces which would ignore the rights of States and of localities and force on us a way of life alien to the tradition established by the settlers at Jamestown.

I hope that the occasion of your birthday celebration will be widely noticed and that in the flood of memories it will recall, there will be thoughts of the selfless dedication to duty which characterized Robert E. Lee and of the valor which made "Stonewall" a part of the Thomas J. Jackson's name. I hope also that it will help to inspire in our State a willingness to meet our current problems in a way that will cause others to say as General Bee said when he saw Jackson's stand at the First Battle of Manassas: "Rally behind the Virginians!"

With kindest regards, I am,

Sincerely yours,

A. WILLIS ROBERTSON.

JAMESTOWN DAY ADDRESS BY VICE PRESIDENT NIXON

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a very inspiring address delivered by the Vice President of the United States on Jamestown Day at Jamestown, Va., May 13, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF THE VICE PRESIDENT OF THE UNITED STATES ON JAMESTOWN DAY, JAMESTOWN FESTIVAL PARK, VA., MAY 13, 1957

In the life of every nation there are events that should be recorded, remembered, and celebrated as part of the nation's heritage. We gather here today to observe such an occasion.

Some historians call the settlement of Virginia the beginning of the United States of America. Another has termed it the beginning of the modern world—and certainly we must agree that the settlement which got its foothold at Jamestown opened up a new era in man's mastery of the physical universe.

But I believe the events which took place here 350 years ago mean more to us today than these historians have claimed. For Jamestown was the beginning of a new type of society which was ultimately to revolutionize the life of the average man in both the Old World and the New, and to point a promise of universal enlightenment and well-being undreamed of by Capt. John Smith and his brave band.

Why is America a great Nation today? What is the key to the progress which in 350 years saw this tiny colony grow into the most powerful Nation in the world?

Some will say our resources have been responsible for our growth, and it is true that we have been richly blessed in this land of ours. But other peoples with access to great natural resources have not progressed as we have.

Others may contend that our progress is due to the greatness of our people. But who are the people of America? They came from all continents, all races, all religions to these shores and prospered in the climate of freedom they found here.

America is a great nation today because from the time of our foundation we have recognized the individual dignity of men and women and have encouraged each to make his own contribution to the Nation's progress. And we shall continue to progress to the extent that we remain true to the principle that the primary source of a nation's wealth comes from individual rather than government enterprise.

This is Jamestown's promise and its challenge. This is what succeeding generations of Virginians—Nathaniel Bacon, Patrick Henry, Washington, Jefferson, Madison, Mason, Marshall, and countless others—saw with increasing clarity and helped to lead their countrymen toward, to Virginia's undying glory. This is what Lincoln meant when he called the young Republic "the last, best hope of earth" and pinned his confidence for the future to an America with growing opportunity for all.

Standing here today, with the replicas of the first colonists' three ships facing us across this beautiful Festival Park, we can realize as never before how greatly the sense of man's individual worth has increased in the 350 years since the new American society began at Jamestown. The dark holds of those three ships, unlighted and unventilated, tell all too clearly how little life held for the average man in 1607. The fact that so many men were willing to brave the hazards of the Atlantic on ships so perilously small, reveals how desperately they longed for that opportunity, that dignity that America was to give them and their children.

Beneath this very earth on which we stand are buried countless numbers of those who came to Jamestown, lured by those dreams. Tragic and terrible as war is, I venture to say that no battle in which our Nation has fought has taken so heavy a toll of the participants as died on the Jamestown beachhead in the years 1607 to 1610.

And yet, despite loss at sea, famine, disease, and terrible loneliness, they continued to come, both young men and old, laborers and poets, noblemen and ne'er-do-wells, all lured by the vague consciousness that in the uncharted miles of this great, sprawling continent lay not only the certainty of wealth but also the hopes of a new society which promised to them and their descendants a life richer in both spiritual and material values than they had ever known before.

As the Reverend John Donne, dean of St. Paul's Church in London and chaplain to the London company which settled Jamestown, said in his annual sermon to that company in 1622, "you have made this island, which is but the suburb of the Old World, a bridge and gallery to the New; to join all to that world that should never grow old, the Kingdom of Heaven."

This American dream has changed the thinking of people all over the world, and today countless millions of people share the hope of a peaceloving world in which order is counterbalanced by freedom and strength by justice.

And in support of these objectives we are proud of the friendship and alliance we have had with Great Britain. As should be expected in the relations of independent nations, we have not always agreed on the policies we should adopt. But the differences which might have tended to drive us apart have been infinitely less significant than the common heritage and the great principles which bind us together.

Looking back over the course of the association between our two nations, I think we both have cause for gratitude that in the great crises which have faced mankind Great Britain and the United States have stood together.

Today Great Britain and the United States stand—as they have often stood before—side by side with the other free peoples of the world. But never in our respective histories have we faced so great a threat to those ideals embodied in what I have called the American dream as we face today. And in this contest we may expect the masters of the Kremlin to use every resource of power, persuasion, and deception to turn the other peoples of the world against America and the West.

The challenge to us, therefore, is to exemplify to the world the opportunity for all nations which pursue the goals of freedom and opportunity which Jamestown's pioneers sought—to show the hard-pressed peoples of Europe, Asia, and Africa that they, too, may realize the benefits which Americans today enjoy if they will share the faith which motivated the settlers of Jamestown.

This is America's true destiny. In the words of a great Virginian, Woodrow Wilson, "A patriotic American is never so proud of the great flag under which he lives as when it comes to mean to other people as well as to himself the symbol of hope and liberty."

The best way for us to preach that faith is to practice it. And so it seems to me that the truest honor which we can pay those pioneers of 350 years ago is to preserve and expand in our American life the goals of freedom and opportunity which brought them here. Let us never become so preoccupied with real or imaginary dangers that we destroy the freedom of the individual. And let us never become so prosperous or self-satisfied that we fail to insure the continued freedom of individual opportunity which has brought us material wealth. With such a heritage, and God's blessing, the lamp which was lighted at Jamestown will never fail.

TRAGEDY AT LAMPASAS, TEX.

Mr. JOHNSON of Texas. Mr. President, I have been in touch by telephone with people in Lampasas, Tex., where on Monday a 7-inch rain resulted in a flash flood when a levee gave way and the waters of two creeks converged, sending a wall of water through the town.

At least 5 people were drowned. Others are missing. The business district of Lampasas, which has a population of more than 7,000, was virtually wiped out. Some 40 homes were destroyed, 50 or 60 more were severely damaged, and another 200 damaged to some extent. Prporety damage is estimated at between $3 million and $5 million.

This is an area that until very recently was in the grip of the most disastrous drought in history.

The Lampasas tragedy is a graphic example of what happens at times in a land of extremes in weather. In Texas, drought and flood too often follow one another in a distressing pattern of waste and loss.

Mr. President, that is why I have stood up again and again in this Chamber to plead the case for water conservation and flood protection.

That is why I have spoken out repeatedly—as I shall continue to speak out—in favor of building dams, big dams and small dams, on the rivers and creeks of our country.

Disaster came to Lampasas, Texas, because a levee broke on Sulphur Creek. If a watershed project on Sulphur Draw—a project approved by State agencies—had been completed, I am told that a good part of the damage would have been averted.

That is a case in point. What happened in Lampasas provides convincing evidence that we must go ahead with the development of the small flood prevention watershed developments as well as large flood control dams.

It is a program in which our Federal Government, working in cooperation with State and local governmental units, has a proper place and a definite responsibility.

I want that place to be filled. I want that responsibility to be met.

SUPPORT OF THE PRESIDENT'S BUDGET

Mr. WILEY. Mr. President, I ask unanimous consent that I may be permitted to exceed the 3-minute limitation on statements during the morning hour.

The PRESIDING OFFICER (Mr. NEUBERGER in the chair). Without objection, it is so ordered.

Mr. WILEY. Mr. President, last night President Eisenhower delivered what was, in my judgment, a most careful, most reasoned, and most convincing statement on behalf of the budget, which he has submitted to the Congress.

The President, in my judgment, was exactly right in pointing out very factually that a deep slash in the budget might mean a "fearful gamble" with the safety of the Nation.

I, for one, do not propose to take such a gamble. I do not propose, in the name of so-called economy, to risk the defenses of 170 million people in this age of great danger from atomic and nuclear attack. We had better look into the meaning of economy in this shrunken world.

The President pointed out that "no great reductions in the budget are possible unless Congress eliminates or curtails existing Federal programs, or all of us demand less service from the Government, or unless we are willing to gamble with the defense of our country. There is no cutrate price for security."

I should like to ask, Mr. President, exactly what programs we intend to eliminate in order to save money in the Federal budget?

On several occasions within recent weeks on the floor of the Senate I have stated that I am personally willing and eager to cut out any waste in the budget.

But I am not willing and not eager to destroy some existing Federal program which has proven its usefulness, or to eliminate from consideration some proposed program which is, in my judgment, essential.

The President rightly reaffirmed the case for the emergency program for school construction.

Of course, if Congress chooses to eliminate the 4-year school program at $325 million each year, then presumably it can boast that it has saved $325 million a year. That is buncombe.

It is not a real saving.

When we crowd 50 children into a classroom which they can use only 4 hours a day, so that another shift can then take over, when this classroom is badly lit, badly heated, has no adequate plumbing facilities, and is a potential firetrap, is this the sort of saving we can be proud of? Is this really adding to the safety of the Nation? Does it constitut saving?

I say that the answer is no.

Of course, looking at the budget as a whole, in so enormous a document, 1,200 pages long, involving $72 billion, there is no human being alive who can say that every last nickel of every last dollar of expenditure is wise and prudent.

But, as the President has said, it is the smallest budget in years in relation to the national income. In business that is what counts. The important relationship is that of income to expenditures. But because there are in this country so many people who I think have blind spots, and who have not sensed the danger to America, they are ready to go long with the "cutters" and say, "You are right. Let us cut."

Mr. President, gambling with American security is bad business.

The Appropriations Committee has a real job, but I do not see how we can assume that we can cut one, two, three, four, or five billion dollars arbitrarily from the budget without harming some essential program.

Let us not be "penny wise and pound foolish" because of pressures. We are a growing dynamic people—170 million of us. Let us not judge the needs of today by the needs of yesterday.

Let us not be blind and complacent as we were before Pearl Harbor. The world has shrunken a lot since then. We had 2 years to get ready after Pearl Harbor, now we won't have more than 2 hours. We have to be alert and on guard and adequate to meet any challenge.

Let nothing—not even 1958—interfere with our fulfilling our obligations to our country.

We must not lose our vision. People with blind spots must not determine our actions.

There are items that can be cut, but cuts must be justified by sober facts: Are we effecting a real saving, or are we piling up a financial load for tomorrow?

I suggest, therefore, that we go slow.

I suggest that if we do make arbitrary slashes, we will probably find that we will simply have to pass supplemental appropriations bills later on, to make up the deficiency of funds which we should have granted in the first place.

I am delighted that the President went to the Nation with his case for enactment of his budget.

I look forward to his second address which, I am sure, will be an equally strong and helpful statement.

THE PRESIDENT'S APPEAL TO THE PEOPLE ON THE BUDGET

Mr. BYRD. Mr. President, an appeal by a President to the people over the head of Congress, asking for support of his superluxury budget, such as the President's speech last night, has rarely, if ever, occurred in history.

There are three groups involved in Federal spending:

First. Citizens who pay taxes necessary to meet Federal expenditures.

Second. Congress, which appropriates the funds.

Third. Executive branch, which spends the money.

It is obvious that the first two groups are in favor of substantially reducing the pending luxury budget.

Last night I listened carefully for justification of the Eisenhower budget, totaling $72 billion in expenditures, exclusive of road funds, in contrast with the $64 billion Eisenhower budget of 2 years ago, when the President said he expected in the following year to reduce expenditures to about $60 billion.

What basic conditions have changed, either at home or abroad, to require an expenditure of approximately $8 billion more now than 2 years ago? This is what the people wanted to know.

The President significantly failed, in my judgment, to show new conditions necessitating such an increase. By far, the major part of this increase has been in domestic-civilian expenditures and not in military.

A stabilized dollar followed budget reductions by President Eisenhower during his first 2 years in office. In the previous years the dollar had lost 48 percent of its value. The reduced budget also allowed tax reductions of more than $7 billion.

To yield to the demand of the President and make appropriations in conformity with the pending budget would feed the fires of the new inflation, which in the past year has already lost 4 percent more of the purchasing value of the 1940 dollar. The cost of living has gone up for 8 consecutive months. To adopt the President's budget will close the door for an indefinite period to tax reduction.

As chairman of the Senate Finance Committee, I say without reservation that we cannot continue our free-enterprise system if present oppressive taxes are continued indefinitely.

If the pending budget is adopted, I confidently predict that it will be the lowest expenditure budget for many years to come. It provides for many new spending programs and increases the expenditures in practically every category of Federal activity.

We are now at the crossroads of fiscal solvency. The President's budget will mean another era of spend and spend and tax and tax until our democracy, based upon a solvent government, is seriously impaired. The President's advocacy of new spending in the Federal construction of public schools was especially fallacious. He said this expenditure would last for only 4 years. Yet, in all our experience with Federal grants to States, such aid has grown and grown. Federal construction of public schools would open up a vast area of new Federal spending.

In 1932 Federal grants to States totaled $250 million. Public roads was the only grant program of any consequence.

If the President's budget is adopted, we will spend $5.3 billion in Federal grants, including roads, and the number of Federal grant programs will be increased from 53 to 67.

I have faith enough in democracy to believe that the will of the people will prevail, and that the President's budget will be substantially reduced.

Mr. JAVITS. Mr. President, the President of the United States is fighting for his budget in the interests of United States security. He perceives that the meat-ax cutting is directed at its vitals—foreign aid, defense, and essential domestic measures such as emergency Federail aid for school construction. Much has been made of statements by the President and his aids that some reductions are possible. Certainly, honest men will admit that a budget can be trimmed here and there, certainly one prepared necessarily 18 months in advance. I and many others have stated heretofore that budget reductions in the two to three billion dollar range are possible, and the President himself has suggested $1,800,000,000.

It is in the nature of the President not to take stubborn and uncompromising attitudes. But in the interests of our people, he has now drawn the line against meat-ax cuts, and I consider it a duty to the American people to stand with him on his essential objectives in the fight.

Mr. COOPER. Mr. President, last evening the President spoke to the people of the United States in support of the budget which he submitted to the Congress in January. More precisely, it was a speech explaining the policies of the administration, both domestic and foreign, and the hard facts upon which the budget is based.

The debate over the budget has proceeded for several weeks. The importance of the budget cannot be minimized, because it is concerned with the security, the fiscal stability and the very progress of the country. Yet, it seems to me that the question of the national policies of our country, which the budget expresses, and the consideration of the amounts which ought to be appropriated for their success, suffer in this Congress because of the political struggle between the Democratic and Republican Parties, and the divisions within the Republican Party itself.

Day after day, the leadership of the Democratic Party has called attention to what it terms "inconsistencies" in the statements and positions of members of the administration regarding the budget, and "inconsistencies" between the administration and its leadership in Congress. As a political party, it would be surprising if it took any other course; and yet it ought to be kept firmly in mind that this attack does not constitute a position on the budget by the Democratic Party itself.

Despite the clamor, I can find no position, common to the Democratic Party as a whole, that it proposes so to support the budget as to maintain its purposes—defense, foreign aid, and its domestic programs, many of which the Democratic Party itself initiated—or on the other hand, to cut the budget so deeply that these programs may fail. They may argue that the budget expresses the program of the Republican Party, but the Democratic Party controls the Congress, and it, too, has its responsibility.

But speaking as a Republican, I must say that I believe the first responsibility for the President's program and budget is with our party. In essence, the Democratic position is to suggest that there is no leadership, or that there is a division of leadership in our party; that we do not hold firm views about the great issues of defense and of security; and that we really have no progressive program for the people of our country. And, reluctantly, I must say that the divisions in our party during the past few months give some opportunity for this complaint, even if it is not justified in substance.

There is no question in either party or in the country that it is always possible to cut some expenditures, and to postpone other expenditures. The President himself has recognized this fact, and last evening stated again this duty. Congress has the constitutional right, as well as the practical duty, to search the budget for economies.

But the issue is whether the cuts that are made will go to the very heart of national security and the needs of the country.

I respect, I think, as much as does any other Member of the Senate the distinguished senior Senator from Virginia [Mr. BYRD]. A few minutes ago he asked the question, What agency has taken steps to do anything which will make some of these expenditures unnecessary?

Speaking as one Senator, I believe the security position of the United States is no less dangerous than it was a year ago. The events of the past 6 months in the Middle East, and even 2 weeks ago in Jordan, demonstrate the continued danger. And just now the Soviet Union is engaging in one of the greatest propaganda campaigns in its history, to frighten our allies, and neutral countries throughout the world, in an effort to lure them away from a joint effort to maintain world security and freedom. It must never be forgotten that if the United States fails to maintain its defenses and to provide some assistance, both military and economic, to allies and independent countries, the effort and hope for security and peace will steadily diminish. All of this the President made very clear last evening.

This battle, therefore, is also one for determination by the Republican Party. The President's program is essentially moderate. We are all agreed that some economies can be effected, but if our party is to give the leadership which has been entrusted to it, I believe that there must be a great deal of soul searching both in the administration and in the Congress.

I suggest, first, that the members of the Cabinet and those in policymaking positions in the executive branch support the programs and policies of the President when they have been determined. Second, I hope that in Congress, our leaders and Members, in conscience and deep belief, will lead us as a party to support the policies upon which the party was elected, which the President stated so well last evening, and which are essential to the safety and growth of our country. I believe this is no surrender of independence, but an assertion of reponsibility for the good of our country.

Mr. CARLSON. Mr. President, I think the President's statement on the budget makes good commonsense. He has already recommended a cut of some $2 billion. He wants every possible economy, and so do I, up to the point of not slowing down our great domestic growth or endangering our position for worldwide peace.

The President explained to the American people that we have tremendous responsibilities, and I believe that we can afford to meet them.

Once, under our leadership, world tensions subside, defense and military expenditures can be cut. Then, and only then can we obtain any substantial relief. I hope we will make our economy cuts wisely and not indulge in cutting appropriations just for the sake of cutting.

I expect to support the President's position.

Mr. CASE of New Jersey. Mr. President, no one who heard the President last night can doubt his deep convictions about the need to maintain a strong defense posture in these tense times. His compelling and straightforward stand on the defense aspects of his budget leaves the issue squarely up to the Congress. The President speaks with unique knowledge and experience in this field.

Mr. President, I am not happy about the size of the budget. I want very much to see it reduced. But I cannot subscribe to a meat-ax approach, to a frenzied search for cuts seemingly at any cost.

I am sure most of us were alarmed to learn of reports of deep cuts in the defense appropriations bill still under consideration by a House subcommittee. I do not know whether these reports of drastic reductions in missile programs, for example, are thoroughly founded in fact, but they surely must have been in the President's mind when he told the American people it is not yet possible to put down our burdens in the defense of the free world.

Nor, Mr. President, do I feel that the Department of Defense is beyond the pale of economy, or that the mutual aid program—bound up, as the President made plain, with free world security—cannot be strengthened and waste eliminated.

I am concerned by seeming duplication and waste of resources as among the three branches of the Armed Services and with the need for greater unity in defense policy. Indeed, I believe the time is ripe for a thoroughgoing appraisal of our whole defense establishment, its objectives, its structure, and its relation to our broader aims and policies in the international field.

But, first Congress must make the improvements; then it can cut the defense budget accordingly, not the other way around. It is simply not possible to toy with the security of the Nation in this budget because we are caught up in an economy mood which is beginning to sweep away reason as well as dollars.

The President has put the record straight. Sixty percent of the budget is related to defense. Most of the rest of it involves expenditures required by congressional action.

Through their elected representatives, the people had made known their wishes with respect to their social needs, and I believe they expect us to stick by these basic decisions.

It is singular indeed, Mr. President, that today the leadership has evidently decided to try to maintain the deep cuts made in the United States Information Agency programs. To the average person this must seem like a personal slap at the President, coming on the heels, as it does, of his speech to the people. If this is to be the spirit of the day, and illogical action is to be the order, I, for one, am happy to cast my vote with the President and what he stood for in his appeal last night.

Mr. ALLOT. Mr. President, I, for one, certainly hope that the President's commonsense approach to the budget will be given serious consideration at this session of Congress.

I am sure that all my colleagues have received many hundreds of letters regarding the budget. In my own case, I have received a few very harsh letters from persons who, I am sure, desire to have what has been called the "meat-ax approach" followed, with respect to the budget. Most of the letters contain statements to the effect that, "Senator, we sure wish and hope you can do it, but I am glad I am not in your shoes and do not have to do the job that you have to do."

Mr. President, certainly many appropriation items can be reduced. It is my hope that it will be possible to reduce the budget by $3 billion.

In connection with this matter, it has been stated that the Congress has been given a mandate to cut the budget. It is true that there has been an honest showing of that opinion on the part of the American people, who at all levels are squeezed by taxes. But, Mr. President, be it a mandate or not, every public official who is elected, including each one of the Members of the Senate, has also been given by his constituents a mandate to use commonsense.

President Eisenhower's address to the Nation was certainly forthright and full of commonsense and logical conclusions. More than that, his address served to bring the mind of the people of the Nation into focus on this very important matter.

In the work of our committees and in the proceedings on the floor of the Senate and on the floor of the House of Representatives, the Members of Congress will do well to appreciate what the President has called the essential national interest, and to predicate their action upon it. In times like the present, it is essential that the national interest dictate the action taken by the Members of Congress.

One of the things the President said in his address of last evening, and one of the things which particularly impressed me, was the following:

> Our Armed Forces became so starved and depleted that in 1950 we had to withdraw our military strength from South Korea. That area was then declared to be outside our defense perimeter.

Mr. President, the false economy of those years was spelled out in the lives of American boys.

Many thinking Americans now are asking whether the essential national interest was what guided the decisions which the Congress made during those times. I am sure that the Members of Congress who worked on the appropriation bills during those times thought they had a mandate to cut the budget. Certainly Congress had a mandate to bring the boys home at the end of the war; and Congress heeded that mandate, even though that action almost met with catastrophic results.

Mr. President, when we forget the national interest, and give way to thoughts motivated by political considerations—in short, when we omit from our deliberations the commonsense factor—we are asking for trouble.

Finally, it may be said over and over again that what we are engaged in is a battle for men's minds. The revolt in Hungary proved that is the real purpose of our foreign information program. We have been attempting to counter a Niagara of lies with a trickle of truth, and I say the strangulation of the foreign information program is not in the national interest.

If Hungary proved anything, and if Poland proved anything, it proved that truth is on our side, and it proved that wherever men may live, there is always the desire, and there will always be the will, to be free from the shackles of the oppressor.

I hope we will use commonsense with regard to the United States Information Agency, about which we have had such startling news, in the past 24 hours, regarding cuts in its budget. We ought to bear in mind a very significant sentence in the President's talk of last night, which was, "The plain truth is that the price of peace is high." We might say also that the price of liberty is eternal vigilence.

TAX AMORTIZATION CERTIFICATES

Mr. GOLDWATER. Mr. President, at the outset of this statement, let me assure my colleagues that I am not speaking in favor of the broad, general principle of rapid tax amortization. In times of national emergency, I can see some excuse for using this device to encourage the rapid construction of needed facilities; but in my mind there has been a serious question regarding the continuance of this practice in peacetime.

Recently, the Idaho Power Co. was granted a rapid tax amortization certificate under the terms of the law.

There was nothing illegal about this, nor was there anything illegal about the procedure which produced the certificate. But from the statements of those who advocate public power one would draw the conclusion that something funny went on in connection with the certificate. I do not mean "funny-ha-ha"; I mean "funny-peculiar." These advocates of public power conveniently overlook the certificates which have been granted in the public-utility field. In order that my colleagues may better know the true picture in this field, I ask unanimous consent to have printed at this point in the RECORD, as a part of my remarks, a list of tax amortization certificates issued up to December 31, 1956, in the Northwestern section of the United States, and also an article published in the New York Times of May 1, 1957.

There being no objection, the list and article were ordered to be printed in the RECORD, as follows:

Tax amortization certifications, Northwestern United States, showing electric power detail and statewide totals as of Dec. 31, 1956

T. A. No.	Company	Applied for	Amount granted	Amount certified—percentage applied	Date granted	Percentage allowed
	Washington:					
30382	Pacific Power & Light Co	$63,726,000	$63,426,000	$41,227,000	Dec. 8, 1955	65
31060	....do	5,071,000	5,071,000	3,296,000	Apr. 9, 1956	65
[1] 18860	Washington Water Power Co	155,000	143,000	50,000	Apr. 2, 1952	35
	Total power	68,952,000	68,640,000	44,573,000		
	State all industry total [2]	519,030,000	504,457,000	313,053,000		
	Washington project in "United States at large" classification	155,000	143,000	50,000		
	Total	519,185,000	504,600,000	313,103,000		
	Oregon:					
[1] 2617	Pacific Power & Light Co	26,450,000	26,170,000	19,628,000	June 9, 1951	75
[1] 1766	Portland General Electric Co	22,320,000	22,260,000	14,469,000	Jan. 14, 1952	65
12913	....do	2,750,000	2,750,000	1,375,000	Dec. 7, 1951	50
[1] 24718	....do	4,800,000	4,294,000	2,791,000	Apr. 2, 1953	65
30294	....do	4,250,000	4,250,000	2,762,000	Dec. 15, 1955	65
30295	....do	13,300,000	13,300,000	8,645,000	Dec. 6, 1955	65
[1] 18125	California-Oregon Power Co	37,820,000	36,873,000	23,968,000	May 14, 1952	65
31030	....do	13,903,000	13,871,000	9,016,000	Feb. 29, 1956	65
	Total power	125,593,000	123,768,000	82,654,000		
	State all industry total [2]	184,094,000	180,207,000	124,938,000		
	Oregon projects in "United States at large" classification [1]	91,930,000	89,597,000	60,856,000		
	Total	276,024,000	269,804,000	185,794,000		
	Montana:					
[1] 5180	Montana Power Co	5,445,000	5,410,000	1,353,000	July 3, 1951	25
25942	....do	607,000	607,000	182,000	Aug. 13, 1953	30
31059	....do	15,000,000	15,000,000	9,750,000	Mar. 29, 1956	65
30384	Pacific Power & Light Co	1,540,000	1,540,000	1,001,000	Dec. 15, 1955	65
	Total power	22,592,000	22,557,000	12,286,000		
	State all industry total [2]	140,483,000	136,016,000	94,033,000		
	Montana projects in "United States at large" classification	5,445,000	5,410,000	1,353,000		
	Total	145,928,000	141,426,000	95,389,000		
	Idaho:					
[1] 5629	Utah Power & Light Co	566,000	283,000	99,000	Mar. 14, 1952	35
[1] 5630	....do	130,000	130,000	45,000	Mar. 18, 1952	35
[1] 9077	Washington Water Power Co	46,107,000	46,107,000	29,970,000	Dec. 7, 1951	65
[1] 5944	Idaho Power Co	21,109,000	20,047,000	10,024,000	Dec. 18, 1951	50
[1] 5945	....do	833,000	833,000	208,000	Mar. 18, 1952	25
[1] 5948	....do	899,000	726,000	181,000	Mar. 19, 1952	25
[1] 20507	....do	1,034,000	1,034,000	414,000	Apr. 24, 1953	40
	Total power	[3] 70,678,000	[3] 69,160,000	[3] 40,941,000		
	State all industry total [2]	41,488,000	40,473,000	22,170,000		
	Idaho project in "United States at large" classification [1]	[3] 70,678,000	[3] 69,160,000	[3] 40,941,000		
	Total	112,066,000	109,633,000	63,111,000		
	Utah:					
[1] 11907	Utah Power & Light Co	171,000	171,000	68,000	Mar. 19, 1952	40
[1] 28468	....do	2,283,000	2,283,000	1,826,000	Jan. 3, 1955	80
	Total power	2,454,000	2,454,000	1,894,000		
	State all industry total [2]	135,965,000	134,202,000	94,158,000		
	Utah projects in "United States at large" classification	2,454,000	2,454,000	1,894,000		
	Total	138,419,000	136,656,000	96,052,000		
	Wyoming:					
30383	Pacific Power & Light Co	22,950,000	22,950,000	14,918,000	Dec. 15, 1955	65
	State all industry total [2]	67,559,000	66,092,000	39,660,000		
	Wyoming projects in "United States at large" classification					
	Total Northwestern States	1,259,181,000	1,228,211,000	793,109,000		

[1] Indicates certificate grouped with "United States at large" in ODM public reference tabulation. State location determined by information contained in ODM (DPA) press releases.

[2] ODM tabulation by States.

[3] Does not include certificates issued Apr. 17, 1957, on Oxbow and Brownlee projects.

[From the New York Times of May 1, 1957]

ODM DEFENDED ON AID TO TWO DAMS—AGENCY HEAD SAYS FAIRNESS REQUIRED HELLS CANYON TAX WRITEOFFS FOR UTILITY

WASHINGTON, April 30.—Gordon Gray, Director of the Office of Defense Mobilization, defended today his award of special tax incentives to the Idaho Power Co. for the construction of two power dams on the Snake River in Idaho. Several Congressional Democrats have assailed the award.

Mr. Gray said at a news conference that the two dams, at Brownlee and Oxbow, met the standards for such benefits and fairness required the award.

The dams figured in the Hells Canyon controversy over public or private development of the river's power potential. The Federal Power Commission authorized Idaho Power to build three dams.

In the award last week to Idaho Power the ODM authorized it to write off part of the $103 million cost of two of the dams against its earnings in 5 years. Writeoff periods usually are 20 years or more. The company sought no benefits for the third dam.

BACKGROUND PROPOSAL

In the background is a bill in Congress that would authorize the Government to build in Hells Canyon a high dam that would flood the Idaho Power dams. The Senate Interior Committee approved the bill today, as it had in earlier years, but the proposal has never gone much further.

The ODM has approved fast writeoffs on about half the cost of 913 power projects. The cost of these projects is estimated at more than $6,650,000,000.

The effect of the Idaho Power award is to permit the postponing of about $31 million of taxes in the first 5 years the dams are in operation. The writeoffs amount to an interest-free loan, which the company will repay in the form of higher taxes in subsequent years.

Mr. Gray said that the two dams covered by last week's award were among 33 power projects approved for rapid tax writeoffs (amortization) after the ODM had stopped accepting applications almost 15 months ago. All the applications approved were filed before the deadline, he added.

The last approval before that for the Idaho Power dams, he said, was for a $21,500,000 project of the Virginia Electric Power Co.

Mr. Gray was asked whether there had been any objection to the Idaho Power award by Senator HARRY F. BYRD, Virginia Democrat, a critic of the project. Mr. Gray replied that he knew of nothing to indicate that the Senator objected.

ROBERTSON PROPOSAL CITED

Part of the criticism of the ODM action on the Idaho Power dams is based on the proposal of Senator A. WILLIS ROBERTSON, Democrat, of Virginia that a study of the writeoff applications be made by the Joint Committee on Defense Production, of which he is chairman. Mr. Gray said that he had been unable to find any commitment by the ODM to delay action.

Mr. Gray declared that he acted on his own responsibility in the Idaho Power case, without any instruction from the White House. He has indicated that the ODM writeoff certification might have come much earlier had it not been for suit challenging the project. He said today that the legal problems were cleared away early this month when the Supreme Court refused to hear an appeal of the challenge.

In justification of the two dams in the defense mobilization program, an aid of Mr. Gray noted that the power they generate is to go into a grid system serving a wide area. He stressed that there was a power shortage in the Pacific Northwest.

The Interior Department, in recommending approval of the applications, argued that the normal demand for power in the area was growing, that Idaho Power was soon to lose the power it had been buying from the Utah Power Co. and that the Atomic Energy Commission had created new demand for power in the area.

It declared that the Idaho Power project was needed by defense industries in the area.

The Senate Interior Committee also approved today construction of the $152 million Fryingpan-Arkansas reclamation project to carry water across the Rocky Mountains. The bill was substantially the same as that passed by the Senate last year, but which died in the House.

ORDER OF BUSINESS

Mr. MALONE obtained the floor.

Mr. KNOWLAND. Mr. President, will the Senator yield to me temporarily so that I may suggest the absence of a quorum?

Mr. MALONE. I shall be happy to yield for that purpose to the distinguished minority leader, the Senator from California.

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KEFAUVER in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, has the morning hour been concluded?

The PRESIDING OFFICER. The morning hour has not been concluded. Is there further morning business?

Mr. MALONE. Mr. President——

Mr. JOHNSON of Texas. The Senator from Nevada will need more time than is permitted in the morning hour. If the Senator from Nevada will yield to me temporarily, I will protect his rights.

Mr. MALONE. I yield.

Mr. JOHNSON of Texas. Mr. President, again I inquire, has the morning hour been concluded?

The PRESIDING OFFICER. If there is no further morning business, the morning hour is concluded.

Mr. JOHNSON of Texas. Mr. President, I yield to the Senator from Virginia momentarily.

NECESSITY FOR KEY NATIONS TO CURTAIL GOVERNMENT SPENDING

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD, as a part of my remarks, extracts from a very able address made by a great and highly respected economist, Mr. Per Jacobsson, Managing Director of the International Monetary Fund, before the Economic and Social Council of the United Nations, on April 17, 1957.

In this speech Mr. Jacobsson warned of increasing acute dangers unless key nations, particularly the United States, curtailed Government spending.

He said:

A stage has now been reached where a return to monetary stability is demanded with growing insistence by the public.

After expressing uneasiness in regard to recurrent increases in the cost of living, he then said:

History has shown that those countries that have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

I am afraid that after this examination of the more recent activities of the International Monetary Fund, there remains little time for a discussion of general monetary developments. There are, however, certain trends in the present situation to which reference should briefly be made. We may note, I think, as one of the most important achievements that notwithstanding the strain caused largely by political events, there have been no grave monetary disturbances and no very serious setback to the liberalization of trade and payments which had already been attained. In several respects continued progress has been made: A certain number of countries, including Belgium, Italy, the Netherlands, and Sweden, have extended the area of transferability of their currencies, these measures representing a further approach to multilateralism. The same may be said about the progress made in the elimination of discriminatory currency arrangements in bilateral agreements.

Inherent strength has thus been revealed, but there is, even so, a distinct feeling of uneasiness in many countries reflecting the concern felt with regard to recurrent increases in the cost of living. In the United States, consumer prices rose in 1956 by 3 percent; in the United Kingdom by 4 percent; and in certain other countries at an even higher rate. Such increases may appear moderate as measured by wartime experiences but they cannot be regarded as negligible when they occur in peacetime.

As we all only too well remember, the rise in prices during the war was due to the great pressure of heavy budget deficits which were met by an excessive credit expansion. At present, the situation is, of course, very different; financial order has been restored in a great number of countries. But it cannot be overlooked that several governments still turn in a dangerous degree to the banking system for the cover of part of their expenditure and, even when the budget is fully balanced, the overall level may be so high that under the conditions of the present boom, a downward adjustment would not be out of place—a question to which I will return in a moment.

Another cause of inflation has often been a sharp increase in inventories financed by the banking system as happened for instance after the outbreak of the Korean conflict. That has not conspicuously been the case in recent years in which the commodity stocks of merchants and industrialists have generally risen no more than motivated by the increase in the general business activity.

Neither has there been, in the majority of countries, any inordinate increase in consumption, for the truth is that savings have generally kept up quite well. In some countries the share paid out to consumers either as wages or via the budget has, it is true, been allowed to increase out of proportion to any improvement in productivity with marked effect on prices and, in several cases, on the balance of payments.

But even taking into account such distortions, the distinguishing mark of the present economic upsurge has generally been the pronounced increase of private business investments, the financing of which has had its monetary repercussions. A record figure for private business investments was attained in the United States in 1956, and data recently collected by the Department of Commerce and the Securities and Exchange Commission indicate that for 1957 the planned private business investment in plant and equipment amount to an even higher figure. For Western Europe, estimates by the OEEC show a similar trend as does the material available for quite a number of countries on other continents. This is a very interesting development for it runs exactly contrary to many dire forecasts during the great depression when we were told that one could not, in the future, count on sufficient outlets in the form of fresh investment possibilities for the relatively ample savings in the already industrialized countries.

When we ask what may be the cause of the change which has taken place, we have in the first place to remember the role played by new inventions as a dynamic factor—a matter to which reference was made already before 1914 by such great economists as Knut Wicksell and Joseph Schumpeter. As we all know there has been a surprising spate of new inventions over the last 20 years. We also have to remember that with an increased standard of living and a growing population, more roads and schools, more houses, hospitals, and holiday resorts are needed, the individual items of which add up to a large total. It is also important to remember that past periods of active business investments have been characterized by a state of strong world demand for goods and services. Whatever may have been the reasons for this strong demand in the past, there can be little doubt that over recent years considerable support to world liquidity and to world demand has been produced by United States expenditure abroad (either military expenditure or aid or business investment); for this expenditure has helped to make dollar earnings available through trade to a great number of countries in addition to those which were the original recipients of the expenditure. Even the United States has profited from this state of affairs, because in the recession of 1953–54 it was found that the level of United States exports kept up remarkably well; this would hardly have been possible had there not been this high volume of world demand. In these conditions of intense world demand, in contrast to the experience in the depression of the 1930's, it has generally been sufficient for countries to restrain their domestic demand in order to secure an increase in their exports.

The general conditions for increased business investments have indeed been favorable, and the fact that the increase actually occurred may be taken as a sign of the existence in most countries of vigorous economies in which jobs are easy to find, and the goods produced are taken off the market by a sufficiently strong consumer demand.

If to this high level of private business investment are added the outlays under development schemes inaugurated by a number of governments, a record level of investment is reached. Satisfactory as this may be from many points of view, the fact has to be faced that in country after country the requirements for financing have tended to outrun the flow of current savings. In such a situation, the ordinary means of investment financing (through the ploughing back of profits, market issues, etc.) will prove insufficient and private firms and governments alike will be tempted to turn to the commercial banks for increased credits, short- as well as long-term.

We know, however, that when commercial banks exceed certain limits in their credit expansion, there is a risk that too much money will suddenly be put into circulation and a volume of demand be generated which, since it cannot physically be met by an increased supply of goods and services, can only lead to higher prices. For a time, wages may lag behind prices with the result that a certain amount of "forced savings" will be produced, but once people wake up to the hurts thus inflicted upon them, they will not only demand increased wages but also hasten to buy whatever they can, with the result that even the normal flow of savings will be diminished. When such a state is reached, the governments have no choice but to alter their policies and adopt effective stabilization programs. This has been the course of events in more than one country in these postwar years; and if we look further back, we find that those countries which have safeguarded the value of their currencies have reaped the benefit of a sustained flow of savings which has enabled them to maintain a high level of investment. Credit creation can never be a reliable substitute for savings. It is only on the basis of genuine savings that extensive development plans can be successfully carried out.

Once a check has to be put on an excessive credit expansion, it becomes natural to employ in the first place flexible credit policies (higher interest rates, open market operations, etc.). After the Second World War it was really only during the Korean crisis that the usefulness of flexible credit policies was rediscovered; but these policies are today generally accepted and applied under the most varied conditions all over the world.

One difficulty is, however, that the public sector, representing a greater percentage of the economic life than it ever did before in peacetime, is not influenced in the same way as the private sector by the ordinary means of credit policy and that is the reason why these means alone are no longer capable of insuring a sufficient balance in the economy. For such a balance to be attained there must be a certain flexibility in the public sector as well.

Returning once again to the experiences of the 1930's, it is interesting to recall that it was in relation to those experiences that the theory of compensatory budgets was evolved. According to this theory Government expenditure on current and capital account ought to be increased in periods of a small volume of private business investment while contrariwise, Government expenditures should be curtailed when private business investment has risen and remains on a high level. It now seems as if the authorities were quite ready to accept and apply the first part of this theory—the increased spending in times of depression—but that they show great hesitation and unwillingness to carry out the necessary retrenchment in a period of boom. There are, however, some countries which recently have taken steps to cut down effectively the volume of their Government expenditure in addition to such credit measures as they had introduced; among them I would especially mention Belgium, the Netherlands, Great Britain, and, as far as investment expenditure is concerned, Austria. Austria, indeed, was the first to do so after having run up a substantial deficit in its balance of payments in 1955, and it has been interesting to witness that already in 1956 its balance of payments difficulties were overcome. Under the influence of the examples set by these countries it is not excluded that a new fashion, involving a curtailment of Government expenditure will gain ground instead of the practice of evermounting budgets followed in most countries during these postwar years. For such a fashion to be firmly established it is probably necessary, however, that some extra European countries—and particularly the United States—should partake in the movement.

When a considerable part of Government expenditure is not covered by current revenue, the danger of an inflationary effect becomes, of course, increasingly acute and, in such cases, steps to put the finances in order are all the more urgent. For anyone who has had the occasion to examine the internal position of a number of countries in various parts of the world, it is difficult to avoid the conclusion that if only the budget deficit could be brought down to manageable proportions, the greatest obstacle to monetary order would have been eliminated.

While there can be little doubt as to what must be regarded as the proper policy for a country to follow in order to establish monetary balance, it has, of course, to be admitted that curtailment of expenditure programs on current as well as capital account requires much political courage and determination. But in many instances, the authorities may have little choice if they really want to establish a satisfactory balance internally and externally. As far as foreign funds are needed to pay for imports of machinery and other goods, it is today an important fact that because of increased domestic investments, practically no European country has at the moment any surplus funds available for new foreign loans. Even in Switzerland with its ample flow of savings, the amounts becoming available on the capital markets seem at present to be invested altogether within the country, with the result that in the second half of 1956, there was no foreign loans issued on the Swiss market. In this respect the change has been as sudden as it was unexpected. Nobody can be blamed for not having foreseen the abrupt change which occurred but the responsible authorities in a great number of countries are naturally faced with the task of having to adjust their own investment policies to the altered conditions, especially in the field of foreign financing.

It would be a brave man who would try to foretell how long the present active investment boom will last. There are reports of a weakening of demand in particular sectors but the volume of aggregate investments seems to be holding up well with the result that for the general run of countries, resistance against inflationary tendencies remains a primary task. Therefore, measures which are often unpopular will still have to be imposed. In those countries, in Europe and elsewhere, where the currencies have once or twice in one generation suffered almost complete destruction, public opinion has for long been ready to react against inflation and when that was the case, it was not difficult to decide upon and apply even very harsh remedies. But, strange as it may seem, it is only recently that, for instance, in the Anglo-Saxon and the Scandinavian countries the general public has lost its fear of a postwar depression and has begun really to worry about inflation. Now, fortunately, people are almost everywhere tired of inflation—and this should make it easier for the authorities to take without fear or hesitation, the necessary measures whether these are popular or not. At the time of a great war, the reappearance of a rise in prices is almost taken for granted, but once peace is restored and the supply of goods and services, even per head of population, exceeds prewar levels, the public becomes less forbearing and is not likely to forgive those in power, if it continues to be harassed by an inflationary rise in prices.

In this connection it is important to realize that neither in the United States nor in Great Britain did the money volume, defined as notes in circulation plus demand deposits, rise in 1956 by more than 1 percent. As is usual in periods of boom, the existing stock of money was more effectively utilized in that previously dormant deposits became activated and cash changed hands more quickly; for the time being such an increase in velocity may be said to have effects similar to those of an increase in the money supply. There are, however, definite limits to the extent to which an increase in velocity will take place in the case of a currency which has retained the confidence of the public and it is therefore likely that the present policies aiming at a limitation of the money supply will succeed before long in preventing any appreciable further rise in prices. It is, I think, advisable for most countries to remember that if they continue to allow their costs and prices to rise they may not be able in the future to count on an increase in the general level of world market prices, but become exposed to the risk of getting into an unbalanced position, internally and externally.

Nobody will, of course, deny that countries which proceed to carry out effective

stabilization programs, will be faced with considerable immediate difficulties. But a stage has now been reached where a return to monetary stability is demanded with growing insistence by the public. It seems to be realized in ever widening circles that without stable money neither justice nor progress can be assured. Some of the periods of the highest civilization that the world has ever known—in ancient Greece, in the Renaissance towns of Italy and generally in the 19th Century—have been characterized by a remarkable monetary stability. It seems that the human spirit cannot give of its best if it is harassed by all the uncertainties to which rapidly changing money values give rise. We must, of course, not pretend that the realization of monetary stability will solve all our problems, but, if we could attain it, it would undoubtedly help us to provide a better basis for the gradual solution of a great many problems which now occupy the minds of the general public and of the authorities, and which therefore must also concern the Economic and Social Council of the United Nations.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H. R. 6871.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H. R. 6871) making appropriations for the Departments of State, Justice, the judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, with the exception of the committee amendment on line 6, page 33, and that the bill as thus amended be considered as original text for the purpose of amendment, and that points of order shall not be waived.

The PRESIDING OFFICER. Is there objection?

Mr. JAVITS. Mr. President, reserving the right to object, I understand the item referred to as excepted from the unanimous consent request relates to the United States Information Agency. Is that correct?

Mr. JOHNSON of Texas. It does.

Mr. JAVITS. I thank the Senator. I have no objection.

The PRESIDING OFFICER. Is there objection to the unanimous consent request? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Department of State—Administration of Foreign Affairs", on page 1, line 10, after the word "including", to strike out "the cost of transporting to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects under such regulations as the Secretary may prescribe"; on page 2, line 20, after the word "exceed", to strike out "ten" and insert "twenty"; on page 3, line 20, after the word "aids", to strike out "$93,088,500" and insert "$99,088,500"; on page 4, line 2, after the word "replacement", to insert "or additional vehicle"; in line 3, after the word "exceed", to strike out "$3,000" and insert "$5,500," and, in the same line, after the word "of", where it appears the first time, to strike out "the chief of mission automobile at each diplomatic mission (except that 11 such vehicles may be purchased at not to exceed $5,000 each) and $1,500 in the case of all other such vehicles except station wagons" and insert "vehicles for the Chiefs of Missions."

On page 4, line 10, after "(22 U. S. C. 1131)", to strike out "$600,000" and insert "$800,000."

Under the subhead "International Organizations and Conferences", on page 6, line 20, after the word "chauffeurs", to strike out "$1,350,000" and insert "$1,357,500."

Under the subhead "Passamaquoddy Tidal Power Survey", on page 11, line 14, after "(5 U. S. C. 55a)", to insert "but not to exceed ten temporary employees at any one time"; in line 15, after the word "exceed", to strike out "$50" and insert "$75", and, in line 18, after the word "appropriation", to strike out "$935,000" and insert "$1,344,000."

Under the subhead "International Fisheries Commissions", on page 12, line 1, after the word "Congress", to strike out "$1,600,000" and insert "$1,654,000."

Under the subhead "Educational Exchange", on page 12, line 21, after the word "exceed", to strike out "$1,000" and insert "$5,000"; on page 13, line 1, after the word "amended", to strike out "$17,575,000" and insert "$24,000,000", and, in line 4, after the word "exceed", to strike out "$1,275,000" and insert "$1,500,000."

Under the subhead "General Provisions—Department of State", on page 14, after line 14, to insert:

"SEC. 106. The Secretary of State, under such regulations as he may prescribe, may pay the cost of transportation to and from a place of storage and the cost of storing the furniture and household and personal effects of an employee of the Foreign Service who is assigned to a post at which he is unable to use his furniture and effects."

Under the heading "Title II—Department of Justice—Legal Activities and General Administration—Salaries and Expenses, General Administration", on page 15, line 10, after the word "Assistant", to strike out $3,250,000" and insert $3,175,000."

Under the subhead "Salaries and Expenses, General Legal Activities", on page 15, line 18, after "(31 U. S. C. 529)", to strike out "$10,800,000" and insert "$10,650,000."

Under the subhead "Special Temporary Attorneys and Assistants", on page 17, line 1, after the word "laws", to strike out "$150,000" and insert "$300,000."

Under the subhead "Federal Bureau of Investigation—Salaries and Expenses", on page 18, line 21, after the word "certificate", to strike out "$101,450,000" and insert "$101,300,000".

Under the subhead "Immigration and Naturalization Service—Salaries and Expenses", on page 20, line 9, after the word "General", to strike out "$50,000,000" and insert "$49,500,000."

Under the subhead "Buildings and Facilities", on page 21, line 19, after the word "account", to strike out "$1,750,000" and insert "$1,000,000."

Under the subhead "General Provisions—Department of Justice," on page 24, line 2, after "(5 U. S. C. 55a)", to insert "at rates not to exceed $75 per diem for individuals."

On page 24, after line 11, to insert:

"SEC. 207. Not to exceed 5 percent of the appropriations in this title for legal activities and general administration shall be available interchangeably with the approval of the Bureau of the Budget, but no appropriation shall thereby be increased by more than 5 percent and any such transfers shall be reported promptly to the Committees on Appropriations of the Senate and House of Representatives."

Under the heading "Title III—The Judiciary—Courts of Appeals, District Courts, and Other Judicial Services", on page 29, line 5, after the word "exceed" to strike out "$10,000" and insert "$17,500."

On page 29, line 13, after the word "elsewhere," to strike out "$840,450" and insert "$915,450."

Under the heading "Title IV—United States Information Agency," on page 31, line 7, after the word "States," to insert "and their dependents"; in line 14, after the word "exceed," to strike out "$500" and insert "$3,000"; in line 9, after the word "States," to insert "and of which sum not less than $350,000 shall be available by contracts with one or more private international broadcasting licensees for the purpose of developing and broadcasting under private auspices, but under the general supervision of the United States Information Agency, radio programs to Latin America, Western Europe, Africa, as well as other areas of the free world, which programs shall be designated to cultivate friendship with the peoples of the countries in those areas, and to build improved international understanding:"; in line 19, after the word "exceed" to strike out "$50,000" and insert "$250,000"; on page 34, line 13, after the word "vehicles," to strike out "and the cost, including the exchange allowance of each such replacement, except buses and station wagons, shall not exceed $1,500" and insert a colon and *"Provided further,* That not to exceed 15 passenger carrying motor vehicles may be purchased as replacements for an equal number of truck-type vehicles for use abroad and the proceeds of the sale of such truck-type vehicles shall be available for such replacement:", and on page 35, line 10, after the word "authorized," to insert a colon and *"Provided further,* That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

Under the heading "Title V—Funds Appropriated to the President—President's Special Internatinoal Program," on page 36, line 18, after the numerals "1956," to strike out "$10,900,000" and insert "$14,390,000"; in line 19, after the word "which," to strike out "$5,000,000" and insert "$8,490,000"; in line 21, after the numerals "1958" to insert "including uniforms or allowance therefor as authorized by the act of September 1, 1954," as amended (5 U. S. C. 2131)," and in line 24, after the word "expended," to strike out the colon and *"Provided,* That not to exceed a total of $25,000 may be expended for representation."

Mr. JOHNSON of Texas. Mr. President, I wish to express my deep gratitude to my friend from Nevada for his cooperation at all times and his unfailing courtesy, and I yield the floor back to him, so he may continue his address.

Mr. MALONE. I thank my good friend from Texas.

Mr. JOHNSON of Texas. Mr. President, I desire to announce that at the conclusion of the address to be made by my friend, the Senator from Nevada [Mr. MALONE], I expect to suggest the absence of a quorum; and we desire to have a live quorum present. I make this announcement in order that at-

tachés of the Senate may notify the Members on both sides of the aisle.

After a quorum is developed, the chairman of the subcommittee will make his statement on the appropriation bill.

FOREIGN TRADE AND THE NATIONAL ECONOMY

TEN WESTERN STATES, MAY 4, 1957

Mr. MALONE. Mr. President, on May 4, 1957, the Republican regional conference, at Salt Lake City, Utah, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming, unanimously passed a resolution urging the Congress of the United States to "allow the 1934 Trade Agreements Act to expire in June, 1958."

Mr. President, I ask unanimous permission to include in the RECORD, as a part of my remarks, the resolution passed by the Salt Lake City conference.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

FOREIGN TRADE AND THE NATIONAL ECONOMY

Whereas 34 foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multilateral trade agreements under the auspices of the General Agreements on Tariffs and Trade; and

Whereas, this distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act, as extended (so-called reciprocal trade); and

Whereas, under this act more than $30 billion dollars of American capital has been invested in such foreign low-wage standard of living nations to compete in American markets with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument machine tool, chemical and electro-chemical, and several hundred other fields: Therefore be it

Resolved, That the 10 State Republican regional conference, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming urge the Congress to resume its constitutional responsibility of regulating foreign trade and the national economy through the adjustment of the duties, imposts and excises (art. I, sec. 8) through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act to expire in June, 1958.

The resolution reads in part as follows:

Whereas 34 foreign, competitive nations are sitting in Geneva, Switzerland, regulating our foreign trade through multi-lateral trade agreements under the auspices of the General Agreements on Tariffs and Trade; and—

That is the famous GATT, Mr. President—some have said the word should be infamous:

Whereas this distribution of our foreign trade between such foreign competitive nations is being carried on under the 1934 Trade Agreements Act, as extended (so-called reciprocal trade); and

Mr. President, the 73d Congress passed the Trade Agreements Act in 1934 for 3 years as an emergency measure—it has continually been extended always as an emergency—and now expires in June of 1958:

Whereas under this act more than $30 billion of American capital has been invested in such foreign low-wage standard of living nations to compete in American markets with American labor and investors in the textile, livestock, mining, crockery, glass, precision instrument machine tool, chemical and electrochemical, and several hundred other fields: Therefore be it resolved

I digress to say that under the virtually free trade regulated at Geneva authorized by the 1934 Trade Agreements Act, the cheap labor of the world is directly competing with American workingmen and investors:

Resolved, That the 10-State Republican regional conference, including the States of Arizona, California, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming, urge the Congress to resume its constitutional responsibility of regulating foreign trade and the national economy through the adjustment of the duties, imposts, and exercise (art. I, sec. 8), through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act to expire in June 1958.

THE SALT LAKE CITY CONFERENCE, 10 WESTERN STATES

Mr. President, at that conference there were several committees. One committee was the Republican Goals' Objectives Committee, of the National Republican Party. This is one of the several regional conferences held or to be held in the United States by the chairman of the National Republican Party Committee to determine the feeling of the people of the respective regions.

The chairman of this particular committee was the former Senator E. D. Crippa, of Wyoming. The vice chairman was Mrs. Bertha Weiloff, of Montana. The members were Albert K. Mitchell, New Mexico; James P. Gossett, Idaho; Emery Graunke, Nevada; William C. Sanford, Nevada; Kenneth B. Bentson, Arizona; Mrs. George B. Jex, Washington State; Mrs. Collis P. Moore, Oregon; Mrs. Emery C. Johnson, Arizona; Mrs. Kathryn K. Meloney, Wyoming; Mrs. Jane Zimmerman, California; Mrs. Ora J. Lewis, Utah; Mrs. Helen Sullivan, Montana; Thomas Brewer, California; E. Stanley Goodell, Oregon; Hersh Gay, Jr., New Mexico; Mrs. Gertrude Chamberlain, Wyoming.

Mr. TALMADGE. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. I am happy to yield to my distinguished colleague from Georgia.

Mr. TALMADGE. I wish to compliment my friend, the distinguished Senator from Nevada, for his comments on the subject he is discussing. If I may, I should like to ask one or two pertinent questions?

First, is there any difference between the so-called trade agreement and the so-called GATT agreement?

Mr. MALONE. The Trade Agreements Act of 1934 not only transferred to the President the constitutional responsibility of the Congress, under Article I, section 8 of the Constitution, to regulate foreign trade and the national economy, but gave the President in that act full authority to transfer that constitutional responsibility of Congress to any area on earth, under the auspices of any organization which he might cause to be organized.

That was so testified by the Secretary of State, Mr. Dulles, before the Senate Committee on Finance, when the 3-year extension of that act was granted in 1955.

Therefore, the so-called GATT, the General Agreement on Tariffs and Trade, was organized directly under the authority granted by the 1934 Trade Agreements Act passed by Congress.

The 1934 Trade Agreements Act authorized the President to spearhead the General Agreements on Tariffs and Trade—GATT.

THIRTY-FOUR FOREIGN COMPETITORS REGULATE OUR FOREIGN TRADE

Mr. TALMADGE. Is that the international trade agreement in which some 30 countries participate?

Mr. MALONE. That is the result of the transfer of the constitutional responsibility of Congress to regulate foreign trade to Geneva in 1947.

The 1934 Trade Agreements Act authorized the transfer to any area that the President might choose. In 1947 he did cause to be organized the General Agreement on Tariffs and Trade—GATT—and located it in Geneva. From that time on the foreign nations—and at this time the 34 foreign nations involved, since we are the 35th member, and each nation has one vote—are in complete control of our foreign trade and national economy.

Mr. TALMADGE. Am I correctly informed that that organization gives the United States of America one thirty-fourth of the power to regulate our tariffs?

Mr. MALONE. One thirty-fifth. We have 1 vote out of 35.

Mr. TALMADGE. One thirty-fifth.

I should like to read to the distinguished Senator a provision of the Constitution of the United States and ask him if his interpretation of it is the same as mine. I read from article I, section 8, of the Constitution of the United States:

The Congress shall have power * * * to regulate commerce with foreign Nations, and among the several States, and with the Indian tribes.

Does the Senator from Nevada understand that to mean what it says and to say what it means?

Mr. MALONE. The Senator from Nevada understands it to mean—and has argued on the floor of the Senate for 11 years—that the Constitution of the United States, article I, section 8, which has just been read, in part, by the distinguished Senator from Georgia explicitly and completely places the responsibility for the regulation of foreign trade and the national economy in the Congress of the United States, when it says that Congress shall regulate foreign commerce and "shall have the power to lay and collect duties, imposts, and excises," which we refer to as tariffs.

WORKINGMEN'S JOBS—INVESTORS' MONEY

Mr. TALMADGE. The Senator from Nevada is extremely well informed on trade matters. The largest industry in my State is the textile industry. The average hourly wage in the textile industry there is from $1.35 to $1.50. In

Japan the average hourly wage is from 13 cents to 15 cents, or only one-tenth of what it is in my State.

Does the Senator from Nevada think that our textile mills can continue to operate without some tariff protection from such cheap imports?

Mr. MALONE. I would say to the distinguished Senator from Georgia that it is absolutely impossible; and it was so intended, in the opinion of the Senator from Nevada, by the people behind the framing of the act. In other words, the people who were behind the 1934 Trade Agreements Act in the first place were of the Harry Dexter White and Alger Hiss group, who first formulated the legislation.

Not only are the wages in Japan much lower, but American investments have moved in and installed the best possible textile machinery. Part of the $30 billion of foreign investment of American capital has gone into Japan, for the installation of the latest textile-making machinery. Therefore, since no one would say that a Japanese could not perform as much labor as an American, they are on an equal basis except for wages. That is the only difference except the low water transportation cost from Japan to here.

As a matter of fact, the present Secretary of State was working under Mr. Acheson, who was then Secretary of State, and made the treaty with Japan; that is to say, he set it up. It was adopted by this body, over my protest.

The senior Senator from Nevada made a speech on the floor against it at the time, and pointed out just exactly what the distinguished Senator from Georgia is saying now; that there is no possible way to compete on an even basis with a nation paying such wages.

JAPANESE FREE TRADE

Mr. President, I ask unanimous consent to have included in the RECORD as a part of my remarks an excerpt from my September 11, 1951, debate on the Japanese Treaty.

There being no objection, it is so ordered.

We now have free trade with Japan. They are sending their sewing machines, Christmas cards, precision instruments, and 101 other things, which under normal conditions would disarrange our American economy through eliminating American workingmen's jobs and wiping out American investments. However, by continued emergencies, bringing in constantly increasing taxes and new money from the sale of bonds to the American people, we are able to keep our economy going. Eventually we must protect our own higher standard of living from that of the 7 to 15 cents per hour Japanese labor.

And I might add, Mr. President, textiles constitute one of their greatest exports.

Mr. TALMADGE. I thank the distinguished Senator. His answers to my inquiries have been very helpful.

I understand that by the Constitution of the United States power over foreign trade is vested in the Congress. I for one do not propose to abdicate it.

Mr. MALONE. All Congress has to do is to sit still in 1958—not extend the 1934 Trade Agreements Act beyond June 30, 1958, and the constitutional responsibility of regulating foreign trade and the national economy automatically reverts to the Tariff Commission, an agent of Congress. I would say to the Senator from Georgia that George Washington, our first President, had a few pertinent remarks to make on that subject—in his farewell address he said:

> If in the opinion of the people, the distribution or modification of the constitutional powers be in any particular wrong, let it be corrected by an amendment in the way which the Constitution designates. But let there be no change by usurpation: for though this, in one instance, may be the instrument of good, it is the customary weapon by which free governments are destroyed.

I thank the distinguished Senator from Georgia for his pertinent questions.

REPUBLICAN STATE CENTRAL COMMITTEE

Mr. President, the Republican State Central Committee of my State of Nevada passed a resolution on December 15, 1956, for sound money, protection of American jobs and investments, through the adjustment of the duties as provided in the Constitution, and States' rights. I ask unanimous consent to have printed in the RECORD as a part of my remarks the resolution passed by the Nevada Republican State Central Committee, on December 16, 1956.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

> The Republican Party of the State of Nevada strongly advocates the return to constitutional government by adopting the following principles which have been the basic tenets of the Republican Party since its inception more than 100 years ago.
>
> We believe the Republican Party must advocate a free market for gold, with removal of all restrictions upon its purchase, sale, and ownership, and a return to the traditional hard-money standard using gold and silver certificates redeemable in the respective metals.
>
> We believe the Republican Party must urge the Congress of the United States to resume its constitutional responsibility of regulating foreign commerce through the adjustment of duties, imports, and excises, through its agent, the Tariff Commission, and allow the so-called Reciprocal Trade Act, which transferred such responsibility to the President, to expire in 1958.
>
> We believe the Republican Party should urge Congress to respect the rights of the individual States in all those matters which have been historically matters of State concern.

MUST WORK THROUGH MAJOR POLITICAL PARTIES

Mr. MALONE. I will say at this point to my distinguished colleague from Georgia that it is my opinion, after 11 years in the Senate, and a good many years watching the 1934 free-trade theory progressively tearing down and destroying the small-business man and the wage earners of America, and moving us over on a war economy, that I believe each of us must work through his own major political party.

That is the reason we are working through the Republican Party, as Republicans who believe in constitutional government, and who believe that 34 foreign nations sitting in Geneva should not control and regulate our foreign trade and our national economy.

Mr. President, I believe that members of the Democratic Party who believe, as we do, that we should return to constitutional government, must work through their own party, and help to reestablish the constitutional principle as enunciated at Salt Lake City by the representatives of the 10 Western States.

That firm stand for the principles of Washington, Jefferson, and Lincoln by the Republican State Central Committee of my State of Nevada was immediately supported by most of the State newspapers, including Republican and Democrat alike.

When the Congress does not extend the 1934 Trade Agreements Act (so-called Reciprocal Trade Act) expiring in June of 1958—the regulation of our foreign trade and national economy reverts to the Congress under Article I, Section 8, of the Constitution. The Tariff Commission, an agent of Congress, under existing law through adjusting the flexible duty or tariff to continually represent the difference in the effective wages and cost of doing business here and in the chief competing nation on each product.

NEVADA STATE LEGISLATURE

Mr. President, the Legislature of my State of Nevada also passed strong resolutions against the extension of the 1934 Trade Agreements Act—so-called Reciprocal Trade Act—when it expires in June 1958. I ask unanimous consent to have the Senate joint resolution of that body printed in the RECORD at this point as a part of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Senate Joint Resolution 14

Joint resolution memorializing the Congress of the United States to resume its responsibility of regulating foreign commerce, and to allow the 1934 Trade Agreements Act to expire in June 1958

Whereas the promotion of world trade should be on the basis of fair and reasonable competition and must be done within the principle long maintained that foreign products of underpaid foreign labor shall not be admitted to the country on terms which endanger the American workingmen's jobs or American investments; and

Whereas article I, section 6, of the Constitution of the United States, provides that the Congress shall have the power to lay and collect taxes, duties, imposts, and excises, and shall regulate foreign commerce; and

Whereas the Congress transferred the constitutional responsibility to regulate foreign trade to the executive branch through the 1934 Trade Agreements Act, as extended to June 1958, with authority to transfer such responsibility to Geneva under the general agreements on tariffs and trade: Now, therefore, be it

Resolved by the Senate and Assembly of the State of Nevada (jointly), That the United States Congress is hereby urged to resume its constitutional responsibility of regulating foreign commerce and the national economy, through the adjustment of duties, imposts, and excises, through its agent, the Tariff Commission, and allow the 1934 Trade Agreements Act, which transferred such responsibility to the President, to expire in June 1958; and be it further

Resolved, That the secretary of state of the State of Nevada shall transmit copies of this

resolution to each member of the Nevada Congressional delegation.

Adopted by the senate, March 11, 1957.

REX BELL,
President of the Senate.
H. E. ROWNTREE,
Secretary of the Senate.

Adopted by the assembly March 15, 1957.

WM. D. SWACKHAMER,
Speaker of the Assembly.
C. O. BASTIAN,
Chief Clerk of the Assembly.
CHARLES H. RUSSELL,
Governor of the State of Nevada.

CALIFORNIA STATE LEGISLATURE—RESOLUTION

Mr. MALONE. The State of California passed a similar resolution asking that the 1934 Trade Agreements Act be not renewed when it expires.

I ask unanimous consent that the resolution be printed at this point in the RECORD as an extension of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Following is a joint resolution of the Legislature of the State of California, 1953 session:

"Joint resolution concerning the restoration to Congress of the fixing of tariffs

"Whereas it is essential to the protection of the American standard of living and the American way of life that products of foreign countries be admitted to this country only on a basis which will not endanger the living standards of the American workingman and the American farmer and will not threaten serious economic injury to any domestic industry; and

"Whereas promotion of world trade by the Government of the United States should adhere to this principle so that the economic status of the American people may be maintained and not reduced to that in the depressed areas of the world where work is performed behind the sweatshops curtain; and

"Whereas while recent imports of live cattle and frozen and canned beef from Mexico, Canada, New Zealand, and other areas have dramatically high-lighted the problem with respect to one industry, yet it is a problem affecting all of the branches of agriculture, industry, and commercial production; and

"Whereas the Congress of the United States abandoned its traditional function of fixing tariffs on foreign commerce entering the United States under the Trade Agreements Act of 1934 to the executive department of the Government, which has carried out policies inconsistent with the welfare of American agriculture, industry, and commerce: Now, therefore, be it

"*Resolved by the Senate and Assembly of the State of California (jointly)*, That the Legislature of the State of California most respectfully memorializes the Congress of the United States to return to its traditional method of fixing tariffs based on principles of protection of American agriculture, industry, and commerce, and the standard of living for all American citizens created thereby; and be it further

"*Resolved*, That until Congress so acts, the executive department of the Government exercises its powers of fixing tariffs only in accordance with the traditional principles of American policy as set forth in this resolution; and be it further

"*Resolved*, That the secretary of the senate send copies of this resolution to the President of the United States, the Secretary of State, the Secretary of Commerce, the Secretary of Agriculture, the Chairman of the United States Tariff Commission, the President of the United States Senate, the Speaker of the House of Representatives, and each Senator and Representative from California in the Congress of the United States."

THE UTAH MINING CONGRESS—RESOLUTION

Mr. MALONE. Mr. President, delegates and members of the last meeting of the Utah Mining Congress adopted a resolution opposing extension of the Trade Agreements Act of 1934. I ask unanimous consent that the resolution be printed in the RECORD as an extension of my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

United States membership is vital to establishment of the Commission on International Commodity Trade and therefore strong pressure is being used to get the United States to accept the membership despite her stated objections. Acceptance by the United States would give life to the Commission and would involve the United States in its schemes.

We strongly oppose the United States Government accepting membership and concur wholly with the reasons given by her in opposing the organization to date. The first meeting of the Commission is scheduled for January 17, 1955, and it is therefore directed that a statement of our opposition to United States acceptance of membership be directed forthwith to Utah's Congressional delegation, the State Department, and the President.

INTERNATIONAL TRADE, 1955

We oppose extension of the Reciprocal Trade Agreements Act of 1934, as extended, beyond its termination date of June 12, 1955. The peril point and escape-clause provisions of the act, designed by the Congress to afford protection for American workers, miners, farmers, or producers, have been willfully ignored by the executive department in several specific cases which were reported favorable for upward tariff adjustments by the Tariff Commission.

The State Department has used the act to progressively weaken tariff protection, particularly on raw materials, and to increasingly involve the matter of domestic tariff control in international trade organizations. Present domestic tariff policy is controlled largely by the General Agreement on Tariffs and Trade (GATT), a foster child of the State Department which was developed following refusal of the United States Congress to approve the International Trade Organization.

Refusal to extend the Trade Agreements Act would serve to restore to the Congress their constitutional power and responsibility relating to tariff and trade regulation.

We have in the past strongly opposed the United States becoming involved in international trade organizations which were designed to regulate production, prices, and distribution of raw materials and goods. We joined vigorously in the campaign to withdraw United States support from the International Materials Conference, successfully sponsored by Senator Ferguson.

The United Nations Economic and Social Council has recently proposed another such organization under the title of the United Nations Commission on International Commodity Trade. The new organization would examine further, as a matter of urgency, the possibilities of establishing a parity relationship between the prices of primary commodities and manufactured goods.

The United States was elected to membership of this group on November 23, 1954, despite the fact that in response to an invitation made April 30, 1954, to comment on the new organization, the United States Government expressed opposition to the establishment of this Commission.

MR. ACHESON AND MR. THORPE—THE THREE-PART, LONG-RANGE PLAN

Mr. MALONE. Mr. President, as a further warning to the Members of Congress who still may have faith that each offering of legislation along the line of free trade—billions to Europe and Asia—and a continual disintegration of the money system through 24 years of inflation, the pronounced long-range, three-part foreign policy by the Assistant Secretary of State, Willard H. Thorpe, outlined before the House Ways and Means Committee, in 1950, should be interesting:

1. The European recovery program (Marshall plan or ECA) extends immediate assistance on a short-term basis to put the European countries back on their feet.

2. The trade agreements (act) program is an integral part of our overall program for world economic recovery.

3. The International Trade Organization upon which Congress will soon be asked to take favorable action, provides a long-term mechanism—each part of this program is important. Each contributes to an effective and consistent whole.

It will be remembered that the Congress turned down the International Trade Organization in 1951.

Now we have been offered the Office of Trade Cooperation, which is exactly the same as the International Trade Organization.

That proposal is now before Congressional committees. It is before the Senate Finance Committee, of which I am a member.

DOLLAR DIPLOMACY WITH A VENGEANCE

The former Secretary of State, Dean Acheson, said:

It is hardly possible any longer to draw a sharp dividing line between the economic affairs and political affairs.

Each complements and supplements the other. They must be combined in a single unified and rounded policy.

DOLLAR DIPLOMACY

That was and is the reasoning of the State Department—to tie the regulation of our foreign trade to the regulation of our foreign policy, which the Constitution of the United States so pointedly separated.

The senior Senator from Nevada would call it "dollar diplomacy" with a vengeance.

We are buying treaties through the division of our markets with the nations of the world and with billions of dollars of our taxpayers' money through gifts to such foreign nations.

The pressure to combine the regulation of our foreign trade and national economy with the fixing of foreign policy all under the executive branch of our Government, contrary to the specific provisions of the Constitution in article 1, section 8, is so flagrant that it is beyond belief that a Congress of the United States should continue to extend the life of such an act.

FEW MEMBERS OF CONGRESS UNDERSTOOD THE PLAN

Certainly few Members of Congress understood, in 1934—when they voted for the Trade Agreements Act—that they were not only transferring their constitutional responsibility to regulate foreign trade and the national economy to

the executive branch of the Government, but included in that act was complete authority to transfer that responsibility to 34 competitive nations at Geneva, Switzerland.

TRANSFERRED TO GENEVA IN 1947

Following the 1934 Trade Agreements Act in 1947, the President of the United States did make the transfer and the Secretary of State, Mr. Dulles, has testified that such authority was and is included in the 1934 Trade Agreements Act, as extended to June 30, 1958. The transfer was made under the General Agreements on Tariffs and Trade—GATT.

The Secretary of State has testified that the 1934 Trade Agreements Act included all the authority necessary to transfer the regulation of the foreign trade and the national economy of the United States to the 34 foreign nations whose representatives are sitting at Geneva as a part of the General Agreement on Tariffs and Trade.

THE 34 FOREIGN COMPETITIVE NATIONS REGULATING OUR FOREIGN TRADE

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield to the distinguished Senator from Pennsylvania.

Mr. MARTIN of Pennsylvania. Does the distinguished Senator have a list of the 34 countries which he can insert in the RECORD?

Mr. MALONE. The following foreign competitive nations sit in judgment on our foreign trade in Geneva—dividing our markets among themselves through multilateral trade treaties—under the the General Agreement on Tariffs and Trade—GATT—through the authority granted them under the 1934 Trade Agreements Act.

THIRTY-FOUR FOREIGN COMPETITIVE NATIONS

Australia, Austria, Belgium, Brazil, Burma, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Dominican Republic, Finland, France, Federal Republic of Germany, Greece, Haiti, India, Indonesia, Italy, Japan, Luxembourg, The Netherlands, New Zealand, Nicaragua, Norway, Pakistan, Peru, Rhodesia and Nyasaland, Sweden, Turkey, Union of South Africa, United Kingdom, and Uruguay.

Mr. MARTIN of Pennsylvania. These items are all educational, and I think the American people should know the names of those countries.

Mr. MALONE. I think the people should know them; and I think Members of Congress should know them, and I further believe that the Members of Congress should understand that they have transferred their constitutional responsibility to regulate our foreign trade and national economy to the 34 competitive foreign nations at Geneva. I have worked over the problem for 11 years in the Senate.

UTTERLY UNBELIEVABLE—TRANSFER REGULATION TO GENEVA

It is utterly unbelievable, however, that the Members of Congress understood the full implications of their action when they voted on May 4, 1955, to extend that act for 3 years to June 1958.

They most certainly did not know that through the creation of another innocuous looking piece of international machinery now before Congress under the "come on" title of Office of Trade Cooperation—OTC—that once created, through its own manipulation the administration of the general agreements on tariffs and trade could be transferred to the United Nations, and operated on the principle of equal distribution of the production and consumption throughout all of the nations of the world.

ONE AT A TIME—EACH INNOCUOUS BY ITSELF

Mr. President, those things come along one at a time, each of them looking innocuous by itself.

There was a great President who had something to say on this subject. I shall quote him directly. He gave us the key to how we could recognize an overall plan coming along one part at a time.

It was Abraham Lincoln who said:

> We cannot absolutely know that all these exact adaptat'ons are the result of preconcert. But when we see a lot of framed timbers, different portions of which we know have been gotten out at different times and places and by different workmen, and when we see these timbers joined together, and see they exactly make the frame of a house or a mill, all the tenons and mortises exactly adapted to their respective places, and not a piece too many or too few, not omitting even scaffolding—or, if a single piece be lacking, we see the place in the frame exactly fitted and prepared yet to bring such piece in—in such a case, we find it impossible not to believe that all worked upon a common plan or draft drawn up before the first blow was struck.

THE FIRST LEGISLATIVE MOVE—THE 1934 TRADE AGREEMENTS ACT

When the 1934 Trade Agreements Act was passed, in an economic frenzy by a subservient Congress, it looked innocuous enough. It was said, "Let the President try to do this job for a while in the interest of economic recovery." Nobody seemed to know or care what might happen, and nobody seemed to know that hidden in that act was the authority for the President to transfer the constitutional responsibility of Congress to regulate the foreign trade and national economy to 34 competitive foreign countries. He could transfer the whole thing to Peking or to Moscow tomorrow if he so desired. There may be 50 nations eventually that will be involved if they are accepted into that group. It will be remembered that Japan was only recently accepted into that restricted group. That laid the foundation for the destruction of the textile, crockery, and precision instruments businesses in this Nation. These nations sit around a table at Geneva, Switzerland, a city that most people who are not in the trade must check to determine exactly where it is located in the world, and they regulate our foreign trade and national economy. Through a continual lowering of duties or tariffs by the authority granted them by Congress through the 1934 Trade Agreements Act, those nations can make or break any production business anywhere in the United States of America for their own benefit.

They do break them, Mr. President. There is no comparison between the living standards, as the distinguished Senator from Georgia outlined, between Georgia and Japan, for example, when there is practically free trade in textiles, which is destroying the textile industry in the United States.

UNITED NATIONS RESOLUTION

I have in my hand a resolution passed by the United Nations on February 20, 1957. That resolution should be warning enough to Members of Congress to read the whole script this time, beginning with 1934, instead of just passing the immediately proposed legislation which provides just another step in stifling the economic development of this Nation.

The proposed legislation of OTC merely follows the pattern already laid down, and is in line with the pattern referred to by Abraham Lincoln when he spoke about timbers, all exactly fitting, and not one too few or one too many. There must be a plan, Mr. President.

The United Nations is headed toward the regulation of our foreign trade and national economy through progressive legislation—on the basis of equal production and consumption in every nation in the world based on population. When they reach that control then that is what will happen.

Mr. President, I ask unanimous consent to have the entire United Nations resolution printed in the RECORD at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD as follows:

1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular:

(a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade, and to continue to avail themselves of services offered in the field of trade by these organizations;

(b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance-of-payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries;

(c) To conduct their trade policies with due regard to their possible harmful effects on the economies of other countries, especially countries which are dependent on exports of relatively few commodities;

(d) To follow internal economic, monetary, and fiscal policies which promote high levels of production, employment, and investment, keeping in mind the relationship between such internal policies and the possibilities of expanding world trade;

2. Endorses Economic and Social Council Resolution 614 (XXII) of August 9, 1956, and requests the Council to continue to give particular attention to developments in the field of international trade;

3. Looks forward with interest to the establishment of the Organization for Trade Cooperation and urges states members of the United Nations and members of the specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation.

Source: United Nations press release, GA 1450, February 20, 1957.

Mr. MALONE. Mr. President, the resolution, in part, provides as follows:

1. Urges the governments of member states to continue their efforts to reduce existing barriers to international trade in a mutually satisfactory manner for the purpose of expanding such trade at the fastest feasible rate and, in particular—

I digress to say that no other nation needs a tariff or a duty to equalize wages. Our wage standard of living is the highest in the world.

(a) To continue to work toward this objective through the international organizations which are working successfully for the expansion of world trade—

They make these agreements without the people of the United States knowing anything about them. They are secretive. Congress is not allowed to know anything about it, until they are signed, sealed, and delivered. Then it is too late to object, since the agreement is already in effect for a definite period under the 1934 Trade Agreements Act—so-called Reciprocal Trade Act—as extended by Congress for 24 long years; and through that act they have transferred their authority to 34 foreign competitive nations.

The resolution continues:

and to continue to avail themselves of services offered in the field of trade by these organizations.

(b) To reduce or remove restrictions and/or discrimination with regard to trade and payments as soon as their balance of payments and reserve positions permit, having due regard to the special problems arising from the economic development needs of the less developed countries—

As long as these nations can say they are still not as well off as we are, they do not have to meet these restrictions. They can sign a trade agreement which lowers duties and tariffs, and then install import permits and exchange permits, and every kind of restriction, including the manipulation of the valuation of their money in terms of the dollar.

THE DOLLAR SHORTAGE CATCH PHRASE

That is where the dollar shortage catchword was coined. They fix a price on their money in terms of the American dollar higher than the market price, and nobody will buy it at the fictitious price except a misguided American Congress who makes up the difference.

When they speak about barriers, what do they mean? They mean barriers to their trade. In the case of textiles, the difference in the wage standard of living between the people in the United States and the people in Japan, represented by a duty or tariff is the barrier about which they are complaining.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield to the Senator from Wyoming.

Mr. BARRETT. At the outset let me commend my distinguished friend from Nevada for his splendid statement this afternoon. I should like to make an observation. My State of Wyoming is the second largest producer of wool in the country. As a result of that situation we are intensely interested in the matter of tariffs. I have been concerned for some time because of the competition from offshore wool, particularly from Australia and from many other countries, including South Africa, as well as from woolen fabrics coming in from nearly every country on earth.

I may say to the Senator from Nevada that there was a time when our textile plants in this country were far superior to the plants anywhere else in the world, but since World War II we have furnished funds to foreign countries, with the result that practically every country on earth now has just as efficient plants with which to process wool and to make up fabrics as we have in this country.

I may say to my colleague that we in Wyoming are very much appreciative of the Wool Act. At the same time, we find that the competition from the imports of woolen fabrics is devastating, so far as the producers of wool in the United States are concerned. My information is that 184 wool-textile plants in the United States were closed in the period from 1947 to 1954. As a result, the employment in the textile mills of America has dropped 51 percent. There have been losses incidental thereto, such as in the manufacturing of machinery for those plants, and in other ways, as well. It is very difficult to determine the exact effect of the closing of these woolen mills.

As the distinguished Senator from Nevada has pointed out, it is extremely difficult for American manufacturers of wool products to compete with wool-manufacturing plants in Japan, when the Japanese manufacturers have machinery which is just as up to date as that which is used in this country. Also, the Japanese manufacturers employ skilled mechanics, but their payrolls are approximately 10 or 11 percent of what they are in this country. Because of that competition, it is impossible for American wool manufacturers to meet the prices of products coming from Japan, and also from a good many European countries, such as England, France, Italy, and some of the countries behind the Iron Curtain.

I have been considerably disturbed recently because of actions which are being taken by two different agencies of our Government. First, the Secretary of Commerce has sent a mission to Japan. That mission, as I have been told, has been urging the manufacturers in Japan to produce quality goods to compete with the products of the textile mills in the United States. The fact of the matter is that the competition from the low-paid, high-class labor in Japan will hurt America the most. We may end by having all the quality woolen mills in this country closing down if the Japanese manufacturers are permitted to export to the United States quality fabrics in unlimited quantities.

Mr. MARTIN of Pennsylvania. Mr. President, will the Senator yield so that I may make an observation?

Mr. BARRETT. With the consent of the Senator from Nevada, I shall be delighted to yield for that purpose.

Mr. MARTIN of Pennsylvania. We have heard much during this session of Congress about aiding small business in the United States. Many persons say that small business is the strength of our economy. The manufacturers of the textile goods mentioned by the distinguished Senator from Wyoming are generally small-business men, who employ a small number of very skilled workers. The foreign competition in woolen fabrics is damaging to concerns of that kind.

In my own State of Pennsylvania, an enormous amount of woolen goods used to be manufactured. Most of those factories are now closed, and there is no other kind of work suitable for workmen skilled in that field. They cannot go to work in a steel mill or a wire mill, and they cannot work in the mines.

So a great many of what we call small-business concerns in the United States are being destroyed because the Government is not taking into consideration the protection those industries need in order to enable them to compete with the importations now entering the United States.

Mr. BARRETT. I thank the distinguished Senator from Pennsylvania for that observation. The quantity of Japanese woolen fabrics imported into the United States has increased from 178,000 yards in 1951 to more than 6 million yards in 1956. I do not know the proportion of the increase, but I should suppose it is away up in the thousands.

We in the West are vitally interested in this matter, because the only market we have for the wool shorn from the sheep of Wyoming and the other Western States is the domestic mills of America. If the mills continue to close at the rate at which they have been closing in the past 10 years, we will not have any market for our wool after it has been produced.

Another item to which I wish to call the attention of my colleague from Nevada and my colleague from Pennsylvania is the proposal which is being made at present to make a change in the so-called Geneva wool fabric reservation. Under that reservation, it is provided that when the annual volume of imports exceeds by 5 percent the annual average of United States production of wool fabrics, the ad valorem duty may be increased from 25 percent to 45 percent. A hearing was held on that matter last fall, at which that provision was reaffirmed, and the administration took the position that it should stand on that basis.

I now understand that the State Department officials and other persons are proposing that the percentage be increased from 5 percent to 7 percent, so that additional imports may come into the United States before there will be any obligation to consider, at least, if not to impose, a higher ad valorem rate on the imported fabrics. That is very disturbing to me. I am very hopeful that the administration will see fit to maintain the agreements which were entered into under the Geneva fabric reservation, and will hold the figure to 5 percent. That is, if the importations exceed by 5 percent the annual average imports of previous years, then it will be necessary to give us some protection by increasing the duty, on the ad valorem basis, from 25 percent to 45 percent.

I appreciate the opportunity to make these observations and to tell the distinguished Senator from Nevada that I think he is rendering a very useful service in bringing these matters to the attention of the Senate. I hope the Committee on Finance will take a good, long look at proposals with respect to OTC and GATT before they bring them out on the floor.

HOPE OTC-GATT OR 1934 TRADE AGREEMENTS ACT NEVER REACHES FLOOR

Mr. MALONE. I join with the distinguished Senator from Wyoming, but I further hope that OTC and GATT will never get to the floor this year—and that the proposal to extend the 1934 Trade Agreements Act will never reach the floor next year. Would the distinguished Senator from Wyoming join with me in that hope?

Mr. BARRETT. I certainly would join with my colleague in that hope.

Mr. MALONE. I may say to the distinguished Senator from Wyoming that one of the things that has been done in the 24 years by our State Department, is to build an intricate mechanism for the regulation of foreign trade through the General Agreement on Tariffs and Trade and through the multilateral agreements, in various ways, so that it is almost impossible for anyone to understand what is happening.

All of this under the 1934 Trade Agreements Act which is the parent legislation for the international Socialist idea of division of wealth through division of our markets.

I point out to my distinguished friend from Wyoming that a sheep unit—a ewe and a lamb—can be produced in Australia for about 20 percent of what it can be produced for in the United States. Therefore, the only solution to the problem—and the same is true of 5,000 other products—is to return to the Constitution of the United States in the regulation of our foreign trade and national economy, which provides that Congress shall regulate foreign trade and the national economy, and shall through the Tariff Commission, an agent of Congress, set duties, imposts, and excises for that purpose—methods to determine the difference in cost between an article produced in the United States and a like article produced in a foreign country, and to recommend that that amount shall be the duty. That will make up the difference in the wage standard of living; it will make up the difference in the cost of doing business in the United States and in the chief competing country, such as Australia.

I point out that we pay more in the United States for industrial insurance and social security than the competitive nations pay in wages.

Mr. President, I wish to call attention to paragraph 3 of the resolution adopted by the United Nations:

> The United Nations look forward with interest to the establishment of the Organization for Trade Cooperation, and urge the state-members of the United Nations and members of specialized agencies to act with a view to approving the agreement establishing the Organization for Trade Cooperation.

Mr. President, that is a tipoff that they expect to supervise, through the action of the same organization, if it is created, an organization, under the United Nations, which will control the trade of all the nations of the world.

CONGRESS SURRENDERED ECONOMIC INDEPENDENCE

Mr. President, in 1934—23 years ago, and 158 years following the Declaration of Independence—a subservient Congress surrendered the social and economic independence that Washington's Continental Army had left bloody tracks in the snow to gain. That surrender took place through passage of the 1934 Trade Agreements Act, named "Reciprocal Trade" by the economic "one worlders" of the day. This act marked the betrayal and complete abandonment of the American workingmen and investors into direct competition with the sweatshop labor of old Europe and Asia. The Constitution pointedly separated the regulation of our foreign trade and national economy from the fixing of our foreign policy. The first was delegated to the legislative branch, and the second to the executive branch of our Government.

The 1934 Trade Agreements Act tied together the two jobs. As a result, both came under the executive branch for the first time since the adoption of our Constitution in 1789. Our economic independence of old Europe—declared in 1776, and guaranteed by the Constitution in 1789, under which we developed the highest standard of living in the whole world—lasted just a little more than a century and a half.

Twelve years ago, in 1947—171 years following the Declaration of Independence—the President of the United States transferred that constitutional responsibility of Congress to regulate our foreign trade and national economy, under article 1, section 8, of the Constitution, to Geneva, Switzerland, under the organization known as GATT, the General Agreement on Tariffs and Trade, which he caused to be organized under his claimed authority of the same 1934 Trade Agreements Act.

BETRAYED INTO THE POWER OF OLD EUROPE

Since that betrayal into the power of old Europe and Asia, 35 nations, of which we are one—each with 1 vote—have quietly proceeded to divide the American markets among themselves, through multilateral trade agreements, under the pretext of preserving the peace. It is utterly unbelievable that the Congress could have been coerced into transferring its constitutional responsibility to maintain the economic integrity of this Nation into the grasping hands of old Europe, but it is even more amazing that the 84th Congress in 1955 extended the act for 3 years. It now expires in June of 1958.

This Nation is now being blackmailed through continued threats of retaliation if we even attempt to regain our economic independence, guaranteed by the Constitution of the United States.

THE PROPOSED ITO, 1950—OTC 1956

The Congress refused to approve the International Trade Organization (ITO) in 1950, and it refused to approve the Organization for Trade Cooperation (OTC) in 1956; but the original authorization in the 1934 Trade Agreements Act was extended to 1958.

RETURN TO CONSTITUTION AND BILL OF RIGHTS

Mr. President, let us return to the Constitution and the Bill of Rights, the greatest man-made documents in 5,000 years of recorded history, just as the 10 Western States, assembled at Salt Lake City on May 4, asked the Congress to do; and just as my own State, through its legislature and in editorials published in both Democratic and Republican newspapers, has requested.

Let us return to article 1, section 8 of the Constitution, which places directly upon the Congress, the legislative marr upon the Congress, the legislative branch of our Government, the responsibility of regulating our foreign commerce and our national economy. If the Congress shall not extend the 1934 Trade Agreements Act in 1958, thereby reverting to the Constitution, as the resolution sets out, then the Tariff Commission, an agent of Congress, would be guided by the section 336 of the 1930 Tariff Act on principle which says:

> If the Commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the difference in the cost of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the Commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize.

NOT HIGH OR LOW DUTY—BUT FLEXIBLE

Mr. President, it will be noted that the principle of fair and reasonable competition is laid down in existing law—not a high or low duty or tariff but the flexible duty continually adjusted by the Tariff Commission to represent the difference in the effective wages here and in the chief competing country on each product—the duty would be lowered as their living standard improved—and when they approached our standard then free trade would be almost automatic and immediate.

It is time for the Congress—not the President of the United States, not 34 foreign nations assembled at Geneva—to adjust the duties and tariffs, in the regulation of the foreign trade and the national economy of the United States just as the 10 Western States have requested—and just as the distinguished Senators, Mr. TALMADGE of Georgia and Mr. BARRETT of Wyoming have requested.

Mr. President, I yield the floor.

STUDY OF CRITICAL RAW MATERIAL AND RESOURCES OF THE SOVIET UNION

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

STATE, JUSTICE, AND JUDICIARY APPROPRIATIONS, 1958

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate resume the consideration of the State, Justice, and judiciary appropriations bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate resumed the consideration of the bill (H. R. 6871) making appropriations for the Departments of State, Justice, and judiciary, and related agencies for the fiscal year ending June 30, 1958, and for other purposes.

Mr. JOHNSON of Texas. Mr. President, I as unanimous consent that I may suggest the absence of a quorum without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names.

Aiken	Frear	Monroney
Allott	Fulbright	Morse
Anderson	Goldwater	Morton
Barrett	Gore	Mundt
Beall	Green	Murray
Bennett	Hayden	Neuberger
Bible	Hickenlooper	O'Mahoney
Bricker	Hill	Pastore
Bridges	Holland	Potter
Bush	Hruska	Purtell
Butler	Ives	Revercomb
Byrd	Jackson	Robertson
Capehart	Javits	Russell
Carlson	Johnson, Tex.	Saltonstall
Carroll	Johnston, S. C.	Schoeppel
Case, N. J.	Kefauver	Scott
Case, S. Dak.	Kennedy	Smith, Maine
Chavez	Kerr	Smith, N. J.
Church	Knowland	Sparkman
Clark	Kuchel	Stennis
Cooper	Lausche	Talmadge
Cotton	Long	Thurmond
Curtis	Magnuson	Thye
Dirksen	Malone	Watkins
Douglas	Mansfield	Wiley
Dworshak	Martin, Iowa	Williams
Eastland	Martin, Pa.	Yarborough
Ellender	McClellan	Young
Ervin	McNamara	

Mr. MANSFIELD. I announce that the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. SMATHERS], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

Mr. DIRKSEN. I announce that the Senator from Vermont [Mr. FLANDERS] and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The PRESIDING OFFICER. (Mr. LAUSCHE in the chair). A quorum is present.

Mr. JOHNSON of Texas. Mr. President, we are considering today one of the most important appropriation bills that will come before the Senate at this session. It is a measure which affects both the internal and the external security of our country.

The bill provides the funds for fiscal 1958 for the State and Justice Departments, the Federal Judiciary, and a number of related agencies. The Committee on Appropriations recommends an overall amount of $563,085,293.

In arriving at this figure, we have tried to find what the President describes as "the proper dividing line between national danger on the one hand and excessive expenditures on the other." We have tried to find a program that is adequate to our needs without imposing an unnecessary burden on our taxpayers.

The total figure in the bill reported by the Senate Committee on Appropriations is $714,500 below the amount recommended by the House and $102,564,509 below the amount recommended by the President and the Bureau of the Budget.

The PRESIDING OFFICER. Will the Senator from Texas please repeat the last figure?

Mr. JOHNSON of Texas. The bill as reported to the Senate is $102,564,509 below the amount recommended by the President and the Director of the Bureau of the Budget, which is approximately a 15-percent reduction below the estimate of the Bureau of the Budget. We consider these real savings—savings in the sense that they have been made with prudent thought and what we consider to be selective care. They represent our best judgment on the basis of all the information which was made available to conscientious Members of the Senate. We sat early in the morning and late in the afternoon, until we compiled one of the longest and largest records of any subcommittee in the history of the Senate—1,249 pages of testimony in the volume which is now on the desk of each Senator.

After listening to all the evidence, the committee felt that it could not justify raising the appropriation made by the House of Representatives. That left us with the problem of how to divide the approximately $565 million appropriated by the House.

It was our conclusion that our primary objective must be to keep the State Department and our Foreign Service as strong as possible. We felt that the regular Foreign Service, the Foreign Service Institute, and the International Education Exchange program were more important than extra employees for the USIA, the United States Information Agency.

We also believed that it was of great importance for the United States to carry out its public commitment to participate in the Brussels Fair.

On that basis, we reduced the appropriation for USIA as provided in the House bill by $16 million, and applied the savings as follows:

To the State Department, $6 million, which will enable the Department to carry out a balanced program, including the training of its officers in foreign languages and supplying them with representation allowances and adequate facilities including recreation at hardship posts.

To the International Education program, $6,425,000 which will strengthen an imaginative program for promoting understanding.

To the Brussels fair, $3.5 million, which will provide facilities to afford perhaps millions of people from foreign lands an adequate picture of our country. It will also enable us to carry out a commitment we have already made.

There may be some who did not attend the hearings, or who did not read the hearings, or who did not agree with the testimony presented, who may think that these activities should have second priority to one providing more employees for the United States Information Agency. Candor requires me to say, Mr. President, that that does not accord with the judgment we reached after hearing the evidence for days.

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. Yes; but I would prefer to complete my statement. I expect to be on the floor for some time.

Mr. KUCHEL. For one question.

Mr. JOHNSON of Texas. I do not wish to interrupt the continuity of my statement. If I set an example of yielding to my friend from California, other Senators may follow with similar requests. However, I am glad to yield now.

Mr. KUCHEL. When the Senator says "we," does he mean that the committee unanimously reported that action?

Mr. JOHNSON of Texas. The subcommittee unanimously reported the bill to the full committee. The full committee unanimously reported the bill to the Senate.

It was suggested in the subcommittee, by the distinguished Senator from Illinois [Mr. DIRKSEN], that the subcommittee vote $96 million to the USIA. The distinguished Senator from Montana [Mr. MANSFIELD], a member of the Committee on Foreign Relations, made a motion to reduce the appropriations for the USIA to $60 million. So the subcommittee had before it two suggestions in the form of motions.

Some suggestions were made that we should provide the amount of the House figure, $106 million. As chairman of the subcommittee, I asked the members to consider the fact that this administration had been in office 4 years, and that in 3 of those 4 years there had been appropriated for the USIA sums in the 70 millions, in the 80 millions, and in 1 year $113 million. The 4-year average was $90 million. I asked if any member of the committee could demonstrate from that record a justification which would permit a conscientious, informed Senator to say that this Agency was entitled, on its record, to more this year than it had received for the average of the 4 years.

The Senator from Illinois [Mr. DIRKSEN] was diligent throughout the hearings. He was present during almost all the testimony, and he presented his suggestions step by step, bracket by bracket, and area by area, and suggested $96 million. The chairman cited the 1956 budget, and pointed out that one year under the Republican Congress, and under the leadership of the late Senator Taft, this Agency had received 79 million. Under the leadership of the Senator from California [Mr. KNOWLAND], it had received $84 million. In the third year, under Democratic leadership, it had received $89 million, and in the fourth year $113 million.

Therefore, in the light of this record, the chairman of the subcommittee did not feel that he could ask any Senator to go along with us if we asked for more than the average of the 4 years.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I will not yield at this time. I wish to complete my statement. I do not wish to depart from my main speech. I ask Senators to indulge me for 10 minutes. Then I shall be glad to answer questions for the remainder of the day.

I asked for the right to submit my motion and the committee accorded me that right. The roll was called. As I recall, the vote was 10 to 4. The proxy of the Senator from Iowa [Mr. HICKENLOOPER] was voted, which made the vote 10 to 5. The proxy of the Senator from Arkansas [Mr. MCCLELLAN] was then voted, which made the vote 11 to 5. So the $90 million suggestion prevailed over the suggestion of the Senator from Montana, which was $60 million, over the suggestion of the Senator from Illinois, in the form of a motion, of $96 million, and over the suggestion of the Senator from California [Mr. KNOWLAND], and other Senators who had discussed the House figures.

So the figure was reached by a vote, if I remember correctly, of 11 to 5. Roughly, we divided the $16 million which had been affected into two parts. Twelve million five hundred thousand dollars went to the State Department, and $3.5 million went to the Brussels Fair. There was a redistribution. The bill is within three-quarters of a million of the House figure. I do not believe the House will approve a larger amount for these agencies.

It then became a question of how to distribute the savings, and we have distributed them as I have outlined.

We thought that the top priority in this bill should go to the career Foreign Service and the vital activities of the State Department.

The USIA budget was presented to a committee basically friendly to an information program. We are deeply aware of the cold war against communism and are ready to support an agency that prosecutes it with vigor and intelligence.

We proceeded with care to gather all the facts. Again and again and again we asked the heads of the Agency to submit all the details and all the justifications that would enable us to make a judicious, intelligent decision.

I should like to have the RECORD show—though I am not proud of it and am somewhat disappointed, not only at the Agency, but at my own poor judgment—that last year the Senator from Texas was chairman of the subcommittee which raised the appropriations for this Agency from approximately $87 million to $113 million. It was in the hope that we would have an expanded educational program; that we would have an expanded Voice of America and expanded radio facilities; that we would have an expanded low-cost book program; that we would reduce the sum of the expenditures involved in trying to teach culture to the English and trying to supply the French with modern libraries. It was hoped that, instead, we could engage in a truly effective propaganda war.

The low-cost-book program was expanded, but high-cost books were maintained. What was most disappointing was the competition of the Government press service with private industry. We issued warnings, and we admonished. We placed in the law a provision that the Government press service must not compete with existing news agencies.

What did the Agency do? It added 200 employees, in defiance of the most generous friend the Agency has had. Some Senators may take pride in supporting programs upon the request of people who do not know what is in the programs, but I am not one of them.

We found a jazz-band television program in Mexico City. The program meant $1,400 in a week to win friends and influence people in Mexico City. I ask Senators to go home and look their constituents in the face and tell them whether or not such expenditures can be justified. I cannot do it, and I live on the border.

We found 2 USIA officers and 12 "locals" in Ethiopia, a country of 12 million people, where fewer than 100,000 speak, write, or read English, and where there are only 4 newspapers—2 weeklies and 2 bidailies—and 2 radio stations. The USIA said it had hired an assistant and needed 8 more locals to help propagandize 2 weeklies and 2 bidailies.

The general proposition which the USIA presented to us was a simple one. They asked that we take the highest level of their spending in the past 4 years—fiscal 1957—and build up from there. They asked for a thousand new employees, with all the emoluments which go with the jobs. The committee would have been willing to agree, provided a clear justification could have been shown in terms of the national interest. We pressed for a detailed explanation of the present program and the needs for expansion. That detailed explanation never appeared.

We tried to find out whether the 1957 spending was justified. The reply was that the 1957 spending level was the starting point for the 1958 budget estimates.

We tried to find out how the 1,200 new jobs requested by the agency would be used to fight communism. The reply was that the Communists are spending millions of dollars to fight democracy.

We tried to find out whether the programs of the USIA were effective. The reply was that this year will offer a glorious opportunity to combat Communist imperialism—as though such Senators as the Senator from California [Mr. KNOWLAND], the Senator from New Hampshire [Mr. BRIDGES], the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from South Dakota [Mr. MUNDT], and the Senator from Maine [Mrs. SMITH] needed an opportunity "to combat Communist imperialism."

All of us have been trying to combat it in every way we know how. I have no authority to speak for them, but, on the basis of 25 years' experience, I know they will support appropriations for any missile or any bomb or any plane or any propaganda that can be demonstrated to be needed. We have done that. We did it last year.

We did all that, Mr. President, only to have the chickens come home to roost, and some Senators who were opposed to previous appropriations have looked me in the face and have suggested to me that I was wrong then.

The committee consists of reasonably patient, reasonably experienced, and reasonably understanding men. But I doubt whether a single member felt that he had been given facts that demonstrated the effectiveness of USIA. If I am wrong, I shall be glad to be corrected. The only thing that became clear is that the USIA never abandons an activity, but only increases its personnel and spending, unless an abrupt halt is ordered by an outside authority.

I cite as an example the fact that a low-cost-book program was ordered. It was then expanded. It cost $700,000 in 1956, $1,400,000 in 1957, and it was supposed to cost twice that amount in 1958.

But what happened to the high-cost-book program? It became higher.

An officer is stationed in Ethiopia to cover 4 newspapers, 2 radio stations, some magazines, and a library. He also informs the American Ambassador of the text of Presidential speeches.

It is decided to lighten his burdens and another officer is added to the staff—plus some local residents.

A decision is made to foster international exchange of books among American citizens and residents of other lands. This requires a staff to give technical advice in wrapping, mailing, and similar problems.

The programs, in general, are good. Some of them are excellent. But somehow, no effort is made to determine whether they can be handled with fewer people and at a lower cost.

At the conclusion of the committee's hearings, it was obvious that no real basis had been presented for increasing the Agency's appropriation. We had been asked solely to accept, on faith, the 1957 spending and go a bit higher.

This the committee was unwilling to do.

After some discussion of levels, both above and below, it was decided, by substantially more than a 2 to 1 vote, to recommend the average of the past 4 years, $90,200,000.

I should like to remind those Senators who might say that I am trying to use a knife on the President's program, that when they carried the knife they gave this office less money in each of the years their party controlled Congress, than the Democrats have given it. And I am not sure but that they were right and that I was wrong.

The suggestion was made that this Agency should be placed under the State Department. I warned and cautioned each member of the committee that the Secretary of State had on several occasions informed me already that he had no desire to have this Agency in his Department. He did not mean that as any reflection on the United States Information Agency. He merely did not want the additional operating responsibility.

Notwithstanding that warning from the Secretary of State, every member of the committee voted to recommend that the Agency be placed in the State Department, where it can have supervision by the Secretary of State.

In the existing law there is a provision which is designed to prevent the Government developing a Government-kept, Government-controlled, Government-led, and Government-bred press service. That prohibition either has not been understood or has not been followed. I therefore asked the agency counsel to draft a prohibition which would be effective. I did it because we have a substantially effective worldwide press service which serves this Nation and most of the foreign countries. If we continue the course we have been following we will drive from the free enterprise field some of our most reputable news services. Frankness compels me to say that that view is not shared by all such services, but it is shared by some of them.

Counsel drafted a prohibition. We reviewed it. It looked as though it weakened the present prohibition instead of strengthening it. It seemed to us that it permitted greater instead of less competition. I cite that experience to demonstrate the general attitude with which we were confronted.

Therefore, as Justice Vinson used to say, we got out our own lead pencils and sat down and drafted a prohibition, which was unanimously adopted by the committee yesterday. It will be found in the bill at page 35, line 11. I call this provision to the attention of all exponents of free enterprise, to all those who want to combat communism, and to all those who abhor a controlled press, such as exists in Russia. God forbid that the day will ever come when we have the same kind of controlled press in this country. This is how the provision reads:

Provided further, That no part of the appropriation made by this title shall be used for any overseas Government information activity unless the Director of the United States Information Agency finds that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas.

I hope that provision will be adopted unanimously by the Senate, as it was by the committee. Here again we can say, "Stop, look, listen."

The recommended sum includes $89,100,000 for salaries and expenses and $1,100,000 for construction of a new transmitter. It is adequate for all USIA programs, provided ingenuity and enterprise are exercised. It is more money than the Agency has had to do the job in the past 3 years out of 4. Only 2 years ago, a full program was operated on less money—$87,089,000. It is fair to say, of course, that there have been some salary adjustments and some mandatory retirement benefits that will have to be added to the $87 million.

The committee does not believe that a larger sum can be justified until the Agency reaches a point of control where it can present detailed explanations and adequate justifications.

For the State Department, the committee recommends the restoration of some of the funds cut by the House. They are more than balanced, of course, by the recommendation for reduced expenditures for USIA.

I point out to my friends on the minority side, without any thought of chastising them, that the former Secretary of State, Mr. Acheson, suggested a budget of $150 million in 1953, before he left office—and he left with the approval of, as I remember, many Senators who sit on the other side.

His successor appeared before the Committee on Appropriations, then headed by the distinguished Senator from New Hampshire [Mr. BRIDGES], the chairman of the Republican policy group, and testified that he could get along with the $107 million the prudent New Englanders were willing to give him. So the State Department, in its first year under the Republican administration, operated with $107 million.

The House gave the State Department $180 million this year. The Senator from Texas thought the House had cut too deep. He thought the Senate ought to increase the representation allowances, though he is aware of all the controversy that can be stirred up on that issue. The Senator from Texas thought the State Department ought to have some additional money for its employees. He thought they ought to have some of the hardship-post recreational facilities which have been discussed. He thought the Department ought to have a better educational program.

So what happened? Approximately $13 million was added to the House figure. The House provided some $180 million. The Senator from Texas did not take $16 million down to Texas for flood-control purposes, although it is probably needed there more than it is in some other places.

The Senator from Texas took the $16 million and gave most of it to the State Department, so that they could have the $193 million which is recommended in the bill, and which is $13 million more than the House provided for the State Department. The Senator from Texas thought that Deputy Under Secretary of State Loy Henderson, made a good case. Mr. Henderson said, in effect, "If you will restore the $13 million, I will try to live with it, and I believe all my employees will make a conscientious effort to economize." Therefore that sum went back in the bill for salaries and the international education exchange program, and the balance for other necessary items.

Eight million four hundred and ninety thousand dollars is included in the bill for the Brussels Fair. The House had cut the appropriation for this purpose to $5 million. We were faced with three alternatives: We could have a good exhibit; we could have no exhibit; or we could have a third-class exhibit.

The Senator from Texas does not want his country to be traveling third class. If the building which is already under construction were to be abandoned, millions of dollars would be wasted. So we had no choice, as I saw it, except to appropriate $3,500,000 more than the amount provided by the House.

So, roughly, we saved $16 million on the USIA, but gave that Agency more than they had for 3 out of the past 4 years, or an average of the 4 years. We allotted $6 million of the saving to salaries, $6,500,000 to education, and $3,500,000 to the Brussels Fair.

We made some minor adjustments. One was in connection with the Passamaquoddy survey, for $409,000. The House had cut that out. The House also had cut out $30,000 for a Texas project, which we did not put back in. But when we inquired of the expert witnesses on Passamaquoddy they said it would cost more to spread the cost over 2 years than to include the full item this year. So I voted for economy, and I am prepared to defend my action.

The Federal Bureau of Investigation asked for 42 more agents and 21 more clerks. We considered the request. We recognize that the Federal Bureau of Investigation is headed by a career officer. We recognize that he is the head of one of the most efficient, one of the most economical bureaus in the entire Government. But I called him on the telephone and said that every day I had to look Senator BYRD in the face, and also Senator RUSSELL, Senator KNOWLAND, Senator SMITH of Maine, Senator WILEY, Senator BRIDGES, Senator DIRKSEN, and many other Senators.

I said: "This is a year when we want to be careful; when we want to avoid or to postpone any expenditure which can be avoided or postponed. We want to reduce the additional personnel appropriations which you requested about 10 percent. But we want to ask you, if that is done, whether you will not try to have your staff absorb the work, and have them work a little more overtime."

All of us know that the Director and everyone who works under him do not watch the clock. They probably contribute more overtime than do the employees of any other agency of the Government.

The Director said, "If that is the policy of Congress, of the Senate, and of the chairman, and if they establish that policy, I will carry it out as best I can."

I praise the Director of the Federal Bureau of Investigation for his attitude, and express the hope that other agencies will emulate it.

The committee recommended a reduction of $8,200,000 in the budget estimate for the Justice Department, and $1,475,000 from the House appropriation. In that amount is a reduction of $150,000 for the FBI.

It was our conclusion, based upon the evidence, that it was necessary to include the funds for the Brussels Fair. Otherwise, everything which had been done so far would be wasted. I have already told the Senate about the restoration of the $3,490,000 for the Brussels Fair. I want the RECORD to show that $4 million has heretofore been appropriated for the building, and the building is already under construction. Another $1,500,000 is pending in a supplemental appropriation bill to be considered by the committee in the next day or two. Our failure to appropriate the money recommended in the bill would result in waste of what has been spent already on this project.

I believe most of us heard the President of the United States last night as he addressed the Nation. He reviewed the need for a strong national defense. I believe we all recognize that need, and we all respect the President's judgment in that field although last year I voted to spend more for defense than the President had recommended.

The President told the Nation that he is engaged in a constant search for "ways to save money and manpower so that government does not further add to the inflationary pressure on the economy." In this search, he invited the cooperation of Congress.

Mr. President, I think we can make reductions if we are careful and prudent, and if we are nonpartisan as to each of the bills which come before us. The President himself said last night, in effect, that the businessmen in his administration had submitted requests to him, and that he had had to reduce them by $13 billion. So he has cut $13 billion from the budget already.

If the President in exercising his constitutional prerogatives can cut $13 billion from budget requests, why cannot Congress, in the exercise of its prerogatives and responsibilities, cut the budget further when the reduction can be justified?

I think this bill represents an opportunity to cut some fat. Our recommendations are the product of long hearings, of careful thought, and of deep study. The savings are selective and are based upon a desire that the national interests shall be served adequately.

I would be less than frank if I did not say to my colleagues that I would like to have a better Information Agency than we have. I look forward to the day when we can have the best Information Agency in the world. But there is not one scintilla of evidence in the more than 1,200 pages of the hearings which would justify the assertion by a judicious, prudent man that the $90 million we have recommended will be wisely spent. I would not so recommend except for the hope, trust, and confidence I have in my colleagues and in the willingness to put the Information Agency back in the State Department.

I would be extremely reluctant to go along with the $90 million in the bill now, because time and time again we heard witnesses who did not know the number of persons who were working for them, where they were, or what they were doing. Yet, those witnesses were asking for more and more money.

Mr. BRIDGES rose.

Mr. JOHNSON of Texas. I yield to my friend, the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, let me inquire whether the Senator from Texas has concluded.

Mr. JOHNSON of Texas. Yes, I am through.

Mr. BRIDGES. Mr. President, I wish to say to the distinguished Senator from Texas, the chairman of the subcommittee on the State, Justice, and judiciary appropriation bill, as the ranking Republican member of the subcommittee, and also the ranking Republican member of the full Appropriations Committee, that I believe a fair, thoughtful job was done on the bill. It is not easy for all members to agree on all points; and in connection with proposed legislation, we must find a common area of agreement.

I think the bill as reported by the committee—and again I point out that the bill was reported unanimously by both the subcommittee and the full committee—an excellent example of good proposed legislation arrived at by thoughtful members who engaged in a process of giving and taking, and then reported a bill on which they found themselves in an area of agreement.

Personally, I support the bill, as reported. I recognize that not all my views are carried out by the bill, as reported. Similarly, I point out that I do not believe the exact views of any other member of the committee are entirely carried out by the bill, as reported. However, the committee has reported a bill which represents a common ground on which we can meet.

I hope very much that the bill, as reported by the distinguished Senator from Texas, whom I must compliment upon doing an excellent job as chairman of the subcommittee, and for putting in long hours of work and faithful service, will be passed without amendment.

Mr. JOHNSON of Texas. I thank my friend from New Hampshire.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Texas yield to the Senator from Arkansas?

Mr. JOHNSON of Texas. I yield to my friend, the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I wish to join in the statement made by the Senator from New Hampshire [Mr. BRIDGES] in regard to the bill, as reported.

This is the first time I have served on a subcommittee of the Appropriations Committee. I tried to follow the committee deliberations as closely as I could. I wish to compliment the chairman of the subcommittee on the very thorough way he handled the witnesses and the material presented to the subcommittee.

In my opinion, the bill, as reported, is a very sound piece of proposed legislation. In several instances I, too, found that exactly the distribution of funds I favored was not provided by the bill, as reported. However, after considering the points of view of other members, I believe the distribution made by the committee is a fair one.

I wish to say that I think the particular contribution made by the chairman of the subcommittee was in assuming the obligation of making judgments as to the value of the various activities. In the past that obligation has sometimes been overlooked; at times the Senate has automatically voted for a certain percentage of increase or a certain percentage of decrease, or has followed some formula in that connection. In the present case, the chairman of the subcommittee undertook to evaluate the various programs and to redistribute the funds.

I think the committee has reached a very fair, sensible, and justifiable distribution of the funds, and I believe that the chairman of the subcommittee did a very fine job. I compliment him.

Mr. JOHNSON of Texas. Mr. President, the Senator from New Hampshire and the Senator from Arkansas know how much their approval means to me. I am very grateful to them for it.

Mr. MANSFIELD. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. MANSFIELD. Mr. President, I desire to join my colleagues—the senior Senator from New Hampshire [Mr. BRIDGES], the ranking minority member of the full Appropriations Committee, and also of the subcommittee, and the distinguished Senator from Arkansas [Mr. FULBRIGHT], and other Members—in commending the majority leader, who is the chairman of the subcommittee, for the fine bill he has reported.

Although, by and large, the bill, as reported, represents the consensus of the view of the members of the committee, it must be kept in mind that some members believed that larger cuts should have been made.

Other members felt that further restorations of appropriations should have been made.

However, I desire to call to the attention of the distinguished majority leader, who is the chairman of the subcommittee, the fact that the subcommittee, despite such differences of opinion, agreed to try to hold the line on the bill, as it was reported yesterday and as it is now before the Senate.

Mr. JOHNSON of Texas. Mr. President, if my friend, the Senator from Montana, will yield at this point, I desire to say that some members, who might be called spenders or who might be identified with that group, would like to have the appropriations increased and increased and increased. On the other hand, some members wanted to have the USIA completely abolished. Some members wished to have $60 million appropriated for it; some preferred $96 million; some preferred $106 million; and so forth. However, after the members resolved their differences, following a debate on the subject pro and con, the subcommittee decided that it would come to the Senate with a united front and would ask the Senate to appropriate $90,200,000 for this Agency. I am prepared to stay here and to resist any amendments which would abolish the Agency or would cut the appropriations or would increase the appropriations as reported by the committee. I believe that every other member of the subcommittee is likewise prepared to do so. So I hope the Senate will support the action taken by the subcommittee and, in turn, by the full committee.

Mr. MANSFIELD. Mr. President, I am in wholehearted accord with the statement the Senator from Texas has just made.

I hope that the Senate will not vote to make any changes in the bill as reported by the committee, even though personally I believe larger appropriations should be voted for the State Department, because in peacetime the State Department is our first line of defense, and I believe it

should be given every possible consideration.

However, I am prepared to support the bill as it has been reported by the committee, and I shall be opposed to any amendments which would make any change in the bill as reported by the committee.

Mr. BYRD. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Virginia.

Mr. BYRD. Mr. President, I desire to join my colleagues in commending the Senator from Texas for doing what I regard as a very fine job. It is very difficult to cut these appropriations, especially to reduce them below the amounts voted by the House of Representatives. I desire to express to the Senator from Texas my appreciation and my full approval of what he has done.

He has also made one of the most lucid and one of the clearest explanations of an appropriation bill that I have heard during my long service in the Senate.

So, Mr. President, I desire to commend the distinguished Senator from Texas.

Mr. JOHNSON of Texas. I thank the Senator from Virginia.

Mr. KNOWLAND. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield to my distinguished friend, the minority leader.

Mr. KNOWLAND. Mr. President, at this time I wish to say that I was not a member of the subcommittee during the entire period of the hearings. Although I have been a member of the Appropriations Committee for approximately 11 years, I did not become a member of the subcommittee until the death of the late Senator McCarthy, which created a vacancy among the members of the subcommittee on the Republican side of the aisle.

I did attend a number of the hearings prior to the beginning of my service on this subcommittee, and I attended the sessions which came thereafter.

I believe the distinguished majority leader, who is the chairman of the subcommittee, has made a very fair and very factual presentation to the Senate of the events occurring in the committee.

Personally, I would have been happier if the appropriations carried in the bill, as reported, were closer to those voted by the House of Representatives; and I made such a suggestion.

But as a result of the sum total of the committee's deliberations, a meeting of the minds of the members of the subcommittee has been reached, as must always occur in connection with the deliberations of a legislative body; and in my opinion the appropriations which have been recommended by the committee will not cripple the United States Information Agency.

Mr. President, based on the record made before the subcommittee, including the testimony which has been taken, I wish to state that I hope the USIA will be fortified and will better be able to make a presentation, next year, before the Appropriations Committee, both in regard to being able to state clearly how the expenditures were made this year and in respect to presenting such other programs as the Agency believes can be justified. I hope that on that basis the Agency will thus be able to lay the facts fully and clearly before the committee.

In my opinion the Senator from Texas has stated very clearly that all the members of the committee are interested in the maintenance of a sound foreign policy on the part of the United States and in voting in favor of anything necessary to be done for the defense of the Nation, both in respect to its Armed Forces and in respect to implementing that policy in the Department of State and in the other important agencies. Certainly this particular Agency is an important one. I doubt that any Member of this body believes that it should be completely abolished.

There has been some legitimate criticism that in certain areas of the world, where there is an adequate free press, we still maintain larger staffs than we should. It has been argued that as the situation in one area changed, the staff should have been moved to another area, and that in such case the Agency should have concentrated the talents and abilities of its employees in the other areas of the world, just as, following the end of the war in Europe, our troops were moved from Europe, preparatory to ending the war with Japan.

Mr. President, if the hearings before the subcommittee are very carefully studied, I believe they will prove to be very useful for the Agency itself. Although—as in the case of any large Government agency—there may be in this particular Agency some persons who lack the necessary qualifications, yet there are also in the Agency, as in others, many persons who have the necessary qualifications and who are interested in carrying out the same objectives which the Members of this body have.

Mr. President, I shall support the action taken by the subcommittee and the unanimous action taken by the full Appropriations Committee in reporting the bill to the Senate.

I hope amendments which would either increase or decrease this item will be rejected.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield.

Mr. JOHNSON of Texas. The Senator from California realizes, does he not, that the bill as passed by the House of Representatives carries an appropriation of $106 million for the United States Information Agency, and that the bill as reported by the Senate Appropriations Committee carries an appropriation of $90,200,000 for the Agency?

If the bill as reported by the committee is passed and goes to conference, there will be in conference the $90 million and the $106 million figures. There are some Members, on both sides of the aisle, who would like to reduce the $90 million, and there are some who would like to increase it. So far as I am concerned, I am not going to prevent the Senate from working its will. If it decides it wants to attempt to increase the item and have a yea-and-nay vote on that subject, and place the conferees in a straitjacket, and say to them that "You cannot go above $90 million," and 70 Members of the Senate have so voted, then, while I will resist amendments, I will certainly give Senators an opportunity to tell the country how they stand. There was an increase in the number of Government employees from 900,000 in the administration of my party in 1939, to 2,400,000 under this administration—and I think the day is coming, and that it is not far away, when we are going to separate the spenders from the cutters. I am willing to stand up and fight to develop my country and its natural resources. I am ready to vote for an adequate defense. I am in favor of our country having an adequate American information agency. But I submit there is not anything in the record that justifies the assertion that an appropriation of $90 million for the USIA should be increased.

Mr. KNOWLAND. I merely wish to conclude by again saying that, based on all the facts, including the parliamentary situation that presents itself, and the fact that the bill will be in conference, I shall support the action of the full committee which reported this bill to the Senate.

I should like to call the attention of the distinguished Senator from Texas to the proviso which he proposed and which I think is very good, and to which I fully subscribed in the committee. It appears on page 35, and reads as follows:

Provided further, That no part of the appropriation made by this title shall be used for any overseas government information activity unless the Director of the United States Information Agency finds that such overseas government information activity will not prevent private United States concerns from selling corresponding information services or products overseas.

I agree with the Senator that that proviso is better than the provision which had been previously submitted.

I ask the Senator from Texas if he would consider the addition of merely a few words, which I think are in keeping with prior action of the Senate on a number of matters of importance. Although I am not wedded to these exact words, I suggest some such provision as this, "and the Appropriations Committees of the House and Senate are notified in writing of such finding." I think it would have a salutary effect if the Congress of the United States were officially advised that such findings had been made.

Mr. JOHNSON of Texas. As I understand, the language would require only notification—not that there be agreement with the committee. Is that correct?

Mr. KNOWLAND. That is correct.

Mr. JOHNSON of Texas. I will say to the Senator from California, I would have no objection to that. I will ask the staff to draft such a provision, and ask for time to let the members of the committee explore it.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from Illinois.

Mr. DOUGLAS. I, too, wish to congratulate the eminent Senator from

Texas, who is chairman of the subcommittee, for the bill which he has reported to the Senate. I think it is a very sound measure, and the whole committee deserves a great deal of credit for what it has done.

I suppose the subject which has been most under discussion is the further cut proposed in the appropriation for the information service, and I should like to ask the Senator from Texas a series of questions in that connection.

It is not true that the effectiveness of such a service depends, first, upon the type of direction given to it, and, second, the work of the rank and file of the service?

Mr. JOHNSON of Texas. That is correct.

Mr. DOUGLAS. As I have been reading the testimony before the subcommittee, I have inferred that, based on that testimony, a considerable number of the members had serious doubts about the competence, the knowledge, and the impartiality of the present Director of that service. Am I correct in that statement?

Mr. JOHNSON of Texas. I am not prepared to pass judgment on the gentleman's I. Q. I must say, in all frankness, that he was a very poor witness so far as concerned justifying the details of the proposed expenditures. I think some of the Senators brought into the hearings a speech, or perhaps two speeches, he had made referring to the New Deal and the Fair Deal as an alien philosophy that had been imported from Europe. But I think it was explained that he was speaking in Honolulu and perhaps was not aware of the fact that it might influence people in Europe, if he said it in Honolulu. He has been Director of the Agency for only a short time. He has been there only 6 months. It was the first time he had ever appeared before the Senate Appropriations Committee. I attempted to be helpful to him in getting all the facts he could assemble into the record.

I want to pay great tribute to the distinguished Senator from Illinois [Mr. DIRKSEN]. He is a champion of this administration. I only hope, when my party is in power, he champions it as much as he does this one, because he is an effective advocate. He said to the Director, "Here is how to answer the question," and he spelled it out. Then the Director went off in another direction and would not even follow instructions from his own party.

Mr. DOUGLAS. Will the Senator yield further?

Mr. JOHNSON of Texas. Yes.

Mr. DOUGLAS. Am I correct in understanding that speech was delivered on April 16, 1957, in Honolulu?

Mr. JOHNSON of Texas. It was delivered in Honolulu. The Senator from Arkansas [Mr. FULBRIGHT] and the Senator from Montana [Mr. MANSFIELD] had a copy of it and asked questions about it on the record. It was in April, just a few weeks ago.

Mr. ELLENDER. April 16.

Mr. JOHNSON of Texas. April 16.

Mr. DOUGLAS. I had always understood that Hawaii was a part of United States territory. Was it in the line of duty that the Director of the United States Information Agency, presumably in charge of our propaganda abroad, should go to Honolulu to make this speech?

Mr. JOHNSON of Texas. No. Like certain members of the Cabinet, and Senators and Representatives, he is a very prominent man. He is the author and spokesman for his party in some fields. I believe he is the author of a book called Modern Republicanism. In fairness to him, I think we should say he accepted the invitation before he became Director of the United States Information Agency.

Mr. DOUGLAS. But he delivered the speech after he became the Director, did he not?

Mr. JOHNSON of Texas. Yes. I think I am correct in saying—some of the Members on the other side of the aisle are familiar with this situation—that we were informed he was extended an invitation to go to Honolulu. I suppose all modern Republicans, and Democrats, too, for that matter, like to go to Honolulu and spend some time there, particularly if someone pays their expenses. He accepted the invitation. Then he got this new job about 6 months ago. The invitation was still in force. He had made a commitment. He felt he should comply with it. While I do not approve either his going to Honolulu and making a speech or what he said——

Mr. DOUGLAS. Will the Senator from Texas enlighten the Senator from Illinois——

Mr. JOHNSON of Texas. The Senator from Illinois is very astute. I do not want him to put the Senator from Texas in the position of defending the Director of the Information Agency.

Mr. DOUGLAS. Will the Senator from Texas enlighten the Senator from Illinois as to whether the Director of the United States Information Agency traveled at the expense of the United States Government or at the expense of the Republican National Committee?

Mr. JOHNSON of Texas. I do not know for certain, but I assume that he traveled at the expense of someone other than the Government; and I hope it reduced the assets of the Republican National Committee.

Mr. DOUGLAS. May I ask the committee to find out about this matter and make a report to the Senate, because I think it is a very important subject. If a man travels at the expense of the Government and makes a partisan political speech, then I would not say he was carrying out a bipartisan foreign policy. As a matter of fact, I would not say he was carrying out a bipartisan foreign policy even if he traveled at the expense of the Republican National Committee.

Mr. JOHNSON of Texas. It is difficult for denials ever to catch up with questions or assertions, but I am informed by a staff member who, so far as I am aware, is entirely nonpartisan in the matter, Mr. Merrick, that it is his information that Mr. Larson traveled to Honolulu at his own personal expense. Although I would prefer the Republicans had paid for it than to see Mr. Larson have to pay for it, that is the information we have.

Mr. DOUGLAS. Can that information be verified?

Mr. JOHNSON of Texas. I shall ask the staff members to pursue the inquiry further, and if we are in error, to tell me. Then I shall correct the error.

Mr. DOUGLAS. Very well. I hold no brief for Mr. Larson, and I happen to believe this speech was a violation of the principles upon which the Information Service should be conducted. I remember when Harry Truman was President he appointed a Republican, Wilson Compton, to be head of what was the United States Information Service, called the Voice of America. President Truman never meant to make the Agency a partisan one. In fact, Mr. Compton went all over the world saying he was a Republican, and I never heard him denounce any party. Now I am really pained that Mr. Larson should have stepped over the line.

Mr. JOHNSON of Texas. If he were going around the world doing that under a Democratic administration, some of us should have pointed that out.

Mr. DOUGLAS. At any event, Compton was not disciplined for going abroad and saying he was a Republican. He was given full rein. That is the point.

Should we not, however, draw a distinction between a department head and the rank and file of an agency? If Mr. Larson had made such a speech when he was Under Secretary of Labor it would still have been untrue but it would have been understandable since a certain amount of exaggerated tales is permissible to a partisan politician who holds a political office. But the Information Service is supposed to be nonpartisan and to represent the Nation abroad. Some of us Democrats do not like to be insulted publicly and then appealed to for support. There has been too much of this. It should be stopped.

But is it not true that prior to 1953 there had been built up under the Voice of America an extremely able and competent staff of men?

Mr. JOHNSON of Texas. If the Senator believes that to be true, I shall not dispute it. I was not directly familiar with the employees of that Agency. I realize that some of the highest expenditures ever made were made during 1951 and 1952. I assume that the men in that service were competent and effective, but I do not have any detailed information on that point.

Mr. DOUGLAS. Is it not true that the men in the Information Service who carried over from the pre-1953 period and are still in the Service, carry on the work that is being performed with relatively high efficiency and devotion?

Mr. JOHNSON of Texas. I cannot attest to that. I hope that every Government employee is effective and efficient. I frankly must say that I believe, from my experience——

Mr. DOUGLAS. I am trying to wring some words of praise for this agency from the mouth of the majority leader.

Mr. JOHNSON of Texas. I am not one who takes great pride in condemning the acts of others and reflecting on

the capacity of my fellow man. But I must say I have seen agencies which I thought were much more efficient and effective than this group appears to be.

I will say to the Senator that day after day after day, with the help of the Senator from Massachusetts [Mr. SALTONSTALL], the Senator from New Hampshire [Mr. BRIDGES], the Senator from California [Mr. KNOWLAND], the Senator from Illinois [Mr. DIRKSEN], the Senator from Maine [Mrs. SMITH], the Senator from Louisiana [Mr. ELLENDER], who was there nearly every day, the Senator from Arkansas [Mr. MCCLELLAN], and the Senator from Montana [Mr. MANSFIELD], I tried to get information about what the USIA were doing, where they were doing it, and how they were doing it. The record will show we had great difficulty, and could not find out, who, what, when, why, and where.

I thought I was playing to a full house. The room was stacked full. I was having a little difficulty breathing. The air conditioning was off. I wondered why all the tourists had come into that room to hear the testimony. The thought occurred to me that maybe it was to see this new author, the new spokesman, the author of Modern Republicanism. I asked him 2 or 3 questions, and he could not answer them. Then I said, "Is there anyone in the room who can answer?" And no one could answer them. Finally I said, "How many employees of the United States Information Agency are in the room? Please stand up." And the entire room stood up, with the exception of a few.

I turn to one of my staff assistants, who counted 31 employees. I had there to help me two overworked men, who had been staying at the Capitol until midnight, working all day and working all night, and here was an Agency coming before the committee and asking for 1,000 more employees and $54 million, more than the average amount it had received for 4 years. And the Director could not answer the particular question, and there were 31 men from the Agency in the room and they could not answer it. I cannot say that is an example of effectiveness and efficiency. It may be that the question was not a good question.

Mr. DOUGLAS. Mr. President, will the Senator yield further?

Mr. JOHNSON of Texas. I yield to my friend from Illinois.

Mr. DOUGLAS. Did the Senator form a favorable opinion of the work of the Voice of America, for example?

Mr. JOHNSON of Texas. Yes.

Mr. DOUGLAS. It has been my judgment that this work is efficiently operated and that the staff deserves great credit.

Mr. JOHNSON of Texas. The Senator from Texas has a very high opinion of many parts of this program, including the Voice of America, the Latin American radio work, the motion picture work, the low cost book program, and many others I shall not enumerate.

I will say I did not form a very high opinion of the press service. In 1956 the Agency had 684 people in the press service. In 1957, instead of reducing the number, because they had been criticized for competing with the United Press and others in foreign fields, what did they do? The Senator from Texas stood on the floor and defended himself from attacks, when he was asking that the appropriation be increased from $87 million to $113 million, and how did they come to his rescue?

They used a large portion of the increased appropriations to add 200 additional people, an increase of 33 percent, to the press service that competes with the United Press and others in the foreign field. I consider that not only disappointing, but almost insulting to the Senate.

What do they propose to do this year? This year they want not 684, not 887, but despite all the storm that is brewing, and with all the clouds that are hanging over them, they have come before the committee to say, "We are not satisfied with 684 or 877, we want 930 for the press service."

Not for motion-picture work. We were impressed with that program. The Senator from Rhode Island [Mr. PASTORE] will confirm that. Not the Voice of America. Not the radio program in Latin America.

The Senators would be willing to pay and pay through the nose, if this budget had been based on those programs, but that was not the situation. And we could not find out where these press people were going to work, what they were going to do, or when they were going to do it.

Mr. DOUGLAS. I am very glad the Senator from Texas has just made the statement he has, because I have visited a number of the libraries in Europe and I have been impressed with the quality of the service and the type of books carried. I have also been impressed with the low-cost book program, of reprinting the classics of American democracy. It so happens that the Representative from my Congressional district, Representative O'HARA, has been the sponsor in the other body of this program, and has been very influential in getting it adopted by the Information Service.

I hope that in the apparent mismanagement which has occurred in certain parts of the program and in the failure of the present Director the good parts will not be condemned, and that next year possibly we can look at the situation with a fresh eye. I welcome this statement by the majority leader.

Mr. JOHNSON of Texas. I appreciate the Senator's statement. I hope he will not assume that I am committed to something next year, but I feel that I should say this: I know nothing about Mr. Larson's past. I learned after the hearings started that he was highly regarded by persons high in this administration. I was informed that he had not been politically active, that he was not a deep partisan, and that he had voted Democratic in Wisconsin upon several occasions. I learned that in the last several elections he probably had not voted at all. I think the record showed that in 1952 and 1954 he had not voted.

So I did not approach the subject in any partisan attitude. I was rather grateful that he had seen fit to vote Democratic at some time or other. I am sorry we lost him. We need all we can get. That was demonstrated by the last election.

What impressed me was that Mr. Larson had not been on the job long enough, or had not applied himself enough actually to know where these people were going to work, or what kind of work they were to do, and why this money was needed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KNOWLAND. I should like to say, in fairness to Mr. Larson, that it is true that he came into the Agency quite late. As we know, the budget is prepared sometimes a year or 18 months in advance of the concluding date of the budget expenditures under the terms of the budget.

Undoubtedly a large part of this detail had been prepared under the former Director, Mr. Streibert. I think it was undoubtedly an error on Mr. Larson's part to attempt to answer the detailed questions which the distinguished Senator from Texas had put to him. Mr. Larson having encountered that problem, and not having given the answers to which the committee was entitled, the committee brought in people at the work level. I think the chairman of the subcommittee will agree with me that a number of those people came in and responded to the questions, and that they were good witnesses. They were men of ability who, I think, in any business would be considered to be efficient operators.

Mr. JOHNSON of Texas. I think that is a fair statement.

Mr. KNOWLAND. There were witnesses from the motion-picture and radio fields. The assistant in the Middle East testified. I recall that the General Counsel, Clive L. Du Val, testified, as did Abbott Washburn and others. They were all qualified people. Perhaps Mr. Larson made the mistake of not making a general presentation on the first day, and then turning the detailed questions over to the work level staff, so that the distinguished Senator from Texas would not have had to spend so many days trying to get answers he should have had on the first day.

Mr. JOHNSON of Texas. I agree with the Senator. The Senator will recall that on occasions two of us were present as late as 5:30 in the afternoon. When I could get answers from people on the working level, as I did on the last day or two, I commended those people for the answers they gave us, particularly in the motion-picture field, and in connection with other programs which I do not recall at the moment. The record will show that whenever we thought commendation was due, we gave it fully and freely.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished Senator from Massachusetts, who contributed a great deal to the work of the subcommittee.

Mr. SALTONSTALL. I thank the Senator.

I commend the majority leader for the thoroughness and conscientiousness with

which he did his work. I did not agree with him at all times, and I do not agree fully with the report, but I voted for it for certain reasons, which I hope may be of some interest, and may perhaps be helpful to Members of this body who were not present.

I think it is clear that in the Appropriations Committee this year we are doing our utmost to avoid increasing the appropriations which come over from the House, unless we are compelled to do so.

Mr. JOHNSON of Texas. With that conclusion I am in hearty agreement. While there may be special instances in which we shall have to add to the House figures, I hope every Senator will bear in mind the problem we have, and that we may serve notice on the House that in the consideration of appropriation bills the House can expect us to try to keep within the limits of the House figures, if at all possible.

Mr. SALTONSTALL. That is clear. The members of our committee will try to do that to the best of their ability.

In this instance, we were up against the fact that the number of employees of the Department handling the work of the Department in every country in the world, as well as in Washington, represents a greatly undermanned agency, measured by the amounts allowed by the House. If my memory is correct, the House would cut the number of employees in the State Department by 691 under the present number, while the State Department actually desires an increase in the number of employees of 1,229, to be exact. So we had to consider priorities.

The first priority in this bill, in my judgment, is to see to it, to the best of our ability, that the State Department, which administers our diplomatic relations as the leader of the free nations of the world, is properly manned.

Mr. JOHNSON of Texas. That is completely in accord with the program of the Senator from Texas, as the Senator from Massachusetts knows.

Mr. SALTONSTALL. I agree. The State Department indicated that the amount needed to restore the situation to the level at which it is now operating was $6,500,000. By reason of certain language in the committee report, allowing the Department to move men from one branch to another to a certain extent, the Department could get along with $6 million more. We allowed $6 million more, and placed in the report the language to which I have referred. What we must do is to see to it in conference that the language with respect to flexibility is maintained.

That, in my opinion, was the most important thing the committee had to do. That action cost $6 million more.

Next we have the educational exchange program. I have always been in favor of the educational exchange program. The House cut the appropriation for that activity by $12,400,000. We restored $6 million, to assist in carrying on the educational exchange programs with other countries.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield before he goes into the question of the educational exchange programs?

Mr. SALTONSTALL. I am not going any further.

Mr. JOHNSON of Texas. At this point in the Senator's remarks I wish to read from the report which the committee has unanimously submitted to the Senate:

> The committee intends that the State Department utilize the total amount recommended for salaries and expenses to provide what, in their judgment—

That is, the judgment of the State Department—

> is most essential and desirable to accomplish the missions of the State Department, and to provide a balanced program for personnel, allowances, training, dependent medical benefits and recreational facilities at hardship posts.

I wish to supplement what the distinguished Senator from Massachusetts has said in regard to the No. 1 priority established by the chairman of the subcommittee, and I think carried out by the full committee.

Mr. SALTONSTALL. I thank the Senator.

Mr. JOHNSON of Texas. Although Mr. Henderson has taken drastic cuts, in evaluating the situation he has said to us that he will make a conscientious and earnest effort to operate with the $6 million given him, and he believes he can do so.

Mr. SALTONSTALL. I confirm that statement by the majority leader. That is what Mr. Henderson told me also, provided the language permitting flexibility is retained.

In my opinion, the State Department was the highest priority in our group. The next matter was the educational exchange program. The House eliminated $12 million, and we restored $6 million.

The Brussels Fair building represents a short-term commitment for a single brief operation next year.

The Department has contracted for the construction of the building in Brussels, and the contract has to be carried out. If we were to adopt the House figure, there would be no money left with which to operate the building when it was finally constructed. We would not be able to show what we have in this country as compared to Russia and other countries. It would mean a cut in the operations of 75 percent. In other words, we would have a shell of a building, with nothing inside. Therefore we restored some of that money for the Department. We added $3 million there, and we may have to provide some more for that purpose before we get through.

I am not going into the appropriations for the Department of Justice or for the Judiciary. The majority leader has mentioned some of the ups and downs in connection with those appropriations.

Let me refer to the appropriation for the USIA. In my humble judgment, that came on the fourth level of priority. I say that not because it is not an extremely valuable program or that it should not have more money than we are allowing it. I believe the majority leader will agree with me that the Senator from Montana [Mr. MANSFIELD] moved to make the amount $62 million, the Senator from Louisiana [Mr. ELLENDER] mentioned $90 million, the Senator from Illinois [Mr. DIRKSEN] mentioned $96 million, and the minority leader——

Mr. JOHNSON of Texas. I wish to correct the able Senator from Massachusetts. I do not believe that the Senator from Louisiana mentioned $90 million.

Mr. SALTONSTALL. I thought he did. I withdraw that figure.

Mr. ELLENDER. What I mentioned was the amount appropriated for the 1956 program, which amounted to approximately $87 million.

Mr. JOHNSON of Texas. I did not understand the Senator to say $90 million.

Mr. ELLENDER. I took the position that the appropriation should not be in excess of $90 million, but I felt that the agency could do a suitable job for much less than the sum we finally agreed to.

Mr. SALTONSTALL. It was the equivalent of $90 million. The Senator from Illinois [Mr. DIRKSEN] mentioned $96 million. The minority leader and I went up as high as $105 million, the amount approved by the House. I even hinted at the same amount that was appropriated for the agency last year, but I found that I was practically the only Senator who would vote for that figure.

Mr. JOHNSON of Texas. And the Senator from Massachusetts was not sure of his own vote.

Mr. SALTONSTALL. I was sure with respect to the amount the House had approved.

Mr. JOHNSON of Texas. I mean with respect to the $140 million.

Mr. SALTONSTALL. No; not the $140 million. I never wanted that.

Now with reference to the question of the leadership of the USIA, which was brought up by the junior Senator from Illinois [Mr. DOUGLAS], let me say, in the first place, that I just inquired about Mr. Larson's trip to Hawaii, and I was informed that it was paid for by the Lincoln Day Dinner Committee of Hawaii. That committee covered all expenses of the trip. I did not care to become involved in an argument on the subject, but it seems to me to be within the realm of proper operation of Government for a junior member of the Cabinet, so to speak, show a little partisanship on the day when we celebrate Lincoln's birthday. As I say, I do not want to get into an argument on that point.

Mr. JOHNSON of Texas. I am not going to ask the Senator about that. I do not want to become involved in any personalities. Mr. Larson is not on trial here. Mr. Larson became Director of the Agency in December. That was some 5 or 6 months ago. In his appearance before the subcommittee he had very able assistance from the distinguished chairman of the minority conference, the Senator from Massachusetts [Mr. SALTONSTALL], and the distinguished minority whip, the Senator

from Illinois [Mr. DIRKSEN]. If he had listened to their counsel, he would have done much better in the hearings than he did.

However, he did not want to follow their advice. The Senator from Massachusetts wrote out a question and said to Mr. Larson, "Here is a question the chairman has asked you on several occasions. It is not answered in this record. I suggest you take this question home." The Senator from Massachusetts did not say that Mr. Larson should put it under his pillow and sleep on it, but perhaps he hinted at it.

Mr. SALTONSTALL. I said, "Take it home." I did not say where to put it. [Laughter.]

Mr. JOHNSON of Texas. The Senator from Massachusetts asked him to take it home. He admonished Mr. Larson not to answer it then, but to wait until the next morning to answer it.

Mr. Larson said, "I will answer it now." He did. That is a part of this inadequate record, Mr. President.

The Senator from Illinois [Mr. DIRKSEN] said, "Here is the way I would answer it." And he chose another course.

This is not a personality fight. I think Mr. Larson is inexperienced. I do not want to get into an argument about what the Senator said with reference to the director of an agency making political speeches. However, I believe it would be better to rely on a Cabinet or a sub-Cabinet member or any one of the Republican Senators, because when I asked Mr. Larson a question, about 3 times, "How many people do you think will be needed?" he said, "We must combat communism." When he continued to speak in generalities I leaned over and whispered to one of the minority members, "I wish he wouldn't reply to my question by evading it and making a Fourth of July speech, because if I must listen to a Fourth of July speech I would much rather have Senator DIRKSEN make it, for I think it would be a better one."

Mr. SALTONSTALL. The Senator from Texas was good enough to yield to me. I should like to finish my remarks. If we are not going to increase the budget for the State Department—and some of these items such as the educational-exchange program and the Brussels World's Fair are very essential—then the money must come from somewhere. Some of us were in favor of granting more money than was provided. However if we must give priority treatment, since it is obvious that the majority is not going to vote an increase in funds for the State Department, it follows that the funds must come from somewhere.

The bill will give USIA approximately $89.4 million for its operations. I should like to see it get a great deal more than that. I have listened to the leader of our country, the President of the United States, and he thoroughly believes in the work of this Agency. I have always believed in it. I believe we have given the Agency enough money with which to carry on their press operations and their TV operations, and so forth. We have forced them, perhaps to change their operations and to withdraw from certain countries, such as New Zealand, and perhaps Australia, and England, and France, or to decrease their operations there, and to add to them in Africa and other areas where the need is greater. Personally, as I say, I wish we were able to appropriate more money for the USIA. However, we live in a practical world, and we all know that legislation is the result of compromise. This year there is a very fundamental demand from our people to keep down governmental expenditures. That is the foundation and the background on which the Committee on Appropriations has worked this year.

Giving first priorities to highest needs, I voted for $90 million for the USIA, and, like other Senators, I intend to stand by these figures. I know a number of Members of the Senate would like to see the amount reduced considerably further. I would like to see the amount raised. However, if we want the Agency to do a fair job—I will not say a good job—we will have to stand by the figure reported by the committee.

That is why I voted for the appropriation bill in committee, considering it to be the best that could be obtained, and I shall support it.

I say again to the majority leader that he did a very thorough and conscientious piece of work on the bill. While I do not agree with all his conclusions, I do agree with respect to the appropriations for the State Department, the Educational Exchange, and the Brussels Fair. I should like to give them a little more, if I did not realize that such action would mean cutting the USIA funds still further.

I hope the Senate will pass the bill, and that it will come out of conference with reasonable appropriations for the State Department.

The Judiciary and the Justice Departpartment are satisfactorily taken care of in my humble judgment.

Mr. JOHNSON of Texas. Mr. President, I wish to express my appreciation for the contribution the Senator from Massachusetts has made, both in the deliberations in committee and on the floor. I am very grateful for his confidence.

I should like to ask him a question. Is it not a fact that this appropriation bill carries more money for USIA than has been appropriated for it in any year since the Eisenhower administration took office except last year when I handled the appropriations?

Mr. SALTONSTALL. Last year the appropriation was $112 million, as I recall.

Mr. JOHNSON of Texas. It was $113 million. I handled the appropriation bill last year.

Mr. SALTONSTALL. The highest in the Eisenhower administration before that, I believe, was $89 million.

Mr. JOHNSON of Texas. I should like everyone who thinks we might be partisan about this matter to hear the figures again. In 1954, when Senator Taft was the leader of this body and the Republicans were in charge of the committees of the Senate, and when the Senator from New Hampshire [Mr. BRIDGES] was the chairman of the Committee on Appropriations, the first session of the 84th Congress appropriated $84 million for the USIA.

In the next year, when the Senator from California [Mr. KNOWLAND] was the majority leader, the Committee on Appropriations reduced the USIA appropriation to $79 million. Those were 2 years under a Republican Congress.

Then we had the cold war, or the beginning of the cold war, to which the President referred. The Democrats were elected, and took control of Congress in 1956. In 1956 we raised the appropriation for the USIA from $79 million to $87 million.

Then I was assigned to the Committee on Appropriations and became chairman of the subcommittee having the State Department appropriations in charge. I became extremely interested in our propaganda activities, in the Voice of America, in the low-cost books, and in the motion picture and educational programs.

Notwithstanding the warning voice of the Senator from Louisiana [Mr. ELLENDER] and other Senators, I came to the floor of the Senate and recommended $113 million, never thinking that the USIA would proceed to hire 200 new employees and put them in the press service, to compete with existing press services.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. PASTORE. I wish to join in complimenting the chairman of the subcommittee upon the excellent job he has done in dealing with this very complex and perplexing problem, and also to compliment him for the very eloquent way in which he presented his case to the Senate this afternoon.

I have always believed in the USIA. While I did not attend all the meetings, because I had other committee commitments, I attended a sufficient number of them to realize that an appropriation of $90,200,000 is not only reasonable, but represents a very modest cut. I dare say the record, if it were analyzed, would not even substantiate a figure as large as that.

While it is true that the present Director has held his position only a very short time and is not so familiar with the general activities of the Agency as are some of the working personnel, the fact is that at one juncture the Director was asked how he justified the amount of $700,000 which was spent in England. The Director answered by saying that it was a good question; but the committee never really got a satisfactory answer.

I should like to ask the distinguished majority leader if he is satisfied that the $700,000 which was spent in England during the past fiscal year was necessary or actually did the United States any good.

Mr. JOHNSON of Texas. No; I do not think it was essential. Following V–E Day, I was sent to Europe as the chairman of a subcommittee the primary objective of whose mission was to attempt to make whatever contribution we could to getting all of our forces out of Europe as quickly as we could and into the Pacific theater of the war.

I feel very much as do the other members of the committee, very much as the distinguished minority leader feels, that there are areas where a war is on, areas which must have unusual attention and unusual expenditures. I am ready to go along on that basis.

But I am not sure that when we inaugurate a low-cost book program, we ought not to substitute it in lieu of the high-cost book program, and that we ought to keep both programs in being ad infinitum.

I am not sure that we ought to be adding hundreds of persons to the press service, when Congress has already provided in the law that they should not be in competition with existing press services.

This is one of the problems. It is no reflection upon the President. I realize he feels deeply about the necessity of having an adequate Information Service. The Senator from Texas feels deeply, also, on that score. I will support any appropriation that I think is necessary, useful, and helpful to carry out such a service, if it is wisely used. But I do not believe the President of the United States, or even Mr. Larson himself, if either of them were to exchange positions with me and were to be the chairman of the subcommittee, and if I were to present the case which they presented, would give me $90 million. I do not believe the committee would have recommended that amount, except for the hope of every Democratic and Republican member of the committee that this Agency would become a part of the State Department. We realized that the United States lost the propaganda war against the Kaiser in World War I. We did not do too well in the field of propaganda against Hitler and the Japanese in World War II. The members of the committee want to see our Government engage in the battle for men's minds. But they want the work done effectively, efficiently, and without waste.

Every Senator who has visited in a country where the USIA has an office has either seen too many or at least a few, incompetents, or is likely to have been reminded by someone in the Embassy that the USIA in that particular country has more personnel than it needs; that they get higher salaries than the Embassy personnel receive; that they have better cars than the Embassy personnel; that they are not so competent as they should be; and so on and so on.

This is not a trial of the President or of Mr. Larson. If I had been the head of the Agency for only 4 months, perhaps I could not have answered the questions asked him. But if I ever have the misfortune to come before a subcommittee of Congress, I am going to try to do my homework and to spend a few nights in preparing for my appearance. I do not think Mr. Larson really knew where he wanted to use the money or what he wanted it for.

Nevertheless, the committee is willing to have an effective information job done. We realize the importance of the work. But we are not going to have personnel running out of our ears. We are not going to apologize to anyone for refusing to give the USIA the 1,056 new, additional personnel, when the USIA already has more than it needs. They have supervisor on top of supervisor. Think what the legislative appropriation bill would come to if we handled our own affairs in the same way.

There are some 700 weekly newspapers in Texas. On that basis, I would have to have about 350 press employees, and I suppose a proportionate number based upon the number of daily newspapers.

Mr. MORTON. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the distinguished junior Senator from Kentucky.

Mr. MORTON. I wish to commend the distinguished majority leader upon his very lucid explanation of a complex appropriation bill. As he pointed out, there is a reduction of about 15 percent under the budget estimates in the bill before the Senate. I feel constrained to point out that with State and USIA in the President's office eliminated, the Justice and Judiciary cut is in the nature of 23 percent.

If we take into consideration the total figure which the House sent to the Senate, I must say the subcommittee has done a masterful job in putting first things first. I think they did an extremely good job.

This is a unique experience for me. For 3 of the last 4 years to which the Senator was referring, I was at the other end of the table, trying to justify the State Department appropriation bills. I must say that I think the committee has done an excellent piece of work in putting first things first.

Mr. JOHNSON of Texas. I may say, in that connection, that the committee would probably have a better record if the Senator from Kentucky had been at the other end of the table this year.

Mr. MORTON. I thank the Senator. I did not present the budget for the USIA.

I wish to associate myself with the comments of the distinguished Senator from Massachusetts [Mr. SALTONSTALL]. There are items in the budget about which I am not happy. But there are realities which we must face. I realize the problems which the majority leader and the other members of the Committee on Appropriations will face in conference, especially in holding the line on top priority items. I consider them top priority. I refer to the $6 million item for the State Department, the $6 million for student exchange, and the item for the Brussels Fair.

For these reasons I intend, along with the Senator from Massachusetts, because I think it is in the best interests of the Departments concerned, to support the bill as reported by the committee.

Mr. JOHNSON of Texas. Mr. President, I should like to have the yeas and nays ordered on the question of final passage of the bill, so that Senators may be on notice that there will be a yea-and-nay vote on that question.

I also wish to announce that it is my purpose to have the Senate remain in session until a late hour this evening, if necessary, in order to have final action taken on the bill. Of course, another appropriation bill is ready for action by the Senate, following our action on the pending bill.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). On the question of the final passage of the bill, the yeas and nays have been requested. Is there a sufficient second?

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. I thank the Senator from Texas for yielding, for he knows that I am opposed to his point of view. I shall vote against it.

Let me say that I think the yeas and nays should be ordered, and I am glad they have been ordered.

At this point I should like to ask a question. I desire to hear all the points of view, and I wish to explain mine.

The very distinguished Senator from Texas has made a masterful presentation. Let me say that I hope that on another day, and in connection with a case which I think will help us more, he will do the same.

At this time I should like to state that two things about the Senator's presentation leave me in grave doubt. After all, the issue before us is not whether the number of employees of this Agency is to be increased or decreased. The issue before us is whether the Senate will vote to decrease by $15 million the amount of the appropriation the House of Representatives already has voted for this Agency. In short, the question before us is whether the Senate will vote to make a cut of approximately $54 million in the amount requested for this Agency by the President.

Under those circumstances, does the Senator from Texas believe that if the amount recommended by the Senate committee for this Agency—namely, $90,200,000—is the amount finally appropriated, the United States Information Agency will have to reduce, at some point, by approximately 20 percent, its operations from the program we authorized in the last fiscal year.

Mr. JOHNSON of Texas. First of all, Mr. President, let me say that I cannot search the minds and hearts of other Members and know what they are going to do. I am not always positive what I am going to do, much less what Members on the minority side are going to do. There may be amendments which call for an appropriation of approximately $140 million, in line with the budget request. I would not think that all Members on the minority side of the aisle would wish to abandon the President and simply leave him in the lurch. If the minority side believe in Mr. Larson, they should bear in mind that he asked for an appropriation of $156 million. That is the request he began with. The President has already reduced that to $144 million; and the House of Representatives has voted that the $144 million be reduced to $106,100,000.

Then the members of the Senate subcommittee considered the matter, and tried as best they could to get Mr. Larson to justify the $106 million. As I have said, we did the best we could, as reasonable men, acting conscientiously.

If Senators will examine page 1143 of the hearings, they will see that I asked Mr. Larson please to repeat what he said in the House committee, to justify his present level of appropriations, if he could. In the opinion of the Senator from Texas, Mr. Larson did not justify his present level. In the opinion of the Senator from Texas, Mr. Larson's Agency—and I do not attribute this to any selfish motive on the part of Mr. Larson; perhaps the action was taken before he joined the Agency—added about 200 new employees and made a 25 percent increase in the press service alone during 1957, notwithstanding the protests of the Members of Congress and notwithstanding the prohibition in the bill against competition.

Of course, if the Senate follows the recommendations of its subcommittee and the recommendation of the full committee, the Senate will vote to give this Agency—and we also hope the Senate will vote to put it under the supervision of the Secretary of State—$90,200,000, which is approximately $16 million below the amount voted by the House of Representatives.

When the conferees on the part of the Senate meet with the conferees on the part of the House, including the distinguished Representative from the home State of the Senator from New York—and that Member of the House of Representatives is very eloquent and is a very able pleader—I do not know how insistent he will be in the case of the $106 million. I shall not know how flexible I can be in my attitude regarding the matter, until I hear the verdict of my colleagues.

I urge all my colleagues to give me any information they possess and to make any representations they have to make, or to develop any knowledge they have been able to acquire.

At the hearings, we heard from many witnesses, some from within the Government and some from outside the Government. Finally, we concluded that the amount voted by the House, as it appears on page 33, in line 6, should be stricken; I refer to the $106,100,000. We decided that, in lieu thereof, $89,100,000 should be inserted, in view of the fact that the appropriation for the radio transmitter, which we are allowing for, will be another $1,100,000.

Let me ask the Presiding Officer, my friend, the Senator from Georgia [Mr. TALMADGE], to confirm my understanding of the parliamentary situation, which is that the pending question is on agreeing to the committee amendment on page 33, in line 6. Is that correct, Mr. President?

The PRESIDING OFFICER. It has not been stated, but that will be the pending question.

Mr. JOHNSON of Texas. Very well. When the vote on that question is taken, every Member who wishes to vote for more money, for more jobs, for more Government-kept press services, for more assistants, can line up, on one side, and say, "Here we are—the spenders, and we are proud of it." Those on the other side can line up and can say, "Here we are, the cutters—and we are proud of it."

I will vote to appropriate for this agency every dime it needs for legitimate purposes. I have made my attitude in that connection clear, and my record on it is clear. The record will show—and it is there for all to see—that it was the Senator from Texas who voted to increase the appropriation; it was the Senator from Texas who came before this body and piloted through it an increase in the appropriation from $87 million to $113 million; it was the Senator from Texas who, as a conferee on the part of the Senate, sat with the conferees on the part of the House, including Representative ROONEY, from the State of the Senator from New York, after the House of Representatives had voted a smaller appropriation; and it was the Senator from Texas who participated in the conference which finally agreed on an appropriation of $113 million. Previously, the Senate had voted, as I recall, for $115 million, and the House of Representatives had voted for a smaller figure. But in the conference a compromise of $113 million was reached.

If the vote on this item is the only vote yet to be taken, before the final vote on the bill, and if the Senate allows me any flexibility in the conference, I will proceed on that basis in the conference. I am sure that by the time the conference is held, the Senator from Illinois will have a new stack of papers and revisions of programs, and will have some of these matters cleaned up and straightened out; and after he says to the Senate, "Here is what we plan to do," it may be that he will be very persuasive with the Senator from Texas, as he often is; or perhaps Representative ROONEY will not be so appealing. Perhaps we shall finally arrive at an amount somewhere between $90 million and $106 million.

If the Senate by majority vote decides that it wishes an appropriation of $106,100,000 to be made, this item will not be before the conferees. On the other hand, if the Senate decides by majority vote that it believes the appropriation for this Agency should be $90,200,000, then a conference will be held on the item, and the conferees on the part of the Senate will have that instruction.

Of course, I expect Senators on the other side of the aisle to determine what strategy they will use.

Mr. JAVITS. Mr. President, will the Senator from Texas yield for a question?

Mr. JOHNSON of Texas. I yield.

Mr. JAVITS. The Senator from Texas has been very gracious, and certainly I, also, very much appreciate the masterful presentation he has made.

Mr. JOHNSON of Texas. I thank the Senator from New York.

Mr. JAVITS. As I understand, the record shows that of the three great press services of the country, two of them—the International News Service and the Associated Press—say this wireless activity of the United States Information Agency does not compete with them. However, in my own time I shall develop that point.

Mr. JOHNSON of Texas. I think that is a fair statement, and I think it is true. I think the Associated Press and the International News Service are not fearful of it.

As I said to the minority leader, if 3 men are afraid they will be murdered, it is not a sufficient answer to say, "I have talked to 2 of them, and they are not very afraid," when the third one still is.

Certainly I shall not participate in the business of closing up even one of those services; it will not be done by my vote.

Mr. JAVITS. I do not say it is a question of closing any of them.

Mr. JOHNSON of Texas. That is the viewpoint of the Senator from New York. I am talking about the viewpoint of the press services.

The Senator from New York is entitled to his viewpoint, Mr. President. But I think I can say with some accuracy that our friends in the other services feel that they have competition from the Government press. Certainly I do not want the day to come when the United States news services are regarded as a kept press.

Mr. JAVITS. Mr. President——

Mr. SALTONSTALL. Mr. President, will the Senator from Texas yield to me?

Mr. JOHNSON of Texas. Mr. President, I can yield to only one Senator at a time. I have been on my feet for a long time, and have made a rather lengthy statement in connection with this matter.

Mr. SALTONSTALL. I should like to make a statement in clarification.

Mr. JOHNSON of Texas. Very well; I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. There is a language amendment which will cover the point the Senator from New York has mentioned. I believe that language amendment is helpful, in that it puts on the Director the responsibility of determining whether any business is being prevented. That amendment is good, in that it will help create a better spirit, and will avoid having any substantial group—such as the United Press or the Scripps Howard Alliance or others—complain that the job is being done badly.

Mr. JOHNSON of Texas. I am not in agreement with Secretary Dulles on all matters. But I recall his saying, back in 1953, that a curtailment in expenditures would actually effect a corresponding increase in effectiveness. We must be frank and realize that this agency is getting more than we gave it in 1954, more than we gave it in 1955, and more than we gave it in 1956, but not as much as we gave it in 1957. I think the record shows that there will be a reduction in expenditures. I hope, actually, we shall see an increase in effectiveness in the program, which I believe will result from this discussion and the hearings.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New York.

Mr. JAVITS. The President has said, and I quote from his speech of last night——

Mr. JOHNSON of Texas. I heard the President last night.

Mr. JAVITS. The President said last night, with regard to the USIA, that he regarded the reduction made by the House as the worst kind of economy. Yet the Senator has said the recommended action, which is now under discussion, is no reflection on the President. Does the Senator think it is backing the President of the United States or not backing the President of the United States to vote "yea" on this $89 million figure?

Mr. JOHNSON of Texas. The Senator from Texas and the President are not always in agreement, although the Senator from Texas is frequently criticized for being in agreement with the President. I never considered it a reflection on me when the President disagreed with me. I do not think it ought to be considered a reflection on the President when I disagree with him. If the President would take the 1,249 pages of our hearings, or if the Senator from New York would take them, and ask any of the Senators on either side of the aisle, to stand up and justify the budget figure requested by the President, I doubt if they could do so.

I heard the President talk last night. I have had to make some TV speeches, at times, to appeal to people to get them to go along with my program. Some call it pressure; some call it good reasoning. The thing that was interesting about the President's speech was this: Here came a good man, carrying on his shoulders frightful responsibilities; doing his best to discharge the responsibilities of his high office; and reporting to the people, who have such great confidence in him. This is what he said or this is the effect of what he said—I do not assume to quote him literally: "I have looked at the requests of my Cabinet, and I have had to take my lead pencil and cut them by $13 billion." He has had to reduce the requests of his Cabinet by $13 billion. For the Agency under discussion alone, he cut the request by more than $12 million.

I say to the Senator from New York, do not make it personal; do not make it a test of admiration or respect for the President. Do not say to me that I cannot act on my own.

My answer is this: If I know Dwight Eisenhower, the President of the United States, and I think I do, I know he wants me to do my job as a United States Senator as my conscience dictates. It is my humble opinion that if he knew what was in the record, he would have a reluctance even to go along with the $90 million figure. I think that answers the question of the Senator from New York.

Mr. JAVITS. I think it does, and I may say I think it is my responsibility, and that of any other Senator who feels likewise, to do all he can to enable the President to do the job. With due respect to the Senator from Texas, having gone over the record and having made full inquiry, I think the proposal now made would cripple the Agency in doing what it must do. Therefore, I must go the other way.

Mr. JOHNSON of Texas. I have no quarrel with the Senator. He has a right to his conviction, and he certainly has the duty to speak his mind. The Senator from Texas does not want to suppress him. The Senator from Texas, however, wants to point out that when the President gets $90 million, if he does, or $106 million, if he does, he will get more, and substantially more, than his own Congress gave him when his party was in control of the House and the Senate. That answers the "cold war" argument.

Mr. JAVITS. I hope to deal with that question.

Mr. COOPER. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. I yield to the Senator from Kentucky.

Mr. COOPER. First, let me say I enjoyed the statement of the Senator from Texas. I know the question will be on the committee amendment, and I intend to vote against the amendment. I am sure my good friend from Texas will accord to me, as he always does, and as I have accorded to him, the right to which he has referred—the right to form one's own judgment. So I do not think he can quite fairly say that if we vote against the committee amendment we may be, as he termed it, "spenders," or those seeking jobs for other people.

Frankly, the reason why I shall vote against the amendment—and I shall develop the reason later—is that there are three programs in the Information Agency which are important and which would be crippled by the amendment.

Mr. JOHNSON of Texas. If the Senator has a question to ask, will he ask it? Then I shall yield the floor.

Mr. COOPER. I wish to ask the Senator if he will clarify the amendment which he has offered, which provides "that such overseas Government information activity will not prevent private United States concerns from selling corresponding information services or products overseas."

As I understand, the provision is directed toward the wireless files which are furnished to the United States Information Agency——

Mr. JOHNSON of Texas. Will the Senator speak a little louder? I did not hear him.

Mr. COOPER. I understand the language is directed toward placing some prohibition on the activities of the United States Information Agency in the use of wireless files which are provided in some 70 countries. Is that correct?

Mr. JOHNSON of Texas. The purpose of the amendment is to strengthen the existing provision in the legislation for the United States Information Agency so as to prohibit Government information activity which would prevent—"prevent" is the agency counsel's word, incidentally—private United States concerns from selling corresponding information services or products overseas. It would require an express finding by the Director of the United States Information Agency that such Government activity would not prevent the private activity.

In other words, I might illustrate it in 2 or 3 ways, and I shall do so as briefly as I can, because it is 4:20 p. m., and the Senator from Texas has been on his feet for some time. I shall be glad to exchange information with the Senator from Kentucky in his own time, after I have had a chance to let some other Senators speak.

To illustrate the point I was making, let us assume the case of a wire service that goes to a small newspaper in a small country. Presumably, such wire service is being paid for by that newspaper and the private agency. The Government comes forward and says to that newspaper, "We will supply you with the USIA press service, which will not be confined merely to the President's statements or to statements on foreign policy, but will include all the copy you will need."

The language now proposed would prevent that process from taking place. It is now alleged that it does happen. We wish to make it clear that the Director must make a finding that such a group would not compete with private news services, before he makes these services available.

Secondly, there might be a television film, let us say, which is supplied to a television station in Mexico City, in the form of a program by an orchestra or band or some kind of dancer. We pay $1,400 for that film. It may very well be that the television service is buying one of Mr. Ziv's films or one of Metro-Goldwyn Mayer's films or one of RKO's films to use as a filler for that period. All at once they are confronted with a proposition that the United States Government will supply them with live programs, and with such film as they may need, to sell for commercial purposes or use as sustaining time.

It was the unanimous judgment of the committee that we ought to ask the counsel to draft a provision that all could understand. The committee reviewed the provision thus drafted—we think carefully—and improved upon it and unanimously adopted it. The language is designed to prevent situations such as I have listed about the press and television, and I could say radio and others.

Mr. COOPER. I thank the Senator. May I develop this case a little and ask the Senator for his advice, because I believe that, unless it is clearly pointed out, there is a danger in this proposed amendment.

I point out to the Senator that there is a wireless file furnished to some 70 countries. It contains straight news from the United States, such as the statements of our officials, and even speeches of Senators. This file goes into 70 countries, and is distributed through the newspapers in those countries. Many of those newspapers cannot afford the services of our press agencies.

I wonder if the amendment would have the effect of striking down this service, and whether it would mean that there would be no straight news furnished to countries throughout the world.

To prevent such a result from happening, I should like to see if the amendment could be clarified.

If the newspapers in the countries where this service is furnished cannot afford the services of our press agencies, would the USIA, under this amendment, be permitted to continue to pro-

vide for these newspapers the only available reports as to Government policies of and straight news from the United States? That could happen under this amendment. I do not believe it is the intention of the committee or the Congress to shut off from many countries throughout the world the only news they can possibly get.

Mr. JOHNSON of Texas. I should think that if the Director made the finding, first, that a newspaper could not, as the Senator has said, afford to pay for the service, he would necessarily then make the finding that this did not prevent a United States concern from doing so. That would be my thought.

Mr. COOPER. The Soviet Union and even other nations subsidize their news to many countries. It is promised at a very low cost, compared to the cost of the services charged by our own private agencies.

Mr. JOHNSON of Texas. I am no lawyer. The lawyer for the agency drew up the language, and the committee considered it very carefully. I should like to have my interpretation, for whatever it is worth, in the RECORD.

Mr. COOPER. I should like to have the Senator's interpretation.

Mr. JOHNSON of Texas. I think in order to say that one has to "prevent a sale" there would have to be a showing and a finding by the Director that a sale was possible in the absence of the service of the USIA.

Mr. COOPER. I thank the Senator.

Mr. JOHNSON of Texas. I thank my friend.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. On the point raised by the Senator from Kentucky, if the Senator from Massachusetts will indulge me for just a moment, we have very persuasive and convincing evidence that the present service contains spot news, and duplicates a great deal of the material which is carried by the various press services and private news agencies; that the operation is not simply distributing texts of statements from Washington or news from Washington, but that the bulletins which the press service issues, through some 800 or 900 employees, are distributed in competition, containing datelines from all over the world; that many stories have nothing to do with United States interests; that the operation started out as a very small one, and that it has been expanded at frequent intervals; that the Senator from Texas unwittingly has been responsible for some of the expansion by requesting the increase in the appropriation last year; that there are people in the agency who feel it should be turned into an official worldwide United States Government news agency; that in some places, particularly Asia, it is used widely by small publications which have been purchasing or could purchase similar services from free enterprise.

I could go on at great length, but I merely point out these items from the information brought to the committee.

I now yield to the Senator from Massachusetts.

Mr. KENNEDY. On page 454 of the hearings before the subcommittee of the Committee on Appropriations of the United States Senate dealing with the Departments of State, Justice, the judiciary and related agencies appropriations, 1958, there appears the memorandum from Mr. Larson wherein it is stated that approximately $115.7 million is required to continue the program of United States Information Agency on the current level of activities, that is the level being maintained this fiscal year.

Does the Senator from Texas not believe that it would be wise, in view of the activities being undertaken by the Russians, the Chinese, the Egyptians, and others, that we should at least continue the program on the level at which it is maintained today; or is that figure inaccurate?

Mr. JOHNSON of Texas. No. The Senator from Texas thinks it ought to be stepped up, and that the figure should be increased.

However, to answer the question of the Senator from Massachusetts specifically, the Senator from Texas is of the opinion that Mr. Larson is not informed of what would be required to continue the program at the present level.

The thing which the committee is more concerned about than anything else, I will say to the Senator, is the increase of the 200 people in this press service, which is competing with American press interests. We think that a shift from Europe to Asia should have been made much more forcefully and much more aggressively and in a much greater number of cases. We do not think we ought to carry on in the European theater the full fight all the time, when problems are increasing in other areas, just as when we ended the war in Europe with VE-day we had to shift a large number of people. The same thing should be done in this instance.

We think this press service is disturbing. Every Senator who approached it was somewhat concerned about whether we might be establishing a Government competition.

Mr. KENNEDY. The only thing which concerns me is the fact that the appropriation for last year was $113 million, more or less, and now, in a year when I think we will have to do more, with the competition becoming greater and more intense, and moving into these areas which are undecided, we are planning to cut the program below last year's program by $23 million.

I believe in this program. It is difficult for me to believe that the program is so hopelessly conducted that it is not able to spend as much as it spent last year wisely and well.

Mr. JOHNSON of Texas. It would not be difficult for the Senator to believe if he had personally heard the testimony. I know of no Senator who did hear the testimony who felt the money had been spent wisely and well.

Mr. KENNEDY. I will say to the Senator that the reports and hearings became available only recently, and I have tried, but have been unable, to read them completely. That is why I am asking the Senator these questions. It is hard to understand why the recommendation should be $23 million below what the same Senator recommended the last year. It looks to me as though either the program is badly conducted or there is some error involved. I am sure no one would question the fact that the need is certainly greater this year than it was last year.

Mr. FULBRIGHT. Mr. President, will the Senator yield to me?

Mr. JOHNSON of Texas. The Senator from Texas is of the opinion that the committee made a mistake last year.

Speaking of the 3 previous years, I would prefer to have the Senator talk about the average year, or the 3 previous years, than to talk about the single high year and then base his comparison on that.

If the Senator wishes, I shall yield to him, but I do not wish to have him close his mind on the subject. If he wishes to obtain any information I should like to provide it for him.

The hearings have been available, I will say to the Senator, since Monday. We distributed them to some Senators on Monday. The hearing room has been open to Senators all the time. We specifically urged them to attend.

The Senator from Texas was new to this job last year. He sat with the committee for many hours, and came to the conclusion that there was much useful activity that could and should be stepped up. Accordingly he voted to make a substantial increase over the House figures.

When a report was made as to what was done, what had been accomplished, what was to be done, where it was to be done, how it was to be done, and by whom it was to be done, the Senator from Texas, like every other Senator, was considerably disappointed. Mr. Larson frankly did not have the answers. We would ask, "What are you going to do with the 173 extra people you are asking for in this area? What countries are they to be assigned to? What are they going to do?" He did not know.

I am not in a position to speak for all the committee, but it is possible to believe that twice the amount proposed to be appropriated in this bill could be wisely spent at some time in an effective information program. But I am saying to the Senator, without fear of contradiction, that it is difficult to find a justification in the hearings even for the $90 million we have allowed.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to the Senator from New Mexico.

Mr. CHAVEZ. The Senator has mentioned Mexico City. I was in Mexico City 10 days ago. I have heard of the idea of spending $1,500 every week for a jazz band which is not doing a bit of good so far as goodwill is concerned. It is only causing resentment among the Mexican people.

I congratulate the Senator from Texas for his efforts in reducing this item to $90 million. I voted in full committee to sustain the Senator from Texas and the subcommittee. I did so reluctantly. I thought that the Senator from Texas and the subcommittee were a little too liberal in granting $90

million, because I feel that the program is not doing a bit of good. All it does is to cause resentment. Representatives of the Agency go to Europe and elsewhere in the world and throw their weight around because we let them have the money. They are not accomplishing anything so far as goodwill is concerned.

I thank the Senator.

Mr. JOHNSON of Texas. The Senator from New Mexico is correct.

At one point it was testified that this particular program in Mexico City was costing $1,400 a performance. At another time it was testified that it was costing $1,500 a performance. The fact is that there is a plan for a 52-week contract to produce these programs. The Columbia Broadcasting System, the National Broadcasting Co., and the Hollywood producers were not called upon to produce the programs.

I think the record will show that representatives of the USIA did not know how many people had television sets in Mexico City. They had no idea what rating the program had. They did not know how large a listening audience there was.

I will say to the Senator from New Mexico, and to my friend from Massachusetts [Mr. KENNEDY], that I searched all over the room to find someone to give an answer. Finally, one man rose and said that was in his area. He attempted to give some answers.

On that afternoon we sat there with two Appropriation Committee clerks. We have only a small group to handle the $72 billion budget. Let me say to my prudent friend from Massachusetts whose section of the country is known for its conservatism, that at the time we were listening to Mr. Larson to justify his record, we had 2 clerks and he had 31 assistants in the room. They could not tell us who was listening to the program, how many sets there were, or what rating the program had.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. KENNEDY. On page 459 of the hearings I find the following:

> The fiscal year 1958 budget provides over $1 million, or double the amount spent this year, for programs in Africa. This will enable us to raise activities in 11 African countries from minimal holding operations to levels commensurate with the emerging significance of Africa.

I think the program in Africa is of vital importance. It seems to me that not only should it be increased, but when the appropriation is cut from the amount spent last year to $90 million, which is a reduction of $23 million, there will be severe cuts in Libya, the Sudan, and other parts of Africa which I think are vitally important, particularly in competition with what the Soviets and the Egyptians are doing.

I do not know anything about this subject. I am asking these questions on the basis of what we spent last year.

Mr. JOHNSON of Texas. I went into the question of Ethiopia in great detail.

Mr. KENNEDY. The hearings comprise a book of 1,231 pages, which became available to us on Monday.

Mr. JOHNSON of Texas. Yes.

Mr. SMITH of New Jersey. They became available this morning.

Mr. KENNEDY. The Senator from New Jersey says they became available this morning. I should like to know how we could be expected to know very much about the subject.

Mr. JOHNSON of Texas. I would like to repeat what I said earlier when I hope the Senator was listening.

Mr. KENNEDY. I have been listening for 3 hours.

Mr. JOHNSON of Texas. Does the Senator agree with what we are doing in Ethiopia? He is concerned about Africa.

Mr. KENNEDY. Yes.

Mr. JOHNSON of Texas. All of us are concerned about Africa.

I wish to read the story which a very able reporter for the Herald-Tribune wrote about the Vice President's statement when he was in Africa, regarding the USIA personnel.

Mr. FULBRIGHT. Mr. President, will the Senator permit me to make an observation pertinent to the remarks of the Senator from Massachusetts?

Mr. JOHNSON of Texas. I yield.

Mr. FULBRIGHT. I will say to the Senator from Massachusetts that I think there is some merit in what he says about Africa. However, there is nothing in the bill which compels the agency to spend the money in any particular area.

In invite the attention of Senators to the situation in Germany. Let us take the actual expenditures for 1957. In West Germany $10,556,000 will be spent.

Mr. KENNEDY. I noticed that that was many times as much as was being spent in England. Does the figure which the Senator cites represent only the activity in West Germany, or does it affect the satellite countries?

Mr. FULBRIGHT. It might affect the satellite countries. If the Senator is referring to Radio Free Europe, some people believe that is a part of this operation. It is not included in it. It is not a part of this operation. I am referring to our West German operation in Bonn.

For Italy the figure is $3,182,000. The agency sought to expand its request for 1958 to $3,549,000.

For France the figure is $3,712,000; and for Great Britain, $1,279,000.

In three countries, namely, Germany, Italy, and France, there are expenditures of more than $17 million.

So far as I am concerned, a fine library in every town in France is a good thing. But that is not the point. As the senior Senator from Massachusetts [Mr. SALTONSTALL] says, there must be some priority. I would not demean the entire program. I think there is a great deal of good in it. But if we must operate with a limited amount of money, and make a choice in distribution, I cannot see any urgency in the maintenance of fine libraries, motion-picture programs, press programs, or what have you, in a country like France or England.

They are just as knowledgeable about democracy as we are. I believe their experience with communism may have brought it home to them a little more, and they probably appreciate its dangers more than we do. It is in a sense somewhat presumptuous for us to propagandize sophisticated countries like Great Britain, France, Italy, and Germany. There is nothing in the bill which would prevent the Agency from taking $10 million or $7 million from those countries and spending the money in the African countries, where different conditions exist, and where there is some need for services like these, such as news services and entertainment and movies.

We do not attempt to regulate everything the money is spent for. However, what the committee thoroughly arrived at is that this amount is sufficient with which to maintain a program that will serve us; and the Agency can, if necessary, switch large numbers of people from France or Great Britain or Germany to countries in Africa. In Germany, for example, there are nearly 1,700 people on the payroll of this Agency.

Mr. JOHNSON of Texas. I have found what I have been looking for in the hearings. I wish to point out, first, what I believe to be the committee's position, and certainly the position of the Senator from Texas. In 1956, when the junior Senator from Massachusetts and other Senators approved a final appropriation of $87 million for this Agency, the Agency had a total of 3,257 people in Europe. That was almost half of the total number of employees of the Agency. It is a very high number. How high it is is demonstrated by what is shown at page 888 of the hearings.

I would not say that the Vice President is unfriendly to this administration, or to Africa, either. He has done much to call our attention to the problems there. He is not adverse to the program. I call attention to a statement made by the Senator from Louisiana [Mr. ELLENDER], at page 888 of the hearings:

> STATEMENT OF VICE PRESIDENT NIXON
>
> Senator ELLENDER. Just to demonstrate what we are trying to do here in drawing you out, Mr. Larson, I would like to place in the record a statement that was made by none other than our Vice President, Mr. NIXON, on his recent trip to Africa when he took the position that we had entirely too many people abroad. In this article he, Mr. NIXON, after spending a while with one high-ranking United States official in South Africa, said, "How can we expect to get things done over here with four cornballs like that?" He said he asked about the size of the staff and when told one group totaled 100 he said, "Things would probably be better with a staff one-third that number." In traveling abroad, you will find I have made those statements many times also and I think some of us ought to be given a little credit and at this point in the record I will ask that the whole article which was written by Earl Mazo be inserted.
>
> (The article referred to follows:)
>
> "[From the Washington Post, March 17, 1957]
>
> "NIXON SEEKS TO SHAKE UP AFRICA STAFFS—ONE HIGH DIPLOMAT TERMED A "CORNBALL" BY VICE PRESIDENT
>
> "(By Earl Mazo)
>
> "ROME, March 16.—A shakeup in several embassies, consulates, and United States Information Services offices in Africa is likely to follow Vice President RICHARD M. NIXON'S return to Washington from his good-will tour, it was learned today."

I might add that I hope a shakeup will take place. Let us consider Ethiopia where we have the report that there are

two weekly newspapers. I wonder how many weekly newspapers there are in Massachusetts?

Mr. KENNEDY. Quite a number.

Mr. JOHNSON of Texas. Perhaps a hundred? We have 700 in Texas.

Mr. KENNEDY. More than a hundred.

Mr. JOHNSON of Texas. In Ethiopia there are two men from this Agency for two weekly newspapers and two bidailies in that country. That is one man per weekly paper in Ethiopia. Ethiopia has a population of 12 or 13 million people, and it has only two weekly newspapers.

We had an employee of this Agency established in Ethiopia who had the duty, for example, of giving the Ambassador copies of the President's messages. Another thing he handled was work in connection with two radio stations and the newspapers. He has now been supplied with an assistant.

Mr. KENNEDY. My question is, What is it that has caused the Senator to be willing to sponsor for next year $23 million less than he was willing to sponsor for the present fiscal year, considering the competing activities of countries who are not friendly to us? I gather from what the Senator has said that it is not because we do not need an effective program, but because the program is not being carried out effectively.

Mr. JOHNSON of Texas. That is exactly it. The Senator has stated it better than I have stated it. I am not sure that Mr. Larson will not carry out a good program. But it is a fact that there has been a great build-up of the press service. We have people and people and more people, and now we are being asked to add even more people. I would be willing to let them have every person they had in 1956. I would be willing to appropriate more money for low-cost books. I would be willing to expand some of the activities. I would be willing to do that if I had any assurance that it would be effectively done and that it was necessary to be done.

I said to the Senator from Louisiana [Mr. ELLENDER] last year on the floor of the Senate, that I would not justify attempting to give the English a cultural program or try to teach them some culture. I said I thought we were spending money in Paris and London and Rome, where we ought not to be spending money. I expressed the hope that the USIA would not spend it there. I say to the Senator from Massachusetts that that hope has not been realized. They insist on not only keeping what they have, but on adding to it. The appropriation the committee has approved will allow them an ample number of people for the European theater. I believe a great many of those people ought to be shifted, as the minority leader has said.

Although I cannot speak for every member of the committee, I believe every one of them feels that way. I will say also that all Members of the Senate know that no man is more anxious to have an effective information program than the Senator from Texas. I have tried to demonstrate my good faith by raising these appropriations from $87 million to $113 million. For 3 years the Information Agency had an average of much less than $90 million.

We gave them a chance last year. What did they do? They hired 200 additional press people. That is what we do not approve of. We do not think it is necessary to have a government press. We do not think it is necessary to have a wireless program that goes to every newspaper in the country. We do not think there is any justification for increasing the number of employees from 685 to 930, and we do not think we ought to give them the money to do it.

We do not believe they will do it if we will say to them, "Listen, Mr. Eisenhower has had a popular administration, at least the people indicated so last November, for 4 years, and they never, during the 2 years of Republican control of the Congress had as much as they are given this year."

Certainly the emphasis has shifted. But with the emphasis shifted, the personnel ought to shift. If not, the personnel will keep going up and up, and will never stop.

I am frank to say that I do not know what would have happened if we had called the roll on the $60 million figure. Everyone must express his own opinion.

The Senator from New Mexico has just expressed his view as to what is happening in his general area. Although I have not traveled extensively, what I do know about it has not satisfied me as to the wisdom of my action of last year.

If my friend wants to convict me for making a mistake last year, I will plead guilty. I approved more money than should have been appropriated for the purposes for which it was used. I regret it. I am willing to appropriate that much next year, or more, upon a showing that it will be wisely and prudently handled.

Mr. THYE. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield.

Mr. THYE. I am sincere when I say I am concerned about the majority leader being on his feet for so long a time, and I wish he would sit down and allow me to speak for a minute.

Mr. JOHNSON of Texas. I thank my friend from Minnesota.

Mr. THYE. I sat in on the subcommittee hearings for a few hours, because this is a question with which I have concerned myself greatly throughout the years of my service in Congress. I may say that there is a sound basis for the program, but I was not impressed with the way in which many phases of the program have been carried out. I regret that that has occurred. However, the USIA has performed outstanding service for the United States throughout the world. If it had not been for the USIA, we might well have seen further progress made by the Soviets in many areas. In my humble opinion, that is a certainty, because I have visited some of the countries and have gained that impression.

Therefore, when we pinpoint some specific item, such as a jazz band in Mexico, and amplify it in the eyes and minds of the public, we do the Agency and the United States Government a disservice.

Mr. JOHNSON of Texas. I think that would depend upon whether or not that activity was continued. I think we do the Agency a great service by calling attention to the activity, because we hope that as a result of pinpointing it, the Agency will eliminate such practices. We hope that as a result of our constructive criticism, they will shift the emphasis to low-cost books or motion pictures or other more effective activities. We hope, by making our constructive suggestions, that more Senators will be persuaded to support the USIA and its programs.

Mr. THYE. I made mention of the jazz band only because I did not approve of it. I think it was a misuse of the authorization and the appropriation.

Mr. JOHNSON of Texas. We would serve no purpose by covering it up. We must expose it and, we hope, rid the Agency of it, so that we can get a strong Agency which we can all support.

Mr. THYE. I may say, further, that in many areas of the world the USIA has gone forward, expanded its program, and rendered great service. What concerns me is simply that the Soviet Union has expanded its services in many of those areas; in fact, they are on the air more than is the USIA.

Mr. JOHNSON of Texas. I assume the Senator from Minnesota wants me to comment on his thought, and I shall do so very briefly.

I am well aware of the great propaganda activity within the confines of the Soviet Union and of its satellites, and of their program in our own country. I am well aware of the fact that the Soviet Government controls all the radio and all the press within its borders, and that the expenditures which are made for those purposes are much greater than our Government expenditures for similar purposes. However, I would question whether they are as much as the expenditures made by our own private-enterprise magazines, newspapers, chain broadcasters, and so forth. The Soviet Government controls everything; the United States Government controls only its own employees, and we hope to keep our own situation that way. We hope to have the publishers of magazines like Look, Newsweek, and Time continue to operate on their own. But if we add the cost of our own free-enterprise services, I have no doubt that our information program would compare favorably with that of the Soviet.

Mr. THYE. If the Senator will yield the floor, then I will happily go on in my own right.

Mr. DIRKSEN. I have previously sought recognition.

Mr. THYE. Then I should like to have the Senator from Texas yield to me for another minute, because he has made mention of the Minneapolis Star and Tribune. I should like to read an editorial which was published in that newspaper today.

Mr. JOHNSON of Texas. Will the Senator from Minnesota do that in his own time? I shall be glad to listen to the Senator, but he can do that in his own time. I have no doubt that the

Minneapolis Star Tribune will speak approvingly of this administration. I have read it enough to know that. If the Senator will read the article in his own time, I will be glad to yield the floor to him then and listen to him. I do not want to stand on my feet while the Senator reads articles from newspapers, in view of the Senator's own admonition to me.

Mr. THYE. I say "Thank you" to the Senator.

Mr. CLARK. Mr. President, will the Senator yield?

Mr. JOHNSON of Texas. I yield to my friend from Pennsylvania.

Mr. CLARK. I have not had an opportunity to read the hearings. I may say to the Senator from Texas that I made every endeavor, through the efforts of my staff yesterday, to get both the committee report and the committee hearings, but I was unable to obtain them. Perhaps I am not so astute as I should be.

Mr. JOHNSON of Texas. If the Senator from Pennsylvania had asked the Senator from Texas, I would have made certain that the Senator from Pennsylvania received copies of them, because I am aware of the interest which the Senator has in this program.

Mr. CLARK. I have the greatest respect for the ability of the Senator from Texas as chairman of the subcommittee; therefore I can express, mostly on faith, my position in the matter.

Mr. JOHNSON of Texas. I appreciate the confidence which the Senator from Pennsylvania has in me.

Mr. CLARK. I thank the Senator from Texas.

Do I correctly understand that in the Senator's view—and I think it is the unanimous view of the committee—it is possible for this agency to curtail its expenditures in Germany, Italy, France, and England without danger to the national security and without adversely affecting our relationships with those countries? Am I correct in expressing what I understand to be the Senator's view?

Mr. JOHNSON of Texas. Not only do I think the expenditures can be curtailed, but I think they should be. I think that by curtailing the expenditures in those areas and placing greater emphasis on the more critical areas, a great public service will be performed.

Mr. CLARK. I take it that the Senator's view is that our relationships with those countries under the present administration's leadership, particularly with respect to what has recently occurred in the Middle East, is not such a serious matter that it requires any assistance in reaffirming those relationships through the USIA?

Mr. JOHNSON of Texas. I do not agree that there is no need to examine all the relationships we have and to do all we can to cultivate them. I would not want to leave the impression, however, that the great men who head our embassies in those countries—Mr. Bruce, in Germany, and others of his type—are not much better equipped and qualified by experience and training to do whatever job of public relations and diplomacy it is necessary to do, than are some of the persons the Senator from Texas has observed in the operation of this program.

Mr. CLARK. Perhaps it is the Senator's view that our ambassadors in England, France, and Italy, despite the fact that they are of the opposite political party from that of the Senator from Texas and myself, do not need the assistance of Mr. Larson and his Agency in refurbishing our relationships with those countries; and that, therefore, the work of the Agency can be shifted to Asia and Africa, where the expenditures are more desirable.

Mr. JOHNSON of Texas. The Senator from Pennsylvania is a man of discernment. I think he has expressed my viewpoint perhaps better than I can express it myself. That is my feeling; that is my view. That was my feeling last year. I have not referred to my statement at that time, but I said on the floor last year, to Senators, the Senator from Louisiana [Mr. ELLENDER], for instance, that I did not believe we ought to make any further reductions because the things of which we complained would be, I thought, rectified, and I thought we could have a shift of emphasis.

But I did not approve of all the huge staffs which were going into the European setups—more than half of them—and into the library setups. I thought the low-cost books were very necessary to do a good job in those fields. But my own hopes were not borne out by the performance of Mr. Larson's Agency.

Mr. CLARK. I take it that the Senator from Texas, who I know is as conscientious as is any other Member of the Senate, or any other Member of the Congress, has considered the possibility that this cut in expenditures will give the Russians an undue advantage in their propaganda efforts throughout the world, and that the Senator is not sufficiently concerned with that effort so as to feel that this appropriation should be held at the level recommended by the head of the Agency, Mr. Larson.

Mr. JOHNSON of Texas. I am deeply concerned about everything which the Russian Government does. But I think our greatest defense is not in mimeographed handouts. I think there is a great field of activity for the USIA, and I wish to see it preserved. But I believe it can best be handled under a policy-making department, with the Secretary of State held strictly accountable. Congress has repeated and repeated and repeated that it would prefer to have the emphasis shifted to other areas, because of the need, and would prefer to have the Secretary of State supervise the operation. If the shift is not carried out, the Senator from Texas—if he is still here next year and is presenting the bill at that time—will attempt to have the Senate take action to bring it about.

Mr. CLARK. I thank the Senator from Texas. I hope that in the future it will be possible to have the testimony taken in the hearings available to all Members of the Senate, so they will be able to inform themselves regarding it, and will not have to subject the Senator in charge of the bill to questions such as the ones which have been asked.

Mr. JOHNSON of Texas. Mr. President, I welcome the questions. I personally arranged to have the hearings distributed to Members. Last Monday, I came to the floor and personally presented a copy of the hearings to the Senator from Delaware. The hearings were available, and I could have presented them to the Senator from Pennsylvania, and would have done so if I had known he wanted to have them. However, I did not know that he desired to have them. I apologize for not knowing that he did desire to have them.

Mr. NEUBERGER. Mr. President, will the Senator from Texas yield to me?

The PRESIDING OFFICER (Mr. MONRONEY in the chair). Does the Senator from Texas yield to the Senator from Oregon?

Mr. JOHNSON of Texas. I yield.

Mr. NEUBERGER. I should like to say that I do not wholly understand one statement which has been made quite often on the floor. In that connection, I have seen quoted in the press a statement by the Senator from Arkansas. I refer to the claim that the United States Information Service should not disseminate material among the cultured, informed, and educated people of Western Europe. I do not understand that position, I confess. Are we to conclude that the material issued by our Information Service is not designed for educated people? Is it designed only for backward nations? If so, perhaps we need a different overall concept entirely. I cannot understand why such material should not go to the people of Western Europe.

Mr. FULBRIGHT. Mr. President, will the Senator from Texas yield, so that I may make a comment at this point?

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may yield for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, a moment ago I said that of course a liberal program of cultural information of any kind is a good thing per se. The reason why I do not think it is necessary in this case is that if we are limited in the amount of money to be spent, certain countries—particularly France, England, Germany, and Italy—are older than the United States, and in many respects have a more highly developed culture, even if they are not so prosperous as we are. I think they know more about their culture than we do, and perhaps it would be presumptuous for the United States to attempt to inform the British people about the distinction between communism and democracy. I think the British people are quite able to make that distinction without having the United States participate in the process.

On the other hand, if we had an unlimited amount of money to spend and if there were no concern about the amount we spent, it would be perfectly all right with me to have the USIA have a librarian in every town in England. But in this case we have almost an

agreement that we will not vote to increase the total amount of the appropriation. Therefore, I followed a procedural priority—as explained earlier by the Senator from Massachusetts; and I agree with his statement—namely, that the number one place on which we should concentrate our efforts, within this overall budget, is the State Department. I thoroughly support that position, and I would be in favor of larger appropriations for that purpose, if anything, before I would agree that it is necessary for the United States to maintain libraries or other activities in the information field in Britain or in France.

Therefore, improvement of the Foreign Service, for example, and the appropriation of funds to be used to teach the Foreign Service officers foreign languages, should, in my opinion, receive the highest priority. Only 50 percent of our Foreign Service officers know one of the major foreign languages. I think that program should come first.

Furthermore, in the case of the sophisticated countries, I think the Exchange Program is far more acceptable to them and far more effective than the spreading of direct propaganda. If we are to engage in any propaganda at all, in the case of the countries of Western Europe, I believe it should be indirect propaganda.

My point is that since we have to make a choice in connection with the spending of money—in view of the limited amount—I would give the lowest priority to this item. On the other hand, I would not object to it, if we had unlimited amounts of money to spend.

Mr. NEUBERGER. Mr. President, soon after the Suez crisis developed last fall, I received letters from friends of mine with whom I served in World War II, and who now are in England. They have had considerable experience there. They know the people. They wrote to me that never before had they seen such strong and vehemently expressed anti-American feeling in England. Am I to assume that the activities of the United States Information Service are not of any effect or value in ameliorating that sort of situation?

Mr. FULBRIGHT. I would say the assumption of the Senator from Oregon is completely correct. The difficulty in the case of England and France arose out of a policy—subsequently a policy by the State Department. As I said a moment ago, I would give the highest priority to the improvement of the State Department, which is the policymaking organization, and is the one which directs this Agency. Certainly nothing that we can do by propaganda would overcome the difficulty which arose in Great Britain over the Suez situation. In fact, I think that if we were to attempt to do that by means of superficial propaganda, we would only make the matter worse. It would only make the situation worse if we were to assume that those people have no understanding and if we were to attempt to "kid" them about what happened in the Suez. We had a different opinion. I regret the difference, and I can criticize the policy which led to the difference. But I do not believe we can cure it by appropriating more funds for an agency which is a propaganda agency.

If we were to assume that a certain amount of propaganda would achieve the desired results, at least I believe that would be a false assumption. The situation is much more difficult than that. There is a great difference between so many bags of wheat and so many words of propaganda; they do not reach the same kind of result.

Mr. NEUBERGER. Except then, there is absolutely no limit to what might be developed on the floor of the Senate, if we were to state that it is the substantive policy of the United States Government, which is responsible for these situations, that information or propaganda or libraries, and so forth, have no impact on them. Some of us may say, for example, that the most effective thing we could do in the interest of our standing in Asia or Africa would be to take action in the field of civil-rights legislation, in view of the fact that most of the people of those areas are not white of skin.

I believe we must separate and keep apart the information service problem from the complete problem of substantive policy. If the United States Government, for better or for worse, decides that in the case of the Suez, we had a policy which was somewhat more friendly to Nasser than it was to our traditional allies, then I believe the United States Information Service might be of value in working in Western Europe to try, somehow, to prop up our deteriorating friendship with our traditional friends, such as Britain and France.

Mr. JOHNSON of Texas. Mr. President, I am not in disagreement with the Senator's position; I quite agree with him. I was in Europe immediately after the Suez crisis, as the Senator will remember. I saw our Ambassadors there active in the field; and I saw our United States Information Service in action too.

I point out to the Senator that the matter is one of degree. About half the total number of employees of the Service are in the European theater. There are some persons who believe that 3,000 employees are not required to do that job. I think most Senators—of both parties—who have visited the areas involved, and even members of the executive branch of the Government, have concluded that perhaps we have many too many persons in the European theater, and most of them believe that we have many too many in other theaters.

I agree with the Senator from Oregon in his conclusion that we must not turn our backs on Europe. I also understand the point of view of the Senator from Arkansas. But I am fearful that we shall wind up with the view which I sense prevails in the Congress. In other words, if we insist on increasing all programs and areas and on not abandoning or reducing any old ones, then, as new techniques are developed and as new fields are entered, unless we conserve our resources, so as to be able to apply them intelligently, I am fearful that the whole program will fall of its own weight. I may say to the Senator I am fearful that there is already considerable sentiment for a program that is not of the level that is recommended in this bill.

Mr. NEUBERGER. I thank the Senator.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable, I should like to yield the floor to the Senator from Illinois.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator from Illinois.

Mr. JOHNSON of Texas. Mr. President, if the yeas and nays are ordered on the committee amendment——

Mr. FULBRIGHT. The yeas and nays have been ordered.

Mr. JOHNSON of Texas. I shall wait until some Senator makes the request. The yeas and nays have been ordered on the bill, but not on the amendment.

The PRESIDING OFFICER. The yeas and nays have not been ordered on the pending amendment. The clerk will state the pending amendment.

The LEGISLATIVE CLERK. On page 33, in line 6, it is proposed to strike out "$105 million" and insert in lieu thereof "$89,100,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment. The Chair recognizes the Senator from Illinois.

Mr. DIRKSEN. Mr. President, before I make any general comments on the bill, I should like to take account of the colloquy which has occurred by saying the amount of money provided is not the measure of the efficacy of this kind of program. In the first place, I think the Senator from Massachusetts put it on the ground that at the least we ought to appropriate the equivalent of the 1957 appropriation. I think the Senator from Oregon had something of the same feeling about it.

Mr. President, I am only an amateur gardener and an amateur rose grower, but I have discovered that in proportion to the amount of wood that is cut out of hybrid roses, much better flowers result. In this field, I am anxious to get a very good flower, a very good effect, and that is not necessarily measured by whether the amount provided is $155 million or $140 million or $90 million, because it is a question of what kind of job the Agency is going to do.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. DIRKSEN. I should like to go on.

Mr. AIKEN. I should like to make a correction. The Senator made reference to getting better roses by cutting wood from the rose bushes. Sometimes if too much wood is cut from certain kinds of rose bushes, there will not be any roses.

Mr. DIRKSEN. That is true. I am talking about the kind of roses I grow.

First of all, I wish to thank the Senator from Texas for indicating that I was the defender of the President in his program. I felt highly honored. I trust I shall always be able——

Mr. JOHNSON of Texas. If the Senator will yield, I pointed out he was a very able advocate, not necessarily a defender, because a good general does not spend all his time defending; he spends much more time attacking.

Mr. DIRKSEN. I try to advocate. That does not mean I must accept every

suggestion made by the President. I know of the President's interest in this matter. I have discussed it with him on occasions. I know he conceives of this program as a great weapon or as a tool for waging peace. On that broad premise I agree with him entirely. I can, however, very respectfully disagree with him as to the amount of money involved, and I think we have indicated to him what the nature of the testimony was, how persuasive it was, and how reluctant the committee was to go to the levels that had been indicated.

So I say for myself, as a member of the subcommittee, I concur in the action of the subcommittee. I concur in the action of the full committee by which the bill comes to the Senate. I think in the main a redistribution of the money, within the framework——

Mr. JOHNSON of Texas. Mr. President, will the Senator yield? I dislike to interrupt the Senator, but, as the Senator knows, before the bill was marked up I spent some time in talking to the President and expressing my concern about the testimony.

Mr. DIRKSEN. Indeed so.

Mr. JOHNSON of Texas. I would say I discussed the entire situation with him at some length. I am not unaware of the President's viewpoint in the matter. He talked to the Secretary of State about it shortly after I talked to him, and the suggestion was made that perhaps the Secretary should come before the committee and testify. I shall not go into all the details, but the President has been kept informed of the feelings of the committee.

Mr. DIRKSEN. It must be said for the majority leader that he has spoken at length to the President about this matter. He has certainly conferred with me, the Senator from California [Mr. KNOWLAND], and others, from time to time. It was no surprise result that came when committee action was consummated.

I suppose our difficulty about the USIA comes about mainly from the fact that the United States and its people are not particularly propaganda minded. We do not quite understand it. We approach all world problems and our own problems free from propaganda. Then when there must be heavy outlay of money for that purpose, it becomes a little incomprehensible. That is why this whole program has had a stormy and tempestuous history.

I can go back to the old WPA days, when I was in the House of Representatives, and we were trying to sell a little culture to our own people. In those days we had drama groups going around the country. We had art clubs. Once we had a whole warehouse full of art, some about as hideous as anything I have ever seen, although there were some good pieces there also.

As I thought of the program, I remembered late at night, about 11 o'clock, on the floor of the House, I found it necessary to attack the appropriation of funds for the dramatic groups that were going about. I could not agree with what they were doing and the vehicles they were using. Having had a little stage flair myself once upon a time, I could not reconcile my conscience with the fact that public money was being expended to see dramas like Getting Gertie's Garter, Up in Mabel's Room, and and other bedroom farces by Avery Hopwood.

When we had some of the USIA people before the McCarthy committee, and previous to that, we had one witness who was a dramatist and who had written some plays. This took place in the Paris office. He was asked where he got his training. He said he was a disciple of Avery Hopwood.

In the 23 or 24 years I have been in one branch or the other of the Congress, selling culture, I have learned, becomes a difficult thing.

After we got over that phase and got into the war, we moved into the area where we set up the Office of War Information, which was under the direction of Elmer Davis, who did not have too good a reputation in some circles. I did not think too highly of some of his concepts. I thought he was a little leftish, but I was willing to give the devil his due.

I made a trip, at my own expense, to investigate the matter, in 1945, when the war was on. Mr. Davis gave me a letter to all his agencies all over the world. I sallied forth. I investigated all these things, and came back and defended Elmer Davis and his agency. It was a difficult thing to defend him on the floor of the House. Then, when Senator McKellar was chairman of the Appropriations Committee, I came to the Senate and defended Elmer Davis. Of course, the measure of his gratitude can be discerned from the fact that in the last election he was on a national committee to raise money to encompass my defeat. But I pass that by because it does not bother me particularly. It is simply a part of the history of the tempestuous agency.

We abolished the OWI, and pretty soon put the propaganda work into the State Department, under the Assistant Secretary of State for Public Affairs. Guess who the first director of that group was? Bless you all, it was our former colleague, William Benton of Connecticut, and publisher of the Encyclopedia Britannica. I remember the night he called me to his apartment in the Mayflower Hotel, because the members of the House Committee on Appropriations had piled on Bill Benton for the ghastly art he had bought with public funds, as a part of the cultural program. There were tears in his eyes as he importuned me to return to the House Appropriations Committee and talk to them, in the hope that his efforts might find better response.

When Mr. Benton left the State Department we had George Allen, then Edward Barrett, and then Howland Sargeant. Then finally we changed the title again, and we called it the United States International Information Administration, under Wilson Compton. Later he left, and Robert Johnson became the Administrator of the United States International Information Agency. I remember the difficulties Mr. Johnson had before the McCarthy committee as we went into personnel, the books on the shelves, and that sort of thing. So it was a part of the history. Then came Mr. Streibert, and then Mr. Larson. So we see in a short period of time how many different heads, how many guiding geniuses, there have been. So let us be a little generous with Mr. Larson.

Mr. Larson took a recess appointment in November. His nomination was confirmed on the 21st day of February. So actually he has been a confirmed official of the United States Information Agency for about 3 months. Show me the finite mind under God's canopy that can get any concept of this thing in 3 months, when it ramifies into 81 countries over the face of the earth, and I will "salaam" and bow down to such a man as a superman and a genius. It cannot be done.

Mr. Larson inherited his budget. It was made up actually before he got there. The original request, which was placed in the RECORD at my request by Mr. Larson, was for the amount of $155 million. It went to the House in the budget message as a request for $140 million, so we see that $15 million was exorcised from it before it ever got to the House. And it lost $5 million from that end of the Capitol to this end, when it came before the Senate subcommittee, because the revised request then was $135 million.

We did the best we could. We tried to see the forest rather than the trees. I have been on this floor every minute, I think, listening to the colloquies, and I am afraid we see the trees rather than the forest. I do not wish to measure this item particularly in terms of dollars, because if there is a difficulty and if the proof can be made that additional funds are necessary it will be easy indeed to present a request for a supplemental before Congress adjourns, or to come back for a supplemental or a deficiency early next year, to make sure that they have the wherewithal to do a good job, in the interest of waging peace, in consonance with the President's general objective.

I subscribe to the statement made by the majority leader. Incidentally, let me pay him a compliment. He overwhelms people with his charm. He amazes me with his background. He disconcerts the witnesses by his directness. He has an amazing instinct for going to the very heart of the problem. Then he has a capacity for moving a hearing forward. We might have been there 2 weeks from now, if it had not been for the genius the majority leader has for moving a hearing along, in order to not only get the information which is desired, but to finally get the bill to the floor. It is only a matter of 6 weeks until we shall come to June 30, which will be the end of the fiscal year. So I compliment the majority leader on the job he has done on this bill.

He pointed out that there was a certain rigidity about this program. It seems to me it could be more flexible. If we have hundreds of people in Paris and we do not need them there particularly, why could we not take the same people and move them to Saudi Arabia or Cairo, or wherever the need arises? I see no

necessity for a truly rigid pattern, except in some respects and on some items. But in the main, a larger degree of flexibility could account for a diminution in personnel and at the same time make this a very effective agency.

We learned a lesson from the last campaign. Do the distinguished Senators, particularly those on the other side, not know that when they were belaboring us so very freely, we had to call together some of our best talent and put them on an airplane, to follow some of the Democratic speakers in Cleveland or Los Angeles or Portland or Spokane? We gave them a title. We called them "The Truth Squads." We wanted them to spread the Republican gospel in those places where the Democrats were belaboring us so freely, in the interest of a party victory for themselves.

Maybe in the information field we need some truth squads and some selectivity as we go along. Then we might get comparable results, without a fantastic expenditure of money.

But, Mr. President, my principal reason for rising today is not to rehash all this matter, but rather to point out that this Agency is, in my judgment, a necessary adjunct of government. We discovered a few things in the last war. We had a psychological warfare branch. In other days, nothing was known about that. Certainly, when I was on the western front in World War I, I never heard of psychological warfare. A person was either up in the parapet, or he was at the end of an artillery lanyard somewhere about 4,000 meters behind the front, or up in a balloon basket spotting fire for the howitzers that were well behind. We knew nothing about psychological warfare. That is a development.

This program is, in a sense, psychological warfare of the cold war, because words are weapons no less than bullets. I recall, I think in a general way, back in the days of World War I, when Woodrow Wilson was the President, and he got George Creel to be the head of his informational service. One great thing about George Creel was that he used to cuff Congress around and make them like it. George Creel went on the theory that words would win the war. So he took the 14 points of Wilson and popularized them to such an extent that every German, and every other person in Europe, knew what the 14 points were.

A very fascinating book was written by a young man in the National Archives on Words That Won the War.

Now we come to the conclusion, in this rather feverish and tumultuous world, that words are weapons, words are ammunition. They are the ammunition of this kind of an agency, whether they are put on the screen or whether they are carried by intricate frequencies onto the air waves somewhere, or whether they are put on paper. Words, words, words. They, of course, are a part of the ammunition of the international Communist group, which would like to communize the whole wide world.

But I think we have to be selective about the words. It does not do any good to spread the printed word in a country where 90 percent of the people are illiterate. I wandered around through northern Vietnam. I was in Indochina when the war was going on there. I was told that only 7 or 8 percent of those people could read a word. If they could not read a word, why put reading matter in their hands? It would not do much good. But they can see a movie, and they can listen, in their own dialect, and they can understand a story. So there one makes a selective choice from among the various media in doing a job.

I saw the motion picture which was made concerning Ngo Dinh Diem, President of the South Vietnam Republic. I thought it was a superb thing. But to do only one good thing, and then fail in some other fields certainly does not justify the failure. It only means that Congress has the job of carefully going through the program, to see what is effective, where we can accomplish the greatest amount of good, and make this program an effective method.

A rather substantial sum for television is asked. However, judging from what I read in the hearings and the testimony which I heard, the program would be limited to about seven countries. The question is, Is the expenditure justified for seven countries?

Drawing on memory, I believe the answer was this is a new medium, a new weapon, and that we must get ready for it. But I am not sure that we must get ready for it in the amount proposed, and to the extent proposed right now. That points to a place where a bit of reduction in the budget can be made.

When this subject was before the full committee I took a specific approach. I considered all the items, and calculated how much could be cut from the item for press mediums, the missions, the staff support, and the program direction, item by item. That is how I arrived at the total of $96,500,000. I did not make the cuts with a cheese knife. I reached the conclusion, after totaling up what I thought could be taken out of every function and every purpose, that that was the proper figure.

But I am getting off the theme. We need this Agency today. Perhaps we did not need it before. It serves a very useful purpose. So the question is, What kind of orientation shall it have, and how much money shall it be given to implement that oriented viewpoint?

I am sure it is all right to sell culture to our friends ten or fifteen thousand miles from here, wherever it may be, depending upon which way we travel. But I would rather operate in the creature medium, because, as Thoreau once said, there are certain things which go to make up what he called vital heat. Those are the great impelling forces.

First, there is clothing, to conserve the heat of the body; next, shelter or habitation, to conserve heat; then food, to generate heat in the body.

What have we there? Shelter, food, and clothing are three items. There are others. Those are creature comforts, and people can understand them. If we could dress our ideas somewhat around those motives, I believe we would have a more effective program.

I learned long ago, right or wrong, that when one rises to make a speech he should decide what he is attempting to do with an audience, and what kind of appeal he is trying to make. The appeal must necessarily be on the basis of the thing which most intensely moves the individual.

The first thing is self-preservation, the preservation of a person and his family. If we want to appeal to the people with whom we are dealing, we should base the appeal on the ground of self-preservation. We should say to them, "You are in danger from the Red menace." That is the impelling force. The appeal should be dressed around it.

What else? There is property. That is only a general item, but it testifies to the acquisitive instincts all of us have, to acquire a little property, a competence against a rainy day. How should that appeal be dressed up? By showing what can be done in an atmosphere of freedom, as contrasted with a police state, where the individual is not permitted to own property, or to earn enough in a lifetime to acquire it.

Those are basic appeals. I would rather proceed on that basis than on the basis of some of the things in the bill. I do not know how much value there is in the magazine which looks a little like Life. Permission was given to circulate 50,000 copies in the Soviet Union. I have an idea that many people in the Soviet Union go to bed with a thin supper at night. If they could get the message as to what a free country does by way of building up the creature comforts of its people, such a program would strike at the heart of the problem.

Next, I would place great emphasis on disarmament. If we could ever get the world in a frame of mind in which it would accept a disarmament program, think of the relief from the burdens upon people in all parts of the world, including our own. We are spending $41 billion for national security and atomic energy. I suppose if we add the foreign aid program, the amount is even greater. It is about 60 percent of the budget. What a welcome relief we could provide if we could cut that load by only one-third. It seems to me that is a point of interest.

I tried the best I could to hear the story from the lips of the witnesses, and to get it from Mr. Larson, if possible. However, I am afraid that it was too adeptly presented. Under the circumstances, I felt, in the light of the President's abiding interest in this program, that I could still go along with the amount of money proposed to be provided, even though the figure at which I finally arrived was $96,500,000.

Let us give Mr. Larson a little longer time. He has been on the job for only a little while. My heart bleeds for him, in a way, because he comes into this Agency as a newcomer. He has had no opportunity to survey all the operations of the Agency in every section of the world. If he had had such an opportunity, I am sure he could have done an infinitely better job. But we can go along with the $90 million proposed for this purpose, and if a case can be made to show that more money is needed, a supplemental appropriation can be requested.

I must make one personal allusion. When the majority leader was directing a rather spirited series of questions at Mr. Larson, and he was fumbling for an answer, I said, "Mr. Larson, at the risk of being offensive to the majority leader, and at the risk of being invidious, if I were to answer that question, I would set up a little chronological table. I would go back to 1953. I would call attention to the imbroglio in Indochina, and the Battle of Dienbienphu, with the Communist horde rushing in from the north. I would emphasize the necessity for building up some kind of resistance on the part of the people in southern Vietnam. I would bring up the Polish uprising and the Hungarian uprising. I would mention the difficulty which centered upon Suez. I would build up every one of those events, year by year, and then show how necessary it was to get properly to peoples in various parts of the world the American story on issues and items which increase the tension of people in every section of the world."

But my suggestion was lost, and, so far as I know, such a chronology did not appear. Certainly we tried to be helpful to Mr. Larson, because he is a very attractive, restrained, affable person. He never lost his temper at any time. He made a general statement that was quite good; but when it came to filling in, he was in difficulties. I am afraid he had not yet learned the dexterity which so many good people have in passing the ball to some subordinate, by saying, "Mr. Chairman, I can answer that question, but I will ask Mr. Jones to do so, because he is engaged in that line and he has the answer." In due course he will learn that technique, and it will keep him out of difficulties.

Given a little time, things will work out all right. I think Mr. Larson deserves a pat on the back for the very restrained way in which he sat there day after day for long days under quizzing, first from one Senator and then another. There sat 8 or 10 Senators on the committee, with their minds in repose and thinking up questions, while the witness' mind was thinking up the answers. Naturally, eight men can keep ahead of one. So he was at a little disadvantage mainly because of his inexperience in this field.

But I am done with it. I trust the bill will have the general approval of the Senate.

I should like to make one other allusion. I note that my distinguished friend, the Senator from Arkansas, is in the Chamber, and I am glad that he is. We do not quite see eye to eye on the question of the educational exchange program, but I recognize the value of sending American researchers and leaders and students abroad, and of having foreign students and leaders come here. However, I must point out that there are many thousands who go on their own account without any aid whatever from Government. The figures I got from downtown indicate that as of the 31st of December, I believe, 782 foreign teachers and researchers, 6,033 foreign doctors in United States hospitals, and 36,449 foreign students came to the United States. That would add up to a total of 43,264.

We had abroad 9,457 students and 1,275 teachers and researchers, or a total of 10,732.

I asked Mr. Riley a question on that point. It appears in the hearings. I said:

> On the basis of your figures, that means that roughly nine times or more students on their own come to the United States than are sponsored under these programs?

Mr. Riley, who made a splendid witness, said:

> Yes, sir; that it true.

In the 8 years since 1949 the whole program has accounted for about 45,000.

I have alluded to the figures for only one reason. I did not give them undue emphasis. I was willing to go along with the House amount, and not necessarily restore the funds that were finally restored, but it has been done, and I accept the decision, and I go along with the program.

It is necessary to point out that we have these thousands of students and doctors and researchers and teachers, plus the fact that an estimated 700,000 Americans are going to ask for passports in fiscal year 1958. If that cannot make a hole in the world's thinking, then I am sure no student program is ever going to pull us out of the situation. I recognize the fact, and I stated it, that these students are selected on the basis of who can make an impact upon those with whom they associate in the schools. I do not mean to demean it at all, but I try to keep it in proper perspective. If it had been for me to do, I would have cut the amount down to the House figure.

I end up where I began. I merely wish to emphasize the fact that the United States Information Agency must be made to work.

We can throw up an instance like subscribing, out of the Agency's funds, for the New York Times and the New York Herald Tribune and distributing the newspapers freely on a subscription basis to every member of Parliament. That makes a good headline. It still does not answer the problem of an effective and able information agency which will not try to sell all that America does, but will pick out the big and important things that mean so much to the hearts and minds of people everywhere in the world, and put the emphasis there.

If they do that, we can do it with fewer people and less money, and have a tremendous influence in every corner of the world.

I yield the floor.

Mr. JAVITS obtained the floor.

Mr. COOPER. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. JAVITS. I yield for that purpose.

Mr. COOPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). The Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. COOPER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. JAVITS. Mr. President, I rise to speak in opposition to the amendment which is now before the Senate. I think the parliamentary situation is very important, and I sincerely hope that Senators will at least concern themselves with that, so that we may know just exactly what it is.

At my request, the particular amendment which we are considering was passed over and was not one of those adopted en bloc. Hence, it was unnecessary for me to move to raise the figure recommended by the Senate committee to the figure actually voted by the House. On the contrary, the bill now under consideration specifies the figure adopted by the House, and only if the committee amendment shall be agreed to will the amount be cut. In other words, Senators who vote "Yea" will be supporting the committee in cutting the figure which the House has adopted.

I emphasize this because I think it has a very real bearing upon the whole issue, and that we have a right to ask ourselves, Why this very extensive debate? Why this deep interest in the United States Information Agency, which has already been cut very materially by the House of Representatives, some $35 million, almost a third of what was recommended by the President? Why, suddenly, a further cut of approximately 15 percent? And why so much interest in this Agency?

I think we can have only theories, but I believe in this one. This is the first of the so-called international programs. I think it involves peculiarly the matters of security upon which the President has placed the greatest emphasis in presenting his program to the country. He said as much last night. Essentially, he asked the people of the country, Do you or do you not rely on me in terms of the country's security? He emphasized that he considered the program of the United States Information Agency essential to his responsibility for the country's security.

So I think we are dealing with this Agency in such a specific way because the President has made a big point of it; second, because it is the first of the international programs and, in my opinion, will set the tone to measure what will happen to technical assistance, foreign aid, and, yes, even military assistance.

Finally, I think perhaps the Director of this Agency has been guilty of what some may consider the greatest transgression of all—one which seems to get some people very much upset—namely, his effort to help to get my party to meet the problems of today. He may not be its advocate or high priest, but he has sought to modernize it. And I do not think that is any reason for "taking it out" on the Agency which he heads.

There are some very fundamental principles which we must all recognize. We have heard argument on the floor to the effect that we are trying a court case, and that the witnesses who appeared before the Appropriations subcommittee had not made a good case. I hasten to demur. We are not trying a law case. We are just as responsible for the security of the country as are Mr. Larson and his aids. Mr. Larson

might have made out the worst case possible; but we might still have given him more money than he asked for if we thought his Agency needed the money.

We might even raise a clamor in this Chamber as we have before about others, if we believed Mr. Larson is not a very good Director and should be removed—but even if that were so—and it is not—that is no reason for crippling an agency which has a job to do in the interest of the United States.

This country has a republican form of government. Are we recording machines, which simply stamp "yea" or "nay," depending upon the volume of our mail or upon the results of the latest opinion poll? Or are we men and women sent to Congress to protect the interests of the country because we have the intestinal fortitude to do it?

Nobody respects the people more than I do. I have talked to the voters all my political life as intelligent and informed men and women. I feel the voter who trusts me does so because he knows there will be occasions when I will rise and speak exactly as I am now speaking.

Certainly, we are getting a large amount of mail on the budget, and it is very important that we pay attention to it, but that does not mean we have to guide our actions absolutely and irrevocably by it. We are also here to decide these questions according to our own best judgment in the interest of the country. I think the very issue we are now facing is the first real test of our responsibility in this regard.

Only last Monday a $3 billion appropriation bill passed the Senate; it whisked through; very few Senators seemed to pay any special attention to it.

Yet this bill involves a total of $563 million, and slightly under $100 million is involved in the USIA portion of the bill. It involves a further cut from that made in the House by the Senate committee. There are far more reasons for it, as I said when I began, than the amount which is here involved.

I have been in the Congress before. I spent 8 years in the House, as a member of the Committee on Foreign Affairs. I know something about the USIA. I have defended it before. I have also voted critically of it before, when that was required. So I am not ready to say I know nothing about it; that only the committee understands it. There are a few things in the record which have not been mentioned, but which are very important. I do not want to appear presumptuous; but I think one has to face the facts and rely on the facts, so let us talk about the facts. I am more than anxious to do so.

Many of us have slept in a bed with a small blanket. We know that when the weather is very cold, if the blanket does not fit, either our feet or our head will get cold. That is exactly what the present argument constantly makes me think of. We can give this Agency a very small amount of money; we can give it only $75 million or only $60 million. The Agency will get along with any amount—it must. But so small an amount will not enable it to do the job it should do.

Furthermore, Mr. President, are we living in a vacuum, or are we taking cognizance of the actual situation? Are we going to ask people to choose whether they want to use Colgate or Ipana; or are we competing with—and many of the Members of Congress are saying it all the time—as duplicitous, crafty, and as evil a form of government as the world has ever known?

When it comes to propaganda or to information-service activities, is that government spending $90 million? That amount is just chicken feed, compared to what the Soviets are spending in that field; and all of us know it. The Kremlin will spend on the Soviet information service, not $90 million, but many times that amount—it is estimated to be spending perhaps $1 billion—but it would spend $2 billion or $3 billion and will, if necessary, cut the standard of living of every Russian to do it—I think we know that, too.

Therefore, Mr. President, I think the appropriation the Congress makes in this field is most important; it is basic. But the appropriation our Government is actually making in this field is shockingly small.

Let me present some facts about what the Russians are doing. Thus far, there has been considerable discussion of what the United States is doing and about the policy of the United States. At this time let us consider what the Russians are doing.

The Russians, for their propaganda campaign, first are engaged in an effort to discredit all over the world the nuclear tests our own and other nations are making. The Russians are trying to make a monkey out of the Government of the United States, by attempting to show that by the threat of fallout and other means, the United States is an enemy of innocent people. The Russians are pushing their campaign in every nook and cranny of the world; and they do not mind if they spend money in that connection, either; and if the Russians thought they could help their efforts in that connection by the use of jazz bands, they would, you may be sure, use a dozen jazz bands.

In the second place, the Russians are engaging in a big campaign which they call anticolonialism, but which fundamentally is anti-United Statesism. In that campaign the Russians say the United States is the friend of colonial powers, that we are joining colonial powers, and that therefore the United States is the imperialistic exploiter of colonial peoples; and, that the United States is putting on the mantle which Great Britain and France have relinquished; this is phoney we know but it is the propaganda which is being put out.

Third, the Russians are engaging in a big campaign to unify Germany—but to unify Germany how? To unify Germany with free elections? Oh, no, the Russians wish to unify Germany under a Communist government; making it neutralist in the meantime. I have been in West Germany many times, as have other Members of Congress; and the Russians are making progress, for there are some Germans who think that might be a good idea, in that it would open up the entire Iron Curtain Eastern market for Germany.

One of my colleagues asked what we are spending money for, in West Germany. One of the expenditures the USIA makes in West Germany is $3 million for RIAS, the radio station in our sector of Berlin, which is described as one of the most effective mediums we have in all our armory for dealing with the Soviet attack in East Germany.

In addition—and this not my appraisal; it is the appraisal of the expert the Appropriations Committee had survey the situation—although we have heard of a great deal about the spending of some thousands of dollars in Ethiopia and the spending of $1,500 in Mexico City, yet, Mr. President, we are spending something like $25 million on the USIA program in Western Europe. However, we have not heard anything about that. Let us see what the Senate committee expert found on that subject. In that connection, I refer to page 449 of the hearings, where we find the so-called Cotter report. The first sentence reads as follows:

> The overall impression of the Appropriations staff is that USIS is performing a very essential function in Western Europe, and is performing it in a satisfactory manner.

That is the report, which is to be found right in the committee hearings, on the basis of which we are asked to act.

Now let us continue to consider the list of the things the Soviets are doing:

The Soviets are backing, as all of us know, the propaganda of Egypt; and Egypt's design is nothing less than to subvert to neutralism, and in my opinion that would mean ultimately to communism—that is my opinion of the ultimate result of such action—the whole of Africa; and that campaign is very active, as all of us know, not only in the Arab countries, but also in the Sudan, in Somaliland, and in other parts of Africa. Let us remember that one of the efforts the USIA wishes to make, and one of the purposes for which it has requested appropriations—and, Mr. President, let me point out that much of the discussion there today was, not about what the Agency is doing, but about what it wishes to do—is to combat that campaign on the part of the Russians.

In that connection, let me point out that, rather than attempt to make a reduction in the amount requested by the President, the present attempt is to have the Senate make a reduction in the appropriation voted by the House of Representatives, which already is one-third smaller than the appropriation requested by the President. And, Mr. President, as the Senator from Massachusetts has already pointed out, the Agency is already being cut by the House approximately $10 million below the amount available for its operations this year.

Furthermore, Mr. President, an effort is being made by the Soviet Union to seduce the entire Indian subcontinent; that effort is being made by an economic, technical assistance, and cultural offensive. Literally hundreds of

Soviet representatives—students, professors, artists, and so forth—are marching up and down the length and breadth of India, Afghanistan, Pakistan, and Ceylon, trying to convert people to the Soviet ideology. My wife and I were there only 5 or 6 months ago, and the whole place is just running over with representatives of the Soviet Union and Communist China. The Soviets do not hesitate to spend money there—for instance $100 million in economic aid to Afghanistan, a relatively sparsely settled and pastoral country. The Russians think that worthwhile, but evidently we do not think it worthwhile to spend $105 million for the whole USIA everywhere in the world.

Furthermore, the Soviets are trying to bribe Japan into submission to it in this case by dangling before it trade with Red China. The Russians are trying to induce Japanese businessmen to believe that to go along with Red China, in the field of trade, is worthwhile. Of course, as the members of the Foreign Relations Committee know, I believe the estimate about the basic trade imbalance in the case of the present Japanese economy goes up as high as $800 million. The Russians are seeking to persuade the Japanese that the way to make up for a big imbalance is to engage in trade with Red China. In that way the Russians hope to get the Japanese into the Communist or at least the neutralist camp. The United States Government is aware of the Japanese economy's position of imbalance, which has been existing for a period of years.

Furthermore, by means of propaganda the Soviet Union is trying to enlist the overseas Chinese on its side—those in Thailand, the Malay Peninsula, and Indonesia—in order to make them a threat to those governments—they are trying even though happily they are not succeeding. However, in Indonesia, the Soviet effort is causing much mischief today. Again, that is an area of the world in which my wife and I have traveled in Thailand and other points recently.

Thus far, Mr. President, I have referred to some of the situations in lands somewhat distant from the United States. Now let us consider the difficulties closer to home. We have seen widely advertised in the newspapers a new trade and cultural offensive by the Russians in Latin America. The Russians are doing that because they think that in that way they will threaten us on our home ground. Again, that is a tremendous propaganda effort. The Russians do not hesitate to spend large amounts on any program which they think will do them any good.

On the other hand, Mr. President, what have we to exploit, in terms of the arguments for our own side? Those arguments are as follows, as I see them: First, the de-Stalinization program undertaken by the Soviet Union, thus being a recognition of its own errors—though it claims infallibility and its own barbarities to its own people. Second, what has happened in Hungary and in Poland. Third, the transactions of the Soviet Union in the Mid-East, especially the furnishing of arms to Egypt, and the effort to subvert Syria. Fourth, the fact that the Soviet Union itself is undertaking enormous nuclear tests, and is not at all worried about fallout or anything else in that connection, it is engaging in those tests without giving notice to anyone else—thus showing, by its own actions, the fraud of the arguments it makes against the United States. All these things, if they are to be properly exploited, must be made public in some fashion. The story must be told. The only agency we have that is effectively organized to tell it, in terms of the policy of the United States Government, is the USIA.

I heard the argument that the USIA engages in wireless service, in giving press service such as the Associated Press and the United Press and the International News Service give to foreign nations.

Again, I think the facts are very illuminating, and here they are: There is what is called the USIA wireless file. The file is essentially made available where American commercial wire services are not available. Let us consider some countries in which they are not available at all: Iran, Iraq, Morocco, Afghanistan—all very important countries, insofar as we are concerned, in the cold war. Second, the USIA file is made available to newspapers which cannot afford to buy them directly. Let us consider that point for a moment. In India there are a reported 5,000 newspapers and magazines. Yet only one of them I am advised subscribes to an American wire service. Many of the others are serviced through the USIA.

The final question which has been asked is what is really important in the case of the services of the USIA. What will it do with the money Congress appropriates for it; and, on the other hand, where will the cuts hurt?

I should like to discuss these points for a moment.

In the first place, we have heard a good deal about something called the presentation program. It is the presentation of books and periodicals to opinion-makers throughout the world; and in round figures it costs approximately $2,500,000.

Mr. President, I think my colleagues ought to think very, very seriously about that $2½ million. They ought to ask whether we can make any better investment than in encyclopedias for local colleges and universities, and in other informed books of American policy for those who make and lead public opinion, which, in the main, they cannot either afford to or, as a matter of disposition will not buy for themselves.

Two and a half million dollars, mind you, Mr. President, and we are talking about a $72 billion budget.

Secondly, we spend about $10 million in the press service which I have described, and which also includes the publication of the mazagine America Illustrated, which is published for distribution behind the Iron Curtain, and which it was proposed to expand in terms of several other languages in several other satellite countries. The Russians do not have to worry about any such matters. The Russians are publishing their slick-paper magazine right here, for sale on every newsstand.

Next, we are spending about $25 million in friendly countries in West Europe. It is very interesting that only we, the richest nation on earth, seem to worry and be terribly aggravated about locating an information agency in a friendly country, because every one of my colleagues knows that the British nation, which is a much poorer nation than we are, is nevertheless willing to spend over a million dollars in running its information service in this country.

How often do we read about the fact that the United States is misunderstood in Great Britain and France, that they do not understand our policy, that we ought to find some way of getting the true story to them, that the ordinary news services do not convey it? Yet we have heard advocated a cutting into the bone—indeed, into the very heart—of that program by cutting out the information service in Europe, where we have our most devoted allies, and sending the personnel to Africa and Asia, where of course they are needed, but not to the exclusion of our European allies.

We always assume there are Communists behind the Iron Curtain, but there are Communists in front of the Iron Curtain, too. It is interesting to note that 25 percent of the vote cast in France was for the Communist Party. Indeed, it is I believe the largest single voting bloc of one party in the French Chamber of Deputies. In Italy there is roughly the same percentage as in France. Twenty-three percent of the vote at the last general election was cast for the Communists.

So I think we are only fooling ourselves. One of the persons in my office coined a very good phrase in relation to this matter: "We may be slashing at our vocal cords by cutting what is a relatively modest sum considering the budget out of the USIA, but we ought to be careful we do not cut our throat, too, in the process."

The item of $190,500 came in for a lot of criticism because it represents the cost of information service given right here in the United States of America. A big argument was made to the effect that we should not waste our substance in telling Americans about this particular Agency. I think here today we have found out why it is necessary. One hundred and ninety thousand dollars is a small sum for any substantial business—and this is a business enterprise in operation, in essence—to tell the people who are going to support it about itself. From what I have seen today, the amount should probably be more—as, apparently, the story has not gotten across at all. Without picking out flyspecks, which can be done with respect to any agency, let us look at the press service item involving about $11 million, again. When I was in the House of Representatives, we used to hear, in the late 1940's and early 1950's, the following: "If only the United States Information Agency would do like the British Information Agency does, and confine

itself to handouts and broadcasts on Government policy, and be essentially the official news agency of the Government." This was constantly reiterated as the true, pure, proper function of the USIA. Yet, as soon as they propose to do that, we propose to hit them on the head, and we say, "No, that is wrong, too."

In summary, we are dealing with a very important matter. We are dealing with a matter which the President has stated is very important to our national security. He is the President of all of us. His word is entitled to great weight with us, particularly on security. Certainly, he is responsible for the security of our country, which is neither Republican nor Democratic. The President said it was the worst economy the House made when it cut the amount to $105 million. Yet, in the face of the fact that the President says this matter involves one of the three key areas—military, economic, informational—we propose to cut this item, here in this Chamber, by another $15 million. When one looks at the perspective of the area involved, this should be out of the question.

I beg our colleagues to remember when the $35 billion appropriation bill for military equipment comes before us, to see how much time, in relation to the time being spent now, how much effort, will be lavished toward cutting say a billion out of that appropriation, which compared with the $15 million cut proposed now, and the long, arduous, and vigorous debate which has ensued.

No, Mr. President; for myself, I shall vote "no" on the committee amendment, because my people sent me here to use my head. I think even dollars critical as they are, are yet less important to the people of my State than are the lives of their sons. I believe in casting my vote. I shall be casting that vote in such a way as to help with that national security which will protect the lives of their sons.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota [Mr. THYE] is recognized.

Mr. THYE. Mr. President, if Senators wish to ask questions of the Senator from New York, I shall yield for that purpose.

Mr. BUSH. Mr. President, will the Senator from Minnesota yield to me?

Mr. THYE. I yield, provided I do not lose the floor.

Mr. BUSH. I wish to make a few observations and ask a question, but first I do wish to congratulate the Senator from New York on his very excellent presentation and argument in opposition to the cut which is recommended by the committee. I wish to associate myself with him in practically all he has said, and to associate myself with the views he has expressed, and to congratulate him on the information which he has given the Senate regarding the importance of the recommendation by the President of the United States with respect to his budget.

If the Senate votes to defeat the committee amendment, it will simply be voting to accept a figure, as presented to us by the House, of $105 million, which is $35 million less than was asked for in the budget of the President of the United States.

I agree with the Senator when he asks the Senate the question, How many bills will come to the Senate, of an appropriation nature, that will take a cut of nearly one-third of what the President has asked for in his budget?

I agree with the Senator, too, that at a time when our mortal enemies are stepping up their propaganda machine, and stepping up the cold war, realizing they have no chance in their dream of world domination in any other way, it would seem very foolish for the Senate to send out the signal that this country is reducing its offensive with respect to the cold war in the field of education and propaganda.

I want to conclude my observations by again saying to the Senator I wholeheartedly agree with what he has said, and I congratulate him on his presentation.

Mr. CASE of New Jersey. Mr. President——

Mr. THYE. Mr. President, I would be happy to permit the Senator from New York to answer a question which might be propounded to him by the distinguished Senator from New Jersey, provided I do not lose the floor.

Mr. JAVITS. Mr. President, will the Chair kindly enlighten us as to who has the floor?

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. CASE of New Jersey. Mr. President, will the Senator yield?

Mr. THYE. I yield to the Senator from New Jersey.

Mr. CASE of New Jersey. I wish to commend the Senator from New York for his extraordinarily fine presentation. I think several of the points he has made deserve reemphasis.

The first is that I am glad that he, like me, does not accept the assumption that the House figure is the top limit of an appropriation bill. It seems to me that for the Senate to take that position, particularly on matters of this sort, will stultify our whole purpose in being here as a legislative body. I, for one, must insist that we not take that position and not act as if we were limited by the amount the House has put in an appropriation bill. This is particularly important because of the practice which has been followed in the past, where rather indiscriminate cuts have been made by the House, every Member of the House knowing that a proper figure would be restored by the Senate.

Secondly, I should like to point out, in agreement with the Senator from New York, that for us, after less than a day of debate, with a page and a half of a report, on the basis of a record which we first obtained today, containing some 1,249 pages of testimony, much of it in small type, and which none of us has been able even to begin to read, to cut the heart out of an agency which is vital to this country's interests, is almost irresponsible.

I would say that despite the efforts of the chairman of the subcommittee to give a picture—and he stood long on his feet, which is why I did not feel it would be proper to interrupt to question him—there was very little, if anything, of substance said in justification of these cuts. As the Senator from New York has said, there were relatively trivial items and incidents put forth as justification for cutting the heart out of this appropriation which is so vital to our interest, such as the use of a jazz band, and the fact that one man in Ethiopia takes care of two newspapers. That is why we must have a man in Ethiopia, because there are only two newspapers there. Otherwise, how can we tell our story and get across an effective story to those people? There were also such matters as criticism of the Director for making a speech, when he had promised to make it long before he was made Director of the Agency, and the claim that he made a poor presentation.

As the Senator from New York so well pointed out, we are not a court determining the relative merits of the presentation of a case by an agency. This is the Senate of the United States, on the basis of all information available to it and its own judgment, passing upon what is best for the interest of the country.

Mr. President, I suggest that a presentation has not been made to the Senate which would justify the action that is proposed to be taken here.

I wish to thank the Senator from New York for speaking so forcefully and so very much to the point on the issues before us today.

Mr. JAVITS. I am deeply indebted to my colleague for his very gracious comments.

Mr. COOPER. Mr. President, I ask for the yeas and nays on the committee amendment.

Mr. JOHNSON of Texas. Mr. President, I hope we can have the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. THYE. Mr. President, what we are endeavoring to do today as a nation is to win to our side the peoples throughout the world. It will either be the United States or the Soviet Union to whom people will look or turn. We today are the leaders insofar as the people of the world who seek to remain free are concerned. In the event we should fail, Mr. President, the ultimate result will be the use of military force to suppress an aggressor or to win the point for these free people.

If we unleash atomic warfare, guided missiles, and all the devastation which we know that atomic forces can bring to mankind, there is no telling what damage civilization will suffer. For that reason, Mr. President, we have conceived of this information activity on the part of the United States to try to convey to the people who do not understand us that we are not warmongers and that we are not governed by a capitalistic system which suppresses people and destroys the privileges.

We, by use of this information service, are trying to give to the people of the world who do not understand and know our system of government some information about how it operates.

I visited Bangkok, Mr. President, when an international trade fair was being shown there in 1953. The Russians had a most impressive exhibit.

The United States had a very, very poor exhibit. It was not even comparable to an exhibition in a little local county fair in any community.

Mr. President, when that was called to the attention of the President and called to the attention of the Congress, the funds necessary to participate in international trade fairs and to show what America is and what America can produce, actually the true story of the accomplishment of our American industrial output, were immediately appropriated. Russia then ceased to compete with us in many international trade fairs. That was an example of the use of less than $5 million to advertise American accomplishments in the eyes of the Orient and in the eyes of foreigners who did not know anything about us.

That day in Bangkok, after I watched hundreds of people of that nation pass through the Soviet exhibit, looking at the magnificently displayed instruments and tools, as well as Soviet cultural accomplishment in music and the arts, I went out into the back of the exhibit yard. There I found two-row cotton pickers, four-row corn planters, and big roadbuilding equipment on exhibit, and I observed the natives of Thailand stand there and look at this machinery. Then they went over and looked at the American exhibit a few blocks away, stood and shook their heads, and finally went back to look at the Russian exhibit.

For that reason, Mr. President, I have supported the appropriations for international trade fairs. It is for that reason that I have supported the appropriations for the Voice of America or the Information Service. Either we shall win the minds and the hearts of the people of Asia, India, and the Middle East, or they will turn to communism. If they turn to communism our grandchildren may be the ones who will have to man the atomic guided missiles or they may be the ones who will manipulate the marine vessels which are powered with atomic energy, all going forth to destroy mankind. I do not wish to have my grandchildren subjected to that kind of warfare if by the appropriation of a few million dollars here today I can in some manner hold back the Soviet threat while mankind learns how to live in peace, and people learn to respect each other's rights.

The student-exchange program is permitting the students of all the nations of the world to come together. The student who comes from Asia, the Middle East, or the Scandinavian countries to visit America associates with the students in all our universities and colleges, but in the first few months he is confused. When we talk to any university president or talk to any professor we get the same answer. The student is confused by what he sees. He thinks that Americans are anything but what they are. After a few months the foreign student warms up to the American students on the campus and soon they are walking arm in arm. Then he says, "We cannot understand you Americans. You are wealthy in your dress. You are wealthy in your homes. You are wealthy in the automobiles you drive. But you are industrious and you are willing to work hard with your hands."

Mr. President, these foreign students begin to admire the American capitalist system of free enterprise. They go back home and tell their people what they have seen. I have seen foreign students come here and go back home with the expression, "If we could rebuild our economy and our country into something comparable to the American economy and the American way of life, what greater pleasure could we expect on earth?"

They have gone back to their parents and told them about the Americans. I want to continue the student-exchange program. I want to continue with the international trade fairs. Thank goodness, we did not cut that phase of the program. That is one way of presenting American culture to the people of foreign countries.

Going to the other phase of the problem, we shall not be able to get the message of America, regarding the free-enterprise system of free people, behind the Iron Curtain except by radio. We know that television programs cannot be received in every home in foreign countries. But we also know that a few television receiving sets are available, and hundreds will flock to see the picture on the screen. When they see it, they will go back and tell something of what they saw about America.

The Cinerama picture shown at the various international trade fairs portrayed more of America to Asiatic viewers than they had seen in ages of normal living. Cinerama portrayed something of America. Television is portraying something of America. Radio programs are conveying a message about us. These are some of the most effective methods we can use to present our American way of life.

I know that we must economize, and we shall economize; but with respect to funds for USIA we economized a little more than I think was wise when we went below the House figure. I am not a member of the subcommittee which heard all the testimony, but I adjusted my schedule so as to permit me to sit with the subcommittee for a part of the time. I have endeavored to acquaint myself with all the testimony.

The Director, Mr. Larson, had not been in that Agency when the budget was drawn up. Mr. Larson assumed the responsibility in late months. He was not familiar with the program. We could sense that when he was endeavoring to answer the questions propounded to him. If I had been Mr. Larson I would have frankly admitted that I was not familiar with the program. If he had done that, he would not have been harpooned as often as he was. But that is all past. It is all a part of the record.

Mr. Larson's record as a man, and as an administrator of the agencies in which he served before he came to this Agency, is outstanding and most commendable. My belief is that he will write a record of administration in this Agency which will cause some of his critics to commend him for his work rather than condemn him.

As I look at this subject, even though I am a member of the Appropriations Committee, and even though the committee amendment was ordered reported by the full committee, I must oppose the committee amendment. I shall stand with the House figure of $105 million.

When we examine the record we find that last year the Soviet Union published 613 new book titles in free-world languages, to the total of 27½ million copies, representing a vast increase in that phase of the program.

Furthermore, the Communists spent $38 million for exhibits at international trade fairs in 1955, and they spent $100 million in 1956. They are trying to outdo us. We must not permit them to outdo us in capturing the hearts and minds of the peoples in Asia and the Middle East who are today hungry for something other than their own lot. They have not sufficient clothing, food, or fiber. Children are watching their mothers hull the rice and barley with antiquated flat stones rather than the magnificent new machines we use in America. The youth in Asia has an imagination and a mind, as does the youth of our land. He knows that there is something besides the way of life to which he is accustomed. He knows that there is something in the outside world other than the flat stone his mother is turning to hull the rice and the barley.

The youth of today sees a modern plane in the air. He sees a modern automobile on the highway. He occasionally reads a magazine article. He occasionally sees a motion picture depicting the way of life in the outside world. His imagination is aflame. We can reach him only with the Voice; and as we bring that Voice to him we bring to him a message concerning what exists in the western part of the world, and he will turn to us rather than to the Soviet philosophy. That is what is involved in this question. The $105 million is not a huge sum of money in comparison to our military budget.

The Cowles Bros., publishers of the Minneapolis Star-Tribune, are world travelers. They are prudent businessmen. John and Gardiner Cowles know the value of a dollar. They have seen every corner of the world. They know the Soviet Union; they know Asia; and they know the United States. Appearing in the Minneapolis Star of today is the following editorial:

A SHORTSIGHTED CUT

It would be shortsighted, to say the least, if Congress accepted the huge cut in the budget of the United States Information Agency proposed by a Senate Appropriations Subcommittee.

The proposed slash would leave the USIA with only $90,200,000 to operate its overseas information program for the year starting July 1. That sum would be roughly $23 million less than the Agency is spending this year, and $54 million less than Arthur Larson, USIA Director had requested for the coming year.

If I may interpolate, the editorial is incorrect at this point. Mr. Larson did not request it. The budget had been developed before Mr. Larson took over the directorship.

The editorial continues:

In the House, the USIA budget already had been trimmed to $105 million. That cut had been regarded as almost disastrous before the Senate subcommittee made an even more serious reduction in the Agency's funds.

In these days of international tensions, USIA needs more, not less money to tell abroad the story of the United States and its policies. Foreign affairs specialists regard the USIA libraries alone as worth the Agency's annual cost. A cut of the size proposed would do inestimable harm. It would reduce the Agency's effectiveness, its prestige, its staff, and its scope of operations.

The Senate ought to reject the committees recomendations and Congress ought to provide adequate funds for the USIA.

If we support the committee amendment, we will reduce the Agency's effectiveness, its prestige, its staff, and its scope of operation. The Senate should reject the committee's recommendation, and, as is stated in the Star editorial, we must provide adequate funds for the USIA.

Mr. MUNDT. Mr. President, I wish to congratulate the Senator from Minnesota on his very persuasive and very forthright, and in my opinion, very convincing statement.

As Members of the Senate know, I have been vitally interested in this program for a long time. We were confronted in the subcommittee of the Committee on Appropriations with two seriously conflicting points of view.

One of these points of view would have increased the amount of money beyond the House figure so as to provide for an expanded program.

The other point of view would have cut the appropriation to $60 million. No vote was taken on the $60 million figure, because the alternative motion was made to write into the bill the $90 million figure, and that figure was adopted, with 5 dissenting votes. I am one of those who voted "no" on that vote. Of course, I shall be consistent in my position when the yea and nay vote is held on the floor of the Senate on this provision of the bill.

I recommend that all Members of the Senate try, between now and the time the measure comes before us next year, to personally analyze what is being done by the USIA, and what its functions are.

The entire program becomes confused with a radio program, because the Voice of America has a glamorous title. Of course the Voice of America is doing a great deal of good. However, it is a little harder to grasp a program like the low-cost book program or the effect of the motion pictures which are widely distributed.

When they are all added together, they represent, at the House figures, only $105 million. We can add to it the exchange feature of the so-called Smith-Mundt program, which now amounts to $24 million, and we have about $130 million in the House figure and in our figure devoted to the specific job of waging the cold war and maintaining peace.

Without looking at the record, I cannot give the exact figure as to how much we are spending for armaments and guided missiles and the whole program involved in getting ready to avert a world war or to fight one if we must.

However, it would be well to compare the figures, and I hope Members of the Senate will take time throughout the year to acquaint themselves with what is actually being done under USIA, and with respect to the kind of programs that are being projected.

We must recognize that mistakes have been made, and mistakes will continue to be made, in a type of program we call a propaganda program because we do not have a better phrase with which to describe it. We are new at it as a country; consequently, mistakes will be made. However I do not think we should permit mistakes in the course of conducting a program to cause us to chop the program down to such size that it cannot adequately represent the great voice of our country in its crusade for truth and campaign for peace.

Mr. President, we entered into a sort of gentleman's agreement in the Committee on Appropriations that no member of the committee would offer an amendment to reduce the figure, and likewise none of us who wanted to increase the figure would offer any amendments. I shall operate within the boundaries of that agreement. I interpret that agreement to mean, of course, that I can vote precisely as I voted in the committee, which was "no" insofar as the present cut is concerned. Therefore I shall refrain from pursuing what would otherwise be my motivating purpose, namely, to urge the Senate to go beyond the $105 million figure, because I believe a case could be made for an expanded program. Nevertheless I shall go along with the understanding by which we arrived at this area of working cooperation, to make certain, at least, that there will not be any cut below $90 million. Therefore we shall be confronted with the decision here as to whether we will take $90 million or $105 million. I favor the $105 million figure.

Mr. COOPER. Mr. President, I rise to speak briefly against the committee amendment. As the Senate knows, and as has been said so often, the amount of the appropriation fixed by the House, of $106,100,000, has been reduced in committee to $90,200,000.

I speak on this subject because I have had an opportunity to observe the operation of some of the programs of the USIA, and because I believe the cut which has been recommended will lessen the potentiality of these programs and will seriously damage the work of USIA.

I am sure that nothing could be more boring to the Senate than to have one who has served in the position I held for a time in India to be continually talking about it. This is the first time since I have returned, however, that I have mentioned, in a speech on the floor of the Senate, anything about my experience there.

On the other hand, I would be derelict today if I did not speak of some of these programs and of the influence they have had, and if I did not say that I believe that this recommended cut will damage the operations of USIA and, therefore, damage the interests of the United States.

I shall speak briefly about 3 programs. They have been discussed at some length by the distinguished majority leader. I know he had more opportunity in committee to hear details about the programs than I have had. Nevertheless, based on my own experience, I disagree with him in his conclusions and his judgment.

I speak first of the low-cost books program. There seems to be a bias against books, and against reading books. What is the books program? In 1956 the low-cost books program was started on a pilot basis, and $225,000 was spent. About one million low-cost books were provided, for use chiefly in Asia and the Mid-East. The 1957 program provided for a million and a half dollars to be spent, and seven and a half million copies of books were provided for countries in Asia and the Mid-East.

This year the President requested that $2,900,000 be spent, to provide 7 million additional books.

The Senate knows that these books are printed at low cost and then sold through the ordinary channels of trade in countries in Asia and the Middle East.

What is the importance of this program? Throughout these countries there are great deficiencies in opportunities for education. I should like to say to my colleagues that there is very little knowledge of the United States in those countries. Sometimes we assume that they know about our political system and our economic system, and that they are convinced of our good motives. The truth of the matter is that there has been very little association between the United States and those countries. For a long time they were shut off from us by their colonial masters. There were very few opportunities for trade. There were no diplomatic relations. Today, there are 700 million people who have only recently come into independence, and what they think about this country is very important.

I point out also that those countries are governed today by their educated people, by the so-called intelligencia. For a long time to come those countries will be governed by their educated people. In their schools they are seeking and striving for books and for knowledge about the outside world, particularly about our country.

What would this amendment do? It would not only prevent the expansion of the only means we have by which to speak to those people about our political and economic systems, but it would actually reduce even the programs which are now in existence. I say we will make a great mistake if we take away from the youth of those countries the opportunity, through our classics and our other books, to learn about the traditions, the political system, the thought, the art, and the literature of our country. I do not share the bias of my distinguished colleagues against these books. They speak the truth; they are not propaganda.

In the same vein, I speak of the so-called wireless service. One reason why I think the committee might have made a mistake is that, as indicated from my questioning, they proceeded with this issue upon what seems to be a wrong assumption. There was criticism of the wireless service which sends news into some 70 countries. The news that is sent goes to the United States Information Service and is distributed to the newspapers and radio stations in those countries. The argument which was made today proceeded on the basis that this procedure was somehow in competition with private news services; that if we did not maintain the wireless service, the private news services would have sent their news into the 70 countries. That is not correct, because the newly independent countries are relatively poor, and many of their newspapers cannot pay for the wireless service. If the wireless service is diminished by a cut in appropriations, Congress will have cut back one of the few instrumentalities whereby news can be sent into these 70 countries throughout the world.

If we eliminate books and stop sending news, what will be left? We will bring down a curtain between the United States and the countries whose thoughts we say we want to influence.

I point out again that this is not a question of propaganda, which we condemn so often; this is a matter of speaking the truth, sending the news, and providing facts and literature.

I do not have a strong bias against some of the cultural programs which have been described today. I do not know about the jazz band which played in Mexico City. However, while other countries cannot always understand our political and economic systems, they have an appreciation of what is inherent, what is indigenous, and what is natural in the culture of our country. Sometimes if the interests of peoples cannot be reached directly, they can be reached through the culture and through the art forms of our country.

Throughout Asia, one of the great media is the exchange of cultural activities and the promotion of cultural relations. The Soviet Union knows that. It has its art delegations and its cultural delegations traveling throughout Asia. But we in this country seem to have a bias against such activity. We somehow seem to have the idea, in our thinking about this subject, that such activity does not speak the language of America. I think it can, if it is directed rightly. I am certain the USIA is attempting to do that.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. COOPER. I yield.

Mr. JAVITS. I was in India not too long ago. There I learned that the distinguished Senator from Kentucky was considered to be one of the most outstanding ambassadors ever sent there by our Government. I hope the Senator from Kentucky will, more and more, tell us of his experiences there. After all, what better recommendations can Senators give than their own personal experiences? I hope very much that other Senators will encourage the Senator from Kentucky to give us the benefit of his wisdom, and that he will do so.

Let us not forget that if the Free World loses India to the Communists, it will truly be the greatest reverse the Free World will have suffered since the loss of China, and there is grave doubt that we can stand such a loss.

Mr. COOPER. I thank the Senator from New York. My experience in India is applicable to all of Asia.

One thing more, and then I shall close. Not long ago the Vice President of the United States made a trip to Africa. The newspapers carried full accounts of his trip. When he came back, he submitted a very excellent report which was commented upon widely by the newspapers of our country.

Also, not long ago, the Senate considered a resolution pertaining to the Middle East, the purpose of which was not only to protect our interests in that area, but also to prevent, if possible, to stem the tide of the Communist movement toward Africa. Who can deny that Africa tomorrow may be, and probably will be, as important as Asia is today? One purpose of the increased appropriation which is sought is to enlarge, and in some cases to begin, the information program in Africa, a program which would cost $4,500,000. I have before me a list of the countries in which the program would be either expanded or initiated. Those countries are Somaliland, French West Africa, French Cameroons, Nigeria, Sudan, Tunisia, Morocco, and North Africa, embracing many countries of that area. Yet this cut will prevent that proposed expansion.

Again, the assumption is made that the information service to Europe will be stopped and that the money used for that purpose can be used in Africa. In the first place, as many Senators have pointed out, it is not clear that we want to stop our European information service. I can remember that 3 or 4 weeks ago many of our colleagues were saying that we were never in a worse position in Europe than we are today, in the opinion of our friends and our allies there. But even if the European information service were closed completely, there still would not be enough money to conduct properly a program in Africa.

I mentioned briefly Latin America, because we know also of the attempted expansion by the Soviet Union in those countries. I point out that in all those countries the Soviet Union has its agent, the Communist Party, at work. But in addition, as our colleague, the distinguished junior Senator from New York [Mr. JAVITS], has pointed out, the Communists recognize the value of propaganda—not the truth—and of a cultural exchange program with those countries.

We talk about the low-cost books program and say that we are unwilling to increase the appropriation for it by $1,400,000. We are willing instead to cut it. Nevertheless, the Soviet Union in the last year has published and distributed 100 million copies of its books throughout Asia and Africa.

I wanted to speak upon this subject only because I have seen the operation of these three programs, and because I believe that if the proposed reduction is sustained, the existing programs will be cut. Furthermore, it will be impossible to expand them even to the smallest degree in Africa or in Latin America, and certainly in Asia.

I have heard in debate today speaker after speaker talk about our great interest in those countries, the importance of the Information Service, and the necessity for maintaining it. But in the same breath, and on the same day, they are determined to cut the appropriation for it, to make the Information Service ineffective, and to deny it the possibility of becoming more effective.

I do not know about all its operations; perhaps some of them are not good. Personally, I did not think the motion picture program was so good, although that is one of the great industries in our own country.

I agree with the distinguished Senator from Minnesota [Mr. THYE] that in the industrial field, where we ought to surpass other nations, our participation in trade fairs does not begin to measure up to that of Soviet Russia or even of Communist China. So perhaps our program is not perfect. But if it is not perfect, why make it worse? Why kill the best part of it?

I close by saying that the books, the news service, and the cultural programs we provide are not of the type of Russian propaganda which we decry. The services we offer speak the truth. They reach the minds and hearts of the people. If we cannot plead our cause on the basis of truth, we cannot plead it at all.

Mr. President, I hope the Senate will reject the committee amendment.

Mr. SMITH of New Jersey. Mr. President, I rise as one of the originators of the legislation, a few years ago, under which this operation is carried on. The distinguished Senator from South Dakota [Mr. MUNDT] then joined me in sponsoring the so-called Smith-Mundt bill, which is the legislation now under discussion. At that time the Senator from South Dakota was a Member of the House of Representatives. I feel that we have no apology to make for the conception of that legislation and for what we were trying to do.

Therefore, Mr. President, I have been deeply concerned by the discussion which has occurred today, and I have listened to it with intense interest.

I wish to say to the distinguished majority leader, the Senator from Texas [Mr. JOHNSON], that I think he did a magnificant job in presenting the case as he saw it, but I cannot agree with the conclusions reached by the committee in this case. I feel—perhaps wrongly—that Mr. Larson has been made a whipping boy by the committee this year.

Let us consider Mr. Larson for a moment. He was the dean of a law school when he was asked to come to Washington, to be Under Secretary of Labor. I knew him well in that connection, because I am a Member of the Committee on Labor and Public Welfare. He did such an effective job in the consideration of labor and public welfare problems that the President felt he was the logical person to take over this work. The appointment was made last November or December, as I recall. Mr. Larson

was not familiar with any phase of the work at that time. I have talked with him many times about this matter, because of my deep interest in the work. He spent a great deal of time in becoming familiar with his new post. He did much traveling in that connection. Mr. Larson did not assume that during the Appropriations Committee hearing, he would be attacked on the basis of the Agency's work in the past. He was not familiar with the work done in the past, although he was trying to learn about it. I believe his nomination was confirmed in February. I do not believe he had a single thing to do with last year's budget for the agency. He had to accept what had been in the past by others. I think he made a mistake—and I told him so—in requesting an increased appropriation before the committee for work to be done in various areas this year. He should have attempted to proceed with the same level of appropriation. That could have been done, and should have been done. Personally, I thought he made a mistake in requesting $31 million more, this year, in connection with work originally undertaken last year. I said that I thought he should be willing to accept the same amount that was provided last year. I said that I believed that amount would permit the work to be done, without requiring great sacrifices. However, as has been pointed out, there was a considerable increase last year—from $87 million to $113 million; and then, this year, to $144 million.

Now the House has voted to reduce the amount to $106,100,000; the House has voted to reduce by approximately $8 million, the appropriation of last year; and, of course, the House has voted against any increase this year.

It seems to me that we are reasoning in the wrong way if we condemn an entire operation—and I myself have been very critical of the operation in many respects—and if we penalize it because the gentleman who happens to be charged with the responsibility this year is just getting his feet wet, we might say, and is trying to visualize what might be done in this field and—in his enthusiasm—made the mistake of asking for a larger appropriation this year.

Mr. CARROLL. Mr. President, will the Senator from New Jersey yield to me?

Mr. SMITH of New Jersey. In a moment, after I have made my presentation.

However, Mr. President, to say that the appropriation should be cut until it is less than the appropriation of last year, and that that should be done because Mr. Larson made the mistake of requesting too much, and to condemn him for having been an ineffective witness—when I imagine that was the first appearance he had made before a committee of this sort—or for having made mistakes which many of his advisers urged him not to make, is not, in my opinion, a valid basis for slashing the appropriation for this Agency and for requiring it to dismiss some of the staff members who were employed last year, and for the employment of whom Mr. Larson had no responsibility.

Knowing that these proposals would come before the Senate, I talked to Mr. Larson, and asked him about the situation. He said it would be necessary to dismiss approximately 300 employees whom they have been training for this operation.

The Senator from Texas said that 200 additional employees had been added, for use in the press service field. I inquired about the actual facts in that connection; and I found that most of those persons were employed in two United States Government printing plants, one in Manila, where the additional employees would be used to help print some material; and the other in Beirut, Lebanon. Those employees are not in competition with any newspaper people.

In regard to the program in Europe, Mr. Larson has been criticized for carrying on that program. As I have said, the program was carried on there last year, before Mr. Larson entered the picture at all. I have checked on that matter. I am advised that the big Communist effort is directed at Europe; that 60 percent of the Soviet propaganda is directed at Europe, especially at France and Italy. If we end our work in France and Italy and England—and England is our closest friend in Europe—we may seriously jeopardize the situation. The fact is that England has spent over $1 million a year on propaganda in the United States, and has used 178 employees here. That indicates that England, at least, is interested in what the people of the United States are thinking about Great Britain, and England does not resent our sending to England explanations of our program.

So I feel that England, France, and Italy are very important centers, especially in view of the fact, which all of us know, that in the very recent past, Italy almost went behind the Iron Curtain.

So my first reason for disagreeing with the committee is that I think it went too far in thinking that because Mr. Larson did not make a good witness, he did not know his subject. Under the circumstances, he could not know his subject. In my heart I cannot feel that we would be justified in making the proposed reduction. I was going to say that we would not be justified in making an appropriation smaller than the appropriation of last year. However, let us pass over that, and consider the situation this year.

The House has voted for an appropriation of $106,100,000, which is a substantial reduction from the appropriation of last year. Now our committee has recommended that the appropriation be reduced to approximately $90 million.

Mr. JOHNSON of Texas. Mr. President, at this point will my friend from New Jersey yield to me?

Mr. SMITH of New Jersey. I shall be glad to yield in a moment.

Mr. President, I must go on record as expressing my deep concern about this proposal and my strong support of the USIA. I think it has made mistakes. I will join the Senator from Texas or any other Senator in trying to have those mistakes corrected. But I think it is unsound to proceed suddenly, by having the Appropriations Committee act as a sort of investigating committee in the few days it has to do its work, and drastically to penalize the USIA.

I do not think we should vote for an appropriation one penny less than the appropriation voted by the House of Representatives, namely, $106,100,000.

Therefore, I shall be compelled to vote against the pending amendment.

At this time I am glad to yield to the Senator from Texas.

Mr. JOHNSON of Texas. Mr. President, how many persons did I understand the Senator from New Jersey to say the British have in this country, in this connection?

Mr. SMITH of New Jersey. My information is that the British spent $1 million, and have 178 employees here. I believe that is correct.

Mr. JOHNSON of Texas. Mr. President, I should like to have the record show that in 1956, when we had a program under which this agency employed fewer persons than the number who can be employed under the appropriation now recommended, we had 3,257 employees in Europe, under this program, as compared with the 157 the British had in the United States. Of course, not all of our 3,257 were in Great Britain.

I would want the record to show also that I do not think that we condemn an operation when we say to that operation, "We shall give you more money than you had in 1954 or than you had in 1955."

As I recall, the first year of this administration was one of the most troublesome years it ever faced, particularly with the Korean war going on. This year the Congress, if it approves the committee amendment, will provide more money for USIA than it provided in 1954, 1955, and 1956. The Senator from Texas wants the record to show that he is not trying Mr. Larson, and that he explained today that Mr. Larson has been in this Agency only 5 months, and cannot accept responsibility for the mistakes the Agency may or may not have made, depending on how one looks at it. But when and if the United States Information Agency or its successor can come before the Appropriations Committee and can convince the members that it has an effective and efficient program, the Senator from Texas will be the first to stand up and fight for the appropriation for it and for its program, because he believes, with all his heart, that we must not lose the battle to win men's minds. But I submit the evidence does not justify the House figure.

We have several standards we can employ. If we are going to follow the Russian standard, we will need $2 billion. If we are going to follow the USIA, we need $156 million. If we are to follow the budget request, we need $144 million. If we are to follow what the House allowed, we need $106 million. If we are to follow what the Republican Congress gave the Agency, we need $84 million. Or we could follow the average for those 4 years; and who am I to say that we have defaulted in our efforts during these 4

years, and who am I to criticize the administration for not having done a worthwhile and effective job during these 4 years? So I submit, sir, not as an enemy of the program, but as one who piloted through legislation that gave it more than it ever had, they have not been true to their trust. We are called upon to say to them, "Please shift your emphasis. Please quit engaging in activities that bring great criticism. Submit to us an efficient and effective program, under the Secretary of State, and then Congress will receive it with courtesy, with tolerance, and, I trust, with understanding and intelligence."

I am not one to say, merely because the House adopted a certain figure, that it is the correct one. We will go to conference. We will be bound by the vote that comes. If the Senate wants to tell us we must say to the people involved here that they must take the figure of $106 million because the Senate insists on it, we can expect the House to insist on its appropriation. So the Senate can tie our hands, but when it ties our hands, I say to my friend as the author of the basic legislation, it would be tying the hands of the best friend he ever had.

Mr. SMITH of New Jersey. I thank the Senator from Texas. I am entirely in agreement with him. What we shall do about tying hands, I cannot say, until we get to it.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield to the Senator from Colorado.

Mr. CARROLL. I have been impressed by the sincerity of the Senator from New Jersey. I should like to ask him a question or two. I was a Member of the House for two terms, and always voted for the program.

I have been very much impressed by the remarks of the junior Senator from New York [Mr. JAVITS] and the senior Senator from Kentucky [Mr. COOPER]. When I first heard of the cut made by the House some days ago, I thought it was too severe. When I came to this Chamber today—and I have been here all these hours of debate—I thought perhaps the action of the Appropriations Committee was too severe. But, it seems to me—and I speak in the utmost good faith to the distinguished Senator—as a result of the debate that has occurred on the floor today, in view of the record, we as legislators must follow the rule of reason. When I find distinguished Senators from both parties, on both sides of the aisle, stating that Mr. Larson has not made a case, it seems to me as legislators we are pretty much bound by what the record shows.

In view of the remarks of the distinguished majority leader—and this is really one of the reasons why I rose to ask him a question, but he has already answered it—it seems to me that no sensible legislator in this body would be against this excellent, democratic program which is a program, as the Senator from Texas has said, that will fight for the minds of man and battle for the minds of people. The question arises, in view of the record made today, whether Mr. Larson is a new man or not, whether he has failed to present a case upon which reasonable men can legislate.

The next question that comes to me is, If we are really interested in this program, cannot Mr. Larson subsequently ask for a deficit appropriation to accomplish all the things he wants accomplished? Is not that possible?

Mr. SMITH of New Jersey. I hope that that will be done if we agree to either one of these figures.

Mr. CARROLL. Then, why would it not be best to support the committee, and encourage the new man to shake down his organization, to get some efficiency, to move forward, and to eliminate waste and excessive spending, if that has occurred? That is what both parties want to do. That is what people expect of us.

I say to the Senator, in all sincerity, when I came to the Chamber today I did not intend to vote for the cut as submitted by the committee; but in view of the record, I think we pretty much have to sustain the committee. Later on so the record is clear, if such action as has been suggested is taken, I shall be found supporting the very fine and sincere statements of the distinguished Senator from New Jersey.

Mr. SMITH of New Jersey. I am very glad, indeed, to have the comments of the Senator from Colorado.

Mr. KUCHEL. Mr. President, will the Senator yield for a question?

Mr. SMITH of New Jersey. I yield.

Mr. KUCHEL. One of the disconcerting questions that has arisen, so far as some of us are concerned, is the fact that the Appropriations Committee, apparently by a unanimous vote, recommended to the Foreign Relations Committee that it favorably consider a substantive bill by which the USIA would be transferred to the State Department. In a way, I suppose, that is a left-handed implication, by the unanimous membership of the Appropriations Committee, that it looks with some disfavor on the operations of USIA.

I am wondering whether the Senator, as one of the ranking minority members of the Foreign Relations Committee, could make a constructive comment on this matter for those of us who are not on the Appropriations Committee, who are trying to do what is best for this country, but who find ourselves in a quandary because of a majority decision made in the Appropriations Committee.

Mr. SMITH of New Jersey. The Senator understands that I am not a member of the Appropriations Committee.

Mr. KUCHEL. I should like to hear the Senator's own thinking on that.

Mr. SMITH of New Jersey. I think there is much to be said, from an administrative standpoint, for having the USIA a part of the State Department. I have said that many times. We discussed the same thing with respect to the ICA and foreign aid. Should it be a branch of the State Department?

At the moment the Secretary of State feels that it would be unwise to put these operational matters in the State Department; that it has enough headaches with policy matters. Such is the reason, I think, why these agencies have not been combined.

Mr. KUCHEL. The Senator's own personal thinking is that it should be transferred?

Mr. SMITH of New Jersey. From an administrative standpoint it is desirable. I would wish to discuss it with the Secretary of State, to find out his reasons for hesitating to take them in.

Mr. MANSFIELD. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from New Jersey yield to the Senator from Montana?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. In response to the question raised by the Senator from California, under the basic law, as the Senator from New Jersey well knows, since he is the author of the basic legislation, it is supposed to be mandatory that policy guidance be taken by the Information Service from the Department of State, from the Secretary of State, or from his agent.

Mr. SMITH of New Jersey. That would be policy as to the way information is conveyed. It would not be guidance as to what our foreign policy is.

Mr. MANSFIELD. Frankly, I do not know whether it would be the way it would be conveyed, what is to be conveyed, or what. That is one of the reasons, in my opinion, why the subcommittee unanimously and the full Committee on Appropriations unanimously agreed to this particular language:

> It is impossible to avoid the impression that there is considerable duplication and overlapping of functions between members of the USIA and other agencies. The committee feels strongly that there would be considerable economy and efficiency achieved were the Agency to be returned to the control of the State Department, and unanimously recommends that the Foreign Relations Committee consider legislation providing for the transfer of the United States Information Agency to the Department of State.

I may say to my distinguished friend that, so far as I know, there is not an enemy of the USIA in the Senate of the United States. There are a lot of friends of the USIA who are becoming a little bit fed up with the idea of having subsidiary arms in the field of foreign policy. Many of us think that only one department should be charged with the responsibility, as it is under the Constitution, to speak for the United States of America in the field of foreign affairs. That department is the Department of State, which acts as an arm of the President, who, of course, is charged personally with the conduct of our foreign policy.

There is no reason why the USIA and the ICA both should not be absorbed into the State Department. I would hazard the guess that great savings could be accomplished, and better efficiency in administration would be the result, with a more codified and one-voiced foreign policy forthcoming.

If my friend will indulge me for 1 minute more, I should like to read from the record certain questions I asked Mr.

Larson, who I think is a man of great promise:

Senator MANSFIELD. Mr. Larson, do you consider the USIA an arm in the field of American foreign policy?

Mr. LARSON. Yes.

Senator MANSFIELD. Do you maintain country desks in the USIA?

Mr. LARSON. Yes.

Senator MANSFIELD. Do you maintain area desks?

Mr. LARSON. Yes.

Senator MANSFIELD. Do you maintain an office of policy and plans?

Mr. LARSON. That is correct; yes.

Senator MANSFIELD. Do you maintain an office of research and intelligence?

Mr. LARSON. That is right.

Senator MANSFIELD. Do you maintain an office of security?

Mr. LARSON. That is right.

Senator MANSFIELD. Are all those offices, or offices similar to them, likewise maintained in the Department of State?

Mr. LARSON. There are counterparts, but the functions they perform, of course, are quite different.

Senator MANSFIELD. They are both in the field of foreign policy, or they are all in the field of foreign policy?

Mr. LARSON. They are in the general field of foreign policy; yes.

Senator MANSFIELD. You would not admit or agree to the assumption then that this does represent a certain amount of duplication and overlapping?

Mr. LARSON. No; I would not agree to that at all.

Senator MANSFIELD. But you would agree with the assumption that the USIA is an arm in the field of American foreign policy?

Mr. LARSON. Very definitely; yes.

Senator MANSFIELD. Do you believe in efficiency and economy in Government?

Mr. LARSON. Emphatically; yes.

Senator MANSFIELD. Do you feel that we ought to speak in the field of foreign policy with one voice or with many voices?

Mr. LARSON. With one voice; definitely.

That is the reason, I think, why we are not penalizing the USIA at this time; but we are trying to get cohesion, efficiency, and good administration with good management. This might be the saving, I think, of an organization such as this, to give to its employees a feeling of permanence which I do not think they have at the present time.

I thank my friend for permitting me to make the statement.

Mr. SMITH of New Jersey. I will say to the Senator from Montana that I agree with what he has said, and I hope that our committee will be able to go into the entire question; but I cannot see that it is relevant to this immediate dollars-and-cents question under the proposed amendment. No matter what we do next year, we cannot deal with that here by simply slashing the appropriation because the agency does not happen to be organized in the way we wish it to be.

Mr. MANSFIELD. Mr. President, will the Senator yield further?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. This year the USIA originally asked for two-thirds of what the Department of State asked for. It now seems that what we have is the idea that more dollars will produce more editors, more reports, more radio broadcasts, more TV shows, more this, that, and the other thing. That is not the answer.

The Senator from Colorado [Mr. CARROLL] put his finger on the point when he said, in effect, that what this Agency needs is a shakedown. I think it can become a better organization and a better Agency, because, I repeat, no one to my knowledge challenges the necessity for a United States Information Agency; but some of us think that overlapping and duplication could be done away with and that an absorption within the State Department could take place, the result of which would be a saving so considerable that, so far as personnel is concerned, there would be no real harm. As a matter of fact, from such an absorption could come a feeling of greater security and perhaps better dedication than is the case at the present time.

Mr. SMITH of New Jersey. I think that is probably true. I hope such an investigation, if our committee undertakes it, will go into these matters. But this question cannot be determined by 2 or 3 days of an Appropriations Committee hearing. That is the point, and it is the only place where we differ. I think the Senator is perfectly right in making the point.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I am glad to yield, or I will yield the floor.

Mr. AIKEN. I should like to ask a question for information.

Mr. SMITH of New Jersey. I yield.

Mr. AIKEN. Where was the USIA located before it was made an information agency?

Mr. SMITH of New Jersey. I am not sure whether it started in the State Department or not.

Mr. AIKEN. I believe it was in the State Department. Was it not removed from the State Department because it was found that was not the proper place for it?

Mr. SMITH of New Jersey. I believe it was.

Mr. AIKEN. After years of experience with the information service, going from bad to worse on management, Congress decided that the State Department was not the place for it, and set it up as a separate agency. Perhaps that is not the place for it yet, but that is what Congress did.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. MANSFIELD. In response to that particular question, I may say to my friend from Vermont that the Congress did not set up the USIA as a separate agency, because in 1953 the Congress passed legislation unanimously to liquidate what was known as the MSA, which was replaced under Reorganization Plan 7 as the FOA; and Reorganization Plan 8, which came in at the same time, set up the USIA as an independent agency outside the Department of State.

Mr. AIKEN. That is true. I was speaking of practicalities, rather than technicalities, perhaps.

Mr. CLARK. Mr. President, I shall vote for the committee amendment. I have gone on public record as favoring the President's budget. Since I intend in almost every instance to support that budget, which I do not believe is too large, I should like to state briefly why I shall depart now from what will be the ordinary rule. I came to the floor this afternoon, Mr. President, expecting to vote to reinstate the appropriations in the amount which had been requested by the Secretary of State and the President. Confronted with the unanimous view of 22 members of the Appropriations Committee, Republicans and Democrats, conservatives and liberals, that this agency has not made a case for itself for the appropriation which it requested, and having listened with great care to the debate, I have come to the regretful conclusion that in this instance the position of the majority leader is well taken and that he should be supported.

I should like to associate myself with the remarks made so recently on the floor by the very able junior Senator from Colorado [Mr. CARROLL], and the very able junior Senator from Montana [Mr. MANSFIELD].

Mr. AIKEN obtained the floor.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. AIKEN. For what purpose?

Mr. LAUSCHE. I wished to make a brief statement.

Mr. AIKEN. My statement will be brief, if there are not too many interruptions.

Mr. President, there may be, somewhere in the world, a business concern which has achieved outstanding success without advertising or without any sales force.

There may be, somewhere, a business concern which has achieved success by ignoring the false statements of its competitors, but I do not know just where that business concern might be.

As it is with business concerns, so it is with nations. I do not believe that any nation aspiring to leadership in this world, or aspiring to the right in this world, can afford to slash its sales force or its advertising. Nor can we ignore the false statements which are made about us and about democracy, and about the western world of which we are a part, by our competitors who are striving for control of the world today.

It is true that we are under great pressure for reducing expenses, for reducing the President's budget. Some reduction is warranted. There is no question about that. Perhaps a couple of billion dollars reduction would be warranted. I am not in a position to say how much. But I point out that a part of the pressure that is put upon us for slashing the President's budget drastically represents merely diversionary tactics by those who are themselves receiving immense benefits from the United States taxpayers. They want us to cut out those things which the public cannot see. They tell us, "Reduce the budget, but do not cut my special tax privileges. Reduce the budget, but do not interfere with the rapid tax write-off, which has meant hundreds of millions of dollars to some of us. Reduce the budget, but do not monkey with the postal rates, even though there is a deficit of $650 million coming up this year."

Instead, they say, "Cut the intangible things, the items that the people cannot see."

On this floor I have been critical at one time or another of the Secretary of Defense. Last week, however, he said something with which I can fully agree. He criticized some of his old friends and teammates for urging drastic slashes in the budget at a time when they were making more money than they had ever made before. In citing this I am simply pointing out that a part of the pressure being put on us represents the diversionary tactics indulged in by those who are getting the greatest benefit from Government than they ever get in their lives.

It has been proposed that we pass the bill as it is, with an appropriation of $90 million, and invite the USIA to come back later this session or the early part of next session and get more money. It was suggested by one speaker that the USIA put its house in order, and then come back for more money, and that we would gladly give them whatever they thought they ought to have at the time.

That is a preposterous way of financing a government. It is the acme of bad government financing to make appropriations to Government departments and say, "Take this, and let it last as long as it will. If you have been a good boy, and you run out of money, come back and ask us for more." I cannot conceive of any Congress in its right mind taking an attitude like that. If we give $90 million or $105 million to the USIA, the Agency should plan to make that appropriation last for the entire year, and govern its personnel and operations accordingly.

As to the request from this Agency for money, it asked for $144 million. I have no doubt that the budget request was excessive. A good share of our budget requests are excessive. The departments ask for more than they expect to get.

I have no doubt—in fact, I know—that this Agency has made mistakes in the conduct of its affairs.

It or its predecessor has been under criticism ever since it came into existence.

I make no excuse for the inexperience of the present Director of the USIA. If he chose to emulate the sitting duck, and received the treatment usually accorded sitting ducks, that was his privilege. But in passing upon this appropriation, we ought not to consider the Director. We should consider the purpose for which the money is being appropriated.

The House cut the request of the USIA 25 percent. The Senate committee proposes to slash it 37½ percent below the sum which those in charge say is necessary to do the job properly. As I have said, I do not doubt that they asked for somewhat more than they needed but I do not believe they over-stated their needs by 37½ percent.

Mr. President, I think we want to sell the United States to the world. We want to compete in the field of world affairs, and we want to compete for our share of good will in the world, in the field of world opinion. For this reason I am unwilling to vote for the committee amendment. I think the 25 percent cut proposed by the House is enough. If I were to vote for the 37½ percent slash proposed by the Senate committee, I would feel that I was not only not selling the United States to the world, but was actually selling the United States short.

Finally, I hope there is no politics involved in this question, and I hope, above all else, that my party, the Republican Party, will not subscribe to any policy which spikes one of the most important guns which we are using in the great battle for the world today, the great battle between democracy and totalitarian communism.

I hope, above all else, that the Republican Party will never subscribe to a policy like that, which, in my opinion, could mean the difference between peace and war.

Mr. WILEY. Mr. President, at this late hour I rise almost with trepidation. However, having been fed for hours with what I think has been very constructive argument on both sides, I shall take only a few moments to express my own views.

I am happy to say that I believe all the evidence shows quite conclusively that Mr. Larson is a capable, able man. I think the testimony to which the Senator from Montana [Mr. MANSFIELD] referred clearly indicates what was previously suggested, namely, that Mr. Larson was not on his toes.

I believe that the fact that he did not have the economics of the situation in hand, so to speak, is nothing to his prejudice. I remember when, in this very august Chamber, we voted without any question for appropriations of $100 billion. No plan was laid before us upon the basis of which we could vote. It was a question of national defense. So I should say that that argument should go out the window.

As I see it, the question is whether there is any evidence to sustain the position the President says is the correct position. In the first place, we have definitely the fact that a budget estimate was submitted, and that certainly was worked on. Then we have had action by the House. Then we have also had the judgment of men on the floor of the Senate who know something about this vital issue.

I believe there is involved the question of self-preservation, and that is the one thing that causes me the most serious concern when we are thinking about cutting funds.

Mr. President, I should like at this time to express my deep concern over the slashes which have been made in the State Department appropriation for 1958 fiscal year, and in the appropriation for the United States Information Agency.

I am glad that the Senate Appropriations Committee took action to provide at least slight increases in the State Department budget, over and above what the House had provided.

The latter was, of course, far under the President's budget request.

The President had requested $227 million; the House had approved $180 million; the Senate committee recommended to us $193 million.

In its increases, the Senate committee suggested a raise for Foreign Service salaries and for official representation allowances.

IT IS WISE TO SPEND FOR PEACE

The question in my mind, however, is: Are we giving sufficient wherewithal to the Foreign Service of the United States to perform its frontline job throughout the world in "waging the peace"?

Do we sufficiently realize that it is far better to strengthen the hand of our ambassadors of peace, our Ministers, our consuls, in 90 and more countries throughout the world than it is to have to send armed forces some day to try to restore the peace?

Consider the fact that the State Department budget is a quarter of a billion dollars, while our military-atomic budget is $42 billion.

To me it is plain commonsense to make a maximum effort to try to keep the peace and thereby save the infinite cost in human life and treasure, which will occur in the event the peace is lost.

STATE DEPARTMENT DOES NOT HAVE A "CONSTITUENCY"

Mr. President, I want to point out that the State Department's appropriations bill is unique in that here is one agency with no vast "constituency" which will rise up in defense of the Department's budget.

The same is, of course, especially true of the mutual security budget.

Of course, the agency itself will appeal to us if further cuts are made, but there is no special segment of our population—say farmers, businessmen, veterans, laboring people—who benefit directly from the State Department program, as they do, let us say, from the program of the Department of Agriculture or the Department of Labor or the Department of Commerce.

They do not have any constituency. Therefore, as has been suggested before, it is for us to accept the responsibility to do some sane thinking on the subject. There has been no pressure on us to take care of that interest.

And so, it is relatively easy to cut the State Department budget, because there will be comparatively few complaints from a vast segment of the public, whether or not the cuts are justified.

And yet, thinking members of the public will realize and should realize that the State Department budget is vital to all the 170 million Americans, yes, to generations unborn.

THE VERY DANGEROUS SLASHES IN USIA

I should like, however, within the next few moments to refer to an even more significant problem in the appropriations bill now pending before us.

I refer to the deep and, in my judgment, unjustified slashes which have been made in the budget of the United States Information Agency.

I know something about the agency. I know it is a human agency, with human faults. I know also what has been expressed here so forcefully by thinking men, that we are in a battle for men's minds, and that we must realize, as someone long ago said, that truth makes

men free. We also know that error walks and talks through the earth, and it is our obligation to see that the truth gets to the people throughout the world.

In my judgment, we have dealt a serious blow to America's truth program.

In my judgment, if we approve the deep slashes made in the House and the Senate committees, we will inadvertently deal a deep blow to America's program for telling the American story—the story of truth throughout the world.

SENATE COMMITTEE RECOMMENDED EVEN LESS THAN HOUSE

What is the situation? The facts are that the President requested $144 million for the United States Information Agency. The House allowed only $106 million, and now the Senate committee has recommended only $90 million.

I have a great deal of respect for my colleagues on the Senate Appropriations Committee.

In the 18 years I have been a Member of the Senate I have felt that it was practically my obligation under nearly all circumstances to follow what I thought was the action of a committee, especially when it had acted more or less unanimously, and when it was the action of a committee of which I was not a member and therefore had not heard the testimony.

However, I will say that this is the exception, because in my humble opinion this rises above all challenge and involves the question, as has been stated, whether we are going to take away an adequate arm of America's defense. The law of self-preservation is involved. In my estimation Congress has not had the understanding attitude which it should have toward this Agency. The Agency has no constituency to defend it. It has been the target of every roustabout in the Nation. It has been charged with being wasteful. I suppose some of the pulpits of the country are wasteful. I suppose some colleges are wasteful. I suppose some leaders of our diplomatic corps in foreign lands are wasteful.

I cannot help repeating that when I came to Congress it took 45 days to go around the world. Now we can go around it in 44 hours. Planes have crossed the continent in 3 hours. It is a new world, as has been said so dramatically by others. Since World War II 700 million souls have gone into the orbit of the Communists. There has been but one weapon, and that is the weapon of truth.

THIS AGENCY HAS BEEN TORN APART TIME AND AGAIN

Since we set it up, the fact has been that every single year this Agency has been investigated by all sorts of groups.

Every year, Congress, so to speak, has looked at the plant, pulled it up by its roots, shoved it back into the earth again, and then the following fiscal year, has pulled it up by its roots again, in order to reexamine it.

The history of this Agency shows that we have increased it, then slashed it, then increased it, then slashed it, year after year.

What has been the result? The result has been that the Agency has had to hire people fast, and then fire them fast; open up new offices in various countries, and then close them; start new magazines or publications, and then close them.

There is no business in the United States which could carry on its operations efficiently, if it were subject to such severe pressures.

And imagine the effect on employee morale when a man does not know from one year to the next, whether he will be able to work with it, even though his job is vital, even though he is doing it conscientiously, even though the Communists across the street are doing triple as much as he is doing on the very same subject.

I heard today the great Senator from Montana [Mr. MANSFIELD] say that there is no Senator who is not in favor of this Agency.

Yes, what kind of treatment have we been giving them?

At this very time there is pending before Congress proposed legislation which I myself have cosponsored to establish a career service for United States Information Agency officers. The purpose of such a career service bill is to give the employees of USIA a feeling that they can be proud of their jobs, proud of their agency, proud of making a lifetime career of the work of telling the truth on behalf of their country throughout the world.

We need individuals who will dedicate a whole lifetime to this task. Yet I ask, How can we possibly get such dedicated individuals if we treat them as if we had no regard whatsoever for their services?

Naturally, in any budget of $144 million, one may disagrec with some particular items of expenditure. But let us realize that the whole information job is necessarily an experimental one. I say this after having watched it and studied it. What may suit in one particular locality, as has been stated, is not what is desirable in another locality. If we cannot instruct people through reading material, it is necessary to send persons who will teach them by other methods, such as by showing them pictures; persons who will get the facts across.

So we must realize that we are in a battle for the minds of men. Let us realize that the whole job of disseminating information must be carried on.

We are trying to impact the minds of men—people ranging from, let us say, West German intellectuals to savages, just emerging from the Iron Age, in the heart of Africa. We are trying to impact the minds of Arab Bedouin tribesmen and European college doctors of philosophy as well as other types in scores of countries throughout the world. Will a radio program do the job best? A newspaper or a motion picture, a recording? What themes will go best in getting across our story to what particular culture?

The answer is, No one can be sure.

That is why Larson was criticized. Of course, he could not be sure. He would probably have had to feel out the situation, just as a physician has to diagnose an ailment in order to apply the remedy. There was nothing wrong in his coming before the committee. He could have called upon assistants who were familiar with conditions in other countries to deal with the particular picture. But was that what the Senate wanted from him? No. What we wanted from him was generalship, administratorship, an honest performance by a man who has brains, intellect, courage, and judgment.

The fact is that no American corporation in its advertising work can be 100 percent sure that, say, a $5 million television program, which it buys, will sell more soap or automobiles. But it makes the experiment, and perhaps the ad will pay off.

I say that the United States Information Agency has been eminently successful in its work.

I have seen many USIA offices abroad. I have seen its operations in many countries. I have spoken to Information officers, to the men handling the Voice of America, to the pressmen working with foreign newspaper correspondents, to the men who handle mobile 16-millimeter movie equipment, taking motion pictures out to the villages, and I am convinced that they are doing a sound, worthwhile job.

One of the principal criticisms of the USIA has been that too much of its work is being done in Western Europe.

The argument against USIA is: "Why waste any time in Western Europe? The people there are literate, they are our allies, they are anti-Communist. Why not close up all the United States Information Agencies in Western Europe and simply concentrate on South Asia and Africa and the Middle East?"

That argument, Mr. President, utterly ignores the basic facts about the problem we face.

There is probably as much misinformation about us, about our plans, our programs, our intentions in Western Europe as anywhere else in the world.

Of course, the people of Western Europe are our allies, but the fact is that every public opinion poll shows that many of the peoples of Western Europe differ from us very strongly in many of the basic programs which we regard as essential for the free world. Besides, Western Europe is impacted by one of the heaviest bombardments of Soviet and local Communist propaganda to be found anywhere in the world.

We can ill afford, therefore, to allow falsehoods concerning the United States to circulate in Western Europe. We can ill afford to allow Communist lies, distortions, and poisons to be spread against us there or, for that matter, in other areas of the world.

I ask unanimous consent to have printed at this point in the RECORD the text of a telegram I have received from Tracy S. Voorhees, one of America's fine public servants, whom we all know, and who has served our Government in many important posts, together with a memorandum entitled "USIA Program in Western Europe."

There being no objection, the telegram and memorandum were ordered to be printed in the RECORD, as follows:

WASHINGTON, D. C., *May 14, 1957.*

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.:

For over 4 years now I have worked on an entirely voluntary basis to improve our foreign information program. I have only one interest to serve. This is to have the best program possible in what I believe has now become one of the critical fields in which we can do something definite to decrease danger of war and Communist expansion. This is especially needed because of the great expansion of the Communists' propaganda program.

Comparing two studies of the organization conducting the information program, one which I made 4 years ago and the other slightly over a year ago, I became convinced that a change almost from night to day had been made in the quality of the organization, and thereby in the effectiveness of the program. While of course it is not perfect, I have seen at firsthand the great difficulty of the task, and have real admiration for the spirit now existing in USIA to do it and to do it well.

On learning of the Appropriations Committee's action this morning, I became gravely concerned lest such a cut seriously impair the improved effectiveness progressively built up over so hard a road over almost 4 years. For these reasons I have sent wires to a number of Senators of both parties whom I have had the privilege of knowing personally asking their earnest consideration of the urgent need at least not to cut the new appropriation below that for this year and if possible to raise it. I am sure that you are already doing everything possible to support the President in obtaining a more adequate appropriation. However, I felt that possibly it might be worthwhile to invite your attention to my appraisal of the acute danger to the effectiveness of the Agency based on my long firsthand experience with it, and made from the disinterested viewpoint of one not officially connected with it.

METROPOLITAN CLUB,
TRACY S. VOORHEES.

USIA PROGRAM IN WESTERN EUROPE

The program of the United States Information Agency in Western Europe is keyed to four basic facts of life:

1. That Western Europe is the first line of defense of the United States.

2. That major European capitals, particularly London and Paris, have a heavy concentration of information media which exercise an imporant influence on public opinion in the furthermost corners of the world.

3. That a large proportion of the future leaders of Africa and Asia study in European universities.

4. That United States policies and actions in other areas of the world, especially in Africa, the Middle East and south Asia, have a profound effect on public opinion in Western Europe.

To these basic facts must be added the consideration that the United States Government has spent over $34 billion in Europe since World War II, and that it is today spending more than 60 percent of its total overseas budget in Europe.

The Information Agency is asking for a budget with which, so to speak, it can help protect this investment and provide some measure of insurance for the 500,000 United States troops stationed in Europe.

The USIA budget is a small fraction of hundreds of millions of dollars being spent in Europe on propaganda by the Communists.

For example, the Communists spent $50 million for a single event in 1953—the World Youth Festival in Berlin.

Europe, which has 50 percent of the world's shipping and 31 percent of the world's industrial capacity, is a primary target of the Soviets, and propaganda is the weapon they use.

About 800 propaganda hours are broadcast each week to Western Europe by Soviet orbit transmitters, or nearly 50 percent of their total output.

Nearly 60 percent of all their exchange of persons program is devoted to Europe.

Twelve out of the 17 countries in the area have Communist Parties represented in the legislatures.

Italy has the largest Communist Party outside the Soviet orbit with a membership of nearly 2 million and a popular vote of 9½ million.

More than half of the major Communist-front groups have their headquarters in Europe.

Europe is also infested with an intricate network of Communist friendship societies. In Finland, the Finish-U. S. S. R. friendship society has over 800 offices and each one operates in approximately the same manner as a USIS office.

The Communists have but one main purpose in bringing the weight of their vast propaganda apparatus to bear on Western Europe, and that purpose is to drive the United States back across the Atlantic and to spread dissension among the NATO allies.

To achieve this aim they work around the clock, utilizing all the resources of the Communist Parties, Communist-controlled labor groups, and other front organizations in order to constantly distort and misrepresent all things American.

Thus, events in the United States such as the Rosenberg conviction, American policies such as those followed during the Suez crisis, or American actions such as the maneuver of the 6th Fleet during the recent Jordan crisis are distorted to a degree which make the true facts of the case almost unrecognizable.

Some 300 million Europeans, living in an atmosphere of postwar weariness, frustration, and an overwhelming desire for peace at almost any price, are subjected to the powerful voice of the enemy on a daily basis.

The United States Information Agency has the job of answering this voice, of setting the record straight, and of placing American actions and policies in their true perspective, so that European public opinion can continue to support the NATO alliance of 15 nations which is so essential to world peace and to the security of the United States.

The Information Agency is doing this job abroad under the leadership of the Ambassador. It is an integral part of every Embassy and consular post where USIS offices are maintained.

The public-affairs officer handles all educational exchange, cultural, psychological, and information work on behalf of the Ambassador.

The USIS senior staff consists of a press attaché who does all the normal press-relations work for the Embassy; a cultural attaché who represents the Ambasasdor in all matters of cultural interchange; and an information officer who makes certain that the local press, radio, publication industries, and motion-picture circuits get all the information about the United States and its policies that they can be persuaded to use.

USIS work consists in day-to-day contacts with public-opinion leaders in all major fields of endeavor. Close relationships are established with officials of the Government, Members of Parliament, newspaper editors, cultural leaders, labor-union officials, etc. By careful and assiduous cultivation of these leaders, USIS is able to prevail upon them in times of crisis to speak up for the United States on the basis of factual background information provided by USIS.

The Information Agency has been operating in Europe for a number of years. It is constantly reviewing its program and trying out new information techniques in order to get its message across with maximum effectiveness. The information program today is the result of many years of hard work and critical self-evaluation so that the methods which are used today are those which have proved to be the most successful in past years.

Throughout Europe, the essence of the USIS task is to reach public-opinion leaders who, in turn, can influence the general public on whose electoral support any government must depend if it is to continue in office.

It is in the very definite interest of the United States that European governments elected to office be such that they will continue to support the NATO alliance, which is the very basis of defense of the free world.

In the United Kingdom there are more correspondents servicing Asian and African newspapers and radio stations than in any other city in the world.

Therefore, while it is important for USIS in the United Kingdom to continue to foster a basic understanding between ourselves and the British, it is perhaps even more important to take advantage of the United Kingdom as a center of world communications in order to reach troubled areas in other parts of the world.

It is an inescapable fact that the United Kingdom is the closest ally we have in the world today. But it is also true that there is a depth of misunderstanding between the British and American people, the extent of which is difficult for many of us to grasp. There are several reasons for the extremely distorted conception of American life which is prevalent among British people:

(a) Severe British Government restrictions on British travel to dollar areas, which permits very few ordinary citizens to see the country for themselves.

(b) A national press of huge mass circulation which invariably spotlights the sensational news items to provide a highly unbalanced and distorted picture of American life.

(c) The deliberate efforts of Communists and fellow travelers to distort the true picture of the American scene.

(d) The lurid and unattractive impression conveyed by numerous films which, for commercial reasons, emphasize the seamy side of American life rather than the natural everyday reality.

Two of the largest Communist parties outside of the Soviet orbit are flourishing in Italy and France, with a combined membership of nearly 2½ million and a potential electoral vote totaling nearly 15 million. Germany, with its 500-mile border along the Iron Curtain, is a window of the free world through which many people in the satellite nations can be reached. In Berlin, 100 miles behind the Iron Curtain, USIS is able to talk to millions of East Germans through the RIAS radio station. More than half a million East Germans every year see American exhibits in Berlin. Thousands of others come to borrow books and pick up pamphlets and attend special film showings at the Amerika Haus.

Last fall the Senate Appropriations Committee sent its own investigator to make a detailed report on USIS operations in Western Europe. He came up with a number of useful suggestions which I understand are even now being incorporated in the Agency's program. It is interesting to note that in his report the committee's investigator said that USIS is performing a "very essential function quite satisfactorily, and that under the circumstances it has been a fortunate thing for the United States that USIS has been there on the job."

Mr. LAUSCHE. Mr. President, the interchange of words used today, in a measure ascribing the functions of the office about which we are speaking, compels me to rise.

I will vote not one penny for a propaganda office. I will vote whatever I believe is reasonable to finance the functions of disseminating the truth throughout the world. If the office of which we speak is one intended to propagandize, then it ought to be abandoned. I do not think it is such an office. I subscribe completely to the words of the senior Senator from Kentucky [Mr. COOPER], who stated that it is an agency which disseminates the truth.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LAUSCHE. I yield.

Mr. AIKEN. I want to tell the Senator from Ohio that I deeply appreciate his statement. I agree with him completely. If in my remarks I used the word "propaganda," it was purely an inadvertence, because I agree with the Senator from Ohio.

Mr. LAUSCHE. I do not believe the Senator from Vermont used that word.

Mr. AIKEN. Telling the truth is not propaganda.

Mr. LAUSCHE. It is unbelievable, and it is not the truth, that this august body is contemplating the assigning of money to an agency of the United States Government whose purpose is to work out clever schemes and plans of indoctrination. That is not the soul of the United States; that is not the spirit of the United States Information Agency.

With respect to the money which will be allocated to this Agency, I have listened to the disparity concerning the amount spent by the Kremlin and the amount spent by our country. When one is dealing with a false cause, when he is attempting to propagandize, he needs unlimited sums of money. When one is telling the truth, it is necessary to acquaint the people with the truth, and then to be certain that when they are informed, they will follow the truth.

Consider the Russian propaganda in Hungary, in Poland, in Rumania. What has it done? Nothing at all. And it will not.

Let us not ascribe to those hungry people of middle Europe an absence of commonsense. They possess it. I humbly say that because my ancestral line comes from that ground. I might speak of my mother, who had 3 years of education, but was gifted with commonsense beyond the recognition of those who frequently spend unlimited years in trying to achieve it.

I will vote for the dissemination of truth. I would vote against the use of cleverly worked out schemes and plans to seize the minds of the people of the world.

I think it is very regrettable that bands are used. I made inquiry about the band that went into Africa, or somewhere else, and found that it was not sent by this Agency, but by another agency of the Government.

Let us get down to the basic, honest, substantial methods of letting other peoples know what we are. Let us stop using fan dancers, jazz bands, and other such means which cause people to become provoked and to get the idea that we have fantastic concepts of what life means.

The European people—I am not now referring to the people of Asia and other areas—in my judgment are sick and tired of propaganda. They want the truth.

Mr. President, I contemplate voting for the measure as recommended by the committee. I shall do so because it is the combined judgment of the many Members who were there.

However, I felt that I should express my judgment: Everything that is needed to disseminate the truth; not one penny for propaganda.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). The question is on agreeing to the committee amendment on page 33, in line 6.

Mr. BRIDGES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Texas will state it.

Mr. JOHNSON of Texas. The Senate is about to vote on the question of agreeing to the committee amendment on page 33, in line 6; is that correct?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSON of Texas. Mr. President, do I correctly understand that on this question, a vote "yea" will be in favor of the committee amendment or in favor of a reduction from $105 million to $89,100,000?

The PRESIDING OFFICER. That is correct.

Mr. CAPEHART. Mr. President, I shall vote for the committee amendment; but I am not certain that in agreeing to the committee amendment, the Senate will be doing the correct thing. However, tonight I am willing to follow the committee, because it should know more than I do about this matter, in view of the fact that the committee has spent many days in holding the hearings.

However, Mr. President, I believe the Senate should be spending its time on improving the kind of truth, propaganda, publicity, or advertising this Agency issues, rather than on reducing its appropriation. This year the United States will spend approximately $40 billion or $45 billion for national defense. It does not quite make sense to me to have our country spend that much for national defense and then spend as little as $106 million or $144 million—the latter being the amount the administration requested—or the approximately $90 million the committee has recommended.

Mr. THYE. Mr. President, will the Senator from Indiana yield to me?

Mr. CAPEHART. I yield.

Mr. THYE. The amount carried in the committee version of the bill is $90,200,000.

Mr. CAPEHART. I thank the Senator from Minnesota.

Mr. President, the purpose of the institution which we call the United States Information Agency should be to tell the truth about the United States, just as an advertising department tries to tell the truth about a given product. To me, this Agency is similar to the advertising department or publicity department of any good institution or company.

If the USIA does a good job, it is worth almost any amount it costs. If it does a poor job, the money it spends is wasted, whether that be $10 million, $50 million, or $100 million.

I shall go along with the committee, because it seems to be very positive in stating that its recommendation is in the best interests of the United States. So tonight I am willing to support the committee. However, I think we should stop, look, and listen, inasmuch as we are about to appropriate, during the next few weeks, approximately $40 billion or $45 billion for national defense. Under those circumstances, we should not be niggardly in the appropriation we make to educate the world on how to avoid war and trouble. When we make very large appropriations for national defense, certainly we should be willing to appropriate sufficient funds to inform the world of the facts about the United States.

I favor economy, and I shall vote for the making of cuts in the appropriation bills. However, I do not think we wish to make cuts merely for the sake of cutting. After all, we must support the Government of the United States, and we must look after the interests of the more than 170 million people of the United States. Furthermore, the United States still is faced with a warlike atmosphere in the world.

Therefore, Mr. President, I have desired to state my position for the RECORD.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 33, in line 6.

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that the Senate is about to vote on the committee amendment which calls for a reduction in the amount set forth on page 33, in line 6?

The PRESIDING OFFICER. That is correct.

Mr. JAVITS. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator from New York will state it.

Mr. JAVITS. Do I correctly understand that on this question, a vote "yea" will be in favor of the committee amendment, as set forth at that point in the bill, namely, the amount of $89,100,000; and that a vote "nay" will be to leave in the bill, as set forth at that point, the figure "$105,000,000"?

The PRESIDING OFFICER. That is correct.

The question is on agreeing to the committee amendment on page 33, in line 6. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MCNAMARA (when his name was called). On this vote I have a pair with the Senator from Arkansas [Mr. MCCLELLAN]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], and the Senator from Wyoming [Mr. O'MAHONEY] would each vote "yea."

Mr. DIRKSEN. I announce that the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wyoming [Mr. BARRETT], the Senator from South Dakota [Mr. CASE], and the Senator from West Virginia [Mr. REVERCOMB] are detained on official business.

On this vote the Senator from Maryland [Mr. BUTLER] is paired with the Senator from Maine [Mr. PAYNE]. If present and voting, the Senator from Maryland would vote "yea" and the Senator from Maine would vote "nay."

The result was announced—yeas 61, nays 15, as follows:

YEAS—61

Anderson	Hayden	Morse
Bennett	Hickenlooper	Morton
Bible	Hill	Pastore
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Byrd	Jackson	Robertson
Capehart	Johnson, Tex.	Russell
Carroll	Johnston, S. C.	Saltonstall
Church	Kefauver	Schoeppel
Clark	Kennedy	Scott
Curtis	Kerr	Smathers
Dirksen	Knowland	Smith, Maine
Douglas	Kuchel	Sparkman
Dworshak	Lausche	Stennis
Eastland	Long	Talmadge
Ellender	Magnuson	Thurmond
Ervin	Malone	Williams
Frear	Mansfield	Yarborough
Fulbright	Martin, Iowa	Young
Goldwater	Martin, Pa.	
Green	Monroney	

NAYS—15

Aiken	Cooper	Neuberger
Allott	Cotton	Smith, N. J.
Bush	Ives	Thye
Carlson	Javits	Watkins
Case, N. J.	Mundt	Wiley

NOT VOTING—19

Barrett	Hennings	Neely
Beall	Humphrey	O'Mahoney
Butler	Jenner	Payne
Case, S. Dak.	Langer	Revercomb
Chavez	McClellan	Symington
Flanders	McNamara	
Gore	Murray	

So the committee amendment was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. KNOWLAND. Mr. President, I move to lay the motion to reconsider on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from Texas.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. JOHNSON of Texas. Mr. President, I send to the desk a proposed amendment on page 35, line 17. I ask for its immediate consideration, and that it be read by the clerk.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The CHIEF CLERK. On page 35, line 17, after the word "overseas," it is proposed to insert the following: ", and the Appropriations Committees of the Senate and the House of Representatives shall be promptly notified in writing of each such finding."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Texas [Mr. JOHNSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. DOUGLAS subsequently said: Mr. President, I ask unanimous consent that a statement which I have prepared on the State, Justice, and judiciary appropriation bill be printed in the RECORD just prior to the statement of the Senator from Texas [Mr. JOHNSON], previous to the vote on final passage of the bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR PAUL H. DOUGLAS, DEMOCRAT, OF ILLINOIS, ON THE STATE, JUSTICE, AND JUDICIARY APPROPRIATION BILL

In this period of industrial price inflation, I have advocated that at least one-quarter of the funds in this year's budget which are for civilian and Defense Department public works should be cut out so that these projects could be postponed in part until inflation is less of a threat to a part of our economy. Some $20 billion in this budget is for the purpose of acquiring new construction items and the direct purchase of goods and materials. Of this $20 billion, approximately $12 billion is for direct military equipment, supplies, and hardware and is therefore needed. Of the remaining $8 billion, $4 billion is for civilian public works and approximately $4 billion for military construction of such items as warehouses, navigation aids, etc., which do not directly affect national defense or our ability to fight.

As each authorization bill for public works has come before us and as each appropriation bill has come to the Senate floor, I have tried to apply the principle of postponing at least 25 percent or one-fourth of these public-works items. I have done this because I believe in compensatory fiscal policies so that in times of recession we should use our shelf of public works to help create jobs, and that in times of great prosperity and inflation, we should cut back on these items, have a budget surplus, retire some of our debt, and possibly give some tax relief. I believe that this policy cannot work if we build a tremendous volume of public works at all times during the business cycle. We should cut back in times of prosperity.

I am, therefore, happy to note in connection with the appropriation bill before us, that the principle which I have advocated has been applied by both the House and Senate committees. I welcome this and because of it I shall offer no amendments for the principle in which I believe has been achieved.

In the bill as reported by the Senate committee, the appropriations are approximately 7 percent below the appropriations of last year. The bill compared with the request of the President is some 15 percent below that request.

Those items which might properly be called public works amount to slightly over $42 million in the President's budget. The Senate committee has cut this amount by $15.8 million, or to $26.2 million. This is a total average cut of 35 percent.

In particular, the item for acquisition of new buildings for the State Department abroad has been cut by $1.5 million from the President's request, or from $20 million to $18.5 million—or by 7.5 percent—a minor cut. The item to remodel the State Department Building has been cut from $7 million to $2.5 million—or by 64 percent—a fairly large cut but one which is proper in this period. This work can well be delayed for another year.

The construction item for the International Boundary and Water Commission between the United States and Mexico has been reduced from $700,000 to $300,000—or by 57 percent. The Passamaquoddy tidal survey has been cut from $1,349,000 to $1,344,000—or by only $5,000—a negligible cut. The Rama Road has been reduced from a request of $2 million to an amount of $1.5 million or by 25 percent. The item for buildings and facilities for the Federal prison system has been reduced from $7 million to $1 million, or by six-sevenths, or 85 percent. The item for acquisition and construction of radio facilities for the USIA has been cut from $4 million to $1.1 million or by $2.9 million, or by 72.5 percent.

Mr. President, one does not necessarily have to agree with the amount of each of these cuts and where they took place. If I were responsible for the individual items and had power over them by myself, I might well have done differently. However, I agree with the overall result even though I have some differences with the individual items.

The 35 percent cut is 10 percent more than the 25 percent average which I have advocated. However, as we did not cut the rivers and harbors authorization by the 25 percent which I offered on the floor of the Senate as an amendment to the bill, and as the full item for Coast Guard construction—which is the only other public-works item before us thus far—remained intact and was not cut by 25 percent as my amendment would have done, I feel that it is not unfair to have the public works items in this bill cut by more than I have advocated as a principle to follow.

Because of this situation, I shall not offer any amendments to the bill and I wish to congratulate the House committee, and especially the Senate committee and its chairman, Mr. JOHNSON of Texas, for the fine general effort which they have made in cutting this appropriation and, particu-

larly, the public works items in this appropriation.

Mr. JOHNSON of Texas subsequently said: Mr. President, through many long days and late into the evenings, the very efficient and cooperative staff of the Senate Committee on Appropriations has worked with the subcommittee on the State, Justice, judiciary, and related agencies appropriation bill.

I wish to express my gratitude to all of these members of the Senate Appropriations Committee staff and to two members of my own office, Gerald Siegel and Solis Horwitz, who diligently devoted themselves to the task until 1 or 2 o'clock some mornings, in order to be prepared for the hearings later in the same day.

Of the Appropriations Committee staff members, I wish to say particularly to Harold Merrick that I have never worked with a person who was more diligent, more loyal, or more dedicated to his task than he has been.

I also wish to express my gratitude to Bill Kennedy and Joe Gonzales for the great contribution which they made in getting the bill ready for presentation to the Senate.

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the RECORD a statement, prepared by me, relative to the educational exchange program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR COOPER

I should like to commend the Appropriations Committee for allowing $24 million for the State Department's educational exchange program next year. During my service as Ambassador to India I had occasion to see this program in action and to observe some of its results. I can assure you that this is a sound investment in the promotion of understanding between our people and the peoples of other countries.

Many of those who have come to the United States under this program hold influential positions in their own countries. I need not underline how important it is for those who hold positions of leadership in other countries to know our country and our people from firsthand experience. They may not always agree with our policies but they do understand our motives and actions on the international scene.

I found in my short experience that the exchange program is also making a most worthwhile contribution to the broad educational program of the Government of India. To supplement the training of Indian teachers in the United States, a number of conferences have been held in India by American educators. These have been good, practical working conferences which have drawn teachers from all over India and have had the full support of the Indian Government. Other conferences have been held over the past 4 or 5 years for college and university teachers to discuss educational problems, and in these conferences there has developed a larger understanding of American Government and foreign policy, American history and literature, and our economic system, as well as the policies of India.

I cannot speak too highly of the service of the Americans who have gone to India under this program. They have been working in many cities in India (I believe 12 during my stay) and they have been willing to undertake speaking engagements and conferences in 20 or 30 other towns during their stay. They were able to establish an association with the people based on respect. One professor and his wife wrote that peasants and farmers were their neighbors. "We have a feeling," they said, "that in our friendships and talks we brought new understanding of America and Americans * * * we feel that this is more effective than Russia's managed cultural missions."

Since my return from India I have met a number of their leaders who have come here under the exchange program, and I am sure that their experience here will be valuable to understanding and good will between our two countries, and ultimately in our relations. And I am sure this applies equally to other countries, where this program is effective. I am glad to support the continuation of this human and vital effort.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read the third time.

The bill was read the third time.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. Have the yeas and nays been ordered on final passage?

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. I announce that the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNINGS], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] are absent on official business.

I further announce that if present and voting, the Senator from New Mexico [Mr. CHAVEZ], the Senator from Tennessee [Mr. GORE], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Wyoming [Mr. O'MAHONEY], and the Senator from Missouri [Mr. SYMINGTON] would each vote "Yea."

Mr. DIRKSEN. I announce that the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Indiana [Mr. JENNER] are necessarily absent.

The Senator from North Dakota [Mr. LANGER] and the Senator from Maine [Mr. PAYNE] are absent because of illness.

The Senator from Wyoming [Mr. BARRETT], the Senator from South Dakota [Mr. CASE], and the Senator from West Virginia [Mr. REVERCOMB] are detained on official business.

If present and voting, the Senators from Maryland [Mr. BUTLER and Mr. BEALL], the Senator from Vermont [Mr. FLANDERS], and the Senator from Maine [Mr. PAYNE] would each vote "yea."

The result was announced—yeas 77, nays 0, as follows:

YEAS—77

Aiken	Goldwater	Morse
Allott	Green	Morton
Anderson	Hayden	Mundt
Bennett	Hickenlooper	Neuberger
Bible	Hill	Pastore
Bricker	Holland	Potter
Bridges	Hruska	Purtell
Bush	Ives	Robertson
Byrd	Jackson	Russell
Capehart	Javits	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Carroll	Johnston, S. C.	Scott
Case, N. J.	Kefauver	Smathers
Church	Kennedy	Smith, Maine
Clark	Kerr	Smith, N. J.
Cooper	Knowland	Sparkman
Cotton	Kuchel	Stennis
Curtis	Lausche	Talmadge
Dirksen	Long	Thurmond
Douglas	Magnuson	Thye
Dworshak	Malone	Watkins
Eastland	Mansfield	Wiley
Ellender	Martin, Iowa	Williams
Ervin	Martin, Pa.	Yarborough
Frear	McNamara	Young
Fulbright	Monroney	

NAYS—0

NOT VOTING—18

Barrett	Gore	Murray
Beall	Hennings	Neely
Butler	Humphrey	O'Mahoney
Case, S. Dak.	Jenner	Payne
Chavez	Langer	Revercomb
Flanders	McClellan	Symington

So the bill (H. R. 6871) was passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate insist on its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. JOHNSON of Texas, Mr. ELLENDER, Mr. MCCLELLAN, Mr. MANSFIELD, Mr BRIDGES, Mr. SALTONSTALL, and Mr. HICKENLOOPER conferees on the part of the Senate.

STUDY OF CRITICAL RAW MATERIALS AND RESOURCES OF THE SOVIET UNION

The Senate resumed the consideration of the resolution (S. Res. 78) to make a study of critical raw materials and resources of the Soviet Union and certain Eastern Hemisphere countries and the effect upon the United States.

ORDER FOR ADJOURNMENT UNTIL TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate concludes its deliberations today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I should like to give notice of a session on Friday. As all Senators are aware, we have a very crowded schedule. We have had four appropriation bills reported this week. Some of the criticism which is directed at the Senate comes from uninformed sources, which say our schedule is lagging. All Senators are devoting themselves to their committee work, and we are doing our best

to get action in some form or other on each and every recommendation the President has made. That does not mean we will adopt all recommendations, but it does mean we will pass judgment. That it is our duty to do.

I have been requested not to have the Senate to act on the supplemental appropriation bill this week. We could have a session of the Senate on Saturday, at which time the bill would have been before the Senate the required period of time.

I have discussed with the minority leader, with the distinguished Senator from Illinois [Mr. DOUGLAS], and with the distinguished chairman of the subcommittee [Mr. HOLLAND], the possibility of taking up the Commerce Department appropriation bill, not tomorrow, but on Friday, in the event of a Friday session. That bill is House bill 6700, and it is Calendar 309. The report and the bill are available to all Members. Copies of the hearings will be on each Member's desk in the morning.

ORDER FOR CONVENING OF THE SENATE AT 11 O'CLOCK A. M. FRIDAY—ORDER FOR CONSIDERATION OF HOUSE BILL 6700

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that when the Senate convenes on Friday, it convene at 11 o'clock a. m.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Texas. I also ask unanimous consent that it be in order, following the morning hour on Friday, to consider House bill 6700.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXTENSION OF LIFE OF DISTRICT OF COLUMBIA AUDITORIUM COMMISSION—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the distinguished Senator from Oregon [Mr. MORSE] has a conference report to submit, which he has discussed with the majority leader and the minority leader. We have gone over it, and are agreeable to it. Following that, there will be no further business, other than insertions in the RECORD.

Mr. MORSE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4813) to extend the life of the District of Columbia Auditorium Commission, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "That the act entitled 'An act creating a Federal commission to formulate plans for the construction in the District of Columbia of a civic auditorium, including an Inaugural Hall of Presidents and a music, fine arts, and mass communications center,' approved July 1, 1955, as amended, is amended—

"(1) by striking out in subsection (a) of the first section of such act 'District of Columbia Auditorium Commission' and inserting in lieu thereof the following: 'Commission for a National Cultural Center';

"(2) by striking out in subsection (a) of the first section of such act 'national civic auditorium' and inserting in lieu thereof: 'national cultural center';

"(3) by adding at the end of the first section of such act the following new subsections:

"'(f) The Commission shall continue in existence until the construction of the national cultural center referred to in subsection (a) of this section has been completed.

"'(g) The Commission is authorized to sell (1) copies of the report and recommendations which it made to the President and to the Congress pursuant to the provisions of subsection (c) (4) of this section, and (2) any other publications which it might prepare in carrying out its duties under this act. Any receipts from the sale of any copies of such report, recommendations, and other publications by the Commission shall be deposited in the Treasury of the United States and credited to the current appropriation available for salaries and expenses of the Commission.'

"SEC. 2. Such act is further amended by redesignating section 3 as section 4, and by inserting after section 2 a new section as follows:

"'SEC. 3. The Administrator of General Services shall (1) acquire by purchase, condemnation, gift, or otherwise, the land and any improvements thereon situated in that area of the District of Columbia commonly referred to as "Foggy Bottom—South", and more particularly described in the report submitted by the Commission to the President and to the Congress on January 31, 1957, and (2) make such area available to the Commission as a site for the construction of the national cultural center as provided in subsection (a) of the first section of this act. Any right, title, or interest in and to any land or improvements thereon situated in such area which is held by any agency of the Government, other than the General Services Administration, shall be transferred without reimbursement or other monetary consideration by such agency to the Administrator of General Services for use in accordance with clause (2) of the preceding sentence.'"

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

WAYNE MORSE,
JOSEPH S. CLARK,
CLIFFORD P. CASE,
Managers on the Part of the Senate.

JIM MORRISON,
ABRAHAM J. MULTER,
KATHRYN E. GRANAHAN,
CARROLL D. KEARNS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MORSE. Mr. President, I move that the Senate agree to the report.

The report was agreed to.

ALLOCATION OF PUBLIC POWER IN THE NORTHWEST

Mr. MORSE. Mr. President, I have an accumulation of insertions to make in the RECORD.

On May 10, 1957, I received a long letter, dated May 8, from Mr. Thomas W. Delzell, chairman of the board and chief executive officer of the Portland General Electric Co.

In essence, the letter deals with a problem which the Portland General Electric Co. has raised with the Oregon delegation in regard to the future allocation of power in the Pacific Northwest, with particular reference to power from the prospective John Day Dam.

The Portland General Electric Co. and other groups in the State seem to feel that the State of Oregon is going to be discriminated against in relation to the State of Washington and other States, unless some formula for the working out of the allocation of power is agreed to by the Congress.

The Portland General Electric Co. has a specific proposal which it has submitted to the Oregon delegation, and which I think can be described in general terms as a proposal which would allocate power on the basis of population. They take the position that because there are many more public preference groups in the State of Washington than in the State of Oregon, because Washington is more of a public power State than is the State of Oregon, the net result is that the people of Oregon receive a smaller quantity of power, and will continue to receive, to their disadvantage, according to this point of view, a lesser amount of power than will the people of the State of Washington.

I do not intend to take the time of the Senate this evening to discuss this problem in any great detail, but in fairness to the Portland General Electric Co., I think it is only right that I should insert, as a part of my remarks, the letter which I received from Mr. Delzell under date of May 8. I ask unanimous consent to have it printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PORTLAND GENERAL ELECTRIC CO.,
Portland, Oreg., May 8, 1957.

The Honorable WAYNE MORSE,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR: In order to bring all members of the Oregon delegation up to date on some of our activities of the past few weeks and to get this information to you ahead of your scheduled meeting for May 13, I am making this an identical letter to all of you.

As indicated by conversations with you and your staff, officials of this company, and more particularly myself have, during the past few weeks, taken some action to apprise certain people in Oregon of the need for legislation at the Federal level which would guarantee to Oregon's citizens a fair

and equitable share of the federally generated Columbia River power.

About two weeks ago we conducted a background and briefing session for the editors and editorial writers of a number of Oregon newspapers who could conveniently meet in Portland, such as the Journal, the Oregonian, the Salem Statesman, the Albany Democrat Herald, and several others. Each person who attended was given a copy of my letter of March 29 to Senator MORSE, a copy of the power distribution study prepared by this company, and the legal brief setting forth legislative precedents with respect to the allocation of Federal power. Parenthetically, Senator MORSE, thank you very much for letting me use a copy of my letter to you, as it did save considerable time.

Of course we were not able to state your position on this matter, simply because we did not know it and did not have the authority to speculate. I did point out that those of you in attendance at our breakfast conference listened attentively and expressed interest in the general problem. More specifically, I commented that Senator MORSE made certain affirmative comments with respect to his interest in the matter which seemed most encouraging to me, and that he proposed to have a meeting of the Democratic members of the Oregon delegation on May 13 to consider what action they might appropriately take. I also called attention to the Oregonian's news story of April 17, the opening paragraph of which reads as follows:

"Senator WAYNE MORSE promised the head of the Portland General Electric Co. Tuesday that the Democrats of the Oregon congressional delegation would consider legislative action to prevent Oregon being caught in the squeeze of a power shortage."

With respect to Congresswoman GREEN, Congressmen PORTER and ULLMAN, I indicated that they made no comment, other than that of general interest. At this same conference, Senator NEUBERGER, I said that your last comments to me had been that you had simply not made up your mind as to what action to take, although in response to questions—I believe in this instance from Governor Sprague—I did read from your news release of Wednesday, April 10, and indicated that it would have to speak for itself.

With respect to Congressman NORBLAD who was not present, I simply indicated, WALT, that in a separate conversation with you, you in turn had said that you favored a fair and equitable allocation for Oregon and other affected States; but insofar as it might be tied to congressional appropriations for John Day, you were not optimistic, simply because you felt the chances of getting any appropriations this year were very remote.

I think it accurate to report that the general tenor of the meeting with these newspapermen and subsequent conversations indicated an awareness on their part that Oregon must find some means to assure its citizens of a more equitable share of Federal power. Since a portion of our presentation showed how the situation might look in 1968 with John Day completed, I was queried as to the wisdom of tying the cure only to John Day and, in effect, why not have it apply to all Federal power. My answer, which seemed to satisfy the group, was that we had used John Day for illustrative purposes because it was one of the first projects that should be built; but that we, too, agreed that any fair and equitable allocation of its power or equivalent power would have to (1) take into account what was fair and equitable with respect to Federal power in the other States, and (2) be prospective rather than retroactive in application, since it was neither feasible nor proper to consider a cure which would violate existing contracts and reduce present deliveries of Federal power to the various preferred agencies or industries.

I must pass along to you my very definite feeling that, from the questions and comments, the newspapermen tended to favor Federal legislation as a cure, rather than a State power authority. Some of their comments were very specific with respect to their belief that a State power authority could never qualify as a middleman to purchase Federal power for resale to nonpreference customers; that is, to Oregon citizens in the absence of Federal legislation amending the Bonneville Project Act to permit this type of transaction.

Prior to this meeting, a conference was had with various municipal power agencies, a representative of the PUD's, a representative of the REA association, and investor-owned utilities. By and large the same material was presented here as was presented at the meeting mentioned above, and substantially the same comments were made with respect to the Oregon delegation. It was clear that the spokesmen for the municipals and the PUD's were wholly in accord with the premise that Oregon must have a fair and equitable share of Federal power and that the most effective way to achieve this is by means of legislation at the Federal level. However, since the REA representative was there as an observer for the president of that association, without authority to act, it was concluded by the several public agencies that they would have a subsequent meeting more definitely to determine their position on this matter, which they hoped would include concurrence by the Oregon REA co-ops. This meeting has been held, and although we have not had any official reports, our understanding is that the municipal and PUD representatives continue to look with favor on "fair and equitable" legislation, but that the cooperatives indicated a desire to give the matter further study. My assistant, Bob Short, is of the very definite impression that the basic reason given by the co-ops for needing time for further study was to explore what adverse effect, if any, a fair and equitable allocation of power for Oregon would have upon their sister public agencies in the State of Washington.

This interest on their part is understandable; but the answer is simply that if the cure is made as outlined above, then it follows that present deliveries of power would not be curtailed. But it would be equally true that at some time in the future Washington public agencies would be unable to secure from the Federal system all of their load growth requirements to the extent that Federal power was reserved for Oregon or other States in order to make State allocations meaningful. Interestingly enough, this should have the effect of securing widespread public support for an accelerated Federal construction program, since the additional Federal power would tend to meet the public agency requirements, and by virtue of increasingly larger State allocations would benefit customers of the nonpreference distributors.

The remainder of this letter will be devoted to answers or general observations, as the case may be, to the questions raised by you, Senator Neuberger, in your letter to me of April 2. You raised the question of whether a geographical allocation of John Day power would set up a yardstick to be used to our disadvantage in the future, and in that connection observed that such geographical allocation might not operate to the best interests of Oregon if one assumes an accelerated Federal development encompassing such projects as those on the lower Snake, Bruces Eddy on the Clearwater, Libby, Glacier View, Paradise, and so forth.

First, let me reiterate that my idea for a "fair and equitable" allocation is not one based upon plant locations. I say this, despite the fact that our data and charts left with you indicate clearly that Oregon would be far better off with a geographical allocation than it will be under existing statutes and contracts. But the same data indicate that it would be even better off if weight is given to population, which must be done if the allocation is to be fair and equitable.

You also observed "moreover, its consideration assumes little further Federal development in the Columbia Basin." I have no doubt others feel that our suggested allocation procedure is deficient in not giving enough weight to the results which would flow from a greatly accelerated Federal construction program. From the best information I have, it is my considered belief that an accelerated Federal construction program will not materially solve the Oregon power problems which I have heretofore delineated to you. On the contrary, I believe that such an accelerated program will, by and large, merely keep pace with the load growth of the public agencies, with most of the power output going to Washington, and with Oregon still the low man on the totem pole.

To support my conclusions, I enclose a table which shows Federal power existing and under construction as of June 30, 1956; the amount of non-Federal power existing and under construction as of the same date; and the amount of power authorized for Federal construction but not yet started. Please note that this totals 16,290,920 kilowatts of installed capacity, and let me particularly point out to you that it does not include any of the several potential power developments on the middle Snake, nor the Wells project on the Columbia for which the Douglas County PUD has a preliminary permit, nor Bruces Eddy, Glacier View, Paradise, and others, some of which you mentioned in your letter. The total is also exclusive of the city of Tacoma's projects which are partially constructed but presently held up indefinitely on account of litigation.

It is generally known that the Pacific Northwest area has a hydroelectric potential of approximately 35 million kilowatts. It is highly important, but not so generally known, that of this amount probably not more than 22 million kilowatts can be developed on an economical basis. That is the figure supplied to me by General Walsh, whose opinion is shared by competent engineers throughout the area. It is a simple question of economics. The cost per kilowatt of installed capacity is on the increase, as the sites become less desirable and farther removed from load centers, and because of rising costs. The cost per kilowatt installed at Wells, for illustration, is estimated to be close to $400. This cost, with transmission added, indicates that it and many other similar projects are borderline in comparison with steam.

If one assumes the 22-million-kilowatt figure reasonable, as I do, then the difference between this and the total shown on the enclosed tabulation is only some 5,710,000 kilowatts which, added to the authorized Federal projects not yet started, gives us a total of about 8,300,000 kilowatts of feasible hydro capacity yet to be developed. For the sake of the illustration, let's assume that the United States builds it all by 1980, which would represent a truly accelerated Federal program. This much capacity is equivalent to about 6,600,000 kilowatts of dependable peak at 66-percent-load factor, which is the average load factor at which the public agencies purchase Federal power. I am reluctant to give you so much arithmetic, but it is necessary to prove the point.

You may recall from table 8 of our company study on Federal Power Sales by States that the private utilities will presumably have their power withdrawn by about the end of 1964, which marks the beginning of the time when the public agencies will be unable to secure their expanding requirements from the Federal system. At that

time the Washington public agencies will be using about 3 million kilowatts of Federal power and the Oregon public agencies about 550,000.

The importance of these figures is simply that the public agenices have the contractual right to secure, if possible, their load growth from the Federal system. This load growth can be estimated to be about 7 percent annually, compounded; and if so, it will absorb the 8,300,000 kilowatts of additional Federal power assumed to be available by 1980. Stated in another way, the requirements of the public agencies will in 1980 at least equal, and very probably exceed, the entire capacity of the Federal system in being at that time.

In my opinion, the date of 1980 is unrealistic; and in fact the available Federal power for the public agencies will be exhausted sooner, probably by 1975. This is for several reasons. One is that it is unlikely that the United States will build all of the 8,300,000 kilowatts of capacity mentioned above. Some of this, not authorized for Federal construction and where FPC permits are outstanding, is very apt to be built by non-Federal agencies. The second reason is that it appears wholly improbable that the public agenices will be permitted to absorb all of the power now being sold to industry, even though the industry contracts do run out in the early 1970's. Also, I have to reject the possibility of the public agencies being permitted to absorb the power now being supplied to Federal agencies such as Hanford. Furthermore, if one assumes the Federal agency and industry loads will be served, then more than 8,300,000 kilowatts must be installed for the public agencies. It seems most unlikely that even under an accelerated program the United States, would in 23 years, do this and still complete the 1,455,250 kilowatts now under construction. This compares, for example, with 5 million kilowatts of installed capacity built since 1933.

In the John Day illustration it was shown that 1 year after its completion the public agencies absorbed all the firm power, with the lion's share going to Washington. It is equally apparent that if one starts in 1964–65 with Washington public agencies requiring 3 million kilowatts of Federal power and Oregon's public agencies 550,000 kilowatts, with each compounded annually at 7 percent, Washington will continue to monopolize available Federal Power.

In the interests of accuracy, I should point out two factors which could alleviate slightly the situation for nonpreference customers. The first is that we are discussing dependable capacity in an adverse water year; and thus in more favorable years there should be substantial quantities of secondary power upon which the public agencies would have a preference, but which otherwise might be made available to the customers of the private utilities, or to interruptible aluminum load, or to both. The second is that to the extent that the municipals, such as Tacoma and Eugene, could solve their legal difficulties and build their plants more rapidly, they might buy less Federal power for a period of time, which power in turn conceivably could be made available for nonpreference customers.

With respect to a solution, I appreciate Senator NEUBERGER's interest in the provision for a State allocation of power from dams in the Missouri River Basin included in S. 497, and his query as to my comments on its applicability to the Northwest situation. First, my apologies for not answering this query sooner, but I had hoped to cover it in personal conversations either in Washington or here, and had the further thought that perhaps my general comments at the breakfast meeting would suffice. I do think that the provision is a very interesting and helpful precedent for our problem. However, I must reiterate that any legislative language to cure the Northwest problem would have to be especially tailored and should not necessarily follow, word for word, that included in S. 497. In the Missouri Basin, as you perhaps all know, the basic problem was the desire of South Dakota and other States in the basin to protect their people against the public body preference which would be asserted by the public power State of Nebraska. To that extent, it is analogous with the problem of Oregon, Idaho, and Montana, as contrasted with Washington. However, in that case it was a problem of too many preference customers for the available Federal power; whereas out here it is a problem of giving equitable treatment to the majority of people, even though they are not preference customers by reason of their choice at the polls. Parenthetically, the Missouri Basin language contained in S. 497 is significant because it demonstrates the ultimate need for some method of allocation of federally generated power when the demand of preference customers exceeds the available supply. This is the exact situation which would occur in the Northwest if the State of Oregon could, through a State power authority, assert preferential rights for Federal power on behalf of its nonpreference citizens. Thus it appears obvious that a State power authority as a middleman on Federal power is no answer to our problems. Such an authority as a Johnny-come-lately in the preferred customer class could hardly expect to take any power away from the older established preferred customers until the expiration of their contracts which would be, generally speaking, in the early 1970's. At that time, if they are all put on an equitable basis, someone would have to make an allocation of power by States.

It is the sincere hope of my associates and me that the Oregon delegation will reach a conclusion that some legislative remedy is needed at the Federal level and that it will undertake to secure it as expeditiously as possible. Such remedy might be included with respect to possible appropriations for the John Day Dam; or failing in that, it might yet be included on the House side in S. 497 without suffering the delays which might be incident to new legislation, or possibly a clarifying amendment to the Bonneville Project Act.

Let me reiterate our offer to assist in any way we can with respect to this problem, including the submission of proposed legislative language for your consideration if you so desire. The Northwest Utilities Conference Committee will be in Washington on May 16 and 17, prepared to make statements in support of various Federal appropriations as previously outlined to you, and of course we will be represented. It is entirely probable that this company, and perhaps others, will make additional supplementary statements indicating the need for a fair and equitable allocation of Federal power for the benefit of the citizens of Oregon and the citizens of other affected States.

Sincerely yours,

THOS. W. DELZELL,
Chairman of the Board and Chief Executive Officer.

Summary of Pacific Northwest hydroelectric generating plants, existing, under construction and authorized

	Installed capacity in kilowatts
Federal: [1]	
Federal projects existing as of June 30, 1956	5,059,000
Federal projects under construction	1,455,250
Federal subtotal	6,514,250

[1] See table X, p. 32, BPA annual report for 1956.

Summary of Pacific Northwest hydroelectric generating plants, existing, under construction and authorized—Continued

		Installed capacity in kilowatts
Non-Federal: [2]		
Public agencies—existing	1,156,210	
Private utilities—existing	2,079,560	
		3,235,770
Non-Federal: [3] Under construction		3,963,900
Non-Federal subtotal		7,199,670
Federal: [1] Authorized projects (not started)		2,577,000
Total		16,290,920

[1] See table X, p. 32, BPA annual report for 1956.

[2] See BPA advance program for 1956, table 1.

[3] See p. 21, BPA advance program for 1956; 4,147,450 kilowatts, less city of Tacoma plants in controversy and Utah steam, but plus P. G. E.'s Clackamas River projects and Pacific Power & Light Co.'s Swift project. This excludes several large projects under FPC permit but not yet licensed or started.

Mr. MORSE. As I have pointed out to Portland General Electric Co. officials and to others this really involves a proposal for a reevaluation of the so-called public preference clause.

Last Monday morning, at a meeting of the Democratic members of the Oregon delegation, we discussed Mr. Delzell's letter, and following that discussion I wrote a letter under date of May 14 in reply to Mr. Delzell. I ask unanimous consent that my reply to Mr. Delzell be inserted in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MAY 14, 1957.

Mr. THOMAS W. DELZELL,
Chairman of the Board, Portland General Electric Co., Portland, Oreg.

DEAR TOM: Many thanks for your detailed letter of May 8. As one of those who attended the breakfast conference with you a few weeks ago in Washington, I assure you that our discussions at that time were most helpful on the subject that is of great importance to all of us, namely, the Pacific Northwest power situation.

You were advised that the Oregon Democratic delegation would again discuss, at its May 13 delegation breakfast, the power problems facing Oregon including your presentation of the distribution difficulties that you foresee. However, each member of the delegation will of course speak for himself. This letter will restate some of my basic beliefs on resource development, particularly as they relate to your proposal for some system of allocating power to Oregon from the John Day Dam.

Because of the impending date of the hearings on the public works appropriations, I am not at this time commenting in detail upon the many points contained in your letter, but am, rather, limiting my comments to the relationship between your suggested allocation of power to Oregon and the possibility of obtaining appropriations for John Day Dam. That is the main subject of this reply to your letter. Naturally, the problems of future hydroelectric power for Oregon which we have discussed with you will continue to have further detailed attention by our delegation, both individually and at our biweekly meetings.

The immediate task at hand must be to carry on in the closest possible collabora-

tion with like-minded delegations from other States in the Columbia Basin in the fight for basin development, which continues to be faced with the opposition and hostility of the administration. Under these circumstances, it would be folly to introduce new factors which could only impair this collaboration upon which our hope of future success must rest.

1. This full development program for the basin has been slowed down in the past 4 years through the active opposition as well as the heel dragging of the administration. The scuttling of full river basin development by the administration has been aided and abetted by groups within our own State and elsewhere in our region who have fought against Federal development of our few remaining great multipurpose dam sites such as John Day Dam and Hells Canyon by joining in the diversionary tactics of the so-called "partnership" scheme.

The administration's most recent expression of opposition to full electric power development in the Columbia River Basin is found in the testimony of Assistant Director of the Bureau of the Budget, Robert H. Merriam, who stated in the hearings before the Senate Public Works Committee on the bill relative to the River and Harbor-Flood Control Act of 1957 (S. 497) that there was no recommendation in the President's budget for construction of John Day Dam. He explained the absence of such a recommendation on this basis:

"The reason is that in terms of the total budgetary situation of the Government as we faced it, and in view of the possibility of alternate methods of financing this dam, a partnership arrangement, it was deemed that this was not a project which the President would recommend for construction." (hearing, February 7, 1957, p. 115).

By way of contrast, the private electric utilities, supported by the administration, did not object to Federal power development of the upper Colorado project, where the public benefits are far less than those of John Day, Hells Canyon, and other great multipurpose dam sites in the Pacific Northwest.

The administration has just signed a $107 million initial contract—the largest ever signed—for Glenn Canyon Dam on the Upper Colorado River, but has not asked one cent for John Day Dam construction.

Since it appears that you and the Oregon Democratic delegation are in agreement on the need for immediate construction of John Day Dam, we hope that you will use your good offices with this administration in an effort to obtain withdrawal of its opposition to Federal construction of John Day Dam.

2. It will be difficult enough under the existing situation, as described above, to obtain an appropriation with which to start construction of John Day Dam without adding to our problems the matter of the future allocation of power from it. In addition, as we discussed with you, substantive legislation to resolve the proper allocation of power among the interested States, if included in an appropriation bill, would be subject to a point of order.

I feel that the immediate problem is that of securing additional low-cost Federal power and that our united efforts should be directed toward that end. By diverting our energies away from this main goal, we will weaken the possibility of obtaining our primary objective.

3. Winning an appropriation this year for John Day construction in the face of the administration's opposition will be difficult at best and to inject substantive language dealing with allocations would only create additional hazards.

Looking beyond the immediate problem of appropriations for John Day Dam and with respect to the points you raised in your letter concerning power allocation to Oregon, we will give continued thought to the problem. However, the Democrats of the Oregon delegation always have supported the public agency preference clause in the distribution of public power. I must stress this basic concept of our public power law which was included in the Bonneville Project Act under the leadership of the late Charles McNary, Oregon's great Republican leader, who fought a memorable battle for full development of the electric power potential of the Columbia River Basin.

As you yourself recognized during our breakfast conference in Washington, I am satisfied that any solution to the problem of fair allocation of electric power generated at Federal dams in the Pacific Northwest must be made within the framework of the preference clause.

4. I believe that further consideration should be given to creating within the State of Oregon preference customers which may claim for our State in the future a continued fair share of the federally generated power in the Columbia River system. This may require modernization of the State laws under which such municipal, PUD, or other preference systems may be created.

I also believe that there should be further discussion and serious consideration of a State industrial power agency to represent the State of Oregon as a preference customer in obtaining federally generated power for Oregon's economy where, in the judgment of the agency, it is most needed. Despite possible present problems of administrative interpretation of the Bonneville Act, I believe that the qualification of such an agency as a preference customer could be established by proper administration of this act—or, if the agency should meet opposition to its requests from the Federal executive departments involved, then I believe the matter can be resolved through amendments of the Federal law.

As I have indicated many times before, for example, in the newsletter to which you referred, summarizing my presentation at the National Hells Canyon Association meeting last December—consideration should be given to fair long-term contracts to private utilities for power, to serve their customers, from a common pool of power from all utilities, public and private. The first essential, as I have stressed for many years, is to do everything possible to assure sufficient power to meet the expected needs of all power users so that there will be an adequate supply for allocation. In other words, the first essential of a sound power program for Oregon on the Columbia Basin is rapid development of low-cost generating capacity to avert shortages. That is why I work so hard for full and rapid Federal development of John Day and Hells Canyon Dams. In view of the great need of all power users and utilities, I remain at a loss to understand why the private utilities have opposed the Federal power program, particularly John Day and Hells Canyon, which are so essential to their own future power supplies.

It is my firm purpose to concentrate on averting power shortages in Oregon by doing everything possible to achieve maximum development of our river resources as speedily as possible with supplemental power from atomic generators at Hanford. It will be difficult, indeed, to make up for the time lost during the last 4 years, but that loss of valuable time makes it all the more necessary to concentrate on acceleration achievement of the Federal main-control plan without disruption by so-called partnership.

In closing, let me again express my sincere appreciation for your courtesy in conferring with us about this vital problem of Oregon's future position with respect to the Federal power program. I am sure that we will continue to exercise the utmost of our efforts for full development of Oregon's great natural resources and those of the Pacific Northwest to the end that the interests of all the people may be served to the maximum.

With kindest regards.

Sincerely,

WAYNE MORSE.

Mr. MORSE. Mr. President, I wish to say by way of explanation that I am speaking at this late hour because earlier in the day I agreed with the leadership to withhold these comments until action had been taken on the appropriation bill. I had no idea that debate on the appropriation bill would consume as much time as has been taken.

However, I am speaking about matters which have already been referred to the Press Gallery, and have already been referred to individuals and organizations in my State, and which will be the subject of considerable discussion in my State tomorrow. Therefore, in fairness to my own record, I must take the necessary time tonight to make these statements.

As I was pointing out, the great concern of the Portland General Electric Co. and other groups, including the Eugene Water and Electric Board of my own hometown, about which board I shall have something to say shortly, is with proposals which involve a modification of the preference clause.

I have made clear in my reply to Mr. Delzell that, speaking for myself, I am not prepared to support any proposal for any modification of the preference clause. The preference clause in the Bonneville Act was the brainchild of a great Republican leader in our State, the late Charles McNary. Senator McNary recognized the importance of providing power from public dams to public bodies by preference.

At the time of this historic fight over the Bonneville Act, we were confronted in the Pacific Northwest with the policies of the private utilities. These policies have been, whenever a public yardstick with which to check them was not available, to charge what the traffic will bear.

That great Republican leader from our State, Senator Charles McNary, battled against the private utilities; and I do not intend now, as a Democrat, to let Charles McNary down. He made great contribution to the power program of the Pacific Northwest.

That does not mean that the senior Senator from Oregon is not perfectly willing to sit down with the spokesmen of this administration and consider a reappraisal and reevaluation of the power program. I have said that for many months past, and I said it in December in a speech delivered in Portland, Oreg., before the National Hells Canyon Association. The Democrats in the Oregon congressional delegation have made it clear to the President of the United States that we are perfectly willing to sit down with his administration to consider a reappraisal of the power problems of the Pacific Northwest.

We suggest again that the election results of 1956 warrant such a joint conference. We predict that the election results of 1958 and 1960 will make perfectly clear to this administration its

shortsightedness, if it stubbornly insists on a continuation of a power program that cheats the American people out of their just dues from their own heritage in their own rivers.

Mr. President, I wish to make it clear that, in spite of the past record of the Portland General Electric Co., of the Eugene Water Board, and of other representatives of the private utility point of view, my mind is open for a consideration of any reasonable proposal that they want to have considered. I have made that clear to Mr. Delzell, the chairman of the Portland General Electric Co. However, as I have indicated very clearly in my letter of May 14, and do now on the floor of the Senate, for the knowledge of the people in my State and elsewhere, I certainly am not ready now to commit myself to any proposal made by any group—private utility or public group—until there has been ample time to consider the matter, to study it and to find out what the facts are, and before those facts are presented in an appropriate hearing in Congress with relation to an appropriate bill.

Any proposal to solve this problem by way of a rider on an appropriation bill, I cannot accept. That is what the Portland General Electric Co., through Mr. Delzell is proposing.

Many times, as the record will show in the last 13 years, I have presented objections on the floor of the Senate to substantive legislation being added by way of riders to appropriation bills.

I do not think that that is the appropriate way to legislate. Furthermore, as I have indicated in my letter to Mr. Delzell, any proposal for a consideration of this allocation problem should be separate and distinct from the main problem that confronts us, namely, getting on with the construction of the very much-needed multiple-purpose dams. I want to get the dams built first.

When I say that, I only reiterate the position taken by Senator Charles McNary. Many a time when these conflicts developed over power dams in the Pacific Northwest, Senator McNary used to take the position that we ought to get on with the building of the dams; that the people want the dams; and that once we get the dams built and the generators start to generate power, there will be plenty of time to determine the administrative program that is to be followed in transmitting the power and in allocating the power, and in determining how we shall handle the operation of the dams.

That advice of Senator McNary, given many times in his day, is just as sound today.

Therefore, Mr. President, I am not going to be diverted from what I think is the primary job that confronts this Congress in regard to the John Day Dam, namely the job of getting appropriations for construction. I point out in my letter to Mr. Delzell that what we are up against, of course, is a hostile administration, an administration which proposes not one red cent for John Day in its budget this year. Why? I will tell the Senate why. I will tell it my suspicion. It does not like it, because it has not been able to get by with its partnership steal of the public's interests in John Day Dam power. That is why. We have stopped them cold so far.

To whatever extent I am able to continue to stop them cold on a partnership giveaway at John Day, I shall continue the fight. I do not propose to let President Dwight D. Eisenhower get by with that kind of handout to private utility interests. He is trying to get by—although we shall renew committee hearings on Friday—with a shocking giveaway to the Idaho Power Co. of millions of dollars, taking the money right out of the pockets of American taxpayers, by way of the accelerated amortization tax certificates that his Office of Defense Mobilization has given to the Idaho Power Co.

The American people will be told the unpleasant facts about the President in regard to the power matter. He is wrong about this, as he was wrong about Dixon-Yates. Once the people of this country came to understand the kind of political immorality inherent in the Dixon-Yates situation, for which the White House had the responsibility, the administration changed its policy. I am satisfied that once the American people come to understand the political immorality of the Dwight D. Eisenhower partnership program, they will be heard from, and they will force upon the President a long overdue change in that policy.

But, Mr. President, these reactionary fat cats die hard. They seem to have the proverbial nine lives of the cat. Only this year, one of their spokesmen before a congressional committee, Mr. Robert H. Merriam, as I point out in my letter to Mr. Delzell, had this to say. I read this paragraph from my letter to the chairman of the board of the Portland General Electric Co.:

> The administration's most recent expression of opposition to full electric power development in the Columbia River Basin is found in the testimony of Assistant Director of the Bureau of the Budget, Robert H. Merriam, who stated in the hearings before the Senate Public Works Committee on the bill relative to the River and Harbor-Flood Control Act of 1957 (S. 497) that there was no recommendation in the President's budget for construction of John Day Dam. He explained the absence of such a recommendation on this basis:
>
> "The reason is that in terms of the total budgetary situation of the Government as we faced it, and in view of the possibility of alternate methods of financing this dam, a partnership arrangement, it was deemed that this was not a project which the President would recommend for construction."

That was Mr. Merriam's testimony on February 7, 1957.

Apparently the President never heard of the election returns. Apparently nobody was so fair as to notify the President of what occurred. One of the things about which I feel so badly is the way in which the President is treated by his advisers. They keep him so uninformed about the public's business. I feel very badly that no adviser of the President, apparently, ever told him about the Neuberger-Coon debates. Mr. Sam Coon, up until the last election, was a Representative from eastern Oregon, in which district the John Day Dam will be located.

Mr. Coon challenged my very able colleague, the junior Senator from Oregon [Mr. NEUBERGER], to a series of debates on partnership for John Day Dam, in which Mr. Coon tried to uphold Dwight D. Eisenhower's position on partnership for John Day. Senator NEUBERGER opposed partnership.

The record will speak for itself. Of course, the administration does not have the facts in support of partnership which will stand up in debate. Therefore, Mr. Coon's allegations failed to stand up, and he failed to be reelected. The people of his district understand the partnership issue. They know, as I said so many times during the campaign last fall, that under a partnership the ordinary practice is that the partners share the profits, unless there is a special agreement whereby one partner is to be given some advantage. I taught a course in partnership law for some years, and that simply happens to be an elementary principle of partnership law.

But that is not the Eisenhower scheme. Under the Eisenhower partnership scheme, the private utilities take the profits, and the people pay for the fish ladders and for all other nonreimbursable costs of the dams.

But people talk about political morality. It can be seen that what the Eisenhower administration, through Mr. Merriam, is saying, in effect, to the people of the Pacific Northwest is, "You will get the John Day Dam when you yield to our pressure on partnership."

I want to tell the Eisenhower administration that they are going to lose more and more men at the polls if they hold to the Merriam point of view as expressed on February 7 of this year.

To show you, Mr. President, the discriminatory policies of the Eisenhower administration, let me read what they have done to the upper Colorado. I was for the upper Colorado project. I supported the upper Colorado proposal. Some of the supporters of the upper Colorado project have made public statements expressing their appreciation for the support I gave them on the upper Colorado.

I am for the upper Colorado, and I am for substantial appropriations for the upper Colorado this year. I understand the request is for $25 million. I think we ought to proceed with the upper Colorado, because it is a great water service project. It will be costly—exceedingly costly—but if we think about the future, if we think about the American boys and girls of 100 years from now, we in Congress will start to appropriate money for the construction of the upper Colorado project. This is what I said in my letter to Mr. Delzell:

> By way of contrast, the private electric utilities, supported by the administration, did not object to Federal power development of the upper Colorado project, where the public benefits are far less than those of John Day, Hells Canyon, and other great multipurpose dam sites in the Pacific Northwest.
>
> The administration has just signed a $107 million initial contract—the largest ever signed—for Glen Canyon Dam on the upper Colorado River, but has not asked 1 cent for John Day Dam construction.

The private utilities are not interested in the development of power projects in the upper Colorado, because they would be too costly. But over in the Columbia Basin and the Snake River, where there is a great abundance of water, the private utilities are very anxious to come in and to skim off the profit cream. They want to get control of John Day. They want to block forever the construction of Hells Canyon Dam. As I said in Salt Lake City at a water conference only last Saturday, it is a shocking example of privateering.

Mr. President, I give this advice to the private utilities, as I said to Mr. Delzell in my letter: Come on and join with us in getting the money to start the construction of John Day Dam, because the great power shortage in that region certainly shows the need for it Make it perfectly clear to the administration that it is politically immoral for the administration to put this kind of economic blackjack on the people of Oregon, Washington, Idaho, and other areas in the Pacific Northwest which need so much the power from John Day Dam. Say to the administration that the time has come to stop this kind of political duress and coercion. Take this matter out of politics.

One of the things we hear now from the proponents of partnership is that the issue should not be in politics. Who put it in politics? One Dwight D. Eisenhower put it in politics. He can take it out of politics by taking a look at the tabulation of the will of the people of the Pacific Northwest, and proceed to work out with us a reappraisal of the entire program.

I make that plea again, as I now discuss the request of the private utilities that the Democrats in the Oregon delegation give some consideration now to the plight in which the private utilities in Oregon find themselves.

I could be unkind about it, but I have no intention of being unkind. The private utilities are entitled to their views, and they were entitled to make the kind of fight they made, if they wanted to fight that way. Now that the battle is over, and the results are in, I, as a Senator from Oregon, am a Senator for all the people of the State, including the executives of the private utilities, for the term of my office. I have told them that I want to be of help in solving our power problem out there. But the record needs to be clear, too.

I am very glad that some of the officials, at least, of the private utilities, even if somewhat belatedly, are now taking a long look at the power situation in the Pacific Northwest. Although they tried to scuttle the rights of the people to the John Day Dam by having it made a partnership plan whereby the Portland General Electric Co. would have taken the profits away from the people, they now feel that there should be a reappraisal.

Mr. President, the record should be clear that members of the staff of the Portland General Electric Co. and the Eugene Water Board traveled with Mr. Sam Coon, during the famous Neuberger-Coon debates, and helped supply Sam Coon with the private-utility propaganda he used during those debates.

Mr. President, these are the men who tried to scuttle the people's rights at the multipurpose dam at John Day—a dam to belong to the people of the Nation, not a dam which would be but a source of power controlled by private utilities. That is the record. So, Mr. President, we shall begin with that point; and in my letter to Mr. Delzell I have made that perfectly clear.

We now have a private utility which was putting on a tremendous fight, a year ago, in trying to help the Eisenhower administration politically steal the power of the John Day Dam for the benefit of monopolistic forces which so dominate this administration that sometimes we cannot tell the difference between the President's statements on this matter and the full-page advertisements of the private utilities, published in our leading magazines, and paid for, in the last analysis, by the electric power ratepayers. In the case of the tax issue, Mr. President, we have listened to the private-utility officials verbally bleed about the taxes they pay into the United States Treasury, but I wish to point out that, in the first place, they are only driblets; and, in the second place, the private utilities do not pay them, for they are paid by the ratepayers. Certainly they are very, very small as compared with the great amount of taxes going into the Federal Treasury from the industrial developments which have resulted from the postage-stamp power rates which we were able to obtain from these dams because they belong to the people, not to a private utility. The interest on the investment in them is paid ahead of schedule, and the investment in them will be paid out before the schedule now calls for payment.

Mr. President, I wished to make this statement about this matter because I know there will be uninformed sources in Oregon who will fall for the propaganda of reactionary forces to the effect that the senior Senator from Oregon is seeking to prevent the maximum development of the power potentials of the Pacific Northwest, whereas the exact contrary is the case.

As I have pointed out, the responsibility rests upon those who have tried to foist upon the Pacific Northwest the phony partnership scheme of the Eisenhower administration.

One of the cohorts in this political theft, Mr. President, happens to be the Eugene Water Board, of my hometown. In name, it is a municipal ownership body. However, as I have said from the political platforms of Oregon, it is nothing but a bellwether of private-utility forces, which have taken personnel from that board and have sent it to Bonneville, under the Eisenhower administration, to help wreck the public-power program of the Pacific Northwest.

So, Mr. President, the other day I received from them a telegram. I ask unanimous consent to have the telegram I received from the Eugene Water Board printed at this point in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

The Honorable WAYNE L. MORSE,
United States Senate, Senate Office Building, Washington, D. C.:

We understand that a meeting of the Oregon Congressional delegation is scheduled for May 13 at which time the subject of Oregon's future power supply will be discussed.

The figures showing Oregon's decreasing percentage of power from the Federal system under the present marketing procedures are well known to you and need not be repeated here. Loss of this power would require early recourse to high-priced thermal generation and would be a serious blow to the economic welfare of the State. We request that you give serious consideration to the problem and take action as necessary to assure the citizens of our State a fair and equitable share of the Federal output. We are urging the Appropriations Committees to authorize a full-scale start on the John Day project and know that you are working hard for this new start. We specifically request that the appropriation bill contain language that will provide for a fair allocation to Oregon of the output of John Day and future Federal projects. This is particularly important since Oregon's hydro potential is limited. Preference to public bodies would still apply within the State allocation.

We are citizens of Oregon first and operators of a publicly owned utility second. We believe that preserving our State's competitive position by assuring all of its people a fair share of the low cost Columbia power is of paramount importance.

This message sent to each member of Oregon's delegation.

EUGENE WATER AND ELECTRIC BOARD.
EUGENE, OREG.

Mr. MORSE. Mr. President, the telegram speaks for itself, as does my reply. My reply reads as follows:

MAY 15, 1957.

EUGENE WATER AND ELECTRIC BOARD,
Eugene, Oreg.

GENTLEMEN: This will acknowledge your recent telegram in which you commented upon the Pacific Northwest power situation, with special reference to the John Day Dam. My comments on that subject are set forth in the enclosed letter dated May 14 addressed to Mr. Thomas Delzell, chairman of the board of the Portland General Electric Co. The enclosure will provide you with my detailed views on the topics discussed in your wire.

On the subject of providing Oregon with a fair allocation of the output of John Day Dam and future Federal projects, I recall with a great deal of regret that over the past several years the Eugene Water and Electric Board failed to support a program for full development of our great Federal multipurpose dam projects in the Columbia River Basin.

Many of us warned the Eugene Water and Electric Board that its participation in the so-called partnership scheme of the administration would slow down construction of urgently needed power generating facilities in the area. By acting as the bellwether of the private electric utilities in trying to bring about a phony partnership development of Cougar Dam and by strongly supporting the "partnership" scheme for John Day Dam, you have contributed substantially to the setback of an orderly plan for full development of our great multipurpose dam sites.

It is indeed ironic that your organization, which worked so diligently in a program that curtailed Oregon's hydroelectric development, now deplores what is described in

your telegram as the limited hydroelectric potential of Oregon.

I am happy to observe that you now plan at the 11th hour to work for a full-scale development on John Day Dam. I shall continue to work as I have in the past for development of this and other great multipurpose projects in the public interest.

Sincerely,

WAYNE MORSE.

Mr. President, my name is signed to the letter. I think the language of the letter is subject to clear understanding, Mr. President. I always strive to reply to my constituents in language they can understand. When I received the telegram from the Eugene Water Board, and when I recognized the so-called political strategy behind the telegram, I deemed the answer I wrote to the board very appropriate.

Mr. President, let me say to the Eugene Water Board and to the private utilities of my State and to the people of my State that the job which confronts the Oregon delegation at this session of Congress, as I see it, in regard to the proposals for appropriations for very-much-needed electric-power dams in our State, is to get on with their building, just as Charles McNary used to point out on this floor.

Once we get the supply of power that is needed, then, under the pooling principle of the Bonneville Act, we can work out a fair formula for allocation and distribution. But, Mr. President, our real problem is lack of supply of power. One of the reasons why we suffer from that lack of supply is the shortsighted policy which has been followed not only by the private utilities of our area but also by many of the businessmen of our area. They have suffered from economic myopia. They have fallen for the private-untility monopoly propaganda. Chamber of commerce after chamber of commerce has been sucked in, as not only my mail but also some of the personal representations I have received from some of their representatives clearly show. Every business house in the State of Oregon has nothing to gain and has everything to lose by following the private-utility "line" about partnership development of multipurpose dams, because in the long run that would mean high, costly power rates; and in view of the great freight-rate differential from which we who live on the Pacific Coast suffer, as compared with the freight rates charged to those who live in the East, we simply have to have lower power rates if we are to compete. Yet a so-called public body, the Eugene Water Board, permits itself to be used as a bellwether for that kind of misleading treatment of the American people.

Mr. President, it has not been easy to fight, as I have for 13 years in the Senate, for the interest of the public in this matter, against the terrific odds of economic power. But if the private utilities want to join with me now and if the Eugene Water Board wants to join with me now, I welcome their help in urging upon this administration that funds be appropriated to start John Day Dam now. I give them my assurance that we will then, after we get the dam well under way, give careful consideration to various proposals for the most equitable allocation of the funds.

I want to say, Mr. President, so that the representatives of the Washington Congressional delegation will know that I have said it publicly, that I do not intend at this time to support any proposal by way of a rider on an appropriation bill dealing with the subject of the allocation of power as between Oregon and Washington. In the first place, I do not think that is the place to consider it. I do not think that is fair to my colleagues from other States. Secondly, I think it ought to be considered when we reach some common agreement, if we can reach some common agreement, by way of a piece of substantive legislation dealing with this matter of the allocation of power.

I wish to point out to the people of my State that I would not be representing them very well if I took any other course of action, because all I would do—I say to my fellow Oregonians from the floor of the Senate—would be to arouse, and rightly, the opposition of every Member of the delegation from the State of Washington. Why should they sit in the Congress of the United States and permit the senior Senator from Oregon to attempt, by way of an appropriation bill rider, in the necessary haste that could not be avoided in the consideration of an appropriation bill, to make a matter of law a formula for the allocation of power in which there has not been long study and careful deliberation by the Congress?

That is not the way that I deal with my colleagues in the Senate. It certainly is not intended by the proponents of the General Electric Co.'s proposal, and in fairness I want to say this, to take advantage of anyone. I do not think, however, this is the propitious time to go into this matter.

I think due notice shall be given to the delegation from the State of Washington about the concern we have in Oregon that we are not getting a fair share of our power in the Pacific Northwest, based upon population. But that is not the only criterion, Mr. President; there are others. Of course, Mr. President, we, as I indicated earlier, really would reduce this problem to a minimum of consequence if we build the dams, increase the supply, and pool the power.

As the Senate knows, I have taken the position taken by McNary, because, in my judgment, there is very little difference between the power program for which I have fought for 13 years here in the Senate and the power program of two of the men who, in my opinion, have had more to do with the development of our power program than have any other Members of the Senate, past or present—Charles McNary and George Norris. They, too, took the position, Mr. President, that we ought to get the supply of power solved first by building the dams.

Now, Mr. President, I have my differences with some of the public power advocates in my State. In fact, I have learned, Mr. President, that on any controversial issue, if one is going to dedicate himself to the public interest in the issue, he will usually find himself at odds with some of the advocates on both sides of the controversy.

I have received some criticism, Mr. President, over the years from some of the public power advocates because for a long time I have taken the position, and reiterate it tonight, that if the private utilities cooperate in the pooling policy—and it is the only policy that will guarantee a lower electric power rate—then they are entitled to long-term contracts for power out of the common pool, not necessarily limited to the amount of power they put into the pool.

I am using this language very advisedly, Mr. President, because this is the language in my speeches and writings on this subject that both sides go over with a fine-tooth comb, trying to read their own meaning into it instead of mine. Let me make that meaning clear again tonight, because I know what is going to happen in my State in the next few days on this matter.

I repeat my position. I am for assuring the private utilities of long-term contracts for power out of a common power pool, not necessarily limited to the amount of power they put into the pool.

You see, Mr. President, it is that language, "not necessarily limited to the amount of power they put into the pool," that some of the public power advocates do not like. I suppose if I were for a public power monopoly, I would not like it, either; but I do not happen to approve of a public power monopoly any more than I approve of a plan whereby the private utilities will have a monopoly on the power. I take the position that we need, and we should have, both public and private utility power.

I take the position, and I must reiterate it here tonight, Mr. President, even though it takes time, that there are 3 essentials to a sound power program for the Pacific Northwest. They happen to be the same principles that Charlie McNary fought for. First, that the Federal Government build the multipurpose dams; second, that the people of the United States—all of them—own the dams, but no part of the dams be owned by a private utility; and third, that those dams then be used in connection with a basin account approach for full river basin development.

The Eisenhower administration apparently just does not understand these three points, Mr. President. They have never caught the vision, because apparently they never studied Teddy Roosevelt's and Gifford Pinchot's great contributions to our whole conservation program, as far back as 1906, because that is where it goes back to. This is the Teddy Roosevelt-Gifford Pinchot power philosophy, Mr. President, that our river basins ought to be fully developed, not underdeveloped, as Dwight D. Eisenhower proposes.

Oh, I am sorry. I too, would like to speak in most glowing terms about my President, but I cannot do so on this matter, because the record does not support him. The most kindly thing I can say is he is just uninformed, but that does not help the people's interest any. I do not think he understands full river

basin development. His public pronouncements show he does not understand it.

If we are going to have full river basin development, Mr. President, then in my judgment we have to support a basin account program, which means, to make it specific, that we have to have the power revenues belonging to the people used in part to pay for other costs of full river basin development, such as reclamation.

The present Presiding Officer (Mr. YARBOROUGH in the chair) comes from a great State in which there is not an abundance of water, but a scarcity of water. I come from a great State in which there is an abundance of water. The present Presiding Officer of the Senate comes from a State in which, up until recent weeks, 244 counties out of 254 counties have been water distress areas, and were so designated officially.

The present Presiding Officer of the Senate knows that the economic future of his State rests upon the water table of Texas. I apply that nationally. The future level of America's civilization depends upon the level of her water table. Unless we protect that water table, Mr. President, by a sound conservation program, generations of Americans not so many centuries hence are going to find themselves living not in a high civilization but in a backward civilization, because history teaches the undeniable lesson that the water table of the nation becomes in large measure the level of the civilization of that nation.

I have cited historic examples before. China was at the height of its civilization when its water table was the highest. The Middle East, tinderbox of the world tonight, was an area not so many centuries ago where four times the land space, compared to now, was under green vegetation. Why? Because the people of the Middle East centuries ago protected their water table.

It is so easy, in one's time, when selfish economic interests are breathing down one's political neck, to yield, as this Eisenhower administration has yielded, to those interests, but it does not leave a record of statesmanship, just as Dwight D. Eisenhower is leaving a sorry record of political expediency in this matter of natural resources protection. I intend to see that the record is made against him on it, Mr. President.

If we are going to have full river development, Mr. President, we cannot support low-head dams of the Idaho Power Co. which will wash out the greatest remaining dam site in this country, Hells Canyon Dam, with a cost of about 50 percent of the potential of that reach of the Snake River. I am just aghast that any President, given these unanswerable facts, would persist in announcing from the putting green, or any place else, that he is still not for Hells Canyon. I am sorry that any President would take that position of stubbornness, Mr. President; that is just bullheaded stubbornness.

We have to have full river development, Mr. President, if we are going to protect future generations, and we have to have this basin account approach.

I wish to have the record show what I mean by the basin account approach. Last year I was the author of a bill known as the Crooked River project bill, which was a rather unfortunate name. We had a little fun about it at the time. As I have told the Senate once before, after we had passed the bill through the Senate I went over and talked to the great Speaker of the House of Representatives, SAM RAYBURN from the State of Texas, and the great majority leader, JOHN MCCORMACK, from Massachusetts, to ask them if they could not give me a little help in expediting my bill through the House. SAM RAYBURN said, "Wayne, do you think you could change the title of the bill? It would be a little easier if the bill had a different title." But he did a magnificent job, he and JOHN MCCORMACK, and we did get consideration of the bill on its merits, which were recognized by the House. The bill passed and is now law.

The Crooked River project is a project near Prineville, Oreg. The bill provided for the basic theory that a substantial part of the cost of that reclamation project shall be paid for by power revenues from The Dalles Dam, at The Dalles, Oreg., which is one of the great multiple-purpose dams of the West that belong to the public. Questions are raised as to the wisdom of this course of action, but I always point out, Mr. President, that we need these reclamation projects, and now is the time to put them in the bank, so to speak, for future use, because of the fact that population experts are so very much worried about where we are going to get the food supply for the American population by the year 2000.

Yet, we have these proposals for a scuttling of Hells Canyon Dam by this administration, for a sellout to private utilities under the phony partnership arrangement, all of which will result in underdevelopment of our power resources.

I hope, Mr. President, that either the administration will reconsider its sorry record in this matter, or the Congress will do what it did this afternoon, put another check on this administration, this time in the field of natural resources.

Mr. President, if we are to have full river development and develop the maximum potential of the resources of the rivers, including the electric power potential, it is only fair to the private utilities which cooperate in that program that they receive a fair share of the power for their customers. I have said that the first essential is that the multiple-purpose dams be built by the Federal Government, owned by the Federal Government, and paid for out of power revenues; also that some of the surplus of such revenues, over and above the cost of the dams, should be used to pay for other much needed benefits in the economic development of any river basin such, for example, as a reclamation project.

The second essential to a sound power program, as I see it, is that the private utilities be encouraged to build low-head dams at low-head dam sites. I will cooperate, as I have done in the case of Eden Ridge and the dam on the Swift River, and other low-head dams, with any private utility which wishes to build a low-head dam at a low-head dam site.

I also insist that they do not select a site such as Hells Canyon, a great multiple-purpose dam site, and use their proposal for a low-head dam—as the Idaho Power Co. is doing—to flood out and destroy forever a great multiple-purpose dam site.

Furthermore, I insist that they select a site which will not destroy great conservation values such as fisheries, wildlife, or valuable forest conservation values.

Every private utility official in my State knows that that is my position; and yet they continue, along with their reactionary political cohorts, to spread the political poison that I am for Federal power or no power at all. That is an unadulterated falsehood. I shall continue to oppose attempts on the part of private utilities to scuttle great multiple-purpose dam sites. I shall continue to cooperate with private utilities by trying to help them build low-head dams.

I shall continue to insist, as did McNary, that all the power, from both multiple-purpose and low-head dams—that is, from both public and private dams—shall be pooled into a common pool of power and distributed from that common pool in order to guarantee low-cost power.

But if we get that kind of cooperation from the private utilities, they are entitled to a "fair shake," so to speak, in the distribution of the power. As I have said, some of my public power friends do not like the position of the senior Senator from Oregon. They do not like it because I firmly believe that private and public power can coexist, to the mutual benefit of each. They do not like it because I am not a Federal power monopolist. Some of them go so far as not to like it because I will not support proposals which would seek to have all the private utilities in my State, for example, taken over by public bodies.

I think there is a very important place in our economic order for private utilities. I do not think, however, that they, either, should have a monopoly of the power resources of the Nation, because when they do, the record is perfectly clear that they charge all the traffic will bear, and the public suffers.

Those are the three elements of my power program. When I say that the private utilities are entitled to long-term contracts for power out of the common pool of power, not necessarily limited to the amount of power that they put into the pool, I call attention to the area of negotiation which I think should be entered into when each individual dam, as we proceed to build dams, is completed.

There are many factors which must be taken into account, in my judgment, in such negotiations. There is the factor of the customers of the private utility; the expression of the public desire to be served by a private utility rather than a public utility, and so forth. When we have the facts and are satisfied that we know what the desire of the people of the area is, I am not one who will say to a private utility, "You can get out of

the pool only the amount of power you put into it."

On the contrary, I think consideration should be given to the fair and equitable distribution of such power to a private utility, over and above the amount of power it puts into the pool.

What do my critics in the public-power groups say? They say, "Senator MORSE is proposing to emasculate the public-preference clause." I am proposing no such thing. I am only proposing to be fair. I do not think it is fair to say to private utilities, "You may cooperate with us and help to form a common pool, and put power in the common pool which will help us to keep down the power rates, increase business, increase jobs, and increase the productive wealth in our area, but you will not be able to buy back out of that power pool one kilowatt more than you put into it."

I am not prepared tonight, and I do not think anyone can be prepared until the supply question is determined, to make suggestions as to what the formula should be, because we must know what all the facts are after the dams, or many of them, have been built.

I will not hedge on that question. I say to the public-power advocates on the floor of the Senate tonight, "Count me out if, after we solve the supply problem, you want me to go along with any proposal to make available to a private utility only the number of kilowatts it puts into a common pool." That is not fair. The benefit must work both ways.

There are many criteria to be taken into account. I mention only 1 or 2 more tonight. I have already pointed out the desire of the customers. In my State, as contrasted with the State of Washington, there has been a much wider and broader public expression in behalf of service from private utilities. We have a good many public-utility bodies, a good many REA's, a good many PUD's, and several municipal plants. But the total number of customers served by the public bodies represents a minority as compared with the customers served by the private utilities.

I will not, as a Senator representing all the people of Oregon, say to the private-utility customers, "I am going to follow a course of action in the Senate which discriminates against your desires for electric-power service. If you want to be served by a private utility, then as your Senator I have the duty of trying to evolve a formula for allocation of the power which will make it possible for you to have that service, and have enough power to provide that service, on an equitable formula arrangement."

That does not mean that I would destroy the public-preference clause, but I refuse to let the public-preference clause be a sacred cow in my political philosophy. Rather, I intend to continue on this issue, and on all other issues, to ask myself the question, "What is fair to the greatest number?"

Anyone who follows that course of action gets himself into plenty of political hot water. I made very clear in my speech before the Hells Canyon Dam Association in December of last year at Portland that this was my position.

Apparently some thought that I therefore, in this session of Congress, long before the dams had been built, would proceed to advocate an allocation of power which would, in my opinion, do great damage to the public-preference clause. So to the public-power advocates let me make clear tonight in this speech that the presumption, so far as the senior Senator from Oregon is concerned, must continue to be in favor of the application of the public-preference clause, particularly during this period of time when we have a shortage of power. We do not have enough to divide up. We do not have an adequate supply. When we are confronted with that situation, who gets the power in the first instance? The public customers. That was the McNary philosophy. That is why he wrote that into the act known as the Bonneville Act, the theory being that the public pays the cost and the public ought to have first preference.

Now is not the time, in my judgment, to be proposing, by way of a rider on an appropriation bill, any proposal that would result, in effect, in modifying that public-preference clause.

But to the public utilities I repeat what I made clear in my December speech. I favor very much our pulling together, all of us, public-power advocates, private-power advocates, and those of us who believe in a monopoly for neither group, but with service for the public being the most important objective, in a common endeavor to try to get the appropriations necessary to start John Day Dam, to prevent this administration from giving away the peoples' heritage in the Hells Canyon Dam site, and to try to get a reevaluation and a reappraisal of this entire natural-resource issue in the Pacific Northwest, which involves primarily the problem of water conservation.

It is water that I am talking about, Mr. President, when I am talking about electric-power development, reclamation development, navigation development, and all the multipurpose uses to which these dams can be put; because unless we in our generation do a better job of conserving America's water supply, we will strike a serious blow at the standard of civilization of American boys and girls as soon as a hundred years from now.

Mr. President, I turn now to another matter.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The Senator from Oregon has the floor.

PRESIDENT'S STATEMENT ABOUT UNITED STATES TROOP WITHDRAWAL FROM SOUTH KOREA IN 1950

Mr. MORSE. Mr. President, I turn to a subject now about which I served notice on the leadership earlier today that I would address myself to before the day was over, and at which time I agreed to postpone the comments until the leadership had disposed of the appropriation bill.

I hold in my hand a news ticker dispatch from the Associated Press. It reads as follows:

WASHINGTON.—Former Secretary of State Dean Acheson accused President Eisenhower today of displaying bad grace with his Tuesday night comment on Korea.

Acheson said that Eisenhower, in his broadcast last night, "referred to what he called the tragic results of withdrawing United States forces from South Korea prior to 1950."

"He did not mention, however," Acheson continued, "that the recommendation to make this withdrawal was transmitted to the State Department under date of September 25, 1947 over his own signature as the then Chief of Staff of the Army."

Acheson was Secretary of State under President Truman and his statement today was distributed by the Democratic National Committee.

The Acheson statement concluded:

"The State Department at the time protested General Eisenhower's recommendation but eventually bowed to the insistent views of the military.

"Whether or not it was wise for the State Department to have so bowed, it would come in bad grace for the man who made the recommendation to imply such criticism."

It was after the American forces were withdrawn that the North Koreans poured into South Korea, setting off warfare that lasted until 1953.

Here is what Eisenhower said about Korea last night:

"Even after what World War II should have taught us about unpreparedness, our Armed Forces became so starved and depleted that by 1950 we had to withdraw our military strength from South Korea.

"That area was then declared to be outside our defense perimeter.

"The tragic results of that woeful weakness are too close to us to need recounting now to the families of America. But I say to you that I shall never agree to any program of false economy that would permit us to incur again that kind of risk to our country and to the lives of our citizens."

I regret very much that the President said that last night. I am very sorry that he revived this old skeleton in his political closet, a skeleton which symbolizes the tragic mistake he made in 1952 when, in a speech in Detroit, Mich., he misinformed the American people about the facts in regard to the withdrawal of troops from South Korea.

In his Detroit speech of 1952 he put the blame on the then administration, particularly the State Department of that administration, for the withdrawal of those troops.

I was a member of the Committee on Armed Services at the time. I was so shocked that the Republican candidate would so misinform the American people that I called the President of the United States the next morning, at 9 o'clock or thereabouts, and I called his attention to Candidate Eisenhower's misstatement of the fact.

I pointed out that in 1947 Dwight D. Eisenhower was Chief of Staff of the United States Army, and that it was Dwight D. Eisenhower who then urged upon the Armed Services Committee, of which I was a member, that the troops be taken out of South Korea because they were not necessary either as a matter of military policy or as a matter of strategy in South Korea.

I refreshed the memory of the President of the United States, Mr. Harry S.

Truman, that Dwight D. Eisenhower continued to keep on the pressure for that course of action, with the result that the Department of State then sent a memorandum to the Department of Defense, asking the Department, through its Joint Chiefs of Staff, to advise the administration as to its position. The Joint Chiefs of Staff, with Dwight D. Eisenhower as Chief of Staff of the United States Army, unanimously recommended that the troops be taken out of South Korea as a matter of military strategy and policy.

I said, "Mr. President, there is a document in the Pentagon Building which would point that out. After consideration of the matter, if you are willing to have that document released, I will point it out in a speech I shall make in Minneapolis on Monday."

This was on a Saturday morning. I have discussed this matter before, but I want to make the record clear again.

The President of the United States advised me over the telephone that he was fully aware of the situation and would have the document sent to me in an hour; that it would be declassified; and that I would be free to use it in my Minneapolis speech. I used it in my Minneapolis speech.

A couple of my colleagues, it may be recalled, thought that I ought to be charged with espionage, and sent a telegram to the Department of Justice asking that I be investigated for espionage because I had used a top-secret document. No longer was it a top-secret document, as they well knew. The President of the United States, as the Commander in Chief, had declassified it, and I used it. I used it again in New York City the following Wednesday night.

Yet we were treated again in a speech last night by the President of the United States to this misrepresentation of fact. Why, Mr. President, not only did he join in the unanimous document on behalf of the Joint Chiefs of Staff, calling for the withdrawal of troops from South Korea; but after he became the President's chief civilian military adviser, when he was President of Columbia University, he continued to urge the withdrawal of troops from South Korea. They were finally withdrawn. That happens to be the fact.

Mr. President, I ask unanimous consent to have printed in the RECORD a document sent to the United States Chiefs of Staff on United States policy in Korea, dated September 15, 1947.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

SEPTEMBER 15, 1947.

Memorandum by the State-War-Navy Coordinating Committee to the Joint Chiefs of Staff on United States policy in Korea

The following has been received from the State member, State-War-Navy Coordinating Committee:

"In view of the continuing stalemate in the joint commission in Korea and in view of the recent Soviet refusal to participate in Four Power consultations in Washington on proposals for the early achievement of the aims of the Moscow agreement, the State Department is currently considering what further steps should be taken to implement United States policy in Korea. In order that such consideration may include the basic elements, the State Department requests, as a matter of urgency, the views of the Joint Chiefs of Staff regarding the interest of the United States in military occupation of South Korea from the point of view of the military security of the United States."

It is requested that the views of the Joint Chiefs of Staff on the above be obtained as a matter of urgency and forwarded to the Secretary, State-War-Navy Coordinating Committee.

Mr. MORSE. Mr. President, I now ask unanimous consent to have printed in the RECORD the reply to the request of the State Department, dated September 26, 1947, signed by James Forrestal, then the Secretary of Defense.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, September 26, 1947.

Memorandum for the Secretary of State.

Subject: The interest of the United States in military occupation of South Korea from the point of view of the military security of the United States.

Pursuant to the request in SWN-5694 (copy attached), initiated by the State member of the committee, the following views have been received:

The Joint Chiefs of Staff consider that, from the standpoint of military security, the United States has little strategic interest in maintaining the present troops and bases in Korea for the reasons hereafter stated.

In the event of hostilities in the Far East, our present forces in Korea would be a military liability and could not be maintained there without substantial reinforcement prior to the initiation of hostilities. Moreover, any offensive operation the United States might wish to conduct on the Asiatic continent most probably would bypass the Korean Peninsula.

If, on the other hand, an enemy were able to establish and maintain strong air and naval bases in the Korean Peninsula, he might be able to interfere with United States communications and operations in East China, Manchuria, the Yellow Sea, Sea of Japan, and adjacent islands. Such interference would require an enemy to maintain substantial air and naval forces in an area where they would be subject to neutralization by air action. Neutralization by air action would be more feasible and less costly than large scale ground operations.

In light of the present severe shortage of military manpower, the corps of two divisions, totaling some 45,000 men, now maintained in South Korea, could well be used elsewhere, the withdrawal of these forces from Korea would not impair the military position of the Far East Command unless, in consequence, the Soviets establish military strength in South Korea capable of mounting an assault on Japan.

At the present time, the occupation of Korea is requiring very large expenditures for the primary purpose of preventing disease and disorder which might endanger our occupation forces with little, if any, lasting benefit to the security of the United States.

Authoritative reports from Korea indicate that continued lack of progress toward a free and independent Korea, unless offset by an elaborate program of economic, political, and cultural rehabilitation, in all probability will result in such conditions, including violent disorder, as to make the position of United States occupation forces untenable. A precipitate withdrawal of our forces under such circumstances would lower the military prestige of the United States, quite possibly to the extent of adversely affecting cooperation in other areas more vital to the security of the United States.

JAMES FORRESTAL.

Mr. MORSE. Mr. President, Dean Acheson points out in the communication today that there were other communications, also, all to the same effect, namely, that the Chief of Staff of the United States Army, Dwight D. Eisenhower, in September, 1947, urged the withdrawal of American troops from South Korea. The record is replete that after he left that assignment and became the President of Columbia University, and also the chief civilian military adviser of President Truman, he continued to urge the taking of troops out of South Korea.

As a member of the Committee on Armed Services, I tell the Senate I know that to be a fact of my knowledge, because that was the representation made to the committee. It comes, as Dean Acheson says, in exceeding poor taste for the President of the United States, in view of the great influence he exerted in the making of the very decision he now criticizes, to proceed to attack the Democratic administration for the taking of the troops out of South Korea. It happens to be my judgment that no man in America was more responsible for that than was Dwight D. Eisenhower.

Mr. President, I turn now to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

THE PHANTOM FARM PROSPERITY OF SECRETARY BENSON

Mr. MORSE. Mr. President, the income return to farmers in this fifth year of Eisenhower-Benson prosperity is a cause of deep concern. I say Eisenhower-Benson prosperity because it is my sincere conviction that the unhealthy inflation-of-living costs that masquerades as that prosperity has been achieved, for the most part, through a deliberate subsidization of big industry at the expense of the American farmer.

THE 5-PERCENT WILL-O'-THE-WISP

The administration, from Mr. Eisenhower down, is currently promising farmers increased prosperity next year. It appears that Mr. Benson has told Mr. Eisenhower that farm prices and incomes should be about 5 percent better a year from now.

This is the same Mr. Benson who solemnly declared 21 times, more or less, during the first Eisenhower-Benson administration, that the worst was over for the farmers—that the bottom had been hit. That has not come true yet. But that does not bother the administration. They merely make bigger promises. Instead of promising an end to the decline in farm prices and incomes, they are promising an upswing next year of 5 percent. Next year—election year—they will probably double or triple that amount. And I have no doubt that by 1960 prosperity will be just around the corner again, as in the early thirties. As production declines in steel, auto, farm equipment, housing, and other industries, there is only one way farm income can go under the Eisenhower-Benson, free-market team. That is down.

Mr. President, I ask unanimous consent to have printed at this point in my

remarks a table prepared by the Oregon Crop and Livestock Reporting Service which supports this unhappy conclusion.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

APRIL 15, 1957, PRICE REPORT

United States: The index of prices received by Farmers increased 2 percent during the month ended April 15. The index of prices paid by farmers established another new high this month, reaching 296 percent of its 1910–14 average. Over the past 12 months, the increase in farm product prices has not kept pace with the rise in prices of commodities and services bought by farmers, including interest, taxes, and wage rates. In consequence, the mid-April parity ratio, at 81, although 1 percent up from March, was 2 percent lower than a year ago.

In this report prices received are at the point of first sale out of farmers' hands and are averages based on all methods of sales of all grades and sizes.

Agricultural prices and United States parity price comparisons

Commodity	Unit	Average prices					United States parity	
		Oregon			United States		Effective parity price, Apr. 15, 1957	Price as percent of parity
		Apr. 15, 1956	Mar. 15, 1957	Apr. 15, 1957	Apr. 15, 1956	Apr. 15, 1957		
Prices received by farmers:								
Wheat	Bushel	$1.98	$2.29	$2.31	$2.03	$2.05	[1] $2.50	82
Rye	do	1.50	1.30	1.28	1.01	1.13	1.68	67
Corn	Ton	60.70	60.70	58.90	47.10	43.20	64.60	67
Oats	do	50.00	45.60	44.40	38.90	44.50	54.80	81
Barley	do	45.00	42.50	41.70	39.50	41.00	56.70	72
Hay, all baled	do	30.90	20.20	19.90	21.10	21.10	24.90	85
Potatoes	Hundredweight	2.70	1.40	1.20	2.72	1.24	2.46	50
Hogs	do	16.00	18.80	19.40	14.40	17.40	21.90	79
Beef cattle	do	14.30	16.70	17.60	15.00	16.90	22.40	75
Calves	do	17.00	19.40	21.30	16.70	18.30	24.60	74
Sheep	do	5.70	6.70	5.50	6.26	6.26	10.10	62
Lambs	do	17.00	19.50	19.00	18.20	20.70	24.90	83
Butterfat in cream	Pound	.600	.630	[2] .620	.579	[2] .591	.743	[3] 81
Milk, wholesale	Hundredweight	4.30	4.80	[2] 4.50	3.83	[2] 3.99	4.82	[3] 83
Farm chickens, live	Pound	.210	.150	.145	.197	.145	----	----
Commercial broilers, live	do	.230	.235	.220	.208	.191	----	----
All chickens, live	do	.223	.204	.190	.206	.184	.286	64
Turkeys, live	do	.260	.200	.210	.308	.268	.373	72
Eggs	Dozen	.450	.400	.360	.385	.308	.480	[3] 70
Wool [4]	Pound	.440	.520	.570	.413	.509	.654	78
Milk cows	Head	120.00	130.00	135.00	152.00	161.00	----	----
Prices paid by farmers for feed:								
Alfalfa hay, baled	Ton	47.00	36.00	35.50	32.50	33.40	----	----
Mill run	Hundredweight	2.70	2.80	2.75	2.81	2.82	----	----
Cottonseed meal	do	4.65	4.55	4.55	3.65	3.82	----	----
Soybean meal	do	4.80	4.60	4.50	3.92	3.77	----	----
Mixed dairy feed [5]	do	3.60	3.60	3.65	3.67	3.83	----	----
16 percent dairy feed	do	3.65	3.65	3.70	3.62	3.78	----	----
Laying mash	do	4.55	4.60	4.55	4.42	4.48	----	----
Scratch grain	do	4.20	4.35	4.35	4.05	4.11	----	----
Broiler growing mash	do	5.10	5.30	5.20	4.91	4.95	----	----
Commodity-feed price ratio:								
Egg feed	(6)	11.3	9.7	8.8	11.0	8.7	----	----
Chicken feed:								
Farm chickens	(6)	5.3	3.6	3.5	5.6	4.1	----	----
Broilers	(6)	4.5	4.4	4.2	4.2	3.9	----	----
Milk feed	(7)	1.32	1.47	[2] 1.36	1.27	[2] 1.28	----	----
Butterfat feed	(7)	18.2	19.3	[2] 18.8	22.0	[2] 21.3	----	----

[1] Transitional parity, basic commodities 95 percent and nonbasic commodities 60 percent (65 percent during 1956) of parity price computed under formula in use prior to Jan. 1, 1950.
[2] Preliminary.
[3] Adjusted for seasonal variation.
[4] Does not include incentive payment.
[5] Average for feed less than 29 percent protein.
[6] Pounds of poultry ration equal in value to 1 dozen eggs or 1 pound of chicken.
[7] Pounds of feed equal in value to 1 pound of wholesale milk or 1 pound of butterfat in cream.

Mr. MORSE. Mr. President, I direct the attention of the Senate to the last sentence of the paragraph which introduces the table:

In consequence, the mid-April Parity Ratio, at 81, although 1 percent up from March, was 2 percent lower than a year ago.

In plain terms, Mr. President, so far as real income is concerned, our farmers have taken another wage cut of 2 percent. The problem is particularly acute in the case of certain crops and products. Potatoes, for example, in Oregon, according to the report on April 15 were being sold by the farmer at $1.20 a hundred pounds, or 4 cents under the United States average price, and $1.50 a hundred less than the price of a year ago. The fair or parity price for this product, in terms of production costs and the cost of products purchased by the farmer, is $2.46 a hundred pounds. The Oregon potato farmer is thus receiving less than one-half of what he ought to receive. The Oregon turkey producer on April 15 was getting 21 cents a pound live weight, instead of the parity price of slightly over 37 cents a pound, or a price-parity ratio of 56 percent.

Oregon sheep raisers received $5.50 a hundred, instead of the parity price of $10.10, or 56 percent.

The chart shows fairly clearly also that costs are still going up for segments of our farmers. This is especially true for our poultry raisers. The comparison of feed-price ratio for last year, in April, and this year is startling. In 1956, for a dozen eggs sold, the poultryman could buy 11.3 pounds of feed. This year, for the money received from the sale of a dozen eggs, he can buy but 8.8 pounds of feed. It looks to me as if the downhill slide for these farmers, at least, is continuing, and will continue until Secretary Benson changes drastically his policies and puts solid support behind our farmers in their effort to get a decent return for the time and effort they are expending.

NO OVERPRODUCTION, BUT UNDERCONSUMPTION

I am getting a little tired, too, I may say at this point, of being told that we have overproduction of food in this country. So long as we have in our cities conditions similar to those we can see every day in Washington, D. C.—and I am morally certain that there is human need for more and better food in every great city of this land—there is no question of having too much food. Far too many of our low-income families at home, to say nothing of those abroad, are not getting enough to eat now because they cannot afford to buy the chickens, the turkeys, the potatoes, the eggs, and the mutton that they need and should be able to get.

So long as we have hungry children in our land—and the recent statement of Gerard Shea, Director of Public Welfare of the District of Columbia, was to the effect that in Washington, D. C., there are approximately 30,000 children potentially in this category, if it were not for welfare aid—it is hypocritical nonsense to talk about overproduction of food.

Mr. President, I have always said that, on the facts, we have no surplus of food. We simply are not using the food we have for the human beings who are crying for it.

What is needed is a shortcut method of getting this food, at fair prices to the farmer, brought directly to the stomachs of hungry people. By doing this we can solve two of the shameful problems before us today. We can help our farmers make a decent living at their vital industry, and we can feed our poor a diet that is consistent with standards of health and decency. I have said many times on the floor of the Senate, Mr. President, that the children of this nation are its most precious resource.

A change of heart and program on the part of the Secretary of Agriculture is needed, so that he will give emphasis where emphasis is due. Only by having the Government assure the farmer the return to which he is entitled as a minimum—the 100 percent parity situation which was promised by this administration—and only by properly channeling the food to millions of undernourished families in this country today—families of the aged, the blind, the destitute mother, families with income under $2,000 per year—by a food-stamp program or some other distribution device, if necessary, then, and only then, can the Secretary of Agriculture and the President rest easy in their airconditioned offices and at their country estates. Mr. President, until this is done, and until the present policy of drift, dream, and dally is replaced by positive action in the public interest, I charge that Secretary Benson and President Eisenhower are derelict in their duty, are equivocal in their statements, and are callously indifferent to the needs of the people of this country.

In conclusion, Mr. President, I ask unanimous consent that there be printed at this point in the RECORD, as a part of my remarks, a letter from Mr. Elvis R. Eaton, a farmer from the great State of Washington, who has sharply set forth his opinion of the present inertia and inadequacy in the Department of Agriculture. His voice may seem rough, but in my judgment it is the voice of the American farmer, and all of us here would do well to listen and take heed.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HOQUIAM, WASH., *May 2, 1957.*

Senator WAYNE MORSE,
Senate Office Building,
Washington, D. C.

DEAR SENATOR: Farm prices are still sliding down Benson's chute, and many of the farmers have lost their pants. Those that haven't, have them badly worn with interest increases and mortgage loans. I attended two auction sales in the last month of young farmers of World War II. Those farm boys left hoping and praying for an increase in prices.

I know you to whom I am addressing this letter do not need to be prodded, as I follow your voting, but are doing your best to solve the problem for the farmer which is the No. 1 problem in America. Yet nothing is being done about it. How can I and other farmers help you make other Representatives and Senators of the United States wake up?

Free use of teamsters' moneys without interest is just peanuts to the use of county, State, and Federal funds by the banks of America for which they pay no interest, but still raise the rate to the farmer by 33⅓ percent and are willing to fight our Government lending agencies which are set up to lend low-rate interest money to farmers and homeowners.

Have you ever heard of a graduated income tax with an exemption for each man, woman, and child? Has it worked and is it working? Some seem to think that it has not but I think that it is doing the job. Have you heard of a Brennan plan? A plan by a man by the name of Senator KEFAUVER? I mailed you a similar plan in a previous letter. Those plans are nothing but a graduated farm plan, the same as the income-tax plan.

The present farm plans are unfair. Both the soil bank and present parity plan because they are not graduated. Ninety percent of the payments are going to 5 percent of the farmers of the United States and many farmers receive no help. Yes, a farm program of a few, for a few, by a few. Let's change this.

I see by the papers that we need more billions of Government spending through banks and big industry to keep sufficient buying power and money in circulation. It reminds me of Bill Rogers' quip when in Hoover's administration the Federal Government was pouring money into the banks to stimulate business. Bill said that he did not know water started at the ocean and flowed uphill. He thought it started with raindrops, then rivulets, creeks, and rivers, and then into the ocean, and on its way nourished the lands and fed its people and made the country prosperous. Billions are being spent that way now, why not put that buying power in the hands of millions of farmers by giving them their just share of the national income, and I am sure it would be put into circulation.

Keep the three-legged stool without a short leg. We do not want the proposed self-help plan for the producer dairyman of the United States. The control is far enough out of our hands now without putting the industry in the hands of a 15-man committee whom we do not actually elect, and are farther away from us than our 9 Congressmen whom we do elect from the State of Washington. We would only have one man on the committee from 3 States, and he would be appointed by the President from the farmers' choice of 3. If the President didn't do any better job in picking that 1 out of 3 than he did in selecting the present Secretary of Agriculture, we would not have anything but added grief. Enough said.

In conclusion I would just like to have 2 hours on the floor of the joint House and Senate to tell them what the majority of the farmers of America want and how they feel about the no-program they now have, and I will assure you what I would have to say would be just as interesting, constructive, and informative as many assemblages of Congress.

Yours with hopes for a more worthy and representative farm program.

Very truly yours,

ELVIS R. EATON.

(To Senators WARREN MAGNUSON, HENRY JACKSON, WAYNE MORSE, RICHARD NEUBERGER; Representatives DON MAGNUSON and EDITH GREEN.)

FIFTEENTH ANNIVERSARY OF THE MILITARY DISTRICT OF WASHINGTON

Mr. MORSE. Mr. President, May 5 was the 15th anniversary of the Military District of Washington, United States Army. Upon behalf of Senator MATTHEW M. NEELY, chairman of the District of Columbia Committee, I commend Maj. Gen. John G. Van Houten and his military and civilian personnel for the faithful execution of their various duties and the good will they have established with the people of Washington; and I request unanimous consent to have printed at this point in the CONGRESSIONAL RECORD a report of the Military District of Washington.

Although in presenting this material, Mr. President, I have done so on behalf of the great liberal and great statesman, the chairman of the Committee on the District of Columbia, Senator MATTHEW M. NEELY, of West Virginia, I wish to have the RECORD show that I completely associate myself with his views.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MILITARY DISTRICT OF WASHINGTON TO CELEBRATE 15TH ANNIVERSARY MAY 5

The Military District of Washington (MDW) will observe its 15th anniversary on May 5. Organized under that designation in 1942, it was established solely to meet the needs of the Nation's Capital. Before coming into being 15 years ago several other organizations existed from time to time but were more limited in scope and authority.

Today, MDW, as it is commonly known, has two specific functions:

To provide a well-organized and responsible support in defense of the capital in the event of an emergency, and

To perform the numerous services required by the Department of the Army in the Washington area.

Commanded by Maj. Gen. John G. Van Houten, MDW is limited geographically, but within this small area many installations, activities and units of differing characteristics exist.

With its headquarters in Building T-7 at Gravelly Point (a 5-minute walk from Washington National Airport), MDW includes 6 counties in Virginia: Arlington, Fairfax, Prince William, Stafford, King George, and Westmoreland; 5 in Maryland: Calvert, Charles, Montgomery, Prince George, and St. Marys—including the District of Columbia.

Installations under MDW command include Fort Myer (home of the Army Chief of Staff, Gen. Maxwell D. Taylor, and Air Force Chief of Staff, Gen. Nathan F. Twining); Fort Lesley J. McNair, located in southwest Washington (home of the National War College and the Industrial College of the Armed Forces); and Cameron Station in Alexandria, Va., charged with the shipping of Government property, packing, crating, and shipping the household effects belonging to Armed Forces personnel. Also located here are a number of small technical units.

In addition, the headquarters is responsible for the First Arctic Test Center stationed in the far north at Fort Churchill, Manitoba, Canada, and has courts-martial jurisdiction over all military attachés abroad.

MDW's responsibilities are basically similar to those of the six continental Army commands. Its special responsibilities involve the Department of the Army and various other Government agencies.

Not to be confused with military districts established in all States and the District of Columbia which are charged with the administration of Reserve and National Guard recruiting activities, MDW is, for the most part, not directly concerned with these activities.

Some of the more important functions, as far as the public and the capital are concerned, involve the Army's oldest regiment, the 3d "Old Guard" Infantry Regiment, with headquarters at Fort Myer, and a battalion at Fort McNair.

This famous regiment is the ceremonial honor guard for the President and as such leads the inaugural parades. The 3d also participates in receptions for foreign dignitaries visiting Washington. Arrangements for arrivals and departures, which involve split-second timing, security measures, and traffic control—all rest on MDW.

One of the most impressive duties which soldiers of the 3d Infantry perform is the constant vigil at the Tomb of the Unknown Soldier. Here specially selected men pace before the tomb night and day, rain or shine, 24 hours a day, 365 days a year.

Tens of thousands every year witness the changing of the guard at the tomb which occurs every hour on the hour.

The 3d is also responsible for honor guards in military funerals held at Arlington National Cemetery, the burial place of the Nation's heroes.

The United States Army Band—one of the country's outstanding military bands—makes its headquarters at Fort Myer as does the newly created United States Army Chorus. MDW is responsible for the activities of both groups.

MDW, through its headquarters commandant, administers the vast complex operation of the world's largest office building—the Pentagon. It supervises the internal security guard forces of this and seven other defense buildings in the Washington area.

It also provides support for the Capital's antiaircraft defense groups, the Army Map Service, the Army Command and Management School, the White House Motor Pool, and the White House Communications Center which receives and transmits information of the greatest importance to this country and the free world.

Under MDW control is the 3d Transportation Co. (helicopter), stationed at Davison United States Army Airfield, adjoining Fort Belvoir. The Army aircraft at Davison range from small to large helicopters, from L-19 fixed-wing planes to multiengine Army planes.

Despite these many and varied functions, the Military District of Washington exists

primarily to meet Washington's defense needs. This is symbolized by its patch—the Washington Monument crossed by a large two-handed sword, an emblem of protection.

In the field of community relations, MDW has during the past year participated in a variety of programs aimed at bringing the Army and the public closer together for the betterment of mutual understanding.

Sunday ceremony parades, initiated by this headquarters to honor deserving national organizations, opened the summer season on April 15. The honored organization was the Daughters of the Amercian Revolution, an organization with a membership of 182,000. A citation was presented to the DAR by the Commanding General, MDW, honoring the society's high patriotic aims and achievements.

On April 18, the second in the series, honoring four Congressmen, veterans of World War II, was staged before a distinguished assemblage, including some 100 Members of the Senate and House. Secretary of Army Brucker highlighted the ceremony with the presentation of the Bronze Star Medals to the Congressman veterans.

On May 6, 18,000 Girl Scouts were present at Fort Myer on the occasion of MDW's salute to their organization.

More than 60 nations were represented on June 3 when the Military District of Washington honored the military attachés of all embassies in Washington. Approximately 130 military attachés, their families, other embassy personnel, and the general public attended.

On June 10, Eric Johnston, representing the motion-picture industry, received the salute of the troops in a parade honoring the Motion Picture Association of America.

Organizations so honored at the 3d Infanrty Regiment's Sunday parades for the 1956 season are as follows:

April 15: Daughters of the American Revolution.
April 18: Congressional award ceremony.
April 22: Inter-American Defense Board.
April 23: National Security Training Commission.
April 29: Normal retirement.
May 6: Girl Scouts of America.
May 13: Award of DSC.
May 27: Normal retirement.
June 3: Military attachés.
June 10: Motion Picture Association of America.
June 17: 4–H Clubs.
June 24: General officers' retirement.
July 1: Armed Services Hospitality Committee.
July 15: Legion of Valor.
July 22: American Legion Boys Nation.
July 29: Chaplains Corps.
July 31: General officers retirement.
August 5: Kiwanis.
August 12: Battalion retreat parade.
August 19: Normal retirement.
August 26: Regimental retreat parade.

The above ceremonies were in addition to routine retirement parades, both at Forts Myer and McNair. In connection with retirement ceremonies, the most notable was the retirement of General Gruenther at Fort McNair. It is believed these parades admirably serve in fulfilling community-relations objectives in a most effective way.

FORT CHURCHILL

Easily the highlight of the period was the International Geophysical Year rocketry project at Fort Churchill which ran through October and November. Approximately 230 visitors from all parts of the United States visited the rocket-launching site each day from August 13 to August 20. An officer was appointed to tell the visitors of the difficulties encountered during construction of the rocket site. Also, an officer from the IGY project talked to the visitors, telling them what the scientists hope to gain from the rocketry program. This program was established so that Fort Churchill could show, at least to a small portion of the American public, what the United States Army is doing away from the United States.

SPEAKERS

In line with the Chief of Staff's desire for maximum emphasis on "selling the Army" through the medium of officers qualified to speak before the public on the Army's programs, problems, and achievements, letters were sent to more than 40 representative civic, patriotic, professional, and luncheon organizations in the Washington metropolitan area, informing them of the availability of qualified speakers and the loan of selected Army films obtainable from MDW headquarters. As a result of these 40 queries, 37 speaking engagements were booked.

The most popular of the films loaned to various organizations were The Nike Guards the Nation's Capital; Diary of a Sergeant, Guided Missiles, and Military Use of Helicopters.

In addition to performing the normal duties required of any military headquarters, MDW provided full military honors for 2,267 funerals; 65 VIP arrivals and departures; 115 wreath-laying ceremonies; and 420 miscellaneous public events and ceremonies in 1956.

ADDITIONAL REPORTS OF COMMITTEES

Mr. MORSE. Mr. President, I ask unanimous consent, out of order to report favorably from the Committee on the District of Columbia a series of five bills; and I submit reports thereon.

I inquire of the Chair whether I have reported the bills in appropriate form, so they may be placed on the calendar.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). Without objection, the reports will be received, and the bills will be placed on the calendar.

The bills reported by Mr. MORSE are as follows:

S. 1269. A bill to amend the act entitled "An act to create a board for the condemnation of insanitary buildings in the District of Columbia, and for other purposes," approved May 1, 1906, as amended; with amendments (Rept. No. 326);

S. 1708. A bill to amend the act entitled "An act relating to children born out of wedlock," approved January 11, 1951; with amendments (Rept. No. 327);

S. 1842. A bill to amend the act entitled "An act to provide for compulsory school attendance, for the taking of a school census in the District of Columbia, and for other purposes," approved February 4, 1925; without amendment (Rept. No. 328);

S. 1906. A bill authorizing the conferring of appropriate degrees by the District of Columbia Teachers College on those persons who have met the requirements for such degrees, and for other purposes; without amendment (Rept. No. 329); and

H. R. 192. A bill to provide that members of the Board of Education of the District of Columbia may be removed for cause; with an amendment (Rept. No. 330).

Mr. MORSE. Mr. President, I wish to thank the Presiding Officer for his patience in permitting me to complete the record which I announced earlier today to the leadership I would have to complete before the adjournment tonight, because of the vital importance of these matters both in so far as the State of Oregon is concerned and in so far as my own record is concerned.

Mr. President——

The PRESIDING OFFICER. The Senator from Oregon has the floor.

ADJOURNMENT

Mr. MORSE. Mr. President, in accordance with the order previously entered I move that the Senate now stand adjourned.

The motion was agreed to; and (at 10 o'clock and 8 minutes p. m.) the Senate adjourned, the adjournment being, under the order previously entered, until tomorrow, Thursday, May 16, 1957, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, MAY 15, 1957

The House met at 12 o'clock noon.

Rev. K. Warriston McCracken, associate minister of the New York Avenue Presbyterian Church, Washington, D. C., offered the following prayer:

Eternal God, our Father, we are here today with great responsibilities of which most of us are conscious. So move by Thy spirit within us that we may seek what is best for all people involved in every situation to which we have any relation. Help us to find the wider vision that sees service and not selfishness, principles rather than pride, justice rather than justification.

We thank Thee for the incentive to goodness that prevails within our lives. Enable us to find in the knowledge of a task well done our satisfaction and our reward. Keep us humble in the midst of our opportunities so that we see ourselves as means to an end and not as the end in itself.

Direct us throughout this day that our thoughts may be clear, our speech concise but not offensive, our work worthy of the legislature of which we have been called to be a part. This all we pray in the name of Jesus Christ, our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPECIAL ORDER VACATED

Mrs. KELLY of New York. Mr. Speaker, I ask unanimous consent that the special order granted me for tomorrow be vacated.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE CAROL COOK ALLEN

The SPEAKER. The Chair recognizes the gentleman from California [Mr. JACKSON].

Mr. JACKSON. Mr. Speaker, it is with deep regret that I announce to the membership of the House the passing on yesterday of the wife of our esteemed colleague, the Honorable JOHN J. ALLEN, JR., of California.

The unexpected and untimely death of Carol Cook Allen comes as a great shock to all who knew her as a gracious lady and a devoted wife and mother. Mrs.

Allen was a native daughter of California and was married to our colleague 31 years ago. To this union were born two daughters, Ramona and Suzanne.

I know that I express the deep sympathy of not only the members of the California delegation in the Congress but of the entire membership on this sad occasion to the bereaved husband and other surviving members of a fine American family.

Funeral services will be conducted on tomorrow at the Episcopal Church, 3d and A Streets NE.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 73]

Adair	Eberharter	Miller, N. Y.
Allen, Calif.	Evins	Morrison
Anderson, Mont.	Fallon	Moulder
Ashley	Fogarty	Murray
Ayres	Gray	Powell
Barden	Griffin	Rodino
Baring	Gross	Sadlak
Barrett	Gubser	Scherer
Beamer	Gwinn	Shelley
Blatnik	Hays, Ohio	Sikes
Boggs	Holt	Stauffer
Bowler	Holtzman	Taylor
Boykin	James	Teller
Buckley	Kearney	Wilson, Calif.
Cole	Kelley, Pa.	Wolverton
Dawson, Ill.	Long	
	Magnuson	

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

DEPARTMENT OF AGRICULTURE AND FARM CREDIT ADMINISTRATION APPROPRIATION BILL, 1958

Mr. WHITTEN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 7441, with Mr. KILDAY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 6, page 1, of the bill. If there are no amendments at this point, the Clerk will read.

The Clerk read as follows:

Meat inspection: For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; $16,586,000.

Mr. WIER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WIER: On page 4, line 16, that the figure "$16,586,000" be stricken and the figure "$18,718,000" be substituted.

Mr. WIER. Mr. Chairman, this is one item in this agricultural appropriation bill that I am somewhat concerned about. I am concerned about the meat inspection department of the Department of Agriculture. I want at all times to be sure that the meats that the American people eat are properly inspected, and any cut in this Department, I feel rather disturbed about.

Mr. Chairman, I am not going to make any elaborate statement of it, but I want to express my interest in it, and I would like to ask the chairman of the subcommittee to just give the reasons of why a cut of $2 million was made under what the Department of the Budget approved. I see there is about a $2 million difference between the figure presented by the Committee on Appropriations and that of the Bureau of the Budget. If I am assured that the American people are going to have equally as good meat inspection under your $16 million as they would under the $18 million, I will be satisfied.

Mr. WHITTEN. Mr. Chairman, if the gentleman will yield to me, I feel certain I can give the gentleman that assurance and I should like to explain why I can. Meat inspection is required by law. The meat has to be inspected.

This item was cut in line with the general policy of the committee to hold the Department down to this year's level, which we have done through the bill except as to conservation of resources. Where meat inspection is concerned there is a provision whereby if the inspectors we do have must work overtime, that overtime is paid by the packers. The packers can have as much time of the inspection staff as they wish, except that beyond the amount provided in the bill, the packers pay for that time. But the law requires that the inspection be the same one way or the other. So whichever way it is done, if an additional amount were included, it would mean that much less the packers would pay and that much more the Government would pay. Under either figure the inspection is required and the public health is protected. It is just a question, in view of our efforts to hold down the total number of Federal employees and to hold the Department down to this year's level, whether any increased time and the cost thereof would be passed on to the packers.

Mr. WIER. All I want from my good friend from Mississippi is the assurance that there will be no cutback in the number of inspections required to carry out the law, nor any reduction in the quality of the inspection that may result because of the cutback.

Mr. WHITTEN. The gentleman is carrying me a little further than I can go in that I cannot say that they would not cut back on the number of inspectors in order to be able to buy some uniforms; and I cannot say that they would not cut the number back for some other purpose. But I would say that in my judgment there will be the same kind and type of inspection that is required under the amount that is in the bill as there would be under the amount in the amendment. The difference would be in who paid the increase in cost.

Mr. WIER. Mr. Chairman, I yield back the balance of my time.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment. I merely repeat that the committee felt that this item, along with other items in the bill, should be held to this year's level. We are convinced that under the policy followed and under the law, the public health would be protected to the same degree on the basis of the amount in the bill as it would if the pending amendment were adopted. Therefore I hope the committee will turn down the amendment.

Mr. H. CARL ANDERSEN. Mr. Chairman, would the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Mr. Chairman, I wish to inform the committee that on this side we are in full agreement with the statement of the gentleman from Mississippi. I hope the amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. WIER].

The amendment was rejected.

The Clerk read as follows:

AGRICULTURAL MARKETING SERVICE

Marketing research and service

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 United States Code 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed $10,000, except for two buildings to be constructed or improved at a cost not to exceed $20,000 each, and the cost of altering any one building during the fiscal year shall not exceed $3,750 or 3 percent of the cost of the building, whichever is greater.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the events of the past few months, with respect to agriculture, have been discouraging, to say the least. There has developed not only dissension and antagonism within the ranks of those who are the friends of agriculture, but there appears now to be a general attitude of despair and despondency as to the future. Possibly the latter reaction naturally follows the former condition.

Having been through some rugged times as a farmer myself, I know that as a historical truth the trends in agriculture never run smoothly. Yet, in my family, we have never wavered in our faith in the importance and ultimate success of this vital segment of our economy. During the 137 years the Harvey family has lived on the farm where I now live, we have survived at

least four major postwar depressions. On two occasions, the farm was in hock and serious jeopardy, but eventually we recovered and bailed it out. I cite our experience not because it is so unusual; on the contrary, it is typical of much family farm history.

The farmer is in a tight financial squeeze right now, and no one knows that better than the farmer himself. In 1940, farmers spent almost $7 billion in cash in the operation of their farms, and last year they spent nearly $22 billion. Yet the average farmer in my area—incidentally one of the best—makes less than a man who works in a factory and has neither investment nor managerial responsibilities.

Now these are facts, but even so, I am not especially discouraged, nor would I conclude that the situation is hopeless. We ought to have faith in our judgment here in Congress. We enacted a soil-bank program to supplement our price-support laws, which had proved inadequate to meet the postwar impact of increased production and decreasing markets. We also enacted Public Law 480, to assist in the disposal of surplus commodities in an efficient manner, both at home and abroad. Both these programs are just getting under way and I for one am unwilling to throw up my hands and declare them a failure before they have had time to prove their worth—time they have not yet had.

It would not be my belief that there is no other solution or that present programs should continue indefinitely. If we are to emerge from this postwar adjustment period without a major depression, we must use them and recognize them for what they are—temporary expedients to bridge a difficult period. In my judgment, we ought to be putting much more emphasis on the potentials of greater use for our farm production. We ought to be employing our best research talent to find new uses for what we can produce or new products to grow for new uses.

It will be said that we have seen this, and in a way we have. But the emphasis in agricultural research has been on production and not on utilization. The Research and Extension Subcommittee of the House Committee on Agriculture held hearings on this subject and recently heard a progress report from the Commission established last year to investigate the potential in this field and to determine the progress being made by both public and private research agencies. Several members of Congress have introduced bills on this subject, and my own, H. R. 6985, is among those pending.

There is no feature of our efforts to stabilize the income of farmers and promote general prosperity that holds greater promise to the rank and file of farmers than the research-for-use endeavor. Farmers inherently like to produce to the limit of their capacity rather than to abide by a system of artificial restraints. But they will abide by such restraints if necessary to survive.

The whole history of our country has been one of progress and development, and certainly agriculture today is a most challenging problem. In my humble opinion we should attach more importance to farm research for commercial utilization, for in this direction we can lead American agriculture to a hitherto unimagined prosperity that will invigorate our whole economy.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

(By unanimous consent (at the request of Mr. H. CARL ANDERSEN), Mr. HARVEY was granted permission to proceed for an additional 2 minutes.)

Mr. HARVEY. Mr. Chairman, I want to compliment this subcommittee, headed by the gentleman from Mississippi [Mr. ABERNETHY] for the fine work they are doing. I think we must expand this effort and we must put a great deal more emphasis behind it. It is not a quickie answer, but I am thinking it is the best and the only long-range solution for this most difficult problem.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Utah.

Mr. DIXON. I wish to join in complimenting the gentleman from Mississippi [Mr. ABERNETHY] and his committee on their work on utilization research, and also wish to join with my colleague, Representative HARVEY, in his statement. My position is that production research has worked miracles and that that is one of the causes for our great surpluses which have depressed prices. If production research can work miracles, certainly consumption research can also work miracles. Is that not the gentleman's position?

Mr. HARVEY. I think so beyond the question of a doubt. I am just saying in essence here to you, my good friends, that in the past we have been a country whose whole history has been one of imagination and progress. Let us just put our imagination and our efforts to work in this field, and eventually we will come up with a solution that will not only mean prosperity to our agriculture, but which will also mean almost undreamed-of prosperity for our country as a whole.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

The pro forma amendments were withdrawn.

The Clerk read as follows:

FOREIGN AGRICULTURAL SERVICE

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $25,000 for representation allowances, and for expenses pursuant to section 8 of the act approved August 3, 1956 (70 Stat. 1034), $3,902,300: *Provided*, That not less than $400,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further*, That provisions of the act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

Mr. ROONEY. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. ROONEY. Mr. Chairman, I make a point of order with regard to the language beginning with the words "*Provided further*," on line 8, at page 10, down to and including the word "Service" on line 14, the language being as follows:

Provided further, That provisions of the act of August 1, 1956 (70 Stat. 890–892), and provisions of a similar nature in appropriation acts of the Department of State for the current and subsequent fiscal years which facilitate the work of the Foreign Service shall be applicable to funds available to the Foreign Agricultural Service.

I make the point of order, Mr. Chairman, on the ground that this language is legislation on an appropriation bill.

Mr. WHITTEN. Mr. Chairman, may I be heard?

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN. The gentleman from Mississippi concedes the point of order. The point of order is sustained.

The Clerk will read.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans in accordance with said act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said act as follows: Rural electrification program, $179,000,000, of which not to exceed $20,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural electrification program; and rural telephone program, $60,000,000, of which not to exceed $10,000,000 shall be placed in reserve to be borrowed under the same terms and conditions to the extent that such amount is required during the fiscal year 1958 under the then existing conditions for the expeditious and orderly development of the rural telephone program.

Mr. BECKER. Mr. Chairman, I offer an amendment which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. BECKER: On page 11, line 16, strike out the paragraph entitled "Loan Authorization" through line 7 on page 12.

Mr. BECKER. Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. H. CARL ANDERSEN. Mr. Chairman, I object in connection with such an amendment as this.

The CHAIRMAN. The gentleman from New York is recognized in support of his amendment.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. MASON. I want to say that I shall object to all requests for extension of time from now on.

Mr. BECKER. Mr. Chairman, the reason for this amendment is a very simple one. Under the Rural Electrification Act of 1936, and amendments of 1939 and 1949, the United States Treasury is bound to loan money to the REA at 2 percent. We know that through the years the Treasury is paying 2½, 3, and today 3¼ percent. The REA owes the Treasury today approximately $2,500,000,000. Factual information which I will read here—that is why I wanted the extra time—proves that the REA has untold surpluses that they are loaning, and buying United States Treasury bonds today and loaning out at higher interest rates and making a profit on the 2-percent money of the taxpayers of this country. This interest rate is costing the taxpayers some $25 to $35 million a year on something that I believe is absolutely unwarranted during this era of prosperity, and in view of the fact that the areas that are being served by the REA are increasing their incomes day after day. I have in mind that the Tennessee Valley Authority is asking permission to sell revenue bonds, on top of the $1,200,000,000 that they owe the United States Treasury Department at no interest, and that the interest is being paid by the taxpayers. I do not want to stultify areas of this country that need electricity. I want to read a statement of the Public Service Commission of Indiana:

EXTRACT FROM AN OPINION OF THE PUBLIC SERVICE COMMISSION OF INDIANA IN CASE NO. 26077 DATED DECEMBER 14, 1956

The annual reports of the REMC's on file with this commission show that all the REMC's are now operating on a remarkably profitable basis and have generally greatly reduced, and in some cases already fully paid off, their debts to the Rural Electrification Administration. Further, these membership corporations now have accumulated large surpluses which are in some instances invested in Government bonds. From these investments net operating incomes are annually augmented by interest earnings at rates in excess of the amount that these same membership corporations pay to the Federal Government as borrowers. Some, if not all, of the net operating and investment profits of the membership corporations are occasioned by the fact that unlike other utilities these cooperatives do not pay any Federal income taxes upon such profits.

If this comes from the State Public Service Commission of the State of Indiana, then I say it is about time we stopped and hesitated before the advancement of further loans without investigating how much surplus the REA has and why they cannot repay their loans to the United States Government so that our Treasury can reduce its bonded indebtedness.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield.

Mr. HARVEY. I would be happy to explain to the gentleman, because I know of the situation concerning which he speaks, and that the funds in question are those that are required to be set aside by various cooperatives to meet emergencies in the case of terrific ice storms, such as we had recently. Those funds are invested for that purpose.

Mr. BECKER. We have investigated that, but we find they are far beyond the amount they are allowed to retain as reserves. All these REA's are tax free.

They are tax-free; and they are in direct competition with private utility companies that are paying billions of dollars of taxes into the Treasury.

I feel that there should be an equalization somewhere. I do not want to cut this off, I may say to my good friend from Indiana, but I do think the time has come when we should halt this expenditure at this time. I feel that ultimately legislation should be enacted so these loans will pay the going interest rate that it is necessary for the Treasury to pay to get the money to lend to them.

I believe there are many expenditures of the Government necessary for the development of our country, and I think we should do everything we can to develop our own country. REA received appropriations of $577 million last year. I think it is time that we revised our position, and had an investigation of the surpluses they have.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. BECKER. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. BECKER moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken.

The CHAIRMAN. The gentleman from New York is recognized for 5 minutes on his preferential motion.

Mr. HIESTAND. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from California.

Mr. HIESTAND. Is it not a fact that about a week ago we voted additional lending authority for REA of $200 million, and they requested an increase of $179 million on top of that? Has the gentleman evidence of how that is going to be used?

Mr. BECKER. No; I have no evidence of how that is going to be used. I presume that was presented before the Committee on Appropriations at the time. I mentioned a few minutes ago that the total appropriation last year was $577 million, and they want this $239 million in addition.

I do not accuse any Member or group of Members in this House of advocating socialism or socialistic practices, but if there is such a thing as socialism this certainly is it. I oppose socialism wherever it shows its head in my country in opposition to the free-enterprise system and the citizens who have to furnish the taxes. Legislation has been introduced in this House by Members who want to reduce the income tax. I know of two bills that would increase allowances by $100 and $200. How can we possibly reduce income taxes if you vote for such programs as this that compete with businesses operated by the very people who are paying the taxes?

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. In just a moment.

As I said before, it is not my desire to stultify the growing areas of this country; I want to see them grow and I want to see them prosper, but I think the very recipients of these rural electrification programs want to pay their own way, or at least a part of their own way.

All I am asking is that on these loans they pay the going interest rate that must be paid by the Treasury for borrowing the money that is necessary to give to the REA. Likewise in the case of other services.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from West Virginia.

Mr. BAILEY. The type of socialism the gentleman is talking about appears to be a type of socialism that the average American likes pretty well.

Mr. BECKER. I feel they do not like it. They do not like it in my district, I know.

Mr. BAILEY. That may be true in the gentleman's district, but it is not true for all America.

Mr. BECKER. That may be true, too, but it is also true that Americans like to pay for what they have. I know Americans and I know they like to pay their own way. Every American I have talked to about any of these programs wants to pay at least a part of the share of what he is getting from this great country of ours. I know that many things are done for political expediency, and this is one. This type of legislation, I do not think, is proposed just because they say the people cannot afford it.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. BECKER. I yield to the gentleman from Illinois.

Mr. MASON. Does the gentleman mean to say this Government is lending money at 2 percent and then these REA's which have a surplus are lending it back to the Government by buying bonds and getting 2¾ percent or more on their loans?

Mr. BECKER. That is absolutely correct.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield on that?

Mr. BECKER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would just like to point out that we are referring to the REA in a rather confused way. The headquarters organization of the REA is down at the Department and is headed by the Director.

The REA back in the rural area is an individual, locally operated and owned cooperative; and may I say that the Director in Washington, so far as I know, and we asked him about it, has not approved a single loan to a single cooperative that is in this situation. If I may be permitted to complete my statement, some cooperatives have gotten into the position where they have their own reserves and, therefore, do not have to come to the Government, but others are not in that fortunate position. No REA can get a loan unless the administration approves the loan.

Mr. BECKER. Then may I ask this question: If they are all in the same boat, why should they not lend the money at 2 percent to the other REA's

that need help and not come to the Federal Treasury at a lower percentage while they are lending their own surpluses out at 2½, 3, or 4 percent?

Mr. WHITTEN. If the gentleman could get such legislation as that on the floor for consideration, I would give it much thought. For the present we have to meet it under existing law until that is changed.

Mr. BECKER. Then let us have an investigation before we advance this money and find out what the surpluses are in these REA cooperatives. We can then come back here with legislation when we have the information that no one can get from the REA. I have tried and others have tried to get this information for me. I think we should have the information before us as to what the surplus really is.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the motion offered by the gentleman from New York [Mr. BECKER].

Mr. Chairman, I am certain that the committee will not agree to kill REA just simply to cut out a comparatively small amount having to do with the size of the interest rates. I hope, Mr. Chairman, that we can defeat this amendment immediately and get along with consideration of the bill.

Mr. CHRISTOPHER. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Missouri.

Mr. CHRISTOPHER. May I say in regard to REA not paying taxes that the REA's in the United States have paid over $10 million in taxes in 1956. I have those figures already in the CONGRESSIONAL RECORD and I will be glad to put them in again. That is exclusive of any taxes paid by generating systems, such as the TVA or Bonneville. That is just the REA cooperatives alone. The assertion that they do not pay taxes is a fabrication instituted by the power trust of the United States and advertised all over the country.

Mr. H. CARL ANDERSEN. May I quote from page 1417 of the hearings this paragraph about what the REA's have done for others than agriculture:

> We must keep in mind that were it not for the development of REA, that business totaling hundreds of millions of dollars, involving electric supplies, television, radios, and so forth, that are now being sold out in the rural areas, would never have developed to the value of what we might term "private enterprise."

Let us keep in mind, Mr. Chairman, that whatever we do to help the REA's, we are also pumping out of the $2,800,000,000 possibly a half billion dollars in direct purchases from television, electrical supply companies and what have you. I am sure that the Committee will not be foolish enough to even grant much consideration to the suggestion of the gentleman from New York that the REA program be killed.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I would like to ask the gentleman from New York, author of the amendment, as to how much the total amount of loans are that have been available from the REA's that the REA's have invested in interest gathering schemes? I do not know whether the gentleman from New York can supply us that information or not.

Mr. H. CARL ANDERSEN. The gentleman may do so in his own time. I want to add that the gentleman from New York does not bring out the fact that when money was cheaper, when the REA was drawing out of the Treasury at 2 percent, they were rolling up to the credit of these REA's an amount of nearly $40 million, if the figures are correct. We want that as a cushion toward offsetting this as a possible additional cost now to the Treasury of the United States.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. I wonder if the gentleman would not look with suspect at the gentleman from New York's philosophy of socialism, because he is not critical of private utilities having obtained tax amortization in amounts in excess of $2.3 million. I just wonder what form of socialism he might brand that type of program.

Mr. H. CARL ANDERSEN. Might I suggest to my friend that if the definition of "socialist" or "socialism" prevails as explained by the gentleman from New York relative to REA, there are a lot of socialists today in this Congress of the United States.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from New York [Mr. BECKER].

The motion was rejected.

Mr. HIESTAND. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I think we should make clear just what the issue is here by the amendment offered by the gentleman from New York [Mr. BECKER]. The previous speaker, my very good friend from Minnesota, for whom I have a very high regard, claimed that this was an attempt to kill REA. Mr. Chairman, that is not the issue at all.

Mr. H. CARL ANDERSEN. Mr. Chairman, if the gentleman will yield, the amendment was offered to knock this paragraph out. What other issue is there before us?

Mr. HIESTAND. The paragraph was only an added grant of loans to what they already have.

Mr. Chairman, this program was a fine program. It was a fine program when developed in 1936 to electrify farms, farms situated so far apart, with so few customers to the mile, that private funds, immensely short in the depression, simply were not available. This fine program is, of course, known to you all as the Rural Electrification Act.

The Department of Agriculture has accomplished its purpose so completely that today the Administrator of REA reports 96 percent of all farms have been electrified, a monument to the dedication and spirit of all those who took part. Let us not condemn REA as such.

Let us consider this amendment. The amendment would add $179 million added loan authority to the $200 million we voted a week or 10 days ago. It is in the nature of a further subsidy, because it loans at a cost below that which the Treasury has to pay. That makes a total of $379 million. When the measure last week was up, we had somebody telephone down to find out if the Administration really wanted that money and, if so, why, and we got the information that the association of cooperatives was active in the field. Ninety-six percent of the farms having been already electrified, the association was active in the field, and very active, in order frantically to scrape the bottom of the barrel to dig up more projects so that they could get some more money and spend some more money in that way. They had a hard time finding new projects. Then they had the Congressmen, it is said, from those districts where those projects were to be located importuned to back REA to support that request.

Mr. Chairman, if the job is 96 percent done and we have this big balance available, why do we need that $200 million voted last week plus another $179 million presently asked for? Well, it is said that some of it is to be used for telephones. Now, that is an interesting thing, too. I had a letter from a constituent who had come back from Alaska where a far-flung REA telephone line was being put in, 150 miles from nowhere, 5 customers; the installation was being badly managed. This man was one of those who had tried to install it and finally quit in disgust because it was being so badly installed. Finally it was abandoned. Cost, thousands of taxpayers money. That is a sample of the extension of this operation. The Administrator estimates that if these loan rates were raised to the going rate that the Treasury pays, it would mean to the average customer an addition to his cost of only 1¾ cents per month. Likewise, if we continue to loan at 2 percent and pay at 3¼ percent, it is a direct drain on the Treasury and there is no chance for any private capital to be used. It all must come out of the Treasury.

The President, in a letter to the Speaker in April, recommended the establishment of interest rates for Government loan programs that would induce private capital to participate in their financing, and to require at least that any such rates cover the cost of borrowing by the Federal Government.

I heartily support the amendment and hope it will carry.

Mr. NATCHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, REA is one of the great achievements of our present day Government. I am sincerely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. Since its inception REA has had a net income from lending operations, beginning in 1935 and extending to June 30, 1956, of $47,504,355. Several weeks ago this matter was brought to the attention of our Subcommittee on Agriculture Appro-

priations. At that time the Secretary of Agriculture, Mr. Benson, was before the committee. I interrogated the Secretary concerning an increase in REA interest rates. This may be found on page 118 of the hearings.

I quote:

Mr. Secretary, I am definitely of the opinion that the sure way to destroy REA is to increase interest rates and to make loans more difficult to secure. REA serves every county in my district. REA, to me, is one of the great achievements of our present-day Government.

Now, Mr. Secretary, I am just wondering if this administration is planning to recommend an increase in the REA interest rate.

Secretary BENSON. Mr. Natcher, I can only say this, that the Department has no plans for increasing or recommending an increase in the interest rates on REA loans.

Mr. NATCHER. At present?

Secretary BENSON. To my knowledge, we have no studies being conducted by the Department with respect to the interest rate or any interest rate increases.

Mr. NATCHER. There are no studies underway at the present time?

Secretary BENSON. Not to my knowledge.

Mr. NATCHER. Mr. Secretary, do you agree with me that the way to destroy REA is to increase the interest rates and to make loans more difficult to secure?

Secretary BENSON. I don't like to even think about destroying REA. I think it is filling a real need, and it is doing a good job, and I think anything that is done ought to be done in the direction of strengthening it rather than weakening it.

Mr. Chairman, the adoption of the amendment offered by the distinguished gentleman from New York would destroy REA. Again I say to you that REA is one of the great achievements of our Government. REA has meant more to our farmers than anything else during the 20th century.

Mr. Chairman, I urge that the amendment be defeated.

Mr. VURSELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I should like to associate myself with the gentleman from Kentucky [Mr. NATCHER], in his remarks against this amendment. I would like to point out that in the prior year when this matter was proposed, Mr. Benson came before our committee; and long before he came before our committee they made a Department study of this matter and came out strongly against it.

May I point out also that the Director of REA, at that time, Ancher Nelsen, joined with the Secretary of Agriculture in stating, and he stated then and afterwards before our committee, that they had made the study, that this would wreck and destroy REA throughout this country and its service to the country. He pointed out that some $2.5 billion had already been loaned under contracts, and the final study of it showed that if they went through with increasing this interest rate that all of the contracts would be in jeopardy and it would practically destroy REA as it has been operated in this country and as it has been known.

Mr. MUMMA. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Pennsylvania.

Mr. MUMMA. That same condition prevailed last week in connection with the college housing. They were borrowing money at 2⅞ percent. The bill we passed last week raises that to 3.5 percent. They have a lot of these contracts being arranged. I think the Government has set a pattern that should be just as well applied to other things. I am not picking on REA.

Mr. VURSELL. The REA is organized by farmers at the grassroots, who put in millions of dollars worth of their time without any cost. They have managed this great organization so well that there are only 3 or 4 of the small cooperatives that are in jeopardy, and they are being taken care of. There are no losses.

In addition, one of the great contributions that has been made is that there are millions of people working in factories today turning out appliances that would not be used and could not be used if it had not been for the ingenuity of the farmers and because most of them gave their own time to establish the REA that has less loss than probably any business in America. There are many millions of dollars in taxes that come into the Treasury each year that never would come into the Treasury were it not for the success of REA. Billions of dollars are spent each year in buying electric appliances that would not be in use if REA had not been organized and established.

May I say further that the Treasury has had a cushion of some $40 million for the last 2 or 3 years paid ahead by the REA when interest rates were lower than the 2 percent the REA was borrowing at, at that time. It has made a great contribution. There is no question but that the best financial brains in this country say that you cannot increase these rates to 3 or 3.5 percent without practically destroying the financial structure and the financial services of REA in the future.

The question was taken; and on a division (demanded by Mr. BECKER) there were—ayes 26, noes 58.

So the amendment was rejected.

Mr. MARSHALL. Mr. Chairman, I move to strike out the last word, and take this opportunity to note that not one Member on the Democratic side of the aisle stood up in favor of the amendment.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

LOAN AUTHORIZATIONS

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities, except that such advances under title V of the Housing Act of 1949, as amended, shall be made from funds obtained under section 511 of that act, as amended): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, $24 million, of which not to exceed $2,500,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, $180 million; the act of August 28, 1937, as amended, $5,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

Mr. McINTIRE. I move to strike out the last word.

Mr. Chairman, I take this time to ask of the chairman of the subcommittee a question relative to the authorizations of this bill which is at the bottom of page 13 relating to Farmers' Home Administration farm ownership and farm housing loans. I share with a great many Members of the House my interest in the Farmers' Home Administration lending activity for the family-sized farm. It is my understanding, Mr. Chairman, that the reference here is particularly to the farm ownership loans, that is, that the farm housing loans are in the larger figure of $450 million. My question to the gentleman from Mississippi is in relation to the committee bill authorizing $24 million, in view of the budget request for $50 million. It is my understanding, and I would appreciate being corrected if I am not accurate on this, that the first deficiency bill has a request for $26 million. The authorization last year was $24 million which would bring it up to the total of $50 million.

At the present time there is approximately $20 million of loans pending or in process, and if the deficiency item is not granted, then this $20 million would be applied against the $24 million authorized in this bill. Am I correct on that point?

Mr. WHITTEN. That is my understanding, may I say to the gentleman. I am hopeful we will get together on the deficiency so far as that goes. But, the reasoning of our committee is frankly this. While we believe in the Farmers' Home Administration, and we have supported the farm purchase program—under present conditions with the present farm prices and farm problems you are not helping a young man by lending him money to buy a small farm. It is for that reason we felt that it was not a time to increase the amount of money which would enable a young man to go into debt to buy a farm. We felt that when folks with small farms, who are not even in debt for the purchase price of their farms are finding it more and more difficult just to hold on, it was no favor to any veteran or nonveteran to enable him to borrow money and to try to make a living and repay the debt. So, that being the reasoning of the committee, we are glad to leave it up to the House and up to the Congress as to what it wishes to do. But, we felt we were on sound ground in holding this amount down to the present year's level.

Now it was anticipated, and I anticipate now that the deficiency bill will be worked out somewhere along the line. As to that, I cannot guarantee, but we did anticipate it.

Mr. McINTIRE. Am I to interpret from the gentleman's remarks that if the deficiency item is granted and the lending program for fiscal 1957 would be aggregated close to the $50 million, that it is the position of the committee that

there should not be a total of $50 million available for fiscal 1958?

May I also interpret the committee's position that it is the intent by the limitation of money, to mold the lending program, and relying primarily on that and not on the opinion of the advisory committee and the folks in the field as to the individual case, standing on its own feet, and the merits of that loan on an individual farm?

Mr. WHITTEN. I would not differ with the gentleman's description, but I prefer to put it in my own words. We felt it is no favor to a young man to make money available to him to buy a small farm. In fact, it could be a disservice, and it was our opinion that you could not find $24 million worth of small farms on which any farmer could make a living and pay the debt. Therefore, we held it to $24 million because we did not believe they could find that many small farms that would be a sound investment. That is our position.

Mr. McINTIRE. I thank the gentleman.

Mr. Chairman, it has been my privilege to attend many hearings of the full committee of the House Committee of Agriculture and subcommittees of that Committee in many parts of the country, especially in areas producing basic commodities. May I agree with the Chairman of the subcommittee, the gentleman from Mississippi, that farm programs are not working. It is not only more recent programs as the gentleman's reference would imply by use of the term the last 4 years, but programs written into law years before 1952.

It is my understanding the basic premise of a program of high-level supports is that production shall be controlled to make it work. I have listened to farmers under marketing quota pleading for permission to plant more acres because they will not make a living on acreage allowed under the program. The gentleman from Mississippi has stated that farm income is production time price less cost of operation. He is correct in stating this rule and in accepting this rule I believe it indeed a challenge to the soundness of premise that production can be controlled to make a fixed-price program work whether it be in a flexible approach or at higher fixed levels.

May I believe we need expanded programs on marketing and utilization research and the rural development programs. I am not in accord with the impatience which I believe is implied in the committee report.

In closing, may I express my deepest respect of the gentleman from Mississippi and each member of the subcommittee and find myself, as a member of the House Committee on Agriculture, joining with them in a sincere desire to deal constructively with the problem of the American farmer and his rightful place in the American economy.

Mr. Chairman, I withdraw the amendment.

(The pro forma amendment was withdrawn.)

The Clerk read as follows:

SOIL AND WATER CONSERVATION

For necessary expenses to carry out soil and water conservation programs authorized in the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590a–590q), the Watershed Protection and Flood Prevention Act, as amended (16 U. S. C. 1001–1007), the Flood Control Act, as amended and supplemented (33 U. S. C. 701–709), subtitles B and C of the Soil Bank Act (7 U. S. C. 1831–1837 and 1802–1814), the acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y–z–10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033–1039), $535 million, to remain available until expended: *Provided*, That not to exceed $40 million shall be available for administrative expenses in carrying out sections 7–17 of the Soil Conservation and Domestic Allotment Act and subtitles B and C of the Soil Bank Act of which not less than $30 million may be transferred to the appropriation account "Local administration, section 388, Agricultural Adjustment Act of 1938": *Provided further*, That not to exceed $7,200,000 shall be transferred to and merged with the appropriation "Salaries and expenses, Agricultural Research Service, Research" for soil and water conservation research, of which $1,200,000 shall be available for construction of buildings and for the acquisition of necessary land therefor, and not to exceed $20,000 for alterations of buildings, without regard to limitations prescribed in this act: *Provided further*, That this appropriation shall be available pursuant to title 5, United States Code, section 565a, for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed $10,000 and the cost of altering any one building during the fiscal year shall not exceed $3,750 or 3 percent of the cost of the building, whichever is greater; not to exceed $150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the act of August 2, 1946 (5 U. S. C. 55a); and for the temporary employment of qualified local engineers at per diem rates to perform the technical planning work: *Provided further*, That the unexpended balances of appropriations heretofore made for "Watershed protection", "Flood prevention," and "Water conservation and utilization projects" shall be merged with this appropriation: *Provided further*, That programs included hereunder shall be subject to the following additional provisions.

Mr. ABBITT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to inquire of the committee regarding an item on page 18. For several years we have had some controversy, and I have had a little part in it, regarding the amount any one participant could receive under the agricultural conservation program. It is my understanding that in the past few years we have been gradually bringing down and lowering the amount that one participant could receive. I find on page 18 of the bill, line 17, that—

> No participant shall receive more than $2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community.

In reading the report I see no mention, at least I have found no mention made of any change in that amount. My recollection is that for 1957 there is a lower figure than $2,500, and there is an increase carried in this legislation—my understanding is it is $1,500 for this year.

Mr. WHITTEN. The gentleman is correct. I would be glad to explain the reasoning of the committee, if the gentleman desires.

Mr. ABBITT. I would be pleased to hear the gentleman.

Mr. WHITTEN. The gentleman's expression that the limitation on what can be paid to individual participants is perhaps his interpretation, but my expression would be the other way; that it limits the amount of contribution that the Federal Government will make to any one particular participant, even if it is thought that the small watershed program and the need to do the things that really help these flood prevention problems, that if you have a larger amount available, realizing that under the program the participant has to put up his share of the cost, you will get more resulting benefit in the nature of soil conservation by having it large enough to have a sound project than to keep it low enough for the relatively minor projects.

The gentleman is right. The increase was from $1,500 to $2,500 and that was in recognition of the increased cost of operations—a recognition at least by our committee, the various Members of Congress, and others that many worthwhile projects were not possible because of the limitation in the size of the projects.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. REES of Kansas. At the proper time I expect to offer an amendment striking out $2,500 and inserting $1,500, putting it back to where it is in the current law.

In my opinion $1,500 is sufficiently liberal.

If you want to save a little money without injuring anyone I suggest to the gentleman that here is a chance to do it. A study of the question shows that most of the money goes to those who can well afford to take care of their own conservation program.

Mr. ABBITT. I shall be glad to support the gentleman's amendment.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the situation correctly, the existing law is that each individual shall be limited to $1,500.

Mr. ABBITT. That is right.

Mr. SMITH of Virginia. This bill changes that law and increases it to $2,500.

Mr. ABBITT. That is right.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. WHITTEN. As I understand, the basic law provides no limitation; both the $1,500 and the $2,500 is a limitation where none exists in the basic law.

Mr. SMITH of Virginia. Let me ask the gentleman this: If you had not changed that what would have been the result? Would it have been $1,500?

Mr. WHITTEN. Unless we had rewritten it we had to put the limitation either way, either follow last year's bill, which would have been $1,500, or put in some other figure, because there is no limitation in the basic law.

Mr. SMITH of Virginia. The gentleman's contention is that if there is no

limitation in the appropriation bill there would be none at all.

Mr. WHITTEN. That is right.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. TABER. The situation is this: If no limitation is expressed in this bill there will be no limitation. To be effective the limitation has to be written into each annual appropriation.

Mr. ABBITT. As I understand, answering the gentleman from Virginia, that last year the limitation was $1,500 for those who participate under the bill, but the bill as written now raises the limitation from $1,500 to $2,500.

I take this time to call attention to a provision—I have not seen it in written form—but I am sure the gentleman from Kansas [Mr. REES], will offer an amendment setting the limitation this year again at $1,500. I shall support the gentleman's amendment.

By unanimous consent, the pro forma amendments were withdrawn.

The Clerk read as follows:

Agricultural conservation program: This appropriation shall be available for administrative expenses in connection with the formulation and administration of the 1958 program of soil building and soil and water conservation practices under sections 7 to 15, 16 (a), and 17 of the Soil Conservation and Domestic Allotment Act, as amended (amounting to $250,000,000, including administration, and no participant shall receive more than $2,500, except where the participants from 2 or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community); and for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein. Not to exceed 5 percent of all the allocation for the 1958 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 percent may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions.

Mr. REES of Kansas. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. REES of Kansas: Page 18, line 17, strike out "$2,500" and insert "$1,500."

Mr. REES of Kansas. Mr. Chairman, there has been considerable discussion on the floor of the House in recent days about saving money, cutting expenditures, but more especially taking care of the little fellow. Here is a place where you can save some expenditures without injury to anyone, but most important is to allocate funds on a more equitable basis.

The question of allocating funds under soil-conservation programs has been with us for a long time. There was a time when there was hardly any limitation at all. It was discovered the thing was so inequitable there was a limitation of $10,000 established. Then later on it was limited to $5,000. It went down to $750. Then it was raised to $1,500. That is the limitation at the present time. All I am doing is following the present law, limiting payments to $1,500, to participants under the act.

This money is intended to assist farmers in soil-conservation programs on their own land. A good share of it goes to people who can well take care of their own soil program, but more important of all is that when allocations are made to the States, the big operator is taken care of, but many times there is little left for the small operator. He is the fellow we want to assist. If the Federal Government is going to pay money to a farmer or a farm operator for conserving his own soil, then we ought to see that the smaller operator, the one who lives on his land and operates it, is given a fair share of these funds. I remind you again, this money is intended to help the farmer take care of his own soil. All we are saying in this amendment is that the individual operator is limited to $1,500 in Government payment.

More of the funds should go to the smaller operator and less to the big plantation owner or the big grain producer.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to point out that there is a formula where these funds are allocated to the States. Whether you take the gentleman's amendment or leave the bill alone, the States would get the same amount of money either way, whether the amount stays as it is here or whether it is as the gentleman would amend it. Now, the people of Kansas can limit it to $150. The higher limitation would let those States with a major problem have a higher leeway to meet their problem. There is no money involved. It is a question of whether the latitude shall be high enough to meet the problems of some States, and whether you take the gentleman's amendment or that in the bill, you do not affect the total amount of money spent at all. The people in Kansas can cut it down to $100 if they wish to.

Mr. REES of Kansas. By the same token you could increase it to $5,000 and the gentleman's argument would apply in this case. All we are saying is that nobody, whether they be in Kansas, Virginia, or Mississippi, or any State, can receive payment from the Government beyond the limit of $1,500. Of course, if a man does not want to earn more than $100, or earn any, that is his privilege. But let us limit it to $1,500 as the present law provides, and you will save some money and certainly make more equitable distribution if you adopt my amendment. If a State does not want to take the money allocated to it, that is its privilege. That can be done under my amendment. If a man cannot protect his own soil by getting $1,500 from the Federal Government to assist him something is wrong.

Mr. WHITTEN. I would repeat that you do not save any money either way. You do not require a State to have a lesser amount.

Mr. REES of Kansas. I am not requiring a State to have a lesser limit, no, but you will save a considerable amount if you will limit the overall payment to one person. That is, if the $250 million is the amount you are allocating on the basis that all farmers will take part in this program.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Wisconsin.

Mr. WITHROW. In connection with the wording of this, it is recognized that in all probability even $2,500 would not be enough because it reads as follows: "$2,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community."

There is the impractical thing about this. These farmers are reluctant to get together and to have a project on one of their pieces of property; so the result of it is that in my area where we have draws, we are not getting the projects we should because the individual cannot afford to put the money into the project he should in order to make it practical. If you are going to have real conservation, if you are going to control floods, you have to control them at the source, not wait until they get down to the river.

Mr. REES of Kansas. That is a different situation. The gentleman showed my amendment does not change or alter the situation on which he calls attention. I do not change the formula. My amendment simply limits the payment to $1,500 instead of $2,500. I am trying to assist about 70 percent of the participants who get payments averaging less than $400. The adoption of my amendment is more equitable and will save some money for the taxpayer. It certainly injures no one.

Mr. Chairman, I think it should be definitely understood my amendment relates only to payments made to individual land owners or tenants, or both, for following practices required by the Department of Agriculture, in improving the soil they own or operate. It does not relate to what has been known as a general soil conservation program, that is carried on entirely by the United States Government.

Even under present law, under this program, about 25 percent of those who participate, get approximately 70 percent of the appropriation in this bill. Think what you are doing when you add a thousand dollars to the payment to each of those who now receive the limit of $1,500.

Mr. JOHNSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in opposition to the amendment striking out the figure

$2,500, lowering the present limitation in the bill before us.

I am principally interested in seeing the limitation left as it is in the bill so that more work can be done on gully control structures in States with a topography like we have in western Wisconsin. The present limitation was established at a time when construction costs were considerably less than they are today. People active in this work in Wisconsin tell me that the limitation is blocking gully control work because of increased costs. An incomplete survey in Wisconsin shows that 89 projects for gully control were not started last year because, under the present limitation in the law, the Government could not enter into the construction beyond the $1,500 figure.

Many of the farms and hilly areas of western Wisconsin and other States with similar topography are unable to progress any further with soil conservation work unless the amount allowed for gully-dam construction is increased. The old $1,500 limitation accounts for the fact that many States are not using the total ACP appropriation. Wisconsin returned $1,758,000 in 1955, and the preliminary figure for the year 1956 shows that the State returned $750,000.

In speaking to people engaged in soil conservation work, I was told that for a number of years it has been impossible for the State to proceed with major gully control work because of this provision in the law. They told me that if this exception were not included in the law, they would be able to go into the various watersheds, do part of the gully control work on individual farms and, when the total project came up for planning, the cost-benefit ratio would come out favorably and the project would be eligible for Federal assistance.

I believe every member of this committee is aware that, if this condition is permitted to exist, areas where the gullies have made such headway will be without value for future farming operations and we will have a country similar to China, where soil erosion was permitted to run rampant for centuries. The gullies I refer to in my district have made such headway that, even if the farmers follow the conservation practices set up for them, they are unable to retard these large gullies from making further advances through the valleys without doing special gully control work.

Let me quote from letters I have received from Wisconsin soil-conservation leaders concerning the price limitation. The first statement is from Mr. Henry E. Graff, chairman of the Eau Claire County Board, and Mr. Arthur Donaldson, chairman of the Eau Claire County Agricultural Committee:

> The $1,500 limitation per farm in the AC program has deferred the installation of large control structures. Construction costs have gone up to a point where the $1,500 limitation does not provide for equitable cost sharing on large structures. It is our understanding that sizable unexpended balances from the AC program have been returned. We believe it would be far better to encourage the structure program by raising the present limitation and using at least a portion of the unexpended balance for permanent structures.

I should also like to quote from the letter of a man engaged in soil-conservation work in western Wisconsin:

> You are familiar with the rugged terrain of this area. Many of our farms have large gullies on them. In order to prevent them from spreading, it is necessary to construct earthen and mechanical structures at their heads. This sometimes runs as high as $6,000 for a single gully. The average cost is probably close to $3,000. Most of the farmers in this 6 or 7 county area cannot financially afford to spend this much on these gullies. The agricultural-conservation program of the Agricultural Conservation and Stabilization Service of the Department of Agriculture helps share the cost of these practices. The law states that the Government will pay 75 percent of the cost of these structures. However, another section of the same law states that no farm may earn over $1,500 in any 1 year. In the case of gully control structures costing $3,000, the percentage immediately falls from 75 percent to 50 percent because of the $1,500 limitation. I understand that a change in the law requires an act of Congress. I feel that the $1,500 limitation should be removed in case of structures and the 75-percent limitation alone apply.

The Dunn County Soil Conservation District annual report for 1956 also recommends a change in the law, and I shall quote in part from it:

> We would like to make one recommendation for a change in the above-mentioned ACP program. We have an estimated 150 large gullies in need of gully control structures. Many of these will cost the farmers from $3,500 to $5,500 to install. Under the present ACP program the Government will reimburse the farmer 75 percent of the cost of gully control works. This is fine but Congress has imposed a maximum payment per farm of $1,500. Under this regulation the farmer is not able to recover anywhere near 75 percent of the cost. For the benefit of the gully control program, we would like to see the $1,500 ceiling raised to $3,500 per farm for gully-control work only. Most of our farmers find themselves in a financial stress and are unable to spend necessary money to halt large gullies which are eating into valuable cropland and in some cases building sites. In most cases, these gullies are a threat to neighboring farms as well as public highways.

In reply to an inquiry I made of a county agent in Wisconsin, I received the following statement:

> There is one item on which we might get more done, if the ASC aid was a little more realistic. The present incentive payments on erosion control structures put in by a farmer are 75 percent of the cost, with an upper limit of $1,500. In this area, the average cost of structures has been about $3,000, and a top of around $6,000, which means that the average man only gets about 50 percent of the cost back, and in the larger ones, they would get as little as 75 percent.

This situation is not confined exclusively to my district. I am told the same problems exist in Kentucky, eastern Iowa, parts of Missouri and Nebraska, and perhaps in many other States of which I am not aware. I believe the purpose of the restriction is to prevent a few large farms from receiving large grants under the ACP, and I am in favor of this purpose. However, I would like to see the language changed so that the limitation of $1,500 for individual farmers for doing gully-control work is raised to a figure compatible with current construction costs, or excepted entirely.

Mr. WITHROW. Mr. Chairman, I rise in opposition to the amendment. First of all, I believe that we all recognize the fact that flood control and soil conservation are essential and we want to find practical means to bring about a condition that will permit us to have soil conservation in a practical sort of way. All this provision does is to raise the amount that may be paid to an individual to $2,500. In other words, it fixes a ceiling. The money will then go to the State, in the gentleman's case, the State of Kansas and in my case the State of Wisconsin. They will make the determination as to what the ceiling shall be in the particular State.

The only difference between the law as it is and that proposed by the committee after careful study is that the amount has been raised from $1,500 to $2,500. That is the only difference. There is a proviso whereby two or more farmers may get together and then they may be allotted more money.

Mr. REES of Kansas. That is in the present law.

Mr. WITHROW. That is in the present law. But that has not been workable, particularly in my locality because, as you know, the farmers and the ranchers are reluctant to get together on an agreement. So $1,500 was recognized as being impractical and therefore it was raised to $2,500.

If my recollection serves me correctly, the gentleman from Kansas [Mr. REES] was opposed to $1,500 the last time this matter was before us. We had the same argument at that time in regard to it. Now, if you really want soil conservation, if you really want flood control, you had better approach this at the grassroots. This is the only way you can do it in a practical sort of way. That is all there is to it.

Mr. REES of Kansas. Mr. Chairman, would the gentleman yield?

Mr. WITHROW. I yield to the gentleman.

Mr. REES of Kansas. The gentleman understands that all in the world I am doing in my amendment is leaving the present law as it is.

Mr. WITHROW. The bill raises it $1,000.

Mr. REES of Kansas. My amendment would leave the present law just as it is. The gentleman understands that.

Mr. WITHROW. Yes, $1,500; and we want $2,500 because it has been recognized by the committee that $1,500 is not a practical approach.

Mr. REES of Kansas. I am saying that $1,500 is what the law is now; just leave it alone instead of spending this additional fund the gentleman is talking about. That is about all there is to it. Following the gentleman's argument, we should make it more than $2,500.

Mr. WITHROW. I think it should be $3,500 but I am perfectly willing to settle for $2,500, try that out and see if it is practical. The gentleman does not want to have anything in that provision.

Mr. REES of Kansas. Oh, yes.

Mr. WITHROW. The gentleman was against $1,500 a year ago.

Mr. REES of Kansas. I tried to put it at $1,000.

Mr. WITHROW. You bet you did, and the gentleman would like to have it there now.

Mr. REES of Kansas. Yes, sir.

Mr. WITHROW. The gentleman is like the boy in the Army, they are all out of step but him.

Mr. REES of Kansas. Oh, no; I am for the small-farm operator in submitting this amendment.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I oppose the amendment offered by the gentleman from Kansas. I take the floor more specifically to point out the fact that there is no way in the world that a farmer can get a dollar of the agricultural conservation program money as money. I know. I have been in full compliance with every agricultural program since the first corn and hog program, and I have participated in the agricultural conservation program since its very beginning.

If a farmer gets $2,500 of assistance, he is going to have to put up $2,500 of his own money in order to get it and, in addition, he will have to do all the labor that is required. At the present time you cannot get agricultural lime or rock phosphate or mixed commercial fertilizer to go on your soil unless you first have a soil test, and that is usually made by the county agent. You have to meet the requirements. If your limitation is $1,500 you can get $1,500 of aid by putting up $1,500 of your own money in most cases. In some cases you have to put up more than 50–50.

In Missouri on rock phosphate the Government will pay $9.30 and you will pay $11.60 in order to get your rock phosphate. It was $13.60. So I resent the implication laid before this House, if such implication was made, that the ACP hands money to the farmer. It does not. It assists him at 50 cents on the dollar down to about 39 cents on the dollar in buying the material to help conserve the soil. It is a good thing. It is nice that the Government does it. But do not forget that when the Government puts up a dollar the farmer must put up a dollar or more of his own money and do all the work himself. I wanted to correct that impression. That is why I took the floor. If I have any time left I yield it back, and close by saying that I hope the amendment offered by the gentleman from Kansas is defeated.

Mr. MASON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I do this to use this illustration: I have some property. It is a factory, or any other kind of property that is bringing in an income for me. If I spend $2,500 on that factory building to improve it, then under this philosophy I should get $2,500 from the Federal Government for improving my own factory.

This soil-conservation program was put across when the farmers of this Nation were down at the bottom. It was done to help them improve their own property. Today it seems to me it has long passed its need. We should not aid the farmer to improve his own property any more than we aid the city man to improve his own property.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment, and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Chairman, I have the highest regard for my friend from Illinois [Mr. MASON], and I mean that from the bottom of my heart. But I do think I should point out the basis on which the agricultural conservation program was passed and has continued.

Before we had this program the record shows the American farmers wore out 40 percent of our land. They wore out 80 percent of our timber. In recent years it has been my privilege to visit China and other old countries of the world where the people did not see to it that a sufficient share of what was taken from the land was put back into it.

The gentleman is right. This program is a Federal contribution toward getting soil conservation work on land. The Federal Government puts up about half of the money and the farmer puts up half of the money plus his labor. It is predicated on the belief, and I subscribe to that belief, that all of us have an interest in maintaining for ourselves and the future generations the wealth of natural resources that we have inherited. There are many places in this country where the land is washing away. At Memphis, Tenn., on the Mississippi, for instance, there is a layer of topsoil that rolls down that river and on out to sea, each day, some 10 feet wide and some 20 feet deep. That topsoil is washing away from farms where it is not financially feasible for that farmer to do the things to keep that soil there. If you would sit, as I sit, on this committee and listen to the testimony about the thousands of acres of land in our country that have eroded and gone, and the thousands of acres where we do not have any timber, where we have black rot in tobacco, and the thousands of acres that are no longer fit for the production of food and fiber for our people in this country, it makes you realize that in 270 short years we have wasted more fertile soil than any nation in history. Luckily, we have had more to waste. I say to you this is one of the soundest investments in the future. I believe in a balanced budget. I believe we ought to keep the financial structure sound, but I do know that you could burn up every dollar and every bond and your children could come back as long as they have fertile acres, highways, electricity, and the know-how in the factories, and all of the material things.

Now, Mr. Chairman, I would like to address myself to the gentleman's amendment. You know these projects should be big enough to do some good. They should be large enough to stop erosion before the flow starts. This limitation is a limitation on what any one State can do. But any State can put its own limitations far below this ceiling. We have in this bill a certain amount of money and it is divided to the States under a formula. The State will get its money. I say you should permit a State with a particular type of problem to have enough of a ceiling to spend this money wisely. In the final analysis, it is a contribution only to the cost of work to preserve our land.

I live in a county-seat town—not a big one, mind you—and I am not a farmer either. But, I say that the greatest heritage for the future that I can leave to my children will be to leave them rich land. It would be most foolish under present conditions and declining farm prices to hope that the farmer out of his limited income will stop this erosion and protect that land. I say to my good friend, this is different from what happens to a man's factory. Sure, the farmer should take what he does make and look after the land for himself and for us, too, but history teaches us that that is not done. We passed a bill trying to get him to do it. Believe you me, he has to spend this money that he gets from the Government and he has to spend an equal amount of his own money, and he has to do the work. Do not put a ceiling on those who do not need a ceiling. Put it on yourself in the State of Kansas, Mr. REES, and I will put it on in my district, because we do not need this much. But, there are areas in this country where we ought to raise the ceiling so they can meet their problems where it will really be of some benefit.

Mr. MORRIS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there are two counties in Oklahoma that I just happened to think of, the name of one of them is Caddo County, and I remember that because it is in my congressional district. Then, there is one other county. These two counties in the last fifty years have lost more soil by erosion according to the information that has come to me, than all of Ireland has lost during that time. I cannot say for certain that those figures are true, but I believe they are true. I have the greatest respect for the gentleman from Illinois [Mr. MASON] and I have the greatest respect for the gentleman from Kansas [Mr. REES] who offered this amendment. They are both splendid gentlemen and they are both very efficient Members of the House of Representatives. They are men of great sincerity and nobility of purpose. But, I just cannot agree with them on this matter. Let me give you some figures here which I think are rather startling. The gentleman from Illinois used the illustration that it was not right for a farmer to receive $2,500 from the Government to help to protect his soil. I want to say to the gentleman from Illinois that your manufacturer you mention has received far more than $2,500 from this Government and from the taxpaying people of this country. Here are some figures. I am going to try to verify these figures. I think these figures are true. They come from a very reliable source. During the period extending from 1933 to 1955, we, the taxpayers of the United States, have subsidized the manufacturers in this country to the extent of $40.8 billion. We have subsidized shipping and airline interests to the extent of $5 billion. We have subsidized in support prices for farm products, to the extent of $1.2

billion. So actually the farmers have received a subsidy of $1.2 billion; the manufacturers have received a subsidy of $40.8 billion during that same period of time—that is from 1933 to 1955.

I do not complain of that subsidy to the manufacturers, but when you and I buy a suit of clothes we pay approximately twice as much for that suit as we would pay if we did not have the tariff. So the American public has paid billions upon billions of dollars in subsidies to the manufacturing interests of this country. When we ask you to give us a pittance for the protection of the farmers of this country, the newspapers, the radio, and the TV dramatize the little dribble that the farmers get, but say little or nothing about the billions and billions of dollars that the shippers, the airlines, and the manufacturers get. So let us be fair with each other, and help us to carry on this fine soil conservation program.

Mr. ABERNETHY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is never pleasant to find myself at differences with some of my colleagues from the agricultural areas, particularly from my own State. But as one who comes from a farming district, the income of which is largely from small farms, I say to you this amendment ought to be adopted and it ought to be adopted in the interest of small farmers.

Before a ceiling was placed on this particular program, payments to some of the farmers had gotten so high that it created a terrible scandal in this country and under this dome. So, to eliminate that scandal and in order to spread the funds among more farmers, a ceiling was placed on the amount any one farmer could receive. I do not remember what the earlier ceilings were, but I know that for the last year or two we have operated at a ceiling of $1,500.

The money is divided and distributed among the States and from the States to the counties. In the counties the money is distributed by a county committee. I know of counties where the money petered out before it reached many of the small farmers. Some bitter feeling was created because of the method of distribution.

I am not going to say that any of the county committees especially favor some farmers against others. That would not be unpolitic. But I will say that the lower the ceiling the wider the spread and a greater number of people will benefit from the program; and there will be less opportunity for county committees to favor certain farmers should there be an indication to favor such.

Let us say that the amount of this appropriation was only $15,000 and that you had a ceiling of $2,500. That would permit the distribution of the entire $15,000 among six farmers; they would gobble it all up, and if there were ten farmers in the county there would be four who would not get anything. But if you apply a ceiling of $1,500, each of the farmers will come in for a part of the benefits.

This amendment does not cut down the amount of money that is to be authorized; it does not add to the amount; it does not take away from this program a thing in the world. I am just as strong for the program as any member of the House. In fact, it was my bill that this House passed just a few days ago which gave permanent status to the program. It was so given because it has been accepted as one of the finest programs ever designed for American farm and farmers.

I would like to see this amendment adopted because with the lower ceiling we will benefit more people. Remember the total amount of money will remain the same, but with the higher ceiling you will reach fewer people and fewer farmers.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I am happy to yield to my colleague from Texas.

Mr. MAHON. As I understand it from Chairman WHITTEN the States can fix any ceiling the State desires to fix.

Mr. ABERNETHY. Yes, they can.

Mr. MAHON. And while the gentleman's State may desire to fix one ceiling, another State with different problems may desire to fix a different ceiling. So it seems to me the amendment is bad and should not be adopted.

Mr. ABERNETHY. I agree with the gentleman that that is possible, but unless we write a ceiling here, there will be a fight in every State capital as to what the ceiling would be, and the big farmers will get the money.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield.

Mr. MASON. And all the States will be levied upon for this fund in taxes, and then one State will limit it at $100 and another State at $2,500. It is ridiculous.

Mr. ABERNETHY. I would like to say to the gentleman from Illinois that this money will come out of every taxpayer's pocket.

Mr. MASON. But it will not pay back into each farmer's pocket.

Mr. ABERNETHY. That is right, especially under the proposed higher ceiling.

Mr. PILCHER. Mr. Chairman, I rise in support of the amendment.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield for a consent request?

Mr. PILCHER. I yield.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

Mr. GATHINGS. Mr. Chairman, reserving the right to object, does that include the 5 minutes to which the gentleman from Georgia, already recognized, is entitled?

Mr. WHITTEN. It would. I am not trying to foreclose anyone else.

Mr. Chairman, I modify my request and now ask that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. PILCHER. Mr. Chairman, if I did not think this amendment was beneficial to the farmers I certainly would not be in favor of it.

I have farmed all my life, and for several years I was chairman of the ASC committee of my county.

My colleague, the gentleman from Mississippi [Mr. ABERNETHY] has explained the operation of this payment program so clearly I cannot see how anyone could fail to understand it. This money comes from Washington to the States. Each State allots it to the counties.

In my county we have a good many city farmers—and they are my friends. These so-called city farmers who do not make their living on the farm, go in and gobble this money up within 10 or 15 days after the program is out, and two-thirds of the small farmers do not get a dime of it. In all fairness to the little farmers, the amendment should be agreed to. This does not hurt anybody. It does not cut down the money. It will go farther, it will help more little farmers than if the amount were left at $2,500. Personally I would vote to reduce it to $1,000 because it would help more little farmers.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. I would like to say that the gentleman makes a very plausible argument in support of his position. The gentleman would agree that the State of Georgia can pass whatever limitation it might wish. I do not believe the gentleman would want to put the same limitation on to Western States where the problems are different, such as flash floods like what happened in Texas. I do believe that the gentleman's argument in favor of a limitation in Georgia is good, and Georgia under either amendment could place such a limitation; but I do question whether the gentleman would want to impose a Georgia rule on another State. Our committee had much testimony to indicate that the problems in many areas are much different than they are in Mississippi and Georgia. I ask that in all sincerity because I can appreciate the gentleman's feeling insofar as Georgia and the southeastern region is concerned. But the whole of the country is different.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Wisconsin.

Mr. JOHNSON. I would like to explain to the gentleman from Georgia how the program is working on a small farm in Wisconsin. Take a farm that is only worth $6,000. Maybe it has a big gully in it and it would cost $3,000 to fix it. Under the law the Government is supposed to pay 75 percent, which would be about $2,300 and the farmer would have to pay $700. The way it is working out with a limitation of $1,500, the Government could only pay $1,500. What happens? The farmer does not

fix the gully, it gets worse every year. He can perform all the soil conservation practice he wants to but that does not stop the gully from getting worse. If you keep the limitation in the law, you will stop a big part of the soil conservation work as it applies to gullies.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. PILCHER. I yield to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman knows from his own experience, having personally dealt with this problem, and having been a member of a county committee and knows what he is talking about. He will agree with me, that the way this thing is managed, the man who owns the larger tract of land is the one who gets most of the money. Only a small share of it goes to the little fellow who needs the money. Is that not about the way it goes?

Mr. PILCHER. Yes, and the little fellow is not altogether blameless, either. This is not an answer to the farm problem.

Mr. REES of Kansas. I agree with that statement.

Mr. PILCHER. There are a lot of little farmers and businessmen who are not too helpful, either. They will get these little fertilizer payments and some goes to raise a little more cotton or a little more peanuts with the fertilizer money.

Mr. Chairman, I would not do anything which would hurt any farmer. I just know from practical experience this is not going to hurt the farmer that we all want to help or the one we are talking about, the little farmer. I think it will help the little farmer.

The CHAIRMAN. The Chair recognizes the gentleman from Mississippi [Mr. SMITH].

Mr. SMITH of Mississippi. Mr. Chairman, I want to oppose the pending amendment for a number of reasons, but in view of the arguments made by those who have preceded me, may I say that one of the main points that should be made is that the amendment takes further authority away from the States to deal with the problem involved. This amendment is a further proscription upon the States. Basically, if this limitation which we are attempting to raise is not raised, there will be a further decline in the amount of acreage involved that is improved. The idea behind the program is not to give a handout to the farmers. The idea is to get as much acreage treated in such manner as to prevent poor conservation practices, and to conserve soil.

Mr. Chairman, the idea is not to give any handout to any one farmer to increase his income, but to enrich the soil, to bring about practices that will keep this rich soil available not only to the farmer who is farming it today, but to the people who, we hope, will be farming that land in generations to come. It can only be done through practices that are large enough to be undertaken with the type of payment that is proposed.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I trust that this amendment will not be agreed to. The gentleman from Missouri made a very fine speech awhile ago, and I hope that all of you will agree with him. He stated that the farmer paid one-half or more of the cost of the practices. He also contributes his labor.

Now, what you are doing in this amendment is endangering the tenant and the sharecropper. Do not overlook the fact that those checks are divided between the landowner and his tenant, and the sharecropper. In order for the tenants and sharecroppers to participate in the agricultural-conservation program the landowner must first be given the privilege of coming in. You are going to say, because a farmer saved his money throughout all the years, of such a size as would require tenants or sharecroppers on that farm, he cannot participate in this conservation program, the purpose of which is to assure a fertile and rich soil in the years ahead. You cannot just say that we want to conserve the soil by conserving a very small acreage. If you are going to conserve the soil a large farm and small farm as well as middle sized acreages should be a part of the program. When this program was first inaugurated there was no limit at all. Then it was cut down to $10,000. Then from $10,000 it came down to $5,000, then to $2,500, and now they want to further limit it down to $1,500.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. MARSHALL].

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the time allotted to me be yielded to the gentleman from Minnesota.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MARSHALL. Mr. Chairman, you know sometimes things get just a little bit amusing. Do you realize that this particular proposition of raising the limitation from $1,500 to $2,500 came really from the little farm areas? That is where it came from. Those are the people who proposed to the committee that this limitation was placing a hardship on them.

Now, is it not rather peculiar that we hear so much said that we were hurting the little fellow when we raised this limitation?

I would like to say another thing about this particular feature. Some Members of this body have persisted and believed that agricultural conservation payments are a dole. That is the way they look at it. And, if you think in terms of a dole and you want to limit the amount to $1,500, I cannot argue with you at all one bit on that score. But, I happen to believe differently than that. I believe that the agricultural conservation program is a necessary program and a worthwhile program to conserve the resources of this country and a cooperative effort with the farmers in this country to do just that.

Now, what do you do when you limit it at $1,500? One of the things you do is that you tend to siphon the money into program practices that are of a temporary nature. What do you do when you increase the limit? You put it over into the higher priced permanent practices, such as terraces, putting in dams, and things of that kind. You are putting money into permanent practices, things that are set year after year after year to preserve practical soil conservation in this country.

I am interested in another thing. I am one of those people who believes that it is proper for the farmer to make a contribution to these practices. I think he respects them more when he does. And, when the farmer contributes about two-thirds of the cost of these practices, I think that is fine.

Now, I love my committee members over on the Committee on Agriculture. Some of those members are my best friends and some of the finest men that ever served in this House. But, you do have other programs where you are putting in permanent practices where the Government pays 100 percent of those practices; that is, you do not ask the farmer to contribute anything.

Where do some of those practices go? I have been out and have seen some of those practices, and they are worthwhile practices; I am for them; they are good practices. But they come on some of the larger farms in this country. Mr. Chairman, this amendment ought to be defeated and it ought to be defeated in the name of helping the little fellow to do what needs to be done to conserve the soil of this country.

The CHAIRMAN. The time of the gentleman from Minnesota has expired. All time has expired. The question is on the amendment offered by the gentleman from Kansas [Mr. REES].

The question was taken; and on a division (demanded by Mr. HEISTAND) there were—ayes 56, noes 55.

Mr. WHITTEN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the chairman appointed as tellers Mr. REES of Kansas and Mr. WHITTEN.

The Committee again divided, and the tellers reported that there were—ayes 72, noes 74.

So the amendment was rejected.

Mr. PELLY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PELLY: On page 18, line 16, strike out "$250,000,000" and insert in lieu thereof "$180,000,000"; and on line 21, strike out "fertilizers, lime."

Mr. PELLY. Mr. Chairman, in general debate on this bill, I pointed up the "ridiculous contradiction" of spending $1 billion to cut down cropland to reduce surpluses, yet on the other hand spending millions to expand crop production on the remaining acreage. Since I covered the subject of this amendment yesterday, I will be brief and to the point today.

This amendment would eliminate two items from the so-called conservation program, namely, free lime and fertilizer which have entailed an annual cost of

approximately $70 million. Lime and fertilizer do not represent true conservation like terracing and tree planting or seeding land with a cover crop. Their purpose is to increase production and their being included is the result of high-pressure lobbying to have the Government do what private enterprise should be doing both in the selling and buying.

Officials of the Department of Agriculture advise me that on payments for lime we have been spending about $31.9 million a year and on fertilizer about $37.7 million.

I urge in the interest of reducing the budget and doing away with one element of farming by bureaucracy, in the interest, likewise, of the economy and the consumer-at-large, adoption of my amendment.

Mr. WHITTEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I know there are great differences of opinion about many things in this bill. But, I would like to point out the gentleman's amendment does not strike out these practices. The language which the gentleman's amendment would strike out is facilitating language. The right to pay a part of the cost of these particular practices is in the basic law and would continue. This language which the amendment would strike out permits the Department, when it is advantageous to the Government, to pay for these materials and to furnish materials in lieu of furnishing money in an equal amount or in an amount so that it might be acquired elsewhere. It enables this operation to be run more economically with the language than without the language.

Now, I would like to address myself for a moment to this type of practice, which this amendment again does not reach. Witnesses before our committee said—take limestone—if we pay for limestone under the—this is Mr. Koger who heads this program.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. WHITTEN. I yield.

Mr. TABER. The language here is a limitation upon the things that the $250 million can be used to contract for and, therefore, the elimination of the words "fertilizers and lime" would accomplish the cutting out of that in the letting of the contracts with these farmers.

Mr. WHITTEN. I beg to differ with the gentleman. If the gentleman will read the amendment closely, he will see that it strikes out language which will permit the agency to acquire lime and fertilizer. But, the fact that the agency is prohibited from acquiring it would not at all prevent the agency from paying a part of the cost and doing things to the land. So I respectfully submit that the language here is facilitating language and is not as the gentleman from New York interprets it.

Mr. TABER. I beg to differ with the gentleman.

Mr. WHITTEN. The gentleman from New York has differed with me many, many times and we remain very good friends. But, I would point out again that having worked with this program in detail, as I have, in my judgment and based on the whole experience, this merely cuts out facilitating language and would not in the least prohibit the carrying out of these practices. I want to point out again Mr. Benson, through his assistant who heads this program, says that under present conditions these practices, which again this amendment does not reach, is now limited to those places where it helps to put cover on the land. I would remind you that President Eisenhower only a few weeks ago spoke in Texas and pointed out that we have to have a Great Plains program which has been sponsored by this administration. We have appropriated in the last year because of disasters largely brought about by the lack of cover on the land about $70 million for a feed program to help in these disasters which, as I have said, have largely been caused by having no cover on the land. Twenty million dollars has been given out of the Treasury to meet the problems of erosion in these areas. The Great Plains program, sponsored by the administration, is in this budget to the tune of $20 million. Again I am saying that to prohibit the use of these practices, which are limited according to the administration, to help to bring about permanent cover on this land, is to help to solve this problem in which we put $110 million in the last year. That is sound business. Again, even if you do not believe that that is sound business, my experience over the many years that I have had to do with running this committee is that this language is merely facilitating language which would be stricken, and it would leave the Government in a situation where it could not go in and acquire these things where it was economically practicable and where they could save money, but it would require them to do it by giving money to farmers to carry it out. I, therefore, submit under either approach the amendment should be defeated.

Mr. JENSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the amendment is ill-advised. If every Member knew exactly what fertilizer does and the great advantage there is in it for the farmers and for the land, there would be very few votes for this amendment.

Here is the story. The extension service of every State, through the land grant colleges, determines the kind of fertilizer that must be used on different soils. There are many different types of soil. It is necessary for people who are skilled in the art of analyzing soil, in order to determine the change that is likely in that soil, and to understand the necessary kinds of fertilizer which the soil needs. So we have many different kinds of commercial fertilizers. Each kind is suited to make the land more productive, of course.

As the gentleman from Mississippi [Mr. WHITTEN] has just explained, we have a situation where, unless we can have good cover crops we will have terrific erosion of our soil. It is necessary to have plenty of vegetation on hilly land. If we do not have it our rich topsoil will soon rush to the rivers and to the seas. Soil conservation benefits all the people living today and for coming generations.

The Great Plains are greatly in need of these commercial fertilizers in order to make it possible for vegetation to grow in that great arid and semiarid country. Fertilizer is necessary to grow vegetation on those Great Plains that add so much to the filling of silt in the great reservoirs that have cost the people of America billions of dollars.

I would dislike very much to see the farmers of this Nation denied an opportunity to acquire the kind of commercial fertilizer that is necessary to supplement the nutrients that are lacking in the soil.

As I said before, fertilizer is not only used to grow more crops such as corn, wheat, and oats, but much is used on pastureland and on every type of land, in order that we may have proper soil conservation. Certainly the soil-conservation program as directed by the Soil Conservation Service has done wonders for every American in this great country of ours for few dollars, comparatively speaking, compared with other things we spend money for which are not nearly as necessarily useful and as long lasting as is the great soil-conservation program. If this amendment prevails, the soil-conservation program which all of us support will be much less effective. That is a certainty. I am sure the membership can see the folly of such a proposal.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. JENSEN] has expired.

Mr. MARSHALL. Mr. Chairman, I rise in opposition to this amendment and do so because of the importance of this particular amendment and its effect upon this program.

I know it sounds as though it would be a fine thing to do away with fertilizer, to do away with lime. It may be particularly appealing in a time when we have a surplus of agricultural commodities such as we have at the present; but I do want to point out, Mr. Chairman, that there are many many places in these United States where you cannot get a cover crop unless you first put on lime and fertilizer. That is the only way you can establish a grass cover in some of these places where one is needed so very badly. Some of those areas are not far from the Capital City of Washington. When you go out and see some of the beautiful rolling hills in Virginia, you see where cover crops have been used for grass waterways. And the farther west you go, the problem becomes the greater and the grass cover crop more badly needed.

Let me point out to the Members of the House that every one of the practices in the agriculture conservation program is gone over carefully and recommended by the best soil experts in every State in the Union. It is their recommendation that determines what practices shall be used.

Any State can change the program; if it feels it is not necessary to use lime for fertilizer for the establishment of grass cover crops it is possible for them to eliminate that practice, and under the formula established use the fund for other worthwhile practices. College

groups and soil experts have gone over every one of these practices and said that they are the things necessary to conserve the soil resources of this country, to help establish stands of grass and legumes to stop erosion.

Mr. Chairman, in my opinion this amendment would be most disastrous to the agricultural conservation program. It would interfere with conservation programs. In my opinion, in certainly ought to be defeated.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield.

Mr. H. CARL ANDERSEN. The gentleman has made a very clear and worthwhile statement. I want to ask him this question: Is it fair or just to say to one big area of this country, the New England area especially, that the farmers up there are not entitled to share in the benefits of this particular conservation program?

Mr. MARSHALL. This practice, as my good friend and my colleague from Minnesota knows, is a most beneficial practice to the New England area. I am glad he called my attention to that.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Washington.

Mr. HORAN. Whatever our opinions may be on restrictions and allotments they are still in the law and, of course, we need fertilizer and lime to help the farmer make better use of what he has left after the allotments have been made.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. My understanding of the gentleman's presentation is that this fertilizer and lime is to be used in relation to a conservation program rather than for the increasing of crops per acre.

Mr. MARSHALL. I am glad the gentleman brought that out because the regulations governing the agriculture conservation program in my area, and I rather think it is true nationally, that the principal purpose in mind is the establishment of a stand of grass and legumes and is not to be used on depleted crops. I am sure this is true in every State in the United States.

Mr. BASS of Tennessee. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am opposed to the pending amendment. But the primary reason I take this time is for the record to show that in spite of the fact the President went on television and radio last night in an effort to work up some interest in his budget, my office has received no telephone calls or telegrams today asking me to restore the cuts that we have made in his budget so far.

Mr. BROWN of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise at this time to make a few observations in reference to this appropriation that we are considering and to register my opposition to the pending amendment. When you think of all the new, improved, highly questionable activities of the Department of Agriculture these days, you wonder why anyone would pick on the old, tried, and true conservation program to make cuts. This program dates back many, many years; and the amount approved by the committee is not $1 more than was appropriated last year. Let us defeat the amendment.

Now while I am on my feet, I want to say that this is one vote I shall cast for an appropriation with a lot of misgivings and very little confidence about what it will accomplish.

This is the largest agricultural appropriation in the history of the United States. The Department of Agriculture has more employees than ever before in history—10,000 more this year than last.

We are about to vote some $3 billion theoretically to help American farmers. But when this appropriation is passed, I hope no one will feel that Congress has done a good job, or that we have discharged our obligation to the Nation's farm problem.

Did you ever stop to figure out how many farmers in your State will participate in the programs financed by this appropriation? Missouri has more than 200,000 farmers, I am sure; and I know that Missouri's gross farm income is in excess of $1 billion a year—the only billion-dollar industry we have. Only 2,000 farmers will receive a check from the conservation reserve division of the soil bank this year.

The total amount of all the checks will be three-tenths of 1 percent of Missouri's total gross farm income.

There will be another few thousand checks issued for the acreage reserve portion of the soil bank and another 1 or 2 percent of the farm people of Missouri will get checks that will total less than 2 percent of the total farm income of Missouri. Only a few farmers have good enough bottom land or good enough land of any kind to grow the so-called basic crops that seem to be the foundation of all our agricultural program—cotton, peanuts, tobacco, wheat, corn and rice—and not all the crop farmers sign up for commodity credit support loans. So there will be some few thousand more checks issued to those people who sign up for basic crop-support CCC loans—but the total money involved is less than 6 percent of Missouri's farm income.

Total them all up, soil-bank payments, crop-support checks, conservation payments—all Government checks for all purposes in the State of Missouri will be less than 10 percent of Missouri's total gross farm income. Yet in the State of Mississippi—and I do not single that State out for any particular reason, it is true of many basic crop States—Mississippi has a total gross farm income of only $500 million; and each year, 30 percent of Mississippi's total farm income will come from Government checks—direct payments or support loans.

I point this out because this thing called a farm program, is not really a farm program at all. It is a basic crop program. Last year, in 1956, a great segment of our American farm population—the poultry raisers—had the worst depression year since the thirties. But there is not anything in this bill or anything that the Government is doing to help correct the poultry depression. It is often said that poultrymen do not want Government help. They would rather shoulder it themselves. But you come down and talk to my people who are growing poultry and ask them how it feels to shoulder a depression yourself when the Government is helping other people shoulder their depression. Ask my livestock growers in south Missouri who will contribute so much to our total gross farm income how it feels to shoulder their depression, their low farm prices, when other people are receiving direct Government checks to support theirs. All I am saying is brought out clearly by the committee in its report, and I am directing the attention of this committee to it at this time because it is later than we think and we have only a few more weeks or a couple of months or so before this session adjourns.

This committee says:

> It is the opinion of the majority of the members of this committee that an entirely new legislative approach must be developed if the present conditions are to be corrected. This is essential if the farmer is to share in the general prosperity of the rest of the country.

Can we not bear that in mind and can we not call on our great Committee on Agriculture to come forth with some new ideas that will get away from basic crops, acreage allotments, and this monstrous paying of people for growing nothing in an attempt to reduce production. Wherever it is we think we are going, I fear we will never get there this way. Let us get back to fundamentals and meet face to face this problem of the total American agricultural picture with a new program that recognizes the need for new markets, new foreign marketing and development of new methods of disposing of food and fiber, so farmers can farm again.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington [Mr. PELLY].

The amendment was rejected.

The Clerk read as follows:

ACREAGE RESERVE, SOIL BANK

For necessary expenses to carry out an acreage reserve program in accordance with the provisions of subtitles A and C of the Soil Bank Act (7 U. S. C. 1821–1824 and 1802–1814), $600,000,000: *Provided*, That no part of this appropriation shall be used to formulate and administer an acreage reserve program which would result in total compensation being paid to producers in excess of $500,000,000 with respect to the 1958 crops.

Mr. HARRISON of Virginia. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRISON of Virginia: On page 21, strike out all following the word "program" in line 2 and strike out all of line 3.

Mr. HARRISON of Virginia. Mr. Chairman, inasmuch as my good friend from Illinois announced that no speech will last more than 5 minutes, I ask that I be permitted to develop my thoughts on this amendment and, if I have time, I will yield for questions.

Mr. Chairman, this amendment will make this part of the bill read as follows, beginning on the last line on page 20:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

Now, this does not spell, and is not intended to spell, the sudden death of the soil-bank acreage reserve. It does not affect any contract that has been made up to this time. The purpose of this amendment is to put the acreage-reserve program on the shelf and give the Committee on Agriculture and Congress opportunity to examine the matter, and to determine whether or not it should be continued after this crop year. I call your attention to the fact that if the Committee on Agriculture proceeds to make such a study and determines that the soil bank should continue another year, a deficiency bill could supply the necessary money and it could go right ahead. If, on the other hand, they proceed to make a study and determine that it should stop, if this $500 million remains in the bill, it could not be stopped until the 1959 crops.

The soil-bank acreage reserve has been under heavy indictment. First, it is indicted, in effect, by the Secretary of Agriculture, who, in a letter to Senator ELLENDER last week, stated that the entire farm program must be reconsidered. Now, every objection that the Secretary makes in his letter to Senator ELLENDER to the rigid price-support payments would apply with equal, if not greater, force to the payments under the acreage-reserve program. His objection to limitations by acres which apply to the price support on the basic commodities also applies to this.

The acreage reserve of the soil bank is under heavy indictment from the committee which has presented this bill. It has made a very thorough, complete report in which it criticizes the administration of this program and its effect in devastating language.

The Secretary of Agriculture has pointed out that production limitations based on acres do not result in lower production of crops. Let us remember that the only excuse for the acreage reserve of the soil bank was to reduce production, and it is a system of production control based on limiting acres planted to a crop—a system which even the Secretary of Agriculture admits will not work. Then, the committee substantiated this failure by its own investigations and reported that the adoption of this program had not reduced surpluses in the crops affected. Whether it has or not, Mr. Chairman, I would like to point out these facts. The entire price-support program on the basic crops is for the benefit of 23 percent of the cash income of the American farmers. The other 77 percent, some of whom I have the honor to represent here, and who are also to be found in other coastal States, the Middle Atlantic States, the New England States, and in many other States, never have shared in these expensive programs. Now, this program comes along and although they do not share in it, and although it does not reduce surpluses, it transfers the surpluses from the basic crops into the other crops which these 77 percent of the farmers produce, creating new difficulties and injustices.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. HARRISON of Virginia. I yield to the gentleman.

Mr. ALBERT. Does not the gentleman think that this is a matter for the legislative committee?

Mr. HARRISON of Virginia. The object of this amendment is to give the legislative committee an opportunity to consider it. What good would it do for the legislative committee to consider the program if the $500 million already has been made available for 1958? If the legislative committee says that this program is a national scandal, which I claim it is, then they can stop it, if this money has not been voted in advance. But if we leave this money in, and the legislative committe says that it should be stopped, it would be too late to do it, because the allocations for 1958 would have been made and the program could not be stopped until 1959.

The administration of this program is accompanied by enormous injustices. Mr. Chairman, I call your attention to insertions I have placed in the record on the distribution of this fund among the various States. In the State of Kansas, for example, total soil-bank allotments this year, when related to the total number of farms in the State, figure out to $736.47 per farm. But in the State of New Hampshire, they figure to only $1.37 a farm. In my State it is only $24.96 per farm; why they took the 4 cents off from an even $25 I do not know, unless it was to take care of the 4-cent postage stamp that they hope to have.

Mr. Chairman, I urge the adoption of this amendment.

Mr. COOLEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am constrained to support this amendment for the very good reasons that have been assigned by the author of the amendment. For the benefit of the Members of the House I should like to say that Secretary Benson is scheduled to appear before our committee tomorrow morning at 10 o'clock. We were prompted to invite him to appear before the committee by the letter which he had written to Senator ELLENDER last week, which was referred to by the gentleman from Virginia [Mr. HARRISON] a moment ago.

In that letter, Secretary Benson indicates that we need a new legislative approach to the farm program. This committee has agreed with Secretary Benson in that regard.

I feel that this amendment is somewhat in the nature of a temporary injunction against the use of this $500 million until Congress decides clearly whether we should continue this acreage reserve program. We have had evidence of many abuses of the program. It has not only resulted in plowing under farmers, but farm communities and the people of those communities. We had evidence to the effect that it is a very wasteful program, that it actually costs more than twice as much to put a bale of cotton into the soil bank than it does to put it into the foreign markets on a subsidized program. I do not see that any harm could come by granting this temporary injunction on the use of this $500 million until the legislative committee can work its will on legislation which might be proposed by the Secretary of Agriculture tomorrow morning. As the gentleman from Virginia [Mr. HARRISON] has said, unless we do hold up this money it will no doubt be obligated before we can work our will upon new legislation.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman.

Mr. GARY. Does not the gentleman think that where the Congress has authorized a program—and that is all the general legislation is—and abuses have developed, that it is the duty of the Congress to stop those abuses just as soon as we possibly can?

Mr. COOLEY. I agree with my friend, and I think that the Appropriations Committee has by this report indicated that it, too, believes that we should put the brakes on this money until we can determine just what the policy of our Government is going to be in 1958.

Five hundred million dollars is a lot of money. I, for one, am anxious to economize if, indeed, we can actually economize by eliminating the expenditure of this stupendous sum of money in the good year 1958. I am frank to say that we are waiting and hoping and praying that the Secretary of Agriculture will come up with something concrete and something constructive. He has seen fit to criticize and to vilify these programs throughout the length and the breadth of the country. All of us are aware of the fact that agriculture is now in a desperate predicament. Think of the money that has been spent and will be spent, and our situation seems to be growing progressively worse.

The Secretary says that surpluses are disappearing and markets are returning, but the facts and figures of his Department belie that statement. The fact is, as he sells 3 bales of cotton he buys 2 bales to take their place. Our investment in inventories has gone up. He took over inventories valued at a little more than $2.5 billion, and even now, after all of these gigantic losses, we have more than $8 billion invested in inventory. He took over slightly more than 1 million bales of cotton and now he has approximately 10 million bales of cotton staring him in the face.

We have no panacea. We have offered two-price systems, we have offered compensatory payment programs, equalization fees, and all of the different things, but the Secretary of Agriculture has turned thumbs down on everything that any member of our committee has proposed. The situation is growing worse. I hope the Members of the House will vote for the amendment offered by the gentleman from Virginia [Mr. HARRISON], which, I say, is nothing but a temporary injunction until the committee can meet tomorrow and hear what the Secretary of Agriculture has to offer.

Mr. HARVEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in this instance I am certainly constrained to object to the amendment and to say that I believe it would not be in the best interest of agriculture, even in areas that think they are not getting much out of it.

Let me say first of all that the criticisms that have been leveled against the program are hardly valid, for it was inaugurated just late last year. Many of the complaints with respect to starting it in 1956 were voiced by the Secretary himself as being inherent in a program he would be compelled to administer with so little preparation. We are really in just the first year of the program. We have no way yet of knowing how it is going to work.

I am reminded particularly of a statement made by my colleague from Illinois [Mr. SIMPSON] in the committee that to him one of the most unfortunate aspects of our efforts to help agriculture is that we have not stuck to any one program long enough in a period when we had a peacetime economy to know whether or not it would work.

I hope and pray that you will not literally use the meat ax on this program, because it came out in a bipartisan fashion with the blessing of both sides of the aisle and on the basis that it was the best we could come up with to meet this very critical situation.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield to the gentleman from Indiana.

Mr. HALLECK. The gentleman from North Carolina apparently does not like this program. I have sometimes wondered just for sure what he himself does want in the way of a program. He referred to this action as a temporary injunction. It would seem to me that if you strike out all this money that is not a temporary injunction. That is a death blow to the program. Why should we march down the hill so rapidly before we march up the hill before we have a chance to see what it can do?

Mr. HARVEY. I agree with my colleague and there is one point the gentleman from Virginia made that I should like to address myself to specifically, because it is important.

The Secretary himself said, and I want to be perfectly fair and clear on this, that the basic program accounted for only 23 percent of the gross farm income. Technically speaking that is correct, but here is the gimmick to that. Our program for sustaining grain prices has been the foundation that has sustained livestock prices, and livestock accounts for 60 percent of the total farm income. When you add that 60 percent to the 23 percent, you come up with 83 percent which is an entirely different figure.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. COOLEY. I would just like to say to my friend, the gentleman from Indiana, that I refer to this as a temporary restraining order because if the Secretary tomorrow morning says he wants to continue the acreage reserve program, and if the committee and the House approve, it would be very easy to bring this provision in, in a supplemental appropriation bill. But, if we do not tie the money down now, it will certainly be obligated in the next few weeks.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. HALLECK. If that is the reasoning of the gentleman, it is one of the weirdest things I have ever heard proposed around here. Here is this appropriation bill brought in to provide money for this program——

Mr. COOLEY. For next year.

Mr. HALLECK. Then it would seem to me better to go ahead with the bill and provide the money. Then, if the program is abandoned, they would not spend the money.

Mr. COOLEY. That is all right except for the fact that it would be obligated on contracts with farmers and we would have to keep faith with the program and go on with it whether we wanted to or not.

Mr. BELCHER. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. BELCHER. What would be signed up within the next few weeks? All the corn contracts have been signed. There are no wheat or cotton contracts that would be signed up within the next few weeks.

Mr. COOLEY. That would be for the wheat coming out for next year.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. HARVEY. I yield.

Mr. WHITTEN. I would like to point out that I am speaking for the committee's position. We personally felt we should handle it as we did, but I would like to point out to the gentleman from Indiana, in view of his comments and questions that involved in this bill are two things, the money to pay for this year's contract, which is not touched by this amendment, and an announcement of the program for 1958. The amendment merely limits or restricts the entering into any contracts for next year. But, the money will continue in the bill to pay for this year's contracts. I thought that ought to be made clear.

Mr. HARVEY. I thank the gentleman.

Mr. Chairman, I would like to say, in conclusion, that we embarked upon this program in good faith. Both parties believed in it. I think we ought to have at least the good faith to continue until the program itself has had a chance to prove itself. Certainly, we will not be doing that by this kind of action. To me this drastic action would be detrimental and destructive to the entire well-being of agriculture.

Mr. H. CARL ANDERSEN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think here is a place where we need to use a little moderation. I say that in all sincerity. I, too, as members of the full Committee on Appropriations well know, have been critical of some of the actions in regard to the acreage reserve. I, too, am of the opinion that unless we can correct the deficiencies in these operations, and unless we can prevent the acreage-reserve program from being used as a crop-insurance measure or as a drought-relief measure, I then would be personally obliged to recommend to my subcommittee that we abolish this particular section of the soil bank. But let us not do anything foolhardy here today. We on the subcommittee, under the leadership of the gentleman from Mississippi [Mr. WHITTEN] have brought out through our investigation that certain deficiencies do exist. What are we doing? We are saying to the Department, because of those deficiencies and defects, we are holding down the size of this particular program for the crop year 1958 from the $750 million program, which the gentleman from North Carolina [Mr. COOLEY] and his committee approved last year down to $500 million. That is a one-third reduction for the express purpose of tightening up the administration of the program, but we still want to see that $500 million made available to farmers if they want it. This is a voluntary program and not forced on anyone.

In other words, our subcommittee is putting on the brakes, and we certainly do not intend to come in here and kill it today, as the gentleman from North Carolina [Mr. COOLEY] and others would like you to do, before this particular section of the program has even had a full year's operation. Let us not be foolhardy. Let us use moderation. Moderation is exactly what we on this subcommittee have proposed. That is, we are reducing the program next year from $750 million down to $500 million. I will give you my word—and I am sure the balance of my subcommittee will agree—that unless we can get these few little items of discord corrected that we are going to be very, very hard upon the acreage reserve portion of the soil bank. I am speaking as one of the two original authors of this entire program in this House—Mr. MARSHALL and myself. I want to reiterate that Mr. MARSHALL and I agree that the other section, the soil-conservation section, is the real soil bank. That was what we had in mind when we first proposed a soil-bank program. But, in regard to the acreage reserve, do not depress the price of wheat in Chicago and other markets by 10 cents or more by taking unconscionable action here. Remember that this acreage reserve, in spite of what has been said against it, has already been responsible for knocking down the production of wheat and corn in the great Midwest. In that way it has been saving the taxpayers hundreds of millions of dollars in storage charges and in price-support charges that they otherwise have to meet. No. Let us be moderate. Let us not listen in this case to the gentleman from North Carolina [Mr. COOLEY], much as I respect him, but let us go ahead with this program and try it for at least 1 full year, and then next year let us take stock. But this argument that unless we do it now we never can do it is fallacious. After all, we on this Subcommittee on Appropriations will see that no funds are available in a hurry if we find that these abuses, which are not as heavy as some might indicate, are corrected. I

will guarantee to you that our subcommittee will get tough.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. H. CARL ANDERSEN. I yield back the remainder of my time.

Mr. POAGE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to the fact that about a year ago I stood at this same spot and pointed out that while this soil bank could, and I hoped, would be a measure of assistance to individual farmers in certain cases, that it was certain in the long run to reduce community income and to reduce national income from agriculture by approximately 50 percent to the extent that it was effective. I think that all who have observed the operation of the program will now agree that that is certainly true; that the whole community suffers when we place a large portion of our productive land in acreage reserve.

Last week the Secretary of Agriculture, who originally suggested the soil bank, sent a letter to the chairman of a committee in another body, and made it public, in which he said that the soil bank had failed. I do not know just how far we have to go when our own experience proves that the program is having a disastrous effect on many of our communities; when our Secretary of Agriculture publicly and officially states that the program is a failure, and when no friend of the program even contends that this acreage reserve is working. I do not know why we should require it to continue for years past the time that outstanding contracts expire. If the program proves itself good in 1957 there will still be opportunity to provide funds for 1958. This amendment simply places the burden on the program to prove its value. The proponents of the existing arrangement have repeatedly insisted that we should give the program a full year's trial before we judge it. As I see it if we are to keep ourselves free to actually be guided by the experience of a full year's history we must surely avoid any commitments for 1958. That is exactly what this amendment does.

The amendment is carefully drawn so as not to deprive anyone of any contractual rights he now possesses. But by the same token it says that we in agriculture are as interested as other Members of this House in saving the solvency of America. We have half a billion dollars at stake in this amendment—half a billion dollars.

The President of the United States said last night you could not cut his budget. I am telling you where you can cut his budget and I am not asking you to cut it out of somebody else's pocket; I am telling you where you can cut this budget and take it out of the agriculture bill in which I am deeply interested. I am not telling you to cut the other man's budget; I am telling you where you can cut the budget for the Department of Agriculture, I am telling you how you can save half a billion dollars. I do not want to be unfair to anybody but I want to see just how interested you are in a real budget cut. Now if you are serious about this savings proposition here we have the real hard test.

Do you want to save your budget or do you want to save your Secretary of Agriculture? It is just that simple. It is just a question: Are you really sincerely interested in cutting this budget?

The farmers of America are not here asking you to spend this half billion dollars; they are here asking you to balance this budget; they are here saying they are willing to make their contribution to it.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to my chairman.

Mr. COOLEY. I would just like to say again for the benefit of the House that tomorrow morning we will have the Secretary of Agriculture before our committee for the first time in weeks and months. Then we will find out whether he wants this program continued. He himself has denounced it. Not only that but the committee says the advisability of continuing this program is doubtful. Why should we appropriate the $500 million if the committee is in doubt about it, the Secretary is in doubt about it, and we are all in doubt about it?

Mr. POAGE. There is so much difference of opinion on this acreage reserve program that unless we act now we may very well find ourselves in the position where we have made commitments. To change them we would have to break promises. That is not the way to do business. Before we make promises let us be sure that we want to follow the program.

If you mean to save money, if you are serious about saving money, do not commit us to the point where we have to break promises in order to save it. This is one of the few opportunities you have had to make a saving without breaking some promises that have already been made. I plead with the House, if you are serious about economy, if you want to save half a billion dollars, let us vote for this amendment. If we are to have economy we must cut some items. Somebody profits by every one of these items, but surely there is less prospective loss to farmers in this cut than in any comparable cut that anyone has suggested. Let us keep our sound farm program. Let us appropriate enough to pay for them. Let us make the cuts on the doubtful items. Surely this is doubtful to say the least.

Mr. RAINS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. RAINS. Mr. Chairman, I take this time to point out the importance to American agriculture of the agricultural county agents and the home demonstration agents, and the inadequacy of their present salaries.

Along with several outstanding county agents from my State of Alabama, I appeared before the Subcommittee on Agriculture Appropriations, chairmaned by the distinguished gentleman from Mississippi [Mr. WHITTEN] in an effort to spotlight the great inequities which exist in nearly every State in the Union, with reference to salaries for agriculture county agents, and home demonstration agents.

I am pleased to note that the committee report recognizes the inadequacy of salaries for these dedicated servants of the people, and pays tribute to them in the following language:

> It should be pointed out that county and home demonstration agents are and should be the backbone of the whole agricultural system.

In the record of the hearings before the Agriculture Appropriations Committee, the gentleman from Mississippi, Chairman WHITTEN, the gentleman from Kentucky [Mr. NATCHER], the gentleman from Minnesota [Mr. H. CARL ANDERSEN], and the gentleman from Minnesota [Mr. MARSHALL] made it clear that they feel something should be done to adjust the salaries of county agents upward to a reasonable level and on at least a parity with other agricultural workers. I want to commend each of my colleagues on the Subcommittee for Appropriations for Agriculture, for the manifest interest they have shown in this problem, and to express the hope that something will be done before the final passage of the agricultural appropriations bill to alleviate the situation in which we find our county agents.

It is interesting but sad to note that county agents' salaries, extremely low in some States, now average $6,115 annually. The average for ASC office managers is $7,000. This disparity between agricultural workers should not be allowed to continue. I certainly am not advocating that the salaries of ASC office managers be reduced, but I am insisting that we should raise the salaries of our county agents, the accepted deans of agriculture, in our counties. It is clear to all of us that no organization can be stronger than its personnel. It is a well known fact that county agents are leaving the Extension Service in large numbers, and new recruitments, because of extremely low salaries are not available. It is an alarming fact to note that enrollment in many outstanding agricultural colleges by high-school students to pursue courses in agriculture to train for county agents' careers is off 50 percent to what it was 10 years ago. Director G. C. Gipson, of the Texas Extension Service, has stated that enrollment of college students to pursue courses in agriculture, throughout the Nation was off 36 percent.

Naturally, high-school students are not going to enroll in a course whose pay scale is so notoriously low, as is the county agents and home demonstration agents. It seems a little strange to me, since a considerable portion of the salaries of county agents is paid by the Federal Government, that the Committee on Appropriations for Agriculture finds it beyond the power of the Appropriations Committee to correct this salary deficiency. I understand, of course, that contributions to county agents' salaries are made by the States and by the counties, but I feel there should be some way whereby adequate Federal funds could be earmarked for matching basis by the

State and county, to bring these salaries up to levels comparable with other agricultural employees. In my own State of Alabama, I am convinced beyond peradventure of a doubt, that the extension director, the Honorable P. O. Davis, one of Alabama's most distinguished public servants in the field of agriculture, one who has the welfare of county agents and home demonstration agents at heart, would, without hesitancy, if the funds were available and he had the authority, make the adjustments in these salaries which should be made.

I think that we here in the Congress should do something specific about this matter. Also, I think it is high time that those in charge of the Extension Service at the top level, in the Department of Agriculture, and the Secretary himself, should realize the plight of these faithful men and women in the county agents and home demonstration offices, and do something about it.

Mr. ARENDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, my good friend the gentleman from North Carolina [Mr. COOLEY] and my good friend from Texas may recall that when we recently had the corn legislation before us I stated that they confused me. They are confusing me again.

My good friend the gentleman from Texas [Mr. POAGE] says that here is an opportunity to save half a billion dollars, but when the emergency corn bill was under consideration in March he offered an amendment that would increase the cost $750 million to $1 billion.

The gentleman must be more stable than that. You cannot stand here today and attempt to cut $500 million out of one bill and then advocate another amendment for the same objective that would add $750 million to the cost of the same legislation. It does not add up.

The gentleman spoke of the Secretary of Agriculture and his appearance before this committee on tomorrow. What will be the practical result? This bill will be passed here today and be over to the Senate by the time Secretary Benson can come before the committee and the committee then learn what his views on this matter are. Read the RECORD of yesterday and you will find a letter from the Secretary in which he expressed himself. That letter is part of the RECORD and was read into the RECORD by the gentleman from Colorado [Mr. HILL]. The letter was addressed to the gentleman from Mississippi [Mr. WHITTEN], chairman of the subcommittee. In the letter he said this, and so this gives you the information you want:

> The Department cannot agree with this position. The soil-bank program has received bipartisan support from all those who recognize that no program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

Here is the sentence that is important, and this is the Secretary speaking in his letter to the chairman of the Subcommittee on Agriculture, the gentleman from Mississippi [Mr. WHITTEN]:

> The law makes a soil-bank commitment to farmers through 1959. This commitment should be carried out.

In other words, the gentleman from North Carolina does not have to wait until tomorrow to find out what the Secretary says. But the Secretary set forth in his letter that he wanted this program and that is what this House ought to do. Accordingly I am giving you this information in order that you may reverse your position and not support the pending amendment.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from Ohio.

Mr. VORYS. Everyone has been talking about what the Secretary said somewhere to somebody. As one who is not an expert on farm matters, I am interested in the letter the gentleman from Illinois has been reading, because it contains what the Secretary wrote to the House yesterday, giving his views. I want to quote another part of that letter:

> The House committee report says that they "have serious doubts that the program will reach its basic objective of reducing production—and would question it further if it did."

Then the Secretary says, and this is something I can understand:

> This sounds like the committee is condemning it because they think it didn't work, but if it is successful, they will condemn it anyway.

If that is the sort of view the committee takes on it, I am willing to go along with something that a city man can understand about this program.

Here is what the Secretary says in his letter:

> No program or group of programs can work effectively with tremendously burdensome surpluses bearing down on the entire price structure. It will be effective in reducing acreage and production of the designated basic crops in 1957, below what production would be in the absence of the program.

He also says that the present law makes the soil-bank commitment until 1959. That is something I can understand. I am not confused about that.

Mr. ARENDS. So we must go ahead with the contracts that we have entered into with our farmer friends on the basis of the practices now followed for 1957. Do not be misled by the idea that we should withdraw because of the money. After all, as I said a moment ago, this quick shifting position is not going to get us anywhere. We cannot save money today and put some back tomorrow, add to it. This clarifies the situation very much. So let us pass the bill now as it is written.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. ARENDS. I yield to the gentleman from North Carolina.

Mr. COOLEY. I want to say that the chairman of the committee made it perfectly clear that this amendment does not in any way affect the 1957 program. It affects the 1958 program. The gentleman talks about the success of it. Please tell the committee with the expenditure of $179 million last year in the corn-producing area how much reduction we had in the overall production of corn?

Mr. ARENDS. The whole problem of agriculture and the matter of reduction depend a lot on what the Good Lord does. In the State of Illinois he smiled on us last year and we had the greatest corn production that we have had for years. For that, we are thankful. However, the big reason the reduction in acreage was not as large as might have been expected, was the fault of the Congress in not making the program effective at an earlier date. The program for the crop year 1956 was not given a fair chance to really work. The emergency-corn legislation if passed in March of this year would have permitted hundreds of thousands of acres of corn to go into the program for the crop year 1957.

Mr. COOLEY. The Secretary said he got more cooperation than he anticipated.

Mr. ARENDS. The gentleman is not telling us where these acres are. I know where they are. They are not in our part of the country where we grow the greatest amount of corn. They are in other parts of the country where there are less productive acres.

Mr. BELCHER. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, it has been my policy since I have been a Member of the House of Representatives to never engage in partisan politics on the floor. I think my record is clear in that respect.

Now in this particular instance may I say that every year the Committee on Agriculture, until this year, has been a nonpartisan group. But this year we have divided right down the middle. I do not know who has been responsible for that, but I have told my own committee members many times that when we start washing our dirty linen on the floor instead of in committee, we are going to run into trouble.

Now, my good chairman of the committee says that in just a day or two we will hear the Secretary of Agriculture. Well, we have had ever since January to hear the Secretary of Agriculture. If you thought the soil bank was not a success, why has not a bill been introduced to kill the soil bank and not come in in the last 15 minutes and kill the appropriation for it?

There has been talk of confusion. We are saying to the farmers that we have a soil-bank program. Today we are saying to the farmers we have no money. Now, take the people out in the field. What are they going to tell the farmers day after tomorrow? Are we going to have a program or are we not going to have a program? We do not know until the gentleman from North Carolina [Mr. COOLEY] questions the Secretary of Agriculture and determines whether the soil bank is a good proposition.

Mr. HARRISON of Virginia. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I yield to the gentleman from Virginia.

Mr. HARRISON of Virginia. I have introduced a bill to do away with it, and I have asked them to give me time to consider the bill before they make allocations for the 1958 crops.

Mr. BELCHER. There will be no allocation made under this until the Committee on Agriculture can thoroughly go into the entire soil-bank program and kill the entire thing before $1 of this will be committed.

Mr. HARRISON of Virginia. How can you say that when the bill carries appropriations for the 1958 crops of $500 million?

Mr. BELCHER. Some of you have said you have been confused at the attitude and statement of the gentleman from Texas. I have not been confused. He told me very frankly in our committee that if any bill came to the floor that did not include feed grains or do something for the people of his district, he would be against it. Apparently this does not include feed grains and it is not going to give any money to the people in his district. Frankly, I am not confused with his attitude and I am not confused with the attitude of the chairman of the committee, but I think it is a very poor policy, and I am saying this to other members of our committee. I have said this many times. It is a poor policy to get up here and use this method of trying to kill this program. Let us go back to our committee. Let us consider the soil bank thoroughly and completely. I am not defending or condemning the soil bank. I am one Member of this House who did not rush in and try to claim credit for it, but I do not know of anybody else connected with the Committee on Agriculture that did not. I was for the two-price system for wheat. That was my part of the bill. But you all rushed in and claimed credit, and now you are all rushing in and saying that it is the worst program that was ever brought here. If it is, kill it.

Mr. ABERNETHY. I did not claim any credit for it.

Mr. BELCHER. I do not recall that the gentleman said anything against it, but so far as that is concerned, if you say you did not claim any credit for it, that is all right. I know you are not claiming credit for it now.

Mr. ABERNETHY. That is right.

Mr. BELCHER. What you did in the past, I do not know.

Mr. ABERNETHY. Certainly not now, with the experience we have had.

Mr. BELCHER. I want to give my chairman this little bit of advice, because I so seldom get to say anything before the commitee that I have to take the floor of the House to get to say anything. By the time you get down by the second member of the majority side of our committee, the rest of us are as silent as a thief in the night.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. BELCHER. I will yield.

Mr. COOLEY. I want to make it perfectly clear I am not trying to kill the soil conservation reserve program. What I said to begin with, I want to go into it with an open mind, but I do not want to go into it with $500 million already obligated. I want to hear the Secretary thoroughly and fully, and I am not saying now that I am not opposed to its continuation.

Mr. BELCHER. Let me ask the gentleman one question. How long has it been since he knew there was an appropriation bill coming to this floor appropriating money for this program?

Mr. COOLEY. The gentleman from Virginia [Mr. HARRISON] has had a bill before our committee for some time, but we have had no hearings.

Mr. BELCHER. You knew since the 1st of January that this House would be called upon to appropriate funds for this program.

Mr. COOLEY. That is right.

Mr. BELCHER. And you have not done anything to investigate or kill the soil bank.

Mr. COOLEY. This is the first opportunity we had to bring the matter up.

Mr. BELCHER. Look at the time we spent on the corn bill and a few other bills we have had here since the 1st of January.

Mr. COOLEY. I will try to recognize the gentleman tomorrow before the committee, since he has been so kind to me this evening.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. HALLECK. Mr. Chairman, would the gentleman yield?

Mr. VURSELL. I would be glad to yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Chairman, a little while ago the gentleman from North Carolina [Mr. COOLEY] characterized this proposed action as a temporary injunction and subsequently sought, after I raised some question about it, to explain again that it was a temporary injunction. If I understand the gentleman from Virginia [Mr. HARRISON] correctly, the author of the amendment, it is no temporary injunction with him; it is the death blow to this program. He is against it all. He wants it destroyed; is not that correct?

Mr. HARRISON of Virginia. Yes, sir; I want a chance to prove my charges against it. But if you put this money in, we will get no chance to prove those charges.

Mr. HALLECK. And now we understand what the situation is. The gentleman from Virginia [Mr. HARRISON] is forthright. He wants to kill the program. He has had a bill to kill the program before the Committee on Agriculture and, as was so ably pointed out by our colleague the gentleman from Oklahoma [Mr. BELCHER], the chairman of the committee has done nothing to approach this matter in the place where it should be approached. But the chairman of the committee now comes in, apparently through the side door and under the guise of a temporary injunction and joins up with the gentleman from Virginia to kill the program.

We have now got it fairly clear that there is something here that seems, may I say as I said a moment ago, just a little weird.

I want to say this about the soil-bank program. It has been said before, and we might as well understand it. Criticism was leveled against it principally because the program was put into operation so late last year that it has not yet had a chance to establish how good it is. And so I say that it comes with poor grace, most of that delay having been occasioned by the people on the other side of the aisle, to come in here now, before the program has had a chance to prove itself, and undertake to chop it off, not by a presentation before the Committee on Agriculture where it should be had, but by summary, arbitrary action, which would lead only to confusion in the country; because the farmers would not know where they stood. They come in here now with an amendment to strike out the money. I want to say to my friends on the Democratic side of the aisle that they may think they are confusing a great many farmers, but believe me, the farmers are not quite that dumb. You cannot play fast and loose with them all the time and get by with it. I will say to you on the Democratic side that you had better be for something and stick with it until it has a chance to prove itself.

Mr. VURSELL. Mr. Chairman, the gentleman from Indiana [Mr. HALLECK] might have gone further and said that Mr. COOLEY's assistant chairman, the gentleman from Texas [Mr. POAGE], came on the floor today, has just said he wants to knock out the $500 million and kill the soil-bank bill. I am just wondering, after they delayed this bill so that we could not have it become effective in 1956, and then after we finally drove them into a corner where they thought it was popular enough, and they supported it and finally took credit for it and now when they come back and try to kill it and having killed the corn bill this year—I wonder just how much they think the farmers of this country will appreciate what they are doing and how they will actually feel about it. It would seem they have done enough in the past against the interest of the farmers.

It would seem to me that when they have stymied the soil bank bill, when they have proven themselves selfish to the core in fighting it from the very beginning, they might ask themselves how much damage they want to do agriculture nationwide in this session of the Congress, by the selfish manner in which they have approached this bill.

The great Farm Bureau Federation of 1,600,000 members is for this bill. They are for the soil-bank bill. They are against destroying it and taking the $500 million out of this appropriation bill. The Illinois Agriculture Association takes the same position. Nearly all of the Members who really understand the agricultural situation, except the gentlemen who are trying to pervert the purposes of agriculture and who are in leadership on the Democratic side, know that the soil bank has not had an opportunity to prove itself. They know that if this amendment is successful it will confuse and discourage the farmers; it will drive farm prices down immediately and strike a blow to the agriculture of this Nation that we have been trying for a year and a half to recuperate to the point where we are now.

Mr. Chairman, this amendment must be defeated in the interest of agriculture, and the farmers of America.

Mr. HORAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I shall be very brief because I think the issue is very easily understood by all of you here. I do want to remind you, though, that about a year ago the surplus commodities in the stocks of the Commodity Credit Corporation almost reached $9 billion and the storage costs ran higher than a million a day. Whether we are for or against the existing farm legislation, we have nothing on our books, no programs for us on this subcommittee to work with, that would make some headway in reducing that tremendous amount of surplus commodities in the Commodity Credit Corporation's stocks.

Then last year the House and the other body passed and the President signed the soil bank bill. It is the only thing we have in our present program that might make some headway against the creation of surpluses. That is all we have before our committee. In the name of the farmers' welfare, I think it is decidedly unfair to attempt at this time to knock out even the amount that our subcommittee allowed in this bill. I hope this amendment is rejected.

Mr. JONES of Missouri. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, may I say at the outset that while I generally do not approve of this way of legislating, at the same time we must admit that it is possibly the most effective way of bringing about some economy, that we feel we need, especially in view of the fact that not only has the Secretary admitted that the soil bank program, particularly the acreage reserve program, has not been working, but we know that it has not reduced production, we know that it has not done the thing we had hoped it would do.

The main thing to which I should like to call your attention is this—and I address particularly those who are for the general agricultural economy: I think we who are friends of the farmer know that we are in the position of being criticized on the ground that the farmer of America has received such a large sum in appropriations. Here we have an opportunity to save a half billion dollars, to reduce the amount that is being proposed to be appropriated for agriculture, which will not accomplish the purpose for which it is being appropriated. On the other hand, after we have heard the Secretary and after we have had some assurance that we are accomplishing something, then we still can appropriate money for it. But I hate to see money appropriated and charged to agriculture which is not contributing to the welfare of the farmer. Many other programs are also being charged to agriculture from which the farmer does not get any value at all. He gets no benefit from them. The contribution is made for other purposes. I would say that even the school-lunch program, the foreign-aid program, the surplus-disposal program, a lot of those programs, are going for the benefit of other people, yet they are charged to agriculture, and people are saying, "Well, we are giving the farmer all of this money." Here is a chance, I think, to save a half billion dollars and to take it off the agricultural bill, because we who live in areas where the program has been operating know that in the main it has not gone for the purpose of reducing production. Yet that was the only reason that we could have for wanting to start the program. Since it has not worked, this is an opportunity to really save some money and to take it away from the agricultural program.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield.

Mr. WINSTEAD. I notice there has been quite a bit of discussion as to who took the credit for this bill last year. I thought it was pretty well agreed that Mr. Henry Wallace was the first man who ever proposed this type of plan, and that after President Eisenhower vetoed the agricultural bill which the Congress passed last year in the closing days of the session, in view of the plight in which we found the farmers, we almost had to take or leave this program, and we took this soil-bank program as a last resort last year.

Mr. JONES of Missouri. I think that is true. I thank the gentleman.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, if you want to kill the soil bank plan, then vote for this amendment. I think you should know something about the origin of this bill; how it was drafted; how it was enacted into law. I sat on the conference committee with the gentleman from North Carolina, the gentleman from Texas and one of his colleagues. They had a majority of the conferees. They not only wrote the soil bank bill according to their own pattern into H. R. 12, which was eventually vetoed by the President, but they also wrote it according to their own pattern into the bill which was passed and which eventually became law. So that they had the majority on the conference committee and they dictated the provisions of the soil bank bill, which was enacted into law. Now before the law has had a fair chance to operate, they want to destroy it. They refer to the fact that the soil bank has not been a success. Well, it did not go into operation until last June in 1956, after all the crops were planted in this country. Undoubtedly, some mistakes were made in the administration of the law. But who made the mistakes? The mistakes, if there were any, were made by the county committees. Most of the mistakes furthermore were made in the southern part of the country where they had the drought situation and where a good many farmers through the Southern States received payments in the drought area which probably the county committees passed on, and which they should not have otherwise received.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. H. CARL ANDERSEN. The gentleman spoke about these payments. It is my recollection last summer, and I want to be fair with Secretary Benson because I have been critical of him, last summer Secretary Benson had so much pressure put upon him by gentlemen, mainly from the other side of the aisle, to make this particular program largely a drought relief measure that it comes with poor grace, in my opinion, for them now to criticise that very same defect which they helped to bring about.

Mr. AUGUST H. ANDRESEN. I thank the gentleman.

Mr. H. CARL ANDERSEN. And that was against Mr. Benson's opposition.

Mr. AUGUST H. ANDRESEN. I thank the gentleman. I am not here to criticize Secretary Benson. I do not always agree with him, but certainly I want to stand on principle and issues rather than to attack an individual.

I think it comes with poor grace for the chairman of my committee and the vice chairman of the committee to attack this bill. I am not certain that the soil bank plan is ever going to work out. The acreage reserve program is only adopted for 3 years and then it terminates, but I want it at least to have one full year's trial for a full crop year that is, which we are going to have this year, to see whether or not it does work. The theory of it was that it would take tillable land out of cultivation and reduce our surplus. We will not know until the 1957 crop is harvested and then we will find out whether or not it is a success.

Mr. HORAN. Mr. Chairman, will the gentleman yield?

Mr. AUGUST H. ANDRESEN. I yield.

Mr. HORAN. The gentleman feels that it should be given an honest and fair chance?

Mr. AUGUST H. ANDRESEN. I certainly do. Yet, I am skeptical about the success of it. But certainly as long as we have the law on the statute books, and since your committee has made adequate appropriations to carry it on in 1958, I want to see it have a full and fair trial. It may succeed. If it does, then the country will be the winner with a program which for the first time will give new life to agriculture and will help to solve the agricultural surplus problem.

Let me urge you here and now to vote down this amendment; give this soil bank a fair trial so that we can see whether or not it will work. I hope it will work. I want to see it succeed. While it does not help my district a great deal, the indirect benefits may be helpful in reducing the surpluses of basic commodities in this country which the soil bank deals with.

The CHAIRMAN. The time of the gentleman from Minnesota [Mr. AUGUST H. ANDRESEN] has expired.

Mr. SMITH of Virginia. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am not an expert on farm legislation. I do not criticize the Secretary of Agriculture, I do not criticize the members of the committee about what they have been doing, I am not criticizing anybody when I get up here in behalf of a subject that is foremost in the minds of the American people, as we all know, the subject of economy. We all know that if we are going to get around to the point where we can reduce expenditures, where we can reduce our taxes correspondingly, we must stop some of these programs, and particularly the new ones. The report of this

committee was that with the brief experimental experience they have had this program has been bad. Money has been wasted. The purpose of this amendment is to stop that waste. It will give this program, under this amendment, a full year of operation. Then you can see whether you think it is wise or whether it is unwise.

I have been surprised to see some Members, who have talked so strongly for reducing expenditures, get up here and defend this program. I know they are actuated largely by what they consider the desires of their constituents. I am not sure they are right about it. But it does remind me of an incident that occurred 2 or 3 nights ago when I was visiting down home in my district and went to a little social function. Everybody there was asking me about how much you are going to reduce this budget. "Are you not going to cut this budget?" One gentleman who was very vociferous about it said to me, "You must cut this budget, but," he said, "there is one good thing in that budget and that is that soil bank." He said, "You know I had a little patch located that I could put wheat in and I put it in the soil bank and the Government paid me more money for it than if I had planted the wheat and done the work and sold the wheat."

Is that not about what is the matter with the folks who feel that their own constituents are going to have their ox gored some by this little piece of economy?

This Congress has stood up pretty well on the matter of cutting the budget. Let us not get away from the primary thing that this Congress must do in this session, and that is to reduce expenditures and get the fiscal affairs of this Nation back on a sound basis.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. H. CARL ANDERSEN. Mr. Chairman, if I may proceed for half a minute, let me state that if this amendment is agreed to I shall most certainly demand a roll call when we get back into the House, for this is an action which if sustained would take out of the pockets of the farmers of the Nation $500 million. That money goes directly to the farmers of the Nation. If the Members want to take this $500 million out of the depressed agriculture today by voting for this amendment I say that is their privilege, but I am going to insist on a rollcall when the measure comes back to the House for final decision.

Mr. MARSHALL. Mr. Chairman, I rise in favor of the amendment.

Mr. Chairman, when we held hearings on the appropriation bill this year I had some reservations in my own mind concerning this item in the bill. We had investigators who made inquiries into this program and we found some rather surprising and amazing things. To my knowledge no person has appeared before our committee or spoken on the floor of the House and has said that the program was well administered last year. But forgetting about last year's administration, let us think about this year. I regret to say that if there is any effective administration in the program as of this year I have not observed it.

I spent some time back with my farmers in my district; I have heard from some of my farmers about this particular matter. Do you know that in the corn area farmers operate two different tracts of land? They put one in and stay within the agricultural allotment, then they put the second in with all the corn they can possibly plant. And then you talk about this thing being a control of production.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. Not until I have completed my statement.

In my book there is only one reason for the agricultural reserve fund, the soil bank, and that is for the purpose of controlling production. That is something that we definitely are not doing. The committee has not touched this year's contracts. These contracts on acreage reserve are on a year-to-year basis. The Department has not made any commitments for 1958. The 3 years that some Members have talked about relate to the date of expiration of the law.

When we considered this bill and when we marked it up we had some hesitancy as to whether we as members of the Appropriations Committee ought to get into the legislative angle of this particular piece of legislation; and certainly the discussion on the floor of the House has indicated to me that the legislative Committee on Agriculture are very much torn apart and very much in doubt about this piece of legislation. You heard the Secretary of Agriculture's letter read yesterday by my very good friend the gentleman from Colorado. You will find it at pages 6887–6888 of yesterday's RECORD. I want to read a portion of it to you:

> It might be possible to work out regulations which would be stiff enough to really control production. But the evidence of 25 years is that farmers do not want such controls and the Congress will not enact them.
>
> Controls have been watered down by law to such a point that they do not really control production. Even a cursory examination of the legal minimum acreage provisions for most of the basic crops reveals that these allotments will not overcome the effects of increasing production efficiency.

Mr. Chairman, here is the man who will administer this program, this program that is going to cost the taxpayers of this country $500 million, and this man who is going to administer the program said in his message to the House read by my good friend yesterday that this program will not work. Do you say that we as Members of the House ought to appropriate money on such a basis as that? If you want that kind of loose administration of a man who has said this acreage reserve will not work, then, of course, you should not support the pending amendment. If you want to spend the taxpayers' money in that lax manner for a program that is discredited by the farmers in my area, go ahead and vote against the amendment offered by the gentleman from Virginia [Mr. HARRISON].

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. MARSHALL. I yield to the gentleman from Illinois.

Mr. ARENDS. My friend from Minnesota always tries to be fair, but I think in the condemnation of the administration and this program for last year, he is just bordering on being fair. In other words, this legislation was passed by the Congress late in the last year and I do not think he, I, or any other human being could have effectively administered the program in the short space of time we had to do it, with the farmers with most of their crops already in the ground. The action of the Congress was late and that made it almost humanly impossible to do as good an administrative job as we all might have liked.

Mr. MARSHALL. I am glad the gentleman makes that statement. Who vetoed the legislation last year? This bill passed last year. Admittedly it passed late. The Department, however, did not put it into operation until August. I am not condemning all of the things last year but what I am condemning is this: From what we have found and from what my knowledge is, those things that were wrong last year have not been corrected to the extent they could work this year. The statement of the Secretary of Agriculture which he sent up yesterday admits it and says it to the Members of the House of Representatives. The amendment ought to be adopted.

Mr. LONG. Mr. Chairman, I rise in support of the pending amendment.

Mr. Chairman, it has been said here today that somebody has confused somebody else. I do not know. I think a Republican said that the Democrats had confused them before and they were trying to confuse the Democrats now. That is what it looks like.

Mr. Chairman, I want to confine myself to a few brief remarks about some practical facts that you can take home and think about as we vote on this measure.

In my State this is a windfall for the drugstore farmers and the bankers, the big people. I have heard it said here today that this is a program for the little man. If that is the truth, then we do not have any little men in my State—they are all big-business farmers.

Now, let me tell you what they do. They put the land in the soil bank, they draw money, they go out and plant it in pine trees. They borrow the money from the bank to buy the land, the soil bank pays for it, and they get the land and the trees all for nothing. That is the way the program is working and there is no use kidding yourselves.

They say this is a fair program. How fair is it? Let me tell you how we got the program. The President vetoed a program last year that would have worked but we came back in here confused and voted for this program—a program that will not work. If it does work it will not work fairly and squarely for the people.

Let me refer to the State of my good friend from Kansas. The State of Kansas gets as much money out of this program as 25 other States. They say the money is distributed so that we can have a prosperous economy and all

of those things. But what I have said is the truth. If I read the RECORD right, and I have it here in my hand—if I am not right you can correct me—the State of Kansas gets an average of $750 a farm while the State of Louisiana, the Eighth District of which I have the pleasure of representing, gets $100 per farm. How is that for a fair program?

Let us not be confused about this soil-bank program. It is a misnomer. It never will help the little farmer and I do not think that those who have advocated this very strongly think so themselves. So, let us not be concerned about this thing. We are talking about economy, but we come right in here where we have a chance to practice just a little economy, and not hurt anybody at all, and yet we back up on it. It comes to where the men on this side, or any of us who are supporting this amendment are immediately branded as monstrosities. We have turned out to be bad men, and you can hardly afford to sit as close to us as you are. Do not let us be foolish about this soil-bank program. It does not help anybody. It does not help the farmer. It is going to take money out of the taxpayer's pocket and help to pay for some land for some pseudo farmer. That is all there is to it, and that is as simple as I can make it.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. H. CARL ANDERSEN. Mr. Chairman, will the gentleman yield

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. Might I ask the gentleman from Mississippi if we could not agree to limit debate by unanimous consent?

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto be limited to 30 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. TABER. Mr. Chairman, there were two parts to the so-called soil-bank proposition, one of which was what they call the acreage reserve in the soil bank, and that item is covered and included in the $535 million in a previous paragraph in the bill. That was the type of soil bank that was proposed by the original authors of the bill. That will still be in effect in 1958 if this amendment is adopted.

The other item, authorizing the soil bank, as I understand, was introduced into the bill by the majority of the Committee on Agriculture.

Now, what does this proposition do? In 1956 they had 547,000 agreements covering 12 million acres and costing $260 million, or $20 an acre.

In 1957 there were 16,496 contracts 1,441,622 acres, signed providing for payment of $13.2 million, or about $9 an acre.

As of March 29, 1957, for the 1957 acreage reserve program, there were 917,171 agreements covering 21,316,000 plus acres at $30 an acre. The price is going up. It would seem to me that when we get a program that has such an enormous amount of money per acre involved in the gratuity that is paid to the farmer, we ought to get down to earth a little bit in our approach to it. Frankly, from my own standpoint, I shall feel obliged to support the amendment, because I believe it is the only way by which we can eliminate the enormous waste in connection with this.

We have this situation. If this item should be left out of the bill, if the amendment is carried, and there is any reason why it should be continued, if it can justify itself or be justified, we would have plenty of time to pass other legislation. For my own part I do not believe that that can be done, but I believe that I shall be obliged—I cannot do it any other way and meet my own conscientious desire to do a decent job—to vote for the amendment.

I do not say this in criticism of the Secretary of Agriculture because I believe he has done as good a job as anybody possibly could do with such an involved and complex program and one which is so open to misconstruction.

With that statement, I am going to close.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. AVERY].

Mr. AVERY. Mr. Chairman, I am amazed at the lack of understanding of some Members of this House of the operation of the soil-bank program. You would get the inference here this afternoon that the Secretary of Agriculture drives clear around the United States and evaluates every single acre of ground that is placed into the conservation reserve.

The gentleman from Virginia awhile ago gave an illustration of a friend who put a few acres into the soil bank in 1 year and got more than the land was worth, or if he had farmed it, more than the total amount he would have got from farming it. The gentleman from Louisiana [Mr. LONG] made a similar remark, Mr. Chairman, let me say this. The administration of the soil-bank program is on the local level. The township committee is elected by the farmers in that township. The chairmen of the township committees elect the county committees. They work through their State ASC committees. If there has been a misappropriation of funds, if it has been badly administered on the local level, then you have an indictment against your own local committees, not against the Department of Agriculture.

There were a few general provisions in the soil bank bill when it was passed. The Secretary, in turn, as he was directed, wrote further implementing provisions. From there it goes down to your own State and local levels. So if it has not been administered the way you think it should, go back and tell your own township and county committees that they have been derelict in their duty. Do not come up here and try to place the blame on the Department of Agriculture.

There was some inference made as to the amount of money that has gone to Kansas. Had it not been for that I do not think I would have taken the floor; but I am very glad that that inference was made because I have a little story that I have been waiting for an excuse to tell. That is how the Southern States—and Louisiana is one of the greatest offenders—have been stealing wheat-allotted acres from Kansas.

As you know, the Agricultural Act as amended in 1949 provided that any State raising less than 25,000 acres of wheat would be a noncommercial wheat State. That would mean that they would have no acreage allotment and there would be no marketing penalty for any wheat that they raised. So what has happened? They have had to take their land out of cotton and out of tobacco and they have put it into wheat without limitation. They have sold it on the open market at nearly the support price, or just a few cents under. Then when they get up to the 25,000-acre limit they have established a history that must be taken away from the wheat States and given to that State.

Louisiana had only 2,000 acres in wheat in 1952 and in 1956 it had 60,000 acres in wheat. Alabama is the worst offender. It had only 15,000 acres of wheat in 1952 and had 100,000 acres of wheat in 1956. They will be commercial wheat States. They will have market penalties, they will have acreage allotments, but those allotments will have to be subtracted from the 55 million acres of the national allotment and a substantial portion of that will come from Kansas. So let us not keep bringing Kansas up here as a preferred customer in the soil-bank program. We have operated under the provisions of the law and to my knowledge the value of the production on the acres we have placed into the soil bank has been honestly appraised by our local committees. From things that have been said here this afternoon, apparently that has not been the case in a good many other States.

The CHAIRMAN. The Chair recognizes the gentleman from South Carolina [Mr. DORN].

Mr. DORN of South Carolina. Mr. Chairman, I am for this amendment to limit the soil-bank program because it has turned out be a hoax and fraud as far as helping the family-sized farmer is concerned. Under the soil bank as presently administered the drug-store farmers and city speculators are buying up farmland, setting out pine trees on it and will pay for this land in a few years with the soil-bank money from the taxpayers. When the pine trees grow a few years and the Government completely pays for the land, then this land will be worth two or three times more than it is worth today. This is not helping the little farmer as he can't borrow the money to buy this land. I know of cases where big manufacturing corporations who happen to have farmland on the side are putting land in the soil bank and getting the biggest cut out of the pie. This is not alleviating the distressed small farmer with no other source of income. I thought the purpose of the soil bank was to bolster the depression income of the average farmer, help him remain on the land and enable him to earn for his family a decent living. Only bona fide farmers should

benefit from this program—not the city slickers and Wall Street money-changers.

In one South Carolina county 58 percent of the cotton acreage was this year placed in the soil bank. This can wreck much of the economy of that area. What is going to happen to the cotton ginner who has invested thousands of dollars in machinery? What is going to happen to the country and small-town retail stores? What will happen to the little fertilizer, insecticide, and farm-implement dealers? What will happen to the local bankers and small business? What will happen to the rural churches, post offices, and cross-road schools? This kind of program will help turn farming over to the vast corporate farming interest similar to the Russian collective farm with people only peasants and pawns to be controlled and dominated by the unseen hand of a distant financial empire. This soil bank is helping us to lose what few foreign markets we have left for our farm products. By growing less, other nations will grow more and more. We cannot save the farmer by paying him a cheap price to stay out of the business. Our little family-sized farmer doing his own work needs more acres, not less. He needs more foreign markets, not Government-encouraged foreign competition. As a farmer I can tell you, Mr. Chairman, that this soil bank will not save the family-sized farmer—a great and indispensable American institution. We need a realistic farm program based on saving the family-sized American farmer. I hope this Congress will investigate the entire farm program and advance constructive, long-range farm legislation.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, had I been a Member of this body when the soil-bank bill was enacted, I would have voted against it.

As I view this measure, it was conceived as an appeasement to the beneficiaries of the price-support program that favored the commercial producers of basic farm crops.

The farmers of my State have been entirely eliminated from receiving farm support, since areas of farmland were too small to interest them in acreage allotments.

Under provisions of the soil-bank legislation, they are automatically disqualified for acreage soil-bank benefits. They are, however, privileged to participate in the conservation reserve provisions of the bill, and you may believe me when I say they have an abundance of qualifying acreage.

Since the passage of this act was too late to permit its operation on a full-scale basis, I am inclined to favor the proposed $500-million appropriation in the hope that it will succeed in reducing farm surpluses and, incidentally, give my State's farmers this one belated opportunity to share in a small way in a war-born high-price-support program our people have been forced to contribute to without any chance to benefit therefrom.

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. GATHINGS].

Mr. GATHINGS. Mr. Chairman, I was a member of the first conference that wrote the bill H. R. 12 and put it on the President's desk. We worked for many days on this soil-bank-acreage reserve and also the conservation reserve.

Just a few days ago I introduced a bill to repeal the acreage-reserve provision of the soil bank. I did that because I was of the opinion that the effect of the soil bank had been to liquidate our farmers. They are moving away from the farm in great droves. There is a reason for that. This acreage-reserve program works this way. It works only on the basic crops, which are corn, wheat, rice, cotton, tobacco, and peanuts. You go into the bank by taking out of production a part of your acreage allotment. You are paid about 50 percent of the support price based on your average yield over a period of time on that particular land. As a matter of fact, you are reducing the income of the farmer on the acreage that does go into the bank by at least 50 percent.

What effect would that have on the community? Let us look at that community just for a moment. Every store on Main Street feels the effect of that 50-percent decline in income that is suffered by those farmers whose acreage has been reduced. The purpose of the act is to cut down on production, but it has not done that.

I commend the gentleman from Mississippi and his committee on going into this matter fully and completely and bringing in the report they have. It took considerable time and effort to obtain the information that went into that report with respect to the way this soil-bank program is working, the acreage reserve particularly.

Mr. RIVERS. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. It is a pleasure to yield.

Mr. RIVERS. That is the experience I have had in my part of the world. It tends to liquidate the farming communities and every business in that farming community is going out of business or drying up.

Mr. GATHINGS. It is drying up these communities throughout the agricultural region. I agree with the gentleman from South Carolina.

Mr. RIVERS. I congratulate the gentleman on the research that he has done. That has been the experience that I have found in my country.

Mr. GATHINGS. I want to say also that America was not built on any such basis as sitting down on the porch and waiting for your check to come and be handed to you. America was built on w-o-r-k which spells "success."

Mr. LONG. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield to the gentleman from Louisiana.

Mr. LONG. I just want to make a short statement with reference to the statement that my friend, the gentleman from Kansas, said about Louisiana stealing the program and stealing the Kansas money. At least that is the effect of the statement, as I understood it. I do not want Louisianians taking Kansas money. I might say to the gentleman from Kansas that while Kansas got $86 million from this program, Louisiana only got $11 million and may I repeat that Kansas got as much out of this program as 25 other States. I might go on with this kind of a statement but suffice it to say that this program has not worked nor, in my humble opinion, will not work. Let's make a saving of one-half billion dollars by passing this amendment.

Mr. DORN of South Carolina. Mr. Chairman, will the gentleman yield?

Mr. GATHINGS. I yield gladly to the gentleman from South Carolina.

Mr. DORN of South Carolina. I want to concur in what my friend, the gentleman from Arkansas, is saying. I congratulate him on the bill he has introduced. Here are some figures that came to me today concerning one county in my district. This county has placed 58 percent of its 7,950 acres of cotton allotment into the soil bank, leaving only 3,206 acres. What is that doing to the fertilizer people and the ginners and the local bankers and the retail merchants? What do you make of that?

Mr. GATHINGS. Every business in that community is suffering. I thank the gentleman from South Carolina for presenting those enlightening facts—I hope that the amendment will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Georgia [Mr. LANHAM].

Mr. LANHAM. Mr. Chairman, as most of you know, I am a pretty partisan sort of fellow. I am a Democrat. As you know, I am a southern Democrat. I usually vote with the Democratic Party. As a matter of fact, General Lee is my favorite rather than General Eisenhower of Gettysburg fame. You know what I mean, I am sure, about that. But frankly, I agree with the gentleman from North Dakota [Mr. BURDICK] who, on yesterday, said we ought to forget party in this matter, we ought to forget whether we are Republicans or Democrats and we ought to think about the farmer and his welfare. I agree with him. I want to tell you that the farmers in my district are in favor of this program. It is having some of the effect which the gentleman from Arkansas [Mr. GATHINGS] has spoken about, and that is that the fertilizer dealers and the ginners, because our crop is largely cotton with some wheat, are feeling the effects and it may not be that in the long run we ought to continue this soil-bank program. I think it has been badly administered. I do not know whether it could have been better administered or not by another man than the present Secretary of Agriculture. I do think he has favored certain sections at the expense of others, and has used it for partisan political purposes. But criticism of Mr. Benson is not the problem before us today. I think the question is—what is best for the farmers? Until we can decide upon some program that will work I think the acreage reserve program should be continued. The farmers are at the crossroads and the

small farmer is on the way out in America, if we do not find some better program than either the Democrats or the Republicans in the past have sponsored. Everyone admits that most of them have failed. The farmers' income has steadily declined while his costs have just as steadily increased. If we are to save the farmers, the members of our great Committee on Agriculture must quit squabbling among themselves and get back together and bring in a program that will do something to increase the farmers' net income. Personally I believe that the domestic allotment or two-price system may be the answer. At least some new approach must be made to the problem.

Moreover, I do not think this soil bank should be repealed in this way. I think, if it is to be repealed, careful consideration should be given to it by the legislative Committee on Agriculture, and we ought not to undertake in an appropriation bill to repeal it. Of course, we do not repeal it, but we strangle it to death or we smother it to death, and I do not think that is a sound way to legislate.

As I have said, the soil bank is effective certainly in my district, if we entered into it with the idea of controlling production. As you know, we have many postal employees in the city today. One of the rural carriers told me this morning that they had just about quit farming in our district. He said, "I do not believe I have seen three farmers plowing this spring." So it has been effective in taking acreage out of production, but as the gentleman from Arkansas [Mr. GATHINGS] has stated, it is dangerous to our economy. If the Committee on Agriculture brings in a bill to repeal it, coupled with some other bill that will give relief to the farmer and protect him from the squeeze between rising production costs and declining prices, I will then vote to repeal it. But I do not think we ought to try to repeal it in this manner. Let us bring in a bill that will really help the farmer. But until that time comes, let us not deprive him of this little bit of help.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. LANHAM] has expired.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Chairman, I find myself in perhaps the most peculiar situation of all my experience in the House. May I say further that I do not believe I have ever taken the well of the House but what, when I got through, you might disagree with me, but you would never ask "Which side are you on?" I am afraid when I make this talk you may be within your rights if you ask that question.

The acreage reserve program was first recommended to the Congress last year. I was one of the few who took the floor and said it would never work; that to pay the farmer not to farm would ruin his standing with other Americans; that it might put a little money in his pocket and he might use it and grow more on the remaining acres, and that in my judgment it solved nothing. I did not quit there. I went to the Subcommittee on Appropriations and went before the full committee, and there requested and we appropriated money under the existing soil conservation laws which would have benefited this country and brought about some soil conservation in a cooperative venture with American farmers. The whole committee backed our subcommittee in that effort 36 to 11. That bill then went to the Rules Committee but was not brought out by that committee; then later the soil bank was passed.

As you can see in the committee report, after we came back in January, as chairman of this subcommittee I requested an investigation of the soil bank and the acreage reserve provisions. Let me say again, here is what is involved: This is a payment to farmers to leave land out of cultivation. Just a few moments ago you saw this House write a limitation of $2,500, which is the limit on how much the Government will provide toward the cause of conservation, but in this bill there is no limit on the payment not to farm. For instance, our investigation shows that in the State of Connecticut one farmer received $40,000 not to farm his land; another $29,000; another $11,000, and another $10,000. The same situation exists in other States

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. WHITTEN. I prefer to finish my statement, if you please.

Mr. MARTIN. I would like to correct the gentleman on a previous statement.

Mr. WHITTEN. Let me finish my remarks and I am sure the gentleman could correct me, and if I had time I might straighten him out in a few places, but we would be friends in the end.

There is nothing to keep this money received by the farmer from being used to increase production on the remaining acres. The chief tragedy of this approach is that the farmer loses his production on his acres; but to the public it looks like he is getting something for nothing. If this program is continued, the farmer will lose much more in public good will which will be reflected in votes of Members of Congress against sound farm legislation. After all 87 percent of the population are nonfarmers and even in Congress we must have their support.

Let me read to you a statement from a paper not published in my district, the Houston Times, which says this:

> As long as the Government is paying farmers for the acres they do not plant it should also pay newspapers for the ads they do not run.

And the Jackson Daily News says:

> Now it would be nice to pay our railroads, airlines, and buslines for passengers they do not carry. Let us go ahead and pay everybody for doing nothing but do it graciously. It should be done in an honest and impartial way.

You can read my views in the report. I wrote this report and my committee subscribed to it presumably. Presumably we did not at that time speak for the program simply because we felt on our subcommittee—and let me say that I am not changing horses—but we felt that to change this basic law was beyond what we as a subcommittee on appropriations should do, and that is the only reason that I did not recommend to our subcommittee that we do it. That is the only reason, and the report makes it clear.

There is a distinction between the two reserve programs. The conservation reserve is a many-year-contract program. The acreage reserve is an annual program, and there have been no commitments beyond 1957, there have been no contracts signed beyond 1957. It is on a one-year-at-a-time base.

May I say again the report shows the only sound base for an acreage reserve program is to put some money in the hands of the farmer to make up what he has lost in income.

If this acreage reserve program put twice as much money in the hands of the farmer it could not pay for the loss of public and Congressional support of sound legislation to meet his problem.

As to my position, I say that we on the committee felt it was not our place to make this basic change in the law. In order to get agreement to slow it down, we agreed to the committee position to which I am committed. Other than that I have been against this program for the reasons that have been mentioned to your.

The CHAIRMAN. All time on the amendment has expired.

The question is on the amendment offered by the gentleman from Virginia [Mr. HARRISON].

The question was taken, and the Chair announced that the ayes appeared to have it.

Mr. H. CARL ANDERSEN. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chair appointed as tellers Mr. HARRISON of Virginia and Mr. WHITTEN.

The committee divided, and the tellers reported that there were—ayes 134, noes 120.

So the amendment was agreed to.

Mr. REUSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. REUSS: On page 21, line 4, change the period to a comma and add the following: "or in total compensation being paid to any one producer in excess of $5,000 with respect to the 1958 crops."

Mr. WHITTEN. Mr. Chairman, I reserve a point of order against the amendment.

Mr. REUSS. Mr. Chairman, the amendment I offered would limit to $5,000 the amount that any one farmer can receive in 1958 from the soil bank acreage reserve. In the light of the amendment just passed, my amendment, of course, would be academic unless the House on a rollcall vote should reject the amendment just put into the bill by teller vote. However, it seems to me necessary to perfect and prepare this bill for that eventuality.

The $5,000 limitation seems to me clearly necessary because in practice much of the benefit of the soil bank which is paid for out of taxpayers' dollars is going not to the family-sized farmer.

Mr. H. CARL ANDERSEN. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. H. CARL ANDERSEN. The gentleman's amendment, as just reported, affects a section of the bill already stricken by the amendment just agreed to, and furthermore I see no reason for any further discussion upon this particular amendment.

The CHAIRMAN. The gentleman from Mississippi reserved a point of order at the time the amendment was offered.

Mr. H. CARL ANDERSEN. I understand, but on the other hand, in the first place the amendment should not have been offered to start with. I make the point of order against it, Mr. Chairman.

The CHAIRMAN. Upon what grounds does the gentleman make his point of order?

Mr. H. CARL ANDERSEN. That the language to which this amendment applies has already been stricken out and, further, that it is legislation upon an appropriation bill.

The CHAIRMAN. The Chair calls the attention of the gentleman to the fact that the amendment offered by the gentleman from Virginia, which was adopted, struck out only a portion of the proviso to this section. But, there is language remaining to which the gentleman has offered an amendment, and stated it would be at the end of that paragraph. It is also a limitation on the use of the appropriation. The point of order made by the gentleman from Minnesota is overruled.

Mr. REUSS. Mr. Chairman, as I was saying, the soil bank, as it has worked out in practice, has meant that a large part of its benefits go not to the family-sized farm but to the large combination or corporation farm. As the figures of the Department of Agriculture show, here are some of the current payments made under the soil bank:

McCarthy & Hildebrand (California)	$29,723.53
J. W. B. Farms, Inc. (Colorado)	45,817.77
Garvey Farms (Colorado and Kansas)	61,354.50
Kupchunoe Bros., Inc. (Connecticut)	29,829.51
J. E. Shepard (Connecticut)	40,162.55
Adams Bros. & Co. (Iowa)	49,248.00
Duward Harper (Texas)	30,737.22
George C. Chance (Texas)	48,093.00
Tom Moore (Texas)	40,793.40

As the report of the Committee on Appropriations at page 26 well states: The principal justification for the acreage-reserve program is to restore to the farmer some of the income he has lost through reduced prices and acreage.

Now, this $5,000 limitation to any one farm producer means that Government help will go where it is needed, not where it is not needed. Aid to the large-scale combination producer simply increases the tendency away from the family-sized farm, a tendency which has already gone much too far. If everyone who believes in economy in Government and wants also to strike a blow for the family-sized farmer will vote for this amendment, I am sure we can produce a much better farm appropriation bill.

Mr. WHITTEN. Mr. Chairman, I ask unanimous consent that the amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

(The Clerk again reported the amendment.)

Mr. WHITTEN. Mr. Chairman, the committee having stricken out or prohibited the use of any money for any 1958 program, now to provide that money shall be limited to $5,000 per participant where no money can be used for the 1958 program is the question. If it is in order, Mr. Chairman, I should like to renew my point of order that to put a limitation on the amount to be given to a participant, when the committee has just adopted an amendment prohibiting the use of any money, strikes me as being surplusage and subject to a point of order.

Mr. REUSS. Mr. Chairman, may I be heard on the point of order?

The CHAIRMAN. The Chair will be glad to hear the gentleman from Wisconsin on the point of order.

Mr. REUSS. Addressing myself to the point raised by the gentleman from Mississippi [Mr. WHITTEN]——

Mr. WHITTEN. Mr. Chairman, would the gentleman from Wisconsin yield to me for the purpose of completing my statement to the Chair?

Mr. REUSS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Chairman, I should like to address myself to the Chair as to whether this language would not in actuality refer back to the amount of $600 million, the first sum in the bill, where the Department has already entered into its contracts? I mentioned it earlier so that it might have the attention of the speaker as well as the Chair.

Mr. REUSS. Mr. Chairman, the proposed amendment clearly would not refer back to that language, because it is tied exclusively to page 21, line 4.

The reason for my amendment is simply this. It is possible that this House on a rollcall vote will reject the amendment which it has just adopted on a teller vote. Against that eventuality I would like this House to have the opportunity to vote on an amendment which seems to me essential, namely: If we keep the acreage reserve in the Appropriation Act at all, let us at least limit it to those needy family-sized farmers who would get some good out of it and not give the benefit of it to those who do not need it.

The CHAIRMAN. The Chair is ready to rule on the point of order.

First, the Chair wants to call attention to the fact that the amendment offered by the gentleman from Virginia [Mr. HARRISON] did not strike out all of the proviso. It struck out only that portion of the proviso on page 21, line 2, beginning after the word "program" to and including "$500,000,000" in line 3. So that the proviso now reads:

Provided, That no part of this appropriation shall be used to formulate and administer an acreage-reserve program with respect to the 1958 crops.

The amendment offered by the gentleman from Wisconsin [Mr. REUSS] strikes out the period, inserts a comma, and adds the language "or in total compensation being paid to any one producer in excess of $5,000 with respect to the 1958 crops."

While it may be because of the amendment offered by the gentleman from Virginia having been adopted that the amendment offered by the gentleman from Wisconsin would be ineffective, still the Chair believes, it being a limitation upon the purpose for which the funds are appropriated, that it is in order and that the point of order should be overruled.

Mr. WHITTEN. Mr. Chairman, do I understand then that it is the judgment of the Chair that it would not apply back to the $600 million?

The CHAIRMAN. The Chair is not going to pass on the construction of the language whether this amendment is adopted or not.

The point of order is overruled.

Mr. ABBITT. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. ABBITT to the amendment offered by Mr. Reuss: Strike out "$5,000" and insert "$2,500."

Mr. ABBITT. Mr. Chairman, this amendment is very simple. The amendment before the committee limits the contribution or payment to any one participant to $5,000. My amendment simply reduces that to $2,500.

You have heard a lot over here about family-sized farms, that the payment from the soil-bank program is intended to aid and assist the family-sized farmers. It is hard for me to believe that a man who could put as much in the acreage reserve program as to get back payments of more than $2,500 would be a family-sized farmer. The whole idea behind this amendment to the amendment is simply to prohibit large operators from seeking and securing enormous Government subsidies. It is intended to limit payments so that the only ones who will participate are the family-sized farmers.

Mr. SMITH of Virginia. Mr. Chairman, will the gentleman yield?

Mr. ABBITT. I yield.

Mr. SMITH of Virginia. If I understand the gentleman's amendment correctly, all it does is put the soil-bank limitations as to what one individual may received on a par with the limitation just recently put on by the House of $2,500 under soil conservation.

Mr. ABBITT. That is exactly what it does.

Mr. SMITH of Virginia. It reconciles this program to that program.

Mr. ABBITT. It makes this program in line exactly to the dollar with the soil-conservation program we adopted about an hour ago.

I will not detain the committee because it is very simple. The question is whether or not we want to limit the programs to farmers, whether we want to reserve it for the family-sized farmers whom we profess so much that we want

to help. I hope my amendment limiting the amount of payments to $2,500 for 1958 crops will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. ABBITT] to the amendment offered by the gentleman from Wisconsin [Mr. REUSS].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. REUSS], as amended.

The amendment was agreed to.

The Clerk concluded the reading of the bill.

Mr. FOUNTAIN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOUNTAIN. Mr. Chairman, the soil-bank program passed by the 84th Congress as a temporary stopgap measure has turned out to be one of the most controversial matters the Congress has enacted into law since I came here in 1953. Even farmers who are taking advantage of it in a substantial way are raising serious questions about it. They say the program is moving in the wrong direction and that it will not reduce production materially, despite the expenditure of hundreds of millions of dollars. That was certainly true in 1956 when despite the signup of some 12 million acres at an estimated cost of $260 million under the 1956 acreage-reserve program, production for most crops was higher than in prior years.

The soil-bank program has been severely criticized in many other quarters. Much of this criticism, in my humble opinion, has been justified. The administration of the program has been uncertain and indefinite. Confusion and indecision have frequently prevailed in the minds of those administering the program from top to bottom. It is possible that the program has not yet had a fair test. The distinguished gentleman from Mississippi [Mr. WHITTEN] however has raised some very serious questions about the program and the actual results. I am not sure the taxpayers can afford a complete test in view of the facts revealed by the full field investigation made by the Whitten subcommittee, and in view of good plain common horsesense.

I do feel sincerely that the Secretary of Agriculture has not helped in the cause of giving it a fair test. Last fall he appears to have shown more concern for the welfare of his political party than he did for the success of the soil-bank program and the welfare of farmers of America. Such concern, in action which I am about to describe, will make it very difficult for the soil-bank program to get a fair and honest test or trial experience before it is repealed.

The acreage reserve portion of the soil-bank program was designed, I thought and I certainly hope, to reduce production of surplus commodities by compensating producers for cutting down their planted acreage, thus restoring some of the income they have lost through reduced prices and acreage. Of course, the idea has never made sense to the 87 or 88 percent of nonfarmer taxpayers who feel that it gives the farmers something for nothing. The law would seem to provide adequate safeguards if it were properly administered, for it provides that in order to be eligible for compensation a producer must, first, reduce acreage of the designated commodity below his farm acreage allotment or base acreage; second, specifically designate the acreage so withdrawn from production; and third, not harvest any crop from or graze such acreage unless given permission to do so because of a drought emergency. The act also provided that acreage already planted to a crop could be placed in the acreage reserve in 1956 if the crop were plowed under or cut by a date fixed by the Secretary of Agriculture. Under the law, a producer who knowingly and wilfully grazes or harvests a crop from any acreage in violation of an acreage reserve contract is subject to a penalty equal to 50 percent of the compensation which would have been payable for compliance with the contract. The purpose of the penalty provision, of course, was to insure that the soil-bank program would be used to reduce production, rather than as a form of free crop insurance.

As I have already pointed out, the Department of Agriculture paid out approximately $260 million under the 1956 acreage reserve program. Get this—nearly $130 million was paid to corn producers; of this amount, $110 million went to three States—Iowa, Nebraska, and Illinois. Despite the amounts paid to corn producers, corn production in 1956 increased instead of decreasing. In view of the mishandling of the soil-bank program by the Department, this increase is hardly surprising.

The deadline for plowing under or cutting crops growing on land which had been designated as a part of the Acreage Reserve was originally announced as June 30. On June 29 the deadline was extended until July 15. An additional extension was then made until August 3. On August 22 the Agriculture Department announced that a determination had been made that "a relatively small number of farmers did not understand the civil penalty provisions of the Acreage Reserve program." The Department stated that State ASC committees had been instructed to allow the relatively small number of farmers who did not understand the penalty provisions until August 31 to comply with their agreements by plowing under or cutting growing crops. The instructions to State committees specifically warned of the 50 percent penalty for harvesting of crops and stated flatly that producers will not be allowed to terminate their agreements.

According to press reports, large numbers of midwestern corn producers signed up to plow under growing crops at a time when weather conditions indicated the probability of poor yields. When crop conditions improved, many farmers apparently decided to harvest their corn rather than comply with their agreements. Secretary Benson thus faced the prospect of having to collect penalties from large numbers of farmers just prior to the 1956 election.

Political expediency quickly won out over consistency. Disregarding the August 22 announcement, Secretary Benson abruptly reversed his field. On September 6 he alleged in a letter to the Controller General that there had been a general misunderstanding of the penalty provisions. On September 21 the Department changed its previous position and announced that producers would be allowed to revise and terminate their agreements without penalty. According to a September 24 story in the Wall Street Journal, several officials of the Department questioned the legality of cancelling the contracts. An unnamed official is quoted as saying:

> Several of us thought that a contract was a contract. Quite a few of us took a dim view of the proposal, and didn't see how it could be done.

Mr. Chairman, the decision of the Secretary of Agriculture to cancel the soil bank contracts cost the taxpayers thousands—perhaps millions—of dollars. When his Department was asked to furnish the evidence on which this questionable decision was based, it was unable to produce a single scrap of paper. On the contrary, the Department admitted that "such decisions were based upon oral information and reports obtained in the course of field trips by officials of the Department and upon telephone conversations and oral reports by field personnel, and not upon written reports, memorandums, or correspondence."

Mr. Chairman, the farm families of this country, through no fault of their own, are confronted with difficult and trying circumstances. In my section of the country there is a depression among small farmers—that is, those who are left on the farms. The others are looking for jobs elsewhere. I am concerned, as I know each one of you is concerned, with their plight. Coming from an agricultural section composed of some of the better farms and farmers in America, and I might add, many of the finest people of America, I, for one, will continue to support measures honestly and sincerely designed to assist them, regardless of who proposes them. However, the Secretary of Agriculture's reckless political manipulation, which I have just described, of the soil bank program serves only to favor those who failed to comply at the expense of those who did comply with the soil bank provisions. It was bad administration. It was not good government. It was a serious violation of a public trust. I might add—I have sufficient confidence in the intelligence and fairness of the American farmer to predict also that it was not good politics.

The soil-bank program may or may not be the answer or even a partial answer to the farm problem. I am very much afraid we are headed in the wrong direction. We have had too many patched up, and I am afraid quickly hatched up, laws. Except for price-support levels, much of our trouble, as the gentleman from Mississippi [Mr. WHITTEN] pointed out, comes from 1933 laws

which largely control our present farm programs.

Conditions on the average American farm are far from good. I am convinced that reduced acreage, reduced prices, and rising costs both to the farmer and consumer, will ultimately bring disaster to agriculture. The last 4 years—under such administration as I have just described in connection with cancellation of soil-bank contracts—based upon the Agriculture Department's own records, show conclusively that we cannot reduce acreage by reducing prices.

I sincerely feel that it is time for the Congress to pass some constructive legislation truly helpful to the farmer. We have a tendency, I fear, to wait too much and too long for the President or his Secretary of Agriculture to make suggestions and submit proposals.

I believe an entirely new legislative approach must be made and developed if the American farm and farmer as we have so long known them, are to survive in our highly competitive economy. If the farmer, especially the small farmer—the family-size farmer is to share in the general prosperity of the rest of the Nation, something must be done and it must be done quickly. I am satisfied now that the answer will not be found by continually taking away his means of livelihood. For the American farmer, my friends, it is much, much later than we think.

Let us put our shoulders to the wheel, face up to the task before us and write a legislative program that will not be called a handout program—a program that will do justice to the American farmer, the American consumer, and the American taxpayer. I for one am a little tired of waiting for the other fellow to do it. I for one am ready to join hands under the agricultural leadership of this House and perform such task or tasks as may be assigned to me as my part in the gigantic job that must be done to save the American small farmer from extinction.

Mr. VORYS. Mr. Chairman, in this legislation we are wrestling with the problem created by agricultural surpluses, much of which must be exported.

I want to point out that our country, from the earliest days has had agricultural surpluses to export and has been largely developed through selling agricultural surpluses abroad. When John Smith's colony raised more tobacco than they needed, and therefore exported tobacco for profit, Virginia was in business. The story has been the same for 300 years. Our railroads were paid for by exporting agricultural surpluses to pay off foreign loans. American agriculture has been, is now, and will long continue to be on an export basis, about 1 acre in 10 devoted solely to export.

Our problem now is that we cannot carry on that export through private channels at world prices at a profit. We must solve that problem.

Meanwhile, our agricultural exports have helped mightily to finance so-called foreign aid. About 30 percent of our mutual security, ECA, and other such programs have been in the form of agricultural exports.

In the hearings on this bill—volume 6, page 247—there is a breakdown of agricultural exports during the past 11 years. Here are the totals:

	Billion
Total agricultural exports	$36.644
Private nongovernmental programs	20.640
Governmental programs (of which $11.862 billion was in grants)	16.004

Thus, foreign aid has been the biggest agricultural support program. It is ominous that we must use Government programs to move 40 percent of our farm produce abroad. We must find a better way to do it. Meanwhile, these exports continue to contribute to our security, to the development and maintenance of military, economic, and political strength and stability in the free world in the cold war with communism.

Mr. McINTOSH. Mr. Chairman, in the Department of Agriculture budget recommendations to the Congress, there was included an item of $52,000 for dried bean utilization research. It is a disappointment to note that the Appropriations Committee, in reporting the Agriculture appropriation bill to the House, has reduced this item.

The special Commission established by the Congress on Increased Industrial Use of Agricultural Products, in its recent interim report, urges strongly that utilization research is the only real solution to the farm-surplus problem. Surpluses, the Commission states, will continue to mount, despite increased exports and population growth.

Price supports on dried beans have been costly to the producers, processors, the Government, and the taxpayers. It is believed that real savings to all concerned will be achieved through a sound program of utilization research. The dried-bean industry has raised $130,000 in funds for this purpose, but additional Government help is urgently needed.

On the other hand, production research continues to improve the efficiency of farm production. To illustrate, the Department of Agriculture recently announced two new dried bean varieties, one adaptable in my State of Michigan, and the other in the Western States. Both varieties will materially increase yields of these types of dried beans. These varieties will be completely in use in 1959. Utilization research is urgently needed to catch up with the developments in production research.

It is encouraging to note that the Appropriations Committee, even though denying additional funds for dried bean research, recognized the need for utilization research and directed the Secretary of the Department to make every effort to undertake such work within the funds provided.

In view of the concurrence of all concerned, the Department of Agriculture, the Congress, and the dried bean industry, as to the need for a sound utilization research program, and the initiative shown by the industry, it is my hope that the Government will continue the fullest possible coooperation.

FIFTIETH ANNIVERSARY OF 4–H CLUBS

Mr. SMITH of Mississippi. Mr. Chairman, while we are considering the appropriations for the Department of Agriculture, which include funds for Federal contribution to 4–H Club work within the Extension Service, it is appropriate to call attention to the 50th anniversary of the 4-H program.

We in Mississippi are especially proud of the outstanding work being done by the 4–H Clubs of this country, for it was here in Mississippi that the Federal Government first took a hand in sponsoring and directing club work 50 years ago.

It was the work of the Boys' Corn Club in Holmes County, directed by William Hall Smith, that gained the attention of an assistant to the United States Secretary of Agriculture, and through his aid that it became the first 4–H Club in the United States.

William Hall Smith, then superintendent of schools in Holmes County, called a meeting of volunteer corn growers and their teachers in the county seat of Lexington in February of 1907. It was due to his desire to see a more effective and prosperous school program in a poor section of the country that made him determined to tie schoolwork in with farmwork.

To accomplish this he proposed to hold corn contests among the boys and needlework, breadmaking, and cakebaking contests for the girls. This system, he felt, would not lose its hold on the boy when he reached the age of 14.

The county was in the grip of the initiative-destroying one-crop system of farming that prevailed throughout the South. Cotton being the only crop a farmer could get credit on, it seemed useless to farmers in debt to try to raise anything else. Their family food, which they could have raised in the garden, and the feed for their mules, which could have been raised on the good corn land, were all bought from the store on credit. The farmer was left with very little after he had settled up in the fall. He would go back to raising cotton in order to assure himself more food and feed for the next year.

It was the belief of William Hall Smith that this evil chain could be broken by encouraging higher corn yields through better farming methods. An abundance of corn would make possible the raising of pigs and chickens, and perhaps enable some families to keep a cow.

Smith was to receive the aid of Mississippi State College and the demonstration agents of the Government. Professor Perkins, of Mississippi State College, gave the corn club boys some seed of a tested variety for about half an acre of corn. As the season progressed, the members of the corn club received bulletins from the college and the Department of Agriculture. On land where the farmers had been averaging less than 20 bushels of corn per acre, the members were reported by Smith to have reached as high as 120 bushels per acre.

Dr. Seaman A. Knapp, an assistant to the Secretary of Agriculture and the founder of the Extension Division, became so interested in the accounts of the Boys' Corn Club sent in by County Agent W. B. Lundy, that he made a trip to Lexington and visited the fair where the exhibits were shown. He was so

impressed with the exhibits of corn, needlework, and baking shown there in October 1907, that he decided to sponsor it as a permanent part of the extension program.

Dr. Knapp appointed Mr. Smith as an agent for the United States Department of Agriculture at the salary of one dollar per year. The appointment carried with it the franking privilege, which permitted Smith to mail out circulars and instructions postage-free. Thus, Smith became the first man to be named by the Federal Government to do club work with rural boys and girls. Mr. Smith soon became known throughout the State as "Corn Club" Smith.

Dr. Knapp offered to pay out of his own pocket the expenses of the boy who made the best corn production for the year 1909. This trip was won by D. C. Lundy, one of the best known farmers and cattlemen in that area of the State.

A meeting in January 1908, was held in Durant, Holmes County, to lay plans for spreading the clubs to other counties and a circular called Mississippi School Boys' Experiment Club—Suggestions and Plans for Organization and Work.

The people of Mississippi, fully realizing the importance and accomplishments of William Hall Smith, have dedicated a historical marker on United States Highway 51, near Pickens, commemorating his founding of the 4–H Clubs. The dedication and unveiling of the marker was attended by many State and local officials, together with former members of the original Boys' Corn Club of 1907.

The purposes of the club program are, in essence, the same today as expressed by William Hall Smith in the organization of the clubs in 1907 and 1908.

To aid, through practical demonstration work, the State Agricultural College and the Extension Department at Washington in reaching the masses of people with their extension work.

To make farm life more attractive and farming more profitable.

To make the study of agriculture in the public schools more practical and interesting.

To make the rural environment of the child minister to its education.

To enable the people, by making them more prosperous, to take better advantage of the public schools.

To encourage soil study, soil improvement, better cultivation, food selection, etc.

To enforce the idea that farmers need as thorough mental training as professional men.

Mr. SISK. Mr. Chairman, I am voting against an appropriation for operation of the soil bank next year because I am convinced we must come up with a better program for the American farmer and the American people. I feel that a denial of funds for the acreage-reserve program next year will make imperative a searching inquiry into our agricultural mess and will give powerful stimulus to practical legislation and a better program. I pledge myself to the strongest support of legislation to this end and I believe the Members here must recognize and accept that the votes of a great many of us are intended to open the door to the earliest consideration of legislation which will permit farmers to share fully in the national income.

The soil bank is a demonstrated failure. I voted for it originally with the gravest misgivings and the utmost reluctance, only because there appeared no other prospect of relieving the immediate emergency confronting us. I felt it would not materially help growers, would not substantially reduce surplus production and that it would be harmful to our general economy. Events since last summer have established the truth of my fears.

In my home county of Fresno, Calif., the Fresno County and City Chamber of Commerce within the last month has compiled figures showing that it costs $107.38 for the farmer to produce a bale of cotton for which he receives an average of $190.24. It costs an additional $28.40 to process this bale of cotton. If the farmer puts land into the soil-bank acreage reserve, he receives about $68 for each bale of cotton he does not raise. This is $14 less than the profit he would realize if he grew it.

Our entire agricultural economy is geared to exist, not on the farmer's profit, but on his costs of production. Labor, small-business men, banks, utilities, industries of all kinds, share in the money the farmer pays out to grow crops. When he does not grow them, all these related businesses suffer.

Under the soil-bank plan, we are offering a false profit to the farmer and striking a death blow to all the segments of our economy which participate in farm production. In Fresno County, Calif., the soil bank takes $135.78 out of the channels of trade for every bale of cotton not produced. This is ample, if continued for another year, to throw thousands of small-business men into bankruptcy and hundreds of thousands of workers into unemployment. I do not think we can justify a program which does not help the farmer and hurts everybody else with whom he deals directly or indirectly.

The soil bank ignores all except basic crops and provides an artificial and uneconomic stimulus for conversion of lands into nonbasic crops which are themselves in surplus and without support payments or governmental help. In my district, this is adding more surplus production of grapes, tree fruits, and other specialty crops and adds new peril and hardship to the predicament of the farmers long established in these lines. This is accomplished under regulations of the Secretary of Agriculture which allow soil-bank payments for land withdrawn from production of cotton but which is also planted to nonbearing vines and trees. These regulations also permit payments on land converted to other crops in the fall of the year, so that during 1958 a great deal of land withdrawn in 1957 from basic crop production will be adding new surplus of other foods and fiber. Thus, while we hand out a meager soil-bank payment to one farmer, we stab another in the back.

What we must have is a program which permits all farmers to take their rightful place in the economy of America—to share fully in the large national income—to have the power to bargain in the market place and demand a proper return for their hard labor. I am convinced we can help bring this about and I think the road to it lies through extension of the marketing-agreement system, probably a voluntary, widespread domestic production quota system, and a vigorous and sincere expansion of our foreign markets. In the very near future we will be confronted by food shortages, not surpluses. We cannot meet this problem by handouts to discourage production and slipshod programs which lower our national income.

Mr. MARSHALL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. KILDAY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 7441) making appropriations for the Department of Agriculture and Farm Credit Administration for the fiscal year ending June 30, 1958, and for other purposes, and directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. H. CARL ANDERSEN. Mr. Speaker, I demand a separate vote on the so-called Harrison amendment.

The SPEAKER. Is a separate vote demanded on any other amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The Clerk will report the amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 21, strike out all following the word "program" in line 2, and strike all of line 3.

The SPEAKER. The question is on the amendment.

Mr. H. CARL ANDERSEN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 192, nays 187, not voting 54, as follows:

[Roll No. 74]

YEAS—192

Abbitt	Bonner	Cooley
Abernethy	Bosch	Corbett
Addonizio	Boyle	Coudert
Alexander	Brooks, La.	Cretella
Alger	Brooks, Tex.	Curtis, Mo.
Andrews	Brown, Ga.	Davis, Ga.
Anfuso	Brown, Mo.	Delaney
Ashmore	Brownson	Derounian
Ayres	Broyhill	Dies
Bailey	Budge	Diggs
Becker	Burleson	Dingell
Backworth	Byrne, Pa.	Dollinger
Bennett, Fla.	Cannon	Donohue
Bennett, Mich.	Celler	Dorn, S. C.
Blitch	Chelf	Dowdy
Boland	Chudoff	Doyle
Bolling	Clark	Durham

Farbstein	Landrum	Robeson, Va.
Fascell	Lane	Rogers, Colo.
Feighan	Lankford	Rogers, Fla.
Fino	Latham	Rogers, Tex.
Fisher	Lesinski	Rooney
Flood	Lipscomb	Roosevelt
Flynt	Long	Rutherford
Forand	Loser	Santangelo
Forrester	McCarthy	Saund
Fountain	McFall	Schenck
Frazier	McMillan	Scott, N. C.
Friedel	Macdonald	Shelley
Fulton	Machrowicz	Sheppard
Garmatz	Mack, Wash.	Shuford
Gary	Madden	Sieminski
Gathings	Mahon	Sisk
Gordon	Marshall	Smith, Calif.
Granahan	Matthews	Smith, Kans.
Green, Pa.	Metcalf	Smith, Miss.
Griffiths	Miller, Calif.	Smith, Va.
Haley	Minshall	Spence
Hardy	Morano	Staggers
Harrison, Va.	Moss	Sullivan
Healey	Moulder	Taber
Hemphill	Multer	Teague, Calif.
Herlong	Mumma	Teague, Tex.
Hess	O'Brien, Ill.	Thomas
Hiestand	O'Brien, N. Y.	Thompson, La.
Holifield	O'Hara, Ill.	Thompson, N. J.
Holland	O'Konski	Thompson, Tex.
Huddleston	O'Neill	Thornberry
Hull	Passman	Tuck
Ikard	Patman	Udall
Jackson	Pelly	Utt
Jennings	Pfost	Vanik
Jonas	Philbin	Vinson
Jones, Mo.	Pilcher	Walter
Karsten	Pillion	Watts
Keating	Poage	Wharton
Kee	Poff	Whitener
Kilday	Porter	Wier
Kilgore	Powell	Williams, Miss.
King	Preston	Willis
Kirwan	Rabaut	Winstead
Kitchin	Radwan	Wright
Kluczynski	Riley	Yates
Knutson	Rivers	Young

NAYS—187

Albert	Devereux	McIntosh
Allen, Ill.	Dixon	McVey
Andersen, H. Carl	Dooley	Mack, Ill.
	Dorn, N. Y.	Mailliard
Andresen, August H.	Dwyer	Martin
	Edmondson	Mason
Arends	Elliott	May
Aspinall	Evins	Meader
Auchincloss	Fenton	Michel
Avery	Ford	Miller, Md.
Baker	Frelinghuysen	Miller, Nebr.
Baldwin	Gavin	Mills
Bass, N. H.	George	Montoya
Bass, Tenn.	Grant	Morgan
Bates	Gray	Morris
Baumhart	Gregory	Natcher
Belcher	Gubser	Neal
Bentley	Hagen	Nicholson
Berry	Hale	Nimtz
Betts	Halleck	Norblad
Bow	Harden	Norrell
Bray	Harris	O'Hara, Minn.
Breeding	Harrison, Nebr.	Osmers
Broomfield	Harvey	Ostertag
Brown, Ohio	Haskell	Patterson
Burdick	Hays, Ark.	Perkins
Bush	Heselton	Polk
Byrne, Ill.	Hill	Price
Byrnes, Wis.	Hillings	Prouty
Canfield	Hoffman	Rains
Carnahan	Holmes	Ray
Carrigg	Horan	Reece, Tenn.
Cederberg	Hosmer	Reed
Chamberlain	Hyde	Rees, Kans.
Chenoweth	Jarman	Reuss
Chiperfield	Jenkins	Rhodes, Ariz.
Christopher	Jensen	Rhodes, Pa.
Church	Johansen	Riehlman
Clevenger	Johnson	Roberts
Coad	Jones, Ala.	Robsion, Ky.
Coffin	Judd	Rogers, Mass.
Collier	Kean	Sadlak
Cooper	Kearns	St. George
Cramer	Keeney	Saylor
Cunningham, Iowa	Kilburn	Schwengel
	Knox	Scott, Pa.
Cunningham, Nebr.	Krueger	Scrivner
	Laird	Scudder
Curtin	Lanham	Seely-Brown
Curtis, Mass.	LeCompte	Selden
Dague	Lennon	Sheehan
Davis, Tenn.	McConnell	Siler
Dawson, Utah	McCulloch	Simpson, Ill.
Delaney	McDonough	Simpson, Pa.
Dempsey	McGovern	Smith, Wis.
Dennison	McGregor	Springer
Denton	McIntire	Steed
Talle	Vorys	Wigglesworth
Tewes	Vursell	Williams, N. Y.
Thomson, Wyo.	Wainwright	Wilson, Ind.
Tollefson	Weaver	Withrow
Trimble	Westland	Younger
Van Pelt	Whitten	Zablocki
Van Zandt	Widnall	

NOT VOTING—54

Adair	Eberharter	Keogh
Allen, Calif.	Engle	McCormack
Anderson, Mont.	Fallon	Magnuson
Ashley	Fogarty	Merrow
Barden	Green, Oreg.	Miller, N. Y.
Baring	Griffin	Moore
Barrett	Gross	Morrison
Beamer	Gwinn	Murray
Blatnik	Hays, Ohio	Rodino
Boggs	Hébert	Scherer
Bolton	Henderson	Sikes
Bowler	Hoeven	Stauffer
Boykin	Holt	Taylor
Buckley	Holtzman	Teller
Byrd	James	Ullman
Cole	Kearney	Wilson, Calif.
Colmer	Kelley, Pa.	Wolverton
Dawson, Ill.	Kelly, N. Y.	Zelenko

So the amendment was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. Gwinn against.
Mr. Keogh for, with Mr. Beamer against.
Mr. Colmer for, with Mr. James against.
Mr. Fogarty for, with Mr. Wolverton against.
Mr. Rodino for, with Mr. Cole against.
Mr. Buckley for, with Mr. Henderson against.
Mr. Kelley of Pennsylvania for, with Mr. Boykin against.
Mrs. Kelly of New York for, with Mr. Holt against.
Mr. McCormack for, with Mr. Wilson of California against.
Mr. Holtzman for, with Mr. Stauffer against.
Mr. Barrett for, with Mr. Kearney against.
Mr. Barden for, with Mr. Hoeven against.
Mr. Bowles for, with Mr. Moore against.
Mr. Blatnik for, with Mr. Griffin against.

Until further notice:

Mr. Hays of Ohio with Mr. Adair.
Mr. Blatnik with Mr. Allen of California.
Mr. Boggs with Mr. Berry.
Mr. Byrd with Mr. Merrow.
Mr. Fallon with Mrs. Bolton.
Mr. Morrison with Mr. Miller of New York.
Mr. Teller with Mr. Scherer.
Mr. Zelenko with Mr. Gross.

Messers. JENKINS, JOHANSEN, GAVIN, SCHWENGEL, HOFFMAN, and NICHOLSON changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. H. CARL ANDERSEN. Mr. Speaker, I ask for a recapitulation of the vote.

The SPEAKER. I do not think any chairman has ever held that a recapitulation is in order when there are as many as 5 votes difference.

Mr. H. CARL ANDERSEN. I bow to the Speaker's decision.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent that all Members who spoke on the bill just passed may have 5 legislative days in which to revise and extend their own remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SCHOOL BIAS ENDS IN A BORDER CITY

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an article from the New York Times.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, under the caption "School Bias Ends in a Border City," the New York Times has published a front-page story in its edition of May 15, 1957, which I would most respectively but urgently request every Member of Congress to read. It tells a story which is so human as well as fair that it cannot help but impress its truth upon all who have the least bit of objectivity.

I would point out particularly and ask that you read with great detail the points which are made concerning, first, integration was made to succeed without violence; second, economies running in excess of 20 percent of school budgets results; third, educational standards have not been lowered because of proper preparation; and fourth, discrimination does not exist in the minds of children and can be eliminated in the minds of adults who have the courage to face realities.

SCHOOL BIAS ENDS IN A BORDER CITY—CHARLESTON, W. VA., ADJUSTING WELL, ALTHOUGH PREJUDICE REMAINS IN HOMES

(By Benjamin Fine)

CHARLESTON, W. Va., May 9.—The mother of a fourth-grade pupil at Mercer elementary school stormed into the principal's office on the opening day of school last fall.

"What is this I hear about a Negro going to teach my boy?" she demanded.

Mrs. Bessie H. Stewart, the principal, explained that by order of the board of education, integration was now the school policy.

"I can't take it," the woman shouted. "I'm from Mississippi. My husband was born in Tennessee. If my child has a Negro teacher I'll take him out and send him to a private school."

"Please," the principal asked, "try the new teacher. Give her a chance."

A week later, the Mississippi-born woman came to Mrs. Stewart and said, quietly:

"Mrs. Stewart, I was wrong. Jimmie loves his teacher. I guess I'll let him remain at Mercer for the rest of the year."

INTEGRATION IN EFFECT

When integration was put into effect in Kanawha County last fall, the school officials and community leaders had their fingers crossed. In the fall of 1955, mixed classes were ordered for the first, second and seventh grades. Last September, the entire school system from kindergarten through high school became integrated.

At first there were grumblings, such as that expressed by the mother from Missis-

sippi. The superintendent, Dr. L. K. Lovenstein, had several anonymous telephone calls, threatening violence. The police were alerted but they were not needed.

Charleston, the State capital, is part of Kanawha County, in the heart of the West Virginia mountains. About 57,000 pupils, 3,000 of them Negroes, are enrolled. Only 129 of the 1,961 teachers are Negro.

Charleston and the entire county had always had a segregated system of education. When the decision to integrate was taken, Dr. Lovenstein and the board members called upon the parent-teachers associations, the citizen groups, and the press to help smooth the way.

"We couldn't have received better cooperation," said Herbert M. Beddow, president of the board of education. "Everyone agreed that integration must be made to succeed without violence."

It has Negro and white children are found in every part of the county. Negro teachers have been assigned to all-white schools, even to communities where Negroes are not permitted to live. Eighteen all-Negro schools been abandoned. Three were merged with white ones. The district lines of eight schools were changed to permit Negroes to attend.

SYSTEM SAVES $250,000

School officials estimate that the immediate saving this year will be $250,000 out of a budget of $11 million. The economies will become even greater in the years ahead, they predict.

There is no indication that the educational standards have been lowered. Dr. Lovenstein points to the high standards of Negro instruction—the small pupil-teacher ratio and the corps of adequately trained Negro teachers—as reasons why the Negro children kept pace with the academic achievements of their white classmates while they were in a segregated system.

To some parents, acceptance of Negro teachers in mixed classes came hard. While visiting a friend, Mr. Beddow was taken to task for assigning a Negro teacher to the fourth grade. The father spoke harshly against Negro teachers in general and this one in particular.

His 10-year-old daughter, overhearing the conversation, broke into the room.

"You're talking about my teacher," she said to her father indignantly. "She's the best teacher I've ever had."

"The father hushed up fast," Mr. Beddows said. "He's for integration now."

OPERATING SMOOTHLY

As the first full year of an integrated program draws to a close, the pupils and teachers agree that the program has operated smoothly.

"I'd like to have my teacher again next year," Billy, 9, said of his Negro instructor.

"I like being here with my white friends," Tom, 10, who was in an all-Negro class a year ago, added happily. "My teacher is real nice."

He doesn't even refer to the fact that she is white—the first white teacher he has ever had.

On the elementary level, almost without exception, Negro children and white ones play and study together. As was found in Wilmington, Del., the youngsters here are colorblind. They make no distinction between races in the classroom or on the play yards.

A fourth-grade teacher, Mrs. Maude Bennett, has 18 white and 10 Negro pupils in her class. She has been a teacher for 32 years, and this is the first time she has taught an integrated class.

"I can't see any difference at all," Mrs. Bennett said. "The colored and white children do just about the same work. In the spelling bees, sometimes a white child will come out ahead, sometimes a Negro."

The class officers were called to order by Mrs. Bennett. They gathered around her desk to decide how best to keep the room clean.

The president, James Randall, who wants to be a pilot, is a Negro, as is the assistant secretary, Jane Clayton, a future teacher. The vice president, Linda Stillwell, and the secretary of the class, Margaret Moses, are white.

CHOSEN FOR ABILITY

This situation is common throughout the school system. Negroes are elected to student offices, they are on the athletic teams, they work for the student newspapers and join the dramatic clubs. But, the students are quick to say, the Negro pupils are chosen on the basis of ability, not color.

"We love Jimmy Randall," his classmates said. "He's a good president."

The townspeople have come to accept this school integration. Recently about 100 elementary children marched through the streets to attend a concert in the center of the city. Quite by accident, the informal procession was led by a third grade Negro boy and a third grade white girl. Hand-in-hand they marched down the street at the head of the procession.

"I wondered what the people were staring at," a school official said. "Then suddenly I realized. We are so used to seeing Negro and white children playing together in schools that we just don't notice it anymore. For the citizens, however, it must have been a novelty."

MOST TEACHERS WHITE

Because the great majority of teachers and pupils are white, most of the youngsters are taught by white teachers. For the first time, these teachers find Negro children in their classrooms.

Jean Ferguson, a third grade teacher with 35 years' experience, is typical of many. Until this year she had taught all-white classes. Now she has a class of 13 Negroes and 13 whites.

"It was difficult to get used to it at first," she said. "It's made my work more difficult and more challenging.

"But I haven't found any real difference in intelligence between the two races. There are slow and fast readers among both the Negroes and the white children."

The Negro parents come to the P. T. A. meetings, Miss Ferguson said, in the same proportion as the white parents. They cooperate with her whenever special problems arise, she said.

"I don't mind teaching a mixed class now," she added. "I'll probably get another one next fall. I certainly won't ask for an all-white class."

TRANSFERS POSSIBLE

Parents who do not want their children to attend mixed classes or who object to Negro teachers may ask for a transfer. However, if the class to which they wish their child transferred has more than 30 pupils, the child will not be admitted. Also, they have to pay transportation costs of $4 a month on the elementary level, $12 on the high school.

"We have had mighty few requests for transfers," Dr. Lovenstein said. "Our parents seem to accept things as they are."

NEGRO TEACHER ASSIGNED

Sometimes a Negro teacher is placed in an all-white school, Mrs. Stella Meiner at the Chandler School is an example. She has 41 fourth-grade pupils, and they are "crazy" about her, in their own words. "She's a good teacher," the children said.

"My mother says," a long-haired girl of 9 remarked, "that Mrs. Meiner is the nicest teacher she ever met."

Mrs. Meiner always had taught Negro children. Now she teaches only white children. The educational standards are similar, however, she said.

"I don't find any differences at all," she said. "They are all such lovely children."

Dr. Lovenstein explained her appointment:

"There was a vacancy at the school and Mrs. Meiner had the necessary qualifications, so we gave her the job."

ANOTHER IS APPOINTED

A similar situation exists at the Clendenin Junior High School, 20 miles from Charleston. No Negro had ever taught in this school of 864 children and 27 teachers. Moreover no Negro had ever lived in Clendenin, a mining and farming community.

A Negro teacher, Arned Brown, was brought in last September to teach art and history. He is accepted by the community, students, and teachers. For the first time in Clendenin, seven students have won art prizes in national competitions.

The students sing the praises of Mr. Brown.

"He is the best teacher I've ever had," is the typical comment of the 254 students whom he teaches.

"We have forgotten that he's colored," Debbie Karr, the senior class president, said. "When he first came here, I was prejudiced. I didn't like Negroes. Well, I've certainly changed my mind now. I think they're as good as we are."

BIAS BEGINS OUTSIDE

However, integration stops in the classroom or on the athletic field; it is not carried over into the home. When a colored student at the Thomas Jefferson High School came to a party given by one of his classmates, he was asked to leave.

"Please don't take this as a personal affront," the mother of the boy giving the party said. "We just aren't used to having Negroes at our parties. Maybe when integration is further along we'll be able to invite you."

"I got a phone call from a boy in my class," said Mary Bowditch, 14, a high-school freshman. "Mother didn't like it when she learned he was colored. When he called again she wouldn't let me talk to him. But really he only wanted to carry on a pleasant conversation."

At the school dances the Negro and white pupils are not allowed to exchange dances.

"The community is not ready to go that far," said the dean of girls at the Stonewall Jackson High School.

"We'll have to take integration step by step," said Mrs. John C. Norman, a Negro teacher active in community affairs. "You can't hold the dawn back indefinitely."

DEFENSE APPROPRIATION BILL

Mr. MAHON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I have requested the privilege of extending my remarks at this point in the RECORD for the purpose of making an announcement. The hearings on the big defense-appropriations bill are now available. Some of them have been available since the first of this month.

It is anticipated that the Defense appropriations bill will be reported out of the Committee on Appropriations on May 21. The House leadership has not fixed a definite date for House consideration of the measure, but the indications are that consideration of the bill will be

completed on or before Wednesday, May 29. It may be that the general debate on the bill will begin on Friday, May 24.

HOUSE MEMBERS' NEED FOR ADMINISTRATIVE ASSISTANTS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, I am inserting herewith an editorial from the May 10, 1957, issue of the Texarkana Gazette, Texarkana, Ark.-Tex., supporting my proposal that each Member of the House be allowed an administrative assistant well versed in taxes, appropriations, and monetary matters. These subjects required technical training for intelligent handling, and I believe all of us would greatly benefit if we could have such a technician on our staff.

The editorial is as follows:

NOT A BAD IDEA

In a recent speech on interest rates and the tight money policy, Congressman WRIGHT PATMAN made the observation that Members of Congress are not equipped to deal intelligently with three subjects—taxes, appropriations, and monetary matters. We agree with Mr. PATMAN that these are subjects calling for the utmost in study, research, and technical understanding. From what we have been able to observe of Congress, its Members do not have the time it takes for a proper understanding of these subjects.

Congressman PATMAN suggests that the greatest benefit that the people could possibly get from any expenditure of public funds would be to insist that every member of Congress have an administrative assistant for these three subjects of taxes, appropriations, and monetary matters.

He said this would be of much greater benefit to the constituents than the enlargement of the staffs of the various committees.

A Member needs somebody close to him who is responsible only to him and who will keep the Member advised and who will carry out the will and the wishes of the Member, prepare information, etc.," Mr. PATMAN said.

We are in agreement with Mr. PATMAN that the Members of Congress are prepared to take care of clerical matters and office correspondence because they have adequate help provided for that purpose although some congressional districts are so large it is almost impossible for the members of these districts to keep up with their office work, but they certainly are not equipped to deal intelligently with taxes, appropriations, and monetary matters—three of the most important issues that come before Congress.

FRIENDSHIP AIRPORT

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, for many years the people of Baltimore have wondered why Friendship Airport, certainly one of the finest and most modern facilities of its type in the world, has not been more generally used by our principal air carriers. While the Washington National Airport continues to be dangerously overcrowded, Friendship offers to the traveling public of the greater Washington-Baltimore area accommodations unmatched on the eastern seaboard.

The two busiest airports among the Eastern States are New York's La Guardia and Miami's International. Neither can compare with Friendship in the matter of overall efficiency and attractiveness.

That is why, Mr. Speaker, the people of Baltimore are delighted over the prospect of soon being on important international airline operations provided the Civil Aeronautics Board accepts the strong and forthright recommendations recently made by one of its examiners regarding nonstop service to Mexico City.

You will recall, Mr. Speaker, that Pan American World Airways has recently sought several new routes with the provision that Friendship Airport be used as a joint terminal for Baltimore and Washington. One case in particular comes readily to mind because Pan American's proposal to operate a new service between Baltimore and Miami was rejected in favor of certification of a carrier which, at the time of its certification, had no four-engine equipment and no intention to serve Friendship. We are well aware, Mr. Speaker, of the skullduggery which occurred at the time the decision against Pan American was being made and a special Senate subcommittee is concerning itself with all aspects of that case at this time.

However, that case is history and once again we are confronted with a situation wherein Pan American proposes to put Baltimore on the world's trade routes. A Civil Aeronautics Board examiner has recommended most emphatically and without qualification that Pan American be authorized to operate between New York and Baltimore and Mexico City. Ordinarily, Mr. Speaker, the examiner's recommendations would have a powerful effect on the ultimate decision of the Civil Aeronautics Board and we in Baltimore hope that this case will be no exception. But I am aware of many strong political considerations which could conceivably upset the recommendations of the examiner and give such certification to another airline which does not propose to utilize Friendship Airport on this route. The Civil Aeronautics Board will hear oral argument on this case on May 29 after which there will be a period of deliberation by the Board. The Board will then make a recommendation to the White House inasmuch as an international route is involved and, under our present laws, the final decision of international air routes rests with the President.

Mr. Speaker, there is more involved in this case than the simple matter of an air route between the Eastern United States and Mexico City. Pan American has the equipment and existing routes which can put Baltimore in a desirable position internationally. Pan American flies beyond Mexico City to all of South America. Likewise, Pan American flies from New York to points all over the universe.

At this time, only one air carrier provides nonstop service to Mexico City. Strangely enough this carrier is Air France which advertises itself as the world's largest airline. Air France now has a monopoly on international operations between Europe and Mexico. I should like, at this time, to quote from the Civil Aeronautics Board examiner on this subject:

The record leaves no doubt that the public convenience and necessity require authorization of nonstop air service between New York or Washington, and Mexico City. The authorization is not only needed to permit improvement in the existing American-flag service made possible by the longer range aircraft in use in recent years; it is imperative that such service be authorized for an American-flag carrier to meet the competition of Air France between New York and Mexico City. Consideration of necessary improvements in American-flag carrier services between New York and Mexico City has been too long delayed. That delay has resulted in the incredible situation where a European carrier has in the past year won a preferential position in a market pioneered by our own industry and in a stream of traffic in which a United States-flag carrier should be second to none.

Mr. Speaker, Pan American at the outset of this projected service will provide 2 flights per day through Friendship Airport—1 headed toward Mexico City and 1 returning from Mexico City. These flights would connect with other Pan American operations heading toward Central and South America on one hand and Europe, the Middle East and the rest of the world on the other. Certainly, as traffic warrants it, Pan American would step up its frequency in and out of Friendship. This service would not be a stub-end operation but would actually put Baltimore on the world's trade routes.

I quote once again from the report of the examiner:

Pan American is the only applicant which can effectively participate in the Europe-Mexico City market, and its selection as the carrier needed for the proposed nonstop service is necessary to strengthen United States-flag aviation over the North Atlantic. The selection of Pan American will contribute to a considerable reduction of mail pay subsidy. This carrier alone has experience as an overseas competitor with the foreign-flag operator now entrenched in the New York-Mexico City market. Pan American can also effectively serve the Mexico traffic that does not proceed east of New York because it is in a position to provide high-quality service for the local New York-Mexico City travelers; it has the capacity for promoting large-scale tourist travel to Mexico; and it can provide one-carrier service to points beyond Mexico City, thus integrating tourism in the general Latin American area with its service to Mexico City. Of the two applicants, Pan American is in the far better position eventually to exploit and promote the potentially large vacation and tourist market of Mexico City, because, in addition to the local New York-Mexico City vacation market, it will be able to exploit the Europe-Mexico tourist trade. Other countries regard a proper participation by their flag carriers in the movement of traffic between third countries as an important and legitimate goal of national policy. It is no less so for the United States.

In sum, the congressional policy as expressed in section 2 of the act as applied to the facts of record in this case requires the nonstop authorizations for Pan American.

This carrier, as the only applicant able to provide all the types of public service required by the route and afford one-carrier services beyond each end of the route, can provide the most effective United States-flag competition in an area of travel now dominated by a foreign-flag operator. Pan American's certification will save the Government money in mail pay costs and insure the proper development of a potentially strong foreign market. These vital considerations of our national interest outweigh any preference for Eastern's proposal stemming from greater optimism, initial plans for all-coach flights, route integration with domestic service, probable diversion of Eastern's revenues, and any color of right Eastern may have on the ground that its 1946 award for Mexican service failed of implementation. In other words, if the needs of the traveling public are best to be promoted and served, if full American-flag participation in the two large markets herein involved is to be recaptured and held, if we are to take advantage of integrating and solidifying our own flag services between Europe and Latin America, if a rare opportunity for reducing air carrier subsidy is to be taken—in short, if the public interest in an economically sound, financially strong and subsidy-free air transport is paramount—the choice of carrier in this proceeding is crystal clear. The choice is Pan American.

Pan American is a long-established carrier holding certificates of public convenience and necessity and air operating certificates. Pan American's history of successful operations and its showing on this record, leave no doubt that it is fit, willing, and able to perform the services herein found required by the public convenience and necessity.

Mr. Speaker, the examiner in this case has not equivocated. He has shown no indecision. We in Baltimore do not carry a banner for any particular airline. We recognize that Eastern Air Lines has been a most vital factor in the development of a sound air transportation system which has contributed so much to the economic progress of the United States. But I suggest, Mr. Speaker, that we consider most carefully the concluding recommendation of the examiner:

In view of the foregoing and all facts and contentions of record, it is concluded that the public convenience and necessity require a nonstop authorization for Pan American between New York/Washington and Mexico City and that the public convenience and necessity require denial of the proposal of Eastern for nonstop operations on that route.

We in Baltimore sincerely hope that the Civil Aeronautics Board and the White House consider carefully the recommendations of the examiner and that Pan American Airways be given the opportunity to do for Baltimore what no other carrier has proposed.

EGYPTIAN PERSECUTION OF THE JEWS

Mr. ADDONIZIO. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. ADDONIZIO. Mr. Speaker, after the Suez crisis last November, when the American public was distracted by events in Hungary and the problem of Hungarian refugees, serious and tragic events were taking place in Egypt. I refer to Nasser's expulsion of Egyptian Jews from their homes, the confiscation of Jewish businesses and properties in Egypt, and the deliberate creation of a refugee problem by the Egyptian dictator.

The shocking details of Egyptian persecution of the Jews by Nasser are not as well known in the United States as they should be. After the fighting in Suez and Sinai stopped, Nasser moved against the Jews. During November, the Egyptian secret police—borrowing Nazi and Soviet techniques—entered the houses of loyal, non-Zionist Egyptian Jews in Cairo and Alexandria in the small hours of the morning to tell the astonished Jews that they had to leave Egypt immediately. After looting these Jewish homes, the secret police herded the unfortunate victims to hastily improvised concentration camps where the Jews were kept in close confinement under filthy conditions for a long period until they could be driven like cattle into ships leaving Egypt.

In addition to brutal mass arrests and reckless expulsions, more serious charges can be leveled at Egypt. The Egyptian secret police employed force, beatings, and a favorite Egyptian punishment, the bastinado—a heritage from Mamluke and Ottoman rule in Egypt—in which the victim's feet are lashed to a pole and the public executioner whips the soles until they bleed. Victims of such tortures often cannot walk for weeks. All of these methods were used on Jews to force them to sign statements that they were leaving Egypt of their own free will, and to make them disclose the extent of their wealth. It was a common Egyptian practice to detain hostages from the immediate families of expellees to prevent those who had already gone abroad from telling the true state of affairs in Egypt to the world at large.

Egyptian Jews were not the only sufferers. Since the war, many stateless Jews had settled in Egypt. Some of them married Egyptians and many had founded businesses. Even so, the Egyptian Government made no attempt to differentiate between Egyptians and stateless Jews, nor did it make any distinction between Zionists and non-Zionists. It is well known that a great majority of Egyptian Jews had no Zionist sympathies; Zionist sympathies were imputed to them by Nasser and his friends.

Between mid-November 1956 and the end of January 1957 more than 8,000 Jews were expelled from Egypt. The new exodus represented approximately one-fifth of the Egyptian Jewish community. The destruction and despoliation of Egyptian Jewry is clear violation of the U. N. Universal Declaration on Human Rights, adopted by the General Assembly in December 1948, and to which Egypt subscribed. Indeed, the Egyptian delegate to the U. N., Mahmud Azmy, played a large part in the adoption of the declaration by the Assembly.

Article 5 of this declaration declares that no one shall be subjected to torture or cruel punishment, while article 9 bans arbitrary arrest, detention, or exile, and articles 12, 13, 15, and 17 provide for safeguards against arbitrary interference, the right to leave and return to one's own country, the right to a nationality, and prevention of arbitrary sequestration or deprivation of property. It is quite clear that Nasser's expulsion of the Egyptian Jews represents violations of at least six definite human rights listed in this United Nations declaration ratified by Egypt in 1948.

The position of the United States Government in the matter of the Jewish refugees has been ambiguous. After a minor diplomatic protest delivered by our Ambassador in Egypt to Colonel Nasser at the beginning of this year, the administration has done very little to help the cause of Egyptian Jews. This is in great contrast to the administration's rightful championing of the cause of the Hungarian refugees. All Americans were proud and happy to do what they could for these unfortunate victims of Soviet brutality. At the time of the Soviet attack on Hungary, the United States admitted several thousand refugees to this country as parolees. In all justice, the administration should do the same for the Jews expelled from Egypt. To grant hospitality to one group of immigrants and to refuse it to another is not in keeping with our American traditions of hospitality, nor our repeated intervention during the course of our history on behalf of oppressed minorities in foreign lands.

Mr. Speaker, I urge that prompt action be taken on the refugee question which challenges the conscience of the American people, and I recommend that such legislation recognize the imminent problems of escapees from dictatorship of any kind.

POST OFFICE MAINTENANCE

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. McCARTHY. Mr. Speaker, I yesterday introduced H. R. 7539, a bill to transfer to the Postmaster General the duties and functions of caring, operating, maintaining and keeping up those buildings occupied in whole or in part by the Post Office Department. At present, these duties are performed by the Administrator of General Services.

I believe that the Post Office Department again will be able to maintain their buildings in the manner in which they were once maintained. The General Services Administration has, I think, proved itself unable to manage these Government owned or leased buildings. The Federal buildings in the Fourth District of Minnesota are excellent examples of poor management and maintenance. Other Members of Congress have cited similar situations in their own districts. Other Members are undoubtedly concerned with this problem.

In the main St. Paul Post Office and Customhouse the Public Health Service recently was requested to inspect the unsanitary conditions in which the postal operations of Minnesota's capital are performed. The Public Health inspectors were called in by the Post Office Department, and these inspectors discovered disgraceful conditions in this post office.

These are excerpts from the report of inspection of the post office and customhouse building, St. Paul, Minn.:

INSPECTION OF POST OFFICE AND CUSTOMHOUSE BUILDING, ST. PAUL, MINN.

(By Leonard H. Male, assistant regional engineer, Public Health Service, Kansas City, Mo., March 6-7, 1957)

At the request of Dr. Lewis H. Hoyle, regional medical director, Public Health Service, region VI, an inspection was made of several floors in the Post Office and Customhouse Building, 180 East Kellogg Boulevard, St. Paul, Minn., on March 6 and 7, 1957. This inspection was made following the receipt of a letter from Mr. Elmer J. Bornhoeft, acting regional director, Post Office Department, Minneapolis regional office, requesting this office to make a survey and forward the report to him of our findings with recommendations. Accompanied by Mr. G. A. Raschka, chief of the section of industrial health, Minnesota Department of Health, I met with Mr. M. E. Nelson, acting regional director; Mr. J. M. Galvin, acting assistant regional director; and Mr. F. T. Thwing, regional personnel director, of the Post Office Department regional office, Minneapolis, for further information regarding the complaint on the sanitary conditions existing at the St. Paul Post Office which had been reported to the Postmaster General by the St. Paul, Minn., branch of the National Postal Transport Association.

Acting Regional Director Nelson, in the absence of Mr. Bornhoeft, requested that we make an inspection of the parcel post and circular section of the post office where most of the employees worked who had complained of unsatisfactory working conditions. Mr. J. M. Galvin, acting assistant regional director, accompanied us on the inspection of the fourth and fifth floors. Following the inspection of these floors, we met with Mr. S. A. Bertelson, postmaster, and Mr. Walter Noreen, president of the NFPC, who had been invited by the postmaster to meet with us. Mr. Bertelson accompanied us to the basement and loading docks for an inspection of these premises and showed us several pictures which had been taken of conditions found in the building including areas where plaster had fallen off, broken areas where tile had been removed, and dirt and debris under post-office equipment.

FOURTH FLOOR

This floor is devoted to the handling of circular mail which passes through the post office in transit to other States and cities. The floor space consists of 23,000 square feet with a 16-foot ceiling. Ventilation at the time of the inspection seemed to be adequate although there was evidence of a small amount of dust and lint in the atmosphere. The floor is constructed of 9-inch oak parquet blocks, and a large circular area near the center of the floor is constructed of a bituminous compound. It is said that the latter material is easy on employees who must stand on their feet a great part of the day and is readily cleaned and maintained.

It was noted that the varnish finish had worn off of many of the parquet blocks, and the seams between the blocks had widened, allowing dirt to accumulate. The floor, constructed of both materials, gave the appearance of being dirty and poorly maintained. Much dirt and lint from tying twine had collected along the walls, under the circular cases, and on top of the incoming mail belt hood. Many strip labels containing dates in January and February were found on the floor and under the pipe mail racks. The dirt and dust on the floor in many places had a settled appearance of having been there for some time. Especially was this true of the dirt found on top of and under lockers in the locker room.

One hundred and sixty to two hundred men work in this section, and there was not too much evidence of dust in the air at 2 p. m. on Wednesday, March 6. One of the workmen was wearing a homemade mask. When questioned regarding the nasal mask, he said he was bothered with asthma and a bronchial condition and that he had had considerable distress until he had begun wearing his homemade mask.

The morale among employees appeared to be satisfactory, and no one was overly anxious to condemn the conditions under which they worked. Several employees complained of the hot sun from the west windows during the summer months. It was noted that only a few shades covered the full length windows on this side and there were none on the windows on other walls of the room.

SWING ROOM

This room consists of 1,500 square feet of floor space and is used by employees during lunch periods and a. m. and p. m. breaks. It is connected to the circular paper section by a door which was open when we were there. The floor was not clean, and dirt had collected under the radiators, in the corners, and along walls of the room. There was evidence of tobacco waste on the wall and floor in the vicinity of the radiators. The floor near the soft-drink dispensary was dirty and spilled wastes from drinks were noticeable.

Toilet facilities on the fourth floor consisted of 6 stools, 3 urinals, 12 lavatories, and 2 showers. The floor and fixtures were in need of cleaning.

An average of 150 men work on this floor during a part of each day.

LOCKER ROOM

The locker room contains 1,783 square feet of floor space. The floor was very dirty, and considerable accumulation of settled dust was found on top of the lockers, at the rear of the coat rack, and on the floor under the lockers. The legs on the many lockers prevented to some degree proper cleaning of the floor.

FIFTH FLOOR

This floor is used for the sorting of parcel post packages and consists of 25,000 square feet of floor space with a 16-foot ceiling. The floor was not clean and gave one the impression of not having been thoroughly cleaned for some time. Trash and dust had collected under the table belts and under the incoming belt system. Apparently these areas were frequently overlooked when the room was cleaned.

The mail hampers and pouches in the pipe racks contained a considerable amount of dirt, lint, and small scraps of paper. If this equipment for handling mail were properly cleaned regularly, the cleaning job on these floors might be materially reduced.

The toilet facilities were in much the same condition as found on the fourth floor.

Sixty to eighty men are employed on this floor part of the day, and this force is doubled during the Christmas holiday season.

It was reported that no cleaning is done on week ends and very little at night when a small mail crew is on duty. These periods would seem to be the most logical time to clean floors thoroughly, particularly on the 4th, 5th, and basement floors. At this time there are few employees and there would be less interference when cleaning under and around hampers, pipe racks, and other handling facilities.

Following the inspection of these two floors, we met with Mr. S. A. Bertelson, postmaster, and inspected the basement floor, loading docks, and the toilet facilities used by the employees. The postmaster stated that complaints had come to him concerning the odors emanating from the urinals, etc. Conditions in this area were much the same as found on the other floors. Urinals and other toilet facilities and the floor were not being cleaned properly and kept in a satisfactory sanitary condition. The toilet facilities consisted of one urinal, two stools, and two lavatories. Here again there was evidence of a lack of sufficient and competent custodial service employees to do a satisfactory job of cleaning.

Approximately 75 men are employed in this area.

In brief, some of the management deficiencies were that there was an inadequate custodial staff to effectively clean the post office, that this custodial staff lacked the equipment and materials necessary to clean the building, that toilet rooms, locker rooms and other sanitary facilities were filthy and only periodically cleaned, that windows were unwashed and unshaded from the sun from the west, and that piles of dirt lay undisturbed under the machines used in handling the mails.

The General Services Administration in response to the adverse report and the recommendations made by the Public Health Service admitted the criticisms made of their maintenance and repairs. The reply of the Commissioner of the Public Buildings Service stated that the "principal deterrents to our giving satisfactory service have been our inability to recruit replacements for cleaning force personnel, and the tenant's inability to specify any regular time for us to clean the area." They hope now to improve their service.

Supposedly, the General Services Administration has been cleaning and maintaining the St. Paul Post Office for 6 or 7 years. Yet, in 1956, the excuse for shoddy work is that they have been unable to work out a work schedule that does not interfere with the handling of the mails. Surely, some work schedule could have been evolved in 6 or 7 years. The post offices of the country used to be cleaned and maintained, and the mails were handled as well.

It would appear that the General Services Administration becomes concerned about the maintenance of the buildings in their charge only after agencies such as the Public Health Service and Members of Congress become concerned.

The Public Health Service has not yet been called into the Federal Courts Building in St. Paul, the other major Federal building in that city. But certainly the building is, like the post office, a disgrace to the Federal Government. This building houses the United States districts courts, the circuit courts of appeals, a large postal station, the United States attorney and marshal, other agencies of the Federal Government, as well as a Member of the Senate and a Member of the House of Representatives.

The interior walls of this building are crumbling, fallen plaster is not being replaced, paint has not been applied for years, perhaps decades, and a heavy layer of dirt and soot covers all surfaces.

The broken and ill-fitting windows fail to keep out the rain, sleet, and snow. And in Minnesota winters tight windows are generally considered mandatory by all except the General Service Administration.

In my own offices in this building, ice and snow accumulates on the inside of the windows and on the sills. Heavy cold drafts swirl through the offices.

Both the St. Paul Post Office and the Federal Courts Building are staffed by inadequate maintenance personnel. Both of the buildings are filthy. Yet at one time both of these buildings were satisfactorily maintained by the Post Office Department. They were clean and in good repair.

The General Services Administration cites as its objectives or its watchwords "economy, efficiency, and service." I fail to see that it is economy to allow the Federal buildings around this country to so deteriorate that they will require enormous appropriations someday to restore them, while General Services now economizes on services. I fail to see that this policy is efficient when inadequate maintenance personnel, using inadequate materials and equipment, attempt to perform a job that is far beyond them. I fail to see that, by any stretch of the imagination, this type of maintenance and management is service.

It is time, I believe, that these Federal buildings used by the postal service be returned to the management of the Post Office Department.

GOVERNMENT SPENDING

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. COLLIER] is recognized for 15 minutes.

Mr. COLLIER. Mr. Speaker, last night President Eisenhower presented a report to the Nation on Government costs. Whether we agree or disagree with the President in his appraisal of the situation does not detract from the fact that his address was earnest, sincere, and forthright in every detail. I certainly do not propose to speak on the specifics of the Federal budget. But at the same time, it behooves us to take inventory of the direction in which we are traveling. In this regard, I consider the crux of the problem summed up in this statement from the President's address and I quote, "No great reductions in the budget are possible unless Congress eliminates or curtails existing Federal programs or unless all of us demand less service from the Government, or unless we are willing to gamble with the safety of our country."

Most of the Members of Congress will agree that the first two reservations are clearly and concisely placed in the lap of this body. As for the willingness to gamble the safety of our country, not one of us has the remotest thought of doing that. There are probably as many ideas on what constitutes the gamble in this regard as there are Members in the House.

The concern of the public over this budget is both significant and healthy. And it should certainly lead to a conscientious reappraisal of our whole national program of legislation. As one who is new as a Member of this great legislative body, I naturally feel a sense of humility in speaking on the very complex subject. However, this does not deter my deep convictions on the Federal spending and the expansion of centralized government.

Incidentally, I cannot help but observe that the public clamor for curtailing Federal spending has drawn a variation of opinions and, I might add, even a change of heart in the attitude of many of the esteemed leaders of both political parties. One of the Members of this body recently said that the blizzard of some 800 tax-reduction bills introduced since January 3 indicates a strong feeling among Members of Congress to giving the American public relief from the present heavy burden of taxation. I would like to believe that this observation is entirely correct, but I submit that I prodigiously reviewed a summary of bills offered during the same period; and those calling for the expenditure of additional Federal funds outnumber the duplicatory tax-relief bills by a tremendously vast ratio, perhaps as much as 5 to 1. Before the current session of Congress adjourns, the number of legislative proposals providing for increased Federal spending is likely to reach the 5,000 mark. With the 2d session of Congress being election year, new spending bills for pet Federal projects following the usual pattern, will exceed even this number.

It is interesting, too, to observe that the authors of many of the tax-reduction bills are likewise the authors of many of the new spending bills. Further analysis of the tax cutting and Federal spending indicates that the authors of many of these same tax-relief bills have not only voted against the majority of the proposed budget cuts, but have embraced by their public announcement of support an expansion of Federal-aid programs of every nature and description. I respectfully point to the CONGRESSIONAL RECORD, page 1198, under date of Wednesday, January 30, as specific evidence.

And so, as a Member of the Congress who has voted rigid economy and who favors a curtailment of Federal aid in many areas, I find an inconsistency of political philosophy quite beyond comprehension. As I have frequently advised many of my constituents urging my support of new and expanded Federal-aid programs on one day and a tax cut the next, that I know of no way to "get 3 pounds of rice from a 2-pound bag." Apparently there are political magicians who do, and I solicit their advice and counsel on how it can be done.

A sprawling bureaucracy and expansion of Federal Government into new areas of our national life, both social and economic, imposes more than the immediate burden of taxation upon the American people. For should it continue to grow at the pace it has during the past two decades, we may well destroy the individual initiative, ingenuity and ambition that cultivated the wealth of human and natural resources of this Nation.

Certainly there can be no doubt that the unshackled initiative and ambition has been the force which permeated the growth of this country from a small colony of pioneers to the greatest nation on earth within a span of 150 years. This spirit of enterprise, free of excessive government control, interference and subsidation, allowed the United States to develop far beyond other nations of the world with centuries of history behind them.

No individual who shares in the opportunities of this great and free Nation and who knows the history of its origin and development can deny that its rise to the leading place in the free world was built upon individual and collective independence. These ideals must never be taken for granted if we are to preserve the greatness of this country for the next generation.

The enviable place which the United States has maintained in the world was achieved without the bold and direct financing from the till of the Federal Treasury. Nor did this growth depend upon the subsidation of the many phases of human and natural resources by the Federal Government. On the contrary, it stemmed from the collective efforts and ambitions of individuals with the guaranty of the rights and liberties provided by the Constitution.

The complexity of world problems today are so vast in their scope that almost any legislative attempt to solve them is a calculated risk. I do not say that such risk must never be taken, but I question, and I certainly am not alone in this philosophy, whether we can afford to take the abundance of these risks which we have and which we continue to take, if we are to preserve self-survival that depends upon economic stability. If we fail to do this, we can no longer expect to remain the greatest force for the democracy of a free world.

I do not believe that the vast majority of the American people, by and large, have sought the Federal legislation which Congress has enacted over these two decades designed to solve the domestic and foreign problems we have faced.

On the contrary, I believe that most of the legislation which has created the vast network of Federal-aid programs and Federal-aid spendings was not conceived of the demand of the majority of the people of this country but was born in the minds of the legislative and executive branches of the Federal Government over the years.

At any rate, I believe that we have reached the place where we can only resolve the problem of Government spending to a basic philosophy. Those who subscribe to the philosophy that the Federal Government must continue to spend and spend—take on new and varied Federal-aid programs in new areas of our national life, and accept as our responsibility the multiple and tremendously complex social and economic problems of scores of nations with entirely different cultures and ideologies, might just as well admit that this Government must continue to grow bigger and bigger, more costly. This will lead us farther and farther from the original concepts of government which has been

symbolic of the American way of life for more than a century.

So in conclusion may I say that it is my sincere desire that the concern of the American people over this and future Federal budgets be constant and persistent. For in public corncern lies the only hope for curtailing and perhaps even eliminating those Federal programs which are not the fundamental responsibility of the Federal Government. There will remain marked differences of opinion on this subject, just as there are such vast differences in political philosophies. But because time is frequently the best judge of all things—we must not forget that the history of nations wherein government became the dominating force and effect in the national and economic life of their people are those which faltered and eventually decayed as world powers. That, gentlemen, is history—not opinion.

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. COLLIER. I yield.

Mr. SHEEHAN. I want to compliment the gentleman from Illinois on the clarity and the forthrightness of his views. I am sure his constituents will long appreciate his able representation as their Congressman.

Mr. COLLIER. I thank the gentleman.

AMERICAN DAIRY INDUSTRY AND THE JAMESTOWN CELEBRATION

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. LAIRD] is recognized for 10 minutes.

Mr. LAIRD. Mr. Speaker, at the site of Jamestown, Va., on June 4, 1957, the American dairy industry will pay tribute to the people who 350 years ago founded this Nation's first permanent English settlement and also introduced dairying to America.

The American dairy industry began 350 years ago as an import business, the first ships carrying butter and cheese to the new settlement. Then, in 1611, the first dairy cows were imported into this country to become a permanent part of American agriculture.

The growth of American agriculture since 1607 has been greater than that experienced in any other part of our world.

The winter of 1609–10 was known as America's "starving time," because the first settlers were not well provisioned. They were not the farmers who were to come in great numbers in later years, and the Jamestown settlement was operated under a communistic system which proved to be a terrible failure.

Today we may thank God that our food problems are those of great abundance rather than scarcity such as our first settlers experienced and such as many hundreds of millions of people throughout the world still must face every day in this year 1957.

The dairy industry has grown steadily along with the rest of America since 1607. While our dairy industry in that year consisted of the importation of a few pounds of butter and cheese, in this year each American, on the average, will consume about 700 pounds of milk—as milk, butter, cheese, ice cream, evaporated milk or dry milk.

To produce this tremendous amount of food requires the labor of more than one million people on the nation's dairy farms, plus many hundreds of thousands more who daily truck the milk from farms to factories, who process the milk for our use, who then distribute the milk and milk products from factories to homes and stores and restaurants and the many other places where food is sold or served.

The dairy foods family has assumed tremendous importance in the diets of the American people through the years. Today about 30 percent of all of our food nutrients come from milk and milk products—at a tremendous bargain to homemakers since dairy foods claim less than 20 cents out of each food dollar.

In 1611, Lord Delaware, the first governor of the Virginia colony, wrote these words:

> The countrey (meaning Virginia) is wonderfull fertile and very rich and makes good whatsoever heretofore hath been reported of it, the cattell already there, are much encreased, and thrive exceedingly with the pasture of that countrey: the kine all this last winter, though the ground was covered most with snow, and the season sharpe, lived without other feeding than the grass they found, with which they prospered well, and many of them readie to fall with calve; milke being a great nourishment and refreshing to our people, serving also (in occasion) as well for medicine as for food, so that it is no way to be doubted, but when it shall please God that Sir Thomas Dale and Sir Thomas Gates, shall arrive in Virginia with their extraordinary supply of one hundred kine.

There was little or no knowledge about the science of nutrition in the days of Lord Delaware, and it is significant that he recognized the importance of dairying and milk to the health and welfare of the people under his command. What we have learned through the sciences since that day fully confirms the faith which Lord Delaware expressed in milk.

It is significant, too, that as the settlers began moving westward from the eastern seacoast, they took their milk cows with them. The pace of the wagon trains was determined by the cows tied behind each wagon—these cows which meant life or death to the settlers on the trail and in their early settlements. For the cow was a food factory on the hoof, requiring only a patch of grass and some water to keep on manufacturing the nourishing milk. The cow not only provided milk but also meat, leather and other by-products. Her horns kept the pioneers' powder dry.

Today cows are milked in each of the 48 States, contributing not only to the good health and good eating of America's 170 million people but also to the strength of the American economy.

In my Congressional district, which is the Seventh Congressional District of Wisconsin, more milk and cheese are produced than in any other Congressional district in the United States. Wisconsin leads all the other States in the production of milk and cheese.

We join the American dairy industry in paying tribute to the hardy pioneers who brought dairying to America 350 years ago. The early start which they gave to dairying has contributed much to the growth and strength of our Nation.

SPECIAL ORDER TRANSFERRED

The SPEAKER. Under previous order of the House, the gentlewoman from Massachusetts [Mrs. ROGERS] is recognized.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that the 5 minutes granted me today may be allowed me tomorrow after other business in the House.

The SPEAKER. Is there objection?

There was no objection.

NATURAL GAS LEGISLATION

The SPEAKER. Under previous order of the House, the gentleman from Ohio [Mr. VANIK] is recognized for 15 minutes.

Mr. VANIK. Mr. Speaker, hearings are now being held before the Interstate and Foreign Commerce Committee of this House on H. R. 6790 and H. R. 6791, together with other related bills to amend the Natural Gas Act. It is the purpose of most of these bills to free from effective Federal regulation the price charge by producers of natural gas who are the Nation's great oil companies.

The Natural Gas Act of 1938 was enacted to protect the ultimate consumer from exploitation at the hands of the sellers of natural gas. Under that act, the Federal Power Commission was charged with the responsibility of carrying out that purpose. Last Thursday the Chairman of the Federal Power Commission testified on H. R. 6790, and H. R. 6791, referred to as the Harris-O'Hara bills. In the course of able questioning by members of the committee, Chairman Kuykendall disclosed certain facts which should be of interest to every Member of this House.

Now, gentlemen, this legislation has been widely advertised as a compromise bill. This would lead one to believe that it represents a compromise between the interest of the producers who are the subject of regulation on the one hand, and the interest of the consumers who are its beneficiaries on the other. The testimony elicited from Chairman Kuykendall of the Federal Power Commission, however, makes it shockingly clear that this is not the case and further that it is not the case largely because of the activities of the Chairman of the Commission.

You will recall just 2 years ago the heated debate on the Harris bill of that year which was designed to exempt producers of natural gas from Federal regulation. You will recall that the bill narrowly passed this House and subsequently passed the Senate but was vetoed by the President. In his veto message the President stated that any new bill to secure his approval should include specific protection for consumers in their right to fair prices.

The Chairman of the Federal Power Commission testified last Thursday that following the veto, he was requested by

the White House to prepare a draft of a bill which would fulfill the requirements that the President had set forth in his veto message. One would assume that pursuant to this request from the White House, the Chairman would consult with consumer representatives and with representatives of the various State public utility commissions, whose duty it is to see that the rates charged the ultimate consumer for natural gas are just and reasonable. One might also assume that the Chairman would consult with members of his staff who are also charged with the duty of protecting the ultimate consumer.

But here is what actually happened, according to Mr. Kuykendall's own testimony. He called in lawyers representing the gas industry and requested that they prepare a bill that they would like. The Chairman admonished those individuals that there should be absolute secrecy with reference to their work, and indeed there was. In the meantime, a second "task force" was assembled, also representing the gas industry, and this second group came to the Chairman and requested that he hold up on the lawyers' group he had formed while this second force completed its work, and the Chairman agreed to this. These two groups advised him in secrecy, from time to time, as to their progress. Finally, the industry presented the Chairman with a statement of principles to be embodied in the new bill.

During all of this time the Chairman of the Commission, who had initially been requested to take the lead in drawing the new bill, turned the matter over to the very industry which was the subject of regulation. At no time did the Chairman call in any consumer representatives. The Chairman conceded that his primary duty under the act was to protect the ultimate consumers, and sought to justify his failure to call in any consumer group on two grounds: First, that he knew of no consumer groups to go to; and second, that he assumed that if the gas industry itself could agree on a bill, the consumer interest would be adequately represented.

As to the first claim that he did not know of any consumer groups, we need only look at the long list of opponents to the Harris bill of 2 years ago and to the present bill. Communications in opposition have been received from governors of various States. Appearing in opposition to those bills at committee hearings were numerous State attorneys general, members of the State public service commissions, mayors of our larger cities, and city attorneys. All these State officials are charged by law with protecting the interest of consumers in their respective States—yet, they were not consulted.

As to the Chairman's second reason for not consulting consumer representatives in the drafting of this legislation, or even advising them that such legislation was being drafted, he stated that he assumed that if the gas industry could agree upon a bill, the consumer interest would be adequately represented. This is close in philosophy to the famous statement of another public servant—that "what is good for General Motors is good for the country."

It becomes perfectly apparent, therefore, that the widely touted compromise is a compromise which has excluded the consumer. It is no compromise between the interest of the producer on the one hand and the consumer on the other, but rather is a compromise by the gas industry against the consumer.

As originally introduced, the bill was so unpalatable and so obviously unprotective of the ultimate consumer that the administration, at whose initial instigation the bill was drafted, proposed certain changes in order to make it at least look like the consumer would receive the protection which the President, in his veto message, said he must have. The bill as originally drafted would prohibit the Federal Power Commission from giving any consideration whatever to the cost of producing gas in reviewing field prices. The administration would remove this prohibition but would not require the Commission to use cost. If all factors that the Commission might consider were left to the Commission's discretion, then the failure to make consideration of cost mandatory might be appropriate. But the bill, even with the administration's amendments which do not make cost finding mandatory, does refer to other completely illusory standards.

Why do I consider it so important to bring these matters before you? Simply because the bill is very carefully drawn to conceal its true purpose. It is a long bill, a complicated bill, and from the form of the language used, one would believe that the draftsmen were interested in providing a careful regulatory mechanism by means of which producer prices would be reviewed. Indeed, during the hearings before the Committee on Interstate and Foreign Commerce, one of my colleagues from a producer State asked whether the bill could not be considered as providing for Federal regulation, to which he received an affirmative response. And so it does, my colleagues, but for a completely meaningless Federal regulation, because the yardstick used in this bill—reasonable market price—is a rubber yardstick, entirely devoid of any real protection for the millions of consumers of natural gas. In essence, the Commission's regulatory power over producers under this bill would give it the power to record the prices that are arrived at in the bidding for gas supplies by the pipelines, and then graciously allow the pipelines to pay these bargained-for prices to the producers.

No regulation worthy of the name forbids a regulatory agency from examining the cost of finding and producing natural gas, yet that is precisely what the gas industry did in drafting this bill. Even the administration's suggested amendment, which would remove this prohibition, still would not have the word "cost" mentioned in the legislation, let alone make it mandatory for the Commission to consider this essential element.

The importance of cost cannot easily be underestimated, nor can the effect on the ultimate consumer, should this bill pass. The costs now being found by the Federal Power Commission are a full 10 cents per thousand cubic feet below the deals now being made for new gas supplies. It is 10 cents a thousand cubic feet on this Nation's gas bill, over half a billion dollars a year, which is riding on this little word "cost" and on whether the Commission must continue to use it as a starting point in determining whether prices are fair.

Gentlemen, beware of this "compromise" bill if it comes before the House. Let us hope that that committee in its good judgment will see that it moves no further.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HOEVEN (at the request of Mr. MARTIN), for 2 weeks on account of minor eye surgery.

To Mr. ALLEN of California, for 15 days beginning today, on account of death in the family.

ADJOURNMENT OF THE HOUSE FROM TOMORROW UNTIL MONDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mrs. ROGERS of Massachusetts, for 5 minutes, on today.

Mr. LAIRD, for 15 minutes, on Wednesday of next week.

Mr. EDMONDSON (at the request of Mr. ALBERT), for 45 minutes on Monday, May 20.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. MULTER (at the request of Mr. ADDONIZIO) and to include extraneous matter.

Mr. HOLLAND.

Mr. CELLER.

Mr. DORN of New York and to include extraneous matter.

Mr. SCOTT of Pennsylvania and to include extraneous matter.

Mr. FULTON in two instances and to include extraneous matter.

Mr. ANFUSO (at the request of Mr. O'HARA of Illinois) in two instances and to include extraneous matter.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.), the House adjourned until tomorrow, Thursday, May 16, 1957, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

852. A letter from the Chairman, Federal Communications Commission, transmitting a report on backlog of pending applications and hearing cases in the Federal Communications Commission as of March 31, 1957, pursuant to Public Law 554, 82d Congress; to the Committee on Interstate and Foreign Commerce.

853. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report that proceedings have been finally concluded with respect to the following claim: *The Yuchi (Euchee) Tribe of Indians, Claimants*, v. *The United States of America, Defendant* (docket No. 172), pursuant to section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 1055; 25 U. S. C. 70t); to the Committee on Interior and Insular Affairs.

854. A letter from the Clerk, United States Court of Claims, transmitting certified copies of the court's opinion rendered on May 8, 1957, relating to the case of *Cooper Tire and Rubber Company* v. *The United States* (Congressional No. 10–52), pursuant to sections 1492 and 2509 of title 28, United States Code, and House Resolution 699, 82d Congress; to the Committee on the Judiciary.

855. A letter from the Chairman, Foreign Claims Settlement Commission of the United States, transmitting the Fifth Semiannual Report of the Foreign Claims Settlement Commission of the United States as of December 31, 1956, pursuant to section 9 of the War Claims Act of 1948 (62 Stat. 1240; 50 U. S. C. App. 2001–2016), as amended, and of section 3 (e) of the International Claims Settlement Act of 1949 (64 Stat. 12; U. S. C. App 1621–1627), as amended; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government operations. 5th report pertaining to a review of the budget formulation and presentation practices of the International Cooperation Administration; without amendment (Rept. No. 449). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOLIFIELD: Committee on Government Operations. H. R. 5110. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, and for other purposes; without amendment (Rept. 450). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3836. A bill to repeal section 1157 of title 18 of the United States Code, as amended; without amendment (Rept. No. 452). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 3837. A bill to amend the act of August 24, 1912, as amended, with reference to educational leave to employees of the Bureau of Indian Affairs; with amendment (Rept. No. 453). Referred to the Committee of the Whole House on the State of the Union.

Mr. ENGLE: Committee on Interior and Insular Affairs. H. R. 6692. A bill to authorize the transfer of the Coyote Valley Indian Rancheria to the Secretary of the Army, and for other purposes; with amendment (Rept. No. 454). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 or rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government Operations. H. R. 4945. A bill to provide for the conveyance of certain real property in West Palm Beach, Fla., to the Port of Palm Beach District; with amendment (Rept. No. 451). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BECKWORTH:

H. R. 7559. A bill to provide pension for certain physically handicapped veterans of World War I, World War II, or the Korean conflict; to the Committee on Veterans' Affairs.

H. R. 7560. A bill to provide for the payment of pensions to veterans of World War I and their widows and children at the same rates as apply in the case of veterans of the Spanish-American War, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BERRY:

H. R. 7561. A bill to authorize the partition or sale of inherited interests in allotted lands in the Pine Ridge, Rosebud, Lower Brule, Cheyenne River, or Standing Rock Sioux Indian Reservations in South Dakota, and for other purposes; to the Committee on Interior and Insular Affairs.

H. R. 7562. A bill to authorize the consolidation of Rosebud Indian tribal trust funds, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BROWN of Missouri:

H. R. 7563. A bill to amend the Small Business Act of 1953, as amended; to the Committee on Banking and Currency.

By Mr. BURNS of Hawaii:

H.R. 7564. A bill to provide that the Legislature of the Territory of Hawaii shall meet annually, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. COLLIER:

H. R. 7565. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

H. R. 7566. A bill to allow a deduction for income-tax purposes of certain expenses incurred by the taxpayer for the education of a dependent; to the Committee on Ways and Means.

By Mr. COUDERT:

H. R. 7567. A bill to amend the act of August 20, 1954, establishing a commission for the celebration of the 200th anniversary of the birth of Alexander Hamilton; to the Committee on the Judiciary.

By Mr. DAVIS of Georgia:

H. R. 7568. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1953 to provide that service in the grade of inspector and the grade of private in the Fire Department of the District of Columbia shall be deemed to be service in the same grade for the purpose of longevity increases; to the Committee on the District of Columbia.

By Mr. HASKELL:

H. R. 7569. A bill to amend the act entitled "An act to require the inspection and certification of certain vessels carrying passengers", approved May 10, 1956, in order to provide adequate time for the formulation and consideration of rules and regulations to be prescribed under such act; to the Committee on Merchant Marine and Fisheries.

By Mr. KEAN:

H. R. 7570. A bill to amend section 403 of the Social Security Amendments of 1954 to provide social security coverage for certain employees of tax-exempt organizations which erroneously but in good faith failed to file the required waiver certificate in time to provide such coverage; to the Committee on Ways and Means.

By Mr. LANKFORD:

H. R. 7571. A bill to amend title II of the Social Security Act to include Maryland among the States which may obtain social security coverage, under State agreement, for State and local policemen and firemen; to the Committee on Ways and Means.

By Mr. SHELLEY:

H. R. 7572. A bill to provide supplementary benefits for recipients of public assistance and benefits for others who are in need through the issuance of stamps or certificates to be used in the acquisition of surplus agricultural commodities; to provide for improved nutrition for recipients of public assistance and others eligible under the provisions of the act; to assist in maintaining fair prices and incomes to farmers by providing additional outlets for surplus agricultural products; to prevent burdening and obstructing channels of interstate commerce; to promote the full use of agricultural resources, and for other purposes; to the Committee on Agriculture.

By Mr. TEAGUE of Texas:

H. R. 7573. A bill to amend the Veterans Regulations to provide that meningitis developing a 10 percent or more degree of disability within 1 year after separation from active service shall be presumed to be service connected; to the Committee on Veterans' Affairs.

By Mr. VAN ZANDT:

H. R. 7574. A bill to change the method of computing basic pay for members of the uniformed services, to provide term-retention contracts for Reserve officers, and for other purposes; to the Committee on Armed Services.

By Mr. WATTS:

H. R. 7575. A bill to amend title VI of the Public Health Service Act so as to give project applicants for Federal assistance for the construction of hospitals and other medical facilities the option to obtain loans in lieu of grants; to the Committee on Interstate and Foreign Commerce.

By Mr. DURHAM:

H. R. 7576. A bill to further amend the Federal Civil Defense Act of 1950, as amended, and for other purposes; to the Committee on Armed Services.

By Mr. GARMATZ:

H. R. 7577. A bill to amend title 9, United States Code, entitled "Arbitration," so as to provide for correction of defects and omissions in the present law regulating arbitra-

tion, for judicial review of questions of law arising in arbitration proceedings, and for other purposes; to the Committee on the Judiciary.

By Mr. HARRIS:

H. R. 7578. A bill to continue the authority of the United States to make payments to Bernalillo County, N. Mex., for furnishing hospital care to certain Indians; to the Committee on Interstate and Foreign Commerce.

By Mr. MONTOYA:

H. R. 7579. A bill to increase the normal tax and surtax exemption, and the exemption for dependents, from $600 to $800; to the Committee on Ways and Means.

By Mr. HARRISON of Virginia:

H. R. 7580. A bill to amend the Watershed Protection and Flood Prevention Act to provide that its loan provisions shall be applicable to certain other projects; to the Committee on Agriculture.

By Mr. O'HARA of Illinois:

H. R. 7581. A bill to provide health insurance for Government employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BENNETT of Florida:

H. Con. Res. 175. Concurrent resolution proposing a code of ethics for Government service; to the Committee on Post Office and Civil Service.

By Mr. McMILLAN:

H. Res. 251. Resolution to authorize the Committee on the District of Columbia to conduct an investigation and study of the operation, administration, and enforcement of the District of Columbia Public Works Act of 1954, the District of Columbia Revenue Act of 1956, and the organization, management, operation, and administration of the District of Columbia Department of Public Health; to the Committee on Rules.

By Mr. CRAMER:

H. Res. 252. Resolution authorizing a preliminary examination and survey of streams at and in the vicinity of Bayport, Fla., for present and prospective commerce, and for other purposes; to the Committee on Public Works.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. COLLIER:

H. R. 7582. A bill for the relief of Josef Butkovic, Manda Butkovic, Anka Butkovic, Maria Butkovic, Marko Butkovic, Reza Butkovic, Yadranka Butkovic, Ivica Butkovic, and Dane Bicancic; to the Committee on the Judiciary.

By Mr. DEVEREUX:

H. R. 7583. A bill for the relief of Mrs. Erna Scharnagl Baker; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H. R. 7584. A bill for the relief of James Strivelli; to the Committee on the Judiciary.

H. R. 7585. A bill for the relief of Wang Chang Hwa; to the Committee on the Judiciary.

By Mr. HOLIFIELD:

H. R. 7586. A bill for the relief of Joaquin Revuelta-Sahagun; to the Committee on the Judiciary.

H. R. 7587. A bill for the relief of Eustolia Cantu Holguin; to the Committee on the Judiciary.

By Mr. HOLLAND:

H. R. 7588. A bill for the relief of Vincenzo Guliotta Salpietro; to the Committee on the Judiciary.

By Mr. JACKSON:

H. R. 7589. A bill for the relief of Frank Novacek; to the Committee on the Judiciary.

By Mrs. KELLY of New York:

H. R. 7590. A bill for the relief of Leon Oswald Dickey; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 7591. A bill for the relief of Anton N. Nyerges; to the Committee on the Judiciary.

By Mr. O'HARA of Illinois:

H. R. 7592. A bill for the relief of Gerosimos Fourniotis; to the Committee on the Judiciary.

By Mr. PHILBIN:

H. R. 7593. A bill for the relief of Guiseppe Coponegro; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 7594. A bill for the relief of Mrs. Catherine Gandy Starnone; to the Committee on the Judiciary.

By Mrs. SHELLEY:

H. R. 7595. A bill for the relief of Mrs. Grace Pisciotta Barbera; to the Committee on the Judiciary.

By Mr. UTT:

H. R. 7596. A bill for the relief of Giuseppe Chiana; to the Committee on the Judiciary.

By Mr. WALTER (by request):

H. R. 7597. A bill for the relief of certain alien children; to the Committee on the Judiciary.

By Mr. WILSON of Indiana:

H. R. 7598. A bill for the relief of Burton B. Eaton; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Address by Hon. John O. Pastore, of Rhode Island, at Brotherhood Banquet of the National Conference of Christians and Jews

EXTENSION OF REMARKS

OF

HON. THEODORE FRANCIS GREEN

OF RHODE ISLAND

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. GREEN. Mr. President, I ask unanimous consent to have printed in the RECORD an address delivered by my distinguished colleague, the junior Senator from Rhode Island [Mr. PASTORE], at the annual brotherhood banquet of the Rhode Island Council of the National Conference of Christians and Jews, held in Providence, R. I., on May 13, 1957. This excellent address will, I know, be of interest to the Members of the Senate.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY UNITED STATES SENATOR JOHN O. PASTORE AT THE ANNUAL BROTHERHOOD BANQUET OF THE RHODE ISLAND COUNCIL OF THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS, AT THE SHERATON-BILTMORE HOTEL, PROVIDENCE, R. I., MONDAY, MAY 13, 1957

I deeply appreciate the honor of the invitation to share in this occasion. "Occasion" seems too casual a word to define the drama that lies behind this happy gathering of men and women—friends, neighbors, and Americans. For here is something of the unfolding of the story that is America. Here is something of the greatness of the America that we possess—the America that possesses us. Here is something of the promise of the glory of America that is yet to be—in a world that is hungry for this kind of fellowship—hungry for the brand of brotherhood exemplified tonight.

Take a boy born of English parents in industrial England; take a lad born of Jewish parents in storied Ireland; take a youngster born of Italian parents under the sunny skies of that romantic land.

Where but in a land like ours could the 3 come together in this 1 golden hour to testify to the opportunities of our precious freedoms. It is a partnership in our common patriotism. Where else would gather so many races and so many religions as we represent to record our appreciation of individual, human, and humble men—not for their material successes—but for those qualities of mind and heart which make life an experience of justice, equality, happiness. Where but here could we demonstrate a fellowship that is more than tolerance.

I say this is the story of America though it reaches even beyond those English craftsmen who brought their plans for spinning wheels to dot the rivers of our valleys with industrial wealth.

It reaches beyond the Jews who 300 years ago founded their first synagogue in America, at Newport, to which they brought their ancient culture and their historic loyalties.

It reaches even beyond the dreams of the boy of Genoa—the daring Columbus who gave this New World to the Old World—and a new horizon to mankind for all time.

It reaches back as long as man has existed—since first man perceived he had a dignity beyond all other living creatures—and recognized the Creator who had made him so.

Through many ages and many lands man's culture multiplied—and thousands of years ago it flowered in the Judaeo-Christian precepts we respect tonight—personal freedom and moral responsibility—the sacredness of human life and the sanctity of the home.

These were the concepts of our Founding Fathers as they ordained this to be a government with the promise of life, liberty, and opportunity for all. These are the concepts that have molded the cultures of the many peoples who have poured their gifts into the common treasury of our America—building it to be the hope and inspiration of the world.

If this sounds like majestic language, we see it expressed in the simplicity of the lives of these three men we honor tonight. We understand it through their characters and their acceptance of responsibility which have made our lives a little better because they have passed this way.

If we have the right understanding, the significance of this night will not be lost upon us. This is a time of responsibility for us, too. If our America has received the gifts of the peoples of the world, we must realize that the world of freemen looks to America for leadership today.

This is an age that leads to destiny or disaster. Men's minds have wrested the secrets of nature with their promise of limitless good—or infinite evil.

We can lift impoverished peoples to a new happiness or we can blot entire cities and countries from the face of the earth. We have it in our power to annihilate all the cultures that have been centuries in the building. We can destroy all civilization.

I do not believe that the world can continue to live for all time in a state of balance of terror. Nor do I believe that permanent peace will come from massive retaliation. The answer is here—in the lesson of this night—in the spirit of tolerance and truth—of fellowship—of brotherhood—expressed in the dimensions of the destiny of the world.

These are heroic dimensions, if you will, but we have seen that this is a world more hungry for equality even than for food. We have seen men die in their determination to possess human dignity.

If others can die for this dignity—certainly we can live and work for it with all the genius and generosity we possess.

We know that we must live with other peoples in mutual respect—in a common freedom—and in universal peace.

The world looks to us for leadership and we shall rise to our responsibilities in the spirit and example of this night. We shall explore every path that may lead to peace and partnership.

And we shall be ready to share life in the true pattern of brotherhood. In that spirit we can lift the world out of hunger—out of horror—and out of hate.

Statement on Food-Cost Trends

EXTENSION OF REMARKS
OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. ANFUSO. Mr. Speaker, the Consumers Study Subcommittee of the House Committee on Agriculture recently started a series of hearings on food-cost trends and the spread of the consumer's food dollar. Thus far in these hearings our subcommittee, of which I have the honor to serve as chairman, has concentrated primarily on the rising cost of food distribution in the United States in recent years, as well as on the role of certain religious and voluntary agencies in the distribution of some of our food surpluses abroad.

In later hearings our subcommittee will study food marketing problems, the cost trends of specific commodities such as milk, vegetables, meats, coffee, and so forth, farm prices and incomes as related to the retail cost of food, also the effect of our food and fiber programs as a deterrent to communism abroad, stockpiling of food surpluses for use in the event of a national emergency, and others.

When our hearings opened on May 7, I made a statement explaining the work of the subcommittee and delineating the current food-cost situation. Since then there have been a number of requests for copies of this statement. I am, therefore, inserting the text of the statement in the RECORD at this time.

The statement follows:

STATEMENT OF HON. VICTOR L. ANFUSO ON FOOD COST TRENDS

This morning the Consumers Study Subcommittee is opening its first hearings. This subcommittee was created on March 14, 1957, to study and investigate, among other things—

1. The cost of living and, with respect to agricultural products the share which the farmer gets of the consumer dollar and how it compares with other costs, that is, wages for labor, profits for middlemen, retailer, etc.

2. The part which our food and fiber programs have played in winning friends for the United States and preventing the spread of communism at home and abroad.

3. The accomplishments or deficiencies of our public, private, and voluntary agencies in this common struggle.

4. The proper stockpiling of surpluses within the limits of the United States as a matter of national and civilian defense.

The hearings today and tomorrow will be devoted to a consideration of the general picture on food cost trends in the United States.

Representatives from the Department of Agriculture, the national farm organizations, organized labor, consumers, and from the food processing and distributing agencies will give us the benefit of their information and views on this subject.

Sometime tomorrow we expect to have a representative from the Department of Agriculture give us a statement of the pros and cons on the rapidly increasing use of trading stamps as they affect food retailing costs. After hearing that statement, the committee will decide on the scope of its investigation into the effect of the use of trading stamps on the cost of food distribution.

Before calling the first witness this morning, I want to make a few observations on the work of this subcommittee as it relates to the general problems encountered by the Committee on Agriculture.

We are concerned with two vital problems, the high cost of living for the consumer and the low returns to the farmer for his abundant production of high quality foods. We believe that these two problems are related in so far as the current high cost of living is affected by increasing retail food costs. That is why the subcommittee was created.

This committee has no intention of engaging in a witch hunt or of attempting to embarrass any segment of the food processing and distribution industry. We are concerned, however, to find that in the past 10 years, although the average urban family has increased its food expenditures by $500, only $45 of this increase goes to farmers while $400 goes to food processors and distributors.

We are also concerned that during this period food supplies have become overabundant. Warehouses have been filled to overflowing with storable farm products. Yet some urban families cannot buy the food they need to raise healthy children.

Urban families of 5 or more members with incomes of less than $4,999 today are spending over half of their income for food.

While available data are not conclusive it appears that the larger urban families, with average or below average incomes, are spending a higher proportion of their income for food now than 10 years ago. They are spending this higher proportion of their income in an attempt to achieve some kind of a minimum diet at a time when United States farmers are in a position to supply them the most ample diet on record and at a much lower cost at the farm than 10 years ago.

Ladies and gentlemen, I think this is a challenge for the attention of this committee and of the entire food industry. If, in examining this problem together, we can find ways of lowering the cost of processing and distributing the staple livestock and other food products, many urban families will purchase more food, they will be better nourished, and current farm surpluses will be reduced.

Although we cannot expect to completely solve the problem by this approach, I want to underline the importance of this line of attack on the farm surpluses problem. On April 19, 1957, the Commission on Increased Industrial Use of Agricultural Products, authorized by the 84th Congress, sent an interim report to Congress. In this report the Commission states that 12 percent of the land in crops and rotated pastures produces fruits, vegetables, and grain cereals consumed directly as food.

About 7 percent of this land produces items for industrial and nonfood purposes, items such as tobacco, cotton fiber, wool, and a part of many crops such as soybeans and corn.

About 10 percent of the land produces products for export.

The remaining 71 percent of the land in crops and rotated pastures goes into feed for livestock and ultimately into the production of livestock food products such as meat, eggs, and milk.

This Commission recommended a threefold increase in research on industrial uses for farm products and listed a large number of useful projects. I agree with their recommendations. I believe there should be increased research on industrial uses for farm products.

But, ladies and gentlemen, if we, through our studies, can find ways to reduce the cost of processing and distributing food by as little as 5 percent, and that reduction in marketing charges is reflected in increased food purchases, it would be the equivalent of a 36-percent increase in industrial uses of farm products.

If we can find ways and means of reducing food-marketing charges by as little as 2 percent and these savings are reflected in increased food purchases by the financially hard-pressed housewife, it would be the equivalent of more than a 15-percent increase in industrial use of farm products.

I make these comparisons, not to belittle the importance of additional research on industrial uses of farm products, but to indicate the great importance of the task of this committee and of the food industry.

Of course all savings in food-marketing costs will not be reflected in increased purchases of foods. But in the lower-income groups, purchases would increase immediately with a drop in retail prices. Surveys in the spring of 1955 show that purchases of meat, poultry, and fish by nonfarm, housekeeping families, increased from 8.9 pounds a week for the families with incomes of less than $1,000 a year to 16.3 pounds a week for the families with incomes of $6,000 to $7,999. And from our knowledge of American family preferences we can guess that most of this increase was in the red meats, beef, and pork rather than in fish and poultry.

These surveys also showed that nonfarm family purchases of milk, cream, ice cream, and cheese increased from the equivalent of 11.2 quarts for families with incomes of under $1,000 to 16.4 quarts for families with incomes of $6,000–$7,999. Fruit and vegetable purchases increase just as spectacularly as family income increases up to the $6,000 or $8,000 level.

These figures are convincing evidence to me that families with less than $6,000 income will buy more livestock products, fruits, and vegetables if either the retail price is lower or their incomes increase.

On a dollar basis urban households of two or more increased their cash expenditures for meat, poultry, and fish and dairy products as their family income increased, as follows:

Income of household	Weekly purchases (meat, poultry, fish)	Weekly purchases (dairy products)
Under $2,000	$5.16	$2.01
$2,000 to $5,999	8.30	3.85
$6,000 and over	10.59	4.52

Although the committee is interested in, and concerned about, the increased charges for food processing and distribution of foods in recent years, it realizes that many of these increased charges are required to cover additional costs of precooking, preparation of ready-to-use mixes and special packaging. It also knows that the modern housewife who can afford it prefers these new ready-to-serve food products.

We have no intention of trying to turn the clock back. We join with the food industry in taking pride in the large variety of high-quality foods available to the American housewife. We know that in no other country in the world does the housewife have such a variety and such an abundance of fine foods available to her.

Yet we cannot be satisfied when we know that half of our urban families would like to buy more food if they could afford it, and that surpluses have accumulated in American storehouses because farmers cannot find a market for all the food they are producing.

We hope that every segment of the food industry as good Americans will join with us in a search for ways and means of reducing the processing and marketing costs, especially of the staple food products purchased by families with average and below average incomes.

Salary Priorities in Bankruptcy, H. R. 7604

EXTENSION OF REMARKS

OF

HON. ABRAHAM J. MULTER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. MULTER. Mr. Speaker, I am introducing a bill, H. R. 7604, to amend the Bankruptcy Act of 1898 to increase the priority claims of salesmen and other workers for moneys due them from bankrupt employers.

The Bankruptcy Act of 1898 provided that workmen, clerks, and servants should have a claim, prior to the dividend claims of creditors and not to exceed $300, to wages earned within 3 months of the commencement of bankruptcy proceedings. This provision was amended in 1906 to include salesmen and again in 1926 to increase the allowable claims from $300 to $600. The only change in this provision since 1926 was contained in the 1938 amendment when the type of salesmen to be included was amplified.

The proposed amendment to section 104, part (2), of the Bankruptcy Act would merely change the amount of the allowable claim from $600 to $1,500. The necessity for this increase is partially explained by the price increases of recent years. The Consumer Price Index has increased 57 percent since the present $600 claim was granted in 1926, and it has increased 115 percent since 1933.

The essential question, however, is whether claims to back earnings of salesmen, workmen, servants, and clerks should be given priority over dividend claims of creditors. Since the original act of 1898, the principle has been to grant the claims of workers priority over the claims of creditors. There has, nevertheless, always been a maximum allowable claim for workers, presumably based on the theory that no wage earner should permit his employer to become too heavily indebted to him.

After salesmen were included in the 1906 amendment, it became evident that the amount of back earnings owed to salesmen was likely to be much greater than the amount owed to other wage earners and was likely to be much greater than the $300 maximum allowed in bankruptcy suits. This situation was partially righted in 1926 when the allowable maximum was raised from $300 to $600.

The changes which have taken place in the nature of selling since 1926 make imperative a further increase in the maximum allowable claim of wage earners. The expansion of credit and modern sales techniques emphasizing installment buying have revolutionized the art of selling. They have also made the modern salesman a substantial creditor to the extent that his sales commissions, in some instances, are not received until the items sold, are paid for. Payments may be spread out over a period of many months.

In the modern age of mass production and mass selling the salesman often stakes his livelihood on a few sizable accounts. The commissions due him from a single purchaser are likely to amount to thousands of dollars. This is the result of good, not poor, salesmanship. Yet the present bankruptcy law permits the salesman to collect only $600 in back commissions before dividends are paid out to creditors.

If the maximum amount of the prior claim is to be an amount above which the wage earner should not permit himself to become a creditor, as I believe it was intended to be, then that amount should be at least $1,500 in the case of salesmen.

By adding to his financial security, this bill will help to preserve the strength and character of the salesman who has always been a leading figure in the development of our free enterprise economy. His essential task has been to find, develop and, wherever possible, to create consumer demand capable of keeping pace with expanding production.

In planning for future economic growth the ability to consume is now considered equally as important as the ability to produce. Only in wartime has consumption been sufficient to utilize our full productive capacity; and when production outstrips demand, as it did in 1929, the necessitated cutbacks can be a prelude to economic disaster.

The salesman is our not-so-secret weapon for combating overproduction with increased consumption. Yet he is "in constant danger of becoming the skeleton at the feast," according to an article appearing in the Saturday Review of January 19, 1957. The paradoxical plight of the salesman in an age of prosperity is described in the article as follows:

The man who sells goes into the coming year as into the jaws of a gigantic press. The lower jaw, squeezing upward, is the rising price level necessary to maintain production in a time of high costs and tight labor. The upper jaw is the intensified, and different, competition for sales he will be facing.

There is an acute need for more and better salesmen in the present era of expanding production and expanding productive capacity. Thus, Nation's Business commented in September 1956 that, "More and more companies report difficulty in attracting and holding sales personnel."

The proposed amendment to the Bankruptcy Act is a necessary first step in rejuvenating the selling profession by making the financial insecurities of its members somewhat less severe.

I must take a moment to give due credit to the National Council of Salesmen's Organizations, Inc. and its energetic president, Louis A. Capaldo, for having called this matter to my attention in the first instance, and for their persistent efforts in trying to remedy this situation. This organization very appropriately calls itself "The National Voice of Salesmen." Mr. Capaldo has been always alert to the needs and desires of salesmen and over the years has done much, through the national council, to advance and protect their interests.

Free World Must Be Alert to Moscow-Cairo Axis

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. CELLER. Mr. Speaker, it can easily be recalled how in 1955, when sweetness and "might," the so-called Geneva spirit, was the topic of the day, the world witnessed but ignored the beginning of Soviet penetration of the Middle East. Today we witness again a dismaying parallel. While the powers are engaged in disarmament negotiations, the Soviet Union has moved decisively to gain control of that same region. There is the display of Soviet naval power in the Eastern Mediterranean, the Suez Canal and the Red Sea. There is the sale of Soviet submarines to Egypt and there is the interference by Egypt, backed by the Soviet Union, in the affairs of anti-Communist Arab countries.

This is, no doubt, the beginning of a new Egyptian attempt to close the Gulf of Aqaba against Israel and thereby provide a rallying point for all the Arab people.

But the target is not Israel alone. The target is the Free World as well. The elements of a tragic explosion are present which could easily erupt into war. The Soviet design is obvious. The desperation of Nasser to regain some of his control over the Arab world plays beautifully

into the Soviet objective. The significance of the latest of the Soviet-Egyptian maneuvers must not be obscured by the seemingly hopeful disarmament negotiations.

One Hundred Million Dollars in Surplus Foods Sent to Needy by United States Religious Faith Groups

EXTENSION OF REMARKS
OF
HON. JAMES G. FULTON
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1957

Mr. FULTON. Mr. Speaker, it is a real pleasure to congratulate for their fine record of human service in their relief programs, the Catholic Relief Services, the National Catholic Welfare Conference, as well as the Church World Service, the National Council of the Churches of Christ in the U. S. A., and also the United Jewish Appeal, and the Synagogue Council of America.

These agencies have achieved the high figure of $100 million in surplus foods sent to needy by United States religious faith groups, and handle 91.3 percent of all commodities distributed to hungry abroad by United States voluntary agencies. All United States voluntary agencies have joined in this magnificent evidence of the religious and humanitarian activities of the good American people and their church and charitable organizations.

American overseas relief agencies of the Roman Catholic, Protestant, and Jewish faiths distributed more than 1,140 million pounds of United States surplus foods free to destitute and hungry people abroad during the 9 months ended March 31, 1957.

These supplies of America's stocks of reserve foods—cheese, powdered milk, beans, corn, rice, wheat, cornmeal and flour—comprised more than 91 percent of all such surplus foods distributed by all American voluntary relief groups during the period.

The overseas shipments by the religious agencies had a total value of $99,895,942.

Other surplus stocks similarly distributed by nonreligious voluntary agencies amounted to 108 million pounds, with a value of $14,184,256.

Of this, the largest amount—nearly 101 million pounds valued at $13,294,899, or 8.09 percent of the total was distributed by CARE—Cooperative for American Remittances to Everywhere, Inc.

In addition, 61 million pounds of dried milk valued at $9,605,040 were distributed through UNICEF—United Nations Children's Fund.

This has been reported by the American Council of Voluntary Agencies for Foreign Service, 20 West 40th Street, New York City, which is composed of 40 agencies registered and recognized by the United States Government. The report is based upon data issued by the United States Department of Agriculture.

In all, the United States Commodity Credit Corporation released 1,310 million pounds of food valued at $123,685,000 for free distribution overseas by voluntary agencies during the 9 months.

During the same period, the CCC released approximately 750 million pounds of surplus commodities for distribution to needy persons in America through various State welfare projects, institutional programs, and so forth.

Operation of the overseas free food distribution by the religious faith groups was carried out in addition to their regular, on-going, worldwide schedules of relief and rehabilitation through which contributed and purchased foods, clothing, bedding, medicines, and self-help supplies are furnished and through which are maintained continuing programs of resettlement, constructive development, and assistance for refugees as well as support for orphanages and hospitals, tuberculosis, and other health projects.

In the assisting of the United States surplus food distribution, the faith groups utilize the networks of their own voluntary relief personnel and that of associated religious agencies.

Because of the highly voluntary nature of their assistance both here and abroad, religious faith leaders report, the faith agencies achieve an extremely high rate of distribution per dollar of cost, with much more than 200 pounds of food—in many cases more than 400 pounds—being given to relieve human misery for each dollar expended in their programs.

Costs of the surplus operations of the religious faiths are defrayed by the voluntary contributions of their members. In Protestant churches the contributions are largely through the one great hour of sharing, united appeal, and the share-our-surplus programs. In the Roman Catholic Church the programs are implemented through the bishop's relief fund. The Jewish faith operates successfully their large programs through the emergency rescue fund of the United Jewish Appeal as well as other Jewish relief programs. These agencies have proven devoted, efficient, and highly effective, and are to be complimented on their heartwarming approach to the problems of relief, refugees, and family aid and rehabilitation.

Surplus commodity shipments by American voluntary agencies during the 9 months—July 1, 1956, to March 31, 1957—were:

	Total pounds	Dollar value
RELIGIOUS AGENCIES		
American Friends Service Committee	6,129,239	$929,641
American Jewish Joint Distribution Committee	8,584,700	550,290
Assemblies of God Foreign Service Committee	973,000	96,274
Catholic relief services, National Catholic Welfare Conference	796,892,300	65,378,021
Church World Service	249,866,366	23,171,056
Hadassah	1,462,765	375,137
Lutheran World Relief	72,997,047	9,063,114
Mennonite Central Committee	2,103,000	185,644
Unitarian Service Committee	377,700	50,255
World Relief Commission	916,555	87,510
Total	1,140,302,653	99,895,942
SECULAR AGENCIES		
American Friends Austrian Children	826,000	$111,040
American mission to Greeks	471,600	65,957
American Korean Foundation	240,000	15,576
CARE	100,985,145	13,294,899
Foster Parents' Plan for War Children	394,110	73,849
International Rescue Committee	720,000	98,360
Iran Foundation	1,992,070	216,658
Rumanian Welfare	1,170,000	151,206
Tolstoy Foundation	90,000	25,200
United Lithuanian Relief Fund of America	947,000	90,091
Volunteer Border Relief	208,000	30,200
Russian Children's Welfare Society	72,000	11,160
Total	108,205,925	14,184,256
Total, religious and secular agencies	1,248,508,578	114,080,198
United Nations Children's Fund	61,968,000	9,605,040
Total	1,310,476,578	123,685,238

Areas receiving United States shipments included Afghanistan, Algeria, Antigua, Austria, Bahama Islands, Belgium, Bolivia, Brazil, British Guiana, British Honduras, British Virgin Islands, Burma, Cambodia, Ceylon, Chile, Colombia, Costa Rica, Dominica, Ecuador, Egypt, England, Ethiopia, Formosa, France, French Guiana, French West Africa, Gambia, Gaza, Germany, Goa, Gold Coast, Greece, Grenada, Guadaloupe, Guatemala, Haiti, Honduras, Hong Kong, India, Indonesia, Iran, Iraq, Israel, Italy, Jamaica, Japan, Jordan, Kenya, Korea, Laos, Lebanon, Liberia, Libya, Malay States, Malta, Martinique, Mexico, French Morocco, Nigeria, North Borneo, Nyasaland, Okinawa, Pakistan, Panama, Paraguay, Peru, Philippine Islands, Portugal, St. Kitts, St. Helena, St. Vincent, San Salvador, Sarawak, Sierra Leone, Spain, Surinam, Syria, Thailand, Trieste, Trinidad and Tobago, Tunisia, Turkey, Vietnam, Yugoslavia.

Breathing Space—The Plight of the Man in the Middle

EXTENSION OF REMARKS
OF
HON. HUGH SCOTT
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1957

Mr. SCOTT of Pennsylvania. Mr. Speaker, the business and professional man in the middle-income brackets is very hard hit today. So is the small-business concern, not protected by accumulated reserves and subjected to multiplying and constantly increasing State and local taxes, in addition to Federal taxes.

In the area of Federal taxation the small-business man needs tax relief badly and would benefit from a real revision of the tax laws to give him the benefit of an increased surtax exemption, more realistic allowances for costs and depreciation and the right to elect

whether to make his returns as a corporation, partnership, or individual.

Likewise, the average middle-income business and professional man, unable to increase his charges adequately to compensate for the increased costs piling up on him from all sides, should be the object of special consideration in any new tax-reduction legislation which may become possible in the event of a surplus of Government receipts over expenditures.

Mr. Speaker, I made some suggestions for tax relief to these hard-pressed groups in a recent speech at Sunbury, Pa., which, under leave granted, I include herewith:

BREATHING SPACE—THE PLIGHT OF THE MAN IN THE MIDDLE

(Speech of Representative HUGH SCOTT, Sixth District, Pennsylvania, before Sunbury Chapter, American Institute of Banking, May 1, 1957)

In recent months, two of the great English-speaking countries took a long look at the hardest-hit area of their body politic—the middle-income group, the great unorganized, the free-enterprising, white-collar people. A Conservative government in Great Britain and a Liberal government in Canada faced up to the fact that the initiative-takers, the business and professional people who provided most of the pot of gold at the end of the government's tax rainbow were getting pretty fed up. They were providing most of the initiative, churning up most of the revenue. At the same time, they were being shaken loose by hungry governments of all too large a share of the fruits of their initiative.

Like the farmer's pigs in France, they were rooting up the truffles only to be rapped on the snout and deprived of the enjoyment of their diggings. They were growing increasingly snoutsore. Result: There was a rising tendency to forgo initiative, to pass up opportunities, through initiative, to increase their earnings.

Great Britain and Canada decided to redress an unfair situation, before the full consequences of their tax policies confronted them, with a law no Parliament could repeal—the law of diminishing returns.

They enacted new revenue laws extending substantial reductions to the middle-income groups. They acted in the sound belief that this increased incentive will, in fact, increase their national revenues. I think they were wise and I think what they did was just.

We in the United States must put our fiscal house in order and prepare to do the same thing. If there is a surplus, then proposals for tax reductions will gain momentum.

How can we manage to assure a surplus?

What should be done with such a surplus?

What tax-cut incentives would supply impetus to the sorely pressed men in the middle?

A surplus exists when we spend less than we take in. We are headed toward our third successive balanced budget. This is as many times as the budget was balanced in the entire preceding 25 years.

We are faced with a $24 billion carryover in spending authorized by the previous 84th Congress. They failed to enact legislation to put the Federal budget on an annual accrued expenditure basis as recommended by the bipartisan Hoover Commission. Because of the default of that Congress, economy can only begin belatedly by cutting in advance the future backlog of carryover authorizations, by returning to the Treasury unexpended funds where possible and by extreme care in commitment to new authorizations.

The House of Representatives has already cut new appropriations by $1.2 billion. Forthcoming action on agriculture, defense and American aid abroad will permit further substantial cuts. The President has already approved a $254 million cut in soil-bank funds and a $500 million reduction in Army appropriations. If the Senate holds the line—and there are now some indications to that effect—the new budget will have lost some water, and gained in economic realism.

The recipe for a surplus, like the recipe for rabbit stew, properly begins with "first catch your rabbit." Receipts have been estimated at about $73 billion. If the economies above suggested can be made to stick and if receipts justify estimates, then we shall be entitled to consider what should be done with the resulting surplus.

Government, in good conscience, should treat a surplus as a trust for two purposes: to reduce its debts and to enable its citizens to retain as much of their earnings as possible.

There are many views as to the priorities, as between public debt reduction and tax relief.

I have introduced a bill, H. R. 7635, which reflects my judgment as to a fair method of dealing with a Federal surplus when it is achieved.

My bill requires that an established surplus be applied one-half to the reduction of the national debt and one-half to the reduction of personal income taxes. This tax reduction formula would extend the same percentage of tax relief as the proportionate reduction of taxes bears to the total income tax receipts of the previous fiscal year. Thus, if the one-half of the surplus so applied equals 7 percent of the total personal income tax receipts, a 7 percent tax reduction would be authorized in the upcoming income tax returns.

Other tax proposals by like-minded members approach the problem of tax relief in varying ways, all of which warrant serious consideration.

These suggestions include relief from double taxation of dividends, increase in exemptions for dependents, lowering capital gains taxes, permitting full deduction of capital losses, relief to corporations.

There is also the problem of greatly needed relief to small business. Here I believe the formula of Andrew Mellon would operate most effectively: a reduction of taxation upon small business should work actually to increase tax revenues and it would certainly reduce the number of small business failures.

My own bill (H. R. 6033) to assist small and independent businesses, is similar to proposals offered by several other Members of Congress.

These proposals include, among others, provision for a normal tax rate of 20 percent with an increase in present surtax exemption, provides certain growth, expansion, and modernization exemptions, and authorizes more rapid amortization of property utilized for the production of profit.

This bill also provides credits for losses incurred through investment or loans to small and independent business enterprises. It also permits the small or independent businessman an election, in filing tax returns, for corporations to file as individuals or partnerships, and vice versa.

The present House Ways and Means Committee has steadfastly refused to consider any relief to small and independent businessmen and unless this attitude alters, needed relief in this important quarter of our economy will continue to be denied.

I submit that if your Congress achieves the much desired surplus over expenditures, the area of incentive tax cuts to encourage renewed initiative can be located at least in part, among the foregoing suggestions.

The constant squeeze upon the man in the middle aggravated by increased, new and multiplying State and municipal taxes, has made him more tax conscious than ever before in his life. And let it not be forgotten that the percentage of increase in taxes on the State and municipal level is far outstripping the Federal tax level. Fortunately, some counties, such as yours, are competently administered and some States have legislatures to put some sort of brake on governors who like to think big and spend bigger.

Returning to the Federal Government, it is unfortunate that two-thirds of our annual fiscal burden bears heavily upon us because of "the bear that walks like a man"—one Khrushchev by name, one huge menace by intent—who does not yet give believable evidence of willingness to cooperate in mutual reduction of armaments.

The nucleus of our dilemma lies in the fantastic cost of our nuclear deterrents.

As the President said in his state of the Union message, we know that "a sound and safeguarded agreement for open skies, unarmed aerial sentinels, and reduced armament would provide a valuable contribution toward a durable peace in the years ahead."

Until the auspicious opportunity for peaceful solutions genuinely presents itself, we must confront armed and godless atheism with the strength of our truth and the truth of our strength.

As Shakespeare says in Measure for Measure: "Heaven grant us its peace, but not the king of Hungary's."

Here within our homeland's bounds your Government owes you a duty to pursue policies supporting a healthy, growing economy capable not only of providing the resources to keep the Government in forward motion, but also to give us ever greater scope to better our own lot.

As free men plan and execute their plans, as they find incentive to take risks and to earn rewards, they create an economy increasingly marked by equality of opportunity for all.

It has been well said, by a percipient observer, that the greatest of our American resources is to be found in the vigorous spirit of self-reliant men and women interested not only in receiving incomes but in earning them.

And on that note, may I leave with you a quotation from Goethe: "That which we have inherited from our forefathers, we must earn again in order to deserve."

The Responsibilities of Citizenship

EXTENSION OF REMARKS

OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. MARTIN of Pennsylvania. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address which I delivered to the Pennsylvania State Chamber of Commerce Tuesday evening, April 30, 1957.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS OF UNITED STATES SENATOR EDWARD MARTIN, OF PENNSYLVANIA, AT THE ANNUAL CONGRESSIONAL DINNER OF THE PENNSYLVANIA STATE CHAMBER OF COMMERCE IN THE WILLARD HOTEL, WASHINGTON, D. C., APRIL 30, 1957

Mr. Chairman and my fellow Americans, one of the most profound truths that have come down to us from the wisdom of Benjamin Franklin was expressed by that great citizen of Pennsylvania in 1787 when the

writing of the Constitution of the United States had been completed.

You will recall that he was asked: "What kind of government have you given us?" and he replied: "A Republic—if you can keep it."

In that simple statement Dr. Franklin asserted his firm belief that a republic recognizing freedom of the individual and deriving its just powers from the consent of the governed, is the most difficult of all types of government to maintain.

It is difficult to maintain because the people are the Government and they have the responsibility for its successful operation. The difficulties are increased when so few people really take a part in their government.

Many of our people seem to feel that they have performed their full duty as citizens when they vote. Some are so indifferent that they even neglect that fundamental obligation of American citizenship.

That tragic situation points out very clearly that to keep our Republic—to perpetuate its strength and power as the bulwark of freedom in the world—we need more militant groups who will take an active, aggressive, and unselfish part in government.

Our country needs more dedicated men and women who will help choose able and courageous public officials to represent us, and then will support those representatives in carrying out the ideals of patriotic Americanism.

As we look back across the record of history we find that great nations have gone down to defeat when the people lost interest in their government. We find that wherever people depended upon government and not upon themselves, their moral fiber was undermined while initiative and self-reliance disappeared. The result has always been excessive government spending, oppressive taxation, and burdensome debt—and let me impress upon you that more great nations have been destroyed by debt and taxes than by invading armies.

Let us look at the situation in our own country as disclosed by some figures. These figures are interesting but to my mind they are most alarming.

In the decade following the expensive Civil War, the cost per capita of Government was $3.82 per person. At the turn of the century the cost was $2.17 per person. Following World War I the cost rose to $3.53 per person. During World War II the cost was $136.46 per person.

The lowest Federal tax take was in 1885, when it was only $1.98 per person, but in 1956 it had increased to the astounding figure of $446.86 per person.

We usually complain that the Federal Government is costing us so much, but the cost of Federal Government is not advancing as rapidly as State and local government.

Twenty-five years ago the overall total of Government debt—State, local and Federal—was $30 billion as against $318 billion now, or an increase of more than 700 percent, while the population has increased only 35 percent.

In 1932 the total cost of all government—local, State, and Federal—was $13½ billion and is now more than $100 billion, or an increase of 700 percent, while the population has increased but 35 percent.

In 1942, State and local taxes were about $9½ billion. In 1956, State and local taxes had increased to more than $26½ billion, or about 3 times.

Too many local governments now feel that if they get help from the State, it does not cost them anything. The States seem to feel that if they get a grant from the Federal Government that does not cost anything. We must never forget, however, that no government has ever created wealth, that all taxes come from the same pocket and are paid for by the consumer of goods produced by labor and industry.

The Federal Government has expanded its grants-in-aid to the extent that it covers practically every function of State and local government. There are now more than 50 activities of this kind. The cost of these grants in the twenties was about $100 million a year. This has increased steadily, year after year, to more than $4 billion at the present time.

In Pennsylvania, not including Federal expenditures for rivers and harbor improvements and flood control, we received $156 million in so-called Federal aid while in the same period we paid $242 million in Federal taxes.

In 1956, we actually spent in the United States $534 million on rivers and harbors and flood control. Of this, Pennsylvania received $7 million at a cost to Pennsylvania taxpayers of $37,293,000 for their share of the total.

These figures are warning signals and it has become imperative in Pennsylvania that we take a hard look at the situation confronting us.

We are not increasing in population as rapidly as our neighboring States, which are heavily industrialized. We have already lost 6 Congressmen since 1930 and because we are falling behind in population increase, we may lose 2 more by the 1960 census.

More alarming is the fact that we are falling behind in industrial progress. In order to retain and increase our population we must have more gainful jobs for our skilled workmen.

I know you have given a great deal of attention to the relationship between taxes and industrial expansion. The figures tell the story. In 1956 direct taxes on business called for 39 percent of the total State tax collections while in our neighboring State of New Jersey it was 19 percent and 18 percent in Ohio.

Let us all take a look at Pennsylvania's budget and also Uncle Sam's budget. Let us keep in mind that there is only one way to keep down taxes and that is to cut expenditures.

If we fail to do so we bring on the destructive force of inflation. Excessive spending by government and big debt are the heaviest inflationary pressures and the most serious threat to our national and economic welfare. Inflation is more deadly than war—more dangerous than any bomb that can be hurled against us.

We are living in a great age. We do not want to turn the clock back. But our ancestors had the virtues of thrift, prudence, and self-reliance. They had pride in local responsibility.

Those are still great virtues. Our local communities and the States should think of this when they go to the Federal Government for help.

Address by Hon. A. Willis Robertson, of Virginia

EXTENSION OF REMARKS

OF

HON. SAM J. ERVIN, JR.

OF NORTH CAROLINA

IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. ERVIN. Mr. President, on May 10, 1957, my able and distinguished colleague, the junior Senator from Virginia [Mr. ROBERTSON] delivered an excellent and eloquent address before the North Carolina Bankers Association, at Pinehurst, N. C. The able and distinguished junior Senator from Virginia is undoubtedly one of the foremost experts in the field of banking in the United States, by reason of his diligent study of banking problems. I ask unanimous consent that his excellent and eloquent address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR A. WILLIS ROBERTSON AT THE 61ST ANNUAL CONVENTION OF THE NORTH CAROLINA BANKERS ASSOCIATION AT PINEHURST, N. C., MAY 10, 1957

Nothing has contributed more to the pleasure of my service in Washington than the friendships I have enjoyed with the splendid members of the North Carolina congressional delegation.

Some of you may recall that I served for 10 years on the Ways and Means Committee with Robert Lee Doughton—the noblest Roman of them all. I smile when I recall the confidential sessions in his private office when the President was urging more and more taxes to keep pace with more and more spending. Old man Bob used to say: "Unless we can stop that program it is going to wreck the country.' The fact that it has not done so is mute evidence of how rich and strong our country was.

During my 10 years of service on the Ways and Means Committee, I helped to write 12 tax bills, each larger than the preceding one. So, I have a very clear idea of the present burden of taxation and the extent to which the ignoring of economy views of statesmen like Robert Lee Doughton has contributed to that burden.

Ever since I have been in the Senate the North Carolina representation in that body also has been outstanding. Never in recent years has more heartfelt sympathy been expressed on the floor of the Senate than on the occasion of the sudden death of the able and beloved Clyde Hoey. Since I am by profession a lawyer and had taken some interest in the Constitution even before it was amended by Court action in the school cases, I have been able to appreciate the outstanding legal ability of such Senators as Willis Smith and SAM ERVIN. Nothing could have been more pleasing to the farmers of Virginia than when North Carolina sent to the Senate a practical farmer who also was well versed in the science of farming, Senator SCOTT.

While Virginia was more of a battleground of the Confederacy than North Carolina, the flower of North Carolina manhood perished in the unfortunate and unnecessary conflict and no State was left more prostrate in the spring of 1865 than North Carolina. And yet no State of the Confederacy made a more rapid and successful recovery. We boast in Virginia of having at Danville the largest single cotton textile mill in the world, and yet, the total of cotton goods produced in North Carolina far exceeds those produced in Virginia. We boast about having at Suffolk the largest single peanut-processing plant in the world but the production of edible peanuts in North Carolina exceeds that of Virginia. Virginia boasts of its production and processing of tobacco and yet the fact remains that North Carolina raises more Virgina tobacco than Virginia and its tobacco-processing plants turn out more varieties than Heinz does pickles.

This year, we are celebrating the 350th anniversary of a settlement at Jamestown which we claim, of course, as the first permanent English settlement on the North American Continent. But all who know their history must admit that the home of the first English settlement would have been in North Carolina but for some tragedy never yet explained that wiped out Sir Walter Raleigh's settlement at Roanoke Island.

I mention these facts as evidence first, of a friendly rivalry in various endeavors that has marked the history of our two States, and

second, as evidence of the firm ties that have bound us together.

It has been interesting to me to learn that while Virginia has nearly 100 more banks than North Carolina, the assets of the 212 Virginia banks are not very much larger than those of the 214 North Carolina banks. The principal reason, I believe, that there are more individual banks in Virginia than in North Carolina is the North Carolina law which permits statewide branch banking which we do not have in Virginia and I assume that the reason there are nearly four times as many State banks in North Carolina as national banks, as against a nearly even division in Virginia, is the rather liberal State banking law. For instance, a State bank can lend up to 20 percent of the first $250,000 of capital and surplus and 10 percent of the capital and surplus in excess of $250,000 to a single individual or interest, whereas national banks are restricted to 10 percent of capital and surplus.

Since the population of North Carolina is considerably larger than that of Virginia and the total of manufactured goods larger, one reason that the assets of Virginia banks are larger than those of North Carolina may be due to the fact that some of the largest corporations that are doing business in North Carolina carry substantial deposits in other States including Virginia. Of course, North Carolina banks have lost some deposits in the past year under the law that requires the State treasurer to get on State deposits a rate of interest equal to the average of short term United States Treasury bills. When the rate on Treasury bills went beyond the rate the banks were authorized to pay, your State treasurer invested about $93 million of State funds in United States Treasury bills.

It was my lack of knowledge of how the banking business had developed in the South that caused me to insert in the formulation of a tentative bill to codify the banking and credit laws a provision that I later learned was highly objectionable to many southern bankers. As I have indicated, most of the banks in Virginia are either national banks or State member banks and there was only one bank in Virginia that did not clear at par. Consequently, I inserted in my tentative bill a provision to require the Federal Reserve Board and the FDIC to adopt the same definition of what was interest on demand deposits with a view to ultimately wiping out absorption of exchange. I soon found that the Virginia viewpoint on that proposal was not shared by the majority of bankers from North Carolina to Florida. Therefore, when the full Committee was considering a bill to be reported to the Senate, I recommended to the full Committee that the provision in the tentative bill relative to the absorption of exchange be dropped. After that action was taken I received many fine letters from North Carolina bankers endorsing the bill that was reported to the Senate.

Although the bill, as passed by the Senate, contains well over 200 substantive amendments to the law, most of the discussion has been centered on the so-called controversial provisions. The regulation of bank mergers by the banking agencies rather than the Justice Department; the elimination of mandatory cumulative voting in the election of national bank directors; the requirement for disclosure of the actual owners of bank stock; and the restrictions on political contributions by banks—all are examples of important issues raised in the bill.

I assume you all are familiar with the arguments on both sides of these controversial questions. Therefore, I would like to review with you briefly some of the sections of the bill which have been overshadowed by the more publicized amendments. These are what I call bread-and-butter provisions, and they are designed to enable bankers to better meet their present-day problems.

I am sure you will agree that two of your principal problems are attracting capable men to the banking profession and obtaining adequate capital for growing banks. Our proposal to permit national banks to have stock option plans for their employees will place banks in a better competitive position with all industry in attracting and keeping personnel. To assist banks in raising needed capital, we have proposed that national banks be authorized to issue preferred stock. The present law does permit the issuance of preferred stock, but this has been construed as an emergency measure only and has not been used since the days of the RFC. We believe that national banks, with the approval of the Comptroller, should be permitted to strengthen their capital structure in the same manner as other corporations.

Limitations on lending authority of national banks would be liberalized in recognition of modern day business needs. Thus, the bill specifically authorizes loans on the security of dairy cattle, frozen foods, and consumer installment paper. National banks would be permitted to make loans to finance the construction of public buildings in connection with the Government's lease-purchase program. Similarly, 18-month industrial and commercial construction loans are authorized by the bill and the aggregate loan limitation on all construction loans is increased to 100 percent of capital and surplus. The bill also provides that loans for working capital purposes shall be considered ordinary business loans, even though the banker takes a mortgage on the property for additional protection.

During the course of my work on this bill many bankers complained to me about competition from savings and loan associations and charged that the Congress has given savings and loan associations an unfair advantage. Due to the nature and purpose of savings and loan associations, their laws in many respects must differ from the statutes governing banks. However, I do believe that to the greatest extent possible these institutions should operate under the same general ground rules as banks, so that the Congress cannot be unfairly charged with favoring one type of institution over the other. This is the philosophy we followed in drawing up the bill.

For the first time, we have provided for the removal of officers and directors of Federal savings and loan associations on the same grounds that are applicable to officers and directors of national banks and member banks. The present law governing the conduct of officers and directors of member banks in their business operations is also applied to officers and directors of Federal savings and loan associations.

Mergers and holding companies of savings and loan associations are made subject to regulation. The House companion bill, H. R. 7026, by Representative PAUL BROWN, of Georgia, carries a more liberal provision on savings and loan branches than the Senate bill, and the House bill also omitted the restrictions carried in the Senate bill on advertising by uninsured members of the Federal Home Loan Bank system.

Needless to say, witnesses for commercial banks called our attention to the fact that the tax rate for savings and loan associations was more favorable than that for commercial banks. Our advisory committee made a specific recommendation that the permissible bad-debt reserves under the Internal Revenue Code be increased, but the Senate Banking and Currency Committee does not have jurisdiction over the tax laws. The committee voted unanimously, however, to refer this question to the House Ways and Means Committee and the Senate Finance Committee for due consideration.

I have outlined only some of the many provisions which are of immediate importance to every financial institution in our country. All of those provisions are in the House bill by Representative BROWN except the two provisions noted above relating to savings and loan associations. Naturally, therefore, I hope that North Carolina bankers will indicate to their Representatives in the House their interest in the Brown bill.

You will understand, of course, that my bill to codify the banking and credit laws was never intended to take the place of a comprehensive study of general fiscal policies as recommended by many economists, the ABA, and by the President of the United States.

We cannot overlook the fact that, contrary to the experience after every other major war, when prices soon fell from their wartime peaks, prices have continued to rise since the end of World War II, and in March of this year the Consumer Price Index stood at 118.9 percent of the 1947–49 average.

Our gross national product increased 6 percent during the last year and reached the record annual rate of $427 billion in the first quarter of 1957. Personal incomes and consumer spending also reached new highs this year. Although some soft spots have developed in our economy, we cannot yet say that the threat of an inflation that would be damaging to small as well as to large business has passed.

It must be recognized, too, that inflation is inefficient as well as unjust. When people cannot rely on the purchasing power of the dollar, money loses a considerable part of its usefulness. In the scramble to avoid the penalties of inflation, saving is discouraged and investments are planned with a view to dollar profits unrelated to efficient production.

In considering the inflation problem it is obvious that the full burden of price restraint cannot be borne by the Federal Reserve System. Government expenditures and financing must be determined with regard to effects on prices. Labor and business must restrict increases of wages to those consistent with generally increasing productivity. Bankers can be helpful also in creating a climate of opinion which will encourage stability of the general price level.

All of these groups should be interested in the kind of study of fiscal policies to which I have referred, but everyone should frankly recognize the fact that throughout the history of the Nation the control of money has never been separated from politics.

Alexander Hamilton, who did not object to George Washington being made king, wanted the new Nation to have a bank comparable to the Bank of England, owned and controlled by the Government. He partially got his wish in the Bank of the United States. That bank, though privately owned, so dominated credit and placed the control of money so firmly in the hands of a few rich men that the abolishment of the Bank of the United States became a major issue with Andrew Jackson.

Jackson succeeded in abolishing the Bank of the United States and for a while State banks flourished. But State banks issued script that passed for money and had no firm value. In order to get money of firm value with which to finance the War Between the States the Congress passed the National Bank Act of 1863 which placed a tax of 10 percent on the money issued by State banks and that, of course, put most of the State banks out of the note-issuing business. During and immediately after the War Between the States the Government put out paper money legally titled "United States notes" and called greenbacks. We still have some of this outstanding in the form of United States notes, totaling $346 million. A gold reserve of $156 million has for many years been held against these notes. The

United States notes, or greenbacks, depreciated severely (to about 45 cents on the dollar) in relation to gold but returned slowly to par. A Silver Purchase Act in 1890 and issuance of Treasury notes of 1890 based on this silver again caused a depreciation in the quality of our money and had much to do with the 1893 panic and depression. President Grover Cleveland brought about the repeal of this law.

The issue over the retirement from circulation of greenbacks and what would be called today a tight-money policy reached a climax in the campaign of 1896 between William McKinley and William Jennings Bryan, when Bryan in an effort to end a farm depression, advocated the monetization of silver at the ratio of 16 to 1 for gold as a means of producing plenty of cheap money.

The depression of 1907, during which many southern banks had to resort to scrip because of currency shortages, resulted in the appointment of the Aldrich Commission to study the problem of tight money. Republican bankers liked tight money and killed the Federal Reserve bill in the Senate in 1912. The next year the Democrats under Woodrow Wilson passed the bill. In the Senate only 3 Republicans and 1 Progressive joined with the Democrats in the passage of that bill.

The biggest depression in history started another drive in 1934 for easy money. A Democratic Congress abandoned the gold standard and ever since we have had a managed currency. Under that program, the dollar has lost one-half of its purchasing power. A managed currency can be kept sound if new money be issued solely with respect to the money work to be done. But when the Federal Government resorted to deficit financing it hurt the soundness of the managed currency in two ways:

1. By purchasing Government bonds Federal Reserve banks provided the banking system with additional reserves which made it possible for them to increase the money supply without relation to the money work to be done.

2. When the Government sold bonds to commercial banks new deposit money was created for each dollar of bond so bought. And more business is done with bank check money than with currency.

The net result is an alltime high supply of currency, an alltime high of credit (including consumer and mortgage), and an alltime high of prices.

These factors need to be investigated. Edmund Burke said: "Nations do not learn by experience," but if our Nation hasn't learned that the consideration of sound money, so essential to successful banking, must be free from politics we may live to see currency and credit increased to the point of ruinous inflation.

The Military Medical Supply Agency

EXTENSION OF REMARKS

OF

HON. FRANCIS E. DORN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. DORN of New York. Mr. Speaker, on the 2d of January it was my privilege to participate in ceremonies marking the activation of an important new defense agency in my hometown of Brooklyn. This activity is the Military Medical Supply Agency which was established by the Navy at the direction of the Secretary of Defense in implementation of the single manager plan for consolidated management in the field of common supplies and services for all the Armed Forces.

On January 31, 1956, the Secretary of Defense designated the Secretary of the Navy as the single manager for medical and dental supplies and equipment and on April 12, 1956, approved the nomination of Rear Adm. W. L. Knickerbocker, Supply Corps, United States Navy, as the Executive Director of the new activity. The Secretary of the Navy in turn assigned management control of the Agency to the Bureau of Supplies and Accounts headed by Rear Adm. R. J. Arnold, Supply Corps, United States Navy and technical control to the Bureau of Medicine and Surgery under Rear Adm. B. W. Hogan, Medical Corps, United States Navy.

To cover briefly the highlights of this plan for supply management—the Military Medical Supply Agency will administer the wholesale inventories of all military medical and dental material within the continental United States, it will compute and procure net requirements, and it will operate a wholesale distribution system serving all 3 military services. This leaves to the individual services the development of total requirements—both peacetime and mobilization, and the management of their retail inventories.

I have closely followed the operation of this unique activity during the 4 short months since its activation and I am most impressed with the progress which has been made to date in setting up its methods and procedures to conform to the new single-manager concept of supply operations.

Rear Admiral Knickerbocker has developed a streamlined depot distribution system utilizing the field facilities of all 3 services which undoubtedly will result in economies in operation with ultimate savings to the taxpayers. This new system is designed to provide effective supply support with 6 less depots engaged in the handling of medical material, thereby releasing space at these facilities for the storage of other military supplies and equipment. The system further provides for the dispersal of depots across the length and breadth of the country yet permits an efficient and economical distribution of material. It eliminates costly cross-hauling and meets the criticisms which have been leveled at the armed services as to unnecessary duplication of assets and facilities.

The Executive Director informs me that he enjoys the finest relationship with the Surgeons General of the Army, Navy, and Air Force who provide him with the professional advice and assistance required in the fulfillment of his assignment and the enthusiastic cooperation received from the field activities of the 3 services has more than met his expectations.

The pattern of utilization of the assets of all services has also been followed within the agency proper. With the exception of the Executive Director's billet all military positions are rotatable among the 3 services and Admiral Knickerbocker reports that the caliber of military officers assigned to his organization has been of the highest order. The military billets are equally divided among the Medical Service Corps of the Army, the Supply Corps and Medical Service Corps of the Navy, and the Medical Service Corps of the Air Force, and the best man is placed in the appropriate job regardless of the color of his necktie.

In assuming the consolidated functions previously performed by four separate service agencies it was possible to effect economies in the number of personnel performing such functions—many of which were duplicating. Although a total of 113 billets were eliminated, the Industrial Relations Department of the Naval Supply Activities, Brooklyn, N. Y., which also performs the industrial relations functions for the new Agency, did an outstanding job in placing the personnel affected. All civilian personnel except two were placed in new jobs either with private industry or with other Government activities which were recruiting personnel with their specific qualifications. The two not placed had elected to retire. In addition, 75 military billets were eliminated during the reorganization. Although some 800 persons were affected by this change in administration, to date only one grievance has been received by the Executive Director and that was denied by the Civil Service Commission. I think that this fact alone attests to the soundness of the Agency's organizational setup and the careful thought and foresight which went into its original planning.

The reaction of the drug, chemical, surgical instrument and allied industries to the changeover to the single-manager concept of procurement and inspection has been most favorable since it has simplified procurement paperwork without loss of proper Government safeguards. The Military Medical Supply Agency expects to procure some $67 million worth of medical and dental items including blood plasma during this forthcoming fiscal year in addition to meeting procurement requirements placed on it by the Federal Civil Defense Administration.

The operation of the Agency to date has been truly a joint effort. All three services have actively participated in the planning from the very outset almost a year ago and the cooperation and coordination at the working level has been exceptional. Even though the responsibility for administering this important medical material commodity has been placed squarely upon the Secretary of the Navy as single manager, the new Agency expects to serve more as a joint organization, jointly staffed by capable and experienced officers of the Army, Navy, and Air Force and ever mindful that its primary mission is to effectively support the overall military effort of our country.

The people of Brooklyn are most appreciative of the opportunity to participate in this dynamic program under the single manager concept of supply management and of the efforts of the Secretary of the Navy in assuring that individuals separated from their jobs are placed in comparable positions elsewhere when possible.

I have taken a personal and continuing interest in the goals it is achieving and consider it most fortunate indeed

that the people of Brooklyn are privileged to take an active part in contributing toward such a worthwhile endeavor.

Unions—Why They Exist and What They Do

EXTENSION OF REMARKS
OF
HON. ELMER J. HOLLAND
OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Wednesday, May 15, 1957

Mr. HOLLAND. Mr. Speaker, under leave to extend my remarks, I wish to insert in the RECORD the following address I made to the pupils of St. Michael's, St. Adelbert, and St. Casimir Parochial Schools, Pittsburgh, Pa., on May 1, 1957:

UNIONS—WHY THEY EXIST AND WHAT THEY DO

There is nothing very lasting in the world. All things change—and sometimes it is hard for boys and girls of high-school age to realize what has brought about the conditions that prevail in the world in which they are growing up.

Everybody in the world—unless born to wealth—must work for a living, and education is the process which prepares us for work—be it an occupation or a profession.

We need hardly tell you because undoubtedly you have heard stories from your parents and have read that the labor struggle in the United States was not an easy one.

We live in western Pennsylvania, and, as you know, a good many years ago western Pennsylvania became the heart of the iron and steel industry in our great country. This happened because of the nearby abundance of soft coal, the excellent river transportation system, its proximity to the Great Lakes over which the ore from the Minnesota range country was easily, swiftly, and inexpensively transported to the Pittsburgh region.

Here the ore, and coal, and limestone were converted into steel and then shipped elsewhere to be fabricated and manufactured into those things which the people of our country were demanding—and the people of other parts of the world were needing.

The steel industry was founded in Pittsburgh by a group of small independent men who built fabulous empires for themselves—but who finally sold their interests to a Scotsman by the name of Andrew Carnegie, who formed the Carnegie Steel Co. Later on, in the year 1901, he sold his great holdings to the Morgan interests.

It was then that the first billion-dollar corporation in the United States was created, and it was known as the United States Steel Corp. At that time, it is interesting to note, labor in the mills was receiving the pay of 15 cents an hour.

In those hard days, the men who controlled the industry also controlled the vast coalfields that spread over western Pennsylvania.

These men were interested in producing steel and making large sums of money for themselves, but they were not too interested in the welfare of the people. In order to get people to man the mills and to dig the coal, agents were sent to Europe and hundreds of thousands of immigrants were brought into the country to sweat and toil and to produce wealth for the owners.

Many of you in this room know that your parents or your grandparents came from parts of Europe and settled here because of the inducements of finding freedom and earning enough money to support their families. And yet—America was not always the great land of promise that it seemed to be to the Europeans looking westward in our direction.

When they came here, although they did find work, they also found miserable towns built in the river valleys and black mills controlling these towns. There was little freedom—rather, there were long hours of work, small wages, and conditions that to us now seem appalling.

Many years ago there had been attempts made to form unions in these giant mills so that the working people would have some say about their own destinies, some control over their own lives, their wages and the working conditions.

You have all read about the historic Homestead steel strike in 1892, when the workers did attempt to organize unions but found that they were beset by the company and the State militia, and they were forced to give up many things they had been fighting for.

At the end of the First World War another attempt was made to organize the steel industry, and, although thousands of persons enrolled in the union, it all came to no avail. Once again the corporations broke the strike.

During the twenties in the United States, there was a period of great wealth, that is, it was for the people on the top.

America found millionaires blossoming by the thousands, but the people who worked in the mills and the shops and the mines were not given a part of the great profits which were being made and, as a result, the machines of industry, although they were pouring out tremendous quantities of goods, found that there were not sufficient buyers in the country with money enough to consume those things which were being produced.

And, finally, the wheels slowed down and a great depression set in.

Shortly before any of you were born, a great social revolution started in this country with the election of Franklin Delano Roosevelt as President of the United States. This was in 1932.

Franklin Roosevelt was a man who saw our country falling apart and who felt that unless ways were found to share this tremendous wealth, which was being produced or could be produced, that we could not survive in the world as a strong free nation.

Franklin Roosevelt did many things to save our country and particularly to save our capitalistic form of economy. He helped business by creating government agencies which poured countless millions of dollars into their treasuries to see that they could survive. He helped the farmers by having all sorts of agricultural laws passed so that they could weather the severe economic storms.

And Franklin Roosevelt also helped the working man by seeing to it that in the law called the "National Recovery Act" there was inserted a clause which gave the workers the right to organize into unions of their own choosing.

Immediately there was a great upsurge of union activity in the United States and shortly thereafter there was founded a Committee for Industrial Organizations which was determined to organize all the workers who toiled in great mass industries such as steel, aluminum, rubber, automobile, textiles, oil, mines, and others.

When the National Recovery Act was declared to be unconstitutional, there was a new Federal bill passed by our Congress known as the "Wagner Act," which was sponsored by Senator Wagner of the State of New York. This Wagner Act came to be known as labor's Magna Carta and it gave to the unions and the working people of the United States the right, under Federal auspices, to organize into unions and to fight for higher wages and better working conditions.

It is hard for us to realize today just how bad things were back in the early thirties. I would like to point out just a few facts for comparison to make it easier for you.

In 1934, the United States Steel Corp. (and their rates, of course, are sometimes even higher than those paid by other companies) was paying a minimum of 47 cents an hour in the North, and about 32 cents an hour in the South. In November of 1936, to forestall the great union surge which was sweeping the steel industry, the company did raise the common labor rate to 52½ cents an hour.

Compare that, if you will, with the rate now being earned by a common laborer in the United States Steel Corp., and also in many of the other steel plants in western Pennsylvania, which is $1.82 an hour. In the aluminum industry, it is now $1.84 an hour. This is a tremendous increase in buying power of the people who have to work in the mills.

Back in 1934 and 1936, vacations were unknown in the steel industry—except for the bosses. Today, everybody who works gets a vacation.

Pensions and insurance provisions were also unknown in the steel industry—although, of course, there were some people at the top who did receive princely pensions. Today, if a man works in the steel industry for the major part of his life, he can look forward to sufficient money upon retirement to take care of himself as long as he lives.

And today—if a worker or his family becomes ill or requires hospitalization, there are funds set aside by the company by the workers to take care of these health needs.

A few of the other things that unions have won over the years have to do with paid holidays—something nobody had 20 years ago; shift differentials, which means that if people work on the late afternoon shift or the night shift, they get a few cents more than the people who work the preferred daylight shift.

But probably the most important event that has happened in the steel industry, and which was brought about by the union, is the development of the individual worker—as a person of some importance and stature in his plant and in his community.

The worker is no longer considered just a number, somebody who can be hired by the boss at will—and fired, indiscriminately, without charges being preferred against him.

Today, a worker, when he goes to work in a plant, immediately begins to accumulate seniority and is protected by a contract which is negotiated between the company and the union. This contract spells out, in great detail, the working conditions, the rights of management, and the rights of the employees.

If there is a fight over some of these issues between the employer and the employees, the worker, today, may take a problem up through the grievance machinery, and, if necessary, even to an impartial arbitrator who—without fear and without pressure—will render a fair and equitable decision either for the worker or for the company in accordance with justice and right.

We know that there are many people in the United States today, and even here in western Pennsylvania, who still fear unions and sometimes even brand unions as being subversive or un-American or antidemocratic.

We know, too, that there are unions that sometimes are a bit undemocratic and arbitrary in the things they do, but, we are old enough to know that almost any institution, which is manmade, can deviate from the course which it should pursue. But, by and large, in spite of the errors that unions have made, unions have become a strong motivating force for freedom and democracy, particularly industrial democracy, in our society.

It is really too bad that more time is not spent in school learning about the contributions that unions have made, because unions are a potent factor and should be given credit for what they do.

Students should be taught about the American heritage in full, part of which is owed to the trade-union movement. Many students in high school, upon graduation, will go to work in shops and factories and mills, and many of those students will eventually become union members.

We think it is only right that in America, where man is free to advance himself and to earn sufficient money to move ahead and live comfortably, that the role of unions and companies should be more closely studied.

Unions in America are not opposed to business as such.

Unions want companies to be strong and to make money, because unions know that in the end, the income of union members is derived from the profits of the company. But unions feel that companies, when they earn large sums of money, have a moral right to see to it that the employees, who, by their sweat and brawn, produce the goods and services, should be rewarded sufficiently so that they in turn, can buy these goods and services; and they feel that an ever-expanding economy means even more productivity upon the part of the employees and the company, and an ever-greater share to which the employees are entitled.

Now, it's often said that there is only so much in the pie—and—if labor takes too much, then management and the stockholder will not have sufficient left. Over the years, labor's share in the pie has not risen appreciably, but what has happened is that labor and management, working together, have been able to bake a bigger pie, so that all segments of our economy receive bigger slices, including the money return to those who work.

In a sense, a union is an economic and social prod to companies and to government. Naturally, unions are formed by people who are generally not satisfied—they want more.

Everybody wants more, and with our tremendous wealth and productive skill any right-thinking person knows that all men can get more, provided they are given the opportunity to produce more.

The big problem in America is how to share the product and how to make distribution of the consumers' goods an easy thing so that we will not have periods of recession and employment decline.

Unions believe in the strength and vitality of America—but, even more important than that, they believe that people are the important element, and that, no matter who a man is, where he originates, or what his personal beliefs are, he should be accorded the full right of every other American citizen to carve out his life the way he wants to.

Policy Toward Satellite Nations

EXTENSION OF REMARKS

OF

HON. JAMES G. FULTON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. FULTON. Mr. Speaker, under leave granted to extend my remarks in the RECORD, I include the following statement:

MINORITY VIEWS OF HON. JAMES G. FULTON, OF PENNSYLVANIA

The report of the majority of the Special Study Mission to Europe on Policy Toward the Satellite Nations lays great stress on the widely voiced criticism of a lack of consistency in United States foreign policy. Yet where is this alleged inconsistency to be found? Certainly it is not in the fundamental principles and objectives of our policy. It is necessary to point out that the implementation of the same United States foreign policy must vary because of local area conditions. The same method of implementation would not have been possible toward both Hungary and the Middle East due to the essentially different circumstances and conditions of power access in the two areas.

In short, our United States capability of exerting influence or bringing power to bear directly is obviously greater in some areas of the world than in others. As applied to the satellite states, our United States policy during the present administration—and during the previous one as well—has been to sustain the hopes of the peoples of Eastern Europe in the eventual achievement of liberty and national independence, to maintain their faith in the value of these goals, and to promote by every means, short of force or the encouragement of force, an evolution toward freedom. There have been many allegations that the VOA and the RFE led the Hungarians to expect more than this. No substantial or affirmative evidence has been presented to our committee or otherwise that would bear out this allegation. There may have been errors through inferences drawn from program statements issued under changing and highly charged emotional conditions. The majority of the study mission is justified in pointing out that the most careful editorial supervision of these media is required.

Course of action of the United States Government taken by the White House, the Department of State, our United States representation at the United Nations, as well as our United States missions abroad, from the very beginning of the Hungarian uprising appears to have developed logically from the basic policy just described. Certain fundamental decisions had to be considered and made and, clearly, were taken promptly upon the outbreak of violence in Hungary. These decisions would appear to be the following:

(a) That the United States Government was not prepared to resort to force or the threat of force in the Hungarian situation;

(b) That the United Nations organization offered the best hope of bringing about a satisfactory solution of that situation;

(c) That the United States should take all possible peaceful means outside the United Nations to assist that organization and to be of aid to the Hungarian people in the light of developing circumstances.

There are some who may question the validity of these decisions, but no evidence has been developed before our European subcommittee to indicate that these important and decisive steps were not taken expeditiously in view of the long unrest in Hungary, and the sudden dramatic culmination in violent and complete revolution. The steps taken by the United States in the Hungarian crisis were clearly in harmony with these decisions. It is a matter of record that our permanent representative in the United Nations took a strong lead in bringing the Hungarian question first before the Security Council and later before the General Assembly. According to a letter which he addressed to the editor of Time, Inc., on March 4, 1957, he was actively working with the members of the Security Council and the General Assembly at the United Nations how best to handle the Hungarian crisis from October 25. There is ample evidence that the United States did exert constant and leading efforts to marshal every possible support for the Hungarian people in the United Nations and have continued to do so up to the present time. The actions as to Hungary in which the United States participated were taken by the overwhelming majority of the United Nations in behalf of the Hungarian people.

The majority view of the subcommittee would on any other proposed course of individual United States action necessarily have the United States Government embark on a solitary and sudden course exactly as Britain and France acted on the Suez crisis which occurred at the same time as the Hungarian revolt. The United States could not insist on joint action against war in the dispute with Britain and France on Suez, and at the same time embark on a solitary policy as to Hungary when the United Nations was considering the question. It should be pointed out that the majority report recommends no specific action or policy that the United States Government should have taken in the Hungarian crisis other than the administration took, but simply complains of the necessary time to implement consultations for joint action in the United Nations agencies. Do we act with our allies and the United Nations in the next satellite crisis or revolution? I strongly recommend we do.

Outside the United Nations both the President (on October 25) and the Secretary of State (on October 27) vigorously condemned Soviet actions in Hungary while at the same time pointing out that the security of the Soviet Union would not be threatened by a free and independent Hungary. The United States Government unilaterally also made significant contributions to the material aid of the Hungarian people, though this too was coordinated through the United Nations.

Much is said in the majority report about the lack of United States action during the "fatal 4 days" between October 23 and October 27. Such criticism, however, neglects to take account of several important factors. While it was known long before October 23 that there was general popular unrest within Hungary and deep factional conflict within the Hungarian Communist Party itself, no one, including the Hungarian people, the Hungarian Communist leaders, or the Soviets, was in a position during the first days of the uprising to forecast the course which events were to take during the ensuing period.

The initiation of any precipitate action (and the majority does not specify just what action it has in mind) before at least the general outline and trend of events as they were developing had become clear would appear, even in hindsight, to be unwise.

Consider, for example, the situation as it existed on October 24. Imre Nagy, who was known to be more nationalistically inclined and more moderate in his political and economic policies than his predecessor, had become Prime Minister. The Stalinist Gero had been forced to resign as party secretary.

In brief, progress had been made at that point not dissimilar to what had just taken place in Poland. Would the United States have been justified in taking some hasty action at that juncture which might have jeopardized Nagy's position as the only leader who at the time appeared even remotely acceptable both to the Soviets and the Hungarian people? Should all possibilities of a compromise solution have been endangered or forfeited at that stage when there was no clear basis for anticipating what the next days would bring?

It would appear from these considerations that our Government took the only steps feasible within the framework of its basic policy decisions: We made known to the Hungarian people that we shared their aspirations for freedom and national independence and stood ready to render economic assistance to a free Hungary. We condemned the Soviet intervention and initiated discussions with friendly governments,

primarily within the framework of the United Nations but also on a direct basis, concerning action which could be undertaken with wide agreement in support of the Hungarian people.

Address by Hon. William F. Knowland, of California

EXTENSION OF REMARKS
OF
HON. CHARLES E. POTTER
OF MICHIGAN
IN THE SENATE OF THE UNITED STATES

Wednesday, May 15, 1957

Mr. POTTER. Mr. President, our distinguished minority leader has a talent for summing up dramatically what is going on in the Congress. I believe his address at Grand Rapids, Mich., of Monday, May 6, will be of particular interest to all of us. I ask unanimous consent to have it printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

SPEECH OF UNITED STATES SENATOR WILLIAM F. KNOWLAND, GRAND RAPIDS, MICH., MAY 6, 1957

Michigan has made many contributions in peace and war to our Nation and has contributed outstanding leadership over the years to the Republican Party.

Your senior Senator, CHARLIE POTTER, is carrying on in the finest traditions of your State and of our party. With 6 years of experience in the House of Representatives and with his Senate experience dating from 1952, when he succeeded the late Arthur Vandenberg, CHARLIE POTTER has, with ability and integrity, done an outstanding job.

He is a member of two of the most important committees of the Senate, the Committee on Interstate and Foreign Commerce and the Committee on Appropriations. As a member of the latter committee, I can personally testify as to his effectiveness as a valued member of that committee.

It is also pleasant to once again be in the Fifth Congressional District and in the city of Grand Rapids. Your Congressman, GERALD R. FORD, JR., has seen service in the House since his election on November 2, 1948, and serves on the powerful Appropriations Committee of that body.

I know of no Member of the House who commands more respect on both sides of the aisle than does your own Congressman JERRY FORD.

It is good to be here to discuss some problems of concern to us as citizens of the United States.

I bring you personal greeting from President Eisenhower and Vice President NIXON.

DICK NIXON has done an outstanding job as representative of the President on his recent trip to Africa and in the other assignments that have been given him during the past 4 years and 4 months.

Let us never forget that in his 4 years of office the Republican administration of President Eisenhower:

1. Brought the Korean war to an end.
2. Has preserved peace with honor.
3. Presented three consecutive balanced budgets.
4. Taken off wage, price, and commodity controls of our economy.
5. Provided a $7 billion tax reduction.
6. Stabilized the dollar with only a limited devaluation compared with the previous 5-year period.
7. Employment rose to a new level in March to 63,900,000. The Nation now has the highest peacetime employment in our history.
8. The administration has extended social-security to over 10 million additional Americans and increased social-security benefits to 605,000 additional Americans.
9. Our national-defense forces have more striking power than ever before.
10. Under the Republican administration unemployment compensation has been extended to 4 million additional workers bringing the total now covered by unemployment compensation in the country to 41 million.
11. The administration has been free of corruption.

These are but a few of a long list of accomplishments. We have had some liabilities, to be sure. I believe the budget presented this year is too high. It should and will be cut by Congress. But the American people should continue to remember these outstanding accomplishments.

We must as a Nation build on principles rather than personalities. Individuals come and go but fundamental principles endure.

What are some of these basic principles that we should stand for?

1. Constitutional government with the division of power between the legislative, executive, and judicial branches of the Federal Government and the reservation of all power not granted to the Federal Government, under the Constitution, to the States and to the people.

2. Maintenance of our free-enterprise system under which we have grown from a small colony of 3 million people to a great world power of 170 million with the most productive economic system the world has ever known.

3. Protection by the Federal Government and the States of the people from the concentrated and arbitrary use of power by business or labor organizations against individuals and small-business enterprises. The right to earn a living as an employee or as a proprietor of a small business is a "civil right" of the first magnitude.

4. Maintenance of a soundly growing economy based on free enterprise and full employment. No business or labor organization should have the power to strangle the economic life of 170 million Americans and by so doing endanger free men everywhere. With power must also go responsibility.

5. Support of a sound fiscal structure for our Federal, State, and local governments. This requires all of them to live within their means and to stop trespassing on the tax resources of the others.

Without a sound dollar and a solvent Government our whole structure of local, State, and National Governments, of public and private educational facilities, of wage earners, of public social security, and private pensions and retirement systems will be jeopardized.

Without a sound dollar every employee, every housewife, and our people living on retirement income or social-security payments will be penalized. Inflation and debt repudiation is but another form of confiscatory taxation in the Marxist Socialist pattern.

It is time for us to rededicate ourselves to a renewed faith in our free way of life.

We must not take our constitutional form of government or our free enterprise system for granted. Neither fall into the category of something that can be locked in a safe-deposit box and kept forever secure. Each generation must be prepared to make the necessary sacrifices to maintain them that our Founding Fathers were prepared to make in the first instance.

Other nations have been or now are larger in land area, in population and in natural resources. Yet they have not been able to give to their people the freedom and the standard of living Americans have enjoyed.

As important as is the productive capacity of our Nation and its military strength, these are not the factors which alone could preserve our freedom or enable us to maintain a free world of free men. The inner strength of America has not been its great cities, its huge industrial plants, its extended transportation systems or its variety of natural resources as important as these are.

The factor which made America an inspiration to the rest of the world grew out of our Declaration of Independence, the Constitution of the United States, and the spiritual values which the founders of our Republic recognized and by which they were guided.

We have recognized that there is a higher moral law to which governments are also accountable. We have humbly acknowledged the divine inspiration which made and preserved us as a Nation.

We have read of and been inspired by the action of George Washington in kneeling in prayer during the dark days of Valley Forge and of Lincoln doing the same during his lonely vigil in the White House during the darkest days of the Civil War.

The priceless ingredient for our people has been our constitutional form of government which guarantees our religious, personal and economic freedom.

We must not dilute our constitutional guaranties whereby human freedom would be compromised with totalitarian tyranny in any form of world government.

The incentives furnished under our system have constantly opened new horizons.

In this atmosphere, Americans of each generation have sought to leave to their children a better land than they themselves found, not just better in a material way but in the educational and cultural developments that make for better family and community life.

New inventions in various industrial fields and the tremendous potentials of the peacetime developments of atomic power are bound to challenge us for many years into the future.

The economic and fiscal record of our Republican administration has been without parallel in modern times. Total output of goods and services has increased from $345 billion in 1952 to $412 billion in 1956—a gain of more than 15 percent.

Five million dwelling units have been constructed during the 4-year period from 1953 through 1956. This greatly exceeds the number built during any other similar period in the Nation's history. Homeownership is at an alltime high.

Homeownership and construction should be encouraged. It contributes to our durable goods industries and contributes to good citizenship and an expanding standard of living.

Of even greater importance is the improvement in the spiritual base of American society. Participation in and support of religious, cultural, educational and civic activities is more extensive than ever before. Church membership has increased markedly and recent years have witnessed a sharp rise in the construction of churches.

Greatly increased amounts of resources are being devoted to education at all levels. Public and private outlays on construction of educational buildings totaled $3.1 billion in 1956—the fourth year in a row in which a new record has been set.

When the Federal Administration returned to Republican control, expenditures totaled almost $75 billion and the deficit was $10 billion. Taxes were cut by some $7 billion, the largest single tax cut in the Nation's history and by 1956 the budget was back in balance.

Lately, however, Federal expenditures have been increasing once again. There has been

deep and widespread concern about this throughout the country and rightly so.

A tax system under which the Federal Government taxes personal incomes at rates varying from 20 to 91 percent and corporate income at a 52-percent rate is simply too burdensome. It will ultimately destroy our free enterprise system.

For fiscal year 1958 President Eisenhower estimates that the Federal Government will spend almost $72 billion—an increase of more than $5 billion over the 1956 spending rate.

The budget continues in balance only because of a continuous increase in the level of our prosperity which has brought forth a steady rise in tax revenues with no increase in rates.

Few people realize that all we need to do at the present time in order to be able both to reduce our towering national debt and cut taxes is to stop increasing Federal expenditures. Had Federal outlays been held at their 1955 level we would now face the pleasant prospect of a budget surplus of almost $9 billion in the coming fiscal year. This would be sufficient for a sizable reduction both in the national debt and in taxes.

In order to have a budget surplus of almost $5 billion in the forthcoming fiscal year, all we need to do is to keep Federal expenditures from rising above their already high current level. This reduction of $3 billion can and must be achieved as a minimum. I pledge my efforts to this end.

This must not be any single shot effort. In future years we must continue to keep Federal expenditures from increasing and wherever possible, to reduce them. Only this way can our burdensome taxes and national debt be steadily reduced.

There is a prevalent school of thought which maintains that Federal expenditures must keep pace with the growth of our economy. This is a dangerous and unnecessary philosophy. For one thing, it is the economy that maintains the Federal Government and not vice versa. Further, unless we are able to reduce our tax burden, we may end up by destroying or seriously crippling that which is the source of our strength—our free enterprise economy.

We live in a perilous age. Unless, we are able to reduce Federal expenditures and taxes, we will have no margin available for emergencies. Should we be faced with the necessity of fighting another war to preserve our liberties, we may end up having lost them through internal breakdown even though we decisively defeat our foreign foe.

I do not deny that as the country grows, some increase in Government expenditures is necessary and even desirable. However, of one thing I am certain. During a time of peace it is not necessary for Federal expenditures to increase as fast or faster than the increase in the national income or as fast as an overburdened tax system can produce increased revenues.

The founders of this Republic knew well the history of the world up to their time. They knew that where there was a concentration of power in a single agency of National Government that the freedom they sought to guarantee could easily be lost.

Those of us who continue to believe firmly in this wise political philosophy instinctively know that the Federal Government cannot give anything to the States unless it first takes it away from their citizens.

Throughout the major part of the last 30 years, the Federal Government has had to use a constantly increasing portion of the Nation's taxable capacity to meet its expending obligations. Only by calling a halt to this process can the weakened sovereignty of our States be shored up and revitalized. If the Federal system is worth retaining our aim has to be less Federal spending and less taking on of new obligations accompanied by a reduction in Federal taxes and debt. In this way and solely through these means the States and localities will have the wherewithal to undertake the many necessary programs as society grows and becomes more complex.

America is still the authentic revolution. The flame of freedom which was struck at Concord and Lexington still is an inspiration to the enslaved behind the Iron Curtain.

But it is also an ageless lesson that no outsiders can win independence for a people. They must be willing to pay the price in blood and resources to gain their own freedom.

We do recognize, however, that when freedom is destroyed anywhere a bit of freedom is destroyed everywhere.

Nations can die while delegates talk. Last year the General Assembly of the United Nations passed 10 resolutions in 76 days of debate. All that while freedom was being strangled to death in Hungary. With callous indifference the Soviet Union placed itself above the higher moral law of God as well as above its obligations under the United Nations Charter.

No international organization can long endure with a double standard of international morality.

Are the obligations and the mandates of the United Nations to be applicable to the democratic nations but not to the totalitarian powers? To the law-abiding but not to the outlaw nations? To the small and weak countries but not to the big and strong? What kind of justice is this? Are we building on quicksand? What kind of a foundation is this for constructing a system of international law and order based on justice?

We serve no useful purpose if we hide the facts. To the contrary by ignoring them and failing to seek remedies we may endanger the safety of this Republic and free men everywhere.

For many decades the men in the Kremlin have preached the doctrine that the Free World contains the seeds of its own destruction. It is far more likely, I believe, that the Communist world contains the seeds of its own destruction.

Hungary was but the latest in the indications that, even under totalitarian police rule and the brainwashing of a whole generation, the spark of freedom still lived and was capable of lighting a fire that endangered the whole monolithic structure of Communist tyranny.

After the Hungarian experience how much reliance can the Soviet Union place in the armed forces of the other captive nations if freedom is ever within their reach? How can they have faith in Communist indoctrination when young students were the leaders of the Hungarian rebellion?

Within the past several weeks the rulers in the Kremlin have sought to intimidate Norway, Denmark, Greece, and Iceland.

The Soviet Union has not changed its long-term strategic objective: the destruction of human freedom everywhere.

They will be relentless in seeking to destroy our institutions. Fortified by our faith in God, we must be determined that our way of life will be preserved.

Hungary has also taught the world that unless an independent government or revolutionary movement can function for several weeks or months it is difficult for outside friends to assist.

Had the British Red Coats crushed the first American rebellion in a week and captured the leader (as happened in Budapest) there would have been no time for France and our other friends abroad to come to our aid.

Sooner or later there will be another Hungary. Will the Free World be better prepared to strike a blow for freedom? Will the United Nations be prepared to do more than talk and pass 10 resolutions?

It may come this year or next in Bulgaria, Rumania, Czechoslovakia, Eastern Germany, Albania, North Korea, China, Poland, or in Hungary again.

Indeed it may even come in the Soviet Union where the people of Russia were the first victims of the godless Communist tyranny.

During the week Nagy was the legal head of the Hungarian Government what a difference it would have made if the United Nations had sent in observers; if based on the first United Nations resolution the friends of freedom abroad had sent the freedom fighters bazookas, and grenades rather than more resolutions of sympathy.

Or is the policy of the United Nations and the free world now to be that we will throw water on the embers of freedom and revolt against tyranny and that we will finance Communist economic and political systems so that the slaves will be more content with their masters?

I do not favor taxing the American people to support Communist economic or political systems abroad.

For several years the United Nations has discussed the freedom of colonial people in Asia and in Africa. These are and will continue to be important questions until equitable solutions have been reached.

Why, however, was there a strange silence in the United Nations to bring to a head the destruction of freedom in Latvia, Lithuania, and Estonia? Here is a clearcut prima facie case of the violation of its international treaties of friendship and nonaggression by the Soviet Union. Here is a clear case of the unilateral incorporation of three independent nations as provinces within the U. S. S. R.

Will the General Assembly take further action in the Hungarian case to back up its 10 resolutions or will an effort be made to create a zone of silence so that relations with the Soviet Union will not be embarrassed? Is justice for Hungary to be blinded and gagged as well? Is the conscience of the world that was so thoroughly aroused in October and November to be complacent and satisfied in May and June? While the Security Council meets on the Mid-East question this month will the Hungarian issue be raised or be forgotten?

These are questions which free men will be asking and enslaved people who want to be free will be waiting for the answers.

It was Lincoln who said: "Fellow citizens, we cannot escape history * * * the fiery trial through which we pass will light us down to the latest generation * * * we, yes even we here, have the power and bear the responsibility * * * in giving freedom to the slave we assure freedom to the free * * * we shall nobly save or meanly lose this last best hope on earth."

America Salutes Israel

EXTENSION OF REMARKS

OF

HON. VICTOR L. ANFUSO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 15, 1957

Mr. ANFUSO. Mr. Speaker, on Sunday, May 12, some 50,000 people from all walks of life assembled at Ebbets Field in Brooklyn to express their solidarity with Israel on the occasion of the 9th anniversary of its independence. It was truly a magnificent celebration, a heart-warming event, in which the people of the greatest democracy in the world saluted the people of one of the

youngest democracies on their national independence day.

It was a grand feeling on this warm spring afternoon to observe these thousands of people of all faiths as they came to salute Israel. They watched the colorful procession, they listened to the greetings and addresses of the various dignitaries, they enjoyed the sport games, but above all they cheered at the cry that "Israel must live and flourish as a bastion of democracy in the Middle East" and "Israel does not stand alone, strong bonds of kinship exist between Israel and America."

The celebration at Ebbets Field was also a great tribute to a most distinguished jurist and a great humanitarian, Judge Samuel E. Leibowitz, who almost single-handedly inspired these 50,000 people to fill the ball park. Such huge attendance at Ebbets Field is a rarity even for a World Series game. Thousands of people actually paid for standing room.

The procession which led off the Salute to Israel was very interesting. It included representatives of three major faiths in America, the Mayor of New York, the President of the Borough of Brooklyn, Israeli Ambassador Abba Eban, Senators IRVING IVES and JACOB JAVITS of New York and Senator JOHN A. CARROLL of Colorado, as well as Irish-American, Italian-American, Afro-American and Jewish organizations.

After the procession, there were several short addresses and a fine program of entertainment, which featured Cantor David Koussevitzky, Miss Elaine Malbin of the Metropolitan Opera, and Sammy Davis, Jr., one of America's premiere entertainers. Miss Marilyn Monroe, the famous movie star, led the Israeli and American soccer teams onto the field and kicked off the first ball to start the game.

Another feature of the American Salute to Israel was the presentation of plaques to several persons who helped organize this huge festival. Plaques were presented to Congressman VICTOR L. ANFUSO and State Supreme Court Justice Anthony J. Di Giovanna, who led the Italian-American division of the parade; to State Supreme Court Justice John E. Cone, chairman of the Irish-American division; and to Mr. Edward Zeltner, famous columnist of the New York Daily Mirror, who served as chairman of the arrangements committee.

After the parade, the official program began with the singing of the United States and Israeli national anthems, led by the noted singer, Jan Bart. Invocations were given by Rabbi Israel Leventhal and Msgr. Vincent O. Genova. Monsignor Genova's invocation, which was particularly moving and inspiring, was as follows:

Almighty and eternal God, we offer Thee humble worship and beg Thy blessing on this solemn gathering of people of our country, who join in a spirit of fraternal charity in the celebration of the ninth anniversary of the foundation of the State of Israel. Thou, O Lord God, art the Ruler and Master of all men and all nations; Thy divine providence guides their destinies; Thy authority is the source of all legitimate human authority; Thou art the strength of the young and the weak; the hope of the poor and the oppressed among nations.

On this joyful anniversary celebration, we implore Thy gracious blessing on Israel—the oldest of peoples and the youngest of nations. All mankind rejoices that this ancient race—whom divine privilege made the custodian of the spiritual legacy of the human race, and the first recipients of Thy holy law—should now find a haven and a home of their own among the nations of the world. As America has opened its charitable arms to the victims of Communist persecution from many lands, so Israel has opened its arms to her own noble people, burdened by a centuries-old sorrow of dispersion and persecution.

The Free World rejoices at the special role given to Israel by divine providence to be the custodian of those holy places which saw the accomplishment of the redemption of mankind. May this mandate be ever regarded as a serious responsibility, and carried out with the dignity and justice merited by this sacred trust. For the eyes of all the world are on this spot of land which witnesses the union of two civilizations, and joins ancient and modern history.

We beg Thee, O God of might, wisdom and justice, to grant to the rulers and people of the State of Israel the wisdom to follow in the footsteps of their forefathers in the ways of justice and peace. Let Thy Holy Spirit guide its venerable and courageous leader, as Israel walks in the days of its youth as a nation with the phylactery of Thy holy laws before its eyes. Grant to this young nation, we beseech Thee, O Lord, the grace to continue to collaborate with the nations of the world in giving honor and glory to Thee, and in bringing peace among all men of good will. Amen.

Mayor Robert F. Wagner, of New York, the first principal speaker of the afternoon, received a thunderous ovation from the huge gathering when he declared that Israel will live forever and that Israel is the only hope of the civilized world for peace in the Middle East. He was followed by Borough President John Cashmore, of Brooklyn, who saluted Israel and welcomed its soccer team in these words:

Reverend clergy, Mayor Wagner, Ambassador Eban, distinguished guests, Chairman Judge Leibowitz, and ladies and gentlemen, we are gathered here today to witness and applaud the skill and athletic ability of the Israeli championship soccer team, but in a larger sense we have come to salute the people of Israel—the courageous country which they represent.

We in America rally to the support and encouragement of any nation which demonstrates that it is dedicated to furthering the dignity of man and the preservation of his God-given liberties.

No nation in modern times has been more dedicated to democratic ideals than Israel. When one considers the handicaps under which that state was founded, the dangers to which it is still constantly exposed, and the fortitude with which it has withstood every onslaught against it, we cannot but help applaud the bravery and perseverance of this courageous nation.

A nation so conceived and so dedicated as Israel is must endure.

The tidal wave of Soviet propaganda has all but engulfed many surrounding countries, but Israel has chosen to resist all the allurements and false hopes held out by communism. The memory of Israel's strong and firm resistance will always remain a bright chapter in the eternal struggle of man to fulfill his destiny.

As president of the borough of Brooklyn, I welcome the Israeli championship soccer team and salute the great nation which, by its actions and by its conduct, has alined itself with the forces of goodness and honor. May the coming years bring for Israel its deserved share of respect, admiration, and encouragement from all the nations which can profit by its noble example.

The following are some excerpts from the address by Senator IRVING IVES, of New York:

Ideals, principles, and a common faith in the dignity of man bind the United States and Israel together. Mutual interests link them inexorably. * * * Today Israel is the only stable and progressive country in the Middle East. * * * Israel requires our help, and is entitled to it. All freedom-loving peoples everywhere—all believers in humanity's aspirations for a better life—must turn to Israel for an example of a young nation dedicated to freedom's cause.

Israel stands today in a most troubled area of the globe. But she does not stand alone. Let us never forget the strong bonds of kinship—the kinship of blood and the kinship of ideals—which underlie the relationship of the United States and Israel. Let us join in hopes and efforts for Israel's material success, for her well-being; let us also join in prayers for her ever-widening spiritual influence and for a just and lasting peace throughout the Middle East.

The next speaker was Senator JACOB K. JAVITS, of New York. An extract from his remarks follows:

There are two requisites to Israel's being able to continue its role as the free world's principal ally in the explosive Middle East and as a refuge for the oppressed and the wandering—first, the time and the climate of peace in which to grow and develop; second, the continued and unflagging support of Israel's friends to aid Israel in surmounting the obstacles which bar her way—support in resources, in prestige, and in morale.

There can be no doubt that the maintenance of a just peace in the Middle East is essential to United States foreign policy. And a secure and viable Israel is an essential element to a truly secure Middle East. This is my own firm belief and I believe that our Government has learned this, too—may it ever continue to be so.

Senator JOHN A. CARROLL, of Colorado, in his remarks gave recognition to the New York Democratic delegation in Congress for its continued interest on behalf of Israel. He specifically pointed out the efforts toward this cause on the part of Congressman EMANUEL CELLER, dean of the New York delegation, and Congressmen ABRAHAM J. MULTER, JOHN J. ROONEY, EDNA F. KELLY, EUGENE J. KEOGH, and VICTOR L. ANFUSO.

Israel's very able and popular Ambassador, His Excellency Abba Eban, who was the last of the major speakers on the program, told the large gathering:

Israel has opened a new bridge which links the east and the west—and that is the new road which passes through Israel and through the Gulf of Aqaba. The Gulf of Aqaba is open and open it shall remain. * * * Israel is a land which is steeped in the ancient Jewish culture; at the same time, however, Israel's future is deeply rooted in the new era of atomic energy.

Many messages and telegrams were received from leading personalities in this country and in Israel, including former President Harry S. Truman, Israeli President Itzhak Ben-Zvi, Israeli Foreign Minister Golda Meir, and from nearly a hundred Members of both Houses of Congress. The following are a few brief

greetings and remarks by those who participated most actively in organizing this very successful Salute to Israel at Ebbets Field on May 12:

As chairman of Salute to Israel Festival, it is my proud privilege to welcome you to this momentous gathering. Your presence here is as appropriate as it is inspiring. You represent all the racial and religious strains that make up this blessed land of ours. It is your heritage to possess an uncompromising belief in the right of people everywhere to "Life, Liberty and the pursuit of Happiness." In your veins throbs the pulse of fellow-feeling for small nations who seek, like Israel, to determine their national destinies for themselves and to live at peace with all men.

This commemoration of the ninth anniversary of Israel's independence is a rallying cry for all those who, like you, believe in the dignity and security of the small nation. Israel will be grateful for this magnificent expression of your good will. Your encouragement will be a significant part of the spiritual armor which is vital for her survival.

JUDGE SAMUEL S. LEIBOWITZ,
General Chairman.

It is a great pleasure for me to welcome you to this celebration of Israel's ninth year of independence in the name of the arrangements committee.

This gathering is an important demonstration of the friendship and support of the American people for the State of Israel. The American people will never fail to extend a hand of friendship to democratic nations struggling for freedom and self-determination.

EDWARD ZELTNER,
Chairman, Arrangements Committee.

We are indeed happy to have the opportunity of sponsoring this Salute to Israel Festival, marking the ninth anniversary of the State of Israel.

The Farband-Labor Zionist Order salutes the State of Israel. Our membership feels a deep sense of gratification and pride in our participation for over 40 years in the activities for the Jewish national homeland, which ultimately led to the proclamation and establishment of the State of Israel.

This is a grave hour of anxiety for democratic and free nations all over the world and, in particular, for Israel, which is the only democratic stronghold in the Middle East and the only reliable ally of the free world in that part of the world.

Israel has only one desire, and this is to live in peace, strengthen her economy, and help in the ingathering of the exiles—all those Jews who are being persecuted in lands of oppression.

We are very proud to welcome the Hapoel soccer team. We are proud of these young athletes who represent the idealism of the pioneering youth of Israel.

We also take this opportunity to express our thanks and appreciation to all those individuals, groups, and organizations that helped to insure the success of this great festival.

FARBAND-LABOR ZIONIST ORDER,
MEYER L. BROWN, *President.*

I am proud and happy to participate in the activities in behalf of the Salute to Israel Festival on the ninth anniversary of the State of Israel. In the 9 years since the birth of Israel, the Histadrut and the State of Israel have performed miracles.

Hapoel, the soccer team of Israel, represents not only the spirit of the fine young sportsmen of Israel, but especially the spirit of Jewish youth who not only play and build, but also defend this young democratic state.

As a trade unionist, I welcome this occasion not only on my behalf, but on behalf of the American trade unionists who are responsive to the call of Israel in all its needs.

HARRY GREENBERG,
Chairman, Trade Union Committee.

As an American of Irish descent, it is my pleasure to join with all Americans in saluting the State of Israel on the ninth anniversary of its independence. Israel has demonstrated that with idealism and determination, it is possible to make even a barren country blossom with the fruits of economic well-being and democracy.

Judge JOHN E. CONE,
Chairman, Irish-American Committee for the Salute to Israel Festival.

I am proud to join in saluting Israel on its ninth independence day. This new nation is a bastion of democracy in the Middle East and an example for newly liberated nations throughout the world.

Congressman VICTOR L. ANFUSO,
Cochairman, Italo-American Committee for the Salute to Israel Festival.

It is an honor for me to participate in the Salute to Israel Festival. This gathering symbolizes the cooperation of Americans of all national and religious origins in making this country great.

All of us join together in congratulating Israel on the ninth anniversary of its independence.

Judge ANTHONY J. DI GIOVANNA,
Cochairman, Italo-American Committee for the Salute to Israel Festival.

The State of Israel is an encouragement for new nations everywhere to develop their institutions in the traditions of democracy and in the interests of their entire populations. It is an honor, therefore, for me to join in this Salute to Israel Festival on the occasion of the ninth anniversary of Israel's independence.

Judge MILES PAIGE,
Chairman, Afro-American Committee for the Salute to Israel Festival.